

Capstone Track Student Tutorial

Your Guide to Preparing for the Capstone Track

By pursuing the CPM® designation, you've made a serious commitment to demonstrate your expertise, dedication, and integrity to those who matter most—your employer, clients, and tenants/residents.

The Capstone Track is the culminating hurdle on your journey to earning the CPM® designation.



- The **Management Plan Skills Assessment (MPSA)** is an application of a systematic method to evaluate a subject property in its current condition and compare that baseline condition to a proposed alternative course of action based on identified issues and concerns. A final recommendation is made as a result of thorough analysis based on ownership goals for the property.
- The **CPM® Certification Exam** is a 150 multiple-choice question exam that tests knowledge of property and asset management concepts based on the IREM® curriculum and/or your own professional experience.

The exam is completed electronically using a laptop computer that you must bring to the offering, meeting the following requirements:

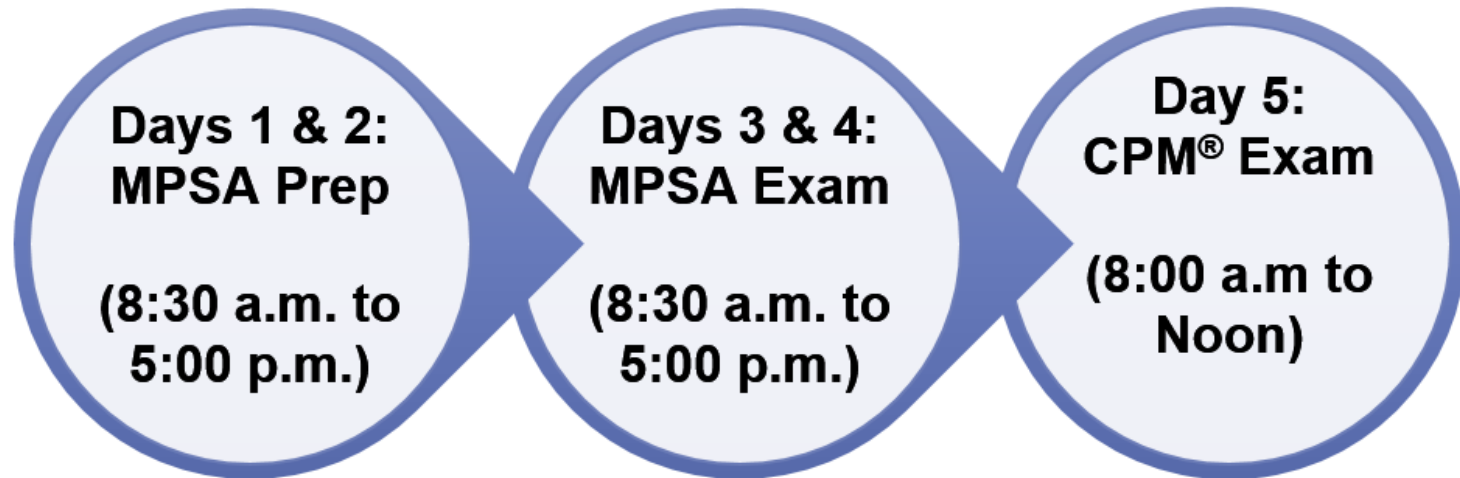
- Fully registered version of Microsoft Word 2003 or newer
- Fully registered version of Microsoft Excel 2003 or newer
- Windows Media Player (<http://windows.microsoft.com/en-US/windows/windows-media-player>) OR Apple QuickTime Player (<http://www.apple.com/quicktime/download/>)
- Headphone port and headphones
- USB port

- Download the **MPSA Practice Spreadsheet**. You will use a spreadsheet similar to this during the exam, so reviewing in advance will help you prepare.
- Have either a handheld HP10bII+ financial calculator or download a **desktop version**. **Cell phones and tablets are not permitted during the exam**, so you will not be able to access a calculator app.
- Have a photo ID in order to check in to your exam.

Cell phones and tablets may be accessed during breaks.

- Complete the 7 CPM® courses before attempting the MPSA and CPM® Certification Exam
- Prepare to be removed from home and work distractions; many students prefer to travel to distant offerings and/or stay in a hotel.
- Plan to have someone ready to handle work calls and emails during the exam days – mobile phones and tablet usage is not permitted on Days 3, 4, and 5, except during breaks.
- Register as early as possible in order to take advantage of all of the review materials provided.
- Connect with other CPM® Candidates preparing for the exams through the IREM® Course Student Groups on [Facebook](#) and [LinkedIn](#).
- Ensure laptop meets all technical requirements. Review additional IREM® resources on any concepts you may find challenging, such as comparison grid analysis.

