

Shared Laboratories: A Guide for Brokers

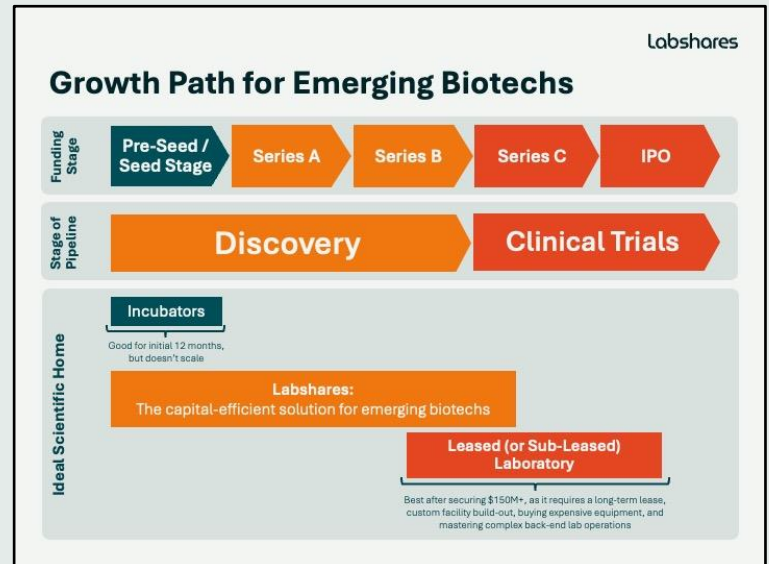
How Brokers Can Help Their Biotech Clients Succeed

The Challenge: Lab Space for Companies

Emerging biotech and life science companies face steep hurdles in establishing laboratory operations. **Incubators** can be a solution for a company's first 12 months, but incubators don't allow companies to seamlessly scale from Seed through Series A, B, and C funding. Alternatively, **traditional laboratory leases** (or sub-leases) demand long-term commitments, significant capital investment, and specialized operational expertise—costly distractions from scientific progress.

As trusted advisors, brokers play a pivotal role in helping clients navigate these challenges. Shared laboratories offer a streamlined, capital-efficient solution tailored to meet the unique needs of biotech customers.

The Solution: Why Shared Labs Are the Smart Choice for Brokers



Shared laboratories have become the preferred infrastructure solution for many biotech clients, both emerging and established, offering flexibility, scalability, and capital efficiency. They address common challenges faced by biotechs while enhancing the value brokers bring to their clients.

- **Industry-Leading Customer Satisfaction:** 100% of our members give Labshares their highest, or near-highest, possible marks for customer satisfaction.
- **Flexibility and Scalability:** Labshares offers flexible terms—from as little as 6 months—that can scale with the needs of the client. Companies can start with a single bench and grow into private suites that can accommodate up to 25 FTEs.
- **Customization:** Labshares can customize spaces to meet the specific requirements of your client, ensuring a perfect fit for their scientific needs.
- **Turnkey Operations:** With simple, straightforward contracts and fair terms, companies can get started at Labshares within days. Labshares holds all permits with the town of Newton, eliminating the cost and time associated with getting scientific approvals from the town.
- **Transparent Pricing/Terms** With bundled pricing that includes space, equipment, and lab services, shared labs significantly reduce hidden costs like taxes, utilities, and maintenance fees.
- **Scientific Expertise:** Labshares' team has deep scientific expertise, ensuring your client's needs are understood and addressed efficiently.

What This Means for Brokers

Labshares values the critical role brokers play as trusted advisors to their clients. By partnering with us, you gain:

- **High-Value Commissions and Compensation**
 - Labshares offers competitive commissions—4% of the total contract value, and 2.5% on the first renewal
 - Brokers now receive \$300 per on-site qualified tour they bring to Labshares
 - Unlike some competitors, who may not offer commissions at all, Labshares prioritizes timely broker payments.
- **Enhanced Reputation:**
 - Labshares' scientific expertise, client-centric approach, and professionalism reinforce the trust and rapport you have built with your clients.
- **Efficient Transactions and No Hidden Fees:**
 - Labshares doesn't have hidden, layered fees, such as one fee for lab space, another for team members, and a third for desk usage. Brokers and clients alike benefit from a pricing model that is predictable and honest.
 - Labshares' proven process ensures smooth contract negotiations and onboarding for your clients, reflecting well on your expertise.
- **Long-Term Opportunities:**
 - Many brokers have been able to earn multiple commissions from a single client, being paid for their work first, when they enter Labshares, and again when they are ready to graduate and build their own space

Labshares recently partnered with a life science broker to rapidly secure a large private lab and office space for an oncology-focused biotech, closing the deal in under 28 days with zero friction for broker or client.

Labshares: Trusted Partner for Brokers

We respect and enhance the role you play in guiding your clients to the right solution. Our goal is to reinforce the role you play and provide an exceptional experience for your clients. Over its history, Labshares has successfully partnered with a wide range of real estate brokers who specialize in biotech / life science including:

- JLL
- Cushman & Wakefield
- Colliers
- CBRE
- Cresa
- Savills
- The Steele Group
- Newmark

Real Estate Brokers:

Equip your biotech clients with the tools to succeed faster and more efficiently.

Visit [Labshares.com](https://www.labshares.com) or contact us to learn more.

Appendix A: Cost Comparison

To understand the true cost of operating a lab, below is a cost analysis that compares (A) the total cost for a laboratory sublease, including rent, equipment and lab services, and (B) the total cost for a shared laboratory.

	All-In Cost for a Biotech with 2-4 FTEs		All-In Cost for a Biotech with 10-15 FTEs	
	Sublease (Micro)	Labshares Benches	Sublease (Small)	Labshares Private Suite
1. Lab space rental				
Square footage (1)	2,000	Included	6,500	Included
Rent per sq. ft	\$80.00	Included	\$80.00	Included
Taxes + Utilities + CAM fees	\$25.00	Included	\$25.00	Included
Annual rent expense (2)	\$210,000	Included	\$682,500	Included
2. Laboratory Equipment				
Lab Equipment (total price)	\$510,800	Included	\$792,400	Included
Annual cost of 3-year equipment lease (3)	\$187,293	Included	\$290,547	Included
3. Back-End Laboratory Services				
Annual cost of lab services and personnel	\$269,700	Included	\$593,250	Included
Total Annual All-In Cost	\$666,993	\$153,000	\$1,566,297	\$570,000

(1) Finding attractive sublease space under 10k sq. ft. is challenging.
 (2) No build-out costs assumed for sublease option.
 (3) Includes 7% annual financing for lab equipment lease.

Labshares' all-inclusive model saves 60-70% vs. subleases. You know exactly what you'll pay, no surprises.

The Fallacy of "Dollars Per Square Foot"

Labs are sometimes evaluated by one simple metric: "What's my dollars per square foot?"

However, for shared labs, "dollars per square foot" is a deeply deceiving metric.

First, the lab space reserved exclusively for your company – whether a single bench, a group of benches, or a private suite – represents only a tiny fraction of the space to which your team has access. High-quality shared labs offer unfettered access to entire shared rooms dedicated to tissue culture, chemistry, bacteria / viral work, and microscopy. Shared labs also provide office and open desk seating, conference rooms space, kitchens, and more.

Second, lab equipment, lab services, and the cost of a lab manager are not included in a traditional lease or sublease "dollars per square foot". But what emerging biotechs need is a fully functioning laboratory to advance their science. Lab rent only accounts for 40%-55% of the total cost.