

INSIGHT

The Positive Voice
for Landlords



Property Management 101

IPOANS joins forces with NSCC to offer 'customized' course, certificate for graduates.

By Mark C. Thompson

IPOANS has teamed with the Nova Scotia Community College (NSCC) to establish a certified apartment manager's course that will bring much-needed legitimacy and expertise to the profession, according to industry insiders.

"In the past, a property manager experienced a sort of trial-by-fire where errors led to experience," says Michael Kabalen, Property Manager with Killam Properties. "This course means that certain lessons can be learned without first making mistakes," adds Kabalen who will be one of five instructors guiding attendees through the 5-module, 15-session course to be taught at the NSCC Waterfront Campus beginning this spring.

The five modules of the course (the official name of which has yet to be finalized) include Management Issues (e.g., property accounting and budgeting), Property Marketing & Leasing, Law & Property Management, Tenant Relations, and Property Maintenance.

The course is based on one offered by the National Apartment Association in Arlington, VA. The difference is that the IPOANS one has been customized for Canada, says Kabalen, a graduate of the NAA course. "We've added a lot more personality to the courses and tailored them to Nova Scotia and the people of Nova Scotia," explains the veteran of a family-run property business who also holds a Bachelor of Commerce.

As for the partnership with NSCC, it was essential for making the course a reality, says Kabalen. "It adds more credibility than IPOANS could offer on its own," he says, adding that the course will appeal to a broader range of students.

For her part, Sheri McKillop, Academic Chair in the School of Business at NSCC, calls the course a "perfect fit" and anticipates it will grow over time. "The logical progression" is that this could become a full-fledged Diploma of Certificate program within the School of Business "within the next few years", McKillop adds.

Meantime, an apartment manager's course will serve to legitimize and formalize the property

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Sheri McKillop and Michael Kabalen at NSCC's Waterfront Campus



President's Message

Working the Plan

Dear Members:

In our inaugural, Fall 2009, *Insight* newsletter I talked about "Planning the Work, Working the Plan". Late 2009 was all about setting the course, vision and work objectives for IPOANS in 2010, which was the "Planning the Work" component. Well, I am very happy to report that, as I type this letter, the IPOANS team is well underway with the Working the Plan element in three key areas: 1) government advocacy 2) educational services and 3) member services.

Moving the Legislative agenda forward

Led by PolyCorp's Peter Polley, our Legislative Committee has been very busy over the past several months, formalizing and documenting all our hot issues, and proposing our desired changes to each of these issues. The Committee has paid particular focus to two key priorities requiring change, those being: (1) the Residential Tenancies Act, and (2) the unfair exclusion of property owners from the tax assessment cap. The lobbying efforts on these two items, and a few others, began in February with a series of meetings with key officials from the Minister's Office and the new Director of Residential Tenancies. Although nothing is guaranteed, we are confident that we will be seeing some much needed change to "The Act" during the spring sitting of the Legislature.

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The Business Case for Going Green

Halifax landlord Ian MacNeil admits the process takes time, but insists environmental upgrades make long-term economic sense.

By David Napier

A fuzzy, talking frog named Kermit was the first to bemoan the struggles of 'being green'. But even that famous Muppet quickly came around to seeing (and singing) that, "It's beautiful and it's what I want to be".

In 2010, investment property owners in Nova Scotia are experiencing the same roller-coaster of enviro-emotions, although their particular highs and lows come with very real economic implications. "The problem with going green – be it solar, gas, or whatever – is that it always costs more to convert," says Ian MacNeil, owner of three small buildings on the Halifax peninsula.

And yet, despite these up-front costs, MacNeil insists there is a long-term payoff for changing out everything from light-bulbs and windows, to upgrading faucets, fridges and furnaces.

"I have two furnaces that meet Kyoto emissions standards," he says, noting that both are high-end German-made units that came with hefty \$10,000 price tags that are being amortizing over 10 years. Even with these costs, MacNeil says the furnaces are wise investments: last year one of the furnaces burned just 13,500 litres of fuel as compared with 18,000 litres the year before. The difference of 4,500 litres is, MacNeil proudly points out, what some single-family dwellings burn each year.

In terms of energy-efficient lighting, MacNeil was an early adopter. "I jumped right on it, even though it was costly," he says. Today, he can cite a number of his rental units where the original bulbs are still burning – 10 years after being installed. The 'environmental movement' (which, by definition, is dynamic), will experience "the



MacNeil covers his environmental investments while doing his part to care for tenants and save the planet.

next great thing in energy-efficient lighting" when it adopts LEDs, maintains MacNeil, who says these will make CFLs look "downright glutinous" by comparison.

