

Compilation of Information, Tips, and Other Available Services



Who is Silent Partner Negotiators?

Wade Horigan has been involved in negotiation for over 30 years throughout various careers both as an employee and an entrepreneur.

In early 2010, he launched Silent Partner Negotiators in order to use his experience in helping small businesses negotiate in areas such as leasing, suppliers, employees and other fixed expenses.

Wade is also experienced in Project Management and is a Trained Mediator who serves pro-bono with Ventura County Dispute Settlement - Ventura County Courts, Small Claims and Civil Harassment.

Creative business communication is his forte.

Shhhh... It Works Best When Kept Secret

Why Silent Partner Negotiators? What's in the name?

Through testing, we have found much greater success for our clients when the other side of a negotiation is not aware that we're involved.

That's why we work as *your* Silent Partner.

Take lease renegotiation – our specialty – as an example.

You need to reduce your lease in the middle of a term because business just isn't good enough to support the current contract. Or you just think that the rate is too high for the times. Or your lease renewal is coming due and you want (need) to pay less.

We can help.

But if you call your landlord to say: "We've hired a negotiator to convince you that our rent is too high" – well, you probably get the picture. Up goes a big red flag and it immediately becomes a battle.

On the other hand if a well-conceived, well-written proposal comes from you to the lessor, reception is typically much better. It's much less threatening.

We do the work, using our experience in tailoring successful negotiation strategies for your specific situation and benefit.

Nothing goes out without your approval and understanding of the process; and your signature.

We're not out to fool anybody. However, the fact is that this is your business – not someone else's.

Picture it like buying inventory for your store. When you attach your store tag to it and sell it to your customer, you're not going to tell them where you bought it – that's part of your trade secret.

It's the same idea when you hire Silent Partner Negotiators – we are one of your trade secrets.

Contact us today for more information and to see how we can help you keep more of your hard-earned money in your bank account.

At Silent Partner Negotiators, it's all about *you*. That's not just OK; that's smart business.

“If Someone Gave You \$1,000.00...”

What if someone you trusted offered you a deal.

If they convinced a company that you're already doing business with to give you \$1,000.00 and the only condition would be that when the money was in your hand, you would give them \$200.00 for successfully achieving that – what should your first question be?

Hopefully you said: **“HOW OFTEN CAN I GET THAT DEAL!?!”**

The answer: Monthly.

That's how Silent Partner Negotiators' contingency fee for lease renegotiation or renewal works.

If you are a lessee in good standing with your landlord, we will work for you to renegotiate your lease to a lower monthly rate on a strictly contingent fee basis.

There is no upfront cost. And there is no payment ever due that is not just a small percentage of what you are saving – as you are saving it.

To make the deal even better, we will renegotiate the BEST price and terms we can for the LONGEST possible time. But our fee is only due for up to the first 12 months. After that, you will realize 100% of the negotiated gains.

So if you are ending year 2 of a 5-year lease, and we renegotiate your monthly payment down by \$800.00 per month for the remaining 3 years, you only pay the \$160.00 fee for the first 12 months. And our fee is only ever based on your savings from the original lease amount you were paying at the time of the renegotiation.

Or if your lease is coming up for renewal and is renegotiated down for the next 5 years, again you only pay for the first 12 months.

Given that, I urge you to call me soon to see what Silent Partner Negotiators can do for your business' bottom line.

Keep reading - let's start building the trust.

How to Increase Your Bottom Line

The obvious way to do this is to sell more product or service.

But another, very effective way is to cut your expenses.

The best of course would be to do both.

But let's concentrate on the expense cutting. If you are paying "X" for something every month and are able to change that to "(2/3) X", those savings go right to your bottom line.

To put that in perspective, say you're selling a product at a keystone (selling it for twice what you paid for it). Even if you didn't incur any ancillary costs to that sale (sales commission, shipping, stocking, holding costs of the money, etc.) you are only putting \$50 of every \$100 you earn to your bottom line.

Cutting expenses can put 100% there.

(NOTE: You cannot save or cut your way to prosperity. But you can do it to help save your business through these very difficult times and on the back end, if you continue to be frugal, put more money in your pocket.)

You might expect cutting expenses to mean belt-tightening and having your business live on less. That is certainly a part of it, particularly in tough times that dictate it for survival. But there are ways to cut your expenses that will not change your day-to-day life.

One of the biggest fixed expenses for most companies is the building or space lease.

Each month you put out thousands of dollars to house your business. What if you were able to reduce that expense by 20% or more? Imagine your \$7,500.00 monthly lease payment being reduced to \$6,000.00. Every month, you would immediately have \$1,500.00 go directly to the bottom line; with no change in your everyday business. No giving up the morning latte (even though that's not a bad fiscal idea these days...).

