

Tech Trends: Property Management Software on the Up



Tech tools to help manage properties – both residential and commercial – constitute a booming industry, according to market research parties. A new estimate is predicting that the global property management software (PMS) market will increase at a Compound Annual Growth Rate (CAGR) of 5.6%, placing the sector’s expected value at \$4.1 billion by 2027.

Despite the unfortunate acronym, properly configured PMS tools are a godsend for property managers. Typically, these are deployed as Software as a Service (SaaS) meaning there is less of a financial commitment to their deployment. They can assist or (in some cases) automate “the management of daily functions like building maintenance, accounting, and tenant [and] lease tracking”.

Some tools also include functionality for “financial reporting, account capabilities, integrated banking among other applications, electronic lease agreements, and online maintenance requests”.

TRIMM Tools

For the latter – maintenance tracking – we’re also seeing a rise in tools to better manage turnovers, renovations, inspections, and maintenance management (or TRIMM). These can be standalone or integrated into existing PMS tools.

A study by one TRIMM software provider found that up to \$3 million in recurring annual savings could be unlocked (In a study of 10,000 unit portfolios) as well as up to \$60 million in asset value improvements.

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Investment Darling

Given the potential for these tools, it's perhaps not surprising that equity investors are seeking out PMS start-ups, like Snapfix – an Irish company that recently secured €1.75m in a funding round, from US investment group Sator Grove Holdings. Snapfix “allows users to share photos and messages relating to tasks to be completed in buildings and facilities, and is designed for multilingual teams”. Their users include airports, hotels, and commercial offices.

Happy Tenants

For multifamily developments and apartments, a well-implemented PMS tool can help keep tenant turnover to a minimum, which also has implications for operating costs.

Bottom Line

PMS tools are a category with blurry boundaries and we're not advocating for one tool over another. Each commercial real estate (CRE) professional and their clients will need to evaluate what tools fit their needs.

However, there is a clear case for embracing the innovations and improvements offered by contemporary tech in order to stay ahead of competitors and to eke out any savings and competitive advantages possible.

