

Choosing the Perfect Commercial Location

Location is often the No. 1 factor in a business's success or failure. To avoid common mistakes small business owners make when choosing their location, complete a copy of this checklist for every location you're considering. Then carefully compare the pros and cons of each space before you make your decision.

1. DEMOGRAPHICS

Use resources such as [American FactFinder](#), [The Census Bureau](#), the landlord of the location and your local economic development department to find out if the area has enough target customers to support your business.

Daytime population _____ Pedestrian traffic _____
Total population _____ Vehicle traffic _____
Other/Notes _____

2. CO-TENANCY

Who are the anchor tenants? _____
Who are the other tenants? _____
What are the pros and cons of the location's tenant mix? _____

3. SIZE & SHAPE OF LOCATION

What is the square footage of the location? _____
What is the shape of the space? _____
Are there columns or other impediments inside the location? _____
Is the location:
 In-line Freestanding building Corner/end-cap location

4. INFRASTRUCTURE

What year was the space built? What year was it most recently upgraded? _____
Does it have adequate
 Heating, ventilation & cooling (HVAC) Plumbing/Restroom facilities Gas
 Internet/WiFi Electrical wiring Other _____
Does it meet current building codes? If not, what is needed to bring it up to code? _____
Is it ADA compliant? If not, what is needed to bring it into compliance? _____

5. SIGNAGE & VISIBILITY

How visible is the space from within the center, for pedestrians, and for passing traffic? _____
Are there any restrictions on signage (size, color, illumination, etc.)? _____

6. PARKING

Who are your closest co-tenants? How might they affect parking? _____

Is there storefront parking (if needed)? How many spaces? Can spaces be dedicated to your store? _____

Is parking free or paid? If paid, what are parking rates? _____

Is there easy access for deliveries (if needed)? _____

7. COMPETITION

How far away are your competitors, both inside and outside the shopping center? Go online and map out their locations within a 20-mile radius.

8. COST

Is the landlord offering a triple net lease or a gross lease? _____

What additional costs are you responsible for, and what is the average yearly cost for each? _____

- | | |
|--|---|
| <input type="checkbox"/> Trash removal _____ | <input type="checkbox"/> Security _____ |
| <input type="checkbox"/> Utilities _____ | <input type="checkbox"/> Property insurance _____ |
| <input type="checkbox"/> Janitorial _____ | <input type="checkbox"/> Property taxes _____ |
| <input type="checkbox"/> Common area maintenance _____ | <input type="checkbox"/> Other _____ |

How often can the rent increase and how much? _____

9. MOVE-IN CONDITION

What leasehold improvements are needed to prepare the space for your intended use? _____

If improvements are needed, contact a licensed contractor for:

- Estimated build-out costs _____
- Estimated build-out timeframe _____

Is the landlord willing to pay for improvements and roll the cost into the rent? If so, how much? _____

Is the landlord willing to offer a tenant improvement allowance (TI)? If so, how much? _____

10. ZONING LAWS

Do local zoning laws restrict any of the following?

- | | | |
|---|---|--------------------------------------|
| <input type="checkbox"/> Signage _____ | <input type="checkbox"/> Allowable uses _____ | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Building codes _____ | <input type="checkbox"/> Hours of operation _____ | |

11. SECURITY

What type of security does the site have? _____

- | | | |
|----------------------------------|---|--------------------------------------|
| <input type="checkbox"/> Alarms | <input type="checkbox"/> Real-time monitoring | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Cameras | <input type="checkbox"/> Security guards (during what hours?) _____ | |

Contact the local police department. What types of incidents are reported at the shopping center and how often? _____

Contact your insurance agent. What is their estimate for yearly insurance costs? _____

12. LEASE TERMS

What lease terms is the landlord offering?

- | | | | |
|---------------------------------|---------------------------------|----------------------------------|--------------------------------------|
| <input type="checkbox"/> 3-year | <input type="checkbox"/> 5-year | <input type="checkbox"/> 10-year | <input type="checkbox"/> Other _____ |
|---------------------------------|---------------------------------|----------------------------------|--------------------------------------|