

ARQULE INC  
Form 8-K  
May 06, 2005

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**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 2, 2005

**ARQULE, INC.**

(Exact Name of Issuer as Specified in Charter)

Delaware

000-21429

04-3221586

(State or other jurisdiction  
of incorporation)

(Commission File Number)

(I.R.S. Employer  
Identification No.)

19 Presidential Way  
Woburn, MA

(Address of principal executive offices)

01801

(Zip code)

(781) 994-0300

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



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**Section 1 Registrant's Business and Operations**

**Item 1.01 Entry Into a Material Definitive Agreement.**

On April 29, 2005, we disclosed in our Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2005 that we had entered into a purchase and sale agreement whereby we agreed to sell our corporate headquarters in Woburn, Massachusetts to ARE-MA Region No. 20, LLC, an affiliate of Alexandria Real Estate Equities, Inc. ( the Purchaser ) and simultaneously lease the facility from the Purchaser. On May 2, 2005, we completed the transaction by conveying the real estate in exchange for the purchase price and entering into a lease with the Purchaser, as landlord. At closing, the Purchaser acquired two parcels of land and our headquarters building in exchange for payment to us of approximately \$40.1 million. We leased our existing facility and the land on which it is situated for a period of ten years at an initial annual rate of approximately \$2.9 million, subject to annual escalations. We are also responsible for all real property taxes, and specified insurance and maintenance costs (other than repair for structural elements). We have options to extend the lease for up to an additional ten years. We did not lease the remaining adjacent parcel of land conveyed to the Purchaser. The press release announcing completion of the transaction is furnished as Exhibit 99.1 hereto and incorporated herein by reference. The forms of the purchase and sale agreement and lease are attached as Exhibits 10.1 and 10.2 hereto, respectively, and incorporated herein by reference.

**Section 2 Financial Information**

**Item 2.01 Completion of Acquisition or Disposition of Assets.**

The information set forth above in Item 1.01 of this current report on Form 8-K regarding the sale of land and our headquarters building is hereby incorporated into this Item 2.01 by reference. Unaudited pro forma condensed consolidated financial information relating to the transaction is attached as Exhibit 99.2 and incorporated herein by reference.

**Section 9 Financial Statements and Exhibits**

**Item 9.01 Financial Statements and Exhibits.**

- 10.1 Form of Agreement of Purchase and Sale
  - 10.2 Form of Lease
  - 99.1 Text of Press Release
  - 99.2 Unaudited Pro Forma Condensed Consolidated Financial Information
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ARQULE, INC.  
(Registrant)

/s/ Louise A. Mawhinney  
Louise A. Mawhinney  
Vice President, Chief Financial Officer,  
Treasurer and Secretary.

Date: May 6, 2005