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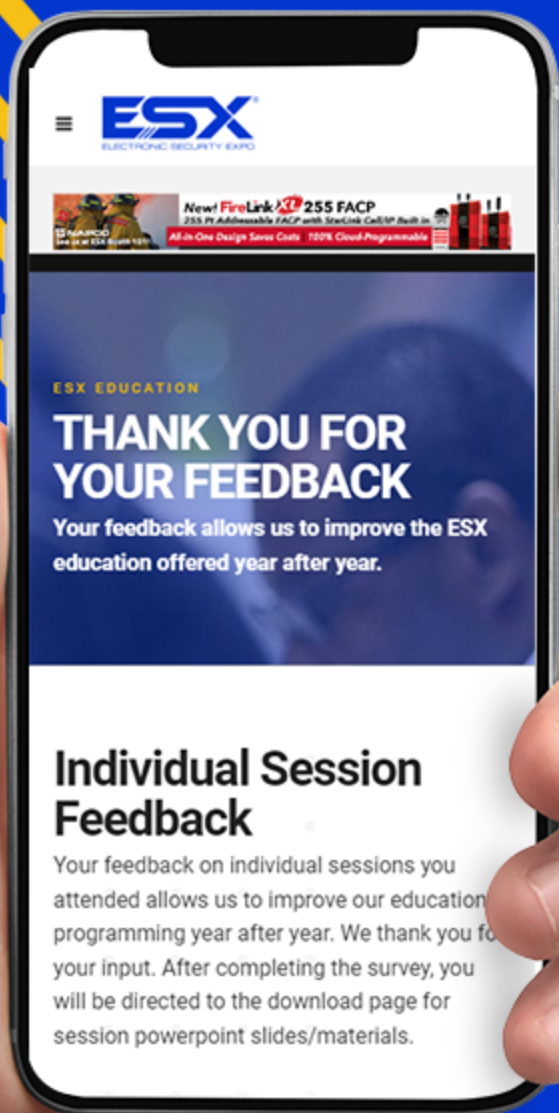


ELECTRONIC SECURITY EXPO

**SALES TRACK**

**THE RISING TIDE OF PROPTech  
IN MULTIFAMILY**

# ESX FEEDBACK



1

**ANSWER 5  
QUESTIONS  
ABOUT THIS  
SESSION**

2

**GAIN  
ACCESS  
TO THE PPT  
SLIDES**

3

**BE ENTERED  
TO WIN A  
\$100 GIFT  
CARD**

**3 GIFT CARDS (\$100 EACH) AVAILABLE FOR SURVEY RESPONDENT RAFFLES**

**WINNERS WILL BE NOTIFIED THROUGH THE ESX APP**



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# prima

by NAPCO

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# COURSE OBJECTIVES:

## The Rising Tide of PropTech in Multifamily

- Why proptech is changing the way building owners operate multifamily properties
- The primary drivers, implementations, and services that resonate with building owners and residents
- How security companies can best position themselves in multifamily proptech
- The economic and operational advantages and challenges of proptech

# MEET THE SPEAKERS



**ELIZABETH  
PARKS**

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**PRESIDENT AND CMO  
PARKS ASSOCIATES**



**JENNIFER  
DOCTOR**

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**SENIOR DIRECTOR,  
PRODUCT MANAGEMENT  
JOHNSON CONTROLS**



**LEE  
MILLER**

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**SENIOR DIRECTOR  
OF MULTIFAMILY  
BRIVO**



# **The Rising Tide of PropTech in Multifamily**

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**THE RISING TIDE OF PROPTech IN MULTIFAMILY | SALES TRACK | ESX 2023**



# Access and Control Systems: Beyond Security



**Getting Started in Multifamily**

**Innovation and Regulation**

**Making Systems Work**

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# PropTech Players

PROPERTY  
MANAGEMENT  
SOFTWARE PROVIDERS

SMART HOME DEVICE  
MANUFACTURERS

INTERNET SERVICE  
PROVIDERS (ISPS)

