

H1 2026

Houston Life Sciences Market

Strengthening R&D Funding Augments Region’s Commercial Industry Development

Market Observations

- Houston’s life sciences ecosystem moved into 2026 in a strong position. Sustained by various flows of public and private research & development funding, Houston benefited in three notable ways: first by receiving more than \$412 million in Venture Capital funding plus \$122 million from the Cancer Prevention & Research Institute of Texas (CPRIT). Second, despite concerns over possible cuts in national research funding, Houston received \$951 million in awards from the National Institutes of Health (NIH) throughout 2025, a negligible trimming of only 20 basis points from the prior year. And third, on top of the nearly \$1.5 billion of funding received in 2025, Houston’s access to public life sciences funding was fortified even further when Texas voters overwhelmingly approved the Dementia Prevention & Research Institute of Texas (DPRIT), a \$3B state investment and the largest state funded dementia research initiative in the U.S.
- Consequently, leasing activity registered gains with new leases being signed at 6240 Levit Green Blvd by Plus Therapeutics, Celltex Therapeutics, and Oxia Therapeutics, Genomic Testing Cooperative took down space at 8800 Technology Forest Pl. Additionally, Avance Biosciences renovated their building at 5500 Northwest Houston for their Potency and Cell-Based Assay Center of Excellence.

Note: Construction total is competitive Life Sciences space.
 Source: Cancer Prevention & Research Institute of Texas (CPRIT), Pitchbook, Bureau of Labor Statistics, CoStar, Real Capital Analytics, National Institutes of Health (NIH), Transwestern. Arrow color palette indicates property sector agency leasing, management and investor trending assessment(s).



5.0 MSF

Inventory



11,472 SF

Q4-25 Net Absorption



14.3%

Direct Vacancy



15.2%

Total Availability

| TRENDLINES | 2025 | 2024 | Y-O-Y |
|----------------------------------|-----------|-----------|-------|
| Houston CPRIT Funding | \$122.1 M | \$129.1 M | ↓ |
| Houston Venture Capital Funding | \$412.3 M | \$242.3 M | ↑ |
| Houston NIH Funding | \$950.6 M | \$952.4 M | ↓ |
| Life Sciences Under Construction | 0 SF | 0 SF | ↔ |

Industry News & Announcements



Houston Life Sciences In the News

- Texas voters approved \$3 billion in funding for the Dementia Prevention & Research Institute of Texas (DPRIT) in November 2025. The funds will be distributed over time, approximately \$300 million per year over 10 years to support research, prevention, and treatment of dementia and related neurodegenerative diseases.
- The Center for Houston's Future launched Project Mentis, an initiative to position the metro as a global leader in brain health, led by the Rice Brain Institute, UTMB's Moody Brain Health Institute, and Memorial Hermann's neurology care department.
- In late 2025, Avance Biosciences opened its Potency and Cell-Based Assay Center of Excellence, a 75,000-square-foot facility at 5500 Northwest Houston, featuring 28,000 square feet of GLP-certified labs and 17,000 square feet of GMP space to support biologics, therapeutics, and vaccine developers.
- Meanwhile, Eli Lilly's tax abatement under Texas's Jobs, Energy, Technology and Innovation (JETI) program was approved for a \$6.5 billion biomanufacturing plant on what will become a 236-acre campus at Generation Park, a master-planned community being developed by McCord Development in northeast Houston. Topping off these remarkable growth strides for the Houston region, and just south of the Eli Lilly site, United Therapeutics is currently constructing a 77,000 square foot facility that will house cutting edge genetic organ transplant research.
- Houston also has nearly 200,000 square feet of move-in-ready speculative Class A lab space, with suites ranging from 6,000 to 30,000 square feet. About 53.7% is currently leased, with leasing activity accelerating in the second half of 2025.

MARKET ACTIVITY



Plus Therapeutics, developer of advanced radiation therapies for children and adults, leased a 11,370 square foot spec suite at 6420 Levitt Green Blvd in the TMC for their new headquarters. The company plans to take additional space in the building after a purpose-built laboratory is constructed.

