

Residential Resource

The Newsletter of the National Association of Residential Property Managers

May 2003

Highlights of this Issue!

President's Message	2
Fair Housing Corner	3
Convention Corner	4
Good or Great?	5
Ambassador Program	6
Scared to Death!	6
Computer Source	7
Welcome New NARPM Members	8
New Member Spotlight	10
Member Retention and Leadership Training: A Mission Impossible Possible	11
Chapter News	12
Membership Corner	12
Profitability of a Rental Property	13
Taking the Mystery Out Of "Completely Rational But Mysterious Candidacy" ...	15
New Business Abounds: It Pays to Have a NARPM Designation	16
NARPM Forms	16
Ten Ways to Save on Carpet Replacements	17
Certification Corner	18
2003 RMP®/MPM® Certification Classes	19



The Mission of NARPM is to support professional and ethical practices of rental home management through networking, education, and certification.

It's a Service Business...So Adopt a Servant's Attitude To Sell Superior Service

by Michael E. Nelson, RMP®

At Excalibur Home Management, LLC, we don't sell any products. We haven't built a better mousetrap, and the world is not beating a path to our door to get something that they can't get elsewhere. We provide a service to our clients. And our service is not brain surgery. Many of our clients could choose to perform these services for themselves. Our clients own rental property, and they pay us to find tenants and to manage the property for them. What we've learned is that when our clients are more satisfied we earn more money, which helps us attract more clients to pay us even more money. This has led us to develop a correlation between offering a superior level of service and enjoying a superior quality of life. I want to emphasize the difference between a "superior quality of life" and "more money." When we set our sights on being the best at what we do, then our job is no longer just a job — it becomes a career, which then becomes a passion as we strive to creatively become even better at what we do.

At Excalibur we keep in mind that the owner of the property is our "client," and the tenant in the property is our "customer." While we need to always remember that we represent our client, we don't want to be the adversary of either party. So how do we create a higher level of satisfaction among our clients? By providing them with good customers, also known as residents or tenants, who pay a market rent for the client's property and keep that property

in good condition. To find a good customer, and more importantly, to keep a good resident, we strive to offer a superior level of service.



One often hears property managers and other business owners talk about how their business depends on the many great features of the voice mail or auto-attendant system in their office. They describe how much more work they can accomplish because they are not being bothered by as many phone calls. At Excalibur, we believe that these phone calls are our work!

Avoiding or postponing such calls frequently turns smaller problems into larger ones. Think about the last time you called a service provider seeking the answer to a simple question or to place an order, and you spent unnecessary time wading through several minutes of voice mail prompts and menus. How did you feel? Have you ever become so frustrated that you didn't wait and took your business elsewhere? That's the question we need to be asking about every one of our systems, procedures, and policies. How would I feel if I were treated this way?

Mortgage companies give us a 15-day grace period within which we can make the mortgage payment without being assessed a late fee. This seems reasonable to me. Do your tenant's have any grace period within which to pay their rent? How would you feel if your mortgage company adopted the same policy that you have in your lease? (Excalibur offers a

continued on page 14

PRESIDENT'S MESSAGE

Aloha Kakou! (hello everyone)

This is an exciting time for NARPM because this year is our 15th anniversary. We're seeing phenomenal growth in membership, our strategic plan is progressing, we are educating members and the public, members are qualifying for designations, and leadership skills are growing. We are especially fortunate to have each and every one of you as a member.

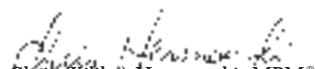
This is a particularly unique accomplishment despite the world circumstances that we are currently facing. We have dealt with war, economic challenges, uncertainty in the country, unemployment, and worldwide illnesses. All of these have affected us; we are finding properties harder to rent, our fees and incomes are down, traveling is harder and scarier, and many are facing an unknown future and do not know how to prepare for it.

I challenge all of you to be strong and steady. We need to provide hope. We need to be the source of this confidence and assurance. One place where I have found strength is in others – my friends and family. Friendships and relationships help us keep perspective on what we can control and how we interpret what is around us. We need to display this confidence to our coworkers, employees, vendors, clients, and tenants.

Our friendships in NARPM can be a positive and reassuring experience. This support is provided regularly through our chapter meetings, communicating with contacts in other areas, and attending regional and national gatherings. There is something very beneficial about connecting with someone who works in the same field as you. I am part of two chapters who have "chat groups" in the form of e-mails that are sent to everyone in the group. You can choose whether or not you want to participate in each e-mail. Groups like these are very helpful because they discuss procedural issues, legislative items, market conditions, and provide friendly support from your peers. I enjoy reading the comments and the camaraderie that goes on.

This brings me back to my message of hope — be confident, wish for continued peace, reach out to your friends and relations, value these things, and share positive thoughts with all that you come in contact with. I am honored to be associated with this strong group of professionals who share the ethics and principles I witness on a regular basis.

A hui hou, (until we meet again)


Chris (Kilikia) Hermanski, MPM®
2003 National President



NARPM President
Chris Hermanski

OFFICERS

Christopher Hermanski, MPM®
President
chris@mainlander.com
503/343-0141

Andrea Caldwell, MPM®
President-elect
Finance Chair
Bylaws Chair
agetto@aol.com
408/978-8100

Marc Banner, MPM®
Vice President
Convention Chair
mbanner@rentalsinboise.com
208/377-8889

Rose Thomas, MPM®
Treasurer
rose.thomas@pmpbiz.com
301/694-6900

Wendell Davis, MPM®
Secretary
Legislative Chair
wendell04@aol.com
904/737-2455

Michael Mengden, MPM®
Past President
Nominations Chair
mmengden@terraresidential.com
713/895-9966

DIRECTORS

Karen Hull, MPM®
khuill@prop-mgmt-experts.com
209/465-5000

Bill Jackson, RMP®
Education Chair
bill@protocolpropertymgmt.com
425/467-1436

Luke Kaufmann, MPM®
luke@partnersmgmt.com
404/876-8700

Jim Smith, RMP®
jimsmith@propmngt.com
512/255-7575

John Taylor, RMP®
Marketing Chair
jtaylor4767@aol.com
504/488-8988

Robert Winger, MPM®
robert@sacramento rentals.com
916/446-6663

COMMITTEE CHAIRS

Greg Fedro, RMP®
Certification Chair
greg.fedro@reca-realtors.com
512/345-9886

Betty Fletcher, MPM®
Membership Chair
betty@fletcherpm.com
501/907-7091

Dave Holt, MPM®
Long Range Planning Chair
rpmanagement@msn.com
612/379-7890

Harold Kalles, MPM®
Affiliates Chair
harold@kallesproperties.com
253/848-9393

Darryl Kazen, RMP®
Professional Standards Chair
dkazen@1stchoicepm.com
817/281-1300

Raymond Scarabosio, MPM®
Editorial Chair
landlordSF@aol.com
415/379-9035

NARPM HEADQUARTERS
P.O. Box 140647
Austin, TX 78714-0647
Exec. Director: Roy Bohrer
Exec. Assistant: Sherri Beck CPS

Tel: 800/782-3452
512/381-6091
Fax: 512/454-3036
E-mail: info@narpm.org
Internet: www.narpm.org

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Confessions of a Respondent, Part III of III

by Judy Cook

Thank you to the many NARPM members who responded to Part I of this series on HUD fair housing complaints. Your suggestions showed a variety of approaches to risk reduction in this area. Some really great thoughts came from your feedback.

WHAT TO DO AND NOT TO DO.

Wallace Gibson, MPM[®], recommends:

Never discuss the case with a HUD investigator or others during the complaint investigation process, unless your attorney is present.

Never refuse to discuss conciliation of the complaint, even if you have done nothing wrong. This is a good way to find out what the Complainant is thinking!

REMEMBER WHO THE HUD INVESTIGATORS WORK FOR.

