

## Estates Gazette

# Realcomm 2019: We must use data to make a difference

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Speaking at the Realcomm conference in Nashville, Tennessee, earlier this month, Brookfield Properties' global head of corporate development proclaimed that the industry was entering the "Quant Real Estate Era", when quantitative analysts will increasingly apply mathematical and statistical methodologies to the finance and management of real estate assets, *writes Andrew Waller, partner at Remit Consulting.*

The event's 2,500 attendees participated in three days of discussions involving 150 speakers from around the globe, and Kevin Danehy's comments reflected many of the discussions held at Realcomm regarding the ever-increasing amount of property data and the need to analyse it – and act upon it.

The number of case studies discussed at Realcomm illustrated how data analysis is saving significant sums of money across US portfolios worth billions of dollars – and left many of those attending the conference asking why the analysis of building data is not already central to all property management.

While the conference highlighted that the quick wins are coming at the individual building level, it also confirmed that forward-thinking companies are now using data to change their business models. A prime example of this was Florida-based Woolbright Development, which uses public data sources to analyse the performance of shopping malls.

Once it identifies a mall that can be improved (and before it is acquired), Woolbright lines up potential new tenants that could benefit the investment. Using the results of its data analysis, the business then improves the asset before taking it back to the market. Woolbright's data-backed business case makes decision making easier and helps to get consensus at board level. A further advantage is that the business can cover far larger markets than it would with only feet on the ground.

Another example of the value being placed upon real estate data is Oxford Properties' approach of installing base digital infrastructures into every building, saving on the costs of retrofitting and providing the investor, developer and property manager with an immediate competitive advantage with the high-quality tenants it is seeking to attract.

At a time when some senior property figures are openly questioning the value of proptech, Realcomm showcased the positive effect that innovation has brought to US real estate investors and their portfolios around the world. As the conference highlighted, the use of technology alone is not a solution – it is how the data is used that makes the difference.

One delegate summarised the market's changing attitude when he said: "My chief executive doesn't want software as a service. He wants software with a service."