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IREM®
INSTITUTE OF REAL ESTATE MANAGEMENT

Capital impact

Driving NOI with capital improvement projects

- Finding creative sources of ancillary revenue
- Proptech innovation from Japan
- Sustainability's link to revenue potential

Sneak peek

I don't believe retail will ever die. It just pivots and adapts, and tenants seek out owners who realize this and adapt with them.

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Workforce housing cuts down on the cost and time of commuting to work and gives families access to vibrant, walkable communities that they may not be able to live in otherwise. P18

Photo courtesy of KCG

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Image: iStock.com/FredFroese

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President's letter

As today's real estate professionals continue navigating obstacles to achieving investment goals, they must find successful ways to deliver positive financial results. A key part of that mission is optimizing revenue, the theme of this issue of JPM. We'll explore how we can all become more proactive as managers to make sure we're not leaving any potential revenue on the table.

Renee Savage, CPM®, CCIM

With interest rates rising and inflation lingering at longtime highs, it's no surprise that our bottom lines are coming under greater pressure from all sides. In such a challenging environment, it's critical that managers not overlook any potential sources for generating additional cash flow at their properties. Paid parking and onsite vending machines are classic examples, but how about newer opportunities like EV charging stations and targeted digital advertising? On **P12**, Will Curtis, CPM®, CCIM, offers his guidance on property managers' roles in identifying ancillary revenue streams to help meet investment goals.

When it comes to planning and budgeting for capital expenditures (CapEx) in an uncertain economic environment, getting it right becomes not only more challenging for managers but also more critical. While these projects can carry upfront costs for owners, executing them properly can help drive NOI, increase property values, and give our buildings a competitive advantage. On **P6**, Chad Venne, CPM®, talks to colleagues about their approaches to CapEx planning, including which projects are improving NOI at their properties, leading to a higher return on investment.

Growing numbers of American renters are cost-burdened by their housing expenses. Enter workforce housing, which aims to help fill this gap for the country's middle-income workers, who may not be able to afford to live in the areas where they work. On **P16**, read an overview of the unique challenges and opportunities for property managers overseeing workforce housing.

Upgrading a property's sustainability features is typically associated with cost-saving benefits. But as our stakeholders continue to push for meaningful ESG practices, should property managers also look to sustainability upgrades to drive revenue? On **P20**, we explore the evidence for sustainability providing these revenue gains.

The benefits of an organization successfully implementing diversity, equity, and inclusion (DEI) programs are well established and vary in scope. Yet some managers may still see dedicating company resources to pursuing DEI initiatives as a distraction from their teams' primary focus on successfully managing their properties. Read about how the principles of DEI can support property management companies' ability to create value and improve their bottom line in our DEI column on **P24**.

> *"Upgrading a property's sustainability features is typically associated with cost-savings benefits.*

Proptech solutions can drive revenue by attracting and retaining tenants and residents seeking connected workplaces and homes. Japan has been a global leader in technology for decades, and its built environment is at the forefront of redefining what it means to be smart. Our global practices column on **P26** comes from Kiyoshi Inomata, CPM®, CCIM. Kiyoshi is an IREM instructor who recently attended Japan Build, the country's premier real estate trade show for showcasing Proptech innovation. He gives an overview of some of the newest Proptech applications on display at the 2023 event and future developments coming down the pipeline.

Those of us who've been in this profession for a long time know that successfully meeting an owner's investment goals means staying on top of revenue and minimizing operating expenses. This can be challenging, as the real estate industry evolves rapidly. And while nobody knows what tomorrow's changes will look like, we can all rest assured that IREM will be there to support our members as they drive revenue and NOI at their properties through any challenge.

Renee Savage

Renee Savage, CPM®, CCIM
IREM President

Shrinking spaces

As more studios and one-bedroom units enter the market, the average size of new apartments in 2022 was 887 square feet—a 54-square-foot drop over the last decade. It was also the largest year-over-year decrease, down 30 square feet.

Source: RentCafe

Image: iStock.com/MangoStar_Studio

The U.S. property management industry's market size, measured by revenue, is **$114.9 billion** in 2023.

Source: IBISWorld

Image: iStock.com/alvarez

An effective hybrid model

Gallup's upcoming book *Culture Shock* takes a deep dive into hybrid work and what leaders can do to protect engagement and productivity. The book features data from a Gallup meta-analysis of more than 100,000 business units, which showed that those with more bonded workers achieve higher performance and lower turnover. Here are some of the key points:

- Virtual collaboration is less effective than in-person time
- Two to three office days boost outcomes for engagement and well-being
- Establishing standard on-site office days can maximize engagement

Source: Gallup

Climate change is fundamentally disrupting the real estate industry

$7.5 trillion
in total global property value is at risk of "stranding" (major write-downs because of climate risk or inability to decarbonize)

$17 trillion
in capital committed to real estate targeting net-zero emissions in 2021

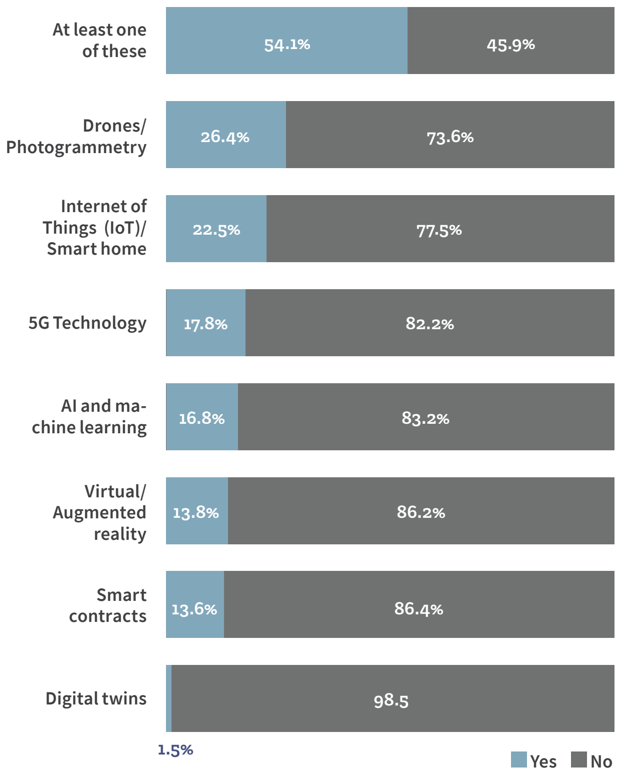
1,300 major companies
have committed to reducing emissions in line with the 1.5°C pathway

Source: McKinsey & Company

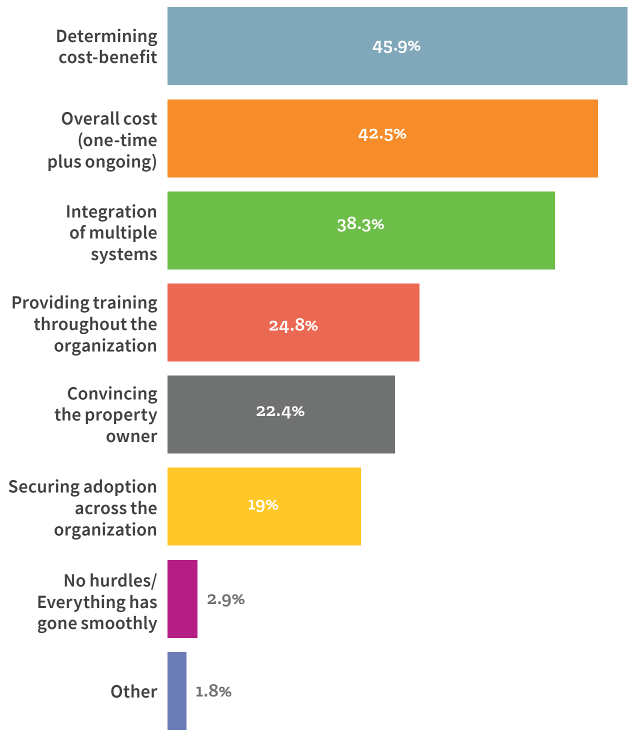
Applying Proptech

IREM recently released the latest Proptech Insights, based on a survey of U.S. and Canadian real estate management professionals in December 2022. Below are some highlights. Download the full report at **irem.org/tools/technology**.

Which of the following technologies, if any, have been implemented at your property?



