



The first dedicated venture capital fund
addressing the untapped potential of real
estate innovation in Europe

PROPTech TRENDS 2020

@DRE Summit, 03/March/2020

CURRENT PORTFOLIO



Archilyse



WUNDERFLATS



Who we are &
What we do

1

4 POINT PLAN:

1. Start Up
2. Cash In
3. Sell Out
4. Bro Down



Innovation in the real estate industry offers great return potential...

RE IS THE SINGLE LARGEST ASSET CLASS ON THE PLANET



BUT IS SIGNIFICANTLY LAGGING BEHIND IN TERMS OF DIGITIZATION

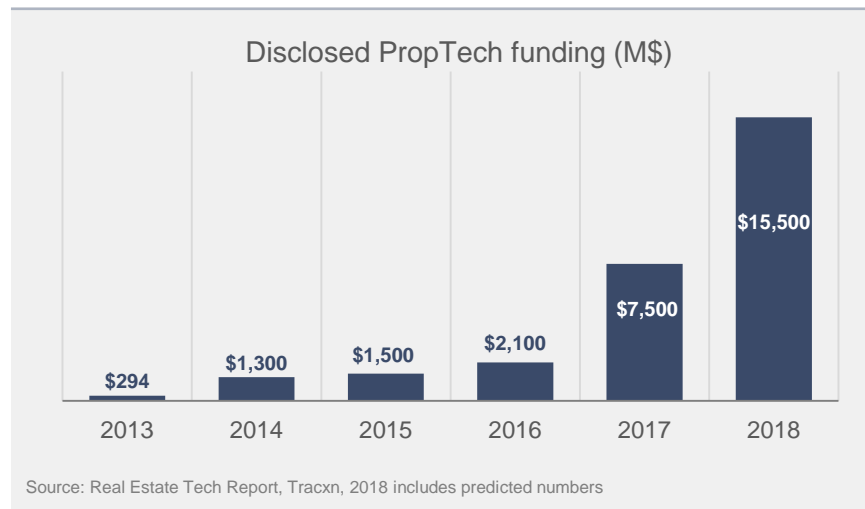
- **Meet the Flintstones:** Real estate sector is one of the worst sectors regarding the digitization status quo²
- **Recognized need:** More than 90% of real estate companies identify digitization as a relevant field of action³

Sector	Overall digitization
ICT	
Media	
Finance and insurance	
Professional services	
Wholesale trade	
Advanced manufacturing	
Chemicals and pharmaceuticals	
Utilities	
Oil and gas	
Basic goods manufacturing	
Mining	
Real estate	
Transportation and warehousing	

Source² MC Kinsey, Digital Europe - Pushing the frontiers

Source³: According to EY and ZIA

GLOBAL PROPTech INVESTMENT IS GAINING MOMENTUM



SUBSTANTIAL RETURNS ALREADY REALIZED

Top 5 IPOs by market cap. @ IPO

- Zoopla (2014, UK) USD 1.6B
- Black Knight (2015, US) USD 1.6B
- Redfin (2017, US) USD 1.2B
- Zillow (2011, US) USD 539M
- Trulia (2012, US) USD 500M
- Appfolio (2015, US) USD 420M
- Purplebricks (2015, UK) USD 357M

Total market cap of these companies as of June 2019: USD 29bn (370% growth)
(including USD 3bn take-private of Zoopla by PE firm)

... yet how to invest? Strategic investors and accelerators already exist, but Europe investor landscape lacks an independent VC with smart money

STRATEGIC DIRECT INVESTMENT (VEHICLES)

- Most PropTech focused investors in Europe are strategic in nature such as investment vehicles of real estate corporates
- The best startups dread taking on strategic investors due to fear of shutting out their competitors as customers or future acquirers → adverse selection
- A selection of European PropTech vehicles with a single or few strategic investor as main shareholder:



ACCELERATOR PROGRAMMES & COMPANY BUILDERS

- Accelerators are the only independent investor alternatives
- Accelerator investment tickets are minuscule for lack of financial firepower → no growth potential for startups
- Adverse selection risk: many good founders want to leapfrog any acceleration / incubation phase




DEDICATED VENTURE CAPITAL FUNDS

- Strategic investors from the real estate industry are pooled in one VC fund, concentrating their value-add to the PropTech startup portfolio
- Concentrated financial firepower of real estate entrepreneurs and companies to allow follow-on investments in best startups during growth phase
- No controlling stake for a single strategic investor → PropTech startups are protected from conflicts of interest with strategic investors
- Lack of non-strategic, PropTech dedicated investors increases negotiating power of specialized, independent investors
- The best PropTech startups choose their investors and will always go for independent over strategic and dedicated over generalist investors

