

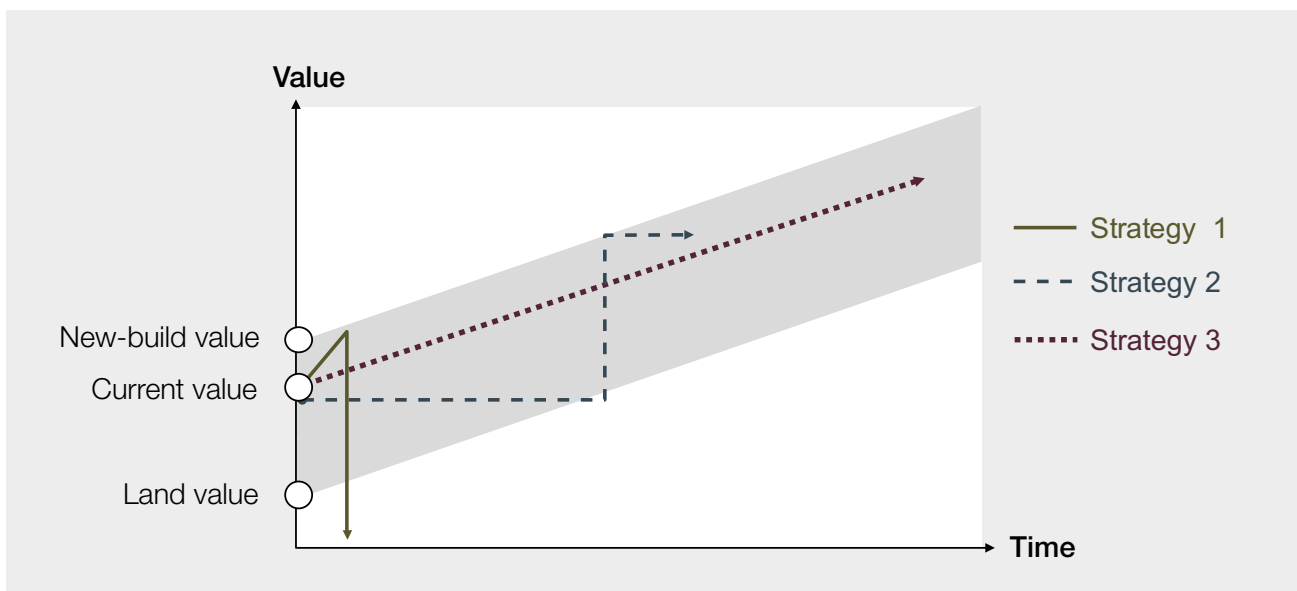


Real estate asset management

A fact-based, robust **property strategy** (property development plan) is necessary for targeted guidance for property managers, construction experts and many other specialists. The best of these strategies will produce the maximum-possible value for the property ('highest and best use').

If a property's best possible use does not fit the owner's investment and portfolio strategy, the property strategy forms the basis for potential sales activities. Conversely, it should be clarified right at the purchase stage whether the owner is capable of obtaining the best-possible use out of the property (**'best-owner principle'**).

Properties can be conceptually divided into a non-ageing parcel of land and a 'bricks-and-mortar structure' with a limited lifespan. The entrepreneurial art is in adapting the ageing bricks-and-mortar structure to the changing characteristics of the location and market needs in sensible steps.



Success in the rental market means far more than maintaining a building's physical properties. What is important is to keep creating a coherent marketing mix from a wide variety of location and property characteristics, again and again, to make something that a specific target market finds overall superior to competing offers.

A detailed property business plan is developed for subsequent, relevant years based on the **property strategy**. The concrete specifications to guide the operational service providers can be defined based on this business plan. It contains the following elements:

- Target market/positioning
- Income statement forecast
- Product, pricing and sales policies

If there is extensive construction activity, the property business plan also serves as the specifications for the project's planning and realisation.