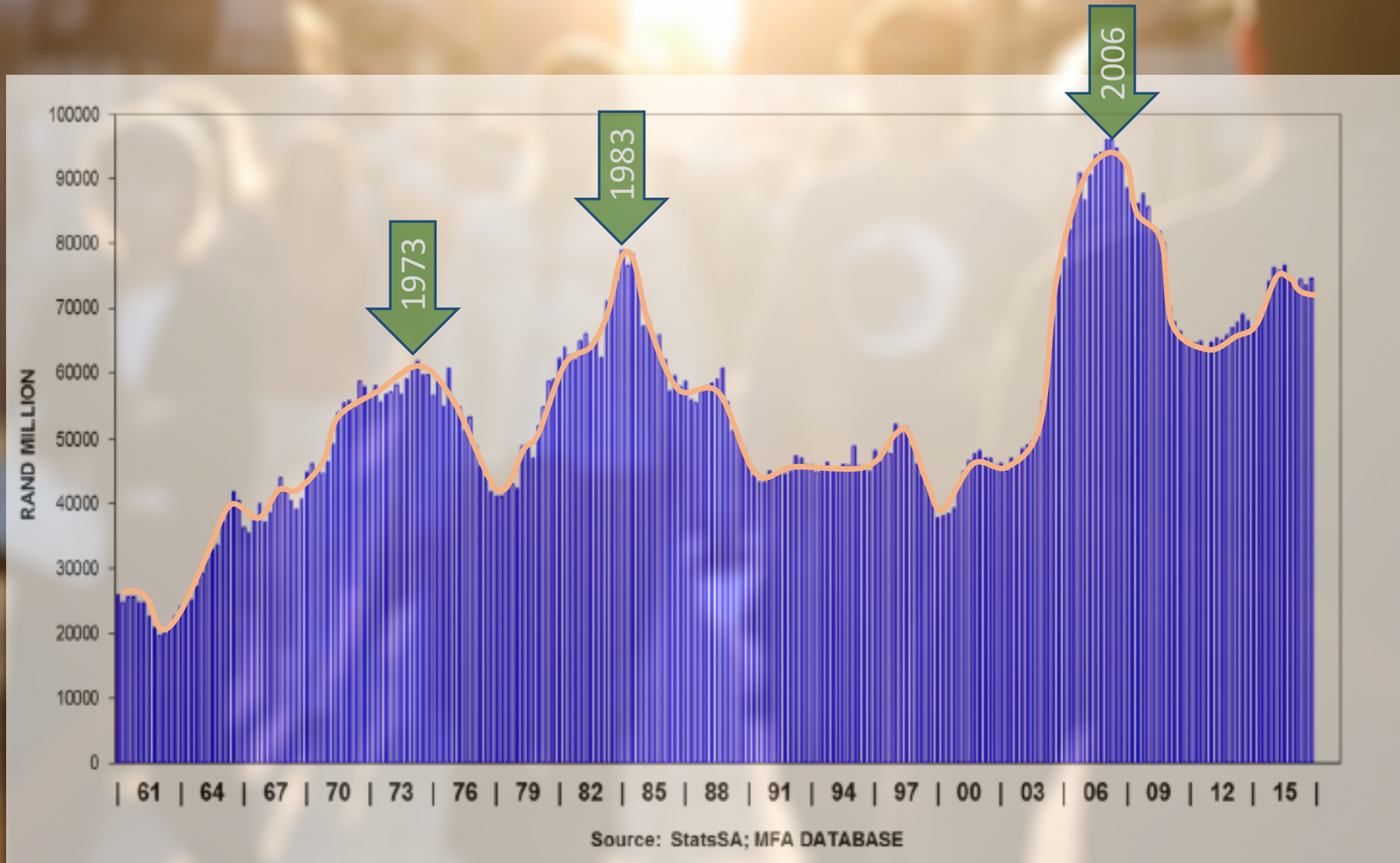


DISRUPTORS OF THE SA PROPERTY MARKET CYCLE: A GLIMPSE INTO THE FUTURE...

