



## How to Get Started

Clients interested in our services should follow the **3 Step process** below, review the information and fill out our online form or mail/fax our printable form.

### Step 1

#### Client Profile - Read, Fill-out Online Form, Submit to us.

By filling out our simple, easy to read [online form](#), The Schenk Company, Inc. will be able to identify your Goals and set a plan into action. Or Print and mail/fax to us. [Printable Version](#)

### Step 2

#### How long the process takes?

Familiarize yourself with the Timeline for Deal Process.

The Schenk Company, Inc. will work closely with you, the client, to insure the transition runs smoothly, easily, and efficiently in order to achieve your goals in a timely manner.

#### "Timeline for Deal Process."

[Click here](#) to familiarize yourself with the steps to purchase a site.

Then take a look at the Site Specification Overview by [clicking here](#).

[Click here](#) to review The Leasing Process and then [Click here](#) for Timing.

[Click here](#) to review The Factors Influencing Design.

#### Review Articles by Gregory P. Schenk, SIOR

[Tenant Representation](#)

[Top Ten Lease Negotiation and Site Selection Mistakes](#)

### Step 3

#### Company Agency Disclosure Form - Read, print, sign, and return to us.

By exclusively representing Buyers and Tenants, you can be sure that your interests will be first priority in any work that we do for you. Please take time to read our [Company Agency Disclosure Form](#) for the specifics of how we put the Buyer and Tenant first.

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In order to better serve you our client, please fill out our detailed form to inform us of your company's current needs and goals. Then mail or fax it to us at the address/fax number below. One of our commercial property experts will contact you by phone or e-mail promptly. If you have any questions, don't hesitate to call our office.

## Part 1: Company Info

Name:

Company:

Title:

Address:

City, State, Zip:

Fax:

E-mail:

Product Type:

Checkmark (✓) the product you're interested in.

Current Needs:

Checkmark (✓) the services you're interested in.

Office  Industrial  Flex  Retail

Investment

Acquiring commercial property

Acquiring commercial property

Leasing commercial property

Commercial real estate consulting services

Consulting Services

Project Management Services

Build-to-suit

Investment property acquisition

Other

Desired Property Location:

(City, State)

## Part 2: Company Profile

In order to for The Schenk Company Inc. to better analyze your current goals, please fill out in detail your Vision and your Company Profile below.

Square Feet Needed:

Personnel Count:

Parking Needs:

Space Usage:

Location Preference:

Please give North, South, East,  
and West Boundaries.

Base Lease Term: (How long do you want the lease?)

Please checkmark (✓) your choice(s).

3  5  7  10 years  Sublease

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## **Part 2: Company Profile cont.**

Desired Occupancy Date:  
Existing Lease Expiration:  
Existing Square Footage:  
Existing Rental:

Rate/Square Foot:

Dollars/Month:

Hours of Operation:

## **Part 3: Floor Plan Requirement** List the number of rooms and the size in sq. ft.

Private Offices/Size:

Conference Rooms/Size

Open Area/Size:

Kitchen - Lunch Room/Size:

Computer Room/Size:

Training Rooms/Size:

Mail Room/Size:

Supply Rooms/Size:

Dead Storage/Size:

## **Part 4: Warehouse Needs** List the number and/or the size.

Rooms/Size:

Ceiling Height:

Docks Needed:

Drive in Doors Needed:

## **Part 5: Building Needs**

Special Electrical/HVAC Needs:

Wiring and Cabling Needs:

## **Part 6: Image and Identity**

What style do you want to have in your new space?

Please checkmark (✓) your choice(s).

Business-like  Trendy  Up and Coming

Flex Space  High Rise Class A

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## **Part 7: Decision Making Criteria**

Circle the level of importance on a scale of 1 to 5. One being the highest and five being the least important.

Quality/Image of Property/Building: 1 2 3 4 5

Cost: 1 2 3 4 5

Parking: 1 2 3 4 5

Occupancy Date: 1 2 3 4 5

Amenities: 1 2 3 4 5

Competition: 1 2 3 4 5

Boundaries: Please circle.

North South East or West

Explain Your Site:

Tell Us About Your Goals:

What do you want to achieve?

What is your goal and objective?

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## Time Line for Deal Process

Depending on the size of your space needs, finding suitable space and negotiating a new lease or purchase and moving in can take from three months to eighteen months. Proper planning in the initial stages eliminates wasted time and money. The Schenk Company specializes in strategic planning with you to insure your goals are met and your bottom line is improved.

[Site Specification](#) sheet will give you a good overview of the many items needed to review to insure this site meets the company's objectives. By utilizing The Schenk Company's site selection services you are assured these items and more will insure this is the right site for your facility now and for future growth.

