

LAB EVALUATION GUIDE

FINDING THE RIGHT SPACE FOR YOUR
GROWING LIFE SCIENCES COMPANY



Lab | Central

EVALUATING YOUR CHOICES: OVERVIEW

Congratulations! You've decided to become a biotech entrepreneur and now you need a place to do the work. There are numerous possibilities available, so how do you assess your options to ensure that you find the space that meets your team's evolving needs?

This evaluation guide will help you. In it, we take you through:

- **Identifying** your requirements
- **Exploring** the various options available, and
- **Avoiding** costly pitfalls.



"Finding the right lab space for your company is one of the most important decisions you can make in the course of your biotech journey."

*- Johanna Kaufmann, CSO,
Codagenix*



TABLE OF CONTENTS

REVIEWING TYPES OF SPACES AVAILABLE 3

DECIDING WHERE TO LOOK 6

EVALUATING HOW MUCH SPACE YOU NEED 7

ASSESSING YOUR EQUIPMENT NEEDS 8

IDENTIFYING DAILY INFRASTRUCTURE NEEDS 9

PLANNING FOR FUTURE GROWTH 10

DEFINING BROKERS, LEASES, and TERMS 11

AVOIDING COMMON PITFALLS 12

SELF-EVALUATION CHECKLIST 13

MAXIMIZING YOUR DOLLAR 15

CONTACT AN EXPERT 16

EVALUATING YOUR FIT: REVIEWING TYPES OF SPACES

The first step in this process is understanding the range of spaces available to you, so that you can choose what best supports your business. Do you want something turnkey, or a customizable space that you can build out to fit your needs?

By evaluating the options and aligning them with your priorities and budgets you can identify the right space for each phase of your growth. They are:

- **Stand-alone** - These spaces are fully rented and used by a single tenant and typically involve a multi-year lease commitment.
- **Sublease** - These spaces are rented from an existing tenant for varying periods of time and are constrained by the primary tenant's agreement with the landlord.
- **Partner-run shared site** - These shared spaces are typically operated by an organization (e.g., a pharma company) that may collaborate with you on your work.
- **Shared-spaces** - These sites rent labs, offices, and equipment to multiple companies, and offer a range of support services that vary widely by provider.

HIGH-LEVEL CONSIDERATIONS

	Traditional stand-alone leases	Subleases	Partner-run shared lab spaces	Co-working/shared lab spaces	Notes
Amount of space	Sizes vary depending on availability and cost	Smaller section of a larger space; sizes vary	Benches, offices, hot desks, conference rooms	Benches, offices, hot desks, shared conference rooms	Requires significant resources to build out and manage a space. Many teams start with smaller amounts of space.
Contract term	Multi-year	Finite	Varies, but often month-to-month	Varies, but often month-to-month	Early on, minimizing contract commitments and burn rate are priorities. Limited flexibility with multi-year lease.
Pricing	Market	Market, or slightly below to offset shorter duration	Partner subsidy often reduces price	Market that varies by range of services included	Compare 'apples-to-apples'.
Equipment, Amenities & Services	None	Few if any	Some shared equipment and services with varying amenities	Some shared equipment and services with varying amenities	Evaluate specifics to understand whether offerings meet your needs.
Credit Risks	None, unless your landlord defaults	Very risky if sublandlord defaults	Lower risk - likely involves a creditworthy partner	Depends on the entity	Take the time to fully assess the long-term effects of protecting your credit.

EVALUATING YOUR FIT: REVIEWING TYPES OF SPACES

TRADITIONAL STAND-ALONE LEASES

- **Allow you to choose** the space and location that are best for your team
- **Offer competitive pricing** and opportunities to negotiate amenities
- **Additional costs** beyond rent:
 - Designing and building out the space
 - Buying and managing all equipment
 - Permitting, EH&S, and waste removal
 - Managing the facility
 - Technology infrastructure
 - Space operations
 - Utilities (unless included)
- **Potential concerns:**
 - Taking more space at the outset than you will need initially
 - Longer lease terms
 - Spaces that are converted offices may have unexpected challenges, e.g., venting, size of doorway and halls

THE BOTTOM LINE:

Stand-alone space can be a great option for a more mature company, offering full control. Dedicated resources are required to manage the space and operational functions.

