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Business & Legal Considerations for Nonprofits Selecting Office Space

Mack Heller & James Pitts
9.26.2018

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To maximize the impact of pro bono engagement by connecting a network of attorneys with nonprofits in need of free business legal services.

Pro Bono Partnership of Atlanta Eligibility & Other Information

- In order to be a client of Pro Bono Partnership of Atlanta, an organization must:
 - Be a 501(c)(3) nonprofit.
 - Be located in or serve the greater Atlanta area.
 - Serve low-income or disadvantaged individuals.
 - Be unable to afford legal services.
- Visit us on the web at www.pbpatl.org
- We host free monthly webinars on legal topics for nonprofits
 - To view upcoming webinars or workshops, visit the [Workshops Page](#) on our website
 - Join our mailing list by emailing rla@pbpatl.org

Legal Information:

This webinar presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.

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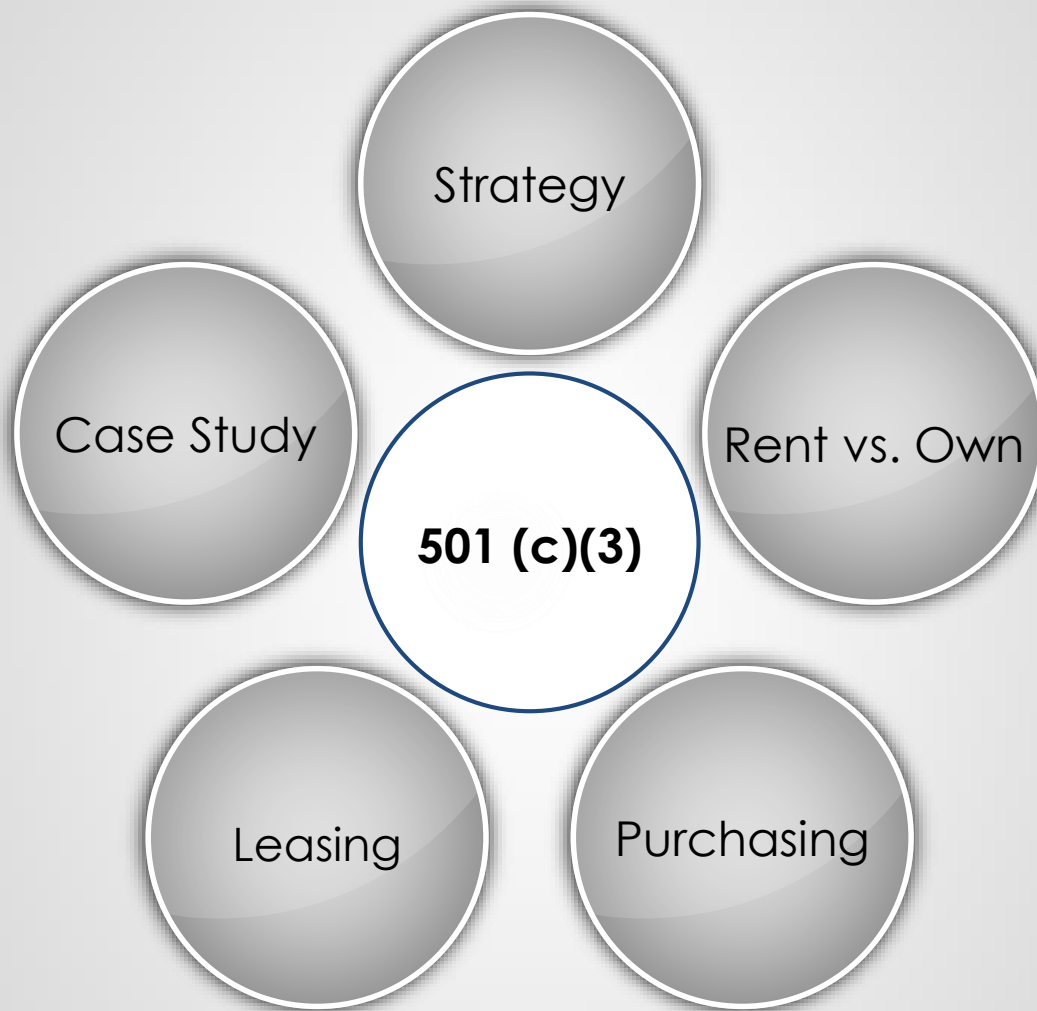
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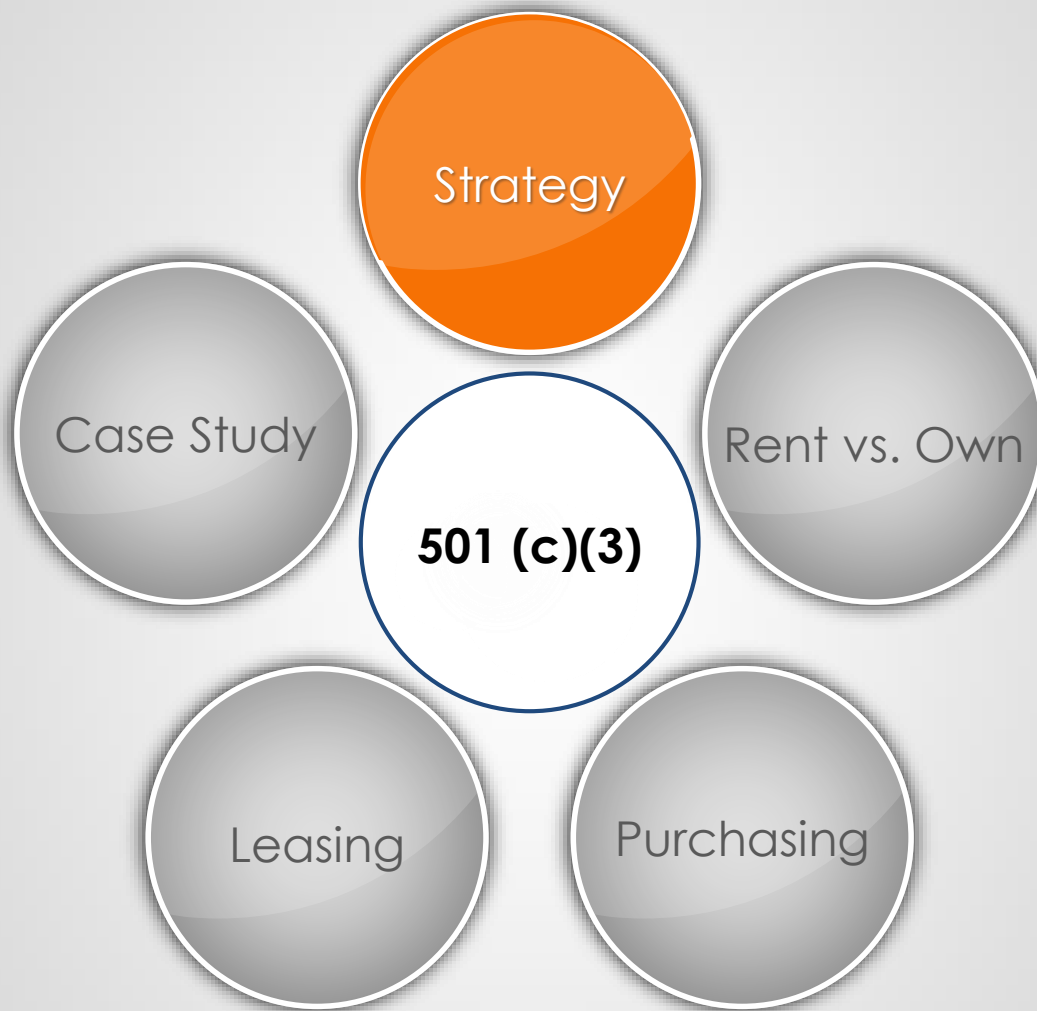


