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2023 CONCEPT COMMUNITY REPORT

TECHNOLOGY & INNOVATION IN MULTIFAMILY





TECH AND INNOVATION TRENDS REDEFINE MULTIFAMILY

Whether it's analyzing location data before development even begins, streamlining the leasing process, or ensuring an exceptional resident experience, technology is changing almost everything about multifamily. And embracing the latest proptech,

as it's called, has never been more critical — or challenging. To see what matters most throughout the life cycle of apartment communities, our team at Multifamily Executive tapped the experts for their takes, which come together in this special report.

TO LEARN MORE ABOUT THE TOPICS EXAMINED HERE,
CHECK OUT OUR SERIES OF FULL-LENGTH ARTICLES
ABOUT TECHNOLOGY AND INNOVATION TRENDS.



BOOST PRODUCTIVITY AND EFFICIENCY DURING CONSTRUCTION

Hal Funderburk, vice president of construction at South Carolina-based Sands Cos., has learned through experience that Autodesk BIM and construction management platforms can increase project visibility, productivity, and efficiency during the design and construction phase. But he's also learned that success hinges on universal adoption by design-build teams and qualified, knowledgeable workers to doublecheck output and provide quality control in the field.

“You can have all the data you want, but if you don't have the right personnel pushing to get the job done in the field, the technology doesn't matter,” Funderburk says. “We have committed to a training process to improve adoption and use of our technologies by subs and other stakeholders, because the capabilities are so promising. You can issue a request for information faster than you can send an email, get analytics to organize cost and profit and loss, and build schedules into the system, but it doesn't work unless you get everyone trained and in the habit of using the technology.”

For more on how tech can improve design and construction efficiency, [read the full article](#).



We have some pretty granular metrics and were focused on place before place was a thing. So our analytics are around location, not program, and the developer scenarios have become a third leg to our market and site selection, and have helped us to set and achieve higher pro-forma rents, sometimes by 30%. ”

Mark Taylor, managing director, American Real Estate Partners

TEST YOUR TECH

Sometimes technology creates more problems than it solves. Real estate executives report sinking costs into software only to be disappointed with the results. It's a pitfall that can easily be avoided if you approach these products with the right questions and a healthy amount of skepticism. "Have a prioritized list of what you want the new technology to do," says Shawn Mahoney, senior adviser at RET Ventures and the former chief technology officer for GID. "You really need to know what is important to you and stick to that list."

[Learn 5 lessons](#) for selecting technology.

GENERATE LEADS THROUGH SELF-GUIDED TOURS

While self-guided tours aren't the necessity they were during the pandemic, the technology still plays a large role in swaying prospects. It accommodates renters outside office hours and offers an alternative to agent-led showings. Those who opt for tech-guided tours should be nurtured like any other lead. Follow up, answer any questions they may have, and invite them for an in-person tour. To manage the process, use a CRM tool that complements self-guided tour software, advises Zak Sawan, vice president of operations for RPM Living's Dallas-Fort Worth market.

"Our performance team is very engaged with that to ensure we pull weekly data that shows the touch points everyone is making, and they give an average score for the week, and we have benchmarks and KPIs we're supposed to meet to be at a certain percentage of engagement," Sawan says.

[Get more tips](#) to maximize self-guided tours.

STREAMLINE THE LEASING PROCESS

Digital leasing agents will never replace members of your team, but they can field common, easily answered questions—and save the human touch for situations where it really matters, says Kimberly Boland, director of digital marketing at King of Prussia, Pennsylvania-based Morgan Properties. Bots integrated into the community's website, for example, can provide real-time feedback to prospective residents' questions, direct them to virtual tours, and help schedule and reschedule in-person meetings. By eliminating this more basic (and often time-consuming) back-and-forth communication between the resident and leasing agent, you can reduce the time between showing interest and signing a lease.

Another time-saving leasing tool: ID-verification platforms, which vet inbound leads and identify viable candidates. This type of verification process deters fraud from the beginning, forcing ill-intentioned applicants to abandon their application before hitting submit. Some tools even require applicants to submit a "selfie" along with their ID, to ensure the faces match up.



