



## COMPASS COMMERCIAL, LLC An ITRA GLOBAL Partner

Providing commercial real estate services by advocating for our corporate clients' interests and decreasing their expenses.

### Insider Lease Tips for Space Occupiers

*Article Submitted by Wayne Teig, Principal, ITRA Global | Minneapolis-St. Paul*

While all leases are different, there are some things that a space occupier should always consider before signing that next lease. Our top five are below:

1. **Retain an experienced, tenant-only real estate advisor.** In addition to potentially saving your company thousands to millions of dollars, they can give you a lot more insight than the tips in this short list!
2. **Multiple Space Options.** If you are renewing your lease or signing a new one and haven't looked at the market for alternative space options, or received guidance from an experienced tenant-only advisor, then you don't know the market and you will be signing blindly. This is a common mistake tenants make, and they often end up overpaying for their space or missing potential opportunities in the market.
3. **Define Everything in Writing.** If the landlord has agreed to provide space improvements or other lease concessions during lease negotiations, make sure they are clearly defined in the lease or lease amendment. Otherwise, you might be stuck not receiving those benefits under the contract.
4. **Use Time to Your Advantage.** Finding a space and signing a new lease can take a very long time—nine months or longer. Start the process early! Starting a lease renewal negotiation early also provides several advantages, the main one being that your company will have enough time to move to a different building if your landlord isn't reasonable in your renewal negotiations.
5. **Lease Options.** Space occupiers' ability to obtain lease options in a lease will depend on the size, leverage, etc. Most occupiers will benefit from having some lease flexibility in the form of options. A few examples are Option to Renew, Option to Expand, Option to Terminate, and Option to Purchase. These options are customized based on each deal—your real estate advisor can provide you with guidance about which options to consider given your company's specific needs.

Remember—you don't have to do this on your own. Partnering with a tenant-only real estate advisor will give you the leverage needed to level the playing field with your landlord. All ITRA Global members are uniquely qualified to offer principal-level expertise in their market areas. Visit our website to find an ITRA Global member in your area.

