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THE GLOBAL LINK FOR REAL ESTATE PROFESSIONALS

JOURNAL OF PROPERTY MANAGEMENT
SEP.OCT 2009



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 **IREM** Institute of Real Estate Management

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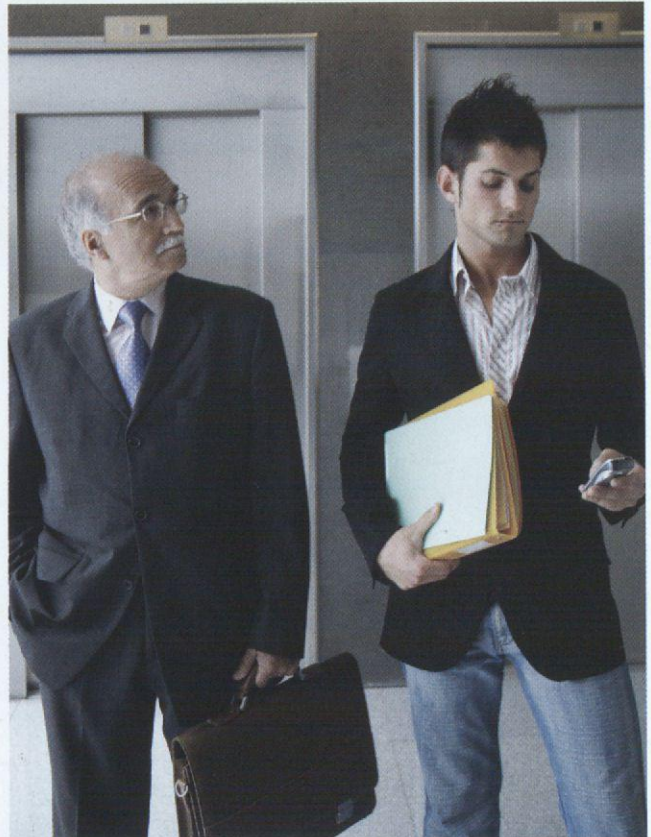
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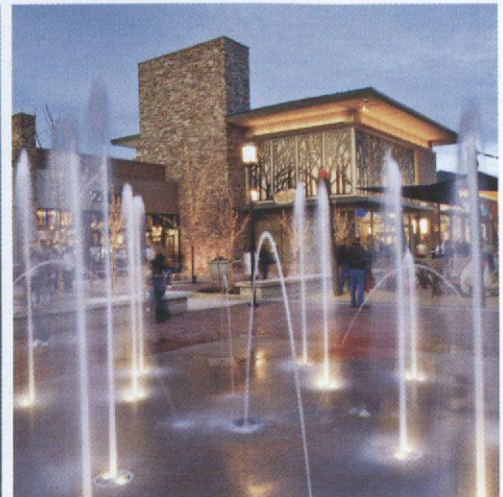
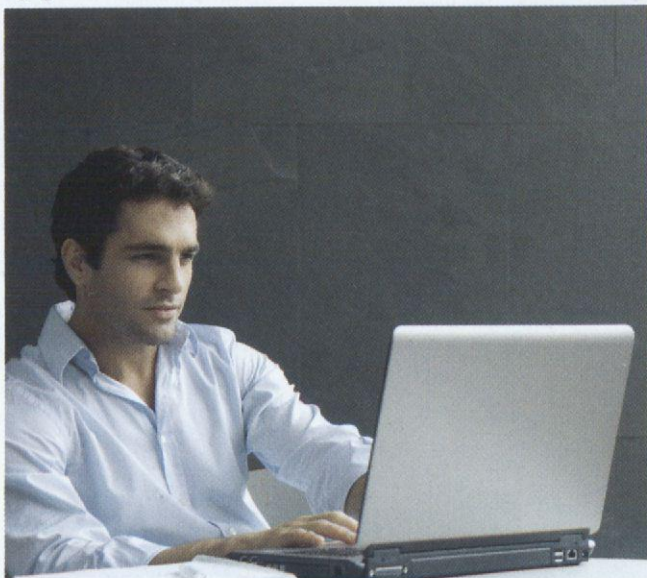
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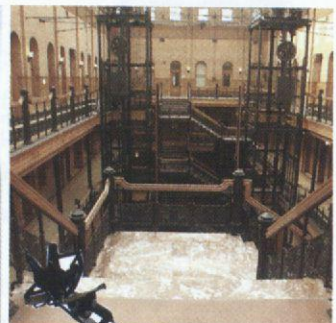
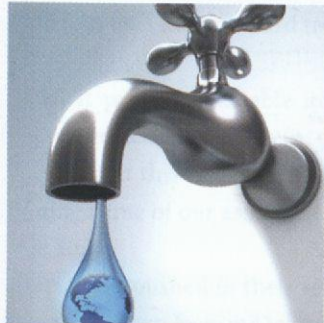
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Institute of Real Estate Management Diversity Statement | IREM encourages diversity. We welcome individuals of all races, genders, creeds, ages, sexual orientations, national origins, and individuals with disabilities. Our organization strives to provide an equal opportunity environment among its members, vendors, and staff. Adopted October 2008

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IREM Institute of Real Estate Management

TOMORROW'S STARS

Greetings, fellow colleagues and friends!

It is already September and our Success Series 2009 meeting in Hawaii is right around the corner. I hope you are as excited as I am about the excellent educational sessions and industry networking opportunities, as well as the time to enjoy the sights and the sunshine that are in store for us in Honolulu. If you have not yet registered, it is not too late to join us. I look forward to seeing you all there!

This is an especially exciting issue of *JPM*. It provides valuable information on a number of timely topics, including mixed-use challenges (p. 48) and generational differences in the workplace (p. 40). But this issue also features a unique "30 under 30" section (p. 26) highlighting some of our association's and our industry's brightest rising stars under age 30.

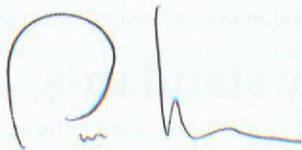
It is amazing what these young people have accomplished in their relatively short careers as property managers. The youngest person featured in "30 under 30" is only 22 years old and he has already made an impact within the industry. It is impressive to see what the next generation of leaders has accomplished; imagine the heights to which they will soar in the future! It is also remarkable to look at the people who have encouraged these young stars and helped them to get where they are today.

Mentoring the next generation and giving back to others in the field is a cornerstone of our IREM community. We know we cannot do everything alone and, especially during these financial times that continue to be rocky for so many, we are reminded that we accomplish more together than we ever could alone. The Institute is truly a vehicle for that collaboration and progress. I am honored that my position as IREM President allows me to work together with such a talented and diverse range of individuals from every IREM generation.

In collaboration with the National Association of REALTORS®, our sister affiliates and private leading companies, we are making significant strides toward sharing knowledge with members of Congress on how to provide relief to the real estate industry. We know that freeing up capital is key in pulling the nation out of this lingering financial crisis.

No matter what age you are, I think you will be encouraged and invigorated by the IREM young professionals who are featured in this issue. The future of IREM is in good hands.

See you in Honolulu!



Pamela W. Monroe, CPM
2009 IREM President



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HOUSING CONSTRUCTION HITS NEW HIGH IN JUNE

In June, the construction of new homes in the United States rose to the highest level in seven months, as builders rush to complete homes by the end of November for first-time buyers looking to take advantage of a special tax break.

The Commerce Department said construction of new homes and apartments increased 3.6 percent to a seasonally adjusted annual rate of 582,000 units, from rate of 562,000 in May.

The jump was better than the 530,000-unit pace economists estimated, and was the second straight monthly increase after a record low of 479,000 units in April.



Sears (Willis) Tower to undergo green retrofit

The Sears (Willis) Tower in Chicago will undergo a retrofit to add solar panels and wind turbines to the building, according to an announcement by American Landmark Properties, the property group that owns the 110-story building.

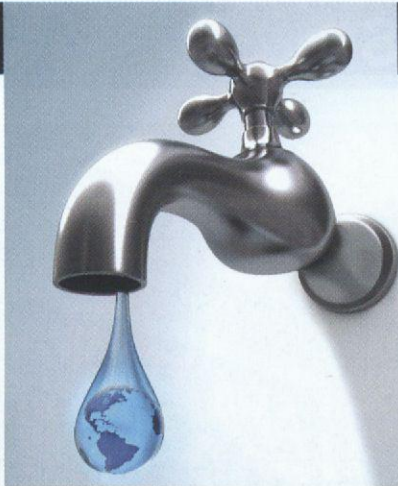
Project officials said the retrofit is the most significant of its kind ever attempted at an existing building. All of the tower's 16,000 windows are being replaced, which could save up to 60 percent heating energy. Energy-efficient mechanical and lighting systems are being installed, and 104 elevators and 15 escalators, along with its plumbing systems, are being modernized.

The retrofit plan also includes adorning the 90th-story roof with solar hot-water panels. Several wind turbines will be tested on the roof for their performance as well.

Once the upgrades are complete, the Sears Tower should see an 80 percent reduction in energy consumption—enough electricity to power a Chicago neighborhood of 2,500 homes for a year. The retrofit will begin in spring 2010 and is expected to complete in roughly five years.

Obama sets new lighting efficiency standards

President Obama's administration recently set new efficiency standards for lighting used in homes and businesses, according to officials. The new rules, which would take effect in 2012, apply to fluorescent and incandescent lamps, which represent 37 and 7 percent of lighting energy use, respectively. The standards would save up to an estimated 594 million tons of carbon dioxide emissions through 2042.



Water Efficiency Gaining Importance in Green Design

Water efficiency and conservation will become critical factors in green design, construction and product selection over the next five years, according to the recent *SmartMarket Report, Water Use in Buildings* by McGraw-Hill Construction.

Architecture and engineering firms, as well as contractors and owners, report that water efficiency is rapidly becoming a higher priority than other aspects of green building, such as energy efficiency and waste reduction. By 2013, 85 percent of industry reports water efficiency will be an extremely important aspect of a green building, up from 69 percent this year.

The report said that owners are especially committed to water-efficient practices, with 42 percent indicating that more than three-quarters of current projects incorporate water-efficient designs.

ASHRAE INTRODUCES PROTOTYPE OF BUILDING ENERGY LABEL

The American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) unveiled a prototype label for its upcoming building energy quotient program at its recent 2009 Annual Conference in Louisville, Ky. The program, which will be known as Building EQ, will include both asset and operational ratings for all building types, except residential. ASHRAE is working with major real estate developers to implement the label prototype this fall with a widespread launch of the full program in 2010. For more information, visit <http://buildingEQ.com>.

QUOTABLES

“A budget tells us what we can’t afford, but it doesn’t keep us from buying it.”

—WILLIAM FEATHER, AMERICAN AUTHOR

“An economist is an expert who will know tomorrow why the things he predicted yesterday didn’t happen today.”

—LAURENCE J. PETER, CANADIAN WRITER

“A great city is that which has the greatest men and women.”

—WALT WHITMAN, AMERICAN POET

“I decided, very early on, just to accept life unconditionally; I never expected it to do anything special for me, yet I seemed to accomplish far more than I had ever hoped. Most of the time it just happened to me without my ever seeking it.”

—AUDREY HEPBURN, ACTRESS

“One of the truest tests of integrity is its blunt refusal to be compromised.”

—CHINUA ACHEBE, WRITER

“Everyone wants to live at the expense of the state. They forget that the state wants to live at the expense of everyone.”

—FREDERIC BASTIAT, FRENCH ECONOMIST

Foreclosures Soar 15 Percent in First Half of 2009

The number of households in the United States on the verge of being lost rose by nearly 15 percent in the first half of the year, as the number of people who lost their jobs increased.

The foreclosure crisis affected more than 1.5 million homes in the first six months of the year, according to a report released by foreclosure listing service RealtyTrac Inc.

Despite the Obama administration's plan to encourage the lending industry to prevent foreclosures by handing out \$50 billion in subsidies, the nation's housing woes continue to spread. Experts don't expect foreclosures to peak until the middle of next year.

HOME PRICES SHOW SIGNS OF STABILITY

In May, home prices posted their first monthly increase since the summer of 2006, according to the Standard & Poor's/Case-Shiller home price indices of 20 major cities. The report, which tracks repeat sales on a specific group of homes in each city, rose 0.5 percent from April. Thirteen cities showed monthly increases with the best results in Cleveland, Dallas and Boston.

Despite these new signs of stability, the 20-city index is still 17.1 percent below what it was in May 2008. The index has lost more than 32 percent since its peak three years ago, putting home prices back to mid-2003 levels.

To view the indices, visit www.standardandpoors.com.



STUDY FINDS APARTMENT VACANCY RATE HAS INCREASED

The national vacancy rate stands at 7.5 percent, the highest it's been since 1987 and 1.4 points higher than it was this time last year, according to recent statistics by Reis, a provider of impartial commercial real estate performance information and analysis.

This trend will likely continue, as Reis expects 100,000 units of new apartment construction will come online during the remainder of the year.

One of the few exceptions to Reis' findings is Washington, D.C. rents have actually increased slightly in the nation's capital.

Report Shows REITs on the Rise

New data from a National Association of Real Estate Investment Trusts (NAREIT) report shows there were 45 secondary equity offerings in the REIT industry in 2009 through May 31, which raised \$14.2 billion. In May alone, 18 secondary equity offerings raised \$5.3 billion. By comparison, there were 76 secondary offerings in all of 2008 raising about the same amount.

Commercial real estate observers greeted this as good news, as REIT share prices historically lead direct commercial property values by approximately five quarters. NAREIT reported that the trough in the current market cycle may have been reached in early March. REIT shares fell 75 percent from the industry's peak in February 2007 through March 2009. From March to the end of May equity REITs were up 58 percent, led by double-digit gains from lodging and commercial financing REITs.

search me

www.reis.com

Reis is a provider of impartial commercial real estate performance information and analysis. On a quarterly basis, Reis provides updated trends and forecasts of rent, vacancy and inventory for apartment, office, retail and industrial properties in up to 169 metropolitan areas and more than 1,800 submarkets/neighborhoods. Reis users can download reports from the site for use in books, presentations and research.

www.carbonneutral.com

The Carbon Neutral Company is a carbon consulting and carbon offsetting company that helps corporate clients and individuals to reduce CO₂ in a way that delivers commercial, personal and environmental benefit. The site offers a free carbon calculator to help you determine how much CO₂ your business is releasing into the environment.

<http://management.about.com>

This site offers users information and articles on better ways to manage people and projects. Find out new ways to motivate employees, increase your leadership skills or learn more about business ethics. The site also offers a community forum and comments section.

[www.landscapingideasonline](http://www.landscapingideasonline.com)

Landscaping Ideas Online features thousands of landscaping pictures at the site, along with ideas and advice from expert landscaping contractors on how to best landscape properties. From flower beds, to decks and ponds, to walkways and paths, you will find a variety of information and suggestions.

fast facts

There are about
A BILLION BICYCLES
in the world.



Peter the Great taxed people with BEARDS.

The Oscar Awards were held TWICE in 1930.



TOMATOES are the world's most popular fruit.

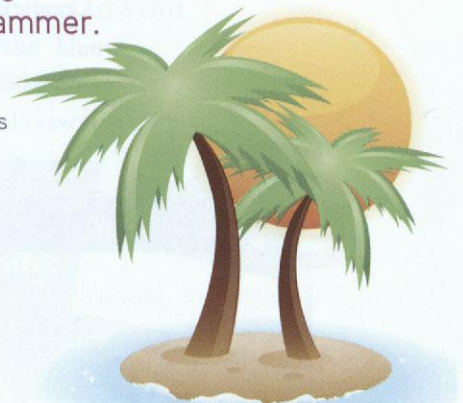
MERCEDES cars are named after an Austrian girl.

It once was law to say "GOD BLESS YOU."

The Baily Bridge in the Ladakh valley is the **HIGHEST BRIDGE** in the world.

A DIAMOND breaks if you hit it with hammer.

ONE IN TEN people lives on an island.



There are more movies produced in India than **HOLLYWOOD**.

ETHICAL CULTURES Establishing and developing standards within your firm



ROSE EVANS, CPM®, (REVANS LEVINMGT.COM) IS VICE PRESIDENT OF PROPERTY MANAGEMENT FOR LEVIN MANAGEMENT COMPANY AND SERVES ON THE IREM ETHICS APPEAL BOARD AND THE ETHICS AND DISCIPLINE COMMITTEE.

AS MANAGERS OF REAL ESTATE, WE'RE RESPONSIBLE NOT ONLY FOR THE HEALTH OF VALUABLE PHYSICAL ASSETS, BUT ALSO FOR COLLECTING AND SPENDING SUMS OF MONEY THAT ARE OFTEN SUBSTANTIAL.

More than once, we have had owners approach us about taking over their properties because they feel they are being victimized by their current managers. Although we think of ourselves as realists, it always comes as a shock.

During the interview process that brought me to my current firm, which manages one of the largest retail portfolios in the Northeast, I asked pointed questions about the bidding process. I was happy to learn that all bids are sealed and only opened in the presence of more than one person.

The bidding process was just the tip of the ethical iceberg here: we're known for making firm but fair leasing deals. We're known as a no-nonsense, "no favors" company that insists on the best work and will pay promptly for it. We're known for protecting our clients' money—two signatures are required to move even the smallest amount of money. We practice complete account transparency, with clients able to instantly access all bank account information.

Along the way, I asked if my organization would be interested in applying for AMO® membership; I received a resounding, "Yes!"

It was clear that a culture built on high ethical

standards was in place here at Levin, and there was strong support for keeping it that way. It is also part of every new relationship we enter.

I ask job applicants questions that establish their definitions of acceptable behavior in relation to tenants and suppliers. For instance, often I ask, "Is it ok to accept a free lunch at a tenant's restaurant?" Or, "Can a supplier pick up the check?" Or, "How about taking a discount when buying a product?"

If I like the answers—"No," to all—we run a background check on the applicant and carefully review it.

Before hiring a new supplier, we thoroughly check their references. When working with contractors and vendors, we issue clear bid specifications so we get the full scope of the job priced in the bids. We never tell a supplier a price they must meet to get a job. If there are problems (and there will always be problems), there is no cover up. We identify the problem and the solution, and we fix it. If it was our fault, we pay for it.

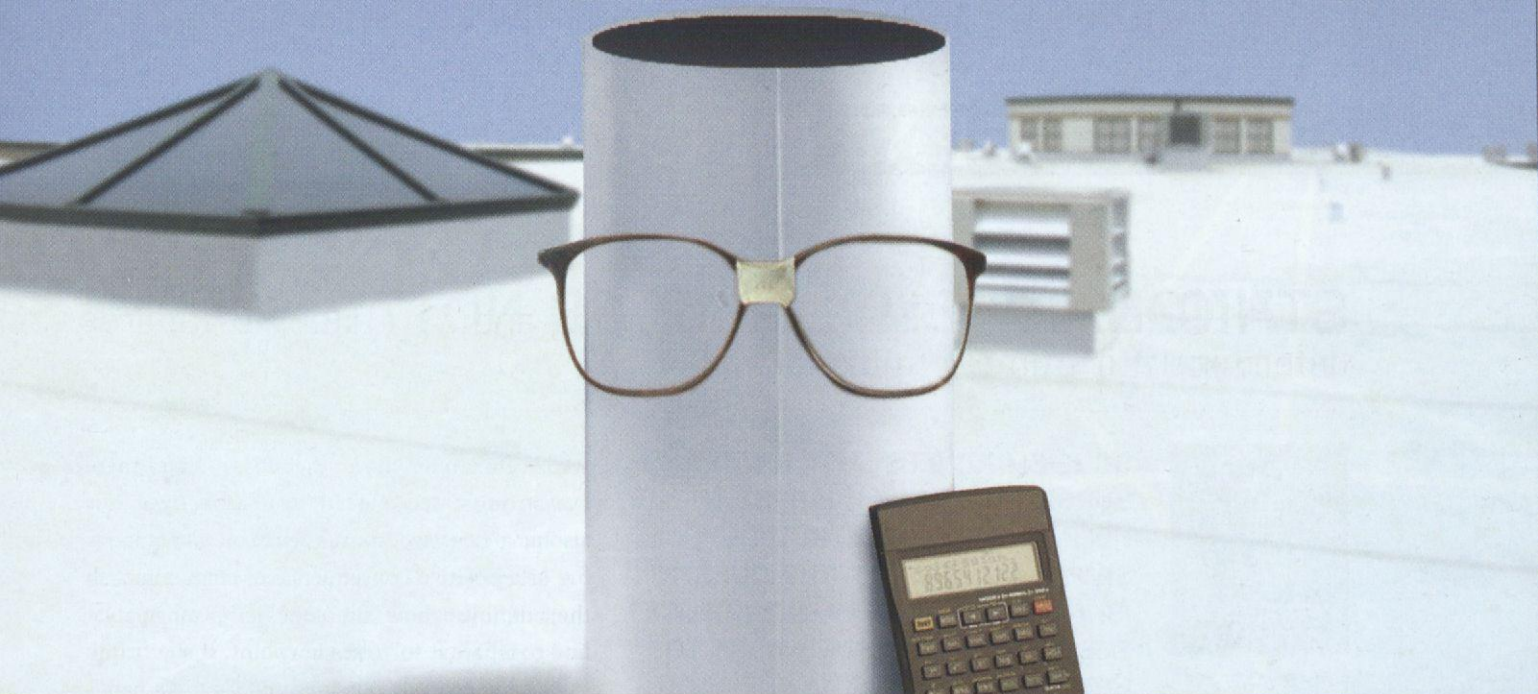
We applied for the AMO accreditation and were proud to receive it.

