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FREE GUIDE

# Catch Renewals Before They Slip

Turn Lease Data Into Proactive Decisions

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A tenant just gave notice. Their lease expires in 45 days. They're not renewing.

You had no idea this was coming. The lease has been in place for five years. The tenant seemed happy. Now you have six weeks to find a replacement or eat the vacancy.

Somewhere in your files, that expiration date existed. Someone should have noticed it months ago. Should have started the renewal conversation. Should have had time to negotiate or find alternatives. Instead, you're scrambling.

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## The 30-Day Problem

Most property managers operate with 30 to 60 days of lease visibility. That's when the standard renewal notice period kicks in. That's when someone finally checks the file and realizes action is needed.

Thirty days isn't enough time to negotiate properly. The tenant has all the leverage. They can demand concessions knowing you can't afford the vacancy. Or they can leave knowing you don't have time to respond.

Marketing the space? Finding a quality replacement tenant takes months, not weeks. Starting the search 30 days out means months of vacancy even if you move fast.

Strategic decisions get squeezed out entirely. Should you let this tenant go and reposition the space? Should you offer concessions to retain them? These questions require analysis. Analysis requires time you don't have.

The notice period exists for legal compliance. It's not a management tool. Managing with 30-day visibility is like driving with your headlights off.

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## What 6-Month Visibility Changes

Imagine knowing every lease expiration 6 to 9 months in advance. Not as a line item buried in a report, but as an active pipeline you manage.

**At 9 months:** Flag the expiration. Assign an owner. Start gathering information. What's the tenant's payment history? Are they expanding or contracting? What are market rates for comparable space?

**At 6 months:** Open the conversation. Not "your lease is expiring," but "let's talk about your plans." Understand their needs. Position your property. Start negotiating from a place of information, not desperation.

**At 4 months:** Reach agreement or activate alternatives. If they're staying, finalize terms. If they're leaving, start marketing. If terms are still being negotiated, you have time to hold firm.

**At 2 months:** Execute. Sign the renewal or transition to the new tenant. No scrambling. No surprises. No vacancy because you ran out of time.

This timeline exists because you created it, not because a notice period forced it.

## Building the Renewal Pipeline

A renewal pipeline is just a structured way to track and manage upcoming expirations. It has five components:

**Data foundation:** Every lease expiration date, extracted and organized. Not buried in PDF files. Not scattered across property management systems. Consolidated, visible, current.

**Timeline triggers:** Automated alerts when a lease enters each phase. Nine months out, someone gets notified. Six months out, status is reviewed. Four months out, escalation if no progress.

**Status tracking:** Where is each renewal in the process? Early conversation? Active negotiation? Agreed but not signed? Declined and marketing? Clear stages with clear ownership.

**Priority ranking:** Not all expirations matter equally. A 500 square foot tenant expiring in six months is different from a 50,000 square foot anchor. Revenue impact determines attention.

**Market context:** Current rates for comparable space in your submarket. Without this, you can't identify below-market leases or know what terms to target in renewals.

This isn't complicated technology. It's organization applied to information you already have.

## Identifying Below-Market Leases

Some renewals deserve more attention than others. Below-market leases represent the biggest opportunity.

A tenant signed five years ago at \$18 per square foot. Market rates have climbed to \$24. At renewal, that's a 33% increase available without finding a new tenant. That's real money.

But you need to know which leases are below market. That requires comparing your current rents against current market rates, property by property, lease by lease.

The analysis isn't difficult. Pull your rent roll. Pull market comps for comparable space in your submarket. Calculate the gap. Rank by total dollar opportunity.

A 10,000 square foot tenant at \$6 below market represents \$60,000 per year in potential upside. A 2,000 square foot tenant at the same gap represents \$12,000. Both matter, but not equally.

Knowing your below-market leases before renewal conversations start changes how you approach those conversations. You're not just renewing. You're capturing value.

One portfolio manager we worked with discovered 23% of their leases were 15% or more below market. Six figures in annual opportunity, sitting in files nobody was reviewing systematically.

## The Revenue-at-Risk View

Every expiring lease represents revenue at risk. If the tenant leaves, you lose that income until you find a replacement. The question is: how much risk, and where?

Calculate it simply: annual rent times probability of non-renewal times expected vacancy period.

A \$100,000 per year tenant with 20% non-renewal probability and expected 4-month vacancy if they leave:  $\$100,000 \times 0.20 \times (4/12) = \$6,667$  revenue at risk.

A \$500,000 per year tenant with 40% non-renewal probability and expected 8-month vacancy:  $\$500,000 \times 0.40 \times (8/12) = \$133,333$  revenue at risk.

The second tenant deserves dramatically more attention, even though both leases are expiring in the same timeframe.

Revenue-at-risk analysis tells you where to focus. It converts a list of dates into a prioritized action plan.

