

# MULTIFAMILY CLIENT CASE STUDY

Situs Multifamily Expertise helps Clients Expand

SITUS HAS BEEN THE TOP PROVIDER OF STRATEGIC BUSINESS SOLUTIONS IN FINANCE AND COMMERCIAL REAL ESTATE SINCE 1985, AND LOAN UNDERWRITING HAS BEEN THE FOUNDATION OF OUR ADVISORY OFFERINGS FOR OVER 20 YEARS.

**BUT WHY USE SITUS INSTEAD OF AN AUDITING OR ACCOUNTING FIRM?**

Recently, a large private equity fund decided to invest into multifamily for the first time, and hired Situs to do the due diligence and AUP on the acquisition.

Our client requested we evaluate its third-party property manager, who was having difficulty delivering accurate and consistent monthly reporting packages.

Joe Ottaiano, Managing Director at Situs, tailored a specific plan to standardize, streamline and improve the financial reporting and the communication between the client and their third-party property manager. The Situs team conducted extensive interviews with both on-site employees and accounting staff, and then provided recommendations that were successfully implemented.

In addition, the project required a review of the monthly reporting packages, general ledger activity, journal entries and supplemental schedules to assist in preparing accurate and consistent financial reporting for the year-end audit.



## Overall, Situs Assisted Its Client as Follows:

- Developed a proprietary Excel model for acquisition due diligence for unit-by-unit cash-flow modeling. This model is now used for internal budgeting purposes and redevelopment analysis
- Improved financial reporting and delivery of accurate year-end financial statements
- Developed a model to calculate monthly amortization of the purchase price adjustment valuations
- Streamlined documentation required for the initial financial audit

*"Years of experience in both the real estate finance and accounting areas allows us to offer customized practices and advice to best suit each clients' needs. This client's satisfaction with the project has resulted in Situs being retained to provide both monthly update services and the added responsibilities to evaluate this client's internal accounting processes."*

- Joe Ottaiano, Managing Director

If You Would Like to Learn More about Our Advisory Services, Please Contact:

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