8

FOR GREATER BOSTON TENANTS

The 8 Biggest Myths *About Tenant Representation*

Every one of these myths has a beneficiary. It isn't you.



WEBSTER
REALTY ADVISORS

EXCLUSIVE TENANT REPRESENTATION
GREATER BOSTON



START HERE

Nobody invented these myths. *The market did.*

An unrepresented tenant is the most profitable tenant in the building to the landlord. Every myth in this book survives because it keeps someone unrepresented.

Commercial real estate has a quiet math problem. A landlord's building is valued on its income. Every dollar you don't negotiate flows straight into that valuation: the above-market rent, the tenant improvement allowance nobody asked for, the escalation that compounds unchecked. And because a building is worth a multiple of its income, every one of those dollars is worth more to the landlord than it cost you.

The beliefs that keep tenants from pushing back aren't harmless misunderstandings. They are profitable ones. Nobody needs to spread them deliberately. The market simply never corrects them, because the people with the microphone are landlords and the brokers who work for them, and they have no reason to.

THE TEST FOR EVERY PAGE THAT FOLLOWS

When you hear a claim about how leasing works, ask one question:

Who profits if I believe this?

You're about to ask that same question, eight times.

WHAT'S INSIDE

Eight beliefs, *four territories.*

The misconceptions that keep Boston tenants overpaying, under-protected, and negotiating alone, and what the market actually looks like when you see through them.

What tenant representation costs, why negotiating skill isn't the same as market information, whose interests the other broker actually serves, and why "too small," "too early," and "just renewing" are the three most expensive sentences in commercial

THE GAP THIS BOOK IS ABOUT

Most

large corporate tenants use representation or have an in-house real estate function. Companies with the most negotiating experience choose not to negotiate alone.

Dozens

of leases a year for your landlord's broker. Once every five to ten years for you. That gap is the whole book.

$0

what tenant representation costs the tenant in a lease transaction.

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"Hiring a tenant rep will cost me money."

THE MATH

The landlord's pro forma for your deal has four lines: rent, escalations, a concessions budget, and **brokerage fees**. Choosing to go unrepresented changes none of them. The only thing it changes is whether anyone at that table works for you.

LANDLORD'S PRO FORMA	YOU GO ALONE	YOU'RE REPRESENTED
Rent	✓ Budgeted	✓ Budgeted
Escalations	✓ Budgeted	✓ Budgeted
Concessions budget	✓ Budgeted	✓ Budgeted
Brokerage fees	✓ **Paid either way**	✓ **Paid either way**
Who at the table works for you?	No one	Your advocate

The reality

In a lease transaction, tenant representation costs the tenant nothing extra. The landlord has already built brokerage fees into the building's pro forma; that money is spent whether or not you show up with an advocate.

Go unrepresented and that fee doesn't come back to you as a discount, free rent, or extra TI. It stays on the landlord's side of the table.

You haven't saved anything. *You've given away your seat.*

WHO PROFITS FROM THIS MYTH

Two parties, and neither is you. The landlord keeps the concessions a represented tenant would have negotiated out of them. The landlord's broker keeps the whole commission instead of splitting it with the broker who would have been sitting on your side. The fee is paid either way. Going unrepresented just decides whether it buys you an advocate or buys the other side a bigger check.

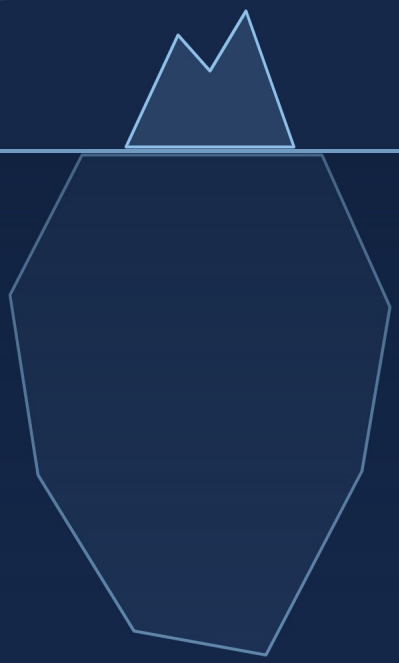
→ WHAT TO DO

Ask any broker you speak with one question: *"Who pays you, and on what?"* An honest answer takes one sentence. If it takes a paragraph, you already have your answer.

“I negotiate deals for a living. I can handle a lease.”

ABOVE THE WATERLINE

The asking rent



BELOW IT: 50+ PAGES YOU'VE NEVER NEGOTIATED

a. **A relocation clause** that lets them move you when a bigger tenant wants your floor.

b. **A holdover rate** that punishes a sixty-day delay on your next deal.

c. **A renewal option** worded so “market rent” means whatever they say it does.

