Energy optimizes on Yardi

Maximize energy efficiency and reduce costs and consumption with dynamic energy management including intelligent HVAC, paperless utility invoice processing, ENERGY STAR® submissions and more.

800.866.1144
Yardi.com/SmartEnergy
BEYOND THE FLOWER BEDS

"We are what we repeatedly do. Excellence, then, is not an act, but a habit." —ARISTOTLE

What Aristotle may have been referring to, if he was alive today and managing property, is the creation and implementation of a property management agreement. Unexpected and nuanced complications—emotional support animals and gender-neutral bathrooms, to name a few—have colored the new climate of uncertainty surrounding the phenomenon of unintentional discrimination. Concerns over social media and insurance can also carry a potential for litigation. The habit of maintaining an up-to-date management agreement that addresses these obstacles is the first line of defense for keeping your—and your owner's—best interests at the forefront. "Does Your Property Management Agreement Protect You?" Find out on p. 14.

One thing this issue of JPM® touches on again and again is the underlying message of practice and preparation to meet goals and succeed. But beyond the day-to-day decisions and mini-emergencies, what drives occupancy? What impacts the bottom line? How are business relationships forged and physical assets transformed? What, exactly, do investor partners look to property managers for? Strategy, trust and a bigger-picture plan for the asset that drives revenue despite market conditions. As Nicolas Dunlap points out in Cover Your Assets on p. 8, "Gone are the days where keeping a property full, collecting rents and keeping seasonal color in the flowerbeds are the baseline for judging a manager's performance."

And of course, the binder of both property managers and asset managers is ethics. Higher Ground on p. 33 discusses how the IREM Code of Professional Ethics can help facilitate a meaningful and clear-cut relationship between these professionals based on trust and shared values.

So get in the habit of taking the guesswork out of the routine and administrative practices, so you are free to go beyond occupancy and flowerbeds. Make the asset bloom.
More new and redeveloped apartment communities are offering open gathering spaces for residents and guests to enjoy. Such spaces are often programmed with community events such as food truck nights, live musical performances, yoga classes and movies under the stars. Planning and design must be carefully crafted to anticipate the variety of uses and activities that could happen.

PROPERTY MANAGEMENT INSIDER COLUMNIST GARY WARNER WROTE THAT THERE ARE FIVE KEY COMPONENTS THAT CONTRIBUTE TO A SUCCESSFUL SPACE.

1. The space should include pieces such as tables, chairs, cornhole boards and planters. After all, the space should offer amenities that make it easy and comfortable for people to use.

2. Open gathering space must offer structurally sound surfaces that can support everything from food trucks to ice skating rinks. The best of such places are designed with a mix of paved areas and softer areas of landscape or turf.

3. There must be ample access to power outlets for everything from speakers and holiday lights to generators and even an outdoor movie screen.

4. While the ideal space varies by project, Warner wrote, “we have found spaces of about 8,000 to 25,000 square feet generally are the best size for a central gathering space or community green.” Going bigger than 25,000 square feet starts to create more of a park atmosphere and produces a larger array of property management challenges.

5. Incorporate an attraction. Installing an interesting sculpture, fountain or even a unique tree can add personality and enhance the overall experience.
4 MISTAKES TO AVOID WHEN MOVING OFFICES

NOT CHOOSING THE RIGHT TYPE OF BUILDING.
In general, large office buildings will have a structured leasing process and a dedicated property management office. Additionally, they may have on-site building maintenance teams that can fix minor issues and/or provide cleaning services. Such buildings, though, are usually pricier per square foot and have more security and insurance requirements. Small buildings generally have fewer amenities, but their prices per square foot are lower and there are fewer requirements.

NOT CHECKING IF THE BUILDING HAS UNION CONTRACTS.
Such accords may require union contracts, which can limit the number of vendors a tenant can use for building services such as internet, phone and electricity, and thus artificially inflate prices of these services.

NOT LIQUIDATING YOUR OLD OFFICE FURNITURE SOON ENOUGH.
It may take a few dozen phone calls to find a liquidator or reseller that is interested in used office furniture. “That’s why you need to start planning your office liquidation a couple months in advance of your move date,” the article’s author concludes. “You don’t want to be left with a bunch of furniture and nothing to do with it.”

NOT INSPECTING THE SPACE BEFORE MOVING IN OR SIGNING THE LEASE.
A thorough walk-through is a must. If possible, obtain written confirmation from the building owner that the structure will provide the specific items you talked over or negotiated, like fiber internet hook-up.

People do not buy goods and services. They buy relations, stories and magic.
—SETH GODIN

If I had nine hours to chop down a tree, I'd spend the first six sharpening my ax.
—ABRAHAM LINCOLN

If you think you're too small to have an impact, try going to bed with a mosquito in the room.
—ANITA RODDICK

A brand is no longer what we tell the customer it is—it is what customers tell each other it is.
—JEFF BEZOS

No business in the world has ever made more money with poorer management.
—BILL TERRY

You can't be that kid standing at the top of the waterslide, overthinking it. You have to go down the chute.
—TINA FEY

In the end, a vision without the ability to execute it is probably a hallucination.
—STEVE CASE
NEW STUDY LINKS
GREEN BUILDINGS
TO HIGHER COGNITIVE FUNCTION

Sustainable Brands, MacCarthy

New research from the Harvard T.H. Chan School of Public Health’s Center for Health and the Global Environment and SUNY Upstate Medical University has found a link between green buildings and improved cognitive function.

The Impact of Working in a Green Certified Building on Cognitive Function and Health study found that
> Occupants of green-certified, high-performing buildings recorded 26 PERCENT HIGHER COGNITIVE FUNCTION SCORES
> They also SLEPT BETTER AND REPORTED FEWER HEALTH SYMPTOMS versus those in similarly high-performing buildings that were not green-certified

To conduct the study, two dozen participants spent six full work days in an environmentally controlled office complex at the TIEQ lab at the Syracuse Center of Excellence. Participants were exposed to conditions representative of conventional and green office buildings in the United States, along with green buildings with enhanced ventilation. In addition, the research team artificially elevated carbon dioxide levels independent of ventilation.

Green building conditions generated higher scores compared to conventional ones across nine functional domains. The greatest cognitive function differences were seen in the areas of crisis response (73 percent higher in green-certified, high-performing buildings) and applied activity level—the ability to gear decision-making toward overall goals (44 percent). Meanwhile, sleep quality scores were recorded as being 6.4 percent higher for participants in green-certified buildings. Finally, the article’s author wrote, “participants reported better environmental perceptions and 30 percent fewer sick building systems in high-performing, green-certified buildings vs. high-performing, non-certified buildings.”
OPEN SIGNAL
When the bars on your phone are barely there, Open Signal will set you on the right course to get the boost you need. It provides a map that shows the cell towers in your vicinity and even displays a compass to point you in the direction you need to walk for a better connection. Not only that, it’ll give you a rundown of the best and worst places for 2G, 3G and 4G networks.

**Available on:** Android, iOS
**Price:** Free

RED PANIC BUTTON
Personal safety is never not important, and unfortunately there are times in the property management business where one’s safety can be compromised. Give yourself some extra security with Red Panic Button. Pushing the button sends a panic message (that you can customize and pre-record) to the people on your emergency contact list via multiple channels—text, e-mail, tweet—and shows them the GPS coordinates of your location. You can keep the button right on your screensaver so that it can be activated at a moment’s notice, when quick action is crucial.

**Available on:** Android, iOS
**Price:** Free

FLOW
Flow is a great app to effortlessly manage your team’s day-to-day tasks without intrusive e-mail interruptions, and you can tailor its features to the particular needs of your team—whether you have remote members or freelancers or contractors. Your team’s tasks, files, deadlines and discussions are all available at-a-glance so that you can keep tabs on your projects without having to wait for updates.

**Available on:** Android, iOS
**Price:** Starts at $19/month for up to three people

ANY.DO
Any.do is a life organizer, planner, grocery list-maker and overall task manager. It’s a great way to set reminders and to-do lists that sync across all of your devices. Best of all, you can drag and drop tasks and mark your to-dos as complete by shaking your device—pretty satisfying if you love crossing things off lists.

**Available on:** Android, iOS
**Price:** $2.99/month

FAST FACTS
If you put all the pavement in America into one place, it would more than completely cover the state of Georgia.

There is a house in Rockport, Mass. that is made entirely of paper wrapped around a wood frame and held together with glue and varnish. Much of the furniture inside is made of paper as well.

Keep spots off fiberglass shower walls and make them easier to clean by applying car wax every six months, which will seal the pores of the fiberglass. But keep it on the walls—putting it on the floors will make them slick and hazardous.

The word “mortgage” comes from the Middle French meaning “dead pledge,” referring to the fact that the property transaction is done—dead—when the debt is paid.

During the Florida land boom in 1919, investors paid up to $25,000 for lots that had not yet been dredged up from the ocean.
Asset management is critically important to the success of many large real estate investors, yet it is often poorly understood by those working outside the field. This report addresses existing knowledge gaps by summarizing the results of more than 90 interviews conducted with real estate practitioners familiar with asset management as both a process and as a profession.

This report offers new insights into the roles, responsibilities, and requirements of asset managers working in different types of real estate companies. The analysis is intended to serve as a means of stimulating conversation about the relationship between asset and property management, as well as the steps that can be taken to support the ongoing growth and development of asset management as an attractive and rewarding career option.

Order Yours Today!
www.irembooks.org

WHAT PROPERTY MANAGERS DO:
IREM® REAL ESTATE MANAGEMENT JOB ANALYSIS

For this new research study, over 1,400 members of the real estate management profession sat down with IREM® to answer the question: What do property managers really do?

Breaking down tasks and knowledge requirements by a variety of demographics, this information is perfect for:

- Recruitment
- Selection
- Performance appraisal
- Compensation
- Training and development

Order Yours Today!
www.irembooks.org
The biggest threat to our success as managers is the inability to think big. Faced with numerous day-to-day decisions, fires to put out, bosses to please, clients to woo and more, it can become a constant battle of whack-a-mole that seems prohibitive to productivity and real-world results. But even still, it is our responsibility to drive results for our clients and our duty to demonstrate the true value-add element of our professional relationship. Whether you serve high net worth individuals or pension funds, the driving force to success is focusing on your plan.