### Schedule of Events

- Establish Parameters
- Interview Management
- Define Space Requirements
- Complete Space Program
- Tour Viable Building Sites
- Narrow Building Choices
- Prepare Preliminary Space Plan
- Prepare Request for Proposal
- Analysis of Best Alternative
- Present/Approve Recommendations
- Negotiate Letter of Intent
- Negotiate Contract
- Finalize Space Plans
- Complete Construction Drawings
- Construct Space
- Move-in

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## Site Specification Overview

The Site Specification Sheet below will give you a good overview of the many items needed to review to insure this site meets the company's objectives. By utilizing The Schenk Company's site selection services you are assured these items and more will insure this is the right site for your facility now and for future growth.

Depending on the size of your space needs, finding suitable space and negotiating a new lease or purchase and moving in can take from three months to eighteen months. View [Time Line](#) for Deal Process. Proper planning in the initial stages eliminates wasted time and money. The Schenk Company specializes in strategic planning with you to insure your goals are met and your bottom line is improved.

### Location

**Zoning:** current, changeability/Dead Restrictions

**Physical Evidence:** water, electric, storm, sewer, gas

**Drainage Problems:** natural drainage, flood zone

**Hazardous Waste:** evidence, soil tests

**Natural Barriers:** trees, mounds, ponds, high tension lines

**Ingress and Egress:** curb cuts allowed, traffic signals, turn lanes, density or coverage ratio, footprint

**Price Total:** per acre, per front foot

**Frontage:** access to interstate

**Total Parcel Size/Building Acres**

**Parcel Divisibility**

**Neighbors:** business, demographics, rental rates and vacancies, neighborhood associations

**Highest and best use of site**

**Sold Comparables**

**Complete Construction Drawings**

**Available Comparables**

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## The Leasing Process

An experienced and reliable tenant representative can make a huge difference in the successful outcome of your search for office space. A Tenant renting office space does so only a few times in his corporate life. Landlords rent space over and over again. Level the playing field by taking advantage of the availability of a good tenant representative. You will find that there is usually no cost to you. In the long run, you will end up way ahead in not only rent you pay but also in avoiding mistakes. Don't be afraid to ask your prospective brokers questions to make sure they can perform for you.

### Questions to Ask When Selecting a Tenant Representative

- ▶ Are you free of any conflicts of interest if we work together?
- ▶ Are you primarily tenant advocate of a listing agent?
- ▶ Do you have time to work on this project?
- ▶ What other projects are you currently working?
- ▶ What is your experience in finding properties like mine?
- ▶ How many tenant representation transactions have you handled in the past 3 years?
- ▶ What is your negotiating policy?
- ▶ Are you knowledgeable about market conditions?
- ▶ How do you handle conflicts of interest, such as when you show me space that you or your company represents on behalf of a landlord?
- ▶ How would you describe your reputation in the business community?
- ▶ Can you supply references?
- ▶ How do you get paid? What commission do you expect to receive?

[Click here](#) to review The Leasing Process Timing.

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## The Leasing Process and Timing

### 1. Define basic space requirements

- Size and layout
- Expansion and option space
- Price and term **1 day**
- Image and quality
- Geographical area
- Intangible and goals

### 2. Selection / interview with support team:

- Space Planner
- Interior Design (if desired) **1 to 7 days**
- Attorney / CPA

### 3. Determine alternatives available:

- General market knowledge of "deals" available
- Search of database **7 to 14 days**
- Verification of terms and conditions
- Review list of alternatives

### 4. Narrow down alternatives:

- Inspection tours of likely alternatives
- Selection of 3 -5 best alternatives
- Space planning of best alternatives **7 to 14 days**
- Review and re-draw of space plans
- Selection of top 2 - 3 alternatives
- Request for proposals on top alternatives

### 5. Analysis of proposals and alternatives:

- Financial analysis
- Layout efficiencies **1 to 7 days**
- Intangibles and goal analysis

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## 6. Final selection:

- Choose top alternative
- Establish terms required
- Prepare and present counter-offer
- Approve, re-negotiate, or select other alternative
- Review lease for business points **7 to 30 days**
- Review lease for legal points
- Review Workletter
- Re-negotiate lease terms
- Sign lease

## 7. Tenant improvement build-out:

- Monitor progress
- Report progress **30 to 120 days**
- Final walk through check

### Time to Allow

Before Tenant Improvements	<b>24 to 103 days</b>
Including Tenant Improvements	<b>54 to 194 days</b>

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## The Factors Influencing Design

