



Real Estate Management

ARE 528 REAL ESTATE MANAGEMENT

Maintenance

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Introduction

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- ❖ One of the responsibilities of property management is to supervise the physical operation of properties under its control.
- ❖ Maintenance is a process that provides the repairs and services necessary to satisfy tenants and preserve the physical condition of the building and still hold down operating expenses and maximize earning for the owner.
- ❖ By an accurate evaluation of a property's maintenance needs, including manpower requirement, can the property manager balance the two forces.



Maintenance Process 1/2

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- ❖ There are four types of services that must be incorporated into a maintenance program:
 - 1- Maintenance activities that protect the physical integrity of structures under management.
 - 2- Maintenance activities that assure the continuous performance of a property's mechanical, electrical, plumbing, and other equipment.
 - 3- Routine chores that maintain cleanliness and order.
 - 4- Maintenance activities that create or sustain physical attractiveness for merchandising purposes.



Maintenance Process 2/2

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- ❖ Within this framework, the property manager will encounter three categories of maintenance activities.
- 1. **Preventive maintenance** : a program of regular inspection and care that allows potential problems to be prevented or at least detected and solved before major repairs are required.
- 2. **Corrective maintenance** : This involves the actual repairs that must be made to the building and its equipment because of failure to perform proper preventive maintenance or natural wear and tear.
- 3. **Custodial maintenance** : refers to policing and housekeeping duties.
- ❖ The property manager can establish procedures for dealing with emergency situations.



Types of services 1- Maintenance for Physical Integrity 1/4

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- ❖ All structure have two lives-a physical life and an economic life.
- ❖ ***The economic life*** of a building is the period of time it can be used in the production of assets or services.
- ❖ The physical life of a building is the period of time it can be used before it will failed.
- ❖ The time period in both lives depends on a variety of factors:
some can be controlled by the property manager and others depend on the economy.
- ❖ The physical life of a building depends on the quality of its maintenance



Types of services 1- Maintenance for Physical Integrity 4/4

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- A. Walks, driveways, and Parking areas .
- B. Foundations.
- C. Exterior walls
- D. Exterior Porches, Stairways, and Fire Escapes
- E. Roofs.
- F. Fenestration
- G. Gutters and Downspouts.
- H. Interior Wall Surfaces :



Types of Services 2- Maintenance for Functional Performance

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- ❖ One of the major responsibilities of a building manager is to assure the functional operation of the structure's mechanical equipment and other facilities which include the followings:
- A. Heating, Ventilating, and Air-Conditioning System.
- B. Plumbing System.
- C. Electrical System:
- D. Elevators :
- E. Fenestration:
- F. Laundries :
- G. Storage Areas.
- H. Swimming Pools and Other Recreational Amenities:



Types of Services 3- Housekeeping and Cleanliness

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- ❖ No matter how well a building’s physical equipment is maintained, it is poorly operated if it does not have high standards of cleanliness.
- ❖ Similarly, the readiness and capability of the maintenance staff in responding to tenant requests for service affect a building’s reputation.
- ❖ No building will be desirable and attractive unless the tenants and the public cooperate. For example, in an office building,, one cannot expect to keep the floors free from cigarette stubs, gum wrappers, and other little unless ash and rubbish containers are provided.
- ❖ Management also has a definite responsibility to enforce cleanliness as one of the conditions of using the property.



Types of Services 4- Maintenance for Merchandising 1/3

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- ❖ Since an investment property’s success depends on marketing its space, it follows that certain maintenance operations are performed solely for merchandising reasons.
- ❖ For example, exterior surfaces must be protectively coated to prevent deterioration, but this is not true for the interior walls of apartments, offices, or public spaces.
- ❖ These surfaces are not subject to the influences of weather and wear:
 1. The chief reason to paint them is to beautify, increasing their attractiveness to present and prospective tenants.
 2. The use of colors inside buildings achieves the same objective as the use of colors in a full-page magazine advertisement.



Performance of Maintenance Activities 1/3

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- ❖ **Maintenance activities may be carried out through a variety of ways.**
- ❖ **Staff vs. Contract Maintenance :**
 - 1-The most common is through contractors or service agencies engaged in building maintenance, either across-the-board or for individual jobs, such as plumbing, heating, and elevator maintenance.
 - After examination and approval of the work and its cost, expenses are charged to the owner's account.
 - The management firm assures that the work is done promptly, efficiently, and economically.
 - 2-Another method of handling the maintenance is through a maintenance department formed by property management but this is not good because the conflict of interest.



Performance of Maintenance Activities 2/3

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- ❖ **Staff vs. Contract Maintenance (continued):**
 - 2-Another method of handling the maintenance is through a maintenance department formed by property management but this is not good because the conflict of interest.
 - 3- In large individual buildings, money can be saved by the direct employment-on the building payroll-of maintenance people.



Performance of Maintenance Activities 2/3

❖ *Schedules and Inspections :*

- A maintenance schedule should include daily housekeeping and routine policing duties.
- However, primary emphasis should be on regular inspections of the property's equipment and its physical structure.
- A conscientious real estate manager realize that every managed property deserve regular inspection.
- Inspection forms for apartment buildings and for both interior and exterior of office buildings appear in the appendix of this text.
- The maintenance function requires a certain amount of administrative record keeping such as work order and a property maintenance record



Summary

- ❖ The objective of maintenance program is to preserve a property owner's investment while satisfying and providing for the well-being of tenants.
- ❖ Conscientious concern for the physical aspects of a real estate investment may mean the difference between its success and failure.
- ❖ While not necessarily proficient in performing maintenance tasks, the manager must be able to identify the various types of maintenance activities and plan for their performance.

