

jpm[®]

Journal of Property Management

IREM[®]
INSTITUTE OF REAL ESTATE MANAGEMENT

March/April 2022 Vol. 87, No.2

Wealth of knowledge

*Effective mentorship
programs offer
benefits for
everyone involved*

- › IREM advocacy successes
- › Advancing ESG on site
- › Property managers' impact on architectural design



Sustainability certification for your entire portfolio

The IREM[®] CSP Volume Program allows you to certify the environmentally-friendly conventional and medical office buildings, industrial properties, multifamily and senior housing communities, and shopping centers in your portfolio. You can also obtain a gap analysis on corporate sustainability programs through the Volume Program enrollment process, which results in streamlined CSP applications for you and your team.

Why certify your property?

- Get recognized as a sustainable property by IREM.
- Get credit for portfolio-level sustainability programs and gain access to customized certification materials
- Enhance external sustainability reporting, such as programs like GRESB, CDP, and RobecoSAM CSA, for your company or clients

▶ To learn more and enroll, visit irem.org/csp-volume-program.

Contents

March/April 2022

Features

06 Effective mentorship

By Shannon Alter, CPM

12 Using our voices



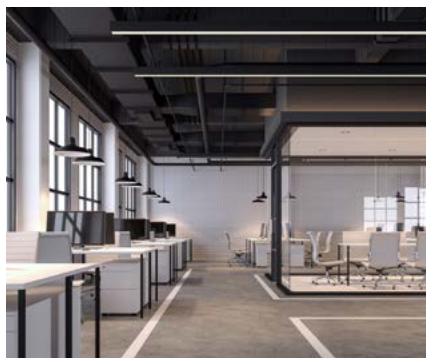
06



04

Dashboard

Proptech preferences, single-family rental demand, and office conversions



Departments

16 Global practices

20 Sustainability

22 Committee central

24 DE&I

26 Property spotlight

30 Slate of IREM Officer nominees

32 New certifications





IREM® Skills On-demand Courses

Build property management skills and get up to date on emerging topics in as little as an hour.

Visit irem.org/ondemand to learn more and register today!

Jp[®]m

March/April 2022 | Vol. 87, No. 2

President | Barry Blanton, CPM

President-Elect | Renee M. Savage, CPM, CCIM

Secretary/Treasurer | Libby Ekre, CPM

Interim CEO | M. Bernadette Patton, CAE

Chief Learning Officer
Wendy Becker, J.D. | wbecker@irem.org

Production Manager
Jared Kimball | jkimball@irem.org

Director, Corporate Business Development/Advertising Sales
Brian Lozell, CPM | irempartners@irem.org

JPM®, *Journal of Property Management* (JPM® ISSN 0022-3905) is published bimonthly by the Institute of Real Estate Management, 430 N. Michigan Ave., Chicago, IL 60611. Internet: www.irem.org. This publication is provided as a medium for the expression of individual opinion concerning management practices and procedures. The articles and advertisements contained herein do not necessarily represent the endorsement of the Institute of Real Estate Management or of the majority of its members excepting such statements that are so designated. The editors exercise only a general supervision of the material and assume no responsibility for claims made in advertisements or for opinions and statements expressed in articles.

IREM®, CERTIFIED PROPERTY MANAGER®, CPM®, ACCREDITED RESIDENTIAL MANAGER®, ARM®, ACCREDITED MANAGEMENT ORGANIZATION®, AMO®, Income/Expense Analysis®, Expense Analysis®, MPSA®, and JPM® are registered marks of the Institute of Real Estate Management.

Copyright ©2022 by the Institute of Real Estate Management.
All rights reserved.

Institute of Real Estate Management Diversity Statement | IREM practices diversity. We are an inclusive organization that embraces and values differences and welcomes individuals of all races, genders, creeds, ages, sexual orientations, gender identities, and national origins and individuals with disabilities, providing an equal opportunity environment among its members, vendors, and staff.

Institute of Real Estate Management Sustainability Statement | The Institute of Real Estate Management (IREM) is dedicated to supporting real estate management strategies that advance an environmentally sustainable and economically prosperous future.

glc | PART OF
SPM GROUP

Publication Management
847-205-3000 | glcdelivers.com

President's letter



Barry Blanton, CPM

Hello, and welcome to JPM! As winter begins to give way to spring, the season of rejuvenation, we'll be looking at our own source of growth in this issue: knowledge sharing.

By taking on and overcoming the challenges that we face every day as real estate managers, we're able to reach new levels of excellence in our careers.

But we're never alone in our journeys. We all have folks around us who have been exactly where we find ourselves and who can offer a roadmap (and a hand) for getting us where we want to go. On **P6**, industry expert Shannon Alter, CPM, outlines some best practices for finding a career mentor (or mentee) and how to make sure your organization isn't missing out on the benefits of weaving mentorship into company culture.

Throughout the pandemic, IREM members have demonstrated time and again that we're prepared and able to adapt to new property technology to meet safety requirements and keep property operations on track. The Institute is well positioned to navigate such unprecedented periods of change, thanks in part to our Technology Advisory Board, which helps guide IREM's strategy for addressing technology issues that impact property and asset management. On **P22**, you'll see some of the results of the 2022 Proptech Insights survey, a board project, and read about their plans for the rest of 2022.

Knowledge sharing doesn't stop at studying the best practices of our fellow real estate managers. We're a critical part of a community of real estate professionals involved in different phases of the building life cycle. For example, property managers can add significant value to the market by offering our input early in the building design process. We bring a unique and informed perspective on the day-to-day operations of a building. On **P16**, Wendy Sun, AIA, LEED AP, ASC, NCARB, of TSK Architects explores the question of how and when a real estate manager should become involved in the architectural design phase of a new construction project.

April is Fair Housing Month in the U.S., a time when we commemorate the signing of the Fair Housing Act of 1968. The legislation was a milestone in the struggle to end housing discrimination and expand equal access to housing for everyone everywhere. In the column on **P26**, we look at one of the best examples of these principles of equity put into practice: mixed-income communities. Read along as Waddell Wright, CPM, CCIM, walks us through the unique challenges and opportunities for real estate managers working with mixed-income housing.

Our industry is more aware than ever of the impact of climate change on the properties we manage, and ESG practices are in high demand. On **P20**, sustainability services analyst Fiona Zhang shares her experiences working with companies to successfully integrate environmental, social, and governance initiatives into their day-to-day operations. A quick preview that I think you'll appreciate: Sustainability measures at your property don't need to be overly complicated to be effective.

Whether it's lending your hard-earned life lessons to a young protégé or leveraging your expertise to add value to a client's operations, knowledge sharing is what allows us to grow as real estate professionals. It's one of the five core values of IREM. It's a best practice in and of itself—one that will always be available to us along every step of our career journeys.

“
Property managers can add significant value to the market by offering our input early in the building design process.

A stylized, handwritten signature in black ink, appearing to read 'Barry Blanton'.

Barry Blanton, CPM
IREM President

Single-family stakes its claim



Demand for single-family rentals (SFR) has been increasing in recent years, and experts expect SFR to reach its full maturity as an asset class by 2030. Who will drive the SFR market in the next decade?

- Millennials who are entering parenthood
- Office workers desiring more space to work from home
- Baby boomers

Source: MetLife Investment Management, "The Future of Housing: Our Outlook for Single and Multifamily Investments"



Making an impact

IREM's Advocacy Impact Day is March 9. Join the IREM Headquarters Government Affairs team's Ted Thurn, director, and Andrew Lomo, liaison, to learn about the issues impacting the real estate management industry, how to help shape legislation, and building long-term relationships with federal legislators. Listen to the full interview at irem.org/learning/from-the-front-lines.

"Unless you try to do something beyond what you have already mastered, you will never grow."

—Ralph Waldo Emerson



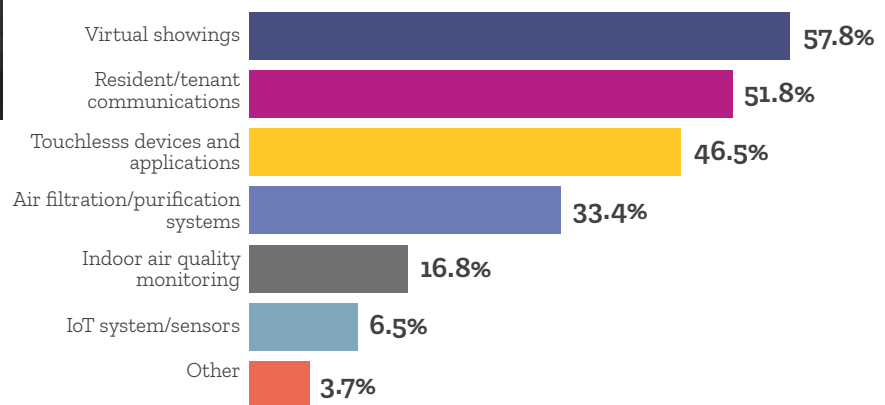
Prioritizing Proptech

The COVID-19 pandemic prompted many real estate managers to adopt new technologies. The 2022 Proptech Insights survey results shed some light on the technologies property managers implemented and their effects:

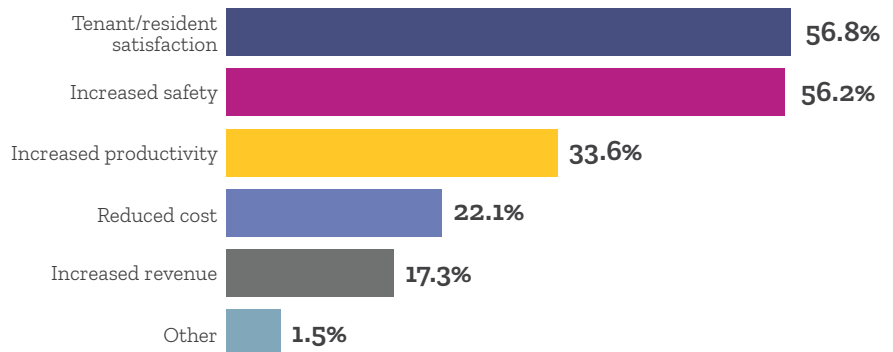
Source: 2022 Proptech Insights

[Read more](#) about the survey on **P22**.

