

CBRE

The Greater Montréal Lab Market Report

2024 In Review

A compelling
real estate offering

CBRE RESEARCH | JUNE 2025



Executive Summary

A balanced market amidst North America's oversupply

Key Findings

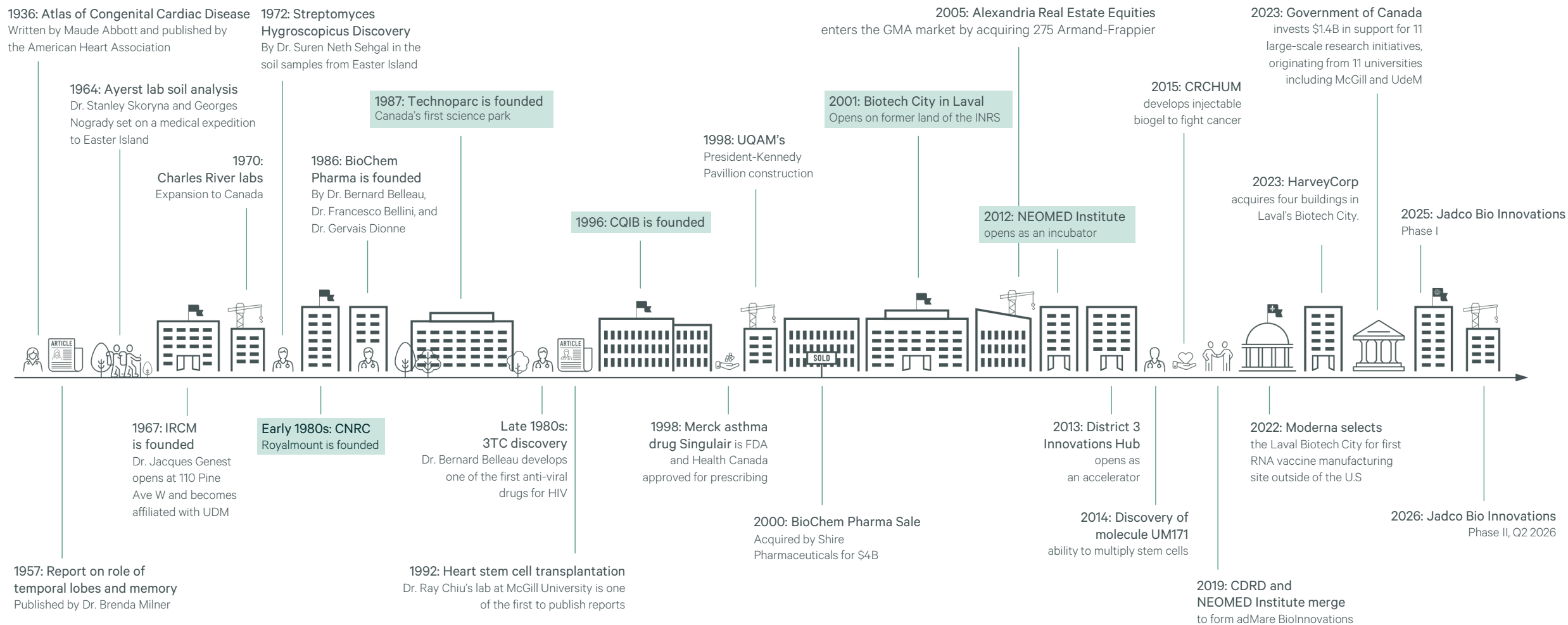
- Net absorption totaled 35,949 sq. ft. This is in stark contrast to established U.S. markets like Boston, San Francisco, and Raleigh-Durham who all experienced negative net absorption for 2024.
- The vacancy rate decreased by 62 basis points year-over-year, reaching **5.9%**.
- Tenants in market data equals 660,922 sq. ft. R&D represents the bulk of demand with 497,361 sq. ft. while GMP represents 163,561 sq. ft.
- The under-construction pipeline remains tight with the main development being Jadco's Inspire Bio Innovations. A tight pipeline has kept absorption positive since there is no excess vacancy deriving from new supply.
- Montréal's Life Sciences ecosystem stands out from that of other major North American cities as the most affordable market in terms of real estate costs and labour. Lab net rental rates average **\$41.68 per sq. ft.** which is 59.88% more affordable than the U.S. average when accounting for currency change. Downtown lab spaces command a higher premium of **\$62.00 per sq. ft.**
- Montréal is in the top 15 global Life Sciences markets in terms of inventory size, ranking 14th with 5.8 million sq. ft.
- **47.1%** of transaction sizes were in the 5,000 -10,000 sq. ft range. The five-year average is 13,500 sq. ft.
- Venture capitalist funding soared in 2024 to \$615 million CAD, an annual growth rate of 32.8% since 2019.



Life Science Inventory Overview

Dissection of the Life Sciences markets in the GMA

Montreal Life Sciences Timeline



An inventory steadily on the rise

- CBRE is currently tracking **5.8 million sq. ft.** of existing lab space with a vacancy rate of **5.9%.**
- There are currently three major landlords in the Life Sciences space: HarveyCorp, Alexandria Real Estate Equities, and Jadco.
- Montréal’s inventory size is comparable to Seattle, Singapore, Los Angeles, Tokyo, and Cambridge (UK).
- Montréal is an emerging Life Sciences market, ranking **14th** in the global Life Sciences markets in terms of inventory and **21st** for under construction.
- Developments are scarce. There is **112,750 sq. ft.** under construction, concentrated Downtown and in Nexus-40-13 hub. Jadco’s Inspire Bio Innovations represents the lion’s share with 92,750 sq. ft. and will be Class A product. Harveycorp has undergone a conversion of 20,000 sq. ft. for NuChem.
- Harveycorp has approximately 200,000 sq. ft. of office space in Laval’s Biotech city that is designated for conversion into R&D space.
- **47.9%** is the percentage of inventory that is located within a defined Life Sciences hub.

