

COMMERCIAL PROPERTY UPGRADES THAT WILL MAKE YOUR TENANTS WANT TO RENEW THEIR LEASE

By Rose Morrison, Writer & Managing Editor, Renovated

January 21, 2022

Keeping your renters happy ensures they will renew their lease. One of the most effective ways to do this is through tenant improvements (TI). These are types of renovations intended to benefit the occupants renting your property.

Here are 12 commercial property updates to impress your renters.

1. Add a Conference Area

Give your tenants an extra room to hold meetings or events. Many companies have to look for outside event spaces, saving them time and effort. Consider making it a rentable space and charge per hour to increase your cash flow. Be sure to include enough seating and computer screens for presentations.

2. Make Eco-Friendly Updates

Many renters are becoming more eco-conscious, especially regarding energy efficiency. In fact, about one-third of Realtors bought or sold a green property in the past 12 months. Add Energy Star-rated appliances to break rooms and install low-flow plumbing fixtures in the restrooms. These upgrades make your residents happier and are more affordable through tax incentives.

Here are some more energy-efficient upgrades to consider:

- Programmable thermostats
- Energy-efficient lighting
- Solar panels
- Insulation
- Radiant floor heating

3. Include More Parking Spaces

There needs to be enough parking space for your tenants and their clients. Ask your occupants how often people visit the office. Make sure the lot is located close to the building, and ensure it's easily visible and accessible to those entering. For example, can you turn right into the lot, or is there a long path to get there?

Having quality parking is a very attractive feature for many renters. This valuable amenity means you may be able to raise rental prices.

“Building Successful Relationships” is our Mission.

The foregoing information was furnished to us by sources which we deem to be reliable, but no warranty or representation is made as to the accuracy thereof. Subject to correction of errors, omissions, change of price, prior sale or withdrawal from market without notice. This article is for informational purposes only.

© 2021 WCRE All Rights Reserved

4. Enhance Your Property's Curb Appeal

Your building's exterior influences how people feel about the rest of the property. The outside appearance of an office impacts the company's reputation, so it's important to keep up with maintenance.

Start by repainting and repairing any cracks in your siding, and be sure to regularly mow the grass and trim the trees. In addition, ensure people passing by can easily read the company's sign.

5. Use a Submetering System for Utilities

Paying for utilities may be a concern for some residents. Traditional systems use one meter to track energy usage for the whole building. However, some residents of multiunit properties feel they're paying for others. Submetering tracks each unit's energy usage through additional meters, ensuring tenants only pay their fair share. You can install these meters onto specific appliances.

6. Upgrade the Lighting Fixtures

Lighting is important for any space. Well-lit areas are functional and aesthetically pleasing. Dim lighting can deter potential customers from entering, so upgrade to make the property feel more welcoming.

Consider adding task, recessed and accent lighting. Go for LED lightbulbs, which use 75% less energy than incandescent lighting and last longer. These changes are cost-effective and can be completed quickly.

7. Improve the Building Layout

Having a functional space is key for commercial properties. Consider what improvements can make your tenants' jobs easier. For example, do they spend most of their day moving around? If so, then remove walls or beams to create an open floor plan. Also, if multiple rooms aren't used very often, combine them to form one large space.

Another way to enhance your property's layout is by providing more natural light. Sunlight can help people feel more relaxed and productive, and it can also make the space appear larger.

8. Update the Flooring

Outdated flooring can be attractive, so consider replacing it. Renters want floors that are easy to maintain, especially if they have a busy office. Laminate is a good option that can mimic the look of hardwood at a more affordable price. The average cost to install it is \$2,850.

“Building Successful Relationships” is our Mission.

The foregoing information was furnished to us by sources which we deem to be reliable, but no warranty or representation is made as to the accuracy thereof. Subject to correction of errors, errors, omissions, change of price, prior sale or withdrawal from market without notice. This article is for informational purposes only.

© 2021 WCRE All Rights Reserved

9. Revamp Outdated Areas

You want all your spaces to have a modern feel, so if any rooms haven't been updated in a while, then it's time for a refresh. This can make the tenants happy and add resale value to your property. You can make simple upgrades, such as repainting or adding modern light fixtures. Speak with your renters to determine features that are important to them.

10. Keep up With Daily Maintenance

Keep up with daily maintenance instead of only responding to emergencies. This shows you value your tenants' safety and happiness. Plus, taking preventive measures can lower repair costs.

Regularly review all aspects of your property, including the following:

- Plumbing
- Electrical systems
- HVAC units
- Pest control
- Landscaping
- Infrastructure

Call for repairs right away if you notice any issues. You want to find a professional you can trust. When choosing a contractor, consider their level of experience and reputation. In addition, ask about their certifications and past projects.

11. Take Advantage of Software

Commercial property management software can save you time and energy. It helps you manage multiple tasks at once, so you can focus on the important stuff.

Look for software that can track the following:

- Rental income rates
- Total monthly expenditures
- Local and federal building regulations
- Renter turnover rates
- Work orders for building maintenance

Investing in this software keeps you organized and creates better customer service.

“Building Successful Relationships” is our Mission.

The foregoing information was furnished to us by sources which we deem to be reliable, but no warranty or representation is made as to the accuracy thereof. Subject to correction of errors, errors, omissions, change of price, prior sale or withdrawal from market without notice. This article is for informational purposes only.

© 2021 WCRE All Rights Reserved

12. Incorporate the Latest Technology

Smart devices make your renters' lives much simpler. These include devices such as smart thermostats, which can save you money on electric bills. Also, to improve the safety of your building, add smart security systems and locks.

Technology is especially important for people working in an office setting. Ensure you have plenty of computers and projectors. With about 45% of people working from home, employees need to stay connected. In addition, have tech options for rental payments and communication. For example, some renters prefer to pay bills online or contact you through text.

How to Keep Your Tenants Happy

Part of owning a property is maintaining positive relationships with renters, which makes it likely they will continue renewing their lease. Upgrading your building shows how much you value your residents, so consider some of these simple updates to keep your tenants satisfied.

Rose Morrison is a residential and commercial real estate writer and the managing editor of Renovated. To see more of her work visit: <https://renovated.com/>

FOR MORE INFORMATION CONTACT:



Rose Morrison
rose@renovated.com

<https://renovated.com/>



RENOVATED

“Building Successful Relationships” is our Mission.

The foregoing information was furnished to us by sources which we deem to be reliable, but no warranty or representation is made as to the accuracy thereof. Subject to correction of errors, omissions, change of price, prior sale or withdrawal from market without notice. This article is for informational purposes only.

© 2021 WCRE All Rights Reserved