

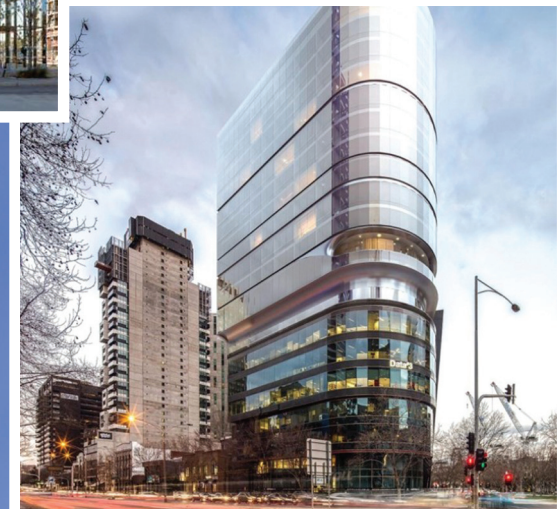
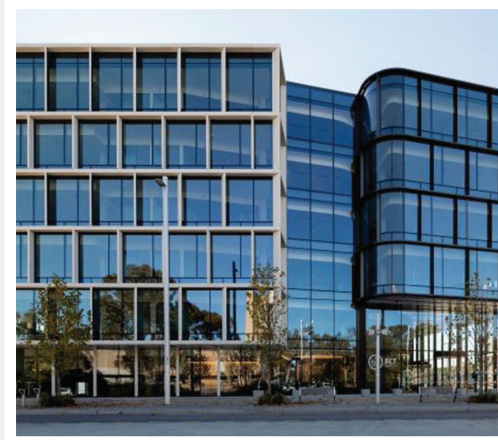
February 2025

PROACTIVE ASSET MANAGEMENT

A Strategic Approach for Future-Proofing Assets

In a rapidly evolving market, asset and property managers face mounting pressures, from tightening sustainability regulations to advancing technologies, that demand a shift from reactive maintenance to proactive asset optimisation.

Integrating sustainability, managing risks, leveraging technology and anticipating future market demands can secure long-term value for property portfolios.

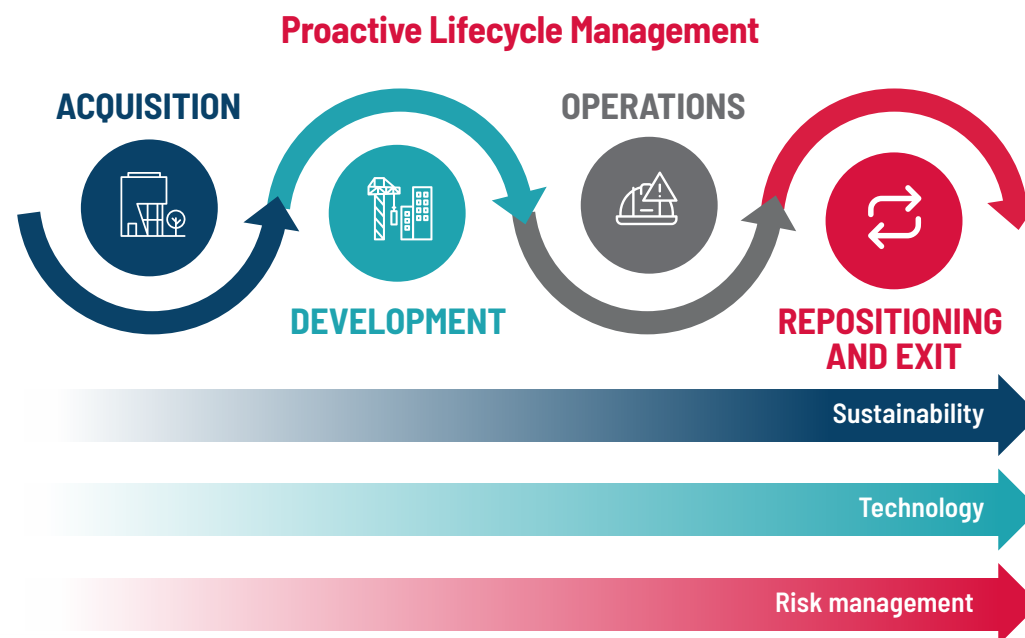


By Adam Reeman, Property Portfolio Services Leader
and Qaisar Ahmad, Asset Operations Leader

Value Proposition: The Case for Proactive Lifecycle Management

Proactive lifecycle management enhances asset performance, reduces costs and mitigates risks. However, many portfolios remain reactive, prioritising short-term over long-term goals.

This paper highlights lifecycle optimisation as a holistic strategy to dynamically respond to changing environmental, technological and market conditions. Integrating sustainability, technology and risk management at every lifecycle stage ensures assets remain resilient, adaptable and valuable.



Key Challenges

1. Sustainability Pressures

Changing regulations, tenant expectations and investor ESG mandates push property managers to prioritise sustainability. Strategies such as lifecycle carbon assessments and emissions reduction attract eco-conscious tenants and investors.

Example: The Australian Government's net-zero emissions target for 2030 has driven portfolios to align with sustainability goals, with occupiers preferring properties with clear environmental credentials.

2. Technological Disruption

Digital tools like IoT devices, drones and building analytics optimise performance, lower costs, and improve tenant environments. However, many portfolios lack infrastructure to fully realise these benefits.

