



Real estate technology trends

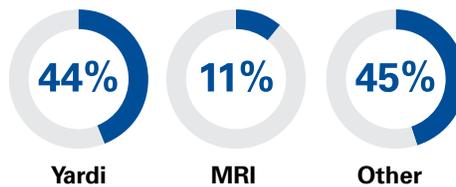
KPMG surveyed more than 60 real estate funds, property owners and operators, public REITs, and developers to gauge their use of financial-accounting software and other technology.

The following infographic showcases some of the highlights from the survey.

Property accounting general ledger systems



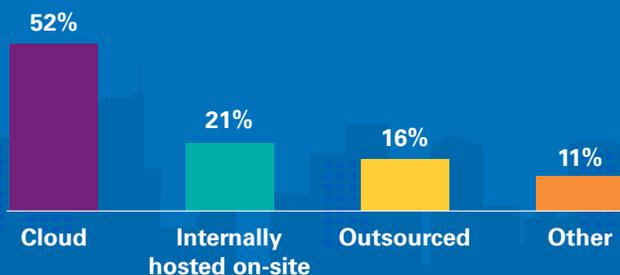
No other competitor came close to being cited as often as Yardi and MRI.



Regardless of the type of organization, respondents said they based their choice for general ledger systems on user friendliness, reporting capability, and cost effectiveness. Similar results were found for fund accounting general ledger systems.

Cloud

The majority of organizations leverage the cloud for hosting property accounting general ledger systems.



Microsoft Excel is still used broadly either alone or in conjunction with another system to calculate investor and equity allocations and for asset valuation models.

Investor/equity allocations*



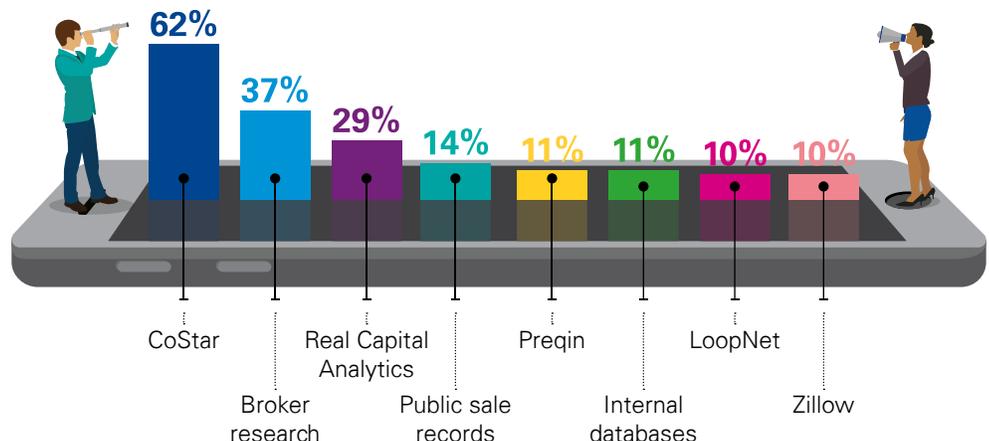
System for asset valuation models*



Market research and valuation tools*

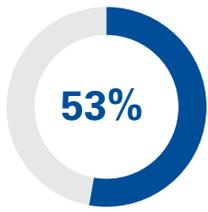
Broker research is especially used among private real estate funds and property owners/operators.

Co-star is the most widely used across all real estate organizations. It is common for organizations to use multiple research and valuation tools.



Tax reporting*

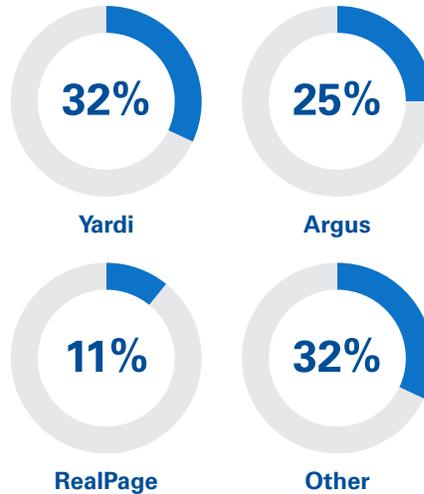
More than half of the survey respondents said that their tax services are outsourced.



Tax services are outsourced

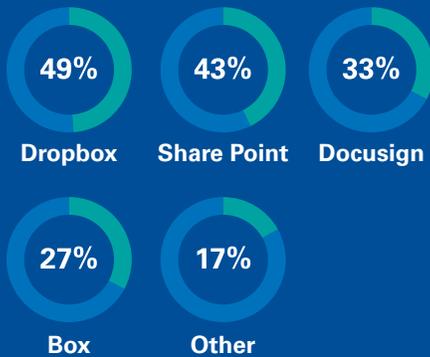
16% Use an accounting firm's proprietary software like KPMG's Asset Management Platform

