



# Forecasting the Future to Win

SOLVING THE ASSET PORTFOLIO, FUND FORECASTING AND SCENARIO MODELING CHALLENGES FOR REAL ESTATE ACROSS ALL ASSET CLASSES

**Anaplan**  
Partner

Gold



# LIONPOINT

## Contents



# The context for real estate

Until recently, real estate funds and firms enjoyed a buoyant decade of sustained AUM. Since Covid-19, only last-mile logistics have remained unscathed, a likely result of two mega trends: urbanization and online shopping. All other real estate asset classes have experienced unprecedented levels of pressure on assured income.

Fund, Asset and Property Managers have been asked to provide exhaustive detail on their assets and tenant exposure, for both internal and external investor reporting.

Along with the challenges of meeting investor reporting demands, real estate asset managers who have expanded their pan European and Global portfolios through acquisitions of organizations and portfolios, have inherited disparate software solutions and accompanying data.

Real estate departments need efficient data aggregation methods to check and assimilate data into their existing operations, for efficient and reliable reporting.

**Lionpoint partners with Anaplan to enable firms to automate processes, integrate data and drive dynamic real-time updates to their calculations, scenario modeling and forecasting.**





# The technical challenges facing real estate managers

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## SLOW UPTAKE OF NEW TECHNOLOGIES WITHIN THE REAL ESTATE SECTOR

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Despite claims, software solutions available to real estate tend to address only parts of the business, rather than a full process. Organizations are likely to have multiple solutions in place, for their property and fund management accounting, customer relationship management (CRM), valuations, and a data warehouse for reporting, to name a few. Information lies isolated, with no 'single source of truth' that takes into account all data from all sources.

With the expansion of operating regions and classes of assets, an operating model that has not kept up with the changes in an organization contributes to inefficiencies and complexity. Asset managers are under immense pressure to provide instant clarity and facts on their assets and portfolios, and often maintain their own Excel data set to have confidence in the data's source. Despite these challenges, the change management required to enable the business with the necessary tools and solutions is often seen as too big a task to undertake.



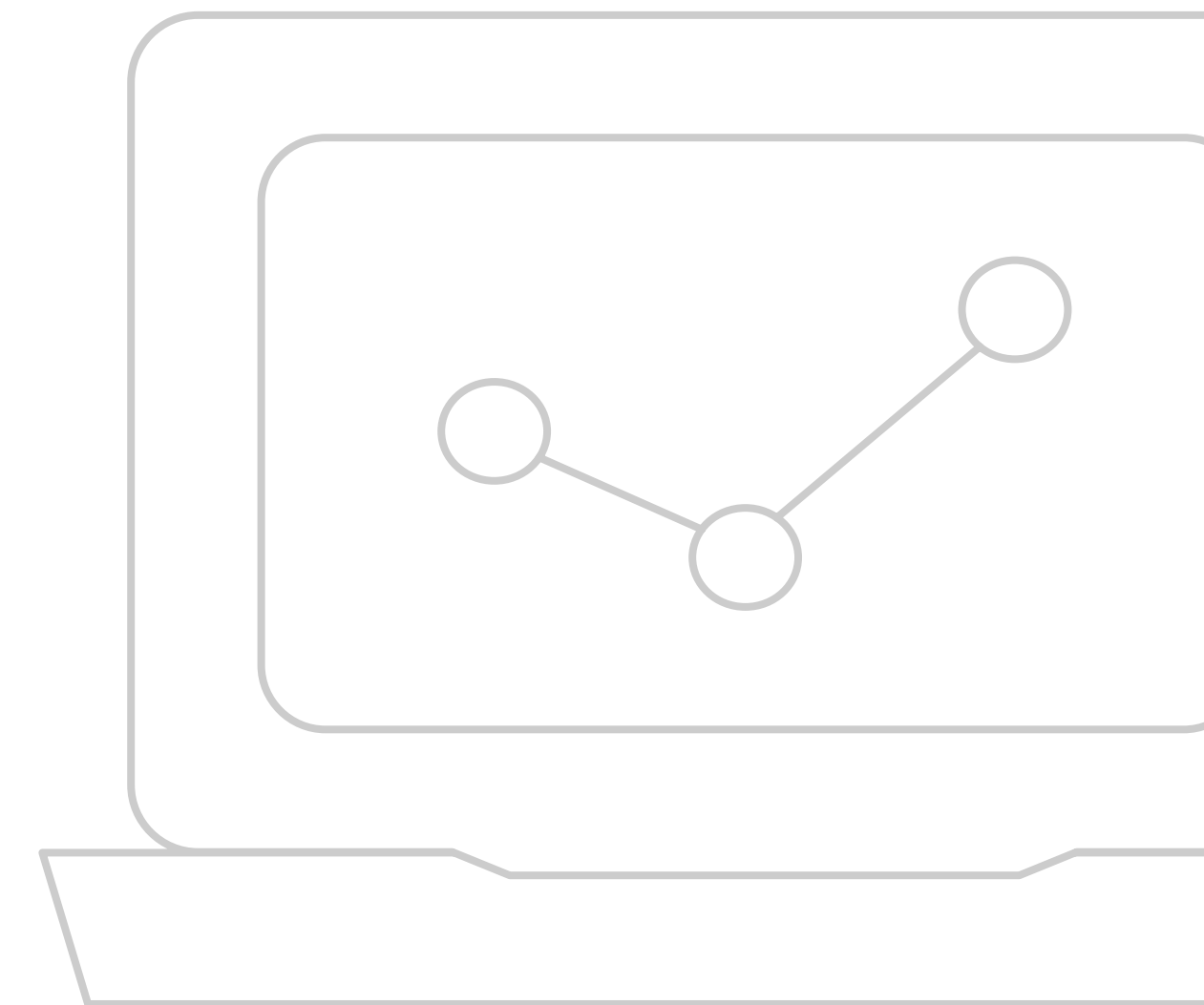
# The technical challenges facing real estate managers

