

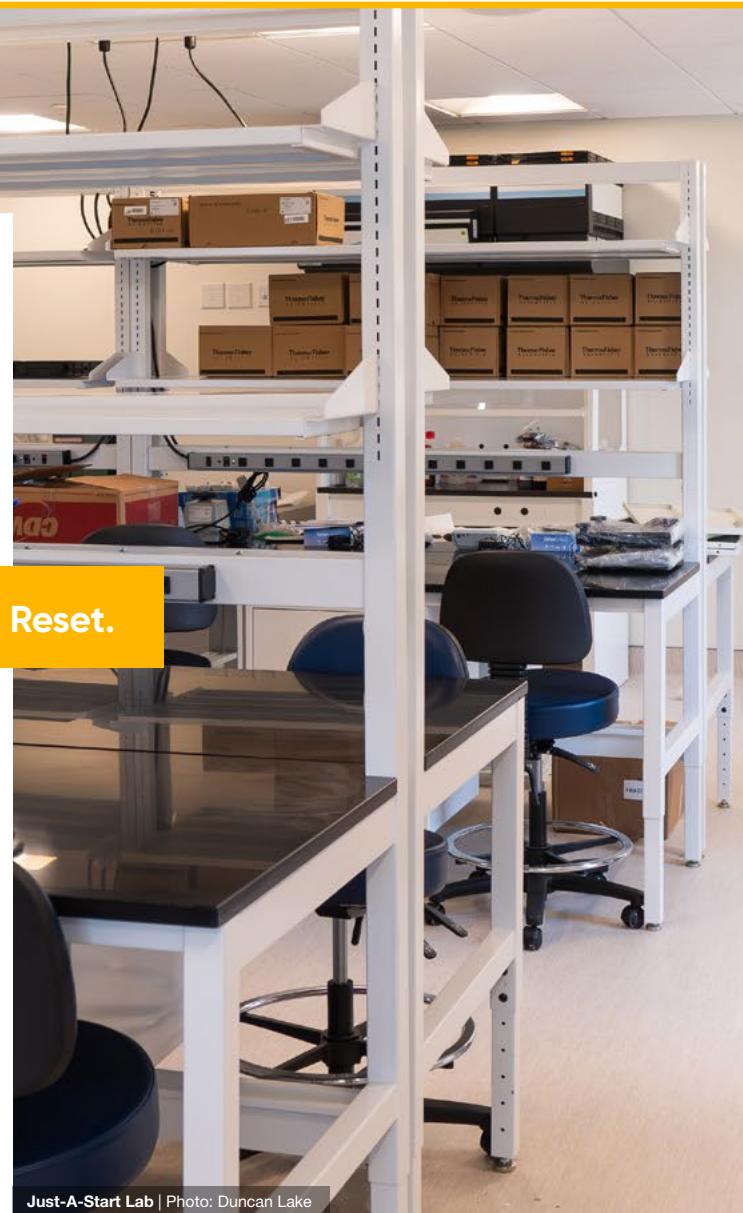




Greater Boston Life Sciences

The Greater Boston Life Sciences Market Enters a Supply-Driven Reset.

Despite rising tenant demand throughout 2025, overall availability in the Greater Boston life sciences market continued to increase. Total availability rose from 35.1% at year-end 2024 to 38.3% by the end of 2025, driven by the delivery of approximately 2.4M SF of lab projects that were initiated during the 2021–2023 development cycle. While speculative development has largely paused, the volume of newly delivered space continues to outpace absorption. The result is a market with a wide range of options, from sub-5,000 SF suites to blocks exceeding 100,000 SF across urban and suburban submarkets. For tenants of all sizes, current conditions present a rare opportunity to align real estate decisions with long-term business goals rather than short-term market pressure.



Just-A-Start Lab | Photo: Duncan Lake

MARKET TRENDS



Urban vs. Suburban Choice

Life science companies are weighing urban and suburban locations more carefully, **balancing cost, access to talent, space availability, and the quality** of newly delivered lab product.