Now picture that reduction above over a 12-month period - \$18,000.00 NOT SPENT. Over three years - \$54,000.00 NOT SPENT.

It is possible; we've done it for our clients. And in the above scenario, how much would it cost you?

With Silent Partner Negotiators, our fee for most lease renegotiation work can be done on a contingency basis; so it's really not *costing* you anything. If we can't reduce your payments, you pay NOTHING. When we do reduce your payments, you are still saving each month – just a bit less in the first year.

In the above scenario at our current fees, whether the renegotiation saved you \$18,000.00 or more, the contingency would be only \$3,600.00 – payable for the first 12 months at \$300.00 per month.

So in the above example, the month you begin writing your lease check for \$6,000.00 (\$1,500.00 LESS than you were before the reduction) you also write a check to us for \$300.00. After 12 months, if we were able to renegotiate terms longer than one year, your savings would then become 100% your own!

Please call today for more information – and subscribe to the blog for other ways you can cut business expenses and put more money to YOUR bottom line.

Renegotiating Tips for Small Business Leases

- 1 - Never start where you hope to end unless you're 100% certain you hold all the cards.
- 2 - Never make the mistake of thinking you hold all the cards.
- 3 - Do not ask open-ended questions like: "Could you reduce my rent?"
- 4 - Your first shot is your best. Take the time to study your "opponent" and learn what you can about their possible motivations and pressure points.
- 5 - If you are a good, long-term tenant, never underestimate what that means to most landlords.
- 6 - Use math heavily and correctly.
- 7 - You will get nowhere unless you try. The majority of the time, the absolute worst you will hear is "no."
- 8 - Start and try to keep all your communications in writing either by letter, fax or email.
- 9 - Keep your emotions out of it. Remember, It's Business.
- 10 - Hire a professional; creative thinking and creative writing skills are critical.

Further explanation of the points above:

1 - If you have a lease currently at \$5,000.00 per month and you realistically think that it should be at \$4,000.00 per month, do not make that your initial offer. If you do, you lose control of the negotiation right out of the gate. Start at \$3,000.00. That may seem ridiculous (and rest assured your landlord will reinforce that) but if you are creative in how you justify it on the initial salvo you will have a much better chance of getting your target price.

2 - The risk of believing you have the upper hand or hold all the cards is never outweighed by the reward. You may offer \$4,000.00 and feel sure that the landlord would be a fool not to take it – you are a great tenant. But the more hardline you are, the more insulted and entrenched they will get. Offended people cannot be relied on to make intelligent decisions. Arriving at your target number through negotiation versus heavy-handed tactics is always the better option. Remember, this is not a one-time event like buying a car. You have been and will be dealing with them possibly for years to come.

3 - This is one of the main reasons to hire a professional. Most landlord/tenant relationships are friendly. That's because the landlord is happy that you're paying rent. They may understand how bad the economy is, but merely saying that and asking for "a break" will allow them the opportunity to say: "Ok, I'll take off \$200.00 a month for 3 months and let's see where we are." Right there, you have lost a huge advantage. You asked for an open-ended concession and he gave you one. Also, avoid using or allowing them to use the word "concession" at all.

4 - Never, as in #3, make a request for a reduction in a casual manner. Think it through. You are a business person who makes deliberate decisions based on facts every day. Do the same thing here. Talk it out with a confidant or professional. Brainstorm all the reasons you need the reduction and all the reasons your landlord could look at it in their best interests. Think as if you were in their shoes. Do research – how much property do they own, what's their vacancy rate, what is the neighborhood rate if someone were to negotiate well on a new lease today? Find the "reality rate" and not just the listed/asking rate. Justify, justify, justify.

5 - The best time to renegotiate lease rates is while you are still in a strong position. Keep your payments on-time. But be proactive and forward thinking. You know if things are slowing down. You know when the money is getting tight. Start renegotiations while you are strong and if you are in trouble now, do everything you can to "fake it 'til you make it." Because if you have longevity and you pay on time, you have a lot of power. You are a landlord's dream. It will be much easier for them to accept a rent reduction if they are thinking: "It's less money, but it's still GOOD money."

6 - Math is your friend. Use numbers, statistics and percentages in creating a reduction proposal. Use ratios and relationships of numbers to your advantage, often. Numbers are RATIONAL and normally not disputed if properly applied.

7 - Most people give up before they even begin. They think because they signed a 5-year contract 3 years ago, they're stuck. Stuck even to the point of going out of business BEFORE they would consider renegotiating. If you are in the middle of a lease term and you propose a renegotiated amount, what's the worst thing that might happen? They could say "no". But chances are great – particularly in this protracted economy – that you WILL be able to renegotiate something. Think of it from your landlord's perspective again. Wouldn't you rather know your tenant was struggling and have the option of helping them (and in turn perhaps the landlord too) survive? The risk of the landlord just saying "no" is having you going out of business altogether and them ending up with - at the very least - a vacancy. Remember this simple axiom: Tenancy = Good; Vacancy = Bad.

