Beyond the Hype:

How AI Will Add Real Value in Real Estate

Aareon Whitepaper

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Executive Summary

AI dominates headlines, but hype alone does not house people. Across Europe, the housing sector faces a far more practical question: **how can AI create real value for housing providers, tenants, and the communities they serve?**

Europe needs millions of additional homes, while property management capacity is shrinking. Administrative work is becoming more complex, and tenant expectations continue to rise. The challenge is not whether AI is powerful, but whether it can **simplify work, remove friction, and help housing organisations run their operations more effectively.**

This paper **looks beyond chatbots.** It examines where AI creates measurable value today, what stands in the way of adoption, and how forward-thinking housing providers are moving from pilots to execution. That shift depends on AI being grounded in **reliable, well-governed data** and operational reality, rather than operating in isolation.

As Europe's leading Property Management System (PMS) provider, we see what works in practice. The biggest gains come when **AI is deeply integrated into housing platforms,** automating routine work, connecting communication to action, and freeing people to focus on homes, service, and community.

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The Case for Change

Europe's housing shortage is not only about buildings: it's about the capacity to manage them. By 2030, Europe will need **10 million additional dwellings**[1].

At the same time, housing organisations are under increasing pressure as regulatory and local government requirements expand, adding layers of administrative work to already complex operations.

This comes on top of growing project demands, difficulties attracting skilled staff, and rising expectations from tenants for faster and more transparent service. Demands that are very hard to meet with disconnected systems, manual workflows and scattered data.

Concurrently, housing providers are being asked to deliver more with less. They must service and improve the homes that they already manage, while keeping rents affordable through government-imposed caps. The result is a sector financially and operationally squeezed.

In the Netherlands, for instance, maintenance expenditures for social-housing corporations rose **53% between 2018 and 2023, while rent income increased by only 13%** (Daan Vrijmoet, 2025). At the same time, providers face rising requirements to make existing buildings more energy efficient and to decarbonise housing stock, adding further cost, complexity, and urgency to an already constrained system.

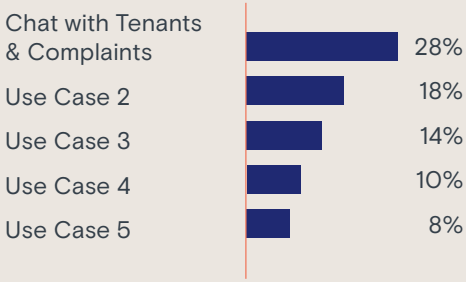
The truth is that AI will not change basic market dynamics or replace human judgement. It can, however, remove much of the friction in day-to-day work: triaging requests, routing tasks, checking data, and keeping processes moving. The opportunity lies in applying AI where capacity is lost today, so people can focus less on running operations and more on serving residents and communities.

[1] The State of Housing In Europe 2025.

Moving Beyond Chatbot

When people think of AI, they often think of a chatbot answering questions. That is useful, but it does not touch the bulk of the workload in housing organisations.

Top Customer Requested AI Products
(% of respondents, n=150)[1]



[1] Use cases anonymised for proprietary and confidential reasons

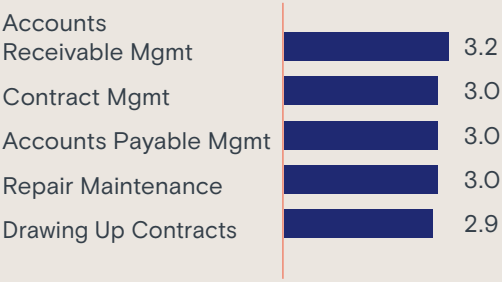
Our 2025 customer research reveals that chatbots for tenant queries emerged as the top priority, cited by 28% of respondents. It's clear that broad, pervasive solutions, such as ChatGPT and Microsoft Copilot, have shaped expectations.

However, when we ask where staff spend most of their time, the answers are very different: accounts receivable and payable, contract handling, maintenance coordination, and compliance checks. These are multi-step, system-spanning processes that a standalone chatbot cannot see or control.

Tenant communication is often where imagination starts. The real pain sits deeper, in the process-heavy work that quietly consumes the day.

Communicating with tenants is not in the top 5 and ranks only as the 14th most time-intensive process.

Top Customer Time Sinks
(score 5=max pain, n=150)



To tackle this, AI must be **deeply integrated into the Property Management System, underpinned by robust data.** Value is lost in the seams at the handover points between tools, teams, and data sources, where an isolated chatbot cannot see or act.

As needs evolve, attention is shifting towards more complex, outcome-oriented work that requires AI to act autonomously within processes rather than simply respond to requests. Impact is greatest when **AI operates as part of the process rather than as a passive assistant at the interface.** For most housing organisations, this shift arrives step by step: starting with clearly defined processes, building confidence through collaboration with providers and partners as results become visible, and expanding from there without disrupting daily operations.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Automate the Invisible Work

The largest drain on capacity in housing sits in repetitive back-office tasks. Aareon's **PMS-embedded AI agents** handle these automatically, recognising documents, booking invoices, and triggering workflows in the background. The work still gets done, just without the manual effort, saving the average customer over **3,000 hours** through automated document handling, standard process execution, and AI-driven chat interactions.

