



THE ULTIMATE GUIDE TO LEASING COMMERCIAL SPACE

Next Phase Commercial, brokered by
Epique Realty



www.NextPhaseCommercial.com



WELCOME!

Leasing the right commercial space is a major milestone for your business—whether you're launching a new venture, relocating, or expanding. The leasing process is complex and competitive, but with a clear plan and the right team, you can find the space that helps your business thrive.

This guide will help you:

- ▶ Understand how landlords evaluate tenants
- ▶ Define your business needs and budget
- ▶ Navigate property search and compare options
- ▶ Prepare, negotiate, and review lease terms
- ▶ Avoid costly mistakes and move in with confidence

Keep this guide handy and consult your Next Phase Commercial advisor at every step!



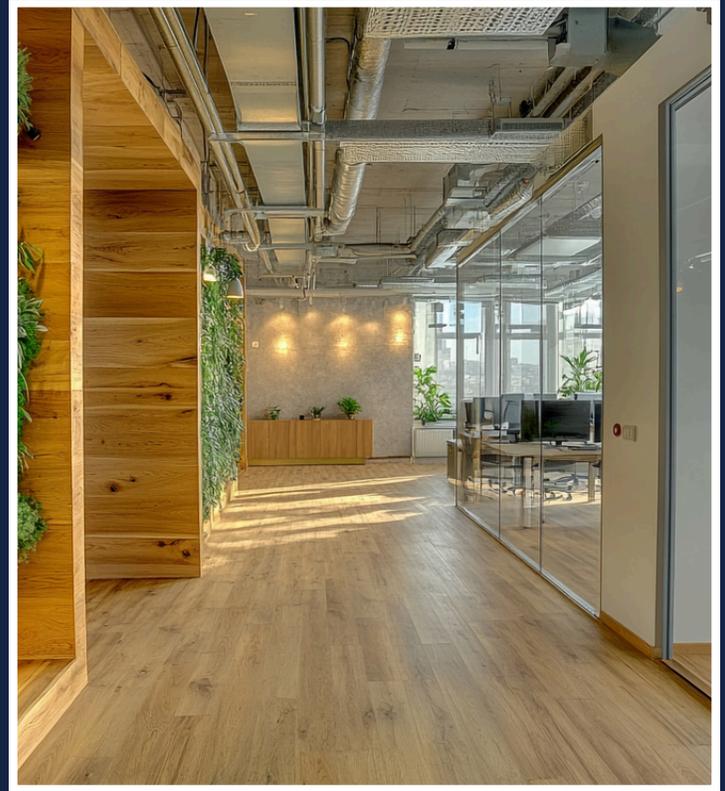
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TENANT PREPARATION



Define Your Business Needs

- ▶ What type of space do you need? (office, retail, industrial, medical, flex)
- ▶ Ideal location(s), target square footage, layout, parking, signage, and accessibility requirements
- ▶ Must-have features: loading docks, kitchen, conference rooms, HVAC, power, etc.
- ▶ Your ideal move-in date and lease term (years)

Set a Realistic Budget

- ▶ Include base rent and NNN/CAM charges
- ▶ Estimate utilities, insurance, janitorial, maintenance, parking, and taxes
- ▶ Plan for upfront costs: security deposit, first month's rent, legal fees, buildout, moving expenses

First-Time Business Tenant?

IMPORTANT:

If you are starting a new business or have limited operating history, prepare a professional business plan.

Why?

Landlords are more likely to approve tenants who show a clear plan for success—this reduces their risk and shows you're serious.

What to include:

- ▶ Executive summary
- ▶ Description of your business, products/services
- ▶ Market research (your customer, competition)
- ▶ Marketing and sales plan
- ▶ Pro forma financial projections (2–3 years)
- ▶ Owner/management bios
- ▶ Any personal financial backing or guarantees



TIP: A solid business plan can set you apart from other applicants—even if you're new to the industry.