None of it shows up in the rate per square foot. All of it costs money later.

PUT IT ANOTHER WAY

You might be a great haggler. The salesperson across the desk does this eight times a day and knows what the last twenty buyers actually paid. You know the sticker price. Now imagine walking in with someone who sold cars at that dealership for ten years and knows the invoice number. **That's the difference.**

The reality

You probably are a good negotiator. That was never the question. The question is repetitions.

Your landlord and their broker negotiate leases dozens of times a year. You do it once every five to ten. They know the current concession levels in your submarket this quarter, which buildings are hungry, and what the last three comparable deals signed at. You know the asking rent. **That is not a skill gap. It is an information gap, and skill does not close it.**

The asking rent is the part you can see. A landlord's lease likely runs more than 50 pages of terms you've never negotiated, and they've negotiated hundreds of times: the relocation clause, the holdover rate, the renewal option's definition of "market rent." A sharp negotiator can't ask for protection against a clause they've never seen.

WHO PROFITS FROM THIS MYTH

The landlord's broker, whose job gets dramatically easier when the person across the table is smart, confident, and working without market data.

→ WHAT TO DO

Before any negotiation, get the three numbers that frame it:

1. Your submarket's vacancy
2. Current TI and free-rent concessions on comparable deals
3. Your rent versus recent signings

If you can't get all three, you are negotiating blindly, however good you are. Then ask who is reviewing the non-economic terms, because *the rate is where you win the deal and the lease is where you lose it.*

“I have a great relationship with my landlord. They'll take care of me.”

Your_Renewal_Proposal.xlsx

B6 | *fx* | =0

	A	B
1	**Line item**	**Value to the landlord's model**
2	Base rent	Priced for a tenant with no alternatives
3	Competing proposals on the table	None
4	Prompt replies to your emails	Included
5	A pleasant tour	Included
6	**Years of good relationship**	**$0.00**

Your renewal is priced by a spreadsheet, not a friendship.

THE TELL

If the relationship were doing the work, long-tenured tenants would have the best deals in the building. Ask around. They often have the worst, because **the cost of loyalty compounds like an escalation clause nobody checked.**

The reality

You might like your landlord. They might like you. And when your renewal lands on their desk, it is priced by a spreadsheet, not a friendship.

A renewal proposal to a tenant with no alternatives is priced for a tenant with no alternatives. That isn't evil. It's the landlord's fiduciary duty to their own investors. The relationship gets you a prompt reply and a pleasant tour. It does not get you the number a competing proposal gets you.

THE RELATIONSHIP GETS YOU

- A prompt reply
- A pleasant tour

A COMPETING PROPOSAL GETS YOU

The *number.*

WHO PROFITS FROM THIS MYTH

The landlord. A “good relationship” is worth real money every year it substitutes for a market check.

→ WHAT TO DO

Keep the relationship. Run the process anyway. Treating your landlord as one bidder among several is fully compatible with a warm handshake, and it is the single highest-return move in a renewal.

04

"The landlord's broker seems helpful. They can represent me too."

CLIENT		PAID BY LANDLORD		CUSTOMER
The landlord	Signed agreement — Owes advocacy	Listing broker	No agreement — Owes courtesy	You

WHAT THE CUSTOMER GETS

Answers to your questions

A walk through the space

Someone pleasant to deal with

WHAT THE CUSTOMER NEVER HEARS

That the landlord would take less

That the building down the street offers more free rent

That the clause on page fourteen is going to hurt you

THE MATH

The listing broker's commission is calculated based on *your rent.*

Read that sentence again, slowly.

The reality

The listing broker's job, the one they are paid for in writing, is to maximize the landlord's income from the building. When they “help” you, you are being assisted by someone whose success is measured by how much you pay.

Think about what that broker actually owes you. They signed an agreement with the landlord. They didn't sign one with you. That makes you the customer, not the client, and the difference is everything: **a client gets an advocate, a customer gets courtesy.** The broker will answer your questions, walk you through space, and be pleasant to deal with. What they will never do is tell you the landlord would take less, that the building down the street is offering more free rent, or that the clause on page fourteen is going to hurt you. They can't. That information belongs to the person who hired them.

In a negotiation where every dollar moves from your column to theirs, there is no such thing as help from the other side.

