

NEW PROPERTY MANAGEMENT CHECKLIST

Large Office or Retail Building



'This sample checklist is not finite but you could add your local issues to it, and then it could be used in the take up of a new Property Management appointment. You can add your extra factors to the list based on the building, your location, the client, the tenants, the leases, and local property laws.'

– John Highman. <http://commercial-realestate-training.com/>

Building: _____

Location: _____

Owner: _____

Date: _____

NEW PROPERTY MANAGEMENT CHECK LIST

The Property Manager shall be responsible for ensuring that the following is obtained/completed.

1. PHYSICAL MANAGEMENT

Notify relevant contractors/suppliers of Management Appointment and request Insurance/Workcare cover details and Quality Assurance status for Register if not presently on register.

Request statutory authorities to carry out final reading from settlement or hand over date in the following circumstances:

- where client has recently purchased property
- where property has recently been built

Notify all statutory authorities of change of billing address (unless owner instructs otherwise)

- Gas
- Electricity
- Telephone
- Council
- Land Tax
- Water
- Others

Note: Possible exclusions to the above are:

- a) single tenanted buildings
- b) industrial properties
- c) strata tiled properties.....

In the above instances, the owner or tenant may elect to notify and pay Statutory Authority charges direct.

Set up relevant files as per Filing System

Establish asbestos audit and environmental Guide Lines for property

Check all contracts are in place and if necessary re-tender

Complete Emergency Contact List

Meet with client (where appropriate)

Notify existing building staff

Detailed Listings including:

a. Tenancy Schedule, including Vacancies

b. Tenant/Debtor details including: Contact Name; Telephone No.; Fax No.; and Billing Address

Notify all tenants of management appointment

Complete Tenancy Contact List

Copies of Leases, Licences & Other:

a. Executed

b. Proposed

c. Expired leases for holding-over tenants

d. Standard Lease and Car Park Licence agreement (where applicable)

e. Deeds of Surrender, Renewal, Variation & Guarantees

Copies of Correspondence (where possible) verifying:

a. The Current Rent

b. Exercised Option

c. Past Rent Reviews (inc. Car Parking) and Lease Renewals

d. Letters of Offers to Lease or Renew Lease

e. Any incentive agreements

Insurance

- Insurance details of property and a Certificate of Currency
- Insurance premium and details of cover including outstanding claims
- Set up Diary Listing to ensure property insurance is reviewed on an annual basis, review date should coincide with insurance renewal date

Details of Monies & Bonds Paid by Tenants

- a. Leasing Deposits
- b. Security Bonds
- c. Fitout Deposits
- d. Bank Guarantees
- e. Insurance Bonds
- f. Tenancy Tribunal Deposits

Lease Arrangements

- a. Current agency arrangements/agreement
- b. Marketing commitments
- c. Is agent aware of all vacancies?

Copies of Correspondence for any other agreements with tenants:

- a. Fit-Out
- b. Rent Free arrangements
- c. Storage Areas
- d. Naming Rights
- e. Parking
- f. Signage

Measurements survey of areas of the tenancies within the building or other schedule of areas as supplied by client

Car Parking

- a. Plans, incl. Approved plus total number of spaces

b. Schedule of Allocated Parking Areas

Meet with tenant representative from each Lessee company where possible or as agreed

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If the property is a strata title (Body Corporate) then the Property Manager shall be responsible for ensuring that the following additional information is completed/obtained:

a. Minutes Book

b. Body Corporate Seal & Register

c. Copy of Certificate of Title(s)

d. Copy of Strata Title

e. List of Unit holders and Mortgagees

f. Previous Financial Statements

g. Details of Funds held and Bank Accounts

h. Rules and Regulations, if varied

i. Correspondence Files

j. Outstanding Legal Issues/Disputes/Maintenance

2. FINANCIAL MANAGEMENT

Outgoings

a. What is outgoings recovery period?

b. Are the tenants percentages quoted in the lease?

c. Schedule of percentages with the workings?

d. What estimates of outgoings have been quoted to the tenants?