CLIENTS FIRST
I remember a scenario where I represented an owner’s interest as an asset manager. The property management company had done a decent job in keeping up the physical appearance of the property, but paired with their reporting and financial guidance of the asset, I would rate their efforts a C+ or B- at best. In spite of our prodding, they kept rents low (below market) and asserted that cosmetic upgrades would not help yield higher rents. When it came time to dispose of the asset, they were the first to ask for bonuses for the corporate and regional teams who oversaw the property’s operations. If only they would’ve exercised the same diligence and swiftness in operating the asset, the property would’ve been half-way through a value-add project with increasing rents and the bonuses would’ve more than taken care of themselves.

STRATEGY IS EVERYTHING
As managers, we are integral to the investment relationship, leading the way in big-picture thinking and planning while being mindful of the bottom line. Oftentimes, our decisions and efforts help to transform physical and financial assets, driving returns and providing investor partners with an array of decisions on whether they should hold, sell or re-finance to maximize value. Gone are the days where keeping a property full, collecting rents and keeping seasonal color in the flow-erbeds are the baseline for judging a manager’s performance. Today, much more of the focus is on cash-flow management. Investors are more concerned with a bigger-picture plan that creates and drives value—regardless of market conditions and how their real estate investment competes against varying asset classes. Additionally, investors often look to managers for help driving revenue in a time of diminishing returns.

BECOME A SUBJECT MATTER EXPERT
Unsure of how or where to start? Make it a point to connect with your on-site teams first and study the local market or sub-market on a consistent basis so that you truly have your finger on the pulse. The information you gather will not only help drive important financial decisions by the client, but in summarizing the market and key trends, you will be reinforcing your own brand as the subject matter expert and helping to demonstrate your true value. Get out of the habit of following and instead set the standard. And even if it is only the seasonal color that gets noticed, you will have helped accomplish so much more.

NICHOLAS DUNLAP, CPM, (NDUNLAP@AVANATH.COM) IS THE DIRECTOR OF PROPERTY MANAGEMENT OF AVANATH CAPITAL MANAGEMENT IN IRVINE, CALIF. FOLLOW HIM ON TWITTER: @NICHOLASDUNLAP.

MR. DUNLAP IS ALSO THE AUTHOR OF BRICK AND MORTAR PIGGY BANKS: YOUR GUIDE TO CREATING LIFE CHANGING WEALTH THROUGH REAL ESTATE INVESTMENT (E-BOOK). AVAILABLE AT IREMBOOKS.ORG.
Installation and maintenance are a breeze.

Constantly repairing equipment will make even the coolest technicians a little hot under the collar. Work smarter, not harder. SmartComfort® by Carrier is economical and easy to install, as well as built to last. Our dense coil guard cuts routine maintenance time, making the unit easy to service and making you much cooler to the tenants who rely on you.

Available exclusively through:

HDSUPPLY
FACILITIES MAINTENANCE
Visit hdsupplysolutions.com/carrier

Smart Design
Our dense coil guard makes it easier to clean and inspect the coil.

Hardworking
Units are built for efficiency and optimal performance.

Long-lasting
Field tested and durable with a two-year Easy Assurance Limited Replacement Warranty.*

Versatile
Sets the bar without breaking the bank.

*If compressor or coil fails due to defect during the applicable two-year limited replacement warranty, a one-time replacement with a comparable unit will be provided.

©Carrier Corporation 3/2017. A unit of United Technologies Corporation. Stock symbol UTX.
This article draws directly from the text of a new IREM publication titled Real Estate Asset Management: A Process and a Profession, the first in a series of articles to be published in JPM that will explore what real estate asset managers do and how they do it in practice.
DEFINING REAL ESTATE ASSET MANAGEMENT

By Dustin Read, PhD/JD

Asset management, definable as both a process and a profession, is critically important to the success of large real estate investors. It is nonetheless poorly understood outside, and to some degree inside, the real estate industry due to the use of inconsistent terminology and differences in the organizational structure of companies specializing in the ownership and oversight of income-producing properties. The confusion is problematic to the extent it prevents talented individuals from pursuing careers in asset management or impinges upon the development of supportive services for those already working in the field. It can also contribute to a lack of understanding between those managing real estate as an investment vehicle and those operating it on a daily basis when the two groups lack a true appreciation for what the other does.

Defining the unique body of knowledge required for success in real estate asset management can help establish it as a professional service, providing a status that will attract talent to the industry.

Understanding what is expected of real estate asset managers can help education providers better tailor their offerings to meet evolving industry needs.

Differentiating real estate asset management from property management in more clear and concrete terms can improve communication and understanding between these two groups.

CLARIFYING THE ROLES ASSET MANAGERS PLAY IN DIFFERENT TYPES OF ORGANIZATIONS IS THEREFORE IMPORTANT FOR A NUMBER OF REASONS:
The executives participating in the study generally discussed asset management in terms consistent with those found in the existing literature. Many described individuals working in this capacity as the ones responsible for “overseeing financial performance,” “creating value through strategic decisions” and “managing the competitive position” of each property in their respective portfolios. It was also common for respondents to frame the roles of asset managers in relation to those of the parties with whom they work, with one noting “asset managers fit neatly between portfolio managers and property managers because they are responsible for implementing property-level strategies reflective of portfolio objectives and the financial engineering used to acquire the assets.” A significant number of respondents acknowledged that asset management is sometimes difficult to define as a profession because it “continues to evolve,” “crosses a lot of boundaries” and takes on “different forms.”

Furthermore, comments made by the respondents support a decision to study asset management primarily as a process and secondarily as a profession. This is appropriate because there is a high level of consensus about the tasks asset management typically involves, despite the fact that these tasks are delegated in different ways across companies depending upon their culture, needs and resource constraints. The research results were organized with process in mind, considering the responsibilities asset managers may take on throughout the lifecycle of a real estate investment. Many of the tasks outlined assume asset managers have the autonomy to make an array of management decisions, which may not be the case for those representing limited partners or debt providers who primarily engage in monitoring and surveillance. This limitation must be kept in mind when interpreting the results. Attention was devoted to factors influencing how all of these professional responsibilities are satisfied in practice. Approaching asset management in this way limits confusion stemming from the use of inconsistent job titles and designations.

MAJOR FINDINGS:

The asset management process typically involves a series of interrelated functions or activities designed to enhance the financial performance of income-producing properties. They include: (1) acquisition support; (2) business planning; (3) leading a team; (4) budget preparation; (5) lease/capital expense approval; (6) promoting operational efficiency; (7) market research; (8) financial analysis; (9) disposition assistance; and (10) reporting/surveillance.

These functions can be delegated to a number of different parties in a number of different ways depending upon the structure, culture and strategic objectives of a given real estate firm. Some individuals holding asset management titles engage in all of these activities and have considerable autonomy to make property-level decisions. Other asset managers have much narrower job descriptions and far less discretion. These differences make it difficult to define asset management as a profession in universally accepted terms.

The interviews suggest four common approaches to asset management exist throughout the real estate industry, which are distinguishable based on the amount of attention devoted to financial management relative to human resource management.
opportunities appear to exist for those who have an interest and the aptitude to work in an environment that serves as a bridge between the worlds of real estate finance and operations.

The greatest opportunities appear to exist for those who have an interest and the aptitude to work in an environment that serves as a bridge between the worlds of real estate finance and operations.

The full research results are contained in the 2017 IREM publication Real Estate Asset Management: A Process and A Profession (available at www.irembooks.org). The research is intended to serve as a starting point for future study of the asset management process, as well as a means of stimulating conversation about the steps that can be taken by trade associations, educators and other interested parties to support the ongoing growth and development of asset management as an attractive and rewarding career option.

Dustin C. Read, PhD/JD (DCreaddvt.edu), serves as an Assistant Professor of Property Management and Real Estate within the College of Liberal Arts and Human Sciences at Virginia Tech.
DOES YOUR PROPERTY MANAGEMENT AGREEMENT PROTECT YOU

By John Salustri
Imagine yourself driving over a bridge. At night. With no guardrails.

An unlikely and foolhardy enterprise, to be sure. But that's exactly the type of risk property managers take if they don't lawyer up to create a bulletproof management agreement and periodically tweak that agreement to reflect changes in culture and laws.

Now, before we begin, the disclaimer: This article isn't meant to serve as legal advice. That has to come from a lawyer. Rather, this is intended as a warning shot, an encouragement for you to find that attorney who has your best interests in mind when it comes time to craft or update your agreement.

Having a lawyer in your dugout isn't just for when things go off the rails. Consider a lawyer to be a proactive player in minimizing the chances for disputes in the first place. She or he does this in large part by setting the essential rules of engagement in the agreement.

Tiffany L. Jackson, CPM, CAM, went through this exercise when she launched her own firm, Compass Management, LLC, in Denver. In fact, although she's been in business for just three years, she has already had her management agreement reviewed twice by her lawyer. “First was when I was launching and I wanted to make sure it was right to begin with,” she said, “and the second time was a cursory review to make sure everything in it was still copasetic. (See Sidebar.)

“First and foremost, a management agreement provides clear definitions of responsibilities,” she said. “It’s a legal
document and you want it in place to protect the legalities, but at the same time that management agreement defines what the property manager is actually responsible for and what their limits are in terms of approvals.

For instance, depending on the client, her agreement might specify a $5,000 spending limit without approvals. “With a management agreement in place, there’s never a concern about stepping outside the line and doing something I don’t have the approval to do,” she said.

The big guns, the C&Ws and the JLLs of the world, certainly wouldn’t enter into a client relationship without an airtight agreement to ensure their protections. But smaller shops, “may think they know what they want and may or may not have an attorney take a quick look at a draft,” said Enis L. Hartz, CPM, an Anaheim, Calif.-based consultant. “Those are the ones with the biggest headaches.”

GOOD FOR THE GOOSE, BUT . . .

Don’t expect the owner’s attorney to look out for your best interests. “You have to lawyer up,” she continued, “because if the owner’s attorney is supposed to be looking out for the agent’s interests as well, there will come a time when they have to choose, and they’ll choose whoever pays the bill.”

By the way, Hartz knows whereof she speaks. She rewrote and updated the various sample management agreements offered by IREM. (They are all available on the IREM website: www.irembooks.org.)

Jackson—who also worked with IREM to prepare the association management agreements—urges managers to update the document frequently, every two to three years at a minimum. Sandi Cranko, CPM, an independent manager in Dublin, Ohio, prefers at least once a year. This, she admitted, is a reaction to relying for too long on auto-rollers.

