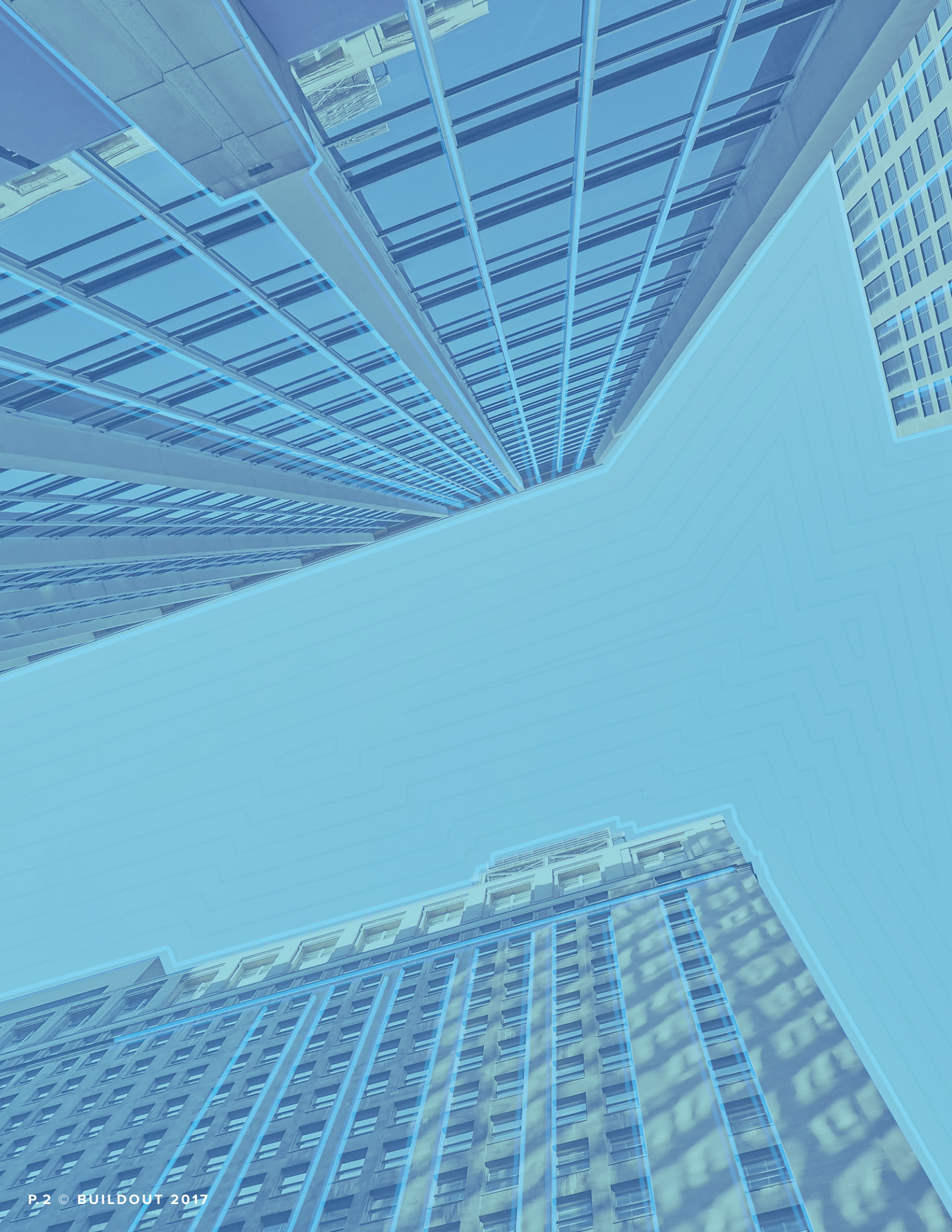
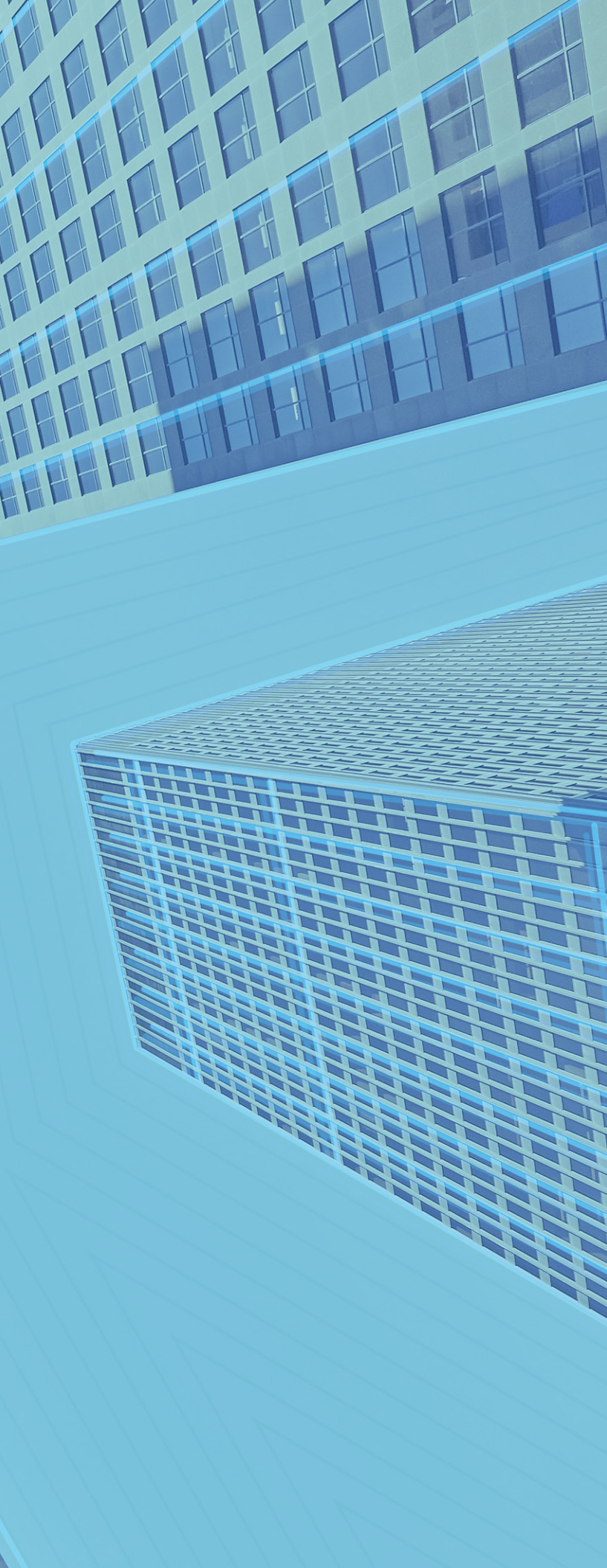


