



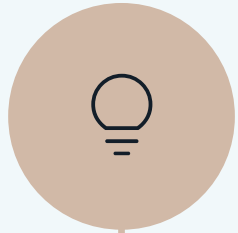
# Life Sciences Real Estate Trends to Watch

**2026 Global Real Estate Outlook**

Global Research  
December 2025



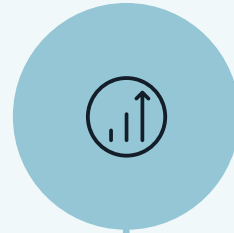
# 2026 Life Sciences Trends to Watch



Global innovation  
leaning eastwards



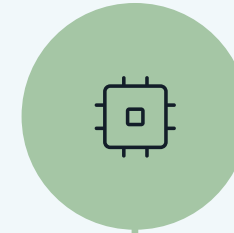
New policies  
reorienting the “where”  
of life sciences



The rise of outsourcing



The changing nature of  
space utilization

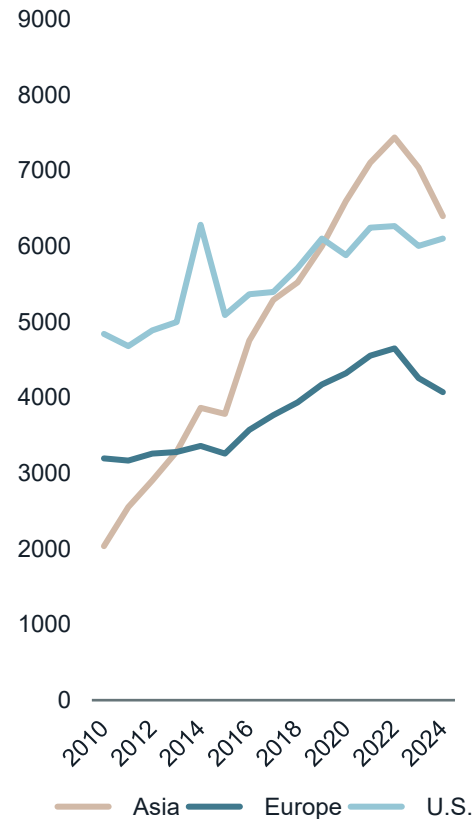


AI is changing  
everything

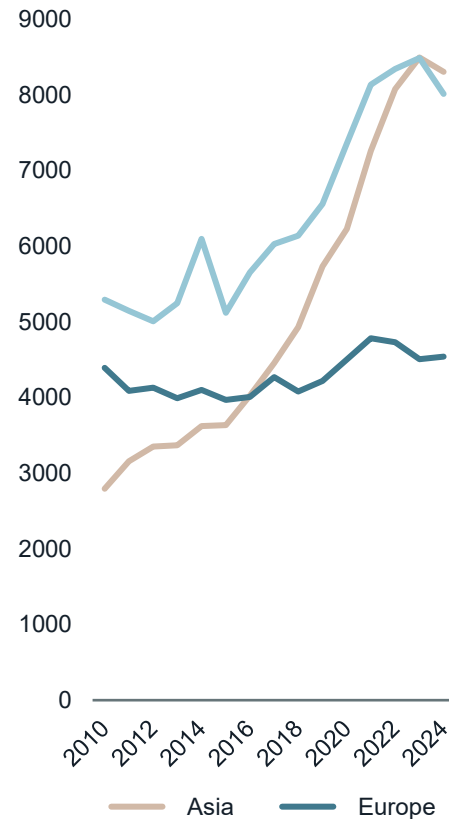
# Life Sciences | Global innovation leaning eastwards

Promising and cost-effective partnerships in China reflect a growing recognition of its world-class research