Demand Steadily on the Rise

Tenant demand increased throughout 2025, tracking approximately **2.8M SF across 76 active requirements**, signaling early-stage recovery despite elevated overall availability.



New Supply Still Looms

Recently **delivered lab projects add to the already staggering market** availability as developments launched between 2021 and 2023 reach completion.



Market Size
51,180,141 SF



Vacancy
32.1%



Sublease
6.1%

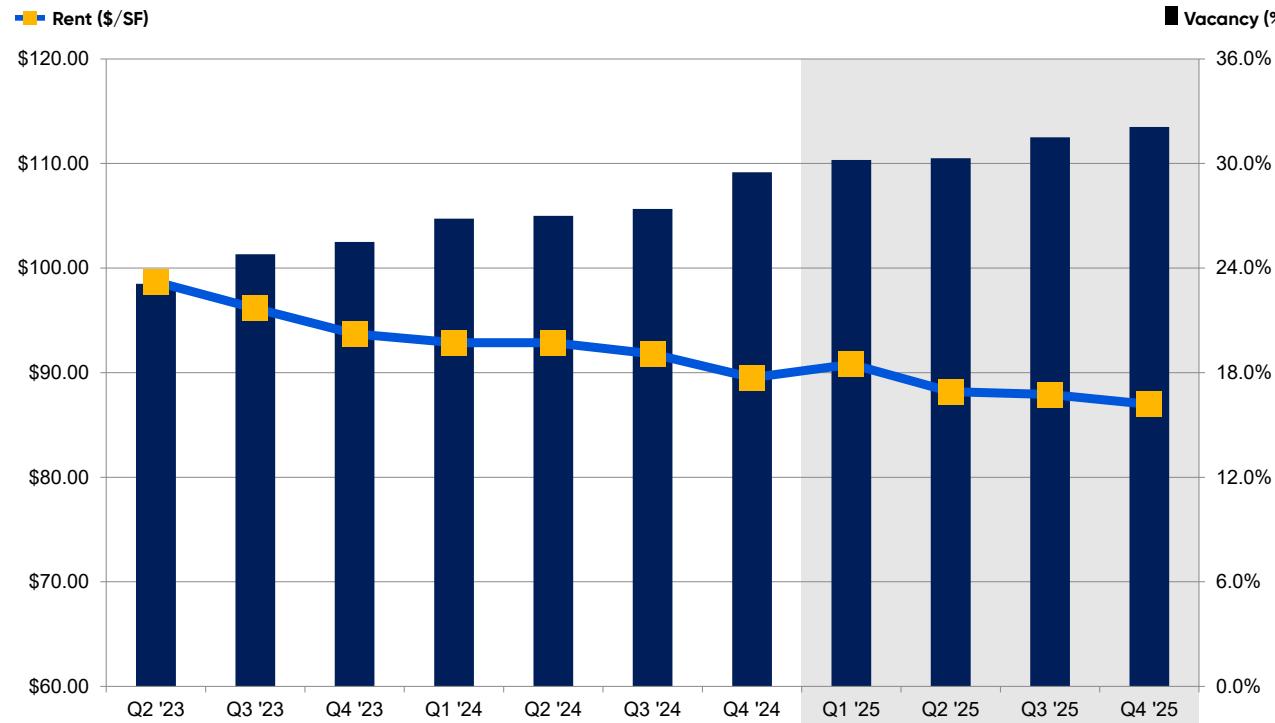


Available
38.2%

Direct Availability + Sublease Availability

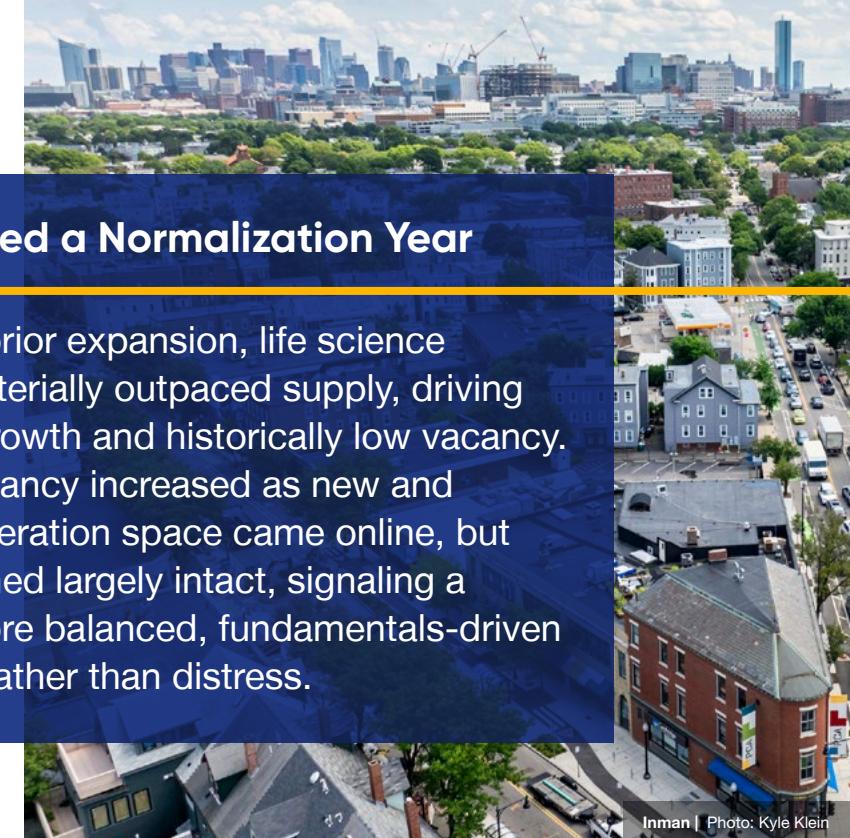
Arrows Indicate One Year Change

Historical Rent & Vacancy



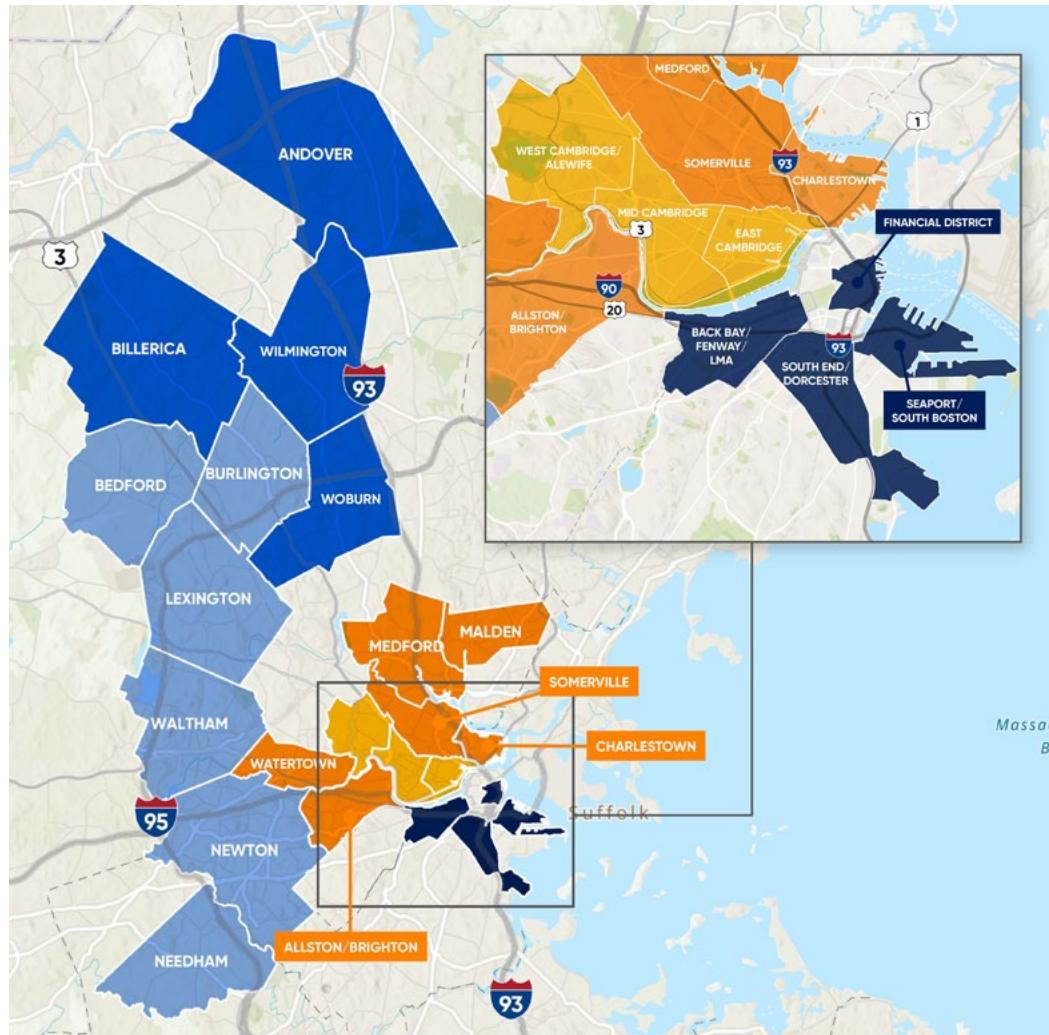
2025 Marked a Normalization Year