Asset management and transaction management tools



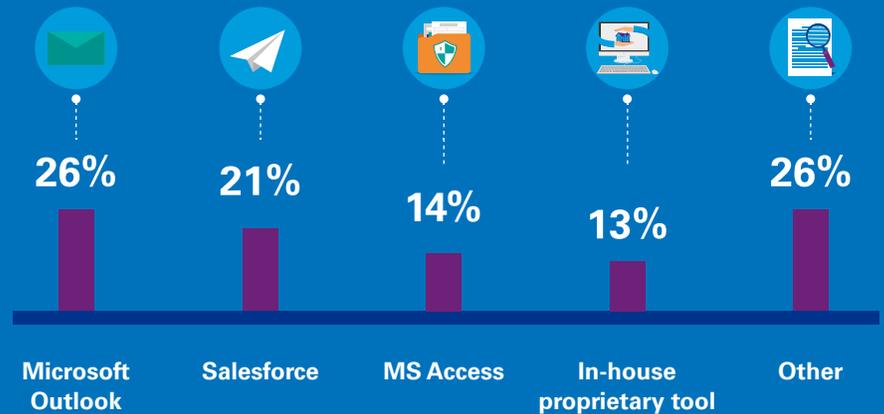
Collaboration and document management*

Real estate organizations are not using just one tool, but leveraging multiple tools and systems to collaborate. There are a number of tools that have wide acceptance.



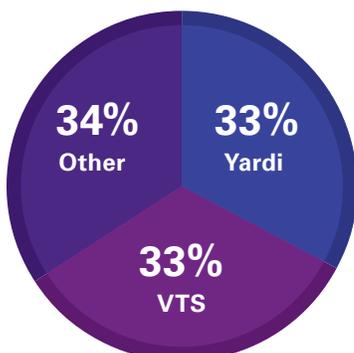
Customer relationship management, deal flow and contract management tools

Twenty-two percent of respondents do not use a CRM deal flow system

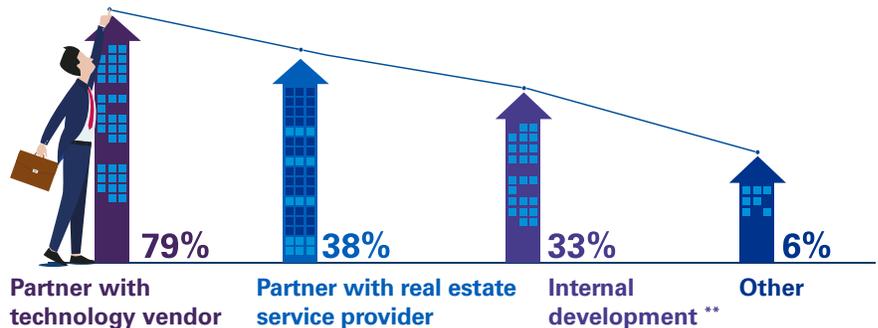


Leasing software

Of the 39 respondents that indicated they use leasing software, Yardi and VTS are the two tools that stand out, followed by a mix of CoStar, MRI and others.



Approaches to investing in PropTech*



When asked about importance of PropTech, many organizations noted improved decision-making is most valued, followed by the ability to lower operating costs, and improve customer engagement.

**Small companies (less than \$500 million in assets) are twice as likely as larger companies to use internal development.

Data and analytics

Usage of data & analytics techniques

Availability of a data lake for data and analytics

No plans to use in the near term

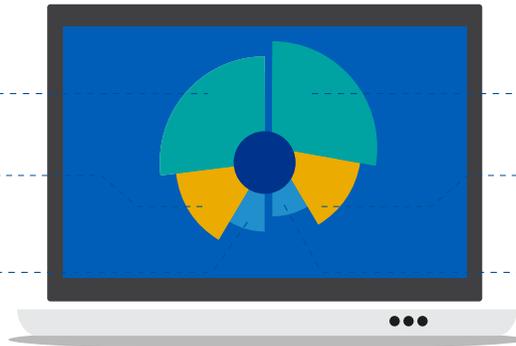
54%

Yes

29%

No, but planning to use within the next 12 months

17%



56%

No plans to use in the near term

27%

Yes

17%

No, but planning to use within the next 12 months

Robotics and artificial intelligence are not on the horizon for most respondents.

Where will real estate companies invest in technology over the next 18 months?*



Investor reporting



Cybersecurity



Asset management



Leasing



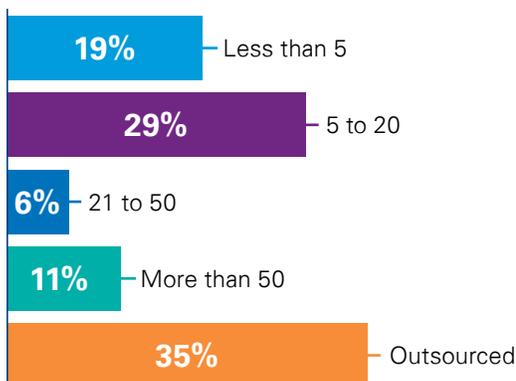
Tax Reporting



Fund accounting GL systems

FTEs in IT department

Most respondents have 5 to 20 full time technology employees or outsource to a 3rd party.



Demographics

Type of Organization (Employer of the respondent)

35% Private real estate fund

24% Property owner/operator

10% Public REIT

10% Real estate developer

21% Other

Organization's gross real estate assets under management

Less than \$500 million 25%

\$500 million or more to less than \$1 billion 11%

\$1 billion or more to less than \$5 billion 25%

\$5 billion or more to less than \$10 billion 18%

\$10 billion or more 21%

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