

LEASING CHECKLIST INDUSTRIAL BUILDINGS AND WAREHOUSES

When leasing industrial and warehouse space you will need a lot of technical information to prepare a "For Lease" information package, to communicate with potential tenants, and to negotiate the "Offer To Lease" or Lease. The following checklist will help ensure that you get all the information to lease the building. The checklist has been designed for single tenant or multi-tenant (up to six tenants) building.

Landlord's Name: _____ Telephone: _____
Address: _____
Lawyer: _____ Telephone: _____
Accountant: _____ Telephone: _____
Property Address: _____
Legal Description: _____
Age: _____ Years

General Description of the Building: _____

Construction:

Wood Frame () Masonry () Steel () Tilt-up Concrete () Other _____

Photograph(s): Yes () No ()

Site Plan: Yes () No ()

Location Map: Yes () No ()

Site Area: _____ Sq. Feet

Dimensions: Length: _____ Width: _____ Irregular: _____

Zoning: _____

Allowed Uses: _____

Conditional Uses: _____

Overall Building Dimensions: Length: _____ Width: _____
Area: _____ Sq. Ft.

Clear Ceiling Height: _____ Ft.

Floor Load Capacity: _____ Lbs./Square Foot

Column Spacing: Length: _____ Feet
Width: _____ Feet

Bay Widths: _____

Number of Tenancies: _____

If the building is new, and the partition walls have not yet been installed, what are the combination of spaces that can be leased?

Landlord's desired Lease Term: _____ Years
Option to Renew: Yes () No () For how long? _____ Years
Option to Renew Rental Rate to be: _____

If the Building has been partly rented, list the names of the tenants, area occupied, and use:

	<u>Name</u>	<u>Area (Sq. Ft.)</u>	<u>Use</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____

If the building is being leased to a single tenant, is there space for outside storage?

Yes. Area: _____ No ()

Description: _____

Are ancillary buildings available: Yes () No ()

Description of ancillary buildings, area, etc. _____

Services:

Rail:

Is the space serviced by rail? No ()

Yes () Dock Loading _____ Ground Loading _____

Rail Company: _____ Contact: _____

Could rail service be provided? Yes () No ()

Estimated Cost: \$ _____

Who Will Pay? Landlord () Tenant () Shared: _____

Power:	<u>Voltage</u>	<u>Amperage</u>	<u>Single Phase</u>	<u>Three Phase</u>
Space 1.	_____/____	_____	_____	_____
2.	_____/____	_____	_____	_____
3.	_____/____	_____	_____	_____
4.	_____/____	_____	_____	_____
5.	_____/____	_____	_____	_____
6.	_____/____	_____	_____	_____

Sprinklers:	<u>Yes</u>	<u>No</u>	<u>Floor Drains</u>
Space 1.	_____	_____	_____

- 2. _____
- 3. _____
- 4. _____
- 5. _____
- 6. _____

Lighting:

Warehouse/Industrial Area: _____ Foot Candles
 Office Area: _____ Foot Candles
 Skylights: _____

Security and Alarm Systems:

- Space 1. _____
 2. _____
 3. _____
 4. _____
 5. _____
 6. _____

Drainage - Description of the Floor Drains:

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____
- 6. _____

Gas:

Is Natural Gas connected? Yes () No ()
 Can Natural Gas be connected? Yes () No ()
 Cost of connecting: \$ _____
 Paid for by: _____

Heating Systems: Industrial/Warehouse Area and Offices

Space	Warehouse/Manufacturers	Office Areas	
		Heating	Air Conditioning
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____

Rentable Areas and Lease Rates:

Warehouse/Mfg. Area	Office Area (Sq. Feet)	Total	Lease	Basic
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Annual Rent	<u>Length</u>	<u>Width</u>	<u>Area</u> (Sq.Ft.)	<u>First</u> <u>Floor</u>	<u>Second</u> <u>Floor</u>	<u>Mezzanine</u> <u>Area</u>	<u>Rental</u> <u>Area</u>	<u>Rate</u> (\$ per Sq. Ft.)
Space								
1.	_____	_____	_____	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____	_____	_____	_____