8 - Writing everything is another way to keep your emotions in check and out of the mix. This is a business transaction. You are not asking for pity; you are negotiating a necessary business deal. Do it in writing. Ask for responses in writing. Not only does it give you a record of everything said, it also gives you time to analyze the landlord's responses and to formulate, review and rewrite your own. Slowing it down will work to your advantage. If you do get into a conversation, schedule it and prepare. Anticipate what they are apt to say and have answers. Remember this is, at the root, a sales pitch. They will have objections; they will try to close the deal closer to their terms. Be ready.

9 - You want to be on good terms with your landlord. You want them to respect you as a business person. DO NOT CONFUSE THIS WITH WANTING TO BE THEIR FRIEND. Sorry to shout, but the idea of not wanting to offend your landlord because they are so nice is bad business. It's emotional. You can have a good relationship, but being friendly works to their advantage, not yours. Be professional – that includes being polite and nice. Again, REMEMBER, IT'S BUSINESS.

10 - Finally, our pitch. There is an art to renegotiation. It combines business experience, negotiation skills and common sense. But as important, it involves creative thinking and creative writing – communicating your points in a non-threatening yet matter-of-fact and persuasive way.

That's where Silent Partner Negotiators excels. Please contact us for a no cost or obligation conversation about your particular situation. *The more sooner, the more better* because each month that passes is another missed opportunity to help your business save on one of your major expenditures.

If You Could, Why Wouldn't You Try?

If you could renegotiate your lease, why wouldn't you try?

This point comes up frequently when discussing renegotiation of an existing lease with prospective clients.

The inclination is for people to be leery or skeptical. How could this work? The concept seems too simple.

The reason for that, I believe, is that even though the idea of lease renegotiation is not new, it has typically been something ancillary to another issue. In other words, it comes up as an idea AFTER the pot has already boiled over and you're trying to clean up the mess.

I have not found a business model out there based primarily on small business lease renegotiation as a fundamental way to cut business expenses as Silent Partner Negotiators is. Some companies offer it as a service connected with a primary business such as law firms and real estate brokerages.

What differentiates Silent Partner Negotiators is that we do not come at negotiation from a legal or transactional basis – we come at negotiation from a NEGOTIATING basis.

The fact is that renegotiation doesn't always work. But most often it does, and with significant results.

So therefore the initial question: "If you could, why wouldn't you try?"

Because the other main issue for my clients is wondering about the risks.

Let's examine what they might be.

Little to no risk – If you are in the middle of a lease term, and you attempt to renegotiate, what is the worst thing your landlord could do during the process? Say NO. If that happens, then what you're left with is exactly what you already had.

This presumes that you've come at the issue in a well-conceived and professional manner. Putting forth a case for lowering your payments based on sound economic reasoning and not just an open-ended "can you take less each month"?

Minimal risk – If you are month-to-month, or coming up on the end of a term, then opening up negotiations versus keeping your head down with the status quo does increase the risk. But so much of that is market-dependent. And at the present time, a good paying tenant-in-hand with a track record of steady occupancy has great value to landlords. Think simply from the landlord's perspective: "Tenancy = GOOD; Vacancy = BAD.

This is where due diligence comes in. Don't go into this without doing the research. Find out what is in play for the building owner – what else he may own and what vacancies he is currently facing already.

Higher risk – If you are a tenant with a track record that is not so stellar (i.e. late pays, a reputation for picking at the small stuff, etc.) then trying to renegotiate, particularly with a month-to-month or lease renewal, can be a problem.

If this is you – particularly late pay or balance-owing, then you may be in a position where without renegotiation, you won't make it anyhow. So given that, the higher risk is mollified. Not getting a rent reduction may mean you will have to move out anyhow. If that's the case, the sooner you stop losing money each month, the better.

This is why I urge my clients to think about and to talk about renegotiating sooner while things are still good rather than later once the wheels have started to come off.

Make it a proactive business issue because again, a good tenant has a huge advantage when it comes to reducing their lease expense in a down economy.

Renegotiating a lease (or at least trying) sounds simple, but in order to increase your chances of actual significant success, it's not. It takes a lot of preparation, research, creative thinking and writing, and time. Typically it can be a couple of months from start to finish.

Don't delay - I would be happy to discuss it with you.

Don't Wait Until It's Too Late

Learn, work and strive to be –

pro·ac·tive [proh-ak-tiv] - *adjective*

Business definition: *Preventative action and result-oriented behavior. Not waiting for things to happen and then trying to adjust reactively to them. Proactive behavior identifies and utilizes opportunities and/or takes anticipatory action against potential issues and problems.*

There are two sides to proactivity.