Celltex Therapeutics will also move its headquarters to 6420 Levitt Green Blvd, consolidating its operations after signing a lease for 13,800 square feet of GMP certified laboratory and cleanroom space. Additionally, **Oxia Therapeutics** leased 5,460 square feet of Biosafety Level 2 laboratory space at 6420 Levitt Green Blvd.



Genomic Testing Cooperative, a cooperative-based cancer diagnostic center leased 6,948 square feet of lab space at the Alexandria Center for Advanced Technologies at 8800 Technology Forest PI – Building 100 in The Woodlands.

Capital Resources & Funding



Greater Houston's Venture Capital and Research

- Venture capital funding investment in Houston's life sciences sector rebounded in 2025, reaching \$412.3 million by year-end, up from \$242.3 million in 2024.
- Houston-based Baylor Genetics steered local fundraising with a \$102.0 million round led by Decheng Capital, raising its pre-money valuation to \$224 million. CoRegen raised \$62.6 million for its AI-powered cancer drug discovery platform, increasing its valuation to \$309.4 million. Indapta Therapeutics secured \$50.8 million to advance its natural killer cell cancer therapy, while March Biosciences raised \$28.4 million in Series A funding for its cell-based therapies targeting hematological cancers.
- Stamsen Biosciences raised \$25 million of in venture funding in a deal led by Global Emerging Markets to support global expansion, pursue an initial public offering (IPO), and advance 33 new plant-based drug candidates. ImmunoGenesis secured \$17.0 million in Series A1 funding from BioAdvance Capital and other undisclosed investors, raising its pre-money valuation to \$125 million.
- Additionally, three Houston life sciences companies raised \$10 million or more in their most recent funding rounds: Oorja Bio, Inc. (\$20.0 million), Biostate AI (\$16.0 million), and TomoWave (\$10.0 million).
- In research funding, Houston institutions received \$950.6 million in NIH grants in 2025. The top three recipients accounted for \$716.5 million, led by Baylor College of Medicine (\$314.9 million), UT MD Anderson Cancer Center (\$217.7 million), and UTHealth Houston (\$183.9 million).

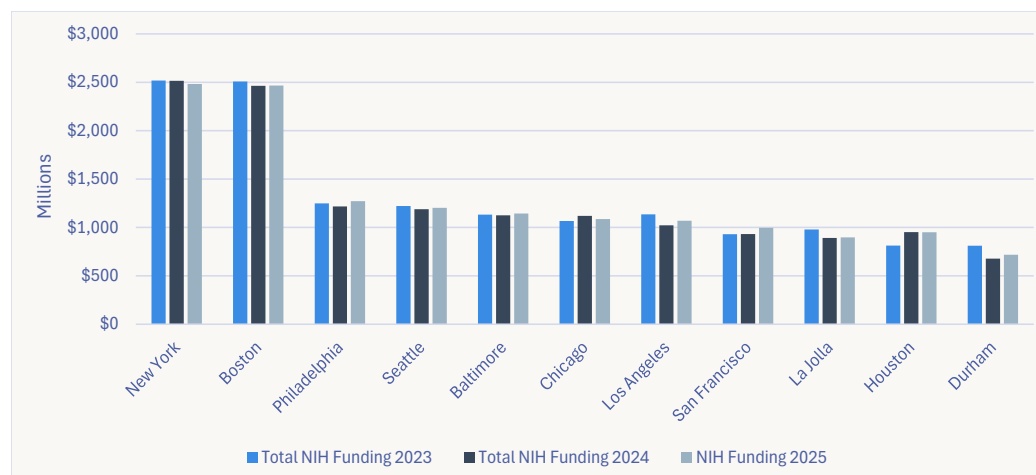
Top Ten VC Funded Companies For Houston Life Sciences

