

## **EXECUTIVE OVERVIEW**

### **COMPUTER AIDED FACILITIES/ASSET MANAGEMENT (CAFM)**

The effective management and marketing of space is the primary objective of owners and managers. With the use of the CAFM software system developed by Applied CADD Technology, Inc., owners and managers can enhance their positions in the marketplace. In addition, property information is tied together in a standardized and usable format. The following summary outlines the CAFM system's objectives in the following areas:

- Value
- Leasing
- Property Management/Asset Management Control
- Implementation
- Maintenance

#### **I. Value**

##### A. Centralized Information Source

The ACT CAFM system provides the framework for all building information to be stored in one place. Leasing, management, tenant improvement and any other required information can be kept in one database for all buildings within the portfolio. This database can be interfaced with proprietary accounting applications or any third party software.

##### B. Speed of Decision Making

Because the information within the ACT system is accurate and can be centrally maintained, all the necessary facts can easily be viewed. This results in the ability to make timely and accurate decisions.

##### C. Increased Income/Property Value

Utilization of the CAFM system developed by ACT can result in the realization of additional rentable square footage. By accurately capturing the usable, rentable and gross square footage on the computer, actual areas are established and maintained. Many buildings captured on the ACT system have achieved an average increase of 2% to 4% in Net Rentable Area.

By accurately differentiating gross area from usable floor area, some maintenance costs may be reduced. One example of such a reduction is floor maintenance. Once the area of columns and other structural elements are removed from the gross square footage, the contracted cleaning space is less, resulting in a reduced cost for maintenance.

##### D. Marketing to Third Parties

Utilization of the ACT CAFM system will enhance the Owner's ability to market and secure third party portfolio contracts.

##### E. Investor Reporting

The ACT CAFM system has the ability to update portfolio investors via modem or fax regarding the status of a given property, both graphically and statistically, as the information is requested from the investor. These methods of concise visual on-line reporting will not only enhance management's ability to secure third party contracts, but will additionally benefit the Owner in marketing to large pension funds.

##### F. Third Party Use of the System

Through ACT's CAFM system, the property manager will have the ability to market corporate facility management to assist third party users in the manipulation and distribution of their resources, i.e., furniture tracking, cable tracking, department charge-backs, and various other systems which apply to tenant needs.

## **II. Leasing**

### A. Space Management

#### *1. Encumbrance control and tracking*

Building documents captured in CAFM and updated during each lease transaction will show all lease information. This makes the ACT system one of the most reliable resources for tracking encumbrances (expansion rights, rights of first refusal, mandatory takes, etc.) during the space leasing process. This information is displayed both graphically and in tabular formats.

#### *2. Substantiation of square footage and add-on factors*

Criteria for arriving at rentable/usable square footage figures are commonly disputed during lease negotiations. The square footages developed with the ACT system are accurate and defensible. Area take-offs are easily and quickly computed with little controversy.

#### *3. Updated lease guide books*

The lease guidebooks developed by the ACT CAFM system replace the commonly used manual cut and paste versions. Because of the interactive relationship between the AutoCAD, and Microsoft Office software, the entire lease process is coordinated and reliable. All data contained in the lease guidebooks can be updated at the property to circumvent the possibility of working with out-of-date information.

### B. Marketing

#### *1. Quality image and presentation*

The ACT CAFM system provides presentation quality graphics and reports that can automatically print in a format compatible with marketing brochures and mailings. Properly utilized, the ACT system can actually cut the cost and turn around time of lease proposals and marketing material.

#### *2. Effective transfer of information to tenant prospects*

CADD is becoming the most prevalent method of conveying architectural and planning information. It allows the building owner to provide a prospective tenant with a clean and accurate record of information. The prospective tenants can provide their designers with an information base that is usable and accurate. This generally results in reduced design costs and reduced planning time.

#### *3. Space planning*

The ACT CAFM system is designed for use by designers and architects, as well as other members of the leasing team. This ease of use allows leasing agents and building managers to use the system to relocate walls, change lease data and perform other "what if" scenarios that ordinarily would require the involvement of a designer. With limited training, property personnel can do minor space planning and cost estimates while working with tenant prospects.

#### *4. Brokerage community*

The ACT CAFM system has the ability to directly communicate with the brokerage community via modem or fax to keep the primary marketers of space within a geographical region aware of available spaces, their layout and terms and conditions associated with a given space.

### **III. Property Management / Asset Management Control**

#### **A. Communication Tool**

The leasing agent, property manager and the asset manager all use the same data, therefore, errors and oversights due to fragmented and independent efforts are virtually eliminated. The ACT system centralizes all property leasing and management information which allows for each property to use the information "on site," but also provides the framework for centralized reporting and inquiry.

#### **B. Design and Construction**

The ACT CAFM documentation affords an accurate and consistent construction format. This increases legibility, provides the basis for accurate estimating and helps to assure an accurate record of "as built" information.

#### **C. Database Reporting**

Utilization of the ACT CAFM system affords the asset manager a broad array of new tools to more accurately make projections and assumptions for the property. For example, the utilization of Standard Industrial Codes in the database would allow asset managers to query the database, both graphically and statistically, to react to upturns and downturns in specific industry markets.

#### **D. Peripheral Benefits**

Once the CAFM database is in place, peripheral issues such as life safety, planning, ADA compliance tracking, abatement tracking and monitoring, etc. are conveniently integrated into the system at each individual property depending on the requirements of the property.

### **IV. Implementation**

#### **A. System Description**

The ACT CAFM technology ("ACT Technology") consists of software and hardware products that include screen menus, a tablet menu and software which establishes interactive relationships between third party software for manipulating graphical information (AutoCAD), analytical information (Microsoft Office) and database information (Microsoft Office). The ACT Technology produces a comprehensive representation of a property's condition for any point in time and is proprietary to ACT.

#### **B. Ownership of Information**

Customization of the ACT Technology developed by or for the owners, but not the ACT Technology itself, will be the property of the owners. Since the owners will receive a perpetual non-exclusive license to use the ACT Technology, the operation, use and maintenance of the system, and the data maintained on it, will be subject to the owners and manager's exclusive control. The property will own its CAFM system and the system information and is not dependent upon ACT for use of the software or hardware.

#### **C. AutoCAD**

AutoCAD by Autodesk, Inc. is the most widely utilized CADD software in the United States. 70% of all PC based CADD is AutoCAD. There is little chance that any information would ever be lost due to industry system shifts or software obsolescence.

#### D. Third Party Use of the ACT System

Architects and designers can fully utilize the ACT system without compromising any portion of service to the building or tenant. ACT will provide an operating overview to architects and designers. ACT will also provide a complete CAFM package for architects or designers use, at an affordable cost.

### **V. Maintenance**

#### A. Maintenance of Master Database

Maintenance of the database will take place in the property manager's office by an employee who will be responsible principally for verifying the integrity of the information being sent from each property to the master database. ACT will be available at any time to answer questions or problems should they occur.

#### B. Property Updates

##### *1. Lease data maintenance*

All leasing and maintenance updates will be performed at the property in both graphical and statistical format.

##### *2. Architectural and engineering updates*

Any time an architectural or engineering firm is employed to design space within a property, the consulting firms will be required to use the property's CAFM standards. Following this procedure will perpetually update accurate as-built conditions of the property for the same funds currently expended on manual drawings.

##### *3. Procedures verification*

ACT will be employed on a random basis to spot-check the property database for both graphical and statistical compliance with the standards that are set, as well as to update technology as new software and hardware, which may benefit the system, is introduced into the marketplace.