BOSTON PROPERTIES INC
Form 424B5
April 21, 2010

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CALCULATION OF REGISTRATION FEE

Title of Securities Being Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value $0.01 per share	$ 400,000,000	$ 28,520 (1)
Preferred Stock Purchase Rights (2)	N/A	N/A

(1) The registration fee of $28,520 is calculated in accordance with Rules 457(o) and 457(r) under the Securities Act of 1933, as amended (the Securities Act). In accordance with Rules 456(b) and 457(r) under the Securities Act, the registrant initially deferred payment of all of the registration fee for Registration Statement No. 333-155309 filed by the registrant on November 12, 2008.

(2) This prospectus supplement also relates to the rights to purchase shares of Series E Junior Participating Cumulative Preferred Stock of the registrant, which are attached to all shares of common stock issued, pursuant to the terms of the registrant s Shareholder Rights Agreement dated June 18, 2007. Until the occurrence of prescribed events, the rights are not exercisable, are evidenced by the certificates for the common stock and will be transferred with and only with such common stock.

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Filed Pursuant to Rule 424(b)(5)
Registration Statement No. 333-155309

PROSPECTUS SUPPLEMENT

(To Prospectus dated November 12, 2008)

$400,000,000

Boston Properties, Inc.

Common Stock

We have entered into separate sales agency financing agreements with each of BNY Mellon Capital Markets, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. Incorporated (collectively, the Sales Agents) relating to offers and sales of shares of our common stock. In accordance with the terms of the sales agency financing agreements, we may offer and sell up to $400,000,000 of our common stock from time to time through the Sales Agents, as our agents for the offer and sale of the common stock.

The common stock will be offered at market prices prevailing at the time of sale. Each respective Sales Agent will be entitled to compensation not to exceed 2.0% of the gross sales price of all shares of common stock sold through it.

Our common stock is listed on the New York Stock Exchange under the symbol BXP. On April 20, 2010, the last reported sale price of our common stock as reported on the NYSE was $77.00 per share.

Investing in our common stock involves risks that are described in documents incorporated by reference in this prospectus supplement and the accompanying prospectus. See the Risk Factors section on page S-3 of this prospectus supplement and beginning on page 16 of our most recent Annual Report on Form 10-K.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

BNY Mellon Capital Markets, LLC **BofA Merrill Lynch** **Morgan Stanley**

The date of this prospectus supplement is April 21, 2010.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the Sales Agents have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the Sales Agents are not, making an offer to sell the shares in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus, including the documents incorporated herein by reference, is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. When we or any of the Sales Agents deliver this prospectus supplement or the accompanying prospectus or make a sale pursuant to this prospectus supplement or the accompanying prospectus, neither we nor such Sales Agents are implying that the information is current as of the date of the delivery or sale.

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Prospectus Supplement

Prospectus

This prospectus supplement is a supplement to the accompanying prospectus. If information in this prospectus supplement is inconsistent with the prospectus, this prospectus supplement will apply and supersede the information in the prospectus. It is important for you to read and carefully consider all information contained in this prospectus supplement and the accompanying prospectus. You should also read and carefully consider the information in the documents to which we have referred you in Information Incorporated by Reference.

As used herein, the terms we, us, our, Boston Properties or the Company refer to Boston Properties, Inc., individually or together with its subsidiaries, including Boston Properties Limited Partnership and our predecessors.

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PROSPECTUS SUPPLEMENT SUMMARY

About Our Company

We are a fully integrated, self-administered and self-managed real estate investment trust, or REIT, and one of the largest owners and developers of Class A office properties in the United States. Our properties are concentrated in five markets Boston, Washington, DC, midtown Manhattan, San Francisco and Princeton, NJ. We conduct substantially all of our business through our subsidiary, Boston Properties Limited Partnership. We are the sole general partner and, as of February 19, 2010, the owner of approximately 85.8% of the economic interests in Boston Properties Limited Partnership.

