

FROM GUESSWORK TO PRECISION:

Level Up Portfolio Management with Entry/Exit Counting



From Guesswork to Precision:

Level Up Portfolio Management with Entry/Exit Counting



In today's dynamic commercial real estate (CRE) landscape, decision-makers are constantly seeking innovative ways to optimize space utilization, reduce operational costs, and maximize the value of their portfolios.

Entry/Exit counting, also known as Entryway Counting, is a technology that provides a higher fidelity of occupancy data (compared to traditional collection methods) and enables building owners, operators, facility managers, and tenants, to accurately gauge space utilization.

Historically, measuring utilization relied on assumptions that could easily steer organizations in the wrong direction. For example, using worker assignments or “seating ratios”, and a prescribed number of square feet per seat informed companies of how much space they needed to lease.

Using this method, Company A, who has 90 assigned desks and 10 unassigned desks, assumes they have a 90% utilization rate and does not factor whether or not those employees show up to the office every day of the work week.

Another method to measure daily utilization rate is to use badge data. With this method, Company A may consult their data to calculate a daily “show-up” rate. So **if each of their 90 workers come into the office 4 days a week, then weekly utilization turns out to be only 72%** of the expected occupancy. While this method is more accurate than the seat assignment approach, badge data still doesn't tell the whole story.

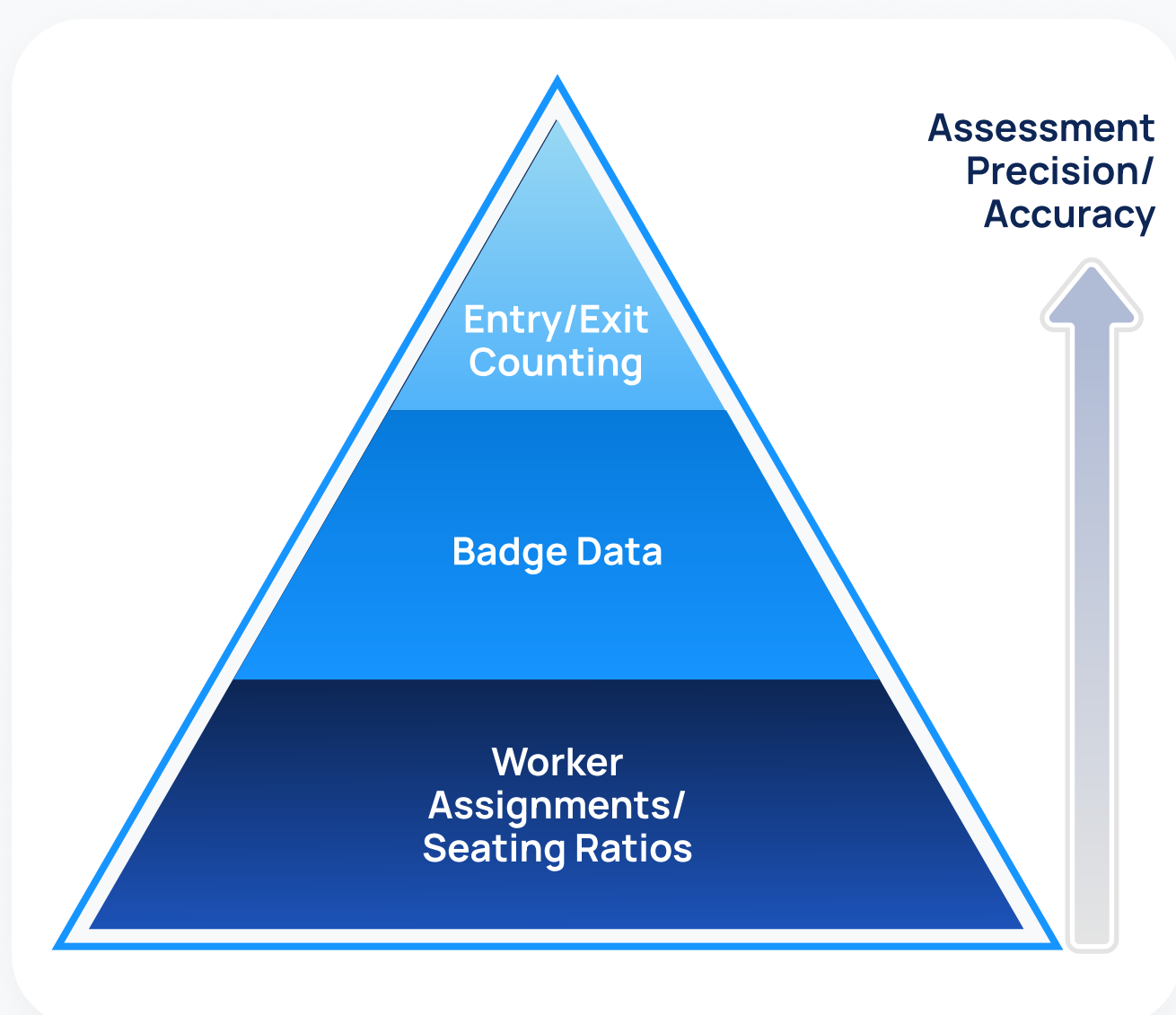
Neither method captures when a person exits the building or space, leaving a critical metric—length of stay—unrecorded.



