

Emerging Technology

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National Association Of REALTORS®



NARdotRealtor



nar.realtor



NATIONAL
ASSOCIATION OF
REALTORS®

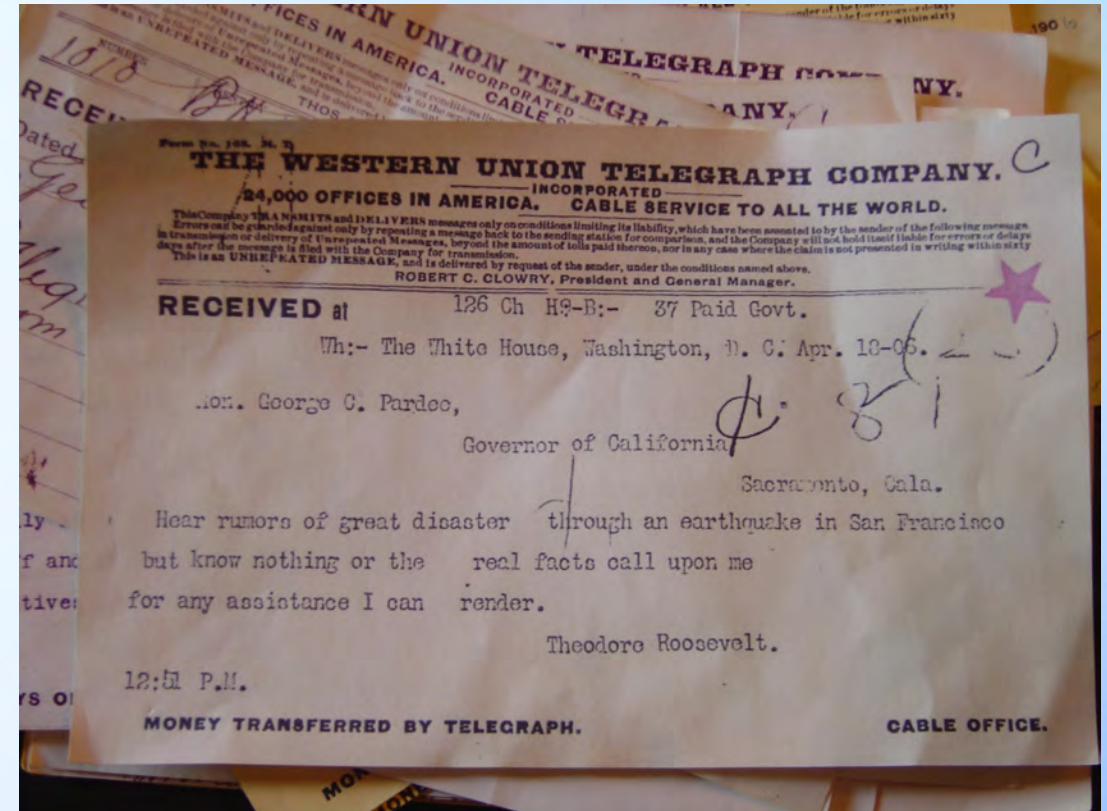


“The next big thing will start out looking like a toy”
Chris Dixon, 2010



Why is disruptive tech dismissed?

- When first launched under shoot user's needs
- People fail to anticipate how rapidly technology can improve



About me

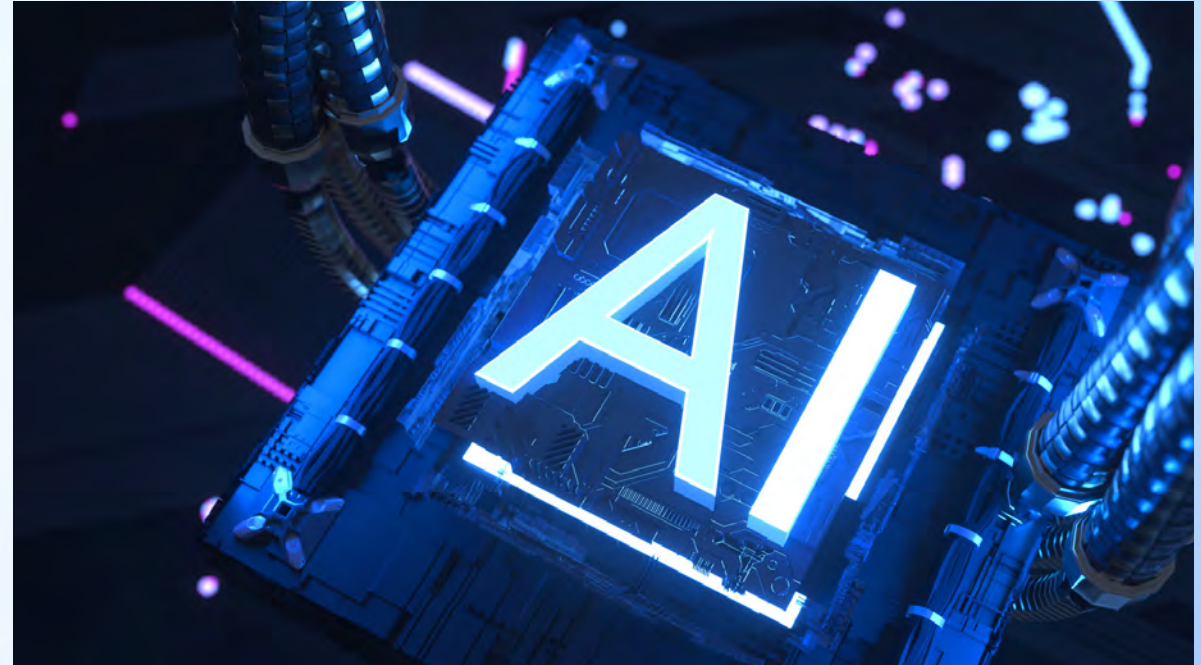
- Lifelong technologist
- Been in Real Estate 13 years
- Perpetual early adopter
- Love to experiment
- Connecting the dots



(2013-15)

What To Expect

- Augmented Reality
- Generative AI
- Blockchain



Augmented Reality



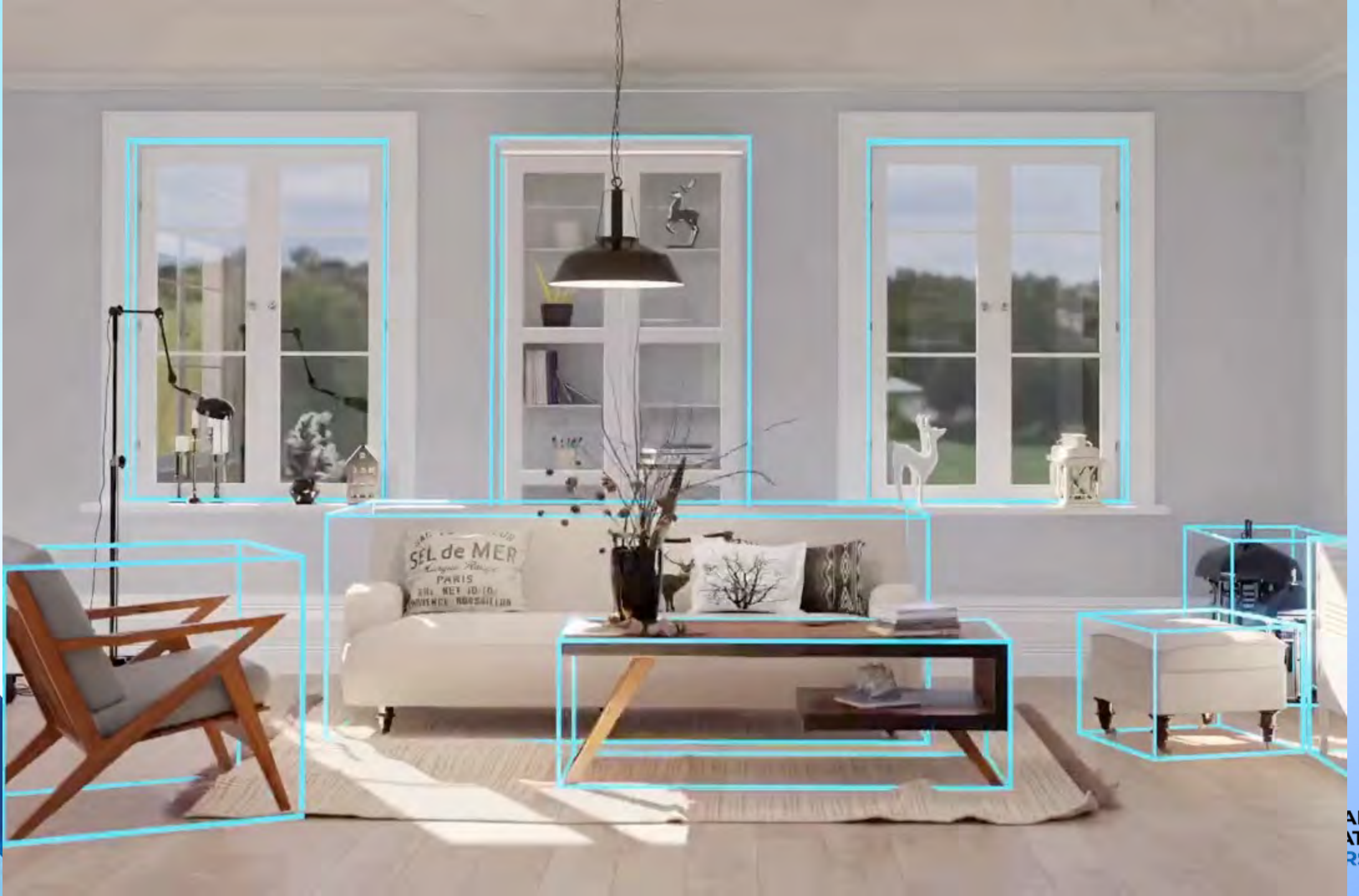
iOS 16



- Launched Q4 2022
- Contains incredible new features that could impact REALTORS
- RoomPlan - create 3D floor plans in seconds











