

Intelligent Investment

# 2025 U.S. Life Sciences Outlook

REPORT

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Demand Expected to  
Improve as Oversupply  
Persists

CBRE Research  
February 2025



# Introductory Note: Early Signs of a Life Sciences Upcycle

This 2025 U.S. Life Sciences Outlook provides investors and occupiers alike with valuable insights to where the market is headed this year.

The life sciences industry battled through headwinds again in 2024. The market was characterized by increased leasing activity among emerging companies and less activity among multinationals due to change management and consolidation.

While the regulatory conditions around mergers and acquisitions remained tough, the market for initial public offerings was still relatively idle for most of the year.

Despite those circumstances, venture financing and secondary offerings created greater financial flexibility for select companies.

The year ahead likely will see further growth in investment and headcount, as all stakeholders in the life sciences industry strive to advance the record levels of innovation seen during the prior bull run.

We hope you will find our 2025 Outlook report helpful for your planning. For more information on CBRE's Life Sciences Group, please visit [www.cbre.com/lifesciences](http://www.cbre.com/lifesciences).

**Matt Gardner**

CBRE Life Sciences Advisory Leader



# Executive Summary

Lab/R&D leasing activity trended higher in 2024 (e.g., a 41% year-over-year increase in Q3) and demand should continue to improve in 2025.

Expectations of stronger economic growth, more accommodative capital markets and record life sciences employment should underpin greater demand for space in 2025.

Annual venture capital funding increased by 10% year-over-year in Q3 2024 and was 10% higher than its pre-pandemic peak in 2019, possibly signaling better 2025 IPO activity.

U.S life sciences employment hit a record high in late 2024 and more job growth is expected in 2025.

The life sciences industry remains in a period of unprecedented innovation and discovery. FDA novel drug approvals in 2024 were the sixth highest annual total on record.

The oversupply of life sciences lab/R&D space will persist, with 16.6 million sq. ft. under construction as of Q3 2024. While the overall vacancy rate is expected to increase, the construction pipeline will significantly ease by year-end.

# Contents

<b>01 Five Positive Forces Unfolding in 2025</b>	<b>05</b>
— Improving Macroeconomic Environment	06
— Thawing Capital Markets	08
— Record Life Sciences Employment	12
— Increased Demand for Lab/R&D Space	17
— Persistent Life Sciences Innovation	20
<b>02 Three Major Challenges in 2025</b>	<b>25</b>
— Construction Completions	26
— Sluggish Absorption in Big 3 Markets	28
— Higher Vacancy	30
<b>03 Potential for Increased Investment Activity in 2025</b>	<b>33</b>
<b>04 Market Profiles</b>	<b>36</b>



01

# Five Positive Forces Unfolding in 2025

## FIVE POSITIVE FORCES UNFOLDING IN 2025

# 1. Improving Macroeconomic Environment

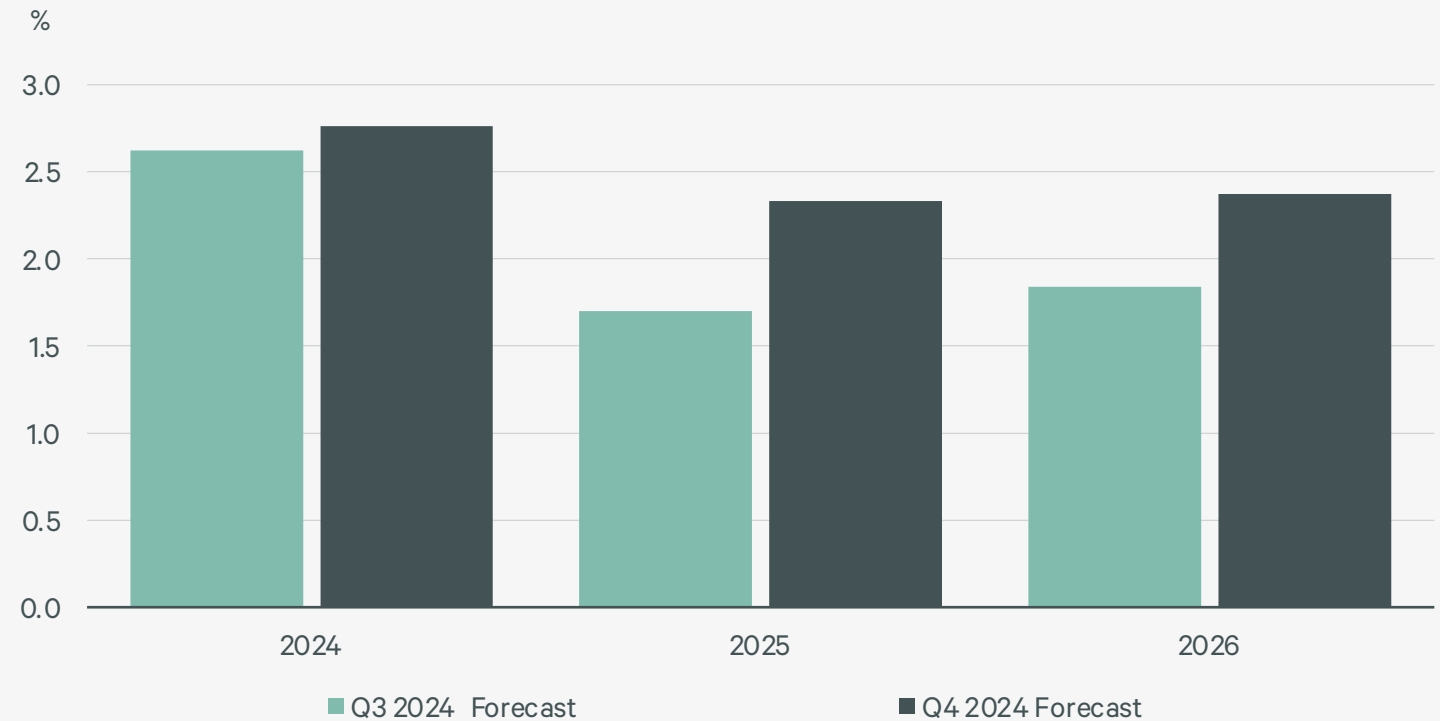
Continued resilience of the U.S. economy this year will help drive life sciences revenues that support demand for lab/R&D space.

This economic resilience is underpinned by strong consumer spending despite relatively high inflation and interest rates. Part of this has been driven by record household wealth over the past two years due to surging equity markets and home values.

Job growth occurred for the 47th consecutive month in November 2024. Many life sciences employers are adding employees, as total U.S. life sciences employment reached a record high in October 2024.

Various factors could dampen this improved outlook, including any negative impacts to consumer spending. The prospects of an aggressive tariff regime and immigration restrictions under the Trump administration could fuel further inflation and relatively high interest rates.

FIGURE 1: CBRE Forecasts for U.S. Real GDP Growth

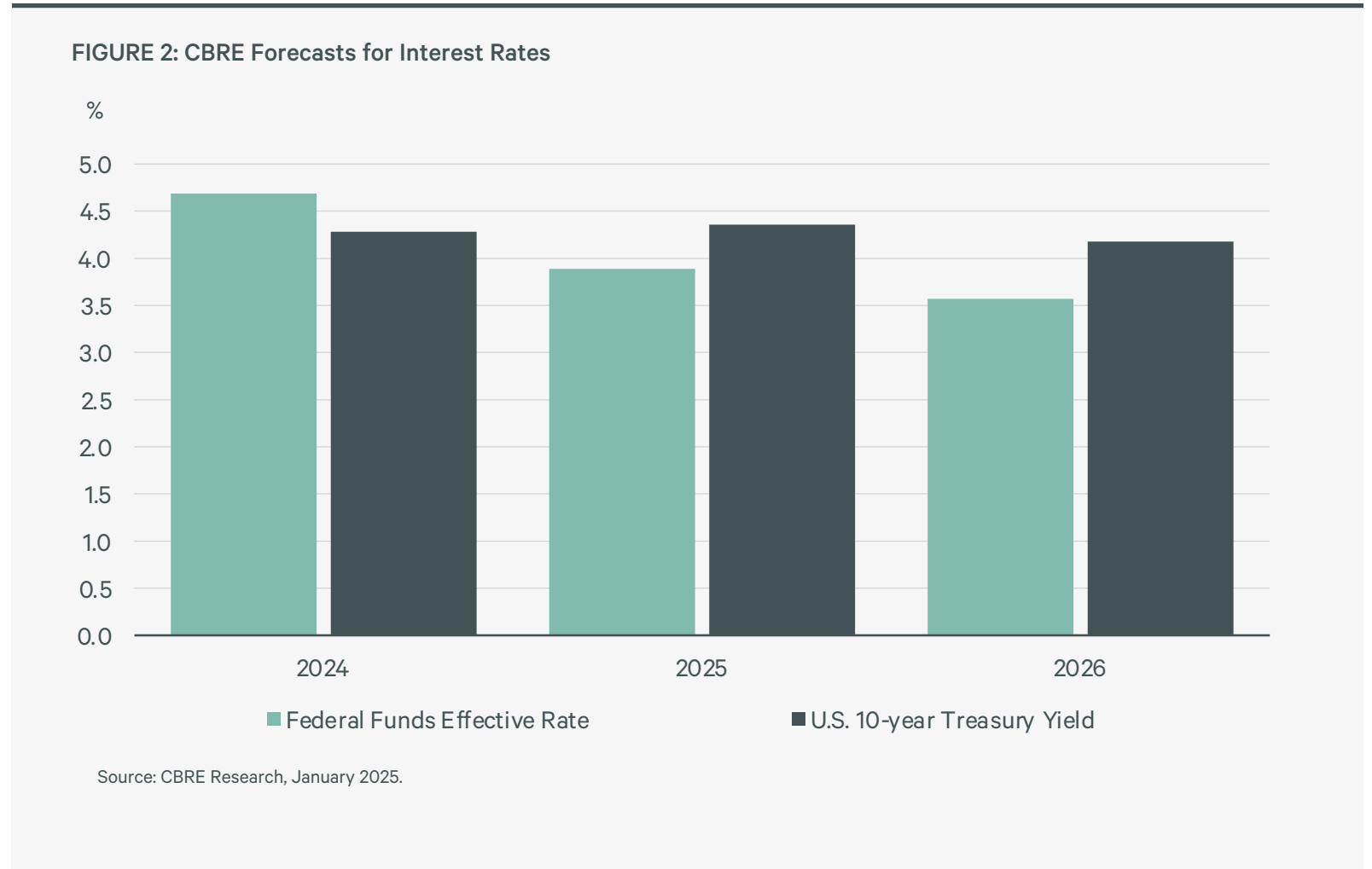


Source: CBRE Research, December 2024.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

The relationship between short-term interest rates and life sciences demand drivers like venture capital investment over the past few years has been significant. As the federal funds rate fell in 2024, key indicators, such as the S&P SPDR Biotech ETF, venture capital flows and IPOs, edged higher. As a result, life sciences demand in 2025 should benefit from a less-restrictive monetary policy.

However, the 10-year Treasury yield also has a significant effect on life sciences dynamics, especially as a driving factor behind property values and investment activity. The uptick in Treasury yields at the start of 2025 has negatively impacted some of the positive momentum in various life sciences capital markets indicators and is expected to stabilize later this year at its highest level in nearly 15 years. Stabilizing yields should buffer further declines in property values and possibly spark more investment activity in 2025.



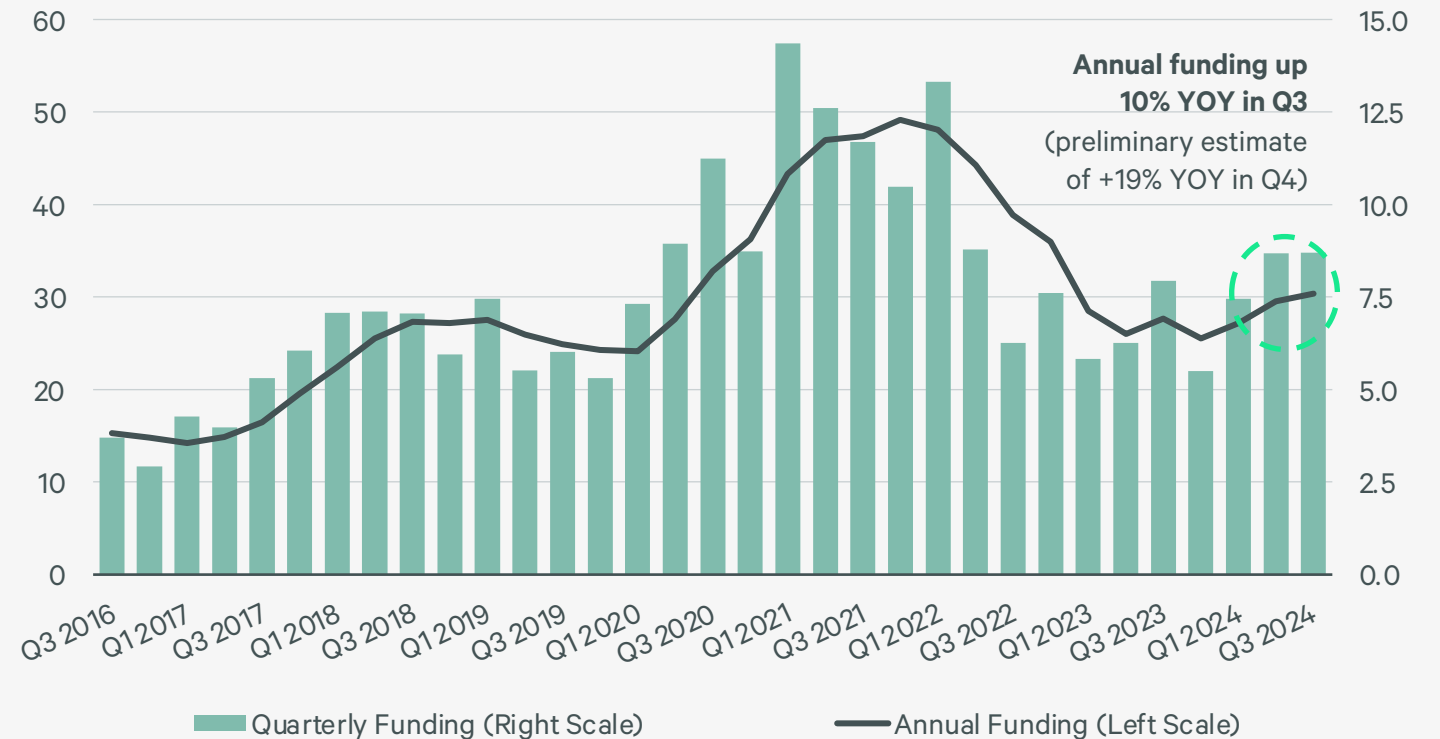
FIVE POSITIVE FORCES UNFOLDING IN 2025

# 2. Thawing Capital Markets

Capital markets are generally thawing as the macroeconomic environment demonstrates unexpected strength, inflation moderates and short-term interest rates veer lower. The 10-year Treasury yield is expected to stabilize later this year and, along with lower short-term interest rates, should allow for further capital markets improvement through modestly better IPO issuance.

U.S. life sciences venture capital funding has become more plentiful. Although skewed toward larger deals, annual total funding grew by 10% in Q3 2024 and was 10% higher than the pre-pandemic peak in 2019. Preliminary Q4 2024 data suggests a quarterly pullback in funding, but the highest annual total in two years.

FIGURE 3: U.S. Venture Capital Funding (\$, Billions)



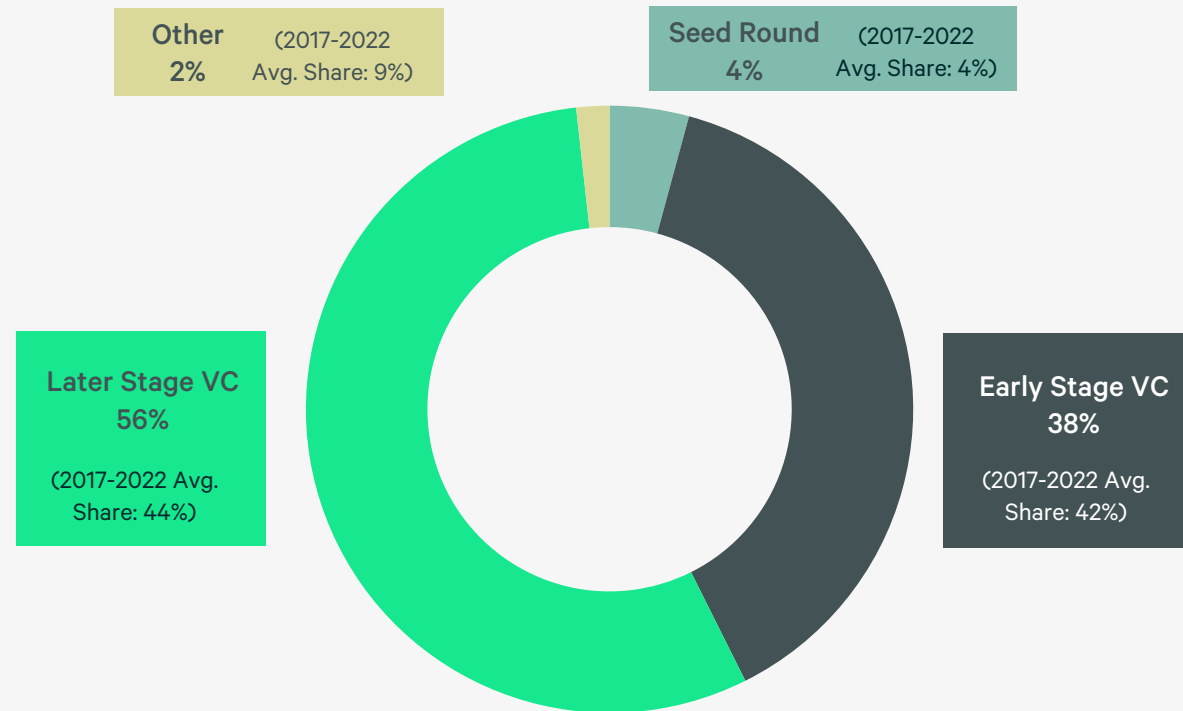
Source: Pitchbook, CBRE Research, Q4 2024.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

Nearly 60% of annual venture capital funding in Q3 2024 was invested in later-stage companies, showing investors preference for maturer opportunities with better near-term prospects. In contrast between 2017-2022, later stage investments comprised only 44% of annual funding when investors were willing to be more aggressive.

Early-stage and seed funding have remained reasonably stable, with seed funding down by only 27% from its peak compared with a 41% decline for all venture capital funding. A more significant pullback has occurred in angel investors and grants for the most speculative companies.

**FIGURE 4: Q3 2024 Annual U.S. Venture Capital Funding by Stage**



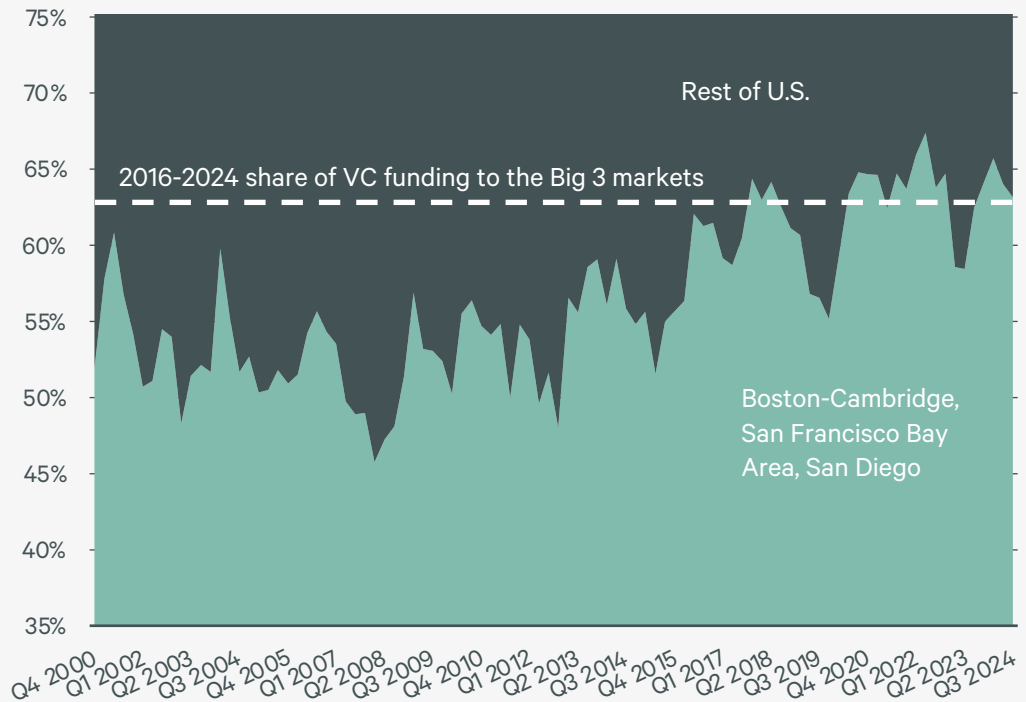
Source: Pitchbook, CBRE Research, Q4 2024.

FIVE POSITIVE FORCES UNFOLDING IN 2025

Geographically, there has been no change in venture capital funding concentrating in the “Big 3” markets of Boston-Cambridge, the San Francisco Bay Area and San Diego. Beginning in 2016, venture capital increasingly gravitated to these markets, capturing an average 62% of all venture capital funding through 2024. In contrast between 2005 and 2015, the Big 3 markets attracted 53% of all venture capital funding.

Seed funding is more evenly allocated between the Big 3 markets at 48% and the rest of the U.S.

Figure 5: Share of U.S. Annual Life Sciences Venture Capital Funding by Markets



Source: Pitchbook, CBRE Research, Q4 2024.



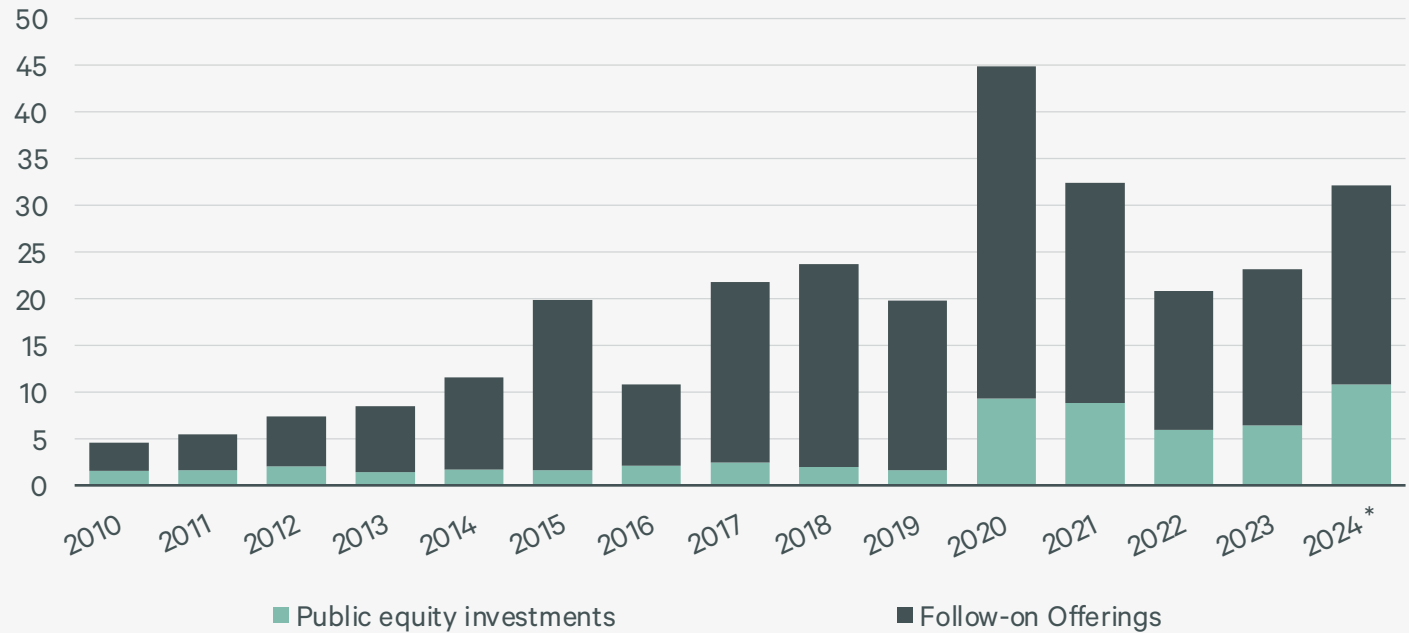
### FIVE POSITIVE FORCES UNFOLDING IN 2025

Public equity investments in life sciences companies (notably private investment in public equity or PIPE) and follow-on offerings have rebounded particularly well since bottoming in 2022. Through October 2024, public equity investment in life sciences companies reached a record \$10.8 billion. Follow-on offerings in 2024 through October have rebounded by 43% since their trough in 2022.



**FIGURE 6: Other U.S. Life Sciences Equity Financing**

\$ Billions



Source: BioCentury, CBRE Research, Q4 2024.

\* Through October 2024.

## FIVE POSITIVE FORCES UNFOLDING IN 2025

### 3. Record Life Sciences Employment

Despite the various challenges over the past three years, more people than ever are employed by the life sciences industry. Life sciences employment reached a record 2.1 million workers in October 2024.

Sluggish employment growth in the Pharmaceutical & Medicine Manufacturing subsector has been offset by record-high employment in the Biotechnology R&D subsector.



# 94%

of life sciences CEOs say they will increase headcount over the next three years

# 37%

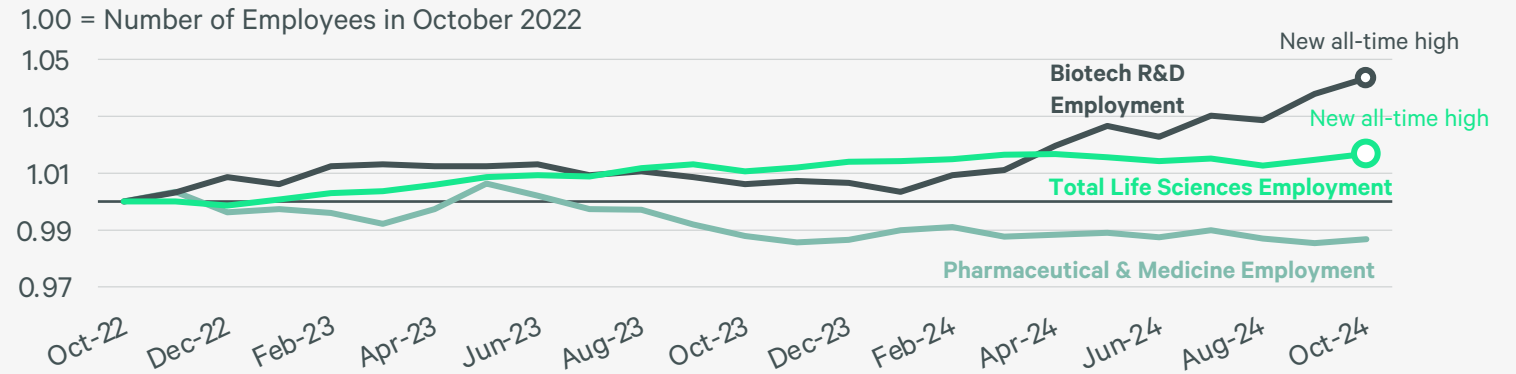
of the total think they will grow their workforce by 6% or more

Source: KPMG 2024 Life Sciences CEO Outlook

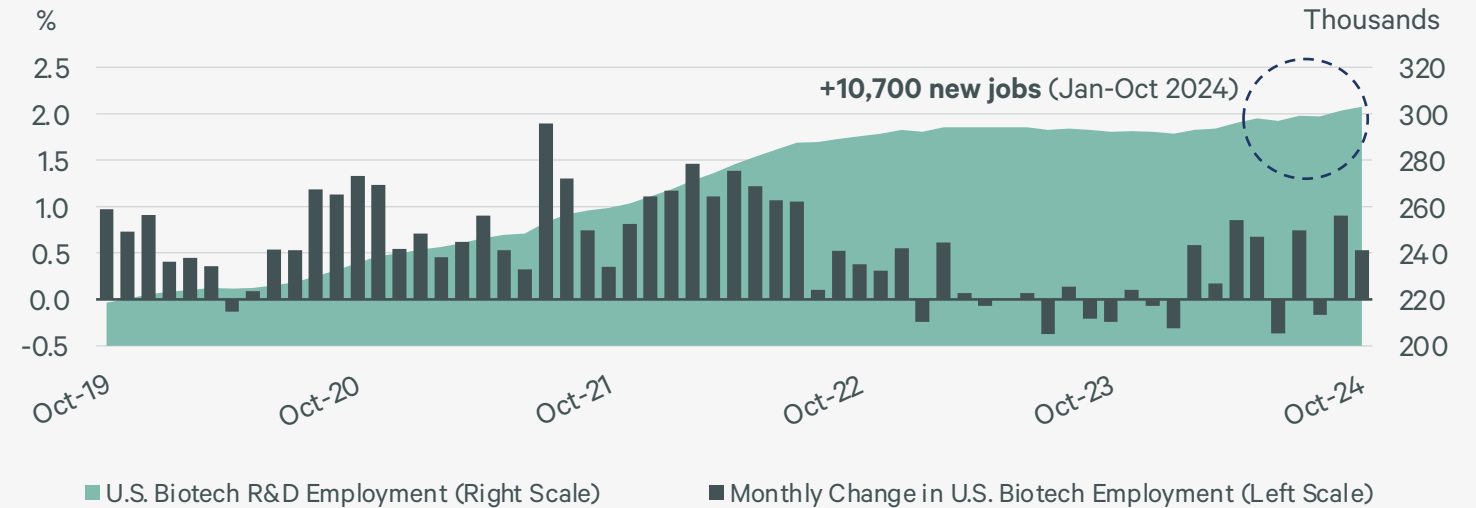
### FIVE POSITIVE FORCES UNFOLDING IN 2025

Job growth in the key life sciences subsector of Biotechnology R&D, whose breakthroughs in cell and gene therapy drove a substantial amount of the jobs boom between 2012 and 2022, began to accelerate in 2024. Between January and October 2024, Biotech R&D companies added 10,700 employees or a 3.7% increase to a record workforce of 303,000.

