

SAP Cloud for Real Estate

Rethink Corporate Real Estate Management

SAP User Groups Webinar

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March, 23rd 2017

The way we **live, work,** and conduct **business** is changing...



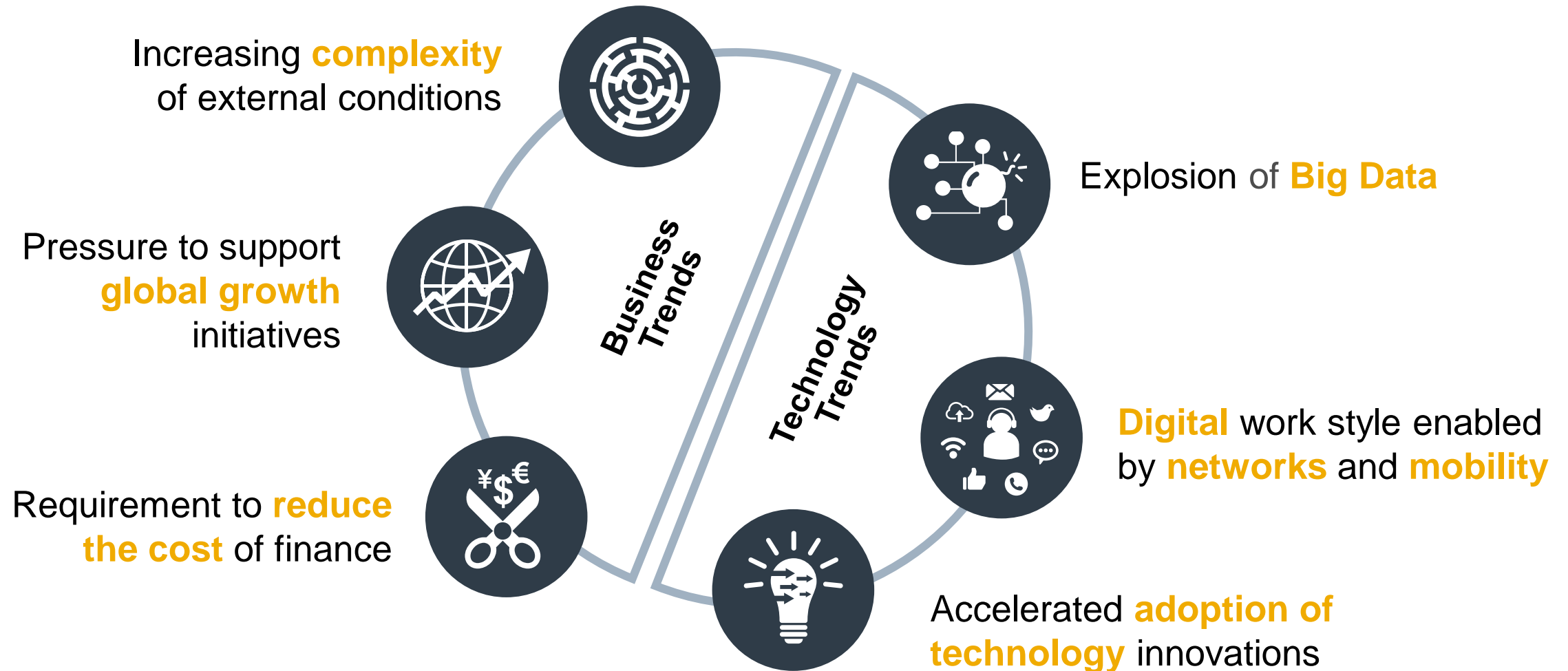
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The new reality of a digital world

Keeping up with the accelerating pace of business



In the course of time

Changing corporate real estate



Financial Performance

Reduction of real estate related costs

- ERP
- Maintenance tools
- Computer-aided facility management (CAFM)

1990s

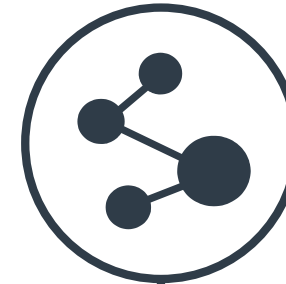


Process excellence

Optimization across real estate key processes

- Expert systems
- Integrated workplace management system (IWMS)
- ERP
- Shared services
- Energy management

2000s



Connected real estate

Optimization based on new insights

- Business systems
- Smart data
- Cloud
- Internet of Things

TODAY

Corporate real estate management



Connected real estate management



Reality in corporate real estate management



Hidden information
and critical dates
in files and
spreadsheets



Complex,
nonintegrated
systems and
user-based
analytics



Masses of
documents
and CAD plans



Bad user
experience

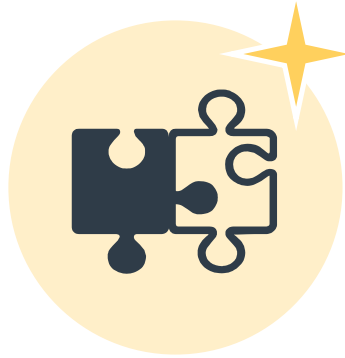


Weak collaboration
between business
partners

Ideal state of corporate real estate management



- User-centric design
- Focused on business critical needs



- Growing partner community providing applications, content, and services
- Rich, Web-based development environment
- Real estate market standards like Industry Foundation Class (IFC)



- Integrated with SAP S/4HANA
- Seamless collaboration with business partners



- Compliant with IFRS and US GAAP leasing standards
- Easy to use and fast implementation
- Predictable costs with low TCO

Are your real estate employees equipped to give the right answers?



Corporate real estate manager

- How many buildings do I own, and how many do I lease?
- What are the costs per square foot and per employee?
- How do my current rents compare to market benchmarks?



Location manager

- How is my workplace and space utilization?
- How do I manage critical dates without missing deadlines?
- How do I collaborate efficiently with partners and service providers?

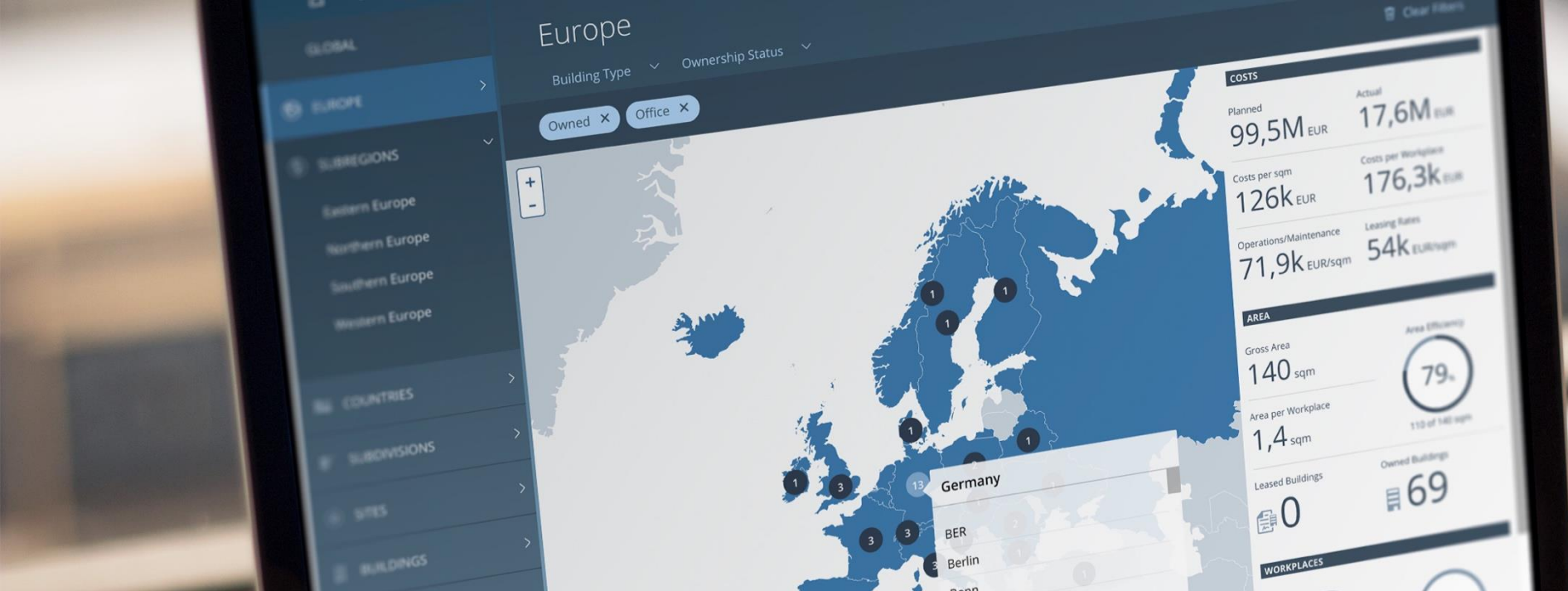


Employee – tenant – customer

- How can I reserve a meeting room or a hot desk?
- How can I request a service or report an incident?
- How can I provide feedback to increase my workplace productivity?