In considering and implementing Proptech solutions at your company, what have been the major hurdles?*



*The sum of responses is greater than 100% because respondents were able to select up to three options.

Podcast

2023 Fannie Mae Multifamily Energy & Water Survey

IREM talks to Fannie Mae Multifamily about their effort to collect and analyze energy and water consumption data for multifamily properties, as well as their Green Financing options. Listen to the full interview at irem.org/learning/from-the-front-lines.

Image: iStock.com/demaerre

Capital

Real estate managers typically focus on net operating income (NOI) growth as a measure of a property's economic success. While NOI will remain a key metric, relying solely on a property's NOI doesn't consider another critical component of calculating before-tax cash flow—capital expenditures, commonly referred to in our industry as "CapEx."

The definition of CapEx varies from company to company, and real estate managers typically rely on the expertise of a CPA to determine which expenses get capitalized for tax purposes. However, despite the ambiguity of the definition, most real estate managers agree that CapEx refers to the use of funds by an owner to upgrade, enhance, or replace a property's physical components to prolong its useful life and increase its value.

impact

Driving NOI during times of economic uncertainty with capital improvement projects

By Chad Venne, CPM®

Image: iStock.com/sl-f

For budgeting and reporting purposes, CapEx typically falls "below the line," a term used to describe expenses on the cash flow statement below the NOI. Therefore, the property owner or asset manager usually governs activity in this area of the cash flow statement. That said, the role of real estate managers is evolving, and understanding the CapEx process is becoming a critical part of our profession.

Most CapEx projects require a significant cash outlay from the owner. On the other hand, these projects will drive NOI and increase the property's value if appropriately executed. Although real estate managers face many challenges in our post-pandemic economic climate, they're adapting to these new norms and adjusting how they approach CapEx planning.

Flight to quality

Sherry Yarborough, director of multifamily management with Drucker + Falk, AMO®, says many clients are buying older multifamily assets with value-add opportunities, which drives their CapEx planning. "Investing in improvements allows for the opportunity to provide an upgraded unit at a more reasonable price point than newer developments that have been added to the market over the past few years," Yarborough says. "We are focusing primarily on upgrading unit interior finishes because that is where we see the biggest return on investment." Yarborough's team spends roughly $16,000–$20,000 per unit on new countertops, stainless steel appliances, vinyl plank flooring, hardware, lighting, and cabinets. Returns on their investments have been between 12%–20% due to the increased rental rates they're achieving, as renters are willing to pay a premium to live in an upgraded unit.

CapEx refers to the use of funds by an owner to upgrade, enhance, or replace a property's physical components to prolong its useful life and increase its value.

Retail properties are focusing on preventive maintenance and asset preservation after pandemic-related projects, says Jasmyn Sylvester, CPM®, ACoM®, vice president of property management at Pine Tree, LLC. "Operating expenses can typically be passed through to tenants, but sometimes an owner needs to invest in CapEx projects at their own expense to maintain the Class A status of their property," Sylvester explains. "I don't believe retail will ever die. It just pivots and adapts, and tenants seek out owners who realize this and adapt with them."

For example, during the pandemic, retail owners not only needed to keep up with typical CapEx items like updating roofs and parking lots, but they also needed to add all-new features like curbside pickup locations, open-air spaces, and drive-through windows. Because so much of the sector adapted this way, the retail market remains strong for well-located, well-maintained properties.

Chase Crawford, CPM®, general manager at Granite Properties, says office traffic is still reduced following the pandemic slowdown, and many companies in their market have embraced a hybrid work environment. As a result, building owners are investing in new types of CapEx projects to help companies attract employees back to the office. "We want to create work environments where our customers are inspired to flourish," says Crawford. "We also want to help our customers feel comfortable when reintegrating into the office lifestyle."

"We are focusing primarily on upgrading unit interior finishes because that is where we see the biggest return on investment.

—Sherry Yarborough, Drucker + Falk, AMO®

Granite accomplishes this by allocating large capital infusions to enhance the customer experience. These updates include wellness-focused features such as clean air technology in all HVAC systems portfolio-wide and improved Wi-Fi networks. These

> *We work with many national big box tenants, many of whom are concerned about ESG benchmarking and initiatives. To meet these needs, we are doing things like installing new drip irrigation systems, enhancing our recycling programs, adding more outdoor seating areas, and converting traditional lighting to LED.* —Jasmyn Sylvester, CPM®, ACoM®, Pine Tree, LLC

networks allow employees to access their companies' private servers while surfing the web in newly remodeled customer lounges, conference rooms equipped for Zoom meetings, or outdoor workspaces with a variety of seating and games.

"People can now work from almost anywhere," Crawford says. "It's why we focus on offering comfortable work environments, compelling experiences, and amenities that inspire interaction and productivity. We want our customers to be able to tell their employees that our buildings prioritize their comfort and health and are engaging and fun."

ESG (environmental, social, and governance)

There's a growing demand from tenants to align with building owners and management companies that show awareness of and embody operations rooted in strong ESG policies. As a result, more CapEx dollars are being allocated to projects geared toward meeting ESG objectives.

"Sometimes our clients are required to invest in green technology and energy-efficient systems per the terms of their loan agreement; other times they do it as a cost-savings measure or simply because they think it's the right thing to do," says Yarborough.

Real estate managers can take many steps to save on energy and enhance healthy living in multifamily, like installing low-flow plumbing fixtures, purchasing energy-efficient appliances, outfitting apartments with smart thermostats, and creating outdoor exercise areas. While these items might cost more upfront, they will lead to lower operating costs, increasing NOI. These features may also help attract and retain residents.

Image: iStock.com/Fahroni

Image: iStock.com/Joe Hendrickson

Yarborough's team spends roughly $16,000–$20,000 per unit on new countertops, stainless steel appliances, vinyl plank flooring, hardware, lighting, and cabinets.

The 2022 AMLI Sustainable Living Index reported that 88% of residents surveyed are concerned about climate change, and 43% said green features factored into their decision to live in specific apartment communities.

Crawford is seeing a similar trend on the office side. "Socially responsible customers are driving many of the changes we're implementing in our buildings," he says. "Many customers want to drill down into their specific energy consumption for ESG reporting and benchmarking purposes." Granite's buildings are focused on reducing their environmental footprint, and many in their Houston portfolio are LEED-certified.

Some of their older buildings required installing new submetering equipment to enhance energy efficiency. Granite has also upgraded other building systems, such as converting lighting to LEDs and replacing old pneumatic controls with new digital systems to improve comfort and efficiency. During the pandemic, Granite also invested in new air quality and filtration technology. "All our buildings feature clean air technology offering MERV 13-level air filtration or higher, meeting the ASHRAE standards for mitigating airborne transmission," says Crawford, who's proud that Granite achieved Fitwel certification for eight buildings in 2022 and has a goal to certify 11 more buildings in 2023.

Sylvester adds that ESG is a factor in CapEx planning in the retail sector as well. "We work with many national big box tenants, many of whom are concerned about ESG benchmarking and initiatives," she says. "To meet these needs, we are doing things like installing new drip irrigation systems, enhancing our recycling programs, adding more outdoor seating areas, and converting traditional lighting to LED." While some of these projects could be considered CapEx and an owner expense, Sylvester and her team can get owners on board with paying for improvements by showing how these new upgrades create long-term savings through reduced energy consumption. The projects can also lower pass-through operating expenses for tenants, thus positively impacting NOI overall. This approach is a win-win for the tenant and the owner. But Sylvester explains that not every decision her team makes is driven by financial performance. "Some of the work we are doing is simply to try to help save the planet and grow as people."

> *Upgrades to HVAC controls can cost up to 200% more than they used to, and the labor to install them has gone up by 20%–30%.*
>
> —Chase Crawford, CPM®, Granite Properties

Economic challenges

Economic headwinds have made real estate managers cautious with their CapEx planning and deepened their already-analytical approach. "We had to forgo some CapEx projects at the beginning of the pandemic but haven't made any major adjustments to our CapEx planning for this year," says Sylvester. "We're mindful of the impact that a recession could have on retail tenants and are watching the macroeconomic indicators closely. We also understand that our owners are sensitive to spending money now, and we've had to have some hard conversations recently regarding costs increasing due to inflation and supply chain issues."

