

## TOP 10 LEASE NEGOTIATION & SITE SELECTION MISTAKES

1. **NOT ALLOWING ENOUGH TIME**—for property search & comparisons, lease or purchase negotiations, architectural design, building permits, construction/build outs.
2. **INADEQUATE REPRESENTATION**—adequate tenant representation will counterbalance Landlord’s professionals.
3. **LEASE COMMENCEMENT DATE**—don’t let delays in planning, permitting and construction eat into your free rent build out period.
4. **UNDERESTIMATING CONDITION OF PREMISES**—beware of “as-is” properties, could be a great risk. Get guarantees for building, fire, safety, zoning and ADA codes, as well as HVAC and plumbing.
5. **USING THE LANDLORD’S PROFESSIONALS**—tenants should use architects, contractors and legal counsel that is always under their own control.
6. **MISUNDERSTANDING TRUE SPACE COSTS**—make sure to perform “apples to apples” analysis of different facilities; Gross, Net, NNN, TI contributions, lease incentives.
7. **PAYING TOO MUCH RENT**—obtain accurate market rates, area vacancy rates and tenant financial strength
8. **NEGLECTING LONG TERM PRIORITIES**—get rights for expansion, cancellation, extension (right of 1<sup>st</sup> refusal) and sublet rights.
9. **NOT ENOUGH LANDLORD INCENTIVES**—negotiate for free rent, discounted rent, landlord contributions for improvements and limits on future rent.
10. **NO OUTSIDE INCENTIVES**—check into possible incentives from local government (TIF), tax rebates and relocation assistance.