MARKETBEAT
BOSTON
LIFE SCIENCES Q2 2026

MARKET FUNDAMENTALS

	YOY Chg	Outlook
34.9% Vacancy Rate	▲	▲
-496.7K Net Absorption, SF	▲	▲
$78.79 Asking Rent, PSF	▼	▼

(Overall, All Property Classes)

ECONOMIC INDICATORS*

	YOY Chg	Outlook
2.8M Boston Employment	▼	▲
4.3% Boston Unemployment Rate	▲	▼
4.2% U.S. Unemployment Rate	—	▲

Source: BLS
**2026Q2 figures are based on latest available data*

SUPPLY

Vacancy began to stabilize during the second quarter as Boston's life sciences market recorded one of the smallest quarterly increases in recent history, ticking up 70 basis points (bps) to 34.9%. Despite the climb, vacancy in 11 of 19 submarkets remained stable or declined quarter-over-quarter (QOQ). After reaching a new record-high during the first quarter with 3.7 million square feet (msf) on the market, sublease availability declined modestly by 1.9% to 3.6 msf. Decreases in sublease space were widespread with all clusters but the 495 Belt recording annual declines. Move outs continued to outpace move ins as the market posted quarterly net occupancy losses of 337,000 square feet (sf). However, three of the five geographic clusters— 495 Belt, CBD, and Urban Ring —posted positive net absorption during the second quarter.

The pipeline remained unchanged with no new deliveries occurring in the second quarter and has contracted to its lowest level in the current market cycle as just four properties totaling 2.2 msf remain under construction. All four projects are set to deliver before year-end 2026, with all but one being build-to-suit projects, which will mitigate the impact on market fundamentals. However, the only speculative project in the pipeline, 421 Park Drive, remains fully available for lease.

DEMAND

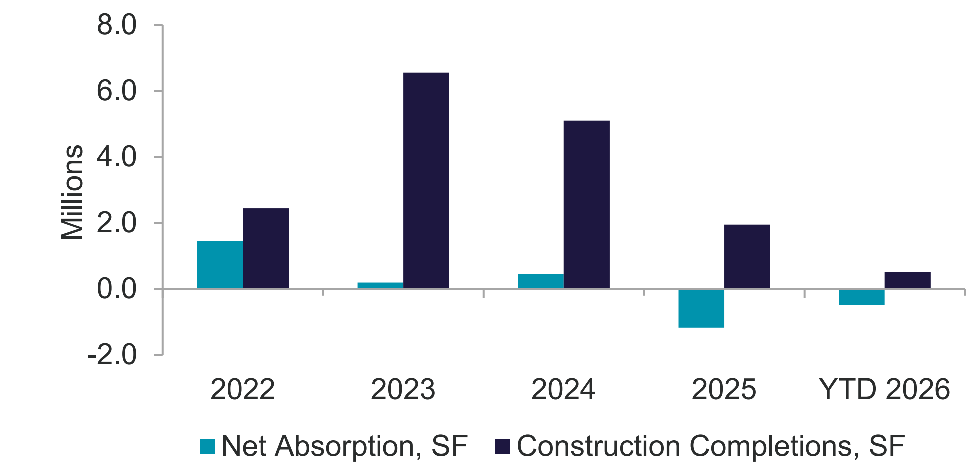
Following a strong first quarter when new leasing activity surpassed the 1.0-msf mark for the first time in three years, second quarter demand aligned with recent averages at 367,000 sf, boosting year-to-date (YTD) totals to 1.7 msf. The bulk of quarterly demand was concentrated in the 495 Belt and Urban Ring, both of which surpassed the 100,000-sf mark. AdvanCell's 128,000-sf lease for a new U.S. headquarters was the largest lease of the quarter, underscoring the continued attractiveness of Boston's well-established life sciences ecosystem.

Quarterly renewal activity totaled 86,000 sf, which boosted the market's YTD total to 159,000 sf, a 15.5% decline YOY, though reflecting a 65.3% increase from the second half of 2025. Five transactions in Cambridge accounted for the bulk of renewals YTD at 122,000 sf.