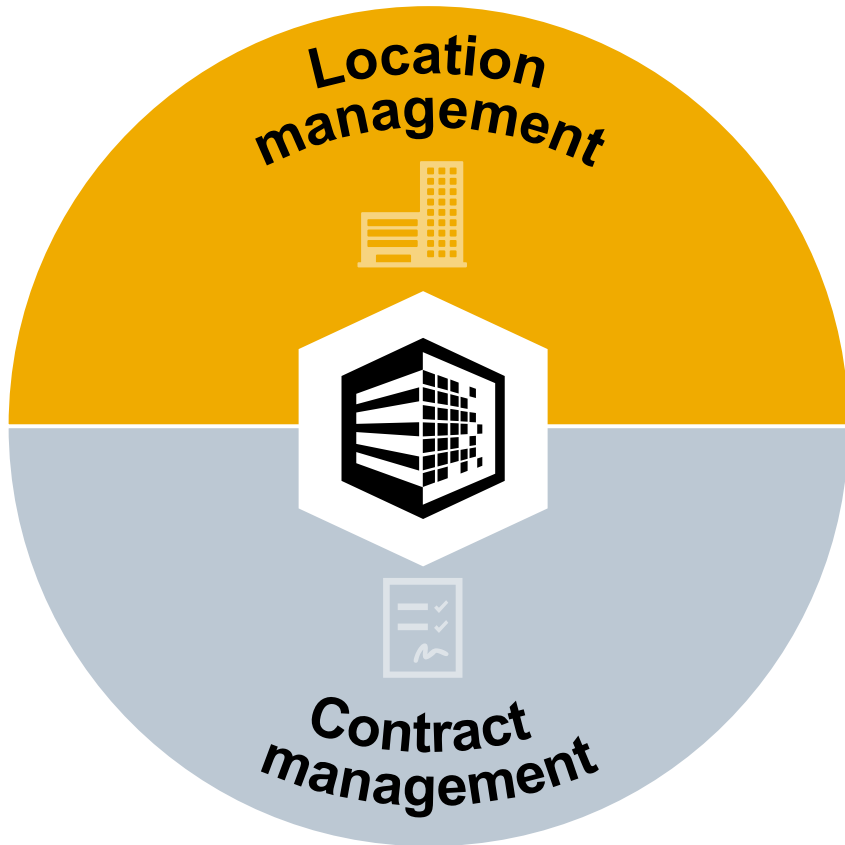
SAP® Cloud
for Real Estate



Location Management

SAP Cloud for Real Estate modules

Centralized information for real estate and facilities performance management



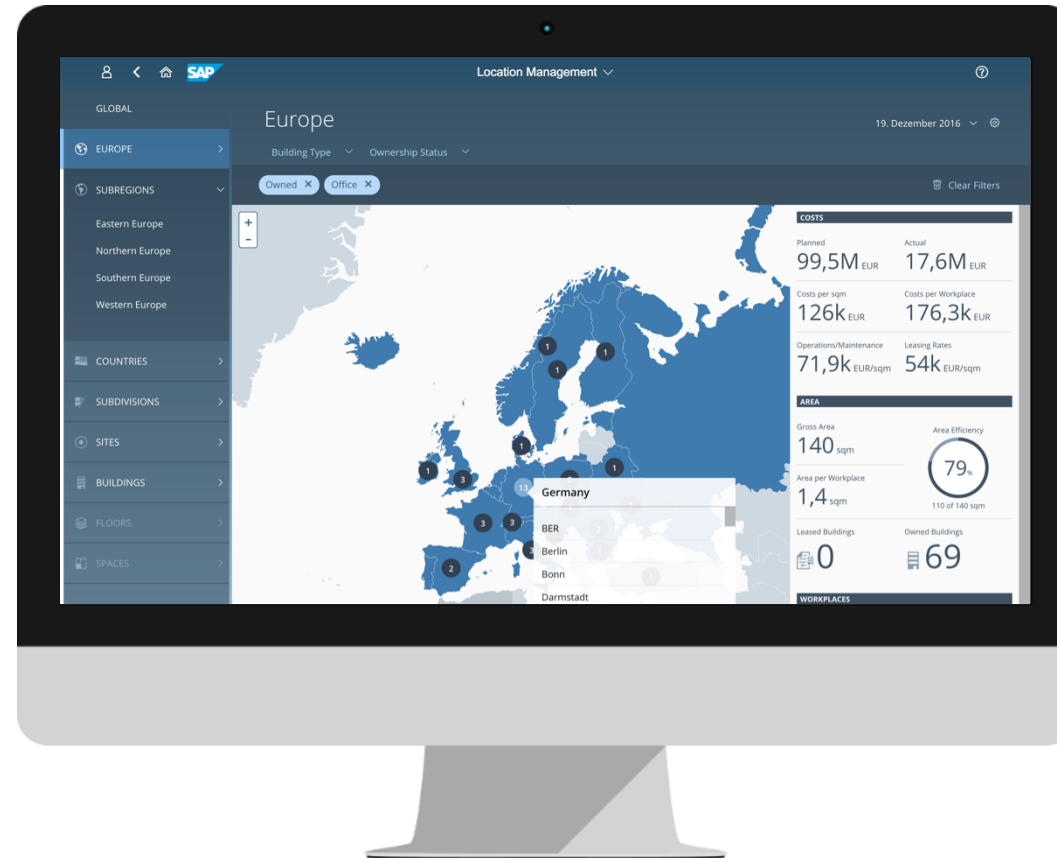
Optimize your real estate portfolio with **location management** by better managing space, quickly evaluating the financial performance of the building, and understanding the physical characteristics of each location.

Location management

Benefits and capabilities

Benefits

- Easy navigation and insights into multinational property portfolio
- Open, flexible, expandable solution that supports on-trend functionality
- Overview of building and space utilization
- Assessment of operational versus actual financial costs
- Compliance with current local and international standards



[Click to demo](#)

Capabilities

- Fast insights into contextual space information without searching
- Extension with partner applications and technologies like the Internet of Things, virtual reality, and sensors
- Access to capacity, cost data, and space productivity
- Real-time insights into financial performance
- Built on industry standards like IFC or International Property Measurement Standards (IPMS)

Location management

Portfolio insights

Easy navigation

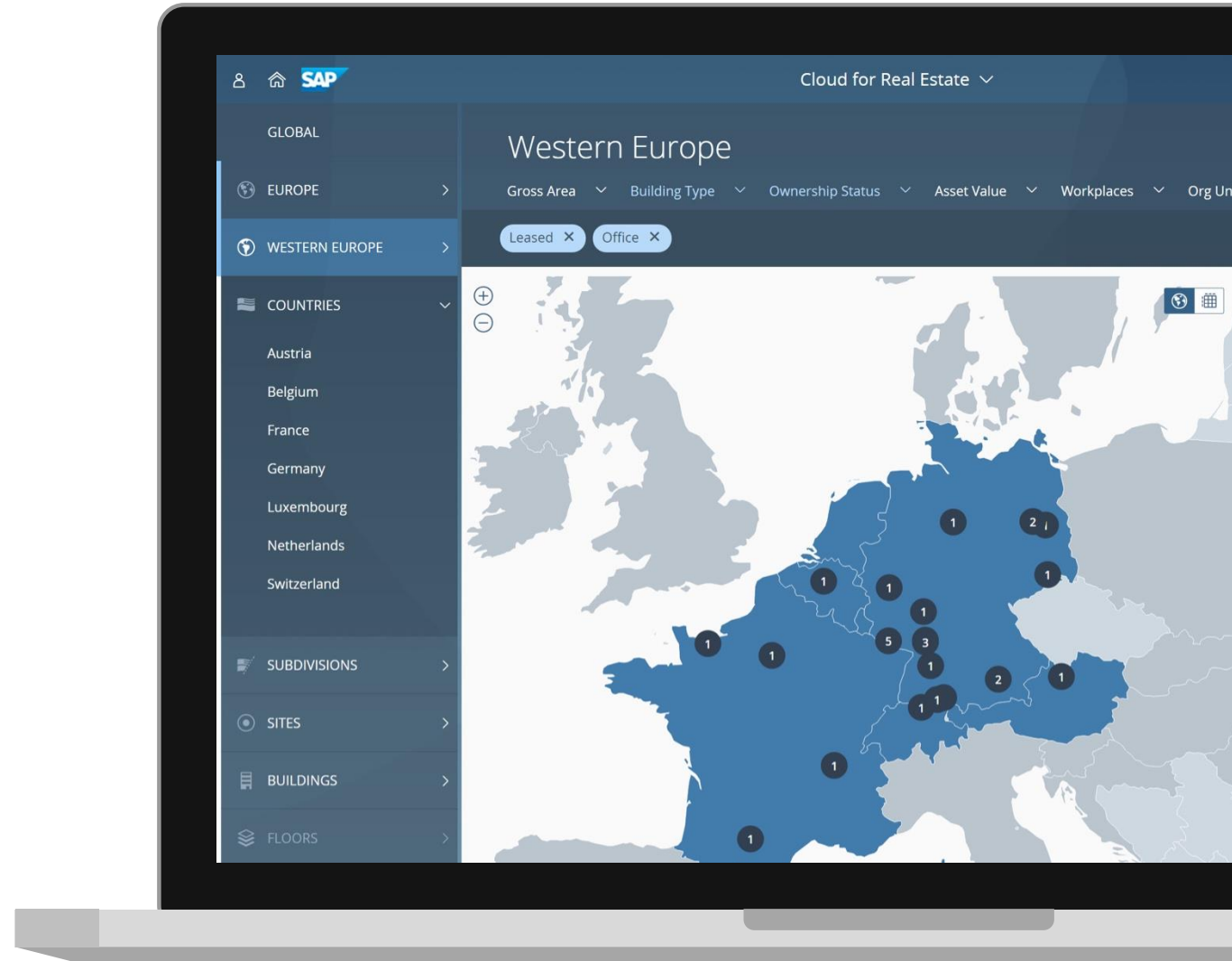
- Region, country, and state subdivision hierarchy on side panel
- Buildings
- Floor and spaces

Filtering and visualization

- Gross area of space
- Building space type
- Ownership status (leased versus owned)

KPIs for site and space efficiency

- Cost/employee/area
- Cost/workplace
- Cost/lease area



Location management

Building insights

Virtual data model

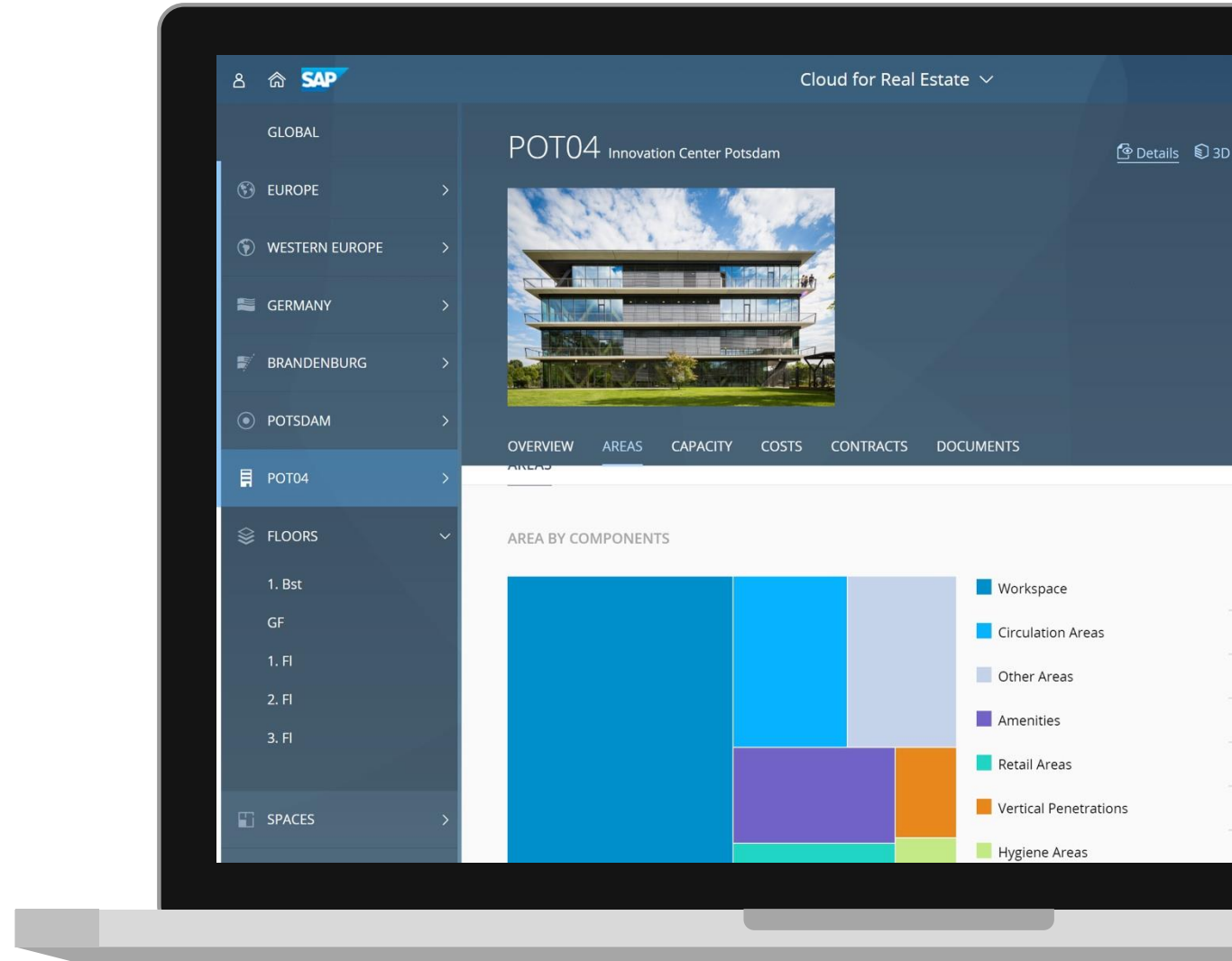
- Powerful SAP HANA
- Quick access to real-time reporting
- Fast, analytical insights

