

Leasing rebound underscores the market’s ongoing demand recovery

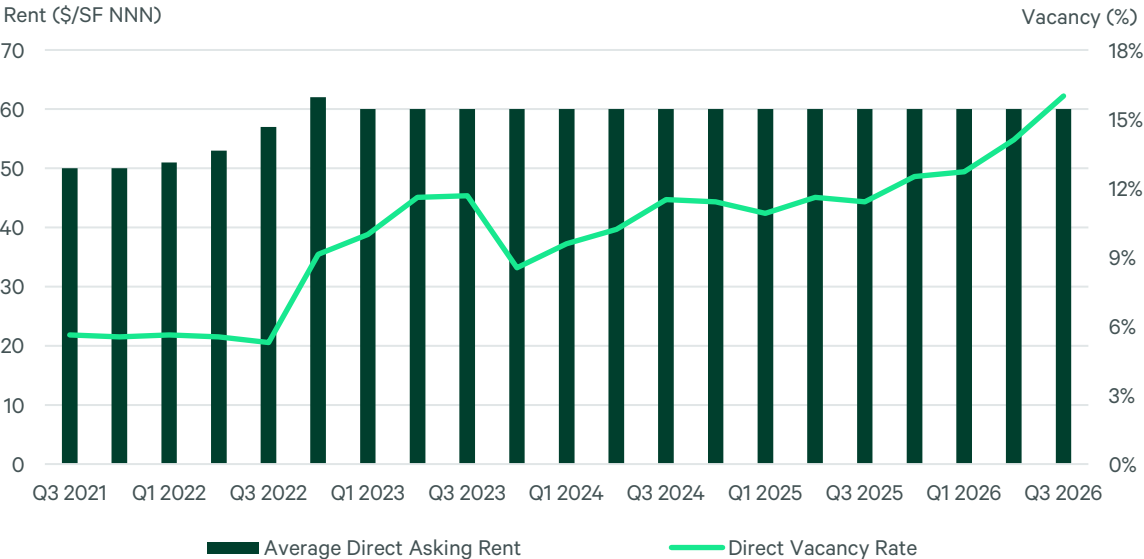


Note: Arrows indicate change from previous quarter.

MARKET SUMMARY

- Leasing activity continued to reflect a recovery in demand after reaching its second highest quarterly total in the past five years. Activity was entirely new leases, a shift from the increase in renewals over the previous 12 months. Rolling four-quarter activity totaled 405,000 sq. ft., its highest since early 2022 and a four-fold increase from a year ago.
- Following three consecutive quarters of no net absorption, Q3 2026 saw a net gain of 77,000 sq. ft. The market’s three largest leases executed since Q4 2025 are in various stages of tenant build-out, positioning vacancy to trend downward into next year.
- The market’s overall direct vacancy rate rose nearly 200 bps to 16.0%, the result of removed inventory formerly owned by AGB Biologics that is being auctioned and could ultimately be redeveloped.
- Venture capital funding saw its strongest quarter in the past five years following Enveda’s \$311 million later-stage funding round. Rolling four-quarter VC funding was up 97% year-over-year.
- The current development pipeline’s final project, Novo Nordisk’s 41,000 sq. ft. converted building in East Boulder, delivered in Q3. No new speculative projects are expected to break ground in the coming quarters as the market continues to digest its recent wave of new supply.