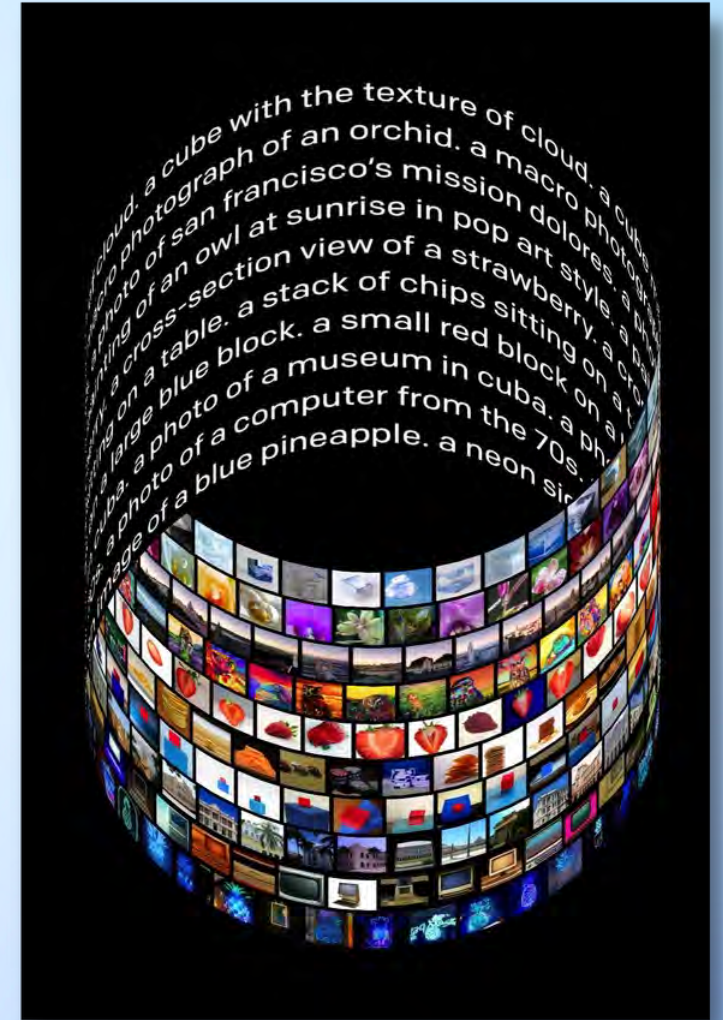
Meta

\$10,000,000,000

Per year for the next 10 years

What is Generative AI?

- An example of AI (Deep learning)
- Allows you to create stunning artwork in seconds
- You may never believe what you see online again



AI: Text to Image

Prompt:

- A transparent sculpture of a duck made out of glass.



AI: Text to Image

Prompt:

- A cute corgi lives in a house made out of sushi.



AI: Text to Image

Prompt:

- Teddy bears swimming at the Olympics 400m Butterfly event.



How will it be used in real estate?

- Renovation Previews
- Listing Photo Modifications
- Stock Photo Generation



Original



AI Generated



Original



AI Altered



Original



AI Altered



Original



AI Altered



Stock Photo Generation

Prompt:

- A Cape house , 2 or 3 stories with a moderately-steep-pitched gabled roof, a large central chimney, and very little ornamentation

AI Generated



Addendum: Chat GPT

- Engineers
- Copywriters
- Eventually Real Estate
 - Home Search
 - Scheduling home showings
 - Negotiations



Recap

- Generative AI is already here, affordable and easy to use
- Chat GPT, while new, will be a game changer

Blockchain



Blockchains are
attempting to speed run
how real estate is **owned,**
financed, and invested
in.



- **Blockchain**
 - **CryptoCurrency Overview**
 - **Ownership – NFT's**
 - **Financing – DeFi**



What are Blockchains?

Blockchains are a new way of thinking about information management.

What are Blockchains?

Blockchains provide a verifiable and trustworthy record of **events** or **transactions**.

Cryptocurrency

- A digital asset designed to work as a secured, peer to peer medium of exchange
- Pseudo-Anonymous
- Fast, Cheap, Transparent
- Usage
 - 22313 different digital currencies
 - 1 Trillion Dollar Market cap
 - 536 exchanges where they can be bought and sold



Verifiable ownership is a
critical component of any
transaction.

Existing Ways – Art & Collectibles

- Provenance
 - Documented ownership history
 - Certificates of Authenticity
- Reliant on Central Parties



New Way of Verifiable Ownership

- a unit of data stored on a blockchain that represents a unique item
- Real-world physical items or digital assets
- not mutually interchangeable
- one-of-a-kind piece of code, stored and protected on the blockchain

A futuristic landscape with a glowing blue sun, a grid floor, and a large blue arrow pointing forward.

NFT's

People are beginning to recognize the impacts that NFT could have on industries such as real estate.

PROPY NFT



Single Family

6315 11th Ave S, Gulfport, FL 33707



5 bd



3.5 ba



2,164 sqft

7,405 sqft lot

Financing is a critical
component to Real
Estate, and the rules are
being re-written.

Traditional Finance

- Lending, borrowing, trading, insurance
- Relies on centralized parties
- Heavy KYC/AML Requirements
- Slow process



DeFi: Wall Street 2.0

- Decentralized Finance (DeFi) refers to the range of financial services that exist on blockchains
- In 3 years alone, products have been created for
 - Borrowing/lending
 - Insurance
 - Trading
- Smart contracts eliminate the need for a trusted intermediary
- Can be run by anyone in the world



Impact on Real Estate

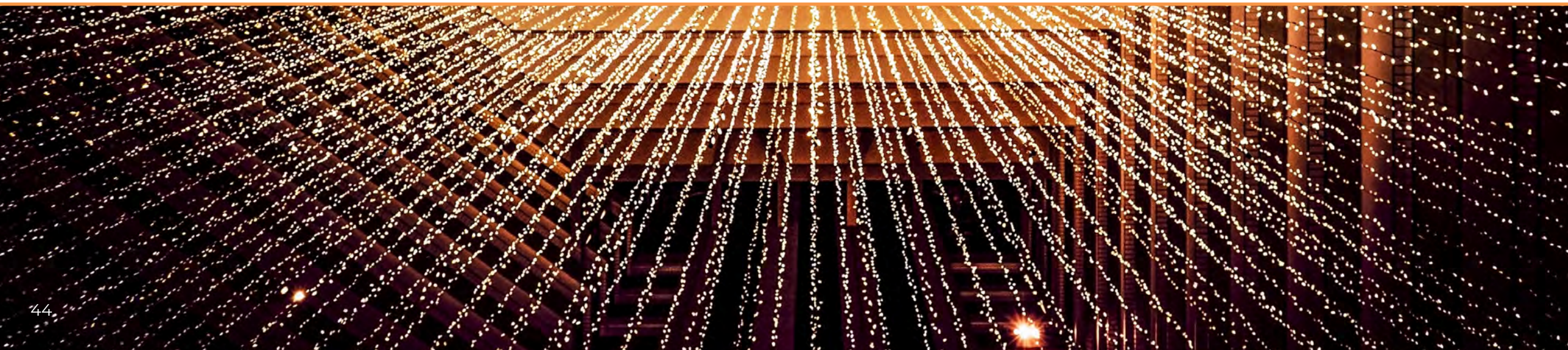
- Lending - Collateral
 - Crypto Backed Mortgages
 - Negative interest rate loans
- Tokenization of Properties
 - If ownership can be represented on chain(NFT? Title?) you can now take advantage using DeFi
 - Access to Equity
 - Fractional Ownership



Blockchains are
attempting to speed run
how real estate is **owned,**
financed.



*“The next big thing will start out looking like a toy” –
Chris Dixon, 2010*



THANK YOU.



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Dave Conroy

www.dave.realestate

The Future of Home

Dr. Jessica Lautz | Deputy Chief Economist & VP of Research



1. Go Beyond the Just Headlines



Median Days on Market Tick Up

120

96

0

201105

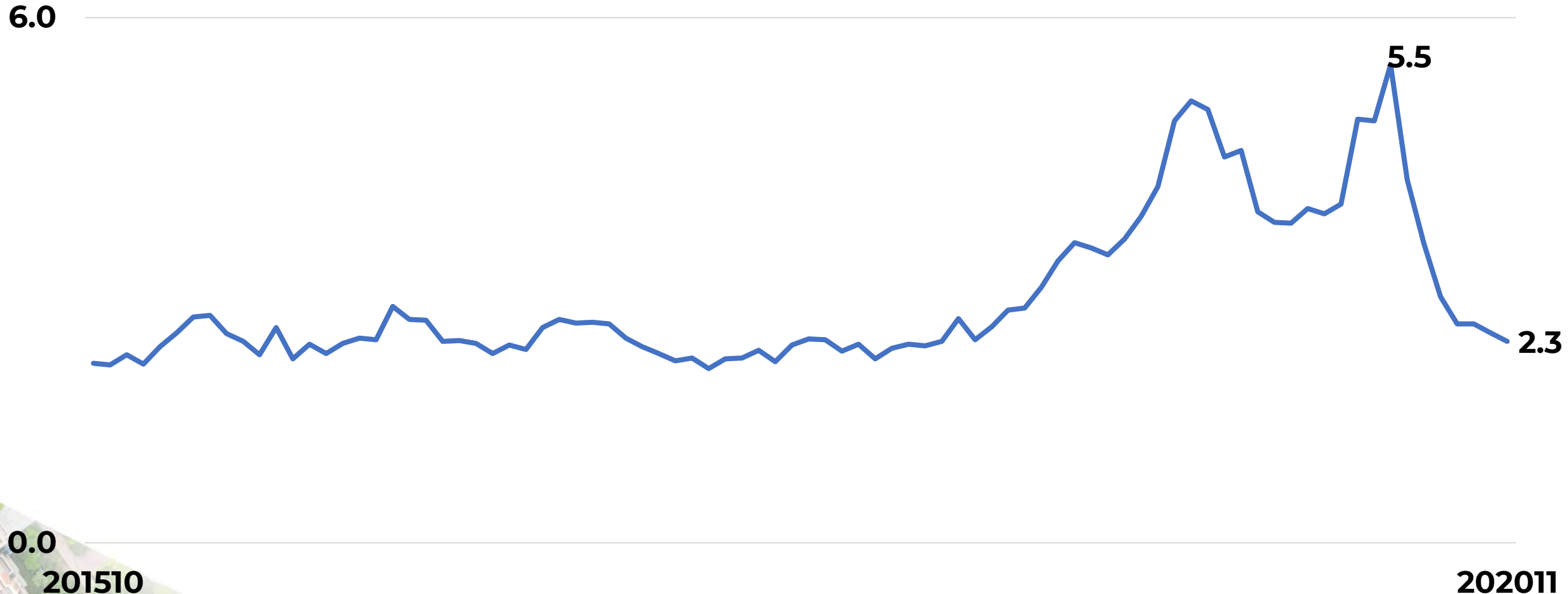
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202211

Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index



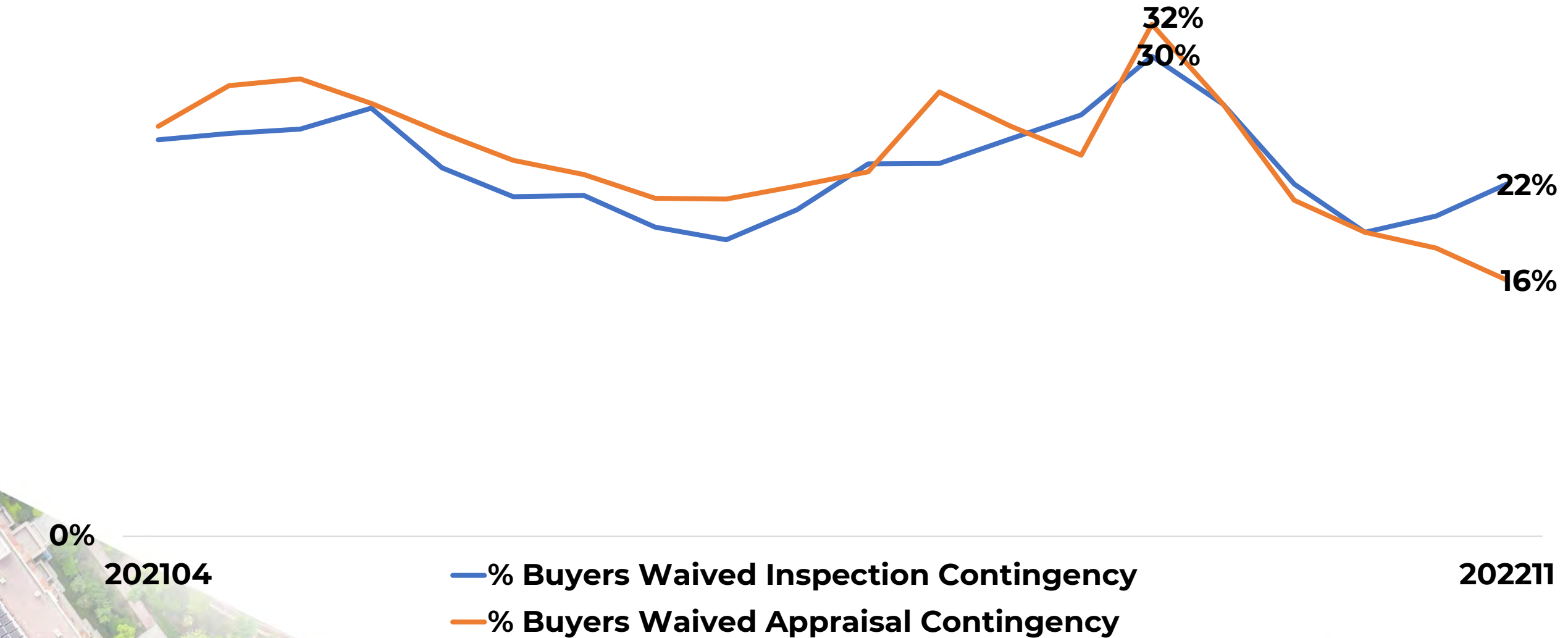
Average Number of Offers Received on Most Recent Sale



Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

Buyers Waived Contingency

35%



0%

202104

202211

Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

Share Non-Primary Residence Buyers (Vacation or Small Investors)

25%

22%

14%

0%

201510

202211

Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index



Share Distressed Sales (Foreclosures/Short Sales)



Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

2. What is coming next...



This is a new housing paradigm...

Tight Lending

- Subprime lending out
- Balloon/no doc loans out

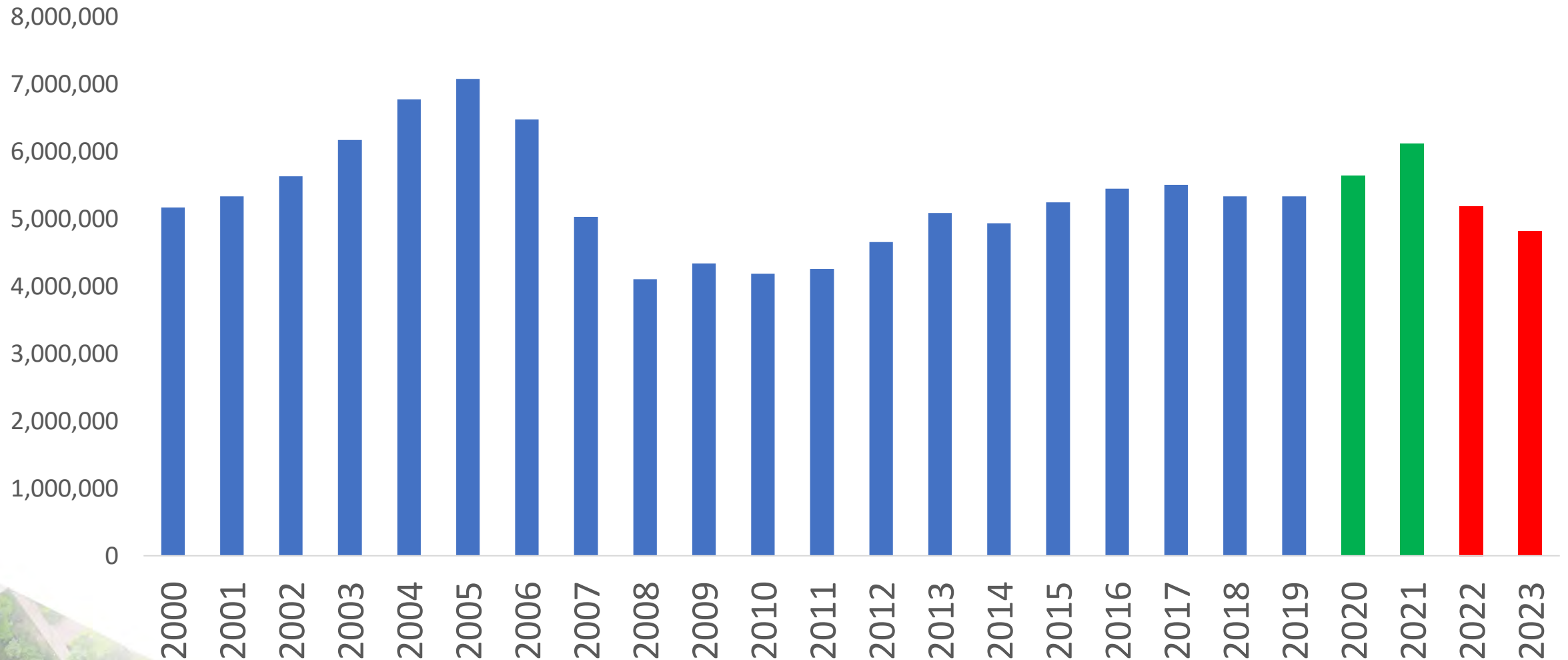
Low Inventory

- Under building: short up to 6.5 million homes
- Continue delays housing completes