At our regular departmental meetings, we actively discuss the organization's standards, and our belief in them. Every one of us knows our company believes in treating tenants, clients and each other fairly, responsibly and professionally at all times. We all know the right thing to do in any situation. And it really makes it a pleasure to come to work here every day. ■



TO VIEW THE IREM ETHICS PAGE VISIT

WWW.IREM.ORG/ETHICS



Planning for a new roof? Do the math.

Too often when business owners install a new roof, they're also installing extra costs – expenses they'll be paying off for years, even decades, to come.

**Here's a simple comparison: two owners, two identical buildings.
Which is the smarter investment?**

	Other Roof	Duro-Last® Roof
Roof Product Cost	\$70,000	\$88,000
+ Installation (labor + overhead)	\$60,000	\$45,000
+ Tear-Off and Disposal Costs	\$12,500	\$0
+ Estimated Maintenance Costs (over 20 yrs.)	\$5,000	\$1,500
+ Estimated Repair Costs (over 20 yrs.)	\$7,750	\$0
+ Estimated Energy Savings (over 20 yrs.)	\$0	(\$84,000)
= Estimated Life-Cycle Costs	\$155,250	\$50,500

This chart is an example only.

The Duro-Last® roofing system is a highly-reflective reinforced thermoplastic single-ply membrane that is perfect for commercial and industrial buildings with flat or low-sloped roofs. Each Duro-Last roof is prefabricated to your building specifications in our controlled factory environment, including all accessories. The results? Duro-Last is the best long-term investment you can make in your building.



To learn more, request our free brochure. Call us or visit our website:
www.duro-last.com/value



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STATIONARY EMPLOYEE OR NOT? How to determine if it's time to move along



NATALIE D. BRECHER, CPM® (NBRECHER@BRECHERASSOCIATES.COM) IS A SEASONED AUTHORITY WHO HELPS ORGANIZATIONS ENHANCE WORKFORCE PERFORMANCE AND MANAGERS DEVELOP AND IMPROVE LEADERSHIP SKILLS. SHE PROVIDES CONSULTING, COACHING, TRAINING AND KEYNOTES TO FORTIFY POSITIVE, LASTING CHANGE.

SOME EMPLOYEES JUST WON'T BUDGE. YOU TRY YOUR BEST TO HELP THEM IMPROVE, BUT THEY SIMPLY WON'T MOVE. THE QUESTION IS: ARE THEY PERMANENTLY STUCK? THE BEST SUPERVISORS WANT TO ENSURE EMPLOYEES HAVE EVERY OPPORTUNITY TO IMPROVE BEFORE MOVING THEM ALONG. BUT HOW CAN YOU BE SURE?

Take some comfort that there is no precise moment to know when it's time to let a poor performer go. Some managers will jump to let someone go before he or she has a chance to improve; some will exhaust every probable (and improbable) action to try to bring the person up to par; and others will leave a nonperformer in place for so long that the virus spreads to other employees. Reflecting on these six questions will help you decide:

1. Have I been clear in my expectations, standards and measurements (ESMs™) so the employee knows exactly what good performance is and how it is measured? It is important to verify understanding by hearing the employee confirm this instead of assuming comprehension.

2. Has the employee performed well before? If so, then he *can* do the work. He has the knowledge, skills and abilities; however, something has stopped him from wanting—or being able—to do it now. It could be a motivation issue (internal or external), or a system or tool may have changed to impede his work. If the work has *not* been performed well before, training may be needed.

3. Does the employee agree she is not doing

well? One must have the desire to change. People must see a need to change by either seeing a negative consequence of not changing or a positive consequence of changing. Ask the employee how she sees her performance and compare it to your viewpoint. If she firmly thinks her work is outstanding, then it's probably time to say goodbye.

4. Do the employee's talents and interests fit the job? Perhaps the real problem is improper placement. For example, you may have an unmotivated accountant because he took accounting in school just so his job would pay the bills; however, his innate talents and interests are in filmmaking. When performance is an issue, it may be due to internal motivation pulling the employee in another direction.

5. What does someone else think? Having another opinion about the employee from a qualified outsider can help put a different spin on the situation. Gather your coach or advisory group and analyze the conditions before you make your decision. Be open to suggestions on how you could have been, and can be, a better boss.

6. Is termination legal? In assessing the legality of termination, ask yourself if you gave the employee the necessary support, resources and time to correct poor performance and whether you are applying expectations, standards and consequences uniformly among all staff. Finally, be sure you put the justification in writing.

It's never easy to terminate someone's employment, and there may be shades of gray in some situations. However, using these questions to help guide you can make it better for all concerned. ■

Experience It!

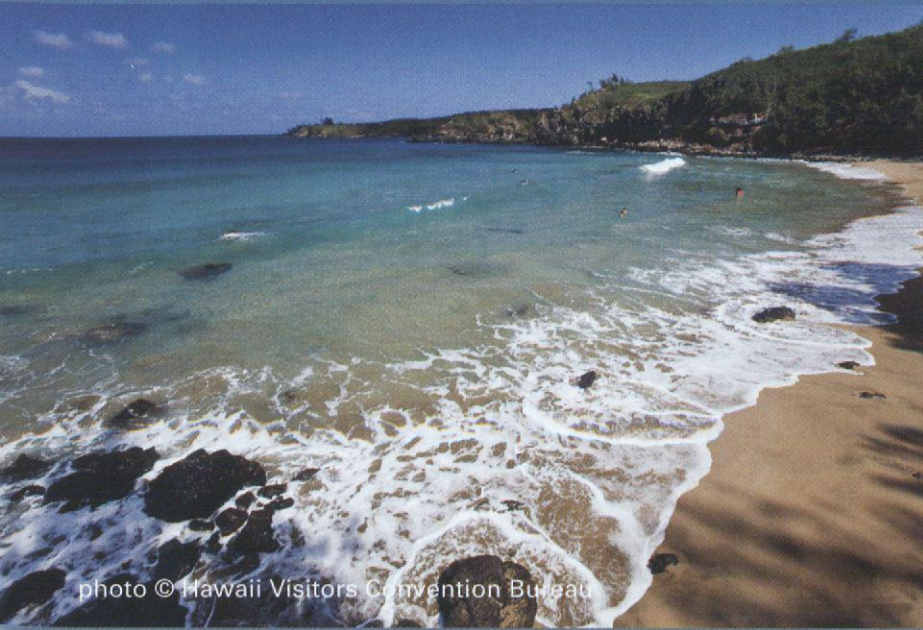


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2009

October 16 – 17, 2009
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Honolulu, Hawaii

CCIM & IREM Success Series

“Are you ahead of the curve? We all know that real estate is a constantly changing industry. Success Series 2009 will give you a 360° perspective on the new economy and how it affects you and commercial real estate. Take advantage of it!”



Mike Paeske, CCIM, CPM®

CFI

San Diego, CA

The Current Success Series 2009 Registration Fee is \$675; However, If You Stay at the Hilton Hawaiian Village, the Headquarters Hotel, You'll Pay Only \$575.



Visit www.CCIMIREMSuccessSeries.com to Make Your Plans Now!



TASKMASTER OR TEACHER? The type of supervisor you choose to be makes a difference



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CPM, IS A REAL ESTATE BROKER
AND SENIOR PROPERTY MAN-
AGER FOR ELLIOTT ASSOCIATES, INC.
IN PORTLAND, ORE.

SOME SUPERVISORS MAKE A POSITIVE IMPRESSION ON THEIR EMPLOYEES' LIVES, WHILE OTHERS MAKE LIFE MORE DIFFICULT FOR THEIR SUBORDINATES. IF YOU'D LIKE TO HAVE QUALIFIED, HARD-WORKING, CAREER-ORIENTED INDIVIDUALS TAKE YOUR PLACE WHEN YOU RETIRE, IT'S WORTHWHILE TO BE A POSITIVE SUPERVISOR BY CHOOSING TO BE AN EFFECTIVE TEACHER.

As a supervisor, one of your many responsibilities is to "raise" your assistants to take over your job someday. It's your duty to see they are trained properly and have the courage to persevere and excel. *How* you go about shaping their careers is just as important as your methodology.

First, decide if your assistants are worthy of your time and effort. Affirm their worthiness by looking for the following characteristics:

Commitment: There's no sense in trying if they're not interested or committed for the long haul.

Aptitude: If they are not capable of understanding the basic premise of property management, move on.

Ambition: They must want to be great, and serve their clients with excellence!

Determination: If they fall off the horse, you want them to get right back on. It's a learning opportunity.

Passion: Are they excited about real estate? Once you have deserving students, only *you* can foster their success. So, taskmaster or teacher... which will you be?

One of my past colleagues was definitely a taskmaster. I felt ashamed at the way she held back a very talented "student." This student was assigned only very minimal tasks (filing, etc.) and quickly became bored.

I decided right then that I'd be a *teacher*—a mentor and a guide who would encourage and build up individuals who have the desire to succeed. As a former assistant myself, I know that it is extremely difficult to advance in the industry without someone being willing to give you an opportunity.

When mentoring, you must show trust in your students' abilities. Teach them the daily complexities of the business, but also allow them to take control. For example, when a tenant has a question, I expect my assistants to look at the lease and determine how to respond. Then we discuss the proper course of action together. Fairly often, they are already on the right track because they did the research, came to an educated conclusion and drafted a recommendation. *That* is how they learn. It's extremely rewarding to see their faces when they get it right. It gives them such confidence!

The benefits of choosing to be a teacher are twofold. First, you are molding capable individuals who can take over for you one day. Second, you are making a positive difference in the lives of the people around you. We need more students of property management. We need more success stories, and you can help. Choose to be a teacher. ■

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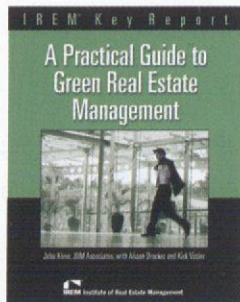
IREM Institute of Real Estate Management

COMMUNICATE TO EDUCATE Make sure the men, women & children in your buildings are included in sustainability efforts



JOHN KLEIN (JKLEIN@JDMGMT.COM) IS THE PRINCIPAL OF JDM ASSOCIATES. HE CO-AUTHORED THE NEW IREM KEY REPORT, *A PRACTICAL GUIDE TO GREEN REAL ESTATE MANAGEMENT* WITH JDM'S ALISON DRUCKER AND KIRK VIZZIER.

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THROUGHOUT THE LAST SEVERAL ISSUES OF *JPM*, WE'VE DISCUSSED THERMOSTATS, LIGHTING SYSTEMS AND PLUG LOADS IN RELATION TO REDUCING ENERGY USE AND COSTS. NOW LET'S TALK ABOUT THE BIGGEST USERS OF ENERGY IN BUILDINGS: PEOPLE.

At any given moment, energy, water and resources are being wasted: Lights are on when people go to lunch or space heaters are used while the building air conditioning is running, to name a few. Avoid undermining your sustainability efforts by raising tenants' awareness so that their day-to-day activities complement your green efforts (even if they are independently paying for energy).

This is not costly or time-consuming. There are simple ways to promote sustainability while respecting occupants' rights and needs. Ideally, you should provide information that can be applied both in the workplace and at home. As their environmental consciousness is raised, tenant employees may share these practices with family and friends.

In your buildings, let tenants know you are proactive about sustainability by discussing your current initiatives and long-term goals. If you have ENERGY STAR or LEED certifications, display and promote them. Also speak to financial motivations, explaining how energy and water efficiency, and lower waste production, can reduce costs. Reference the ENERGY STAR Web site (www.energystar.gov), which has calculators to determine the financial savings associated with energy-efficient office equipment. Finally, foster the belief that softening one's impact on the environment is just the right thing to do.

Once tenants are on board, coordinate with

tenant representatives, office managers and enthusiastic individuals to create a plan. Find and develop champions—suggest that tenants designate a different employee each week or month to be the office "Energy Czar" who will ensure that equipment and lights are turned off at night.

Consider establishing a schedule of e-newsletters to distribute to tenants, each discussing a different aspect of sustainability. Mention how in warmer months, tenants can reduce cooling costs by closing window shades, and in colder months, reduce heating costs by keeping shades open.

Display signs in high-traffic areas like break or copier rooms, reminding employees of basic energy-saving behaviors such as shutting off computer monitors when they leave their desks. If you have motion sensors or other energy-saving devices, explain what they do and show tenants the difference between energy efficiency and the old standard.

Make it fun! Create contests and competitions with social events or gift certificates as a reward for tenants' efforts. Challenge tenant companies to have as many employees as possible sign the ENERGY STAR Pledge, which commits individuals to take small actions to conserve energy.

Hold special events to further engage tenants in sustainability efforts. Invite green vendors to participate in an educational lobby fair or lunch-and-learn. Invite tenant office managers, executives or other interested individuals to come learn about building-wide initiatives and consider applying the same principles within their spaces and at home.

Try these and other strategies to help lessen the impact that men, women and children have on the environment, and to complement your sustainability program. ■

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IREM Institute of Real Estate Management

CONSTRUCTION PAYMENT AND PERFORMANCE BONDS Myths and reality



DAVID K. TAYLOR IS A PARTNER IN THE NASHVILLE, TENN. OFFICE OF BRADLEY ARANT BOULT CUMMINGS, PLC, AND HAS A NATIONAL CONSTRUCTION LAW PRACTICE. DAVID CAN BE REACHED AT DTAYLOR@BRADLEYARANTBOULTCUMMINGS.COM OR 615.252.2396.

THE USE OF PAYMENT AND PERFORMANCE BONDS ON PRIVATE COMMERCIAL CONSTRUCTION PROJECTS IS WIDESPREAD BUT LARGELY MISUNDERSTOOD BY MOST REAL ESTATE PROFESSIONALS WHO COORDINATE CONSTRUCTION FOR THEIR CLIENTS AND EMPLOYEES.

Owners pay for these bonds; they are passed through on a contractor's bid, and whether the bonds are "required" is discretionary. In most instances, this decision depends in large part on two factors: (1) the size and "economics" of the deal; and (2) the owner's faith and confidence in the financial stability of the contractor.

Under most state laws, unpaid contractors, subcontractors and suppliers have the right to file mechanics' liens against the real property, placing the owner in default to the lender. There are many horror stories where owners have not required bonds and paid a contractor hundreds of thousands of dollars. The contractor abandons the project, files for bankruptcy and does not pay subcontractors/suppliers. Liens are then filed and, ultimately, the owner ends up paying *twice*. While "legally" the contractor should reimburse the owner, collecting money from the contractor is next to impossible if they have filed for bankruptcy or simply shut down the business.

Below are some common myths and realities associated with payment and performance bonds:

1. Myth: Obtaining both a payment and performance bond costs double.

Reality: It costs the same amount of money to obtain a payment bond as it does to obtain a performance bond.

2. Myth: Premiums are the same for every contractor.

Reality: Every surety has discounted/preferred rates for its most credit-worthy contractors, and premiums can vary wildly. Owners need to ask tough questions about the contractor's bond costs when bids are received.

3. Myth: Bonds are "guarantees" that a project will be completed on time, within budget and without any deficiencies. If anything goes wrong, the surety will respond in the gracious style of a "mythical insurance claim adjuster" who comes rushing to the scene of a disaster with payment in hand.

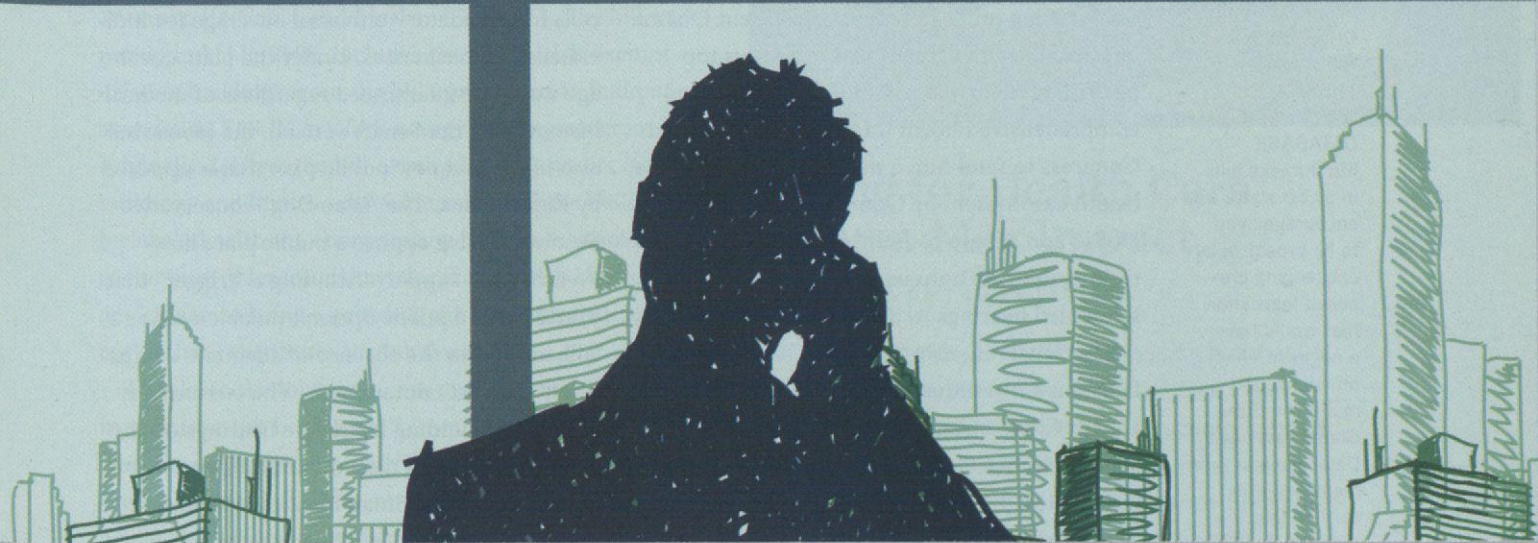
Reality: Bonds are *not* insurance. Frequently the surety is neither seen nor heard until the disaster has occurred. Forms have to be filled out, and if the owner fails to give timely and adequate notice, the surety will deny the claim on technical grounds. If a claim is disputed, the contractor will instruct the surety not to pay the claim or perform any additional work.

4. Myth: Bonds avoid/prevent mechanics' liens claims.

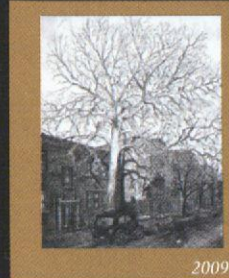
Reality: Bonds do not prevent the filing of mechanics' liens, but they do give a claimant another legal avenue for collection.

The decision as to whether a commercial developer/owner should ask for and require payment or performance bonds should be carefully examined. Certainly, if a contractor reports that he cannot obtain a bond, it is a good sign that he may not be financially viable. That, in and of itself, should raise serious concerns for any owner, especially on a large, complex project. ■

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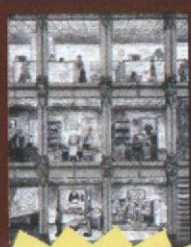
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CONGRESS MOVES FORWARD ON HEALTH CARE REFORM

STAY INFORMED ON CURRENT ISSUES WITH THE STATE LEGISLATIVE DATABASE

IREM tracks bills in all 50 states and encourages you to be proactive by challenging proposed legislation that would have a negative effect on your business. The IREM State Legislative Database is a members-only service that provides comprehensive reporting on proposed legislation. The State Legislative Database allows you to easily search for legislation by state and/or topic. In addition, you will have access to information about the bill including the legislative history, bill text and committee reports. To access the database, go to www.irem.org. Scan over the "Public Policy" icon on the tool bar, and then scroll down and click on "State Legislative Database."

Since taking office in January, President Obama has made health care reform one of his top priorities. Obama is committed to passing comprehensive reform this year and has asked Congress to send him a massive overhaul of the health care system by October. Recently, the House and Senate committees with jurisdiction over health care announced their plans and scheduled hearings to discuss the legislation.

The Senate Health, Education, Labor and Pensions Committee issued the "Affordable Health Choices Act" on June 9, 2009. The Senate Finance Committee, which also has jurisdiction over health care, has not released a draft proposal at this time, although it has held several hearings to discuss health care delivery system reform, coverage and financing options. Both committees agree on the need to promote disease prevention and quality of care.