If your insurance company provides an attorney for you, make sure that attorney is well versed in your state's fair housing law, as well as the federal law. Often times, you can choose your own attorney, subject to your insurance carrier's approval. (This assumes you actually have coverage for fair housing issues.)

PLAN ON A LONG BATTLE. LISTEN WELL. LEARN FROM THE EXPERIENCE.

Association Rules and Tenant Compliance

In the first part of this series, I told you that my experience with a HUD fair housing complaint resulted from my activities as a manager for a community association. We notified owners of all violations and fines levied against their units and did not assume jurisdiction over the tenants' activities. The governing documents held the owners directly responsible for all actions of their tenants and guests, and we were none too anxious to attempt to collect violation fines from tenants.

Most of you who responded to that article reported that you always send copies of rules violations to the tenants, as well as to the owners. Some of you collect tenant data for each unit rented in these associations. Many managers require proof from their owners that the tenants agree to the Rules and Regulations of the association as a contingency of their rental.

Check your own state's law for community associations. Every state is different. For example, some states' laws give the association the power to fine tenants and guests, as well as owners, for rules infractions. Collection might be an issue there, yes?

THE REST OF THE STORY.

Did you think I'd forgotten to tell you the rest of my own story? I'm happy to say that my own experience was not as harrowing as some of those related to me by other NARPM members. After about 6 months into the investigation, I was dropped from the claim. During that six-month period, many interviews were conducted here in Reno as part of the investigation process. The HUD investigator came from the San Francisco office numerous times, each time con-

ducting a different schedule of interviews. Many of those involved in the claim were interviewed more than once. It was ski season at Lake Tahoe.

My initial interview with the HUD investigator was an experience I'll never forget. I asked about conciliation twice during that interview. The investigator told me that it was not a part of the process yet — not until she recorded the results of the initial interview, and reported back to her client (the Complainant). I considered arguing that point, but thought better of it.

After my initial interview, I set about compiling my documentation. I produced copies of my management contract, the association's governing documents, and its meeting minutes. Through that documentation, I was able to prove that, as manager for the association, I carried out the lawful instructions of the board of directors and had no decision-making power whatsoever in any matters concerning the association.

LEARN FROM EXPERIENCE.

My story could have been much worse. Like the association's board members, I could have been involved in the claim for nearly two years and spent thousands of dollars in attorney's fees to clear myself of the allegations. The fact that my role was purely administrative in nature saved me from lengthy investigation. If there's anything to be learned from my story, it is this: (Association managers, please take note.)

- Get your role as manager clearly defined in your management agreement.
- Make sure you abide by the provisions of that agreement.
- See to it that your actions are reflected accurately in the association's meeting minutes.

NARPM members, thank you again for your feedback. Please keep it coming! What should we talk about next?

NARPM members, if you would like to submit questions or comments for discussion in an upcoming column of "Fair Housing Corner," please send your suggestions to judy@cookcompany.net. DISCLAIMER: Judy Cook is not an attorney, but a speaker and trainer in property management issues. This article is written from that perspective and is not to be construed as legal advice.



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Convention Corner



by Marc Banner, MPM®, 2003 Convention Committee Chair

This is an exciting time in the history of NARPM as we celebrate our 15th anniversary and take the National Convention to Hawaii!

BENEFITS OF ATTENDING CONVENTION:

- Network with other upward-bound NARPM members.
- Benefit from educational opportunities, with well-rounded workshop sessions and three nationally known general session speakers.
- Add one or more of the three RMP® Certification courses and one MPM® Certification course that will be held prior to and during the convention.

- Visit the Trade Show and network with the Affiliate Members who support our industry.
- Have fun and vacation as a very important part of this convention experience. NARPM is hosting a golf tournament on Monday, the President's Tour is on Tuesday, a full Hawaiian Luau on Wednesday night, and an authentic Beach Party on Friday night with bonfires, story telling, and entertainment (watch the sun set into the Pacific Ocean). There are many activities available to our members.

Because the convention is in Hawaii, it is imperative that you plan ahead and make travel arrangements early. To budget for this event, I suggest you book registration, hotel accommodations, and airfare in three stages: 1) Make hotel accommodations on or before May 15; 2) register for the convention on or before June 10; and 3) book airline tickets on or before August 1. Whether you use cash or credit card, this technique will spread the payment requirements over a four-month period rather than making a payment as one lump sum.

Thank you for being involved in the excitement of NARPM! Without you there is no "us." I look forward to seeing you in September.

Marc Banner, MPM®, is the broker/president of Realty Management Associates, Inc., in Boise, ID. Marc currently serves on the NARPM National board of directors and is the 2003 Convention Committee chair.

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Good or Great?

by Suzanne Reeder, MPM®

For those of you who have read the book *Good to Great* you know that good is the enemy of great. The first chapter in that book gave me a lot to think about. I had never thought about “just being good” as an incurable disease. The more I thought about it, the more profound I realized the concept is. Can a residential property manager be good at his/her job without earning a designation? Of course he/she can. But the real question is, is good — good enough? Can he/she be *great* at his/her job and have a *great* company without attaining NARPM’s RMP®, MPM®, and CRMC® designations?

WHAT DOES HAVING A DESIGNATION SAY ABOUT A PROPERTY MANAGER?

- You are educated.
- You are skilled.
- You are experienced.
- You are a professional.
- You are dedicated to your career.
- You are willing to invest in your future.
- You can be trusted to do a good job!

WHAT DOES HAVING A DESIGNATION SAY ABOUT A COMPANY?

- The company has competent staff.
- The company is organized.
- The company is ethical and trustworthy.
- The company has made a goal to be its best.
- The company has a plan and knows where it is going.
- The company has the potential for Greatness!

How do property managers convince their clients and customers that they have the above attributes to obtain new business without having individual and company designations? How do property managers instill confidence and prove leadership when difficult situations arise without a designation behind their name and their company’s name?

According to the statistical data in *Good to Great* it was determined the great companies all had what was referred to as the “Level 5 Leaders.” These leaders were actually modest and reserved, with a blend of personal humility and professional will. They were able to channel their needs away from themselves and direct their ambition toward a larger goal of building their company. The Level 5 Leaders had the distinctive ability to develop a strong determination to do whatever was needed to make their company *great*. Interestingly the statistics also proved that almost always the *great* companies with Level 5 Leaders evolved within their company rather than being hired from the outside. As members of NARPM, we all have this unique opportunity to grow into Level 5 Leaders with the Residential Management Professional, RMP®, and Master Property Manager, MPM®, designations. Just as important, thanks to NARPM’s foresight in creating the Certified Residential Management Company, CRMC®, designation, we also have the opportunity to attain *greatness* for our company once we earn an MPM® designation.

Because the designation program requires completion of NARPM – approved coursework, education is an intricate part of the process. Education and certification are so interlinked; I cannot talk about one without talking about the other. Luckily, thanks to the hard work of NARPM’s Education Committee, our companies have the potential for *greatness* because of the quality of courses required for earning a designation. Our certification courses teach many of the standards the

great companies in the book possess. They help us to understand what we shouldn’t do and what we need to stop doing as much as what we can do. We learn how to hire the right people to fill our bus, which seats to put them in, and when to get someone off the bus. We learn that *who* comes before *what* because motivation is never an issue with the right people. We learn ways to identify our passion, confront the brutal facts of our current reality, and build a culture of discipline with simplicity. When we participate in the designation process we learn how to minimize our risk at work, reduce our stress, and increase our faith in what we are doing – which ultimately increases our chances for *greatness*.

All *great* companies and organizations have a Hedgehog Concept they understand and follow (you’ll have to read the book if you don’t know what this is). The Certification Committee’s Hedgehog Concept is a successful Designation Mentor Program created to assist our members once they apply for a designation. The mentor is available to answer questions, suggest options for meeting qualifications, share their designation binder as an example, and remind the future designee of upcoming deadlines. This worthwhile program assures any candidate who applies for a designation he/she will complete the process.