EMBRACE AI

Like it or not, artificial intelligence (AI) is here to stay—and your competition is or will be using it. That said, humans will still be needed. Take the new property management software system for companies that manage single-family rental homes created by Picket Homes, a tech company based in Seattle. Machine learning allows the system to “write” descriptions of single-family houses being offered to rent.

“We have to tell it to not fabricate or say something that it could not verify,” says Q Shay, co-founder and chief technology officer for Picket Homes. “Just including that prompt improved the accuracy. ... But it still had stuff that was wrong.” To catch these problems, “a human being is always in the driver’s seat,” says Shay. “I don’t see any version in the near future where a human being is not hitting the send button.”

FORTIFY SECURITY AT EVERY LEVEL

1 Resident security. Consider camera monitoring and in-unit smart technology such as video-enabled doorbells, as well as automatic lock and door monitoring systems. Ensure any Wi-Fi-enabled solutions have backups and that battery-powered ones are checked regularly.

2 Car and bike security. For bikes, unmarked rooms with key fob access work well, says Tess Gruenstein, senior vice president of acquisitions and portfolio management at Bailard, an asset management and real estate investment firm. “This helps conceal the identity of the items behind the door, which deters theft,” she says. For cars, choose a technology option such as a tag-style entry system. Security cameras, key fobs for pedestrians, and high-speed garage doors don’t hurt, either.

3 Package security. Plan on on-site smart package rooms and lockers that offer secure package storage until residents can retrieve them. “Surveys show that, short of staff delivering their packages to their door, residents prefer 24/7 access to package lockers over any other delivery method,” says Sue Vickery, principal at Caryatid Consulting, a multifamily advisory firm. “Exterior package locker systems have made retrofitting much easier and relatively cost-effective.”

4 Amenity security. Key fob tracking and cameras can help prevent theft and damage to on-site gyms, meeting rooms, pools, and other securities. They provide stronger resident safety, too. Such systems also allow owners to track amenity use and determine which are most utilized and when.



INCENTIVIZE TIMELY RENT PAYMENTS

Digital payment processing is convenient for renters and operators alike. Renters have the ease of setting up automatic payments while freeing up property managers from labor-intensive manual processing. It's a win-win. Even better: This technology can help renters build their credit scores and earn reward points they can use toward future rent. With these digital solutions, multifamily management firms can operate like small banks, offering residents no-interest microloans and security-deposit coverage by replacing cash deposits with surety bonds.



USE PROPTECH TO CURB PET WASTE

The problem with dog poop—OK, one of many problems—is that there's no way of identifying who neglected to pick it. Until now. PooPrints claims to be the first and largest commercial DNA waste management program. The service follows the same protocol as the FBI to pinpoint offenders. Here's how it works: At move-in, a pet's DNA is collected through a gentle cheek swab and mailed to the PooPrints lab, and the new residents sign an agreement that holds them responsible for any unscooped poop. If DNA in the sample links to a pet on the property, the owner typically pays a fine.

"DNA doesn't lie," says Susan Passmore, executive vice president of Blue Ridge Cos. The North Carolina-based development, construction, and management company fines violators \$350. "This holds pet owners accountable like no other solution," Passmore adds.

[Get the full scoop](#) on pet tech.





ACCOMMODATE REMOTE WORKERS

Multifamily developers and managers are embracing the new normal—that is, remote working—by outfitting properties with designated spaces for video calls and laptop productivity. Converting underused clubhouses and other common areas into co-working spaces is giving properties a big value-add, developers report. Christina Steeg, senior vice president of marketing and communications of Waterton, says the majority of the Chicago-based owner/operator’s assets are being renovated to appeal to the work-from-home crowd. Likewise, Premier, a real estate advisory firm, says a growing number of multifamily developers are creating spaces where residents can both live and work comfortably.

Where apartments have an edge over WeWork and other co-working environments is that work life can blend seamlessly with home life. What starts as a Zoom call in, say, an alcove in the clubhouse can transition to a lunch meeting at a demonstration kitchen on-site. As an added convenience, some residents can reserve a desk or a single-occupancy booth from an app.

We are looking to reload all of our virtual floor plans with newly added staging to call out unique alcoves and dens as work-from-home spaces as well as shooting new virtual tours of our common area co-working spaces to make sure we are pushing that forward in all of our marketing.”

—Christina Steeg, senior vice president, marketing and communications, Waterton Properties