RESOURCE

The **past, present and future** of CRE technology





There's a common cliché that commercial real estate is an industry behind the times, operating with outdated technology and refusing to adapt to modern advances. But things are changing.

The last couple years have seen a dramatic increase in the quality and adoption of CRE technology solutions, and this is setting the stage for a complete transformation of the industry.

So what does CRE technology transformation look like? To understand the future, we first have to take a look at the past.

The **past**

BROKERS AND DATA

As a broker first starting out in the business, you're encouraged to pick a niche market and gather as much data as you could about your niche.

To gather this data, a young broker will drive around, take photos of buildings, find out who the owner of each is, when leases are ending and any other crucial information for his or her market. Without a central database, every agent may be measuring his or her own niche market by his or herself, which is an incredibly time consuming process.

This can be frustrating for brokers, who know their time is best spent closing deals, not collecting data. But in the past, there was no better way to do this.

COSTAR

In 1987, the first and only true CRE technology disruption occurred: CoStar came to fruition.

CoStar presented a solution to the tedious data-collecting process. They established themselves as the source for all CRE data, from property photos to owner information, and most brokerages were more than willing to buy. CoStar saved huge amounts of time for the brokerages that chose to adopt it and allowed new brokers to get their start much quicker than before. Even today, CoStar remains a staple in CRE. When you want to know who owns a building or when a lease is ending, you look to CoStar.

THE WEB

The advent and widespread adoption of the internet created a digital marketplace where brokers could promote their listings. As soon as websites and email marketing programs became accessible to the business world, brokerages realized they could use these tools to reach more people and share property listing information with buyers and investors faster than ever before.

The advent of the internet and its use in CRE marketing was a huge leap forward for the industry, but after it occurred, technological progress actually slowed. Residential real estate saw a boom of tech adoption, but CRE was slower to the game.





The **present**

In recent years, technological developments like the cloud and Web 2.0 have opened up possibilities for integration and on-the-go application access, and a wide variety of new CRE tech tools have emerged as a result.

