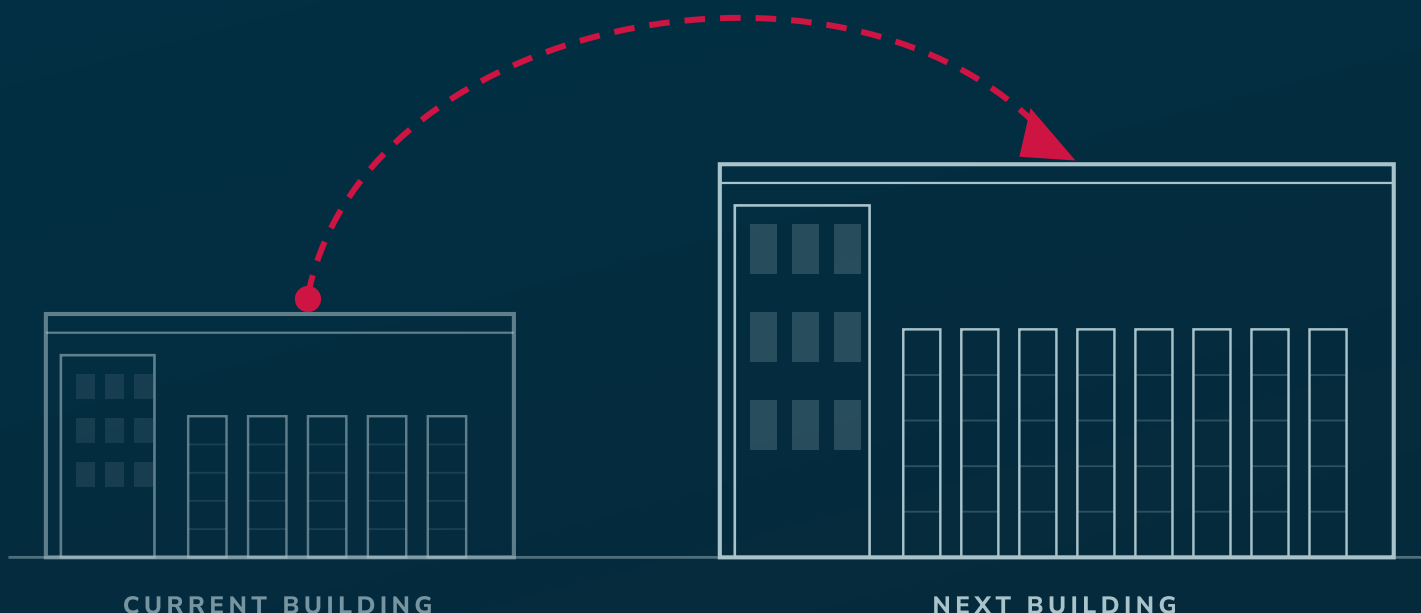




RENEW OR RELOCATE

The Industrial Relocation Guide

Why tenants rarely move for cheaper rent, and how to know your cost of moving before your next lease decision.

130

COST AND FUNDING ITEMS

50

READINESS CHECKS

6

RELEASE GATES

4

OPERATING LENSES

Justin Smith, SIOR

Senior Vice President and Principal · Smith Industrial Partners · Lee & Associates, Irvine

FOREWORD

Tenants rarely move for cheaper rent

We have a rule of thumb in our industry: tenants don't move to a building the same size just for cheaper rent. Why? The cost of moving.

I have had clients tell me they would rather retire than move their warehouse again. Funny, I know, but it tells you how much a move disrupts people's jobs. A relocation means two to three times the normal workload for people who still have to get their day jobs done.

In *Industrial Intelligence* I wrote about a national distributor whose CEO opened our first meeting with, "We have to downsize to a smaller warehouse." Once we priced it, subleasing part of his space was **\$350,000 cheaper** than moving, and it left room to grow when the market turned.

So, especially when market pricing is moving around, it pays to know your cost of moving before you need it. This guide is built around the five things that number tells you.

1	The value of staying. What your current building is worth to you compared to the market.	PART 1
2	The capital you will need. The whole project, priced for next year's budget.	PART 4
3	Your stickiness. The harder you are to move, the more a landlord can charge you at renewal.	PART 1
4	How much time you need. To find real alternatives, then build and keep leverage.	PART 3
5	A move without service delays. On time, on budget and invisible to your customers.	PARTS 2, 3 AND 5

And if the answer is to stay, the work still pays. When your landlord knows you have priced the move, the question changes from "Am I getting a good deal compared to the market?" to "What is this deal worth to me?" That is where the leverage in a renewal comes from.

Justin

Justin Smith, SIOR
Senior Vice President and Principal, Lee & Associates, Irvine

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How to use this guide

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Test the decision

Price a realistic stay and a realistic move. Separate one-time cost, annual change and the cash needed before reimbursements arrive.

2

Test the operation

Pick the lens for your business. Confirm peak load, service, utilities and product controls before calling two buildings comparable.

3

Test the execution

Set release gates, assign owners and reconcile every vendor boundary.

4

Build the project file

Mark every cost line include, exclude or pending. Attach evidence and acceptance to every readiness check.

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Companion workbook. The Excel file carries the same 130 lines and 50 checks with editable move and stay amounts, a decision model, the master schedule and the public price references. Blank means unknown, not zero.

PART 1 • THE DECISION

Start with the cost above staying

The question is never what the move costs. It is what the move costs *more than staying*, and what the operation gains or gives up every year after.

COST ABOVE STAYING

Net move project cost
minus the realistic cost of
staying

ANNUAL NET SAVINGS

Occupancy savings plus
operating savings minus
operating cost increases

SIMPLE PAYBACK

Cost above staying ÷
annual net savings × 12
months

Compare the same business outcome

Use the same peak demand, quality standard, service promise, equipment scope and time horizon in both cases. A stay case can include upgrades the building needs anyway; a move case can include better capacity. Write the differences down.

Include the full occupancy package

Compare effective rent, taxes and NNN, insurance, utilities, maintenance and committed incentives. Keep annual occupancy items in the same schedule as other recurring changes so rent savings are never counted twice.

Use a fuller model before you commit

Simple payback is a screening tool. Before you sign, model annual cash flows, escalations, timing, incentives, financing, taxes and residual value for the real alternatives.

When savings are zero or negative

There is no positive payback. A move made for capacity, service or growth can still be right, but it needs its own business case rather than a rent comparison.

ADAPTED FROM *Industrial Intelligence*

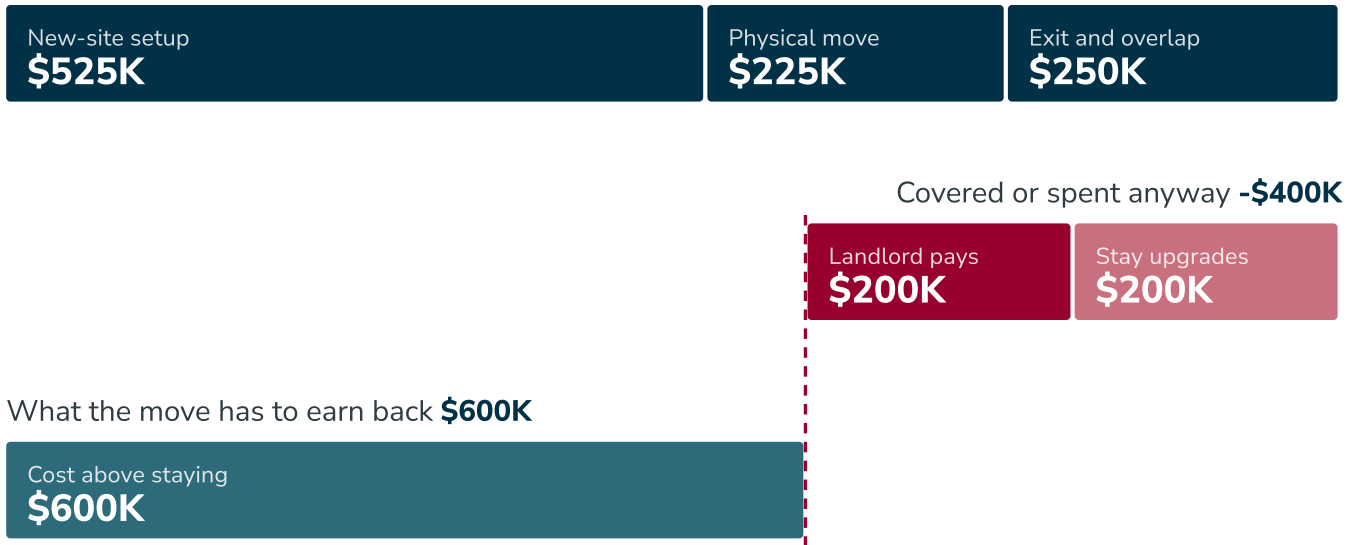
Few things are more commonly unknown in commercial real estate than the actual cost of relocating a facility. Break the budget into three components: the cost to lay out and fit out a new building, the cost of the move from the old building to the new, and the cost to decommission and surrender the prior building back to the landlord. Then you can at least be confident you have the right order of magnitude. Will it cost you \$10,000, \$100,000 or \$1 million to move?

PART 1 • THE DECISION

A \$1 million move can be a \$600,000 hurdle

Of a \$1.0 million move, \$400,000 is either paid by the landlord or spent anyway if you stay. The other \$600,000 is what the move has to earn back. Illustrative 100,000 SF operation; every number is a planning assumption.

What the move costs **\$1.0M**



What the move has to earn back **\$600K**

Contributions arrive late

Keep the landlord contribution's eligibility, cap and payment timing in the funding plan. A reimbursement paid after completion lowers the eventual cost but still leaves you funding the work first.

Stay upgrades need a real scope

The \$200,000 to stay belongs in the comparison only if it is supported by scope. It should never be inserted to make a move look better.

COMPONENT	AMOUNT
New-site setup	\$525,000
Physical move	\$225,000
Origin restoration	\$100,000
Overlap and disruption	\$150,000
Gross move cost	\$1,000,000
Less landlord contribution	-\$200,000
Less realistic stay upgrades	-\$200,000
Cost above staying	\$600,000

ADAPTED FROM *Industrial Intelligence*

Here is what I can tell you: no landlord will pay for everything you want. Landlords will usually provide an allowance to build out basic office and warehouse space with a handful of upgrades. A landlord who increases the contribution will often require it to be paid back in a lump sum at the start of the lease, or amortized, meaning you pay it back over time with interest.

PART 1 • THE DECISION

A cheaper lease is only part of the savings

At 100,000 SF, a \$0.15/SF/month rent reduction saves \$180,000 a year. The same rent offer has three very different outcomes once operating costs move.

If operating costs rise \$120,000 a year



If nothing else changes



If operating costs fall \$60,000 a year



Simple payback on a \$600,000 cost above staying: $\$600,000 \div \$60,000$, $\$180,000$ or $\$240,000$ of annual net savings. Equal annual savings assumed.

Why the annual number moves

Test freight and drayage, employee retention and wages, utilities and demand charges, maintenance, outsourcing, additional handling and recurring systems costs. Itemize both savings and increases in cost items 111 to 120.

Turn productivity into dollars

A better layout can raise output per labor hour. It becomes a cash benefit only through something you can point to: avoided overtime, lower staffing cost, avoided outsourcing or profitable throughput. Record the mechanism and what it takes to achieve it.

