



Small Business Leasing Strategies

Workbook

Key Partners

Main Street programs are champions of providing targeted and comprehensive technical assistance, learning sessions, and business-needs workshops to the small businesses within their designated corridors. However, business needs are distinct for every owner. Often, group training is not accessible due to limited time and language barriers, among other reasons. This is why District Bridges and Rhode Island Avenue Main Street partnered to create Access Point, an online learning platform. Access Point makes technical assistance more accessible for the small businesses currently served by Main Street programming and businesses across the city. Through Access Point, we are helping small businesses thrive and creating a more vibrant DC.



Access Point

A program collaboration from District Bridges and Rhode Island Avenue Main Street, funded in part by the DC Department of Small and Local Business Development.

www.accesspointdc.com



Introduction

How to Use This Workbook



Whether you are a business owner leasing an existing space or considering your first brick-and-mortar location, this workbook is designed to help you navigate the leasing process.

You should pair the Access Point webinar series, Small Business Leasing Strategies, with each section of this workbook. This book is intended to provide a deeper understanding of the content. In this workbook, you will find a description of the webinar, its learning objectives, and paired materials to support your decisions. There will be critical questions and terminology to help you determine how to protect yourself as a tenant and help guide the conversations with your team at each step of the process. Keep in mind that opening and maintaining a storefront requires you to commit many resources - time, labor, and financial resources, among others.

Once you get through the workbook, open your doors or renegotiate your lease, please share your stories with the Access Point team at District Bridges! We would love to improve this workbook to ensure it truly serves every brick-and-mortar business like yours.

ACKNOWLEDGMENTS

District Bridges would like to thank the workbook's authors for their effort in producing the resources enclosed. Please reach out to any of them to support you in your journey!

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Preface

Webinar Information

Webinar Information

Presenters



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With nearly a decade of experience immersed in retail real estate, Bobby works with municipalities, real estate developers, and small businesses to ensure retail entrepreneurs can establish, grow, and sustain. Prior to founding &Access, he led a citywide effort to attract and maintain small businesses in Detroit and tackled wide-ranging retail challenges as a senior strategist at Streetsense. Bobby shares his love of retail with others as a university lecturer. He received degrees in architecture and planning from Florida A&M University and the University of Cincinnati.



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Amelia E. Elze is the owner of Elze Law PLLC, a boutique commercial real estate law firm in Northern Virginia. Her practice focuses on commercial leasing (retail, office, and industrial) and acquisitions and dispositions of commercial property. Amelia has extensive experience with developing, leasing, and managing complex mixed-use centers and office and industrial properties, having served as both in-house and outside counsel to a range of regional and national developer clients. Amelia also brings her expertise to the Tenant side where she has represented tenants of all types.



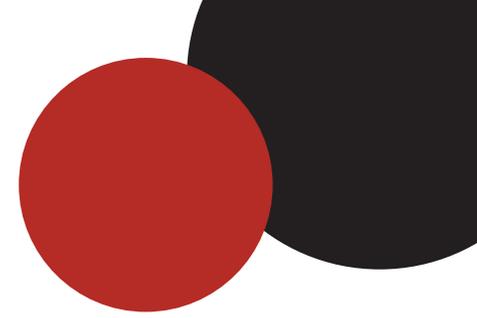
MICHAEL JOHNS, JR

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Throughout his career, Michael has leveraged his multi-cultural background, formal education, and small business ownership experience to connect with a diverse range of stakeholders. Born in the same hospital as Duke Ellington, it is only natural that Michael would find his niche in real estate and retail consulting in DC's Shaw neighborhood. There, his work in asset management, leasing, and consulting has contributed to the activation of over 100,000sf of retail space. Michael earned his Bachelor of Science in Economics with a concentration in marketing from the Wharton School of Business at the University of Pennsylvania.

Webinar Information

Descriptions + Learning Objectives



KEY PLAYERS IN COMMERCIAL LEASING

Webinar 1

Description: Starting and operating a business is not easy, so we recommend engaging trusted advisors to help you along your journey. Luckily, Metropolitan DC is home to many entrepreneurial support organizations and professional service providers who offer free and paid technical assistance to get you through the leasing process. Finding a real estate broker to help you find space, an architect to help guide you through the design and construction process, and a contractor to help you build your dream space are smart ideas, but they all cost money and can add up quickly. This webinar will help you identify who you need and tips to limit your expenses when engaging with them.

Learning Objectives:

- Identify the support needed to establish a brick-and-mortar location
- Understand opportunities to leverage pro bono assistance for your business's needs

UNDERSTANDING YOUR BUSINESS'S REAL ESTATE NEEDS | Webinar 2

Description: From the cost of rent to the number of customers who enter your doors, your business's real estate impacts the business's bottom line in many ways. Unfavorable deal terms can determine whether or not your business succeeds. Many considerations will go into choosing the best location for you. During this webinar, we will explore tactics to narrow down the myriad of options to suit your new or changing needs, to learn how to best position your business, and to compile your pitch deck to present your business case to prospective property owners.

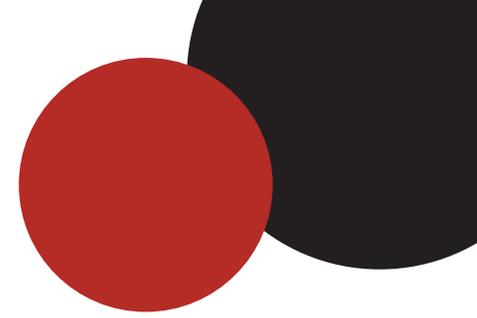
If you're a business with an existing location, this webinar is also for you. It will provide a refresher on the elements needed to renegotiate your lease and ways to find a new location.

Learning Objectives

- Determine the space needs for your business
- Uncover how to explore and evaluate real estate opportunities
- Prepare a pitch deck to showcase your business to prospective property owners

Webinar Information

Descriptions + Learning Objectives



ENGAGING WITH LANDLORDS | Webinar 3

Description: Property owners are key to the lease transaction and should be viewed as partners through the process. You cannot commence brick-and-mortar operations without them, and, without you, the owner is left with a non-revenue producing vacant space. To ensure the best success, your engagement with property owners should be strategic. You should know who the property owner is before entering the meeting, be open to transparent negotiations to protect your business and the owner's asset, and communicate how your business is aligned with the property owner's success.

The tenant/property owner relationship continues throughout the lease's duration and is essential to reaching a mutual agreement in cases when the business is not performing as expected (e.g., construction, change in customer profiles, and pandemics). Establishing and maintaining a respectful relationship with the property owner can contribute to everyone's success long term.

Learning Objectives

- Research and profile prospective property owners
- Understand limitations based upon property owner profile
- Identify strategies to best present your business to ownership

LETTER OF INTENT VS. LEASE | Webinar 4

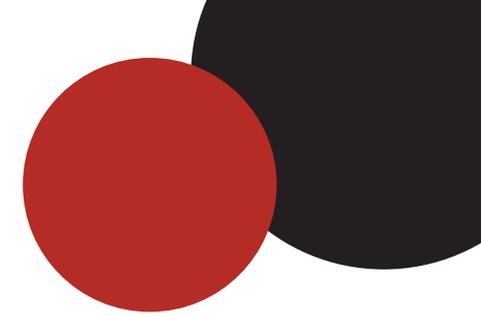
Description: The ability to secure real estate for a small business typically occurs in two phases, starting with the letter of intent (or LOI) and negotiation of the Lease ("At Lease"). The primary difference between the two documents is that the lease is legally binding, while the LOI is not. In this webinar, the team of commercial real estate professionals will detail the differences in greater detail, review the process of crafting a sound LOI, and outline definitions specific to this phase of securing a brick-and-mortar establishment.

Learning Objectives

- Understand the difference between a lease agreement and a letter of intent (LOI)
- Describe lease terms essential to include in LOI

Webinar Information

Descriptions + Learning Objectives



DEAL STRUCTURES AND OTHER FINANCIAL CONSIDERATIONS | Webinar 5

Description: This webinar will equip you with the insight regarding common rent, improvements, maintenance, and commissions levied in a commercial lease, as the financial implications of leases are often top of priorities for business owners -- rightfully so. The rent rate is often one of the highest overhead costs and the payment terms are most commonly associated with a lease's premature termination. When entering in negotiations with the property owner, discuss the various rental rate structures, other charges, and concessions the property owner might be willing to provide. These same terms are typically on the table for businesses seeking to renegotiate existing leases, so all businesses, regardless of stage, will benefit from this webinar.

Learning Objectives

- Understand charges associated with leasing property and which party is responsible
- Calculate various rent rates and integrate into business's financial planning templates

AT LEASE - NEGOTIATING AND FINALIZING LEASE TERMS | Webinar 6

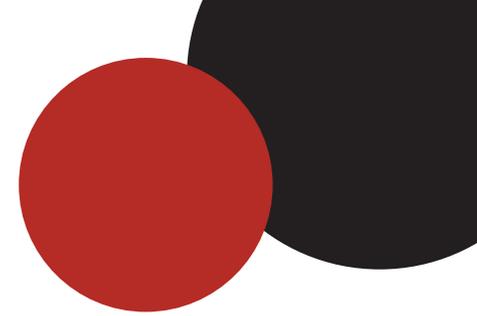
Description: Once your Letter of Intent has been executed, you will receive a draft Lease and enter into further negotiations for the space. Consider the LOI as your CliffsNotes to the Lease as each section will now be expanded upon into a larger document. While your broker was crucial to getting to this point, you will need to rely on your attorney to dig into the details and provide further legal protections for you and your business. Simultaneously, you will need your build-out team to transition from qualifying the space to perform the due diligence needed to avoid any potential unforeseen setbacks with the lease, building, and in the regulatory environment.

