



THE CHAMBERS GROUP

ACCELERATING RETAIL SUCCESS™

GREAT

WHY YOU SHOULD HIRE A TENANT REP

WHY DO I NEED A TENANT REP?

If you had a brain tumor, would you go to your family doctor to get treated? Of course not, you would find a specialist! The same is true for your brokerage needs. You need a specialist; someone who devotes their time to finding the best space for your needs with the best terms and conditions.

Here's a few more reasons why....

An unrepresented tenant is a landlord and listing broker's dream come true! In exchange for saving a small percentage in lieu of a broker's fee, unrepresented tenants typically pay 10 to 20 percent higher in occupancy costs.

The landlord and their representative are NOT working on your behalf:

It might seem easier to work directly with the landlord or landlord's representative, but remember: they are both ethically and legally bound to take care of the landlord's interests at your expense. Your tenant rep has one job—to get you the best possible space at the best possible terms. A Landlord Rep working for you is at a conflict of interest. They have the listing and their fiduciary duty is with the Landlord. They are looking out for their best interests, not yours.

It's already paid for:

Typically, landlords have built in commission for brokerage. If you aren't represented, the budgeted commission fee goes to the broker negotiating on the landlord's behalf—in other words, you are paying someone to work against you.

Strategy:

A Tenant Rep job is to understand your business and ensure your location is in line with your overall strategy. From budgeting, cost, visibility, traffic counts, etc., a tenant rep can keep you on track and stay within the scope of your business plan.

Process:

A good Tenant Rep will streamline the acquisition process to be efficient and effective for the tenant.

Access to space:

The internet has created a world of "real estate experts"; however, many of the best spaces get snatched up before ever becoming publicly available. It is a tenant rep's job to know about these spaces—and get you into them!

Leverage:

If a landlord knows you are represented by a Tenant Rep Broker, they will be more aggressive in the pursuit of your tenancy. Brokers also have existing relationships with landlords to utilize to your advantage.

Market Knowledge:

Your tenant rep will do more than help you identify good spaces. They will tell you about developments and growth patterns that can affect your business in the future, let you know how other businesses in the area are performing, and reveal the economics particular in the trade area.

Resources:

A broker has access to data and tools such as demographics, traffic counts, sales figures, and comparable leases.

/sales

Negotiations:

Tenant representatives make a career out of long and complicated real estate negotiations. They handle the paperwork, identifying LOI/Lease provisions that could potentially cost or harm you, making sure that you fully understand what you are signing. They will ensure that you are protected in the lease and walk away with nothing left on the table. In addition, they will maximize the amount of the landlord's contribution towards renovations, and negotiate additional savings such as free rent.

Buffer between you and the landlord:

Your broker is your one point of contact, simplifying the process for you. They can act as the "bad guy" when necessary, keeping your relationship with the landlord cordial.

Recommendations:

Lawyers, contractors, civil engineers, architectures, etc.

Time Management:

Allowing a broker to do their job alleviates stress and frees up your time this leaves you with more time to do what you are best at—developing and running your business!

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