

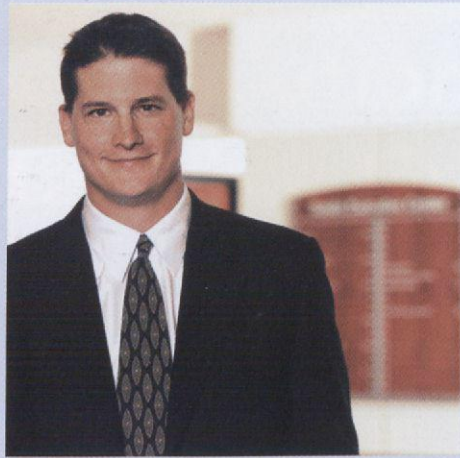


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## Technology in touch



As I take a brief respite from travel this year—having visited many of you at your local chapters, as well as those of you far away within our international chapters and partnerships—I realize how much business has changed for us with just a few advancements in technology. My own experiences and those you will read about in this issue of *JPM* are a testament to the fact that like it or not, technology is here to stay and we really *do* rely on it more than we probably care to admit.

On the positive side, given the travel expected during the course of my year as president, I feel fortunate to know that with my PDA constantly by my side, I try to keep in touch with my colleagues and clients, with my IREM staff partners and, of course, my family when on the road. The PDA has become something we can count on, but as fellow IREM Members point out in our feature, "PDA Appeal," (page 28) and in "RVP Corner," (page 52), it can also start to take over our lives; balance is key.

In addition to achieving balance with our use of technology gadgets and as part of the professionalism we constantly strive for as real estate managers, we must also consider how we use various technologies as a whole within our companies and whether we are making the best use of our resources both in human and financial capital. That, too, is a fine balance. Two IREM Members have contributed to this issue and offer their perspectives in the articles, "Fear No Change," (page 22) and "Platform Reform," (page 32).

Looking ahead, I challenge each of you to consider implementation or at least a review of your technology use on a personal as well as a company level. Are you serving your owners and clients as well as you can? Are you able to not only manage your work but plan for the future? Are there ways IREM can help more? Are you able to network, share and collaborate with colleagues and fellow IREM Members as needed?

We are fresh off of our visit to Capitol Hill where many of you engaged in networking and brainstorming ideas for better business practices—with or without technology. These are valuable experiences and it's certainly not too soon to consider attending the October business meetings and Success Series 2008 in Chicago where you can network on an even larger scale while also celebrating IREM's 75th anniversary as an organization. I know I can't wait to see all of you in the great city where IREM got its start!

Regina T. Mullins, CPM  
2008 IREM President

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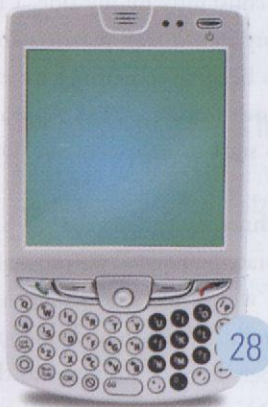
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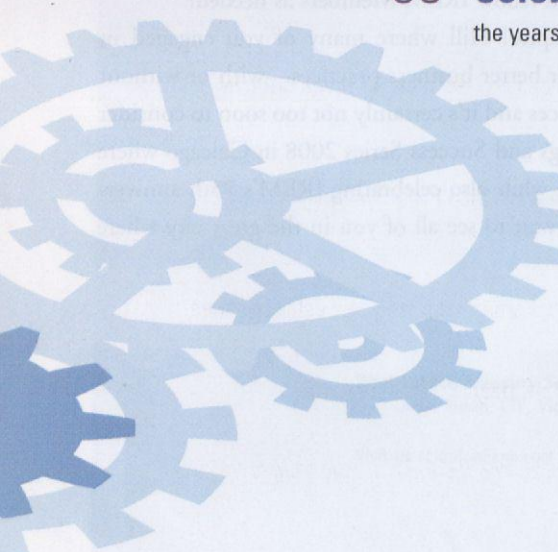


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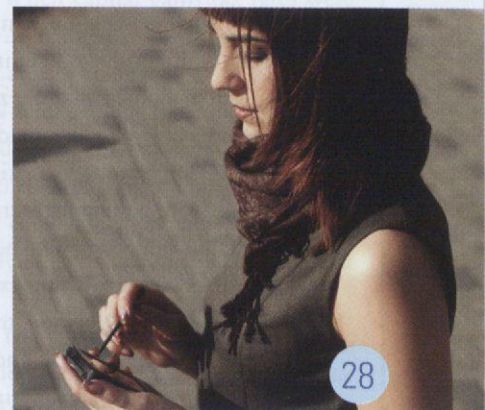
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# in session

*The following are issues IREM Members lobbied on in Washington, D.C. on April 16, 2008 for IREM's Capitol Hill Visit Day.*

## **IREM Members lobby Congress on energy-efficiency improvements**

Climate change is the No. 1 environmental issue in Congress. In the next several years, the White House and Congress will likely make it a priority to pass legislation leading to a reduction in greenhouse gas emissions. Such legislation could affect the cost of constructing new and retrofitting existing buildings as well as the cost of operating multifamily and commercial structures.

When contemplating zero-net energy buildings or the like, Congress has tended to underestimate the difficulties of retrofitting existing buildings, and instead focused on new construction. It is significantly easier to design and construct new energy-efficient buildings compared to retrofitting existing ones.

Currently, legislation to extend the energy efficient tax credits beyond the end of FY08 has been moving in Congress. In late February, the House passed H.R. 5351, the "Renewable Energy Conservation Tax Act of 2008" by a largely partisan vote of 236-182. This bill extends tax incentives for energy efficiency in commercial buildings; use of efficient home heating and cooling equipments; production of efficient home appliances; and efficiency retrofits to existing homes.

The commercial building credit was extended through 2013. It also allows a five-year recovery period for the depreciation of qualified energy management devices. Similar legislation has not yet been introduced in the Senate.

IREM believes incentives for energy-efficiency investments are the best way to promote conservation. While many proposals threaten to require mandates for green buildings and zero-net energy, IREM supports positive incentives as the way to achieve the goal. Specifically, IREM supports energy tax credits and voluntary programs like Energy Star. IREM urges Congress to focus on voluntary standards for new construction and existing properties.

## **IREM requests natural disaster insurance for commercial properties**

Affordable and accessible insurance is essential to the real estate market. Property and casualty coverage is an underwriting requirement for conventional, government-assisted and commercial mortgages. Unfortunately, the intensity of large natural disasters in recent years has made the acquisition of adequate property insurance very difficult in some areas. Historically, insurers declined to write policies, even canceling some policies and increasing premiums. Recently, Hurricanes Katrina and Rita have refocused attention on this issue. The viability of the insurance market is critical to real estate financing. Both commercial and multifamily properties should be covered in addition to homeowners' insurance.

IREM is concerned the entire real estate market is at risk if property owners cannot obtain insurance and urges Congress to develop a solution to this problem. A federal reinsurance program funded through contributions from insurers or state catastrophic insurance programs will help communities recover from disasters while preventing taxpayers from bearing many of the costs associated with them.

Congress is considering legislation designed to help address the availability and affordability of homeowners' insurance in disaster-prone areas. The House of Representatives passed H.R. 3355, the "Homeowners' Defense Act of 2007," this past November. The bill creates a federal program to provide loans to states impacted by natural disasters. It also allows state-sponsored disaster-prone areas to pool their risk with other states, and then transfer the risk to the private market through the issuance of bonds. However, this legislation fails to address the issues of commercial property insurance. A companion bill, S. 2310, has been introduced in the Senate.

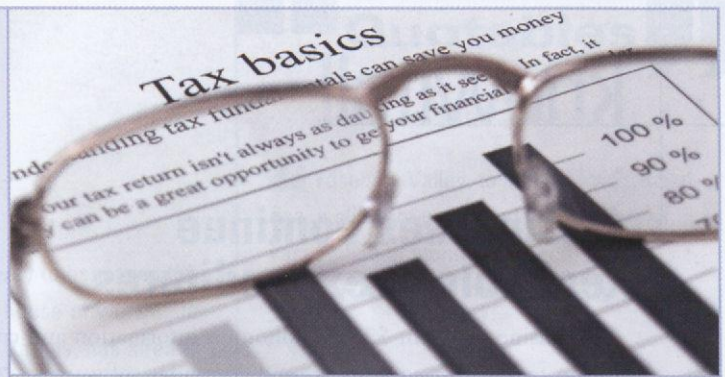


## IREM supports leasehold improvements recovery period

Permanent federal law requires leasehold improvements to be depreciated over a 39-year period. A provision allowing those costs to be recovered over 15 years expired at the end of 2007. The 15-year life has been a "temporary" provision for several years. That rule is not controversial, but was lumped into a package of about 20 expiring provisions that were not renewed in 2007. A timetable for reviewing and renewing that package of expired provisions has not been set.

In the interim, for this year, real estate owners (or their tenants, depending on the arrangement) may elect to take an immediate deduction for 50 percent of the costs associated with leasehold improvements. This bonus depreciation was included in the Economic Stimulus Act of 2008. Taxpayers who do not elect bonus depreciation may choose instead to deduct as much as \$250,000 of the cost of otherwise depreciable property acquired and placed in service during 2008. These provisions are limited to this year; thus, IREM is requesting Congress provide for similar deductions in the coming years.

IREM strongly supports efforts to more accurately measure the depreciable life of buildings and to conform amortization periods of tenant improvements more closely to the term of the lease. Two bills, H.R. 2014 and S. 1361—both titled the "Leasehold Improvement Depreciation Act of 2007"—would make the 15-year recovery period for leasehold improvements permanent.



## Congress considers changes in capital gains and depreciation recapture

Under current law, capital gains are taxed at a maximum rate of 15 percent. This rate is temporary and will revert to 20 percent as of January 1, 2011. When capital gains tax rates were reduced to 15 percent from 20 percent in 2003, the depreciation recapture rate remained at 25 percent.

Favorable capital gains tax rates provide a stimulus for owners wishing to sell appreciated property. Lower rates relieve the so-called lock-in effect, in which taxpayers are unwilling to sell property because of high tax costs associated with sales. Lower capital gains rates also partly mitigate the built-in gain that arises from inflation.

The "gain" on the sale of real estate often is due to extrinsic factors—not excessive tax depreciation. Gains in real estate often are attributable to inflation; appreciation in the value of the land; road and other transportation improvements; as well as the marketplace and economy in general. Applying a recapture rate to this appreciation higher than the capital gain rate is inappropriate because the appreciation is capital gain. Such treatment would discriminate against real estate relative to other assets and put real estate at an even greater competitive disadvantage for investment dollars.

IREM believes it is best for Congress to encourage real estate investment in the United States by creating a tax system that recognizes inflation and creates a meaningful differential between the tax rates for those who choose to invest in real estate and those for capital gains. IREM supports a level playing field for those investing in real estate and thus opposes rates for depreciation recapture that are higher than the capital gains rate.

Further, IREM supports depreciation reform for nonresidential and residential real estate that secures a significantly shorter cost recovery period for commercial real estate without adding complexity or creating artificial acceleration of deductions.

## Businesses continue technology expenditures

U.S. businesses spent \$250.7 billion on information and communication technology equipment, and computer software in 2006—an increase of 6.3 percent from 2005—according to the Information and Communication Technology Survey recently published by the U.S. Census Bureau.

Many technology assets are being replaced more quickly than other types of business equipment due to the rapid technological advances in e-business equipment, like computers, telephones, fax machines and others. Of the total spending in 2006 on information and communication technology equipment and computer software, noncapitalized spending accounted for \$90.8 billion (36.2 percent) and capitalized spending accounted for \$159.9 billion (63.8 percent). Noncapitalized spending in 2006 was unchanged from 2005, while capitalized spending increased 10.9 percent.

During the same period, five business sectors—information; finance and insurance; manufacturing; professional, scientific and technical services; and health care and social assistance accounted for about 77 percent of non-capitalized spending and about 75 percent of capitalized spending.

## Condo “reversions” increase with market slump

As many condo developers are rapidly falling behind on their bank payments for construction loans, some are considering turning their condominium communities into successful rental apartment communities.

According to research firm Foresight Analytics, based in Oakland, Calif., delinquencies in 2007 increased from 4.1 percent of loans outstanding in the second quarter of 2007 to 5.9 percent in the third quarter, or \$2.5 billion of the \$42.7 billion of loans outstanding. These numbers only cover banks regulated by the Federal Deposit Insurance Corp. and exclude other condominium lenders, like investment banks and private equity funds.

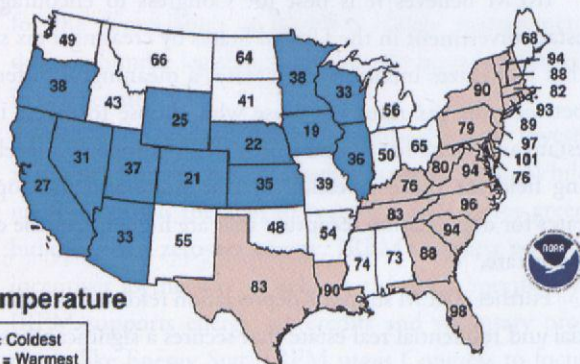
The challenges with condo reversion are high and include lenders reluctant to lengthen loan terms because rental properties produce income more slowly than condos; condominium owners who strongly oppose living with renters in their communities; steep tax assessments based on old condominium sales prices; and a weak rental market in some of the worst-hit condo markets, like Florida and Arizona.

## Coldest winter increases costs for real estate market

The United States and the world experienced the coldest average temperatures during climatological winter (December 2007-February 2008) since 2001, according to scientists at NOAA’s National Climatic Data Center in Asheville, N.C. In terms of winter precipitation, Pacific storms brought snow and rain to large parts of the West while much of the Southeastern state experienced drought-like conditions.

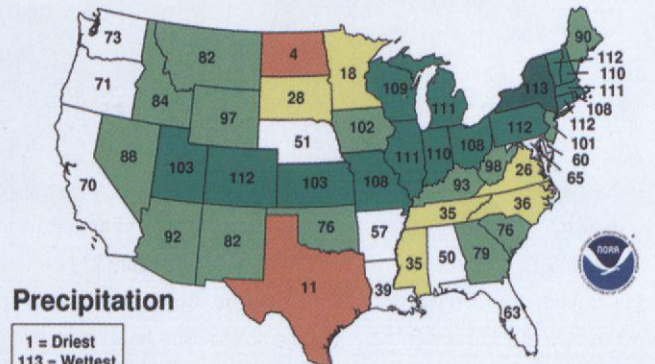
### Dec 2007-Feb 2008 Statewide Ranks

National Climatic Data Center/NESDIS/NOAA



### Dec 2007-Feb 2008 Statewide Ranks

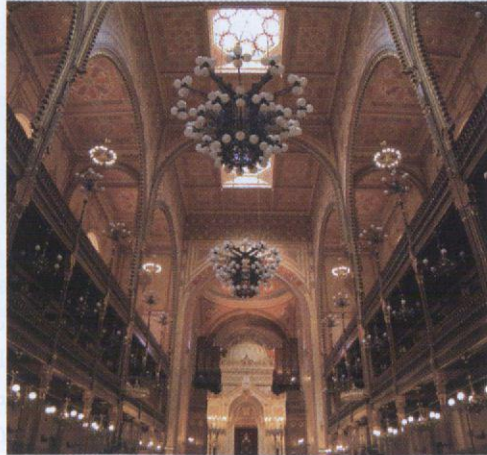
National Climatic Data Center/NESDIS/NOAA





## >>> First house of worship gets LEED certified

The Jewish Reconstructionist Congregation in Evanston, Ill., is on its way to becoming the first Leadership in Energy and Environmental Design (LEED) Platinum house of worship in the nation. The synagogue, designed by Chicago architect Carol Ross Barney, has already achieved 50 LEED points, two short of LEED Platinum, but has submitted paperwork for three more points. The congregation board voted in 2004 to achieve LEED at the highest possible level. Today, the \$7.5 million, 32,000 square-foot building features salvaged brick and masonry, reused engineered fill and foundations, a water conservation strategy that starts with dual-flush toilets, sustainable materials and sunlight harvesting through large low-e glass windows.



## >>> Energy upgrades money well spent

The National Institute of Standards and Technology (NIST) engineers recently took a look at energy-related upgrades to their own quarters and found energy-related improvements were well worth the expense. The energy upgrades to the modified office included sealing air leaks and insulating exterior walls with approximately 9 inches of glass-fiber insulation, among others. Total energy upgrades cost roughly \$2,825. Measurements made to compare the energy required to maintain the control and modified office at identical conditions revealed a 59 percent savings. Annual cost savings from the energy upgrades, based on 2007 energy prices, came to approximately \$195 per year. It's estimated that buildings account for 40 percent of the energy consumed within the United States and a similar percentage of carbon dioxide emissions.

## >>> Trash to light troop camps in Iraq

American troops in Iraq may soon be using trash as a power source in their barracks. The army is preparing to send two 4-ton biobass refineries to Iraq that are designed to turn discarded items into electricity. Each runs roughly 20 hours on a ton of trash and produces enough power to light a small village. Defense contractors teamed up with Purdue University scientists to create the biobasses. The hope is to use less diesel fuel to power military camps, not only freeing up fuel for other equipment use, but also allowing for fewer trips for tanker trucks, which are often targeted by insurgents.

# “Quotables”

“Yosemite Valley, to me, is always a sunrise, a glitter of green and golden wonder in a vast edifice of stone and space.”

**Ansel Adams**, *American Photographer*

“The four building blocks of the universe are fire, water, gravel and vinyl.”

**Dave Barry**, *American Journalist*

“Life must be understood backwards; but... it must be lived forward.”

**Soren Kierkegaard**, *Danish Philosopher*

“Human beings are the only creatures on earth that allow their children to come back home.”

**Bill Cosby**, *American Comedian*

“Life is hard. After all, it kills you.”

**Katharine Hepburn**, *American Actress*

“TV is chewing gum for the eyes.”

**Frank Lloyd Wright**,

*American Architect*

“I paint objects as I think them, not as I see them.”

**Pablo Picasso**, *Spanish Artist*

“I like nonsense, it wakes up the brain cells.”

**Theodor Geisel**, *American Author*

“That though the radiance which was once so bright be now forever taken from my sight. Though nothing can bring back the hour of splendor in the grass, glory in the flower. We will grieve not, rather find strength in what remains behind.”

**William Wordsworth**, *English Poet*

## Famous Properties

## Making Green Great

## Ecological harmony at Aldo Leopold Legacy Center earns high marks

by Diana Mirel

No one knows for certain if renowned conservationist Aldo Leopold knew the potential ecological harmony imminent in the dilapidated farmland he stumbled upon in Baraboo, Wis., in 1935. But, for just \$8 an acre, Leopold purchased the land. He and his wife, Estella, and their five children, created a home away from home by tending a garden, cutting firewood and planting what eventually added up to 40,000 trees. The Leopold family transformed the terrain into a thriving landscape of conifers, hardwoods and prairie, as they planted the seeds of sustainable development.

Now, more than 70 years later, the land Leopold put on a pedestal is the foundation for a tribute to the famed environmentalist's legacy. When the Aldo Leopold Legacy Center opened last year on the property, it received the U.S. Green Building Council's (USGBC) LEED Platinum certification as the highest rated LEED building in the world.

For many years, visitors from all over the world who have been inspired and informed by Leopold's writings have come to the foundation. Recently, Buddy Huffaker, executive

director of the foundation and center, has noted a growing interest in the foundation as environmental and conservationist concerns move to the forefront of political and social consciousness. Based on this growing popularity, the foundation invested in a new and improved infrastructure to host visitors and inspire environmental change.

"Once we finally agreed [to build a new center] institutionally, we knew that we had high standards for ourselves and others would have high expectations for us, so that set us off on a journey," said Huffaker.

The journey began in 2000 with the idea to design a leading green building that would serve as an homage to Leopold's mission, an educational facility to spread the foundation's message and a benchmark for sustainable design.

"Our intent was not only to talk the talk, but to also walk the walk," said Huffaker. "We went into it really wanting to demonstrate what kind of impact a project can have in terms of reducing energy consumption, utilizing local resources and even energy production. We knew that we wanted to push the leading edge of these technologies."

The project snowballed through a conceptual design phase in 2001 and a broad fundraising campaign in 2003. The foundation raised \$8.6 million in private money for the \$4 million construction project and the additional soft costs necessary to open the building.

By the spring 2007, the new Aldo Leopold Legacy Center opened its doors. The USGBC awarded the building with a LEED Platinum rating and named it the greenest building in the world with its score of 61 out of 69 possible points. While the foundation did not go in with the intent to receive the LEED Platinum designation, it was well aware of the LEED rating system.

"We always used it as a kind of reference point to inform the design," said Huffaker. "We set our project goals and the programming necessary for the building, and then at a couple different points along the way we benchmarked it against the LEED scoring system. At one point, we realized that we would score quite high, and we knew that 60 points was the highest ranked building in the world at the time."

## RENEWABLE RESOURCES

The two dominant goals for the legacy center revolved around the materials used for construction and the consumption and production of energy. For the materials, the foundation utilized the resources on its own land to construct the center. In 2000, the pines planted by Leopold and his family during the 1930s and 1940s were suffering from over-competition, so the foundation removed the smallest and weakest trees to promote the long-term health of the strongest ones and the forest as a whole.



The Aldo Leopold Legacy Center's 198 roof-mounted solar panels produce 50,000 kilowatt hours of energy per year.



The Aldo Leopold Legacy Center reduces energy through a system of earth tubes that preheat ventilation air during winter and pre-cool air during summer.