Demographics

- Household formation
- Tenure in home longer

Annual Existing-Home Sales Expected to Decline 7%



Source: NAR Existing-Home Sales

www.nar.realtor/research-and-statistics/housing-statistics/existing-home-sales

3. Virtual World

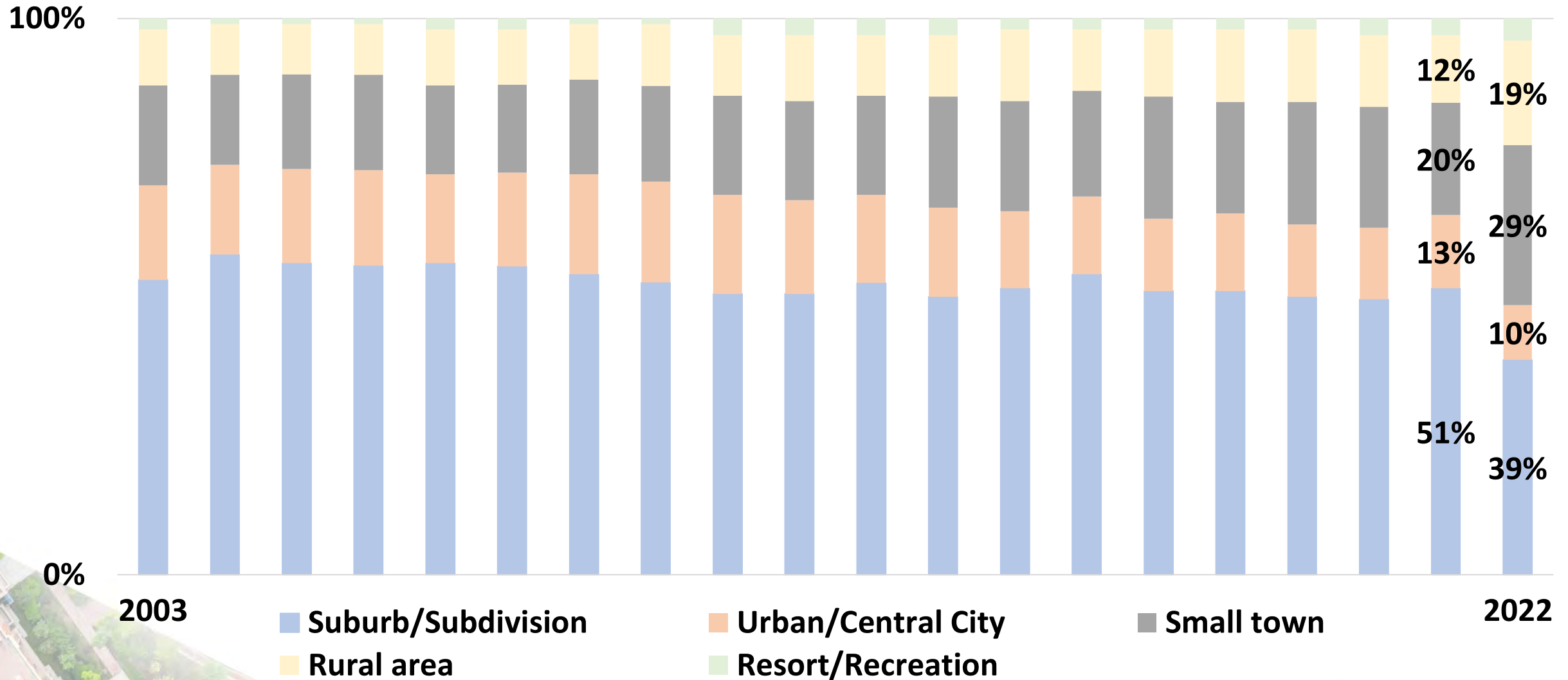


Buyers Purchased a Property Based on Virtual Tour/Showing/Open House Only



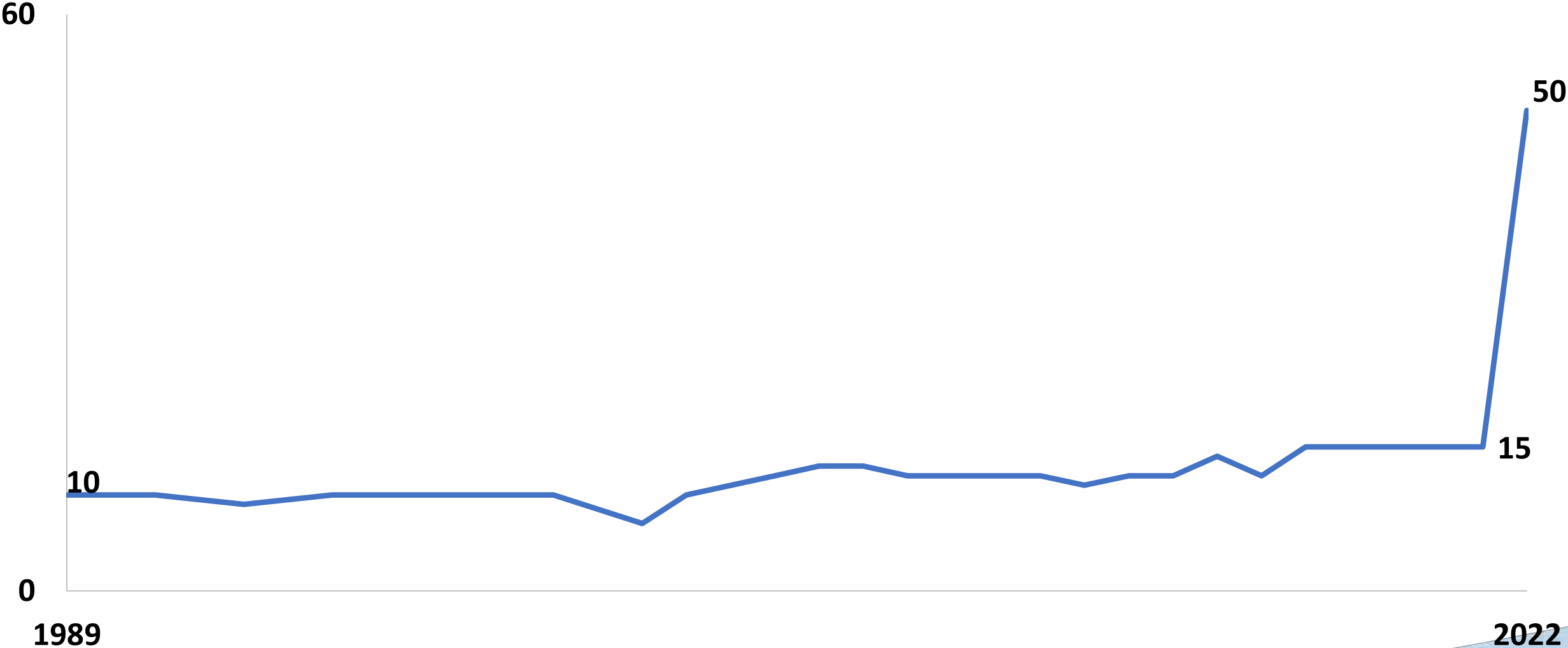
Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

Location of Home Purchased



Profile of Home Buyers and Sellers: www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers

Distance Between Home Purchased and Previous Residence

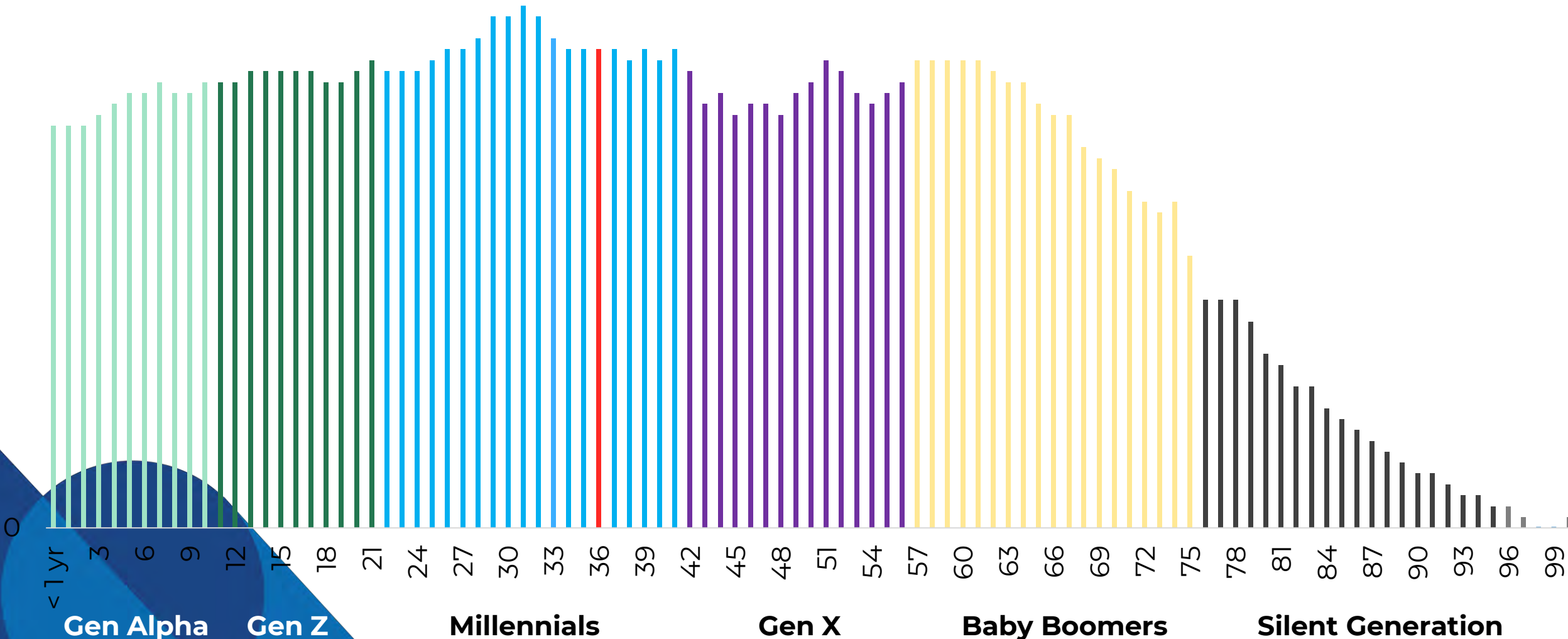


4. Millennials



U.S. Population by Age (in millions)

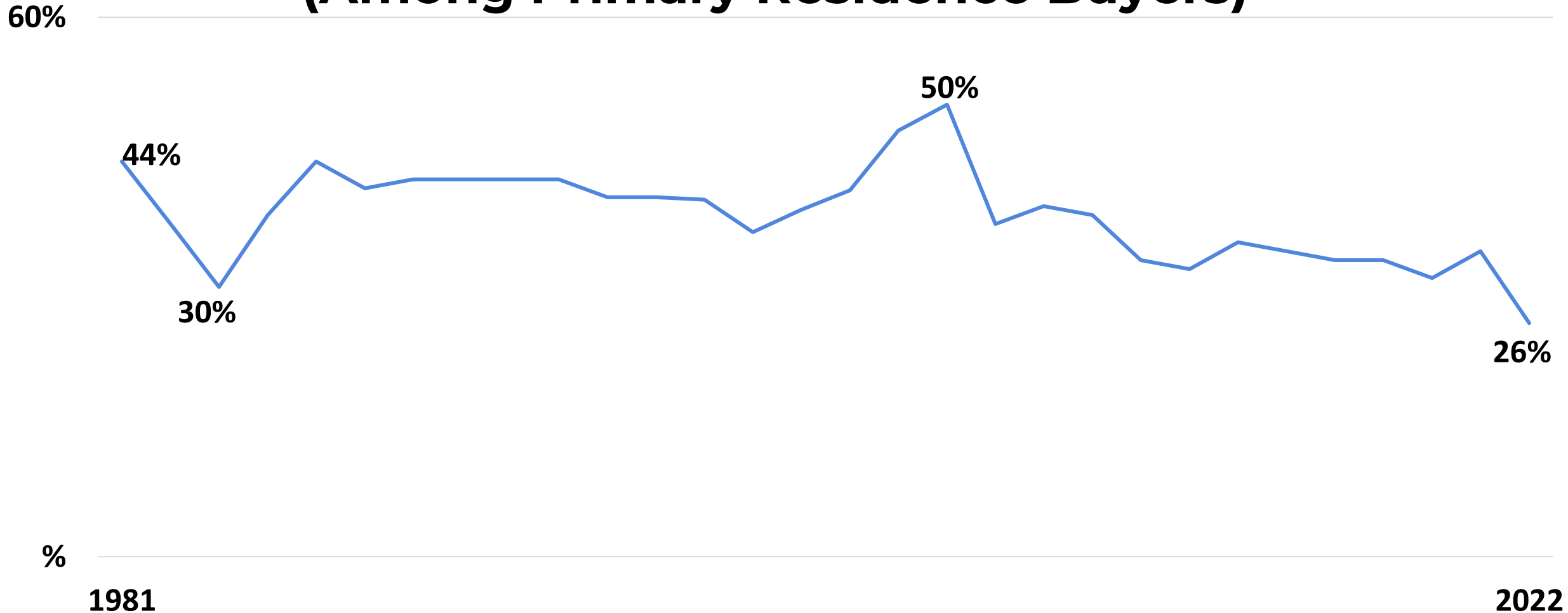
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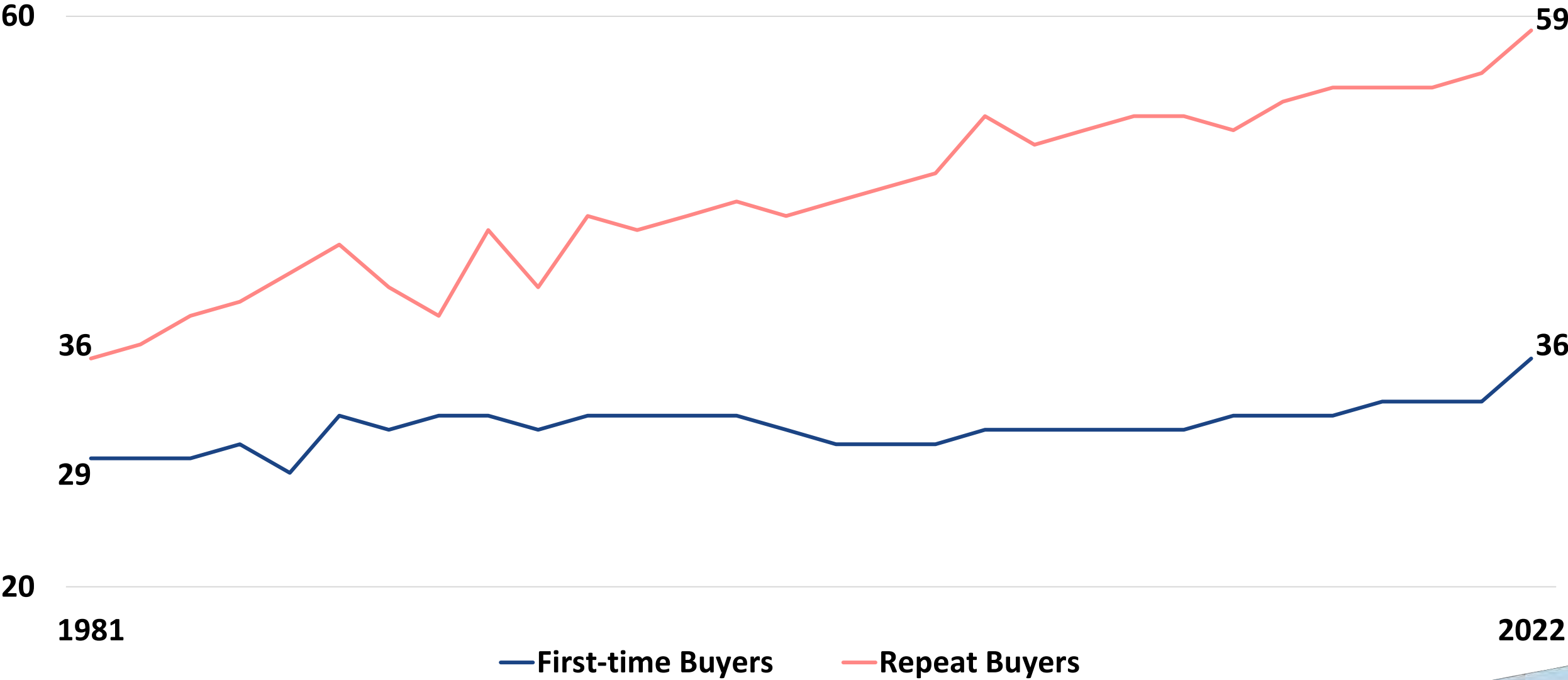
Myth-Busting Millennial Tropes: 8 Common Myths Busted

