Processing Real Estate Data to Get What You Want
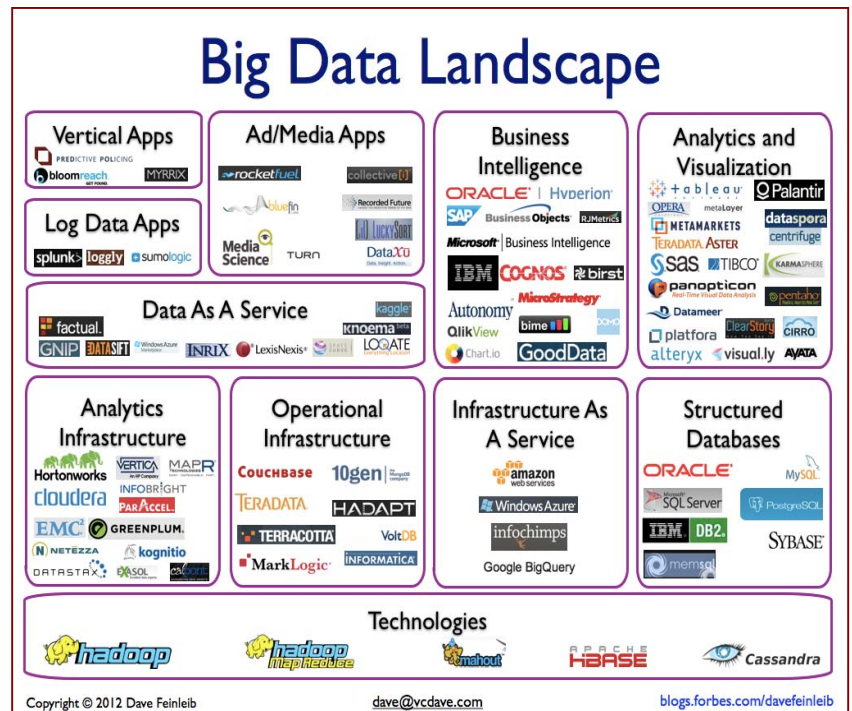
"As I experience certain sensory input patterns my mental pathways become accustomed to them. The inputs eventually are anticipated and even 'missed' when absent." -- Troi, to Riker—Star Trek: The Next Generation

There are over 1,000 data inputs into a typical commercial appraisal and data from public and private, and many times confidential, sources provide the information. Real estate brokers not only must know all aspects of the property being marketed, but the market in which that property is situated and all competitive purchase and/or investment options. An internet search for "Texas Real Estate Data" returns 463,000,000 results.

- No doubt, Texas A&M Real Estate Center (http://recenter.tamu.edu/data/) is a leader in consolidating building permits, employment & unemployment, housing activity & affordability and population in historical charts and graphs. This is one of the few sources for rural land trends.
- Zillow, Inc. (Nasdaq:Z) operates a leading real estate and home-related marketplaces on mobile and the Web, and welcomes 50 million monthly unique users.
- The Texas Association of Realtors consolidates quarterly reports on home trends, reporting 53,937 single family homes were sold in 1st Quarter 2013, a 17% increase from 1st Quarter 2012.
- Recently launched www.oconnordata.com incorporates not only 1,300,000 searchable real estate records with links to public information, but also compares and consolidates occupancy, rental rates, sales, mortgages, tenants, space availability, market reports on a metro and submarket basis, and contact information on over 140,000 owners/sellers/ lenders/leasing & sales brokers/management/tenants in the marketplace. In Texas real estate commercial marketplace, this site is probably the most comprehensive single source of data research and can be downloaded in a Word, PDF and/or Excel format.

The new real estate buzz word is "**Big Data**." Wikipedia defines **Big Data** as a collection of data sets so large and complex that it becomes difficult to process using on-hand database management tools or traditional data processing applications. The challenges include capture, curation, storage, search, sharing, transfer, analysis, and visualization.

