



The Real Estate Industry: Opportunities and Challenges

Technology affects every aspect of the way people live, learn, play, and work. However, today's building environments are largely obsolete, and have not evolved to support these changing lifestyles. In addition, key trends are driving the need for building transformation—trends such as globalization of the workforce, the drive for environmental and social responsibility, and a growing, worldwide population. As user requirements evolve, buildings must adapt and change. Real estate professionals must take steps to transform the physical spaces of the future through technology innovation, delivering value-added, revenue generating services while streamlining the processes that create buildings and developments.

Real Estate: A Solution for All Markets

The Cisco® Connected Real Estate solution is a framework that positions the "Network as the Platform"; this concept will ultimately facilitate the transformation of the real estate industry. Cisco Connected Real Estate benefits all stakeholders in the design, construction, and real estate industries, as well as the users and tenants of the final built environment. The network becomes an intelligent building infrastructure and the foundation for change in any development project—adding value to education, financial services, healthcare, commercial real estate, hospitality, and corporate real estate projects. This intelligent building infrastructure creates an unprecedented opportunity for improved services, enhanced processes, and cost-effective operations for everyone who uses or creates buildings, worldwide.

With the Connected Real Estate framework in mind, Cisco has launched a brand new business line that caters to the stakeholders in commercial real estate markets. Cisco Tourism, Real Estate and Construction (TREC) is specifically tailored to add value to individuals and companies that create and operate real estate for financial gain. With TREC, Connected Real Estate principles are applied to increase revenues, reduce cost, and consequently improve the bottom line, increasing shareholder value. Valuable lessons learned in applying the Connected Real Estate framework to the commercial real estate market will further enable Cisco to address the real estate needs of all other real estate stakeholders.

Cisco Connected Real Estate allows owners and operators to:

Deliver:

- *New services:* Generate new revenue opportunities with fee-based or complimentary services to attract and retain tenants and stakeholders and differentiate the property over competition

Integrate:

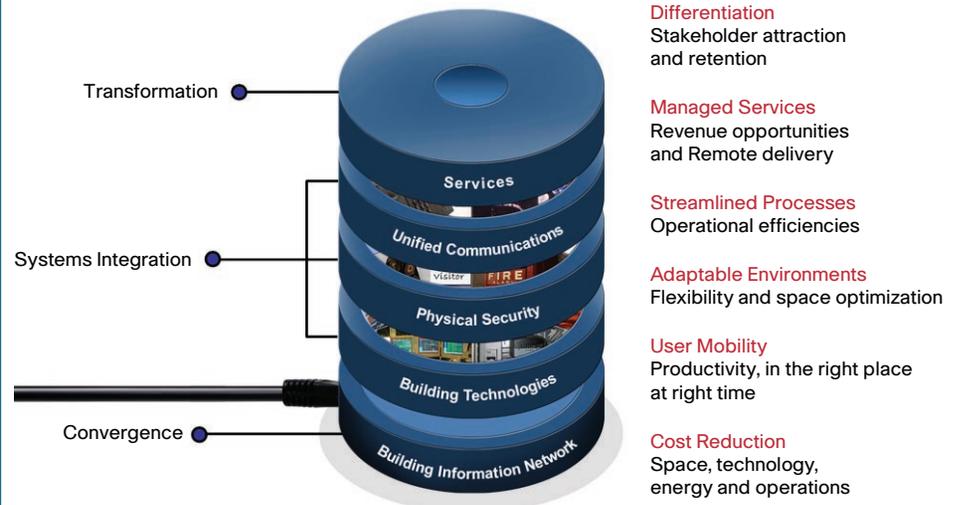
- *Communication systems:* Deploy IP telephony, video conferencing, rich media, collaboration, and productivity tools over the Cisco IP network
- *Physical security:* Deliver converged security applications, including video surveillance, access control, visitor management, and fire safety, over the Cisco IP infrastructure
- *Building technologies:* Monitor and administer HVAC, lighting, transportation, and energy management, wherever appropriate, over the Cisco IP network