In all fairness to the book, much of what makes *greatness* in a leader and a company is creating a culture of discipline; disciplined people, disciplined thought, and disciplined action. For NARPM the goal is to get the self-disciplined people on the bus in the first place. In this case, it’s promoting the value of earning designations to the NARPM members who have not yet gotten on the bus and belong there. Because when we encourage property managers to earn designations we are setting up successors for success. We are growing leaders for our companies, our organization, and our industry. If you don’t have a designation, what are you waiting for? Do you want to be good or *great*?

Suzanne Reeder, MPM®, from *Around the Clock, Inc.* in Kent WA is a former NARPM National Director and one of the King County Chapter founding members.





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Ambassador Program

February 2003 New Members

New Member

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 Kyle Gray
 Jane Hatfield
 Diana Wright
 Helen Harrison
 David Hillman
 Catherine Hillman
 Laurie Doyle
 Tammi Altmaier
 Ronald Dickerson
 Ben Gates
 Marshall Gates
 Carla Payne
 F. Marie Swigard
 Patricia St. Pierre
 Christina Nelson
 David Malone
 Lizabeth Stecklein
 Ashley Durbin
 Kathy Janes
 Mark Bieber
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 Esmeralda Sher
 Colin De Castro
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 Kathleen Luhrs
 Tonuya Hubbard
 Donna Rhoades
 Cathy Werner
 Merilynn Foss
 Revis Flowers
 Gwen Eldridge
 Chad Slagle
 Sherrie Thompson
 Robert Lynde
 Chris Warren
 Peter Langer
 Roxanne Mikolon
 Christina Custer

Ambassador Member

Simon Chen
 Kathleen Elkins
 Tommie J. Rogers
 Susan Toribiong
 Susan Toribiong
 Susan Toribiong
 Rawley Harrison
 Catherine M. Hillman
 David Hillman
 Jim Smith, RMP®
 Maria Trunkenbolz
 Maria Trunkenbolz
 Maria Trunkenbolz
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 Joe A. Collier
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 Marla Webb
 Melissa Prandi, MPM®
 Phillip Wendling
 Phillip Wendling
 Trudy Hoff
 Pamela Lundt
 Mildred Paulsen, MPM®
 Cathy Pellettieri
 Judy Rose
 Lonnie Warner
 Jerry Asbjornsen, RMP®, GRI
 James Bigham, RMP®
 Elizabeth Morgan, MPM®
 Melissa Prandi, MPM®
 Cindy Van Mater, MPM®

We had 42 new members who were introduced to NARPM through the Ambassador Program. Maria Trunkenbolz has earned her Ambassador certificate with six members in one month — WOW!

Ambassador Program



The Ambassador Program was designed a few years ago to reward our current members for referring new members to our organization. Who better to spread the word of the benefits of NARPM than its members? If you refer five new members in one year, you will receive an award certificate that may be used toward your next year's dues or for events

for the coming year. When you achieve ambassador status and receive your \$195 NARPM credit, it can be used towards your annual dues or apply it towards the 2003 Hawaii Convention Registration. It's flexible! Just follow the simple steps outlined here:

- ★ Call NARPM Headquarters at 800/782-3452, and request membership application forms. Headquarters, upon request, will mail the application directly to the prospective member but will not fill in the "referred by" line.
- ★ The 12-month membership period for the five new members starts the day your first new membership application is approved by headquarters.
- ★ When Headquarters receives the fifth new membership, an Award Certificate will be issued and dated. A Recognition Certificate will also be issued, and you, as the "Ambassador," will be recognized in the *Residential Resource*.
- ★ The Award Certificate can be used to pay NARPM annual dues, or like amount can be applied toward National Convention.
- ★ It must be used in full at the time of use and attached to your dues or registration for Convention. The value of the Award Certificate is equal to what the national dues were at the time the Award Certificate was issued. It also must be used within 12 months of the issue date.
- ★ A member can earn more than one Award Certificate per 12-month period.

MEMBERSHIP CORNER



Working to further the goals of NARPM during the recent membership retreat in Little Rock, AR were (front row) Rick Newman; Melissa Prandi, MPM®; Andrea Caldwell, MPM®; Audrey Cooper, RMP®; Steve Hendrich and Mike Anderson; (back row) Lawanda Corbett, RMP®, Betty Fletcher, MPM®; Jill Boles, RMP® and Luke Kaufmann, MPM®.

The War of the PDAs — Palm Pilot versus Pocket PC

by Mike Anderson

In the property management world, most of us have experienced the benefit of carrying our data around with us. In the last few years, Personal Digital Assistants (PDAs), have become a part of our lives. With new industry tools that allow us to synchronize our listings and photos, owner profiles and tenant profiles, and vendor contact information, it only makes sense to make a PDA a part of our lives.

In the old days (way back in 2000), the Palm OS PDA was the choice of business professionals. Its almost universal compatibility, fast speed, rugged durability, and ability to synchronize with our PC made it an ideal solution. The Palm did everything we wanted, did it reasonably well, and did it without requiring us to possess a rocket science degree.

More recently, the Pocket PC was introduced. Many traded in their Palm for a Pocket PC. The Pocket PC came with the promise of better integration with Windows. Since so many people use Windows, it seems to make sense to use a Pocket PC.

However, things are not always as they seem. Pocket PC users complain their PDAs are slow, cumbersome, prone to problems, and expensive. Palm users tout the fact that their units can synchronize with Outlook, Word, and Excel, so there is no need for the Pocket PC. Who is telling the truth?

The fact is they both are. Each has its advantages and its disadvantages. Your choice of PDA depends largely on your individual needs.

Palm OS enjoys the honor of having the largest base of PDAs nationwide. This means that more people use a Palm than any other PDA. With a large user base come a number of benefits: more software, more friends to help you use your PDA, and easy availability of units and replacement parts. Palm also has a large open source developer network. This means you are more likely to get the software you want, for a price you can afford, if you have a Palm OS PDA. Palms also use less memory and process faster than an equivalent Pocket PC.

Because of the 'bloat' inherent in anything Microsoft produces, the Pocket PC requires more processing power and more memory than its Palm counterpart. This makes it more expensive. It also means you'll run out of 'horsepower' much sooner, and you'll never be able to go as fast as your friend with the Palm. However, the Pocket PC is indeed much more like Windows, which most of us are used to. In many cases, it supports Pocket versions of the applications we use every day. These Pocket versions look and act much like the real McCoy. Thus, if your mobile mission is to edit Word documents, the Pocket PC will work much more like what you're used to. For many, familiar applications are preferred over inexpensive and diverse applications.

For a number of reasons, the Palm OS is more likely to be embedded in future handheld appliances than the Pocket PC OS. Tomorrow's smart watches, radios, phones, cameras, handheld

games, and the like are probably going to be introduced as Palm compatible or Linux devices. Does this matter? Only if you want to be able to autodial your cell phone from your Palm Pilot, or import digital camera photos into your Palm address book. And while Palm may emerge as the mobile OS leader, data formats are becoming more standardized. In the future, every mobile device may speak each other's language with equal fluency.

While PDA screens vary significantly in quality and color, Pocket PCs tend to have the better ones. Palms offer lower resolution, and often less (or no) color. You pay for a high quality screen, though, in both the cost of the unit and battery life. You'll find yourself recharging your Pocket PC much more frequently than your Palm Pilot.

The Pocket PC has a big advantage in multimedia. With support for Windows sound and video formats, it stands above anything the Palm currently offers. This means you can use your Pocket PC to listen to the latest Top 40 on the .65 inch monotone speaker and watch silver screen classics on the four-inch display. Talk about a heightened experience of sight and sound! If you are in an industry that relies on multimedia, there are benefits to the Pocket PC. In real estate, we're not quite there yet.

If you're looking for security, the Palm Pilot wins. Its built in applications provide a certain level of intrinsic security. Its platform is more suited for secure communications and connections with other devices. Enterprise customers whose field personnel require secure data find the Palm Pilot is their only choice. Additionally, with the vast majority of viruses written to run on Windows, a Pocket PC is more prone to virus attacks.

