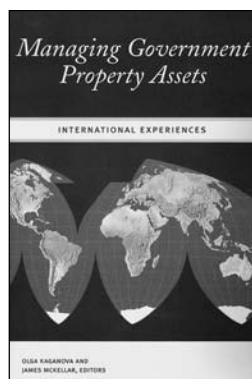


RECOMMENDED READING

Managing Government Property Assets: International Experiences

Edited by Olga Kaganova, CRE, FRICS, and James McKellar (2006, Urban Institute Press, Washington, D.C., 238 pages)

REVIEWED BY MARK LEE LEVINE, PH.D., CRE, FRICS, CIPS



MANAGING GOVERNMENT PROPERTY ASSETS, edited by Olga Kaganova, CRE, and James McKellar, allows input from a number of authors who are practitioners as well as researchers. The objective of the book, the editors write, is to establish “a framework for more intensive debate and discussion on the topic of managing real property assets in the public domain from an international perspective.”

The book offers perspectives from Australia, Canada, New Zealand, France, Switzerland, Germany, the United States and several emerging markets, including countries in Europe and Asia. “A key objective is to identify potentially transferable approaches and practices that might be applicable in countries that are just beginning to wrestle with the problem of devising a coherent management strategy for their real property assets,” editors write.

The book is not a comprehensive compendium of best practices or asset management approaches across nations, the editors state. Instead, it features authors from seven countries who provide a sampling of considerations that are important when considering public property asset management on an international basis. Because governments own huge amounts of extremely diversified properties, myriad issues and difficulties arise when categorizing and handling those assets. The book focuses primarily on “common rules, institutional arrangements and manage-

ment incentives to improve the efficiency and public usefulness of government owned property,” editors write.

Though the issue is daunting and enormous—and a single book cannot cover it in detail—*Managing Government Property Assets* is certainly a worthwhile tool to address many essential issues in property management when dealing with public assets. However, “what this book cannot directly address is the political context for decision-making that inevitably affects how governments make the decisions that they do,” editors write. They further explain that practitioners should research additional subjects related to national and local governmental practices.

At local governmental levels, for example, vastly different legal positions and accounting principles could have a



About the Columnist

Mark Lee Levine, Ph.D., CRE, FRICS, CIPS, is the director of and a professor at the Burns School of Real Estate and Construction Management at the University of Denver. He has taught in international real estate for more than 20 years and is the author of many books and updates including *International Real Estate, a Comparative Approach* and *Real Estate Transactions: Tax Planning and Consequences*.

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significant impact on property management positions. And in developing countries with emerging real estate markets, officials often focus primarily on building new properties instead of caring properly for existing assets.

Most real estate professionals and government officials who deal with property management recognize the need for proper property management. This practice includes consistently updating property management techniques and tools as well as reviewing examination and accounting procedures to provide for transparency. Authors also examine issues related to pre-reform asset management such as the lack of a central policy framework, fragmented management of public property assets, economic inefficiencies associated with properties, incomplete or inaccurate information about properties, and the absence of transparency and accountability.

The book attempts to present a “unified framework” of practices in the countries that authors cover, including:

- Process and key drivers of state real property asset management reform
- Legal and regulatory framework
- Institutional framework
- Inventory of state real property assets
- System of accounting and fiscal management
- Cycle for real property asset management
- Strengths and weaknesses of the current system

Authors covered many of these issues; however, it is difficult to readily see a suggested unified framework as the guideline of each chapter. For future editions, if any, it would be helpful for the authors to employ a standard template for comparing data from various countries. And though many chapters contain some tables, adding maps, charts and other visual aids also would assist with making comparisons among countries.

By raising the issues mentioned above, though, the work takes a valuable step toward providing a tool for properly managing public assets. Government officials should find

this work helpful when managing the public assets of their governments—and especially when examining practices and considering refinements.

The editors are real estate researchers who offer detailed analysis in this important book. Kaganova, a senior associate at the Urban Institute in Washington, D.C., has conducted a great deal of analysis of numerous countries in eastern and central Europe, as well as the Middle East and Asia. Before joining the Urban Institute, she was a founder and managing director of a consulting company in St. Petersburg, Russia. She has lectured at numerous universities and holds a number of professional designations. James McKellar is a professor and academic director of a real estate program at York University in Toronto. He also is a principal in McKellar and Associates Ltd., a firm that undertakes strategic advisory work. He has an impressive background in teaching and lecturing, holds a number of certifications, and is an honorary and life member of the Society of Industrial and Office Realtors.

The highly qualified authors who contributed to various chapters include myriad professors and professionals involved with strategic real estate research. Chapters cover subjects such as Management of Property in Australia, Framework for Management of Real Property in Canada, Asset Management in New Zealand; State Asset Management of Property in France; Asset Management Reforms; Balance Sheet Issues as to Asset Management; Examination of U.S. Cities and Management Issues; Real Property Management in Switzerland; Real Property Management in Germany; Guidance Issues for Management in Emerging Markets; Municipal Asset Management in Emerging Markets; Information Systems in Public Property in Canada; and several other topics relating to planning for and management of government assets.

This book will prove valuable for real estate professionals and other practitioners covering international real estate issues with a focus on property management. Governmental employees who deal with property management of public assets and strategic planners involved in governmental positions also will benefit from reading it. ■