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*Our mission is to provide information and strategies to business owners and managers for improvement in the effectiveness of its business management so that key objectives can be realized.*

## Five Ways to Save On Leasing Office Space

Being in business for yourself has its perks and many issues to be aware of. One to be sure to take into strong consideration is office space – if you do not have the good fortune of owning your own space, you will more than likely be looking into leasing office space. Leasing is the way to go for most businesses; however, keep these five tips in mind for creative and cost-effective leasing strategies.

- 1. Profit from another's misfortune.** Sometimes businesses hit a down cycle. Another's misfortune could be your gain. It's the age of downsizing and rightsizing and that means empty office space. If you are lucky, you can save as much as 25 to 35 percent on lease space. Even if the downsizing craze subsides, subletting is always one of the best sources of discount space.
- 2. Let yourself be lured.** Many communities offer incentives to relocating businesses, and some have economic-development zones, where the city provides tax abatements, low-interest loans, and other incentives to attract businesses. Many of today's large suburban and evolving cities are aggressively developing their downtown and otherwise declining neighborhoods. This could prove to be extremely profitable for you and your business. With space location and potential client base in direct relation to business growth potential, this may be an option worth exploring.
- 3. Share.** Roommates aren't just for twenty-somethings and for the general public. Sharing space with another business partner could be a great idea if your company is structured for it. Financially the benefits are many, including potential reciprocal business that may come in the form of referrals. You can get into a bigger space for a lower cash outlay monthly than you would have had going on your own. Sharing a common area, such as a kitchen also minimizes what you normally would pay. Enter into a lease-agreement with a partner in much the same way you would entering into a business together: sign a contract, know the terms up-front, and have an exit strategy in case one of you leaves the situation early.



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4. **Strike a deal.** Don't be shy. Speak up. If you don't ask, you won't know. If you are looking for brand new space or renewing existing space, offer a deal that works for everyone – you and the property management. Deals can always be made. Keep in mind the prevailing market rates for spaces your size, do a little number crunching and offer the management company a workable deal that benefits them and you.
5. **Do without.** Of course, the thought of paying any rent could make you want to ditch the corporate office idea altogether. Homeward bound. This could be the way to go if you can deal with perhaps having your workforce telecommuting from their homes and you don't mind converting your dining room or guest bedroom into your office headquarters. The cost savings is certainly at the top of the benefits list when thinking of taking the office home. Studies show that telecommuters actually work more – not less – than those employees who go to an office each day. If this strategy sounds like it may work, the benefits are there!

Each business owner's situation is unique and never like another's. Think about your company's needs, risk factors, employee concerns, and strike the best deal for your circumstance. For lease negotiations, we can help review contracts and look for pitfalls that may lurk in contracts or sublease arrangements. Give us a call today to discuss your options. ■