USA:



EUROPE:

 No independent VC as of early 2018

Screw it,
let's do it:

gs Bekannte Gründer starten Prop x +

https://www.gruenderszene.de/allgemein/proptech1-vc-berlin-immobilien-startups?i... ☆

Apps Facebook Bookmarks Posteingang (3.40... Facebook

Andere Lesezeichen

GS Connect: Gründerplattform Deutsche Bank Lexoffice vitra Hiscox Audible fiverr Personio Deutsche Bahn firma.de TechBoost by Telekom

GRÜNDERSZENE 🔍

MAGAZIN DATENBANK LEXIKON JOBBÖRSE EVENTS AWARDS REPORTS Mediadaten

Artikel | Bekannte Gründer starten PropTech-Investor – bis zu 50 Millionen

// **ALLGEMEIN**

←


IMMOBILIENBRANCHE

Bekannte Gründer starten PropTech-Investor – bis zu 50 Millionen

Kurznachricht. Ein neuer Wagniskapitalgeber mit spitzem Fokus: Investments von PropTech1 sollen nur in Startups aus der Immobilienbranche fließen. Dahinter stehen Szeneköpfe.

22. März 2018 | Pauline Schnor

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Initiators combine 1st hand experience from hundreds of VC deals, dozens of companies founded & exits realized, and deep real estate industry know-how



ANJA RATH – MANAGING PARTNER & PT1 INVESTOR

- >15 years of corporate finance, venture capital, and CFO experience
- Led and structured >€100m of funding rounds and exits, built-up venture fund governance, compliance, and risk management
- Co-author DEALTERMS.VC



KRISTOFER FICHTNER – VENTURE PARTNER & PT1 INVESTOR

- Serial entrepreneur & active PropTech angel, previous management consultant for the energy industry
- Previous CTO & co-founder of Thermondo, leading installer of heating solutions in Germany (partial exit)



NIKOLAS SAMIOS – MANAGING PARTNER & PT1 INVESTOR

- Expert for venture capital methodology, co-author DEALTERMS.VC, co-initiator German Startup Standards Board
- Structured, advised, or participated in more than 200 transactions, managed VC portfolios for several (U)HNWIs



CHRISTIAN VOLLMANN – VENTURE PARTNER & PT1 INVESTOR

- Serial entrepreneur and leading business angel, German „Business Angel of the Year 2017“
- (Co-)founder of nebenan.de, eDarling, MyVideo
- Board member of German Startup Association



MARIUS MARSCHALL – FOUNDING PARTNER & PT1 INVESTOR

- Real estate entrepreneur with >500m€ project volume, business angel
- Board member at Berlin VC Project A and BPO Capital (investment company of Benjamin Otto), special advisor to (U)HNWIs



NICHOLAS NEERPASCH – VENTURE PARTNER & PT1 INVESTOR

- MD of construction management company GFP Group, Founder & CEO of PropTech startup Doozer
- Previous diploma architect at Zaha Hadid London, real estate consultant at EY



DR. BEAT SCHWAB – VENTURE PARTNER & PT1 INVESTOR

- Former Head Global Real Estate Asset Management at Credit Suisse, one of the world's largest real estate asset managers
- Former CEO of Wincasa, Switzerland's leading property manager



ANDREAS VON BLOTTNITZ – SENIOR ADVISOR & PT1 INVESTOR

- Serial entrepreneur with significant exits: AOL Europe (\$6,8bn), Expertcity (\$225m), and IPO of PropTech company AppFolio @NASDAQ (\$420m; 700%+ since IPO)
- Active Silicon Valley angel, e.ventures committee member



ANDREAS WENDE – VENTURE PARTNER

- Managing shareholder at NAI APOLLO and Arena Group
- Previous COO / Managing Director at Savills Germany
- Active business angel and startup advisor including Allthings & Evana



JAN HENRIC BUETTNER – SENIOR ADVISOR & PT1 INVESTOR

- e.ventures / BV Capital founder, an international VC platform with around \$1bn capital raised and around \$3bn distributed
- Exits include IPOs on NASDAQ, trade sales to companies incl. eBay, Yahoo!, Google, KKR, BestBuy, RedHat...



