

An aerial photograph of a city skyline, likely Minneapolis, Minnesota. The image shows a wide river (the Mississippi River) in the foreground, with a large concrete bridge spanning it. To the left of the bridge is a large, green, landscaped area with many trees. In the background, several tall skyscrapers are visible against a blue sky with light clouds. The text 'appfolio' is overlaid on the right side of the image.

appfolio

2026 GCNKAA Management Forum

August 27, 2026

TODAY, YOU'LL HEAR FROM



Stacy Holden

Vice President Industry Principal
AppFolio

A blue-tinted photograph of a conference room. In the foreground, several audience members are seated at round tables, with their hands raised in the air. In the background, a man stands at the front of the room, facing the audience. A large projection screen is visible at the front, displaying a diagram. The overall atmosphere is one of an interactive session.

+ All of You!

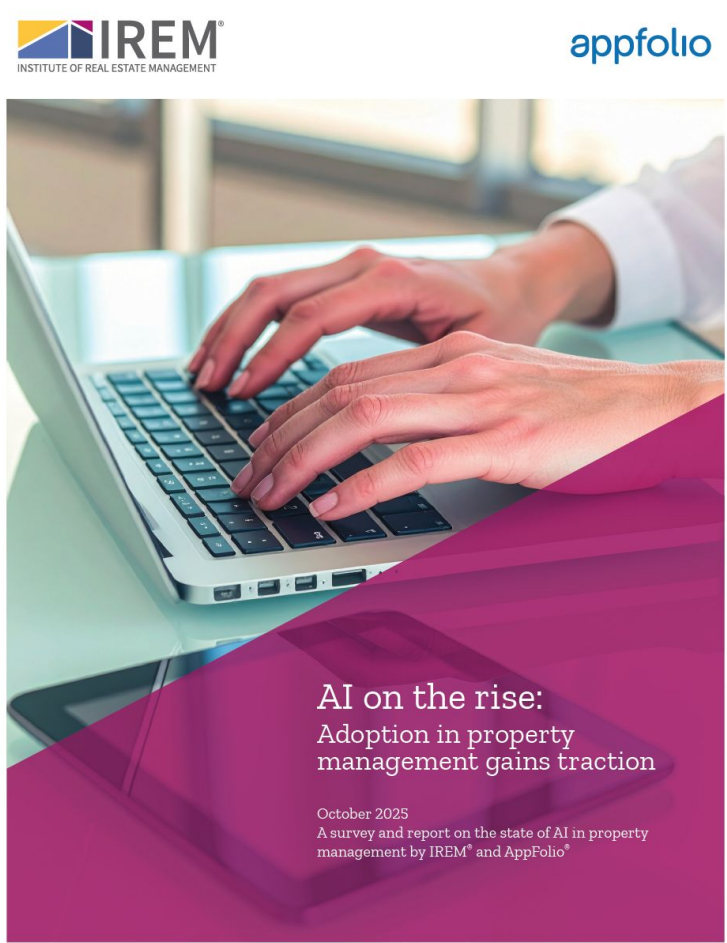


Studying the State of the Industry

SOURCES



NEWS



IREM



NAA



APPFOLIO

What's top of mind for today?