BOB BARRY, JBA, QUOTED IN *Industrial Intelligence*

“One of the areas where we provide the most value for clients is driving home the concept of Improve While You Move. A lot of clients only move a few times during the life of a business.” The setup and configuration moments are the times to make capital investment decisions that will pay dividends throughout the future.

PART 1 • THE DECISION

Solve for the rent discount you need

Turn the question around. Instead of asking how long a rent offer takes to pay back, ask how big the discount has to be.



On these assumptions, a \$0.15 offer clears only two of the three cases. Five-year recovery, 100,000 SF, \$600,000 cost above staying. An annual operating saving enters the formula as a negative cost increase.

ADAPTED FROM *Industrial Intelligence*

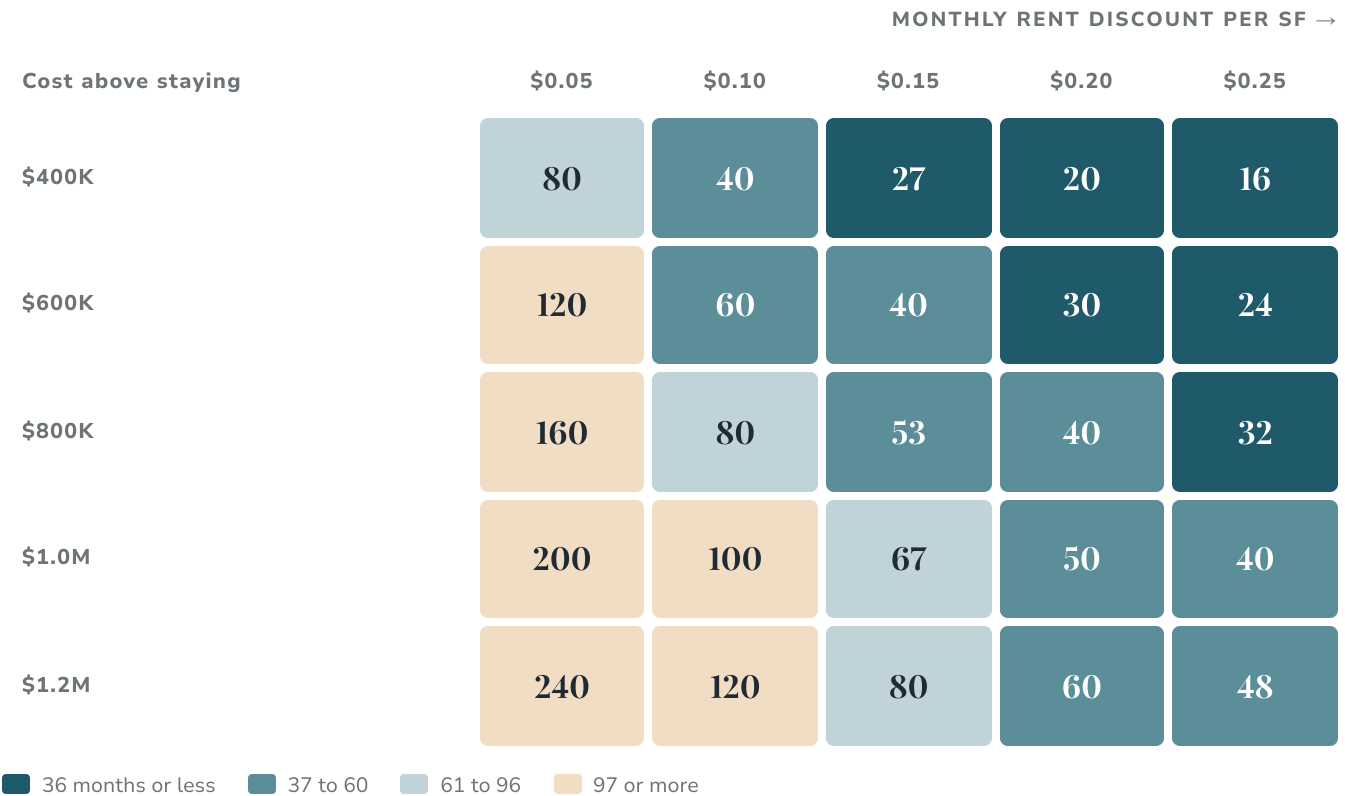
Because of the strategic need to create leverage, 80 percent of the steps in leasing a new building are relevant to renewing the lease in your existing building. The only difference is that, at the end of the process, you will not have to move. Always be the buyer, a concept from Dan Sullivan of Strategic Coach: instead of actively trying to stay, actively look for superior alternatives. That is how you learn what your current lease is worth.

Undiscounted recovery test, not an investment valuation. Required discounts can be zero or negative when supported operating savings cover the hurdle. Adjust for area differences, stepped rent, expense recoveries and cash-flow timing.

PART 1 · THE DECISION

Test the rent spread against the capital hurdle

Simple payback in months for a 100,000 SF operation with other costs unchanged.
Read across for a bigger discount, down for a bigger move.



Read across a row

At a \$600,000 cost above staying, moving from a \$0.05 to a \$0.15 monthly discount changes payback from 120 months to 40.

Read down a column

At a \$0.15 discount, a \$400,000 move pays back in about 27 months. A \$1.0 million move takes about 67.

FROM Industrial Intelligence

The cost to find a new building and relocate to it is almost always higher than the cost of extending your current lease. Moving within the same geographic area purely to get a better rent structure for the same size building almost never happens. If we are talking about moving out of state, then there is another set of considerations.

Arithmetic on assumptions, not a survey of relocation prices. No escalation, discounting, tax, financing or residual value. The companion workbook recalculates this matrix with your operating-cost and NNN inputs.

PART 1 • THE DECISION

Price the project. Then fund the transition.

Five kinds of money move through a relocation. Blending them is the most common way a good move gets a bad budget.

One-time cost ITEMS 1-110	Setup, relocation, exit, staffing and disruption belong in the project comparison. Separate cash spend from economic loss and from capital expenditure.
Annual change ITEMS 111-120	Enter move and stay costs on a stabilized basis. Show the ramp separately; a full year of savings does not begin on the first operating day.
Cash tied up ITEMS 121-124	Deposits and extra inventory need cash even though they are not expenses. Financing, spoilage and extra handling on that inventory are separate costs.
Offsets ITEMS 126-129	Landlord contributions, asset sales and other recoveries need written conditions, collectible amounts and receipt dates.
Reserve ITEM 130	A separate allowance for identified uncertainty. Never use it to hide missing scope or stack it on an allowance already in a vendor quote.

WEEKLY CASH CURVE

Opening cash + financing + receipts – deposits – progress payments – operating outflows

Watch the lowest balance

Record the lowest weekly balance, not just the final net cost. Reimbursement dates, overlap rent and inventory build usually drive the peak requirement.

Count lost margin, not lost revenue

For disrupted orders, estimate contribution margin after avoidable variable costs and backlog recovery. Reconcile idle payroll, expedited freight and overtime so each impact is counted once.

PART 2 • OPERATING LENS 1 OF 4

Distribution centers: prove usable throughput

A distribution center is only as big as the capacity it delivers on the busiest shift.

Size the operation at peak

Receiving by hour, orders and order lines, pallet and carton dimensions, pick mix, replenishment cycles, returns and seasonal on-hand. Count quarantine, staging, empty pallets and charging space as well as sellable stock.

Protect inventory and system truth

Create origin-to-destination locations, wave manifests, scanned receipts and count reconciliation. Rehearse receive, putaway, pick, pack, ship and return, including labels, carrier feeds, RF coverage and recovery from a failed cutover.

Convert the shell into a layout

Test usable positions, clearances, column interference, lift height and aisle geometry. Confirm rack engineering, slab, sprinkler compatibility, docks, trailer circulation and dispatch staging for the actual commodities.

Measure acceptance

Agree on sustained lines or orders per labor hour, inventory accuracy, error rates, dock turn time and on-time shipment at the design peak. Write the sample period and tolerances before the move.

USEFUL QUESTION

How much sellable, accessible capacity will this layout deliver on the busiest shift after reserve, staging, quarantine and travel paths are included?

Commonly missed

Rack reuse versus new procurement. Floor repairs and anchors. RF surveys after the racks are installed. Overflow storage. Extra touches during dual operation. Trailer and carrier changes. Returns that keep arriving at the old address.

ADAPTED FROM *Industrial Intelligence*

If you choose to reuse your existing racking, you will need a place to store your inventory while you are relocating the racking.

Evidence to collect: SKU and peak-flow data, rack drawings, commodity and storage assessment, floor evidence, WMS transaction tests and operating acceptance logs.

Cost items to focus on: 4, 14-15, 24, 27-29, 41-50, 61-79, 101-124

PART 2 • OPERATING LENS 2 OF 4

Logistics and 3PL: move each customer safely

A 3PL does not move a building. It moves every customer's service promise, one account at a time.

Turn contracts into wave constraints

List SLAs, blackout dates, required approvals, order cutoffs, penalties, custody terms and inventory ownership. Sequence the migration by account, SKU and lot, and service sensitivity, not by a percentage of floor space.

Recalculate the network

Model lanes, drayage, port and rail access, fuel, tolls, detention, empty miles, driver hours and carrier schedules on actual volumes. A lower rent can raise transportation cost enough to reverse the comparison.

Keep billing and custody intact

Map customer and location masters, rate tables, EDI and API feeds, balances, cycle counts, access controls and proof of delivery. Test billing through both sites and reconcile stock by owner and status.

Give each wave a recovery plan

Name the command lead, the dispatch, IT and customer escalation paths and the rollback trigger. Reserve the capacity critical customers need while their wave is unavailable.

USEFUL QUESTION

Which customers could lose service during this wave, and what inventory, staffing and system capacity remains available to them?

Commonly missed

Ship-to and ship-from addresses, ASN instructions, labels, appointments, returns, carrier routing and after-hours contacts. Written customer acceptance wherever the contract requires it.

ADAPTED FROM *Industrial Intelligence*

Logistics operations prefer shallow and wide buildings with large speed bays, and they separate drivers' rooms from customer-facing offices.

Evidence to collect: Account-level service matrix, actual lane model, manifests and custody reconciliation, tested transactions and customer approval records.

Cost items to focus on: 63-64, 71-80, 91-110, 111-124

PART 2 · OPERATING LENS 3 OF 4

Advanced manufacturing: install a process, not just machines

A machine on a new floor is not production. Saleable output at rate is.

Map the current process first

Record material routes, work in process, changeovers, scrap, rework, constraints and maintenance access before you draw the future layout. That is where the flow improvements, and later automation, come from.

Resolve utilities at each asset

Voltage, phase, load, air pressure and quality, water, drainage, gases, exhaust, heat rejection and controls. Verify foundations, pits and vibration. Keep rigging, final hookup and OEM commissioning as separate scopes.

Move in controlled waves

Asset IDs should connect origin, destination, shutdown method, lift and transport plan and reconnect requirements. Stage the work so installed equipment is never trapped behind the next wave.

Qualify performance at the new site

Startup is followed by calibration, process qualification, test parts and customer or quality release. Define throughput, yield, tolerances and sustained run time before accepting a line.

USEFUL QUESTION

What must pass after this machine is reconnected before we can sell the output and depend on its production rate?

Commonly missed

Realistic buffer stock and alternate production. Supplier and customer commitments. Equipment that cannot be duplicated, components with uncertain restart behavior, and OEM technicians with limited availability.

