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Ruth 212.759.0408

REAL ESTATE WEEKLY

Vol. 51, No. 26 • 64 pages in 3 sections

WEDNESDAY, FEBRUARY 9, 2005

Extra office space: Subleasing is a winning strategy

BY RUTH COLP-HABER
PRESIDENT,
WHARTON PROPERTY ADVISERS

Extra office space is a non-financial asset within your overall portfolio that has unique potential. If you have under utilized space of over 1,000 rsf hiring an experienced real estate agent will help you maximize its return.

A shrewd step when developing a business plan can be to take extra office space when the original lease is signed. Long term cost efficiencies can be realized by locking in space for your business to grow.

As a result, during an interim period before that space is needed, costs can be transferred to a third party by subleasing it. When the



business expands later, you can take back the subleased area, thereby, avoiding the expense and inconvenience of relocating your firm due to a space shortage.

The best way to realize the potential gains from subleasing is to hire an expert to advise and execute a sublease strategy for your business. An experienced real estate agent will know how to quickly market the space and will handle the entire transaction so that you can focus on your business. Through years of experience man

aging such deals, she will know how to locate the companies and/or

professionals who need this kind of space and who are compatible with your business. By selecting an agent with integrity and a sound reputation, your space will be accurately presented to a wide network of agents.

To start, the agent will advise what listing price will both cover costs and create attention. Once potential sub-lessees are found, your agent will oversee the bidding process.

She will know how to circumnavigate the documentation maze in a sublease consent process. Throughout the process, she will represent your interests and will advise from financial and other business perspectives.

The choice of an agent is pivotal to the success of the subleasing

strategy. You should make sure that there are no conflicts of interest, i.e., that the agent does not represent competing spaces or parties, either inside or outside the building. Big firms are often prone to these conflicts so you should question prospective agents closely about this issue.

You should also select an agent with extensive experience with sublease transactions.

Ideally, your agent should be a business partner, someone who will work hard for you, with creativity and diligence.

Subleasing extra space can be an important component of your long term business plan.

Hiring a trusted real estate agent is a winning strategy. ■