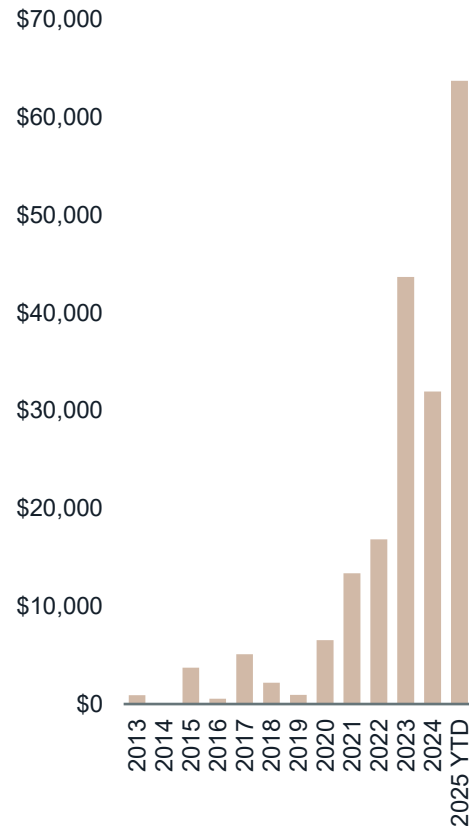
Medtech patents



Biopharma patents



Licensing deal value: China (\$M)



What a difference ten years makes. From generics manufacturer to globally formidable innovator, China has successfully repositioned its start-up, regulatory, and clinical trial environment to supply the patent-hungry pharma industry with a reliable, growing source of innovative treatments. Since its 2015 regulatory reforms, China has seen its licensing deals surge from \$3.7bn to \$63.7bn as of November 2025. Driven by China's rise, APAC now leads for both Medtech & Biopharma patents publications.

For APAC, this means two things: first, a shift in investment towards high-spec biomanufacturing facilities; and second, a strategic need to invest in markets like South Korea and Singapore to build "China+1" or "India+1" supply chain resilience, ensuring operational continuity against geopolitical risk.

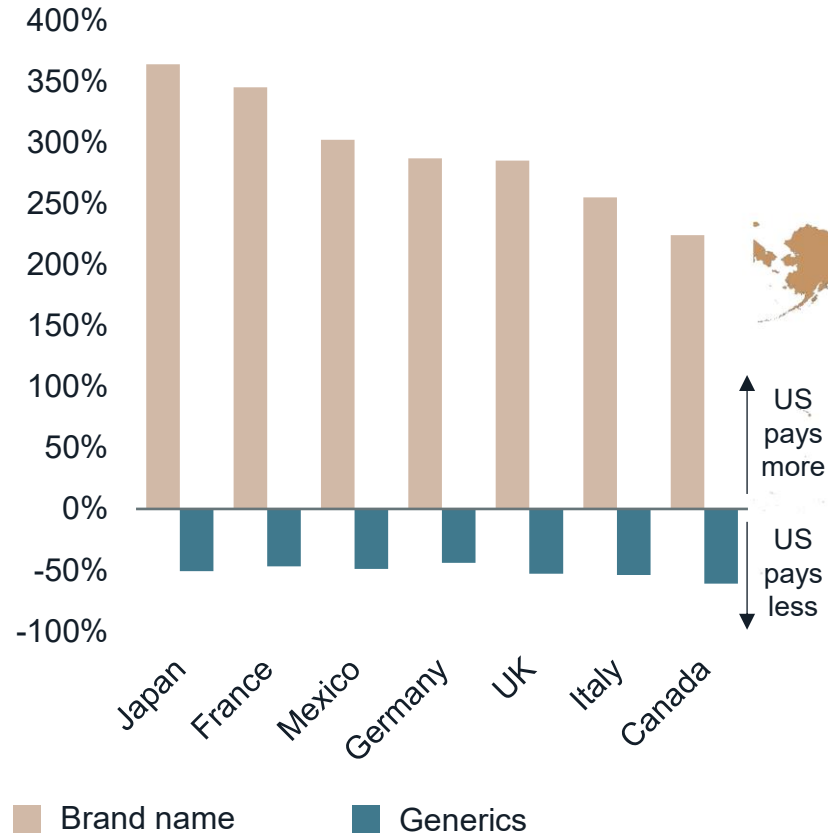
In the US & Europe, the growing prevalence of out-licensing with China is having a direct impact on laboratory requirements. Data from the US market show that companies signing domestic leases post-licensing are ***much less likely*** to be locating in a laboratory building compared to domestically grown biopharma companies.

