



The Year in
YARDI

 **REDIRECT**

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INTRODUCTION

At REdirect Consulting, our clients depend on us not only for system selection and implementation but for our insight into industry trends that can affect their bottom line. That is the reason we stay well informed and make sure to share the knowledge we gained with our constituency.

In 2015, Yardi introduced their brand new Client Central. This streamlined interface offers one site-one login capability, categorized search, expedited troubleshooting, user groups, and more. We'll be giving you the lowdown on all the new Client Central functionality. In addition, you'll learn about the features of Yardi 7S that you might not have known about, how you can use Yardi to navigate NYC rent laws, and why D.C. property managers are relying on a Yardi/RCC interface to keep their rent rolls in compliance.

It's vital to the businesses depending on our expertise that we know all the facts in order to properly advise them on how to not only move forward with new systems but to help achieve maximum ROI on the ones they currently use. Here, within the pages of this eBook, it is our intent to share the Yardi intelligence we've gathered in the last year in the hopes that it will help our friends and clients reach and exceed their goals.





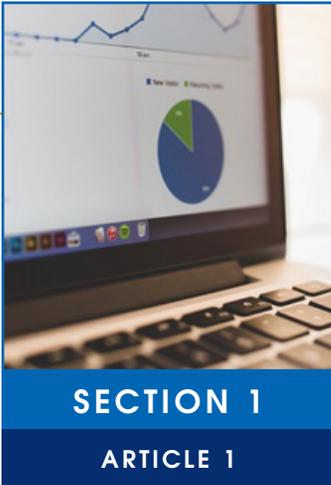
SECTION 1

PRESENT & FUTURE

Sixty-one percent of Yardi's 5,000 clients worldwide are now running Voyager 7s, 80 percent of whom have expressed their satisfaction with the platform so far. And, judging by the interactive feedback that characterized nearly every session at YASC, this satisfaction rating is destined to grow.

Yowza, Yardi. Those are some statistics.





Seven Facts About 7S

Since Yardi released its industry-leading software solution, Voyager™, nearly 2,000 clients have implemented Voyager™ 7s.

The upgrade incorporates an impressive number of truly consequential changes to users' daily business operations. But perhaps foremost among these is that Yardi is no longer merely an application service provider, but has now fully shifted to being a "Software as a Service," or "SaaS," in technology parlance (hence, the "s" in Voyager™ 7s). In other words, Yardi is now cloud-based.

Some other note-worthy improvements include:

- Improved navigation tools, such as a menu search box to help you locate functions and other account information much more quickly and easily.
- Maximized history function that remembers where you've been and can get you back there in a click.
- Automatic updates (courtesy of SaaS technology).
- Better mobile interfaces on any device, be it iPad, Surface, or smartphone (what Yardi boasts as "device agnostic") and which can be used simultaneously.
- Improved user interface, including auto-fill on data entry fields.
- Full integration with ancillary modules and connected services.

While upgrading to 7s will enhance your workflows and optimize your operational efficiency, this transition is not guaranteed to be a seamless one. In fact, when poorly executed, it can be a harrowing, time-eating ordeal.

Here are some things you need to know before taking the 7s plunge:

1

The distance from 6 to 7s is less than the distance from 5 to 6.

When Yardi evolved from Voyager™ 5 to Voyager™ 6, the effort required of users amounted, effectively, to a whole new implementation. Data migration was a much more complicated and potentially messy enterprise than what you can expect when you upgrade to 7s. However, the longer you postpone your upgrade, the more complex this project may be, because...

2

There's no rearview mirror at Yardi.

Every day, Yardi is fixing bugs and improving quirks that 7s users have identified these past 18 months. Additional changes made to 7s in 2015 may make upgrading in 2016 or 2017 a trickier undertaking than it is now.

What's more, Yardi is no longer making improvements and bug fixes to any system *other* than Voyager™ 7s. (Rest assured, however, that REdirect *will* continue to service and provide support for these older versions of Yardi.)

3

Not all clouds are created equal.

Yardi offers three different cloud solutions for 7s clients: SaaS, Saas Select, and Private Cloud. Determining which nimbus is right for your company's needs is an important process.

4

Choose your changes before, not after.

Not every company is a fan of every change offered by 7s. Thankfully, users have the capability of opting out of some of these modifications. Note, however, that opting out *before the installation* is a much easier and less problematic endeavor than trying to do so *after* the fact.

5

The biggest surprise will be the security requirements.

Voyager™ 7s has added security requirements to a whole host of functions that previously had none. Some of these may be surprising, and it's a good idea to be apprised of the new security steps, lest they take you by surprise (and consume more time later).

