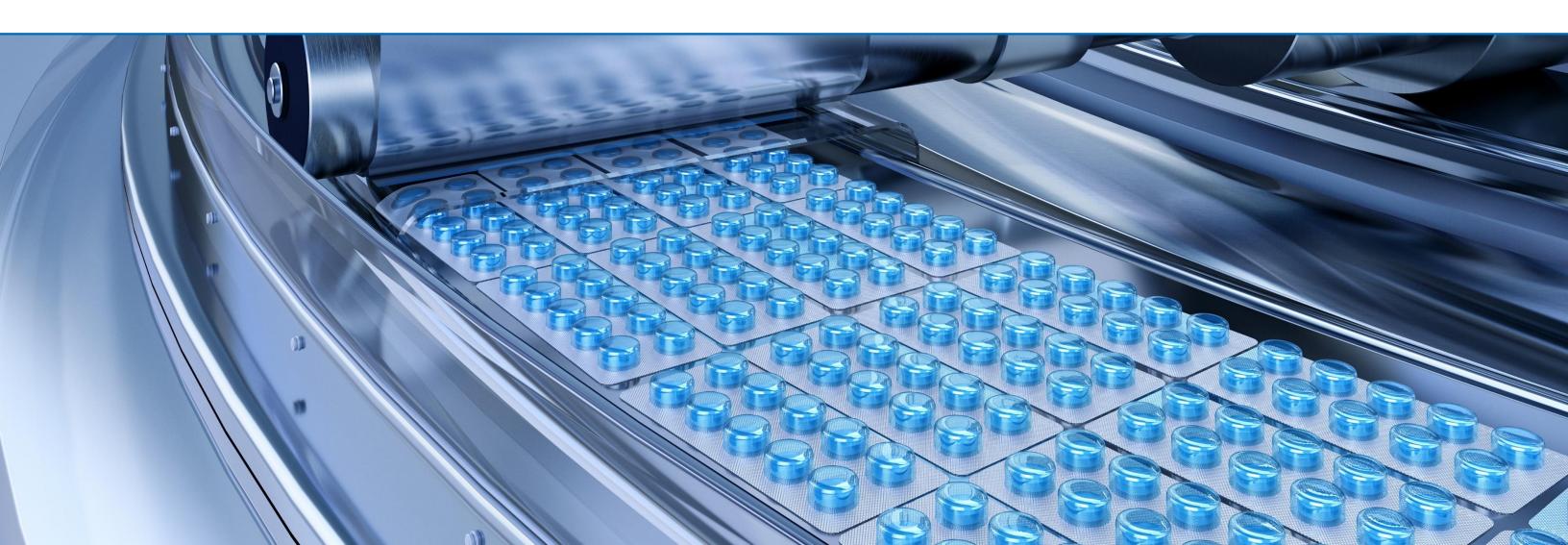
U.S. Life Science Market Current Perspectives



Market Observations



What We Know

Cautious optimism heading into 2025 subsided late in the quarter due to increasing macroeconomic headwinds and uncertainty in the marketplace.

Demand metrics have shown resiliency; however, occupiers are cautious to expand their real estate footprints amidst ongoing macroeconomic headwinds.

U.S. vacancy rates are up 70 basis points over the quarter and 330 basis points over the year, as many markets are still contending with an overhang of new laboratory supply.

Growth in active clinical trials and domestic pharmaceutical production is being counteracted by layoffs at the FDA and the subsequent drop in new drug and biologics license approvals.

With roughly 70% of active pharmaceutical ingredients used in the U.S. produced abroad, occupiers have front-loaded imports to mitigate recent tariff risk.

Shifting federal funding priorities are impacting scientific grant awards from key agencies. Near-term funding from the NIH, NSF, etc. remain a downside risk for many life science hubs.

What We Expect

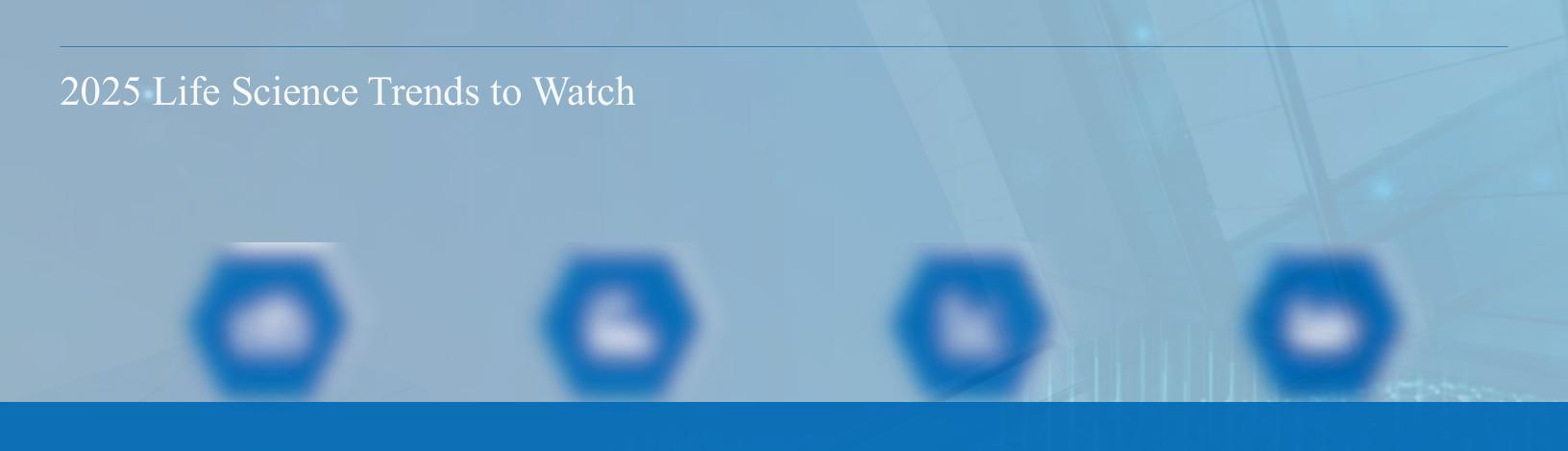
Any changes to federal funding sources could negatively affect the market, however, much uncertainty remains as to the ultimate impact on the commercial life science sector.

While oversupply will persist in the near term, development has diminished significantly. Functionally obsolescent space and conversion to other uses could reduce inventory further.

Tariff policy is changing daily, sometimes hourly. The domestic biomanufacturing ecosystem appears to be benefitting already, but any number of potential scenarios will impact final outcomes.

Interest is growing within the life science industry to expand domestic biomanufacturing operations, which could benefit clusters with existing talent and infrastructure.

Source: Newmark Research



Please reach out to your Newmark business contact for this information

Table of Contents

5	Demand Drivers
26	Industry and Talent Trends
35	Market Fundamentals
45	Capital Markets Synopsis
53	Global Market Overview
59	Life Science Market Profiles

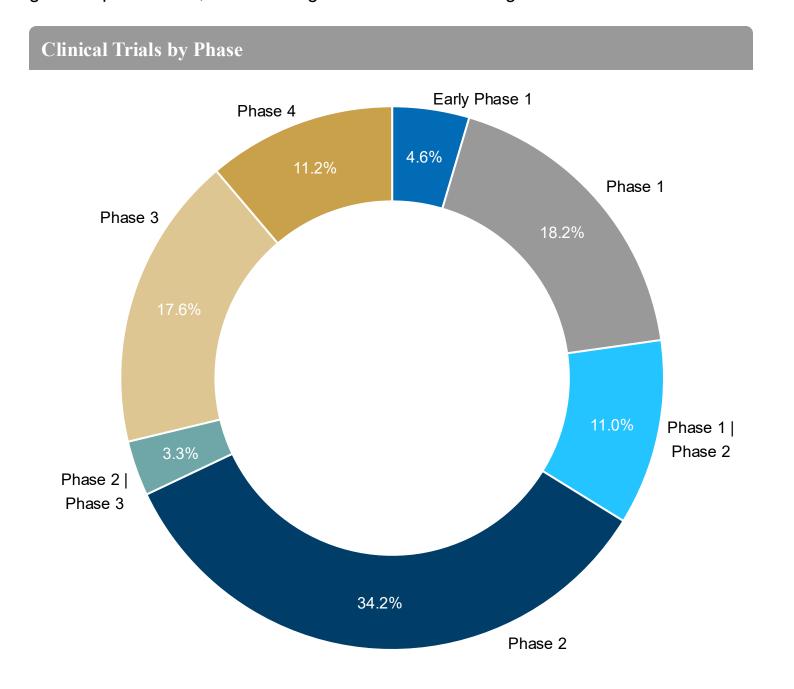
1Q25 U.S. LIFE SCIENCE MARKET CURRENT PERSPECTIVES

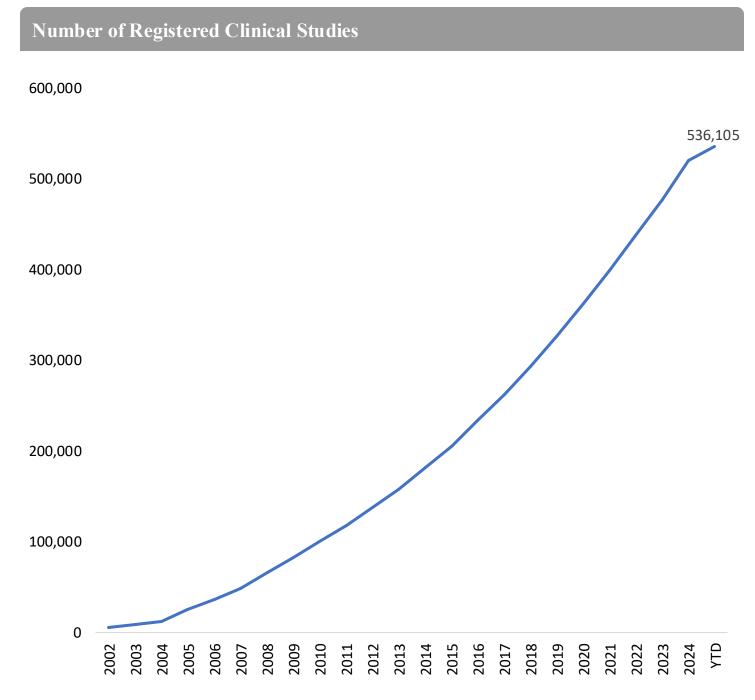
Demand Drivers



Growth in Active Clinical Trials Supports Future Lab Demand

Over the last 20+ years, U.S. clinical trials have grown exponentially; the number of registered studies continues to reach record highs. Today, reaching the clinical trial phase remains vital for firms in need of funding, as venture capitalists are focused on those with the most promising science. Life science companies with drugs in any phase of trial could experience greater space needs, but later-stage studies tend to be larger.





Source: ClinicalTrials.gov, Newmark Research

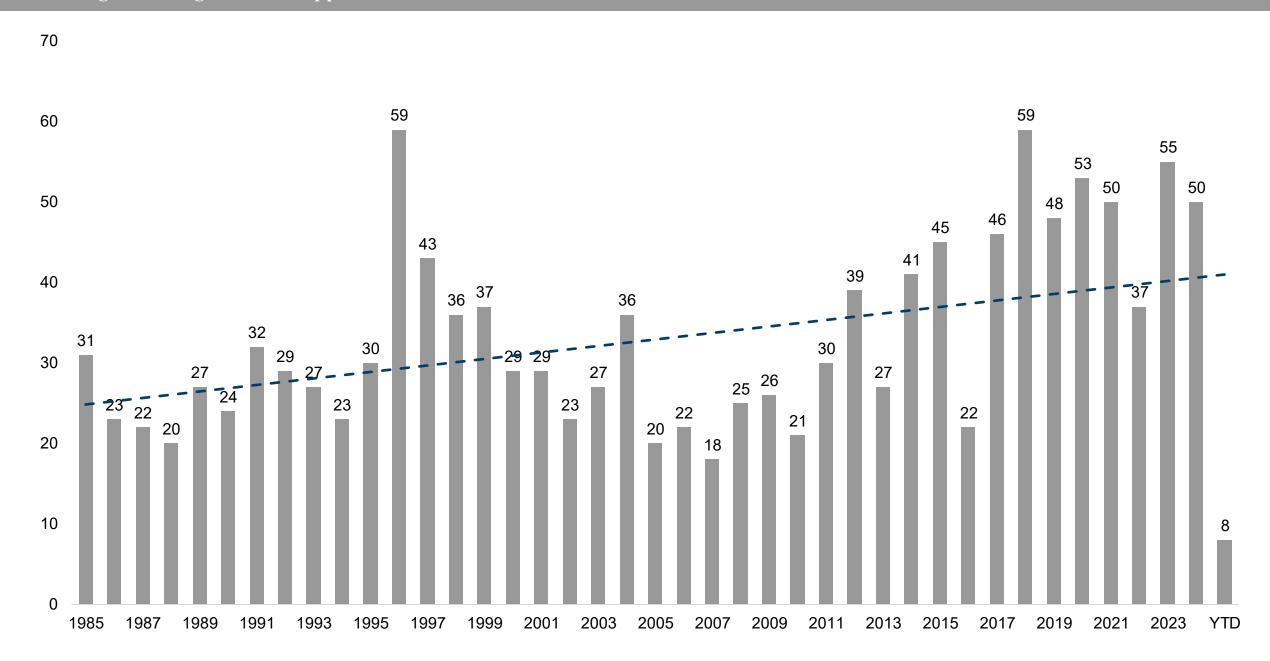
As of 4.30.25

Note: Includes interventional clinical trials with a recruitment status of not yet recruiting, recruiting, enrolling by invitation, and active (not recruiting).

Cuts at FDA Raise Concerns for Near-Term Drug Approval Process

During the first three months of 2025, the FDA approved eight new drugs. Proposed staff reductions throughout Heath and Human Services agencies, specifically the FDA, have raised concerns over slower approval processes and guidance. Pharmaceuticals and biologics currently in development will likely face the greatest uncertainty as approval dates and application updates become less predictable.

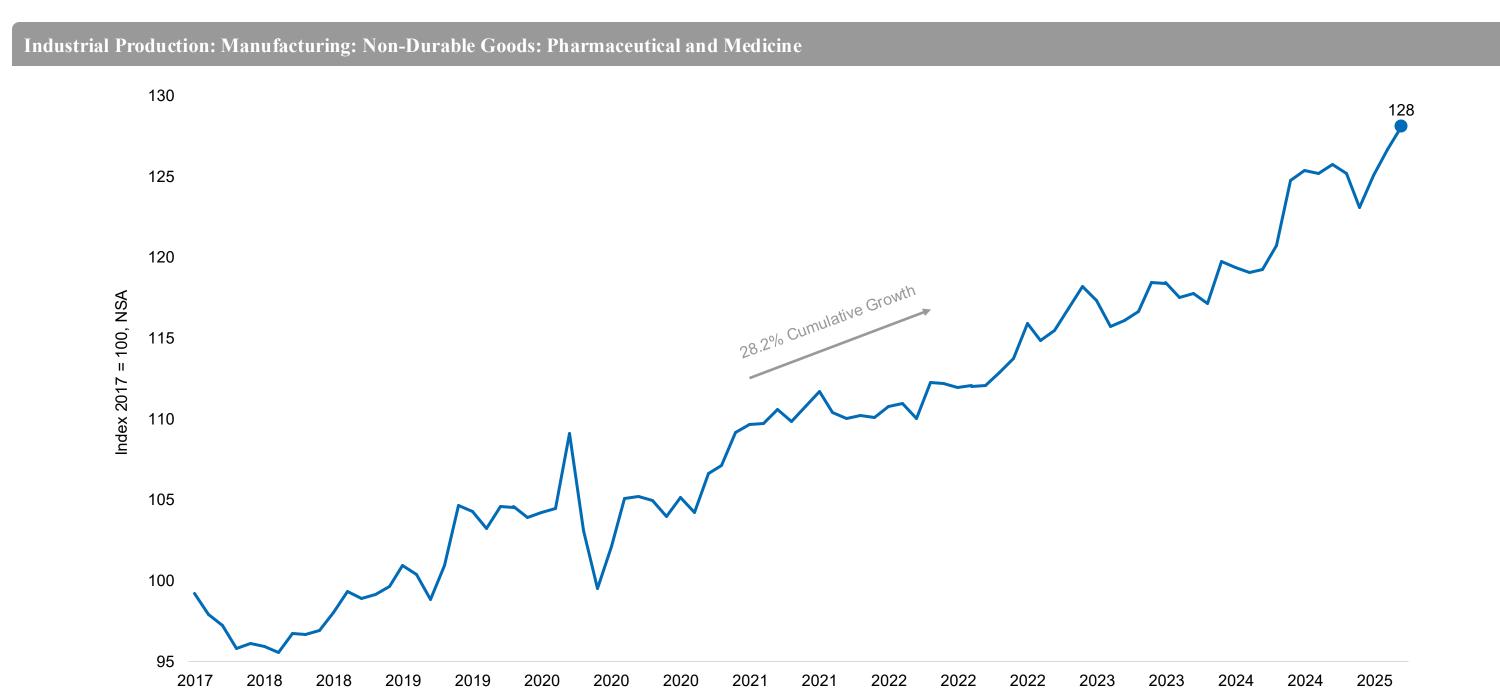
FDA Annual New Drug and Biologics License Approvals



Source: Food & Drug Administration, PharmaShots, MIT, PhRMA, Newmark Research

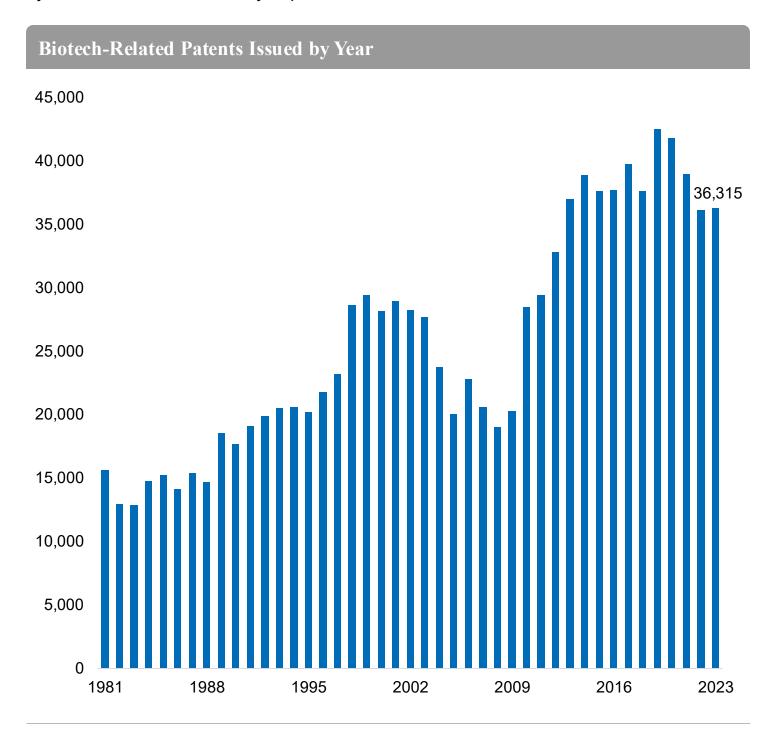
Pharmaceutical Manufacturing Production Is Accelerating

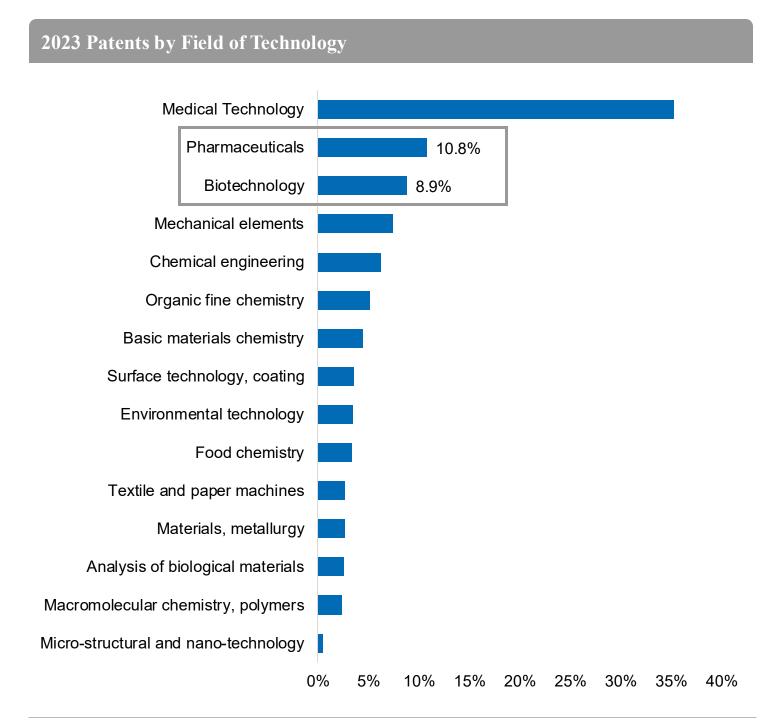
The industrial production of pharmaceuticals and medicine, which measures the real output of U.S.-based establishments, continued its upward trajectory in the first quarter of 2025. With just over 28% cumulative growth since 2017, more recent gains may be attributed to pharmaceutical companies front loading production to mitigate tariff risks. The new administration's recent trade policies may further promote growth in domestic biomanufacturing.