Source: WIPO yearly PCT publications by technology, Evaluate

# Life Sciences | New policies reorienting the “where” of Life Sciences

## Price discussions, trade barriers, and the permanence of uncertainty

**U.S. drug prices vs. prices in select countries**



**Balance of pharma trade (in \$)**



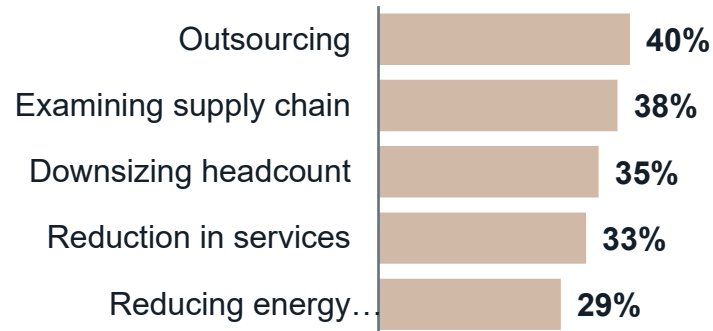
2025 has thrust pricing and balance of trade discussions to the forefront, with the life sciences industry needing to navigate these pressures more than almost any other sector. The Trump administration has initiated review of pharma tariffs and made in-roads to close the gap in branded drug prices in the US versus the rest of the developed world. With the stated aim 'rebalancing' pricing differentials at the country level to benefit American-funded pharmaceutical R&D, the Administration has engaged in active, if not unpredictable, pricing discussions with the UK and Japan in 2025. No doubt, in 2026, pressure will intensify across other European countries. At the same time, the Administration's focus on growing the American manufacturing base has led to introducing measures penalizing biopharmas who choose not to manufacture in the US. These policy-driven market shifts have already begun to affect location decisions for manufacturing primarily, and R&D to a lesser degree. Structurally, there will be a realignment in where drugs are made and sold. In 2023, Europe had net exports of \$181B. No other continent had a surplus balance of trade for pharma products. High growth markets (in Asia) and underserved markets will see inflows. The US has already seen 22 companies announce investment commitments, and over \$25B of new manufacturing investments commence.

Source: RAND "International Prescription Drug Price Comparisons" (2022), U.S. Pharmacopeia (2024), Evaluate, OEC

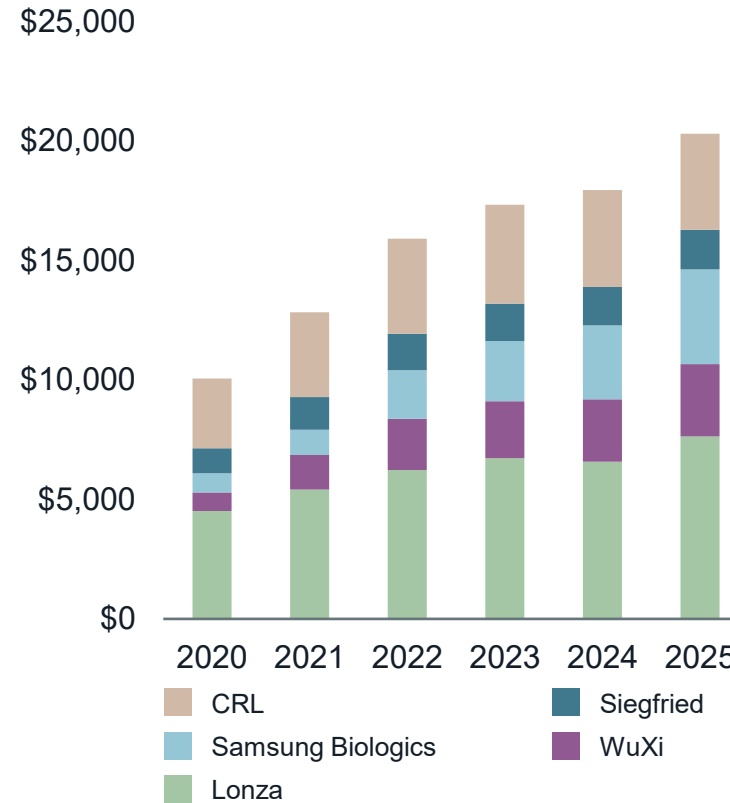
# Life Sciences | The rise of outsourcing

