7 - Income Producng Properties - ch. 9

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↗ ✅ tasks	
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⊙ tags	

▼ Supplemental
▼ Notes

- ▼ commerical property
    - ▼ office, retail, apartment, industrial (shippng), hotel, mixed-use
- ▼ supply and demand analysis
    - ▼ used for valuation of properties and projected future rent and occupancy levels
    - ▼ global, national, and regional, and local factrs impact valuation

Resources

https://s3-us-west-2.amazonaws.com/secure.notion-static.com/b0d6296a-69ba-4ee3-be2a-6a494efb287c/INCOME_PRODUCING_PROPERTIES_-_LEASES_-_Chapter_9.pdf

▼ location

  ▼ most imprtant factor in ral
  estat valuation

▼ occupancy / vacancy

  ▼ occupancy = 100% - vacancy
  %

  ▼ vacancy i dtermined by supply
  and demand, location, quality
  and other

▼ lease terms

  ▼ parties: lendors/lessor and
  tenants/lessee

  ▼ premises (cardinal location,
  square footage), terms (length),
  base rent, CPI increases
  percent rent, security depsits
  and guarantors

  ▼ allowabl use, insurance,
  maintenance, damage, property
  taxes, assignment, subletting,
  defaults, remedies

  ▼ subordination (tentant is
  subordinate to the lender before
  the landlord) and attornment
  (tenant respects new
  landloords), non-disturbance
  (lender is not allwedt odisturb
  tenant's property in a
  foreclosure)

  ▼ signage (tenant marketing,
  used for rent negtiation)

▼ right of first refusal (right to look first at. adjacent/additional space), expansion option and adjacnt space (right to rent oout additional space), notices, governing law

▼ rental income

   ▼ flat base rent

   ▼ step-up rent

   ▼ CPI or indexed rent w/ caps and/or floors

   ▼ percentage rent with overage rnt. above a breakpoint

▼ concessions

   ▼ free rent, rducd rent, tnant iimprovemnt allowaance (TI)

▼ property expenses

   ▼ gross leaase (tenant pays no expenses) - e.g. dorms

   ▼ modified gross leases (usually utilities) - e.g. residential apartments

   ▼ triple net lease (tenant pays all operating expenses: property taxes, insurance, repairs, maintenance, utilities) - e.g. commerical, industrial, retail

▼ expense stop

   ▼ landlord pays property expenses per rentable square

foot up to the expense stop

▼ tenant pays expenses over
that stop

▼ usually used for medical and
office buildings

▼ rentable vs usable square footage

▼ rentable space - usable space
+ tenant's pro rata hare of
Building's cmmoon areass (and
amenities)

▼ load factor

▼

▼ parking

▼ spots can be assigned to aa
Tenant or pr thousand squar ft of
rentd space

▼ paarking charges can be
included in rent or additional

▼ office leases

▼ anchor tenants, signage,
parking

▼ expansion option, purchas
option or right of first refusal

▼ overloading, fross or net
expnse stops

▼ retail leases

▼ Anchor Tenants, Signage,
Parking,

▼ Co-Tenancy clause,
Exclusivity, Radius clause,

Termination or Kick-Out rights,

▼ Operating Times, and CAM charges

▼ Lecture
▼ Discussion

> 📌 **SUMMARY**