



Real solutions for a successful commercial property management business

July 27, 2009 - Long Island

As the president & CEO of The Dove Organization, Ltd. and a property manager for over twenty-six years. A commercial management firm needs to follow the primary governing rules for a successful property management business:

* Clear goals and outline realistic expectations, in-depth project plans, ascertain comparable pricing, define tasks for all team members, set timelines and benchmarks, provide clear progress reports, weekly project meetings, and budget plans.

While the economic downturn and its impact on real estate investment properties are unsettling I believe in the resiliency of the sector and know that most businesses will survive and go on to prosper in spite of the economy. I want to stress that even during these uncertain times, there are countless opportunities and resources yet to be discovered to maintain calm and order.

For every challenge, there is a solution and, often, the toughest times can trigger creativity to combat the storms. Most property owners are skeptical about hiring a management company because of trust issues. It's hard letting go of their investments in the care of some organization, but I must say that some of my clients had the same concerns and rightly so. I believe business relationships are built on being personal and I will only manage an investor's property as far as the client will feel comfortable with my services. After building a healthy, trusting relationship, the client will more than likely elect to turn over further responsibility of a premise or owners' property portfolio. I do not believe in a one size fits all mentality; a tailor-made package can be adopted that fits the most discriminatory client.

Management can be a challenge and more so if you lack the time, wherewithal and allow tenants to dictate ever step. Keeping tenants satisfied, being there for them makes a huge difference in keeping tenants on board and this also justifies rent escalations even in a downward economy. Market conditions are changing and you must know what steps to implement to preserve and maintain your tenants. If a tenant's confidence in the landlord is eroding, tenants are more than likely going to relocate to another nearby building and this is why management skills in conjunction with performance becomes more important than yesteryear. Effective management will solidify your tenants and bring a positive cash flow to your investment, meeting beyond one's expectation.

Quite often once an investor surrenders the responsibility of governing its own property to an experienced qualified management company the investor becomes more productive. The client's primary business and quality of life flourishes and that easily outweighs the cost of a full time management company. Now and in the distant future a major successful goal for any investment property is having a fully leased building at fair market rent.

A recent quote from Marie Zere, president & CEO of Zere Real Estate Service, Inc., a long standing commercial real estate firm said, "Strong property management services is the most strategic

component to retain tenants as well as attracting new tenant's to a building. Tenant retention is critical in a soft economy. A good property manager gives personal service, is familiar with rentals, concessions and operating costs in competing properties, which ultimately assures the landlord that tenants' needs and concerns are addressed."

The day of an absentee landlord is over; short cuts are not an option. Being accessible, knowledgeable and professional is absolutely a factor for success bringing short and long term positive results.

Patrick Caroleo is the president and CEO of The Dove Organization, Ltd., West Islip, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540