The efficiency mandate driving the utilization of third-party providers for everything from manufacturing to facilities management

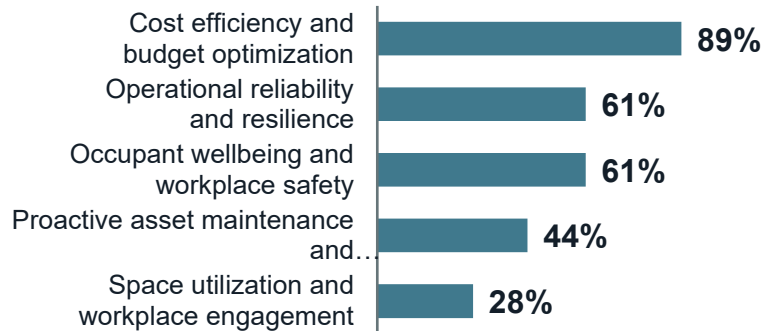
## How are Life Sciences companies responding to economic uncertainty?



## Select CDMO Revenues (\$M)



## Top FM priorities for life sciences companies this coming year



Tariffs, challenging funding environments, and intensified cost pressures are accelerating the shift toward outsourcing across life sciences operations. Companies are increasingly leveraging contract organizations – CROs, CDMOs, CMOs – to optimize their operational footprint, manage cash flows, and drive efficiency gains. Among large publicly traded CDMOs, revenues are anticipated to have doubled in 5 years when Q4 2025 numbers are released.

Outsourcing adoption has expanded from core functions like research and manufacturing to encompass facilities management services. Market research indicates that organizations pursuing FM outsourcing report cost reductions of 15-30% in first-generation implementations, alongside access to specialized capabilities and service standardization.

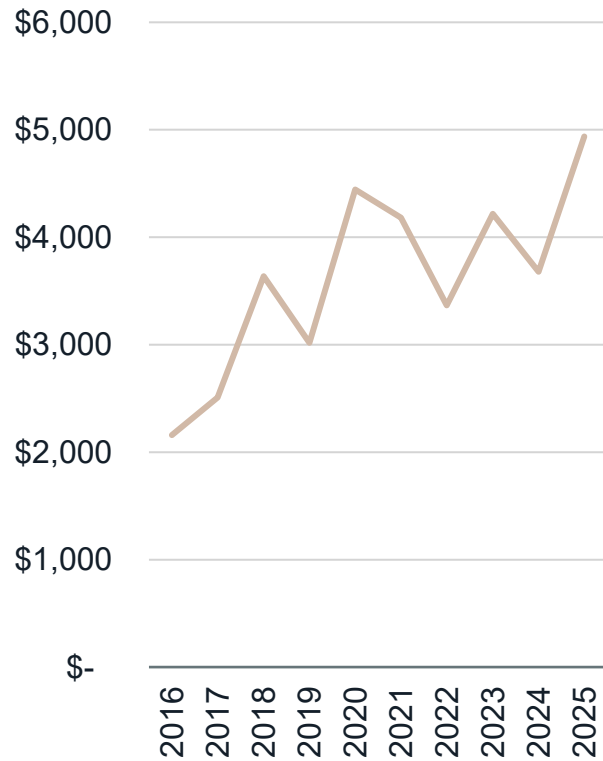
CRE leaders must adapt by re-evaluating portfolio footprints, considering partnerships with best-in-class service providers, and designing agile spaces that support collaborative ecosystems. The rise of outsourcing is not just an operational shift, but a strategic real estate imperative that calls for proactive alignment between facility planning, capital allocation, and business resilience.

