



# CHOYCE TIPS

from Choyce Peterson, Inc. The Corporate Tenant Specialists

April 2005

*It pays to*

## KNOW YOUR LEASE.

*Your obligations – and opportunities.*

### Decision makers use the Lease Abstract to put key lease provisions at their fingertips.

Your lease has a profound impact on your business. It dictates costs and stipulates deadlines. It spells out your landlord's responsibilities and your options. And yet most businesses are hard-pressed to identify even the most basic provisions of their lease—even provisions that require action in the near-term.

#### The Lease Abstract: Key Lease Provisions Summarized

Senior managers looking to manage and make the most of their lease turn to the Lease Abstract. The Choyce Peterson Lease Abstract is a concise

one-page summary of the key provisions of a lease—which could number as many as 30 critical pieces of information. This simple, powerful tool has had a profound impact on managing the real estate component of business operations by identifying the issues senior management needs to know:

- What critical information do you need to know at the end of your lease?
- What “hidden costs” are spelled out in your lease, and how can you plan for them?
- What are your rights—and restrictions—for making alterations to your space?

The Choyce Peterson Lease Abstract spells out all this and more.

**INSIDE:** Using the Lease Abstract for bottom-line results.

Fairfield County &  
Westchester County  
Commercial Real Estate  
Market Report  
*plus...*

The Choyce Peterson  
Lease Abstract:  
*The tool for more effective  
Real Estate Management*

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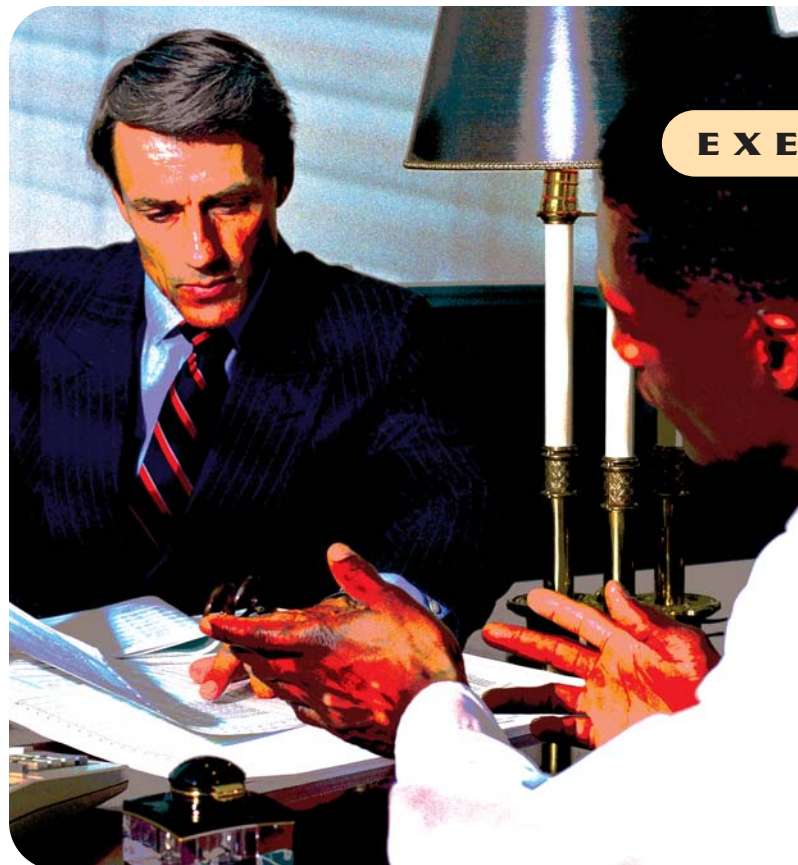
### EXECUTIVE BRIEFING

The “fine print” in your lease:

- What you don't know can hurt you
- How senior managers master lease details — without getting bogged down in lease details



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# The right information, right where you need it.

## LEASE ABSTRACT

**What it is.** The Choyce Peterson Lease Abstract is an executive summary of key components of a lease (there can be as many as 30 important provisions) on a single page. It puts clients in control by quickly identifying key provisions of every lease, and the opportunities that lease offers.

