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Q2 2025

Life Science Market Report

SUMMARY

Q2 2025 kicked off with a handful of new lease transactions, despite a significant retraction in venture capital deployment and broader sector skepticism. While strategic collaborations and focused expansion efforts persisted, overall funding volumes dropped sharply. Still, companies advanced partnerships, and the region's strong translational science infrastructure continued to draw outside interest. The dynamic echoed broader national sentiment: tighter capital, longer diligence cycles, but real momentum around targeted growth and commercial readiness.

Venture funding in the Pacific Northwest life sciences sector contracted meaningfully in Q2, following a Q1 slight rebound. Although the pace of large capital events slowed, a mix of Series A, seed, and extension rounds carried momentum. Aurion Biotech raised \$100 million in an IPO to advance its corneal endothelial cell therapy platform. OncoResponse secured \$40 million in an extension round to continue development of its immunotherapy pipeline. Additional activity included Singletto's \$13.4 million Series A, Gestalt Diagnostics' \$7.5 million Series A, Briotech's \$8 million extension, Bardy Dx's \$10.5 million raise, and Potato AI's \$4.5 million seed round. While Q2 lacked blockbuster rounds like Q1's Tune or Callio raises, it reflected an ongoing appetite for scalable diagnostics, digital pathology, and immunological innovation.

In parallel, business development and commercial partnerships underpinned much of the quarter's momentum. Parse Biosciences entered a strategic distribution partnership with

Scrum Inc., expanding its single-cell RNA analysis tools into the Japanese market. Wayfinder Biosciences launched a discovery collaboration with Daiichi Sankyo, focused on novel RNA-targeting therapies for neurodegenerative disease. Curi Bio teamed up with Cook MyoSite to integrate its human iPSC-derived tissue models into clinical-scale manufacturing workflows. CDMO giant AGC Biologics inked two deals: one with Noveltty Nobility for cell line development of an antibody candidate, and another with Quell Therapeutics to support clinical manufacturing of its T-reg cell therapy platform. These deals reflected growing traction for enabling technologies, platform tools, and translational partnerships with global potential.

In leasing, activity improved modestly across the region. Of note, Cytek Biosciences leased 29,113 sq. ft. at Corporate Campus East in Bellevue—a rare new transaction off the I-90 corridor. In South Lake Union, Umoja Biopharma subleased 31,189 sq. ft. to Moonlight Biosciences at 1150 Eastlake. ██████████ completed a 51,627 sq. ft. relocation to 701 Dexter, downsizing from 99,274 sq. ft. at 1150. Xaira Therapeutics, backed by ARCH and Foresite, secured a longer term flag in the Northwest with a 22,208 sq. ft. deal in the North Tower of Dexter Yard (Floor 5). Meanwhile, Bruker renewed and downsized its legacy NanoString operation at BioMed Realty's Vue Research Center – a 39,662 sq. ft. transaction, and Lions World Vision Institute renewed at Park Place with landlord URG and a handful of smaller deals crossed

the finish line. For any questions on transactions, please feel free to reach out to our team.

As in prior quarters, second generation and existing lab suites remained the dominant focus. Market-wide, companies pursued right-sized footprints while staying focused on restructuring to extend capital runway. Q2 also saw more activity in the sublease / termination market, with several large tenants continuing to recalibrate space needs, place inventory online, or winddown operations and return control to landlords. Built-out lab inventory remained above 1.9 million sq. ft., and average time on market for second generation space held near 2.1 years—an ongoing record for the region. Net demand stayed concentrated in Bothell and Seattle proper, with Bothell seeing significant looming transactions to be reported on in Q3.

Development updates were limited this quarter. Wexford's 345,000 sq. ft. "Brightwork" was announced as postponed / cancelled, given the macroeconomic and grant landscape. Alexandria's 701 Dexter, the last major project launched during the pandemic era, is just quarters away from delivering. With Umoja's lease of floors 3-4, a Thermo consumables archive on floor 2, and spec suites planned for 5-6, the building composition is starting to take shape.

Additional details on public grant activity, incubator movement, and lab market metrics to follow in Q3.

MARKET TRENDS

- **Uptick in NIH Funding** shows for Q2 despite the anticipated cuts approaching
- **Large Block Vacancies** of free up holes in key submarkets
- **Pending Transactions in Seattle & Bothell** signal an active '25 ahead
- **Institutional lease rates stabilizing** owners begin showing signs of holding face rates
- **Concessions Increase** with rent abatement and TIA demonstrating major movementdemonstrating major movement

RECENT ACTIVITY

- **Cytek Biosciences relocates** Northwest outpost to Eastgate in Bellevue
- **Moonlight Biosciences scales** its HQ in Seattle
- **Bruker finalizes renewal and downsize** at the Vue
- **██████████ relocates** to 701 Dexter
- **Shape Tx floors return to BMR** control

Q2 2025 SUMMARY

Q2 Total Investment*

\$148.15 M

*EXCLUDES M&A DEALS

Deal Count

13

Quarterly Change


↓77.07%

Annual Change

↓37.65%

1H 2025 \$921M RELATIVE TO 1H 2024 1.48B
SOURCE: PITCHBOOK

TOP DEALS

	AMOUNT	TYPE	DATE
 Singlett	\$13.4 M	A	APR '25
 Potato AI	\$4.5 M	SEED	APR '25
 BRIOTECH	\$8 M	EXT	APR '25
 OncoResponse	\$40 M	EXT	APR '25
 gestalt	\$7.5 M	A	APR '25
 Baxter BardyDx	\$10.51 M	EXT	MAY '25
 AURION BIOTECH	\$100 M	IPO	MAY '25