<u>HUMAN FACTORS</u>	<u>PHYSICAL FACTORS</u>	<u>EXTERNAL FACTORS</u>
Objectives / goals	Location	Legal Restrictions
Activities	<ul style="list-style-type: none"> <li>• Region</li> </ul>	Code Restrictions
Behavior	<ul style="list-style-type: none"> <li>• Locality</li> </ul>	<ul style="list-style-type: none"> <li>• Land Use</li> </ul>
Organization	<ul style="list-style-type: none"> <li>• Community</li> </ul>	<ul style="list-style-type: none"> <li>• Change of use</li> </ul>
<ul style="list-style-type: none"> <li>• Hierarchy</li> </ul>	<ul style="list-style-type: none"> <li>• Site Conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Energy use</li> </ul>
<ul style="list-style-type: none"> <li>• Positions</li> </ul>	Building envelope	<ul style="list-style-type: none"> <li>• Environmental</li> </ul>
<ul style="list-style-type: none"> <li>• Groups/ subgroups</li> </ul>	Building structural system	<ul style="list-style-type: none"> <li>• Fire Resistance</li> </ul>
<ul style="list-style-type: none"> <li>• Adjacencies</li> </ul>	Building Systems	<ul style="list-style-type: none"> <li>• Fire Separation</li> </ul>
Interactions	<ul style="list-style-type: none"> <li>• Engineering</li> </ul>	<ul style="list-style-type: none"> <li>• Solar Access</li> </ul>
<ul style="list-style-type: none"> <li>• Internal communication</li> </ul>	<ul style="list-style-type: none"> <li>• Communications</li> </ul>	<ul style="list-style-type: none"> <li>• Day Lighting</li> </ul>
<ul style="list-style-type: none"> <li>• External communication</li> </ul>	<ul style="list-style-type: none"> <li>• Lighting</li> </ul>	Topography
<ul style="list-style-type: none"> <li>• Relationships</li> </ul>	<ul style="list-style-type: none"> <li>• Security</li> </ul>	Climate
<ul style="list-style-type: none"> <li>• Transfer of material</li> </ul>	Space	Ecology
<ul style="list-style-type: none"> <li>• Product workflow</li> </ul>	<ul style="list-style-type: none"> <li>• Types</li> </ul>	Resource availability
Company Policies / work codes	<ul style="list-style-type: none"> <li>• Dimensions</li> </ul>	Local economy
Company Attitudes / Values	<ul style="list-style-type: none"> <li>• Relationships</li> </ul>	<ul style="list-style-type: none"> <li>• Time</li> </ul>
	Equipment / Furnishings	<ul style="list-style-type: none"> <li>• Schedule</li> </ul>
	Materials / Finishes	<ul style="list-style-type: none"> <li>• Deadlines</li> </ul>
		<ul style="list-style-type: none"> <li>• Critical milestones</li> </ul>

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## HUMAN FACTORS

Company Customs / Beliefs

Perceptions

Qualities

- Comfort
- Productivity
- Efficiency
- Security
- Safety
- Privacy
- Control
- Convenience

## PHYSICAL FACTORS

Support Services

- Storage
- Parking Access
- Waste removal
- Utilities

Uses

Functions

Circulation

## EXTERNAL FACTORS

Cost / Budget

- Lease costs
- Mortgage cost
- Soft costs
- Construction costs
- Services / utilities

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## Tenant Representation

"Broker - Agent Magazine" by Gregory P. Schenk, SIOR  
- Article Reprint July 1997

[What is Tenant Representation?](#)

[How are Tenant Representatives compensated?](#)

[Why become a Tenant Representative?](#)

[Why it is in the buyer's \(tenant's\) best interest to retain a broker who specializes in Tenant Representation?](#)

As agents, we are all aware of the law requiring real estate professionals to disclose to buyers and sellers, who the real estate broker and their agent is representing in a transaction. We are also familiar with the agency disclosure form which has a place to check indicating whether an agent of a broker is representing the interests of the seller (landlord), the buyer (tenant), or both the seller and the buyer. Both parties sign this form and this makes it very clear, to all parties, who is representing whom in a transaction. [Click here to read the full article.](#)

### **What is Tenant Representation?**

Tenant Representation is when a real estate agent represents the interests of a buyer (tenant) in his search for a site or building. Along with the agency disclosure form, most companies use an exclusive representation letter to show agents and owners of properties that, indeed, the agent represents the buyer (tenant), how the tenant's agent will be compensated and the duration of the agency contract.

### **How are Tenant Representatives compensated?**

It is stated clearly in the Tenant Representative agreement letter that the sellers (landlords) of the property compensate the agent in the manner consistent with that particular market. The Tenant Representative or "Tenant Rep" broker splits the leasing or sales commission with the owner's listing agent. A flat fee or hourly consulting rate is becoming more common and accepted around the country.