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Location

Cost

Timing

Risks

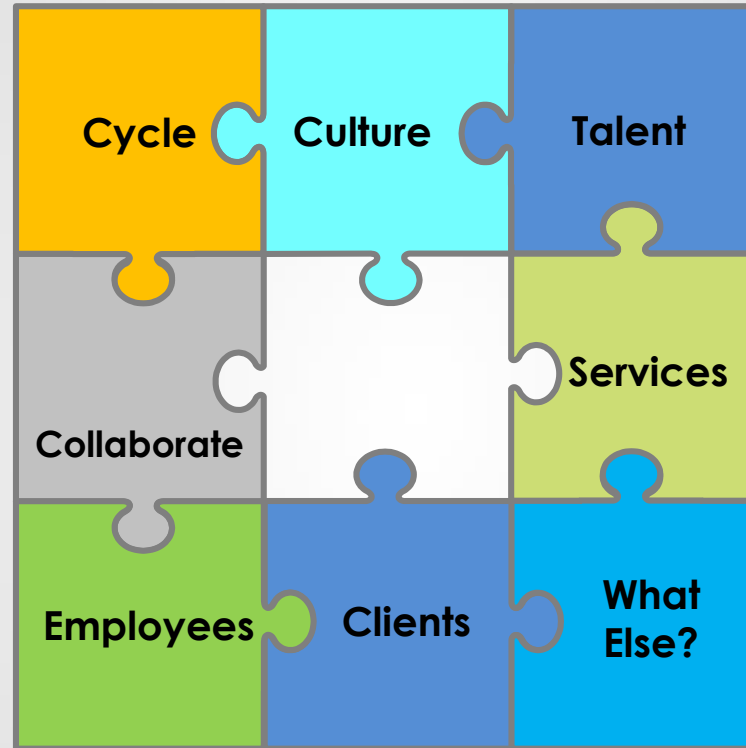
Buy

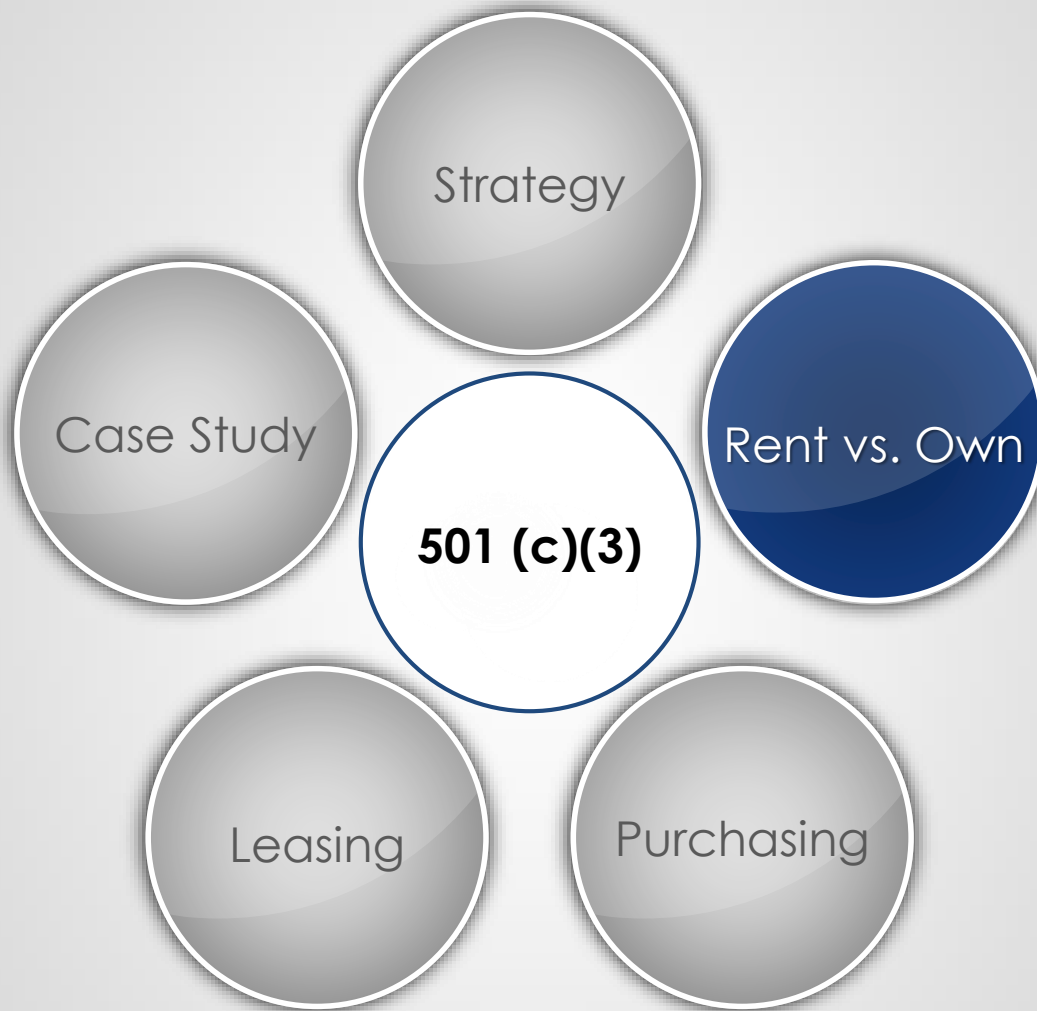
Size

Lease



Strategy





Owning

Potential Benefits

- Level payment
- Chance of value appreciation
- Control of building
- Ability to lease to others