“They’re really nice,” she said, “as long as you’re doing what you’re supposed to do and the client is happy. The basics are there: You take care of us and we take care of you; here’s what we’ll do and here’s the cost.” So you let it ride—and you can “get into a comfort zone, while laws and times are changing around you.”

Cranko too was a contributor to the agreement rewrites.

“And when one of those changes in law or culture take place,” she continued, “you realize you should have thought about it or should have been a step ahead of the issue at hand.” Of course, Cranko’s not recommending abandonment of the auto-roller, but rather, more frequent addendums to stay current.

OF PETS AND PESTS

That it’s a changing world is no new thought. But the rapidity of change and the onslaught of new cultural and legal conditions certainly both point to a redefined property management role. It’s a kind of domino effect: Culture or law changes the leasing agreement, which in turn can have implications for the management agreement. Very often, managers find themselves in hot legal waters simply because the laws or conditions changed around them. Enis Hartz takes us through some of the highlights.

“That animals are not typically allowed in office buildings is pretty clearly stated in a lease,” she said, with the exception of physical-support animals, for which you have to make reasonable accommodation. But there’s “nothing about emotional-support animals, which is a growing trend.”

And we’re not just talking dogs here. “I’ve seen parrots on people’s shoulders,” she said. While the behavior of the animal might be seen as the responsibility of the employer, the manager might be called into question for simply allowing the animal in the building. In that case, is there solid proof that the furred or feathered friend is a certified support animal?

But mosquitos might be harder to wrangle, and they’re more of a threat in this post-Zika virus age. Hartz would make protections against litigation a priority, particularly in troubled states and especially where ownership likes water features for their curb appeal. The proximity of picnic tables to these breeding grounds of disease should also be a cause of management concern.

BEHIND CLOSED DOORS

And, of course, the past year has brought the question of gender-neutral bathrooms out of the water closet. Hartz frankly states that, while two bathrooms and privacy should be
considered reasonable accommodation (and fair to all concerned), it’s not the manager’s beliefs but that of ownership that rule the day.

In fact, this is true of all of the above sample issues. But those beliefs that can be construed as unintentionally discriminatory can have what the National Fair Housing Alliance calls disparate impact. Disparate impact, in short, is defined by the NFHA as: “the disproportionate adverse impact against any group based on race, national origin, color, religion, sex, familial status or disability when there is no legitimate, non-discriminatory business need for the policy.” (“You know it when you see it,” said Hartz.)

And while managers might be simply following their client’s wishes, they’re still “complicit if a suit should arise,” said Hartz. In a properly structured management agreement, the essential nature of the manager/owner relationship would be “covered and the owner would be compelled to protect and defend.”

And these concerns are all but the tip of the iceberg. Web-based money transfers, social media claims and proper insurance coverages also carry the potential for litigation—each of which demands a separate article. It falls to the management agreement to protect all parties and minimize the risk of an otherwise productive relationship ending up in court.

So spend the time (and dollars) up-front to ensure your management agreement is sound. And get it road tested periodically to ensure it continues to reflect your best interests. It’s the only way to avoid driving into a legal ditch.

JOHN SALUSTRI IS A CONTRIBUTING WRITER FOR JPM. IF YOU HAVE QUESTIONS REGARDING THIS ARTICLE OR YOU ARE AN IREM MEMBER INTERESTED IN WRITING FOR JPM, PLEASE E-MAIL MARIANA TOSCAS AT MTOSCAS@IREM.ORG.

When one of those changes in law or culture take place, you realize you should have thought about it or been a step ahead of the issue at hand.”

—SANDI CRNKO, CPM, INDEPENDENT MANAGER DUBLIN, OHIO

CHANGING LAWS = CHANGING AGREEMENTS

Tiffany Jackson urges property managers to update their management agreements often and to do so in the presence of a lawyer. This is a mandate made in part to accommodate shifts in state laws, as she found out.

“A couple of years ago Colorado mandated that anyone managing associations, like a homeowners association, has an extra license called the Community Association Manager’s license,” she said. The new licensing applies specifically to HOAs and commercial associations.

And while Jackson’s firm doesn’t manage HOAs, “I now have several clients that are commercial associations, and I have that CAM license required by the State. So my management agreements with those clients state that I have that license in accordance with Colorado law.”

A further change in the law is anticipated this year, Jackson said, one “requiring that property managers have a specific property management endorsement or license. As a result, I may need to update my agreements again so they clarify that I do also have that license or endorsement. Legislative changes like this require that management agreements be updated as laws change.”

—TIFFANY L. JACKSON, CPM, CAM, COMPASS MANAGEMENT LLC DENVER
HOW GREEN FINANCING BENEFITS THE ‘TRIPLE BOTTOM LINE’: TENANTS, INVESTORS AND THE ENVIRONMENT

By Bob Simpson

DO GOOD BY DOING WELL

Sustainability and green initiatives, while good for the environment, are often perceived as more costly than the “old way” of doing things. But in the case of green financing for multifamily properties, the opposite is true. Green financing is actually more affordable than traditional financing. And as more investors are using green financing, they’re discovering a surprising number of benefits they hadn’t anticipated: better quality assets, lower tenant turnover, fewer tenant complaints and higher cash-flow.

Stratford Partners—a San Diego-based private real estate firm focusing on multifamily properties in the Western U.S. with a portfolio including approximately 3,000 units valued at around $350 million—is a case in point. Mark Halling, principal and director of portfolio management, said that last year the firm closed two green financing deals.

He called those deals “game changers.”
“What initially attracted us was that the terms were better than the standard options,” said Halling. “The interest rate was 20-30 basis points lower, which meant a few hundred thousand dollars more in proceeds,” he added.

MULTIPLYING THE BENEFITS

The increase in net proceeds, however, turned out to be just the tip of the iceberg.

“By going through the process, we received a tremendous education on the utility efficiency of our buildings,” he said.

Halling and his partners said they gained expertise that they now apply to all properties in their portfolio. “Once we became educated about the value of green financing, we began tracking utility billing on all of our properties by using an online software, green-space benchmarking tool that evaluates utility expenses and other efficiency projects,” said Halling.

Stratford Partners realized significant utility savings on all the deals across its entire portfolio without incurring significant expense. Halling reports a 10 to 20 percent reduction in the cost of utilities, which translates into tens of thousands of dollars a year in net income.

WHAT IS GREEN FINANCING?

Fannie Mae offers several different green financing programs for apartment buildings and cooperatives. The financial incentives include a lower interest rate than traditional multifamily for loans with a Green Building Certification, such as LEED or ENERGY STAR®.

The process of obtaining a Fannie Mae Green Rewards loan is the same as traditional multifamily mortgage financing yet includes a few key additional components. The borrower contacts the lender to acquire or refinance a property. A standard, third-party appraisal and a property inspection is conducted in conjunction with an energy audit. The energy audit reveals opportunities for water and energy savings like switching out faucet heads or dishwashers, upgrading heating or air-conditioning units and more.

There’s no additional time or burden to the underwriting and approval process since the energy audit is done concurrently with the other third-party reports. From there, it’s up to the borrower to determine which improvements they want to implement.

To be approved, the borrower needs to commit to property improvements that are projected to reduce the whole property’s annual energy or water use by at least 20 percent. The money for the selected improvements goes into escrow and the upgrades need to be completed within 12 months of the loan closing.

Once delivered to Fannie Mae, all Green Mortgage loans are marketed as “Green MBS” (mortgage-backed securities), which means access to a broader bond investor market interested in environmentally-focused investments.

The borrower is required to report the property’s ENERGY STAR score annually to Fannie Mae to document the actual energy saving. A score of 75 or above (out of 100) indicates the property is more energy efficient than 75 percent of peer properties and may receive an ENERGY STAR certification.

APPEAL TO TENANTS

Aside from the benefits to investors, green financing is a boon to tenants. Buildings with good lighting and better heating and cooling equipment increase tenant comfort, resulting in fewer tenant complaints and maintenance requests.

Halling said Stratford Partners promotes its energy efficiency improvements on its website to attract renters. “In Boulder, for example, we see renters who care about sustainability and the environment. As individuals, it’s part of their lifestyle. They find our properties attractive,” he said.

Reducing utility expenses also saves renters money. While the building receives an overall utility bill, Stratford Partners breaks that bill down to bill-back individual units.

“There’s a trickle-down effect. They see the bill go down, and that impacts their satisfaction,” said Halling. “When you ask for a rent increase, it helps them be more receptive to that.”

Lower utility bills also mean tenants can afford other necessities and amenities, including access to transportation, education and healthcare.
IT JUST MAKES SENSE
Halling said Stratford Partners has had such a good experience, they've integrated what they've learned from green financing into how they forecast energy reduction annually on all their properties. “We talk to other owners and we share how much we enjoy the program. It’s structured in a way that’s very thoughtful and streamlined. It just makes sense.”

His advice to other property owners and managers?
“Give one deal a shot,” he said. “You’ll come to see how much easier it is, and after a few months, you’ll see the benefits and improvement to your asset.”

DO GOOD BY DOING WELL
The concept behind green financing is to “do well by doing good” on three different dimensions, or what we call the triple bottom-line: financial, environmental and societal.

> Financially through net income growth for investors and property owners.

> Environmentally by recycling, using less energy and reducing or eliminating any negative impact.

> Societally by creating healthier and safer affordable housing.

BOB SIMPSON (BOB_F_SIMPSON@FANNIEMAE.COM) is responsible for Fannie Mae Multifamily’s Affordable, Small Loan and Green Financing throughout the United States.
YARDI RENEWS IREM'S ENERGY EFFICIENCY GRANT

Once again, Yardi is leveraging its trusted brand and leadership in the real estate software industry for an exciting initiative to improve our shared environment. Yardi's goal is to help reduce energy use in commercial, residential and mixed-use properties over a period of several years through education and technology. Yardi has enlisted the help of several prominent organizations, including IREM, to develop education and programs for thousands of members on the front lines of real estate management and operations.

Yardi recently renewed IREM's Yardi Energy Efficiency Grant for 2017. Now in its third year, the grant has allowed IREM to develop the IREM Certified Sustainable Property certification, the IREM Energy Efficiency Survey and a subsequent report titled Building Performance That Pays: Insights from the First IREM Energy Efficiency Survey, a series of online courses on energy management and a live workshop on accessing and using energy data. IREM has also used the grant to increase its capacity to deliver webinars, articles, conference sessions and other educational content related to sustainability and resource efficiency.

