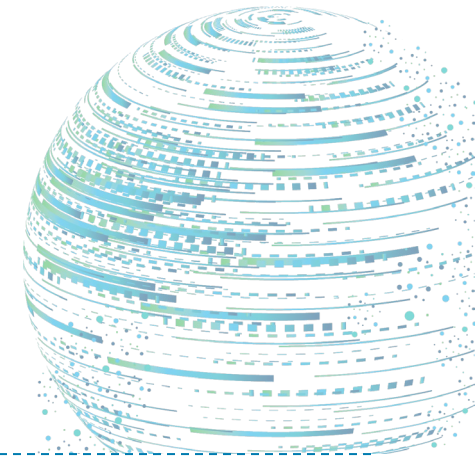


Power the future of lease operations

Strategize. Streamline. Reduce Risk. Save Cost.



Changing environment for leases



Lingering COVID-19 disruption to lease portfolios



Ongoing complexity complying to Lease Standards



Need to measure and report on ESG initiatives



Rapidly changing technology and data requirements



Impact of the Great Resignation / Reshuffle



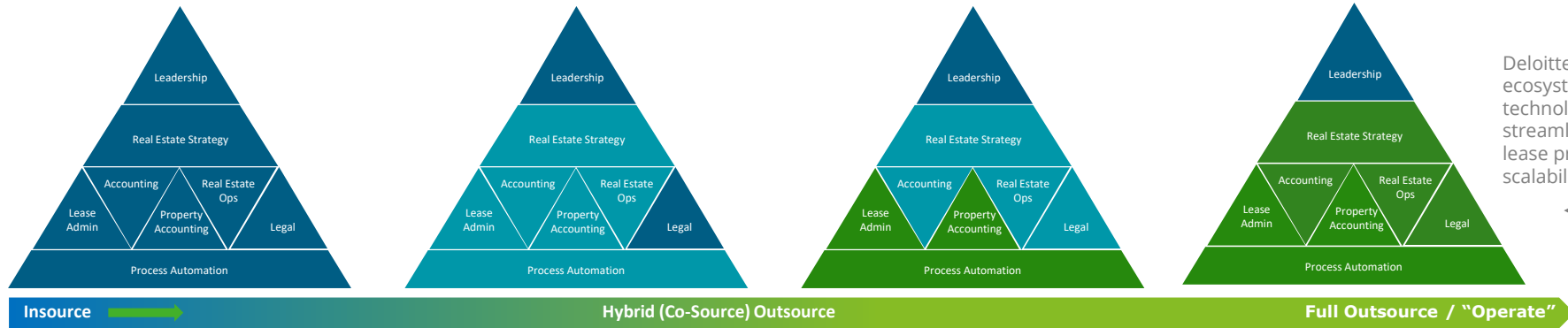
Greater urgency for data-driven strategy

← The rapidly changing environment to real estate and talent has led to a timely opportunity to reevaluate how organizations are managing their lease portfolio.

Operating model continuum



Client departments Service provider departments



← Deloitte's capabilities, digital ecosystem, and leading-edge technologies can help streamline and automate key lease processes and provide scalability

- Client
- Deloitte
- Client & Deloitte

Determine your path forward



Current state assessment



Art of the Possible lab



Perform value analysis



Transformation road map



Onboard the future

Finding opportunity in change

Operations

- Focus time and attention on capabilities that drive revenue/growth/returns
- Increase return on real estate spend by making strategic plays leveraging reliable data
- Implement leading practices that improve quality of data
- Deploy cost-saving projects

Technology

- Drive strategy through improved data
- Streamline controls compliance
- Access Deloitte's leading-edge technology including automation tools
- Explore system integrations to advance efficiencies

Talent

- Access leading subject matter specialists (accounting, lease structuring, CAM audits, administration, and IBR)
- Scale function up or down while focused on business requirements
- Reduce efforts on new talent acquisition and knowledge transfer
- Reinvest in strategic areas of the business

As used in this document, "Lease Standards" is referencing Accounting Standards Codification 842. "ESG" is referencing the Environmental, Social, and Governance framework and the anticipated global International Sustainability Standards Board ("ISSB") standards for corporate reporting on sustainability information. "CAM" is referencing Common Area Maintenance and "IBR" in referencing Incremental Borrowing Rate.

Deloitte's lease advisory solutions

Strategize with data

Extract, confirm, and manage data for more accurate forecasting and reporting

- Lease data abstraction
- Acquisition / disposition due diligence
- Incremental borrowing rate
- Budget / forecasting modeling
- Discounted Cash Flow (DCF) and valuation model analysis



Streamline processes

Review current state processes to identify pain points and build an enhanced and cost-effective future state, including an optimized operating model with use of in-house or outsourced resources

- Lease administration
- Lease accounting (ASC 842 / IFRS 12)
- General & property accounting
- Accounts payable / receivable
- Tenant satisfaction studies



Manage risk

Assess for potential areas of risk and establish roadmap from recovery to leading practices and enhancing resiliency

- Internal audit – lease management
- Market rent and leasehold interest analysis
- Lease impairment studies
- Software selection and implementation
- Third-party service contract compliance audits



Reduce costs

Inspect portfolio to identify, pursue, and recover overcharges/undercharges relating to real estate spend

- Lease rent and operating expense audits
- Tenant build out / construction audits
- Leasehold related tax credit support
- Reverse lease audits / CAM reimbursement restructuring
- Percentage rent audits



Want to learn more?

To start a conversation regarding your lease management and operations, please reach out to:

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