



## MIDTOWN MANAGEMENT SERVICES

Midtown Commercial Realty  
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Remax Select Group is a Licensed Real Estate Broker

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## OUR COMPANY

### MANAGEMENT SERVICES

Midtown utilizes a “hands-on” approach to the management of our properties. Since we are property owners as well as third party managers, our clients get the same service, care and expertise that we give our own assets. In commercial real estate, only an owner can think like an owner, and we employ that philosophy in all of our endeavors. Because we use the same professionals and personnel for all of our assets, we will ensure our clients receive the highest level of service with a lower cost.

We approach management from 2 perspectives; physical and financial. In the physical perspective, we will go through the asset from top to bottom, evaluating the property, structure and systems, and what can be done to increase the market value of the property. In the financial perspective, we will evaluate the revenue and expense streams while doing a deep dive into the leases, costs, accounting and vendors. We will then reconcile both approaches and ascertain where the property's market value can be increased while running more cost effectively.

To that end, the office and facilities personnel at Midtown are experienced and well versed in virtually every aspect of third party property management, with the spectrum of services from maintenance and repair to budgeting, financial reporting and reconciliation. Our property management teams (accounting, field personnel and property managers) are accountable for timely rental collection, and accounts payable including payment of property taxes, insurance and debt service. However, while numbers determine a property's financial condition, its tenants are its heartbeat. Midtown's vast tenant relationships through their Brokerage, Advisory and Equities businesses promote positive tenant interaction and trust, which is so critical in tenant retention.

On the Facilities side, Midtown has a working relationship with CSI Inc., a regional Facilities, Security and Janitorial firm. CSI's client base ranges from international retailers to financial institutions, medical facilities to construction firms. CSI provides everything from simple maintenance to snow plowing, security guards to office cleaning. For more information on CSI Inc, you can click [www.csi-inc.net](http://www.csi-inc.net). Through that relationship, along with our Project Management services, we have the ability to undertake improvements that can range from small renovations and buildouts to ground up development.

Midtown's owned managed portfolio includes institutionally owned assets, downtown real estate, distressed properties and everything in between. The Principals of the firm have successfully owned, developed and managed real estate through decades of robust growth as well as The Great Recession. If our years of experience have taught us anything, its to be balanced in our approach, operate real estate efficiently and cost effectively while providing great service. In the end, our clients will judge our performance on two simple criteria, Service and Results, and Midtown will do its utmost to excel in each. We look forward to discussing your Asset and Property Management Needs with you.

## PROPERTY MANAGEMENT

### **SITE MANAGEMENT:**

All new properties will be assigned either an on-site manager, an area manager, or in many instances, both. Site managers are responsible for the day-to-day operations of the property, as directed by Midtown policy. All site & area managers are supervised by senior staff, which is required to perform a minimum of weekly site inspections and direct the activities of site & area managers.

### **PROPERTY INSPECTIONS:**

Property inspections are performed a minimum of once per week or as deemed necessary to insure that all company standards are met, maintenance is top notch, and vacancies are in rent ready condition.

### **STAFF MEETINGS:**

Management meets with all site / area managers, maintenance personal, and office staff on a weekly basis to discuss current needs and conditions at each and every property.

### **FULL MAINTENANCE PROVIDER:**

Your property will be assigned to one of our competent maintenance staff, who will be responsible for all aspects of your properties maintenance needs. From Plumbing to Heating/Cooling issues, from replacing fixtures to ceiling repairs, our staff can handle all your property's needs. Upon vacancy we maintain the spaces for our clients.

Through our sister company, CSI INC. , (CSI) Midtown has the capacity to handle all your property's day-to-day maintenance needs. From HVAC to Buildouts, from painting to plumbing, and everything in between, CSI is staffed to tackle all your property maintenance issues.

If major capital improvements are required, CSI & Midtown will work with our bonded contractors to provide the best cost and service. We will handle all aspects of the bid process and bring it to our client for approval prior to beginning the job. For ground up construction, major additions and development, we will bring in one of our project managers from Midtown Commercial Advisors to oversee the project.

## PROPERTY MANAGEMENT

### EMERGENCY MAINTENANCE

Midtown/CSI provides for a 24 hour per day, 7 days per week emergency maintenance hotline. This assures that your property is always in touch with management and maintenance staff.

### STRICT QUALITY STANDARDS:

Quality control standards are maintained by having managers working closely with our maintenance staff and vendors to ensure that jobs are being completed in a timely manner and in a professional manner.

### OWNER CONTACT:

Owners are always contacted for non-emergency repairs exceeding an agreed upon amount, detailed in the property management agreement.

### COMPETITIVE BIDS:

Competitive market bids are obtained on all major improvements or repairs and always require your approval before work begins.

