

## Have you read any good leases lately?

Many dentists and veterinarians do not recognize the importance of negotiating a favorable lease with solid renewal options. Whether your landlord is the mom and pop variety or a professional landlord it is crucial that your lease is reviewed and/or negotiated by a competent attorney that is familiar with the needs of professional practices. **The most important thing to remember is that a lease is an interest in real estate and the better your lease terms are the more valuable your interest in that real estate is.**

A typical commercial lease can easily have ten (10), twenty (20) or more provisions in it that could have a negative impact on the value of your dental practice, veterinary practice or other professional practice.

To follow is a short list of some of the lease issues that may affect the value of your professional practice or one you wish to purchase:

1. A no assignment clause that may prevent the purchase or sale of a business. Frequently professional landlords are using such clauses to extract large payments from doctors wishing to sell their practices
2. Does your lease have a provision whereby the landlord is entitled to a fee in order to allow an assignment?
3. Is your right to renew your lease personal to you? Your right to renew might be null and void to the purchaser of your practice
4. Would your lease prevent you from bringing on a new partner and forming a new entity
5. Is the person you signed your lease with truly the landlord? Frequently lease is executed by the wrong party or a person that is not actually the landlord or its agent.
6. Can another dentist or veterinarian move into your facility?
7. How are rent increases calculated?
8. How are issues of fire or eminent domain handled in your lease?
9. Are there limitations on the number of parking spaces you can utilize?
10. Will you be allowed the type of signage you wish to use?
11. What repairs are you the tenant responsible for?
12. Are there limitations on the number of employees you can have?
13. What if there is a fire? Does your landlord need to rebuild or does the landlord have an out?

For assistance in writing, reviewing or negotiating a lease contact [nate@walpolelaw.com](mailto:nate@walpolelaw.com).