



INSTITUTE OF REAL ESTATE MANAGEMENT

IREM® Headquarters

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An international membership community of real estate managers across all property sectors who are dedicated to ethical business practices and maximizing the value of investment real estate. An affiliate of the NATIONAL ASSOCIATION OF REALTORS®, IREM is a trusted source for knowledge, advocacy and networking for the real estate community.

Founded: Chicago, Illinois, 1933

Membership: 20,000 individuals; 570 companies

Number of Chapters: 80 domestic; 15 international

2019 Leadership:

President: Donald B. Wilkerson, CPM®

Gaston and Wilkerson Management Group, AMO®, Reno NV

President-Elect: Cheryl Ann Gray, CPM®

QuadReal Property Group, Toronto, ON, Canada

Secretary/Treasurer: W.A. "Chip" Watts IV, CPM®, CCIM

Watts Realty Co., Inc., AMO®, Birmingham, AL

Chief Executive Officer/Executive Vice President:

Denise LeDuc-Froemming, CAE, MBA, CPA

IREM® Certified Sustainable Property:

Practical, affordable sustainability. A green building certification for existing office properties, multifamily communities, shopping centers, medical office buildings, and senior housing communities, the IREM® CSP allows owners and managers to collaborate on sustainability programs for their entire portfolios, not just a select few properties. Learn more at www.irem.org/gogreen

IREM® Members' Areas of Expertise by Property Type

RESIDENTIAL

- Affordable housing
- Public housing
- Apartments
- Condos/Co-ops/HOAs
- Manufactured housing
- Military housing
- Senior housing
- Single family housing
- Student housing

COMMERCIAL

- Industrial/warehouse
- Land parcel
- Medical buildings
- Office buildings
- Parking garages
- Self storage
- Shopping centers/retail

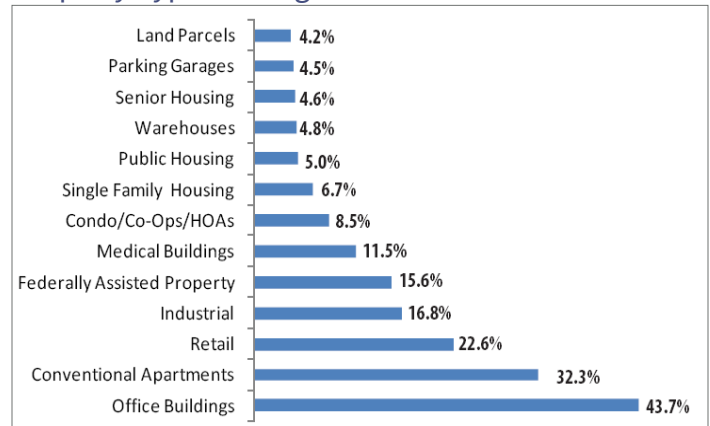
IREM® Professional Training Subjects Include

- Finding ways to boost efficiency, trim waste and sustain value
- Shepherding assets to success at every level, from site maintenance to loan analysis to investment
- Gaining financial acumen to create, maximize and sustain value
- Economics of real estate investments
- Using leading-edge marketing and leasing strategies for competitive advantage and generating higher returns for clients
- Strengthening client relationships
- Protecting tenants, residents and owners through maintenance and risk management

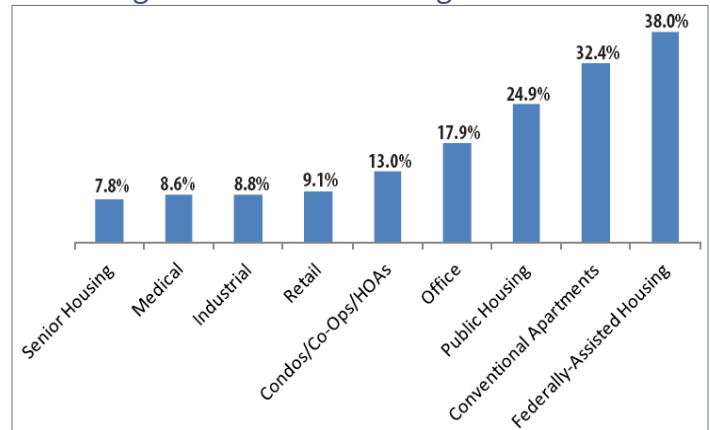
The CPM® Designation By the Numbers:

- \$9.3 billion purchasing power annually
- \$1.8 trillion in real estate property assets managed
- 11.6 million residential units managed
- 10.1 billion sq. ft. of commercial space managed

Property Types Managed



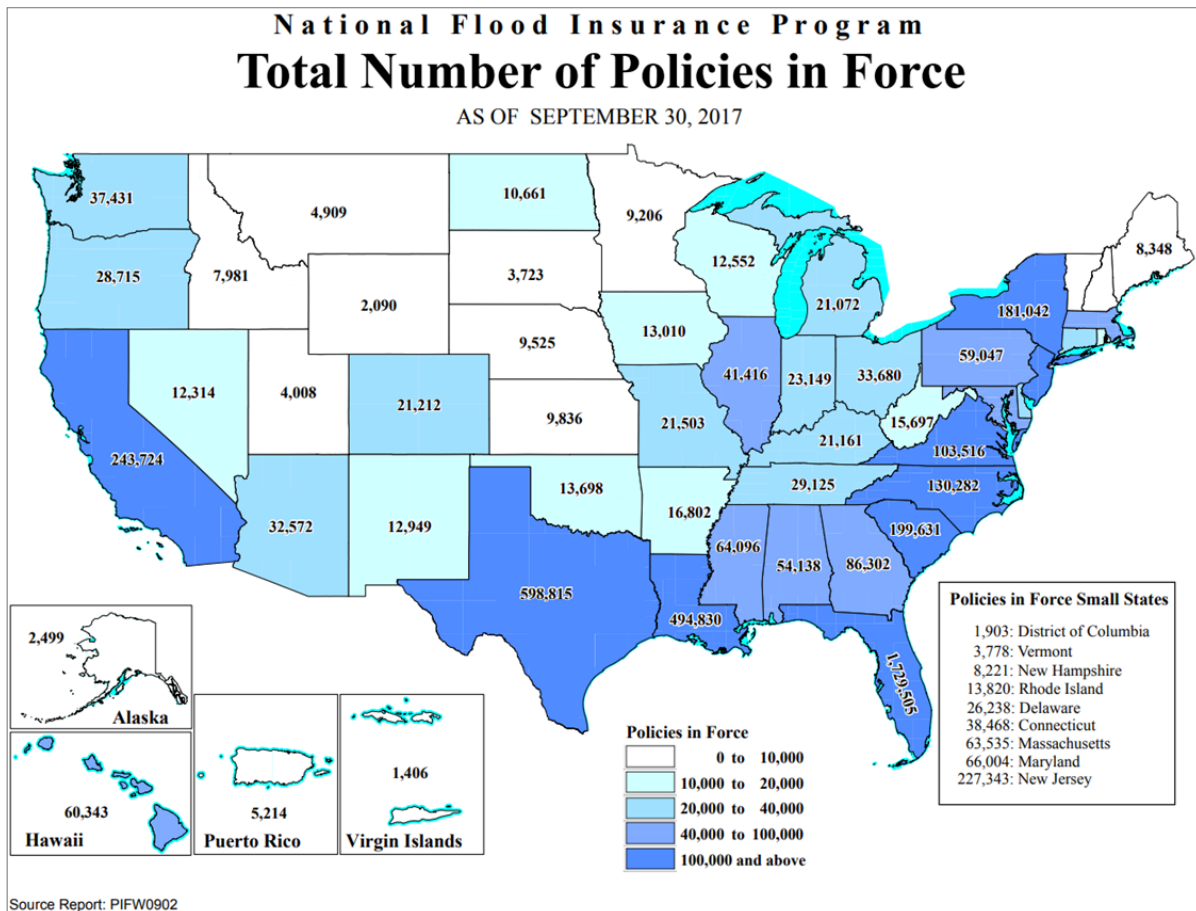
Percentage of U.S. Market Managed



The Institute of Real Estate Management (IREM) supports reform of the National Flood Insurance Program (NFIP) to ensure its ongoing sustainability, encouragement of cost-effective private flood insurance options, and long-term reauthorization of NFIP so that it remains a viable option for property owners.

BACKGROUND

- The National Flood Insurance Program (NFIP) is a partnership among federal, state, and local governments that helps mitigate flood risk and provide affordable flood insurance to those who need it most.
- If the program expires, flood insurance will become more costly or even unavailable. The NFIP provides over 90% of all flood insurance nationwide and close to 100% of flood insurance coverage for individually owned properties and small- to mid-size commercial properties.
- IREM is advocating for legislation that includes long-term NFIP reauthorization, encourages growth in the private flood insurance market, and allows commercial properties to opt-out.



NATIONAL FLOOD INSURANCE PROGRAM REFORM & REAUTHORIZATION LEGISLATION

- The NFIP's current extension expires May 31, 2019.
- No legislation has been introduced to date, but we strongly urge a long-term extension.

COMPANION ANIMALS

IREM's position is that we support and invite guidance from the government on the issue of companion animals, sometimes referred to as emotional support animals, with respect to the American with Disabilities Act (ADA) and the Fair Housing Act (FHA). Companion animals are not service animals. Service animals require special training. Companion animals receive no specialized training and are typically for individuals with mental disabilities or those in need of emotional support.

BACKGROUND

- The FHA prohibits landlords from discriminating based on disability, race, color, national origin, religion, sex and familial status. The ADA prohibits discrimination against people with disabilities in employment, transportation, public accommodations, communications and state and local government activities.