6 The path to 7s is paved with pitfalls.

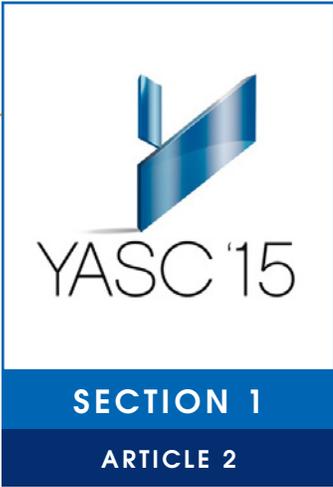
6 Despite Yardi's continual commitment to improvements (see #2), bugs and quirks still abound, even more so if you use a variety of add-on modules, such as Construction, New York, Investment Management, etc. A lot of these bugs crop up depending on your company's unique usage of the software, which is why we saved the most important lesson of all for last:

7 Test, test, test. Then test again.

7 Just as it did with your original implementation, Yardi provides a test database for users upgrading to 7s. Use it. And use it again. It is often only through copious testing can you identify and work through the various problems that will inevitably arise with any new system. Incorporating a thorough test plan and sufficient testing time can ensure a smoother launch and fewer problems in the immediate aftermath of "go-live."

The bottom line: your Yardi 7s upgrade isn't as simple as clicking Go. The upgrade is best vetted by a trusted advisor, someone who has been down the block many times, and can map the best course of action for your unique company. Approaching a business-critical upgrade in a haphazard way will almost necessarily cause you headaches that can make you upgrade-leery in the future, and leave your company's operations—to its detriment—in the past.





The View From Fall YASC '15

For REdirect, the Fall YASC isn't simply an opportunity to catch up with our clients—particularly our West Coast-based ones—or to meet potential new ones, but also a chance to glimpse into the future and learn what's in the Yardi pipeline in terms of product development.

We spent most of our time at YASC '15 deepening our knowledge and insight into two of what we feel are Yardi's most impressive modules: (1) Advanced Budgeting and Forecasting and (2) Investment Management (IM).

In Budgeting & Forecasting, the capacity of Yardi's models and formulas continues to astound. Running one model (which itself is a collection of formulas), on a group of budgets can execute tens of thousands of calculations on many accounts with just one operation! For clients [who may still be budgeting and forecasting using static Excel sheets](#), this capability is truly game changing. There were other, particularly valuable formulas discussed at YASC, for both commercial as well as residential real estate property management firms, that we are eager to help implement for our clients.

And for investment managers, [particularly those with more than two funds to manage](#), automation shouldn't be elective: it is imperative. The electrifying presentation by Yardi's indomitable Sheryl Y. demonstrated, through simple, engaging language and diagrams, how Yardi's easy-to-learn interface can help distill and manage even the most complex transactions and financial reporting requirements. There is no doubt as to why Yardi's IM module is quickly becoming an industry standard tool.

Overall, Yardi made it clear that they intend on continuing to maintain their laser-sharp focus on streamlining, facilitating, and simplifying the software, with a view not just toward functionality, but ease-of-use for a range of role-based applications.





SECTION 2

FUNCTIONALITY

Oh, they grow up so quickly, don't they? It seemed only yesterday (emphasis on "seemed;" it has actually been nearly two decades) that we began working with a precocious, 300-employee real estate software company called Yardi, which sought to provide cutting-edge, high-performance software solutions for the real estate industry.

Today, Yardi is undoubtedly an industry leader, with over 4,000 employees in 35 offices, and this exponential growth trajectory was on full display at the recent users' conference in Anaheim, California. Nearly 2,000 clients—to say nothing of the scores of partners, consultants, and Yardi employees—descended on the Hilton Anaheim for the most recent Yardi Advanced Solutions Conference (YASC).





SECTION 2

ARTICLE 1

Five Functions of Yardi You Aren't Using (But Should)

If you're like the majority of Yardi users, implementation fatigue can lead you to neglect some key functions, including a lot of the bells and whistles that sold you on the software in the first place.

To be sure, there are many incredibly useful functions built into your property management software that you don't know (or forgot) about. With some guidance and creativity, you can expand the potential of your system and your information, exponentially. If you or your team is showing symptoms of common implementation fatigue, it may be time for a customized gap analysis, which can identify ways to maximize the return on the software investment you already made.

With some guidance and creativity, you can expand the potential of your system and your information, exponentially.

