

PROPTech INNOVATION APPLICATION IN THE DEVELOPMENT OF REGIONAL MARKETS OF RESIDENTIAL REAL ESTATE

Summary

The article explores the directions and prospects of applying PropTech innovations in the development of regional residential real estate markets. The definition of PropTech as a tool for the digitization of the residential real estate market was formed, the specificity of the PropTech 3.0 concept, which envisages the migration of all real estate transactions to blockchain, was noted. Some blockchain disadvantages and the problems of its application in Ukraine were listed. It is emphasized that startups working on technological solutions for the residential real estate market develop them in the areas of: marketing, search, service, sale and housing management. The long-term rental market is considered as a promising segment, for which the offer is better formed by "phygital" platforms, omni-models that combine on-line services with advanced digital solutions and of-lain(offline) services - regional and local developed physical partner services.

As a result of the study of digital practice in the residential real estate market and considering the prospects of further digital transformation of the market at the global, national and regional levels, reducing the digital gap in the national, inter-regional and intra-regional information space, a number of proposals have been formed. It is concluded that the success of traditional market players will soon depend on quickness of their adaptation to the changes that are happening, transformation into digital companies - mobile, integrated, flexible, digital, based on a functional digital transformation strategy.

Keywords: residential real estate market, regional market, innovation, PropTech, blockchain, startups, long-term lease segment, regional program.

References:

1. Nicoll, A. (2019). Venture funds have poured \$24.6 billion into proptech so far this year — and there's likely more to come. *Business insider*. Available at: <https://www.businessinsider.com/vcs-invested-record-246-billion-in-proptech-q3-of-2019-2019-10> (Accessed 5 Feb 2020) (in Eng.).
2. Digital technology in the real estate sector. Available at: <https://www.pwc.ru/ru/industries/real-estate/digital-real-estate.html> (Accessed 5 Feb 2020) (in Russ.).
3. Carl Benedikt Frey, Michael A. Osborne The future of employment: how susceptible are jobs to computerisation? Available at: https://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf. (Accessed 5 Feb 2020) (in Eng.).
4. Gareev, I.F., Mukhametova, N.N. (2018). The introduction of digital technology at the stages of the life cycle of residential real estate. *Zhishhnye strategii [Housing strategies]*, vol.5, pp. 305-322. (in Russ.).
5. Digital technology in the real estate sector. Available at: <https://www.pwc.ru/ru/industries/real-estate/digital-real-estate.html> (Accessed 5 Feb 2020) (in Russ.).
6. Goveiko, S.N. (2018). Blockchain technology and the real estate market. *Voprosy nauki i obrazovaniya [Issues of science and education]*, vol. 26 (38), pp. 37-38. (in Russ.).
7. Muradyan A. Artificial intelligence in the real estate market changes the way of sale and purchase of houses. Available at: <https://tranio.ru/articles/iskusstvennyi-intellekt-na-rynke-nedvizhimosti-menyat-sposob-prodazhi-i-pokupki-domov/>(Accessed 5 Feb 2020) (in Russ.).
8. Kotlyarova, D., Frolov, A. Digitalization of the long-term rental real estate market. Available at: <http://www.tadviser.ru/index.php>(Accessed 5 Feb 2020) (in Russ.).
9. Constine Josh Airbnb invests as Zeus corporate housing raises \$55M at \$205M. Available at: <https://techcrunch.com/2019/12/09/airbnb-zeus/> Accessed 5 Feb 2020) (in Eng.).
10. Kotlyarova, D., Frolov, A. Digitalization of the long-term rental real estate market. Available at: <http://www.tadviser.ru/index.php>(Accessed 5 Feb 2020) (in Russ.).
11. Residential district RYBALSKEY. Available at: <https://rybalsky.com.ua/atmosfera/>(Accessed 5 Feb 2020) (in Ukr.).
12. The official website of SAGA Development. Available at: <http://saga-development.com.ua/>(Accessed 5 Feb 2020) (in Ukr.).
13. Digital Economy Report (2019). *Value Creation and Benefit: Implications for Developing Countries*. Available at: https://unctad.org/en/PublicationsLibrary/der2019_overview_ru.pdf. (Accessed 5 Feb 2020) (in Russ.).

14. New trends in the real estate market 2020. Available at: <https://ru.investinrussia.com/data/files/sectors/etre-2020.pdf>. (Accessed 5 Feb 2020) (in Russ.).

15. The level of digitalization in the Russian real estate market. Available at: https://www.pwc.ru/ru/assets/pdf/presentation_digitalisation.pdf. (Accessed 5 Feb 2020) (in Russ.).

16. Fintech trends to watch in 2019 (2019). Available at: <https://www.cbinsights.com/research/report/fintech-trends-2019/> (Accessed 5 Feb 2020) (in Eng.).

17. Digital Economy Report (2019). *Value Creation and Benefit: Implications for Developing Countries*. Available at: https://unctad.org/en/PublicationsLibrary/der2019_overview_ru.pdf. (Accessed 5 Feb 2020) (in Russ.).

18. Real Estate 2020 Building the future (2020). Available at: <https://www.pwc.com/vn/en/industries/assets/real-estate-2020-pwc.pdf> (Accessed 5 Feb 2020) (in Eng.).