**FIGURE 7: U.S. Life Sciences Employment Trends**



**FIGURE 8: U.S. Biotechnology R&D Employment**



Source: U.S. Bureau of Labor Statistics, CBRE Research, Q4 2024.

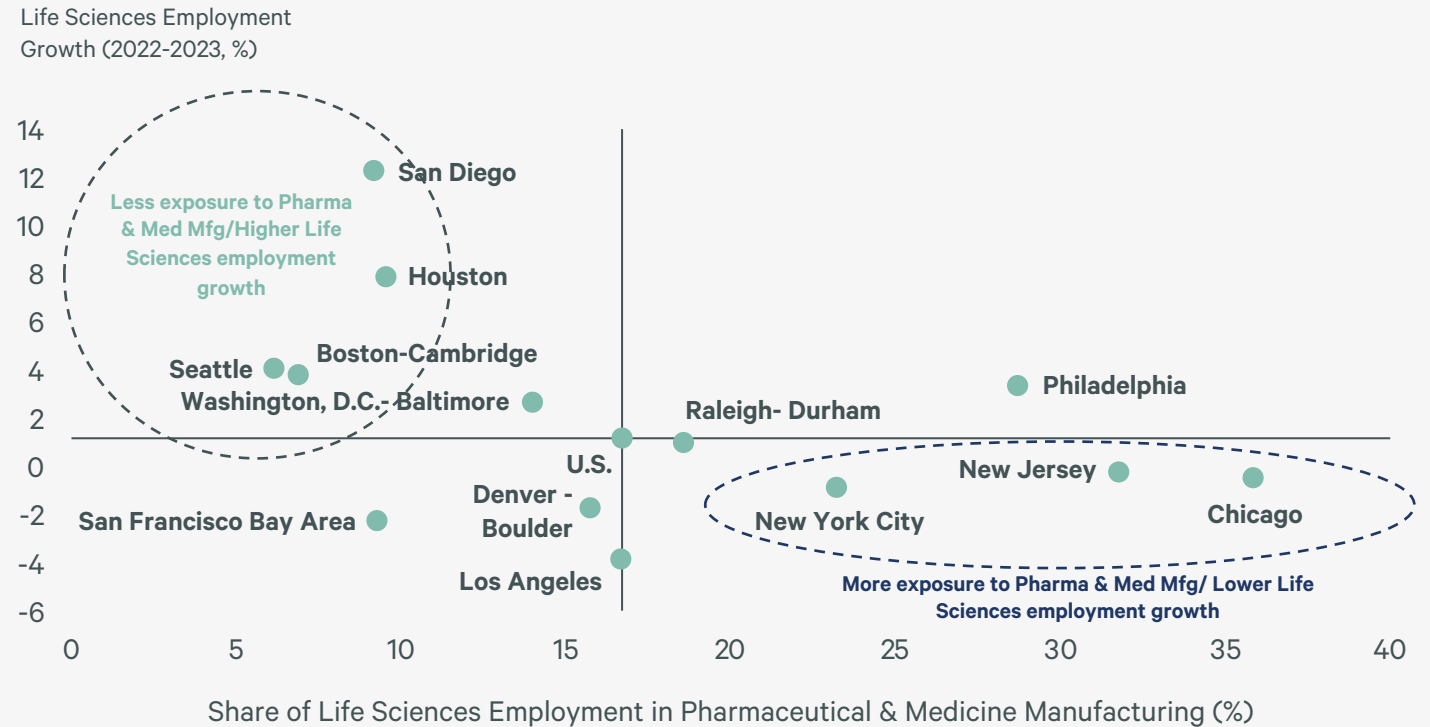
FIVE POSITIVE FORCES UNFOLDING IN 2025

Figure 9 illustrates the relationship between markets that had above-average life sciences employment growth between 2022 and 2023 and a lower-than-average share of their employment base in Pharmaceutical & Medicine manufacturing, which has been one of the most sluggish life sciences employment sectors.

Markets in the top left quadrant of Figure 9 had the highest life sciences employment growth, partly due to their having lower-than-average Pharmaceutical & Medicine manufacturing employment. In contrast, markets in the lower right quadrant are some of the nation’s traditional centers for Pharmaceutical & Medicine manufacturing and as such had below-average total life sciences employment growth between 2022 and 2023.

Among major markets, San Diego had the nation’s strongest life sciences employment growth between 2022 and 2023 at 12.3%. Among emerging markets, Sacramento led with 8.5% growth in life sciences employment, followed closely by Madison, WI with 7.6%.

**FIGURE 9: 2022-2023 Life Sciences Employment Growth & Share of Employment in Pharmaceutical & Medicine Manufacturing**

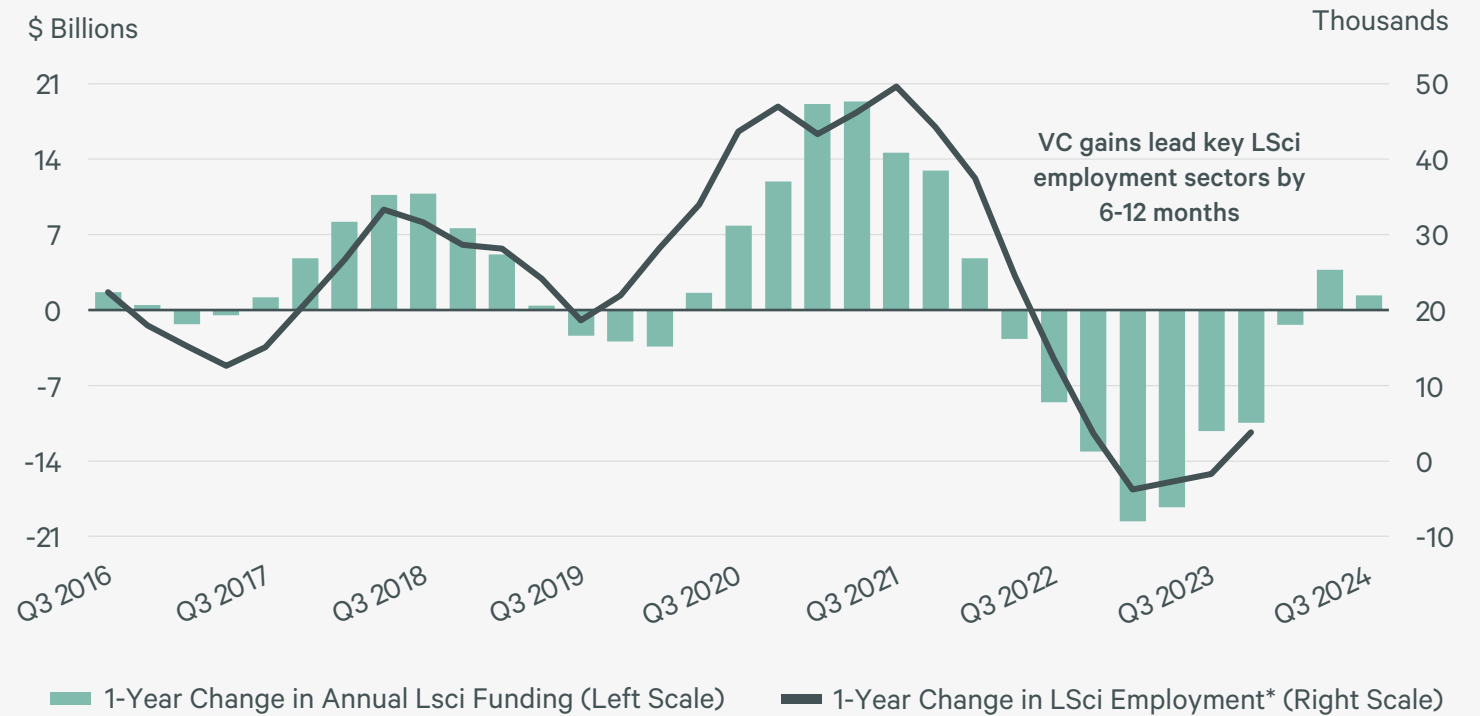


Source: U.S. Bureau of Labor Statistics, CBRE Research, Q4 2024.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

The prospect for record U.S. life sciences employment appears favorable this year. Figure 10 shows the correlation between increases in life sciences venture capital funding and new employment in the key life sciences subsectors of Biotech R&D and Pharmaceutical & Medicine Manufacturing. Increases in the industry’s venture capital funding have historically led gains in employment by six to 12 months. Based on this, some 20,000 jobs in these life sciences subsectors could be added this year, resulting in increased demand for lab/R&D space.

**FIGURE 10: Life Sciences Venture Capital Funding Growth & Employment Gains**



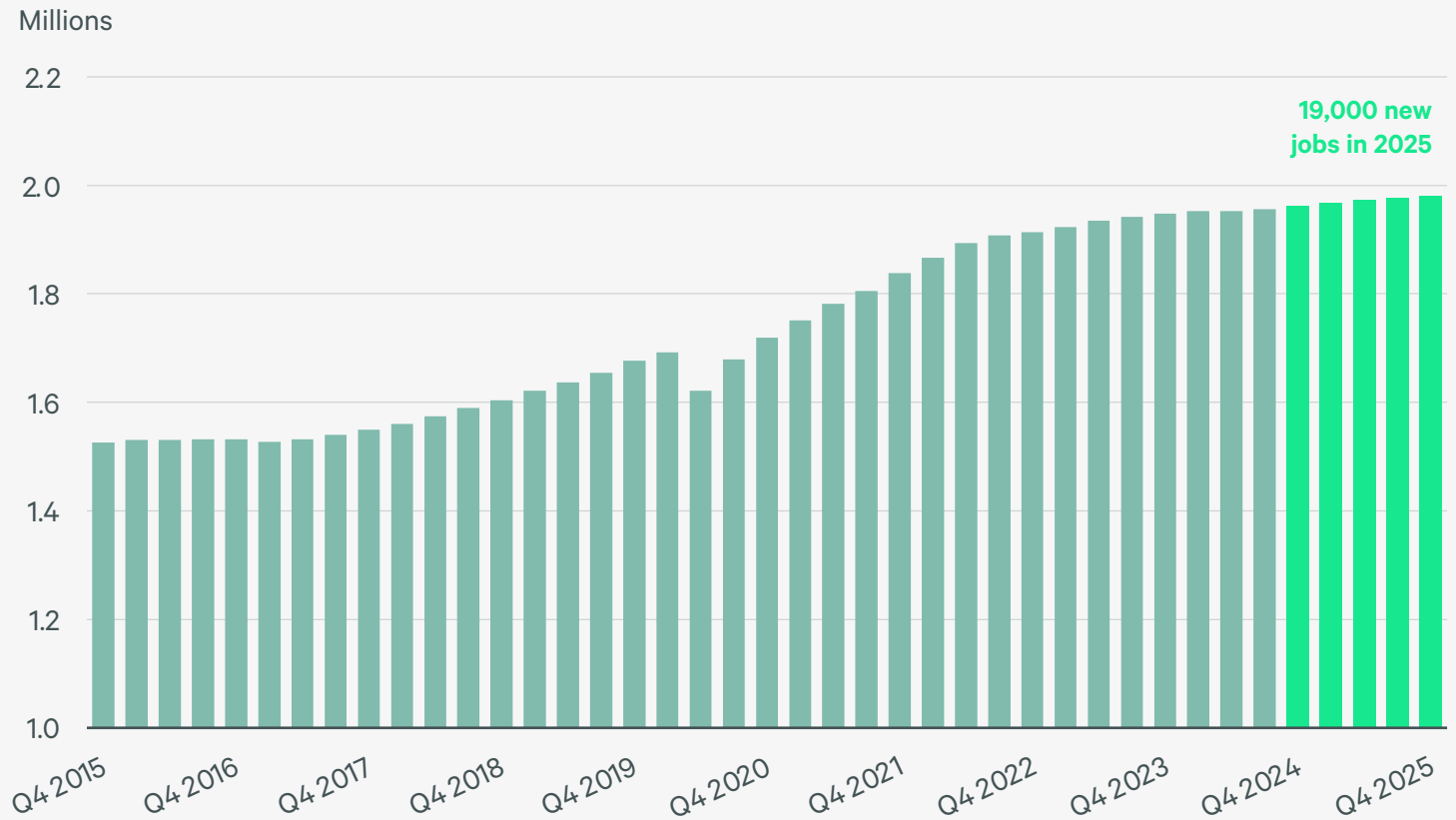
\*Employment lagged by 9 months and consists of Biotech R&D and Pharmaceutical & Medicine Manufacturing Employment.  
 Source: Pitchbook, U.S. Bureau of Labor Statistics, CBRE Research, Q4 2024.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

Using a more sophisticated econometric model to project life sciences employment growth, Figure 11 shows a forecast for roughly 19,000 new jobs in the industry this year, offering perhaps a more realistic but still very positive growth expectation.



**FIGURE 11: Life Sciences Employment Forecast**



Source: CBRE Econometric Advisors, Q4 2024.

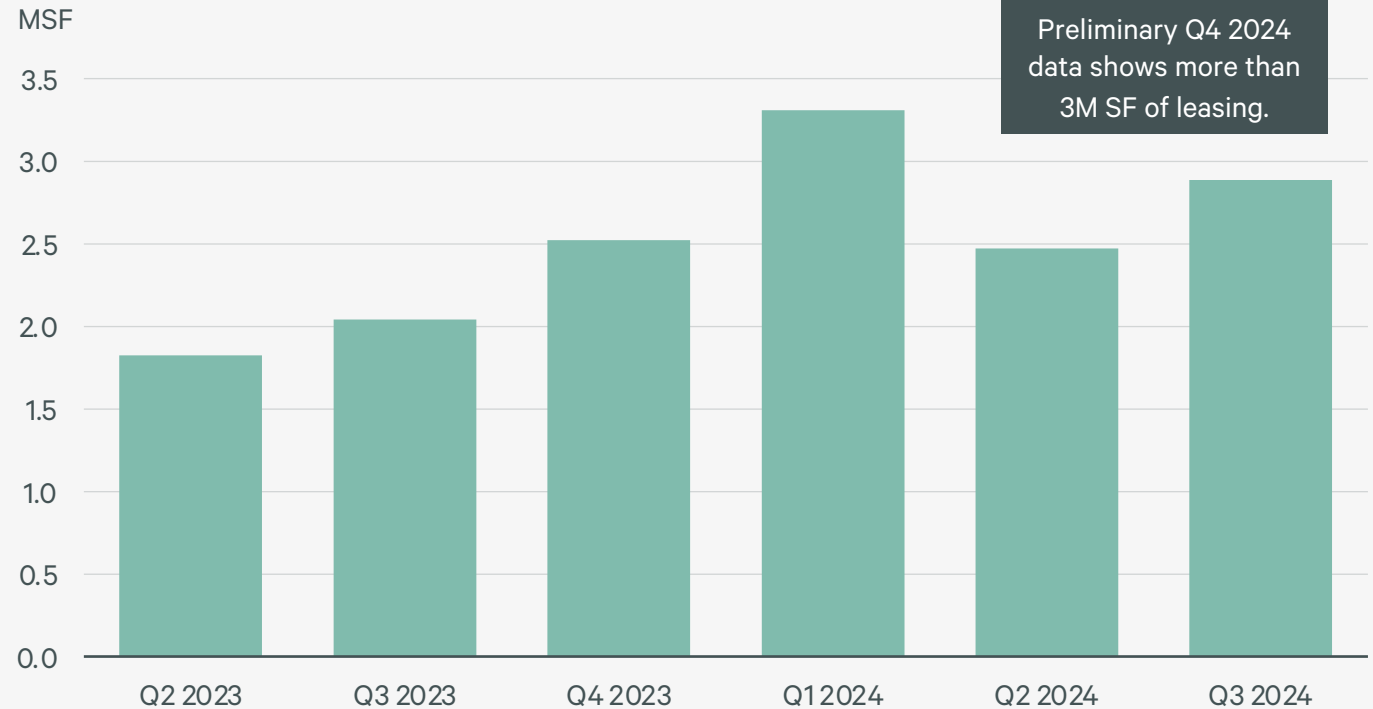
FIVE POSITIVE FORCES UNFOLDING IN 2025

# 4. Increased Demand for Lab/R&D Space

The resilient U.S. economy, improving capital markets and growing life sciences employment are supporting momentum in several lab/R&D real estate indicators.

Total life sciences lab/R&D leasing activity in the nation’s 13 largest markets increased to 2.9 million sq. ft. in Q3 2024 from 2.0 million sq. ft. in in Q3 2023. Most of this increase was driven by renewals.

FIGURE 12: Total Leasing Activity



Note: Excludes leases for less than 10,000 sq. ft.  
Source: CBRE Research, Q4 2024.

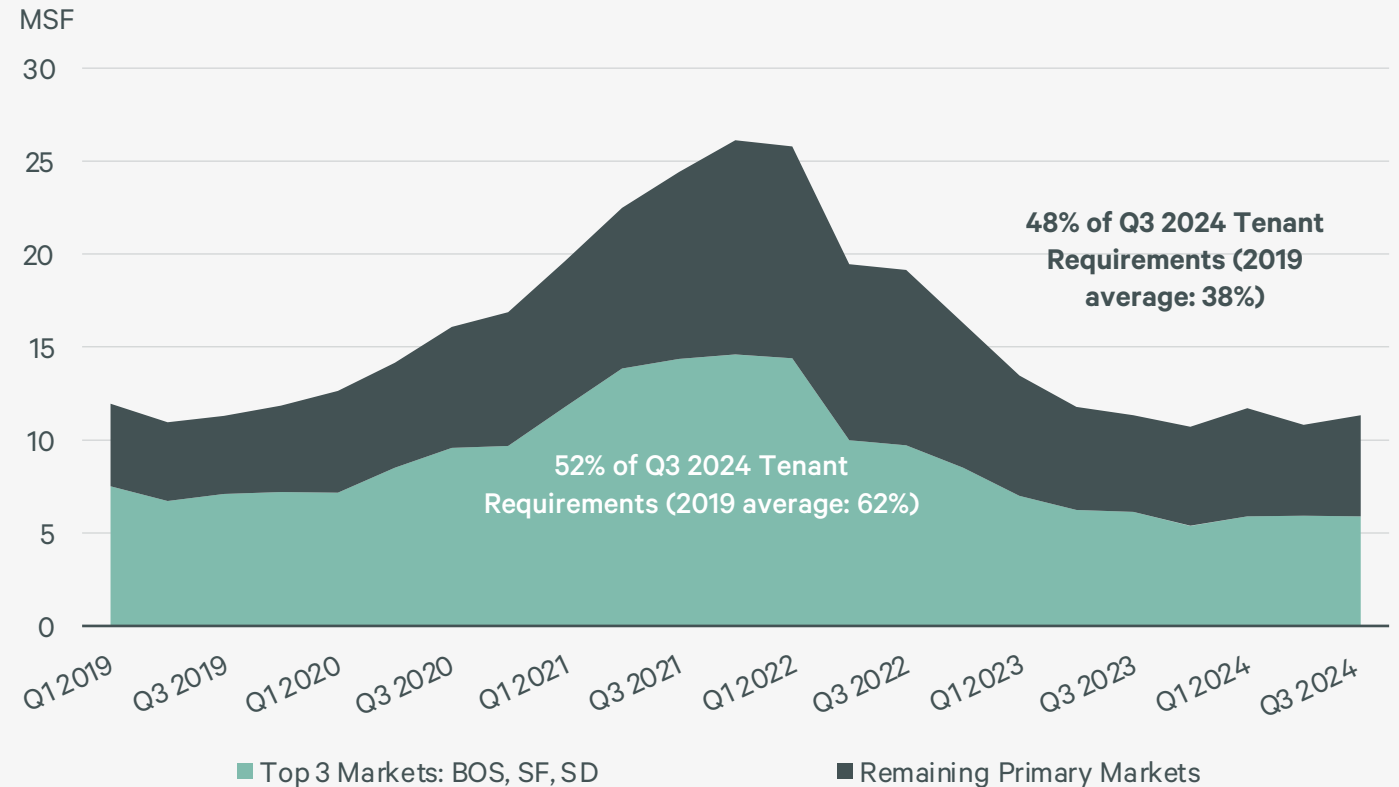
Preliminary Q4 2024 data shows more than 3M SF of leasing.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

The amount of lab/R&D space sought by tenants has stabilized over the past year and may slightly increase in 2025 due to a more favorable capital markets environment and continued economic growth.

In primary markets, the average amount of space sought by tenants over the past year was roughly 22% more than in 2019. However, space sought by tenants in the Big 3 markets was nearly 19% less than in 2019. Any greater improvement in capital markets or significant uptick in demand is likely to benefit the more volatile Big 3 markets than the other primary markets.

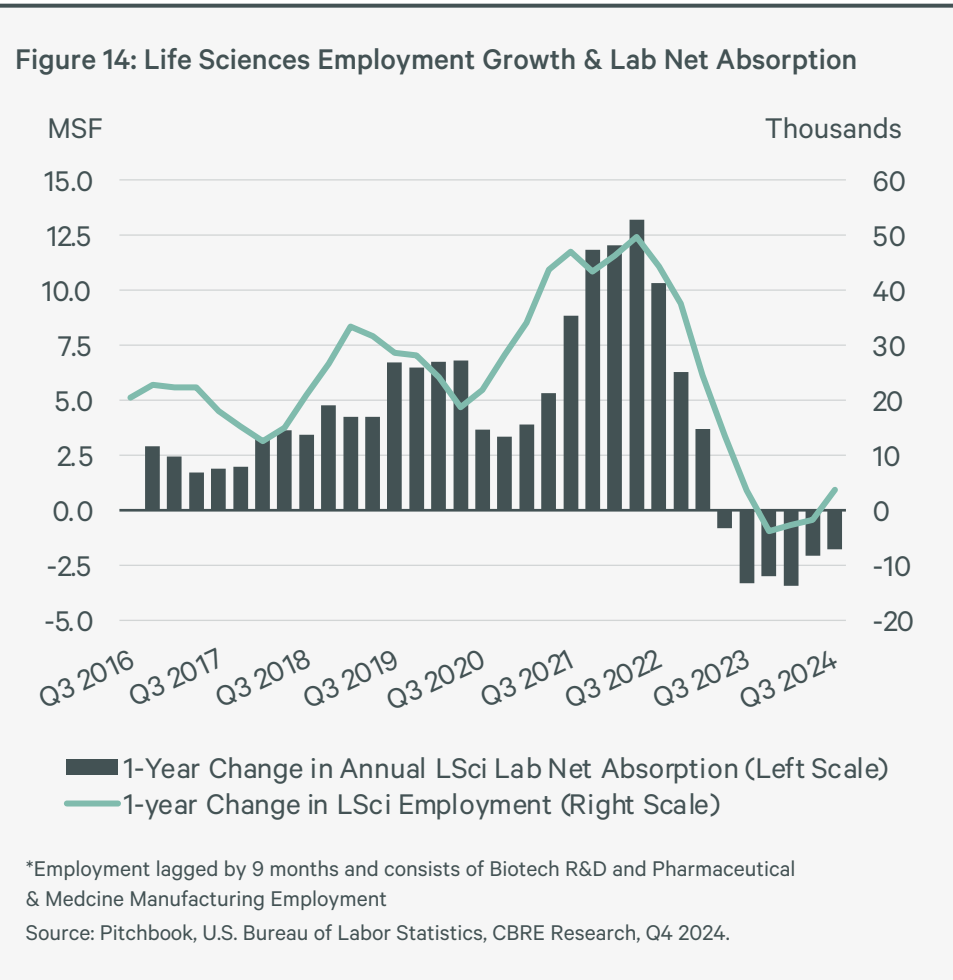
**FIGURE 13: Life Sciences Tenant Requirements**



Source: CBRE Research, Q4 2024.

FIVE POSITIVE FORCES UNFOLDING IN 2025

Negative lab/R&D net absorption should continue to ease this year based on more favorable capital markets and recent employment gains.



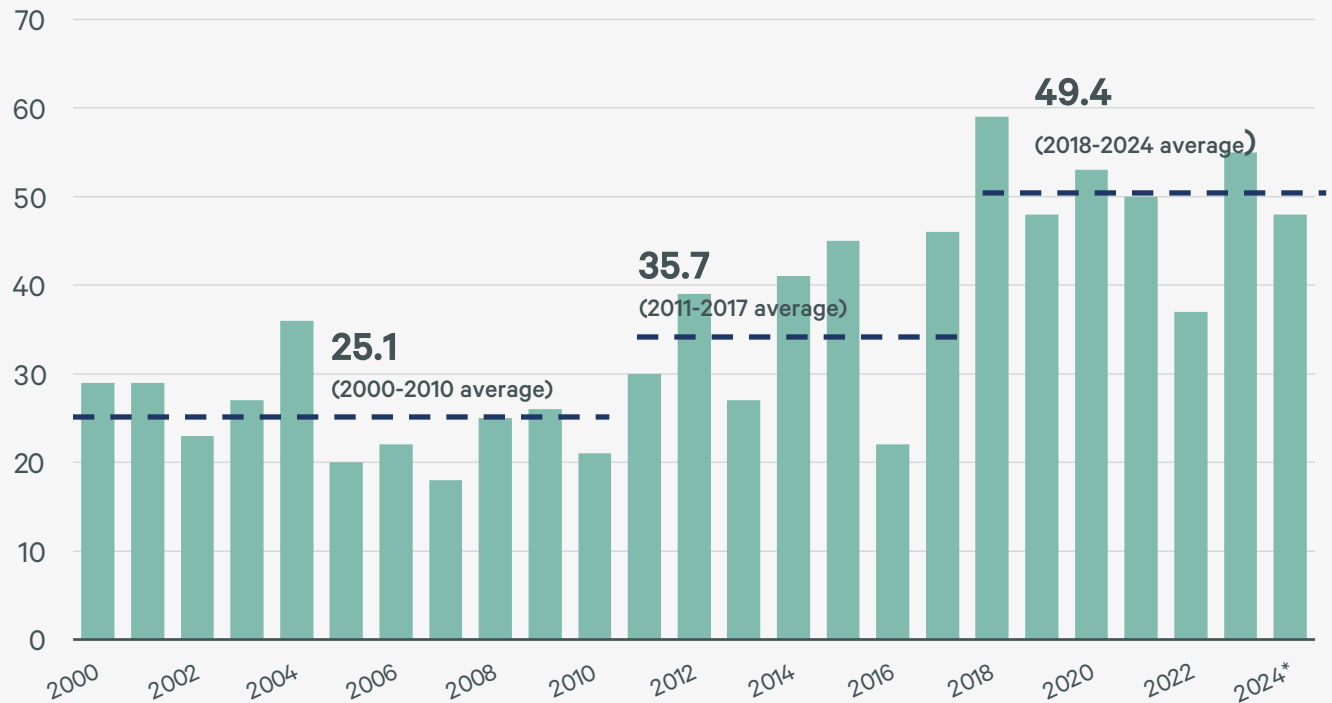
FIVE POSITIVE FORCES UNFOLDING IN 2025

# 5. Persistent Life Sciences Innovation

The life sciences industry remains in a period of unprecedented innovation and discovery.

Through mid-December, 48 novel drugs were approved by the FDA in 2024, the sixth highest annual total since 1985. Over the past seven years, the FDA has approved an annual average of 49 novel drugs, a 38% increase from the average number between 2011 and 2017 and almost double that from 2000 to 2010.