Here are some of the most commonly underused—or downright ignored—functions in Yardi property management software:

1

Correspondence Management

Beyond just a streamlined way to process and disseminate tenant notifications, Yardi's correspondence management module allows you to easily merge information from your system (including lease data, reports, and graphs) into automatically generated emails, letters, or even PDFs. And sleek, seamless correspondence tracking isn't just limited to tenants; you can revolutionize the way you communicate with vendors and owners, too.

Automated Notifications

2

Whether it's an upcoming tenant insurance expiration, lease expiration, or an option notice, imagine never missing a critical date again.

Automated notification functions can also be customized to help your team stay on top of processes and work flows that need tending, as well as notify you of a wide range of time-sensitive lease obligations and options.

Accurate Budgeting and Forecasting

3

Yardi's Advanced Budgeting (licensed at additional cost) is a major step forward for property owners and operators. It enables you to incorporate future rent, recoveries and other revenue from the lease level. You can include leasing and occupancy assumptions by individual units, by type, or more globally—based on your view of the business outlook. Though it's not quite a crystal ball, this tool gives you the power to create better budgets and make business decisions with a clear view of their impact—which, ultimately, shows on the bottom line.

Accounts Payable

4

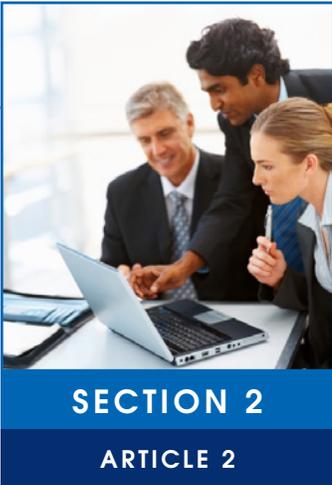
Sure, you may be using the built-in features that allow you to track invoices and print checks, but you can take it to the next level: ditch the passing-'round-the-paper approval process entirely and automate your accounts payable workflow. Yardi offers this capability (licensed at additional cost) as a fully integrated part of their expanding suite of products.

Property Attributes

5

Long gone are the days when property lists were a static, stiffly categorized way of grouping your buildings. Using property attributes, Yardi enables you to create dynamic property lists, based on your customizable parameters, with your unique set of values. Your analytics will never be inaccurate due to overlooked property list maintenance.

In Yardi, implementing property attributes allows you to classify and organize your properties in ways that reflect your unique day-to-day operations. The icing on the cake: you won't need to create custom reports to use them. Yardi's standard analytics engine will offer your attributes as run-time options, automatically.



Client Central

This past year, Yardi rolled out its brand-new Client Central, their smarter, savvier, more secure, and streamlined (that's our fancy word for beautiful) interface. It's here that Yardi Clients can access the latest product updates, documentation, release notes and technical tips. Here are a few key things you need to know about the new Yardi Client Central:

Search and Inform

1

One of the most impressive features of the new Yardi Client Central is its robust and well-organized search function. Previously, if you were looking for information buried in a back chapter of the VoyagerPlus manual, you likely had to spend an aggravating amount of time digging through irrelevant documentation pertaining to other versions of Yardi before you found what you were looking for.

With Client Central's new categorized search, you can home in on precisely the documentation that is relevant for your system. Even more impressively, if you've been wracking your brain trying to remember how to access that cool feature you heard about at last season's Yardi conference, guess what? There's a category for that, too. Just click on the conference in question and unleash your search.

One Site/One Login

2

As a perfect illustration of the new streamlined structure, no longer do you need to have two separate logins for Client Central and the My Yardi client portal. With just one login and password, you have easy access, not just to all the guides and documentation and videos of Client Central, but also to the client-favorite, interactive resources of the My Yardi knowledge base.

Know Your Plug-ins

3

Let's face it: most Yardi users in any given company haven't a clue what plug-in they're running, and finding out was just one more time-consuming step in the troubleshooting process. Previously, in order to find out which plug-ins you were on, you had to log into Yardi, search through your About screen, and then switch back into Client Central to carry out your query. Oh, and you also have to be an Administrator, too. Talk about a time waste.

Now, Yardi Client Central knows what core you're running—be it Yardi 6, 7s, or VoyagerPlus—as well as your modules and plug-ins, providing you with the snapshot knowledge you need to expedite your troubleshooting and get your system running smoothly again.

4 Easy Accessibility

4

Even with all the resources contained in Client Central, sometimes clients still need an outside, trusted advisor to help them successfully troubleshoot any given problem. In order for external consultants to have the information they need to help, clients had no choice but to add the consultant as another user on their login, which for some clients, presented somewhat of a security concern.