| Companies | Industry | 2025 Funding (\$ Millions) | Cumulative Funding (\$ Millions) |
|--------------------------------------|----------------|----------------------------|----------------------------------|
| Baylor Genetics Holdings, Inc | Med Tech/Data | \$102.0 | \$102.0 |
| CoRegen Inc. | BioTech | \$62.6 | \$77.1 |
| Indapta Therapeutics Inc. | BioTech | \$50.8 | \$162.3 |
| March Biosciences, Inc | BioTech | \$28.4 | \$33.2 |
| Stamsen Biotechnology Inc. | Pharmaceutical | \$25.0 | \$35.0 |
| Oorja Bio, Inc. | BioTech | \$20.0 | \$20.0 |
| Biostate AI, Inc. | Med Tech/Data | \$16.0 | \$16.7 |
| ImmunoGenesis, Inc. | Therapeutics | \$10.8 | \$67.2 |
| TomoWave Laboratories, Inc. | Diagnostics | \$10.0 | \$8.4 |
| Path Ex, Inc. | Med Device | \$9.0 | \$12.5 |
| TOP 10 GRAND TOTAL | | \$334.6 | \$534.4 |
| ALL HOUSTON TOTAL | | \$412.3 | \$846.2 |

Source: Pitchbook, Transwestern

National Institutes of Health (NIH), Total Funding

2023 vs 2024 vs 2025



Source: NIH, Transwestern. Annual calendar year funding, sorted by 2025 YTD in descending order.
 *Total NIH Funding YTD is through August 2025.

Capital Resources & Funding



Houston 2025 Mid-Year CPRIT Awards

- Houston continues to lead Texas in CPRIT funding, receiving \$861.0 million since 2022, including \$122.1 million awarded in 2025 with an additional \$90.7 million pending.
- While no local pharmaceutical or biotechnology companies received new grants in 2025, UT MD Anderson Cancer Center secured more than \$61.3 million, far exceeding other regional institutions. The three largest individual grants totaled \$6.0 million, \$3.0 million, and \$2.5 million.
- Baylor College of Medicine received \$18.8 million, supporting research on gallbladder, liver and intrahepatic bile duct, lung and bronchus, and tobacco-associated cancers.

- The University of Texas Health Science Center was awarded \$15.8 million, including \$2.5 million for breast, cervical, and HPV-associated cancer research, while Rice University received \$9.2 million for leukemia, prostate, and breast cancer research.

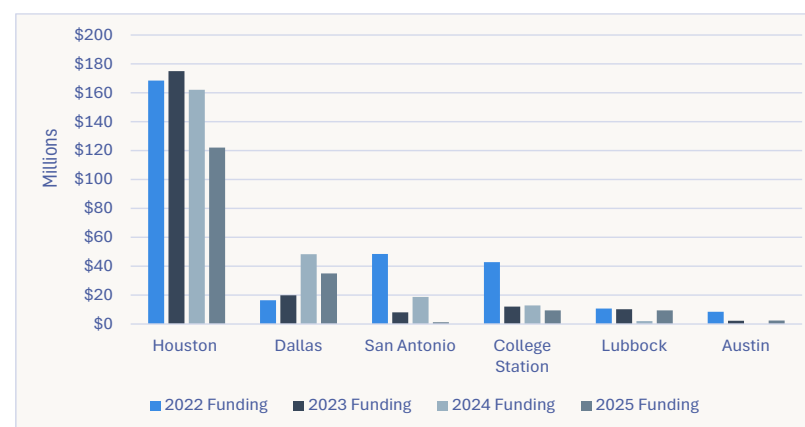
Cancer Prevention & Research Institute Of Texas, Top Recipients

| Rank | 2025 Top CPRIT Recipients | 2025 Funding |
|---------------------------|--|----------------|
| 1 | The University of Texas M.D. Anderson Cancer Center | \$61,378,100 |
| 2 | Baylor College of Medicine | \$18,798,678 |
| 3 | The University of Texas Health Science Center at Houston | \$15,254,318 |
| 4 | Rice University | \$9,299,434 |
| 5 | The University of Texas Medical Branch at Galveston | \$6,749,482 |
| 6 | University of Houston | \$5,349,264 |
| 7 | Texas Medical Center Foundation | \$2,999,970 |
| 8 | Texas Southern University | \$2,000,000 |
| 9 | The Methodist Hospital Research Institute | \$249,992 |
| TOP 10 GRAND TOTAL | | \$95.4 |
| ALL HOUSTON TOTAL | | \$122.1 |

Source: CPRIT, Transwestern. 2025 YTD funding, sorted by awarded amount in descending order. Pending awards not included.