The fee is paid to the listing agent or the developer regardless of whether the buyer or tenant uses a real estate agent. The buyer (tenant) pays no direct fees in a transaction. In some instances, companies would rather compensate the agent directly by fee and/or bonus depending on the nature of the assignment.

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## Why become a Tenant Representative?



Tenant Reps become a part of the client team with a space planner/architect, real estate attorney and other specialists as needed, e.g., phone, furniture, computers, attorneys, accountants, contractors, movers, telephones and cabling , etc. The Tenant Representative is the leader

of the whole process who first analyzes the tenant's situation, his short and long term goals, and listens to their problems and concerns, some of which many tenants don't readily disclose. The rep provides a market analysis and guides the tenant through the process, along with the various team members, to accomplish the goal whether it be a lease renewal, relocation or build-to-suit. This is all part of the challenge that awaits anyone who wants to be an advisor to a company. It is the ultimate in assisting a company get from point A to point B. A strong level of trust and relationship is formed and many great memories, assignments and/or referrals can result from a job well done.

## This is why it is in the buyer's (tenant's) best interest to retain a broker who specializes in **Tenant Representation**:

- One who knows the specific market conditions inside and out.
- One who can locate a suitable location based upon the client's parameters.
- One who can negotiate the lease or purchase in the client's best interest, using his knowledge of the marketplace (including concessions, i.e., free rent, tenant improvement allowances, historical deals in the market, moving allowances, capping building operating expenses, etc.)

When the client does this, you've assured yourself or your client of saving your firm valuable time and money, and giving yourself the peace of mind that comes with it. In essence, the Tenant Representative becomes an asset for the tenant, a "right arm" of the decision maker, at no additional direct cost to the tenant.

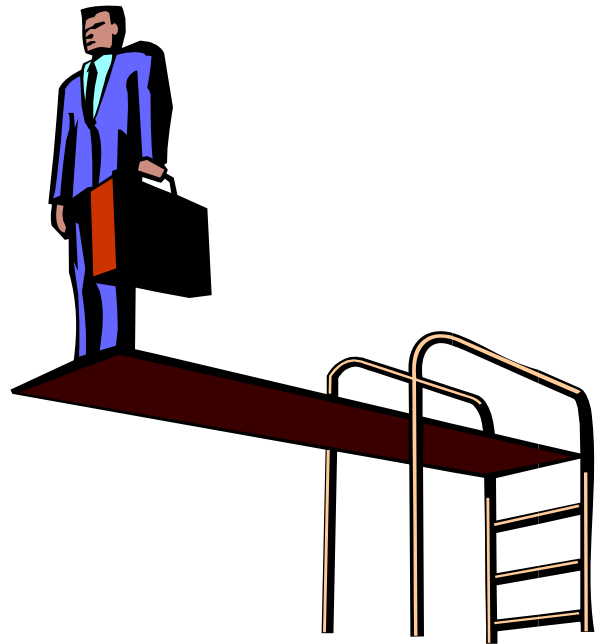


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TOP  
10  
LEASE  
NEGOTIATION  
&  
SITE SELECTION  
MISTAKES



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[www.irephtenant.com](http://www.irephtenant.com).

Dear Valued Clients,

Thank you for your time. We want to assist you and your clients improve their bottom line on leased and owned properties worldwide. We have record high vacancies in Central Ohio and many areas around the country! We can help you and your clients take advantage of that by giving them a no cost overview of their leased or owned facilities. We can assist them in restructuring or renewing their lease early to take advantage of this great tenant's market or help them with subleases, lease buyouts, sale leasebacks, 1031 exchanges and acquisitions.

We have prepared with the following material to help take the mystery out of site selection and lease negotiations.

We hope you find it interesting and useful. Additional information and a full description of our services can be found at [www.irephtenant.com](http://www.irephtenant.com).

Definitions and other information can be found at: [www.LeaseSmart.com](http://www.LeaseSmart.com).

With record high vacancies let us insure your client's facilities next lease renewal or relocation is done in the best terms and conditions for their company. Proper planning will insure this will be done! If we can be of service to you here and around the country please let us know!

Sincerely,

Greg Schenk SIOR  
President  
The Schenk Company, Inc

"Were our word is our bond and accountability to the client is everything"  
Providing Creative Solutions for your Worldwide Commercial real estate needs!