FIGURE 1: GMA lab space inventory by submarket, square foot

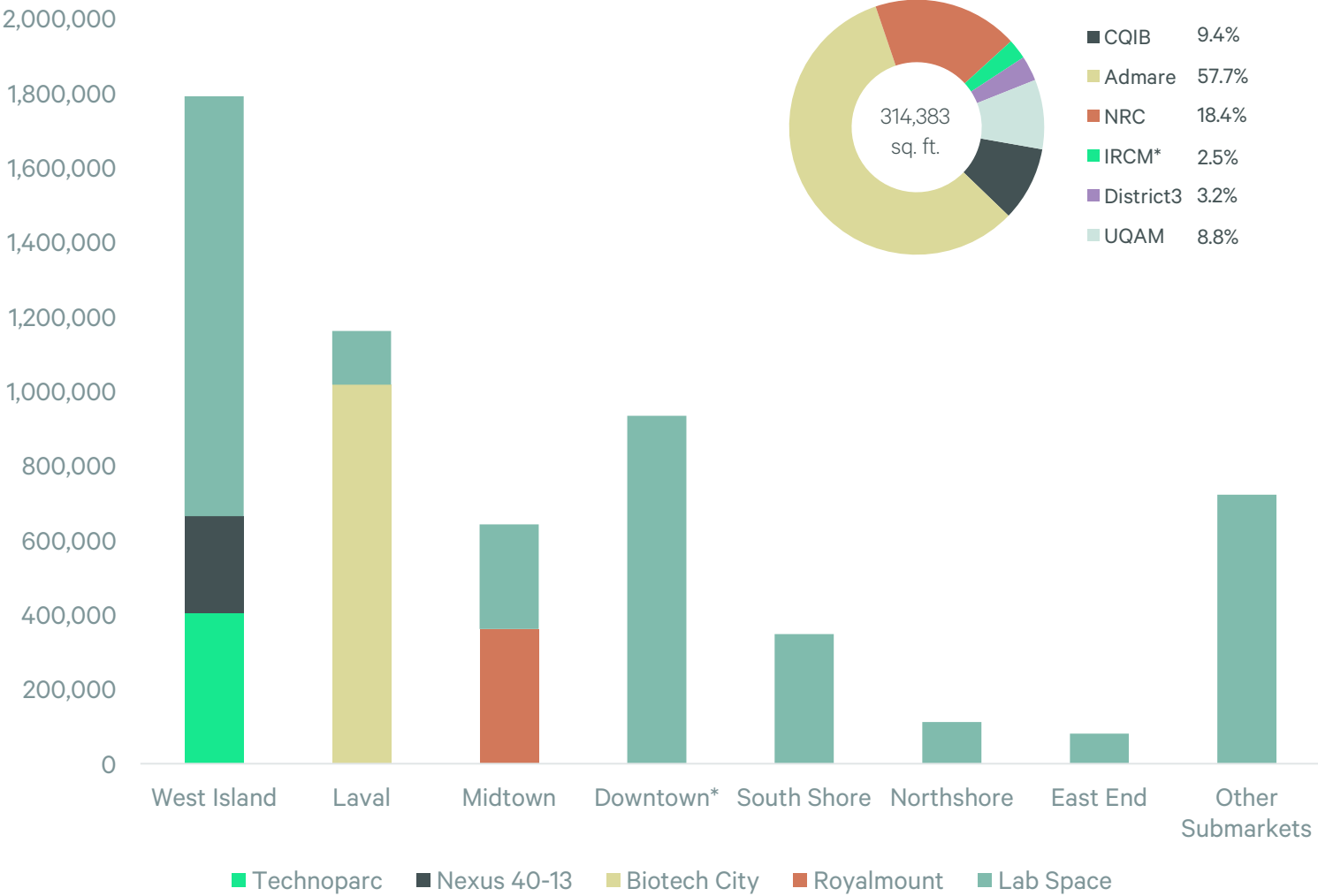
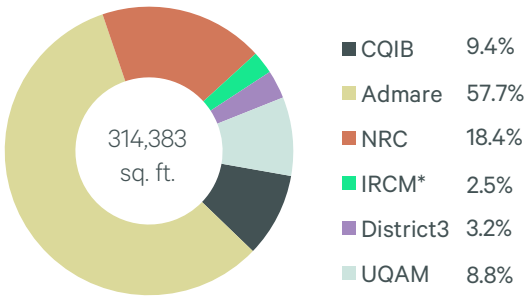


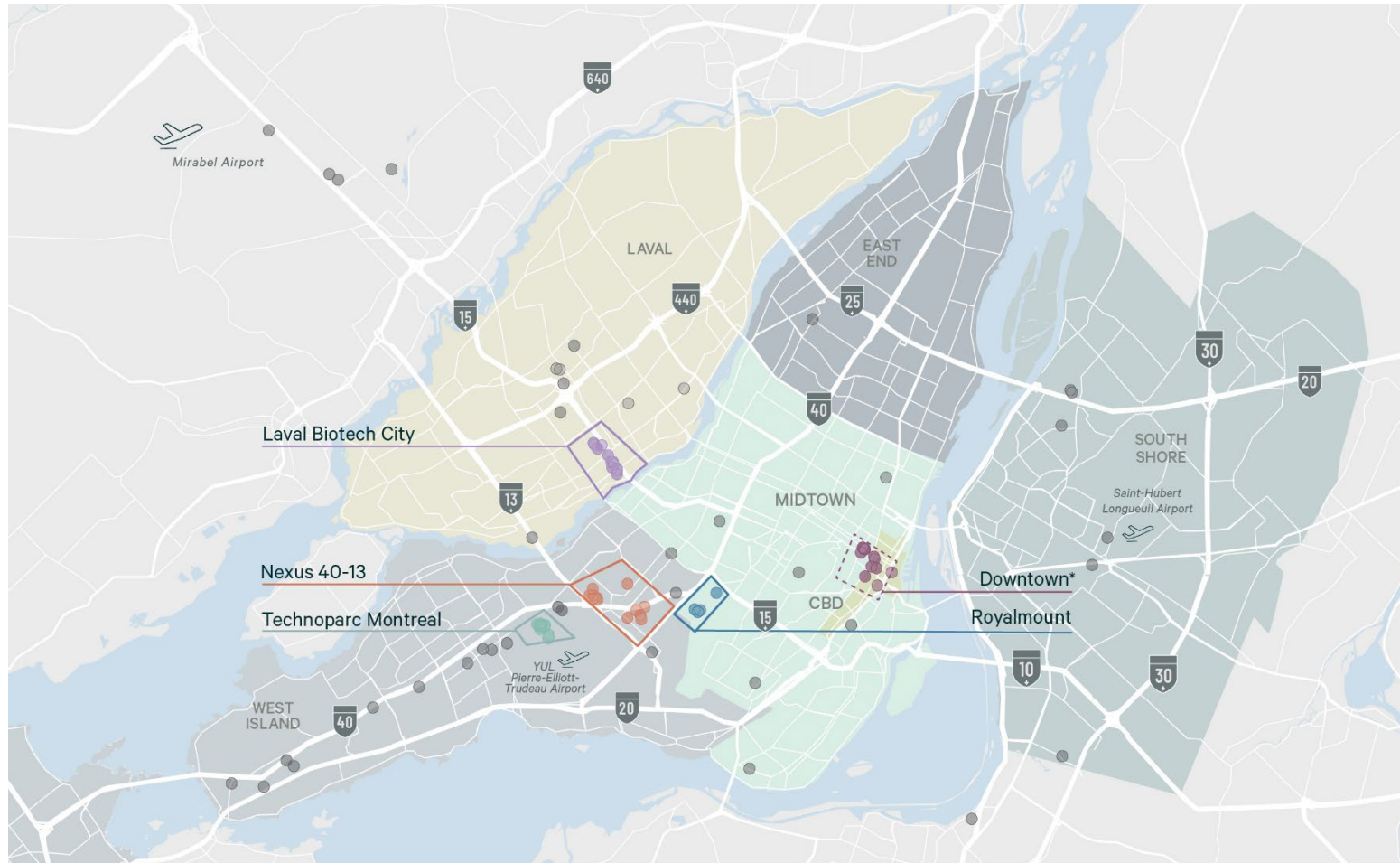
FIGURE 2: Share of Lab Space Offered to R&D Companies by Research Institutions