So who wins? Most experts would agree on a tie. Each system has its advantages and disadvantages. The most suitable system for you depends on your needs and desires. If you want a laptop computer you can fit in your hand, go with the Pocket PC. If you want a remote information tool that is quick, cheap, flexible, and ubiquitous, choose the Palm. The feature balance is so close that neither can declare victory at this time.

A year from now, or maybe two, we'll have a better idea of which platform will win. Microsoft went through six versions of its OS during the time Palm underwent two revisions. If sheer "do-overs" result in a good final product, we may see the Pocket PC win. But if the world continues its trend toward Linux, open source, and antimonopolization, the Palm just might emerge victorious. By the time this battle is settled, your current PDA will be obsolete, so don't let any of what we've discussed keep you from buying the PDA of your choice today!

Mike Anderson of HomeRentals.net prepares this column. If you have a question you would like answered, e-mail him at mike@homerentals.net.

NEW MEMBERS

Welcome new NARPM members! The following is a list of new members who joined NARPM from March 1 to March 31, 2003.

Mark Bieber
Compass Property Management
7512 Stanich Avenue #5
Gig Harbor, WA 98335
253/851-6060

Misty Biggs
Century 21 Academy Realty
Concepts, Inc.
4760 Flintridge Drive, Ste. 121
Colorado Springs, CO 80918
719/574-5000

Kevin Bolin
Re/Max Advanced Inc.
1018 Center Avenue
Fort Collins, CO 80526
970/221-5995

Edward Chuang
The Century Pacific Group, Inc.
1260 Veteran Avenue, Ste. 202
Los Angeles, CA 90024
866/274-4600

Chantal Davis
Coldwell Banker
5971 Cattleridge Blvd., Ste. 202
Sarasota, FL 34232
941/378-8211

Colin De Castro
Brink Property Management
11555 SE 8th Street #130
Bellevue, WA 98004
425/458-4848

Brandi Devitt
Landmark Real Estate
Management
909 Lakeway Drive, Ste. 204
Bellingham, WA 98229
360/738-1022

Ronald Dickerson
R.W. Dickerson Management &
Company Inc.
3812 North Monroe Street
Spokane, WA 99205
509/327-0136

Laurie Doyle
The Property Management
Company
PO Box 305
Round Rock, TX 78680-0305
512/255-7575

Ashley Durbin
Bryan, Ward and Elmore Inc.
900 Woodland Street
Nashville, TN 37206
615/262-0441

Gwen Eldridge
Windermere Property
Management South
13106 SE 240th Street, Ste. 103
Kent, WA 98031
253/638-9811

Revis Flowers
M&M Realty Property
Management Inc.
1599 Placida Road
Englewood, FL 34224
941/473-9616

Marilynn Foss
Foss Management Service
PO Box 2995
Missoula, MT 59806-2995
406/728-9410 x140

Bev Gates
Gates Realty, Inc.
1226 W 5th Avenue
Spokane, WA 99204-3124
509/838-5823

Marshall Gates
Gates Realty, Inc.
1226 W 5th Avenue
Spokane, WA 99204-3124
509/838-5823

Kyle Gray
Emerald Property Management
637 B Street
Springfield, OR 97477
541/741-4676

Deidre Graybill
Century 21 American Homes, Inc.
5120 Curry Ford Road
Orlando, FL 32812
407/275-7100

David Hanson
Acton Management Services
5738 Missouri Avenue
New Port Richey, FL 34652
727/845-5020

John Harris
Windermere Real Estate/Center-
Isle, Inc.
5 S Main
PO Box 610
Coupeville, WA 98239
360/678-5858

Jon Harris
Watson Management
Company, Inc.
2127 N Monroe
Spokane, WA 99205-4544
509/325-2127

Helen Harrison
Watson Management
Company, Inc.
2127 N Monroe
Spokane, WA 99205-4544
509/325-2127

Rawley Harrison
Watson Management
Company, Inc.
2127 N Monroe
Spokane, WA 99205-4544
509-325-2127

Jane Hatfield
Ready Property Management
350 S 8th Street
Coos Bay, OR 97420
541/269-1912

Catherine Hillman
Cascade Properties
320 W Spofford
Spokane, WA 99205
509/325-3950

David Hillman
Cascade Properties
320 W Spofford
Spokane, WA 99205
509/325-3950

Heather Howlett
Bigfork Rental Agency
7573 Mt. Highway 35
Bigfork, MT 59911
406/837-6424

Tonuya Hubbard
Koetje Agency Inc. Property
Management
775 NE Midway Blvd.
Oak Harbor, WA 98277
360/675-2271

Kathy Janes
Bryan, Ward and Elmore Inc.
900 Woodland Street
Nashville, TN 37206
615/262-0441

Lynda Kelly
Bayside Property Management
& RE Corp.
7402 Bay Drive
Tampa, FL 33635
813/891-9344

Laurence Kirchner
Cape Sunset Realty, Inc.
1616 W Cape Coral Parkway
Ste. #114
Cape Coral, FL 33914
239/945-3222

Stevell Klausmann
Integrity Property
Management, Inc.
3819 100th Street SW #8B-2
Lakewood, WA 98499
253/582-2285

Peter Langer
LSI Real Estate Services
3380 Tampa Road
Palm Harbor, FL 34684
727/786-7368

Adona Lowery
Slater Realtors
11870 Wurzbach
San Antonio, TX 78230
210/493-1733

Kathleen Luhrs
L & L Property Management
215 Caledonia Street, Ste. 4
Sausalito, CA 94965
415/339-2000

Robert Lynde
Asbjornsen Realty, Inc.
5527 N Union Blvd., Ste. 203
Colorado Springs, CO 80918
719/531-0500

NEW MEMBERS (Continued)

David Malone
Tighe & Associates, Inc.
1125 Kelly Johnson Blvd.,
Ste. 302
Colorado Springs, CO 80920
719/533-1111

Teresa McLellan
Realty Masters of Florida
4750 N 9th Avenue
Pensacola, FL 32503-2465
850/473-3983

Sandra Merritt
Montgomery Realtors
1388 Country Club Road
Gulf Breeze, FL 32563
850/932-5535

Christina Nelson
Townsend Bay Property
Management
425 Washington Street
Port Townsend, WA 98368
360/385-3896

Carla Payne
Landlords Ink Company
9360 N Government Way,
Ste. 1A
Hayden, ID 83835
208/762-0765

Donna Rhoades
Koetje Agency Inc. Property
Management
775 NE Midway Blvd.
Oak Harbor, WA 98277
360/675-2271

Alan Sheehy
Apollo Realty, LLC
9440 Midland Blvd.
St. Louis, MO 63114
314/397-2800

Esmeralda Sher
Prandi Property Management
1321 Third Street
San Rafael, CA 94901
415/482-9988

Chad Slagle
Morris Property
Management, Inc.
413 Welshwood Drive
Nashville, TN 37211
615/833-5117

Javier Solis
Pueblo Property Management
2924 Fulton Street
Brooklyn, NY 11207
718/348-0122

Patricia St. Pierre
Homestead Realty
4124 Town Center Blvd.
Orlando, FL 32837
407/855-2222

Lizabeth Stecklein
Master Plan Management
2619 W 6th, Ste. A
Lawrence, KS 66049
785/841-4935

John Tait
Blackwood Management, Inc.
150 Olde Greenwich Drive,
Ste. K
Fredericksburg, VA
22408-4063
541/710-6723

Sherrie Thompson
Weaver Properties, LLC
PO Box 7052
Missoula, MT 59807
406/251-8110

Chris Warren
Chris Warren Realty
PO Box 1735
Cedar Park, TX 78630
512/257-9836

Cathy Werner
Re/Max American Dream
2613 Gunpowder Farms Rd.
Fallston, MD 21047
410/529-7900

Diana Wright
Raintree Management, Inc.
1299 NW Ellan, Ste. 2
Roseburg, OR 97470
541/677-0299

AFFILIATE MEMBER

David Borden
RentClicks.com
322 S Cascade Avenue
Colorado Springs, CO 80903
888/501-7368

SUPPORT STAFF

Tammi Altmaier
Landlords Ink Company
9360 N Government Way,
Ste. 1A
Hayden, ID 83835
208/762-0765

Christina Custer
Horizon Realty
357-359 W Patrick Street
Frederick, MD 21701
301/694-3747

Jorja Farnham
Homevest Management Inc.
1300 E Michigan Street
Orlando, FL 32806
407/897-5400

Roxanne Mikolon
Prandi Property Management
1321 Third Street
San Rafael, CA 94901
415/482-9988 x212

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For more affiliate information, please
visit the NARPM Web site
www.narpm.org.

