



Smarter Leasing

How AI is Revolutionizing Lease Management



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Introduction: Reframing Lease Management with AI

In just a few years, artificial intelligence has shifted from a futuristic concept to an operational reality, and for those in the corporate real estate world, this shift is transformative when it comes to lease management. Once a slow, manual, and risk-laden process, lease administration is being reengineered into something faster, smarter, and more precise. What once depended entirely on memory and manual tracking is now augmented by intelligent systems capable of parsing dense documents, spotting risks, and surfacing strategic insights automatically.

Modern real estate portfolios are growing in complexity, spanning jurisdictions, asset classes, lease contract types, and regulatory frameworks. Managing them today requires more than spreadsheet tracking or manual oversight; it demands precision workflows, proactive risk management, and strategic foresight that enable speed and scalability. This is where AI is emerging as the solution: not to replace lease professionals, but to elevate them.

The Time to Act is Now

ChatGPT's 2022 debut launched an era of experimentation, but 2025 is where execution on AI is the norm across most corporate enterprises. AI in real estate is now projected to grow at over 34% CAGR, reaching nearly \$1 trillion globally by 2029. Solutions like Tango's "Ask Tango" and lease abstraction AI are already reshaping how companies handle everything from document intake to portfolio forecasting.

Machine Learning, Generative AI (GenAI), and Agentic AI are reframing lease operations. Rather than replacing professionals, these systems handle the tedious work, such as document interpretation, clause extraction, and compliance checks, so that lease administrators can focus on strategy.



In the pages ahead, we'll break down the evolution of lease management technology, clarify how different types of AI work (and why that matters), and explore real-world use cases for AI-powered leasing. You'll see how AI creates measurable impact across departments from real estate strategy to legal compliance and finance forecasting, and discover how to assess your own organization's AI readiness.

The Evolution of Lease Management Technology

The Early Era: Manual Tracking and First-Gen Systems

For decades, lease management relied on spreadsheets, file cabinets, and institutional knowledge. Administrators tracked rent payments, term dates, and obligations by hand, creating significant risk exposure and limiting scalability. The advent of first-generation lease administration software brought centralization and searchability, but little automation.

Cloud Platforms and Automation

As cloud-based solutions matured, companies gained the ability to manage portfolios more efficiently and collaboratively. Digital lease records became easier to access, filter, and share. Automation crept in with scheduled reminders, template-driven workflows, and structured data fields, but lease abstraction, compliance tracking, and risk mitigation remained largely human tasks.

The AI Shift

The past decade marked the arrival of artificial intelligence in commercial real estate. Early use cases focused on **machine learning (ML)**: a subset of AI that identifies patterns in data and improves over time. In 2016, Tango began applying ML models to retail site selection, building predictive analytics tools to optimize revenue and EBITDA across portfolios. These early AI applications laid the groundwork for deeper automation across the real estate lifecycle.



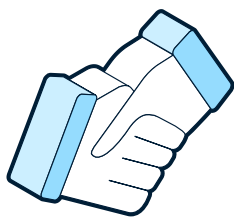
Generative AI: Expanding AI's Reach

With the rise of generative AI (GenAI), AI moved from prediction to content creation. Trained on vast datasets, GenAI tools like large language models (LLMs) can now generate text, summarize documents, and respond to natural-language queries. In lease management, this enables capabilities like clause summarization, semantic search, and intelligent Q&A. Tango's Ask Tango feature, launched in 2023, is one example, allowing users to query their lease data conversationally to surface key insights in real time.

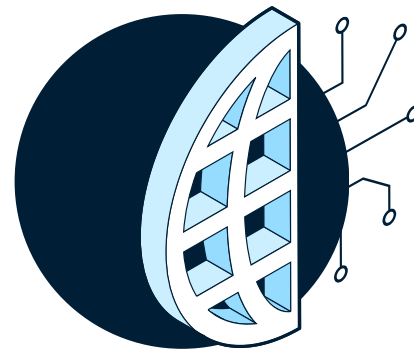
Agentic AI: The Next Frontier

In 2024 and 2025, we've entered a new chapter of agentic AI. Unlike GenAI, which reacts to prompts, **agentic AI can act on goals**. These systems plan, decide, and execute tasks with autonomy, interacting with multiple data sources and systems along the way. For example, an AI agent could be tasked with reserving a specific seat in a shared office space based on a colleague's schedule, completing the task autonomously based on a stated goal. In a lease context, this means triggering service tickets, scheduling critical updates, or orchestrating multi-document reviews based on portfolio events.

