



PITNEY BOWES

LEASE ADMINISTRATION, LEASE AUDIT

US and Canadian Portfolio

Pitney Bowes' real estate portfolio exceeds 8 million square feet in over 500 leased and owned locations worldwide. In 2008, Pitney Bowes issued an RFP for real estate services including Lease Administration, Lease Payables, and Lease Audit to include the implementation of a new portfolio administration database. At the conclusion of the RFP process, Gravitass was awarded a contract to provide fully-integrated, real estate administration and Lease Audit services for the Client's US and Canadian portfolio and to deploy the Client's new portfolio administration database. Gravitass' portfolio administration responsibilities encompass leased and owned property administration, leased and owned property expense payment processing, sublease administration and rent and invoice management, lease audit and portfolio budgeting and reporting.

APPROACH

Portfolio Management

- Transfer responsibilities and records from Client's prior outsourced provider to Gravitass' staff, while maintaining continuity of day-to-day real estate operations.
- Maintain existing database, while simultaneously deploying new technology toolbox in support of Client's US and Canadian portfolio strategy.
- Needs analysis for optimum database configuration and reporting requirements.
- Abstraction, bookmarking and OCR of all lease documentation
- Seamless migration of rent uploads for Client's AP during transition from prior technology to new systems.
- Evaluation of current lease administration and payables processes.

RESULTS

Portfolio Management

- Successfully transitioned full lease administration and accounts payable processing from Client's prior service provider to Gravitass within 6 weeks without missing a critical date and making rent payments accurately.
- Assisted with the new design and deployed new portfolio database for strategic management and reporting for Client's US and Canadian portfolio resulting in "on-line" availability of data from anywhere in the world.
- Analyzed lease administration and payment processes and proposed/delivered enhancements to establish best practices and a consultative strategic approach for portfolio administration.
- Developed and implemented strategic audit program to maximize audit recoveries and promote independent fiscal responsibility.

- Implementation of a strategic auditing program designed to maximize audit returns without interfering with transactions.
 - Develop a value focused approach for portfolio administration.
 - Strategy for all of Pitney Bowe's database stakeholders intertwined with lease management services.
 - Develop and document process flowcharts and all operational procedures for the outsourced model.
- Developed a value focused approach for portfolio administration.
 - Over a 10-month period, identified and confirmed substantial direct savings and avoidance through invoice compliance review and desktop audit of annual operating expenses.
 - Consultative approach to providing improvement to lease language and the benefits accrued to changes.

CONCLUSION

The outsourcing of US and Canadian lease administration and audit has proven to be a cost effective solution for Pitney Bowe's real estate needs. The outsourced model permits Pitney Bowes to focus on its strategic real estate initiatives without the burden of managing the day to day operational requirements of administering its leases.