

5 Estoppel Certificate Red Flags Every Franchisee Must Flag

Protect Yourself Before You Sign — Avoid Lease Traps That Could Cost You Thousands

If your landlord, broker, or franchisor just sent you an estoppel certificate to sign, pause before you grab the pen. Estoppels are legally binding documents that confirm your lease terms—but hidden errors or vague language can lock you into costly obligations you never agreed to.

This quick checklist highlights the 5 biggest red flags we find when reviewing estoppel certificates for first-time franchise tenants. Spot these before signing to avoid surprise rent increases, relocation risks, and legal headaches.

1. Incorrect Lease Dates or Terms	<ul style="list-style-type: none">• Lease start or end dates don't match your signed lease• Renewal options or rent concessions are missing• Amendments or side agreements aren't listed <p>Quick Fix: Cross-check every date and clause against your original signed lease.</p>
2. Missing Rent Adjustments or CAM Details	<ul style="list-style-type: none">• Base rent amounts or escalation schedules are wrong• CAM (Common Area Maintenance) fees aren't fully disclosed• Landlord repair or maintenance obligations are omitted <p>Quick Fix: Confirm rent increases and CAM formulas match your negotiated lease terms.</p>
3. Hidden Defaults or Landlord Claims	<ul style="list-style-type: none">• The estoppel says you're in default—but you weren't notified• Landlord's obligations (e.g., HVAC, buildouts) marked "complete" even if unfinished• Statements conflict with verbal agreements <p>Quick Fix: Never agree to any language implying fault or default without clarification.</p>
4. "Silence = Consent" Clauses	<ul style="list-style-type: none">• Estoppel says failure to respond equals automatic approval• Deadlines shorter than allowed in your lease• Landlord pressures you to sign "as is" quickly <p>Quick Fix: Always acknowledge receipt immediately and request a reasonable response window.</p>
5. No Qualifying Language ("To My Knowledge")	<ul style="list-style-type: none">• Estoppel requires you to confirm facts you can't verify• Statements are written as absolute truths• Landlord refuses to allow conditional language <p>Quick Fix: Add protective phrases like "to my knowledge" to limit your liability.</p>

Don't Sign Blind – Let's Review It Together.
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