



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

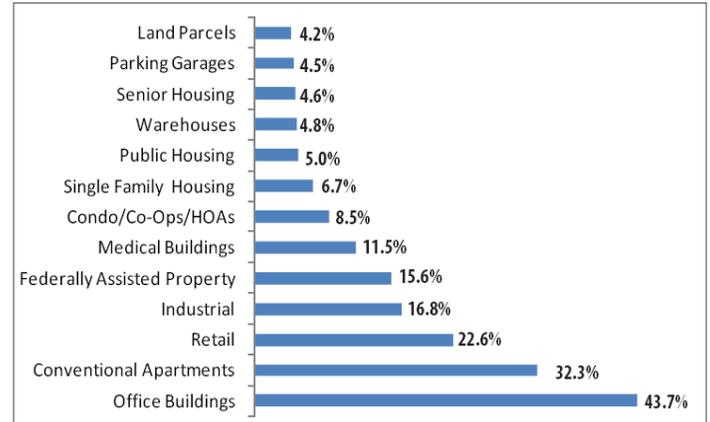
IREM® Professional Training Subjects Include

- 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

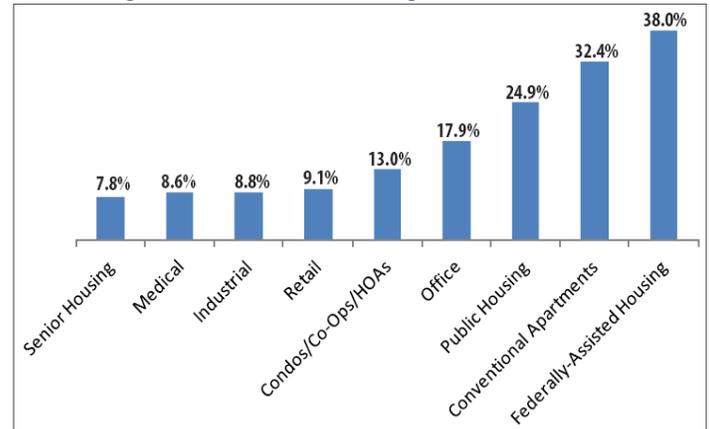
The CPM® Designation By the Numbers:

- \$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

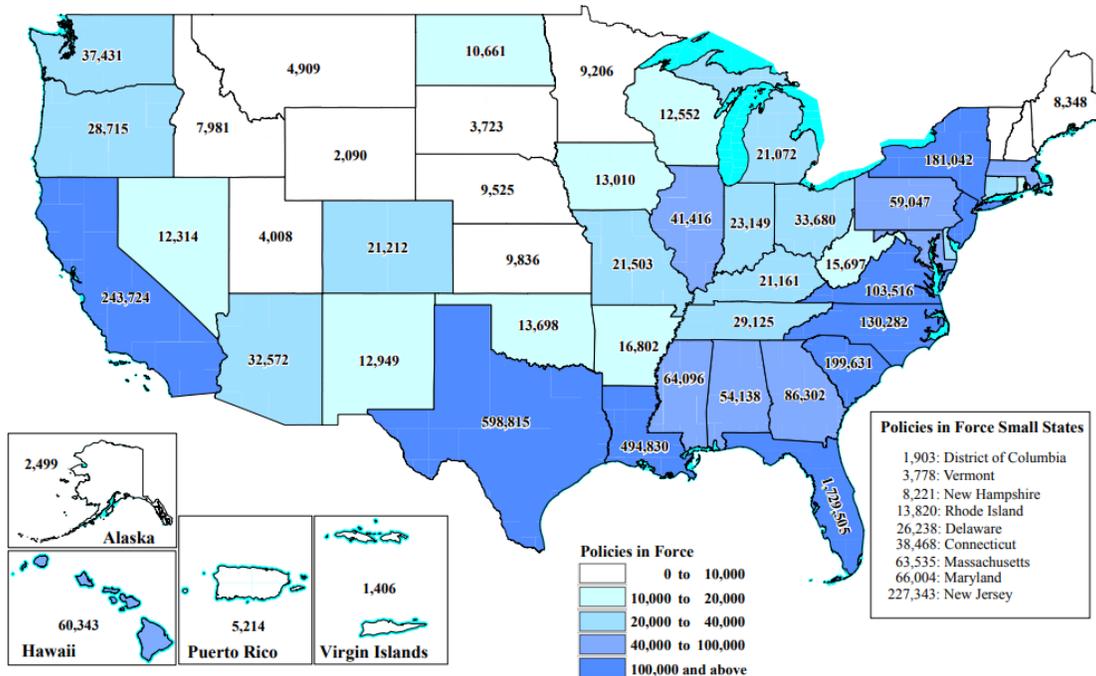
NFIP is a partnership among federal, state, and local governments that helps mitigate flood risk and provide affordable flood insurance to those who need it most.

