

Together We Are Stronger

By Aida Gashi, REM Residential



Rent-stabilized tenants demanding access to amenities. MCIs taking forever. Mayor Bill de Blasio's appointment of more tenant advocates on the Rent Guidelines Board. Proposed rent freezes. Twenty-seven new amendments to the Rent Stabilization Code. A stronger Tenant Protection Unit. What does this portend for the future of New York City's hither-to booming real estate market?

Let us take a brief, but eye-opening look at what has transpired in terms of changes. Under the Division of Housing and Community Renewal (DHCR), the Tenant Protection Units (TPU) have been created. They are designed to aggressively investigate purported landlord violations of rent laws. Renewal leases being protected is another egregious anti-landlord move. This is a catch-22 for a management company and for the landlord in that if a tenant does not sign a lease renewal agreement, the tenant automatically becomes a month-to-month lessee until an agreement is reached. One can only imagine the protracted, prolix process.

The apologetic expression, "In union there is strength", may understandably strike a discordant diapason amongst our industry. However, the Rent Stabilization Association (RSA), the Community Housing Improvement Program (CHIP) and several other organizations have joined forces in opposing the aforementioned new regulations, namely the Tenant Protection Act, by suing.

This teamwork, significant as it is, is just the tip of the iceberg when it comes to effectively and proactively advancing the cause for the real estate industry, landlords, investors and management companies alike.

In the real estate industry of NYC, the key to a thriving and lucrative building investment is the management company. Management should take the building from its foundation and build up from that, improve it, take it to a higher level. Management is the major cog in the wheel. An effective management company does not merely collect rent and engage in "drive by management," but works with its employees and clients to enhance their portfolio.

At R.E.M. Residential, one of our modi operandi is "Together We Are Stronger," coined by Rick Elezi, Founder and President. We have established a tried-and-true method which has worked wonders for our clients and has had ripple effects.

The core of our operation is transparency, above all transparency in how we communicate with our clients and what we bring to the table when it comes to managing their most important investment, their buildings.

By setting up routine meetings in our office with clients and introducing them to each other, we have raised the property management bar. It harkens back to "in union there is strength." In bringing landlords together, we enable them to compare buildings and budgets; get better rates on insurance policies and supplies from our vendors; and pool resources by using the same legal representatives, for example.

Besides this financial aspect, there is yet another upside of bringing our clients together. R.E.M.'s clients have bought and sold buildings from each other, cutting back on costs and time by skipping the middleman. Often, tenants have had to relocate once their lease expires for various reasons, be that convenience of location or cost, yet want to stay within the auspices of an R.E.M. managed building. We have relocated tenants between clients' buildings based on their needs and what they are looking for. The leasing and application process is seamless because of the uniform stringent screening of applicants implemented through our in-house brokerage firm, Julianna Realty, helmed by Shpresa Elezi. Our clients are provided with all paperwork for review before a decision is made.

The New York Association of Realty Managers (NYARM) holds seminars regularly, as does the RSA, where property managers and landlords attend to get the latest industry buzz and news. We pass along the information to our clients and invite them to join us at these events. R.E.M. is always front and center at these seminars with consistent attendance as well as at trade shows. Our efforts were recognized by NYARM at their annual awards gala in January where R.E.M. Residential was awarded the Trailblazing Management Company of the Year Award.

When old issues with new resources and means to solve them come up, such as heat timers and compliance/violation services, we forward all relevant information to our clients and cc them collectively so as to facilitate communication and brainstorming. This has helped us and our clients when we invite a specialist in said field to our offices. Not only do we get information on how to tackle an issue, but we are again able to get better rates for our clients when they are presented as a likeminded and goal-oriented group.

We take a similar approach when it comes to our superintendents as well. If a superintendent is not able to do a plumbing job, for example, or if there is an emergency, we check with our other superintendents if they can do the job. This saves us a lot of money by not having to call an outside company, which would charge much higher fees.

By establishing a presence in an area, in a neighborhood, especially an up-and-coming one, yet again the bar is raised. One building has the ability to make or break an entire block and when a building draws free-market tenants willing to pay top dollar, it has a ripple effect on neighboring buildings. That is when you begin to see the appearance of cafes, restaurants, boutiques and the like, and these are factors which will increase the value and allure of a neighborhood.

Our portfolio with our client, Rockledge Properties, has been a driving force in revitalizing Sugar Hill and Hamilton Heights in Harlem. In so doing, it helps other landlords by increasing demand for apartments in the area and drawing more interest in commercial prospects.

Things are already tough for any landlord nowadays what with all the new regulations and amendments being passed so it is of the utmost importance that all landlords, regardless of the size and scope of their buildings, get the same diligence and attention from our property managers.

While organizations such as RSA and CHIP represent landlords and do an outstanding job at it, the responsibility to help a landlord falls on management. By continually coming up with and proposing ideas to help clients towards a common goal, we can

mitigate the struggles landlords are now facing. It may not be easy but trailblazers can certainly make it possible.

About R.E.M. Residential

R.E.M. Residential is one of New York's preeminent real estate management companies with a focus on managing rental buildings for investors.

At R.E.M., we adhere to a set of core values that form the cornerstone of our reputation: accountability, integrity and a dedication to an "old school" work ethic that commits us to delivering on every client obligation in a professional and timely fashion.

Accountability is a term that is all too often overlooked by our competitors in the industry. Our firm belief in accountability, however, goes beyond the management of your asset, where our commitment and care adapts your property as our own.

An undertaking accomplished through a consistent performance of synergistically tailoring and implementing improvement strategies to all the various aspects of our management services. We are passionate about the buildings we manage and are confident no company can match our attentiveness or the level of experience we bring to the table.

Our belief is that it is our responsibility to do everything we can to provide an unparalleled service of not only maintaining, but most importantly enhancing your investment's value.

Our expertise in increasing rent rolls and tremendously lowering expenses is evident in every property that we manage. An approach that has, amongst others, delivered a large Gramercy Park group of buildings we have managed for a number of years, with an astonishing increase in their rent roll of 400% over the last 15 years.

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