DR. PETER STAUB – VENTURE PARTNER & PT1 INVESTOR

- CEO and founder of pom+, leading Swiss real estate digitization consulting firm, and active PropTech business angel
- Organizer of the Digital Real Estate Conference, "Digital Real Estate" chair at HWZ, creator of the LAB100 innovation laboratory

+ approx. 7 professionals
(investment & portfolio management, accounting and communications experts)



VC entrepreneurs



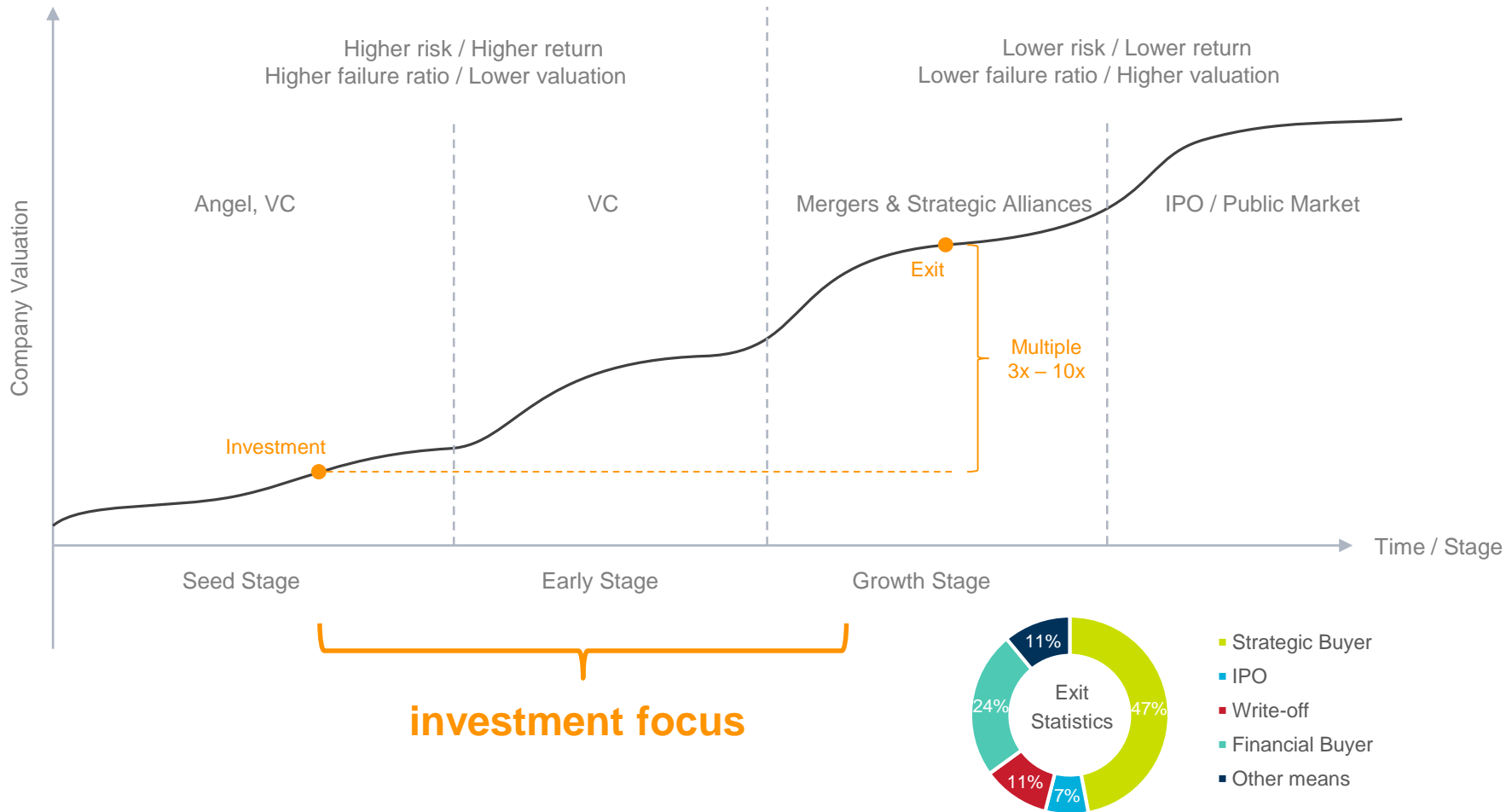
Real estate entrepreneurs



Serial PropTech entrepreneurs

Investment Scope:

Seed to early growth, 15-20 minority investments



What even is a “PropTech” Startup?!

Which of the following is the largest?