TOP 10  
LEASE NEGOTIATION  
&  
SITE SELECTION MISTAKES

The following list of common mistakes is the result of a survey taken among members of the prestigious International Tenant Representative Alliance. Participants drew from an average of well over 15 years of Tenant Representation experience, representing and advising national and local commercial tenants with hundreds of leases totaling millions of square feet. Most major U.S. markets were included.

The **main risks** to consider when commencing the Facilities Acquisition Process (Lease or Purchase) can be broken down to the following three categories:



**MONEY** - Were the best possible rate and terms achieved?



**RISK** - This includes the risk of making a bad location or operational decision, and whether you have the right lease clauses, which prepare for future, unknowable requirements such as business expansion, contraction or relocation needs.



**TIME** - How much *time* is going to be spent on the Facilities Search and Acquisition process, and what will it cost the company in terms of lost productivity?

**Information in this guide will eliminate or reduce these issues!**

**#1  
Most  
Common  
Mistake**



## NOT ALLOWING ENOUGH TIME

Facility research, property inspections and comparison analysis can usually be completed in a week or so by motivated companies already familiar with the local market. However, those tasks are only the *tip* of the “time drain” iceberg, and several commonly overlooked complications needing to be factored into the relocation timeline:\*

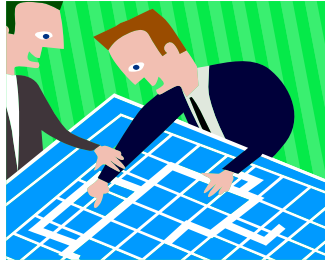
- 1) Negotiations with the Landlord and preparation of the lease can take months.
- 2) Once the Lease is signed the interior usually needs to be finished or renovated, which can take several months.
- 3) Before renovations can begin, building permits need to be obtained which can take up to two months, and
- 4) Before permits can be obtained, architectural plans must be completed, and may take one to two months.

If existing facilities cannot be found which are acceptable, new construction can easily take 12 months or longer.

***Bottom line: 6 - 12 months is a good time frame to use when looking for new facilities, even longer if experienced professionals are not used to guide the process.***

\* This assumes the space is not going to be taken as-is, which is possible, but unlikely.

*2<sup>nd</sup>  
Most  
Common  
Mistake*



## NEGLECTING LONG-TERM PRIORITIES

Owners who think only about solving immediate needs face expansion problems very soon again! In addition to evaluating short term needs relative to square footage requirements (number and size of rooms), type of floor plan (open, private, or a mixture), communications needs, parking needs, access and security needs, etc., be sure to factor in long term needs. By obtaining *facilities* and *lease terms* which will allow the company to expand, downsize or relocate as circumstances dictate, business owners can avoid the unnecessary headaches, loss of business and costs associated with relocating. Examples of such important lease clauses include:

- Expansion right obligates the Landlord to provide Tenant with more space should it become necessary.
- Cancellation right (commonly referred to as a “kick-out” clause) allows the Tenant to break the lease under certain conditions such as when the Tenant needs to expand and the Landlord cannot provide them additional space on the premises.
- Extension right is similar to an option, and allows the Tenant to remain in the premises (a right of first refusal is a type of extension right).
- Sublet right gives the Tenant flexibility in that if it must relocate, it may sublease the space and mitigate the economic pressure.

***Suggestion:*** *After discussing the company's immediate needs and long terms goals with senior management in all departments, meet with leasing experts and space planners/architects to determine a) the most productive combination of office size and layouts (modular furniture, hoteling, size, amenity requirements, etc.), b) facilities which are flexible enough to service future needs, and c) certain lease clauses which will be negotiated into the lease document..*

**3<sup>rd</sup>  
Most  
Common  
Mistake**



**INADEQUATE REPRESENTATION**

Unless someone in the company is already an **expert** in commercial real estate, most business owners cannot afford the time necessary to learn this complicated industry. Lack of knowledge combined with time pressures can cause unrepresented owners to a) make location decisions without being aware of ALL the choices, and b) make costly errors that cut into their profits and increase their financial exposure leaving valuable dollars on the table during negotiations to renew a lease or relocate to lease, purchase or build..

An experienced and specialized Tenant Rep counterbalances the Landlord's/Sellers professionals, and will insure that the Tenant receives the best possible rates, terms, incentives and lease clause protections. Incredibly, this valuable service may cost the business owner nothing, since Tenant Reps split the Leasing fees paid by the Landlord or Seller.

Using the *wrong* broker may lead to incomplete information or conflicting loyalties because of hidden agendas or Landlord relationships.