Building energy efficiency practices have made significant gains in the past decade, especially among office properties in major markets. However, smaller markets and other property types lag behind, particularly assets managed by local or regional companies without the internal resources of the large, national real estate services firms.

A knowledge gap seems to be a big reason for the inability to pursue energy efficiency and its cash flow and marketing benefits in these lagging areas. The IREM Energy Efficiency Survey, made possible by the Yardi Energy Efficiency Grant, found that companies that do not conduct energy management activities cited "lack of staff expertise/training" as the biggest impediment to those practices.

IREM's educational activities funded by the Yardi Energy Efficiency Grant, such as online courses and live workshops, are helping to fill that knowledge gap and equip property managers and their teams with the skills necessary to pursue energy efficiency. The IREM Certified Sustainable Property certification also serves this purpose. The program includes a set of tools, templates and resources that permit property teams to initiate sustainability programs from scratch, if necessary, and expand existing programs. The IREM Energy Efficiency Survey informs our activities and provides data against which companies can compare their energy efficiency practices.

Properties that have already achieved energy efficiency gains can use IREM resources and programs to capture further benefits and expand beyond energy efficiency into other areas of sustainability. For example, IREM's three-course series, developed in conjunction with Rocky Mountain Institute (a thought leader in energy efficiency since the 1980s), focuses on deep retrofits—large-scale projects that result in high levels of broad-based sustainability. These courses allow real estate professionals to analyze the deep retrofit opportunity, calculate the potential financial benefits and make the business case for these projects. Even in Class A office properties, there are many ways to substantially reduce energy consumption and improve sustainability, and these courses can make these gains accessible for everyone.

IREM sees the Yardi Energy Efficiency Grant as a welcome challenge in developing programs that result in more environmentally and financially sustainable properties. We have met the challenge by working with our members and chapters to target different levels of expertise, property types and market dynamics. We thank Yardi for this opportunity and look forward to building upon our success.
Collaborate. Innovate. Differentiate

IREM® GLOBAL SUMMIT
OCTOBER 10-13, 2017 • CHICAGO, IL

The IREM® Global Summit will deliver a reengineered, contemporary conference experience for commercial and multifamily property and asset managers. The Global Summit is the only event designed for real estate managers in all facets of the industry. Quite simply, it’s where the best in the business will gather.

Collaborate in a multigenerational, multicultural atmosphere with practitioners from around the world in various stages of their careers from site to C-suite.

Innovate your thinking and perspective and get the information, knowledge, and insights you need to drive NOI and build your business.

Differentiate yourself and your business by implementing the strategies, best practices, and new ideas you’ll take away from this exceptional event.

Register by July 14 and Save $200!

www.irem.org/GlobalSummit
AN EVOLVING

THE NEWLY RESTORED HAHNE & COMPANY BUILDING IS A DYNAMIC MIXED-USE DEVELOPMENT THAT IS BRINGING SYNERGY
At the turn of the century, department stores were helping to define the glitz and glamour of big cities across the country. These iconic stores were destinations where people went to see and be seen. For almost 90 years, the Hahne & Company department store in Newark, N.J., was no exception.

The four-story, Art Deco-style building spanned an entire city block in the midst of downtown Newark. With an undeniable presence, Hahne & Company reflected the city's successes and struggles throughout its history.

Today, the building is helping to define the city's comeback, acting as a catalyst for growth and economic development.

**A MIXED-USE MARVEL**

In early 2017, the Hahne & Company building entered a new chapter when it opened its doors as a dynamic mixed-use development. The 400,000-square-foot development houses the following:

- The city's first Whole Foods
- 160 apartments, 40 percent of which are affordable units
- A 50,000-square-foot facility for Rutgers University-Newark, which houses the Rutgers Department of Arts, Culture and Media and state-of-the-art learning spaces with a 3D printing studio, a portrait studio, video production teaching facilities, small classrooms and galleries
- 80,000 square feet of additional retail, dining and office space
The $174 million renovation was a collaborative effort between public, non-profit and private partners, including Prudential Financial, Inc., L+M Development Partners, the Goldman Sachs Group in partnership with Citi Community Capital, the New Jersey Housing and Mortgage Finance Agency, and the New Jersey Economic Development Authority.

The project had tremendous public support as well. "People wanted this building to come back to life," said Ommeed Sathe, vice president of Prudential’s Impact Investments group in the Office of Corporate Social Responsibility.

Originally designed by Starrett & van Vleck—the architecture firm behind famed New York City department stores like Saks Fifth Avenue and Bloomingdale’s—Hahne & Company opened its doors in 1911.

The store thrived for decades, easily competing with other powerhouse department stores across the country. By the mid-century, however, Newark entered a long period of economic decline and Hahne & Company followed suit, mirroring the struggles of the city.

In 1987, Hahne & Company was sold to May Department Store Co. The building was shuttered and remained vacant for the next 30 years, casting a heavy shadow over downtown Newark.

Still, the building held a place in the hearts of Newark natives. In 1994, it was listed on the National Register of Historic Places. And although a number of people acquired the building and tried to redevelop through the years, no one was able to bring the building back to life.

Until now.

"It is an extraordinary building," said Sathe. "But it was built as a department store, so it has 8,000-square-foot floorplates that don’t really lend themselves to a lot of typical uses. It is a hard building to redevelop."

Nevertheless, developers saw the building’s potential. "We saw 20-foot ceilings, incredible architecture, strong bones and an incredible location," said Sathe.

The developers put together a dynamic multiuse reuse plan. "We never thought this building would be just one thing," said Sathe. "It could never be just a retail building, just a Rutgers facility, or just residential. We wanted to bring all of these elements together."

The vision for the building was a modern multiuse development that honored the building’s rich history.
The building has unbelievable symbolic importance of where the city is headed.

ed them with privacy, but also allowed them to co-mingle in the atrium.”

One way they addressed this issue was through an innovative mix of elevators, stairways and corridors that different tenants could use in different ways. For instance, the Rutgers space utilizes freight elevators—designed to complement the center’s hip, culturally focused design motif—as its main elevators. These elevators are also available to other tenants when they have freight needs.

“We took something like a freight elevator and made it into something that could be used by many people in different ways,” Sathe said.

THE MISSING LINK

Just as the building connects a number of different uses and tenants, it also brings together its neighbors. It has brought renewed energy to an intersection that includes the Rutgers University-Newark campus, Prudential’s new 20-story tower, the revitalized Military Park and the New Jersey Performing Arts Center.

The restored Hahne & Company has also once again become a symbol of the city. “The building has unbelievable symbolic importance of where the city is headed,” Sathe said. “It also has incredible practical importance. It weaves many parts of downtown Newark back together.”

DIANA MIREL IS A CONTRIBUTING WRITER FOR JPM. IF YOU HAVE QUESTIONS REGARDING THIS ARTICLE OR YOU ARE AN IREM MEMBER INTERESTED IN WRITING FOR JPM, PLEASE E-MAIL MARIANA TOSCAS AT MTOSCAS@IREM.ORG.
TRENDS IN STATE LEGISLATION

Since President Donald Trump took office in January, there has been a flurry of activity at the federal level. It’s easy to forget that the other levels of government have been equally busy, maybe even more so. This does not come as much of a surprise considering the U.S. Congress typically introduces 1,000-1,500 bills annually, while the legislatures of all 50 states and the District of Columbia drop well over 100,000 pieces of legislation each year. Legislation tends to follow trends, so it is no surprise that you may see several states introduce similar bills in the same year. We’ve seen three issue areas that have been trending across the country. These trends are: source of income protections, sexual orientation and gender identity discrimination, and short-term rental regulation.

SOURCE OF INCOME PROTECTIONS

Maryland, Hawaii, New York and Washington have introduced bills that would add source of income to the list of protected classes that includes race, color, national origin, religion, sex, disability and familial status. If enacted, a landlord would not be able to deny a prospective tenant’s application based on any legal sources of income, including Section 8 vouchers and other forms of government assistance. The intention of the Section 8 program was for landlord participation to be voluntary. Many landlords who choose not to participate in the program are not drawn away because of the tenants themselves, but rather the regulations that come with it. In order to be in compliance with the Section 8 program, landlords must accept lease amendments, various inspections and many other burdensome government regulations. Source of income protections would force landlords to enter into a Section 8 contract whether they wanted to or not.

Many IREM Members manage or own federally assisted housing, and IREM supports the concept that affordable housing should be available to all citizens. IREM does not, however, support mandatory involvement in government assistance programs. Involvement in these opportunities should be purely voluntary.

IREM will be conducting a survey of all members in the U.S. to better understand how source of income protections are currently, or could potentially, impact membership. Although IREM understands the good intentions of these ordinances and statutes, forcing a manager to enter into an unwanted contract creates logistical and administrative burdens that are not experienced when managing conventional apartments. IREM urges policy makers to consider this when examining these proposals.
SEXUAL ORIENTATION & GENDER IDENTITY DISCRIMINATION LAWS

Sexual orientation and gender identity laws are also trending. Following North Carolina’s “Bathroom Bill” (HB 2), 2016 saw a flood of bills regarding sexual orientation and gender identity introduced in state legislatures and city halls around the country. The majority of these bills amended their state’s Fair Housing laws to include sexual orientation and gender identity as protected classes, though some specifically excluded them. That trend seems to have continued into 2017 with many states including Alabama, Florida, Georgia, Kentucky and Pennsylvania introducing new bills dealing with the issue.

As of February 2017, all of the sexual orientation and gender identity bills being tracked by IREM are designed to prohibit discrimination based on sexual orientation or gender identity. If enacted, discrimination based on sexual orientation and gender identity would be prohibited in the same way discrimination based on race, religion, and other currently protected classes are now. It is important to be mindful of any changes in your state and local fair housing laws to ensure you and your tenants are in compliance. Refer to the IREM White Paper, *Gender Identity Discrimination in Public Accommodations* for more information on laws and information to help your business and clients be compliant with ever-changing laws.

SHORT-TERM RENTAL REGULATION

Companies such as Airbnb, HomeAway and Couchsurfing are becoming more popular than ever by connecting travelers looking for an alternative to hotels with people willing to rent out their home or a room within their home. With so little accountability on behalf of the renter, municipalities have begun regulating the new industry to varying degrees. New Jersey, New Mexico, New York, Virginia, Hawaii and the District of Columbia have all introduced legislation regulating short-term rentals. Proposals vary from registration requirements to enacting occupancy limits. Texas, Nebraska, Utah and Tennessee have gone in a different direction and are working to preemptively prohibit local cities and counties from banning short-term rentals within their jurisdictions. Tennessee has also introduced legislation subjecting short-term rentals, defined as “…residential dwellings of any type, including, but not limited to, single-family residences, apartments, condominiums, trailers, RVs, tents, temporary structures or cooperative units, in which a person can obtain, for consideration, sleeping accommodations for less than thirty (30) consecutive days…” to “all state and local occupancy tax, sales tax and all other applicable taxes and fees.” There is concern that the 30 day limit could create complications with month to month leases.

