JD EDWARDS ENTERPRISEONE ADVANCED REAL ESTATE FORECASTING

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Increase accuracy of budget, forecast, and valuations.

Improve data integrity and staff productivity.

Maximize return on property and manage growth effectively.

Issue: Disparate Real Estate Budgeting, Forecasting, and Valuation Systems

Does your budgeting process require you to export property and tenant information into a third-party product or a Microsoft Excel spreadsheet? Do you lack cohesiveness and integrity between the annual budget and the forecast for your property?

To manage and use your real estate data effectively, you need a solution that will leverage your financial data to compute budgets and sub-sequent forecasts at the property and portfolio levels. By avoiding the reentering of data and assumptions, you can increase integrity and accuracy, as well as save time and reduce costs. And, with the automatic calculation and inclusion of CAM, sales, percentage rent, and expenses, you can accurately forecast and present property valuations.

Solution: Integrated Real Estate Data, Budgeting, and Forecasting

Oracle's JD Edwards EnterpriseOne Advanced Real Estate Forecasting is a scalable, web-based solution. It integrates your transactional, budgeting, and forecasting processes so that you can:

- Eliminate reentering of information.
- Increase accuracy of budget, forecast, and valuations.
- Generate up-to-date forecasts at the property and portfolio levels.
- Increase data integrity and employee efficiency.
- Reduce reporting time and cost.
- Access budget and forecast information any time and anywhere.

Increase Speed and Accuracy of Real Estate Forecasting and Budgeting

Advanced Real Estate Forecasting maintains the integrity of your financial data by offering a workspace for budget planning and forecasting future revenue and expense streams. It provides automated process control and gives you the flexibility run multiple what-if scenarios. A complete history of each scenario is retained, together with all underlying assumptions. The final, approved scenario automatically becomes the budget used by your financial system for ongoing comparison with actual costs and revenues. And, once the budget is in operation, you still have the flexibility either to override it for updates or to lock down individual line items to prevent unauthorized or accidental changes.

The three-way integration of your financial property data, budget, and forecasts facilitates ongoing improvement in forecasting accuracy and speed. For example, integration with JD Edwards EnterpriseOne Real Estate Management recurring

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billing, expense participation, and sales overage allows you to retrieve and derive forecasts based on actual business rules.

Advanced Real Estate Forecasting also enables you to:

- Analyze and report at the property and portfolio level.

- Adjust rules to achieve your desired forecast.

- Adjust unit configuration.

- Associate nonrent codes with unique growth patterns.

- Examine forecasting sources and parameters.

- Globally modify forecasting assumptions and rules for multiple selected units.

- Validate the outcome of desired forecast results.

Maximize Return on Your Property Investments

Advanced Real Estate Forecasting gives you accurate data whenever you need it. It enables you to easily project future cash flows and pro-vide up-to-date property valuation. Real estate leasing information is used to forecast CAM, sales, percentage rent, expenses, and occupancy. Based on the most accurate, up-to-date information, you are better able to evaluate the timing of a potential sale to maximize your return on investment.

And you can enhance the visibility of your future operations. By combining your existing lease data with industry-standard market assumptions about speculative leases, including leasing costs, vacancy loss, renewal probabilities, and valuation assumptions, you can quickly generate up-to-date forecasts at the property and portfolio levels.

You are able to review the source, setup information, and formulas of calculated budgets and forecasts to determine how the system derived specific amounts. Sources are provided for all budget types, including sales overage, expense participation, and management fees.

Expenses are based on historical, current, or future data and can be overridden. All assumptions pertaining to market rents, tenant improvement allowances, commissions, sales per square foot, and property-level expenses are inflated at annual growth rates that you define. Other key measurements include:

- Net present value (NPV).

- Internal rate of return (IRR).

- Investor returns as a result of the forecasted net operating income (NOI) stream.

Access Budget and Forecast Information Quickly, Anytime and Anywhere

Advanced Real Estate Forecasting provides deep, broad functionality. From any web browser, from any location in the world, at any time of day or night, you can access critical real estate information in real time from a single database in a centralized environment.

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Manage Growth While Improving Staff Productivity

Advanced Real Estate Forecasting allows for absorption of massive growth in property and portfolio size while incurring minimal increases in overhead costs. You are better able to administer the increasingly complex use of your facilities and the greater demands on your employee's time efficiently and effectively. For example, you save time with system integration that virtually eliminates reentry of data and assumptions. And the resulting improvement in data integrity and accuracy helps you avoid time-consuming reconciliation of conflicting information. Oracle's JD Edwards Advanced Real Estate Forecasting is easy to implement and use and is completely integrated, scalable, and cost effective. By allowing you to operate more efficiently, you can focus on managing and growing your portfolio rather than on data verification and manipulation.

Feature/Function Highlights

- 15-year budget forecast

- Unit-based forecasting

- User-defined assumptions

- Hierarchical assumption processing

- Net present value calculation

- Internal rate of return calculation

- 1,000 budget versions

- User-defined rent growth patterns:

  - Square feet

  - Flat amount

  - Percentage

- User-defined nonrent growth patterns

- Property cash flow reporting

- Recovery processing

- Forecasted sales import

- Square-footage validation on reabsorption

- Commission calculation

- On-the-fly detailed line budget breakdown

- Ability to select accounts for summary reporting

- Complete drill-down capability

- Forecast results and audit trail validation

- Capability to examine forecasting sources and parameters

- Global revision of multiple selected units

- Ability to adjust desired forecast

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Solution Integration

- Real Estate Management

- Technology Foundation

- Financial Management

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