ADAPTED FROM *Industrial Intelligence*

Manufacturing is a capital-intensive business. Significant machine upgrades are infrequent, reorienting a process without disrupting client orders is hard, and the chance to relocate a manufacturing operation might come only every ten or twenty years.

Evidence to collect: Measured equipment data, utility point-of-use specifications, lift plans, test protocols and signed performance acceptance by line.

Cost items to focus on: 4-6, 19-40, 51-60, 73-79, 101-110

PART 2 · OPERATING LENS 4 OF 4

Food and dietary supplements: make product release explicit

In food and supplements, mechanical completion is not permission to ship.

Design storage and process separation

Map ingredient receipt, quarantine, release, allergens, personnel and material routes, sanitation, waste and finished goods. Scope surfaces, drainage, utilities, temperature, humidity and air for the actual hazard and process.

Carry traceability through the transfer

Keep lot identity and status for ingredients, labels, packaging, work in process, retained samples and released stock. Control label versions so a transfer never bypasses hold and release rules.

Treat startup as a quality workstream

Define calibration, cleaning verification, water and air checks, process qualification, trial batches, lab tests, documents and release authority. Price the material and time for trials, rejects and delayed saleable output.

Check site and customer obligations early

Have the quality and regulatory owner confirm registrations, permits, certifications, customer audits and food-safety plans for the new site. Do not assume anything transfers automatically.

USEFUL QUESTION

What evidence lets us release this line and product family, and what remains on hold?

The regulatory frame

FDA's Part 117 covers human food CGMPs and preventive controls; Part 111 covers dietary supplement CGMPs. Applicability and exemptions depend on the operation. Record exactly what is authorized to run and ship, and what stays on hold.

ADAPTED FROM *Industrial Intelligence*

If the certification process does not line up with your lease expiration and the start date of your new building, your operation may be unable to operate, or you may be stuck paying rent on two buildings, one of which you pay for to just sit empty. Either outcome is untenable.

Evidence to collect: Approved process and flow plan, segregation map, lot reconciliation, calibration records, qualification and testing dossier, and a signed release.

Cost items to focus on: 20, 23, 34-40, 51-60, 76, 101-110, 124

PART 2 · THE OPERATION

Three public facts that change the plan

Each one is small. Each one shows why a relocation has to be planned around evidence rather than dates.

\$3,000

and 20 to 30 business days for a power study

SCE's Preliminary Capacity Assessment (PCA) report costs \$3,000, paid in advance and nonrefundable, and the clock starts only after payment and complete documents. It is preliminary planning information. **It does not reserve capacity** and it is not an energization date.

SOUTHERN CALIFORNIA EDISON [7]

\$50,000

reported savings from measured layout planning

A NIST/MEP success story published October 29, 2024 describes a chemical manufacturer that planned its move with measured equipment data and digital layouts. One case, not an expected return, but a clear argument for measuring before you move.

NIST / MEP [3]

6 → 1

food facilities consolidated into one

JBA describes Wellington Foods consolidating six Long Beach facilities into an 82,000 SF Corona facility, with process piping and production planning as part of the project. Vendor-reported and undated.

JBA [2C]

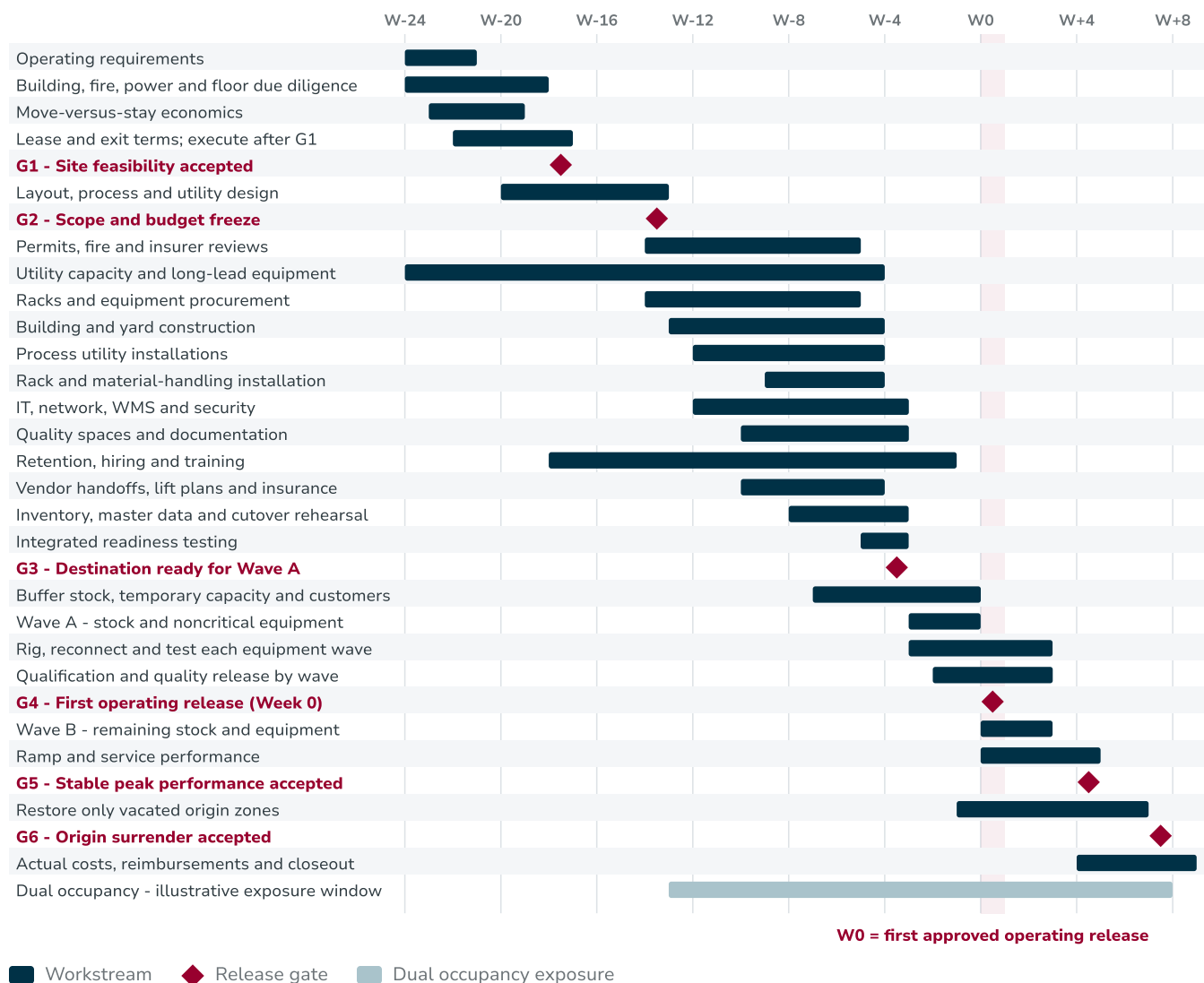
What to take from them: start power diligence early, measure the equipment and the flows, and plan the transition across sites, departments and customer commitments. Then replace every case result with your own measured assumptions.

For fire protection, storage design and workplace safety, use the applicable authority, your insurer and qualified engineers. OSHA's warehouse guidance and FM's data sheets helped define review topics; this guide is not a building-specific design review. [5, 6]

PART 3 • THE EXECUTION

Plan the interfaces, not the truck date

An illustrative 32-week master schedule with six release gates. Week 0 is the first approved operating release, not the day the trucks roll.



Gates are planned dates only; utilities, permits and OEM lead times can stretch the project. A relocation needs more runway than a renewal, so start the real estate search well before Week -24.

ADAPTED FROM *Industrial Intelligence*

Renewals on 5,000 SF warehouses happen three to six months out. Renewals on 75,000 SF may happen six to twelve months out, and on 300,000 SF twelve to eighteen months out. Leases up to 1 million SF can happen twelve to twenty-four months out. Starting early is how new opportunities surface in time to evaluate them.

PART 3 · THE EXECUTION

Six gates prevent premature commitments

A calendar milestone is a target. A signed release supported by evidence is the operating decision.

G1

Site feasibility

Operations, facilities, finance and the sponsor accept use, power, floor, fire and storage fit, staffing and economics **before the lease is executed.**

G2

Scope and budget freeze

Issued scopes cover vendor interfaces and exclusions. The budget shows allowances, pending items, incentives and timing. Design changes follow written change control.

G3

Destination ready for the first wave

Affected zones have safety and authority acceptance, usable utilities, storage, systems, access and staffed capacity. One named person releases the transfer.

G4

First operating release

Equipment, process, transactions and product quality pass their defined tests. Later waves repeat the checks; they do not inherit permission from the first.

G5

Stable performance

The agreed peak case runs for the agreed duration with acceptable service, inventory accuracy, yield and staffing.

G6

Origin surrender

The old facility meets the written restoration conditions. Inspection, keys, meters, condition evidence and landlord acceptance are documented before the deadline.

Record five things for every gate

Owner

Evidence

Acceptance

Authority

Fallback

ADAPTED FROM *Industrial Intelligence*

We spent months negotiating a 40,000 SF lease extension in Charlotte. At the last moment the landlord's attorney found our entity listed as suspended; the state had changed our status without notice. We fixed it and the lease was signed. But if we had been relocating instead of renewing, that delay could have had cascading consequences. The smallest of details can sometimes hold things up.

PART 3 · THE EXECUTION

Make every vendor boundary visible

Ask competing vendors to price the same asset inventory, quantities, drawings, wave plan, access assumptions and acceptance tests. Otherwise the low bid may simply be missing a handoff.

01 Disconnect	02 Drain or isolate	03 Dismantle	04 Rig and load	05 Transport
06 Offload and place	07 Reconnect	08 Commission	09 Qualify	10 Release

The interface matrix: for every asset, name the owner of each of these ten steps and the evidence that hands it to the next. One blank cell becomes an unplanned crew, a delay or a claim.

Attach a quote basis

Inclusions and exclusions, site access and hours, load and utility assumptions, quantities, permits, shipping, overtime, taxes, cleanup, insurance, allowances, escalation, cancellation, change-order rates and a validity date.

Name the acceptance test

Drawings and as-builts, inspection records, safe startup, performance tests, quality documents and defect closeout. Tie progress billing and retainage to clear deliverables rather than percent complete.

Ask for uncertainty in writing

A site walk by a relocation specialist can tighten the estimate considerably. Ask the estimator to state the scope, fee, basis, range, exclusions, contingency and expiration.

Manage the project as the owner

Designate a move manager and an executive escalation owner. Keep a decision log, daily wave readiness, open defects and versioned budgets.

MICHAEL SHAPIRO, RELOCATION STRATEGIES, QUOTED IN *Industrial Intelligence*

“We have encountered situations where an employee told management that a move was going to cost \$200,000, when in reality, it might have been closer to \$80,000. Usually what prevents us from getting more specific is just the scope itself.” In the book I noted that consultants who budget relocations for a living can estimate a project within about 10 percent of cost once scope is defined, and that I have seen budgets vary from eight simple categories to three hundred line items.