The harvested timber was then constructed into posts and beams serving as the structural skeleton of the center. In fact, nearly 100 percent of the legacy center's structural skeleton was built with trees planted by the foundation's namesake. Secondary materials from an additional tree harvest provided interior and exterior finishes, like exterior siding, interior cabinetry, flooring, furniture and paneling. The remaining building materials, where possible, were comprised of recycled aluminum, reused wood, reclaimed stone and rapidly renewable materials.

"By using these local resources both for their historical and ecological values we didn't need to import materials from outside the region, let alone outside the country," said Huffaker. "We kept the ecological footprint of our materials very tight."

In terms of energy consumption and production, the legacy center incorporated cutting-edge technologies to become the first net-zero energy building in Wisconsin and the first carbon neutral building certified by LEED.

"Our goal was to produce as much energy as we consume over the course of the year," said Huffaker.

The 12,000-square-foot legacy center is designed to produce 10 percent more energy

than the building consumes, and it uses 70 percent less energy than a typical building of its size.

To achieve this impressive feat, the center houses an efficient combination of renewable energy systems and technologies. The building has 198 solar panels mounted on its roof that produce 50,000 kilowatt hours of energy per year. Additionally, passive geothermal technology and a radiant floor system efficiently heat and cool the building. To further the center's efficiency, its innovative ventilation system separates the fresh air ventilation systems from the heating and cooling systems. This saves two-to-five times the amount of energy of a conventional building by delivering only the air required by codes for ventilation and a healthy environment. In addition to energy efficiency, the building is also designed to conserve water.

"We don't use enough water to invest in a gray-water system, so we're not recycling water, but we are capturing it. It all goes into rain gardens so we can address water issues," explained Huffaker. "We don't really have a storm water issue on our site, but it demonstrates how these can be attractive and aesthetic elements in the landscape as well as functional."

## SOLID FOUNDATION

Despite having a dedicated team of contractor and subcontractor experts in sustainable design, the entire process required a learning curve for the foundation's staff. The biggest challenge was to refine the mechanical design and construction to allow the center to achieve the groundbreaking efficiencies on the energy consumption side.

"Finding the right equipment and understanding how the systems come together was some new terrain for our folks on the team," said Huffaker. "But everyone was so committed to what we were trying to do that people figured out ways to get over the obstacles."

From the time it opened its doors last year, the center has generated plenty of buzz.

"Since we moved in, we certainly have had people coming here from far and wide who know nothing about the real work of the foundation," said Huffaker. "The building is becoming a magnet and has been recognized in the green building community."

As a newly minted leader in the green building community, Huffaker understands both the social responsibility of green building and the importance of the bottom line.

"I would challenge people to figure out how they can reduce energy consumption as much as possible in redevelopment and new construction," said Huffaker.

Despite being proud of the title of the greenest building in the world, the foundation remains humble and maintains its educational roots.

"I encourage people to come see us to learn more about what we did and what else can be done," said Huffaker. "It is certainly nice to be able to claim that we're the greenest building in the world as recognized by the USGBC; but, ultimately, we want other buildings to exceed us at some point." □

Diana Mirel is a contributing writer to *JPM*. Send questions regarding this article to [mnaso@irem.org](mailto:mnaso@irem.org).

# Fast Facts

- On some Caribbean islands, **oysters** can climb trees.
- **Eggplants** aren't vegetables—they're really fruits.
- Only one book has been distributed in more copies than the **Bible**—the **IKEA catalog**.
- Millions of trees are accidentally **planted by squirrels** who bury nuts and then forget where they hid them.



- **Beer** was the first trademarked product—British beer Bass Pale Ale received its trademark in 1876.
- The first novel sold through a **vending machine**—at the Paris Metro—was *Murder on the Orient Express*.
- The world's libraries store more than a **100 million** original volumes.

- Your **heart beats** 101,000 times a day. During your lifetime it will beat about **3 billion times** and pump about 400 million liters (800 million pints) of blood.
- On average, you speak almost **5,000 words a day**—although almost 80 percent of speaking is self-talk (talking to yourself).
- Your **eyes** are always the same size from birth.



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## [www.doe.gov/4242.htm](http://www.doe.gov/4242.htm)

This section of the U.S. Department of Energy's Web site offers simple tips on how your properties can save money during the summer months. You'll find ideas on how landscaping can help curb energy costs, as well as a list of air conditioners with the Energy Star and EnergyGuide labels. You'll also find links to more cost-saving tips for appliances and electronics, proper insulation and air sealing, and water heating.

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# Pulse Points

Log on to [www.irem.org/jpm](http://www.irem.org/jpm) to answer this issue's online survey. Real-time results will appear on the site, and a final tally will be published in the next issue.

## Question

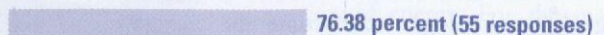
Have you implemented any water conservation methods or technologies at your properties in the last five years?

- A. Yes
- B. No

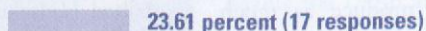
## The results are in from last issue's poll

Do you assess your company's technology needs on a regular basis?

Yes

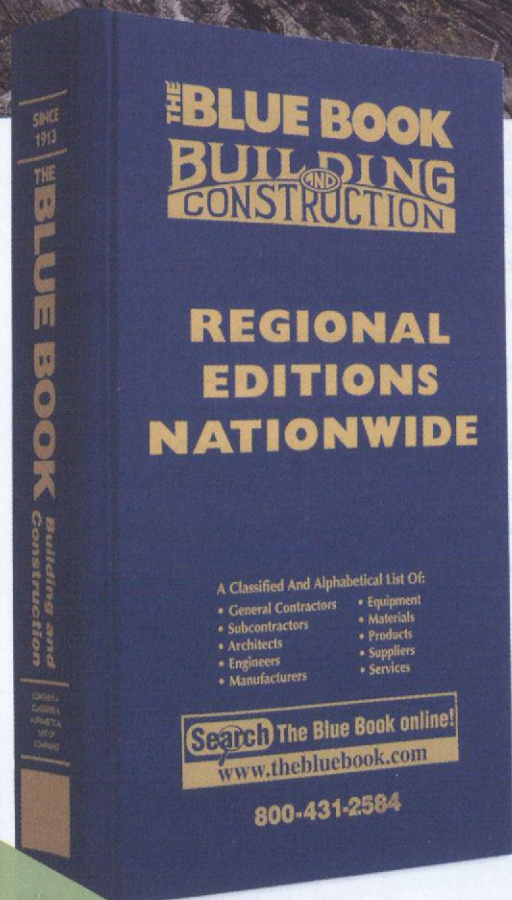
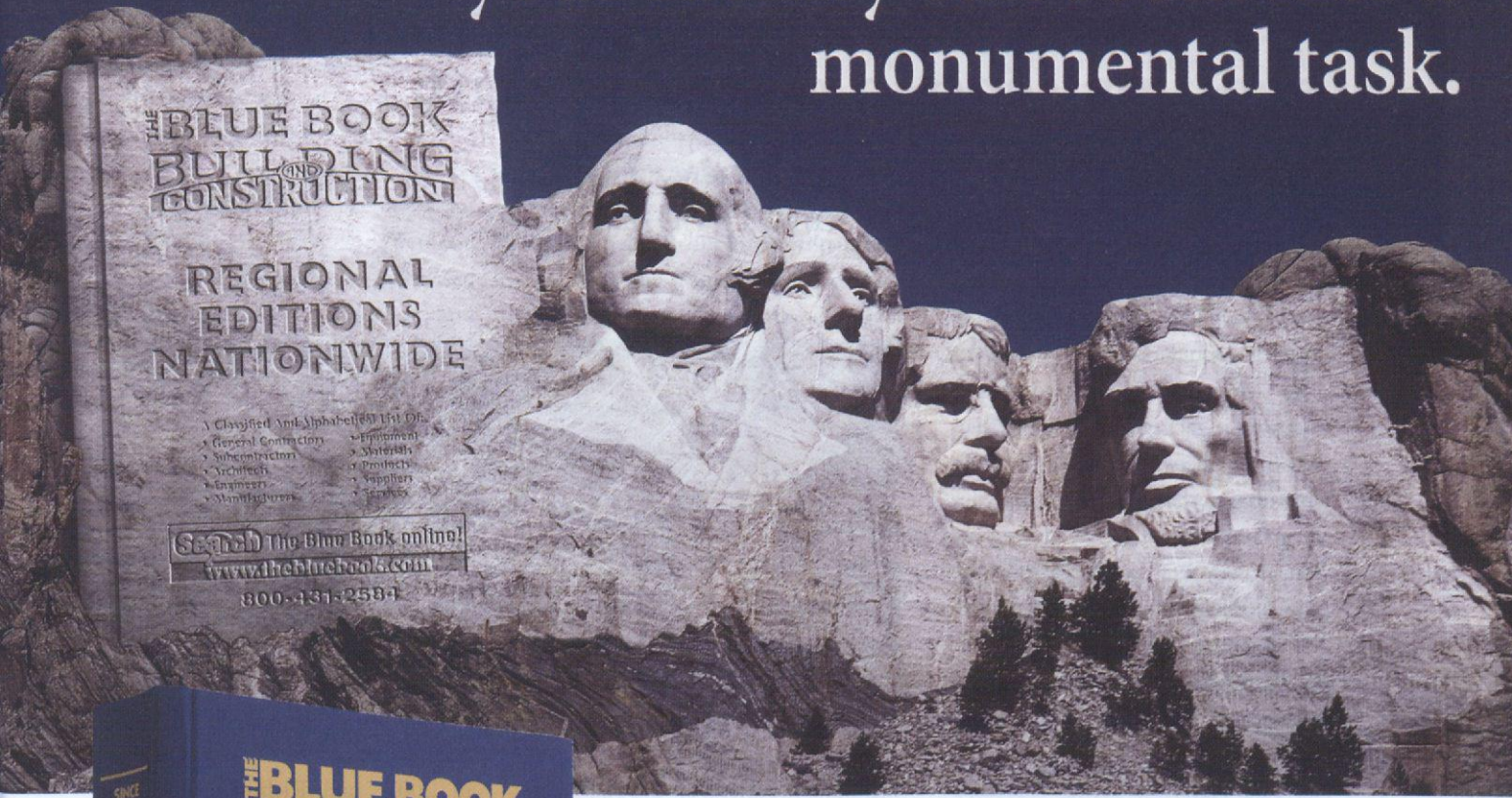


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## North and upper Midwest states eye upswing in development

### Population growth creates new building opportunities in Mountain Time Zone

by James G. Parker

**T**he population in the states of Montana, Idaho and North and South Dakota swelled more than 20 percent between 1990 and 2000, according to the U.S. Census Bureau. This is double the overall population growth rate for North America. Skip Anderson, CPM®, of Riverside Management Company, Inc., in Boise, Idaho, and other property managers in the region, see this trend toward growth continuing.

“The region is seeing increased development due to population growth,” said Anderson. “A population influx provides a boost to property development. These people need places to live and they need jobs. They need retail stores and infrastructure, so commercial activity and development increases.”

#### RIPE FOR COMMERCIAL INVESTMENT

In Idaho, the trend in residential development is leaning toward smaller family units and single-family homes, according to Anderson. “While the growth has slowed to some extent, the Northwest market has not suffered as gravely from the recent downturn in the national economy,” he said.

However, Anderson said larger investors are watching the region, and within the next 12 to 24 months, Idaho can expect to see an upswing in



Idaho is seeing an upswing in new commercial construction, including retail locations.

Photo: Skip Anderson, Riverside Management

multifamily residential development and new commercial construction, including the arrival of “big box” retail locations. A number of large investors, including some out-of-state companies, are planning new subdivisions and large single-family home developments in anticipation of further population growth.

#### STEADILY STEAMING AHEAD

Other property managers shared Anderson’s optimism for the region.

“As far as the downturn in the national economy, developers in the Northwest to date have seen very little negative effect,” said Mark Richman, CPM, CCIM, of Coldwell Banker Commercial in Fargo, N.D. “The development market in the Northwest has been fortunate enough to experience what I call slow, steady growth. In North Dakota, we’ve seen the real estate market grow at 1 to 3 percent per year.”

Multifamily developments in North

Dakota are somewhat overbuilt and had a vacancy rate of 8.6 percent in 2007, said Richman. However, that figure is starting to lower and is currently at 7.2 percent. The overbuilding resulted from a large number of single-family home purchases in 2005 and 2006, when apartment and condominium dwellers could not resist low interest rates and other favorable conditions for home buying. There has been a decline in North Dakota in duplex and new home construction of about 30 percent, said Richman, but foreclosures have not been a prevalent problem as they have been in other areas of the country.

Richman said property managers can expect considerable retail growth in North Dakota in 2008 and 2009.

“While I don’t see any new major players coming in, Wal-Mart and Target both have plans for new stores in North Dakota in 2008 and rents are trending up in the retail market,” he said.

Within the office market, much of the demand for new buildings comes from service-oriented businesses and office complexes, said Richman.

"The office market is very stable, with robust growth in class A office space. In western North Dakota, energy industries are driving a lot of economic growth and demand for jobs, leading to an increased demand for both residential and retail development."

Another force driving development includes old industries learning new tricks.

"Agriculture has been the base for growth in North Dakota ever since the railroad tracks were first laid more than 100 years ago," Richman said. "This still holds true in the eastern part of the state, where the growing demand for biofuels, such as ethanol, is stimulating growth, new industry and jobs."

## NEW INDUSTRIES SPUR DEVELOPMENT

New industry and an increasingly diverse economy are themes running through many discussions of property development in this area.

"We are a region that is developing," said Bruno Friia, CPM, and CEO of Lambros Real Estate in Missoula,

Mont. "In our area, for instance, everything around us is new."

Much of the growth is resulting from a diversification of the economy, said Friia. The old industrial and manufacturing complexes are being phased out and new businesses are coming in, including medical and professional services, and technology companies.

"With the improvements in technology and communications, people are more empowered to choose where they live and where they do business," said Friia.

Commercially, more regional and strip mall space is being developed in Montana. This is especially true for Friia's local area in Missoula, where the University of Montana is spurring development. The student body has nearly doubled in recent years from 7,000 students to almost 14,000, bringing increased demand for housing, retail and service businesses.

Montana is also in need of new construction for healthcare and biomedical facilities, as well as office space for companies interfacing with the healthcare industry.

## KEY MANAGEMENT TRENDS ARISE

The trend toward continued development is consistent among the Northwest and upper Midwest

states. Across the area, reinvestment in core downtown areas is happening, Anderson said.

"With transportation and fuel prices rising, many people are turning away from outlying areas and moving closer to downtown. This is leading to a slow shift toward reinvestment in developing and improving downtown core areas," Anderson said.

These property development trends are creating opportunities for property managers in the region.

"The challenge for property managers in Montana is to keep up with what is happening. There are more properties to manage, and more people are coming into the property management profession," Friia said.

However, some obstacles do exist. For instance, Anderson pointed out that developers in the North and upper Midwest are struggling to balance quality with affordability, due to increasing costs for land, labor and raw materials.

Friia, Anderson and Richman each pointed toward a regional trend in which existing properties that in the past have self-managed are now looking for professional property management services.

"In increasing numbers, building owners who in the past sought to manage their properties themselves are turning to professional property management services," Richman said.

"As tenants are growing more sophisticated, the demand is growing for more sophisticated services, such as more professional reporting of shared costs and operating expenses, and properties that have a more professional look," he said. □

James G. Parker is a contributing writer for *JPM*. Send questions regarding this article to [mnaso@irem.org](mailto:mnaso@irem.org).



Photo: Lambros Real Estate

Condo conversions are part of Montana's diverse growth in development.



## Next level learning Technology can benefit all by building value

by Shannon Alter, CPM®

**T**alent. Experience. Relationships. Skills. These are the ingredients to success for today's standout real estate professionals. Can these elements translate to your company's successful bottom line? Absolutely!

While preparing a seminar recently, I queried business leaders worldwide to find out the skills they valued most in a real estate manager. Without a second thought, each executive emphasized the need for real estate managers do two things: 1) get back to basics and 2) learn how to create value for their companies.

**Managers who continue to educate themselves will always be in demand.**

*Wait a minute*—"basics," "value?" Don't we already have these skills? Decision makers feel top managers today can differentiate themselves by their willingness to take the extra steps to enhance their knowledge, sharpen their skills and perfect their technique. And, not surprisingly, education and relationship building go hand-in-hand: developing talent, creating synergy and adding value to everyone's bottom line.

Do you want to increase your potential and create value for your owners and for your company? Technology today offers opportunities in many forms—including facilitated

and nonfacilitated online courses, webinars and podcasts. Often available 24/7, online courses offer learners a convenient way to experience education and training at their own pace. Are you a new e-learner? Test the waters by taking an online learning readiness assessment or trying an existing online course offered by professional associations.

Online learning can occur through taking a full-blown course that spreads out over weeks or months, or can be as straightforward as a one-hour webinar. Not available at the time of a webinar?

Podcast and other downloadable files allow continued learning on your own schedule—while working out at the gym or in transit between meetings.

E-learners can benefit from service provider relationships too. Santa Ana, Calif.-based Universal Protection Services offers six interactive courses which are free to clients. Designed to provide quality, real-life training for real estate managers, Universal's online course topics include disaster preparedness, terrorism threats and workplace violence.

Some real estate management companies have created internal online learning platforms. Transwestern, a

national commercial real estate firm, offers more than 300 online courses for its employees. Launched in June 2007, Transwestern Learning Center's online courses include topics like leadership, conflict resolution, new business development and Energy Star requirements. Nami Richardson, HR Operations Manager, said that in terms of attracting new talent, online education is often considered a perk by potential employees who want to increase their skills.

If you're interested in starting online courses at your company, you don't have to start out big, but do consider the opportunity to differentiate your company.

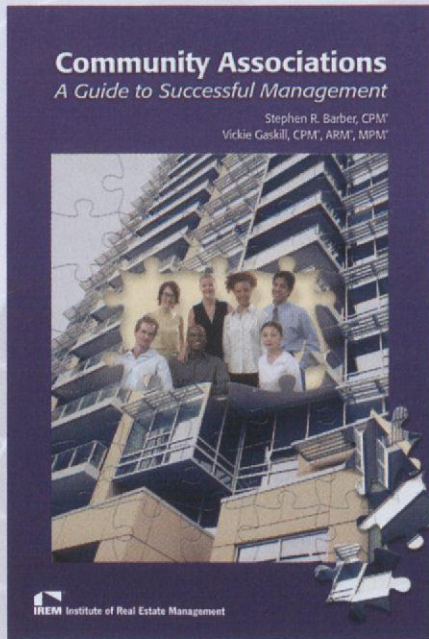
The advantages to online education include access to cutting-edge information, expert resources, convenient 24/7 timing, so you can "attend" when convenient. The most important advantage: managers who continue to educate themselves will always be in demand. □

*If you're an IREM Member, consult the IREM Web site for upcoming webinars you can access free of charge. If you're on track to become a CPM or an ARM®, check out IREM's 18 online course offerings. Starting with 77 students in its online courses in 2001, IREM now has over 700 online students worldwide, with five four-week courses offered each year.*

Shannon Alter (Shannon.alter1@gmail.com), CPM, is a real estate consultant in Santa Ana, Calif.



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# NEW FROM IREM!



## Sign of the times

When done properly, electronic signatures are binding

by James A. Fredericks and Alison S. Marischen

**E**lectronic signatures are the latest stride in the march of technology to expedite document execution and enforceability of the deal. It was not that long ago that we used typewriters and carbon paper, and documents were not enforceable in our courts unless they contained original signatures. We now use, and courts routinely accept, copies of all types and facsimile signatures.

The Electronic Signatures in Global and National Commerce Act (“E-Sign”), enacted nearly eight years ago, was the federal response to a growing state-by-state movement to permit electronic signatures.

effect, validity or enforceability solely because it is in electronic form;

- 2) A contract relating to such transaction may not be denied legal effect, validity or enforceability solely because an electronic signature or electronic record was used in its formation.

Simply stated, the E-Sign law and UETA provide that, if all other components are present, a party cannot defeat the validity of a contract simply because it has an electronic signature.

Make no mistake, dealing in electronic mediums does not eliminate

Currently, neither UETA nor E-Sign requires or mandates electronic transactions or signatures; however, this is not to say that they won’t sometime in the future. The true transition to complete electronic transactions in the commercial real estate context will depend primarily upon the adoption of such technology by the service providers in commercial real estate—lenders, brokers, title companies and county recorders offices. These players will be the driving factor for buyer/sellers or landlord/tenants in deciding to move to a strictly electronic format.

Both the federal E-Sign law and the state UETA were designed to address all aspects of commerce, primarily online consumer business transactions, but, as discussed, these laws definitely impact commercial real estate. Many more components of a commercial real estate transaction take place electronically than a decade ago, and ever-changing technology facilitates more of this each day. Accordingly, the technology and its applications should be promoted and understood by all parties. Nonetheless, resistance to completely electronic transactions will understandably always be present because deals are still made through traditional relationships with the parties establishing a rapport and trust with one another. □

Jim Fredericks (jfredericks@polsinelli.com) and Alison Marischen (amarischen@polsinelli.com) are attorneys at Polsinelli in St. Louis.

**A party cannot defeat the validity of a contract simply because it has an electronic signature.**

Prior to the passage of the E-Sign law, there were variances in many state laws on the use and enforceability of electronic transactions. As a result, the Uniform Electronic Transactions Act (“UETA”) was created and many states adopted it. UETA is only applicable in those states that have adopted it, but the E-Sign law is applicable nationwide on a federal level.

The E-Sign law says:

- 1) A signature, contract or other record relating to such transaction may not be denied legal

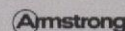
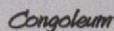
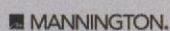
or change the traditional elements required to make a contract.