Additionally, the Senate proposals would set up an "insurance exchange" in which individuals and small businesses could shop for medical plans and compare benefits and prices. In general, these proposals have bipartisan support. However, Democrats support the creation of a new government-run insurance plan. Republicans oppose a public plan, saying that it would drive private insurers out of business and lead to a government-run health care system.

Meanwhile, three House committees are working together on health care reform legislation. The House Ways and Means, Energy and Commerce, and Education and Labor committees issued their discussion draft for health care reform on June 23, 2009. The proposal

calls for mandatory universal coverage for individuals and businesses. Under the plan, coverage would be guaranteed regardless of medical history. Like the Senate version, the House bill also includes a new public plan that is opposed by Republicans. The "Blue Dog" conservative Democrats also oppose a public plan; however, they do support including a "trigger" that would make a public option available only as a fallback and in the absence of adequate competition and cost containment. The committees have begun holding legislative hearings on the health care reform discussion draft.

In addition, the Small Business Health Options Program (SHOP) legislation has been introduced to address the number one problem for many small businesses and self-employed individuals: the high cost of providing health care coverage. H.R. 2360 by Representatives Ron Kind (D-Wis.) and Jim Gerlach (R-Penn.) and S. 979 by Senators Dick Durbin (D-Ill.), Olympia Snowe (R-Maine) and Blanche Lincoln (D-Ark.) would make health insurance more available and affordable by:

- Allowing small businesses and the self-employed to band together across state lines and spread the risk over a large number of participants in order to obtain lower premiums.
- Providing tax credits for small business owners and the self-employed to offset contributions to employee premiums.
- Banning health status ratings in order to protect small businesses and the self-employed from large rate increases simply because one employee gets sick.



FOR MORE ABOUT HEALTH CARE REFORM VISIT

WWW.HEALTHCAREFORM.GOV

HOUSE PASSES ENERGY BILL

The U.S. House of Representatives approved H.R. 2454, the American Clean Energy and Security Act by Reps. Waxman (D-Calif.) and Markey (D-Mass.). The bill, renumbered H.R. 2998, includes provisions that exempt existing buildings from the bill's provisions to build upon an existing ENERGY STAR energy labeling program. As originally drafted, the bill required energy audits for all buildings and homes, and required that these buildings be labeled, with the energy rating label to be disclosed at the time of lease and/or sale. The bill also allowed any citizen to bring a private right of action against any entity that contributes to global warming.

Thanks to the lobbying work of IREM and CCIM members at the Legislative Summit in April this year, working in partnership with NAR®, the bill that passed the House is much different than the original proposal. This bill does not require audits—except for buildings voluntarily participating in an energy-efficient program; limits labeling to new construction only; removes the private right of action; and prohibits the EPA from implementing a greenhouse gas emissions regulation that would regulate greenhouse gas emissions from commercial and multifamily properties. In addition, the bill provides property owners with significant financial incentives, matching grants and tools to make property improvements and reduce their energy bills.

IREM and NAR will continue to work on this legislation as it moves through the Senate to ensure the real estate provisions remain favorable to our industry.



Paying for Health Care Reform May Impact Property Owners

As Congress proceeds with the sweeping overhaul of the health care system, they must also face the challenge of how to pay for reform. NAR recently reported on one option that would affect the so-called casual investor in real estate. The Senate Finance Committee released a discussion draft paper that lays out a series of options to pay for health care reforms, including an option to require information reporting to the IRS of any payment of \$600 or more made by any rental property owner to service providers—plumbers, bookkeepers, etc. The reporting is intended to provide the IRS with more extensive data for auditing both owners and service providers. Similar rules that apply to “full-time” property owners have been in place for at least 20 years. Currently, this option is only a point of discussion, rather than a formal proposal.

MANY STATES FACING MAJOR BUDGET SHORTFALLS

Rising unemployment, dropping income tax revenue, the ongoing foreclosure debacle and a deep crisis in consumer spending leave states facing the worst financial crisis in more than 50 years. According to the National Council on State Legislatures, states are facing an estimated budget gap of \$121 billion for fiscal year (FY) 2010. Meanwhile, the National

Governors' Association reports that states will face a cumulative shortfall of \$230 billion through FY 2011. The same report estimates that FY 2009 tax collections of sales, personal income and corporate income are 6.1 percent lower than FY 2008 collections. Additionally, FY 2009 revenues are below expectations in 38 states, are on target in 10 states and are exceeding expectations in

only 2 states. The size of the budget cuts and gaps would likely have been much larger without the passage of the American Recovery and Reinvestment Act (ARRA). *The Wall Street Journal* reports that about \$246 billion of the stimulus funds are already going to the states to support Medicaid, education and transportation programs.

HISTORY IN HOLLYWOOD The Bradbury Building serves as contemporary gem

DIANA MIREL IS A CONTRIBUTING WRITER FOR JPM. SEND QUESTIONS REGARDING THIS ARTICLE TO MARKISAN NASO AT MNASO@IREM.ORG.

The Bradbury Building in Los Angeles serves both as a “movie star” in its own right and a piece of the city’s history. Commissioned by mining millionaire Lewis Bradbury, the building bearing his name was built in 1893 and has functioned as an office building throughout its entire history. The property was—and remains today—an architectural gem recognized both locally and nationally as a National Historic Landmark.

The exterior features an Italian Renaissance-style with brown brick, sandstone and terra cotta details. The interior provides the building’s true “wow” factor, however, with its cast iron details and inventive use of light. Upon entering the building, visitors walk beneath low ceilings and dim lighting before the space opens into a magnificent airy center court flooded with natural light.

Through its 126-year history, the property has evolved into a coveted space with contemporary capabilities.

“We are old on the outside and young on the inside,” said Kasha Bali, property manager with Downtown Properties Holdings. “We brought modern technology to the building over the years.”

In 1992, the building underwent a restoration overseen by its former owner, Ira Yellin. Under the direction of Brenda Levin Associates, some of the updates included a full sprinkler system, fire alarm monitoring, upgraded fire escapes, handicap restrooms, restored wood paneling details and a redesigned lighting system that includes custom-designed wall sconces.

Other modern upgrades to the building through the years have included a new cooling

tower installed in 2005 and access system cards for tenants to enter the building after hours. In contrast to its contemporary features, the Bradbury’s historic charms are still on display, with features such as the last remaining manually operated elevators in Los Angeles.

Yellin was dedicated to preserving the building’s history, and its current owner, Downtown Properties Holdings, shares that dedication.

“We share Yellin’s dedication to the Bradbury and renovating downtown,” said Bali. “His wife is a big fan of historic buildings and believes they will always be attractive to certain market segments. Our ownership shares that vision.”

The dedication to preserving the building’s history and maintaining its original grandeur has made the Bradbury a popular location for film and television shoots. The building’s management team gets frequent inquiries from location scouts interested in capturing the building’s essence on screen. In fact, the building gets so many inquiries for filming that, even without actively soliciting production companies, the building still enjoys a steady revenue stream from filming opportunities.

“The Bradbury Building is the perfect setting to show the unique character of a scene,” said Bali. “It is good for both science fiction and historical sets. I believe the character of the building with its atrium full of light and the iron work are major attractions for film production companies.”

While the Bradbury’s most famous role is in *Blade Runner*, the building has also been featured in hit films such as *D.O.A.*, *Double Indemnity* and *Disclosure*; in music videos for Janet Jackson and Genesis; and most recently



FOR MORE ABOUT THE BRADBURY BUILDING, VISIT

WWW.BRADBURYBUILDING.INFO

on the television show *Pushing Daisies*. All this time in the spotlight has turned the Bradbury into a tourist attraction as well.

"Twenty-five years ago they filmed *Blade Runner* here, and everyone comes to see where it was filmed," said John Goldrick, director of property management. "It is visited by people from all over the world. It is truly amazing. We act more as ambassadors of the building than we do as property management people."

Of course, there is plenty of preparation involved when the Bradbury is transformed into a film set.

"I make sure our tenants are notified of filming," said Bali. "Also, if needed, we schedule an engineer who can assist with the needs for power or lighting. We make sure that the film production company subcontracts our security guards at the time of filming because they are familiar with the building."

While functioning as a tourist attraction and famous filming location, the Bradbury Building's primary role is as an office building. It is the headquarters for the Los Angeles Police Department's Internal Affairs Office, which occupies two and a half floors. It also houses two architecture firms, the State Treasurer's Office and Red Line Tours. In addition, the building houses some retail, such as Subway, Sprint and Ross Cutlery. It is currently 93 percent occupied.

"We have always had [tenants show] high interest in the building, especially from architects because of its unique design," said Bali. "In general, there has been a growing interest in historical buildings recently. The appreciation of past achievements in architecture and design, and being in a different environment than what is offered by contemporary buildings, make historical buildings like the Bradbury attractive. That interest in historical buildings has been continuous, and in today's economy, occupancy above 90 percent is pretty remarkable."

Keeping the Bradbury building in the best shape possible is a top priority for the ownership and management.

"The biggest challenge is maintaining the building in its best condition," said Bali. "We do it not only for the tenants and visitors but for the Los Angeles community and the international community as well. There are people coming to the building from all over the world, so we want to show it at its best." ■

MANY VIDEOS AND FILMS, SUCH AS *BLADERUNNER*, HAVE BEEN FILMED IN THE 126-YEAR OLD BRADBURY BUILDING.



MOVING TOWARD THE "NEW NORMAL" New England and the effects of the recession

DARNELL
LITTLE IS A
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WRITER TO *JPM*.
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MARKISAN NASO
AT [MNASO@IREM.
ORG](mailto:MNASO@IREM.ORG).

When Boston's Hancock Tower, New England's tallest building, went into foreclosure earlier this year and sold at auction for about half its previous purchase price, a chill ran through the area's real estate community.

"The foreclosure of such an iconic building created a perception in New England that commercial real estate had really declined in value," said John Rattigan, a partner in the real estate development group at law firm DLA Piper. "And it's entirely true."

From what Rattigan sees, virtually all real estate development not already underway by 2008 is stalled, not only in Boston, but throughout New England.

"New England states are all behaving in pretty much the same manner," Rattigan said. "The liquidity crisis and the lack of demand for new spaces are both problems that are quite evident."

RECENT DEVELOPMENTS

The current recession has indeed taken its toll on New England. Job growth in the region is predicted to be flat over the next five years, with only New Hampshire (at 0.6 percent) expected to have any positive growth.

Meanwhile, landlords in New England are scrambling to maintain occupancy while tenants demand increasing concessions and lower rates. And lenders remain reluctant to free up credit to get new developments off the ground.

However, several major projects already in the pipeline before the recession hit continue to be developed. CB Richard Ellis, AMO®, lists several real estate projects in New England that have sufficient financing to continue until completion.

In the Boston area, One Marina Park Drive at

Fan Pier and Two Financial Center are on track for completion in 2009. And the Commonwealth of Massachusetts relocated three state agencies, totaling about 138,000 square feet, from South Station to 1000 Washington Street.

In Connecticut, Hartford continues office expansion with one of its largest employers, Travelers, which leased 70,000 square feet at State House Square, One Financial Plaza and Connecticut River Plaza. CB Richard Ellis also reports Virtus Investments' 31,000-square-foot lease at 100 Pearl Street and UBS's 31,000-square-foot expansion at One State Street.

Meanwhile, conversion of a 70,000-square-foot freezer facility in Salem, N.H., to retail use is scheduled for completion before the end of 2009. Also in Salem, a 31,500-square-foot industrial facility at 12 Manor Parkway has been converted into office space.

Renaissance Downtowns, a real estate development firm specializing in downtown revitalization projects, recently signed a development agreement for a project in Nashua, N.H. Renaissance's president and CEO, Donald Monti, said he has similar projects in 16 additional cities throughout the Northeast.

"This is a paradigm-shifting recession," Monti said. "The days of 'you build it and they will come' are over. We feel very strongly that the new business model will be centered on revitalizing our suburban downtowns, and New England is a perfect region to focus these efforts."

DEALS AND STEALS

Although finding new acquisitions in the region can be tough, there is still a lot of activity going on in the real estate market, according to Todd Goldberg, a partner with law firm Bernkopf Goodman LLP.

"It's not that there's no money out there, but you have to know where to look," Goldberg said.

A lot of property owners in the region believe that commercial real estate will continue to fall in value, so they are waiting for prices to hit rock bottom before making any moves, Goldberg said.

"There's a lot of pent-up money on the side because no acquisitions are going on," he said.

But New England's local and regional lenders are still lending, particularly for refinancing deals.

"You see a lot of 'blend and extend' deals where tenants are asking for reductions in fees and property owners are choosing to reduce their rent for a short period of time in exchange for extending the lease terms," Goldberg said.

THE BOTTOM LINE

Not only are lenders trying to get tenants to extend lease terms, they are also trying to avoid taking foreclosed properties into inventory. These two pressing needs on the part of lenders, however, are creating opportunities for experienced property managers able to deal with delicate tenant situations.

"The characteristics people look for in

property managers include not only an ability to keep the books, but also being skilled at dealing with defaults and tenants who want to shrink their terms," said Rattigan of DLA Piper.

According to Rattigan, tenants in this environment will come to property managers saying they need to shrink their leasing terms in order for their business to succeed. A good property manager has to evaluate that claim, see if it is true and deal creatively with the tenant.

There's pain all across the industry as far as property managers are concerned, Rattigan added. There are fewer leasing deals being done today, and because the property manager often gets paid as a percentage of revenue, the high vacancies in the region are hurting the bottom line.

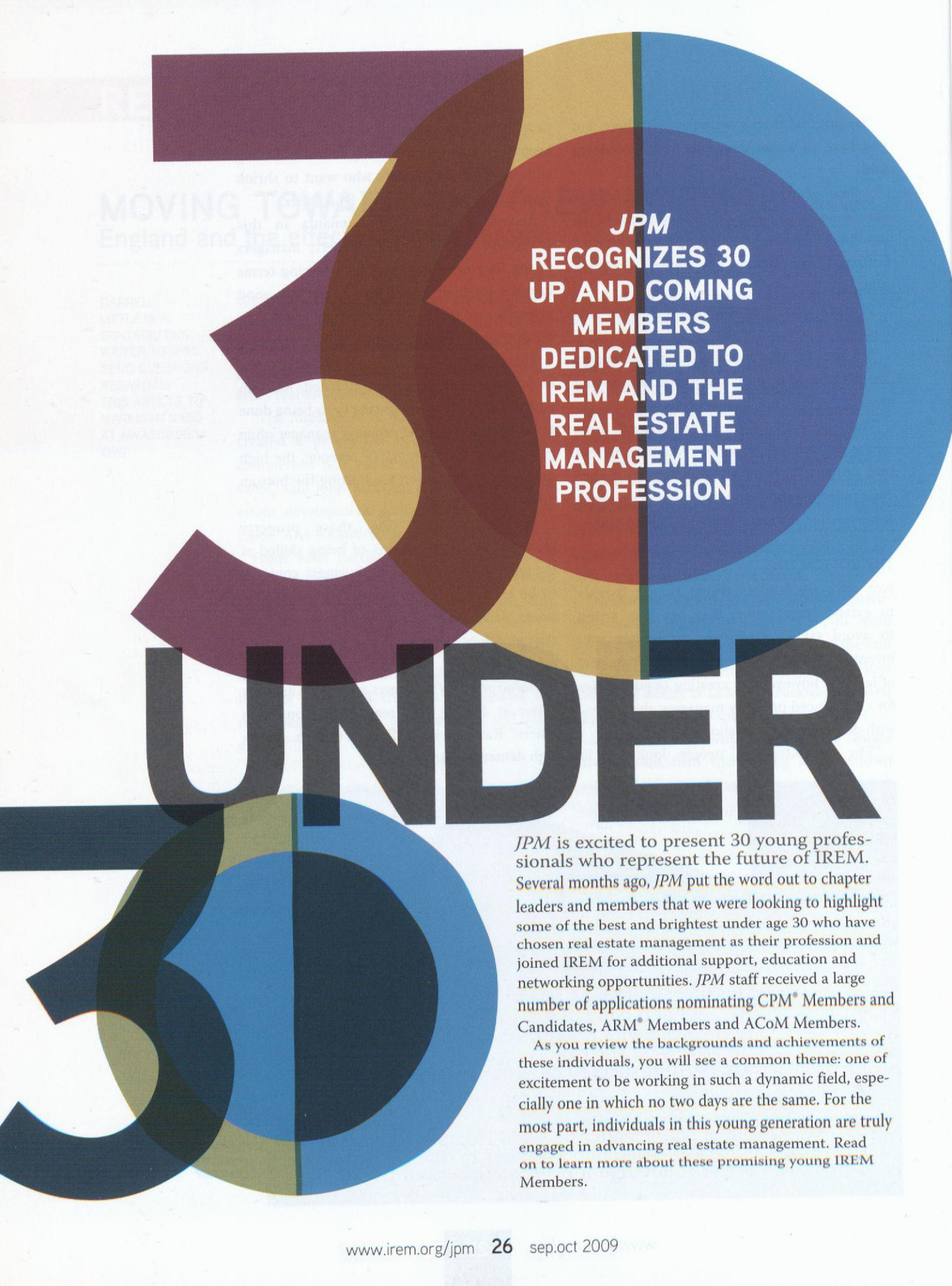
On the positive side, those property managers with reputations of being skilled at the relationship aspect of the business continue to be viewed by property owners as valuable assets, particularly as lease extensions and term renegotiations become the primary focus for many owners.

"Some property managers are viewed as being better at dealing with tenant situations than others," Rattigan said. "Clearly, that's a skill in high demand these days." ■



TWO FINANCIAL CENTER IS A MAJOR PROJECT IN BOSTON, ON TRACK FOR COMPLETION IN 2009.

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**JPM
RECOGNIZES 30
UP AND COMING
MEMBERS
DEDICATED TO
IREM AND THE
REAL ESTATE
MANAGEMENT
PROFESSION**

UNDER 30

JPM is excited to present 30 young professionals who represent the future of IREM. Several months ago, *JPM* put the word out to chapter leaders and members that we were looking to highlight some of the best and brightest under age 30 who have chosen real estate management as their profession and joined IREM for additional support, education and networking opportunities. *JPM* staff received a large number of applications nominating CPM® Members and Candidates, ARM® Members and ACoM Members.

As you review the backgrounds and achievements of these individuals, you will see a common theme: one of excitement to be working in such a dynamic field, especially one in which no two days are the same. For the most part, individuals in this young generation are truly engaged in advancing real estate management. Read on to learn more about these promising young IREM Members.



SPOTLIGHT

Emily Goodman, CPM, ARM :: age 28

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www.corerealtyholdings.com

Emily broke into the property management business at the age of 23. Her first job was running a large apartment complex, but when the management of the complex suddenly changed hands, the new company told her she was too young and inexperienced to continue overseeing it. After a difficult start, Emily turned to IREM to prove to employers that she had the knowledge, skills and ability to be successful in this business despite her age. She obtained her ARM certification and CPM designation and now manages a portfolio of 10 properties and 3,400 units, as well as a staff of 70. She is the president-elect for IREM North Carolina Piedmont

Chapter No. 56 and chairs the Friends of IREM Committee and the IREM Young Professionals committee (which she also founded) for the chapter.

Outside of IREM, Emily is currently a CCIM candidate as well as a member of the National Apartment Association (NAA), NAR and Commercial Real Estate Women. She is also a licensed real estate broker.

"I got involved in IREM because what I lacked in experience I could make up for in knowledge through earning my ARM certification and CPM designations," said Emily. "After just 1 year in IREM I was passionate about the organization."

HERE'S WHAT EMILY'S PEERS HAD TO SAY ABOUT HER:

Emily is a valued leader and contributor in IREM North Carolina Piedmont Chapter No. 56. She is also involved with other organizations in the community including the local CREW and Jaycees. She brings creative ideas and enthusiasm to our IREM meetings and is very well respected by her peers.

—RONALD CAGNO, CPM

Emily is an up-and-coming leader in IREM North Carolina Piedmont Chapter No. 56. Her portfolio has increased in occupancy in these tough times by an average of 8 percent since she took her current position in September (2008).

—BARBARA GILLILAND, IAE FOR IREM CHAPTER NO. 56



Sarah Ruckstuhl, CPM :: age 27

Asset Manager

The Shoptaw Group, Atlanta, Ga.
www.theshoptawgroup.com

Sarah worked her way up in the business the old-fashioned way. She never attended college, but at age 19 she became a leasing consultant. Soon the property management bug bit her, and she worked hard to climb the ladder—from consultant to book keeper to assistant manager to property manager. She credits two mentors—Robin Riecke, CPM, and Lesly Collins—with believing in her and encouraging her to obtain her CPM designation. Sarah was involved in the recent creation and development of the IREM Young Professionals at Georgia Chapter No. 67. Their first IYP event will provide a behind-the-scenes look at a newly developed LEED-certified condominium project in downtown Atlanta.

