

SEVEN SIGNS IT'S TIME TO RENOVATE YOUR COMMERCIAL PROPERTY

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Every so often, you'll need to update your commercial property. But when and how often should you renovate? Where do you begin when choosing the right renovation project to invest in?

The trick is to know which renovation projects result in the best return on investment for your business. In this guide, you'll discover five signs it's time to renovate your commercial property.

1. Employee Health Complaints

Your employees' work environment impacts morale. A calm, comfortable and healthy work environment is paramount for employee retention. One study found that 87% of workers wanted their employers to invest in providing healthier workspace benefits, like sit-stand desks and ergonomic seating options.

So, what makes a workspace calm, comfortable and healthy – apart from adjustable office furniture? A well-designed office workspace should be spacious, flexible and compliant with the Americans with Disabilities Act (ADA). It should lend itself to stress reduction and productivity – which includes eliminating health risks like poor lighting, asbestos or building code violations.

Check your facility requirements to ensure your building is compliant and safe. If not, start with the renovation projects that bring your building up to code.

2. Declining Property Value

When choosing what to renovate and when, start with the projects that improve property value and result in long-term savings – not necessarily the most affordable projects. Plan to renovate during slow seasons, so you're not interrupting your customers' shopping or consulting experience.

It's a good idea to spend your renovation budget on items that will make you additional money, like adding an extra rental unit to a storage complex or another operating station to a service-based business like a salon. You should also focus on fixing building complications that could result in costly problems or fines, like a roof replacement for an inconsistent roof slope that does not meet building code requirements.

Be sure also to have a rental space lined up where your employees can continue working while renovations occur.

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3. Energy Inefficiency

Energy efficiency is crucial for long-term savings. When was the last time you checked your building's energy envelope? The envelope includes any component that separates your building's interior and exterior, including your windows, doors and roof.

If you've noticed climbing energy bills in the summer or winter, it's time to update your commercial building's energy envelope. An energy-efficient building envelope includes highly thermal-resistant insulation materials, vapor barriers, economical door and window seals, and airflow control.

You can also invest in other, more affordable updates, like energy-efficient light bulbs and appliances. Updating your heating, cooling and water filtration systems can lead to significant energy savings. The more energy your building conserves, the more money you save in the long term.

4. Outdated Design

First impressions matter, and they happen fast. It takes a customer seven seconds to form a first impression of your business. If your business depends on its appearance to attract clients, as an interior design firm might, a well-designed building is key. Investing part of your renovation budget into updating any outdated interior or exterior design choices is crucial.

If possible, remedy faded wallpaper, ceiling stains, scuffed flooring and outdated furniture. These changes can quickly breathe new life into your commercial space. Likewise, you can replace your building's roof, update its landscaping, or add a fresh paint coat to its exterior to improve your leads' first impression of your business.

5. A Lack of Branding

In addition to making a solid first impression, your commercial building's design should tell your brand's story. Color alone improves brand recognition by 80%. Consistent branding is crucial for building your customer's trust and, in turn, driving sales. So, if your building's design is a hodgepodge of design styles or features an eclectic mix of mismatching furniture, it's time to consider rebranding with an interior designer.

One of the most cost-effective ways to revitalize your commercial space is investing in a Furniture, Fixtures and Equipment (FF&E) remodel. FF&E remodels transform your business with new paint, lighting fixtures, equipment and furniture to give your office space a cohesive, professional look that demonstrates your brand values and hints at the quality of your products or services.

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6. Unoptimized or Limited Space

Has your business grown in the last several months or years? Have you expanded into different industries, hired new employees, or added new products or services? Business expansion usually results in the need for extra or optimized office spaces, amenities and technology.

If your building doesn't suit your current business practices, it's time to consider remodeling. Take a step back and assess whether your commercial property or business space meets your needs. Consider the following:

- Do you have enough space to accommodate all your new hires comfortably?
- Do you need to add new building amenities to benefit employees or customers?
- Would the space benefit from a drive-thru window or online sale pickup desk?
- Do you need to create a charging station for warehouse equipment or technology?
- Could you add extra service windows or stations to facilitate additional income?

7. You're Considering Rebuilding

There are many reasons you might consider rebuilding your commercial property. The lifespan of a well-maintained commercial property is just over 50 years. Rebuilding might make the most sense if your property is older or has the following issues:

- Failing HVAC systems
- Failing electrical systems
- Major structural issues
- No room for expansion
- A poor business location

If your building doesn't have these concerns, it's more cost-effective to remodel the space to meet your needs. Work with a contractor and architect to design an energy-efficient, optimized workspace that meets your current needs and encourages growth.

Renovate Your Commercial Property When the Time is Right

How often you should renovate your commercial property depends on your business needs. Remember to choose the updates that improve workplace safety, productivity and efficiency first. Then, select the renovation projects that offer the highest return.

Overall, selecting the right renovation projects ensures your investments work in your bottom line's favor.

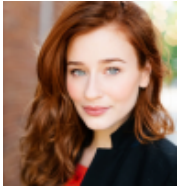
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