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## LIMITED INTEGRATION CAPABILITIES WITH LEGACY SYSTEMS

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New technology often requires complex, lengthy, and expensive data builds to 'talk' to existing or legacy systems and offer a unified data set. Data from fund administrators and JV partners is often reported with a delay and little transparency to the general partner (GP). Managers end up spending a huge amount of time pulling data and incorporating assumptions from both legacy solutions and manual systems into a multitude of Excel spreadsheets, to analyze and model the data, produce fund/JV and asset forecasts, or returns.



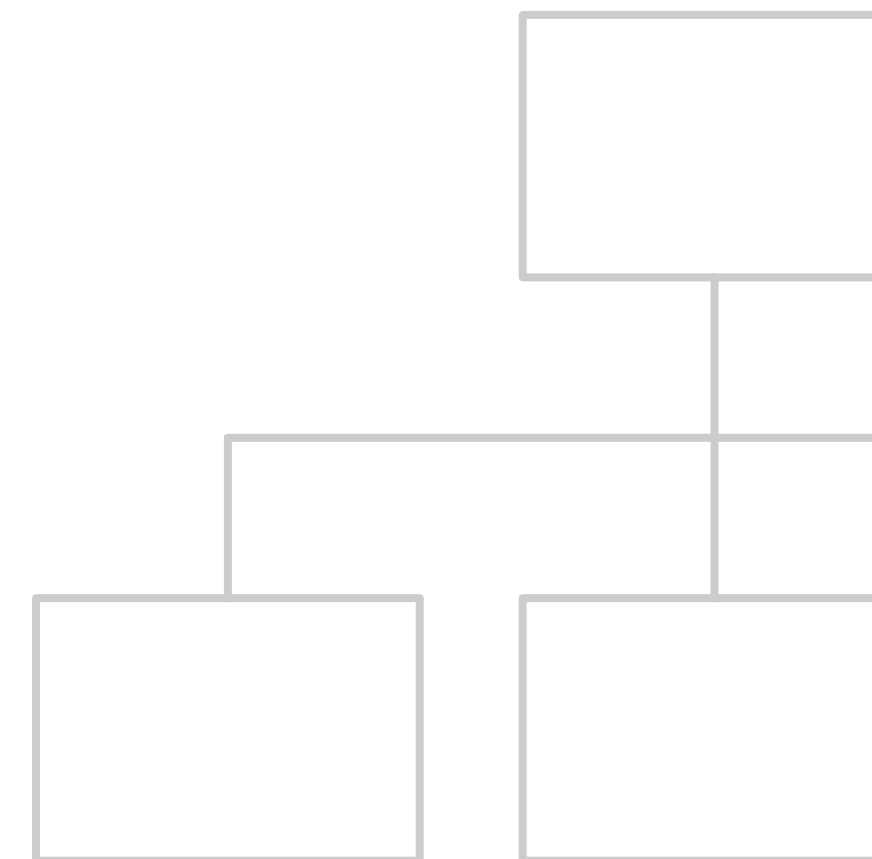
# The technical challenges facing real estate managers

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## DATA MANAGEMENT

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The absolute number of data points measured across funds and real estate teams has risen exponentially, leading to a massive data management challenge. From leveraged and unleveraged internal rates of return (IRRs) and equity multiples, to waterfall and carry metrics, investment data needs to be tracked and reported. Legacy systems struggle to deal with the extent of a large data set. As a result, fund and asset managers find themselves manually extracting data and working from spreadsheets. This Excel-centric approach produces an offline and siloed world, where information is isolated to a single process and can only inform a single question. This process repeats itself across the front, middle and back offices, creating barriers to information sharing and agile decision making.





# Anaplan:

## Orchestrating real estate performance with one platform

Business performance in the real estate sector requires cross-functional, continuous planning and is dependent on leaders to plot the right actions, pivot as conditions change and build organizational resilience.

Anaplan is the platform for orchestrating business performance, connecting critical operational drivers and financial outcomes across the business to drive growth, optimization, efficiency, and continuity. This allows you to move from offline, isolated, manually maintained data—and a high dependence on Excel—to a cloud-based, fully automated, scalable, and collaborative solution. The Anaplan platform still allows asset managers to maintain the uniqueness of their models, along with providing confidence and transparency to the calculations.



