



An Ounce of Protection...in the Leasing World

10 Things a Landlord Should Know About a Tenant

1. Make sure you know EXACTLY who your Tenant is.
 - (a) Avoid using a Tenant's trade name on the LOI or within the Lease.
 - (b) Research the Tenant entity on a state's secretary of state's web site (for Georgia, go to <http://sos.georgia.gov/Corporations>).
 - (b) If you cannot find the information you are looking for, request the Tenant to provide a Certificate of Existence or if the Tenant is a foreign entity, a Certificate of Authorization to Transact Business in the particular state .
2. Get Financials Up Front – You will never have more leverage to garner information out of the Tenant than during lease negotiations.
3. Check References – If nothing else, make the Tenant come up with at least five.
4. Include disclaimer language in the Letter of Intent and in all correspondences when drafting the Lease.
5. When negotiating the Rent Commencement Date, give Landlord the control. Do not put the Rent Commencement Date in the hands of the Tenant.
6. Get personal guaranties as often as possible.
7. Security, Security, Security – Move away from the one month's rent paradigm if Landlord is exposed to a greater liability. Consider using a letter of credit, asking for more than just one month worth of rent and possibly using burn-off provisions.
8. Know when to rely on your legal department/lawyers to draft leases/lease provisions.
9. ALWAYS get a written commission agreement and make sure it is signed before the Lease.

10. There is no such thing as TOO MUCH DETAIL when it comes to describing Landlord's Work and Tenant Improvement Allowances.

*Materials produced by and for further information please contact **Audra Esrey, Esq.**, Partner, Stanley, Esrey & Buckley, LLP, 1170 Peachtree Street, Suite 750, Atlanta, Georgia 30309 telephone: (404) 835-6202, email: aesrey@seblaw.com. Audra is a commercial real estate attorney who has extensive leasing experience representing both landlords and tenants in retail, office and industrial lease negotiations.*