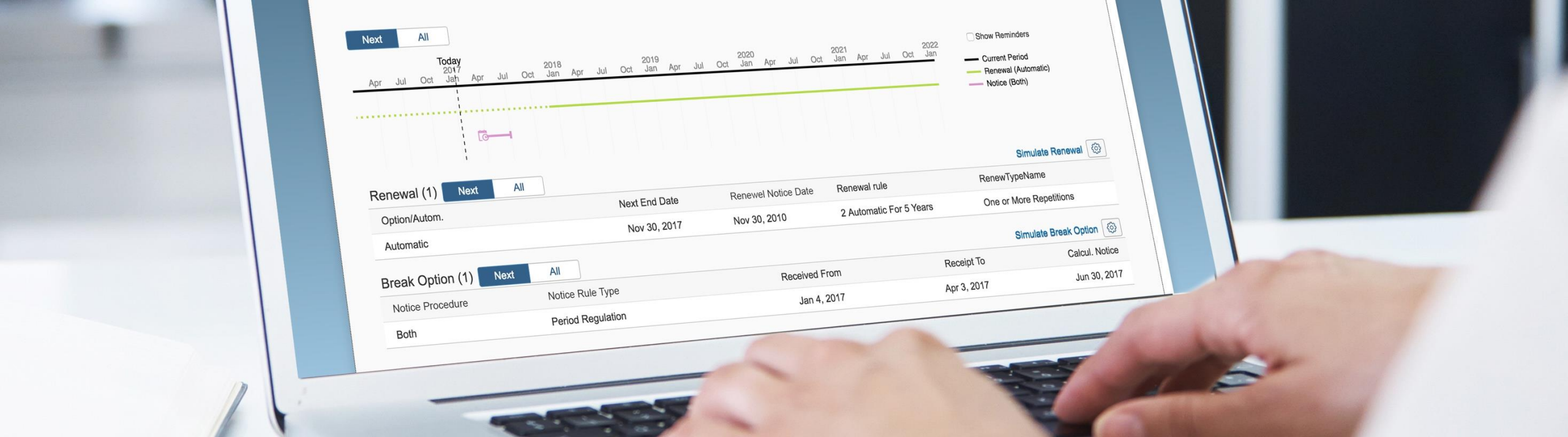
Visualization

- Cost/employee/area
- Cost/workplace
- Cost per lease area

Building usage information

- High-level building details
- Space type allocation by color
- Capacity of dedicated and shared space

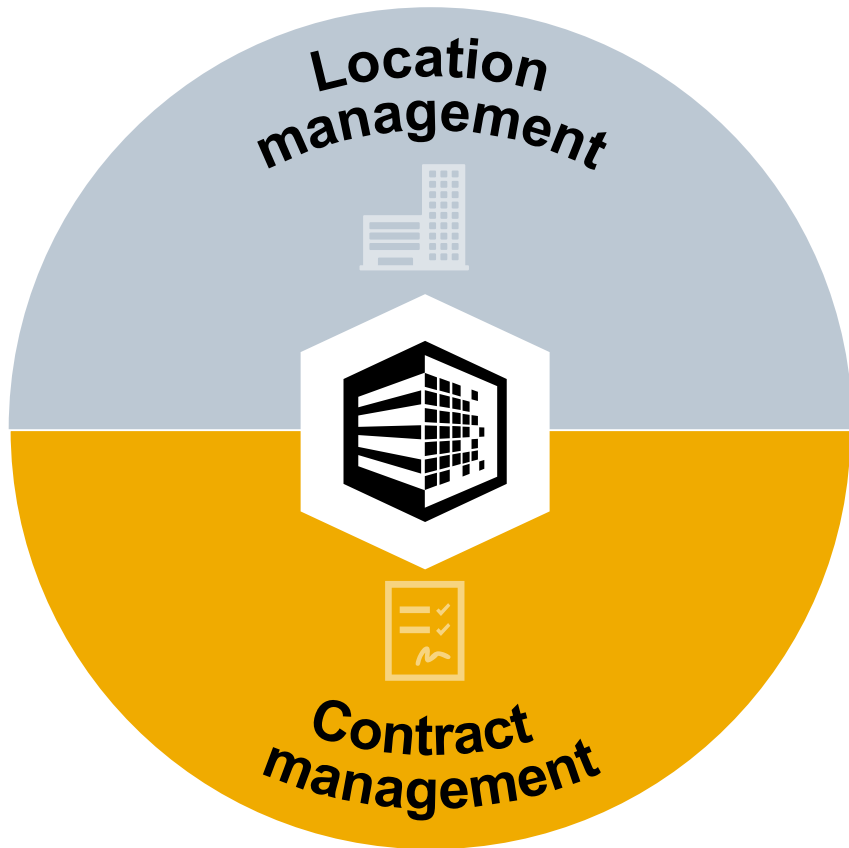




Contract Management

SAP Cloud for Real Estate modules

Centralized information for real estate and facilities performance management



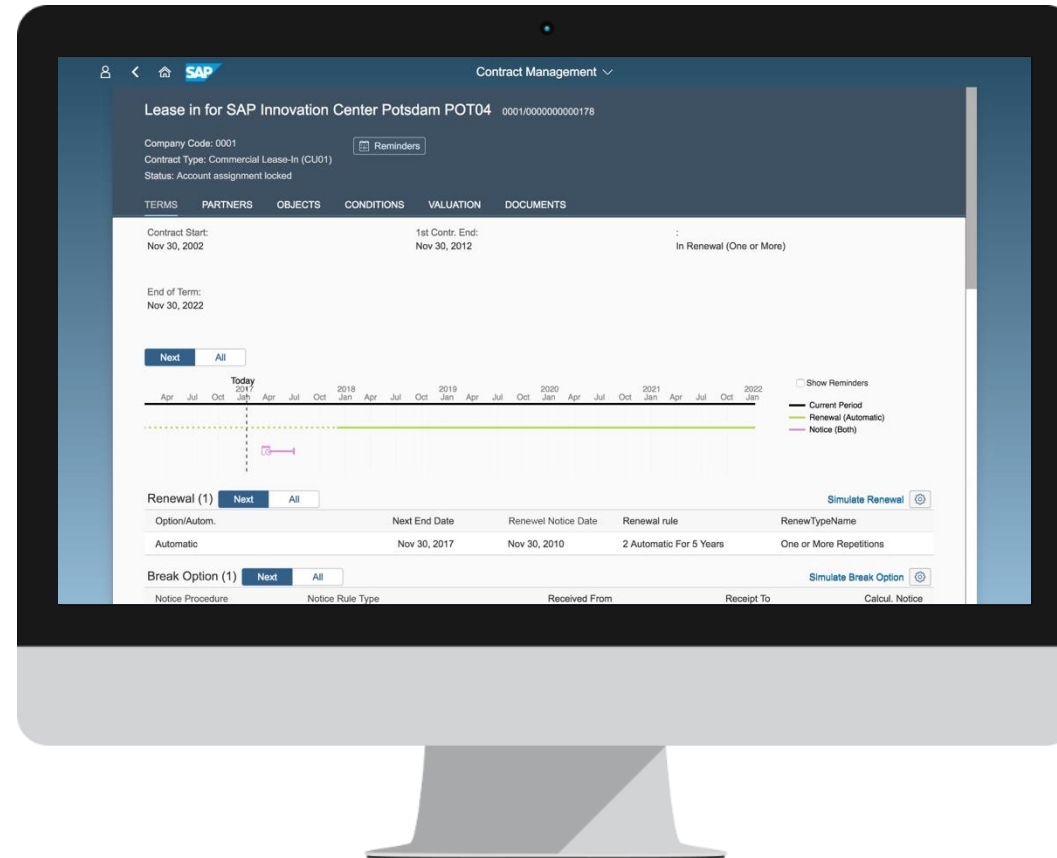
Make intelligent leasing decisions with **Contract Management** by actively managing lease agreements – maintain critical dates, perform valuations based on new lease accounting standards and analyze leasing costs

Contract management

Benefits and capabilities

Benefits

- Easy to use, personalized, and simplified user experience with SAP Fiori
- Open, flexible, and expandable system that supports on-trend functionality
- Flexible, scalable IT infrastructure, and fast, mobile accessibility to Big Data
- Improved user productivity by simplifying day-to-day tasks



[Click to demo](#)

Capabilities

- Simplified contract management providing most relevant information
- Support for new leasing regulations and financial integration
- Integration with SAP S/4HANA to help ensure consistent financial insight
- Easily extended enhancements like lease abstraction

Contract management

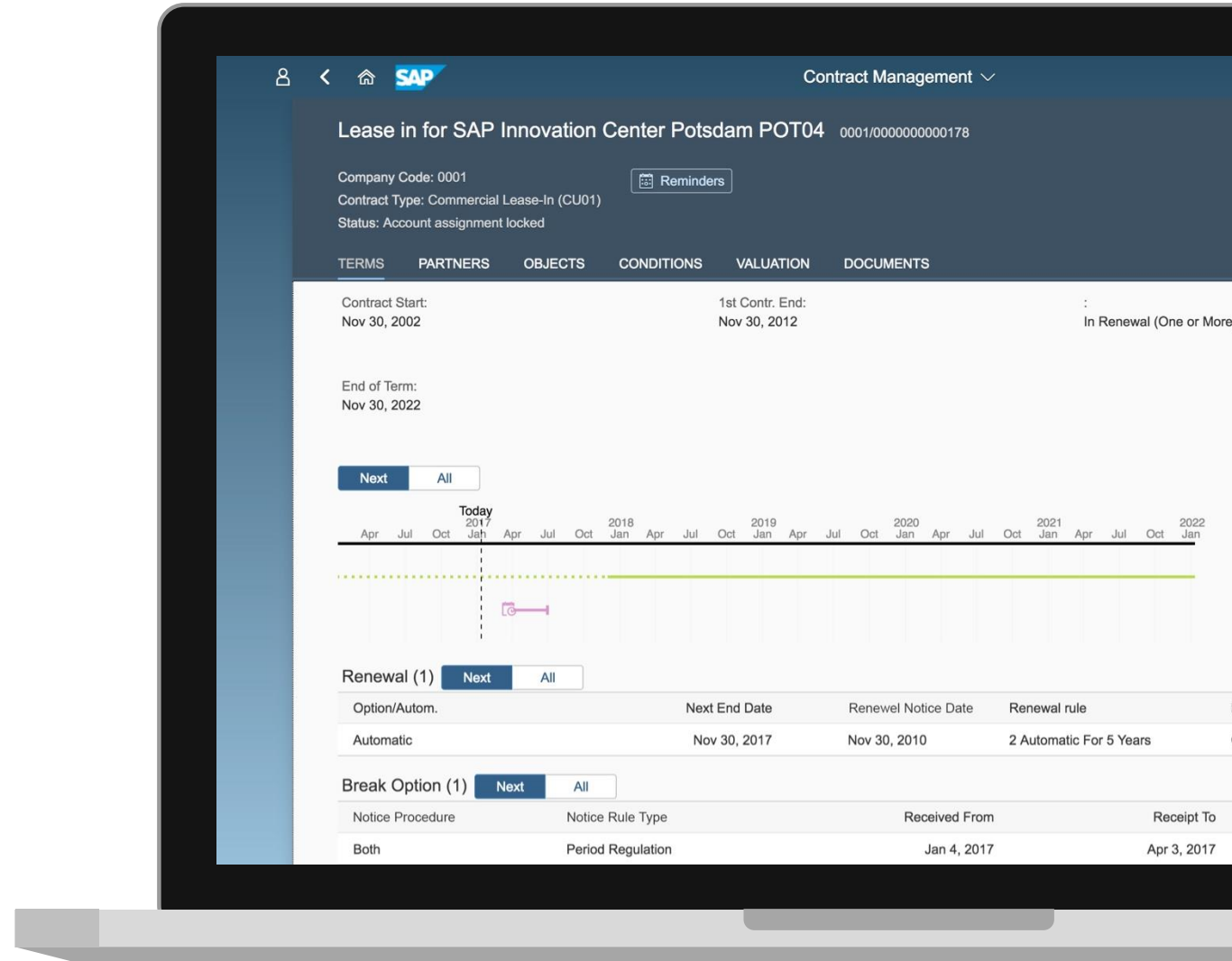
Improved contract performance with real-time lease reporting and analytics