MacNeil, who is to handymen what Peyton Manning is to tossing footballs, manages 10 units and does most of the upkeep himself. He sees first-hand the consumptive practices of the students to whom he rents the majority of his apartments.

"Kids have so many electronics and they never shut them off," says the 50-something landlord, who jokingly refers to himself as "the next level of training kids have once they leave home".

Laptops and DVD players are ubiquitous, but big screen TVs are the worst. But when it comes to energy consumption, MacNeil isn't as concerned about the dollars spent as the kilowatts consumed: he can, for instance, tell you that a building he owns on Inglis Street has 16 tenants and consumed a whopping 280,000 litres of water in a recent four-month period. ("I don't even want to think of how long those people are standing in the shower every morning.")

Rather than rant and rave, MacNeil has adopted a modern method of communicating eco issues to young tenants. He sends an e-letter detailing the latest issues around energy consumption and asks renters to realize the very real costs of their actions and activities. Sometimes this e-missive versus e-missile approach changes behaviour; other times, rents get bumped up to offset rising costs. Either way, the well-intentioned landlord covers his investment while taking care of his tenants and the planet.

"It's a service business first before it's a cheque-cashing business," says MacNeil, who admits, "I don't get too worked up about things."

However he keeps an eagle eye on the balance sheet, and what can seem like ecological equanimity should never be mistaken for economic apathy. Decades of owning everything from rooming houses to Edwardian homes, tells MacNeil that upgraded buildings eventually show up on the business ledger as black ink rather than red. "It's definitely the way to go. Over time the economics make sense."

LETTER FROM CAPE BRETON

By Priscilla Lotherington, President of IPOACB

Greetings from Cape Breton! Since the fall issue of *Insight*, I've been working diligently in several areas. Firstly, I've had to make sure that our membership number continues to grow. This job was made easier as a result of the excellent discounts we've secured and the on going push for positive changes to the Residential Tenancies Act. I have been fortunate to be able to attend meetings in Truro and Halifax with Jeremy Jackson, Rex MacLaine, Peter Polley and others including meeting with the new Director of Residential Tenancies, Mr. Dean Johnston. I am also finalizing plans for our next information seminar for our membership. And on Feb 17th we had our local fire and building inspectors give a presentation on upcoming changes to the building codes in our area and how those changes will affect us.

For more information, check out our website at www.ipocb.ca

President's Message (Cont'd)

Creating a new educational program

As you will have read in this issue's feature story, we have also made huge strides in the Educational Services sector. The Committee, led by Killam's Michael Kabalen and Universal's Iri Martin, has spearheaded efforts in a successful partnership with NSCC. The inaugural, fifteen-week IPOANS Certified Apartment Manager course will commence this April. It is our industry's responsibility to help build the credibility and professionalism of our sector. Having this course offered through NSCC will not only help give us that credibility, but also provide us access to a new pool of professionally trained property management staff. Further, this

program is a wonderful tool for employers to use to provide upgrade training and mentorship to existing staff who may be looking to enhance their skills and knowledge.

Within the Member Services area, our newly formed "Green Team" led by Southwest's Rose Marie Howell, will be launching a tenant energy awareness campaign over the coming weeks. Stay tuned for details!

As you can see, the IPOANS team is "Working the Plan" and is coming together to drive change and growth in our industry. I look forward to seeing more members coming forward to lend a buck and a hand!

- Jeremy Jackson

Property Management 101 (Cont'd)

manager's role, while providing a venue for property owners to train their existing managers. It also gives those people – young and old alike – who are looking for entry into the field, a solid foundation on which to build.

Says Kabalen: "There's a need for educated, experienced people in this field."

The IPOANS-NSCC course begins on April 13th and will continue during NSCC's fall semester. Students may take a single module (consisting of 3 evening classes), although only those who attend all 15 classes and complete the requisite assignments and tests will be eligible for a Certificate of Accomplishment.

The cost of the full course is \$795. A single module will cost \$225.



Rex MacLaine

Message From The Executive Director

IPOANS has made headway on a number of important issues over the past few months, but nothing can match the progress we've seen on the all-important issue of property taxes. The hard work and commitment by our Legislative Committee has, I am pleased to say, paid off. Presentations to members of HRM Council,

including Mayor Peter Kelly, have resulted in Council voting down the controversial proposal to revise the method of property taxation in HRM that would have resulted in increased taxes for apartment building owners.

