TABLE OF CONTENTS

CHAPTER 1
AN OVERVIEW OF REAL ESTATE MANAGEMENT 19

The Profession of Real Estate Management 19
   What is Real Estate? 21
   The Role of Real Estate Managers 22
The Evolution of Real Estate Management 23
   From 1920 to the Stock Market Crash of 1929 23
   Recovery Period after the Great Depression, 1934 to 1939 24
   Post-World War II, The 1940s and 1950s 25
   The 1960s and 1970s 25
   The 1980s to 1990s 26
   The 1990s 28
   The Year 2000 28
   Effects of 9/11 on Real Estate Management 29
   The Enron Scandal 30
   From 2003 to 2010 30
   The Economic Future for Real Estate Management 33
Types of Real Estate Assets 33
   Residential Properties 34
   Commercial Properties 35
   Shopping Centers 36
   Industrial Properties 37
   Warehouses 37
Summary 37

CHAPTER 2
THE REAL ESTATE MANAGEMENT PROFESSION: POSITIONS AND RESPONSIBILITIES 39

Primary Responsibilities within Real Estate Management 39
Positions in Real Estate 42
   Site Manager 42
   Property Manager 43
   Regional Manager 44
   Portfolio Manager 44
   Executive Property Manager 44
   Asset Manager 44
Other Real Estate Management Professions

- Leasing Agent 46
- Marketing Director 47
- Accounting and Financial Services 47
- Building Engineers, Facilities, and Construction Managers 48
- Facility Management 49
- The Real Estate Executive 49
- Brokerage Services 50
- Administrative Personnel 50

Summary 51

CHAPTER 3
REAL ESTATE AND ECONOMICS 52

Basic Economics 52
- The Marketplace 53
- The Role of Government 58
- The Business Cycle 65

Real Estate Economics 71
- The Real Estate Market 72
- Government and Real Estate Cycles 77

Summary 82

CHAPTER 4
TYPES OF OWNERSHIP IN REAL ESTATE 84

Means and Reasons for Investing in Real Estate 84
- Means of Investing 84
- Reasons for Investment 89

Principal Forms of Income-Property Ownership 94
- Sole Proprietorship 95
- Partnerships 95
- Corporations 99
- Real Estate Investment Trusts 101
- Joint Venture 101

Summary 102
# CHAPTER 5
## THE MANAGEMENT AGREEMENT AND PLAN

Management Agreement  
- Basic Components of an Agreement  
- Responsibilities of the Manager  
- The Owner's Obligations  
- Compensation for Management Services

Management Plan  
- National Analysis  
- Regional Analysis  
- Neighborhood Analysis  
- Property Analysis  
- Market Analysis  
- Data Evaluation  
- Analysis of Alternatives  
- Cost-Benefit Analysis  
- Conclusions and Recommendations

Summary

# CHAPTER 6
## FINANCIAL MANAGEMENT

Evaluation of Operating Funds  
- The Cash Flow Chart  
- Other Considerations

Accounting for Income and Expenses  
- Accounting Systems  
- Income Categories

Expense Categories  
- Management Fee and Administrative Costs  
- Payroll and Related Expenses  
- Insurance

Reporting on Income and Expenses  
- Accounting Software  
- Management Reports

Budgeting  
- Operating Budget  
- Capital Budget  
- Long-Range Budget

Summary
CHAPTER 7
STAFF MANAGEMENT

Staff Requirements 173
    On-Site Staff 173
    Employees of the Management Firm 175
    Contractors 179
    Determining Adequate Staff Size 180

Hiring Qualified Personnel 181
    Recruiting Applicants 181
    Selecting Employees 185

Employee Onboarding 189

Retaining Valuable Employees 191
    Performance Appraisal Methods 191
    Compensation 192
    Federal Programs 194
    Communication 194
    Promoting Morale 195
    Continual Training 196
    Developing Talents 197

Employee Discipline 197
    Employment Policies 198
    Progressive Discipline 198

Employee Termination 200
    Facing a Layoff 200
    Dismissing an Employee 201

Employer Liability 203

Summary 205

CHAPTER 8
MARKETING THE PROPERTY

Marketing Properties 206
    Understanding the Market 207
    Developing a Marketing Program 208
    Offering Marketing Incentives 218
    Measuring Marketing Effectiveness 219
    Using Sales Techniques 222
    Approving a Prospect for Tenancy 226

Rental Collection 228
    Rent Due Date 228
## Managing Maintenance Work 281
- Staffing Choices 281
- Record Keeping 283
- Summary 286

### CHAPTER 11
**PROPERTY TYPES: RESIDENTIAL** 288

- Rental Housing 289
  - Rental Apartments 289
  - Government Assisted Housing 292
  - Senior Housing 295
  - Student Housing 297
  - Selecting Qualified Residents 297
  - Rental Agreement 306
- Common Interest Realty Associations 315
  - Condominiums 315
  - Cooperatives 318
  - Planned Unit Developments 319
  - The Role of Management 320
- Other Residential Property 323
  - Single-Family Homes 323
  - Manufactured Housing Communities 324
- Maintenance Issues 325
  - Unit Preparation 325
  - Residential Amenities 326
- Insurance Issues 328
  - Types of Insurance 328
  - Choice of Insurance Packages 330
- Summary 331

### CHAPTER 12
**PROPERTY TYPES: COMMERCIAL OFFICE BUILDINGS** 333

- Property Analysis 334
  - Class of Structure 334
  - Criterion for Classification 335
- Tenant Selection and Criteria 343
  - Business Reputation and Financial Status 343
  - Space Requirements 344
CHAPTER 13
PROPERTY TYPES: COMMERCIAL SHOPPING CENTERS 356

Property Analysis 357
   Malls 358
   Open-air Malls 259
   Trade Area Analysis 363
   Managing Shopping Centers 365
   Tenant Selection 366
   Retail Rent 370
   The Retail Lease 374
Other Commercial Property Types 380
   Industrial Properties 380
   Warehouses 381
   Lease Considerations 381
Marketing Commercial Space 382
   Prospecting for Tenants 382
   Marketing on Value 384
Insuring Commercial Properties 385
   Owner’s Insurance 386
   Tenant’s Insurance 387
Summary 388

GLOSSARY 390
INDEX 439