



The Science of Flexible Real Estate Portfolio Management

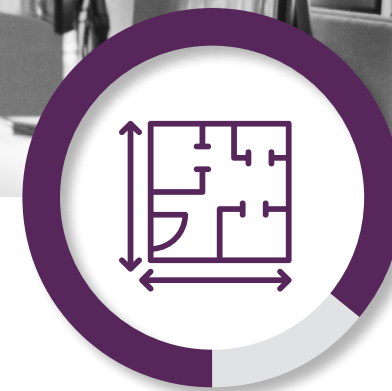
Research informed principles that mobilize key management steps to maximize value provided to commercial property tenants





74% of tenants studied indicated a shift in perspective on the value of leased space.

Enterprise Tenants described **space as a strategic asset** rather than the old view of space as a cost centre.



86% of tenants saw diminished value in a traditional permanent fixed lease headquarters.

Enterprise Tenants want space to be an asset that can be **arranged and rearranged** to meet the changing needs of the business

Research indicates a strategic shift in thinking in the value an office should provide:

This is both an opportunity and challenge for landlords



86% of corporate executives stated:

The future workplace will be designed around
"employee enablement."

However, there is no clear consensus on what "employee enablement" means in the context of what a property should deliver.



Research-informed policy
building blocks that guide
effective tenant retention:



67%

Prefer easily
reconfigurable space



68%

Prefer an easy-to-
move-into space



73%

Prefer to measure
and pay only for
space used



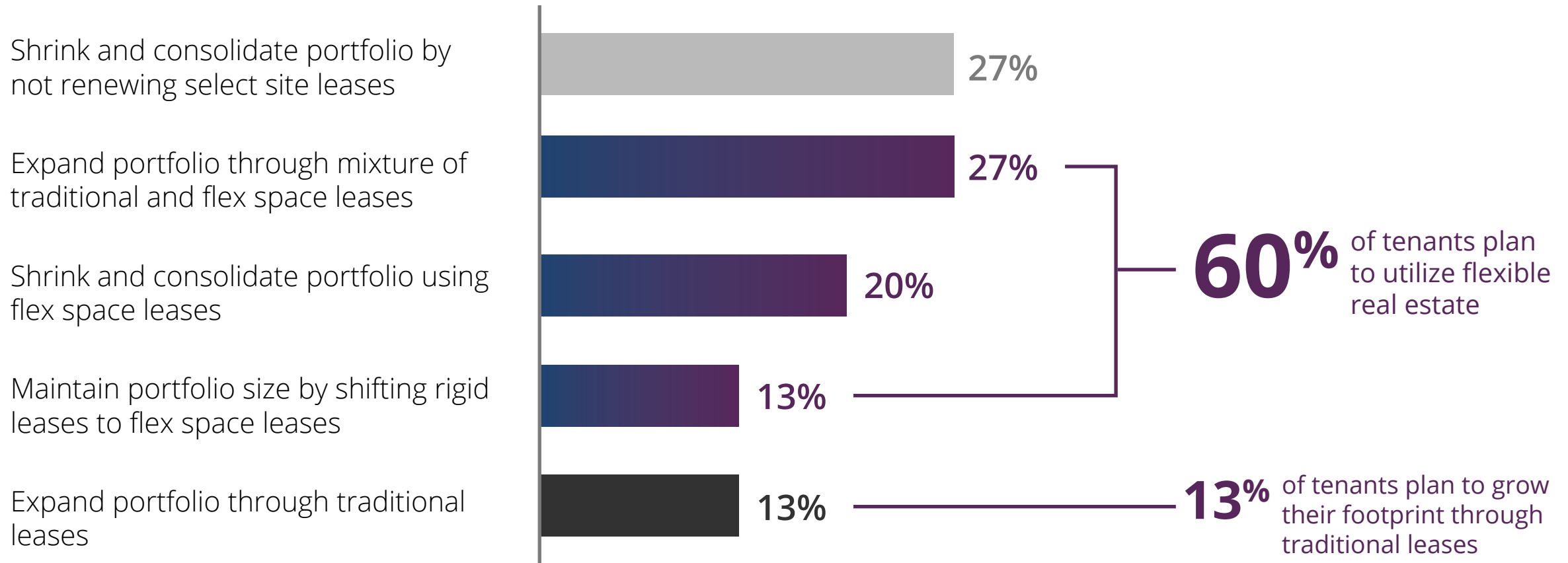
81%

Prefer integrated
plug-and play
technology services

Real estate is managed as a strategic asset by modern tenants.
The adoption of flexible space principles is the evolution of this new thinking.