With Entry/Exit Counting, CRE stakeholders gain insight into the accurate, real-time entry and exit of people within a space, which unlocks a range of new metrics like peaks, floor level utilization, space level utilization, and more.

Using the example from before, **if each of Company A's 90 workers only come in for 4 hours per day, the peak hour may be 1pm at 54% utilization**. This additional level of insight can help tenants design to peak for each floor or department. It can additionally inform property owners of who is using the building and when.

The Pyramid of Utilization Measurement



Further, these details help ensure smarter investments by **revealing patterns in space utilization**, guiding building owners to **consolidate underused spaces** or expand high-traffic areas, leading to **more strategic portfolio decisions**.

It also allows stakeholders to build demand-based janitorial service plans and optimize ventilation based on actual occupancy; enabling the reduction of energy waste during off-peak hours.

In this white paper we explore the benefits of Entry/Exit Counting, offering a comprehensive guide on how this technology can empower various CRE professionals to **eliminate the guesswork and achieve precision in managing their assets**.



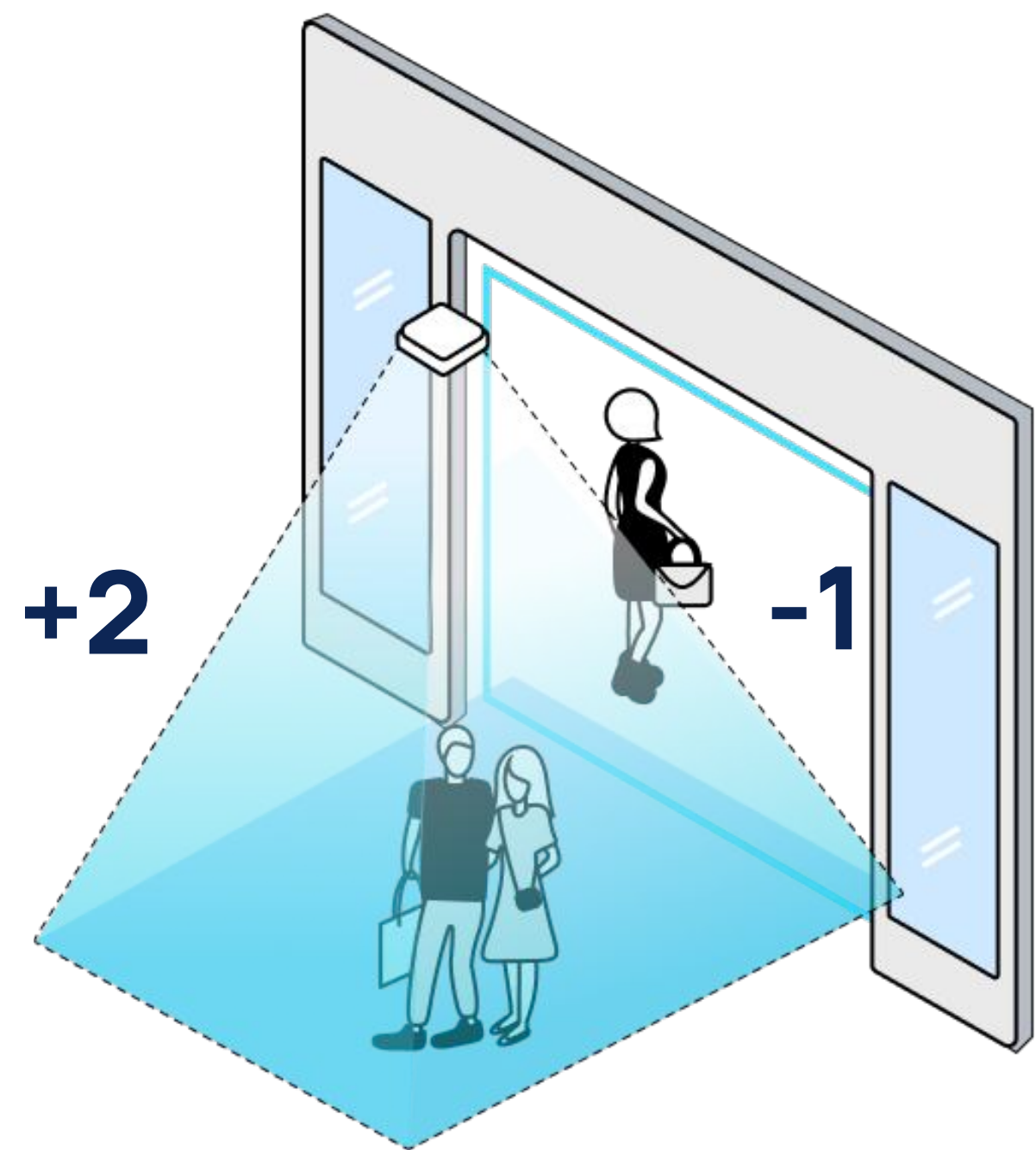
What is Entry/Exit Counting?

Entry/Exit Counting uses anonymous people counting sensors to understand real-time and historical occupancy levels across entire buildings, floors, and/or large spaces. The feature helps CRE stakeholders understand nuances in space utilization.

For building tenants, it helps understand how their spaces are used, enabling them to optimize daily workplace experiences and right-size office footprints.

For building owners and operators, it helps identify energy efficiency opportunities and reduce operational costs at the floor, building, or portfolio level.

