

# **HIRC**

**The High-Risers Club**

**1.30.2024 – Representing the Tenant Wrap Up**

# Coach Jeff Wright

# Welcome

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Does anyone have anything great to share personally or professionally?



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# Podcast

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- **Last Week: Ask Coach Jeff: Most Common Commercial Lease Types**
- **This Week: Triple Net Lease - Key Takeaways & Components**

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# Greatness is Within



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# Questions for a Potential Retail Tenant

1. What location requirements do you have? Regional mall, downtown hub, Main Street?
2. What are your demographic requirements?
3. Does your budget include CAM charges?
4. Do you require location exclusivity?
5. Are you willing to sign a percentage lease?
6. Do you have any specific requirement for a location within a property, e.g., is an end cap necessary?
7. Do you need to be located on a specific side of a street to maximize traffic flow patterns at different times of the day?
8. Are there any competitors you are trying to avoid?
9. Are there other retailers you desire to be close to or in the same retail center as?
10. Do you have any specific requirements for utilities, water or sewer?
11. Do you have any special equipment requirements?
12. Do you have any special zoning requirements?
13. Do you require access for loading?

# Questions for a Potential Industrial Tenant

1. Do you need office space? If so, how much?
2. Do you need docks? If so, how many?
3. Do you need overhead doors? If so, how many?
4. How much outdoor parking, and what turning radius for that parking, will be required?
5. Do you need any special floor loads? If so, what are the minimum requirements?
6. Do you need any special ceiling heights? If so, what are the minimum requirements?
7. Do you need any large, clear spans? If so, what dimensions?
8. Do you need any cube space? If so, how much?
9. Do you have any specific electric requirements?
10. Do you have any specific plumbing requirements?
11. Do you have any specific HVAC requirements?
12. Do you have any specific elevator requirements?
13. Do you have any location requirements – highway, railroad, airport, shipping, etc.?
14. Do you have any special equipment requirements?

# Questions for a Potential Office Tenant

1. What class of building (A, B, C) do you want to be in?
2. Where do you want to be located – downtown, Main Street, office park, etc.?
  - a. Do you need to be close to a highway, train station or airport?
  - b. Do you need to be a certain distance from the decision maker's home?
  - c. Do you need to be a certain distance from the homes of the workforce?
3. Do you prefer to be in a high-rise, mid-rise or low-rise building?
4. What, if any, amenities, service and retailers would you like to be close to?
5. What are your demographic requirements?
6. Does your budget include CAM charges?
7. Do you require exclusivity?
8. Are there any competitors you are trying to avoid?
9. Do you have any specific requirements for utilities, water or sewer?
10. How many parking spaces do you require?
11. Do you require any special ceiling heights? If so, what are the minimum requirements?
12. Do you have any specific electric requirements?
13. Do you have any specific plumbing requirements?
14. Do you have any specific HVAC requirements?
15. Do you have any specific elevator requirements?
16. Do you have any building amenity requirements, e.g., gym, cafeteria, etc.?
17. Do you have any special load factor requirements for any of your equipment? If so, what are the minimum requirements?
18. What are your hours of operation?
19. How many private offices do you require?
20. How many conference rooms do you require?
21. Do you require parking lot and/or building security?



# Commission Calculation Form – Full Commission (No Co-Broke)

Year	SF (Rentable)	X	Cost Per SF	X	% Commission	=	Commission
1	4,540	X	\$20.00	X	5.0%	=	\$4,540.00
2	4,540	X	\$20.00	X	5.0%	=	\$4,540.00
3	4,540	X	\$20.00	X	5.0%	=	\$4,540.00
4	4,540	X	\$20.00	X	5.0%	=	\$4,540.00
5	4,540	X	\$20.00	X	5.0%	=	\$4,540.00
<b>Sub-Total Years 1-5</b>							<b>\$22,700.00</b>

Rent increase 10% years 6-10

Year	SF (Rentable)	X	Cost Per SF	X	% Commission	=	Commission
6	4,540	X	\$22.00	X	2.5%	=	\$2,497.00
7	4,540	X	\$22.00	X	2.5%	=	\$2,497.00
8	4,540	X	\$22.00	X	2.5%	=	\$2,497.00
9	4,540	X	\$22.00	X	2.5%	=	\$2,497.00
10	4,540	X	\$22.00	X	2.5%	=	\$2,497.00
<b>Sub-Total Years 6-10</b>							<b>\$12,485.00</b>



# Commission Calculation Form – Full Commission (No Co-Broke)

Rent increase 10% years 11-15

Year	SF (Rentable)	X	Cost Per SF	X	% Commission	=	Commission
11	4,540	X	\$24.20	X	1.25%	=	\$1,373.35
12	4,540	X	\$24.20	X	1.25%	=	\$1,373.35
13	4,540	X	\$24.20	X	1.25%	=	\$1,373.35
14	4,540	X	\$24.20	X	1.25%	=	\$1,373.35
15	4,540	X	\$24.20	X	1.25%	=	\$1,373.35
<b>Sub-Total Years 11-15</b>							<b>\$6,866.75</b>

**Grand total years 1-15: \$43,051.75**

## Representing a Tenant

### Criteria:

- Office lease of 3,00 rentable sf
- Gross lease rate of \$22sf with 2% increase each year
- 5% lease commission

# Representing a Tenant

Year	SF (Rentable)	X	Cost Per SF	X	% Commission	=	Commission
1	3,000	X	\$22.00	X	5%	=	\$3,300.00
2	3,000	X	\$22.44	X	5%	=	\$3,366.00
3	3,000	X	\$22.88	X	5%	=	\$3,432.00
4	3,000	X	\$23.34	X	5%	=	\$3,501.00
5	3,000	X	\$23.81	X	5%	=	\$3,571.50
<b>Sub-Total Years 1-5</b>							<b>\$17,170.00</b>

# Join Our Facebook Group

<https://www.facebook.com/groups/commercialrealestateforresidentialrealtors>



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**Next Session**

**Representing the Landlord**

**Tuesday, February 6, 2024  
@ Noon Eastern**

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