The Impending Patent Cliff Stands to Reshape the Pharmaceutical Industry

Patents issued for biotech-related fields were relatively static in 2023. The pharmaceutical and biotechnology fields still represent nearly 20% of all biotech-related patents issued. The impending "patent cliff" facing several big pharma companies is fast approaching and represents a key risk for investors. According to PharmaVoice, patents on 190 drugs will expire by 2030, which will ultimately impact sales revenue.





Source: WIPO Statistics Database, Healthpeak Properties, Newmark Research

Imminent Patent Expiry Will Likely Drive More Investment from Big Pharma

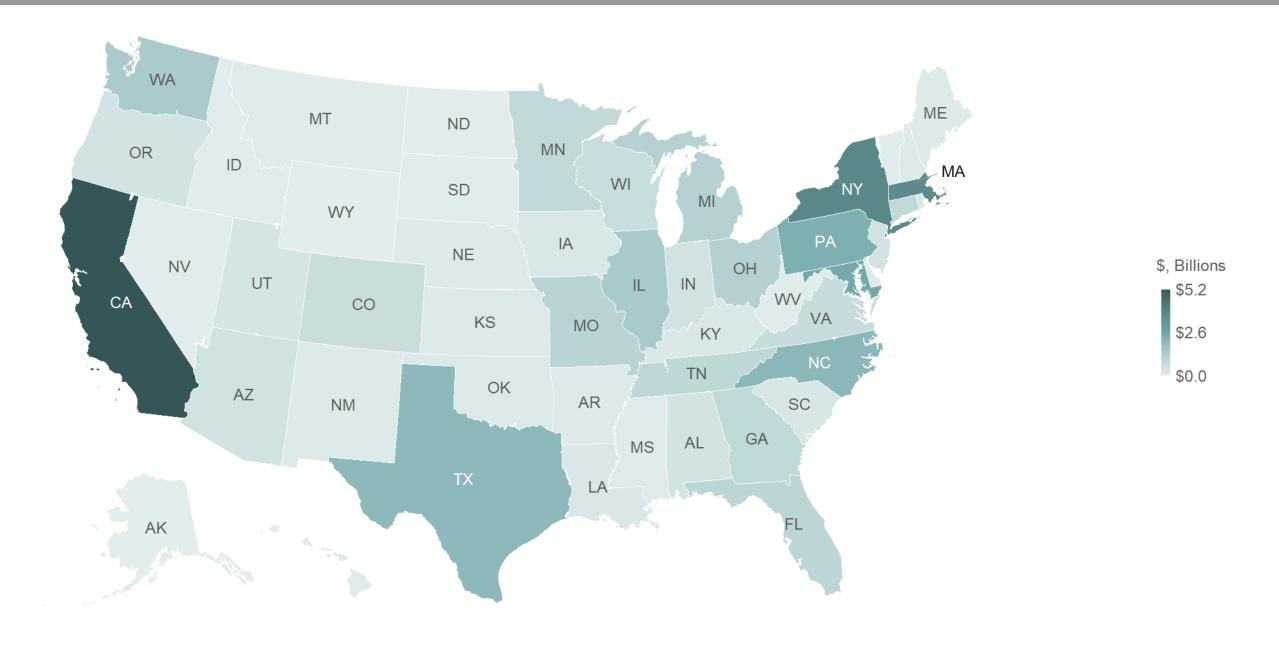
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Source: Bloomberg, RSM US LLP, Newmark Research
As of Q1 2025

States With Life Science Hubs Dominate NIH Funding

Federal support of scientific research and development remains a key component of the life science ecosystem, as these funds drive drug development at the earliest stages in the process. On a nominal basis, states boasting key life science and healthcare hubs top the list of recipients for NIH grants for the fiscal year 2024. Institutions in California, New York, and Massachusetts have historically received billions of dollars in NIH funding every year for research studies.

FY 2024 NIH Funding (\$ Amount) by State



Source: NIH, Newmark Research
As of March 2025

NIH Grant Terminations Driving Uncertain Future for Federal Funds

According to STAT, new grant awards from the NIH have declined by \$2.3 billion during the first few months of 2025 and more than 700 research projects totaling billions of dollars in funds have been eliminated since February of 2025. That said, portions of these funds have already been deployed, and many grants are not related to new drug development. Potential limitations on future operational budgets pose more concerning risk to the near- and mid-term outlook.

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Source: NIH, Rescinded Grant List, Newmark Research

As of April 2025

The National Science Foundation (NSF) is Another Source for Public Funding

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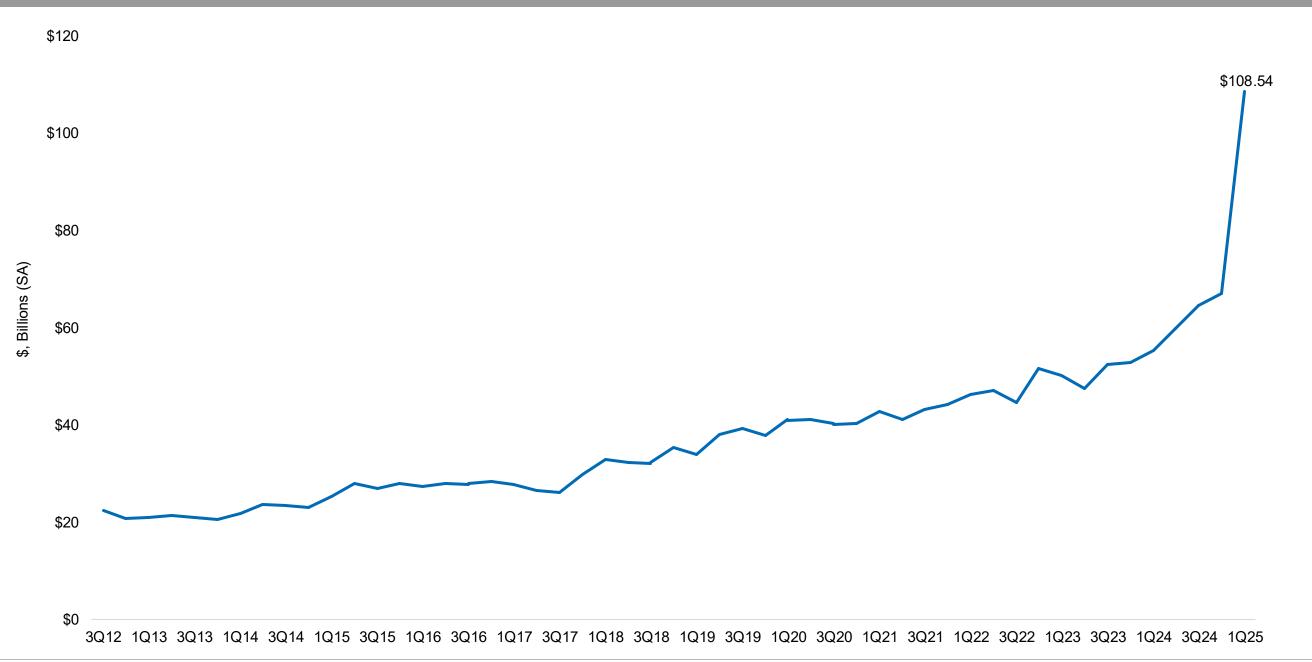
Source: NSF, Newmark Research

As of 2024

Tariffs Expected to Impact Life Science Industry

The negative effects of proposed tariffs on the life science sector are rooted in the inflationary nature of this economic tool. With more than 70% of active pharmaceutical ingredients used in the U.S. produced abroad, the global supply chain remains vulnerable as well. Companies executing strategies, like front-loading imports and committing to more domestic manufacturing operations, may help mitigate these tariff risks.





Source: Bureau of Economic Analysis, PwC, FDA, Newmark Research

VC Funding Remains Stable, Though Sentiment is Shifting Due Macro Headwinds

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Stabilization Characterizes Venture Capital in Early 2025



\$6.2B

\$6.2B

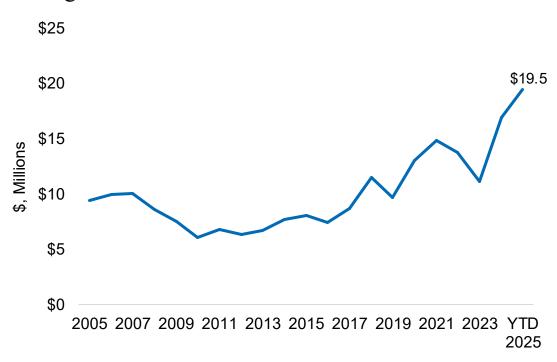
Raised

Raised

300+ deals

\$19.5M average round

Average Round Size



Investors Are Still Raising Capital For Life Science

VCs continue to raise billions to invest in the life science sector; however smaller funds are supporting more early-stage companies. Below is a list of select funds recently closed.

Firm	Fund Size	Closed
Sofinnova Partners	\$1.5B	Q1 2025
Deerfield Management	\$600M	Q1 2025
ARCH Venture Partners	\$3.0B	Q4 2024
Dimension	\$500M	Q4 2024
Atlas Ventures	\$450M	Q4 2024
Bain Capital Life Sciences	\$3.0B	Q3 2024
Flagship Pioneering	\$3.6B	Q3 2024
Frazier Life Sciences	\$630M	Q3 2024
venBio	\$528M	Q3 2024
J.P. Morgan Private Capital	\$500M	Q2 2024
Foresite Capital	\$900M	Q2 2024
Sands Capital	\$555M	Q2 2024

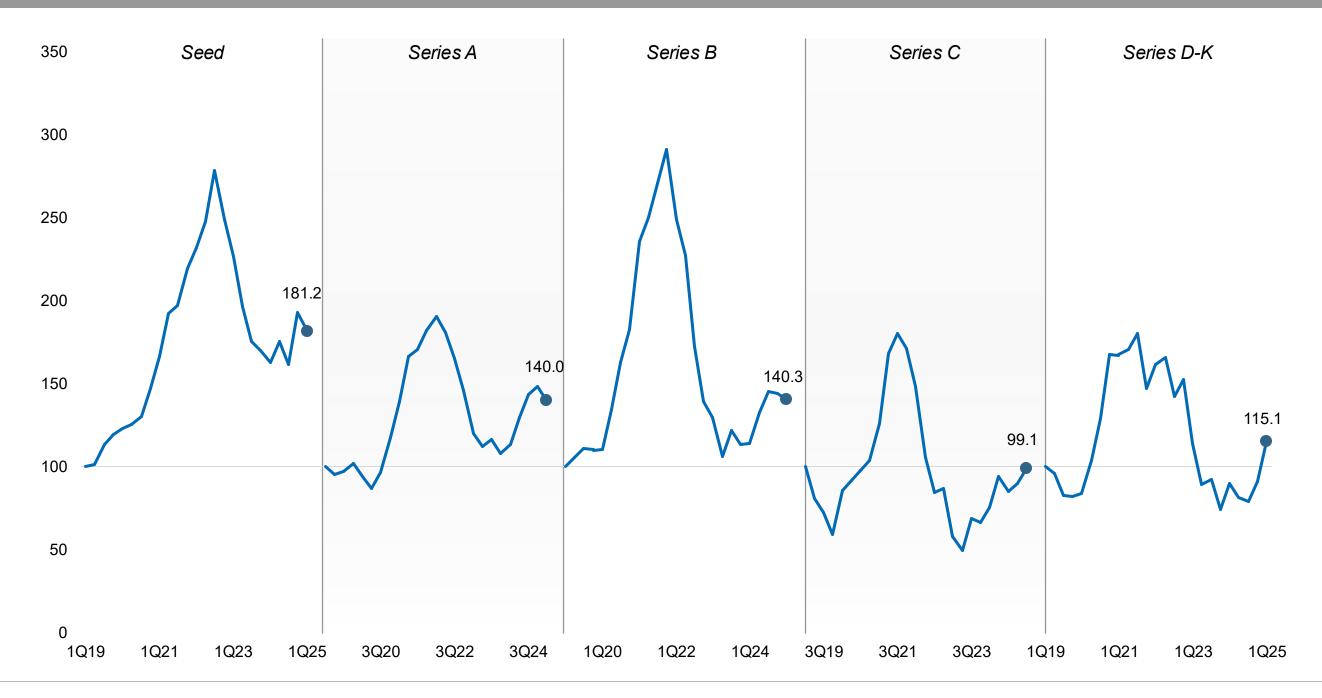
Return of the Venture "Mega-Round" in Biotech

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Late-Stage Venture Funding Is Faring Better

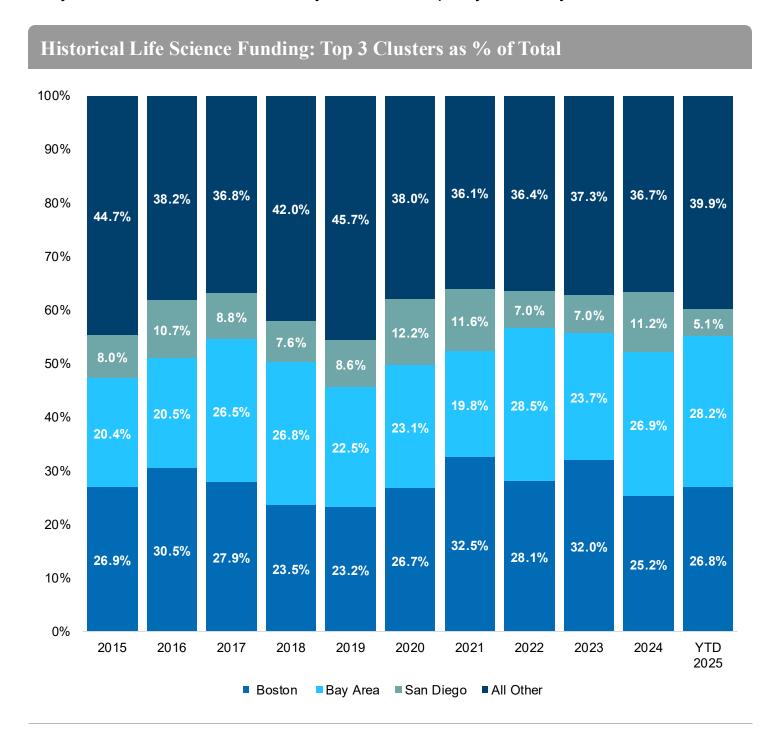
Compared to year-end 2024, late-stage venture funding is trending positively. While still well above the 2019 benchmark, venture capital funding declined over the quarter for Seed, Series A, and Series B rounds.

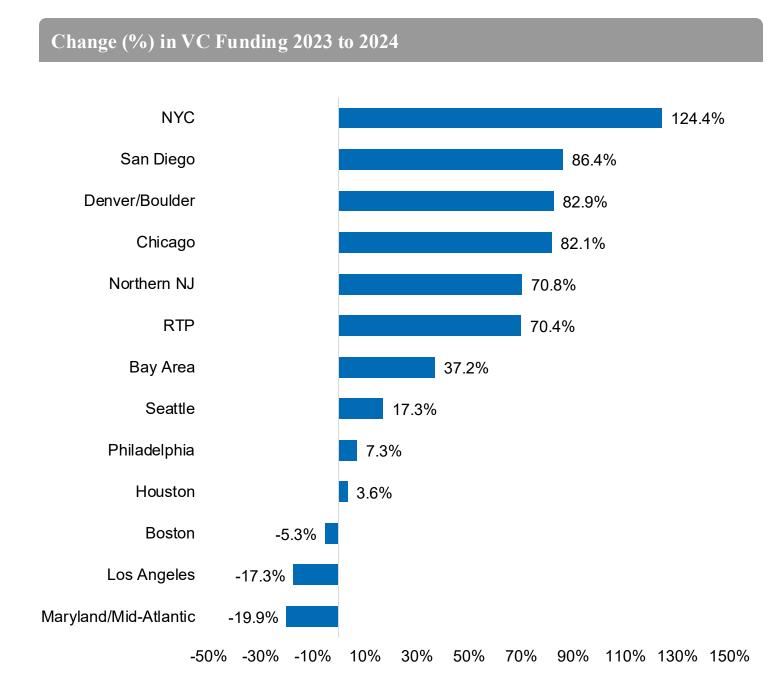
VC Funding by Series | 4-Quarter Moving Average | Indexed to 2019



VC Funding Is Trending Positively in Most Markets

The top three life science hubs in the U.S. continue to attract roughly 60% of all venture capital funding. In 2024, life science companies based in these three markets raised \$18.5 billion in funding. San Diego's share of total volumes fell considerably after surpassing 11% following marked gains in funding compared to 2023. Boston, Los Angeles, and Maryland/Mid-Atlantic were the only markets to report year-over-year declines in venture funding from 2023 to 2024, while NYC led the way with an over 100% gain.