PART 4 • COST INVENTORY • CATEGORY 01 OF 13

01

Planning and advisers

The people who define the scope before anyone prices it.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
001	Relocation feasibility study Compare move and stay alternatives, operating needs, schedule and risk; exclude specialist work priced below.	Alternatives studied; sites visited; deliverables; exclusions		
002	Relocation project management Owner-side coordination, master schedule, change control and move supervision; avoid duplicating GC general conditions.	Project duration; phases; site coverage; authority and change-control scope		
003	Architectural design Drawings and specifications for the new facility; separate permit fees and construction.	Area and drawing packages; redesign rounds; construction administration		
004	Warehouse or production layout engineering SKU flows, adjacencies, line balancing, throughput, access and phased transition.	Peak flows; SKU mix; simulation/modeling scope; layouts compared		
005	Civil and structural engineering Design of site works, foundations, mezzanines and structural modifications.	Loads; foundations; structures; survey information		
006	Mechanical, electrical and plumbing engineering Design services for building and process systems; installation is in categories 03 and 04.	Loads and utility points; drawings; controls; commissioning responsibilities		
007	Cost estimating and site-walk budget Independent scope survey, quantities and estimate; obtain written fee, exclusions and accuracy terms.	Asset/site walk scope; estimate basis; uncertainty range; written fee		
008	Bid preparation and procurement support Comparable vendor scopes, bid leveling and purchase-order administration.	Vendor packages; bid rounds; procurement administration		
009	Lease, contract and transaction counsel Lease negotiation, work letters, surrender obligations and relocation/vendor contracts.	Lease/work-letter scope; exit review; contract review; fee basis		
010	Specialist risk and insurance advice Coverage assessment for transit, installation and interruption; actual premiums belong in item 80.	Coverage gaps; policy coordination; advice scope		

PART 4 • COST INVENTORY • CATEGORY 02 OF 13

02

Due diligence and approvals

What has to be true about the building before you sign.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
011	Measured survey and verified as-builts Confirm dimensions, columns, elevations, utilities and existing services before final design.	Survey area; scanning; ceiling/column/utility verification		
012	Zoning and permitted-use approvals Applications and review fees for actual use, operating hours and site constraints.	Actual use; operating hours; application and hearing scope		
013	Building permits and plan review Authority fees and required inspections for construction; exclude design and contractor work.	Permit valuation; review rounds; authority fees and inspections		
014	Fire and commodity-storage review Fire-protection engineer and authority review of commodities, storage height and suppression compatibility.	Commodity/packaging mix; height; rack arrangement; water supply; insurer review		
015	Rack and seismic engineering approvals Rack calculations, anchorage design and rack permit fees; exclude rack procurement and installation.	Rack layout; loading; seismic location; anchorage; permit fee		
016	Utility capacity and connection studies Utility applications and feasibility studies; capacity charges and physical upgrades belong in item 31.	Required capacity; service voltage; utility study fee; response timeline		
017	Phase I environmental assessment Initial site/environmental due diligence when appropriate; separate investigation and remediation.	Assessment scope; site history; exclusions		
018	Phase II testing or targeted sampling Additional investigation only where conditions warrant it; exclude remediation.	Sampling locations; analytes; lab turnaround; investigation scope		
019	Slab, floor-load and geotechnical testing Verify floor flatness, slab capacity, soil and foundation suitability for planned loads.	Point loads; flatness tolerance; slab testing; equipment/foundation loads		
020	Process-specific operating permits Applicable air, wastewater, hazardous-material, pressure-system or occupancy approvals; verify local applicability.	Process emissions; waste streams; chemical quantities; applicable authority fees		

PART 4 • COST INVENTORY • CATEGORY 03 OF 13

03

Building and site fit-out

Turning a shell into your facility.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
021	Office and employee-area construction Offices, meeting rooms, lockers and break rooms, including finishes and furniture only if scoped.	Area; finishes; furniture scope; accessibility; employee count		
022	Restrooms and accessibility alterations Required restrooms, accessible routes and related building alterations.	Fixture count; accessible routes; existing conditions		
023	Production partitions and controlled rooms Process separation and room enclosure; specialized sanitary finishes are in item 51.	Area; partition construction; separations; fire rating; process needs		
024	Slab repair and structural reinforcement Repair, flattening, reinforcement or replacement needed for racks, equipment or traffic.	Area; load/flatness criteria; slab condition; repair method		
025	Equipment foundations, pits and trenches Machine pads, vibration isolation bases and process pits; separate machine rigging.	Machine loads; vibration tolerances; dimensions; excavation		
026	Mezzanines, stairs and guards New or relocated mezzanine structure and access systems; avoid overlap with rack-supported platforms.	Live load; structure; access; guards; fire/permit conditions		
027	Dock doors, levelers and seals Dock equipment, doors, bumpers, shelters and installation.	Door count; trailer mix; dock heights; equipment ratings		
028	Yard, paving, fencing and gates Exterior modifications for trailers, loading, storage, security and traffic flow.	Yard geometry; trailer positions; pavement loading; scope of fencing		
029	Sprinkler and fire-alarm construction Physical fire-protection upgrades; design/review is in item 14 and ongoing service in item 118.	Approved storage/process design; water supply; sprinkler/alarm scope		
030	General contractor mobilization and overhead Site supervision, temporary facilities, safety and general conditions; do not add a second markup to all-in bids.	Duration; phasing; site supervision; temporary works; included markup		

PART 4 • COST INVENTORY • CATEGORY 04 OF 13

04

Power and process infrastructure

Service, distribution and process utilities, delivered where the equipment needs them.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
031	Utility service upgrades and capacity charges Transformer/service work and utility charges needed to deliver required capacity; studies are in item 16.	Written utility scope; delivered capacity; energization date; charges		
032	Electrical distribution and machine circuits Switchgear, panels, busway and new branch circuits to connection points; final hookup is in item 78.	Demand/load schedule; voltage; panel/circuit counts; connection boundaries		
033	Lighting and controls Warehouse, production, office and exterior lighting, including task lighting and controls.	Illuminance needs; fixtures; zones; controls; installation		
034	General HVAC and ventilation Comfort cooling, heating, ventilation and balancing; special process air is in item 52.	Heat load; ventilation; outdoor conditions; operating hours; balancing		
035	Compressed-air system Compressors, dryers, receivers and distribution; exclude moving existing compressors priced in category 08.	Delivered flow/pressure; air quality; redundancy; distribution length		
036	Process gases, steam and fuel systems Gas systems, boilers, steam lines and associated safety equipment, where applicable.	Gas/steam demand; pressure; purity; boiler/process requirements		
037	Process water and treatment Water distribution, filtration, purification or softening required by the process.	Flow; pressure; required quality; treatment and distribution		
038	Drains, sewer and wastewater pretreatment Process drainage, waste lines and pretreatment systems; permit fees are in item 20.	Flow/composition; discharge conditions; pretreatment; trench length		
039	Dust collection, exhaust and emissions controls Source extraction, filtration and air-pollution control equipment, including combustible-dust design if relevant.	Capture volume; material/dust properties; filter/control design		
040	Backup power and continuity systems Generator, UPS, transfer switch and associated installation, fuel storage and testing.	Critical loads; runtime; transfer behavior; testing; fuel arrangement		

PART 4 • COST INVENTORY • CATEGORY 05 OF 13

05

Storage and material handling

Rack, conveyors, automation and the equipment that moves product.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
041	New pallet rack and shelving purchase New storage equipment; reused rack dismantling/transport/reassembly belong in item 72.	Actual pallet/load sizes; positions; rack type; storage restrictions		
042	New rack installation and anchorage Labor, anchors, protection and inspection for newly purchased rack; separate engineering/permits.	Approved rack plan; bays; anchor quantities; install access		
043	Pick modules and work platforms Order-picking structures and stations; exclude mezzanine structure already in item 26.	Pick-face count; replenishment method; platform/load scope		
044	Conveyor and sortation systems New or upgraded conveyor/sorter hardware and installation; moving existing equipment belongs in category 08.	Throughput; product dimensions; controls; install and acceptance scope		
045	Automation, robotics and controls AS/RS, mobile robots, PLCs and automation integration; separate enterprise software in item 63.	Actual product/order profile; exceptions; integration; support		
046	Forklifts and other mobile equipment New equipment or replacement purchases/leases required by the destination; moving existing units belongs in item 75.	Load weight; lift height; aisle geometry; duty cycle; lease terms		
047	Battery charging and fueling stations Charging infrastructure, battery rooms, ventilation and fueling equipment.	Battery chemistry; duty cycle; charger load; ventilation; fueling needs		
048	Packaging and fulfillment workstations Pack benches, scales, pallet wrappers and shipping stations; production packaging lines belong in process scope.	Station counts; ergonomic setup; packaging profile; included equipment		
049	Safety barriers, floor markings and signage Guardrails, bollards, pedestrian segregation, traffic markings, labels and building signage.	Traffic plan; protection points; marking/signage quantities		
050	Inventory locations and barcode labels Bin/location creation, barcode printing and relabeling for the new layout; exclude full inventory reconciliation.	Location count; identifier scheme; label media; labor; verification		

PART 4 • COST INVENTORY • CATEGORY 06 OF 13

06

Food, supplements and quality

Sanitary construction, controlled environments and product release.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
051	Sanitary floors, walls and ceilings Cleanable finishes, coving and process-area surfaces appropriate to the product and cleaning regime.	Finish area; process exposure; cleaning chemicals; sanitary details		
052	Controlled temperature, humidity and filtration Special process HVAC, pressure relationships and filtered air where the process requires it; no universal cleanroom assumption.	Specified temperature/humidity/pressure; filtration; verification method		
053	Refrigeration and temperature-controlled rooms Cold rooms, freezers, refrigeration equipment, monitoring and commissioning.	Load; pull-down time; temperature range; monitoring; backup needs		
054	Hygienic equipment installation Sanitary mounting, piping and fittings for relocated or new production equipment; exclude general machine rigging.	Process contact points; sanitary design; materials; installation scope		
055	Sanitation and contamination-control startup Deep clean, pest-control setup, sanitation materials, hygiene stations and cleaning verification.	Cleaning method; verification; pest program; startup labor/materials		
056	Allergen, quarantine and controlled-storage segregation Physical separation and storage controls for ingredients, work in process, rejects and released finished goods.	Ingredients/allergens; status controls; segregated areas and flows		
057	Quality laboratory and sample-storage fit-out Lab benches, instruments, sample-retention storage and necessary laboratory services.	Test scope; instruments; services; sample quantities; retention storage		
058	Process qualification, calibration and validation Documented startup qualification and product/process-specific verification; generic machine commissioning is in item 79.	Qualification protocol; calibration list; acceptance and QA signoff		
059	Site registrations, certifications and customer audits Applicable site-related fees, certification transfers and customer qualification audits; confirm product and jurisdiction.	Applicable registrations/customer certifications; audit scope and fees		
060	Trial batches, laboratory tests and quality release Test materials, testing and quality release during startup; avoid duplicating trial-run materials in item 109.	Trial-batch size/count; tests; hold time; disposition; QA-release criteria		