Associate Professor François Viruly, University of Cape Town

PREVIOUS DISRUPTORS IN SOUTH AFRICA: 1960-2017





1. Agrarian

Proximity to other people

Rural population

2. Early Industrial

Proximity to raw materials

Urbanisation

3. Mercantile

Proximity to markets

Suburbanisation

4. Capital

Proximity to financial capital

Urban renaissance

5. Digital

Proximity to other people

Urban dispersal

Regulating the internet giants

The world's most valuable resource is no longer oil, but data

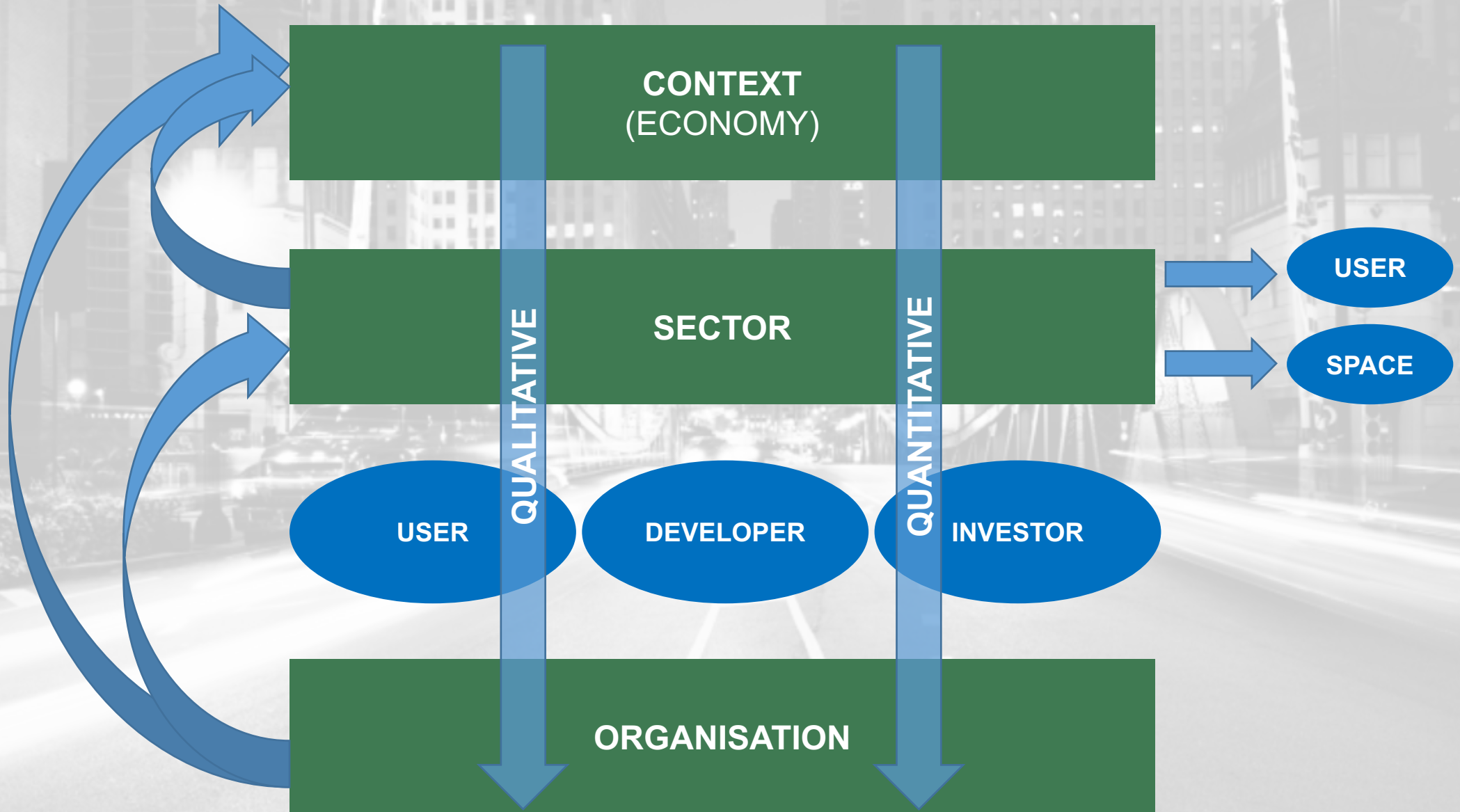
The data economy demands a new approach to antitrust rules