Entry/Exit Counting can deliver actionable insights for different stakeholders within a commercial property setting, from executive decision-making to daily operational efficiencies.



Trying to answer these questions about your real estate assets? Entry/Exit Counting may be the solution you need.

- ? Which parts of my portfolio are being fully utilized, and which are underutilized?
- ? How does my average building occupancy compare to peak usage periods?
- ? Are there any clear trends in how different space types are being used on each floor?
- ? Which geographic regions or building types are performing better or worse in terms of utilization?
- ? What factors are contributing to peaks in occupancy?
- ? Can any underutilized assets in nearby areas be consolidated for efficiency?
- ? Which buildings consistently have the highest occupancy each month, and why?
- ? Which floors are visited the most frequently?
- ? How does my building's capacity align with actual occupancy levels?
- ? Are any of my assets currently operating at or near full capacity?
- ? Which of my amenities are visited most frequently? What is the peak time or day?

Entry/Exit Counting for Building Owners & Operators



Optimize Asset Value with Precise Occupancy

As a building owner or operator, Entry/Exit Counting offers valuable analysis of occupancy trends at both the floor and building level. By monitoring the flow of occupancy in and out of spaces, you can identify long-term patterns that guide decisions on asset valuation, enabling more accurate financial forecasting and portfolio optimization.

Additionally, Entry/Exit Counting provides CRE executives with key data on underutilized or overcrowded buildings. By comparing building occupancy to actual usage, you can identify assets that are nearing capacity or those that are consistently underused. This allows for strategic portfolio adjustments, such as consolidating underutilized spaces or investing in high-traffic areas.