There is only a *friendly opponent.*

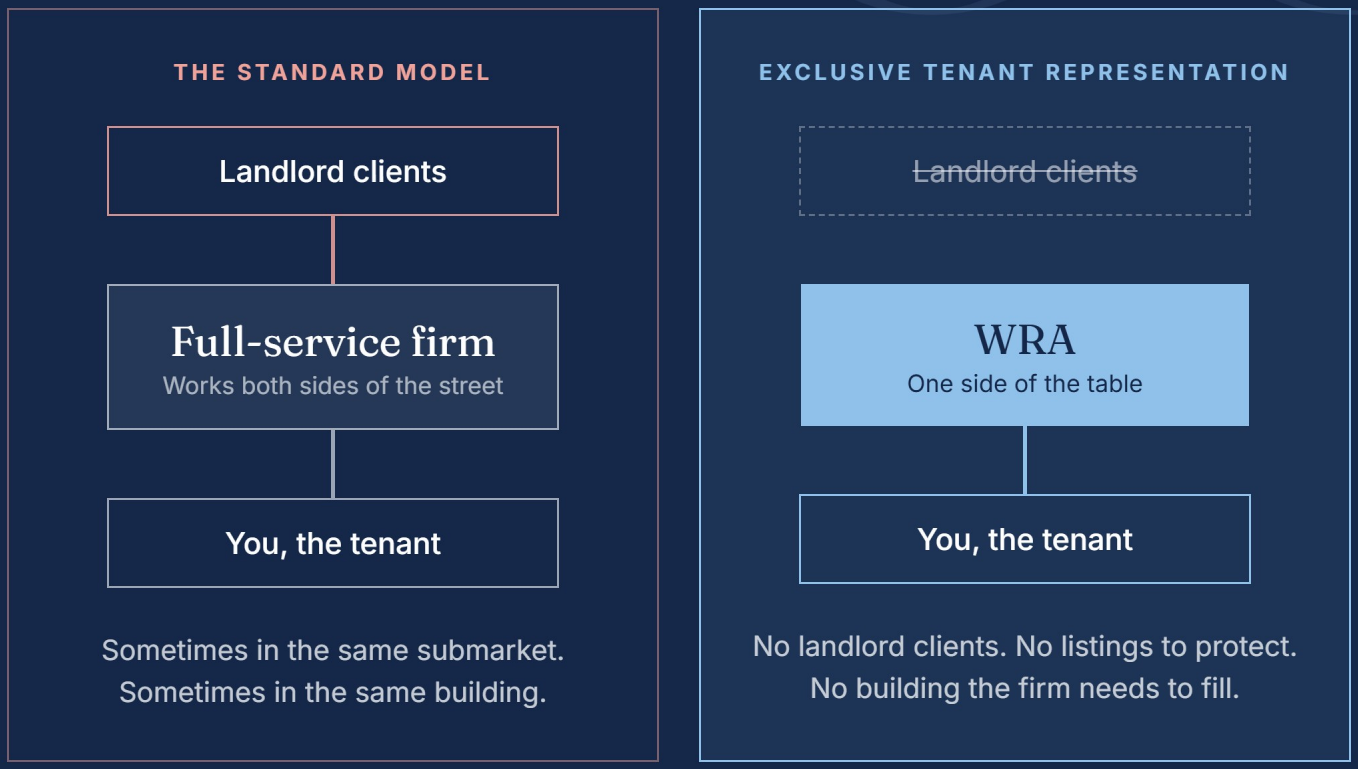
WHO PROFITS FROM THIS MYTH

The listing broker. One deal, the entire commission, and no adversary in the room.

→ WHAT TO DO

Nothing rude is necessary. One sentence does it: *“We'll have our own representation.”* Then watch how the proposals change.

"All brokers are basically the same."



THE TELL

Look at any brokerage's website. If the services page says **"Landlord Representation"** anywhere on it, you now know who else they answer to.

The reality

Most of the large brokerage firms in Greater Boston work both sides of the street, representing tenants in some deals and landlords in others, sometimes in the same submarket, sometimes in the same building. That is not a scandal. It is the standard model. But it means your “tenant rep” may be negotiating against a landlord who is also their firm's client, or hopes to be.

? How hard will your broker push a landlord who *also writes checks to their firm?*

Exclusive tenant representation exists to delete that question entirely. No landlord clients, no listings to protect, no building the firm needs to fill. **Every incentive points in one direction: yours.**

WHO PROFITS FROM THIS MYTH

Full-service brokerages. “We do everything” sounds like capability and functions as a conflict.