"It's all about people," said Sarah. "Know what you are good at, but also what someone else is better at. We all have areas of expertise, but successful property management happens when a team of individuals combine their talents for the success of the asset."

Amanda Young, CPM :: age 29

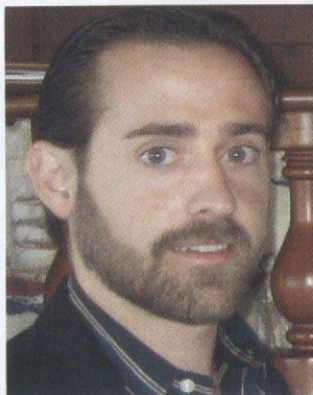
Property Manager

Brandywine Realty Trust, Richmond, Va.
www.brandywinerealty.com

Suzanne Stumpf, CPM and vice president of asset management for Brandywine, may have put it best when she said, "There is something special in Amanda's effervescent personality and the drive to make tenants happy that is a perfect fit for commercial property management."

Amanda joined Brandywine Realty Trust in 2004 as an assistant property manager. In 2008 she completed all of her CPM requirements and was soon promoted to property manager. She now oversees 500,000 square feet of Class AAA office projects. At the same time she has been very active with Richmond Chapter No. 38, where she serves as a board member and committee chair. Amanda is also a founding member of the Innsbrook Go Green Committee and spearheads the implementation of recycling programs for Brandywine's managed buildings in Richmond.

"The thing that I enjoy most about being a property manager is the everyday job diversity," said Amanda. "It's the different challenges and issues we face each day that makes no two days alike and continuously delivers us new experiences."



Adam Geeb, CPM :: age 27

Senior Property Manager

SIMA Management, Santa Barbara, Calif.
www.sima.net

At age 27, Adam has already stacked up some major successes—overseeing a \$5 million remodel of a historic shopping center; effecting cost reductions and improved financial tracking of a multi-million-dollar environmental clean-up; and becoming president of IREM Central Coast Chapter No. 102. But

Adam still counts the experience of starting with no property management experience and training to become the valuable associate he is today as one of his greatest accomplishments. He remembers a time when he had to battle inexperience:

"In the beginning, convincing my superiors and co-workers that I was highly capable despite being young and inexperienced [was a challenge]," said Adam. "The more immersed I was, the quicker I would learn. But I was used to a very fast-paced learning style. This is not the case in the working world, especially at a smaller company where it is more difficult to move between departments. Becoming accustomed to this and finding ways to continue learning outside of work was an obstacle I had to overcome."



Brian Synan, CPM :: age 29

Asset Manager/Broker of Record
Rimco Properties, AMO, Pittsburgh, Penn.
www.rimcoproperties.com

Brian first joined Rimco Properties in the summer of 2000 as an intern. He returned the following summer as a management trainee and the rest is history. Brian is now responsible for the management and completion of new construction, renovations and capital improvement projects. He also oversees the day-to-day operations of Route 286 Mini-Storage and A Storage Inn; organizes Rimco's management systems; evaluates properties and revenue opportunities; and is responsible for information technology at his company.

In 2005, Brian achieved the CPM designation. He also holds a real estate brokers license in Pennsylvania and is currently working on his CCIM designation.

Brian is active in the local community as a member of the Murrysville-Export Rotary Club, the Murrysville Volunteer Fire Company and the Westmoreland County Hazardous Materials Response Team 800.

"I enjoy looking at different properties and analyzing them to see if they strategically fit our portfolio," said Brian. "Having a sound education, especially one that involved the CPM curriculum through IREM, has helped me tremendously in my day-to-day job performance."



Benjamin Underwood, CPM Candidate :: age 25

Senior Property Manager
Bainbridge Mid-Atlantic Management, Arlington, Va.
www.bainbridgecompanies.com

In 2005, Ben began his career in property management as an administrative assistant and he has enjoyed every minute of it. He currently oversees a community of three residential mid-rise apartment buildings consisting of 711 units and is working on a major renovation project of nearly \$16 million dollars. Despite the mammoth rehabilitation, Ben has been able to help maintain resident satisfaction and achieve a 14 percent rent growth this year.

Currently the youngest person on his team of 12, Ben values the knowledge that his coworkers bring to the table and always leads by example. To further his leadership skills, Ben became a CPM Candidate and joined Northern Virginia Chapter No. 77 in 2008 as a member of the programs committee. Ben is also a member of the Property Management Association, where he serves on the events committee.

Ben said, "I enjoy being a property manager because it gives me the opportunity to think on my feet and continually look for opportunities to push performance in an ever changing business environment."

Katie Sherman, CPM :: age 28

Property Manager
Cassidy & Pinkard Colliers, Washington, D.C.
www.cassidypinkard.com



Katie knew property management was the right career path for her after her apartment leasing plan at her first job proved to be extremely effective. She was promoted after only 9 months of employment.

Now at Cassidy & Pinkard Colliers as a property manager, Katie is responsible for the National Association of REALTORS® building in Washington, D.C. As a LEED Accredited Professional, Katie is currently leading a project team to certify the building under LEED Existing Buildings.

In addition to her company responsibilities, Katie is passionate about volunteering. As a CPM, she is currently active in Northern Virginia Chapter No. 77 as a member of the community action committee, which supports charities and community improvement projects. Katie teaches at her local church and she served as a volunteer coordinator for the Marine Corps.

Katie said, "There are many facets to this profession... leadership, management, marketing, customer service, administration, finance, accounting... the list goes on. That is what I enjoy most about property management. Managing my building is like running my own business."



Robyn Click, CPM :: age 28

Real Estate Manager
CB Richard Ellis, AMO®,
Columbus, Ohio
www.cbre.com

Robyn splits her time between managing office buildings and a medical facility—the Farmers New World Life Insurance building and Sawmill Corporate Center, and the Chalmers P. Wylie Veterans Clinic. She also assists in the leasing of the Busch portfolio, a suburban portfolio consisting of 300,000 feet of space. Since joining CB Richard Ellis in 2004, she has earned her CPM designation and deftly applied what she's learned to her daily responsibilities to benefit her clients. Robyn is actively involved in Columbus Chapter No. 42 and is a LEED Accredited Professional helping to lead the property management industry in sustainability.

"The day-to-day challenges that property management brings are what I like most about this career," said Robyn. "There is never a dull moment and every day is different. Every building, client and tenant helps me grow in my position and encourages me to become a better property manager."

Reza Ayel, CPM :: age 28

Commercial Property Manager
ICORR Properties International,
London, Ontario, Canada
www.icorr.com



Reza joined ICORR Properties International in 2004 after obtaining an honors bachelor of commerce degree specializing in real estate from the University of Guelph. He has 8 years of experience in property and asset management, and is currently responsible for the effective management of the commercial portfolio for ICORR. He is also involved with valuations and pro forma analysis at his company, in conjunction with acquisition and disposition initiatives. An active member of IREM, Reza has earned his CPM designation and is a member of the Real Estate Institute of Canada (REIC). He also has developed and taught the property management course offered by the University of Guelph. Reza makes regular appearances as a guest speaker for the degree program.

"The real value in being a property manager lies within the expansive learning opportunities created," said Reza. "In no other profession can one be exposed, all at once, to so many facets of the real estate industry."

Kristin Noble, ARM, CPM Candidate :: age 27

Property Manager
Kettler Management, AMO, McClean, Va.
www.kettler.com

Kristin started her career with Kettler as the first intern in 2002, and has since become one of the company's strongest property managers.



Committed to team development, all team members under her direction have advanced their careers within the company. She also created and manages a bi-level internship program that gears students toward management functions. Kristin sits on the Virginia Polytechnic Institute and State University's Residential Property Management Advisory Board, returning throughout the year to stay engaged with students and their development.

Despite her busy schedule, Kristin oversees holiday food drives, collecting food and gifts for families in need. She has earned her ARM certification and is currently a CPM Candidate. In 2009 she was awarded the National Association of Home Builders' Pillars of the Industry, Property Manager of the Year Award.

"I made a goal for myself at that time to become an IREM Member and further, to become a CPM," said Kristin. "I am proud to say that I recently completed the last CPM course I needed in order to reach that goal!"

SPOTLIGHT

Nicholas Dunlap, CPM :: age 26

Chief Property Supervisor
Dunlap Property Group, AMO, Fullerton, Calif.
www.dunlappropertygroup.com



Three years ago, Nicholas was promoted to property supervisor and chief investment counselor at his current company. At age 26, he is now responsible for supervising all management and maintenance staff servicing approximately 800 units, investor relations, business development and new accounts.

Once promoted, Nicholas was the catalyst for modernizing his company. According to his peers, he implemented the widespread use of computers, e-mail and the Internet, computerized data management, and is currently encouraging a transition to a paperless environment. Nicholas successfully persuaded people at his company to go beyond their comfort zones and learn new skills. And he did it by personally providing support every step of the way.

Nicholas also created a Web site that provides company and property information to current and prospective tenants, as well as investors. It serves as a valuable resource for management and maintenance staff as well. Nicholas encourages conservation and recycling at all properties, and works with the police department to deter crime and to help improve the areas that surround the company's properties. He also writes a company blog at <http://dunlappropertygroup.blogspot.com>.

"As property managers, we have the opportunity to preserve, improve and contribute to the cities, communities and neighborhoods we work in and manage," said Nicholas. "I take great pride in creating and adding value to each and every community we are part of."

HERE'S WHAT NICHOLAS' PEERS HAD TO SAY ABOUT HIM:

The qualities I admire most about Nicolas are his ability to lead, while always treating everyone with kindness and respect. He is a good listener who wholeheartedly makes himself available to all on a 24/7 basis. His supportive attitude, and genuine desire to help everyone on his team succeed, is an inspiration.

—EVELYN MCDONALD, MANAGER FOR DUNLAP REAL ESTATE INVESTMENTS, INC.

Nicholas has much integrity and definitely knows how to get the job done. His communication skills are excellent—he never fails to do what he commits to doing.

—MARY LAPADAT, PROPERTY OWNER

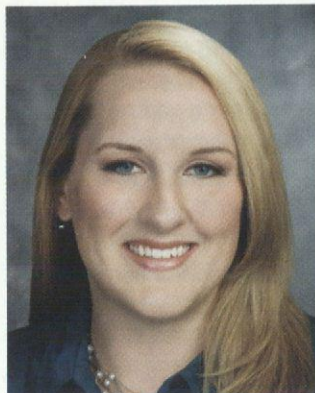


Glen Skutnik, ARM, CPM Candidate
:: age 27

Property Manager
Kettler Management, AMO, McClean, Va.
www.kettler.com

While he was in his last year of college, Glen worked as a leasing consultant. He's since moved his way up the ladder to become a successful property manager in the northern Virginia area. Glen has earned his ARM certification and is currently a CPM Candidate. One of the attributes that sets Glen apart is his certification in heating, ventilation and air conditioning (HVAC) installation and repair, giving him expert knowledge in an important area of property maintenance. Acknowledged by his peers for his well-rounded knowledge in sales, maintenance, customer service and financial analysis, Glen is team player who does everything necessary to improve customer service at a property.

"The most enjoyable part of property management is the continuing opportunity to experience new challenges and overcome them," said Glen. "When you get to the end of a day and reflect on its events, it is nearly impossible that nothing was learned or achieved."



Jennifer Ruelens, ARM :: age 27

Property Manager
Triple Crown Corporation
Mechanicsburg, Penn.
www.triplecrowncorp.com

While youth can often be an obstacle for aspiring property managers, it has not worked against Jennifer. At age 23—just 14 months after entering the industry—she was promoted from leasing agent to property manager at Property Management, Inc. and was entrusted with the operational management responsibilities of a 300-unit residential community. In 2005, she got involved with IREM, earning her ARM certification. At age 26, Jennifer took the reins of 469 luxury residential units in the West Shore residential portfolio for Triple Crown Corporation. That year, her first at Triple Crown, she also won the company's Best on Budget Award by out-performing all other divisions.

Jennifer is currently resolved to pursue and obtain her CPM designation before she turns 30.

"I enjoy being a property manager because it is a job that allows me to explore lots of different disciplines like marketing, accounting, maintenance, finance, etc.," said Jennifer. "The diversity keeps it fun while the residents keep me committed."



Anthony Faircloth, ARM, CPM Candidate :: age 29

Regional Director
Equity Management
Washington, D.C.
www.equitymgmt.com

Described as "energetic" and "full of ideas" by his peers, Anthony is highly regarded at his company as someone dedicated to the property management industry. He started at Equity 3 years ago as a site manager and was quickly promoted. Anthony has taken the time to involve himself in local associations, such as the Property Management Association (PMA), where he currently sits on the board of directors. Since earning his ARM certification, Anthony has been actively involved with IREM, leading the ARM Committee and serving on the executive council for the Greater Metropolitan Washington D.C. Chapter No. 8. He recently arranged an Owners, Developers, Investors and Employers (ODIE) visit with his company—an outreach program targeting individuals who would employ IREM Members.

In 2007, Anthony was named Property Management Professional of the Year by PMA. He is currently working toward his CPM designation and is delighted to be working in the industry.

"I love property management because no day is ever the same and it is always exciting!" said Anthony.



Nicolette Anderson, CPM
:: age 28

Property Manager
JSH Properties, Tukwila, Wash.
www.jshproperties.com

In 2008 Nikki was named CPM Candidate of the Year by Chapter No. 27 after completing her coursework for the designation in 1 year. She has continued her dedication to IREM and the industry by actively leading programs for the chapter. Currently she serves as an executive board member, and she oversees the luncheon program, professional partner program and the IREM Young Professionals group for the chapter. Her colleagues say Nikki has revitalized these programs with fresh ideas and follow-through, and they would not be surprised if she becomes chapter president in a few short years.

Nikki is a successful property manager for JSH Properties, Inc. She oversees the management of over 3.5 million square feet of office and industrial real estate assets in the Puget Sound area. Nikki also holds a Washington State real estate license.

Nikki said, "IREM has been an indispensable part of my professional growth and development through education and networking opportunities."



Jacqueline McClain, CPM
Candidate :: age 26

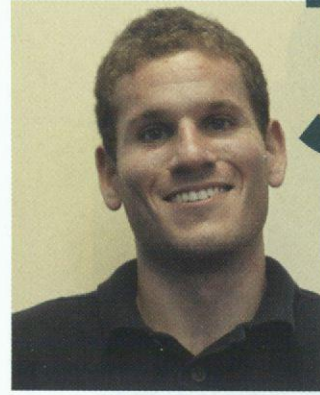
Real Estate Manager
Midtown Centre Office Park
Jacksonville, Fla.
www.midtowncentre.com

Juggling time between work and family can be a challenge—especially when you have a 19-month-old. Fortunately, Jackie McClain has managed to find a good balance while building on her property management success.

A real estate manager for Midtown Centre, Jackie oversees the operation of Midtown Centre Office Park. She also is the executive director of the board for Midtown Centre Foundation, a non-profit 501(c)3 entity. Jackie coordinates the annual "Family Art Fest & Salute to the Troops," an event held at the office park to promote the arts and the military.

Jackie is a licensed real estate associate, a CPM Candidate, a member of the North East Florida Chapter of NAIOP and part of the Jacksonville, Fla. chapter of CREW.

"I enjoy the dynamic duties of being a property manager and truly building a strong lasting relationship with the tenants," said Jackie. "It is important that our tenants feel they are part of a true business community that could even be looked at like a family."



Bryan Cagan, CPM Candidate
:: age 25

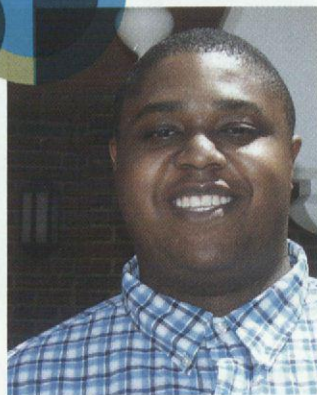
Asset Manager
Cagan Management Group, AMO
Skokie, Ill.
www.cagan.com

Bryan is entering his 7th year with his family-owned Cagan Management Group, where he has made an indelible impression on the firm. His first position was managing a diversified residential portfolio in Chicago. As Bryan developed his skills and knowledge base for residential property management, he started taking on more duties and responsibilities in the firm. Today, Bryan is an asset manager at Cagan, focused on growing the company and raising the level of expectations industry-wide. He currently oversees 1,500 units in Cagan's new expansion to Houston, Texas.

Along with being a CPM Candidate, Bryan has earned his Certified Manager of Community Associations (CMCA) designation from the National Board of Certification for Community Association Managers. Bryan is also a teaching assistant and tutor for the real estate department at his alumni college, DePaul University.

"I enjoy the critical thinking, problem solving and various challenges that we encounter in the property management field on a daily basis," said Bryan.





**Anthony Barker II, ARM,
CPM Candidate :: 28**

Community Administrator
Volunteers of America—Michigan,
AMO, Southfield, Mich.
www.voami.org

Anthony's first exposure to property management came at the age of 12 when he took service requests over the phone for the Wayne State University housing office, where his father was the director. Now, 16 years later, Anthony is a successful property manager for Volunteers of America—Michigan, where he handles a lot more than phone calls.

One of his most recent accomplishments was turning around a vacancy-riddled, 24-unit tax-credit property with maintenance issues. Anthony worked with a seasoned maintenance professional to fix the problems and was able to bring the occupancy level to 100 percent.

Anthony is active with Michigan Chapter No. 5, attending meetings, mixers and major events throughout the year. Having already earned his ARM certification, Anthony is currently working toward his CPM designation.

"I have the opportunity to directly influence residence lives in a positive way every day," said Anthony. "My membership and participation in my local IREM chapter events and education has deepened my commitment. I'm just hooked!"



**Nicole Blanton, Accredited
Commercial Manager (ACoM)
:: age 28**

Property Manager
Colliers Turley Martin Tucker
Indianapolis, Ind.
www.ctmt.com

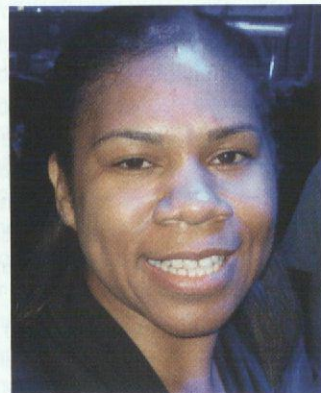
Nicole has quickly demonstrated leadership in the property management profession and for IREM. She has consistently dedicated time and effort to Indianapolis Chapter No. 24, serving as golf committee chair as well as participating as marketing chair for a successful Run for Ronald 5k event. Along with participating in these charity fundraisers, Nicole serves as the chapter's program committee chair. She is also one of the first members of the chapter to achieve the ACCREDITED COMMERCIAL MANAGER (ACoM) designation from IREM.

In her work, Nicole is responsible for approximately 4.2 million square feet of office, medical and industrial properties. Her responsibilities include lease and contract administration, budgeting, financial analysis and reporting, and construction project coordination.

"Property management provides a versatile and exciting career," said Nicole. "You have the opportunity to interact with owners, tenants and contractors on a daily basis and there is certainly never a dull day!"

**Tammara Mencias, CPM Candidate
:: age 28**

Assistant Property Manager
Horizon Management Company
Torrance, Calif.
www.horizonmgmt.com



When Tammara first got involved in property management in 2005, she was very soft-spoken. She admits she didn't feel she was being heard and had difficulty dealing with angry tenants. Resolved to fix this problem, she worked on her communication skills by rehearsing in a mirror until she felt confident. Now, Tammara not only communicates easily and effectively, she's also regularly complimented on this ability.

Tammara currently assists two community association managers with managing townhomes, condos and high-rise associations for Horizon. She's a CPM Candidate, a licensed real estate agent, and is studying to take the exam for her broker's license. Her goal is to become a CPM and to start her own property management company.

"I'm a new member with IREM," said Tammara. "I plan to get involved in committees and discussions that are available to me. I have attended Webinars through IREM and found them to be helpful and very beneficial to my career."



SPOTLIGHT

Bradley Ashley, CPM :: age 29

Senior Real Estate Manager

CB Richard Ellis, AMO, Kansas City, Mo.

www.cbre.com

For Brad Ashley, no two days are ever the same in real estate management. The 29-year-old currently oversees nearly 4 million square feet of industrial and office property for CB Richard Ellis. He joined the firm in 2006 and has focused on maximizing ownership return on investment through proactive expense management. With the guidance of his mentor, Michelle Pitsenberger, CPM, Brad joined IREM to pursue his CPM designation. He also credits her with encouraging him to become involved in his local IREM chapter. Since he earned his CPM designation in 2006, Brad has been actively involved in IREM: He joined the executive board of Kansas City Chapter No. 15 in 2007 and oversees public relations, the IREM Young Professionals (IYP) group

and chapter programs. During his first year on the board, he redesigned the chapter Web site and ran the golf tournament fundraiser. He also spearheaded ARM recruiting.

In his spare time, Brad does volunteer work for the local Habitat for Humanity chapter and has written several articles for *JPM*.