Easy navigation

- User-friendly interface, easy-to-navigate key lease dates
- Calendar view highlighting, period, renewals, notice dates, and options
- Contract simulations for renewals and break options
- Cost per location

Simplified lease administration

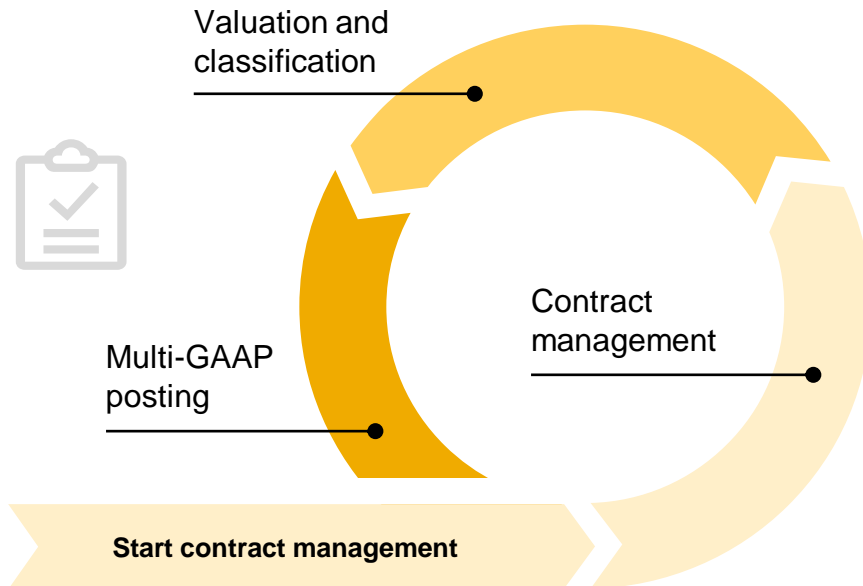
- Tracking of conditions to evaluate lease performance
- Quick access to contract, abstract, or other attachments
- Integration of basic lease data into location management to support lease/space strategy initiatives



Contract management

IFRS 16 and US GAAP ASC 842

SAP Cloud for Real Estate is built on the integrated contract management functionality of the SAP Real Estate Management application and leverages IFRS and US GAAP enhancements.



The screenshot displays the SAP Contract Management interface for a lease in SAP Innovation Center Potsdam (POT04). The interface includes a header with the SAP logo and a dropdown menu for "Contract Management". Below the header, there are tabs for "TERMS", "PARTNERS", "OBJECTS", "CONDITIONS", "VALUATION", and "DOCUMENTS". The "CONDITIONS" tab is active, showing a table of conditions for the lease. The table has columns for "Condition Type", "Xlocked", "ObjID Calc", "Valid From", "Condvalidto", and "CalcFormulaNa". The "VALUATION" tab is also visible, showing a table of valuations for the lease. The table has columns for "ValRule Name", "Object ID", and "N. Status Rule". The "DOCUMENTS" tab is also visible, showing a table of documents for the lease. The table has columns for "Original", "Document Type", and "Full Name".

Condition Type	Xlocked	ObjID Calc	Valid From	Condvalidto	CalcFormulaNa
Credit basic rent		REC 0001/178	Nov 30, 2002	Dec 31, 2018	Fixed Amount
Credit energy supply		REC 0001/178	Nov 30, 2002	Dec 31, 9999	Fixed Amount

ValRule Name	Object ID	N. Status Rule
International Financial Reporting Standards (IFRS16)	0010	Incomplete
German Commercial Code	0010	Complete

Original	Document Type	Full Name
Leverton Viewer	URL	D038030
SAP Office Potsdam Contract.pdf	GOS	KRONENBERG
Edit contract in S/4HANA	URL	KRONENBERG

Outlook



EMPLOYEE PRODUCTIVITY

LOCATION BASED INFORMATION

Providing employees and visitors with up to date information



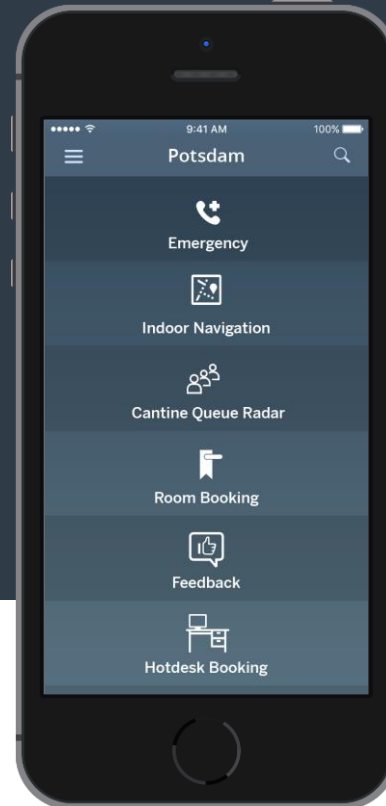
COLLABORATION

Streamline notifications, communication and feedback with the FM department



WORKSPACE MANAGEMENT

Supporting end users to book, find and organize daily workspace environment



EMPLOYEE SATISFACTION

Gaining faster insights into building related issues and user experience



INCREASING PRODUCTIVITY

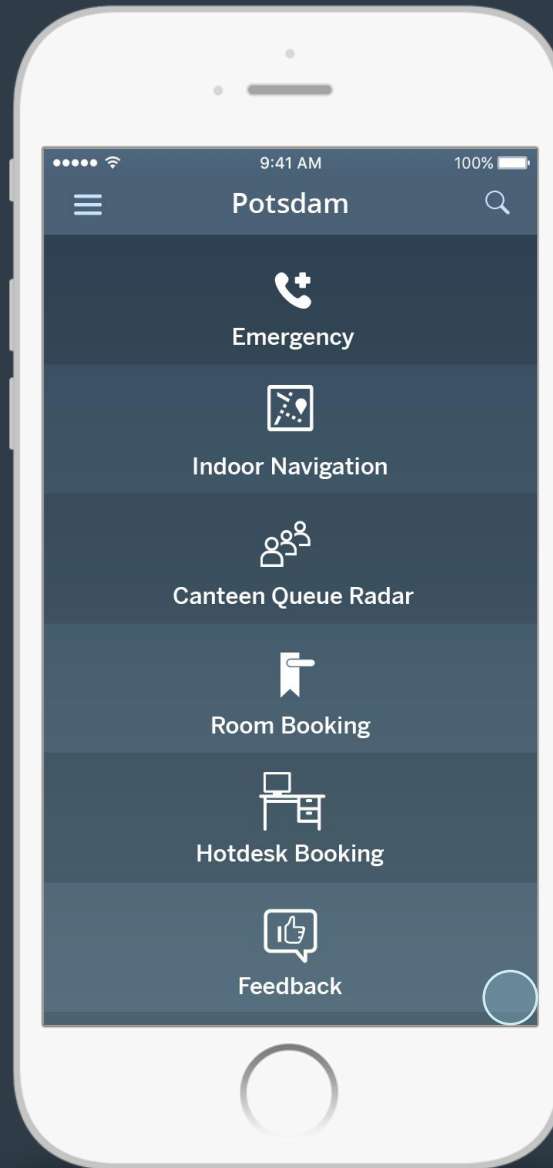
Reducing transfer and search time with indoor navigation