One is opportunistic proactivity – seeing an opportunity or advancement ahead of the competition and going after it to your advantage.

The other is preventative proactivity – seeing an impending or growing problem and taking action to avert or at least mitigate its negative effects to you and your business.

At Silent Partner Negotiators, we encourage both. Negotiation of your fixed costs, such as negotiating your lease payment downward, is typically good for your bottom line (there is probably a situation where it isn't in your best interest, but we're hard-pressed to think of one).

Normally, our clients come to us either in the preventative proactive phase or, less optimally, the reactive phase.

If your business is struggling (and many are; there is no shame in acknowledging that) then the sooner you admit it to yourself and begin to take proactive measures, the better. Don't wait until it may be too late. Because at some point – and it happens seemingly just like a snap of your fingers – business can go from being in difficulty to being unsalvageable.

Are your lease payments getting harder to afford each month? Are you using savings or burning inventory (i.e. selling your goods at low or no profit just to generate cash) to cover your costs?

Or, are you starting to get behind and build up a balance owing?

Whatever the state of your affairs, **THE TIME TO START BEING PROACTIVE IS NOW!**

We encourage you to give us a call. It will cost nothing but a small amount of your time. The benefit may be the difference between getting through or giving in.

With our contingency fee available in most lease negotiation and renegotiation cases, it will cost you nothing unless and until you actually save. Payments are set up monthly so that you pay only a small portion of what you are no longer spending each month on your negotiated fixed expense.

Be proactive today; don't wait until it's too late.

Lease Lingo

Gross, NNN, CAM, Modified Gross?

Lease language, particularly for those encountering it for the first time, can be confusing to understand.

Are you a small business person looking to open a brick and mortar location (*business-speak for a physical store*)? A warehouse or industrial building to store or manufacture goods? An office for your service business?

If so, you are likely to be signing a lease to rent that space for a given period of time at a certain amount per month. That's the simple version.

Let's look at the typical types of leases you might encounter. The kind of lease is often dependent on the type of location and ownership/management of that location.

But remember, it can be negotiable.

Gross Lease – This type of lease indicates that you pay one “gross” amount each month for your lease – nothing is itemized and you know, according to the terms of your lease, the exact amount you will be paying each month.

NNN (Triple Net) – This type of lease indicates that you pay a “base rent”. On top of that, you are assessed a monthly fee that includes your portion of the owner's property taxes, property insurance and property management/maintenance costs (the latter part are also known as C.A.M. charges – *Common Area Maintenance*). These fees are based annually and divided by 12 months on the percentage of the amount of space you occupy compared to the entire leasable space available. If you occupy the entire building, you pay 100% of these NNN fees. If you have 7% of the leasable space of a shopping center, you pay 7% of the overall center's costs.

NOTE - any of these costs can increase without notice based on changes such as a rise in property taxes or an extraordinary maintenance cost to the property. Those extra charges can also be required in a lump sum which can be a very rude awakening if and when it happens.

C.A.M (Common Area Maintenance) – Though C.A.M. actually refers to the maintenance portion of the NNN lease, it is often a term used in place of NNN. Common Area Maintenance is what it sounds like – normally you will see this in multi-unit buildings or shopping centers that have areas for customers that are common to all stores (hallways, parking lots, bathrooms, etc.). So it is important to know what C.A.M. is signifying if you see it is a part of a lease you are considering.

Modified Gross – This type of lease can be thought of as a “partial” NNN. In other words, one or two of the itemized extra costs is charged at a rate that can vary. Examples would be a gross lease that has a C.A.M. fee. You don't pay separate property taxes or insurance, but the common area maintenance is separate and can be subject to change (and that change is rarely downward...).

Though not set in stone, gross leases are often found in industrial settings, or in free standing, single owner buildings. Triple Net (NNN) and C.A.M. leases are normally used in retail and office multi-unit centers, or buildings that house more than one tenant.

What type of lease should you get into? That depends somewhat on what is being offered, but again remember – everything can be negotiable. As a general rule, you are

best served by a gross lease that spells out exactly how much you will owe each month and is not subject to increases outside of your control.

Finally, most leases appear similar – lots of pages and lots more clauses. But they are not the same EXCEPT that they are all originally drafted to favor the lessor (owner).

Make sure you take a good look and use an advisor to help you go through your lease before you sign. What you can negotiate on the front end can save you thousands of dollars over the life of the lease.

Silent Partner Negotiators offers **Commercial Lease Review – Business Perspective**. Email or feel free to give us a call for more information.

Resetting The Rates

Housing prices have been falling for the past five years. Commercial sales normally lag behind that trend and fall a year or more after residential.

What about small business lease rates?

From the height of the market in early 2006, when my modest CA home saw a same-street comp at \$720,000.00, the current value of that home is roughly \$375,000.00 today. That is startlingly close to a 50% drop in value. Granted, the peak only lasted for a short period, but during the run-up to it, there were several years where the value was still 30% or better than what it is today.