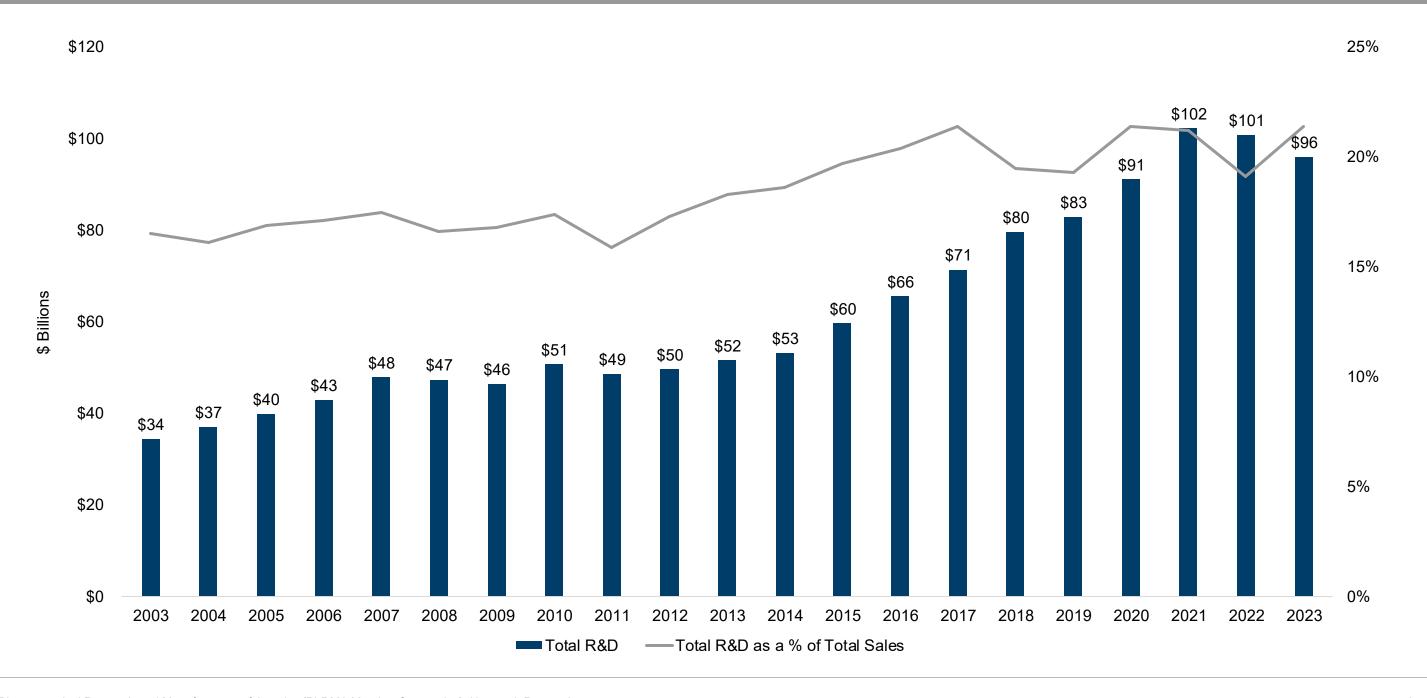




R&D Spending Declines Amid Sector Headwinds

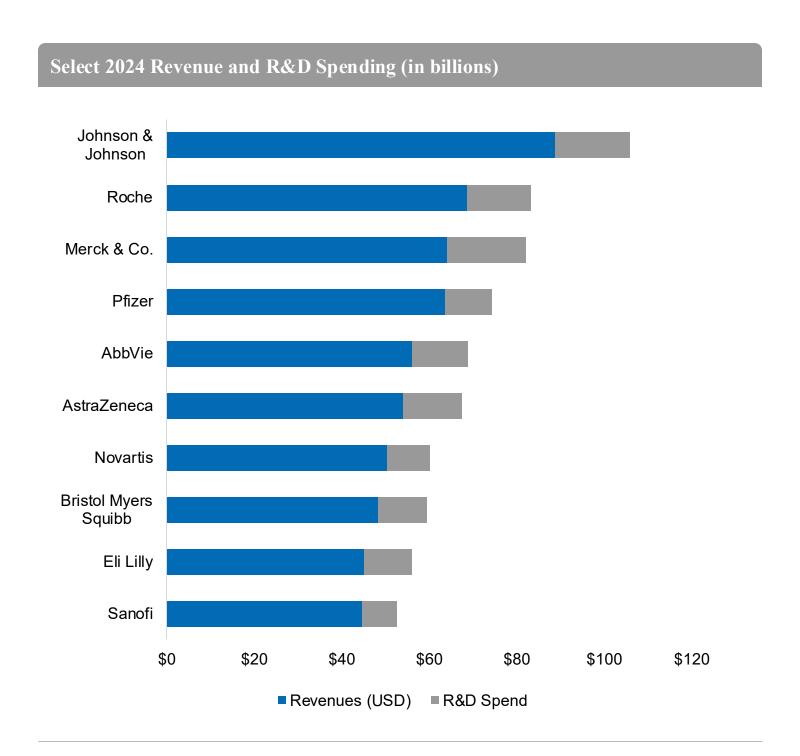
Challenges within the broader life science industry have led many pharma companies to reevaluate spending on research and development (R&D), leading to a modest correction in expenditures from 2021 to 2023. While cuts in costs can lead to less innovation, pharma companies are still spending near-peak levels on R&D.

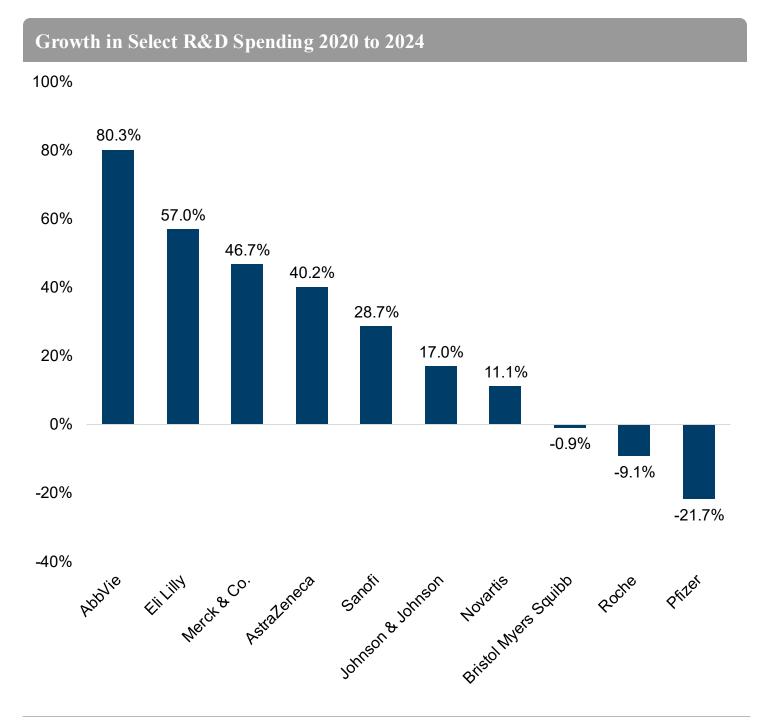
Domestic Biopharma R&D and R&D Abroad, PhRMA Member Companies



Many Large Pharma Companies Post Increase in R&D Expenditures

According to Fierce Biotech, seven of the top 10 pharmaceuticals companies for R&D spending reported increases since 2020. Most of these companies reported higher R&D spending from 2023 to 2024 as well. More investment into research and development is a potential green shoot amidst the current market correction.





Source: Fierce Biotech, Newmark Research

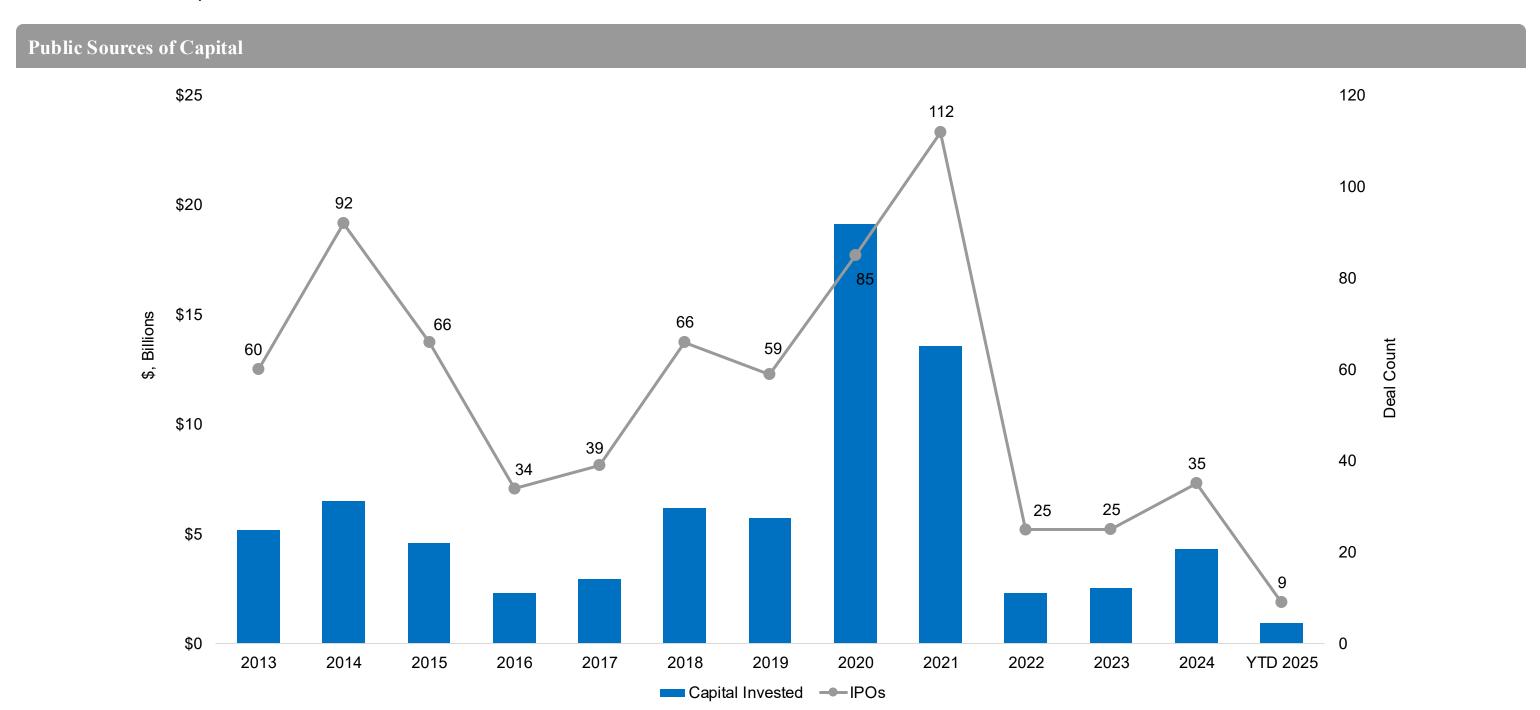
As of 2024

First-Quarter M&A Activity Was Limited Outside of Select Markets

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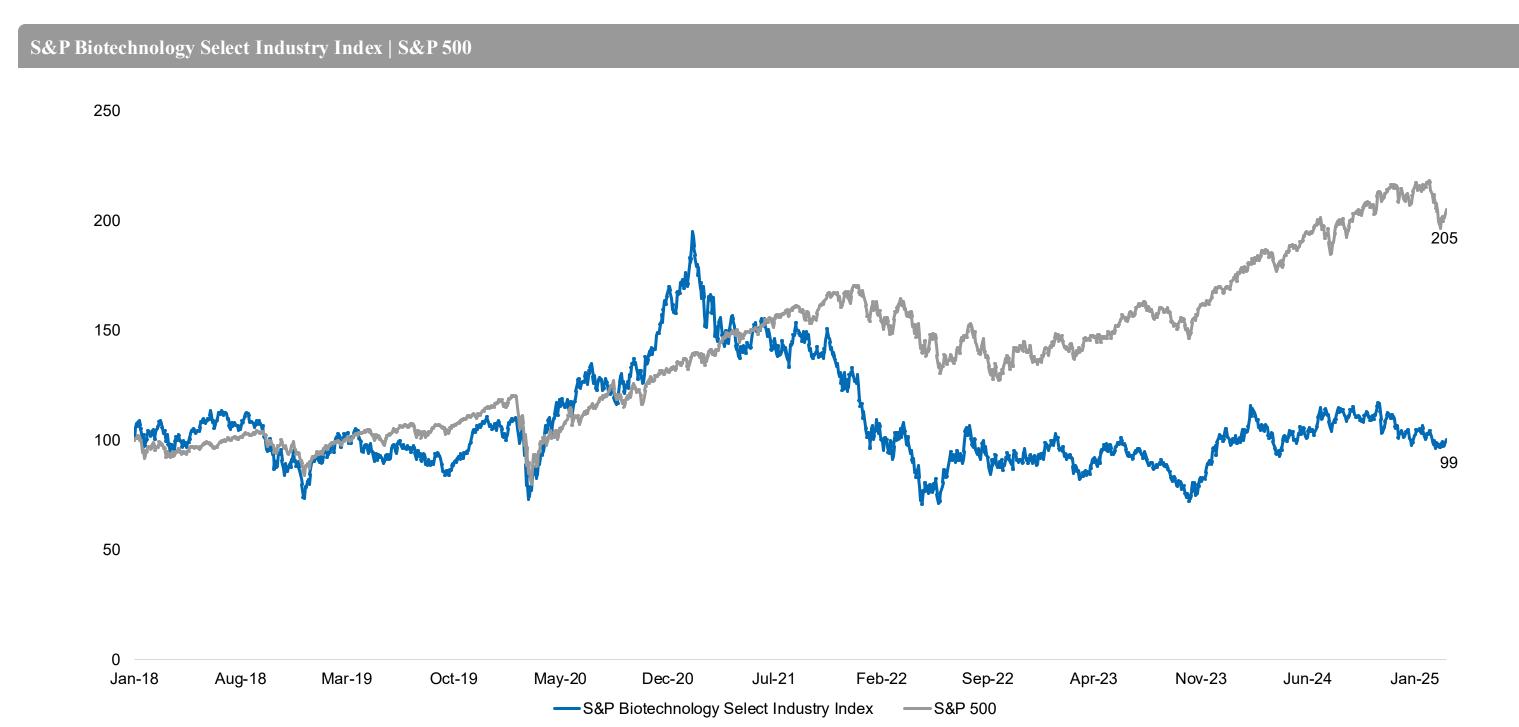
Are the Public Markets Falling Short of Expectations?

The public markets ended 2024 with cautious optimism due to expectancies for deregulation and a more favorable interest rate environment. With nine life science companies going public in the first quarter of the year, activity remains stable. This is on pace with last year's volumes as investors remain mainly risk averse. Moreover, rising economic instability could curtail these recent improvements.



Recent IPO Aftermarket Performance Is Critical for a Public Market Recovery

The S&P Biotech Index highlights the run-up in public company valuations and oversized initial public offerings. After peaking in late 2020 at the height of the market, the index continued to decline throughout most of 2023. The Biotech Index has underperformed throughout much of the last year and remains in line with values reported in 2018.



Source: S&P Global, Newmark Research
As of March 2025

Since 2020, Interest Rates Have Been Inversely Related to Public Market Performance

Please reach out to your Newmark business contact for this information

Source: Nasdaq, FRED, Newmark Research
As of March 2025

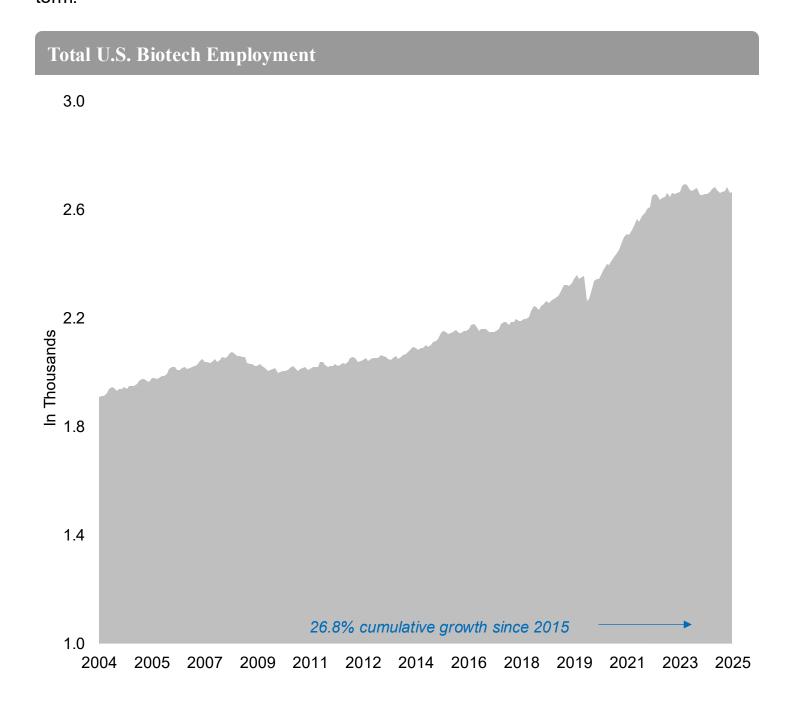
1Q25 U.S. LIFE SCIENCE MARKET CURRENT PERSPECTIVES

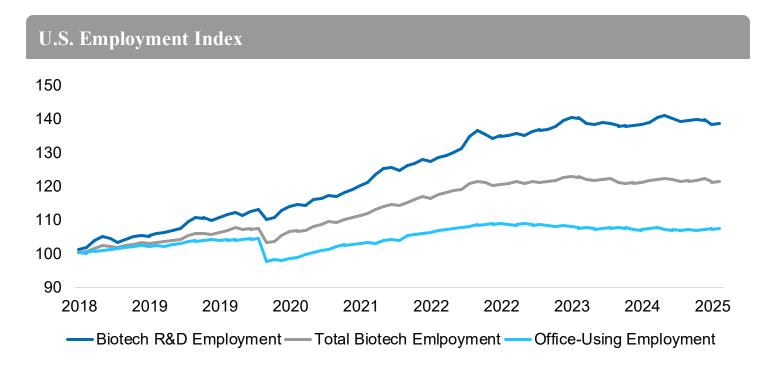
Industry and Talent Trends

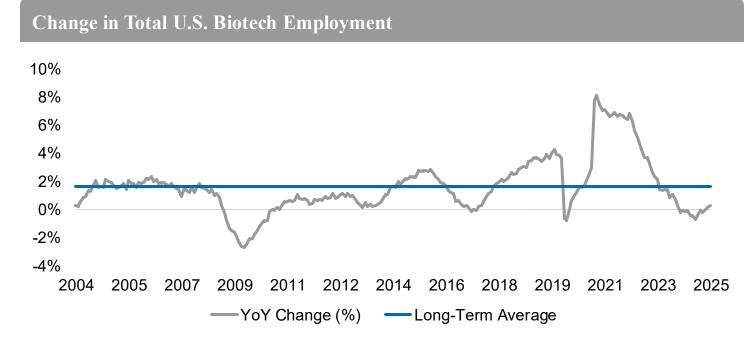


Despite Recent Headwinds, Employment Is Stable

Following modest declines in 2024, annual biotech employment in the U.S. has recorded two consecutive months of year-over-year gains. Employment in research & development continues to outpace the overall sector, with annual gains reaching 0.6% in February of 2025. Macroeconomic headwinds may give way to further labor market challenges in the near term.