THEMES FROM YOUR PEERS

**Operational
Design**

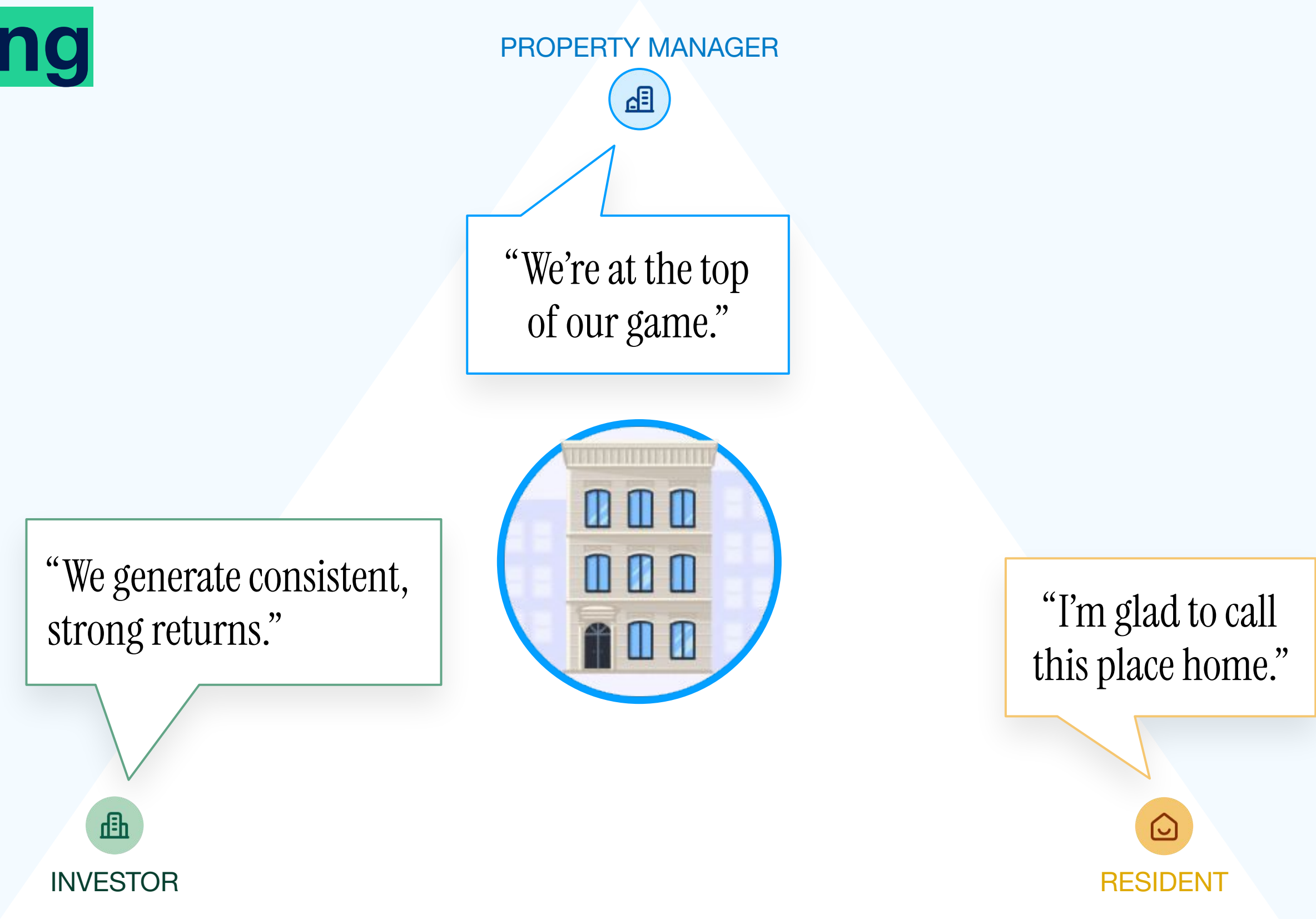
**State of AI in
Real Estate**

**What defines winning at
property management?**

appfolio



What **Winning** Looks Like



02

Operational Design

Focusing our resources and time on that work that matters most.

Operating Costs Are High & Rising

\$11,878 per unit/year goes towards expenses

89 cents of every \$1 goes towards expenses...



2 cents of every \$1

goes toward **capital expenditure reserves**. The funds in these reserves cover roof and HVAC replacements and other important repairs that help ensure quality housing for rental housing residents.



42 cents of every \$1

pays for the **mortgage** on the property. This is a critical expense, as mortgage foreclosures put all residents at risk of losing their housing.



9 cents of every \$1

goes to **property taxes**, which in turn support the community through financing for schools, teachers, emergency services and other important local needs.



28 cents of every \$1

pays for **operating expenses** such as property and liability insurance, utilities and ongoing maintenance.



9 cents of every \$1

covers **payroll expenses**, including pay for employees who operate and maintain the community.

"Rising operating costs" are the #1 risk cited by operators.

~9/10 view OpEx as a significant threat

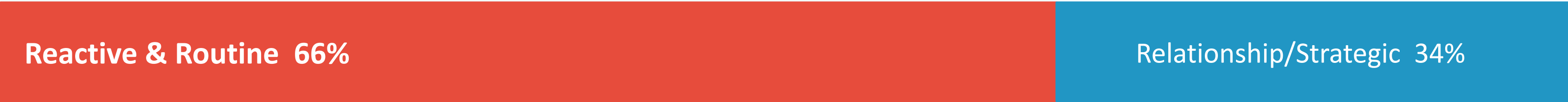
Source: NAA/IREM/BOMA Income/Expense IQ & NAA Dollar of Rent Tool. 2026

Source: NAA & Flex, Holding the Line, 2026

The Majority of Time is Spent on Busywork

Source: NAA & AppFolio Joint Research. The Performance Ecosystem. 2025. Survey of 2,000+ property managers.

ACTUAL MIX TODAY



IDEAL MIX (SELF-REPORTED)

