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Q3 2026

Life Science Market Report

SUMMARY

Q3 2026 zipped by as activity picked up and the industry showed signs of ample life. Real estate activity was packed into the quarter (relative to previous periods), and venture capital showed significant improvement. Newco activity picked up, leases were executed, and major pending activity signaled an active Q4 ahead.

Venture funding showed signs of life as small startups secured modest seed raises, established companies with clinical progress closed larger raises, and more. Funding for the region reached just shy of \$300M (excluding M&A, IPOs, and other public or late-stage offerings), more than doubling Q2's numbers. Notable capital events included Accipiter Biosciences' \$10.49M seed extension, a nice tailwind for the early-stage biotech that has rapidly secured large pharma BD deals. InduPro secured \$77M in a B raise to push forward additional clinical progress. Tenpoint Therapeutics raised a \$20M extension, and the former founder/CEO of Bothell-based Athira Pharma (now Leona Bio) secured \$35M for her newest venture, EIT Pharma. Seattle Children's Jensen Lab spinout aimed at eradicating pediatric brain cancer, BrainChild Bio, announced its headline \$116M Series A as the company moved into new digs in Eastlake. Other transactions included several small seed and pre-seed raises. At the fund level, several major venture firms further reinforced long-term conviction in the sector, with KdT, Menlo, 8VC, and many other notable names closing funds for deployment.

Strategic deals kept pace with the uptick in funding, led by a major local acquisition and a run of platform partnerships.

Sonoma Biotherapeutics kicked off the quarter by partnering with Cellares to automate manufacturing of its lead CAR-Treg program, SBT-77-7101 (Phase 1, poly-refractory rheumatoid arthritis), on the Cell Shuttle®, making it the first Treg therapy onboarded to the platform. 330 Yale tenant Compvide tapped OpZira for operational support across clinical, manufacturing, quality, and regulatory functions, freeing the company to focus on advancing its CIMED™ complement diagnostics platform. The quarter's biggest headline followed as Repligen agreed to acquire Bothell-based BioLife Solutions in a cash-and-stock deal valued at roughly \$1.5B, adding BioLife's market-leading biopreservation media (including CryoStor®) to its bioprocessing portfolio; the deal closed in early October. Rounding out the quarter, Institute for Protein Design spinout Monod Bio licensed its AI-designed LuxSit luciferase and NovoBodies binders to SignalChem Biotech, a Sino Biological subsidiary, for use in custom discovery assays, the latest win for its "Monod Inside" licensing model. Together, these deals show strategic buyers and partners continuing to place bets on the region's cell therapy, diagnostics, and AI-driven protein design capabilities.

Leasing activity in Q3 picked up as many previously reported pending deals reached the finish line. In South Lake Union/Eastlake, GenScript took down 27,712 RSF at 1551 Eastlake. GenScript's local operation consists of the former CustomArray team, which previously subleased space in Redmond from LabCorp/Covance. The transaction will relocate its operations to Seattle after Amazon's Project Leo leased its Redmond site.

Early-stage spinout CytoTerra took down a small portion of Zymeworks' leasehold at Elliott Bay Labs in Belltown. Accipiter Biosciences inked a lease in Alexandria's 1616 Eastlake, as several additional deals in Seattle closed or reached pending status (to be further reported on in the next edition). In Bothell, Phillips spinout Heartstream took down a major portion of Grosvenor's Parklands Bldg G, and a few miles away, in Redmond, Bruker inked a lease for the majority of Westpark's Building A. In Everett, major headlines broke the news of Tishman/Bellco's JV and Breakthrough Properties' entry into the market with an acquisition of the Seagen Launchpad facility on Shuksan Way. Breakthrough reached terms with a tenant, Genmab, for a direct lease and facilitation of a termination agreement with Seagen-Pfizer. Flinn Ferguson Cresa was honored to advise several companies that reached terms in on- and off-market transactions this quarter.