Note: While CSI does work in conjunction with a licensed General Contractor, for your financial benefit, all major electrical, major plumbing, and other construction related Capital Improvements are bid competitively in the market, as well as by CSI.

**[WWW.CSI-INC.NET](http://WWW.CSI-INC.NET)**

## ASSET MANAGEMENT SERVICES

### ASSET OVERVIEW: ASSET ASSESSMENT AND PLANNING

Upon executing a Management Contract with Midtown, we, along with the client, will develop a financially sound direction for the property. We look at the current state of the property, its placement in the market place and property genre as a whole. We look at the current state of the property, recommend improvements, prepare budgets, discuss marketing and rent rate strategies, and look for areas to reduce expenses. This plan is then re-examined and modified every quarter.

### AS IS V. STABILIZED BUDGET ANALYSIS

As a part of the assessment process, we will analyze the most recent 12 month operating statements for the property, looking for discrepancies or soft spots in the expense structure. With a strong focus on expense control, we key on those expenses that can typically get away from an owner, notably maintenance supply expenses, maintenance salary expenses, utility expenses, and administrative expenses.

Similarly yet separately, an analysis of current real estate taxes and insurance is performed to ensure those expenses are within current market conditions.

Once analysis of the current expense structure is fully understood, the team at Midtown will build an "as stabilized" budget based on market standards for properties of similar size, style, and quality.

This "as stabilized" budget is then used as the baseline budget, and is continually compared to actual monthly outcomes. Variances between the as-is budget and the actual expenses are analyzed, and areas of improvement are set out. From an income standpoint, budgets are formulated based on rapidly changing rent and concession data. In today's tricky rental market, asking rents and concessions can be a moving target, changing literally month by month.

It is vitally important to project rents, concessions and vacancies that are competitive for your property type, in your immediate marketplace. For this reason the staff at Midtown always takes a conservative approach when assessing current asking rents and concessions, and projecting vacancies for any given period.

### OWNERS REPRESENTATION

If the property needs more of an owners representation approach to asset management, we would employ personnel from Midtown Commercial Advisors, to assist in the execution of the plan.

## **FACILITIES MANAGEMENT**

### **FACILITIES MANAGEMENT- Through CSI INC.**

Lot Sweeping

Plowing

Landscaping

Maintenance

Porter Services

HVAC

Electrical

Plumbing

Construction

Paving

Building Cleanouts

Property Auctions

### **SECURITY Through CSI Security**

Unarmed Security

Armed Security

Investigations

Employee Drug Testing

### **JANITORIAL Through F&J Associates**

General Office Cleaning

White Glove Service

General Maintenance

Institutional

Government/Education/Medical

InHouse Services—We supply the employee and benefits so you don't have to.

## FACILITIES MANAGEMENT

### TYPICAL ACTION LIST

Notice of management change to tenants

Receive and review all owner ledgers

Receive all keys and personal property of the property if necessary.

Change all Utility Accounts where necessary • Electric /Gas accounts • Trash • Water and Sewer, Plowing etc.

Establish Property on Management Software Set up property bank Trust Account

Set up Master file with Mgt Agreement

Notice to all vendors of billing change

Assign manager

Assign site / area maintenance

Setup landscape schedule

Income statement analysis and review; Review overall income statement for, accuracy and areas of potential concern

Real Estate Tax review; Review current real estate tax bill as compared to market value; determine if tax reduction protest is called for.

Property Insurance Review; Review tax coverage and premiums; ensure property has proper liability coverage and premium in in line with market. Secure competitive bids if needed.

Utility Costs analysis; Review water, sewer, trash, electric, and gas billings for the previous twelve months, assess costs to occupancy and unit size. Look for excessive billings that may indicate leaks of other trouble areas.

Maintenance expense review; Review maintenance billings, both labor and materials, as compared to vacancy overall property quality; look for key areas to reduce costs.

Establish Baseline Budget; From overall analysis of property needs and operations, outline a 12 month baseline budget.

## ACCOUNTING

**ACCOUNTING:** Customized accounting and financial reporting solutions.

**RENT COLLECTIONS:** Rents are collected when due, or the proper notices / legal actions are taken per client's authorization.

**PAYABLES:** All payables are reviewed on a monthly basis. We review expenses for accuracy and unexpected increases, compare current invoice to the same period the previous year, and always seek avenues to reduce the expense wherever possible. Valley Income Properties also performs an annual review of Tax and Insurance invoices, and we investigate avenues for reductions. All expenses are paid when due or the owner is notified of any cash shortages.

**TAX APPEALS:** Upon receipt of the annual property assessor statement, Midtown will review all property valuations and pursue tax appeals on behalf of the owner.