Adoption of CRE technology is finally a reality because these new tools actually help make brokerages money, and they're therefore worth the time they take to implement. Buildout, which is [saving brokerages 35+ hours a week in their marketing departments](#), is a perfect example.

Now, we're entering into the next phase of CRE tech's evolution. As new applications are developed, they're being created with integration in mind. Now, systems can easily share data across platforms.

And today, venture capital investors are beginning to see promise in CRE technology. VC investment is allowing CRE tech companies to grow and meet brokerage demands. As the ecosystem grows through the development of new applications that easily integrate with one another, it will gradually become even easier to develop solutions to more brokerage challenges. And because developers won't have to reinvent the wheel and gather new data every time they want to create a new application, these solutions will come even faster than ever before.

The stage is set and the CRE industry is poised for tech transformation in a way it has never been before.

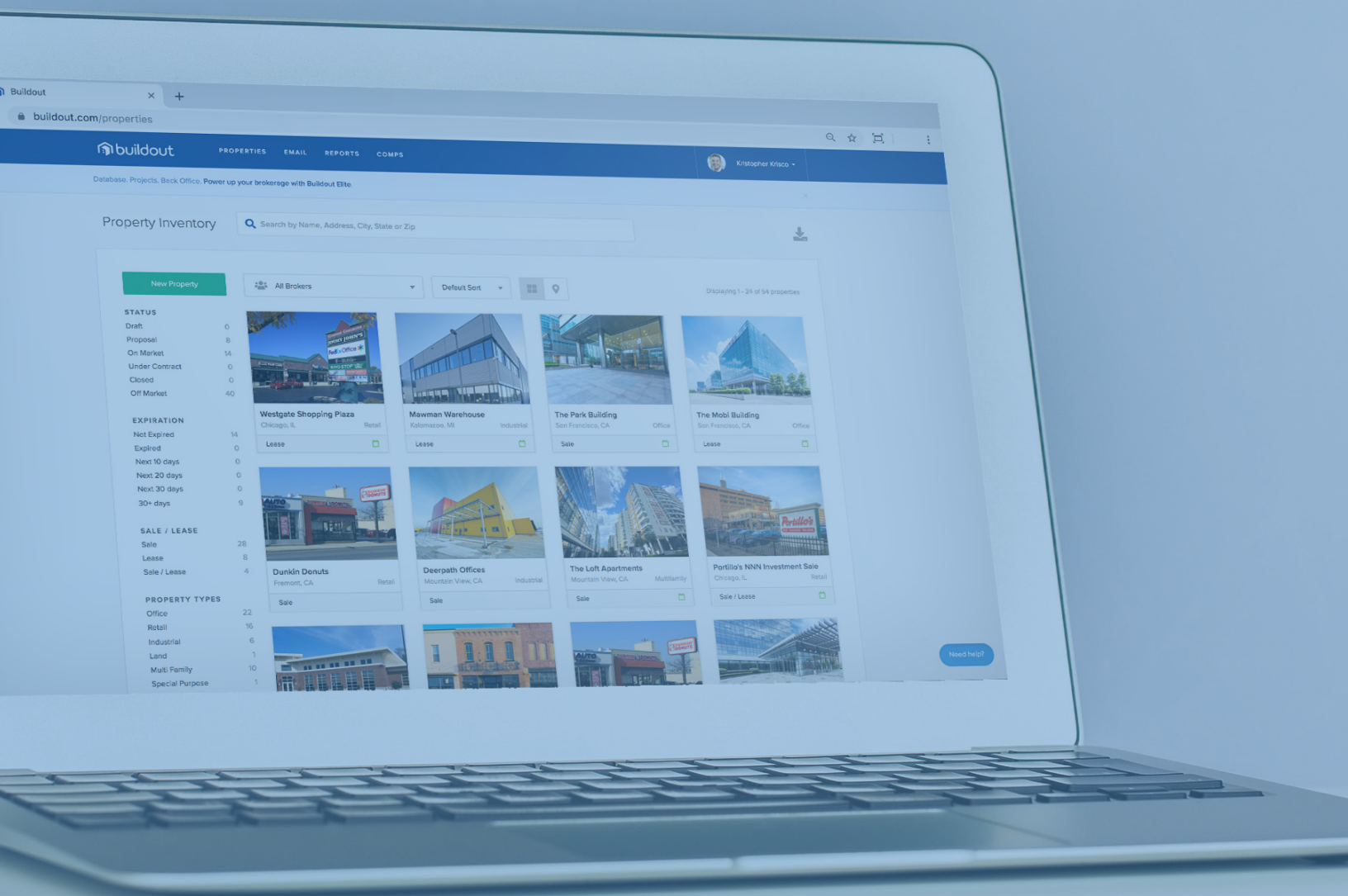
The **future**

As users get comfortable with technology, they begin utilizing it in more innovative ways and building upon it to make it more useful. When transformation takes hold, tasks, processes, and entire industries are disrupted. That's transformation.