STEEP: THE FACTORS DISRUPTING THE PROPERTY MARKET

				
SOCIAL	TECHNOLOGICAL	ENVIRONMENTAL	ECONOMIC	POLITICAL
Urbanisation	Internet of Things	Smart Buildings	Digitisation	Grassroots Politics
Middle-Class	Big Data	Sustainability	Black Middle-Class	Local Government
Demographics	TOD	Construction	Informality	Smart Cities

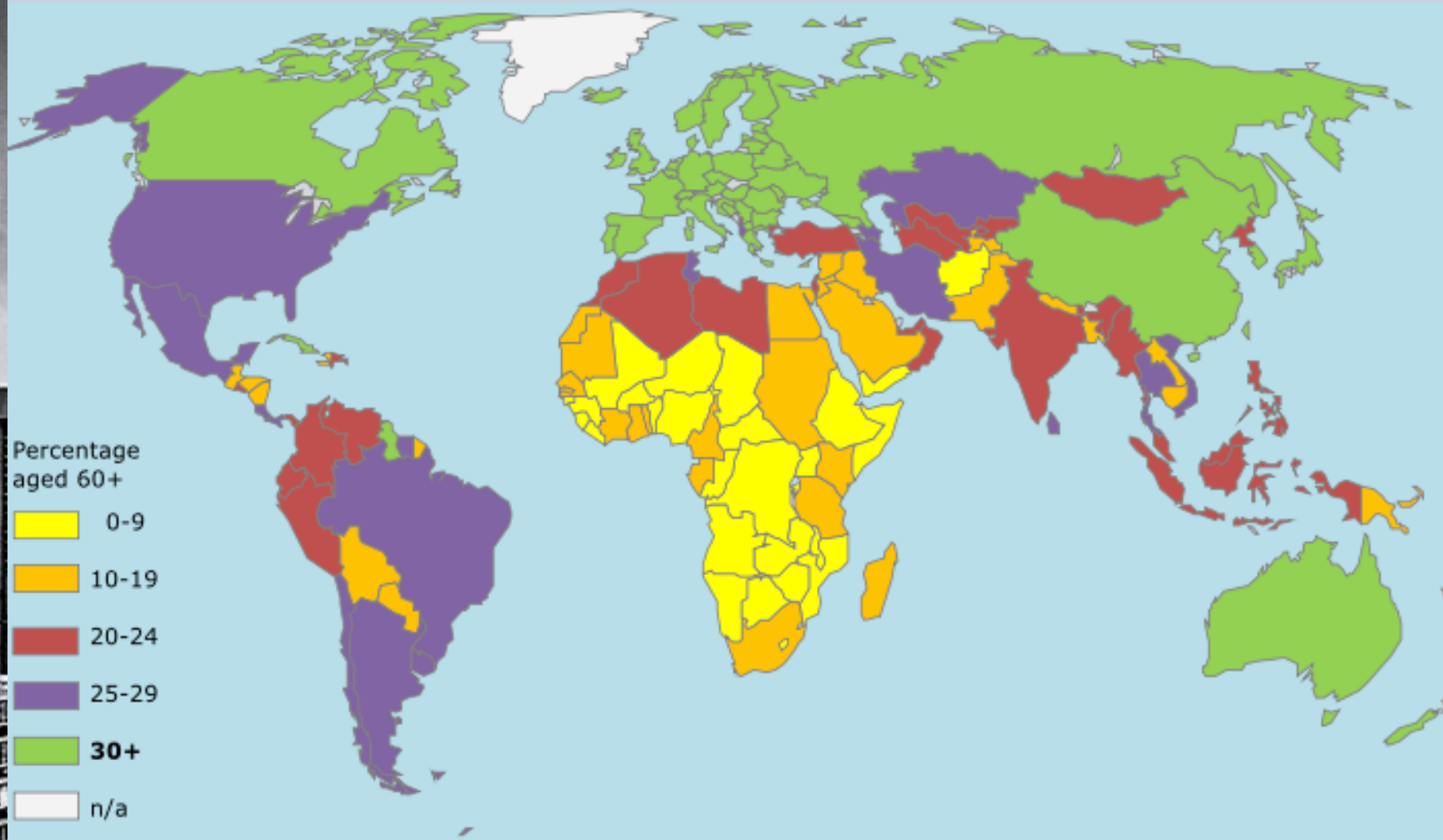
STEEP



A GLIMPSE INTO THE FUTURE... KEY DISRUPTORS



% aged 60 years or over in 2050



TECHNOLOGICAL

**THE INTERNET OF
THINGS (IOT)**

SMART CITIES

AIRBNB

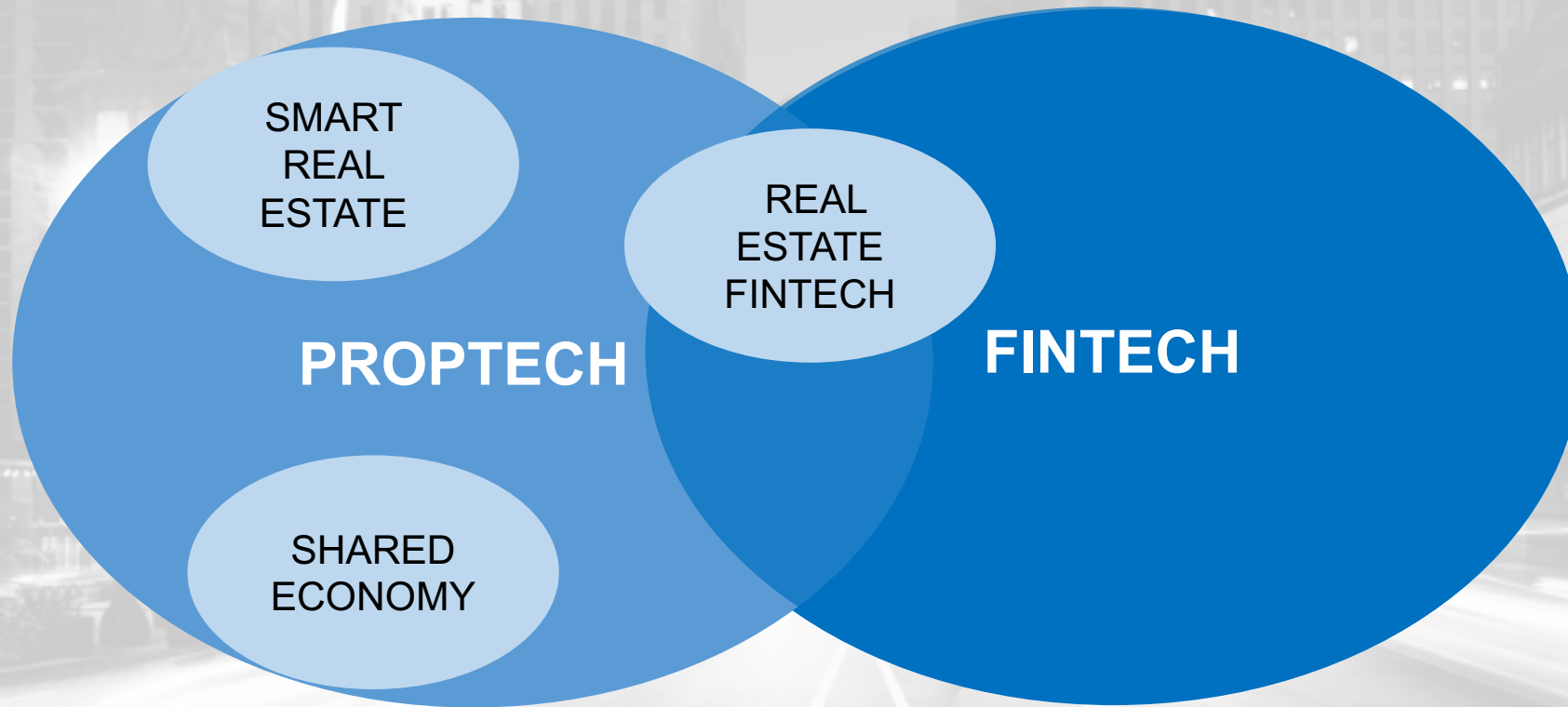