New Member Spotlight



by Stephanie Howell

Ed Chuang and Simon Chen of the newly formed Century Pacific Group (CPG) of Los Angeles are new NARPM members. Both men were very hard to pin down for this interview. Sound like any one you know?

Ed and Simon are diversified investors who wanted to bring a fresh approach to property management by managing real estate investments with an emphasis on applying proactive and profitable portfolio management strategies. Their strategy is to

identify each owner's specific financial goals to maximize the return on investment for his/her overall portfolio. Their broad knowledge of investing and the application of that knowledge to property management is the key to their success.

Chuang and Chen bring to the company a range of skills from different backgrounds. Ed has extensive executive and hands-on marketing experience, and Simon has worked as a successful investment banking and sales executive. They feel that their backgrounds as executives in Fortune 50 and Big 5 consulting companies complement their real estate backgrounds and provides broader business expertise, thus enabling them to provide new levels of property management services. They plan to utilize the support system that NARPM provides to its fullest. According to Ed, they believe that NARPM will be a big asset to their company, "I like the people, resources, and the education it provides our firm." CPG had also joined CAR and the Apartment Association of Greater Los Angeles.

If you would like to learn more about this up-and-coming company, please visit their Web site: www.centurypacificgroup.com.

Stephanie Howells is president of Howells Property Management, Inc., in Beaverton, OR.

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Member Retention and Leadership Training: A Mission ^{Possible} ~~Impossible~~

by Betty Fletcher, MPM®, NARPM Membership Chair 2003

NARPM Agent, welcome to your Objective 2 briefing.

These are property managers whose portfolios include single-family homes. If required by their state laws, they also hold a real estate license. They are easy to spot. Even in a crowd of other property managers, they are alone...not yet realizing that fellow property managers can actually be their colleagues not their competitors. They are left to their own devices, seeking out solutions to their particular market.

Objective 1 of your mission was to FIND your prospects. With the successful completion of Objective 1 you now have a list of qualified prospects. You are ready to begin Objective 2 — INVITE them to a meeting. Get Personal with your prospect. Share with your prospect what initially attracted you to NARPM.



- Was it the opportunity to obtain quality industry-specific education? The RMP® and MPM® courses were, after all, written by the top leaders in our industry. While each class is absolutely loaded with useful information, there is also a great education to be had from your fellow students.
- Perhaps you were attracted to the designations available. Achieving the RMP® and MPM® designations elevates you in your marketplace. It attests to your determination to strive for excellence in all you do. And what property owner does not want a manager who strives for excellence to manage their property?
- Perhaps it was the opportunity to network with property managers from all across the country, any and all of whom would gladly share their success methods with you. It is a safe bet that you will find a NARPM member who has faced and overcome the same challenge you are now facing in your business.
- Perhaps it was the opportunity to improve your leadership abilities. The recent Leadership Conference in Austin, TX, was packed with sessions to improve your leadership skills. Another great method is to participate in or chair a national committee. Not only do you get to hone your leadership skills but you also get an opportunity to shape the future of NARPM and our industry.
- Perhaps it was the opportunity to travel to beautiful and exotic locations for convention. The 15th Annual National Convention is in Hawaii this year. Talk about your opportunity to travel to beautiful and exotic locations!
- Perhaps it was the concept that NARPM members are colleagues not competitors. What a great concept! Perpetuate the concept by introducing each prospect to your NARPM colleagues and by being willing to share your experiences with others.

Get Personal and share your initial attraction to NARPM with your prospect. Let *your* excitement be contagious. Explain why *you* continue to renew your membership each year and why *you* would never think of missing a meeting or event. There are as many individual attractions as there are individual NARPM members.

In the interest of NARPM national security this not-so-top-secret information will be presented in a series of articles. Skipping ahead is allowed on a Need-to-Know-Sooner basis. If you Need-to-Know-Sooner — your contact at Mission Control is Betty Fletcher, MPM® (AKA Membership Chair). You can drop her a dime at 501/907-7091 ext 101 or a line at Betty@FletcherPM.com. This series of articles will contain vital information to help you succeed in your assigned mission.

Please note: The articles in this series will *not* self-destruct in 15 seconds — so keep them around for future reference! Collect them all.

And last but not least — remember the successful completion of your mission times five will reward you with free NARPM dues or discounted national event registration, not to mention your five new NARPM friends.

Here's to *your* successful mission.

Mission Control,

Betty Fletcher, MPM®, is owner and principal broker of Fletcher Property Management, Inc in Little Rock, Arkansas. She is the founding President of the Central Arkansas Chapter of NARPM. On the national level, Betty serves as Chair of the 2003 Membership Committee.

Contribute to the Residential Resource

<u>Issue Date</u>	<u>Submission Due Date</u>
July	May 15, 2003
August	June 15, 2003
September/October	July 15, 2003
November	August 15, 2003
December	October 15, 2003

If you are interested in writing an article, please e-mail an attachment of your article in Word or text format to Jessica Jacobs jjacobs@assn mgmt.com or send her a Word or text file on 3-1/2" diskette to P.O. Box 140647, Austin, TX 78714-0647. All articles are subject to editing and approval of subject matter.

CHAPTER NEWS

SANTA CLARA COUNTY CHAPTER CELEBRATES 10 YEARS!

Rocky Maxwell, deceased, was one of the original 13 property managers that started NARPM and had a dream of property managers sharing and learning together. He was responsible for starting several chapters and recruiting (arm-twisting) several members to take on additional responsibilities on the national board and committees. Of course, one of the first chapters-in-formation was in San Jose where he lived. The chapter started out in the back room of a local restaurant with about seven members meeting around a table for breakfast. They sat around the table and picked which positions they would like to have on the board. Instead of taking a leadership position, Rocky sat back and let all the other members take on the leadership positions. He supported everyone, was available for questions, and was always available to help the others with property management questions as well. While Rocky was serving at the national level, the local property managers were also busy building a thriving chapter. In 2001, the Santa Clara Chapter was awarded Chapter of the Year. The spirit of cooperation has continued in the chapter to this day. Now, with close to 40 members plus 30 affiliates, we still call one another for help. We share forms, problems (oops, resolutions), DRE audit experiences, and vendors. We continue to share and learn together, just as Rocky and those 12 other property managers dreamed we would do so many years ago.

In May, we are celebrating not only past presidents, but our 10-year anniversary of official Chapter status. Over the years, we have become friends, supporting each other and coming to the aid of one another when needed. We've helped refurbish houses for a non-profit organization, donated our time and money to those in need, and provided education classes for our peers. Thank you, NARPM for providing the frame work for our chapter and helping us to become better property managers.

AN EXCELLENT IMPROMPTU CHAPTER PROGRAM

by Mary Tungsvik, MPM®

We discovered quite by accident last year that a program on designations can be both motivational and interesting to chapter members.

It was one of those extremely busy property management days when everything that could happen *did*. The phone rang and a frantic voice on the other end of the line informed us that the speaker scheduled for the next day's chapter meeting was ill and could not make it. Could we come up with a program?