Source: JLL Research, Pulse Survey 2025. 52 life sciences respondents, Pitchbook data

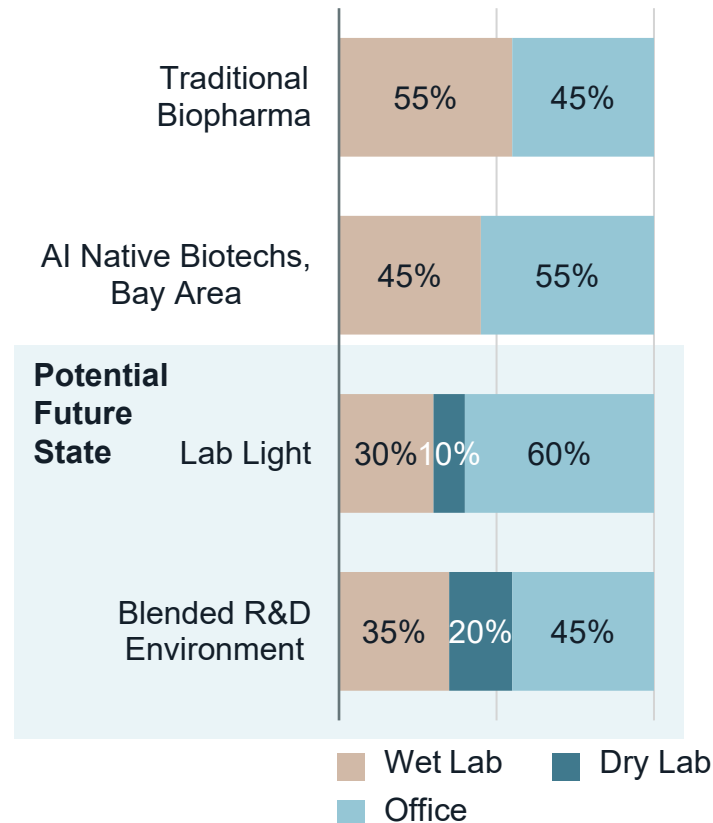
# Life Sciences | The changing nature of space utilization

Application of AI within R&D, cautious tenants, and other knowledge sectors will drive a fundamental shift

VC raised per SF leased\* (U.S.)



Approximate portion of leased spaces



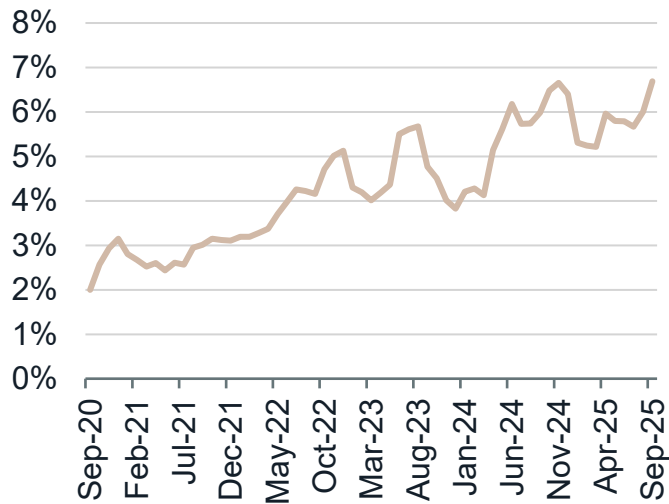
The fundamental question facing life sciences occupiers is “how much space do we actually need?” Tighter funding environments are also forcing companies to extend timelines and optimize budgets, impacting their space consumption. The amount of funding per leased square foot has doubled in eight years, and on a go-forward basis biotechs are structurally making do with less space. In a tight funding environment, expect this trend to hold as investors insist on capital efficiency. AI-driven research capabilities and programmable biology are making the R&D process more efficient, prompting organizations to assess their physical space requirements, utilization patterns, and operational densities. AI-first startups utilize 25% less space per full-time employee, and 15-20% less wet lab R&D within their spaces than traditional biotechs. As AI demands greater flexibility in the space delivered, this presents an opportunity for dedicated life sciences landlords and operators to expand their offering to the wider innovation and knowledge economy. All R&D sectors will need more dry lab space supporting AI-driven computational research, while robotics and automation in routine lab tasks will necessitate higher power and floor loads. Landlords who can future-proof their assets with requisite power, computational infrastructure, and maker space will foster cross-fertilization within their ecosystems and win the next cycle.