BIG DATA

ONLINE RETAIL

**DIGITISATION OF
MARKETS**



PROPTech: BIG DATA AND PROPERTY



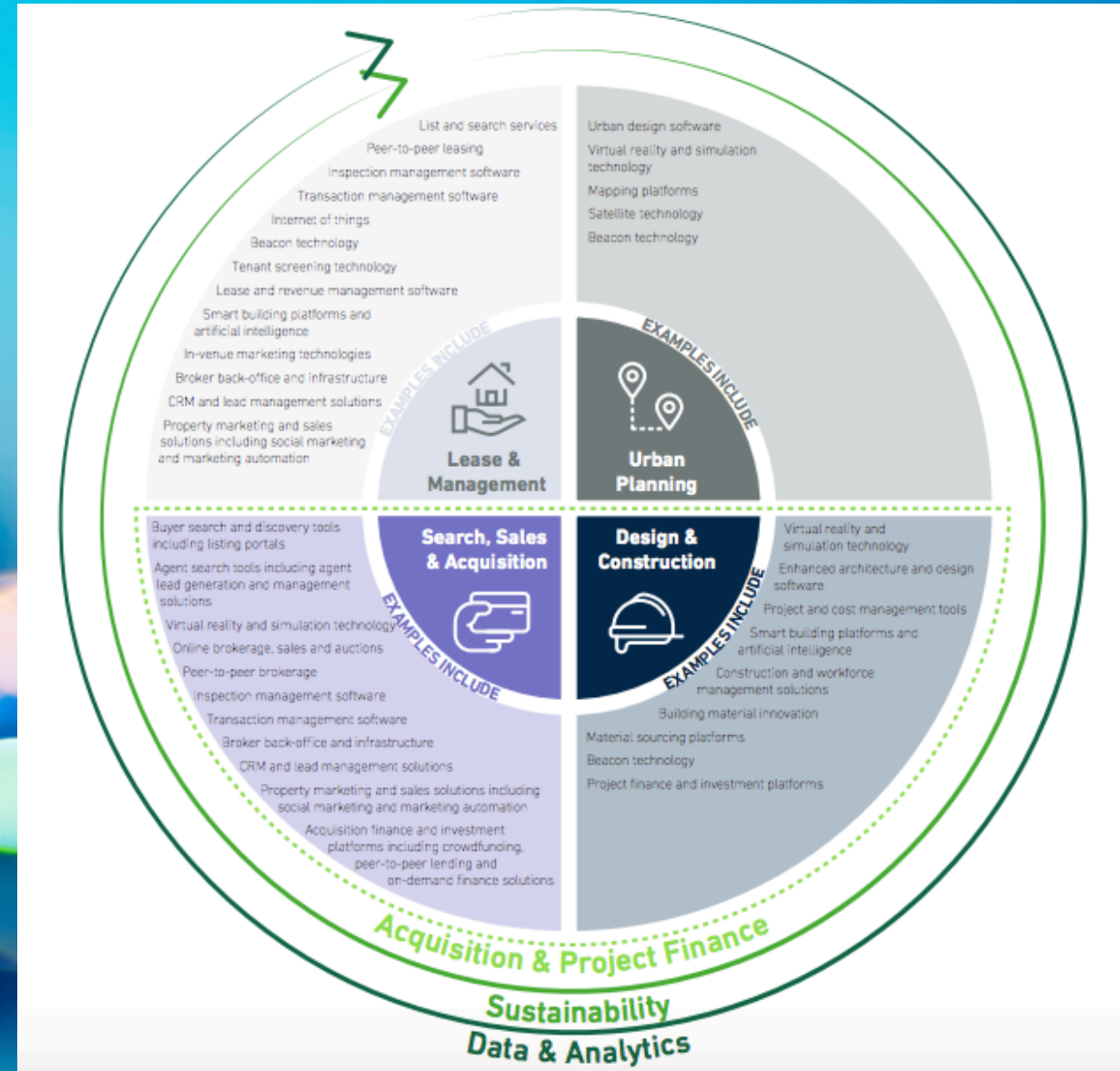
PROPTech (CREATED WITHIN AND FOR THE PROPERTY SECTOR)
IS ENDOGENOUS: FINTECH, VIRTUAL REALITY, BLOCKCHAINS, ARTIFICIAL
INTELLIGENCE, AND SMART SENSORS