WE ASKED TENANTS:

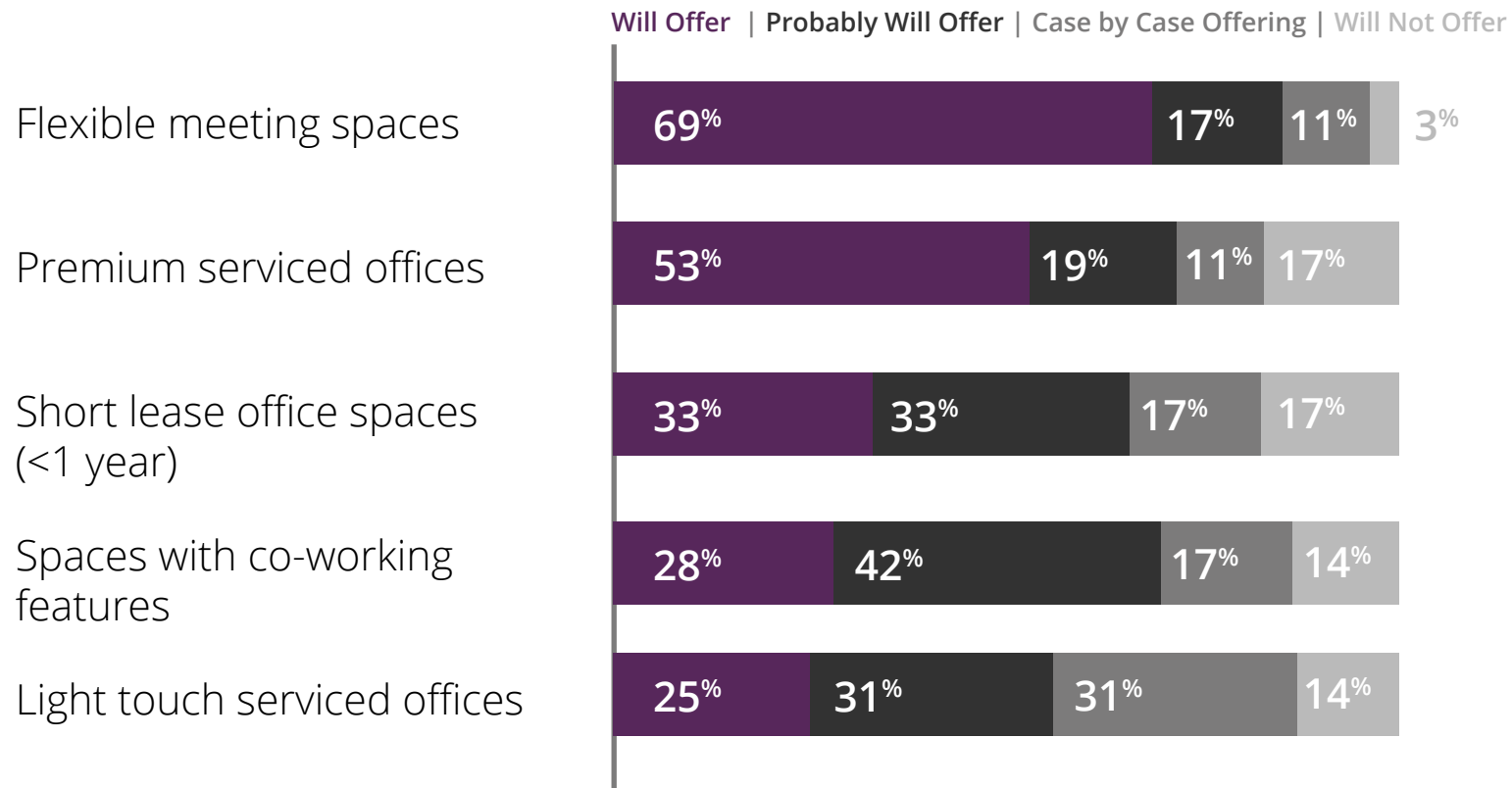
What is your real estate strategy over the next 3 years?



Tenants now see space as a strategic asset, not a cost centre.
They want access to space and services that suit their needs.

WE ASKED LANDLORDS:

What types of flex spaces are you offering or planning to offer across your portfolio?



Flexible real estate doesn't just mean a shorter contractual term; it's about meeting other requirements and this is where current offerings from landlords aren't quite hitting the mark...

