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## **Tips for landlords to keep their buildings competitive in today's economic climate**

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There are many simple ways for landlords to keep their buildings competitive in today's economic climate.

**Know the Competition** - Catalog the similar properties for rent in the local market and generate a list of their attributes including but not limited to location, size, age, condition, vacancy, and parking capabilities. Determine what the benefits and drawbacks of each property compare with the property you own and/or manage. This can be accomplished by creating a simple matrix which lists the building addresses across the columns and providing the details of each attribute in a list down the rows using a spreadsheet. One attribute or category that can be helpful for example would be overall appearance. Next you can utilize an external rating or an internal rating category for each of the comparable building. For example, overall external appearance can be rated 6 of 10. Within the external appearance sub-category could be landscaping, where the grounds were not well groomed a score 2 of 10 could be given. For another example, the size of building or space available can be rated. Maybe your property's building floor plate is larger than other marketed properties and therefore your property would provide more flexibility to a user, or the location of one building is better than another. All of factors are critical in determining how your asset sizes up against the competition.

**Tenant Relationships** - Tenants make up the most important component for financial security for the property. Landlord reputations are key in markets where tenants have choices to either build new space or continue an existing business in their current location. Tenants desire to partner themselves with a reputable landlord whom they trust so if any building problems arise, the tenant can be assured that these issues will be addressed timely and appropriately. To keep tenants satisfied, if it is financially possible, landlords should have on-site management for daily contact and maintenance of their properties. It is important to find ways to personalize relationships with your tenants. Small gestures, such as ice cream socials or quarterly newsletters can set you apart from other building owners in the marketplace. Even giving a portion of tenant income to support some type of charity organization makes the tenant feel better that they are part of a cause to help others. Wouldn't it be nice to know your landlord isn't just lining his pockets with the profits?

Many decision makers within companies talk amongst themselves about their landlords and compare notes. Having these types of relationships can make or break a decision about losing the tenant.

**Good Looks** - How does your building look compared to others in the market? Continue to set reserves aside for future enhancements and repairs. It's critical to have an "in shape" building today. The competition can make simple price adjustments to attract tenants if their property is better looking than yours. Most of the time, well maintained grounds, newly paved parking lots, and a

bright exterior shell equals a higher level of care. When a tenant is previewing buildings for lease, first impressions can mean everything. The tenants may just drive by if the property is not well maintained, even if you're offering a lower price. Smart real estate practitioners will advise their clients accordingly.

Pay the Brokers - Another major life line for landlords are the real estate experts that represent the tenants in the marketplace. Make sure you work with the real estate practitioner professionally, honoring contracts, and paying their fees timely within the agreed upon terms and market rates. The tenant is the first to listen to the advice of their brokers who are working on their behalf. A reputable Realtor can easily advise a client not to renew at your property if your reputation with them is tarnished. A tenant can view a financial battle over fees with the broker as a sign that financial discord could reoccur with the landlord in the future over tenant related financial issues. The landlords who offer to pay for brokers fees tend to attract more tenants to their properties.

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