An evolving industry: Today’s clusters creating tomorrow’s breakthroughs
New York City is emerging as a leading destination for biotech startups and the larger life sciences industry. Investors have committed billions of dollars throughout the city and metro area to fuel growth in the life sciences and attract top talent.

New York City is an emerging destination for biotech startups and the larger life sciences industry. According to the local Economic Development Corporation, the city is home to one of the nation’s largest concentrations of medical centers, research foundations and academic institutions. The life sciences scene in New York City is also bolstered by its close proximity to other biotech enclaves in the greater metro area—namely New Jersey, Long Island and Westchester County.

**Major lab supply:**
Clusters of established lab stock with long-time industry presence

**Emerging lab supply:**
Areas with limited lab stock today that are poised for growth

**Life Sciences manufacturing supply:**
Clusters of manufacturing space devoted to pharmaceutical, biological or medical device & instrument manufacturing
New York City’s life sciences cluster continues to grow thanks to support from the NYC Economic Development Corporation (NYCEDC) and the local government. The city has launched a number of initiatives to fuel the life sciences industry.

New York City’s direct access to capital as a leader in global finance and its rich talent pool contribute to its status as an ideal tenant destination. A diverse economic landscape and proximity to the booming tech sector have also created unique opportunities for innovation among life sciences tenants.

Industry giants like Roche, Pfizer, and Eli Lilly have established footprints in the city, and the BLS estimates that more than 1,000 other life sciences companies are located throughout the New York area.
New York

Manhattan

100 percent of lab space is occupied

- While overall vacancy in Manhattan’s office sector hovers near 10 percent, its 1.3 million square feet of lab stock is fully occupied. Demand from the city’s budding life sciences industry has outpaced lab supply in Manhattan.
- In response, the city has launched LifeSci NYC, an initiative that will allocate $100 million towards the creation of an applied life sciences campus that will ultimately serve as the industry’s anchor. The new campus will be in addition to the one already under construction on Roosevelt Island by Cornell Tech.
- LifeSci NYC has also pledged $300 million in tax incentives for investors who commit to building affordable commercial lab space.
- In the meantime, life sciences tenants are adapting office space for their purposes or turning to coworking providers. Intercept Pharmaceuticals recently committed to 49,143 square feet of interim space at 10 Hudson Yards. It will move to 82,275 square feet at 55 Hudson Yards once construction is complete.

Brooklyn

More than 600,000 square feet available for lease

- In contrast to Manhattan, lab vacancy in Brooklyn is currently at 42.2 percent, down 23.2 percentage points over the year.
- A large block totaling 398,000 square feet is available at BioBAT, a state-of-the-art biotech facility in the Brooklyn Army Terminal.
- 209,800 square feet of space is available for lease at 630 Flushing Avenue, the former Pfizer Building.

Facilities scorecard

<table>
<thead>
<tr>
<th>Supply</th>
<th>Manhattan</th>
<th>Brooklyn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rentable lab stock</td>
<td>1.3M s.f.</td>
<td>1.5M s.f.</td>
</tr>
<tr>
<td>Owner occupied lab stock</td>
<td>15,660 s.f.</td>
<td>0 s.f.</td>
</tr>
<tr>
<td>(% of total lab stock)</td>
<td>47.6%</td>
<td>52.4%</td>
</tr>
<tr>
<td>Total vacancy</td>
<td>0.0%</td>
<td>42.2%</td>
</tr>
<tr>
<td>(Change year-over-year)</td>
<td>-2.4 ppts</td>
<td>-18.6 ppts</td>
</tr>
<tr>
<td># of large blocks over 50,000 s.f.</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Under construction (s.f.)</td>
<td>2.1M s.f.</td>
<td>0 s.f.</td>
</tr>
<tr>
<td>Pricing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average asking rent (NNN)</td>
<td>-</td>
<td>$31.77 p.s.f.</td>
</tr>
<tr>
<td>(Change year-over-year)</td>
<td>-</td>
<td>+23.2%</td>
</tr>
</tbody>
</table>

Recent activity

**Intercept Pharmaceuticals**
Hudson Yards
10 Hudson Yards
49,143 s.f.
55 Hudson Yards
82,275 s.f.

**BioBAT**
Brooklyn Army Terminal
Building A
140 58th Street
398,000 s.f.

**JLABS @ NYC**
(Johnson & Johnson Innovation)
New York Genome Center
101 Avenue of the Americas
30,000 s.f.

**Cornell Tech**
Tech & Applied Sciences Campus
Roosevelt Island
2.1M s.f.
Phase 1 delivery: 2017

Activity key: Leasing
Sales
Under construction
Large blocks of space
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