Assemble Your Leasing Team

- ▶ Tenant rep broker (your advocate, usually paid by landlord)
- ▶ Attorney (for lease review)
- ▶ Architect or contractor (for buildout/space planning)
- ▶ Insurance agent
- ▶ IT/telecom and move coordinator

Understand Lease Types

- ▶ **Triple Net (NNN):** Tenant pays rent + share of taxes, insurance, maintenance
- ▶ **Gross Lease:** One fixed rent includes most expenses
- ▶ **Modified Gross:** Rent plus selected expenses

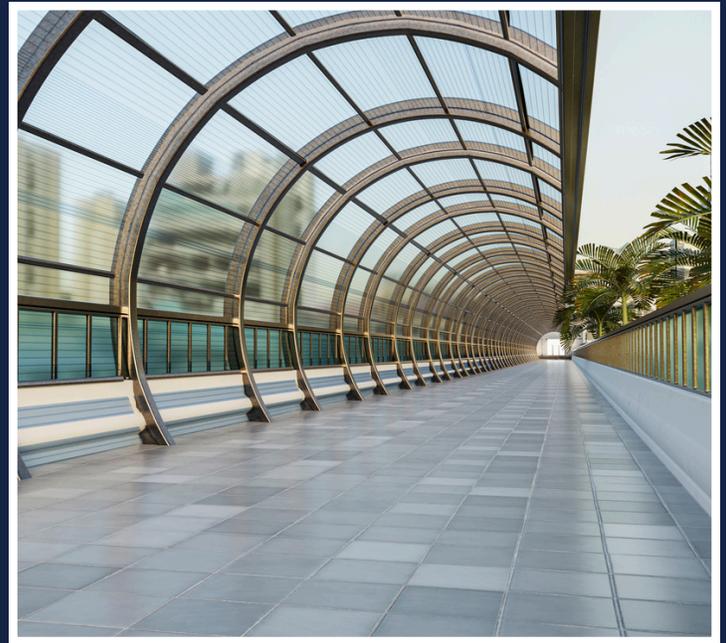
Avoid Common Mistakes

- ▶ Leasing more space than you need
- ▶ Not budgeting for total occupancy cost
- ▶ Skipping attorney review
- ▶ Missing flexibility clauses (renewal, sublease, expansion)
- ▶ Underestimating the value of a strong business plan for landlord approval



02

THE SPACE SEARCH



Identify and Compare Properties

- ▶ Use broker networks, LoopNet, Crexi, CoStar, direct outreach, and local knowledge.
- ▶ Compare on-market and off-market spaces, subleases, and new construction.
- ▶ Create a shortlist of the top options.

Tour Properties

- ▶ Schedule tours at different times of day
- ▶ Use a comparison checklist: layout, condition, light, parking, signage, access, common areas
- ▶ Note any needed improvements or landlord incentives (TI allowance).

Research Location & Competition

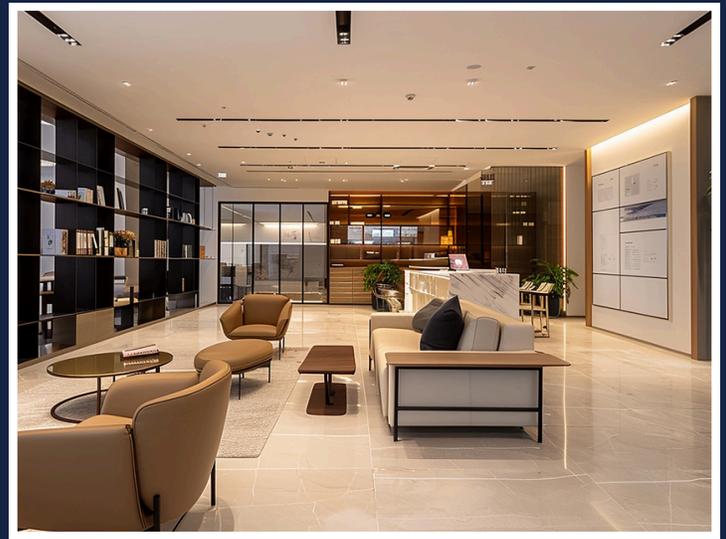
- ▶ Analyze area demographics, foot/vehicle traffic, and nearby tenants/competitors
- ▶ Assess safety, access to transit, walkability, and future development plans.

