

MOHR PARTNERS LEASE ADMINISTRATION CAPABILITIES

CAM AUDITS

WHO SHOULD COMPLETE A CAM AUDIT?



Large tenants should audit CAM charges to validate costs tied to their significant square footage.



Multi-location tenants benefit from audits to ensure consistent CAM charge calculations



Office tenants should audit due to complex expense structures like maintenance and shared amenities



NNN tenants should verify landlords only charge allowable expenses



High CAM charges warrant audits to identify and recover overcharges



Tenants nearing lease renewal should audit CAM for leverage in negotiations



Audits help tenants address concerns about landlord transparency and compliance



Tenants in high-cost shared properties should confirm accurate expense allocations

Hanger Clinic Case Study

About

Hanger Clinic is a leading provider of orthotic and prosthetic patient care in the United States, operating over 800 locations nationwide. As a division of Hanger, Inc., which has been at the forefront of prosthetic innovation since 1861, Hanger Clinic is dedicated to empowering human potential by providing patients with high-quality orthotic and prosthetic solutions.

Challenge

Hanger Clinic previously engaged a commercial real estate firm to conduct their Common Area Maintenance (CAM) audits; however, these audits were not being promptly reviewed, leading to delays in identifying and addressing discrepancies in Operating Expenses (OPEX).

Process

Hanger Clinic hired Mohr Partners to review approximately 800 CAM audits annually. Mohr Partners began by thoroughly understanding Hanger's existing processes and developed a customized CAM audit checklist that was reviewed and approved by all stakeholders.

- Mohr Partners' CAM audit process involves a detailed examination of pro-rata share, CAP percentage, management fees, occupancy percentage, controllable and non controllable expenses and the calculation of tenants' share of expenses.
- To ensure accuracy, the Mohr Partners team systematically checks the total tenants' share against escrows paid by Hanger Clinic, identifying potential overpayments and refunds.
- Demonstrating a proactive approach, Mohr Partners independently initiated the reconciliation process, rather than waiting for landlords to send

reconciliations, ensuring that Hanger Clinic's audits were completed in a timely and efficient manner

Result

Mohr Partners has successfully identified and rectified over **\$320,167** in overcharged CAM expenses for Hanger Clinic. This meticulous approach to CAM audits has not only resulted in significant cost savings but also reinforced Hanger Clinic's confidence in the accuracy and integrity of their financial records. Hanger Clinic acknowledges and values Mohr Partners' dedication, promptness, and attention to detail in addressing outstanding reconciliations.

Impressed by Mohr Partners' performance, Hanger Clinic has expanded their collaboration by engaging Mohr Partners to support their in-house team with additional services, including lease abstractions and quality control measures

SELECT CLIENTS

