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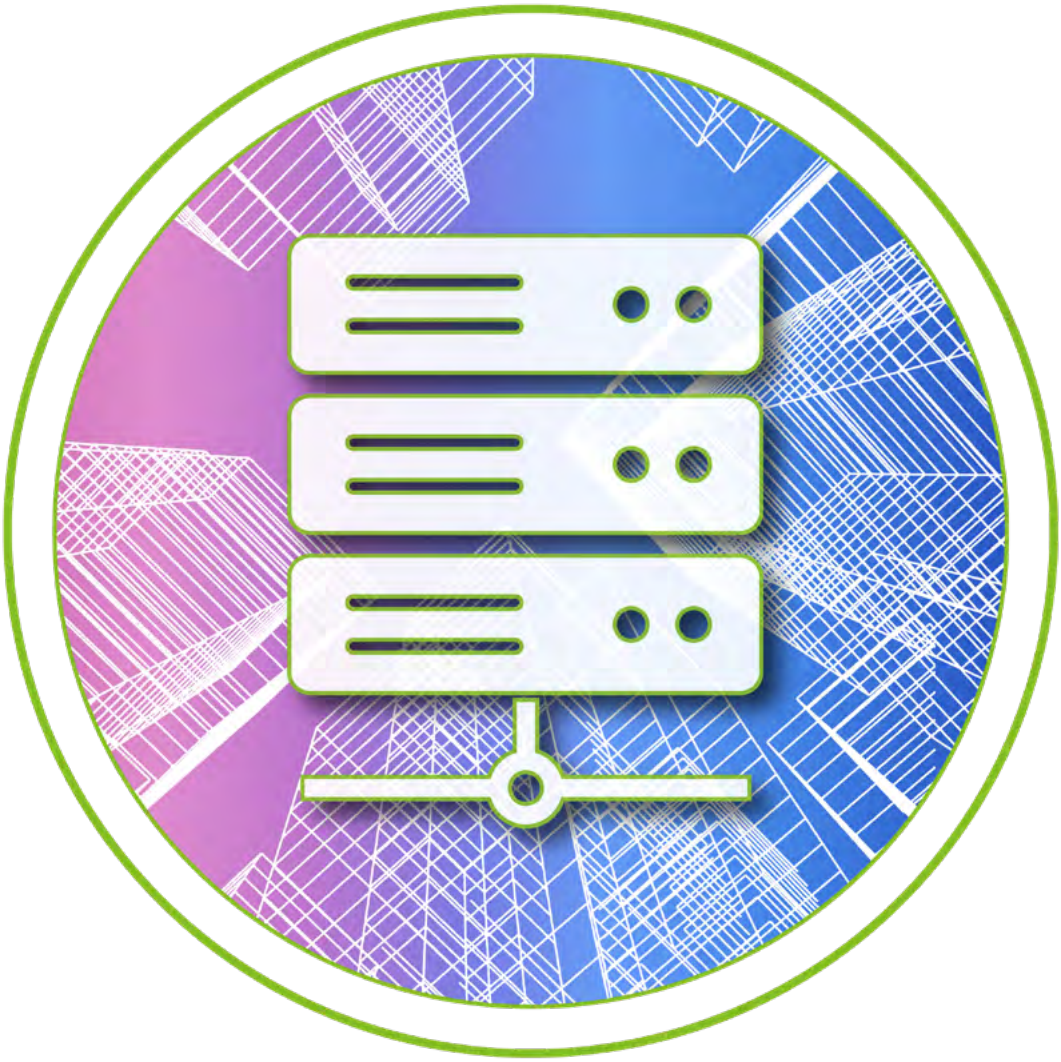