TELECOMMUNICATIONS  
COMPANIES

ENERGY MANAGEMENT  
SOFTWARE PROVIDERS

ACCESS CONTROL AND  
SECURITY PROVIDERS

BUILDING  
AUTOMATION SYSTEM  
PROVIDERS

INTERNET OF THINGS  
(IOT) PLATFORM  
PROVIDERS

PAYMENT PROCESSING  
AND FINANCIAL  
TECHNOLOGY  
PROVIDERS

DATA ANALYTICS AND  
BUSINESS INTELLIGENCE  
COMPANIES

REAL ESTATE  
TECHNOLOGY  
(PROPTech)  
COMPANIES

CONSTRUCTION AND  
DEVELOPMENT FIRMS

PROPERTY OWNERS  
AND MANAGERS

RESIDENT  
ENGAGEMENT AND  
COMMUNICATION  
SOFTWARE PROVIDERS

DATA ANALYTICS AND  
BUSINESS INTELLIGENCE  
COMPANIES

EC

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# Very Tricky to Balance the Investments

## Use Cases

- Rent payments
- Maintenance
- Devices In unit to provide safety, comfort, and control
- Centralized platform for communication
- Amenities and services, i.e. delivery
- Access

## Considerations

- Cost
- Integration
- Adoption
- Security
- Training and Support
- Scalability



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# Dynamic Market Responding to Innovation

## CAPEX - Capital Expenditure



Fiber optic cables



Switches



Routers



Other networking infrastructure



Equipment maintenance



Repair



Replacement costs



Personnel



Utility costs

**Considerations include** size of the building, the number of units, the type of building construction, and the level of service required

Factors for cost such as the type of wiring required, the number of access points needed, and the installation

**Considerations vary** depending subscribers, the level of service offered, and the quality of the network infrastructure

**Complex market** as a result of required customized solutions and volume of traffic

# Changing Structure in Real Estate

$$\text{CAPEX} = (\text{Cost of Equipment} + \text{Cost of Installation}) * (1 + \text{Markup}/100)$$

$$\text{OPEX} = (\text{Cost of Maintenance} + \text{Cost of Personnel} + \text{Utility Costs}) * (1 + \text{Markup}/100)$$



Tech can increase efficiency on workflow tasks, reducing need for labor and personnel, but adding consideration of support costs and reliable vendors

