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Speakers describe high-tech evolution 'Location, location, location' meets 'connection, connection, connection'

Dana Perrigan, Special to The Chronicle
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Depending upon your point of view, the world may or may not have become the way Aldous Huxley imagined it in his satirical book "Brave New World." But there can be little doubt that it has become -- largely due to the Internet -- a more transparent one. Especially when it comes to real estate.

Sitting in the splendor of his presidential suite on the eighth floor of the Palace Hotel in San Francisco Wednesday, Brad Inman -- sponsor of Real Estate Connect 2006 -- ticked off the elements that have given rise to this unprecedented level of honesty in the industry: dependable data on real estate listings; easily accessible property records; crime statistics; the sales records of agents; video tours of homes and neighborhoods; and, last but not least, interactive blogs.

"All these things," says Inman, "add up to a richer and more transparent experience for buyers and sellers. We call it a whole new industry."

Another indication of how much the industry has changed is this: Ten years ago, when Inman, founder and publisher of Inman News, sponsored the first conference designed to introduce the latest technology to real estate leaders, it was held in the woods in Sonoma. Fifty people attended. This year, an estimated 2,000 executives, brokers, agents, analysts and investors packed the Palace's corridors and conference rooms to listen to a host of speakers hold forth on how to successfully adapt businesses to this new industry.

Beneath the graceful arches and chandeliers of the Exhibition Hall, they ran the gantlet of vendors displaying the latest software and services: how to generate sales leads, take prospective buyers on a virtual tour of homes and neighborhoods, advertise property and create real estate blogs.

Stationed at the booth for QuinStreet of Foster City, John Spottiswood, vice president of products and services, spoke above the din on how home buyers have benefited from technology. According to a National Association of Realtors study, 78 percent of buyers do some research on the Internet. They can select an agent by checking on her record of sales. They can check the sales prices of homes in a neighborhood in which they are interested. Sellers can do the same to determine the value of their home.

"We've seen a 50 percent growth in business during the past year," says Spottiswood. "It's going extremely well."

And while paperless real estate transactions have yet to be achieved, Brad Ballard, manning Emeryville's HomeGain booth, says they're within sight.

"When I bought a home, I had to sign a stack of papers this big," he says, creating a space between his outstretched hands wide enough to slip in a basketball.

James Barry, president and CEO of **Listingbook** Inc. in North Carolina, says his firm has devised an online system for agents and their clients that streamlines transactions.

"The agent acts as an air traffic controller," says Barry. "It's all within the system. You don't have to go outside the system. The system archives everything and there's a record of everything."

The power of the technology, says Barry, is tremendous; the amount of available information, vast. The key is to make it useful and efficient by putting it into a form that is easy to use.

"The average real estate agent today," said Barry, "is 53 or 54 years old, and a majority of them are not tech-savvy. But the consumers they're dealing with are."

Statistics compiled by the Harmon Media Group reveal demographics favorable to those who know how to wield the latest technology. Forty-four percent of the U.S. population is under 42 years of age. They are media-savvy and data-hungry, and they use the Internet to satisfy that hunger. They will inherit large chunks of money. The majority of them will buy homes.

Their elders, the Baby Boomers (between 42 and 60 years of age), comprise nearly 30 percent of the population. Although they prefer print and television for information on homes, 58 percent now use the Internet, and 43 percent plan to move within 10 years.

"The Internet is our best and most powerful tool," said Lennox Scott, between bites of his turkey sandwich in the Palace's lobby. "Customer satisfaction has skyrocketed."

Scott's grandfather founded John L. Scott Real Estate in Bellevue, Wash., in 1931. Today the firm has 4,600 agents. Its Web site is the 46th most-used real estate Web site in the country.

Not so very long ago, says Scott, most home buyers found a place by hopping into their cars and driving around until they spotted something they liked with a for sale sign planted in the front yard. Then they contacted the agency listing the home.

Now, tools such as Microsoft's Virtual Earth, which produces three-dimensional images from satellites, offer an alternative to driving around -- prospective buyers can tour homes and neighborhoods while sitting in front of a computer screen.

"It's like you're taking a walk through the neighborhood," says Scott.

Inman echoed that sentiment while giving the keynote address of this year's three-day conference.

After delivering a brief status report on the state of the industry -- fewer buyers because of higher interest rates, but nothing to worry about -- Inman returned to his theme of transparency and demonstrated one of the latest tools for achieving it: online videos.

The video displayed on a large screen onstage showed a man enthusiastically talking about his latest invention -- a tent for his laptop so that he will be better able to view the screen in the bright glare at the beach. As if to demonstrate the occasional fickleness of technology, a glitch froze the enthusiastic inventor in mid-speech, his eyes bulging with excitement, his arms gesturing imploringly. Then he moved. And stopped. And moved. And stopped.

While transparency has great benefits, said Inman, it isn't without its dangers. There is the question of privacy to consider. Some worry about the possibility of identity theft and providing unwanted access to health records and other private information.

But the benefits far outweigh the dangers, said Inman, and those benefits, along with the knowledge associated with them, increase each day.

"The only area I can think of that's not there is the heart," he says. "We still don't understand what's in the heart