**What it means.** With the Choyce Peterson Lease Abstract you have, readily available, information that holds dramatic implications for cash flow, planning, overhead, financial liabilities, business expansion options and more.

Insight provided by the lease abstract includes:

### End of lease issues

- What are the critical notice dates for your renewal options?
- What are the holdover consequences if you should stay beyond the expiration of your lease?
- What are your restoration obligations regarding alterations or improvements?

### Current issues

- What options to renew, expand or contract do you have within your lease?
- What are the notice dates for those options? (Your rights may expire without you even knowing it).
- What about your security deposit reductions and “meltdowns?” Your landlord may not notify you of deposit reductions stated in the lease and you may not receive the cash that is due to you.

### Modifying, subleasing and more.

- What are your alteration rights?
- What consent is required and what up-front costs are stipulated in your lease?
- What rights and restrictions do you have for subleasing?
- What obligation does your landlord have to notify you of expansion opportunities in the building?

**The bottom line.** Choyce Peterson clients know that a lease is not a dormant document; it shouldn't merely collect dust or be shoved in a drawer. The provisions of every lease represent obligations and opportunities for every business. The Choyce Peterson Lease Abstract keeps clients at the most senior levels informed of their obligations and aware of the opportunities that every lease represents.

### How do you obtain a Lease Abstract?

Choyce Peterson has created hundreds of lease abstracts for area companies, identifying obligations and opportunities. To obtain an abstract of your lease, simply contact one of the senior Choyce Peterson professionals listed below. They'll:

- **Meet** with you or the staff member you designate.
- **Obtain** all pertinent lease information (including amendments and cost escalation notices). All information is held in the strictest confidence.
- **Create** a one-page abstract, including notes on lease “hot points” of which you should be aware.
- **Consult** with the parties you designate to discuss the abstract and key provisions worth noting.

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 **Choyce Peterson, Inc.**  
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### Services include:

- Lease Renewals
- New Locations & Expansions
- Portfolio Administration
- National Representation
- Acquisitions

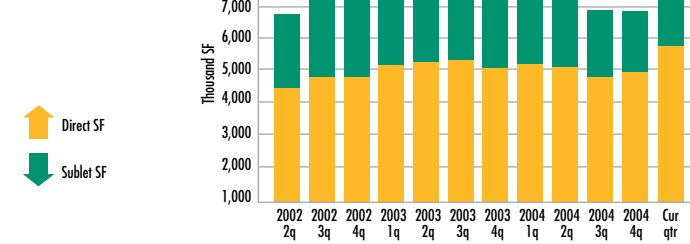
## 1ST QUARTER 2005 MARKET UPDATE

Office Buildings Over 20,000 SF

Arrows indicate 1st quarter 2005 trend vs. 4th quarter 2004

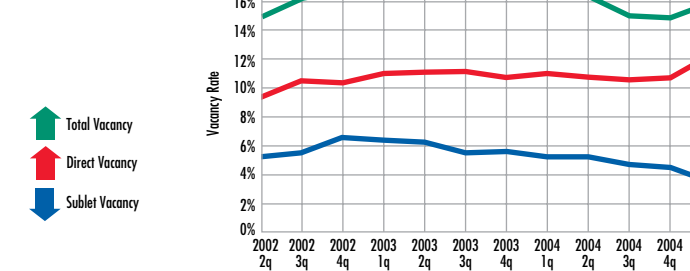
### Fairfield County

#### Direct & Sublet Vacant SF



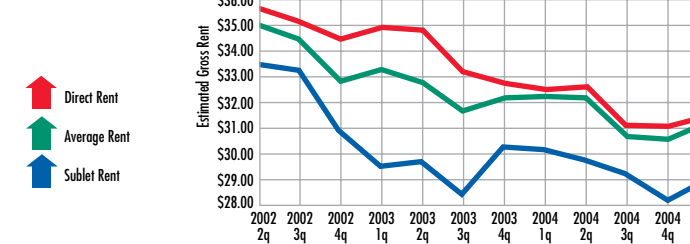
Direct vacant square feet increased approximately 862,000 square feet in the 1st quarter.

