



Leaseharbor.com: Will New Online System Shake Up Real Estate Software?

By JACK LYNE • Site Selection Executive Editor of Interactive Publishing

"Paradigm shift": It's a phrase that's truly been bludgeoned into the ground. Nonetheless, Lease Harbor (www.leaseharbor.com) can only be described as a system with the potential to trigger yet more (yes) paradigm shifting.

The paradigm in question is real estate software. Lease Harbor is a new software system for lease and real property administration. What sets it apart is the fact that it's 100 percent Internet-based, and it was written and designed from the ground up on the Net.

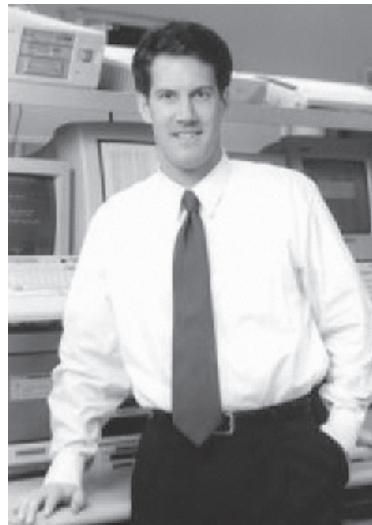
"The Internet presents a fundamentally better model on which to build and distribute software," asserts Lease Harbor co-founder Scott Williams.

A complex, sophisticated system, Lease Harbor has a rich functionality that doesn't lend itself to short, sound-bite descriptions. Yes, it's easy to use and has loads of customizable features.

But its online status provides some unique benefits. There's no installation time or cost, for example, and the onus for technological maintenance stays with the vendor. Lease Harbor's software is also available anywhere, anytime to multiple users in multiple locations. And it's the only software we've seen that automatically converts dates, currencies and sizes to the formats preferred by users in multiple countries.

But perhaps the most striking feature of the online model is its very low projected cost.

"Our target is for users to pay an average of US\$1 per lease per month," Williams says. "For bigger users, the cost will be a little lower. For smaller users, the cost will be a little higher. But \$1 is our overall target. Building software on the Internet is much more efficient and cost-effective, so costs are much lower."



**Scott Williams, co-founder,
Leaseharbor.com**

Demo Is Site's Core

But you won't get a full view of Lease Harbor from its Web site. What you'll find there are the basics on what the company is providing.

In part, that reflects the fact that this site is very new. Lease Harbor only recently came out of stealth mode, making its public

debut on Nov. 7 at the Florida World Congress of the International Development Research Council (IDRC). The IDRC presentation piqued our interest, so we requested a demo (guided by Williams). The demo is where one gets to the core of what Lease Harbor is all about.

The software's simplicity is the first thing that jumps out. You simply get online and go. And we easily went wherever we wanted. If you can use Windows, you can use this.

Each individual property, for example, has its own folder on the left-hand side of the page. The right-hand side displays user-determined information.

A Broad Range of Informational Options

And users have a lot of informational options. You can look at properties, for example, in terms of details, key dates, contacts, documents,

reports, rent, expenses, options and clauses.

Users also get a very broad range of reports as part of Lease Harbor's standard package. Each report can be customized for each company's needs. (Other, more highly customized reports — which "very few companies will need," says Williams — are available on a fee basis.) Among the standard reports: "critical events, (by region or individual property)," "overview by region (with

But the relationship is arms-length, Williams is quick to point out. "Grubb & Ellis has no interest in or access to Lease Harbor," he says. "It's important that lease data is kept in a neutral place."

Williams further notes that Lease Harbor, unlike some other systems, "allows users to download their data in a standard format at any point," says. "We recognize that users' data be-

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user-defined regions)," "space by city and state," and "space by space use." The reports we ran compiled rapidly, in 20 seconds or less — impressive considering the very large database we were test-driving. Lease Harbor can also be configured to e-mail reports to any user. The system checks nightly for upcoming key dates and electronically notifies users.

To ensure security, Lease Harbor uses standard Internet encryption. (Our demo, in fact, was encrypted.)

Grubb & Ellis Adopts System

Lease Harbor comes to market with considerable real estate savvy. Williams spent 12 years at Grubb & Ellis, seven of them as chief information officer. Grubb & Ellis, in fact, was Lease Harbor's beta group. And on Nov. 6, Grubb & Ellis signed a strategic service agreement with Lease Harbor.

Says Craig Morris, Grubb & Ellis Corporate Services Group president, "Lease Harbor is the best browser-based software product we've found to simply and cost-effectively administer the lease and real property portfolios of our clients. Because of the pervasive reach of the Internet, Lease Harbor can provide access to current information for the people who need it. Corporate real estate departments, local operations and financial managers will find that it's simple and easy to use, and yet provides global portfolio summaries, analysis and metrics, along with detailed site information."

longs to them, and they should have unrestricted choices relative to their use of it."

Online Model Drives Down Costs

Chicago-based Lease Harbor operates with a staff of only four. Everything save software engineering is outsourced.

The lean-and-mean staffing works, though, because of the online model, which keeps all the complex software in one place. Ergo, Lease Harbor avoids the substantial support costs of software purveyors that distribute their products through traditional channels.

Lease Harbor, in summary, is a well-thought-out system that could conceivably break the mold for real estate software.

Williams, however, knows full well what has to happen for his low-cost online model to succeed. "The key is volume," he says.

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