Source: Moody's, BLS, Newmark Research

Biotech Sector Layoffs Persisted Into 2025

Please reach out to your Newmark business contact for this information

Source: Fierce Biotech, Moodys, Newmark Research

As of FebruaryApril 2025

Key Hubs Maintain High Occupation Density

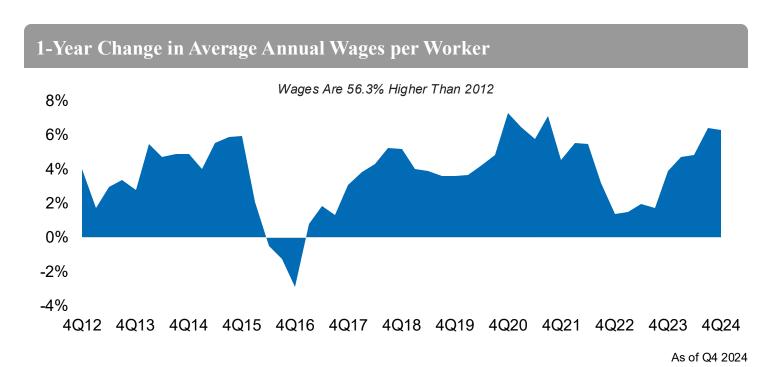
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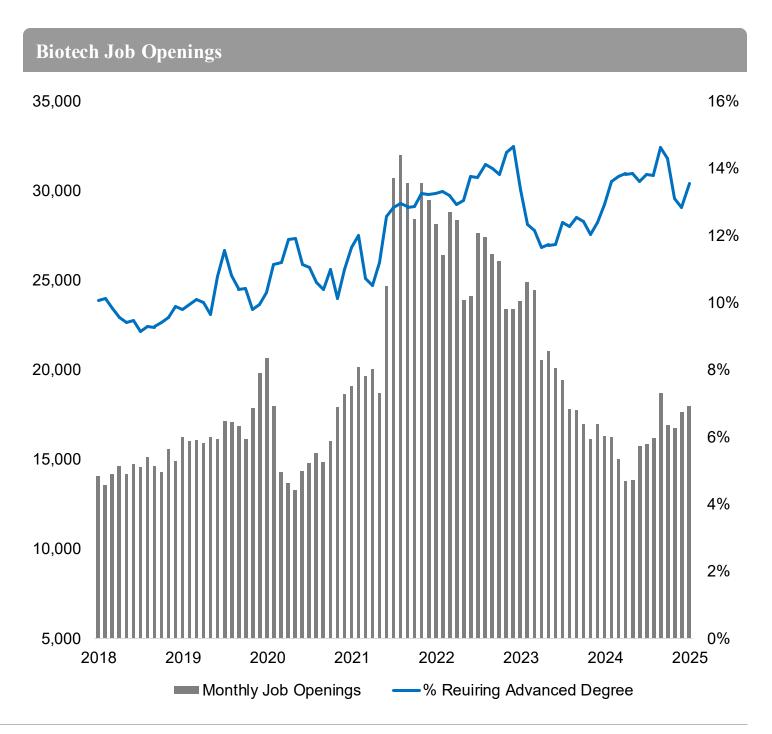
Source: JobsEQ, Newmark Research as of Q4 2024

Wages and Job Openings Are Trending Positively

Despite persistent layoffs, biotech-related job openings increased over the last year and are now 10.5% above year-ago levels. The share of jobs requiring an advanced degree continues to hover around 13% to 14% as of March 2025. Following a recent deceleration, annual wage growth strengthened throughout 2024 and reached the highest rate since 2020.

4Q24 Avg. Annual Salaries	Biochemists	Biomedical Engineers	Chemists	Medical Scientists
Boston	\$134,600	\$115,200	\$126,200	\$133,800
Bay Area	\$145,300	\$139,500	\$136,700	\$148,500
San Diego	\$131,700	\$125,200	\$115,600	\$126,700
U.S. Average	\$121,000	\$112,000	\$100,300	\$116,200

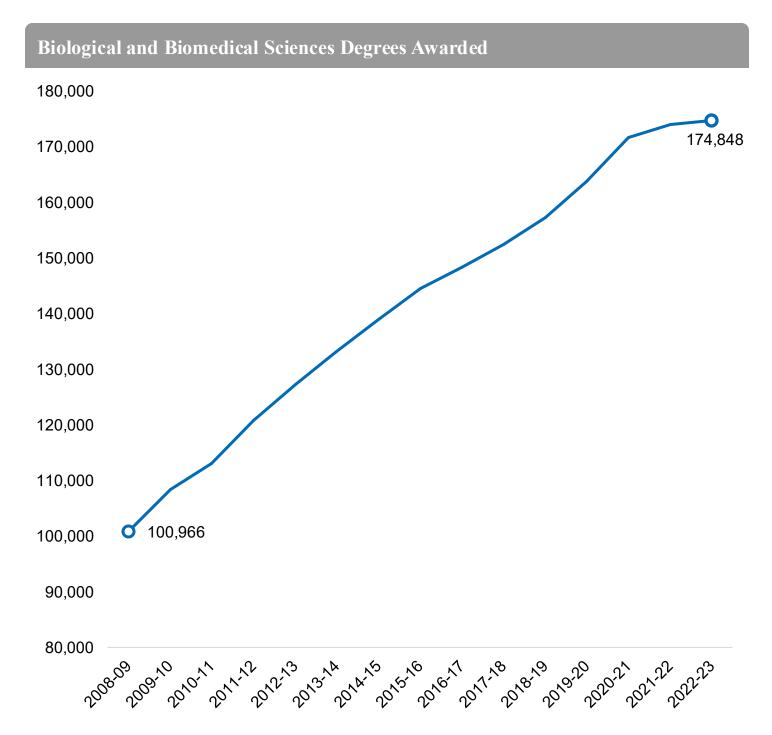


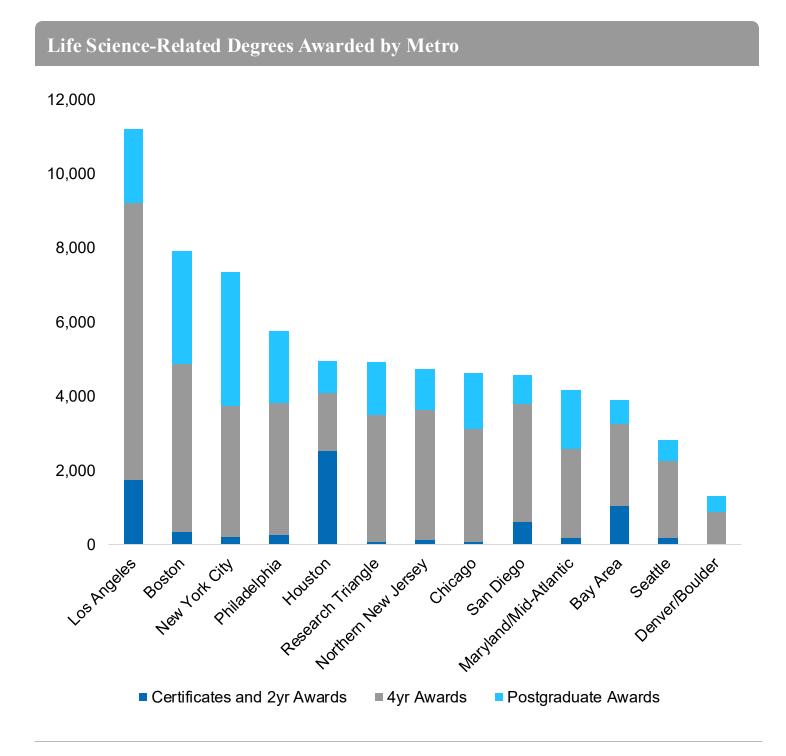


Source: JobsEQ, Newmark Research
As of March 2025

Emerging Talent Remains Critical for Long-term Sector Growth

The number of biological and biomedical science degrees awarded each year continues to grow, increasing by 73.2% since 2008. The most life science-related degrees are being awarded in Los Angeles, Boston and New York City, closely aligning with significant tech transfer activity in these areas.





Source: JobsEQ, National Center for Education Statistics, Newmark Research

As of Q4 2024

Colleges and Universities Support the Talent Pipeline

The concentration of top educational institutions is vital to the life science ecosystem. To maintain a steady pipeline of qualified employees, leading markets for life science are also home to many colleges and universities that produce the most life science degrees. Notably, 20 out of the 30 top schools for life science degrees are located in major biotech hubs.





Source: Times Higher Education 2024 Rankings, Newmark Research

Boston Reigns With Most-Educated Workforce

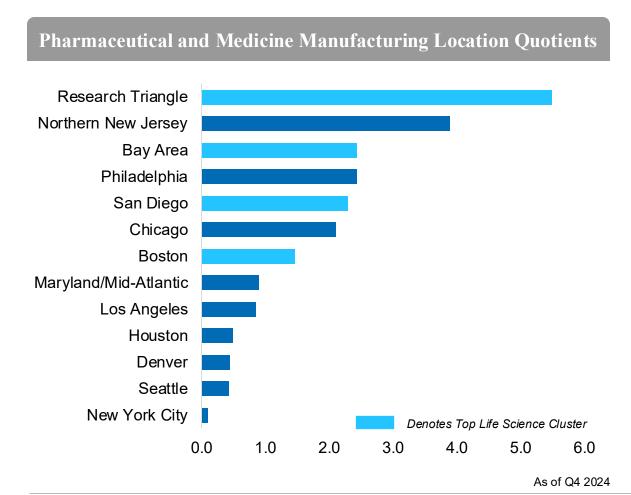
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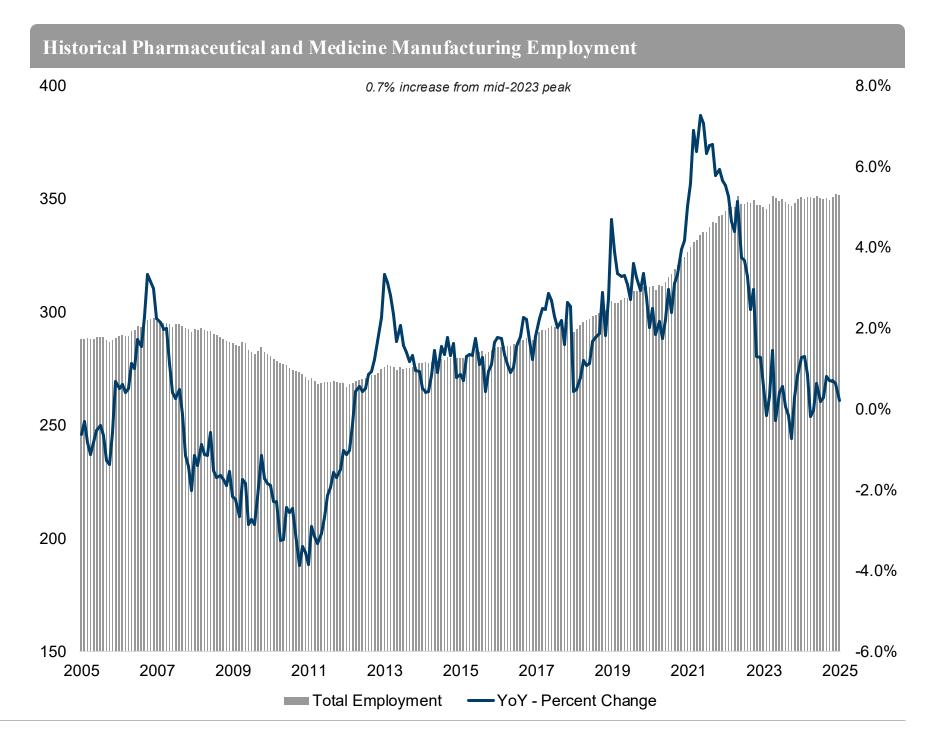
Source: JobsEQ, Newmark Research
As of Q4 2024

Modest Gains Characterize Biomanufacturing Employment

A resurgence in domestic drug manufacturing has pushed employment in this sector to a 30-year high. While Northern New Jersey has the highest number of jobs, the Research Triangle holds the highest concentration of jobs among the top life science markets. Nationally, employment in this sector is 0.2% above year-ago levels. The potential for growth in domestic manufacturing operations provides some upside to the U.S. life science outlook.

4Q24 Pharmaceutical and Medicine Manufacturing Employment				
Northern New Jersey	28,076			
Chicago	21,018			
Philadelphia	15,580			
San Francisco	13,058			
Research Triangle	14,042			





Source: JobsEQ, Moody's, BLS, Newmark Research
As of February 2025

1Q25 U.S. LIFE SCIENCE MARKET CURRENT PERSPECTIVES

Market Fundamentals





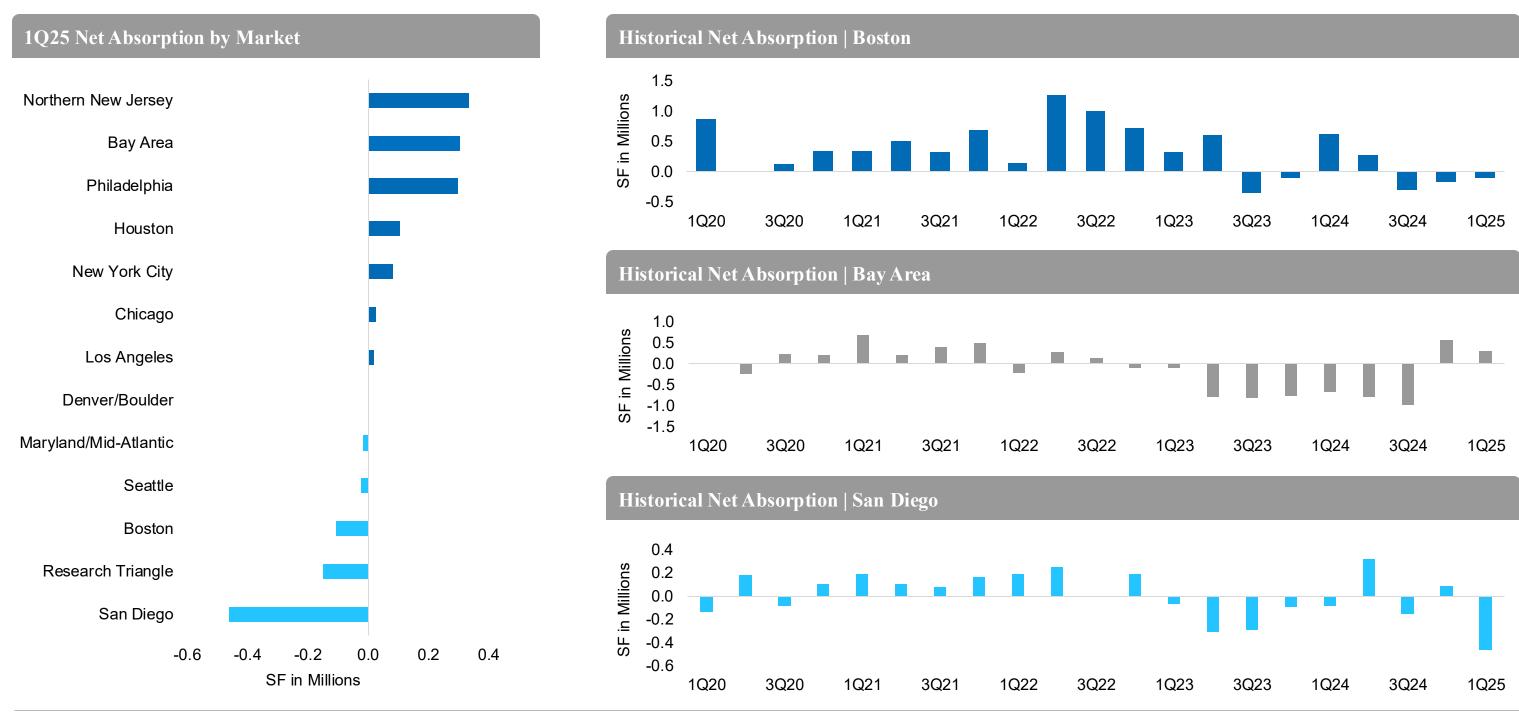
Please reach out to your Newmark business contact for this information

Source: Newmark Research

Note: Data inclusive of Boston, Bay Area, San Diego and Seattle only. The Bay Area tenant demand data only includes the Peninsula since 2021.

Pre-Leasing Drove Net Absorption in Several Markets

Net absorption varied greatly by market, with Northern New Jersey, the Bay Area, and Philadelphia posting significantly positive figures. On the other hand, San Diego, the Research Triangle, and Boston struggled this quarter with noticeably negative net absorption. Even amongst the established clusters, figures were vastly different as seen with the Bay Area massively outperforming Boston and San Diego.



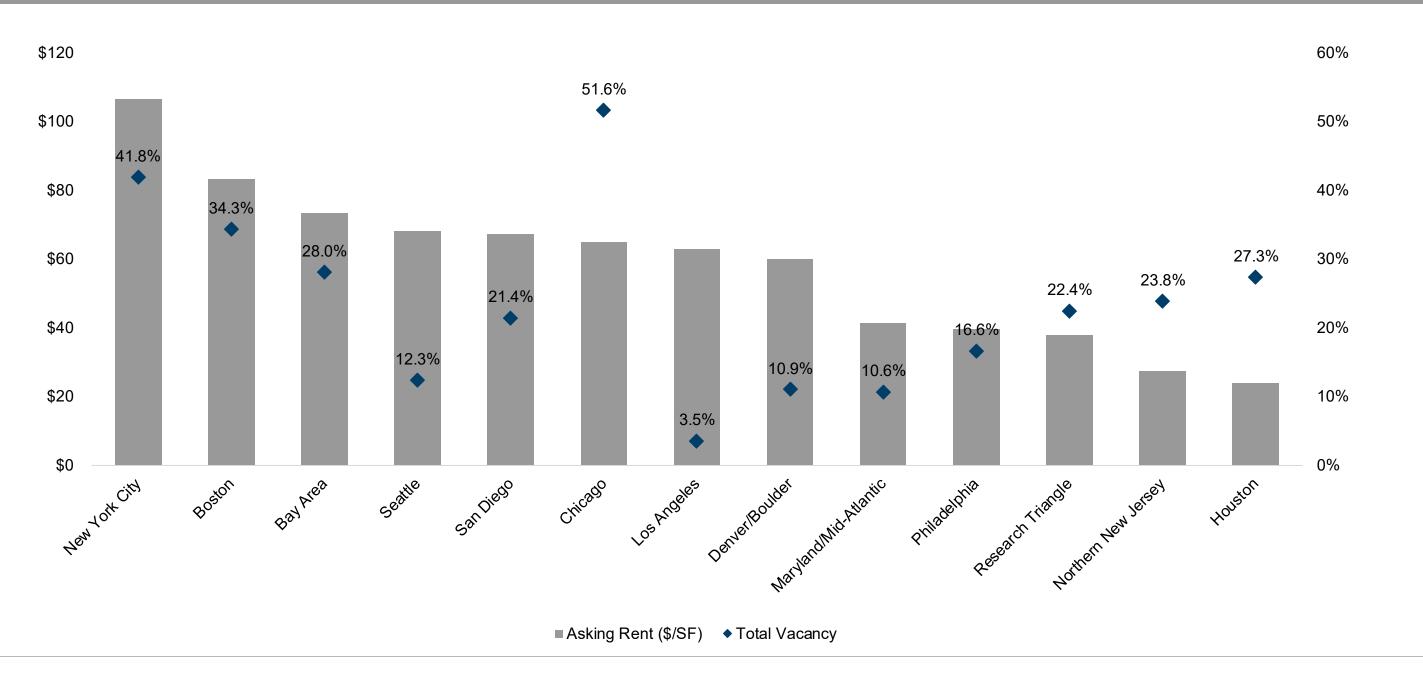


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Only One Market Maintains Single-Digit Vacancy Rates

Only one key life science cluster maintains a sub-10% vacancy rate, Los Angeles, well below its peers. Los Angeles was also one of four key markets to see a decrease in total vacancy from last quarter, joined by New York City, Houston, and Chicago. Rents in New York City continue to ask north of \$100/SF NNN and as the market with the most RBA under construction compared to existing inventory, will likely stay elevated as these brand new, best-in-class facilities deliver.