Tango has followed and often led this evolution. From predictive analytics in retail to GenAI-powered abstraction, to the early stages of agentic orchestration, Tango's platform reflects years of experience applying AI in real-world commercial and corporate real estate environments. What started as machine learning models for market optimization has expanded into a cross-platform capability that empowers legal, finance, and operations teams to make smarter decisions, faster.



Solving Lease Management's Challenges with AI



Lease management is inherently high-stakes. Every lease carries financial implications, legal obligations, and operational impacts. But when portfolios grow through expansion, acquisition, or geographic diversification, so too does the complexity of management. The risks multiply, and the limits of manual oversight become harder to ignore.

Lease Abstraction: Eliminating the Bottleneck of Manual Labor

Lease abstraction is one of the most time-consuming and error-prone processes in real estate operations. Teams must parse hundreds of pages across multiple documents, extracting key data points like clauses, dates, financial terms, obligations, and re-enter them into lease systems.

AI can offer significant support in this arena. GenAI and semantic models can interpret unstructured text, extract relevant terms, summarize clauses, and even learn to improve based on user feedback in seconds.

Clause Tracking

Clauses are the legal DNA of a lease. From CAM responsibilities to force majeure provisions, missing or misunderstanding a clause can create costly consequences. In

traditional systems, these clauses are buried in PDFs, inconsistently labeled, and inconsistently abstracted.

AI changes that by identifying, labeling, and tracking clauses dynamically across an entire portfolio, even when language varies from lease to lease. With semantic search and clause mapping, teams can now ask, "Which leases contain a co-tenancy clause?" and get an immediate, reliable answer.

Renewals and Options: Never Miss a Date

Missing a renewal window or failing to exercise an option can be a six- or seven-figure mistake. Manual calendars and email reminders aren't enough in environments with hundreds or thousands of active leases.

AI powers critical date monitoring and

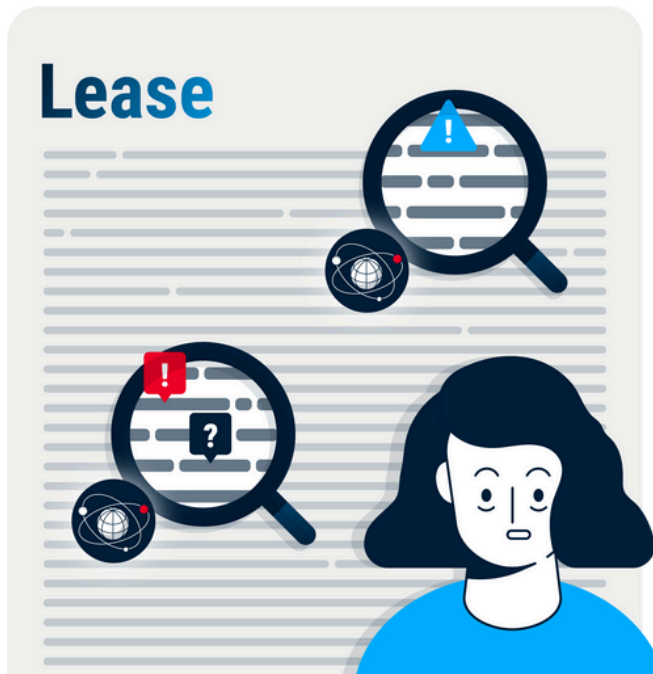
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forecasting, surfacing upcoming deadlines automatically and prioritizing high-impact events. And as agentic AI matures, these systems will not only notify teams but begin executing next-step workflows on their behalf.

Risk and Compliance

Lease management errors often go unnoticed until they show up in audits, compliance checks, or missed contractual obligations. Regulatory frameworks like ASC 842 and IFRS 16 place added pressure on organizations to maintain accuracy, transparency, and traceability.

AI enables automated consistency checks between abstracted data and lease language, flags anomalies, and surfaces hidden risks before they become material issues. In future iterations, agentic AI will help simulate scenarios and ensure policies are continuously enforced across portfolios.



Turning Lease Data into Business Intelligence

Most lease systems store data, but few can actually help you act on it. Finance teams need forecasting tools that can synthesize occupancy trends, rent escalations, and lease rollover profiles. Real estate leaders need to model future site scenarios, while legal teams need to anticipate exposure and disputes.

AI helps convert static data into strategic foresight. Predictive analytics and AI-assisted scenario modeling are already in use across Tango's platform, enabling smarter decisions based on real-time patterns and historical behavior.

Environmental and Sustainability Clause Tracking

As sustainability pressures grow, AI could be leveraged to monitor and extract clauses related to green leases, energy usage, or carbon compliance, ensuring real estate decisions align with corporate sustainability goals.

