

IRPM Member EXAMINATION

SAMPLE

Instructions to Candidates

The time allowed in total for this examination is **TWO and a HALF HOURS**.

There is no break between parts A and B in this paper.

PART A of this paper contains **ONE** compulsory question.

The compulsory questions in Part A carries **40** marks and this part makes up 40% of the total marks awarded.

PART B of this paper contains **EIGHT** questions in four topic areas:

- ❖ general property management
- ❖ finance and accounting for service charges
- ❖ technical/building surveying matters
- ❖ affordable housing and mixed tenure management

You are required to answer **THREE questions in total from this section** (from any topic area).

If you do not attempt 3 questions your paper will be deemed incomplete and automatically awarded a fail grade.

The questions in Part B carry **20** marks each and this part makes up 60% of the total marks awarded.

You must complete both Parts A and B of the examination paper.

Candidates need an overall minimum of 60% to achieve a pass for the Member Examination.

Continued overleaf:

Special Instructions

Candidates must not take anything into the examination that could be construed as being notes, papers, aide memoires or other information relating to the examination.

PLEASE DO NOT WRITE YOUR NAME ANYWHERE ON YOUR EXAMINATION PAPER

The exam supervisor will advise when there is half an hour and 15 minutes remaining for the examination.

Your personal experience may be related to managing property as a freeholder, as an employee of the freeholder, as an employee of a fully owned subsidiary of the freeholder or as a managing agent employed by either the freeholder or a Residents' Management Company. Unless the question states specific criteria you may make any assumptions as to the ownership and your management role. If necessary, state any assumptions you are making.

Part A: This question is compulsory and carries 40% of the total marks of the exam paper.

You have recently joined a company/housing association which is embarking on its first leasehold development. Planning has been granted for four blocks of 12 units, split equally between one and two-bedroom apartments. The scheme is in the inception stages, and the freeholder will dispose of the units to your company on 999-year headlease. Flats will be sold on 125-year tripartite underleases with an annual ground rent of £250.00. The leaseholders will each have a share in the RMC and will appoint directors when the scheme is completed and sold. Your company will be appointed as managing agents for the RMC.

Your manager has asked for your input at a meeting next week with new staff members to explain the following: -

- 1). What are the responsibilities of the RMC Directors in relation to the servicing of the development, and what safeguards might they put in place to cover their decision making? **[10 marks]**

- 2). What are the responsibilities of a managing agent in such a situation? **[10 marks]**

- 3). What are the benefits to the head lessee in having a tri-partite lease, and who would collect the ground rent? **[10 marks]**

- 4). What disadvantages might there be to leaseholders in this situation, given that they are all members of the RMC? **[10 marks]**

The marks are allocated equally between the four sections.

[Total of 40 marks]

End of Part A

PART B: Answer any THREE questions from this part of the paper. Part B carries 60% of the total marks of the exam paper, with equal marks for each question

Questions on general property management:

Question B1:

You manage a block of flats. Set out a typical budget for a multi-tenure scheme, that includes leasehold, assured tenancies and residential short-term licences. The scheme includes a gym and there is a concierge on site during normal working hours (9 – 5). The scheme has communal gardens and roadways, and individual parking spaces for each unit. Include in your budget an estimate for a sinking fund. You may apportion the charges in any way you wish and make assumptions as to the size of the units.

[20 marks]

Question B2:

Your manager has asked you to explain the terms ‘Responsible Person’ and ‘Competent Person’ in relation to property management.

Prepare a report for your manager, with examples, that identifies the duties of the Responsible Person in relation to the buildings (including structure and facilities), the occupiers and visitors including contractors. Assume that the buildings have communal heating and hot water, lifts and leisure facilities as well as extensive grounds and parking areas.

[20 marks]

Questions on finance and accounting for service charges:

Question B3:

What do you understand by the terms ‘life-cycle costing, ‘planned maintenance’ and ‘sinking funds’ and how would you use these in your role as a property manager? How would you ensure you achieved value for money in the procurement of services and provided for continuous improvement in those services?

[20 marks]

Question B4:

What do you understand by the term 'ethics', and how do ethics form part of a property manager's remit?

[5 marks]

The role of the property manager is often misunderstood and is often confused with estate agency work. How would you explain to a new client the differences between management and agency, where the manager is often acting as agent for the freeholder?

[10 marks]

Identify the Code of Practice that governs the role of the property manager and the schemes for complaint resolution.

[5 marks]

Questions on technical/building surveying matters:

Question B5:

You have been asked to explain to some new recruits, the following options available to leaseholders. Prepare a short explanation of each option with the basic legal requirements for qualification: Five marks are allocated to each option.

- Right to Manage
- Collective Enfranchisement
- Lease extension
- Appointment of Manager.

[20 marks]

Question B6:

Set out details of your complaint procedures, and how customers who are not satisfied may progress disputes and their resolution?

[20 marks]

Questions on affordable housing and mixed-tenure management:

Question 7:

The government has recently published The Charter for Social Housing Residents, that sets out seven expectations of every social housing resident in relation to their property. Set out what you consider to be the main issues facing tenants who rent, leaseholders and shared owners that have been addressed in the White Paper and give your view on the effectiveness of charters of this type.

[20 marks]

Question 8:

A consultation paper on the new model shared ownership lease has just been issued. Set out your understanding of the new provisions and how the introduction of shared ownership right to buy might assist social housing tenants in the purchase of their property over time.

[20 marks]

Part B 60 marks in total

End of Paper