# How does Anaplan help evolve your current operating model?

## **Anaplan works across your entire business**

by connecting the front, middle and back office to create a line of sight for collaborative, agile and IT-independent modeling, forecasting and decision making. From acquisition to asset/portfolio budgeting, debt modeling and fund models, Anaplan provides a holistic ecosystem to support, de-risk and replace Excel within the business.



## **Anaplan can plug into any existing ecosystem via its flexible data model**

and calculation engine, connecting and unifying your business units' manual processes to empower the entire organization with a single data ecosystem.





# How does Anaplan help evolve your current operating model?

## **Anaplan complements your existing technology options**

as it integrates with your existing, foundational systems and combines traditionally offline data sources, along with modern API solutions. Anaplan enhances data through forecasting, budgeting, and sensitivity analysis to track the projected risk and returns across all asset classes and regional differences.



## **Anaplan is a cloudbased, scalable digital platform that sits across your core systems**

and provides a centrally connected source for all planning, forecasting, and development modeling. Anaplan provides a simple user interface with auditable, centralized formulas, that can be applied to any model. Internal and external teams can collaboratively access the software and make data-driven decisions in real time, without legacy latency issues.



The client: Global asset manager with €150+ billion AUM

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# Asset Performance Forecasting

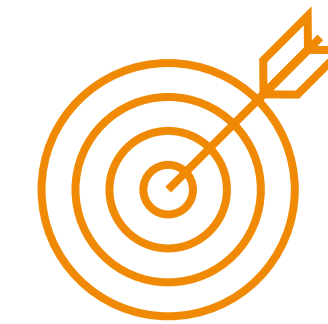
## CASE STUDY



### The Challenge

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- › Very manual and siloed budgeting process with little to no supporting data.
- › Black box legacy system with no visibility to underlying calculations.
- › Difficulty in tracking actual asset performance vs. budget.
- › Inability to run 'what-if?' scenarios to see the impact on asset performance.



### The Impact

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- › One integrated model for all assets across all geographies and asset classes.
- › Integrated one-year budget and long-term planning models.
- › Workflow capability to enable asset managers and controllers to approve projects and values.



The client: Senior housing owner with \$180+ million AUM

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# Operational Forecasting

## CASE STUDY



### The Challenge

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- › Adjusting a large group of properties in Excel models was proving cumbersome. Lack of transparency across valuers, valuation campaigns and over time.
- › Modeling at property level involved many hours getting a baseline, from historical and qualitative information provided by the investment teams.
- › Complex investment structure that includes ownership stake in tenant, and landlord. As a result, any profitability/loss from tenant flows through the financials, necessitating a robust/dynamic forecasting platform for the full P&L at the property level.



### The Impact

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- › Enhanced statistical logic, including 'Best-fit' analysis of statistical methods.
- › Greatly improved speed and automation in generating projections.
- › Flexible scenario management and sensitivity analysis.
- › Efficient, intuitive user experience.
- › Enabled fast top-down adjustments to portfolio and enabling hold/overrides to apply adjustments to the underlying assets.
- › Comprehensive integration and connectivity with data model.

The client: Owner-operator with £15+ billion AUM

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# Financial Planning & Scenario Modeling

## CASE STUDY



### The Challenge

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- › Very diverse portfolio of assets – Retail, Offices, Residential, Agricultural Land, Offshore Wind and Minerals – and moving into new areas such as co-working office space.
- › Time consuming budgeting and forecasting process with each business area using their own processes and models. More than 30 Excel worksheets in use.
- › Complicated legacy Excel models with limited assumption inputs.
- › Lack of visibility around non-financial data underlying the forecasts.



### The Impact

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- › Consolidation of 10-year strategy, valuation forecast, and the 3-year budget into a single enterprise-wide Anaplan model.
- › Combined FP&A inputs to create a full enterprise-wide P&L, Balance Sheet, Capital Forecast.
- › Enhanced scenario modeling including the development pipeline and new income streams.
- › Integrated workforce planning and rural strategic land valuations into the model – areas not previously modeled as part of the FP&A forecasting and budgeting process.



# Transform your operating model with Anaplan and Lionpoint

Lionpoint is a global consulting firm with market-leading expertise and experience to help alternative investments and financial services organizations gain operational and technology efficiency. We help our clients transform their operating models and successfully select, implement, enhance and integrate innovative technology solutions throughout the front, middle and back offices.

Lionpoint is a global Anaplan Gold Partner. Gold-tier status recognizes a partner's ability to drive high-value transformation and deliver exceptional customer success. Lionpoint's expertise with Anaplan includes its own IP in the implementation and integration of Anaplan's technology into existing technology systems of client organizations. Industry specific Anaplan models address asset budgeting and forecasting, investment, fund and waterfall modeling, underwriting and development modeling, and other key areas of the real estate investment life cycle.







# START THE CONVERSATION

Get in touch for a conversation to discuss your organization's circumstances.

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The Anaplan solution is dependent on the organization's strategy and existing technology stack.  
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