Establishing expectations is crucial to all parties making the real estate deal. The parties can expressly agree to the method and manner by which they will be bound under a contract (i.e., original signed documents, facsimile copies or e-mail acceptance). However, as court cases have shown, in the absence of an express “agreement” between the parties on such method and manner, the court may infer it from the parties’ acts and intentions.

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## Learn to earn

### Continuing education helps property managers garner respect and money

by Roy F. Eppard, Jr., CPM®

**S**ince achieving my CPM designation 20 years ago, I have continued my education in a number of areas. This continuing education has had a tremendous effect on my career. It has helped me become an expert in the eyes of vendors, fellow CPMs and industry leaders, and enabled me to positively influence the career path of people who wish to learn more about the exciting world of property management. My educational advancements have also led to significant salary increases.

When I reflect on my time in the industry and on the education I've

I took the financial initiative to follow my dream and it has made all the difference in the world. If you need help, IREM Chapters usually have a fund that can help individuals pay for education.

Aside from taking established industry courses, there are many other educational opportunities for property managers to better themselves. Recently, I became interested in physical plant operations as they relate to efficient building strategies. The National Association of Power Engineers (NAPE), an organization that trains most of the operating engineers for our properties, allowed

retrofit specifications, refer contractors to other professionals and to become the "go-to" person in my organization for engineering initiatives.

It is important to note that learning does not always occur in the classroom. Each day we are exposed to contractors who work on equipment and have innovative ideas on repairs and maintenance. Meeting with contractors on the job site can be a superior learning experience. Ask questions, be interested, and solicit knowledge about the condition of the equipment. Become familiar with the systemic operation of your property. Learning opportunities are everywhere.

Today, learning has elevated me to the position of director of property management. My office is decorated with educational and professional achievement certificates that add credibility to my occupation. But more importantly, my enthusiasm for higher learning has motivated tradesmen, colleagues and staff to actively pursue continuing education as a means to gaining personal and financial reward.

With a little knowledge in this dynamic field, you can set yourself apart in the property management industry, and feel confident dealing with outside professional contractors, property issues and owners. □

Roy F. Eppard, Jr., CPM (royeppard@beattycos.com), is the Director of Property Management for Beatty Management Company, Inc. in McLean, Va.

Aside from taking established industry courses, there are many other educational opportunities for property managers to better themselves.

received, I can't help but think property management is one of the finest professions to work within. In this industry you can change from one property category to another without losing experience. Educational courses expand your knowledge base and can empower you to make these transitions.

When it comes to furthering your education and increasing your earning power, don't feel you must wait for your company to pay for the courses.

me to enroll in a basic electricity class as a prerequisite to obtaining an engineering license. Familiarization with basic electrical concepts changed my reputation among engineers from a property manager to a sophisticated "team player."

Now, having begun my third class at NAPE, I find industry professionals asking me questions about wiring diagrams, schematics and HVAC issues, among others. Through learning, I am better able to evaluate

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## Never too late

### New IREM Members come from all walks of life

by Cherie Lucente, ARM®

I recently submitted my ARM application for certification after taking the plunge into “reinventing” myself in the fall of 2007. I started out slowly, not knowing how I’d hold up under the pressure of taking a course at this stage of my life: It had been a while since I enrolled in any formal training.

This decision to pursue my ARM certification came out of the realization that I had hit that proverbial brick wall in my career. You know, not going anywhere, no certifica-

tion in my field and no room for advancement. I started to take over. Again, I started out slowly with another course. After completing that one, I was so revved up that I decided it was time to put some pressure on myself and take two courses for the next term. Before I knew it, I finished all four courses and I am now anxiously awaiting my ARM certification!

This story may not be that different from that of other ARM students or IREM Members. But, I am in my 50s (not going to give

you my exact age, a woman has to have her secrets!) and am someone who hasn’t been in school for some time.

Why didn’t I go for my ARM certification sooner? The same old excuses always got in the way: I’m too busy; I’m too old; I can’t afford it, etc. Let’s be honest about it, though. The fear of competition—the younger crowd—got in the way. I asked myself, “How am I going to compete with the twenty-somethings? What do I have to contribute to the new generations’ ideas? Well, maybe something! And besides, what do I have to lose?”

As it turns out, experience, patience and a certain amount of wisdom are a few things I do have to contribute. Funny, but we seem to overlook these attributes as time goes by.

So, instead of feeling intimidated by it all, I embraced it, immersing myself in each course, always wanting more. The challenge and feeling of accomplishment after completing each course was enough to keep me going. It became addictive. I had to have more. Then, the end was in sight, I was going to complete the ARM series. What a thrill!

It has been an exciting and rewarding experience. I would encourage anyone to take the first step in reinventing his or her career. Start out small, if you have any doubts about your capabilities. But never sell yourself short. You see, you do have something to contribute to today’s mix in the job market. □

Cherie Lucente, ARM (cherbear941@aol.com), is a Property Manager for Hillco Properties in Highland Park, Ill.

As it turns out, experience, patience and a certain amount of wisdom are a few things I do have to contribute. Funny, but we seem to overlook these attributes as time goes by.

tion in my field and no room for advancement.

I started out gingerly with the IREM online fair housing course. The option of taking an online course appealed to me—considering family commitments, my job, social life, etc. After successfully completing the fair housing course, I was left with a void. The desire for more knowledge

you my exact age, a woman has to have her secrets!) and am someone who hasn’t been in school for some time.

Why didn’t I go for my ARM certification sooner? The same old excuses always got in the way: I’m too busy; I’m too old; I can’t afford it, etc. Let’s be honest about it, though. The fear of competition—the younger crowd—got in

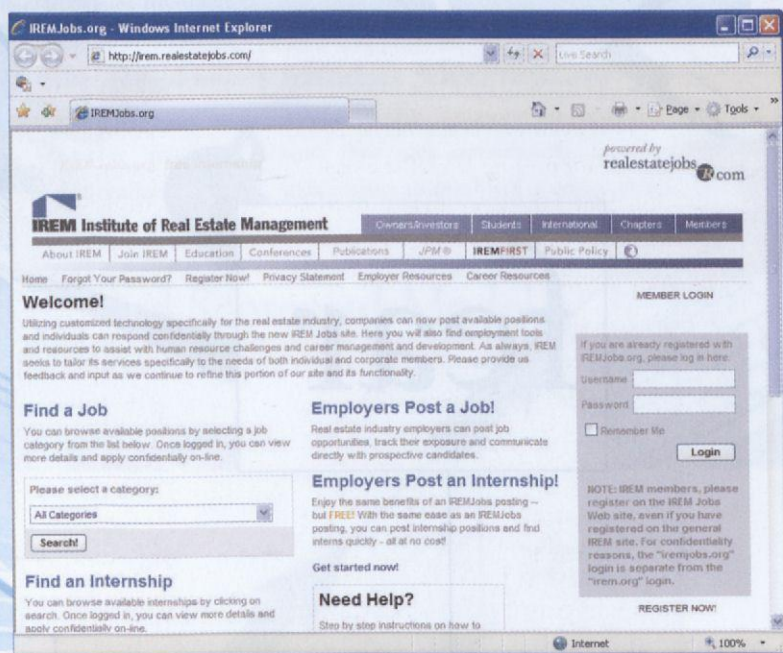
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change

Organizational Strategies Help Real Estate  
Companies Capitalize on Change and Innovation  
by Larry Schwenker, CPM<sup>®</sup>, RPA, CCIM



**f**or real estate companies, the rapid pace of technological innovation has created a business environment that is seemingly in a state of perpetual change.

At the same time, property and real estate managers and those who lead real estate management organizations realize the need for consistency and stability in the way they manage their properties.

In order for any significant change to be introduced successfully to an organization, many factors such as training, communication, changes in work processes and the financial impact, must be taken into consideration.

### Change is Certain

Technological innovation and the corresponding changes to the way companies conduct their businesses is inevitable. Companies must determine how they plan to manage the changes within their organization.

The decision a company must make is really not whether or not to innovate—rather, the decision involves choosing the appropriate pace of innovation. Regardless of how an organization decides to approach innovation, the industry will eventually adopt certain technologies that become generally accepted business practices.

Consequently, every company decides what approach it will take regarding innovation—to lead, follow or to fall somewhere in between. Even the *de facto* decision not to formally address the issue establishes a company's position in relation to competitors in the market.

Because of the potential impact that effective change management can have on the overall success of a real estate company, leaders should carefully con-

sider what strategy to employ regarding their overall approach to innovation.

Author and management consultant Peter Drucker said throughout his work that change is certainly viewed more as an obstacle than an opportunity. Much has been said about our inherent resistance to change as a result of the uncertainties involved. In the void of a long-term strategic vision, leaders are forced to deal with change “as it comes.”

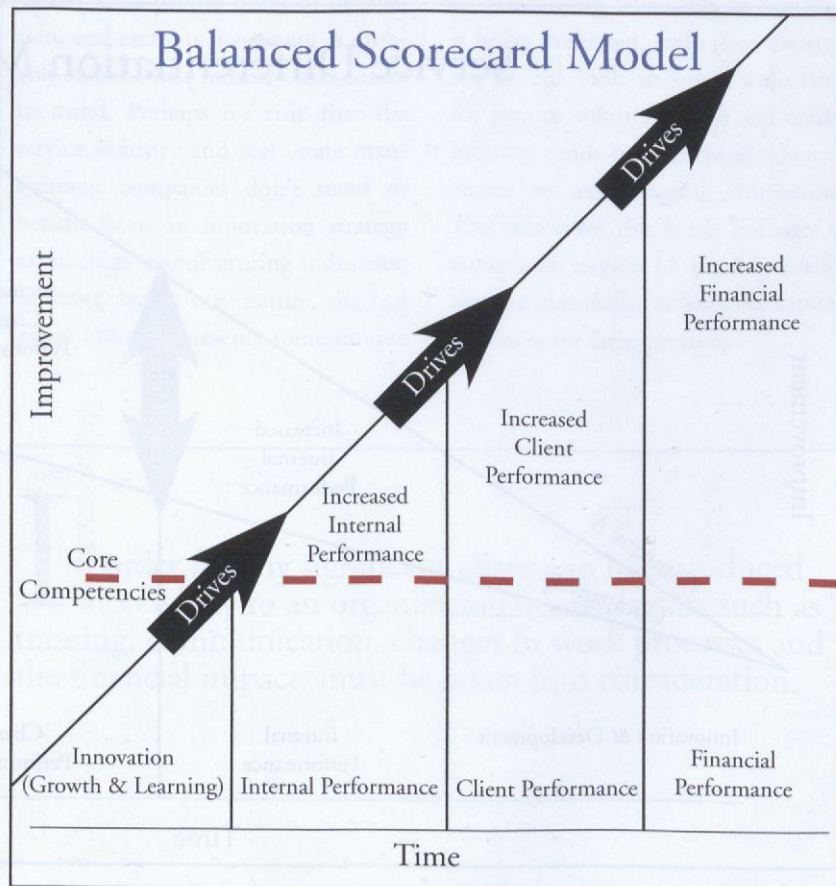
Alternatively, property management organizations that realize change

is inevitable and choose to embrace it as a part of their business strategy stand to benefit greatly.

At first glance, the goal of consistency and change may seem mutually exclusive. However, by examining the two goals from a different perspective, it is possible to see they can be achieved simultaneously. By using an operating structure that facilitates systematic change, organizations can not only adapt to change, but even leverage it in a way that can differentiate their services.

### Mindset Modification

Undoubtedly, creating an organization that can consistently leverage innovation to establish a competitive



Adapted from *The Balanced Scorecard: Translating Strategy into Action*, by Robert S. Kaplan and David P. Norton.

# Companies with a strategic approach to innovation can differentiate themselves from their competition.

advantage is not a short-term proposition. There are many factors that play into the success or failure of such a strategy.

The essential starting point is at the top of the organization. Company leaders must be willing to embrace and implement a business model that acknowledges innovation as a foundational component of the business operating strategy. Instead of simply allocating a portion of the company

resources to improvement, organizations should possess a built-in mechanism for continual innovation.

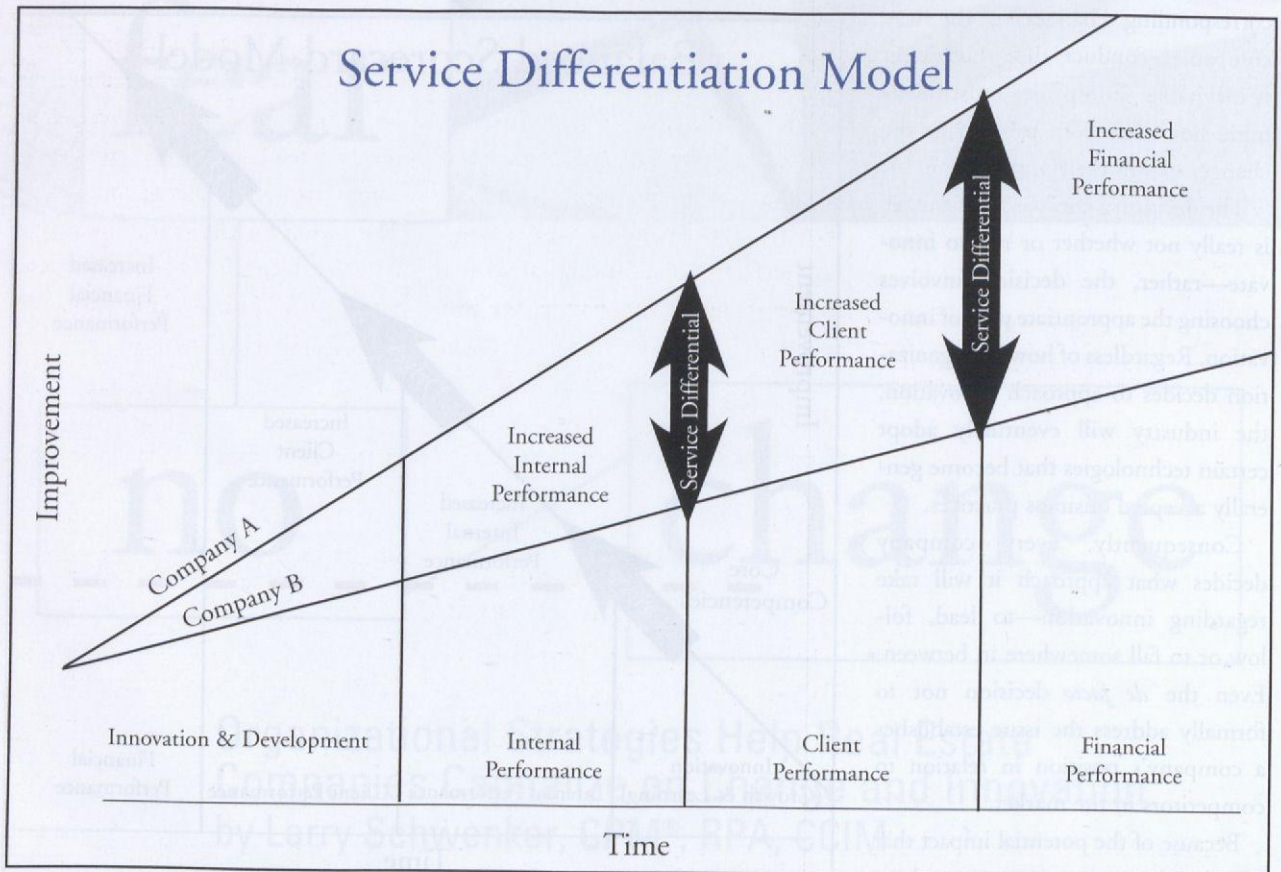
The Balanced Scorecard approach to strategic management, developed by Dr. Robert Kaplan and Dr. David Norton, is one business model that can effectively illustrate the components of a continuously innovative company.

This model is not intended to be a road map for the creation of an innovation strategy. Rather, it is intended

to illustrate the strategic mindset of a company that is structured for continual innovation versus a company that maintains a static operating platform.

The Balanced Scorecard model views organizational strategy and objectives from four perspectives: financial, client, internal, and learning and growth.

This model views innovation (growth and learning) as the foundational requirement of improvement in all organizational perspectives and the “root” of increased performance in all four sectors. It also identifies the relationship between organizational capabilities, customer satisfaction, and ultimately, financial performance and the need for measurable improvement in these areas. As the company



Adapted from *The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment* by Robert S. Kaplan and David P. Norton.

continues to innovate, improvements in core competencies drive increased performance in internal operations, client performance and financial performance.

Viewing the organization from this perspective allows for the creation and implementation of a strategy that ties together two seemingly opposing forces—internal measures of building long-range competitive capabilities and external measures of short-term financial results.

A company employing this approach has innovation built-in to their business strategy and works to systematically increase the core competencies of the organization.

This model also illustrates another factor that is essential to successful innovation—being able to identify the right opportunities to innovate is just the beginning. These opportunities must be transformed into tangible results. As mentioned earlier, in order for any significant change to be successfully introduced to an organization, many factors must be taken into consideration.

## Stand-Out Strategies

Companies with a strategic approach to innovation can differentiate themselves from their competition through their ability to deliver innovative solutions and superior services to clients. This competitive advantage is determined by the extent to which a company can successfully, efficiently and uniquely implement new technologies into their practices.

As illustrated in the diagram at left, the speed of innovation (speed to market) is of critical importance to companies choosing to compete in the area of innovation. There is a limited window of time for innovation to cre-

ate a service differential (value-added service), versus a service or level of competency that the market generally expects. This window is defined as the time between the initial offering of the service and the time that the value added service is generally expected by the market.

Therefore, the long-term success of an innovative strategy is not determined by any specific innovation. It relates more to a company's ability to capitalize on service differentiation by consistently beating the market and successfully identifying opportunities and implementing new technologies in a way that delivers increased value to the organization.

## Steps to Innovative Success

When most people think of innovation, real estate management is probably not the first industry that comes to mind. Perhaps it's true that the service industry and real estate management companies don't stand to benefit from an innovation strategy as much as manufacturing industries; however, by its very nature, the real estate industry presents some unique

opportunities for innovation. Perhaps now more than ever, the changing world around us will require real estate managers to be more creative.

Here are some practical steps that property managers can follow to minimize the risk and cost of innovation:

**1) Implement to Innovate.** It is important to point out that, from the property management perspective, technological innovation means implementing available technologies. We are not attempting to develop new technologies. This approach limits risk by shortening our return time, lowering investment and development costs, and increasing the probability of successful implementation.

**2) Identify Innovative Industries.** Depending on what area of business is being evaluated, real estate managers should look to other industries for proven solutions. The real estate industry tends to lag behind when it comes to technological innovation. The reason for this is our industry is comprised largely of small-to-medium size companies lacking the capital resources for large projects.

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**I**n order for any significant change to be introduced successfully to an organization, many factors such as training, communication, changes in work processes and the financial impact, must be taken into consideration.

Property management organizations that realize change is inevitable and choose to embrace it as a part of their business strategy stand to benefit greatly.

Innovation is achieved by “tweaking” a solution to fit the real estate management business model versus “re-inventing the wheel.” Whether considering a paperless invoice system or a new customer service process, chances are other industries have already effectively integrated these solutions. Borrowing these ideas limits risk by shortening return time,

lowering development costs and increasing the probability of successful implementation.

**3) Go for the Low-Hanging Fruit.** There are a lot of ways to innovate without investing large sums of money. Managers should keep in mind that even at the property level, new cost-effective tools are con-

tinually being introduced. Often it is not necessary to provide a fully comprehensive solution to innovate. Innovation can occur incrementally as long as it is compatible with the overall innovation strategy.

**4) Maintain and Cultivate an Innovative Culture.** In order to innovate, a company must do more than come up with new ideas. It must be able to apply those ideas to obtain value. Transforming innovation to value requires a shared vision and participation by everyone in the organization. Leaders must create an environment conducive to innovation by encouraging employee initiatives and buy-in.

Leaders should be prepared to reward innovative successes and also demonstrate a willingness to accept certain levels of failure. Leaders cannot allow failure to shut down creativity and willingness to participate in the innovation process.

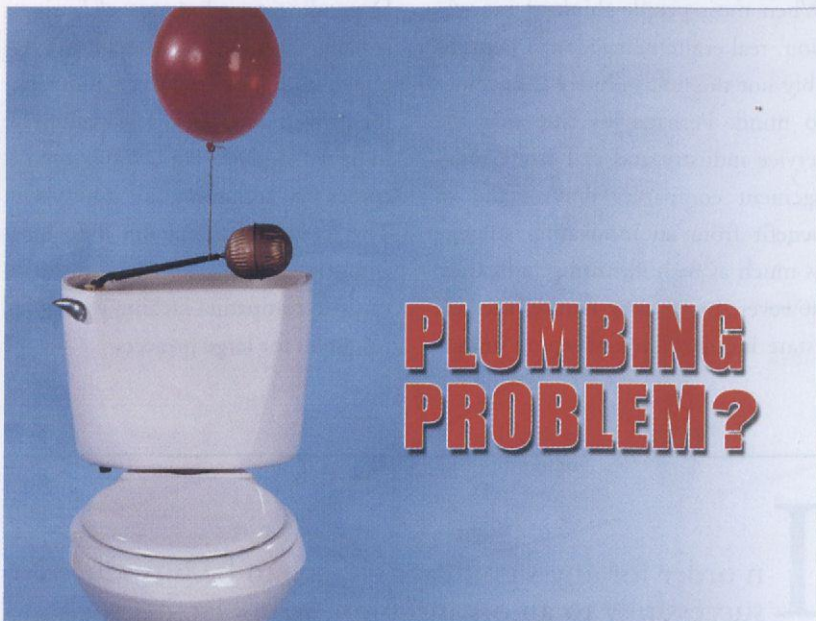
No company can avoid responding to innovation. Some companies will adapt to industry changes only when necessary, while others will take the lead, providing innovative solutions to challenges as they arise.