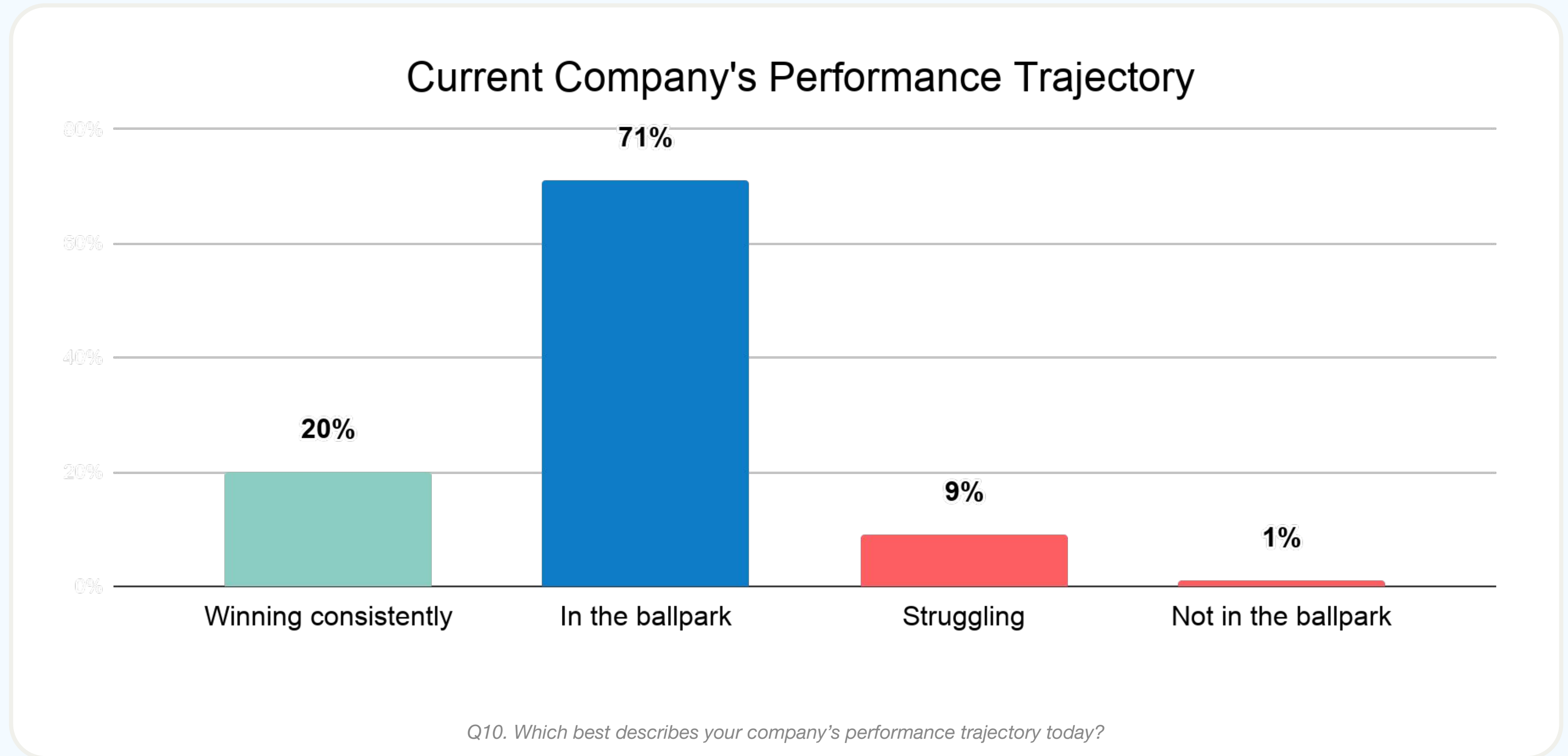


THE OPPORTUNITY (AMBITIOUS TARGET)



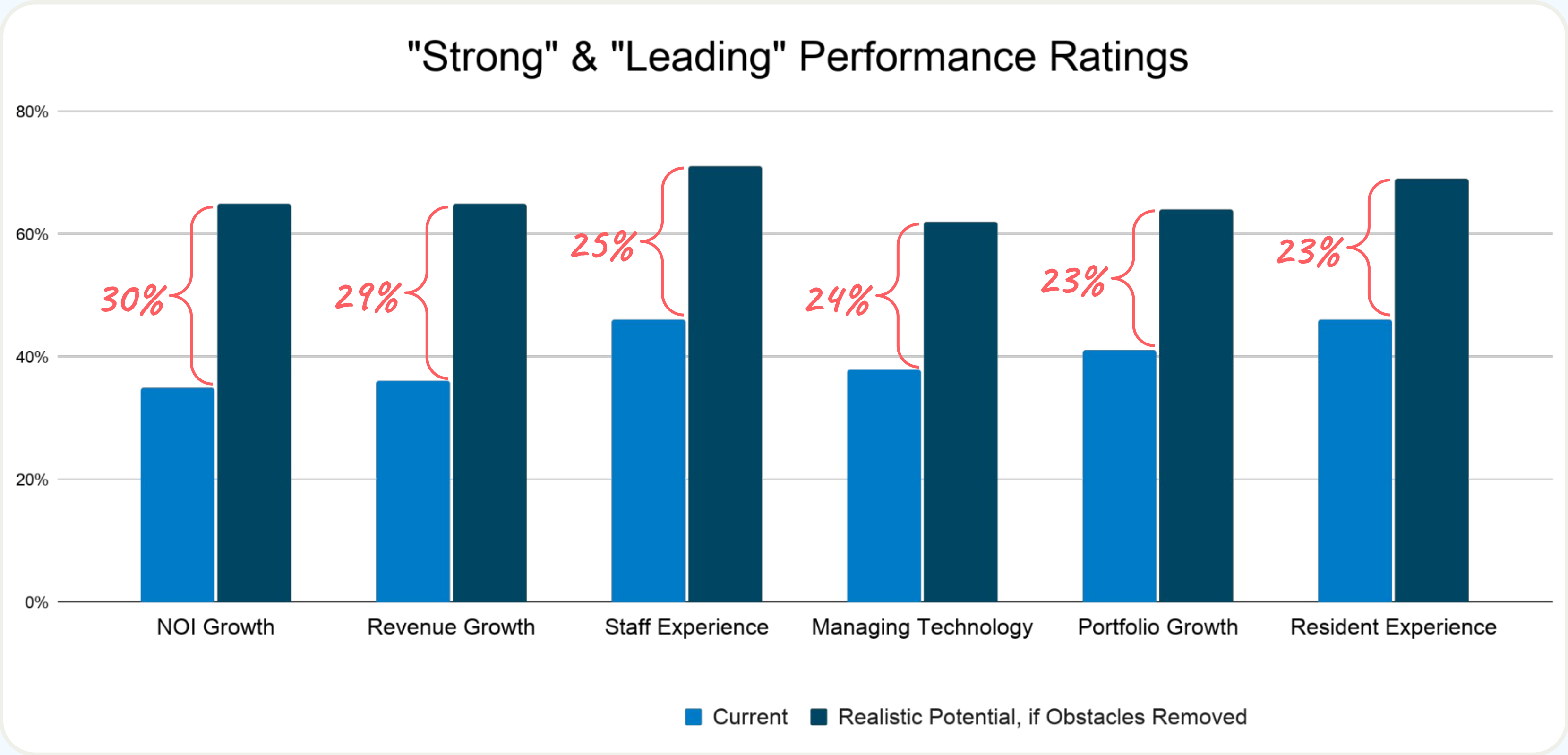
What would our industry look like if we achieved this?

Few operators claim to be winning **consistently**



Source: NAA & AppFolio Joint Research. The Performance Ecosystem. 2026.

Measuring the Performance Gap



Source: NAA & AppFolio Joint Research. The Performance Ecosystem. 2026.

Closing performance gaps:
What obstacles are you overcoming?



Performance Drivers

OBSTACLES

37%

Time-Consuming,
Manual Processes

35%+

Limited Staff
Capability/Capacity

31%

Inconsistent
Operations

29%

Difficulty Retaining
Residents

46%

Staff Training &
Development

38%

Standardizing
Operations

34%

Expanding
Use of AI

31%

Hiring Additional
Staff

28%

Adopting New
Technology

20%

Performance
Analytics

External Market Conditions

Source: NAA & AppFolio Joint Research. The Performance Ecosystem. 2026.

