



Owners and managers: Use this checklist to effectively manage your properties in 2011

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2011 is here. No more important time exists than now to make sure you are managing your properties properly. The more effectively you manage your properties the less likely you will need the assistance of your legal counsel.

To assist you, I submit this checklist to assist owners and managers:

1. Take time to personally visit each and every one of your tenants. Even a small token of appreciation to take along can go a long way. Listen to their comments. Act accordingly. Know that in the least, it will show your tenants that you care about your properties.
2. Go over all your current leases. Make sure all pass alongs have been properly billed and if not collected, figure out why; that all insurances tenants are required to have in place are up to date (and then verify the existence of the coverage's yourself once you get the information); have the tenants provide you with copies of all permits (building, fire, health, sanitation, fire alarm, etc.) that they are required to maintain at the premises and make sure the permits are current. Alcohol on premises? Make sure their liquor liability coverage is current.
3. Have your managing agent make sure that your own insurance is up to date and that it covers you for full replacement value as well as contains "up to code" coverage. Make sure you are covered in case a tenant's workmen gets injured at their premises. Do you have lost rent coverage? Is that coverage based on your current rent roll? Remember you can have too much insurance that you are paying for as well.
4. Go over your regular vendor's bills and billing practices, including your insurance coverage and shop around. Your vendors may be taking your business for granted. Or there may be old, inappropriate relationships at play.
5. Speak to each of your employees. Remind them that they work for you, not the tenants. Remind them that they can do no private work for any tenants without your written permission. In fact, reduce that policy to writing and have each employee sign off on it.
5. Make sure all permits that you are required to maintain for your properties are likewise up to date.
6. Begin discussion now with any tenants whose lease expires this year or early next year. Don't give a tenant a reason to find a new location.
7. As such, repair problems at your premises immediately. This includes everything from your bathrooms to your parking lot or common area light bulbs. Maintain your buildings and parking lots in first class condition. The condition you maintain your center or building (including the parking lots) sends a message to your tenants and potential future tenants.
8. Consider all "green" options. Lights that turn off from lack of activity; energy efficient light bulbs; ways to stop air infiltration thru windows, etc., that waste energy, thereby saving on air conditioning

or heating costs. Many leases contain electric and heating pass alongs, so the savings help your tenants as well. Not to mention consumers or building users like to see environmental initiatives. And the costs of the greening may result in tax breaks which usually can be passed along to the tenants. So effectively most will, in the long run, cost you nothing.

8. If your tenant is behind on their rent begin by speaking softly. The big stick is not to be used early on. I believe in using it at the third request. Please remember, personal guarantees may not be what they were when originally executed.

Remember: No good deed goes unpunished!

A happy and healthy New Year to all.

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