*Note: Business owners who do not use a Broker will likely not be aware of all the possible facility choices. This is because an experienced Tenant-Rep broker has developed a databank of every property on the market, an extensive network, and commonly finds facility choices which are not yet vacant or on the market.*

*Suggestion: Tenants should also keep their broker involved in the expansions, contractions, renewals and extensions that occur during the lease to prevent uninformed decisions that lead to lost opportunities.*

**4<sup>th</sup>  
Most  
Common  
Mistake**



**LEASE COMMENCEMENT DATE  
IS NOT TIED TO BUILDING COMPLETION**

This has been a disaster for many inexperienced Tenants who found that unexpected delays in the planning, permitting and construction stages ate into their rent-free build-out period and caused budget nightmares.

*Suggestion: Tenants should always propose a clause to the lease which provides for an extension of the lease commencement date if pre-opening delays are encountered which are beyond the control of the Tenant. Your professional and a good real estate attorney can suggest some good lease language.*

**5<sup>th</sup>  
Most  
Common  
Mistake**



**UNDERESTIMATING THE CONDITION  
OF THE PREMISES**

Tenants who take a property “as-is” put themselves at great risk. Even when the space looks fine and has been previously occupied, building codes may have changed or the unit’s infrastructure may be broken or inadequate.

*Suggestion: It is best to have the Landlord guaranty the space is up to current building, fire, safety, and zoning and ADA codes. It is also good to have the Landlord guaranty the condition of the electrical, plumbing, heating and air-conditioning systems for the first 90 days (if not the entire term of the lease).*

**6<sup>th</sup>  
Most  
Common  
Mistake**



**USING THE LANDLORD’S PROFESSIONALS**

Tenants should use architects, general contractors and legal counsel under their control to create and review the various space plans, specifications, costs and documents. Otherwise, Tenant may receive inferior designs and/or fixtures that are less efficient and may dramatically increase yearly operating costs.

**7<sup>th</sup>  
Most  
Common  
Mistake**



**MISUNDERSTANDING THE TRUE SPACE COSTS**

Business owners who are inexperienced with commercial real estate are often unable to perform true “apples to apples” analysis when comparing different facility choices. It can be complicated, even for the pro, to compare the different lease types such as: Full Service, Gross, Semi-Gross, Net, Triple Net, etc. Additionally, each Landlords interior finish levels, Tenant Improvement (TI) contributions, lease incentives and a myriad of other factors need to be part of the comparison equation.

This confusion leads many owners to make less than optimum decisions.

**8<sup>th</sup>  
Most  
Common  
Mistake**



**PAYING TOO MUCH RENT**

Companies which do not obtain accurate, current market research may pay too high a rental rate. Landlord “flexibility” changes constantly depending upon many factors including current occupancy rates in their building and the competition, lease length, tenant’s use, parking requirements, financial strength of tenant, etc.

Negotiations are especially important with lease renewals, since Landlords are most competitive when the space is placed on the open market.

**9<sup>th</sup>  
Most  
Common  
Mistake**



**NOT ENOUGH LANDLORD INCENTIVES**

Due to a lack of experience, Tenant did not obtain as many incentives as they might have been able to negotiate. Typical incentives include periods of free rent both before and after lease commencement; discounted rent for various time periods, Landlord contributions to tenant’s build-out costs, landlord improvements to the space, limits on future rent increases, etc.

**10<sup>th</sup>  
Most  
Common  
Mistake**

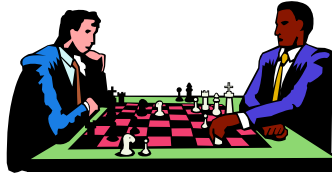


**NO OUTSIDE INCENTIVES**

When a company relocates it may be possible to obtain substantial economic incentives from local government. These incentives include tax rebates, relocation assistance, payroll subsidies during employee training, infrastructure improvements and others.

Many times the statutory incentives can be negotiated up very substantially, and an inexperienced company may leave millions of dollars on the table. Recently we helped a fast growing company get an additional half million dollars in city and State incentives that they wouldn’t otherwise have received.

***Suggestion: Use an experienced “location analyst & incentive negotiator” to make sure you obtain the best incentives possible.***



## OTHER COMMON LEASE NEGOTIATION & SITE SELECTION MISTAKES

### **TENANT PERFORMS THE BUILD-OUT**

It may be better to have the Landlord perform actual build-out work, so that unexpected problems or delays will be the Landlord's cost.

When it is appropriate for the Tenant to perform the build-out, have the lease provide for an extension if delays are encountered which are not the fault of the Tenant, and extra Landlord monetary contribution if unexpected repairs are required (termites, code violations, etc.).

