



# TURNING AROUND A PROPERTY

By 

Turning around a struggling property is a complex undertaking. Below are a few areas you should be reviewing and analyzing as part of the takeover that will help you create a successful management plan for the owners.

1. **STAFF.** Review all staff. How effective is the leasing staff? How effective is the management company? Replace ineffective staff.
2. **MARKETING.** Are there any issues with the marketing and tenant activities? Is the office open during peak time? Is there sufficient traffic?
3. **REVENUE.** Is rent revenue maximized? Are you billing back to tenant as needed?
4. **EXPENSES.** Review all expenses. Analyze vendor contracts. Analyze utility allowance and determine alternatives for conservation. Analyze insurance expenses. Shop your audit firms. Analyze marketing and advertising expense. Rework financial expenses where possible. Review leasing equipment and parts expense. Review property taxes.
5. **CASH FLOW.** Withdraw from reserve account if available. Review mortgage escrows. Remember partnership fees are subject to cash flow. Are operating reserves in place? Can we delay interest on loans?

*Roxana Tofan is the Owner/Broker of Clear Integrity Group LLC. Roxana has 17 years of commercial real estate and business operations management experience having worked in several markets across the United States. She can be reached at [roxana@clearintegritygroup.com](mailto:roxana@clearintegritygroup.com)*