Source: CBRE Research, 2025
*Emerging Life Sciences Hub

The GMA features one emerging and four primary hubs with a significant concentration of Life Sciences expertise and talent

FIGURE 3: Individual lab locations and lab hubs by submarket; each circle represents a property containing a lab space



Lab Hubs:

- **Technoparc Montréal:** Founded in 1987. High-tech research and innovation hub historically known for life sciences, aerospace and other research-based innovation companies. The location is adjacent to Pierre-Elliott-Trudeau airport along the Highway 40 (Trans-Canada).
- **Nexus 40-13:** Founded in the early 90's as Liberty Sites, then sold and rebranded as Nexus 40-13. Located at the intersection of Highways 40 and 13 in Saint-Laurent. The light industrial zoning allows for GMP production, distribution and warehousing.
- **Royalmount:** Centered around the National Research Council (NRC) facility, which was founded in phases in the early to mid 1980s. This hub is located 1 km from the new Royalmount commercial development at the intersection of Highways 40 (Trans-Canada) and 15 (Decarie Expressway).
- **Laval Biotech City:** Created by a partnership between the City of Laval and the INRS Armand-Frappier Santé Biotechnologie Research Centre (INRS) in 2001. Located along Highway 15 (Laurentian Autoroute), most of its lab spaces are located on Armand-Frappier near Cartier West and Notre-Dame Boulevards.
- **Downtown*:** Although Downtown is not a unified, branded Life Sciences hub, it encompasses the largest density of universities, hospitals, research centres, public transit, educated workforce and capital.

*Emerging Life Sciences hub

Montréal Life Sciences Hubs



Technoparc Montréal

The Technoparc Montréal is located on over 20M sq. ft. of land with over 6M sq. ft. of projected development land area. There are over 115 Life Sciences companies spread throughout 32 buildings specifically zoned for research and development. The site is centered around the AdMare BioInnovations Centre (former Neomed Institute), which greatly contributed to the development of the city's life sciences ecosystem.

Excluding adMare's occupants, the majority of R&D tenants occupy biology and chemistry labs between 9,000 sq. ft. and 20,000 sq. ft..

Available for lease at end of 2024 : 62,130 sq. ft.



Nexus 40-13

Nexus 40-13 has a substantial concentration of Life Sciences companies, with a focus on GMP biomanufacturing and drug discovery. This park initially comprised 26 buildings. Constructed by Sandra Levy of Liberty Sites, in recent years, many buildings have been sold to developers and private owners.

Occupants within the park are pharmaceutical, biotechnology and medical technology device companies. The smaller tenants occupy between 3,000 sq. ft. and 8,000 sq. ft., whereas the largest single tenant occupant has up to 65,000 sq. ft.

Available for lease at end of 2024 : 112,290 sq. ft.



Royalmount

The Royalmount hub isn't comprised of a specific entity, nor does it have a specific branding. This hub is centered around Pharmascience's corporate headquarters and the National Research Council (NRC,) considered Canada's leading government research and development organization. Over a third of the lab spaces are leased to independent Life Sciences companies.

The Life Sciences footprint in this area expanded by roughly 58,000 sq. ft. during the pandemic when the federal government invested \$126 million to build the Biologics Manufacturing Centre, a GMP-compliant production facility.

Available for lease at end of 2024: 21,466 sq. ft.

Montréal Life Science Hubs



Downtown (Emerging Hub)

A substantial amount of lab space is located downtown. However, downtown lab spaces are found in major universities (e.g. McGill, UdeM, Concordia and UQAM), hospitals (e.g. CHUM, MUHC), and academic research centres (e.g. IRCM, District3) that are often unavailable for lease by third parties. Downtown isn't dominated by one entity, but an amalgamation of separate, yet frequently interdependent research labs. Several factors, including public transit, access to services, proximity to higher learning institutions and skilled workforce have garnered a lot of interest from landlords and developers who see downtown as the next Life Sciences hub and investment opportunity. In response to the recent decreased demand for office space and coupled with strong relative demand for R&D space downtown, there is an opportunity for developers to expand and/or diversify their real estate portfolio.

Activities in the downtown area have focused mainly on R&D in the pharmaceutical and biotech sectors, as opposed to GMP due in large part to zoning and space limitations. Tenants conducting research often benefit from collaboration with hospitals and universities. New downtown-adjacent developments are currently being released.

