
Property, Real Estate, and Community Association Managers

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Significant Points

- Opportunities should be best for those with college degrees in business administration, real estate, or related fields, and with professional designations.
- Particularly good opportunities are expected for those with experience managing housing for older people or with experience running a health unit.
- More than half of property, real estate, and community association managers are self-employed.

Nature of the Work

To businesses and investors, properly managed real estate is a source of income and profits; to homeowners, well-managed property is a way to preserve and enhance resale values and increase comfort. Property, real estate, and community association managers maintain and increase the value of real estate investments by handling the logistics of running a property. *Property and real estate managers* oversee the performance of income-producing commercial or residential properties and ensure that real estate investments achieve their expected revenues. *Community association managers* manage the common property and services of condominiums, cooperatives, and planned communities through their homeowner or community associations.

When owners of apartments, office buildings, or retail or industrial properties lack the time or expertise needed for the day-to-day management of their real estate investments or homeowner associations, they often hire a property or real estate manager or a community association manager. The manager is employed either directly by the owner or indirectly through a contract with a property management firm.

Generally, property and real estate managers handle the financial operations of the property, ensuring that rent is collected and that mortgages, taxes, insurance premiums, payroll, and maintenance bills are paid on time. In community associations, homeowners pay no rent and pay their own real estate taxes and mortgages, but community association managers collect association dues. Some property managers, usually senior-level property managers, supervise the preparation of financial statements and periodically report to the owners on the status of the property, occupancy rates, expiration dates of leases, and other matters.

Often, property managers negotiate contracts for janitorial, security, groundskeeping, trash removal, and other services. When contracts are awarded competitively, managers solicit bids from several contractors and advise the owners on which bid to accept. They monitor the performance of contractors, and investigate and resolve complaints from residents and tenants when services are not properly provided. Managers also purchase supplies and equipment for the property, and make arrangements with specialists for repairs that cannot be handled by regular property maintenance staff.

In addition to fulfilling these duties, property managers must understand and comply with relevant legislation, such as the Americans with Disabilities Act, the Federal Fair Housing Amendment Act, and local fair housing laws. They must ensure that their renting and advertising practices are not discriminatory, and that the property itself complies with all of the local, State, and Federal regulations and building codes.

Onsite property managers are responsible for the day-to-day operations of a single property, such as an office building, a shopping center, a community association, or an apartment complex. To ensure that the property is safe and properly maintained, onsite managers routinely inspect the grounds, facilities, and equipment to determine whether repairs or maintenance are needed. In handling requests for repairs or trying to resolve complaints, they meet not only with current residents, but also with prospective residents or tenants to show vacant apartments or office space. Onsite managers also are responsible for enforcing the terms of rental or lease agreements, such as rent collection, parking and pet restrictions, and termination-of-lease procedures. Other important duties of onsite managers include keeping accurate, up-to-date records of income and expenditures from property operations and submitting regular expense reports to the senior-level property manager or owners.

Property managers who do not work onsite act as a liaison between the onsite manager and the owner. They also market vacant space to prospective tenants by hiring a leasing agent, advertising, or other means, and they establish rental rates in accordance with prevailing local economic conditions.

Some property and real estate managers, often called *real estate asset managers*, act as the property owners' agent and adviser for the property. They plan and direct the purchase, development, and disposition of real estate on behalf of the business and investors. These managers focus on long-term strategic financial planning, rather than on day-to-day operations of the property.

In deciding to acquire property, real estate asset managers consider several factors, such as property values, taxes, zoning, population growth, transportation, and traffic volume and patterns. Once a site is selected, they negotiate contracts for the purchase or lease of the property, securing the most beneficial terms. Real estate asset managers review their company's real estate holdings periodically and identify properties that are no longer financially profitable. They then negotiate the sale of, or terminate the lease on, such properties.

Community association managers, on the other hand, do work that more closely parallels that of onsite property managers. They collect monthly assessments, prepare financial statements and budgets, negotiate with contractors, and help to resolve complaints. In other respects, however, the work of association managers differs from that of other residential property and real estate managers because they interact with homeowners and other residents on a daily basis. Usually hired by a volunteer board of directors of the association, they administer the daily affairs, and oversee the maintenance, of property and facilities that the homeowners own and use jointly through the association. They also assist the board and owners in complying with association and government rules and regulations.

