

# CHUCK NISWONGER

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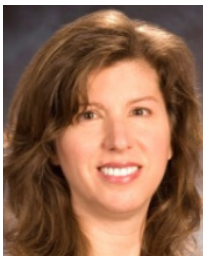
## REALCOMM 2018 (LAS VEGAS) – INVESTMENT MANAGEMENT SESSION HIGHLIGHTS

This summary combines information presented in two related sessions: 1) Automating Investment Management Routines and Business Processes; and 2) Networking Breakfast Workshop: Digital Leadership in Investment Management

### PANELISTS



**Chuck Niswonger**  
NiceNets Consulting  
*Moderator*



**Lisa Howat**  
Lionpoint Group



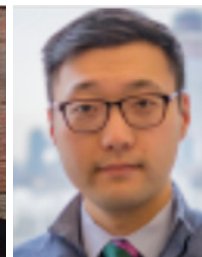
**Lynn Peters**  
Retransform



**Ian Turnbull**  
First Capital  
Realty



**Grant Wood**  
Juniper Square



**Min Suh**  
Assess+RE



**Greg Carey**  
Tishman Speyer

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- **Yardi:** Real Estate Runs on Yardi. Properties succeed. Revenue grows. Efficiency improves.
- **Altus Group:** Gain clarity and insights to drive commercial real estate investment performance
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- **Lionpoint Group:** Transforming Alternative Investments (Strategy. Technology. Operations.)
- **Juniper Square:** Delight your investors. Automate your back office.

### EXECUTIVE OVERVIEW

Highly effective business process automation and application/data integration solutions are no longer “vaporware” or experimental technology that only the largest CRE companies can afford to evaluate. In a 2017 survey of over 600 CIO’s from a wide range of industries, 90% reported that their company either has an application programming interface (API) strategy or would have one by the end of that year. We don’t see that level of API strategic thinking with current commercial real estate clients, but innovators are emerging! Chuck Niswonger ([NiceNets Consulting](#)) gave real examples of fully-developed implementations at [New York Life Real Estate Investors](#) and [Brookfield Properties](#). Panelists in these sessions described their own solutions that automated

multiple aspects of critical business processes and allowed their companies (and sponsors’ clients) to reduce their dependency on risky Excel spreadsheet modeling, eliminate outdated reporting processes, and gain measurable efficiencies across multiple CRE functions. Grant Wood and Greg Carey confirmed that many implementations are now measured in weeks, not months. Chuck Niswonger challenged all workshop attendees to generate as many reasons as possible as to why they might not expect to gain immediate approval to evaluate similar tools when they return to their home companies. The reasons centered around strategic ROI uncertainty, corporate lack of vision, resource constraints, data concerns, and project management challenges.

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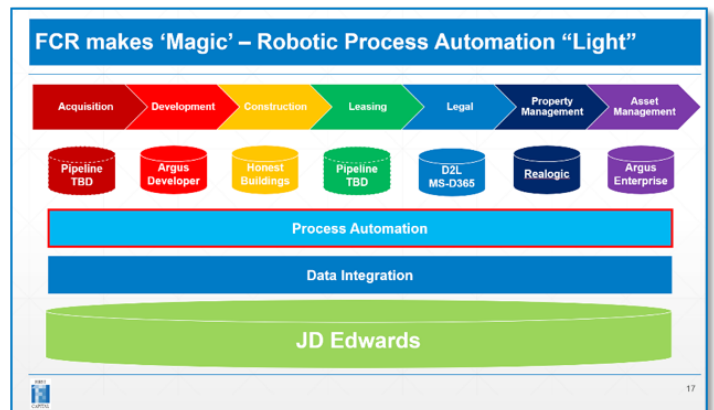


## PANELISTS CONFIRM MODELING EFFICIENCIES AND PROCESS AUTOMATION INNOVATION

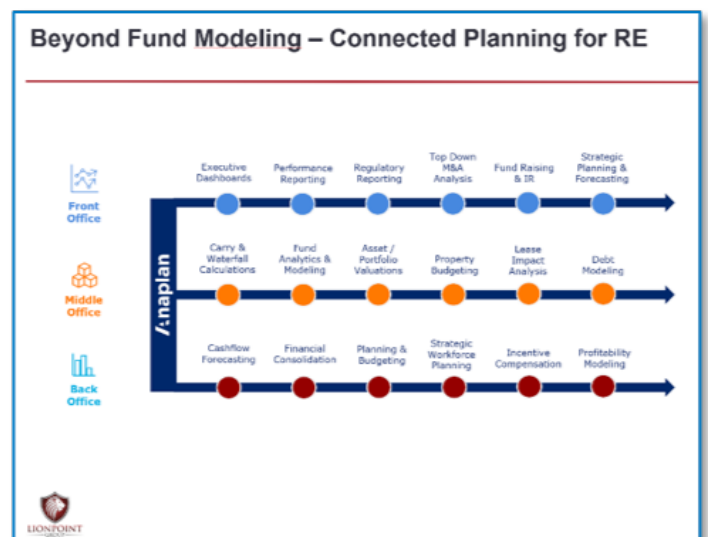
Grant Wood ([Juniper Square](#)) confirmed what CEO Alex Robinson had stated in an earlier session. Implementations are taking a much more Agile approach with clients seeing returns in as little as 3 weeks once the data has been absorbed into their system. Lisa Howat ([Lionpoint](#)) and Ian Turnbull ([First Capital Realty](#)) described financial modeling and application integration projects that were completed well within a 3 – 4 month implementation schedule. Lynn Peters ([Retransform](#)) outlined their specialized expertise that offers comprehensive solutions worldwide for enhanced operational efficiency.