SUBLEASES

- **Provide access** to desirable space at an attractive price
- **Terms vary** widely
- **Opportunities to negotiate:**
 - Price
 - Lease term
 - Equipment or space access
 - Services to be included
 - Custom build outs
 - Utilities
- **Additional costs** beyond rent:
 - Designing and building out the space
 - Buying and managing all equipment
 - Permitting, EH&S, and waste removal
 - Managing the space
 - Technology infrastructure
 - Space operations
- **Potential concerns:**
 - Your rights should your landlord terminate their lease before your contract term expires
 - Resources needed to manage the space

THE BOTTOM LINE:

Subleases can offer a compelling opportunity for companies ready for their own space, but not quite ready to take on a long-term, stand-alone lease. Negotiate for the terms that are important to you and ensure that you account for of the costs and resources required.

EVALUATING YOUR FIT: REVIEWING TYPES OF SPACES

PARTNER-RUN SHARED LAB SPACES

- **Flexible terms**, including length of stay
- Acceptance **criteria vary** by partner
- **Typically provide:**
 - Benches, offices, conference rooms
 - Shared equipment
 - Permitting, EH&S, and waste removal
 - Utilities
 - Amenities
 - Other companies working in similar or adjacent spaces
- **May also include:**
 - Entrepreneur support programs
 - Partnership opportunities
- **Potential concerns:**
 - Support can vary; get references from teams with experience in the space
 - Pharma may be repurposing space, so certificate of occupancy, permitting, and equipment maintenance or ownership may be necessary
 - Could limit opportunities to partners with other companies or investors

THE BOTTOM LINE:

These spaces can be a terrific option for teams that want to build a relationship with a specific partner. Some come with potential investment from the site owner. Be sure you fully understand the terms and that you will get the resources and amenities needed to advance your science.

CO-WORKING/SHARED LAB SPACES

- **Flexible terms**, including length of stay
- Acceptance **criteria vary**
- **Typically provide:**
 - Benches, offices, conference rooms and the option for dedicated suites
 - Shared equipment
 - Permitting, EH&S, and waste removal
 - Access to programming and external resources
 - Community of companies working across the industry
- **May also include:**
 - Additional support services, e.g., procurement, HR offerings
 - Mentorship programs
 - VC introductions and networks
 - Community programming & events
 - Access to core facilities
- **Potential concerns:**
 - Ensure that the equipment offerings at your location meet your needs

THE BOTTOM LINE:

Shared spaces are great options for early-stage, growing companies with evolving needs. They typically provide flexibility in terms of access and a broad range of equipment. Ensure that the provider you choose has exactly what you need to succeed - from the bench and beyond.

EVALUATING YOUR FIT: WHERE SHOULD YOU LOOK?

Once you've identified the type of space that best meets your needs, the question now becomes **where you should look for it?**

Factors to consider when choosing your geographic location.

- Is there an established biotech presence?
- What does the proximity to your industry look like?
- Is the local government supportive?
- Who are you hiring and where do they live?
- Are you in close proximity to academic institutions, Core facilities and CROs?

Even when you narrow in on the general area, there are still hubs and neighborhoods to compare. Let's look at Boston and the surrounding areas:

Boston is a known biotech hub due to its robust mix of established **industry, academia,** and **government-funded innovation.** Plus, the city is a desirable place for many people to live, with a deep pool of qualified candidates. If your goal is to be in or near Boston, you will need to narrow down your target location.

WATERTOWN / WALTHAM / ALLSTON / SOMERVILLE / DORCHESTER

These areas have recently grown in popularity for lab space due to their proximity to Boston.

PROS:

- Easier parking
- Cheaper rents

CONS:

- Not in the "hub"
- Varied public transportation access

CAMBRIDGE

A cornerstone of the MA biotech industry, Cambridge continues to be the global epicenter for life sciences.

PROS:

- Proximity to universities, industry partners, & investors
- "Bump factor" allows for serendipitous interactions
- Ample public transportation

CONS:

- Difficult and expensive parking
- Higher rent prices

SEAPORT

This area has become home to a strong and growing roster of biotech companies.

PROS:

- New builds
- Luxury spaces

CONS:

- Difficult and expensive parking
- Varied public transportation access

WORCESTER

An hour from Boston, this city has a small but growing biotech presence.

PROS:

- Lots of supply
- Easier parking
- Cheaper rents

CONS:

- Many spaces are converted mills
- Limited public transportation access
- Less day-to-day access to Boston network

EVALUATING YOUR FIT: HOW MUCH SPACE DO YOU NEED?

You've figured out what you need, and where you want to be located, now it's time to consider **exactly how much space you're looking for.**

LAB/OFFICE SPLIT

Lab space may be your top priority, but don't discount the need for access to office and meeting space for your team. There's always operational and administrative work that comes with managing a business and a full-time team.

Recommended per person
for lab space*

250 - 400
sq. ft.

(for those working in
both the lab and office)

Recommended per person
for office space*

125 - 175
sq. ft.