FIGURE 1: Historical Asking Rent & Direct Vacancy Rate



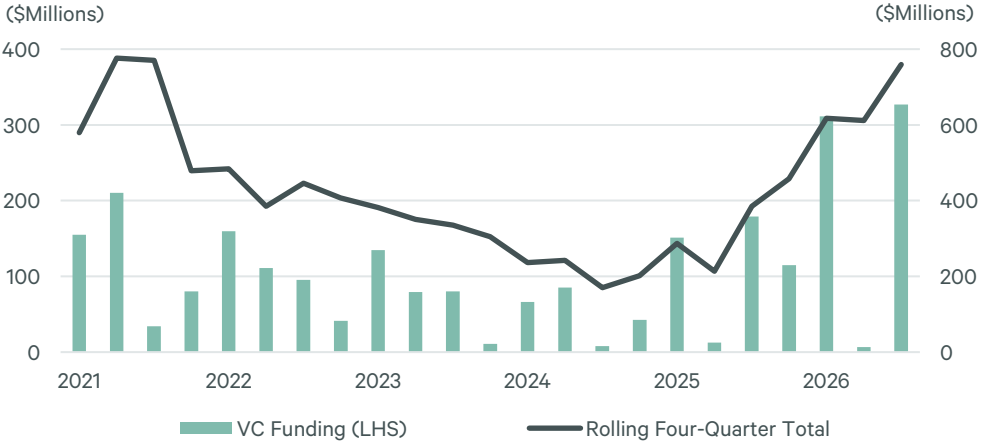
Source: CBRE Research, Q3 2026

Demand: Leasing Activity, Absorption & Vacancy

Leasing volume increased to 126,000 sq. ft. in Q3 2026, the second highest quarterly total in the past five years. The quarter’s activity consisted entirely of new leases, a notable shift from the elevated level of renewals recorded over the past 12 months, which accounted for 40% of total activity, and further evidence of the market’s ongoing demand recovery. Rolling four-quarter activity totaled 405,000 sq. ft., its highest since early 2022 and a four-fold increase from a year ago. Watchmaker Genomics’ 99,500 sq. ft. lease at Flatiron Park headlined Q3 activity and is the market’s largest new lease over the past five years.

Following three straight quarters of no net absorption, Q3 2026 saw a net gain of 77,000 sq. ft. Novo Nordisk accounted for the quarter’s largest move-in after the completion of its converted building within the Pearl East Innovation Campus. Tenants behind the market’s three largest leases since Q4 2025 are in the process of building-out their space, which will put downward pressure on vacancy into next year. Despite a return to positive absorption, the market’s overall direct vacancy rate increased nearly 200 bps in Q3 2026 to 16.0% as a result of removed inventory formerly owned by AGC Biologics that is going to auction and could potentially be redeveloped. After a lull in Q2 2026, venture capital funding had its strongest quarter since 2020 following Enveda’s \$311 million later-stage funding round.

FIGURE 2: Life Sciences Venture Capital Funding



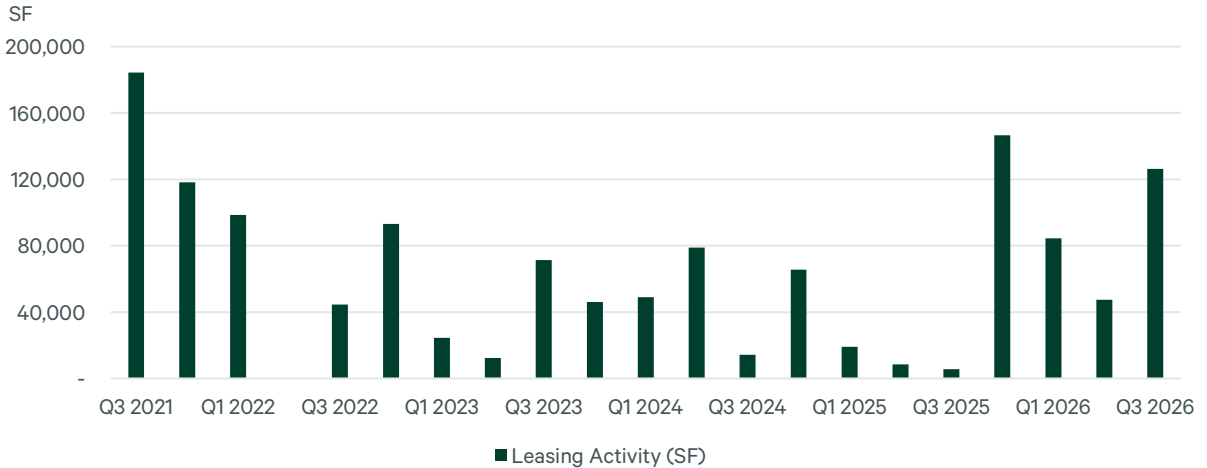
Source: CBRE Research, Q3 2026

FIGURE 3: Top Lease Transactions (Rolling Four-Quarter)

