

SAVEONLEASE

CAM / NNN Lease Audit Summary

Estimated Avoidable Exposure (Next 12 Months)

\$7,500 – \$14,000

This estimate reflects CAM, NNN, escalation, and reconciliation language identified in your lease.

Executive Summary

Our review of your lease structure and cost pass-through provisions indicates an estimated \$7,380 - \$15,700 in avoidable operating expense exposure over the next 12 months alone.

The primary exposure drivers are structural — uncapped CAM escalation, landlord-controlled capital allocations, and management fees without defined limits.

Absent proactive review, these provisions typically compound year-over-year and materially weaken tenant leverage prior to reconciliation, audit, or renewal discussions.

Estimated Avoidable Exposure - 12 Month Roll-Up

Risk Source	Conservative	Aggressive
CAM Escalation Exposure	\$2,880	\$7,200
Capital Expenditure Allocation	\$3,000	\$6,000
Management Fee Overages	\$1,500	\$2,500
Total Estimated Avoidable Exposure	\$7,380	\$15,700

Why This Matters

Operating expenses across retail and office properties are increasing due to insurance repricing, tax reassessments, and capital items being allocated through CAM.

Most commercial leases restrict audit rights to a 12-24 month window. Once closed, recovery of overcharges is typically unavailable.

Addressing structural exposure before reconciliation or renewal materially improves negotiating position and reduces long-term cost creep.

Bottom line

For this lease, a reasonable, defensible estimate of avoidable CAM / NNN exposure over the next 12 months is:

\$7,380 - \$15,700

How Exposure Is Derived

Exposure modeling is based on specific lease provisions identified within your agreement.

Applied market-observed CAM inflation sensitivity ranges (10–25%) to uncapped categories.

Modeled capital expenditure allocation using standard amortization and recoverability benchmarks.

Benchmarked management fee structures against prevailing 3–5% industry norms for comparable asset classes.

Modeled exposure conservatively — not worst-case assumptions.

Audit Windows & Timing Risk

Most commercial leases provide tenants a limited window — often 30 to 120 days — to dispute CAM and NNN charges after reconciliation statements are delivered.

Once that window closes, even clearly incorrect charges may become difficult or impossible to recover.

Proactive review before reconciliation, renewal, or amendment negotiations materially strengthens tenant leverage and protects long-term economics.

Recommended Next Steps

- Confirm audit window deadlines and upcoming reconciliation timelines.
- Formally request detailed CAM backup, capital allocation schedules, and supporting invoices.
- Evaluate management fee structure against market benchmarks and lease-defined limits.
- Initiate structured tenant inquiry prior to reconciliation, renewal, or amendment negotiations.

Lease Health Score

Overall Structural Risk Index

95 / 100

This lease structure demonstrates comparatively strong cost controls, though continued monitoring is advisable to prevent erosion of protections.

Cap Protection: 93

Allocation Clarity: 94

Fee Discipline: 98

Cost Predictability: 95