Our office had just received the coveted CRMC® designation, so we decided that the subject of designations might be of interest to most members. Since we have three MPM®s and one MPM® candidate in our office, we had the subject pretty well covered.

Linda Bryan, MPM®, began the program by going over the checklist of requirements for the RMP® designation. Mary Tungsvik, MPM®, then described the requirements for the MPM® designation. They both showed their designation binders and the beautiful plaques they had received. Suzanne Reeder, MPM®, and broker of Around The Clock, Inc., in Kent, WA, then gave a detailed description of the requirements necessary to earn the CRMC® designation.

Suzanne brought a copy of the Policy and Procedure Manual and Employee Handbook and outlines of both to distribute as handouts. She also brought the very distinctive CRMC® plaque from our office.

Many property managers indicated they were giving serious consideration to obtaining a designation, and judging by the many questions and answers and interest in the items that had been brought for "show and tell," it was indeed an excellent impromptu chapter program.

Scared to Death!

by Ed Hirsch

Does your heart ever beat so fast and hard that you feel you may die? When this happens, (and it happens to me) it motivates and forces decisions (and action).

It may be fear, or it might just be some raw excitement. In either case, it is not a bad thing.

Moving toward your goals, dreams, and highest aspirations requires a constant confrontation with the truth! The truth is YOUR deepest beliefs and personal intentions. Whatever it is you think is your purpose in life, my encouragement is to "do it."

My first "mentor" wrote "DO IT" and that was all...when I went up after the seminar to get his signature in the Freedom Planner I purchased from his TV infomercial.

Walking the walk of a person driven by some unexplainable vision will necessitate action that causes you to do things that the "average bear" does not normally do.

Our endeavors need not be taken on haphazardly. In fact, the discipline of planning and totally thinking through the intention and the respective carrying out of it, must be done responsibly. Many "driv-

en" people have failed miserably in business and life by simply leaving out the leg work to research their plans fully.

Make the decision, take the action, and carry it out. Get *scared*...it is a great indication that you are making progress in the changes necessary to achieve the intended result.

"No Pain, No Gain," "No Guts, No Glory," "You'll always miss 100% of the shots you don't take," "No Drilling, No Oil" (I made the last one up ;-).

I am practically scared to death each morning I arise. The "things to be done" each day require ongoing commitment to stay consistent and persistent. It is not a negative state...it is damn exciting! As each day moves forward, the fear does *not* decrease.

Fight the good fight, and look the fear directly in the eye to continually spook it out of the mind.

Being scared to death is a sure sign that you are ready to make the next step toward your chosen success. My encouragement to you is that if this is the case in your life... "do it!"

Contributed by Ed Hirsch. Send e-mail to: fourthwave@earthlink.net

Profitability of a Rental Property

by Arthur Kowitz

How do you measure the profitability of a rental property? Seat of the pants? Cash in or out of your pocket each month? Or with real numbers considering all factors.

Here is a tried and true comprehensive form to help with your analysis. This tool is useful in maximizing profitability, analyzing a property's performance to an owner.

My company has clients (including myself) who have continued to acquire real estate because they have seen how the combined result of these factors has made a profit for them. As we can see, profit is more than just cash flow and must be analyzed in an objective manner to measure and, more importantly, to be improved.

This tried and true form is a detailed extension of the basic formula: Profit - investment = yield.

When the dynamics of the financial exercise are understood, its adaptation onto a computer-generated spreadsheet gives us the ability to make changes one or more at a time and quickly see the results.

Sometimes a change in financing will transform a loser into a winner without changing the day-to-day operation of the property at all. Or maybe capital improvement will drive revenue up to more than cover the expenses and increase (or restore) profitability.

I have two kinds of property management clients; one is the owner who was thrust into the position of landlord by circumstances, such as relocation or death in the family. The other has acquired real estate on purpose, in order to make a profit. The more profitable the endeavor, the greater opportunity we have to sell that loyal client more rentals, raising our company sales fees, and increasing our rental inventory. On occasion, an owner from the first group is pleasantly surprised by the profitability and shifts to the second mentioned group.

Real estate profit can be gained in four separate ways, each one valid, measurable, and spendable.

1. **Tax shelter for other earnings** — "A penny saved is a penny earned"
2. **Mortgage reductions** — paying the principal of a loan down increases net worth via equity can be converted to cash through selling the property or refinancing.
3. **Cash Flow** — money received less expenses.
4. **Appreciation** — increased value of all debt services. The property also increases net worth and equity.

Profitability Analysis Form

Property Cost

- Down Payment\$ _____
 = Amount Financed.....\$ _____
 Interest Rate\$ _____ %
 Term\$ _____
 Payment\$ _____

Operating Expenses

+ Taxes\$ _____
 + Insurance\$ _____
 + Management Fees\$ _____
 + Repairs.....\$ _____
 + Yard\$ _____
 + Reserves.....\$ _____
 ÷ Operating Expenses\$ _____
 - Gross Income.....\$ _____
 = Expense Ratio.....\$ _____ %

Gross Annual Income\$ _____
 - Operating Expenses\$ _____
 = Net Operating Income\$ _____
 - Debt Services\$ _____
 + Cash Flow\$ _____
 + Principal Add-Back.....\$ _____
 = Taxable Income
 Before Depreciation\$ _____
 Depreciation\$ _____
 = Profit / Loss\$ _____
 x Tax Bracket\$ _____ %
 = Tax Shelter

Other Earnings.....\$ _____
 + Mortgage Reduction\$ _____
 + Cash Flow\$ _____
 + Appreciation\$ _____
 = Return on Investment\$ _____
 ÷ Cash Invested\$ _____ %

It's a Service Business

continued from page 1

five-day grace period to the resident). How about maintenance requests? Is your "policy" that all maintenance requests must be in writing and must be faxed or mailed to the office? If you were living in a rental house, and you didn't have a fax machine at home, would you want to wait for your letter to be received, or would you want to drive somewhere so you could fax in or drop off your maintenance request?

Excalibur fully believes in using technology, and we adopt and enforce appropriate policies and procedures to properly perform our duties. We have a voice mail system to handle calls after hours and when no one is available to take an incoming call. We offer direct deposit and auto-debit to our clients and customers. We offer our clients the ability to connect to our system remotely to review and print statements and invoices for their properties. Residents can make maintenance requests by phone (including 24-hour emergency response), fax, or e-mail. We offer to waive one late fee for residents during their occupancy. However, our policies, procedures, and technology are geared toward improving our service, not avoiding it.

As property managers we have a significant amount of power in the landlord/tenant relationship. If we misuse that power by always dealing from a position of strength, for example, "that's the deal, take it or leave it," then many of our best customers will choose to move to what they think will be a better opportunity (away from you and your

client). In our market we estimate it costs an owner the equivalent of about three months rent to replace a tenant. These costs are a combination of vacancy, turn key expenses, and fees to the property manager. We have found that if we treat the tenant with a great deal of respect, make only nominal increases in rent, and provide quick responses to their requests for service, the customer will stay for a longer period of time. Do the math. Would your client rather have a \$3,000 turnover expense every two years or every four years? When you choose whether or not to waive a \$100 late fee, which is in your client's best interest? Is it waiving the \$100 late fee and keeping the tenant or assessing the fee and losing the tenant? You have the power to enforce the late fee. But do you have the judgment and the wisdom to wield your power appropriately?

At Excalibur we often elect to effectively swallow our pride on these occasions by adopting a servant's attitude to create and build better relationships between our customers and our clients. We try not to focus on whether or not we are "right." We focus on "what is in our client's best interests." In the long run, these stronger relationships translate into less stress and more profit. NARPM members sell service ...go sell superior service!

Michael E. Nelson is the president and managing broker of Excalibur Group, LLC, formed in 1985, which today manages 753 rental homes in the Metro Atlanta area. He is a Graduate of the Realtors Institute (GRI) and president of the Atlanta NARPM chapter. Mike lives in Cumming, GA, with his wife Mary and their three sons. After serving for 13 years as a pilot in the Army National Guard, Mike now spends his free time helping to coach his son's wrestling team and volunteering with Younglife Ministries, which reaches out to high school kids across America.