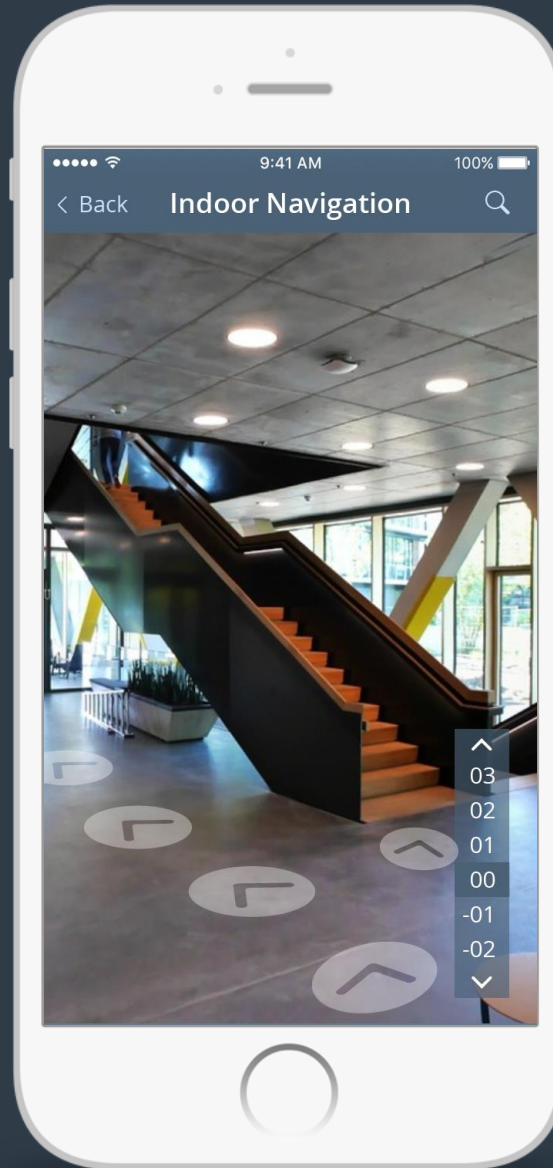


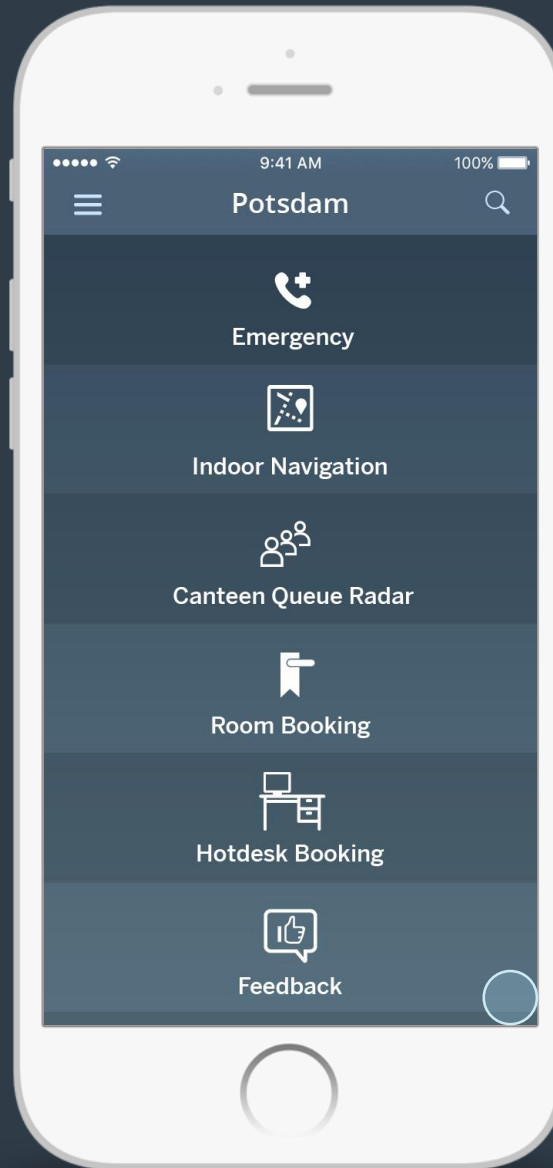
OPTIMIZE ROOM UTILIZATION

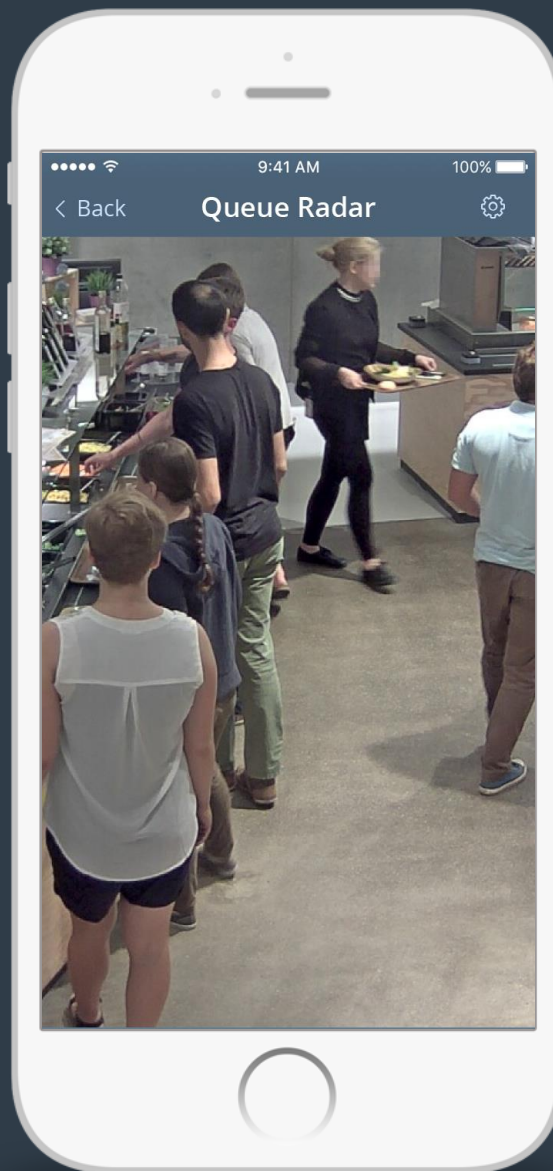
Easy conference and hot desk booking to optimize room utilization

