

# Lab Report

**Boston | Cambridge | Suburbs**

Q4 2025

**Lincoln**

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# Overview

The Boston Lab Market continued to struggle in 2025, and the entire metro area ended Q4 with negative absorption. Anticipated delivery dates were missed, and developments began to dwindle amid a surplus in inventory.

Vacancy in Boston was at a new high of 27.2%—a 6.3% quarter-over-quarter increase. Furthermore, leasing volume in the full metro area reached a record low at less than 200,000 square feet. The economy remains difficult for the life science sector, and both public and private funding conditions strain the market. Sionna Therapeutics, currently located in Waltham, was the only local company to IPO in 2025.

Amid funding cuts and persistent economic uncertainty, dozens of biotech companies announced job cuts, impacting over 4,600 Massachusetts employees by the end of 2025.

## Looking Forward

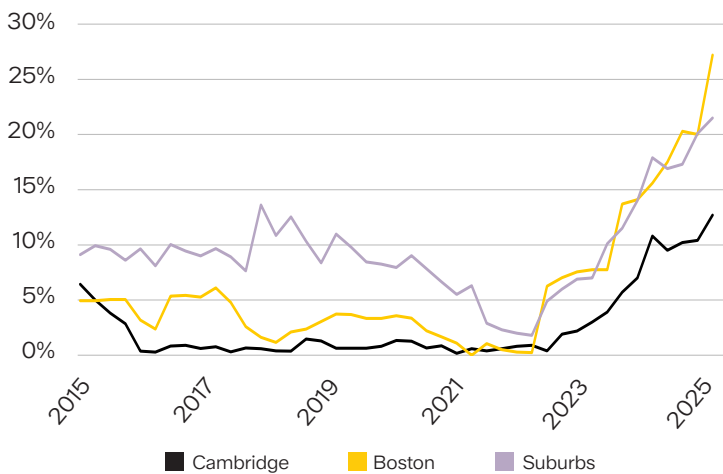
Despite many headwinds, the lab sector remained resilient. Massachusetts has a robust pipeline of future drug candidates, representing 15.7% of the U.S. pipeline and 6.4% of the global pipeline.

Vacancies in Boston, Cambridge, and the Suburbs remained elevated, causing short-term strain for landlords. Supply pressures continued to ease, but development starts and under-construction space continued to decline.

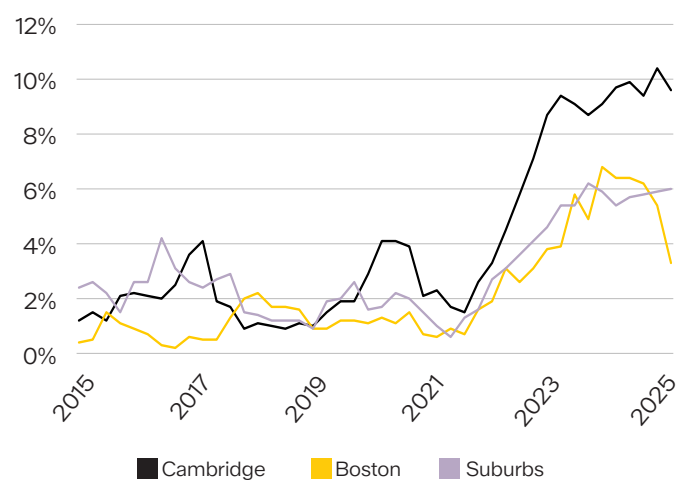
## Top Leases

	SF
<b>Eli Lilly</b> 645 Summer Street, Boston   Seaport	75,000
<b>Labshares</b> 66 Galen Street, Watertown   128 West	57,882
<b>Deep Genomics</b> One Canal Street, Cambridge   East Cambridge	14,000
<b>Actus Bio</b> 200 Technology Square, Cambridge   East Cambridge	9,138

