



Important Facts in Office Property Sales and Leasing

How You Can Establish Important Property Requirements in Office Leasing and Sales

Commercial Real Estate Online

Some agents and brokers specialize in commercial office leasing and sales. The process works very well given that leasing opportunity can connect you with local property investors and property owners. Over time the multiple connections that you create with new people, and the existing people in your database can help you consolidate sales opportunity. The message here is that you should establish strong personal relationships with valuable clients, **tenants**, and business contacts. Those people need to remember you at the right time when property needs and challenges arise.

*Given the specialized nature of any commercial office property today, it is wise to use a **checklist approach when qualifying clients, tenants and prospects for office occupation, and property requirements or activity.***

Office Property checklist

Here are some of the bigger ideas and concepts in office sales and leasing to help you do just that:

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- 1. Property size and layout** – Every business will have unique requirements when it comes to the **configuration and size of the fit out**. A lot will depend on how the business operates, the number of staff, the complexity of business departments or divisions, and any special equipment or storage. Ask plenty of questions to find out exactly what the business requirements may be for locating a company or a business unit into a new property location.
- 2. Fit out configuration** – There are quite a few variations that apply to fit out design. Consider questions relating to the size of the premises, open plan layout, communication systems, natural light, special security, access, the number of staff, and the interaction of departments or divisions.
- 3. Location** – Many businesses today need to satisfy certain factors of location in choosing a property. Those factors will include transport, customer access, car parking, road access, end user markets, raw materials, and communications systems.
- 4. Parking requirements** – Parking can be both critical for the staff and expensive for the business. Understand the demands of car parking as it relates to your clients. Some businesses operate for extended hours and over the weekends. Car parking on site will be a very valuable commodity to merge into the leasing process. Importantly, you should charge a rental for the number of car parks taken by any tenant in occupancy.

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5. **Services and amenities** – There will always be a standard group of services and amenities required or expected in an office building. There can also be extra demands made by tenants and business occupants within those categories. **Technology today is one of those important factors of occupancy** and is likely to be high on the list of ‘must haves’ when your client or prospect is choosing a property to relocate into. Some businesses require advanced integrated communication systems provided by the building manager or owner. Those buildings with connection into those services would normally incur an extra rental.
6. **Floor plates** – The size of a floor (floor plate) in an office building will have a lot to do with the types of tenants that you can attract to any vacancy. The larger the floor plate, the larger the business that can occupy. Most businesses prefer to have all their staff on the one floor, and in close proximity to each other; that is how they can efficiently work.
7. **Electricity supply and energy efficiency** – An energy efficient building will generally attract tenants and investors. Energy efficiency only come with building design and technology. The older buildings today with little or no energy rating or efficiency will not attract high quality tenants; they will also find their buildings harder to lease. The only way to get around the problem is for the older buildings to be renovated and refurbished.
8. **Air conditioning requirements including after hours use** – Many tenants or owner occupiers will require extended hours of access and associated building operation. That then generates extra costs including outgoings and air conditioning running costs. Understand how those extra costs would impact occupancy and building ownership.

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9. **Plumbing and drainage** – Some businesses require extra amenities for staff and customers. The plumbing and drainage systems in the property will need to accommodate the modifications.
10. **Walls and floor coverings** – Certain standards will apply for companies and corporations today as they select properties for purchase or occupation. What are the commercial standards that buyers and tenants expect in your location?
11. **Timing and availability** – When will a property be available or when will a business require to move? Most business type tenants will have a very short window of time to find and suitable property and move premises.
12. **Access and internal security** – Many office properties today offer perimeter security and individual floor security. With that comes a cost to run the system. In many office buildings the security system will be important for occupants from a business and staff perspective. For a tenant to tap into the building security system there should be a cost to the service that is recovered.
13. **Lifts** – The age and efficiency of the lifts will be important to many tenants and or property owners. Old lifts send the wrong message to tenants, visitors and customers. Older lifts are also inefficient in both service and energy use.
14. **Branding** – What branding and signage can you give your building tenants as part of an occupancy package? What rent will you charge for that marketing process?
15. **Lease term or occupancy duration** – When you consider a tenant in occupancy, the **ideal lease term and the option** will be something to discuss with the landlord before you take any vacant area to the market for leasing.

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16. **Rental budget** – Most properties will have **averages that apply to rental and outgoings**. Both charges will impact occupancy costs. Understand the rent and outgoings charges for your property, and ask any interested tenants about their capability or budget in paying those charges. The answer that you get from them will impact the choice of rent (net or gross).

Perhaps you can add to this list based on your location and property type. The important issue is that you create a list of key issues that apply to office leasing and office sales. The checklist will help you with your professional services.

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