What Proptech did you implement, if any, as a result of the COVID-19 pandemic?



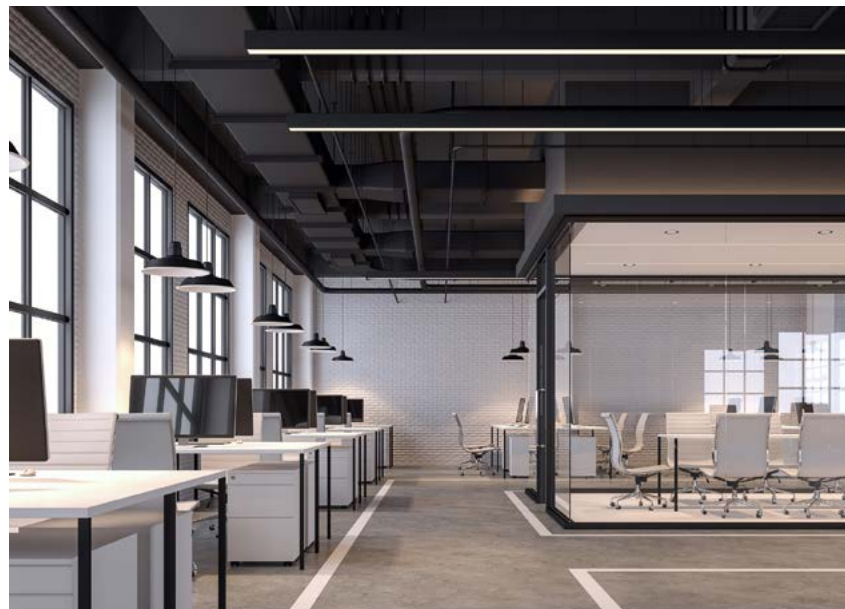
How do you measure the return on implementing the solutions selected above?



Creative conversions

If just **20%** of the currently vacant office space square footage were converted into housing, **43,500** residential units could be created in 22 markets (out the 27 markets heavily impacted by the pandemic). This estimate assumes an average size of **1,000** square feet per unit and with 20% common area.

Source: National Association of REALTORS®, 2021 Analysis and Case Studies on Office-to-Housing Conversions



Effective mentorship



The secret door to loyalty

By Shannon Alter, CPM

Kara noticed something

was going sideways on her team. She decided to implement a buddy program, sensing that the younger professionals were hungry for guidance. Because she didn't have time to review her idea with everyone individually, she sketched it out briefly in a team meeting. She hoped the program would just take off running all on its own.

The feedback she received from her senior team wasn't great. It was a busy season, and they didn't have time to decipher what it was she was asking them to do. The rising leaders were hesitant and not sure how to approach their more seasoned managers. Kara didn't connect the dots until employees began leaving and turnover rates started rising. She figured it was just part of the "Great Resignation" but wasn't sure how to overcome the added setback. What went wrong?

If you're like Kara, just the mention of increasing turnover can send shivers down your spine. Countless reasons and remedies flood your brain: "It must be the pay. We've got to fix the culture clash. People just aren't loyal anymore." You've been working diligently toward a solution, but it just isn't coming together.

Here's the secret

If you've ever found yourself in this situation, staring down the twin challenges of cultivating employee loyalty and promoting leadership, you're not alone. Consider this solution: mentorship. Often underrated and underused, implementing a well-crafted, consistent mentoring program is like unlocking a secret door. You just have to find a way to open it. And here's the bonus: There's real treasure on the other side of that door.

An effective and efficient mentorship plan not only paves the path for future leadership, it creates and inspires loyalty. Consulting firm Deloitte tells us that 68% of longer-term millennial employees (those staying at least five years) most likely have a mentor. The takeaway is simple. If you want to have a powerful impact on your employees and help them build long-lasting professional relationships, the time to implement a strong mentoring program is now.

Let's outline some steps that you can take right away to develop a plan for your own organization.

Image: iStock.com/FG Trade

First, the difference

Are you wondering what the difference is between mentorship, sponsorship, and coaching? Distinguishing between them can be confusing, as these terms are sometimes used interchangeably. Don't despair! There's a helpful visual we can use to remember what's what.

Picture the hub on a bicycle wheel: This is mentoring, a core strategy for leadership and retention. Through mentoring, a mentee and a mentor build a relationship meant to guide and foster professional and personal growth. With a mentor, mentees can ideally converse about the "GBU"—the good, the bad, and even the ugly—about their role, their career choices, and the organization.

Now picture the wheel's spokes: This is where coaching and sponsorship fit in. Coaching, which also promotes growth, is typically done by someone outside of the company who offers an objective "third eye" perspective. Coaches are independent observers who help leaders reach their full potential by both creating goals and acting upon them. Accountability is key.

Conversely, sponsorship is when a senior leader takes specific opportunities to help another leader advance. Sponsors are your champions.

They are the ones who stand up for you when you're not in the room. With a sponsor, employees can consider discussing the "GGG"—the good, the good, and the good. Sponsors are often key to getting ahead, as they can open doors and heighten visibility.

Witness this experience from Brett Voeltz, CPM, property manager at Berkeley Partners and an IREM 30 Under 30 award recipient. Voeltz credits his first supervisor with kick-starting his career by sponsoring him.

"My first boss was truly my sponsor. She always put my name out there and was key to my visibility within the organization, whether it was for a project, an award, or a promotion. She encouraged me to become involved in IREM and to take advantage of its excellent networking opportunities. Even today, I still feel the impact of her willingness to sponsor me."

Where to start

If you're struggling with how to begin, sometimes all you have to do is ask and let your prospective mentor know what you're looking for. And there's good news: It can be helpful to have several mentors for developing different aspects of your personal and professional lives. Nancy



“

In a smaller organization without a formal program, I find it beneficial to look at the leaders who have a role I may want down the road.

—Brett Voeltz, CPM,
Berkeley Partners

Mentor	Coach	Sponsor
<ul style="list-style-type: none"> Focuses on building relationships Listens to the GBU, allows mentees to be heard Draws from their own experience Helps with career advice Works inside or outside the organization 	<ul style="list-style-type: none"> Focuses on personal and professional growth Observes, allows leaders to draw their own conclusions Offers action items Holds participants accountable Works outside the organization, usually paid 	<ul style="list-style-type: none"> Focuses on advancement and opportunity Listens to the GGG, champions, and advocates Has a seat at the table Vouches for leadership ability Works inside the organization



Image: iStock.com/Weekend Images Inc.

O'Brien, CEO and founder of The Magnetic Truth, LLC, a Chicago-based interpersonal performance advisory, recommends just that. "It's helpful to have at least two or three mentors, especially if you're considering entering a new field or re-entering the workforce after a long break," she offers. "You may not always be able to find the same insight in the same place."

Voeltz chimes in: "In a smaller organization without a formal program, I find it beneficial to look at the leaders who have a role I may want down the road. Then I reach out. I ask for a few minutes of their day for a coffee or lunchtime chat. Connecting through volunteering at the IREM chapter level offers incredible opportunities and the ability to expand your network. It's a great way to hear about another path and an alternative perspective. Sometimes it's a shorter conversation; often it can turn into mentorship."

What's in it for me?

What went wrong with Kara's plan? She was missing the "what's in it for me?" Not surprisingly, successful mentoring is a two-way arrangement where each party—mentor and mentee alike—needs to know how they can benefit, and benefit from, each other. Reciprocity counts. This starts with getting buy-in, understanding expectations, and seeking participants' commitment to a shared plan.

A great mentor finds a way to connect the needs of both the employee and the organization and help future

▲ A great mentor finds a way to **connect the needs of both the employee and the organization** and help future leaders advance along their plotted career paths.



“

It's helpful to have at least two or three mentors, especially if you're considering entering a new field or re-entering the workforce after a long break. You may not always be able to find the same insight in the same place.

—Nancy O'Brien, The Magnetic Truth, LLC



“

I highly recommend any young real estate professional who truly desires to understand all that being a member of IREM offers to become involved as a DISI leader.

—Amy D. Martin, CPM, The Muller Company, AMO

leaders advance along their plotted career paths. Willing mentees are open-minded and take full advantage of the opportunity to learn, practice, and ask questions.

“I like to look at it this way,” O’Brien suggests. “You can take the stairs or you can take the elevator. It’s really all about getting from point A to point B. How long will it take you, and is there a better way? While there’s some advantage to taking the stairs, going about your career journey alone can take you longer.”

And don’t forget the tangible value to your organization—top talent is more likely to stay and to be more committed and loyal, according to experts Rajashi Ghosh and Thomas G. Reio, Jr., in a 2013 study called “Career benefits associated with mentoring for mentors: A meta-analysis.” Their published findings show that mentoring results in greater job satisfaction for the mentors, too. The reason? Mentoring is both reciprocal and collaborative.

Action is key

How can you best elevate and shape future leadership? Take action now. Let’s look at how to set the stage for success.

Establish clear roles and expectations. Decide what goals you’ll want to put into action and who will do what. Develop a short, simple mentorship agreement and ask these five questions to solidify your planning:

- Will your program be formal or more casual?
- How often will you meet?
- Who will set up a clear meeting agenda?
- What will you discuss?
- How will participants communicate (i.e. Zoom, phone)?

Meet regularly. Consistency matters. Mentoring won’t matter much if the participants don’t meet. Even if your program is less formal, establishing a regular time to chat builds rapport and trust.

Go for one-on-one. It can be tough to build connection and rapport in a group, especially when it’s virtual. Don’t be tempted to forego valuable one-on-one time; this is often when it’s easiest for people to open up.

Maximize your resources

It’s easy to overlook the resources that are right in front of us. Amy D. Martin, CPM, senior property manager for

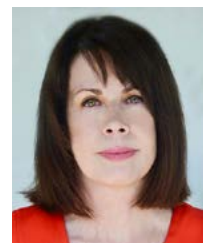
The Muller Company, AMO, recommends considering IREM’s Diversity Inclusion Succession Initiative (DISI) Leaders scholarship as a significant starting point.