Many of my clients, who are small business owners, leased or released their spaces within the past three to five years.

They were still, on average, paying per S.F. rates similar to the height of the market. And their businesses are struggling. Very few Main Street retail businesses can say that from two or three years ago, their business isn't off a minimum of 25%.

Do your current lease rates reflect that? Granted, there are factors of location, demand and availability that need to be considered. But for most areas, vacancies have increased. The turnover has increased also.

There will always be start-ups who think they have the secret and can pay asking rates – leasing realtors and building owners count on it. But a portion of those will last only until the bankroll (or more unfortunately the credit) runs out.

So how does this affect current small business leaseholders – specifically those in the middle of a lease, or those looking to renew with options that have already been negotiated – but in much better economic times?

The majority of my clients considered themselves stuck. They were slowly burning through their equity and credit in hopes that the end of the tough times is right around the corner.

Have you been saying that to yourself for the past two years now?

At some point the balance tips, and recovery becomes impossible. Even when the market eventually bottoms out, it's not going to miraculously return quickly to the heady levels of times past. It will take years to work back.

So what can you do? You need to RESET THE RATES as soon as possible. Your landlord, for the most part, will bury their head in the sand. As long as you're making the lease payment, they're not aware or willing to consider that it's slowly killing your ability to do business. When you hit that point of no return, it gets ugly for everyone.

Contact Silent Partner Negotiators today. Let's discuss possible solutions for Resetting YOUR Rate.

Helping the Owner/Lessor, Too

Silent Partner Negotiators is dedicated to helping the small business owner (Lessee) negotiate and renegotiate their fixed expenses (primarily leases) in order to reduce costs and improve their bottom line.

In many instances, this negotiation can be the difference between a small business surviving or not, particularly in this lingering down economy.

On the surface, it would appear that Silent Partner Negotiators is adversarial to the Lessor. After all, we are working with the Lessee to reduce that fixed cost, at the expense of the property owner.

However, as mentioned in a previous post – Think simply from the landlord's perspective: "Tenancy = GOOD; Vacancy = BAD."

Taking it a step farther; a modified axiom would be:

"50% - 75% of something is better than 100% of nothing". Rare is the situation where that is not the case, particularly in tougher times.

From experience we have found that once the circumstances are laid out and thoroughly explained to the Lessor using reality – actual facts and data – they are receptive to the discussion. Once we get there, the rest is a matter of negotiating where it will settle.

So would we be so bold as to suggest that Lessors contacting Silent Partner Negotiators could be in their best interest?

ABSOLUTELY! Many smart Lessors are already going in and offering reductions to keep their spaces occupied. Unfortunately, that amount is typically not significant enough to make a difference in the business' survival or not.

It is in the Lessor's nature to minimize the concession, hoping it will be enough.

The major difficulty with a minor concession lies in deterring the Lessee from coming back if they're still in trouble. They tend to feel that there is no way a Lessor would do more having done something already.

For example, a Lessor might offer that the latest rent increase will not be enforced. Or perhaps they even come in and make a 5% - 10% reduction in the current rate.

Reality is that in order for those concessions to be meaningful to the Lessee – and to help prevent a vacancy – they need to be more significant.

At Silent Partner Negotiators, we can objectively look at the situation from both sides – help take the emotion out of it and facilitate finding where the middle ground is so that both parties have the opportunity to survive until the economic tide changes.

Remember, once a true recovery starts, it's not going to happen fast. Landlords and tenants working together is the best recipe for successfully getting through to the better days that surely lie ahead.

Let Us Help You Save

Renegotiate your current lease correctly, and you could save your business 15% - 47%, or more.

We can do it for you with NO upfront costs.

Our contingency is only a small % of what you save, only as you save it.

Your lease is one of your largest monthly fixed business expenses.

In this economy, property owners are struggling to keep buildings occupied. They won't offer, but often will renegotiate leases to keep strong tenants like you. With the right approach, ***your business can save tens of thousands of dollars***. Properly negotiated, owners can even be persuaded to modify existing leases. ***Don't wait months or years - act now.***

We have been able to negotiate substantial lease reductions for businesses just like yours. Here are a few recent examples of clients currently benefiting from our services:

- A warehouse in Skokie, IL - \$1,050.00 per month reduction on a 3-year renewal extension. ***They will save \$37,800.00 over the new term; a 27% reduction.***
- A retail store in Ventura - \$700.00 a month less in a mid-term renegotiation for 35 months (and a moratorium on base and NNN increases). ***Minimum \$24,500.00 in gross savings.***
- A franchise in Ventura - \$1,315.00 per month mid-term reduction for the next 10 months. ***\$13,150.00 gross savings - an incredible 47% reduction.***

Negotiation that reduces a current expense goes 100% to your bottom line. With Silent Partner Negotiators, you benefit from our well-conceived, creatively-written proposals designed to achieve realistic reductions. No tricks or gimmicks; just principled negotiation resulting in bankable outcomes.