Ian Turnbull (CIO, First Capital Realty) presented two perspectives on FCR's process automation efforts. Their implementation of [OneStream](#) allowed them to establish several base and custom dimensions for corporate performance including multiple hierarchies, multi-currencies, and multiple scenarios. They have reduced their risk exposure in open Excel models and consolidated multiple data sources using [MagicSoftware](#) for application integration. It has pre-built connectors for JD Edwards to further enhance their capabilities.



Lisa Howat discussed several modeling advantages over Excel using connected planning tools such as [Adaptive Insights](#), [Host Analytics](#), [Oracle \(Hyperion\)](#) and why [Lionpoint's](#) practice focuses primarily on [Anaplan](#). She highlighted the power of connected data using a centralized Data Hub and its flexibility to visualize historic and projected financials, define new data points, and manage adjustments. Role-based dashboards and reports allow for a wide variety of charts and graphs designed to provide drill-down scenario building based on well-defined security levels for front office, middle office, and back office functions. Senior executives can now perform more self-serve data analytics and have fewer demands for customized reports built by Analysts.

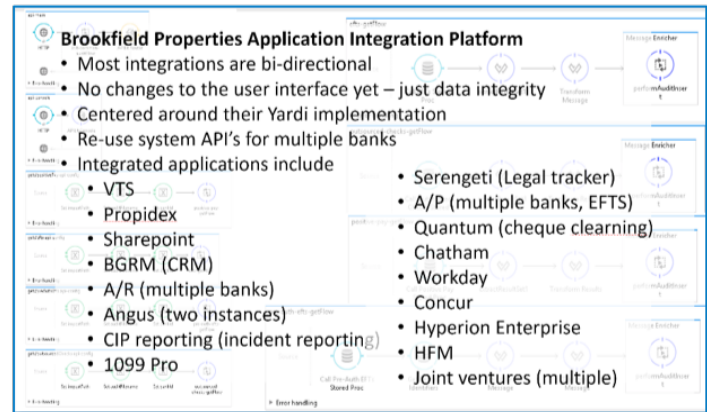


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Chuck Niswonger highlighted the application integration efforts by Brookfield Properties that are built on [Mulesoft's](#) middleware and centered around their Yardi implementation. [GPG Advisers](#) Executive Director Jim Carr was participating in the workshop and briefly described their involvement with this innovative effort. They have been able to create bi-directional data integration between multiple systems without unique software customizations that might later impact the ability to upgrade legacy systems. Soheil Pourhashemi (CIO, [Brookfield](#)) expressed his optimism toward future modeling enhancements using AI and machine learning.



## OPEN API STRUCTURES ENHANCE APPLICATION AND DATA INTEGRATION SUCCESSES

Several of our panelist commented on their ability to integrate with enterprise applications and other similarly developed cloud-based solutions. Modern web service architectures and development techniques have enhanced integrated offerings including:

- Leaving data in its native host application format to reduce the data governance burden
- Avoiding making sweeping changes to existing applications or data structures
- Assuring data integrity across systems
- Reducing learning curves by allowing intuitive user interfaces and experiences
- Processes (such as deal underwriting) reduced from 40+ hours in Excel to less than 1 hour in [AssessRE](#)
- Collaborative workflows leveraging multiple data sources such as deal templates in [Dealpath](#)