FIGURE 15: FDA Novel Drug Approvals

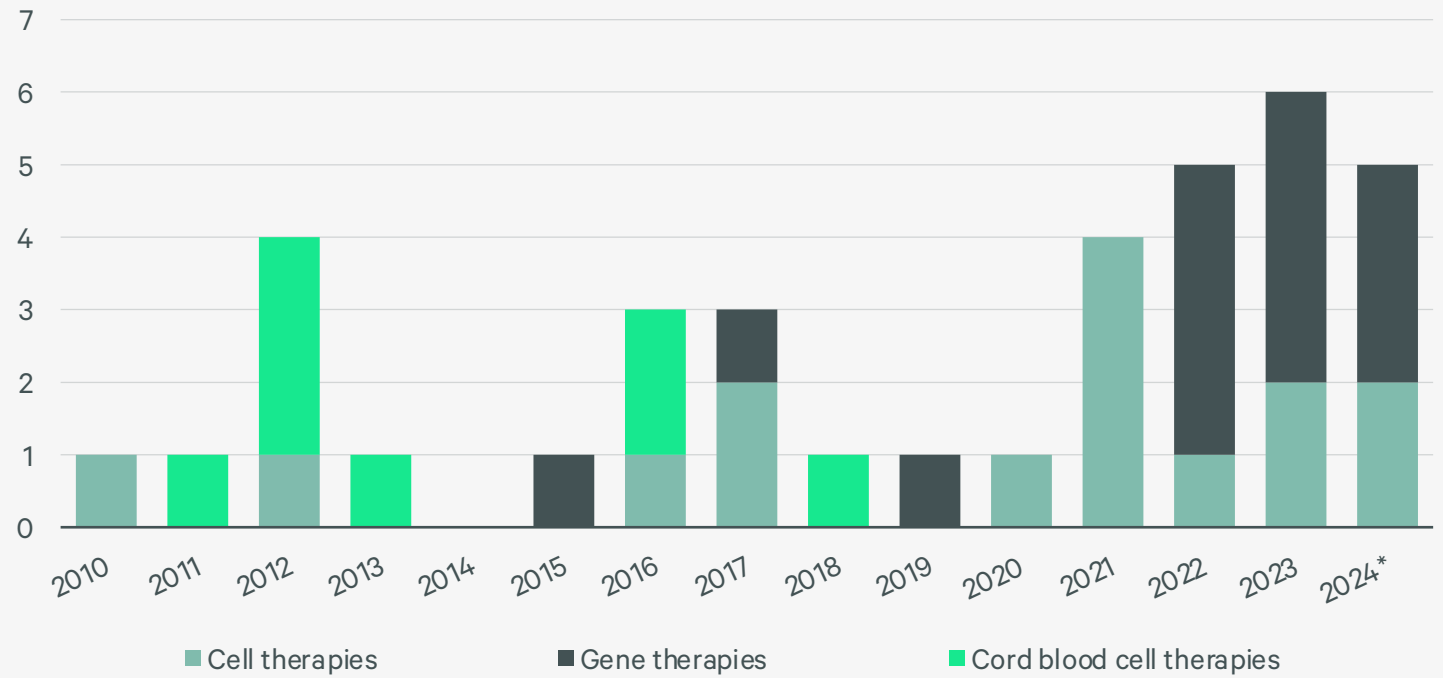


\*Through mid-December 2024.  
Source: Food & Drug Administration, Q4 2024.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

Cell and gene therapy advancements will be one of the defining achievements of the life sciences industry in years to come. FDA approvals in these areas have been on the rise since 2020, providing a significant source of growth for both the life sciences and healthcare industries in coming years.

**FIGURE 16: Cell & Gene Therapy Approvals**

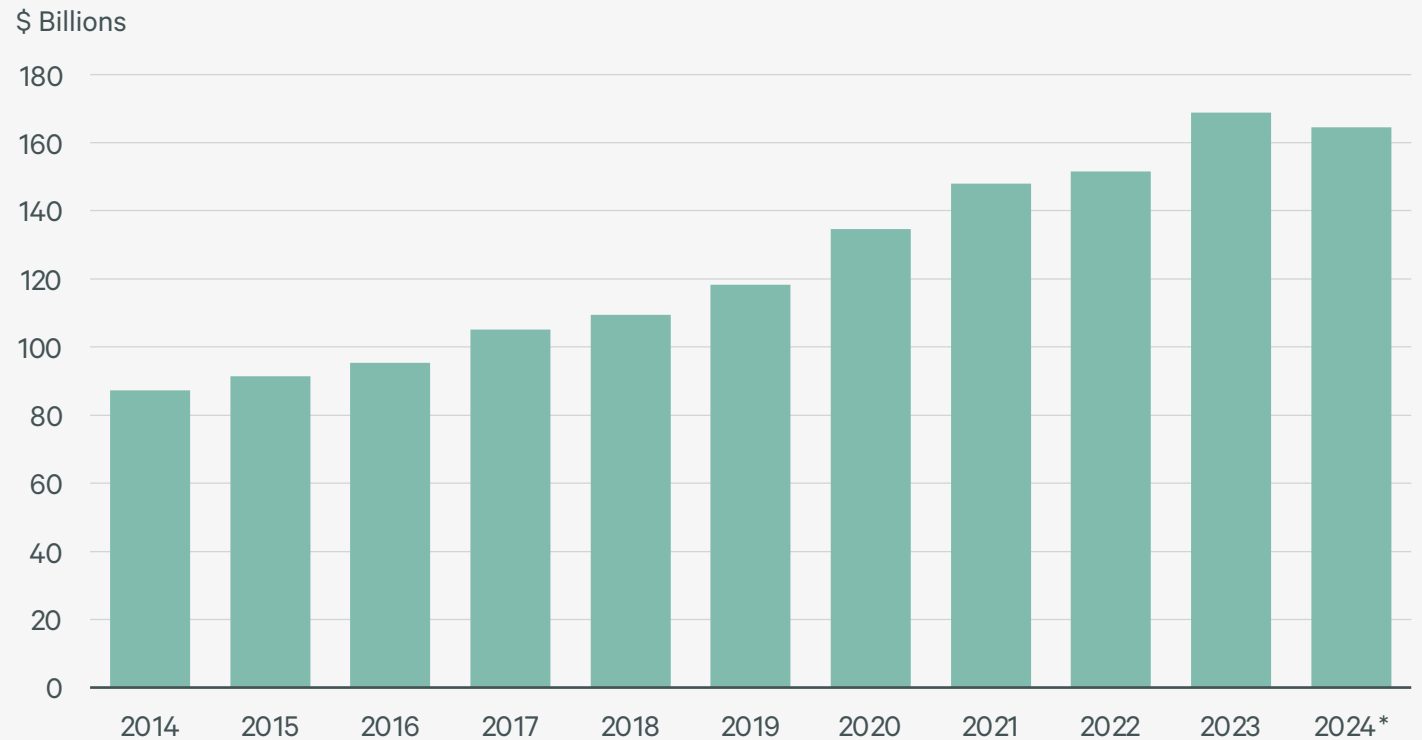


\*Through August 2024.  
Source: McKesson, Q4 2024.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

R&D expenditures by public life sciences companies are expected to continue fueling the historic pace of discovery in 2025. These companies have nearly doubled their R&D expenditures over the past 10 years.

**FIGURE 17: U.S. Life Sciences Public Company R&D Expenditures**

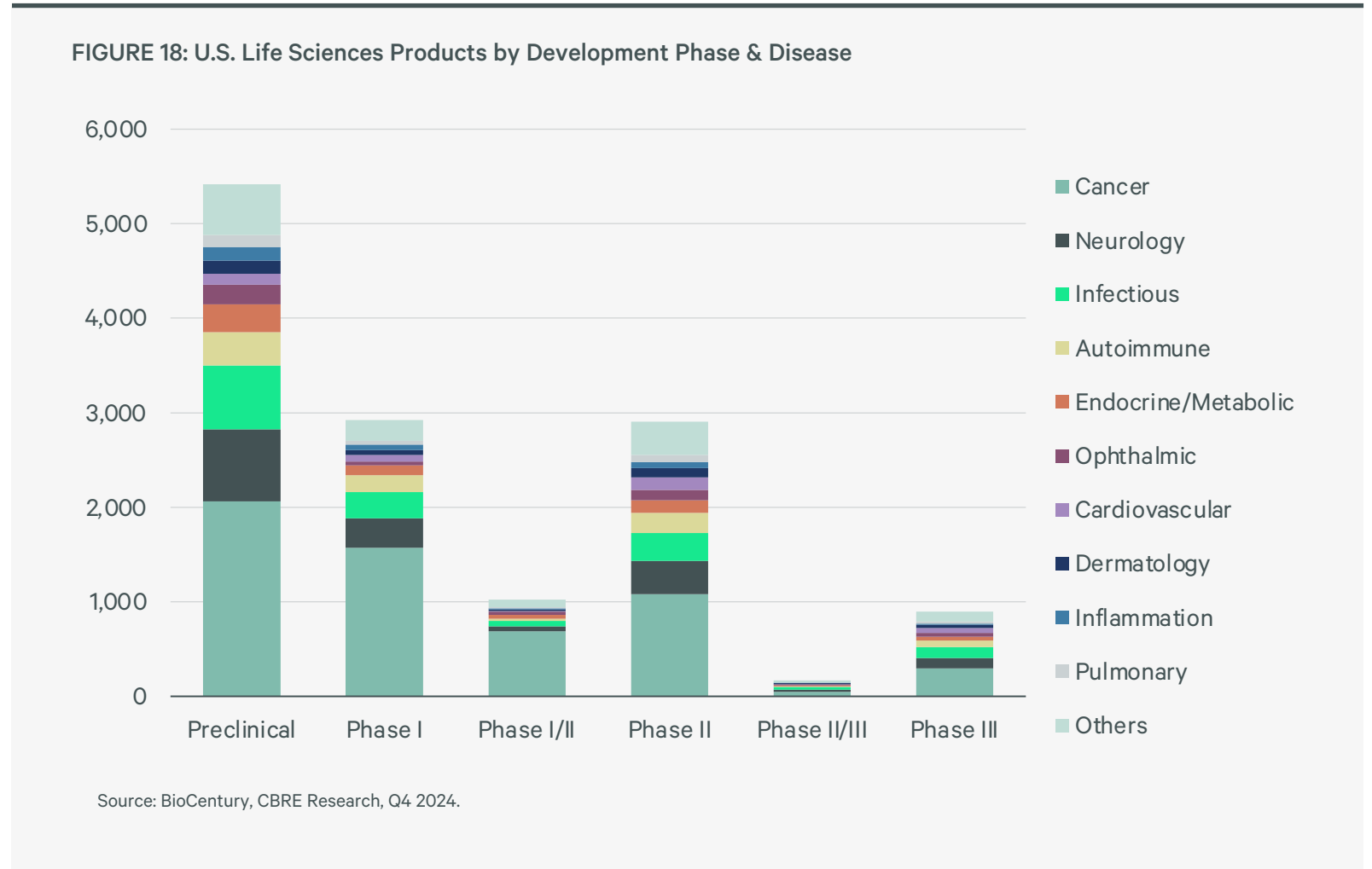


Source: S&P Capital IQ, CBRE Research, Q4 2024.

\*2024 Annualized from H1 actual.

### FIVE POSITIVE FORCES UNFOLDING IN 2025

There remains a large amount of new science being developed, with more than 8,300 products in preclinical and Phase 1 trials. These trials are heavily focused on treatments for cancer, neurological disorders and infectious diseases.



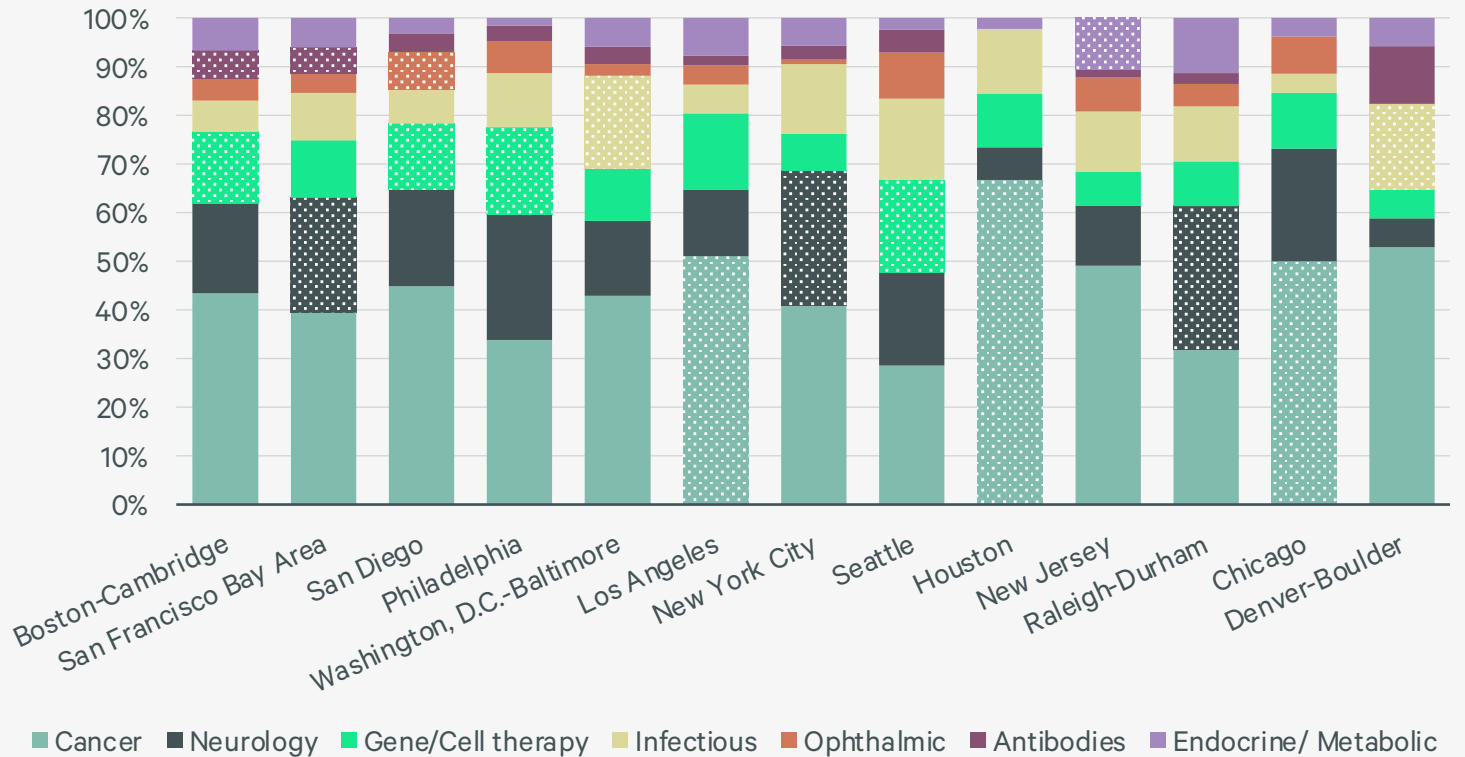
### FIVE POSITIVE FORCES UNFOLDING IN 2025

While Boston-Cambridge and the San Francisco Bay Area have the most trials by total number, all of the primary U.S. life sciences markets have varying amounts of trials by disease (Figure 19).

Although most clinical trials in Boston-Cambridge and the San Francisco Bay Area are being undertaken in the fight against cancer, the share of their total clinical trials addressing cancer is on par with the average across all markets. However, Boston-Cambridge has an outsized share of clinical trials for cell/gene therapy and antibodies, while San Francisco has a high number addressing neurological disorders.

San Diego and Philadelphia have strong activity in cell/gene therapy, while 58% of clinical trials in Houston address cancer.

**FIGURE 19: Composition of Clinical Trials by Major Disease Category (patterns denote specialties)**



Source: BioCentury, CBRE Research, Q4 2024.

02

# Three Major Challenges in 2025

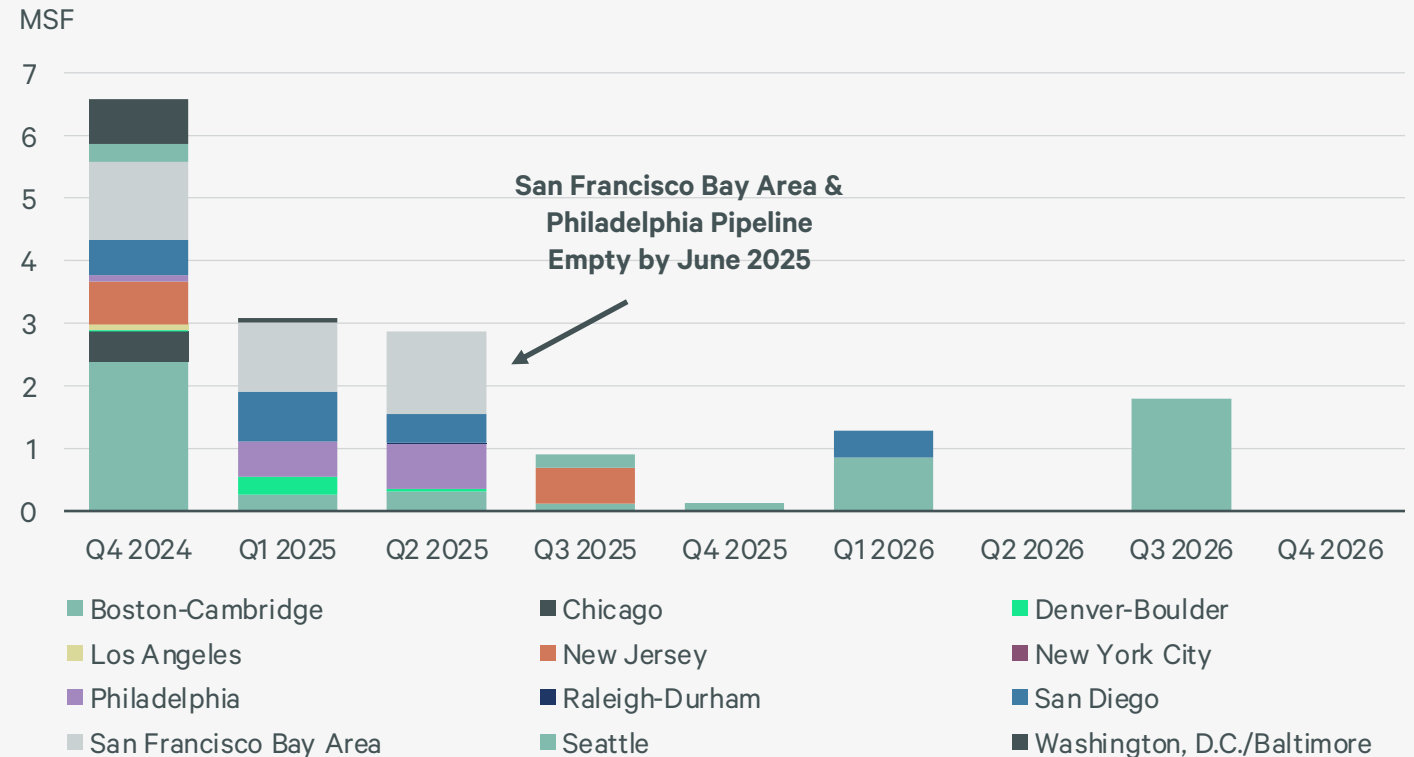
THREE MAJOR CHALLENGES IN 2025

# 1. Construction Completions

A surge of new lab/R&D supply will be the life sciences market’s biggest challenge in the first half of 2025 before tapering off later in the year. Seventy-five percent of the remaining construction will be delivered in H1 2025, adding further strain on an already oversupplied lab/R&D market. The majority of these completions (68%) will occur in the Big 3 markets.

By H2 2025, the construction pipeline will be down to only 4.1 million sq. ft for delivery by the end of 2026, nearly half of which is in build-to-suit development. Also by H2 2025, the construction pipeline will have been fully cleared in the San Francisco Bay Area and Philadelphia. San Diego will have only one build-to-suit project delivered in early 2026. Other markets that will have no new construction scheduled include Washington, D.C.- Baltimore, Raleigh-Durham, Los Angeles, New York City, Chicago and Denver-Boulder.

FIGURE 20: Life Sciences Lab/R&D Completions by Market



Source: CBRE Research, Q4 2024.

FIGURE 21: Largest Developers of Lab/R&amp;D Space Under Construction

RANK	NAME	SF IN CBRE TOP 13 LIFE SCIENCES MARKETS	# OF PROPERTIES	INVESTOR TYPE
1	Alexandria Real Estate Equities, Inc.	2,165,493	7	Public REIT
2	Trammell Crow Company	1,409,942	6	Private Developer
3	IQHQ	1,320,000	6	Private REIT
4	Longfellow Real Estate Partners	884,070	5	Private Developer
5	Beacon Capital Partners	820,300	4	Institutional
6	Boston Properties	794,820	2	Public REIT
7	King Street Properties	766,500	2	Private Developer
8	Blackstone/BioMed Realty Trust, Inc.	705,000	2	Public REIT
9	DEVCO/SJP Properties	570,000	1	Non-Profit Developer/ Private Developer
10	Harvard University/Tishman Speyer	510,000	1	Private Institution/ Private Developer
*Includes properties under construction for development and redevelopment				

Source: CBRE Research, Q4 2024.

FIGURE 22: Largest Owners of Leasable Lab/R&amp;D Space

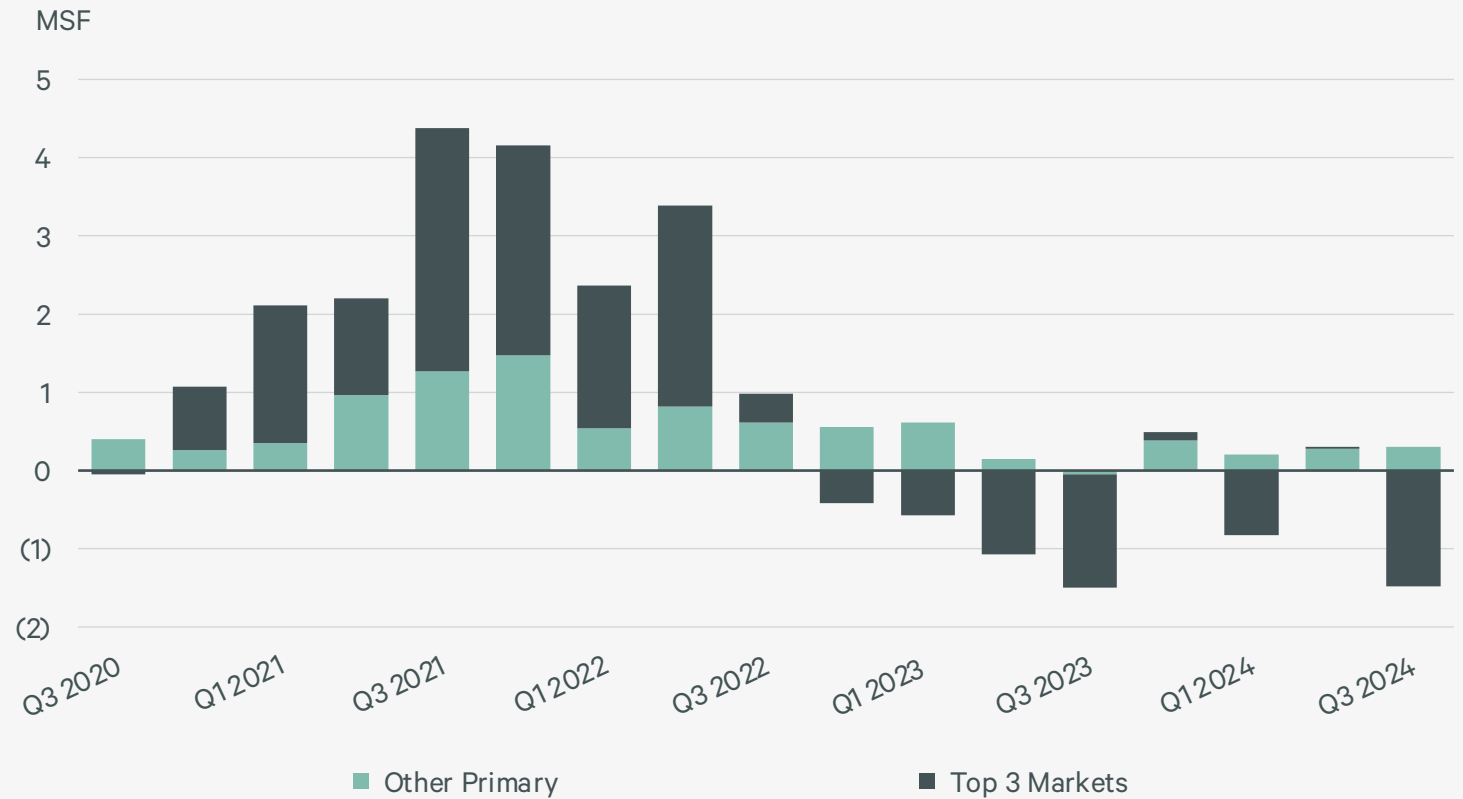
RANK	NAME	SF IN CBRE TOP 13 LIFE SCIENCES MARKETS	# OF PROPERTIES	INVESTOR TYPE
1	Alexandria Real Estate Equities, Inc.	25,179,218	181	Public REIT
2	Blackstone/BioMed Realty Trust, Inc.	14,159,066	130	Public REIT
3	Healthpeak Properties, Inc.	9,909,963	123	Public REIT
4	Longfellow Real Estate Partners	4,908,593	89	Private Developer
5	Ventas, Inc. (including Wexford)	3,747,705	18	Public REIT
6	Bain Capital/Phase 3 Real Estate Partners	3,077,581	30	Private Developer
7	Beacon Capital Partners	2,692,034	18	Institutional
8	DivcoWest	2,264,099	10	Institutional
9	Wareham Development Corp.	2,067,884	19	Private Developer
10	GI Partners	1,941,098	14	Private Investment Firm
*Includes properties under construction for development and redevelopment				

THREE MAJOR CHALLENGES IN 2025

## 2. Sluggish Absorption in Big 3 Markets

Not enough net absorption of life sciences lab/R&D space is expected to measurably reduce the effect of new supply scheduled for delivery in 2025, especially in H1. The Big 3 markets of Boston-Cambridge, the San Francisco Bay Area and San Diego have recorded a total of 5.3 million sq. ft. in negative net absorption since 2023, two-thirds of which was in the San Francisco Bay Area alone.

FIGURE 23: Net Absorption by Market

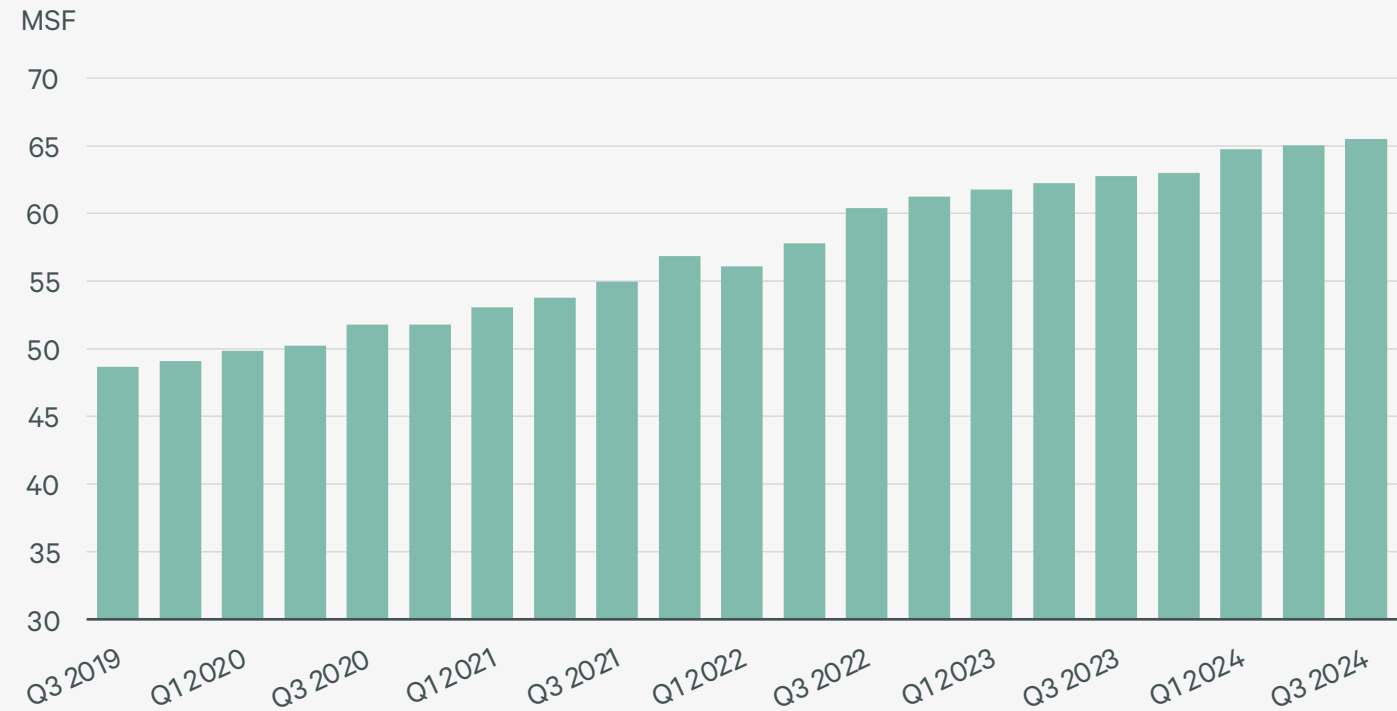


Source: CBRE Research, Q4 2024.