Rent and other charges, account details, including:

a. Copy of the Owners last monthly statement, where possible

b. Copies of the current standard charges

c. Details of Tenancy arrears as at the date of hand over and details of what action to

date has been taken to recover same

d. Details of any unbilled charges e.g. Electricity, Keys etc

Details of all Outgoings and their Workings. This should include:

a. Estimates for the Current Year

b. Actual Expenditure for prior years

c. Base Year details of current leases

d. Statement of Actual Expenditure plus Workings for the last financial year including details of all Prepaid and Accrued Accounts

e. Details of invoices paid during the current accounting year (property transaction report) for the property together with a Consolidated Expenditure Report showing the allocation between recoverable and non-recoverable costs

Income and Expenditure Budgets and Cash Flow Projections, including the assumptions made

Details of all works in progress outstanding invoices and purchase orders from Contractors and confirmation that they are correct to pay

Owners Financial Set Up

a. Which bank is the Trust Account located

b. Trust Account Fund(s) set up

c. Remittance Arrangement

d. Owners Financial Year

e. Is there an existing Sinking Fund?

Paid to Date/Instalments paid in respect of:

a. Council Rates

b. Water Rates

c. Land Tax

d. Other Statutory Levies (e.g. Carpark, state deficit etc)

3. BUILDING MANAGEMENT

Details of Tenancy Fit-out and/or subsequent alterations including:

- a. As built drawings including Services & Specifications (if applicable)
- b. Letter of Consent (plus conditions, if applicable)
- c. Statutory approvals
- d. Planning Permits
- e. Fixtures & Fittings owned by Lessor, if any
- f. Schedules of condition of Tenancy at commencement of lease

Floor Plans of Owners Partitions to be provided including depreciation schedules

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Contractors & Consultants Contact List, including but not limited to the following:

- a. Architects
- b. Structural Engineers
- c. Hydraulics Engineers
- d. Electrical Engineers
- e. Building Compliance Survey
- f. Land Surveyor
- g. Quantity Surveyor
- h. Security Licences (including registration details)
- i. Plumber
- j. Electrician
- k. Fire and Essential Services
- l. Fire Evacuation Training Consultant
- m. Air Conditioning
- n. Water Treatment/Testing
- o. Lifts and Escalators
- p. Locksmith

- q. Glazier
- r. Automatic Doors
- s. Directory Board/Signage
- t. Swing Scaffold/BMU
- u. Carpet
- v. Sump Pumps
- w. Satellite TV Systems
- x. Communications
- y. Cleaning Contractor
- z. Others (inc. Asbestos)
- a1. Rubbish Removal
- b1. Building Management Systems
- c1. Pest Control
- d1. Landscaping/Gardening

These details should include a Contact Name, the Address and Business hours and after hours telephone/fax number(s)

Details of utilities, account number that the owner is liable for and confirmation of the areas served by same:

Electricity - House Power

- Tenancies

Telephone/Faxes

- Building Manager
- Public Phones
- BMS System
- BMU Phone
- Lift Phones
- Security Systems

Gas

- Air Conditioning
- Other

Oil

- Quantity reading and location of tank

Water

Meter Reading

Keys

a. Details of Restricted Master Key System, if installed

b. Key Register

c. Details of Keys issued

d. An authority addressed to the appropriate party advising First National will
now be responsible for ordering keys

e. Obtain all spare keys from client/agent

Details of the Access Control/Security System including:

a. Manuals and Access Codes/Keys

b. Allocation of Cards & Plastic Keys

c. Location of Control Panel/Programmer

d. List of Current Card/Key Holders

e. Obtain all spare cards/keys

f. Remote Control Handsets (if any)

All Maintenance Manuals and Plans for the building and Contract Specification as prepared by Consultants/Contracts including but not limited to the following:

a. Structural

b. Hydraulic

c. Electrical

d. Security

e. Fire Services

f. Fire Evacuation

g. Mechanical Services

h. Lifts

i. Escalators

j. Automatic Door

- k. Garage Doors
- l. BMU
- m. Communications
- n. TV Systems
- o. Others
- p. Carpet
- q. Asbestos Register
- r. Facade Maintenance Arrangements

Copies of all Contracts, including letters of offer and acceptance for the supply of goods and services, to or in respect of the building for services listed above.