A DISRUPTION TO THE CYCLE AND TREND MODEL

**FOCUS USED TO BE ON
EXOGENOUS (STEEP) AND
PROPERTY MARKET LARGELY
FOLLOWING**

**EFFECT OF TECHNOLOGY AND
DIGITISATION MARKETS**

**ENDOGENOUS FACTORS CAUSING
THE STRUCTURAL CHANGE
WITHIN MARKETS DUE TO
DIGITISATION**



Whole wallet

An industry shudders as Amazon buys Whole Foods for \$13.7bn

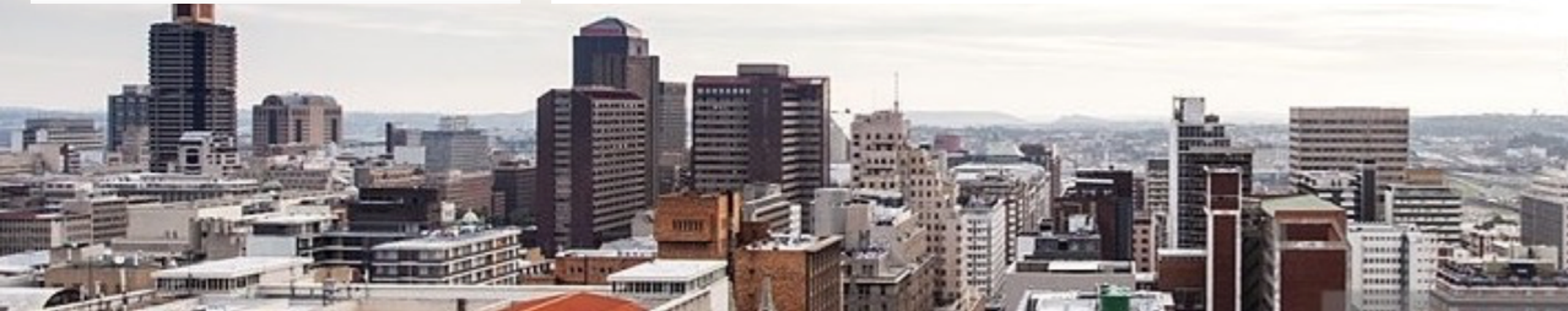
Investors hammered the shares of other grocers in the wake of the deal



No more high property commissions

Start-ups such as Leadhome will force old-world estate agents to embrace the power of technology if they want to survive

18 MAY 2017 - 11:47 by THABISO MOCHIKO



PROPTech: BIG DATA AND PROPERTY

“THE MAJORITY OF PROPTech FIRMS THAT WILL SUCCEED ARE NOT THOSE THAT ARE TRYING TO BE DISRUPTIVE; THEY ARE THE ONES FOCUSED ON DELIVERING PRODUCTS THAT BRING EFFICIENCY AND ALIGNMENT TO THE MARKET”



FORGET LOCATION, LOCATION, LOCATION

**THE NEW BATTLEGROUND IN REAL ESTATE IS
TECHNOLOGY, TECHNOLOGY, TECHNOLOGY**

A man and a woman are looking at a display of architectural plans or blueprints. The woman is pointing at a specific plan with her right index finger. The man is looking at the same plan. The display is a glass case with several plans inside. The background is a blurred city street with buildings.

**HOW MUCH LONGER DO YOU THINK
YOU WILL BE SEEING THIS?**

THANK YOU

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