Learning Objectives

- Identify items "To be further defined in the Lease"
- Determine ways to protect your assets
- Understand your team and the costs associated with constructing your brick-and-mortar

Webinar Information

Descriptions + Learning Objectives



NAVIGATING THE REGULATORY ENVIRONMENT

Webinar 7

Description: The lease and your business's continued operation must abide by a series of regulations determined by local, state, and federal government. The ability to establish your business formally will require understanding the sets of rules from tax and land use policy to licensing and permits. Businesses selling food and alcohol experience the largest set of regulatory requirements, while professional services and traditional retailers have fewer requirements. This webinar will present the primary regulatory framework to consider when opening and maintaining a brick-and-mortar business.

Learning Objectives

- Identify what regulations apply for your business
- Determine who should support and/or expedite the process

EXIT STRATEGIES | Webinar 8

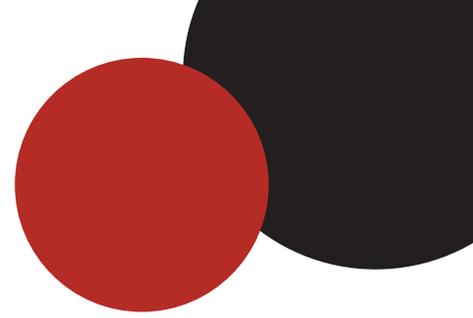
Description: Every business owner wants to believe their business will be wildly successful. We hope so too. In these cases, this webinar will provide insights for future lease negotiations. However, in the chance a business needs to pivot or close, you may already have some protections built into your Lease that you can default to. If not, this workbook provides guidance on how to engage with your Landlord. The regulatory environment, lease, and relationship with the property owner are essential in dictating what options exist and the final solution. This webinar will give you the tools to protect your brick-and-mortar future.

Learning Objectives

- Defining needed lease terms to support continuing, pivoting, or exiting your business
- Identifying key regulations to consider when drafting the lease's exit strategies

Webinar Information

Descriptions + Learning Objectives



OTHER RESOURCES | Webinar 9

Description: The commercial leasing process is full of nuances that can contribute to or inhibit business growth. There are a plethora of resources available to support you in determining how each of the previously mentioned topics apply to your business specifically. These resources range from technical assistance to printed/digital guides that can help coach you through the process. In this webinar, we will briefly discuss some of them and strategies to find others.

Learning Objectives

- Understand resources needed to support your brick-and-mortar business
- Identify strategies to find resources and integrate them into your business



1

Webinar One

Key Players in Commercial Leasing

In this section, you will learn the different professionals you may encounter while trying to open up your business and the considerations you should make when setting up your team. We will highlight pro-bono services that you can utilize along with paid services to accommodate your budget. At the end of this section, you will find general questions to ask the professionals you are interviewing and suggested organizations to source them from.

Key Players in Commercial Leasing

Key Terms

The following professionals play a critical role in the brick-and-mortar journey and provide a generous dose of reality when making decisions. When determining which professional is right for you, consider their experience working with independent businesses and real estate projects.

LANDLORD/PROPERTY OWNER

Owns and manages the property of interest. Responsible for setting and negotiating rent rates and other lease terms, and long-term for maintaining the property (in most cases).

BROKER

Showcases real estate opportunities in desired neighborhoods and helps guide location decisions. Brokers should have deep knowledge of existing and emerging real estate market conditions that can impact your business's success.

ACCOUNTANT

Keeps accurate financial records to help you qualify for funding and financing opportunities, file annual tax and business licensing documents, and consistently monitor its economic status. When considering business formation, consult an accountant to determine the tax implications of each entity type (e.g., LLC, S-Corp, 501(c)3).

ARCHITECT

Translates your business vision into physical space. A registered architect or professional engineer creates and stamps plans to comply with inspection and permit requirements, such as the Americans for Disabilities Act (ADA) and historic preservation.

GENERAL CONTRACTORS

Offers the breadth of services needed to reliably construct the project or has partnerships with subcontractors in trades not offered in-house (e.g., mechanical, electrical, plumbing, etc.). Contractors are often responsible for creating and maintaining the project's budget.

LEASE ATTORNEY

Ensures your business is legally protected by guiding decision-making in terms of reviewing and preparing for lease agreements and renegotiations. The attorney can help recommend professionals to help you understand how the building's conditions and the landlord's provisions are beneficial or detrimental to your business long-term.

Key Players in Commercial Leasing

Roles Defined

LOCAL AND STATE REGULATORS

Dictates the requirements for your brick-and-mortar business operations and approves the space's design and construction before opening and at reinspection periods. Regulators are also responsible for collecting taxes and other governmental fees for your business.

ENTREPRENEURIAL SUPPORT ORGANIZATIONS

Typically non-profit organizations that have secured grant funding to support your business with technical assistance. Some organizations also offer grants and loans as financial support for businesses that might have difficulties obtaining funding/financing elsewhere.

PLACE MANAGEMENT ORGANIZATIONS

Support neighborhood commercial districts with services such as marketing, sanitation, and safety. These organizations are often business improvement districts, Main Street organizations, or business associations that also have an intimate knowledge of their neighborhood and the local property owners.

YOU! BUSINESS OWNER/TENANT

Ultimately, it is up to you to ensure your brick-and-mortar business opens and remains viable. You will need to be hyper-aware of your business and the professionals' fit to serve your needs. If your expectations are not being met, consider why and what needs to change to ensure your business's success.

Key Roles Defined

Interview Questions by Role

Below are a few trade-specific questions that can help guide your conversation. Remember to keep in mind that they are interviewing you as much as you are interviewing them, so prepare accordingly and don't be afraid to be yourself!

BROKER

How long have you worked in retail? Do you work alone or in a team?

What are your specialties?

- Which neighborhoods/markets are you most familiar with?
- Do you represent landlords and/or tenants?
- Do you conduct lease and/or sales deals?

Which Retailers do you represent? How do you handle conflicts of interest?

Will you show me spaces that do not pay a commission? What happens if the landlord cannot pay a commission?

Would you be willing to charge a flat rate just to negotiate the LOI for space that I source?

Are there any contractors or architects you recommend?

Can you provide 2-3 references?

ARCHITECT

Do you have experience working:

- on retail projects?
- in my jurisdiction?
- on stand alone and/or mixed-use properties?
- with new construction and/or 2nd Generation space?

What are your favorite projects?

- How much did the retailer deviate from your plans?
- Can you provide 2-3 references?

What is your design process?

Are you licensed?

What are your fees, what is included, how/when do you charge them?

Do your fees include site visits? If so, how many?

What's a realistic time frame and budget?

Are there any general contractors or brokers you recommend?

Key Roles Defined

Interview Questions by Role

GENERAL CONTRACTOR

How long have you been in business?

Do you have experience working:

- on retail projects?
- in my jurisdiction?
- on stand alone and/or mixed-use properties?
- with new construction and/or 2nd Generation space?

What is your current workload? Do you have project managers and subcontractors?

What's a realistic time frame and budget?

Are you licensed, bonded, and insured?

Do you provide warranties?

What is your payment schedule?

Can you provide 2-3 references?

ACCOUNTANT

Do you work with retailers?

Which states do you work in?

Do you specialize with any particular uses?

Are you able/willing to review my projections?

Are there any considerations I should make before signing a Lease?

What are your fees?

How can I be better prepared for tax season?

What kind of decisions should I consult with you about on an ongoing basis?

Can you provide 2-3 references?

Key Roles Defined

Interview Questions by Role

ATTORNEY

What percentage of your practice is devoted to commercial leasing?

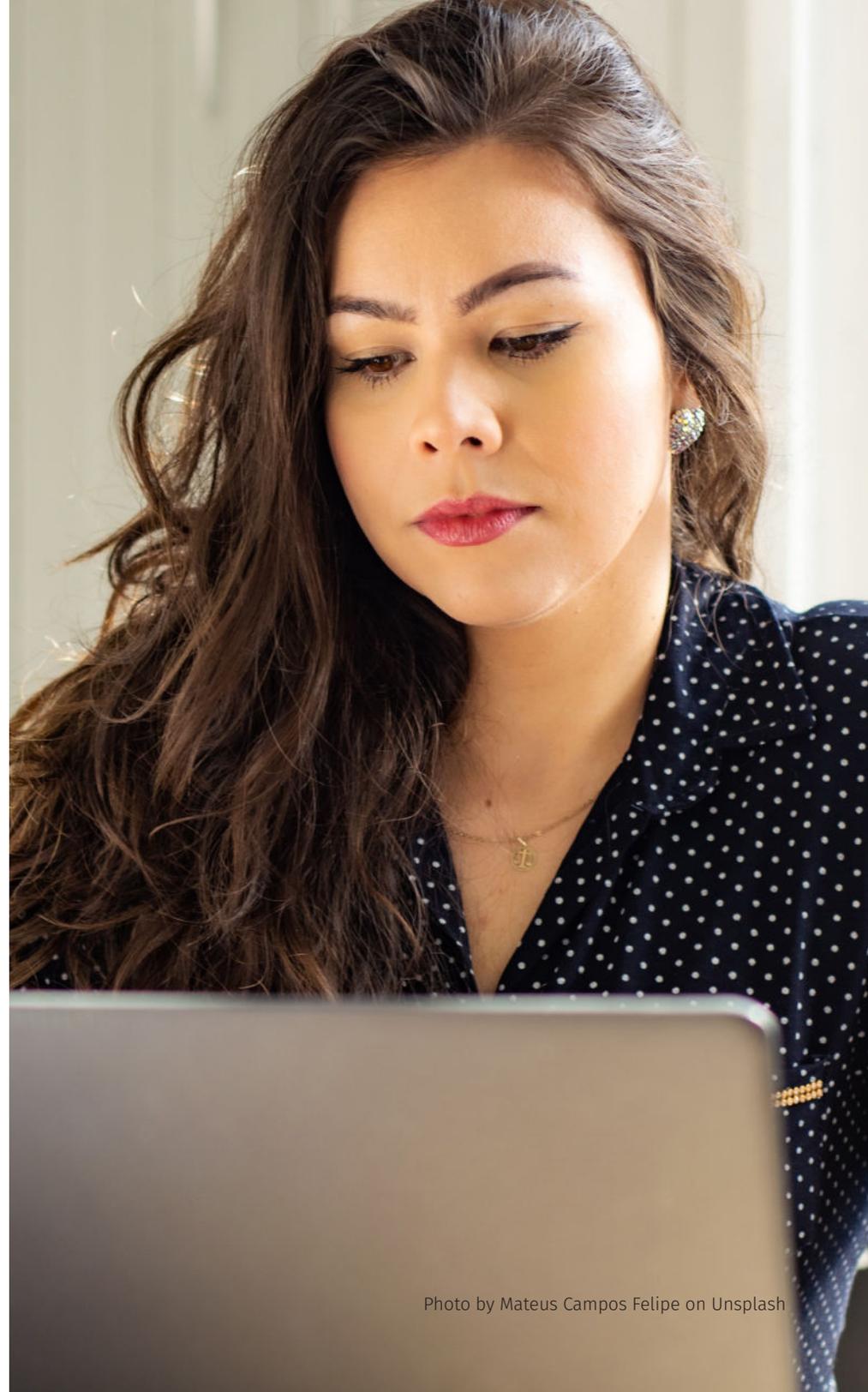
Of the commercial leases you work on, how many are from the tenant's side of the deal?