During the prior expansion, life science demand materially outpaced supply, driving rapid rent growth and historically low vacancy. In 2025, vacancy increased as new and second-generation space came online, but rents remained largely intact, signaling a return to more balanced, fundamentals-driven conditions rather than distress.



By the Numbers

Data as of Q4 2025



		Rent/SF					
		Market Size (SF)	Vacant	Sublease	Available	Class A	Class B
Cambridge	East Cambridge	11,973,499	15.7%	6.6%	22.4%	\$105.00	\$80.00
	Mid Cambridge	3,435,557	23.0%	11.9%	34.8%	\$100.00	\$70.00
	West Cambridge/Alewife	2,687,004	37.1%	8.6%	45.6%	\$85.00	\$65.00
	Total	18,096,060	20.3%	7.9%	28.2%	\$101.08	\$75.87
Boston	Seaport/South Boston	5,316,538	23.2%	5.9%	29.1%	\$100.00	\$85.00
	Financial District	634,632	82.9%	6.5%	89.4%	\$85.00	\$75.00
	Back Bay/Fenway/LMA	2,130,437	27.9%	1.5%	29.4%	\$95.00	\$80.00
	South End/Dorchester	929,000	53.8%	6.2%	60.0%	\$85.00	\$75.00
Total		9,010,607	31.7%	4.9%	36.6%	\$96.21	\$82.08
Inner Suburbs	Charlestown	761,866	47.4%	9.4%	56.8%	\$80.00	\$70.00
	Medford/Malden	790,618	48.7%	11.5%	60.2%	\$55.00	\$45.00
	Somerville	2,471,603	73.4%	0.7%	74.1%	\$90.00	\$80.00
	Watertown	3,433,694	45.7%	6.0%	51.7%	\$85.00	\$70.00
	Allston/Brighton	2,010,412	67.8%	0.0%	67.8%	\$90.00	\$80.00
Total		9,468,193	58.0%	4.1%	62.1%	\$84.46	\$72.65
Route 128 West	Bedford/Burlington	3,327,569	44.5%	3.1%	47.6%	\$60.00	\$50.00
	Lexington/Waltham	8,137,432	24.8%	8.0%	32.8%	\$73.00	\$60.00
	Newton/Needham	661,427	39.9%	0.0%	39.9%	\$60.00	\$55.00
	Total	12,126,428	31.0%	6.2%	37.2%	\$68.72	\$56.98
Route 128 North	Wilmington	128,370	36.9%	0.0%	36.9%	\$30.00	\$25.00
	Woburn	1,298,511	14.0%	8.5%	22.5%	\$54.00	\$40.00
	Billerica	385,763	16.3%	0.0%	16.3%	\$28.00	\$26.00
	Total	2,478,853	26.7%	4.7%	31.4%	\$48.98	\$38.99