Potential Risks

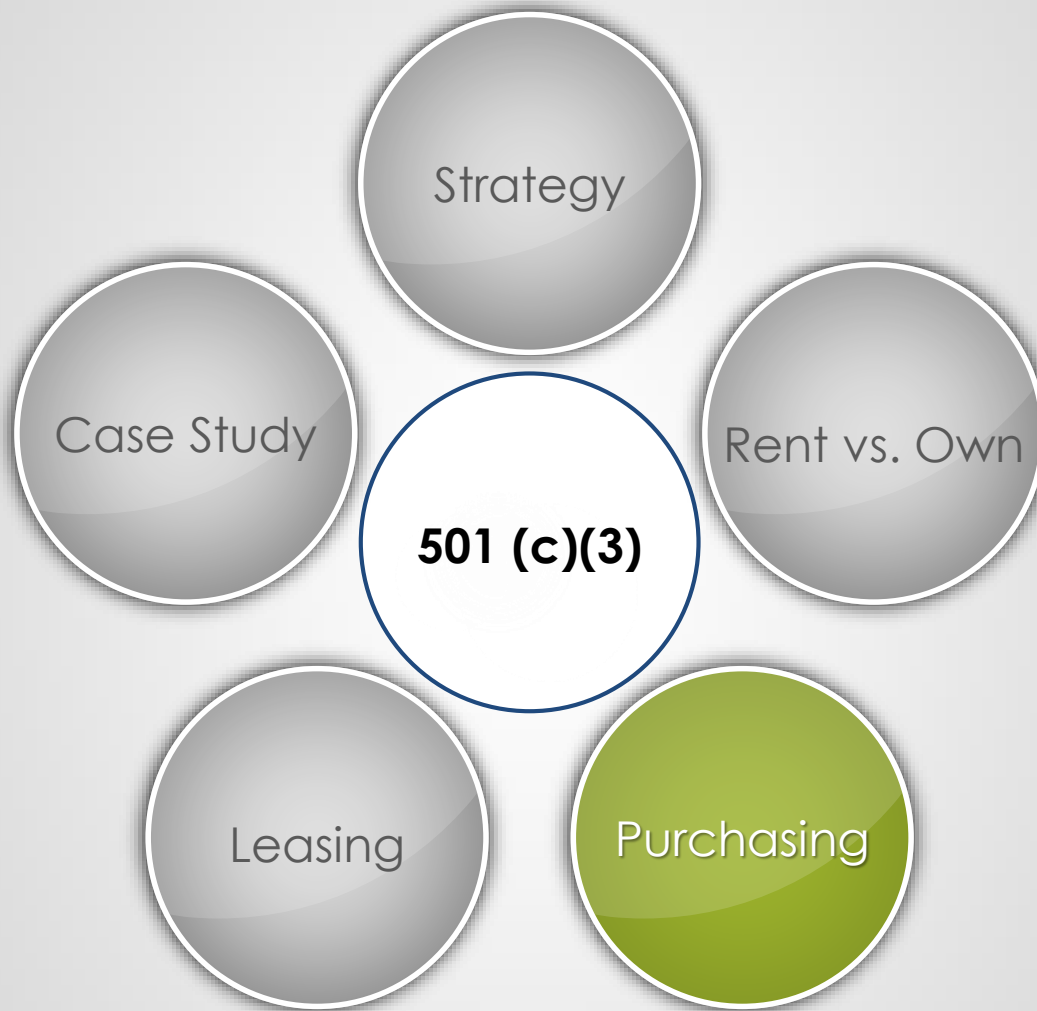
- Cost of Capital
- Debt ratio
- Maintenance & Repair
- Obsolescence
- Tenants
- Growth or decline in headcount
- Risk of casualty

Potential Benefits

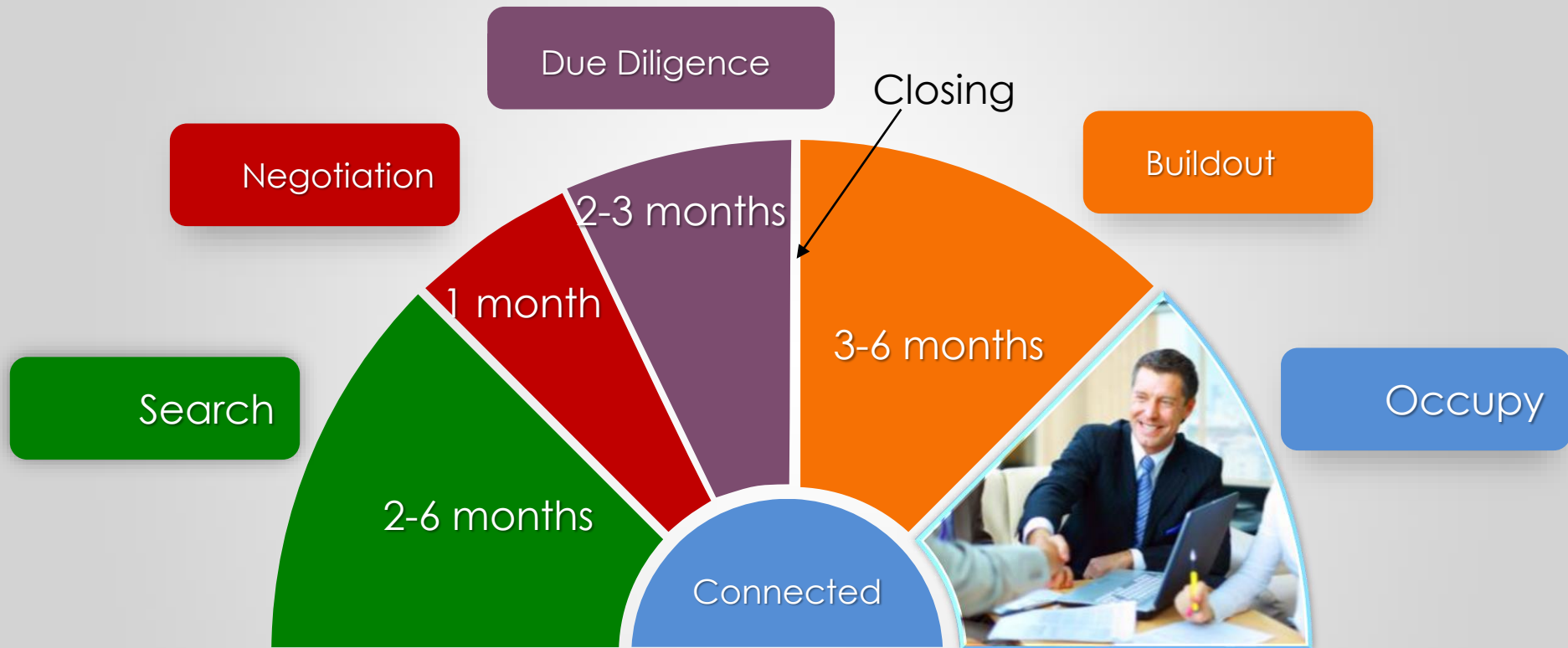
- Less upfront capital
- Tenant improvement allowance is amortized into rent
- Less ownership headaches
- Owner responsible for repairs and maintenance in some cases
- Ability to grow or shrink

Potential Risks

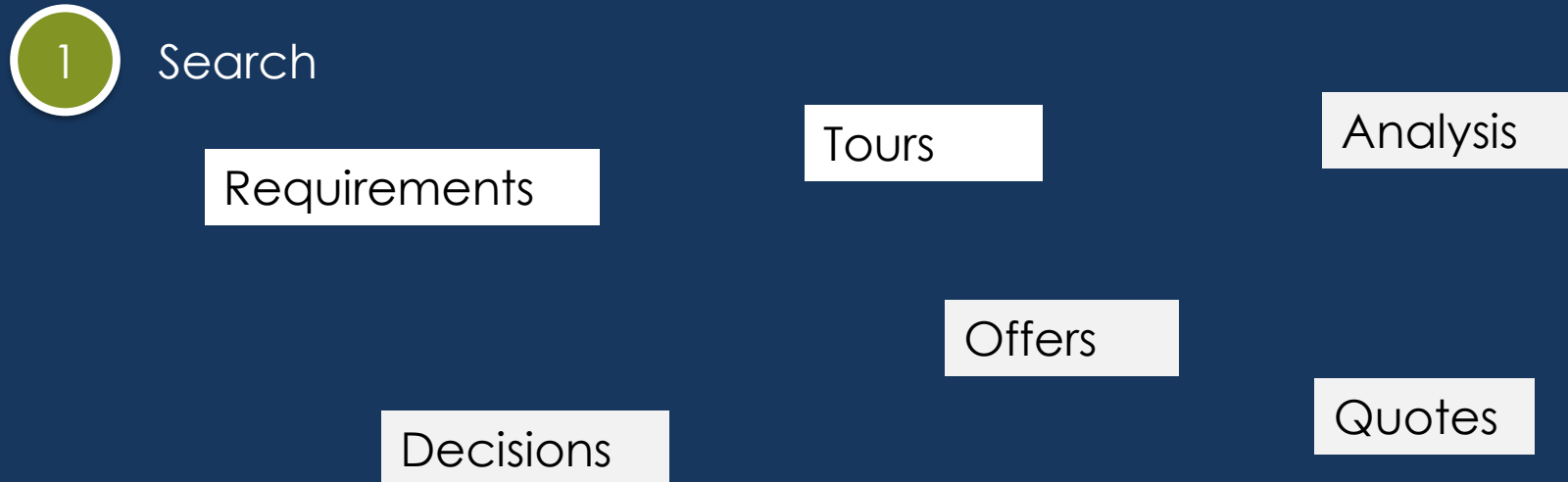
- Rent payments may escalate
- No upside appreciation
- Difficult landlord
- Termination of lease
- Inability to grow or shrink
- Landlord right to relocate



