



When to buy a Commercial Property for my business?

Buying commercial property is one of the most significant investments a business can make. With many potential benefits like financial stability, a permanent base, and long-term equity. However, timing is crucial. How do you know when the time is right?

1 Financial Readiness

Can your business afford it? A stable cash flow and strong finances are essential. Commercial properties typically require a 20% to 40% down payment of the purchase price.

Tip: Compare long-term costs with leasing expenses to assess financial feasibility.

2 Market Conditions

Market conditions heavily affect timing. In a buyer's market, high supply and low demand lower prices, gives buyers more leverage. Key factors include interest rates and the micro and macro economy.

3 Long-Term Business Plan

Evaluate how the purchase aligns with your business goals. Do you plan to expand? Buying is usually most beneficial if you stay in the property for 5 to 7+ years to maximise equity growth and lower long-term costs.

Tip: Consider space, workforce changes, and industry trends.

4 Location Suitability and Property Condition

Location is key. Ensure the area fits with your business needs whether it's close to clients, access to skilled labour, or visibility. Check the property's condition and any upgrade costs, as these factors will affect the value and suitability.

Tip: Negotiate repairs or improvements with the seller post-inspection.

5 Opportunities for Growth and Equity Building

Owning commercial property builds equity, offering a financial asset for the future. Consider expansion opportunities for long-term growth and portfolio diversification overtime.



Are you considering buying Commercial property? JLM is here to help you explore the best financing options in the market.



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