Photo Source: Shuttlestock

Prop Tech, prop tech, Proptech, Prop-Tech, or Techprop…..

I admit I've lived under a rock for periods of time and so totally missed how the term "prop tech" came to be[1]. I was told it came out somewhere in the 2010 era, but there are so many variations of prop tech[2] that it has become a somewhat amorphous concept. It's not even in the Merriam-Webster's Dictionary!

Before I get all the responses on the term, let me say that this is my opinion and my opinion alone.

In broad terms, prop tech is the intersection between the real estate industry (think building owners and developers) and technology utilization to reduce costs and make more money (let's be frank). Prop tech can be used in:

- Property management through digital twin solutions
- Sensor applications utilizing private networks that monitor everything from security to water breaks
- Carbon credits and block chain to swap energy credits
- Clean energy
- AI (to do all sorts of stuff)!

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[1] Probably over drinks between real estate tycoons and investment bankers with fishbowl sized martinis
[2] I am not even sure you are supposed to capitalize this or hyphenate this term

I represent a clean energy solar and smart glass company that is designed for in-building use, hence my interest in the prop tech intersection between buildings and clean energy[3]. With the global focus on clean energy, and the continuing quest to make real estate more profitable, a review of how to make buildings more environmentally contextual makes sense.

Prop tech clean energy solutions can integrate solar energy coupled with monitoring systems that track energy consumption and patterns within a building helping identify inefficiencies and optimize energy consumption. Ultimately, this increases value and reduces a building's carbon footprint.

Traditionally, buildings install solar panels on the roof, but the square footage footprint is limited, so vertically designed solar panels are being seriously looked at around the world. Another prop tech solution is to integrate smart glass technology in building designs allowing for colorization, and heated glass, reducing thermal energy loss.

Wireless 5g technology can even be embedded in glass, essentially turning the building into a 5g antenna. Outward facing sensors on smart glass can monitor traffic, pedestrians, weather, etc. in an anonymized data stream. Yes, this does have Orwellian overtones, but it is the future and another possible way to monetize data.

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[3] You can see the client SunFleur in an earlier post. www.sunfleursolar.com

So why should you consider prop tech?

- Potential reduction in the carbon footprint.
- Clean energy.
- New opportunities for revenue streams and reduction of operating expenses.
- Tax credits!
- It's a global growth investment segment going from $30 billion in 2022 to $133 billion in 2032.[4]
- Because the world is going through climate change, and looking at problems in a new way is the right thing to do.

Ultimately, the business value of investing in and integrating property and technology lies in the potential for financial returns, tax credits, improved operational efficiency, enhanced customer experience, and the ability to stay competitive in a rapidly evolving market.

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[4] Precedence Research