



Reimagining your asset

Converting a building from single-tenant to multi-tenant

BY KEN BOWSER AND MELISSA WHITEHURST | SEPTEMBER 2023

The impact of today's hybrid work culture has created vacancies across the country. Tenants have been forced to downsize their offices or share space with others while building owners look for ways to optimize leasable square footage in their buildings. One of several solutions that have emerged is single-tenant to multi-tenant conversions.

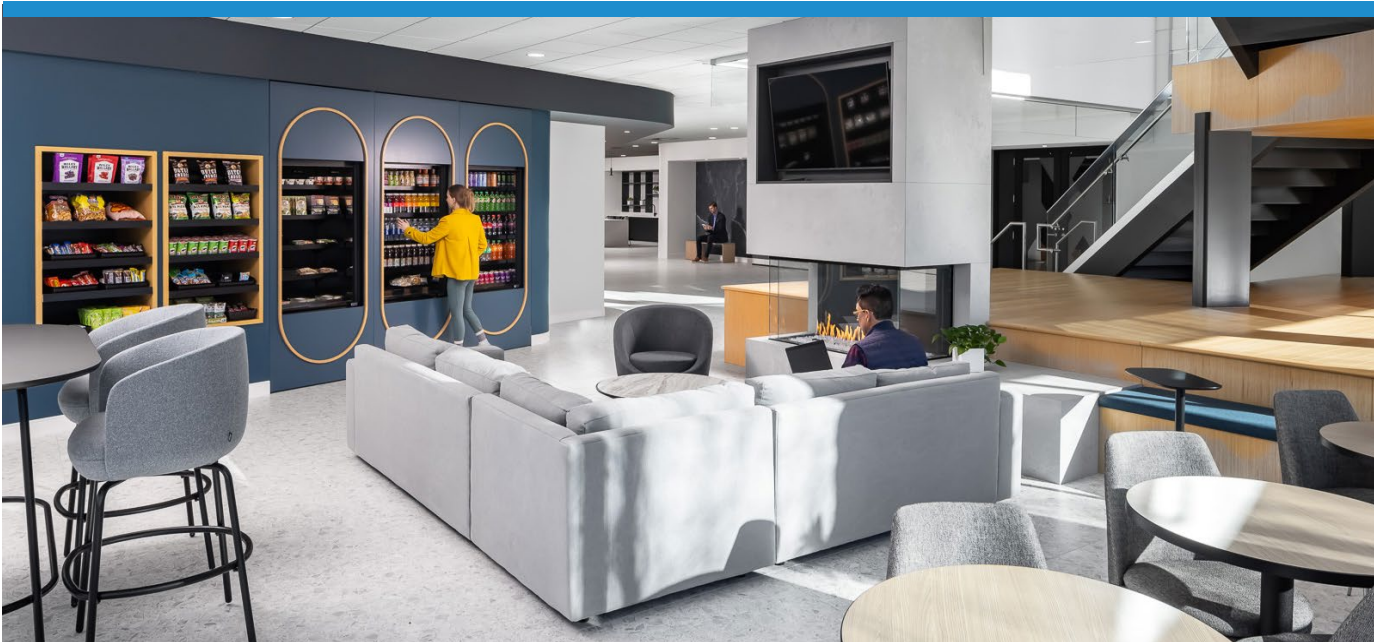
As the dynamics of the real estate market continue to evolve, maximizing the potential of existing buildings has become a crucial consideration for the increasing number of tenants that are becoming the landlords of their buildings. While there are many effective methods to re-evaluating a building's value, space-measurement

management is one way to realize the total value of real estate assets by strategically converting single-tenant buildings for multi-tenancy and presenting the most viable opportunities for optimizing revenue and adapting to changing market demands.

This article explores the key considerations and strategies involved in successfully transforming a building from single-tenant to multi-tenant use.

Understanding the building's potential

Fully realizing a building's value can be tricky because most property owners are unaware of the full leasable square footage of their buildings. Architects have



traditionally designed single-tenant buildings without considerations for future multi-tenant functions, making it difficult for developers and landlords to realize the building's full potential.

The goal is to gain a thorough understanding of the building's existing characteristics and potential so a true transformation can take shape. This includes a pre-assessment of the building's structural integrity, spatial layout, zoning restrictions, and location feasibility. Shifting the building use is also a critical trigger for re-measurement and determining the rentable square footage, given changes in the proportion of shared spaces.

By conducting a comprehensive analysis for this reassessment while utilizing innovative technology like artificial intelligence for economically viable processes and solutions, architects can identify strengths and limitations and develop a strategy that maximizes the building's potential as a multi-tenant space.

When transforming a building from single- to multi-tenant use, you must also carefully consider the financial implications, using thorough evaluations and analyses to ensure the financial success of the project. By taking a strategic and informed approach, property

owners can achieve long-term financial sustainability and maximize ROI.

Spatial adaptation, accessibility and flexibility

A primary objective in repositioning a building is to create a flexible and adaptable space that caters to the needs of multiple tenants. Architects must reevaluate the existing floor plan and identify areas where modifications are required. This may involve dividing larger spaces into smaller units, creating

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shared common areas, installing separate entrances, or reconfiguring circulation paths. The design should also prioritize flexibility to accommodate different types of businesses. Incorporating modular partition systems, demountable walls, and adaptable infrastructure,



such as HVAC and electrical systems, allows tenants to customize their spaces according to these specific requirements. This flexibility fosters an environment where businesses can thrive while maintaining a cohesive overall design.

Architects and designers should also evaluate the existing circulation paths, entry points, stairways, and parking facilities to optimize the flow of people and vehicles. Additionally, the building should be equipped

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with modern technological infrastructure to support the connectivity needs of multiple tenants. This includes robust Wi-Fi, sufficient electrical outlets, and advanced telecommunications systems. Provisions for future technology upgrades and sustainability measures, such as electric-vehicle charging stations and energy-efficient lighting, should also be considered.

Prioritizing amenity spaces

Amenity spaces are a foundational element for attracting multiple tenants to a building. These newly transformed buildings should offer appealing shared amenities and common areas to be competitive in today's market.

Architects and designers can create vibrant spaces that foster interaction and collaboration, promoting a sense of community among tenants. These shared areas can include communal lounges, conference rooms, rooftop gardens, cafeterias, or fitness facilities. The design should prioritize aesthetics, comfort, and functionality, paying attention to lighting, acoustics, and ergonomics. Incorporating elements of biophilic design, with its greenery and natural light, can enhance the overall ambiance and well-being of occupants.

Well-designed shared spaces not only improve tenant satisfaction but also serve as selling points for potential tenants, making the building more competitive in the market. As retailers, food and beverage suppliers, and more businesses leave central business districts for suburban markets, it's more important than ever that office buildings become mixed-use destinations. It's a huge draw for employees, and allows a one-stop-shop experience.

Through a comprehensive understanding of the building's potential, careful spatial adaptation, emphasis on shared amenities, accessibility and connectivity improvements, and strategic façade updates, architects and designers can successfully transform the building into an attractive, flexible, and competitive multi-tenant property.

By creating spaces that foster collaboration, community, and adaptability, these reimagined buildings can thrive in a rapidly changing real estate market while meeting the diverse needs of their tenants.



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