CPRIT Funding by Texas Metro 2022 - 2025

| Location | 2022 Funding | 2023 Funding | 2024 Funding | 2025 funding |
|----------------------------|--------------------|---------------------|---------------------|--------------------|
| Houston | \$168,483,277 | \$175,026,105 | \$162,104,155 | \$122,079,238 |
| Dallas | \$16,404,562 | \$19,836,130 | \$48,290,560 | \$35,045,663 |
| Austin | \$48,501,750 | \$8,050,000 | \$18,770,545 | \$1,263,596 |
| San Antonio | \$42,797,822 | \$12,041,457 | \$12,896,815 | \$9,446,390 |
| College Station | \$10,736,850 | \$10,244,189 | \$1,998,639 | \$9,447,070 |
| Lubbock | \$8,456,656 | \$2,298,491 | \$0 | \$2,398,822 |
| Remaining TX Metros | \$2,995,149 | \$38,220,978 | \$13,840,000 | \$8,749,546 |



Source: CPRIT, Transwestern. Annual calendar year funding, sorted by 2025 YTD in descending order.

Purpose Built Life Sciences Buildings



Under Construction



United Therapeutics Designated pathogen-free Facility

United Therapeutics, a pioneer in xenotransplantation (the process of grafting or transplanting organs or tissues between members of different species), is constructing a 77K SF clinical-scale designated pathogen-free facility in Northeast Houston near Generation Park. The facility will house genetically modified pigs used to grow organs, such as hearts and kidneys, for human organ transplants. Construction is expected to complete in the latter half of 2026 and will be able to house 200 pigs.

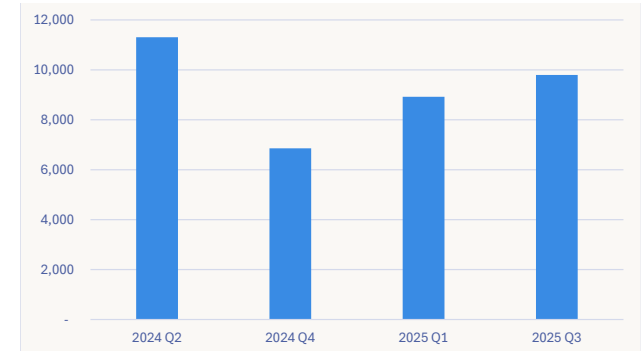


Eli Lilly API Manufacturing Plant

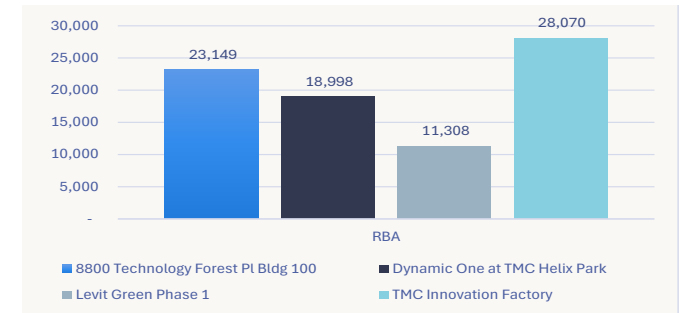
Eli Lilly will be constructing a \$6.5 billion biomanufacturing plant on 236 acres at Generation Park, the master-planned site being developed by McCord Development in northeast Houston. Eli Lilly will employ 4,000 construction workers and up to 615 permanent staff at the facility, expected to be fully operational in the next five years, where active pharmaceutical ingredients for medications, including oral GLP-1 agonists, will be manufactured.

Delivery Schedule

Class A Speculative Lab SF Deliveries



Class A Speculative Lab Available SF (Q2-25)