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NARPM

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Taking the Mystery Out of “Completely Rational But Mysterious Candidacy” (CRMC®) Requirements

by Greg A. Fedro, RMP®, NARPM Certification Chair 2003

The Certified Residential Management Company (CRMC®) designation is the only designation that NARPM grants to property management companies. Member firms are encouraged to apply for this distinction once individual members of the firm have achieved their MPM® designations. Because the CRMC® is also our newest designation, less is known by the membership about the requirements and the program itself than about the RMP®/MPM® programs.

The mission of the Certification Committee is to show our MPM®s that earning the CRMC® is an attainable goal, and that the requirements, while being very thorough, are ones that we all want to include in operating our firms.

The overall CRMC® program parallels that of the RMP® and MPM® programs. CRMC® applicants must submit an Application for Candidacy with a \$500 application fee. At that time, the candidate will be sent a CRMC® Audit Checklist and be assigned a CRMC® mentor to serve as a mentor and coach to the candidate.

When the applicant has met all of the requirements of the Checklist and is ready for audit, the candidate must contact NARPM to make a formal request for auditor assignment — this should be at least three to six months prior to Convention in order to allow enough time for all the steps involved in the audit and approval process. The firm must also provide proof that it has 500 management years of experience. The CRMC® candidate has the right to preemptorily challenge up to three assigned auditors; the auditor chosen must not be in business within 50 miles of the applicant company.

NARPM will publish the CRMC® candidacy in the *Residential Resource* at least 30 days prior to approval, soliciting any comments or questions from the general membership of NARPM.

The CRMC® candidate will be responsible for coordinating a mutually agreeable audit date with the chosen auditor. This visit must be completed during the three-year candidacy period and should give the auditor enough time to prepare and submit their audit report, narrative comments, and photos of the company at least 45 days prior to the National Convention. During the on-site visit, the auditor shall personally determine that the candidate firm meets all specified minimums of professional criteria according to the CRMC® Audit Checklist.

The professional criteria in the Checklist that the auditor shall examine include:

- an interview with each member of the staff;
- an examination of all handbooks, manuals, and forms;
- a review of all marketing materials;

- an examination of the accounting systems and computer software in use, as well as all record keeping; and
- an evaluation of office layout and decorum.

Should the candidate not be approved, they shall have the opportunity to reapply within one year after rejection without penalty of an additional fee.

Candidates who pass audit and are approved to receive their CRMC® designation will be notified prior to Convention. Candidates are encouraged to bring their staff members to the presentation luncheon.

We should all aspire to reach the CRMC® designation. Hopefully, with more known about its requirements and processes, our Association will see more firms joining the ranks of our industries elite. Good Luck to you all!

Greg Fedro, RMP®, is the director of Operations for Recar & Associates in Austin, TX. He has been a NARPM member since 1996 and has served as Certification Chair since 2001. Greg served on the NARPM Austin Area Chapter Board for five years and is a past chapter president. He has been a property manager since 1989 and has worked for Recar & Associates for nine years. Greg is an avid folk guitarist and loves Cajun and Mexican food.

Chuck Cordero
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New Business Abounds: It Pays To Have a NARPM Designation

by Beverly Browning, MPM®, Browning-Gordon and Company, Inc.

In the Nashville area, using my MPM® designation to market my company has been easy. Lots of people are impressed by the fact that not only am I the only person in my area to have the MPM® designation, but I am also the only person in the state of Tennessee to have the highest designation awarded to an individual property manager who manages residential properties in scattered areas. In my prospective new owner packet, I use my designation as one of the reasons that a prospective client should choose Browning-Gordon over other property management companies in our area.

I know that there are a few other property managers who are thinking about getting their designations, so I may not be able to use that forever. In the meantime, however, I would stress to those potential candidates how the MPM® sets me apart. Professionals who know the importance of trade organizations and furthering education and professionalism place a high value on this type of designation. Anyone who has achieved a designation in any type of organization knows that there are guidelines that must be met, and that it takes time, experience, and expertise in the specific industry to achieve such a designation.

To those of you who are considering a NARPM designation, I challenge you to get started if you have not already done so. And if you have already started, I challenge you to go ahead and complete it so that you too can use your designation to promote your company when you are calling on prospective owners in your area.

NARPM Forms

by John Taylor, RMP®, NARPM Marketing Chair 2003

For years NARPM members have worked to help each other by sharing forms, policies, and procedures. We have put the forms in a manual sold to all new members. The forms and policies change so fast that manuals become obsolete before they even go to print it seems. We are now going to use our Web site to provide all existing and new policies, procedures, and forms. This way we will be able to update the forms as we get new ones.

This is one of the reasons that NARPM has become such a great organization — the ability to share information from a vast resource of knowledge and experience. Please e-mail your forms, policies and procedures manuals, and any other items you would like to share with your fellow NARPM members to marketingforms@NARPM.org.

Ten Ways to Save on Carpet Replacements

by Alan J. Fletcher

There are dozens of great ways that rental property owners and managers can reduce carpet replacement and repair expenses. Here are 10 money saving strategies revealed by Alan J. Fletcher, author of *Landlord Floors, Carpet and Vinyl Management For Rentals*.

1. BUY CARPET THAT MEETS YOUR NEEDS.

The carpet you install in your rental units must be able to endure the normal wear of your typical tenant. You also need to consider the frequency of your current carpet replacement schedule and whether or not you accept pets. Install a lower grade of carpet if you need to replace it more often due to pet damage or excessive wear. Install a better grade carpet if you do not allow pets and your tenants are generally not overly rough on your carpets. The trick to saving money here is to select a grade of carpet with a life expectancy equal to or exceeding the lifestyle and average length of stay of your average tenant. Many factors may contribute to this approach including the average age of your tenants, number of children, average income, occupation, pets, local climate, etc. Spending an extra dollar or more per yard on carpet can add several years to the life expectancy of your carpets. It could be well worth the added expense if you do not allow pets and your average tenant stayed for five to ten years. It may be a waste of money if your average tenant turnover were less than two years and you do allow pets.

2. SELECT A NYLON CARPET.

Nylon is the recommended carpet fiber for rentals. Nylon outperforms all other fibers and is the most durable and easiest to clean. Using a continuous filament nylon carpet will help eliminate the shedding, fuzzing, and pilling that is often observed with staple fibers. Carpet samples of 100% continuous filament nylon may be labeled BCF (bulked continuous filament) or CFN (continuous filament nylon).

3. SAVE 10% OR MORE ON YOUR PADDING COSTS.

In most cases, installing new carpet requires about 10% less padding than carpet. For example: If your 3-bedroom rental unit requires 100 yards of carpet, you probably only need 90 yards of padding to complete the job. Unlike carpeting, padding can be turned in any direction and even the smallest scraps of padding can be utilized. It may require a few extra minutes of work for the installer but you will enjoy the savings. It has long been the industry standard to charge equal yardage amounts for carpet and padding. Some flooring retailers or vendors may be reluctant to negotiate with you regarding this area of potential savings. If this is the case, simply ask the carpet installers to leave all decent-sized padding leftovers and your savings will add up quickly. Store this extra padding in a dry location, and use it on a future carpet replacement.

4. KNOW YOUR PADDING OPTIONS.

The life span of your carpet depends on using good quality padding. What type of padding are you currently using? How much are you charged for it? There are many types of pad available, and you may not be aware of all your padding options. With typical apartment-grade plush carpet, a 7/16", six-pound, rebond padding is commonly used in rentals. Another less expensive option would be to use a 3/8",

four- to six-pound, rebond padding. You could enjoy savings of about 25 to 50 cents per yard or more. Ask your flooring provider about your padding options and you may be able to reduce your pad costs significantly.