The 2010 Property Tax Information Session was held on Wednesday, February 24, 2010 from 7:00 to 9:00pm at the Demin Lebanese Centre, 345 Kearney Lake Road. For those who had appealed their 2010 assessments, they received valuable advice about how to present their case.

Attendees also received information on how to manage their future assessments, including the preparation of Annual Financial Returns (without the submission of these returns, you lose your ability to appeal).

On the membership front, the IPOANS Board and Committees are currently engaged in numerous initiatives, as outlined in the 2010 Strategic Plan. But all of this good work is premised on the assumption that you will be renewing your membership.

Please send your 2010 membership fee and support the work being done on your behalf. If you do not intend to renew your membership, please let us know so that we are able to revise our financial commitments.

Doing a credit check should be part of your tenant screening process. IPOANS can perform credit checks for its members for \$8 including HST. **Call the IPOANS office for details: 902-425-3572.**

Green Committee Taking Root By Rose Marie Howell



At Southwest we are integrating environmentally responsible business practices into our core business processes. It is our goal to reduce our energy and water consumption, reduce GHG emissions, divert waste from landfill all in a sustainable business platform.

We know there are many other property owners who share this goal. We would like to create a forum for companies to share ideas and information, identify initiatives, talk about successes and learning, discuss available rebate programs, and next steps.

The concept of a "Green Committee" has been met with enthusiasm by the IPOANS executive. In addition to a sustainability forum, there is potential to develop a website for members highlighting proven energy management initiatives, a marketing campaign directed at residents... the possibilities are endless.

There are many roads this Committee could take, but the first steps are to enlist committee members, establish terms of reference, goals and objectives. **If you are interested in reducing energy consumption and costs and promoting a healthier and cleaner environment, please contact: Rose Marie Howell, Southwest Properties Ltd., at 425-5268 or by email at: Rosemarie.Howell@Southwest.ca**

Ask an Expert

By Tony Breau, Commercial Sales Representative, Bluewave Energy

TOP 5 THINGS TO LOOK FOR IN AN OIL SUPPLIER

Running a successful property management company requires having the right business partnerships in place. Your oil supplier is a very important piece to this equation. They need to be flexible and customize services that fit your business needs. Your oil supplier should not provide you with a one plan fit all option. The following are the top 5 things to look for in a good oil supplier relationship:

1. One-On-One Local Customer Consultation

If you have any questions regarding your oil account, you should have the ability to meet face-to-face with a local representative who is specifically assigned to your business. A local and professional sales representative that can put together a customizable solution for your business will provide you with the most value for your dollar.

2. Local Presence

Your oil supplier should have a local branch in your area. If you require assistance, your sales rep or technician can quickly and efficiently attend to your needs.

3. Flexible Pricing Options

Every customer has different needs. Look for a company with flexible pricing solutions that can be customized to your needs. Flexible pricing solutions could include:

- **IPOANS Preferred Pricing** - being a member of a respected organization such as IPOANS should also provide you with access to a preferred price for oil.
- **Price Cap Pricing** - if you fear the price of oil will continue to rise in the future, a price cap pricing solution will put a ceiling on your oil price so you never pay more than the designated cap price.
- **Fixed Pricing** - if you like to budget and want to know exactly what you will be paying for oil for the coming year, fixed pricing may be the pricing solution for you.
- **Variable Pricing** - if you think oil prices are on a downswing and would prefer to pay the daily floating price of oil, a variable pricing solution may be for you.

4. Flexible Payment Options

Your oil supplier should provide you with a variety of payment options. Payment options could include Budget Billing, Pre-Authorized Payments, Credit, Debit, or Cash.

5. Full Service Supplier – Burner Service & Equipment Sales/Financing/Leasing

A full service oil supplier can save you time and money. Sign up for an annual equipment service plan to ensure your equipment continues to operate in top condition. You'll also receive insurance coverage on certain replacement parts if needed. Want to take advantage of government rebates on new energy efficient equipment? Purchase/finance or lease new energy efficient equipment directly through your oil supplier. A full service solution is a must-have.

Bottom line: your oil supplier should have the ability to customize and meet your business needs. Working with the right professional and local sales rep will change your "supplier contact" into a "preferred supplier partnership".

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