#### Vacancy Rate



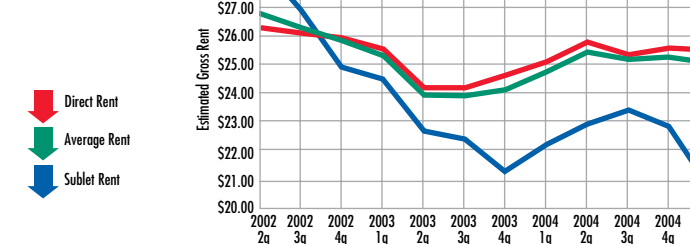
The total vacancy rate increased approximately 1% this quarter to 16%.

#### Rental Rates—Class A



The average rental rate increased \$0.90 or 3%, to approximately \$31.04 per square foot.

#### Rental Rates—Class B

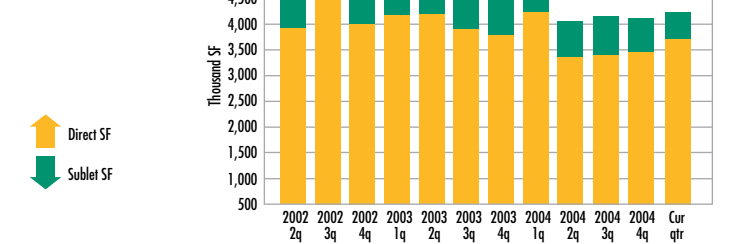


Average rental rates decreased \$0.26 or 1%, to \$24.90 per square foot.

Data source: CoStar Group, Inc.

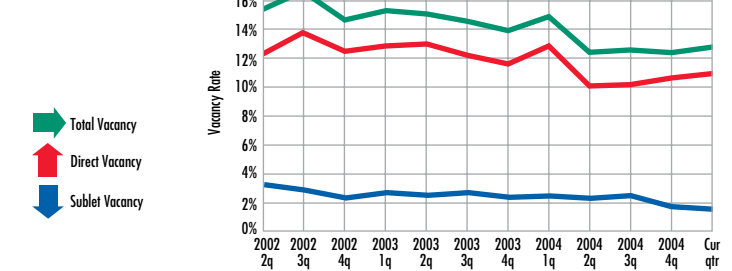
### Westchester County

#### Direct & Sublet Vacant SF



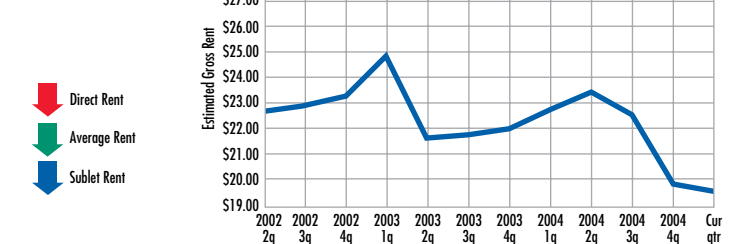
Direct vacant square feet increased by approximately 180,000 square feet in the 1st quarter.

#### Vacancy Rate



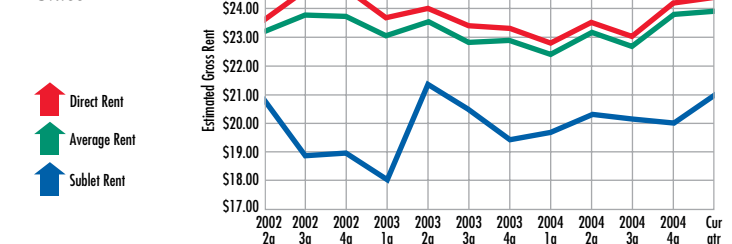
The total vacancy rate remained generally constant.

#### Rental Rates—Class A



The average rental rate decreased slightly to \$27.23 per square foot.

#### Rental Rates—Class B



Average rental rates increased approximately \$0.13 or 0.5%, to \$23.96 per square foot.