## Negotiation Timing That Works

When you start the renewal conversation matters as much as how you conduct it.

Too early, and tenants aren't thinking about it. They haven't considered their options. They're not ready to engage.

Too late, and you've lost leverage. They've already made decisions. They're informing you, not negotiating with you.

The best window depends on the tenant and the lease size:

**Small tenants (under 5,000 SF):** 4-6 months out. These decisions are simpler. Tenants don't need extensive time to evaluate options.

**Mid-size tenants (5,000-20,000 SF):** 6 to 9 months out. More stakeholders involved. More

consideration of alternatives. More time needed.

**Large tenants (over 20,000 SF):** 9-12 months out. Major business decisions. Multiple approval levels. Potentially involving brokers and lawyers.

These windows are starting points, not rules. A tenant who's been complaining about the space needs different timing than one who's expressed interest in expanding.

## The Proactive Conversation

How you open the renewal discussion sets the tone for everything that follows.

Don't lead with the expiration date. Tenants know when their lease expires. Reminding them sounds like a collection call.

Lead with their business. "We noticed you've been growing. How are your space needs evolving?" "We're planning some building improvements. What would make this space work better for you?"

Position yourself as a partner solving problems, not a landlord extracting rent. Even if you plan to push rates higher, the conversation goes better when it starts collaboratively.

The earlier you start, the more room you have for this approach. At 6 months out, it's a business conversation. At 30 days out, it's a transaction under pressure.

## Handling Rate Increases

Below-market tenants need to come up. The question is how.

**Market context matters.** "Rates in this building have increased to \$X" lands differently than "we're raising your rent." One is market reality. The other is a demand.

**Phased increases reduce shock.** A tenant at \$18 facing a jump to \$24 might balk. The same tenant accepting \$20 this year, \$22 next year, and \$24 in year three might stay. Same end point, different path.

**Value additions soften the blow.** Tie the increase to something tangible. Building improvements. Extended lease term. Additional services. The rate goes up, but so does what they're getting.

**Alternatives should be real.** If you're pushing hard on rate, know what you'll do if they leave. Having a backup plan gives you confidence. Tenants sense when you're bluffing.

The goal isn't winning every negotiation. It's maximizing portfolio value while maintaining occupancy. Sometimes that means accepting less than market. Sometimes it means letting a tenant go.

## When Tenants Leave

Not every renewal succeeds. Tenants leave for reasons you can't control. Their business changes. They relocate. They close.

Early visibility turns departures from emergencies into managed transitions.

At 6 months notice: Begin marketing immediately. You have time to find quality tenants, not just any tenant.

At 4 months notice: Negotiate early termination if beneficial. Sometimes getting the space back sooner lets you capture a better tenant.

At 2 months notice: Plan the turnover. Schedule improvements. Line up contractors. Minimize the gap between tenants.

Vacancy happens. The question is whether it's 2 months of planned downtime or 6 months of scrambling after a surprise.

## Building the System

Lease intelligence requires three capabilities:

**Data extraction:** Pull lease terms from your property management systems into a structured database. Expiration dates, rent amounts, square footage, tenant contact information. Everything needed to manage renewals.

**Market integration:** Connect to market data sources that provide comparable rents. CoStar, CompStak, or local broker reports. The ability to compare your rents against market.

**Workflow management:** Track renewal status. Assign owners. Set reminders. Escalate when progress stalls. Turn data into action.

Some property management systems offer renewal tracking modules. They're usually basic. For portfolios over 15-20 properties, purpose-built lease intelligence tools provide more capability.

## What You'll Catch

A portfolio-wide lease intelligence system surfaces patterns that property-by-property management misses.

Concentration risk: 40% of revenue expiring in the same quarter. Time to stagger those renewals.

Below-market clusters: Properties where every lease is 15% under market. Systematic underpricing to address.

Problem tenants: Patterns of late payment that predict non-renewal. Early action opportunities.

Expansion opportunities: Tenants asking for more space at multiple properties. Portfolio-level solutions.

The individual lease matters. The portfolio view reveals what's really happening.

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## Getting Started

You don't need sophisticated technology to improve lease visibility. Start with what you have.

Export every lease expiration into a single spreadsheet. Add columns for current rent, market rate estimate, renewal status, and owner. Sort by expiration date. That's your pipeline.

Set calendar reminders at 9 months, 6 months, and 4 months for every expiration. That's your trigger system.

Review the pipeline weekly. Update status. Identify stuck renewals. That's your management process.

This manual approach works for smaller portfolios. As you grow, automation becomes necessary. But the discipline matters more than the technology. Knowing what's coming and acting early beats sophisticated systems used passively.

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Ready to stop letting renewals slip? [Talk to our team](#) about building lease intelligence for your portfolio, or learn more about our [commercial real estate solutions](#).