

Spending Cents Can Make/Save You Dollars

The poor economy...The high gas prices.... The increase in unemployment... The unstable real estate market. These factors scare every property owner, developer, manager and facilitator. However, whenever things are unstable people look for their comfort zones and shopping is one. This is a perfect time to spend cents for dollars. Whether we believe it or not, when it comes to commercial properties, foot traffic is imperative and a focal point to the business. So the question remains, how do we get people buying products and services, shopping in stores, and investing in real estate and leasing. So how, you ask? Simple, Lure them in! Create curb appeal.

Gary C. Letkemann, Director of Fixed Operations at Rick Hendrick's Auto Mall, believes seal coating and striping are a must in creating curb appeal. "The 5 things that help our properties stand out are: 1: landscaping (lawn, trees and flowers) 2: building conditions (painted and clean) 3: inventory presentation 4: parking lot conditions (sealing and striping) 5: And being litter free." Rick Hendrick's Auto Mall just recently went through parking lot renovations including pavement patching, pavement overlays, as well as seal coating and striping. His project covered about 800,000 square feet of parking lot maintenance. Gary explains, "Our properties have always looked dramatically better after the maintenance process". With this maintenance, Gary believes there has been an increase of foot traffic but could not give an exact number.

He also called the transformation an opportunity to better themselves in comparison with dealerships in the same vicinity. From salesmen to customers there was a rejuvenated feeling at Rick Hendrick's Auto Mall.

As we see malls transition into outdoor shopping centers and plazas it is more imperative that you are catching the eyes of your consumers, tenants, and other prospects. Designer crosswalks, stamped concrete, and specialty designed thermoplastic pavement markings, are all ways of enhancing your property. Also, keep in mind that the wear and tear on your exterior features raises the bar for potential dangers. With your common walking areas getting more exposure to traffic and weather there is a higher need for maintaining your curb appeal. One should always be on the lookout for any liabilities that may exist. Property Managers must make it a point to walk the same areas as their patrons to spot any hazards or potential dangers i.e.- raised sidewalks, broken curbs and gutters, and pot holes. In this situation, curb appeal falls second to safety but why not achieve both. Elwood Brown of Primax Property Services believes pavement and concrete maintenance creates curb appeal but also reduces liability. "If the parking lot looks good it enhances the overall appeal of the property which usually equals higher customer counts-not to mention it reduces the liability in the event someone is injured from an accident". In this situation 'cents for dollars' serves two purposes 1) curb appeal 2) deterrent from potential lawsuits.

Once you have created your curb appeal, maintaining it is important especially if the property is going on the market. Ever been in the market of selling your house? What about purchasing? What is one thing a buyer notices while searching online or driving by a house with a "for sale" sign in the yard? Yes, the famous cliché *First Impressions are Everything*. Not only are they everything, they are lasting. It is no different if you are selling a commercial property. By selling I also mean leasing. The less money someone has to put in after the purchase, the more appealing the purchase looks. Granted there are some individual who want to tackle projects and see a "potential property" as a steal but that is not everyone. Too often one hears about how this

or that had to be done before the sale was completed. For example, adding new parking lot lighting in the purchase price. It is easier and cheaper to maintain what you have instead of replacing it. Gary Letkemann believed he fell into the very same trap. "We were probably like many other customers who wait until we see that there is a problem to react." I will be the first to tell you reacting costs more than acting. So what should someone do if they're considering selling their commercial property? Make it presentable. Real estate is an investment and so is its' maintenance. Do the small things to take their eyes off the big things. Make sure you are spending cents to acquire dollars. Catch the eyes of your potential buyer by striping your parking lot. It only costs 15-20 cents per linear foot. What about power washing your sidewalks to remove dirt and stale gum? Repaint your concrete bollards, replace faded traffic signage, and touch up your curb paint. All these items are minute when it comes to the large scale. When it comes to selling a house, home owners plant new flowers and dust out the cobwebs from the front of the doors. When it comes to selling your commercial property investors need to do the same.

It's a vicious cycle in commercial property. No appeal, No foot traffic, No patrons, No purchases! Creating curb appeal is easy, maintaining it is the tough thing. Ask your tenant and consumers their opinions. Remember they are the ones spending the money. Once it is created the key word is Maintain, Maintain, and Maintain. By maintaining you are using Cents to Make/Save Dollars.

5 Tips in Creating Curb Appeal

1. Rid your parking lot of any cigarette butts and gum
2. Considering striping your parking lot every 10-12 months (especially store fronts)
3. Triple Seal Coat Your Drive Lanes for a longer lasting finish
4. Replace any faded traffic signs
5. Get your property a Seal Coating maintenance schedule