



The INSIDER

The e-newsletter of the Institute of Real Estate Management
Rochester - Western NY Chapter 58

President's Message Nicholas J. Harris, Jr., CPM®, PCAM



The Value of IREM

With everyone trying to stretch a dollar or justify expenses during these difficult economic times, many of us are asking ourselves: What value lies within my professional organization membership? What is the value of my designation?

The answer to that question will obviously be different for each of us. For me, I have always felt my IREM membership had value, even when I was just starting out in

the real estate business and could not really quantify the benefits.

Over twelve years later and three years into running my own commercial real estate company, I can tell you first hand that IREM has provided me with not only the education, credentials and confidence I needed, it has also provided me with incredible networking opportunities, access to IREM

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IREM~BOMA VENDOR FAIR

March 18th
11:00 AM ~ 3:00 PM

Doubletree Hotel
1111 Jefferson Road
Rochester, NY

A Message from The Regional Vice President



what does this have to do with Real Estate Management you ask?

We work in a world of problems. Even if we do 99% of everything right, the 1% that's wrong typically comes down hard on us. Every day can seem like a battle. Tenants, Staff, Owners, Inspectors, Contractors – everybody wants something, they want it now, and God help you if your wrong. These times are particularly demanding and getting harder. Staff cuts, distressed tenants, rising vacancy, falling stock market all take a toll on us. It's easy to buy in to that downward spiral.

But we have a choice. The bad stuff is always out there. We have so much to be grateful for, yet it is so easy

to forget. We are so busy solving everyone's problems we forget to stop and smell the roses, to eat that chocolate mousse.

Too often, we don't appreciate what we have until it is gone. We don't think about what we eat, until we have nothing to eat. We don't think about the roof over our head, until the tree comes crashing in, we don't think about our health, until we are in the emergency room.

So in these times of high stress, overload at work, multitasking, crackberrys... STOP!!!

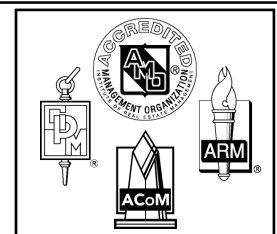
Enjoy your friends, appreciate what you have, enjoy your favorite dessert.

Life is Short, Eat Desert First

I love Chocolate Mousse. I may not be the complete choco-holic that the last RVP was, but Chocolate Mousse is definitely a weak point. So -

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If you are interested in becoming a part of chapter leadership, please contact Nanette Stubbe at 889-8040.

NEWSLETTER

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iremchapter58@irem58.org

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IREM Leadership and Legislative Summit Slated for April 18-22 in Washington, DC Capitol Hill Visit Day Brings Commercial Real Estate Issues to Legislators' Attention

(Chicago, Feb. 3, 2009) The annual Leadership and Legislative Summit of the Institute of Real Estate Management (IREM®) will be held from April 18-22 at the JW Marriott Hotel in Washington, DC. The event will feature committee meetings and interactive forums that focus on IREM member interests ranging from chapter operations to legislative issues emerging at the state and local levels.

The Summit brings together leaders in the real estate management industry to discuss critical industry issues such as business challenges and opportunities posed by the current economic crisis; also, technology, workforce development, business competition,

risk management, and sustainability.

The Summit's keynote speaker is journalist Ronald Brownstein, political director for Atlantic Media Company with responsibility for coordinating overall political coverage at its publications, which include the Atlantic, National Journal, the Hotline and Congress Daily. Brownstein also is a frequent participant on television programs such as Meet the Press, This Week with George Stephanopolous, the Charlie Rose Show, and Nightline.

HILL VISITS A HIGHLIGHT

A highlight of the Summit is Capitol Hill Visit Day, when IREM members join with members of the CCIM Institute to

meet with members of Congress and their key aides. The purpose of the meetings is to promote awareness and understanding of key legislative issues of concern to the commercial real estate industry and to communicate the industry's position on these issues.

REGISTRATION INFORMATION

The registration fee for the Summit is \$375.00 until March 20, and \$425.00 thereafter. Single-day passes also are available; they are priced at \$260.00 until March 20, and \$310.00 thereafter. Additional conference information and online registration are available at www.irem.org.

No Turnaround to Begin Before 2010, Greater Washington Exceptional, Experts Tell IREM® Economic Forecast Seminars

(Chicago, Feb. 17, 2009) The nation's economy may not start improving for six to 18 months according to experts assessing the future at a series of economic forecast seminars held during the past few weeks by six chapters of the Institute of Real Estate Management (IREM®) from around the country. The six chapters span the nation: Rhode Island, Minnesota, St. Louis, Greater Washington (DC), Phoenix and the San Francisco Bay Area.