At December 31, 2009, we owned or had interests in 146 commercial real estate properties aggregating approximately 37.7 million net rentable square feet, including five properties under construction, which aggregate an estimated total investment of approximately $1.1 billion and approximately 2.0 million square feet, and structured parking for vehicles containing approximately 12.8 million square feet. At December 31, 2009, our properties consisted of:

- 140 office properties, including 120 Class A office properties (including three properties under construction) and 20 office/technical properties;
- one hotel;
- three retail properties; and
- two residential properties (both of which are under construction).

At December 31, 2009, we owned or controlled undeveloped land parcels totaling approximately 510.1 acres, which will support approximately 12.7 million square feet of development. In addition, we have a noncontrolling interest in the Boston Properties Office Value-Added Fund, L.P., which we refer to as the Value-Added Fund, which is a strategic partnership with two institutional investors through which we have pursued the acquisition of value-added investments in assets within our existing markets. Our investments through the Value-Added Fund are not included in our portfolio information or any other portfolio level statistics. At December 31, 2009, the Value-Added Fund had investments in an office complex in San Carlos, California, an office property in Chelmsford, Massachusetts and office/technical properties in Mountain View, California.

Our principal executive office is located at 800 Boylston Street, Suite 1900, Boston, Massachusetts 02199-8103 and our telephone number is (617) 236-3300.

Recent Developments

As of December 31, 2009, we had $862.5 million aggregate principal amount of Boston Properties Limited Partnership s 2.875% exchangeable senior notes due 2037 outstanding. These notes mature in 2037, but the holders may require us to repurchase the notes on February 15, 2012. Since December 31, 2009, we have repurchased approximately $143.2 million principal amount of these notes for approximately $142.6 million. During the first quarter of 2010, we repurchased approximately $53.6 million principal amount of these notes, which had an aggregate carrying value of approximately $50.8 million, resulting in the recognition of a loss on extinguishment of approximately $2.2 million. Since March 31, 2010, we have repurchased approximately $89.6 million principal amount of these notes, which had an aggregate carrying value of approximately $85.3 million, resulting in the recognition of a loss on extinguishment of approximately $4.3 million.

On March 1, 2010, a joint venture in which we have a 60% interest refinanced at maturity its mortgage loan collateralized by 125 West 55th Street located in New York City. The mortgage loan totaling $200.0 million bore interest at a fixed rate of 5.75% per annum. The new mortgage loan totaling $207.0 million bears interest at a fixed rate of 6.09% per annum and matures on March 10, 2015. In addition, on February 25, 2010, the joint venture repaid the mezzanine loans outstanding totaling $63.5 million utilizing available cash and cash contributions from the joint venture s partners on a pro rata basis. The mezzanine loans bore interest at a weighted-average fixed rate of approximately 7.81% per annum and were scheduled to mature on March 1, 2010.

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On April 1, 2010, we acquired a 30% interest in a joint venture entity that owns 500 North Capitol Street, NW located in Washington, DC. 500 North Capitol Street is an approximately 180,000 net rentable square foot office property which is fully-leased to a single tenant through March 2011. On April 1, 2010, the joint venture entity refinanced at maturity the mortgage loan collateralized by the property totaling approximately $26.8 million. The new mortgage loan totaling $22.0 million bears interest at a variable rate equal to the greater of (1) the prime rate, as defined in the loan agreement, or (2) 5.75% per annum. The loan currently bears interest at 5.75% per annum and matures on March 31, 2013. Our investment in the joint venture totaling approximately $1.9 million was financed with cash contributions to the venture totaling approximately $1.4 million and the issuance to the seller of 5,906 common units of limited partnership interest in Boston Properties Limited Partnership. The joint venture currently expects that it will remove the property from service and redevelop the property following the expiration of the lease in March 2011.

On April 9, 2010, a joint venture in which we have a 60% interest completed the refinancing of its mortgage loan collateralized by Two Grand Central Tower located in New York City. The mortgage loan totaling $190.0 million bore interest at a fixed rate of 5.10% per annum and was scheduled to mature on July 11, 2010. The new mortgage loan totaling $180.0 million, bears interest at a fixed rate of 6.00% per annum and matures on April 10, 2015. In connection with the refinancing, the joint venture repaid $10.0 million of the previous mortgage loan utilizing cash contributions from the joint venture s partners on a pro rata basis.