How many years have you spent doing commercial leasing?

Do you have any prior experience working with my landlord?

What is your negotiation strategy? Do you prefer trading drafts or getting on the phone to work out details?

How much time do you need to review my lease?



Key Roles Defined

Professional Organizations

The following organizations can serve as resources to help you find the professionals to join your team. They are listed by reach and professional group.

NATIONAL RESOURCES

International Council of Shopping Centers: www.icsc.com

Main Streets: www.mainstreets.org

LOCAL RESOURCES

Main Streets

- Washington DC: www.dslbd.dc.gov/service/DCMS
- Maryland: www.mainstreetmaryland.org
- Virginia: www.virginiastreet.com

DC Business Improvement Districts (BIDs): www.dcbidcouncil.org

DC Department of Small and Local Business Development (DSLBD): www.dslbd.dc.gov

DC Building Industry Association (DCBIA): www.dcbia.org

ARCHITECTS

American Institute of Architecture - DC Chapter: www.aiadc.com

National Organization of Minority Architects: www.noma.net

CONTRACTORS

Associated Builder and Contractors - Metro Washington: www.abcmetrowashington.org

Associated General Contractors of Metropolitan Washington DC: www.agcofdc.org

National Association of Minority Contractors: www.namcnational.org

DC Hispanic Contractors Association: www.dchispaniccontractors.com

Key Roles Defined Professional Organizations

ACCOUNTANTS

The Greater Washington Society of CPAs: www.gwscpa.org

American Accounting Association: www.aaahq.org

Accounting Finance Women's Alliance: www.dcchapterafwa.org

National Association of Black Accountants: www.nabametrodc.org

ATTORNEYS

American University Washington College of Law: www.wcl.american.edu

D.C. Bar Pro Bono Program: www.dcbar.org

GWU Small Business & Community Economic Development Clinic: www.law.gwu.edu

University of District of Columbia Law School: www.law.udc.edu



2

Webinar Two

Understanding Your Business's Real Estate Needs

This section will provide a questionnaire to help you identify and define your market and real estate needs. With this information, you will be able to drill into specific markets and perform location-based sales projections to determine your business's viability. We will also provide a template for you to create a pitch book to effectively convey your concept to brokers, landlords, and investors.

Understanding Your Business's Real Estate Needs

Questionnaire: Defining Your Needs

Do you build your business to cater to your neighborhood's needs, or do you find the area that will best support your business? This will be one of many considerations you will make when starting up your business. There is an abundance of information you will need to process to make the best decision for you, and that is where your team comes into play. While exploring your options and starting to put your business plan into place, use the questionnaire to help flesh out your concept. We have provided online resources to help educate yourself on the market and keep track of it.

Check out the following resources to help guide you through the process:

- Site Search at WDCEP: bit.ly/WDCEPSiteSearch
- Walkscore: www.walkscore.com

Use free mapping software (such as My Maps) to create maps of information for your reference. If you engage a broker, they will likely do this for you.

- MyMaps by Google: www.google.com/mymaps
- Example Available Retail Map: bit.ly/ExRetailMap

MARKET LANDSCAPE

Defining your business will help you find holes and create opportunities in your market. Below are questions related to your business that you should be asking yourself to find out where you fit in.

- What are your core offerings?
- Who is your competition, and where are they located?
- How much do they do in sales and is it that typical?
- What makes you stand out from them?
- Which uses are complements to your business, and where are they located?
- How do my price points compare to my competitors?
- Which retailers are potentially entering the market from out of state?
- Are there any retailers under construction in my market or in advanced negotiations for real estate?
- How do customers access you?
- Is delivery an option?
- Who are my customers? (3 profiles)
- Can I get creative with outdoor space?
- What real estate listings exist online, and where are they located?

Understanding Your Business's Real Estate Needs

Questionnaire: Defining Your Needs

PROPERTY QUALIFICATIONS AND CONSIDERATIONS

Now that you have a better idea on where you stand in relation to the market, here are some considerations you will need to make about your ideal real estate wants and needs. Search online for retail property listings to get a general understanding of opportunities available (see resources introduced on [Page 21](#))

Visibility & Accessibility:

- How do people arrive to my store?
- Do I rely heavily on car and/or foot traffic? What about online advertising and word of mouth?
- Do I need a prime retail location or can I benefit from a lower rent opportunity a block away?
- Does my business need the street level presence or can I operate on a different floor? What role does signage play?
- Is daytime population relevant or do I thrive on nights and weekends? If both are necessary, where are those markets?
- How important is my access to public transportation and major highways?
- How will I receive deliveries?

Building Type & Function:

- What type of building fits best for my business?
- Do I need to account for noise, smells, and sound?
- Can my business operate with the office or residential uses above?
- Does new construction or a historic building better suit my brand?
- Is outdoor space worth the premium rent? Can I get creative and substitute access to parks for outdoor space?

Understanding Your Business's Real Estate Needs

Questionnaire: Defining Your Needs

STARTING YOUR SEARCH

Based on your initial market research, you will be better equipped to identify neighborhoods of interest and your essential property needs. With this information, you can update your financial projections and commence your property search based on the following criteria:

- Ideal square footage and storage requirements
- Amount of parking needed, if any
- Outdoor space needed
- Ceiling heights required for operations and equipment
- Storefront width
- Number of years desired for the initial lease term
- Construction budget
- Projected sales volumes
- Desired rent rate (typically 6% to 10% of sales)

EVALUATING PROPERTIES

Once you start evaluating sites, nothing beats observing foot traffic at various parts of the day and weekend in person. In the meantime, demographic data is another tool that can help you narrow down your search. Traditional population information is defined by distance (e.g., a .25 mile, .5 mile, and 1-mile radius from the site). The data you should obtain include population counts, household income, median age, and household composition, amongst other metrics specific to your business. Keep in mind that demographics are just a snapshot of the market and do not tell the entire story. In urban locations, try obtaining information based on travel time. Here are a few examples you can consider:

- Since your business may rely heavily on your immediate neighbors, include a 10-minute walk time. Some DC areas are harder to access due to train tracks, parks, and other barriers. Try using a 10 min bike time to see which neighborhoods you can reliably count in your customer base.
- Set car travel time based on the delivery distance you are trying to cover. This is especially important if you are relying on food delivery.

Understanding Your Business's Real Estate Needs

Pitch Deck Template

Once you have a business plan, you will be ready to engage a broker! Keep in mind that the brokers are interviewing you as much as you are interviewing them — their reputation with Landlords, other Brokers, and retailers hinge on your success. They can often help you with detailed mapping, tracking of on and off-market opportunities, detailed demographics, sales comps, rental comps, and refining your business plan to make sure it resonates with your intended audience.

A pitch deck is a vital tool in the leasing process. The deck should succinctly and graphically present your business plans to various audiences looking to understand and vet your business. You will use your pitch deck when engaging with brokers, prospective landlords, and others.

Use this template (linked below) to guide your pitch deck. We recommend that you download and use it as a PowerPoint document or save a copy of the deck to your local Google Drive.

A pitch deck might include the following, but remember, you might want to remove some pages depending on the audience to keep your business plan confidential.

- Cover Page
- Business Offering
 - Service Model
 - Price Point
- Target Audience
 - Customer Demographics
 - Average Basket Size
 - Marketing Channels
- Interior Layout Prototype
- Operations
 - Profit + Loss Projections (3-years)

CLICK TO ACCESS

Pitch Deck Template at
bit.ly/APPitchDeck



3

Webinar Three

Engaging with Landlords

It is essential to understand who your Landlord is to know how to engage in future negotiations. This section will provide you a template for collecting information on available properties you have found while walking the street, online, or through a broker. Included is a tracking sheet that will help you identify, compare, and prioritize properties that may fit some or most of your needs. First, there is an overview of the types of landlords you may encounter along with questions you should ask during your initial meeting.

Engaging with Landlords

Types of Landlords

Three landlord typologies typically define your opportunities to negotiate your lease. Take a look at the following profiles to help you determine your leverage.

LARGE CORPORATIONS + REAL ESTATE INVESTMENT TRUSTS (REITS)

- Can establish a neighborhood “identity” across multiple properties in the same area.
- Typically have in house staff that handles leasing and will also pay commissions.
- Often use first floor retail to increase rents in their residential or commercial spaces. As such, they can offer reduced rates to ensure their tenant mix serves as an amenity to the uses above.
- Can get creative on deal structures and delivery conditions.
- Will likely require financial reporting to assess the “health” of their retail.