Benefit now from our demonstrated techniques for obtaining significant current mid-term lease payment savings. Don't wait months or years for your current lease term to end.

Stay cash-positive with our contingency-fee plan available on most lease renegotiations. That means no upfront costs to you and monthly payments that are only a small percentage of what you save, as you save it.

You remain in complete control. Finally, you receive personalized service. I work openly with you to understand your unique situation and then create, tailor and produce a strategy specific to achieving your goals.

Call me directly at (805) 701-9259 today - ***let's find out how much you can save.***

Here's What Some of Our Clients Have To Say:

"We are delighted – and very happy to recommend Silent Partner Negotiators.

Wade met with us and made it very clear how things were apt to go. From how the landlord might respond even to how we would feel at various points through the negotiation. He studied our lease, went through our communications with the management company and worked to get an understanding of the relationship we had. He then tailored our negotiations to those circumstances. It was custom work, not just a "one-size-fits-all" approach.

We're sure that had much to do with the success of the negotiation. The reduction negotiated was for the remaining three years of our existing lease and will save us almost \$25,000.00. This was with a management company and owner with a reputation for being difficult to deal with. Wade kept it focused on business. Only wish we'd heard about Silent Partner Negotiators sooner!"

R.B.L., Ventura, CA

"I own a printing services corporation.

A friend referred Silent Partner Negotiators to me after I had unsuccessfully tried to get my lease rate reduced. Wade did some local market research and wrote a reduction proposal letter signed and sent by me. The landlord agreed to accept the proposed rate for the next 12 months, after which we would revisit it.

Wade understood the right words to use to get it done. Our lease dropped over \$800 per month. That means a lot to the bottom line, especially now. With the contingency fee there was no upfront cost - we pay a only small portion of our monthly savings."

D.N., Ventura, CA

"We have been leasing our combined showroom and warehouse for the past 3 years. Last year, because we had originally signed a triple net lease, our taxes and Common Area Maintenance fees skyrocketed. Wade analyzed our situation, showing us how to keep our emotions out of it and helping us to decide what our optimum outcome would be in a continued lease.

Long story short, we ended up with a single page, 3-year GROSS lease extension at 25% less per month than what we were paying. In addition to that, since we are hoping to buy our own building at some point, he also negotiated a 90-day notice to terminate. Wade kept me as the point person in the negotiation, giving me the information and wording I needed for each counter. It was obvious he knew what he was doing."

E.H., Skokie, IL

"I have a retail business and was coming up on the end of my second term. The landlord had already given me a reduction in the monthly lease amount over a year before based on the difficult economy.

But business in general has continued to decline and it looks like it may be like this for a while. It has been necessary this past year to dip into my savings to subsidize the lease payment. I didn't want to lock into another long-term lease and needed to be paying much less per month to feel comfortable weathering the next year to see what happens.

Wade negotiated a 12 month gross lease extension at 25% less than the current adjusted rate. That saves me additionally just under \$1,000.00 per month. He used the right techniques and persuasion so that my landlord was actually very pleasant throughout the process. It took several back and forth communications to get to the final agreement, but Wade knew where to start and how to respond in order to reach my target payment – actually ended up \$100 per month below it! And I have an option on the space to renegotiate the lease again next year.

Every dollar counts these days. For now, my business has a much better chance of surviving this extended downturn. I highly suggest talking to Wade sooner rather than later because the process did take some time back and forth. Very glad I did.” **S.A., Santa Barbara, CA**

Additional Services and Articles

Commercial Lease Review - Business Perspective

BEFORE YOU SIGN -

Have you ever signed documentation to buy or lease a car without reading through it all?

Most people have. The gut instinct is that everything there is “boiler-plate” standard stuff that everyone just agrees to as the norm.

You just want the car because you've already been at the dealership haggling for 4 hours or more trying to cut through the salesmanship to get to a final deal. You know you'll be on the hook for \$300.00 - \$750.00 per month for 36 – 60 months and that's what you're focused on.

Unfortunately, we find that our small business clients' often handled leases they have signed in the same way. Except that instead of \$300.00 - \$750.00 per month, it's \$3,000.00 - \$7,500.00 per month or more.

As a part of every lease renegotiation process, we go through our client's lease. Not from a legal or broker perspective, but rather from a business perspective. How will each item affect your business?

No longer do the words “*I had no idea that was in there*” surprise us.