Cambridge, Boston & Suburban Direct Vacancy



Sublet Trends

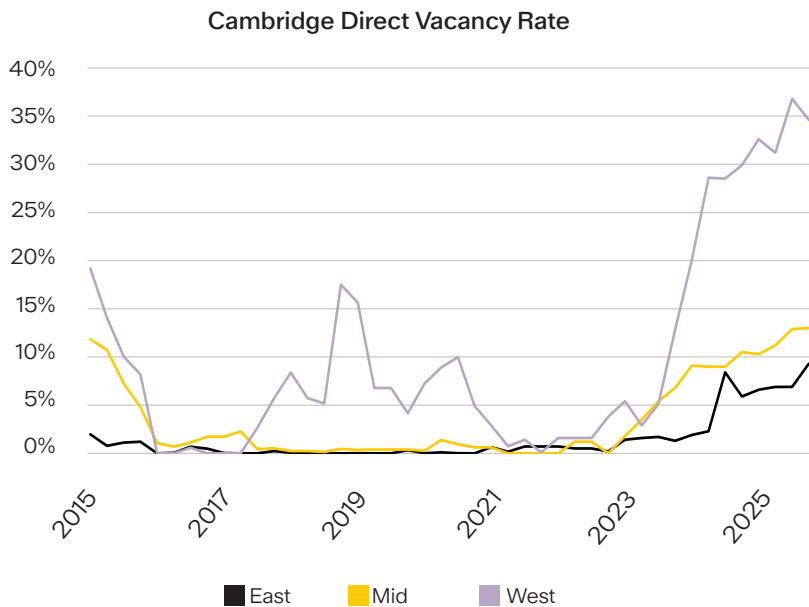


# Cambridge

Cambridge vacancies increased for the twelfth consecutive quarter to 12.7%—a 1.3% quarter-over-quarter increase. Net absorption continued its negative streak for the eight consecutive quarter at negative 233,583 square feet and annual negative absorption was negative 619,205 square feet.

At Kendall Square’s life science hub in East Cambridge, vacancy increased by 2.4% to 9.3%—the largest quarter-over-quarter jump since Q1 2024. However, overall vacancies in Cambridge continue to be lower than Boston and the suburbs. The direct availability rate is 24% in Cambridge and 25.5% in Boston.

The East Cambridge/Kendall Square submarket is arguably the premier life sciences cluster in the world, but its prestige makes it an expensive location to operate in. East Cambridge had only two smaller leases in Q4, as companies continue to prefer the more budget-friendly suburbs, putting leasing volume below its historical average. Deep Genomics leased 14,000 square feet at One Canal and Actus Bio leased 9,138 square feet at 200 Technology Square.

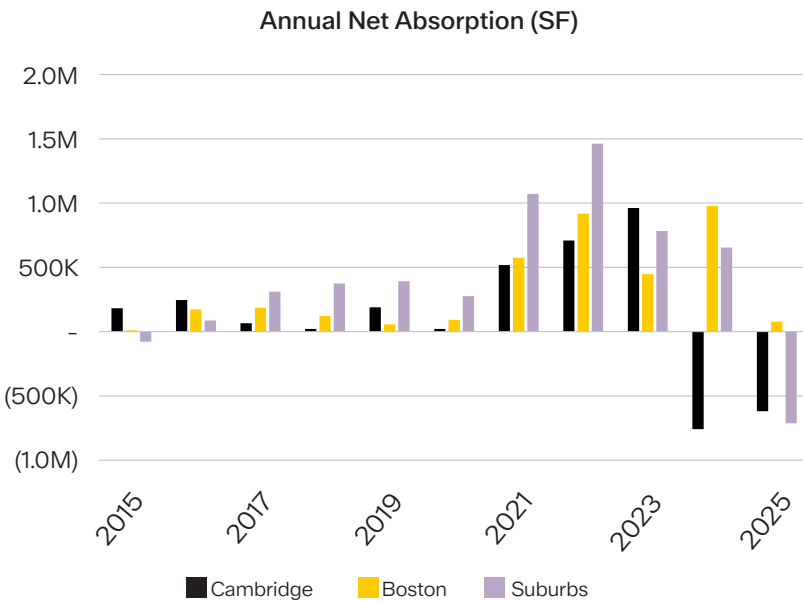


# Boston

Boston ended Q4 with a 27.2% vacancy rate—a record quarter-over-quarter increase of 6.3%—and sublease availability rates dropped to 3.3%.

The largest deal in Q4 was Eli Lilly’s renewal and expansion at 645 Summer Street in Seaport. The company now occupies the full 150,000-square foot building.

Direct availability decreased year-over-year, ending 2025 at 25.5%. While Fenway’s vacancy rate increased to 7.3% in Q4, it remained below the full metro average of 19.6%. In the Seaport submarket, vacancies increased 4.8% to 34.8%—an 11.4% year-over-year increase.

