

OAK+ELM™

Commercial Lease Types: Quick Reference Guide



Understanding Commercial Lease Types: A Quick Guide for Tenants

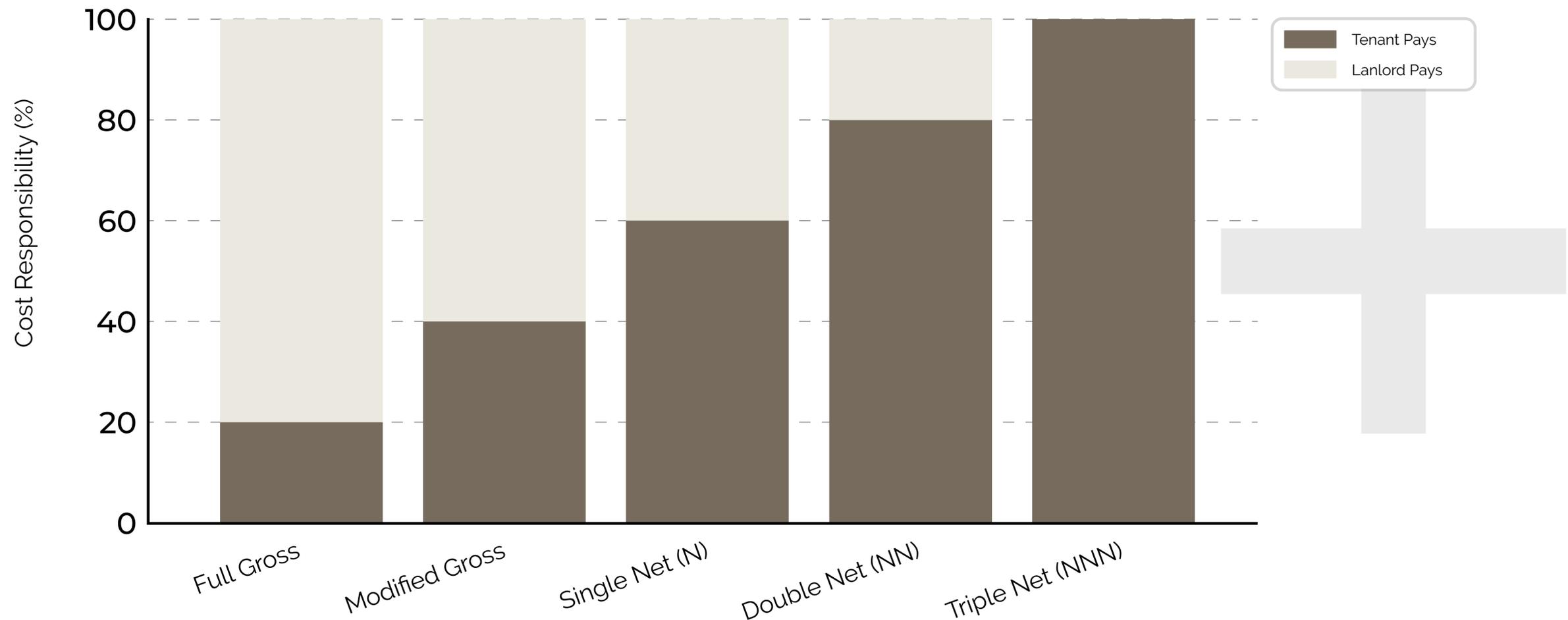
When leasing commercial space, the type of lease you sign determines your financial obligations beyond rent. Understanding these lease structures helps you budget accurately and avoid unexpected costs. Here's a breakdown of the most common lease types:

Comparison of Lease Types

Lease Type	Tenant Pays For	Landlord Pays For	Best For
Full Gross	Base Rent	Property Taxes, Insurance, Maintenance, Utilities	Tenants who prefer predictable costs
Modified Gross	Base Rent + Negotiated Expenses	Remainder of expenses	Balanced approach with some cost control
Single Net (N)	Base Rent + Property Taxes	Insurance, Maintenance	Small tenants with some responsibility
Double Net (NN)	Base Rent + Property Taxes + Insurance	Maintenance, Common Area Costs	Tenants looking for moderate rent with shared costs
Triple Net (NNN)	Base Rent + Property Taxes + Insurance + Maintenance	None (except major structural elements)	Tenants who want lower base rent but full control over expenses



Lease Cost Allocation by Lease Type



Choosing the Right Lease for Your Business

- **Prioritize Budget Predictability** → Full Gross or Modified Gross
- **Want Lower Base Rent?** → Net Leases (especially NNN)
- **Balance Control & Shared Costs?** → Modified Gross or NN Lease

Before signing, always **review expense clauses**, clarify **maintenance responsibilities**, and ensure transparency on **additional costs**.



About OAK+ELM

OAK+ELM is a trusted leader in commercial real estate, dedicated to helping tenants and investors navigate the complexities of leasing and property investment. With a focus on strategic acquisitions, market insight, and hands-on management, we create opportunities for businesses and investors to thrive.

Our Mission

We are committed to delivering tailored real estate solutions that drive success for our clients. Whether securing prime leasing opportunities or managing high-value commercial properties, our expertise ensures long-term value and growth.

Our Values

- **Integrity:** Transparency and trust in every transaction.
- **Expertise:** Decades of experience in commercial real estate.
- **Client-Focused:** Personalized solutions for tenants and investors.
- **Sustainability:** Smart investments that support long-term growth.

Why Choose Us?

- **Market Knowledge:** We stay ahead of industry trends to provide the best opportunities.
- **Hands-On Approach:** Active property management to maximize value.
- **Proven Results:** A strong track record of successful acquisitions and lease negotiations.

Disclaimer: This document is intended for informational purposes only and should not be construed as legal, financial, or professional advice. Lease terms and obligations vary based on specific agreements, local laws, and landlords. Tenants should consult with a qualified attorney, real estate advisor, or financial professional before entering into any lease agreement. Oak & Elm makes no guarantees regarding the accuracy or applicability of this information to any specific situation.