Some associations encompass thousands of homes and employ their own onsite staff and managers. In addition to administering the associations' financial records and budget, managers may be responsible for the operation of community pools,



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golf courses, and community centers, and for the maintenance of landscaping and parking areas. Community association managers also may meet with the elected boards of directors to discuss and resolve legal issues or disputes that may affect the owners, as well as to review any proposed changes or improvements by homeowners to their properties, to make sure that they comply with community guidelines.

Work environment. The offices of most property, real estate, and community association managers are clean, modern, and well lighted. However, many managers spend a major portion of their time away from their desks. Onsite managers, in particular, may spend a large portion of their workday away from their offices, visiting the building engineer, showing apartments, checking on the janitorial and maintenance staff, or investigating problems reported by tenants. Property and real estate managers frequently visit the properties they oversee, sometimes daily when contractors are doing major repair or renovation work. Real estate asset managers may spend time away from home while traveling to company real estate holdings or searching for properties to acquire.

Property, real estate, and community association managers often must attend evening meetings with residents, property owners, community association boards of directors, or civic groups. Not surprisingly, many managers put in long workweeks, especially before financial and tax reports are due and before board and annual meetings. Some apartment managers are required to live in the apartment complexes where they work, so that they are available to handle emergencies, even when they are off duty. They usually receive compensatory time off for working nights or weekends. Many apartment managers receive time off during the week so that they are available on weekends to show apartments to prospective residents.

Training, Other Qualifications, and Advancement

Employers increasingly are hiring college graduates with a bachelor's or master's degree in business administration, accounting, finance, or real estate, even if they don't have much practical experience.

Education and training. Most employers prefer to hire college graduates for property management positions. In fact, employers increasingly are hiring inexperienced college graduates

with a bachelor's or master's degree in business administration, accounting, finance, real estate, or public administration for these positions. Those with degrees in the liberal arts also may qualify, especially if they have relevant coursework. Many people entering jobs such as assistant property manager have onsite management experience.

Licensure. Managers of public housing subsidized by the Federal Government are required to be certified, but many property, real estate, and community association managers who work with all types of property choose to earn a professional designation voluntarily, because it represents formal recognition of their achievements and affords status in the occupation. Real estate managers who buy or sell property are required to be licensed by the State in which they practice. In a few States, property association managers must be licensed.

Other qualifications. Previous employment as a real estate sales agent may be an asset to onsite managers, because it provides experience that is useful in showing apartments or office space. In the past, those with backgrounds in building maintenance have advanced to onsite manager positions on the strength of their knowledge of building mechanical systems, but this path is becoming less common as employers place greater emphasis on administrative, financial, and communication abilities for managerial jobs.

People most commonly enter real estate asset manager jobs by transferring from positions as property managers or real estate brokers. Real estate asset managers must be good negotiators, adept at persuading and working with people, and good at analyzing data in order to assess the fair-market value of property or its development potential. Resourcefulness and creativity in arranging financing are essential for managers who specialize in land development.

Good speaking, writing, computer, and financial skills, as well as an ability to deal tactfully with people, are essential in all areas of property management.

Certification and advancement. Many people begin property management careers as assistants. Assistants work closely with a property manager and learn how to prepare budgets, analyze insurance coverage and risk options, market property to prospective tenants, and collect overdue rent payments. In time, many assistants advance to property manager positions.

Some people start as onsite managers of apartment buildings, office complexes, or community associations. As they acquire experience, often working under the direction of a more experienced property manager, they may advance to positions of greater responsibility. Those who excel as onsite managers often transfer to assistant offsite property manager positions, in which they can acquire experience handling a broad range of property management responsibilities.

The responsibilities and compensation of property, real estate, and community association managers increase as these workers manage more and larger properties. Most property managers, often called portfolio managers, are responsible for several properties at a time. As their careers advance, they gradually are entrusted with larger properties that are more complex to manage. Many specialize in the management of one type of property, such as apartments, office buildings, condominiums, cooperatives, homeowners' associations, or retail properties.

Managers who excel at marketing properties to tenants might specialize in managing new properties, while those who are particularly knowledgeable about buildings and their mechanical systems might specialize in the management of older properties requiring renovation or more frequent repairs. Some experienced managers open their own property management firms.