(for office-based
employees only)

To determine your lab/office split, consider how you'd like to lead your business and what your team needs to achieve their goals:

• TEAM STRUCTURE

- Do your employees overlap in lab and office functions, or are there separate roles for the different work?
- Do they physically overlap and share benches?

• LOCATION OF EMPLOYEES

- Is your team local to your geography?
- Will your office staff work remotely or do you want them on site daily or intermittently?

• DAILY ROUTINES

- Will your team have a place to take breaks, eat lunch, and build culture?
- Will they have a place to complete work outside of the lab?
- Is there storage space for supplies and PPE?

• MEETING SPACES

- Does your team need space to hold meetings on site?
- Will you have investors, potential partners, board members, or others visiting for meetings?



**Per expert lab broker guidance, these are general recommendations for square footage per person for labs looking at spaces greater than 7500 sq ft.*

EVALUATING YOUR FIT: ASSESSING YOUR EQUIPMENT NEEDS

Part of assessing your equipment needs is **determining how and where you plan to do your work.**

Are you going to perform all bench work yourselves, using your own or shared equipment and core facilities, or will you outsource workflows? With that in mind, what will your team need?

IN-HOUSE

You have full control over your equipment, including management and upkeep, but need to factor in:

- Upfront acquisition costs, as well as ongoing maintenance contracts
- Whether you buy the latest model or pre-owned?
 - If you opt for an older model, will you still have support for maintenance?
- Do you have staff to run the workflows and processes?

OUTSOURCED

This strategy can save you money in terms of space needed, purchasing, and hiring. However, it can be expensive and limit your control or extend timelines.

- Do you have a reputable CRO?
- Do you need to train the CRO on how to run your workflows?
- Does the CRO know and agree to your timeline expectations? Is this in writing?
- Will this positively or negatively impact reproducibility?

SHARED ACCESS

A middle ground between in-house and outsourcing work is spaces with shared equipment access.

- Shared lab spaces with communal equipment can provide a broad equipment portfolio, as well as additional resources that may include training, a Lab Operations team, or even a neighboring company that can pass on learnings using the instruments.
- It's important to verify that:
 - The right equipment is available for your work
 - There is a maintenance plan in place should the instrument break or fail
 - You understand what training sessions you need to complete to use the equipment
 - You budget for the materials costs that will be required

Shared access can increase the

"BUMP FACTOR"

The innate value from positive collisions with peers in a shared space.

*Also referred to as
"where the magic happens"*

EVALUATING YOUR FIT: THE DAILY INFRASTRUCTURE

An often overlooked aspect of space selection is the day-to-day management of the systems needed to operate not only your science but also your business. **Do you have the proper processes and resources to address your chemical hygiene, facilities, and operational needs? Or are they included in your facility?**

CHEMICAL HYGIENE

- **EH&S PRACTICES**
- **WASTE MANAGEMENT**
- **SUBSTANCE PERMITTING**

Chemical hygiene is a must. Mismanagement is not only dangerous but can result in hefty fines or lawsuits.

Are you prepared to obtain the necessary EH&S permits and implement proper waste management practices?

FACILITIES

- **CUSTODIAL**
- **SHIPPING + RECEIVING**
- **BUILDING SECURITY**

Part of managing a space is maintaining the facility. This includes building security, shipping and receiving, as well as general cleaning.

Have you considered how to address day-to-day facility upkeep?

OPERATIONS

- **IT/DATA SECURITY**
- **PURCHASING**
- **ACCOUNTING**

The glue of any business is operations, which can include configuring your IT network, securing your data, and coordinating all purchasing.

What's your plan to manage these core functions?

SOLUTIONS TO CONSIDER

INCLUDE FUNCTIONS IN TEAM MEMBERS' ROLES

One way to address these crucial services is to build them into your employees' roles.

- Smaller teams may incorporate additional responsibilities into a job description or team function
- Expanding job functions can lead to 'role creep' and take away from the core work your team needs to do for the success of the science.

OUTSOURCE TO THIRD-PARTY VENDORS

Outsourcing various functions to third-party vendors is another option to consider.

- Many platforms and vendors exist to provide various supplemental business functions.
- Using separate vendors and platforms quickly expands your tech stack. Be wary of overextending across multiple software platforms.

SECURE A SPACE WITH SERVICES INCLUDED

You can also opt for spaces that include these wraparound services.

- Using provided services often saves time, money, and effort and frees your team to do their work.
- Having these needs covered can set you up for success in building credit and long-term vendor relationships.

