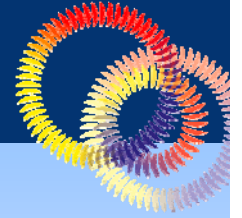


Automated Portfolio Information Exchanges

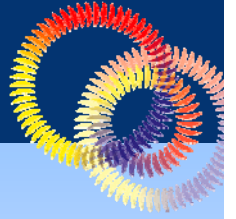
Mick Flynn
Managing Director
Trace Solutions

Agenda



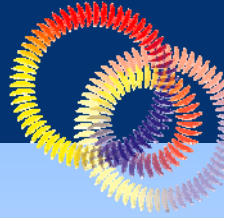
- ❑ Overview
- ❑ About Trace Solutions
- ❑ Portfolio Information Exchange (PIE)
- ❑ A user's perspective
- ❑ Demonstration

Overview



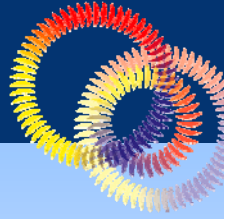
- ❑ Difficult time for us all
 - ❑ Credit crunch
 - ❑ Lack of investment
 - ❑ Profit forecasts
 - ❑ Recession?
- ❑ You cannot control sales
- ❑ You can control costs
- ❑ Business Process should be top of everyone's list
- ❑ Portfolio Information Exchange
 - ❑ Driven by a need to cut costs

Commercial break



- ❑ Trace Solutions Limited
- ❑ Software and related services company
- ❑ Established 1974
- ❑ Part of Trace Group
- ❑ Based in Clerkenwell, London, EC1
- ❑ 33 years of property management systems
- ❑ 95% of business is property management
- ❑ 60+ staff
- ❑ 160+ clients
- ❑ Executive, board and founder member of PISCES

Product/customer profile

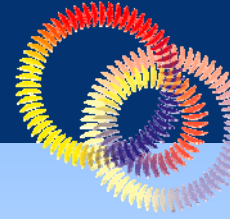


the Co-operative Group

LONDON & REGIONAL
PROPERTIES



PIE - What is it?



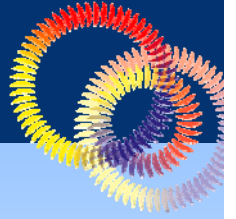
Portfolio
Information
Exchange

Mission: To define an international standard to enable the automation of the transfer of core property portfolio data between different property management systems.

Scope: To transfer primary portfolio management data e.g. rent charged to date, charge frequency fields and accounting data e.g. property descriptions, legal aspects of both title and letting and details on internal breakdown.

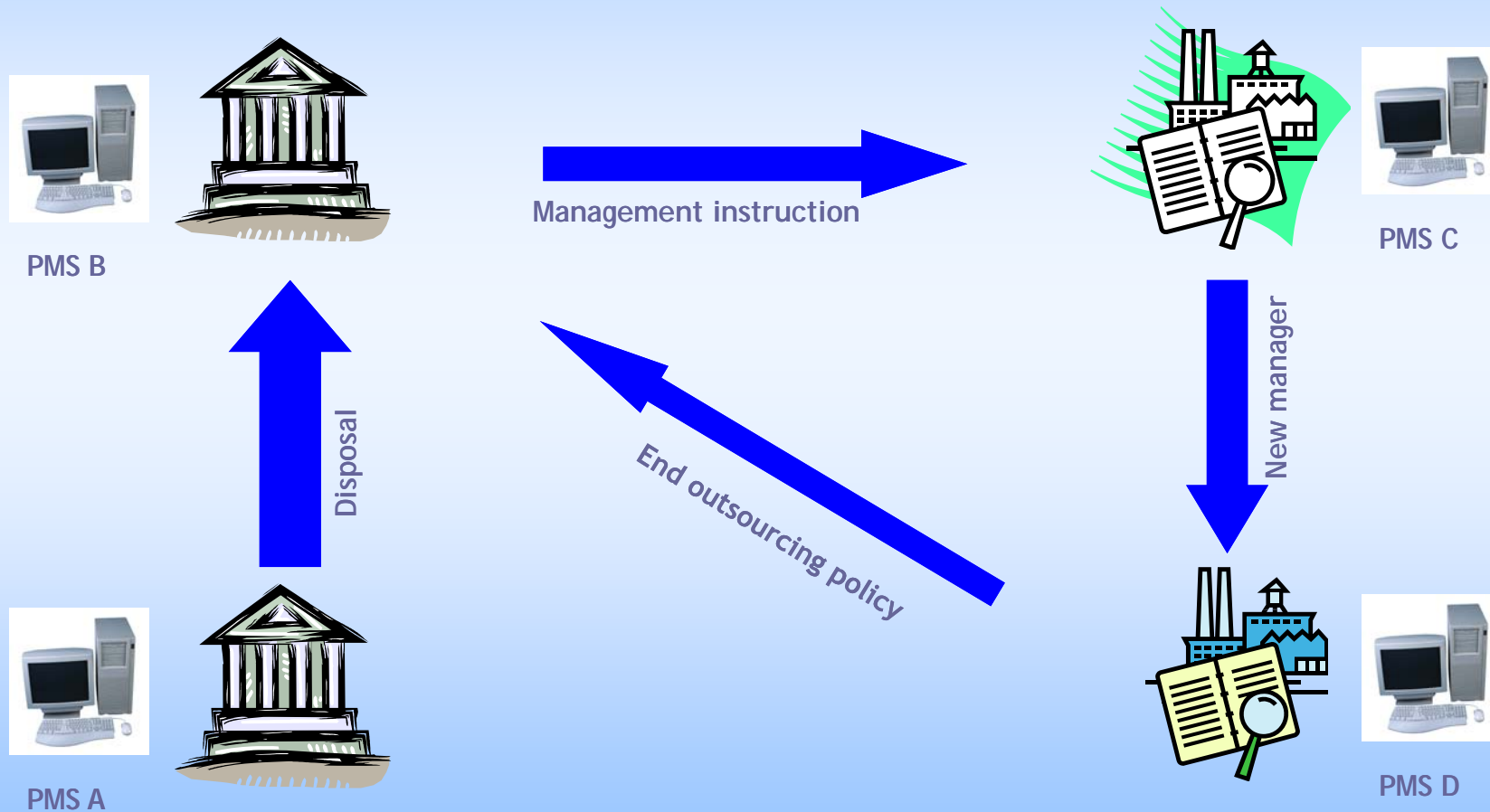
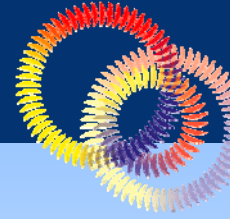
‘A definition of a set of data in a standard format for property managers to exchange property related information’

