

## Unique Hands-On Approach to Management Draws Properties to DEPM

By Jim O'Connor, Douglas Elliman Property Management



Jim O'Connor, President of Douglas Elliman Property Management, Vice Presidents Peter Lampen, and Elly Pateras

In the 30 years I've been at Douglas Elliman Property Management, I've seen a changing business. With the price of properties here in New York City hitting astronomical levels, new owners are coming in spending millions of dollars for their apartments and bringing different expectations of service. We have to address

that need, while also being sensitive to those who have been living here for decades, many of whom take a more traditional approach to management. In addition, Local Law requirements, inspection regulations, the tax code and other considerations are as ever-changing as the City skyline.

In the past year or so, dozens of new properties have come to us for their property management needs. In 2015 we added nearly 20 new properties to our management portfolio, and we already have two dozen additional buildings starting with us in 2016. Why? Because of our unique hands-on approach to management, our dedication to service, the firm's exclusive focus on property management, the longevity of our company and staff, and the continuity that affords.

Founded in 1911, DEPM manages over 350 buildings and almost 50,000 apartments. Our portfolio includes every type of property from Mitchell-Lamas to rent stabilized units to luxury properties on Fifth, Park and Central Park West, to newly constructed downtown high-rises. We manage properties in four of the five boroughs, Westchester and Long Island.

### Our Services

One of the reasons that DEPM has such a fine reputation in the City is our extraordinary staff and the resources we bring to bear on a daily basis on our clients' behalf. Because of our size, our central purchasing allows buildings to save significantly on supplies: between five and fifteen percent compared to other companies. Our closing department is staffed by 14 people and handles over 4,000 transactions a year—sales, sublets, lease changes, etc. Each of our buildings is assigned a financial analyst who works with the board and treasurer to produce budgets on an annual basis, review monthly financials, and provide cash flow statements so properties can plan their expenses twelve months out. We have special relationships that provide our clients with competitive mortgage refinancing; we've refinanced over 100 buildings' underlying mortgages in the last five years.

Our energy management department aggregates the energy needs of our properties—fuel oil, natural gas, and electricity—and shops these on a regular basis, resulting in savings for our clients of over \$3 million a year for the last three years. We also purchase insurance for our buildings through two competing master insurance programs, each of which offers an umbrella liability

plan of \$150 million aggregate per building, offered at competitive premiums.

### Our Experience

As an established company that's been in the forefront of New York City property management for over 100 years, our experience with issues and solutions are second to none in the industry. Steam leaks, floods, gas leaks, water tower collapses, we've seen it all. As a property manager, you hope it doesn't happen, but it's our job to be well prepared to deal with any situation or crises that arises in our buildings.

As you might imagine, most building emergencies don't happen 9:00 to 5:00 Monday to Friday. We have a trained Emergency Response Team. They come on after 5 o'clock, and they carry what we call "The Bible," which is the emergency contacts for not only everyone at each building, but for the home numbers of all the vendors that service our buildings. In addition to doing the basics—making sure that everything is tied down, that all the drains are clear when a storm is forecast—in the event that something goes wrong, we know who to call and when to call them.

We've gone through Hurricane Sandy where we had buildings wiped out by the storm. We had buildings that had water go through their lobbies, damaged buildings that were uninhabitable for months afterwards. But we worked with our boards, our owners, FEMA, and the insurance companies to get these buildings up and running. It was a staggering accomplishment, which took much longer than any of us wanted. People were without their homes for a significant length of time, but we got it done. In all these years, the monumental task of rebuilding after Sandy was easily the greatest challenge we ever faced.

### Our People

Part of what makes us one of the leading companies in the City is our people. We have property managers with a wealth of experience who have been with DEPM for an extraordinary period of time; some managers have been assigned to the same buildings for over 20 years. Fully 180 of our 240-plus employees have been with us for over 15 years. That kind of continuity is unknown in our business.

I've gone to work for the last 30 years with the greatest collection of professionals that anyone could ask for. I truly wouldn't change anyone in our company for anyone else in the industry. This place is unique in that respect: people like property management here. And people like working with each other here. That's a testament to the type of people we have and I wouldn't trade it for the world.

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