www.nar.realtor/blogs/economists-outlook/myth-busting-millennial-tropes-8-common-myths-busted

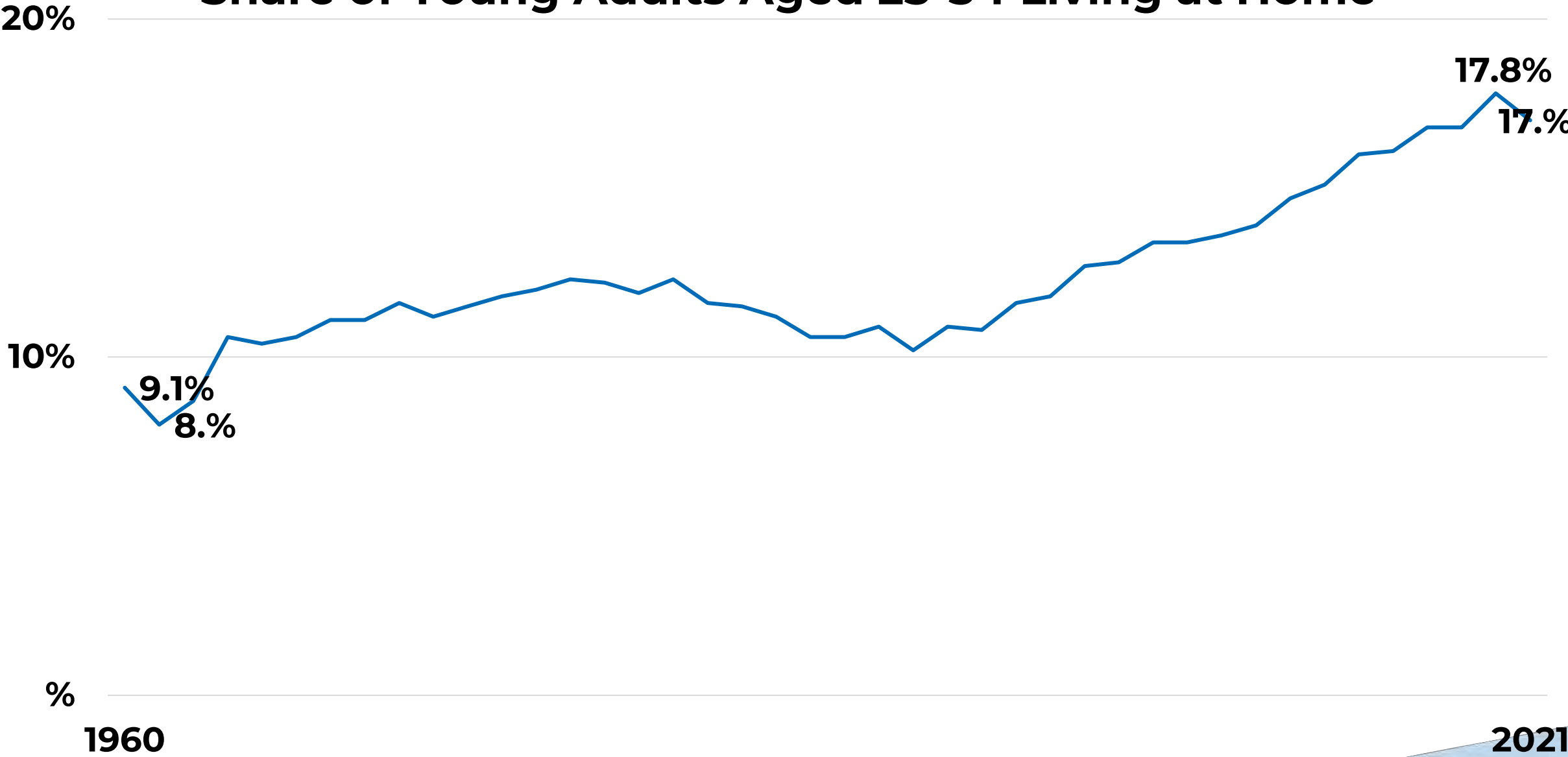
First-Time Buyer Share (Among Primary Residence Buyers)