93 Worcester Street, Wellesley | Photo: CoStar

Recent Life Science Investment Sales Highlight a Clear Split in the Market

Well-located, high-quality assets in core clusters like Cambridge and the Seaport continue to attract strong pricing, reflecting investor confidence in these locations over the long term. Meanwhile, properties outside these core hubs are trading at significantly lower values, underscoring more cautious underwriting and a reset in expectations for suburban and less differentiated assets.

Notable Market Transactions

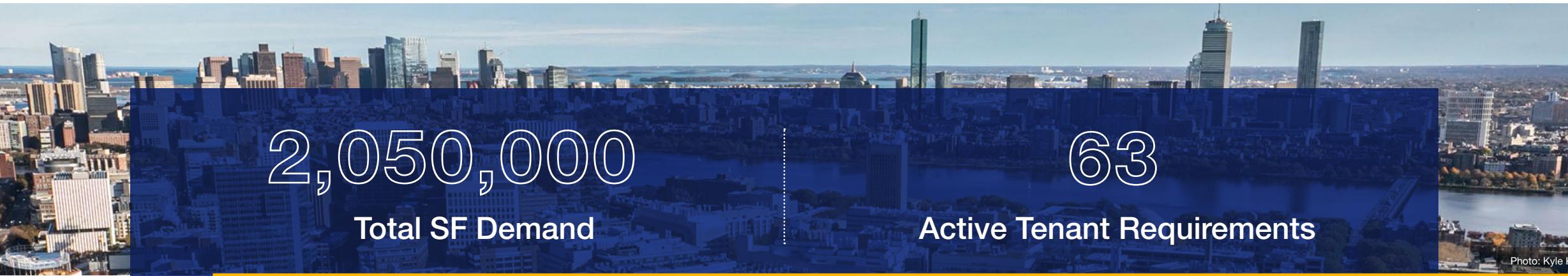
Leases

Tenant	Address	City/Submarket	▼ Size (SF)	Type
Lila Therapeutics	1 Alewife Park	Alewife	250,000	New Location
Intellia Consolidation	400 Tech Square	Kendall Square	144,000	Consolidation
Eli Lilly	645 Summer Street	Seaport	100,000	New Location
CBSET	Second Avenue	Waltham	100,000	Relocation
Labshares	66 Galen Street	Watertown	50,000	New Location/Expansion
AI Proteins	660 Beacon Street	Fenway	35,000	Relocation

Sales

Seller	Buyer	Address	City/Town	Size (SF)	▼ Price/SF
Hassanaloy Ladha	Phase3/Bain	30 Hampshire Street	Cambridge	30,089	\$834.62
MLL Capital	Starwood Property Trust	33-41 Farnsworth Street	Seaport	100,363	\$570.14
Thermo Fischer	United Therapeutics	45 Hartwell Avenue	Lexington	50,855	\$422.77
MetLife	Northeastern University	4 Burlington Woods	Burlington	109,500	\$301.37
Beacon Capital	Liberty Mutual Insurance	93 Worcester Road	Wellesley	276,834	\$234.80
Jumbo Capital	Lincoln Property Company	130 Turner Street	Waltham	273,092	\$93.38

Tenants in the Market

A wide-angle photograph of the Boston skyline, featuring numerous skyscrapers and buildings along the Charles River. The sky is clear and blue.