Available for lease at end of 2024 : 80,500 sq. ft. in pre-leasing only



Laval Biotech City

The Laval Biotech City is spread over a land area of over 13 M sq. ft. It houses 11 research centers, over 100 Life Sciences companies and 5,000 employees; the most densely concentrated hub in the GMA. Over the years, many scientific discoveries have emerged from this hub. Moderna selected the Laval Biotech City to house its vaccine production (GMP) facility after an extensive international search for space. This innovation zone announced a second phase in 2023 to respond to the growing demand from Life Sciences occupiers.

R&D activities are concentrated mainly on pharmaceuticals and biotechnology. There is a mix of single-tenant and multi-tenant facilities with companies occupying spaces ranging from 3,000 sq. ft. to 65,000 sq. ft. The main research centers are the Institut National de Recherche Scientifique (INRS) and the Centre québécois d'innovation en biotechnologie (CQIB).

Armand-Frappier Boulevard has become Laval's life sciences campus with investments by Alexandria Real Estate Equities and HarveyCorp.

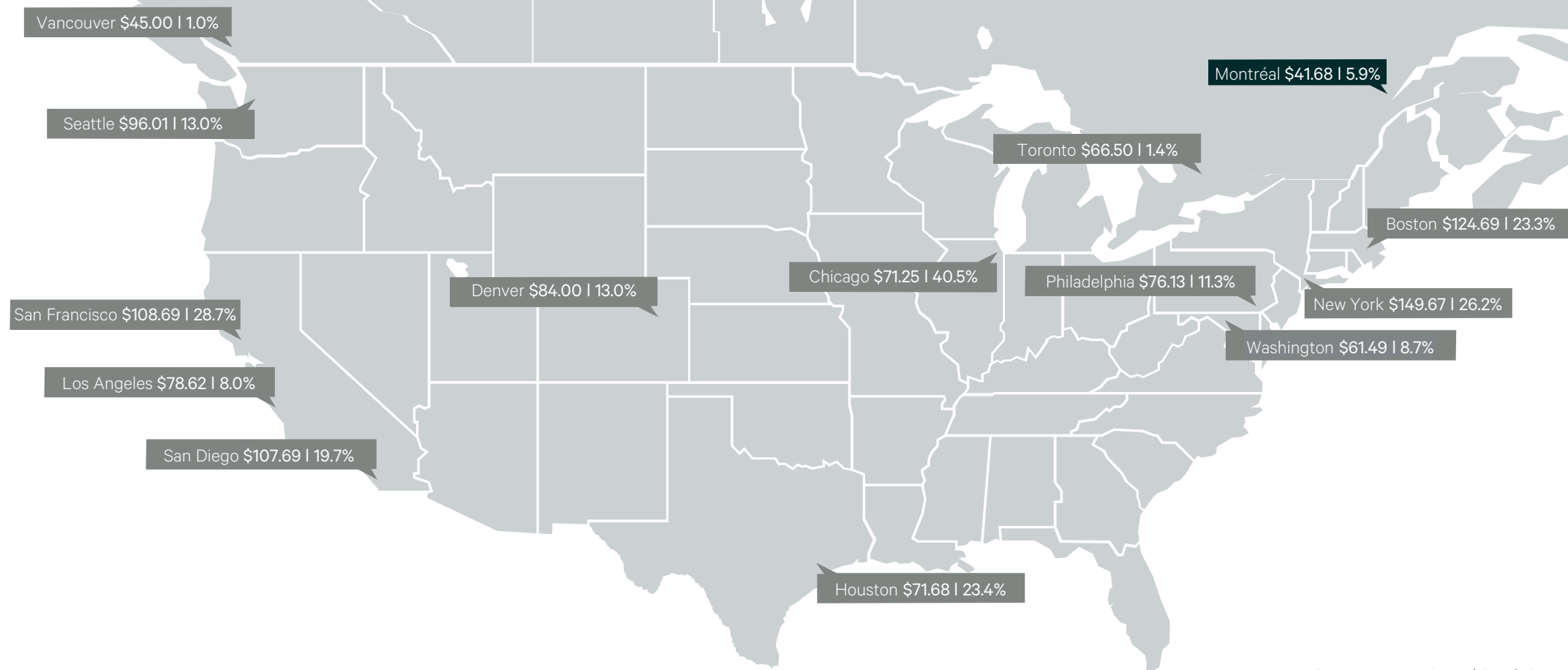
Available for lease at end of 2024: 222,183 sq. ft.

Demand Dynamics

Occupier demand profiles and requirements

Montréal: Home to the most affordable labs in North America

FIGURE 4: North American Life Sciences essential statistics, per life science hub



