Space Measurement Checklist for CRE Due Diligence:

Buying, Selling or Refinancing a Building

SELLERS should study rentable areas to see if they can increase the square footage to maximize the sale price.

BUYERS should always validate the square footage the seller is listing to avoid overpaying. With accurate RSF data in hand, buyers can find new ways to maximize revenue once they take over the asset.

REFINANCERS need to know the property's exact square footage to maximize RSF and get an accurate picture of NOI and, in turn, the value of the building.

If you're buying, selling, or refinancing a commercial property, be sure to use this checklist as you do your due diligence to ensure you have the most up-to-date RSF data.

☐ **Use the Latest Measurement Standards**
Many buildings are using outdated measurement standards. Make sure you're using new measurement standards to help you increase your RSF.

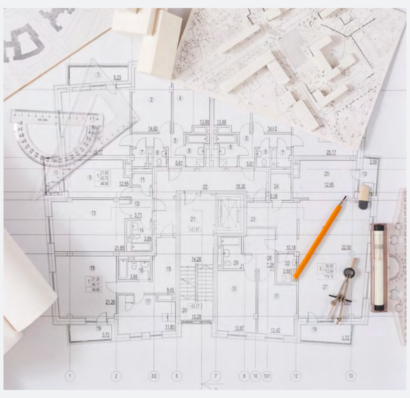
✗ **OLD:** BOMA 1996; BOMA 2010

✓ **NEW:** BOMA 2017; REBNY *(for New York and a few other markets)*

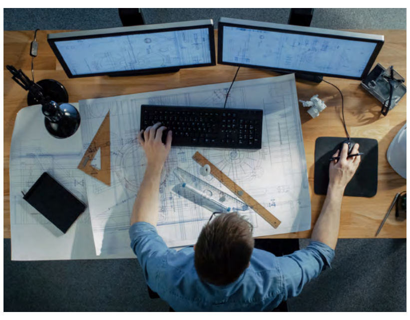
COMPARISON OF BOMA MEASUREMENT METHODS

	BOMA 1996	BOMA 2010 Method A	BOMA 2010 Method B	BOMA 2017 Method A	BOMA 2017 Method B
Building-Wide Measurement	✓	✓	✓	✓	✓
Capped Load Factor/Optional Adjustments by Floor		✓	✓	✓	✓
Base Building Circulation/ Single Load Factor			✓		✓
Capped Load Factor by Tenant				✓	✓
Unenclosed Features (balconies, terraces, etc.)				✓	✓
Major vertical penetrations at the lowest level are included				✓	✓

☐ **Determine How Space Needs Have Changed**
Many commercial tenants are now eager to modify their spaces. Some wish to add office space to accommodate social distancing, others want to reduce space as their workforce stays remote. Amid this dynamic environment, it's easy to measure inaccurately and miss out on revenue—or to have difficulty selling your properties because you're charging too much. To regain a solid footing post-pandemic, you need to ensure all new and modified spaces are measured accurately, down to the last square foot.



☐ **Lean into Expert Guidance**
While it's important to use the newest measurement standards, it can be difficult to know the ins and outs of the standards and how to measure your buildings accordingly. Plus, standards are often updated. Space management software with expert guidance provides experts to walk you through the remeasurement process and ensure your building is measured according to the newest standards.



☐ **Implement a Data Management Strategy**
After recalculating your buildings, you need to store the updated RSF calculations. And you need to be able to see RSF across your portfolio and spot trends to find new revenue opportunities. Space management software can store your RSF data in the cloud, making it accessible anywhere by anyone on your team.

Inaccurate measurements are rampant in commercial real estate. It's what happens when spaces are measured manually in-house. That's why specialized space management and measurement firms exist.

At Building Engines, we specialize in helping you navigate the latest building measurement standards. We measure buildings with innovative laser technology for accuracy and verify that calculations are compliant with current standards. This ensures you can add RSF with each new measurement standard.

For help with your remeasurement needs, contact our experts today.

Contact an Expert

From BuildingEngines