Boston Properties Completes Acquisition of 360 Park Avenue South in New York City

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Forms Joint Venture and Enters Midtown South Submarket

BOSTON--(BUSINESS WIRE)--Dec. 20, 2021-- Boston Properties, Inc. (NYSE: BXP), the largest publicly traded developer, owner, and manager of Class A office properties in the United States, announced today that, on December 14, 2021, it completed the acquisition of 360 Park Avenue South, a 450,000 square-foot, 20-story office property located in the Midtown South submarket of Manhattan, New York, from Enterprise Asset Management, Inc. Redevelopment of the property has commenced, including modernizing building systems and creating amenities, collaborative spaces, and client spaces, to reimagine the property to meet the needs of today's tech and creative firms and position it as the premier workspace for growing companies in Midtown South.

"We are thrilled to complete this acquisition and begin the transformation of this property," stated Hilary Spann, Executive Vice President, BXP. "360 Park Avenue South is ideally located for the growing cluster of technology companies in Midtown South. The addition of thoughtfully curated amenities, public, and private spaces delivered through the repositioning will create a workspace unmatched for creative and technology companies looking to the future of work."

The gross purchase price was approximately $300 million and consisted of (1) the assumption of approximately $200.3 million of mortgage debt and (2) the issuance of approximately 866,503 common units of limited partnership interest in Boston Properties Limited Partnership, BXP's operating partnership.

Following the acquisition, the Company refinanced the mortgage loan with a new $220 million, three-year mortgage loan (with two, one-year extension options), which bears interest at a variable rate equal to the Adjusted Term SOFR plus 2.40% (currently 2.55%). The Company also contributed the property to a new joint venture with two institutional partners as part of the Company's Strategic Capital Program. BXP owns an approximately 42% interest in the property and will serve as the managing member of the joint venture and provide customary property management, leasing, and other services. BXP expects to account for its investment in the joint venture under the equity method of accounting.

"We are fortunate to work alongside such tremendous partners," stated Cole Pinney, Vice President, Joint Venture Client Relationships, BXP. "360 Park Avenue South marks the second acquisition we have completed through the Strategic Capital Program since July, underscoring the Program's impact as we seek to enhance the Company's competitive position when evaluating new investment opportunities."

BXP owns and operates approximately 8.8 million square feet of premier office space in Manhattan, primarily in the Park Avenue and Plaza Districts, which was approximately 94% leased to credit-strong clients as of September 30, 2021. The acquisition of 360 Park Avenue South expands BXP's footprint into the Midtown South submarket, which is a preferred location for companies and young professionals in the tech, advertising, media, and information (TAMI) sector.

In recognition of the contribution of Enterprise Asset Management, Inc.'s family's real estate legacy in New York, BXP will install a plaque on the Park Avenue side of the building bearing the Steinberg family name.

This press release contains forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by our use of the words "will," "expects," "intends" and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond Boston Properties' control and could materially affect actual results, performance or achievements. These factors include, without limitation, the Company's ability to complete the redevelopment project on time, within budget or at all, the uncertainties of real estate development activity, the ability to effectively integrate new acquisitions, the risks associated with the assumption and refinancing of debt, the risks that our use of joint ventures may limit our flexibility with respect to the assets they own and other assets we may wish to acquire, and other risks and uncertainties detailed from time to time in Boston Properties' filings with the SEC. Boston Properties does not undertake a duty to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

About Boston Properties

Boston Properties (NYSE: BXP) is the largest publicly traded developer, owner, and manager of Class A office properties in the United States, concentrated in six markets - Boston, Los Angeles, New York, San Francisco, Seattle, and Washington, DC. The Company is a fully integrated real estate company, organized as a real estate investment trust (REIT), that develops, manages, operates, acquires, and owns a diverse portfolio of primarily Class A office space. Including properties owned by unconsolidated joint ventures, as of September 30, 2021, the Company's portfolio totaled 52.5 million square feet and 202 properties, including nine properties under construction/redevelopment. For more information about Boston Properties, please visit our website at www.bxp.com or follow us on LinkedIn or Instagram.

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