“Winning the DISI award afforded me the opportunity to attend the IREM Global Summit in Washington D.C. As a DISI leader, I met some of the most wonderful professionals and mentors who I’m still in touch with,” she says. “I highly recommend any young real estate professional who truly desires to understand all that being a member of IREM offers to become involved as a DISI leader.”

Voeltz adds: “I discovered that being a DISI leader offers an excellent opportunity to model a different kind of diversity and mentoring. The honor of receiving the DISI scholarship has allowed me the chance to connect, network, and learn from professionals who have differing perspectives and who have all put mentoring into action.”

It’s clear that the ability to create and implement a strong, consistent mentorship program can help you unlock the secret door to your organization’s future. Developing and shaping leaders at all levels creates opportunities to frame, impact, and even define your workplace culture. You have the key, now open that door. ▀

Shannon Alter, CPM, is the owner of LeadersExceed and has over 25 years of experience in the real estate industry. She is actively involved with IREM as a course instructor and webinar presenter, and she has previously served as a regional vice president as well the IREM Orange County Chapter president.





IREM® Maintenance and Risk Management Skill Badge

Effective building maintenance starts with a skilled maintenance team. And the demand for well-trained maintenance professionals is at an all-time high.

As a leading provider of real estate management education, IREM has expanded its curriculum to include a Maintenance and Risk Management Skill Badge. By earning this Skill Badge, your maintenance team will learn best practices and action steps for running a comprehensive maintenance and risk management program that reduces potential loss and preserves the owner's investment.

Earning this badge requires taking an online course and exam

Elements of the course include:

- Developing a customized maintenance and risk management program
- Conducting and monitoring property inspections
- Maintaining building systems
- Developing emergency and disaster plans

New pricing!
\$430 members
\$510 non-members

Experience the difference a trained maintenance team makes in optimizing a building's performance.

Using our Voices

Image: iStock.com/uschools



IREM advocacy keeps critical issues front and center

Although some efforts may quietly fly under the radar, IREM works diligently every day to better the property management profession through advocacy, benefiting all IREM members as well as the real estate industry at large. For those unfamiliar with IREM advocacy, staff, teams, and committees work with local, state, and federal legislatures to ensure critical real estate policies, legislation, and regulations will positively impact managers, clients, and tenants as much as possible.

Colleen Needham, CPM, ARM, is assistant vice president regional manager for Chicago-based Draper and Kramer, Incorporated, AMO and serves as both IREM Chicago Chapter president and 2022 Legislative and Public Policy (LPP) Committee chair. As she puts it: "Our members really need to know what's going on so they can make the right decisions if they need to get legal counsel involved," or need to get their organization to voice support for or opposition to legislation, changes to current guidelines, or extensions of policies already in place.

The scope of policies and regulations is varied and wide. Some of the issues that the LPP Committee monitors includes the Americans with Disabilities Act (ADA) lawsuit reform, assistance animals, recreational and medical marijuana, fair housing, federally assisted housing, pandemic preparation, rent control, and property insurance—especially in regions experiencing extreme weather events.

Working with the Capitol

One of the year's highlights for the LPP Committee is the Advocacy Impact Day. This event—also known as the Capitol Hill Fly-in—is a chance for IREM members to speak with congressional representatives and senators about critical issues affecting real estate management. This year's Advocacy Impact Day is scheduled for March 9.

In January, Needham and the LPP Committee approved a slate of policies that would be the primary focus for this year's Advocacy Impact Day. "We'll be citing what our initiatives will be going into the Advocacy Impact Day in March," Needham says. "Once we decide on the topics, we will share them with IREM members and then schedule

a webinar, so that people who are interested in participating will receive the talking points. We'll also provide them the information and pamphlets, so they can review them and do some research. This way, when they make their appointments with the senators and representatives, they will be very well prepared."

The LPP Committee will also be collaborating with their counterparts from the National Association of REALTORS® (NAR) to review mutually held policy positions and to hear from NAR lobbyists on best practices to conduct effective meetings with legislators or their staffers. "It's great because we get to collaborate and get our point across," Needham says. "NAR also lobbies for things that impact our industry and what we do on a daily, monthly, quarterly, and annual basis."

LPP Vice Chair Kevin Logue, CPM, with Equity Investment Services in Orlando, Florida, has had great experiences at previous Advocacy Impact Days. He looks forward to this year's event and reporting results back to IREM members. "If we glean any information on where the legislators are with the particular issue we're advocating for, we're going to bring that information back. Hopefully all the legislators that we speak to are for it," Logue says. "But if they're not, that's OK—we need to know that. When we talk to them, we're going to reach out and say, 'Are there any other issues that you're working on that we can help with?' And we'll bring that back to our local chapters, too."

Keeping your finger on the pulse

There are several ways IREM members can learn about national advocacy efforts. First, public policy webinars are held quarterly throughout the year to keep members up to date. Even if you can't sign in during the live event, the webinars are recorded and can be accessed through the IREM website on demand (login required).

Advocacy highlight: Navigating federal housing policy



Susan Monaghan, CPM

IREM Federal Housing Advisory Board Chair Susan Monaghan, CPM, brings significant experience to this aspect of IREM's advocacy efforts. With four decades in housing management and her current role

as executive director of Cumberland Housing Authority in Rhode Island, Monaghan has seen a great deal of change in federal affordable housing policy. "Over 7 million units are needed," says Monaghan. "You just don't realize the number of people out there who are living in substandard housing, paying too much for rent, or living on the streets."

Monaghan has been advocating with the U.S. Department of Housing and Urban Development (HUD) on such issues as housing vouchers, landlord participation, conversion of public housing to Section 8 housing, and, of course, rehabbing and building more affordable housing units.

Roughly 38% of all federally assisted housing is managed by CPMs. Keeping the channels open with HUD and other government agencies is a necessary step toward maintaining this critical housing sector.

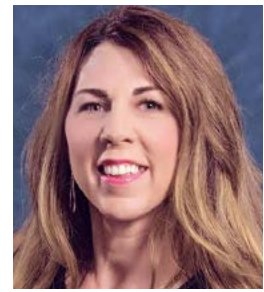
A recent webinar offered an overview of IREM's advocacy initiatives in 2021 and what's in store in 2022. One of the topics addressed in the webinar included a summary of the Biden Administration's Build Back Better plan that has stalled in the U.S. Senate. The LPP Committee backed the provisions that spared real estate investment from some of the most onerous taxes, as well as the funding that would address housing programs.

IREM also offers members several podcasts throughout the year, presents to Chapters on issues important to the real estate management industry, and provides our Government Affairs Digest publication, which is our monthly newsletter on federal, state, and local legislative or regulatory issues.

Another opportunity for members to learn more about advocacy efforts is during the annual IREM Global Summit. "I participated in the education sessions during the last Global Summit here in Vegas in October," says Needham. "Our LPP chair and vice chair are always there to have a conversation with anyone who wants to participate, to really let them know what we accomplished in the previous year." Members will be able to catch up on advocacy efforts at this year's IREM Global Summit, Oct. 17–20, in Dallas, Texas.

The work goes on

Of course, just as one year wraps up, the coming year means new and ongoing policy work. "We're revamping our policy position statements," Needham says. "There were 126 policy statements; we got through 16 of them, grouping them together in terms of business issues, fair housing, and so on—removing some of the extraneous language so our members can more fully understand where IREM stands on these particular policies." Needham says their goal in 2022 is to get through as many additional policy position statements as possible and then present them to the IREM Governing Council and Board of Directors for approval at the Global Summit.



“

It's great because we get to collaborate and get our point across. NAR also lobbies for things that impact our industry.

—Colleen Needham, CPM, ARM

Logue stresses the importance of members being aware of and involved in advocacy efforts. "It's important for property managers to be aware of the issues that are relevant to their properties, first and foremost," he says. "And by participating in advocacy, it gives us a voice in these issues."

"IREM's LPP Committee is really focused on federal legislation, but we also address state and local issues," continues Logue. "The committee members are in lots of different jurisdictions. We ask the members at large to get involved with advocacy and seek out their local representative, wherever they live and work. For instance, I live in Orlando, Florida, in Osceola County. My congressperson is Rep. Darren Soto. I reach out to him and meet with him on the issues either here locally or in D.C."

Logue shares IREM's viewpoint that individual members should meet with their congressperson and two senators, if possible. And that doesn't have to happen during Advocacy Impact Day.

"Honestly, it's hard to develop the relationships with senators, because they're super busy people. But if they are not able to meet with us directly, we can meet with and develop relationships with their staff," Logue says. Senators have different staff members who are responsible for certain policy areas, so it's best to develop a good relationship with the people who are tasked with real estate interests. "Those are the people who the senators are going to come to and say, 'Hey, brief me on this.' So, what we really want is for those staffers or members of Congress to reach out to us as the experts if they



Left to right: LPP Vice Chair Kevin Logue, CPM; Senator Rick Scott's legislative correspondent, Nick Uberti; and IREM Central Florida Chapter member Billie McMahon, CPM

Advocacy highlight: Untangling the cannabis conundrum

The differences between state and federal laws surrounding medical and recreational cannabis are affecting those in property management. In some states, recreational and medical use is legal, but cannabis is still illegal at the federal level, and as such, proceeds from sales cannot be deposited in a federally insured bank. "It's a challenge for property managers," says LPP Committee Vice Chair Kevin Logue, CPM. "We've advocated for the SAFE Banking Act, because it basically carves out legal cannabis sales so that those businesses can deposit their money in the bank."

have any questions about property management," Logue continues.

Logue urges members not already participating in IREM advocacy to consider getting involved. "I think one area where we could all improve is just at the level of participation," he says. "If we could get more people to participate, I think we would be a lot better off, because that's the way our system is structured. You educate yourself on an issue, then go tell the right person what you think about it, and then you go vote. By engaging in IREM advocacy, you're really utilizing the system by taking participation to the next level."

Emphasizing how each of the LPP Committee's focuses affect property management jobs and stakeholders, he says, "It's going to benefit you because you're going to be able to go lend your voice to whatever the issue is, and that's what's important." ▀

A time and place

When should a property manager get involved in architectural design?