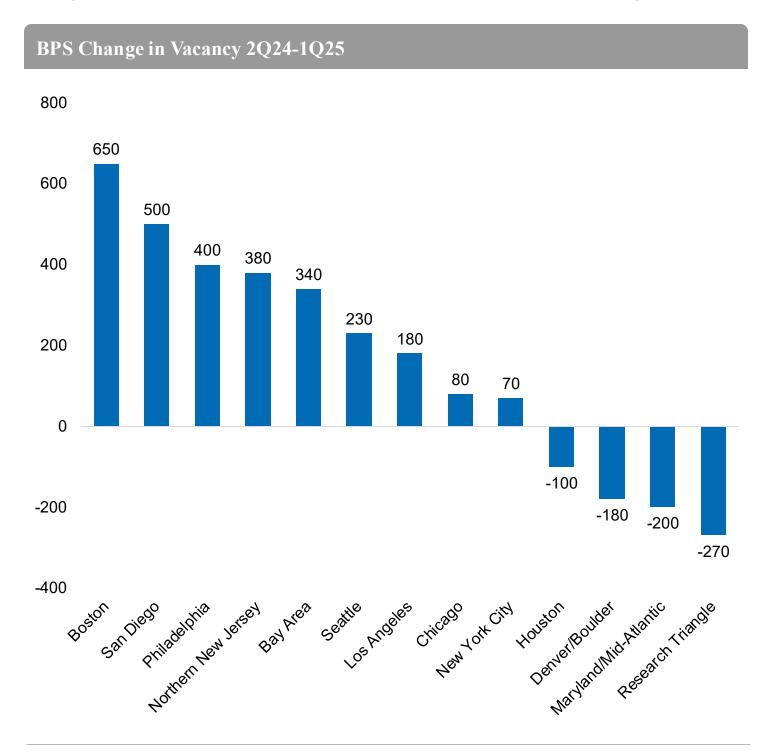


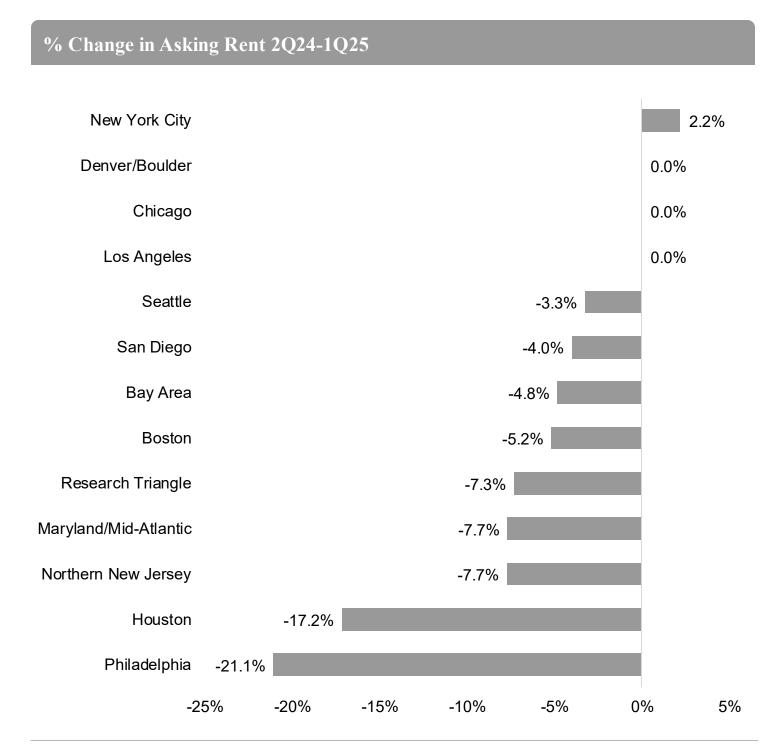


Source: Newmark Research
As of Q1 2025

Vacancies Are Higher in Most Life Science Markets

Laboratory vacancies have increased in most markets over the past several quarters, with Boston, San Diego, and Philadelphia reporting the largest basis point increases. Accordingly, asking rents have also declined across the board outside of modest or no gains in a handful of markets.



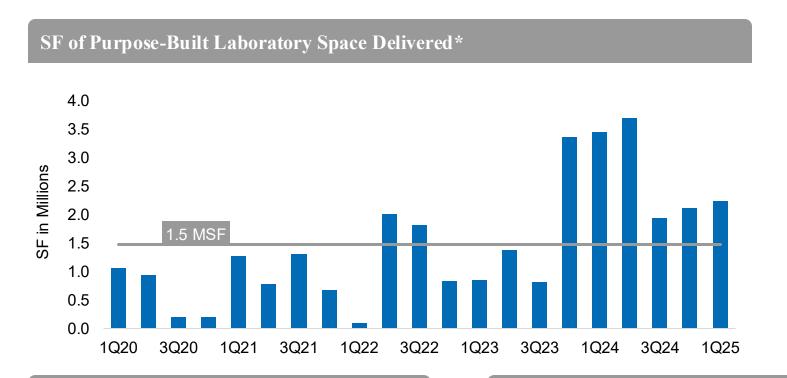


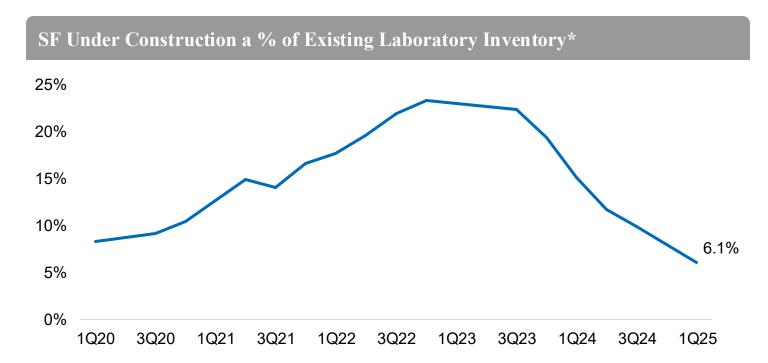
Sublease Availabilities Are Easing

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Deliveries Down from Record Highs, but Remain Above Historic Levels

The first quarter of 2025 saw a second straight quarter with an increase in RBA delivered. Although above historical levels, deliveries were significantly below the peak in late-2023 to mid-2024. Future development remains clustered in just a handful of key markets; however, that share has decreased from mid-year 2024 as projects have delivered and developers consider secondary regions.





Share of SF Under Construction 11% 26% 23% 18% Boston All Other ■ San Diego Bay Area New York City Northern New Jersey



Key Laboratory Developments







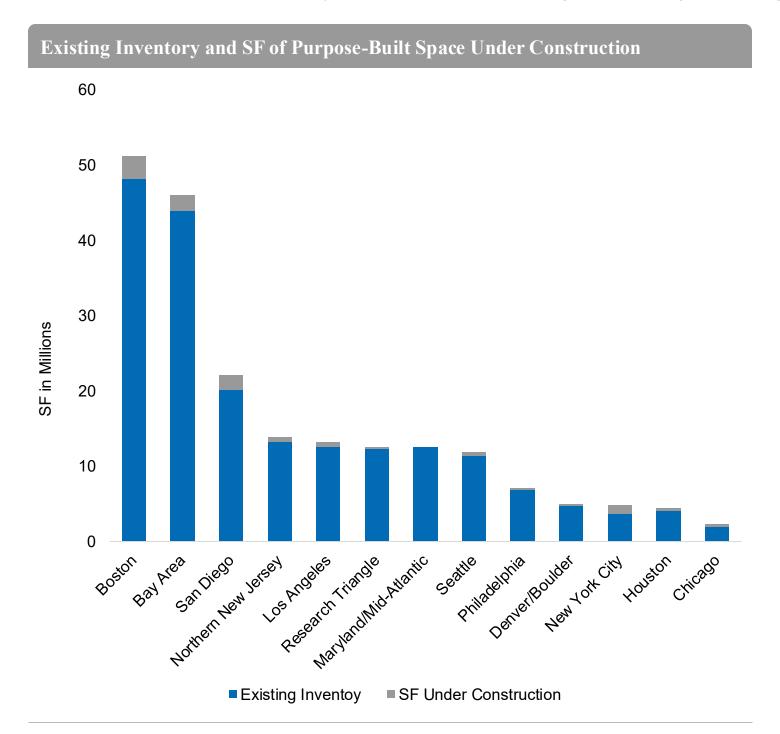


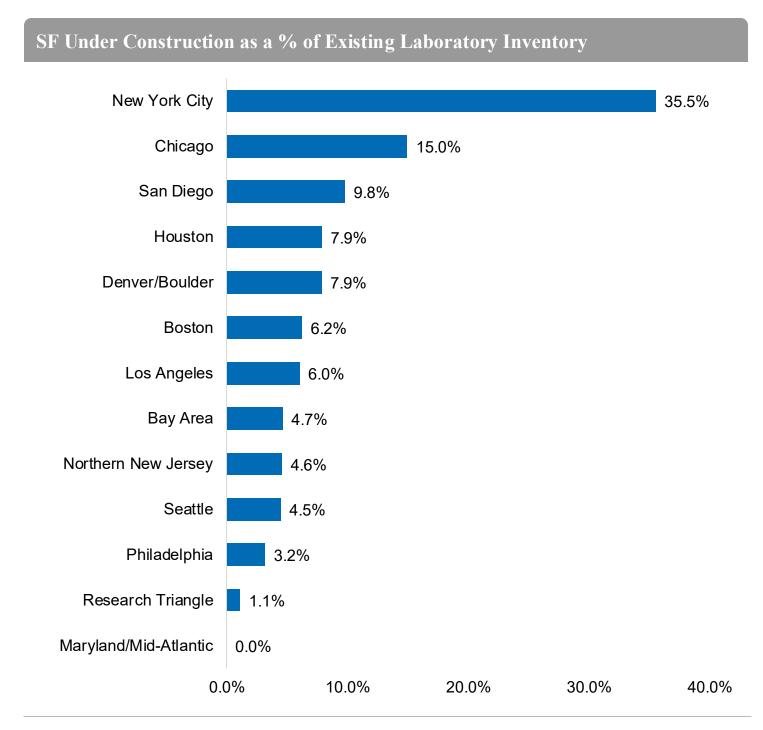
585 Third Street	One Milestone	ELCO Yards	1350 Adams Court	Pacific Center
East Cambridge	Boston Urban Edge	Redwood City	Menlo Park	Sorrento Mesa
605,000 SF	440,000 SF	670,578 SF	255,000 SF	496,000 SF
BioMed Realty	Breakthrough Properties / Tishman Speyer	IQHQ	Tarlton Properties	Sterling Bay
2025	2026	2026	2025	2025

^{*}Only includes Boston, Bay Area, San Diego, and Seattle

Established Clusters Continue to Lead Development

The established clusters of Boston, the Bay Area, and San Diego continue to lead the way in terms of SF under construction, with about seven million SF, or 61% of nationwide total SF under construction. New York City commands the fourth spot on a SF basis, but has by far the highest SF under construction, when compared against existing laboratory inventory. There is minimal construction activity elsewhere, however, Chicago boasts a high percentage of SF under construction compared to existing inventory.





Source: Newmark Research
As of Q1 2025



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Source: Newmark Research
Shadow Indicates manufacturing facilities that will support GLP-1 manufacturing capacity

As of Q1 2025

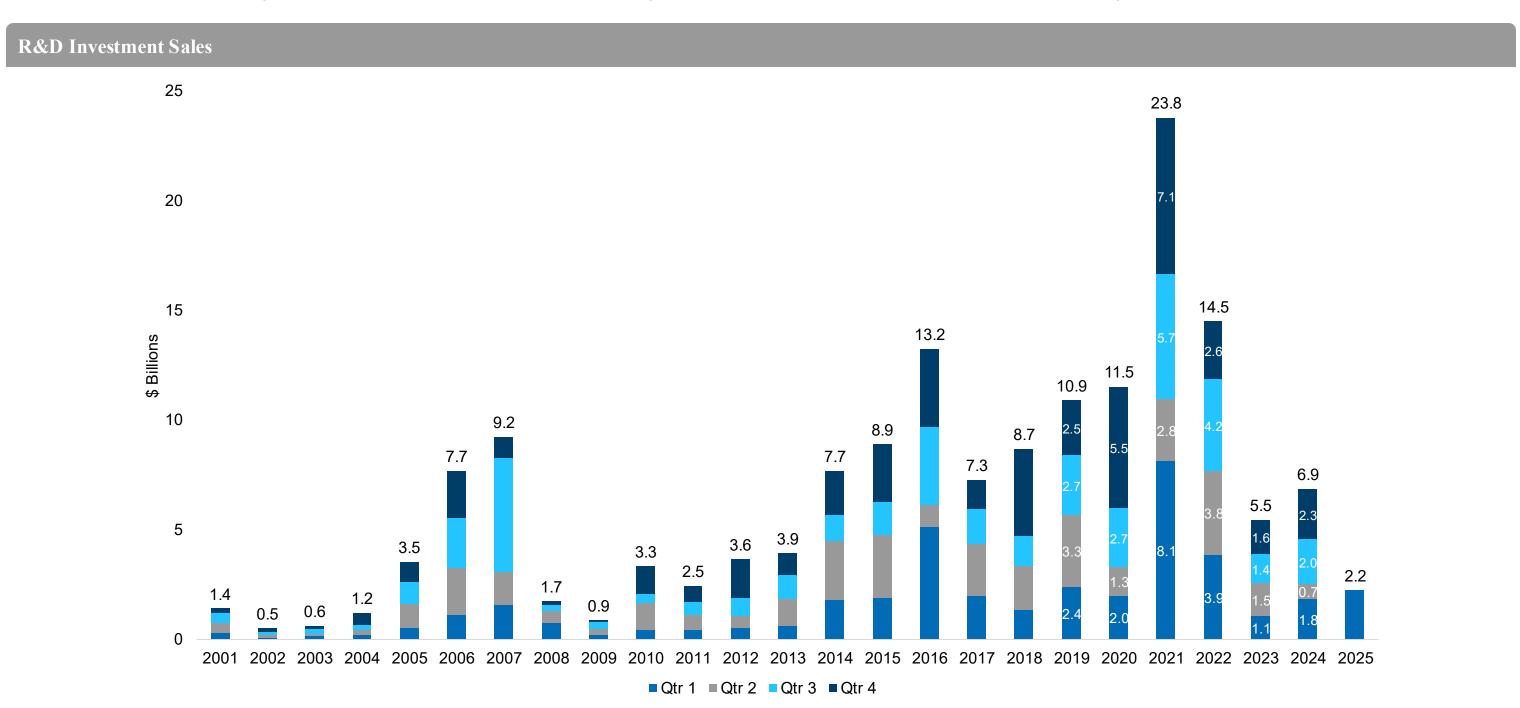
1Q25 U.S. LIFE SCIENCE MARKET CURRENT PERSPECTIVES

Capital Markets Synopsis



R&D* Investment Sales Started Off The Year Strong

R&D transaction activity totaled \$2.2B in the first quarter of 2025, up 22% compared to 1Q24. Sales continue to run materially below their pre-pandemic pace; activity exceeded '17-'19 average for the first quarter, mostly on the back of one large deal. Cost of capital continues to be a concern, but this is shared by all property segments. More to the point, life science markets continue to work through absorption of both new purpose-built buildings as well as conversions, as concerns about NIH funding loom.



Source: RCA, Newmark Research as of 4/21/2025 *R&D property subtype is a proxy for Life Science

Despite Higher Sales Volume, Liquidity Remains Challenged

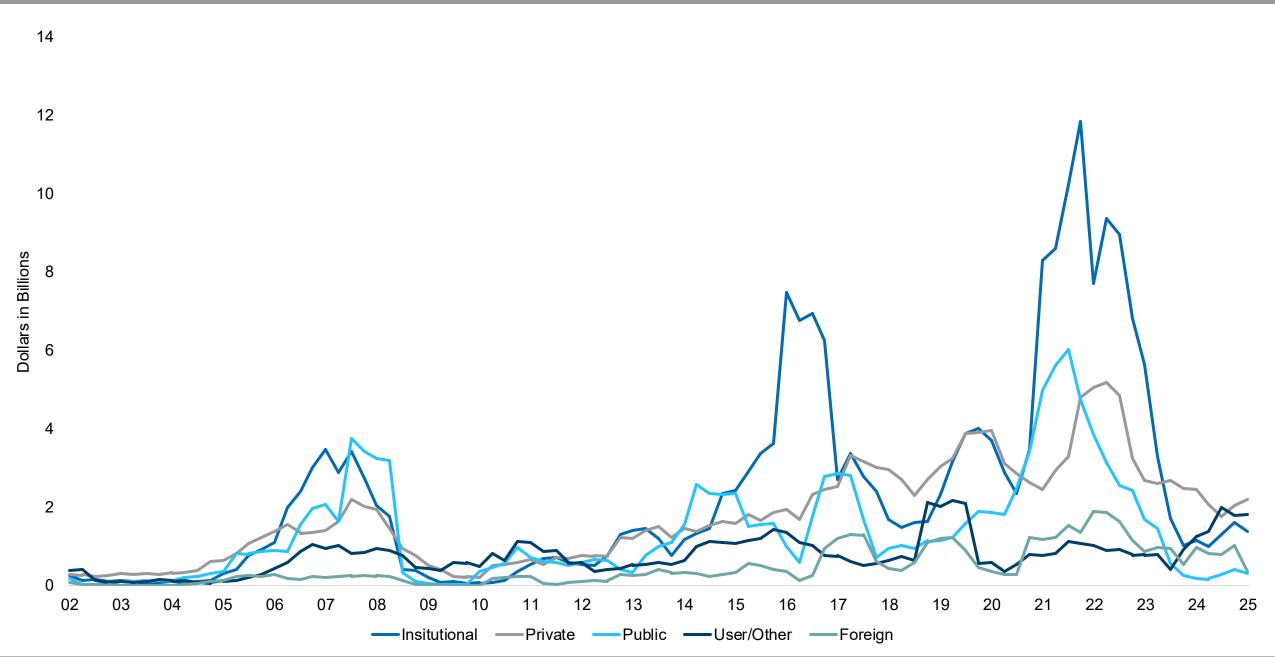
Please reach out to your Newmark business contact for this information

Source: Real Capital Analytics, Newmark Research

Most Capital Groups Remain on Sidelines Though Some Occupiers Taking Advantage

Institutional and REIT investor demand drove the acquisitions to their 2021 peak; however, since then these groups have become very quiet, particularly REITs, private capital acquisitions seemed to be stabilizing in 2023 at levels commensurate with pre-pandemic but have more recently decelerated. Foreign capital activity has been more stable, but user acquisitions have picked up and represented 28% of total acquisition volume, the groups highest share since 2012.