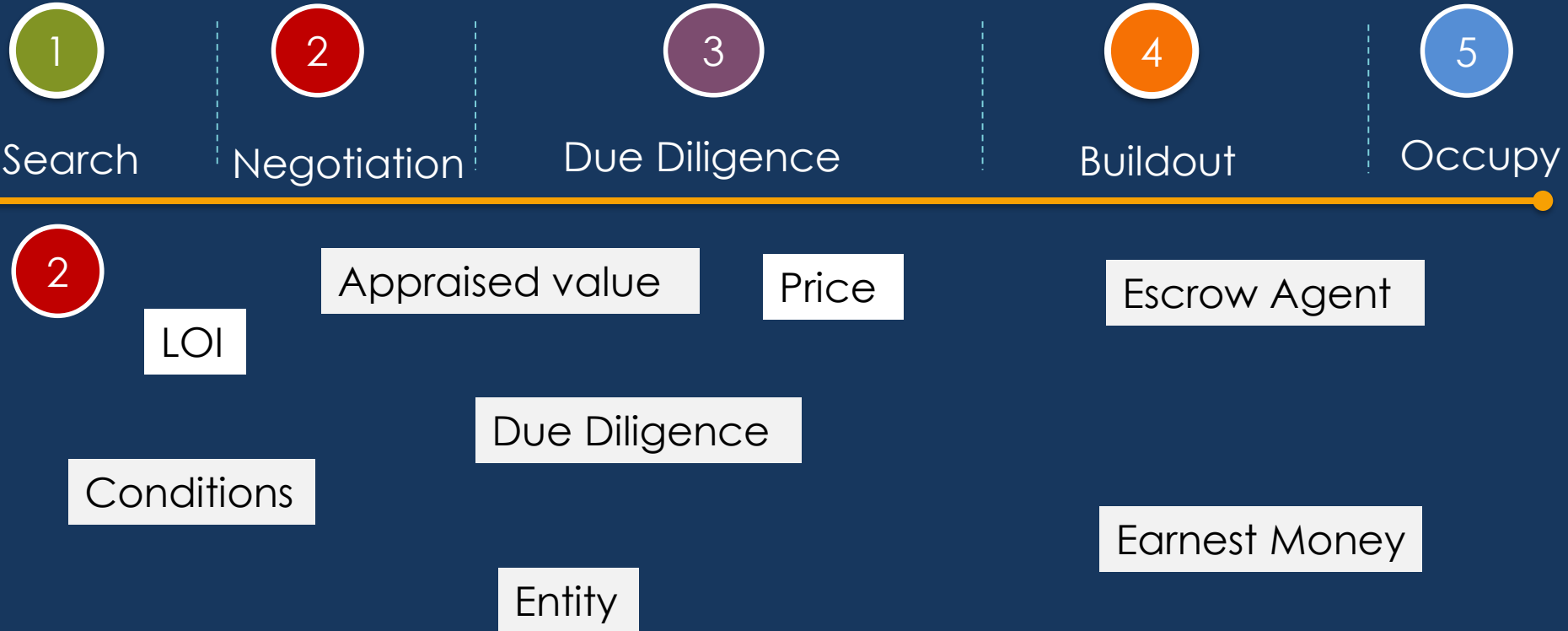
Purchasing Timeline



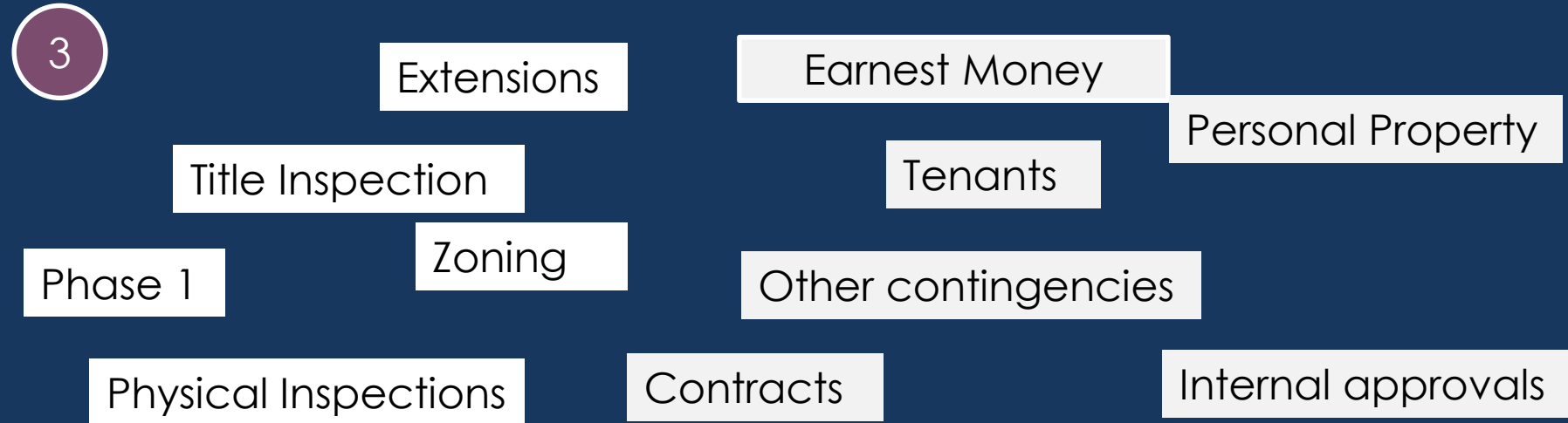
Purchasing Considerations



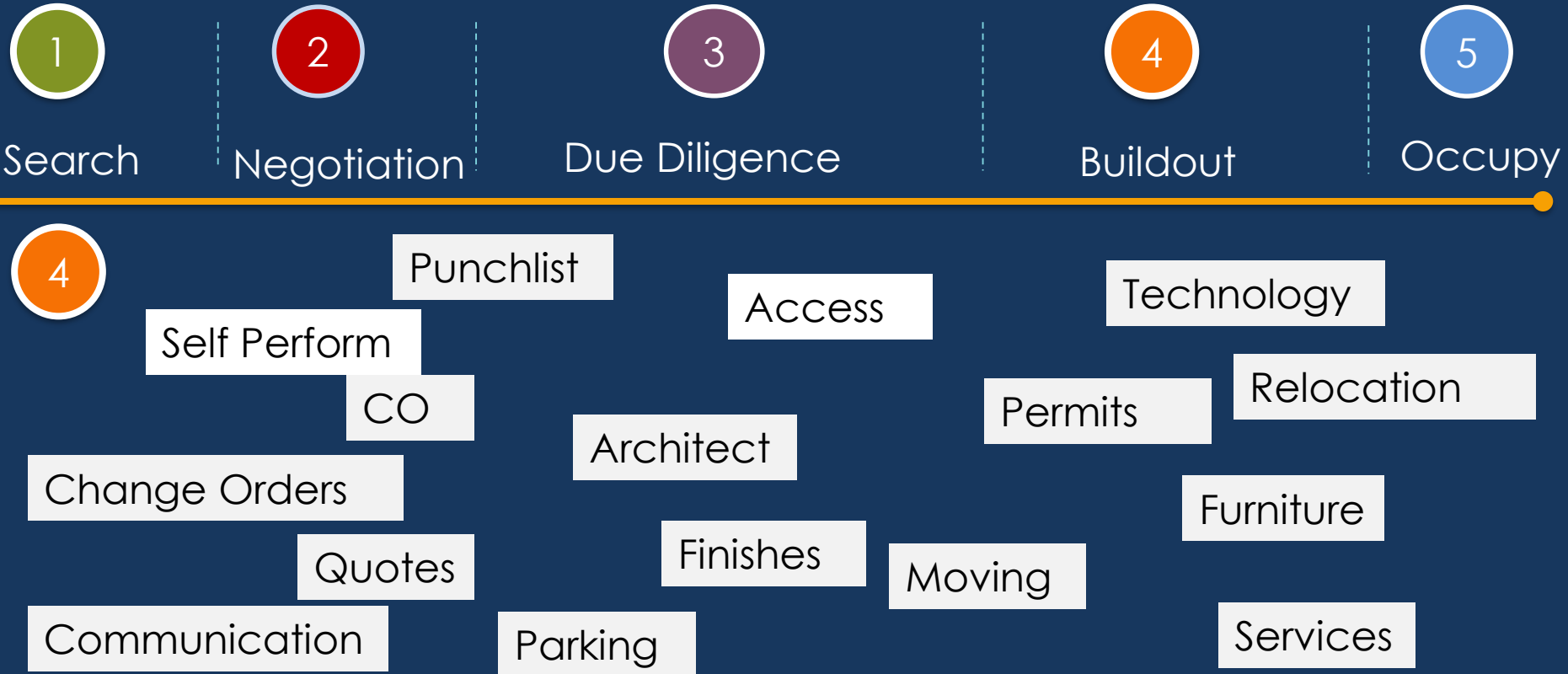
Purchasing Considerations



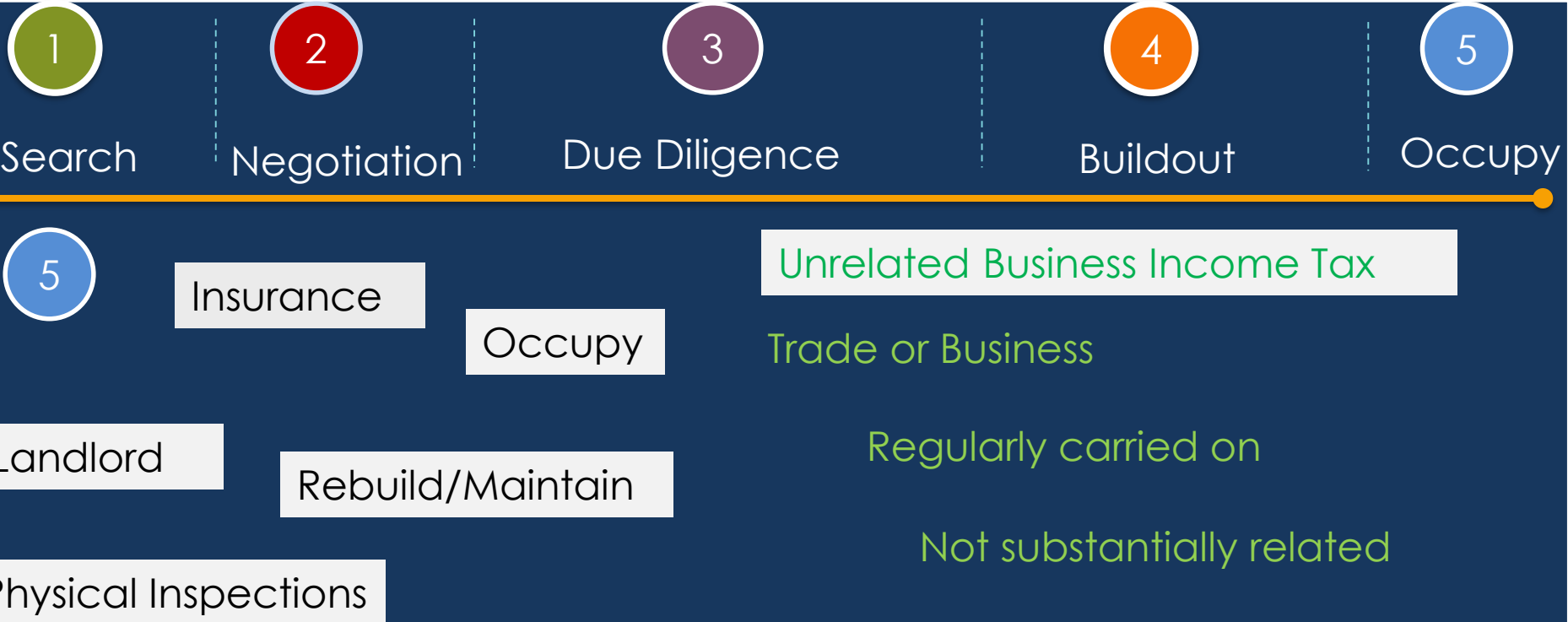
Purchasing Considerations

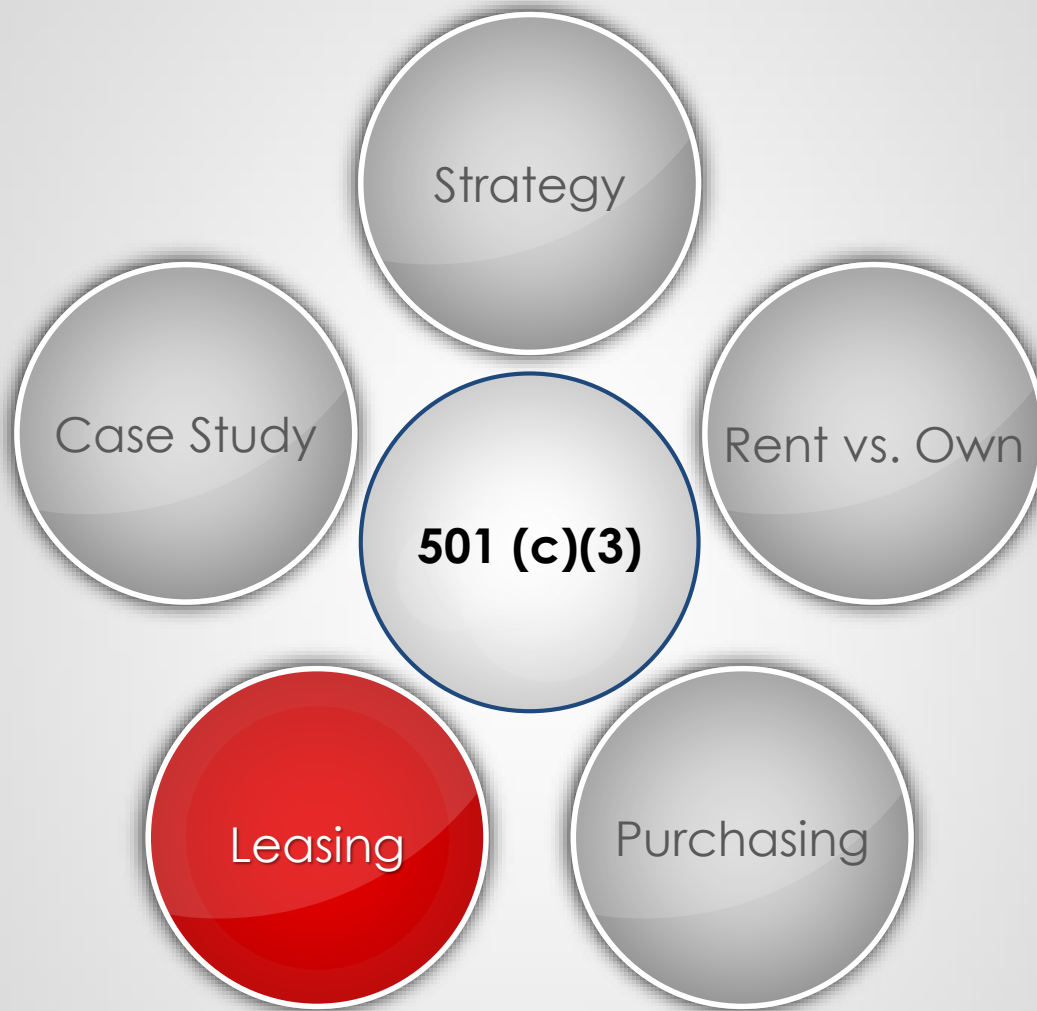


Purchasing Considerations