IREM has a rich legacy of equipping leaders to face the challenges of tomorrow. It is my hope that many members feel they have an obligation to continue leading the way to the future. □



Larry Schwenker, CPM, RPA, CCIM, is Vice President of Management Services for Bryant Management Services in Atlanta. Larry is also the founder Corvidea Knowledge Solutions, a technology consulting firm that helps commercial real estate organizations operate

more efficiently through the creative use of innovative technologies and practices. For more information, visit [www.corvidea.com](http://www.corvidea.com).



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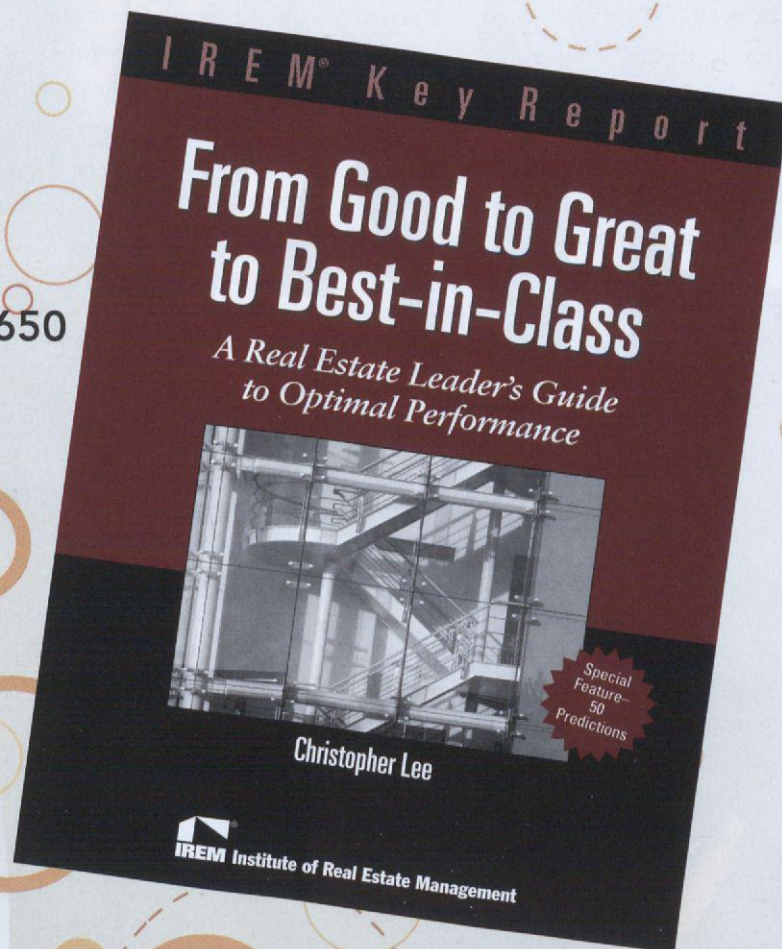
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Institute of Real Estate Management

Special Report

# PDA APPEAL

*IREM Members reveal how  
handheld devices make organization  
and communication a snap*

BY JANICE ROSENBERG

## WHEN KEVIN GRAIL, CPM®, WAKES UP EACH

**MORNING** the first thing he does is check his personal digital assistant, more commonly referred to as a PDA. "I look at the calendar and I'm immediately up to speed," said Grail, president of Strong Management in Winter Park, Fla.

"I dress differently depending on what I'm doing on a particular day, so it's nice to remind myself first thing where I need to be and how I need to dress," Grail said.

Although Grail could have done the same thing with his paper planner, he just plain didn't. It seems there's something far more compelling about the pocket-sized, all-in-one digital device that makes property managers sit up and take notice.

Today the PDA, a term most people apply loosely to any type of phone-organizer combo, has emerged as the must-have technology for the 21st century. Property managers and owners view PDAs as electronic replacements for the once ubiquitous Day-Timer®, clipboard and laptop. They take them everywhere—to scan e-mail, send instant messages, read reports, browse the Internet and to take photos—and swear they've increased efficiency and productivity.

But to no one's surprise, these chocolate-bar-sized miracles have their pros and cons. On one hand PDAs give managers mobility, real-time information and instant communication. On the other hand, PDAs—with their reminder "beeps" and never-ending e-mail access—can demand attention day and night,

making managers their slaves.

"PDAs contribute to non-stop work which impacts health and employees' attitudes toward work," said Todd Hattori, chair of the International Association of Business Communicators (IABC), in San Francisco, and manager of technology acquisitions services for the Washington State Department of Information Services in Seattle. "Organizations looking to implement the use of PDAs need to address how to train employees to use these resources properly."

### PERSONAL ASSISTANT

Property managers across the country applaud PDAs for their multipurpose functions and values.

"Day-in and day-out it's on my hip and ready to help me be more effective, and add more value in our property management relationships," said Bob Hendricks, CPM, of Property Management, Inc. in Lemoyne, Pa. "I almost think they are becoming ubiquitous in the real estate industry."

PDAs have unchained property managers from their desks, said Merlyn Savishy M. Banks, CPM, associate broker/property manager at Century 21 Real Estate Team in Fredericksburg, Va. Having access to

information in his pocket has been a revolution.

"I was sick of carrying a huge Day-Timer that had all my contacts, my calendar and my reference information that I needed to have with me," Banks said. "When I saw there was something electronic out there, I thought, 'Hey, I gotta get this.'"

Saadat M. Keshavjee, CPM, managing director, Amhurst Property Management, Ltd., in Calgary, Alberta, Canada, uses his PDA during property inspections. The notes section has replaced his old clipboard and pen.

Back at the office, Keshavjee docks the PDA with his computer and is able to complete and print forms containing the gathered information. As a busy, multitasking property manager, Keshavjee appreciates the hours his PDA has saved him, especially at the end of each month when he makes numerous inspections.

Grail sets his PDA, complete with its list of 600 contacts, to warn him of upcoming appointments 15-to-30 minutes ahead of time.

"Several times I've been so caught up in what I was doing and the PDA would buzz or vibrate to remind me," Grail said. "A couple of times it's saved me from missing an appointment that slipped my mind. I look more professional. I don't miss appointments and I'm not late for them."

### E-MAIL AND BEYOND

Calendars and contact lists aside, the ability to receive e-mail 24/7



PDAs give managers mobility, real-time information and instant communication.



PDAs—with their reminder "beeps" and never-ending e-mail access—can demand attention day and night, making managers their slaves.

is the greatest advantage of today's PDAs, said Kathy Whitman, executive vice president of LumaCorp, Inc. in Dallas.

"Being able to sit on an airplane and pull out my PDA and respond to e-mails is a real timesaver," she said. "We use e-mail for communication more than anything else. I'd rather have that than a phone call. You don't have to chit chat, and you get your response right away."

PDAs, with their e-mail capacity, serve as on-the-road offices. Charlotte B. Strain, CPM, senior director of retail at Avalon Bay Communities, Inc. in Alexandria, Va., remembers a day she spent in Chicago viewing a property during a discovery period. She received information from the property owner that a ground floor tenant had moved out. There was a possibility that the continuing presence of this tenant would affect the value of the asset.

In years past, this would have been a time-consuming problem for Strain. However, that day she had the solution at her fingertips.

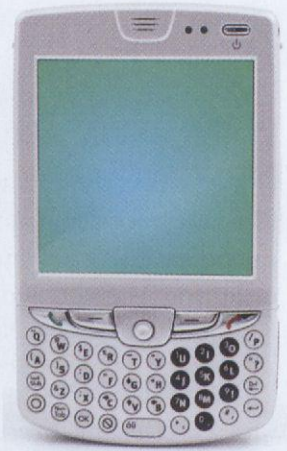
"It was easy to take a picture of the property with my PDA and e-mail it to everyone to find out if this was an issue," Strain said. "It's the speed with which you can communicate that matters. It's very important to get back to everyone quickly or you can lose the deal."

Similarly, PDA e-mail has been indispensable for Michael Biggs, CPM, regional vice president in the Midwest office of Lincoln Property

**THE PDA CONCEPT** first appeared in the late 1970s with handheld devices that offered language translation and organizer capabilities, said Evan Koblentz, independent computer historian and online editor of *Wireless Week*.

Apple Computer Inc. marketed the first true PDA, the Newton®, in 1993. Palm soon followed with its PalmPilot® handheld device. The product was so successful—in large part because it was very easy to sync with a computer—that for years people referred to all PDAs as "palms."

However, neither the original Newton nor the PalmPilot included a phone. The Simon, designed by IBM in 1992 and dubbed a "smartphone," was the first device to combine a phone with a PDA. From the late 1990s on, the use of smartphone devices skyrocketed.



Co., headquartered in Dallas. Not long ago, in the process of refinancing a building, he received an e-mail from the correspondent who was handling the loan. The correspondent needed six documents immediately. Biggs, who was out of office at the time, was able to forward the e-mail to his office where assistants took care of sending the documents.

"I travel a lot and I use my PDA to keep up with things and address them in a timely fashion, rather than waiting until I get back to the hotel and plugging in my laptop," Biggs said. "I'm up-to-speed on a real-time basis about most of what's going on in the business. I can prioritize, delegate and handle issues as they arise."

PDA benefits go beyond person-to-person communication. Hendricks receives e-mail alerts about the weather at outlying properties. These help him make travel decisions and oversee

snow removal. Web-enabled security systems at some of his buildings can alert him if a door has been left ajar, or if someone without access rights is trying to gain access to a building.

"As CPMs, most of us have multiple properties," Hendricks said. "We have multiple owners and vendors to respond to. PDAs just help us be more efficient in our communication."

#### PLEASE TURN THAT THING OFF!

But like every new technological wonder, the PDA has a downside. Strain said the device has made her more productive, but acknowledges the e-mail function is very addictive.

"When my husband and I go out to dinner, we both sit looking at our e-mails," Strain said. "If you hear the noise [indicating an e-mail has arrived] you have to stop what you're doing and look at it right away."

In a survey of more than 1,700



I'm up-to-speed on a real-time basis about most of what's going on in the business. I can prioritize, delegate and handle issues as they arise.



The negative effect on productivity was even higher—93 percent for users of PDAs.



communications professionals by the IABC and twisurveys, an organizational research and strategy development company in Delta, British Columbia, Canada, 85 percent of the respondents said e-mail overload was having a negative impact on their productivity at least some of the time. The negative effect on productivity was even higher—93 percent for users of PDAs.

Michael Barr, director of corporate education and consulting services at the Chicago School of Professional Psychology, recommends setting boundaries for PDA use. For instance, he turns the phone feature off during meetings. It's depersonalizing for the people you are with, he said, if you answer your phone, and it sends a message that the person you are with isn't as important as the caller.

Barr responds to e-mails only twice each day. He tells colleagues to call him if their communication needs immediate attention.

"In the world before e-mail, people spent 90 percent of their time on the phone," he said. "It was the same problem, only now we're dealing with it in a less noisy way."

At Boardwalk Rental Communities in Calgary, new employees attend courses to learn how to use the Microsoft Outlook software installed on their PDAs. The company, which manages 36,500 units and has 1,150 employees, also has created an e-mail charter, said senior vice president of rental operations, Kevin Screpnechuk, CPM. Points on the charter include:

- If there are too many e-mails on a particular string, it's probably time to set a meeting.
- If you're angry and write an e-mail, wait 24 hours before sending it.

- Don't use all capital letters because that means you are yelling.

"One of our company's core values is balance between home life and work," Screpnechuk said. "If we have e-mail stress as a result of sending information, we want to provide strategies for working it through."

### FACE TIME: MORE OR LESS?

IREM Members reply variously to the charge that electronic communication is less personal.

"That's hogwash," said Strain. "I don't feel that e-mail takes away from the relationships I have with tenants, vendors or brokers. I prefer to communicate this way. There still is a time and place for face-to-face encounters or person-to-person phone conversations, but the lion's share of business gets done by e-mail."

Face-to-face encounters are the way to go when employees have personal problems, Whitman said. She also conducts conversations about disciplinary actions in person, and likes to offer praise for a job well done over lunch.

Hendricks schedules face-to-face first meetings with all new clients, vendors and tenants. When using e-mail, he works hard to communicate well and effectively so that his owners get the information they want when they want it.

Biggs, who is in his 50s, recognizes that electronic communication is the way to go for members of generations X and Y. But he feels a bit sad about the newest forms of communication.

For Biggs, e-mail means less face-to-face time and takes the personality out of communication. He believes in-person meetings play a vital role in any service-based business and schedules quarterly get-togethers with his clients.

"We may just talk about the economy or markets in general," Biggs said. "But it keeps that personalized touch. You have to make a bit of an effort, but it's a part of our business that doesn't need to go away." □

Janice Rosenberg is a freelance writer for JPM. Questions regarding this article can be sent to [mnaso@irem.org](mailto:mnaso@irem.org).

## BE CAREFUL WHAT YOU WRITE

- E-mail lives forever. It may end up on a server, in a file or on a Web site, and can ruin a friendship or lead to legal trouble.
- "Please" and "thank you" go a long way.
- A simple greeting—"Hi, Jane"—adds a nice touch.
- Mention in the body of the e-mail who is being copied and why.
- Concise subject lines help recipients prioritize and file their e-mails.
- Allow two hours for a response. For urgent messages, use the phone or visit the person's office.
- Set "auto reply" when in a meeting or out-of-office.
- Watch grammar and spelling, especially when sending instant messages.
- Back up your PDA to your hard drive.

# platf



# orm reform

CPM<sup>®</sup> Member shows how  
real estate firms can  
adopt single software solutions  
by Lori Burger, CPM

Technology continues to change rapidly, and integrating new technologies seamlessly into any business has become more and more challenging. Today, our 37-year-old, family-owned company is one firm investing in technology so we can sail into the future with improved service capability.

Like most mid-size property management companies, the Eugene Burger Management Corporation has a diverse portfolio consisting of commercial office buildings, shopping centers, retail centers, single-family homes, assisted and conventional apartments, common interest developments, self-storage facilities and even a bowling alley.

From 1968 to 1996, through numerous client acquisitions, our organization inherited a myriad of software platforms and hardware systems. With nine regional offices and 500 employees located throughout California and Nevada, we concluded that the efforts to support numerous stand-alone systems, training of staff—along with the lack of connectivity and the inability to take advantage of database capabilities on a region-wide basis—was costly and inefficient.

Our firm maintains a narrow set of goals and objectives, and concentrates on reducing overhead expenses, eliminating redundancy and improving efficiencies by moving all aspects of its operations to one single, integrated database. Today our database is our most valuable tool and is an everyday essential that improves customer service and satisfaction. The ability to provide specific data tailored to our needs, as well as our clients, is what gives our company a competitive edge.

## software challenge

Along the way, we found our company's portfolio mix was a challenge for

most accounting and property management software manufacturers. For example, a software manufacturer may excel in community association, residential or commercial property management and accounting, but is unable to meet the needs of assisted apartment communities. Rather than settle on a firm that can only handle part of our business or on multiple firms that specialize in unique areas, our goal would be to find one software firm to handle all of our needs. To get to where we are now, we enlisted a software consultant back in 1995 to assist us through various stages of the process.

The consultant began by first learning about our company's internal operations, like how staff currently performs their work versus how they envisioned doing their work in the future. Once the consultant had a clear understanding of the scope of work required, he began his search. After months of investigation, he identified

## feature

several companies for us to interview. Upon selecting a software firm and beginning the implementation phase, we quickly found the firm had underestimated the complexity of our accounting and property management needs. In a short period of time, our company abandoned the implementation. While disappointing, there was no alternative but to continue the search.

Like other companies, we modified our accounting systems in preparing for Y2K, and continued our own search without a consultant. We reviewed many different software providers. Finally, in 2002, we selected Yardi Voyager. Yardi offered a global software solution well suited for our company.

It featured a fully integrated general ledger, property leasing and cost control features, and a centralized database that provides real-time access to property operations throughout the company's regional offices and residential communities. Best of all, Yardi was able to handle accounting needs for all property management types.

Though nearly all our needs were met, we did identify a weakness in Yardi's accounting and management functions for common-interest developments. To overcome this, we worked closely with Yardi to address these needs. We brought together a team of employees from accounting, site management and executive management, charged with operating various district offices and ensuring a smooth transition.

During this time, we also focused attention on the expansion and adaptability of programs when evaluating the software packages. We believed it was critical in the decision-making process to be assured that the programs and service provider selected would be available to service us well into the future.

**BE SURE YOU HAVE  
AN INTERNAL TEAM  
FIRST EVALUATE  
ALL OF YOUR COM-  
PANY'S COMPUTER  
HARDWARE, SOFT-  
WARE AND STAFFING  
CAPABILITIES BEFORE  
EVEN CONSIDERING  
A FULL SOFTWARE  
CONVERSION.**

### transition implementation

With the right software programs for our needs, we were ready to start the transition process from our current systems to the new. Fortunately, we rec-

## advantages of integrating stand-alone offices into one software system:

- Company procedures can be centrally standardized and controlled.
- Upper management can analyze data for the entire company in one database.
- Upper management will have centralized check processing with payables entered from any location.
- Company procedures can include real-time accounting versus end-of-month posting to the general ledger.
- Managers can allocate workloads between offices due to staff shortage or staff changes.
- Staff will have flexibility to customize reports and menus for different operations within the company.

ognized simultaneous conversion of our diverse portfolio would be a significant challenge. With this in mind, we chose a slow transition, converting one property type and one office at a time. This allowed the company's implementation team to work out all of the special issues at one location before relocating resources to the next location. Additionally, it helped eliminate staff frustrations and any unnecessary down time needed to resolve complex issues.

We completed our goal of moving all property types into one single integrated accounting database in the fall of 2006. Our offices now have access to live data, and corporately, we have the ability to analyze activity throughout the company, anywhere, anytime. With this phase now complete, Yardi is adding functionality to the program to enhance its property management, banking, payroll, electronic delivery of financial information, electronic invoice viewing, legal tracking, maintenance and inventory controls, as well as others.

A last bit of advice—directly from our company president—is to be sure you have an internal team first evaluate all of your company's computer hardware, software and staffing capabilities before even considering a full software conversion. Eliminating stumbling blocks before the conversion process starts will streamline the conversion process and ensure smooth sailing ahead. □



Lori E. Burger, CPM®, PCAM®, CCAM®, CAM® is the Senior Vice President of Eugene Burger Management Corporation. She currently serves on IREM's Governing Council, National Executive Committee and International Services Advisory Committee, and is a former Regional Vice President.

## top 10 software strategies for accounting systems

- 1 Consider dedicating a team of employees to administer the conversion process. Nothing ever goes as smoothly as planned. Having a team to head up transitional challenges will be paramount to your company's implementation success.
- 2 Identify dedicated trainers. Once the new systems and programs are installed, the staff will need to be trained on how to use them. As staff turns over, it will require management time to train the new employees. Additionally, some employees may not be able to adjust to the new technologies even with training. Be prepared for the expense of one-on-one training costs and some unexpected staff turnover.
- 3 Involve all of the players early, including banking institutions to assist with upload conversions, software providers, trainers—and perhaps most critically—a team of support people who can address the myriad of user issues as the implementation takes place.
- 4 Do not underestimate the timeline for product conversion. Be flexible and be willing to provide the technical assistance where needed.
- 5 Keep in mind that out-of-the-box software will require some tweaking. Include additional funding in the budget to modify the products so that they work for you the way you intended them to. Know the software product modification limitations.
- 6 Take the time to convert your core operations first and have them operating smoothly before adding enhancements (extra modules). Enhancements may drastically change the way the company does business, e.g., electronic delivery of financial information, electronic invoice viewing, legal tracking, maintenance and inventory controls, etc.
- 7 Do not undervalue the abilities of consultants. While experts can be expensive, having one on your team during the implementation stage can be very rewarding.
- 8 Make sure the implementation team meets on a regular basis, either in person, by conference call or by webinar, to get outstanding issues addressed, courses of action identified and to identify who on the team will take ownership of each pending issue. This will assure the project moves forward and does not stagnate.
- 9 Keep things positive and provide frequent updates to the staff and to clients. There will be many times where the pressure from staff or clients to complete the project becomes exhaustive.
- 10 Find ways to reward those on your team instrumental in getting the job done.

feature



# THE **BIG** PICTURE

TECHNOLOGY: WHAT'S AHEAD FOR REAL ESTATE?

By Anant Yardi, Yardi Systems

## RECENTLY, THE EDITORS OF JPM ASKED ME TO COMMENT ON WHAT ADVANCES IN REAL ESTATE TECHNOLOGY THE MARKET SHOULD ANTICIPATE OVER THE NEXT FIVE YEARS.

This is a difficult question to answer with any degree of certainty, but the short response is that technology's capacity to deliver transparent, end-to-end integration with investment management and business intelligence tools for global real estate will improve the way people work in dramatic and exciting ways.

This statement reflects the industry's long-standing focus on productivity, and considers how integrated technologies affect daily lives—how we work, how we communicate, how we manage our daily activities, how we shop and travel, and how we learn. It also acknowledges real estate as a dynamic enterprise whose participants use technology as a strategic asset when addressing customer requirements and markets that are constantly evolving. Technology is transforming how we interact with each other and how we understand the world we live in. To a great extent, this process is just beginning.

In the years to come, software will continue to advance and will be accessible wherever we go, and we will interact with technology more easily and naturally. Meanwhile, the proliferation of massive data centers and broadband networks around the globe will create a fabric of information and computing that extends seamlessly across our lives.

Returning to the question posed by JPM's editors, the following is a sum-

mary of major real estate technology trends we should anticipate in the very near future:

**Globalization driving end-to-end integration.** Real estate market portfolios span the globe; Multinational transactions are the order of the day. As this trend accelerates, businesses need to streamline operations to sustain cost-effective, high-performance standards to meet their clients' needs.