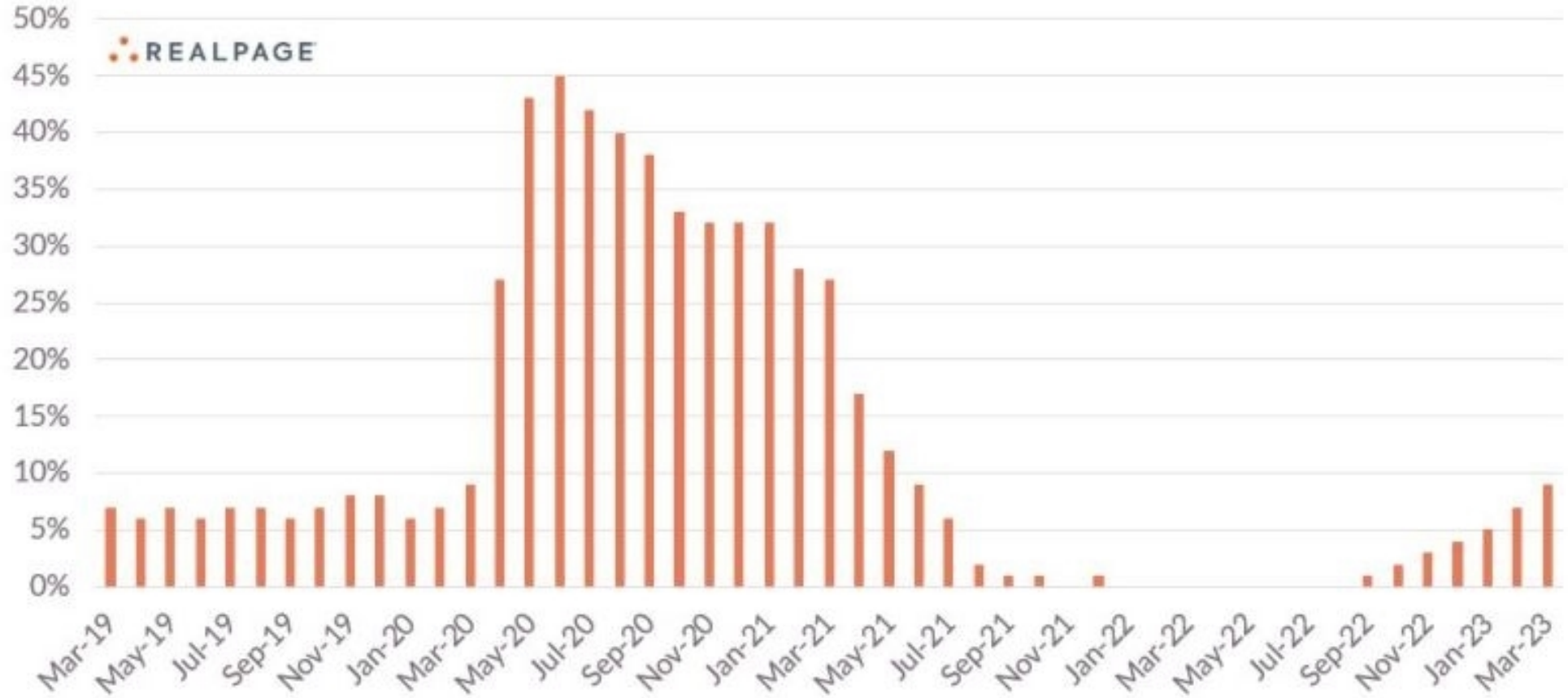


Tech can shift **Capex** costs to Opex costs – like cloud-based software eliminating need for hardware and reducing upfront costs, but adding ongoing costs



New Capex investment required to add tech upfront

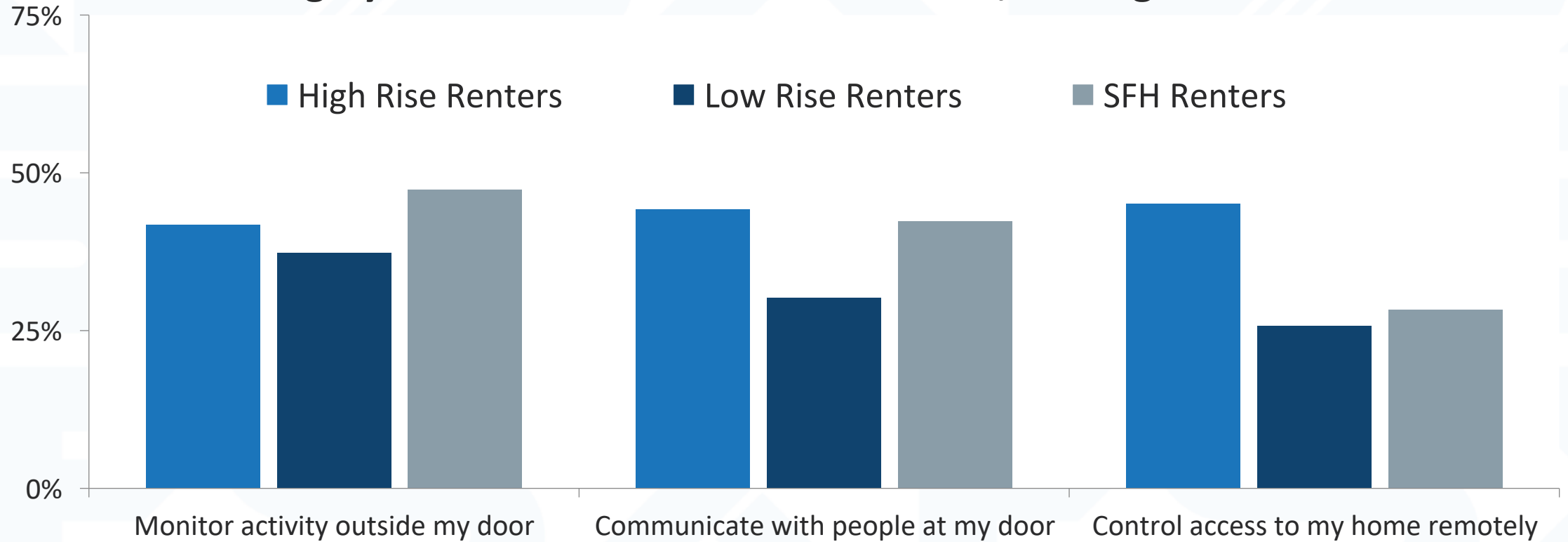
# Apartment Rents Fell Yoy in Nearly 10% of US Submarkets (New Leases Only)



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# Renters Want Info, Control, Communication at their Door