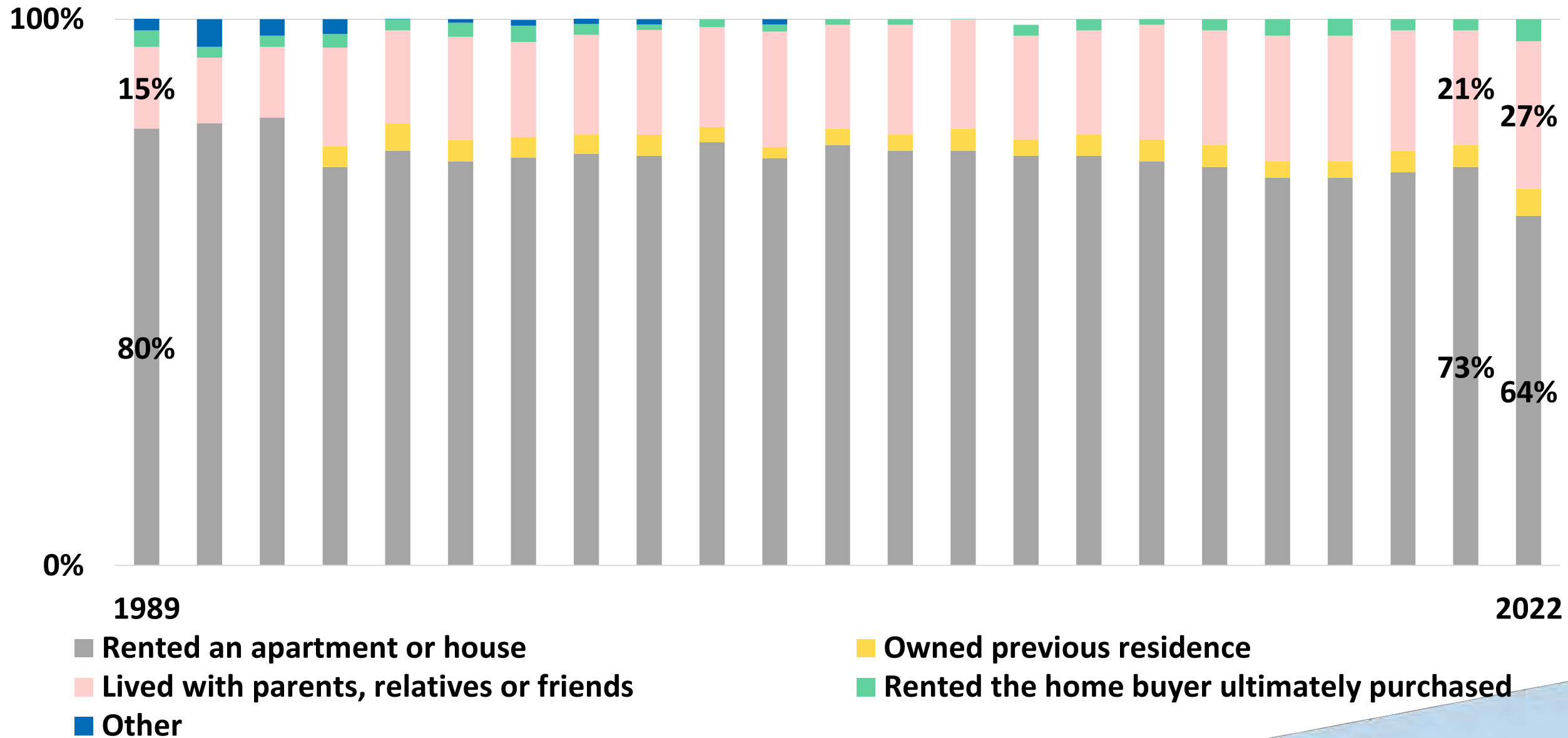
Median Age of Home Buyers



Share of Young Adults Aged 25-34 Living at Home



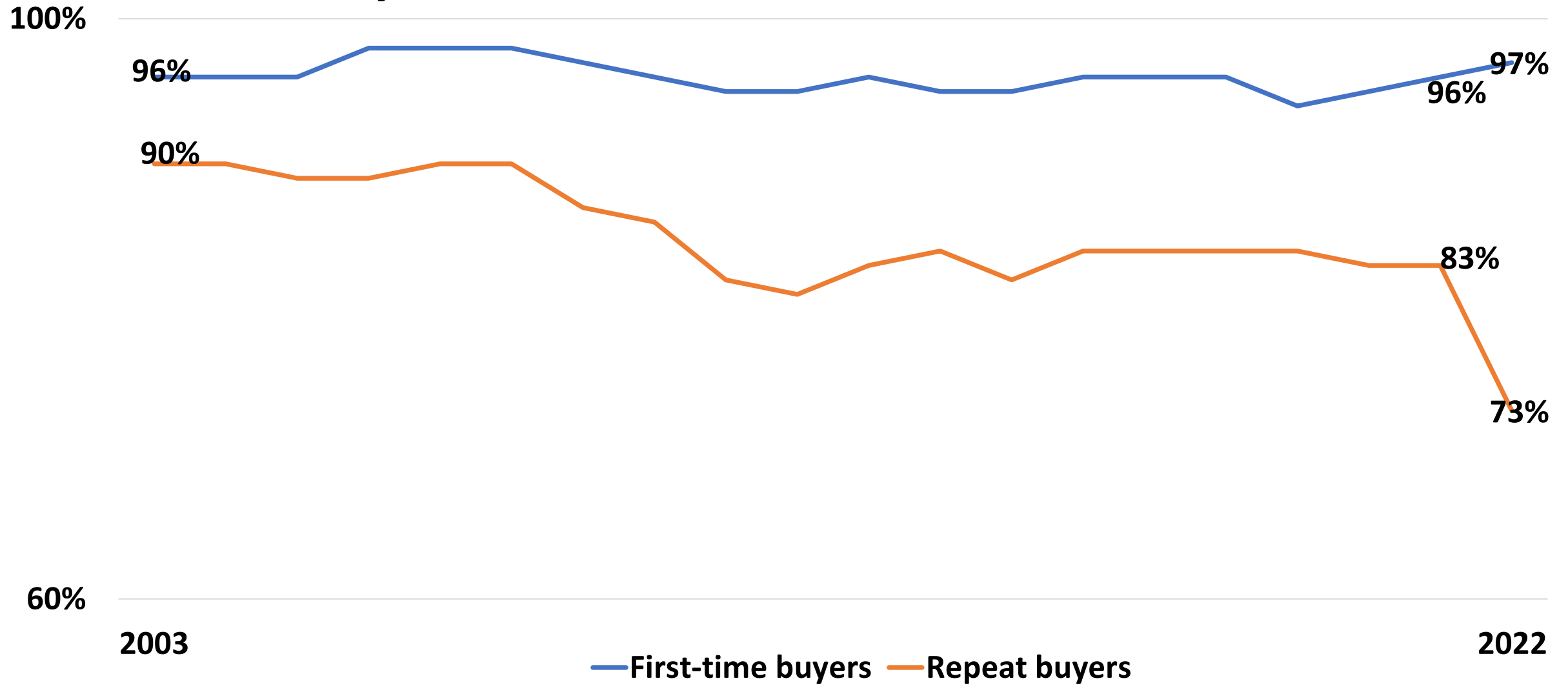
Prior Living Arrangement of Recent First-time Buyers



