



James Russell
Newsletters et Cetera



Round Table

It's Gonna Be OK

The World of Property Management Underwent a Major Reset on November 1, 2017



This article has been condensed from my individual conversations with four industry experts:



Tania Haluk
Vice-President, Operations at FirstService Residential. Ms. Haluk is CCI Toronto Vice-President and Chair of the Education Committee.



Murray Johnson
Vice-President, Client Service Development at Crossbridge Condominium Services. Mr. Johnson is also CCI's Toronto Director.



Catherine Murdock
District Manager, Del Property Management. Ms. Murdock is also on the Board of ACMO and serves as their Treasurer.



John Oakes
Secretary and Treasurer of the CMRAO. Mr. Oakes is also a former Director and President of ACMO.

James Russell: how has the recent legislation impacted the upcoming summer vacation season?

John Oakes: the legislation does not allow you to take an unlicensed manager; put them in a building on a temporary basis and let them make licensed manager decisions. So if a company did, and that individual was doing things that only the licensed manager could do, they're in violation of the statute.

Tania Haluk: What we're finding is this will be a great opportunity. It will be a struggle in the short term but a great opportunity going forward to change the model of the industry.

Murray Johnson: We (Crossbridge) have resident services, we have phone numbers you can call, we have people sitting by phones but they (boards and residents) want a body at the desk. So we have this tremendous amount of uncertainty.

Catherine Murdock: Its very interesting how this is going to happen because some corporations have never had vacation replacement, they just don't want it, that's fine. They may have some other resources on the site, a live-in superintendent who's on duty, security service around the clock which would make it a bit easier for people to function without the manager for a week or so. It will be interesting to see how this flushes out over the summer.

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James Russell: John, I understand that the CMRAO has taken steps to clarify the role of property manager

JO: (Yes), if you look at the CMRAO website they've created an interpretive guide which will help an individual understand what kinds of things a licensed Manager can do and the kinds of things someone who's not licensed can't do.

James Russell: Catherine and Tania, how have residents reacted to the vacation issue?

Catherine Murdock: Corporations get very close to their staff and I can appreciate exactly where they are coming from when they say, "our administrator knows our building, knows our residents why can't the administrator just step in for a week or two when the property manager is gone."

Tania Haluk: From the residents' perspective I don't think they (residents) see a huge difference. I think it's mostly the boards right now.

James Russell: Will the new licensing and ethics requirements dissuade pm candidates looking to enter the industry?

John Oakes: It's probably too early to say. It may be a bit of a deterrent to someone who wants to get into the industry. On the other hand if the industry produces a good standard of living for somebody, and their skill set matches what's necessary, we will attract people.

Catherine Murdock: Del has a very strong code of ethics on its own and everybody is well versed in that when they come to work at our company so that has not added to anybody's anxiety. I think that some people will have just woken up to the fact that we are desperately in need of good managers. We're looking for altruistic people who want to take care of other people. Take care of the property. This is a good career.

Murray Johnson: We (Crossbridge) already had policies in place that were more strict than was introduced.

Tania Haluk: I think that it (the new re-

quirements) will attract people.

James Russell: John, Catherine and Murray, are you seeing an increase in pm's jumping from management company to management company?

John Oakes: Yes, I think that if you asked anybody in the industry, they would all say that there has been more mobility with managers and there's been more change with boards in terms of changing management companies.

Catherine Murdock: I think that people will want to improve their position in life regardless, and if they see that there is a job at a particular company posted at a certain salary, they're gonna say, "Hey I could do a little better. At Del, some of our managers have left us and come back. Every company has a culture of their own and all of the companies are different in their philosophical structure. Wherever suits you is where you're gonna be.

Murray Johnson: I do believe what we're seeing now with all this jumping back and forth of managers and condominium corporations is the beginning of a full reset. The industry had been working on a 30-year-old management model.

James Russell: Murray and Tania, so the legislation has also resulted in more boards jumping ship?

Murray Johnson: A lot of their contracts are going up so what is happening is that boards are trying to save money. We are seeing a lot of clients that are happy with the service that are jumping

"Our administrator knows our building, knows our residents why can't the administrator just step in for a week or two when the property manager is gone?"

for \$10,000 or \$15,000 so you've got this massive change going back and forth with client condominiums and management companies.

Tania Haluk: What we're finding is they're just tire kicking now. There's a need to feel that they're doing their due diligence whether they're happy with their provider or not. Getting competitive bids to make sure that the market is not going wonky from what they have been paying before.

James Russell: John, is license portability a problem in the industry?

Murray Johnson: I have no problem with managers paying their own license fee, (however) if you do something wrong and that condominium lets you go or your management company fires you, you just can't go down the street and work for somebody else or start your own business and put up a shingle and continue to do the wrong thing. You'll lose your license. You'll lose your livelihood. That wasn't the case before.

James Russell: Catherine and John, how has the legislation impacted pm's workloads?

Catherine Murdock: I am seeing a little bit of stress on the managers. I think people are still in shock that they're just getting all this extra paperwork, and the demand on their time and the information that is required.

John Oakes: The legislation has created some administrative burden on providers there's no question about that.

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James Russell: Are property manager's salaries increasing?

Murray Johnson: This industry was always the poor sister of property management and we were the lesser paid. That's changing. We're starting to come up and there's some good salaries in this industry now.

Tania Haluk: I hope so. Part and parcel with having that licensing is lending legitimacy to the profession that will result in an increase in comp for the managers.

Catherine Murdock: I think that if people don't start demanding more money because of the extra workload then I think we're going to find people burning out very quickly and saying "I can't do this job any more there's just no value for me."

James Russell: John, what is the CMRAO's role moving forward?

John Oakes: I think what's going to come over time is a better understanding of the role of the CMRAO. My sense is that there is a fear with a lot of the managers about the CMRAO and I think it's unfounded. I think the culture of the (CMRAO) board at this moment in time is that if there are issues in the industry that we have to address with the manager or with the provider, the culture is one of correction rather than a punitive kind of approach. So if somebody complains, for example, "We've got a site administrator here, and the manager's away and the site administrator is doing all kinds of things that only a licensed manager can do." So what are we (the CMRAO) going to do? Come down really hard on the company? Probably not. It's going to be educational. "Do you understand the nature of the legislation? Do you understand that you're not complying strictly with the legislation?" And then counsel with that company ways of resolving the issue.

James Russell: Any last words for property manager's and management companies?

Catherine Murdock: I'm very fond of quoting my favourite poet Maya Angelou, "People won't remember what you said or did, they will remember how you made them feel." and that's the most im-

portant aspect of this job, treat people with respect and guard their dignity.

John Oakes: We (CMRAO) are new, the legislation is new, the managers are getting used to it, so we have to be patient with each other until some time has passed and we all understand what's happening and that we do it in a cooperative manner. It's going to be ok.

Tania Haluk: I would say to have patience and let due process work its way

out. We tend to react with fear when there's any kind of change. People tend to freak out first and then realize it will be ok.

Murray Johnson: We (PMs) asked to be treated as professionals and here we are, we're being licensed as professionals. Sit back and accept the change instead of being scared. In my experience, whenever there's been massive change it introduces new opportunities. I think that people just need to know it's gonna be ok. **CV**

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