03

State of AI in Real Estate

Where is this technology finding traction?

NICE TO MEET YOU!



Sean Forster

Industry Principal
AppFolio

Prompt: “Show me giving a presentation”



2023



2025

Prompt: “Change this into a video”



2023



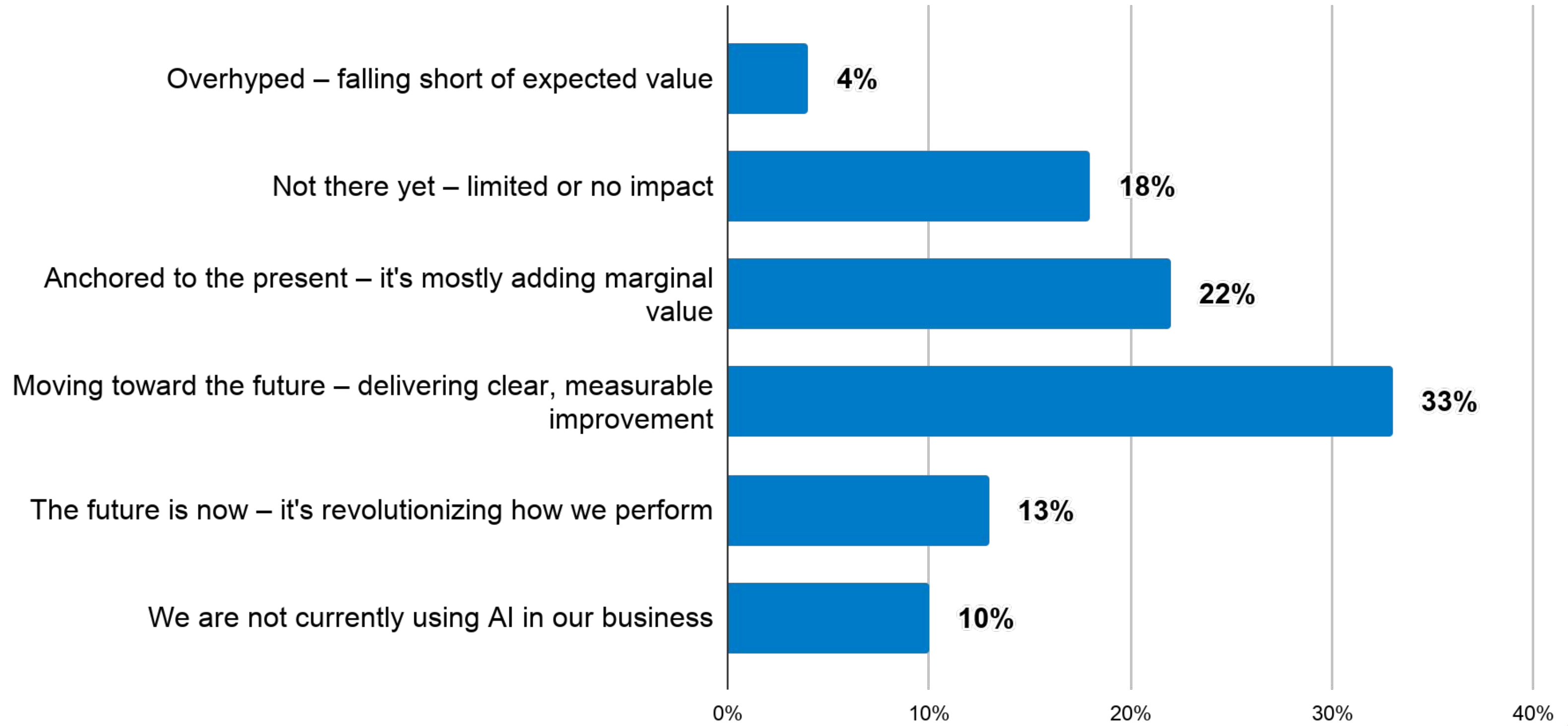
~~2025~~ 2026



How would you describe the impact of AI on your company's overall performance so far