We're on the cusp of CRE technology transformation and retail, office and multifamily are all going to be revolutionized as a result, as are brokerages themselves.



“The stage is set and the CRE industry is poised for tech transformation in a way it has never been before.”



Timeline of CRE technology

Examples of events from the past and present

Brokers had to collect data independently, with little help from technology.

The internet was widely adopted and created a digital marketplace where brokers could promote their listings.

In 1987, CoStar came to fruition, presenting a solution to the tedious data-collecting process.

PAST

PRESENT

CRE technology is more widely adopted, and applications like Buildout are saving brokerages time.

The cloud and Web 2.0 open up possibilities for integration and on-the-go application access.

Integration across applications is making it easier to solve solutions and share data across platforms.





Here's how new technologies will impact the CRE industry

- I.
Artificial intelligence
 - II.
Virtual reality
-

I.

Artificial intelligence

According to Google futurist Ray Kurzweil, [computers will be as smart as people by 2029](#).

Artificial intelligence will impact many aspects of CRE. For example, most brokerages spend a great deal of time prospecting, researching and keeping track of contacts, but soon, they'll be able to redirect that time to more valuable activities.

Through AI technology, your prospecting database will soon be able to find trends in data, discover new leads and pinpoint who is truly the best contact to reach out to at any given time.

FUTURE

According to Google futurist Ray Kurzweil, computers will be as smart as people by 2029.

AI technology will be able to find trends in data, discover new leads and pinpoint who is truly the best contact to reach out to at any given time.

FUTURE

VR will improve the remote meeting experience and further human connections.

As VR becomes widespread, you'll likely find that your market opens up to include more buyers in far flung locations and that you can do far more tours in less time.

II.

Virtual reality

CRE is one of the first industries finding practical applications for virtual reality technology, defying the cliché of CRE being an industry of tech laggards.

VR is already impacting CRE, and as the technology becomes more advanced, it will make viewing and selling properties easier than ever before. Accessible VR technology will soon make it possible for all brokers to demonstrate what a property will look like before it's even complete. This will make closing deals on incomplete buildings easier than ever before.

And of course, VR allows you to give property tours without actually setting foot in a location. As this technology becomes more widespread, you'll likely find that your market opens up to include more buyers in far flung locations and that you can do far more tours in less time.

But VR won't just change how you do business and give your clients tours. It will also change what you're doing business on. In office buildings specifically, collaboration with offices in other locations will become easier. VR will improve the remote meeting experience and further human connections.

VR pods for offices are already being built, so in the near future, VR will be an expectation, not just a luxury, for office tenants. Buildings will need to be able to accommodate buyers looking for VR office spaces.





What does **the future of CRE technology** mean for you?


CRE's technology ecosystem will continue to grow as we move beyond adoption, through integration and into transformation. As this happens, it's crucial for your brokerage to keep up.

When it comes to your clients, keep acting as a trusted advisor. Remember, tech transformation won't take your job. Even if we ever achieve general AI, consultative selling won't be easily replaced by technology.

There is currently a misconception that the data you have at your fingertips is equivalent to the value you provide to your clients. But being a trusted advisor will take you further than data ever could as CRE technology continues to integrate and data becomes more accessible.

Think about your clients and what you do to make them feel comfortable and that you are someone they can trust. Then, automate everything else in your job so you can focus on what's most important, and what can never be automated: your relationships.

To learn more about using CRE technology to streamline your brokerage and save time for building relationships, [contact Buildout today.](#)

A hand with red-painted nails holds a dark tablet computer. The background is a blurred cityscape with various buildings and a street, suggesting a professional or business environment.

Buildout is a marketing tool for the whole brokerage. It produces and publishes custom materials and streamlines the entire property listing process. With Buildout you can **manage and market** all of your CRE listings from one centralized place, saving you time to focus on more important things.