



INSTITUTE OF REAL ESTATE MANAGEMENT
FOR THOSE WHO **MANAGE** TO MAKE A **DIFFERENCE**™



Management Plan Independent **MPLIND**

Key information

MPLIND/20220101_CA

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Management plan grading and point structure

Your management plan will be evaluated by a CPM® member who has been fully trained to grade management plans. Your plan will be kept in strictest confidence.

A 1000-point system is used to evaluate your plan. To pass, your plan must receive at least 700 points overall. In addition, certain sections are so critical to the entire plan that **you must receive a minimum score on these sections** to receive a passing grade overall.

| Section | Subsections | Total | Minimum to pass |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------|
| Introduction to the Management Plan | Title Page (5) Table of Contents (5) Executive Summary (50) Purpose and Client Objectives (15) | 75 | -- |
| As Is Property Analysis | Physical Description (35) Management Description (30) Summary and Conclusions (25) | 90 | -- |
| As Is Financial Analysis | As Is Comp Grid Analysis (50) As Is Financial Analysis (200) Summary and Conclusions (25) | 275 | -- |
| Market Analysis | Region Analysis (50) Neighborhood Analysis (35) Marketing Analysis (35) Summary and Conclusions (25) | 145 | -- |
| Analysis of Alternatives | Issues and Concerns and Identification of Alternative(s) (50) Alternative Comp Grid Analysis (50) Alternative Financial Analysis (150) Summary and Conclusions (25) | 275 | 192 |
| Recommendation | Recommendation | 75 | 52 |
| Appendices | Supporting Material (5) Certification and Disclosures (5) Qualifications of Analyst (5) | 15 | -- |
| Appearance and Style | -- | 50 | -- |
| TOTAL | | 1,000 | 700 |

If you receive 900 or more overall points and at least 90% of the possible points in the key sections, your plan will receive a grade of "pass superior," reflecting the outstanding caliber of your work.

How you'll get your grade

You'll get notice of your grade (either "pass superior," "pass," or "fail") 60 days from the date the management plan is received at IREM. **All students are notified in writing and by email of grades; grades will not be revealed over the telephone or by fax under any circumstances.**

Along with your notice of the final grade, you'll receive a grading sheet summarizing your strengths and, so that you can learn from the experience, your weaknesses.

Failing grades

A plan that is judged to be of unacceptable quality by the initial plan grader will be submitted for a second review. If the initial finding is upheld, the failing grade will stand. If the second reviewer passes the plan, the plan will pass. In such a case, you'll receive both grading sheets.

If your plan receives a failing grade, you'll have two options:

1. Re-register for the management plan independent option (MPLIND). You will need to choose a different property on which to write your plan and begin the process again.

OR

2. Complete and pass the Management Plan Skills Assessment (MPSAXM).

Property requirements

Management plans submitted to IREM for the purpose of fulfilling the CPM management plan requirement must conform to the following property type and size requirements. Mixed-use properties of the types and sizes listed here may be used.

| Property Type | Minimum Requirements |
|----------------------------------------------------|---------------------------------------------------|
| Apartments, rental mobile homes, hotels and motels | At least 50 units |
| Single-family homes | At least 35 units |
| Office buildings | At least 40,000 square feet of net rentable space |
| Retail/commercial buildings | At least 40,000 square feet of net rentable space |
| Industrial properties | At least 50,000 square feet of net rentable space |
| Mobile home parks | At least 170 pads |

Other subject property requirements

- Common-interest developments (condominiums, PUDs, etc.) are **not** permissible as subject properties as they do not allow the author to meet all section requirements.
- The best property for which to develop a management plan is **one in your own portfolio** and with which you are familiar. However, this is not a requirement. You may select any property for which you can obtain the information you need to complete the plan.
- The information and financial data you use must be current.
- The subject of your plan must be an **existing building**. You may not do a management plan on a property which is to be developed. This would be, in effect, a feasibility study.
- The plan must be presented in the current year and a Pro Forma for the next 5 years for all alternatives. Prior capital improvements are not permissible.

Submitting your management plan

You must register with IREM for **Management Plan Independent (MPLIND)** prior to completing and submitting your plan for credit toward the CPM designation. When you register, you will receive access to this course.

In addition, you'll find a link to the IREM Financial Analysis Spreadsheet, and a link to register for the self-paced Writing a Management Plan course, which IREM strongly recommends, and other resources.

Submit your plan to education@reic.ca. The plan must be a Word document and be accompanied by the worksheets, preferably the **IREM Financial Analysis Spreadsheet**, for each Alternative. Word documents and Excel worksheets will be submitted electronically.

You will be sent an electronic acknowledgement confirming the receipt of your plan. IREM recommends that you keep a copy of your plan for your own records.

You have **one year** to submit a plan from the date of registration.

Tips for success on your management plan

- Take the [Writing a Management Plan](#) course, completing all coursework and learning activities, prior to writing your plan. Course access through [IREM Learning](#) is included with Management Plan Independent (MPLIND) registration.
- Follow the IREM management plan outline. A management plan template in Word format is available on the MPLIND course page at IREM Learning. This template can help you follow the outline and include all required sections.
- Select for the subject of your management plan a property in your own portfolio or one with which you're familiar.
- Prioritize conducting an interview with the owner's representative to determine their goals for the asset. Those owner's goals are central to your management plan and the foundation on which you'll conduct your analysis and make your recommendation.
- You'll need to conduct other interviews and inspections to gather information on the property and its management. Be sure to factor this process into your schedule for writing your plan.
- Use the [IREM Financial Analysis Spreadsheet](#) for your analysis. If you don't use the IREM spreadsheet, make sure the financial analysis tool you use can perform all the functions necessary to meet management plan requirements.
- Get actual bids for any proposed capital improvements. If you estimate expenses, use a reliable, reputable source of cost data.
- The plan must include your original analysis. However, you may consult other experts, such as marketing and leasing and maintenance colleagues. Just be sure to acknowledge their contributions in the Certification and Disclosures section of the Appendix to your plan.