### THREE MAJOR CHALLENGES IN 2025

However, the other 10 major U.S. markets have recorded a total of 1.9 million sq. ft. of positive net absorption since 2023. Occupancy levels of lab/R&D space in these markets has never been higher and continue to grow in Raleigh-Durham, Philadelphia, New Jersey, Washington, D.C.-Baltimore, Seattle, Los Angeles, Chicago and Denver-Boulder. While construction completions in H1 2025 could weaken this performance, stable demand and venture capital funding should mitigate any negative impact.

**FIGURE 24: Primary Market\* Occupied Lab/R&D Space**



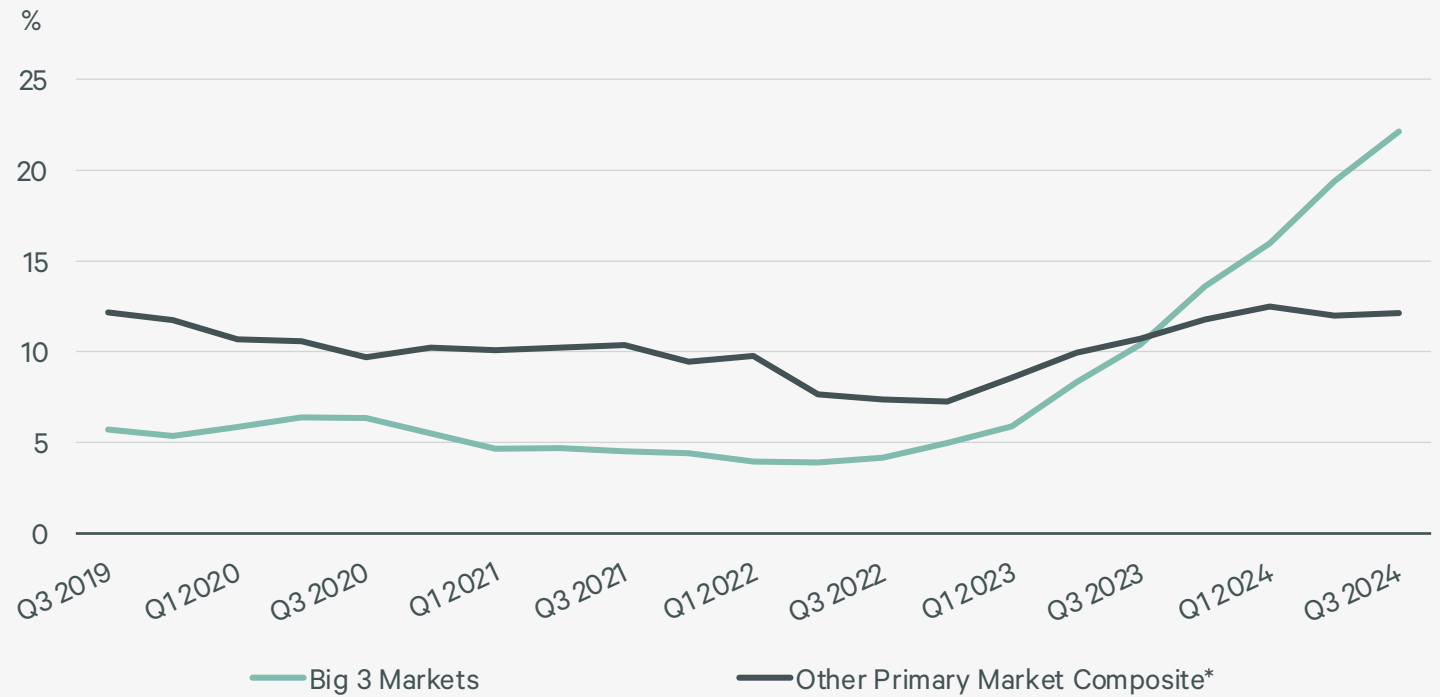
\*Raleigh-Durham, Philadelphia, New Jersey, Washington, D.C.-Baltimore, Seattle, Los Angeles, Chicago, Denver-Boulder.  
Source: CBRE Research, Q4 2024.

THREE MAJOR CHALLENGES IN 2025

### 3. Higher Vacancy

Lab/R&D vacancy increased in 2024, particularly in the Big 3 (22% on average as of Q3 2024 vs. 5% between 2019 and 2022). The average vacancy rate in eight other primary markets is considerably less at 12%. While vacancy rates should rise further in 2025, the emptying of the construction pipeline should help clear the way for more stability.

FIGURE 25: Lab/R&D Vacancy Rates



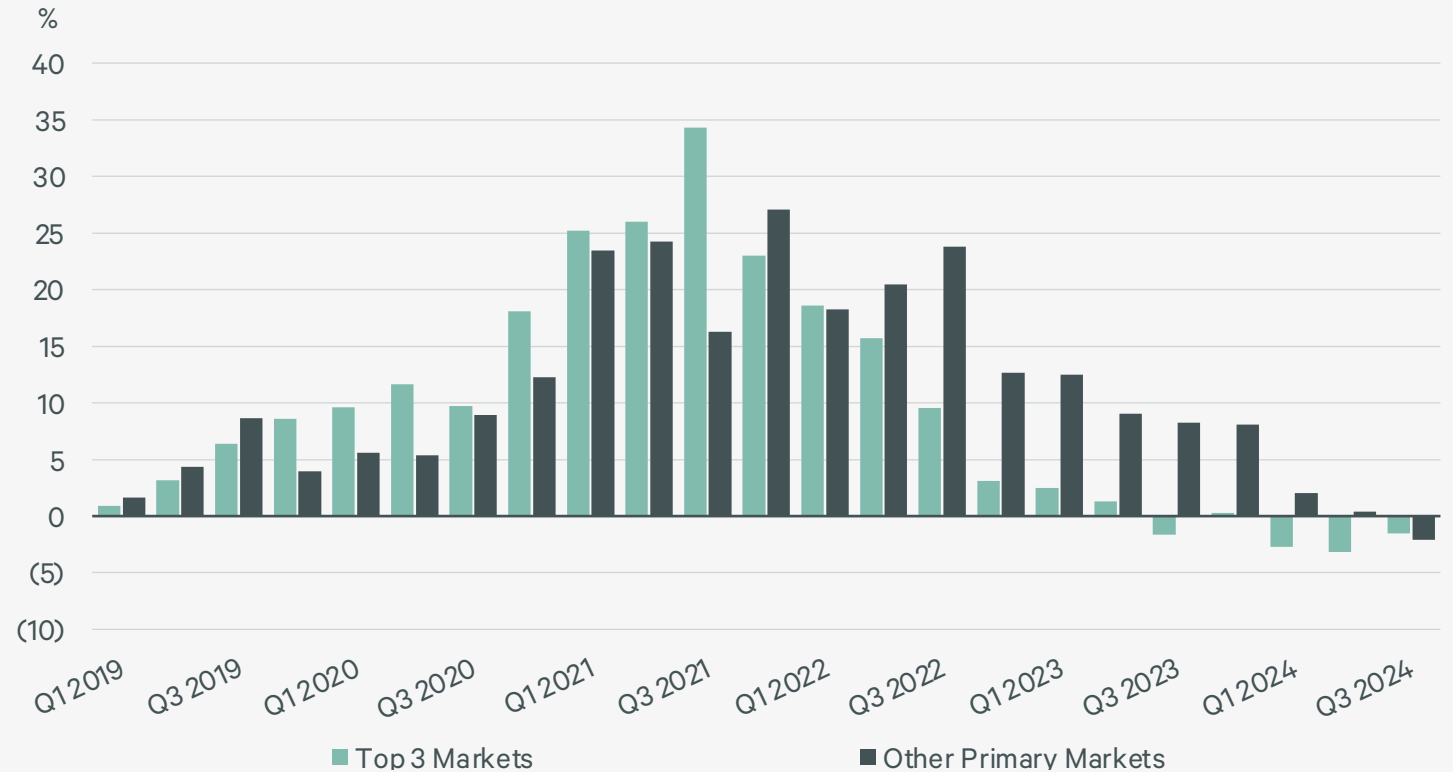
\*Raleigh-Durham, Philadelphia, New Jersey, Washington, D.C.-Baltimore, Seattle, Los Angeles, Chicago, Denver-Boulder.

Source: CBRE Research, Q4 2024.

### THREE MAJOR CHALLENGES IN 2025

Higher vacancy has caused downward pressure on asking rents. In the Big 3 markets, average asking rents have fallen the most over the past two years, while those for the next other primary markets have shown more moderate declines. Further decreases in average asking rents are expected this year as vacancy remains problematic.

**FIGURE 26: Average Annual Asking Rent Change**



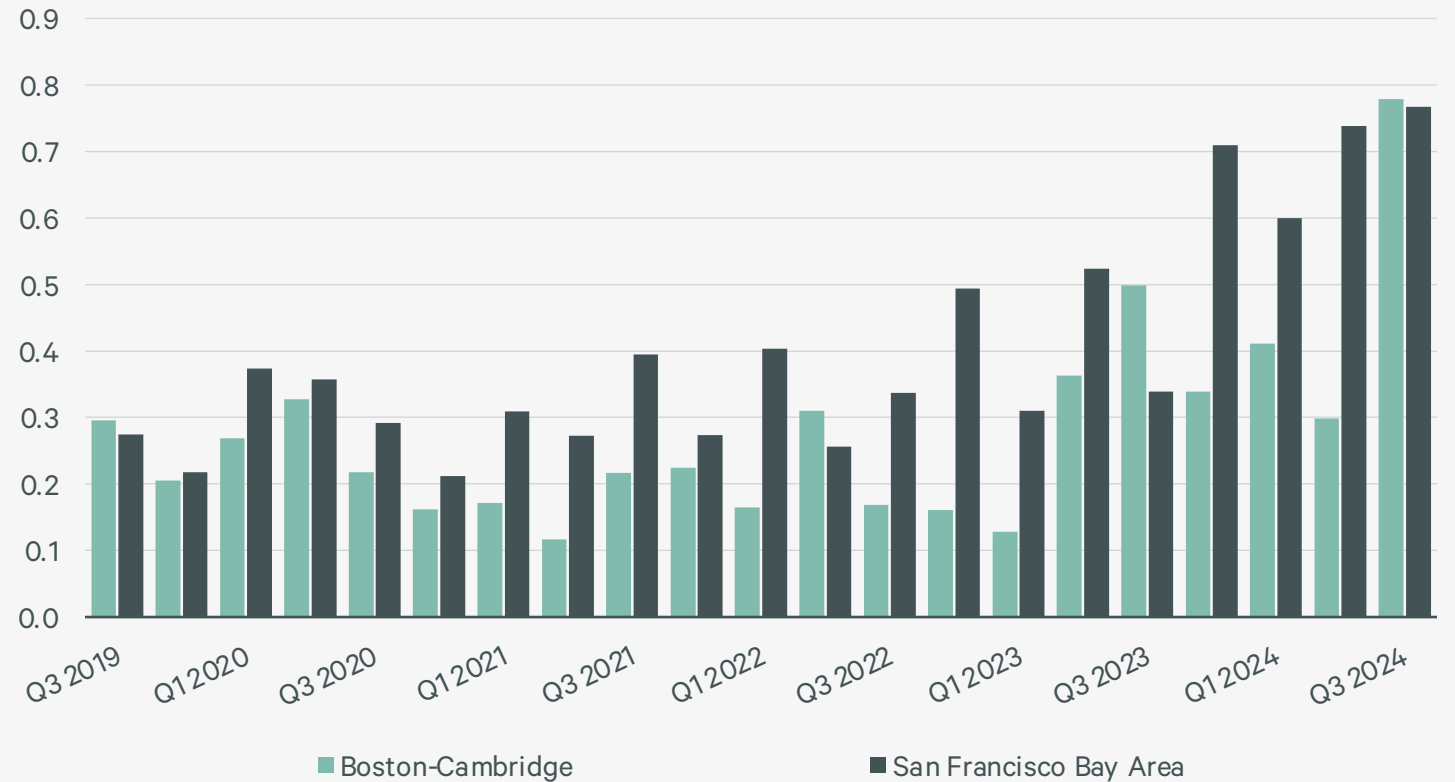
Source: CBRE Research, Q4 2024.

### THREE MAJOR CHALLENGES IN 2025

Current supply trends have also created more favorable conditions for life sciences lab/R&D occupiers in the form of concessions. Average free-rent periods offered by landlords in Boston-Cambridge and the San Francisco Bay Area have increased sharply over the past year (Figure 27).



**FIGURE 27: Free Months of Rent per Year of Lease Term**



Source: CBRE Research, Q4 2024.

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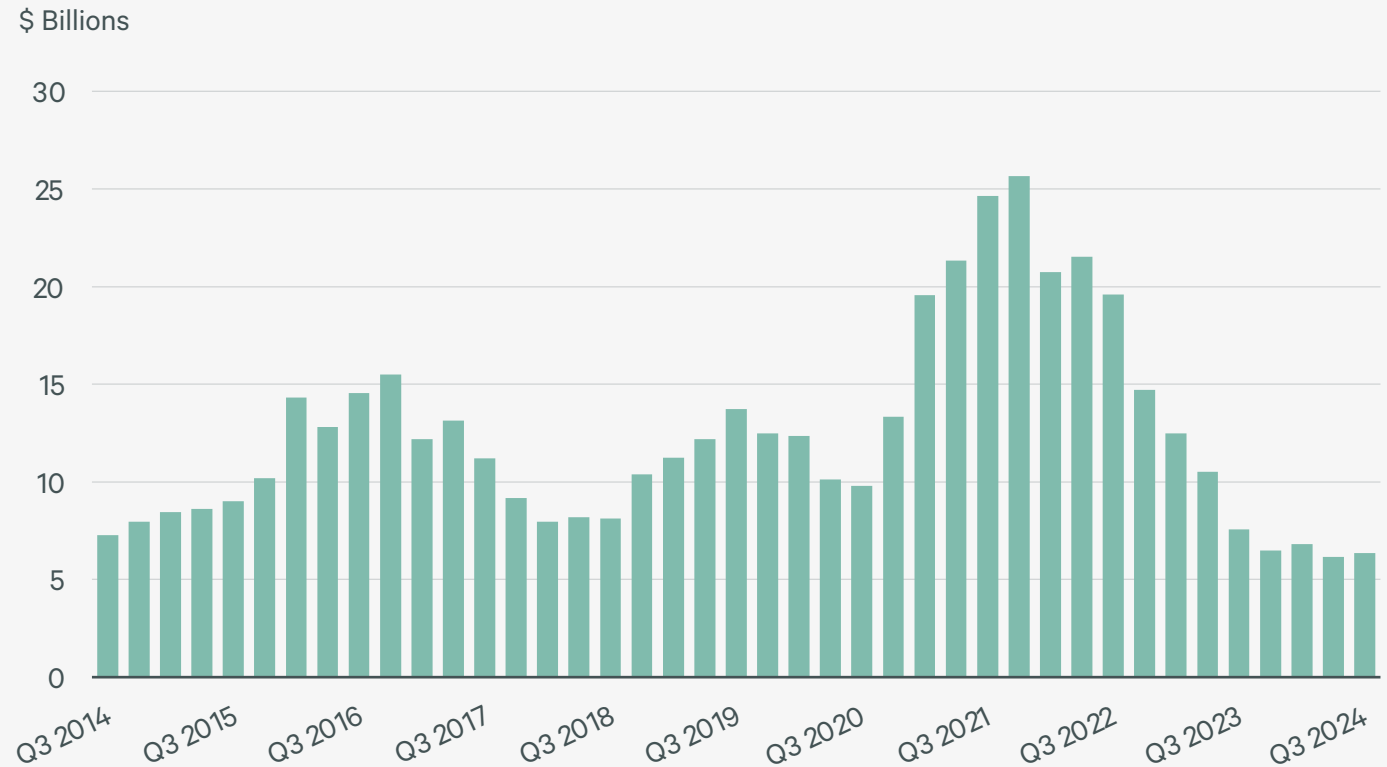
# Potential for Increased Investment Activity in 2025

### POTENTIAL FOR INCREASED INVESTMENT ACTIVITY IN 2025

Sales transactions of life sciences lab/R&D properties hit their lowest level in over a decade in 2024, largely due to high interest rates and weak supply-and-demand fundamentals.

CBRE Research projects marginally higher investment sales in 2025 for all commercial real estate sectors based on improved macroeconomic trends, lower interest rates and greater demand. Life sciences investment activity may see a slight uptick, although the sector’s surge in new supply in H1 2025 will be a headwind.

**FIGURE 28: Annual Investment Volume of R&D Properties**



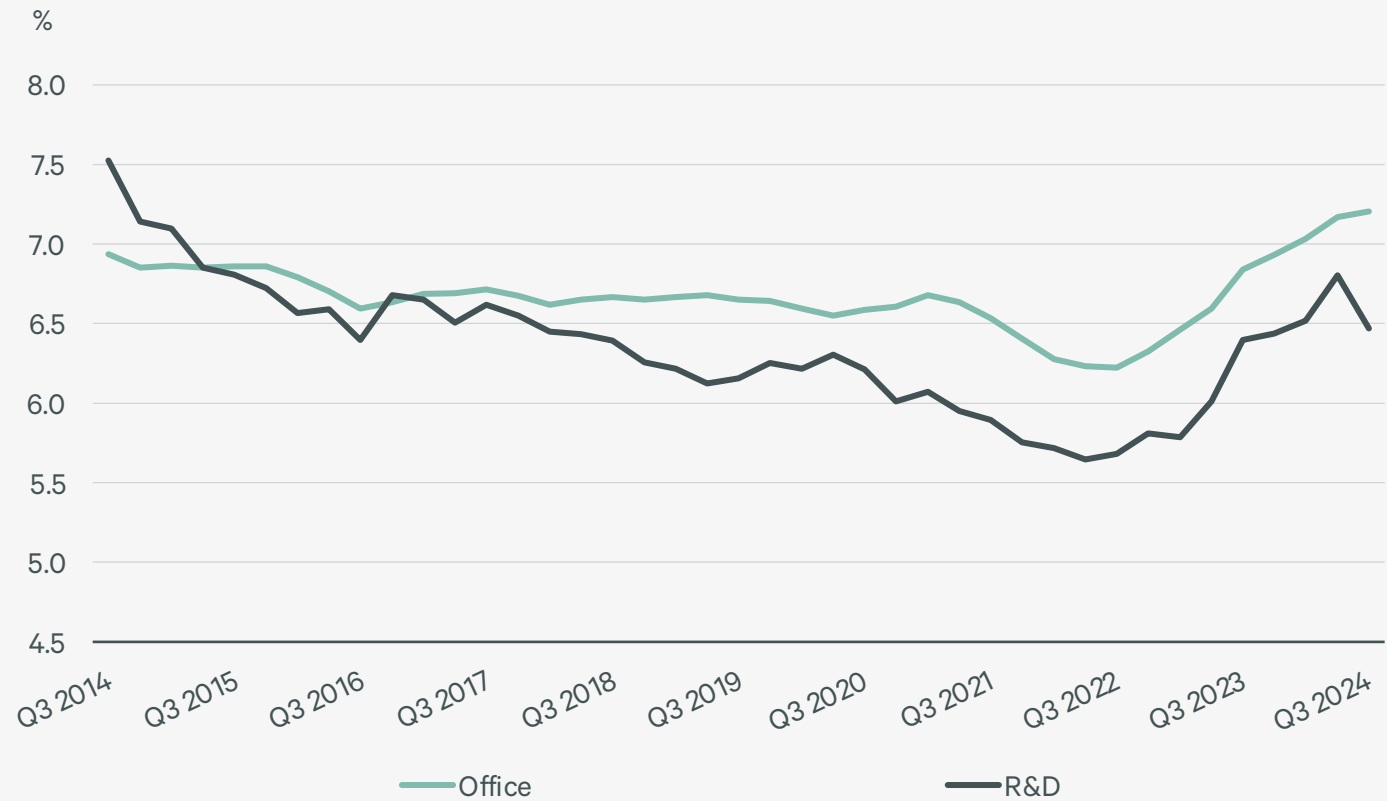
Source: MSCI, Q4 2024

### POTENTIAL FOR INCREASED INVESTMENT ACTIVITY IN 2025

While conventional office properties have seen cap rates jump to levels not seen in over a decade, cap rates for life sciences properties appeared to stabilize in 2024 and remained below levels a decade ago.

CBRE expects the 10-year Treasury yield to remain above 4% in 2025, suggesting that any potential decline in life sciences cap rates will be marginal.

**FIGURE 29: Average Cap Rates for Office and R&D Properties**



Source: MSCI, Q4 2024

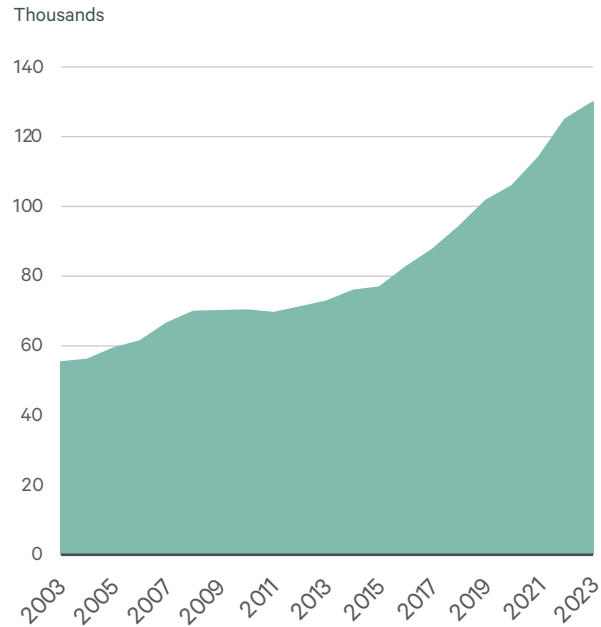
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# Market Profiles

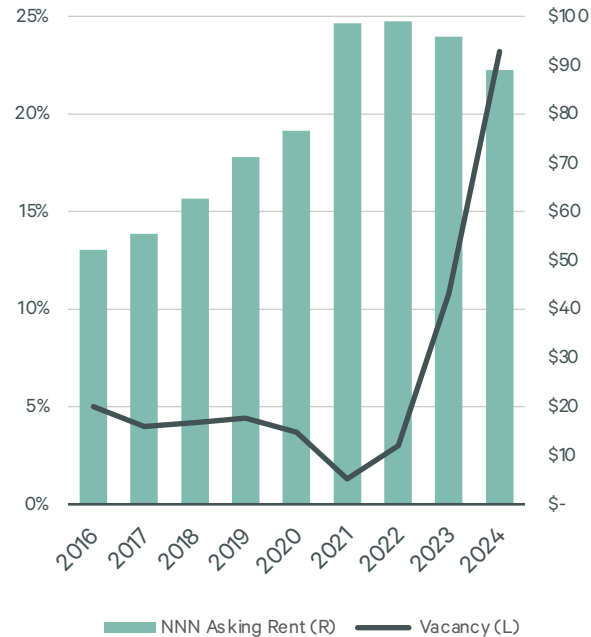
# 01 Boston-Cambridge



## Life Sciences Employment



## Historical Vacancy and Asking Rate

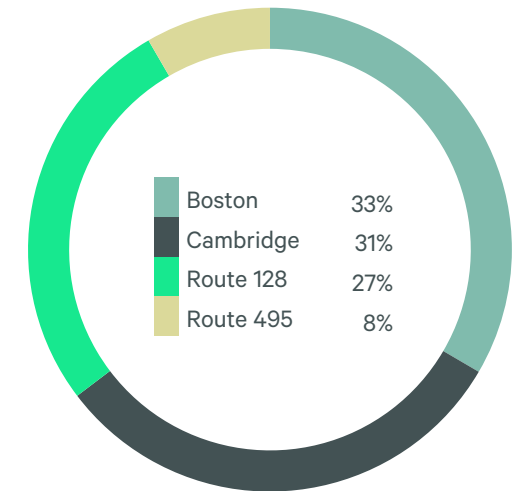


Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

## Supply & Demand



## 2024 R&D/Lab Leases by Submarket

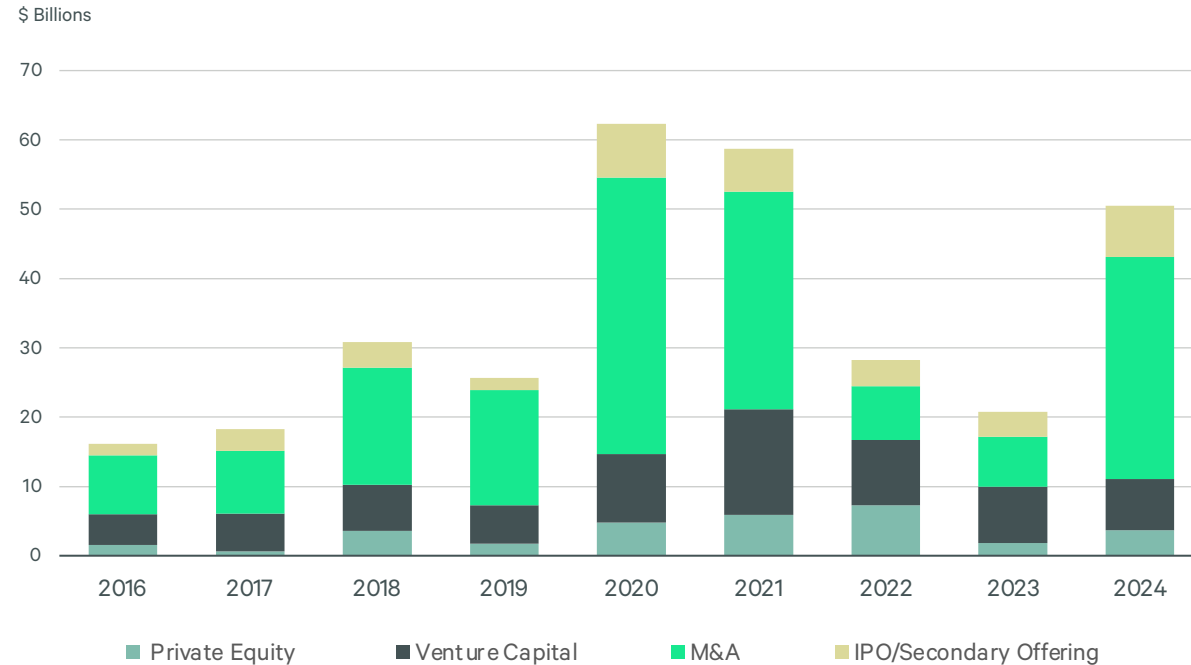


01

# Boston-Cambridge

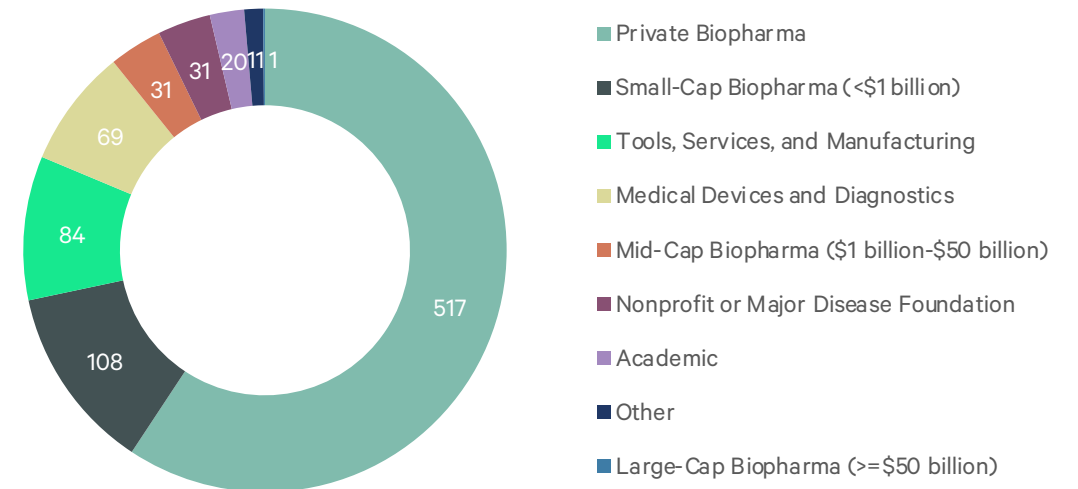
(Continued)

## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

01

# Boston-Cambridge

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q3	730-750 Main Street	BioMed Realty	MIT	219,945	\$361,150,000	\$1,642
Q4	Alexandria E. Cambridge Portfolio	BioMed Realty	Alexandria Real Estate Equities	552,543	\$250,000,000	\$452

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	% Preleased
New	8	3,500,588	1,971,588	52%
Conversion	3	377,085	377,085	0%
<b>TOTAL</b>	<b>11</b>	<b>3,877,673</b>	<b>2,348,673</b>	<b>47%</b>

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
55,985,349	\$89.07	23.2%	(460,710)	69	2,250,000

