

# Top 10 Reasons Why Real Estate Brokers Should Not Handle Clients' Economic Development Applications

**1. Exposure to liability.** Seriously. You could get sued. If you miss a deadline or a filing requirement, if you make a mistake in advising a client about a program rule or eligibility, or if you file incorrectly, you both jeopardize the client's benefits AND set yourself and your firm up for a serious lawsuit. It's called negligence and malpractice. Why go there?



**2. Not your core competency.** Economic incentives may not be rocket science, but they're tricky. You wouldn't ask your dentist to perform brain surgery or your plumber to rewire your house. Leave specialties to the specialists. You are excellent at understanding lease deals, and your core business is closing deals. Stick with that, and leave economic incentives to the specialists.

**3. Your clients' best interests are at stake.** Protect them above all else. This means not taking on tasks that you aren't truly 100% qualified to handle. This includes economic incentives applications and handling the many nuanced technicalities surrounding them.

**4. This is a constantly moving, changing landscape.** Unless you're up to the minute on every rule change and interpretation on available economic incentives programs, unless you know the precedents and the landmines, and unless you know for certain how to navigate the myriad of issues which arise even for the simplest seeming applications, you shouldn't be handling your clients' incentive applications. Period.

**5. Avoid heartache, headache, and disappointment.** We can tell you dozens of real life stories of woe, and the plot generally follows the same story line: boy meets incentive, boy loses incentive, irate client vows never to do business with boy ever again. Big prestigious accounting firms and law firms and Fortune 500 companies have been known to make mistakes and mis-advise clients and themselves about economic incentive programs and rules. Landlords and property managers often miss the boat. Tenant reps -- who are some of the busiest and most stressed professionals in New York -- often get it wrong. Why go there? Who needs another headache, much less an aggrieved and angry client?

**6. Did we mention legal exposure?**

**7. You can't and won't handle the entire process, end to end.** Economic incentives often involve multi-year programs with multiple, periodic compliance requirements. It's not your job to handle the ongoing compliance. Yet it's the key to clients' receipt of ongoing benefits. Are you prepared to jeopardize that for your clients? Is that what you signed up for?

**8. You're not an incentives lawyer or specialist.** You've got a lot on your plate. You wouldn't for a minute pretend to draft a complex New York commercial lease, and similarly, you shouldn't be playing

Joe Lawyer to handle your clients' economic incentives. Every program is tied to the law, and unless you're fully conversant with the statutes, regulations, and administrative process behind the programs, you frankly have no business representing your clients in the economic incentives business.

**9. See rule 1 and 6: legal liability exposure.** Seriously. We can show you cases where brokers and their firms have been sued.

**10. De-stress.** In life, we need to find more ways to alleviate stress and difficulty, not add to our daily burdens!! If you have a solution in hand which will cut your time, energy, and stress, which will eliminate your exposure to liability, and which will keep your clients loyal and happy, why not go for it? That's a win-win, a no-brainer, a gimme.

**And here's a bonus tip:**

**11. Not once in our firm's 11-year history** have we ever parlayed or traded on our real estate brokers' clients or relationships to the detriment of our broker colleagues. In other words, if you refer business to us, we honor your referral to us with total loyalty and hold your confidences close for life. We don't EVER sell out our broker friends or ever compromise our relationships with them. It's a key ingredient to our success, and a firm commitment going forward forever. The people who know us and use us understand this implicitly. Makes sense, right?

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