Operating Models for Commercial Real Estate Companies in the age of AI

How AI and Data change the operations of Commercial Real Estate

Introduction

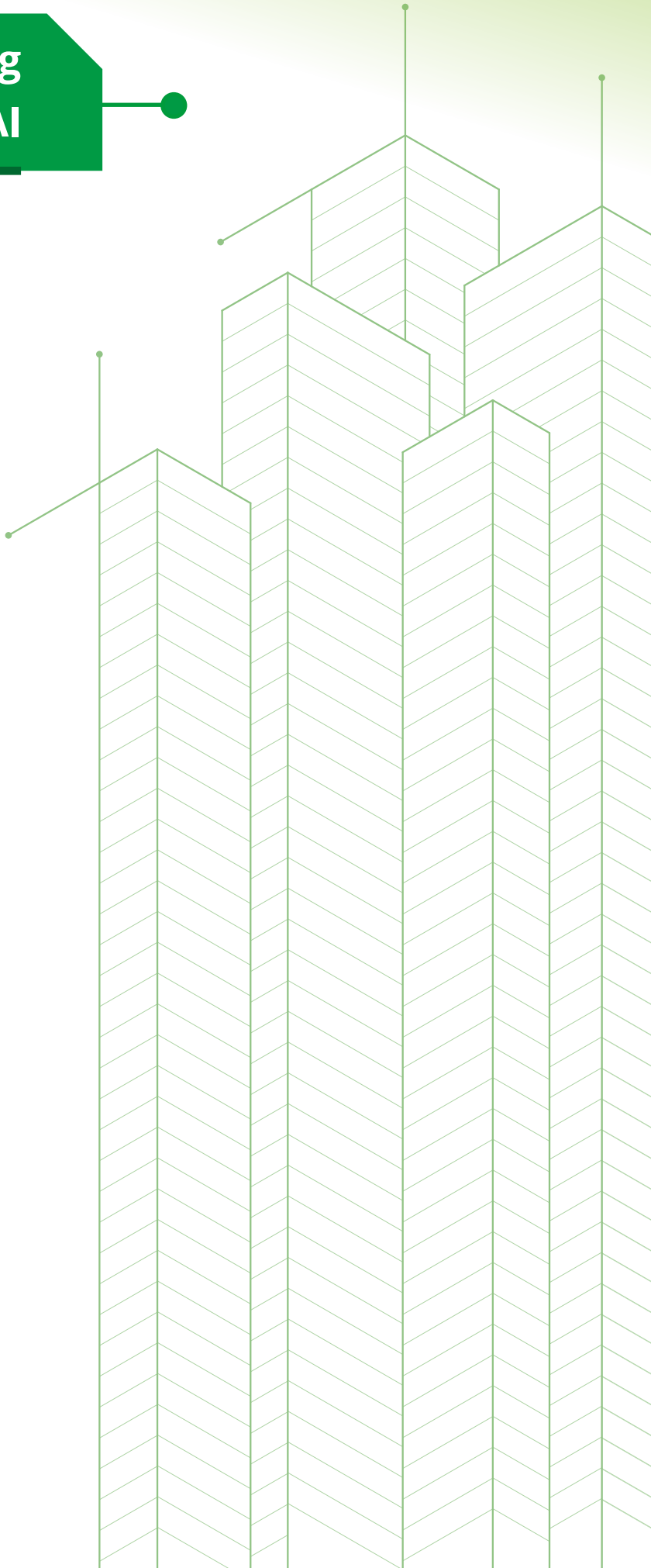
Since the publication of Data is the New Gold in 2018, the real estate industry has moved decisively toward a data-driven future. In a market where multiple challenges threaten the sustained profitability of commercial assets, the combination of data and AI can offer an operational solution.

Commercial real estate (CRE) companies face increasing pressure to improve efficiency, transparency and customer focus, while operating in a volatile market of interest rate fluctuations, sustainability requirements and changing tenant expectations. The increasing feasibility of centralized data and artificial intelligence (AI) is becoming a powerful enabler that can fundamentally reshape CRE operating models. When applied thoughtfully, AI can help you unlock significant value through automation, better decision-making and new service offerings. At the same time, it introduces risks related to data quality, governance and organizational readiness, which must be actively managed.

Shifting Operating Models through AI

Traditionally, CRE operating models are organized functionally, around asset management, property management, leasing, transactions, finance and corporate functions. Many processes remain manual, fragmented and experience-driven. With AI, your business can (and should) shift toward a more integrated, data-driven and platform-oriented operating model.

In an AI-enabled operating model, data becomes a shared strategic asset across the organization. Centralized data platforms connect internal sources (e.g., lease contracts, maintenance records, financial data) with external data such as market rents, mobility data, energy prices. AI systems then augment human decision-making by generating insights, forecasts and recommendations in near real time. This enables CRE organizations to move from reactive management to predictive and proactive operations.



Key AI Use Cases Across the CRE Value Chain

01 Asset and Portfolio Management

AI can significantly enhance your portfolio steering and asset-level decisions. Machine learning techniques can model different scenarios to forecast rental incomes, vacancy rates and capital expenditure needs. Predictive analytics can help you identify underperforming assets early and simulate the impact of refurbishment, repositioning or disposal strategies.

