



By Steve Lewis

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Successful SIOs agree that attracting new tenants is dependent on a number of strategies, but building strong relationships with fellow brokers and, of course, prospects, as well as fitting the needs of those prospects, are at the top of the list.

“In today’s world, we at ECR have found that the best way to attract new tenants to the properties we represent is through the brokerage community,” says **Matt Levin, SIOR**, managing principal with

Equitable Commercial Realty (ECR) in Austin, Texas. “We have a deep pool of active tenant representation brokers in Austin and it is critical that our team members know these other brokers and have good relationships with them. We need these other brokers to know that if they present our property we will be fair and professional. Further, we work to go above and beyond to help accommodate these other brokers to make their lives easier with things like accommodating last minute tours and being very responsive.”

“The leasing team has to be very responsive, as does the landlord and property management team,” adds **Mary Clare Codd, SIOR**, managing director of office and industrial services with

Colliers International in Tampa, Fla. “We hosted a great broker event with prizes, gifts, and a treasure hunt which took the brokers through all the vacant suites; it was really well received. (The event was designed by Michelle Tortoricci, managing director of marketing for Colliers in Florida.)”

Tenants are also attracted by the feel of a building, she adds. “The lobbies, bathrooms, and common areas need to be updated and have a contemporary feel to them,” Codd notes.

“Do what you can to make the space present well to attract and secure more office tenants,” says **Matthew B. Fentress, SIOR, CCIM, CCM, RPA**, with the Investment Services Group of

NAI Knoxville, Tenn. “Most people are visual, they see what is there and have trouble visualizing what it could or will look like; you need to appeal to their senses. Odors from worn out dirt carpet and faded painted walls with scuffs and marks is a quick way to get your space marked off the list. Make sure all the light fixtures are working and install scent blocks in the HVAC unit if the space has odors; a fresh coat of paint should help too. Have your space planner provide three space plans with different potential layouts for the space. This will get the prospect thinking about ways your space could work for them.”

In addition, Fentress says, consistently expose yourself or your product to the prospects. “Approximately 50 percent of the businesses in the market have to implement a real estate decision within 18 months due to three- or five-year lease-expiring years,” he explains. “They are going to call the realtor or properties they are most familiar with.”

Another way to enhance relationships with prospects, he continues, is by empowering them to make a decision. “When you get the prospect to tour the property, provide them as much positive information as you can,” Fentress recommends.

For **Duke Leffler, SIOR, CCIM**, president with PMX Commercial in Modesto, Calif., the key issue is money, money, money, or in his terms, free rent and/or concessions on rent.

“People in this market are so focused on the economics of the deal; what gets their attention is if you have space worth a dollar and you ask for 50 cents and six months free rent,” he says. “We have nice office space for 50 cents a foot per month; it’s been a tenant’s market for the last five or six years.” (Leffler notes he is not in a big market; located about 90 miles east of San Francisco and the Silicon Valley, the Modesto market has perhaps two million people).

Still, he does not discount the need for good relationships. “In terms of getting people to do business with you, the first thing I do with a new prospect is explain the nature of my business, how I work, how I get paid at the end of the deal, and I ask them to commit to work with me through the process,” says Leffler. “That seems to help.”

On the industrial side, **Ron Behm, SIOR**, principal at Colliers International in Rosemont, Ill., notes that “industrial buildings commonly have unique

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characteristics that provide opportunities to attract new tenants. These characteristics can provide an excellent vehicle to contact and solicit prospective tenants. Also, buildings that were previously occupied by a certain type of user can very likely attract a new tenant in the same business with similar needs.”

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### AMENITIES, FEATURES DRAW TENANTS

Among those attractive features, Behm lists the following:

- Overhead cranes
- Fully air-conditioned warehouse/manufacturing area
- Thick concrete floors that support heavy floor load capacities
- Freezer/coolers
- Heavy electrical power
- High ceiling height
- ESFR fire sprinkler system
- High dock count
- High trailer parking
- High car parking
- Large bay sizes with minimal columns

“Matching up building features with industry specific needs is what makes real estate brokerage interesting and rewarding,” says Behm. “Unlike office space, which can be treated somewhat as a commodity, an industrial space, especially with unique characteristics and features, can draw the attention of users. Through the analysis of a property’s characteristics, we are able to attract more users (tenants and buyers) to an available property that is being marketed.”

In the office market, says Levin, “we are pushing to offer robust amenity packages to the properties we represent when possible.” Tenants, he adds, are looking for amenities that are really usable and improve their quality of life. “For example, we were hired by Brickman to market the re-positioning of a 130,000 RSF office property in Downtown Austin, Texas,” Levin shares. “The building had a large atrium area which we worked to embrace. The ownership redeveloped the property to have a large open and bright sky atrium with many breakout areas with furniture and Wi-Fi for tenants to enjoy. The redevelopment also included bringing in an excellent coffee/food vendor to the lobby, building out a common gym with showers, and an upgraded common conference room. The marketplace responded very favorably to these new amenity offerings, resulting in a 100 percent leased property with many wonderful tenants in a very short order.”

Another amenity Levin touts are spec suites. “Our firm has experienced countless strong leases as a result of building out spec suites from suites that did not show well previously,” he says. “In our experience, if there are spaces below 3,000 +/- RSF and the condition of the space is difficult to overcome, we often times recommend speculatively finishing out the space in a generic fashion to show better. It is important to remember that tenants are not in the business of leasing every day, and as such, we should strive to make the presentation and process as attractive and easy as possible. We consistently experience reduced down time and improved lease terms with this strategy.”

### MAKING IT HAPPEN

The approaches noted are more than theories; they have worked in the real world and helped engender successful deals. “Our team took a listing for Riverside in Tampa, Fla., a building



with 165,000 sq. ft. of which 68,000 sq. ft. was vacant in June of 2014; by April of 2015, we had leased the 68,000 sq. ft. to three tenants,” Codd shares. “The Tenant Rep broker on the 48,000 sq. ft. tenant indicated that we came out of the box with a good proposal, addressed all their requests, and made it an easy choice for their tenant; the landlord’s attorney told us that we truly worked as a team, which is atypical of some teams that he has worked with. Our energy, availability to respond quickly, and solutions to their concerns, is what won the deal.”

Codd says that she has learned about some of these strategies through collaboration with teams and watching how other brokers approach a project. How does she decide to adopt a new “top” strategy? “If it makes sense, try it,” she says. “We work with the tenant to understand their

needs and then we work with the tenant to translate this information to the architect, property manager, and landlord to make it happen.”

“One productive method of getting more tenants involved is called the quarterly touch program,” adds Fentress. “The reasoning behind this is most brokers do not reach out to prospects on a quarterly basis. Those that do are the first to come to mind when a tenant does need to make a real estate decision, so they will likely be the first one they call.”

He adds the following in terms of empowering prospects; “In addition to the marketing sheets in your package – which should include at a minimum, really good pictures of the property and its amenities, as well as a brief description of the property and a

description of its amenities, floor plans, and any key maps showing where the space is located in the building,” Fentress suggests. “If the building does not photograph optimally during the day, take a picture in the early evening. To help empower the prospect, provide a one page Property Information Sheet, which includes as many of the physical details about the building as you can. The description should include—but not be limited to—items like gross and net rentable square footage, number of acres, exterior and structural components, frontage streets, number of floors and common area ratio. You should also include contact information for the management company if applicable,” he concludes. ■