For example, we found a sentence in the option clause (*optional additional year(s) of lease after the initial term*) of a recently reviewed lease that states: “...*in no event shall the rent be adjusted to a rate less than the monthly base rent due on the last month of the previous lease term.*”

So, you’ve leased for 5 years, payments based on a much higher market when you first signed, and now on the first option, you have agreed – 5 years ago – that the new rent will be no less than the last month of your last term?

In reality, that clause wouldn’t stand a good negotiation unless the market was really hot, but still – if you KNEW that it was there when you first reviewed the lease, a flag should have gone up to at least try to get it removed.

Although there are norms and standard procedures consistent with most leases, many prospective lessees do not realize that portions and clauses are negotiable.

And even though all leases look like the same 23 pages or so of small type, they’re often quite different in very important ways. Those negotiable items can have definite consequences to your business’ bottom line.

What this leads us to is the introduction of a new service from Silent Partner Negotiators: **Commercial Lease Review – Business Perspective.**

Before you sign, whether or not you decide to use a lawyer to parse the legalese, consider having us read through it for you from a business negotiation viewpoint.

Chances are we can highlight items that you will want to try to negotiate out, or at least more to your favor. And over the life of your lease, that front-end negotiation can save you and your business a lot of money.

S.O.S. - 30 Minute FREE Phone Consultation for Stressing Business Issues

Did something just hit your desk that has put you into panic mode? Chances are that it may feel bigger at the moment than is really is.

Click on the S.O.S. button (on the website home page) fill out the contact form and put “S.O.S.” in the comment section.



Within 60 minutes*, we will contact you to either set up a convenient time or right then give you at least 30 minutes of our undivided attention at NO CHARGE.

- * An irate call from a customer or client.
- * A vendor shipment gone wrong.
- * An employee incident.
- * Any business issue that causes your first thought to be: "Oh Crap", or worse...

No guarantees that we will have the answer – but you might. Often just talking a business issue out and getting some feedback will move the focus off the problem and towards the solution.

Our experience and training in negotiation and mediation allow us to guide you quickly through the emotion of the panic mode to more clear-headed consideration of the problem or issue.

We would be honored to chat for 30 minutes and try to help you sort it out. It will only cost you the time.

*Barring network difficulties. This FREE service is available from 7:00 a.m. to 8:00 p.m. PST, 7 days per week. Otherwise we will get in touch with you as soon as possible. One free 30 minute call per individual or company.

"Get-It-Done" Project Oversight Services

- 1) Do you have a project that needs someone to follow through and make certain all the people involved are getting things done in a timely manner?
- 2) Are you spending too much time as a business owner tending to this yourself?
- 3) Do these projects come up intermittently where hiring a full-time person for it is impractical or unaffordable?

Silent Partner Negotiators can handle the personal interaction and interfacing with outside representatives to keep your projects on track using our mediating and negotiating skills to avoid and get through sticking points.

Whether it be contacting a vendor by phone, a print shop by email, a graphic artist by text, or an out-of-country lawyer by instant messenger at 3:00 a.m. to make sure you don't lose another day due to time zones – we will stay in contact with all the people needed to make certain your project pushes through to completion as efficiently as possible.

Communication skills are the key component. We work with you to fully understand the project and its needs, time lines and idiosyncrasies.

We then act as your proxy, staying up to date and moving projects along. In essence, we cut your time involved by 50% - 90% and involving you only in answering pertinent questions or making key decisions.

You are kept up to date with daily updates and weekly progress reports tailored to suit your requirements.

We fully understand through extensive experience that no two people are alike. Each person is a link in the chain of progression and, if mishandled, can rapidly throw a project off track. We quickly analyze personality types and conform our contact methods accordingly to maximize efficiency and minimize controversy.

Best of all, our hourly service fees are affordable. We are an independent contractor so that you may use us as much or as little as you require and desire – without the hassles and costs of an employee.

This frees up your valuable time to do what you do best – generating new streams of income for your company.

Please contact Silent Partner Negotiators today and let us help you and your business prosper.

Written Communication Review for Small Business

Ever write a business letter or email, send it and then immediately begin to wonder if it will be read as what you really intended to say?

- Did it communicate your point in a succinct and compelling fashion?

- Will the words, without vocal inflection, convey the tone and meaning that was in your mind as you wrote it for the recipient(s)?
- Was it a reaction piece to something you received that might have been better said?
- If you were angry/worried/frustrated/confused when you wrote it, do you wish you had stepped back and really thought about the best way to phrase what you want to get across in a plain, yet business-like way?

At Silent Partner Negotiators, it is all about business communication. We work to put your thoughts into thoughtful words.

Our Written Communication Review service offers you the opportunity of a second pair of eyes reading what you have written; helping make certain you are expressing the ideas as you intend to in the most effective way possible.

Send us the communication – letter or email. We will discuss your objectives with you and suggest changes or rewrites, all in a timely manner so that you can clear your mind and desk of the issue ASAP, ACAP (as clearly as possible).