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 and encourages growth in the private flood insurance market.

Total Number of Policies in Force

AS OF SEPTEMBER 30, 2017



Source Report: PIFW0902

National Flood Insurance Program – Reauthorization & Reform

- NFIP reauthorization should be long term.
- Flood mapping should be done at higher resolutions with a streamlined and less expensive appeal process.
- Premiums should be more accurately priced to the property-specific risk, but any rate increases should be gradual and phased in over many years.
- Private flood insurance options should be encouraged where cost effective, provided that NFIP remains a viable option for property owners.

The Institute of Real Estate Management (IREM[®]) supports and invites guidance from the government on the issue of assistance animals, sometimes referred to as emotional support animals, with respect to the Americans with Disabilities Act (ADA) and the Fair Housing Act (FHA). Assistance animals are not service animals. Service animals require special training. Assistance animals receive no specialized training and are typically for individuals with mental disabilities or those in need of emotional support. Assistance animals are not a pet according to the U.S. Department of Housing and Urban Development (HUD). HUD is the agency that oversees the FHA.

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 assistance animals by people with disabilities.

Differences Between Service and Assistance Animals

Description	Service Animals	Assistance Animals
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.	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 Assistance Animals

- Suspect or fraudulent documentation, often therapist letters purchased online.
- Multiple assistance animals for one resident.
- The impact on other residents living with assistance animals in 'pet free' properties.

IREM Requests HUD to Consider the Following when Issuing Guidance on Assistance Animals

- Require documentation from a third party who has or had a therapeutic relationship with the requester.
- Allow the property manager to verify the authenticity of any submitted documentation.
- For restricted breeds, require an explanation as to why a restricted breed is needed versus another breed.
- Require the applicant requesting multiple assistance animals to show a separate and distinct disability-related need for each animal.
- Specify the resident is liable for any damages or disruptions caused by the animal even if deposits or feed for an assistance animal remain prohibited.

The Institute of Real Estate Management (IREM[®]) supports affording every American the opportunity to live in safe, decent, and sanitary housing. We believe that housing for low- and moderate-income rental occupants is best managed by the private sector and further recognize that private enterprise sponsorship is crucial to the successful operation of any federally-assisted, multifamily housing program. We encourage Congress to alleviate the hardships experienced by sponsors of projects for low-income residents through operating subsidies for restoring the economic viability of projects that are well conceived and properly managed.

IREM CPM[®] members manage nearly 40% of all U.S. federally-assisted housing units and 25% of all U.S. public housing units.

Insufficient Funding Eliminates Homes for Vulnerable Americans

Of the nation's 1.4 million units of multifamily assisted housing stock, 450,000 units are at risk of leaving because of owners opting out of the program, maturation of the assisted mortgages, or failure of the property under HUD's standards.

Preserving this housing is good policy; it is a cost effective way to invest in our communities.

Project-Based Assistance:

- Serves 1.2 million households
- 64% elderly or disabled
- Average income less than \$12,000

Housing Choice Vouchers

- Serves 2.2 million households
- 27% disabled, 22% elderly
- Average income is \$14,000

Affordable Rental Housing Stock Will Deteriorate and May be Permanently Lost

- For those remaining in the program, there will be an increase in deferred maintenance and little likelihood of obtaining tax credits or other financing for rehabilitation.
- Lenders will be less willing to make long-term loans for mortgage refinance or purchases of Section 8 or RD projects, transactions which help in the rehabilitation and long-term preservation of the properties.
- The lack of sufficient Section 8 funds will also thwart the refinancing for the elderly and disabled that have Section 8 subsidies. Many of these projects are 20 to 30 years old and can be preserved for another long period with recapitalization and rehabilitation, but lenders and investors would be wary of participating as the government's ability to honor its contracts will be in doubt.

Funding for the Department of Housing & Urban Development

- The "Transportation/HUD Appropriations Act of 2019" provides significant increases in funding over the Administration's request. Bills have passed the House and the Senate and are now in conference.

We urge sufficient funding to fund all contracts under Section 8 and renew all voucher holders.