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Connect Communication to Action

A conversation is only the start of the process. Impact comes when that communication **automatically triggers the right action:** diagnosing a repair, instructing a team, or updating records without manual handover. Aareon's repair management AI, trained on 100K+ triage sessions, can **diagnose 60% of issues** remotely and de-escalate **85% of emergencies** before an engineer visit.

Understand Context, Not Just Content

Housing data rarely arrives neatly structured. Meeting minutes, maintenance notes, and messages require accurate interpretation before action can be taken. That's why it's essential to use **AI that understands the industry context** and can extract meaning from every source. Aareon's meeting notes AI does exactly that, saving customers **30,000+ hours** processing home owner association minutes.

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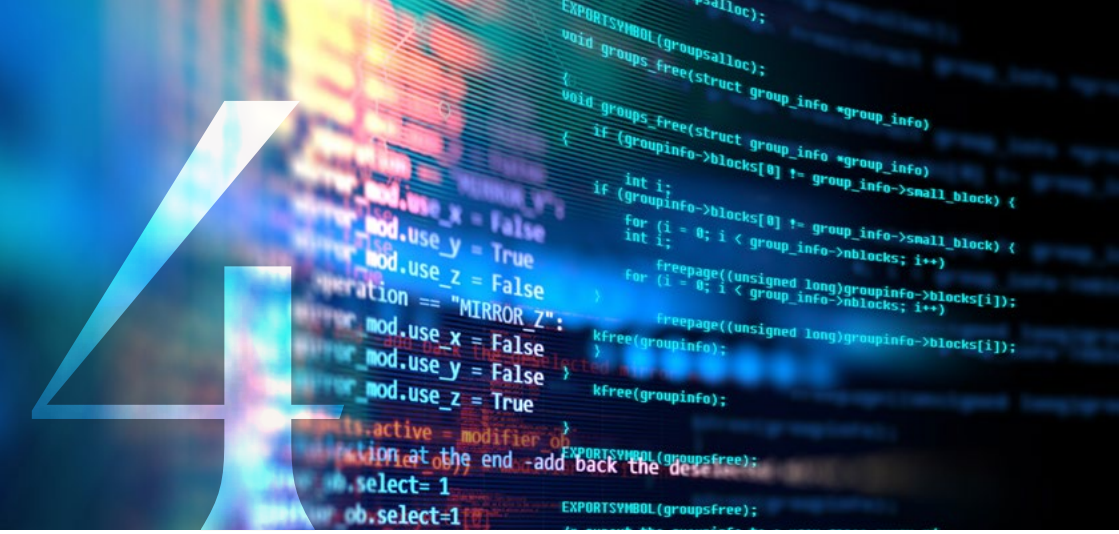


A Technical Lens

Integrated AI represents a fundamental shift in how Property Management Systems are built. This is a deep architectural transformation. Firstly, the very mode of interaction is changing: from click-driven forms and rigid GUIs to natural language conversations. Instead of users navigating pre-defined paths, systems must now parse language, infer user goals, and maintain context over time. Secondly, the locus of work shifts away from the user interface entirely. Increasingly, work is executed through long-running, server-side workflows in the background.

These are typically not handled by a single agent, but by coordinated multi-agent systems governed by an orchestration layer. Over time, business process execution moves into the agentic layer itself, which becomes the primary experience.

None of this works without AI-ready data. To support AI systems effectively, enterprise data must be accurate and complete; structured with clear semantics, metadata, and lineage; and governed through robust access controls.

These systems are inherently difficult to build. Developing AAVA has taken more than 18 months of continuous engineering effort. The central challenge was not the model, but the AI integration layer: securely connecting data, context, and permissions to create a system that can act reliably within a regulated enterprise environment. This required extensive work on prompt engineering, data delivery, and API-level exposure of backend functionality. AAVA is deliberately model agnostic. The value does not sit in any single LLM, but in the integration, workflows, and control layers around it. This is where resilience, scalability, and trust are earned.

At Aareon, our product and engineering teams build AI through the **discipline of AI⁴**. We always choose the appropriate **Intelligence**, creating capabilities that solve a real customer problem. We combine it with a strong focus on **Integration**, embedding AI deeply into the workflows where only Aareon has the context and data to make it truly valuable. Simultaneously, our adoption **Initiative** ensures that AI features are understood, used and digitally measured in the flow of daily work. This allows us to create **Insight**, which closes the loop: outcomes are captured to quantify the value and guide permanent data-driven improvement.

