



IREM[®] FACTS

INSTITUTE OF REAL ESTATE MANAGEMENT

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

Membership Categories:

CERTIFIED PROPERTY MANAGER[®] (CPM[®])
ACCREDITED COMMERCIAL MANAGER (ACOM)
ACCREDITED RESIDENTIAL MANAGER[®] (ARM[®])
ACCREDITED MANAGEMENT ORGANIZATION[®] (AMO[®])
CPM[®] Candidate
Associate
Student
Academic

Assets managed by U.S. CPM[®] Members:

- Nearly \$1.8 trillion
- 11.6 million residential units
- 10.0 billion sq. ft. of commercial space

Total of U.S. market managed by members:

- Conventionally financed apartments – 32.4%
- Federally assisted housing – 38.0%
- Public housing – 24.9%
- Condos/co-ops/HOAs – 13%
- Senior housing – 7.8%
- Office buildings – 17.9%
- Medical Buildings – 8.6%
- Shopping centers/Retail – 9.1%
- Industrial/Industrial parks – 8.8%

Organizational Structure:

Led by a Governing Council consisting of all current chapter presidents, regional vice presidents, officers, ex-officio members and elected membership – supported by a staff of association management professionals.

Number of Chapters: 80 domestic; 15 international

Industry Information Resource:

www.irem.org, often referred to as the “Google” of real estate management.

IREM[®] Certified Sustainable Property:

An affordable alternative to LEED certification. Thousands of existing office, multifamily, and retail properties in the U.S. are working towards sustainable goals. Now those properties can access a meaningful recognition certification that is cost-effective and does not require hiring a consultant. Learn more at www.irem.org/gogreen

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

2019 Conferences:

IREM[®] Global Summit

September 23-26, 2019

Hilton San Francisco Union Square/San Francisco, CA

IREM[®] Regional Meetings

South/Southeast Region | March 12-14, Nashville, TN

Northeast Region | April 10-12, National Harbor, MD

West Region | May 29 - 31, Broomfield, CO

Midwest Region | June 12 - 14, St. Louis, MO

IREM[®] Canada Leadership Conference and REIC Annual

Conference | June 4-6, Niagra Falls, NY

IREM[®] Education: Professional development to maximize students' potential and the value of the real estate assets they manage

Subject areas include:

- Finding ways to boost efficiency, trim waste and sustain value
- Honing leadership skills
- 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

Key Publications:

- *Journal of Property Management* (published bimonthly)
- *Income/Expense Analysis[®] Reports* (published annually)
- *Business Strategies for Real Estate Management Companies*
- *Real Estate Management Job Analysis*

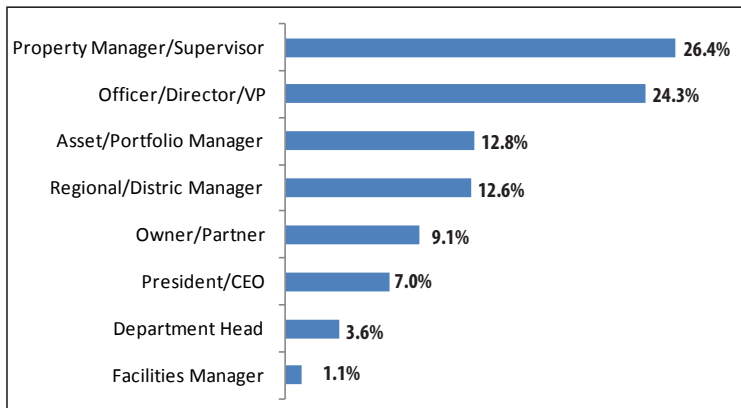
IREM[®] practices diversity. We are an inclusive organization that embraces and values differences and welcomes individuals of all races, genders, creeds, ages, sexual orientations, gender identities, and national origins and individuals with disabilities, providing an equal opportunity environment among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

CERTIFIED PROPERTY MANAGER® (CPM®)

MEMBERSHIP PROFILE

The challenges in today's job market - from industry consolidation and increased competition to being expected to do more with less - make it harder for real estate management professionals to prove their experience and credibility. The CPM® designation demonstrates expertise and integrity to those who matter most - employers, owners, and investors.