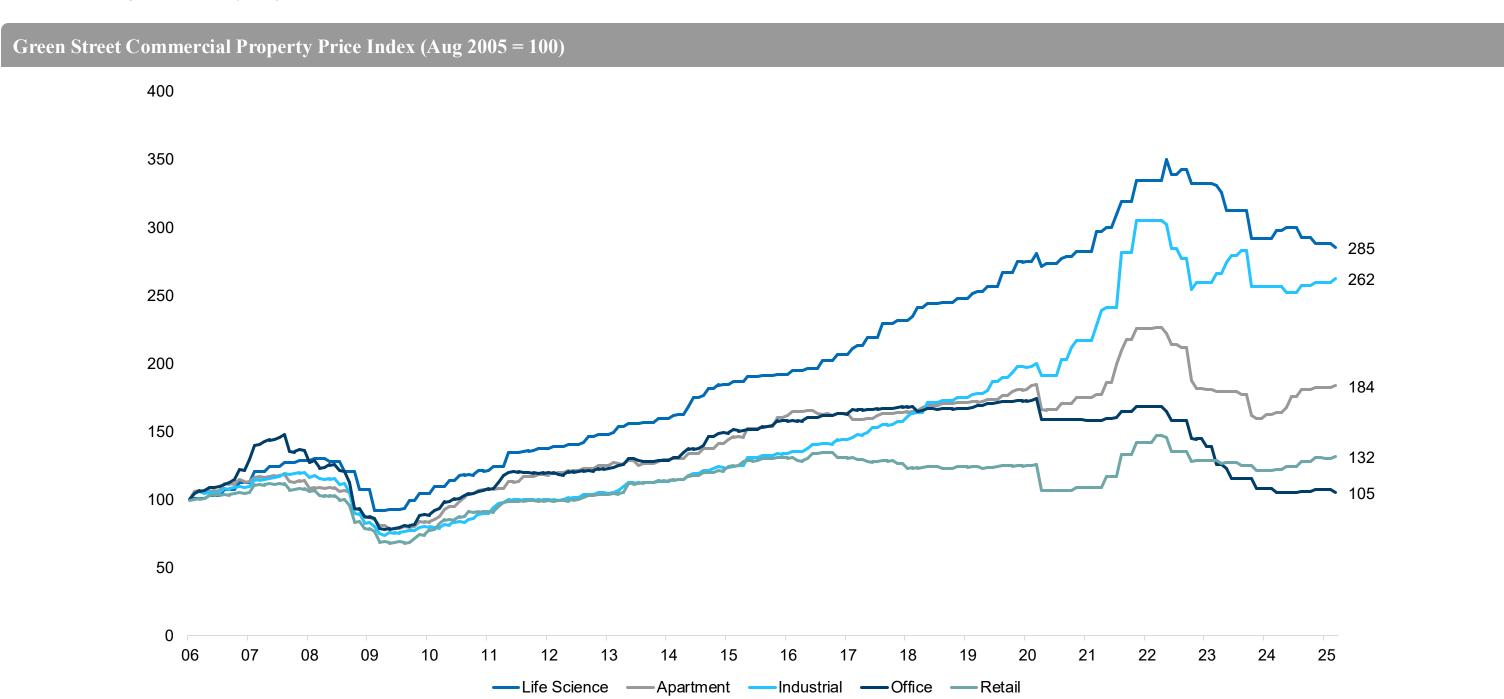
Source: RCA, Newmark Research as of 4/21/2025 *R&D property subtype is a proxy for Life Science

Life Science REIT Implied Cap Rates Have Risen Significantly

Please reach out to your Newmark business contact for this information

Life Science Has Outperformed All Other Property Types Since 2008

From 2019 to the post-pandemic peak, life science outperformed all sectors except industrial, up 23%. Life science values are now down 19% from the peak, much better than Office peak-to-trough change. While this augurs poorly for the returns of investors who entered at the top of the market, these price declines are unlikely to foment the kinds of issues in prepandemic vintage debt widely projected for the office sector. Indeed, life science values are up 3% compared to December 2019.



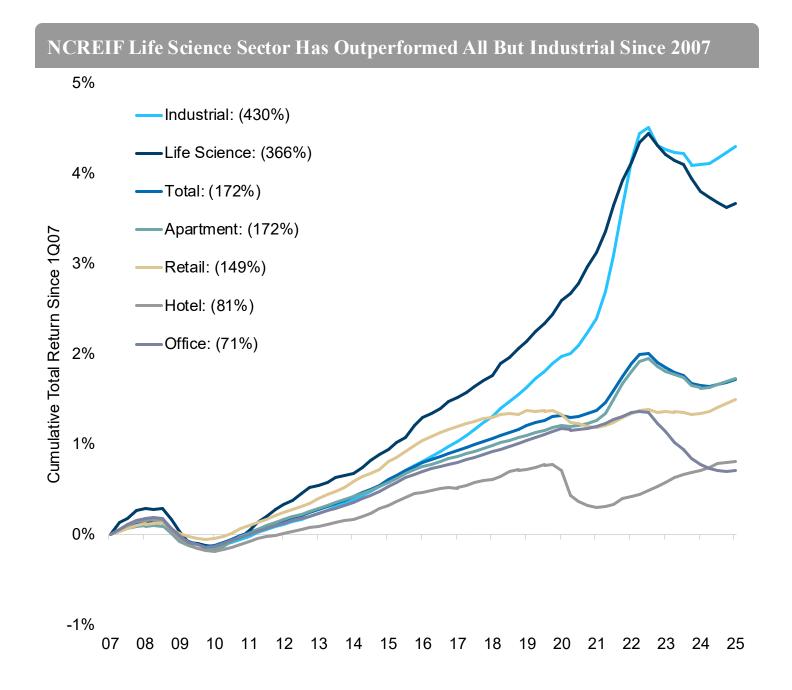
Source: Green Street, Newmark Research as of 3/31/2025

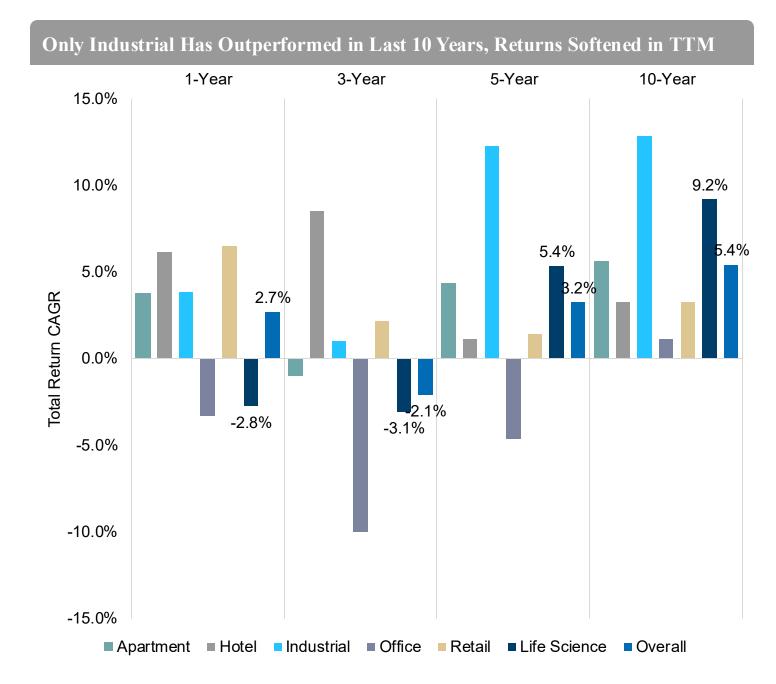
Life Science REITs Have Underperformed in Recent Years

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Private Market Returns Second Only to Industrial Over Last 10 Years

Life science has generated negative total returns for the last eight quarters with a total drawdown of negative 10.5%, underperforming the national property index at negative 4.7%. This performance is similar to the decline in the Life Science CPPI. Looking over longer time spans, life science has consistently outperformed most sectors in the NPI.





Source: NCREIF, Newmark Research as of 1/30/2025

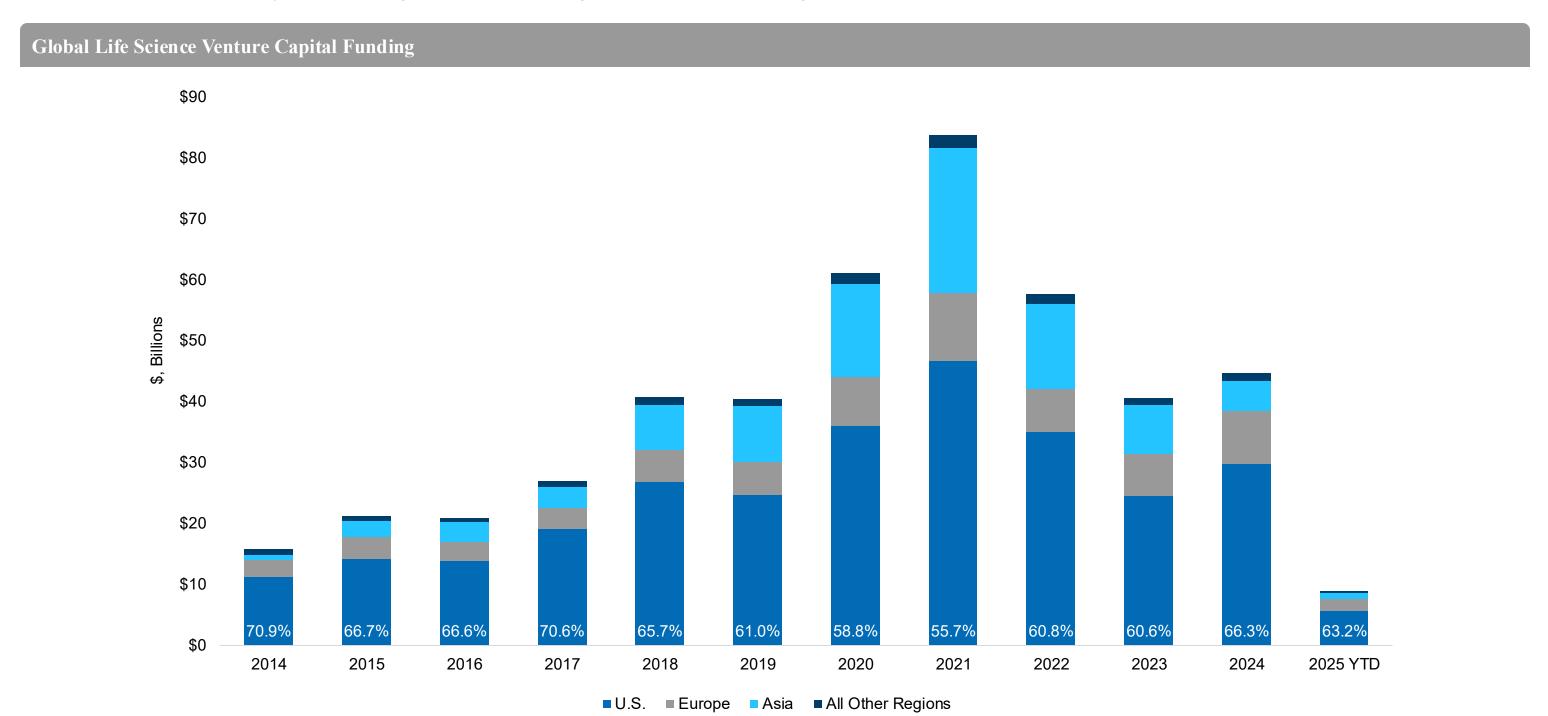
1Q25 U.S. LIFE SCIENCE MARKET CURRENT PERSPECTIVES

Global Market Overview



U.S. Based Firms Still Garner Lion's Share of Venture Funding

In 2024, global life science venture capital funding increased by more than 10%, with roughly a third flowing to U.S.-based companies. This represents a near-10-percentage-point increase from 2021 when venture capitalists were expanding faster outside the U.S. Regions that have gained significant ground in terms of venture capital include Canada, Europe and Asia. The U.S. started the year maintaining the trend of receiving about 60% of total funding.



Source: Pitchbook, Newmark Research
As of 5/8/2025

Many Life Science Clusters Outside the U.S. Are Still Maturing

Please reach out to your Newmark business contact for this information

Source: Pitchbook, Newmark Research

As of 5/8/2025

Canada

- Canada's life science industry is primarily concentrated in Toronto, Montreal, Vancouver and Ottawa.
- Key components in Canada's life science industry are pharmaceuticals, medical technologies, biopharmaceuticals, and CDMOs, underpinned by a robust ecosystem of R&D, skilled labor, and government support.
- · Canada is ranked first among G7 countries in clinical trial productivity (number of trials/population) and ranked third globally for total number of new clinical trials.
- In 2025, AstraZeneca expanded its R&D facilities in Mississauga, ON. The firm is building on its 2023 investment to expand its existing R&D hub and establish a new Alexion hub focused on rare diseases. Roche Canada expanded its Global Informatics division in 2024 following the creation of a new operations hub to oversee its global supply chain.

Key Clusters

Toronto

Toronto's life science sector has more than 30,000 employees, which represented a 35% increase from 2022 to 2023. The larger region, including 'Pill Hill' in Mississauga, is home to dozens of international pharmaceutical companies, 37 research institutes, and nine teaching hospitals, and is the epicenter of Ontario's life science corridor.

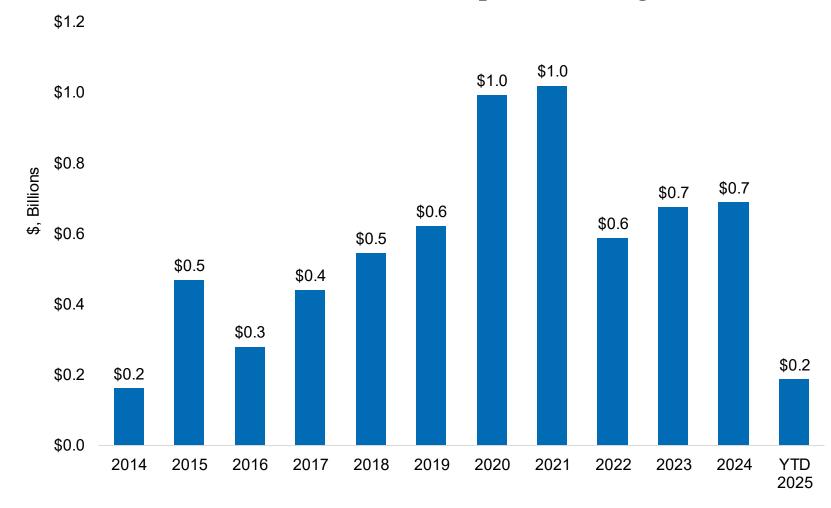
Montreal

As a top-10 North American hub, Greater Montreal's life science sector is based around several industrial parks including Technoparc Montreal. Montreal is home to several universities, hospitals, and research centers. The region also boasts competitive operating costs compared with other large cities in Canada and the U.S.

Vancouver

Anchoring British Columbia's network of research institutions, Vancouver is a leading destination for life science R&D in Canada. Life science employment has grown by about 65% in the past decade. Early-stage companies dominate here, and areas of concentration include drug delivery and precision health.

Historical Venture Capital Funding



Select Lease Transactions				
Tenant	Building / Address	Submarket	Туре	Size
CellCarta	Inspire Bio Innovations (Phase 1), 3650 Rue Saint-Urbain	Montreal	Direct Lease	95,000
Ability Biotherapeutics	Inspire Bio Innovations (Phase 2), 3650 Rue Saint-Urbain	Montreal	Direct Lease	12,500
Jade Biosciences	Fifth + Columbia, 2055 Columbia Street	Vancouver – Broadway Corridor	Direct Lease	6,870

United Kingdom

- The UK Science & Innovation sector remains a key focus from the UK government to help accelerate GDP and economic growth across the country, with the key markets of Oxford, Cambridge and London being the driving force.
- Despite the challenges occupiers faced in 2024, occupational take up remained somewhat robust with Cambridge falling just short of the 5- and 10-year average for take up and Oxford exceeding the same metric.
- Occupational demand has tapered off in all the key markets, with many tenants who previously had requirements focusing crucial funds into people and R&D.
- The venture capital landscape continues to improve with some significant raises and strategic partnerships becoming increasingly common. Al and tech are still dominating where the money ends up with companies like Isomorphic labs raising \$600 million.

Key Clusters

Cambridge

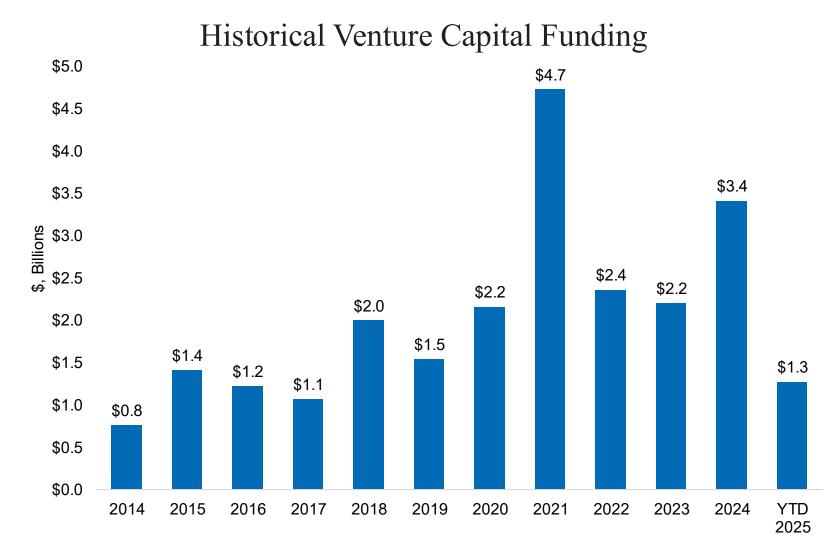
Cambridge remains at the forefront of the UK life science market and arguably the centre of excellence for Europe. Despite any gravitas that Cambridge has, there is rising availability in all areas of the city due to occupier cautiousness around acquiring additional real estate. The international attractiveness of the city continues to drive demand with access to talent pool of employees, which has driven new entrants such as BioNtech and Altos within the last few years.