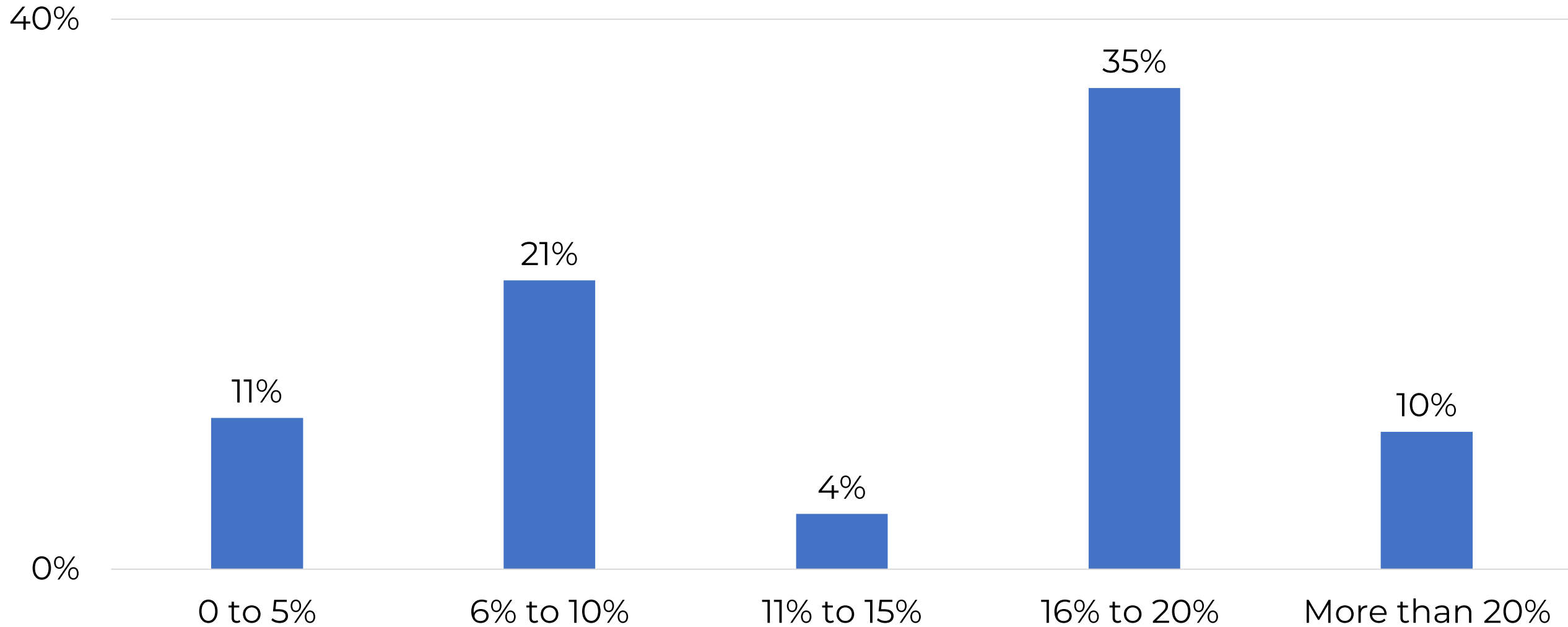
5. Dollar\$ and Cent\$



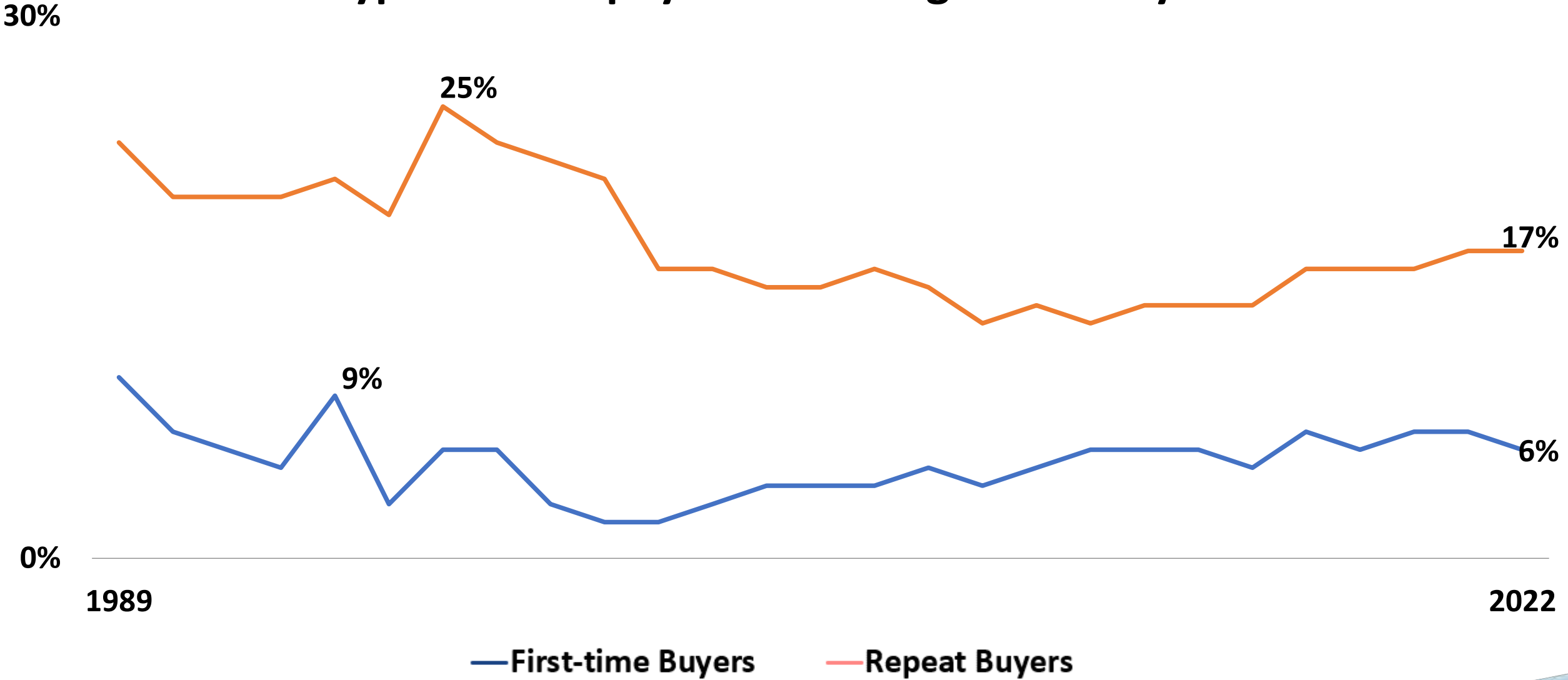
Buyers Who Financed Their Home Purchase



Consumer Belief of the Typical Downpayment



Typical Downpayment Among Home Buyers



6. Senior Buyers



Unique Attributes to Today's Senior Buyers

Following the grandbaby

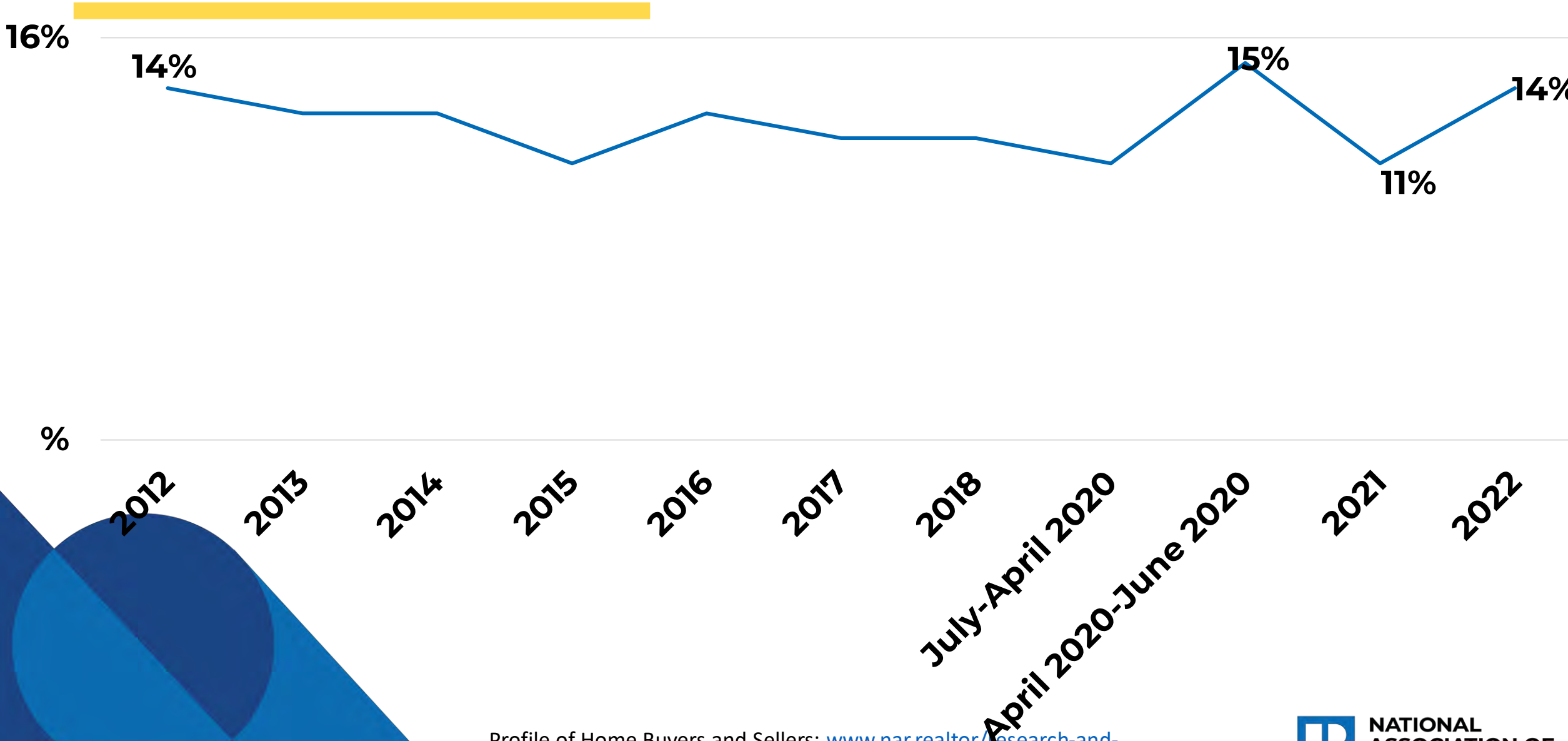
Downsizing trend is out—space/new in

Buying new forever home

Roommates!

Smart home features important

Multi-Generational Home Buyers Trends Up



Profile of Home Buyers and Sellers: www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers

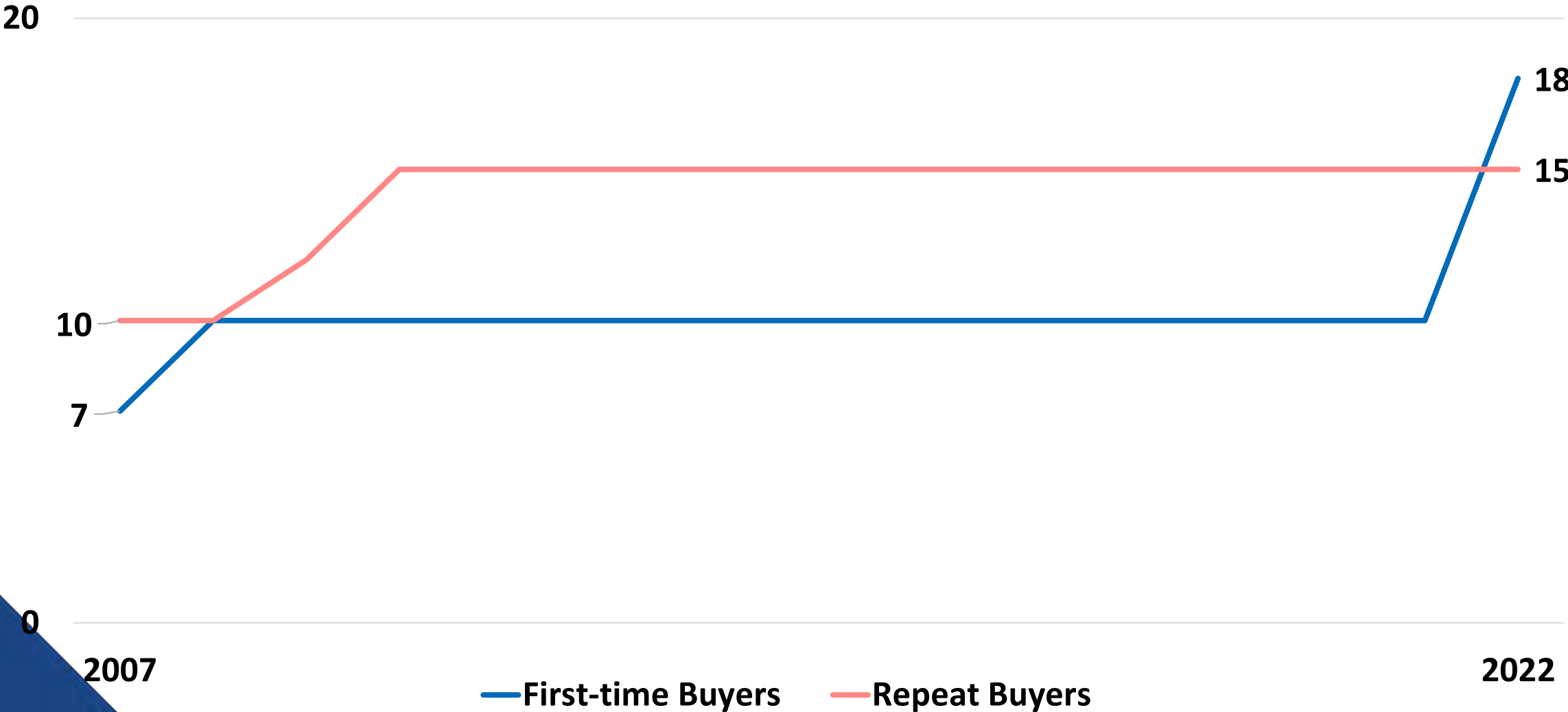
7. How long exactly?