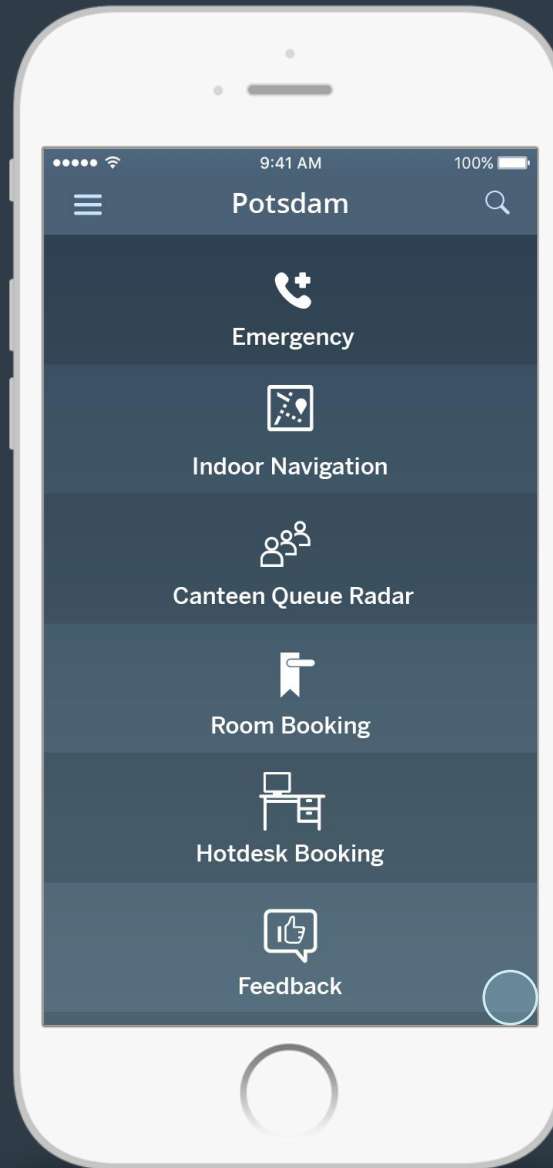


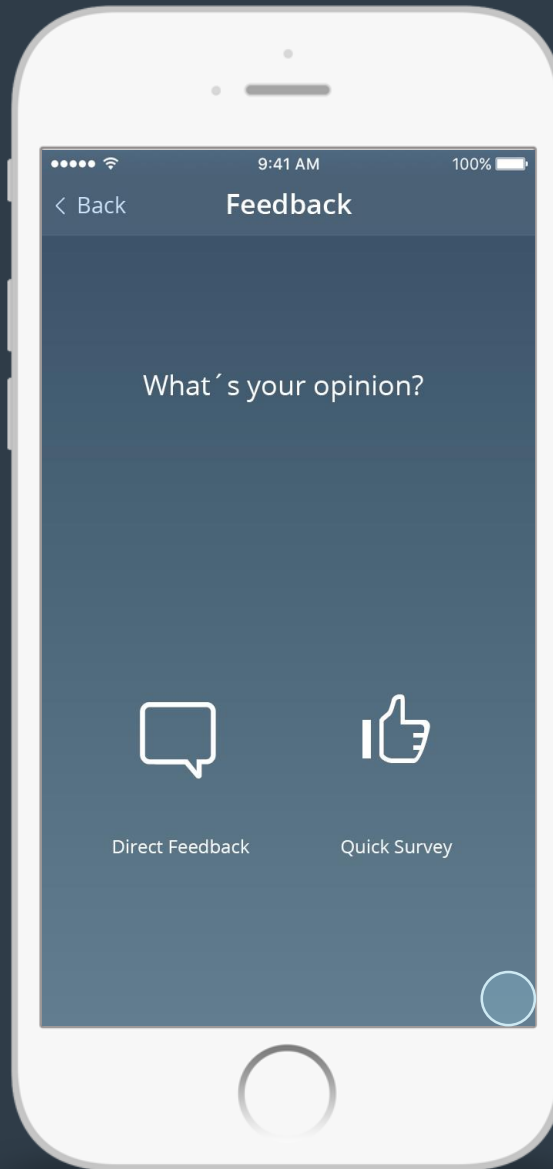


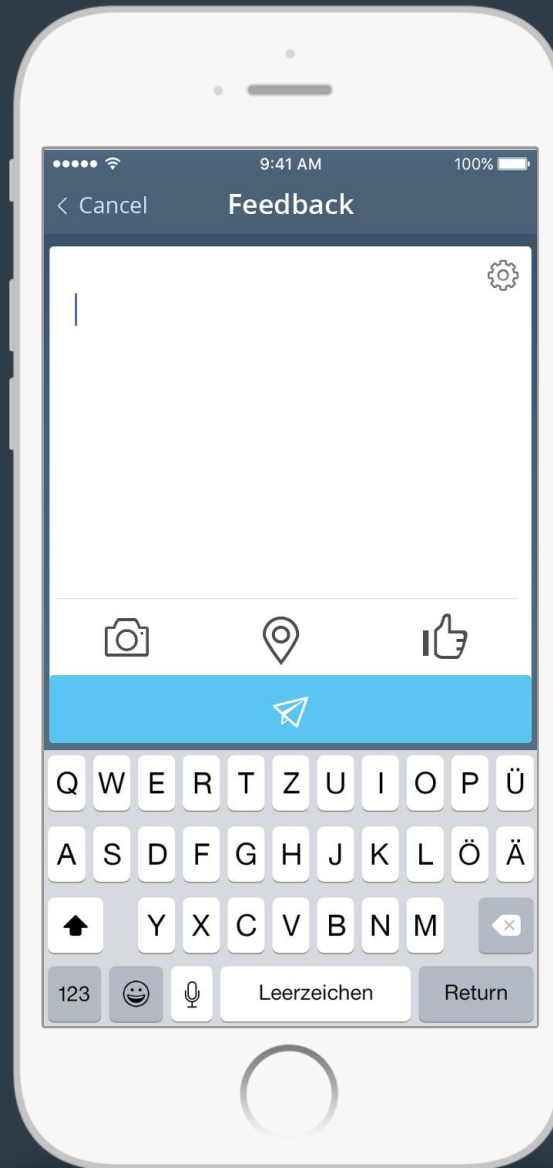


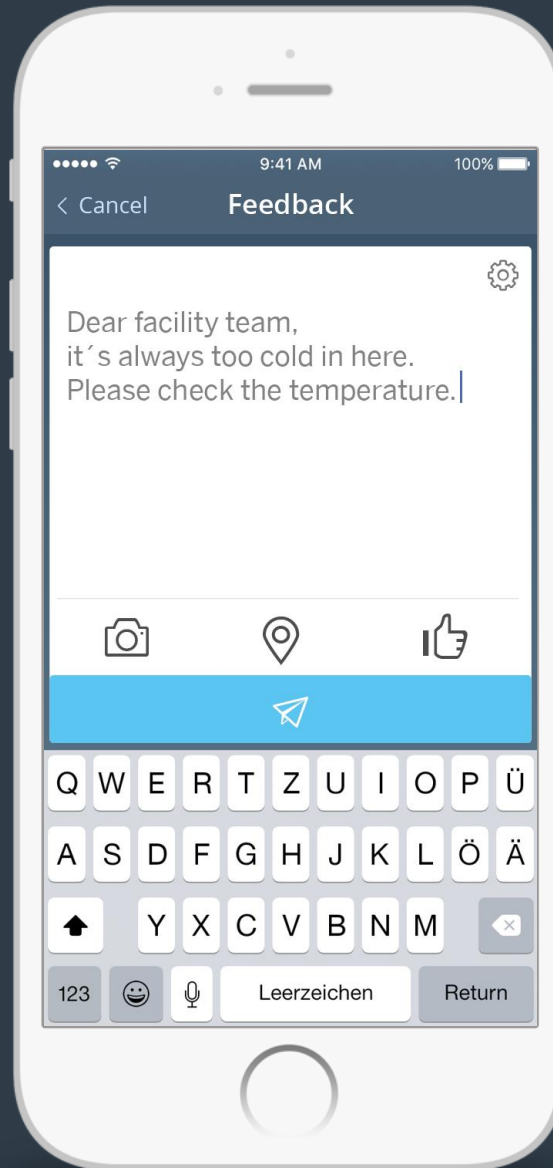


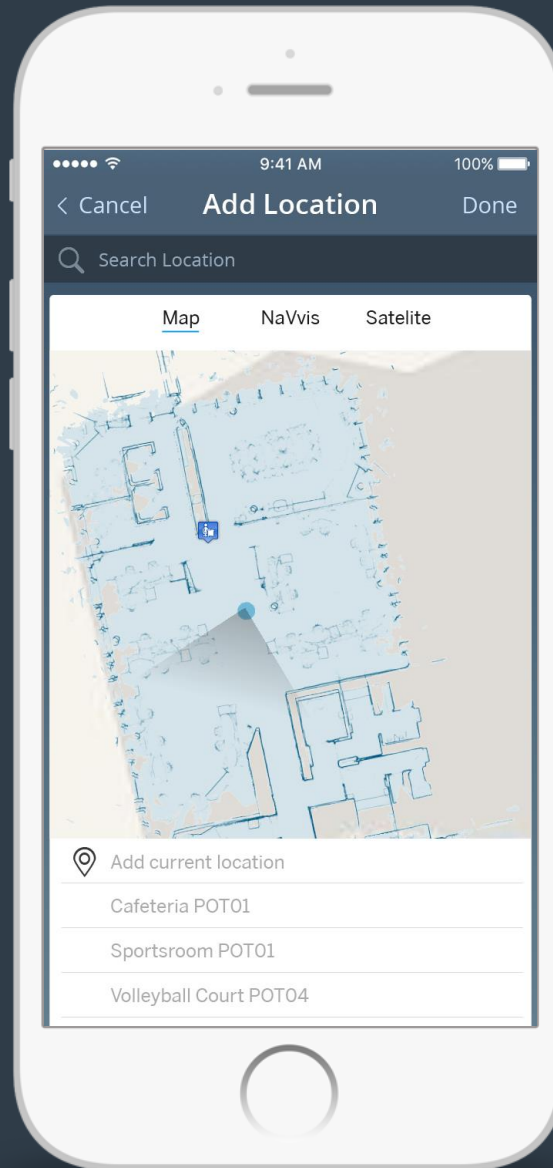


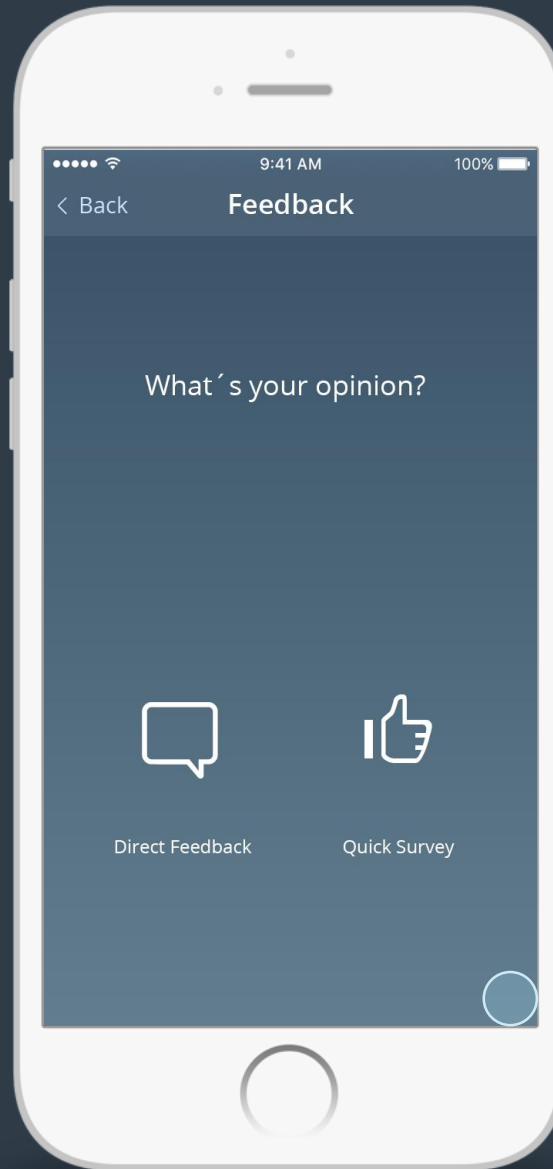


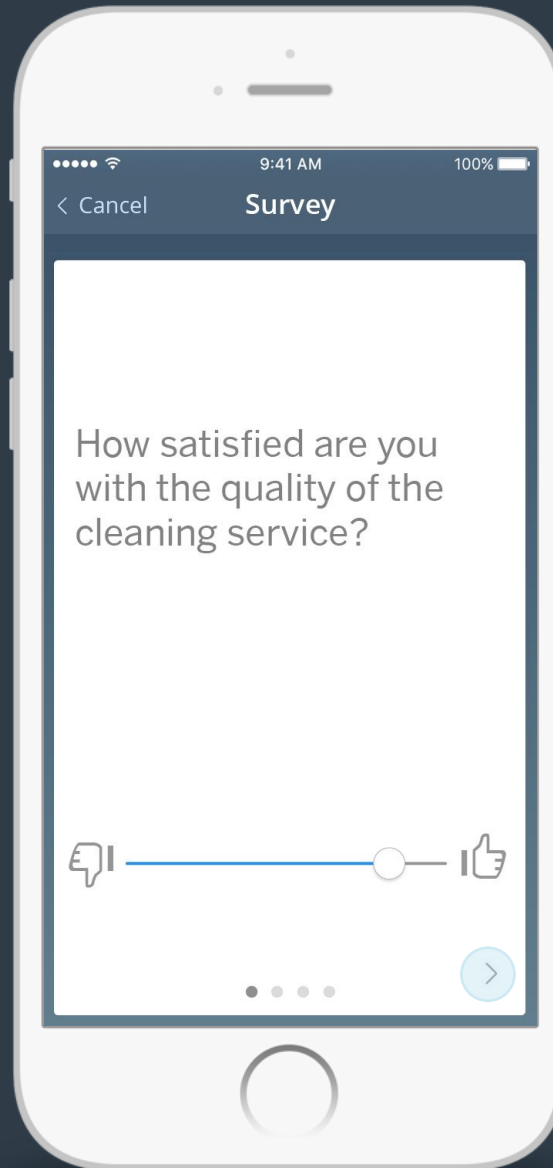


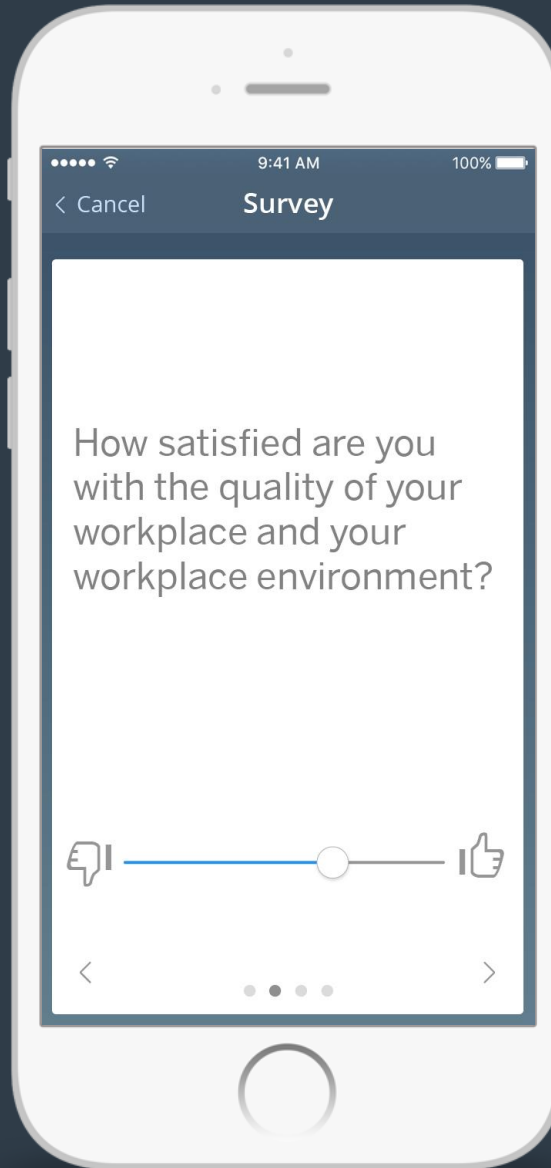






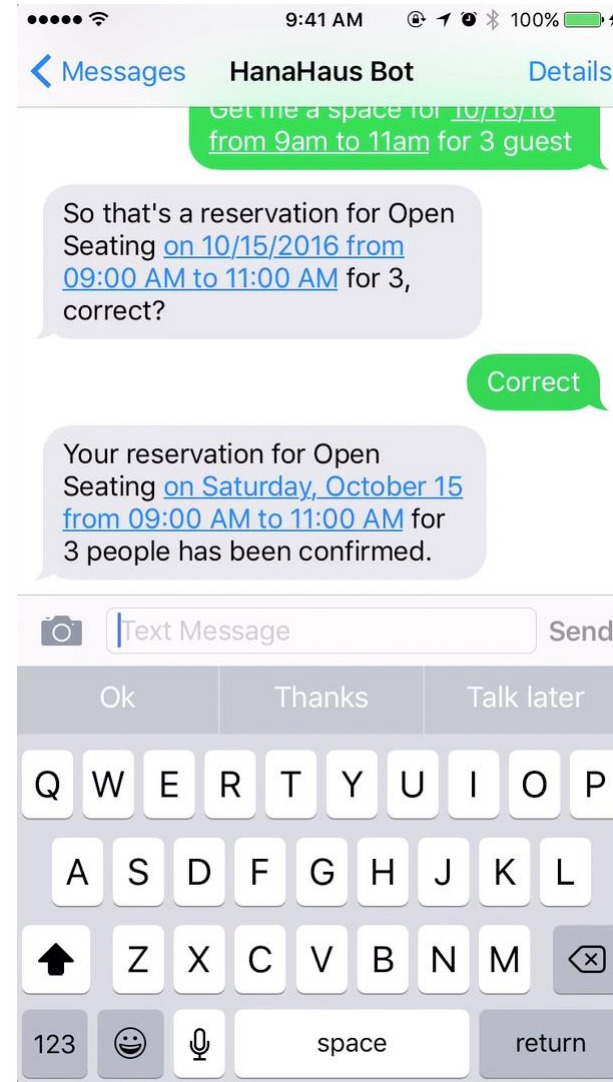
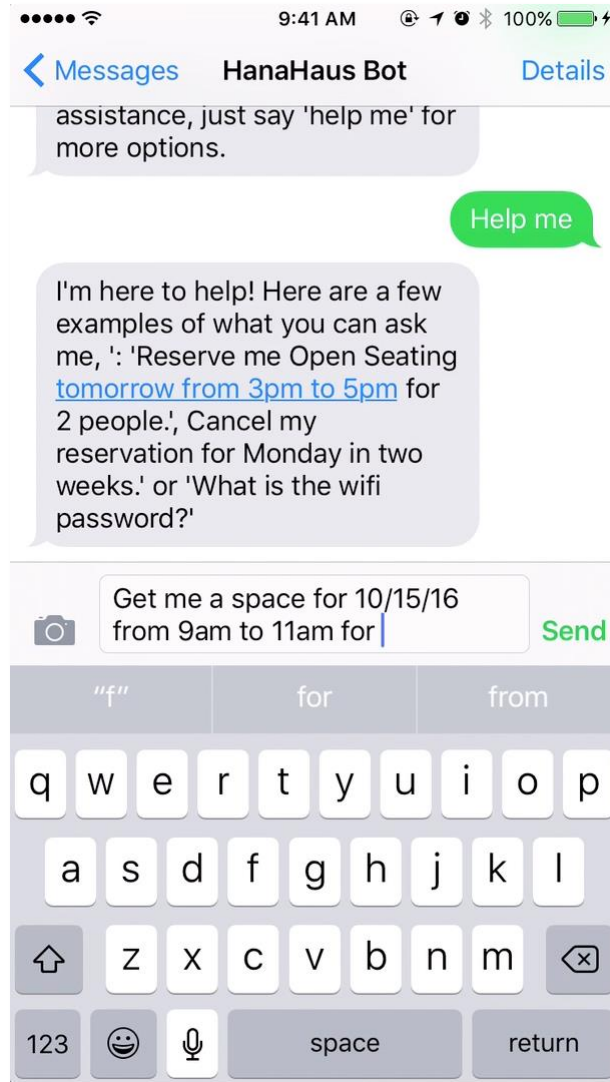