Why do you need it?

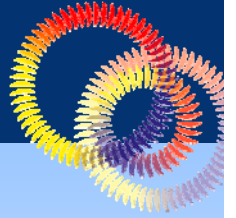


- ❑ Acquisitions & disposals
- ❑ Submissions to/from lawyers
- ❑ Change of property management system
- ❑ Change of property management company
- ❑ Synchronisation of agent/owner databases
- ❑ Submission to government bodies
 - ❑ E.g. Land Registry
- ❑ Submission to industry bodies
 - ❑ E.g. IPD

Why do we need data exchanges?

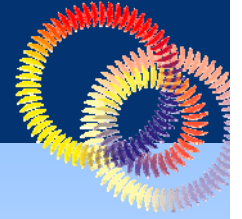


How did it come about?

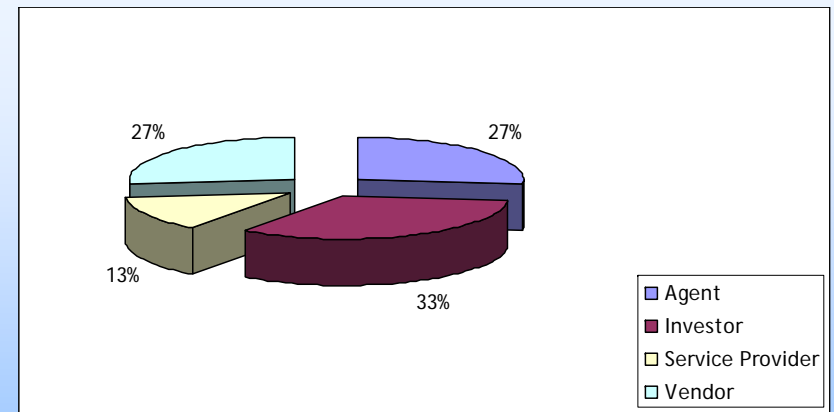


- ❑ Trace User Group initiative
 - ❑ Led by large managing agents
 - ❑ Constant churn of management instructions
 - ❑ Endless loading of new data
 - ❑ Risk if errors
 - ❑ Incorrect/missing rental income
 - ❑ Acceptance of incorrect terms of tenancy
 - ❑ Time consuming
 - ❑ Costly
 - ❑ CBRE and Trace approached PISCES to create a new workgroup specifically for property managers
 - ❑ Ideal: To receive new data in the morning and issue rent demands in the afternoon

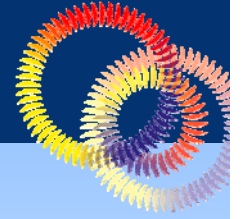
PIE was born



- ❑ Participants
 - ❑ Colliers CRE
 - ❑ CoStar
 - ❑ CBRE
 - ❑ DTZ Debenham Tie Leung
 - ❑ Hammerson plc
 - ❑ Henderson Global Investors Ltd
 - ❑ INTUIT Real Estate Solutions Limited
 - ❑ Investment Property Databank (IPD)
 - ❑ Jones Lang La Salle
 - ❑ Land Securities plc
 - ❑ Prudential Property Investment Managers (PruPIM)
 - ❑ Qube
 - ❑ St Martins Property Corporation Ltd
 - ❑ Trace Solutions Ltd
 - ❑ Yardi APB