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	Size	Type	Direct/Sublease
Q3	Confidential	Boston	1,100,000	Renewal	Direct
Q1	Confidential	Route 495	243,500	Renewal	Direct
Q1	Takeda Pharmaceuticals	Cambridge	220,400	Renewal	Direct
Q2	Regeneron Pharmaceuticals Inc.	Cambridge	160,000	New	Sublease
Q1	ADA Forsyth Institute	Close-In North	76,000	New	Direct

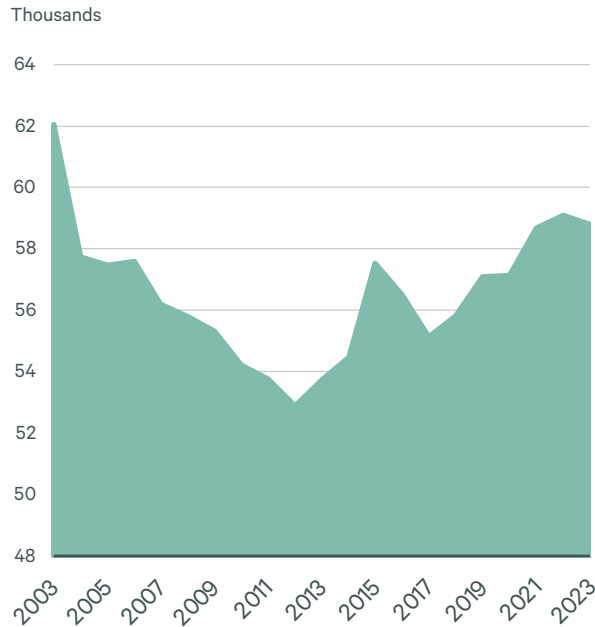
## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	35	741,776	21	487,635	56	1,229,411
Renewal	29	2,274,756	-	-	29	2,274,756
Renewal/Expansion	1	29,836	-	-	1	29,836
Expansion	6	186,535	-	-	6	186,535
<b>Grand Total</b>	<b>71</b>	<b>3,232,903</b>	<b>21</b>	<b>487,635</b>	<b>92</b>	<b>3,720,538</b>

# 02 Chicago



## Life Sciences Employment



Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

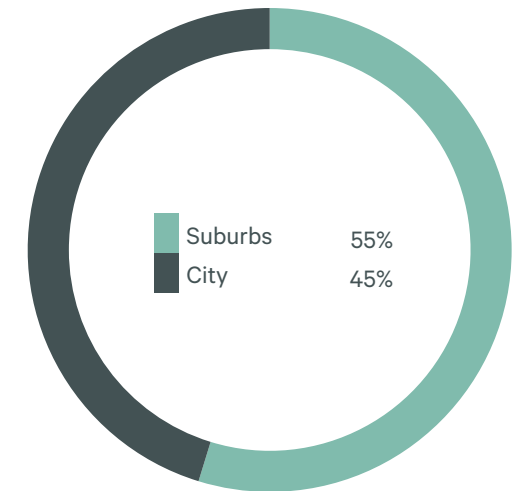
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket



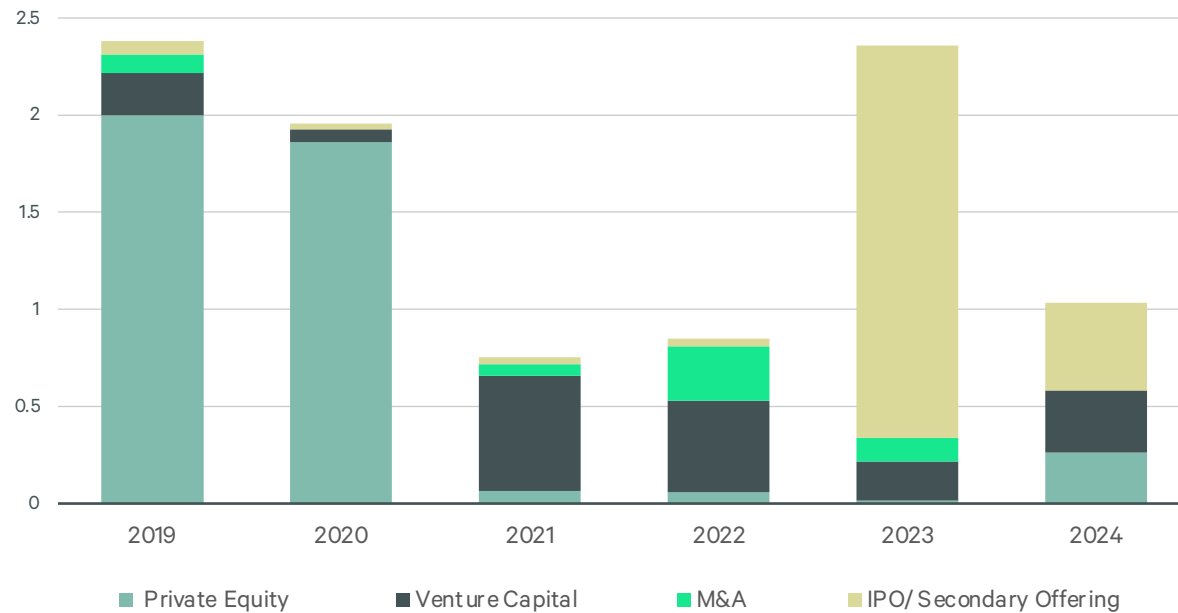
02

# Chicago

(Continued)

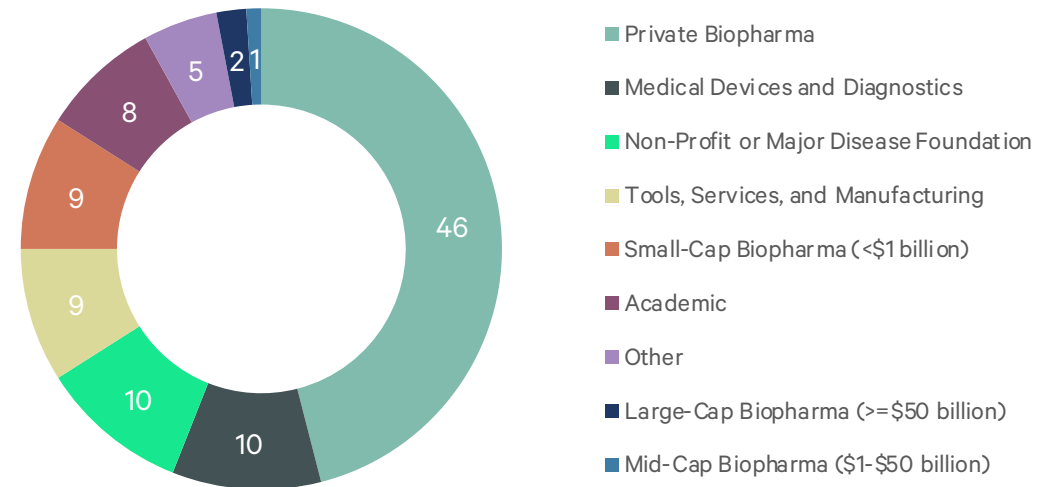
## Funding

\$ Billions



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

02

# Chicago

(Continued)

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
2,005,705	\$50.89	40.5%	107,700	45	980,000

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	Size	Type	Direct/ Sublease
Q3	Kashiv	City	85,000	Renewal	Direct
Q4	Cour Pharmaceuticals	Suburbs	50,000	New	Direct
Q4	Vetter	Suburbs	50,000	Renewal	Direct
Q4	Cyclopure	Suburbs	17,500	New	Direct
Q1	Mattiq	City	17,400	New	Direct

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec Size SF	% Preleased
New	1	302,388	302,388	18%
Conversion	0	0	0	N/A
<b>TOTAL</b>	<b>1</b>	<b>302,388</b>	<b>302,388</b>	<b>18%</b>

## Lab/R&D Lease Transactions Breakdown

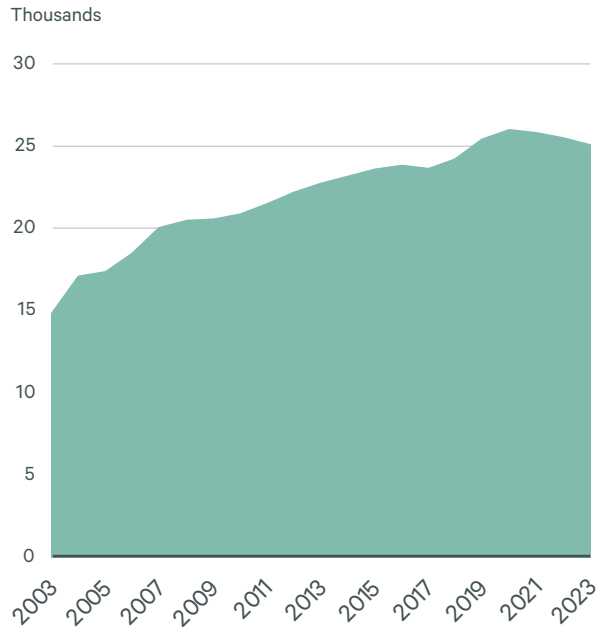
Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	6	107,710	-	-	6	107,710
Renewal	2	135,000	-	-	2	135,000
<b>Grand Total</b>	<b>8</b>	<b>242,710</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>242,710</b>

03

# Denver-Boulder

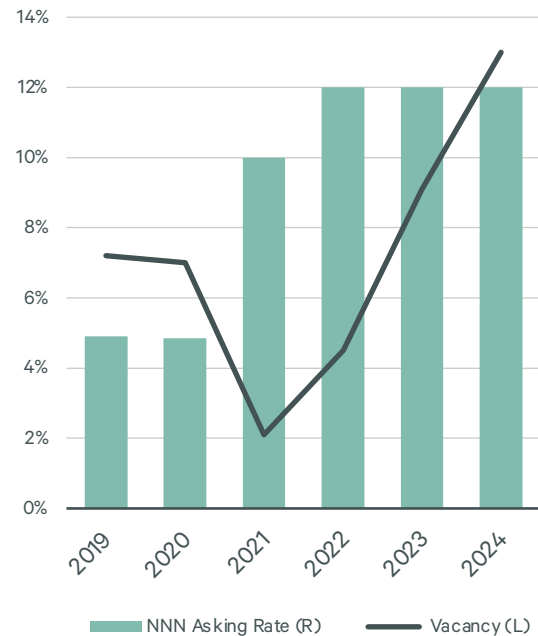


## Life Sciences Employment

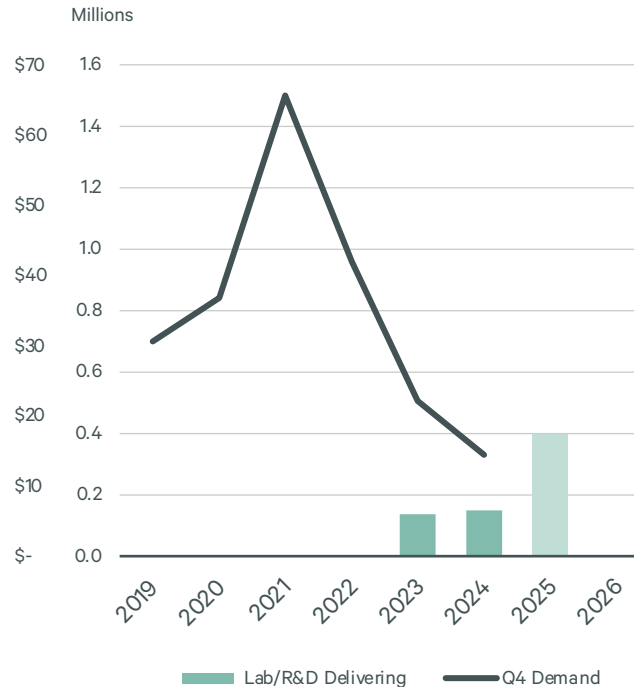


Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

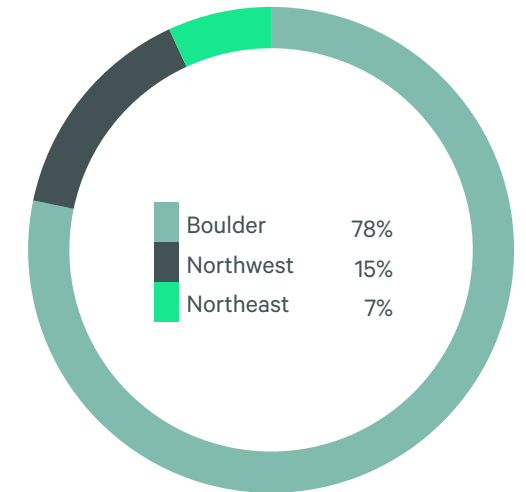
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket

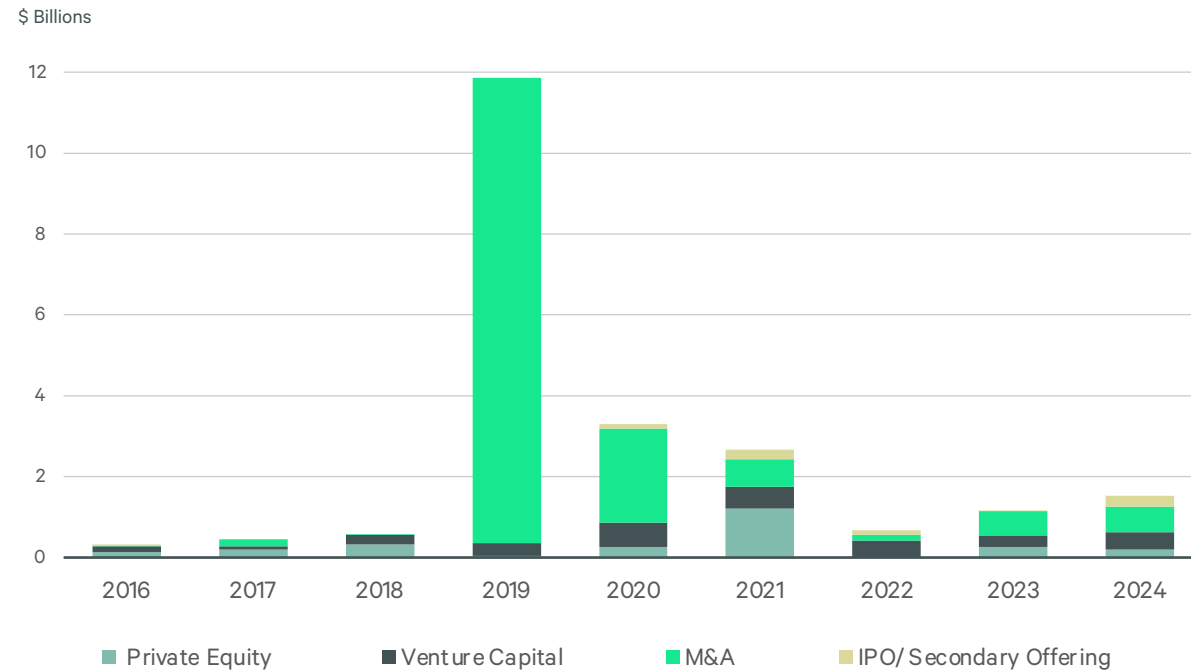


03

# Denver-Boulder

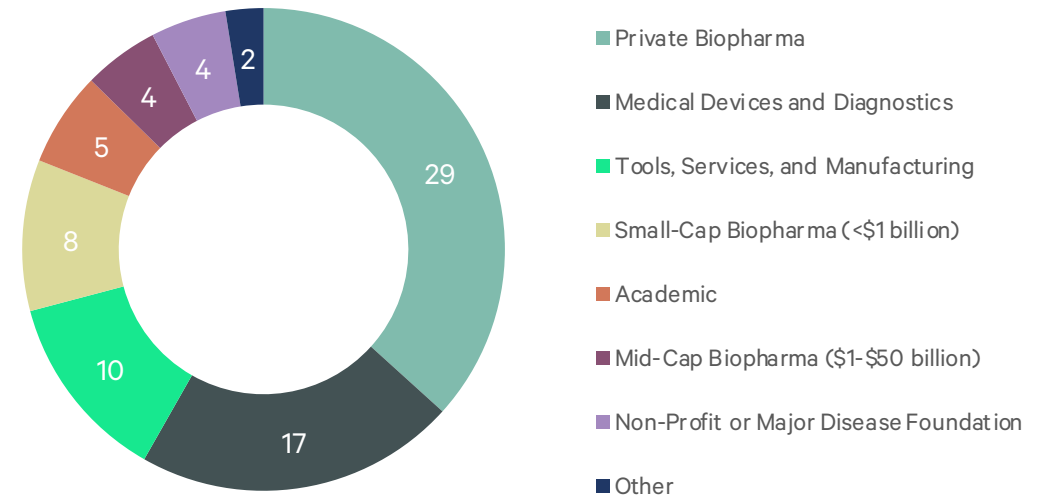
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## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

03

# Denver-Boulder

(Continued)

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
3,250,922	\$60.00	13.0%	19,015	11	330,000

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	Size	Type	Direct/ Sublease
Q2	Integrated DNA Technologies	Boulder	48,000	Renewal	Direct
Q4	VitriVax	Boulder	40,800	New	Sublease
Q4	Ambrosia Biosciences	Boulder	24,800	New	Sublease
Q1	KBI Biopharma	Boulder	24,600	Renewal	Direct
Q1	Hyde Engineering + Consulting	Northwest	17,500	New	Direct

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec Size SF	% Preleased
New	0	0	0	N/A
Conversion	4	396,611	355,548	10%
<b>TOTAL</b>	<b>4</b>	<b>396,611</b>	<b>355,548</b>	<b>10%</b>

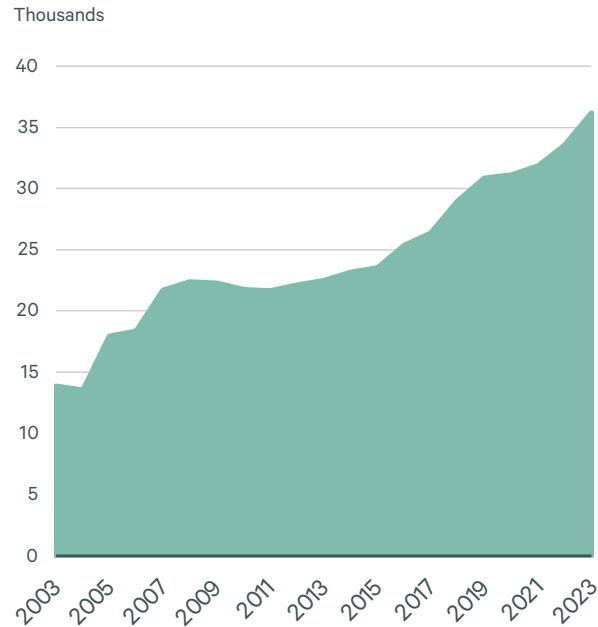
## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	7	58,430	2	65,637	9	124,067
Renewal	2	72,595	-	-	2	72,595
Renewal/ Expansion	1	10,924	-	-	1	10,924
<b>Grand Total</b>	<b>10</b>	<b>141,949</b>	<b>2</b>	<b>65,637</b>	<b>12</b>	<b>207,586</b>

# 04 Houston



## Life Sciences Employment

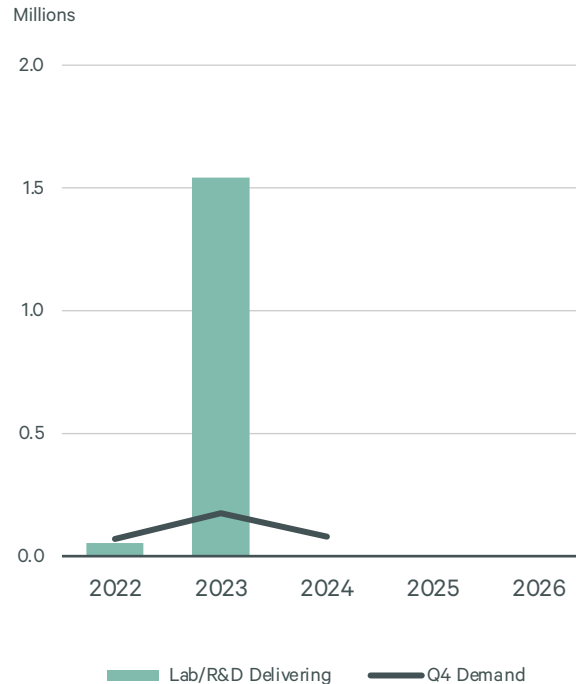


Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

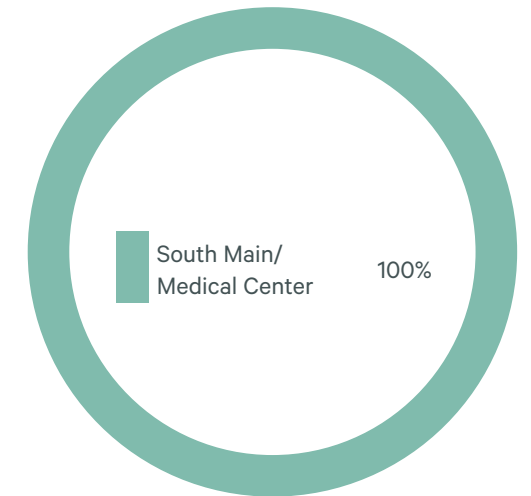
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket

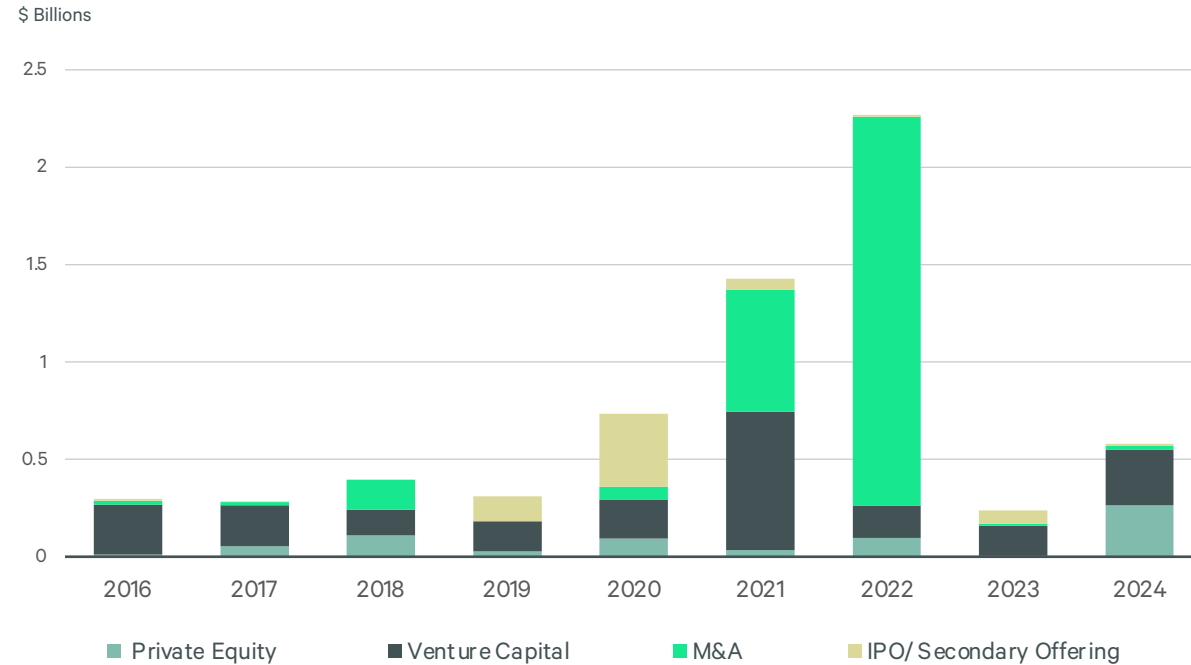


04

# Houston

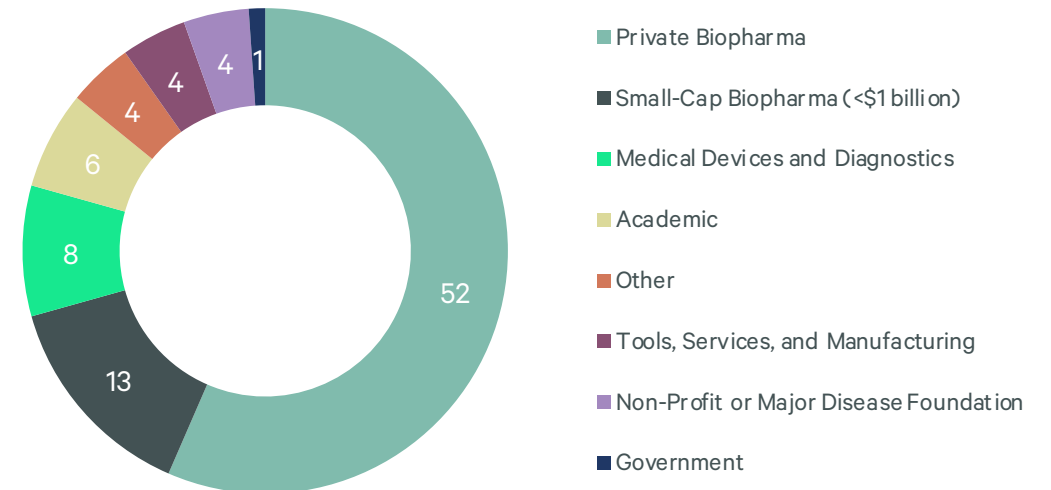
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## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

04

# Houston

(Continued)

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Owner-User Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
2,597,544	389,041	\$51.20	23.4%	85,400	80,000	2

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	Size	Type	Direct/ Sublease
Q4	Baylor Genetics	South Main/Medical Center	65,000	New	Direct
Q4	RBL LLC	South Main/Medical Center	11,000	New	Direct
Q2	PranaX	South Main/Medical Center	7,400	New	Direct
Q3	Artidis	South Main/Medical Center	2,000	New	Direct

## Lab/R&D Lease Transactions Breakdown

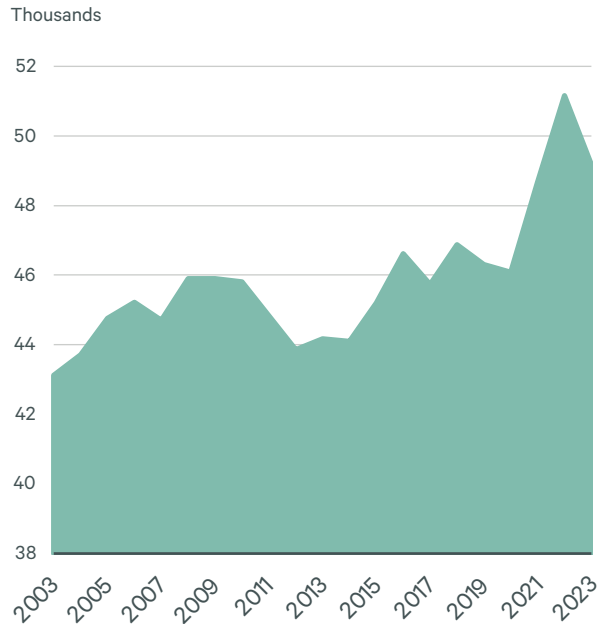
Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	4	85,400	0	0	4	85,400
<b>Grand Total</b>	<b>4</b>	<b>85,400</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>85,400</b>

05

# Los Angeles

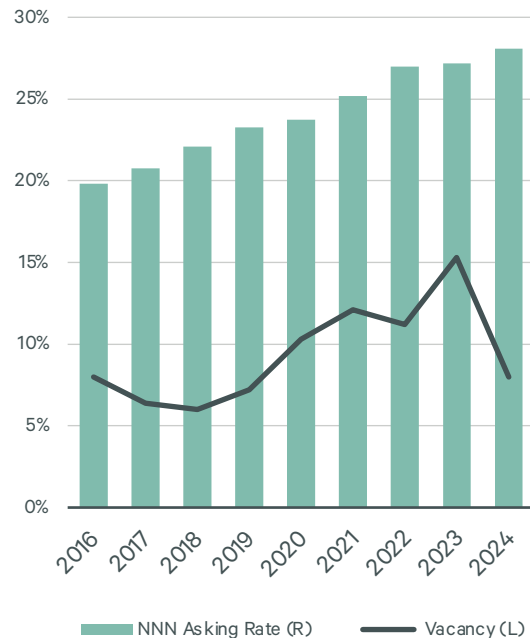


## Life Sciences Employment

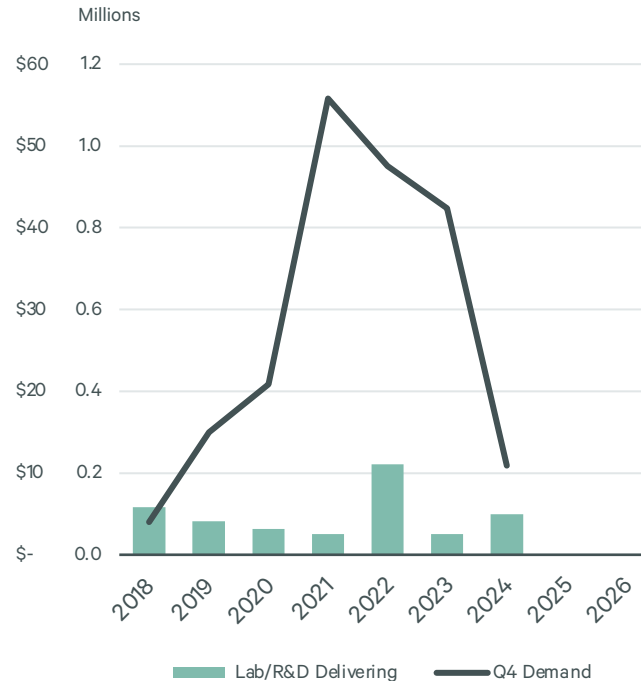


Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

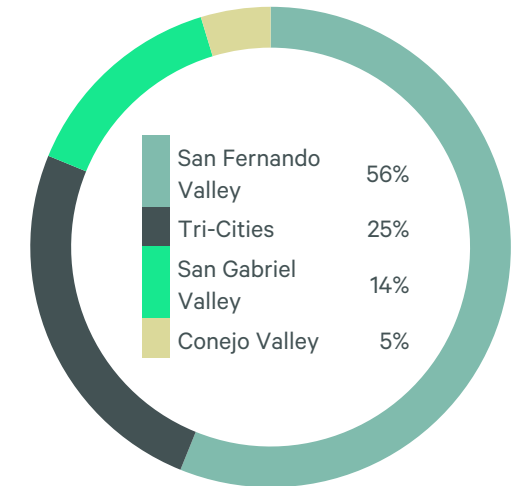
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket

