



Boston Properties, Inc. Completes First Phase Of Acquisition Of Embarcadero Center In San Francisco, California

November 13, 1998

Appoints Senior Vice President - Regional Manager in San Francisco Bay Area

BOSTON, MA, November 13, 1998 -- Boston Properties (NYSE: BXP), a self-managed and self-advised real estate investment trust (REIT), announced today that it has completed the first phase of a previously announced two-phase acquisition of Embarcadero Center in San Francisco, California from the Prudential Insurance Company of America ("Prudential") and David Rockefeller and Associates ("Rockefeller"), both represented by Lehman Brothers. Embarcadero Center is a portfolio of Class A office and retail space situated on 8.4 acres of waterfront property in the heart of San Francisco's financial district and consists of an aggregate of 3.66 million square feet of net rentable office space, 354,000 square feet of retail space and 2,090 underground parking spaces. It is believed to be the largest mixed-use business complex in the western United States.

Boston Properties Chairman Mortimer B. Zuckerman commented, "This is one of the premier real estate assets in the country with extraordinary long-term potential. We could not be happier about having this property in our portfolio and having Rockefeller and Prudential as major shareholders in Boston Properties."

David Twardock, Senior Managing Director in charge of Prudential's general real estate investments, said, "We are extremely pleased with the transaction. Embarcadero has been an outstanding investment for Prudential for the past 25 years and we are very excited about our continuing ownership stake in Boston Properties and our continuing relationship with Rockefeller as a joint shareholder in Boston Properties."

In the initial closing, the Company acquired the Old Federal Reserve Building, Embarcadero Center West Tower ("Tower") and Rockefeller's equity interests in Embarcadero Centers 1, 2, 3 and 4 ("EC 1-4"). Prudential's retained interests in EC 1-4 are expected to be acquired in the second phase of the acquisition in the first quarter of 1999, although no assurance can be given in this regard.

As of the closing of this phase of the transaction, Richard E. Salomon, President of Spears, Benzak, Salomon & Farrell and a longtime Rockefeller Associate, was appointed as a director of Boston Properties.

Boston Properties also announced the appointment of Robert E. Pester as Senior Vice President and Regional Manager of all its activities in the San Francisco Bay area. He will be responsible for overseeing existing operations at Embarcadero Center and developing new business opportunities in the region.

Prior to joining Boston Properties, Pester was Executive Vice President and Chief Investment Officer of Bedford Property Investors, Inc., a real estate investment trust in Lafayette, California, where he led an acquisitions and development program. Before joining Bedford Property Investors in 1994, Pester was President of Bedford Property Development Company, a private West Coast development concern that held more than \$2 billion in real estate assets. From 1980 to 1989, he was a leading commercial real estate broker with Cushman & Wakefield in Northern California, where he last served as Vice President. Mr. Pester is a graduate of the University of California at Santa Barbara with a degree in economics and political science.

Boston Properties, Inc. is a fully integrated, self-administered and self-managed real estate investment trust ("REIT") that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of office, industrial and hotel properties predominantly located in Baltimore, Maryland, Greater Boston, Midtown Manhattan, Princeton/East Brunswick, New Jersey, Richmond, Virginia, San Francisco, California and Greater Washington, D.C. The Company is one of the largest owners and developers of office properties in the United States.

To receive Boston Properties' latest news and corporate developments via fax at no cost, please call 1-800-PRO-INFO; use company code BXP. Visit the Company's web site at <http://www.bostonproperties.com>. Also see <http://www.frbinc.com>.

This press release contains forward-looking statements within the meaning of the Federal securities laws. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy. Acquisitions that are pursued by Boston Properties (including phase two of the transaction described above) may not be consummated for a variety of reasons, including a failure of the Company or other parties to an agreement to fulfill all conditions to closing required by the Company or such parties. Information contained in this release regarding current and future market conditions is based on the Company's assessment of the market and is subject to the uncertainties inherent in such an assessment. In particular, national and regional economic conditions and the rate of new construction and rehabilitation in a market will affect projected rents and the cost of lease renewals.

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