Now, however, the new Client Central allows clients to grant consultants access without having to add them as a new user. In this way, consultants—such as yours truly—can use our own login to pinpoint your problem and help solve it easier and quicker than ever before, without the security concern of additional users.

5 Useful User Groups

5

Another improvement that enhances security is the useful new user group function, which makes it much easier to specify which types of users have access to which information. So whether it's your new trainees or your IT department, the user group function ensures that every user can peruse your Client Central on a need-to-know basis only. Setting these user groups up is incredibly easy, and Yardi even includes some useful default groups for you to start with as well.

6 New CC, New URL, New Login, No Choice

6

The new Client Central is located at a new URL. Yardi emailed your company's Yardi Administrator in July, and it is their job to create a new login at the new URL, and from there, create new users for the rest of your team.

If you haven't received your new URL and login yet, be sure to contact your Administrator with a gentle reminder, because the old Client Central will only remain live until the end of 2015.



SECTION 3

COAST TO COAST

As Yardi's reach has grown by leaps and bounds, its users have come to depend on the power and functionality the platform offers to suit their needs. This is especially true in the case of property managers in Washington, D.C., New York City, and all over the West Coast. Yardi, both by itself and in conjunction with RCC's rent control compliance software, has become an indispensable tool in the struggle to maintain compliance with increasingly complex regional property laws.





SECTION 3

ARTICLE 1

RCC and YARDI: A Match Made in Heaven for D.C. Property Managers

Property managers in Washington, D.C., have long relied on [consultants](#) (RCC) as a godsend. With ever-changing rent control rules governing the do's and don'ts of the District's rental market, the good folks over at RCC make sure that Washington property managers keep their rent rolls in compliance, accurately recorded, and maximized to the fullest extent of the law.

In a software marriage made in heaven, there is now a Yardi+RCC interface that both pushes and pulls data between systems in a user-friendly interface.

That's right, D.C. property managers: say goodbye to manually keying in your renewals to Yardi every month. This sweet little interface can not only save you huge chunks of time, but it will also drastically cut down on the likelihood of error due to manual entry mistakes.

When RCC is connected directly with Yardi, both systems—concurrently and automatically—know when there's a new tenant in the building, and both can calculate new rent rates as well as renewals. Both systems will also automatically close out old lease charges, too.

And it's not just D.C. property managers who can take advantage of this harmonious interplay between RCC and Yardi. Now that RCC has recently extended their services to the rental markets of San Francisco, East Palo Alto, and Takoma Park (in California and Maryland, respectively), property managers on both coasts can save time and money with this symbiotic interface.

Move over, peanut-butter-and-jelly. Get out of town, Fred-and-Ginger. To D.C. property managers, the new metaphor for "things that go together" might just be RCC-and-Yardi.



SECTION 3

ARTICLE 2

Navigating NYC Rent Laws with Yardi

If you are a property management company, you know that New York City has more real estate rules and regulations than arguably any other major American city. While a cutting-edge real estate software system like Yardi is useful for nearly every property management firm, it is practically *essential* for NY-based companies.

Yardi can be configured in a host of ways to make sure you stay in compliance with New York's unique laws and business rules. From rent control and stabilization, safety notifications, disabilities, succession, and—the most dreaded New York tenant of all—bedbugs, Yardi can be configured to keep you ahead of the eight ball and out of court.

Here are just a few ways Yardi can help you stay on top of these ever-changing property laws, and make sure you—and your revenue streams—never miss a New York beat:

New York City has more real estate rules
and regulations than arguably any
other major American city

Major Capital Improvements

In most cities, when a property manager makes a major capital improvement (MCI) in their property, the cost for that investment can be recouped by simply raising the rent. Not so in New York City. In all five boroughs, there are a host of rules property managers must take into account before they can recoup their MCIs legally and fairly.

Yardi can help you determine how much to add to your tenants' rent bills, taking into account the total room count (and not just bedrooms) in each unit, relevant MCI history, and each tenant's particular exemptions—such as senior or disabled citizens exemptions—for starters. What's more, Yardi can also "retro bill" your MCI costs, retroactively billing from the time your MCI got approved back to the day your MCI was installed, all while ensuring your rent bills do not exceed the maximum 6% cap set by the city.

SCRIE/DRIE

In New York, some senior and/or disabled citizens fall under New York's Senior Citizen Rent Increase Exemption (SCRIE) and Disability Rent Increase Exemption (DRIE) programs, which were recently expanded in 2014. These programs significantly limit the rent increases for eligible tenants, and exempt them from most MCIs as well. In order to maintain the value of the apartment, the city entitles landlords to tax credits pertaining to units occupied by SCRIE- or DRIE-eligible tenants.

