

Region 3 Spring Newsletter

March, 2004

REGION CHAIR'S MESSAGE

By Nancy Halvorson, SR/WA, RW-RAC

Spring is right around the corner which means we will soon see many of you in Des Moines for our Region 3 Spring Forum on Friday, April 16th. Host Chapter 41 is planning a very enjoyable social and another mini auction to be held the evening of the 15th at Court Avenue Brewing. It has been a busy (snowy!) winter for all of us with Vice Chair Jack Holt and I being able to join some of you for your Officer Installations. We really enjoyed attending these events and I'm sure Jack joins me in thanking all of you for your hospitality.

Jack and I have just returned from Philadelphia where we attended the Region Chair and Vice-Chair meetings. This was one of the most exciting, productive meetings of this type that I recall. We have lots of important news to share with you at the Forum. I will give a little "warning" here that our Forum may run a bit later than usual. I will try to wrap before 3:00 p.m. so that all who wish to can head home, but we have so many important issues to address that I want to be sure we don't skimp on anything. I will be posting a draft agenda on the Region website (www.irwaregion3.org) by March 22nd. Please look it over and email or phone me with anything you'd like to see added.

I'm also again asking all Chapter Presidents and Region Committee Representatives to please get your reports emailed to me no later than Friday, April 2nd. Remember, we are trying to go nearly "paperless" at the Forum and ask that reports be sent in to me ahead of time and then we will ask that you give a verbal report of the highlights at the Forum. Thanks.

I'm looking forward to a very productive, exciting meeting for our Region. Along with all the news we have, our IEC Representative, International Treasurer Howard Armstrong will be there to make a presentation and we will also be announcing the Region 3 Professional of the Year for 2003.

Lunch will be provided on the day of the Forum at the hotel and you are welcome to invite your spouse/companion to join us. Please let me know by the 2nd of April if you expect to attend (a count for your Chapter would be great also) so that we can make our food and beverage orders.

See you in Des Moines!

Nancy

REGION 3 SPRING FORUM

Friday April 16, 2004

8:30 – 3:30 p.m. (will try to wrap earlier)

Lunch provided

Renaissance Savery Hotel

401 Locust Street, Des Moines, IA

515-241-2151

Mention IRWA when making reservation for \$79.00 rate

Deadline March 14, 2004

Thursday Night Social

5:00-8:00 +/- p.m.

Court Avenue Brewing Company

Appetizer Buffet and libations furnished by host Chapter 41

Informal live auction to benefit Region Treasury

309 Court Avenue (2-3 blocks walking distance from hotel)

Auction items welcome, needed and necessary!!

*Come join us for an evening of networking and fun before the serious business
of our Forum*

International Asset Management Committee Report ***by Judi Sorensen***

Hello Region 3:

As your Region 3 IAMC representative, I attended a winter planning meeting in Ft. Lauderdale, Florida on Feb. 5 & 6. Okay, Okay, you are probably all saying, must be rough to be in Florida and on the beach in February. But, due to blizzards in Omaha and the Midwest and major rainstorms in the south, it only took 17 hours to get there and even longer for my luggage. So, don't be too envious.

Several members of the committee and the IEC representative were not able to make it due to weather. But, the rest of us discussed course revisions, what our regions are doing, upcoming speaker presentations for Philly, etc.

Good news - course 701 is now under contract and is being re-written. Attached are copies of the proposal that was accepted. I had hoped we could look at doing something different with this course presentation, but the IEC had already accepted a proposal. We hope to have course 700 also under contract very shortly. Once those revisions are completed, I hope we can begin offering the 700 series courses in our Region.

Below are some items I sent out to you before my February meeting. Unfortunately, I only heard back from a few folks from the Iowa Chapter (thanks). So, I will send these discussion items out again. Hopefully, a lot of you will be attending the Spring Forum in Des Moines this April. There was a suggestion that some of us meet early on Thursday afternoon, prior to the social event, to network and discuss some of the projects we are working on. We might get some really good ideas from each other. Have any interest? If so, I am sure we can find a convenient place to meet.

Here are the questions I sent out in January. Any comments will be greatly appreciated and put to use!!!!

1) What are 4 or 5 topics of discussion that are impacting you today in your field? Is there any new legislation or events causing you to change how you handle asset management functions?

2) Have you worked on a unique project or are you aware of someone who has that would be willing to share their story with other chapters? Ed Opstein and Jim Wills from the Iowa Chapter suggested we try and pool some resources for speakers. Great idea!!

3) We are still working on the 700-level courses. Would like to know from you what you feel are the core competencies that anyone working in sales, acquisition, leasing, and property management need to have. What type of education do you feel is important for those in this area? Do you have suggestions on how best to deliver this education?