Provide:

- A "Building Information Network": Use the Cisco IP network foundation for all communications systems, building systems, and personal devices to facilitate greater operational efficiencies and reduce operational expenses

The Cisco Connected Real Estate Solution

Figure 1. Creating Value with Connected Real Estate



The Information Utility

With Cisco Connected Real Estate, a converged IP network is built into the fabric of every building, and acts as the platform supporting all other real estate requirements; from business processes to revenue generating occupant services and building and business utilities. The Cisco network becomes the "Information Utility"—as fundamental as plumbing, piping and wiring. This approach provides the platform that offers



Workforce Effectiveness Tools

- *High-speed Internet*: to offer building wide access
- *IP telephony*: for integrated communications
- *VPN services*: to support remote employees and secure operations
- *Wireless services*: for added mobility
- *Visitor management*: with remote receptionist capabilities
- *Audio and video conferencing*: enhanced with Cisco TelePresence
- *Interactive media*: for more effective interactions
- *Digital signage*: to promote new services and generate advertising

Building Performance Integration Capabilities

- *Lighting automation*: to reduce costs through energy savings
- *Elevators*: for centralized monitoring and control
- *HVAC controls*: for occupant comfort and personalization
- Parking
- Facilities management

Physical Security

- *Fire control*: to identify hazardous situations
- *Video surveillance*: for integrated security
- *Security*: to block unauthorized usage and users
- *Building access*: to keep of track access violations
- *Energy management*: for conservation and environmental sustainability

In addition, Cisco offers endless other possibilities to deliver customized services that transform the experience of all the users of the property, portfolio, community, or city.

The Benefits of Cisco Connected Real Estate

By converging disparate systems over a single building information network, the Cisco Connected Real Estate solution offers stakeholders proven benefits that will help transform their organization, improve business processes, and enhance real estate value. Each vertical market, be it office building or residential development, can uniquely realize the benefits of convergence over the Cisco Connected Real Estate framework, which provides the tools and a roadmap for future success.

Cisco Connected Real Estate creates value and offers tangible benefits to each unique stakeholder in the business and real estate supply chain. With Connected Real Estate, Cisco unites IT and real estate by incorporating technology into each step of the real estate lifecycle, including design, construction, realization, use, and operations. The net results are innovative services that improve the user experience and productivity of built environments, create revenue-generating business models, and positively impact

building management and operations by effectively applying technology innovation. With Cisco Connected Real Estate, buildings and physical spaces can meet the changing needs of owners, operators, and occupants, helping real estate professionals to achieve their personal and business goals.

At Cisco, we believe that successful Connected Real Estate should create value in three distinct areas that address all the needs and concerns of stakeholders in the real estate industry and the users of our buildings.

Enhance the Experience

- Improve the user and guest experience
- Attract top-quality employees
- Generate exciting environments that inspire, provide comfort, improve productivity, and entertain
- Increase differentiation with services

Improve Performance with Optimized Resources

- Optimize space utilization
- Reduce energy consumption and the use of natural resources
- Improve workforce productivity
- Optimize use of physical assets
- Improve performance of built environments

Develop Purpose by Creating Opportunities

- Generate new revenue through new services
- Eliminate reliance on “square footage real estate” and standard services
- Enable new business models to grow market opportunity
- Make A-locations out of C-locations
- Change “location, location, location” paradigm to “location, bandwidth, opportunity”
- Invest in technology as a strategic core utility to impact all aspects—from operations to occupancy

Why Cisco?

As the worldwide leader in business networking, Cisco provides:

- A comprehensive networking solution for all building needs
- Industry-leading partners and resellers to deploy and manage a turnkey offering
- A secure, adaptable, standards-based architecture that easily accommodates today’s needs and future services while protecting network investments
- A long-term commitment to the real estate industry
- Proven best practices for deploying real estate industry network solutions, developed through close working relationships with real estate customers and industry groups