Example: Enterprise Bots

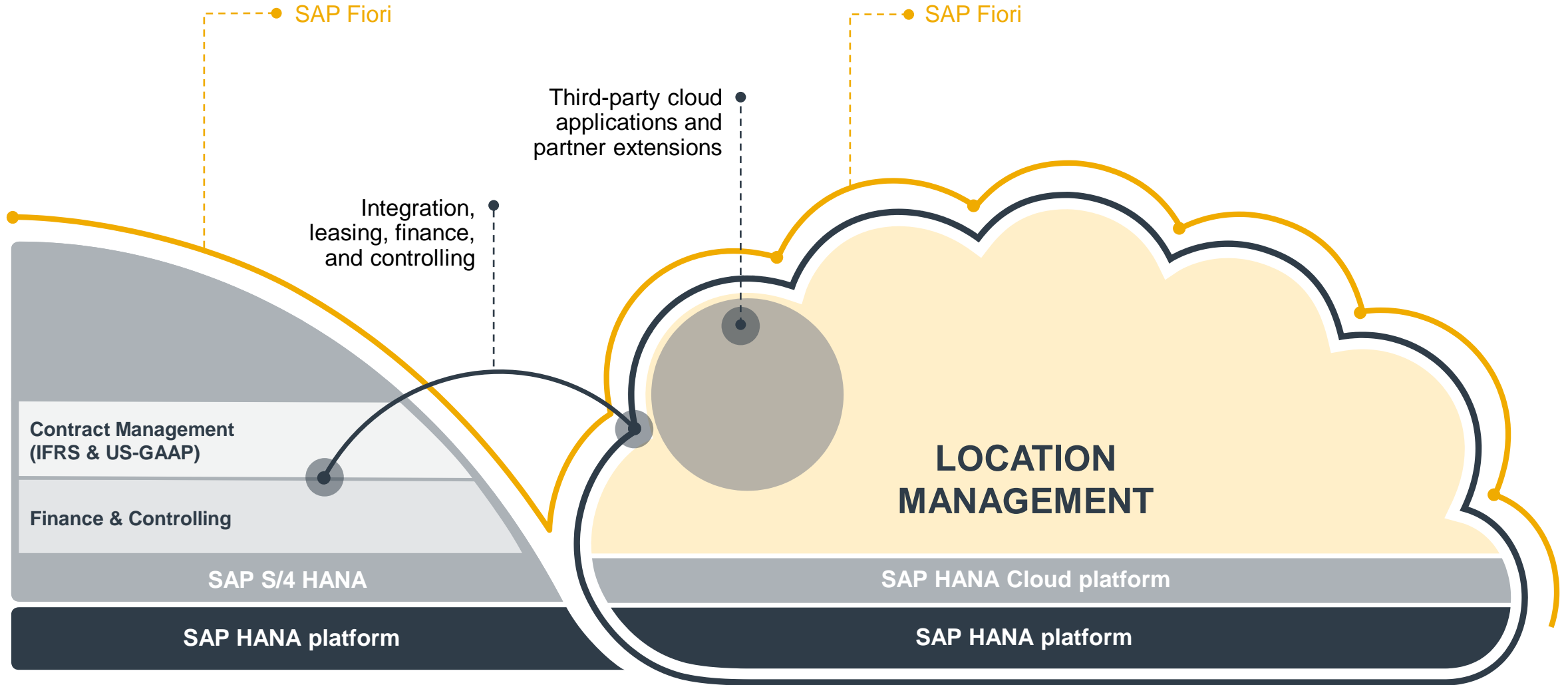


SAP Cloud for Real Estate

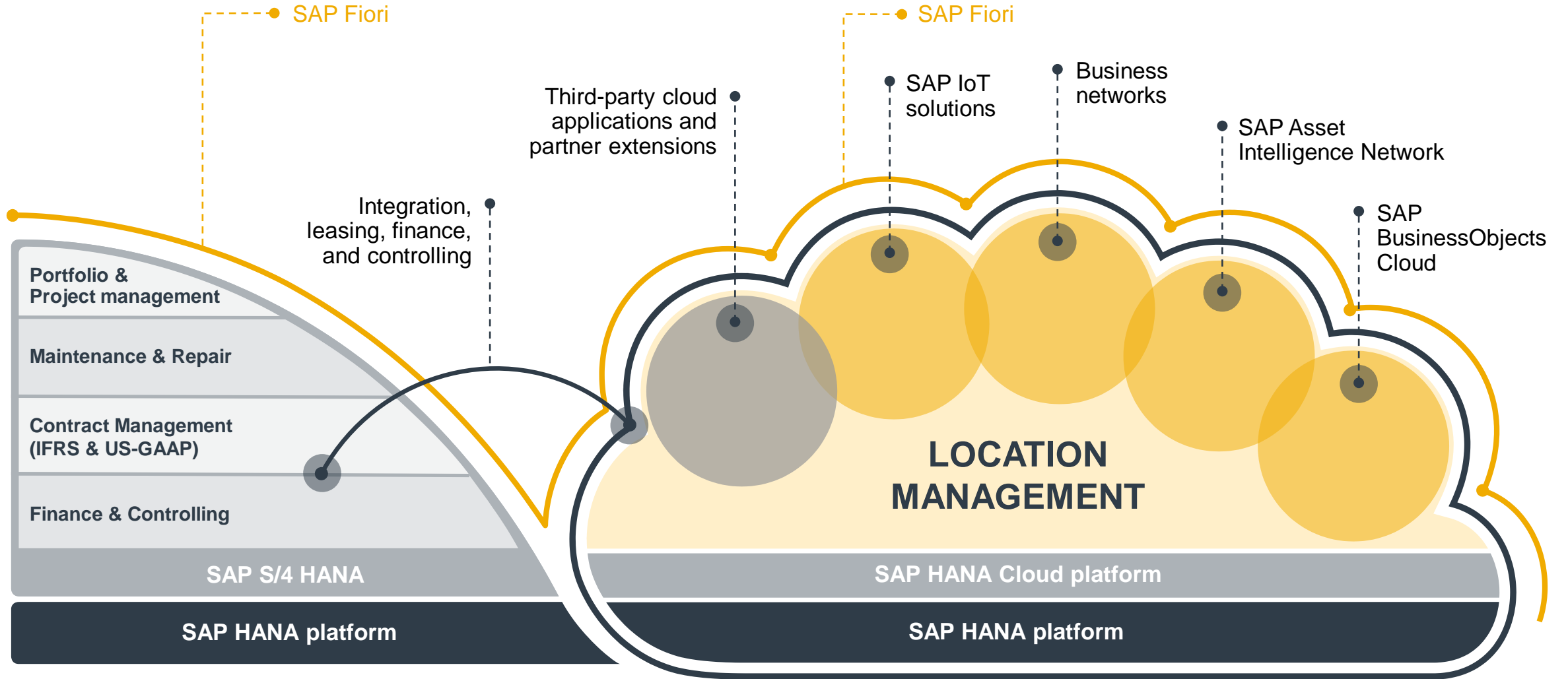
An additional solution for corporate real estate



