

The proptech lift-off

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The Property Technology Industry (**proptech**) has been around for a number of years but it finally seems to be fulfilling its true potential.

The aggregation of tenant data at larger scales and a reduction in technology development costs has made this an area ripe for growth. This has been coupled with ever more transient and demanding tenants. Wherever tenants are posted by their employers, they are keen to maintain the same high standards in their work or dwelling experience, no matter the location.

All of this has led to a significant increase in partnerships between landlords, agents and technology firms which are all working together to try and effectively use their data and tailor the tenant experience. These partnerships will transform the property market in different ways in the coming years.

The potential abilities of proptech include:

- The development of networks which verify landlords, agents and renters and allow all parties to do background checks on each other
- ID verification technology to help buyers and law firms validate the source of funds on property transactions
- Platforms which use algorithms to provides sellers with property valuations within seconds
- Communication systems between tenants and landlords to reduce 'slack capacity'. Tenants can sublet their property more easily and solve the issue of tenants breaching their leases by subletting without landlord consent. Tenants can quickly obtain approval of a temporary sublet and can therefore fully monetise their unit, while landlords can take a portion of revenue generated
- The use of machine learning to help first-time buyers forecast the future value of a property, and allow these buyers to borrow against the estimate

- For individuals regularly moving between different cities (and having to pay deposits and provide references repeatedly) there is the development of alternative forms of insurance to reduce the need for deposits and paperwork. A tenant can make a one-off payment for insurance which covers the tenant for all future tenancies. A tenant's 'trust score', based on their job, credit score and other personal information which will reduce or increase their premium accordingly.

With increasing consolidation of property ownership in Ireland, landlords will no doubt turn to the proptech industry to maximise their available data to cater for the ever-demanding needs of a flexible and fickle workforce.

For more on prop tech, please contact Andrew on andrew.nagle@ogier.com.

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