Multi-Document Intelligence & Relationship Mapping

Leases rarely stand alone. They're tied to amendments, insurance certificates, work letters, environmental disclosures, and more. AI is beginning to help link and understand relationships across document types, ensuring that inconsistencies, outdated references, or missing attachments are flagged automatically.

AI-Driven Contract Drafting Support

While LLMs aren't yet trusted to write legally binding leases independently, there is growing interest in AI-assisted redlining, clause comparison, and drafting suggestion tools. These systems learn from a company's preferred language and past negotiations, flagging deviations, and suggesting fallback clauses during drafting or review.



More AI Applications in Real Estate and Facilities Management

AI is transforming core processes across the real estate lifecycle. Key use cases include:

- **Lease Contract Intelligence:** Automating notifications and benchmarking clauses and dates to ensure proactive lease management.
- **Space Optimization:** Using occupancy, reservation, and space planning data to match space supply with hybrid workforce demand.
- **Smart Facilities Management:** Enabling predictive maintenance, energy-efficient operations, and minimizing carbon footprint through AI-driven insights.
- **Portfolio Strategy & Scenario Modeling:** Enhancing real estate decision-making with AI simulations and automated recommendations.
- **Workflow Automation:** Streamlining tasks such as ticket routing and cross-team coordination using agentic systems.

Understanding AI Readiness: A Maturity Framework

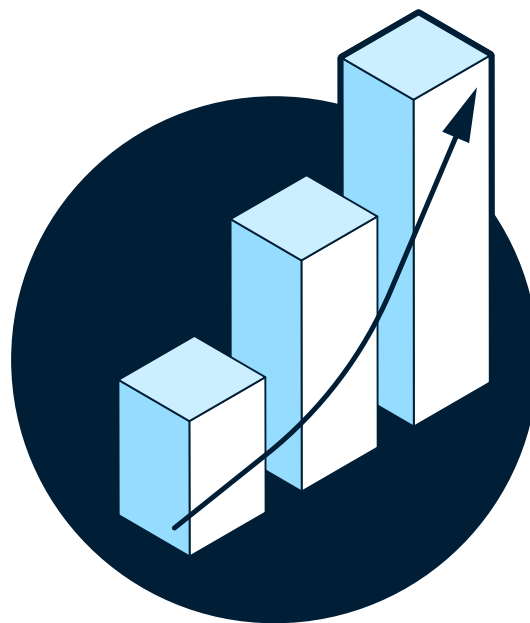
As organizations navigate AI adoption, Tango encourages customers to assess their readiness through the lens of the MIT Enterprise AI Maturity Framework. It outlines four stages:

Experimenting: Exploring initial use cases and learning about AI capabilities.

Piloting: Building proofs of concept within specific functions or teams.

Operationalizing: Adopting AI in day-to-day workflows and rethinking how work is done.

Future-Proofing: Becoming an AI-native organization, able to scale and adapt AI across the enterprise.



How to Climb the Maturity Curve

Wherever your organization sits today, progress is possible with the right foundation:

- **Assess Readiness:** Evaluate your data quality, system integration, and internal trust in AI tools.
- **Start with High-Impact Use Cases:** Lease abstraction and clause tracking often show fast ROI.
- **Invest in Change Management:** Introduce AI as an assistant, not a replacement, and focus on human oversight.
- **Plan for Governance:** Establish guidelines for responsible use, bias detection, and privacy compliance.
- **Think Cross-Functionally:** Align AI value with finance, legal, and operations in addition to lease admins.

What Lease AI Looks Like Today:

Tango Capabilities in Action

AI in lease management is now a reality. At Tango, we've embedded AI not as a separate product or bolt-on module, but as a core capability that powers smarter workflows across the lease lifecycle. From clause abstraction to natural-language Q&A, these features are already driving measurable time savings, risk reduction, and operational clarity for real estate teams, legal departments, and finance leaders alike.

Lease Abstraction AI

What It Does:

Automatically extracts, structures, and summarizes lease data from PDF documents.

How It Works:

- Users upload lease files (including amendments and attachments) via the Document Intake interface.
- AI processes the document, identifying key clauses and data points.
- Structured values are passed into Tango's lease record system, with side-by-side access to the original text and a machine-generated summary.

Why It Matters:

- Reduces hours of manual work to seconds per lease
- Supports both new leases and retrospective abstraction for existing portfolios
- Allows clause customization per client and portfolio
- Supports multilingual documents (via OpenAI capabilities)



Invoice Import AI

What It Does:

Extracts line-item data from PDF invoices for leases, utilities, maintenance, and projects.

