RAIN CITY
PROPERTY MANAGEMENT

THE OWNER'S GUIDE

The six checks behind a *well-run commercial property*

The quick checklist tells you where value may be leaking. This guide shows what good looks like, what each gap quietly costs, and how to close it.

FOR COMMERCIAL OWNERS ACROSS METRO VANCOUVER & THE FRASER VALLEY

START HERE

Six checks separate a well-run building from one quietly losing value.

Most problems on a commercial property do not announce themselves. A missed renewal date, an escalation that was never applied, operating costs you were entitled to recover but absorbed instead. None of it triggers an alarm. It simply reduces your income and raises your risk, year after year, and usually only surfaces when you refinance, sell, or change managers.

Run the six checks on your building. Every one you cannot tick with confidence is a place value may be leaking. Here is what each one means, and exactly how to close the gap.

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1 Lease critical dates are tracked and acted on

WHAT GOOD LOOKS LIKE

Every lease is abstracted into a short summary of its key dates: term expiries, renewal and expansion options, termination windows, escalation dates, insurance renewals, and reconciliation periods. Those dates live in a tracking system that reminds you well before each one.

WHAT A GAP COSTS YOU

Miss a date and options disappear. A renewal window that closes can lock the space into unfavourable terms or cost you a tenant. These misses rarely create an immediate problem, which is why they are dangerous: they surface later, at refinancing, sale, or a management transition.

HOW TO CLOSE IT

Abstract every lease into a single key-terms summary. Keep one master calendar of critical dates with reminders that fire weeks ahead. Treat each date as an action to take, not a note to file.

2 Rent escalations and step-ups are actually applied

WHAT GOOD LOOKS LIKE

Fixed annual increases, CPI adjustments, market rent reviews, and step-up schedules are all calculated correctly and billed on their effective dates, every time, across every lease.

WHAT A GAP COSTS YOU

An increase that is never applied is permanent revenue loss. It compounds quietly year over year, and because commercial properties are valued on their income, under-billed rent also lowers what your building is worth when you sell.

HOW TO CLOSE IT

Capture every escalation in the lease abstract, calculate and bill it on schedule, and audit prior periods so any increase that slipped through is caught and corrected.

3 Operating costs and CAM are reconciled and fully recovered

WHAT GOOD LOOKS LIKE

Common Area Maintenance covers the cost of shared areas: parking, lobbies, landscaping, snow removal, security, and shared mechanical systems, allocated to each tenant by their proportionate share. What you can recover is set by each lease, not by industry custom. You reconcile the estimates you billed against actual costs once a year, and you collect everything the leases entitle you to.

WHAT A GAP COSTS YOU

The common misses all cost you money: reconciliation deadlines slip, tenant shares are calculated on the wrong percentages, recoverable expenses get absorbed instead of billed, and expense caps are missed. Even a triple net lease does not recover costs on its own. Without disciplined administration, recovery simply does not happen.

HOW TO CLOSE IT

Confirm the recoverable expenses in each lease, reconcile estimates against actuals every year on time, verify the allocation percentages, and review past recoveries for errors you can still correct.

4 The building is insured to current replacement cost

WHAT GOOD LOOKS LIKE

Coverage is reviewed each year against what it would actually cost to rebuild today. Policy and certificate renewals are tracked as critical dates, and the insurance obligations in each lease are enforced on your tenants.

WHAT A GAP COSTS YOU

Under-insurance leaves a catastrophic shortfall after a loss, exactly when you can least afford it. Over-insurance wastes premium every year. An expired certificate, yours or a tenant's, leaves you exposed with no cushion.

HOW TO CLOSE IT

Book an annual replacement-cost review with your broker, track every policy and certificate renewal on your critical-dates calendar, and hold tenants to the coverage their leases require.

5 Major systems are on a plan, not a scramble

WHAT GOOD LOOKS LIKE

Roof, HVAC, and building envelope are on a preventive maintenance schedule, backed by a multi-year capital plan that anticipates the big-ticket replacements before they fail, rather than reacting to them.

WHAT A GAP COSTS YOU

Emergency break-fix work costs more than planned maintenance, shortens the life of your systems, and disrupts tenants. Deferred capital does not disappear; it compounds, and it shows up as a discount when a buyer or lender inspects the building.

HOW TO CLOSE IT

Inventory your major systems and their age and condition, set preventive schedules for each, and build a multi-year capital outlook you budget for in advance.

6 Fees are transparent, with no hidden markups

WHAT GOOD LOOKS LIKE

You know exactly what you pay. The management fee is clear and published, and vendor and contractor work is passed through to you at cost. RC-PM publishes its management fees in the 3 to 8 percent range and adds no markup to contractor invoices.

WHAT A GAP COSTS YOU

Opaque fees and quietly marked-up contractor invoices erode your return and, worse, they misalign your manager's incentives with yours. When a manager profits from every repair, more repairs is not in your interest.

HOW TO CLOSE IT

Ask any manager for their published fee and a written commitment that vendor work is passed through at cost. Review invoices for markups. If the numbers are not clear, that is your answer.

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Where does your building *stand?*

If you left any of the six blank, that is where value is most likely leaking today. The good news: every one of these gaps is fixable with disciplined, owner-focused management.

Book a consultation at rc-pm.ca

DIRECT ACCESS

You talk to the manager running your property, not a call centre.

TRANSPARENT FEES

Published rates, contractor work passed through at cost.

OWNER-FOCUSED

Lease administration and cost recovery done with discipline.

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