"Real Estate management allows me to work with a broad range of people and use a diverse set of financial and operational skills on a daily basis," said Brad. "No two days are ever the same and each day brings satisfaction of helping owners, tenants, coworkers and vendors."

HERE'S WHAT BRAD'S PEERS HAD TO SAY ABOUT HIM:

Brad is one of our top performers. During the past years he has referred several new employees to the company, written several articles in the *Journal of Property Management* and has served in several leadership roles within the local IREM Chapter. In addition, Brad has recruited several new IREM Members and worked with them on scholarship opportunities. We are extremely proud of him and his leadership.

—ELIZABETH DOERRFELD, CPM, MANAGING DIRECTOR FOR CB RICHARD ELLIS, AMO

Brad has a terrific, positive attitude that is a pleasure to be around. He is knowledgeable of his industry, and his clients' interest always comes first.

—MICHAEL KLAMM, FIRST VICE PRESIDENT, CB RICHARD ELLIS, AMO



**Christina Krummel, CPM
Candidate :: age 29**

Senior Property Manager
Hertz Investment Group Inc.
New Orleans, La.
www.hertzgroup.com

When Hurricane Katrina struck the gulf coast in August 2005, it caused major damage to the New Orleans area, including properties owned and managed by Christina's company. Christina took a leadership role with the Hertz Hurricane Katrina Recovery Team, where she assisted with managing and coordinating the emergency restoration and re-opening of Hertz properties in New Orleans. Christina oversaw Hurricane Katrina repairs and tenant improvement projects related to tenant relocations from damaged areas. She was also directly involved with successfully concluding insurance settlements for damage and business interruption claims related to the storm.

Four years later, Christina continues her work at Hertz, now responsible for the 400 Poydras Tower and Dominion Tower in New Orleans. She is also a team leader in establishing Hertz policies and procedures.

As a CPM Candidate, Christina is active in New Orleans Chapter No. 55, serving on the publicity committee and golf fundraiser committee.

"The reward in property management is operating a building efficiently and effectively and knowing that you are responsible for bringing it all together," said Christina.



**Vincent Hermanns, CPM
Candidate :: age 29**

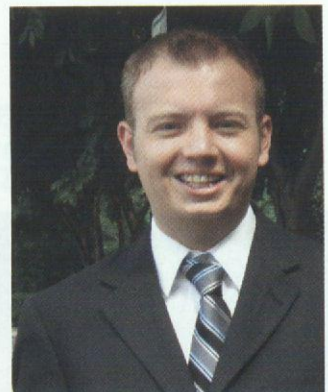
Director of Property Management
Applefield Waxman Commercial
Real Estate,
Palm Beach Gardens, Fla.
www.applefieldwaxman.com

Vinny became director of property management for Applefield Waxman by asking for the job.

He had seen four different directors try to manage the property management division since he started with the company, and all had been unsuccessful. After the last director was fired in 2008, Vinny sat down with the owners and asked for the position. The owners told him he needed to prove himself as a leader to everyone in the company. Over the next year, Vinny worked hard to demonstrate he had what it took. In January of 2009, despite having only 4 years of property management experience, he was promoted to director.

As director, Vinny is responsible for Applefield Waxman's 2 million square feet of space. He is currently a CPM Candidate and attends as many IREM meetings and events as possible. Vinny is a member of both the Business Development Board of Palm Beach County and the Economic Forum of Palm Beach County.

"I enjoy the constant challenges that arise each day; not knowing what tomorrow will bring, and the ability to be versatile and creative in providing solutions," said Vinny.



**James Edmonds, CPM
Candidate :: age 26**

Assistant Community Manager
Matthews Crossing Apartment
Homes/Waterton Residential
Charlotte, N.C.
www.watertonresidential.com

In 2005, James fell into the property management field by helping a friend screen applicants and turn over the units she wanted to sell. Before long, his assistance segued into a career.

James is currently employed by Waterton Residential as assistant community manager. In this position, he stabilized Matthews Crossing Apartment Homes, a residential community in Charlotte, N.C. that was faced with low occupancy, poor rent collections, resident issues and crime. James created monthly rent statements for residents, which led to a 98-percent collection rate. And he eventually helped bring the community's occupancy up from 82 percent to 94 percent.

James joined IREM in 2008 as a CPM Candidate and recently volunteered to chair the IREM Young Professionals Committee in 2010 for Western North Carolina Chapter No. 40.

"I enjoy being a property manager because of the challenges and opportunities it presents," said James. "It is a rewarding career because you help people to find homes, protect their investments, and you can visibly see the results of your work."



Analisa Bellamy, CPM Candidate :: age 29

Property Manager
Portfolio Property Management
Global, Cary, N.C.
www.ppm-global.com

As property manager for PPM-Global, Analisa oversees the daily management operations of Crossroads Corporate Park in Cary, N.C. Under her leadership, Crossroads Corporate Park recently won the Building Owners and Management Association (BOMA) Office Building of the Year award and the property went on to compete at the regional level.

Analisa is a CPM Candidate, regularly attends Greater Raleigh Durham Chapter No. 105 meetings and enjoys IREM networking events. She is also a licensed North Carolina real estate broker and a member of Triangle Commercial Real Estate Women, where she serves on the public relations committee.

"What I enjoy most about the property management industry is that every day I walk into work and I have a tangible reward for the effort of my team," said Analisa. "Whether this is new flowers blooming, tenants thanking me for a quick solution to a maintenance issue, or successfully managing a construction project, every day I get to live in the work I produce."

Michael Fried, CPM Candidate :: age 27

Property Manager
Boston Properties, East Brunswick, N.J.
www.bostonproperties.com



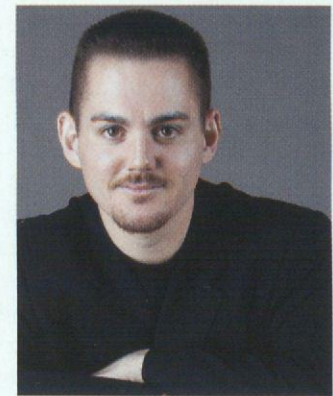
In 2004 Michael received a degree in economics with a concentration in finance, and he also took classes for a New Jersey real estate license. He wanted to combine all his abilities into one profession. After receiving his degree, Michael spent a couple of years managing a small portfolio of residential properties in North Jersey. In 2006 he moved on to the commercial side of property management, and he currently oversees a 24-story office tower in central New Jersey for Boston Properties.

Fried is also energetically involved with IREM. As a CPM Candidate he is on the New Jersey Chapter No. 1 executive board and is in charge of the IREM Young Professionals group.

"I have always felt that property management allows me to realize my full potential," said Michael. "I believe it allowed me to explore and utilize my abilities in finance, real estate and personal interaction."

Victor Rex, CPM Candidate :: age 25

Vice President
Golden Estate Management
Beverly Hills, Calif.
www.gemanage.com



When it comes to personal successes, the birth of Victor's son comes first; but the formation and growth of his company, Golden Estate Management, is pretty high on the list.

When Victor graduated from college in 2006, he began working full time for a commercial real estate consultant and investor, managing a multifamily portfolio of about 300 units in California and Texas. As his portfolio grew and the need for additional personnel arose, Victor decided to start an official third-party property management company as vice president and minority partner, with that same investor as president.

Under Victor's leadership, Golden Estate Management has grown from a small home-based office to a medium-sized business. Golden Estate currently manages over 1,500 units across three states and is quickly growing.

Although running a company and raising a toddler is a lot of responsibility, Victor makes time for IREM educational and networking opportunities. Victor is currently taking courses to achieve the CPM designation.

"IREM brings tremendous value to me both in educational and networking opportunities," said Victor.



SPOTLIGHT

Ryan McGrath, CPM Candidate ::
age 24

Vice President
Asset Plus Companies, Houston, Texas
www.assetpluscorp.com

Ryan was offered his first job as a maintenance assistant just after his 13th birthday at Asset Plus Companies. Ever since then, he's had a passion for real estate and the people in the industry, despite the fact that his very first task was to scrub the inside of an overflowing trash Dumpster.

Ryan always knew he would end up back at Asset Plus someday. After spending some time on Wall Street with Goldman Sachs, he returned to the company in 2007. Like his father before him, Ryan joined Asset Plus as a vice president. His responsibilities include overseeing all daily operations and being the senior member of the new ventures team. After joining Asset Plus, Ryan

earned his real estate salesperson license in a record 8 months, acquired his CCIM designation and has become an active member of Urban Land Institute.

Ryan is currently completing his CPM designation and is taking AMO classes to achieve the accreditation for Asset Plus.

"The thing I enjoy most about being in the property management business is that it is one of the only truly people-based business segments that remains," said Ryan. "It does not get much more personal than dealing with the place that people work and/or live."

HERE'S WHAT RYAN'S PEERS HAD TO SAY ABOUT HIM:

Ryan has applied his financial background, hard working manner and positive attitude to create trusting and honest business relationships with brokers, investors and managers all over the United States. We recognize Ryan for his dedication, hard work and the example he sets for all young professionals.

—LINDA CONN, BUSINESS DEVELOPMENT AT ASSET PLUS

Ryan leads by example, constantly demonstrating his strong work ethic and dedication to every employee in our company. His enthusiasm is infectious to those around him. I have personally learned a tremendous amount from his leadership and I find his optimism inspiring and motivating.

—MEAGHAN GALLACHER, CAMPUS HOUSING AND BUSINESS DEVELOPMENT AT ASSET PLUS



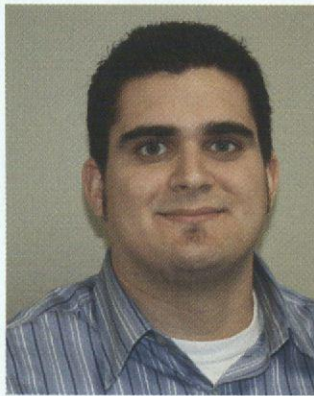
Steven Juhnke, ARM

:: age 22

Assistant Property Manager

Sierra Asset Management
Rancho Cordova, Calif.

www.sierraam.com



At 22, Steven is the youngest of our 30 under 30 group, but he's already made quite an impression on his peers and his company. His mentor at Sierra Asset, Barbara Kelly, CPM, said Steven goes above and beyond his tasks and strives to learn more each day.

The stepson of David Crump, CPM and past president of Sacramento Valley Chapter No. 22, Steven got his start as a leasing agent for Ray Stone Incorporated, where he worked closely with the regional property managers for 5 years to learn the tools of the trade. He also earned his ARM certification and, in 2008, transitioned to commercial property management, joining Sierra Asset as an assistant property manager. Steven is also the lead information technology administrator for his company, thanks to an extensive background in technology. He is currently focused on obtaining a Certified Web Developer designation, earning a real estate license and pursuing the CPM designation.

Steven said, "I enjoy the networking aspect and meeting all the great people in the industry, as well as sharing the success stories and experience."

Candice Thayer, CPM, ARM

:: age 28

Property Manager

Thayer & Associates, AMO, Boston, Mass.

www.thayerassociates.com



After earning her degree in communications in 2002, Candice joined Thayer & Associates as a fourth-generation professional real estate manager. The Thayer family history dates back to 1932, when her great grandfather and one of the country's first CPM Members, Harry A. Gilbert, established The Gilbert Companies, Inc. In 1987, Candice's father, Douglas Gilbert Thayer, CPM, acquired the family-run company and incorporated Thayer & Associates.

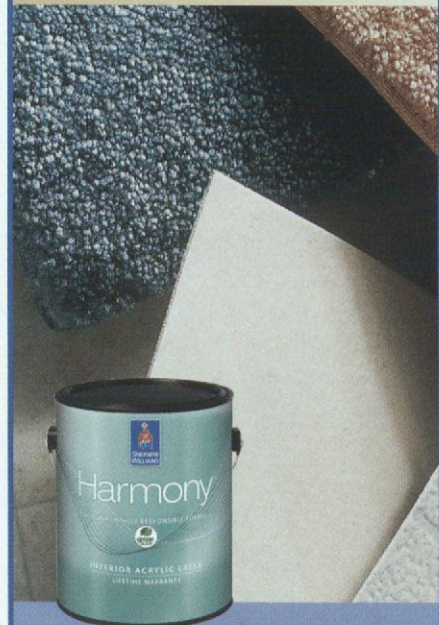
Candice presently manages a portfolio of more than 400 condominium units in the Boston area. In addition to receiving both the CPM designation and ARM certification, Candice served on the 2008 Executive Counselors Committee for the Boston Chapter. She is currently chairing the IREM Public Relations Committee. Candice is also an active member of the Community Associations Institute, New England Chapter. In 2008 Candice was awarded the first Fourth Generation Award through IREM as the first fourth-generation CPM in the institute's history.

"I love the day-to-day challenges real estate management offers," Candice said. "The ability to problem solve and protect our client's most important assets is extremely rewarding!"



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generational DIFFERENCES

turning challenges
into **opportunities** • BY CINDY CLARE, CPM®

Hiring and retaining employees is one of the biggest challenges we face in our industry today. Add in what we now recognize as four generations of employees in today's workforce, and the challenge potentially becomes a recipe for disaster. However, if employers can successfully find ways to bring the best from each of the four different generations, the challenge can be an opportunity for a more efficient, productive and successful company.

Why do we have to work with four generations? We need them! The number of employees over the age of 55 has increased by 30 percent; however, the number of 25- to 54-year-olds has only increased by 1 percent. Simple math will tell you that in a few short years, as people over the age of 55 begin to retire, there may not be enough new employees in the market to replace them. We are going to need people to stay in the work force longer; and we are also going to need to hire and promote the younger generations.

Who are these employees and what are their strengths and weaknesses? Naturally, there are many types of personalities, attributes and challenges among all members of the work force, even within a single generation. But there are also general characteristics within the generational grouping of individuals, and these can be useful for employers and supervisors to be aware of when managing such a dynamic workplace with employees from a wide range of ages and backgrounds.

Many of us have already heard about the four generations currently in the work force. The exact dates and descriptions can vary a bit, but here's a quick review:

- 1 **Traditionalists**—born between 1922 and 1945, their core values are conformity and sacrifice. They are risk averse and resistant to change. They also are patient, loyal and put duty before pleasure. Many in this group have retired, but others are staying in the work force on a part-time basis.
- 2 **Boomers**—born between 1946 and 1963, they make up the largest part of the work force today. Their core values are optimism and personal growth. They are over-achievers, idealists and life-long learners.
- 3 **Xers**—born between 1964 and 1984, they are known for techno-literacy and informality. They have portable careers and value themselves and their needs, rather than the organizations where they work. Members of other generations often misunderstand Xers, who are very independent and do not like rules.
- 4 **Millenials**—born between 1985 and 2003, they are known for sociability and street smarts. They are known for expecting rewards or 'trophies' just for showing up and participating in events. They are multi-taskers, confident

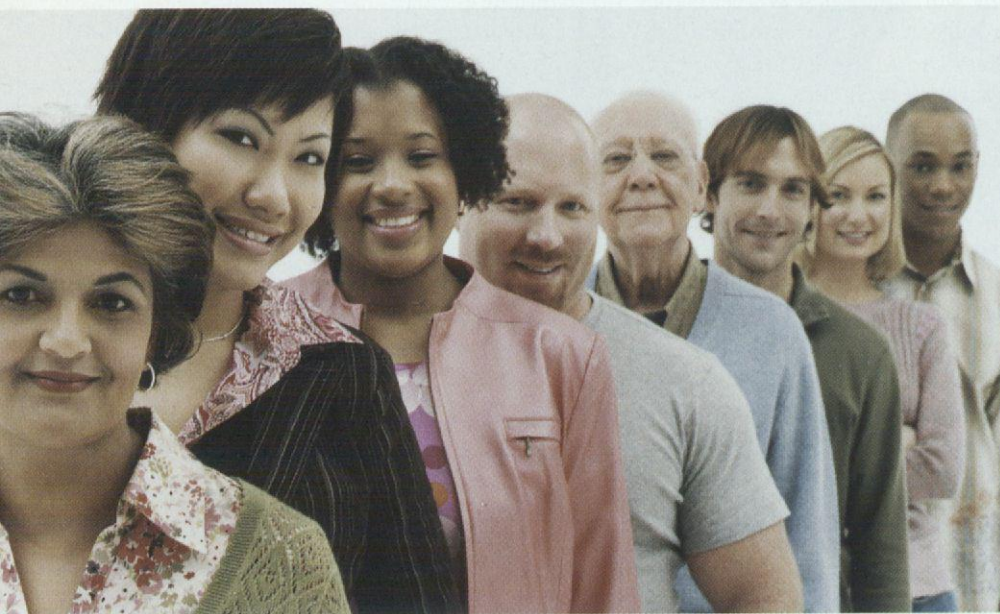
and team-oriented. They are technologically savvy and eager to learn.

Given the differences between these groups, working together can be fraught with minefields. Members of each group may have negative characterizations of the other groups, and employers should be aware of these characterizations in order to help all generations change their misperceptions and better understand their colleagues.

For example, Xers and Millenials tend to think Traditionalists are slow with technology and consequently do not have the patience to teach Traditionalists about various technologies in use. These computer-savvy generations do not understand why it is so difficult for Traditionalists to embrace new tools as a given for today and the future. Meanwhile, Traditionalists often think that Xers and Millenials have no loyalty. The Boomers want Xers and Millenials to "put in their time" like they did and to follow the rules. Finally, Xers and Millenials can tend to think Boomers have no balance in life and need to be less rigid.

The impact of these various generational assumptions can be devastating in the workplace, causing very little to get done and spurring continuous discord. However, if you are able to harness the strengths of all the generations and different personality types, the results can be impressive.

An excellent example of this is the Xer who supervises a Traditionalist and cannot understand why the employee can't learn the new software system "quickly." The Xer views this as an easy task, while the Traditionalist is concerned that he/she will "push the wrong button" and everything will disappear. The Xer needs to understand that computers are still new to this Traditionalist, and the supervisor will need to sit with the employee and walk that employee through how to use the system. Many Traditionalists are afraid of the com-



IF YOU ARE ABLE TO HARNESS THE STRENGTHS OF ALL THE GENERATIONS AND DIFFERENT PERSONALITY TYPES, THE RESULTS CAN BE IMPRESSIVE.

puter until they get comfortable with it. Then watch out! How many of you get a wealth of e-mails from retired parents and grandparents?!

To achieve maximum productivity and cooperation, each generation has to recognize the strengths of the others. But this is a lot easier said than done! As supervisors, we must find a way to achieve this, or we will not succeed. Flexibility is the key to success. We need to recognize that the different generations will approach their work differently and that we can all learn from each other.

For example, the Xers and Millennials are typically very efficient, technologically savvy, project-oriented and will do what it takes to get the job done. However, when the job is complete, they may not be inclined to put in "face time." Make sure to keep them challenged and allow them some flex time, and they will work hard for you. They also like to know that there is a career path and what steps they need to take to further their careers. Without that, they will leave you quickly. Training and mentoring from Traditionalists and Boomers can help Xers and Millennials to understand their value to, and future in, the company.

Boomers and Traditionalists are typically great communicators; and they are generally the current leaders since they have the most experience and expertise in their careers. Now they need to train the next generation so that they can take some well-earned time off! This training includes balancing technology with face-to-face communication, and learning patience with others.

As an example, a Boomer expressed frustration about members of this "younger generation" and their lack of dedication to the job. She couldn't understand why one of her employees seemed to think it was okay to take 2-hour lunches. From the employee's viewpoint, though, he was getting his work done, so he didn't see the need

to stay in his office with nothing to do; therefore, he took a longer lunch. Once he was given more challenging work, the long lunches stopped.

Because Millennials, in particular, and some Xers were raised in a time where they were readily rewarded for simply showing up at events or being on a team, this has translated into members of these two groups occasionally having unrealistic expectations in the workplace. Xers and Millennials may expect, after being with a company for 6 months to 1 year, that they should receive a pay increase and be promoted. Supervisors are advised to harness the ambition of Xers and Millennials with clear goals that will help these young employees achieve promotions.

The workplace and our industry have changed dramatically in the last 10 years, and our employees have changed with them. Ten years ago, we placed an ad in the paper and waited for the resumes to pour in so that we could choose the most qualified candidate. Today, print ads are becoming obsolete and advertising for new employees is done online. Employees have learned to interview the employer. They research companies online and want to know why they should work for you. There is a lot of competition for new employees, particularly in property management.

More changes will occur in the next 10 years. As more Boomers and Traditionalists leave the work force, Xers and Millennials will step into leadership roles. In these leadership positions, they will need to balance the needs of their customers, clients and employees with their need for work/life balance. Technology will continue to play a huge role in our business and will be driven by the Xers and Millennials (e.g., are you on Twitter, LinkedIn, Facebook or all three?).