4) Do you have any interest in meeting and networking while the spring forums are held or at any other time? Sharing common concerns, best practices, new regulations, etc., are so valuable. We have the best of the best in our group and are trying to figure out how to share our knowledge with each other.

5) Please feel free to provide any other comments.

Thanks everyone. I hope to hear from you, and see you soon.

Judi Sorensen, SR/WA

Proposal to Revise Course 701 – Property Management Leasing

Course: 701 - Property Management Leasing
Duration: 2 days (16 hours of instruction)
Examination: True / false, multiple choice answers

Existing Course:

The existing course was last revised in the mid 1980's contains a 163 page student manual and a 391 page appendices. (The copy of the course used by the writer to review the course for this proposal was such that it was difficult to read.) Having reviewed the material I would recommend the following changes:

1. Re-organize the material to flow better,
2. Change the emphasis to more leasing fundamentals with less time spent on leasehold development.
3. Increase the time discussing lease concepts and the various roles of landlord and tenant
4. Discuss the relationship between asset management, property management portfolio management and leasing.
5. Review the existing appendices and delete any material not current and add any new tools (such as checklists)
6. Create a new examination comprised of True / False and Multiple Choice questions
7. Reformat the material to meet current IRWA standards
8. Create a PowerPoint presentation and or transparencies to be used for class presentations.

Below please find the following:

- a) Answers to the four main questions for course development
- b) A brief outline of the proposed course
- c) Cost proposal for completing the revision.

A) Course Development / revision questions:

1) What is the purpose of the course?

“To provide the participants with insight and knowledge of the leasing function that would permit them to function at a reasonable level in a leasing environment. The intent would be to take the student through and beyond entry level”

2) What is the target Audience?

“Individuals who have some real estate experience and a general understanding of leasing and employees of businesses and government

Proposal to Revise Course 701 – Property Management Leasing

agencies that has or wishes to establish a leasing program as part of their asset management / property management portfolios.”
This course would be most beneficial for employees of Government agencies or large corporations with extensive hand holdings where real estate is not the prime business of the company.

3) What is the proposed Course Content:

“A general outline of the course content will be provided below.”

4) Are there any Other Issues that need to be addressed:

- Participants should have at least 1 years experience in the real estate field.
- Some knowledge of leasing would be preferred but is not essential.
- Should have taken 703 and 700 prior to taking this courses but not essential.
- Should have “The Real Estate Dictionary” as provided by the IRWA as part of the recommended course material.

B) Proposed Revised course outline:

Section I Introduction:

- General discussion around asset management and leasing.
- Role of leasing in an organization,
- Who should be part of the leasing team?
- Policies relating to real estate, especially leasing (rent versus buy)

Section II- General:

- What is a lease?
- Main components of a lease? (essential parts)
- Difference between leases and licences

Types of Leases:

- Acquisition lease - leasing in for your own needs
- Revenue Lease – Leasing out to others (revenue generation)
- Ground / Land lease
- Option to lease
- Offer to lease

Section III- Leasing program – General

- Making the decision –
 1. Know your goal, what are you trying to accomplish
 1. know your role - landlord, tenant, tenants representative, property manager

Proposal to Revise Course 701 – Property Management Leasing

2. know what you want- type of premises, location ,costs, services, terms and conditions, client requirements
3. What is available or what do you have to offer , lease in versus lease out
4. Additional information required such as , rental rates obtained through a rental survey, market values to purchase, vacancy rates, space and rental trends, new construction, absorption rates etc.
5. Simple business case or feasibility case for the buy sell option
6. Simple business case or feasibility analysis for the lease option, what space would you chose.

Section IV: - Components of a lease

1. Discuss the four main goals to strive for when working with leases.
2. Build a basic lease spending time discussing each component, for example, Rent; what is rent, net rent, triple net rent, percentage rent, gross rent etc.
3. In all there would be 15 or more parts to this section.

Section V: Lease Administration

1. Discuss aspects of managing a lease portfolio such as:
 - Rent collection
 - Repairs
 - Defaults
 - Disturbance
 - Restoration

Section VI: Review

- 1) Review the different roles that could be played
- 2) Review the main components of the lease
- 3) Prepare for the examination

LDC MEETING - Baltimore, Maryland

The IRWA Leadership Development Council Meeting was held in Baltimore, Maryland, on October 24th and 25th.

On October 24th, the members were presented with IRWA Course 213, Conflict Management. The course was instructed by Ted Williams, SR/WA, and presented by International. The course objectives were as follows:

- To define conflict, to examine sources of conflict and consider its consequences.
- To learn several conflict management strategies and tactics.
- To examine ways to reduce and eliminate conflict.
- To present a conflict management plan.