INDEPENDENT

- Typically have partnerships between investors.
- Often have a listing broker and pay commissions.
- Usually need to push for a higher rent to pay for their loans/mortgage.
- Can invest in the space, provide a more generous build out period, and/or allocate tenant improvement allowance into the deal.
- Might own some of the mid-sized to smaller mixed-use projects.

MOM + POP

- Typically are more sensitive to the property being vacant and are seeking a quick rent commencement.
- Likely to provide reduced rent as a concession.
- Frequently post a “for rent” sign.
- Typically seek a shorter rent term with the hopes of capturing a higher rent in the near future.
- Our team suggests that the tenant send an initial letter of intent ([defined in Section 4](#)) to guide negotiations. The LOI should not intimidate the Landlord but show thoroughness.

Engaging with Landlords

Landlord Questionnaire

Ask the following questions to each landlord to define their typology, inform the space's condition, and the landlord/broker relationship.

1. Do you have any other properties? If so, are any other retail uses?
2. How long have you owned the property? Who manages the property?
3. Do you have drawings for the space?
4. When was the last time significant work was performed on the property? When was the last time the roof was replaced?
5. Do you pay commission to brokers?

Engaging with Landlords

Property Comparison Guide

The Property Comparison guide is designed to help you identify, learn, track, and evaluate different markets and sites for your business. It includes rent calculators and converters to help you centralize your data points. These tools will be necessary to populate Tab 1: Property Tracking Sheet as you begin your initial property search.

CLICK TO ACCESS

Property Comparison Guide at
<http://bit.ly/APPropGuide>



4

Webinar Four

Letter of Intent vs. Lease

In this section, we will go over the key terms you will find in a Letter of Intent (LOI). Not all parties to a Lease use the same terminology, so defining them on paper is essential. The LOI is not legally binding, but it will serve as the framework of your Lease. Included is a questionnaire that can help you define your desired terms along with a property evaluation form to establish the current conditions of the space.

Letter of Intent (LOI): A letter of intent is an agreement(s) between two or more parties before an actual contract, such as a lease, is finalized. It is similar to a term sheet or memorandum of understanding (MOU). While LOIs may not be binding, their key terms and other protections will need “to be further defined in the Lease.”

Letter of Intent vs. Lease

Key Lease Terms

PARTIES

Parties: All individuals or business entities involved in the execution of a lease.

- **Landlord (lessor):** The party consisting of the individual(s) and/or business entity(ies) who own or control the leased property. This person could also be the Property Owner.
- **Tenant (Lessee):** The party consisting of the individual(s) and/or business entity(ies) who will occupy and operate within the leased property.

Guarantor: Any individual or entity who promises to uphold the agreements of the Lease upon default of the Landlord.

- **Lease Guarantee:** A promise to uphold the agreements of the Lease upon default of the Landlord.
- **Personal Guaranty:** A Guaranty made by Guarantor, who is an individual. This will usually be the business owner(s).

THE PROPERTY

Premises: The combination of land, building, and other improvements that constitute the leased property. The entire premises may or may not include portions tenanted by other parties under a separate Master Lease.

- **Building:** Fully enclosed improvements upon a parcel of land.
- **Land:** The total area of all improved and unimproved square footage on the property, as defined by the title or deed.

Space Delivery Conditions: The state of the interior of the Premises upon delivery from the Landlord to the Tenant.

- **As-Is:** May include space that has been previously occupied (2nd generation) and includes many or most improvements needed for Tenant to conduct their business.
- **Dark Shell:** Property that is leased to a Tenant without interior improvements, such as heating, lighting, interior walls, plumbing, or air conditioning.
- **White Box:** White Box Space Delivery Condition refers to a new property with basic furnishings already provided by Landlord.

Letter of Intent vs. Lease

Key Lease Terms

Improvements: The building and any unenclosed improvements upon a parcel of land.

Signage: Placement of the Tenant's business name and/or logo on the exterior of the Premises.

Tenant Improvements: Alterations made to the Premises that are specific to the Tenant's needs.

Tenant Improvement Allowance: An amount of money that is paid by the Landlord towards Tenant Improvements. This incentive is used by the Landlord to secure a Tenant and provide assistance to make Tenant Improvements that are necessary for the Tenant's business.

USE OF PROPERTY

Use: A summary description of all the uses to be conducted on-site by the business (e.g., full-service restaurant, men's apparel store, etc.).

- **Permitted Use:** The possible uses of the premises or leased property as defined by its title, municipal law or ordinance, zoning designation or any other legislation that dictates the use of property in a particular jurisdiction.
- **Prohibitions of Use:** This clause allows the Landlord to restrict the use of the Premises to only those activities that are relevant and necessary to the Tenant's business.

TYPE OF LEASE

Gross Lease: In this Lease, the Landlord (owner) pays all real estate taxes, insurance, and common area maintenance (CAM) expenses associated with owning the property.

Master Lease: Master Leases exist on incoming-producing properties and directly agree between a Tenant and a Landlord. They will supersede, and Sub (subordinate) Leases made to Lease out portions of the income-producing property to other subtenants.

Net Lease: In this Lease, the Tenant is responsible for all or a portion of, Taxes, Insurance, and/or Common Area Maintenance.

- **Single Net:** Tenant pays a share of Real Estate Taxes.
- **Double Net:** Tenant pays a share of Real Estate Taxes and Insurance. Typically a stand-alone business.
- **Triple Net:** Tenant pays their pro-rata share Real Estate Taxes, Insurance, and Common Area Maintenance. Typically used for multiple tenants in a building.

Sublease: A Lease between a Tenant to a Master Lease and any Tenants that will utilize portions of the Premises covered by the Master Lease.

Letter of Intent vs. Lease

Key Lease Terms

TERM

Lease Term: The length of time that the Landlord agrees to allow the Tenant to occupy the Premises. The Lease Term and the Lease Commencement Date are generally used to determine the Lease Termination Date.

- **Lease Commencement Date:** The date specified in the Lease on which the Lease's obligation begins.
- **Lease Termination Date:** The date on which the Tenant will vacate the property and return it to the Landlord.
- **Occupancy Date:** The date on which the Landlord delivers the leased property to the Tenant. In many cases, this date coincides with the Lease Commencement Date.
- **Rent Commencement Date:** This date refers to the Tenant's responsibility to pay rent to the Landlord. This date may or may not coincide with the Lease Commencement Date and Occupancy Date.
- **Build-out Period:** The period between the lease and rent commencement dates. During this time, rent is not charged, but the Tenant has access to the property.

RENT

Annual Rent: Annual revenue is often used as the basis for rent affordability. According to national standards, 6%-10% of annual revenue is typically dedicated to rent costs. Startup businesses often have greater rent to sales ratios. Still, you should have realistic plans to grow revenue to meet national standards. Rent per square foot is typically an annualized rate.

Asking Rent: The amount asked by landlords for available space, expressed in dollars per square foot per year in most parts of the country and per month in other selected markets. (Also known as "face rate")

Common Area Maintenance (CAM) Charges: Common Area Maintenance (CAM) is an amount charged by a Landlord to all Tenants in a property to cover the property's upkeep of parking lots, hallways, or other non-tenant spaces.

Escalations: Adjustments to Annual Rent that will occur at set times or intervals during the Lease Term. This amount will likely be calculated using the Actual Annual Rent, not Effective Rent. It may be a set percentage increase or could be tied to CPI and the US inflation rate.

Example: On the second anniversary of the Lease Commencement Date and each anniversary thereafter, the Annual Rent shall increase by 3% over the previous year.

Letter of Intent vs. Lease

Key Lease Terms

Effective Rent: A measurement of the value of the Lease when all the concessions plus escalations are included. Effective rent is expressed in dollars per square foot either per year or per month, depending on market standards. Effective rent calculations may vary according to local market practices; for example, broker commissions are included in some markets.

Effective Rent Calculation

Effective Rent = (total rent – free rent – cash allowances) / lease term / rentable square foot

Total Rent = rent paid during the term of the lease including escalations

Note: Cash allowances can include free rent, moving allowances and other cash considerations.

Assumptions: 5,000-square-foot (sf); lease 36 months; \$25 Base Rent contract rate with \$0.50 annual escalations; 1 month free rent (first month)

Formulas Total Rent

Year 1 (11 months)	$\$25.00 \times 5,000 \text{ sf} \times (11/12) =$	\$114,583
Year 2 (12 months)	$\$25.50 \times 5,000 \text{ sf} =$	\$127,500
Year 3 (12 months)	$\$26.00 \times 5,000 \text{ sf} =$	\$130,000
Total Rent or Consideration		\$372,083
Effective Rental Rate		\$24.85/sf/year

Percentage Rent: Rent payments are calculated in designated intervals, usually once per period. Each period's rent payment is based on the Tenant's revenue, generally with a minimum base rent to ensure the property owner covers its financial requirements.

Rent Concessions: Any benefit given by the Landlord to the Tenant that will reduce the effective rent. This is usually expressed in dollars.

- **Rent Abatement (Free-Rent):** An agreement between the Landlord and the Tenant that provides a period of free rent. Free-rent is most commonly offered during the initial period after the rent commencement date. During this time period, you are still expected to pay pass through expenses.
- **Rent Deferral:** An agreement between the Landlord and the Tenant that provides allows the Tenant to defer payment for rent obligations under a specified period. Rent is then due at a later date.

Rent Installment: The amount of effective rent to be paid by the Tenant during each lease term period. Most leases have one period every one month or twelve periods per year.

Occupancy Cost: Includes rent, real estate, and personal property taxes, plus insurance, depreciation, and amortization expenses.

Letter of Intent vs. Lease

Key Lease Terms

LEASE OPTIONS

Assignment: To execute an agreement with the Landlord to have another individual or entity replace the Lease's original Tenant. (E.g. Company A goes out of business and finds Company B to occupy the Premises under the same Lease that was negotiated and executed by Company A.)