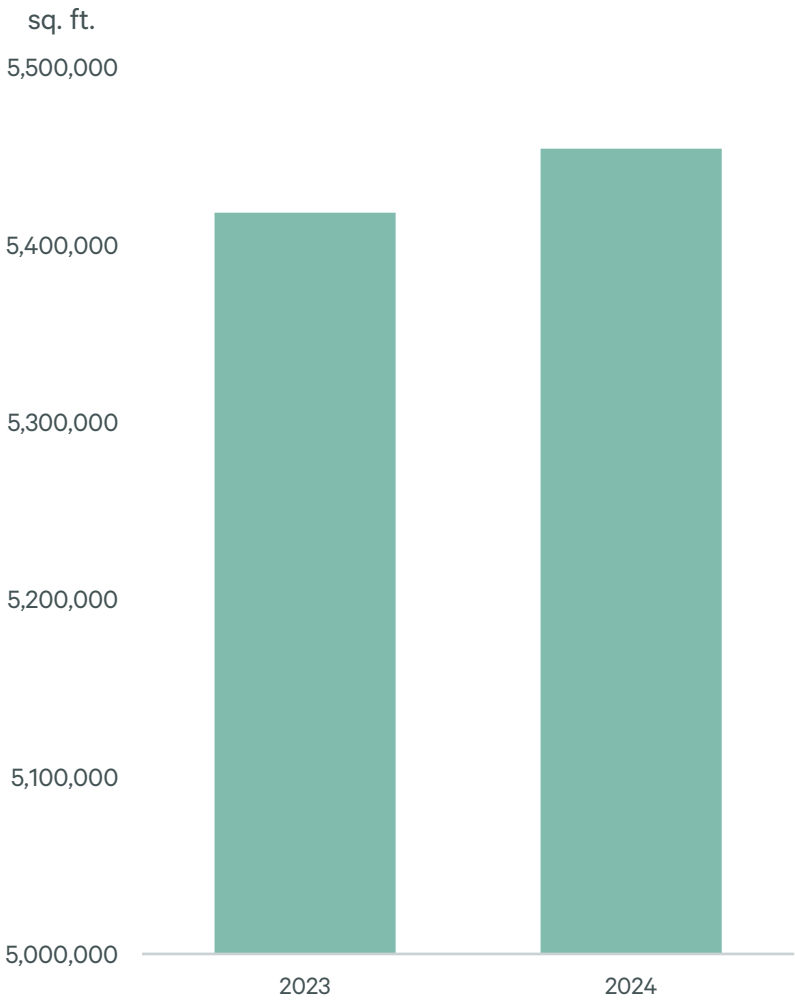
Legend


Average Asking Net Rate (CAD\$/sq. ft./annum) | Vacancy Rate (%)
Source: CBRE Research, 2025. U.S. values are converted into CAD.

Net Absorption Registers Modest Gains Despite Cooling Demand


- Net absorption remained positive in 2024 despite other Life Sciences hubs in the U.S. experiencing a pullback. The reason is twofold. Large markets like Boston-Cambridge and the San Francisco Bay area developed aggressively during the pandemic. Demand softened as new product was delivered, leading to an oversupply of space. Conversely, emerging markets, like Montréal, have limited inventory with a healthy balance of demand and supply metrics.
- R&D drove absorption as early-stage firms needed to quickly deploy their funding and advance their research.
- GMP requirements have a **24-to-36-month** timeframe for occupancy given the lead times needed for their customized operational requirements.
- Leasing activity has hit the ground running in 2025 with **Ability Biotherapeutics**- an antibody therapeutics company- being the first tenant in Inspire Bio Innovations phase 2 development. The Québec-based company will occupy the 6th floor.

FIGURE 5: Occupied Space (sq. ft.)






35,949 sq. ft.
Net Absorption



497,361 sq. ft.
R&D Tenants in Market*



163,561 sq. ft.
GMP Tenants in Market*

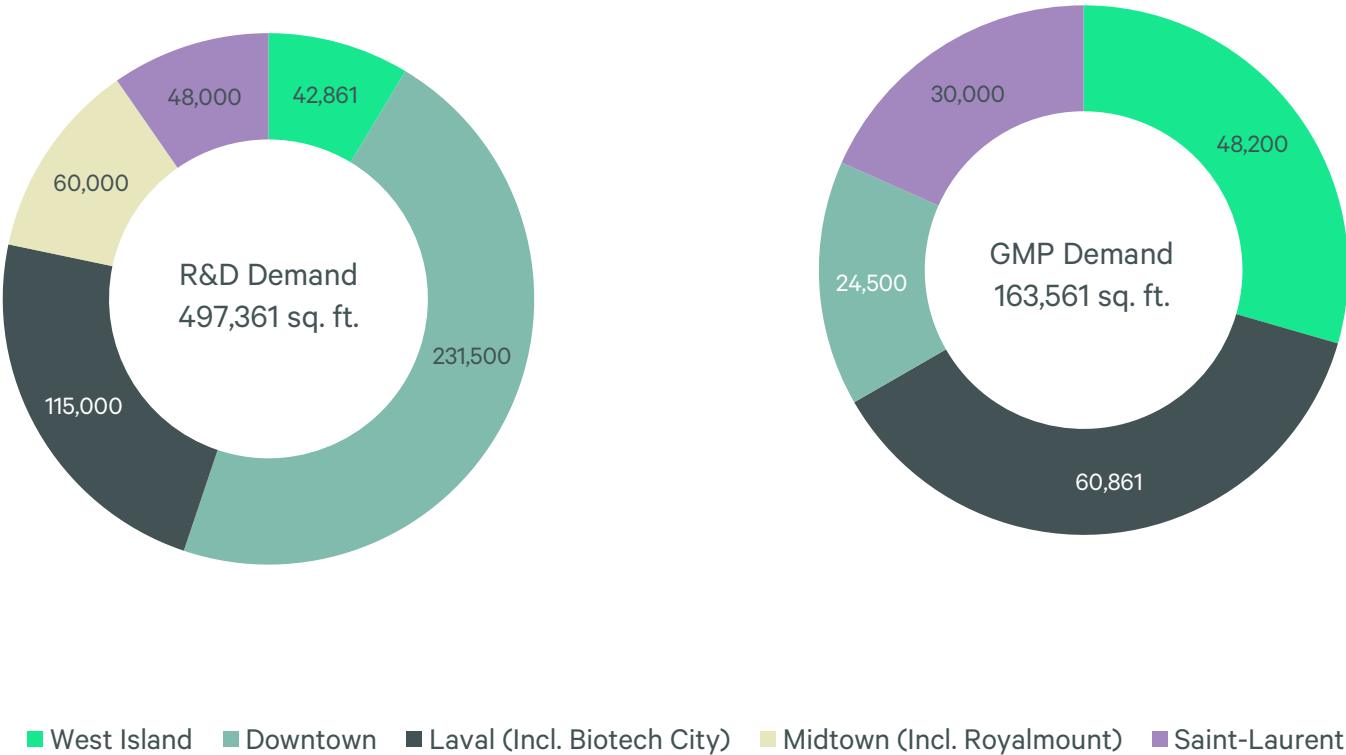
Source: CBRE Research, 2025.
Note: *Tenants in market is defined as any prospective occupant who has inquired about locations, requested market surveys for available spaces, or toured sites with CBRE advisors.