5. CONSIDER REUSING ALL OR PART OF YOUR EXISTING PAD.

When it's time to replace the carpet in a rental, consider reusing some or all of the existing padding. Depending on the age, quality, and condition of your existing padding, you could save a significant amount of money by replacing only the areas that really need replacing. Of course, someone will have to make the judgment call after inspecting the condition of the padding. Most often, the hallways and main traffic areas will show the most wear, and replacing those areas would be a good idea. Padding in other areas may still be in good condition, and you could install the new carpet right over the top. Prices for new padding may vary from \$1.25 to \$2.95 per yard so if you are able to reuse 80 yards of padding, you could be saving anywhere from \$100 to \$236 on one unit alone.

6. PROPER PAD SELECTION.

If you allow pets in your rentals it makes good sense to use a less-expensive padding since your chances of reusing the padding are greatly reduced. You could use a less expensive padding and save yourself some money. You might consider using a 3/8" three- or four-pound, rebond padding and only spend about a dollar or so per yard. The overall savings would add up quickly, and you wouldn't lose as much money when the carpet and padding needs to be replaced again in a year or two. On the other hand, if you don't allow pets, you might want to consider installing a higher quality padding now with plans to reuse it the next time you need to replace your carpets.

7. REMOVE YOUR OLD CARPET AND PADDING.

Most carpet installers charge between 50 cents and \$1 per yard to remove and haul away your old carpet and padding. You could be saving \$40 to \$80 on a typical two-bedroom, 80-yard unit. Consider having your maintenance people do the removal prior to the carpet installers arriving and perhaps use an on-site garbage dumpster to dispose of it. Be sure that all old carpet and padding is removed and the unit is swept clean prior to the installers arriving to install the new carpet and padding. You may also want to consider recycling

continued on page 20

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****Printing Problems****

CERTIFICATION CORNER

by Greg A. Fedro, RMP®, Certification Chair

The Certification Committee is pleased to announce the following new candidates. Good luck!

MPM® CANDIDATES

Michael Nelson, RMP®, Excalibur Group, LLC, Lawrenceville, GA
Ronald Hammond, RMP®, Hammond & Hammond, Inc., Chatsworth, CA

It's not too late! With the next board meeting in June, current candidates can still get in RMP®/MPM® packets for the May 15 deadline.

Designations awarded during the year will be presented at Convention, but designees may begin using their new designations upon approval.

Packets for approval at Convention will be due to NARPM no later than August 15.

By the way, if you are not a current candidate but want to earn your designation by Convention, the deadline for the candidacy application is May 15 in order to meet minimum candidacy requirements and to begin the designation process.

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2003 RMP®/MPM® Certification Classes

Date	Location	Class	Instructor
May 20	St. Augustine, FL	RMP® Applying Technology To Property Management	Jean Storms, MPM®
May 20-21	St. Augustine, FL	MPM® Owner/Client Relations	Wallace Gibson, MPM®
September 15-16	Waikoloa Beach, HI	MPM® Risk Management	Fred Richter, MPM®
September 16	Waikoloa Beach, HI	RMP® Applying Technology to Property Management	Jean Storms, MPM®
September 17	Waikoloa Beach, HI	RMP® Operations	Suzanne Reeder, MPM®
September 20	Waikoloa Beach, HI	RMP® Tenancy	Peter Meer, MPM®

To register for classes, complete the registration form and mail or fax with payment to NARPM Headquarters. For more information call Headquarters at 800/782-3452.

Interested in Sponsoring Certification Classes?

Opportunities are available to chapters that would like to further member education, promote certification, and increase their chapter funds by sponsoring a certification class. However, it takes time to plan a class — so give your chapter five to six months lead time if you wish to sponsor one of these events.

Find out more by calling Bill Jackson, RMP®, at 425/467-7785 or e-mailing bill@protocolpropertymgmt.com. Bill can provide you with the details you need to make a Certification class a successful venture.

RMP®/MPM® Class Registration

FEES	Early	Registration
RMP® Classes	Registration	Registration
Member	\$195	\$225
Nonmember	\$250	\$280
Retake	\$97.50	\$127.50
MPM® Classes		
Member	\$395	\$450
Nonmember	\$450	\$505
Retake	\$197.50	\$252.50

* To receive the early registration price payment must be postmarked, faxed, or e-mailed 30 days prior to the class.

CLASS INFORMATION

- On-site registration begins at 8:00 am. Class hours are 8:30 am to 4:00 pm.
- RMP® classes qualify for 6 hours of NARPM certification.
- MPM® classes qualify for 12 hours of NARPM certification.
- All materials will be given to students on the day of the class.
- All attendees are required to make their individual hotel reservations.

CANCELLATION POLICY

Cancellations must be received in writing. If cancellation notice is received at least 30 days prior to the class, a full refund will be issued less a \$25 processing fee. If cancellation notice is received less than 30 days before the class, a 50% refund will be issued. No refunds will be made on the day of class; however, the registration fee can be applied to a later class with a \$25 transfer fee.

Due to low registration, a class may be cancelled with 15 days prior notice. Registration fee would be credited to a future class.

(Please print or type)

Name _____

Company _____

Address _____

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List Classes

Name of class	Class Date	Cost
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
		Total \$ _____

Method of Payment

I have enclosed a check for \$_____ Ck/M.O. # _____ Date _____

Please charge my credit card in the amount of \$_____ as follows:

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Billing Address _____

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I authorize NARPM to charge my credit card.

Two Easy Ways to Register

1. MAIL your form with payment to NARPM, P.O. Box 140647, Austin, TX 78714-0647.

2. FAX your form with credit card payment to 512/454-3036. Please do not mail the original.



P.O. Box 140647
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Ten Ways to Save

continued from page 17

your old padding. Some recycling companies are willing to haul away your old padding at no charge to you.

8. MAINTAIN GOOD COMMUNICATIONS.

Keep your flooring contractors and vendors well-informed, and you can save time and money. Confusion can quickly undermine even the best-laid plans. When scheduling carpet replacements, be sure to inform your flooring provider of all the pertinent information they may need to know. For example, notify them in advance if there are any signs of pet damage, water damage, or dry rot. This would help the flooring installers to arrive well-prepared and to be able to complete the installation in a timely and efficient manner. You should also inform them if you are scheduling a floor replacement in an occupied unit. Be sure your tenant knows of their responsibilities too. Ask the tenant to be sure to have necessary furniture moved, have everything off the floor and have kids and pets safely out of the way. Maintaining good communications will keep your business running smoothly.

9. MAKE SURE TENANTS KNOW HOW TO CARE FOR FLOORING.

Your tenants can help you save money too if you let them know what you would like them to do. For instance, to make carpets last longer they need to be vacuumed regularly. Inform your tenants about this basic rule of thumb for vacuuming carpets: Vacuum as many times per week as the number of people living in the home.

For example, if there are three people living in the household, vacuum three times per week. Educate your tenants using a simple flyer or include useful information in your monthly newsletter. You would be smart to include tips on carpet stain removal, how to properly clean vinyl floors, what products you recommend they use, etc. Providing useful information to your tenants not only makes their lives easier but allows them to help you by making your flooring last longer. Check with your flooring provider to obtain proper care and maintenance information on the flooring materials you currently use.

10. INSPECT NEW INSTALLATIONS.

It is very important to inspect your new carpet right after it has been installed. It only takes a few minutes and could save you time and money. If there are any problems, you need to let your flooring provider know as soon as possible for a quick remedy of the problem. Make sure the correct carpet style and color has been installed, check for proper installation, and look for any defects in the carpet itself. Early detection of problems is the best way to help avoid delays in renting your units. If you would like to know more about what to look for when inspecting carpet installations, you can print out free carpet installation inspection forms at: www.Landlordfloors.com.

Alan J. Fletcher is a 25-year veteran of the flooring business and provides consulting services to rental property owners and property management companies interested in saving money on flooring replacement and repair costs. Mr. Fletcher may be reached by calling 503/709-3632 or by visiting Landlordfloors.com.