Co-Tenancy Clause: This clause allows protection to Tenants of multi-tenant properties to have reduced rent if a key/ anchor tenant leaves the property. It can also prevent the Landlord from leasing an adjacent space to a competitor.

Early Termination Rights: An ability by either party to exit the Lease before the Lease Termination Date. These Rights will generally have a defined period during which they can be exercised. They can become effective and will typically include a monetary penalty to exercise.

Purchase Option: Tenant's option to purchase the property after the end of the Lease Term. Generally only available in single-tenant properties.

Renewal Options: Tenant's option to continue to occupy the premises for an additional Lease Term. This Lease Term may differ in length from the original, and multiple Renewal Options may be available.

OTHER

Security Deposit: An amount of money separate from rent, held by the Landlord as additional consideration. This amount will generally be determined based on the Tenant's financial standing and may be applied to rent upon default of a Tenant or used to cover costs associated with other breaches of the Lease. The amount is generally returned within a defined amount of time after the Lease Termination Date.

Letter of Credit (LOC): A letter undersigned by a Tenant's financial institution that promises the payment of rent should the Tenant default. The LOC is used in lieu of a Security Deposit.

Letter of Intent vs. Lease Questionnaire: Defining Desired Terms

Below are a few questions that should help prepare you for and guide you through your negotiations. Try to find common ground with your prospective Landlord(s) as early as possible in the process. While it can be stressful, your Landlord can and should be seen as a business partner. If negotiations are not panning out the way you hoped, revisit these questions again before walking away.

KEY QUESTIONS

What are my sales projections?

What is my desired occupancy costs?

How far can my budget take me? Does it include enough to get me through the initial months after opening?

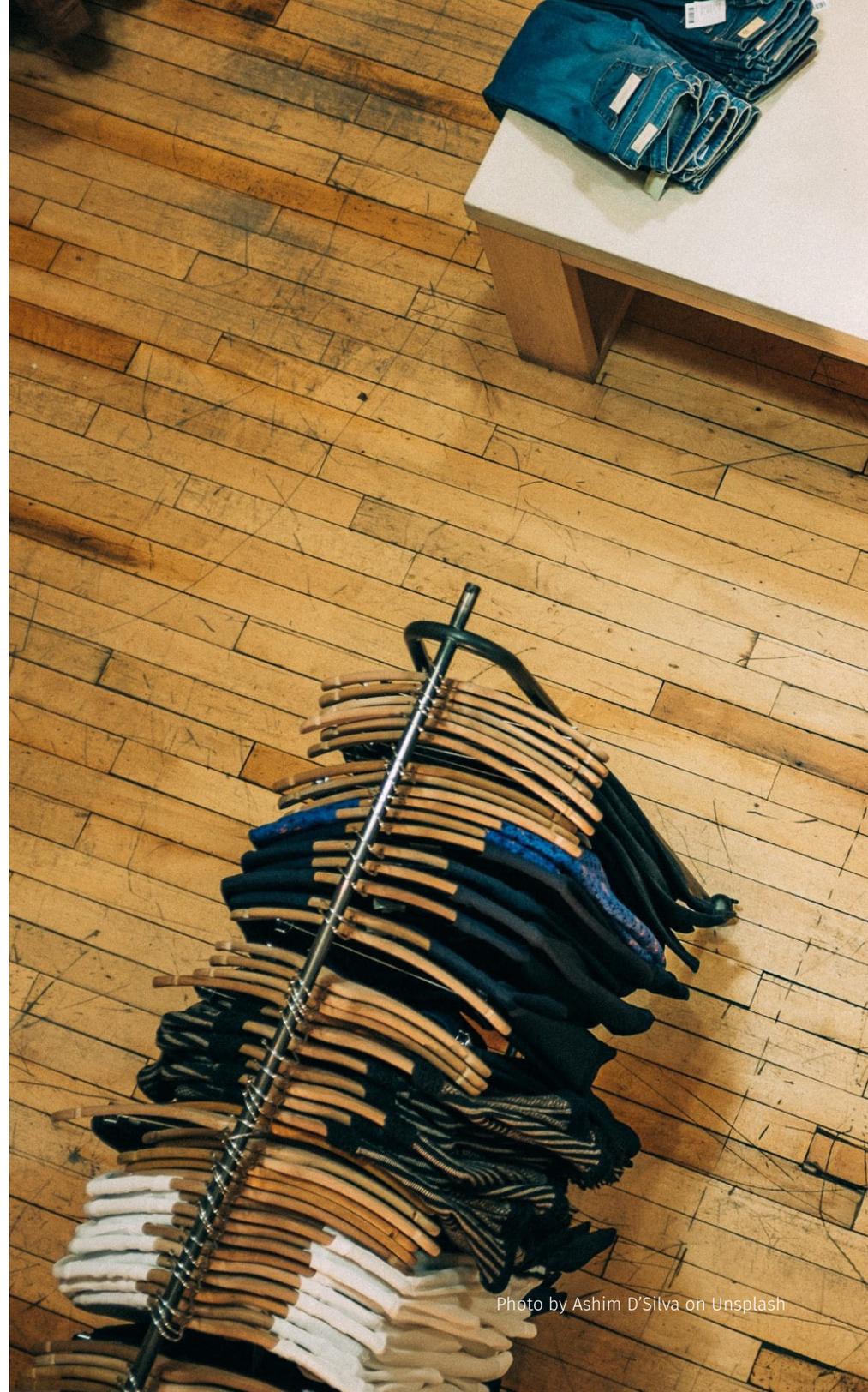
What is my timeframe, and is it realistic?

What are my options to grow?

What are my options to get out of the lease?

How can I pivot my business in this space?

What is my next best option?



Letter of Intent vs. Lease

Questionnaire: Property Condition

When walking through a building for the first time, take note of the following items below. When narrowing down your potential sites, this information will allow you to get a general idea of the cost to build-out. Adding capacity to utilities, installing sprinklers, or making ADA modifications can be expensive and extend timelines. Working with experienced retail architects and general contractors can help reduce your exposure by suggesting more cost and time effective solutions.

CONSIDERATIONS FOR ALL PROPERTIES

Are there any Code issues for my use?

What is the existing condition of:

(Note the condition as: need to be replaced, fair, sound, or new. Add additional notes on measurements, capacities, and counts)

- Electrical Panel
- Water Line
- Gas Line
- Sewer
- Ceiling Heights
- Build Type
- Levels
- Bathrooms
- Parking
- Access to Trash
- Shared Corridors
- Storage
- Sprinklers
- Age of Roof

What Are The Signage Opportunities?

Is it a Historic Property or in a Historic District?

Is parking available?

MIXED-USE PROPERTY CONSIDERATIONS:

Do you need to tap into the building's mechanical systems?

What is underneath space?

What is the floor made out of?

Do you have construction hours?

2ND GENERATION SPACE CONSIDERATIONS:

When was it last operating?

Does it have a Certificate of Occupancy?

Is it ADA compliant?

What is the existing condition of:

- HVAC (Air conditioning system)
- For restaurants: Hood, Kitchen Equipment, Grease Trap

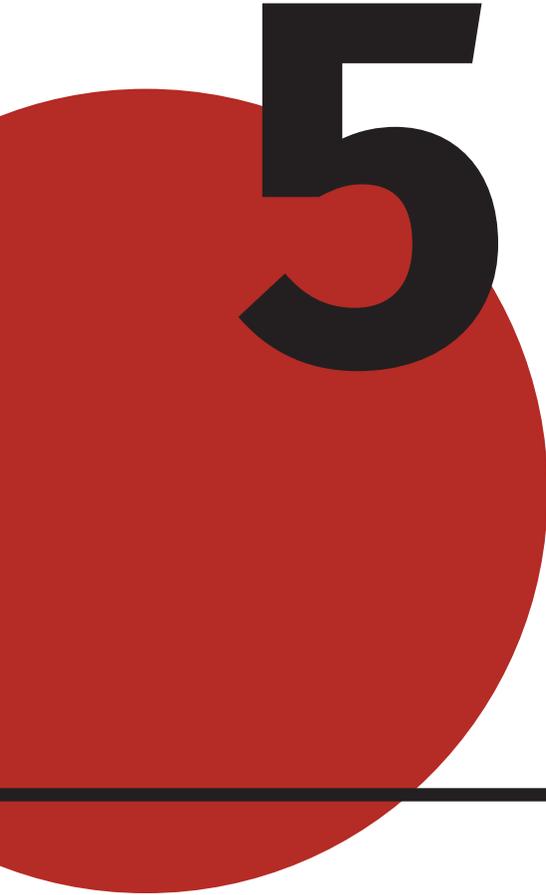
Letter of Intent vs. Lease Sample LOI

The first Letter of Intent (LOI) of a negotiation is typically very friendly towards the party that issues it and can be far from where the deal actually lands. Because of all of the different business entities, types of retailers, terms, deal structures, and financing tools; there isn't a one sized fits all form. As such, we have provided a sample LOI between Bobby's Better Burgers and Michael Development Corporation (fictional entities) that incorporates many of the Key Terms we have outlined in our Webinar series. The document provided should only be used for informational purposes and we highly recommend that you have a broker or attorney review your LOI document to include language that is tailored towards your business's particular needs.

CLICK TO ACCESS

Sample Letter of Intent at
<http://bit.ly/APLOI>





5

Webinar Five

Deal Structures and Other Financial Considerations



This section will go over the key terms you will need to understand to negotiate your LOI's financial terms. Once agreed upon, these deal terms need to stay as consistent as possible when you move onto the next phase of Lease negotiations, or you may risk losing the deal. If there are items that you or your broker are unsure of in the LOI, do not be afraid to add the phrase "to be further addressed in the Lease." The appropriate professionals will guide the opportunity to further research and elaborate during the Lease negotiation. Refer back to Key Lease Terms ([Pages 29 to 33](#)) for guidance.