Source: Transwestern

| | Building Name | Address | RBA (SF) | Delivered | Percent Leased | Quoted Rate | OPEX | Spec Lab (SF) |
|--------------------|-----------------------------|---------------------------|----------|------------------|----------------|--------------|----------------|----------------|
| Recently Delivered | LEVIT GREEN - PHASE 1 | 6420 Levit Green Blvd | 295,000 | JAN 2023 | 17.8% | \$53.00 | \$22.00 | 30,065 |
| | 8800 TECHNOLOGY - BLDG 100 | 8800 Technology Forest Pl | 124,110 | AUG 2023 | 46.5% | \$55.00 | \$23.00 | 30,067 |
| | TMC3 COLLABORATIVE BUILDING | 7255 Helix Park Ave | 250,000 | OCT 2023 | 100.0% | \$60.00 | \$20.00 | - |
| | DYNAMIC ONE | 1840 Dynamic Way | 350,000 | DEC 2023 | 69.8% | \$65.00 | \$21.00 | 18,998 |
| | TOTAL | | | 1,019,110 | | 59.3% | \$58.25 | \$21.50 |

Source: Transwestern, Costar

Life Sciences Occupiers

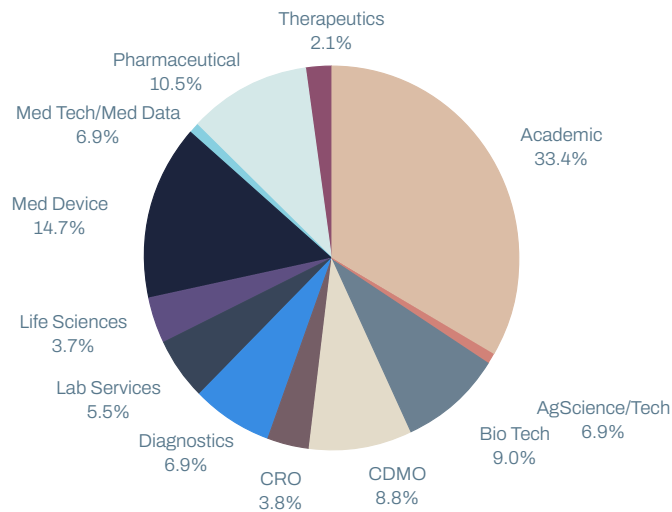
Property Type & Square Feet

| Type | Industrial | Flex* | Office | Grand Total |
|--------------------|------------------|----------------|------------------|------------------|
| Academic | - | - | 2,183,546 | 2,183,546 |
| Med Device | 497,281 | 187,255 | 275,630 | 960,166 |
| Pharmaceutical | 444,833 | 60,655 | 183,035 | 688,523 |
| Bio Tech | 151,731 | 115,493 | 321,810 | 589,034 |
| CDMO | 166,893 | 110,798 | 294,121 | 571,812 |
| Diagnostics | 55,029 | 20,140 | 374,796 | 449,965 |
| Lab Services | 102,714 | 123,658 | 129,760 | 356,132 |
| CRO | 130,488 | 1,100 | 113,696 | 245,284 |
| Life Sciences | 129,450 | 9,567 | 100,636 | 239,653 |
| Therapeutics | 42,400 | 22,970 | 71,513 | 136,883 |
| Med Tech/Med Data | 2,000 | 15,907 | 38,474 | 56,381 |
| AgScience/Tech | 54,881 | - | - | 54,881 |
| Grand Total | 1,777,700 | 667,543 | 4,087,017 | 6,532,260 |