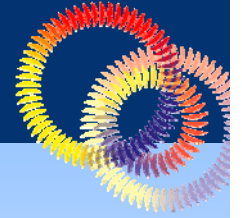


Charter



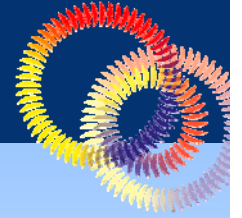
- ❑ Scope
- ❑ Business process
- ❑ Stakeholders
- ❑ Impact
 - ❑ Reduced costs
 - ❑ Faster processing
 - ❑ Improve accuracy & increase quality
- ❑ Dependencies
 - ❑ Investment valuations
 - ❑ Legal

Approach



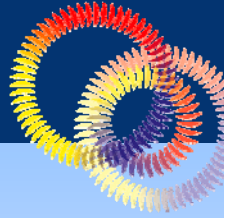
- ❑ Potentially vast scope
- ❑ Re-use of version 1.6.1 but with property management bias and revalidation of content
- ❑ Limited financial transactions (arrears, service charges) addressed
- ❑ Limited to one-time data transfers, not incremental changes
- ❑ Intention to address international requirements but workgroup expertise was EMEA

Scope of data



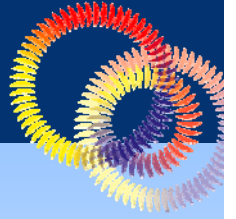
- ❑ Property information
- ❑ Unit and Demise
- ❑ Lease information
- ❑ Tenant and Landlord details
- ❑ Rental details including rent review and frequency
- ❑ Service charges recovery data showing the calculation basis used
- ❑ Historical lease data, if available
- ❑ Financial transactions including accounting details and financial entries

Workgroup approach



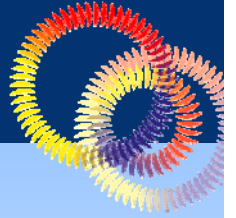
- ❑ Lead by PISCES project manager
- ❑ Aimed for 'fast track' of 6 months
- ❑ Launched March 2006
- ❑ Published February 2008
- ❑ Define business process
 - ❑ Data exchange table
 - ❑ Component matrix
- ❑ Review and amend
 - ❑ Dependency on other workgroups
- ❑ Agreement
- ❑ Publication
- ❑ Pilots, adoption

Linking of standards



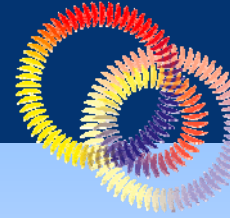
- ❑ Lease delivery standard
 - ❑ Exchange of data between lawyer and owner/their agent
- ❑ Lease summary form
 - ❑ Data exchange between
 - ❑ Invista Real Estate
 - ❑ Denton Wilde Sapte
 - ❑ Form and technology developed by Calvis
 - ❑ Demonstration of form and upload
 - ❑ Richard Dace
 - ❑ Business Analyst, Trace Solutions

Vendor's perspective



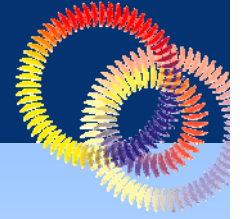
- ❑ Development of import/export software
- ❑ Data transformation to/from standard
- ❑ Compliance testing
- ❑ Significant investment by vendors
 - ❑ How to recoup ROI?
- ❑ Funding options:
 - ❑ Individual client
 - ❑ Group of clients
 - ❑ None, sell as add-on module
- ❑ Yardi APB and Trace developed pilots, now developing commercial products
- ❑ Qube also active on lease delivery

PIE future



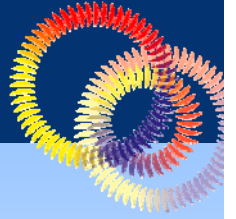
- ❑ Further development & integration
 - ❑ Other workgroups
 - ❑ Lease delivery
 - ❑ Portfolio management reporting
 - ❑ International
 - ❑ EMEA via this workgroup
 - ❑ USA via OSCRE
 - ❑ Harmonisation process
 - ❑ Financial transactions
 - ❑ Incremental changes
 - ❑ Further initiatives triggered by discussions (today?)

A user's perspective



- ❑ St Martins Property Group
- ❑ Richard Collins
 - ❑ Assistant Executive Director
 - ❑ Vice-chair of PIE work group

Demonstrations



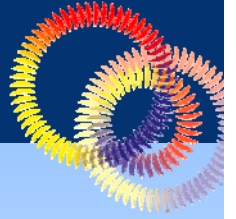
❑ Richard Dace

- ❑ Business Analyst, Trace Solutions
- ❑ Advocate, served as director of PISCES

❑ Andrew Marlow

- ❑ Programmer, Yardi APB
- ❑ Advocate, active participant in many workgroups

Summary



- ❑ You know there's a problem...
- ❑ .. here's a solution
- ❑ Needs industry adoption to be effective
 - ❑ Just like e-mail and Excel
- ❑ This gets the data in fast without fear of error
- ❑ Is the source data correct?
- ❑ If lease data comes from lawyers and that same data is used to construct the lease, then 'yes'
- ❑ Lawyers, owners and agents all need PISCES compliant systems for all to benefit
- ❑ Over to you....