Short-term rentals can be problematic for property managers who are left to police the short-term tenants. Due to the transient nature of these rentals, there is often little knowledge of who the renters are or how to reach them once they have left a property. Also, depending on state and local laws, landlords can be held liable for nuisance tenants. But some real estate managers and owners have embraced the short-term rental phenomenon by working with tenants to allow short-term rentals and collecting a fee from each one. Where do you stand on the issue?
The International Property Measurement Standards Coalition’s Standards Setting Committee (IPMSC SSC) recently met in Johannesburg, South Africa to continue its work on developing a set of globally recognized and accepted standards to measure the area of a building.

This effort was initiated by the World Bank in 2013 in order to facilitate the burgeoning international trade in investment real estate. The effort is sponsored and supported by over 80 professional and industry advocacy and educational organizations from all parts of the world, including IREM.
A world-wide search was conducted to identify and appoint subject matter experts who would bring the requisite knowledge, expertise and commitment to create this universal tool for the real estate investment industry.

Setting the Standard
IREM is dedicated to providing education and advocacy to professionals engaged in the real estate industry. Since its founding, it has promoted best practices and high professional standards among its members, bringing much needed transparency and consistency to a process that is extremely local. The U.S. frequently references the BOMA space measurement standards, or perhaps one of the more regional standards of measurement, such as the Real Estate Board of New York’s standards—but even these standards aren’t necessarily applied properly—so imagine how much more confusing it can be to properly apply these standards in foreign markets. By supporting the IPMS effort, IREM is helping to bring a global standard to all markets.

When the Standards Setting Committee was established by the IPMSC, a world-wide search was conducted to identify and appoint subject matter experts who would bring the requisite knowledge, expertise and commitment to create this universal tool for the real estate investment industry. Since the first assemblage of the selected team members in Belgium in mid-2013, the SSC has completed the development and publication of the standards for office and residential properties, and has recently released the industrial standard for public comment. The meeting in Johannesburg was convened to begin the development process for the retail standard. Normally, the SSC’s general meetings, which are scheduled almost every month, are conducted via conference call, a practical necessity since the 19 committee members are located across the entire time-zone spectrum. The initiation of a new standard warrants a deeper, more detailed effort to establish the critical parameters and aspects for that standard. The South African Property Owners Association (SAPOA) generously offered to host the SSC for the week-long session.

Putting Standards to the Test
As with its previous efforts, the SSC began by reporting on and comparing the various standards that are already in place in different markets. It has been a hallmark of the SSC not to rely on any existing standard, in keeping with its mandate to create a neutral standard. However, evaluating the different local standards, and understanding all of the elements and logic which support those standards, provides a strong baseline from which the SSC can move its program forward. In order to review and compare the different approaches that could be applied in a retail standard, SAPOA arranged for the SSC to inspect three retail centers that spanned the spectrum of retail property types. Sandton City Center was selected to represent enclosed shopping malls. Its many distinctive architectural design features, history of expansions and variety of tenant types offered an excellent lab-
Word-smithing specific concepts is a dynamic process to ensure that the intent and objective is clear when translated from English.

The retail standard will follow the protocols established for the earlier standards in all other respects. IPMS 1 will define the gross area of the property to its exterior dimension. This is the common measurement applicable to all of the individual standards, and therefore not specifically labeled to any one of those standards. IPMS 2-Retail will offer the area measurement for the internal space, broken down into individual component areas. Finally, IPMS 3-Retail will describe the area for spaces subject to exclusive occupancy for tenants. In order to address the variety of retail settings, IPMS 3-Retail will be further divided into 3 distinct subgroups: IPMS 3A-Retail will utilize the exterior face of the premises; IPMS 3B-Retail will be measured to the Internal Dominant Face and/or the Shop Line; and IPMS 3C-Retail will be to the Internal Dominant Face, excluding all columns and walls within the premises. A user would select one of the three options, and use it exclusively across the entire property, and disclose the specific option used when communicating results to interested parties.

RETAIL STANDARDS
Identifying boundaries is an integral component of the space measurement calculation. Unlike most offices or residences, the boundaries for a retail establishment are not always based on a physical boundary. How then does one measure that space? The SSC is addressing this challenge with the concept of a “Shop Line,” which may be either a physical boundary or an arbitrary perimeter defined in the lease, as establishing the extent of the retail establishment’s total area.

The retail standard will follow the protocols established for the earlier standards in all other respects. IPMS 1 will define the gross area of the property to its exterior dimension. This is the common measurement applicable to all of the individual standards, and therefore not specifically labeled to any one of those standards. IPMS 2-Retail will offer the area measurement for the internal space, broken down into individual component areas. Finally, IPMS 3-Retail will describe the area for spaces subject to exclusive occupancy for tenants. In order to address the variety of retail settings, IPMS 3-Retail will be further divided into 3 distinct subgroups: IPMS 3A-Retail will utilize the exterior face of the premises; IPMS 3B-Retail will be measured to the Internal Dominant Face and/or the Shop Line; and IPMS 3C-Retail will be to the Internal Dominant Face, excluding all columns and walls within the premises. A user would select one of the three options, and use it exclusively across the entire property, and disclose the specific option used when communicating results to interested parties.

PREVENTING TRANSLATION CHALLENGES
Another challenge is nomenclature. While all of the members of the SSC speak English, the standards are being translated into many foreign languages. Word-smithing specific concepts is a dynamic process to ensure that the intent and objective is clear when translated from English. The actual effort to achieve a translation is left up to local organizations to handle, taking appropriate steps to ensure the intent and purpose of the standard is retained.

As the SSC continues its work to fully develop this new standard, it is also tracking new concepts which may have application to the already published standards, with the intent to update and revise those standards to reflect best practices. All of us on the SSC are committed to creating a practical and useful tool to support the real estate industry and its many stakeholders, so the process of continuous improvement is an integral component of our work. I’m proud to be representing the asset and property management realm in this worthy effort to bring additional transparency and governance to an important process.
By working together, the asset manager and real estate manager are creating a strong reputation for their firms' values that can build confidence and help to retain and reinforce a culture of integrity.

Besides the management of physical real estate, what do asset managers have in common with real estate managers? Let's list some of the ways that both managers deal with their everyday work life and if they match up.

- To act in a professional and ethical manner at all times
- To act with skill, competence and diligence
- To communicate with clients in a timely and accurate manner
- To act for the benefit of clients
- To act with independence and objectivity

ETHICS AS A INTRINSIC CHARACTERISTIC OF EMPLOYMENT

As the items above indicate, both asset managers and real estate managers have the same set of values with which they adhere to for the benefit of ownership. What actions are related to behavior that asset managers look for in their trust of real estate managers during the hiring process and during performance?

During the interviewing and hiring process for potential assignments, asset managers are looking to see if real estate managers are transparent about both successes and failures.

- Do they clearly disclose any unavoidable conflicts of interest?
- Do they maintain their independence and objectivity when dealing with confidential matters?

Once the hiring process is underway, the asset managers then start to ask other questions:

- Can real estate managers report in simple metrics and language for all to understand?
- Can they offer insight on risk management?

- Do they show evidence of engagement with meeting deadlines and negotiating clearly and fairly?

USING THE CODE TO FACILITATE A HEALTHY RELATIONSHIP

The IREM Code of Professional Ethics is a tool that helps with asking questions and setting expectations for both sides of management at various stages in the relationship. The Code can be used for asking questions and setting expectations for both sides of management; assisting in the initial and ongoing due diligence reviews for both physical and fiscal aspects of the property; and setting a uniform global standard for comparing the practices of managers from different regions.

All documents should include information regarding the business of policy changes and revisions from both sides. Real estate management companies should conduct training where appropriate and continue with the education of their employees to review revised policies and changes to expectations.

Providing communication and demonstrating the value your firm places on protecting client interests is the same criteria that asset managers need to provide their clients. By working together, the asset manager and real estate manager are creating a strong reputation for their firms' values that can build confidence and help to retain and reinforce a culture of integrity. Both parties want their legacy to be that they acted in the best interest of their client in a professional and ethical manner.
HOMIDO V2

Everything is going virtual reality these days—from virtual Dora the Explorer to 360-degree VR cameras used for virtual walkthroughs—and there are a plethora of manufacturers out there trying to get a slice of the pie. Homido, a French-based company, is hoping to attract you to their new set of VR goggles: Homido v2. VR goggles range anywhere from $40-$2,000. So how do you get started? I had the opportunity to try multiple goggles at the Consumer Electronics Show (CES) in Las Vegas this year, and I came to one realization: No one pair is the same. If you wear glasses, you can narrow your selection down by the models that a) fit over your existing eyewear, or b) will have focal adjustments. Homido v2 has the latter—it can adjust focus and tailor focal length to each face to make your experience as comfortable as possible.