Why It Matters:

- Eliminates manual data entry
- Enables clean cost tracking across categories
- Sets the stage for AI-assisted spend analysis and variance detection

Coming Soon: “Ask Tango” Real-Time Lease Intelligence

What It Does:

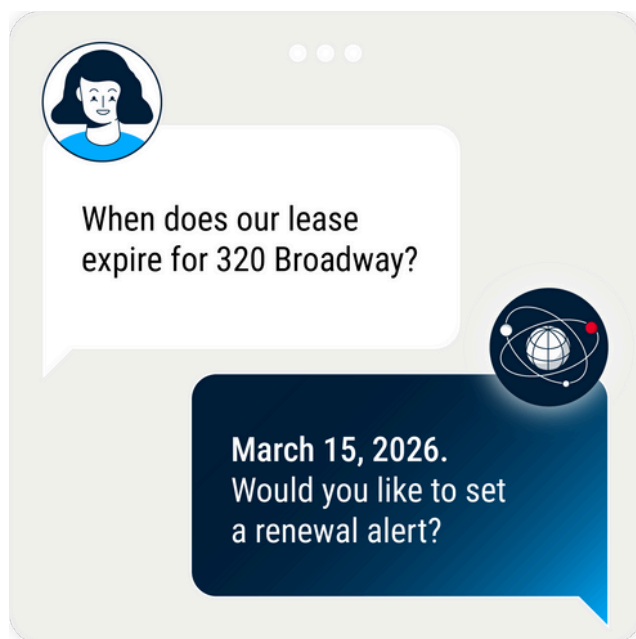
Allows users to ask natural-language questions about their lease data with no training required.

Examples:

- “How many leases expire in Q4 2025?”
- “Which leases have a percentage rent clause?”
- “What was our total rent obligation in 2024?”

Why It Matters:

- Democratizes access to lease insights
- Saves hours of manual report generation
- Brings GenAI to the everyday user without risk or complexity



Governance, Ethics, and Risk Management in Our AI Use

With AI's power to replace labor inputs comes the responsibility to use it ethically and securely. Tango has developed a six-level AI governance framework to ensure responsible deployment:

- **Data Privacy:** Customer data is never shared with external LLMs. All data stays within Tango's private cloud environment.
- **Human-in-the-Loop:** AI outputs are reviewed and validated within the platform before use, maintaining oversight and quality. We design AI to assist, not override, expert judgment.
- **Bias & Toxicity Monitoring:** All outputs are screened for harmful content or training bias before presentation.
- **Consent-Driven Data Use:** Customers maintain full control over their data, and all AI features are opt-in.
- **Risk Mitigation:** Employees are trained on safe AI practices, and only vetted AI tools are used.
- **Ongoing Monitoring:** Tango uses internal and third-party systems to audit AI use and ensure alignment with InfoSec protocols.

Future Frontiers: Emerging Innovations in AI

While the current generation of lease AI tools offers major advancements in speed, accuracy, and workflow efficiency, the next wave of innovation promises the power of intelligent orchestration. This includes the ability to autonomously take action, adapt to change, and support strategy in real time.

Multilingual & Cross-Jurisdictional

As AI matures, tools will better understand legal nuances across geographies and languages, enabling international lease teams to operate with consistency and confidence across diverse portfolios.

Integrated Market Intelligence

AI will increasingly pull in external datasets like comparable rents, occupancy trends, and ESG risk signals to enrich lease data with competitive and contextual insight. This supports faster, more confident decision-making on term renegotiation, site exits, or sustainability disclosures.

Dynamic Lease Monitoring

Instead of treating leases as static documents, AI will monitor leases as living agreements, tracking how external changes (economic shifts, legislation, natural disasters) affect contractual obligations or opportunities to renegotiate.

Goal-Oriented Agents (Agentic AI)

Soon, AI systems will autonomously handle full workflows like identifying an approaching renewal deadline to preparing a recommended strategy for review. These agents will:

- Coordinate with multiple internal systems (finance, operations, legal)
- Learn from past outcomes to improve decisions
- Support full-lifecycle lease events with minimal human input



About Tango

THE POWER OF KNOWING. THE IMPACT OF ACTING.

Tango is a leading provider of lease administration and accounting software. Retailers, enterprises, non-profits, and government entities trust Tango Lease to save them hundreds of hours on lease management tasks and accounting calculations, while arming their negotiators with the data they need to make the best deals. Tango gives you everything you need to analyze and manage your portfolio, so you can streamline lease activities and optimize real estate costs.

Tango Lease is part of our Real Estate Suite. Tango Real Estate is designed to help organizations make smarter, data-driven decisions across the entire real estate lifecycle. Whether you're identifying markets for growth or new locations, managing your real estate portfolio, executing transactions, or managing complex lease portfolios, Tango brings everything together in one platform.

With connected data and powerful analytics, Tango helps unlock a real estate strategy that's agile, efficient, and always in sync with your business.

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