The trend to larger data sets is due to the additional information derivable from analysis of a single large set of related data, as compared to separate smaller sets with the same total amount of data, allowing correlations to be found to "spot trends…."
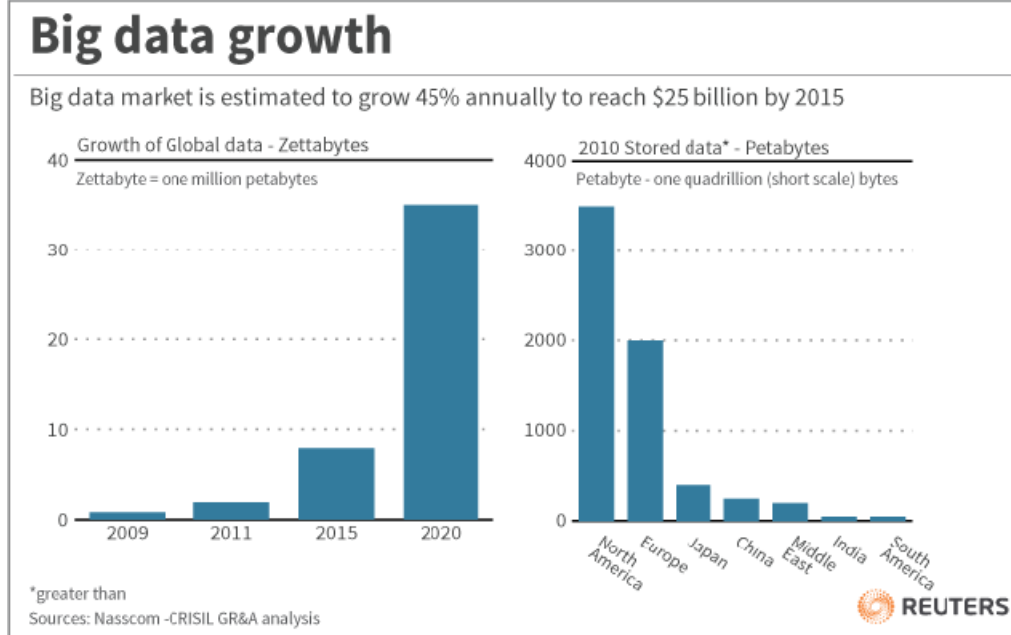

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Next Month

Economist discussion on the status of the market, where we are today and where we are going.

Big data growth

Big data market is estimated to grow 45% annually to reach $25 billion by 2015

Growth of Global data - Zettabytes

Zettabyte = one million petabytes

2010 Stored data* - Petabytes

Petabyte - one quadrillion (short scale) bytes

*greater than
Sources: Nasscom -CRISIL GR&A analysis

REUTERS

A "bottom up" approach is traditionally what real estate professional are looking for - taking quality information on individual properties and the contacts (seller/owner/broker/lender/tenant/management company) associated with that property, making it searchable and ability to aggregate is a great way to assemble Big Data in the real estate marketplace. Appraisers, brokers and other real estate professionals, and owners at the local level confirming and contributing property and transaction information on a property by property basis and getting that information into the data base continues to enhance the quality of the data on a granular and aggregate level.

Enhancing that with search capabilities that are thorough and unique provides market clarity that previously was not available.

www.oconnordata.com Commercial Records	
TENANTS	161,294
SALE COMPARABLES	1,306,541
RENT COMPARABLES	49,578
DEEDS	1,291,242
DEEDS OF TRUST - MORTGAGES	16,002
FIRMS/PROFESSIONALS ACTIVE IN THE MARKETPLACE	140,000+

Not only does the processing of Big Data mean Big Money, but those embracing its use should have efficiencies in processing documents, enhanced market knowledge and ability to analyze historical trends to make assumptions on future trends.

— About Sage Group —

We are a group of appraisal professionals working together to provide a single source of information and analysis for commercial real estate professionals across the country. Our team is managed by John Fisher, CCRA, LEED AP, W. F. "Buddy" Trotter, Jr., MAI, Michael L. Miller, MAI, Andre Suissa, MAI, Greg Zachary, Senior Appraiser and H. E. "Skip" Preble MAI, CCIM. For more information about us or to sign up to receive our newsletter, contact Michael L. Miller, MAI at 713.358.8450 or mmiller@sageappraisalnetwork.com.