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What to Expect From Proptech in 2022

By Nell McPherson - Updated Jun 23, 2022 at 10:59AM

KEY POINTS

- The pandemic created new real estate investing problems and shed light on old ones, accelerating advancements in proptech.
- Expect to see the industry favoring tools that seamlessly integrate the entire homebuying and selling experience in one place rather than spreading it across various apps.
- New sharing platforms continue to offer unique ways to fill both commercial and residential vacancies.

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The pandemic drove acceleration in the property technology space. Here are a couple of things investors should expect going into the new year.

There's no doubt the toll the pandemic has taken over the past couple of years has been devastating, for people as well as businesses. But some business and

technology sectors have been uniquely positioned to survive and even thrive under these socially distanced, safer-at-home conditions.

Examples include dollar stores that were able to stay open during shutdowns thanks to their essential retailer status, digital meal ordering, and industrial real estate, which became hotter than ever as e-commerce shifted into overdrive.



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Property technology (proptech) deserves a seat at that table, too. While impressive advancements were already taking place in this area, social distancing as well as various other pandemic-induced changes in the way we live have led to some rapid advancements designed to meet our changing needs. Let's explore a few areas where proptech developments are likely to be big in 2022.

Streamlining homebuying and selling

At the height of the pandemic, suddenly almost every step of the homebuying process seemed to create a health risk. From touring homes to getting financing and signing on the dotted line at closing, homebuying has always been an in-person event, or rather a

series of them. Moving forward, some of the changes will probably be here to stay, and the "boring stuff" no one wants to do in person will continue to be handled virtually.

But many buyers are likely to always desire physical contact at certain points in the process, like the ability to physically walk through a property and a real estate agent on their side, helping them through the process and answering their questions. Investors should expect to see an increase in tools designed to integrate the virtual and physical sides of the homebuying equation as seamlessly as possible.

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So rather than one app for scheduling showings, another for financing, etc., expect to see the industry move toward broader platforms that can help coordinate the entire process in one place. Real estate fintech company Reali, which does exactly that, won PropTech Breakthrough's Real Estate Mobile App of the Year for 2021.

Filling vacancies

The pandemic has changed the way we work and learn, leading to dramatic changes in the way many of us live. Some workers have learned they'll be allowed to make the shift to remote work permanent and made a big move as a result. Others anticipate a hybrid situation going forward, where they'll at least work from home much more often and need the space to accommodate that. All these situations have resulted in a need for more storage space in many areas.

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To address both this need and the commercial vacancy problem, proptech start-up Neighbor has created a platform where commercial landlords can lease out vacant interior or even outdoor space for storage of everything from the usual boxes of household stuff to cars or RVs. Anyone with more space than they need on their residential property can get in on the act, too, making this a potentially lucrative way to fill vacancies for commercial and residential investors alike.

And what about those remote workers who work better outside the home? With proptech start-up Nooka Space, investors can set up their property as office space and

lease it out on the company's platform. There are even a growing number of platforms that let you lease out your space as a movie set or for special events. Expect proptech to come up with even more creative ways for real estate investors to keep the income rolling in next year.

A growing number of opportunities in proptech

Proptech is an incredibly imaginative space, and real estate investors of all types will want to keep an eye on it going into the new year for developments that could benefit them. The pandemic has created plenty of new problems over the past couple of years and it's also made many old problems more pressing. The good news is that this has encouraged more people to get to work on solving them.

Whether you're looking to acquire or sell property, lease out a space that hasn't been performing well, or solve an entirely different real estate investing problem, there's a good chance someone in proptech has created something that might help. If not, you may have just hit on the next big proptech idea.

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