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Determining the Value Of Your Commercial Property

Our Opinion of Value. Its often offered by Commercial Real Estate Brokers when speaking with a potential seller. We are not appraisers nor are we compensated for our opinion. So how do we get this opinion?

With a multi-tenanted building, the driving force is the leases. Where are the rents compared to the market? However, with a single tenanted building, we can not look at rents. So we also look at what other users are paying for other similar properties.

Other factors to consider: the location of the property, the age of the building, the condition and appearance of the property and the building, available parking, and access to public transportation.

Other qualifiers regarding a property's value is if the property is located in a Redevelopment, Rehabilitation or Opportunity Zone area. In some cases, prices for these parcels of land may exceed that of the market pricing due to the value add an investor can create by obtaining the land and either renovating or demolishing and rebuilding. The best way to accurately gauge the market value of your land and improvement is to call a qualified broker, like Equity Real Estate Brokerage LLC for a thorough Opinion of Value.



THE WISE
YOUNG MAN
OR WAGE
EARNER OF
TODAY INVESTS
HIS MONEY IN
REAL ESTATE.

Rent vs Buy? What Are Your Options

**DO SOMETHING
TODAY THAT
YOUR FUTURE
SELF WILL
THANK YOU FOR.**

DREAM BIG

When entering the commercial real estate market, many questions often revolve around one answer: Do I Rent or Do I Purchase. Equity Real Estate Brokerage LLC offers a Lease vs Own Analysis to assist with just this question. Today, we will give you three simple questions to ask when seeking this answer.

- 1.) Are you an existing business or are you starting up? If you are existing, do you plan on retiring and closing or retiring and selling?
- 2.) How quickly will you grow? Will you need larger space in less than 3 years? Do you plan on taking on additional employees requiring more parking?
- 3.) Supply and Demand. Does the market have what you are looking for?

Based on your responses to these answers will give us a good idea of what direction you may consider heading. Often the answer isn't as simple as one or the other. Many times it's a multi-pronged approach to keeping the business healthy and growing while working towards the goal of a permanent home for your business. Contacting a reliable, experienced and professional Commercial Real Estate Broker can help you navigate the answers to these questions and assist you with the finding the right home for your business.

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Insight & Information for the
Commercial Real Estate Market



Achieving Long Term Tenant Retention

One of the most important factors of owning a commercial property that leases, is tenant retention. Each time a tenant moves, there are expenses such as demo and possible construction, brokerage commission fees and of course, there is no income being generated from an empty space. Tenant retention allows a Landlord to minimize the additional expenses regarding tenant turnover and invest in a tenant that has already established income for the property. Below is a short list of some points to consider when seeking long term tenant retention.

1. How are your competing buildings performing? Do these properties have any incentives or amenities that you do not? Can you incorporate any of these into your leasing program? If your competing properties offer amenities and incentives not available at your property, this may drive tenants away from your property.
2. Big Changes Are On The Way! Redevelopment plans, Rehabilitation areas, Opportunity Zones....these are all programs designed to generate new business in the area. These new properties will generally offer large incentives to new business to fill vacancies and this can have an adverse affect on your property. Understand what incentives are being offered to qualifying tenants and look to implement a similar program.
3. To stay or to leave. Analyze your property by splitting tenants into those you would like to keep and those you would like to have move along. Create a standard set of rentals and lease conditions to apply as part of negotiating with existing tenants. And keep in mind that existing tenants will also be aware of current market rental rates....if you are above market, or very close, it may be best to look at a rental reduction versus a vacant space.
4. Know your dates. Keeping an accurate lease profile for lease expiration dates, notices to renew and rental payment history are ideal for proper planning and preparation. Tenant renewals should be reviewed two years before lease expiration. Do you want to keep the tenant? If you do, then planning to offer incentives to stay should be sorted out. If you would like to release the space, starting a plan for advertising and showings should be established. Keep a plan to stay prepared.
5. Professional Maintenance & Repairs. Always, always, always keep all mechanicals, roof, windows, doors in clean, good working order. Older equipment is fine as long as it is clean and functions properly. Make a plan to replace larger items before they break to avoid a disaster.
6. Communication. Keeping these lines open can help save a good deal from going bad. Can tenants reach you if they call? How quickly do you respond to messages?
7. Be a good landlord. Tenants should be treated fairly and with respect. And as the Landlord, your ability to uphold the lease in a firm, yet professional manner will help keep the tenant long after the lease expiration date.

RECENT TRANSACTIONS....

SOLD! 876 Kinderkamack Rd., River Edge – 9,600 SF Office

LEASED! 35 Journal Square, Jersey City – 2,902 SF Office

LEASED! One Evertrust Plaza, Jersey City – 2,392 SF Office

LEASED! 700 Godwin Ave., Midland Park – 850 SF Office

LEASED! 500 Valley Road, Wayne – 2,372 SF Office

WE ARE SEEKING PROPERTIES FOR THE FOLLOWING:

- ~ Coal Burning Pizza location (3k-4k SF)
- ~ Industrial Buildings of 20,000-40,000 SF For Sale
- ~ 2,000-4,000SF Industrial Space for Lease for Machine Shop (Bergen County)

final thoughts...

Proper management and brokerage of your commercial property is imperative. Without professional and experienced individuals providing guidance and services, long term tenant retention and enhanced property value would not be possible.



Equity Real Estate Brokerage LLC is a full service real estate firm that provides clients (developers, corporations, institutions, and individual owners) with an extensive range of commercial real estate services for office, industrial, medical, and retail brokerage.

We have equipped ourselves with the most reliable data and cutting edge tools needed to compete and succeed in the marketplace.

Contact us today to find out more about Equity Real Estate Brokerage LLC how we can help you with your commercial real estate needs.

Equity Real Estate Management LLC provides clients (entrepreneurial and institutional business owners) with the highest levels of personalized service, while maintaining their buildings with the utmost skill and care.

Our prompt, open communication with owners and tenants, combined with our expert hands-on property management services, distinguishes us from our competition. Contact us today to learn how Equity Real Estate Management LLC can help you with your commercial real estate management needs.

coming soon >>>

In The Next Issue

- *Maximizing Your Investment: Adding Value & Creating Quality*
- *The Opportunity Zone*
- *Keeping Your Marketing Relevant*

Contact us at **201-261-4300**

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