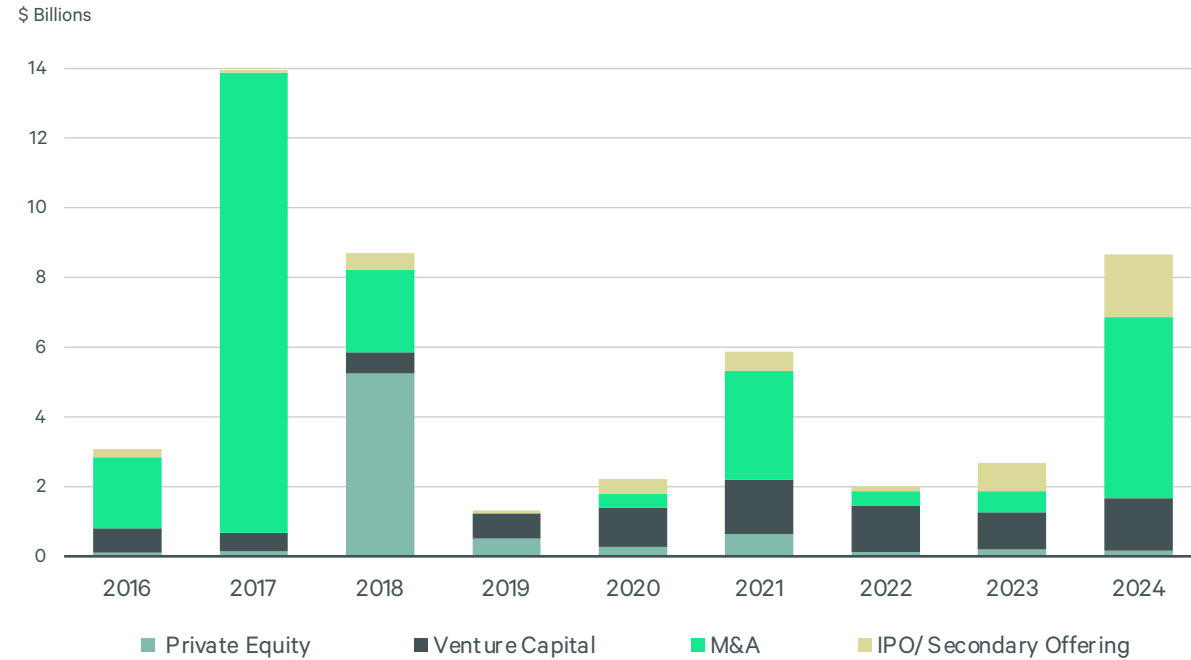


05

# Los Angeles

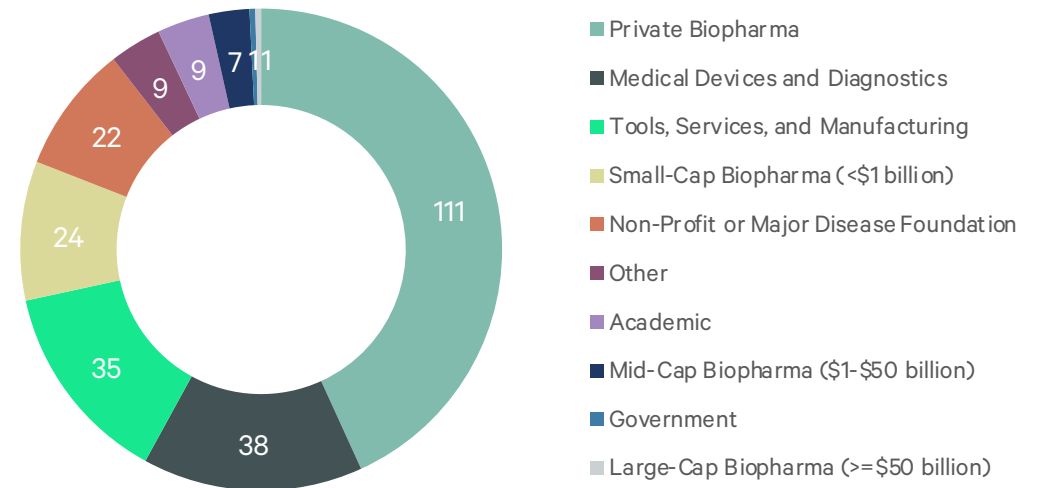
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## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

# 05 Los Angeles

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q4	Pacific Concourse	UCLA	Karney Management Company	169,758	\$55,000,000	\$324

## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	3	189,963	2	15,042	5	205,005
Renewal	2	43,088	0	0	2	43,088
<b>Grand Total</b>	<b>5</b>	<b>233,051</b>	<b>2</b>	<b>15,042</b>	<b>7</b>	<b>248,093</b>

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Owner-User Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
6,183,911	5,156,186	\$56.16	8.0%	156,261	14	218,000

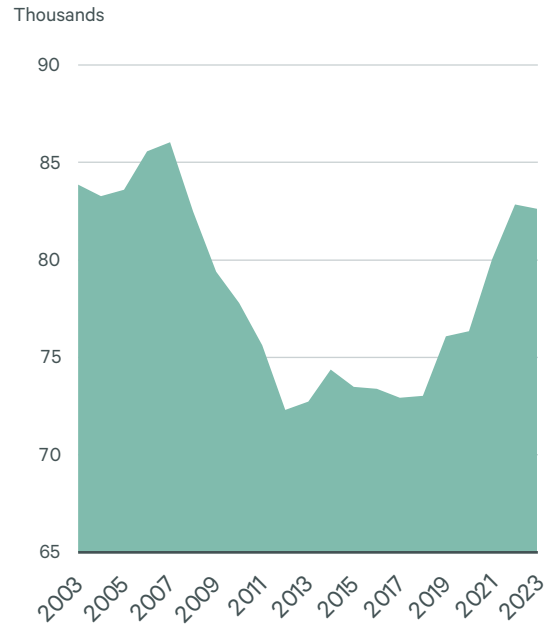
## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	Size	Type	Direct/Sublease
Q3	Confidential	San Fernando Valley	128,100	New	Direct
Q3	Confidential	Tri-Cities	58,300	New	Direct
Q1	Gilead Sciences Inc.	San Gabriel Valley	35,000	Renewal	Direct
Q2	Confidential	San Fernando Valley	11,100	New	Sublease
Q4	Curia Bio	Conejo Valley	8,100	Renewal	Direct

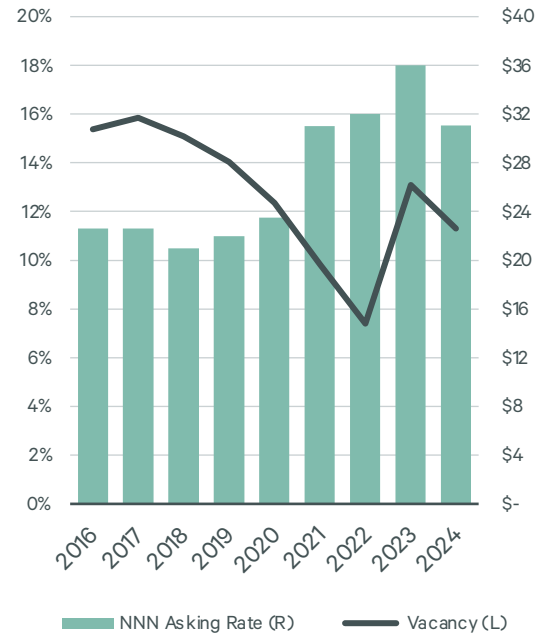
# 06 New Jersey



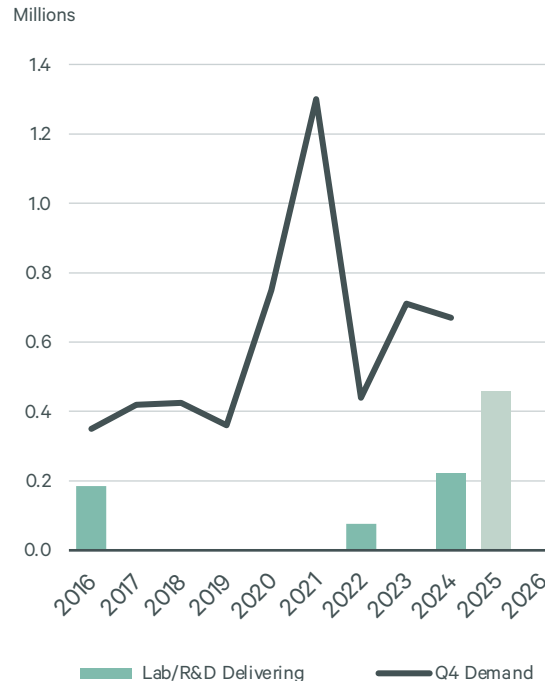
## Life Sciences Employment



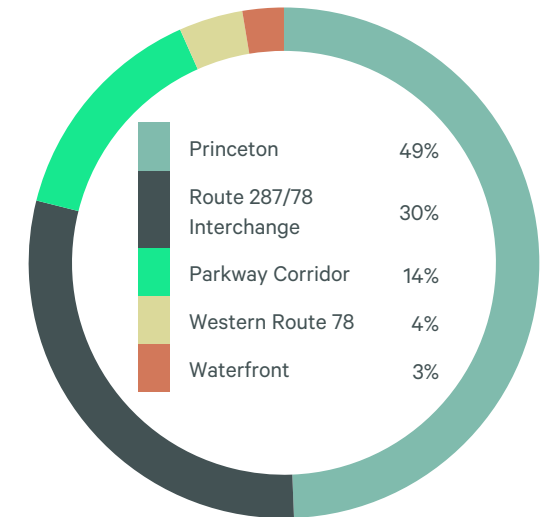
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket



Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

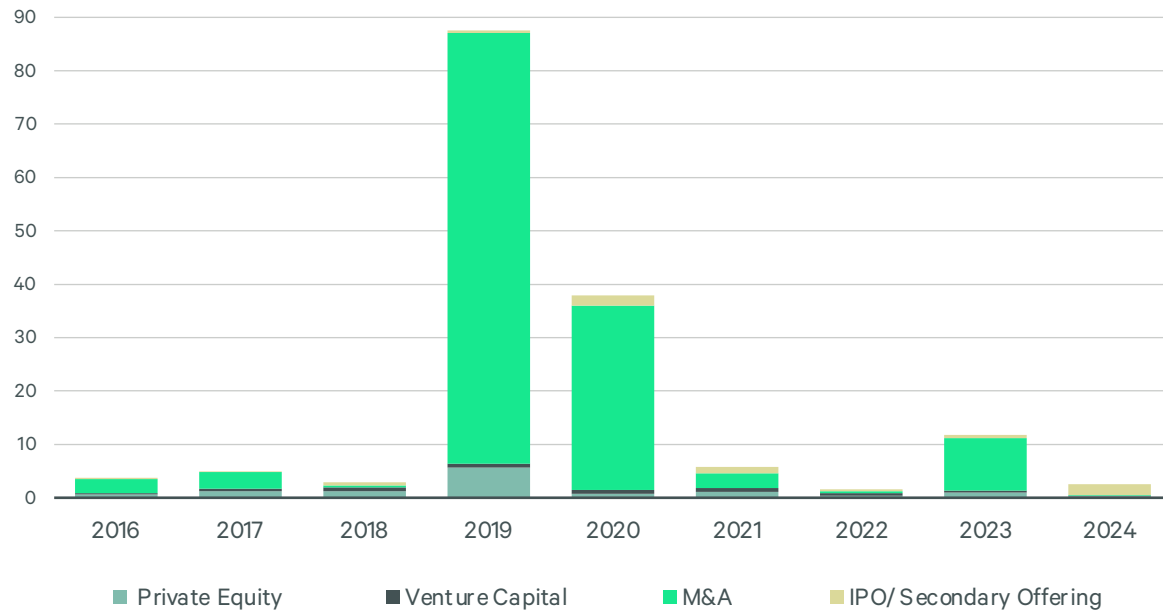
06

# New Jersey

(Continued)

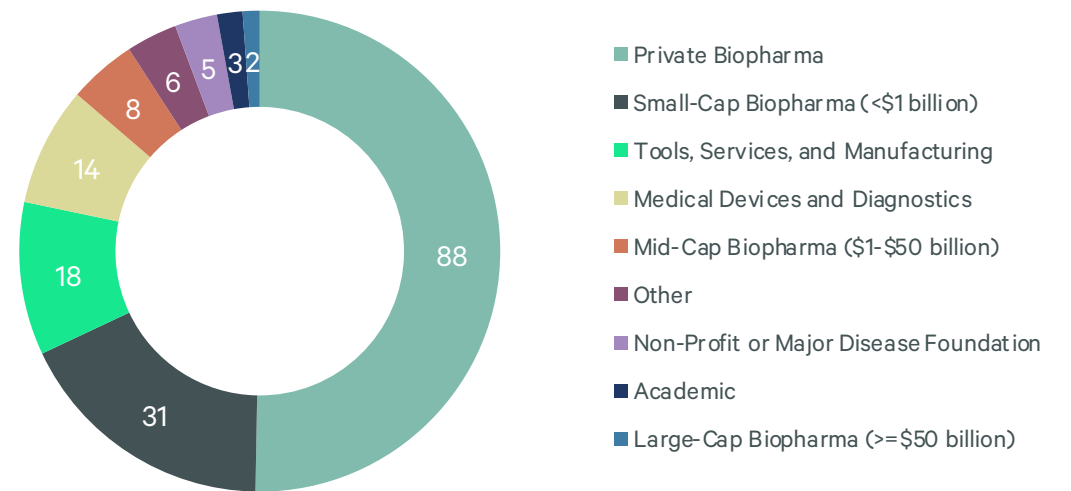
## Funding

\$ Billions



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

06

# New Jersey

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q1	2000 Galloping Hill Road, Kenilworth	Onyx Equities / Machine Investments Group	Merck Campus	1,873,230	\$187,500,000	\$100

## Lab/R&D Future Supply as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	3	728,000	630,000	14%
Conversion	1	360,000	0	49%
<b>TOTAL</b>	<b>4</b>	<b>1,088,000</b>	<b>630,000</b>	<b>34%</b>

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
18,921,654	\$31.05	11.3%	231,231	9	670,000

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	Size	Type	Direct/Sublease
Q1	Genmab	Princeton	135,000	Expansion	Direct
Q3	ProBio	Princeton	127,100	New	Direct
Q1	Regeneron	Route 287/78 Interchange	126,700	New	Direct
Q4	Revlon	Parkway Corridor	62,000	New	Direct
Q2	Bracco Diagnostics	Princeton	34,000	Renewal	Direct

## Lab/R&D Lease Transactions Breakdown

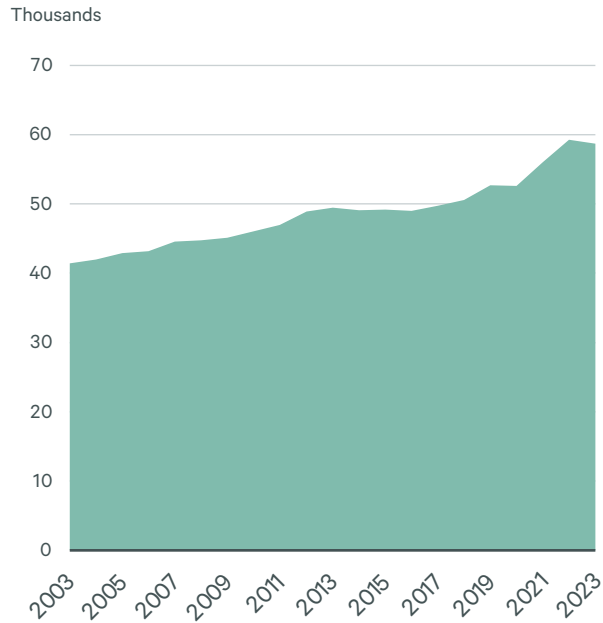
Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	9	410,371	0	0	9	410,371
Renewal	2	58,475	0	0	2	58,475
Expansion	1	135,000	0	0	1	135,000
<b>Grand Total</b>	<b>12</b>	<b>603,846</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>603,846</b>

07

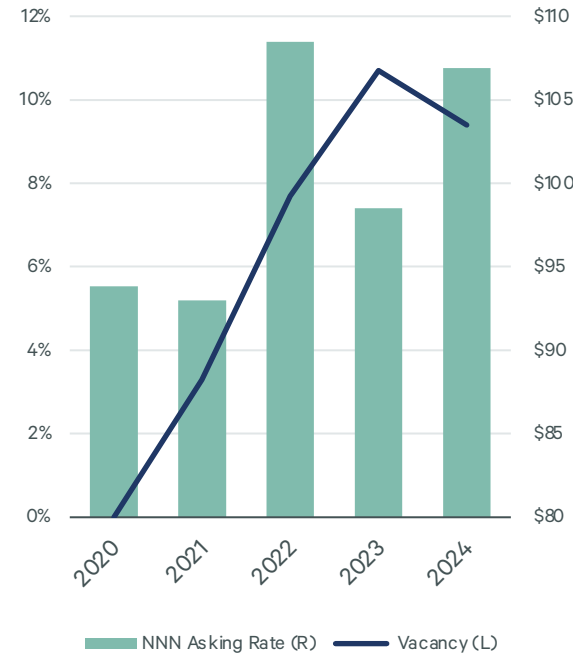
# New York City



## Life Sciences Employment



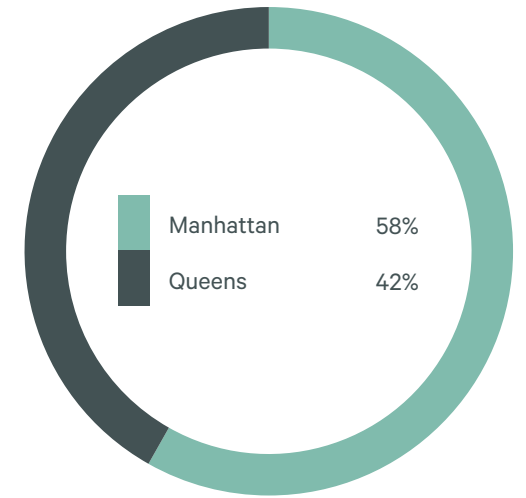
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket



Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

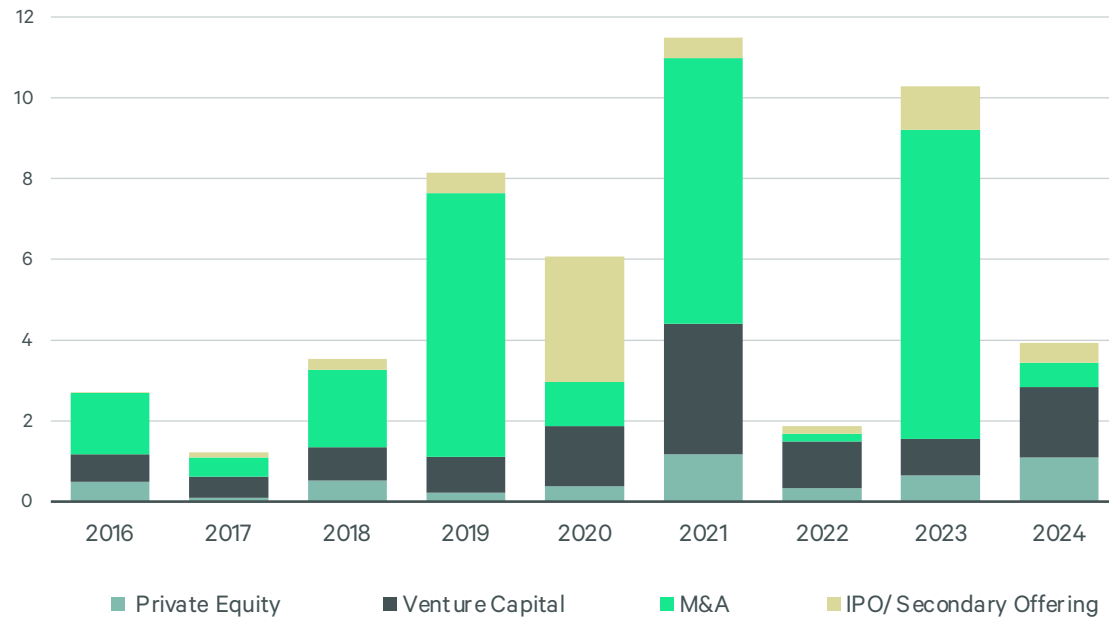
07

# New York City

(Continued)

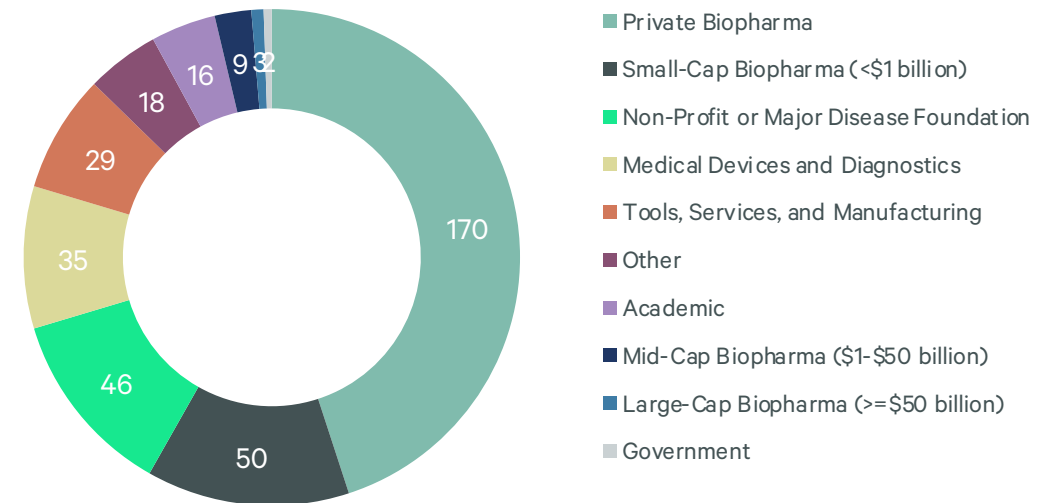
## Funding

\$ Billions



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

# 07 New York City

(Continued)

## Lab/R&D Future Supply as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	1	200,000	200,000	0%
Conversion	0	0	0	N/A
<b>TOTAL</b>	<b>1</b>	<b>200,000</b>	<b>200,000</b>	<b>0%</b>

## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	9	135,261	2	23,102	11	158,363
<b>Grand Total</b>	<b>9</b>	<b>135,261</b>	<b>2</b>	<b>23,102</b>	<b>11</b>	<b>158,363</b>

Note: Core stats are reflective of lab exclusive space only. Vacancy reflects the built availability rate.

## 2024 Lab/R&D Market Statistics

Inventory (SF)	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
2,892,240	\$106.91	9.4%	314,179	19	598,000

## Top 5 Lab/R&D Lease Transactions of 2024

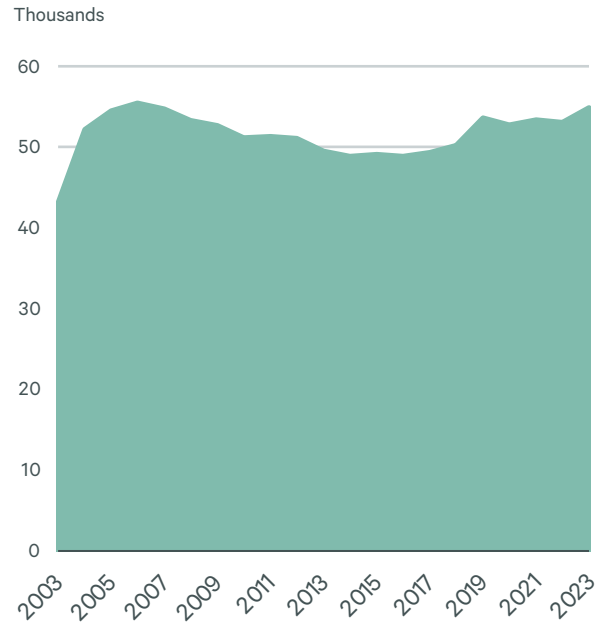
Quarter	Tenant	Submarket	Size	Type	Direct/Sublease
Q4	NYU Langone/BioLabs	Queens	46,200	New	Direct
Q2	Chan Zuckerberg BioHub	Manhattan	37,800	New	Direct
Q2	Confidential	Manhattan	18,100	New	Sublease
Q2	Icahn School of Medicine at Mount Sinai	Manhattan	15,100	New	Direct
Q3	Confidential	Manhattan	5,900	New	Direct

08

# Philadelphia

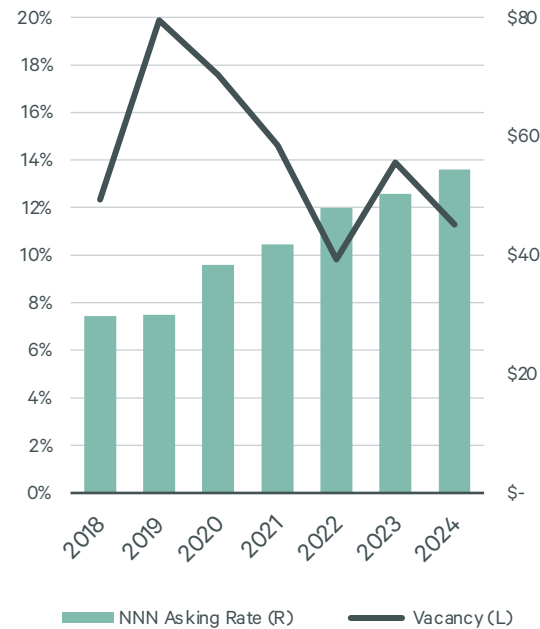


## Life Sciences Employment



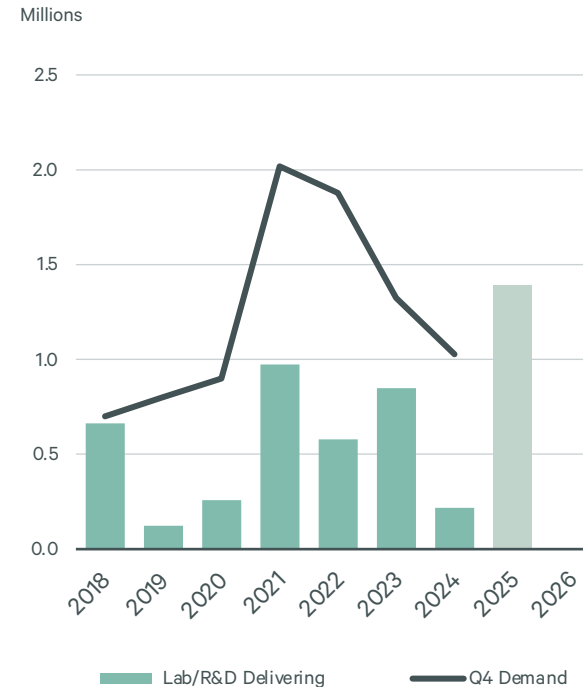
Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

## Historical Vacancy and Asking Rate



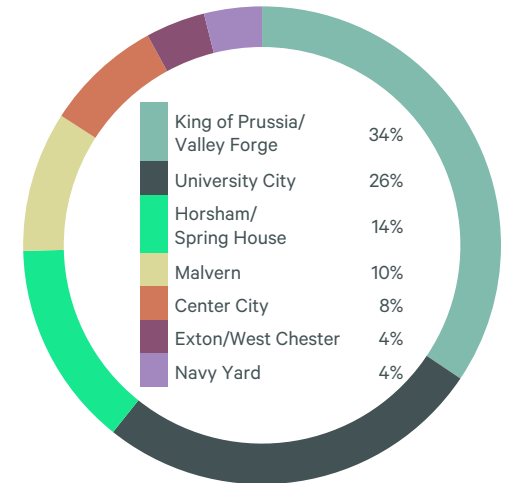
NNN Asking Rate (R) Vacancy (L)