Deal Structures and Other Financial Considerations

Rent Calculators

As a business owner, you will run various calculations to track your business's metrics. One of the primary variables in your success is rent, a typically large overhead cost. In your property comparison guide, we have included tabs with calculators to help standardized these numbers and compare deals. See tabs in link below to access them.

TAB 2: RENT CONVERSIONS

As mentioned in the Key Lease Terms, rent rates are often annualized per square foot by the real estate development/ property owner community but many small businesses utilize monthly costs as their primary metric to factor into on-going audits of profit and loss statements. The following details the and example to convert rent between rent per square foot and monthly rent, but luckily the calculator does it automatically for you.

Assumptions: 3,000 square foot building; \$14 Base Rent contract rent per square foot

Rent Per Square Foot to Monthly Rent

$3,000\text{sf} \times \$14\text{psf} = \$42,000$ Annual Rent
 $\$42,000$ Annual Rent / 12 Months = $\$3,500$ Monthly Rent

Monthly Rent to Rent Per Square Foot

$\$3,500/\text{mo} \times 12$ Months = $\$42,000$ Annual Rent
 $\$42,000$ Annual Rent / 3,000sf = $\$14\text{psf}$

TAB 3: PERCENTAGE RENT CALCULATOR

As detailed in Webinar Five and defined in the Key Lease Terms, percentage rent is based upon a percentage of sales with natural and unnatural break points.

Natural Breakpoint: Annual Rent / Percentage of Rent. Once you exceed your natural breakpoint in sales, you will pay that percent of your sales as additional rent to your landlord.

Unnatural Breakpoint: A predetermined sum. In this case, you would pay a percentage of rent over that breakpoint as additional rent to your landlord.

TAB 4: DEAL COMPARISON SHEET

The deal comparison sheet allows you to keep track of key lease terms that you negotiate in each round of negotiations with different property owners. Once complete, determine which deal is most suitable for your business. You should expect a few listings to populate the sheet before selecting your brick-and-mortar location.

CLICK TO ACCESS

Property Resource Guide - Calculators at
<http://bit.ly/APPropGuide>



6

Webinar Six

At Lease - Negotiating and Finalizing Lease Terms

In this section, we will be going over the key terms that an Attorney should help you elaborate on in the Lease. Along with this overview, we provide a sample budget template and build-out timelines to help you understand the information you need to be collecting. You should heavily rely on your team at this stage. They will be essential in finalizing your budget, establishing timelines to the grand opening, and protecting your assets with exit strategies.

At Lease - Negotiating and Finalizing Lease Terms

Key Clauses

The following are terms that are typically added to and defined in the Lease.

TENANT LANDLORD OBLIGATIONS

Contingencies: States that the Lease is valid after satisfactory completion and results of due diligence items. I.e. “Survey Review, Title Review, ESA Phase I, etc.”

Hazardous Materials: Any substance that poses risk of injury to persons or property. This could include flammable liquids, certain compounds kept in pressurized tanks, substances with dangerous fumes, etc.

Indemnity: Relinquishes one Party from any responsibility of harm caused to person or property that is not directly related to that Party’s use of the Premises. Also called a “hold-harmless” clause. I.e., The Landlord holds the Tenant harmless from any damages caused by another Tenant on the Premises and the Tenant holds the Landlord harmless from any damage caused by the Tenant or any damage that should be caused by the Tenant’s Insurance policy.

Insurance: Defines the types of commercial insurance and the required limits on the insurance that a Tenant must obtain. E.g. “Tenant shall maintain Commercial Liability, Business Interruption, and Worker’s Compensation Insurance for the duration of the Lease Term”.

Limits on Liability: This clause protects and limits the Landlords exposure to responsibility for damages or injuries to the Tenant and agents of the Tenant

Maintenance Obligations: Define which sections of the Premises must be maintained by the Tenant and may define specific intervals for said maintenance. E.g., “The Landlord has furnished the premises with a forced-air HVAC system. The Tenant shall be responsible, at the Tenant’s sole cost, to replace filters in this system each month during the Lease Term.”

Operating Covenant: An obligation for the Tenant to maintain specific operational metrics that provide evidence of the Tenant’s continued ability to pay rent to the Landlord. E.g., “During each calendar quarter the Tenant must provide evidence to Landlord of Gross Profit that is at least 10x the monthly rent.”

At Lease - Negotiating and Finalizing Lease Terms

Sample Budget

Your business plan will start to detail the estimated start-up costs, including estimates of equipment and inventory, as well as the buildout of the space itself. Note how you build your assumptions to define the range of costs and to ensure you can easily adjust when necessary.

The template link below provides three tables to help you estimate the cost associated with your support team, marketing, and start-up operations, and, of course, the construction.

CLICK TO ACCESS

Sample Budget at
bit.ly/APSampleBudget



Photo by Kelly Sikkema on Unsplash

At Lease - Negotiating and Finalizing Lease Terms

Build-out Timeline

From lease signing to opening your doors to the public, there are three phases of work to complete - design, permitting, and build-out. Each phase requires the input of your team. Be sure to coordinate with your architect and contractor in each stage of build-out. The following estimated timeline is based on a cold dark shell delivery condition (i.e., typically new construction without any fixtures, floors, walls, etc.). A second-generation backfill (or a previously occupied) often has shorter timelines, if limited construction or renovation is required. Use these estimates to inform your rent commencement date in your lease.

APPROXIMATE TIMELINE:

- Design (3 Months)
- Permitting (4 Months)
- Build out (5-6 Months)

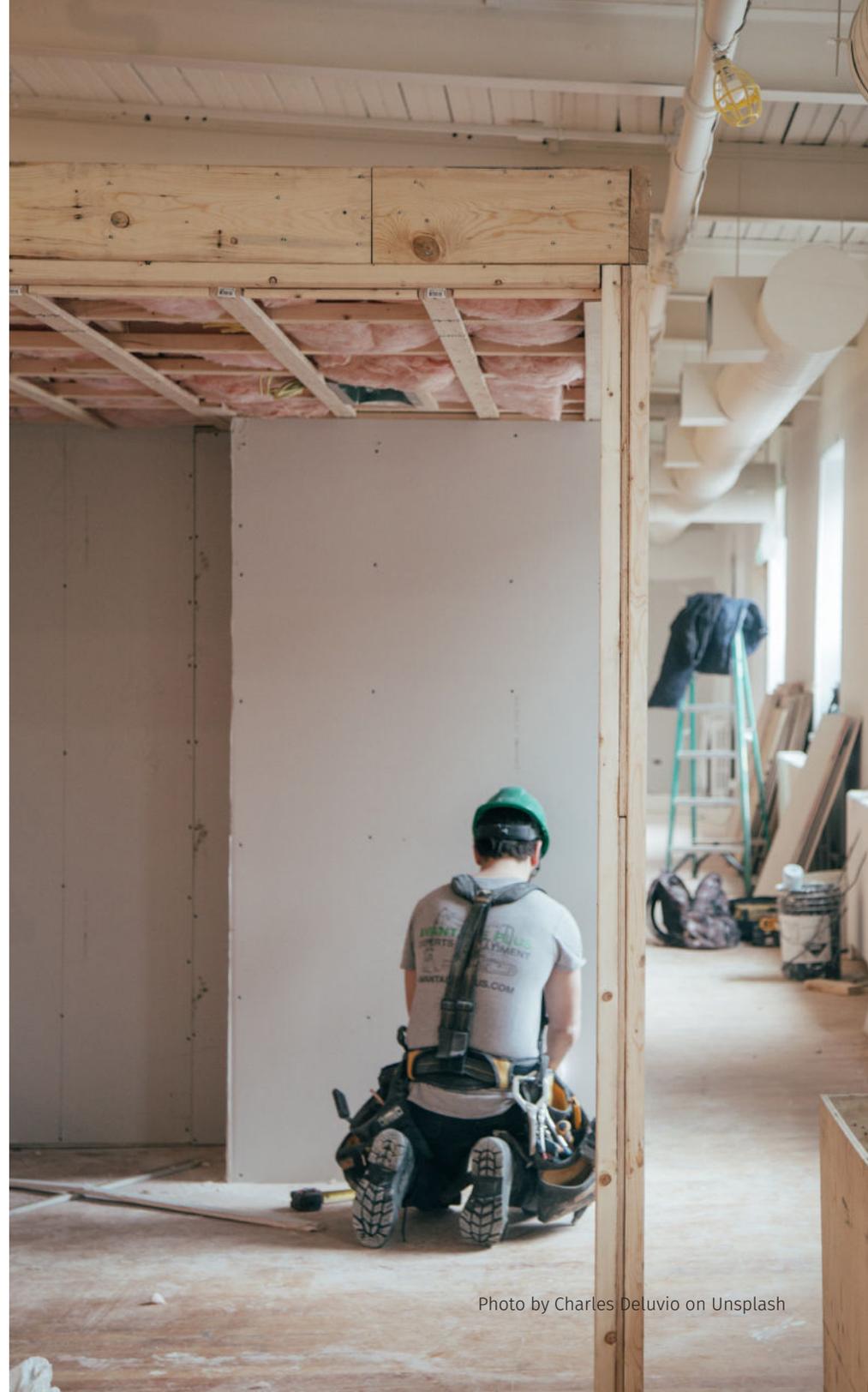
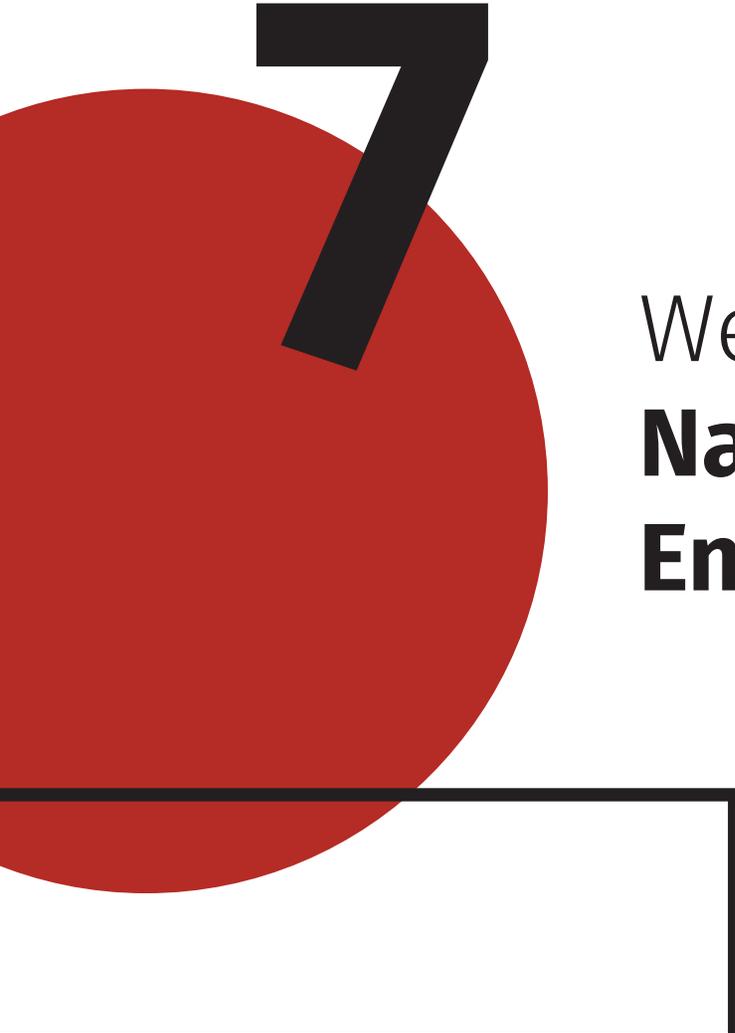