WE ASKED TENANTS:

What type of providers are best positioned to serve your flexibility requirements?

Best Suited | Adequate | Inadequate | Poorly Suited

Workplace specialist operator

47% 33% 13% 7%

Joint venture between landlord and specialist workplace operator

40% 40% 20%

Co-working space provider

27% 40% 33%

Traditional landlord with facilities management partner

27% 47% 20% 7%

Traditional landlord

13% 33% 40% 13%



Only 13%

of tenants believe landlords are strongly positioned to meet their flexible requirements



Meeting the Demand

Where are current landlord offerings falling short?

essensys



Landlords underestimate the importance of technology & community for flex space use.



Only 25% of landlords described “minimal move-in requirements” as a “very important” factor.



Only 19% of landlords thought that tenant community building applications had a high impact.



Only 30% of landlords thought that space use analytics was a high-impact technology in flex spaces, even though 73% of occupants said it was a top priority.



Landlords fail to meet the data security standards of 70% of their occupiers.

TENANT PERSPECTIVE:

“

The current flex space I am using is not as agile as it should be. When it comes to configurability options, they guessed wrong, and they have too many restrictions that they cannot change in line with our needs.

”

- VP OF REAL ESTATE AT A FINANCIAL SERVICES FIRM

TENANT PERSPECTIVE:

“

Many of the flex spaces I have seen are not yet fit for the future needs of my workforce, and they must be updated immediately, particularly around wellness and amenity services.

”

- HEAD OF REAL ESTATE AT A BUSINESS SERVICES ENTERPRISE



Keeping Up with Ever-Changing Tenant Needs

Meeting tenants' flexible requirements is no easy feat...



Office landlords don't have it easy.
Success requires careful navigation
of many factors.



Attract long-term, reliable tenants, while offering flex leases



Maximise portfolio value with investment in the right technology



Increase NOI / profitability



Satisfy varied tenant flexibility requirements



Improve tenant experience and reduce tenant turnover



Retain long-term tenants in a historically volatile economic environment



Ensure buildings are attractive to tenants



Ensure the property portfolio remains relevant



Moving Into The Future

Real estate must adapt to tenant requirements and their need for flexibility.



What is the future of the office?

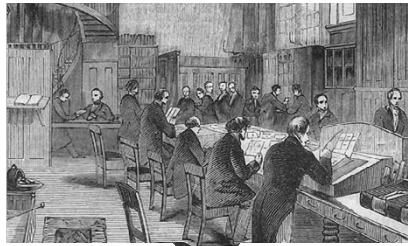
To understand the future, let's look at the past.

1600-1700s



Thought leaders gather at coffee houses to work and share ideas

1800-EARLY 1900s



Counting houses emerge in the shift from an agricultural to a knowledge-based economy

MID-LATE 1900s



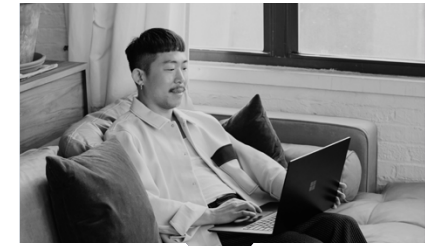
Purpose-built, orderly offices dominate with a focus on efficiency and productivity

EARLY 2000s



Offices become more campus-like; focusing on morale and collaboration

TODAY



As a result of the COVID-19 pandemic, many shift to work from home or in flexible spaces

The Future of the Office: Tech-enabled workspaces that deliver on tenant requirements



The office was an ***activity***
long before it was a **place**.

Today's real estate isn't about providing an empty shell or place. It's about **providing an environment** where people can be as effective as possible.



essensys provides you the platform to provide value to your tenants.



Software and technology that enhance work-space value

- Improved digital Infrastructure
- Optimized space management
- Enhanced real estate operations
- Increased tenant satisfaction



Software and technology' that improve resident businesses

- Help tenants do more with their space
- Eliminate friction points endemic to the tenant/landlord relationship
- Help tenants secure their people and their data
- Help tenants remain competitive by flexibly scaling space

The movement within your buildings and across your portfolio **defines success** for the organizations and people in residence.



Building
Technology



Software



People



Success



Our Journey Together Begins with a Single Step.

Take stock of the opportunities for improvement

PICK YOUR PATH:



Guided case study review



Personalized demonstration



Evaluation and road map to be digitally ready



Q&A session to satisfy your curiosity



The technology making flexible workspaces work.

www.essensys.tech

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