Source: Transwestern, Costar

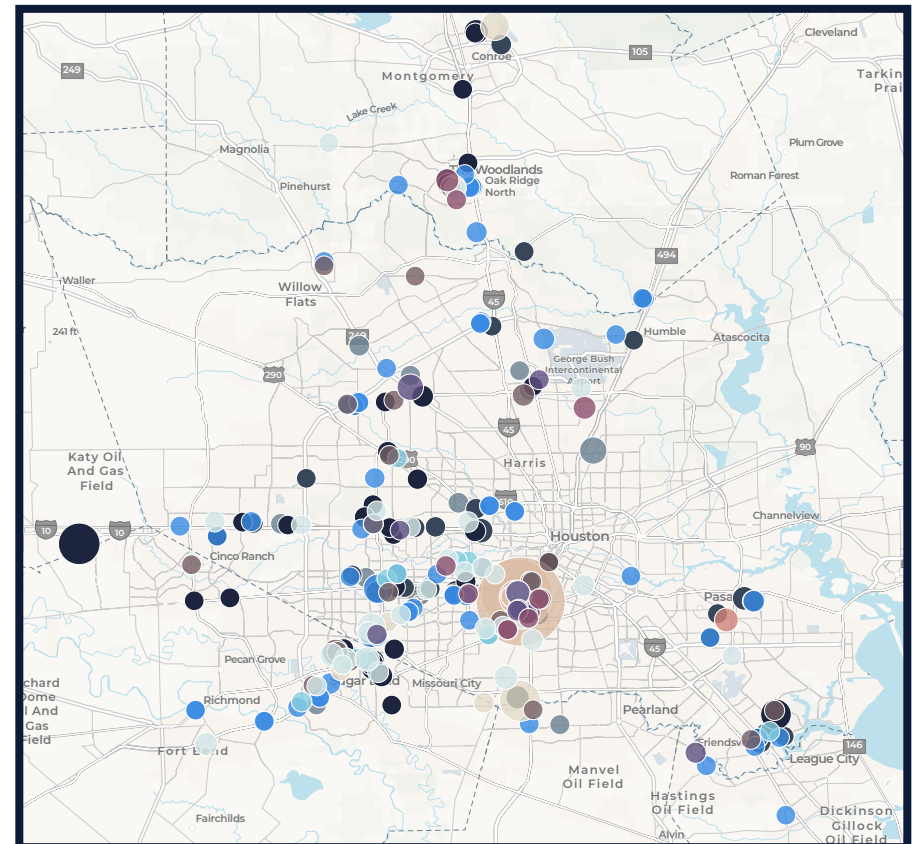
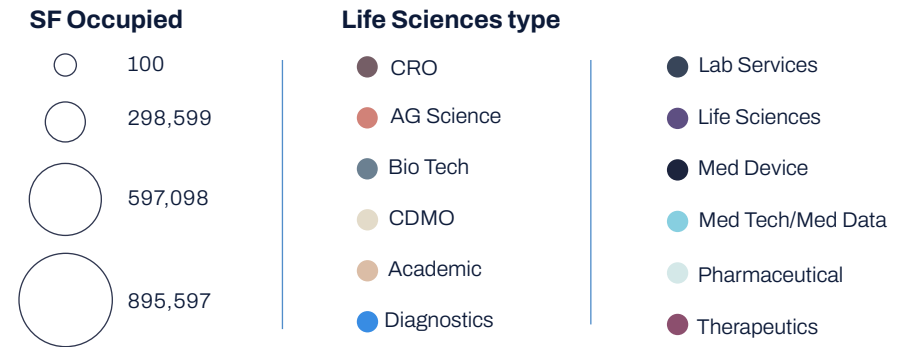
*Flex A type of building(s) designed to be versatile, which may be used in combination with office, research and development, quasi-retail sales, and includes distribution uses.

Specialty Composition



Source: Pitchbook, Bureau of Labor Statistics, Real Capital Analytics, Revista, Transwestern, Costar. Does not equal 100% due to rounding.

Occupancy By Location & Type



Source: Transwestern, Costar, ZoomInfo.
*Size of circle is relative to SF occupied

Property & Submarket Overview



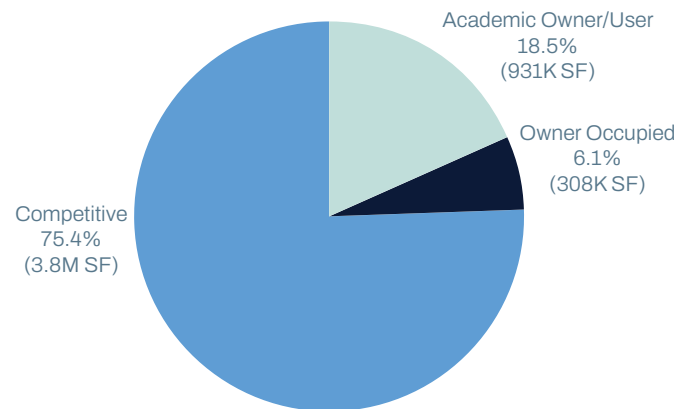
H1 2026 Purpose Built Life Sciences Properties by Submarket & Square Feet