1. <https://www.ability.bio/en/2025/04/life-sciences-in-montreal-jadco-group-announces-that-its-scientific-hub-inspire-bio-innovations-will-be-home-to-the-next-generation-targeted-therapeutics-company-ability-biotherapeutics/>

Tenant Demand Wanes, Yet Limited Space Keeps Market at a levelled field

- R&D demand is down 46% compared to 2023 levels. Prospective occupiers are weighing options between leasing vacant new supply in U.S. markets versus Montréal's affordability. This, mixed with tariff uncertainty, has led tenants to a more conservative search for space. CBRE Research's tenants in market* data totals **660,922 sq. ft.** for 2024.
- **46.5%** of R&D tenants prefer Downtown locations due to proximity to research institutions, and a workplace strategy focused on employee well-being. Downtown offers flexible commuting options, attracting talent from the South Shore, North Shore, and the island of Montréal.
- Laval represents **37.2%** of GMP demand, largely attributed to availability of flex industrial options that cater to GMP use. R&D users also find Laval attractive due to readily available lab space, particularly around Armand-Frappier Boulevard. Comparatively, Class A product downtown is still under construction and requires a more patient occupant that does not need an immediate move-in date.
- Montréal remains competitive as an affordable option for tenants and CBRE Research anticipates this will attract decision-makers focused on maintaining bottom line costs.
- The typical leasing process for Life Sciences is time-consuming compared to traditional office. The main cause is attention to detail to rework plumbing, electricity, HVAC systems, floor load capacity, and specialized equipment. As a result, space is absorbed in a prolonged and gradual fashion.

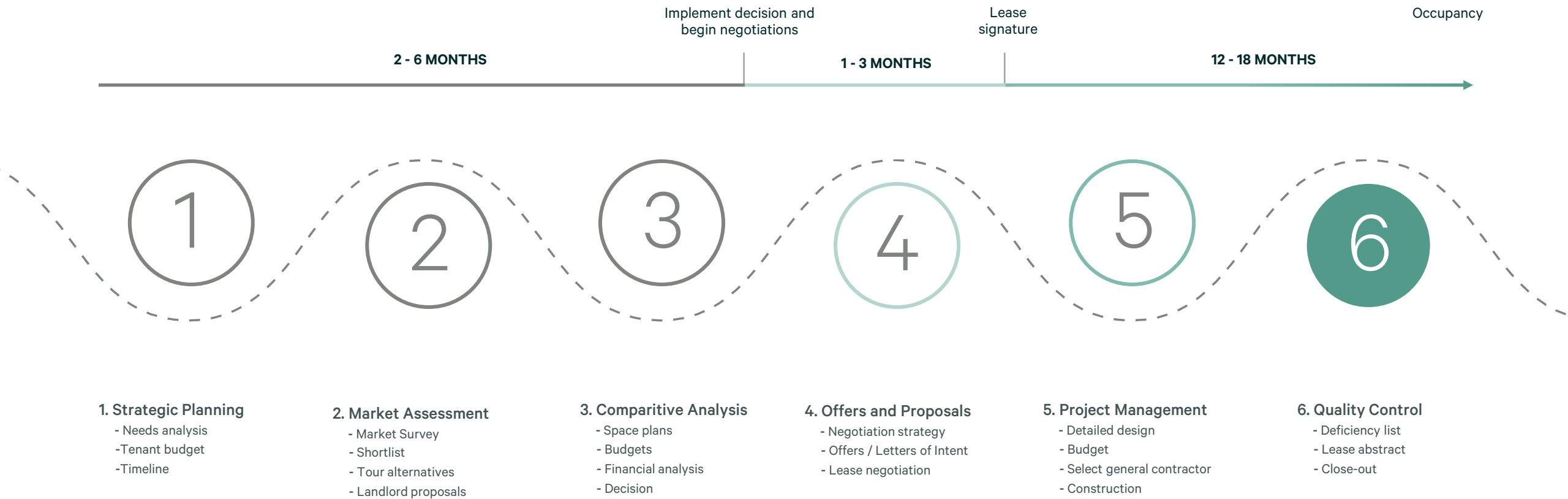
FIGURE 6: Demand distribution across submarkets



Source: CBRE Research, 2025.
Note: Tenants in market is defined as any prospective occupant who has inquired about locations, requested market surveys for available spaces, or toured sites with CBRE advisors.