By Wendy Sun, AIA, LEED AP, ASC, NCARB



Las Vegas Convention Center West Hall

Photo courtesy of TSK © Josh Partee

What is the relationship between architects and property managers? How and when should a CPM become involved in the architectural design phase of a new construction project? As a member of the American Institute of Architects and an architect for TSK Architects, my experiences can offer a perspective on how architectural design and property management intersect.

To understand where real estate management and architectural design meet, there are five stages of the

architectural design and construction process to keep in mind:

- **Pre-design.** Determining the scope through research and evaluating potential problems. No actual designs are developed at this stage.
- **Schematic design.** The beginning of a building's design. Through continual back and forth with the client, floor plans, site plans, general sketches, and formal drawings are produced to outline the fundamentals.
- **Design development.** With the basics in mind, material costs are evaluated. There are consultations with electrical, plumbing, and mechanical engineers, and the client selects a final design to use for their project.
- **Construction documentations.** The drawings are used to create a set of precise documents that contractors use to build the site.

- **Construction administration.**

This phase covers the "Notice to Proceed" through final building occupation, and architects supervise the actual construction.

When should property managers join the project?

Looking at these stages, it becomes clear that property managers should be involved in new projects early during the pre-design phase; they are the ones who will manage the day-to-day operations in the completed building. Therefore, it would be in the interest of both property managers and architects to collaborate on projects, meshing design and pragmatism. Architects and property managers are united by their goal of satisfying clients.

With these stages and what they entail in mind, I asked TSK President and CEO Windom Kimsey, FAIA, and TSK Vice President Jason Andoscia, AIA, for elaboration on some of the ways a property manager can become more involved in the architectural design process.

Wendy Sun: What types of issues can a property manager assist with or provide a valuable perspective on during the design phase?

TSK: Property managers have the capacity to bring significant value to the design process. They understand the end users' goals with regard to tenant attraction and retention, life-cycle costs, potential preventive measures associated with maintenance, and replacements and repairs. They also bring a unique and informed perspective with respect to the overall day-to-day operations of the building. All of this can be positively or negatively impacted by the design process, and input from the property manager can help ensure the design team is better informed, resulting in smarter design decisions.

WS: What has been your experience working with property managers? Have you needed to modify a design because of comments from a manager?

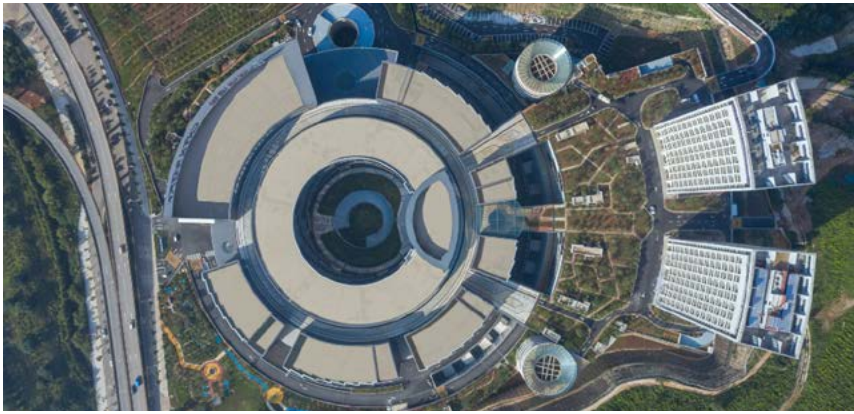
TSK: Some of our clients are more open to considering the opinions of different parties than other clients. Take CXTX Auto City Phase 2 as an example. This project was full of challenges. The first one we faced was related to the type of programs that should be included in this project. The client described their vision of the project as one-stop for everything: shopping, entertainment, hotel, resort, exhibition, offices, car repairs, accessories, theme park, and even apartments. Fortunately, the client was

Looking at these stages, it becomes clear that property managers should be involved in new projects early during the pre-design phase.

not only a visionary, but also very practical. The property management team was invited into the design process to help influence the design decisions about what program would be best for this large-scale development. With the help of the property management team, the design team was able to settle on three different conceptual schemes that were viable, focused, and in line with the client's vision.

The property management team also provided additional comments, such as indicating that the rear side of the rentable units are more difficult to lease and have less commercial value because of inconvenient access. They were able to quantify how this would impact profitability, which resulted in TSK adjusting the design and finding creative solutions to better address those concerns, such as utilizing double- and even triple-sided storefronts that worked with the topography of the site. The property management team provided subsequent design feedback that resulted in incorporating additional daylight into interior spaces, including entertainment stores, adding an automotive-themed cafe on the rooftop to welcome family visitors, and identifying the courtyard as a prime space of the project. Our LDI (local design institute) partner acting as the architect of record, YIC Design Institute, executed the design intent very well. All of the units were leased out before the completion of the project.

Photo courtesy of YIC Design Institute, © Yifeng Zhao



CXTX Auto City in Yunnan, China, was planned with property manager input.

CXTX Auto City: planning with property managers

This is a mixed-use 4.5-million-square-foot complex with an automobile theme, boasting an enviable location close to Kunming Airport in Yunnan, China, a major province in the southwest. We knew the project needed to entice a wide variety of visitors and potential shoppers. Property managers were brought in early during the proposal phase to help cull the overflowing list of potential designs and features in order to settle on a more manageable size.

WS: Property managers are usually only able to offer comment or guidance after a project is already built. In your opinion, should we seek their input at an earlier stage?

TSK: Traditionally, there has been little to no overlap between architectural design and property management. The architectural design team is typically involved in the early stages of building development, while the property management team may not be engaged until the building is fully constructed.

In my opinion, property managers should be involved in the design phase as early as possible.

In the initial pre-design or programming phase, the design team seeks out the challenges that have to be addressed, the needs versus wants of the project, and the overall vision for the project. The property manager can provide significant input here during pre-design as well as the subsequent phases of design and construction, helping ensure a successful project that is easier to lease, maintain, and operate.

Designs come to life

To visualize what these processes look like in the real world, here are some of our most recent projects that drew on property manager input:

B-Tech Towers, designed by TSK and Huayi Design, is a 3.2-million-square-foot mixed-use property with two titular towers.

B-Tech Towers: considering anchor tenants

B-Tech Towers, designed by TSK and Huayi Design, is a 3.2-million-square-foot mixed-use property with two titular towers, the larger of the two reaching 820 feet in height. Situated in Shenzhen, the fourth most populous city in China, this project was centered on its anchor tenants from the very start. Thinking about the finished property's maintenance requirements, and how tenant selection would affect that, played a major role in its design.

The B-Tech Towers project in Shenzhen, China, prioritized anchor tenants.



Photo courtesy of TSK, © Tianpei Zeng

Las Vegas Convention Center West Hall features a sustainable design.

Photo courtesy of TSK, © Josh Pardee



phone apps, the amenities of this project actually help protect the environment as well as the property's bottom line.

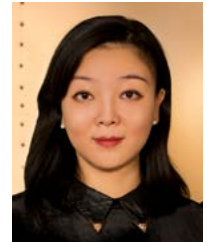
The takeaway

Through these three case studies, you can see examples of when and how a property manager's involvement can shape the course of new property development. Collaborating with architects in the early design phases offers vast possibilities in creating the properties of the future. ▀

Las Vegas Convention Center West Hall: incorporating sustainable technology

Modeling the principles of sustainable design, this project showcases TSK's specialty: environmentally friendly and sustainable design—something that IREM property managers share a strong interest in. This project resulted from international collaboration, and its design captures the elegance and glamour of Las Vegas. Touting efficient lights, automatic dimming controls, digital submeters to monitor energy usage, and energy tracking tools and

Wendy Sun, AIA, LEED AP, ASC, NCARB, is a licensed architect currently working for TSK Architects in Las Vegas. She holds master of architecture degrees from the University of Oklahoma and Huazhong University of Science and Technology. Sun is a member of the American Institute of Architects as well as the National Council of Architectural Registration Boards, and she holds additional certifications in green building construction.



Looking to fill an open position?
Find your next applicant on the IREM® Job Board



Visit careers.iremjobs.org/employers to post your open position(s) today! Packages now start at just \$150.

Managing ESG

Translating environmental, social, and governance goals into on-site actions

By Fiona Zhang



▲ The real estate sector is a major contributor to global greenhouse gas emissions, with physical buildings accounting for **39%** of energy-related carbon dioxide (CO₂) emissions.

Alignment between a company's leadership and ESG initiatives makes it easier to integrate sustainability into property management responsibilities and expectations. Publicly announced corporate commitments to sustainability and climate change objectives, in addition to disclosures of metrics and progress, necessitate greater property management team engagement so that those teams

Real estate investors, stakeholders, and employees are more focused than ever on the impact of climate change on real estate assets and their surrounding communities. In turn, the implementation of environmental, social, and governance (ESG) initiatives has earned a higher priority in asset management and commercial real estate.

Engaging property teams in specific applications of ESG can take the shape of policies, procedures, and program administration, as well as team training sessions. Implementing sustainability best practices into property-level operations allows management teams to maximize their cumulative impact on day-to-day operations. Managing ESG at the property level aids in mitigating the effects of climate change on our planet and reflects a commitment to greater climate goals.

Ambition alignment

The real estate sector is a major contributor to global greenhouse gas emissions, with physical buildings accounting for 39% of energy-related carbon dioxide (CO₂) emissions.¹ Of those emissions, 28% stem from operational emissions—the collective CO₂ emissions produced as byproducts in order for a building to run.

¹ Nesler, Clay, Lam, Khee, Lasternas, Bertrand. "How to build zero carbon buildings – and why it matters". *World Economic Forum* [website], 8 Sep. 2021.

can contribute to year-over-year performance reductions in energy and water consumption, emissions, and waste. Comparing performance metrics over time requires consistent data tracking and adherence to set timelines, which property teams can learn to track using resource and data management tools.

Data management platforms

Resource and data management tools, such as the EPA's ENERGY STAR® Portfolio Manager®, allow property teams to benchmark data on energy and water consumption, emissions, and waste. They can also submit data for local and state benchmarking and performance ordinances. Management teams can even measure an individual building's performance compared to similar properties across the U.S.

