



# matrix residential

## CASE STUDY



### AT A GLANCE

#### challenges

- ▶ Error-prone spreadsheet-based budgeting process
- ▶ Data accuracy
- ▶ Requirement for complex multi-scenario analysis

#### solution

- ▶ Censof BPF provides a cost-effective solution for budgeting and forecasting that integrates with the company's property management solution

#### benefits

- ▶ Significant reduction in time taken to produce budgets and forecasts
- ▶ Improved data integrity
- ▶ Flexibility to provide high quality client reporting accessible online
- ▶ Integration with Matrix's property management software
- ▶ Cost effective solution

### about matrix residential

Matrix Residential is a prominent multifamily management company and wholly-owned subsidiary of Pollack Shores Real Estate Group. Pollack Shores Real Estate Group creates value by acquiring, developing, managing and investing in multifamily communities across the Southeast of the USA. Matrix manages large complexes that provide residents with unique and memorable places to live. It manages both 'new build' and 'renovation' or 'rehabilitation' projects.

### challenges

Matrix Residential had difficulty with budget planning – using Excel spreadsheets to manage the process for many years. As the business experienced rapid growth and added properties to the portfolio, errors started to creep into the spreadsheets and they became so cumbersome and complex they were almost impossible to manage. Managing multiple properties with numerous categories for expenses meant one error in a formula caused errors throughout the whole system, with the source often impossible to trace.

Ravi Durairaj, Managing Director of Century Software (Censof) was talking with Matrix Residential's Managing Director when they realized Censof may have the perfect solution with Censof Budget Planning & Forecasting (Censof BPF).

### solution

Censof BPF's budgeting, forecasting and planning solution provided the perfect add-on to Matrix's existing property management software. In terms of functionality, Matrix also knew it needed to start regular forecasting to take the business to the next level. Using Censof BPF's built in forecasting component allows Matrix to take the past six month's actual data and automatically forecast the year ahead. Users can manually adjust figures based on different scenarios, with this automated process meaning fast and easy review of year on year performance vs. forecast to improve strategic decision making.

The structure Censof BPF provides is also important since several people are involved at different authority levels. Setting this up was simple, with property managers reporting to regional directors then to director's at the corporate office. The submission, editing and approval capabilities are all managed automatically by Matrix, with monthly data also uploaded from the existing property management software.



## ABOUT CENTURY SOFTWARE INC. (CENSOF)



Censof empowers its clients to gain valuable insight into their company's true performance with data backed precision. With Budget Planning, Performance Management and Analytics, Censof's advanced solutions help clients streamline and automate financial and operational processes. Clients, being data driven organizations, are able to align their strategic and operational objectives with their financial targets to actively track and manage performance.

In addition, Censof BPF addressed another important area – Asset Management. Matrix's Asset Managers' primary role is to source potential properties for purchase. They find the site and run the numbers to ascertain the value in conducting a more comprehensive internal investment group review, with several deals tested, but only a select few actually eventuating.

The work to create these spreadsheets previously was huge. The new automated Censof BPF process means fast, easy analysis of various different scenarios, with Asset Managers completely confident that their pro forma budgets are thorough and accurate. Investors are happy since they see the complete picture, and data integrity has significantly improved. If the decision is eventually made to purchase the property, the pro forma budget is simply converted to an operating budget with no additional effort.

### implementation

According to Karen Key, Director of Matrix who was instrumental in managing the implementation internally, Censof BPF has provided improved accuracy and consistency. Karen commented, "Since first implementing Censof BPF, Matrix has experienced rapid growth resulting in our needs becoming more complex. We are constantly conceiving new ideas to improve the budget process and Censof BPF has provided the flexibility to accommodate these changing requirements and intricate analysis needs. The budgeting application we have today is far more powerful and effective than what we ever could have achieved previously."

### benefits

The new Censof BPF solution provides Matrix Residential with everything it needs and more. Benefits include time savings, data accuracy, flexibility, and improved functionality as well as providing a web-based solution which meant no internal technology requirements or challenges. The structure around consistency from property to property is also key and the fact that the finance team no longer needs to worry about managing formulas.

The added benefits are still coming to light but flexibility around reporting is important. Since properties have convoluted ownership structures, it was previously difficult to consolidate information for one owner. That process is now fast and painless with Censof BPF's ad hoc reporting functionality, owners can access their own published reports at any time online.

Tracy Bowers, Managing Director for Matrix Residential commented, "The primary benefit of Censof BPF would have to be its flexibility. We are a property management company that runs our entire business on our property management software, however the flexibility and functionality within the budgeting component of that software is limited. Censof BPF has provided us with a robust system to easily and accurately monitor the budgeting and forecasting process. It's provided added functionality in the asset management area as well as allowing us to do essential scenario modelling – all at a very modest cost."

### future plans

With the budgeting process now embedded, Matrix can start adding more value through additional forecasting and reporting options. Karen Key said, "We are only just starting to use Censof BPF's added functionality however we can see massive benefits in the future – especially as we enter a new growth phase. It's going to make a huge difference to how we run our company with the information we now have at our finger tips and are able to provide our owners and partners."

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