



## Winter storms change property management and impact real estate revenues

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As winter is coming to an end and spring is soon approaching, one's property managements skills are significantly tested. Major blizzard conditions this year have impacted real estate revenues significantly. New Yorkers have witnessed unprecedented record snowfalls, crippling our industry and putting it in a tail spin.

Property management skills were tested at best during this snow season. The economics of our day with tenants' daily struggles, trying to keep the vacancy factor to a bare minimum makes it difficult to say the least. The most speculative real estate manager never anticipated the magnitude of monthly snowfall expenditures incurred over the last several months.

How do we prevent the negative impact? In my opinion, every snowfall is an opportunity to buy a possible lawsuit. Living in a litigious society, we as property managers cannot compromise the degree of work performed, ensuring safety requirements universally accepted. In fact, I make it a practice to visit each real estate property that I manage to ensure the snow removal work was performed to a high standard and in a timely repeated fashion, if necessary.

It is important that a manager interviews the snow removal contractors making sure the company is reliable, insured and is not growing too fast and that their standards are not lowered. As a property manager you want to know other properties the snow contractor is serving and geographical proximity, making sure the contractor is not spread too thin. Just because a company is outstanding in performance during several minor snowfalls during previous snow seasons, does not make that same contractor equipped to handle blizzard type condition and twenty inches and above snowfalls. Sometimes a Bobcat or Pay-loader is required to remove snow adequately. Is your snow contractor prepared to remedy the situation underneath all conditions? These are some of the questions managers and landlords alike must entertain. I make it a practice to take photographs of properties that I managed with a log book, recording the dates, times and conditions. Should an injury arise, you are better equipped to represent the landlord. Some buildings such as medical is a property manager's highest priority, simply because patients, especially the elderly will not cancel their doctor's appointments regardless of weather conditions. As a property manager your utmost efforts must be applied to avoid any accidents or injuries, even to the point of escorting some patients into the building.

Another practice I have adopted over the years is to cut out newspaper articles to support the snow icy prevailing conditions. Newspaper commentaries typically paint with a broad brush stroke proclaiming devastating hazardous weather conditions, should one find oneself in a court room the foregoing data makes you possess a stronger prevailing case.

Over the last several years, I felt to incorporate in my office leases the landlord will pay for the first

three snowfalls during snow season in its entirety, but tenants shall be responsible to pay for their proportionate share of each snowfall thereafter of each lease year. In the implementation of the aforementioned, the tenants were more receptive and inclined not to resist the additional annual cost and expense and landlord cash flow remains positive.

So much for global warming.

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