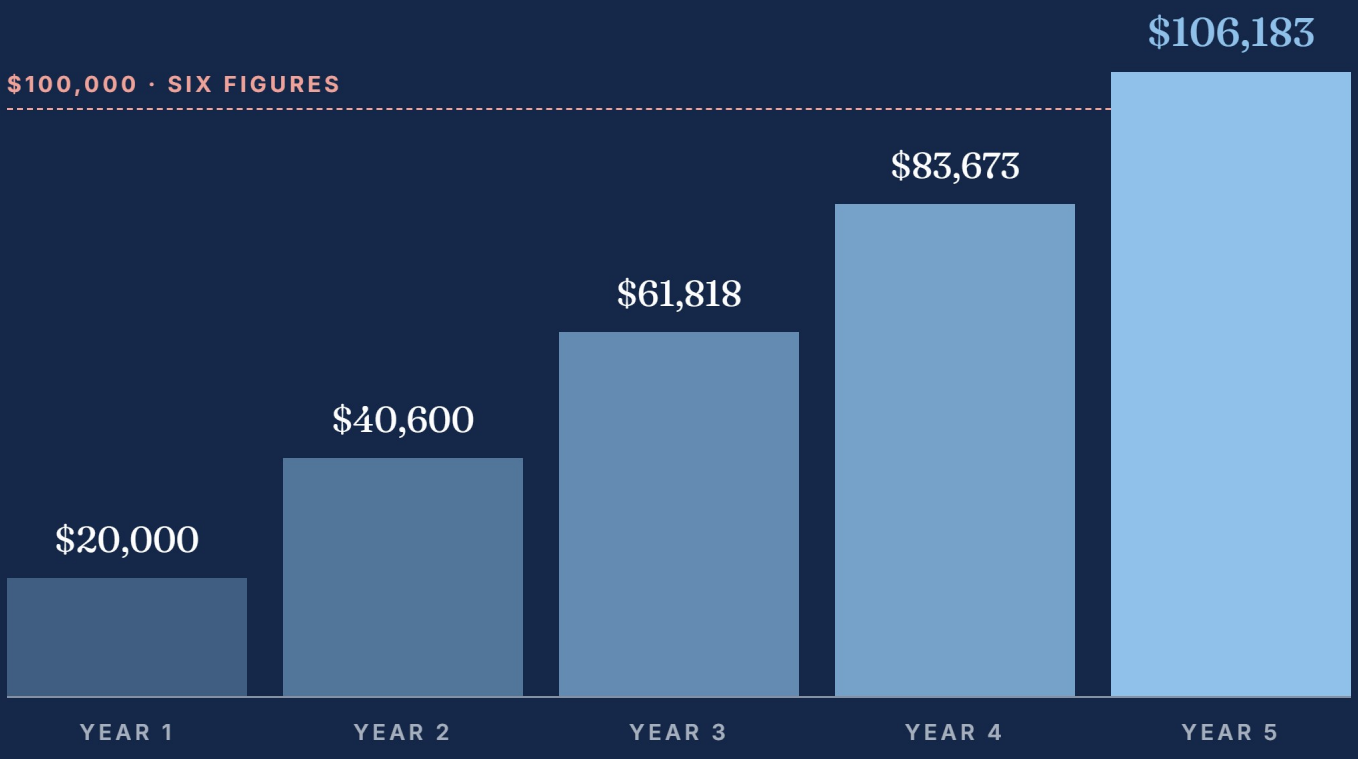
→ WHAT TO DO

Before signing any representation agreement, ask: *“Does your firm represent landlords — any landlords?”* It is a yes-or-no question.

"We're too small for a tenant rep to bother with."

THE MATH

5,000 SF × $4 over market × annual escalations × a five-year term = *a six-figure mistake that fit inside a "small" deal.*



Cumulative overpayment. Illustration assumes the $4/SF gap escalates 3% a year along with the rent.

The reality

Flip it around: you are exactly the tenant this myth was built for.

Large corporate tenants almost always use representation. Their real estate departments would not dream of negotiating alone. The tenants who go unrepresented are the 10-to-250-person companies: big enough for the lease to be a top-three expense, small enough to have no in-house real estate function. **Landlords know precisely which category negotiates alone, and pricing reflects it.**

LARGE CORPORATE TENANTS

Represented

Almost always use representation or have an in-house real estate function.

10 TO 250 EMPLOYEES

Often negotiating alone

The lease is a top-three expense, and there is no in-house real estate function.

A 6,000-square-foot deal isn't too small to represent. *It is too big to get wrong,* for the company signing it.

WHO PROFITS FROM THIS MYTH

Landlords with small-suite inventory, the segment of the market with the least represented, least informed counterparties.

→ WHAT TO DO

Size your lease as a percentage of operating costs, not in square feet. If it is a top-three line item, it warrants representation. *It is a top-three line item.*

"My lease isn't up for two years. Way too early to think about this."

