



# Know where your restaurant is going, and how it will get there

By Howard Riell, Special to VEGAS INC

Las Vegas' economy is rebounding, which means more business owners and entrepreneurs are on the prowl for new locations. This is especially true for restaurateurs.

Good restaurant locations share traits with other types of prime commercial real estate — good visibility, easy access, high traffic, strong demographics, lots of residential property nearby, a large daytime population, synergy with other restaurants and retailers and nearby traffic generators such as malls, office complexes or hospitals.

What should restaurateurs look for in a location? And what should they do when they find good space? Industry experts offered their advice.

## NEGOTIATING A LEASE

“Landlords know that restaurants are the riskiest of tenants and, unless they’re very desperate, will not give concessions beyond maybe some free rent. And they’re going to make sure that everything is paid for in your space. They don’t want a bunch of liens filed on their space.”

— Las Vegas architect Howard Perlman, principal of the Perlman Design Group

## RUNNING THE NUMBERS

“The first responsibility an operator has is to do a pro forma based on the occupancy costs, including base rent, common area charges, real estate taxes, insurance, loading dock charges, etc. If the concept cannot make the numbers work, it doesn’t matter how good the location might be. For example, in some bedroom communities, the heavy traffic will only be on weekends. In a community filled with college students, a fine-dining restaurant won’t work except for parents’ visiting day. If the concept does not resonate with the local area population or fill a lifestyle need, it will not succeed.”

— Veteran restaurant consultant Arlene Spiegel, president of Arlene Spiegel & Associates in New York

## CHOOSING A SPACE

“Visibility is always better than hidden; more parking is better than less; (and) a great landlord views a tenant as a partner. A bad landlord can make your life hell.”

— Chase Leblanc, a hospitality management consultant in Golden, Colo. ■