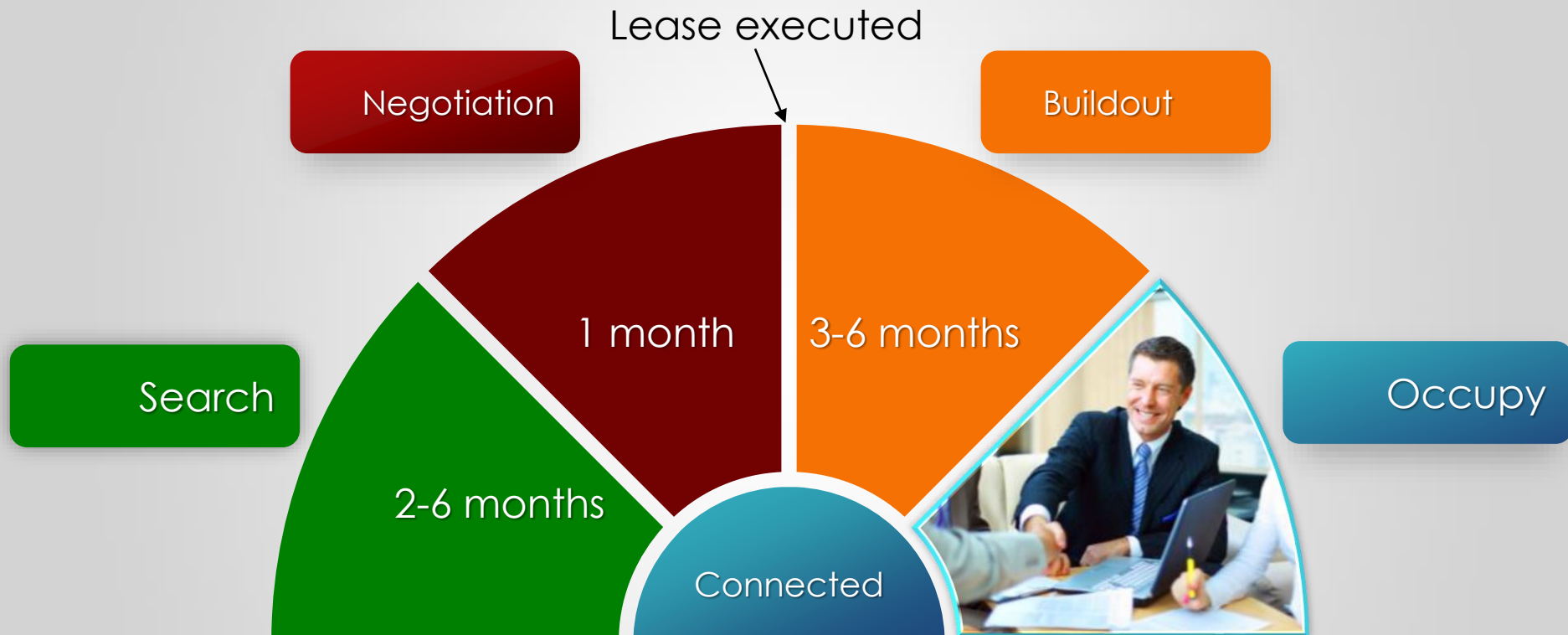


Purchasing Considerations





Leasing Timeline



Leasing – Key Concepts

1

Search

2

Negotiation

3

Buildout

4

Occupy

1

Requirements

Tours

Analysis

RFPs

Decisions

Quotes

Leasing – Key Concepts

1

Search

2

Negotiation

3

Buildout

4

Occupy

2

LOI

Damages

