

KOOPMANS

Property Asset Management



**WAYS TO MAXIMISE
THE VALUE OF
YOUR COMMERCIAL
PROPERTY ASSETS.**



MONITOR

Keeping your eyes and ears open in respect of what is happening around any commercial property is essential. This not only relates to planning policies that may have an effect on the property, but what is happening to buildings around your property:

- Are upper parts being converted to residential use?
- Is the property within the parameters set down by the Planning Authority for change of use or is that benefit being absorbed by your neighbours to their advantage rather than yours?
- Is there a shift in the type of occupier around the property?
- Have others carried out extensions or redevelopment?

There could be a fundamental change in what is going on in the vicinity of your asset and if you or your professional asset managers are not monitoring this then you may not be maximising the value.

Owning commercial property is not a passive investment.



ENGAGE

The value of your asset will to some extent be reliant on others. A let property investment is dependent on the income received from the tenant:

- How is the tenant performing?
- What does their head office think of this location?
- Could the upper parts be surrendered and value realised?
- Is there demand for your property from other parties that may enhance value?
- What planning moves are afoot that may have an impact on the asset?

Engaging with local and knowledgeable people is essential – property is a people business.



STAY UP-TO-DATE

Make sure you have the up-to-date knowledge available to you:

- Rental levels and lease terms are constantly changing and when active management opportunities are progressed this could result in a positive change in circumstances.
- Obligations by both landlord and tenant under the terms of any lease need to be met and the development of case law or changing statute needs to be considered and proactively implemented.
- If there is a rent review forthcoming or a lease renewal due in the future, what strategy should be adopted in light of changes in the marketplace and the law which will affect the resultant value of your investment?
- Dilapidations and want of repair issues need to be taken into account and you or your professional asset manager must use their experience and knowledge to ensure these issues are not ignored.

Like any profession, the value of wisdom and experience for asset management of a property should not be underestimated.



MANAGE

As well as day to day management to ensure that the property is being repaired, maintained and cleaned appropriately and that tenants are happy, rents must be collected on time, and licences for alterations or alienation must be completed to ensure that the property asset is being managed properly.

Service charges can lead to some difficulties arising at a later stage if not budgeted for, monitored, collected and certified correctly.

What works can be undertaken within service charge recovery parameters can be a thorny issue that may lead to a specific advantage to landlord or tenant, if the terms of the lease clauses are fully understood.

**Management is more than just collecting the rent
– is that all your managing agent is doing?**



ENHANCE

You will have purchased the property as an investment and that means you want to make stable profits from the asset, whether those be income or capital gains over the longer period of time:

- How to enhance the value or income of a property requires a wide experience and in some cases flair – it also takes time and even a little luck. However, if you are not asset managing the property then you are reliant on the movement of the market place or other parties – property is usually a major investment and we do not advocate leaving the asset to be managed by the whims of the market.
- Some would say that in a market moving upwards all well and good but if the property is held over a long period of time the cycle will move up and down and any enhancement of capital or income must be active not passive.

Opportunities arise or can be uncovered to enhance your investment – with proper asset management they will not be missed.



KNOW A PERSON WHO KNOWS

Even with experienced property asset managers looking after your investment they will not know everything. They will, however, know other like-minded experts in the field:

- Accountants for capital allowances or tax advice.
- Solicitors in their various guises – litigation or conveyancing are very different fields where solicitors can add to the team.
- Planning advisors may assist in long term planning strategy or development proposals.
- Building surveyors to consider dis-repair, improvements or dilapidations.

Experts know where their expertise ends.



ENJOY

Owning a property should be an enjoyable experience. Of course there will be stress and complications along the way – commercial real estate is not a simple proposal. However, with professional asset managers assisting and advising you, they can deal with the strains whilst still maximising value.

KOOPMANS

Koopmans is a long established, respected family firm of asset managers of commercial property across the UK. If you own commercial property personally, in a SIPP, trust or corporate entity then by applying our knowledge experience and property nous we believe we can make sure you are maximising your return.