

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 face-to-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?