



Criteria for purchasing Commercial space

Buy rather than rent your Office Premises

The important factor when purchasing real estate is referred to in the well-known jingle... Location Location Location!

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Now that you have decided it will be a wise investment to purchase Commercial Real Estate for your business let's look at what criteria will allow you to maximize its value in relation to your business.

The most important factor when purchasing real estate is referred to in the well-known jingle... Location Location Location!

But be aware, ideal location is specific to business type. The ideal location for a corporate lawyer's office will not be the same as that of a unisex salon. Do your research (i.e. Feasibility study) and identify the location that best suits your business.

Buying property is a long term investment. This has to be taken into consideration when considering the size of space you will purchase. Business expansion plan should be factored into the decision. Growth and size increase for 5 even 10 year must be considered. When calculated it may seem like a lot of space to invest in, but one can be smart and rent until the necessary time. There by taking care of future growth and generating extra income.

Under the umbrella of location; one has to consider the cost implication of transportation to ones residence. If the intended premises is too far then the cost of transportation may reduce the benefit of this investment. (A good internationally

accepted rule of thumb is that Housing & Transportation should be no higher than 45% of one's income)

If the time taken to get to and from work is over 45 minutes each way, then it will create adverse effects on work habits, efficiency rates and all round well-being. Unfortunately in Nairobi it is not uncommon for commuters to take more than 2 hours to get to work. If one factors in time getting ready, waiting for public transport and other eventualities it means a vast number of Nairobians spend 5-6 waking hours getting to and from work. The fatigue and missed time with family and friends is a great and sometimes unrecognized toll.

This can be reduced