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Portals offer a clear view of investment sales in real-time for managers

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The turbulent economy has prompted real estate investment companies to find new ways to cut costs, increase efficiency and better compete for available capital. Delivering the transparency that inspires investor confidence and meets expanding regulatory requirements, has become paramount to the success of investment portfolio management because of increased scrutiny. Investment managers also face pressure to deliver answers to investors much more frequently.

Over the past several years, investment managers seeking to improve their operational efficiency have adopted enterprise software systems that consolidate asset information in real time and automate portfolio-wide analytics and reporting. These platforms enable all stakeholder - investors, fund and investment managers, asset managers, property operators and accountants - to share a central data repository, with full drilldown to source details. Industry leaders who adopted such automated systems have gained tremendous advantages in terms of efficiency, reliability and investor confidence.

Today, it's not just financial trial balance and income statement details that investors are scrutinizing more closely in the current economic climate. Investors want more than total portfolio returns and market value change; they want such detailed asset performance information as occupancy percentage and rent rolls. To accommodate them, fund managers are increasingly pressured to produce detailed backup data to investors on demand and in new ways.

Portals: Instant, comprehensive reporting

The historical challenge for fund managers has been assembling information from disparate sources and dispatching it accurately and coherently. The old process involved transferring information for each asset out of an operating accounting system into spreadsheets, followed by painstaking, formula-based calculation of portfolio-level transactions, consolidations and rollups, ending with manual creation of graphs and other illustrations. Fortunately, the quest for efficiency and reliability that drove the evolution of centralized investment management platforms has also spurred new reporting technologies.

The automated, enterprise-wide investment management system has enabled portal capability, an increasingly popular Web-based technology that can help managers prepare investor reports and funds statements. An investor portal will leverage the centralized investment data to automate the preparation and distribution by e-mail of fund statements and investor-specific statements, capital call notifications and investor funding requests. Everything is available through the portal, in real time: single-investor reports showing individual fund and overall portfolio performance, quarterly fund statements, market value broken down by attribute, contributions, historical documents, distributions, balance sheets, income statements, market value by real estate type, and so forth.

Reports that used to take a month to compile are now generated with the push of a button. Investor portals can enable electronic transactions and deliver thousands of pages worth of documents online, avoiding costs associated with printing and mailing paper reports. Portals can utilize an enterprise system's correspondence management toolset for its communication and graphics capability, eliminating the need for spreadsheets and manually constructed graphs.

Real-time analytics

Exposure analysis is key for institutional investors who must report to compliance boards on a frequent basis to ensure they meet target allocations that cap investments in commercial real estate, hotels, and so on. In the absence of centralized source investment management platform, an ad hoc reporting scramble often ensues when a board asks a question. A portal that delivers real-time analytics, on the other hand, gives investors real-time access to information - and spares investment managers those mad scrambles. Moreover, the analysis compiled automatically and made available through the investor portal can be much deeper than even a 30-page report could provide.

Clarity, unfiltered

Investors increasingly want their information immediately - and without filtering or interpretation, even by their own fund managers. Investment managers, for their part, need current, reliable information upon which to base their decisions and generate reports, but the recently added twist is that they now must produce it on demand. Portal technology is a new best practice that helps investment managers meet investors' expectations by expanding an integrated, automated investment management platform. Many investment managers have successfully implemented platforms capable of automating investor capital tracking and returns, positioning themselves to leverage that consolidated information and raise the bar of client satisfaction.

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