On October 25th, Armando Apodaca, International Vice President of Membership Services and Administration, gave a report on some of the changes taking place at the international offices in Torrance, California. Some of the items addressed were:

- Agency Membership Program
- New course pricing structure and implementation
- Reorganization of International staff
- Future web based plans of Marketing, Surveys, Newsletters and a new IRWA Membership Directory going out to the public.
- The outsourcing of printing responsibilities to Kinko's
- The outsourcing of Human Resources to Administaff.

Gordon MacNair, SR/WA, International President Elect, gave a report on the Strategic Plan for the International Executive Committee. Mr. MacNair also gave a report on the updated International structure.

There were four other presentations given:

- Johnny Dyess, SR/WA and LDC Vice Chair, presented Region Structure and Leadership. Also discussed were the requirements needed to attain the SR/WA designation and R/W Discipline certifications.
- Mike Williams, LDC Chair, and Lara Bailey, LDC Secretary, presented the Chapter Structure and Leadership.
- Lara Bailey, LDC Secretary, gave a report on the International Membership Committee. The topics included new member recruitment and a revised "Mega Bucks" program.
- Ted Williams, SR/WA, presented a motivational speech on "Heroes"

The business meeting for the LDC was the last item on the agenda. The following topics were addressed:

- A finalized version of the By-Laws, Mission and Vision Statements, Strategic Plan and Governance of the Leadership Development Council were discussed with the group.
- The group voted on keeping the current governance intact until the 2004 IRWA Annual Conference in Philadelphia
- The LDC By-Laws, Mission and Vision Statements, Strategic Plan and Governance will presented to the International Executive Committee for their approval and guidance before the next IRWA Annual Conference.
- The group was encouraged to bring new members from their chapters to the next meeting.
- The next LDC Meeting will be held in Philadelphia at the 2004 IRWA Annual Conference and the next Annual Meeting will be held in Toronto prior to the 2005 IRWA Annual Conference.
- Mike Williams, LDC Chair, asked the group if they wanted to proceed with the current format of the LDC seminar at the next meeting. Mr. Williams said there will be several surveys being e-mailed to the group for their responses.

A copy of the minutes for this meeting will be available shortly. If you are interested in a copy please contact me at: pawloskic@midwestrow.com.

Chris A. Pawloski
LDC - Region 3 Representative

Region 3 Fall Forum – Meeting Minutes

Friday, October 10, 2003

Marriott Hotel, Omaha, NE

Nancy Halvorson, SR/WA, Region Chair called Fall Forum 2003 to order at 8:30 a.m.

Paul Farrel, President of Chapter 78, introduced himself, and thanked everyone for attending today; talked of history of Omaha and the latest developments in Omaha.

Judi Sorensen, SR/WA, Chapter 78, gave details of the day's upcoming events.

Nancy thanked Chapter 78 for a wonderful evening at Upstream Brewery.

Introductions of attendees; special guest - Dennis Stork, IRWA EVP, Torrance, CA.

All chapters represented today.

Representatives from each chapter gave their respective reports.

Report from Dennis Stork, IRWA EVP 9:15 a.m. to 11:30 a.m.

IRWA may lose \$100,000 this year (2003). There were unexpected costs at HQ for the EVP search, software conversion, conference (registration less than expected). HQ expecting a surplus in 2004.

Dennis said that we're behind in courses for first part of 2003, but very strong in last quarter.

Membership is about the same as last year, which is good considering the economy. Information on Agency membership; members can have "agency membership", of which a portion of dues will be forwarded to appropriate chapters. They can attend courses at member rate, but certifications will be available to them only if they become IRWA members for an additional \$15. Agency memberships will be "tested" in 2004 by making them available to federal agencies. It will be 2005 before available to states, etc. Dennis explained that the plan is to work the "bugs" out by working first with the Federal entities, being much smaller than all states, etc.

Course pricing - there are many changes in pricing, i.e. manual printing, brochuring, invoicing; starting March 2004, pending IEC approval.

Dennis and Jack Borgmeyer, SR/WA, gave update on USPAP courses.

Membership Directory - HQ is going to put it on web site. If you don't want your info on site, member can restrict it via web site. Available January 1, 2004. Members will be able to sort by information.

Region 3 Fall Forum Minutes (cont.)

Committee Reports

Asset Management Committee - Judi Sorensen, SR/WA
Environment Committee - Leland Mann, SR/WA, not present, no report
Local Public Agency Committee - Ed Opstein, SR/WA Rita Rasmussen
Ethics Committee - Pat Cairns, SR/WA
Survey Committee - Dan Shiflett
Membership Committee -
Nominations and Elections Committee - Daryl Knobbe
Pipeline Committee -
Professional Development Committee - Jack Borgmeyer, SR/WA
new Principles of R/W textbook should be out next Spring
Relocation Committee - no report
Transportation Committee - vacant, no offers
Utilities Committee -
Valuation Committee -
Wireless Committee - vacant, Chapter 78 may have someone
Leadership Development Committee - Chris Pawloski, last year on committee

Region 3 Professional of the Year Nominees

Chapter 5 - Al Donoho, SR/WA, MAI
Chapter 20 - Pat Cairns, SR/WA
Chapter 37 - Daryl Knobbe
Chapter 41 - Jim Diemer, SR/WA, RW-NAC
Chapter 72 - Ed Schwab
Chapter 78 - Randy DeGeorge, SR/WA

Educational Offerings

Chapters should rotate courses to avoid competition; Education Chairs **MUST** communicate to Region Vice-chair, and amongst themselves, which courses they plan to schedule in the next two-three years. Use message board on Region 3 web site, and check web site often.