On April 16, 2010, a joint venture in which we have a 51% interest refinanced its mortgage loan collateralized by Metropolitan Square located in Washington, DC. The previous mortgage loan totaling approximately $123.6 million bore interest at a fixed rate of 8.23% per annum and was scheduled to mature on May 1, 2010. The new mortgage loan totaling $175.0 million bears interest at a fixed rate of 5.75% per annum and matures on May 5, 2020.

On April 19, 2010, Boston Properties Limited Partnership completed the issuance and sale of $700 million of 5.625% senior unsecured notes due 2020. The notes were priced at 99.891% of the principal amount to yield 5.638% to maturity. The notes will mature on November 15, 2020, unless earlier redeemed. The net proceeds from the offering, after deducting underwriting discounts and offering expenses, are estimated to be approximately $693.5 million. We intend to use the net proceeds from the sale of the notes for general business purposes, which may include investment opportunities and debt reduction.

The Offering

Common stock offered by us	Up to $400,000,000.
Use of proceeds	We will contribute the net proceeds from this offering to our subsidiary, Boston Properties Limited Partnership, in exchange for common units of Boston Properties Limited Partnership. Boston Properties Limited Partnership will use the net proceeds for general business purposes, which may include investment opportunities and debt reduction. See Use of Proceeds on page S-4 of this prospectus supplement for additional information.
NYSE symbol	BXP
Transfer Agent and Registrar	Computershare Trust Company, N.A.

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RISK FACTORS

You should carefully consider the risks described in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, including (i) our Annual Report on Form 10-K for the year ended December 31, 2009 and (ii) documents we file with the Securities and Exchange Commission after the date of this prospectus supplement and which are deemed incorporated by reference in this prospectus supplement before making an investment decision. These risks are not the only ones facing our company. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by the materialization of any of these risks. The trading price of our securities could decline due to the materialization of any of these risks, and you may lose all or part of your investment.

CAUTIONARY STATEME NT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus, including the documents that we incorporate by reference, contain forward-looking statements within the meaning of the federal securities laws. We caution investors that any such forward-looking statements are based on beliefs and assumptions made by, and information currently available to, our management. When used, the words anticipate, believe, estimate, expect, intend, may, might, plan, project, result, should, will and similar expressions which do not relate solely to hi intended to identify forward-looking statements. Such statements are subject to risks, uncertainties and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected by the forward-looking statements. We caution you that while forward-looking statements reflect our good-faith beliefs when we make them, they are not guarantees of future performance and are impacted by actual events when they occur after we make such statements. Accordingly, investors should use caution in relying on forward-looking statements, which are based on results and trends at the time they are made, to anticipate future results or trends.

Some of the risks and uncertainties that may cause our actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- the continuing impact of the recent, severe economic recession (including the related high unemployment and constrained credit), which is having and may continue to have a negative effect on the following, among other things:
  - the fundamentals of our business, including overall market occupancy and rental rates;
  - the financial condition of our tenants, many of which are financial, legal and other professional firms, our lenders, counterparties to our derivative financial instruments and institutions that hold our cash balances and short-term investments, which may expose us to increased risks of default by these parties;
  - our ability to obtain debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and refinance existing debt and our future interest expense; and
  - the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing secured by our properties or on an unsecured basis;
- general risks affecting the real estate industry (including, without limitation, the inability to enter into or renew leases, dependence on tenants financial condition, and competition from other developers, owners and operators of real estate);

failure to manage effectively our growth and expansion into new markets and sub-markets or to integrate acquisitions and developments successfully;

the ability of our joint venture partners to satisfy their obligations;

- risks and uncertainties affecting property development and construction (including, without limitation, construction delays, cost overruns, inability to obtain necessary permits and public opposition to such activities);
- risks associated with the availability and terms of financing and the use of debt to fund acquisitions and developments, including the risk associated with interest rates impacting the cost and/or availability of financing;
- risks associated with interest rate contracts and the effectiveness of such arrangements;
- risks associated with downturns in the national and local economies, increases in interest rates, and volatility in the securities markets;
- risks associated with actual or threatened terrorist attacks;
- costs of compliance with the Americans with Disabilities Act and other similar laws;
- potential liability for uninsured losses and environmental contamination;
- risks associated with our potential failure to qualify as a REIT under the Internal Revenue Code of 1986, as amended;
- possible adverse changes in tax and environmental laws;
- the impact of newly adopted accounting principles on our accounting policies and on period-to-period comparisons of financial results;
- risks associated with possible state and local tax audits;
- risks associated with our dependence on key personnel whose continued service is not guaranteed; and
- the other risk factors identified in our most recently filed Annual Report on Form 10-K, including those described under the caption Risk Factors.

