



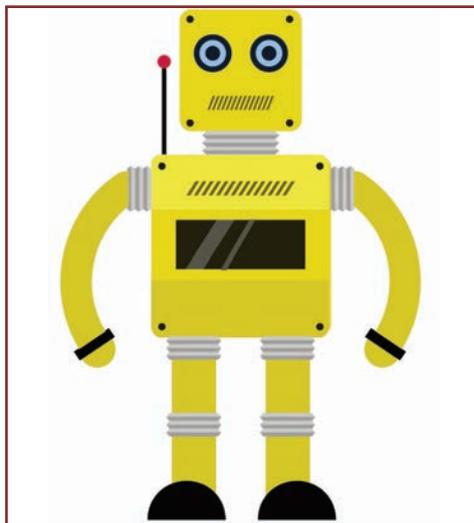
SCHWARTZ *Report*

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APPS AND BOTS

Futuristic thinkers have been saying for some time that we are approaching or are actually in an era of robotics for real estate. After all, if a robot can be “taught” to put together an automobile, why can’t it be taught to put together a deal that involves the buying or selling of real estate.



moment, a new app or whiz-bang technology hits the market. New software gets launched, and new businesses are formed. This new business ecosystem is a roller coaster, and whether you like it or not, you’re along for the ride.”

Many claim to have recently started tech revolutions in real estate. The truth is that the handheld calculator, the Xerox and fax machines, cellular phones, voice mail, email and a host of other inventions, large and small began to advance and modify how we conduct business many years ago. Even the old standby “for sale” sign (my dad used to say he could sell homes in Chicago if he had enough signs up there) has been modified to promote access to information. Remember the Hot Line? It has been at least a fifty year ramp up which the industry has climbed. So, it is not all about who has the latest mouse trap. The truth is that leading brokerages like Patterson-Schwartz, software engineers and agents have been working to adapt existing and make use of evolving technologies to deal with real estate since the 1990’s.

Some look at streamlining the process within the transaction itself. They look at the real estate transaction and ask why can’t we make a do-it-yourself (DYI) home transaction kit? As Craig Martin writes in a recent RIS Media editorial: “Television shows like “Love

It or List It”, “Property Brothers” and “Fixer Upper” make home buying and selling seem like something you can wrap up in 30 minutes (with commercial breaks)...” Couple this with today’s “Google it” mindset and it is not hard to imagine why the real estate transaction appears to be fertile ground for disruptors. After all, they reason, if you can buy a car online why not a house? You can input a few basic search criteria into a search engine and get real-time information on properties that are for sale or rent which seem to fit your needs. In fact, in a recent J. D. Powers survey of recent home buyers, 88% of the respondents indicated that they began their real estate search online. Now they can even finance their selection by using their smart phone to obtain a “Rocket Mortgage” all without speaking to another human being.

There are literally scores of tech enterprises backed by huge amounts of venture capital that are looking at the real estate transaction. Each is hoping to be the one to make the hands on the real estate time piece turn digital. Here’s how, Prem Luthra, president of Elm Street Technology describes the situation: “With every passing

Some seek to control the sources of business; the buying and selling leads that we generate every day. Real estate, however, continues to be a relationship business. Let’s

call it the “foundational fact” about real estate. Put another way, people don’t care how much you know until they know how much you care. The other old adage is that you must be present to win and your reputation precedes you. For example, as far as Patterson-Schwartz is concerned, 76% of our sellers and 83% of our buyers surveyed indicate that they called no one else. It’s a value added proposition for them.

While not impossible, it appears doubtful that today’s successful real estate practitioners will be replaced by robots. You see, while the information that we all use on a daily basis is more or less readily available to the

buying, leasing or selling public, the critical part of the task is how to apply it to a successful conclusion. It is like the driverless car that performs well in daylight and even darkness but not so well in shadows or fog. Current robotic applications seem to require sameness to function effectively i.e. repetitive tasks that can be automated. Sameness or uniformity is what real estate transactions emphatically lack. One size never seems to fit all. That is not to say that some of what we do can be, and much already has been, automated. However, the critical aspects of matching people and real estate, still requires the human touch.