Training property teams to use the Portfolio Manager platform enables them to track building resource consumption and optimize their understanding of performance metrics based on the building's physical use breakdowns, operations, and occupant behavior. Portfolio Manager or any other similar data management platform also allows property management teams to quantify their progress toward reaching emissions reduction targets over time, capture trends in consumption, and identify outliers in utility usage and costs. Without such measures, long-term sustainability performance would

be difficult to track, more susceptible to incomplete data captures, and much more challenging to manage.

Evaluating project feasibility

At the property level, the ability to identify potential sources of emissions reductions and efficiency improvements begins with taking a proper inventory of any measures already implemented. For example, the presence or absence of previous lighting and energy audits conducted at the property, the feasibility of cool roof implementation, and the use of high-efficiency appliances can indicate varying levels of sustainability measures already in place.

Creating and updating sustainability checklists for property management teams to use provides a practical tool and grounds for common consensus. Reviewing and updating these checklists every one to three years can help property teams maximize opportunities for efficiency upgrades and emissions mitigation.

Resource availability

Improving performance at the property level depends on day-to-day best practices and programs embedded in management responsibilities and procedures. For example, providing property management teams with resources—like tenant retrofit guides, LED upgrade guides, and general sustainability resource guides—gives them a reference point for what types of projects they could implement at a particular site.

Proper resource guides should outline processes for effective follow-through to get projects started and completed. LORD Green Strategies, an ESG consulting company specializing in commercial real estate, creates and delivers various sustainability tools for property management teams, including resources for office, multifamily, industrial, and retail properties. Projects for implementation at the property level may include those related to renewable energy, sustainable purchasing policies, integrated pest management, resident and tenant ESG surveys, sustainable vendor programs, and energy audits.

Integration into operations

Individual actions and small-scale shifts can have large impacts on the environment as they accrue over time. Even quick payback projects, such as setting dual-sided printing as the default, only using FSC-certified paper, or establishing recycling services, can all contribute to a property's overall sustainability efforts. As a good management practice, engaging tenants in sustainability events and consistently discussing ESG makes it more

natural for management teams to recognize and prioritize sustainability in their daily operations.

Green building certification and IREM Certified Sustainable Property (CSP)

IREM's CSP program provides sustainability best practices and evaluation for multifamily, retail, office, medical office, industrial, and senior housing properties. Every year, LORD Green Strategies works with all property types to help them achieve the CSP certification, and LORD Green Strategies has already helped more than 350 properties reach CSP status.

Working with property management teams to help them achieve green building certifications like IREM's CSP can be a valuable educational opportunity. Understanding certification requirements helps lay out what sustainability measures are being implemented, which measures are feasible, and how specific projects can be applied to each property.

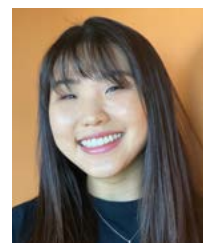
"IREM CSP certification has been a great tool to further engage with property management teams and emphasize the importance of sustainability practices at the property level," says Aaron Jones, consultant at LORD Green Strategies.

Achieving certification gives property management teams the benefit of enhanced ESG reporting, and it is appealing to tenants. It also signals support for environmental health and sustainability for both the management team and the property owner.

Sustainability at the property level doesn't need to be overly complicated to be effective. Saving energy, reducing building-level emissions, and implementing resilience strategies against future climate risks create mutual benefits for both the planet and property management companies.

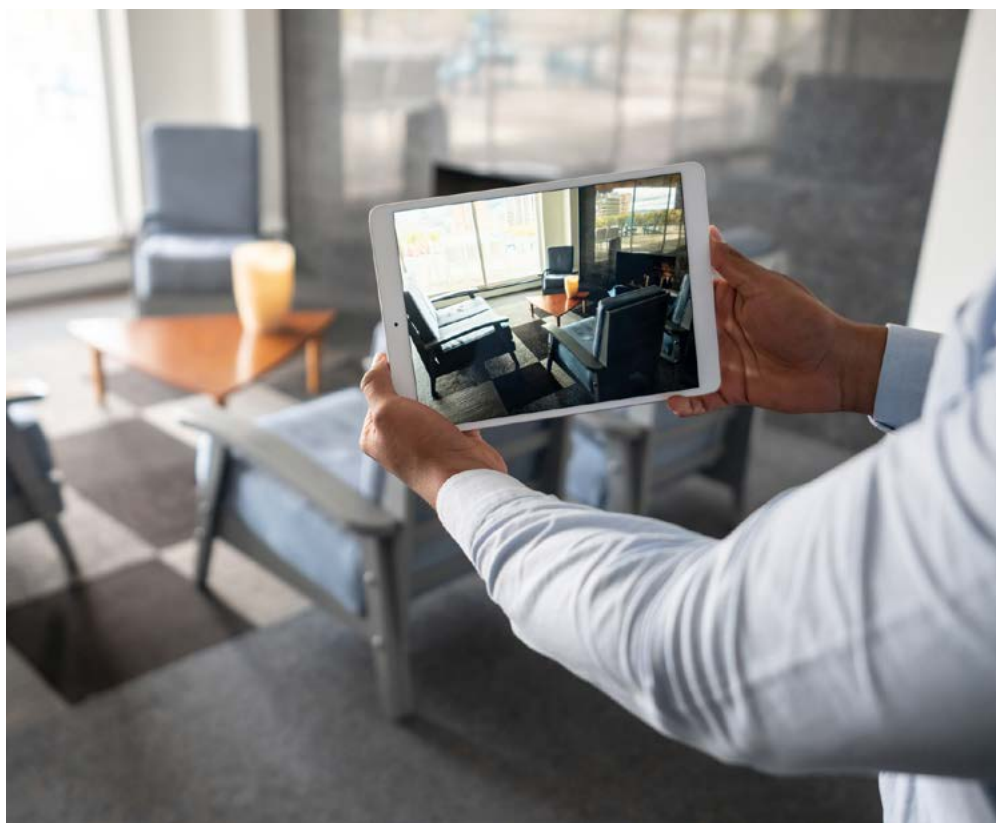
As the urgency and visibility of climate change continue to grow, property and asset management organizations with well-recognized sustainability programs in place will be better positioned against climate risks in the future. Integrating ESG into the day-to-day operations of properties is a crucial yet approachable step in realizing wide-scale emissions reductions from real estate assets. ▀

Fiona Zhang is a sustainability services analyst with LORD Green Strategies, Inc., in Dallas. She graduated magna cum laude from UCLA in 2020 with a Bachelor of Arts in sociology and a minor in environmental systems and society.



Putting the tech puzzle together

IREM's Technology Advisory Board examines tech in real estate management



Which products should you choose, and which companies should you trust?

Technology Advisory Board pieces it together

Some managers, like the members of IREM's Technology Advisory Board, jump at the chance to put the technology puzzle together. They've seen the powerful impact that tech can have on working with their teams, running their properties, and meeting their owners' investment goals.

The board's purpose is to help IREM address these technologies and identify the experts, tools, and knowledge products—like webinars, courses,

Making sense of all the new technologies available to real estate managers can feel like wading through terminology and promises rather than selecting solutions to problems and gaining better efficiency in operations.

There's Proptech, Fintech, and Contech. Data lakes. Cloud migrations and software integrations. Blockchain. Algorithms and artificial intelligence (AI). Augmented reality and the Internet of Things (IoT). Platforms for managing your company, separate platforms for managing your properties.

Check out the full results of the 2022 IREM PropTech Insights survey and see all IREM tech resources in one convenient place at **IREM Technology**.

And there are tech solutions providers, some with thin client lists and even thinner track records of ROI for the products they're selling; and others with brilliant new technologies that will remove big pain points for you and your business.

and podcasts—so that you, too, can piece it all together and be in the best position to make informed choices for your properties.

Technology survey

One of the biggest areas of focus for the board each year is IREM's technology survey. This survey gathers critical information on how real estate managers are selecting and using technology. It allows IREM to prioritize tools and resources for the technologies requiring the most information.

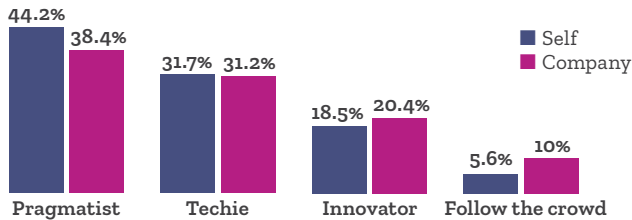
Which technologies are managers of multifamily properties using? What about office buildings? Industrial properties? Other niche property types? And how does this differ according to the size of the management company? How are new technologies evaluated? What are the hurdles to implementing new technologies?

These are the types of questions that IREM's technology survey seeks to answer. This year's survey focuses

on Proptech. The 2022 Proptech Insights survey was distributed in October 2021 and gathered valuable data on how and why respondents are using technology to enhance and improve their properties' operations.

Let's take a look at some of the survey results.

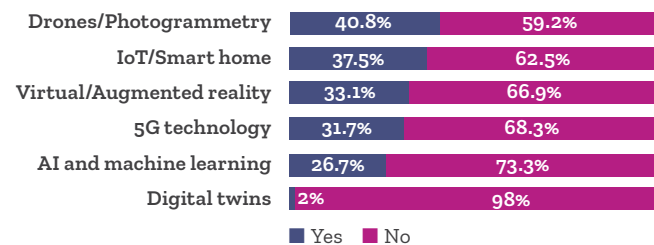
When it comes to Proptech, how do you describe yourself and your company?



For this first question, it's encouraging to see that 50.2% of respondents describe themselves as either a "Techie" or an "Innovator." This suggests that real estate managers aren't afraid to advance the right solutions.

It's also not surprising to discover that most respondents see themselves and their companies as pragmatists. At some level, all real estate managers are pragmatists, and innovation that doesn't pay back isn't what is needed to compete.