Ultimately, no matter what "generation" each of us falls within, we must work together to harness our knowledge, experience and expertise to foster the best environment in which we can all thrive in real estate management. Whether we are experiencing great economic times or very trying times, as we are now, we have opportunities to learn from each other and keep our companies growing strong. ■



Cindy Clare, CPM, is president of Kettler Management, AMO®, located in McLean, Va. Kettler manages over 12,000 apartments in the Mid-Atlantic region. Cindy is also a member of IREM's faculty.

SOCIAL MEDIA



YOUNG PROFESSIONALS EFFECT CHANGE IN THE WORKPLACE

- *BY KAREN ALTES*

DRAMATIC CHANGES ARE OCCURRING IN THE U.S. WORKPLACE. ALONG WITH THE CHALLENGES OF A MORPHING ECONOMIC LANDSCAPE, THE COUNTRY IS ALSO FACING A GENERATIONAL SHIFT IN THE WORK FORCE AND IN THE WAY WE USE TECHNOLOGY TO COMMUNICATE.

Generation Y, also known as Gen Y, or the Millennial Generation, consists of people born between 1985 and 2003. This cohort is just beginning to impact the workplace. With numbers that rival the Baby Boomer generation (73.5 million Millennials in the United States, compared to 49.1 million Generation X and 76.7 million Baby Boomers), their social and economic impact will be significant.

Gen Y approaches work and communication much differently from their predecessors, placing a greater emphasis on networking via social media. Social media are primarily Internet and mobile-based tools for sharing and discussing information that place an emphasis on collaboration and user-generated content. Today, both personal and business usage of social media and collaborative Web sites are growing significantly. Facebook, for example, has more than 200 million active users. Twitter has been ranked by the Nielsen Company as the fastest growing social media site, with a monthly growth of 1,382 percent. The total number of updates posted on Twitter is approaching 2.5 billion.

Each change alone is significant, but together they have compounding effects. Younger generations have an understanding and level of comfort with technology that make them more likely to use and participate in social media, both personally and professionally. As the number of workers from Gen Y grows, so too will the use of social media in the workplace.

BUILDING RELATIONSHIPS THROUGH SOCIAL MEDIA
There is a temptation for many companies to limit employees' access to social media sites like Twitter, YouTube

and Facebook, due to concerns about employee productivity. Organizations also fear participating in social media as a business. "How do you control what people say about you?" is a commonly expressed concern.

The marketplace is changing, and with it the very nature of organizations. In a service-oriented economy, *relationships* are what define organizations—relationships between employees, departments, related organizations, customers and suppliers. Social media can provide a mechanism for establishing, maintaining and building these relationships. Your organization's brand is defined by its identity in the marketplace, which is constructed by the interaction between the organization and its consumers.

It is hard for organizations to admit, but the control of your brand and message is, in some ways, already out of your hands. Just because your company has not established a social media presence does not mean your customers are not already talking about you. An organization needs to engage with customers, employees and suppliers where the conversation is taking place, and increasingly that conversation is happening on social media sites. By engaging in the conversation already occurring, you are giving your organization a chance to respond and shape its perception.

Facebook

Facebook (www.facebook.com) is the most popular social networking site. With the introduction of "Fan Pages" specifically for businesses, more and more companies are creating a Facebook presence. Fan Pages not only allow businesses to market themselves, but also provide a space for "fans" of the business to interact with the company and each other.

Linked In

A profession-focused networking site, Linked In (www.linkedin.com) is essentially an online resume. Users



Join IREM's Social Media site! Create your own user file today @ www.iremfirst.org

BY ENGAGING
IN THE
CONVERSATION
ALREADY
OCCURRING,
YOU ARE
GIVING YOUR
ORGANIZATION
A CHANCE TO
RESPOND AND
SHAPE ITS
PERCEPTION.

can create a profile with their career history, connect with colleagues and friends, recommend and get recommendations from coworkers, and join interest groups related to their profession.

Blogs

Creating and maintaining a blog is a way for an organization or an individual to gain visibility in the social media sphere, and develop a reputation as an expert in his or her field. Many easy-to-use blogging platforms exist, including Blogger (www.blogger.com) and WordPress (wordpress.org). Be careful, however—starting a blog is a commitment to post regularly.

Twitter

As the fastest-growing community site, Twitter (www.twitter.com) is increasingly becoming a venue for businesses to market their brand. Twitter has been described as “the world’s largest cocktail party.” Just like a cocktail party, conversations on Twitter may range from the banal to the esoteric, from social niceties, to the beginnings of business deals.

Yelp

Yelp (www.yelp.com) is a site for user reviews and recommendations of local businesses. While Yelp began with a focus on restaurants, shopping and nightlife, more and more service-oriented businesses are showing up in user reviews—including real estate management companies.

Collaborative Tools For companies with off-site employees, collaborative Web- or mobile-based tools allow employees to maintain vital links. Such tools include:

Google Documents :: Google documents (docs.google.com) are Web-based document, spreadsheet and presentation applications that allow multiple people to work on and access the same document simultaneously. There is no software to install; the applications are completely Web-based and only a browser and Internet connection are needed.

Wikis :: Wikis are Web sites that use special software that allows for the creation and editing of hyperlinked Web pages by multiple individuals. Wikis are used to create Web sites, documentation, and for note-taking and other collaborations.

Skype :: Skype (www.skype.com) is a computer program that allows users to make free telephone and video calls to other Skype users. Skype is commonly used internationally to save on the cost of international telephone rates.

Collaboration and communication among employees is

increasingly important. Jason Ewell, teacher assistant in facilities and property management at Brigham Young University in Provo, Utah, uses Google Groups for team projects.

“It is a great way to organize and share information between team members or any other group,” Ewell said. “It allows the user to keep track of conversations between its members.”

YOUNG PROFESSIONALS AND SOCIAL MEDIA

There was a time in the not-too-distant past when companies limited employee access to Internet and e-mail. Now these technological tools are integral to doing our jobs. Similarly, because they are using these tools in high school and college, younger generations expect to be able to use social media tools in the workplace and may someday look back and be unable to imagine getting work done without them.

Gen Y (and to a lesser but still significant extent, Gen X) has grown up in the age of technology. This environment has shaped the way they view the world—including their expectations for the workplace.

They communicate differently than older generations, using social media tools with ease. However, rather than see this as a barrier to communication with other generations, those in Gen Y expect to teach others in the workplace about these tools so everyone can communicate more effectively.

Social media have also taught Gen Y that efficiency is king. Many Internet tools are fast and free, and this generation expects business to operate in ways that are just as efficient.

One of the hallmarks of social media is the focus on collaboration and feedback.

“The biggest benefit of Linked In, Facebook and blogging is connecting with past colleagues to ask questions about difficult projects...



SOCIAL MEDIA AT SUCCESS SERIES 2009!

and seek innovative solutions," said Sam Kelly, facility and property management student at Brigham Young University.

Whether it's posting personal photos on Facebook, composing a blog post on their area of expertise, or participating on a team project at the office, Gen Y expects to have the ability to collaborate with peers and colleagues and to receive instant feedback.

The structure of social media relies on the freedom of individuals to interact without hierarchy, and a person is judged on the quality of their ideas, not their title. As a result, members of Gen Y are the consummate team players, but their respect is earned with results, not based on authority.

PREPARING FOR THE NEXT GENERATION

The key to preparing your workplace for the challenges ahead is to embrace the skills and expectations that Gen Y will bring.

Find and read about other companies that are using social media in their businesses. Ask employees who are already engaged in social media for sources of information. Encourage feedback and suggestions from younger employees about how to use these tools for internal collaboration and communication.

Don't restrict employee access to social media sites. However, do make sure you outline appropriate use of such sites in your company policies and employee handbook. Include guidelines on the personal use of such sites during work hours, when (if ever) employees should speak for the organization, and how to identify themselves as representatives of your company.

Institute cross-mentoring programs that not only allow your young employees to learn from seasoned professionals, but also provide opportunities for younger staff to teach their colleagues about technology.

Here is an advanced look at an education session on social media offered at Success Series 2009 in Honolulu, Hawaii this October! Visit www.CCIMIREMSuccessSeries.com for the full schedule and registration information.

CONNECT WITH SUCCESS: BUILDING YOUR BUSINESS USING WEB 2.0®

With a tremendous variety of social networks in existence today hosting hundreds of millions of users from around the globe, this phenomenon continues to grow exponentially. Social networks will change the very nature of business processes, marketing and product development, and many consumers will use these networks to determine which individuals and companies they choose to do business with. Social networking is becoming a necessary tool for business, and commercial real estate professionals will need to utilize this tool if they are to remain competitive.

Focusing on a variety of social networks used by consumers and business professionals, in this session you will learn:

- What social networks are, what they do and reasons to join
- Why you should consider belonging to more than one
- Do's and don'ts of social networking
- What social networks can do for your business
- Proper care and feeding of your social network
- Making money using social networks

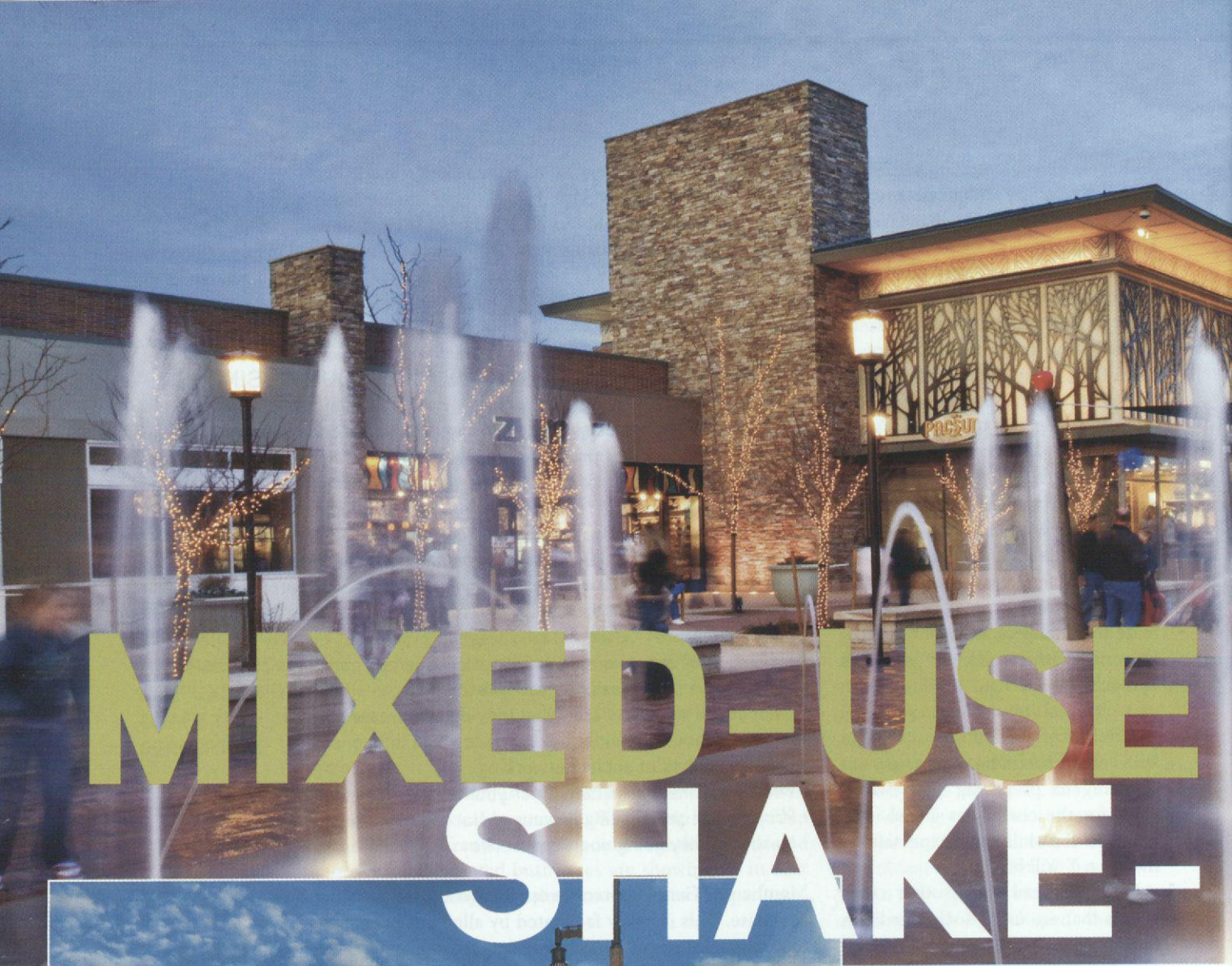
Members of Gen Y appreciate opportunities to share their expertise. This is easily facilitated by allowing employees to conduct presentations, brown-bag lunches and other sessions for their fellow staff.

Encourage your managers to develop their employees personally and professionally. Make sure that they give direct reports frequent feedback and don't wait for formal reviews once or twice a year.

Be transparent. Show younger staff how their contributions fit in with the success of the business as a whole and encourage open communication horizontally (across departments) and vertically (across the hierarchy).

Consider flexibility in scheduling, telecommuting options and a focus on productivity, not clock-punching. Use the younger generation to the best of their ability—put them on the front line! Have your Gen Y employees develop and implement your organization's social media strategy and presence, and allow them to focus on the message, not the delivery. Don't be afraid to allow your brand to have personality, and empower your staff to present themselves as the face of the organization. ■

Karen Altes is the manager of academic and organization outreach at IREM headquarters.



MIXED-USE SHAKE-



IREM
MEMBERS
GET CREATIVE
DURING
ECONOMIC
DOWNTURN

by Kristin
Gunderson Hunt



UP

Mixed-use properties are experiencing a shake-up in tenant mix and lease terms

as many of their retail tenants, hit hard by the economic downturn, struggle to make ends meet.

"The retail world as we know it has changed," said Alan Schmiedicker, senior vice president of property management for Forest City Commercial Group in Cleveland. "The days of excess that were maybe going on in the past have likely ended. I think everyone is going to have to find that new level of what is normal."

As a result, real estate managers at mixed-use properties are adjusting their tenant mix, getting creative when it comes to attracting and keeping tenants, altering their management practices and making changes to protect themselves from dismal markets in the future.

LOCAL ACCESS

One of the biggest changes mixed-use properties are experiencing, real estate managers said, is the shift from securing national tenants to securing more regional and

local tenants.

"We're seeing a lot of national tenants and national concepts disappear," said Susan Sgrignoli, CPM® and senior general manager of Southwest Plaza for General Growth Properties, in Littleton, Colo. "I think that fact alone has made way for a new appreciation of regional and local tenants."

Sgrignoli said it's important to house tenants providing goods and services that reflect the property's customers, and regional and local tenants often do that.

"We as an industry always have to adjust our tenant mix to reflect what is happening with the consumer," she said. "It's become even more important that the tenant mix be a reflection of the people who use the property."

Local retailers are also popular tenants right now because they have a good name in the community and will likely bring an existing customer base with them, potentially increasing traffic at the mixed-use property and expanding its customer base, Schmiedicker said.

Additionally, whereas national retailers aren't currently signing as many deals because they already have a presence, local and regional retailers are still looking for the opportunity to become more visible and might jump at the chance, Schmiedicker said.

He said not to discount national retailers entirely, though.

"If you have the right opportunity and you're in the right market, you're still going to be able to lease your space to those national tenants because they do want to have a presence in the good centers and good locations," he said.

As always, regardless of the economic situation, a healthy mix of tenants is critical to the success of a mixed-use development, said Schmiedicker.

"I think every center needs a good mix of national, local and regional tenants to try and satisfy across the market," he said. "A good mix is important to us and we certainly don't want to focus on just one piece of that business."

ENTERTAINING TWIST

Aside from regional and local tenants, entertainment retailers seem to be bringing consumers to mixed-use developments, real estate managers said. Schmiedicker and Sgrignoli said restaurants and movie theaters are doing well at their centers.

"I think everybody is looking for something to do, something to take their minds off whatever else is going on in their lives," Schmiedicker said.

He also said he's drawing in more customers by offering additional free entertainment, such as weekly concerts, as well as car and art shows.

Sgrignoli said Southwest Plaza partnered with its local parks and recreation department to develop a series of offerings, classes and special events for families at the

THE SOUTHWEST PLAZA SITE IN LITTLETON, COLO. INCLUDES A SUPER REGIONAL SHOPPING CENTER WITH THREE SUB-URBAN OFFICE BUILDINGS AND FIVE RETAIL PAD SITES. THE SOUTHEAST ENTRANCE OF THE MALL WAS CONVERTED (FROM A DATED THEATER CONCEPT) TO A STREETSCAPE FEATURING POPULAR DINING.

PHOTOGRAPHY © SOUTHWEST PLAZA



property, because many of its shoppers have families that participate in youth sports.

“Real estate that has a sense of place, where people can experience community through special events and meaningful events that are important to them, and is a place where they feel comfortable, drives (consumer) traffic,” Sgrignoli said.

CASH IS KING

Despite the appeal of local, regional and entertainment tenants, real estate managers said they're not actually after an exclusive type of tenant. They are more interested in any well-performing tenant that will occupy space and help keep the property afloat.

“You're trying to keep your occupancy levels up,” Schmedicker said. “You want your [shopping] center to look full. You want people to have a feeling when they come [to the property] that there is life and vibrancy to it.”

Charlotte Strain, CPM and senior director of retail for Avalonbay Communities Inc. in Alexandria, Va., said she is primarily looking for tenants with positive cash flow. She requires 5-year pro formas from all potential tenants, which she then reviews to ensure tenants understand business will not necessarily be easy during the first few years.

“When I used to qualify tenants, it involved looking at their assets, looking at their balance sheets, looking at their credit—that sort of thing, but that's simply not enough,” she said. “Getting a better understanding of where their cash is going and how many other operating

drains they have on that capital is important to make sure they can support this venture for the opening and the downturn.”

Strain said it's wise to monitor existing tenants' financials as well. She advised putting a clause in leases that would allow the real estate manager to monitor how retailers are faring by doing things like reviewing their sales receipts.

She said such transparency eliminates any surprise when disaster strikes. It helps managers determine which tenants are worth signing on and keeping, and which tenants are marginal and should be avoided.

“Sometimes it's better to have a dark space than to have a tenant go in and then go out,” Strain said.

BURST OF CREATIVITY

Occupying space with viable tenants takes creativity in this market. Real estate managers are doing everything from offering rent deferrals and extending leases to current clients, to offering move-in specials and tenant improvement allowances for potential clients.

Sgrignoli said she has offered concessions such as breaks in overage or base minimum rents and granting sales kick-outs, whereby tenants can get out of their lease after a particular term if they don't perform at a certain level.

“In a good economy, those are things you might not do,” she said. “But now we're structuring deals to be creative and work with tenants.”

Strain said despite the demand for lease renegotiation,

she's not jumping to renegotiate at any chance she gets. She said a lot of tenants think because the market has dived, they are entitled to cheaper rents.

"[The lease] is a contract," she said. "Just because the market has decreased, doesn't mean we're just going to open up and renegotiate all the leases. We just can't do that."

She is currently offering more rent deferrals, whereby tenants might only pay three quarters or half of their rent over the next 24 months, and then pay back the difference later on in their lease. Some managers are negotiating lease extensions in exchange for rent deferrals. Strain said to draw tenants in, her company in many cases has doubled the free rent period from 60 to 120 days.

Nicholas Dunlap, CPM and chief property supervisor and investment counselor for Dunlap Property Group Inc., in Fullerton, Calif., said his company is offering tenancy improvement allowances as an incentive. For example, if a tenant signs a 5-year lease, the company will allot the tenant a certain amount of money to make improvements to its space.

Schmiedicker said Forest City is allowing individual retailers to reduce hours depending on their business in order to save on payroll costs. Specialty leasing has also become more popular, he said, and managers are filling vacant spaces with retailers like Halloween or holiday stores.

"You'll try and help the tenants as best you can," Schmiedicker said. "Obviously we have obligations. We have lenders we have to satisfy just as any retailer would. You're going to do whatever you can and whatever is best for both parties, and try to help [the retailers] through the rough period."

MANAGING CHANGE

Just as real estate managers have altered their tenant mix, they've had to change the way they manage mixed-use properties as well. Managers said they are catering to their tenants more than in years past; every tenant is precious and managers don't want to lose them.

"It's important to be sensitive to your tenants' needs and also to their businesses," Dunlap said. "That's one way we've been able to weather the storm fairly well this far. Real estate on many levels is a people business. Although financials are involved, it's important to see the people behind the relationships and really focus on service and keeping them happy."

Strain said she is spending more time than ever doing lease workouts. She said she probably spends 80 percent of her day trying to determine which retailers to save and how far to go with assistance. She said not every tenant can or should be helped.

At the same time, she said she has to consider the impact a failing tenant will have on the property—the

costs of tenant improvements, lease commissions, demo work, landlord work and the amount of rent she could collect with a new tenant.

"You have to weigh that sense of urgency and stress that the small business owner is experiencing against [the implications] if they do fail and you have to put a new tenant in there," Strain said.