The consensus coursing through the seminars is that the current recession will per-

sist beyond 2009, some saying it will last as long as five years. Values will continue to drop until capital markets clear and bad debt is taken off lenders' balance sheets. Opportunities now "are there," with owners strapped with too much debt who are desperate to sell assets at a steep discount to raise cash.

The experts agree that depressed personal incomes and profit opportunities will persist through at least 2009 before any recovery begins. Unemployment will remain high and accessible home equity low. "The (home) foreclosure situa-

tion must be stabilized before the economy can turn the corner," say many.

Increased competition will persist for residential and commercial tenants in all property sectors. A return to "normal" may be as much as five years away,

The relatively bright spot is the Metro Washington area where, as one expert observed, "While the market will be declining from our standpoint, it still is much stronger than many areas of the country."

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New IREM / NAAEI Course FHS201 “Fair Housing and Beyond” a Success Second Offering Being Held on April 7

On March 6th, Chapter 58 presented IREM and NAAEI's newest Fair Housing seminar “Fair Housing and Beyond” (FHS201). The offering was sold out to an inaugural class of 36 real estate professionals who met for the 4.5 hour seminar at the Democrat and Chronicle Training Facility at Canal Ponds Business Park in Greece, NY. While most attendees were from the Rochester area, participants came from as far as Watertown, Albany, and Virginia. Interest in the course has been overwhelming, and a second offering has been scheduled for April 7th to accommodate the number of individuals who were not able to attend the first class.

“Fair Housing and Beyond” was designed and developed in partnership with IREM and the National Apartment Association Education Institute member experts in fair housing. The seminar offers enhanced fair housing training with over 50 minutes of interactive, DVD-driven activities that train participants to go “beyond the basics,” and gain a more nuanced understanding of fair housing.

President's Message

(Continued from page 1)

First and items such as timely industry information and customizable forms necessary for me to efficiently, effectively and professionally serve my clients.

In terms of convenience, I cannot put a dollar value on the forms I have downloaded and customized since December 2008. However, I can tell you that the dollar value of

Participants will explore the equal opportunity mandate critical to professional residential property management in depth, as well as leasing, property operations, and customer service areas taking into consideration the multicultural reality of residential communities today.

This 4.5 hour seminar was developed for IREM Members, NAA Members, and others in the housing management industry. Management company executives, property managers, site managers, leasing professionals, maintenance technicians, office administration staff, and vendors all must comply with fair housing law, and would benefit from attending this seminar.

Topics include:

The Protected Classes and Discrimination: Self assessment, the need for fair housing education with all staff, federal protected classes, state/municipal/local fair housing protections, discrimination by differential treatment and disparate impact, a closer look at discrimination and the fair housing protec-

these forms had I been forced to pay for them, far exceeds the amount I paid for both my local and national dues for the past two years combined!

As our Regional Vice President Jesse Holland stated in the last issue of our newsletter: “IREM is committed to deliver the knowledge you will need. The list of resources available to you is extensive: from webinars to on-line tools and tutorials,

tions

Focus on Disability: Discrimination and the disability protection, demonstrating sensitivity and awareness, reasonable accommodations and modifications

Fair Housing and Property Operations: Communication protocols, handling resident complaints, documentation and statute of limitations, resident selection guidelines, occupancy standards, fair credit reporting, and advertising guidelines

The second offering is scheduled for April 7th from 8:30 AM to 1:00 PM, with registration to be held at 8:00 AM. The course will be held at the 8th Floor Conference Room of The Powers Building, 16 W. Main Street in downtown Rochester. Parking is available at the Sister Cities parking garage on Fitzhugh Street, as well as other public parking lots in the area.

Course registration fees are \$79.00 for members and \$109.00 for non-members. For more information, please contact Nanette Stubbe at (585)889-8040.

Quotes

“Opportunity is missed by most people because it is dressed in overalls and looks like work.”

- Thomas Edison

“If you aren't fired with enthusiasm, you will be fired with enthusiasm.”

- Vince Lombardi

“The right to be heard does not automatically include the right to be taken seriously.”

- Hubert H. Humphrey

“The world is full of people whose notion of a satisfactory future is, in fact, a return to the idealised past.”