The risks set forth above are not exhaustive. Other sections of this prospectus supplement and the accompanying prospectus, including the documents that we incorporate by reference, may include additional factors that could adversely affect our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all risk factors, nor can it assess the impact of all risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Investors should also refer to our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q for future periods and Current Reports on Form 8-K as we file them with the Securities and Exchange Commission, and to other materials we may furnish to the public from time to time through Forms 8-K or otherwise, for a discussion of risks and uncertainties that may cause actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements. We expressly disclaim any responsibility to update any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events, or otherwise, and you should not rely upon these forward-looking statements after the date of this prospectus supplement.

USE OF PROCEEDS

We will contribute the net proceeds from this offering to our subsidiary, Boston Properties Limited Partnership, in exchange for an equal number of common units of Boston Properties Limited Partnership. Boston Properties Limited Partnership intends to use the net proceeds for general business purposes, which may include investment opportunities and debt reduction.

Pending the uses described above, we may invest the net proceeds in short-term, interest-bearing, investment-grade securities.

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SUPPLEMENTAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

This summary supplements and should be read together with the general discussion of the tax considerations relating to the ownership and disposition of common stock described in the accompanying prospectus under the title United States Federal Income Tax Considerations. To the extent any information set forth under the title United States Federal Income Tax Considerations in the accompanying prospectus is inconsistent with this supplemental information, this supplemental information will apply and supersede the information in the accompanying prospectus. This supplemental information is provided on the same basis and subject to the same qualifications as are set forth in the first four paragraphs under the title United States Federal Income Tax Considerations in the accompanying prospectus as if those paragraphs were set forth in this prospectus supplement.

Part Cash, Part Stock Dividends

Because we intend to qualify as a REIT, we must satisfy certain annual distribution requirements imposed by the Internal Revenue Code. Under IRS Revenue Procedure 2010-12, a REIT may distribute taxable dividends that are partially payable in cash and partially payable in our common stock in order to meet the annual REIT distribution requirements. Under the IRS guidance, up to 90% of any such taxable dividend declared on or before December 31, 2012, with respect to a taxable year ending on or before December 31, 2011 could be payable in our common stock. Taxable U.S. stockholders receiving such dividends will be required to include as dividend income the fair market value of the stock received plus any cash or other property received in the distribution, to the extent of the REIT s current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay tax with respect to such dividends in excess of the cash received. If a U.S. stockholder sells the stock it received as a dividend, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of the stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, a REIT may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. Through April 21, 2010, we have paid all of our dividends in cash. However, there can be no assurance that we will continue to pay dividends in cash.

BPLP s Classification as a Partnership may be affected by Proposed Legislation

Congress is considering legislative proposals to treat all or part of certain income allocated to a partner by a partnership in respect of certain services provided to or for the benefit of the partnership (carried interest revenue) as ordinary income for U.S. federal income tax purposes. Under the proposed legislation, carried interest revenue could be treated as non-qualifying income for purposes of the qualifying income exception to the publicly-traded partnership rules. Although the proposed legislation provides an exception for certain partnerships if 50% or more of its interests are owned by a REIT, it is not clear whether that exception would apply to Boston Properties Limited Partnership. Furthermore, it is not clear what form any final legislation may take. If a final bill is enacted that treats carried interest revenue as non-qualifying income for purposes of the qualifying income exception, this could result in Boston Properties Limited Partnership being taxable as a corporation for U.S. federal income tax purposes if interests in Boston Properties Limited Partnership are treated as publicly traded and if the amount of any such carried interest revenue plus any other non-qualifying income earned by Boston Properties Limited Partnership exceeds 10% of its gross income in any taxable year.

