

Recent News - CRS, Inc. Announces Over \$3,000,000 in Savings...

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PRESS RELEASE

FOR IMMEDIATE RELEASE

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CRS, Inc. Announces Over \$3,000,000 in Savings for Major Fortune 500 Clients from Performing Lease Audit Services

WEST LONG BRANCH, NJ - Corporate Real Estate Services, Inc. (CRS), a national lease audit services company, has achieved significant savings for many of their Fortune 500 clients by recovering money from lease expense discrepancies. From several "Top 250" law firms, a national insurance company, to a "Top 5" banking company in the nation, CRS's most recent additions to its client list include the *"cream of the crop"*.

CRS just concluded a multiple location lease audit resulting in more than \$2.1 million in savings for their national bank client resulting from Real Estate Tax and Administrative Costs issues. In one of the locations, the client had been paying taxes at 100% assessed value, while there are three buildings located on the tax parcel, and another location, the management company was charging administrative fees that were already included in management fees. After a comprehensive investigation, CRS determined that the client was paying too much in taxes and being overcharged in administrative costs and resolved the issues with the landlords within two (2) months.

With the legal industry being an important part of CRS's client base, and realizing that Real Estate expenses are the second largest expense for law firms, CRS was recently contracted to investigate various issues for substantial real estate portfolios. Issues ranged from Real Estate Taxes, Operating Expenses and Building Maintenance, to Chilled Water charges and Façade Repair. After much detailed investigative work and analysis, CRS concluded that the clients will potentially save over \$300,000 over the period of their lease terms.

"We performed an audit for a major law firm in a large metropolitan area and found that they were billing Real Estate Taxes with an incorrect Base Year. The Landlord was

contacted, and after several discussions made an adjustment to correct the error on future billings and refunded the tenant. CRS at all times negotiates professionally with the Landlord and ultimately, our clients' relationship with their Landlords are strengthened based upon our negotiation tactics.", says Robert Cenci, Director of Lease Audit Services, CRS, Inc.

Tony Collura, Vice President of Lease Services, CRS, Inc., was retained by a major international law firm with substantial leased space in Manhattan to review questionable façade repair charges on the building. With CRS acting in an advisory capacity to the client, it was concluded that under the Lease and sound property management accounting practice, the cost of this façade work should be amortized over a ten-year period, and not the one-year in which the Landlord tried to include them. This change of method will result in over \$220,000 in savings to the tenant.

There were several issues related to Operating Expenses and Real Estate Taxes for CRS's insurance company client. CRS conducted both a comprehensive preliminary audit review and final audit analysis of the issues. As a result, CRS successfully recovered over \$1,250,000 in savings in Operating Expenses and Real Estate Taxes for the client.

With every client, CRS has proven to provide long-term, value added services. The experience of lease audit services by CRS demonstrates a track record of success, and is an important tool for a corporation to think about when fulfilling its overall financial control and cost saving objectives. At CRS, service starts and ends with excellence in communication with their clients by keeping them informed of their lease audit programs through various ways, including on-line access. CRS was the **first** lease audit services firm to introduce online access to give their clients information 24/7. CRS services consist of **lease auditing, lease consulting, and lease administration**.

CRS, Inc., a PRC Group company, is a national lease audit services firm that manages the real estate operating costs for corporations. CRS works on behalf of corporate tenants to identify billing discrepancies, recover rent overpayments and ensure that the landlords billing practices comply with the original lease terms. Since 1990, CRS has audited and administered thousands of leases, recovered over \$150 million in savings for their clients, and provides a wide range of consulting services to improve the operation and cost effectiveness of managing real estate assets. For more information on CRS Lease Services, visit www.crslease.com or call 732-229-6888.