Source: JLL Research

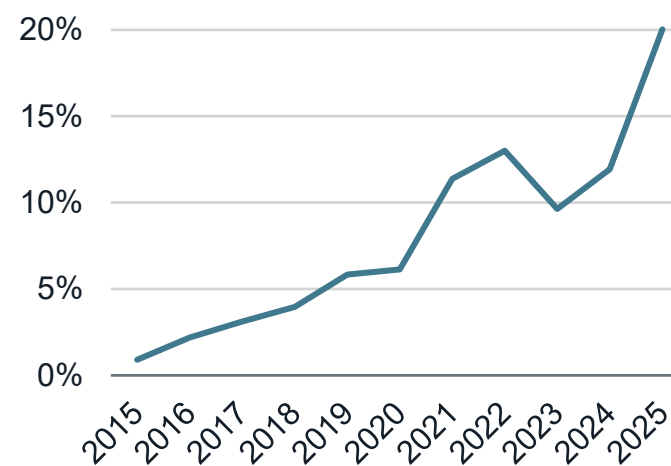
# Life Sciences | AI is changing everything

## But it's still too early to know the full implications

Share of U.S. Biopharma job openings requiring AI skills



% of Global Life Sciences venture dollars going to AI startups



Globally, the life sciences sector is leading in AI adoption for corporate real estate use cases, positioning the industry at the forefront of leveraging AI to optimize portfolio management and transform talent acquisition strategies.

Life sciences companies are becoming larger enterprise data center users, driven by AI integration among multinationals, novel life sciences specific foundational tools, and industry's push towards open access datasets. Strategic partnerships like Lilly's collaboration with NVIDIA exemplify how AI integration is pushing forward R&D and manufacturing needs.

Organizations are prioritizing markets with strong AI ecosystems and computational biology expertise as AI deployment for target/molecule discovery and data analytics normalizes. AI skills sought in biotech job openings has doubled in four years, while 2025 is on record pace for global fundraising by AI first biotech. Combined, AI-forward R&D strategies, evolving lab/manufacturing automation capabilities, and shifting talent demographics will challenge the traditional real estate model at a macro and micro level.

The stakes are enormous. With average drug development costs stubbornly hovering at over \$2B, 12+ years, and a failure rate of 85%, there are massive efficiency, and efficacy gains to be unlocked with AI.

<b>97%</b> of life sciences companies have begun (or will soon) to pilot AI in CRE use cases	<b>85%</b> of life sciences companies agree AI could help solve major CRE challenges	<b>71%</b> of biopharma companies are using AI in their data analytics efforts	<b>66%</b> of biotech and techbio companies are investing in generative AI	<b>59%</b> of biopharma companies are using AI in the drug discovery process
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Source: JLL Global Real Estate Technology Survey 2025, Pitchbook, Lightcast, NVIDIA's "State of AI in Healthcare and Life Sciences: 2025 Trends", JLL Future of Work 2024

# Thank you

**Amber Schiada**

Americas Research Head of  
Industries & Work Dynamics  
amber.schiada@jll.com

**Maddie Holmes**

Senior Analyst, Industries & Work  
Dynamics Research  
maddie.holmes@jll.com

**Mark Bruso**

Director, Boston & National Life  
Sciences Research  
mark.bruso@jll.com

**George Beaton**

EMEA & UK Life Science  
Research Lead  
george.beaton@jll.com

**Kaiwen Li**

Research Manager, Work  
Dynamics, APAC  
kaiwen.li@jll.com

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