In addition to the aforementioned acquisition in Everett, several sale efforts began to hit the market, and additional anticipated offerings began to float around the market rumor mill. New development remained quiet as supply continued to be plentiful and owners with existing product focused on stabilizing assets, investing in spec suites, and differentiating themselves from competitive space in order to attract tenancy.

Overall, demand picked up again this quarter as newcos and existing biotechs kicked off space searches. Several major transactions again reached pending status this quarter, to be reported on in the next edition.

MARKET TRENDS

- **Sublease Inventory Stabilizes Slowly** as tenants right size or default and supply returns to Direct Vacancy/Availability
- **Rates begin to show signs of stabilization** as leasing picks up
- **Newco activity starts to pick up again** as venture activity seeds and incubates new entities
- **More spec suites delivering** as tenants focus on built-out supply
- **Major Leases Loom in Greater Seattle** as few large movers approach leasing decisions

RECENT ACTIVITY

- **Breakthrough Properties enters Seattle** with major acquisition in Everett
- **GenScript inks relocation lease** shifting operations from Redmond to Seattle
- **Bruker expands into Redmond's Westpark** within Building A
- **Accipiter Biosciences signs lease** for space in Alexandria's portfolio
- **BioLife Solutions announces acquisition** by Repligen
- **Several leases go pending** likely to close Q4

Q3 2026 SUMMARY

Q3 Total Investment*
\$296.82 M

*EXCLUDES M&A DEALS

Deal Count
29

Quarterly Change
↑91.27%

Q3 '26 \$296.82 M, Q2 '26 \$110.80 M,

Annual Change
↓60.11%

Q3 '26 \$296.82 M, Q3 '25 \$812.13 M,
SOURCE: PITCHBOOK

TOP DEALS

	AMOUNT	TYPE	DATE
	\$9.76 M	EXT	JUL '26
	\$10.49 M	EXT	JUL '26
	\$6.3 M	SEED	JUL '26
	\$77 M	B	AUG '26
	\$5 M	PIPE	AUG '26
	\$20 M	EXT	AUG '26
	\$35 M	A	AUG '26
	\$116 M	A	SEPT '26
	\$16 M	SEED	SEPT '26