PART 4 • COST INVENTORY • CATEGORY 07 OF 13

07 IT, systems and security

Network, systems, devices and the cutover.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
061	Network cabling and fiber installation Copper/fiber cabling, drops, racks and cabling certification; carrier service activation belongs in item 62.	Drop count; lengths; cable type; certification; patch/rack scope		
062	Internet, telecom and carrier activation Circuit turn-up, carrier installation and number/service transfer fees; ongoing subscriptions belong in item 118.	Circuit bandwidth; redundancy; activation date; installation/termination fees		
063	WMS, ERP, TMS and system configuration Location master, interfaces, license/setup changes and application implementation; annual fees belong in item 118.	Applications; location count; interfaces; licenses; implementation scope		
064	Data migration and cutover testing Data mapping, backup, reconciliation and application cutover tests; physical SKU reconciliation is in item 76.	Record volumes; reconciliations; end-to-end tests; rollback plan		
065	Servers, cloud connections and backup equipment Required hardware, edge systems and one-time cloud/network setup; recurring service costs belong in item 118.	Hardware sizing; workloads; backup scope; one-time setup		
066	Scanners, printers and operating terminals New or replacement RF devices, label printers, workstations and associated setup.	Device count; coverage/use profile; printer/label compatibility		
067	Warehouse wireless design and coverage RF survey, access points, installation and coverage testing under the actual rack layout.	Rack-loaded RF design; roaming; operating-device testing		
068	Access control, cameras and intrusion systems Security hardware, installation and commissioning; ongoing monitoring belongs in item 118.	Coverage/layout; camera retention; doors; monitoring boundaries		
069	Fire, refrigeration and process-monitoring interfaces IT integration and alert routing for building/process systems; exclude mechanical controls already in equipment scope.	Alarm points; systems/interfaces; routing; tested escalation		
070	Cybersecurity and remote-access setup Firewalls, segmentation, secure vendor access and cutover security testing.	Access roles; segmentation; vendor access; cutover test scope		

PART 4 • COST INVENTORY • CATEGORY 08 OF 13

08

Physical relocation and recommissioning

Disconnect, move, reconnect and prove it runs.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
071	Asset tagging, packing and office move Move inventory, labels, crates, furniture, records and office contents; specialist machines and inventory are separate.	Asset register; pack scope; crates; access; office quantities		
072	Existing rack dismantling, hauling and reassembly All-in reuse move package for existing racks; keep new rack purchase/installation separate.	Reuse suitability; rack bays; labor; trucking; anchors; permit exclusions		
073	Equipment shutdown and utility disconnection Safe shutdown, isolation, drain-down and disconnection of machines being moved.	Machine IDs; isolation/drain-down scope; shutdown method; trades		
074	Machine disassembly, rigging and load-out Disassembly, crating, crane/forklift work and loading; exclude highway transportation.	Machine weights/dimensions; lift plan; disassembly; crane/access requirements		
075	Freight, specialized transport and escorts Trucking, permits, escort vehicles, temperature-controlled transport and shipment of mobile equipment.	Loads; route; permits; carriers; escorts; handling/temperature needs		
076	Inventory transfer, counts and reconciliation SKU/lot counts, loading, transfer labor and stock reconciliation; freight can be here or item 75, once only.	SKU/lot quantities; count method; temporary controls; reconciliation labor		
077	Equipment offload, placement and reassembly Destination rigging, positioning, leveling and mechanical reassembly.	Machine IDs; placement drawings; access path; leveling/reassembly scope		
078	Final equipment utility reconnection Final electrical, air, water, gas and exhaust hookup from prepared connection points.	Connection point list; trades; utility readiness; OEM boundaries		
079	Machine startup, calibration and performance tests OEM/vendor technicians and functional testing; regulated/product qualification is separately scoped in item 58.	Machine-specific tests; tolerances; OEM time/travel; acceptance criteria		
080	Transit and installation insurance premiums Incremental premium/deductible budget for move coverage; do not count insured damage twice.	Declared values; coverage period; deductibles; exclusions; delay coverage		

PART 4 • COST INVENTORY • CATEGORY 09 OF 13

09

Old-facility exit and surrender

Restoration and the obligations that follow you out of the old building.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
081	Remaining lease obligation or early-exit payment Contractual exit costs net of avoided rent or verified recovery; do not also put the same months in item 101.	Lease/legal position; dates; recovery assumptions; exit consideration		
082	Holdover rent and surrender delay Incremental premium or additional rent caused by late delivery; distinguish it from ordinary overlap rent.	Required surrender date; holdover rate; probable delay; alternative plan		
083	Lease-required improvement removal Demolition/removal of improvements the lease requires removed; exclude machine disconnection in item 73.	Written surrender scope; area/quantities; demolition and disposal		
084	Rack anchors, holes and slab restoration Cut/grind anchors, patch holes and restore slab to the agreed surrender condition.	Anchor/penetration count; patch specification; landlord acceptance		
085	Walls, ceilings and finish restoration Repairs and reinstatement of building finishes required by the lease or surrender agreement.	Written condition requirements; finish quantities; repair method		
086	Abandoned utility and process-system removal Remove/cap unused wiring, pipes, ducts and process infrastructure; separate relocated machine disconnection.	Abandoned systems and lengths; isolation/capping requirements		
087	Waste, obsolete assets and hazardous disposal Disposal/recycling charges for unusable assets and waste; asset sale proceeds belong in item 129.	Asset/waste inventory; disposal method; required handling evidence		
088	Environmental investigation and remediation at exit Required exit sampling, cleanup and documented closure; avoid counting new-site assessment here.	Known condition; testing/remediation scope; clearance/closure evidence		
089	Final cleaning, yard repair and landscaping Surrender clean and exterior restoration beyond normal operations.	Surrender standard; cleaning area; exterior repair quantities		
090	Closeout inspections, meter closure and disputes Surrender inspection fees, utility termination charges, documentary closeout and specific legal resolution costs.	Inspection/termination fees; meter closure; specific dispute scope		

PART 4 • COST INVENTORY • CATEGORY 10 OF 13

10

People and organization

Retention, hiring, training and the time your own team spends on the move.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
091	Employee retention and transition bonuses Incremental incentives to retain key people through the move.	Eligible roles; payment triggers; number retained; retention period		
092	Employee relocation and commuting assistance Authorized relocation packages, temporary commuting assistance or transportation support.	Eligible employees; package caps; move distance; duration		
093	Severance and separation costs Costs of positions or people not transferring, based on actual arrangements and applicable requirements.	Affected roles; actual agreements; timing; applicable requirements		
094	Recruiting and onboarding replacements Agency fees, hiring, screening and onboarding due to relocation-related attrition.	Vacancies caused by move; fee basis; onboarding scope		
095	Training and cross-training Training on the new layout, equipment, safety, quality systems and revised procedures.	Roles; training hours; new procedures/equipment; verification		
096	Move overtime, premiums and temporary staff Incremental wages and agency staff for packing, transfer and startup; remove labor already inside vendor bids.	Extra paid hours; premium rate; agency hours; overlap with bids		
097	Travel, lodging and relocation per diem Staff and technician travel/temporary lodging; exclude OEM travel already in item 79.	Travelers; days; locations; per diem; vendor-included travel		
098	Employee communication and HR administration Additional relocation communications, staffing coordination and change administration.	Affected groups; communication needs; extra admin labor		
099	Management and internal team time BUSINESS LOSS Incremental backfill/payroll, or separately valued diverted time; choose one valuation basis and explain it.	Incremental backfill or diverted hours; stated valuation basis		
100	Ramp-up productivity loss BUSINESS LOSS Extra paid hours per unit during learning; exclude lost contribution margin already in item 107.	Baseline vs startup paid hours per unit; duration; exclude lost output		

PART 4 • COST INVENTORY • CATEGORY 11 OF 13

11

Business continuity and startup

Overlap, temporary capacity and the real cost of the ramp.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
101	Overlapping rent and occupancy costs Extra concurrent-site costs during fit-out and cutover, beyond the common comparison baseline; exclude item 81 months.	Site occupancy dates; common baseline; lease charges; avoid exit overlap		
102	Temporary warehouse, swing space or overflow 3PL Temporary facility/service expense required to keep operations running; exclude permanent new-site rent.	Area/pallet positions; duration; service scope; handling and freight		
103	Temporary equipment and utility rentals Rental forklifts, generators, cooling, compressed air or other bridge equipment.	Equipment type; duration; utilization; delivery; fuel and maintenance		
104	Inventory-buffer carrying and storage expense Incremental interest, storage, insurance or handling of extra buffer stock; the inventory principal is item 124.	Additional stock value; holding days; financing/storage/insurance rates		
105	Expedited freight and emergency replenishment Incremental freight premiums due to cutover or ramp-up; normal ongoing transport delta is item 112.	Incremental expedites; premium vs normal rates; cutover period		
106	Customer penalties, service credits and claims Documented contractual penalties or concessions for disruption; avoid duplication with lost margin.	Customer contracts; affected service events; negotiated recovery		
107	Lost contribution margin from missed production or orders BUSINESS LOSS Unrecoverable revenue less avoidable variable costs, after backlog recovery; not gross revenue or ordinary fixed payroll.	Unrecoverable units/orders; unit contribution margin; backlog recovery		
108	Damage, spoilage, scrap and rework Incremental uninsured loss or deductible, disposal and rework; net recoveries separately and avoid duplicate trial scrap.	Quantity; replacement/rework cost; recoveries; deductible; disposition		
109	Startup consumables, trial runs and changeover materials Non-quality startup materials and supplies; item 60 owns qualification batches and associated testing.	Runs; materials; quantities; consumables; distinction from QA trials		
110	Defect correction and temporary operating workarounds Unreimbursed punch-list fixes and bridge measures during startup; exclude work covered by contractor warranty.	Issue register; warranty responsibility; bridge duration; actual scope		

PART 4 • COST INVENTORY • CATEGORY 12 OF 13

12

Annual operating-cost differences

What changes every year after the move, for better or worse.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
111	Rent, escalations, operating expenses and property charges ANNUAL COST Compare all-in annual occupancy cost for move versus stay; use a year-by-year model if escalations differ.	Same horizon; all-in rent; escalations; operating charges; incentives		
112	Transportation, drayage and delivery cost ANNUAL COST Annual network delta from mileage, mode, carrier rates and customer/supplier geography.	Actual lanes; volume; rate/mileage; mode; service constraints		
113	Labor rate, staffing and turnover ANNUAL COST Annual net staffing/pay delta including shifts, benefits, training and persistent turnover.	Staffing by shift; wage/benefit rates; turnover; expected productivity		
114	Electricity, gas, water and sewer ANNUAL COST Annual usage and tariff/demand-charge delta at planned throughput.	Measured/process demand; tariffs; demand charges; hours; weather		
115	Equipment and building maintenance ANNUAL COST Annual preventive service, repairs and upkeep delta; separate one-time startup repairs.	Equipment/asset list; service frequency; contract scope; expected repair		
116	Recurring insurance premiums ANNUAL COST Annual property, liability, equipment and other relevant insurance delta; exclude one-time transit premium.	Equivalent coverage/limits; site risk; deductibles; annual quotes		
117	Outsourced storage and recurring handling ANNUAL COST Annual difference in permanent outside storage, overflow handling or 3PL support.	Structural overflow quantities; storage/handling rates; term		
118	IT, security, monitoring and service contracts ANNUAL COST Annual software, circuits, alarm monitoring, fire service and other ongoing service subscriptions.	Actual subscriptions/circuits/monitoring scope; renewals; per-device fees		
119	Recurring quality, sanitation and compliance ANNUAL COST Annual testing, certifications, pest control, sanitation and applicable compliance costs.	Applicable tests/audits; frequency; sanitation/pest service scope		
120	Recurring inventory carrying and working-capital finance ANNUAL COST Annual cost of structural inventory changes, including finance/carrying cost; item 124 owns extra principal.	Structural stock delta; cash cycle; financing and other carrying rates		

PART 4 • COST INVENTORY • CATEGORY 13 OF 13

13

Funding, offsets and reserve

Cash tied up, money coming back, and the reserve for what you do not know yet.

One-time project cost unless tagged. Enter move and stay amounts; blank means unknown, not zero.