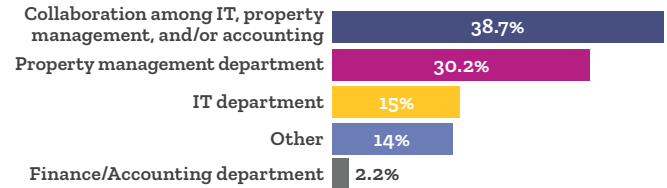
Has this technology been implemented at your property?



Here we see that drones/photogrammetry is the most widely implemented Proptech among survey respondents, with IoT/smart home technology not far behind. Both technologies have broad applications.

Real estate managers are using drones for maintenance inspections, to analyze prospect traffic at multifamily communities, and as part of property tours. IoT has many uses across different property types, and this application of new Proptech will only continue to grow, making building operations more efficient and the indoor environment healthier and more convenient for occupants. Smart home technology is in demand, with the tech-savvy millennial and Z generations the primary target markets for multifamily rentals.

When it comes to Proptech decisions within your company, who typically takes the lead role?



Making Proptech decisions should be a team effort to examine the potential impact of a tech solution from several angles, including how the product plays with existing IT infrastructure, how it will affect property operations, and what impact it will make on the bottom line.

Other tech resources

The survey helps IREM make the best decisions regarding which technology resources to offer. And because technology is such a rapidly developing area of real estate management, everything you need is in one convenient location at the IREM Technology page: irem.org/tools/technology.

This page includes links to:

- **Webinars and Skills On-demand courses.** Smart home, AI, and digital twins are just a few of the technologies covered.
- **Podcasts.** Listen to IREM's From the Front Lines podcast series, with episodes on IoT, riser management, data standardization, and more.
- **Tech Playbooks.** You'll find playbooks on virtual tours, document management, and touchless access. The playbooks provide an overview of the technology and best practices for product selection and implementation.
- **Real Estate Tech Tracker.** Stay on top of the latest tech developments in real estate with this tool, a collaboration between the MIT Real Estate Innovation Lab and JLL.

What's ahead in tech

Just around the corner, there's a great new technology that can help real estate managers succeed. There always is. One minute you've just heard of a new technology being mentioned, and the next you need to know everything about it—and fast. A tenant will renew a lease if you upgrade access control. You're seeking cost-effective ways to enhance your multifamily units, and smart home technology seems to make sense. Or, as we all saw with the pandemic, a technology is suddenly no longer a nice-to-offer amenity but a must-have.

The need for information arises quickly. IREM is eager to provide the tools and resources you need to evaluate technology companies and products as these situations unfold. Resources are constantly being added, so keep checking [IREM Technology](https://irem.org/tools/technology) for new offerings. ▀

Guiding light

Leading with ethics in diverse organizations

As numerous organizations have ramped up their diversity, equity, and inclusion (DE&I) efforts in the last couple of years, the importance of genuinely ethical leadership has grown as well.

While ethical behavior should be a priority for anyone in charge, it is essential for those at the helm of diverse organizations whose team members bring with them various viewpoints, backgrounds, and experiences. Leaders must be prepared to unite these team members and objectively address inequities and differences.

These team members are also observing their higher-ups. Highlighting the work still to be done, a recent Gallup survey of U.S. workers revealed that only 36% think their employer “would do what is right” if they raised a concern about ethics and integrity.

Neil Cadman, CPM, president of Cadman Group in El Segundo, California, and vice chair of IREM’s Diversity, Equity, and Inclusion Board (DEIB)—previously the Diversity Advisory Board (DAB)—says it is essential for every leader to begin running their company with ethics at its heart. He uses this approach in every decision he makes, striving to view every employee through the same lens.

“An ethical leader supports, treats, and judges each person under the same guidelines,” he says. “But they also understand that each person is unique and what works for one person may not work for another.”

Bestowing upon his team what he calls “Neilisms,” he defines an ethical leader as someone whom people would follow toward the edge of the cliff only because they know that the leader would never harm them and take them over that ledge.

Byrdy Kelley, CPM, ARM, CEO of Melan Property Management in Bethesda, Maryland, says ethical leaders must establish a value-driven culture of trust and respect that is fair and equitable to all. “This culture is quintessential for inspiring loyalty and growth within a diverse organization,” says Kelley, a former member of IREM’s DAB.

Common threads

Effective ethical leadership is no mystery. Successful ethical leaders have many of the same values in common—values that



“

An ethical leader supports, treats, and judges each person under the same guidelines.

—Neil Cadman, CPM, Cadman Group

help them gain the all-important trust from their team members. Kelley and Cadman describe the most common values:

- **Honesty.** A leader cannot be dishonest and ethical—the two qualities can’t coexist.
- **Integrity.** A moral leader is capable of standing up for what is right, even when it’s not the most popular decision.
- **Respect.** A leader cannot earn respect unless they give respect to everyone.
- **Effective communication skills.** Communication is important both for conveying your reasons behind decision-making and listening attentively.
- **Transparency.** When a leader is transparent, they establish an open dialogue with others that builds trust.

“A leader must do more than hear—they must be diligent in listening to verbal and nonverbal cues,” Kelley says. “Emotional intelligence allows a leader to understand and learn from their employees better and lead their organization to greatness.” Cadman adds that ethical leaders are also constantly learning.

This desire within Cadman helped build Cadman Group’s diverse team. “Our company isn’t diverse because we were striving to check off boxes to ensure diversity, but because I was looking for different mindsets among people who could teach me.”

One with the mission

Leaders possessing all the necessary characteristics can only go so far if the organization as a whole has an opposing or unclear mission. Kelley says leaders must address ambiguities immediately, so those at the top can guide with a clear vision.

Within her company, Kelley makes sure ethical values are made clear during the hiring process. “Aligning our team

with Melan's values starts during the job interview," she says. "We establish in the interview if the person possesses similar values, and we know from there if they will be a good fit."

If an organization has outdated or unfair practices, ethical leaders must take the reins to amend them. Cadman says the phrase "because that's how we've always done it" can be a clear indicator that practices need to be examined. "You always need to be ready to redefine yourself," he says. "Organizations need to experience that growth and change in order to evolve."

Open internal dialogue can help identify these opportunities for growth. For example, Kelley says working with human resources to conduct payroll audits can hold a leader accountable and ensure equal pay.

Ethics is the answer

All aspects of leadership come with challenges, and ethical responsibility is no different. Whether making a fair decision when it's unpopular or mentoring team members stuck in a narrow mindset, leaders must remain steadfast in upholding ethical values. Ensuring there is diverse representation in every level of management and leadership is a critical step in representing and hearing from all viewpoints.

When an ethical dilemma does arise, Cadman has a piece of advice: Slow down and listen.



“
Think
about the
consequences
of the moral
issue at hand
for all parties
involved.

—Byrddy Kelley, CPM,
ARM, Melan Property
Management

"Always ask yourself, 'Is there another way to look at this?'" Cadman says. "Pace your reaction and see if it's based on your limiting personal view or a worldview. Use your worldview to try and see the other point of view. Slowing down and interpreting is critical for everything—from managing people to running properties."

He says slowing down can also help leaders take the time to explain the different sides of an issue and why and how they came to a decision. Then, as a mentor, the leader can help expand employees' ways of thinking.

"Try to explain to them, 'I understand why you feel this

way, but let's look at it from a worldview and solve the problem,'" Cadman says.

And don't be surprised if there is no clear-cut solution to a dilemma. Kelley says developing an action plan can help resolve the issue quickly and efficiently. "Think about the consequences of the moral issue at hand for all parties involved," she says.

Kelley says offering training on topics like conscious or unconscious bias is essential to prevent it from happening again. "Once there is a clear understanding, an open dialogue can then occur," she says.

But no matter what decision is made, the leader needs to stand by it, popular or unpopular, both Kelley and Cadman agree.

The infinite upside

Cadman points out that the greatest value of practicing ethical leadership in the day-to-day affairs of professional life is knowing that his conscience can rest easy at night.

"There's always that underlying benefit that has nothing to do with financial gain or accolades," he says. "It's about how you feel at night when you review your day and ask yourself, 'Was I a good person? Did I contribute today?' That's the biggest payoff for me."

Ethical companies reap plenty of measurable benefits, too, from employee retention to customer loyalty, and leading with ethics can be a boon to the bottom line.

Kelley says employee and contractor loyalty is the most meaningful benefit she has experienced because of ethical leadership. It has also allowed her firm to develop relationships with larger brokerage firms that would not have been formed otherwise. "These relationships are new and over time will benefit our firm by way of referrals and strategic partnerships across the country," she says.

Cadman has also seen firsthand the strategic advantages that ethical decision-making can give to a business.

"When my company became more diverse, equitable, and inclusive, it became far more effective, and we achieved our goals more easily," Cadman says. As he stated earlier, surrounding himself with people who were different from him was the greatest choice he made. "If I surround myself with people unlike me, I'm going to learn more, I'm going to better understand others' needs and desires, and then I can better tailor our product, which is the goal of any business." ■

Community catalysts

Promoting affordability through mixed-income housing

By Waddell Wright, CPM, CCIM



▲ The U.S. needs to build an average of **328,000 new apartments** every year by 2030, says NMHC, and we've only hit that mark three times since 1989.

Well-designed, well-managed rental housing contributes to the quality of life of people for whom homeownership may be out of reach, but who desire the stability and security of a good home. Yet basic housing security escapes so many.

According to Habitat for Humanity, 1 in 3 families pays more than 30% of their income on housing costs, while 1 in 7 families pays half or more—a level deemed “severely cost-burdened.”

Are we developing at the pace necessary to provide more affordable housing? Not according to the National Multifamily Housing Coalition (NMHC). The U.S. needs to build an average of 328,000 new apartments every year by 2030, says NMHC, and we've only hit that mark three times since 1989. The problem is especially severe for extremely low-income renters, whose household incomes are at or below 30% of the area median income (AMI). The U.S. has a shortage of 6.8 million rental homes for that group of renters.

This is an unsustainable trajectory. The lack of affordable housing in the U.S. has reached a level of crisis.

The good news is that we already have an important tool in place to address the crisis, one that creates tremendous business opportunities for real estate developers and managers and allows us to contribute to the communities in which we work and live. This tool is mixed-income housing.