THE RENEWAL CLOCK

Build your leverage

Tour real alternatives. Run a structured process. Make your landlord compete. Done without rushing, this can take up to a year.



Two years out

Isn't early. It is on time.

Notice deadline

Typically 12 months before expiration.

Start at 6 months

No time to create competition. You take what a captive tenant gets.

Your real deadline is already a year closer than the date in your calendar.

GO DEEPER

We wrote an entire playbook on this timeline: ***The 18-Month Renewal Playbook***, the phase-by-phase clock, plus a critical-dates worksheet. Ask and we'll send it over.

The reality

Two years out isn't early. It is on time.

Leverage in a renewal is built, not found: touring real alternatives, running a structured real estate process, making your landlord compete. Doing that without rushing can take up to a year. Start at six months and there is no time to create competition, which means there is no competition. **You are forced to accept whatever a captive tenant gets offered.**

And check your renewal option's notice window. Notice is typically due 12 months before expiration, so your real deadline is already a year closer than the date in your calendar.

WHO PROFITS FROM THIS MYTH

Your landlord, who tracks your expiration more closely than you do and is happiest when you start the conversation with no runway left.

→ WHAT TO DO

Map your critical dates *today.*

EXPIRATION	NOTICE WINDOW OPENS	NOTICE DEADLINE

"We're just renewing. There's nothing to negotiate."

WHAT IT COSTS YOUR LANDLORD TO LOSE YOU

COUNTED

SIX MONTHS OF DOWNTIME

$120,000

6,000 SF × approx. $40/SF × half a year

NOT YET COUNTED

\+ **T.I. build-out for a new tenant**

\+ **Free rent to land them**

\+ **Brokerage fees on a new deal**

That cost is your leverage. It exists whether you use it or not.

THE MATH

The landlord's alternative to renewing you is months of vacancy, build-out for a new tenant, free rent, and brokerage fees on a new deal. On a 6,000 SF suite at approx. $40/SF, six months of downtime alone is **$120,000**, before a dollar of T.I., free rent, or commission is paid.

The reality

Renewals are where tenants leave the most money on the table, precisely because they believe this.

A renewal is not a formality. It is a brand-new multi-year financial commitment wearing a familiar address. **Everything is on the table:**

Base rent Against current market, which may have moved well below your rate	**Tenant improvement money** To refresh your space	**Free rent**
Escalation caps	**Operating & tax expenses** Resets and protections	**Flexibility rights**

Renewing tenants routinely capture none of it, for one reason: **nobody asked.**

WHO PROFITS FROM THIS MYTH

The landlord, more than from any other myth in this e-book. An automatic renewal at proposed terms is the single most profitable document in commercial real estate.

→ WHAT TO DO

Treat every renewal like the transaction it is.

1. Benchmark first
2. Build alternatives second
3. Make the existing landlord compete in writing

ADD IT UP

How many *did you believe?*

Check every one you held before reading this. Be honest. The score is only useful if it's accurate, and nobody sees it but you.

- ☐ 01 A tenant rep will cost me money
- ☐ 02 I can negotiate it myself
- ☐ 03 My landlord will take care of me
- ☐ 04 The landlord's broker can help me too
- ☐ 05 All brokers are basically the same
- ☐ 06 We're too small
- ☐ 07 It's too early
- ☐ 08 It's just a renewal

WHAT YOUR SCORE MEANS

0

You have done this before, or you already have representation. Either way, well played.

1–3

Each one you checked carries a price tag. The good news: every one is fixable before your next lease event.

4+

You are the tenant your landlord's pro forma is counting on. Worth changing, and it costs nothing to start.

THE TRUTH UNDERNEATH ALL EIGHT

Tenant representation isn't a service you buy. *It is a correction* of an information gap, an experience gap, and an incentive gap that the other side of the table has enjoyed for as long as you have been signing leases.

INFORMATION GAP | EXPERIENCE GAP | INCENTIVE GAP

Webster Realty Advisors does one thing: **exclusive tenant representation.** No landlord clients. No listings. No myths.

WHAT'S NEXT

Now you know. *Here's what knowing is worth.*

Every myth in this book had a beneficiary. Starting today, it's you.

01 · START HERE

Get your free Tenant Leverage Snapshot

A personalized one-pager: your building, your submarket's vacancy, your expiration timing, and where the leverage actually sits, before anyone proposes anything.

Request my snapshot →

02 · OR TALK IT THROUGH

A 15-minute lease strategy call

A short conversation with John Webster or Cameron Webster. Bring your scorecard. No pitch, no obligation, and you leave with a clear next step either way.

Book a call →

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