



Hunt Corp. Question & Answer: Presentation makes the difference

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Q: We will be placing our industrial building on the market shortly. What should be done to prepare the building for showing to prospective buyers?

A: “Sell the sizzle, not the steak” is an age-old axiom of marketing that can be applied to the sale or lease of commercial property. While it is true that no one is going to buy a multi-million dollar commercial property because it has a beautiful lawn, there are nevertheless important considerations in the presentation of your property. Presentation is one of the more important aspects of selling property because it creates a picture in the mind of your prospect of how you have maintained the property and how he or she will occupy it.

However, while you should take care to make sure that your property is clean and presentable, you definitely want to avoid undertaking major or costly renovations. There does seem to be a corollary to Murphy’s Law that states that tenant or buyer satisfaction with an improvement or rehabilitation will be inversely proportional to the amount of money spent by the landlord or seller. So you want to take care of any items that may indicate a lack of maintenance or will improve the appearance of the property, but avoid costly renovations such as new office space or even new carpeting.

What are reasonable expenses? Walk through the property from one end to the other. Is the landscape overgrown and littered? Are the refuse receptacles overflowing? Hire a landscaper to clean out the beds, cut the lawn and pick up the litter. Are there potholes in the driveway that need to be repaired?

You may even want to consider seal coating and re-striping the parking lot. These are all items that can give a property tremendous curb appeal and should return a multiple of their expense. Moving indoors, all mechanicals should be in good working order. Doors that drag, plumbing that doesn’t work, HVAC that makes noises or is inoperative indicate a property that has been neglected.

Replace any missing or stained ceiling tiles, clean the windows, and make sure everything works. And any roof leaks must be repaired before the first prospect ever sees your building.

As a general rule, we do not recommend repainting or re-carpeting office space. There are exceptions in truly disastrous circumstances but usually buyers and tenants have their own ideas of how the space should be decorated. They may even contemplate carpentry that would make your painting and carpeting a complete waste of money.

It is a good idea to walk through the property with an experienced real estate agent. He or she will not only be a good source of marketing ideas, but will also be an unbiased advisor and may spot areas of concern that you may miss. After the clean-up and maintenance work has been done capture your new curb appeal in the photographs and video that will be use to market the property.

So the money spent on maintenance items that will have to be done, one way or another, is a good investment, as are inexpensive ways to make your property more attractive such as cutting the lawns, weeding the garden beds and cleaning the windows. Think twice before engaging in work that a new owner or tenant may want to change. By investing the time and money to create a lasting impression in the eyes of your potential tenant or buyer, you will help ensure that your property is sold or leased quickly.

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