

What to Expect From Your Property Manager

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Location, rent and amenities probably were the deciding factors when it came time to lease a space to house your business. But before you sign that lease contract and begin arranging for movers, it's prudent to learn about the person who'll be the conduit between you and the owner, the "go-between" source for questions, complaints and comments.

That person is the property manager.

Depending on the building, the property manager may be housed in an office on premise, or at a remote location. In any case, the role of the property manager basically is twofold: manage the owner's investment so it generates a profit, and fulfill contractual obligations to the tenants.

Keep in mind that the property manager works for the owner, but he or she is there to serve you – the tenant, the source of income from the real estate investment. (Within smaller real estate holdings, the owner will manage the property.) A successful property manager will have the ability to interact effectively with people, or as one commercial real estate veteran put it: "Believe that he or she has to renew each tenant lease every day."

Experience certainly is a plus, but a professional or company new to the industry may compensate any lack of experience through aggressive management or thorough attention to detail. Some managers hold a professional designation, such as the Certified Property Manager (CPM®), Real Property Administrator (RPA) or Certified Shopping Center Manager (CSM). You also should ask how much experience the manager has in the type of property you plan on leasing.

With ultimate responsibility for well-being of the building and its tenant base, the manager in most cases does not perform the day-to-day tasks like janitorial work, but rather supervises outside contractors.

Expect the manager for an office or retail property to take on the following responsibilities:

Lease Negotiations - Many managers take on the role of agent in charge of hammering out a lease agreement between you and the owner, as well as any renewals. Regardless of who is representing the owner, you should enlist a qualified attorney before signing a lease.

Rent Collection - The collection of rent, including a daily record of how the proceeds were deposited, is a basic function of the manager. You'll hear from the manager if the rent is late.

Maintenance - You won't see many managers pushing a broom or changing light bulbs, unless there's an emergency. However, the manager is responsible for screening, hiring and supervising the job done by outside contractors and custodians. Address common area maintenance or upgrade work concerns with the manager, not the workers themselves.

Security and Safety - As with outside maintenance workers, it's the managers job the make sure the space you rent has adequate security program in place and meets federal, state and local safe workplace regulations. Based on the type of property, security may range from uniformed guards on premise to insuring door locks are working.

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