Use Case:

Enhance Tenant Services

Entry/Exit Counting isn't just a tool for understanding occupancy; it's a pathway to improving tenant satisfaction. Building owners and operators can use this technology to monitor how tenants utilize various amenity spaces within a building like conference centers, gyms, and coffee shops.

By analyzing this data, operators can allocate services and square footage with demand. For instance, if data indicates that certain communal areas experience peak utilization at specific times, operators can schedule refreshment stocking when it's most needed, ensuring a high standard of service without excess costs.

As a CRE Executive, I can use Entry/Exit Counting to:

- ✓ Understand occupancy across my building/portfolio as a whole so I can value my leasable space more accurately
- ✓ Monitor tenant space utilization to predict lease churn / growth
- ✓ Monitor amenity space utilization to improve amenity service to occupants
- ✓ Provision services based on actual usage (janitorial, cafeteria)
- ✓ Future proof the value of my real estate assets
- ✓ Use the data to control HVAC/lighting and reduce energy consumption of the building

Entry/Exit Counting for Facilities & Energy Managers



Reduce Daily Costs with Smart Occupancy Monitoring

As a facilities and energy manager, Entry/Exit Counting offers a view of daily occupancy trends. This data allows for dynamic cost-saving opportunities, like adjusting HVAC systems based on actual usage patterns, and allocating resources such as janitorial services more efficiently to ensure that cleaning resources are directed to areas with higher traffic and avoiding over-servicing underutilized spaces. This not only reduces labor costs but also optimizes operational and energy efficiency.

Use Case:

Control HVAC & Lighting Dynamically

By monitoring the flow of occupants across buildings, floors, and spaces, **facilities and energy managers can create schedules optimized for energy use**. This ensures that HVAC systems are operating in line with actual building utilization, avoiding unnecessary energy expenditure during low-occupancy periods.

For instance, current utilization trends reveal that, on average, Mondays & Fridays are low occupancy days and the average show up time is later than on Tuesdays, meaning managers can program HVAC settings to reduce the amount of outdoor air pulled in during those periods, thereby cutting down on energy consumption without sacrificing occupant comfort.

Similarly, this same data enables real-time control of lighting and HVAC via a BACnet integration with the building or BMS system. **Resulting utility cost savings have been documented in the range of 10-45%.**

As a Facilities or Energy Manager, I can use Entry/Exit Counting to:

- ✓ Understand overall occupancy trends per building floor, without encroaching on tenant space
- ✓ Control HVAC and reduce energy consumption of the building
- ✓ Provide other building services (e.g. janitorial) based on space usage
- ✓ Find times when I can dim low-utilization floors to save energy

Entry/Exit Counting for Enterprise Real Estate



Smarter Space Planning

As a tenant, Entry/Exit Counting can help your team of space planners gather accurate occupancy and utilization trends across your workspace. By understanding attendance patterns, planners can allocate headcount across different areas optimally, compare space utilization between departments and space configurations, and support return-to-office (RTO) strategies. This data empowers planners to make informed decisions on space allocation without needing costly infrastructure.

As a Tenant, I can use Entry/Exit Counting to:

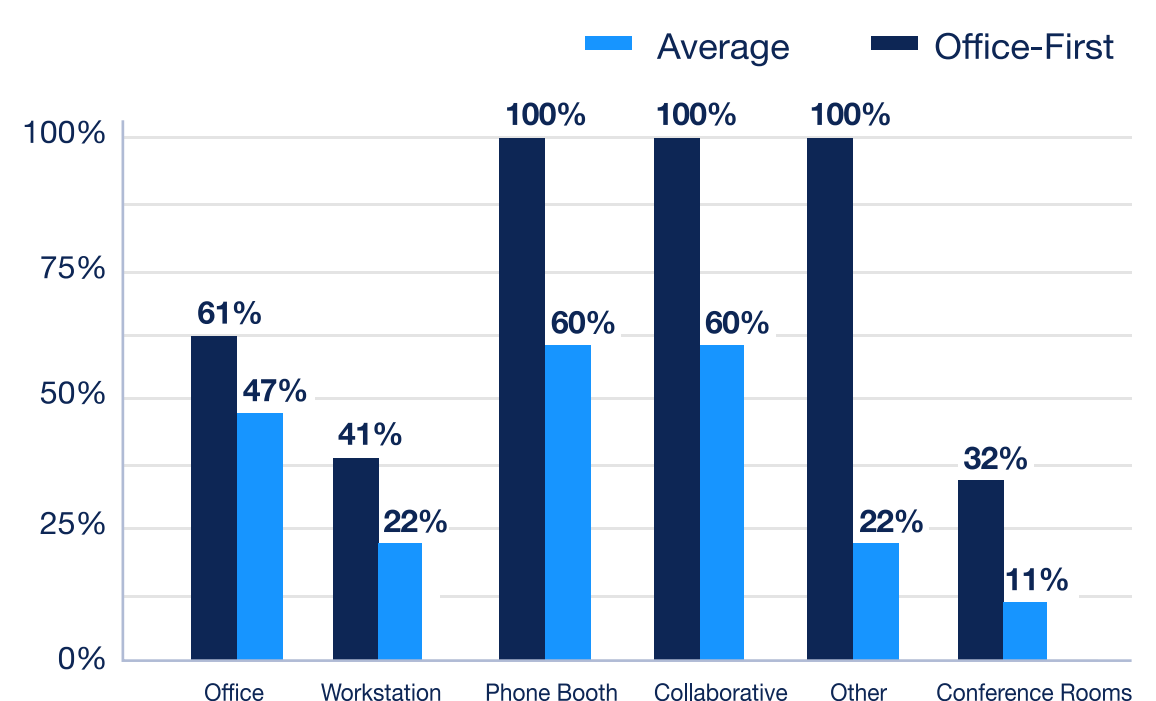
- ✓ Determine long term trends and inform future plans
- ✓ Grow or shrink space to achieve employee KPIs while supporting business needs for comfort, space type mix, employee growth, hybrid/RTO policies
- ✓ Implement a lower cost way of determining occupancy in larger spaces without requiring as many devices; measure occupancy in spaces where current sensors won't work (too large, ceiling too high, privacy concerns)
- ✓ Analyze employee attendance by floor to:
 - Allocate headcount across floors optimally
 - Understand which space configurations approach or hit capacity first
 - Compare space type usage - open desk areas vs. open collaboration zones vs. large meeting rooms (see benchmark data)
 - Understand how each department is tracking to RTO goals

Use Case:

Data-Driven Workspace Design

Entry/Exit Counting allows real estate teams to analyze employee attendance by floor, making it easier to allocate headcount optimally across multiple floors and identify which areas are approaching or reaching capacity first. This data can also be used to compare usage across different space types—such as open desk areas, collaboration zones, and large meeting rooms—to ensure the workspace design meets the evolving needs of the organization.

Average Daily Utilization by Space Type Q2 2024



Moreover, understanding department-specific tracking of RTO goals helps align real estate strategies with business objectives. This targeted analysis supports space planners in creating environments that not only align with current utilization trends but also accommodate future shifts in workspace strategy, ultimately leading to smarter, more adaptable office spaces.