EVALUATING YOUR FIT: SCENARIO PLANNING

In any startup, founders are relentlessly focused on **de-risking strategies** to **minimize interruptions and accelerate production**.

As you're narrowing in on exactly the type of space, equipment, and infrastructure you need, it's crucial to consider various scenarios around funding, growth, potential setbacks, and more.



COMMON SCENARIOS TO RUN

CONGRATULATIONS! You've just scored a massive round of funding to get you to your next milestone! Now, how are you going to use it?

- Do you need to purchase more equipment?
- Will you need a larger lab space to accommodate hiring for more employees?
- Do you now need access to a new kind of specialty space?
- Will you need to upgrade or expand your operational systems or tech stack?

OH NO! Your funding changed unexpectedly and now money is going to be tight until the next round of funding is secured.

- Do you need to pivot from pursuing a larger space to a more nimble one?
- Will you need to pare down the equipment on your wish list?
- Can you save money by sharing space or access to equipment?
- Are contract renegotiations on the table?

CONSIDER: The impact of your space choice on your financial plan.

CONSIDERATIONS

- Do you have flexibility built into your terms and conditions?
- Are there up-front costs that need to be factored into the contract costs over time?
- Are there any penalties for breaking a lease early?
- How will your credit or legal status be affected should you need to pivot?

YOUR RELATIONSHIPS

- Are your vendor relationships in good standing?
- Have you built strong relationships with your landlord, should you need to renegotiate?
- Can you prioritize certain payments over others?

EVALUATING YOUR FIT: BROKERS, LEASES, & TERMS

You know what you want and where you want to be located; now it's time to kick off the search. **A trusted broker can be the key to finding your perfect space.**

Here are some important steps to partnering with a reputable broker and confidently reviewing your lease terms.

ASSESS PROSPECTIVE BROKERS

- Do they have a deep knowledge of the industry?
- Do you trust their understanding of your needs and that they'll be a good partner in this process?
- Have they placed other companies in lab spaces?
- Can they make reputable recommendations?

SPACE REQUIREMENTS FOR YOUR WORK

- Will you need a certain BSL safety level, a clean room, a PD or TC lab?
- Are these additional requirements included in your lease terms or will they need separate charges?

LEASE DETAILS

- Who is the landlord? How is their reputation?

DON'T HOLD BACK!

Be upfront with your realtor about what you need in terms of material safety and usage requirements.

A quality biotech realtor will have years of experience, and many specialize in specific lab types. They should have relationships with trusted partners and a history of successfully placing companies. Often, an experienced realtor will be able to act as a thought partner to help make recommendations about what you may need.

And be sure to perform reference checks on both prospective realtors and landlords.

KNOW THE LINGO

Here are some terms commonly used in commercial real estate.

Tenant Improvements (TIs)

TIs refer to the custom build-out or modifications made to a leased space to meet the specific operational needs of the tenant. **In biotech, this usually means converting a generic shell or office space into wet lab-ready infrastructure**

Triple Net (NNN)

A Triple Net lease means the tenant pays three categories of operating expenses in addition to base rent:

- Property taxes
- Insurance
- Common area maintenance

Triple Net leases are standard practice for biotech spaces.

Utilities

Utilities refers to the basic services used in a space to keep it functional. These can include:

- Electricity
- HVAC
- Water / Sewer
- Trash / Recycling
- Internet
- Specialized Plumbing / Ventilation
- Safety Infrastructure

Utilities tend to be an add-on to price per square foot and can account for a large chunk of the overall price.

EVALUATING YOUR FIT: AVOIDING COMMON PITFALLS

We've covered a lot of important topics and considerations. Here are **some of the mistakes that founders make** during this time, as well as **strategies to avoid these common pitfalls**.

IMPORTANT REMINDERS!

Use this handy checklist to review key details and ensure you're getting exactly the space you need.

WHAT YOU SEE ISN'T ALWAYS WHAT YOU GET.

Some places may show you one thing but have you sign for another.

- Ask questions along every step of the process.
- Tour the space and be sure to see exactly where you and your team will work.
- If you're feeling unsure about something, get a second opinion.

IF THE DEAL IS TOO GOOD TO BE TRUE, IT PROBABLY IS.

Don't get blinded by a low number! There's usually a reason for it.

- Understand what you can and cannot live without.
- Get an inventory of the services and amenities offered in writing.
- Know what you may need to make up for elsewhere (e.g., hiring personnel, permitting, purchasing equipment).

DO YOUR HOMEWORK

Know exactly what you're agreeing to and its impact on your business.

- Run your planning scenarios to make sure a lease doesn't lock you into something you're unprepared for.
- Have a trusted counsel review any equity or partnership terms.

