

## **Internet House Viewing = Yes, Internet House Buying = Not Yet**

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Real Estate Portals, the ones that help you seek and trade real estate, have been springing up like sprouts. Visiting them all can take hours. While most still have some way to go, in terms of content provision, quantities of listings and comprehensiveness, the technology as a business tool is here to stay.

Currently, these portals collectively can and will **save the prospective house seekers (renters and buyers alike) time and effort in "screening" for probable property listings**. In the past, it is almost unavoidable that a house seeker would waste some precious time on visiting a few fantastically described dogs. Now, with the internet, he/she can sit comfortably at home and review all probable listings BEFORE actually contacting the relevant agents/owners for a visit. Nonetheless, the rest of the process is still "traditionally" done.

However, and notwithstanding there have been some sales of real estate on the web, **making internet trading and negotiations a popular preference/habit** of people to buy/sell/lease/rent real estate requires further facilities:

- a) **Legal:** e.g. is the current law sufficient to ascertain/define when and if a proper transaction has taken place on the internet?
- b) **Proper Identification:** Real estate transactions require clear identification of the seller and buyer, and their respective authority to do so (especially the seller). Yet, many other forms of internet transactions have taken place without the transacting parties knowing for sure who the other party is.
- c) **Web techniques:** portals may need to offer facilities so that the seller and buyer can interact (via a agent or otherwise), e.g. on price, terms and conditions etc, and also communicate with others, such as their respective lawyers, bankers etc (naturally their capability would also need to be compatible).
- d) **Payment Arrangement:** as money (e.g. a downpayment or deposit) can be "electronically" transferred from one (buyer's) account to another (seller's), some form of evidential verification can be incorporated into the internet transaction process to confirm the deal.

House seekers may still wish to "see before they buy", but then they may want to do the rest at home with a computer/TV and a cup of coffee in hand.

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Comparative Real Estate Global Indexes (CREGIS): 1st Q2000 (+/- from 4th Q1999)

One average private home / unit in Hong Kong can buy

1. Around 1.86 counterpart units in Toronto (2.2 %)
2. Around 0.97 counterpart units in San Francisco (2.0%)

