

Oh, I'm just a property manager ... or so I thought anyway

Recently, I was having lunch with two senior property managers at McDonald's. We were going to meet at Starbucks, but I don't drink coffee, and it is such a pain to find close-in parking. And I don't like to walk a mile before I consume lunch. Plus, there really is nothing like a Big Mac and fries to satisfy the palate, and stimulate great conversation!

As we were having a lively discussion about our wonderful profession, I was shocked when one lamented, "Oh, I'm just a property manager. I really don't think I make much of a difference at all." I literally fell off my chair, choking on a tender morsel of my Big Mac! When I regained my composure, took my seat and cleared my throat, I boldly exclaimed: "You've got to be kidding me! We make a huge difference to our owners, tenants, employees, brokers and vendors." And then for the next hour, while feasting upon another Big Mac, we discussed in depth the tremendous value that great property managers provide in the marketplace. And as all great property managers do during an important meeting, I preserved and took notes on three napkins, listing the value-adds of great property managers.

But, before I share the Top 10 List, you need to know that I feel the same way about property management as Ray Kroc, founder of McDonald's felt, about the hamburger business. Kroc said, "I didn't invent the hamburger. I just take the hamburger business more



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seriously than anyone else ... it requires a certain kind of mind to see beauty in a hamburger bun." Likewise, I take and love the property management business more seriously than anyone else, and I really do see

beauty in a leaking roof, a plugged toilet and a heavy snowstorm, even a delinquent tenant who has not paid its rent for the month. I just love property management and think it is one of the great all-time professions!

And now to the Top 10 List that answers the question: *Just a property manager?*

1. Only the person who is appointed to supervise, manage, operate and maintain a property in accordance with the terms of the management and lease agreements.

2. Only the person who negotiates contracts and agreements providing for the construction of tenant improvements, including contracts with architects, engineers and general contractors.

3. Only the person who on behalf of the owner enters into contracts for utilities, janitorial services, security, landscaping, maintenance, snow and trash removal, and other services

deemed necessary or advisable for the operation of the property.

4. Only the person who maintains and repairs the property in accordance with customary standards and operating procedures, and is readily available for all emergencies for the preservation and safety of the property, the tenants and other invitees.

5. Only the person, to the extent the owner requests, to cause to be placed and kept in force all forms of insurance required by law or needed adequately to protect the owner and the manager, and to promptly investigate and make a full and timely report as to all claims. The accurate tracking of certificates of insurance is a critical duty of a great property manager.

6. Only the person who works closely with the tenants, using his best efforts to collect all rent and to be proactive in responding to all tenant requests in a timely and positive manner, *knowing that the more he helps his tenants succeed, the more he succeeds.* Yes, great property managers get belly-to-belly with their tenants on a regular basis and do not hide behind their desk or computer. They are always in the right place at the right time, making things happen.

7. Only the person who authorizes the disbursement of funds for the successful operation of the property, documented in accurate, timely, monthly financial reports required by the owner. And need I mention the preparation of the operating and capital

budgets for the property? Great property managers are constantly focused on improving the net operating income of the property!

8. Only the person who takes all necessary action to be in compliance with legal requirements affecting the property and its operation.

9. Only the person who hires and supervises all personnel and contractors in providing great service to the tenants on behalf of the owner. Great property managers know they are only as good as the people they hire. And most important, they treat tenants "first class," knowing they are the *critical assets* of the owner!

10. Only the person who coordinates with leasing brokers and the owner, providing all assistance to fill vacancies, thus improving the cash flow of the property. Great property managers really do like leasing brokers touring and showing the property, and strive to make their visits most memorable!

As we finished our nutritious meal at McDonald's, with a tasty ice-cream cone and oatmeal cookie, I shared my favorite quote from Ray Kroc. "When you're green, you're growing; and when you're ripe, you start to rot." Yes, great property managers know the importance of "green" and certainly will "LEED" the way into the future! I hope to see you at McDonald's, either for breakfast, lunch or dinner, where we will sup and expand on the Top 10 List! ▲