Evaluate the Landlord and Building

- ▶ Check the landlord's reputation, management style, and responsiveness
- ▶ Talk to current tenants if possible.

03

NEGOTIATION & DUE DILIGENCE



Submit an LOI (Letter of Intent)

- ▶ Outline key terms: rent, lease length, renewal, concessions, TI/buildout allowance, occupancy date, security deposit, use, signage
- ▶ Your broker will help draft and negotiate this document

Lease Negotiation

- ▶ Negotiate for: Free rent, TI/buildout allowance, moving credits, capped NNN increases, renewal/expansion options, signage, parking rights
- ▶ Push for fair repair/maintenance obligations and early termination/sublease options if you need flexibility

Lease Review & Legal Due Diligence

- ▶ Have your attorney review the full lease
- ▶ Confirm zoning/permitted use and required permits
- ▶ Review assignment/sublease, relocation, and default clauses

Landlord Approval

- ▶ Expect the landlord to request your business plan, financials, and references—especially if you're a new business or sole proprietor
- ▶ Personal guarantees are common for startups; be clear about your risk and negotiate terms

04

MOVING IN & BEYOND



Buildout & Move-In Prep

- ▶ Coordinate construction, buildout, inspections, and final walkthrough
- ▶ Set up utilities, insurance, IT/phone, business licenses, and signage
- ▶ Schedule the move with your team

Transition Operations

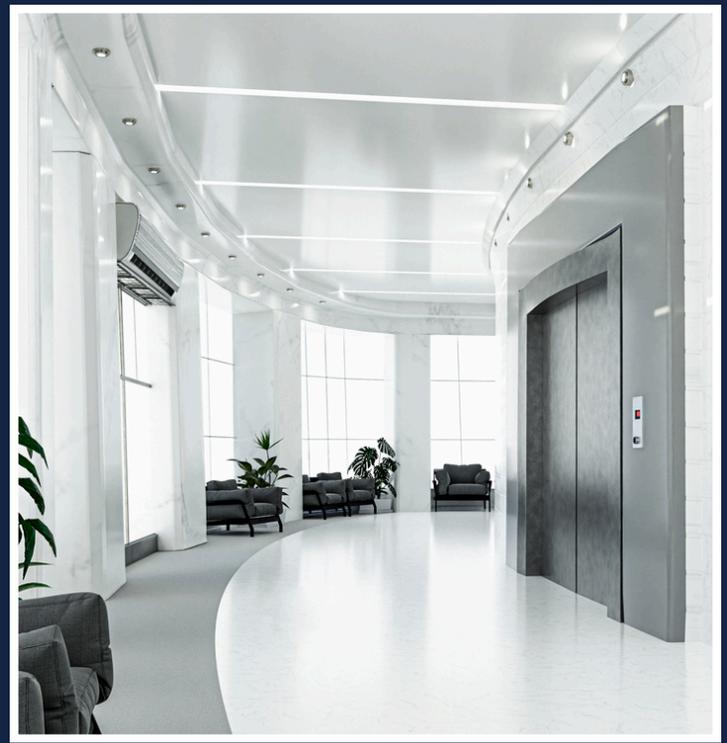
- ▶ Announce opening to customers and partners
- ▶ Update online profiles, address, and licensing
- ▶ Communicate with landlord about any punchlist items