Entry/Exit Counting & Energy Efficiency

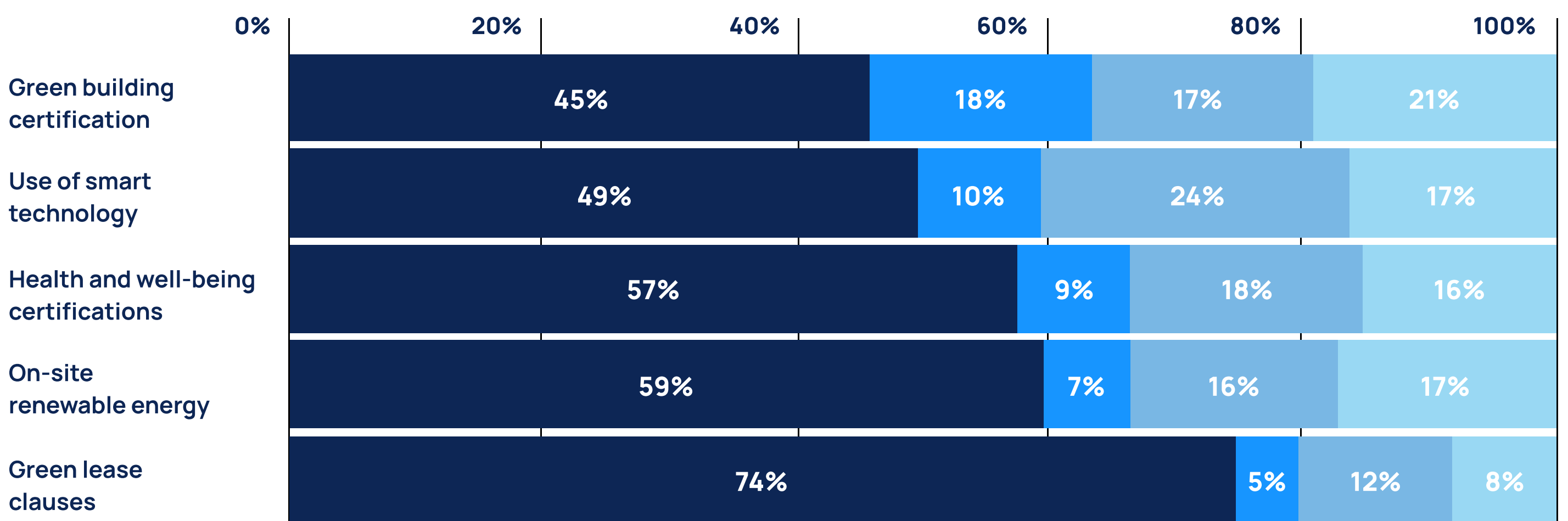
Did you know that 49% of corporate office tenants are willing to pay a premium for sustainable space, and 71% have established sustainability targets?

As tenants prioritize greener, more energy-efficient spaces, Entry/Exit Counting can be an essential tool for building owners and operators. Real-time occupancy monitoring enables precise energy management—allowing HVAC systems and lighting to run only when needed. This not only ensures that buildings meet the rising demand for sustainability but also makes them more attractive to the tenants willing to invest in spaces that align with their ESG goals.

As a result, Entry/Exit Counting offers the ability to unlock a competitive advantage. Precise occupancy monitoring provides owners with the data needed to make smarter, targeted investments in energy efficiency. These insights guide decisions on upgrading HVAC systems, implementing smart lighting controls, and refining space utilization to reduce operational costs and environmental impacts. In doing so, owners can improve building performance, positioning their assets as more sustainable and future-ready.

Additionally, by supporting broader decarbonization efforts, Entry/Exit Counting helps properties stay ahead of regulatory requirements such as Local Law 97 (LL97), BERDO, CARB, and other market trends, making them more attractive to both investors and tenants who prioritize sustainability.

Which of the following environmental and social-related features are a priority in building selection decisions and how would the presence or absence of these impact your organization's real estate decisions?



Source: CBRE

■ It wouldn't impact our decision-making
■ If absent, we would exit from or reject the building
■ If absent, we would seek a discount
■ If present, we'd consider paying a premium



Ready to take your portfolio to the next level?

Entry/Exit Counting gives you the tools to make smarter, more informed decisions about your real estate. Whether it's optimizing space, cutting energy costs, or meeting sustainability goals, this technology can help you stay ahead of the curve.

Let's talk about how Entry/Exit Counting can transform your operations and set you up for long-term success. Reach out today to get started!

Start planning for energy-efficient outcomes with R-Zero

At R-Zero, we're creating responsive, green buildings. Our building intelligence platform captures and analyzes data, makes workforce and efficiency recommendations, and automates systems to save energy and maximize the ROI of your real estate portfolio. For a complete assessment of how our solutions can help you drive reductions in energy costs and GHG emissions, contact us at marketing@rzero.com.