Stalking horse

Tenant Allowance

Default

Personalities

LL's Work

Relocation

Free rent

Form lease

CAM

Insurance

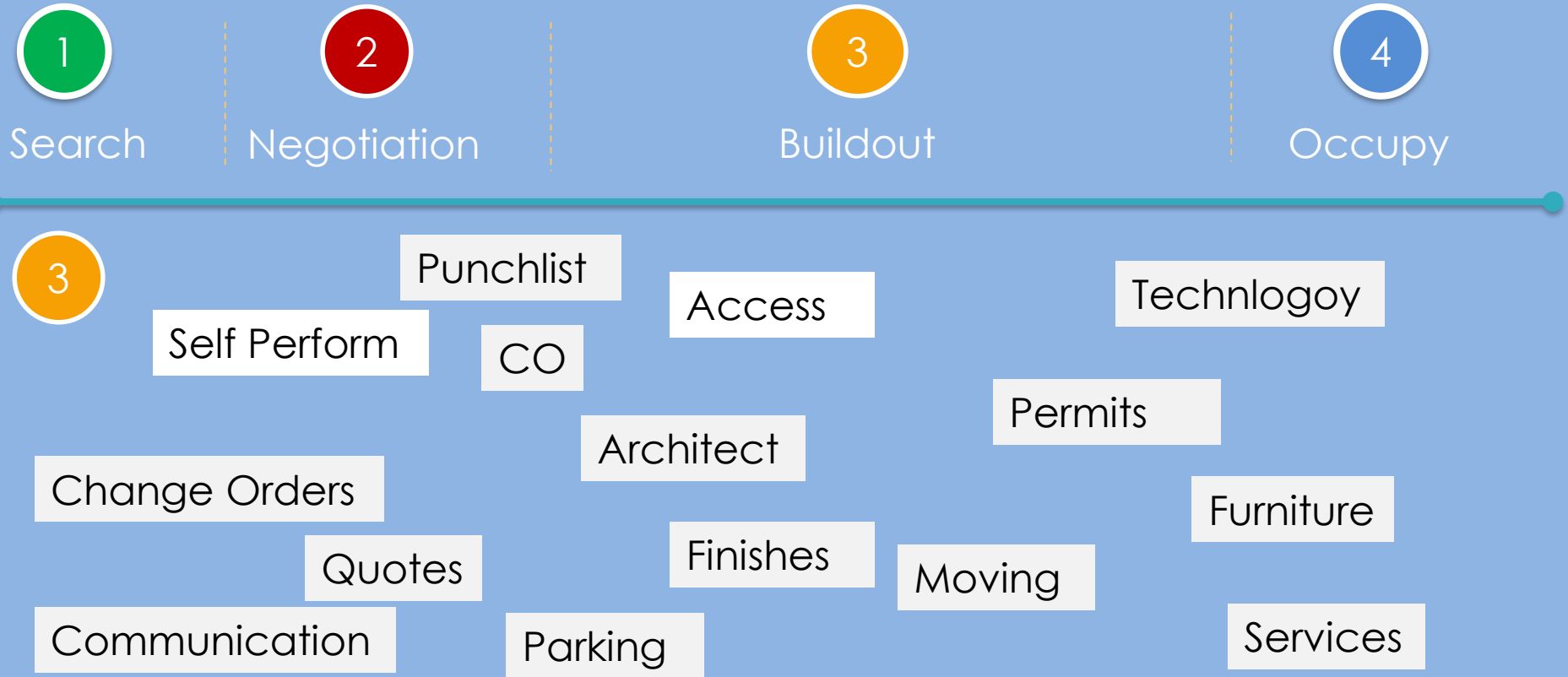
Self Help

SNDA

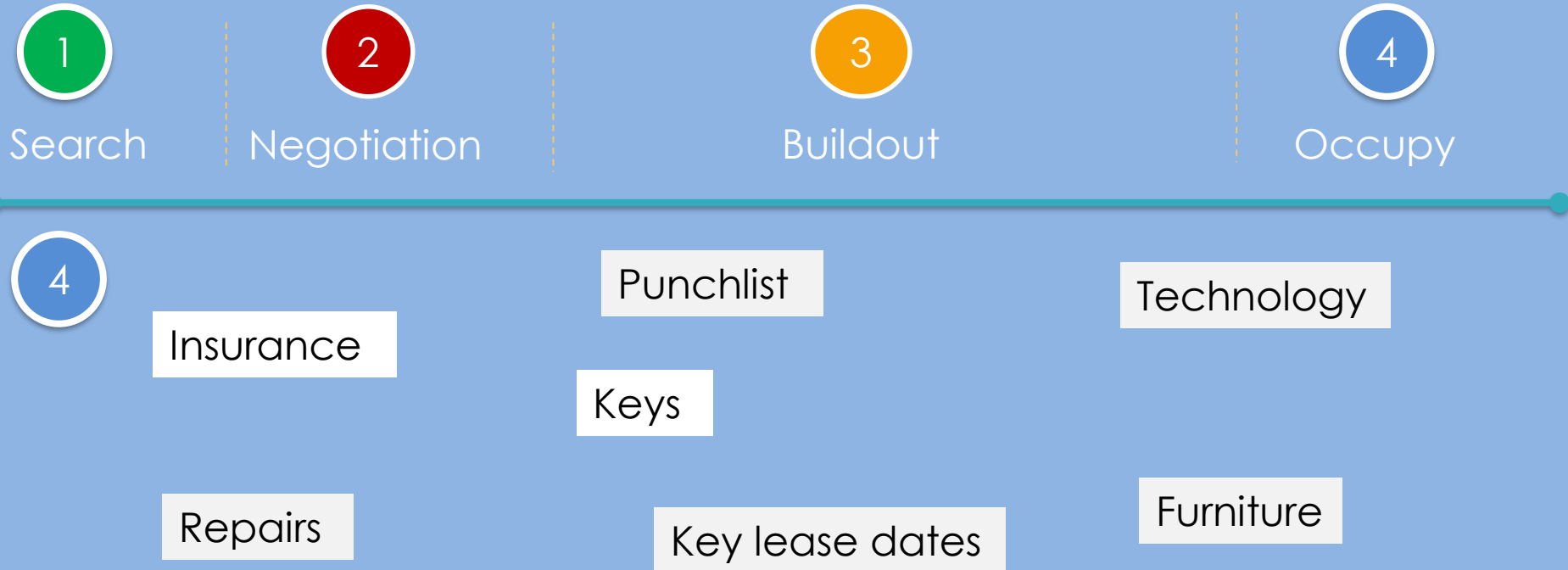
Sublease

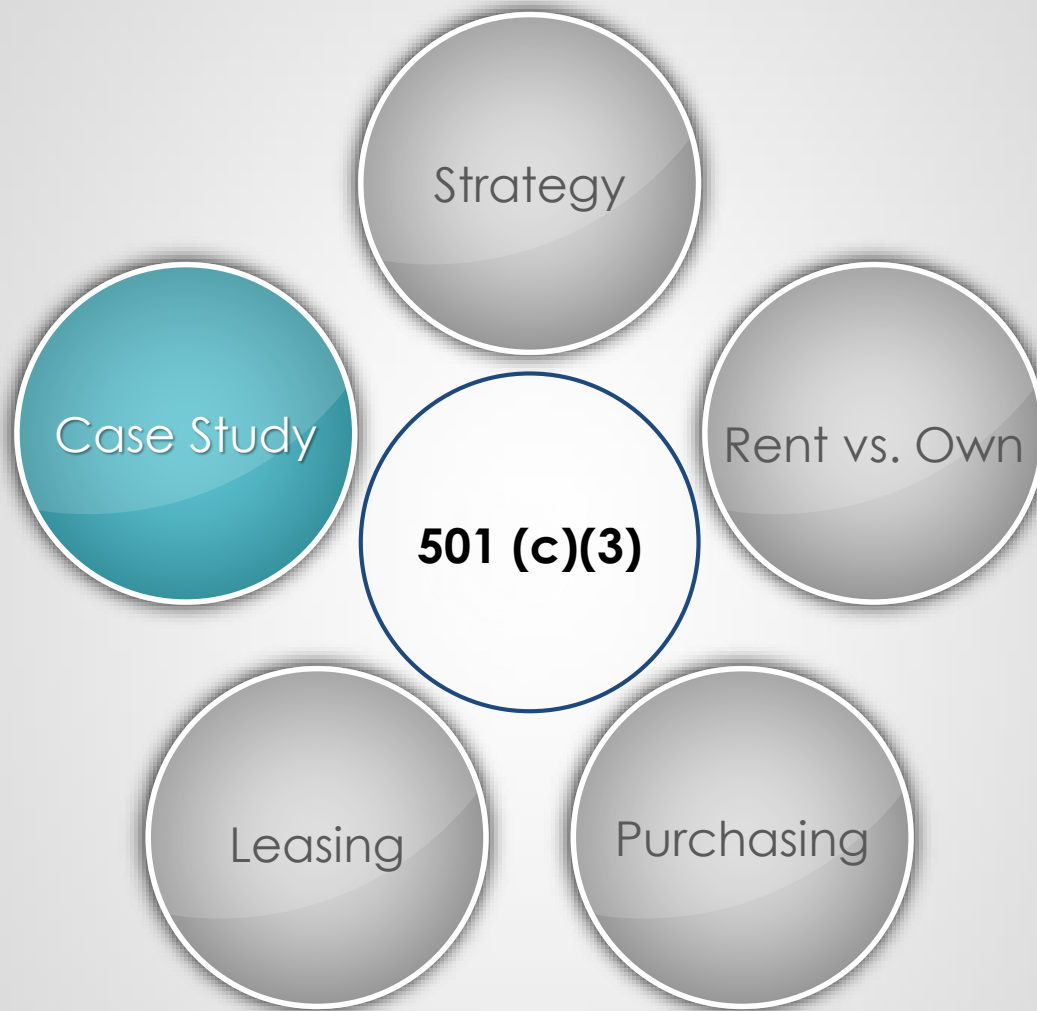
Renew

Leasing – Key Concepts



Leasing – Key Concepts





