



ANTHONY TAYLOR, SR.

A LITTLE EDUCATION ABOUT COMMERCIAL SPACE

Real Estate Anthony



Developing

small business owners must carefully consider location, cost, and the rewards and penalties when relocating to an office or other type of commercial space.

Some question if it's better to buy or lease.

I have been specializing in commercial and residential sales for nearly a decade and this decision depends on two things. First, ask yourself will you be able to buy the place or do you have to lease it. Then, a wise thing to do would be to lease it and do a write-off just in case the business doesn't make it. If a business owner does a 24-month lease agreement in a commercial building and the business picks up sells and revenue, then it's time to consider buying.

Business owners are to focus on the geographic area when searching for an office site by observing the surrounding industries and receiving traffic flow. I suggest owners contemplating a new site should ask these three questions. How many prospective consumers are going to travel the road

each day? Is the business going to be visible for them to see when traveling? Furthermore, owners must concentrate on marketing. Is more advertising needed to lure customers into their locations?

Leasing an office can place a business in a respectable and advanced area. Those relying on retail and/or restaurant industries have reasonable leasing options. Customers are constantly in the areas and more than likely to stop by. Renting also reduces working capital and enables responding to profitable opportunities when money is not attached in property. The owner then has additional time to focus solely on operational functions. Renters may also relocate without the expense hassles of attempting to sell a space in order to open another once the lease expires.

Yes, there are leasing disadvantages. Variable costs are one of the shortcomings. Leasing may influence an annual rent increase and higher costs when it ends. Lessees disperse lots of money for

months and years without receiving equity. The money is going towards non-owned property, which is usually not self beneficial. Owning space not only justifies involvement with property management, but receiving retirement funds from lessees' payments.

In contrast, buyers securing a long-term commercial mortgage have fixed costs to supply their establishments. They also save on tax deductions. Related costs of owning and operating a commercial space can conserve mortgage interest, property taxes, and other price deduction items. Affixing additional sources of income is another plus. Supplementary earnings can be obtained through renting out extra space. Future benefits are likely to be fulfilled. Appreciating property allows selling and financing retirement.

It's very good to have enough money to buy a location. It will cost more if you are starting small. However, owners need to get a permit, license, follow the fire code, and concentrate on other things. At least with an office you

will know the building occupancy and other important factors. There are fewer things to do, because the building's owner will have to keep up with everything - not you.

Other purchasing drawbacks consist of introduction to lacking flexibility. A new or developing establishment's continued growth may require a larger workplace and force a sale. Additionally, buying requests upfront property, appraisal and maintenance, along with a large down payment, and possible property improvement expenses.

Although insufficient funds and other inconveniences may limit an owner to a particular area, ample vacancies are usually available. There are more commercial opportunities than land. A building is almost at every other corner. You have multiple options of where to choose to have a commercial establishment.

Commercial agents are available through the National Association of Realtors, Texas Association of Realtors, and Houston Association of Realtors. A buyer or renter needs to

make sure the realtor is multitalented in all real estate needs. If you deal with the person on a commercial issue, nine times out of 10 you may end up selling or buying a home, building one, and moving into a new area. You want a realtor who can do commercial and residential for all needs. You may want investment properties if your business starts doing well. That person needs to know commercial codes, building zones, types of permits, etc.

Buying or renting is not always a simple solution. Steady shifting rates and markets generate a vague future. A decision should center on finances, taxes, and individual concerns. Thoroughly considering all pros and cons, fact checking, and receiving needed assistance from suitable sources creates an easier decision.

Call Anthony Taylor at 713-723-2737 or email realestateanthony@juno.com for your real estate needs.