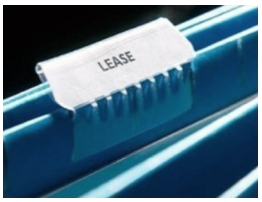
# REATA Guide to Lease Renewal

## Don't Renew - Renegotiate

[Real Estate Advisors & Tenant Advocates]

Renewing a commercial lease would be easy if it was just about the rent. However, the biggest mistake is actually exercising a renewal option. We always recommend for our clients to have a renewal option - just never exercise it. Crazy, huh? Read on to find out why.




### Renegotiate the Terms

Put everything on the table – new base year, cap on operating expenses, rent, free rent, options and miscellaneous charges. When you exercise a renewal option the only things changed are the rental rate and the expiration date. You lose all the other negotiating terms mentioned above.



### Refurbish the Premises

It's not uncommon or unreasonable to ask for improvements and updates. After 5 to 10 years, most spaces suffer from common wear-and-tear that may need to be refreshed. If so, the landlord may pay for them when you extend the lease.



### Get Some Money Back

Stable companies with good payment histories have great financial leverage in lease extensions. Security deposits that bear little or no interest could be returned in part or in full and personal guarantees can often be renegotiated or eliminated altogether.



### Renegotiate Lease Clauses

Revise other lease clauses such as the permitted use, parking, holdover, landlord's relocation right, assignment & subleasing restrictions, signage, and insurance. It's all fair game.



### Use a Qualified Tenant Rep Broker

Tenant rep brokers are experts with objective market information who fortify your position in extension negotiations. With a tenant rep broker on your side, your landlord will be more likely to compete to keep you as a tenant. This is why we say to Don't Renew - Renegotiate.

**Call Now to Get a Free Analysis of Your Lease.**

**REATA Commercial Realty, Inc.** | 972.677.0028 | TexasTenantRep.com