As a result, I believe many real estate companies will continue the trend of converting numerous software products into a single, business-wide solution. This step allows organizations to simplify their business systems and ensure corporate transparency without customized interfaces or the transfer or warehousing of information. Such a system must be scalable to handle large portfolios efficiently and account for multinational interaction, including currency and language. Such an integrated approach is the best way to consolidate, analyze

I believe it will continue to pick up momentum as more people move toward cost-effective, greener initiatives. For example, central invoice processing, routing and synchronization with various accounts payable systems across an organization eliminates copying, reduces invoice cycle time and enforces consistency across the accounts payable function. This approach has been successfully adopted by such industry leaders as Jones Lang LaSalle and CB Richard Ellis.

**Green initiatives.** "Going green" has two principal advantages: It's good for business and it's good for the environment. New technologies offering centralized online procurement, spend management, contract management, and powerful tracking and reporting services are going to set the standard for efficient, cost-effective procurement practices in commercial real estate. Whether driven by principle, government mandates or shareholder demands, real estate companies will

## TECHNOLOGY'S CAPACITY TO DELIVER TRANSPARENT, END-TO-END INTEGRATION WITH INVESTMENT MANAGEMENT AND BUSINESS INTELLIGENCE TOOLS FOR GLOBAL REAL ESTATE WILL IMPROVE THE WAY PEOPLE WORK IN DRAMATIC AND EXCITING WAYS.

and make reliable decisions for an expanding portfolio.

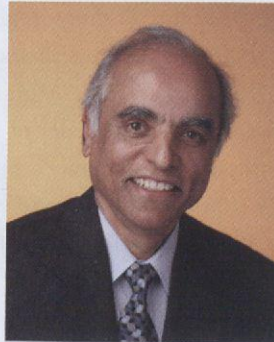
**Paperless processing.** Organizations are really beginning to adopt the Internet for business transactions and accepting paper-free business process automation to eliminate costly manual processes. It's a measure that has gained traction in recent years, and

increasingly embrace the green initiative and look for technologies and services to support it.

**Portals.** Along with seeking integrated solutions to eliminate silos and create transparency, companies are seeking ways to connect their business to the client, prospect, tenant and vendor communities. One way to do this

## ANANT YARDI, FOUNDER, PRESIDENT

In 1982, Anant Yardi, an experienced programmer, recognized the need for an integrated accounting and property management software solution for the residential marketplace.



In 1984, he created "Basic Property Management" for the Apple II computer and sold it to his first customer, Sabaco Realtors. Since then, Yardi Systems has become the global leader in asset and property management solutions, and serves more than 15,000 businesses, representing 5 million residential units and 5 billion square feet of commercial space in the United States, Canada, Europe, Asia and Australia.

Today, Yardi still serves as president of Yardi Systems, and his vision is the driving force behind development of effective and innovative software solutions for global portfolio management. He has been recognized as one of the early pioneers in the commercial real estate automation industry, as well as one of the "Top 35 People to Watch" by RealComm. He was inducted into the *Multi-Housing News* Hall of Fame in 2004, and his software continues to receive industry accolades.

With a master's degree in engineering from the University of California, Berkeley, Yardi's professional experience includes 25 years as president of Yardi Systems, and 14 years of developing programming methodologies and directing systems development at Burroughs Corporation (now Unisys) prior to establishing Yardi Systems in 1982.

## ABOUT YARDI SYSTEMS

Yardi Systems, Inc. is the global leader in the design, development, and support of integrated asset and property management software for organizations of all sizes. Our client-driven software serves more than 15,000 businesses, corporations, and government agencies, representing more than 5 billion square-feet of commercial space and 5 million residential units globally.

For more information about Yardi products and services, visit [www.yardi.com](http://www.yardi.com).



is through portal technology, which enables real estate companies to extend their system to interact with prospects, tenants and clients. Already widely adopted in the residential/multifamily real estate markets, portals are gaining acceptance within the office, industrial and retail markets as well, and provide valuable marketing and leasing capabilities not previously possible. Online leasing and automated input of retail sales are just some of the ways portals will be used in the future.

One lesson I have learned in this business is that prospects, tenants, investors and vendors have at least one thing in common: They all expect instant information and transactions over the Internet in both business and personal endeavors. Not surprisingly, they expect the same dynamic access from their property and asset managers. Leading real estate companies will respond by leveraging technology to provide services like dynamic online space availability and marketing, online bill payment and ledgers, electronic vendor invoicing and mandatory reports. Generating such advanced services, quickly and reliably can provide a great competitive edge to managers trying to fill space, raise investment capital or instill confidence in investors.

**Going Forward.** These are just a few of the prominent trends in technology that come to mind. *JPM* readers will no doubt add others to the list, but they all add credence to technology's stature as an increasingly important strategic business element for real estate organizations across the globe. It is truly exciting to be at the forefront of technology's progress, and I look forward to the future with great anticipation. □





# The Celebration Continues...

## SHARE YOUR STORY WITH OTHER MEMBERS

75th Anniversary Spotlight—Jason Stowe, CPM® of Raleigh, NC

The following is an edited excerpt of Jason's story. For the complete posting, visit the IREM 75th Anniversary Web site at [www.irem.org/75th](http://www.irem.org/75th).

In 1995, three years after my baseball career had ended, I started a new career in real estate management. I was an individual with very little knowledge of how to manage a property. This is when I was introduced to the Institute of Real Estate Management where I could go to a different kind of "spring training" and take classes to condition my skills.

The IREM team has enabled me to pursue new goals of becoming a better real estate manager and defining my role in the real estate market. But the most important thing to me that makes IREM special is the people. Sharing the common thread of being real estate managers brings value to the designation, but the global network of friendship is priceless.

IREM is a "team" that I am proud to be a "player" on.

How has your IREM credential helped your career? Which IREM Members have made a difference in your chapter or community? What makes your chapter so special? Join Jason Stowe and help us share, recognize, and reward these special IREM stories. Visit [www.irem.org/75th](http://www.irem.org/75th).

Thank you 75th Anniversary Sponsors!

### DIAMOND LEVEL



### PLATINUM LEVEL



[www.realtor.org](http://www.realtor.org)

### ASSOCIATION RECOGNITION SPONSORS



## taste of the town

### INTRODUCING THE IREM 75th ANNIVERSARY DIAMONTINI '33'

The time is 1933. The country is in need of three things—ethics, good real estate management...and *gin*. In its founding, IREM transformed the real estate management profession. This drink will transform you. At 4:30 in the afternoon, or any other time, one sip provides the experience of:

**Immediate Relaxation For Every Member!**

Introducing the Diamontini '33'...and the non-alcoholic Diamontini '33' v.o. (version original)

- 4 parts Bombay Sapphire gin (if preferred, vodka can be substituted for the gin)
- 2 parts orange juice
- 1 part white grapefruit juice
- 1 splash of grenadine (for show)
- 1 shot of club soda (added after the above ingredients are mixed and poured into the glass)

**MIX THE ABOVE INGREDIENTS IN A SHAKER AND POUR INTO A MARTINI GLASS. ADD THE SHOT OF CLUB SODA TO THE TOP FOR FESTIVE FIZZ!**



THROUGH THE YEARS 40 I/E ANALYSIS 42 FROM THE JPM ARCHIVES 44 EVENTS 46 QUIZ 48

# 1950–1959

Population > 151,684,000

Unemployment > 3,288,000

Car sales > 6,665,800

Life expectancy > women 71.1 years; men 65.6 years

Average Salary > \$2,992

Labor Force male/female > 5/2

Cost of a loaf of bread > \$0.14

Bomb shelter plans, like the government pamphlet *You Can Survive*, become widely available.

## 1950

The first credit card (Diners) invented by Ralph Schneider.

## 1954

Notre Dame du Haut is completed in Ronchamp, France.

## 1951

Super glue is invented.



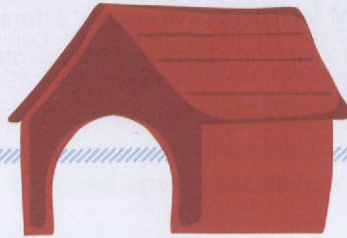
## 1953

The coronation of Queen Elizabeth II is held.



## 1950

The very first *Peanuts* comic strip appears in seven newspapers.



Edmund Hillary of New Zealand and Tenzing Norgay of Nepal reach the top of Mt. Everest.

## 1955

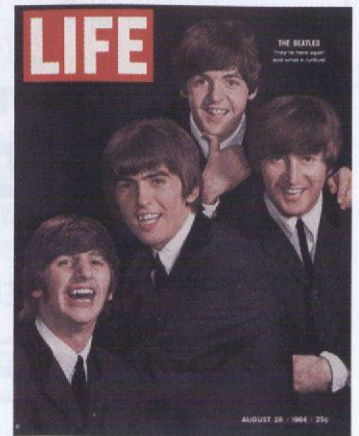
Disneyland opens.

## 1963

The Millbank Tower in London, England is completed.

Martin Luther King, Jr. delivers his "I have a dream" speech.

The push-button telephone is introduced.



## 1964

The Beatles appear on *The Ed Sullivan Show*.

Civil Rights Act is passed in the United States.

## 1960

The Cairo Tower in Cairo, Egypt, is completed.

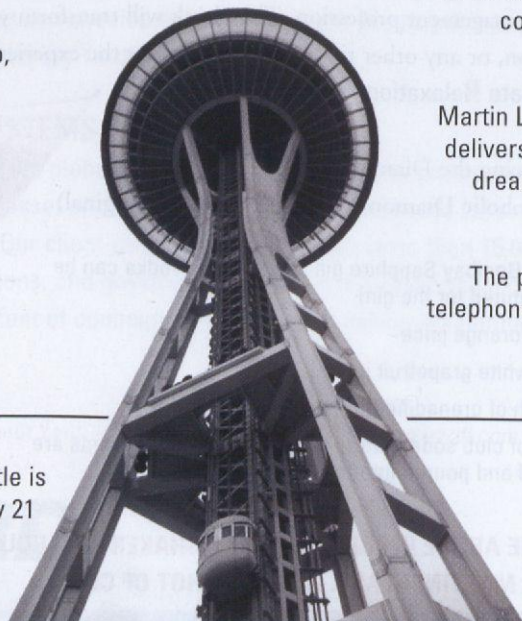
## 1961

The Berlin Wall is built.

## 1962

First TV broadcasts in color.

The Space Needle in Seattle is completed for the Century 21 Exposition.



**1955**

Dr. Jonas Salk develops the polio vaccine.

**1956**

The Federal Highway Act is signed, marking the beginning of work on the interstate highway system.

**1959**

Alaska and Hawaii become the 49th and 50th states.

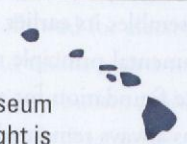


The Barbie Doll and the microchip are invented.

**1956**

The first computer hard disk is used.

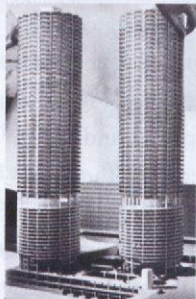
Solomon R. Guggenheim Museum designed by Frank Lloyd Wright is completed.



**1957**

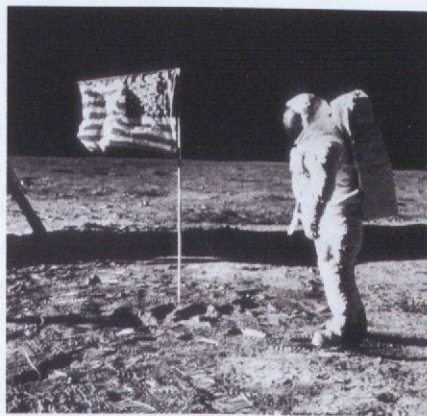
Dr. Seuss Publishes *The Cat in the Hat*.

International Treaty makes Antarctica a scientific preserve.



**1967**

Marina City in Chicago, designed by Bertrand Goldberg, opens.



**1969**

*Apollo 11* astronauts—Neil A. Armstrong, Edwin E. Aldrin, Jr. and Michael Collins—take man's first walk on the moon.

*Sesame Street* debuts.

The first heart transplant is performed.

**1968**

The computer mouse invented by Douglas Engelbart.

**1960–1969**

Population > 177,830,000

Unemployment > 3,852,000

Minimum wage > \$1

Average salary > \$4,743

Teacher's salary > \$5,174

National debt > 286.3 billion

Life expectancy > females 73.1 years; males 66.6 years

An estimated 850,000 "war baby" freshmen enter college.

# 50 Years of IREM Income/Expense Analysis

HOW MEMBERS HAVE HELPED THIS PROGRAM EVOLVE

By Matthew O'Hara

## “Knowledge is power”

—FRANCIS BACON, ENGLISH PHILOSOPHER

This quote marked the introduction to the 1971 edition of what was then called the *IREM Experience Exchange*. And while it's now called the *Income/Expense Analysis*® and it scarcely resembles its earlier editions, the fundamental principle that knowledge is the foundation for any good business has always remained the core philosophy behind these annual IREM publications. And just as the roles and responsibilities of the property manager have evolved and grown over the years, so has the income/expense program.

The idea for the first report began in the 1950s, when CERTIFIED PROPERTY MANAGERS (CPM®) needed a tool to compare and exchange experienced operating data. Their purpose was to put important financial facts of property operations at the fingertips of the investor, the developer, the appraiser, the lender and, above all, the property manager.

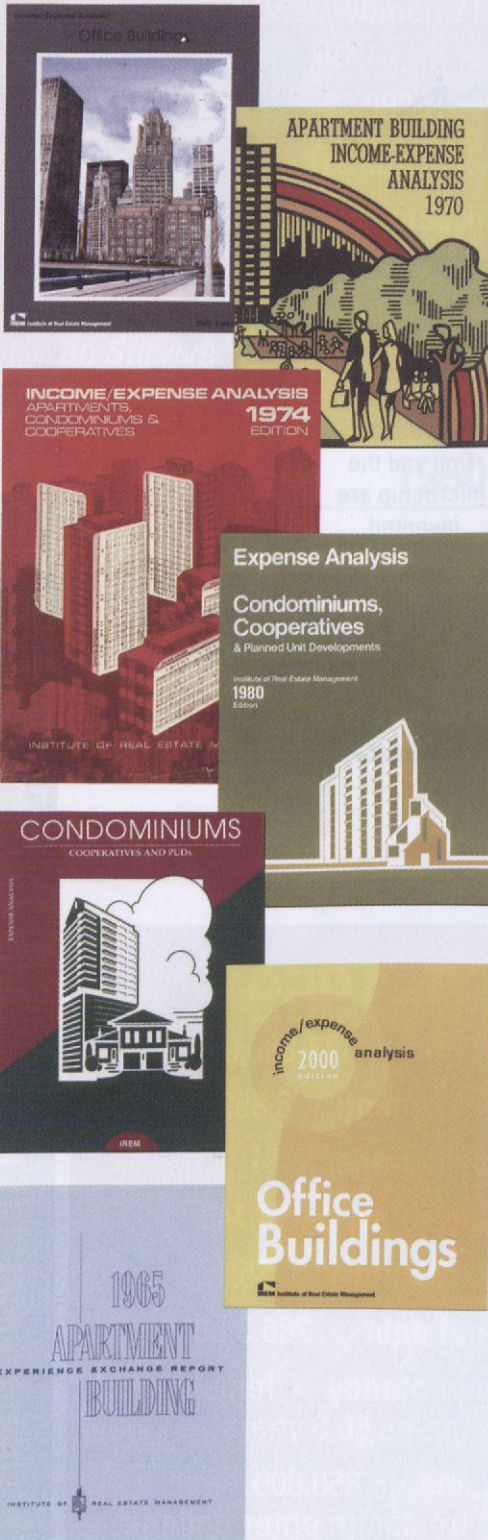
The reports initially were a brief survey of 146 apartment properties, but by 1976, the original apartment building study was supplemented with a survey of suburban office building operations. In 1978, the condominium and cooperative section was broken out of the apartment report and appeared for the first time as an independent publication. By the early 1980s, the office building study was expanded to include downtown

properties, and in 1986, the Institute introduced a fourth publication analyzing the operating expense of federally assisted apartment buildings. A fifth publication, *Shopping Centers* was added to the *Income/Expense Analysis* series in 1991.

Today, the income/expense series has developed into a major annual research effort encompassing almost 10,000 projects. The property samples have grown expeditiously, and now include nearly 4,400 conventionally financed multifamily properties; 2,400 private sector office buildings; 1,000 federally assisted apartments; 1,500 community associations and 300 shopping centers.

The income/expense data are constantly used in budgeting for buildings under development and those already in full operation; they are frequently applied to the preparation of feasibility studies on contemplated developments. The data also serve as reference tools used in many roles in a property's conception, development and life.

IREM now offers the fully analyzed and compiled operational experiences of buildings and developments in five useful and informative publications: *Income/Expense Analysis: Conventional Apartments*; *Income/Expense Analysis: Office Buildings*; *Income/Expense Analysis: Federally Assisted Apartments*; *Expense Analysis: Condominiums, Cooperatives & Planned Unit*





1933 2008  
EDUCATION ETHICS EXCELLENCE

75<sup>th</sup>

75th Anniversary Special Section

50 Years of IREM Income/Expense Analysis

*Developments; and Income/Expense Analysis: Shopping Centers.*

### COMPILING DATA

Prior to 1977, all the figures were reported as averages. Since then, the report method has changed to medians and ranges. IREM Members felt this change served better as a benchmark against which property managers, owners, developers and investors could compare their own operating experience and are not intended to set a standard for the industry or to determine the ideal operating ratio.

The financial data for these research studies have always been provided by the Institute's members and by other related practitioners. In

return, the contributors submitting their data receive a complimentary copy of the book they submitted data for, as well as an individual detailed comparison of their property with operating results from other properties in their city and region.

In 2000, member needs expanded and IREM enhanced the income/expense program by developing a Web site, which allowed for electronic submissions and online access to the books. Data contributors could submit and view their data online, all the while retaining building information, and thus reducing the amount of data needing to be submitted each year. For the first time, members and purchasers could view and download

the books online in both PDF and Excel versions.

### THE NEXT 50 YEARS

For more than a half century, the income/expense reports have been a valuable resource that property managers have relied on for a wide range of applications. The reports have supplied the real estate professional with trends in income and expenses for properties, potential sources for increased revenue and opportunities, and ease of comparing properties against those in markets allowing users to reach their properties full potential.

Members are always encouraged to provide feedback to improve the usefulness of the reports. If you aren't already submitting data, please consider submitting next year to increase the effectiveness of our studies.

\* Matthew O'Hara is the Income/Expense Manager for IREM.

### Revisiting Rates Apartments

	1975	1980	1985	1990	1995	2000	2006
Elevator	\$3.55	\$4.58	\$6.91	\$8.61	\$9.80	\$11.61	\$14.34
Low Rise 12-24	\$2.50	\$3.96	\$5.73	\$6.59	\$8.73	\$9.27	\$11.43
Low -Rise 25+	\$2.71	\$4.02	\$5.90	\$6.35	\$7.62	\$9.29	\$10.12
Garden	\$2.65	\$3.74	\$5.26	\$6.26	\$7.53	\$9.10	\$10.05

\*reported as median dollars per square foot of rentable area

### Office Buildings

	1980	1985	1990	1995	2000	2006
Downtown	N/A	\$12.62	\$13.56	\$14.11	\$18.09	\$19.25
Suburban	\$7.84	N/A	\$11.17	\$13.01	\$17.56	\$19.43

\*reported as median dollars per square foot of net rentable office area

### Condominiums—Monthly Assessments

	1980	1985	1990	1995	2000	2006
High Rise	\$112.00	\$186.41	\$247.53	\$279.68	\$308.66	\$355.65
Low Rise	\$76.00	\$102.65	\$118.81	N/A	\$147.70	\$192.07
Townhouse	\$70.00	\$87.83	\$119.61	\$133.39	\$137.90	\$163.91

\*reported as median dollars per unit per month

### DID YOU KNOW?

- Total annual sales for this year's Income/Expense Analysis reports have nearly topped **\$500,000**.
- Members are entitled to receive one free copy of the income/expense books.
- Contributors submitting data before their deadline receive a free copy of the book.

# Do Automatic Elevators do a High Traffic Job?

by Lawrence U. Nelson

*There recently has been much controversy about the question of operatorless elevators. The elevators and some managers point to savings resulting from the use of such elevators, and cite the wide public acceptance in many buildings where a light traffic is served. On the other hand, many managers who have had years of experience feel where there is a high volume of traffic, installation of the new systems would cause confusion, increase floor and lobby control problems, and result in tenant dissatisfaction and subsequent loss in rental values.*

## The Electronic Brain

Since 1950, several systems have been developed which permit three or more cars to run in smooth sequence without operators or a starter. The core of these systems is an *electronic brain* which analyzes the traffic patterns and controls the elevators accordingly. Six distinct traffic patterns are provided: the up peak, the balanced up-down, the heavier down, the heavier up, the down peak, and night and holiday.

## Economic Benefits

The elevator company stated that the cost of the necessary changes to convert to operatorless elevators amounted to more than 20 percent of the cost of the elevators installed in 1947, and that if the multi-car operatorless system had been available at that time, it would have cost less than 10 percent more to include it when the new cars were put in.