Sylvester explained that they try to think like owners and asset managers. If they present a CapEx plan, they go in with all the boxes checked. This includes putting together a thorough cost-benefit analysis to determine if the project is feasible and what the positive impact on the property would be. This careful analysis is critical, given the economic challenges our industry is currently going through and could continue to face in the months ahead.

"Multifamily has remained strong for the last several years, so we haven't had to modify many of our CapEx renovation plans," says Yarborough. "We have had to keep a close eye on costs, though, as they have increased dramatically, especially with respect to supplies and labor. In the past, these increased costs have been offset by growing rents. However, as some markets soften and rents do not increase at the same rate we've seen over the last 24 months, we might need to dial back or find other ways to reduce costs."

Yarborough says her company has developed a universal scope of work for interior renovations, down to the finishes and features. This helps them streamline the process, and their company size allows them to increase buying power, both of which help the bottom line. This approach is essential, given that many larger markets are starting to see a slowdown in rent growth.

Crawford is also dealing with inflation's effects on capital planning in the office sector. "Inflation has had a significant impact on our pricing. For example, upgrades to HVAC controls can cost up to 200% more than they used to, and the labor to install them has gone up by 20%–30%," he says. "Our vendors are subject to the same pricing changes as we are, and in some cases, they'll only hold a bid price for two weeks tops. As we continue to put our customers and their experience first, CapEx planning and budgeting becomes very challenging in an environment like this."

Our industry faces strong headwinds indeed. However, real estate managers, CPMs specifically, have never been better equipped to meet these challenges and are facing them head-on. Now is the time to rise to the occasion and show our clients the real value of owning professionally managed properties. Thoughtful, informed CapEx planning that positively impacts NOI presents the perfect opportunity to do just that.

Chad Venne, CPM®, is a managing partner at Ballast Real Estate Partners in Milwaukee. He has over 17 years of experience in real estate management. Chad also serves as the executive-in-residence at the University of Wisconsin-Milwaukee Lubar College of Business. He is a past president of the IREM Milwaukee Chapter, an IREM instructor, and a contributor to the eighteenth edition of *Principles of Real Estate Management*.

Revenue recharge

Tapping into new sources of ancillary revenue streams to drive NOI

By Will Curtis, CPM®, CCIM

Image: iStock.com/asbe

"How can this property have $150,000 in ancillary income if it doesn't have a rooftop lease or a parking garage?" read an email from a colleague asking me to look at a property he was evaluating years ago for acquisition. Honestly, I wasn't sure, so I did what every good asset manager would do—I called the listing broker to get the story. What was a quiet little medical office building during the day transformed into an art gallery at night. The café became a wine bar every Friday evening, and the art program at the local university displayed student art in common area hallways. They sold the pieces, and the building owner got a percentage of art and alcohol sales, netting an additional $150,000 per year in ancillary revenue.

As headlines on inflation and rising interest rates continue, we're seeing our property owners' returns diminish. To add to this challenge, supply costs are increasing, adding salt to our property owners' wounds from those lower returns. With this changing environment, the role of real estate managers in finding new, creative ways to increase revenue is becoming more important. And while we're not going to turn every building into an art gallery in the evenings, finding those additional ancillary revenue streams at our properties is becoming critical to reaching our owners' overall investment goals.

> *You can start by looking at dead or unused spaces in your buildings. These can be from the rooftop all the way down to the lobby.*
>
> —Jae A. Roe, CPM®, ACoM®, SOVA Real Estate Solutions

The basics

We certainly have the standards that our industry has used for years. Rooftop leasing has been a favorite way for landlords to collect additional income for things like cell phone towers, satellite dishes, and meteorological equipment, to name a few. Another classic is parking lot revenue. If you're already charging for parking, then adjusting the rates could increase the parking revenue a property is collecting. If you can't charge for parking, VIP or covered parking spots can be a great way to add ancillary revenue.

Keeping with these staples, we can look at vending and washing machines. Many of these automated services take up normally unused space in your building and, depending on the location and offerings, can have decent returns.

Many property managers are already aware of these traditional models. They've added or continue to expand these services to generate additional property income or are increasing their rates. Now let's turn to some opportunities we may not have seen or may not yet be utilizing at a high level.

Start with space

Jae A. Roe CPM®, ACoM®, president of SOVA Real Estate Solutions in Newport News, Virginia, advises looking at underutilized space to identify new ancillary revenue sources. "You can start by looking at dead or unused spaces in your buildings. These can be from the rooftop all the way down to the lobby."

Then look at how you can monetize that space—anything from selling goods, food, and beverages to providing services. For example, Roe says that mini and micro-markets are increasing in popularity. "They're an excellent option to look at, as they are generally unmanned retail space," says Roe. "The advantage is that they can provide much of the same functional services as a vending machine, but this looks much more like a convenience store or the 'in-building café' many have grown accustomed to."

These unstaffed stores are becoming increasingly popular. Surprisingly, there are already many operators in this space. While most companies providing these services aren't brands the average person would recognize, others, like Amazon, 7-Eleven, and Walmart, are household names. This concept has become increasingly popular in locations with irregular hours of operation where staffing would become a concern, and we see their successful use in airports around the U.S. While there can be a learning curve or comfort issues for some, the public is quickly adapting.

Putting pets at a premium

Roe points to another opportunity for multifamily properties: offering pet services for residents. These services can range from pet sitting to complete grooming. While this might seem strange initially, according to the American Veterinary Medical Association, 45% of American households own a pet, a 7% increase since 2016. An American Pet Products Association study shows that the largest demographic of pet owners is millennials (32%). According to several studies, millennials tend to make up the largest number of multifamily residents, so these trends in pet care can directly lead to additional revenue opportunities for property owners. Pets and their quality of life have become such an important factor to many renters that entire websites are dedicated to rating multifamily properties solely on their pet-friendly policies and amenities.

Another opportunity can result from residents who don't comply with the pet policies in place to promote health and safety in the community. "Pet waste has always been an issue on some properties," says Roe. "Many landlords have shifted to tracking the DNA of residents' pets and then matching any pet waste they find with those DNA records. They then charge the owner the fees to not only clean up the waste but also to cover the additional materials and labor costs." This effort normally results in extra labor hours that can be recovered with additional fees; with these fees, owners can cover the costs, ultimately reducing overhead and increasing the NOI.

Keeping with these staples, we can look at vending and washing machines. Many of these automated services take up normally unused space in your building and, depending on the location and offerings, can have decent returns.

Image: iStock.com/Yuliya Shauerman

"Ancillary income isn't only about finding new revenue sources, but also capitalizing on recovering expenses or assessing additional fees.

—Jae A. Roe, CPM®, ACoM®, SOVA Real Estate Solutions

Consent fees for subleasing

"Ancillary income isn't only about finding new revenue sources, but also capitalizing on recovering expenses or assessing additional fees," Roe says. Consent fees for subletting or assignment of space is another trend that Roe has seen pick up since the beginning of the COVID-19 pandemic. It's been no secret that we've seen a significant increase in space to sublease on the market since the beginning of the pandemic. A study by CBRE, Inc., AMO®, found that the highest peak in the U.S. office sector was the third quarter of 2021, with 162 million square feet of sublet space coming onto the market. This has had price-conscious tenants looking for great deals, resulting in a 60% year-over-year increase in space subleased in the first quarter of 2022.

Consent fees give landlords a chance to monetize these transfers. Each transfer will typically have some legal review and expenses associated with it, which could result in increased operating expenses. Assessing a fee allows management to at least cover the expenses associated with subletting or even add some additional revenue to the NOI.

Image: iStock.com/gerenme

A much newer trend is to use these charging stations for advertising. The original model was to use the charging stations to drive a retail sale.

EV charging stations

Another trend we're seeing is the use of more electric vehicle (EV) charging stations. The EV charging stations themselves can generate a small profit from those drivers looking to charge their vehicles. A much newer trend, though, is to use these charging stations for advertising. The original model was to use the charging stations to drive a retail sale. For example, consumers might see an ad for a "buy one, get one free" candy bar sale moments before going into their neighborhood convenience store.

There are other uses outside of leaving this last impression to motivate a retail sale. For example, a building occupant might leave their office building for lunch, not entirely sure where to go for their meal. Then, at the EV charging station in the building garage, they see an ad placed by a new restaurant down the street and decide to try it out. Or, as the weather shifts toward winter, the charging station has an ad for winter jackets, motivating a trip to the retailer that placed the ad. These are examples of relatively new opportunities for property managers to earn additional revenue through advertisements.