SOURCE: PITCHBOOK

Q3 VENTURE COMPARATIVE*



COMPANIES TO WATCH



Q3 SUMMARY

NIH FUNDING

NSF FUNDING

\$17.4 B
Q3 '26 US Total

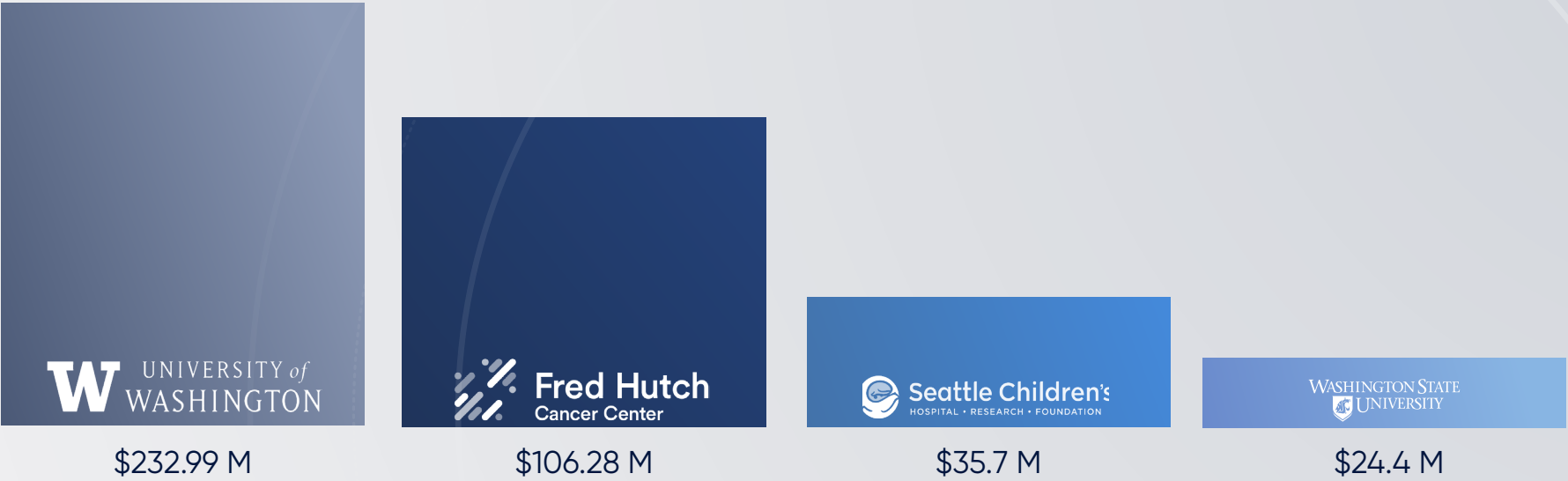
\$523.9 M
Q3 '26 WA TOTAL

\$62.4 M
WA TOTAL

RANK	STATE	PROJECTS	FUNDING
1	CA	3,453	\$2,424,667,226
2	NY	2,558	\$1,650,207,449
3	MA	2,399	\$1,623,154,584
4	PA	1,734	\$1,142,925,905
5	TX	1,499	\$959,354,967
6	NC	1,145	\$777,776,798
7	MD	1,022	\$665,249,742
8	IL	975	\$640,225,606
9	OH	835	\$504,440,316
10	MI	778	\$480,183,768
11	WA	722	\$523,932,567
12	FL	685	\$456,733,716
13	MO	672	\$412,554,259
14	CT	655	\$340,000,884
15	GA	623	\$379,269,895

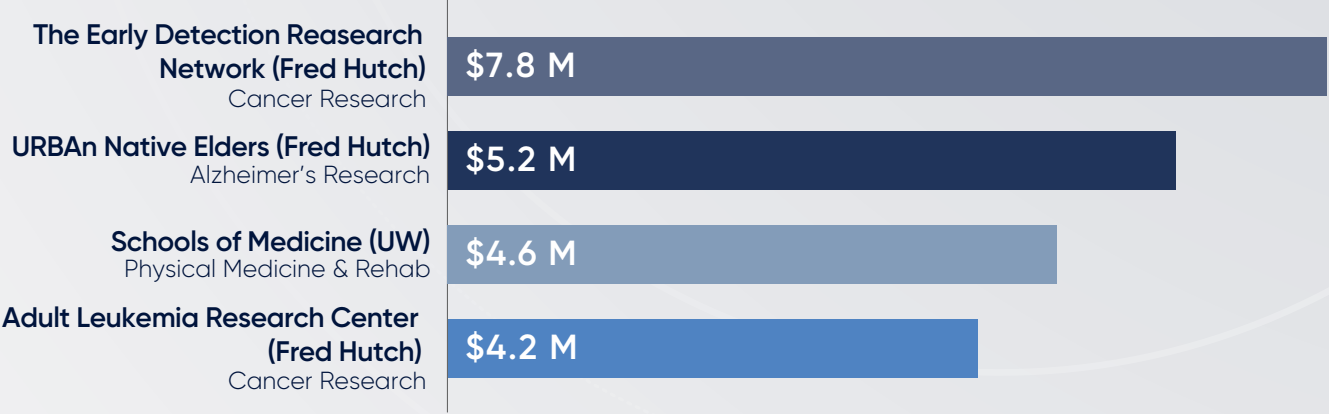
SOURCE: NIH REPORTER

TOP RECIPIENTS



OTHERS SUCH AS BENAROYA & ALLEN INSTITUTE WERE CLOSELY TRAILING

TOP PROJECT AWARDS



SOURCE: NIH REPORTER

Cellares and Sonoma Biotherapeutics Collaborate to Automate Manufacturing of SBT-77-7101 Engineered Treg Cell Therapy on the Cell Shuttle® Platform

July 13, 2026 | 3 min read

SOUTH SAN FRANCISCO, CA & SEATTLE—Sonoma Biotherapeutics (SONOMA BIO), a leading biotechnology company developing engineered regulatory T (Treg) cells for the treatment of cancer, and Cellares (CELLARES), a leading biotechnology company developing engineered regulatory T (Treg) cells for the treatment of cancer, announced today that the two companies have entered into a strategic partnership to collaborate on the development and commercialization of SBT-77-7101, an engineered Treg cell therapy, on the Cell Shuttle® platform.