Savings potential: Reduced revenue leakage and better capital allocation can improve net operating income by an estimated 1–3% across large portfolios.

02 Leasing and Commercial Management

AI-driven demand forecasting and dynamic pricing models can help you optimize rents and lease structures. Natural language processing (NLP) tools can analyze lease agreements, flag deviations from standard clauses, and identify revenue or risk exposures. Chatbots and virtual assistants can handle tenant inquiries, schedule viewings and pre-qualify leads.

Savings potential: Automation of lease analysis and tenant communication can reduce leasing-related administrative effort by 30–50%.

03 Property and Facility Management

Predictive maintenance is one of the most mature AI use cases in CRE. By analyzing sensor data, maintenance logs and equipment performance, AI enables you to predict failures before they occur and optimize maintenance schedules. Computer vision can support automated inspections and safety monitoring.

Savings potential: Maintenance cost reductions of 10–20% and improved asset uptime are realistic outcomes, particularly for technically-complex properties.

04 Finance, Controlling, and Risk Management

AI can automate your invoice processing, service charge reconciliation and cash-flow forecasting. Advanced models can detect anomalies or potential fraud, and support valuation processes by benchmarking assets against comparable transactions. Scenario-based risk models improve stress testing for interest rates, vacancies and refinancing risks.

Savings potential: Finance function cost reductions of 20–40% through automation, combined with faster and more accurate reporting cycles.

05 Transactions and Investment Management

AI can support your acquisitions and disposals, by processing large volumes of structured and unstructured data to screen markets, identify attractive submarkets and pre-assess investment opportunities. During due diligence, AI accelerates document review and highlights risks in leases, technical reports or environmental assessments.

Savings potential: Transaction cycle times can be reduced by 20–30%, enabling teams to focus on higher-value negotiation and strategy work.

Organizational and Governance Implications

To realize these benefits, your business must go beyond technology adoption, and adapt its operating model. Clear ownership of data and AI products is essential, often requiring new roles such as data owners, AI product managers or analytics translators. Cross-functional teams become more important, as AI use cases typically cut across traditional silos.

Relevant and shared data throughout the value chain remains critical, and central data repositories will be crucial. It will still be important to define the necessary data, based on its relevance to results and not only its availability.

Strong governance is critical for managing risks. AI models are only as good as the data they are trained on, so poor data quality can lead to biased or misleading outputs. Transparency, explainability and human oversight are particularly important in high-stakes decisions such as valuations, tenant selection or investment approvals. Cybersecurity and data privacy requirements must also be embedded into the operating model from the outset.

Empowering People Through Activation and Training

Last but not least, successful AI transformation in CRE is not only about technology, it is fundamentally about people. Your employees must be empowered, trained, and actively engaged to work effectively with new AI-enabled processes. You should build digital confidence by providing hands-on training and helping teams understand how AI enhances—not replaces—their expertise.

New competencies, such as data literacy, prompt engineering and model interpretation, will become increasingly important across functions. Moreover, involving your workforce early fosters trust and encourages a culture of experimentation, which is essential for realizing AI's full value.

Risks and Limitations

Despite its potential, AI is not a silver bullet for CRE operations. Over-automation can reduce flexibility and erode valuable human judgment, especially in relationship-driven areas such as leasing or asset repositioning—just imagine an AI agent calling a tenant on your behalf and offering a lease prolongation.

You should recognize the risks of overestimating short-term benefits while underestimating the effort required for data cleansing, system integration and change management. Skills gaps remain a major constraint and, without targeted upskilling, AI tools may be underused or mistrusted by employees.

Conclusion

AI offers your CRE business a unique opportunity to modernize its operating model, improve efficiency, and enhance decision quality across the value chain. You can achieve tangible cost savings—as much as 10–40% in some functions—alongside strategic benefits such as stronger portfolio performance and improved tenant experience. However, realizing this value requires a holistic approach that combines technology, data availability, governance and organizational change as well as employee development. As preparation you should first identify selected use cases, then develop and deploy AI agents in limited and safe company environments to show-case, test and make tangible the potential of AI but also identify limitations for e.g. in the actual data structure and availability

CRE companies that treat AI as a core component of their operating model, rather than a set of isolated tools, will be best positioned to manage risks and sustainably outperform competitors in an increasingly complex market environment.

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