

Case Study: Artis REIT



ARTIS REIT

Industry: Commercial Real Estate Investment Trusts

Location: Canada & United States

Company Bio

Artis REIT is one of the largest diversified commercial real estate investment trusts in Canada and is an unincorporated closed-end real estate investment trust primarily focused on creating value for unit-holders through the investment in and ownership of quality commercial properties in select markets.

OVERVIEW

Artis REIT's portfolio consists of industrial, retail and office properties in Canada and the United States. Artis REIT's primary objective is to maximize total returns to its unit-holders. Returns include a stable, reliable and tax-efficient monthly cash distribution as well as long-term appreciation in the value of Artis' units through the accumulation and effective management of a quality portfolio of commercial real estate. Chelsie Johnson, CCIM, is a General Manager for Artis REIT's Minneapolis office.

THE CHALLENGE

Chelsie Johnson and her Minneapolis-based property management team had two major challenges they sought to solve with OneSpot:

- Inefficient and error-prone management of service requests
- Non-standardized and time-consuming quarterly property inspections

As is the case for many commercial property managers, managing service requests was a highly manual process for Chelsie and her team. Service requests were sent to their vendors via email, along with any photos or other documentation. However, relying exclusively on email made it very difficult to follow up and track the status of the requests, especially when there were dozens of outstanding requests at any one time. Chelsie and team would search through their email outbox and inbox to determine: Did I actually send that service request out? Who did I send it to? Did they complete the work? Did I get an invoice? Did I close the request and accrue the expenses in our accounting system?

Chelsie states, "You get so busy. You might forget, 'Did I make that call? Did I not make it?' Then you have to go back and try to out through things, which literally is just emails and phone calls that you have to scroll through, and honestly, there are times that some just fall through the cracks."

Another challenge Artis faced was how they executed quarterly inspections. The team relies on these inspections to identify new service requests that have to be budgeted for and completed.

In the past, assistant property managers Alyssa Coglianese and Sean Reilly conducted inspections in an entirely manual way. First, they would walk the property taking photos on their phones, and, upon returning to the office, they would organize the photos in a folder and send them to their vendors via email. Next, they made entries on a spreadsheet for each request sent, and tracked the status using hand-written notes on a printed version of the spreadsheet. Of course, they could only update the status once they tracked them down in their email or phone. This entire process proved to be cumbersome, time-consuming, and static.

The described process, on average, took as long as an hour per on-site property visit, and then another 30-60 min in the office, per property, typing up the form and filing the pictures. Across a portfolio of 25 properties, that resulted in an additional 50 hours of work per quarter - more than an entire work week!

THE SOLUTION & RESULTS

Using OneSpot software, Chelsie's team conducts their quarterly inspections, creates new service requests, sends them to vendors, and monitors their completion in one seamless process from a single mobile app. It's as simple as snap, send, done; right from their phones while walking the property.

In doing so, the manual process of moving photos from phones to folders, transcribing handwritten notes from the field onto an Excel spreadsheet, searching through email and phone records for service requests, and interpreting handwritten notes to the Excel spreadsheet is eliminated.

As Chelsie describes it, "What used to take around 30 minutes per property, can now be done in a matter of 30 seconds. That 98% reduction in time is quantifiably significant when looking across a portfolio of 20+ properties. Being able to do everything in OneSpot has definitely eliminated a lot of redundancy, saving time and therefore saving money."

Vendors still receive service requests via email, but the emails are sent from the OneSpot system. Thus, Chelsie and team do not have to manually create the emails, add photo attachments, and then track in a spreadsheet; this is all done automatically in OneSpot.

"My end goal here is that 99% of all service requests that are made - whether we're on site and find the issue ourselves, or if we get a call from a tenant, or if we get a call from a vendor that's on site - we put those into OneSpot," Chelsie elaborates. "And then we will have a single place to monitor them, so we can make sure that we are getting confirmation that the work is getting done, and that we've received the invoice for the work so that we can accrue for it properly."

Chelsie continues, "It absolutely has streamlined our processes, for conducting inspections and managing service requests. Our team doesn't have to go search our emails or check with three different people to see if there's anything outstanding. It's already made following up easier. To be able to go to one place and see who sent what request to which vendor and when is tremendously valuable. And, we can source this in real-time."

SAVED TIME & SAVED MONEY

98% Reduction in time managing service requests & teams
Time Spent before OneSpot 30 minutes
Time After OneSpot 30 seconds
SAVED 50 HOURS PER QUARTER PER PORTFOLIO

ADDED VALUE - REPORTING AS A SOLUTION

The Artis team has also seen the value of replacing that disjointed process with OneSpot from a reporting and budgeting standpoint. "Our Assistant Manager, Sean, recently created all these points for the inspection at Plymouth Corporate Campus and immediately we had a five-page report that showed us each issue. He then followed-up and just checked it off in the app when they were done. Additionally, if some repairs needed to be budgeted instead of worked on immediately, Sean marked that within the app (via a "point") for the 2019 budget, keep it open and monitor it in the app when it is scheduled for work."

Chelsie and her team can easily run a report to see all their open service requests across their properties for auditing purposes. "We can pull up a report daily, weekly or monthly, or for whatever time period we want, at the click of a button, without having to manually do any work in Excel. And we're able to see everything about that service request - it shows the comments, it shows the picture and it shows who we sent it to. And then Maria Schreder, Administrative Assistant, closes them out once we know that the work is done, and we've got the invoice."

Once the work is identified as complete in the app, OneSpot helps close the loop to ensure the expenses have been accrued for in the accounting system. At the year end, the accrual process is particularly important because it affects the properties' CAM (common area maintenance). The team must make sure they have collected all the invoices for the work outstanding in a timely fashion, ensuring that their final CAM pulls for the year are accurate. "...We can make sure that our CAM expenses at the year end are as accurate as possible," Chelsie says, "there will be fewer manual adjustments we have to do in the next year to make the annual expenses right...it just makes everyone's life a little easier and keeps the tenants happy."



SUMMARY

OneSpot is meeting and exceeding Artis REIT's original use case goals. Not only is it streamlining their service request management and quarterly inspection processes, but OneSpot is also providing the added value of improving their CapEx budgeting, accrual and CAM reconciliation processes.

The ability to seamlessly move from property inspection, to service request execution and monitoring, to accounting reconciliation - all in one spot - is a big improvement and advantage for Chelsie and her team. The time and money savings are substantial and justify the investment, and the improvements in the budgeting process and tenant relations through proactive CAM reconciliations are icing on the cake. **"OneSpot promises to be a game-changer for us," Chelsie says, "by making us more efficient and effective operationally and enhancing tenant satisfaction.** We see it as a real competitive advantage."