## Highly Valuable Access Control Benefits, Among Renters



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# Access, Safety Top Property Desires for Tech

## Top 5 Smart Safety & Security Use Cases for Smart Solutions

1. Prevent theft and burglary
2. Minimize key replacement costs
3. Resident communication with visitors/vendors with video doorbell
4. Smart parking solution contacts towing services for unauthorized vehicles
5. Monitor & secure parking areas



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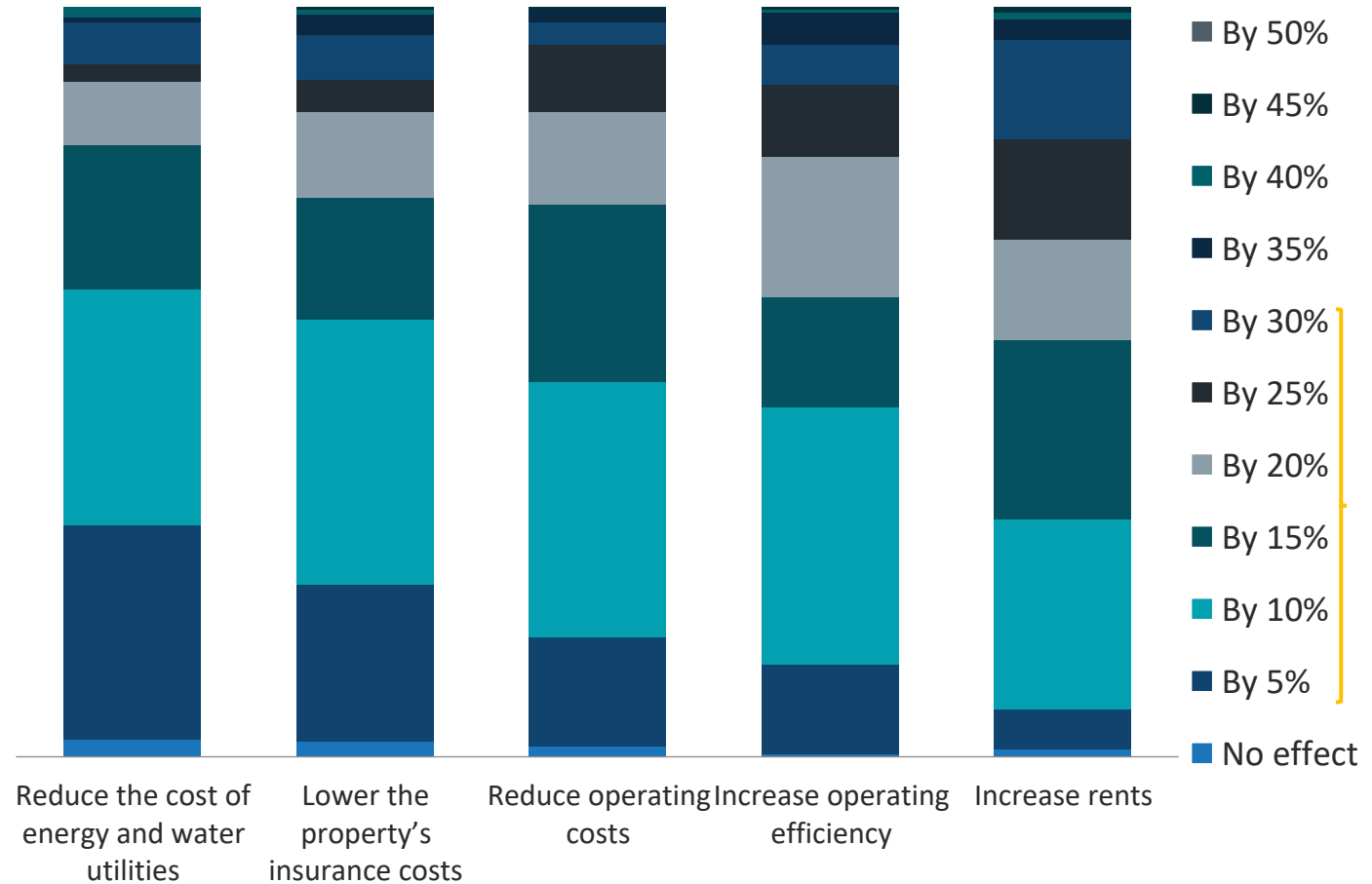
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# Reduce Cost and Increase Rent

