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Generation rent is demanding cutting-edge solutions to make renting better for everyone and, says **ISLA MACFARLANE**, the build to rent sector is answering the call

A stressed millennial once told me that finding love online was less painful than finding somewhere to rent. It does seem strange that, in times where finding a life partner can be as easy as swiping left or right, the primary need to find shelter had been largely overlooked.

However, a new breed of renters expects more, and the build to rent (BTR) industry has put some serious financial muscle behind proptech solutions to meet these demands.

"BTR consumers are fast becoming savvy and expectations are rightly rising within the sector," says Lesley Roberts, partner at Allsop. "This is alongside the advancement of apps and the ease of use we, as consumers, are constantly being exposed to, such as banking apps, shopping apps and controlling our devices remotely. Minimum standards and benchmarks have risen considerably as a result."

BTR has largely been an invisible force in the property market, with the average renter likely sporting a blank look when confronted with it. However, the sector is tying up with proptech companies that can boost its visibility.

Movebubble is one platform that has received significant investment from the sector this year. "BTR is helping revolutionise living for generation rent by creating fantastic communities. It is only right that proptech helps to showcase this," says David Metcalfe, head of build to rent at Movebubble. "As an industry we are well aware of BTR, but the majority of renters aren't."

Ideal Flatmate began working with BTR developers a year ago. "Many younger people are renting for far longer, driving a culture of innovation among entrepreneurs who have spotted issues with the rental process," says Tom Gätzen, the website's founder.

Anne-Marie Brown spotted an issue in the market when clients expressed their frustration at the lack of a search facility for the BTR industry. In October, she launched lovetorent.co.uk, which exclusively lists BTR properties. Lovetorent will also bank data to identify the specific features that BTR customers value most, so better schemes can be built in future.

Roberts says: "Data is pivotal to the sector and analytics can help to track usage and identify trends. This will enable developers and operators to hone our product, service and operational models for mutual benefit to all, including the consumer."

Housez, which launched two years ago, has also been harnessing big data. It uses an algorithm to find premium tenants fast.

"Institutional portfolios lose on average 30-50% revenue just by not leasing fast enough," says its founder, Saurabh Saxena. "Our emphasis on speed turns this around – but not at the expense of finding quality tenants."

"Our matching engine considers socioeconomic characteristics and willingness to pay for the 'added extras' that BTR schemes provide when pairing tenants and properties. This means that our demographic analysis delivers suitable tenant-property matches, with higher longevity and lifetime value."

Saxena explains that he wanted to build something similar to a stock exchange, where supply and demand are uploaded and deals close quickly. "Imagine a world where an institutional landlord comes onto the platform and rents properties in real time – in the same way that flights are sold."

Housez Data Labs is due to launch next month, so all the data that's bottled in searches can be used by BTR developers.

"We collect data which is becoming a powerful tool for institutional investors," says Saxena. "What if that property had a pool or a gym? Would a tenant pay extra for that? We have all that data."

After working with many BTR brands, Saxena believes that as competition increases differentiation will come from customer service. "This is a challenge, because the bigger the developer becomes, the more disconnected they will be from the BTR customer."

According to Roberts, BTR developers have the opportunity to let technology take care of processes so they can take care of people: "There is a real

focus in BTR on utilising proptech to automate building processes and administration.

"In turn, staff are able to devote more time to enhancing customer experience and building stronger relationships with consumers. The experiential economy is booming and proptech really allows this to be amplified, freeing up time that is better spent on creating human-led, meaningful experiences for customers."

According to Richard Angel, co-founder of Angel O'Donnell, there has been a shift towards tech that can genuinely improve the lives of residents. "One of the main ways we see technology playing a role in BTR is its ability to enhance the wellbeing of residents, as this is such a pressing issue for city dwellers," he says, adding that Angel O'Donnell is advising developers to utilise building-centric apps and build flexible spaces that discreetly accommodate wireless charging points.

Technology can also create trust. Flatfair, dubbed the PayPal of the rental industry, works with many BTR giants who like the premise of its deposit replacement scheme: BTR sells itself on being convenient and professionally managed, and deposit-free renting fits nicely into this space.

Franz Doerr, founder and CEO of Flatfair, says: "Technology helps you move away from traditional deposits because you have the ability to track things like never before."

"At the end of a tenancy, the landlord can work out the costs that they believe are owed and upload these to the Flatfair platform for the tenant to approve and then settle, much like a hotel would if you ordered something from room service. On top of this, the technology allows for transparency, where both landlord and tenant are very clear about what's going on at every stage, and why."

Analogue is increasingly alien to many of generation rent, who run their lives by tapping rather than talking. As more young people settle into the rental market, they will demand digital solutions to make them feel at home. 