Built in this holistic way, AI becomes more grounded, more accurate, and more aligned with real housing challenges. With every release, it earns the trust required to carry genuine operational load and deliver measurable housing outcomes.

Five Things to Keep in Mind When Deploying AI in Housing

From work with housing providers across Europe, five practical lessons stand out:

1. Integrate Deeply.

AI creates value in the flow of work, not outside it. Embedding AI directly within your technology landscape ensures decisions are made with full context, and that intelligence compounds.

2. Keep It Responsible and European.

Housing data is sensitive. Keeping it within clear European legal frameworks, including GDPR, protects tenants and landlords and builds trust in how data is used.

3. Control Cost and Complexity.

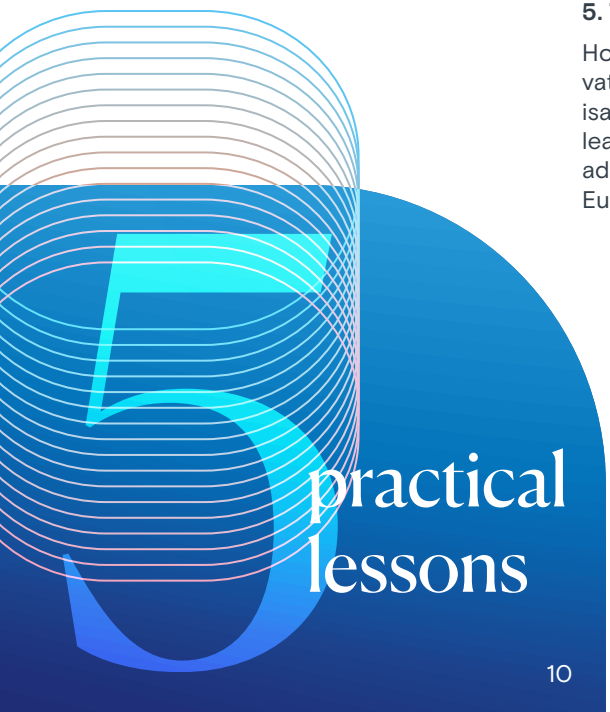
Customers should not need to think about tokens or model nuances; they need stable, predictable systems that are easy to use.

4. Choose Partners Who Invest at Scale.

Technology moves fast. To stay current, housing providers need partners who build for the long term, interface with major cloud and model providers, keep software maintainable, and invest continuously on customers' behalf.

5. Think Beyond Your National Market

Housing challenges are local, but innovation rarely is. Forward-thinking organisations look beyond their own borders, learning from neighbouring markets and adapting proven approaches from across Europe.



We see AI in housing as a digital workforce.

6 The Aareon Digital Workforce: A Future View

We see AI in housing as a digital workforce: agents that work alongside people, taking care of repetitive, background tasks. Emails are summarised, expenses matched, letters drafted, anomalies flagged, and tenants who need attention are surfaced. The intention is not to replace people, but to return purpose to their work.

By taking care of repetitive tasks, AI frees time for empathy, problem-solving, and service. This is the future of housing: intelligent, human-centred, and built on deeply integrated systems that support the work that really matters.

From Hype to Habit: The Call to Action

AI in housing is past the experimental stage. It is becoming part of normal operations for organisations that deploy it well. The priority now is not to chase every new model, but to embed AI quietly and deeply into existing systems and workflows. The housing providers who benefit most will be those who connect AI to the processes and data that already run their business and let it remove friction there.

Aareon's role is to shape and steward this shift: from isolated pilots and chatbots to integrated agents that do real work in the background. The future of AI in real estate will belong to those who turn potential into performance: **real value, in real estate, for real people.**

Deepen Your Knowledge

Links to learn more:

https://www.aareon.ai/

https://www.aareon.com/contact-us

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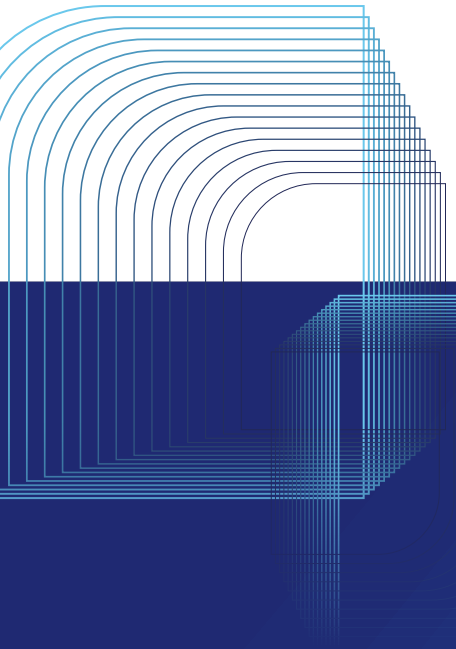
AI only creates value when it is embedded deeply into real workflows, grounded in data, and trusted enough to carry operational load.



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