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Typical Leasing Process



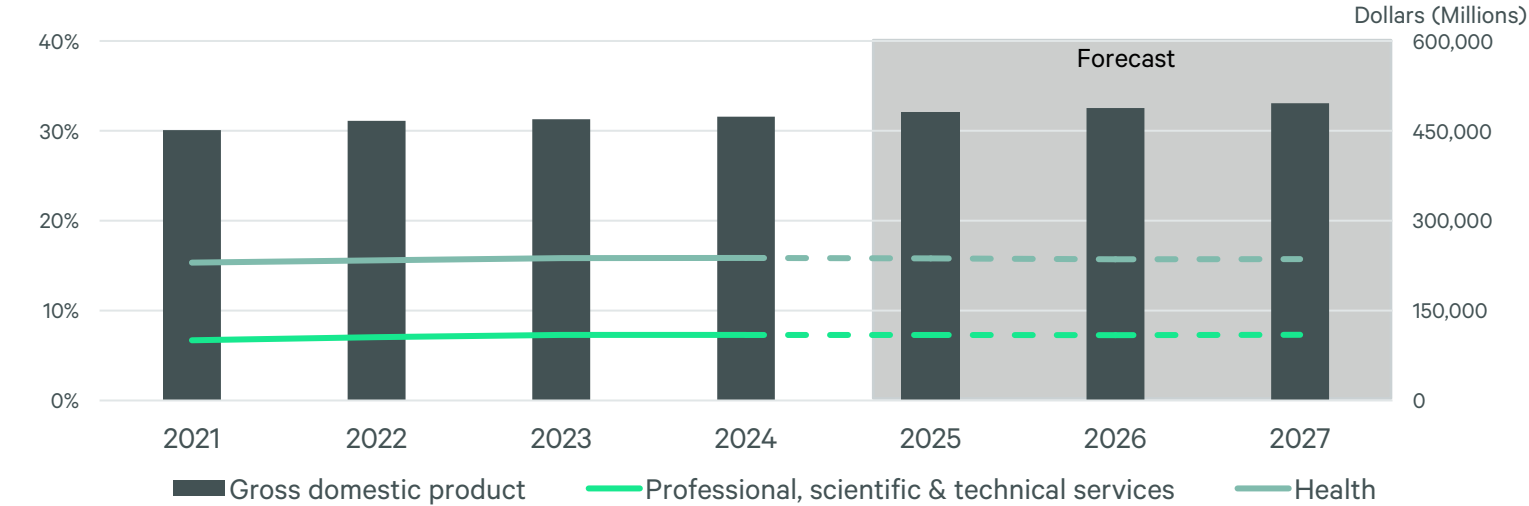
Macroeconomic & Labour Overview

Overview of the Life Sciences market evolution in the GMA

Over 15% of Québec’s GDP is linked to Life Sciences

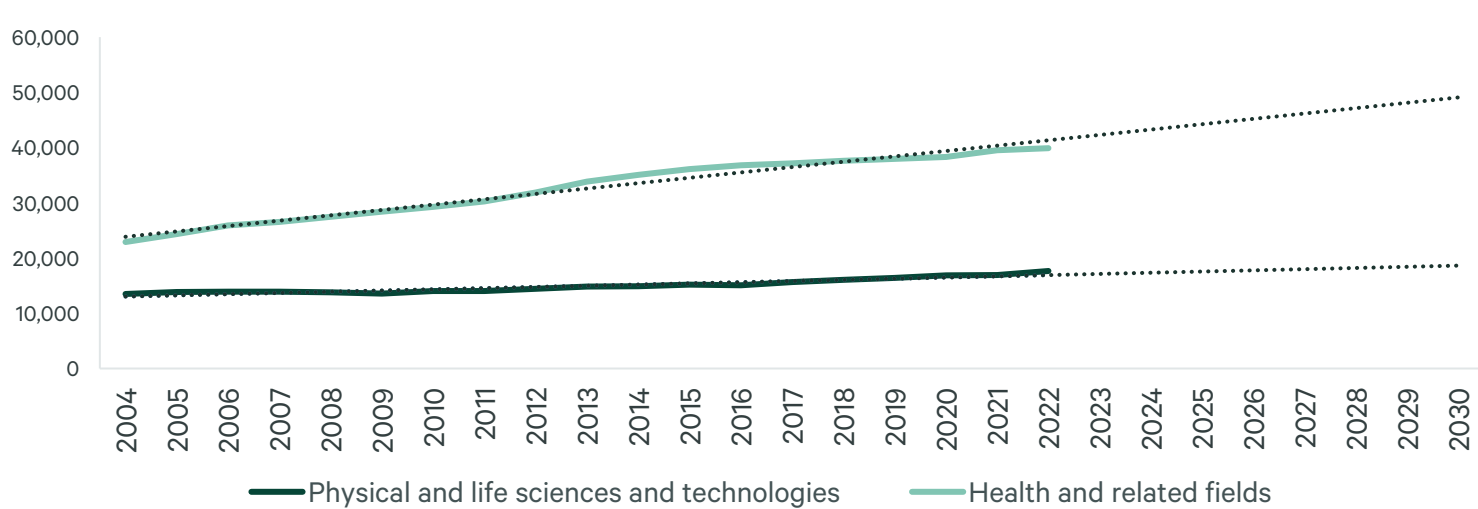
- Life Sciences represented \$4.6 billion of Québec’s GDP in 2020. This figure increased by 11% in 2024, now totalling **\$5.4 billion**.
- Québec ranks 5th in the North American states and provinces according to the innovation, economy, talent and cost indicators measured by **Montréal Invivo**.
- Since 2018, the number of small businesses in Life Sciences have increased by 13%, with a 20% growth in employee count.
- The province’s areas of expertise extend to mRNA, digital health, and AI implementation.
- For the last available year (2022), there were over 57,000 university enrollments in industries related to Life Sciences. CBRE Research estimates 18,600 enrollments in Life Sciences and just over 49,000 in Health-related fields by 2030. This would equate to an 18% increase, ensuring the labour force continues to produce top tier talent.
- Cost of living is significantly lower compared to major North American markets, allowing companies to seize the opportunity to have a qualified workforce at a discount in terms of employee salaries due to the low Canadian dollar.

FIGURE 7: GDP Portion of Life Sciences Related Industries, by year



Source: CBRE Research, Montréal Invivo, 2025

FIGURE 8: Enrollment for Life Sciences & Health-Related Fields in Québec, by year

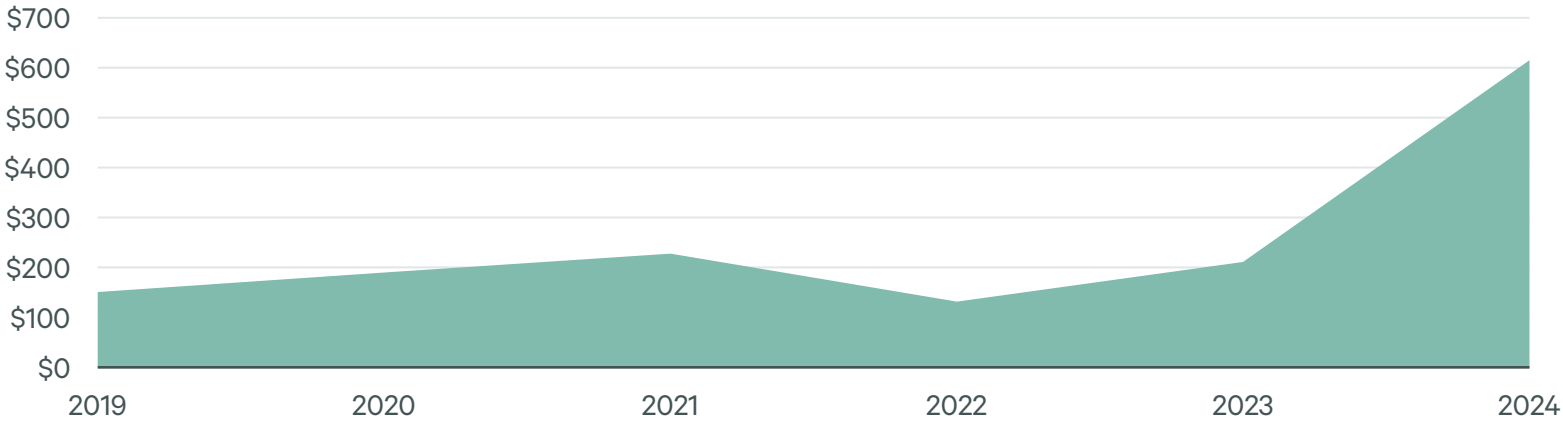


Source: CBRE Research, Montréal Invivo. Oxford Economics, Statistics Canada, 2024-2025