- Robertson Davies

WANTED

- News
- Articles
- Vendor Insights
- Member Profiles
- Professional Expertise

The Insider is looking for information that will benefit our members and associates by providing information that advances the professionalism and knowledge of our industry. We welcome contributions from members and vendors alike.

Economic Turnaround Forecast

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RETURNING TO BASICS

"Because real estate owners and investors can no longer count on leverage and appreciation to deliver the returns they desire, their property management model for investment real estate is returning to the basics," said IREM President Pamela W. Monroe, CPM®. "The focus during this recession, therefore, is on driving net operating income by minimizing operating expenses. As more and more distressed real estate assets come on stream, the need for superior real estate management, especially marketing and leasing skills, is becoming more and more apparent. IREM members fill this need," Monroe said. "As well, they know how to salvage, maintain, reshape and remarket real estate assets. And IREM is stepping up its efforts to help them perform even better during this most severe economic challenge of our generation."

A major thrust is the updating of IREMFIRST (For Information, Resources, Solutions and Training), the Institute's highly interactive, comprehensive online information resource with a major segment devoted to "Troubled Properties." It draws on constantly updated "gold standard" course materials, webinars, message boards, special presentations and sources of current news related to the industry.

OUTLOOK SPECIFICS VARY BY MARKETS

Outlooks are generally similar from market to market, attendees at all of the IREM chapter economic forecast events were told, though specifics vary. Standing out as most encouraging are the expectations for the Metro Washington (DC) area, currently viewed as stronger and more optimistic than the other five markets (likely, perhaps, because government and government-related enterprise is relatively impervious to the national trend toward business contraction).

"Washington Metro will be the only office market in the country to record positive absorption in 2009," according to one expert. The other markets are more sensitive to major businesses that shape their character, such as St. Louis, where the fortunes of Monsanto, Ford and Anheuser-Busch ripple significantly through the economy of the area.

RETAIL

Retail in Rhode Island is suffering from declining population and weakening financial conditions as are office, multifamily and industrial properties there. In St. Louis, with unemployment up and accessible home equity dropping, high-end retail (including food) is declining while sales at drug and discount stores are rising as people search for lower prices and stay-at-home entertainment. Increased vacancies and bankruptcies are driving in-

creased competition for tenants. Many St. Louis developers, attendees at the local IREM Chapter event were told, have found themselves with build-to-suit properties made for tenants that have gone bankrupt, leaving the developers with retail property unsuitable for general leasing.

Minnesota is seeing continuing steep declines in retail, with the negative growth generating the lowest level of confidence among all the major property sectors. Minimal to no new construction is projected due to construction costs that are too high, while land costs are increasing. Vacancies in retail are expected to range from 15 to 20% in the San Francisco Bay area in 2009. Retailers in Phoenix are closing stores because they cannot get credit.

OFFICE

Much the same outlook is seen for office properties as for retail, except in the Washington Metro area, which is expected to experience positive absorption in 2009. In Rhode Island, attendees at the local IREM chapter event were told, declining income and deteriorating expectations for the future economy hang over this property sector as it does over industrial and multifamily. Phoenix is expected to see increasing vacancies. Downtown St. Louis is seeing minimal absorption with some tenants just swapping B for A space

and others simply trying to consolidate many locations acquired through mergers. With a drop in demand and an oversupply of product in St. Louis, asking rates are at the low end of the national scale (i.e. \$22.42 psf).

Sales will continue to be slow, with strict underwriting rules and high loan-to-value ratios. Landlord concessions will continue in the St. Louis area, but most deals will be short term, as tenants want to stay put until the market clears.

Minnesota presents a similar picture, with office rent growth flat or negative as vacancies increase along with unemployment. And minimal to no new construction is foreseen, except for that already underway.

MULTIFAMILY

Again markets vary significantly. While Washington Metro is expected to be a slow market in 2009, it will not see a sharp decline. Phoenix is expected to endure high delinquencies and concessions as layoffs increase. Expectations for Minnesota are for a steady market with vacancies remaining stable at 5 to 7 % and positive rent growth.

INDUSTRIAL

No growth is expected anywhere in the industrial sector, attendees at all of the IREM chapter forecast events were told, with considerable vacancy overhanging this sector.

Chapter 58 Welcomes our newest "Friends of IREM"



Friends of IREM

- Mac-Grey Services •
- Jan Parisi Agency, Inc. •

IREM Chapter 58

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Presents

**LEASING AND MARKETING
RESIDENTIAL PROPERTIES**

Presented by

SUSAN LENZO OF HOME PROPERTIES

SOLD OUT!