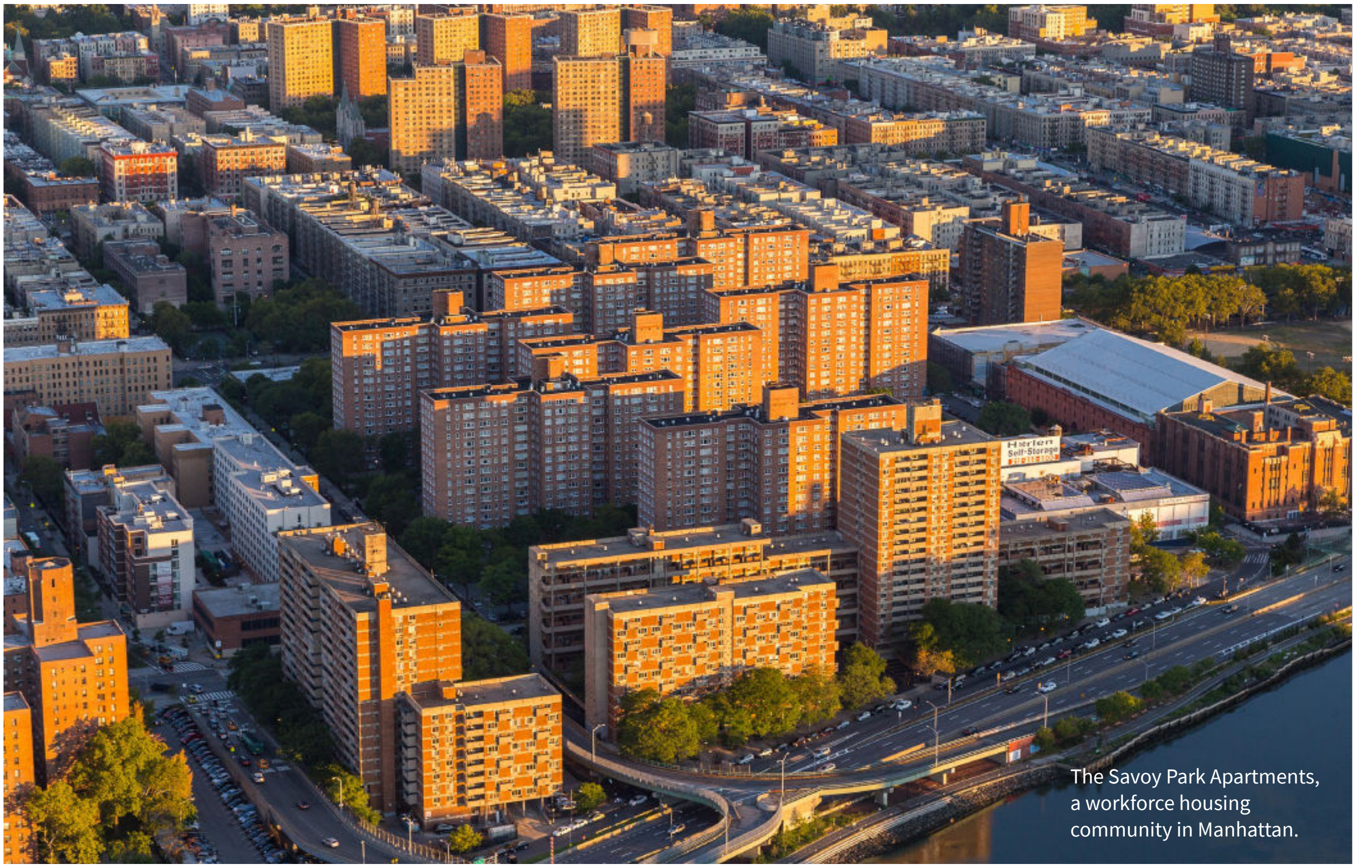
While increasing ancillary income has many positives, Roe stresses that it's important to advise clients that additional income could have tax implications. Some ownership groups like real estate investment trusts (REITs) or nonprofits could inadvertently increase their tax liability with new revenue streams. This is something to be mindful of as you work through your management company's strategy for increasing ancillary income.

While we aren't going to see thousands of new art galleries opening at our properties in the coming months, there are several options to help property owners increase NOI through the use of ancillary income. So, assess your underutilized space, get creative, and share ideas with colleagues—investment real estate is constantly changing, and new opportunities for ancillary revenue will continue to emerge.

Will Curtis, CPM®, CCIM, is the commercial managing director for Phyllis Browning Company. After serving in the U.S. Army for multiple deployments, Curtis started in commercial real estate in 2010 and has served in several property and asset management roles. He's an IREM instructor with a bachelor's degree in business administration in real estate finance and development from the University of Texas at San Antonio and a master's degree in business administration from St. Mary's University.

Closer to home

Workforce housing fills a gap for middle-income families



The Savoy Park Apartments, a workforce housing community in Manhattan.

Image: Fairstead

For real estate managers overseeing workforce housing, the asset class affords many meaningful experiences beyond the résumé. Shannon Bodnar, CPM®, ARM®, senior vice president of compliance at Fairstead, recalls one instance while working in Charlotte, North Carolina, when she helped a nursing assistant who couldn't afford to live in the same neighborhood where she worked. The one-hour commute each way impacted the woman's ability to pick up her young child from daycare on time.

Workforce housing is targeted at middle-income workers, such as teachers, police officers, firefighters, nurses, or other workers who may not be able to afford to live in the areas where they work.

"She moved into our workforce housing community and was so excited," says Bodnar, who has overseen workforce housing developments for municipal housing authorities and large real estate developers. "Her commute shrunk to four minutes, and her child enrolled in a school they loved. While she lived in our community, she was able to save money for a down payment and eventually moved into her own home. I think about her a lot as an example of the opportunities that workforce housing makes possible and how gratifying it is to manage these properties."

> *Events and online advertising are key to introducing a community and getting people interested.*
>
> —Shannon Bodnar, CPM®, ARM®, Fairstead

Bridging the gap

Workforce, or middle-income housing, fills the need for individuals and families whose income exceeds traditional affordable housing limits but can't cover market rate apartment rents.

"There are many families who make too much money to qualify for our Section 42 tax credit communities but who are nowhere near making three times the rental amount needed for leasing market rate housing," says Kim Hurd, CAPS, executive vice president of property management for KCG Companies. "Workforce housing provides an option for those hardworking families caught in that gap."

If data from the U.S. Census Bureau is any indication, more families are likely finding themselves in that same gap. Numbers from the latest American Community Survey covering 2017–2021 show that over 40% of renter households in the U.S. are housing cost-burdened. This means that 19 million American renter households spend more than 30% of their income on housing costs, such as rent or mortgage payments, utilities, and other fees.

Workforce housing is targeted at middle-income workers, such as teachers, police officers, firefighters, nurses, or other workers who may not be able to afford to live in the areas where they work. "These are some of the most important jobs in any city, and workforce housing creates opportunities for those just starting out or early on in their careers to have a great place to live in an otherwise high-cost market," Bodnar says.

To qualify for workforce housing, workers must make 60%–120% of the area median income (AMI), with exact numbers varying based on local regulations. Rents are typically restricted to 30% of the income level, Bodnar says.

Municipal origins

Property managers agree that the locations most in need of workforce housing are larger cities where the cost of apartment rentals is exploding. In these areas, incomes have not kept up with the rising costs of living, and new housing options aren't being developed quickly enough.

"There is a need across the board, but the greatest need is in cities or urban areas where rents are skyrocketing," says Karla Burck, executive vice president of development for KCG Companies. "It doesn't make sense to look to rural areas for developing workforce housing because we would be at or below Low-Income Housing Tax Credit (LIHTC) rents. In general, higher-income areas have the greatest need for this product."

Unlike other affordable housing programs overseen by the federal government, workforce housing is usually managed by local municipalities. "Counties and cities set the regulations of what they consider workforce housing to be and may have different requirements and reporting needs than affordable housing," Bodnar says.

Properties and amenities

Workforce housing units can be found in a variety of property types, from mixed-income developments targeting workforce residents to units set aside as workforce housing within market rate buildings, Bodnar says.

Amenities at these properties rival those found at any other rental community.

