

# EMBRACE a DIGITAL LIFESTYLE

**Managers can afford tenants the tools of their burgeoning tech-driven existences through a variety of building products and services**

*by Pamela V. Rothenberg and Jacqueline Puentes King*



**N**ew technology that is radically changing the real estate industry continues to emerge on a global scale. Many innovative products and services are so cutting edge that, from the perspective of a typical owner or manager, they might seem to belong at a sci-fi convention. However, these technology-driven improvements and automations are redefining the manner in which real estate will be designed, developed, managed, leased and operated and, most importantly, will provide meaningful rewards for landlords and tenants alike.

It is becoming increasingly clear that technology can help streamline operations, making them more efficient and increasing the bottom line. Creative innovations can also help distinguish a project and sustain its competitive edge against buildings that have not implemented “new economy” changes. The adoption of these advances also offers significant benefits to tenants. By employing the latest technology, landlords can improve their chances of keeping their tenants happy and their buildings fully leased.

Not too long ago, properties were considered progressive if they

offered broadband or wireless “hot spots.” Now, to have a seat at the new economy table, landlords must not only consider broadband as a standard amenity, but also anticipate tenants’ expectations for wireless functionality. Throughout the world, industry leaders are convinced a “digital lifestyle” is emerging. To remain competitive requires an understanding of the impact that these changes will have on real estate management and a plan for appropriate and cost-effective technology solutions for both buildings and tenants.

## SMART SYSTEMS

Emerging innovations, such as building automation solutions, can dramatically improve a tenant's leased premises, as well as the common areas. Automated buildings offer more efficiency, less intrusive security and greater convenience, simplifying tenants' lifestyles and leading to increased satisfaction. Automated building functions and similar technology-based solutions can include the following:

- **Automatic lighting systems** enable building lights to turn on at the correct level when needed and be dimmed or turned off when not in use. These systems can be accessed and computer-controlled by the building operator or, in some cases, by the tenant via Web-based control systems.

- **Automated HVAC systems** with central building controls regulate humidity, temperature and airflow and also allow tenants to adjust the environment in individual spaces. HVAC components can also be equipped with sensors that continually monitor the equipment and signal the need for preventive maintenance.

- **Fire and life safety systems** include detection monitoring and centralized control of building functions in the event of fire, terrorist threat, earthquake or other emergency. For example, emergency exit locks can be released and HVAC systems enabled for smoke extraction.

- **Automated parking systems** permit parking areas to be controlled via access cards or other electronic identification methods. These systems can

also be integrated with lighting, security and HVAC and programmed to turn on and off for tenants upon entry.

- **Paperless parking systems** substitute smart or credit cards or wireless transmitters for traditional paper tickets and parking stickers to instantly levy charges as a car travels through the gate.

- **Robotic parking systems** use computer-controlled transport devices with vertical and horizontal movement capability to transfer vehicles from street level to a storage compartment and back without human intervention.

- **Security automation** can include access control, intrusion warnings and surveillance functions and tie all of these together to allow a single operator to monitor and control entrances, elevators, hallways, offices and parking structures. It can also incorporate guard-free systems, in which landlords use automated security processes that provide a safer environment with fewer personnel.

- **Web-centric security software applications** permit computer monitoring of building visitors. Tenants, management and lobby security all access the software via the Internet. Each tenant can authorize a visit by logging onto the application and entering the appropriate information. Upon the visitor's arrival, the building security person looks up the visitor's name, confirms his or her identification and prints a badge. An e-mail is then automatically sent to notify the host the visitor has arrived.

- **Energy management systems** can adjust the use of environmental control systems (e.g., solar, oil, electrical, gas) through automation, taking into consideration the cost and availability of each, while providing tenant comfort.

- **Video concierge kiosks** with flat plasma screens tell visitors everything they need to know about the building (i.e., shops, restaurants, restrooms, etc.) and also include live customer service at every display screen.

- **Sophisticated digital signage** displayed on large electronic billboards is not only for sales and marketing, but also a medium to communicate services and other information.

- **Home automation systems** for residential settings include appliances that plug into the Internet and entertainment systems that integrate seamlessly into the home network.

## OPTIMIZED OPERATIONS

Tenants are not the only ones able to reap the benefits of a digital lifestyle. Innovations that improve the efficiency and effectiveness of a landlord's core operations can free staff to focus on tenant needs and build better relationships with tenants instead of worrying about the operational demands of the building. Examples include:

- **Automated leases** can be generated and delivered to tenants via the Internet, permitting an essentially paperless leasing transaction.

- **Automated tenant work orders** allow building engineers to carry wireless devices that dispatch orders via e-mail.

Once the work has been complete, the system automatically calculates charges, generates an invoice and sends an e-mail to the tenant notifying them the work is complete.

■ **Building control centers** centrally manage core building operations, including HVAC, lighting, elevators and security systems.

Clearly, it would not be prudent or economically feasible for landlords to embrace all or most of these leading edge technologies without a strategic

plan that thoroughly assesses which solutions are best for a particular building. In evaluating new technology solutions and building automation tools, factors to consider include the market where the building is located, the budget and the tenant mix. Budgets should be developed to position owners to implement the appropriate innovations over a reasonable time period in a manner that best ensures an equitable return on investment.

Tenants will continue to reinvent themselves and their business operations

through technology and will expect their landlords to offer similar solutions and improvements. By anticipating and embracing technology on a thoughtful and economically sound basis, property managers can sustain a competitive advantage. This will undoubtedly improve the quality of their tenants' experiences and sustain the occupancy levels of their buildings. □

Pamela V. Rothenberg (prothenberg@wcsr.com) and Jacqueline Puentes King (jking@wcsr.com) are members of the Real Estate Technology Practice at Womble Carlyle Sandridge & Rice.

## What do other property management software products want to be when they grow up?

A business solution that ensures your success by tailoring itself to your needs

A cutting edge product supported by an expert customer care team

An affordable, property management software that can manage subsidized properties and tax credit in one simple process

A versatile offering with 13 applications, including WORK ORDER Plus™ - designed to manage your maintenance projects

### MANAGEMENT *Plus*

**MANAGEMENT Plus is a mature product supported by years of experience and stable, constant development.**

Call us and find out why thousands of customers with over one million units have trusted their businesses to ACS.

800-527-9449  
www.acsoftware.com

