

A NEW (COMMERCIAL) LEASE ON LIFE

Market conditions are changing at warp speed in the commercial sector, causing many business owners to step back, analyze and recalculate. What many are finding are some of the most favorable commercial real estate conditions in many years.

“Landlords are eager to negotiate and tenants are looking for and are finding great deals,” said Benton Downer of Downer & Associates, a local firm specializing in commercial brokerage.

“Now may be a good time to look at the possibility of relocating your business,” Benton stated.

What was once an ideal location for a particular business may not be as attractive today. Traffic patterns and demographics are ever changing. If there was ever a good time to relocate, now is indeed that time, says Downer.

“Construction costs have fallen dramatically,” Benton emphasized.

“This has a carry-over effect into the market as a whole. Tenant up-fits are being amortized differently than they were just two years ago.”

As these costs come down, commercial costs are also being lowered, Benton explained. Leases, in fact, are often being written at lower, not higher rates.

“The landlords recognize these market changes,” Downer continued.

“They don’t want empty spaces. They want their properties leased and they are far more flexible today than in past years. We are also seeing a great amount of flexible and creative leasing.”

According to Downer, tenants are now in a market with tremendous opportunities to lower, not increase, operating costs, “This is the first time in years that these costs are coming down,”

he noted. “There are some very attractive leases available and price points are low.”

In spite of a most difficult commercial market, Downer & Associates has prospered,



COSTS ARE GOING DOWN - NOT UP - FOR COMMERCIAL LEASES AND LISTINGS

even improving their position in the market.

A small, local office, Downer has risen to the top in active listings and is second in active sales.

“Our inventory of leases and commercial listings are at an all time high,” Benton said. “We feel fortunate to have a strong client retention. We think that one of our strengths is being upfront and realistic with our clients. We tell them how things are today, not how they were two years ago. Realism and honesty gets results.”

Downer & Associates is also a leader in the field of the SBA 504 Program, which has recently received new funding through the Stimulus Plan.

Through the 504 Program, business owners can buy their own space. The local banks handle all the paperwork and share the loan with SBA.

Businesses can buy commercial property – retail, office or commercial space – for as little as 10% down. Closings are generally achieved in 60 days or less, interest rates are very attractive and there are minimum fees associated with the government backed loan. The 504 Program has the potential to stimulate the commercial market as much as the \$8,000 tax rebate has helped lift residential sales.

For more information on relocating your business, lowering your business costs or for more information about the exciting SBA 504 Program, contact Downer & Associates, at 434-296-0545. The company’s web site is www.downerandassociates.com.