Oxford

The city of Oxford benefits from arguably a greater array of end users than any other UK market, from space tech, advanced material through to F1 and quantum. Major institutes are expanding here, with the Ellison Institute having selected and started construction on their new facility, which will catalase innovation in the city by bringing in sector experts from around the globe into Oxford.

London

The fundamentals for London as a world leading science & innovation market remain. The fragility of the occupier market from a laboratory perspective was highlighted during the course of 2024 with take up being muted to roughly 4% of the current development pipeline. With Eli Lily and Life Arc looking to commit their long-term futures to London during 2025 there are reasons to be optimistic.

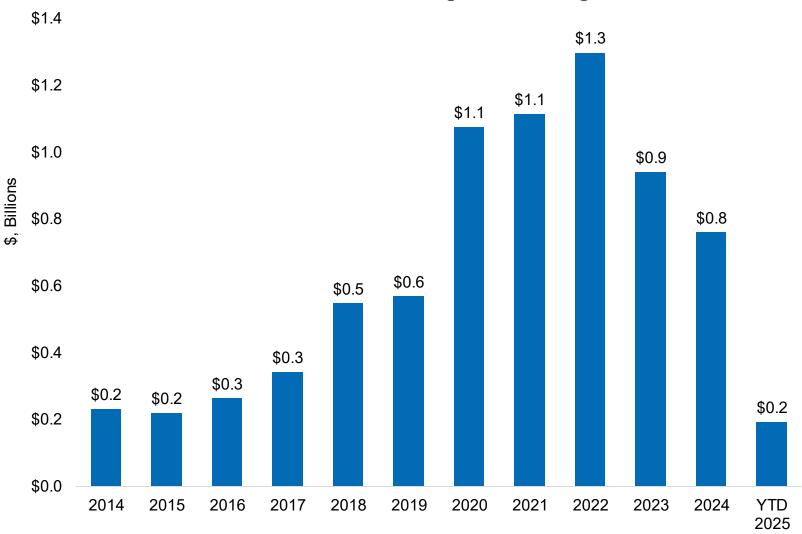


Select Lease Transactions					
Tenant	Building / Address	Submarket	Туре	Size (SF)	
ARM	The Optic	South Cambridge	Direct Lease	95,000	
LifeArc	105 Judd Street	London	Under Offer	70,000	
Eli Lilly	Apex, Tribeca	London	Under Offer	35,000	

France

- France is one of the leading European life science markets, home to major global companies such as Sanofi, Servier, and Ipsen.
- Characterized by limited real estate supply due to the dominant owner-occupier model, France maintains low lab availabilities. In particular, Paris and the surrounding region lack sufficient "L1" and L2" facilities.
- While near-term supply is expected to stay constrained in the Paris region, opportunities are set to grow, with numerous projects currently under construction and at present, leasable space in the Paris Region—including L1 and L2 laboratories, associated offices, and shared areas—amounts to nearly 108,000 sq.m but is projected to more than double by the end of 2026, reaching 250,000 sq.m, and surpassing 300,000 sq.m by 2030.
- This new supply will strengthen the key life sciences clusters in the Paris Region, particularly in the southern part of the region and central Paris. The majority of this upcoming space is being developed by the private sector, including several foreign firms that have recently entered the French market, such as Kadans, Patriarche, and Biolabs.
- Several significant transactions have recently been recorded in France. On the leasing market, Kadans Science Partner recently leased to Paris Saclay Cancer Cluster, Orakl Oncology, and Sanofi part of its 25,000 m² The Hive project in Villejuif, one of the main clusters in the Paris region dedicated to research and innovation in the field of Health and Oncology. On the investment market, Edmond de Rothschild REIM has just acquired the new Bioserra 3 building in Lyon (6,200 m² for nearly €20 million), located in the Lyon-Gerland biodistrict

Historical Venture Capital Funding



Key Clusters

Paris

Paris hosts a prominent biocluster, national and international regulatory agencies, and numerous pharmaceutical companies including Merck and Boehringer Ingelheim. In the larger Île-de-France region, major clusters can be found in Villejuif and in the second ring in Evry (Genopole) and Saclay (the "French Silicon Valley").

Lyon

Dubbed the birthplace of life science in France, Lyon boasts a mature pharmaceutical industry with 100,000 jobs in healthcare. Anchored by Sanofi, bioMerieux, Merial, and Becton Dickinson, the region is home to numerous research centers, universities and life science firms.

Alsace

In Alsace, health and medical technologies employ close to 40% of the region's scientists. Located in Eastern France, the region borders Switzerland and Germany and is home to 2 universities. Alsace is also home to BioValley France, which is a competitive cluster dedicated to life science innovations.

1Q25 U.S. LIFE SCIENCE MARKET CURRENT PERSPECTIVES

Life Science Market Profiles



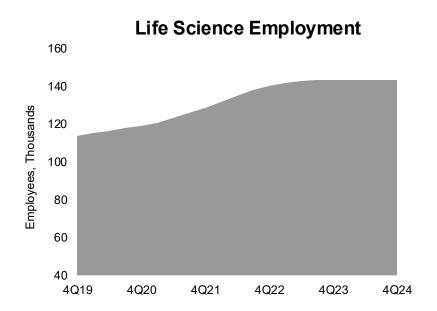
Boston

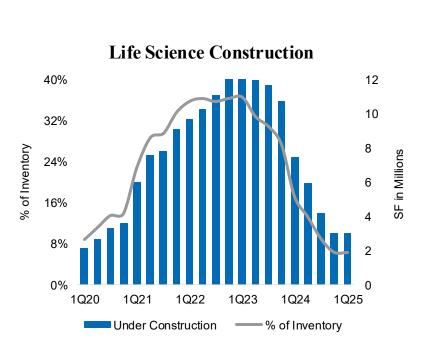
- Fundamentals across the region continued to unwind this quarter, with modest increases to vacancy and availability.
- Following two years of record deliveries, inventory has stabilized, with no new deliveries this quarter and RBA under construction at its lowest level since mid-2020.
- Biogen had the most noteworthy transaction of the quarter, committing long-term to a 585,000-SF build-to-suit at the Volpe site in East Cambridge.
- Any changes to NIH funding will likely have an outsized effect on Massachusetts as its typically ranks first in the country for per-capita federal funding.

Select Lease Transactions				
Tenant	Building / Address	Submarket	Туре	Square Feet
Biogen	75 Broadway, Cambridge	East Cambridge	Direct Lease	585,000
Intellia Therapeutics	400 Technology Sq, Cambridge	East Cambridge	Direct Lease	147,192
Roche	One Milestone, Allston	Urban Edge	Direct Lease	30,000

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet
75 Broadway, Cambridge*	East Cambridge	\$ 1,200,000,000	\$ 2,051	585,000

^{*}Recapitalization





First Quarter Stats 48.2 MSF 3.0 MSF (105.4) KSF

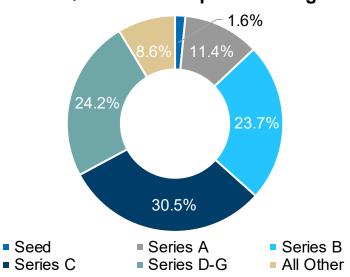
2025 Net Absorption

34.3% \$83.43 / SF
Vacancy Rate Asking Rent (NNN)

Under Construction

Total Inventory

1Q25 Venture Capital Funding



Asking Rent and Vacancy



Top Tech Transfer Universities

- Harvard University
- MIT
- Tufts University
- Northeastern University
- UMass Boston
- Brandeis University

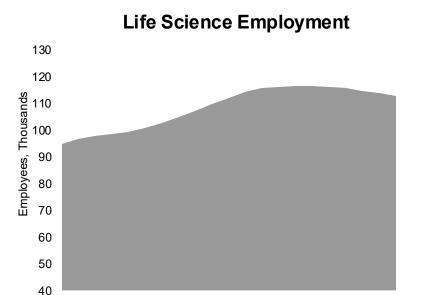
San Francisco Bay Area

- The Bay Area recorded its second consecutive quarter of positive net absorption at 305,000 SF, while market-wide vacancy rose to 28.0% this quarter, up slightly from 27.9% last quarter.
- Average asking rents in the core submarkets declined by 3.7% over the past year. Softer demand, elevated levels of sublease space and asking rate adjustments have contributed to lower lease rates across the region.
- Of the 2.0 million SF in the development pipeline, roughly 800,000 SF is expected to deliver by the end of 2025. The limited amount of speculative development provides some long-term breathing room for the market in an already oversupplied environment.

Select Lease Transactions				
Tenant	Building / Address	Submarket	Туре	Square Feet
Pacific Biosciences	1305 O'Brien Dr.	Menlo Park	Lease Renewal	180,231
Nurix Therapeutics	1600 Sierra Point Pkwy	Brisbane	Lease Renewal	159,959
BeiGene	835 Industrial Rd.	San Carlos	Sublease	96,463

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet
Emery Yards*	Emeryville	\$450,000,000	\$344	1,306,776
3176 Porter Drive	Palo Alto	\$24,800,000	\$578	42,899
3100 W. Warren Ave	Fremont	\$6,860,000	\$120	56,958

^{*}Includes two existing buildings and land totaling 1.3 million SF.



4Q21

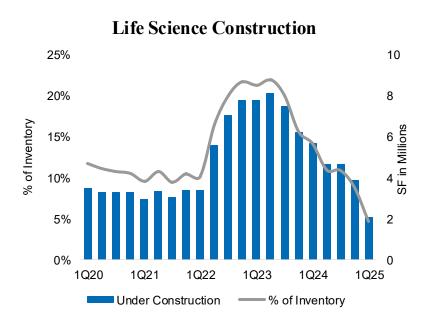
4Q22

4Q23

4Q24

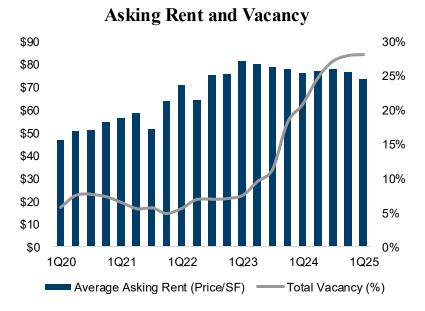
4Q19

4Q20



First Quarter Stats 44.0 MSF Total Inventory 2005 Net Absorption 28.0% Vacancy Rate Stats 306 KSF 2025 Net Absorption \$73.44 / SF Asking Rent (NNN)

1Q25 Venture Capital Funding 1.1% 4.8% 35.5% 33.7% Seed Series A Series B Series C Series D-I All Other





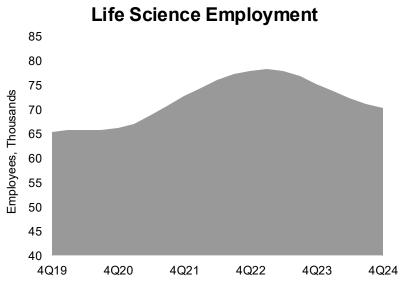
Stanford University
 University of California,
 Berkeley

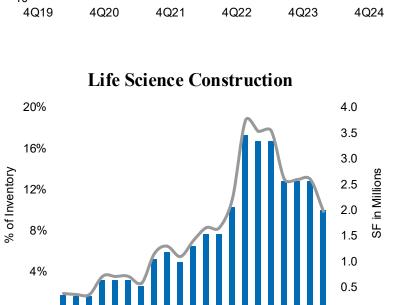
San Diego

- Asking rents in the core submarkets declined by 2.7% over the past year to \$5.60/SF/month. Rising vacancy rates and elevated sublease availability have put downward pressure on landlords in recent quarters.
- Total vacancy climbed to 21.4%, the highest level in 20 years, driven by negative net absorption and new deliveries.
- There is currently 2.0 million SF of construction currently underway in the core submarkets following 561,659 SF in first-quarter deliveries.
- Life science jobs have declined by 4.4% from the all-time high reached in 2023 but have outperformed job growth in office-using industries over the past five years.
- VC funding totaled \$375.3 million during the first quarter of 2025 and post-IPO investment totaled \$107.4 million, the lowest level of quarterly funding in five years.

Select Lease Transactions				
Tenant	Building / Address	Submarket	Туре	Square Feet
Kura Oncology	4930 Directors PI	Sorrento Mesa	New Lease	32,512
Regulus Therapeutics	4224 Campus Point Ct	Torrey Pines	Lease Renewal	13,438
BioTheryX	10201 Wateridge Cir	Sorrento Mesa	New Lease	9,100

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet
Pfizer Research Camp	us	\$255,000,000	\$404	631,317
Muse		\$159,000,000	\$855	186,020





1Q23

1Q24

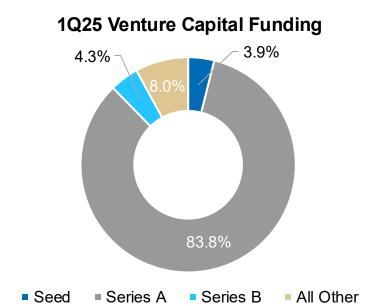
----- % of Inventory

1Q25



Under Construction

1Q20





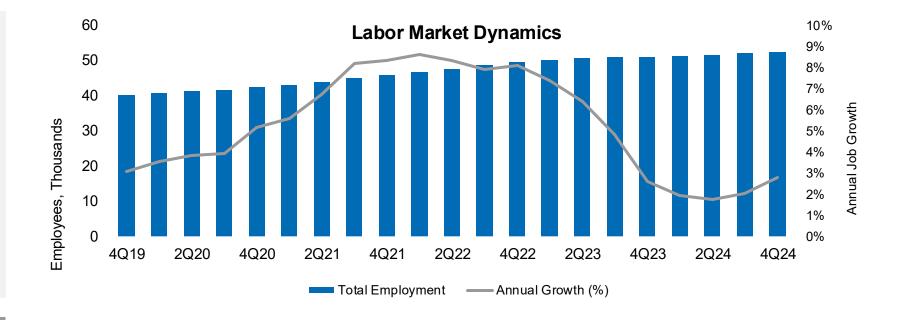


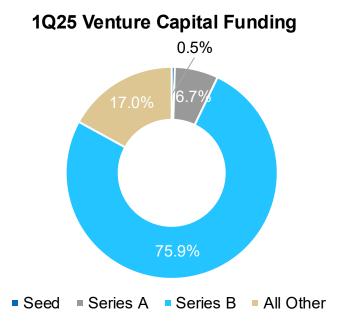
Raleigh/Durham (Research Triangle)

- Negative net absorption resulted in a 120-basis-point increase life science vacancy in the Research Triangle, which now sits at 22.4% as of the first quarter of 2025.
- · Revvity and Aura Technology both executed small subleases during the first quarter of 2025.
- Shifts in federal funding priorities have resulted in more uncertainty in the marketplace. Further spending cuts could further impact research and development efforts in the Research Triangle.
- Most recently Pfizer, sold an 83,591-SF life science facility in Durham to Lightstone Group for \$40.1 million. The pharma giant had previously announced plans to shut down R&D operations at the site.

Select Lease Transactions					
Tenant	Building / Address	Submarket	Туре	Square Feet	
Revvity	627 Davis Drive	Research Triangle	Sublease	15,996	
Aura Technology	4025 Stirrup Creek Dr	Research Triangle	Sublease	13,802	

Select Sale Transactions					
Building / Address	Submarket	Sale Price	Price / SF	Square Feet	
1219 Shiloh Glenn Drive	Research Triangle	\$40,115,000	\$480	83,591	







12.4 MSF	140 KSF	(149) KSF	22.4%	\$38 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

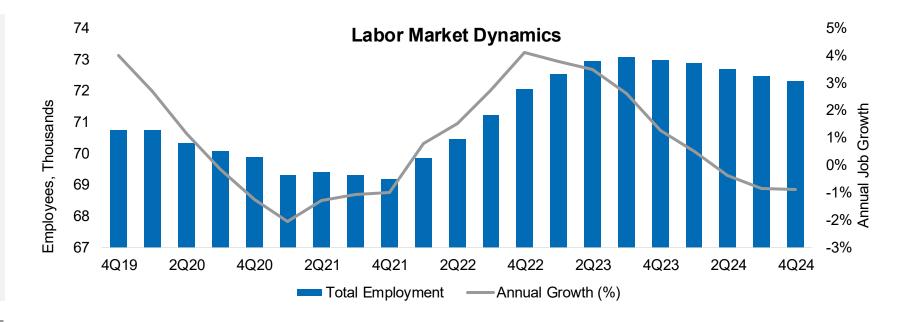
Greater Philadelphia

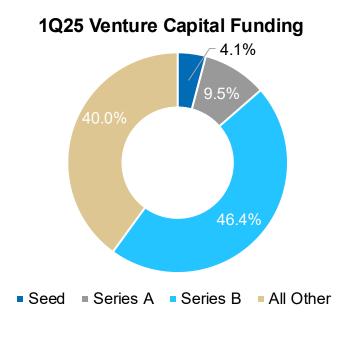
- With the delivery of 3201 Cuthbert St. in the University City Submarket, only one building remains in the life science construction pipeline: 2300 Market St. The project is anticipated to deliver in the second quarter of 2025 and is 9.4% preleased.
- Vacancy rates increased over the quarter, largely due to the delivery of 3201 Cuthbert St. as half the building was vacant at the time of delivery.
- Smartlabs and Drexel University pre-leased space within Philadelphia's newest lab project, which allowed for positive net absorption during the first quarter of 2025.
- Asking rents remained essentially unchanged quarter-over-quarter, reflecting a stable balance between occupier and landlord expectations in terms of starting prices for rents.

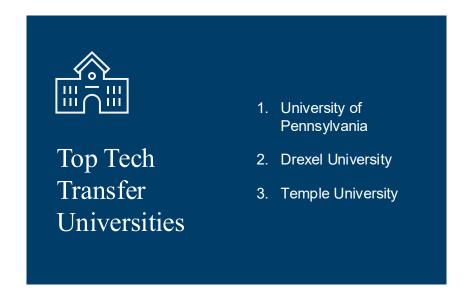
Select Lease Transactions					
Tenant	Building / Address	Submarket	Туре	Square Feet	
No Lease Transactions in 1Q 2025					

Building / Submarket Sale Price Price / SF Square Feet	Select Sale Transactions				
		Submarket	Sale Price	Price / SF	

No Sale Transactions in 1Q 2025







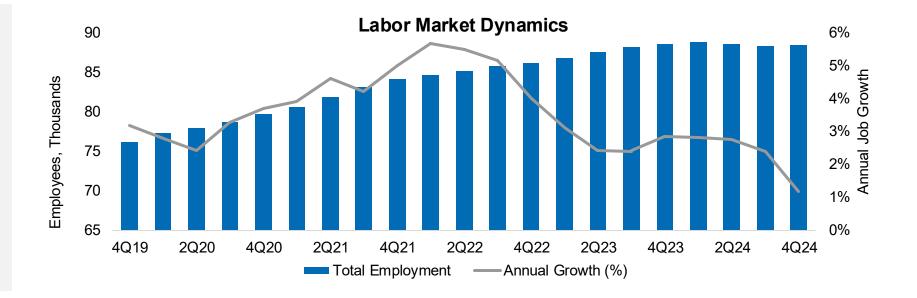
6.9 MSF	220 KSF	297 KSF	16.6%	\$39.54 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

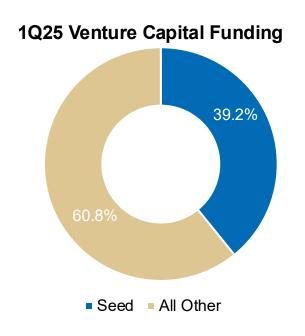
Maryland/Mid-Atlantic

- The 250,000 SF Alexandria Center at Traville Gateway in the North Rockville submarket delivered in the fourth quarter of 2024 fully-occupied by MilliporeSigma. There are no purpose-built developments remaining under construction to begin 2025.
- Vacancy will continue to decrease as near-term supply risk has diminished.
- Asking rents have begun to stabilize, coinciding with flat vacancy and a lack of new speculative supply.
- Sublease availability has declined over recent quarters as tenants opt for flexible, built-out spaces over committing to longer-term leases.

