



Q&A

## COMMERCIAL REAL ESTATE TOPIC OF THE MONTH



A. Nicholas Coppola, CCIM

### QUESTIONS TO ASK YOUR BROKER

Since investment real estate is a specialized field, not all real estate brokers have the level of experience necessary to finalize an investment sale in a competent manner. The following suggested questions will help you pick an experienced investment real estate broker with a track record in the type of property you want to buy.

**How long have you been an investment real estate broker?** Investment real estate is a practice that requires special training. Just because a broker has a license does not mean they know the complex issues that may come up during an investment real estate transaction. That is why hiring a broker that is a real estate specialist with a case load of investment property experience is vital in protecting your interest. *Suggestion: Make sure your real estate professional has a minimum of five (5) years investment real estate experience.*

**Do you have many long term clients?** This is a tell tale sign of whether or not the broker will be looking out for your best interests. People will usually be loyal to one broker if they demonstrate they care about them, perform as expected, and stay in touch after the transaction closes. *Investment real estate is still very much a local relationship oriented business.*

**Do you have a referral list of clients?** Ask to see this list and ask for the approval to

contact the client's on the list. Do make the calls yourself and ask on a scale of 1-10 on how satisfied they were with the broker's service in terms of market knowledge, negotiation skills, people skills, organization, and perceived weaknesses, if any. *This information will help you narrow the group down to a very short list of potential candidates to consider.*

**Membership in professional organizations?** Investment brokers that are involved in professional real estate organizations are associated with the best real estate practitioners in the industry and have to adhere to a code of ethics necessary to remain a member of the association. In order to be a member of the Society of Industrial Office Realtors (SIOR) and CCIM Institute, your broker is required to complete many hours of course study and complete millions of dollars in documented transactions. *Membership in professional real estate associations enhance the professionalism necessary to properly represent you in the lease or purchase of an investment property.*

**How can professional organizations help market the property?** One of the purposes of professional organizations is to share information about properties on the market. This is done through a multiple listing service, e-mail announcements, mailings, or direct phone contact. Membership in a professional association with a listing service

is a vital tool to track market comps and promote your property at a realistic price. *Membership listing services are mostly web based with easy access from most computers with an internet connection.*

**Have you recently sold an investment property similar to mine?** Ask your broker for case studies of properties that are similar in size, quality, and price as your property. This will help you to narrow the field of choices between the brokers you are considering.

**On average, how long will it take you to find a prospect?** This question should be answered in the brokers marketing plan.

**How do you track market comps in the firm?** In addition to the answer given in questions above, make sure your broker is linked to a listing service that is networked with other commercial real estate firms in the area. *The broker's ability to receive timely market information is an essential ingredient to the successful marketing of your property.*

**Why should I list my property with you?** Make sure this question is answered to your satisfaction in the marketing plan.

**What are your marketing plans for the building?** What unique marketing plans and programs does this broker have in place to make sure your property stands out versus the completion. *Make sure the plan includes verifiable market data.*

*A. Nicholas Coppola, CCIM is president of Coppola Properties, Inc. and has over fourteen years experience in the leasing, sale and appraisal of real estate throughout Massachusetts. He founded Coppola Properties, Inc. in November, 2000 as a brokerage, consulting and management firm. The aggregate value of commercial and investment properties leased or sold in the New England area by the firm exceeds \$250,000,000.*