

Save Money and Reduce Risks

All retail building carry expenses such as property taxes, insurance, repairs, and landscape maintenance. If you own a home you've undoubtedly dealt with these types of expenses, and know that they can vary year to year. Commercial real estate is no different. The most common kind of retail lease in Casa Grande (and most other places) is known as "Triple Net", and sometimes that is abbreviated "NNN". But for tenants, a Triple Net lease does present a degree of uncertainty, and could produce unpleasant surprises, especially in times of inflation.

We take a different approach at Cottonwood Village (973 E. Cottonwood Lane, Casa Grande). Tenants here know in advance the exact amount they will pay each month throughout the lease term, and do not take on the risks of variable expenses. This type of lease, known as a Modified Gross lease, is somewhat rare for nicer retail buildings in Arizona. With a Modified Gross lease you know in advance the total rent you will pay each month.

Not only do we fix the rental amount in order to take the uncertainty out of it, but we also strive to be the lowest in terms of rental rates. Here is an example on how Cottonwood Village might compare with another space of the same square footage (1,491 square feet).

| <u>Cottonwood Village</u> | <u>General Example of Triple Net/NNN space</u> |
|---------------------------|--|
| Total | Rent + NNN = Total |
| \$1,987 month | \$1,677 + \$620 for NNN/CAM = \$2,297 month |
| (\$15.99 per foot total) | (\$13.50 per foot base rent, \$4.99 per foot expenses, estimated total per foot \$18.49) |

When comparing lease alternatives, it's always important to determine the base rent, and then add to that other cost. In the "General Example" above, the landlord is offering space at \$13.50 per square foot as a base rent. It might sound less, but note that when expenses are added in, the total is \$18.49! So while our \$15.99 per foot rate might initially seem higher than our General Example's base rent, the business will save \$3,727 per year with Cottonwood Village.

We are excited to learn more about your needs, at which time we can submit a specific proposal to you for your review.

Thank you,

Doug Fowler

Managing Member
Great Location LLC

707 337-1067

fowlerdoug@sbcglobal.net

www.ReallyGoodSpace.com