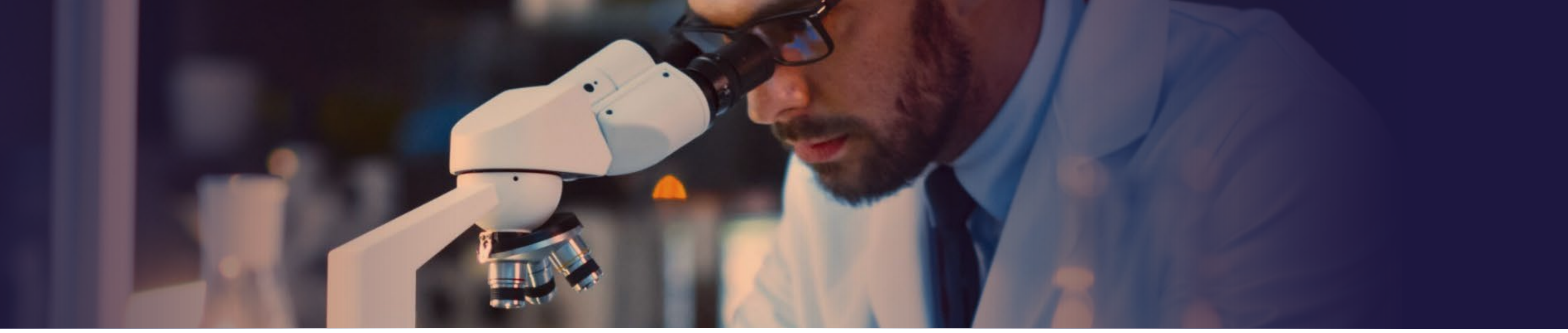
MARKETBEAT
U.S. NATIONAL
LIFE SCIENCES Q3 2025



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
24.7% Vacancy Rate	▲	▲
$66.35 Asking Rent, PSF	▼	▼
-4.4% Rent Growth, YOY	▼	▲
8.8M Under Construction	▲	▼

(Overall, All Property Classes)

MARKET INDICATORS

	YOY Chg	Outlook
$1.7B Investment Sales	▼	▲
$8.4B Venture Capital Funding	▲	▲

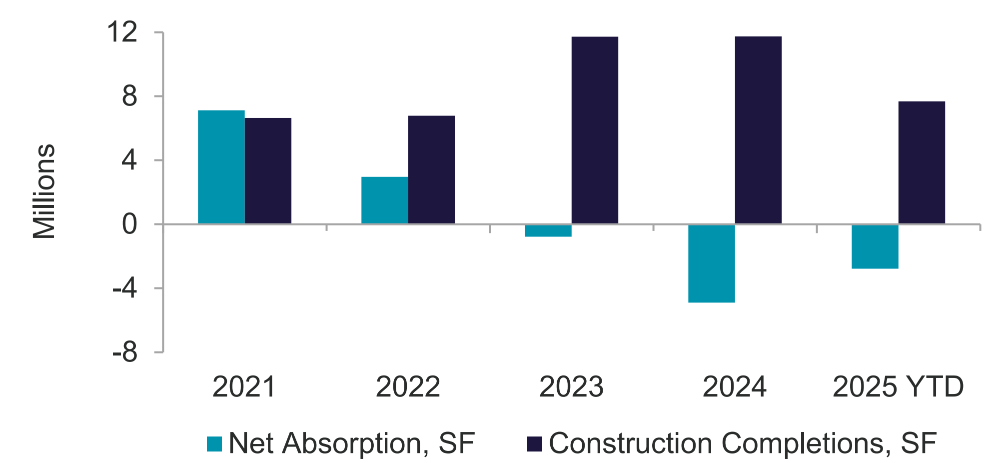
Source: Cushman & Wakefield Research, MSCI/ Real Capital Analytics, Pitchbook

KEY TRENDS

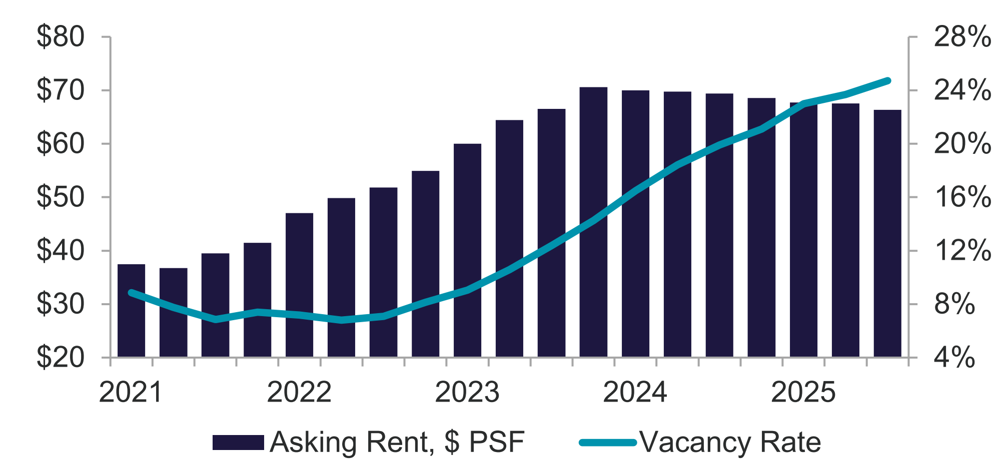
The U.S. life sciences commercial real estate market continues to navigate a challenging environment in 2025, although early signs of stabilization are emerging.