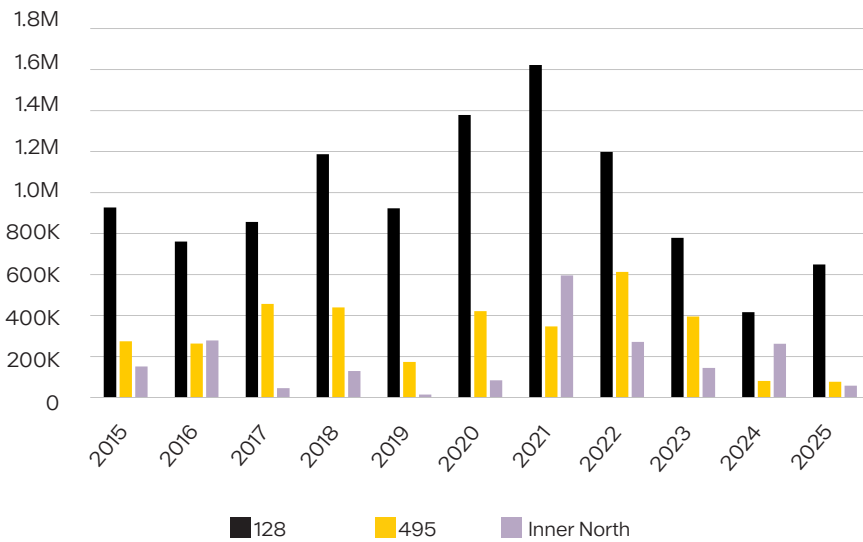


# Suburbs

The Suburban Lab Market ended Q4 with a record low of negative 436,018 square feet, which contributed to a year-end absorption of negative 711,756 square feet—the lowest since 2010.

Suburban vacancy increased 1.3% quarter-over-quarter, ending Q4 at 21.5%. Of all metro submarkets, I-495 had the lowest vacancy rate of 10.7% and the Inner Suburbs had the highest at almost 50%. The 128 West vacancy rate decreased for the second consecutive quarter and ended Q4 with a 17.4%—a 1.2% year-over-year improvement.

Suburban Leasing (SF)

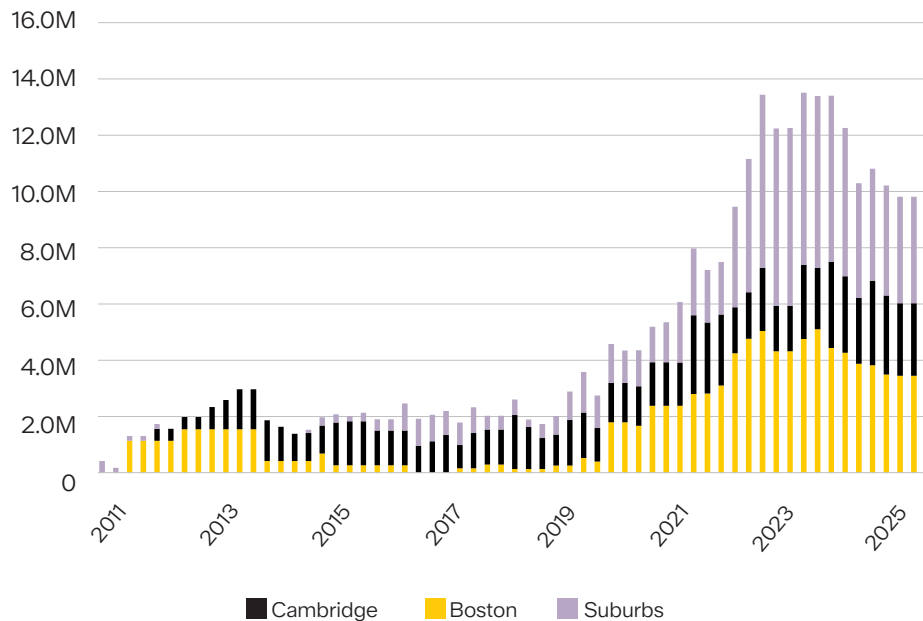


# Development

Among the most notable deliveries in 2025 was 10 World Trade in Seaport. The 290,000-square foot property contains eight floors of dedicated lab space.

Most projects under construction had significant tenant commitments, including two properties located in Cambridge: 585 Third Street, anchored by Takeda, is 650,000 square feet and 290 Binney Street, anchored by AstraZeneca, is 570,000 square feet. Both properties are expected to deliver in 2026. Construction began in Q4 at 75 Broadway in East Cambridge and will deliver 570,000 square feet upon completion.

