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New study shows rising compensation levels for Certified Property Managers

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Real estate management professionals holding the Certified Property Manager (CPM) designation earned median total compensation of \$103,000 in 2006, primarily from base salary for their management duties but also including additional income from sales and leasing commissions as well as other real estate related activities. By comparison, CPM designees' median total compensation was \$95,000 in 2003, \$83,000 in 1999, and \$50,800 back in 1984, underscoring a history of steady income growth.

On a separate note, those pursuing the CPM designation, termed CPM Candidates, earned \$75,000 in median total compensation last year versus \$73,000 in 2003, \$64,000 in 1999, and \$35,000 back in 1984.

These are among the just-released findings of the 2007 edition of the Certified Property Manager Profile and Compensation Study conducted by the Institute of Real Estate Management (IREM). The Institute awards the CPM designation to real estate and asset managers who have met strict criteria in the areas of education, examination, experience and a commitment to uphold the IREM Code of Professional Ethics.

IREM periodically surveys its CPM Members and Candidates - of whom there currently are approximately 8,560 and 3,150, respectively, in the United States and abroad - to compile, analyze and compare the most critical components of real estate managers' compensation and benefit packages. The published survey findings provide detailed comparisons based on portfolio size, area of management specialization, and level and types of experience and explain how each of these variables affects salary levels and the total compensation package.

Among other key findings of the 2007 edition of the study:

*â€œRegionally, CPM designees and Candidates located in the Pacific Coast states earned the highest total compensation. In contrast, CPM designees in the Southwest earned the least, as did Candidates located in the Midwest/North Central region.

*â€œThe average CPM designee is 49 years old, has earned a college degree, works for a full service real estate or property management company, and averages 22.4 years of experience.

*â€œThe average CPM Candidate is 42 years old, has earned a college degree, works for a full service real estate or property management company, and averages 13.9 years of experience.

*â€œ51.6% of CPM designees are male, whereas 62% of Candidates are female.

*â€œAbout 52% of CPM designees and 53% of Candidates, respectively, are employed by or associated with a property management division or firm of 50 or less employees.

*â€œCPM designees typically hold executive or property manager/supervisor positions within their firms. In contrast, while many Candidates occupy more senior positions, more than four in ten define themselves simply as property managers.

*â€œ,CPM designees and Candidates who characterized themselves as owners, partners, presidents/CEOs and directors reported receiving considerably greater compensation than other respondents.

*â€œ,On the other end of the spectrum, those in both groups who view themselves simply as site managers reported receiving the lowest levels of compensation.

*â€œ,CPM designees who work for development companies, full service real estate companies, REITs, and investment companies typically receive higher compensation than those who work for other types of employers.

*â€œ,Similarly, CPM Candidates who work for development companies, REITs, and investment companies were the best compensated.

*â€œ,Office buildings account for the largest share of portfolios managed by CPM designees and Candidates, followed by conventionally financed apartments.

*â€œ,Salary and total compensation for CPM designees and Candidates usually increase with the number of residential units or commercial s/f managed.

*â€œ,Compensation for both CPM designees and Candidates typically increases as their age increases, up to age 60.

Study Methodology

The study findings summarize the results of the "CPM/Candidate Confidential Inventory and Salary Questionnaire" fielded online by the IREM Research Department in January 2007. Findings are based on responses received from 1,134 CPM designees and 583 CPM Candidates. Price and Ordering Information

The 2007 edition of the Certified Property Manager Profile and Compensation Study is priced at \$47.95 for IREM Members and \$59.95 for non-members, plus shipping, handling, and applicable state sales tax. To order, contact the IREM Customer Relations Department at 430N. Michigan Ave., Chicago, IL 60611-4090; or call toll-free (800) 837-0706, ext. 4650. Credit card orders (VISA, MasterCard, American Express and Discover) can be faxed toll-free to (800) 338-4736 or e-mailed to custserv@irem.org. Internet users can order the study in soft cover or in a downloadable format by accessing the IREM Bookstore in the Publications section of the IREM web site at www.irem.org.

The Institute of Real Estate Management has been the source for education, resources, information and membership for real estate management professionals for nearly 75 years. An affiliate of the National Association of Realtors, IREM is the only professional real estate management association serving both the multifamily and commercial real estate sectors. With 81 U.S. chapters, eight international chapters, and several other partnerships around the globe, IREM is an international organization that serves as an advocate on issues affecting the real estate management industry.

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