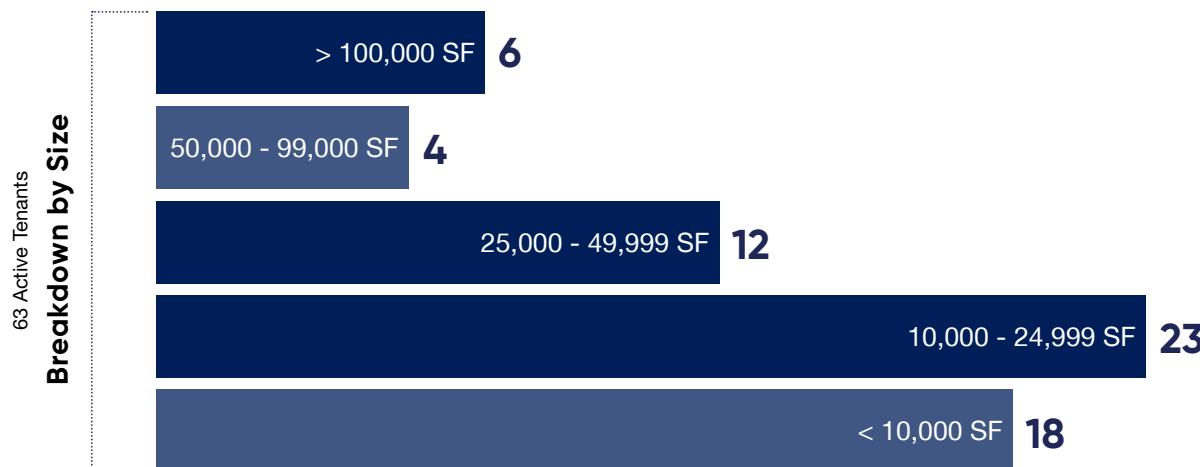
2,050,000

Total SF Demand

63

Active Tenant Requirements

Photo: Kyle Klein



Representative Tenants in the Market

Tenant	▼ Requirement (SF)
Boston Dynamics	180,000
Dana Farber	180,000
MGH Pathology Lab	90,000
Servier	90,000
Agios	60,000
ALS Institute	30,000

Venture Capital Activity



\$6.85B

Total Venture Capital Raised

Notable Tenant VC Raises



\$621.78M

HQ in Watertown, MA



\$600M

Located in Waltham, MA



\$213M

Located in Boston, MA

Despite continued venture capital investment in the life sciences sector through 2025, funding activity has remained selective and has not translated into widespread office or lab expansion. Capital has been concentrated among later-stage and well-capitalized companies, while many early- and mid-stage firms continue to prioritize capital efficiency, delay relocations, and right-size existing footprints. As a result, leasing activity has remained measured, with most transactions focused on renewals, extensions, or modest adjustments rather than growth-driven moves. This dynamic has created a market environment where tenant leverage is elevated, decision-making is more deliberate, and occupiers are increasingly able to align real estate strategies with long-term business objectives rather than short-term funding cycles.



Kailera Therapeutics
180 Third Avenue, Waltham
Photo: CoStar



Odyssey Therapeutics
51 Sleeper Street, Boston
Photo: CoStar



Treeline Biosciences, 500 Arsenal Street, Watertown | Photo: CoStar

Opportunity in Oversupply

Rising demand meets historic supply levels, creating a window where tenants can secure aggressive deal terms and long-term flexibility.

The Greater Boston life sciences real estate market has been in recovery mode for several years following an unprecedented development cycle. **During the previous peak, approximately 19M SF of new lab space was delivered over a three-year period, fundamentally reshaping supply dynamics across the region.** While tenant demand has steadily improved, it will take years of sustained absorption to return vacancy to historical and healthy levels.

As demand has rebounded in both volume and deal size, clear winners and laggards have emerged among developers. Projects such as **66 Galen Street by The Davis Companies, Alewife Park by IQHQ, and Assembly Innovation Park by BioMed** have successfully attracted leasing momentum, benefiting from strong locations, modern infrastructure, and proactive ownership. Conversely, less differentiated projects have struggled to gain traction in a crowded market.

During the quiet period spanning 2023 through early 2025, landlords aggressively competed for a limited pool of active requirements. While many owners have remained reluctant to materially reduce face rents, they have shown far greater flexibility through economic concessions. These include elevated tenant improvement allowances, extended rent abatement, shorter lease terms, reduced security deposits, and, in some cases, fully landlord-funded turnkey buildouts.



