



## Real Estate Negotiations – Getting the Most Out of Your Practice Leasing Deal

by: Jon D. Albright, CCIM

I have been involved in the commercial real estate profession for twenty years. I am constantly amazed at how many physicians or practices do not utilize the services and skill of an expert when the need arises to add a new location or to relocate an existing one. Granted, the majority of larger medical practices have professional representation when a new lease or the purchase of a property is seriously being considered. It is the sole practitioner or single location group that chooses to handle this process themselves that is so surprising.

The expenses associated with your location are significant. The thought process of handling the real estate process on your own is easy to understand. However is making calls after hours and on days off, delegating these inquiries to administrators, nurses or spouses really the best use of you or your staff's time? Most people are wise enough to consult a physician when they do not feel well instead of performing self diagnosis which can be extremely risky if symptoms are not properly recognized. Utilizing the skills and expertise of a professional makes sense.

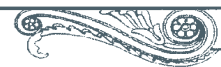
Rarely do major corporations disclose their identities or intentions during initial discovery periods, instead relying on professionals to assemble this preliminary information. When a Doctor or the office makes a call or hands a card with "M.D." on the front potential leverage is lost. The proper real estate representation will save you time and provide insight to your space needs, market options, and negotiable terms that are available. In some cases key contacts in architecture, engineering, construction and banking can be obtained via the association you have with your commercial broker.

In too many instances Real Estate Professionals are engaged after the fact. This is usually to correct a mistake that was previously made. Many times this involves renegotiations, subleasing or sale of property which always costs more money. The actual cost to hire a real estate professional is negligible when you consider the many benefits proper representation can provide. In many cases, the costs associated are already factored into the rental rate or purchase price whether or not you use the services of a commercial realtor. In other instances, you can reach some type of consulting arrangement which can aid you in your analysis of proposed real estate.

Finally, selecting the right person or firm to represent you is very important. Areas to consider include experience, professional designations (Realtor, CCIM, SIOR, CPM) and references. It is also important to carefully express your needs and goals which will help to create a successful relationship. Make sure you are aware who will become your daily contact person. When you stop to consider all of the benefits that proper representation can provide, I hope you will engage the services of an expert the next time a need arises with your commercial real estate.

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