Tenant	Address	Submarket	Size (SF)	Lease Type	Sign Date
Watchmaker Genomics	5775 Flatiron Pkwy	Boulder	99,500	New Lease	Q3 2026
Corden Pharma	5505 Central Ave	Boulder	64,100	New Lease	Q4 2025
Loxo@Lilly	769 CTC Blvd	Northwest	47,500	New Lease	Q2 2026
Inotiv	5541 Central Ave	Boulder	34,300	Renewal	Q4 2025
VitriVax	5500 Central Ave	Boulder	31,500	New Lease	Q1 2026

Source: CBRE Research, Q3 2026

FIGURE 4: Historical Leasing Activity



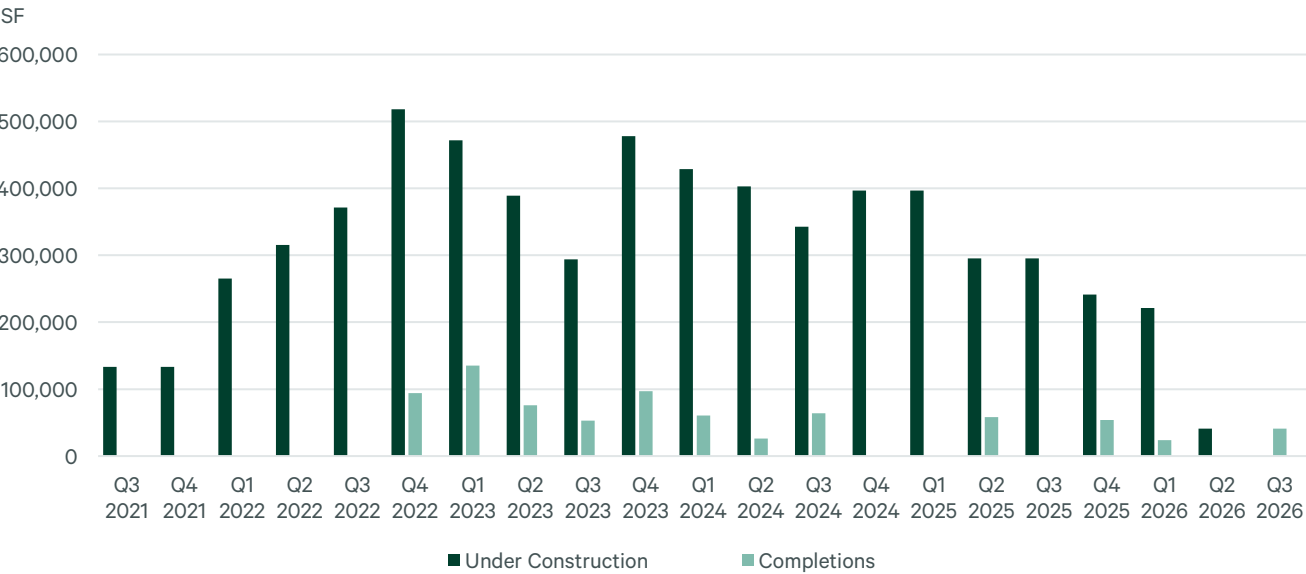
Source: CBRE Research, Q3 2026

Development Activity

The current development pipeline’s final project, Novo Nordisk’s 41,000 sq. ft. converted building within Pearl East Innovation Campus in Boulder, delivered in Q3 2026. The initial conversion phase at Element Research Center was wrapped up during the prior quarter. The Campus’s building 5 began delivering spec lab suites in 2025 and is fully available with 61,300 sq. ft. for lease.