### **NO LIMIT ON PERSONAL GUARANTY**

Many times it is possible for the Personal Guaranty to expire "x" months after lease commencement, or provide a specific dollar amount of guaranty. Although not as beneficial, it may be possible to use an "Evergreen Guaranty" which provides that Tenant will personally guaranty a set number of months or years, commencing upon default by Tenant. Your professional will know what is typical for your market.

### **LIMIT ON FUTURE FLEXIBILITY / COMPANY GROWTH**

How fast is the company going to grow? Will it be necessary to downsize? How likely is a new partner or merger? These situations, and more, indicate the Tenant's need for as much flexibility as possible. Tenants should work with experienced professionals to insert language into the lease which will allow a cancellation or modification of the lease under certain circumstances.

### **LIMIT ON FUTURE FLEXIBILITY / PRODUCT GROWTH**

Will the company want to carry a new product line or install a new technology? Will a neighboring Tenant vacate (or move -in) which impacts the business? Tenants should be cautious with their "Use Clause" since these clauses can be very specific as to what goods and services the Tenant will provide, and may prevent a Tenant from offering a very lucrative product or service in the future which has not yet been invented!

### **CHOOSING THE WRONG LOCATION / TURNING MARKET**

Tenants who do not know the local market may locate into a declining area, making it impossible to hire and retain the highest quality employees.

### **CHOOSING THE WRONG LOCATION / PENNY WISE AND POUND FOOLISH**

Retail tenants who choose locations in unanchored properties to obtain lower rental rates. Traffic and subsequent sales volumes are dismal, and tenants fight a losing battle.

### **HAMSTRUNG BY YESTERDAY'S TECHNOLOGY**

The office building is not set up with the newest in telecommunications and data cabling, such that Tenant cannot benefit from today's technology. Business is lost to competitors which can offer better service to clients.

**TAKE TOO MUCH SPACE**

Tenant did not use their own space planner and leased offices which were too large or had an inefficient floor plan.

**SPACE WAS MEASURED INCORRECTLY**

Tenant did not verify the Landlord's dimensions and figures and paid rent on "phantom" space.

**UNNECESSARY SECURITY DEPOSIT**

Landlord asks for Security Deposit as standard procedure, but does not require one depending upon Tenant creditworthiness and/or build-out requirements.

**NARROW SEARCH**

Tenant limits its geographic area of interest too severely, and does not complete adequate market education resulting in lost opportunities.

**HOLD-OVER PENALTY IS TOO HIGH**

Standard hold-over penalties in first draft lease agreements are typically far higher than necessary.

**NOT REVIEWING THE LEASE OFTEN ENOUGH**

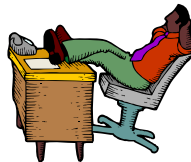
Tenants miss notification dates, resulting in automatic renewals, loss of option period, or other penalties.

**POOR DESIGN**

Tenant made poor choices during interior design stage because of focus on "least initial cost" instead of "lifetime operating costs". Many times upgraded lighting, windows; insulation, etc. can make very dramatic improvements in employee productivity, operating costs, and business security. Your professional should be able to discuss the latest in facility design, materials and technology.

**POOR PLANNING**

Natural catastrophe occurs and electric power is lost for an extended period of time. Tenant is out of business, and losing clients at a rapid rate. Proper planning and/or design can eliminate potential business disasters.



***Make your life easier, call:***

**The Schenk Company, Inc**

**Central Ohio's Exclusive Tenant Representation firm**

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**Worldwide Commercial Tenant/Buyer & Investor  
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**[www.irephthetenant.com](http://www.irephthetenant.com) for information and recent letters of recommendation**

**E Mail: [Greg@irephthetenant.com](mailto:Greg@irephthetenant.com)**

## Gregory P. Schenk, SIOR

Holds the top designation available in the commercial real estate industry: Specialist, Industrial and Office Real Estate (SIOR) designation.

Founder of Central Ohio's only commercial real estate firm specializing exclusively in Tenant/Buyer-Representation - no other firm in the area does so.

Creator of "The Schenk Company's "Competitive Edge" seminars and courses on exclusive tenant representation and Corporate Service which were certified for continuing education in Ohio and many other articles which have appeared in national publications. Speaker for the Ohio Society of CPA's on the state of the commercial real estate market, and to the Columbus Medical Association. Featured speaker at many National SIOR conferences cities nationally!

2006 Micro Entrepreneur of the year award winner for real estate in Central Ohio

Featured Fastrac Magazine Entrepreneur May 2006,

Two time nominee small business person of the year Columbus

Featured in Costar Magazine Top Power Broker 2004, Midwest Real Estate News 2003 & 2002 top 50 broker in the Midwest, The Columbus Dispatch February 2002, CEO Magazine on 131 Exchanges February 2002, Fastrac Magazine's October 2001 edition on a fast Growing successful firm that gives back to the community. .