The elimination of operators in buildings is significant. With operator wages in Chicago the highest in the country, a survey shows that total annual costs for an elevator could be \$7,500 per elevator, or as much as

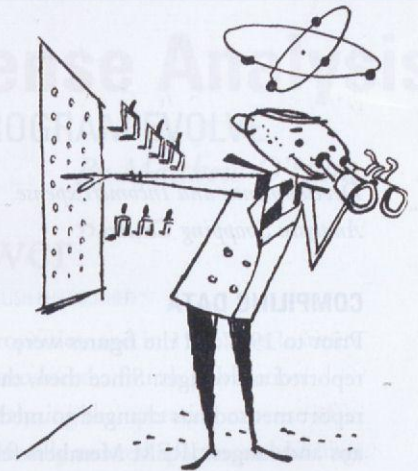
\$37,500 to keep operators on a bank of five elevators.

## What is the Tenant Reaction?

Rents have not been raised or lowered in the building since the change was made. About one-half of the tenants in the building whom we interviewed indicated they felt that an important phase of service had been curtailed, and that nothing better had been substituted. Some tended to blame the *electronic brain* for delays during the morning up-peak... This attitude may be reflected in a resistance to increased rents.

Neither management nor the tenants reported any increase in lobby and floor control problems. Solicitors are asked to leave the building when management receives complaints from the tenants. Evidently the presence of operators had not effectively discouraged solicitors or sneak-thieves, as not a single tenant interviewed felt there had been any increase since the change.

Not a single tenant interviewed had any fear of the doors, or did not understand how to operate the elevators, but over 20 percent reported



**The electronic brain watches the cars and keeps them properly spaced.**



**An alert starter can give an impression of added service.**

that at least one of their visitors was uneasy or confused by the new system. Two women who occasionally work alone in the building on weekends strongly recommended that an operator be put on duty at this time.

Management saw no radical change in the frequency of service. Doors may remain open longer and door closing has slowed down, but delays caused by human fatigue have been eliminated.

TO READ THE FULLY SCANNED ARTICLE, AS WELL AS CASE FOR A CLASS B MEDICAL BUILDING, AND A NEW APARTMENT BUILDING GO TO [WWW.IREM.ORG/75TH](http://WWW.IREM.ORG/75TH).

# Managing a Mobile Home Park

by Frederic R. Silvey, CPM®

In order to understand the policies that are developed in the management of mobile home parks, one needs to know: (1) what is the mobile home market; (2) what is offered in mobile home living; (3) who buys mobile homes; and (4) how are they purchased?

As of June 1962, mobile home sales in California amount to 12 ½ percent of the total market for single-family dwellings. There are 4.3 million Americans now living in mobile homes, with approximately 100,000 families joining this group each year.

In the case example in this article for such a community called, "The Trees," the following is known:

- 50 percent are retired or semi-retired.
- 20 percent are professional workers.
- 25 percent are skilled workers.
- 5 percent are semi-skilled workers.

The average annual income of mobile home families is slightly higher than the national average, \$5,200, with approximately 40 percent of families averaging over \$7,000 per year.

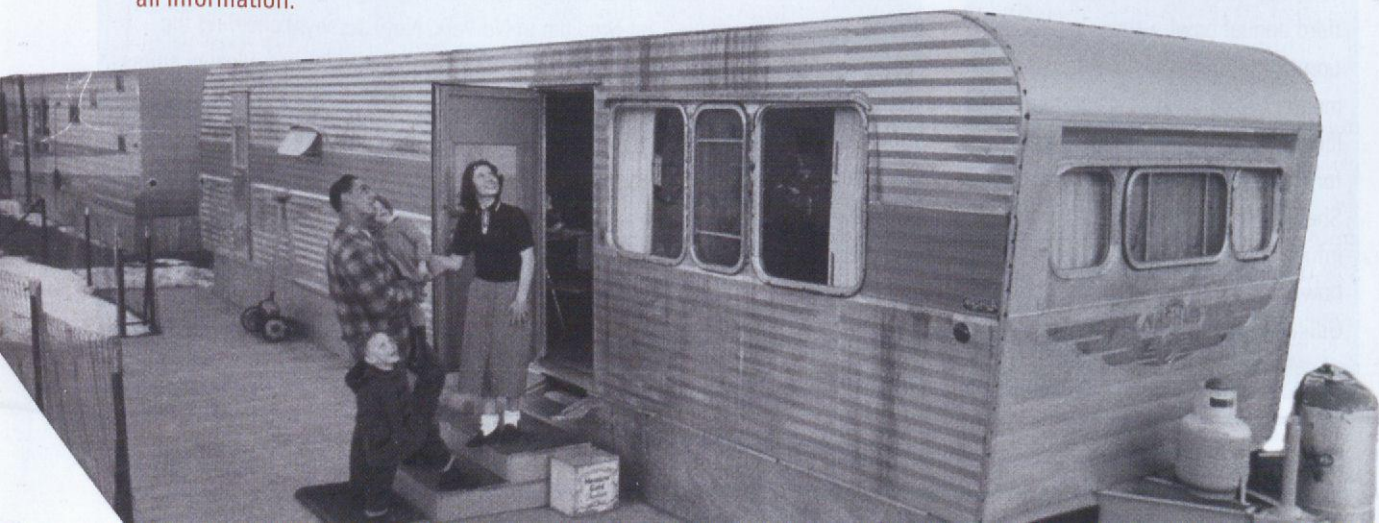
Statistics show that there is a current deficit of about 500,000 [units] between mobile homes produced and spaces constructed. In addition, mobile home parks produce approximately 18 percent before taxes and depreciation.

## IN ADDITION TO THE TENANT ASSOCIATION FUNCTIONS, MANAGEMENT CONDUCTS MANY ACTIVITIES SUCH AS:

- 1 On the last Sunday of each month they host a birthday party for all tenants who have had a birthday during the month.
- 2 On the last Friday of each month, a Bingo game is held.
- 3 Once a month they have a dinner or breakfast for all tenants.
- 4 Hot coffee is available at all times in the recreation hall.
- 5 They publish a newspaper, "Leaves from the Trees," twice a month. The editors are two residents who compile all information.



As of June 1962, mobile home sales in California amount to 12½ percent of the total market for single-family dwellings.



# EVENTS

## MAY

MAY 17

### **GALA CELEBRATION of THE NEW ENGLAND REGION'S 70th ANNIVERSARY and the INSTITUTE'S 75th ANNIVERSARY**

Boston Chapter No. 4, Rhode Island Chapter No. 88 and Connecticut Chapter No. 51 were at one time all part of IREM New England Chapter No. 4, which was founded 70 years ago on May 4, 1938. The chapters are joining together for a 75th anniversary event to honor some of their legendary owners, developers and real estate managers by inducting them into the New England Region Hall of Fame. The Hall of Fame includes IREM Past Presidents Robert Nordblom (1938-40) and Herbert Gilbert (1953). For more information, or to register to join in the celebration, contact Kelley Hannon, IREM Boston Chapter No. 4, at [iremboston@iremboston.com](mailto:iremboston@iremboston.com) or call 617-328-7565.

## JUNE

JUNE 1-7

**June 1-7 IREM WEEK** Don't miss out on this opportunity for worldwide impact, exposure and fun! Share the activities and events that your chapter is planning.

JUNE 3

### **NORTH CAROLINA PIEDMONT CHAPTER NO. 56 BOWL-A-THON**

IREM Members will celebrate IREM Week by hosting the chapter's third annual bowl-a-thon. In addition to socializing and networking, members will be supporting their local communities by raising money for the Urban Ministry Homeless Shelter and Food Bank. For more information, or to register for the bowl-a-thon, contact Barbara Gilliland at [bpilliland@grra.org](mailto:bpilliland@grra.org) or call 336-854-5868.

JUNE 3

### **NEW JERSEY CHAPTER NO. 1 FACILITIES TOUR AND BASEBALL OUTING**

Members, friends and guests of the Institute's first chapter—New Jersey Chapter No. 1—will commemorate IREM's 75th Anniversary by combining professional education with fun. Evening festivities will begin with a facilities tour of Bears & Eagles Riverfront Stadium in Newark, New Jersey. Following the tour, attendees will cheer on the Newark Bears Baseball Club from luxury suites in the stadium as the Bears take on the Bridgeport Bluefish. During the evening, the chapter's name will appear on the stadium scoreboard along with a message congratulating IREM on its 75th Anniversary. Those who might miss the scoreboard message will have a chance to listen to the congratulatory message when it is announced over the public address system. For more information, or to register to join in the celebration, contact Gerri Aman at [irem1@comcast.net](mailto:irem1@comcast.net) or call 856-303-0190.





75<sup>th</sup>

## JUNE (continued)

### JUNE 4

#### LOS ANGELES CHAPTER NO. 6 IREM YOUNG PROFESSIONALS (IYP) EVENT IN CELEBRATION OF OUR 75th ANNIVERSARY

IREM young professionals will be celebrating our history in a historic location this summer. The young and young at heart will be gathering at the John Anson Ford Amphitheatre, which was built in 1920 and is one of the oldest performing arts amphitheatres in Los Angeles. Located in the Hollywood Hills, it is sure to provide an exciting venue for networking, cocktails and entertainment. For more information, or to register to join in the celebration, contact Abigail Sims, Los Angeles Chapter No. 6, at [abby@iremla.org](mailto:abby@iremla.org) or call 213-633-1990.

### JUNE 10

#### EL PASO CHAPTER NO. 84 ANNIVERSARY LUNCHEON AND RAFFLE DRAWING

IREM Members in El Paso are kicking off our 75th Anniversary with a luncheon at Vista Hills Country Club featuring a keynote address by IREM President Reggie Mullins and the prize drawing for their local IREM raffle. Prizes include a flat panel TV, an iPod and a Swarovski bracelet and earring set. Tickets are \$5 and money raised by the raffle will be contributed to the chapter's IREM Scholarship Fund. To purchase a raffle ticket, or to register for the luncheon, contact Irma Quiroz Ferri, IREM Association Executive for El Paso Chapter No. 84, at [iferri21@yahoo.com](mailto:iferri21@yahoo.com) or call 915-490-1968.

### JUNE 12

#### ST. LOUIS CHAPTER NO. 11 DIAMOND PARTY

Members in the "Show Me" state are showing the IREM world how to celebrate in style as they celebrate the Institute's 75th Anniversary and the chapter's 65th Anniversary! From giant diamond ring napkin rings to special diamond-etched gifts for attendees, the reception and dinner will be an evening to remember. It isn't all about IREM, however; chapter members will use this event to present the proceeds from their May charity golf tournament to representatives of the local charity highlighting how IREM professionals really do make our communities better places to live and work. For more information, or to register to join in the party, contact Susan Wagner, IREM Association Executive for St. Louis Chapter No. 11, at [swagner@stlrealtors.com](mailto:swagner@stlrealtors.com) or call 314-878-4991.

## UPCOMING EVENTS

#### 75TH ANNIVERSARY CELEBRATION AND INAUGURAL GALA

No celebration of this magnitude would be complete without a party! We're holding ours in Chicago on October 16th in the very same hotel we held our first-ever annual event—Hilton Chicago. With a 75th Anniversary Museum, special events and a few celebratory surprises, this will be the "don't miss" meeting of the century!

**IS YOUR CHAPTER'S DIAMOND ANNIVERSARY EVENT MISSING FROM THIS ISSUE'S CALENDAR? MAKE SURE YOUR EFFORTS ARE RECOGNIZED IN THE JULY/AUGUST ISSUE OF JPM BY SHARING YOUR 75TH ANNIVERSARY CELEBRATION PLANS AT [www.irem.org/75th](http://www.irem.org/75th)!**

We want to highlight all the ways we are celebrating this year so that more individuals can join in the fun, and others can be inspired by what you have planned! Add your 75th anniversary events to the IREM Web site by going to [www.irem.org/75th](http://www.irem.org/75th). We'll be highlighting events listed on the Web in JPM, so share the spirit!



**THE FOLLOWING IREM MEMBERS WERE THE FIRST 10 TO COMPLETE THE QUIZ IN THE JAN/FEB ISSUE!**

Sue Brust, CPM®  
Omaha, Nebraska

Rebekah Coblenz, CPM  
Atlanta, Georgia

Robert Hendricks, CPM  
Lemoyne, Pennsylvania

Thomas F. Johnson, CPM  
Winston-Salem, North Carolina

Lynn Kelleher, CPM  
Houston, Texas

John Krecek, CPM  
Omaha, Nebraska

Julie Muir, CPM  
Portland, Oregon

Christy Pedrys, ARM®,  
Dearborn Heights, Michigan

Jason Stowe, CPM  
Raleigh, North Carolina

Lydia Watson, CPM  
Jamestown, North Carolina

**THE FOLLOWING IREM MEMBERS WERE THE FIRST 10 TO COMPLETE THE QUIZ IN THE MAR/APR ISSUE!**

Mez Birdie, CPM  
Maitland, Florida

Mary C. Cowen, CPM  
Sacramento, California

Thomas F. Johnson, CPM,  
Winston-Salem, North Carolina

John Krecek, CPM  
Omaha, Nebraska

Vera McPherson, CPM, ARM  
Williamsburg, Virginia

Annette Mehal, CPM  
Knoxville, Tennessee

Christopher Mellen, CPM, ARM  
Dedham, Massachusetts

Jessica Rowe, ARM, CPM Candidate  
Bellevue, Nebraska

David Sons, Associate Member  
Edwards, Colorado

Jason Stowe, CPM  
Raleigh, North Carolina

## WIN A TRIP FOR TWO TO HAWAII! GRAND PRIZE

### Airfare, Hotel, and Registration for Success Series 2009 in Hawaii

Enjoy complimentary airfare for **two people**, two hotel nights and one registration to IREM's Fall Meetings, including IREM & CCIM Success Series 2009, October 13-17, 2009, in Honolulu.

### 2ND PRIZE

### Airfare, Hotel, and Registration for Success Series 2009 in Hawaii

Enjoy complimentary airfare for **one person**, two hotel night, and one registration to IREM's Fall Meetings, including IREM & CCIM Success Series 2009, October 13-17, 2009, in Honolulu.

## 75 PARTICIPATION PRIZES

### Miscellaneous Rewards

Enjoy discounts for IREM gear, conference registrations, courses, publications and more. Maximum values apply, to be redeemed by October 31, 2009.

### EARLY BIRD PRIZES

Act fast! The first 10 participants who complete "HIGH FIVE FOR 75" Quiz #3 will receive a reward!

### ENTERING IS EASY!

To be eligible for the drawing, you must be an IREM Member and complete the "HIGH FIVE FOR 75"—five quizzes that will appear in each of the five bi-monthly issues of *JPM* starting January/February and concluding with our September/October commemorative issue. Simply answer a few questions about the 75th Anniversary articles and featured advertisers found in each issue of *JPM*—go to [www.irem.org/75thContest](http://www.irem.org/75thContest) to complete the quizzes. It's that easy!

### MAY/JUNE QUIZ

Go to [www.irem.org](http://www.irem.org) to answer these questions online. You'll find all the answers you need in this issue of *JPM*. **Missed the previous quizzes?** You can still win! Want to enter the contest, but did not complete the previous quizzes? Don't worry, you can still participate. Go to [www.irem.org/75thContest](http://www.irem.org/75thContest) for links to the current quiz as well as past quizzes.

### RULES & REGULATIONS

- 1 The contest is open to IREM Members only. IREM employees are not eligible for prizes.
- 2 To be eligible for prizes, contest participants must complete all "HIGH FIVE FOR 75" quizzes.
- 3 Quizzes can be completed online only at [www.irem.org/75thContest](http://www.irem.org/75thContest). Mailed entries will not be considered.
- 4 Missed quizzes can be completed online until October 1, 2008.
- 5 All entries must be completed no later than October 1, 2008.
- 6 Winners will be selected randomly from those who completed all five quizzes submitted by the October 1, 2008, deadline.
- 7 Winners will be announced at IREM's Fall Meetings which will be held in Chicago on October 14-18, 2008.
- 8 Winners need not be present to accept prizes.
- 9 Names of all the winners will be announced in *JPM* and online at [www.irem.org](http://www.irem.org).
- 10 IREM reserves the right to exclude merchandise or to exchange prizes within the same prize value range.
- 11 Winners are responsible for any personal taxes incurred from the winnings.
- 12 For each of the five quizzes, the first 10 participants to complete the "HIGH FIVE FOR 75" Quiz will receive a reward.

- 1 Automation of elevators became a source of controversy for building managers in the 1950s. Apart from obvious safety concerns, managers were concerned about loss of:
  - a Orderly traffic movement
  - b Lobby and floor control
  - c Satisfaction
  - d Paying tenants
  - e All of the above
  
- 2 A 1955 study of the effects of operator-less elevators showed the impact included the following:
  - a Significant confusion
  - b Elevated costs
  - c A large decrease in overhead costs due to fewer salaries
  - d An increase in lobby and floor control problems
  - e Heavy delays caused by the electronic brain
  
- 3 *True or False:* In 1963, the average household income of a worker living in a mobile home was higher than in other forms of residence:
  - a True
  - b False
  
- 4 Celebrate IREM's 75th Anniversary with an end-of-the-workday Diamontini 33. It's guaranteed to provide:
  - a Immediate
  - b Relaxation for
  - c Every
  - d Member
  - e All of the above
  
- 5 Among the activities cited for managing a mobile home park, some of the most successful included:
  - a A storm-watching club
  - b De-papering lessons from an IREM expert
  - c Monthly Bingo
  - d Propane and 12-volt electrical repair
  - e Free screenings of *Raising Arizona*
  - f None of the above
  
- 6 In 1963, mobile homes represented \_\_\_\_\_ percent of the new home construction market in California:
  - a 5%
  - b 7.5%
  - c 10%
  - d 12.5%
  - e 15%
  
- 7 Based on his first appearance in the newspapers, Charlie Brown of *Peanuts* fame would be \_\_\_\_\_ years old today:
  - a 7
  - b 35
  - c 40
  - d 58
  - e 70
  
- 8 Which of the following was not an event that occurred in the 1950s or 1960s?
  - a The invention of superglue
  - b The invention of the IBM PC
  - c The development of the polio vaccine
  - d The invention of the Internet
  - e The first credit card
  
- 9 The following was declared by international treaty to be a permanent scientific reserve in the 1950s:
  - a Disneyland
  - b The Smithsonian Institution
  - c Elvis Presley's hips
  - d Antarctica
  - e Palo Alto
  
- 10 The national average annual family income in the United States, in 1963, according to *JPM*, was approximately:
  - a \$7,000
  - b \$11,000
  - c \$5,200
  - d \$3,800
  - e It is not cited
  
- 11 This month, *JPM* welcomes a new advertiser, Union Bank of California. Their products and messages highlight their expertise in:
  - a Personal Financial Management
  - b Sub-Prime lending scenarios
  - c Specific financial tools for Property Managers
  - d Their commercial property management division
  
- 12 Not limited to paints and coatings, Sherwin Williams Floor Coverings include which of the following carpet and sheet flooring brands?
  - a Shaw
  - b Congoleum
  - c Armstrong
  - d Mohawk
  - e All of the above
  
- 13 This *JPM* advertiser really does "Pave Paradise and Put in a Parking Lot." The big difference is that theirs are aesthetically pleasing and state of the art.
  - a Toll Brothers
  - b National Asphalt and Concrete
  - c The Pavement Network
  - d Harte-Hanks
  - e None of the Above
  
- 14 The primary source for IT solutions custom designed for commercial property managers and their unique needs remains:
  - a Yardi
  - b IBM
  - c Ubuntu
  - d SAS
  - e All of the above
  
- 15 If you were to select a supplier of online services specifically designed to service the needs of commercial property managers, you would probably be drawn to the comprehensive services offered by:
  - a Computer Associates
  - b Verizon Avenue
  - c Electronic Data Services
  - d Microsoft Property

## Landing the deals

- **Levin Management Corporation, AMO**, negotiated 39 leases, totaling 197,512 square feet, at retail sites in New Jersey, New York and Pennsylvania.
- **Divaris Real Estate, Inc.** in Virginia Beach, Va., which comprises **Divaris Management Corp., AMO**, made the following business transactions:
  - It leased 1,702 square feet of office space in the Windwood Centre in Virginia Beach, Va. to Huntington Title & Escrow.
  - It leased 2,813 square feet of office space in the Windwood Centre in Virginia Beach, Va. to the McKean Defense Group.
- **Cushman & Wakefield, AMO**, was named property manager for two ING Clarion Partner properties in northern New Jersey. The firm now oversees the Metropolitan Center, a 423,000 square foot office building in the New Jersey Meadowlands and 275 Hartz Way, a 404,200 square foot industrial property in Secaucus.
- **Block & Company, Inc., AMO**, of Kansas City, Mo., made the following business transactions:
  - It announced the sale of Shoal Creek Plaza on the southwest corner of Missouri Highway 152 and Flintlock Road in Kansas

City to a group of Midwest investors. Block has successfully developed more than 30 acres at this intersection.

- It sold three pad retail buildings, totaling 23,602 square feet, in front of Chouteau Crossings Shopping Center in Kansas City to BJ Mellmanor Townhouse Apartments, LLC.
- It renewed a lease for 13,056 square feet of retail space to J.A.C.K.S Management Company/Missouri Council for the Blind Thrift Store for five years.

## Awards and recognition

**IREM Nebraska Chapter 12** recently received the “Champion of Greatness Award” from the Nebraska Special Olympics in recognition of its charitable contributions over the past 10 years. In 2007 the Chapter raised \$15,475 at its annual Charity Golf event, and has donated over 100,000 to the Special Olympics in the last decade. The award was presented at the Breakfast of Champions Ceremony at the Qwest Center in Omaha, Neb.



Nebraska Chapter 12 members enjoy the annual Charity Golf event.

**Joseph DeCarlo, CPM, CCIM, CRE**, and **Robert Taylor, CPM, CSM, CRE**, in conjunction with the Tianjin Land Resources and House Vocational College in China, have produced a real estate management book in Chinese. The base book is *Property Management in California*, authored by DeCarlo and widely used in more than 40 colleges.

