

As Seen In

MANN REPORT

Real Diligence, LLC

New Division Provides Fast, Accurate And Effective Financial Due Diligence

When facing an investment choice or developing a workout plan for distressed commercial properties, the better your information, the better prepared you are to make a profitable decision. In response to the ever-increasing need for accurate information in the real estate market, Madison Commercial Real Estate Services recently added Real Diligence, LLC to its family of specialized service companies. In making the announcement, MCRES President Joseph I. Rosenbaum stated, "With the world economy in such turmoil, there is an urgent need in the commercial real estate market for thorough, reliable financial due diligence. Our clients need to know the real value of any property they are looking to buy, manage or refinance, and that's what Real Diligence provides."

Expert real estate financial due diligence is paper intensive, time consuming and detail-oriented. It is critical not only to validate the numbers offered by the seller but also to request any and all additional items needed to provide a complete picture of the property. Leaving no stone unturned, Real Diligence proactively searches, sorts, and synthesizes every piece of financial data to gain a complete and accurate financial picture of the property.

As Real Diligence CEO David Tesler noted, "Any investor can receive a rent roll and other documentation about a property from the seller. Ultimately that information has but one purpose: to sell you the property at the highest price in the shortest amount of time. Your challenge is to determine the property's real value. What are the property's actual expenses? What is the true income? What limitations and constraints lie hidden within the leases? That's where our expertise comes in. We obtain a full property description, income and expense data, and perhaps an Argus run demonstrating future cash flow analysis. We then do a painstaking review of the property's historical financial statements, projected budget, income and expenses, comparing these findings against the numbers provided by the seller. Our goal is to find meaning in the data and identify the true, current value of the asset."

The company's comprehensive reports are customized to the specific needs of clients. Clients also benefit from round-the-clock assistance in analyzing and validating the property's financial information. Real Diligence has launched a sophisticated website that gives clients immediate access to a broad range of services and resources for pre-acquisition, post-acquisition and management needs. "Our website contains a full package of client services targeted to real estate investors and portfolio managers," said the company's COO Samuel Wagner. "But we're also alerting site visitors to the special importance of financial due diligence in today's marketplace through our Webinar series and our complimentary Due Diligence 101 Handbook."

As a member of the MCRES corporate family, Real Diligence



COMMERCIAL REAL ESTATE SERVICES

David Tesler

benefits from the institutional strength and support of each of the umbrella organization's specialized services. In addition to Real Diligence, this group of independent but related companies includes: Madison Title Agency, a nation-wide title agency that handles searches, writes policies, manages transactions and provides closing and escrow services in all 50 states; Madison SPECS, offering expert cost segregation studies; Madison Exchange, one of the nation's leading Qualified Intermediaries handling \$1031 real property exchanges; LeaseProbe, the only company in the U.S. devoted exclusively to the production of commercial lease abstracts; and Madison Equipment Financing, specializing in leasing equipment to small and medium-sized businesses with target transactions ranging from \$10,000 to \$500,000.

"Madison now provides truly comprehensive commercial real estate support," says MCRES Director of Operations Elliot S. Zaks. "From lease abstracts and due diligence all the way to the final closing and beyond, our clients can turn to us for the meticulous research, expert assistance and reliable service that they need."

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