- Both laws contain provisions which address the use of service or companion animals by people with disabilities.

DIFFERENCES BETWEEN SERVICE AND COMPANION ANIMALS

Description	Service Animal	Companion Animal
Must be temperamentally sound to tolerate a wide variety of experiences, environments and people	X	
May live with their disabled owner in housing with a 'no-pets' policy in place	X	X
Individually trained to perform tasks or do work to mitigate their handlers' disabilities	X	
Petting, talking to or otherwise distracting the animal can interfere with their job and pose a serious danger to the animal and handler	X	
Primary function is to provide emotional support, through companionship, to their disabled owners		X
Subject to state laws regarding licensing and vaccination	X	X

CHALLENGES FOR PROPERTY MANAGERS REGARDING COMPANION ANIMALS

- Therapist letters purchased on-line
- Multiple companion animals for one resident
- Numerous companion animals living in 'pet free' properties

DOCUMENTATION REQUIREMENTS

- If a person needs a companion animal to help alleviate the symptoms of a disability, he or she must first make the request to his or her landlord.
- Most accounts indicate that a request should be in writing and explain how the reasonable accommodation helps or mitigates symptoms of the disability.
- While the tenant does not need to disclose the disability, a landlord may ask the tenant for documentation.

ADA LAWSUIT REFORM

IREM supports legislation to create a “notice and cure” provision within Title III of the Americans with Disabilities Act (ADA). This would allow business owners the opportunity to rectify violations within a reasonable amount of time before being threatened with costly lawsuits or demand letters for a monetary settlement. IREM believes that this reform will protect building owners, while still holding them accountable for ensuring accessibility to all Americans.

FAIR HOUSING

IREM believes in equal opportunity in housing and supports the right of all people to freely choose where they will live without the constraint of prejudice or discrimination. IREM opposes practices and policies that have a known discriminatory effect on any demographic group defined by race, color, religion, national origin, sex, handicap, familial status, sexual orientation, or gender identity.

