ARGUS SOFTWARE STANDARDIZES WORLDWIDE REPORTING FOR IVANHOÉ CAMBRIDGE

Portfolio Management and Strategic Decision Making Improved for Over 250 Properties, Across 20 Countries

CUSTOMER PROFILE

BUSINESS HEADQUARTERS:
Montréal, Canada

REGIONS OF OPERATION:
Canada, United States, Europe, Brazil and Asia

CUSTOMER WEBSITE:
www.ivanhoecambridge.com

ARGUS SOLUTION USED:
ARGUS Enterprise

Founded in 1952, Ivanhoé Cambridge is a world-leading property firm with over $40 billion in assets globally and over 1,700 real estate professionals. The company’s portfolio primarily consists of shopping centres, offices and multi-residential assets. A real estate subsidiary of the Caisse de dépôt et placement du Québec, one of Canada’s leading institutional fund managers, Ivanhoé Cambridge is a fully integrated property firm operating across the investment, development, leasing, asset and property management spectrum.

BUSINESS CHALLENGE

For a number of years, Ivanhoé Cambridge appraised its portfolios through three separate software solutions. Present in over 20 countries, the company wanted one standard methodology for valuing and reporting assets to its Canadian headquarters in order to improve portfolio reporting and oversight. In addition, according to Claude Lavigne, Vice President of Appraisal, “Risk management has become increasingly important since the last global crisis, but our portfolio and risk managers felt the need to improve their tool set to perform the required level of sensitivity analysis in an efficient manner.”

With a focus on improving efficiencies, standardizing methodologies and reporting across its portfolio as well as improving its risk management capabilities, Ivanhoé Cambridge needed a solution that would provide excellent portfolio visibility, the ability to manage users worldwide in one system and, as a value-added feature, the capacity to perform detailed and efficient sensitivity analysis to inform strategic decisions.
ARGUS SOFTWARE: PROVIDING GLOBAL SOLUTIONS FOR A TRULY GLOBAL FIRM

Sensitivity Analysis Allows Ivanhoé Cambridge to ‘Arrive at Informed Strategic Decisions Quicker’

THE SOLUTION –
Altus Group and ARGUS Software team up to lead seamless software transition

“We identified the need for change and wanted a global solution. For us, ARGUS Enterprise was the only product we felt could provide this,” said Lavigne.

Using ARGUS Enterprise 10, Ivanhoé Cambridge was able to bring together all the different models from its disparate valuation and reporting software into one central database, providing uniform standard methodologies and reporting. In a joint project with its parent company, Altus Group, ARGUS Software handled the systems implementation and Altus refined and standardized the converted property model software files to ARGUS Enterprise, which were all balanced to insignificant variances, if not to the exact cent. In addition, business processes were optimized to accommodate portfolio consolidations and robust portfolio and asset level sensitivity analysis.

“ARGUS worked fast and efficiently to implement ARGUS Enterprise and they had a great team who coordinated well with both our real estate and IT professionals,” said Lavigne.

BUSINESS VALUE ACHIEVED

The biggest benefit of ARGUS Enterprise to Ivanhoé Cambridge’s valuation team is the standardized reporting achieved from over 250 properties in over 20 countries. “The software is flexible enough to allow our local teams to work with the country-specific approaches they are comfortable with, while still creating output that is standardized and much easier to consolidate,” said Lavigne. “For the first time, we are receiving Discounted Cash Flow files from around the world that are consistent and therefore easier for all to understand.”

As a next phase to this implementation, ARGUS Enterprise’s Sensitivity Analysis module will be an integrated part of a solution that will allow portfolio and risk managers to quickly create sensitivity scenarios to mitigate risk and optimize their portfolios. Creating “what-if” scenarios takes minutes in ARGUS Enterprise thus helping the company to quickly understand the impact of both macro and asset-level scenarios and decisions on portfolio value. Additionally, data extraction is straightforward for even more sophisticated analysis that can be performed through in-house platforms thus providing all the flexibility analysts could need.

ARGUS worked collaboratively with Ivanhoé Cambridge to customize features specific to the needs of its business, such as automatic consolidation of same base value using currency tables, leading Lavigne to describe ARGUS as “a professional company with an entrepreneurial mindset.”

As a result, Ivanhoé Cambridge now has an integrated tool that helps it not only to better understand its portfolio but, according to Lavigne, “arrive at informed strategic decisions quicker.”