



# nerej

## **Boosting efficiency and accuracy: AI's role in commercial real estate - by Victor Whitmore**

July 28, 2023 - Front Section



Victor Whitmore

The commercial real estate (CRE) sector has long been steeped in tradition, but recent years have witnessed a dramatic shift towards innovative technologies, reshaping the entire CRE ecosystem. Integrating artificial intelligence (AI) into real estate processes is particularly noteworthy, enhancing efficiency and accuracy in remarkable ways.

Artificial intelligence is not a far-off concept; it's here now, bringing about significant changes. It's revolutionizing how we search for properties, estimate prices, assess risks, and execute transactions, making processes smoother and more efficient for professionals and consumers. The industry can unlock superior predictive analytics capabilities by leveraging AI and machine learning. This heightened ability to forecast market trends is invaluable, allowing for informed, data-driven investment decisions.

Moreover, AI is a potent tool for analyzing big data, a task that the human brain might find overwhelming. The sheer volume and complexity of data involved in real estate transactions can be mind-boggling. AI thrives in this context, managing and analyzing vast data sets quickly and precisely, reducing errors, and saving time.

The transformative power of AI is not limited to data analysis. It has also ushered in an era of Robotic Process Automation (RPA), which automates routine tasks. This technology enables real estate professionals to focus on higher-value work, improving efficiency and minimizing manual errors. It's like having an invisible workforce, tirelessly executing mundane tasks, freeing up humans to do what they do best - innovate and build relationships.

AI's impact extends further to augment the property viewing experience. Through the lens of augmented reality (AR) and virtual reality (VR), potential buyers or renters can visualize properties remotely. This tech-enhanced viewing process brings properties to life, providing immersive, highly realistic tours. In an increasingly digital world, AR and VR are not just conveniences but fast becoming necessities. Yet another breakthrough in CRE comes from drones and aerial imaging. These technologies offer a unique perspective for property inspections and marketing, providing high-resolution aerial images and videos. The bird's eye view afforded by drones enhances property marketing and inspection processes, providing invaluable insights and perspectives.

Beyond these applications, AI is also making waves in transaction processing. For example, blockchain technology and smart contracts create a secure, transparent, and efficient process, reducing the need for intermediaries and accelerating transactions.

Perhaps one of the most compelling manifestations of AI in CRE is the emergence of intelligent, IoT-connected buildings. These structures leverage AI to monitor and manage building systems, improving energy efficiency and user comfort. Think of AI-assisted heating and cooling systems, virtual power plants, smart glass, advanced security systems, and more. These technologies are not mere gadgets or add-ons. They're integral to the structures we live and work in, enhancing our everyday experiences and promoting sustainability.

AI is not just revolutionizing commercial real estate; it's redefining it. As we move forward, the integration of AI in CRE will continue to evolve, opening up even more opportunities for efficiency and accuracy. It's an exciting time for the industry, with AI at the helm, guiding us toward a future where technology and real estate merge in ways we can only begin to imagine. It's clear that embracing AI is not just an option; it's imperative for anyone looking to thrive in the rapidly evolving commercial real estate landscape.

Victor Whitmore is CEO of Precision Equity, Tulsa, OK.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540