DON'T GET TAKEN BY SURPRISE!

Signing a lease locks you into a relationship with your landlord. Be sure you fully understand and have reviewed what you're signing.

- Carefully read the lease terms and conditions before signing anything and have your legal counsel review it.
- Ensure your equipment will fit in the space (and through the doors - especially in a converted space).
- Meet the landlord if you can. Look up related news or any online reviews.
- Speak with current or past tenants to ask about their experiences.

*"We had **months of delays** due to an improperly-filtered HVAC system that caused sample contaminations!"*

- Biotech Founder

*"Our buildout was at the permitting stage when we learned **our building wasn't actually able to be converted** into lab space. A true nightmare scenario!"*

- Biotech Exec

EVALUATING YOUR FIT: SPACE NEEDS CHECKLIST (1 of 2)

As you're assessing potential lab spaces for your company, it's important to have a clear understanding of their offerings and your team's needs. **This checklist will help you identify what to look for and keep track of the options you're considering.**

	SPACE 1:	SPACE 2:	SPACE 3:	SPACE 4:	SPACE 5:
LAB / EQUIPMENT					
PPE (lab coats, goggles, gloves)					
Biosafety Cabinets					
Fume Hoods					
Autoclaves & Glass Wash					
Cold Storage (4°C, -20°C, -80°C, Cryo)					
Equipment Monitoring System & Backup Power					
Centrifuges & Ultracentrifuges					
Shaking, Static, & CO2 Incubators					
Water Bath, Heat Block, & Vortexer					
Standard Light & Fluorescent Microscopes					
PCR Machines					
Pipettes					
Plate Readers					
Adequate Chemical & Flammables Storage					
Specialty Imaging Equipment (as needed)					
Specialty Bioanalytical Equipment (as needed)					
Specialty Analytical Chem Equipment (as needed)					

EVALUATING YOUR FIT: SPACE NEEDS CHECKLIST (2 of 2)

The location you choose for your company is about more than the lab space. It's also important to consider how you'll meet your organization's operational and business needs.

	SPACE 1:	SPACE 2:	SPACE 3:	SPACE 4:	SPACE 5:
INFRASTRUCTURE					
Permitting					
Waste Handling					
Environmental Health & Safety					
Maintenance & Custodial Services					
Shipping & Receiving					
Building Security & Staff					
Internet Services					
Printing & Copying					
PEOPLE					
24/7 Building Access					
Office Space & Desking					
Parking & Bike Storage					
Procurement & Purchasing					
Community Events & Networking Opportunities					
Meeting Rooms					
Kitchen/Cafe/Food Service					
Event Space					
BUSINESS					
Runway Extension Programs					
Special Event Opportunities					
Resident Success Programs					
HR Services					

EVALUATING YOUR FIT: MAXIMIZING YOUR DOLLAR

So much more than the tangible things go into building and growing a thriving company and work environment. Often these invisible factors are overlooked, but they can be immensely valuable. **Can you get more than square footage or direct services for your monthly rent payment?**

EXPOSURE TO INDUSTRY / RUNWAY EXTENSION

Major perks may include:

- Programs or initiatives offering rent credits
- Access to potential industry partners
- Opportunities to participate in high-visibility events or showcases to broaden your networks



77% Of employees consider workplace connection important

Nectar's 2025 Survey

COMMUNITY

Working in a lab can frequently be an isolating experience. A sense of belonging and surrounding peer network can make a meaningful impact on your team. Things to consider when choosing your space:

- Are there common break areas or places to gather?
- Are there opportunities for your team to connect with others on site?
- Are there regular on-site events that you and your team can access (scientific, professional development, or others)?
- Can you host events yourself?

WORKFORCE PIPELINE

As you grow, you will need to hire more team members. A big challenge can be knowing where to look for the right talent you need. Look for:

- Resources to find talent with the right skills.
- Connections to organizations focused on developing innovative pathways into biotech.

Consider adding extra points if your lab space has connections to these programs that you may need sooner than you think.

EVALUATING YOUR FIT: CONTACT AN EXPERT

There is no one-size-fits-all space for your startup. And as you grow your team or advance through funding stages, your needs will most likely change - that's normal!

Take the time to understand your needs and the market. This step can be the key to a strong foundation for your long-term success.

Do you have questions or points you'd like to learn more about?

Talk with one of our qualified experts to help assess your space needs, planning strategies, and find your best fit.

Email: info@labcentral.org

Phone: (617) 863-3650

TALK TO AN EXPERT

Lab | Central

700 Main St.
Cambridge, MA 02139
www.labcentral.org

