THE CHANGING ROLES OF PROPERTY PROFESSIONALS

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"CHANGE" IS TRITE

- We live in a fast changing environment
- We are continuously changing our work to meet the market

WHAT MORE CAN WE DO!

- Be proactive
- Consider probable new market activities
- Get a new level of Client Focus



WHAT IS NEW

- 1. Attitudes and ethics
- 2. The radical generations
- 3. ICT (Information and communication technology)
- 4. Globalisation
- 5. Future property services



ATTITUDES AND ETHICS

- Stop damaging the environment for future generations ("Let's live simply so that others may simply live")
- Practical sustainability related to property (energy/water/transport concerns)
- A healthier and more productive work environment (strong expected demand from tenants)
- Intelligent Investor interest in Property (more flexible and competitive investments)



THE RADICAL GENERATIONS

- Pre-Boomers (pre 1946) have time and money and experience
- Baby Boomers (1946-1964) are changing their focus and looking forward
- Generation X (1965-1981) is creative, IT competent and well educated - will cause waves
- Generation Y (1982 forward) is unknown but will response to current influences - will cause waves



INFORMATION AND COMMUNICATION TECHNOLOGY

Internet is now influencing behaviour

- retail, recreation . . . (just the beginning)

- Explosion of property data availability
- Much better communication processes
- New "virtual" applications

- that are not yet here (but will suit fixed property)



GLOBALISATION

- Our asset, property, is international but very complex
- Regional property experts will always be essential
- Developing countries are urbanising fast
- International property assets will be more accessible through new property vehicles



FUTURE PROPERTY SERVICES

- **Detailed Market Forecasts** (based primarily on human behaviour and property)
- Projections of interaction between property market sectors (location specific and multiple types)
- Quadruple bottom line assessments
 (financial/social/environmental/political)
- Accurate property risk estimation and management (as a part of all services)
- Strong cross-discipline studies (eg: property rights & spatial sciences)



CASE STUDY: INVESTMENTS DISCLOSURE REQUIREMENTS

Public access to a level of information currently given only to instructed valuers and responsible analysts

Including:

- Actual and expected NOI performance for each property asset
- Historic cost, capex and current value for each property
- Future lease renewal expectations and growth rates
- Current market and actual rent levels for each property
- Future capex expectations for each property next 5 years
- Projections of NOI for each property next 3 years
- Portfolio return performance projections next 3 years



CASE STUDY: INVESTMENTS NEW PRODUCT REQUIREMENTS

A Property Investment that:

- gives a guaranteed return (with strong institutional backing) - say 2% above the risk-free rate
- is tax free (full imputation)
- has a good chance of additional returns (income and capital)
- is reasonably liquid

(is this too much to ask, as an investor I think not)



TO MEET THE CHALLENGE THE PROPERTY PROFESSIONAL MUST BE:

- 1. An expert in a property knowledge field but continually learning allied knowledge fields
- 2. Ethical and fully conscious of the public interest
- 3. Information Technology (IT) competent
- 4. Capable of communicating effectively, both faceto-face and 'virtually'
- 5. An active member of a larger team



THE WORK ENVIRONMENT OF THE PROPERTY PROFESSIONAL WILL INCLUDE:

- A team of like-minded professionals nesting
- A research support group providing updated market analyses
- A risk policy framework (more than insurance)
- A focus on change management and future demand - Looking forward not back or sideways



THE FUTURE PROPERTY PROFESSIONAL ASSOCIATION MUST BE:

- a cluster of the most competent property professionals in the Pacific Rim region
- **multidisciplinary** (all allied professions) and facilitate interdisciplinary activity
- held together with appropriate and enforceable **standards**
- focused on ethical and public interest concerns
- the **facilitator** of flexible and contemporary professional development programs of exceptional quality
- a linkage to other international property professionals and clients.

It won't exist if it doesn't add real value



THE FUTURE IS BRIGHT

provided you are willing to think outside the square!

QUESTIONS?

