



Insider's View to Corporate Real Estate

 *Carrie S. Holstead*
Real Estate Consultants Inc.
Representing Users Of Corporate Space Worldwide

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The 5 Smartest Corporate Real Estate Goals For 2017

By: Carrie S. Holstead

President & CEO, Carrie S. Holstead Real Estate Consultants, Inc. / ITRA Global

It's a new year and a perfect opportunity to establish goals for 2017. According to Top Achievement, the best way to meet your goals is to establish specific, measurable, attainable, realistic and timely, also known as, SMART goals. We'll make it easy for you by providing the 5 smartest corporate real estate goals we recommend for 2017.

1.) Look at your office lease as if you own the company. This will reveal that corporate real estate is typically the second largest line item expense in the corporate budget. As such, know that it will dramatically affect other line items if you don't achieve competitive office lease terms.

2.) Learn how to gain a competitive advantage using your corporate real estate. The best strategies are those which:
a.) align your corporate real estate with your needs;
b.) help you attract and retain the best employees;

“Learn how to gain a competitive advantage using your corporate real estate.”

c.) achieve attractive business terms and protections in the best interest of your company; and d.) strategically respond to market conditions. As an example of the latter, in a tightening market such as Pittsburgh, start the lease analysis process well in advance of your lease expiration for added protection, leverage, and options (such as a possible early renewal and extension to lock in a lower rental rate).

3.) Know how the new accounting rules for office leases will impact your bottom line for the first time ever, and 8 ways to help your company. Also know how to avoid the mistakes being made by others. Ask us about the advice we've been sharing in speeches about this subject to organizations ranging from global law firms to universities.

4.) Understand the affect short term building owners can have on your company. Tightening markets are attracting a growing number of investors, some of whom are seeking to buy, increase the value quickly, and sell after a short holding period. We have seen the adverse affects on tenants resulting from the short term hold strategy of some landlords. Among them are dramatic rent increases over a short period, a reduction in building services, and a full floor tenant being asked to move out of a building within sixty days (despite having two years remaining on its lease term) to accommodate a larger tenant. As such, make talking with existing tenants an essential step in the analysis process for each building you seriously consider leasing.

5.) Know how to avoid conflicts of interest that hurt your company. The typical real estate brokerage firm derives an estimated 70% of its income from representing landlords, and they receive a double commission when placing tenants in buildings they represent. In such cases of dual agency, the tenant gives up the benefit of having an advocate. To avoid the conflicts of interest that hurt your company, enlist a real estate firm that provides tenant representation services exclusively, and does not represent professional landlords.

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About the Author

Carrie S. Holstead is the Founder, President and CEO of the longest established tenant representation firm in Pittsburgh, Pennsylvania, and Chairman Emeritus of ITRA Global with experience in nearly 300 markets around the world. She was honored as a Woman of Influence by *Real Estate Forum Magazine* in 2015, is the acclaimed author of the monthly *Insider's View To Corporate Real Estate*, and is a frequent speaker. If your company needs to expand, contract, merge, relocate, or renew an office lease(s), locally or globally, contact Carrie Holstead at **+1 (412) 255-3737**. To receive the *Insider's View To Corporate Real Estate* electronically,