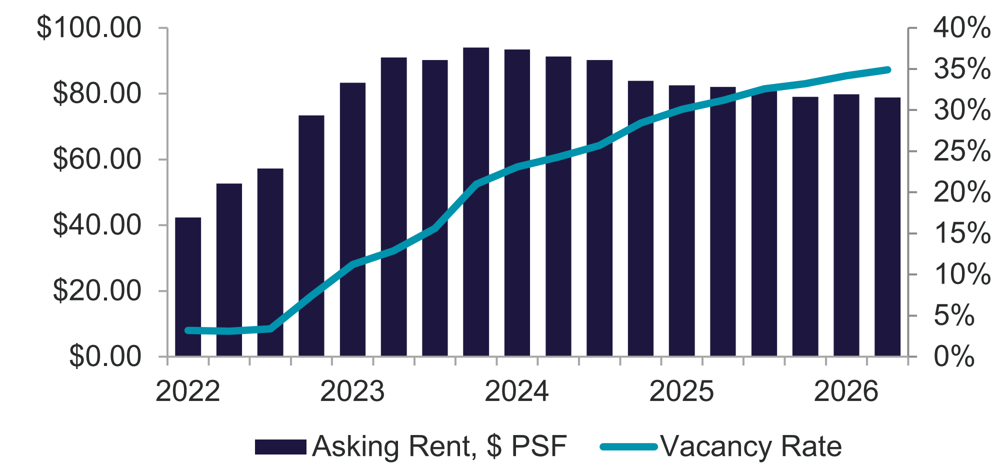
PRICING

Overall average asking rents continued to soften, dropping $1.00 per square foot (psf) QOQ to $78.79 psf, a new cycle-low. This marked a sharper decline of $3.30 psf YOY, though far less pronounced than the $9.00-psf drop posted during the same period between 2024 and 2025. Asking rates for both direct and sublease space contributed to the decrease, falling by $1.01 psf and $0.73 psf, respectively.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION (SF)	YTD CONSTRUCTION COMPLETIONS (SF)	DIRECT WEIGHTED AVG NET RENT*	OVERALL WEIGHTED AVG NET RENT*
128 Belt	10,375,686	3,066,441	29.6%	-393,071	-444,846	251,372	0	0	$64.11	$63.32
495 Belt	6,097,864	1,288,417	21.1%	7,178	-1,167	493,442	0	0	$46.68	$46.75
Cambridge	18,077,463	5,006,309	27.7%	-41,531	-210,321	236,234	1,168,502	0	$92.07	$88.91
CBD	4,860,875	1,971,855	40.6%	6,931	24,047	11,762	344,000	0	$88.25	$85.95
Urban Ring	11,681,763	6,480,257	55.5%	83,069	135,551	662,900	660,000	510,000	$82.93	$81.68
TOTAL MARKET	**51,093,651**	**17,813,279**	**34.9%**	-337,424	-496,736	**1,655,710**	**2,172,502**	**510,000**	$80.31	**$78.79**

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	LEASE TYPE
1 Corporate Drive	495 North	AdvanCell	128,209	New Lease
130 Brookline Street	Mid Cambridge	IONQ	48,995	New Lease
20-30 Acorn Park Drive	Alewife	Inari Medical	34,577	Sublease
250 Arsenal Yards Boulevard	Watertown	Souffle Therapeutics	33,510	New Lease
200 Arsenal Yards Boulevard	Watertown	ALS Therapy Institute	33,310	New Lease

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
93 Worcester Street	128 Central	Liberty Mutual Holdings / National Development	272,713	$69.5M / $254.85

KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
421 Park Drive	Fenway/Longwood	-	660,000	Alexandria Real Estate Equities, Inc
585 Kendall Street	East Cambridge	Takeda	598,502	BioMed Realty
290 Binney Street	East Cambridge	AstraZeneca	570,000	BXP,Inc.
22 Drydock Avenue	Seaport	Vertex	344,000	Related Beal

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