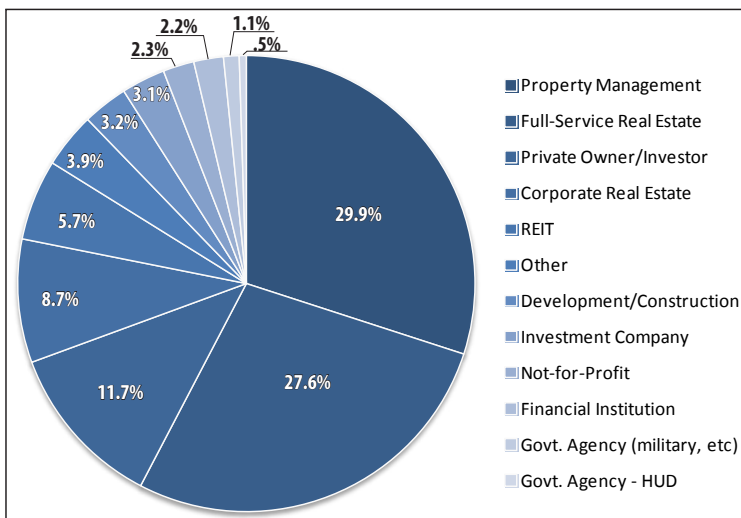
Position Held in Company



CPM® Members

- 8,500 CPM® Members (7500 domestic, 1100 international)
- Typical CPM® Member supervises 50 employees
- Typical CPM® Member averages 25 years of experience
- The average CPM® designee is 53 years old, has earned a college degree, and works for a property management or a full-service real estate company.

Type of Organization



INSTITUTE OF REAL ESTATE MANAGEMENT

IREM® Headquarters

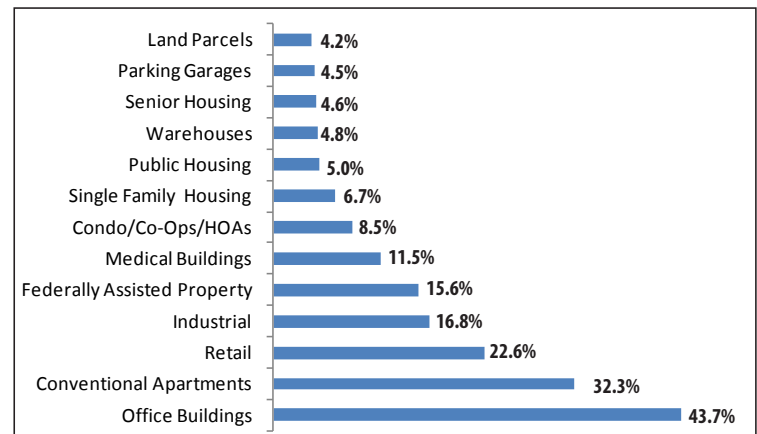
430 North Michigan Avenue, Chicago, IL 60611

(800) 837-0706 | www.irem.org | getinfo@irem.org

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
- Median base salary: \$113,793
- Average total compensation: \$149,564
- Property owners and investors value the CPM® designation more than any other real estate credential, according to independent research findings.

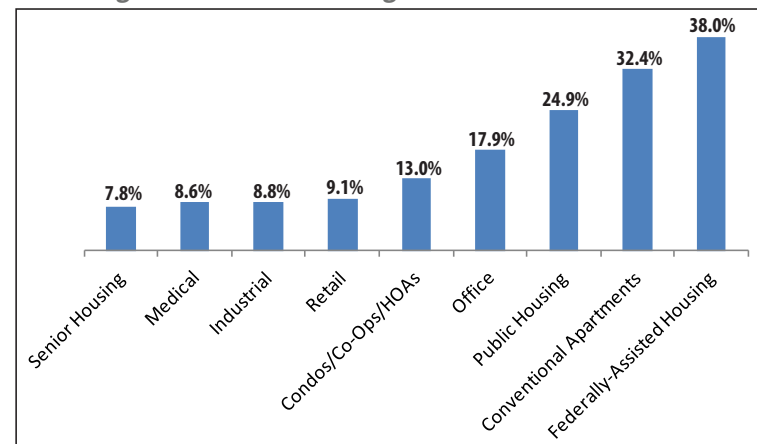
Property Types Managed



Requirements to Earn the CPM®

- **Education**—earned through IREM® courses, other specific credentials, or academic achievement
- **Experience**—have a minimum of 36 months of qualifying real estate management experience
- **Ethics**—promise to uphold the IREM® Code of Professional Ethics and pass the IREM® ethics course
- **Examination**—show competency in all aspects of real estate management by passing a certification exam
- **Examination**—demonstrate practical application through a written management plan
- **Candidacy**—be a CPM® Candidate Member for a minimum of one year

Percentage of U.S. Market Managed



IREM[®] MEMBERSHIP & CREDENTIALING HIGHLIGHTS

CERTIFIED PROPERTY MANAGER[®] (CPM[®]) Designation



For property and asset managers of any property type who are ready to achieve their desired endgame of lifelong career success.