Many employers encourage attendance at short-term formal training programs conducted by various professional and trade associations that are active in the real estate field. Employers send managers to these programs to improve their management skills and expand their knowledge of specialized subjects, such as the operation and maintenance of building mechanical systems, the enhancement of property values, insurance and risk management, personnel management, business and real estate law, community association risks and liabilities, tenant relations, communications, accounting and financial concepts, and reserve funding. Managers also participate in these programs to prepare themselves for positions of greater responsibility in property management. The completion of these programs, plus related job experience and a satisfactory score on a written examination can lead to certification, or the formal award of a professional designation, by the sponsoring association. (Some organizations offering certifications are listed as sources of additional information at the end of this statement.) Some associations also require their members to adhere to a specific code of ethics.

Employment

Property, real estate, and community association managers held about 329,000 jobs in 2006. About 36 percent worked for real estate agents and brokers, lessors of real estate, or activities related to real estate. Others worked for real estate development companies, government agencies that manage public buildings, and corporations with extensive holdings of commercial properties. More than half of property, real estate, and community association managers are self-employed.

Job Outlook

Faster than average employment growth is expected. Opportunities should be best for jobseekers with a college degree in business administration, real estate, or a related field, and for those who attain a professional designation. Particularly good opportunities are expected for those with experience managing housing for older people or with experience running a health unit.

Employment change. Employment of property, real estate, and community association managers is projected to increase by 15 percent during the 2006–16 decade, faster than the average for all occupations. Job growth among onsite property managers in commercial real estate is expected to accompany the projected expansion of the real estate and rental and lease-

ing industry. An increase in the Nation’s stock of apartments, houses, and offices also should require more property managers. Developments of new homes are increasingly being organized with community or homeowner associations that provide community services and oversee jointly owned common areas requiring professional management. To help properties become more profitable or to enhance the resale values of homes, more commercial and residential property owners are expected to place their investments in the hands of professional managers. Moreover, the number of older people will grow during the 2006–16 projection period, increasing the need for specialized housing, such as assisted-living facilities and retirement communities that require management.

Job prospects. In addition to openings from job growth, a number of openings are expected as managers transfer to other occupations or leave the labor force. Opportunities should be best for jobseekers with a college degree in business administration, real estate, or a related field, and for those who attain a professional designation. Because of the expected increase in assisted-living and retirement communities, particularly good opportunities are expected for those with experience managing housing for older people or with experience running a health unit.

Earnings

Median annual earnings of salaried property, real estate, and community association managers were \$43,070 in May 2006. The middle 50 percent earned between \$28,700 and \$64,200 a year. The lowest 10 percent earned less than \$20,140, and the highest 10 percent earned more than \$95,170 a year. Median annual earnings of salaried property, real estate, and community association managers in the largest industries that employed them in May 2006 were:

Land subdivision.....	\$78,040
Local government	55,210
Activities related to real estate	40,590
Offices of real estate agents and brokers.....	40,500
Lessors of real estate.....	37,480

Many resident apartment managers and onsite association managers receive the use of an apartment as part of their compensation package. Managers often are reimbursed for the use of their personal vehicles, and managers employed in land development often receive a small percentage of ownership in the projects that they develop.

Related Occupations

Property, real estate, and community association managers plan, organize, staff, and manage the real estate operations of businesses. Workers who perform similar functions in other

Projections data from the National Employment Matrix

Occupational Title	SOC Code	Employment, 2006	Projected employment, 2016	Change, 2006-16	
				Number	Percent
Property, real estate, and community association managers.....	11-9141	329,000	379,000	50,000	15

NOTE: Data in this table are rounded. See the discussion of the employment projections table in the *Handbook* introductory chapter on *Occupational Information Included in the Handbook*.

fields include administrative services managers, education administrators, food service managers, lodging managers, medical and health services managers, real estate brokers and sales agents, and urban and regional planners.

Sources of Additional Information

For information about education and careers in property management, as well as information about professional designation and certification programs in both residential and commercial property management, contact:

► Institute of Real Estate Management, 430 N. Michigan Ave., Chicago, IL 60611. Internet: <http://www.irem.org>

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For information on careers and certification programs in commercial property management, contact:

► Building Owners and Managers Institute, 1521 Ritchie Hwy., Arnold, MD 21012. Internet: <http://www.bomi.org>

For information on careers and professional designation and certification programs in residential property management and community association management, contact:

► Community Associations Institute, 225 Reinekers Ln., Suite 300, Alexandria, VA 22314.

Internet: <http://www.caionline.org>

► National Board of Certification for Community Association Managers, 225 Reinekers Ln., Suite 310, Alexandria, VA 22314.

Internet: <http://www.nbccam.org>