Photo: Getty

In contrast to the peak market, where tenants often absorbed significant out-of-pocket construction costs, today's environment allows some landlords to cover the **full cost of lab buildouts, which can exceed \$400 per SF**. Lease terms have also compressed, with many transactions closing at five years or less rather than the traditional ten-year commitments common during tighter market conditions. These aggressive concessions reflect landlord urgency to establish occupancy and momentum within newly delivered buildings.

The current market rewards tenants who act strategically, understand true deal economics, and align real estate decisions with long-term growth.

For tenants, these conditions present meaningful opportunities but also require careful diligence. With so much new inventory delivered at once, evaluating landlord financial strength, long-term building activation, and ongoing investment commitment is critical. While favorable deal structures are likely to remain available for some time, the current market rewards tenants who act strategically, understand true deal economics, and align real estate decisions with long-term growth and capital planning.



Turnkey Life Science Expansion in Waltham

Client: Madrigal Pharmaceuticals

Location: 180 CityPoint, Waltham, MA

Project Size: 44,595 SF

Cresa Services Provided: Transaction Management



Objectives

Madrigal Pharmaceuticals needed to transition from a short-term sublease into a permanent space solution that could support rapid headcount growth. The company was focused on staying in the Waltham market while securing a high-quality, amenity-rich environment that would enhance the employee and visitor experience. Speed to occupancy and long-term flexibility were key priorities.

Strategy & Results

Cresa led a competitive search across both direct lease and high-quality sublease opportunities, leveraging deep market knowledge to create negotiating leverage. The team secured 44,595 square feet at 180 CityPoint, one of Waltham's premier life science buildings, at below-market terms with a fully turnkey buildout. To ensure uninterrupted growth, Cresa also arranged short-term expansion space adjacent to Madrigal's existing footprint, allowing the company to scale operations seamlessly while the new space was delivered.



The transaction underscores continued demand for turnkey life science space in core suburban markets like Waltham, where well-located, move-in-ready options remain highly competitive for growth-stage biotech users.

Looking Ahead in 2026

TENANT'S TAKEAWAY



Look Past Asking Rents

Landlords remain anchored to face rents, but executed deals often reflect discounts of 15–25% once concessions, free rent, and landlord-funded buildouts are fully considered.



Prioritize Flexibility

Shorter lease terms and expansion or contraction rights remain achievable, with most life sciences deals landing in the 3–7 year range to preserve future optionality.



New Builds, New Leverage

Tenants can leverage competition among newly delivered projects to secure turnkey buildouts, stronger economics, and landlord engagement not seen at peak market conditions.



GET TO KNOW Eastern Edge

Cambridge's office market is evolving beyond the traditional workplace, with Eastern Edge highlighting this shift. Located in Kendall Square, the destination offers nine food vendors, two bars, and a café, providing a convenient, all-day amenity that reflects the growing value of walkable amenities and shared experiences for today's workforce.

easternedgefoodhall.com | Photo: Eastern Edge

CRESA NATIONAL MARKET INSIGHT Five Asset Types to Watch in CRE

As macroeconomic conditions shift and occupiers rethink long-term space needs, certain commercial real estate sectors are emerging as areas of resilience and growth. Five asset types are gaining strategic attention, including data centers, logistics, experiential retail, medical office, and life sciences/R&D, shaped by evolving technology, demographics, and business models that are redefining where and how space is developed and utilized.

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Photo: Kyle Klein

About Cresa Boston

Cresa is the world's largest commercial real estate advisory firm that exclusively represents occupiers and specializes in the delivery of fully integrated real estate solutions. We work with our clients to align their business plans and their real estate needs, increase their productivity, and consistently save them money — results that have earned us numerous industry awards along the way. Our team of real estate advisors, project managers, strategic planners, analysts, and space planners listen to tenants' needs, meticulously research market conditions, firmly negotiate terms, and manage the design and construction of projects to customize the best possible occupancy solutions.

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