"Our workforce housing communities offer business hubs, fitness centers, swimming pools, playgrounds, and other gathering spaces, as do our tax credit and market rate communities," Hurd says. "The differences may come in the size of the amenity or the aesthetics."

Bodnar adds that resident services and engagement are also important, with property managers working hard to get to know and understand their residents and what type of programming they desire.

Management considerations

From a property manager's perspective, resident outreach and management duties are

> *Workforce housing provides an option for those hardworking families caught in that gap.*
>
> —Kim Hurd, CAPS, KCG Companies

A rendering of Fairview Terrace, a workforce housing community under construction outside of Atlanta.

Photo courtesy of KCG

similar to those of managers at any other kind of residential community.

"Events and online advertising are key to introducing a community and getting people interested," Bodnar says. "The leasing process just has one extra step to make sure a potential renter's income will meet the AMI requirements set by the local municipality."

Property managers beginning to work with workforce housing must do their homework and become well-versed in local rules and regulations. The proper documentation and reporting requirements vary by location, but there are typically fewer regulations than in federal affordable housing programs.

Benefits, such as a reduction in real estate tax liabilities, tax abatement, partial exemptions, and waivers in tap and impact fees, are also common, Burck says. "Investors and lenders are also willing to offer favorable financing options for workforce housing," she says.

Because workforce housing is just beginning to take hold in some areas, property managers should keep abreast of newly available programs to meet the needs of this middle-income segment of the population.

"The rules are changing," Burck says. "Workforce housing is a new initiative in the multifamily housing market, and we have to remain adaptable to continue meeting the needs of our ever-changing resident population."

As for Bodnar, she still feels the same way she did when she helped the nursing assistant rent her workforce housing unit.

"This is a huge quality of life improvement. It cuts down on the cost and time of commuting to work and gives families access to vibrant, walkable communities that they may not be able to live in otherwise," Bodnar says. "Workforce housing plays a critical role in the affordability ecosystem."

Hurd agrees: "For me, this is an opportunity to give back to working families by providing housing that will strengthen the community as a whole."

There is a need across the board, but the greatest need is in cities or urban areas where rents are skyrocketing."

—Karla Burck, KCG Companies

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Green impact

Among sustainability's potential benefits is a clean boost in revenue

The Commons at Ballard, a Seattle multifamily property with LEED Platinum certification.

Photo courtesy of Blanton Turner, AMO®

Sustainability initiatives can come with a bevy of advantages, including positive financial results. Along with reducing electricity, water, and other energy consumption, ESG initiatives and green building certifications can also increase a building's revenue potential. For example, a 2018 study of IREM's Income/Expense Analysis® (now Income/Expense IQ) explored data from two large multifamily real estate development and management companies. While the report showed that these Class A properties incurred higher operating expenses than less sustainable buildings, the additional revenue they generated was enough to offset these costs, resulting in net operating income (NOI) of $4.61 per square foot, or $4,260 per unit.

Erin Hopkins, PhD, an associate professor of property management in the College of Liberal Arts and Human Sciences at Virginia Tech, says that plenty of research has examined sustainability's impact on revenue by using eco-labels, such as LEED and ENERGY STAR®, as a proxy measure for green structures. "There is a general consensus that buildings with eco-labels enjoy economic benefits such as higher rents, greater occupancy, and increased sales prices," she says.

In Seattle, Jesse Anderson, LEED AP, sustainability director at Blanton Turner, AMO®, sees buildings with green certifications driving anywhere between 7%–10% higher

> Sustainable office and retail buildings also benefit from higher occupancy rates than noncertified buildings by an average of 1%–2.5%.

rents per square foot than noncertified Class A and B assets. He also encounters more brokers inquiring about green certifications because their clients desire units with lower overhead costs for utilities.

The "Green is Good" report from Cushman and Wakefield, AMO®, found that since 2015, rents in LEED-certified office buildings averaged $4.13 per square foot (11.1%) higher than in non-LEED buildings. On average, multifamily spaces generated 3.1% higher rents than non-certified properties during the 2000–2021 period, though they had slightly more vacancies than non-LEED buildings.

In Seattle, Anderson observes the following rent premiums among the city's sustainable property segment compared to properties without sustainability certifications:

- Office: +8%–10%
- Retail: +8%–9%
- Multifamily: +7%–8.6%

Visit **irem.org/gogreen** to explore the IREM Certified Sustainable Property program and start applications for your properties.

"For office and retail spaces, we recommend budgeting for a premium based on sustainability features and green certification status, as these are strategies for attracting specific tenant demographics to Class A assets," he says.

Anderson confirms that sustainable office and retail buildings also benefit from higher occupancy rates than noncertified buildings by an average of 1%–2.5%.

Another significant way in which property managers are seeing sustainability measures impact revenue is through government-supported initiatives.

One such program in Seattle, the Living Building Pilot Program, offers extra floor area and height allowances in exchange for meeting aggressive energy and water goals, according to the city's Department of Construction and Inspections. Anderson says this program allows for a potential increase of 25% more gross floor area (GFA) than the building code typically allows for in new construction. This translates to increases in rentable square footage by about 20% in multifamily properties and almost 25% in commercial assets. For existing buildings with unreinforced masonry structure undergoing seismic strengthening renovations, the pilot program can result in 30% more GFA for the property, Anderson says.

Location, location, location

Whether sustainable properties can demand higher rents and occupancy depends largely on the local appetite for green amenities. For locations with less interest in sustainability, the NOI impact may be less significant, but Hopkins says there still are many ways to promote the building as a sustainable property.

"If you're operating in a market that doesn't place value on sustainable building initiatives from an ecological standpoint, your team's marketing plan can instead highlight these initiatives from an economic or health and well-being perspective to still communicate their value," Hopkins says.

As demand for green buildings increases, property managers should be aware of some common pitfalls. One is competitors using a marketing tactic known as "greenwashing," or making a building appear more sustainable than it actually is. Hopkins says some common examples of greenwashing include marketing the property as energy efficient when it isn't, or advertising that the property has a low carbon footprint when that hasn't been verified.

"Managers may advertise properties as being eco-friendly by using varying colors of green in their marketing materials while including no meaningful details about sustainability," Hopkins says.

"If you're operating in a market that doesn't place value on sustainable building initiatives from an ecological standpoint, your team's marketing plan can instead highlight these initiatives from an economic or health and well-being perspective to still communicate their value.

—Erin Hopkins, PhD, Virginia Tech

Depending on your market, you may have the opportunity to set your company apart as an outlier from your competitors and highlight this differentiation to ultimately drive stronger rent premiums and occupancy rates at your properties.

—Jesse Anderson, LEED AP, Blanton Turner, AMO®

Another challenge occurs when green buildings become the expectation, leading to the market becoming saturated. Property managers can then struggle to capture the rent premiums that likely helped justify the original decision to invest funds into property upgrades.

"The buildings that benefit the most seem to be the early adopters," Anderson says.

Legacy impacts

Additional benefits of sustainable building initiatives can have a less immediate effect on revenue, such as those that intersect with risk management.

"For example, climate risk management identifies potential physical risks, the likelihood of their occurrence, the possible direct and indirect material impacts to the property, and then incorporates resilience into analyzing these physical risks at the property level," Hopkins says. "Incorporating this type of risk management reduces the likelihood of disruption in business operations and the resulting loss of revenue."

Photo courtesy of Blanton Turner, AMO®

Vi Hilbert Hall, a student housing property, has LEED Gold and Fitwel certifications.

As real estate owners and investors grow more interested in properties' ESG plans, sustainability features are becoming crucial to ensuring financial backing.

"ESG reporting provides a broader and measurable perspective for stakeholders interested in sustainability," Hopkins says. "Shareholders are increasingly demanding this transparency to make investment decisions because it's critical to them as a means of ensuring long-term financial performance."

Anderson says clients and their financial institutions are interested in assets' energy, water, and waste performance. "Recently, the information requests from financial institutions have begun to specifically ask if Blanton Turner, as the management company, has an ESG strategy in place for its own company operations," he says.

The sum of all parts

For property managers wondering exactly how implementing green measures will financially impact their buildings, Hopkins says it's essential to consider multiple financial metrics in order to properly account for the different impacts of sustainable initiatives. "These include NOI, before-tax cash flow, cash-on-cash return, payback period, and a cost-benefit analysis," she says. "While one sustainability initiative may have a bigger revenue impact than its counterpart, upfront costs, property asset holding period, and required rate of return are also important considerations."