Cleaning: The following information is required:

- a. Copy of contract
- b. Copy of specification
- c. Tenant charging details
- d. Original tender details
- e. Special cleaning requirements
 - Forecourt
 - Foyer
 - Glass
 - Roof

Details of Emergency Procedures Manual together with a list of floor wardens etc and nominated training company

Copies of any reports prepared by Consultants (Pre Purchase/Due Diligence, Asbestos Survey, Structural etc)

Details of the type, supplier and location and no's of spaces:

- Floor Coverings (inc Carpet/Tiles/Stonework)
- Ceiling Tiles

- Light Fittings
- Exterior Glass
- Others
- Copies of Warranties - any warranties still current**
- Floor loading details including heavy load area plans**
- Hours of Operation**
 - a. Mechanical Plant
 - b. Public Access
 - c. What holidays have been programmed?
 - d. Location of time clocks and services they operate
- Lift Phones: Direct to contractor or answering service**
- After hours operation of Air Conditioning**
 - a. How is after hours air conditioning operated?
 - b. Location of meters
 - c. Agreed cost per hour
 - d. Charges out to date
 - e. Final readings
- Gardening: Has a watering system been installed, if so, how is it operated?**
- Outstanding Building Works**
- Defects List under Building Contract or from survey?**
- Are performance monitors to be completed for the building? If yes then,**
 - 1. Distribution list for information
 - 2. Frequency for information to be issued
- Are Tenancy Request Analysis documents to be produced for this building? If yes then,**
 - 1. Is it to include all or some of the tenancies?
 - 2. What analysis headings are to be used:
 - Air conditioning
 - Electrical
 - General
 - Lamp Replacement
 - Plumbing

- Fire Protection
 - General
 - Sprinkler
- Electrical
- Painting
- Cleaning
 - Building
 - Tenancy
- Mechanical Services
- Security
- Lifts
- General Maintenance
 - Door
 - Furniture
 - Windows
 - Others
- Others

Planned works for the property

- a. Painting
- b. Mechanical Plant
- c. Electrical Works etc

4. MERCHANTS ASSOCIATION ARRANGEMENTS FOR RETAIL ELEMENT

- Is there a promotions fund?**
- Existing commitments**
- What contributions are collected from the tenant?**
- Where are funds held?**

SUMMARY CHECKLIST:

Income

- Rental income
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- Percentage rent (and base details)
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- Licences (all types)
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- Electricity
.....
- Cleaning
.....
- Signage
.....
- Miscellaneous
.....
- Outgoings recoveries and base year
.....
- Outgoings by categories and tenants charges
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Expenses

- Statutories
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- Insurance
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- Lifts
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- Security
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- R and M
.....
- Cleaning
.....
- Landscaping
.....
- Staff
.....
- Car park
.....
- Airconditioning
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- Cap ex
.....
- Sinking fund
.....
- Legals
.....

Sundry

- Leases
 - Copies
.....
 - Originals
.....
 - Extracts
.....
- Licences
 - Copies
.....
 - Originals

-
- Extracts
-
- As built drawings
 - Electrical
 -
 - A/Con
 -
 - Hydraulic
 -
- Architectural
-
- Hydraulic
-
- Electrical
-
- Floor plans
-
- Encumbrances
-
- Incentives
-
- Arrears
-
- Plans (building and tenancy)
-
- Depreciation schedules
-
- Management fee and agreements

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- Maintenance contracts
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- Occupational health and safety
.....
- Evacuation plans
.....
- Marketing budgets and plans (plus history)
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- Outgoings budget and reconciliation
.....
- Contractor details (all contracts)
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- Building manual
.....
- Fit-out manual
.....
- Valuation detail
.....
- Insurance policy detail and cover and claims method
.....
- Asset plan
.....
- Tenant list and contact details
.....
- Vacancy detail
.....
- Active tenancy issues and approvals
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- Rent profiles
 - Face
.....
 - Effective
.....
- Budgets and historic financials (all types)
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This list can be expanded as the property type requires. Be aware of the property needs, and modify the list accordingly.

Note: All the information contained herein is for general information and education purposes only. While we endeavor to keep the information up to date and correct, we make no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability or availability with respect to the information, products, services, or related graphics contained in this resource and or on <http://commercial-realestate-training.com> for any purpose. Any reliance you place on such information is therefore strictly at your own risk in all respects.