

TEST - FACILITIES

Directions: Choose the best answer to each question.

1. You are meeting with the building landlord regarding a potential build-out. You will be discussing:
 - a. Constructing customized furnishings for your new office space.
 - b. Right of approval.
 - c. Sub lease.
 - d. Space adjustments.

2. The R/U ratio is:
 - a. The amount of common area space you share with other tenants.
 - b. How much weight the floor can safely hold.
 - c. The division of Rentable Area for a floor by the Useable Area of that floor.
 - d. The ratio of partner offices to associate offices.

3. The part of the lease that specifies what the landlord is to provide in terms of construction for Tenant Improvement Allowance (TI) is called:
 - a. Work Letter
 - b. Contingent Allowances
 - c. Right of Approval Clause
 - d. Construction Considerations

4. True or False? Tenant Improvement Allowances must be spent within a specified period of time.
 - a. True
 - b. False

5. In this type of lease, you assume the responsibility for the base rent plus all of the costs of real estate taxes, insurance and non-structural maintenance.
 - a. Gross Lease
 - b. Net Lease
 - c. Net-Net Lease (Double Net Lease)
 - d. Net-Net-Net Lease (Triple Net Lease)

6. In this type of lease, you assume the responsibility for the base rent plus two other expenses (real estate taxes, insurance or maintenance costs).
 - a. Gross Lease
 - b. Net Lease
 - c. Net-Net Lease (Double Net Lease)
 - d. Net-Net-Net Lease (Triple Net Lease)

7. A quick way to roughly estimate space needs is to figure _____ square feet of useable space per attorney.
- a. 400 – 525
 - b. 550 – 700
 - c. 725 – 800
 - d. 825 – 900
8. Predetermined annual increases to the base rent are known as:
- a. Markups
 - b. Load/Loss Factor
 - c. Balloon Rates
 - d. Escalations/Escalators
9. What type of lease most favors the landlord?
- a. Gross Lease
 - b. Net Lease
 - c. Net-Net Lease (Double Net Lease)
 - d. Net-Net-Net Lease (Triple Net Lease)

ANSWERS:

1. d
2. c
3. a
4. a
5. d
6. c
7. b
8. d
9. b