



## **The high price of everything: Real estate property management needs to be cost-effective**

March 26, 2012 - Long Island

With the high price in management today, real estate property management needs to be cost-effective. Fuel prices spinning out of control and rental income spiraling southbound is creating an economic catastrophe for most long island real estate commercial investors. It is extremely fortunate that New York landlords had an extremely mild winter, saving thousands and thousands of dollars. As a result of the economy commercial investment properties being negatively impacted, it has forced landlords to become pro-active to lessen their expenditures.

Vandalism and theft is on the rise, but effective property managers (EPM) can be a real solution to counteract the inevitable damaging effect as a result of vandals. Without question as the economy spirals downward crime and vandalism is certain to escalate. Having a creditable trustworthy property manager that frequently visits investment properties is a sure remedy to minimize reckless behavior. A worthwhile investment towards investment properties is the installation of surveillance cameras; although an initial investment they do provide is an added attempt to reduce vandalism and control the atmosphere of investment properties.

Another huge problem most landlords are experiencing are contractors illegally dumping, avoiding dumping fees and the travel time cost. The travel cost and dumping fees avoidance is creating a financial burden for landlords. The cost and expense to remove refuse from illegal dumping is at an all-time high. Frequent visits and the installation of surveillance cameras with warning signage, inclusive of well illuminated parking field lighting will be a deterrent against illegal dumping.

Janitorial supplies expenses are also soaring and creating an increase in landlord's disbursements. From time to time reliable dependable property managers and landlords must ascertain comparable janitorial prices to keep the prices at bay and fair. It is a day and hour that all cost governing an investment property must be compared and assessed to discover the best pricing, keeping you at maximum efficiency without compromising integrity.

" The entire commercial real estate property management industry is upside down in 2012 with rising fuel costs, property taxes and weather conditions all coming into play property management today needs to be on top of their game to retain and attract quality tenants in their facilities," said Michelle Zere, vice president Zere Real Estate Services.

Escalating fuel prices is a disaster for landlords. Most landlords today have been substantially negatively impacted as a result of the economic climate of our day. Fuel prices are soon expected to reach heights never imaginable. Tenants are already on shaky ground living day to day and not knowing what to do if the economy worsens. Landlords and property managers must control their own economic conditions to ensure long successful staying paying tenants. Landlords must provide reasons why a tenant should continue their stay and renewed their leases. Sometime rental prices

may play a large percentage in keeping a tenant in lease, but landlords must understand that tenants want to know that landlords are keeping up with their lease obligations and property managers must implement clever ideas to keep tenants' morale elevated.

One of the key strategies that I have incorporated into my leasing of office suites is not to grant prospective tenants long term leases. In doing so, it grants a landlord an economic edge when leases expire. Short term leases at a reduced rent may be a remedy to attract potential tenants and to remain in a positive cash flow position.

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