With no new construction starts since late 2024 and no new speculative projects expected to soon break ground, the development pipeline will likely remain muted into 2027. The lack of new ground breakings reflects the ongoing disconnect between available supply and demand, which is seeing more positive momentum that is being complemented by lab-adjacent sectors, notably quantum computing. Most recently completed projects will require an ample reduction in availability before the next phase of new development takes hold, which would likely stay concentrated in Boulder where leasing velocity has been strongest.

FIGURE 5: Development: Under Construction & Completed



Source: CBRE Research, Q3 2026

FIGURE 6: Projects Under Construction/Renovation

Property Name	Address	Submarket	Lab/GMP	Size (SF)	Type	Construction Status	Est. Completion
N/A							

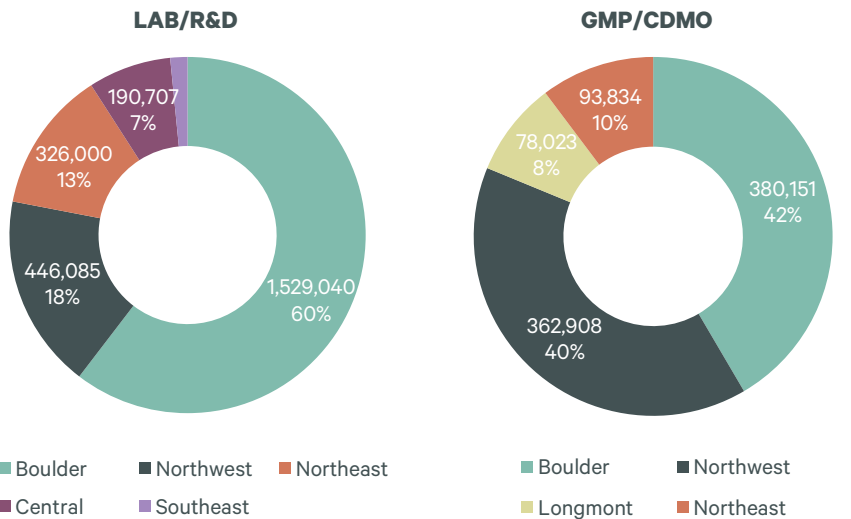
Source: CBRE Research, Q3 2026

Submarket Statistics

Life sciences inventory across the Denver/Boulder market totaled 3.4 million sq. ft. as of end Q3 2026, down from over 4.2 million sq. ft. following the removal of 871,000 sq. ft. of lab, manufacturing and supporting facilities formerly owned by AGC Biologics in Boulder and Longmont. Both properties are headed to auction in December and are also being positioned as redevelopment sites.

Boulder's direct vacancy rate decreased 90 bps, ending Q3 2026 at 17.8% after the removal of AGC's 179,000 sq. ft. property and capturing all the market's quarterly net absorption. The submarket's vacancy is poised for further reduction in the coming quarters as recently signed tenants complete their build-outs and take occupancy. AGC's former Longmont campus, spanning a total of 692,000 sq. ft. across six buildings, was also removed from statistical tracking, dropping the submarket's inventory to under 80,000 sq. ft.

