



Intelligent Valuation for Commercial Real-estate



Rethinking Real Estate: Why Digital Transformation is No Longer Optional

In an industry historically reliant on spreadsheets, legacy systems, and manual workflows, the commercial real estate (CRE) sector is now facing an urgent imperative to embrace digital transformation. With growing asset complexity, increasing investor scrutiny, and rapidly evolving tenant expectations, traditional processes are no longer sufficient to ensure accuracy, speed, and scalability. From portfolio-level forecasting to unit-level lease management, CRE professionals require real-time insights, scenario modelling, and seamless collaboration to drive better, faster decisions. Additionally, market volatility, regulatory demands, and the rise of alternative data sources have made digital tools not just a value-add, but a strategic necessity. Embedding technology into the core of operations—through centralized platforms, automated workflows, and integrated planning systems—enables asset managers and investors to unlock greater efficiency, transparency, and competitive advantage in a dynamic market landscape.

Function	Current Practice	Digital Practice
Valuation	Manual Excel models	Automated EPM tools
Data Management	Disconnected spreadsheets	Unified, real-time data
Planning	Slow, error-prone updates	Instant scenario modeling
Rent Roll Tracking	Static quarterly sheets	Dynamic, live dashboards
Collaboration	Email-based sharing	In-platform collaboration

Reimagining Real Estate Valuation with Pigment

Valuation modelling in commercial real estate is a complex, high-stakes process—yet it's still dominated by fragmented, spreadsheet-driven workflows. These manual methods require repetitive updates every quarter across multiple Excel files, making the process inefficient, error-prone, and difficult to audit. As portfolios grow in complexity, and investor expectations rise, firms need more than just patchwork improvements—they need a fundamental shift in how valuation is managed.

An Enterprise Performance Management (EPM) platform like **Pigment** offers a unified, automated, and collaborative approach to valuation modelling. It enables asset managers and finance teams to centralize all valuation-related inputs, logic, and outputs into a single source of truth. This brings unprecedented control, accuracy, and speed to the quarterly valuation cycle.

Key Capabilities of a Complete EPM-Powered Valuation Solution:

Centralized Data & Logic:

Maintain one version of the truth with all rent rolls, CAM charges, unit assumptions, and SPV structures integrated into a shared model.

Real-Time Collaboration:

Multiple stakeholders—from asset managers to finance leads—can work simultaneously on the same model with full transparency and no risk of overwriting data.

Scenario Planning:

Instantly simulate different rent assumptions, vacancy rates, rent-free periods, or fit-out conditions, and understand their impact on Net Operating Income (NOI) and long-term valuation.

Version Control & Audit Trails:

Track every model change with full version history, enabling better governance, compliance, and internal reviews.

Visual Dashboards & Insights:

Access live dashboards with valuation summaries, rental income forecasts, and DCF outputs to support quick, data-driven decisions.

Automated Calculations:

Eliminate manual formula adjustments—automated logic ensures consistent outputs across all assets and time periods.

Scalability:

Easily scale across multiple SPVs, buildings, or geographies without creating or managing multiple disconnected files.

By embedding these capabilities into the core valuation process, commercial real estate firms can move beyond reactive, error-prone modelling to a more **accurate, agile, and auditable** approach—ensuring confidence in every financial and investment decision.

Let me know if you'd like this formatted for a whitepaper, deck slide, or executive summary.

Intelligent Valuation Model needs:



Valuation, Evolved: How Pigment Powers Intelligent Real Estate Decisions

Intelligent Assumptions

FEATURE SET 1

1. Predictions

Automatically forecast rent growth, vacancy trends, leasing cycles, and operating expenses using Pigment's ML-powered forecasting engine. This replaces manual Excel-based assumptions with **data-driven, continuously improving forecasts** that enhance accuracy in Discounted Cash Flow (DCF) and Net Operating Income (NOI) modelling.

Insights & Reusability

FEATURE SET 2

1. Insights

Turn complex valuation data into interactive dashboards—visualizing trends like NOI evolution, lease expiries, or 10-year value growth. Supports faster decision-making across leadership levels.

2. Libraries

Reuse global assumptions like cap rates, discount rates, or vacancy norms across all asset models—ensuring consistency and simplifying model maintenance across portfolios.

Modelling, Auditing & Accuracy

FEATURE SET 3

1. Drill Down & Drill Through (Dependency Diagrams)

Navigate valuation flows from unit-level rents to SPV-level assets. Visualize how changes in inputs (e.g., occupancy, CAM charges) cascade through buildings and impact overall asset valuation—ideal for auditors, analysts, and decision-makers.

2. Sequence

Automate complex logic chains such as:

Leased Units → Rent Calculation → NOI → Valuation → NPV, minimizing manual steps and errors while maintaining logical consistency across assets and SPVs.

3. Snapshots

Capture model states before/after assumption updates, quarterly closures, or scenario changes—vital for **audit trails**, investor reporting, and compliance with valuation review processes.

Valuation, Evolved: How Pigment Powers Intelligent Real Estate Decisions

FEATURE SET 4

Collaboration, Governance & Review

1. Commenting & Collaboration

Allow teams (e.g., asset managers, finance, legal) to leave context-aware comments directly on data or logic—cutting down email chains and enabling faster consensus and accountability in quarterly valuation cycles.

2. Workflows

Standardize the valuation process from **data input** → **assumption review** → **valuation approval**, ensuring consistent governance, ownership, and auditability.

3. Notifications & Alerts

Trigger real-time alerts when key thresholds are breached—e.g., valuation drop, rent anomalies, or missing CAM data—so teams can take proactive corrective actions.

FEATURE SET 5

Data Interaction & Flexibility

1. Scenarios

Compare different market outlooks:

- Best-case: High occupancy, low vacancy
- Base-case: Market average
- Downside: High churn, delayed re-leasing

All assumptions flow seamlessly through valuation logic for quick stress testing and board presentations.

2. Sheet View

Provide users a spreadsheet-like interface for fast bulk edits—ideal for updating rent rolls, CAM assumptions, or unit configurations without compromising model integrity.

3. Excel Add-In

Allow legacy users to interact with Pigment models directly from Excel—supporting gradual digital transformation and preserving productivity during migration.

Commercial Real Estate Valuation: Traditional vs. Pigment-Driven Approach

Challenge Area	Traditional Methods (Excel, Manual, Legacy systems)	Pigment Solution (Modern, Intelligent)
Forecasting & Assumptions	Manual inputs, static assumptions, limited accuracy	ML-powered Predictions for automated, data-driven forecasts of rent, vacancy, and expenses
Model Complexity	Hard-coded formulas, linked sheets, error-prone	Sequence + Libraries automate calculation logic and ensure consistency across all assets
Audit & Traceability	Difficult to trace input-to-output flow, no version history	Drill Down / Through + Snapshots for full transparency and historical tracking
Scenario Testing	Time-consuming to replicate multiple cases	Scenarios enable instant switching and comparison of Base, Best, and Worst-case models
Collaboration	Email-based, slow review cycles, no in-model comments	Commenting & Collaboration + Workflows streamline real-time team review and approvals
Governance & Alerts	No control over process stages or missing inputs	Workflows + Notifications/Alerts for structured approvals and proactive data validation
Usability for Finance Teams	Spreadsheet-heavy, complex formulas	Sheet View + Excel Add-In offer familiar UI with Pigment's logic integrity
Reporting & Insights	Static PDFs, lag in analysis	Insights dashboards visualize trends, NOI shifts, and valuation over time
Reuse & Scalability	Rebuilding templates for each new asset or SPV	Libraries enable global assumption reuse and standardized valuation frameworks



Thank You!