



LEASE ABSTRACTION

– A Case Study

Understanding lease contracts isn't easy for many businesses. Commercial lease contracts need hard negotiations to help you ensure the contract isn't drafted against you. And if you're a small business, you may have a hard time doing that.

That's why people hire attorneys and specialized consultants. While they're necessary, you don't need to request their help every time someone needs to assess or reference their agreement.

Lease abstracts help all parties be included in the rent agreement to refer back to the original document without legal expertise. These documents are basically a simplified summary of the original contract, focusing on the most relevant aspects for both landlords and tenants.

They're also rephrased with terms and a language that's easier to understand for everyone.

A case study from one of our clients shows a perfect example of why lease abstracts are a great asset for your business.

ABOUT THE CLIENT

Our client is a property management company based out of Canada and focusing on the Canadian property market. Given their target market, they need to on-board new properties into their system very frequently.

However, that means managing and tracking many contracts at a time, and it's often necessary to refer back to the original documents when updating, summoning specific clauses, or even solving disputes.

THEIR CURRENT BUSINESS SCENARIO AND ISSUES

The client took over management duties for more than 25 properties from a different property management firm. Naturally, the data from this previous company's system was migrated into our client's system; this required a standard data conversion project. (which was also performed by Assetsoft)

That's usually a fairly straightforward process, if not somewhat tedious at times. The problem came when discovering that the data from the tenants in the old firm's system wasn't complete. It was missing several options, and clauses which are usually maintained in these systems.

The details on said options and clauses were present in the lease documents, so it could be recovered. Unfortunately, that meant our client had to go through all the lease documents from the previous company.

This task takes a lot of time.

Hundreds of documents, having different formats, had to be thoroughly reviewed to extract the necessary information.



OUR SOLUTION

The client contacted Assetsoft to make the task easier: mainly abstracting the specific details for the missing options and clauses from the original lease documents.

Assetsoft provides specialized resources with the necessary skills and experience to understand the complex documents in their original language. The team reviewed the documents and extracted the necessary information into summary notes, loading them as ETL files into the new system.

The new entries in the system were simplified for the client - while referencing the location of the options and clauses in the original lease document.

The process for 250 leases were completed in a record time of 1 month

CONCLUSION

Lease abstraction turned into a seamless task what would otherwise be an extremely time-consuming process for the client. With easier language and references to the original contract, the client could update the system with the necessary information and continue with their operations seamlessly.

If you need to save time finding the necessary information in your lease documents, [click here to learn more](#) about our lease abstraction service.