REQUIREMENTS TO EARN THE DESIGNATION ARE:

- **Education** – through IREM[®] courses, through other specific credentials, through academic achievement, or through 20 years of qualifying real estate management experience.
- **Experience** – minimum of 36 months of qualifying real estate management experience
- **Ethics** – promise to uphold the IREM[®] Code of Professional Ethics and pass the IREM[®] ethics course
- **Examination** – show competency in all aspects of real estate management by passing a certification exam. In addition, demonstrate the practical application of all that has been learned on the job and in the classroom through a written management plan

ACCREDITED RESIDENTIAL MANAGER[®] (ARM[®]) Certification



For residential property managers newer to the profession and aspiring to take the next step in their careers, and gain control over their future.

REQUIREMENTS TO EARN THE CERTIFICATION ARE:

- **Education** – through IREM[®] courses, through other organizations, through academic achievement
- **Experience** – at least one year of residential property management experience
- **Ethics** – promise to abide by the IREM[®] Code of Professional Ethics and complete ethics education
- **Examination** – show competency in key areas of residential real estate management by passing a certification exam

ACCREDITED COMMERCIAL MANAGER (ACoM) Certification



For commercial property managers newer to the profession and aspiring to take the next step in their careers, and gain control over their future.

REQUIREMENTS TO EARN THE CERTIFICATION ARE:

- **Education** – through IREM[®] courses, through other specific credentials, through academic achievement
- **Experience** – at least one year of commercial property management experience
- **Ethics** – promise to abide by the IREM[®] Code of Professional Ethics and complete ethics education
- **Examination** – show competency in key areas of commercial real estate management by passing a certification exam

ACCREDITED MANAGEMENT ORGANIZATION[®] (AMO[®]) Accreditation



For real estate management firms with a CPM in an executive position and ready to achieve and display company-wide excellence.

REQUIREMENTS TO EARN ACCREDITATION ARE:

- Maintain appropriate insurance coverage – to ensure financial stability and to protect owner's funds
- Pass an independent financial review
- Have a CPM[®] Member in an executive position to supervise management operations
- Meet specific standards and required functions for operations of the firm, servicing the client, and managing properties
- Promise to abide by the AMO[®] Code of Professional Ethics

IREM[®] also offers four forms of non-credentialed membership:

CPM[®] Candidate Membership: for real estate professionals pursuing the CERTIFIED PROPERTY MANAGER[®] (CPM[®]) designation

Associate Membership: for those engaged in the real estate industry and want an instant connection to the IREM community

Student Membership: for full-time undergraduate and graduate students attending an accredited college or university who want to jump-start a career in real estate management

Academic Membership: for individuals teaching real estate, real estate management or related subjects full- or part-time at a college, community college or university

IREM® HISTORICAL MILESTONES

1900

'33

Institute of Real Estate Management (IREM®) founded to educate real estate managers, certify their competence and professionalism, and define ethical practices.

'34

First *JPM*®, *Journal of Property Management* published.

'36

First IREM® course presented in Chicago.

'38

CERTIFIED PROPERTY MANAGER® (CPM®) designation created.

'45

ACCREDITED MANAGEMENT ORGANIZATION® (AMO®) accreditation created.

'47

First edition of *Principles of Real Estate Management* published .

'72

Joseph Murray, CPM®, receives first J. Wallace Paletou award for devotion to improving the real estate management industry.

'75

ACCREDITED RESIDENTIAL MANAGER® (ARM®) program established within IREM.

'79

IREM® Foundation established as the Institute's research and administrative support arm.

'83

IREM® celebrates 50th Anniversary.

'86

International Affiliate program launched.

'95

IREM® signs first protocol agreement with Russian Guild of REALTORS®, marking the beginning of the Institute's expansion outside North America.

* www.irem.org launches

'98

First IREM® international chapter outside of North America is formed in Poland.

IREM® HISTORICAL MILESTONES

2000

‘01

First Capitol Hill Visit Day/ Leadership and Legislative Summit promotes awareness of industry’s legislative concerns.

‘02

IREM® launches Associate membership program.

‘05

IREM® launches Student and Academic membership programs.

‘06

ACCREDITED COMMERCIAL MANAGER (ACoM) credential created.

‘07

IREM® recognizes 20,000th recipient of its CERTIFIED PROPERTY MANAGER® (CPM®) designation.

IREM® recognizes 15,000th recipient of its ACCREDITED RESIDENTIAL MANAGER® (ARM®) certification.

‘08

IREM® holds year-long 75th anniversary celebration.

‘09

IREM® develops *Best Practices for Real Estate Management Services*.