Venture Capital Investment Gaining Momentum

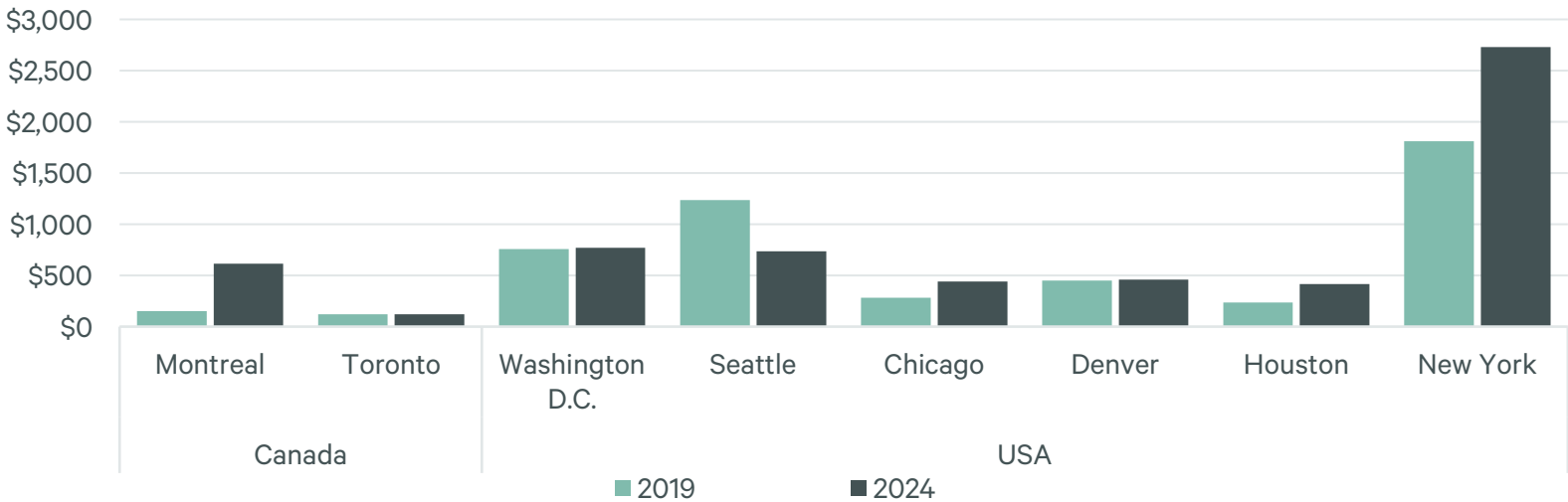
- Montréal has seen Venture Capital investment increase **threefold** since 2019.
- Talent and affordability were major considerations for investment increase. Life Sciences graduates in other markets tend to be transient employees, meaning they do not remain long term in their city of study. Montréal employment is reliable, leading to certainty that top talent will remain.
- Québec pharmaceutical companies have had success in being acquired by global leaders in 2022 and 2023, building confidence in Venture Capitalists to invest.
- In 2022, NuChem, in collaboration with the Fonds de solidarité (FTQ), purchased **IniXium**¹ who specialize in recombinant protein production, biophysical characterization, and protein crystallography. The purchase price was not publicly disclosed.
- In 2023, Novo Nordisk acquired **Inversago**², a clinical stage company- for \$1.075 billion USD.
- GSK PLC spent \$2 billion USD on **Bellus Health**³, a late-stage biopharmaceutical focused on chronic coughs and hypersensitization related disorders. This allows GSK PLC to compete with Merck's dry cough products.

FIGURE 9: Venture Capital Investment in Montréal per Year, millions of dollars



Source: CBRE Research, Pitchbook 2024-2025.
Figures displayed are in CAD

FIGURE 10: Life Sciences Investments in North American Cities, millions of dollars



Source: CBRE Research, Pitchbook 2024-2025. Figures displayed are in CAD.

1. <https://www.newswire.ca/news-releases/nuchem-sciences-acquires-inixium-and-expands-its-integrated-service-offer-827188451.html>

2. <https://www.novonordisk.ca/content/dam/nncorp/ca/en/press-releases/2023/pr230810-inversago-english.pdf>

3. <https://www.gsk.com/en-gb/media/press-releases/gsk-reaches-agreement-to-acquire-late-stage-biopharmaceutical-company-bellus-health/>

Appendix

Glossary and Methodology

Glossary

Inventory: The specific set and square footage of known, operating and existing lab buildings (including lab space, lab-capable space and lab manufacturing facilities). Buildings are only considered inventory when the majority of the property is dedicated to research or bio-manufacturing purposes.

Occupier Requirements: The number and required square footage of occupiers who are actively looking, or made it known that they will be actively looking for lab space to lease or purchase.

Tenants in Market: This refers to companies interested in exploring real estate options for lease. For this report, “tenants in market” is defined as companies showing any interest in space. This can materialize in the form of email and phone call inquiries, being sent market surveys by CBRE advisors, or touring space.

Inventory Types

Research & Development (R&D): A facility with the main purpose of innovating or improving new services or products, including analytics labs. Typically staffed by engineers, scientists and/or technicians.

Good Manufacturing Practice (GMP): Bio-manufacturing facilities that follow good manufacturing practice guidelines. Enforced by Health Canada, GMP regulations require a quality approach to manufacturing.

Lab Types

Dry Lab/Office: Labs that are very similar to traditional office space, where research activities can occur with standard finishes and electromechanical infrastructure.

Biology Lab: Labs that require specialized equipment for cell and tissue culture, and imaging and microscopy.

Chemistry Lab: Labs that require equipment for chemical reactions and the handling of hazardous materials.

Clean Room: Labs with very defined and technical construction requirements driven by the need to create a seal from exterior elements, typically for manufacturing purposes.

Industry Groupings

Analytical Testing: Companies that use skilled techniques to identify and measure the characteristics of samples, including food, water, and pharmaceuticals for third parties.

Biotechnology: Companies that utilize living organisms and their derivatives to produce products and/or processes. For the purposes of this report, incubators and contract development & manufacturing organizations (CDMO's) are also included in this grouping.

Medical Technology: Companies that utilize modern technologies or processes specifically in the healthcare sector.

CRO: Contract research organization (CRO) is a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis.



How can we help?

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