John M. Corcoran and Company, which oversees **Corcoran Management Company, AMO**, recently received the second annual Good Neighbor Award from the National Multi Housing Council (NMHC). The Good Neighbor award honors apartment owners and managers with a good record of community service and philanthropy. The award of \$10,000 is split evenly between the winners’ charities. Based in Braintree, Mass., John M. Corcoran and Company has contributed more than \$100,000 and over 500 volunteer hours every year to residents of St. Mary’s Women and Children’s Center in Dorchester, Mass.



John M. Corcoran and Company accepts the Good Neighbor Award. Pictured, from left to right, is Douglas Bibby, NMHC president; Rick High, president of John M. Corcoran and Company; Cynthia Buckley, marketing director; Nancy Gaudet, CPM, regional portfolio director; Carol MacDonald, CPM, executive vice president; Leslie Scribner, office manager; Nat Nichols, CPM, regional portfolio director; and Richard Campo, NMHC chairman.

## Career Moves

■ **Michael A. McCreary, CPM®**, recently announced the opening of a new home office for his firm, **McCreary Realty Management, Inc., AMO**. The new address is 390 Roswell St., Suite 200, just three blocks east of historic Marietta Square in Georgia. McCreary Realty Management has been in business more than 17 years, specializing in the professional leasing and management of single-family houses, townhouses, condos and duplexes. The firm's phone number and mailing address remain the same.

■ **Susie Wojtowicz, CPM Candidate**, has been promoted to Vice President of Real Estate Brokerage and Property Management at **Nelson Properties Incorporated** in West Bloomfield, Mich.



■ **Jim Arce, CPM**, has been named Head of Investor Services in the U.S. at **Cushman & Wakefield of California, Inc., AMO**. Arce will focus on the growth and development of the firm's agency leasing and property management business lines nationally.

■ **Tracey L. Whitson** has been named Vice President of Operations for Residential Division at **Crosland LLC, AMO**, in Charlotte, N.C. Whitson will oversee Crosland's director of affordable housing, property management, four regional property managers, and an operation support manager responsible for 130 onsite associates at apartment and condominium properties.

■ **Matthew Traylor** has been named Leasing and Sales Associate at Divaris Real Estate, Inc. in Newport News, Va., which comprises **Divaris Management Corp., AMO**. Traylor is responsible for tenant representation, as well as sales and leasing of office and retail properties, throughout the Virginia Peninsula market.



## Corrections

The position and employer for Eileen Conway, CPM, ARM®, as printed in the "higherground" column in the Mar/Apr 2008 issue of *JPM* was incorrect. The correct information is: Eileen Conway, Property Manager for The Emory Hill Real Estate Services, Inc.

The location of Richard Wayne Pierce, CPM, was incorrectly printed in the Mar/Apr 2008 article titled, "2009 National Officers and RVP Nominees Slated." It should have read Richard Wayne Pierce, CPM, Madison, Mississippi.

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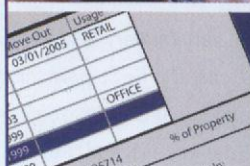
Property Management



Construction Management



Financial Management

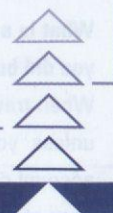


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## RVP Corner: PDAs in Real Estate Management



*In RVP Corner, JPM shares the thoughts and opinions of an IREM Regional Vice President on a single topic covered in the current issue.*

IREM Region 8 Vice President Donald Wilkerson, CPM®, discusses the impact of PDAs on the real estate management industry. Wilkerson oversees the activities of

eight IREM chapters in Arizona, Colorado, Nevada, New Mexico and Utah. Wilkerson is president and chief executive officer of Gaston and Wilkerson Management Group, AMO®, a full-service real estate firm engaged in multifamily, commercial and industrial management, development and brokerage.

### **When did you first start using a PDA and what prompted you to do so?**

I feel that I should begin the interview by saying, "Hi my name is Don and I am addicted to my Blackberry, or as some of my friends refer to it, my 'Crackberry.'" My first PDA was a PalmPilot that I was given about 10 years ago. It held an appointment calendar and a list of telephone numbers, but it was more of a novelty. However, I did get a management account from it. A potential client was in my office and saw it sitting in its charger. He was very impressed that I was up-to-date with the current technology and gave me his warehouse accounts. We still manage these assets for him.

### **What's been the biggest impact PDAs have had on the real estate management industry?**

Like most tech stuff, PDAs have come very far very fast. Today a PDA is really a mini-computer, cell phone, camera, GPS, alarm clock, MP3 player, calculator, word processor and handheld electronic game all in one. Many PDAs offer limited Internet access, and the new iPhone offers full Internet access.

PDAs have become another tool that allows us to interact with our clients quickly and respond to problems almost immediately, no matter where we are. That ability makes us more effective as property managers. When they first became available, PDAs tended to give a competitive advantage. But today, everyone has one, so now they are a required communication tool.

### **What is a specific instance when you felt a PDA impacted the way you did business?**

When traveling out of the country, cell phones usually will not work unless you make special arrangements beforehand. My e-mail account continues to work fine no matter which country I travel to, so I can stay connected with the office if I need or want to.

### **Is there a downside to this technology?**

Yes—as an addict, I find myself checking the screen or wanting to check the screen at inappropriate times. Sometimes I find myself checking every few minutes to see if I have a response to an e-mail I just sent. Also, since I am not the only addict out there, I find clients or other contacts wondering why it takes so long to respond to an e-mail that they may have just sent.

### **Do you have any tips for not letting e-mail overload you?**

Whenever I buy anything online I use a separate or different screen name. When the online merchants sell the name to spammers and the spam builds up, I simply drop the name and use a new one. Investing in and updating a good spam program is a good idea. Finally, face the demon head on and turn it off when out with family and friends, at a sporting event or at a restaurant.

*For a full story on the use of PDAs in the real estate management industry, see "PDA Appeal" on page 28.*

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# AMO® Spotlight

To earn the Accredited Management Organization (AMO) designation from IREM, a company must demonstrate a high level of performance, experience and financial stability, and have a CPM® in an executive position. AMO firms must meet high ethical standards and other stringent requirements, proving their value to the industry.



Apartment Investment and Management Company (AIMCO) is the nation's largest owner and operator of apartment communities, with 1,169 properties, including 203,040 apartment units. Operating as a real estate investment trust (REIT), AIMCO engages in the acquisition, ownership, management and redevelopment of apartment communities in 46 states, the District of Columbia and Puerto Rico. The company became publically owned in 1994, and currently serves nearly 750,000 residents each year.

O. Cooper Winston is the executive CPM for AIMCO and oversees the Yardley, Pennsylvania-based branch, as well as two other branches in Pittsburgh and Massachusetts. He's been with the company since 1997, when AIMCO purchased the company he worked for, National Housing Partnership. *JPM* talked to Winston about his company and what the AMO accreditation means.

## How long have you been working in property management?

Since 1972! I started at the New Haven (Conn.) Housing Authority. My first private sector job in property management was with the National Housing Partnership in 1977.

## AIMCO has 38 branches that are AMO accredited—the highest number of IREM's AMO firms. Why is becoming an AMO important to the company?

It's a symbol of professional pride and achievement. It shows you take being a property manager seriously.

## What do think are the benefits of being AMO accredited?

It's competitive when you apply to government agencies for tax credit allocation. Candidates with an AMO credential have an advantage.

## Do you plan to encourage more of the branches to become AMO accredited?

As the company grows and creates new branches, those branches will be AMOs as well.

## The company is heavily involved in charity work and giving back to the community. Why is this important for the company to engage in?

As part of the AIMCO Cares philanthropic program, every employee is given 10 paid hours to devote to charity activities, whether it's fundraising for juvenile diabetes or building houses through Habitat for Humanity. Employees are encouraged to get involved and AIMCO has a competition every year and awards the region whose employees perform the most charitable hours.



### Company headquarters location

AIMCO is headquartered in Denver

### Number of employees

5,900

### Date the company become an AMO firm

June 1, 1999



Palazzo East, one of AIMCO's properties in Los Angeles.

# AIMCO

Apartment Investment and Management Company

## IREM and NAAEI develop new fair housing course

The Fair Housing Act of 1968 marks its 40th anniversary this April. The act, barring discrimination practices in housing, plays an important role in the residential management industry. Providing substantive training on the application of fair housing law to daily real estate management activities is a real need within our industry. In response to this need, IREM and the National Apartment Association Education Institute (NAAEI) have partnered to develop a new fair housing course.

IREM President Reggie Mullins, CPM®, and Maureen Lambe, Executive Vice President of NAAEI, announced the official launch of the course at the IREM Leadership and Legislative Summit in Washington, D.C., in April.

The two Institutes were supported by the Chicago Apartment Association and IREM Chicago Chapter No. 23 in hosting the pilot of the new course March 18 in Chicago. The facilitators for this first offering were Marlene Dau, CPM, and past president of IREM Chicago Chapter No. 23, and Doug Chasick, CPM, a longstanding contributor to IREM and NAAEI education and national fair housing authority.

“Fair Housing and Beyond” (FHS201) is a highly interactive, DVD scenario-driven course that takes students “beyond the basics” to teach the critical thinking necessary for compliance with fair housing today and in the future. The 31 participants who attended the pilot responded very positively to the training, noting that this is a unique product in the fair housing training market.

“[The collaboration between IREM and NAAEI] has produced in my opinion the best video I have seen in my 20 plus years of fair housing training by making it so interactive,” said Carl York, a CPM who attended the pilot.

IREM Headquarters would like to thank the following IREM Members who recorded testimonials for the DVD: Irving Blue, CPM; Howard Campbell, CPM; and Paula Lewis, CPM, ARM®.

“Fair Housing and Beyond” will be available for chapter sponsorship in summer 2008, with detailed sponsorship guidelines available in mid-May. Plans are also underway to offer a corporate sales program and a self-guided online course.

## Know Your IREM Code of Professional Ethics

### Article 2: Confidentiality

*A member shall not disclose to a third party any confidential or proprietary information which would be injurious or damaging to a client concerning the client's business or personal affairs without the client's prior written consent, unless such disclosure is required or compelled by applicable laws and regulations.*

Recognizing that information is the key to economic and strategic advantage, how does one disseminate information in an ethical manner? The Security Exchange Commission (SEC) created Regulation FD, which stipulates that any information not publicly available, once made available, must be made available to the entire public.

If you are an IREM Member, you are subject to the IREM Code of Ethics. If you convey or release any information that is not already public, you have created a risk of breaching a faith of confidentiality. If the information one intends to convey is already public, it will likely not be subject to a risk of breaching confidentiality.

On the other hand, most of what an IREM Member receives, or has available to him or her from other parties, is the result of privately conveyed discussions, papers and activities that one has had the privileged opportunity to access. It is clear from the code that there is no way that one can release the facts or any part of the information to any other party. This is so because any conveyance of information to others may or will give an advantage of information to others who are not party to the original relation-

ship. That relationship is the one between the giver of it—your client, or potential client—and you. The most basic duty of a relationship between the IREM Member and his or her client is one of trust. Frankly, the protection of the sanctity of trust or violation of trust is the root basis of confidentiality.

Clearly, if one has a question as to whether one should divulge any information derived from a client, the simplest procedure is to ask the client or potential client for permission to do so. If the client decides not to grant permission, it is clear that the most straightforward acknowledgement of the code is to not divulge. This protects both shared trust and confidentiality.

An exception to the above norm is in the event that a client, or potential client, has concealed or may conceal, a material matter about a property or event about a property that you would otherwise be required to divulge as a matter of law, public code or regulation. In such eventualities, the IREM Member would first be advised to counsel the client of his or her need to consult with appropriate experts or attorneys on the matter of the facts.

The IREM Member must seek counsel as to his or her duty to disclose or not disclose any matter that is in question. “Quiet is as quiet does” is not a bad point of view to take in matters of confidentiality. That said, in matters where a possible release of information seems compelled by the facts, get all of the outside professional counsel required before making a decision or disclosure.



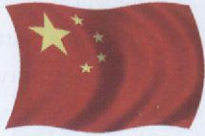
# JPM Articles Translated for International Members

IREM translates one article from each issue of *Journal of Property Management* into multiple languages to serve our members throughout the world. You can find the translations

of the article "Asian Markets Lead Urban Growth" by Darnell Little from the March/April 2008 issue of *JPM*, on the foreign language pages of the Web at [www.irem.org](http://www.irem.org).

## 中文 (Chinese)

进入IREM网站 [www.irem.org](http://www.irem.org) 的中文网页,您便能在《资产管理期刊》(*JPM*) 2008年3-4月号上找到“亚洲市场带动了都市增长”(作者:达内尔·里特尔)一文的中文翻译 [www.irem.org/international/Chinese/index.cfm](http://www.irem.org/international/Chinese/index.cfm).



## español (Spanish)

Si desea leer la traducción al francés del artículo Los mercados de Asia: A la vanguardia del crecimiento urbano por Darnell Little publicado en el número de Marzo/Abril de 2008 de *JPM*, por favor visite la página en español del IREM en [www.irem.org/international/spanish/intro.cfm](http://www.irem.org/international/spanish/intro.cfm).



## français (French)

Vous pouvez trouver une traduction de l'article « Les marchés asiatiques: leaders de la croissance urbaine » de Darnell Little tiré du numéro de mars/avril 2008 de *JPM* sur la page française du site Web de l'IREM à l'adresse: [www.irem.org/international/french/index.cfm](http://www.irem.org/international/french/index.cfm).



## 한국어/조선말 (Korean)

*JPM* 2008년 3/4월 호에 게재된 Darnell Little 씨의 “도시 발전의 선두에 있는 아시아 시장” 기사를 IREM 웹 사이트, [www.irem.org/international/korean/index.cfm](http://www.irem.org/international/korean/index.cfm) 의 한국어 판에서 한국어로 검색하실 수 있습니다.



## português (Portuguese)

Você poderá encontrar a tradução em Português do artigo “O crescimento urbano tem sido liderado pelo mercado asiático” de Darnell Little referente a edição de Março/Abril do *JPM* na página de Português do IREM [www.irem.org/international/Portuguese/index.cfm](http://www.irem.org/international/Portuguese/index.cfm).



## 日本語 (Japanese)

*JPM* 2008年3-4月号のダーネル・リトル氏の記事、「アジア市場が都市の発達をリード」の日本語訳は、IREMのウェブサイト [www.irem.org/international/japanese/index.cfm](http://www.irem.org/international/japanese/index.cfm) の日本語ページでご覧になれます



## русский (Russian)

Перевод на русский язык статьи “Азиатские рынки во главе урбанизации” (автор Дарнелл Литтл) из выпуска Журнала по управлению недвижимостью (*JPM*) за март-апрель 2008 года вы можете найти на русскоязычной странице вебсайта IREM по адресу: [www.irem.org/international/russian/index.cfm](http://www.irem.org/international/russian/index.cfm).



## wersja polska (Polish)

Polskie tłumaczenie artykułu “Azjatyckie rynki liderem urbanistycznego rozwoju” Darnella Little z marcowo-kwietniowego wydania *JPM* (2008) znaleźć można na polskich stronach internetowego serwisu IREM: [www.irem.org/international/polish/index.cfm](http://www.irem.org/international/polish/index.cfm).



## IREM International Program Highlights Events and Agreements

IREM's commitment to global outreach continued at a steady pace through the first quarter of 2008—demonstrated through increased membership, broader member services, expansion into new markets and active volunteer leaders from around the world.

At the beginning of 2008, IREM had 1,387 members in 34 countries outside the United States. Of these international members, the majority are from eight countries where IREM has active chapters or partners, with the remaining at-large international members representing 26 different countries. Altogether, international members comprise 7.6 percent of the Institute's total membership and 11 percent of its CPM® constituents.

To better serve its non-U.S. members, IREM translates at least one article from each issue of *JPM* into multiple languages, and also uses its Web site to serve as a clearinghouse for information and articles in other languages provided by chapter and partner organizations.

So far in 2008, IREM has offered its certification courses in Canada, Japan, Russia, South Korea and Ukraine, and schedules are in place to present IREM courses later in the year in Poland, South Africa and China. In addition, at-large students from such countries as Romania, United Arab Emirates, Hong Kong, Kuwait and Vietnam are matriculating to the CPM program through distance-learning options.

In March IREM was represented at MIPIM, in Cannes, France, regarded by many as the primary market for professionals of international real estate. As part of its international outreach initiative, IREM co-exhibited at MIPIM with the National Association of Realtors (NAR) and other commercial affiliates of NAR. MIPIM attracts more than 26,000 participants and more than 2,500 exhibiting companies from 83 countries, and provides unparalleled access to senior-level decision makers within the real estate market, making it an ideal forum in which to forge new business contacts. While at MIPIM, IREM President Reggie Mullins, CPM, and IREM CEO Russell Salzman met with counterparts from Russia and the United Kingdom, among others.

*Other highlights from IREM's international program include:*

**Canada.** The Real Estate Institute of Canada (REIC) will host its annual meeting May 28-June 1 in Vancouver, British Columbia. As part of this, IREM's Region 14 leadership conference for IREM chapters in Canada will take place May 28-29, led in part by Region 14 Regional Vice President Chrystal Skead, CPM, ARM®.

**India.** An agreement has been signed with the India Institute of Real Estate (IIRE) under which IREM's *Principles of Real Estate Management* textbook and instructor support materials are being used as part of a broader real estate curriculum offered in universities and technical training centers throughout India.

**Japan.** The IREM Japan Chapter No. 110 annual meeting will take place May 24 in Tokyo, with IREM President Reggie Mullins, CPM, and IREM CEO Russell Salzman taking part in this event. IREM Japan is expanding its cadre of in-country instructors, with the goal of adding as many as five new faculty to its existing pool of three.



Presentation skills training in Japan. Pictured in the back row, from left to right is: Katsuyoshi "Robert" Ishibashi, CPM and Chapter president; Junji Ono, translator; Steve Cary, CPM; Jo Anne Corbitt, CPM; Morikuni "Mike" Kono, CPM; Yasunori "Tiger" Yamamoto, CPM; Yoshinori Yamasaki, CPM; Masayoshi, "Mark" Fujisawa, CPM. Front Row: Satoshi Hongo, CPM; Kiyoshi Inomata, CPM; Yasuto Ute, CPM; Hiromitsu Kohama, CPM Candidate.

**Poland.** IREM's Poland Chapter No.108 is offering the first of a series of updated CPM courses this month in Warsaw. At the same time, the chapter has launched a new English and Polish IREM Web site to provide its members information about IREM in Poland and developments in the real estate management industry. The Web site can be found at [www.irempolska.org.pl](http://www.irempolska.org.pl).

**Russia.** Konstantin Aprelev, CPM, was elected the new president of the IREM Russia Chapter No. 109 during an organizational chapter meeting held in Moscow, in January. Aprelev is a former president of the Russian Guild of Realtors (RGR), which is IREM's long-time partner organization in Russia. At the chapter meeting, IREM instructor Shannon Alter, CPM, installed 31 new CPM Members. Alter was in Moscow teaching the

MKL406 and HRS402 courses and accrediting Russian CPM instructors to teach additional courses. Leah Misbin, IREM's international programs liaison, also attended the chapter meeting and spoke to members in attendance about the role of the chapter in providing services to members and advancing the real estate management profession.



Thirty-one new CPMs were honored at a Moscow Chapter 109 meeting in January.

**Ukraine.** Through a licensing agreement with the Ukrainian Realtors Association (URA), a complete CPM educational program was presented in 2007, resulting in 21 students being awarded the CPM designation in April. The presentation of pins and certificates and installation ceremony was conducted by Robin Stinson, CPM, who was in Kiev as an IREM instructor teaching the second round of students working toward the designation.



The Ukrainian Realtor Association (URA) is offering students a CPM designation course in 2008.

**South Africa.** IREM recently reached an agreement with the Services Sector Education and Training Authority (SETA) of South Africa and the International Real Property Foundation

(IRPF) to introduce the CPM training and credentialing program in South Africa. One comprehensive round of CPM courses, open to 50 students, will be presented in Johannesburg in 2008, with the kick-off offering in May. The CPM program is being made available to those property management practitioners who already have some experience in property management.

**South Korea.** IREM President Reggie Mullins traveled to Seoul to participate in the annual meeting of IREM Korea Chapter No. 112 and install 49 new CPM Members—bringing the number of CPM Members in the chapter to 183. This year IREM Korea Chapter No. 112 joined the Korea Real Estate Brokers Association (KREBA) as a licensed provider of IREM education and launched the delivery of its first round of CPM courses in January, just as KREBA was wrapping up its 11th round of courses. Of special note are seven Korean CPM Members who successfully completed their co-teaching assignments earlier this year and have been approved as IREM faculty. The instructors and the courses they have been approved to teach in Korea are:

- Young Hwan Chang, CPM – FIN402
- Moung Rul Han, CPM – MKL406
- Seung Koog Hong, CPM – MNT402
- Sung Chan Hwang, CPM – MKL406
- Steve Jung, CPM – HRS402
- Jae Un Kim, CPM – FIN402
- Sei-Hoon Lim, CPM – MKL406
- Won Sang You, CPM – MNT402



The new IREM Korean faculty received certificates confirming their faculty status at the IREM Korea Chapter 112 meeting on March 26 in Seoul. Pictured from left to right is: Moung Rul Han, CPM; Steve Jung, CPM; Reggie Mullins, CPM and president of IREM; Young Hwan Chang, CPM; Seung Koog Hong, CPM; Sung Chan Hwang, CPM; Sei-Hoon Lim, CPM; and Won Sang You, CPM. Not pictured: Jae Un Kim, CPM.