Due to overwhelming interest, a second seminar is being scheduled for the fall. Call to reserve your spot!

APRIL 1, 2009

8:00 AM Registration; 8:30 AM – 4:30 PM Seminar
 DEMOCRAT AND CHRONICLE TRAINING CENTER
 301 LONG LEAF BLVD., ROCHESTER, NEW YORK 14626
 \$125 IREM MEMBER - \$135 NON MEMBER (Includes Lunch)

PREPARING FOR PROSPECT INQUIRIES

- Build Confidence in Your Product
- Prepare to Overcome Objections
- Determine Apartment Availability
- Prepare to Describe Apartments
- Prepare Yourself to Answer the Phone

SPEAKING WITH FUTURE RESIDENTS

- Attract Future Residents
- Interest the Prospect
- Convince the Prospect
- Gain the Prospect's Commitment to Visit Your Community
- Ask for Contact Information
- Manage Internet Inquiries

CONVERT PROSPECTS TO FUTURE RESIDENTS

- Control to Ensure a Positive Experience
- Build the Prospects Interest in Making a Commitment
- Gain the Commitment

FOLLOWING UP WITH PROSPECTS

- Follow Up after Initial Inquiries
- Follow-up After a Site Visit

SUSAN LENZO started in the apartment industry fourteen (14) years ago as a leasing consultant in Austin, Texas. She moved to Rochester in 1997 and started working for Home Properties as a Leasing Program Manager in their training department designing and delivering training programs for leasing consultants/property manager's company wide.

For More Information call Nanette Stubbe at (585)889.8040.

CALENDAR OF UPCOMING EVENTS

ROCHESTER – WESTERN NY • IREM CHAPTER 58

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|------------|--------------|--|
| MAR | 18 | IREM / BOMA Vendor Fair Double Tree Hotel, 1111 Jefferson Avenue, Henrietta, NY 11:00 AM to 3:00 PM Admission Fee \$10.00 |
| | 18 | Vendor Fair Seminars: <ul style="list-style-type: none"> • Lighting Retrofit presented by Sylvania/Phillips • Mechanics Insights presented by Constellation New Energy Double Tree Hotel, 1111 Jefferson Avenue, Henrietta, NY Registration Fee: \$25.00 (includes entry to Vendor Fair) |
| APR | 1 | Leasing & Marketing Seminar presented by Susan Lenzo of Home Properties D&C Training Center at Canal Ponds Park, 301 Long Leaf Blvd, Greece, NY \$99.00 Members / \$125.00 Non-Members |
| | 7 | FHS 201 : Fair Housing and Beyond Presented by Steven Savoca, CPM® of Konar Properties Power's Building, 8th Floor Conference Room, 16 W. Main St., Rochester, NY \$79.00 Premier Members / \$99.00 Classic Members / \$109.00 Non-Members |
| MAY | 11-15 | RES 201 : Successful Site Management |
| | 18 | ARMEXM: ARM Certification Exam Instructed by Enis Hartz, CPM® of GMACCH Capital Corp D&C Training Center at Canal Ponds Park, 301 Long Leaf Blvd, Greece, NY \$595.00 Premier Members / \$675.00 Classic Members / \$725.00 Non-Members |
| JUN | 24 | Luncheon Boat Cruise aboard the Colonial Belle |
| JUL | 10 | Senior Leadership Visit from IREM President Pamela Monroe |
| | 14 | Chapter 58 6th Annual Golf Tournament Shadow Lake Golf and Racquette Club, 1850 Five Mile Line Road, Penfield, NY Registration at 11:00 AM ; Start at 12:00 Noon; Dinner at 5:30 PM 18 Holes, Cart, Snack Bar Lunch, Chicken and Steak Dinner \$115.00 Members / \$125 Non-Members |

***For more information on educational offerings and IREM® events,
contact Nanette Stubbe at (585)889-8040, or visit the website at www.irem58.org .***

In Memoriam

Christopher D. Glatz

1964-2009

Chris was born in Batavia and was a graduate of Pavilion Central School, Class of 1982. He was a past employee of the Mayzon Corporation, having held the IREM designation of Accredited Residential Manager from 1998 to 2007. Recently he was employed by Grace Management and was the Managing Director at Quail Summit Senior Living Community in Canandaigua. Chris enjoyed riding his motorcycle, working on cars and photography. He was an avid sports fan. Most of all Chris loved spending time with his family.