Withholding of Foreign Accounts

Congress recently passed legislation that imposes withholding taxes on payments of dividends and sales proceeds made to foreign financial institutions and certain foreign non-financial entities unless (i) the foreign financial institution undertakes certain diligence and reporting obligations or (ii) the foreign non-financial entity either certifies it does not have any substantial United States owners or furnishes identifying information regarding each substantial United States owner. If the payee is a foreign financial institution, it must enter into an agreement with the United States Treasury requiring, among other things, that it undertakes to identify accounts held by certain United States persons or United States-owned foreign entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent them from complying with these reporting and other requirements. The legislation would apply to payments made after December 31, 2012. Prospective investors should consult their tax advisors regarding this legislation.

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Medicare Tax

In addition to the discussion under Taxation of Stockholders and Potential Tax Consequences of Their Investment in Shares of Common Stock or Preferred Stock in the accompanying prospectus, for taxable years beginning after December 31, 2012, a U.S. person that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the U.S. person s net investment income for the relevant taxable year and (2) the excess of the U.S. person s modified gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual s circumstances). Net investment income generally would include dividends on our common stock and net gain from the disposition of our common stock. If you are a U.S. person that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the common stock.

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PLAN OF DISTRIBUTION

We have entered into separate sales agency financing agreements, each dated as of April 21, 2010, with each of the Sales Agents under which we may issue and sell up to an aggregate of $400,000,000 of our common stock from time to time through the Sales Agents, as our agents for the offer and sale of the shares, for a period of up to three years. The sales, if any, of the common stock under a sales agency financing agreement will be made in at the market offerings as defined in Rule 415 of the Securities Act of 1933, including sales made directly on the New York Stock Exchange, the existing trading market for our common stock, or sales made to or through a market maker or through an electronic communications network. In addition, our common stock may be offered and sold by such other methods, including privately negotiated transactions, as we and any Sales Agent agree to in writing.

From time to time during the term of the sales agency financing agreements, we may deliver an issuance notice to one of the Sales Agents specifying the length of the selling period (not to exceed 10 trading days), the amount of common stock to be sold (the aggregate sales price of such shares not to exceed $150,000,000 during any selling period without such Sales Agent s prior written consent) and the minimum price below which sales may not be made. Upon receipt of an issuance notice from us, and subject to the terms and conditions of the respective sales agency financing agreements, each Sales Agent agrees to use its commercially reasonable efforts consistent with its normal trading and sales practices to sell such shares on such terms. We or any such Sales Agent may suspend the offering of our common stock at any time upon proper notice to the other, upon which the selling period will immediately terminate. Settlement for sales of our common stock will occur on the third trading day following the date on which any sales were made, unless we agree otherwise with the relevant Sales Agent. The obligation of any Sales Agent under its respective sales agency financing agreement to sell shares pursuant to any issuance notice is subject to a number of conditions, which such Sales Agent reserves the right to waive in its sole discretion.

We will pay each respective Sales Agent commissions not to exceed an aggregate of 2.0% of the gross sales price of all shares sold through it as agent under its sales agency financing agreement. We have also agreed to reimburse the Sales Agents for their reasonable documented out-of-pocket expenses, including fees and expenses of counsel, in connection with the sales agency financing agreements; provided that we are not required to reimburse the Sales Agents for more than $100,000 of such fees and expenses of counsel.

Sales of our common stock as contemplated by this prospectus supplement will be settled through the facilities of the Depository Trust Company or by such other means as we and the Sales Agents may agree upon.

In connection with the sale of our common stock hereunder, the Sales Agents may each be deemed to be an underwriter within the meaning of the Securities Act of 1933, and the compensation paid to the Sales Agents may be deemed to be underwriting commissions or discounts. We have agreed to indemnify the Sales Agents against certain civil liabilities, including liabilities under the Securities Act of 1933.

The Sales Agents have determined that our common stock is an actively-traded security excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by Rule 101(c)(1) under that Act. If a Sales Agent or we have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied, that party will promptly notify the other and sales of common stock under the sales agency financing agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of the Sales Agent and us.