# Course Listings

## MAY

RES201	May 1-3, 8-10	Dorchester, Mass.
ASM603	May 5-6	Denver
ASM603	May 5-6	Atlanta
ASM603	May 5-6	Nashville, Tenn.
CID201	May 5-9	San Francisco
MNT402	May 5-6	Austin, Texas
MNT402	May 5-6	Rockville, Md.
FIN201	May 6-7	Orange County, Calif.
ASM604	May 7-8	Denver
ASM604	May 7-8	Atlanta
ASM604	May 7-8	Nashville, Tenn.
FIN402	May 7-8	Austin, Texas
FIN402	May 7-8	Rockville, Md.
HRS402	May 7-8	Indianapolis
CID201	May 8-10, 15-16	Scottsdale, Ariz.
FIN402	May 8-9	Pittsburgh
MNT201	May 8-9	Orange County, Calif.
ETH800	May 9	Kansas City, Mo.
ETH800	May 9	Rockville, Md.
ASM605	May 9	Denver
ASM605	May 9	Atlanta
ASM605	May 9	Nashville, Tenn.
CPM001	May 9	San Diego
CPMEXM	May 9	San Diego
ETH800	May 13	Omaha, Neb.
ASM603	May 12-13	Quincy, Mass.
ASM603	May 12-13	Memphis, Tenn.
ASM603	May 12-13	Portland, Ore.
ASM603	May 12-13	San Antonio
MKL405	May 12-13	Oak Brook, Ill.
MPSAXM	May 12-15	Southfield, Mich.
MPSAXM	May 12-15	Birmingham, Ala.
ETH800	May 14	Orange County, Calif.
ASM604	May 14-15	Quincy, Mass.
ASM604	May 14-15	Memphis, Tenn.
ASM604	May 14-15	Portland, Ore.
ASM604	May 14-15	San Antonio
HRS402	May 14-15	Oak Brook, Ill.
ETH800	May 15	Dublin, Ohio
ETH800	May 15	Tampa, Fla.
RES201	May 15-17, 22-24	Tucson, Ariz.
ETH800	May 16	Houston
ASM605	May 16	Quincy, Mass.
ASM605	May 16	Memphis, Tenn.

ASM605	May 16	Portland, Ore.
ASM605	May 16	San Antonio
CPM001	May 16	Southfield, Mich.
CPM001	May 16	Birmingham, Ala.
CPMEXM	May 16	Southfield, Mich.
CPMEXM	May 16	Birmingham, Ala.
HCPEXM	May 16	Chicago
ASM603	May 19-20	Beachwood, Ohio
MKL405	May 19-20	Hartford, Conn.
RES201	May 19-24	Fisher, Ind.
MKL406	May 20-21	Dallas
ETH800	May 21	Los Angeles
ASM604	May 21-22	Beachwood, Ohio
HRS402	May 21-22	Hartford, Conn.
HRS402	May 22-23	Dallas
ASM605	May 23	Beachwood, Ohio

## JUNE

HRS402	June 2-3	New York
CML001	June 4	Orange County, Calif.
MKL405	June 4-5	New York
HRS603	June 4-5	Chicago
BDM601	June 5-6	Chicago
CMLEXM	June 5	Orange County, Calif.
ASM603	June 9-10	Seattle
ASM603	June 9-10	Orange County, Calif.
HRS402	June 10-11	Sacramento, Calif.
ASM604	June 11-12	Seattle
ASM604	June 11-12	Orange County, Calif.
RES201	June 11-13, 18-20	New Brunswick, N.J.
MKL406	June 12-13	Sacramento, Calif.
ASM605	June 13	Seattle
ASM605	June 13	Orange County, Calif.
ASM603	June 16-17	Hartford, Conn.
MPSAXM	June 16-19	Quincy, Mass.
MPSAXM	June 16-19	Carmel, Ind.
ASM604	June 18-19	Hartford, Conn.
ETH800	June 19	Pittsburgh
ETH800	June 19	Fort Lauderdale, Fla.
ASM605	June 20	Hartford, Conn.
CPM001	June 20	Quincy, Mass.
CPM001	June 20	Carmel, Ind.
CPMEXM	June 20	Quincy, Mass.
CPMEXM	June 20	Carmel, Ind.
MNT402	June 23-24	Los Angeles

# EXPAND YOUR KNOWLEDGE AND YOUR BUSINESS!

MNT402	June 23-24	Dallas
FIN402	June 25-26	Los Angeles
FIN402	June 25-26	Dallas
CPMEXM	June 27	Dallas

## INTERNATIONAL

ASM603	May 13-14	Moscow, Russia
ASM604	May 14-15	Moscow, Russia
MKL404	May 15-16	Warsaw, Poland
ASM605	May 16	Moscow, Russia
CPMEXM	May 17	Moscow, Russia
ETH800	May 17	Moscow, Russia
ETH800	June 10-11	Osaka, Japan
ETH800	June 13-14	Tokyo, Japan
MKL406	June 15-16	Edmonton, AB Canada
HRS402	June 17-18	Edmonton, AB Canada
MNT402	June 19-20	Edmonton, AB Canada
BDM602	June 22-23	Edmonton, AB Canada
BDM602	June 22-23	Moscow, Russia
MPSA01	June 24-25	Moscow, Russia
MPSA01	June 24-25	Edmonton, AB Canada

For the most up-to-date course listings, please visit [www.irem.org/education](http://www.irem.org/education).

## COURSE CODES KEY

- ARMEXM-ARM Certification Exam
- ASM603-Investment Real Estate Financing and Valuation - Part One
- ASM604-Investment Real Estate Financing and Valuation - Part Two
- ASM605-Investment Real Estate Financing and Valuation - Part Three
- BDM601-Maximizing Profit: Growth Strategies for Real Estate Management Companies
- CPMEXM-CPM Certification Exam
- CPM001-CPM Certification Exam Preparation Seminar
- ETH800-Ethics for the Real Estate Manager
- FIN402-Investment Real Estate: Financial Tools
- HCPEXM-HCCP Exam
- HRS402-Human Resource Essentials for Real Estate Managers
- LTC401-Housing Credits: Compliance Challenges and Solutions
- MKL404-Marketing and Leasing: Retail Properties
- MKL405-Marketing and Leasing: Multifamily Properties
- MKL406-Marketing and Leasing: Office Buildings
- MNT402-Property Maintenance and Risk Management
- MPSAXM-Management Plan Skills Assessment
- RES201-Successful Site Management

# On the Road Again

**May 14**

## Region 3 Gala

Location: Washington, D.C.

Visiting Officers: Reggie Mullins, President; Pam Monroe, President-Elect; Randy Woodbury, Secretary/Treasurer; Bob Toothaker, Past President, Russ Salzman, Executive Vice President and CEO

**May 17**

## Boston Metropolitan Chapter No. 4

Location: Boston

Visiting Officer: Reggie Mullins, President

**May 21**

## Michigan Chapter No. 5

Location: Farmington, Mich.

Visiting Officer: Randy Woodbury, Secretary/Treasurer

**June 10**

## El Paso Chapter No. 84

Location: El Paso, Texas

Visiting Officer: Reggie Mullins, President

**June 11**

## Iowa Chapter No. 63

Location: Des Moines, Iowa

Visiting Officer: Reggie Mullins, President

**June 12**

## Columbus Chapter No. 42

Location: Columbus, Ohio

Visiting Officer: Reggie Mullins, President

**June 17**

## Sacramento Valley Chapter No. 22

Location: Sacramento, Calif.

Visiting Officer: Pam Monroe, President-Elect

**June 18**

## Oregon-Columbia River Chapter No. 29

Location: Tigard, Ore.

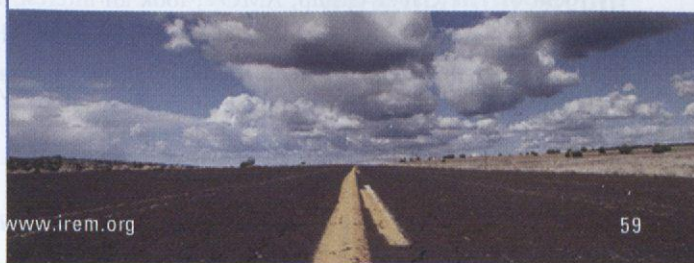
Visiting Officer: Pam Monroe, President-Elect

**June 19**

## Delaware Valley Chapter No. 3 & Southern New Jersey Chapter No. 101

Location: Riverton, N.J.

Visiting Officer: Jay Windsor, Senior Vice President



## IREM and IREM Foundation announce program to jump start real estate careers for veterans

As part of IREM's 75th Anniversary celebration, the Institute and the IREM Foundation will fund 20 professional development grants for veterans to complete the Successful Site Management course (RES201) in the Chicago area. These grants will include the cost of the course, transportation to and from Chicago, lodging for up to six nights, and one year of IREM dues.

The Institute and the Foundation will also partner with VetJobs.com, Inc., a top recruiting site for over 11 million veterans, to develop a nationwide marketing and recruiting program to identify candidates for these grants, as well as a local recruiting program for IREM chapters. The IREM Foundation, through its Grants and Scholarships Committee, will assist in the selection of the participants.

According to *Crain's Chicago Business*, "The real world is proving an unwelcome place for many U.S. service members as they return from combat zones in Iraq and Afghanistan.

Nationwide, unemployment among veterans ages 20 to 24 stood at 10.4 percent in 2006, compared with 8.1 percent for non-vets of that age."

IREM and the IREM Foundation recognize that one of many solutions to dealing with the shortfall of quality real estate management candidates is to reach out to veterans as they re-enter the workplace.

### Program Support

IREM and the IREM Foundation will collaborate to identify sponsors for this program. The Institute, through the marketing efforts of the 75th Anniversary Committee, will incorporate support for this program into their sponsor solicitation efforts. Contributions to this program will be made to and recognized by the IREM Foundation. If you would like to make a contribution to this project or have any questions, please contact John Chikow, executive director of the IREM Foundation at 312-329-6056 or [jchikow@irem.org](mailto:jchikow@irem.org).

### Military Skills Help IREM Members Succeed in Property Management



In 2006, as a Marine Corps Reservist who specialized in ground radio repair, **Jordan K. Debes, CPM®** remembers finding it difficult for potential employers to understand the value of his military training experience.

"Think about it, what tenant complaint could ever equal 12 weeks of being yelled at by a Marine Drill Sergeant?" said Debes. "While the military may not deal specifically with real estate property management issues, it does instill an attitude to apply oneself. You are taught to be a leader, to be responsible for those under your leadership."

Fortunately, Mike Smith, executive CPM and president of The Cabot Group, AMO®, took an interest in Jordan's military background. Today Jordan successfully manages over 1,000 multifamily units. In 2007 he was awarded CPM Key No. 20,000.



During his service in the Marines, **Anthony James Barker, II, ARM®** was the leader of a 12-member squad that provided security for nuclear weapons. But when he returned home, he was only able to find work as a part-time security guard. Barker was consistently told he was not a good fit and needed more experience.

Fortunately, Volunteers of America, Michigan, took a chance on Barker and hired him to manage a budget-challenged property. To get the property in the black, Barker put three key Marine concepts into practice—improvise, adapt and overcome. When faced with a choice of cutting landscaping costs or disappointing tenants, he borrowed a lawnmower and cut the property's grass himself until they were able to bring back the service provider.

"I applied my small unit people leadership skills to this property," said Barker. "We got customer focused, which I learned from my Dad (Anthony J. Barker, Sr., CPM)."

# EXPAND YOUR KNOWLEDGE AND YOUR BUSINESS!



## IREM Executive Exchange June 4-6, 2008 Chicago, Illinois

Don't miss this unique 3-day event for networking, knowledge-sharing, and professional development!

Take advantage of this opportunity to meet and interact with other industry professionals where you'll learn to lead and succeed in today's industry.

The Executive Exchange Seminars include:

"Leadership for Today's Real Estate Manager" (HRS603)

"Maximizing Profit: Growth Strategies for Real Estate Management Companies" (BDM601)

Looking to fulfill your AMO® requirements?

The IREM Executive Exchange fulfills two of the three education courses for CPM® Members earning the AMO® accreditation for their firm.

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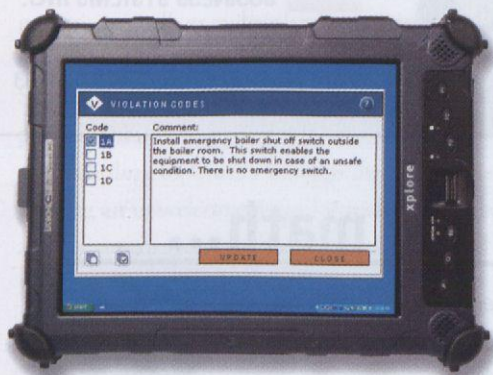
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A new suite of software is available now to help manage boiler safety inspections. Through a back-end database, Versentia synchronizes with Versentia Mobile™ on Tablet PCs to support inspectors in the field. Versentia increases the efficiency and accuracy of the boiler inspection process and enables inspections to be filed electronically, as well as tracked and catalogued with digital photographs. The inspection information is easily accessible for customers online. The suite of software also includes solutions for elevators, fire detection/suppression systems, building facades, HVAC equipment and electrical panels.

For more information, visit [www.cityspec.com](http://www.cityspec.com).



## Ultrasonic survey says

The Ultraprobe 3,000 ultrasonic detection system is a versatile inspection instrument for cutting energy waste and improving uptime while saving money, and improving the environment. According to its manufacturer, UE Systems



of Elmsford, N.Y., the Ultraprobe 3000 has been designed to promote quick, easy surveys with accurate results. The 3000 has also been labeled a “green” instrument for its ability to

accurately detect energy waste, helping to reduce a property’s carbon footprint. The 3000 will significantly impact energy conservation by locating compressed air and steam trap leaks as well as faulty steam traps, which can lead to millions of dollars in property savings this year.

For more information, visit [www.uesystems.com](http://www.uesystems.com).

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Vykon® Security is a web-based, Internet-enabled access control and intrusion detection system built on the NiagaraAX Framework®. Niagara is a software framework that integrates diverse systems and devices into a unified platform that can be easily managed and controlled in real time over the



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For more information, visit [www.tridium.com](http://www.tridium.com).

## Steeped in specifiers

A new spec-writing tool is available to help roofing professionals and specifiers quickly write steep- and low-slope roofing specifications for job submittal packages. Called CertaSpec™, this software program from CertainTeed Corporation helps specifiers create accurate and consistent submittal packages. User-friendly content and screen layouts make CertaSpec fast and easy for specifiers to select criteria, narrow the specs and finalize submittal package materials. Users can then print or keep the information electronically, which allows them to get a quote from a distributor on products needed to complete the installation. On-screen instructions pop up to guide users through the specification process while live updates are routinely made, keeping the software current and accurate.

For more information, visit [www.certainteed.com](http://www.certainteed.com).





## Marketing Magic

New IREM publication offers fresh take on how to lease and sell residential properties

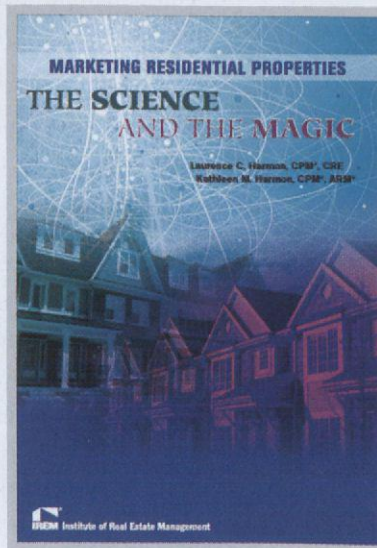
by Julie L. Muir, CPM®

There is an art and definitely a science in getting your vacancies filled. Now, as the book *Marketing Residential Properties: The Science and the Magic* by Laurence C. Harmon, CPM, CRE, and Kathleen M. Harmon, CPM, ARM®, suggests, a little of the “magic” they share can go a long way to help you and your staff successfully lease or sell your properties. This new IREM publication is a must-read for anyone just starting out in residential leasing and for those already in the field who need refreshing tools and possibly retraining.

As anyone knows, the market is not looking good. You’d think that with the economy the way it is that people would be knocking on your door to save money leasing, rather than taking the riskier path of home ownership. Not true! Therefore, you must find other ways in which to market and sell your properties.

Each chapter of the book takes you on a step-by-step journey in the process of residential marketing. You will learn how to adjust to your specific market by: knowing your neighborhood and your competition; identifying your audience and developing marketing strategies aimed specifically to them; using advertising techniques with any size budget; evaluating and re-defining techniques that work (and those that do not); learning how to make a great first and lasting impression;

Personally, I haven't found a more useful tool that provides everything I need.



keeping the occupants you already have as well as a myriad of other useful tips and techniques designed to help you succeed.

In addition, several chapters delve into fair housing; selecting and training a great staff; and being a winner in this ever-competitive field.

The authors’ numerous years in the field encompassing consulting, analysis, management, brokerage, marketing and dedication to helping various charities, provide the reader with a well-rounded “big picture”

approach in all aspects of residential marketing and retention.

The analogies used in this book will help you to look at your leasing challenges from a fresh perspective. You’ll learn how to change your strategies and techniques before they become stale and obsolete. Because so many people—lenders, owners, supervisors and fellow employees—rely on your ability to provide high occupancy and low turnover, this publication is extremely valuable and educational in assisting you in reaching those goals and requirements.

*Marketing Residential Properties: The Science and the Magic* provides an interesting and fresh approach during a time in the market where every little thing you do can have a lasting effect on your bottom line. Personally, I haven’t found a more useful tool that provides everything I need—especially to close the deal and lease that last unit. The Harmon’s publication is another great educational tool from IREM—the first choice for owners, developers, investors, employers and the staff on the front lines! □



Julie L. Muir (jlm@eaimgmt.com), CPM, is a real estate broker and property manager for Elliott Associates, Inc. in Portland, Ore.

To obtain a copy of *Marketing Residential Properties: The Science and the Magic*, visit [www.irem.org](http://www.irem.org). IREM Members save 20% off retail price!

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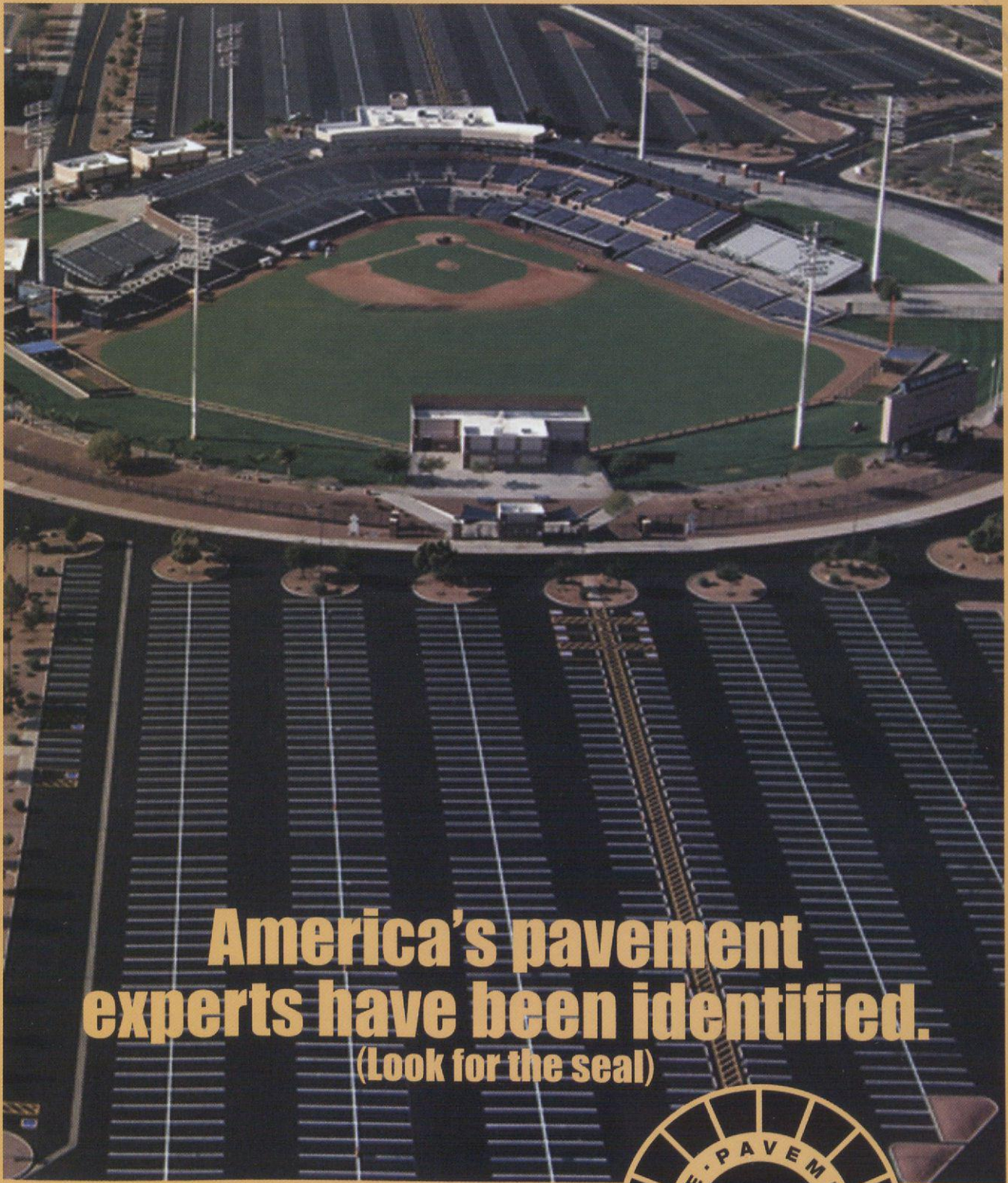
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