‘10

IREM® became an authorized education provider for green programs sponsored by the NATIONAL ASSOCIATION OF REALTORS®; National Affordable Housing Management Association and the National Apartment Association Institute; U.S. Green Building Council; and the U.S. Department of Housing and Urban Development.

‘11

IREM® launches the *Journal of Property Management (JPM)* in digital format as well as Income/Expense Analysis® Online Labs that track income and expense data over 10-plus years for five key property sectors.

‘13

IREM® launches the IREM® Certified Sustainable Property Certification.

‘14

Energy Plaza in Dallas, TX, becomes the first property to earn the IREM® Certified Sustainable Property Certification.

‘15

IREM® holds inaugural REME Awards for Real Estate Management Excellence

‘16

IREM’s Headquarters office earns the first U.S. WELL Silver Certification for Commercial Interiors, V.1

‘17

IREM® launches the inaugural IREM® Global Summit at the Hilton Conrad Hotel in Chicago, the hotel where the original IREM® charter was signed in 1933.

‘18

IREM® debuts refreshed branding, positioning the institute as a champion of the property management industry and focusing on career support “for those who manage to make a difference.”

IREM[®] MEMBERS' AREAS OF EXPERTISE

By Property Type

RESIDENTIAL

- Affordable housing
- Public housing
- Apartments (conventionally financed)
- Condos/Co-ops/HOAs
- Manufactured housing/mobile homes
- Military housing
- Senior housing
- Single family housing
- Student housing

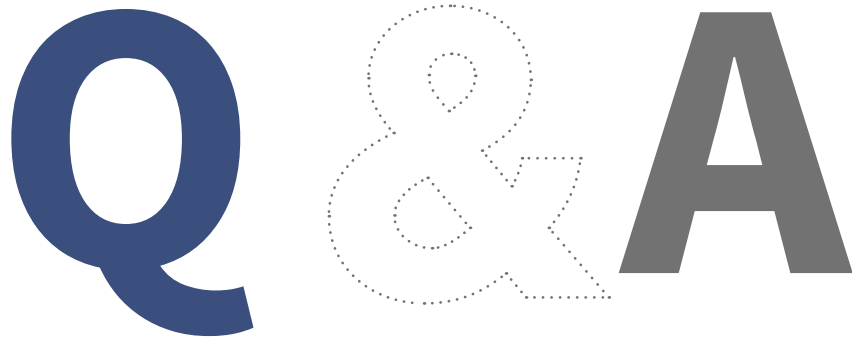
COMMERCIAL

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

By Subject Area

- Accounting/finance
- Administration
- Appraisal
- Asset/portfolio management
- Brokerage/sales
- Business development/competition
- Communication skills
- Customer service
- Diversity training
- Emergency planning
- Environmental issues
- Facilities management
- Fair housing
- Government relations
- Human resources/workforce development
- International business
- Leasing
- Low income housing/tax credit
- Maintenance
- Negotiation
- Property management
- Risk management
- Site management
- Sustainability
- Tax increment financing
- Technology issues
- Troubled properties management

Authoritative IREM[®] spokespersons are available for interviews on a wide range of topics.
Please contact us at (800) 837-0706, Ext. 6067 or pr@irem.org to set up an interview.



Frequently Asked Questions About Real Estate Management and Real Estate Managers

Q: How would you define professional real estate management?

A: Simply put, professional real estate management is the administrative operation and maintenance of properties to meet the objectives of their owners. It also involves planning for the future of the properties by proposing physical and fiscal programs that will enhance the value of the real estate.

Q: What are the primary responsibilities of real estate managers?

A: Their primary responsibilities are: (1) management of the physical site, (2) management of on-site and off-site personnel, (3) management of funds and accounts, and (4) management of leasing activities and tenant services.

Increasingly, real estate managers are being called upon to take on asset management functions, shouldering an ever-growing degree of responsibility for financial and strategic tasks.

Q: What sparked the development of real estate management as a function within the real estate industry?

A: The function resulted from a number of factors, but a major trigger occurred in the 1930s after lenders foreclosed on thousands of mortgages and discovered that real estate management required specialized skills.

Q: Is real estate management growing as a profession?

A: Yes, it is growing steadily because of these three concurrent trends: (1) simultaneous growth of the population and its requirements for space has increased the total number of all types of buildings, (2) a larger percentage of real estate is considered investment property and (3) there is increasingly wide acceptance of the fact that real estate management requires special training and education.

Q: Generally speaking, what is the primary goal that property owners—and therefore their real estate managers—strive to achieve?

A: That goal is usually for the property to reach its highest and best use, meaning that it generates the highest net operating income (NOI) possible and is being used in the best possible way based on its location, size and design.