A key solution

Mixed-income housing is where units in a property are rented to residents of various income levels. The property may be workforce housing, targeted to middle-income workers. Often, some sort of subsidy or public financing is involved, and low- or extremely low-income renters are in the resident mix.

For example, a multifamily community may have been developed with a bank loan and equity through the Low-Income Housing Tax Credit (LIHTC) program. A portion of units is set aside for low-income residents while another portion consists of market-rate units. The property also has residents with Section 8 vouchers. Because of the different

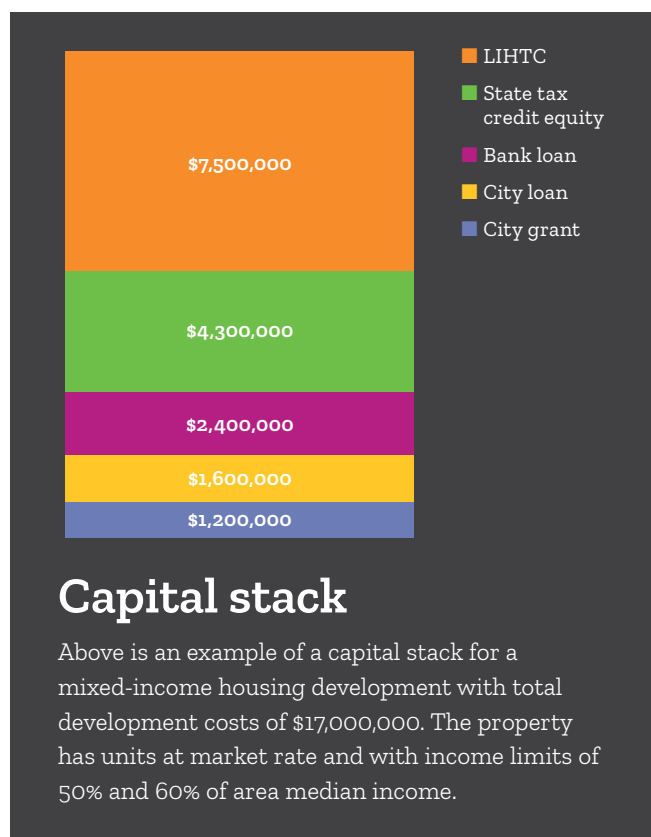
rental rates and income qualifications for the LIHTC, Section 8, and market-rate units, residents are at three income tiers, creating a diverse mix in the resident profile of the community.

Mixed-income properties increase the density of available homes for a broader swath of the population in a given location. Creating this density is critical to solving the affordable housing crisis. Once the properties are occupied and thriving, they increase the population density of their neighborhoods, creating a demand for retail, food, and entertainment businesses. This demand drives economic growth and strengthens the overall neighborhood and community.



“
Managers will spend at least 20% of their time working on ensuring that compliance items are getting completed correctly and on time.

—Travis Cason, ARM, FPI Management, AMO



Mixed-income housing deals

Investors put their money into mixed-income housing deals to access favorable financing, diversify their portfolios, spread investment risk, and reduce their tax burden. Mixed-income housing investments typically generate predictable returns, and demand for the affordable units will remain high even through economic downturns. This stability is appealing to many investors.

Nonprofit investors typically have nonfinancial motivations. They may seek to facilitate access to affordable housing; support a certain segment of the population, such as the elderly or persons with disabilities; or expand access to human services.

Mixed-income housing deals often have a variety of financing sources. Developments may have up to six or seven sources of funding in their

Section 8 properties must go through Public Housing Agency (PHA) inspections when a resident moves in, annually, and when there's a complaint or quality concern.

requirement increases drastically—to up to 50%—for managers of smaller locations.”

Affordable housing programs vary in the scope of compliance requirements. For example, compliance for Section 8 housing involves

capital stacks, from bank loans to federal and state tax credits to financing from the local municipality and nonprofits.

Funding sources and other variables will determine how a property performs, but we can look at the LIHTC program for some clues. In recent years, the tax credit market, along with the rest of the affordable housing sector, has been strong.

The tax credit properties in an annual study by CohnReznick had an average internal rate of return of 6.1% from 2010 to 2020. Actual yields were 7% higher than projected. In 2020, the 15,760 properties in the study had a median occupancy rate of 97.7%, debt coverage ratio of 1.52, and median net operating income of \$2,619 per unit. The properties had a 0.57% cumulative foreclosure rate, and the rate has remained well below 1% for at least 15 years.

Management of mixed-income housing

The biggest concern in the management of mixed-income housing is complying with the regulations and requirements that apply to the property. “Managers will spend at least 20% of their time working on ensuring that compliance items are getting completed correctly and on time,” says Travis Cason, ARM, regional portfolio manager, FPI Management, Inc., AMO. “That time

the quality and safety of the property, while compliance at LIHTC properties involves the physical property as well as the income of renters in tax-credit units.

Among other requirements, Section 8 properties must go through Public Housing Agency (PHA) inspections when a resident moves in, annually, and when there's a complaint or quality concern. Compliance for LIHTC properties generally includes regular certification of household income and inspections. States may have additional compliance requirements, such as staff training and management company certification.

Cason stresses that successful compliance relies on leadership understanding the workload that these programs require and making additional resources available as necessary. “The goal should be making the inspection process appear as smooth and organized as possible for the inspector.”

General administration of mixed-income properties is labor-intensive as well. In the example of a property with market-rate, tax credit, and Section 8 units, the residents in the market-rate and tax credit units pay their full rents directly to the management company. Residents with Section 8 vouchers pay a portion of their rents directly to the management company, and the PHA pays a portion. And while that rent paid by the PHA is reliable revenue, managers are restricted in the actions they can take in rent collection efforts for those units occupied by residents with Section 8 vouchers.

Staying on top of compliance and administration requires excellent processes and systems, a good maintenance program, and the cooperation of residents in the affordable units. And residents in market-rate units still expect prompt responses to their maintenance calls, well-maintained amenities, and excellent service.

Resident relations are another key concern. Managers must be advocates. Cason, who recently leased up a 581-unit

INOVA is a mixed-income community in Reno, Nevada.



Community close-up

Former Business Manager Travis Cason, ARM, recently participated in the lease-up of INOVA, a mixed-income community in Reno, Nevada, when he was with his previous company, Greystar, AMO.

Robert N. Klein, president of Klein Financial Corporation, the property owner, shares more about this property:

INOVA was intentionally created to provide the highest value of living to all members of the Reno community with a total of 426 units and 155 affordable units.

The goal is to provide more opportunities for residents to experience an environment structured around building a community, the exploration of creativity through community initiatives, projects, and incredible amenities, such as a resident lounge, two pools, a business center, a pet park, pet spa, an indoor basketball court, an indoor volleyball court, sand volleyball court, bocce ball, and more.

INOVA defines the next generation of Reno living, integrating innovation and art with luxury living and convenience. The community embodies creativity and elevates the residents to 'Live life inspired.'

mixed-income property with luxury market-rate, tax credit, and Section 8 units, says that you often have to overcome preconceived biases about affordable housing among market-rate residents. A big opportunity is missed without proactive resident engagement to foster a sense of community and give residents an opportunity to interact. This helps residents connect at the human level, which overcomes those biases we all bring to different situations.

With high demand for the properties and the stability of the investments, mixed-income housing is a primary tool in solving the affordable housing crisis. Management companies that include mixed-income properties in their portfolios should understand the compliance and administration challenges that come along with them. However, the rewards of supporting financially stable properties, fostering stronger communities, and strengthening local economies make those challenges worth the effort. ▀

Waddell Wright, CPM, CCIM, is the CEO and principal broker for W. Wright & Co. LLC in Nashville, Tennessee. In addition to his current role as a senior vice president of IREM, he was a past president of the IREM Nashville Chapter and also serves as the IREM representative on the NAR Federal Finance and Housing Policy Committee.



San Diego, home of 2023 IREM President
Renee M. Savage, CPM, CCIM



Slate of IREM Officer nominees

The IREM Nominating Committee has announced its slate of nominees for 2023 IREM Officers to serve with 2023 President Renee Savage, CPM, CCIM, of Casavida, AMO, from San Diego, California. The election of IREM Officers will take place during the 2022 Governing Council meeting, which is held in conjunction with the IREM Global Summit.

For the one-year term (2023) that begins Jan. 1, 2023, through Dec. 31, 2023, the nominees are:



2023 President
Renee M. Savage, CPM, CCIM
Casavida, AMO
San Diego, CA



2023 President-Elect
Libby Ekre, CPM
MEB Management Services, AMO
Phoenix, AZ



2023 Secretary/Treasurer
Dawn Carpenter, CPM
Dawning Real Estate, Inc., AMO
Staten Island, NY

Slate of Regional Vice President Nominees

The IREM Nominating Committee has announced its slate of nominees for 2023–2024 Regional Vice Presidents. The election of Regional Vice Presidents will take place at the 2022 Governing Council meeting, which is held in conjunction with the IREM Global Summit.

For the two-year term (2023–2024) that begins Jan. 1, 2023, through Dec. 31, 2024, the nominees are:



Region 2

Nicole Loser, CPM

Berger Rental Communities
Annville, PA



Region 5

Shelby Carey, CPM

Hathaway Group
Little Rock, AR



Region 6

Heather Jakeway, CPM

The Condominium Group, Inc.
Grand Blanc, MI



Region 8

Bradley Randall, CPM

Welch Randall Property Management
Ogden, UT



Region 11

Lucinda Lilley, CPM

FBS Property Management, AMO
San Diego, CA



Region 12

Christina Mays, CPM

Detente Management
Mercer Island, WA



Region 13

Sherri Commander, CPM

Lincoln Harris
Mint Hill, NC



**Waddell Wright,
CPM, CCIM**

We are also pleased to announce that the IREM Nominating Committee has chosen Waddell Wright, CPM, CCIM, W. Wright & Co., LLC, from Nashville, Tennessee, to be the 2023 IREM Secretary/Treasurer Nominee. Wright will be slated for election as the 2024 Secretary/Treasurer at the 2023 IREM Global Summit.