Median Seller Tenure in Home

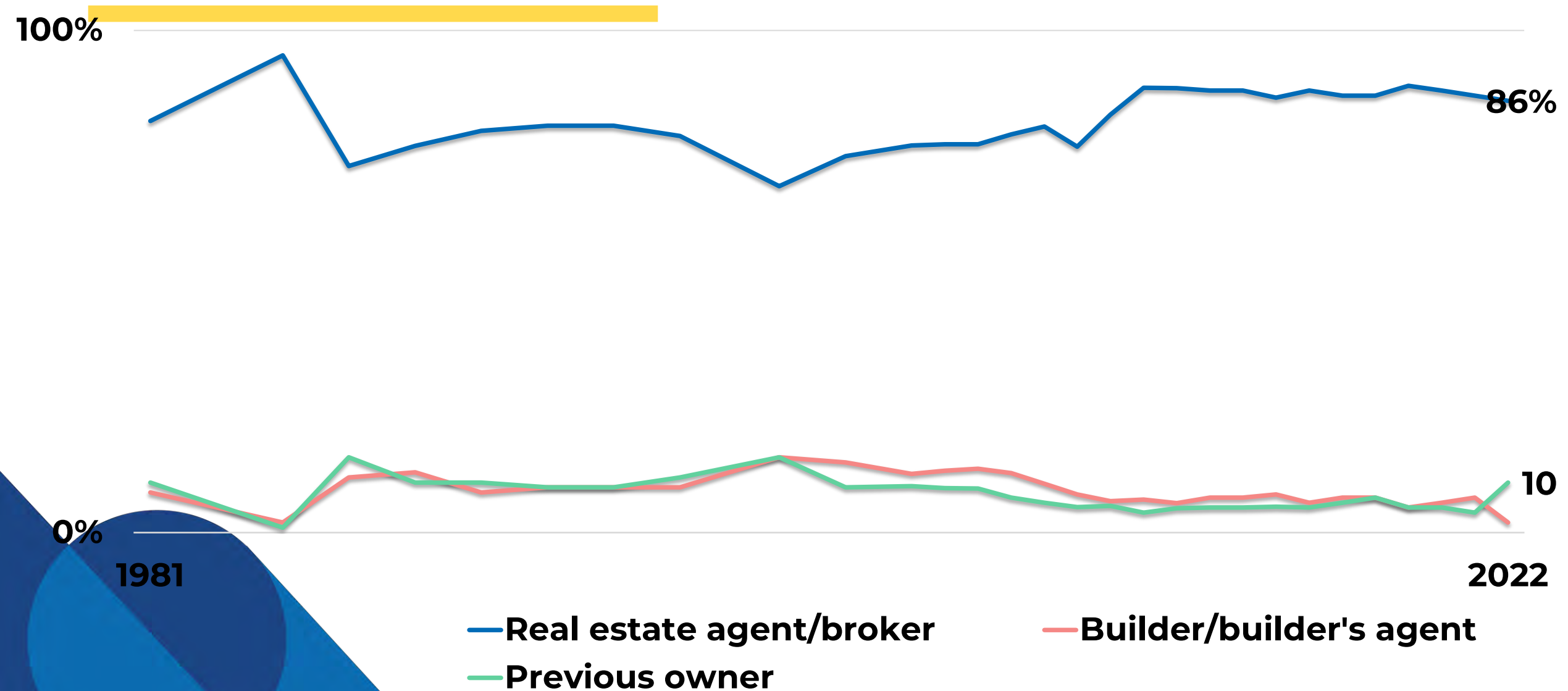


Median Expected Buyer Tenure in Home



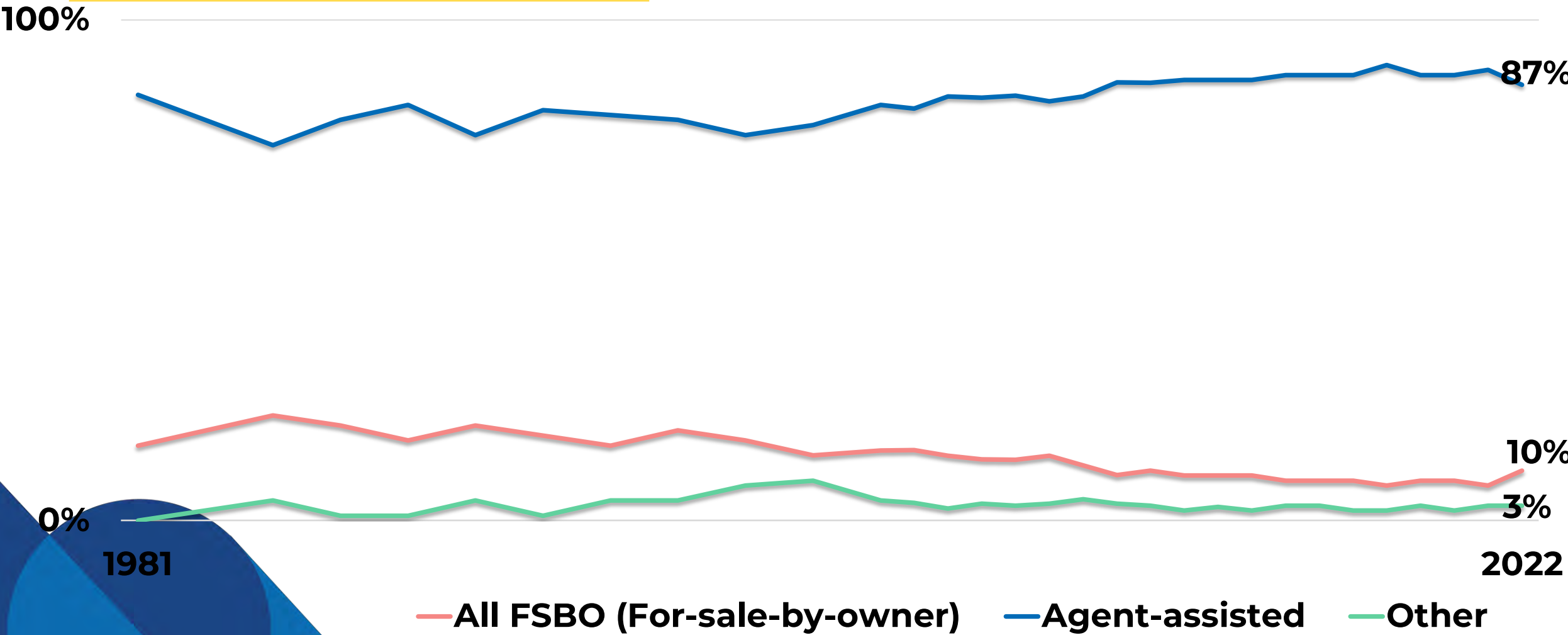
8. Agent Role

Buyer Use Agents



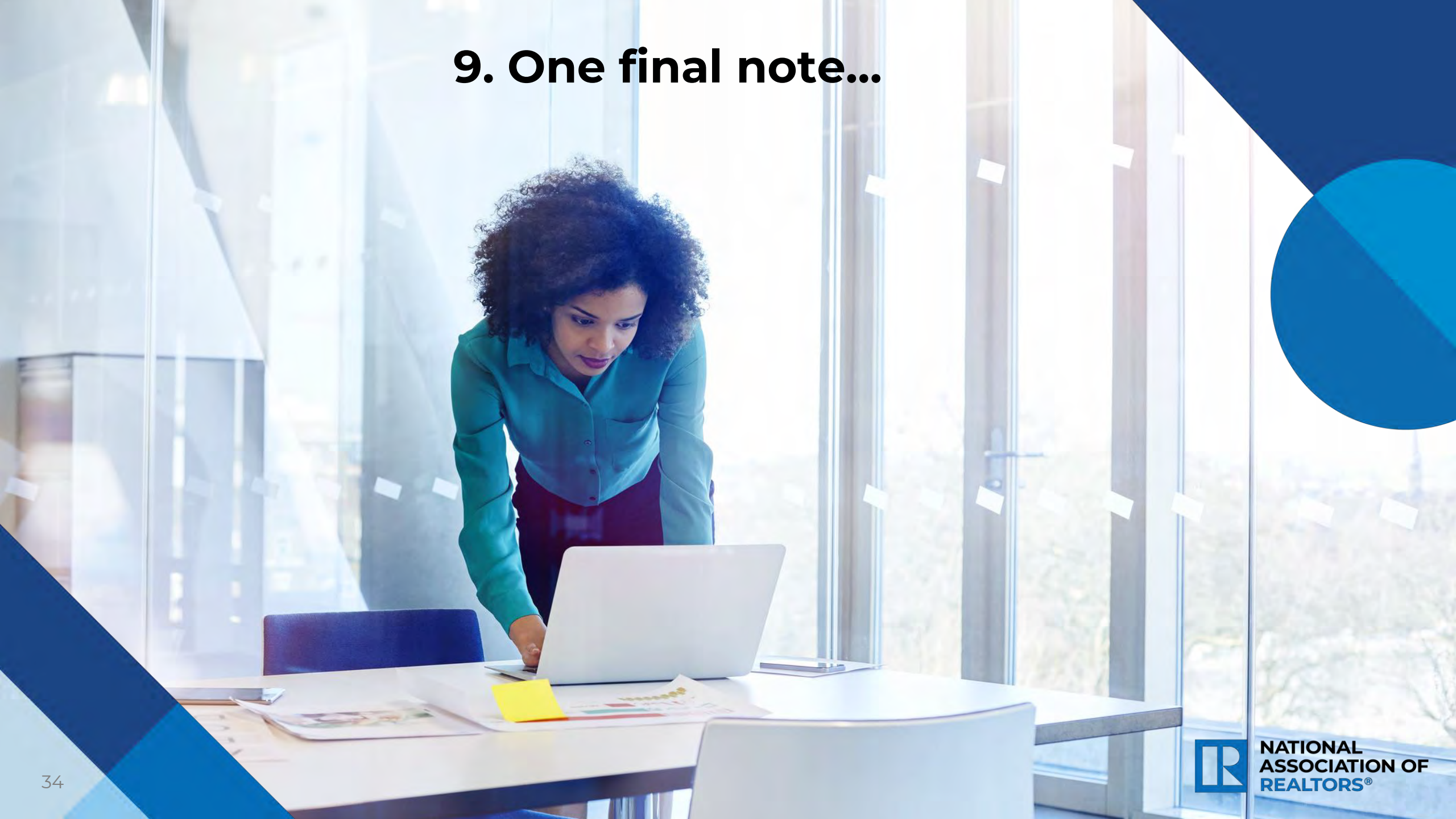
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Sellers Want a Full-Service Agents

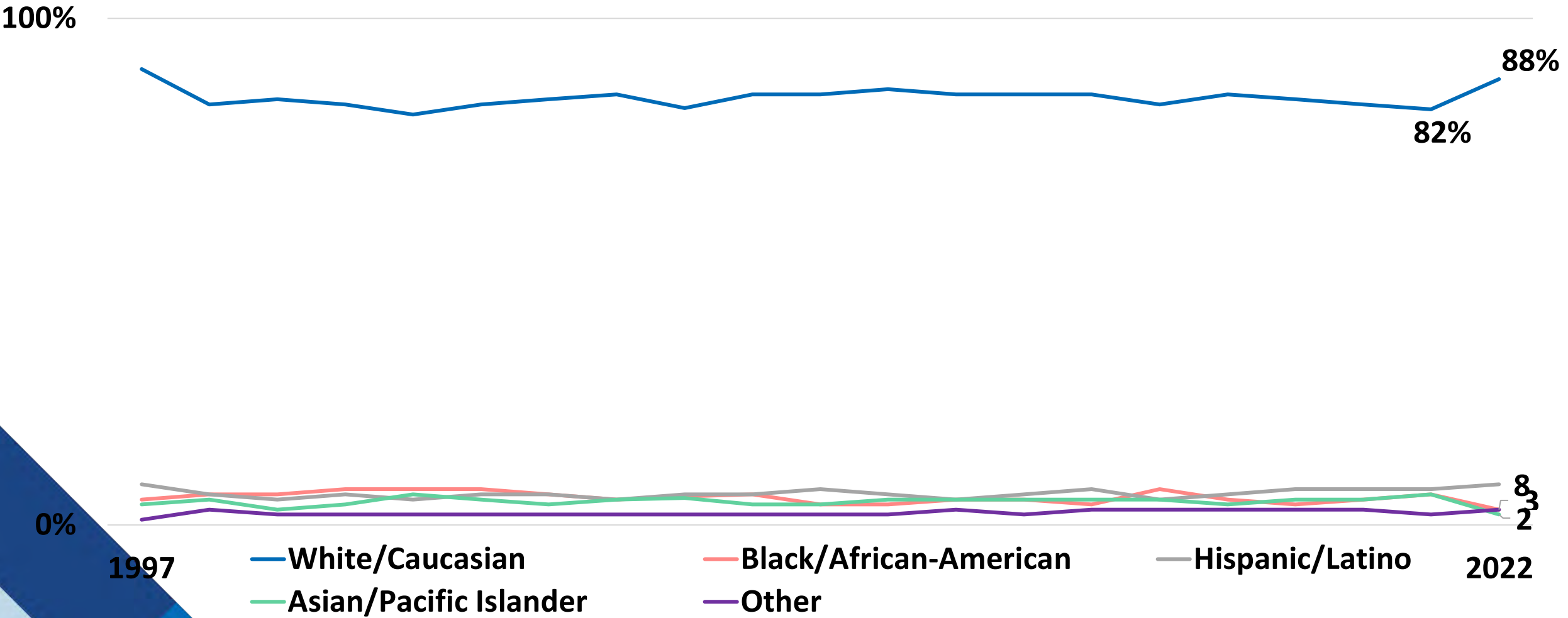


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9. One final note...



Race/Ethnicity of Home Buyers



THANK YOU.



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