**CITY/SALES/STATE/PROPERTY TAX:** Collected and reported/paid to the appropriate authority on a timely basis.

**APPROVED VENDORS:** Midtown has a list of "Approved Vendors" for all property suppliers. From carpet vendors to appliance vendors, paint vendors to electrical contractors, all our vendors are long term members of the community and always guarantee lowest cost and highest value. Our Vendor list is continually updated and we re-bid our vendor services annually.

**MONTHLY AND YEARLY FINANCIAL STATEMENTS:** All monthly and year-end statements are forwarded on a timely basis. All accounting is done on a monthly basis (1st to 30th.) Reports are prepped and generated between the 1st and the 7th of the month. All reports are then reviewed by management and approved for distribution. Final reports are uploaded to the clients Private and Personal web portal by the 12th of the following month, and are accessed with your personal PIN. All reports include a Cash Flow Statement, Current Rent Roll, Statement of Deposits, Check Summary, a reconciled Bank Statement, and copies of invoices and the check stubs.

In conjunction with the financial reports, all cash flow disbursements are wired directly to the bank account of the owner choice.

## FINANCIAL REPORTING

Financial Reports are based on a 1st to 30th (or the last day of the month) accounting cycle. During the course of the month, rents are collected, bills are paid, and resident / vendor ledgers are addressed. On the last day of each month, the current accounting period is closed and data is gathered for reconciliation.

All accounts are reconciled between the 1st and 8th day of the following month, and financial reports are generated by the 12th day of the following month. Reports are reviewed for accuracy, if required corrections are made. Once reports have been approved they are uploaded to your private and secure web portal by the 12th day of the following month. At the same time, any cash flow disbursements are direct deposited to the bank account of your choosing via an ACH transaction.

During the course of the month, certain reports are uploaded to your secure web portal for viewing at your leisure, including Activity Reports, Rent Rolls, Summary of Deposits, Check Detail, Etc. All reports are indefinitely maintained on your secure web portal for viewing or printing at your discretion.

### CASH FLOW STATEMENT:

Reflects both monthly and year-to-date income and expense figures. This report shows actual income and expense figures and how those numbers compare to the budget.

### 12 MONTH CASH FLOW STATEMENT:

Reflects month by month income and expense activity over the previous 12 operating periods. Provides owners a 12 month snap-shot, and the ability to easily track progress of the property over time.

### INCOME STATEMENT:

Provides income and expense figures grouped by category, such as Utility Expense, Salary Expense, Management Expense, Admin Expense, etc.

### RENT ROLL:

Provides detailed information on each resident, including name, type of unit, contract rent, security deposit, amount paid, lease expiration, Etc.

### SUMMARY OF DEPOSITS:

Provides a break down of each bank deposit.

### CHECK DETAIL:

Check Detail gives the owner a detailed listing of the checks that were written from the Trust Account. Check detail should match up with the bank reconciliation (below.)

### BANK RECONCILIATION:

Each report package will contain a complete bank reconciliation of the Owners Trust Account.

### AGED PAYABLES REPORT:

Provides a summary of open invoices that are carried forward to the next accounting period.

## LEASING, DISPOSITION & BROKERAGE

### LEASING:

As a part of the management process, Midtown has a full service brokerage company with over 10,000,000 sf of listings throughout the NY TriState area and around the country. Through its affiliation with Remax, LLC it has access to over 125,000 agents throughout the United States, and in 110 countries around the globe. We have relationships with National Tenants in every product type as well as our own account base that has clients of every type and size. Our principals have been recognized as a CoStar Power Broker completing transactions in excess of 1,000,000 sf in size. We understand the property from the Landlord's point of view and we negotiate well from that position. Only a landlord can think like a landlord, and as Midtown are landlords ourselves, we understand the costs, time and downtime associated with vacancies. Midtown will represent our clients as we would our own properties.

### DISPOSITIONS:

Midtown's background in asset dispositions comes from the Institutional Real Estate world. We have represented private funds, REITS, International Funds and Developers of all shapes and sizes. Whether it's a Freestanding NNN Retail asset that needs to go to a specialized buyer or a shopping center that needs to be shown to 2,500 of your closest institutional friends, Midtown has the capability to do that transaction. We have the social, database and technical bandwidth to handle your largest or smallest dispositions.

### BROKERAGE:

Midtown provides clients with all brokerage services from Acquisitions to Tenant Representation, National Brokerage to Leasing Services. We can provide inhouse leasing services to clients so all your paying for is the transaction. It is having your own in office leasing agent without the costs and benefits to be paid to them.

You can visit [midtowncre.com](http://midtowncre.com) for further brokerage information.

Midtown looks for to the opportunity to serve all of your Management, Maintenance and Leasing needs.

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