New CPMs

Arizona

Erik Chapman, CPM, Tucson
Monica Humbles, CPM, Tucson
Whitney Lane, CPM, ACoM, Phoenix

California

Nicole Bee, CPM, Huntington Beach
Robert Couture, CPM, Hermosa Beach
Denise Edmunds, CPM, Folsom
Casey Ellis, CPM, Irvine
Angela Gomez-Jones, CPM,
Costa Mesa
Steve Short, CPM, Los Angeles

Connecticut

Farrah Forbes, CPM, Stamford

Florida

Hugh Jacobs, CPM, Riviera Beach
Nicholas Oberholtzer, CPM, Tampa

Georgia

Patrick Burke, CPM, Atlanta
Sheila Crisp, CPM, Columbus
Amy Mesteller, CPM, Alpharetta

Idaho

Daniel Riley, CPM, Boise

Illinois

Kimberlee Carr, CPM, Chicago
Samantha Reeve, CPM, ARM,
Highland Park

Indiana

Ryan Gould, CPM, Indianapolis

Kentucky

Lucy Peterson, CPM, Louisville

Maryland

Kristin Harmon, CPM, ACoM,
Bethesda
Courtney Higgins, CPM, Annapolis
Louis Panos, CPM, Baltimore

Minnesota

Patrick Lytle, CPM, Minneapolis

Missouri

Victoria Smith, CPM, Kansas City

Nevada

Jedediah Weidauer, CPM, Henderson

New Jersey

Antonio Salters, CPM, Hillside

New Mexico

Cami Sceiford, CPM, Albuquerque

New York

John Caceci, CPM, New York City
Jonathan Kaplan, CPM, Troy

Ohio

Cara Cannon, CPM, Reynoldsburg
Jen Kral, CPM, Cuyahoga Falls
Robert Richter, CPM, Miamisburg
Stephanie Townsend, CPM, Delaware

Tennessee

Shannon Fujimura, CPM,
Murfreesboro
Erin Meek, CPM, Nashville

Texas

Erika Barnes, CPM, Austin
Shannon Bettencourt, CPM, Prosper
Ronald Bright, CPM, Houston
Amanda Carrizales, CPM, Austin
Tiffany Maciejack, CPM, Oak Point
Samantha Parris-Hyder, CPM, Humble

Utah

Nicole Rosson, CPM, Salt Lake City

Virginia

Robert Grealy, CPM, McLean

Washington

Allen Shields, CPM, Seattle

Washington, D.C.

Preston Nguyen, CPM

Wisconsin

Linda Fischer, CPM, ARM, Mount
Horeb

Canada

Samantha Galante, CPM, Waterdown,
Ontario
Noah Rothenberg, CPM,
Dollard-des-Ormeaux, Quebec
Rameez Siddiqi, CPM, Toronto, Ontario

Mexico

Ricardo Gonzalez Alcazar, CPM,
Mexico City

South Africa

Barnabas Dube, CPM, Pretoria
Kapei Phahlamohlaka, CPM,
Johannesburg

New ARMs

California

Tricia Coffey, ARM, Brea
Kaitlin Fields, ARM, San Diego
Cynthia Juarez, ARM, San Diego
Denise Lopez, ARM, Goleta
Mitzi Lopez Reyes, ARM, San Diego
Yesenia Lucero, ARM, San Diego
Sabrina McClellan, ARM, Santa Maria
Michele McNulty, ARM, San Diego
Sandra Muth, ARM, Goleta
Cody Ploss, ARM, San Diego

Colorado

Nicole Mandonado, ARM,
Grand Junction

Florida

Reginald Dortch, ARM, Lake Mary

Illinois

Ken Koomalsingh, ARM, Chicago
Christopher Mendola, ARM, O'Fallon
Hongchao Meng, ARM, Chicago

Maryland

Olivia Burns, ARM, Columbia
Nikki Cannida, ARM, ElkrIDGE
Elizabeth Gray, ARM, Annapolis
Allyssa Jones, ARM, Columbia
Vikki Jones, ARM, Rockville

Massachusetts

Jessica Beckman, ARM, Middleboro
Kiszial Cabrera, ARM, Dorchester
Kelley Murray, ARM, Lunenburg
Robert Phillips, ARM, Newburyport
Courtney Regan, ARM, Weymouth
Carolina Sholl, ARM, Braintree

Michigan

Renee Layne, ARM, Bingham Farms

Mississippi

Geoffrey James, ARM, Jackson

Nebraska

Lisa Tritsch, ARM, Omaha

Nevada

Chynna Rodriguez, ARM, Las Vegas
Jordan Woolsey, ARM, Las Vegas

New Jersey

Keira Claffey, ARM, Washington

New York

Erika Champlin, ARM, Lowville
Johnathan Garlington, ARM, Troy
Tyler Itzkowitz, ARM, Schenectady
Edin Kolasinac, ARM, Brooklyn
Joshua Miller, ARM, New York

Tennessee

Sheila Pendergrast, ARM,
Murfreesboro

Texas

Amy Acosta, ARM, Buda
Taylor Ford, ARM, Fort Worth
Christina Johnson, ARM, Tyler
Nichole Nicholson, ARM, Austin
Sun-Asia Williams, ARM, Austin

Virginia

Jamie Cade-Samuels, ARM, McLean
Laura Ernst, ARM, Sterling
Rasheed Green, ARM, McLean
Lea Kornfeld, ARM, Leesburg
Ron Porter, ARM, McLean
Ashley Sauer, ARM, Richmond
Rachel Solomon, ARM, Woodbridge
Alejandra Teodoro, ARM, McLean
Andrea Weekes, ARM, McLean

Washington

Devyn Prado, ARM, Shoreline

Wisconsin

Michelle Chicago, ARM, Muskego
Steve Ciesielski, ARM, Madison
Alexandria Kinnard, ARM, Milwaukee

Canada

Carrie Chiasson, ARM, Dartmouth,
Nova Scotia
Martin Martinez Rios, ARM, Calgary,
Alberta

Joseph Rubay, ARM, Edmonton,
Alberta
Michelle Smith, ARM, Edmonton,
Alberta

New ACoMs

California

Chelsea Brogdon, ACoM, Murrieta

Idaho

Matthew Kesler, ACoM, Meridian

Indiana

Emily Spaulding, ACoM, South Bend

Maryland

Lindsay McKenna, ACoM, Arnold

Massachusetts

Marlene Marsden, ACoM, Tewksbury



Image: iStock.com/fizkes

New certifications

Nevada

Melissa Rodriguez, ACoM, Las Vegas

New Jersey

Anna Lewis, ACoM, East Windsor

North Carolina

Trent Carpenter, ACoM, Morrisville

Ohio

Katherine McCoy, ACoM, Newark

Pennsylvania

Katy Boerner, ACoM, Yardley

South Carolina

Andrew Richard, ACoM, Charleston

Tennessee

Barbara Williams, ACoM, Chattanooga

Texas

Stephanie Dewinne, ACoM,
San Antonio

Will Maness, ACoM, Anna
Benjamin Mullin, ACoM, Austin

New CSPs

Arizona

CityScape Residences, Phoenix

California

1317 7th Street Gibson, Santa Monica
Fashion Valley, San Diego
Fountain Valley II, Fountain Valley
Indian Oaks, Simi Valley
Malibu Canyon, Calabasas
Park Hill Medical Plaza, West Hills
The Mason Flats at Township Square,
Pleasanton
West Hills Medical Center, West Hills

Colorado

Atria Longmont, Longmont

Florida

Dadeland Mall, Miami
Egret's Landing Apartments,
Palm Harbor
Florida Mall, Orlando
Town Center at Boca Raton,
Boca Raton

Georgia

Cornerstone, Doraville
Doctors Center at St. Joseph's Hospital,
Atlanta
Pointe at Norcross (FKA Sinclair),
Norcross
Sonoma Ridge, Doraville
Woodland Ridge, Norcross

Illinois

Woodfield Mall, Schaumburg

Indiana

Methodist Professional Center I,
Indianapolis

Kansas

Weston Point Apartments,
Overland Park

Maryland

Arundel Mills, Hanover

Massachusetts

75 Station Landing, Medford
Burlington Mall, Burlington
Gatehouse 75, Charlestown
Northshore Mall, Peabody

Michigan

Macomb POB, Warren

Minnesota

Edina Business Plaza, Edina

Nevada

Buena Vida on Palms, Las Vegas
Maravilla, Las Vegas

New Jersey

Juliana Apartments, Hoboken
Menlo Park Mall, Edison
Quaker Bridge Mall,
Lawrence Township

New York

Roosevelt Field Mall, Garden City

North Carolina

Berkshire Ninth Street, Durham

Pennsylvania

Lehigh Valley Mall, Whitehall
Ross Park Mall, Pittsburgh
South Hills Village, Pittsburgh

South Carolina

Haywood Mall, Greenville

Tennessee

West Town Mall, Knoxville
Wolfchase Galleria, Memphis

Texas

800 Link, Duncanville
AmREIT - Preston Towne Crossing,
Plano
Atria Canyon Creek, Plano
Atria Hometown, Richland Hills
Bridges of Cypress Creek, Houston
Carrollton Oaks, Carrollton
Cielo Vista Mall, El Paso
Cityplace Heights Apartments, Dallas
Copper Lodge, Houston
Gateway Business Park, Coppell
Grapevine Mills, Grapevine
Jefferson MOB, Austin
Legends on Lake Highland, Dallas
Park at Stone Creek, Austin
Sendera Trails Townhomes, Austin
Shadow Creek, Pearland
Urban Palms, Houston
Westlake Villas, San Antonio

Washington

REO Flats, Seattle
Sunset Electric, Seattle
Tacoma Mall, Tacoma

With the help of the property management team, the design team was able to settle on three different conceptual schemes that were viable, focused, and in line with the client's vision.

P17

”

“

[My first boss] always put my name out there and was key to my visibility within the organization, whether it was for a project, an award, or a promotion.

P8



“

Our company isn't diverse because we were striving to check off boxes to ensure diversity, but because I was looking for different mindsets among people who could teach me.

P24



Even quick payback projects, such as setting dual-sided printing as the default, only using FSC-certified paper, or establishing recycling services, can all contribute to a property's overall sustainability efforts.

”

P21