

Guide

5 Minute Guide to HVAC Management in Industrial CRE Spaces



Introduction

While tenants are generally responsible for HVAC management in industrial CRE, your property team still has to make sure they're complying with their obligations. And, you need to ensure they're recording and reporting all maintenance they conduct.

But, if tenants aren't meeting their HVAC obligations, you'll have to step in to do the maintenance. Since you need to make sure the HVAC system doesn't fail on your industrial property, you might have to service tenant HVAC systems and charge them back. Or, split the costs with tenants.

So, you need visibility into tenant compliance. But, it can be challenging to know the status of tenant HVACs, what maintenance has been done and is still needed, and how you might need to step in.

To make this process easier, you should use HVAC management software that provides visibility into the maintenance process to ensure tenant compliance, which can reduce operating expenses, increase revenue, and improve the tenant experience.



6 Steps to Improve Industrial HVAC Management

Are you ready to improve HVAC management in your industrial space? Follow these six steps:

1. Digitize all HVAC inventory data
2. Automate maintenance recording
3. Tap into a vendor marketplace
4. Predict your unit's lifespan
5. Ensure tenant compliance
6. Procure with confidence



Digitize All HVAC Inventory Data

HVAC data (like make, model, and serial number) is typically stored on spreadsheets or paper files.

But, storing your HVAC data like this can make it hard to find what you need when you need it. And, when you can't find the right HVAC info, it can make it difficult to maintain your HVAC properly, leading to more problems down the road. Plus, maintaining spreadsheets and paper files is time-consuming – taking up hours of your valuable time.

However, HVAC management software can make storing HVAC data easy with a centralized HVAC database. With everything stored in one place, you can quickly find the information you need. And, you don't have to worry about losing any HVAC info because it's stored digitally on the cloud.



Why Year-Round HVAC Management is important

- ✓ Ensuring your HVAC doesn't break down improves tenant satisfaction
- ✓ Preventive HVAC maintenance can lower operating costs by catching problems before they become expensive or can only be fixed by replacement
- ✓ Regularly maintaining HVAC can improve its lifespan by keeping it in good shape

Automate Maintenance Recording

While it's important to conduct maintenance, it's also essential to record it. That way, you know what maintenance has been done, or what maintenance to do in the future to keep HVAC units in top shape.

But, if tenants are responsible for maintaining their HVAC, it can be difficult to know whether they're meeting their obligations. And, it can be hard to know what maintenance they've done when they move out – which prospects might want to know before signing a lease.

The easiest way to know what maintenance tenants have done is with HVAC management software that automates maintenance recording. Once tenants are associated with HVAC unit(s) in the system, the software automatically prompts tenants to record the maintenance with multiple reminders a quarter.

This not only ensures you have all maintenance records for their HVAC. It also gives you a way to know whether tenants are fulfilling their obligations.

So, if a tenant never uploads their maintenance records and leaves behind a faulty unit upon moving out, you have the records to prove they never responded to service requests. Since you can prove the problem is the tenant's fault, you can keep the security deposit to cover the replacement costs – which wouldn't be possible without automated maintenance recording.



Tap into a Vendor Marketplace

When you or your tenants need to perform HVAC maintenance, you need a trustworthy service provider to do this maintenance.

But, finding a vendor through traditional means like peer recommendations or previously used vendors can result in you overpaying for subpar service. To make matters worse, vendors often markup their prices if you need immediate repairs during peak season (like summertime when inventory is low).

With HVAC management software that has a vast network of vetted vendors, you can find trusted service providers in no time. In the marketplace, you can compare a variety of vendors apples-to-apples to ensure you find the right vendor for your property – at the right price.

Predict Your Unit's Lifespan

You want to get as much out of your HVAC system as possible. So, it's common to run your HVAC within a few years of its service life.

But, it can be hard to know just how much life is left in your HVAC unit. As an industrial property, you want to avoid HVAC downtime at all costs. So, it's especially important to have an accurate idea of your HVAC service life.

You could use a spreadsheet to track your HVAC units, with records on when it was installed and other tenant service records. However, you have to work hard to keep this spreadsheet up to date. This method also makes it difficult to analyze performance over time.

An easier way to know how much life is left in your HVAC unit is with HVAC management software. With life expectancy-based reporting, the ASHRAE life left score makes it easy to determine exactly when you need to replace your HVAC.

As such, the life left score increases HVAC visibility and allows you to plan for replacement costs. And, if your tenants are responsible for replacing HVAC units, this life-left score can help you get your tenant to replace it or justify requiring them to replace it.

That way, you can accurately know the lifespan of your HVAC units to maximize their longevity and prepare for any replacement costs.





An HVAC Management tool empowers property teams to:

- ✓ Create an accurate HVAC inventory: Having easy to access and complete HVAC inventory data across your portfolio helps your team to make informed decisions.
- ✓ Complete capital planning: With complete service records on actual service costs and asset life expectancy (based on ASHRAE life scoring), you can streamline budgeting with accurately forecasted maintenance and replacement costs.
- ✓ Make procurement simple: Connect to vendor networks so you can see multiple options and secure competitive rates for equipment and vendors to help with the install.

