

STRATEGIC REAL ESTATE PLANNING:

Asking the Right Questions Before Your Next Move

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PUGET SOUND PROPERTIES



How and when you decide to move your company involves a series of complex issues. Since your property is an essential part of your corporate assets and a key element of your long-term business plan, it is essential to **think strategically** when making decisions about your facility.

The fast paced environment where business needs change rapidly has made it essential for companies to update their understanding of facilities needs constantly. Asking yourself the right questions about a considered move is a great starting place for the development of a sound strategic real estate plan. The following questions, while general in nature, are a few of the key areas you will want to address in developing your plan and assessing the impact of a corporate move.

Strategic Issues:

- What is your company's long-term strategic direction?
- How will technology effect the way you do business?
- Have you analyzed possible competitor response?
- What is the impact of success or failure?

Location Issues:

- What are the geographic options and what is the feasibility of each?
- What is the forecast for labor supply and quality, access, infrastructure, operating costs and quality of life?
- How can data be collected and research done confidentially?

Financial Issues:

- How much initial capital is required?
- Are incentives available to offset all or some of these costs?
- Does the return justify the investment?
- What are the variable costs of doing business?
- Will your balance sheet support such a project?
- What costs are not location dependent?
- What is the make up of your cost structure?
- What are the options for building, buying or leasing a facility?

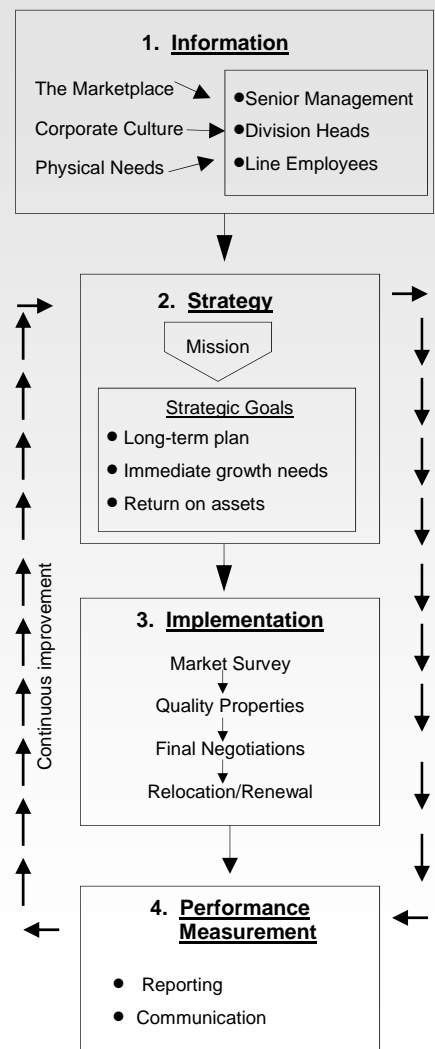
Personnel Issues:

- What changes in the organization are needed?
- What relocation or severance policies will be needed to get employees to relocate or remain productive until their jobs move?
- What level of attrition can be expected?
- How can productivity be maintained during this period?
- How should new hiring be structured?
- What kinds of services should be offered to relocating employees?
- Are incentives needed, and can the results be predicted?
- What is the best way to introduce the new area to employees and who should handle this?
- How can the needs of two career couples and non-traditional households be served?

Facility Issues:

- Is facility relocation, redesign, or reorganization needed, and what are the results if all or any are carried out?
- Can people and existing facilities be integrated more effectively to reach the company's goals?
- Can a new facility be designed that meets current needs while leaving room for growth?
- What are the facility's physical requirements?
- What should be moved, refurbished, sold or purchased?
- What is the best way to coordinate the details of design, construction, moving, purchasing and installation?

Strategic Real Estate Plan



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If you are interested in more space, less space, or simply insuring that your company gets the best possible deal, please contact **Eric Postle** or **John Werdel**. They will review your lease, give you an accurate assessment of the market, and provide information on how to make the most out of your next lease negotiation.



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