

PRESS RELEASE

TRANSFORMING THE REAL ESTATE INDUSTRY TO BE FUTURE-READY

The Real Estate Industry Transformation Map (ITM) has been launched to provide a roadmap for the transformation of the real estate industry to be future-ready. This is the third ITM under the Built Environment (BE) cluster to be launched and it is a collaborative effort between the industry, union, academia, and the Government.

A future-ready real estate industry

2 The real estate industry is facing various challenges. New technologies are disrupting existing business models and traditional jobs. Consumers' expectations are also rising – they want services which are more convenient, transparent and reliable. At the same time, we are facing challenges with slowing manpower growth.

3 **The Real Estate ITM therefore seeks to transform the real estate industry so it can continue to grow and provide good jobs for Singaporeans.** The government, together with stakeholders from across the entire real estate value chain, including property agencies, conveyancing lawyers, valuation firms, facility managers, property developers and property technology firms, collectively developed the Real Estate ITM. Over 50 engagement sessions with stakeholders were conducted over the past year.

4 The Real Estate ITM initiatives will focus on transforming the Facilities Management (FM) and property transaction services sectors to ensure they are futureready. In our review of the real estate industry, these two sectors have been identified as holding the greatest promise for transformation. However, the ITM initiatives, when implemented, would also impact and require the close partnerships

of the other stakeholders in the real estate industry. The Real Estate ITM has two broad thrusts: (a) Embrace innovation and leverage technology;

(b) Strengthen professionalism and upskill workforce.

(A) Embrace innovation and leverage technology

In Facilities Management

5 Buildings have to be well maintained to ensure optimal building performance and sustainability. Ease of maintenance will become increasingly important as our city ages, and as we continue to build new buildings and infrastructure. Current procurement practices focus more on reducing cost than enhancing service delivery. This gives little incentive for the FM sector to innovate and invest in Smart FM solutions such as real-time monitoring, predictive maintenance, and automation that improves a building's operational efficiency.

6 The Building and Construction Authority (BCA) has therefore been tasked with coordinating the development of the FM sector with other relevant agencies. One immediate task is to form a **tripartite FM Implementation Committee (FMIC)** to provide advice to and assist in formulating the implementation details of the ITM plans for the FM sector.

7 A key area the tripartite FMIC would look into is **to increase adoption of Smart FM solutions and practices island-wide, which will improve productivity**. This will in turn help drive the research and development of FM solutions, and nurture innovative enterprises. Additionally, consultants will be encouraged to **design and construct buildings with FM in mind right from the planning and design stage**. Maintainability will also be systematically considered in the building design, so as to minimise the need for expensive retrofitting and labour-intensive maintenance.

In Property Transaction Services

8 We also need to leverage technology so that property transaction services can be faster and more efficient. We have taken a first step with the streamlining of the Housing & Development Board (HDB) resale transaction process, with the launch of the HDB Resale Portal in January 2018.

9 To continue the momentum, the Council for Estate Agencies (CEA) is leading a new **Digitalised Property Transactions Workgroup to move the industry towards seamless, end-to-end, efficient and secure transactions for consumers**. Formed in January 2018, the Workgroup consists of all key government agencies involved in the property transaction process, including HDB, Urban Redevelopment Authority (URA), Central Provident Fund Board (CPF Board), GovTech, Inland Revenue Authority of Singapore (IRAS), Ministry of Law (MinLaw), Singapore Land Authority (SLA), and Monetary Authority of Singapore (MAS). It also includes industry representatives, including the Association of Banks in Singapore (ABS), Consumer Association of Singapore (CASE), Institute of Estate Agents Singapore (IEA), PropTech Association Singapore, Real Estate Developers' Association of Singapore (REDAS), Singapore Estate Agents Association (SEAA), Singapore FinTech Association (SFA), Singapore Institute of Surveyors and Valuers (SISV), SGTech, and The Law Society of Singapore (LawSoc).

10 One key initiative the Workgroup is working on is the **sharing of Government property-related data with the industry to enable firms to automate administrative processes** such as time-consuming due diligence checks. Examples of Government data include information such as the owner's fulfilment of the Minimum Occupation Period (for HDB flats only) and property ownership details which can be used to verify that the seller is the legal owner of the property. Firms can leverage these data by streamlining and automating their internal process via digital platforms so that agents can focus on higher-value work. Such seamless data sharing will be progressively made available from this year onwards.

11 To streamline property transaction processes, the Workgroup will also develop digitalised contract templates and checklists for use by consumers and property agents by early-2020s. The private sector can tap on the technology enablers and

tools provided by the workgroup to innovate and provide end-to-end and seamless services to consumers.

(B) Strengthen professionalism and upskill workforce

In Facilities Management

12 Apart from embracing technology and innovation, industry transformation needs to be supported by a skilled and professional workforce. BCA will thus work with the institutes of higher learning (IHLs) and the FM associations to review and update the curriculum offered by IHLs, and also strengthen the continuing education and training (CET) framework to build up the FM talent pool. BCA will also explore working with FM associations to implement an industry accreditation scheme, that will improve the professionalism of the industry and enhance the attractiveness of a career in FM. This will ensure that current and future FM practitioners will be equipped with more advanced and relevant FM capabilities and skillsets.

On Property Transaction Services

13 To strengthen professionalism, CEA will work with the industry to **publish property transactions closed by agents**. This initiative will be implemented in two phases – starting with HDB transactions from end-2018, and for private residential transactions from end-2019. Apart from strengthening professionalism, this initiative will increase transparency to consumers, and give them greater confidence to continue engaging agents during this time of disruption. In the long term, CEA also plans to work with the industry to collect and publish consumer ratings of agents to improve their accountability to their clients.

14 In addition, CEA will also be revamping its Continuing Professional Development (CPD) framework by end-2018, to ensure that agents upgrade themselves and keep abreast of the latest changes in policies and procedures relating to real estate transactions. This will ensure that real estate professionals remain

competitive and relevant in the changing environment, and equip them with skills to handle digitalised processes.

15 As part of the Real Estate ITM, CEA has also worked with NTUC LearningHub to introduce a SkillsFuture for Digital Workplace (SFDW) programme contextualised for workers in the real estate industry, to help real estate professionals to be futureready.

Continuing the collaboration

16 BCA and CEA will continue to work closely with the industry as the details of the Real Estate ITM initiatives are finalised and progressively rolled out. We will continue to press on with upskilling and transformation, so that our firms and workers are well-positioned to take on the challenges and opportunities of the future.

17 The transformation journey is an ongoing one, and we welcome feedback and suggestions as we continue to fine-tune the plans with our union and industry stakeholders.

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