The offering of our common stock pursuant to any sales agency financing agreement will terminate upon the earlier of (1) the sale of the maximum aggregate amount of our common stock subject to the sales agency financing agreements, (2) the third anniversary of the date of such sales agency financing agreement or (3) the termination of such sales agency financing agreement by either us or the respective Sales Agent at any time in the respective party s sole discretion.

We have agreed not to directly or indirectly sell, offer to sell, contract to sell, grant any option to sell or otherwise dispose of, our common stock or securities convertible into or exchangeable for our common stock, warrants or any rights to purchase or acquire our common stock for a period beginning on the first trading day prior to the delivery of any issuance notice to any of the Sales Agents and ending on the first trading day following the settlement date for our common stock sold pursuant to the applicable issuance notice, without the prior written consent of such respective Sales Agent. This consent may be given at any time without public notice. The restriction described in this paragraph does not apply to:

- common stock we offer or sell pursuant to the sales agency financing agreement;

- common stock we issue upon the exercise of an option or a warrant or the conversion of a security outstanding before the first trading day prior to the delivery of any issuance notice to any of the Sales Agents;

- the grant of options to purchase shares of common stock or the issuance of common stock, units of limited partnership in Boston Properties Limited Partnership or any securities convertible into or exchangeable for our common stock that we issue to employees, officers, directors, advisors or consultants pursuant to any current or future director or employee equity or benefit plan;

- common stock purchased or sold under any current or future dividend reinvestment and stock purchase plan;

- common stock or units of limited partnership in Boston Properties Limited Partnership issued upon redemption or exchange of units of limited partnership in Boston Properties Limited Partnership; or

- common stock or any or securities convertible into or exchangeable for our common stock we issue in full or partial consideration in connection with future acquisitions or strategic investments.

Certain of the Sales Agents and their affiliates have engaged in, and may in the future engage in, commercial banking, derivatives, financial advisory and investment banking transactions and services and other commercial transactions or services in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

Certain affiliates of the Sales Agents are lenders and/or agents under our $1.0 billion unsecured credit facility and our mortgage indebtedness and construction loan facilities and those of our unconsolidated joint ventures and other affiliates. Certain of the Sales Agents and their affiliates have acted, and may in the future act, as counterparties to rate lock agreements, interest rate swaps or other hedging transactions entered into by us or our unconsolidated joint ventures and other affiliates. We also lease space in our properties to certain of the Sales Agents and their affiliates.

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LEGAL MATTERS

Goodwin Procter LLP, Boston, Massachusetts, will pass upon certain matters relating to this offering for us. Certain legal matters will be passed upon for the Sales Agents by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York.

EXPERTS

The financial statements and management s assessment of the effectiveness of internal control over financial reporting (which is included in Management s Report on Internal Control over Financial Reporting) incorporated in the accompanying prospectus as supplemented by this prospectus supplement by reference to Boston Properties, Inc. s Annual Report on Form 10-K for the year ended December 31, 2009 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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Prospectus

BOSTON PROPERTIES, INC.

Common Stock

Preferred Stock

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Warrants

Boston Properties, Inc. and selling security holders of Boston Properties Inc. may from time to time offer to sell common stock, preferred stock, stock purchase contracts and warrants under this prospectus. The preferred stock of Boston Properties, Inc. may either be sold separately or represented by depositary shares and may be convertible into common stock or preferred stock of another series. Each time we or selling security holders sell securities, we will provide a prospectus supplement that will contain specific information about the terms of any securities offered, the specific manner in which the securities will be offered and the identity of any selling security holders. The prospectus supplement may add to, update or change the information in this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest in our securities.

We or our selling security holders may offer securities directly to investors, through agents designated from time to time by us, or to or through underwriters or dealers. If any agents, underwriters, or dealers are involved in the sale of securities, their names, and any applicable purchase price, fee, commission, or discount arrangement with, between, or among them, will be set forth, or will be calculable from the information set forth, in an accompanying prospectus supplement. We will not receive any of the proceeds from the sale of securities by the selling security holders.

The common stock of Boston Properties, Inc. is listed on the New York Stock Exchange under the symbol BXP. On November 11, 2008, the last reported sale price of our common stock on the New York Stock Exchange was $58.35 per share.