## Supply & Demand



Lab/R&D Delivering Q4 Demand

## 2024 R&D/Lab Leases by Submarket

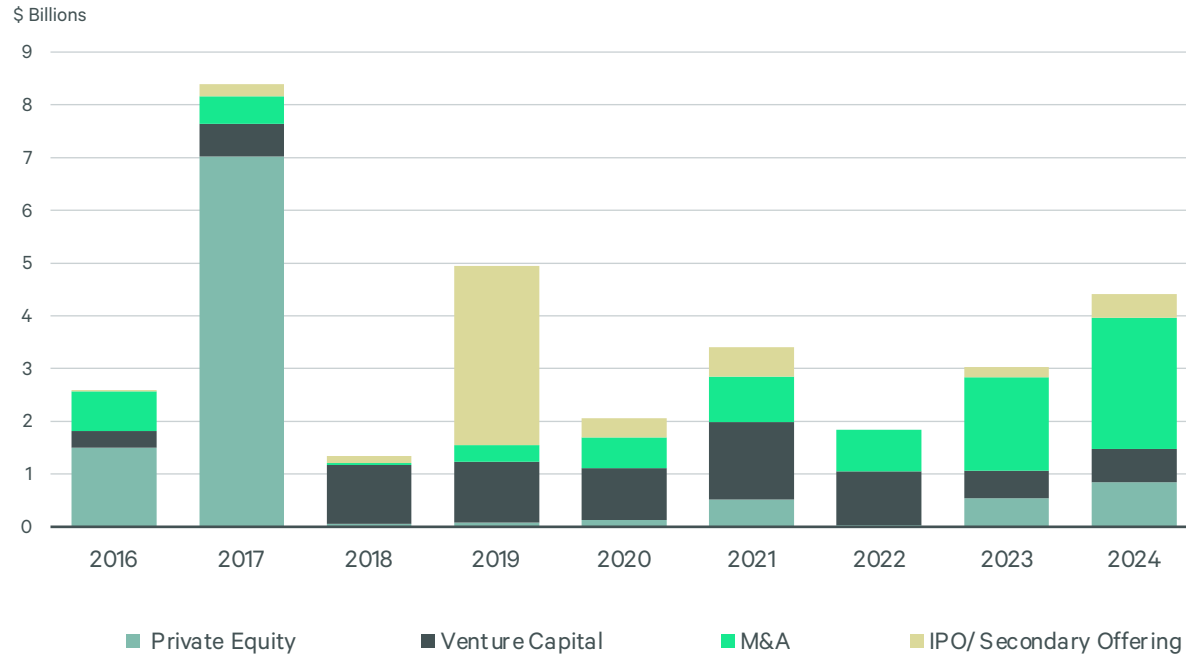


08

# Philadelphia

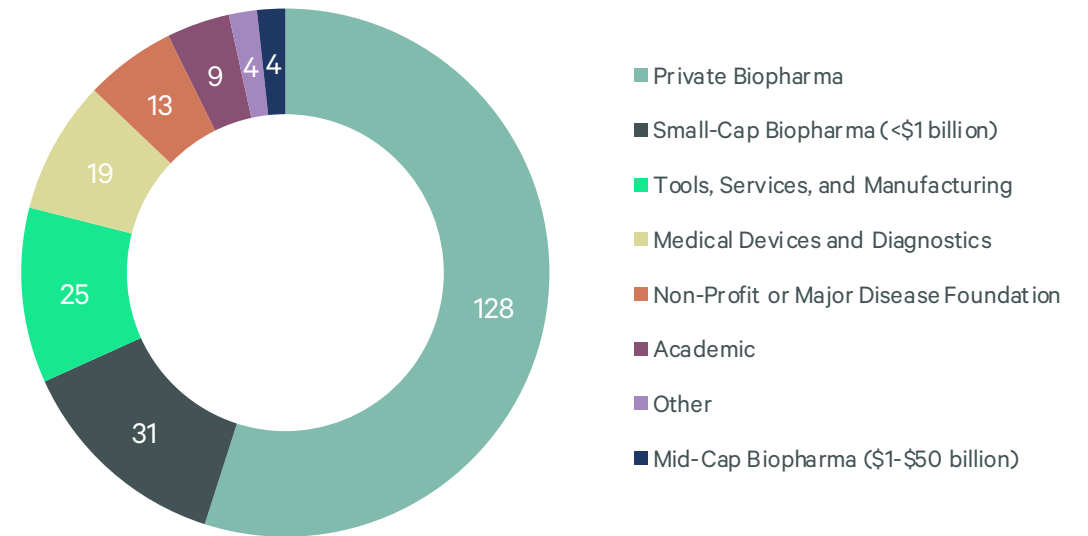
(Continued)

## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

08

# Philadelphia

(Continued)

## Lab/R&D Future Supply as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	5	1,283,706	1,283,706	28%
Conversion	1	105,939	105,939	45%
<b>TOTAL</b>	<b>6</b>	<b>1,389,645</b>	<b>1,389,645</b>	<b>30%</b>

## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	12	305,089	1	72,226	13	337,315
Renewal	4	180,121	-	-	4	180,121
<b>Grand Total</b>	<b>16</b>	<b>485,210</b>	<b>1</b>	<b>72,226</b>	<b>17</b>	<b>557,436</b>

## 2024 Lab/R&D Market Statistics

Inventory	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
11,552,774	\$54.38	11.3%	282,231	27	1,028,000

## Top 5 Lab/R&D Lease Transactions of 2024

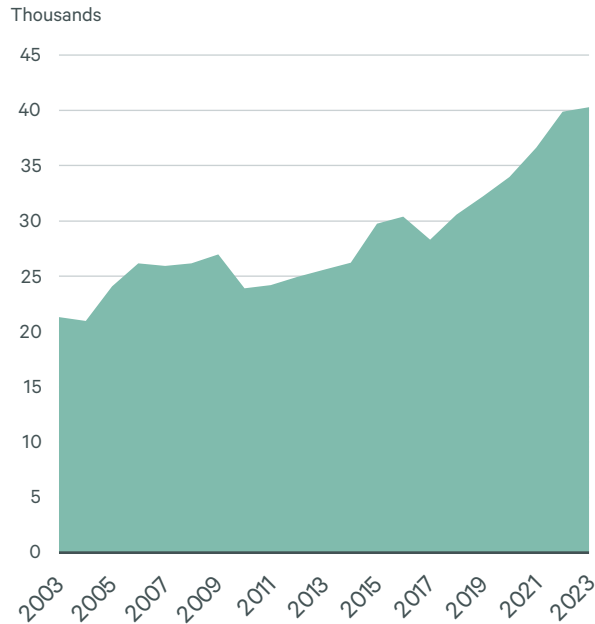
Quarter	Tenant	Submarket	SF	Type	Direct/ Sublease
Q2	University of Pennsylvania	University City	121,600	Renewal	Direct
Q4	Confidential	King of Prussia/Valley Forge	119,600	New	Direct
Q4	Franklin BioLabs	King of Prussia/Valley Forge	72,200	New	Sublease
Q3	Nucleus Radiopharma	Horsham/ Spring House	47,000	New	Direct
Q4	Resolian	Malvern	36,800	Renewal	Direct

09

# Raleigh-Durham

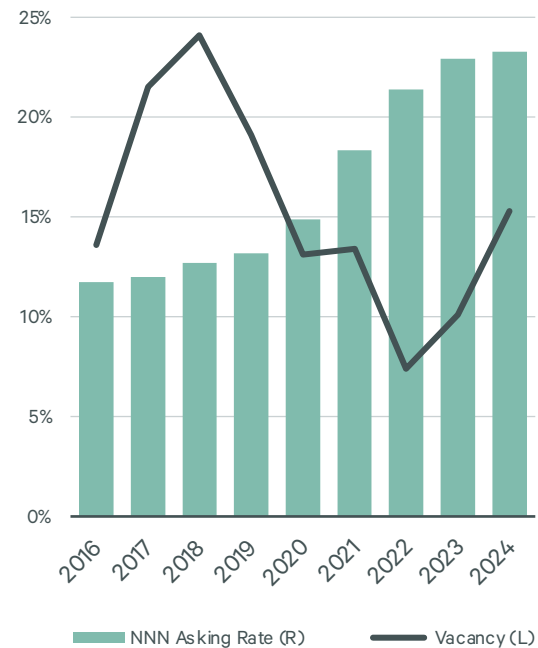


## Life Sciences Employment

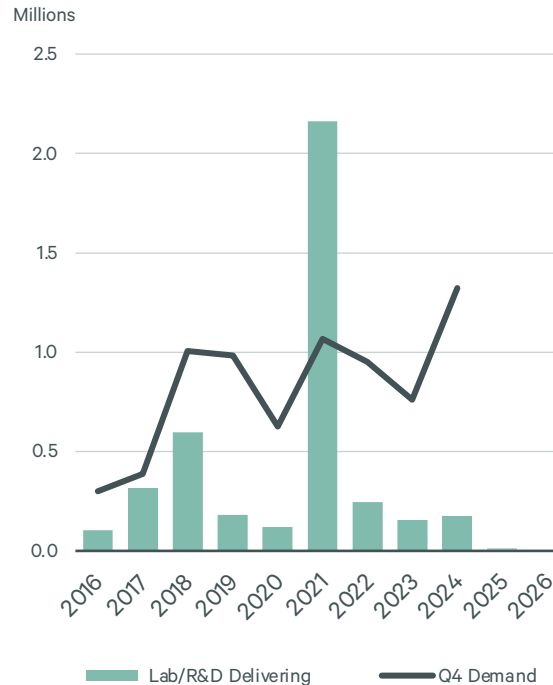


Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

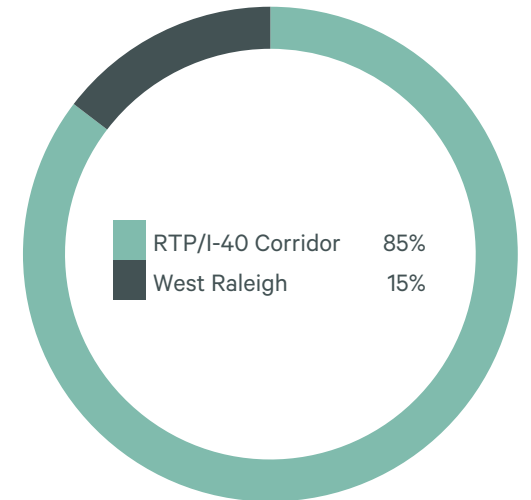
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket



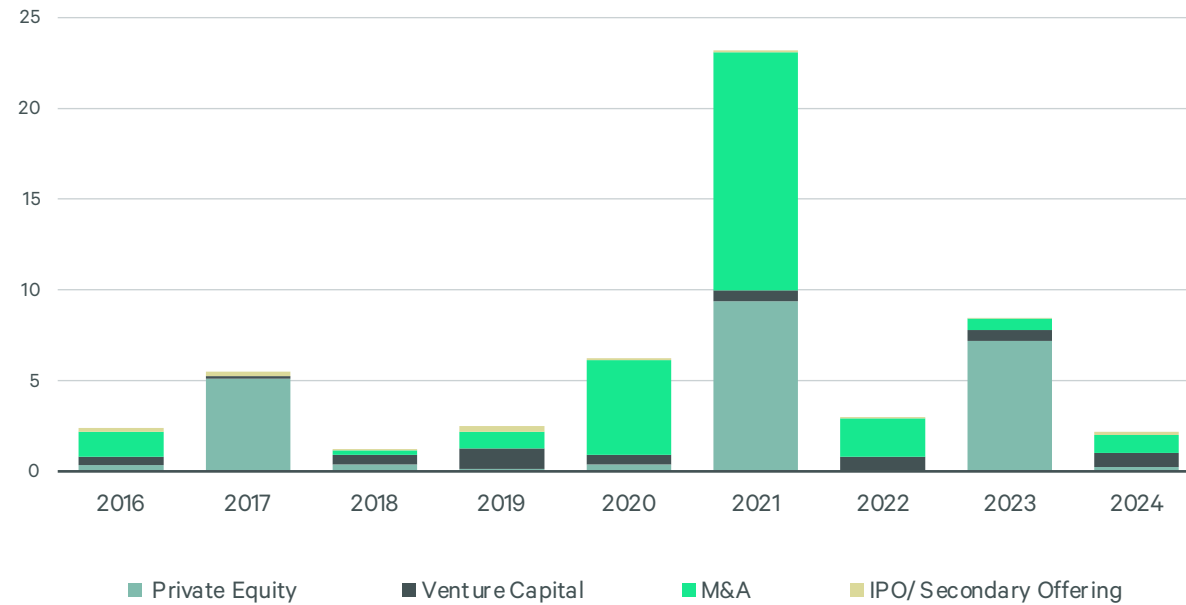
09

# Raleigh-Durham

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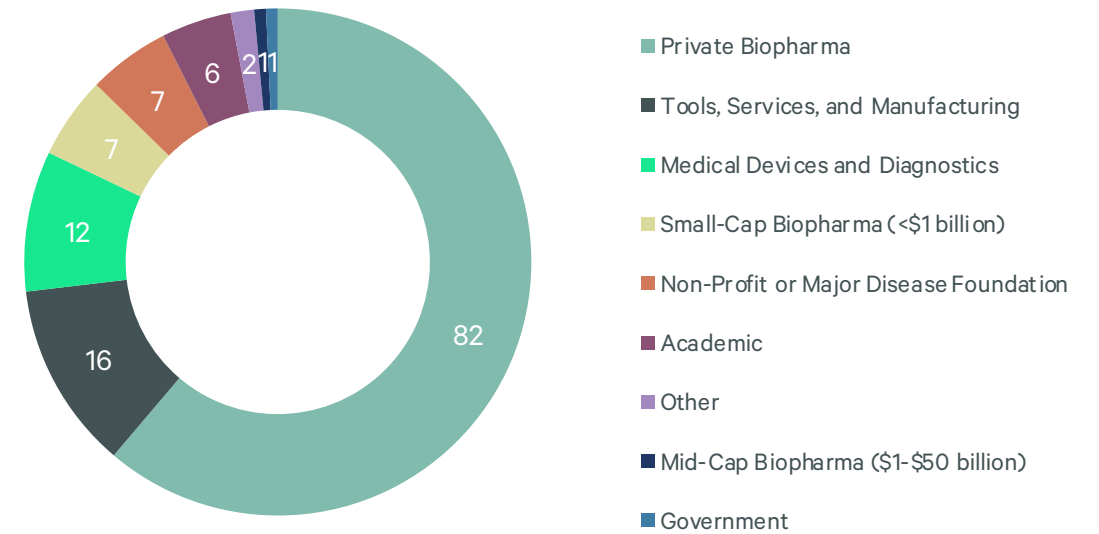
## Funding

\$ Billions



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

09

# Raleigh-Durham

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q4	Quadrangle I	Ventas	Alexandria Real Estate Equities	30,122	\$12,100,000	\$402

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	1	13,000	0	100%
Conversion	0	0	0	0.0%
<b>TOTAL</b>	<b>1</b>	<b>13,000</b>	<b>0</b>	<b>100%</b>

## 2024 Lab/R&D Market Statistics

Inventory	Owner-User Inventory	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
9,487,804	1,620,322	\$41.90	15.3%	(364,428)	25	1,322,500

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	SF	Type	Direct/Sublease
Q2	Metabolon	RTP/I-40 Corridor	55,200	Renewal	Direct
Q2	Solvias	RTP/I-40 Corridor	50,600	New	Direct
Q2	EPL	RTP/I-40 Corridor	42,500	Renewal	Direct
Q4	State of North Carolina	West Raleigh	22,400	Renewal	Direct
Q3	Avazyme	RTP/I-40 Corridor	15,100	New	Direct

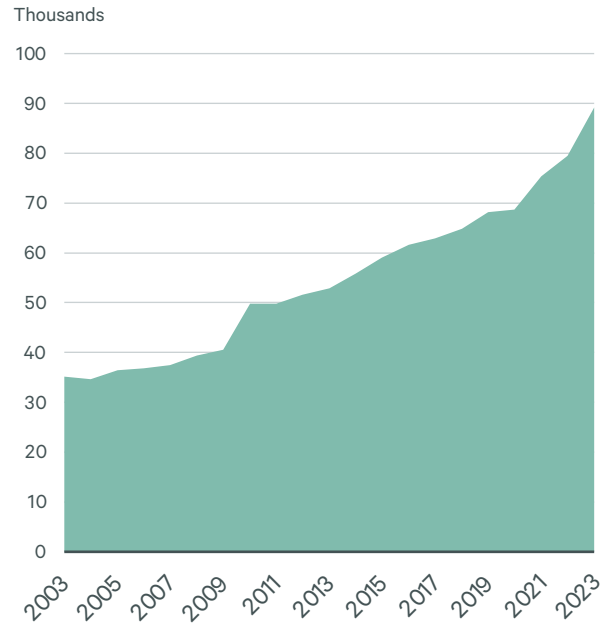
## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	6	92,631	1	5,680	7	98,311
Renewal	5	134,645	-	-	5	134,645
<b>Grand Total</b>	<b>11</b>	<b>227,276</b>	<b>1</b>	<b>5,680</b>	<b>12</b>	<b>232,956</b>

# 10 San Diego

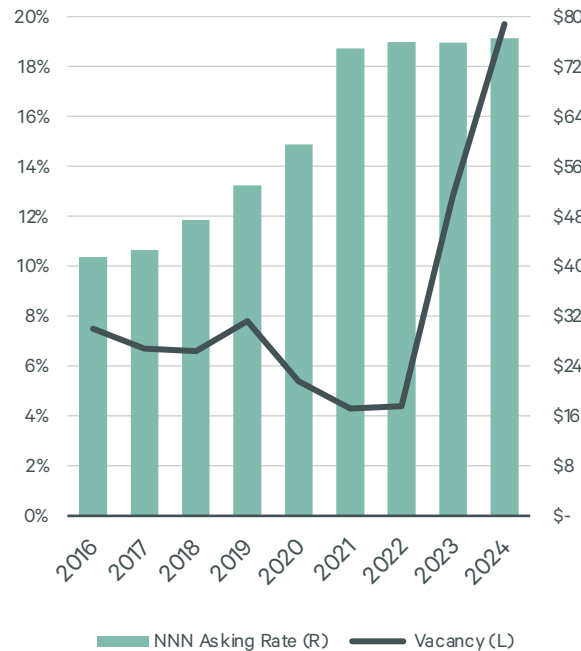


## Life Sciences Employment



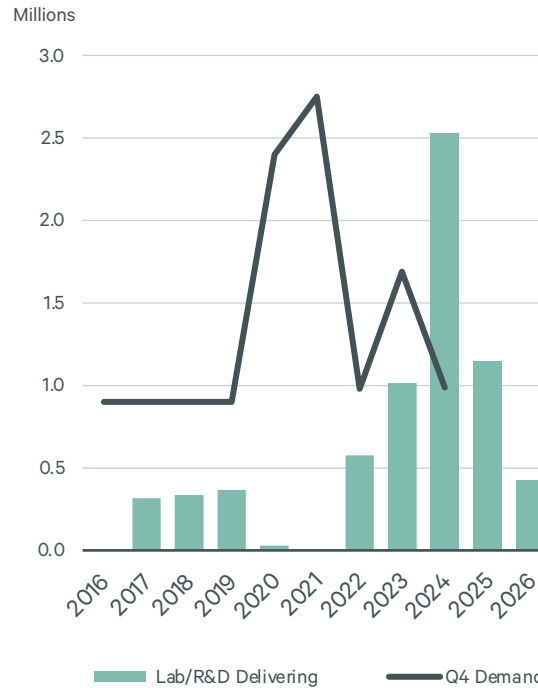
Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

## Historical Vacancy and Asking Rate



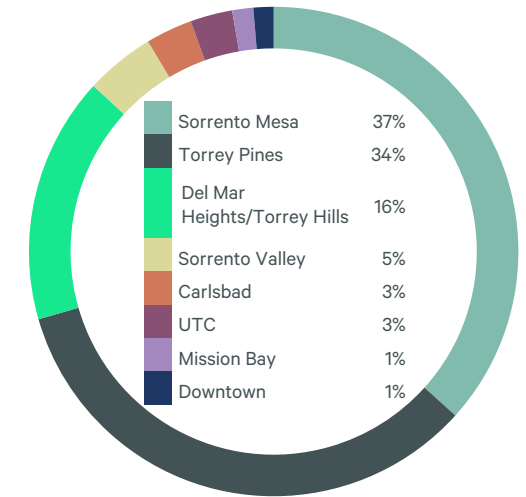
Legend: ■ NNN Asking Rate (R) — Vacancy (L)

## Supply & Demand



Legend: ■ Lab/R&D Delivering — Q4 Demand

## 2024 R&D/Lab Leases by Submarket

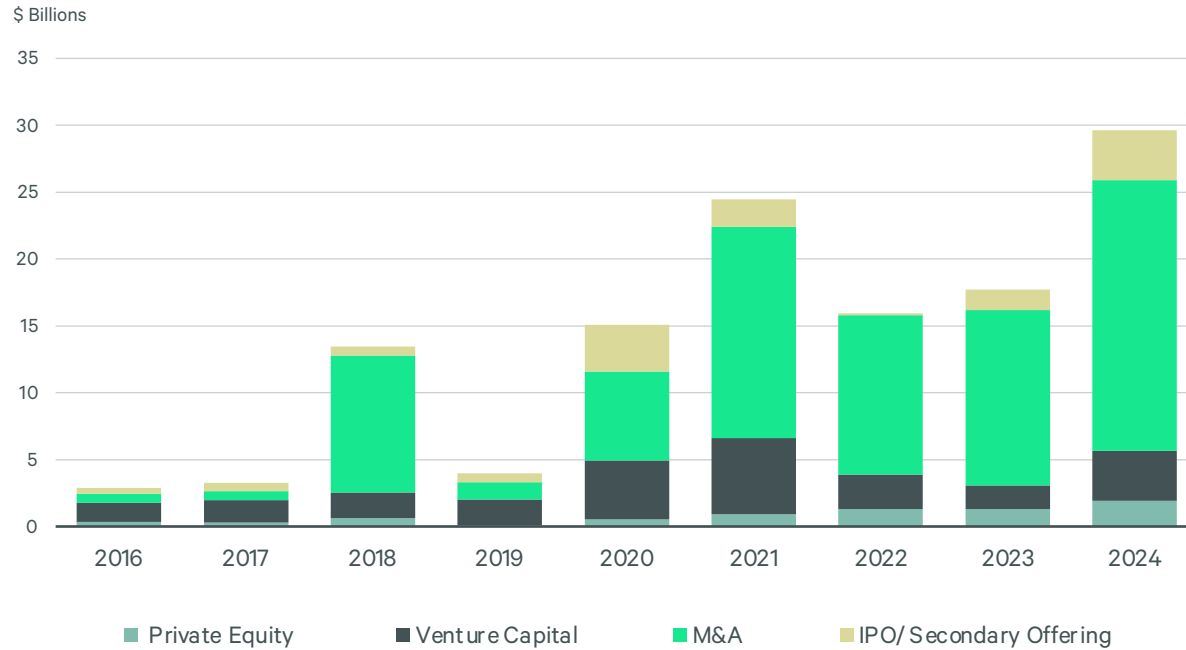


10

# San Diego

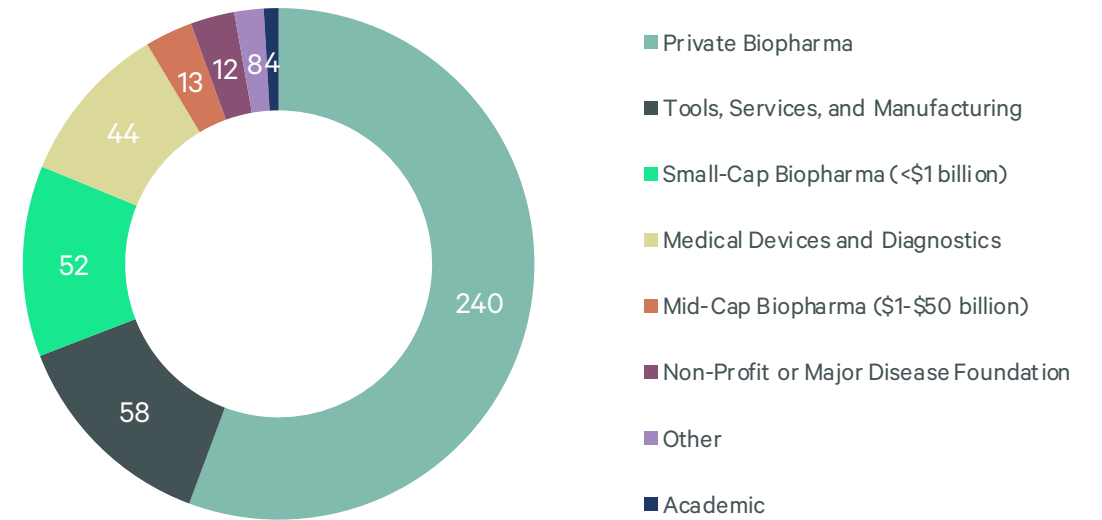
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## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

10

# San Diego

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q4	Esplanade	King Street Properties	Alexandria Real Estate Equities	241,973	Und.	Und.