Hybrid solution architecture - today

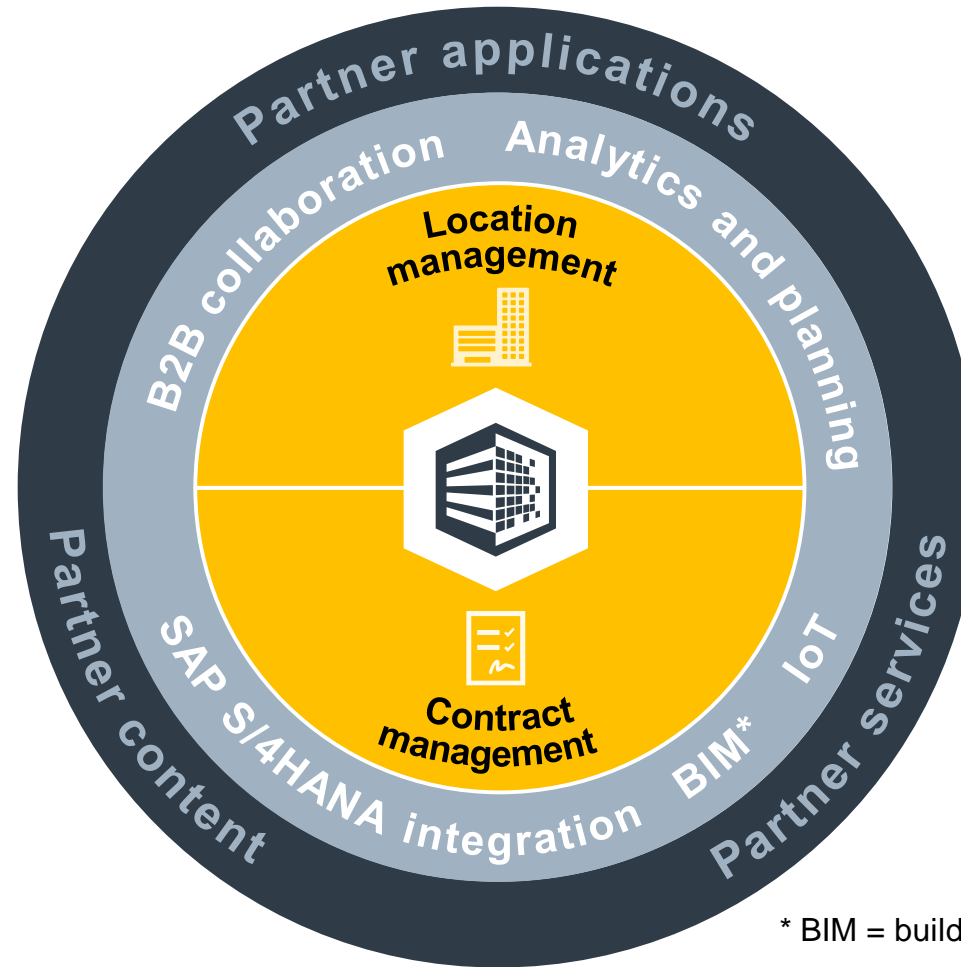


Hybrid solution architecture - vision



Partner ecosystem

Partner applications, content, and services



* BIM = building information modeling

Partner ecosystem

SAP Store



Application partners

Extending the scope of SAP Cloud for Real Estate with add-ons and extensions



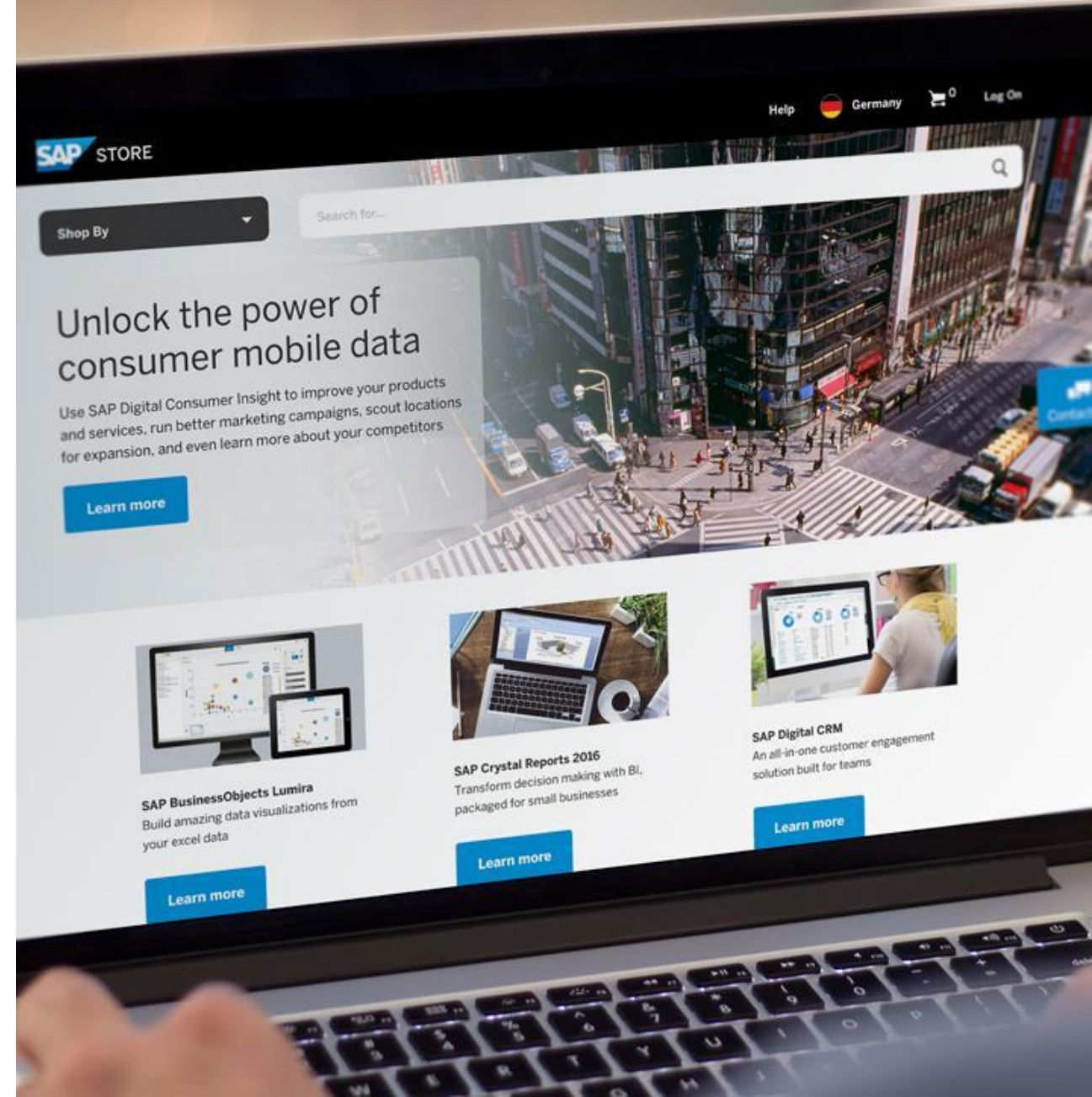
Service partners

Providing predefined consulting services to help ensure fast implementation and business process optimization



Content partners

Enriching SAP Cloud for Real Estate with external data such as market data, benchmarking data, and many others



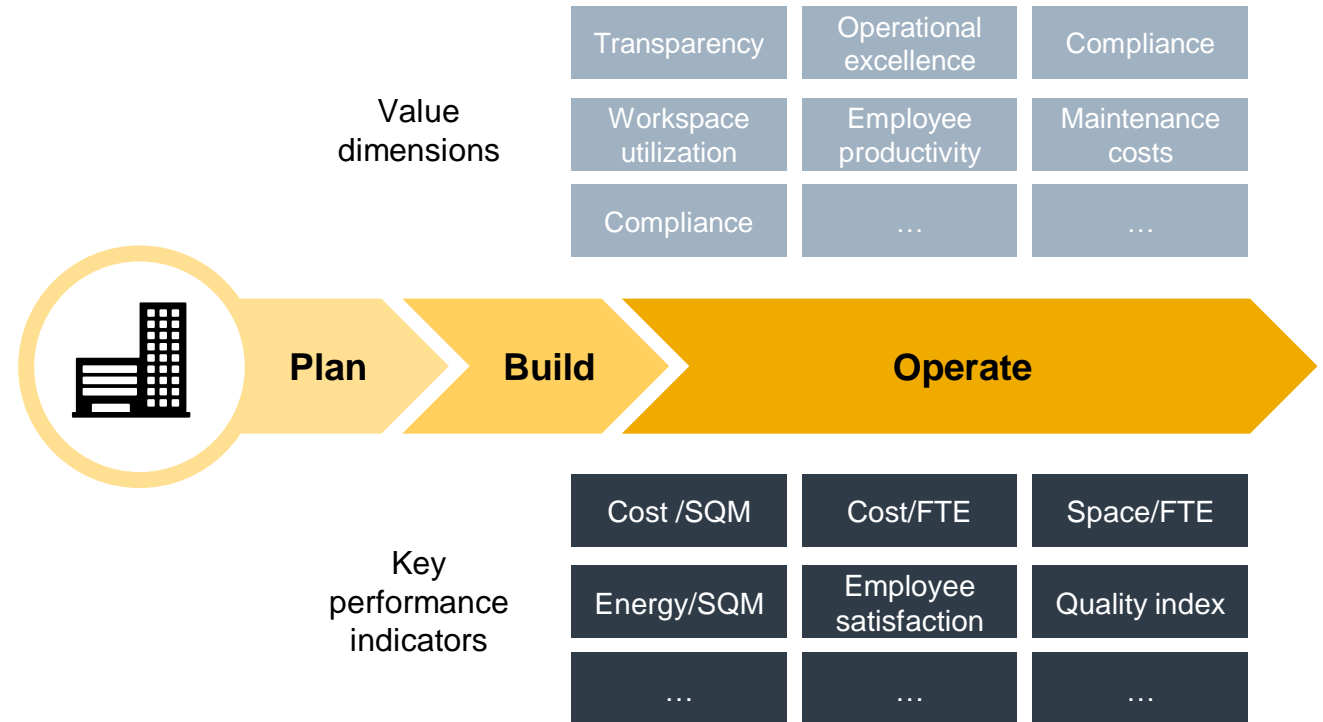
Rethink corporate real estate management

Value drivers and benefits

SAP Cloud for Real Estate supports business users to set up a data-driven real estate organization supporting strategic goals like:

- Optimize workspace utilization
- Improve people productivity with the appropriate working environment
- Reduce manual efforts to comply with new regulations, such as IFRS
- Get better insight into main KPIs and improve planning accuracy

SAP Value Management services supports benchmarking of your most critical KPIs and helps to build a business case.



- Illustrative -

SAP Cloud for Real Estate

Summary

Digitalization

- Consumer-grade user expectations
- Streamlined processes across company borders
- Flexible and connected IT infrastructure

Complexity

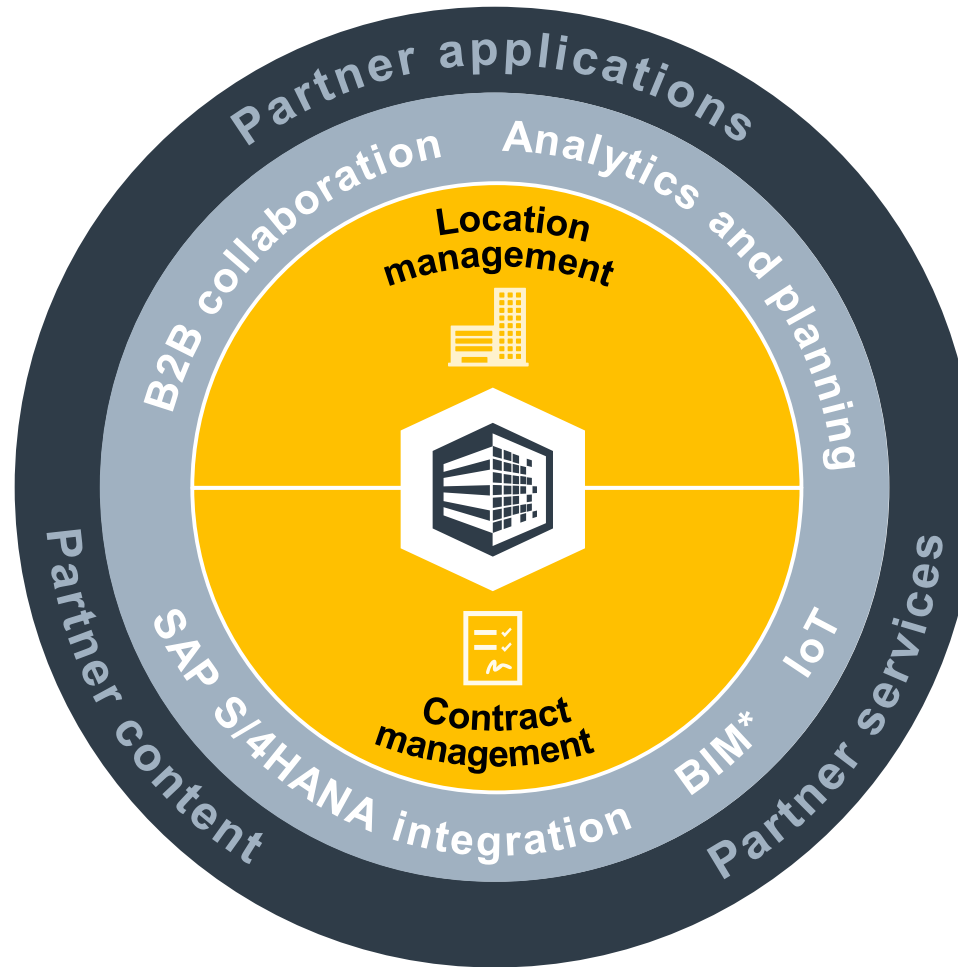
- Big Data from smart buildings and smart operations
- Flexible working models with new user requirements
- Decentralized organizations with multiple business partners

Business agility

- Need for ad hoc insights
- Fast decision making
- Disruptive business models

Compliance

- Stay compliant with global and local regulations, such as IFRS
- Increased documentation needs
- Extended forecasting and planning



* BIM = building information modeling

Simple

- User-centric design
- Focused on business critical needs
- Developed together with leading corporate real estate management organizations

Open

- Growing partner community providing applications, content, and services
- Rich, Web-based development environment
- Real estate market standards like IFC

Connected

- Integrated with SAP S/4HANA
- Seamless collaboration with business partners

Efficient

- Compliant with IFRS and US GAAP leasing standards
- Easy-to-use and fast implementation
- Predictable costs with low TCO

Thank you.

Tobias Decker

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