Your Rights & Responsibilities

- ▶ Pay rent/expenses on time, maintain your premises, follow building rules
- ▶ Communicate repair needs promptly and in writing
- ▶ Build a professional, respectful landlord relationship for future flexibility

05

TENANT CHECKLISTS



Pre-Search

- ✓ Define needs, location, and budget
- ✓ Hire tenant rep broker
- ✓ Prepare business plan and financials
- ✓ Engage your attorney/contractor

Touring & Comparing

- ✓ Tour 3-5 spaces, assess pros/cons
- ✓ Get TI/buildout estimates

Negotiation

- ✓ Submit LOI, negotiate rent and incentives
- ✓ Review full lease with attorney
- ✓ Confirm business plan is ready for landlord review

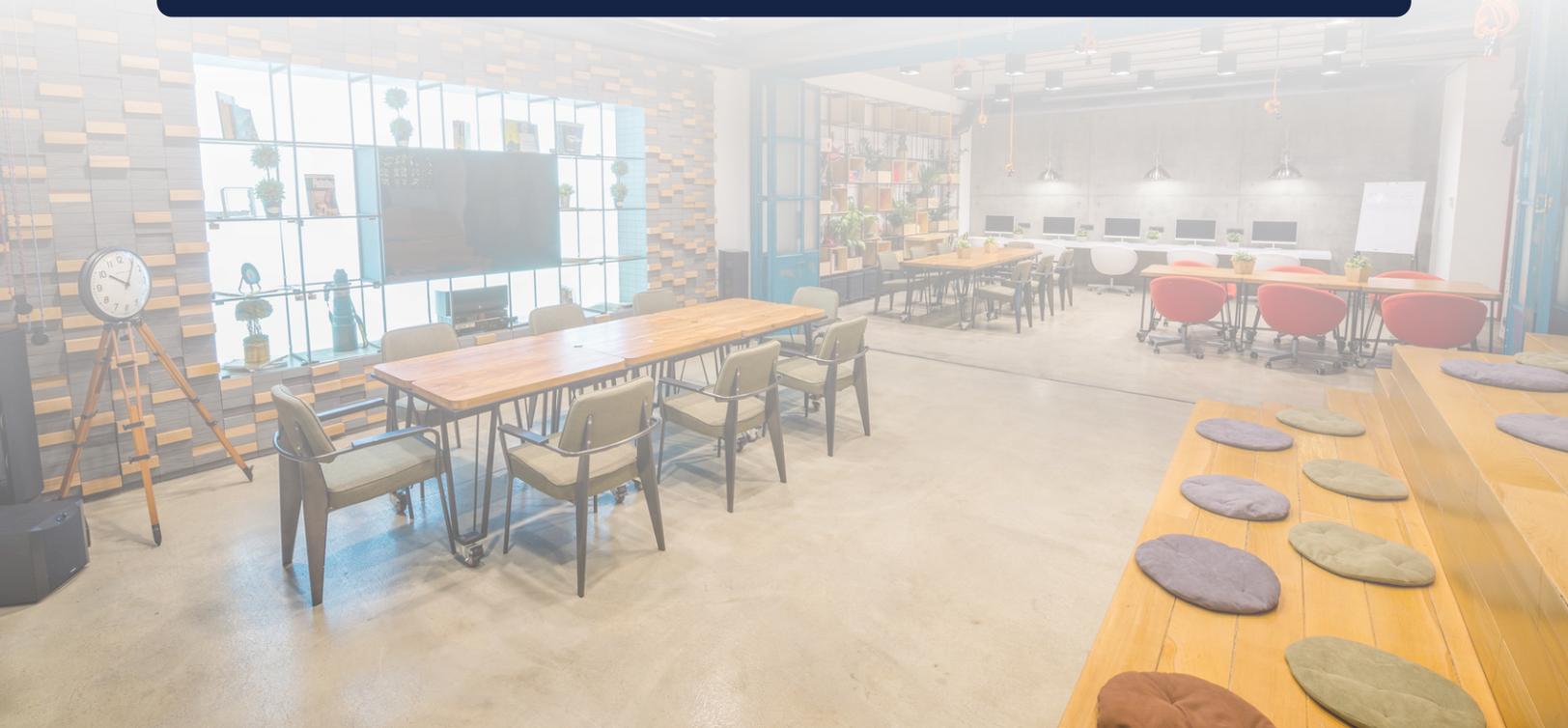
Move-In

- ✓ Complete buildout, inspections, and walk-through
- ✓ Set up all utilities, insurance, and IT
- ✓ Announce opening, update contacts

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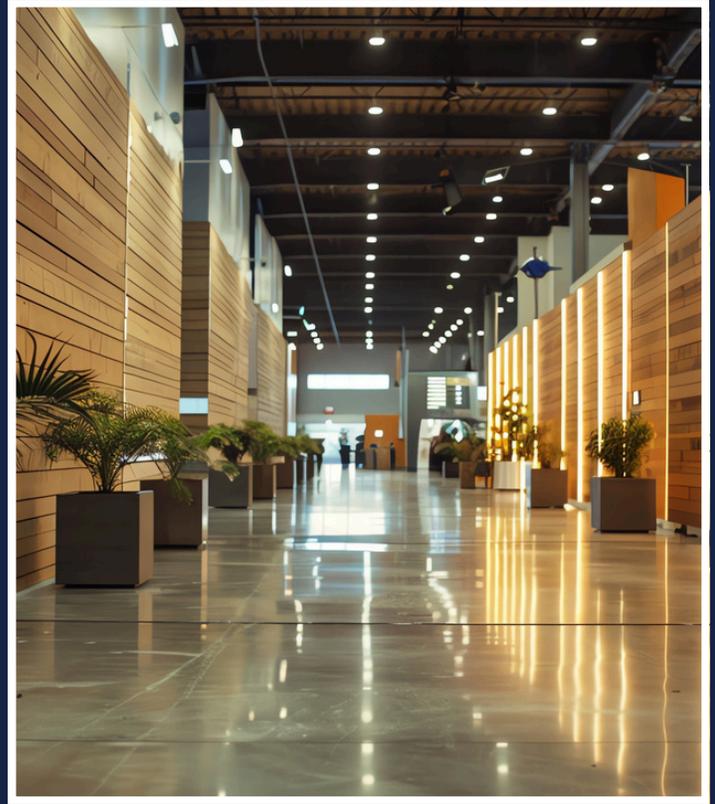
PRO TIPS & SHORTCUTS

- ▶ New business? A professional business plan is your #1 tool for lease approval!
- ▶ Always get legal review before signing the lease
- ▶ Compare total occupancy costs (not just base rent)
- ▶ Push for options (renewal, sublease, expansion) for future flexibility
- ▶ Communicate openly with your broker—they're your advocate at every step



07

GLOSSARY



- ▶ **Base Rent:** Rent before expenses
- ▶ **CAM:** Common Area Maintenance fees
- ▶ **Estoppel:** Tenant letter verifying lease details
- ▶ **Gross Lease:** All-inclusive rent
- ▶ **LOI:** Letter of Intent, non-binding outline of terms
- ▶ **NNN Lease:** Tenant pays rent plus property expenses
- ▶ **Option:** Right to renew, expand, or terminate
- ▶ **Punchlist:** Final repairs or corrections before move-in
- ▶ **Tenant Improvement (TI):** Allowance for renovations/buildout

ABOUT NEXT PHASE COMMERCIAL

At Next Phase Commercial, brokered by Epique Realty, we help landlords fill vacancies faster, attract quality tenants, and protect your investment. With smart marketing, thorough screening, and expert lease negotiation, we make leasing simple and successful, so you can focus on what matters most.

Let's lease your property with confidence.

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This guide is for educational purposes. For legal or lease advice, consult your licensed professionals.

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