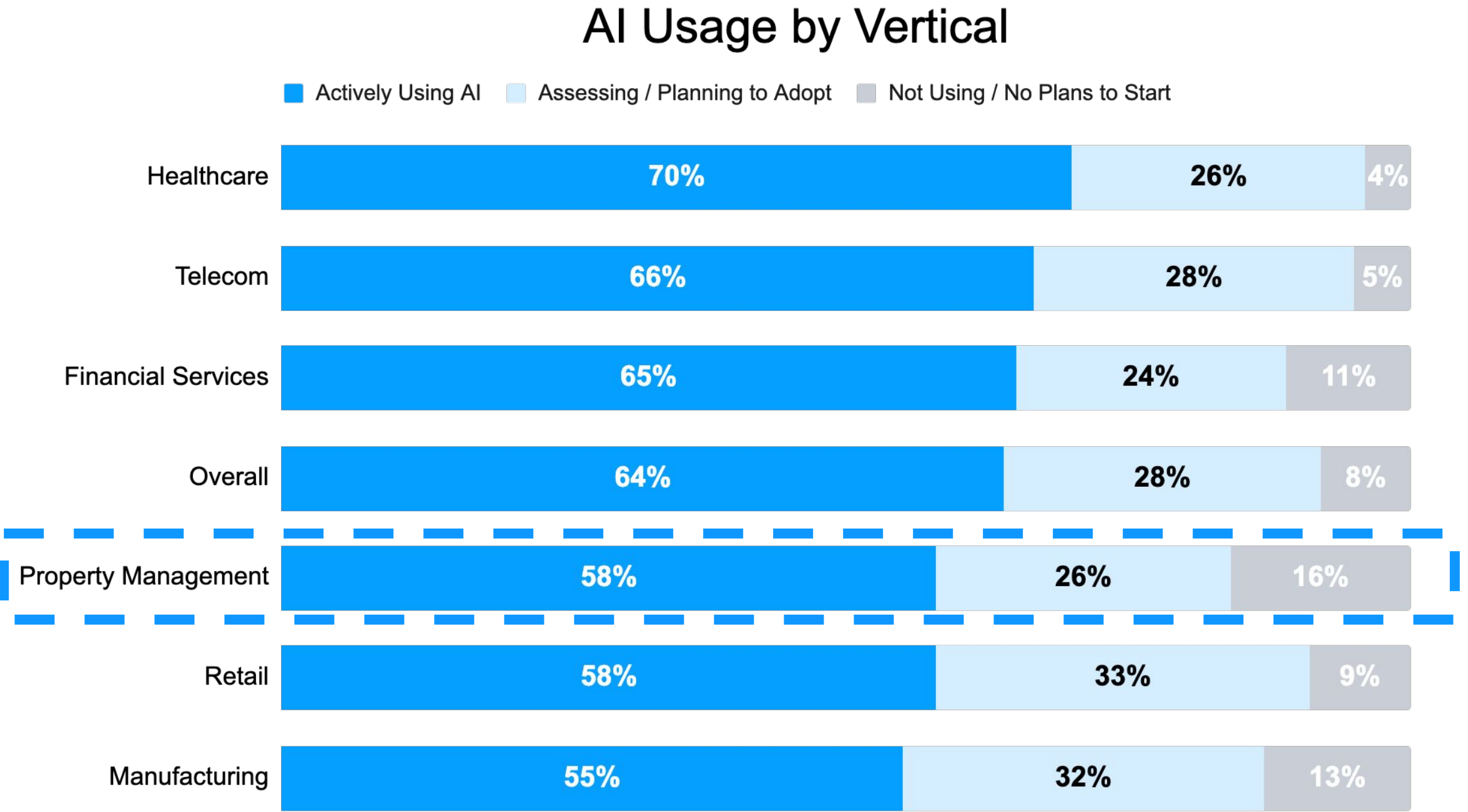


Impact of AI on Company Performance



Source: NAA & AppFolio Joint Research. The Performance Ecosystem. 2026.