Select Lease Transactions					
Tenant	Building / Address	Submarket	Туре	Square Feet	
GSK	9911 Belward Campus Dr., Rockville	North Rockville	Lease Renewal	289,912	
Elutia	20 Firstfield Rd., Gaithersburg	Gaithersburg	Sublease	26,732	
AstraZeneca	15010 Broschart Rd., Rockville	North Rockville	Direct Lease	19,102	

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet
9119 Gaither Rd. Gaithersburg	North Rockville	\$5.0M	\$198	25,263
7210 Corporate Ct., Frederick	Fredrick County	\$4.2M	\$139	30,281







12.6 MSF	0 SF	-16 KSF	10.6%	\$41.45 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

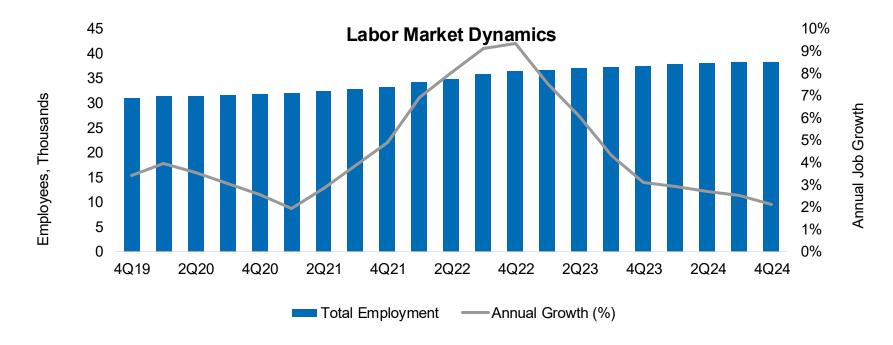
Seattle

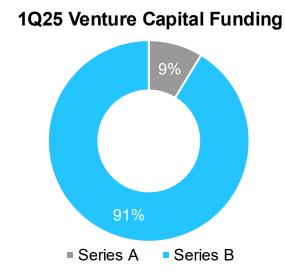
- · Despite broader economic headwinds, Seattle's life science sector experienced a strong rebound in venture capital funding in Q1 2025, with \$846.5 million raised across seven transactions. Tune Therapeutics, Truveta, and Umoja Biopharma accounted for a combined \$595 million secured within just three days in early January.
- While no new lab space delivered during the quarter, the development pipeline continues to shrink. Alexandria's 701 Dexter remains the only major project under construction, with completion anticipated in Q4 2025.
- Among notable leases, the University of Washington's Institute for Protein Design committed to 31,869 square feet at 330 Yale, signaling continued institutional investment in the South Lake Union submarket.

Select Lease Transactions						
Tenant	Building / Address	Submarket	Туре	Square Feet		
University of Washington	330 Yale Ave	Lake Union	Direct Lease	31,869		
Curevo Vaccine	Plaza at North Creek	Bothell	Lease Renewa	l 13,462		

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet

No Sale Transactions in 1Q 2025





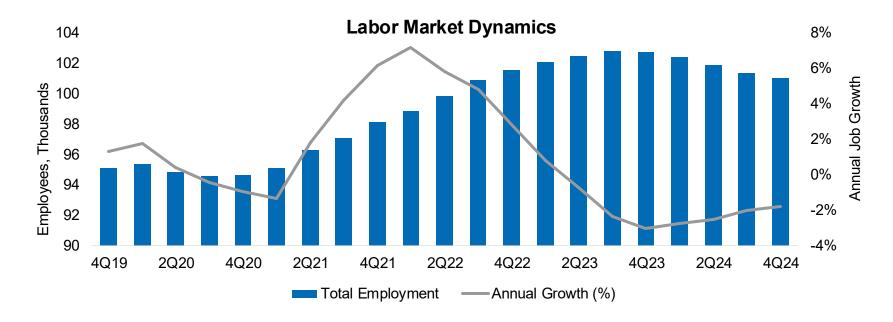


11.4 MSF Total Inventory	512 KSF Under Construction	(23) KSF 2025 Net Absorption	12.3% Vacancy Rate	\$68.19 / SF Asking Rent (NNN)
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Northern New Jersey

- Within the state's borders reside 14 of the top 20 pharma companies and 8 of the top 10 R&D companies in the world.
- BeiGene has opened a 400,000 SF life science facility in Hopewell at the Princeton West Innovation Campus, focusing on cancer drug manufacturing and research. The property was formerly occupied by Bristol Myers Squibb.
- New Brunswick's 570,000 SF HELIX property is New Jersey's largest investment in life sciences and medical education. The property is set to deliver in the third quarter of 2025.
- BioCentriq announced a \$12 million investment in 201 College Road East in Princeton; the 60,000 SF cell manufacturing facility is expected to be fully operational during the second quarter of 2025.

Select Lease Tr	ransactions				
Tenant	Building / Address	Submarket	Туре	Square Feet	
PTC Therapeutics	500 Warren Corporate Center Dr	Somerset/I-78	Direct Lease	174,914	
Biocentriq	201 College Road E	Princeton Area	Direct Lease	56,845	
Glenmark Pharmaceuticals	619 River Drive	Bergen Central	Direct Lease	30,252	
Select Sale Transactions					
Building / Address	Submarket	Sale Price	Price / SF	Square Feet	
11 Deer Park Dr	Monmouth	\$37,000,000	\$164	225,332	





13.3 MSF	610 KSF	336 KSF	23.8%	\$27.46 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

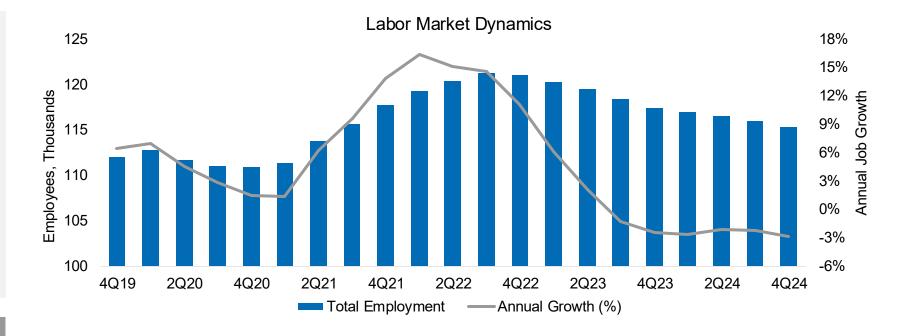
Los Angeles/Orange County

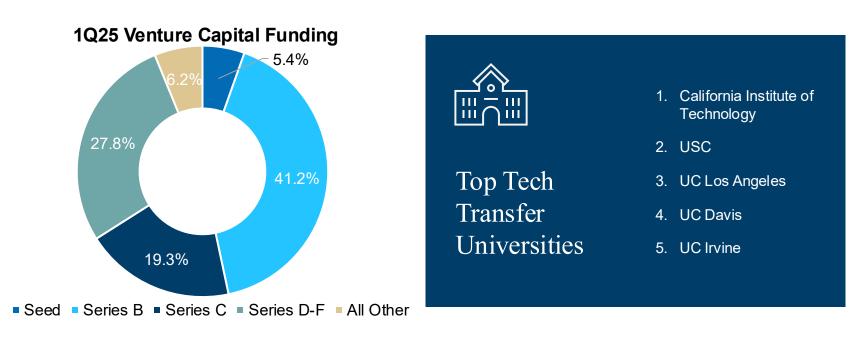
- · Macro economic volatility has dampened VC sentiment, causing investors to become more selective in their funding decisions and creating a capital constrained environment where many companies have paused leasing activities.
- Faced with limitations in funding, life science companies are leveraging strategic partnerships and M&As with large pharmaceutical firms. Lyell Pharma's recent acquisition of ImmPact Bio in North Los Angeles is a recent example of this trend.
- In the current climate, larger, later-stage VC-led mega funding rounds are becoming more prominent as investors search for stability and reduced risk. These rounds offer a safe harbor for capital, which has seen a 23.0% increase year-over-year in VC and NIH funding from 2023 to 2024.

Select Lease Transactions					
Tenant	Building / Address	Submarket	Туре	Square Feet	
Carnegie Science	100 W Walnut St	Pasadena	Direct Lease	58,309	
Captura	58 San Gabriel	Pasadena	Lease Expansion	19,266	

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet

No Sale Transactions in 1Q 2025





12.5 MSF	758 KSF	19 KSF	3.5%	\$63.00 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

New York City

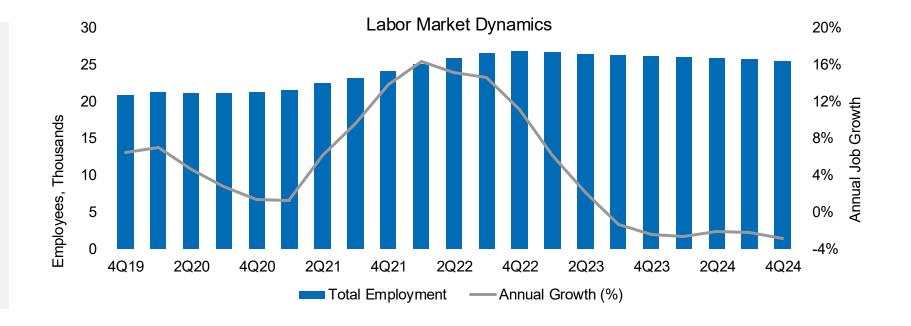
- While traditional laboratory leases have slowed in NYC, there was a flurry of activity in the incubator space, with Harlem Biospace signing more than five deals. There were also two large office deals for Axsome Therapeutics and Novartis.
- The Chan Zuckerberg Initiative announced the opening of a new Biohub in NYC, CZ Biohub NY will be housed on Columbia University's campus and will include collaborative efforts from Columbia University, The Rockefeller University, and Yale University. The city and state of New York each contributing \$10 million in funding to the efforts.
- New York's public/private partnership called SPARC Kips Bay will encompass a full city block and boast 1.5 million SF of life science, academic, and medical use.

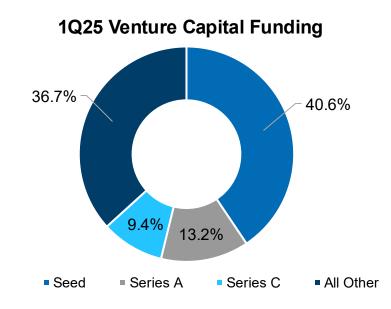
Select Lease Transactions					
Tenant	Building / Address	Submarket	Туре	Square Feet	
Axsome Therapeutics*	1 World Trade Center	Downtown West	Sublease	96,293	
Novartis*	452 Fifth Avenue	Times Square South	Lease Extension	15,865	

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet

No Sale Transactions in 1Q 2025

*Office leases







First Quarter Stats

3.6 MSF
Total Inventory

1.3 MSF
Under Construction

82 KSF
2025 Net Absorption

41.8%
Vacancy Rate

\$106.64 / SF
Asking Rent (NNN)

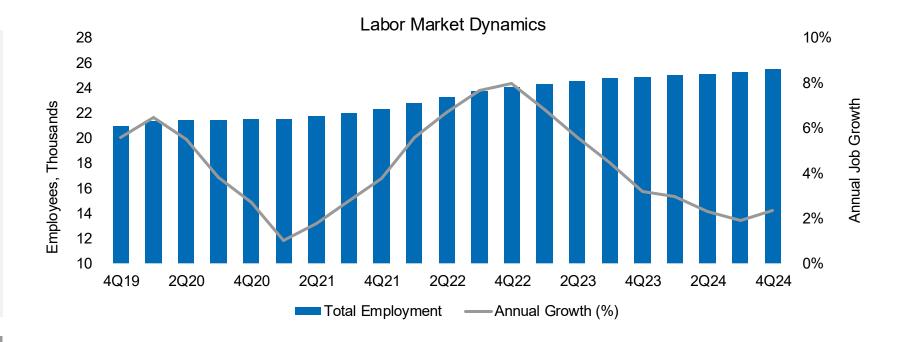
Denver/Boulder

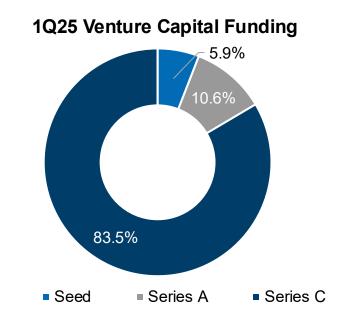
- Sterling Bay secured a \$88 million bond to fund infrastructure for their Redtail Ridge life science development in Louisville, Colorado, which located just outside of Boulder. Horizontal infrastructure is set to being in Spring of 2025, with the planned life science development to start in late-2025/early-2026.
- The University of Colorado, Colorado State University, and Colorado School of Mines are collaborating on a 13,000 SF quantum incubator in East Boulder.
- Edgewise Therapeutics announced pricing of \$200 million of common stock to fund a potential commercial launch for the treatment of Becker Muscular Dystrophy.

Select Lease Transactions					
Building / Address	Submarket	Туре	Square Feet		
14915 Grant St	NW	Direct Lease	27,180 SF		
	Building / Address	Building / Address Submarket	Building / Submarket Type Address		

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet

No Sale Transactions in 1Q 2025







4.7 MSF	370 KSF	0 SF	10.9%	\$60.00 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

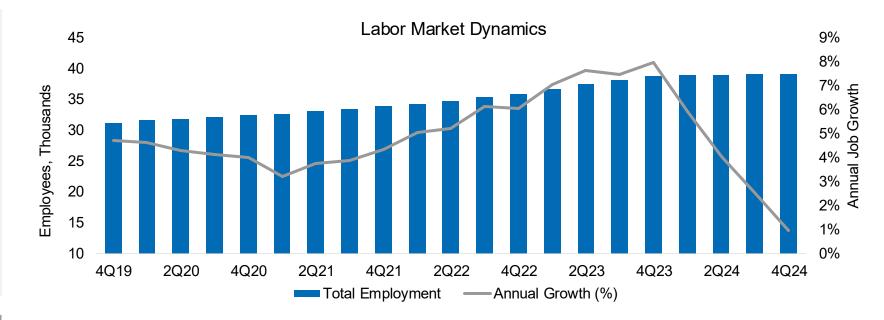
Houston

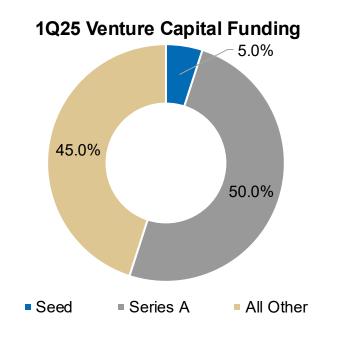
- Bionova Scientific's planned facility at 2625 Research Forest Dr. in The Woodlands is moving forward after approval of local tax incentives. The 70,000-SF facility will be used for plasmid DNA and viral vector manufacturing, and will include offices, lab space, and clean rooms. Bionova plans to hire its first fulltime employees by 2027.
- FibroBiologics, a Houston-based clinical-stage biotech company, opened a 10,000-SF manufacturing facility at 9350 Kirby Dr. The additional facility will allow the company to manufacture its cell therapy product in-house. FibroBiologics is headquartered at 455 E. Medical Center Blvd. where it occupies 23,000 Sf.

Select Lease Transactions						
Tenant	Building / Address	Submarket	Туре	Square Feet		
FibroBiologics	9350 Kirby Dr	Southwest Far	Direct Lease	10,000		
Undisclosed Tenant	The lon- 4201 Main St	Allen Parkway	Direct Lease	3,637		

Select Sale Transactions				
Building / Address	Submarket	Sale Price	Price / SF	Square Feet

No Sale Transactions in 1Q 2025







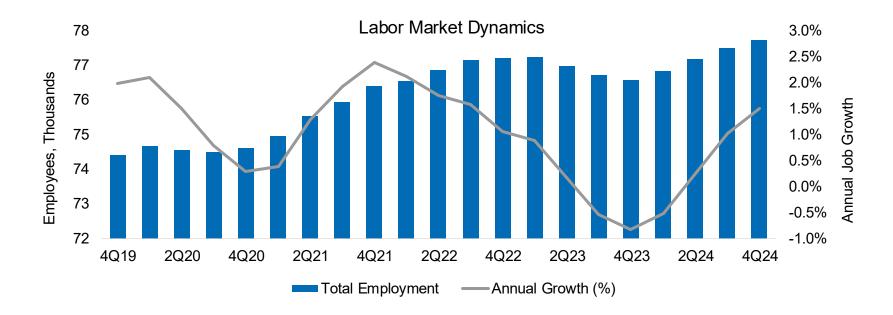
4.2 MSF	328 KSF	105 KSF	27.3%	\$23.78 / SF
Total Inventory	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

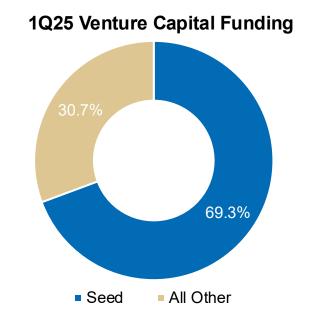
Chicago

- Vacancy in Chicago's life science market improved modestly during the first quarter of 2025.
- Grove Biopharma, a five-year old Northwestern University spinout, recently raised \$30 million. As a result, the biotech company is expanding and signed a lease to move out of the Portal Innovations incubator at 400 N. Aberdeen in Fulton market. The company develops biologic cancer treatments.
- Hyde Park Labs is slated to deliver in mid-2025 and will house a UChicago Science Incubator.
- Cyclopure, a water filtration startup, has agreed to lease 13,184 SF at Trammell Crow's Evanston Labs for its headquarters. The property is now roughly 40% leased.

Tenant	Building / Address	Submarket	Туре	Square Feet
Grove Biopharma	400 N Aberdeen	Fulton Market	Direct Lease	17,000
Cyclopure	710 Clark Street	North	Direct Lease	13,184
P33	400 N Aberdeen	Fulton Market	Direct Lease	4,300
Select Sale Tra	nnsactions			
Building / Address	Subn	narket Sale Price	Price / SF	Square Feet

No Sale Transactions in 1Q 2025







2.0 MSF Total Inventory	302 KSF	25 KSF	51.6%	\$65.00 / SF
	Under Construction	2025 Net Absorption	Vacancy Rate	Asking Rent (NNN)

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