BIOTECHNOLOGY LEASING ISSUES

I. TENANT IMPROVEMENTS

A. Who Can Borrow Cheapest?

B. Cost Controls
   1. Budgets
   2. Bidding Trades
   3. Approval Over Contractors
   4. Value Engineering
   5. GMAX

C. How is the Tenant Improvement Allowance Paid Out?
   1. Whose Dollars Are Used First?
   2. What Secures the Parties' Ability to Pay Their Respective Shares?
   3. What Are Lender's Requirements?

D. Permitting Risk and Tenant Delays

E. Construction Management Fees

II. FINANCIAL TESTS

A. Extension Options

B. Expansion Options

C. Security Deposit Burn Downs

D. Assignment
III. ASSIGNMENT AND SUBLETTING

A. Mergers and Assignments to Affiliates
   1. Is There a Net Worth Test?

B. Bonus Rent and Recapture

IV. CAM CHARGES AND TAXES

A. CAM Exclusions
   1. Capital Expenditures
   2. Compliance with Laws
   3. Haz Mat Cleanups

B. Taxes
   1. Prop. 13 Protection

V. SECURITY DEPOSITS

A. Cash vs. Letters of Credit

B. Burn Down Schedules

VI. INSURANCE

A. Type of Insurance

B. Quality of Insurers

VII. SNDA FORMS; LENDER REQUIREMENTS

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