She also is more conscious of lease expiration dates. Staggering lease expirations is critical, Strain said, because you don't want everyone to terminate at the same time. Although Avalonbay was attempting this before the economic downturn, it wasn't as necessary as it is now.

Schmiedicker said Forest City is managing its mixed-use properties more efficiently to save tenants money so they can afford to stay. He said it's a challenge to cut expenses without cutting service or the property's overall aesthetic appeal. The company has cut costs across the board, from cleaning and staffing requirements to energy usage.

"Budgets are tighter," he said. "We've got to do more with less."

CYCLICAL BUSINESS

Despite the evolution of mixed-use properties over the last couple of years, real estate managers said many of the changes are probably for the short term because of the ever-changing nature of the business.

"This business is very cyclical," Schmiedicker said. "You see things come and go all the time. Business the way we have done it in the past has probably changed, but the next cycle will bring us something new and exciting."

In fact, things have already begun to shift, real estate managers said. Strain said over the last 4 months, brokers from all over the country have been calling to say things are looking better.

"We are seeing the clouds lifting a bit," Strain said. "The good credit tenants are starting to dip their toes back into the water again."

The success of mixed-use properties cannot be attributed to one common variable or even one common type of tenant. Their success hinges, rather, on the community where they are based and how that community is doing. A property in a thriving community is going to do better than one in a struggling community, regardless of tenant mix and other factors.

"I don't think you can generalize and say that mixed use is doing well overall or doing poorly overall," Sgrignoli said. "I think projects are a reflection of how they were designed and how they were built. And they are truly a reflection of the community in which they exist." ■

Kristin Gunderson Hunt is a freelance writer for *JPM*. Send questions regarding this article to Markisan Naso at mnaso@irem.org.



KNOW YOUR CODE OF PROFESSIONAL ETHICS: Article 1. Loyalty to Client, Firm and/or Employer



JOY C. JAGIELLO, CPM®, ARM® (JOYJAGIELLO@MSN.COM), IS OWNER OF A PROPERTY MANAGEMENT AND CONSULTANT BUSINESS IN SOMERSET, N.J. SHE SERVES ON THE IREM ETHICS HEARING AND DISCIPLINE BOARD AND IS A MEMBER OF GOVERNING COUNCIL.

A MEMBER shall at all times exercise loyalty to the interests of the client and the employer or firm with whom the MEMBER is affiliated. A MEMBER shall be diligent in the maintenance and protection of the interests and property of the employer and of the client. A MEMBER shall not engage in any activity that could be reasonably construed as contrary to the interests of the client or employer. If an activity would result in a conflict between the interests of the firm or employer and the interests of the client, then the interests of the client shall take precedence.

Loyalty to our clients, firms and/or employers is not much different than the Pledge of Allegiance to the flag of the United States. We are pledging fidelity.

It has always been my belief that you should take care of the properties within your control as if they were your own properties. If you show genuine concern about maintaining and protecting your properties, respond to your tenants' issues promptly, and take pride in the properties you manage, you will find you are being loyal to both your client and employing company.

The client expects his investment to appreciate in value and provide a decent return. Your due diligence can accomplish this task and bring recognition to your firm as a company that can be relied on. Companies often lose a client

because an employee ignores a problem. For example, if "John" doesn't return phone calls, an issue that could have been resolved easily may escalate into a larger dispute with the client. Loyalty is faithfulness to duty.

I have seen a company's reputation destroyed because one person did not care about his position. It is so important to work as a team member and strive for perfection. If a member of the team isn't doing his job, it needs to be addressed through the normal change of command. It is equally important to remember to always speak well of your clients and your employer. You may not always agree with their philosophy or actions, but they do deserve your respect and faithfulness. Sometimes in life you have to put aside your own feelings for the good of everyone.

It is good to be proud of your firm and/or client. I talked with a former IREM Regional Vice President at a recent meeting who was enthusiastic about bringing in her new employer as an AMO® firm. We can take a lesson from this. It's important for us to talk about how great our companies are and to show loyalty by expounding our companies' values and virtues.

Companies can't exist without its clients or customers. Customers put their trust in us to maintain and protect their properties. We all need take this to heart and take pride in our accomplishments. ■



VISIT WWW.IREM.ORG/ETHICS

TO VIEW THE IREM ETHICS PAGE.

CAREER MOVES

John Rosenberg, CPM®, was appointed Cincinnati City Manager to the Cincinnati Metropolitan Housing Authority (CMHA) board of directors. This publicly appointed five member board of directors oversees CMHA, the 17th largest housing authority in the country. Rosenberg is the vice president of Associated Land Group, Inc., a real estate investment holding company, which he co-founded in 1984. He is also a board member of IREM Chapter No. 9 in Cincinnati, Ohio.

Erica Askew, ARM®, has been promoted to business manager at Alliance Communities, AMO®, in Houston. She previously worked for Alliance as an assistant business manager.

Saadat Keshavjee, CPM, was recently awarded the Distinguished Faculty Award at Mount Royal College in Calgary, Alberta, Canada. He has taught residential property management and condominium management courses at the college since 1990, and was instrumental in developing a four-course extension certificate program in condominium management, including manuals. This award recognizes Keshavjee's high standard of academic excellence, his willingness to share his experiences, as well as his dedication to his students.

Membership Figures

HERE ARE THE MID-YEAR MEMBERSHIP NUMBERS FOR 2009, INCLUDING ALL MEMBERSHIP TYPES FOR THE UNITED STATES AND INTERNATIONAL CHAPTERS:

CPM MEMBERS	8,451
CPM CANDIDATES	2,958
ARM MEMBERS	3,301
ASSOCIATE MEMBERS	1,724
ACOM MEMBERS	59
STUDENT MEMBERS	270
ACADEMIC MEMBERS	18
TOTAL MEMBERS	16,781
AMO HEADQUARTERS	510
AMO BRANCHES	628



ON THE ROAD

SEPTEMBER 10

Northern Ohio Chapter No. 41

Location: Cleveland, Ohio

Visiting Officer: Pam Monroe, President

SEPTEMBER 15

Alabama Chapter No. 43

Location: Montgomery, Ala.

Visiting Officer: Pam Monroe, President

SEPTEMBER 16

Greater Raleigh-Durham Chapter No. 105

Location: Raleigh, N.C.

Visiting Officer: Pam Monroe, President

SEPTEMBER 17

New Mexico Chapter No. 46

Location: Albuquerque, N.M.

Visiting Officer: Ron Goss, Secretary/Treasurer

SEPTEMBER 17

West Michigan Chapter No. 62

Location: Lansing, Mich.

Visiting Officer: Randy Woodbury, President-Elect

SEPTEMBER 17

Tulsa Chapter No. 10

Location: Tulsa, Okla.

Visiting Officer: Pam Monroe, President

SEPTEMBER 22

Greater Phoenix Chapter No. 47

Location: Phoenix, Ariz.

Visiting Officer: Randy Woodbury, President-Elect

SEPTEMBER 24

Northern Nevada/Tahoe Chapter No. 89

Location: Reno, Nev.

Visiting Officer: Pam Monroe, President

OCTOBER 6

Northern Indiana Chapter No. 100

Location: South Bend, Ind.

Visiting Officer: Karen Hodge, Senior Vice President

OCTOBER 21

Kentucky Chapter No. 59

Location: Louisville, Ky.

Visiting Officer: Betch Machen, Senior Vice President



COMPANY HEADQUARTERS LOCATION Everett, Wash.

NUMBER OF EMPLOYEES 375

DATE THE COMPANY BECAME AN AMO FIRM

November 5, 1998

COMPANY WEB SITE www.coastmgt.com

Shawn Hoban, CPM®, is the president and co-founder of Coast Real Estate Services, a firm he started with his brother, Tom, 22-years ago. Under his leadership, Coast manages properties in five Pacific Northwest states. In 1999, Coast was selected as the *Top Medium-sized Family Owned Business* in Washington State by the Family Enterprise Institute for demonstrating ethics and values in day-to-day operations. *JPM* talked to Hoban about his company and what the AMO® accreditation means.

IN YOUR COMPANY BIO, YOUR BROTHER TOM SAID COAST "STARTED OUT WITH A PLUNGER AND A PICK-UP TRUCK." WHAT WAS IT LIKE CREATING YOUR COMPANY IN 1987?

We both had a passion for real estate but didn't have a lot of financial resources to get into business. We were blessed in the early days to have some clients who became great mentors to us. They taught us not only a lot about real estate, but also about how to run a successful business and be a part of your community. Those clients are still with us today and continue to be irreplaceable advisors to us. It was challenging in those early days because we wore a lot of hats. But today, we can honestly say that there isn't a job in our 375 employee company we haven't done ourselves.

WHAT MAIN FACTORS ENABLED YOU TO SUCCESSFULLY GROW COAST INTO THE BUSINESS IT IS TODAY?

Above all, building a business around long-term relationships and trust between our clients and employees has been the key to our success. When you are responsible for someone's real estate, it goes beyond just managing property. You're really being hired to manage their future, their retirement, their kid's college education, and their legacy to their family and their community. We take that responsibility very seriously and have always put our clients' interest ahead of our own. The same applies to our employees. We see them as part of our family and we invest in their careers so they can provide for their own families.

COAST IS QUITE ACTIVE IN THE COMMUNITIES IT SERVES. WHY IS COMMUNITY SERVICE IMPORTANT TO YOU AND YOUR COMPANY?

Our community has been great to us and we want to cultivate an environment where the same opportunities we had will be available to future generations. We focus most of our community support around kids and education. It's true what they say, "The more you give, the more you receive." There is no better feeling in the world than when you lay your head on your pillow at night and you know you helped change a kid's future.

WHAT ARE THE BENEFITS AND ADVANTAGES OF BEING ASSOCIATED WITH IREM AS AN AMO FIRM?

We are proud to be one of the few select AMO firms in Washington State. We believe it separates us from other firms because, not only does it validate a certain level of proficiency, but it is really based on a set of ethics and values. Those firms that meet the AMO standard can be proud of the way they do business and it tells the market that they can be trusted to care for their real estate investments. IREM has been a fantastic resource for us over the years to help educate our team and continue to enhance our tools and resources.

WHAT IS IT LIKE TO WORK SO CLOSELY WITH YOUR BROTHER?

We're both very proud of what we've done with our business, but so much more proud of the fact that we've been able to do it together. I think that culture of family and trust is what has allowed us to attract so many quality people to our company.

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.

Get Ready for Success Series 2009!

5 QUESTIONS WITH IREM'S HAWAII CHAPTER PRESIDENT Real Estate Professionals • Issues • Solutions



Hawaii Chapter No. 34 will be this year's host for the CCIM & IREM Success Series 2009, which takes place October 16-17 in Honolulu. *JPM* talked to Hawaii Chapter President S. Steven Sofos, CPM®, about his chapter as it prepares for the upcoming convention.

HOW HAS THE PROPERTY MANAGEMENT INDUSTRY GROWN IN HAWAII AND HOW HAS THE CHAPTER GROWN WITH IT?

With the influx of national firms such as Colliers and CB Richard Ellis in Hawaii, the need for more professional management has become a strong requirement for the industry. With Hawaiiana Management, Hawaiian Properties and Certified Management becoming the top three residential management companies, there has become a stronger awareness of the need for more education for the residential managers, including those with the ARM certification and the overall property management industry in Hawaii.

WHAT UNIQUE CHALLENGES DOES YOUR CHAPTER FACE IN HAWAII?

The challenges today are having the ARM and CPM Members work well together, because Hawaii has more condominium management than commercial management. The needs, wants and desires from the two designations have to be carefully coordinated in the area of education, so that classes, courses and seminars appeal to both groups.

HOW MUCH INTERACTION DOES YOUR CHAPTER HAVE WITH MAINLAND IREM MEMBERS?

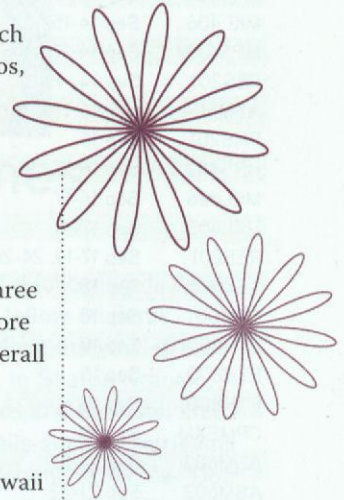
We had a tremendous amount of contact with IREM President Pam Monroe in 2009, which has helped make the chapter feel important in the national scheme of IREM. Pam's hard work has been well received.

WHAT DOES THE UPCOMING SUCCESS SERIES EVENT MEAN TO HAWAII CHAPTER NO. 34 MEMBERS?

It will allow chapter members to be involved in the national process, which should be an eye opening experience and very educational. We have had several committee meetings to discuss events with CCIM's involvement and are just about ready.

WHAT SHOULD MAINLAND MEMBERS KNOW ABOUT HAWAII BEFORE ATTENDING SUCCESS SERIES?

We have the sun, the beach, and above all, a unique people. Convention goers should be able to learn about the "Spirit of Aloha" and what the "aloha spirit" is all about. Bring lots of casual wear. No suits and ties. Buy a Hawaiian shirt or two this summer. For the ladies, buy some casual slacks and flowery tops. The temperature should be in the high 70 degree to low 80 degree range during the day and mid 70 degrees at night.



S. STEVEN SOFOS, CPM, IS THE PRESIDENT AND CEO OF SOFOS REALTY CORPORATION IN HONOLULU, HAWAII.



TO REGISTER FOR SUCCESS SERIES 2009

VISIT WWW.CCIMIREMSUCCESSSERIES.ORG.



INSIDE IREM COURSE LISTINGS

SEPTEMBER

ASM604	Sep 2-3	San Francisco	ETH800	Oct 7	New Brunswick, N.J.
ASM605	Sep 4-5	San Francisco	ETH800	Oct 7	Orlando, Fla.
RES201	Sep 9-11, 16-18	Pine Hill, N.J.	ETH800	Oct 8	Greensboro, N.C.
ETH800	Sep 9	Milwaukee,	ETH800	Oct 8	Washington, D.C.
ETH800	Sep 11	San Diego	FIN402	Oct 8-9	Pittsburgh
ETH800	Sep 11	Kirkland, Wash.	CPM001	Oct 9	Kirkland, Wash.
ETH800	Sep 11	Salt Lake City	CPM001	Oct 9	Orange County, Calif.
ASM603	Sep 14-15	Columbia, S.C.	CPMEXM	Oct 9	Kirkland, Wash.
HRS402	Sep 14-15	Irvine, Calif.	CPMEXM	Oct 9	Orange County, Calif.
MKL406	Sep 14-15	Houston	HRS603	Oct 9	Milwaukee
MPSAXM	Sep 14-17	Minneapolis	MNT402	Oct 19-20	Las Vegas
RES201	Sep 14- 19	Wichita, Kan.	MPSAXM	Oct 19-22	Oakbrook, Ill.
ASM604	Sep 16-17	Columbia, S.C.	RES201	Oct 19-24	Birmingham, Ala.
FHS201	Sep 16	Wallingford, Conn.	FIN402	Oct 21-22	Minneapolis
HRS402	Sep 16-17	Houston	FIN402	Oct 21-22	Las Vegas
MKL406	Sep 16-17	Irvine, Calif.	RES201	Oct 21-23, 28-30	San Diego
MKL405	Sep 17-18	Pittsburgh	RES201	Oct 22-24, 29-31	Dorchester, Mass.
RES201	Sep 17-19, 24-26	Scottsdale, Ariz.	CPM001	Oct 23	Oakbrook, Ill.
ASM605	Sep 18	Columbia, S.C.	CPMEXM	Oct 23	Oakbrook, Ill.
CPM001	Sep 18	Minneapolis	ASM603	Oct 26-27	Scottsdale, Ariz.
ETH800	Sep 18	Sacramento, Calif.	ASM603	Oct 26-27	Hartford, Conn.
ETH800	Sep 18	Marietta, Ga.	MNT402	Oct 26-27	New York
ETH800	Sep 18	Nashville, Tenn.	MPSAXM	Oct 26-29	Las Vegas
CPMEXM	Sep 18	Minneapolis	RES201	Oct 26-31	Portland, Ore.
ASM603	Sep 21-22	St. Louis	ASM604	Oct 28-29	Scottsdale, Ariz.
ASM603	Sep 21-22	Alexandria, Va.	ASM604	Oct 28-29	Hartford, Conn.
MKL405	Sep 21-22	Southfield, Mich.	FIN402	Oct 28-29	New York
MNT402	Sep 21-22	Raleigh, N.C.	RES201	Oct 29-30, Nov 5-6, 12-13	Southfield, Mich.
MPSAXM	Sep 21-24	Addison, Texas	ASM605	Oct 30	Scottsdale, Ariz.
MPSAXM	Sep 21-24	Charlotte, N.C.	ASM605	Oct 30	Hartford, Conn.
MPSAXM	Sep 21-24	Marietta, Ga.	CPM001	Oct 30	Las Vegas
RES201	Sep 21- 23, Oct 1-3	New York	CPMEXM	Oct 30	Las Vegas
ASM604	Sep 23-24	St. Louis			
ASM604	Sep 23-24	Alexandria, Va.			
FIN402	Sep 23-24	Raleigh, N.C.			
HRS402	Sep 23-24	Southfield, Mich.			
MKL405	Sep 23-24	Milwaukee			
MKL405	Sep 23-24	Tucson, Ariz.			
ETH800	Sep 23	Orange County, Calif.			
ETH800	Sep 23	Ft. Lauderdale, Fla.			
MKL405	Sep 24-25	Quincy, Mass.			
ASM605	Sep 25	St. Louis			
ASM605	Sep 25	Alexandria, Va.			
CPM001	Sep 25	Addison, Texas			
CPM001	Sep 25	Charlotte, N.C.			
CPM001	Sep 25	Marietta, Ga.			
CPMEXM	Sep 25	Addison, Texas			
CPMEXM	Sep 25	Charlotte, N.C.			
CPMEXM	Sep 25	Marietta, Ga.			
ASM603	Sep 28-29	Los Angeles			
RES201	Sep 28-Oct 3	New Orleans			
ASM604	Sep 30-Oct 1	Los Angeles			
FIN402	Sep 30-Oct 1	Southfield, Mich.			
ETH800	Sep 30	New York			

INTERNATIONAL

MKL405	Sep 5-6	Fukuoka, Japan
MKL405	Sep 5-6	Osaka, Japan
MKL405	Sep 5-6	Tokyo
MPSA01	Sep 5-6	Seoul, Korea
FIN402	Sep 10-11	Sao Paolo
ARMEXM	Sep 12	Sao Paolo
FIN402	Sep 19-20	Fukuoka, Japan
FIN402	Sep 19-20	Osaka, Japan
FIN402	Sep 19-20	Tokyo
ETH800	Sep 21	Warsaw, Poland
HRS402	Sep 21-22	Warsaw, Poland
MNT402	Sep 24-25	Warsaw, Poland
ASM603	Sep 26-27	Osaka, Japan
MKL406	Sep 26-27	Moscow
HRS402	Sep 26-27	Moscow
ASM603	Oct 3-4	Tokyo
BDM602	Oct 5-6	Toronto
MKL405	Oct 7-8	Toronto
MPSA01	Oct 7-8	Toronto
CID202	Oct 19-22	Moscow
MNT402	Oct 20-21	Toronto
HRS402	Oct 22-23	Tokyo
ASM603	Oct 24-25	Fukuoka, Japan
ASM604	Oct 31-Nov 1	Osaka, Japan

OCTOBER

ASM605	Oct 2	Los Angeles
MPSAXM	Oct 5-8	Kirkland, Wash.
MPSAXM	Oct 5-8	Orange County, Calif.



Determined CPM® Candidate overcomes odds during Capstone Track

Not too many people would consider taking a detour during their IREM Capstone Track to have surgery for appendicitis, but that is exactly what Tracy Hunter, CPM Candidate, was faced with this past May.

Hunter shared that leading up to this “detour,” she started feeling unwell at the beginning of the week but made it through Tuesday’s study session and the first half of the following day. Then, realizing she was in need of medical attention, Hunter went to see a doctor who promptly ordered her an ambulance to rush her into surgery for appendicitis. Incredibly, Hunter was in surgery at 4:30 p.m and back at the hotel around 9:30 p.m. that night—at her strong request.

Determined to make her way through the manage-

ment plan, Hunter was in class the following day and even finished the exam with her fellow students.

Hunter shared that everyone along the way—from instructor John Warthman, CPM, to Sharon Granato, the chapter IAE, to her classmates and the hotel staff—were amazingly helpful with details such as retrieving Hunter’s car which had been “abandoned” at the “Doc in the Box” office; packing up her laptop to bring to her hotel room; coordinating detailed communication among all parties and extra time from Warthman to bring her up to speed with the rest of the class.

Granato shared, “I have never seen anyone like Tracy! I am also very grateful for a super instructor in John Warthman!”