Compvite™ Announces Strategic Collaboration with OpZira™ to Accelerate Growth and Advance the CIMED™ Platform

July 16, 2026 | 2 min read

SEATTLE—Sonoma Biotherapeutics (SONOMA BIO), a leading biotechnology company developing engineered regulatory T (Treg) cells for the treatment of cancer, and OpZira (OPZIRA), a leading biotechnology company developing engineered regulatory T (Treg) cells for the treatment of cancer, announced today that the two companies have entered into a strategic partnership to collaborate on the development and commercialization of CIMED™, an engineered Treg cell therapy, on the Cell Shuttle® platform.

Monod Bio Licenses AI-designed Protein Technologies to SignalChem Biotech for Custom Discovery Assays

August 26, 2026 | 2 min read

SEATTLE and RICHMOND, BC, Aug. 26, 2026 (PRNewswire)—Monod Bio, a leading biotechnology company developing AI-designed protein technologies for custom discovery assays, and SignalChem Biotech, a leading biotechnology company developing custom discovery assays, announced today that the two companies have entered into a strategic partnership to collaborate on the development and commercialization of custom discovery assays.

Repligen to Acquire BioLife Solutions, Expanding Its Cell Therapy Capabilities with Market Leading Biopreservation Media

July 22, 2026 | 15 min read

SEATTLE and RICHMOND, BC, July 22, 2026 (PRNewswire)—Repligen, a leading biotechnology company developing cell therapy capabilities with market leading biopreservation media, and BioLife Solutions, a leading biotechnology company developing cell therapy capabilities with market leading biopreservation media, announced today that Repligen has acquired BioLife Solutions.

MARKET STATS

SEATTLE

BOTHELL

INVENTORY
(ALL)

8.41 M

3.29 M

INVENTORY
(INVESTOR OWNED)

4.26 M

2.14 M

VACANCY
(DIRECT & SUBLEASE)

TOTAL

26.20%

8.04%

INVESTOR OWNED

49.77%

12.38%

AVAILABILITY
(DIRECT & SUBLEASE)

TOTAL

22.42%

6.61%

INVESTOR OWNED

42.06%

10.18%

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 44.04%



ALEXANDRIA 19.25%



BIOMED 12.81%



OTHER 15.83%



3EDGEWOOD 3.53%



RMR GROUP 2.40%



OXFORD PROPERTIES 2.14%



*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
	 GenScript Make Research Easy	1551 EASTLAKE	ALEXANDRIA	27,713	NEW	Q3 '26
	 CytoTerra	ELLIOTT BAY LABS	BEACON/ZYMEWORKS	2,636	SUBLEASE	Q3 '26
	 Genmab	215 SHUKSAN	BREATHROUGH PROPERTIES	257,000	NEW	Q3 '26
	 ACCIPITER BIOSCIENCES	1616 EASTLAKE	ALEXANDRIA	13,841	NEW	Q3 '26
	 BRUKER	WESTPARK BUSINESS PARK BUILDING A	KPO REIT	32,412	NEW	Q3 '26
	Heartstream	PARKLANDS NORTH CREEK BUILDING G	GROSVENOR	23,561	NEW	Q3 '26

RECENT NOTABLE SALE TRANSACTIONS

	ADDRESS	BUYER	SELLER	BUILDING SIZE	PRICE / PRICE PER SF
	215 SHUKSAN WAY, EVERETT, WA 98203	BREAKTHROUGH PROPERTIES	DERMODY	275,000	\$78M / \$303.50

Our company

Flinn Ferguson Cresa has established itself as Seattle and Bellevue's most active and experienced Tenant Advisory Firm.

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.