Source: www.buildingengines.com/resources/report/the-evolving-importance-of-effective-hvac-management/

Ensure Tenant Compliance

One of the most important aspects of managing your industrial property is ensuring tenants comply with their lease obligations. For many tenants, this includes maintaining their HVAC system.

The traditional way to ensure tenants are compliant is to check up on them through phone calls, emails, in-person visits, and more. But, constantly checking in on tenants can be time-consuming for you and annoying for them.

The better way to keep tenants compliant with their lease obligations is with HVAC management software. This software sends reminders to tenants to upload reports, and makes it easy to know whether tenants are meeting their obligations with tenant compliance dashboards. That way, you can know at a glance who is meeting (and not meeting) their obligations.

And, if tenants aren't meeting their obligations, HVAC management software can automatically send reminders for tenants to do maintenance and upload documentation of this maintenance.



Procure with Confidence

There's no way to sugarcoat it—replacing your HVAC won't be cheap.

However, there are ways to make sure that you're being as cost-efficient as possible, whether your unit needs a small fix or a large-scale replacement. The right HVAC management software will give you the option to order parts directly from the manufacturer, meaning that you're getting the best price every time.

Then, you can further keep costs in line by having a specialist from your solution's vendor network do the install. These features help keep your operating expenses lean while keeping your asset working optimally.



The Role of HVAC During COVID-19

Because of COVID-19, tenants and their customers are thinking about air quality and HVAC more than ever before.

Studies have shown that proper ventilation and humidity stop the spread of COVID-19. Because of this, tenants are placing more emphasis on their air quality. That's why 80% of tenants have been asking about their HVAC and air quality more frequently than before the pandemic, according to our recent survey.

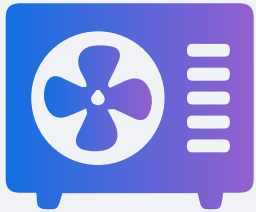
However, only 4% of tenants want replacement HVACs. Instead, 58% of tenants are requesting more frequent cleaning. So, one way you can help tenants is to improve your cleaning procedures or help them improve theirs if they're responsible for maintenance.

Another way you can help tenants is by demonstrating your HVAC knowledge or by making it easier for tenants to find HVAC info. How quickly you can answer tenant questions or help them find the answers impacts whether your tenants feel safe returning to your building.

So, if you have a paper or spreadsheet system that makes it hard to find the HVAC info you need, you're hurting your chances of retaining tenants. But, HVAC management software can make it easy for you and your tenants to increase cleaning frequency and find answers to HVAC questions quickly.

That way, you and your tenants can create a safe and clean environment to get back to work in.





Signs You Should Replace Your HVAC Proactively

- ✓ You're unable to order replacement parts
- ✓ Repair costs are higher than replacement costs
- ✓ Your equipment is at the end of its life
- ✓ You want a more energy-efficient unit.

Why You Should Replace Your HVAC Proactively

While you likely run your HVAC for as long as possible, this can make your property more susceptible to HVAC failure. Inconveniently, HVAC failure often happens on the most extreme temperature days, which can negatively impact your building and tenants.

When your HVAC fails, you or your tenants then need to get a replacement as quickly as possible. This urgency may mean having to accept a subpar replacement unit because it is the first one available. Plus, needing a unit now drives up the cost of the replacement unit.

However, if you or your tenants replace proactively, you can replace on your schedule and keep costs as low as possible.

The best way to know when to proactively replace is with HVAC management software. This software can help you get an accurate idea of the lifespan of your HVAC with an ASHRAE life left score. So, you know exactly when you need to replace your HVAC.

And, when it's time to replace, HVAC management software can help you find trusted vendors at a great price with a vendor marketplace. Plus, with the ability to order directly from the manufacturer, HVAC management software can help you save on replacement costs.

Get Started Today

Are you ready to improve HVAC management in your industrial space?

[Schedule a demo of Prism HVAC Management](#)

Conclusion

Great HVAC management is essential to keeping your industrial building safe and your tenants comfortable. With the challenges of the pandemic, HVAC safety has become even more important.

The easiest way to manage your industrial HVAC is by using HVAC management software. This software can help you reduce expenses, increase revenue, and improve the tenant experience with features like digitized HVAC info, automated recording, a vendor marketplace, ASHRAE life left score, tenant compliance dashboards and more.



About Building Engines

For over 20 years, Building Engines has delivered on its mission to help customers improve NOI, increase revenue, reduce operating expenses and deliver greater tenant satisfaction. Building Engines is trusted by hundreds of commercial real estate organizations who manage billions of square feet. With our latest release, Prism, Building Engines is reaching a new level of building operations innovation. Prism comes equipped to help you exceed today's goals while preparing you and your team to meet the challenges of tomorrow.

Exceptional Building Operations. Extraordinary Business Outcomes.



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