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## **Hunneman's goal is to give the asset manager or owner the information to make the best decision - by Steve Prozinski**

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Steve Prozinski,  
Hunneman

Hunneman has the unique ability and flexibility to work with different types of clients ranging from institutional, family owned, full-service local buyers, and entrepreneurial clients. Over the past 10 years, Hunneman has worked with an increasing amount of small entrepreneurial owners, companies that do a big scale business with a smaller sized team behind them. In the earlier years, companies would staff-up and go purchase real estate with the strategy of wanting to do everything themselves. Now, after decades in the industry on multiple sides, I am seeing a trend of small group entrepreneurs with experience and equity, teaming up to purchase real estate and run it. This is where the Hunneman team comes in.

With Hunneman's expanded team, we help these groups with the back-office capacity they need to help purchase the assets with financial and physical due diligence. This can include proving out the offering memorandum (OM) by reviewing all the leases and estimated costs. Our team will then create a budget for the first year prior to the purchase, which will show any possible differences with the OM. This also allows the buyer to have a better understanding from a third party, as to what we believe the revenue and costs will be to manage the proposed property. The Hunneman team will also have our managers and engineers visit the property to look for possible capital items that may be in need of repair or replacement, as well operational efficiencies. At times, we have brought in outside contractors to help with particular items such as a roof review or extensive HVAC review. Most owners get a property conditions report (PCR), which are helpful and required by most lenders, however our review of capital and operational issues is generally more real-time and ultimately significantly more effective than a traditional PCR. For most of our management clients, these services are complementary, as we will be managing the property following purchase. The only potential out of pocket costs could be vendors that are brought in and that charge Hunneman for their services. We generally perform this service once the asset is under agreement.

Once the building is purchased, our experienced management team takes over all aspects of the transition and the property management. During the transition our team builds on the work we did

during due diligence. We meet with all tenants and vendors and review current vendor contracts and terms. Accounting is very important for the asset managers. They have to report to the investors, generally monthly with a report. Our goal is to be able to format the financial statement as the asset manager requirements, so when it is sent to them, it is 100% ready to be forwarded to the investor. Our team sets up the beginning balance or purchase entry and works with the owner's accountants for tax related issues. We set up the property in our accounting system as Hunneman uses Timberline, MRI and Yardi. Accounting is an extremely important aspect of our property management services and our staff is made up of individuals with deep knowledge and experience.

Hunneman partners with the owners to help them effectively run the assets and the investors with limited resources. We work with the brokers to help with deals, construction costs and leasing efforts. Our internal team of investment sales is always looking for deals with our clients. Hunneman's goal is for our team to act as an extension of your team. I've often said "The difference between property management and asset management is asset managers make the final decision." Our goal at Hunneman is to give the asset manager or owner the information to make the best decision with the information we provide. This allows them to do what they want, which is to purchase more buildings, which is ultimately good for both teams to continue to grow and expand their business.

Steve Prozinski is CEO/COO of Hunneman, Boston.

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