

**SPEECH BY MOS ZAQY MOHAMAD AT THE
SINGAPORE INSTITUTE OF SURVEYORS AND VALUERS ANNUAL DINNER
ON 14 SEPTEMBER 2018**

Good evening. It is my pleasure to join you at the Singapore Institute of Surveyors and Valuers annual dinner.

Valuable player in the real estate sector

SISV has a long history and plays an integral and important role in Singapore's real estate industry. I am pleased to note that over the years, SISV has continually raised professional practice standards among professionals represented by the association, in tandem with the growth and development of the real estate industry. Raising professional standards is an onerous task, and never ending one. In this respect, I would like to express my appreciation to the dedicated and passionate leadership of SISV. Do keep up the good work.

With a wide ranging membership which includes valuers, surveyors, real estate salespersons and property management, SISV is uniquely placed to contribute to the development and transformation of the real estate industry. Increasingly, technology disruptions have no respect for traditional professional boundaries. Indeed, now more than ever, a broad based industry association like SISV has the added advantage of being able to scrutinise and better understand the disruptive challenges as well as opportunities which cut across industry sub-sectors.

Transformation of the real estate industry

Over the past few years, we have seen technology reshape many sectors of the industry, changing not just traditional jobs but our very way of life. Many of you have seen the impact of Grab and Uber - which has merged with Grab - on the taxi industry, or the impact of online shopping on our retail industry.

Property Transactions

The real estate industry has started to see something similar over the past few years, most notably in the property transaction sub-sector. A few years ago, disruptors like Ohmyhome, entered the property listing market offering easy-to-use DIY services. Like

Grab, these disruptors sought to use the convenience of the internet to compete against traditional players – in this case property agents.

More recently, the pace of disruption has intensified, with players from other parts of the real estate value chain moving in to capture a share of the business. For example:

Banks which once used to confine themselves to the mortgage business have recently moved into the property listing market. OCBC's OneAdvisor Home Portal and DBS' Property Marketplace now allow home buyers to plan their finances and browse properties.

While this has intensified competition, this has also provided opportunities to traditional players like property agents and valuation firms which have digitalised their operations.

For example, property agents which once used to confine themselves to being intermediaries in the sale of properties have moved into the property listing market. In March, three of the largest property agents, ERA, Huttons and PropNex, launched a mobile listing platform called SoReal Prop.

Using the SoReal Prop platform, property agents have teamed up with United Overseas Bank (UOB) to launch a fully digital home loan solution. This also includes Singapore's first bank-backed instant indicative valuation service, created with the support of a property consultancy firm.

What this means is that each part of the property transactions sub-sector will no longer play a clearly defined role. Looking ahead, how banks, valuation firms, property agents, listing portals and lawyers get business and service clients will change. While there will be challenges, there will also be good business opportunities for those who are willing to collaborate with other players and redefine the market sector.

Facility Management

In the facilities management sub-sector, technology has also changed the way buildings are designed and maintained. Firms, such as CapitaLand and Ascendas-Singbridge, have rolled out several smart initiatives to monitor their buildings more

efficiently. For instance, CapitaLand's iClean system, uses sensor data to remotely monitor the usage of toilets for more efficient deployment of manpower resources.

Moving forward, together

With all these changes, it is clear that the traditional way of transacting and managing properties will continue to evolve over the next few years. With these fast paced developments, companies and workers will have to be nimble and adapt to change. This is why Government worked with the industry, unions, and industry associations to develop the Real Estate Industry Transformation Map (ITM) to chart out the way forward for the real estate industry. It was launched in February this year, and put in place the following initiatives:

For companies, there are Capability Development Grants (CDG) to help support firms who wish to focus on higher value-add work and scale-up business capabilities.

For workers, we are working with the industry and course providers like SISV to better train workers with the skills necessary to remain relevant. The Council for Estate Agencies (CEA) will be reviewing its Continuing Professional Development (CPD) framework to see how we can prepare property agents for changes in the real estate industry. On the facility management side of things, the Building and Construction Authority (BCA) will work with institutes of higher learning (IHLs) to review and update the curriculum offered by IHLs, to ensure our students stay relevant amidst transformation. BCA will also strengthen the Continuing Education and Training (CET) framework to build up a talent pool for the sub-sector.

We are also working closely with industry to drive transformation in both sub-sectors.

CEA is leading a Digitalised Property Transactions Workgroup (DPTWG) comprising members from across the real estate value chain and key Government agencies to facilitate seamless, efficient and secure property transactions. The workgroup will study the release of more government data to industry. Amongst other things, this will allow automation of time consuming administrative tasks such as due diligence checks and allow property transaction firms to focus on providing higher value services to consumers.

BCA has formed a Tripartite Facilities Management Implementation Committee (FMIC) to implement the ITM. The Committee will seek to increase adoption of smart facilities management solutions such as real-time monitoring and predictive maintenance so that we can be more efficient and effective in managing our infrastructure.

I would like to highlight that SISV has played a crucial role in the development of the real estate ITM. With its broad based membership, SISV was able to share crucial insights and industry perspectives on transformation. I am also pleased to note that SISV continues to be involved in the DPTWG, which will help shape the future of property transactions.

Taking the lead in transformation

Looking ahead, industry associations like SISV are well placed to lead the transformation of the real estate sector. Firstly, SISV can play a crucial role in preparing your members for the demands of the future.

You can help your members plug into the latest developments and initiatives under the ITM to enable businesses to leverage the opportunities that are made available.

You can also provide training to help the workforce raise its professionalism and capability.

Secondly, SISV can also spearhead initiatives to support transformation:

Lead the way in developing and upholding industry standards such as in service delivery and quality, facilitating the adoption of technological solutions that help raise productivity.

Help facilitate exchanges of ideas and collaboration across the real estate value chain. This will promote a more adaptable and resilient industry, that leverages each other's strengths.

Conclusion

The future will continue to be highly uncertain amidst the fast changing pace of disruption. Companies, workers, and even Government regulators will need to

constantly reassess, rethink and even reinvent our respective roles. Nonetheless, there are opportunities for those who transform, and companies and workers need not worry – you are not alone in this journey. The government will continue to support you and other industry players, to prepare for the uncertainties ahead. There are also opportunities for industry associations like SISV to take the lead in helping the industry transform.

Transformation can be messy, transformation can be unsettling. But if we work together, we can grow our economy, forge competitive companies, and create good jobs for our people.

Thank you.