Many other Industries are ahead of Property Management

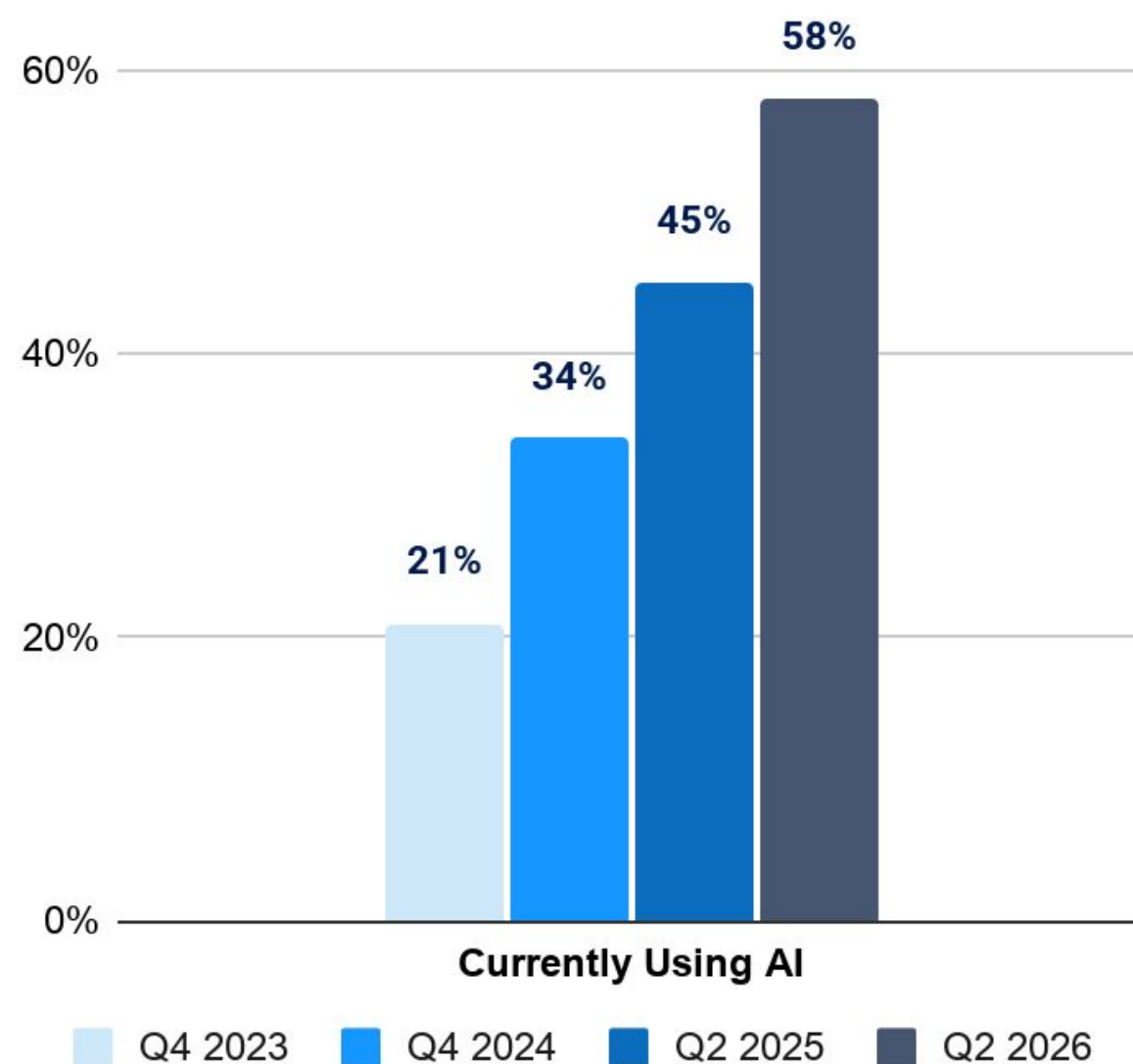


PM Industry Source: 2026 IREM/AppFolio AI Survey

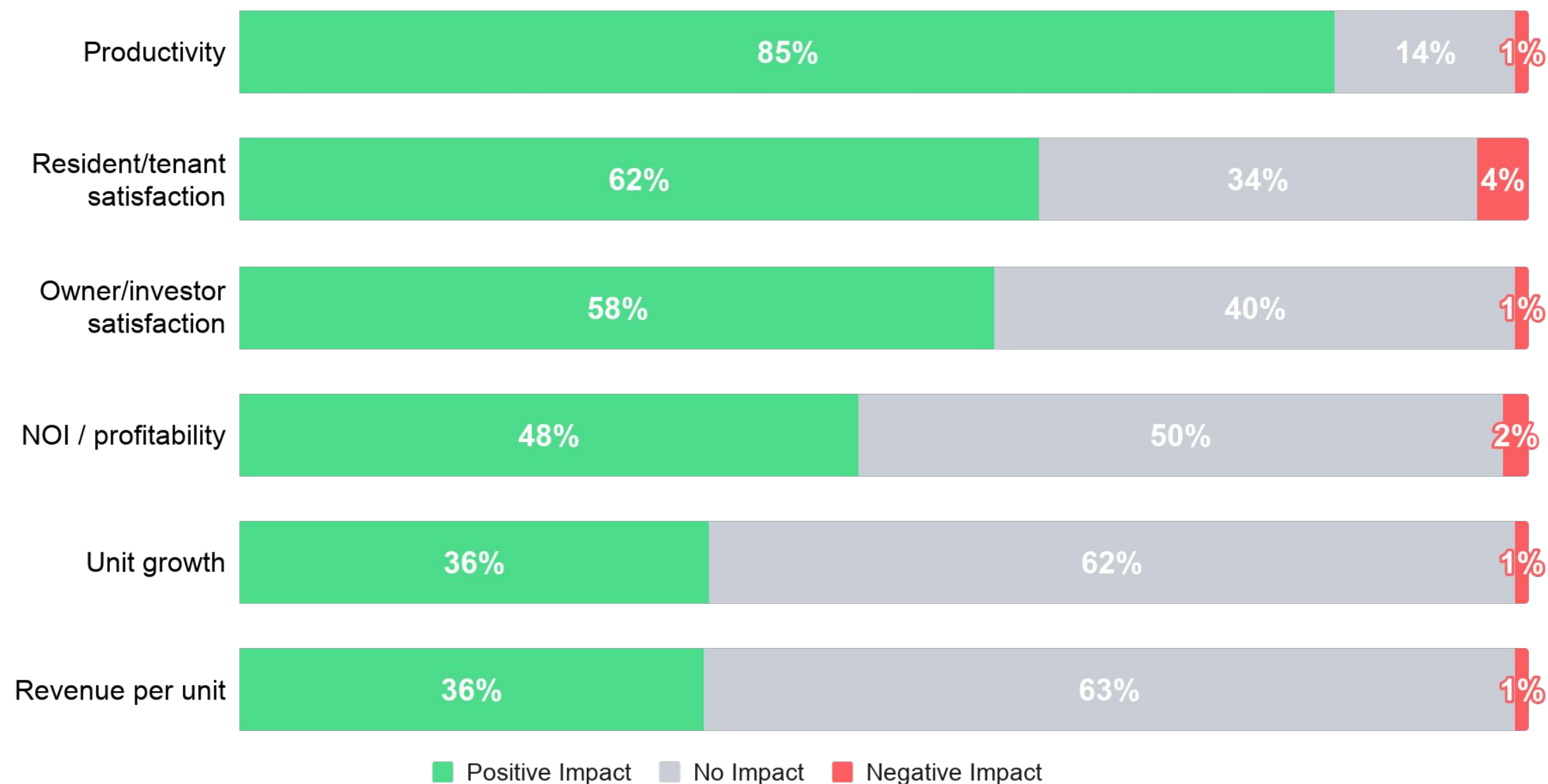
Source for all other verticals: NVIDIA, [How AI Is Driving Revenue, Cutting Costs and Boosting Productivity for Every Industry in 2026](#) (March 2026)

AI: Adoption is up, financial outcomes lag

Operator AI Usage YoY



AI's Impact on Company Performance



Source: IREM & AppFolio Joint Research. AI Insights, 2026.

“

...many organizations are using AI as an overlay to existing processes **rather than redesigning workflows** around AI capabilities.”



