

Why be a Residential Property Manager?



Having become disillusioned with linguistics at university level and leaving after the first year, I spent 2 years as an office manager in Edinburgh. I then made a big move to the South of England to be with my childhood sweetheart and, now, husband. This meant starting from scratch on the dreaded job hunt. I signed up to the usual recruitment agencies looking for general office work in an attempt to find the right fit. After being passed from pillar to post on various interviews, I was put forward for a maternity contract as an office administrator and assistant to the Director at a local property management firm. I got the job but was still fairly clueless as to what was involved in property management.

I quickly found that the role was extremely interesting, varied and challenging. After a year an opportunity arose to be a Property Manager within the firm and 9 years later I am now qualified, with my own portfolio of properties to look after, my own Clients to advise, and after moving to a new company, my own new set of challenges to face.

Many stories of fellow Property Managers are similar to mine, in so much as their career in property management was not planned. This is something which I believe we should be looking to change, to encourage more young talent into a constantly changing and developing sector.

First things first...What is Property Management?

Property management, in the broadest sense, involves co-ordinating the running and maintenance of properties on behalf of the Landlord. This could be an individual flat or house which is rented out, a block of flats, an estate of houses, an office block, a shopping centre, the list goes on. Property Managers will generally have a sector in which they specialise i.e. commercial management, residential management or lettings management. There are Property Managers worldwide ensuring that their Client's properties are well looked after.

Residential property management, in the context of this article, relates to the management of leasehold estates or blocks of flats, but also incorporates estates of Freehold Houses where there are communal areas enjoyed by more than one occupant.

Although property management is present worldwide, the residential leasehold system in England and Wales is unique in its operation. Under this system, when you purchase your flat, you are, in effect, purchasing a long term lease to occupy the flat. This lease is subject to various conditions, generally known as covenants, on the part of the leaseholder and the Landlord. In Scotland this system is different and whilst you do not have a lease, there are still covenants for the occupier as part of a communal management agreement. It is the management of these covenants which forms the basis of residential property management.

What does a Residential Property Manager do?

A Property Manager's job is extremely varied and incorporates a number of different elements. The Property Manager is employed to maintain the Client's property in good order and ensure that their obligations under the lease/agreement are carried out. The Client could be an investor Freeholder with a portfolio of properties to care for or they could also be a Residents' Management Company, or Right to Manage Company. This is where a group of leaseholders of a block of flats assume the management responsibility for their block. Either way, it is the Property Manager's role to advise the Client and assist in meeting all of the obligations. This creates a wide variety of tasks drawing on a number of different skills. Property Management is certainly not a job where any two days are the same.

The following are some of the tasks a Property Manager could find themselves doing in a typical week:-

- Inspections of properties to check compliance with covenants under the lease/agreement, checking general maintenance issues, and identifying defects such as blocked gutters etc.
- Attending, and possibly chairing, the Annual General Meeting and Residents Meeting of a Resident Management Company, reporting to Clients and tenants on the works carried out, forthcoming works and receiving the accounts of the Company.
- Meeting with contractors to discuss works to be carried out and obtain quotations for the same.
- Obtaining quotations for renewal of buildings insurance and other relevant insurances, such as engineering insurance and Directors and Officers cover.
- Drafting and sending consultation Notices for major works to allow leaseholders the opportunity to comment on items of major expenditure or extended contracts.
- Preparing budgets for the next service charge financial year to ensure that sufficient funds will be collected from leaseholders to meet the anticipated expenditure.
- Reviewing Fire Risk Assessments, Asbestos Surveys, Electrical tests etc. received and arranging any works which may be required as a result, including advising leaseholders on fire safety policies and asbestos management plans.
- Reading through leases to clarify the obligations of the leaseholders and of the Landlord and acting and advising accordingly.
- Responding to e-mails, telephone calls and letters reporting issues and raising queries on the management of the property.

With such a wide variety within the workload there is something to suit every type of personality. Analytical types may enjoy budgeting and forecasting expenditure and how major works should be programmed. The more talkative personalities will thrive when it comes to Client meetings and pitching for new business. Resolving defects, such as water leaks or the way to approach a major project, would be attractive to those who enjoy problem solving. For those creative types amongst you, advising clients on new signage, decorations and refurbishments of communal hallways provides an opportunity to express your style.

Property Management has seen many developments in recent years with the introduction of new legislation and guidance. A large part of a Property Manager's role is keeping up-to-date with these developments and being able to advise your Clients accordingly. The role of a Property Manager is therefore continuously developing and changing.

What are the opportunities for career development?

Most people will enter the sector as a Property Management Assistant. Assisting in the day-to-day tasks of the Property Manager in relation to their portfolio, you gain valuable knowledge and hands on experience. You may also work towards your Foundation Exam

with the Institute of Residential Property Management (IRPM). This first exam tests your base knowledge in relation to Property Management and is currently in the form of a multiple choice questionnaire. This is considered to be the equivalent of an NVQ Level 2.

Once your base knowledge has been built you could then look at progression to a Junior Property Manager. Responsible for your own portfolio, but still under the supervision of a more senior Property Manager, you will gain further experience in dealing with the day-to-day management but also will have more responsibility and begin to liaise with the Clients directly. You may also carry out your own inspections of properties and draft documents for approval. At this stage you may look to sit the Associate Exam of the IRPM. This is a more comprehensive exam than the Foundation level and will test your general property management knowledge in the first section and more specialist knowledge, such as service charge accounting, general property management, affordable housing and technical knowledge, in the second section. Once you have passed both the Foundation and Associate exams, you may become an Associate of the IRPM and will be entitled to use the designation AIRPM.

