

10 Reasons to Hire a Commercial Real Estate Broker

Your Business Deserves Experienced, Knowledgeable Representation



Credit: Getty Images

Many people hire a real estate broker when looking to buy a new home. They understand that finding the best house for their needs often requires help from a professional who has inside knowledge of the market. However, when it comes to brokering a commercial real estate lease, many don't think the same way.

Finding a place for your business to plant its roots is as important as purchasing a home—if not more so. It can determine the outlook of your business for years to come. Here's a list of the top 10 reasons to hire a commercial real estate broker and avoid pitfalls.

Knowledge of the Market

Commercial real estate is vastly different than residential real estate. The needs of the buyer or lessee vary quite a bit between different markets as well. While a person might look for a home with a view, or one that's near their work, an entrepreneur might be looking for a location that provides the most exposure, with room to grow. Commercial real estate brokers keep an eye on the market and know where to find the best deals. They also have insider knowledge about deals that haven't yet made it to the market. We'll cover more on this later.

Representation

When you call the number found on the ad for the commercial building, you'll be connected to a commercial real estate broker. The commercial real estate broker you have on the line is legally representing the landlord. This means that even if they represent you as well, they have the landlord's best interests at heart.

If you truly want a commercial real estate broker who is looking out for you and your business's best interest, we recommend you search for one yourself. A broker who knows the type of commercial space you are looking for and what to keep an eye on in the lease will save you time and money in the long run. Establishing your team before you start the process will help ensure the best results.

Inside Knowledge

Most people are familiar to some degree with residential real estate. Very few outsiders are knowledgeable about commercial real estate unless they have experience with it. This is why it's important to have an expert in the market. You know the ins and outs of your businesses fairly well, but when it comes to shopping for a space for your business, an experienced broker can help you identify what to look for and help you avoid making the rookie mistakes that so many unrepresented clients make.

Access to Other Listings

In residential real estate, the MLS allows every agent in the region to search the database of homes listed. In the commercial space, you've either got to come across an ad for a space to lease, or know someone in the industry. A commercial real estate broker gives you access to an entire array of proprietary databases and commercial listings.

Saves You Time

Sure, you could go looking through Google or your local newspaper for commercial real estate. You could also set up a time to walk through each location, pretending to know what to look for. Or you could go to an expert.

In business, you want to monetize your available time, not waste it on things outside your expertise. Don't squander your valuable time looking for a commercial space on your own. An experienced commercial real estate broker can do the legwork and locate good potential properties in much less time.

Saves You Money

One of the biggest misconceptions holding business owners back from using a commercial real estate broker is the amount of money they believe it will cost them. In reality, however, the landlord typically holds a percentage back specifically for their broker and the lessee's broker.

Additionally, using a commercial real estate broker also means you've got an expert negotiator at your disposal, who can save you money on your lease. They know what to ask for and when to ask for it, which is a talent mastered over years of experience in the field.

Access to Network

Those who regularly deal in commercial real estate know each other. Because they develop professional relationships with one another, you have access to a professional network via your commercial real estate broker. Have a question about a certain office space you heard might go up for rent? Your broker can find out. It's not just for questions, either. That network can also be the means of brokering you an even better deal, just by association.

Objectivity

Getting emotional about our businesses is normal. When negotiating for space and terms, emotions tend to run a bit high if you have a lot at stake. Landlords can sense a panic and many use it to drive up prices. Commercial real estate brokers take out that emotional aspect. They are able to calmly and rationally discuss your options without showing your hand to the landlord.

Rental Property Past Life

Is the former adult entertainment store down the street now attempting to house a daycare? A rental's history often gives it a reputation and haunts anyone who rents the building later. Your broker should have a way of figuring out (if they don't know already) what the building you are looking to rent was in the past. Make sure you are good with the association it brings to your

business before signing a lease. You don't want the public to avoid your company simply because of the previous tenant.

Favorable Lease Terms for Your Business

A competent agent will ask you questions about your trade cycle and other aspects of your business that could be affected by negotiable terms in a proposed lease. An agent will also ask questions that help you obtain lease terms that are favorable to your business. Most attorneys do not do this. No two commercial real estate deals are the same. A great commercial real estate broker will also refer your business to another type of specialist if they lack the expertise in the areas where you need the most help. Be prepared to find the best space for your business with the expertise of a commercial real estate broker today.

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Steve entered the real estate brokerage business in 1988 and formed his own company ChicagoBroker.com shortly thereafter. In February 2017, ChicagoBroker.com merged with Jameson Commercial to help Jameson further its Office Tenant Representation and Investment Sales business. Steve heads the ChicagoBroker.com team at Jameson Commercial and has specialized in office tenant representation since 1991.

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