Photo by Charles Deluvio on Unsplash



7

Webinar 7

Navigating the Regulatory Environment

In this section, we will provide an overview of the regulatory environment and how to navigate it. Since all businesses are regulated differently, it will be essential for you to perform the proper due diligence to ensure compliance. This is where your team is invaluable. When engaging with experts from each discipline with extensive experience in the region, ask for guidance to navigate regulations, applications, and permit processes to minimize delays in opening.

Navigating the Regulatory Environment

Key Terms

Business Entity: An organization created by one or more natural persons to carry on a trade or business. Types of Business entities include corporations, partnerships, limited liability companies, limited liability partnerships, etc. You must officially register a business entity with the state or District government.

Assumed name: Another name for your business that is abbreviated (e.g., Bob's Burgers instead of Bob's Burgers, LLC). An assumed name also avoids creating another single entity or for a single entity such as an LLC to operate multiple businesses without creating a new entity.

Federal Employer Identification Number (EIN): An EIN and is used to identify a business entity, essential for tax time! After completing your business's registration, you should apply for an Federal Employer Identification Number (EIN) through the US Internal Revenue Service (IRS).

Permits: Approval by government bodies (city/municipal, state, etc.) for a Tenant to conduct their business on the Premises or for a Tenant to make necessary Tenant Improvements on the Premises

Moratorium: A prohibition of particular use(s). Moratoriums control for excessive uses (e.g., the number of restaurants or liquor stores in a district). When in place, permits are not available.

Liquor License: A license, permit, registration, qualification, or other approval required to sell, dispense, or distribute alcoholic beverages under the State's or District's liquor laws. Check with the department responsible for approving the liquor license to determine whether there are no buffers or moratoriums and what other conditions apply during your due diligence period.

Navigating the Regulatory Environment

Key Contacts

In the regulatory process, there are many municipal departments to support you through the process. Below are the primary organizations that help you through the journey to opening and maintaining a brick-and-mortar business.

DC

Office of Tax and Revenue (OTR)
1101 4th Street, SW, Suite 270 West
Washington, DC 20024
(202) 727-4829
www.otr.cfo.dc.gov

Department of Consumer and Regulatory Affairs (DCRA)
1100 4th Street, SW
Washington, DC 20024
(202) 442-4400
www.dcra.dc.gov

Alcoholic Beverages Regulations Administration (ABRA)
2000 14th Street, NW, S400,
Washington, DC 20009
(202) 442-4423
www.abra.dc.gov

Office of Advisory Neighborhood Commissions (ANC)
John A Wilson Building
1350 Pennsylvania Avenue, NW
Suite 11, Washington, DC 20004
(202) 727-9945
www.anc.dc.gov/

Navigating the Regulatory Environment

Key Contacts

MARYLAND

Comptroller of Maryland

(www.marylandtaxes.gov)

Montgomery County Location

- Westfield Wheaton
South Building
11002 Veirs Mill Rd, Suite 408
Wheaton, MD 20902
(301) 942-5400

Prince George's County Locations

- Prince George's County Courthouse
14735 Main Street, Room 083B
Upper Marlboro, MD 20772
(301) 952-2810
- Greenbelt
6401 Golden Triangle Drive, Suite 100
Greenbelt, MD 20770
(301) 486-7540

Permits

- Montgomery County Department of Permitting Services
255 Rockville Pike, 2nd Floor
Rockville, MD 20850
(240) 777-03110
www.montgomerycountymd.gov/DPS

- Prince George's County Department of Permitting, Inspections and Enforcement (DPIE)
County Administration Building
14741 Governor Oden Bowie Drive
Upper Marlboro, MD 20772
(301) 636-2000
www.princegeorgescountymd.gov/1024/Permitting-Inspections-and-Enforcement

Liquor Licenses

- Montgomery County Alcohol Beverage Services (ABS)
201 Edison Park Drive
Gaithersburg, MD 20878
(240) 777-1900
www.montgomerycountymd.gov/abs
- Prince George's County Board of License Commissioners
9200 Basil Court, Suite 420
Largo, MD 20774
(301) 583-9980
www.princegeorgescountymd.gov/562/Board-of-License-Commissioners

Navigating the Regulatory Environment

Key Contacts

VIRGINIA

Statewide

- Virginia Department of Professional and Occupational Regulation (DPOR)
Perimeter Center
Suite 102 (first floor)
9960 Mayland Drive
Richmond VA 23233
(804) 367-8500
www.dpor.virginia.gov
- Virginia Alcoholic Beverage Commission (VA ABC)
2901 Hermitage Road
Richmond, VA 23220
(804) 213-4400
www.abc.virginia.gov

Fairfax County

- Fairfax Regulation and Licensing Branch (RALB)
12000 Government Center Parkway, Suite 433
Fairfax, VA 22030
(703) 222-8435
www.fairfaxcounty.gov/cableconsumer/csd/regulation-licensing
- Fairfax Land Development Services
12055 Government Center Pkwy
Fairfax, VA 22035
(703) 324-1780
www.fairfaxcounty.gov/landdevelopment

Arlington County

- Arlington County Permit Office
2100 Clarendon Blvd, Suite 1000 (10th floor)
Arlington, VA 22201
(703) 228-3800
building.arlingtonva.us
- Arlington County Commissioner of Revenue
2100 Clarendon Blvd, Suite 200
(703) 228-3033
departments.arlingtonva.us/cor



8

Webinar Eight **Exit Strategies**

In the previous sections, we have outlined how to secure your space. This section will discuss how to structure exit strategies into your Lease to create additional value. We have included questionnaires for both new Leases and existing Leasing to help identify your objectives and options. If you exhaust all avenues within your current Lease, see the template letter to help renegotiate with your Landlord.

Exit Strategies

Questionnaire: Defining Your Options

There are/will be instances where you must determine your exit strategies. The following are key questions that will help you identify the options available and plan for the future. If you have not signed your lease, use these questions to inform your negotiations. If you have an existing lease, consider which options you have to guide your engagement with the Landlord.

PERMITTED USE

Understanding and altering the permitted use is one strategy in pivoting your business or determining what other businesses you may assign or sublet your lease to (if allowed).

1. What is your permitted use in the lease? Do you have the right to change?
2. Does zoning codes enable you to assign or sublet your lease to another use?

ASSIGNMENT AND SUBLETTING

In cases where it is more advantageous to bring in a new tenant, there are a few questions to determine your options:

1. Is the assignment or subletting of the lease permitted? If so, does it require a landlord's consent first?
2. Are there any associated costs to assign/sublet, including whether the Landlord is entitled to any profits?

TERMINATION

The Landlord may terminate a lease if certain conditions apply and were included in the initial lease agreement. In this case, there are some questions listed below to guide you.

1. Are there any clauses that give the tenant the right to exit or renegotiate the lease? Look for:
 - poor sales,
 - legal impossibility (i.e., the inability to continue operating the store due to the law), and/or
 - cotenant clauses (e.g., a threshold percentage of vacancies exist in the shopping center that gives the tenant the right to exit or renegotiate the lease)?

Exit Strategies

Questionnaire: Defining Your Options

RENEWAL OPTIONS

Renewal terms are an asset to your business; consider incorporating them to give your lease an increased value. Typical renewals are 5-years.

1. Are there any options to renew your lease upon expiration? How many are provided, and at what duration?
2. Does it state which terms are up for negotiations, e.g., whether the fair market value will be used to set rent price?

Exist Strategies

Template: Letter to Landlord

The ease of contacting your property owner is often dictated by their typology (mom and pop, independent, or large corporation). In any case, you should maintain written correspondence to accompany any verbal agreements or to explore/request changes to your lease agreement.

Considering COVID-19's impact on small businesses, the letter linked below provides a starting point for landlord engagement. Be sure to articulate your financial situation, the steps you took to secure sales, and your requests.

