

Identifying Trends & Forging Ahead

Lessons Learned from How the Pandemic Impacted Tenants & Landlords in 2020

While Most Companies Reported a Loss in Revenue, Many Anticipate a Quick Economic Recovery

Revenue Impact

Profit

+



more than one in 10 (**11%**) Visual Lease customers surveyed have experienced an increase in revenue

Loss

-



nearly three in five (**59%**) Visual Lease customers surveyed reported a loss of revenue

Economic Recovery



80%

expect the financial impact of Covid-19 on their businesses to be **short-term**

5% are uncertain of the longer-term impacts

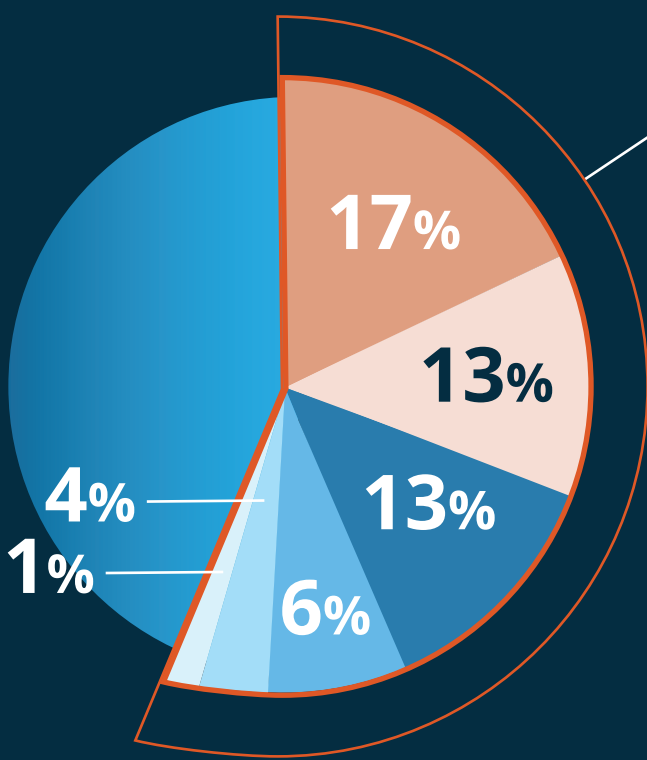
54%

expect to recover in less than a year

26%

already recovered

More Than Half of Companies Experienced Some Form of Rent Relief



54% received rent relief from their landlords

- rent deferral
- rent reduction
- rent abatement
- early termination of lease
- application of security
- downsizing to smaller space

Downsizing vs. Increasing Office Space



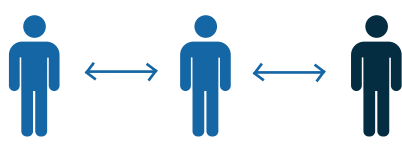
39% have no plans to downsize



37% are considering or already planning to downsize



18% have already downsized



66% do not expect to need additional office space to accommodate social distancing requirements

Coworking Options Are Still Being Considered

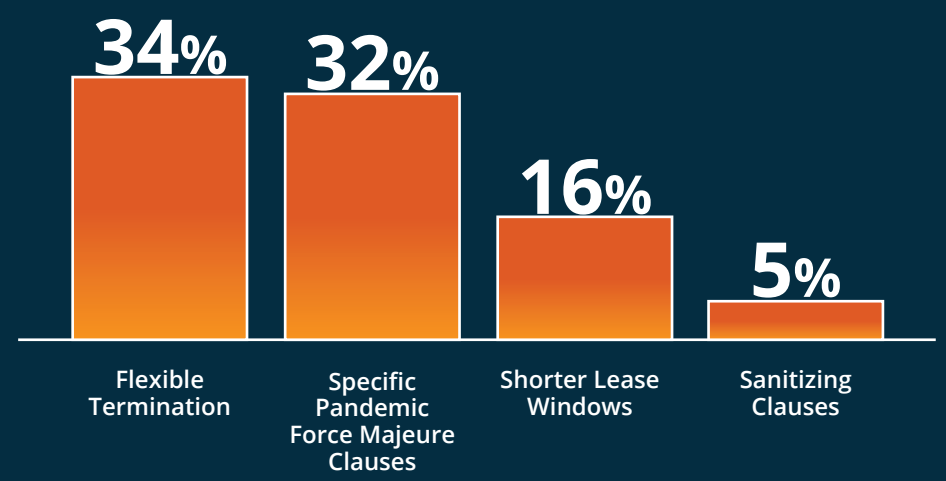


16% are open to considering co-working spaces as an alternative option to leasing larger facilities

The Most Important Lease Clauses to Consider in the Future



Future real estate leases could see an increase in these protective lease clauses:



Rising Number of Lease Agreements Under Management



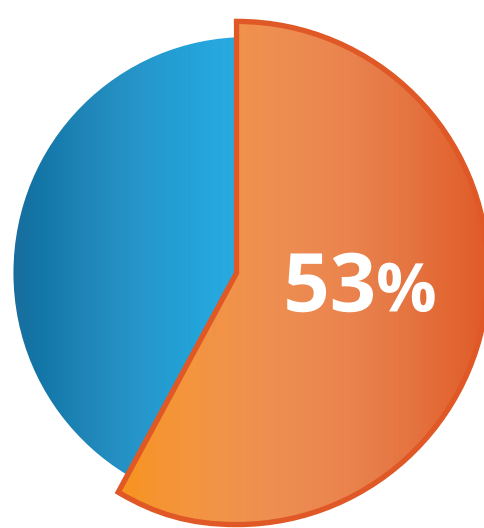
Few companies reported an increase in lease agreements since the start of Covid-19.

Only **4%** said lease agreements under their management have increased

11% said Covid-19 has had no impact on their lease agreements

38% said that Covid-19 related terminations have impacted the number of lease agreements under their management

Commercial Rent Rates Are Expected to Fall



More than half (**53%**) of tenants are expecting a decrease in commercial rent rates.

Data collected from a survey submitted to Visual Lease's 700+ customers in September 2020.