MSRP: $79.99

PIONEER RAYZ PLUS EARBUDS

Now that the critics of the iPhone7 headphone jack have calmed down a bit, Pioneer is addressing the iPhone’s inherent charging-while-listening issue with their Rayz Plus earbuds line. Aside from great sound design, the headphones come with a built-in lightning jack socket that allows you to charge your iPhone7 while you listen to music. Although these ear buds come with a “high-end” price tag, the sound quality and the built-in adapter might just be worth it.

www.pioneerrayz.com
MSRP: $149

IDEEVICES SMART ADAPTER

We keep inching closer to the smart home of the future, but retrofitting the old with the new might take some time. In the meantime, iDevices came up with an indoor/outdoor smart adapter plug that can act as an intermediary between you and your device by making any device that plugs into an outlet a smart device (e.g. it can report to you on its usage, have the ability to be turned off and on, and be programmable). Program the device from your Smartphone and automate specific tasks in your life—like setting your lights to turn on as you arrive, measuring the power consumption of an old refrigerator or washing machine, or setting your crock pot to turn on at a specific time. The possibilities are limitless.

https://store.idevicesinc.com
MSRP: $49.95 - $229.95 depending on package

THE DRAINWIG

Some of the best gadgets address very basic annoyances and problems. Take the ever-annoying nuisance of clogged drains, for instance. The DrainWig is a simple yet brilliant device that sits on top of your drain. Without obstructing water flow, it drops an anchor that catches drain-clogging hair. It’s simple to use and inexpensive, preventing maintenance crews’ headaches.

www.drainwig.com
MSRP: $14.99 for set of two

ALEX LEVIN (ALEVIN@IREM.ORG) IS DIRECTOR OF IT FOR IREM HEADQUARTERS IN CHICAGO.
INSINKERATOR® FRESH KITCHEN™ COLLECTION
FOOD WASTE DISPOSER
It’s preferable for the aromas that waft from your kitchen to be pleasant ones—those of freshly baked bread, apple pie and other delicious treats. Nobody wants his nose to be assaulted by a nasty stink emanating from the food disposal. So stifle the stench by using InSinkErator’s Fresh Kitchen Disposer, which employs INJEX Liquid Injection Technology to emit an odor-neutralizing burst of fresh citrus scent with every use. It’s part of a product collection that was created to tackle the challenge of keeping your sink and kitchen smelling pretty.

Coming soon; get more information at www.insinkerator.com/us/en/freshkitchen

BA TECHNOLOGIES’
DEKTEK™ CHARGING STATIONS
Tech connectivity as a building amenity has become a big deal, and it’s now one of the things people look for when they’re shopping for office or residential space. The easier you make it for a potential tenant to use her mobile devices, the more apt she is to take a more serious look at your property. DekTek stations support this trend by making charging personal gadgets as easy as dropping them onto a table, desk, or counter—that’s it. No unruly cables, no need to be close to an outlet. DekTek can also handle multiple kinds of devices and their varying power requirements all at one time, so nobody has to be left out in the tech desert because of a drained battery.

Get more information at www.dektekcharger.com

BROAN INVENT™ HUMIDITY SENSING FANS
Broan has taken its Sensaire sense-on-rise technology and applied it to the InVent series of ventilation fans, creating a system that intuitively knows when it needs to go into action. Like other systems, you can pre-program an activation point, and when the built-in sensor detects that the humidity level has reached that point, the fan will automatically turn on. But the InVent fan will also automatically turn on when it senses the humidity level rising at a rapid rate, detecting dampness before condensation can start. This facilitates a speedier reduction of moisture for improved air quality, and a quick reduction of fog on mirrors for better visibility.

Get more information at www.broan.com

MOHAWK SOLIDTECH VINYL PLANK FLOORING
Pairing the waterproof properties of vinyl with the appealing visual of hardwood floors, Mohawk has come out with its SolidTech plank flooring. Adding to the functionality of SolidTech panels is the ease in which they can pop in and out of place. If any moisture were to seep below, just pull out the affected planks, allow the area underneath to dry out and put the planks back where they were. Able to withstand scuffs and other scrapes, it’s also engineered to keep mildew and odors at bay and is resistant to warping brought on by temperature changes.

Get more information at www.mohawkflooring.com
COMPASS REPORT LEADING THE WAY IN INNOVATION

Cushman & Wakefield NorthMarq's Compass Report is the Twin Cities' most frequently cited research report covering the commercial real estate market. And the signature report's redesign project is what won a 2016 REME Award for Corporate Innovation.

For two decades, the bi-annual Compass Report has not only provided CRE market insights to the greater business community and media publications, but has also guided commercial real estate developers, owners/investors and occupiers in their decision-making processes as they investigate the Minneapolis-St. Paul market.

However, in 2015 Cushman & Wakefield NorthMarq realized there needed to be a change. While Compass had enjoyed consistently strong readership metrics for decades, the dense, text-heavy research report format had not changed since inception. Knowing that the report needed to better engage time-strapped readers, the Compass production team, including the marketing, communications and research teams, identified the need to overhaul the execution of Compass. A plan was created to focus on stronger visual communication, more succinct content and graphical organization of trends with supporting infographics. In turn, this content would lend itself to stronger impact on social media, email campaigns and blog posts.

This project was no simple task. The redesign needed to be integrated into the time-insensitive process used to produce every issue of Compass. From day one of a reporting cycle, Cushman & Wakefield NorthMarq's 100 brokers are involved in helping chart trends, identify individual storylines and verify research findings. Building data is exhaustively compiled for the multi-tenant office, industrial, retail, medical office and other markets for each subscriber's perusal. The typical subscriber has access to such information as individual building vacancy and net rates, but also more broad information such as historical vacancy by product type and/or submarket.

Through engagement with CWN's in-house subject matter experts, multiple design firms, in-house designers and a communications specialist, a crisp new design for Compass was launched in the January 2016 issue. The new approach was met with wide praise and satisfaction, both on the part of CWN's internal users and its clients. The new-look report has been adapted for use by top management and is continuously hailed as one of the company's most successful marketing exercises to date. Thanks to its positive reception, the report is due for even more expansion, including an illustrative video and more social media and blog promotion.

"We executed a major overhaul of an already market-leading, legacy product. Looking to the future, we had the foresight to realize that to keep our leading position on providing Twin Cities CRE market intelligence for our clients, we needed to redesign the report to resonate with today's readers by using more visual storytelling, reduced text and easier-to-read narratives. We believe this project will continue to make an impact on the overall Twin Cities business community since it breaks down complex commercial real estate market intelligence and helps our clients create value, solve problems and seize market opportunities," states Lisa Dongoske, EVP of Asset and Occupier Services, Cushman & Wakefield NorthMarq, AMO.

Learn more about Compass at northmarqcompass.com.
The following is an excerpt from the book *Leadership Handbook for Real Estate Professionals*, available on irembooks.org.

**BELIEVE IN YOUR MESSAGE**
Ultimately, how strongly you believe in your message will come through in the words you choose and the way you say them. Make certain your belief is strong before you hit the platform to ensure you achieve your goal. An executive I coached had to present the company’s plan that had bad news to the staff—news which he did not believe in. Before we could get to writing content, we had to work on finding elements of the company plan that he did believe in. Are there elements of your talk in which you need to find value?

**INCORPORATE ARISTOTLE’S RHETORICAL TRIANGLE**
It may sound like a Greek architectural element, but the triangle is an approach to include ethos (ethics), pathos (emotion) and logos (reason) in your speech. You must balance all three to support your message. Aristotle defined persuasion as “the faculty of discovering all the available means of influence.” You can first tell them what should be done (a deductive approach) and then justify your position. But it’s often an easier pill to swallow when you take an inductive approach—give the reasons that justify the change, and then explain the change.

**Ethos: Sell yourself**
It’s best that, before you begin your message, two traits are present—credibility and trust. When possible, write your own introduction, including a brief bio, for someone else to present to help establish these traits. And if the introducer can add a personal sincere testimonial to your character, all the better. Early in your speech, give examples to show your integrity and express that you have your audience’s welfare at heart.

**Pathos: Emotions move people to action**
Can you appeal to people’s beliefs, sense of pride, altruistic desires, personal goals and objectives? Sell the advantages of your position by telling the audience how they’ll benefit from seeing things your way, or how they or family, friends and co-workers will lose if they don’t do/believe as you are asking them to. Fear is a powerful motivator; however, relay that message in a non-aggressive way to keep you in the best light. While fear motivates, it’s a risky form if presented aggressively or for any length of time.

**Logos: Logic and facts are hard to argue**
Facts and figures add credibility and support to your position. They make you appear conscientious and broadcast that others agree. Presenting your content backed with research, survey results, etc. makes believing your cause easier. Know your sources and consider how facts can still be argued.

**HAVE YOUR DEFENSE PLANNED**
Reflect on your message and consider what argument may be thrown your way. You may even want to be the first to mention and counter any faults with your position. Your response to questions and criticism will affect the way you are perceived (back to ethos), so always be respectful in your response.

Plan your persuasive tactics, test them on others before you present, and you’ll lead people to your cause.
VERITAS: THE COLLABORATIVE COMPANY

The “Collaborative Company” is a term used to describe the series of initiatives launched by Veritas Investments and its affiliates. Their goal has been to enhance teamwork across department and company lines, improve customer service and performance with residents and the community, and provide employees with a greater sense of workplace empowerment and inclusiveness. It’s also the set of initiatives that made Veritas the 2016 winner of the REME Award for Employee and Leadership Development.

CEO Yat-Pang Au instilled many of these principles while building the firm, and the “collaborative company” was formalized in 2014 as the firm experienced rapid growth. The objective was to maintain the crucial “small company” atmosphere of dedication to client service and focus on innovation amid an increasingly competitive environment for talent in the high-growth San Francisco Bay Area.

The Collaborative Company initiative instilled a firm-wide focus on experience on both sides of the business—from the employee and internal operations, to the resident, tenant and external customer service. This approach was meant to build a workforce that fully understands its diverse customers and enables innovation and problem solving to stay highly competitive.

The differentiators used to drive the collaborative company were:

> Institutionalize a culture of teamwork and collaboration
> View every constituent as a customer
> Welcome new ideas, innovation and technology

Veritas began rolling out the initiatives across the company through a series of employee communications, executive/leadership meetings, “all hands” meetings and single-effort projects.

PROGRAM HIGHLIGHTS INCLUDED:

> “Collaboration Perk:” All employees, from headquarters staff to field personnel, could spend up to $50 per month as a reimbursement for any activity of an employee’s choosing, so long as it was in collaboration with another employee and posted to the company’s Yammer online site.
> “All Hands Tuesday” meeting: A smaller weekly meeting that started in Veritas’ early years was formalized with regular features such as Shout-Outs, in which an employee could praise another employee or draw attention to an important collaborative effort; Speaker Day, which provided a platform for bringing in a 10-minute outside presenter who shared market information, operational insights or was simply deemed of great employee interest or even entertainment; and Department Presentations, which enabled a Veritas division or group to share updates.
> Friday company-wide lunch: Lunches were enhanced as a regular Friday event with collaboration opportunities in menu planning, team-talks within and between work groups, and informal opportunities to explore new ideas or discuss one-on-one topics that might be difficult in the All Hands environment.
> CEO Buy-In: Pang adopted a message point that employees could bring new ideas or “what if” suggestions that could impact internal collaboration, improve company results or benefit the greater community to show the CEO’s buy-in and support of what each manager and team was doing to implement the program.

