

Seattle named a top life science hub by CBRE

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CBRE named Seattle's life science industry one of the top in the nation, according to a report this week.

Seattle, ninth in the nation, [brought in record venture capital funding](#) in the second quarter of 2020 and has one of the lowest lab vacancy rates in the nation.

"Seattle has become a hub of life sciences innovation, with a unique convergence of world-class scientific research and premier technology talent," according to the report. "This synergy offers the opportunity to capture top talent at the forefront of the life science and technology industries in one place. The nexus of this rich ecosystem lies in the heart of Seattle's South Lake Union submarket."

The report was based on the life sciences job base, the size of its lab inventory and the amount of funding it attracts from venture capital firms and the National Institutes of Health.

Boston-Cambridge is the leading life science hub, followed by San Francisco Bay Area, San Diego, Washington, D.C.-Baltimore, Raleigh-Durham, New Jersey, Philadelphia and New York City, according to the report. Los Angeles was ranked 10th.

"Life sciences has been one of Seattle's fastest-growing industries in recent years, and the unfortunate arrival of COVID-19 has brought even more attention to the sector," said [Marcus Yamamoto](#), first vice president with CBRE's Seattle-based health care and life sciences team, in a press release.

In South Lake Union, the vacancy rate is 0.6%, and in Bothell the vacancy rate is 6.2%, with an average vacancy rate of 2.2%.

"Rents have surged in Seattle over the past 18 months as the region has one of the tightest markets for lab space in the country with a regional vacancy rate of 2.2%," according to the report. "With persistent demand, the lab market is expected to even tighten further in 2020, with should push rents higher."

Seattle's life science industry occupies 8.5 million square feet, which is up 26.9% over the past year and a half. CBRE expects the market to further expand with 2.4 million square feet of lab development in the next four years.

"Nearly every indicator points to increasing demand for life sciences real estate in the U.S., be it expanding R&D employment, public and private investment in combatting the pandemic, or the health needs of our aging population,"



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Chad Robins (left), CEO of Adaptive Biotechnologies, stands near the construction site for the future Adaptive Biotechnologies headquarters in Seattle, Wash., Friday, November 1, 2019.

said [Ian Anderson](#), CBRE Americas head of office research, said in a release. “The factors fueling this sector are great enough to support demand for more lab space in the top markets and beyond.”

Nationally, life science employment, not unscathed by the pandemic and resulting economic crisis, is down 1.3% through July. Biotech research and development employment, however, has been particularly strong, with a year-over-year increase of 4.9%, outpacing tech employment growth, according to the report.

Total commercial lab space has grown to 95 million square feet, up 12%, with another 11 million square feet under construction. Lab and research and development property sales totaled \$9.6 billion for the year ending in the second quarter of 2020, which was down 18% from the same period before. But pricing remains competitive, according to the report.

The life sciences brought in record funding in the second quarter of 2020, totaling \$17.8 billion nationwide.

Megan Campbell

Staff Writer

Puget Sound

Business Journal

