

Austin Tenant Advisors Answers Questions: How Do You Calculate The Monthly Cost Of Leasing Warehouse Space

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Austin Tenant Advisors, a commercial real estate agency based in Austin, TX, has released an article detailing the process of calculating the monthly cost of leasing warehouse space. The article can be found at <https://www.austintenantadvisors.com//blog/how-to-calculate-the-monthly-cost-of-leasing-warehouse-space/>. It is aimed at customers searching online for ?how much does it cost to rent a warehouse?.

The article says there are 3 things that are needed to calculate the monthly warehouse space lease amount. First, the renter has to consider the size of square feet that they want to lease. This should be calculated first based on the needs of their business. This will also involve deciding whether they need a bulk warehouse or an office warehouse. Once the decision has been made, the appropriate rate can be applied.

The next consideration is the base rental rate. This is the rate per square foot for the property to be rented. It varies based on which part of the city the warehouse is situated in. Usually, rentals closer to the downtown areas of the city are going to be more expensive to rent in. Picking the correct location is important to serve the business? core needs. Landlords may quote a monthly value - for eg. \$1.00 or a yearly rate i.e. \$12.00 per square foot.

The last consideration in calculating the monthly warehouse space lease amount is the estimated operating expense. This can be the NNN (triple net lease) or CAM (Common Area Maintenance) fees. A triple net lease is a lease agreement on a property where the tenant or lessee agrees to pay the three main fees on such a property. The three types are real estate taxes, building insurance fees, and maintenance fees. This does not include any normal fees such as rent and utilities that are expected under the agreement and are added separately. This is an important consideration when planning to buy warehouse space for lease Austin TX.

The NNN is most frequently used for commercial freestanding buildings and it has also been used in single-family residential rental real estate properties. In such a lease, the tenant or lessee is responsible for all costs associated with the repair and maintenance of any CAM fees. CAM fees typically are negotiated upfront as a set dollar figure per square foot.

Most landlords of industrial and warehouse spaces are going to require you to pay both base fees and NNN. The article recommends also budgeting \$1.50 to \$2.00 per square foot per year since the tenants are expected to pay their own utility fees like power as is standard with all commercial spaces.

The article gives an example of how to go about calculating the monthly rent on a property. In the example, they assume a warehouse with a square footage of 5,000 square feet. They assume that its quoted base rental rate is \$0.85 square foot per month. Assuming estimated operating expenses (NNN) of \$0.25 per square foot per month, the article arrives at a total asking lease rate of \$1.10 square foot per month. The final step of the calculation is to multiply the per square foot rate with the total square foot area of the property. So the article ends up with a monthly rent of \$5,500.

The article asks the customers seeking a property to do their due diligence when it comes to previewing and comparing industrial and warehouse properties. Equipped with research, it is expected for the customer to create a list of questions that need to be answered to get the correct estimate of the rent each month. The article says that in the case of any missed details, it will lead to surprises that may lead to higher rates than the customer has budgeted for. The article asks everyone to figure out the correct rates before signing the contract and appropriately budgeting for it. The article asks the customer to find out who is responsible for paying for what giving the example of the maintenance, repair, and/or replacement of the HVAC unit as a possible surprise expense.

The article post should help customers searching for ?how much does a warehouse cost to rent? around Austin. Those looking for Austin warehouse space for rent can find more details about Austin Tenant Advisors? business and team on their website.

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For more information about Austin Tenant Advisors, contact the company here: Austin Tenant Advisors Nathan K Smith (512) 861-0525 info@austintenantadvisors.com 1300 Guadalupe St #250 Austin, Tx 78701

Austin Tenant Advisors

Austin commercial real estate agency that exclusively help tenants find and negotiate warehouse, retail and office space for rent in Austin Texas.

Our free service will ensure you find the best space, avoid mistakes, and get the best deal possible.

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