Investing in our securities involves various risks. See Risk Factors beginning on page 3 as well as the risk factors contained in documents we file with the Securities and Exchange Commission and which are incorporated by reference in this prospectus.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated November 12, 2008.

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PROSPECTUS SUMMARY

About this Prospectus

This prospectus is part of a shelf registration statement that we have filed under the Securities Act of 1933, as amended (the Securities Act), with the Securities and Exchange Commission (the SEC). By using a shelf registration statement, we and/or our selling security holders are registering an unspecified amount of common stock, preferred stock, stock purchase contracts and warrants, and may sell such securities, at any time and from time to time, in one or more offerings.

As used in this prospectus and the registration statement on Form S-3 of which this prospectus is a part, unless the context otherwise requires, the terms we, us, our, Boston Properties and the Company refer to Boston Properties, Inc., a Delaware corporation organized in 1997, individually or together with its subsidiaries, including Boston Properties Limited Partnership, a Delaware limited partnership, and our predecessors.

Boston Properties Limited Partnership is the entity through which Boston Properties, Inc. conducts substantially all of its business and owns substantially all of its assets. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus or a prospectus supplement is accurate as of any date other than the date on the front of the document.

About our Company

We are a fully integrated self-administered and self-managed real estate investment trust, or REIT, and one of the largest owners and developers of Class A office properties in the United States. Our properties are concentrated in five markets Boston, midtown Manhattan, Washington, D.C., San Francisco and Princeton, NJ. We conduct substantially all of our business through our subsidiary, Boston Properties Limited Partnership. We are the sole general partner and the owner of approximately 84.1% of the economic interests in Boston Properties Limited Partnership as of September 30, 2008.

At September 30, 2008, we owned or had interests in a portfolio of 146 commercial real estate properties aggregating approximately 48.5 million net rentable square feet, including 14 properties under construction totaling approximately 4.4 million net rentable square feet, and structured parking for approximately 32,542 vehicles containing approximately 10.3 million square feet. At September 30, 2008, our properties consisted of:

- 142 office properties, including 122 Class A office properties (including 14 properties under construction) and 20 office/technical properties;
- one hotel; and
- three retail properties.

At September 30, 2008, we owned or controlled undeveloped land parcels totaling approximately 583.0 acres. In addition, we have a minority interest in the Boston Properties Office Value-Added Fund, L.P. which we refer to as the Value-Added Fund, which is a strategic partnership with two institutional investors through which we have pursued the acquisition of value-added investments in assets within our existing markets. Our investments through the Value-Added Fund are not included in our portfolio information or any other portfolio level statistics. At September 30, 2008, the Value-Added Fund had investments in 26 buildings comprised of an office property in Chelmsford, Massachusetts and office complexes in San Carlos, California and Mountain View, California.

Our principal executive office is located at 800 Boylston Street, Suite 1900, Boston, Massachusetts 02199-8103 and our telephone number is (617) 236-3300.

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RISK FACTORS

You should carefully consider the risks described in the documents incorporated by reference in this prospectus before making an investment decision. These risks are not the only ones facing our company. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by the materialization of any of these risks. The trading price of our securities could decline due to the materialization of any of these risks, and you may lose all or part of your investment. This prospectus and the documents incorporated herein by reference also contain forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described in the documents incorporated herein by reference, including (i) our Annual Report on Form 10-K, (ii) our Quarterly Reports on Form 10-Q and (iii) documents we file with the SEC after the date of this prospectus and which are deemed incorporated by reference in this prospectus.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the information incorporated by reference into this prospectus, and any accompanying prospectus supplement, contain forward-looking statements within the meaning of the federal securities laws. We caution investors that any forward-looking statements presented in this prospectus or any of the documents incorporated by reference, or which management may make orally or in writing from time to time, are based on beliefs and assumptions made by, and information currently available to, management. When used, the words anticipate, believe, estimate, expect, intend, may, might, plan, project, result, should, will and similar expressions which do not relate matters are intended to identify forward looking statements. Such statements are subject to risks, uncertainties and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected by the forward-looking statements. We caution you that while forward-looking statements reflect our good-faith beliefs when we make them, they are not guarantees of future performance and are impacted by actual events when they occur after we make such statements. We expressly disclaim any responsibility to update our forward looking statements, whether as a result of new information, future events, or otherwise. Accordingly, investors should use caution in relying on forward looking statements, which are based on results and trends at the time they are made, to anticipate future results or trends.