Additionally, IREM is opposed to policies and practices which are known to have a disparate impact on any demographic group defined by race, color, religion, national origin, sex, handicap, familial status, sexual orientation, or gender identity.

However, IREM supports the ability for real estate professionals to continue such policies or practices if there is a legitimate business purpose for the policy, and that purpose cannot be accomplished in a readily identifiable and not unduly burdensome means with a less discriminatory impact. IREM further opposes actions that require unreasonable research into whether such policies or practices have a disparate impact or discriminatory effect.

SOURCE OF INCOME DISCRIMINATION

Some state and local governments have designated source of income as a protected class under their fair housing laws forcing property managers to accept tenant-based subsidies. By accepting these subsidies, landlords must also accept lease amendments to comply with government requirements.

IREM is supportive of the concept of government assisted housing practices and making affordable housing opportunities available to all citizens. However, IREM believes that involvement in these programs should be voluntary and opposes any policies that require owners of private housing to surrender their property rights.

The selection of tenants and the terms of the contractual relationship are the function of the property owner or manager, not the government. Allowing certain tenants to have different (government-mandated) provisions included in their leases puts increased financial and administrative burdens on housing providers and may be unfair to other residents.

COMPANION ANIMALS

IREM supports and invites guidance from the government on the issue of companion animals, sometimes referred to as emotional support animals, with respect to the Fair Housing Act (FHA). Unlike service animals, which are regulated by the Americans with Disabilities Act (ADA), companion animals receive no specialized training and are typically for individuals with mental disabilities or those in need of emotional support.

FEDERALLY ASSISTED HOUSING

Federally assisted housing puts people into homes who otherwise would have challenges obtaining safe and decent housing. Providing assistance to low-income earners helps them find housing and helps real estate managers and owners fill vacancies.

IREM Members own and manage over 60% of all federally assisted housing and public housing units in the United States. Under project-based programs, the federal government, through the U.S. Department of Housing and Urban Development (HUD) contracts with private owners to fund the difference between the rent for the unit and 30% of the tenant’s income.

IREM closely monitors all legislative and regulatory activity pertaining to federally assisted housing and engages with policy makers to encourage continued funding and clarification of new and existing notices and rules.

RENT CONTROL

IREM is opposed to government control of rents and supports a property owner's right to establish rents that produce sufficient income to accommodate the basic needs of residents and encourage investment in new construction and existing properties. IREM urges elected officials at all levels of government to oppose rent control as it significantly affects the housing inventory by accelerating the deterioration and loss of existing housing, while discouraging the construction of new housing.

MEDICAL AND RECREATIONAL MARIJUANA

An increasing number of states are legalizing marijuana to varying degrees, but it is still illegal at the federal level. This conflict between federal and state laws creates a complicated situation for real estate owners and managers. Property managers should review state and local statutes and regulations to ensure they are in compliance with medical marijuana laws and regulations. Property managers may also utilize best practices to address the issue as they see fit, such as lease addendums, with which smoking and illegal drug use can be prohibited.

IREM invites guidance from the government on how to implement policy and procedures for the properties real estate owners and managers operate.

FLOOD INSURANCE

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The National Flood Insurance program (NFIP) is a partnership among federal, state, and local governments that helps mitigate flood risk and provide affordable flood insurance to those who need it most. If the program expires, flood insurance will become more costly or even unavailable. The NFIP provides over 90% of all flood insurance nationwide and close to 100% of flood insurance coverage for individually owned properties and small to mid-size commercial properties.

DATA SECURITY

Property managers collect and maintain huge amounts of sensitive data, including social security numbers and financial information, putting them at risk from cyber-criminals. IREM supports government efforts aimed at sharing information about possible cyber threats, establishing reasonable data security standards, and helping avert security breaches and their aftermath. IREM opposes legislation that would be overly onerous on property owners and managers or their clients.

IREM also strongly encourages members to use best practices protect the confidential personal information of their clients.