



# Insider's View to Corporate Real Estate

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Representing Users Of Corporate Space Worldwide

FEBRUARY 2017

## The 7 Things You Must Check To Assure You Don't Overpay The Operating & Tax Expense Invoice You Will Soon Receive

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It's easy to think that simply checking the math in your operating and tax expense reconciliation invoice will protect your company against overpaying...think again. A cursory review allows for the possibility of mistakes slipping by that cause your firm to be among the companies overpaying this invoice. Instead, protect your company by carefully scrutinizing the seven things listed below. If you have questions, feel free to contact me. As always, if you are a client, simply send a scanned copy of your invoice to me and we will review this free of charge as an ongoing protection to your company.

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### 1.) Base year

Confirm the base year is accurate and proper credit been given for an update, if any.

### 2.) Percentage of the building leased

Make sure the percentage of the building leased is accurate and if there has been a change to the size of your space, the proper adjustment has been made on the correct date.

### 3.) Size of the building

Verify the building isn't "growing". On a number of occasions, our organization has seen the same size building measured differently by a new owner resulting in a significant increase to the square footage.

### 4.) Cap on expenses

Assure any cap on expenses negotiated in the lease has been applied.

### 5.) Proper credit for estimated payments

Confirm proper credit has been provided for estimated payments made. Also, if estimated payments far exceed the actual expenses, ask why the budgeted cost was so high.

### 6.) Operating Expenses & Real Estate Taxes

Make sure these expenses and taxes are in line with the competitive market. Additionally, confirm the line items included are in accordance with your lease.

### 7.) Sale of the building

Understand that glitches can occur when there is a new building owner or different software. As such, every number and line item in your operating and tax expense reconciliation invoice should be carefully scrutinized following the sale of the building in which your firm leases space.

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### About the Author

**Carrie S. Holstead** is the Founder, President and CEO of the longest established tenant representation and advisory firm in Pittsburgh, Pennsylvania, and Chairman Emeritus of ITRA Global with experience in nearly 300 markets around the world. She was recently honored as a Woman of Influence by *Real Estate Forum Magazine*, is the acclaimed author of the monthly *Insider's View To Corporate Real Estate*, and is a frequent speaker. If your company needs to expand, contract, merge, relocate, or renew an office lease(s), locally or globally, contact Carrie Holstead at **+1 (412) 255-3737**. To receive the *Insider's View To Corporate Real Estate* electronically, sign up at **[www.carrieholstead.com](http://www.carrieholstead.com)**.