Give it a try; if we cannot improve on what you have already written or if you do not agree that what we suggest is more suited to your objective then you owe us nothing.

Not legal review; not documentation review.

Written Communication Review – mean what you write and write what you mean.

The Case of: Mediation v. Litigation

Mediate, don't litigate. That's not a new concept. Many articles and books have been written on the subject.

The bottom line is that avoiding litigation can mean avoiding a lot of time, money and angst when trying to get a problem resolved. It also can avoid a judgment against the defendant that could affect credit ratings.

The main difference in litigation and mediation is in who determines the outcome.

In civil litigation, you and your lawyer(s) put your best case forward to the judge and/or jury. And so does the other side.

Then what happens? Strangers make a decision based (hopefully) on the legal interpretation you are confident is correct. That decision is not always predictable. In

most cases it means that the plaintiff either prevails or doesn't. That, in a pistachio shell, is litigation.

You do understand that the other side has their own, differing opinion on the same case and their own feeling of what the correct legal interpretation should be? They probably feel equally as confident as you in their evidence and case.

Mediation is when two parties in disagreement (amount owed for service, barking dog, tenant/landlord issues – and most anything else you might think of) get together in order to try to come to a resolution outside the court system. The parties self-determine the outcome through mediated negotiations.

Both sides work to determine a resolution with the help of a trained neutral who facilitates the process by working to cut through the emotions and get to the bottom-line issues. Mediators help both parties together – or via caucusing (shuttle diplomacy) – open their minds to possibilities that neither side might have yet considered. Good mediators will also get you to think of litigated outcomes that don't go in your favor and what that could look like. In other words, have you considered what happens if you lose?

To paraphrase a colleague's opening statement in meditations:

"I do not judge, give legal advice or decide what is right or wrong. On the other hand, I'm not brain-dead."

That is to say, many good mediators are also good negotiators. The difference being that during mediation, both sides get the benefit of that negotiation experience applied in a neutral and mutual fashion.

Good mediators listen, learn, understand, unclog and – if that all doesn't start to clear things up – suggest.

Remember that mediation is completely voluntary. At any point, either party or the mediator can end it for any reason.

Is a mediated settlement binding? It can be if it ends in a well-written contract spelling out the settlement.

Like any contract however, it is only as strong as the parties involved are willing to believe in it and abide by it. If it is violated, then it probably will become what you were trying to avoid in the first place – litigation.

Mediators do not make or enforce agreements. They help the parties agree on a resolution that covers as many contingencies as possible so that there is no need for enforcement presuming both do what they agreed to.

Pragmooptimatism

Pragmatism - (prăg'mə-tiz'əm) *n.*

"A practical, matter-of-fact way of approaching or assessing situations or of solving problems."*

Optimism - (öp'tə-miz'əm) *n.*

"A tendency to expect the best possible outcome or dwell on the most hopeful aspects of a situation."*

*Source: Answers.com

Pragmatism + Optimism =

Pragmooptimatism - (prăg'möp'tə'mə-tiz'əm) *n.*

"A practical, matter-of-fact tendency to dwell on the most hopeful aspects of assessing situations and expecting the best possible outcome from solving problems."^

How do you balance hope and reality?

With *pragmooptimatism* of course. We are in a time where the *pragmooptimatist* thrives.

You have a good business plan; a GREAT business plan. It has been successful in years past. You have faith in it and in yourself.

But recently, things are not so rosy. Expenses remain the same or go up while income and profit have been falling - precipitously. That's not being pessimistic, that's being realistic.

The time to act, to be a *pragmooptimatist* is now.

Pragmatism has been linked closer to pessimism than optimism in the past. Even calling yourself a realist often casts one in a negative light: "Oh, you're a 'glass half empty-er'."

Don't be deterred. Don't allow those who call you pessimistic and refer glowingly to their own optimism stop you from being *pragmoptimatistic*. Unbridled optimism can bury you quicker and more deeply than over-exercised realism or pragmatism.

We are living in a time where a business failure is a possibility – to not acknowledge it is very dangerous. We are doing everything we can think of to stay away from the edge. Monthly expenses of leases, employees, taxes, insurance, inventory, debt-servicing, etc... are eating some businesses up.

You may have already trimmed the fat and gotten expenses down to the bottom of what you can while still being able to operate.

BUT – have you considered negotiating or renegotiating expenses that typically are considered “fixed”? Not everyone has the stomach for it, or the ability to do it.

Imagine you are paying \$5,000.00 a month in your lease. How much time could you give your business if you could get that down 15%, 20% or even 30%+ per month? How optimistic would that make you feel? How pragmatic would it be to give it an honest effort?

It's a place to start and chances are good that you will be pleasantly surprised with the results if you approach it in the right way.

Today is a great day to be a *pragmoptimatist*!

For more information or consultation, please contact:

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