Cambridge, Boston & Suburban Lab Under Construction (SF)



# Investment Sales

Investors remained cautious in 2025 amid weak market fundamentals and difficult lending conditions. While capital market activity remained slow, two significant transactions were completed in Q4. In the life sciences hub in East Cambridge, Phase 3 Real Estate Partners purchased 30 Hampshire Street from Last2 Development for \$25.1 million or \$826 per square foot. In the 128 submarket, United Therapeutics Corporation acquired 45 Hartwell Ave in Lexington for \$21.5 million.

Starwood Property Trust completed the largest sale of 2025 with its purchase of 33-41 Farnsworth Street in Boston. The property was sold by Cerberus Real Estate for \$57.2 million—22% of its original price in 2021.

## Top Sales

Address	Price	PSF	Buyer	Seller
Kendall Square Life Science Center 30 Hampshire Street, Cambridge   East Cambridge	\$25.1 Million	\$826	Phase 3 Real Estate Partners	Last2 Development
45 Hartwell Avenue, Lexington   128 West	\$21.5 Million	\$431	United Therapeutics Corporation	Brammer Bio

# Lab Stats Q4 2025

Submarket	RSF	% Vacant	% Sublease	% Avail	Net Absorption	12-Month Absorption	Leasing Activity	12-Month Leasing	Asking Rate
Seaport	6,471,650	34.8%	3.7%	36.4%	8,799	231,898	75,000	381,269	\$105.70
Fenway	3,618,783	7.3%	1.7%	7.1%	(34,230)	(40,695)	2,302	75,031	-
Other Boston	3,565,288	34.2%	4.0%	24.1%	-	(131,811)	1,480	51,014	-
<b>Boston Total</b>	<b>13,277,228</b>	<b>27.2%</b>	<b>3.3%</b>	<b>25.5%</b>	<b>(25,431)</b>	<b>77,622</b>	<b>3,782</b>	<b>507,314</b>	<b>\$107.40</b>
East Cambridge	13,400,133	9.3%	9.1%	19.9%	(271,967)	(490,501)	19,351	788,472	\$117.45
Mid Cambridge	4,897,562	13.0%	9.7%	24.0%	(6,784)	(64,486)	-	32,648	\$107.15
West Cambridge	2,076,693	34.6%	12.9%	51.2%	45,168	(64,218)	-	61,969	\$95.85
<b>Cambridge Total</b>	<b>20,398,146</b>	<b>12.7%</b>	<b>9.6%</b>	<b>24.0%</b>	<b>(233,583)</b>	<b>(619,205)</b>	<b>19,351</b>	<b>868,089</b>	<b>\$107.90</b>
128 North	2,360,195	10.1%	4.4%	20.6%	(133,382)	(145,154)	13,849	77,860	\$50.15
128 West	10,484,098	18.1%	7.9%	34.4%	67,908	7,634	100,989	571,251	\$72.95
<b>128 Total</b>	<b>13,111,108</b>	<b>16.3%</b>	<b>7.1%</b>	<b>31.1%</b>	<b>(65,474)</b>	<b>(134,520)</b>	<b>114,838</b>	<b>649,111</b>	<b>\$68.58</b>
495 North	2,391,130	18.4%	1.6%	20.4%	(35,556)	2,199	8,067	24,066	\$43.90
495 West	3,260,508	3.6%	2.9%	9.3%	4,127	(43,607)	4,155	48,642	\$44.90
<b>495 Total</b>	<b>5,133,949</b>	<b>10.7%</b>	<b>2.3%</b>	<b>14.7%</b>	<b>(31,429)</b>	<b>(41,408)</b>	<b>12,222</b>	<b>77,391</b>	<b>\$44.80</b>
Inner Suburbs North	4,430,527	47.9%	6.9%	55.4%	(339,115)	(535,828)	-	58,028	-
<b>Suburban Total</b>	<b>23,224,155</b>	<b>21.5%</b>	<b>6.0%</b>	<b>32.4%</b>	<b>(436,018)</b>	<b>(711,756)</b>	<b>127,060</b>	<b>610,901</b>	<b>\$63.00</b>
<b>All Lab</b>	<b>56,552,294</b>	<b>19.6%</b>	<b>6.7%</b>	<b>27.7%</b>	<b>(695,032)</b>	<b>(655,868)</b>	<b>156,916</b>	<b>2,191,319</b>	<b>\$86.30</b>

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**Lincoln**