| SUBMARKET | Industrial | | Flex* | | Office | | Total | |
|----------------------------|----------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|
| | RBA | % Leased | RBA | % Leased | RBA | % Leased | RBA | % Leased |
| BAYTOWN/CHANNELVIEW | 300,000 | 95.8% | - | - | - | - | 300,000 | 95.8% |
| CLEAR LAKE | - | - | - | - | 144,346 | 100.0% | 144,346 | 100.0% |
| NEAR SOUTHWEST | - | - | 903,093 | 92.8% | 100,449 | 80.1% | 1,003,542 | 91.5% |
| SOUTH | 98,304 | 100.0% | - | - | 276,770 | 100.0% | 375,074 | 100.0% |
| THE WOODLANDS/CONROE | 65,000 | 100.0% | 323,277 | 100.0% | 270,050 | 70.5% | 658,327 | 87.9% |
| TMC | - | - | 28,252 | 79.3% | 2,515,687 | 79.2% | 2,543,939 | 79.2% |
| HOUSTON GRAND TOTAL | 463,304 | 97.3% | 1,254,622 | 94.4% | 3,307,302 | 81.1% | 5,025,228 | 85.7% |

Source: Transwestern, Costar

*Flex A type of building(s) designed to be versatile, which may be used in combination with office, research and development, quasi-retail sales, and includes distribution uses.

Property User Profile



Percentage of SF tracked
Source: Transwestern, Costar

Top Life Sciences Employers In Houston



Houston Life Sciences Market H1 2026



For More Information

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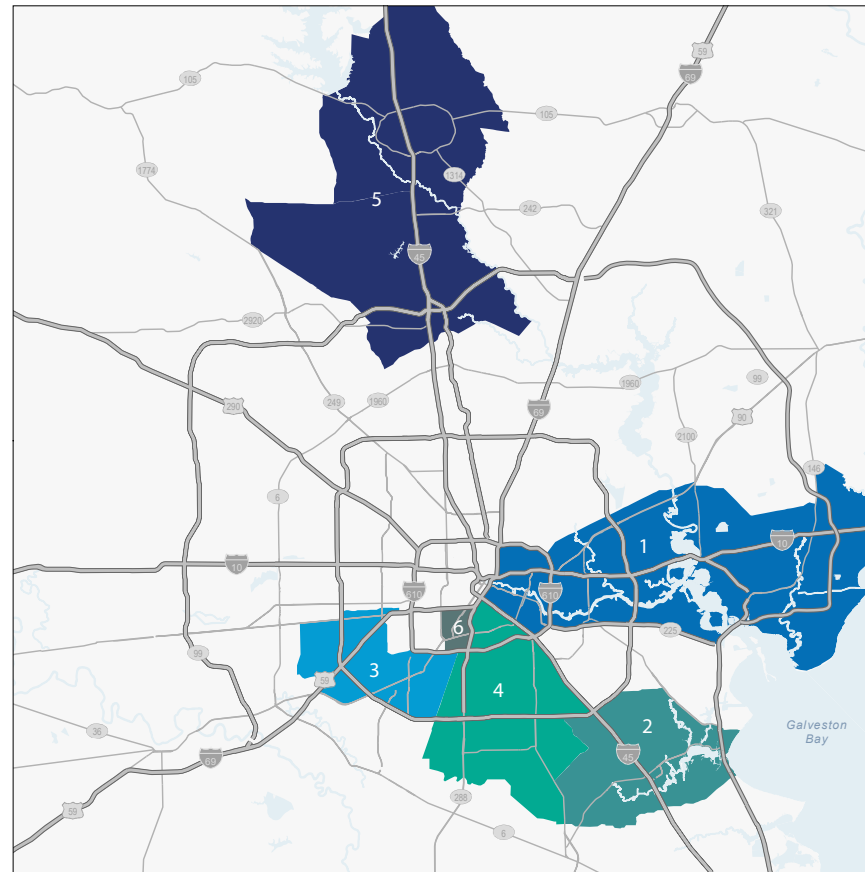
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Houston Life Sciences Submarkets

- 1 Baytown/Channelview
- 2 Clear Lake
- 3 Near Southwest
- 4 South
- 5 The Woodlands/Conroe
- 6 TMC

About Transwestern

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