

Boston Properties to Resume the Development of 250 West 55th Street in New York City

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BOSTON, May 24, 2011 (BUSINESS WIRE) --

Boston Properties, Inc. (NYSE: BXP), a real estate investment trust, announced today that it has signed a lease with the law firm of Morrison & Foerster LLP for approximately 180,000 square feet at 250 West 55th Street, its planned approximate 1,000,000 square foot, LEED Gold pre-certified office building in Midtown Manhattan. Construction of the project is scheduled to resume as early as the fall of 2011 and the law firm expects to move into the completed building in the spring of 2014.

Designed by noted architecture firm Skidmore, Owings & Merrill LLP, the center core building features a two-story podium with a landscaped "green" roof on the third floor and floor-to-floor heights of fourteen feet. Construction of the 39-story office tower commenced in late 2007 but was suspended in late 2009 after the completion of excavation and foundations and construction of the building to grade level. The Company had also fabricated all of the structural steel to complete the tower and stored that steel as well as portions of the curtain wall parts. Enrolled in the New York City Department of Buildings' "Stalled Sites Program," the project's full building permit and other approvals remain in full force and effect. Turner Construction Company was recently selected as the construction manager for the project.

The Company's incremental cost to complete the project, excluding capitalized interest, is expected to be approximately \$400 million. Including the Company's investment to date and capitalized interest, the total project cost upon building completion is expected to be approximately \$1.05 billion. As a result of the resumption of the development, the Company has begun interest capitalization on its existing investment of approximately \$480 million and will capitalize the remaining project costs as incurred.

Commenting on the transaction, Mortimer B. Zuckerman, Chairman and CEO of Boston Properties, stated, "We are pleased to announce the resumption of development of 250 West 55th Street, which we believe, upon its completion, will be considered among the elite office buildings in Manhattan. We are, furthermore, delighted that the prestigious law firm of Morrison & Foerster has selected 250 West 55th Street for its new state-of-the-art home. Our decision to proceed with construction reflects the City's improving overall economy and the office market in particular."

Morrison & Foerster LLP was represented by Paul Myers, John Maher and Tom Shirocky of CBRE, and Boston Properties was represented by John Powers and Peter Turchin, also of CBRE.

Boston Properties is a fully integrated, self-administered and self-managed real estate investment trust that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of Class A office space, one hotel, two residential properties and three retail properties. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in five markets - Boston, Midtown Manhattan, Washington, DC, San Francisco and Princeton, NJ.

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 "assumes," "believes," "estimates," "expects," "guidance," "intends," "plans," "projects" 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 ability to enter into new leases or renew leases on favorable terms, dependence on tenants' financial condition, the uncertainties of real estate development, acquisition and disposition activity, the ability to effectively integrate acquisitions, the costs and availability of financing, the effectiveness of our interest rate hedging contracts, the ability of our joint venture partners to satisfy their obligations, the effects of local economic and market conditions, the effects of acquisitions, dispositions and possible impairment charges on our operating results, the impact of newly adopted accounting principles on the Company's accounting policies and on period-to-period comparisons of financial results, regulatory changes and other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission. 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.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6736581&lang=en>

SOURCE: Boston Properties, Inc.

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