Note:

1. The landlord may or may not include the mezzanine in the calculation of the rentable area. If the mezzanine area is not included in the rentable area, show the area, since it is a feature or benefit for the tenant but exclude the area in the annual rent calculation.
2. In the case of a single tenant building, there may be ancillary buildings on the property, which the landlord may or may not include in the rentable area. This should be verified with the landlord.
3. If there is any common area space such as enclosed loading bays, service corridors, you will have to ascertain whether the landlord will be including the tenants' proportional share of this space in calculating the rentable area.
4. The safest approach is to ask the landlord how much the annual rent is for the space. This approach overcomes the problems of determining the rentable area, particularly if there are mezzanines, common areas, ancillary buildings, etc.

Leasehold Improvements, Allowances, and Office Build-out Factors

Existing Space: Describe the existing leasehold improvements and the office areas, washroom facilities, etc.:

New Space: Is the lease a "shell lease"? Yes () No ()
 Will the landlord provide leasehold improvements Yes () No ()
 What is the office build-out factor? ___%

What is the maximum leasehold improvements allowance? \$ _____

Additional Rent and Operating Costs

Will the tenant pay for:	<u>Yes</u>	<u>No</u>
Operating expenses and common area expenses	_____	_____
Insurance	_____	_____
Property Taxes	_____	_____
Accounting	_____	_____
Administration	_____	_____
Property Management	_____	_____
Depreciation of Mechanical Equipment	_____	_____

What operating costs are paid for by the landlord, paid for by the tenants?

	<u>Operating Costs Paid by the Tenant</u>	<u>Paid by the Landlord</u>
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

What is the estimate of the “Additional Rent” for operating costs, common area costs, etc., paid for by the tenant.

Additional Rent \$ _____ per square foot per year.

Description of Leasehold Improvements

<u>Existing</u>	<u>By The Tenant</u>	<u>By The Leasehold</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Restrictive Covenants:

Are there restrictive covenants in the lease that could influence the tenancy, such as operating hours, use restrictions, etc. Restrictive covenants are common in industrial parks.

Landlord Tenancy Preference:

Landlord favours the following kinds of tenants:

The following kinds of uses are not acceptable to the landlord or not allowed under the zoning by-laws:

Loading/Unloading Facilities.

Space	<u>Dock Level</u>	<u>Ground Level</u>	<u>No. of Doors</u>	<u>Door Sizes</u>	<u>Canopies</u>	<u>Dock Leveller(s)</u>
1.	_____	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____	_____

Note: If there is more than one loading/unloading area this should be noted and whether the doors are in the front, rear, or side of the premises.

Loading Bays:

Conventional Trucks: _____

Accommodates Semi Trailers: _____

Parking and Grounds.

Space	<u>Number of Parking Spaces</u>			<u>Truck Fleet Parking</u>
	<u>Employees</u>	<u>Visitors</u>	<u>Total</u>	
1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Are the parking areas, loading bays, paved or unpaved? Describe:

Landscaping Description:

Property is Fenced and Secured () Yes () No

Contamination Concerns.

Asbestos: _____

PCBs: _____

Is it possible that the tenant may be renting a site which has previously been contaminated?

Is an environmental audit available? () Yes () No

City or Municipality File Checked? () Yes () No

Locational Advantages:

Access To:

Nearest Highway: _____

Freeway: _____

Does the property offer other locational benefits such as being close to rail service, bulk terminals, wharf areas, bonded warehouses, custom brokers, airports, freight terminals and distribution centres, etc.

What type of users could benefit from the locational advantages and be compatible with the existing tenancies?

What types of owner/users and tenants occupy the adjacent building? Does the area seem to attract certain kinds of tenants? Why? This information may help you identify a target leasing market.

Signage:

Description of the available signage:

Comments on visibility from highways, etc.:

Comments.