- Laptop with USB port (or adapter) and headphone jack (see Technical Prep section in this guide)
- Power cord
- Headphones
- Mouse (if desired)
- Calculator
- IREM® course materials (hard copy or electronic versions) – exams are open book
- Pens, pencils, highlighters, post-it notes
- Snacks and drinks (water available on site)
- Suggested dress is business casual/casual – dress comfortably and with layers



Plan to arrive 30 minutes prior to start time.

- Introduction
- Lesson 1: As Is Scenario Property Analysis
 - Physical and managerial description
- Lesson 2: As Is Scenario Financial Analysis using As Is Spreadsheet
 - Operating history and pro forma
 - Current market value, equity, cap rates
 - Loan analysis including LTV%, DCR and measures of leverage
 - Four tests of investment return: cash-on-cash rate of return, value enhancement, net present value (NPV) and internal rate of return (IRR)
- Lesson 3: As Is Market Analysis
 - Region, neighborhood, marketing plan

Your Student Workbook will have many activities that mirror what you will do on the actual exam.

- Lesson 4: Alternative Scenario and Alternative Spreadsheet
 - Issues and concerns
 - Alternative comp grid
 - Alternative pro forma statement
 - Alternative current market value, equity
 - Alternative four tests of investment return
- Lesson 5: Recommendation
 - Summary matrix
 - Recommended course of action
- Lesson 6: Executive Summary

- Review your property case study
- Watch your case study video
- Complete the As Is Spreadsheet
- Complete the As Is Property Analysis, As Is Financial Analysis, and As Is Market Analysis
- Answer in narrative format using critical thinking
- Time management is key – try not waste too much time on one question
- Answer each question as if speaking to someone with no knowledge of the property; explain each step and concept clearly and completely
- Refer to any materials you have—the exam is open book

You'll receive your case study video and booklet with detailed information on your subject property.

- Complete the Alternative Spreadsheet
- Complete the Alternative Scenario, Recommendation, and Executive Summary
- Upload your completed exam files by end of business day Monday to: MPSA@irem.org
 - MPSAXM Text Answers (Word)
 - MPSAXM Spreadsheet Answers (Excel)

An exam is considered a fail if it is not received by Monday.
Keep your exam files on your desktop until you receive your results.

- When you register for the Capstone Track or CPM® Exam, you will receive a link to the **CPM® Exam Preparation Tutorial**, a self-paced online tutorial that reviews key concepts and calculations that will be tested on the exam
- You will have 4 hours to complete the CPM® exam
- The exam consists of 150 multiple choice questions.
- The exam is open book and you may use a financial calculator or spreadsheet

- Your MPSA exam will be graded by a trained IREM grader.
- To pass the MPSA, you must achieve:
 - A minimum overall score of 70%
 - A minimum score of 70% in the Alternative Scenario section
 - A minimum score of 70% in the Recommendation section
- To pass the CPM Certification Exam, you must achieve a score of 70% or higher.
- Results are provided in writing – pass or fail only
- MPSA results are sent within 45 days of the conclusion of the Capstone Track, and include a grader summary.
- CPM Exam results are sent within 10 days of the conclusion of the Capstone Track.

- **CPM® Capstone Track Live Webinar** (offered monthly; led by an IREM® instructor; provides the information needed to ensure the best possible experience; a recording is also always available)
- **MPSA Working Spreadsheet** (spreadsheet used during the exams)
- **Financial Calculator – Desktop Based** (a desktop financial calculator similar to the handheld HP10bII+)
- **IREM Financial Analysis Spreadsheet** (taught in the IREM® asset management courses)
- **HP10BII Financial Calculator Webinar: Downloadable Recording** (a recorded webinar to learn how to use this calculator)

Know these concepts to increase your success:

- The IREM® Financial Analysis Spreadsheet
- Before-tax cash flow analysis, including, pro forma statement, calculating market value (IRV), going-in and going-out cap rates (taught in IREM® asset management courses)
- The four financial tests: Cash-on-Cash, Value Enhancement, NPV, and IRR (taught in IREM® asset management courses)
- Comparison Grid Analysis (taught in IREM® marketing and leasing courses)

If you have additional questions, please contact us at:
800-837-0706 or: MPSA@irem.org

GOOD LUCK!