Anderson encourages property managers to review certification options for their properties and check if there are any existing opportunities. "Depending on your market, you may be able to set your company apart as an outlier from your competitors and highlight this differentiation to ultimately drive stronger rent premiums and occupancy rates at your properties," he says.

Valuing DEI

Benefits of diversity, equity, and inclusion reach all the way to the bottom line

Image: iStock.com/AzmanL

What do the principles of diversity, equity, and inclusion (DEI) have to do with a property management company's ability to reliably generate revenue? Everything, according to Neil Cadman, CPM®, president of Cadman Group based in El Segundo, California.

Cadman says the principles of DEI have had positive impacts on his business operations in a number of different ways. "We're a better company overall because of embracing DEI," Cadman says. "We connect with each other and our tenants better than we did before. And for me, it didn't necessarily start as an intentional decision. I was always focused on hiring the best people for the job, and it's from there that the move toward consciously adopting DEI practices began to take shape."

There can sometimes be a perception that prioritizing DEI necessarily represents a challenge to a company's revenue-earning potential rather than a boon. Some owners and real estate managers may see dedicating resources and pursuing DEI initiatives as a distraction from the more important work of managing their properties. However, that view often discounts or altogether disregards the underlying importance of all the individual people who make up any organization, even public corporations with operations around the world.

Taking note

Lingering supply chain constraints still pose a major roadblock to a return to normal business operations at the individual firm level. Even more difficult is the human capital challenge of attracting and retaining talent. Largely set in motion by the effects of the COVID-19 pandemic, the Great Resignation is offering plenty of valuable insights. One of the most critical lessons for organizations to learn is that they can no longer afford to see their employees as anything other than the mission-critical assets that they are. This is especially true in the case of property management companies.

According to a recent article published in Forbes, employees who feel included and engaged with their work demonstrate greater focus when carrying out their job duties. This, in turn, increases a company's efficiency. As you explore what DEI means for you and your teams, consider your organizational culture and whether it's working for or against you. Finding alignment between your company's existing core values and the stated goals of your DEI initiatives is an essential step toward ensuring that your company culture is working to increase employee engagement rather than drive talented workers away.

I was always focused on hiring the best people for the job, and it's from there that the move toward consciously adopting DEI practices began to take shape.

—Neil Cadman, CPM®, Cadman Group

Earning support

Companies often miss the bottom-line impacts of their DEI efforts by treating their employees as just another important company resource rather than essential to the company delivering any value.

Furthermore, your onsite teams are the face of the management company to clients, tenants, and potential future hires. If these employees aren't genuinely engaged when serving in such public-facing roles, it will be noticed.

Numerous studies have confirmed the link between investing in DEI and other employee-centric initiatives and improving the customer experience, ultimately boosting companies' ROI. Data from Gallup's State of the American Workforce report points to the same conclusions. According to the report:

- Companies that excel in customer experience have 60% more engaged employees.
- Companies with engaged employees outperform the competition by 147%.
- Companies with especially engaged employees are 21% more profitable.

Walking the walk

Cultivating a company environment that supports healthy work relationships and a supportive and inclusive corporate culture can impact your bottom line in surprising ways. Getting to that point requires deep thought into how people interact with each other on a daily basis.

To take the next step in your own DEI journey, register for the **IREM Skill Badge: Building DEI**.

For Cadman, learning about DEI and incorporating it into his company's corporate culture ultimately made him a better leader. "It's allowed me to better understand my tenants and employees," he said. "It's opened my viewpoint to a different way of seeing the world," which has helped him manage conflict resolution and other mission-critical leadership duties. "DEI is making me not only a more effective leader and better employer but also more developed as a person."

As an organization, IREM honors the diversity of our communities. And it's through that commitment to consistently providing value that professional real estate managers can make the biggest difference in the lives of all their stakeholders.

IREM's commitment to diversity, equity, and inclusion

Diversity for us means we embrace our similarities and differences. We welcome a myriad of all races, ages, genders, gender identities, sexual orientations, creeds, nationalities, national origins, and individuals with disabilities to our community.

Equity for us means acknowledging that everyone starts from a different place. We elevate individuals by continuously being progressive in identifying and removing unintentional barriers that may impede access and success.

Inclusion for us means we will create an environment where individuals in our profession feel valued, respected, supported, and welcome to bring their authentic selves to IREM.

Cadman recalls that many of the positive impacts of his company's DEI initiatives were unexpected. "Some of the biggest benefits we've seen have come from how we can better relate to our tenants. We primarily own and manage properties that serve renters in protected classes and other marginalized groups, which is very much reflected in our company makeup. Since we have a diverse company that so closely represents our tenants, that's one less obstacle to achieving the all-important customer satisfaction."

Cadman has found this to be true when securing buy-in for new company DEI efforts as well. "Everyone on my staff feels empowered to put our DEI principles into practice because they've come to see them as core values, right alongside the rest of our company's core values," Cadman says. "They know I want to hear differing perspectives on all the issues. Most importantly, they can feel that their efforts to advocate for our tenants are being supported by the organization from the top down."

If your company is just beginning to consider incorporating DEI initiatives into its strategic planning, it's important to understand it's a journey that doesn't necessarily have a final destination. "There's always more to learn," Cadman says. "Embracing DEI has continued to help me become a more well-rounded person. The moment I stop learning and evolving is when I'll be six feet under."

Building a smart future

Innovative technologies set Japan apart as a leader in Proptech adoption

By Kiyoshi Inomata, CPM®, CCIM

Employees can operate the Ugo Robot using a remote control and wireless connection.

Photo courtesy of Kiyoshi Inomata, CPM®, CCIM

As a global leader in technology, Japan and its built environment are at the forefront of defining what it means to be smart. Often on the cutting edge when it comes to property management and operations, Japan's modern skylines are full of buildings with Proptech applications that are practical, efficient, and sustainable, resulting in cost savings for real estate asset owners and greatly enhancing the resident and tenant experience.

I recently had the opportunity to look at some of the newest smart building developments being introduced into the market at Japan Build, a premier industry event for showcasing Proptech innovation in Asia. This trade show takes place twice a year in Japan and attracts vendors from the construction and development sectors, featuring the latest in building materials, AI-enabled security, maintenance, operations, and more.

About Japan Build

Dedicated to sharing the newest innovations in the building and housing industries, Japan Build is considered a must-see event for property managers in Japan, not only for the dazzling tech displays, but also for the many opportunities for networking and cross-functional discussions.

Many aspects of the real estate industry are represented, from construction and leasing to renovation, building engineering, and retail management. These various subject areas receive designated spaces at the show, where the two newest exhibits, "Retail Digital Transformation" and "Digital Construction," highlight some of the most exciting new Proptech developments.

Remote construction and maintenance operations

As smart devices and AI software become more accessible and less cost-prohibitive, new implementations of robots and Proptech are on the rise, enabling ever faster and safer work. For example, drone technology has quickly become a go-to at construction sites, providing developers and contractors with aerial views that can be used for mapping and monitoring work progress without ever leaving the office.

Drone use is common in Japan, and there are ancillary systems capable of automatically aggregating and analyzing drone data. Companies such as Seraph Enomoto are making

One such robot on display was the Ugo Robot. The Ugo can be used for many purposes, but it was designed to help in residential buildings.

> Asilla, Inc. displayed its AI surveillance camera, which can monitor activity and send notifications within one second of detecting unusual activity, such as break-ins, fires, or safety threats.

advancements in precisely this area. At Japan Build, Seraph Enomoto showcased how they use drones equipped with infrared cameras to prepare their inspection reports. These cameras can be used to inspect degraded exterior walls, visually check for efflorescence and cracks, and monitor water penetration. This data is then fed to a system that automatically proposes which repairs need to be made.

As buildings are upgraded to meet the demands of tenants seeking more automation, the many smart devices and utility meters implemented at a property to enable this automation may not be consistent with one another. The LiLz Gauge automates visual inspections in locations with no power supply or data network. The device can read multiple instruments from a single image using AI algorithms that predict measurements based on the gauge display, regardless of the type of device.

Robots!

There is a well-established view of robots as being poised to eventually take over the world because they're so much more efficient than humans; at Japan Build, that doesn't seem out of the realm of possibility.

