



Why the
Best
Buildings are
a Key Part of
Your
Commercial
Real Estate
Business

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Why the Best Buildings are Key Parts of Your Commercial Real Estate Business

In commercial real estate brokerage, put some focus into choosing the better buildings and owners in the location to work on and for. Selectivity in this way will help you get some traction in your real estate business. (NB – [Learn how to network and prospect in commercial real estate in our free 'Snapshot' course](#))

The agent or broker that fails to plan and take action, is generally the agent that will be [struggling with market share](#) and commissions. The only way to build your business in this 'fast and furious industry' is to get involved in a direct way. Make your commercial real estate brokerage choices when it comes to buildings and property owners.

Focus Points for Quality Buildings and Clients

Here are some ideas to help with that:

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1. **Tenant numbers and churn** – check out the buildings in your territory one by one, so you can then selectively choose the buildings to work on and particularly so those with good tenant numbers and a reasonable tenant mix. Office towers, shopping centres, and retail malls should be **focus points for that research and review**. Consider your zones and territory so you can move your prospecting model into those important buildings. How many businesses and tenants would there be in your property territory? Know the numbers and watch the change factors.
2. **Lease expiry dates** – every now and then you will come across a property tenancy schedule for a complex building. That schedule is then a great source of information and tenant contact. You should then know, just when leases are coming up for expiry. Twelve months out from a lease expiry you can make direct contact with the business owners of each business impacted by a lease expiry. Questions will help you get to the right people and the decision makers.
3. **Expansion and contraction** – some industries in your town or city will be subject to **property churn and change** when it comes to expansion and contraction. The local chambers of commerce and the internet will give you plenty of news stories to watch and track when it comes to changing businesses.
4. **Landlord changes** – some landlords have requirements to change parts of their property portfolio from time to time; off-market deals are common today as agents try to solve investment issues for the clients that they work for. You can be the source of local property information, listings, and market benchmarks. Share your market intelligence freely so you can work with those property landlords. Be there to talk to when they need help or ideas on local property matters.

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5. **Renovations and relocations** – watch for the buildings that are nearing the end of their ‘lifecycle’. The churn and change from the building can be very rewarding, especially with leasing’s, sales, relocations, and renegotiations of leases and or occupancies. The larger tenants are valuable sources of ‘**tenant advocacy work**’, so ask for that business and promote your services accordingly.
6. **Rezoning activities** – when a zoning change is eminent, some businesses will be considering a move so they can retain property flexibility in their business model. Watch for the zoning changes in the local development plan. Check out the minutes of the local planning committee monthly.
7. **Improvements in the asset** – today we find that some tenants are very selective with improvements and services for and within the properties that they occupy. Tenants are looking for buildings where energy savings are possible, staff can be safe and productive, and customers can be attracted. There are many priorities to a **building selection and occupancy**. You can also add to that focus, a requirement for cost savings and occupancy cost averages to be ‘realistic’. A viable business in lease occupancy is a business where rents and outgoings are managed and maintained.

Do you comprehensively know the ‘better buildings’ in your listing bank that you could say are good ‘value’ with rents and outgoings from a buyer or tenant perspective? Make your business choices in that way. Work your better buildings comprehensively to the market and track the current levels of enquiry.

So, there are many good things here to think about. Drill down into the buildings that you have listed now, and **understand the best buildings** from the perspective of tenants and owners. You then have some valuable listing stock to work with. It’s an important equation. All of your good quality buildings in prime locations should be exclusively listed. Get away from the ‘open listing’ problem.