Yardi can help you keep up with changes to SCRIE/DRIE laws, as well as maintain an easy-to-read history of their past. It offers you a "split ledger view" that illustrates what the tenant owes, the amount that falls under SCRIE or DRIE, and calculates the appropriate tax adjustment.

Lease Renewals and Annual Apartment Registrations

When the NYC Rent Guidelines Board releases their annual decisions in October, Yardi can easily store that information and calculate your lease renewals accordingly. Come July, when it is time to submit your Annual Apartment Registrations, Yardi can easily itemize the information—taking into account MCIs, Individual Apartment Improvements (or IAIs), SCRIE/DRIEs and other particulars to each unit—to demonstrate the basis for any rent increases.

On a tangentially related note, Yardi can also store information relating to New York's succession rules, which stipulate that a rent-controlled apartment can be "grandfathered" down to no more than two successive generations. So if your new tenant is the great-great-granddaughter of the original tenant, Yardi has this information stored, and knows when this unit has exceeded two successions, so that you know when rent control rules currently in effect may no longer apply.

Health and Safety Regulations

Yardi's New York Add-In module makes it incredibly easy to ensure that you remain compliant with the host of New York health and safety regulations, which, as any veteran New York property owner is aware, are constantly changing. It stores critical information concerning lead paint, window guards, and fire safety tracking and notifications. For tenants who do require window guards, Yardi integrates these costs into its system and allows you to bill according to the tenant's specifications.

Yardi can also help keep you compliant with NYC's 2010 "Bed Bug Infestation History" regulation, which requires all new tenants to receive a one-year bed bug infestation history, of not just the unit in question, but the floor and building, too. New tenants will know if these nibbly creatures ever occupied your building and, if so, what eradication measures were taken to evict them.

Legal Module

A considerable amount of litigation can seem part-and-parcel of being in New York's real estate management game. Even the most diligent firm is likely to face their share of legal actions and processes.

The Yardi Legal module is easily configured to reflect NYC's ever-changing rent regulatory regime, and provides user-friendly information to help you manage all your legal workflows. If necessary, you can create multiple "cards" for a single tenant to keep track of the various legal processes underway—or in the past—with that resident, and produces easy-to-read reports reflecting the status and history of each legal action.





SECTION 3

ARTICLE 3

Is Your West Coast Real Estate Management Firm Prepared for Severe Weather?

Although the historic El Niño kicking in this winter may have some welcome benefits for drought-plighted Californians, it should also be raising red flags for California real estate property managers and investors. If the [floods that ravaged parts of the Pacific Northwest](#) last week are any indication, California property owners should start preparing for severe weather.

And this includes ensuring that your property management software is up to snuff.

Whether you're battling floods or wildfires, a cutting-edge real estate software system can help you budget appropriately, communicate more effectively, recover costs quickly and fairly, and give you the tools to help rebuild efficiently.

Clearly, preparing for severe climate events should include maximizing your real estate management software solutions.

Even before disaster strikes, Yardi can help enhance a property manager's disaster preparedness efforts. By configuring the budgeting tools to account for climatic predictions (or even regular seasonal expenses), your budgets and forecasts won't get lashed by the rains, snows, or winds.

And when the inclement weather does strike, the device-agnostic communication platforms available in Yardi will enable you to relay all the critical information to your tenants and staff in as timely and efficient manner as possible.

Beyond insulating your bottom line from severe weather damage, the Yardi real estate software system can help you prepare your properties, too. Yardi's inspection module—fully accessible by any mobile device—can help track

preventative maintenance, such as roof inspections and enhancements, which are likely to increase as we face California's biggest rainy season in years. Construction or Job Cost modules, too, can be incredibly powerful tools for even more comprehensive projects, such as those necessary for earthquake preparedness. As any seasoned California property manager knows, seismic retrofitting and refurbishments can be an incredibly complex undertaking, requiring robust software to help you keep track of tenant relocations, as well as multiple construction workflows.

Clearly, preparing for severe climate events should include maximizing your real estate management software solutions. If you already have Yardi's cutting-edge real estate software solution, you may want to consider undergoing a gap analysis to ensure that you know how to utilize all the features available to you to help you with these efforts. Managing the repercussions of El Niño using mere *spreadsheets* may just leave your property management firm unable to weather the storm.





212 . 220 . 8601

redirectconsulting.com