#	ITEM AND SCOPE	QUOTE BASIS	MOVE	STAY
121	Lease security deposit or cash collateral CASH TIED UP Refundable cash posted for the lease; expense only an identified forfeiture or nonrefundable fee.	Deposit terms; refund date; collateral requirements; bank fees elsewhere		
122	Prepaid rent and occupancy payments CASH TIED UP Cash paid before use; avoid counting again as an economic cost when recognized in rent.	Advance amounts; dates; credit application; avoid expense duplication		
123	Utility and vendor deposits or progress advances CASH TIED UP Recoverable deposits and advance payment timing; underlying purchase/install cost is already in the relevant line.	Payment schedule; recovery/credit terms; underlying cost line		
124	Extra inventory and working-capital principal CASH TIED UP Peak cash tied up in buffer stock, receivables or startup cash cycle; carrying expense is in items 104 and 120.	Buffer units/value; receivable/payable cycle; recovery timing		
125	Financing fees and incremental interest Loan arrangement fees and transition interest only; loan principal is funding, not an expense; avoid duplicated carrying interest.	Borrowed amount over time; rate; fees; avoid interest counted elsewhere		
126	Landlord tenant-improvement contribution OFFSET Collectible contribution applied to eligible work; input positive amounts and the formula treats them as an offset.	Signed work letter; eligible invoices; cap; reimbursement date		
127	Landlord moving allowance or lease buyout support OFFSET Documented reimbursement for relocation/exit costs; do not also net it from the vendor cost line.	Written allowance; eligibility; cap; payment timing; assignment		
128	Committed incentives and credits OFFSET Only verified, eligible incentive amounts and incremental free-rent value not already netted into rent; model timing and conditions.	Award/lease evidence; eligibility; timing; performance conditions		
129	Asset sale proceeds and insurance recoveries OFFSET Realizable net proceeds or committed recoveries; do not net them twice against costs.	Net sale/claim value; costs; collectible amount; timing		
130	Contingency reserve for defined uncertainty RESERVE A separately stated estimate reserve, not an already incurred expense. Do not duplicate risk allowances embedded in vendor quotes.	Risk register; scoped unknowns; basis; embedded quote allowances		

PART 5 • READINESS CHECKS • AREA 01 OF 10

01

Operating requirements

Define the operation the building has to support.

☐ **R01 What must this building handle on the busiest shift?**

WHY IT MATTERS An average-day fit can fail at peak.

EVIDENCE

Actual peak receipts, orders/lines, production units, staffing and operating hours; customer commitments.

ACCEPT WHEN

GM approves a defined peak design case and demand/growth scenarios; capacity review uses that case.

GM + operations • Before site commitment • Cost items 4,24,27,41-49,111-120

☐ **R02 Which inventory actually needs a storage position?**

WHY IT MATTERS Nominal positions can omit quarantine, returns, staging and slow movers.

EVIDENCE

SKU/lot profile; dimensions/weights; on-hand by status; seasonal peaks; special storage.

ACCEPT WHEN

Layout accounts for usable reserve/pick/staging/status positions and operating access; assumptions are recorded.

Inventory + warehouse manager • Before layout approval • Cost items 4,14,41-50,56

☐ **R03 Which service promises and customer rules must survive the move?**

WHY IT MATTERS A functional building may still miss cutoffs, contract duties or customer approvals.

EVIDENCE

Order cutoffs; SLAs; 3PL customer terms; label/EDI requirements; visit/audit obligations.

ACCEPT WHEN

Move and startup plan supports agreed promises, or written exceptions are secured.

Commercial + operations • Before site commitment • Cost items 59,63-64,106-107

☐ **R04 What stays, moves, gets replaced or gets retired?**

WHY IT MATTERS Ambiguous asset scope creates omissions and duplicate invoices.

EVIDENCE

Asset register with IDs, ownership/lease terms, condition, OEM needs and disposition.

ACCEPT WHEN

Each asset has one disposition, responsible vendor and priced boundary.

Engineering + finance • Before vendor bids • Cost items 41-49,71-79,87,129

☐ **R05 Are the move and stay alternatives genuinely comparable?**

WHY IT MATTERS A move can be blamed for upgrades the business needs either way.

EVIDENCE

Common horizon; realistic stay renovation; growth and service assumptions; landlord obligations.

ACCEPT WHEN

Both alternatives support the same defined operation; different capability and residual-value effects are explained.

Finance + GM • Before approval • Cost items 1,7,111-130

PART 5 • READINESS CHECKS • AREA 02 OF 10

02

Storage, fire and floor

Prove the storage design before the rack order.

☐ **R06 Can the proposed fire protection support our actual goods and arrangement?****WHY IT MATTERS** Clear height alone does not establish permissible storage.**EVIDENCE**Commodity and packaging profile;
plastics/flammables/aerosols/batteries where present;
storage height/layout; water-supply data.**ACCEPT WHEN**Qualified fire-protection review, applicable authority
approval and insurer requirements are resolved for the
actual design.

Fire engineer + EHS • Before site commitment • Cost items 14,29,41-45

☐ **R07 How many positions remain after all operating constraints?****WHY IT MATTERS** Brochure area and theoretical positions can overstate working capacity.**EVIDENCE**Dimensioned layout; columns; sprinkler clearances; egress;
staging; returns/quarantine; aisle geometry.**ACCEPT WHEN**Usable capacity is calculated from the approved layout;
seasonal peak fits at the team's justified operating limit.

Warehouse manager + rack designer • Before layout approval • Cost items 4,11,41-50,56

☐ **R08 Will reused rack be suitable, documented and approved?****WHY IT MATTERS** Reuse can require redesign, replacements and fresh anchorage/engineering.**EVIDENCE**Rack manufacturer/configuration; component condition;
load plaques/design; new slab and seismic inputs.**ACCEPT WHEN**Rack designer/engineer approves exact reused
configuration, repairs and anchorage; required
permit/inspection completed.

Rack engineer + operations • Before reuse commitment • Cost items 15,19,41-42,72

☐ **R09 Does the slab suit the actual loads and handling equipment?****WHY IT MATTERS** The problem may be point load, flatness or vibration, rather than overall area.**EVIDENCE**Rack/equipment loads; machine vibration tolerance; slab
records and testing; truck/forklift requirements.**ACCEPT WHEN**Qualified design review confirms acceptable capacity and
geometry, or scoped corrective work is budgeted.

Structural engineer + equipment supplier • Before site commitment • Cost items 5,19,24-25

☐ **R10 Do trucks, loads and people fit the aisles and lift heights safely?****WHY IT MATTERS** Rack geometry must match the equipment and operating method.**EVIDENCE**Actual load dimensions; equipment turning/lift envelope;
protection; pedestrian/egress plan.**ACCEPT WHEN**Equipment supplier and operations validate the intended
routes/lifts; required safety review and training are
complete.

Operations + EHS • Before layout approval • Cost items 41-49,95,100

PART 5 • READINESS CHECKS • AREA 03 OF 10

03

Docks, yard and network

Docks, trucks and the network around the building.

☐ R11 Can the dock plan handle the peak inbound/outbound schedule?

WHY IT MATTERS Door count can hide bottlenecks in time, staging and labor.

EVIDENCE

Arrivals by hour; unload/load dwell; doors allocated by flow; staging; appointment rules.

ACCEPT WHEN

Peak dock workload, yard and staffing are tested together using observed cycle times.

Transport + warehouse manager • Before site commitment • Cost items 4,27-28,101-103

☐ R12 Are docks compatible with the actual trailer and vehicle mix?

WHY IT MATTERS Height, leveler rating and restraint compatibility affect safe usable doors.

EVIDENCE

Vehicle dimensions; trailer types; dock equipment ratings; restraint/chock plan; observed delivery mix.

ACCEPT WHEN

Representative vehicles and handling loads are reviewed; equipment and operating procedures are suitable.

Facilities + transport + EHS • Before fit-out approval • Cost items 27,49

☐ R13 Where do waiting, dropped and empty trailers go at peak?

WHY IT MATTERS Trailer storage can be lost to parking, circulation or local restrictions.

EVIDENCE

Peak trailer count; dwell; drop policies; parking; fire access; shared-site rights.

ACCEPT WHEN

Dimensioned, permitted yard plan accommodates the actual trailer/vehicle pattern.

Transport + facilities • Before site commitment • Cost items 12,28,102,112

☐ R14 Can trucks actually enter, turn and reach every needed door?

WHY IT MATTERS A turning diagram must match vehicle size and daily access conditions.

EVIDENCE

Swept-path review; gates; slopes; street approach; delivery restrictions; conflicts with other users.

ACCEPT WHEN

Actual operating vehicle envelope is reviewed and trialed where feasible; access rights and restrictions are documented.

Civil engineer + carriers • Before site commitment • Cost items 11-12,28,75,112

☐ R15 What changes in the transportation network and delivery cutoffs?

WHY IT MATTERS A rent saving may shift costs into drayage, mileage or missed delivery windows.

EVIDENCE

Actual origins/destinations; lanes; carrier rates; driver time; port/rail proximity; customer cutoffs.

ACCEPT WHEN

Move-versus-stay transportation estimate uses the expected volume/mode and service requirements.

Transport + finance • Before business-case approval • Cost items 105,112

PART 5 • READINESS CHECKS • AREA 04 OF 10

04

Utilities and building systems

Power, process utilities and the date normal operation can begin.

☐ **R16 Is required power deliverable by the startup date?**

WHY IT MATTERS Service size on a listing does not prove capacity, equipment availability or energization.

EVIDENCE

Load schedule; voltage/phase; demand and startup peaks; utility written scope/date; switchgear/transformer lead times.

ACCEPT WHEN

Electrical engineer and utility confirm deliverable service; dependency schedule includes energization and testing.

Electrical engineer + utility • Before site commitment • Cost items 6,16,31-32,40,114

☐ **R17 Do process utilities meet equipment requirements at the point of use?**

WHY IT MATTERS A system can exist yet deliver insufficient flow, pressure or quality.

EVIDENCE

OEM point-of-use specifications for air, water, gas, steam, exhaust and drainage; simultaneous demand.

ACCEPT WHEN

Delivered conditions are designed and tested against the actual process specifications.

Process engineer + OEM • Before equipment startup • Cost items 35-39,73,78-79

☐ **R18 Can the facility hold required conditions under real load?**

WHY IT MATTERS An empty-room temperature test can miss people, machinery or refrigeration loads.

EVIDENCE

Heat/moisture load; temperature/humidity needs; ambient design conditions; refrigeration duty; monitoring/alarm plan.

ACCEPT WHEN

Specified conditions and alarm response are tested under a representative load and defined duration.

Facilities + quality • Before restart • Cost items 34,52-53,69,114

☐ **R19 Are charging, fueling and critical backup systems ready?**

WHY IT MATTERS Equipment availability depends on charging capacity, safe setup and continuity design.

EVIDENCE

Equipment/battery chemistry; charging pattern; loads; fuel arrangement; critical-load list; backup duration.

ACCEPT WHEN

Supplier/EHS requirements and applicable approvals resolved; charging and transfer behavior tested.

Facilities + EHS • Before occupancy • Cost items 20,40,47

☐ **R20 Can normal operation legally and safely begin when planned?**

WHY IT MATTERS Construction completion, occupancy permission and operating readiness can fall on different dates.

EVIDENCE

Use/occupancy approvals; building/fire inspections; applicable process permits; required closeout documents.

ACCEPT WHEN

Relevant authority conditions and safety-critical inspections are satisfied before the affected activity begins.

