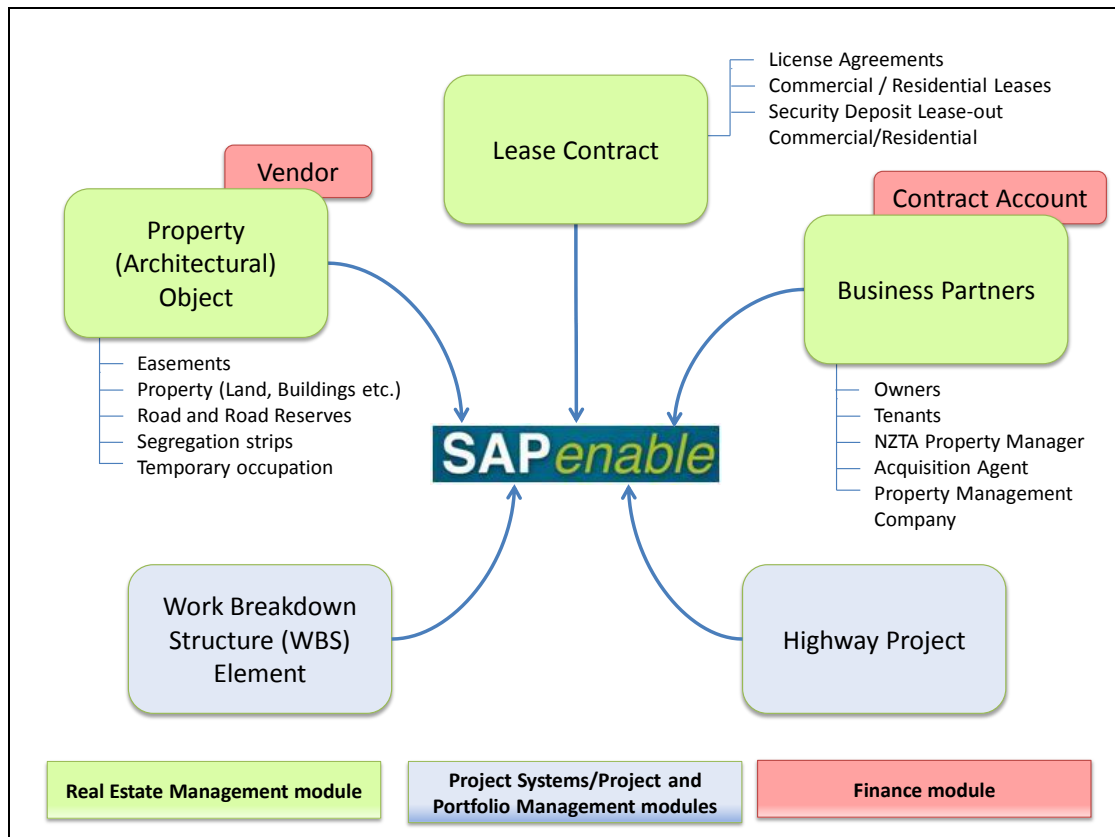


# Real Estate Overview Quick Reference Guide

## Overview

This guide shows you a high-level view of how the Real Estate Management module in SAP is set-up, including it's links to the Project Systems/Project and Portfolio Management modules.



In the Real Estate Management module, the following objects are created:

- Property (Architectural) Objects.
- Lease Contracts.
- Business Partners.

All of these objects can be linked together – a Property object is linked to a Lease contract; while Business Partners are linked to both. For example, a property that is created as an Acquisition will be linked to a range of Business Partners (e.g. Owner, NZTA Property Manager, Property Management Company and an Acquisition Agent). The same property can later be linked to a Lease Contract, while the Lease Contract is linked also to it's own range of Business Partners (e.g. Tenant, NZTA Property Manager, Property Management Company and a Property Management Consultant).

Within the Project Systems/Project and Portfolio Management modules, Highway Projects are created and they are linked to a properties and leases through a Work Breakdown Structure (WBS) element, which records the financial transactions and allows tracking of project revenue and expenditure.

As well as these modules, there are also links to the Finance module where Vendors are created and maintained in order to process Accounts Payable transactions, and Contract Accounts link Business Partners to Accounts Receivable transactions.