The letter is only the beginning. Many weeks of correspondence is required to reach a deal that works for both you and your property owner.

If the lease needs to be terminated or renegotiated without the clauses outlined above in place, reach out to the Landlord to request negotiations. The letter to your Landlord should detail your position and provide financial information that supports your case. If the Landlord is unwilling to enter into a renegotiated lease agreement, consider bankruptcy as a bargaining chip or your last best option.

CLICK TO ACCESS

Letter to Landlord at
bit.ly/APLandlordLetter



9

Webinar Nine **Other Resources**

Throughout this workbook, we provided resources related to leasing a brick-and-mortar location. Our team realizes that you will need on-going support to help guide your business's success, short- and long-term. The following section outlines some organizations that can help you with this journey.

Other Resources

Key Organizations

The Metropolitan DC region has a diverse and robust entrepreneurial ecosystem that supports small businesses looking to start up, establish a brick-and-mortar location, and grow or pivot over time. Consider contacting the following organizations to inform your strategies. The list is not exhaustive (as of September 30, 2020); there are many other organizations and people invested in your success!

GENERAL BUSINESS SUPPORT RESOURCES

Washington DC Economic Partnership (WDCEP)
1495 F Street, NW, Washington, DC 20004
(202) 661-8670 · www.wdcep.com

Arch Development Corporation
1227 Good Hope Road SE, Washington DC 20020
202.889.5000 · archdevelopment.org · arts@archdc.org

Capitol Hill Association Of Merchants and Professionals
(Champs)—Capitol Hill Chamber Of Commerce
P.O. Box 15486, Washington, DC 20003
(202) 547-7788 · champsdc.org · champs@capitolhill.org

Coalition for Nonprofit Housing & Economic Development
727 15th Street NW, Suite 600, Washington, DC 20005
(202) 745-0902 · cnhed.org

DC Building Industry Association (DCBIA)
455 Massachusetts Avenue, NW, Suite 400, Washington, DC 20001
(202) 966-8665 · dcbia.org · info@dcbia.org

DC Chamber of Commerce
1133 21st Street, NW, Suite M200, Washington, DC 20036
(202) 347-7201 · dcchamber.org · contact@dcchamber.org

DC Fashion Foundation
1629 K Street, NW Ste 300, Washington, DC 20006
(202) 355-3929 · dcfashionfoundation.org
info@dcfashionfoundation.org

DC Small Business Development Center At Anacostia
Economic Development Corporation
1800 Martin Luther King Jr. Avenue, SE Suite 100
Washington, DC 20020
(202) 889- 5090 · dcsbdc.org

DC SBDC Lead Center at the
Howard University School of Business
2600 6th Street, NW, Room 128, Washington, DC 20059
(202) 806-1550 · dcsbdc.org

Other Resources

Key Organizations

DC Women's Business Center
740 15th Street, NW, 4th Floor, Washington, DC 20005
(202) 393-8307 · dcwbc.org · info@dcwbc.org

District Bridges
3400 11th St. NW, Suite 200, Washington DC 20010
districtbridges.org

Emory Beacon Of Light, INC.
6203 Piney Branch Road, NW, Washington, DC 20011
(202) 829-5732 · emorybeaconoflight.org

Greater Washington Board Of Trade
800 Connecticut Ave., NW, Suite 1001, Washington, DC 20006
(202) 857-5900 · bot.org

Greater Washington Hispanic Chamber Of Commerce
910 17th Street, NW, Suite 1150, Washington, DC 20006
(202) 728-0352 · gwhcc.org

Latino Economic Development Center
641 S Street, NW, Washington, DC 20001
(202) 588-5102 · ledcmetro.org

Minority Business Development Agency Business Center
(202) 464-2304 · mbda.gov/businesscenters

National Association Of Minority Contractors
The Barr Building, 910 17th Street, NW, Suite 413,
Washington, DC 20006
202.296.1600 · namcnational.org · info@namcnational.org

SB Works And The 5 Points Business Center
2316 Rhode Island Ave, NE, Washington, DC 20018
(202) 803-5400 · sbworksdc.org · info@sbworksdc.org
info@5pointsdcm.com

SCORE Program (Main Office)
US Small Business Administration
409 3rd Street, SW, Washington DC 20416
(800) 827-5722 · sba.gov · answerdesk@sba.gov

Society of Industrial and Office Realtors
1201 New York Avenue, NW Suite 350, Washington, DC 20005
(202) 449-8200 · sior.com

Washington Area Better Business Bureau
1411 K Street, NW 10th Floor, Washington, DC 20005
(202) 393-8000 · bbb.org/en/us/dc/washington · info@mybbb.org

Washington Area Community Investment Fund Inc.
2012 Rhode Island Ave, NE, Washington, DC 20018
(202) 529-5505 · wacif.org · info@wacif.org

Other Resources

Key Organizations

LEGAL RESOURCES

American University Washington College of Law
4300 Nebraska Avenue, NW, Washington, DC 20016
(202) 274-4147 · wcl.american.edu

D.C. Bar Pro Bono Program
901 4th Street, NW, Washington, DC 20001
(202) 737-4700 · dcbar.org

GWU Small Business & Community Economic
Development Clinic
2000 H Street, NW, Suite 200, Washington, DC 20052
(202) 994-7463 · law.gwu.edu

University of District of Columbia Law School
4340 Connecticut Avenue, NW, Washington, DC 20008
(202) 274-7341 · law.udc.edu

NEIGHBORHOOD RESOURCES

Barracks Row Main Street
731 8th St SE, Washington, DC 20003
(202) 544-3188 · barracksrow.org

District Bridges
3400 11th St. NW, Suite 200, Washington DC 20010
districtbridges.org

Destination Congress Heights
3119 Martin Luther King, Jr. Ave, SE, Washington, DC 20032
(202) 563-5201

Eastern Market Main Street
225 7th Street, SE, Washington DC, 20003
(202) 853-9810 · easternmarketmainstreet.org
info@easternmarketmainstreet.org

Georgetown Main Street
3235 P Street, NW, Washington, DC 20007
(202)656-4427 · georgetownmainstreet.com
info@georgetownmainstreet.com

H Street Main Street
729 10th Street, NE, Washington, DC 20002
(202) 543-0161 · hstreet.org

Other Resources

Key Organizations

Historic Dupont Circle Main Streets
 9 Dupont Circle, NW, Washington, DC 20036
 (202) 656-4487 · dupontcirclemainstreets.org
execdirector@dupontcircle.biz

Lower Georgia Avenue Main Street
 3400 11th St, NW, Suite 200, Washington DC, 20010
 (202) 518-6193 · www.districtbridges.org · info@districtbridges.org

Minnesota Avenue Main Street
 2012 Rhode Island Avenue, NE, Washington, DC 20018
 202-529-5505 ext. 216
wacif.org/minnesota-ave info@wacif.org

North Capitol Main Street
 1703 N. Capitol Street, NE, Washington, DC 20002
 (202) 670-1703 · northcapitoldc.com

Rhode Island Avenue Main Street
 2300 Rhode Island Ave., NE, Suite 202, Washington, DC 20018
 Mailing Address: P.O. Box 10041, Washington, DC 20018
 (202) 525-7286 · riamainstreet.org

Shaw Main Streets
 875 N Street, NW #201, Washington, DC 20001
 (202) 265-7429 · shawmainstreets.org

Tenleytown Main Street
 4545 42nd Street, NW, Suite 214, Washington, DC 20016
 (202) 362-1815 · tenleytownmainstreet.org

Upper 14th Street and Kennedy Street Main Street
 5501 Colorado Avenue, NW, Washington DC 20011
 (301) 586 5973 · www.districtbridges.org

Van Ness Main Street
 4401A Connecticut Avenue, NW, #126, Washington, DC 20008
 (240) 462-9664 · vannessmainstreet.org

Ward 7 Business Partnership
 4645 Nannie H. Burroughs Avenue, NE, Suite 202
 Washington, DC 20019
 (202) 621-2288 · wardseven.com

Other Resources

Key Organizations

BUSINESS IMPROVEMENT DISTRICTS (BIDS)

Adams Morgan Partnership BID
1640 Columbia Road, NW, Washington, DC 20009
(202) 997-0783 · admodc.org · info@adamsmorgan.org

Anacostia BID
1800 Martin Luther King, Jr. Ave., SE, Washington, DC 20020
(202) 449-9871 · anacostiabid.org

Capitol Hill BID
1451 Pennsylvania Avenue, SE #1, Washington, DC 20003
(202) 842-3333 · capitolhillbid.org

Capitol Riverfront BID
1100 New Jersey Avenue, SE, Suite 1010, Washington, DC 20003
(202) 465-7093 · capitolriverfront.org · info@capitolriverfront.org

DowntownDC BID
1275 K Street, NW, #1000, Washington, DC 20005
(202) 638-3232 · downtowndc.org

Georgetown BID
1000 Potomac Street, NW, Suite 122
Washington, DC 20007
(202) 298-9222 · georgetowndc.com · info@georgetowndc.com

Golden Triangle BID
1120 Connecticut Avenue, NW, Suite 260
Washington, DC 20036
(202) 463-3400 · goldentriangledc.com
feedback@goldentriangledc.com

Mount Vernon Triangle CID
457 Massachusetts Ave., NW, Washington, DC 20001
(202) 216-0511 · mountvernontriangle.org · info@mvtcid.org

NoMa BID
1200 First Street, NE, Suite 310, Washington, DC 20002
(202) 289-0111 · nomabid.org

Southwest BID
420 4th Street, SW, Washington, DC 20024
(202) 618-3515 · swbid.org

Have Some Questions?

Contact Us



3400 11th Street
Suite 200

Washington, DC 20010

www.districtbridges.org
www.accesspointdc.com

202.450.4415



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404.406.9465



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www.elzelaw.net

571.932.3150