SOURCE: PITCHBOOK

1H VENTURE COMPARATIVE



SOURCE: PITCHBOOK

COMPANIES TO WATCH



Q2 SUMMARY

NIH FUNDING

NSF FUNDING

\$7.9 B
Q2 '25 US Total

\$279.25 M
Q2 '24 WA TOTAL

\$17.9 M
WA TOTAL

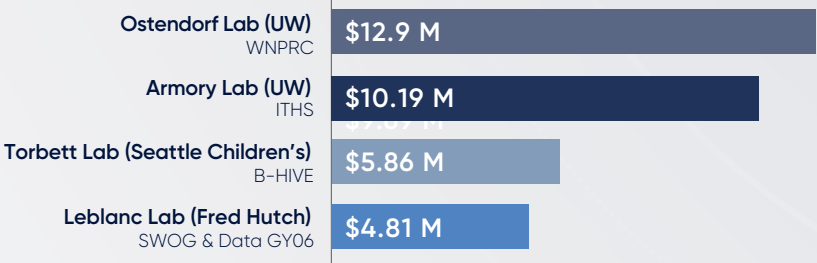
RANK	STATE	PROJECTS	FUNDING
1	CA	1,888	\$1,119,465,612
2	MA	1,232	\$745,889,524
3	NY	1,109	\$655,607,501
4	PA	988	\$541,203,805
5	TX	863	\$458,138,992
6	NC	558	\$357,018,701
7	MI	506	\$251,907,740
8	MD	488	\$318,951,341
9	OH	436	\$224,999,151
10	IL	400	\$202,592,426
11	WA	396	\$279,247,823
12	GA	370	\$210,855,739
13	CT	367	\$218,277,173
14	MO	364	\$225,954,386
15	FL	351	\$171,416,194

SOURCE: NIH REPORTER

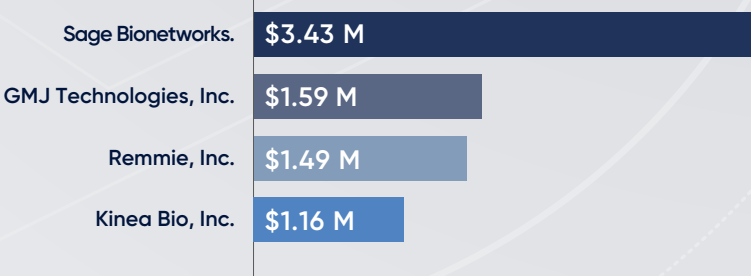
TOP RECIPIENTS



TOP PROJECT AWARDS



NOTABLE AWARDS TO PRIVATE ORGANIZATIONS



SOURCE: NIH REPORTER



MARKET STATS

SEATTLE

BOTHELL

INVENTORY
(ALL)

8.18 M

3.34 M

INVENTORY
(INVESTOR OWNED)

4.03 M

2.18 M

VACANCY
(DIRECT & SUBLEASE)

TOTAL

25.22%

7.97%

INVESTOR OWNED

49.09%

11.36%

AVAILABILITY
(DIRECT & SUBLEASE)

TOTAL

27.15%

9.49%

INVESTOR OWNED

53.00%

13.69%

RENT

HIGH \$40'S TO
LOW \$80'S

MID \$20'S TO
HIGH \$30'S

TI'S*

\$220 - \$320

\$90 - \$150

*FOR SHELL, CLASS A DEALS, INQUIRE FOR OTHER

AVAILABLE LAB SPACE



SUBLEASE 52.63%



ALEXANDRIA 15.77%



OTHER 10.72%



BIOMED 8.49%



LPC WEST 7.43%



RMR GROUP 2.62%



OXFORD PROPERTIES 2.33%



*FIGURE ONLY INCLUDES BUILT OUT LABORATORY SPACE; CURRENTLY AVAILABLE OR SOON TO BE

RECENT NOTABLE LEASE TRANSACTIONS

	COMPANY	BLDG NAME	OWNER / SUBLANDLORD	SIZE	TYPE	DATE
		CORPORATE CAMPUS EAST	AMERICAN ASSETSS TRUST, INC	29,113 SF	NEW	Q1 '25
		ELEVEN50	ALEXANDRIA	31,189 SF	SUBLEASE	Q2 '25
		PARK PLACE	URG	15,805 SF	RENEWAL	Q2 '25
		VUE RESEARCH CENTER	BIOMED REALTY	39,662 SF	RENEWAL/DOWNSIZE	Q2 '25
		DEXTER YARD NORTH	BIOMED REALTY	22,208 SF	NEW	Q2 '25
		701 DEXTER	ALEXANDRIA	51,627 SF	RELOCATION	Q2 '25

UNDER CONSTRUCTION

BY OWNER



ALEXANDRIA

100%

BY OWNER

PROJECT	ADDRESS	CITY	SIZE	TIMING	OWNER	% LEASED
701 DEXTER	701 DEXTER AVE N	SEATTLE	227,504 SF	Q3 '25	ARE	0%
TOTAL			227,504 SF			

Our company

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Our mission is to listen to the client's core objectives, customize a complimentary real estate strategy, and leverage our shared experience to ensure that the most favorable real estate outcome is achieved.