



Clark's LAWS PC

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Landlords, Avoid Cash Flow Disruptions

A tenant has left and your rental unit has gone dark, or worse yet multiple rental units have gone dark. Not only does this mean no rent for that time, but then there're the costs of getting a new tenant – making the unit “rent ready”, advertising and broker's fees, your time – the costs can be significant. Suddenly, what looked like a good year, financially, is now mediocre or worse. How to prevent this? **Service and Selection.**

Service. Make your place irresistible and irreplaceable to tenants. That means take good care of the building, don't be a slumlord. Also, make sure you go out of your way to treat your tenants like the gold that they are. How does being nice and taking care of your place help? It makes a tenant think twice about leaving because they would rather avoid the uncertainty of going someplace new for the familiar pleasant environment you've created. It won't work forever, but if it gets you an additional few months or a few years of uninterrupted cash flow, it's worth it. This is something you can do, right now, and it can be a win-win for you and your tenant. Think of an improvement you can make to one of your properties – something that will enhance it's value to you, and something that your tenant will appreciate. Then make it happen.

Selection. Many landlords are so eager to get a paying tenant in place that they will take the first person that has the ability to sign a lease and write a check for the rent. Yes, this will stop the “bleeding”, but what next? Will this new tenant leave shortly thereafter leaving you with the same problems you were trying to avoid? Can they afford the rent long-term? Do they have a couple of teenage boys that can't wait to throw a huge party in your house the minute mom and dad go away? Selection means biding your time, and carefully sizing up your tenant, both financially, personally and from a “gut” level. We do this all the time for our clients because we've seen just about every which way these things can go bad. Through a solid tenant screening process, we're able to help our clients “spot the issues” in a potential tenant file before they become a problem.

Avoiding cash flow disruptions is just one part of our **Rental Business Strategy Review** we do with our landlord clients. Want to hear more about other strategies our clients are using to keep their cash flow flowing? Give us a call, and we'd be happy to evaluate your rental business strategy to see if there are ways to improve upon it and help you come up with a plan to make it happen. ***If you mention this article, we'd be happy to provide a preliminary review of your rental business free of charge.***

*Attorneys for landlords
and active real estate
investors.*

LEASING & EVICTIONS
WHOLESALE & ASSIGNMENTS
FIX, FLIP & REDEVELOP
RESIDENTIAL BUY & HOLD
COMMERCIAL BUY & HOLD
COMMERCIAL DEVELOPMENT
PARTNERSHIPS & JOINT VENTURE
SYNDICATION
ASSET PROTECTION
REAL ESTATE LITIGATION
LAND USE & ZONING

*“The young man knows
the rules, but the old man
knows the exceptions.”*

Oliver Wendell Holmes Sr.,
physician, poet and father of
Supreme Court Justice,
Oliver Wendell Holmes Jr.

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What Navy SEALs Can Teach Us About Wholesaling

You can learn a lot from the super heroes of the U.S. military - developed to reign hell on bad guys the world over, operate behind enemy lines and of course, never give up even in the face of impossible odds. How do they do it? How do they accomplish their mission even when things go terribly wrong? The U.S. Navy SEAL Patrol Leaders Handbook, used by SEAL platoon leaders in mission planning provides some clues: *"identify three most likely things that can be wrong and three preventative or corrective actions."* In other words, **plan multiple exit strategies**.

Just like the missions undertaken by the SEALs, but in a very different way, wholesaling in NY can be difficult to impossible. So how do you tilt the odds in your favor? Have mul-

tipl exit strategies. If you can't assign the contract, you need to be able to do a double closing, and if you can't do a double closing you need to be able to do a delayed closing or do the rehab yourself. It's only through this type of planning can you give yourself the best shot at succeeding.

How to develop and evaluate multiple exit strategies is a part of our **Assignment & Wholesaling Program** we offer to our investor clients. This program is based on our experience with thousands of deals in an effort to take our clients through the "right way" to get it done. If you're getting involved with Wholesaling, and need help getting started, we welcome you to give us a call, and see if our program is for you.

Any real estate attorney can do a closing, but it's Jim's knowledge of the business of real estate investing and the creativity that has helped make me much more successful.

- Dan B., Glen Cove, New York (Commercial Rehabber & Landlord)

More Info?

Interested in hearing more about us and if we might be a good fit you. Here's how:

1. Give us a call at the office at 631.669.6300 and schedule a call with Jim Clark.
2. Send Jim Clark an email at jclark@clarkslaws.com.

CLARK'S LAWS PC focuses exclusively on representing landlords and active real estate investors. We help clients reach their real estate investment goals, and seasoned investors preserve and enhance their real estate assets.

James E. Clark, Esq. is the principal and founder of the firm.

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Jim Clark Family & Investment Update

This winter I had a couple of vacancies in one of my office properties. Winter can be a tough time for dealing with these types of vacancies because the demand in this locality tends to be a little softer. So I took the opportunity to do some upgrades to the property.

As mentioned elsewhere, providing great service to tenants is one of the keys to uninterrupted cash flow in your rentals. I've found that setting this up to create a win-win situation for both you and the tenant is the best way to make this happen. The units that went vacant on me had been occupied since early 2008. Building automation technology has come a long way since then, so I figured I would update these units to make the most of this new technology.

One of the most common issues landlords deal with are HVAC problems - too hot, too cold, no heat etc. So I set up these units with new wifi thermostats. With these components, it's possible to check on and adjust the temperature of the unit remotely from a smart phone. This will let me track the interior environment of the unit from anywhere before a problem arises, and allow me to be more responsive to the tenant when there is a problem.

Another issue is access control, lost keys etc., so I also upgraded the locks on these units with wifi locks. With this I can track coming and going at the unit so that I could adjust lighting timers (and thermostat settings) accordingly to save on my energy costs and again to be more responsive to the tenant's needs. Making the most of a bad situation (vacancies) is a hallmark of successful investing. The new tenants love the technology, and I love the freedom and control they provide.



-Jim Clark