FIGURE 7: Denver/Boulder Life Sciences Inventory by Type



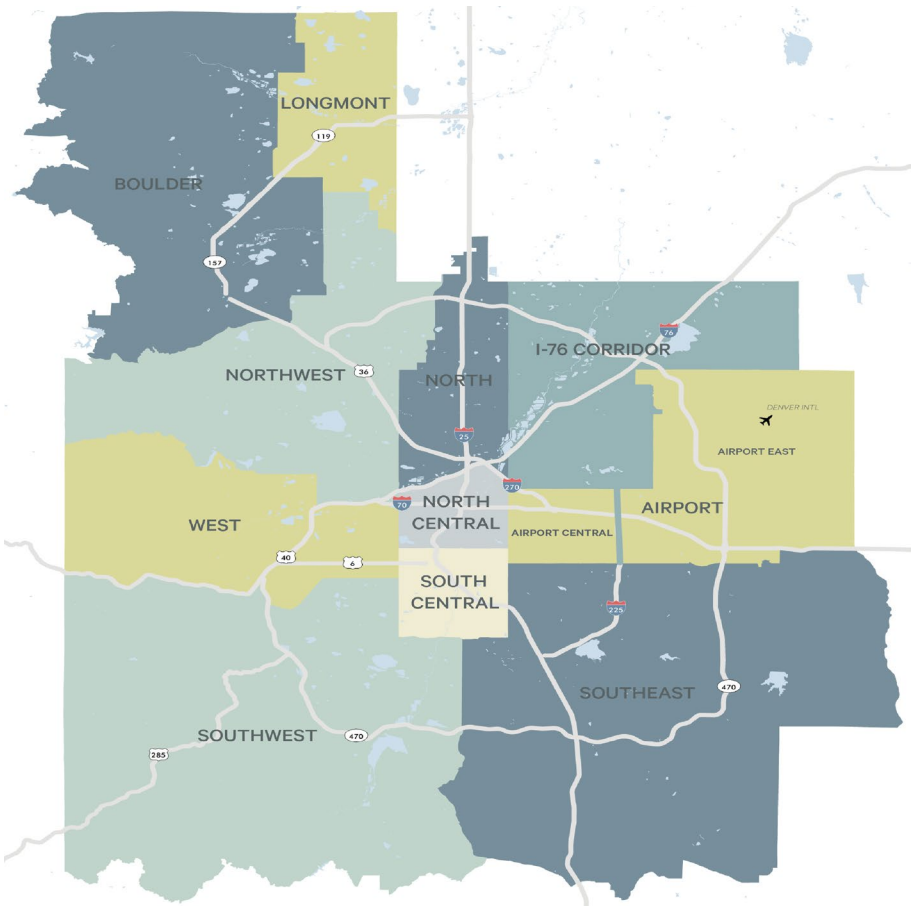
Source: CBRE Research, Q3 2026

FIGURE 8: Life Sciences Statistics by Submarket

Submarket	Net Rentable Area (SF)	Direct Vacant (SF)	Direct Vacancy (%)	Direct Available (%)	Direct Net Absorption (SF)	Under Construction/ Renovation (SF)	Average Lab Asking Rent (\$/SF/YR NNN)
Boulder	1,909,191	340,177	17.8	14.5	76,984	-	60.00-70.00
Central	190,707	-	-	-	-	-	-
Longmont	78,023	-	-	-	-	-	-
Northeast	419,834	113,234	27.0	27.0	-	-	55.00
Northwest	808,993	96,816	12.0	12.0	-	-	50.00-60.00
Southeast	39,570	-	-	-	-	-	50.00
METRO TOTAL	3,446,318	550,227	16.0%	14.1%	76,984	-	60.00

Source: CBRE Research, Q3 2026

Market Area Overview



CBRE Offices

Downtown Denver

1225 17th Street, Suite 3200
Denver, CO 80202

Denver Tech Center

5455 Landmark Place, Suite C102
Greenwood Village, CO 80111

Boulder

1050 Walnut Street, Suite 340
Boulder, CO 80302

Colorado Springs

102 South Tejon Street, Suite 1100
Colorado Springs, CO 80903

Fort Collins

3003 East Harmony Road, Suite 300
Fort Collins, CO 80528

Survey Criteria

Includes all existing laboratory/R&D and cGMP buildings 10,000 sq. ft. and greater in size in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson counties. Under construction building are determined by the commencement of site excavation or foundation work.

Contacts

Jonathan Sullivan

Research Manager
+1 303 824 4706
jonathan.sullivan@cbre.com

Cayden Dominguez

Research Analyst
+1 303 628 1734
cayden.dominguez@cbre.com

Ian Wolfe

Senior Research Analyst
+1 303 264 1930
ian.wolfe@cbre.com