Now that you have the knowledge and experience, you can move on to become a Property Manager with your own portfolio of properties to manage. Carrying out all required management tasks and reporting directly to Clients, you will be the main point of contact and reference. You may also have an assistant who will be looking to learn from you. As your experience grows, so your portfolio will grow and develop. You may take on larger, more complex, properties and start to pitch for new business for the company. You may also move onto to the position of Senior Property Manager or Team Leader depending on the size of the firm. The IRPM's final exam is the Member Exam which, once successfully passed, entitles you to become a member of the IRPM and use the designation MIRPM. A two and half hour exam, it will fully test your knowledge of the sector and allow you to demonstrate all that you have learned.

The Member exam is by no means the end of the road. As a Member of the IRPM you are also qualified for direct entry to the Royal Institution of Chartered Surveyors (RICS), subject to passing their Ethics module, as an Associate, with a further designation of AssocRICS. You can then work your way through their progression pathways to become a Member. The RICS is recognised worldwide as a benchmark for standards in relation to all aspects of property. You could also contribute towards the property management sector and look to become a Fellow of the IRPM.

A large part of property management is CPD – Continuing Professional Development. It is a requirement of all Associates, Members and Fellows of the IRPM to undertake at least 15 hours of CPD each year. This is achieved through courses, seminars, webinars, reading relevant literature (including the IRPM's monthly updates) and self-study. There are many opportunities available to easily fill the required CPD level. It is through CPD that Property Managers continue to develop their knowledge in the sector and keep up-to-date with the latest legislative developments.

There is also the opportunity to be recognised amongst your peers with award ceremonies for stand-out candidates and high-achievers. News on the Block hold an annual Property Management awards with categories such as: Young Property Manager of the Year; Regional Property Management Company of the Year; and Customer Services Award.

What can you expect to earn as a Property Manager?

Salaries for a Property Manager can vary widely depending on experience, qualifications and portfolio size. The IRPM have recently estimated the following salary bands for Property Managers:-

Assistant Property Manager - £15,000 to £28,000

Property Manager - £20,000 to £40,000

Senior Manager/Team Leader - £30,000 to £65,000

Source – IRPM Setting Standards Leaflet 2014

Remuneration will also differ depending on your location across the UK and the size of the firm.

Other benefits can include car allowance or company car, study leave, on-call allowance and pension benefits. These vary between each individual company.

What support is on offer for Property Managers?

The main support body for Property Managers is the Institute of Residential Property Managers (IRPM) – www.irpm.org.uk. In conjunction with The Building Futures Group and the Chartered Institute of Housing, the IRPM set the exams to allow Property Managers to become qualified. They provide a wealth of information for their members and links to helpful resources. Their seminars are a fantastic opportunity to meet other Property Managers and find out the latest developments in the sector.

Other professional bodies and sources of information include:

ARMA – The Association of Residential Managing Agents www.arma.org.uk

RICS – The Royal Institution of Chartered Surveyors www.rics.org

NFoPP – The National Federation of Property Professionals www.nfopp.co.uk

CIH – The Chartered Institute of Housing www.cih.org

In addition there are many local property associations bringing together Property Managers, Solicitors, Estate Agents, Building Surveyors and others involved day-to-day in property.

Through these professional bodies and associations, a Property Manager's social diary can become quite full indeed. There are annual conferences, CPD seminars and training days, award ceremonies and dinners to attend, all of which allow you to meet others in your sector, discuss current developments, or even pick each other's brains about a particularly tricky problem you have encountered. Some highlights of the calendar are: the Property Management Summit, a weekend course organised by the IRPM and Brethertons Solicitors as a refresher course or essential revision weekend for the Member exam; and the ARMA Conference, held in London each October offering a chance to network with property professionals from across the UK.

In addition to all of the above, every Monday between 8pm and 9pm is #prophour on Twitter where a number of property management professionals, including Property Managers, Solicitors, Accountants and contractors, join together to tweet and chat about the latest news.

News on the Block and Flat Living both produce regular invaluable magazines full of interesting articles and relevant stories on property. Some light relief is offered by Flat Living's "Secret Diary of a PM" with anonymous stories about life as a Property Manager. The Leasehold Advisory Service, a government funded initiative, also offers technical insights for

leaseholders and property managers alike. Coupled with the ARMA member's circular and IRPM's monthly Technical Update, there is a wealth of knowledge and a large support network on offer for Property Managers to refer to when a tricky situation arises.

According to a recent government estimate, there are over 4.1 million leasehold flats in England and Wales and this number only continues to grow. Accordingly, there is a high demand for skilled property managers. With the variety of the workload, progression opportunities available, and the support on offer, the question really is, why *shouldn't* you be a Property Manager?

Emily Ørner MIRPM AssocRICS

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Testimonials

I really enjoy my role as a Property Manager I find the job challenging and diverse. I have taken advantage of the increased professional development routes being offered to Property Managers by bodies such as IRPM and ARMA.

I completed my IRPM and Associate RICS exams which allowed me a direct route into The College of Estate Management to complete a degree in Estate Management. I intend this year to do my APC (Assessment of Professional Competence) for my full membership of RICS.

*Annie McGrandles MIRPM AssocRICS
Senior Property Manager, Burlington Estates*

A Property Manager is a savvy homeowner in my experience, one with plenty of useful connections and an eye for detail.

Don't miss your opportunity to "beat the crowd" and join the family. A warm welcome awaits you.

*Lauren Wadey MIRPM AssocRICS
Senior Property Manager, Hobdens Property Management*