One such robot on display was the Ugo Robot. The Ugo can be used for many purposes, but it was designed to help in residential buildings. The robot has two arms and can move between floors by operating the elevator controls. It can also welcome visitors with a greeting and guide customers with digital signage, taking over the standard duties of a front door receptionist. To address concerns arising from the COVID-19 pandemic, the robot is outfitted with a hand attachment that uses ultraviolet light to disinfect door handles and other high-contact surfaces. Developed by Mira Robotics, Ugo is operated with a remote control by an employee through a wireless connection. The entire system costs about $1,000 a month to rent, and in addition to enhancing security and conducting inspections, it can clean toilets and other critical building areas.

Virtual customer service has also been a growing niche in Japan. One noteworthy example is T-Concierge, a company creating the "next-generation reception system." The system utilizes an avatar to handle reception services. This avatar can be customized and projected onto a screen and individual smart devices. This system allows companies to use their workforce more efficiently, eliminating challenges with security and nighttime staffing.

Asilla, Inc. displayed its AI surveillance camera, which can monitor activity and send notifications within one second of detecting unusual activity, such as break-ins, fires, or safety threats. It does this by learning normal human behavior and interactions, allowing it to detect when abnormal behavior occurs or when an accident could potentially take place. The system

Learn more about Proptech in the **IREM Skill Badge: Building Technology**.

The Tawa Remo chair, a remote control construction tower crane system.

Photo courtesy of Kiyoshi Inomata, CPM®, CCIM can be implemented using even a single camera and can help cut security costs by up to 20%.

Tenant services

Today's tenants want a fully automated experience, making their lives easier and their surroundings more responsive to change. This need has only increased since the pandemic prompted more people to use their homes as offices.

SpaceCore specializes in supporting operations in residential buildings, specifically with smart home devices. The company showcased many cost-effective tools developed to easily upgrade residential properties into smart houses. By implementing their products at a residential property, homes can become programmable and customized to the particular resident.

Did you know?

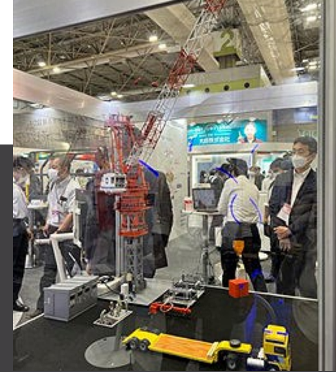

Photo courtesy of Kiyoshi Inomata, CPM®, CCIM

- Japan is an IREM country with **five chapters**: East Japan, West Japan, Hokkaido, Tokai, and Kyushu.
- Japan **ranked 19th** in the UN's 2022 Sustainable Development Report, the highest rank among all Asian countries.
- Japan's Ministry of Education, Culture, and Technology continuously invests in a **diverse range of projects** between universities and corporations to help promote innovation.
- The International Federation of Robotics ranked Japan as the **third most automated country** in the world. Japan had 364 robots in operation per 10,000 employees, and that number is only growing.
- **47% of global robotics** are made in Japan, making it the number one country in the world for robot production.

The future is already here

Here in Japan, there's a shortage of human capital. We face the challenge of an aging population and decreasing numbers of skilled professionals entering the workforce each year. The real estate business is made up of a network of people, but as we compete for limited resources, looking to automation and AI has become more of a business necessity than a strategic choice. I firmly believe that innovation is critical to the success of everyone involved in real estate and should be embraced by professional property managers looking to stay at the top of their field.

Photo courtesy of Kiyoshi Inomata, CPM®, CCIM

T-Concierge's system uses an avatar to handle reception services.

These are just a few examples of the newest advancements in Proptech emerging in the Japanese market. From construction and renovations to leasing and the tenant experience, professional real estate managers have more options than ever for optimizing our work with new technological tools.

As more consumers demand the convenience of smart technology, the property management profession will continue experiencing a push toward ease of use, integrated services, and the extension of smart technology. In this age of Proptech and sustainable cities, our built environments are becoming smart in their own right.

Kiyoshi Inomata, CPM®, CCIM, is the CEO of Assetbuild Co., Ltd. As an IREM instructor, he teaches the maintenance and risk management course and marketing and leasing course in Japan. He received an IREM REME Award in 2016 for organizing a team of architects from IREM Japan to conduct a survey of apartments damaged by an earthquake earlier that year.

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

Chapter champions

The Institute's revamped IAE Advisory Council aims to enhance the "IREM experience"

Image: iStock.com/gorodenkoff

IREM Association Executives (IAEs) are an integral part of the success of IREM's 78 U.S. chapters. An IAE manages the operations, management, and administration of their local chapter. Their many responsibilities include board and leadership support, financial management, and engagement with members and industry partners. They also support the overall operation of the chapter as an independently incorporated 501(c)(6) organization.

Perhaps the greatest value IREM chapters provide is their ability to deliver the "IREM experience" to members and potential members. IAEs ensure that chapters are serving as a conduit within their communities for all things IREM by working to keep their chapter in alignment with the

An IAE manages the operations, management, and administration of their local chapter.

four objectives of every IREM chapter: networking, learning, leadership, and member engagement.

Positioned to make an impact

In 2020, the Governing Council approved several updates to the Institute's governance structure to ensure that IREM leadership remains aligned with the Institute's long-term vision. Put into effect in 2023, part of that update included moving the IREM Association Executive Advisory Group to a more formalized structure.

Members of the IAE Advisory Council now serve for a term of two years rather than just one year. This change will allow the group to examine chapter support services and longer-term projects in greater detail, enabling the Advisory Council to have a much more considerable impact. By offering their input and informing the development of resources, services, and training, the IAE Advisory Council is positioned to enhance the IREM experience across the country, one of the main pillars of the IREM Strategic Plan.

By offering their input and informing the development of resources, services, and training, the IAE Advisory Council is positioned to enhance the IREM experience across the country, one of the main pillars of the IREM Strategic Plan.

Advisory Council composition and priorities

The 2023 IAE Advisory Council comprises an extraordinary group of seasoned chapter association management professionals, including chair Teri Lind, IAE of the IREM Chicago Chapter, Susan Wagner from the IREM St. Louis Chapter, Kristin Hiett from the IREM Dallas Chapter, Jean Collins from the IREM Greater Metropolitan Washington Chapter, and Carol Walker from the IREM Northern Virginia Chapter.

One of the top priorities for the IAE Advisory Council this year was to plan the IAE Workshop component of the 2023 Chapter Leadership Retreat, held in Chicago on April 25–26. The Advisory Council will also plan the IAE Professional Development Forum at the 2023 IREM Global Summit in Toronto from Oct. 10–13. Through surveys and personal outreach to other chapter IAEs, the Advisory Council ensures that all IREM IAEs receive the education and training they need to carry out IREM's mission through each local chapter. In addition, the Advisory Council will provide feedback on the resources being developed by IREM Headquarters for IAEs and chapters, including the new and improved online IAE community.

New virtual community for IAEs

Under the direction of and with input from the Advisory Council's predecessor, the IAE Advisory Group, the new IAE community was launched in November 2022. This virtual community was created to connect IAEs, share information, and create a peer-to-peer forum to discuss issues related to day-to-day chapter operations, events, courses, governance, and more.

The Advisory Council will plan the IAE Professional Development Forum at the 2023 IREM Global Summit in Toronto from Oct. 10–13.

Since the community was established, IAEs have been able to engage in robust online discussions and knowledge sharing. This includes making available resources and chapter best practices. The new online community is an extension of the IREM Learning platform, giving IAEs a better understanding of what members experience when pursuing IREM education and certifications through our many online course offerings. Moving forward, the IAE Advisory Council will be pivotal in monitoring the ongoing success of this new initiative.

Beyond the new virtual IAE community, the IAE Advisory Council will collaborate with the Member Experience Advisory Council to develop several other special projects throughout 2023. With its retooled structure in place, the IAE Advisory Council is positioned to remain a key partner for IREM Headquarters in identifying new opportunities to enhance customer service and the IREM membership experience.

