# Using AI Products To Simplify Your Business

By Michael Hoban

At the closing session of last year's SIOR's Spring 2023 Event in Montreal, Canada, self-described economic futurist Andrew Busch wrapped up his U.S. economic forecast with a segment on AI. "This thing is powerful. It's amazing and will change the world very shortly," said Busch. "I'll make this prediction: (In the future), there will be two kinds of companies. Those that use AI and those that are out of business."

It's been a little over a year since OpenAI introduced ChatGPT to the world. While the question of whether generative AI will transform the world for the better or destroy humanity is debated in media outlets daily, the technology is helping businesses increase efficiencies, boost productivity, and lower costs.

## COMMERCIAL REAL ESTATE LAGS BEHIND

One industry that appears to be lagging in harnessing the power of the new technology is commercial real estate, which – given CRE's historically slow rate of adoption with all things tech – is not surprising. In a recent article by McKinsey & Company, the authors assert that, based on research by the McKinsey Global Institute (MGI), Generative AI could generate $110 billion to $180 billion or more in value for the real estate industry, but "many real estate organizations are finding it difficult to implement and scale use cases, and thus have not yet seen the promised value creation."

Jay Schwedelson, founder of SubjectLine.com and president and CEO of Outcome Media, works with a number of CRE clients. "When we talk about AI, a lot of them just tune out because they don't know how to integrate it, and they don't have time to figure it all out. They'll say, 'I just need to get more stuff sold or do more showings or get more listings or generate more interest… (aka, I don't have time for that)."

What many brokers don't realize, says Schwedelson, is that one of the easiest and most valuable uses of AI is the simplest – using AI to create content, a huge component of generating business. Whether it's blog posts, market reports, property descriptions, or trend articles, apps like ChatGPT, Google Bard, or Bing Chat can be prompted to churn out reams of content in a flash. While the content still needs to be edited, massaged, and verified, it dramatically reduces the time spent developing content, leaving more time for their core business of leasing and sales.

The apps can also transform existing content into multiple content pieces. "You can take a blog post, copy the entire post into ChatGPT, tell it, 'now give it back to me as a 500-word newsletter, a tip sheet with seven bullet points, and a 20-minute webinar script, etc., and within seconds it will give you each of those content pieces," says Schwedelson. "It allows you to take that one piece

of content and fuel your content strategy for weeks." He also shared the tip that the apps can be instructed to adopt a unique voice, i.e., 'explain this concept to me as if I were a seven-year-old' or 'explain this in the voice of Steve Jobs,' and the text will be produced in that style. (Note: As a test, we asked both ChatGPT and Bing Chat to 'Explain Triple Net leases in the voice of Robin Williams,' and each produced 400-plus word primers in the style of a Williams stand-up routine.) "There are a lot of practical ways that CRE professionals can really leverage AI," says Schwedelson.

## SIOR ADOPTERS MAKE THE CASE FOR AI

Bill Thresh, Member Associate, principal/owner of Thresh Brokerage in Syracuse, N.Y., embraced AI last summer and has been using the application to write listing descriptions and market summaries for his offering memorandums (Oms). Using the ChatGPT feature in CREOP, a platform that helps brokers create company-branded OMs, proposals, and flyers, he can instantly create summaries. "I just write a sentence describing the context of what I need, and it saves me from having to do research on markets outside of my own (Syracuse)," says Thresh. "If I get a listing in, say, a small suburb outside my market, in just 10 seconds, AI will pull events, demographics, employers, and market data about this obscure place that only someone living there would know. It comes up with stuff that you would never even think of, and it not only saves me time but impresses my clients and helps sell these sometimes difficult properties." Thresh adds that he needs to cross-check the information for accuracy before publishing it, but it has been an invaluable research tool.

Thresh has also begun using Google AI for his Google ads, taking a novel approach with the tool. While other CRE firms advertise their websites or the firm itself in their ads, he links the ad directly to the listing. "So if somebody Googles 'industrial property, Syracuse,' an actual property comes up instead of a bunch of industrial brokerage firms, and that cuts out a whole layer that these buyers have to go through," says Thresh. "With this approach, they Google it, and boom! The listing comes right up, and hopefully, that's what they're looking for. Google AI uses technology that specifically targets the people looking for that type of property." While he has not yet seen a sale or lease that he can directly connect to the ad, he has seen a dramatic increase in traffic to his website and for those listings specifically.

Jim Klein, SIOR, president at Klein Commercial Real Estate, says he is "experimenting" with AI, dabbling in ChatGPT, Google Bard, and Salesforce Einstein GPT. Klein has been using Bard for prospecting and offers this example. "Say you're looking for growing industrial companies," says Klein. "You can ask it for all the companies that have received funding from the CHIPs Act and the Inflation Reduction Act, and it returns this huge list." He then asks for a list of those public companies that own properties (found on their 10-K) and also researches the private companies through other media sources to determine where those properties are located. One problem, he notes, is that the addresses supplied by AI are sometimes incorrect due to "AI hallucinations," where the app generates responses that are fabricated and inaccurate. "So you have to use human intelligence to get the actual location in some cases," says Klein.

All of the data Klein has mined has created additional work. This has led him to hire a person to help catalog the data and reach out to prospects, but he adds, "I'm using it to generate leads, so

it should create more business." He has also hired a part-time data scientist to help him maximize the capabilities of Salesforce Einstein GPT, an AI tool that combines public and Salesforce's private AI models with CRM data.

Rick Chatham, Member Associate, is an associate in the San Diego office of Lee & Associates and led the Tech & Innovation panel at SIOR's Fall Event in Chicago. In conversations with other SIORs, he has learned that many are now actively using ChatGPT for tasks like creating OMs. "This is something literally every broker needs to go to their assistants and ask about," says Chatham. "If your brokerage staff isn't using ChatGPT to generate text for marketing purposes, they're wasting a ton of valuable time because it will do at least 90% of the work for you."

Chatham also uses ChatGPT for formatting data. He takes ownership data he obtains through PeopleFindersPro and pastes it into ChatGPT, which scrapes the names and phone numbers and exports them to a CSV file that he imports into his CRM or phone dialer. "I think we are just exploring the surface of what Generative AI will be able to do for data mining and sorting," he says.

In addition to the applications currently being employed by SIORs, there are a plethora of AI-powered tools now available that can assist with data extraction (LeaseLens, Prophia), underwriting (U-Rite, Clik.ai), and marketing (Jasper and Smartwriter). AdventuresinCRE.com, a commercial real estate resource website, recently published a List of AI tools for CRE for those looking to explore using AI in their business.

## AI ON AI

If there's one thing that history has taught us, it's that those who do not keep up with the tools of technology are likely to lag behind the competition or fail outright. So, what are the potential risks for commercial real estate professionals who do not adopt AI? We went to the source (in this case, Google Bard) and asked. Here is the (edited) conclusion of the Bard response:

The benefits of AI in commercial real estate are undeniable. Professionals who choose not to adopt this technology risk falling behind their competitors and facing a number of significant challenges. By embracing AI, professionals can improve their efficiency, gain valuable market insights, enhance their decision-making processes, and ultimately achieve greater success in the commercial real estate market.