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The Real Value of AI in Retail Brokerage? More Time for the Relationships That Drive Deals

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In the last five years, AI has gone from zero assistance in leasing retail space to cutting retail brokers' workloads by up to 10%. AI can't replace relationships or build them, which ultimately is the biggest part of the retail leasing process. That said, AI can tackle tasks like sifting through local tenants or collecting data for local tenants that might be a good fit for a listing. It can assist with drafting leases or LOIs, putting together templates for leases or LOIs, or abstracts of leases. AI is also proving adept at more complex research aspects ranging from assembling market data reports to accelerating the due diligence process.

Yet while AI is making agents more efficient, at this point it's certainly not removing workloads that perhaps many may expect. Nor is it replacing key steps of delivering critical analysis of information or strategic advice that leads to better decisions. We will explore some of the ways AI is being used in the retail world, how AI is adding value to the leasing process, touch on a few challenges to consider when using AI and what the future may hold for retail brokers when it comes to adopting AI tools.

AI's Capabilities that Benefit Landlords & Tenants

Andrew Tanneberger, a retail broker with Charlotte-based The Providence Group, has built a daily AI workflow that turns time-consuming CRE tasks into rapid, reliable outputs. He notes, "the biggest impact comes from how quickly AI can break down complex deal language and surface market intelligence. By translating dense lease clauses, liability terms, and redlined

LOIs into clear summaries—with recommended counter language and rationale—I am able to give clients immediate clarity on risks, responsibilities, and negotiation strategy."

On the research side, AI accelerates market due diligence by pulling current data on zoning, UDOs, setbacks, traffic counts, ROW, road projects, and demographic and housing trends. What once required multiple government portals or hours of manual lookup now becomes a single, consolidated site intelligence package.

This combination of language analysis and real-time property data gives clients an edge: they can receive clearer information, grounded in today's conditions, in a fraction of the time.

Faster Modeling, Documentation, and Client-Ready Deliverables

AI has also transformed retail brokers' ability to model outcomes and produce polished client deliverables. By automating rental calculations, cost comparisons, and lease-rate or land-value forecasts based on active comps, Tanneberger can deliver financial scenarios in minutes instead of hours. AI drafting tools further extend that speed—turning instructions into ready-to-send emails, REC materials, site write-ups, leasing proposals, negotiation language, and even marketing visuals or renderings.

On the presentation side, AI integrates mapping, site data, and routing tools into Excel, Google Docs, and Smartsheet, enabling Tanneberger to quickly generate embedded maps, site books, and optimized tour routes. "The result is a dramatically faster production cycle and far more consistent outputs across research, analysis, and presentations," he says.

Across these six use cases, the through-line is accuracy, speed, and personalization. AI allows brokers to provide clients with crisp explanations, verified market data, rapid financial modeling, and professional deliverables—all tailored to the exact deal, site, or scenario. Yet, Tanneberger points out, "The technology doesn't replace expertise; it amplifies it, enabling me to respond faster, negotiate smarter, and support clients with information that's immediately useful and directly tied to real market conditions."

Sales Side Value

The two biggest examples of AI's capabilities, and how Legend Partners Tanner Olson finds himself using it for, is investment sales. He can take a 50 page lease and ask it to do an abstract. He notes there are 15 companies right now all trying to put together an AI platform for abstracting leases. Like anything, brokers still have to go back and fact check it. But Olson says "it's great to have this high powered, cost efficient admin assistant, yet it still doesn't provide the full confidence that every single part of it is correct. But AI definitely does expedite that process a bit."

AI is also being used for creating lease addendums. Brokers can feed an AI a lease and then have it create a drafted addendum or a five-year lease extension for a retailer's lease. Olson says "That is extremely helpful because it can produce a template for an attorney to review, rather than have the attorney draft the whole document. So, maybe we're cutting that time down by 5 to 10%. Those are the two most simple but powerful areas I've seen AI be used."

There are many people that are using it for assembling databases of local tenants that aren't nationally represented or don't have national accounts or a presence. Olson is also seeing people use it to gather general market data. A broker can take the time to create a national brokerage's commercial real estate market report, or they can ask AI to do it. "An example is AI can collect five of the largest commercial brokerage firms' quarterly market reports and literally average all that data together. Thus you could create your own market report out of what's already publicly available," notes Olson. "It can give you a much better perspective of what is going on in a market and AI's definitely going to help figure out what market averages look like."

The flip side is, AI is just not nuanced enough to know what is happening neighborhood to neighborhood or block to block. AI can't yet take the average lease rate across the county of say $32 PSF NNN and determine if that is going to apply to everywhere or a specific area. AI is just not sophisticated enough to know that yet, notes Olson.

Challenges to Using AI

AI is only good as the data that's being fed into it. So if that data is not available on the internet and not only on the internet, but on the public internet, AI can't log into data accounts and use that data at will. "In most cases, AI still is basically just searching for any public information and then making decisions and compiling that data at an exponential speed than I

could ever do it," says Olson. "But nonetheless, if it can't log into any of these various other accounts, then that AI tool is not going to be as effective."

One solution Tanneberger suggests using is Perplexity. With a paid for Agent, it allows users to bypass the login criteria, and the assistant can then interact directly with the webpage. Otherwise, in most instances, AI tools are unable to access non-public information and requires users to provide login criteria.

Tanneberger notes that AI has become deeply embedded in his daily workflow far faster than he expected, saving significant time while enhancing the quality of his work. He emphasizes that AI is only as strong as the input—clear, thoughtful prompts lead to better results, especially for new users. Despite the efficiency gains, he remains firmly in control of the narrative, always reviewing and refining AI-generated language for accuracy, tone, and client readiness. Over time, the technology adapts to his preferences, allowing for quicker, less detailed prompts, though he stresses that intentional, well-framed questions still produce the strongest outcomes.