New CPMs

Alabama
Shelby Smith, CPM®, Harvest

Arizona
Deborah Holder, CPM®, Gilbert

Arkansas
Tiffany Herring, CPM®, Sherwood

California
Sandy Brownstone, CPM®, Novato
Darren Dellaripa, CPM®, El Cajon
Nathan Mussell, CPM®, Calabasas

Florida
Nels Billsten, CPM®, Groveland
Marty Busekrus, CPM®, Tampa
Jose Mascorro, CPM®, Coral Gables

Georgia
Chris Johnson, CPM®, Atlanta
Autumn Sillay, CPM®, Atlanta

Illinois
Aida Chavarria, CPM®, Oakbrook Terrace

Indiana
Meghan Binkerd, CPM®, Indianapolis

Massachusetts
Theodore Bisbicos, CPM®, ARM®, Boston
Kevin Robert, CPM®, North Reading

Minnesota
Jordan Van Den Eng, CPM®, Plymouth

Mississippi
Danielle Waite, CPM®, Madison

Nebraska
Simone Mason, CPM®, ARM®, Omaha

Nevada
Nathenia Cameron, CPM®, North Las Vegas
Stephany Paleczny, CPM®, Las Vegas

New York
Robert Alpi, CPM®, West Islip

Ohio
Nikelle Kingry, CPM®, Plain City

Oregon
Lauren Lancial, CPM®, Beaverton

Pennsylvania
Lisa Shull, CPM®, York

South Carolina
Rene Sturgis, CPM®, Rock Hill

Texas
Mitze Babineaux, CPM®, Houston
Jason Blackman, CPM®, The Woodlands
Heather Garvey, CPM®, Bastrop
Mark Roden, CPM®, Austin
Phoenix Whiteman, CPM®, Dripping Springs

Utah
Erica Beal, CPM®, Salt Lake City
Kelli Segretto, CPM®, North Salt Lake

Virginia
Wesley Liu, CPM®, McLean
Katherine Root, CPM®, Reston

Washington
Randy Davis, CPM®, Seattle

Washington, D.C.
Renee Finnerty, CPM®, Washington
Ellease White, CPM®, ARM®, Washington

Canada
Robyn A. Brown, CPM®, London, Ontario
Kasandra Donaldson, CPM®, Lefroy, Ontario
Gillian Fraser, CPM®, ARM®, Winnipeg, Manitoba
Penny Hall, CPM®, Surrey, British Columbia
Sophia Karagiannis, CPM®, Toronto, Ontario

Ghana
Sampson Nyamalor, CPM®, Accra

Japan
Hiroaki Akimoto, CPM®, Saitama
Yasuaki Fukui, CPM®, Gunma
Yoshinari Fukuyama, CPM®, Saitama
Kazunori Furukawa, CPM®, Hokkaido
Tsukasa Hara, CPM®, Kyoto
Hiroyo Hata, CPM®, Hokkaido
Satoshi Hayashi, CPM®, Osaka
Teruo Higashi, CPM®, Kumamoto
Yoshifumi Hitachi, CPM®, Kanagawa
Ryouichi Horiguchi, CPM®, Ishikawa
Kazuhito Ishihara, CPM®, Tokyo
Tadashi Kato, CPM®, Osaka
Yuta Kayukawa, CPM®, Aichi
Shinya Kochi, CPM®, Hokkaido
Teppei Kubota, CPM®, Hokkaido
Tomohiro Kurisaki, CPM®, Aichi
Ryuichi Kusakabe, CPM®, Fukuoka
Ken Mabuchi, CPM®, Shizuoka
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Masaaki Saeki, CPM®, Hiroshima
Takuya Sato, CPM®, Osaka
Noriaki Shigematsu, CPM®, Fukuoka
Kumi Suzuki, CPM®, Fukuoka
Marika Takahashi, CPM®, Hokkaido
Takeshi Takahashi, CPM®, Aichi
Aya Takenouchi, CPM®, Fukuoka
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Ren Uchihebo, CPM®, Fukuoka
Takayoshi Usui, CPM®, Kanagawa
Anna Yamada, CPM®, Kanagawa
Seiji Yonezawa, CPM®, Tokyo
Takuhei Yoshinaga, CPM®, Kumamoto
Yugo Yoshino, CPM®, Kanagawa

Korea
Jae Seong Bae, CPM®, Gyeongsangnam-Do
Seongju Han, CPM®, Sejong-Si
Jung-Won Hyun, CPM®, Seoul
Hyunho Jung, CPM®, Seoul
Ho Jun Kim, CPM®, Seoul

Jae Tae Kim, CPM®, Seoul
Kyung Son Kim, CPM®, Incheon
Seung Hyeon Kim, CPM®, Seoul
Eunsung Park, CPM®, Seoul
Youngwon Park, CPM®, Seoul

South Africa
Admire Madziwanzira, CPM®, Roodepoort
Fiona Sabeta, CPM®, Johannesburg

New ARMs

Alabama
Stacey Elizondo, ARM®, Enterprise
Haley Holland, ARM®, Birmingham
Jennifer Tindle, ARM®, Daphne

California
Ian Kerol, ARM®, Seaside
Theresa Mejia, ARM®, San Diego
Briana Rodriguez, ARM®, San Diego

Florida
Julie Bohl, ARM®, Port Saint Lucie
Sulivette Roman Cruz, ARM®, Orlando
Jasmine Yarbrough, ARM®, Orlando

Hawaii
Sarah Danilewicz, ARM®, Honolulu
Jordan Saka, ARM®, Honolulu

Indiana
Theresa Drummond, ARM®, Franklin
Brandon Gerber, ARM®, Bluffton
Andrea Wilson, ARM®, Carmel

Louisiana
Shane Bridges, ARM®, Fort Polk

Maryland
Tanesha Harris, ARM®, Temple Hills

Massachusetts
Eileen Dugas, ARM®, New Bedford

Mississippi
Angela Sigurnjak, ARM®, Madison

Nevada
Stacey Daniels, ARM®, Pahrump
Alisa Harvey, ARM®, Las Vegas

New Jersey
Gregg Kennedy, ARM®, Rumson

New York
Ari Antar, ARM®, Brooklyn
Cindy Fingar, ARM®, Red Hook

North Carolina
Eboni Gaskins, ARM®, Greensboro
Jacqueline Mitchell, ARM®, Concord

Pennsylvania
Zachary DeReno, ARM®, Pittsburgh
Gemma Graven, ARM®, Pittsburgh
Max Gross, ARM®, Pittsburgh

Rhode Island
Christine Brodeur, ARM®, North Kingstown
Lauren Delsignore, ARM®, Cranston

Tennessee
Crystal Garcia, ARM®, Cordova
Elliott Wells, ARM®, Knoxville

Texas
Megan Bernstein, ARM®, Bartlett

Utah
Whitney Van Buskirk, ARM®, Riverton

Virginia
Michael Feeny, ARM®, Manassas
Ngozi Gonzalez, ARM®, Falls Church
Yohannes Mengistu, ARM®, Alexandria

Wisconsin
Anthony Suiter, ARM®, Lake Geneva

Canada
Daniel Cardona-Fragale, ARM®, Woodbridge, Ontario

USA ACoMs

California
Mario Lomeli, ACoM®, Santa Rosa
Christy Yount, ACoM®, San Diego

Florida
Angel Fortini, ACoM®, Stuart

New Mexico
Lindsay Mata, ACoM®, Albuquerque

North Carolina
Taylor Beale, ACoM®, Greenville
Adna Daniel, ACoM®, Raleigh
Tiffany Etheridge, ACoM®, Charlotte

South Carolina
Meagan Brockington, ACoM®, Greenville

Texas
Andrew Hervey, ACoM®, Dallas
Gina Lopez, ACoM®, Buda
Aaron Mabry, ACoM®, Fort Worth
Olena Mann, ACoM®, Rosenberg
Ryan McDowell, ACoM®, Houston

Virginia
Sofie Beza, ACoM®, Great Falls
Kimberly Miller, ACoM®, Woodbridge
Anne Paul, ACoM®, Richmond
Kristen Robbins, ACoM®, Virginia Beach

New AMOs

Indiana
KennMar, LLC, AMO®, Indianapolis

Ohio
Midland Atlantic Properties, AMO®, Cincinnati

New CSPs

California
2020 Main, Irvine
Atria Newport Plaza, Newport Beach
Atria Park of Pacific Palisades, Palisades
Atria Rancho Mirage Terrace, Rancho Mirage
Atria Tarzana, Tarzana

Ohio
Northlake - Cincinnati Office, Cincinnati