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

BDM602 // Property Management Plans: The IREM Model (international only)

CPMEXM // CPM Certification Exam

CPM001 // CPM Certification Exam Preparation Seminar

ETH800 // Ethics for the Real Estate Manager

EE800 // Real Estate Professional Ethics (international only)

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



FOR THE MOST UP-TO-DATE COURSE LISTINGS, PLEASE VISIT WWW.IREM.ORG/EDUCATION.

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 translations of the article "How to Negotiate with Tenants in a Tough Economy" by Alan Alexander and Richard Muhlebach CPM®, from the July/August 2009 issue of *JPM* by going to the foreign language pages of the IREM Web site at www.irem.org.



español (Spanish)

Usted puede encontrar la traducción al español del artículo "Cómo negociar con su inquilino durante una economía difícil"; por Alan Alexander y Richard Muhlebach CPM en la publicación de Julio/Agosto 2009 de *JPM* yendo a la página de la lengua española del sitio web de IREM: www.irem.org/international/spanish/intro.cfm.



français (French)

Vous trouverez une traduction française de l'article « L'art de la négociation avec les locataires dans une économie morose » par Alan Alexander et Richard Muhlebach CPM®, tiré du numéro de juillet/août 2009 de *JPM* sur la page française du site Web de l'IREM au www.irem.org/international/french/index.cfm.



Русский (Russian)

Перевод на русский язык статьи «Переговоры с арендаторами в сложных экономических условиях» (авторы Алан Александер и Ричард Мулебах) из выпуска Журнала по управлению недвижимостью (*JPM*) за июль-август 2009 года можно найти на русскоязычной странице сайта Института IREM по адресу www.irem.org/international/russian/index.cfm.



wersja polska (Polish)

Polskie tłumaczenie artykułu "Jak negocjować z najemcami w dobie kryzysu" autorstwa Alana Alexandera i Richarda Muhlebacha z lipcowo-sierpniowego wydania *JPM* (2009) znaleźć można na polskich stronach serwisu www.irem.org/international/polish/index.cfm.

português (Portuguese)

Você pode encontrar a tradução do artigo "Como Negociar com seus Inquilinos em Tempos de Crise Econômica" de Alan Alexander e Richard Muhlebach CPM referente a edição de July/Agosto 2009 do *JPM* na página de Português do site do IREM: www.irem.org/international/Portuguese/index.cfm.



한국어 (Korean)

JPM 2009년 7/8월 호에 게재된 Alan Alexander 씨와 Richard Muhlebach CPM 이 공동 저술한 "경제 불황일 때 세입자들과의 교섭 방법"이라는 기사를 IREM 웹 사이트, www.irem.org/international/korean/index.cfm의 한국어 웹 페이지에서 한국어로 검색하실 수 있습니다.



日本語 (Japanese)

JPM 2009年7-8月号のアラン・アレキザンダーとリチャード・ミューレルバックCPM著、「不況時のテナントとの交渉の仕方」の日本語訳は、IREMウェブサイト www.irem.org/international/japanese/index.cfmの日本語サイトでご覧になれます。



中文 (Chinese)

进入IREM网站 (www.irem.org/international/Chinese/index.cfm) 的中文网页, 您可以找到刊登在《资产管理期刊》(*JPM*) 日 2009年7-8月号上的, "在经济不好的时候如何跟租户谈判" (作者艾伦·亚历山大及理查德·穆尔巴赫, CPM) 一文的中文翻译。



IREM President Discusses the Worldwide Challenges of Real Estate Management

BY NANCYE KIRK, VICE PRESIDENT, STRATEGIC INITIATIVES

Real estate and its management clearly are global industries, as evidenced by the worldwide scope of the current economic crisis and the implications to industry professionals. Speaking at the annual meeting of IREM Japan Chapter No. 109 in Tokyo, IREM President Pamela Monroe, CPM®, commented on the economic challenges throughout the world and their impact on property and asset managers. With the demise of the leverage-driven investment model of the past, Monroe said, "Owners are looking to extract value through strong real estate management. It's all about getting back to basics—that's what good real estate managers know best."

Monroe said the "back to basics" business model creates opportunities for managers who flourish in an atmosphere where there is pressure to generate value for real estate owners.

"Managers are hired and evaluated based on our ability to contribute to value, not to be passive caretakers," she said. "Profits have to come from operations; [it's] the one area over which owners today have at least some degree of control."

Monroe also stressed that now is the time for property managers to be regarded as the "impact players" in the real estate management industry. She cited the critical importance of knowledge and professional credentials such as the CPM designation.

While in Tokyo, President Monroe also installed 26 new CPM designees, recognized new MPSA graders and faculty, and welcomed Morikuni "Mike" Kono, CPM, as



PAM MONROE WITH MATAKATSU SASAKI, CPM, 2008-2009 PRESIDENT OF THE IREM JAPAN CHAPTER, (LEFT FRONT) TAKING A HARD-HAT TOUR OF A HOTEL UNDER DEVELOPMENT IN DOWNTOWN TOKYO WITH OTHER CPM MEMBERS.

president of the chapter for 2009-2010.

Similar remarks were conveyed in Moscow, where Monroe delivered an address at the Russian Guild of Realtors (RGR) Annual Congress. RGR has been an IREM partner in Russia for more than a decade. During the congress, Monroe awarded CPM certifications to 28 new members and met with IREM chapter leaders, including Konstantin Aprelev, CPM, the president of Russia Chapter No. 109.

Also in Russia was IREM Staff Vice President Nancye Kirk, who presented a new course, *Common Interest Developments: Managing Residential Properties and Homeowners Organization*, to launch in Russia this fall.

Following the Moscow event, Monroe and Kirk went to Kiev, Ukraine, to install new CPM designees and discuss the formation of an IREM chapter in Ukraine. With 48 CPM Members, Ukraine is positioned to become the newest international chapter for IREM.

Real Estate Institute of Canada Elects CPM Officers

BY NANCYE KIRK, VICE PRESIDENT, STRATEGIC INITIATIVES

Strengthening the presence of IREM in Canada, IREM President Pamela Monroe, CPM, together with President-Elect Randy Woodbury, CPM, and Senior Vice President James Evans, CPM, attended the annual meeting of the Real Estate Institute of Canada (REIC) in Halifax, Nova Scotia, in May. The institute installed three new officers, all of whom are CPM Members. Leading the REIC in 2009-2010 will be:

William J. McCarthy, CPM,
of Burnaby, British Columbia
(President)

Chrystal Skead, CPM, ARM®, of
Edmonton, Alberta (President-Elect)
Kim Aasen, CPM, ARM, of Melfort,
Saskatchewan (Treasurer)

McCarthy is founder and president of the company that bears his name, W.P.J. McCarthy and Company Ltd. In his inaugural address to REIC members, McCarthy was eloquent in acknowledging the role IREM and REIC have played in his success.

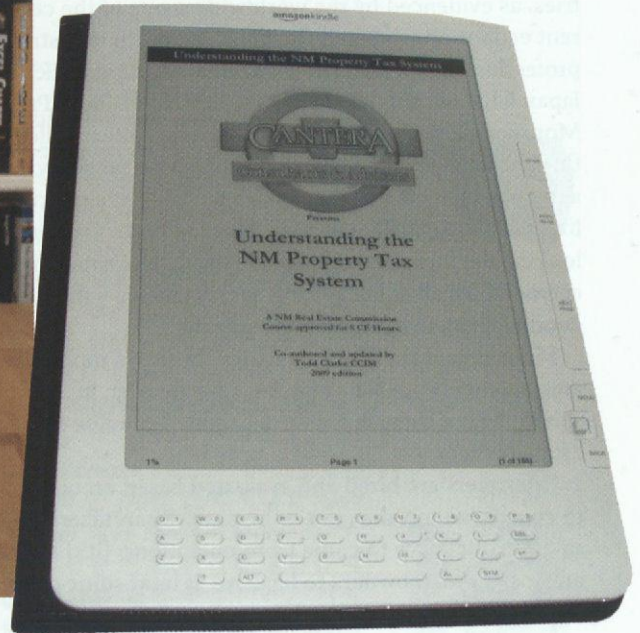
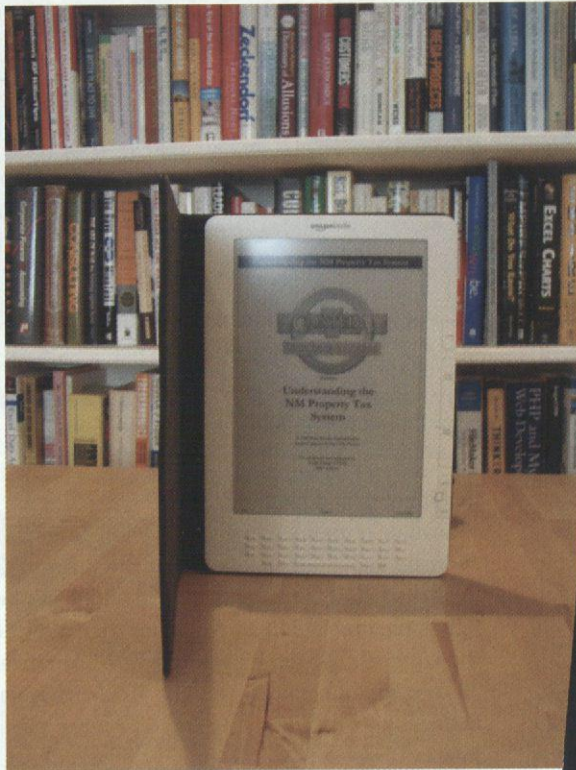
"To have this opportunity is very humbling for me," McCarthy said. "I am a firm believer that

education, professionalism and the development of one's skill set never stops. To be the president of an association that is so dedicated to providing advanced real estate education is very important to me. During my year as president I look forward to helping REIC move positively into the future."

IREM now has seven chapters in Canada, the two most recent having been approved in April 2009—Ottawa Chapter No. 115 and Calgary No. 116.

GADGETS

BY TODD CLARKE



THE KINDLE DX CAN REPLACE A 3,500-BOOK LIBRARY. IT CAN CARRY TRAINING MANUALS, CONTRACTS, OR ANY PDF FILE.

KINDLE DX Although Amazon's Kindle reading device has been around since 2007, it is only in the third-generation release of this product—the Kindle DX—that this device might truly allow for a paperless office.

The 1200 × 824 resolution, 9.7" screen combined with the internal PDF viewer and cellular-based Whispernet, now offers a trifecta in digital document storage.

Yes, it is a great device to read books from, and the overall storage—4 GB—allows for the user to acquire and store up to 3,500 books.

The screen shot in the accompanying images is a digital PDF copy of a 150-page textbook that I wrote. Not only is the display crisp, clear, and legible; it also is searchable with the built-in keyboard.

You or your staff can e-mail documents directly to your Kindle DX and it will auto-

matically download them in the background. Imagine all of your policy manuals, corporate documents and property financials—thousands of pages stored in your Kindle DX—ready for your next proposal or meeting.

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Todd Clarke, CCIM (tclarke@nmapartment.com), is a 20-year veteran broker, consultant, international speaker and instructor who covers technology and its use in commercial real estate on his technology blog: www.nmapartment.com/tech.

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NEW PRODUCTS



SHEAR ADVANTAGE The Timberline TBL1000 Tree Shear from Sidney Manufacturing is a safe, fast tool for selectively cutting, pruning and trimming trees. Timberline Tree Shears offer many advantages when it comes to removing unwanted trees; including the ability to rotate after the cut to serve as a grapple to lift, wrangle and carry a fallen tree. The TBL1000 Tree Shear's ability to cut up to a 10-inch diameter tree, provides a reliable solution to most tree cutting situations. Designed to mount to most skid steer loaders, this tool is also productive as a compact excavator.

For more information and a five-minute video, visit www.sidneyattachments.com.



WATER WISE Activeion Pro, from Activeion Cleaning Solutions, is a versatile, hand-held cleaner ideal for use on glass, stainless steel, wood, stone and marble, as well as carpet and clothing. Activeion Pro uses activated water technology, rather than harsh chemicals to clean, making it a safe option. Activeion Pro works by applying a slight electrical charge to tap water inside the bottle. The charged water helps lift the dirt from surfaces like a magnet, enabling it to be wiped away. The activated water is completely safe, returning to its original, non-electrically charged, tap water state after 30 to 45 seconds.

For more information visit www.activeion.com.



THE PRESSURE IS ON The 895SS Hot Water Pressure Washer from Hotsy is portable and compact, yet big on cleaning power. Ideal for construction and waste management, the 895SS boasts a powerful 8.2 horsepower motor. Other features include pneumatic tires with inner tubes for easy maneuverability, a pressure relief valve that protects the pressure washer and user from thermal expansion, and a control panel with adjustable temperature control and heavy-duty heater and pump motor switches.

For more information visit www.hotsy.com.

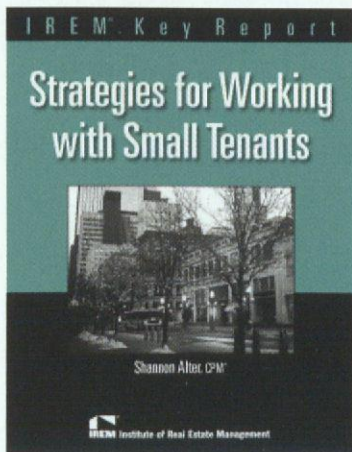


WONDER WALL The Vitruvan wall system is a durable wall covering made from woven glass fabric. Vitruvan wall systems create a smooth, attractive surface that prevent dry-wall cracks in new buildings and cover existing cracks in older buildings. Vitruvan products can be cleaned or simply repainted with minimal wall repair, when needed. Enhanced resistance coatings can also be added to help avoid unsightly minor dents and scratches in extreme high traffic areas.

Vitruvan glass fabric wall systems are chlorine-free, emit low volatile organic compounds and have a high permeability rating, making them ideal for hygiene-sensitive areas like healthcare and assisted living facilities.

For more information, visit <http://vitrucom.vitruvan.de/us/index.htm>.

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Shannon Alter, CPM®

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- The value of customer service as a point of differentiation
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CAN YOU TOP THIS?

When it comes to dealing with issues involving animals in this business, property managers have often experienced some strange situations. Here are a few of those tales IREM Members shared with *JPM*:

ILLUSTRATIONS BY PAUL LUKAS

» THINK YOU CAN TOP THIS TALE? SEND YOUR TRUE STORIES TO MARKISAN NASO AT MNASO@IREM.ORG.

ANIMAL TALES

A distraught female resident came into the management office and said, "There is something crawling around the top of my bed at night. It woke me up twice last night."

We dispatched an engineer to solve the problem. He returned to say he could not find anything, but did see a small hole in the window screen and a partly consumed piece of bread. We thought it may have been a neighboring cat, but none was registered.

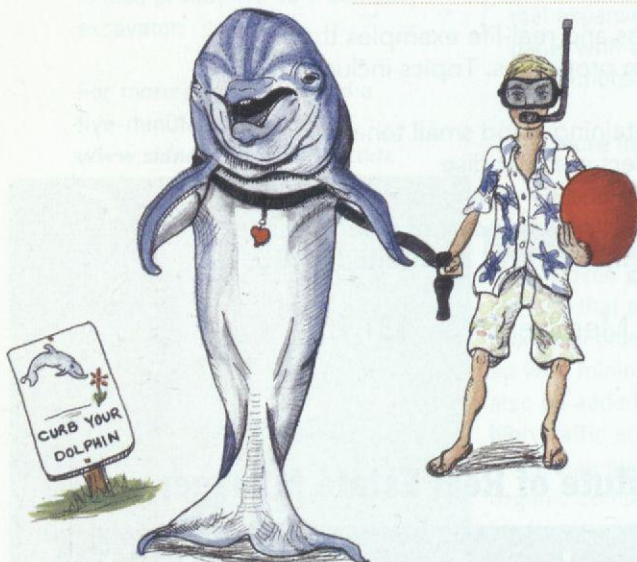
The next day, the resident came in again and said, "Why do you do this to me?! You must stop putting hairy animal on my bed! I not sleep at night."

The engineer was dispatched again with instructions not to leave the apartment until the puzzle was solved. He returned after 45 minutes, having caught a very frightened squirrel.



At that time we were replacing windows in the property and mast climbers were fastened to the building. The squirrel must have climbed up forty floors on the mast climber and then jumped across to the window ledge—about 2 to 3 feet and then gnawed a small hole in the screen to get into her apartment.

The riddle was solved and the resident, happily, is still living with us.



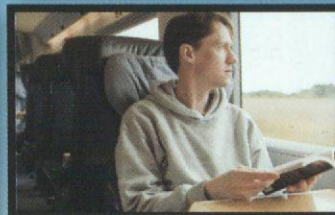
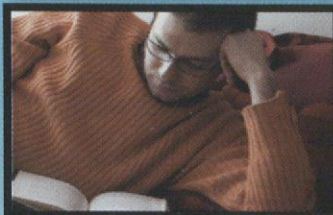
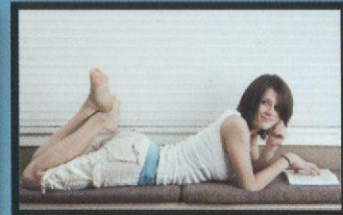
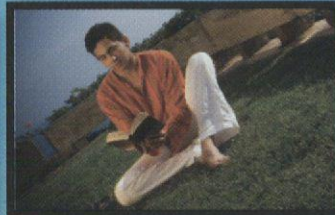
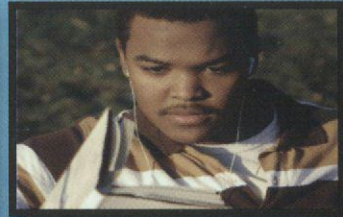
I received a telephone call from the resident of the first-level apartment in a three-story apartment building, complaining that water was pouring into his living room. This was strange because there were no water pipes in that area. I asked the maintenance tech to search the second and third floors above the resident's apartment. He soon called me, in hysterics. In the middle of the living room on the third floor was a large swimming pool filled with fish. There was a tear in the pool, causing the water to pour down into the lower units. When I asked the maintenance tech where the resident was, he said, "He's probably outside walking the dolphin."



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IREM Institute of Real Estate Management

E-Mon D-Mon Submeters Help Property Manager Recover Electrical Costs Without Raising Monthly Maintenance Fees

Park Plaza condominiums achieved electrifying results after retrofitting submeters to help recover \$16,000 per month in electrical costs. Results included a seven-month system payback, improved bottom line and happier tenants.

Pressured by rising costs, Arnheim & Neely—property manager for Pittsburgh's Park Plaza condominiums—was faced with either raising monthly fees to offset the property's \$20,000 per month electric bill or find a way to allocate and bill each owner's electrical usage in order to recover a significant percentage of the facility's operational overhead. Seeking to work with the owners, some of whom had been in the building up to 30 years, Park Plaza Condominium Associates chose the latter.

Solution

A & N estimated that running additional power company metering to each of the building's more than 120 units would be five or six times costlier than simply submetering each apartment, including all residential units, to isolate each owner's electrical usage (kWh) behind the main utility meter.

When asked why he preferred E-Mon D-Mon over some other submetering supplier, the installing contractor said that "E-Mon has the best equipment from our experience." The hardware portion of the system called for 122 UL-Listed and CSA-approved Class 1000 E-Mon D-Mon meters installed in two sizes of Multiple Meter Unit (MMU) cabinets.

E-Mon D-Mons Simplify Installation

Submetering the twelve commercial spaces on the ground floor proved less challenging than metering the residential floors above. "The entire building has finished drywall ceilings with limited access for cabling," said Scalise Industries project manager Phil Reiss, who explained that the 200A split-core current sensors were installed in an existing junction box in the hallway just outside each apartment. The hinged construction of the low-voltage (0-2V) output split-core current sensors allowed the electricians to install them non-invasively

around the electrical feeds being monitored, thus eliminating the need to shut down the load and resulting in a safer, faster install.

Fast System Payback

In the basement, an Ethernet cable was run a few feet from the MMUs to the building's engineering office where a desktop PC running E-Mon Energy™ software analyzes the meter data and outputs monthly owner billing statements with revenue-grade accuracy. The entire submetering installation took only 35 working days. The property manager calculates that the system's \$113,000 installed cost paid for itself in only seven months—based on \$16,000 per month in electrical costs that were recovered as a direct result of submetering the property.

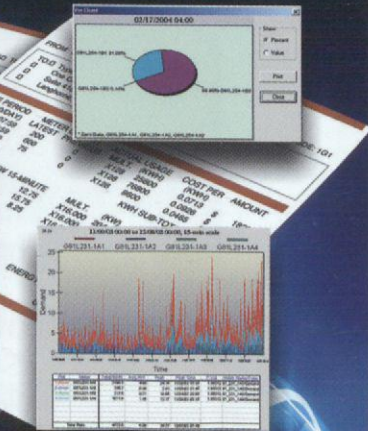
For additional details contact E-Mon at www.emon.com/jpm909.asp or call (800) 334-3666.

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