The direct and indirect results of the Collaborative Company have been significant for employees, the company and its clients and constituents. Company turnover has remained stable at less than 15 percent despite significant increases in real estate industry turnover rates and the overall dramatic increase in hiring amid a booming Bay Area economy. Indirect benefits contributed to a number of company milestones: Customer inquiries and lease transactions increased by 20 percent, while customer complaints actually dropped as reflected in the improved Yelp score for RentSFNow of 4.5 out of 5; Veritas added new investment partners and reporting requirements with no drop-off in performance or quality; and employee evaluations and exit interviews demonstrated that the firm remained a highly desirable place to work.
Thank goodness for Lou. As general manager and the “face” of our high-rise building, he was responsible for over 1 million square feet and several thousand employees. Every day during office rush hour, Lou was at the front door greeting everyone. I should explain that when our company acquired this star property, we also acquired its team. Marketing our building should have been easy, right? Not so fast. We were new in the marketplace and had not yet established our reputation and credibility. Marketing was tough. What made all the difference? Lou. He and his team were our very own best kept secret.

When it comes to differentiating your property and your company, be sure to tap into these key drivers:

**KNOW YOUR PURPOSE.** Recently, I stepped into a team meeting at a mid-size management company. The company had a marketing conundrum: they were losing clients and couldn’t seem to determine the root cause. Then the light went on. Their marketing was ineffective, but not in the predictable way. We were discussing the company’s values and overall objectives for the coming year with the employees when I realized it was really, really quiet. You could hear crickets. After some digging, I found out why: The team had no idea where they were headed. In fact, they had no common identity as a team. Was this all too clear to their clients? You betcha.

What do today’s teams need most? Ask any millennial and you’re sure to hear that believing in a company’s purpose is at the top of the list. Take a tip from Harvard Business Review’s *The Secrets of Great Teamwork*: A shared mindset smooths the way and is an essential factor in setting your employees up for success.

**KNOW YOUR PLAYERS.** If you haven’t seen the movie “The Blind Side” with Sandra Bullock, now’s a good time to rent it. Consider the scene where Bullock’s character intervenes when she realizes that the coach directing football player Michael Oher’s efforts needs a little help—and a big push. She knew that it was not only Oher’s ability but his stellar protective instincts that would make all the difference for the team. When the incredulous coach questions her, she reminds him to know his players. If you want to give your marketing a push, understanding your team’s strengths is an essential component to marketing in a meaningful way.

Oh, and once you have the best players on-board, pay attention. Walt Disney said it best: “Employees will only complain or make suggestions three times on average without a response. After that they conclude that if they don’t keep quiet they will be thought to be troublemakers or that management doesn’t care.” Making the time to listen to your team pays off.

Trust me. Take care of your employees and your marketing will virtually take care of itself. It’s almost like having a patent on your own secret sauce.
Asset Management as a Property Manager’s Career Path

By John Salustri

Can a property manager move into asset management? While it is possible and can be done, property managers looking to advance their careers to move into the higher paying asset management profession will need to meet some prerequisites. There are apparently two primary requirements for those who do find that career path appealing: 1) A bulletproof grasp of investment financials, and 2) Youth (sorry, boomers).

For those who take the plunge, the rewards are definitely there. As we reported in the IREM white paper: A Shifting Dynamic: Asset Vs. Property Management, (available at irembooks.org) the income bump can be as high as 40 percent. And, at least to the uninformed, there is a bump in prestige. To those who don’t know better, “property management has that stigma of being just mops and brooms,” said Gail Duke, CPM, real estate officer with a Manhattan-based institutional advisor. As Duke pointed out, the ever-increasing sophistication and the greater alignment that exists between property and asset management put the lie to those perceptions.

A NUMBERS GAME

But as close as they are becoming, asset and property management remain two distinct professions, each demanding two different parts of the brain to navigate successfully.

“Property managers are consumed with the day-to-day operational needs of the building, and asset managers, if they’re good, focus on driving asset value,” said 2017 president Michael T. Lanning, CPM, senior vice president and city leader for Cushman & Wakefield’s Kansas City, Mo. office.
Whatever your career goal, you need to be aligned with the way the owner thinks.

—WADDELL H. WRIGHT, CPM, RETAIL DEVELOPMENT GROUP

Put another way, Lanning quotes Dr. Dustin Read, who has reported that, "Property managers are more inward facing, and asset managers need to be more outward facing."

That specified focus, of course, presents obvious challenges to such a career move.

“One of the problems is that asset management focuses on numbers, in a way property managers don’t on a regular basis,” said Duke. “So when they take the IREM courses, they pass the tests and then they never use the financials again, so the transition becomes difficult.” And rare is the firm, she added, that can take the time to mentor.

Waddell H. Wright, CPM, of Retail Development Group in Nashville, Tenn., is one who made the transition, but he came with an arsenal packed with financial capabilities.

“I went from broker to owner to property manager to asset manager, almost by default,” he told JPM.

Of course, current best practices demand that arsenal be in the possession of proactive property managers. Whatever your career goal, “you need to be aligned with the way the owner thinks,” said Wright. “You need to understand how a $150,000 asphalt capital improvement will affect NOI at the end of the year, and if you make that expenditure, can you ask your next three tenants to pay you three bucks more a square foot because they have a pretty parking lot.”

FINANCIAL EDUCATION AND TECHNOLOGICAL SAVVY COUNTS

Duke and Wright both see the transition as much more accessible by the generation of property managers coming into the field today than ever before. This in part is due to the increased number of related real estate courses being offered at the university level as well as the allure of the above-mentioned salaries and bonuses.

Wright goes as far as noting a disparity between “millennials and the older generation,” in his IREM chapter. “On one side, we have a number of people over 40 who are CPM candidates, and they get stumped by the finance component every single time.

“On the other side,” he continued, “we have a lot of students in our chapter from Middle Tennessee State University who are graduating with degrees in finance and a concentration in real estate. What that means is that they’re coming out understanding Argus; financial modeling, spreadsheets and those complex calculations that your average property manager never was exposed to. They’re coming out with the tools to become an asset manager. All they have to do is apply that training.”

In the white paper, past IREM Education and Knowledge Products Committee Chair Dr. Deborah Phillips, CPM, said as much: “No doubt, younger CPMs will be given more opportunities at a faster rate than baby boomers, for example, due simply to the speed of business, sophisticated real-time operating platforms and the transaction volume in the market today. They are certainly more technologically savvy and collaborative in their approach to problem-solving, so this will bode well for young, emerging leaders.

“The critical skills required to achieve the owner’s goals and objectives are diverse, intensive and highly integrative,” said Phillips, who is also president of the Quadrillion in Stockbridge, Ga. “These needs have accelerated career promotion and recruitment efforts that include establishing strategic partnerships with high schools, career academies, technical schools, community colleges, four-year universities and workforce organizations.”

The future then would seem bright for the continued sophistication of the property management profession. Wright, in fact, sees a time when property and asset management will merge.

Who knows? What is clear is that, as of today, they remain two separate and distinct functions—with a road to advancement from one to the other that seems likelier year by year.
CALL FOR BALLOT SUBMISSIONS

In 1971, the IREM Foundation recognized its first Professional Recognition Award recipient—Joseph C. Murray, CPM, who received the J. Wallace Paletou award. The J. Wallace Paletou, Louise L. and Y.T. Lum and Lloyd D. Hanford Distinguished Instructor awards all celebrate outstanding individuals who make valuable contributions and show extraordinary dedication to the real estate management industry and, in so doing, enhance the stature of the profession.

We invite you to submit a ballot today. Your ballot submission activates the nomination process and helps us identify the next recipient of the following awards:

J. WALLACE PALETOU AWARD — for significant contributions to the real estate management industry

LOUISE L. AND Y.T. LUM AWARD — for distinguished contribution to the real estate management profession through education, publishing or the advancement of professional and ethical standards

LLOYD D. HANFORD SR. DISTINGUISHED INSTRUCTOR AWARD — for outstanding contributions to the profession through service as an IREM instructor

FOR MORE INFORMATION AND TO NOMINATE SOMEONE, visit the website at www.iremfoundation.org or e-mail foundation@irem.org.

2016 AWARD RECIPIENTS

J. WALLACE PALETOU AWARD RECIPIENT
Jerry K. Collins, CPM (center right), receives the 2016 J. Wallace Paletou Award from IREM Foundation President Mary Wilken, CPM (left), with 2016 IREM President Chris Mellen, CPM, ARM (center left), and Michele Forman of ABM, REME Awards Founding Sponsor (right).

LLOYD D. HANFORD SR., DISTINGUISHED INSTRUCTOR AWARD RECIPIENT
Natalie Brecher, CPM (center right), receives the 2016 Lloyd D. Hanford, Sr., Distinguished Instructor Award from IREM Foundation President Mary Wilken, CPM (left), with 2016 IREM President Chris Mellen, CPM, ARM (center left), and Michele Forman of ABM, REME Awards Founding Sponsor (right).

HOW TO APPLY:
› Nominees for the awards have to be nominated by a CPM Member in good standing with IREM
› Nominators must submit a Nomination Ballot to the IREM Foundation
› Nominees will be notified by the IREM Foundation of their nomination and will be asked to submit a Nomination Form by June 1st.

Don't delay, your ballot submission is needed today! The awards will be presented at the Inaugural Gala & REME Awards during the IREM Global Summit in Chicago on Friday, October 13, 2017.
The IREM Nominating Committee has announced its slate of nominees for 2018 Officers to serve with 2018 President, J. Benjamin McGrew, CPM, MANAGEWEST, Inc., Sacramento, Calif. They are:

**PRESIDENT-ELECT**

DONALD B. WILKERSON, CPM
Gaston and Wilkerson Management Group, AMO, Reno, Nev.

**SECRETARY/TREASURER**

CHERYL A. GRAY, CPM
QuadReal Property Group, Toronto

The IREM Nominating Committee also submits the following nominations for Regional Vice Presidents for the 2018-2019 term. They are:

**REGION 1:**
Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
SUSAN MONAGHAN, CPM
Cumberland Housing Authority, Cumberland, R.I.

**REGION 3:**
District of Columbia, Maryland, Virginia
LATONIA R. HARRIS, CPM, ARM
Oculus Realty, LLC, AMO, Gaithersburg, Md.