James Scott

Director of the Real Estate Transformation Lab, MIT
Innovator-in-Residence, IREM

Most of the industry is **Curious**, not Proficient

AI MATURITY INDEX

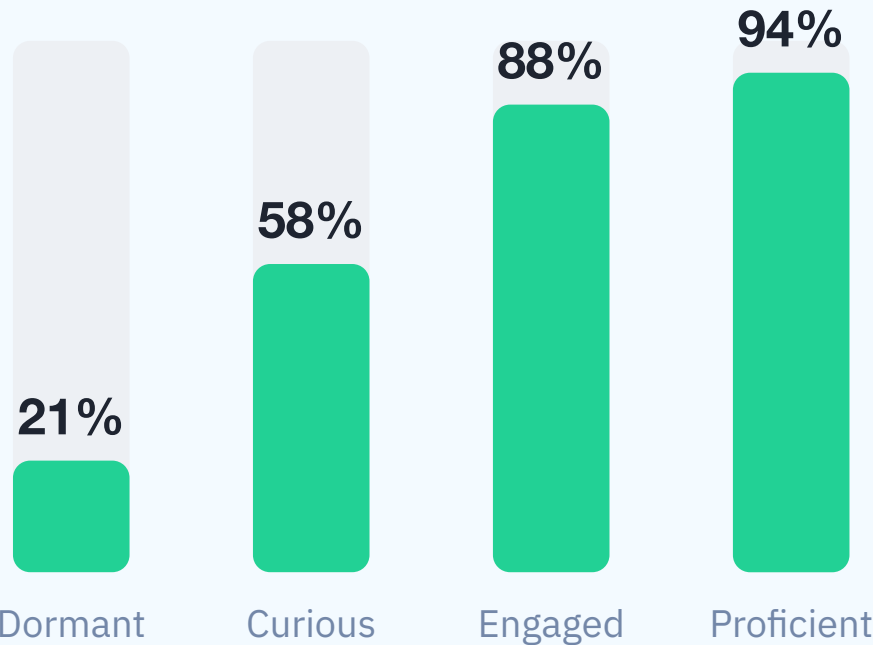
	Dormant 15%	Curious 40%	Engaged 29%	Proficient 16%
Understanding (25%)	37	56	69	89
Openness (25%)	29	53	64	84
Adoption/Practice (50%)	3	40	79	87
Average Maturity Score	18	47	73	87
Who's in it?	Mostly “no plans to adopt”	Mostly “considering adopting” and early users (within the past year)	Regular AI users who demonstrate solid understanding of AI use cases and openness for applying AI to complex tasks.	Most advanced users with frequent and broad tool use. Have deep knowledge of limitations.

Source: IREM & AppFolio. AI Insights. 2026. (n=3,298). Composite = 25% Understanding + 25% Openness + 50% Adoption & practice, each 0–100. Non-users scored on understanding + openness.

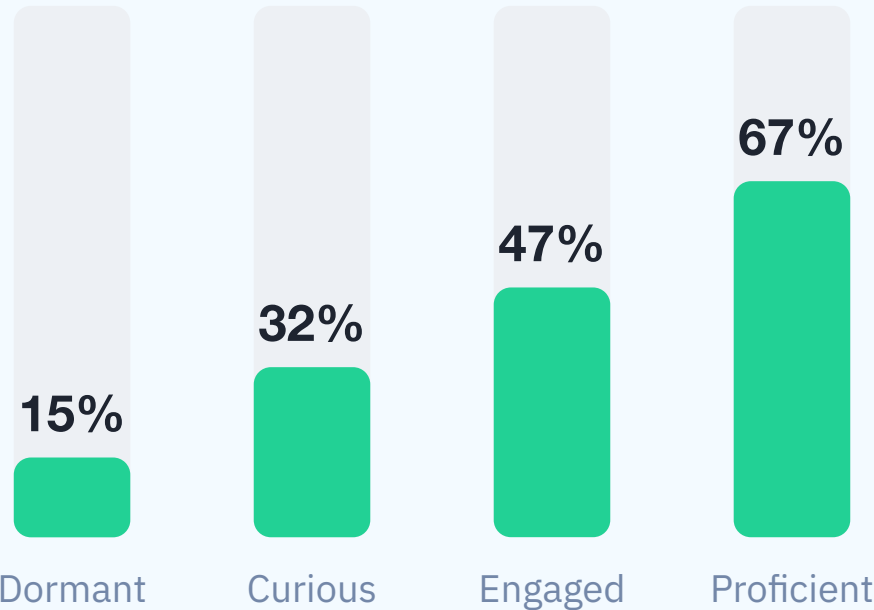
AI's **impact** on performance rises with maturity

Share Reporting a Positive Impact, by AI Maturity Tier

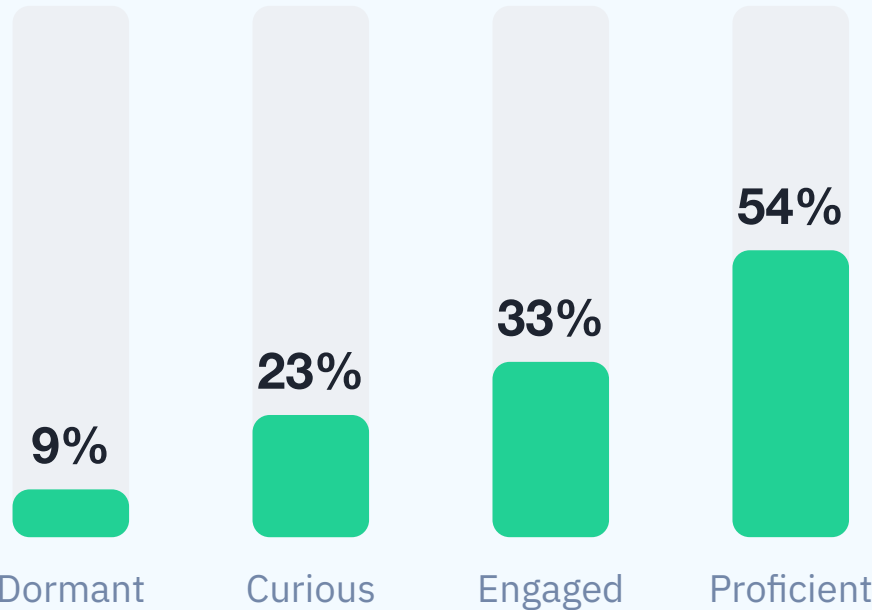
Productivity



NOI / profitability



Revenue per unit



 POSITIVE IMPACT

Source: IREM & AppFolio. AI Insights. 2026. Q55. From your perspective, what impact, if any, has AI had on the following aspects of your company's performance?
Segmented by the Real Estate AI Maturity Index tier. "Don't know" and blanks excluded from each base; positive = "somewhat" + "very positive."