Creator of [www.irephtenant.com](http://www.irephtenant.com) web site which gives clients an up to date history of The Schenk Company's services, clients, letters of recommendations.

Instructor for numerous real estate investment and brokerage courses and has been certified by the Ohio Real Estate Commission, qualified to teach their continuing education classes.

Member: Society of Industrial and Office Realtors  
Ohio State University & Evans Scholar Alumni Assoc.

Twenty years of experience in commercial real estate and has owned, managed, leased and/or brokered millions of square feet of office, retail and industrial properties as well as investment acquisitions.

BS Degree in Marketing from the Ohio State University.  
Evans Scholar recipient. SIOR certification & CCIM classes

Past clients include: over 500 clients over 20 years including many Medical practices, ITT, Northwestern Mutual Financial Services, Fresenius Medical Care, Grange Insurance, Children's Hospital, Progressive Medical, American Express, Franklin University, First Watch, private investors. See client list on website!

PH: 614-487-1972 E-mail:Greg@irephtenant.com

Fall 2006

Third quarter 2006 vacancies show Columbus as one of the top four in the nation for highest vacancies! What does this mean to you and your clients? Great opportunities to put together a strategic plan to insure your short and long term success. Five of our past clients in 2005 and three in 2006 made the Business First Fast Fifty list for fastest growing companies in Central Ohio. The companies that plan their growth and work together with us have experienced great success. Let us work with you to insure you are on the path to success!

Thank you

Greg Schenk SIOR



## Company Agency Policy Disclosure Form

The purpose of this form is to explain to you, our client, our policies on permitted agency relationship, cooperation, and compensation. In certain cases, we will make reference to the Agency Disclosure Statement as mandated by the State of Ohio.

### A. The Schenk Company, Inc., Permitted Agency Relationships

1. Seller's/Landlord's Agency. Please see your Agency Disclosure Statement for explanation of Seller's/Landlord's agency. (The Schenk Company, Inc., does not represent Landlords).
2. Buyer's/Tenant's Agency. Please see your Agency Disclosure Statement for an explanation of Buyer's/Tenant's agency. **THIS IS EXCLUSIVELY THE SCHENK COMPANY, INC.'S., BUSINESS.**
3. Disclosed Dual Agency. Dual agency may be the initial agency relationship in which we may provide real estate services. If not, at some point during a Seller/Landlord or Buyer/Tenant relationship, a situation may arise in which we may ask a Client's consent to act as a dual agent. Please see your Agency Disclosure Statement for an explanation of dual agency. In the event that dual agency arises and the Client refuses to consent to the dual agency or seeks to terminate the agency relationship as a result of the proposed dual agency, the management of The Schenk Company, Inc., may determine which agency relationship to terminate. Additionally, the Client may request that a separate realtor agent be appointed to represent the Client's interests or Client may terminate the agency relationship and seek representation from another source; however, the Client may be obligated to pay a commission to The Schenk Company, Inc.

### B. Company Policy on Cooperation and Compensation

1. Cooperation with Licensees. The Schenk Company, Inc., cooperates with other licensees acting as a Seller's/Landlord's agent and as a Buyer's/Tenant's agent.
2. Compensation from Other Brokers. When representing a Buyer/Tenant, The Schenk Company, Inc., may seek compensation from other brokers. Further, unless otherwise stated to the contrary in another agreement between The Schenk Company, Inc., and the undersigned Client, Client hereby permits The Schenk Company, Inc., to receive compensation from the listing broker in this real estate transaction. The Schenk Company, Inc.'s agent, who is a Buyer/Tenant

### *Commercial Real Estate Advisory Services*



as a Client represent that Client's interest even though the Seller's/Landlord's agent or the Seller/Landlord may compensate The Schenk Company, Inc.

3. Subagency. In the best interest of our Clients, The Schenk Company, Inc., does not accept subagency relationships and therefore, will not seek compensation nor offer compensation related to subagency. Subsequently, The Schenk Company, Inc., does not cooperate with subagents.

#### C. Confidentiality Notification

The Schenk Company, Inc., will take all reasonable measures to ensure that information provided to your agent will be held in the strictest confidence. Your cooperation and assistance is essential to this process.

I hereby acknowledge receipt of this document and understand the terms and conditions stated herein.

\_\_\_\_\_  
Date Client

\_\_\_\_\_  
Date Client

#### *Commercial Real Estate Advisory Services*

1714 Churchview Lane, Ste 100 • Columbus, OH 43220 • 614-487-1972 • Fax: 614-635-3442

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