**REGION 4:**
Florida, Georgia
AARON M. BOSSHARDT, CPM
Bosshardt Property Management, Inc., AMO, Gainesville, Fla.

**REGION 7:**
Oklahoma, Texas
SHAWN P. HARVEY, CPM
Griffin Partners, Inc., Houston

**REGION 9:**
Illinois, Minnesota, Wisconsin
MALETA J. BROWN, CPM
Hertz Investment Group, Milwaukee

**REGION 10:**
Iowa, Kansas, Missouri, Nebraska, North Dakota, South Dakota
BRAD J. ASHLEY, CPM
CBRE, Inc., AMO, Kansas City, Mo.

The election will take place during the Governing Council meeting at the IREM Global Summit in Chicago on Thursday, October 12, 2017.

IREM bylaws provide for additional nominations for Officer and Regional Vice President positions. Any additional nominations must be made by a petition signed by at least fifteen (15) members of the Governing Council delivered to the Executive Vice President at least ten (10) days in advance of the date set for the election.
NEW CPM MEMBERS

FEBRUARY
Shireen H. Ambush, CPM
Kyoung Hun Ani, CPM
Yoichiro Arai, CPM
Robert Arnone, CPM, ARM
Brian D. Aubrey, CPM
Sheryl K. Bravo, CPM
Ed Bryce, CPM
Sarah A. Cahill, CPM
Woong Chul Chang, CPM
Kyung Hun Chun, CPM
Anna M. Corson, CPM
Ester L. Cox, CPM
Brandy M. Dean, CPM
Jennifer L. Dilley, CPM
Terrell T. Edwards, CPM, ARM
David Fisher, CPM
David S. Flad, CPM
Lindsay M. Hall, CPM
Shuntaro Hayashi, CPM
Dong Yeon Hwang, CPM
Mi Young Jang, CPM
Yeong Hyun Jang, CPM
Carmella Jaskiewicz-Byers, CPM
Kevin Jensen, CPM
Taishiro Kajimoto, CPM
Masaki Kamo, CPM
Boo Gu Kang, CPM
Jocelyn B. Keshishian, CPM
Naoyuki Kozawa, CPM
Kwame B. Kyere-Yiadom, CPM
Robyn Lajevardi, CPM
Mandy Latzen, CPM
Robin R. Lay, CPM
Seung Yong Lee, CPM
Kalib J. Locke, CPM, ARM
Victor M. Lopez, CPM
Leslie A. Lopez, CPM
Yvonne C. Lujan, CPM
Tammey T. Mai, CPM, ARM
Kenneth McCarron, CPM
Carter T. Miller, CPM
Kristina M. Munson, CPM
Norio Murakami, CPM
Morgan M. Neely, CPM
David R. Newton, CPM, ARM
Sang Kyu Noh, CPM
Charles L. Oesch, CPM
Barbara S. Ondr-Kennedy, CPM, ARM
Sung Chul Park, CPM
Zachary B. Price, CPM
Sandra K. Prikryl, CPM
Cosby H. Quinlan, CPM
Tillmann Richter, CPM
Tomokazu Segoshi, CPM
Girin Shah, CPM
Takahiro Sukekawa, CPM
Joo Han Sung, CPM
Joy N. Swanson, CPM
Hyun Tae, CPM
Seiichiro Taguchi, CPM
Hideto Tsurumi, CPM
Trent G. Turner, CPM
Hiroshi Uehara, CPM
Joseph B. Webb, CPM
Rachel R. Wooten, CPM
Naoki Yamashita, CPM

MARCH
Miki Aihara, CPM
Osamu Aramaki, CPM
Kelley M. Bernard-James, CPM
Kevin J. Bolger, CPM
Kiel E. Curtis, CPM
Shiho Date, CPM
Amy M. DiTrapani, CPM
Stephanie L. Doner, CPM
Maryanne M. Fasanya, CPM
Maricela Fregoso, CPM, ARM
Naoki Fujiwara, CPM
Goitom T. Gabriel, CPM
Travis H. Gorzeman, CPM
Mariola Hausmann, CPM
Kana Hikichi, CPM
Sheila J. Jones, CPM
Paul A. Jones, CPM
Toshichika Kawakita, CPM
Yuichi Kojima, CPM
Peter Larson, CPM
Brian C. Lynch, CPM
Karimi N. Mantri, CPM
Yasu Matsuura, CPM
Paul D. Merrien, CPM
Ryota Nakajima, CPM
Colleen L. Needham, CPM, ARM
Manabu Noguchi, CPM
Mami Okamoto, CPM
John A. Parda, CPM, ARM
Sara P. Pouladian, CPM
NEW IREM CERTIFIED SUSTAINABLE PROPERTY (ISCP) RECIPIENTS

JANUARY
- The Village Cliffs, Dallas
- The Village Corners, Dallas
- The Village Corners East, Dallas

FEBRUARY
- The Village Dakota, Dallas
- The Village Gate, Dallas
- The Village Green, Dallas

MARCH
- The Village Upper East Side, Dallas
MAY
5/9 – 5/11
IREM West Regional Meeting
Location: Costa Mesa, Calif.
Visitor(s): All Officers, Lynn Disbrow, Phyllis Coneset

5/16 – 5/20
NAR Legislative & Trade Expo
Standard Meeting
Location: Washington, D.C.
Visitor(s): All Officers, Lynn Disbrow, Nancye Kirk, Beth Wanless

5/23 – 5/25
IREM Japan Conference
Location: Osaka, Japan
Visitor(s): Mike Lanning, CPM, Nancye Kirk

JUNE
6/6 – 6/8
IREM Midwest Regional Meeting
Location: Minneapolis
Visitor(s): All Officers, Lynn Disbrow, Jennifer Schlueter

6/13 – 6/15
Region 14 Leadership Conference and REIC Annual Conference & AGM
Location: Halifax, Nova Scotia
Visitor(s): Mike Lanning, CPM, J. Benjamin McGrew, CPM, Nancye Kirk, Leah Misbin, Bethany Bijonowski

6/21 – 6/24
NAA Education Conference & Expo
Location: Atlanta
Visitor(s): Nancye Kirk, Ron Gjerde, Todd Feist, Renee Savage, CPM

6/24 – 6/27
BOMA Conference & Expo
Location: Nashville, Tenn.
Visitor(s): Mike Lanning, CPM, Lynn Disbrow, Brian Lozell, CPM

Looking for Course Listings?
Visit www.irem.org/education for the most up-to-date list of available offerings.
The Consortium for Housing and Asset Management (CHAM) presents the premier Asset Management convening of 2017.

WEATHERING THE STORM: ASSET MANAGEMENT TAKES THE HELM
JUNE 25-27 • DENVER, CO

Get more information at www.CHAM.us.

Visit us at the 2017 IREM Global Summit | October 10 -13 | Chicago, Ill

Don't miss the latest designs in site furnishings.

Upbeat Site Furnishings has been outfitting the finest properties in the country for more than 30 years. We proudly offer furnishings with industry leading design, durability and warranty, featuring the ANOVA family of products.

For more information on enhancing your site and public spaces, please contact our direct sales team at 800.325.3047 or visit our web site at www.upbeat.com

Upbeat Site Furnishings
211 North Lindbergh Blvd. • St. Louis, MO 63141

Airi Table and Chairs (leaf pattern)
Upbeat proudly features Anova products for unmatched durability, warranty and value.
Our current economic conditions seem to be creating a softening of the market. Class A vacancies have risen, however, largely due to the increase of deliveries over the past one to two years. Additionally, there has been a 2 percent-plus loss in jobs over the last year. On the positive side, large retailers have not wavered in their interest in the local market, and the retail and healthcare sectors continue to grow.

Bryan Miller, CPM Candidate
Cange Group, Anchorage, Alaska

Quality of life continues to be a major driver, but job growth and opportunity now add to Portland's allure. Apartment construction, absorption and rent growth have been strong the past few years, but may be moderating in 2017 and into 2018. New office construction has been limited in recent years, but several new projects are currently under construction or renovation with delivery due in the second half of 2017 and into 2018. Effectively, all of this new construction is targeting "creative" office users at the upper end of the market. This creative office demand is driven by a growing software and general technology employment base. The city of Portland seems to have reached a critical mass with respect to technology employment, which is creating job growth and absorption of space by this sector at an increasing rate.

David Hill, senior managing director
Newmark Grubb Knight Frank, Portland, Ore.

We have been fortunate to be one of the spots in the country where job growth is at an all-time high, and development and the housing market have followed that. The concern would be whether it is a bubble or not. Provided that jobs continue, this can be sustained and the outlook right now for the jobs continuing is great. We are fortunate to have businesses such as Boeing, Amazon, Google, Facebook and Microsoft. So, we have all of that and more with the markets that support those companies. There is a concentration of activity and demand in the urban core, but there is a ripple effect that goes throughout the entire region.

Barry Blanton, CPM, chief problem solver and principal
Blanton Turner, Seattle

A high percentage of respected industry analysts see the Bay Area in the eighth or ninth inning, with subleases continuing to create market churn and job creation bumping up against full employment constraints. Tech is still looking for Commercial Building Disclosure (CBD) trendy space but cautiously assessing real space needs as workplace strategies change. Developers who have their downtown office projects underway or teed up are optimistic with some 6 million square feet of demand in the Bay Area and only 3 million square feet of new product coming out of the ground. Industrial product is as robust as it has ever been with vacancy rates below 3 percent and strong demand for institutional grade distribution facilities providing e-commerce retailers that "last mile" in their delivery chains.

Scott Kirkpatrick, RPA, CPM, director, Asset Services/Northern California
Cushman & Wakefield, Walnut Creek, Calif.
Sherwin-Williams can help you with every big project.

And every little decision.

For your next capital expenditure project, partner with Sherwin-Williams. We can provide on-site support, unparalleled color expertise and solutions that improve appearance and the lifecycle of your capital expenditure project. Choosing a paint company is a big decision. We make it an easy one.

Visit sherwin-williams.com/multifamily for more information.
Rent Manager is proven software for companies that manage all types of properties. Ideal for portfolios of every size, this program is your key to running an effective and efficient business.

Inside our all-in-one solution, you’ll find:

- A powerful property management database that puts you in control of your portfolio.
- Complete accounting that enables you to track every aspect of your business’ finances.
- Work order management so you can handle all of your service issues in one place.
- Marketing tools to make sure your units stay occupied.
- Mobile apps that help you keep your business moving.
- Custom web design and website integration, ensuring that you’re attracting first-rate tenants online.

ANY PORTFOLIO, ANY SIZE, ONE SOFTWARE.

P 800-718-0254  E Info@RentManager.com  W RentManager.com