In a world that seems more virtual every day, physical space has value. Your storefronts and other properties provide space for you to operate, certainly. But if you assess business property, you may find that it has more value that you realized. You can put that value to work for you.

**Property is more than your space.**

Having a physical location gives you flexibility. You can divide it into retail, office and warehouse operations, and set it up so that processes can run in tandem with a brick-and-mortar store and bring people together. It also serves as a billboard—people who pass by your locations are reminded that your business exists.

A physical site can also help you generate additional revenue. If you have extra space, it can be leased out for co-working. You can host pop-up sales and invite food trucks to the parking lot as a way to generate extra foot traffic. Display windows present an opportunity to promote other businesses in your area. Naturally, you want to consider these different sources of revenue when you assess business property.

**Key takeaways**

- Assessing your business property may reveal more value than you realized.
- A physical space can help you generate additional revenue.
- One way to look at the value is to visit your local assessor’s website.
Assessing business property

A quick visit to your local assessor’s website will tell you all you need to know about how your business property is assessed for taxes. That’s one way to look at the value—although, you would want your property’s tax value to be worth less than what you would hope to get for it.

Another way is to do a pure real estate valuation. What are the comparable prices per square foot for similar facilities in the same neighborhoods? This can give you a measure of what your place would be worth to someone else.

A more comprehensive analysis looks at opportunity cost. What would it cost you to recreate the benefits of your property somewhere else? How much would you have to pay in rent if you did not own any of your buildings? Would you have to pay more, or less, to move? This perspective can help you make a better decision about your business property than simply looking at tax value or comps.

Putting your equity to work

Once you assess business property, you may find that it has more value than you realize. So how do you put that value to work for you? If you have extra space, leasing it out to small business owners looking for commercial space or setting up consignment arrangements with local artisans can help bring in more revenue per square foot. If you own the building outright, you could consider using it for secured business financing. This could reduce your total cost of capital and make the asset work even harder for you than it is now.

Brick and mortar doesn’t have to mean static. It can be a flexible part of your business strategy, so assess its value with that in mind.

Let’s get started.

If you want to get the most out of your business property, KeyBank can help. Contact your Relationship Manager today.