5.X Your Lease Is a Profit Decision

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1.X -- Your Lease Is a Profit Decision

Most operators treat the lease as a real estate decision. Location, square footage, rent per foot, how the space feels when they walk in. They sign it, hand it to their attorney to review, and move on to the menu.

That framing will cost them for the entire duration of the lease.

Your lease is a profit decision. Every clause in it either enables the business you are trying to build or limits it. The use clause determines what revenue streams you can activate. The modification rights determine how you can adapt when the market shifts. The assignment clause determines whether you can sell what you build. The rent structure determines whether the business can survive a down quarter. None of those are real estate questions. They are operational and financial questions that happen to live inside a real estate document.

The operators who build sustainable businesses negotiate the lease the way they negotiate everything else that affects their P&L -- with data, with a team, and with a clear picture of what they need the business to be able to do in three years, not just on opening day.

The question is not "can I afford this space?" The question is "does this lease enable what I am trying to build -- and does it give me room to build what I cannot yet see?"

You don't get what you deserve. You get what you negotiate.