

# Advancing life sciences

## Overview

Growing a meaningfully sized life sciences business is one of Oxford's top strategic priorities. Positive secular demographic and economic trends, coupled with the exciting convergence of technology and science, support our high conviction in this sector. Oxford believes we can add critically needed new real estate infrastructure that helps leading life sciences, pharmaceutical and biotech companies research, develop and ultimately manufacture the life-saving therapies of tomorrow.

Prior to launching our own end-to-end platform, we built experience deploying capital on significant life sciences real estate transactions, thereby gaining great visibility to existing portfolios and a real understanding of sector financials. In early 2021, we purchased six life sciences assets, three in Boston and three on the West Coast, approximating 1 million square feet of both operational buildings and developable area. Shortly thereafter, we expanded our portfolio internationally, acquiring a property in Cambridge, in the UK. We plan to invest significant additional funds in these assets, creating new biotech space and enhancing existing facility experiences.

The speed and scale of these transactions demonstrate how we choose to do business, leveraging our global expertise and hard-earned reputation to secure sectoral experience and partnerships.

These transactions grow our presence in four key global life sciences markets and complement our existing portfolio of assets and significant development pipeline in the sector. Most importantly, they afford us a solid foundation to continue to grow from, as we seek to scale this part of our business in the second half of 2021 and beyond.



## The details

We began the effort strategically, gaining a foundational understanding of the unique sector over a multi-year period. We acquired an existing lab building in Boston, 645 Summer Street, through a local partnership. This gave us the opportunity to work hands-on in the design, leasing, and management of an innovation space, learning the unique skills required for supporting this nuanced sector. In parallel, we have immersed ourselves in the requirements of ground-up development, positioning a well-located Boston site for research and development and lab uses.

Early in 2021, we leveraged our growing expertise to move into this innovative sector at scale. Within the first quarter of the year, we acquired six distinct life sciences properties across core, value-add and development opportunities in the Greater San Francisco, Seattle and Boston areas. These properties gave us appreciable market share in three key global life sciences clusters while offering opportunity to do what we do best: provide value. We announced these portfolio updates in tandem with a commitment to invest additional funds into the projects, ultimately accounting for over \$1B in deployed capital in the sector. We then turned our sights outside of North America, acquiring our seventh asset in the City of Cambridge – one of the fastest growing life sciences markets in the UK.

The West Coast US properties acquired in Q1 demonstrate the strength of local partnerships in advancing Oxford's work. We acquired the **Public Market Emeryville** in partnership with City Center Realty Partners, a San Francisco-based real estate developer and investor with great area market expertise. Located within the established life sciences cluster of Emeryville, just outside of San Francisco, the 148,000 square foot mixed-use project includes lab and office space in addition to food and retail. The site also includes land parcels that have the potential to be developed to add new purpose-built lab product – an important capability in a market that currently features

community on the potential for this campus, which will continue to be served by the very popular Public Market food hall. Oxford and CCRP will also partner on an expansion and conversion project at **Foundry31**, another mixed-use site in the Berkeley/Emeryville corridor of San Francisco's East Bay. Presently leased to food technology companies, the 400,000 square foot existing building offers an additional 216,000 square feet on which the teams will collaborate to create new lab and life sciences offerings.

Our Boston life sciences portfolio is equally distinctive: it encompasses end-to-end innovation offerings, allowing us to serve organizations of all maturities across their evolving lifecycles. We are completing spec builds at the 150,000 square foot **645 Summer Street** lab building which perfectly meet the needs of newer biotech customers such as Ikena and Monte Rosa. We manage **33 New York Avenue**, a 114,000 square foot state-of-the-art biomanufacturing facility, which accommodates Replimune Group Inc and CRISPR Therapeutics in their sophisticated production efforts. And we've begun to explore value-add work at the 150,000 square foot research lab at **1 & 5 Mountain Road**, presently leased in their entirety to a global healthcare leader, Sanofi.

Looking beyond North America, our UK site evidences yet another key element of our platform: its global capabilities. **310 Cambridge Science Park** represents a strategic foothold in the zero-vacancy "Golden Triangle" life sciences cluster comprising Cambridge, Oxford and London. Currently occupied by Astra Zeneca, this operational lab site positions us to develop critical relationships across the geography, as well as in other emerging life sciences markets in Europe.

## The takeaway

The life sciences industry is propelling critical, life-saving work. Unique real estate infrastructure serving the full lifecycle of these customers is required to advance their efforts – and Oxford has the capabilities to provide as few others might. Our global platform and scale enable us to support this innovative group with the required flexibility, optionality, and nuanced expertise. Simply put, we can move in step with the pace of discoveries.

Our journey into this mission-driven sector has just begun; we continue to explore other emerging North American markets and European opportunities as we work to realize our global strategy.