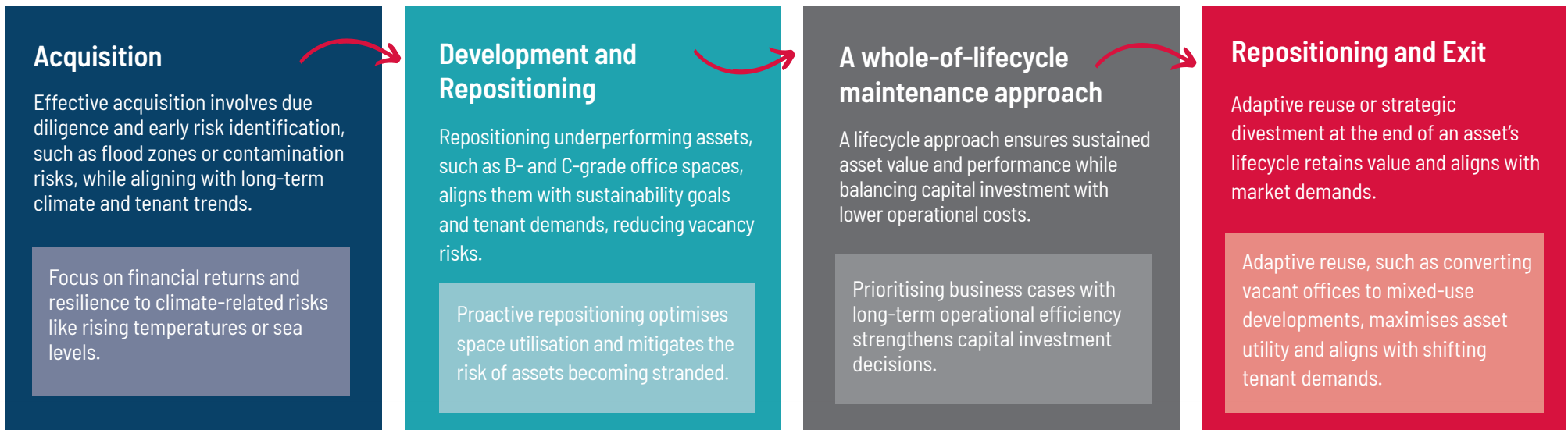
Example: An Australian property portfolio using a building optimisation platform achieved significant reductions in emissions, electricity, and water usage, becoming a top NABERS and GRESB performer.

3. Risk Management and Climate Resilience

Climate risks, including extreme weather and insurance challenges, demand proactive resilience measures such as climate-proofing and risk assessments.

Example: ACOR worked with portfolio owners to assess and optimise EV charging installations, mitigating fire risks and ensuring compliance.

Lifecycle Stages: Proactive Strategies for Asset Management



Leveraging Technology for Property Optimisation

Digital transformation allows property managers to access real-time data, optimise performance and enhance decision-making.

Predictive Maintenance:

Tools like IoT sensors detect anomalies, enabling preventative repairs that reduce downtime and costs.

Data-Driven Decision-Making:

Digital platforms streamline operations, providing actionable insights to optimise energy use and cut costs.

Global Trends and Local Adaptations

Global trends toward sustainable, low-carbon buildings are mirrored in Australia, where sustainability is critical to asset value.

Example: In the UK, Energy Performance Certificates (EPCs) are essential for asset valuation. Australian portfolios adopting similar retrofitting strategies can maintain competitiveness under tightening regulations.

Economic Challenges and Opportunities

The commercial real estate market faces evolving investor expectations, requiring portfolios to adapt.

Devaluation and Portfolio Strategy:

Institutional investors hedge against inflation by rebalancing portfolios and prioritising sustainable acquisitions.

Sustainability as a Financial Imperative:

Green certifications and low-carbon strategies attract tenants and investors.

Case Study: Building Electrification for Long-Term Value

Australia is shifting toward building electrification, driven by climate change and government policies.

Example: ACOR are partnering with QIC to electrify a 22,000m² office building in Canberra, ensuring compliance with Net Zero policies and enhancing tenant appeal.

Practical Takeaways for Building Owners

- 1. Lifecycle Planning**
Implement lifecycle strategies to ensure adaptability and resilience.
- 2. Prioritise Sustainability**
Incorporate lifecycle carbon assessments and emissions reduction plans.
- 3. Leverage Technology**
Invest in platforms and data systems for real-time asset insights.
- 4. Build Resilience**
Prepare for climate risks through resilience-focused retrofits and proactive maintenance.

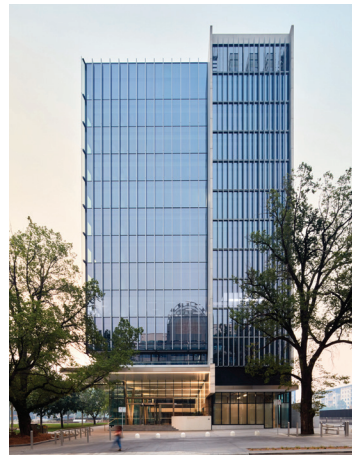
Securing Long-Term Value Through Proactive Property Management

A proactive, lifecycle-driven approach ensures assets remain resilient, adaptable and valuable over time. By integrating sustainability, technology, and resilience measures, property professionals can position assets for long-term success.

Next Steps: Evaluate portfolio practices to identify lifecycle optimisation opportunities, including sustainability and technology enhancements. Conduct audits to strengthen resilience and align with market and regulatory expectations.

About ACOR's Property Portfolio Services (PPS)

ACOR's Property Portfolio Services (PPS) delivers tailored solutions across the entire property lifecycle. By focusing on sustainability, risk management, and digital integration, PPS helps clients optimise performance in an increasingly complex market.



About Adam Reeman

Adam leads ACOR's PPS with over 25 years of expertise across Australia, Asia, and the UK. Known for his strategic approach, Adam positions ACOR as a trusted partner in delivering long-term value.
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