## Expected Economic Impact By Providing Smart Home Devices

95% of property managers perceive smart home devices can increase rental fees by between 5% and 30%



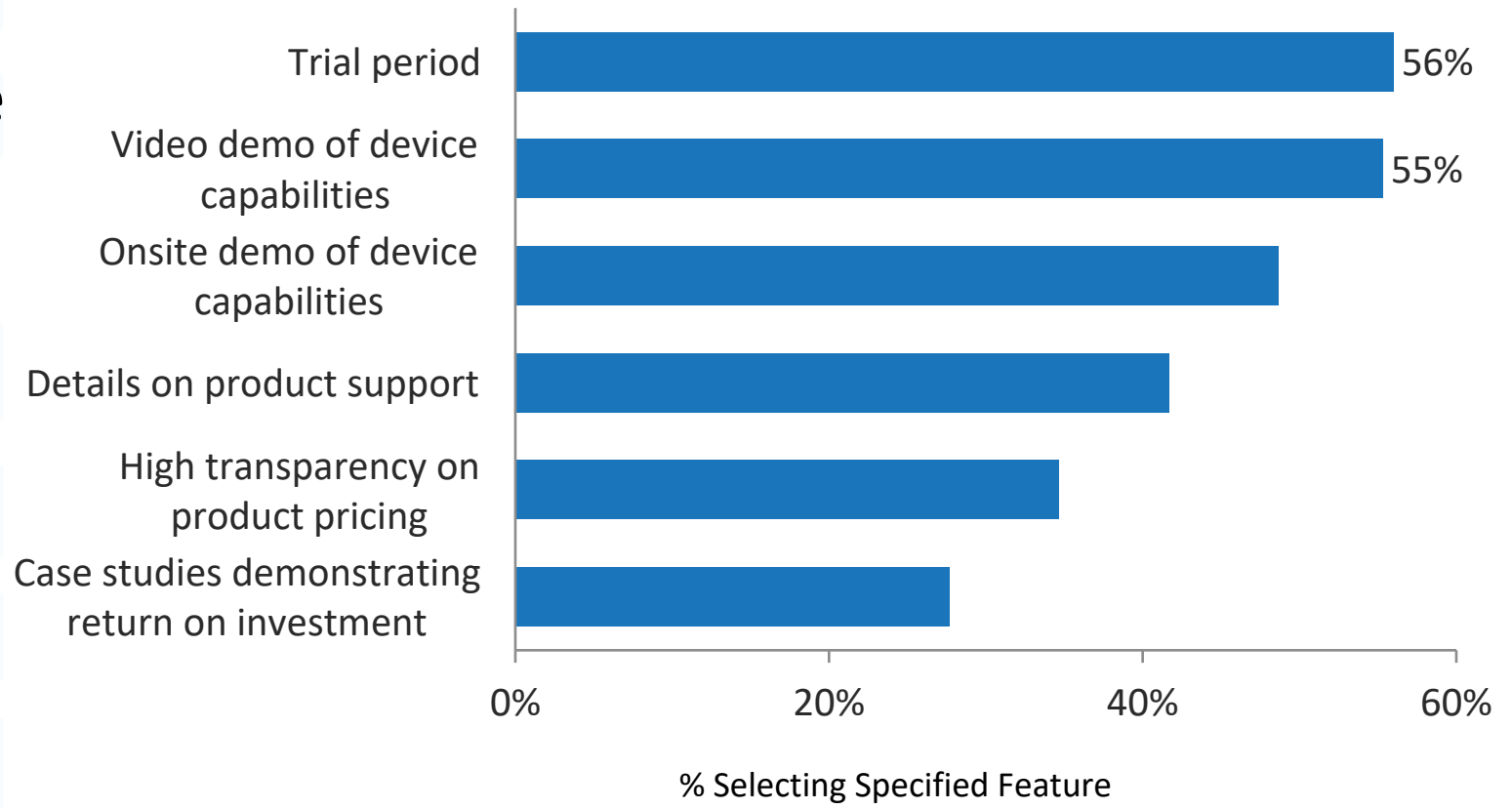
95% of respondents expect effects within 5% - 30%

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# MDU Decision Makers Want Trials and Demos

Broad scale trials are difficult to achieve because of significant costs

### Preferred Vendor Proposal Features



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Among US MDU Property Managers and Owners, N=300

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