Auction Report - Chris Pawloski

Nice items for auction, very successful. Total amount - \$1000! Thank you to Chapter 78 for a wonderful auction! Chris Pawloski and Jack Borgmeyer did a lot of work on a successful event.

Paul Farrel, Chapter 78 President, also presented a gift to Region 3 of an additional \$1000 from Chapter 78!

Disbursement of Region Funds

A committee will be formed to discuss and recommend how funds should be spent, possibly for Region Secretary (not funded by IRWA HQ) and/or Leadership Development Council representative. Members should submit their ideas to Nancy.

Region 3 Fall Forum Minutes (cont.)

Region 3 Spring Forum - Des Moines - Savery Hotel; April 16, 2004;
Course 802: Legal Aspects of Easement the day before.

Region 3 Fall Forum in St. Louis; October 8 or 15, 2004.

Kansas City Conference Committee - Recognition Awards

Award presented to Melissa Wurtz and Bruce Reed, SR/WA in Al Donoho's and Steve Grandon's absences, for their contribution to a very successful Conference in KC last June.

Chapter 5, in return, presented an award to Chapter 41 for all their help with the Conference Auction. Melissa and Bruce thanked everyone that helped at the Conference, and for attending.

Kudos and many thanks to Chapter 78 on a wonderful Region Forum.

Quilt Raffle

Total of 803 tickets sold by all six chapters.

KC Conference shirts won by Chapter 72, Chapter 72, Chris Pawloski, Chapter 72, Sue Pariseau.

Target Gift Certificates were won by Julie Schwartz (Chapter 20), Bernie Banker (Chapter 41).

George Foreman Grill won by Twin Peaks (Melissa Wurtz, Chapter 5).

And the quilt goes to - - - - - St. Louis **Chapter 37!**

Meeting adjourned at 2:30 p.m.

*Minutes submitted by Craig Poorker, SR/WA, RW-NAC
Region 3 Secretary/Treasurer*

IRWA REGION 3

Funding of Secretary/Treasurer and Committee Representatives

1. Funding of expenses for Region Secretary/Treasurer (S/T) shall have priority over all other reimbursement funding. The S/T reimbursements shall be limited to \$150 per Forum, and \$500 for International Conference. It is still requested that the host chapter of the Region Forum voluntarily pay for lodging of S/T.
2. Requests for reimbursements or advances of expenses by an International Committee member shall be limited to \$250 per request, and limited to one request per calendar year.
3. Funding of any expenses by the Region shall be authorized by the three duly elected Region 3 Officers and the past two Region Chairs in a majority voice vote. Should one or both of the past two Region Chairs not be available, then the next available past Region Chair(s) shall be a voting member. The vote may be completed via conference call. A three-fifths majority approval is necessary to authorize any reimbursements or advances.
4. Any person requesting reimbursement must be current in annual dues to the IRWA and be the duly appointed Region Committee Representative. Reimbursements do not apply to Committee Members at Large.
5. Each request for financial assistance shall include a letter outlining the reasons why financial assistance is necessary and be accompanied by an estimate of the expenses to be incurred. Such expenses may include transportation, lodging, meals, and registration fees if applicable. Each requestor shall first apply for financial support from their home chapter and/or employer, and this must also be stated in the letter of request submitted to Region 3. Under no circumstances shall requests for reimbursement exceed expenses; i.e. if Region Representative is fully funded by employer or Chapter to attend Industry Committee Planning Meeting and/or Annual Educational Conference, they shall not request assistance from Region 3.
6. Each International Committee member who is granted financial assistance must submit a committee report to the Region 3 Chair prior to the next scheduled Region 3 Forum, though they are not required to attend that Forum.
7. Receipts must be submitted for all claimed expenses within six weeks of expenses occurring or within six weeks of the date of any advance taken, along with a completed IRWA expense form. The Region Secretary shall take responsibility for auditing of all expense reports and receipts, and shall promptly report any infractions of said rules to both the Region Chair and Region Vice Chair.
8. A minimum balance of the checking account of approximately \$1000.00 should be maintained. Should the balance become \$1000.00 or less, then Committee members may not be compensated.