Case Study

90K

\$2M

4

40K

Before



Results



\$2M

-10%

28K

\$3M

Case Study



Attract Tomorrow's
Workforce

Culture



Inspirational Space

Engagement



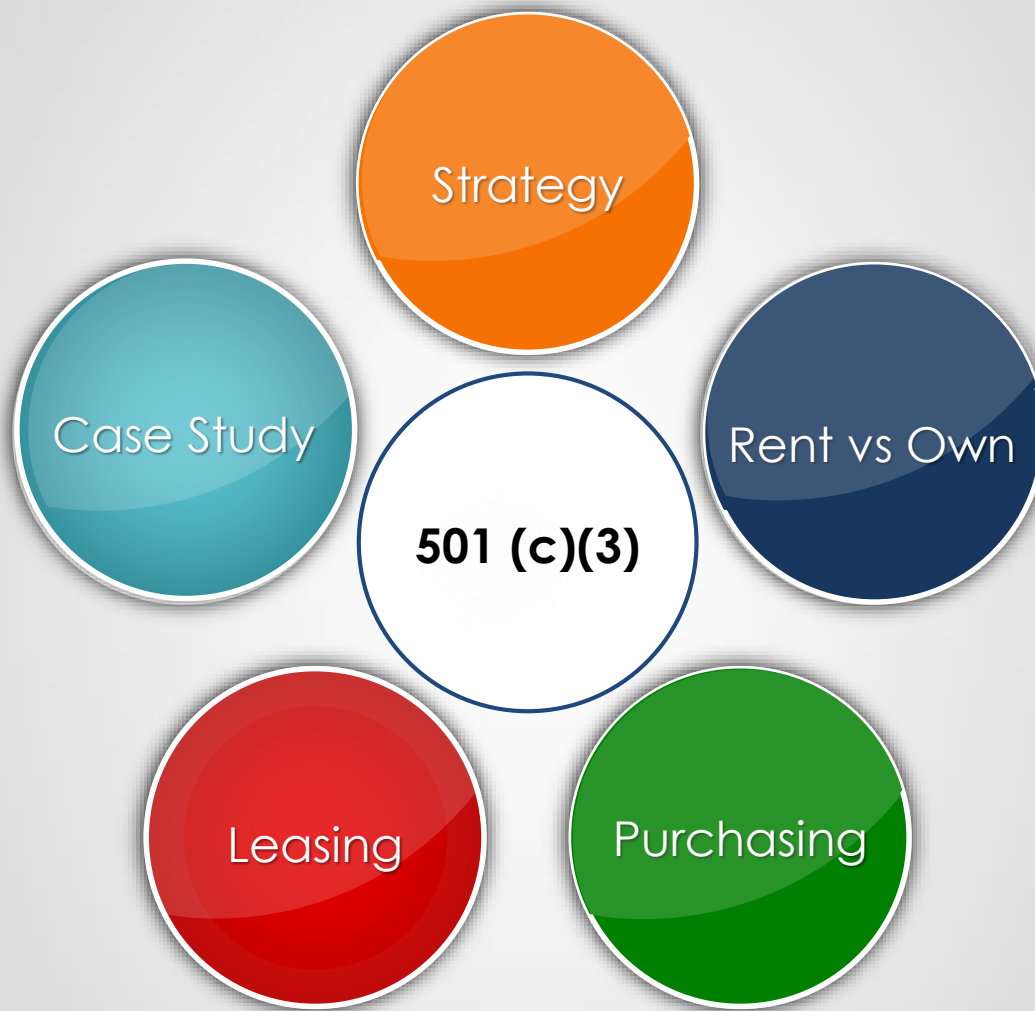
Innovation
Collaboration &
Teamwork



Health, Well-being & Sustainability

After





