When purchasing commercial sites, conducting thorough due diligence is crucial to ensure a sound investment. Here are the key checks ranked by their relative importance:

| **Check** | **Percentage Importance** | **Description** | **Yes/No** |
| --- | --- | --- | --- |
| **Legal Clearances** | 30% | Verify the title deed, encumbrance certificates, and necessary approvals from local authorities. |  |
| **Location and Accessibility** | 25% | Assess the site's proximity to business hubs, transportation facilities, and essential amenities. |  |
| **Zoning and Land Use Regulations** | 15% | Verify the zoning status and permitted land use to ensure it suits your business requirements. |  |
| **Infrastructure and Utilities** | 10% | Ensure the availability of basic infrastructure like roads, electricity, water supply, and sewage systems. |  |
| **Price Verification** | 10% | Compare the site's price with similar commercial properties in the area to ensure it aligns with market rates. |  |
| **Future Development Plans** | 5% | Check for any planned infrastructure projects or developments in the area that might impact the site's value. |  |
| **Builder’s/Owner’s Reputation** | 5% | Research the reputation of the seller or builder, including their track record and feedback from previous clients. |  |

1. Legal Due Diligence (30%):

*Title Verification: Confirm ownership, check for encumbrances, mortgages, and legal disputes.*

*Land Use Permissions: Verify zoning regulations, land use classifications, and permissible commercial activities.*

*Approvals and Clearances: Ensure all necessary permits and clearances from local authorities are obtained for commercial development*.

2. Location and Accessibility (20%):

Accessibility: Evaluate proximity to major roads, highways, airports, and public transportation.

Market Demand: Assess the attractiveness of the location for businesses and potential customers.

Infrastructure: Check availability and reliability of utilities such as water, electricity, sewage, and internet connectivity.

3. Market Analysis (15%):

Market Trends: Research local commercial property market trends, vacancy rates, and rental yields.

Competitive Analysis: Understand competition from nearby businesses and developments.

Economic Outlook: Consider local economic indicators, growth forecasts, and demand drivers for commercial spaces.

4. Physical Inspection and Condition (15%):

Site Survey: Conduct a physical inspection of the property to assess its condition, boundaries, and any potential environmental issues.

Building Inspection: Evaluate the structural integrity and compliance with building codes of existing structures (if any).

5. Financial Feasibility (10%):

Cost Analysis: Estimate acquisition costs, development expenses, and potential returns on investment.

Financial Projections: Prepare cash flow projections, considering rental income, operating expenses, and financing options.

6. Legal Compliance and Regulatory Checks (5%):

Environmental Compliance: Check environmental clearances and risks associated with contamination or ecological impact.

Compliance with Local Laws: Ensure adherence to labor laws, tax regulations, and other statutory requirements applicable to commercial properties.

7. Future Development Potential (5%):

Expansion Opportunities: Assess potential for future expansion or redevelopment of the site.

Urban Development Plans: Review local urban planning regulations and upcoming infrastructure projects that may impact property value.

These percentages are approximate and can vary based on specific circumstances and priorities. It's advisable to work with legal advisors, real estate professionals, and conduct comprehensive research to make an informed decision when purchasing commercial sites.