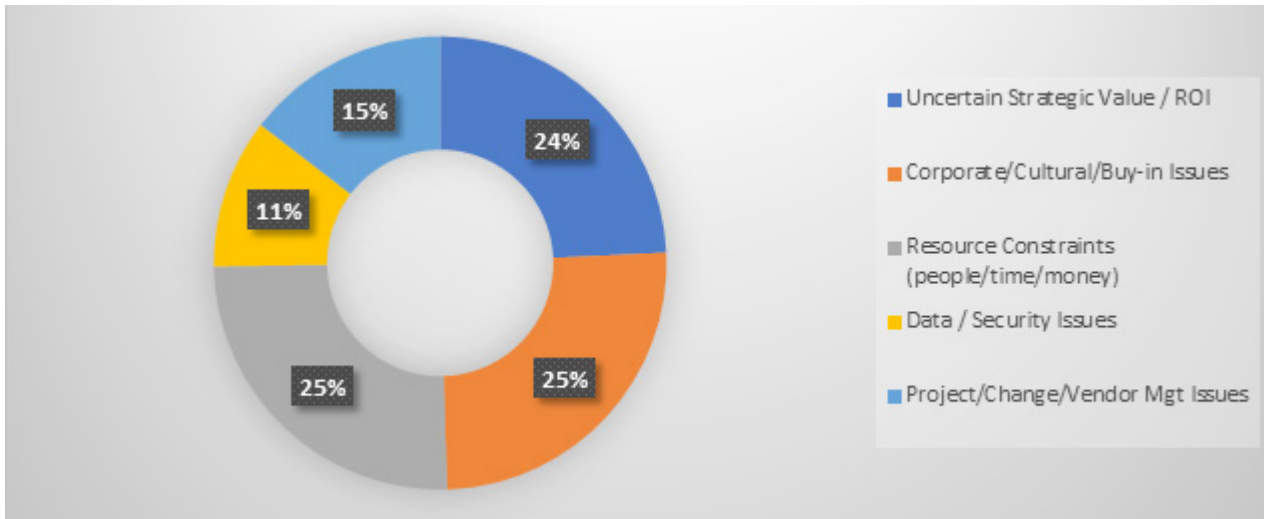
## NETWORKING WORKSHOP OUTPUT – BARRIERS TO GAINING PROJECT APPROVALS

Several sponsors confirmed the long sales cycles they typically experience when trying to gain approval for a proof-of-concept, partial deployment, or full implementation. Companies are often hesitant to enter into an agreement with a vendor and want to gain as much insight as possible before committing resources (time, people, money) to new products. Working with experienced consultants and business partners can help reduce the time spent in the vendor selection process. Sharing information in networking events such as Realcomm can also help. The common benefits that were clearly demonstrated in these sessions seemed to indicate that companies would want to explore these solutions as soon as possible. Given the relatively short deployment schedules, it is not unrealistic that companies could evaluate these products this summer and begin realizing undeniable ROI's before Christmas in the same year! Chuck Niswonger challenged workshop participants to brainstorm as many reasons they could think of as to why they would not gain approval if they wanted to evaluate these products. The following infographic describes the five major categories that emerged from the data that was collected. Over 100 responses were generated in just a few minutes. These were then grouped into common themes and charted below.

## CONCLUSIONS AND RECOMMENDATIONS

Nurturing partnerships, trust, and communication between senior leadership in all departments, including technology, can ensure that everyone understands the strategic direction and seeks out business solutions that promote efficiency, transparency, security, and compliance. Innovative tools that replace antiquated business processes can remove frustration, duplication, and waste at every level. Networking with innovators helps to avoid some of the landmines and introduces solutions with realistic expectations, measurable results, and cost-effective alternatives to the status quo.

## BARRIERS TO APPLICATION / DATA INTEGRATION / PROJECT APPROVAL



### Uncertain Strategic Value / ROI (28)

- Unclear improvement of operational efficiency
- ROI is not good enough, unknown, or unclear
- Unclear value proposition
- Benefits are soft and difficult to verify
- Unclear on how this drives revenue growth
- Does not align with the business strategy
- Problem is not well-defined
- Lack of consistency in business lines and performance measures

### Corporate / Cultural / Buy-in (25)

- Lack of vision at the top; Senior leadership are detached from details
- No defined technical strategy
- Lack of business commitment
- Lack of confidence in CRE consultants; Lack of trust with vendors;
- No faith/trust in our IT department
- Negative perception of the integration experience and project timeline

### Resource Constraints (people/time/money) (24)

- Too many competing priorities
- Business resources required
- Too expensive
- Requires specialized training

### Project/Change/Vendor Management (15)

- Aversion to change (inertia)
- Nothing is broken
- Current tools are not yet maximized
- Excel is easier and more flexible
- Tedious approval process
- Too many companies trying to solve the same problem and no process for evaluating each

### Data / Security (11)

- Need to complete data governance effort
- Concerns about data security
- Access to data is limited
- Unclear if these solutions have scalability

### Other (3): Unable to Categorize

- Website restrictions; Formal Onboarding; Not sure about the impact to reduction to manual manipulation to reduce risk

Raw Data Collection in Google Docs: <https://drive.google.com/drive/folders/11bs-9NpKVsbWfbR0Uhe3jot71TBrcyGM>

Special thanks to Lou Hong ([Dealpath](#)) for assisting with the raw data analysis and infographic development