

## Guidance for Renewing Your Commercial Lease

It is important to keep apprised of when your lease is expiring. You will want to plan at least six months ahead typically, whether you plan to stay in the same space or relocate. Relocating takes time to find a new space that works for you and meets all your requirements. It also takes time to negotiate the lease, thoroughly review the lease and all attachments, and make sure your business is appropriate for that location. You also must factor in time to complete any improvements you need for the new space as well as time to relocate equipment and other business property.

If you plan to stay in the same space, you need to be mindful to contact your landlord to discuss the renewal at least six months before your lease expires, especially if you have an option to renew the lease at a specified rate. Most options require you contact the landlord and provide formal written notice of exercising your option to renew at least six months before the lease expires, sometimes longer. If you fail to do so, it could result in losing the option and/or the rate that was specified in that option. If lease rates have drastically increased, this can put you in a precarious position.

If you do not have an option to renew but want to continue leasing your space, I still recommend you start discussing the renewal with your landlord at least six months prior to the lease expiring. This will give you time to determine if you can come to a reasonable agreement or if you need to consider relocating.

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A commercial agent can assist you in this process and advise you of current market rents, leasing activity, vacancy rates, etc., which are important factors when approaching lease expiration. They should also be able to guide you along the process and prepare proposals or the notice to the landlord to exercise your option to renew. If you have questions regarding your upcoming lease expiration or renewal, please feel free to contact me at 626-358-8287 or by email [Linda@TopComRealty.com](mailto:Linda@TopComRealty.com)

**Effective Rate for SBA 504 For  
September 2022 is 5.32-5.437%**

## City of Industry Pays Off Property Tax Bill Early

The City of Industry announced that they have paid off the last three of seven bonds early. As result, the City will deliver over \$85 million in annual revenue back to tax payers, businesses, and public agency partners which include schools. The Mayor indicated that “Monies from these bonds were invested to improve our infrastructure from railroad crossings, roads, overpasses, and more which benefit our residents, workers, and businesses to improve the movement of goods. We will continue to double down on our commitment to ‘jobs, enterprise,

and regional infrastructure’ through financially sound policies and investments.” This payoff will save Industry property owners over \$49 million annually and will deliver over \$36 million to local taxing entities including school districts, special districts, and the County. These bonds which total over \$250 Million since approved by taxpayers in 1978 have provided the infrastructure that facilitated the City becoming a critical center for trade and commerce within the county, region, and state.

For commercial property owners, this will save an assessment of approximately 0.73750% (\$.7375 of \$100 taxable value) on all taxable City of Industry properties.

Source: City of Industry Press Release

### New Listing for Sale!



9866 6<sup>th</sup> Street Rancho Cucamonga, CA

10,598 square foot free-standing industrial building situated on over 32K square feet of land.

Constructed in 2007 with minimum 22-foot clear height, dock loading with 2 positions, grade level loading, fenced yard, ESFR sprinklers and skylights.

Two story offices with 2,558 SF taking only a 1,433 SF footprint. Reception, private office, kitchenette, 2 restrooms with multiple stalls.

Excellent owner/user opportunity. Take advantage of low SBA rates with only 10-15% down payment.

Call for more information and pricing.

*Linda Vidov* (CA Broker Lic. #1715788)

Linda specializes in commercial and industrial sales and leasing throughout the San Gabriel Valley. She has extensive knowledge in 1031 exchange transactions, investment opportunities, and market analysis. Feel free to contact Linda with any questions or requests for information.



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