

# Choosing a Commercial Space



*When* it's time to set up your business in a

commercial space, you will have to make some important decisions, including whether to buy or rent and how much you can afford to pay. For some types of businesses, such as retailers, location will obviously be a key consideration. For others, like tech start-ups, it will be less important. (More companies are foregoing a commercial space altogether in favour of working virtually.)

If you are renting space, you will probably have to sign a commercial lease. It's a good idea to consult your lawyer to understand all the clauses in the lease before signing it. Whether renting or buying your premises, you will need insurance to protect your assets.

If you're in the market for an office space, what you choose is incredibly important to your business. Not only does it affect your day to day operations and your staff morale, but also your brand image. There are so many things that can impact which office you choose; however, there are five factors that are absolutely crucial to the process. Overlook one of these, and you could end up disappointed.

## 1. Location

"Location, location, location." We've all heard that famous phrase, which drives home just how important location is when choosing a space for your office. Here are two really important questions to ask:

- Can my clients get there without a hassle?
- Can my employees get there easily?

If you find an office that ticks these two boxes, then you're well on your way to finding a good location. Think about the security of the neighborhood as well and what's close to the office. Is there a gym nearby? Coffee shop? After

work? All of these things are important for keeping your clients and staff happy!

## 2. Price

Price is probably the most important factor to most businesses when they're choosing a new office. If you spend too little, you'll either end up with an office you're not happy with, or you may find yourself moving out after a few months. Spend too much, and you might struggle to pay the rent or have to move again to downsize. Neither of those scenarios are ideal. Here are a few important questions to ask when considering how much to spend on your next office space:

- Can I afford to pay a three month rent deposit on this office right now?
- Have I asked about any hidden costs? (Maintenance, extra cost of parking, etc.)
- Is this office priced in line with similar office spaces in the area?

Question one gives you a very broad indication of affordability and asking about hidden costs helps you protect yourself against being stung with charges you didn't expect. The third question is simply to make sure you're getting the best deal possible. Always do a quick comparison with other office spaces in the area to make sure you're getting value for money.

## 3. Size

Obviously both of the factors mentioned previously—location and price—will influence the size of the commercial premises you choose, but it's an important point to mention. As a very general rule, it's normally recommended to have 70 square feet per person. However, you know your business best. If your employees need bigger desks or more storage for this figure

There's also the meeting and rest need an area to meet with clients, and your need somewhere to eat their lunch! Here are a simple questions couple of that'll help you work out if the offices you're



need bigger desks or more storage for this figure  
issue of space. You'll meet with colleagues to eat their couple of that'll help you work out if the offices you're

looking at are the right size:

- Will I have at least 70 square feet of floor space per person?
- Do I have room to grow staffing levels in line with growth projections?
- Do I have a dedicated space for meetings with clients?
- Are my employees going to be happy with their social/recreation areas?

There's no doubt that a cramped office reduces productivity, so don't skimp on floor space.

## 4. Infrastructure

This is a more important feature for some businesses than others. Nowadays however, there aren't many businesses that can function efficiently without a reliable internet connection. Some offices, particularly managed or serviced offices, generally include internet access as part of their rent. If you're leasing somewhere privately though, you'll need to factor in the cost of getting a line connected and the monthly payments for access.

The quality and reliability of the service matters too. There's no point paying for a service that is being interrupted constantly or cracks under the strain of a particularly busy day. Infrastructure doesn't just mean the internet, either. What about postal services or telephone connections? With mobile phones so prevalent these days the latter might not be that important to you, but postal services are still crucial for signed documents or other physical items.

Here's a series of questions for making sure the infrastructure in your new office is going to be adequate:

- Have I factored in the cost of any internet access into the price I'll be paying for this space?
- Can I contact any other businesses in the building to share their experiences of the infrastructure?
- Does this office have a dedicated postal address?
- Can I ask the owner for a speed test to ensure that the ISP is providing sufficient service?

### WHILE AT YOUR SITE...

- ✓ Visit the site in person and frequently.
- ✓ Go at different times and on different days of the week to understand traffic patterns.
- ✓ Pay attention to parking demands and rates.
- ✓ Look for nearby complementary businesses, and get to know them well.
- ✓ Evaluate the building's infrastructure.
- ✓ Consider all possible location expenses.

The speed test is a really simple thing you can do to try and get real data that answers your question. If the service is good, the owner isn't going to think twice about providing it.

## 5. Style

Quite often this is pushed to the back of people's minds while they're searching for new offices. Although it's advisable to consider the "more important" factors like the four mentioned above first, there is still a lot to be said for office style.

If you're a business that hopes to become a "brand" or wants to protect your brand image from the start, then you'll need to take this into consideration. An office can be a fantastic branding tool. Why do you think [Apple has such grand plans](#), and why should your office be any different? Here are a few things that you should consider:

- What other businesses operate in this area?
- Is it in line with the industry I'm in?
- Does this office allow me to customize or brand the office space at no extra cost?

- **Would I be proud to post interior pictures of this office space to our website?**

**If you're answering no to any of these questions, you might want to reconsider. Some offices will add on costs to do even simple things like painting the walls or hanging pictures. Make sure you're aware, ahead of time of where you stand. An undecorated office isn't going to help your brand image!**