**What defines winning at
a **personal** level?**

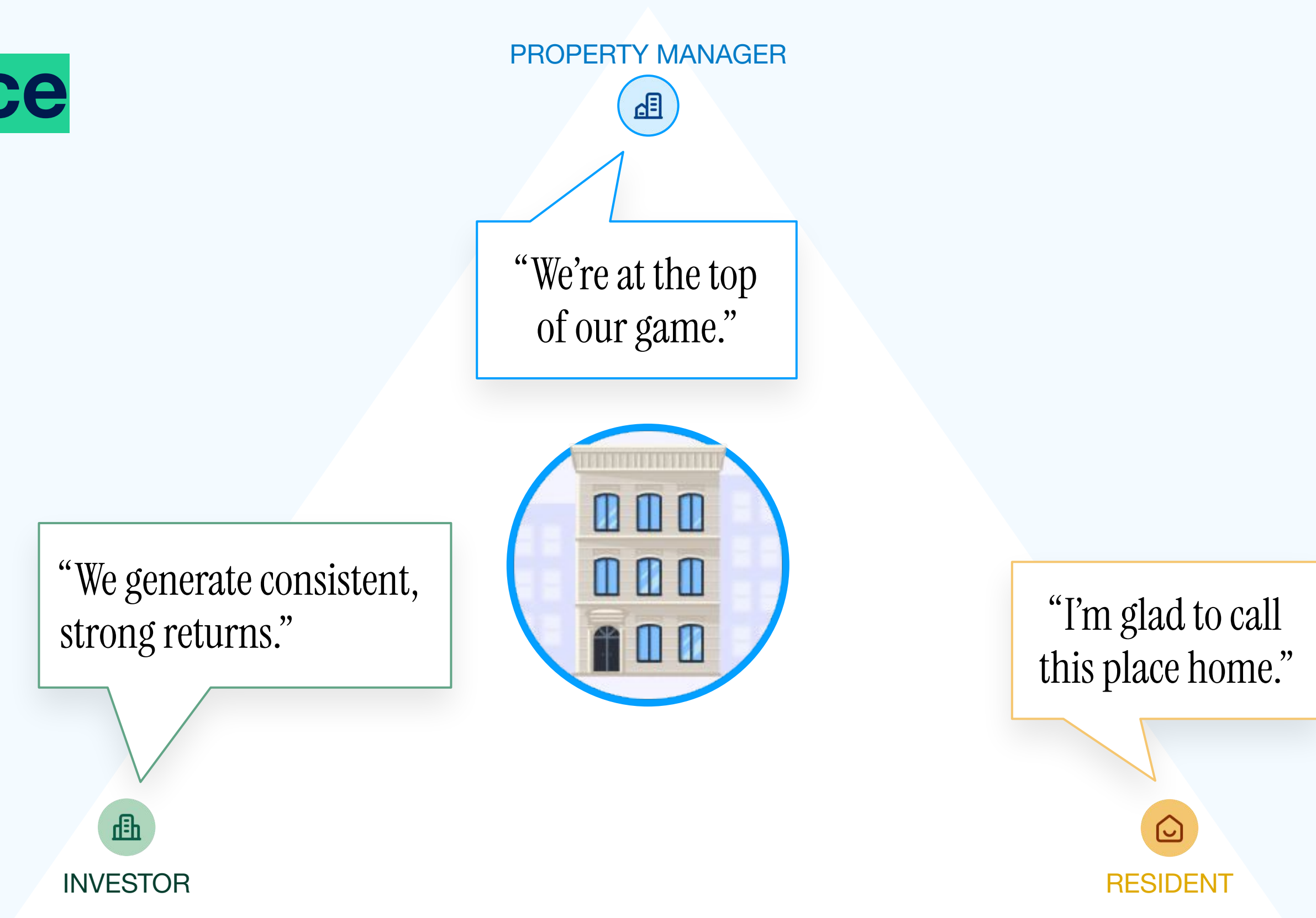
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70%

“I Love Working With People”

What Real Performance Looks Like



The New Game

Real Estate Performance Management

Deeper human connection. More community impact. Bigger business outcomes.

Real Estate Performance Management recasts the role of the property manager from task master to value driver

From Reactive...

✗ ~~Checking Boxes~~

✗ ~~Gut Feel~~

✗ ~~Chaotic~~

✗ ~~Busywork~~

✗ ~~Fighting~~

~~Technology~~

...To Proactive

✓ Championing Strategy

✓ Full Confidence

✓ Cohesive

✓ Fueling Growth

✓ Building Community

Live Session

The State of Performance: A Sneak Peek at New Research by NAA

Thursday, Sept. 3 at 10 am PT / 1 pm ET



Sean Forster
AppFolio



George Ratiu
NAA



Eri Bajomo
NAA

Thank You!

appfolio



Rental Housing Operations, Technology & Performance Pulse Survey		
For each property technology and other operational changes your company has adopted, what has been the impact?		
	Positive	
Resident Self-service Technology (e.g. package lockers, online payments, resident portals, self-service requests)	71%	
Application Screening & Fraud Detection Technology (e.g., identity verification, income verification, fraud prevention tools)	68%	
General-purpose AI Tools (e.g., ChatGPT, Gemini, Claude)	67%	
AI features built into your core property management software (e.g., AppFolio, RealPage, Yardi, Entrata, etc.)	61%	
Standardized Operating Procedures (SOPs) (e.g., portfolio-wide workflows, playbooks and process automation)	61%	
Real-time Performance Dashboards & Analytics (e.g. operational dashboards, KPI tracking, business intelligence tools, etc.)	58%	
Centralization (managing properties from a single back office or shared services team)	55%	
Unified or Consolidated Data Across Business Systems (e.g., integrated data across property management, accounting, CRM, etc.)	54%	
AI features built into other business software (e.g., Microsoft Copilot, Google Workspace AI, Workday, etc.)	53%	
Building Technology (e.g. smart access control, sensors, security, leak detection, security systems, energy management)	44%	
AI features built into other property management software (e.g., EliseAI, HqO, Cove, Latchel, etc.)	35%	
Custom AI tools we or our team have built ourselves	34%	
Hiring Offshore Talent/Staff	31%	