Some of the risks and uncertainties that may cause our actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- the impact of the current credit crisis and global economic slowdown, which is having and may continue to have a negative effect on the following, among other things:
  - the fundamentals of our business, including overall market occupancy and rental rates;
  - the financial condition of our tenants, many of which are financial, legal and other professional firms, our lenders, counterparties to our derivative financial instruments and institutions that hold our cash balances and short-term investments, which may expose us to increased risks of default by these parties;
  - our ability to obtain debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and refinance existing debt and our future interest expense; and
  - the value of our real estate assets, which may limit our ability dispose of assets at attractive prices or obtain or maintain debt financing secured by our properties or on an unsecured basis;

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general risks affecting the real estate industry (including, without limitation, the inability to enter into or renew leases, dependence on tenants financial condition, and competition from other developers, owners and operators of real estate);

failure to manage effectively our growth and expansion into new markets and sub-markets or to integrate acquisitions and developments successfully;

the ability of our joint venture partners to satisfy their obligations;

risks and uncertainties affecting property development and construction (including, without limitation, construction delays, cost overruns, inability to obtain necessary permits and public opposition to such activities);

risks associated with the availability and terms of financing and the use of debt to fund acquisitions and developments, including the risk associated with interest rates impacting the cost and/or availability of financing;

risks associated with interest rate hedging contracts and the effectiveness of such arrangements;

risks associated with downturns in the national and local economies, increases in interest rates, and volatility in the securities markets;

risks associated with actual or threatened terrorist attacks;

costs of compliance with the Americans with Disabilities Act and other similar laws;

potential liability for uninsured losses and environmental contamination;

risks associated with Boston Properties, Inc. s potential failure to qualify as a REIT under the Internal Revenue Code of 1986, as amended;

possible adverse changes in tax and environmental laws;

the impact of newly adopted accounting principles on our accounting policies and on period-to-period comparisons of financial results;

risks associated with possible state and local tax audits;

risks associated with our dependence on key personnel whose continued service is not guaranteed; and the other risk factors identified in each of our most recently filed Annual Report on Form 10-K and Quarterly Report on Form 10-Q, including those described under the caption Risk Factors, and our other reports filed from time to time with the SEC and any prospectus supplement.

The risks included herein are not exhaustive and you should be aware that there may be other factors which could adversely affect our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Investors should also refer to our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are incorporated herein by reference and for future periods as we file them with the SEC, and to other materials we may furnish to the public from time to time through Forms 8-K or otherwise.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and in accordance with the Exchange Act, we file annual, quarterly, and current reports, proxy statements, and other information with the SEC. You may read and copy any document we file at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may call the SEC at

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1-800-SEC-0330 for further information on the operation of the Public Reference Room. Our SEC filings are also available to the public from the SEC s website at http://www.sec.gov. In addition, you may read our SEC filings at the offices of the New York Stock Exchange (the NYSE), which is located at 20 Broad Street, New York, New York 10005. Our SEC filings are available at the NYSE because our common stock is listed and traded on the NYSE under the symbol of BXP.

We have a website located at http://www.bostonproperties.com. The information on our website is not a part of this prospectus.

INFORMATION INCORPORATED BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to these documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede the information already incorporated by reference. Our SEC file number is 1-13087. We are incorporating by reference the documents listed below, which we have already filed with the SEC:

our Annual Report on Form 10-K for the year ended December 31, 2007 filed on February 29, 2008;

our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2008, June 30, 2008 and September 30, 2008 filed on May 12, 2008, August 11, 2008 and November 10, 2008, respectively;

the description of our common stock contained in our Registration Statement on Form 8-A filed on June 12, 1997, including any amendments and reports filed for the purpose of updating such description;

the description of the rights to purchase shares of Series E Junior Participating Cumulative Preferred Stock contained in our Registration Statement on Form 8-A filed on June 18, 2007, including any amendments and reports filed for the purpose of updating such description; and