## Definitions

The table below contains definitions of some key words and phrases used within this module.

Term	Definition
Property Architectural Objects	<p>Architectural Objects are the place to hold physical information in the property such as address, title, size and value. NZTA property types include the following:</p> <ul style="list-style-type: none"> <li>• Easements.</li> <li>• Property (Land, Buildings etc.).</li> <li>• Road and Road Reserves.</li> <li>• Segregation strips.</li> <li>• Temporary occupation.</li> </ul>
Lease Objects	<p>Lease objects relate to lease of property to others such as:</p> <ul style="list-style-type: none"> <li>• License Agreements.</li> <li>• Commercial Leases.</li> <li>• Residential Leases.</li> <li>• Security Deposit Lease-out Commercial.</li> <li>• Security Deposit Lease-out Residential.</li> </ul>
Business Partners	<p>Internal or external people or organisations that have a direct link to either property or lease objects. These can range from a Property Owner, Lease Tenant, NZTA or External Agency staff, and also includes Vendors and Contract Accounts (in order to post financial transactions).</p>
Highway Project	<p>Project created in the Project and Portfolio Management module. This is linked to property and lease objects through a WBS element.</p>
Work Breakdown Structure (WBS) Element	<p>A financial object which tracks project revenue and expenditure. This is linked to a property or lease and is a cost collector of financial transactions. This allows for easy reporting of project/property/lease financials.</p>
Easement	<p>An easement is a right that a property owner has to some use of the (usually adjoining) property of another. Examples of easements include:</p> <ul style="list-style-type: none"> <li>• a right of way (this is a right to pass over another person's land, such as a driveway)</li> <li>• a right to lay pipes for water or sewage</li> <li>• a right of access to light and air</li> </ul> <p>This area has its own special terminology:</p> <ul style="list-style-type: none"> <li>• The person who enjoys the easement over the other person's property is called the "dominant owner", and that person's land is called the "dominant tenement".</li> <li>• The land subject to the easement is called the "servient tenement", and the owner of that land is referred to as the "servient owner".</li> </ul>
Road Reserve	<p>The Road Reserve is a legally described area within which facilities such as roads, footpaths and associated features may be constructed and maintained for public travel.</p>

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Term	Definition
Segregation Strips	Strips of land along the frontage of properties (sometimes just a few centimetres wide) created under the Public Works Act 1981 (or by Local Authorities under the Local Government Act 2002). The strips are held in public ownership but are not legally Road. Properties separated from a Road by a segregation strip cannot access the Road via the segregation strip but are generally
Certificate of Title	<p>A Certificate of Title (CT) is a record of who owns or has an interest in land in New Zealand. There are four main categories in relation to land:</p> <ul style="list-style-type: none"> <li>• Freehold (types are: fee simple, life estate or stratum estate).</li> <li>• Leasehold (you can also have a stratum estate in leasehold).</li> <li>• Unit title or cross lease (the ownership flat situation).</li> <li>• Company lease or licence (note that a licence is not a title, but a right to enter land).</li> </ul>
Cross Lease	<p>A Cross Lease is where a number of people share in the ownership of a piece of land (as tenants in common which means they can sell, or pass on their share in their will). The homes that they build on the land are actually leased from the other land-owners. The houses are usually flats or townhouses. For example, if you purchase a flat in a three flat development that is a cross lease, you will become the registered proprietor of:</p> <ul style="list-style-type: none"> <li>• an undivided one third share in the land and buildings (as tenant in common in equal shares) with the other owners of the other two flats, and</li> <li>• a long term lease, from all three of the tenants in common (including you), for your particular flat.</li> </ul>
Rental Object	<p>An object that is leased out as a single entity. Rental objects can be:</p> <ul style="list-style-type: none"> <li>• Rental units (inflexible objects that can only be leased out as a unit such as apartments and retail stores)</li> <li>• Pooled spaces (flexible objects that can be leased out either as a whole or divided into rental spaces).They cannot be leased out in their own right.</li> <li>• Rental spaces.</li> </ul>
Business Entity	A grouping characteristic used for a real estate object. Real estate objects can be logically grouped depending on their economic (business) purpose or geographical location.