Facilities + EHS + advisers • Before occupancy • Cost items 12-15,20,29,59

PART 5 • READINESS CHECKS • AREA 05 OF 10

05

Systems and inventory control

Wireless, systems and inventory truth.

☐ **R21 Does wireless coverage work with the racks and inventory in place?****WHY IT MATTERS** An empty-building survey may miss shielding, roaming and device behavior.**EVIDENCE**

RF design; loaded-layout survey; actual scanners; roaming paths; exception zones.

ACCEPT WHEN

Representative pick/putaway tasks run without unacceptable dropouts; weak zones have a tested remedy.

IT + warehouse manager • Before cutover • Cost items 61,66-67

☐ **R22 Can an order complete the full receive-to-ship process in the new systems?****WHY IT MATTERS** Individual screen tests do not establish end-to-end operation.**EVIDENCE**

Receiving, putaway, replenishment, pick, pack, ship, returns, labels, billing and exception scenarios.

ACCEPT WHEN

Operations witnesses successful complete flows and reconciles system/physical outcomes.

IT + operations • Before cutover • Cost items 50,63-66

☐ **R23 Can every moved SKU, lot and status be located and reconciled?****WHY IT MATTERS** Stock can be physically present but unavailable or misclassified.**EVIDENCE**

Transfer IDs; source/destination locations; counts; lot/serial/expiry/status rules; discrepancy ownership.

ACCEPT WHEN

Transfers reconcile to agreed controls; discrepancies and holds are resolved before affected stock is released.

Inventory control + quality • Each transfer phase • Cost items 50,56,64,76

☐ **R24 Do customer, carrier and billing interfaces still work?****WHY IT MATTERS** A 3PL can ship successfully yet fail customer messages or billing.**EVIDENCE**

EDI/API tests; shipping accounts; routing guides; address/site codes; customer notices; billing/event tests.

ACCEPT WHEN

Relevant customers/carriers approve required changes; messages, labels and billing reconcile in a test.

IT + account managers • Before cutover • Cost items 59,62-64,106

☐ **R25 What happens if the system cutover fails?****WHY IT MATTERS** Recovery needs a tested procedure and defined inventory truth.**EVIDENCE**

Backups; rollback conditions; permissible manual process; restore steps; responsible team; reconciliation rules.

ACCEPT WHEN

A rehearsal demonstrates recovery; the decision owner and cutover/rollback deadlines are explicit.

IT + GM • Before cutover • Cost items 64-65,70,102,107

PART 5 • READINESS CHECKS • AREA 06 OF 10

06

People and daily operation

The people who make the new building run.

☐ **R26 Which key skills are at risk because the commute or job changes?**

WHY IT MATTERS Headcount can transfer while vital skills do not.

EVIDENCE

Shift/skill roster; commute impact; employee discussions; turnover risks; retention alternatives.

ACCEPT WHEN

Named coverage for critical roles and an executable staffing/retention plan exist.

HR + operations • Before site commitment • Cost items 91-94,113

☐ **R27 Can we staff every operating shift at the new location?**

WHY IT MATTERS A wage assumption needs a hiring and transport reality check.

EVIDENCE

Local recruiting evidence; pay/benefits; shift patterns; transport options; time to proficiency.

ACCEPT WHEN

Staffing plan covers the approved peak case and startup overlap with documented recruiting assumptions.

HR + GM • Before approval • Cost items 94,96,113

☐ **R28 Are people trained for this equipment and this workplace?**

WHY IT MATTERS Prior experience may not cover new traffic, hazards, systems or procedures.

EVIDENCE

Role-based training plan; workplace/equipment changes; safety/quality procedures; completion records.

ACCEPT WHEN

Required training is completed and practical task competence verified before independent work.

Supervisors + EHS + quality • Before occupancy • Cost items 49,95-96

☐ **R29 Are workstations and movement paths usable during an actual shift?**

WHY IT MATTERS Small ergonomic and replenishment problems can persist as labor cost.

EVIDENCE

Representative tasks; reaches/lifts; travel distances; replenish routes; pedestrian conflicts.

ACCEPT WHEN

Operations and EHS review actual tasks; corrective actions are addressed or owned before restart.

Operations + EHS • Before layout approval • Cost items 4,21,43,48-49,100,113

☐ **R30 Who owns first-shift problems and customer communication?**

WHY IT MATTERS Unclear authority can extend a small issue into service failure.

EVIDENCE

Named command team; escalation thresholds; shift coverage; issue log; customer update responsibilities.

ACCEPT WHEN

Each critical issue has an owner, escalation path and operating decision authority.

GM + supervisors • Before cutover • Cost items 2,98,106,110

PART 5 • READINESS CHECKS • AREA 07 OF 10

07

Scope, contracts and sequence

Bids, contracts and the order of operations.

☐ **R31 Does every vendor bid cover the same physical boundary?****WHY IT MATTERS** The cheapest proposal may omit essential work.**EVIDENCE**

Scope matrix by asset/system: isolate, remove, transport, reinstall, connect, test, restore; exclusions and taxes.

ACCEPT WHEN

Every handoff has one owner; inclusions/exclusions are priced once, including travel and premium hours.

Project manager + procurement • Before contract award • Cost items 7-10,30,71-80

☐ **R32 Can leased or financed equipment be moved on these terms?****WHY IT MATTERS** Ownership and warranties can restrict relocation or dictate technicians.**EVIDENCE**

Equipment leases/liens; lessor approvals; OEM/warranty terms; move insurance requirements.

ACCEPT WHEN

Required consents and approved methods/vendors are secured before disconnection.

Finance + counsel + OEM • Before shutdown • Cost items 9,71-80,125

☐ **R33 Which long-lead items control the startup date?****WHY IT MATTERS** Calendar estimates fail when rack, switchgear, permits or circuits arrive late.**EVIDENCE**

Confirmed lead times; design approvals; orders; permits; utility/carrier dates; delivery dependencies.

ACCEPT WHEN

The master schedule uses current supplier/authority commitments and assigns contingency actions.

Project manager + vendors • Before commitment • Cost items 2,13-16,29,31-32,41-45,62

☐ **R34 Are construction and move access compatible with operations?****WHY IT MATTERS** Work that is easy in an empty facility may be slow or unsafe during live operation.**EVIDENCE**

Phasing plan; access routes; work hours; isolation zones; contractor rules; live-site restrictions.

ACCEPT WHEN

Construction/move sequence preserves approved operating and safety conditions; premium costs are scoped.

Project manager + EHS • Before execution • Cost items 2,30,72-79,96,101-103

☐ **R35 Are landlord responsibilities and reimbursement terms explicit?****WHY IT MATTERS** A promised contribution is different from cash available before work.**EVIDENCE**

Work letter; delivery conditions; eligible work; invoice rules; caps; payment dates; surrender obligations.

ACCEPT WHEN

Responsibilities are documented; finance budgets timing and disputed/excluded items.

Broker + counsel + finance • Before lease execution • Cost items 9,21-40,81-90,121-128

PART 5 • READINESS CHECKS • AREA 08 OF 10

08

Move and cutover execution

Interruption limits, buffers, waves and fallbacks.

☐ **R36 What is the maximum tolerable interruption for each flow?****WHY IT MATTERS** A single company-wide downtime number conceals different customer/process limits.**EVIDENCE**

Flow-specific tolerance; critical customers/lines; recovery capacity; move-wave plan.

ACCEPT WHEN

Each critical flow has a planned outage, allowable limit, restart test and escalation decision.

Operations + commercial • Before move approval • Cost items 2,76,79,101-110

☐ **R37 How much buffer is useful, where does it fit, and can it still ship?****WHY IT MATTERS** Extra stock consumes cash and space and may not protect the right orders.**EVIDENCE**

Demand by product/customer; shelf life; build capacity; storage/ship access; financing and expiry risk.

ACCEPT WHEN

Buffer targets match disruption risk and actual recoverability; principal and carrying costs are separated.

Planning + inventory + finance • Before buffer build • Cost items 56,101-105,108,124

☐ **R38 Is the destination ready before the next machine or inventory wave leaves?****WHY IT MATTERS** Moving assets before services are ready can lengthen the outage.**EVIDENCE**

Wave prerequisites: room/rack readiness; utility tests; labels/system setup; access; staffing.

ACCEPT WHEN

Wave owner signs a defined destination-readiness checklist before release from the origin.

Project manager + operations • Each transfer phase • Cost items 31-40,50,61-79,101-110

☐ **R39 How will shipments and assets be protected and traced in transit?****WHY IT MATTERS** Damage and misrouting create startup and recovery costs.**EVIDENCE**

Lift/pack plans; asset/transfer IDs; carrier scope; condition photos; temperature/chain-of-custody needs.

ACCEPT WHEN

Vendor/operations agree documented custody, condition, exception and claim procedures.

Move lead + carriers • Before load-out • Cost items 71-80,108,129

☐ **R40 What is the fallback if a move wave or restart fails?****WHY IT MATTERS** A fallback must fit space, people, systems and contractual realities.**EVIDENCE**

Partial old-site availability; backup fulfillment; rentals; supplier/OEM support; decision triggers.

ACCEPT WHEN

Fallback capacity and terms are secured to the required extent; decision deadlines precede irreversible steps.

GM + project manager • Before shutdown • Cost items 81-82,101-107

PART 5 • READINESS CHECKS • AREA 09 OF 10

09

Manufacturing and product quality

Performance and product quality after the move.

☐ **R41 Will the moved machine meet its former performance and quality requirements?****WHY IT MATTERS** Powered on is not the same as producing acceptable output.**EVIDENCE**

Baseline cycle time; yield; dimensional/process tolerances; condition; test protocol; OEM requirements.

ACCEPT WHEN

Agreed startup/performance tests pass; deviations are resolved and authorized before production release.

Engineering + OEM + quality • Before production restart • Cost items 25,73-79,100,107-109

☐ **R42 Can the new flow prevent contamination, mix-ups and wrong-status use?****WHY IT MATTERS** An efficient layout must still protect materials and product identity.**EVIDENCE**

Product/process risk assessment; allergens; sanitation; zoning; material/personnel flows; status controls.

ACCEPT WHEN

Quality approves appropriate controls and procedures for the actual process and product.

Quality + process engineering • Before layout approval • Cost items 23,51-56,60

☐ **R43 Are quality records and control systems current for the new operation?****WHY IT MATTERS** A move changes equipment, locations and procedures that may affect the control system.**EVIDENCE**

Applicable manufacturing/quality documents; calibration; training; change approvals; batch/lot controls.

ACCEPT WHEN

Responsible quality staff approve required changes and verification before affected activities start.

Quality + operations • Before production restart • Cost items 57-60,63-64,95

☐ **R44 Can we hold product until testing and release are complete?****WHY IT MATTERS** Startup product can consume storage and cash before it is sellable.**EVIDENCE**

Trial-batch plan; required tests; lab lead time; hold space; disposition; release authority.

ACCEPT WHEN

Testing capacity, hold controls and release responsibilities are in place; working-capital timing is modeled.

Quality + planning + finance • Before trial production • Cost items 56-60,104,107-109,124

☐ **R45 Have affected customers and certification bodies accepted required changes?****WHY IT MATTERS** Technical readiness may precede authorization to supply a particular customer.**EVIDENCE**

Actual customer/quality agreements; required notices; audit/site-transfer terms; certifications/registrations.

ACCEPT WHEN

Applicable notifications, approvals and certificates are resolved or shipments remain controlled.