- National demand remains subdued, with net absorption registering -1.3 million square feet (msf) in Q3 2025, bringing the year-to-date (YTD) total to -2.8 msf. While still negative, this marks an improvement from the -3.7 msf recorded during the same period in 2024, suggesting an increase in tenant activity.
- Overall asking rents declined further to $66.35 per square foot (psf), a 4.4% year-over-year (YOY) decrease. Overall vacancy rates continued to rise, climbing 485 basis points (bps) YOY to 24.7%. The sublease vacancy increased 30 bps YOY to 3.9%.
- Construction activity is slowing as the development pipeline contracts. A total of 7.7 msf was delivered YTD through Q3 2025, down 19% from a year ago. Build-to-suit (BTS) projects now make up 53% of the pipeline, while speculative (spec) construction has dropped to 47% from 66% in 2024. This shift may help rebalance supply and allow for quicker absorption of existing inventory.
- Capital markets activity reached $1.7 billion in Q3, up 7% from Q2 but 21% below Q3 2024. YTD deal volume of $5.7 billion was up 21% from the same period last year. Pricing of $262 psf was 10% higher than the prior quarter but 6% lower than Q3 2024.
- Venture capital (VC) investment in life sciences totaled $8.4 billion in Q3, a 45% increase over Q2 and 6% higher than Q3 2024. Despite this quarterly rebound, deal volume for the year is down 12% YOY. A sustained recovery in VC funding would support biotech growth and enable more leasing activity as companies gain access to capital.

