

CUSTOMER CASE STUDY: DR. TIMOTHY M.

Dr. Timothy M. is a Plastic Surgeon who had just completed his residency in Aliso Viejo, CA. The Doctor was ready to open his own practice, and hired a real estate broker to help him find a suitable location, and an attorney to aid in negotiating the details in his office lease.

The Problem

The doctor was well aware of the importance of securing a lease agreement that met his needs, and understood that if left unaddressed, hidden language could negatively impact the future success and longevity of his practice. After an array of leasing concerns went unanswered, and several unsuccessful exchanges with the landlord, Dr. M. questioned whether or not the attorney and broker were actually “on his side”. At this point, he felt that the process wasn’t moving in the right direction, and began looking into alternative options for help with the lease analysis and negotiation.

“I felt I was not getting the service and answers I needed to move forward. I wasn’t confident I was getting the best deal, and that my financial health was being looked after.”

- Dr. Timothy M.

The Challenge

The doctor was referred to Cirrus Consulting Group, the medical office lease negotiation and review experts. After meeting with Dr. M. and discussing his long-term plans and career goals, Cirrus reviewed the doctor’s proposed lease agreement, uncovering multiple terms that did not align with the doctor’s plans, leaving his investment exposed and unprotected.

The doctor hired Cirrus to handle the complete lease negotiation process. He was looking for the following wins in the negotiation to ensure that his long-term goals were being addressed:

- Minimized personal risk and liability
- Exclusivity to practice Plastic Surgery in the building
- The flexibility for an eventual hassle-free practice sale
- Fair and affordable leasing terms

The Solution

Cirrus took the doctor through their strategic and proven seven-step lease negotiation process, and created a solid negotiation strategy, resulting in the following key “wins”:

- **Secured a 10-year lease term with 2 x 5 year “options to renew”.** These options are now transferable to a landlord-approved tenant.
- Modified the “Assignment Clause” permitting the doctor to assign the lease to another tenant 5 years after the term commencement date, and **releasing him of all financial responsibilities and obligations** to the practice one year after the assignment date.
- Gained the ability to bring in associates without requiring permission from the landlord.
- Added an “Exclusivity Clause”, **preventing the landlord from leasing any other space in the building to a plastic surgeon** or medical spa service provider.
- Adjusted the “Surrender Clause” to state that **the doctor would not be required to remove any constructed alternations to the premises** upon practice exit such as walls, bathrooms, plumbing, etc., a potential **savings of \$100,000 in restoration and demolition costs.**
- Inserted a “Death and Disability Clause”, giving the doctor the right to terminate the lease in the event of injury or death, **protecting Dr. M. and his estate from incurring hundreds of thousands of dollars in potential rent** and obligations to the landlord.

“I found Cirrus competent, thorough, and second to none at their craft. Without Cirrus I do not think the lease would have been completed, and certainly not with my financial health protected. I highly recommend their services to any doctor or medical professional looking to negotiate an office lease, and do so with confidence.”

- Dr. Timothy M.



For 20 years, the Cirrus Team of expert dental office lease negotiators have been committed to getting doctors fair and affordable financial terms in their leases. Cirrus is devoted to ensuring a lease is setup for long-term practice stability, security and success, with the ability to sell and transition out of practice.

Questions? Contact us at 1.800.459.3413 or visit www.cirrusconsultinggroup.com.