Quality + account managers • Before customer shipments • Cost items 20,59-60,106-107

PART 5 • READINESS CHECKS • AREA 10 OF 10

10

Restart, closeout and funding

Restart, closeout and the money at the end.

☐ **R46 Has the whole operation passed a representative stress test?**

WHY IT MATTERS Separate equipment tests do not reveal flow bottlenecks or interface failures.

EVIDENCE

Peak-case receive/produce-to-ship test; staffing; congestion; exceptions; quality and inventory reconciliation.

ACCEPT WHEN

GM approves results against predefined throughput, service, quality and safety acceptance criteria.

GM + operations + quality • Before full restart • Cost items 4,58,64,79,100,107,110

☐ **R47 What must be handed over for reliable operation after the vendors leave?**

WHY IT MATTERS Missing settings, records or support can extend defects into routine downtime.

EVIDENCE

As-builts; manuals; passwords/access control; maintenance/spares; warranties; training; emergency contacts.

ACCEPT WHEN

Named owners accept handover; unresolved defects have deadlines, warranty responsibility and interim measures.

Facilities + IT + operations • Before project closeout • Cost items 2,63-70,79,110,115,118

☐ **R48 What exactly does the old landlord require to accept surrender?**

WHY IT MATTERS Assumed broom-clean delivery may not satisfy the actual lease.

EVIDENCE

Lease/work letter; written restoration agreement; condition photos; inspection dates; key/meter transfer.

ACCEPT WHEN

Written scope is priced; inspections and acceptance evidence are arranged before lease expiry.

Facilities + counsel + broker • Before exit work • Cost items 9,81-90

☐ **R49 Is the business loss valued without counting the same event twice?**

WHY IT MATTERS Revenue, idle payroll, extra labor and lost margin may describe overlapping effects.

EVIDENCE

Unit contribution margin; recoverable backlog; avoided variable cost; incremental premiums; penalty/recovery treatment.

ACCEPT WHEN

Finance reconciles the disruption estimate to one defined economic-loss method and separate actual incremental spending.

Finance + operations • Before budget approval • Cost items 96,99-100,105-109

☐ **R50 Can we fund the timing of the move, not just the net total?**

WHY IT MATTERS Deposits and delayed reimbursements can create a funding gap despite a sound project return.

EVIDENCE

Dated vendor/lease cash schedule; invoices; deposits; inventory; loan fees; reimbursement conditions; recoveries.

ACCEPT WHEN

Finance reviews funding by date and downside timing; no refundable principal is added again as economic expense.

Finance + project manager • Before spending commitment • Cost items 80,104,121-130

APPENDIX

Southern California prices you can cite

Published authority fees with a defined scope, reviewed October 1, 2026. They price a study or approval step, not the installed operation.

REF	PUBLISHED SCOPE	JURISDICTION	PRICE
P01	Preliminary Capacity Assessment Per study	SCE service territory	\$3,000
P02	High-piled storage code/commodity compliance PR330	OCFA jurisdiction	\$1,515
P03	High-piled storage inspection only PR330i	OCFA jurisdiction	\$583
P04	Planning/development hourly rate Per hour	OCFA jurisdiction	\$254
P05	High-piled plan review, 50,000-100,000 SF Fee 56	Ontario, California	\$1,428
P06	High-piled inspection, 50,000-100,000 SF Fee 48	Ontario, California	\$761
P07	Annual high-piled permit, 50,001-100,000 SF Annual; fee 8	Ontario, California	\$396
P08	High-piled storage re-inspection Per visit; fee 51	Ontario, California	\$427
P09	Additional review after two submittals Per hour; fee 62	Ontario, California	\$291

SCE: the PCA is planning information; the quoted study duration is not an energization date. OCFA: inspection-only and full review are alternatives where applicable, not automatic additions. Ontario: storage-area tiers and separate review, inspection and annual categories require an authority fee calculation. Design, construction and other permits are additional. [7, 11, 12]

Vendor planning ranges

REF	REFERENCE SCOPE	BASIS	PUBLISHED RANGE
P10	Local move for warehouse under 20,000 SF	Project Nationwide vendor; Irvine-based firm	\$50,000-\$150,000
P11	Distribution center of 50,000-150,000 SF	Project Nationwide vendor; Irvine-based firm	\$200,000-\$600,000
P12	Large 3PL or multi-site consolidation	Project; and above Nationwide vendor; Irvine-based firm	\$1,000,000+
P13	Selective pallet rack, material only	Per pallet position General US vendor guidance	\$40-\$150
P14	Selective pallet rack, material and labor	Per pallet position General US vendor guidance	\$75-\$200

Warehouse ranges are from the 2026 warehouse relocation guide published by Relo-Strategies, an Irvine-based relocation management firm; the larger tiers do not fully itemize inclusions, so price construction, service upgrades, restoration and disruption separately. Rack ranges are general US guidance; material-only and installed are alternative bases, not two costs to add. [8c, 14]

APPENDIX

Verify the local requirement and the signed lease

Commodity storage comes before the rack order

OCFA identifies high-piled review for storage areas over 500 SF with goods higher than 12 feet, or 6 feet for high-hazard commodities. Have the authority and fire-protection designer review the actual goods, packaging, height and configuration. A generic 12-foot screen misses some operations. [11]

Surrender is a written scope

The posted 2019 draft AIR CRE single-tenant net form places ownership, removal and surrender in paragraph 7.4 and holdover in paragraph 26. That is a form example. Your executed lease, notices, approvals and amendments set the actual exit scope. [13]

Power timing needs project evidence

Confirm required load, existing service, capacity, design, equipment availability and the service plan with the serving utility. Public research does not establish a universal SCE transformer delivery time or installed cost per amp. [7]

Holdover has to use the contract's rent basis

In that form, paragraph 26 raises base rent to 150%. For an illustrative 100,000 SF at \$1.45 base plus \$0.35 NNN, that is \$217,500 of holdover base rent plus \$35,000 of expenses, or \$252,500 a month. Signed terms can differ.

Holdover is the most expensive line most budgets leave out. At the rates above, one extra month in the old building costs more than many line items in this guide combined. Put the surrender deadline on the master schedule, not just in the lease file.

Terms used in this guide

Cost above staying the net move cost minus what staying would realistically cost.

Contribution margin revenue minus the variable costs of producing it; the right measure of a lost order.

Commissioning proving installed equipment and systems work as designed.

Qualification documented proof a process consistently produces acceptable product.

Cutover the moment operations switch to the new site or system.

Wave one planned group of inventory, equipment or customers that moves together.

WMS / ERP warehouse management and enterprise resource planning systems.

OEM original equipment manufacturer.

NNN triple net: taxes, insurance and maintenance paid by the tenant.

3PL third-party logistics provider.

APPENDIX

Sources and how they were used

Public pages reviewed October 1, 2026. The checklist, schedule, formulas and dollar examples are this guide's own synthesis.

[1] Justin Smith, Industrial Intelligence manuscript April 2021 manuscript; new-site setup, physical move, old-site exit and comparison with staying. This guide expands that foundation into an operator inventory.

[2] JBA: facilities, relocation and sector project pages Public vendor descriptions informed current-state flow, future layout, asset IDs, phased migration and interfaces. Wellington Foods case is vendor-reported and undated; case results are not benchmarks.
jbateam.com/relocation-managment

[2a] JBA: facilities design and engineering Process/layout planning and design coordination.
jbateam.com/facilities-design-engineering

[2b] JBA: manufacturing and distribution Vendor-reported manufacturing, consolidation and phased automation examples.
jbateam.com/manufacturing-and-distribution

[2c] JBA: food Wellington Foods six-facility consolidation and process piping example.
jbateam.com/food

[3] NIST / MEP: PCC equipment relocation Published October 29, 2024. Digital equipment/layout planning; \$50,000 reported savings in this case.
nist.gov/mep/successstories/2024/efficient-facility-relocation-pccs-equipment-move-through

[4] FDA: food and dietary supplement CGMP overview Part 117 and Part 111 framework and applicability distinctions.
fda.gov/food/guidance-regulation-food-and-dietary-supplements/current-good-manufacturing-practice

[4a] FDA: dietary supplement CGMP small-entity guide Plant/equipment, quality, production, records and holding controls informed sector checks. Actual applicability belongs with the quality/regulatory owner.
fda.gov/regulatory-information/search-fda-guidance-documents/small-entity-compliance-guide

[5] OSHA: warehousing hazards and solutions Forklifts, docks, conveyors, ergonomics and operating hazards informed readiness questions.
osha.gov/warehousing/hazards-solutions

[6] FM: property-loss prevention data-sheet directory Directory and commodity-classification material identify insurer/engineer review topics. Full site-specific sprinkler design was not evaluated.
fm.com/Resources/fm-data-sheets

[7] Southern California Edison: power requests PCA study \$3,000 nonrefundable; typically 20-30 business days after complete documents and payment. Planning information does not reserve capacity.
sce.com/partners/consulting-services/power-requests

[8] Relo-Strategies: preparation and vendor management Public descriptions informed phased planning, estimate scope, vendor coordination and origin/destination workstreams.
relo-strategies.com/solution/preparation-for-relocation/

[8a] Relo-Strategies: vendor management Bid and handoff coordination. Public marketing claims are not project guarantees.
relo-strategies.com/solution/vendor-management/

[8b] Relo-Strategies: industrial relocation checklist Public industrial checklist and supporting sector descriptions informed review topics. The 130 items and 50 checks are an original synthesis.
relo-strategies.com/industrial-relocation-checklist/

[9] Relocation Strategies: services Public move management, furniture/equipment and vendor coordination descriptions; firm is separate from Southern California Relo-Strategies.
relocationstrategies.com/services/

[11] OCFA: plan submittal guidance and fee schedule High-piled storage review thresholds and posted PR330/PR330i fees, effective September 1, 2025.
ocfa.org/about-us/departments/community-risk-reduction/planning-development-services/

[12] City of Ontario: FY2026-27 citywide fee schedule High-piled plan review, inspection, annual permit and re-inspection fees.
content.ontarioca.gov/sites/default/files/2026-06/FY%202026-27%20Citywide%20Fee%20Schedule

[13] AIR CRE: posted 2019 draft single-tenant net lease form Surrender, restoration and holdover paragraph locations used as a form example only.
aircre.com/site/wp-content/uploads/2020/02/Commercial-Single-Tenant-Lease-Net.pdf

[8c] Relo-Strategies: warehouse relocation project management, 2026 Vendor-published warehouse move planning ranges (P10-P12); inclusions are not fully itemized for the larger tiers.
relo-strategies.com/warehouse-relocation-project-management-2026/

[14] Atlas Pallets: pallet racking cost guide General US per-position rack ranges; material-only and installed bases are alternatives.
atlaspalletsllc.com/how-much-does-pallet-racking-cost

Vendor cases carry no implied independent audit, universal result or endorsement. Utility terms and published guidance change. Specialist quotes, approvals and signed project documents establish the actual requirements.

RENEW OR RELOCATE

Bring the operating brief to the building search.

A useful comparison starts with what the operation needs to do, what the current building costs to keep, and what has to be true before a new site can run.

1. **Your square footage, market and lease timing.** Current and target.
2. **Peak operating requirements** and the constraint driving a possible move.
3. **The stay alternative**, including upgrades the building already needs.

From there we compare the real estate alternatives, price the move against staying, and bring in qualified relocation, engineering and operating specialists where they belong.

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