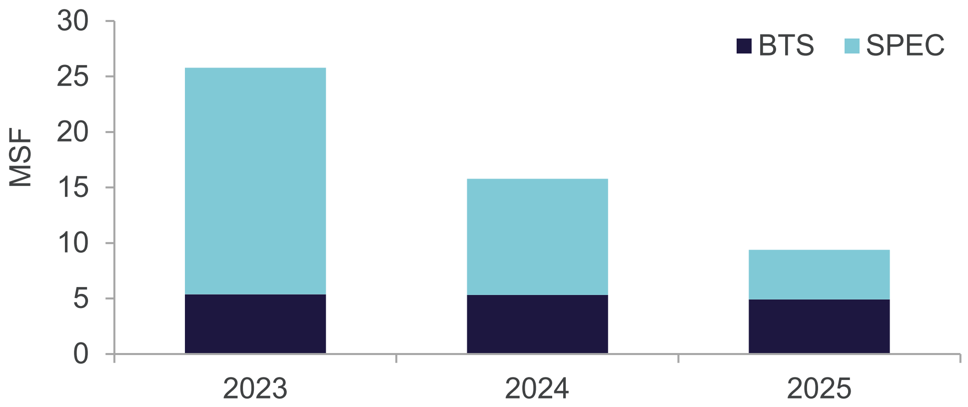
SPACE DEMAND / DELIVERIES



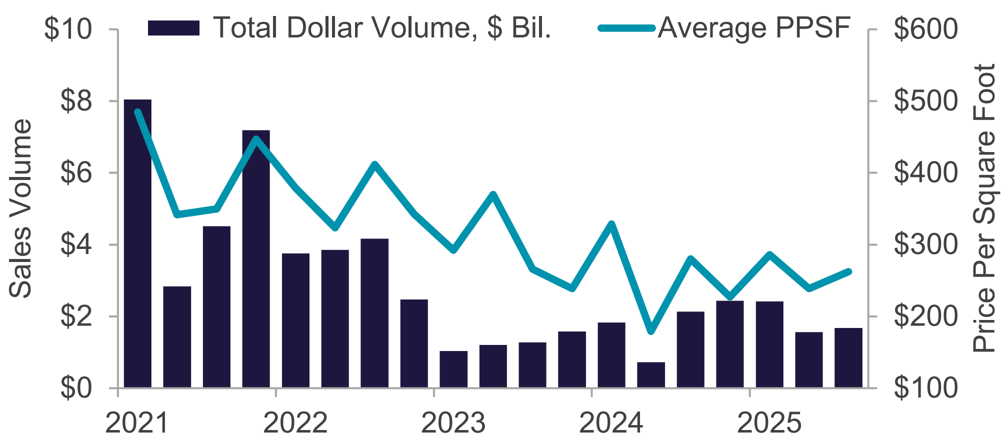
OVERALL VACANCY & ASKING RENT



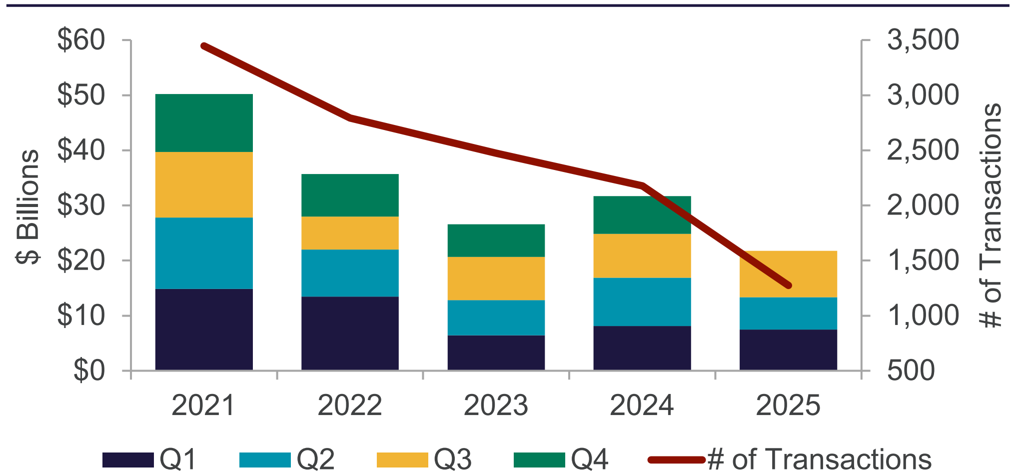
UNDER CONSTRUCTION



SALES VOLUME/PRICE PSF



VENTURE CAPITAL FUNDING



INVENTORY AND DEMAND INDICATORS Q3 2025

	INVENTORY	DELIVERIES 2025 YTD	UNDER CONSTRUCTION	NET ABSORPTION	LEASING ACTIVITY
United States	**232,259,463**	**7,683,155**	**8,765,737**	**-1,337,274**	**2,883,839**
Boston	51,126,522	1,593,624	4,756,964	-332,405	546,509
Chicago	8,563,944	302,388	160,000	-39,990	130,589
Denver	6,038,274	0	198,000	15,861	557,626
Los Angeles-Orange County	8,591,505	0	0	-26,768	22,097
New Jersey	19,861,885	626,000	835,010	-1,014,799	16,808
New York City	3,858,129	0	0	13,892	5,894
Philadelphia	20,447,825	250,000	1,352,378	-2,559	5,987
Raleigh-Durham	12,409,752	0	0	-7,364	173,921
San Diego	26,937,620	2,396,258	979,737	17,235	620,439
San Francisco Bay Area	50,871,663	1,999,470	225,878	107,139	644,261
Seattle	11,017,777	515,415	257,770	-44,961	149,959
Suburban Maryland	12,534,567	0	0	-22,555	9,749

VACANCY RATES AND ASKING RENTS Q3 2025

	OVERALL VACANCY RATES				OVERALL ASKING RENTS			
	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2024	Q1 2025	Q2 2025	Q3 2025
United States	**21.1%**	**23.0%**	**23.7%**	**24.7%**	**$68.56**	**$67.72**	**$67.55**	**$66.35**
Boston	29.7%	31.5%	32.7%	34.0%	$83.68	$82.25	$82.10	$80.33
Chicago	19.8%	22.1%	21.7%	22.2%	$56.38	$57.36	$57.37	$56.01
Denver	17.1%	17.6%	17.4%	17.2%	$27.76	$27.79	$27.79	$35.49
Los Angeles-Orange County	1.5%	1.5%	1.6%	1.9%	$40.15	$43.55	$43.55	$36.43
New Jersey	8.4%	9.2%	9.7%	15.6%	$38.16	$36.91	$36.15	$39.38
New York City	40.4%	39.7%	40.8%	40.4%	$82.23	$80.91	$81.98	$82.52
Philadelphia	5.3%	7.0%	7.9%	7.9%	$41.22	$41.22	$41.10	$43.04
Raleigh-Durham	30.7%	31.8%	32.3%	32.4%	$40.54	$38.65	$38.54	$38.25
San Diego	20.1%	25.5%	26.2%	26.5%	$68.62	$70.11	$69.06	$68.20
San Francisco Bay Area	27.0%	28.7%	29.6%	30.0%	$73.36	$72.00	$71.81	$70.09
Seattle	18.4%	19.6%	20.8%	22.8%	$61.93	$61.84	$62.11	$63.46
Suburban Maryland	13.9%	14.7%	14.0%	14.2%	$43.45	$43.51	$43.40	$43.46

METHODOLOGY

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The market statistics are calculated from an inventory that includes laboratory and cGMP spaces in office buildings and industrial properties, based on our proprietary methodology. The inventory includes some owner-occupied properties. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. Sublet space still occupied by the tenant is not counted as available space. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.

EXPLANATION OF TERMS

Total Inventory: The total amount of lab and cGMP space in office and industrial buildings as well as some owner-occupied properties.

Overall Vacancy Rate: The amount of unoccupied space (new, relet, and sublet) expressed as a percentage of total inventory. Unoccupied space does not include owner occupied properties.

Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

Overall Weighted Asking Rents: Net average asking rents weighted by the amount of available direct and sublease space.

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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