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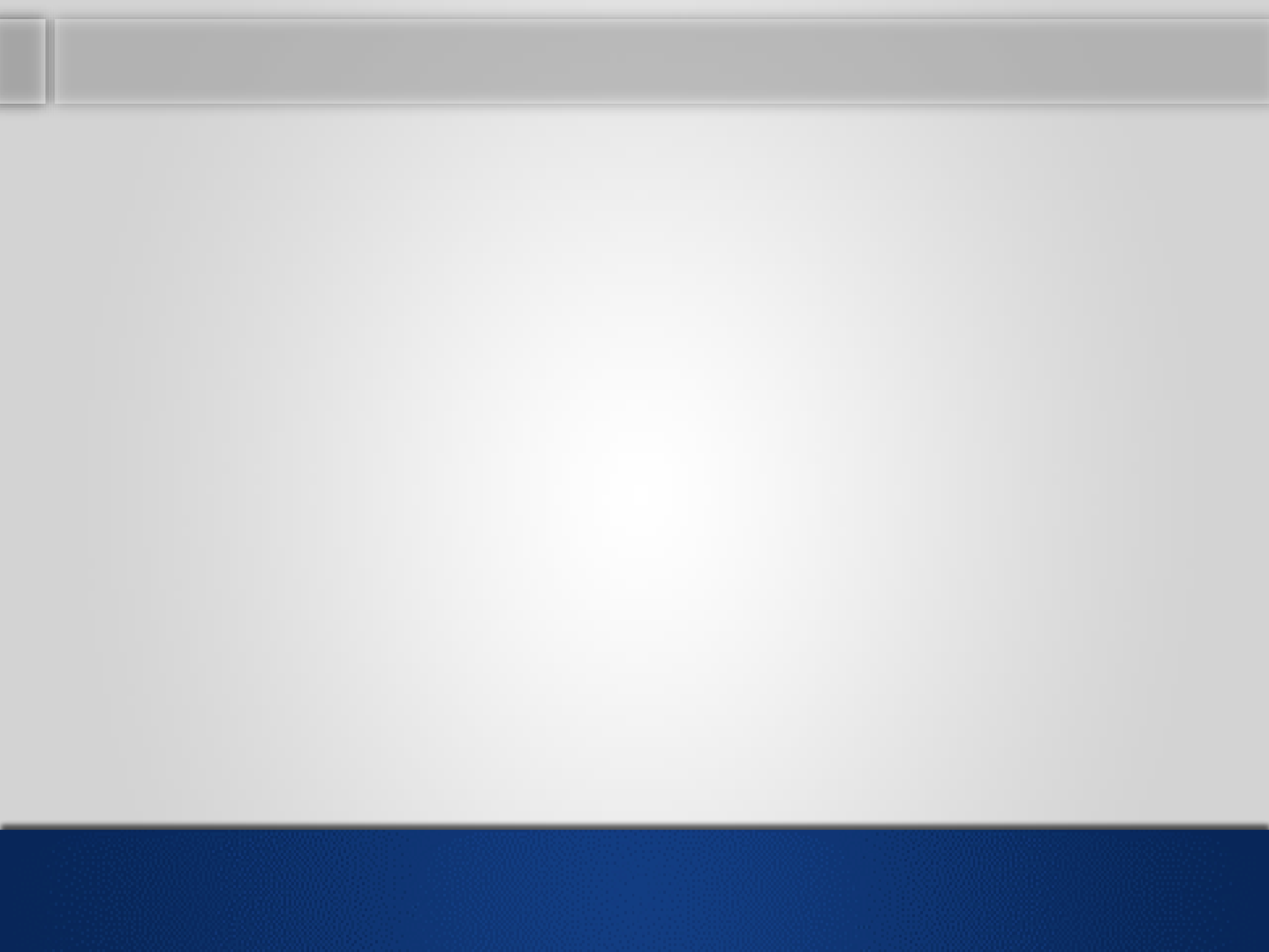


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Thank You For Your Time



For More Information:

If you would like more information about the services of Pro Bono Partnership of Atlanta, contact us at:

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