



P R O V I D E N C E
R E A L T Y A D V I S O R S , L L C

Why Engage a Commercial Real Estate Advisor?

Commercial real estate is a capital-intensive industry. The economic values of commercial properties are usually in the tens or hundreds of millions of dollars, and the industry is dominated by large landlords such as real estate investment trusts (REITs), life insurance companies and private equity firms. In turn, these landlords rely on institutional lenders for mortgage financing. Given the large sums of capital at stake, both landlords and lenders retain top lawyers to craft onerous loan and lease documents to ensure compliance by tenants.

Against this backdrop, it is no wonder most tenants engage a commercial real estate advisor to represent them to try to balance the scales. There are multiple benefits to doing so:

- Landlords pay commissions in this market, so tenants incur no out-of-pocket costs.
- A commercial real estate advisor represents only the tenant's best interests, at every stage of the months long process.
- A tenant that is represented earns instant credibility in both the eyes of the landlord and the landlord's leasing representatives.
- A commercial real estate advisor has existing relationships with landlord leasing representatives, which among other benefits allows them to find out about available spaces that are not yet public knowledge.
- A tenant benefits from an intermediary who knows the protocols and operates as a "buffer", which gives a tenant more conviction and leverage during tense back-and-forth negotiations.
- A commercial real estate advisor has access to expensive commercial real estate databases that have information that is not available to the public.
- A commercial real estate advisor has extensive knowledge and experience and can help tenants avoid costly mistakes.
- A tenant saves time and can focus only the tenant's core business.