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PropTech is having big impact on commercial real estate

May 07, 2021 - Northern New England

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I have heard that we are in the early stages of a new industrial revolution that is being driven by big data. Access to this data is powering major advances in science and medicine. Known as PropTech in our real estate world, big data is having an impact on commercial real estate brokerage, investment, financing, development and site selection. It includes artificial intelligence (AI), data analytics and automation.

With more data and enhanced tools of analysis, real estate brokers are helping their clients make better and quicker decisions regarding pricing, investing in and selling real estate. It is creating efficiencies in closing transactions with many closings now handled electronically rather than in person. PropTech is improving appraisals and improving energy efficiency in buildings.

With PropTech companies can store, retrieve, analyze, and share significant real estate information. Determining what is significant is still critical to making good decisions and here is where real estate brokers add value. The metrics for real estate such as vacancy rates, rental rates, tenant improvement allowances, and cap rates are similar to the past. More data is expected to help better understand current conditions and predict those changes that are developing for the future. Better information can generate more leads and can expose properties to wider audiences. As a result, brokers will be able to deliver more qualified offers and deals.

Big data includes the collaboration tools we are learning and using. The restrictions due to COVID-19 and the way brokers have responded has shown that the traditional ways of doing business are changing. Brokers are realizing that their physical presence may not be as important as the data they have available. Face-to-face meetings have transitioned to Zoom or Microsoft Team meetings. These collaboration tools are helping brokers be more efficient with their time.

Traditional collaboration is important. People still want to get together in person. NH CIBOR is planning on having their first major in-person event since the pandemic started last year. This August, there will be a special NH CIBOR event at the Birchwood Vineyard. We are expecting to return to in-person Seacoast and statewide meetings in September. Our relationships are

important. And big data is becoming a part of lives.

The successful broker will continue to deliver valuable information to their clients as they harness the power of PropTech.

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