Q: How do real estate managers determine the direction they will take to achieve the owners' goals?

A: They typically start by developing a management plan – an analysis of the current physical, fiscal, competitive and operational conditions of a property expressed in relation to the owners' goals. If these conditions are not compatible with attaining those goals, real estate managers generally use the management plan to recommend and support physical, financial or operational changes. Management plans also may be developed to evaluate the feasibility or practicality of plans owners have for their property.

Q: What are the typical components of a management plan?

A: Because of the unique aspects of each property, each real estate manager's management style and each owner's expectations, there is no definitive form for a management plan. But the typical components of a plan, in the following sequence, are:

- Regional analysis
- Neighborhood analysis
- Property analysis
- Analysis of alternatives, e.g. operational changes, structural changes and changes in use
- Cost-benefit analysis
- Conclusion and recommendations

Q: Can you describe the management agreement that formalizes the relationship between real estate managers and property owners?

A: A management agreement is a binding contract that establishes the manager's legal authority over the operation of a given property. The manager usually is an agent for the owner, serving as the owner's fiduciary or trustee of the owner's funds and assets associated with the property. The agreement establishes the relationship between the owner and the manager for a fixed period, defines the manager's authority and compensation for services provided, outlines procedures, specifies limits of the manager's authority and actions, and states financial and other obligations of the property owner.

Q: What are the ramifications of the real estate manager's role as an agent of — and therefore fiduciary responsibility to—the property owner?

A: In the role of agent, the real estate manager must exercise a high standard of care in managing both money and property for the owner (fiduciary capacity). Being a fiduciary creates certain legal obligations. The manager must be loyal to the interests of the client and not engage in activities contrary to that loyalty. This means scrupulous attention to the handling of the owner's funds and not accepting any fee, commission, discount, gift, or other benefit that has not been disclosed to and approved by the owner-client.

Q: With ethical practices clearly an important part of professionalism in real estate management, how can owners be reasonably confident that their real estate managers will hold themselves to a high ethical standard?

A: Owners should be aware that real estate managers who have earned any one of the four professional credentials conferred by IREM® – the CERTIFIED PROPERTY MANAGER® (CPM®) designation, the ACCREDITED RESIDENTIAL MANAGER® (ARM®) certification, the ACCREDITED COMMERCIAL MANAGER (ACoM) certification and the ACCREDITED MANAGEMENT ORGANIZATION® (AMO®) accreditation – must abide by the strictly enforced IREM® Code of Professional Ethics. In addition to the fiduciary responsibility called for as the owner's agent, the IREM® Code of Professional Ethics requires managers to hold proprietary information in confidence, to maintain accurate financial and business records for the managed property and to protect the owner's funds. The Code also outlines duties to one's employer, to former clients and employers, and to tenants and others; sets forth requirements for contracting management and managing the client's property; and addresses relations with other members of the profession and compliance with laws and regulations.

Q: When owners and real estate management companies hire real estate managers, what types of questions should they ask?

A: When seeking a real estate manager, ask questions directed to learning about the real estate manager's professional integrity, communication skills, analytical problem solving ability, and experience and reputation. Look for managers who have demonstrated experience in the areas of human resources management; physical property management; financial, risk and administrative management; communications and tenant/resident relations; and marketing and leasing. Holding a professional credential from a recognized organization such as IREM is one way to qualify potential managers.

Q: Do IREM-credentialed members have any special assets/competitive advantages to offer their employers and owner/clients?

A: Yes. Among them:

- They have earned their credentials by meeting strict requirements in the areas of education, experience and pledging to adhere to a code of professional ethics that is strictly enforced by the association.
- They have ready access, via their IREM® membership, to the latest news, information and resources in the real estate management industry, enabling them to easily stay on top of their profession and continually sharpen their skills.
- They can access networking opportunities available to them through IREM® Chapter activities and national programs to draw on and benefit from the experience of others who have met the Institute's professional standards of excellence.

Q: How can I find CPM®, ARM®, ACoM and AMO® Members in my area?

A: Visit the IREM® website – www.irem.org – to “Find a Member.” The directories are easily accessed databases that can be searched by location, company, and property type. Or, call IREM at (800) 837-0706, Ext. 4650.

Q: How can I get additional information about the real estate management profession, IREM and the credentials it confers as well as what it takes to earn them?

A: Again, visit the informative IREM® website, which is continuously updated. Or contact IREM:

- By e-mail: getinfo@irem.org
- By phone: (800) 837-0706, Ext. 4650
- By mail: 430 N. Michigan Ave., Chicago, IL 60611
- By fax: (312) 661-0217

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