



Question of the Month

December 28, 2007 - Long Island

Q: We're trying to sell our office building but it seems that there is a lot of available commercial real estate these days. How do we make our building stand out in a crowded field?

A: Not many owners of available commercial real estate take the time to evaluate their competition, but that is precisely the way to assemble a plan to help your property stand out in a crowded marketplace. If you have property that you want to sell or lease, and want to differentiate it from the competition, you need to ask yourself a simple question, "What alternatives are available to my prospective buyers or tenants?"

There are literally thousands of available commercial properties in Nassau and Suffolk Counties. Plain and simple, you have competition, whether you care to acknowledge it or not! How do you compare your property against its competition?

Engage a commercial real estate agent to spend a half a day with you inspecting your six strongest competitors in the marketplace. If you already have an exclusive real estate agent handling your property, he or she should be happy to help you with your education. If not, call several real estate brokers and ask for their assistance. An agent who will spend the time with you now will be an agent that probably gives you the most effort down the road. When you inspect your competition, take notes, compare amenities and pricing, and ask questions.

It is critically important that you actually inspect the properties. A paper or computer listing form simply cannot convey the subjective appeal of a property, whether positive or negative. How is the ingress and egress from the property? Is there adequate parking and is it properly lighted? Are there any nuisance businesses nearby? How far is the closest restaurant? Is the location awkward and hard to get to? Every one of these questions requires a site visit to answer.

After the tour, pretend you are leasing or buying the property. What draws you to the competition? To your own property? Draw up a list of pros and cons. With less than a day's work, you have the basis for a full-blown marketing plan. This basis is called a Unique Selling Proposition (USP).

Every property has a unique set of characteristics that will appeal to a certain set of buyers or tenants. In our office, before we prepare a marketing program for any client, we analyze and commit to writing the USP of their property. Here is our USP for an office building we are currently marketing in Nassau County:

1. Central Nassau location immediately off expressway
2. Equity participation available to tenant
3. New construction with tenant suites built to suit, up to 56,000 square feet
4. Building signage to major tenant

So do your homework and write out your USP! These positive features are what will drive your marketing program and will literally draw the most likely prospects to your door.

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