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	5	1,574,004	982,004	52.8%
<b>TOTAL</b>	<b>5</b>	<b>1,574,004</b>	<b>982,004</b>	<b>52.8%</b>

## 2024 Lab/R&D Market Statistics

Inventory	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
27,345,063	\$76.56	19.7%	180,726	22	987,500

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	SF	Type	Direct/Sublease
Q1	Pfizer	Del Mar Heights/Torrey Hills	230,100	New	Direct
Q2	Vividion Therapeutics	Sorrento Mesa	127,000	New	Direct
Q2	Avidity Biosciences	Torrey Pines	105,500	New	Sublease
Q4	Labcorp	Torrey Pines	82,500	Renewal	Direct
Q4	Calibr (TSRI)	Torrey Pines	72,500	Renewal	Direct

## Lab/R&D Lease Transactions Breakdown

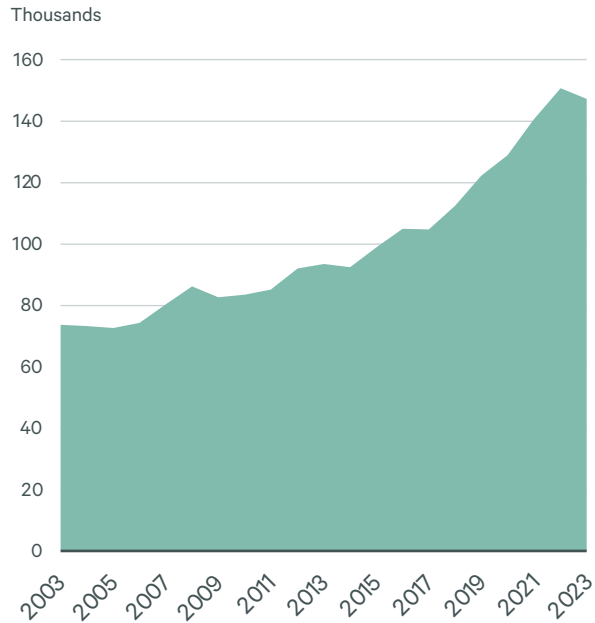
Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	14	762,102	6	239,582	20	1,001,684
Renewal	12	426,914	0	0	12	426,914
Renewal/Contraction	1	24,705	0	0	1	24,705
Expansion	3	52,903	0	0	3	52,903
<b>Grand Total</b>	<b>30</b>	<b>1,266,624</b>	<b>6</b>	<b>239,582</b>	<b>36</b>	<b>1,506,206</b>

11

# San Francisco

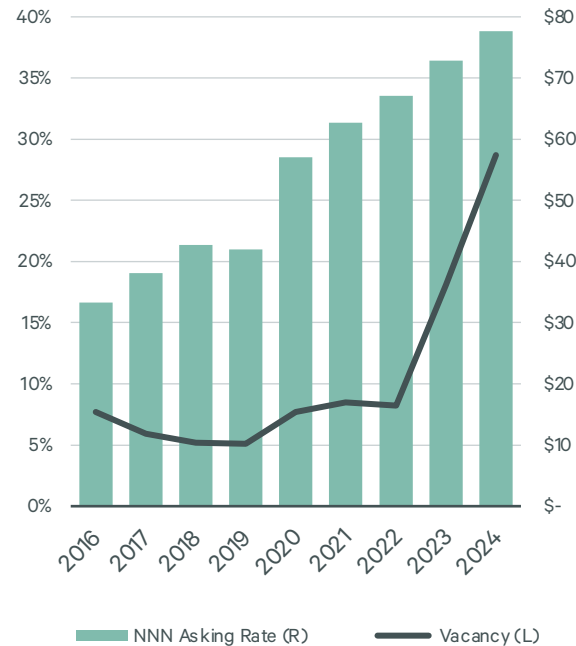


## Life Sciences Employment



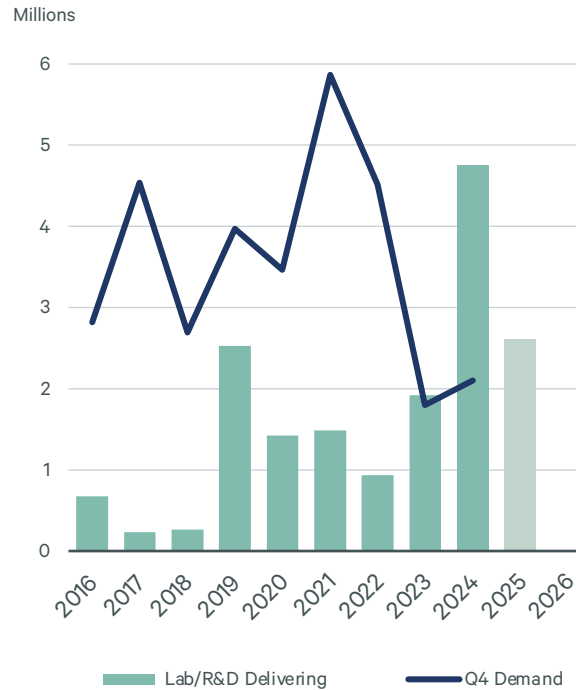
Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

## Historical Vacancy and Asking Rate



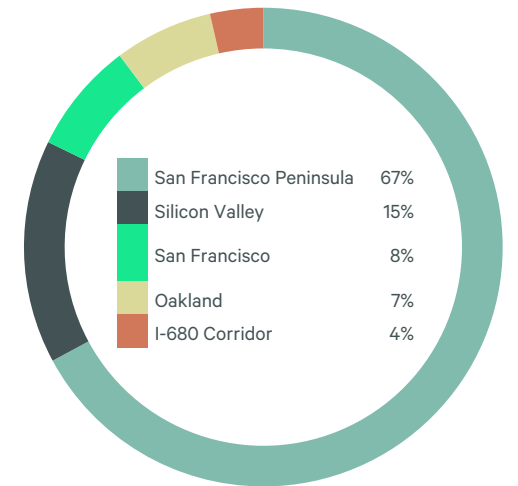
■ NNN Asking Rate (R)    — Vacancy (L)

## Supply & Demand



■ Lab/R&D Delivering    — Q4 Demand

## 2024 R&D/Lab Leases by Submarket

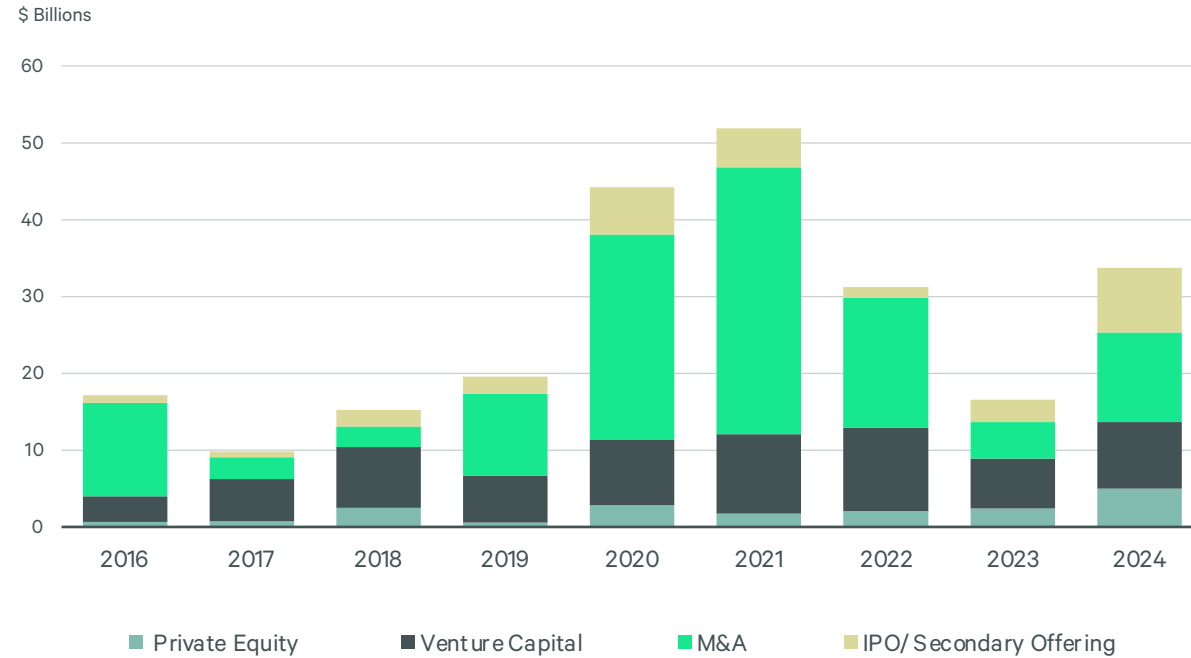


11

# San Francisco

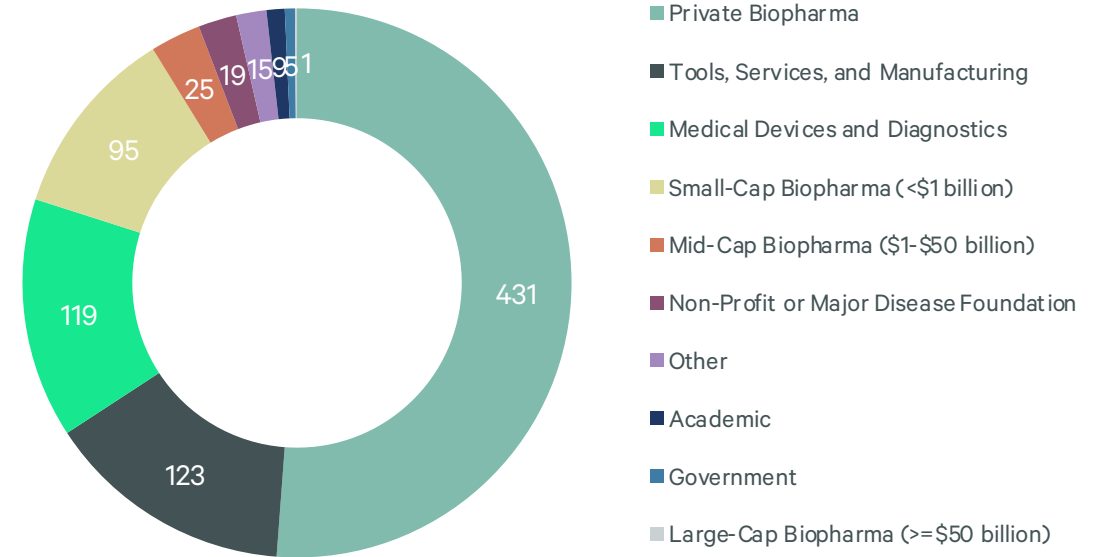
(Continued)

## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

11

# San Francisco

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q2	Pleasanton Corporate Commons - 6230 Stoneridge Mall Rd	Nome Capital Partners	UBS Asset Management	148,043	\$35,804,197	\$242
Q3	849 & 863 Mitten Rd & 860-866 Malcolm Rd	County of San Mateo	Alexandria Real Estate	103,093	\$24,500,000	\$238
Q3	Canyon Corporate Park II	Orion Office REIT	Global Securitization Services	96,535	\$34,600,000	\$358
Q4	Stanford School of Medicine	CGA Capital	Hudson Pacific Properties	46,759	\$24,800,000	\$530

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Total Shell Size (SF)	Preleased
New	8	2,029,278	0	1,904,278	17.2%
Conversion	5	678,991	678,991	0	1.1%
<b>TOTAL</b>	<b>13</b>	<b>2,708,269</b>	<b>678,991</b>	<b>1,904,278</b>	<b>13.2%</b>

## 2024 Lab/R&D Market Statistics

Inventory	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
43,600,745	\$77.64	28.7%	(1,078,427)	41	2,103,600

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	SF	Type	Direct/Sublease
Q4	Vaxcyte	San Francisco Peninsula	258,600	Renewal/Expansion	Direct
Q4	GENENTECH	San Francisco Peninsula	230,600	Renewal	Direct
Q4	Confidential	San Francisco Peninsula	205,100	New	Direct
Q1	Intermolecular Inc.	San Jose - North	146,200	Renewal	Direct
Q1	INSITRO	South San Francisco	143,200	Extension	Direct

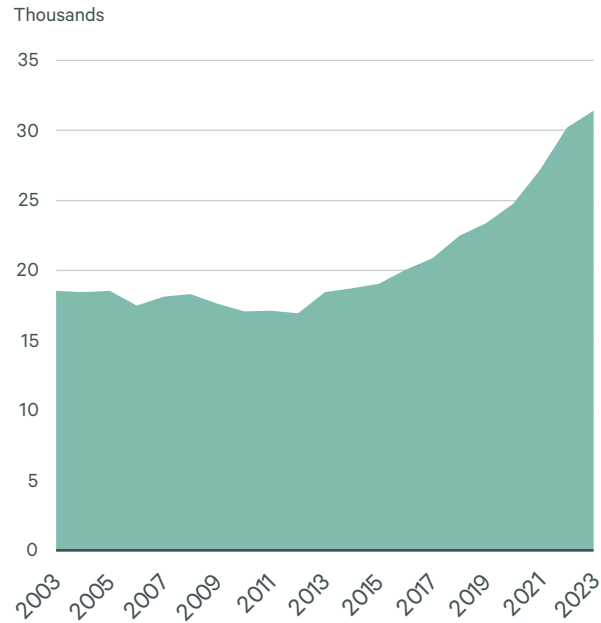
## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	49	1,184,290	32	477,302	81	1,661,592
Renewal	25	1,323,727	3	66,172	28	1,389,899
Renewal/Expansion	5	396,392	0	0	5	396,392
Expansion	11	294,566	0	0	11	294,566
<b>Grand Total</b>	<b>90</b>	<b>3,198,975</b>	<b>35</b>	<b>543,474</b>	<b>125</b>	<b>3,742,449</b>

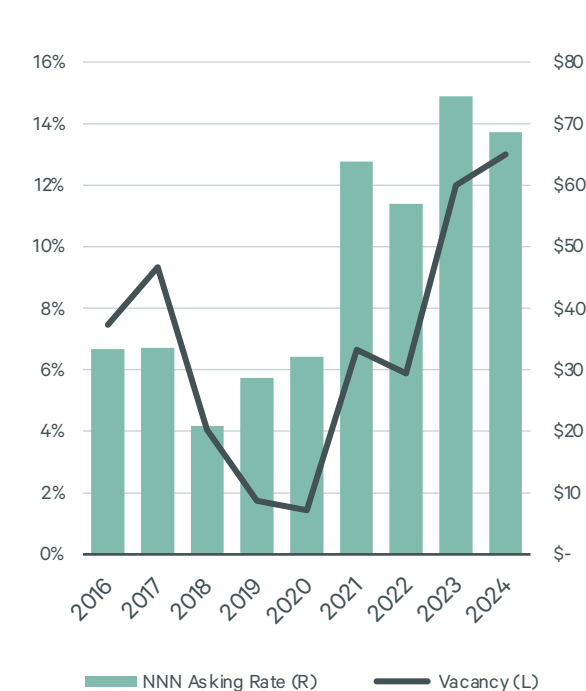
# 12 Seattle



## Life Sciences Employment



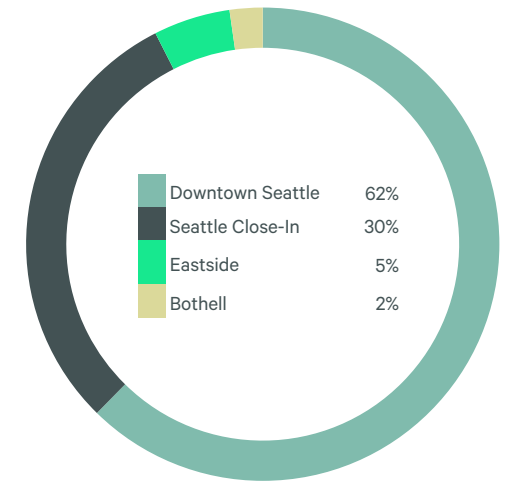
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket



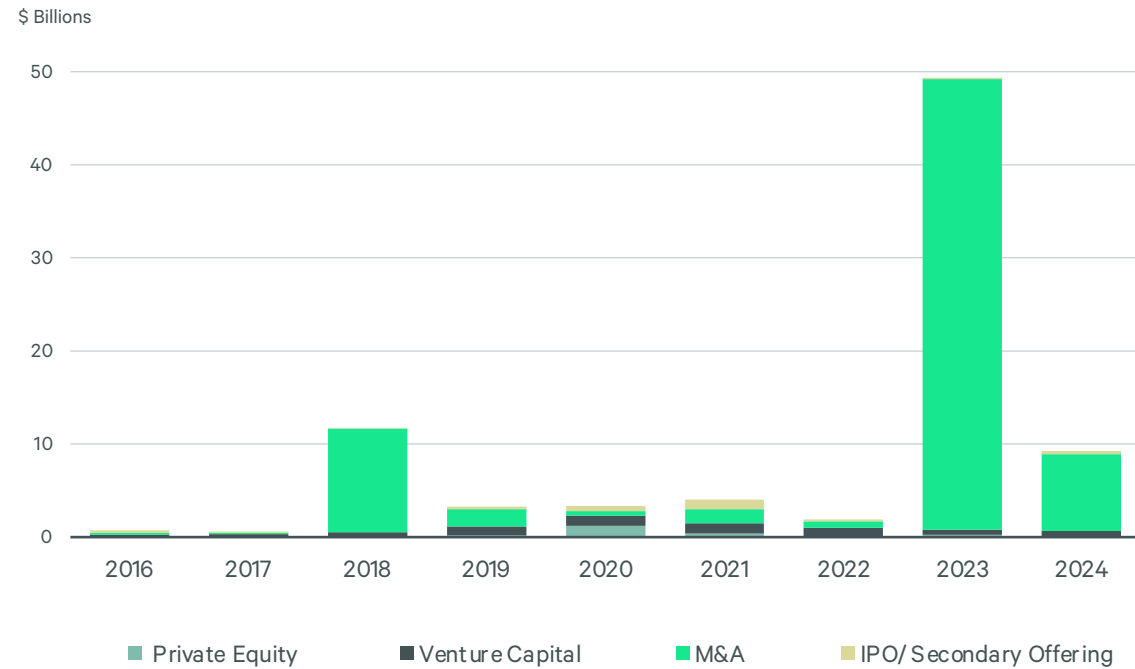
Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

# 12

# Seattle

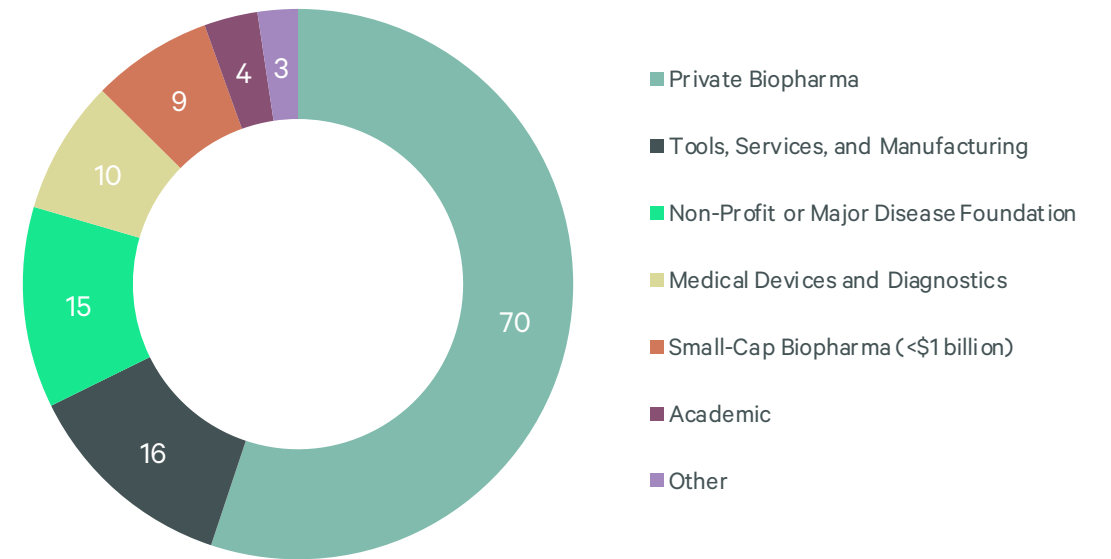
(Continued)

## Funding



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

# 12 Seattle

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q3	South Lake Union Steam Plant & Earl Davie Building	Fred Hutchinson Cancer Research Center	Clarion Partners	211,363	Und.	Und.
Q3	Eleven65	Fred Hutchinson Cancer Research Center	Alexandria Real Estate Equities	100,086	\$149,962,000	\$1,498

\* Sale of 70% interest

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	2	499,741	217,000	24.7%
Conversion	0	0	0	0.0%
<b>TOTAL</b>	<b>2</b>	<b>499,741</b>	<b>217,000</b>	<b>24.7%</b>

## 2024 Lab/R&D Market Statistics

Inventory	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
9,358,055	\$68.58	13.0%	128,567	9	331,000

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	SF	Type	Direct/Sublease
Q3	Cytek Biosciences	Downtown Seattle	28,300	Renewal	Direct
Q2	Confidential	Downtown Seattle	24,300	Expansion	Direct
Q1	Taconic Biosciences	Seattle Close-In	19,800	New	Direct
Q3	Curi Bio	Downtown Seattle	13,900	New	Direct
Q1	Confidential	Seattle Close-In	10,600	New	Direct

## Lab/R&D Lease Transactions Breakdown

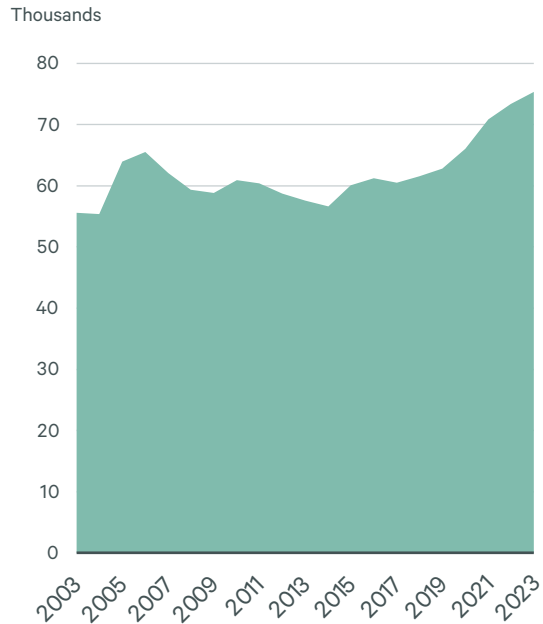
Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	6	59,369	0	0	6	59,369
Renewal	2	37,144	0	0	2	37,144
Expansion	1	24,270	0	0	1	24,270
<b>Grand Total</b>	<b>9</b>	<b>120,783</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>120,783</b>

13

# Washington, D.C.-Baltimore

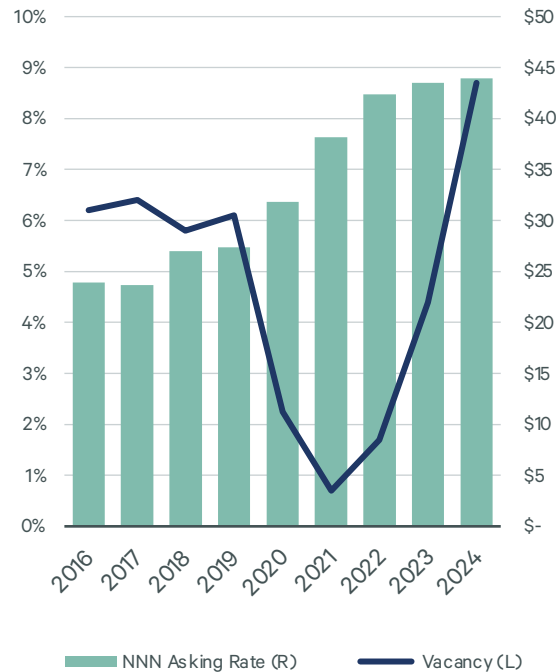


## Life Sciences Employment

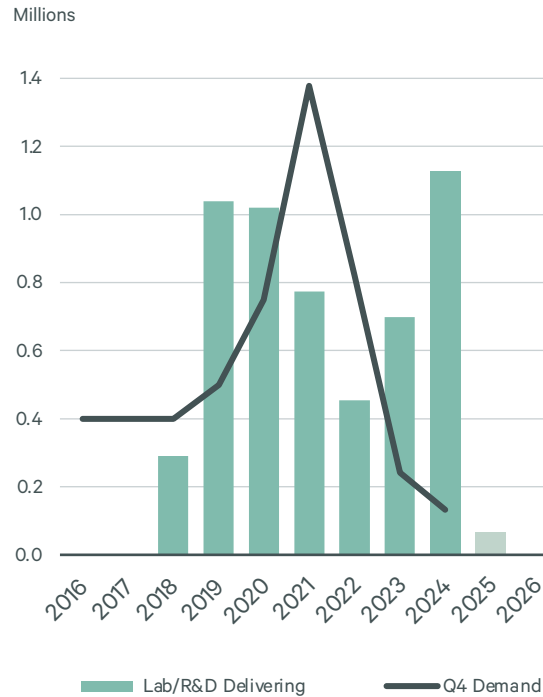


Note: All data is of Q4 2024 unless noted otherwise.  
Source: U.S. Bureau of Labor Statistics, CBRE Research

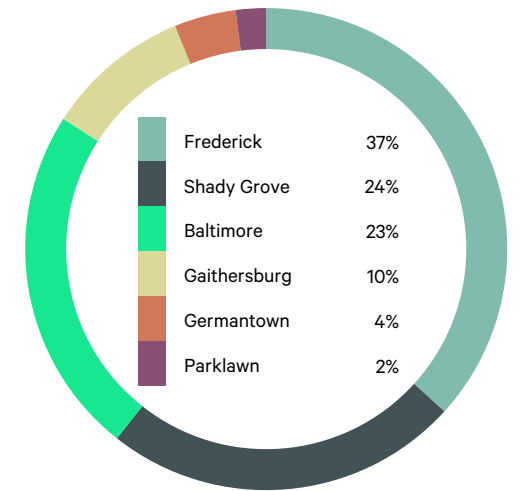
## Historical Vacancy and Asking Rate



## Supply & Demand



## 2024 R&D/Lab Leases by Submarket



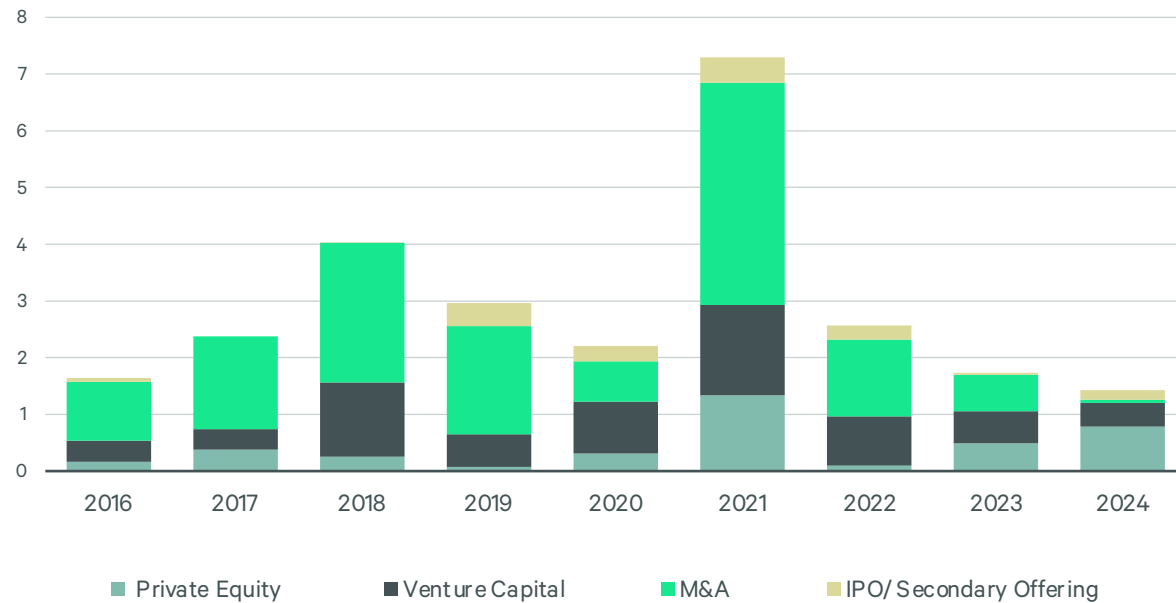
13

# Washington, D.C.-Baltimore

(Continued)

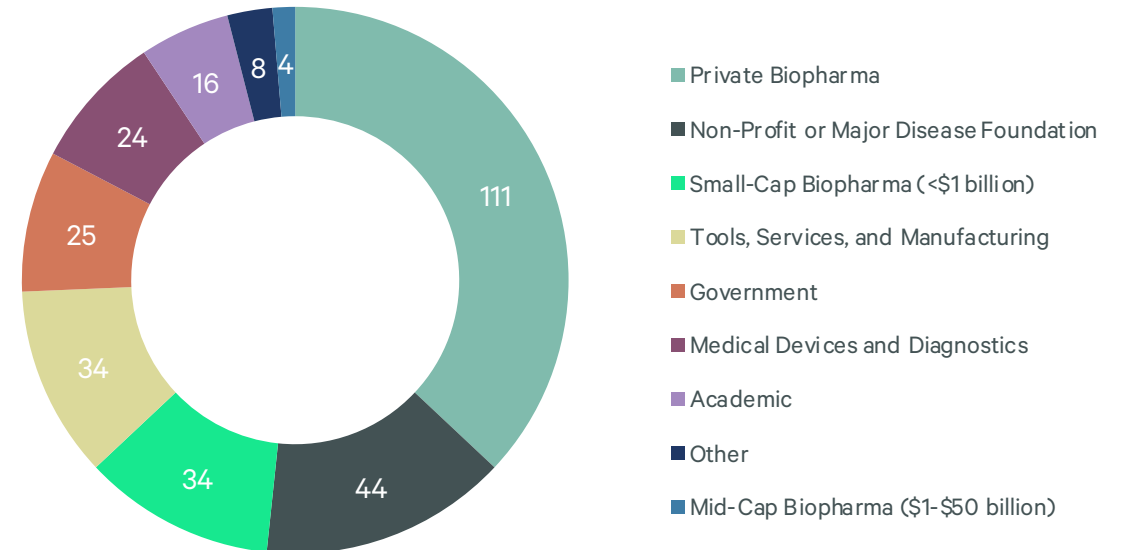
## Funding

\$ Billions



Source: PitchBook, CBRE Research

## Company Type



Source: BioCentury

13

# Washington, D.C.-Baltimore

(Continued)

## 2024 Lab/R&D Sale Transactions

Quarter	Property	Buyer	Seller	Square Footage	Price	Price/SF
Q4	Quest Diagnostics - Chantilly	New Mountain Capital	Alexandria Real Estate Equities	248,186	\$81,000,000	\$326

## Lab/R&D Space Under Construction as of Q4 2024

Construction Type	No. of Projects	Total SF	Total Spec SF	Preleased
New	0	0	0	N/A
Conversion	1	65,000	65,000	53%
<b>TOTAL</b>	<b>1</b>	<b>65,000</b>	<b>65,000</b>	<b>53%</b>

## 2024 Lab/R&D Market Statistics

Inventory	Avg. Asking Rents (NNN)	Vacancy Rate	2024 Absorption (SF)	TIMs	TIMs SF
14,251,638	\$43.92	8.7%	192,937	9	132,500

## Top 5 Lab/R&D Lease Transactions of 2024

Quarter	Tenant	Submarket	SF	Type	Direct/Sublease
Q2	Precision for Medicine	Frederick	79,000	Renewal	Direct
Q2	Catalent	Baltimore	60,500	Renewal	Direct
Q2	Precision for Medicine	Frederick	41,000	Expansion	Direct
Q4	Blackbird Labs	Baltimore	35,000	New	Direct
Q1	OncoC4	Shady Grove	34,500	Renewal	Direct

## Lab/R&D Lease Transactions Breakdown

Deal Type	Direct		Sublease		Total	
	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.	No. of Deals	Sq. Ft.
New	8	135,484	2	24,728	10	160,212
Renewal	7	214,785	0	0	7	214,785
Renwal/Expansion	1	17,520	0	0	1	17,520
Expansion	7	87,262	0	0	7	87,262
<b>Grand Total</b>	<b>23</b>	<b>455,051</b>	<b>2</b>	<b>24,728</b>	<b>25</b>	<b>479,779</b>

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