The Advantage Gained by Integrating AI

AI has become a force-multiplier in Tanneberger's daily workflow, dramatically improving both speed and decision quality. Tasks that once required hours—or even days—such as sorting through market data, modeling financial scenarios, or reviewing lease language, can now be completed in a fraction of the time. He notes, "This accelerated pace enables clients to move faster on site selection, negotiation strategy, and deal execution with confidence grounded in timely, well-informed analysis."

AI also elevates both sides of Tanneberger's practice: behind the scenes it powers deeper research, sharper financial modeling, and more accurate market intelligence; client-facing, it helps deliver plain-language summaries, polished emails, customized REC materials, and even high-quality renderings. The result is a seamless experience where clients may not see every technical step, but they immediately feel the benefits—quicker responses, clearer insights, and consistently higher-quality guidance.

Important Considerations Before Using AI

Market data collection, drafting lease extensions, drafting an abstract of a lease, and tenant prospecting are all more landlord-specific types of functions that brokers are using AI for. On the tenant side, there are far fewer uses in Olson's opinion. Many tenants are using Placer.ai, which is collecting cell phone data. Olson says, "We're finding that Placer in some areas is really accurate, but in others, it's wildly inaccurate, specifically in urban or very dense environments. When there's ground floor retail underneath apartments or underneath office, there's just no way for AI or cell phone data to pick up whether that cell phone's on the first floor or the 10th floor. So in an urban core, it's almost useless data at this point. It definitely is a tool to be used, but it's not something that you can rely on."

Yet, AI is not something to be afraid of Olson observes. "Brokers all need to realize that it's not taking anyone's jobs or replacing anyone in our industry yet. But AI can make you a lot more efficient and improve how you work," says Olson. His advice is to pick one particular thing that a broker wants to learn how to do with AI and focus on that, don't overburden yourself by trying to learn 15 different things. That might mean starting with lease abstracts, then maybe moving on to addendums and extensions, and then maybe look at how AI could help improve marketing brochures or video content. Then move on to how can AI help gather market data quicker and put together your own data sources.

Olson advises, "AI can be really intimidating at first but it's just like learning any other tool. Think about the first time that any of us started really utilizing the internet for Google Earth or email or any of the technologies we use on a day-to-day basis now, it's second nature and a no brainer, but at some point in time, it was intimidating."

Primary AI Tools Used & Their Functions

1. **ChatGPT / Perplexity AI**
   Used for lease clause analysis, LOI and email drafting, real-time Q&A, market and property research, and financial/economic modeling. Also powers Tanneberger's custom-built GPT assistant trained in real estate theory, ethics, and analysis.
2. **OCR, Import Utilities & Image Generation Tools (Grok, Nano Banana, etc.)**
   Convert PDFs, images, and flyers into structured Excel or mapping-ready data; extract site information; and generate visuals or renderings for REC packages and presentations.

3. **Comet Web Browser with AI Assistant**
   Interacts directly with on-screen content to perform complex, multi-step tasks in the browser—everything from data extraction to document processing—limited only by how the agent is prompted.

There are plenty of free resources on the internet to learn AI from, too. One of the experts Olson has learned from is Topher Stevenson, who provides a weekly newsletter called ChatCRENews.com on AI tools and commercial real estate.

Future Possibilities for AI in Retail Leasing

Determining what's possible in the future with AI is a tough question to answer because AI's evolving so quickly. Things that it couldn't do six months ago, it can do today. A month or a year from now, AI could be doing 15 things that brokers never thought it could. Olson says, "AI is quickly evolving and there's many paths that it could take and possibilities that could emerge. AI is going to cement even further how important relationships are and it's really going to separate the good brokers from the bad brokers."

Olson believes AI is going to separate people that have access to off market information. Brokers that have connections with the right people are going to become infinitely more important. Brokers that are just browsing Crexi and Costar, or taking for face value what's out there, AI is going to be able to do that quicker and quicker every day. The people that are working on real estate in their spare time really are going to provide less and less value to their clients.

Final Thoughts: Advice for Using AI—and Responding to Skeptics

Tanneberger encourages professionals to ease into AI by testing it behind the scenes first, building confidence before bringing it into client-facing work. He stresses that AI is a tool—not a replacement—meant to offload busy work so practitioners can focus on judgment, relationships, and closing deals. For skeptics, he points to the undeniable gains in efficiency, accuracy, and responsiveness, noting that AI can process more information in seconds than any individual can in hours.

He likens today's AI moment to the early days of email: once viewed as optional, it quickly became essential for professional survival. AI is moving even faster, and those who embrace it will gain a meaningful advantage, while resisting it risks falling behind. Still, Tanneberger emphasizes that "human oversight remains critical—AI can make mistakes, so verifying outputs and ensuring the right tone and accuracy is key to maintaining client trust."

Retail leasing brokers shouldn't hesitate to jump in headfirst because AI is not something that's going away. It's going to become a more critical piece of real estate, both residential and commercial. Brokers can wait for it to come for them, or they can learn as much as they possibly can about it, accept it, and try to work with it now.

About the Authors: Tanner Olson and Andrew Tanneberger are retail brokerage industry leaders that work for affiliate members of the X Team Retail Advisors national platform. Olson is based in the Legend's Salt Lake City office, while Tanneberger is based in Providence's Charlotte, NC office.

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