• An Elephant

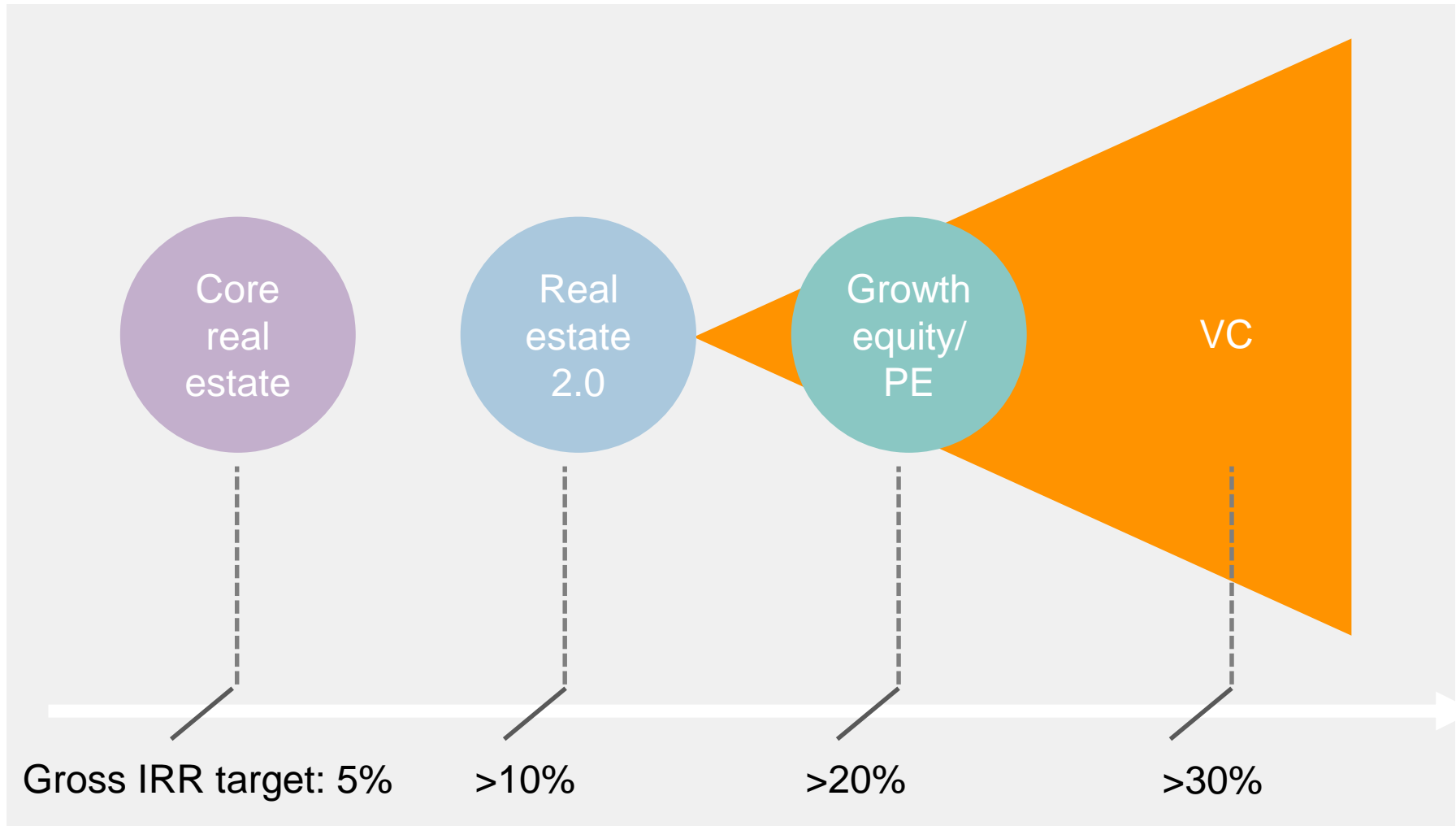
• C The Moon

TRYING A DEFINITION

- Portmanteau word of ‚property‘ and ‚technology‘
- Typical sub-themes included:
 - Lending marketplaces
 - Crowdfunding
 - Real estate marketplaces
 - Cloud solutions / SaaS solutions
 - VR/AR
 - Building information modelling
 - Smart buildings / smart cities
 - Building as a service
 - Connectivity
 - Blockchain solutions
 - Short/mid-term rental marketplaces
 - Renovation platforms
 - Artificial intelligence / machine learning
 - Big data analytics
 - IoT solutions
 - Broker tools
 - Asset management platforms
 - Property management platforms
 - Facility management tools
 - ConstructionTech
 - GreenTech
 - Lead generators
 - Peer to peer lending
 - Peer to peer subletting

Most relevantly, it is about scalability:

MOST IMPORTANT DEFINITION ASPECT: LEVERAGE FROM TECHNOLOGY & PLATFORM ECONOMICS



PropTech1 LP investors participate financially and strategically while adding real

REAL ESTATE COMPANIES

Aareal

MDAX-listed leading provider of smart financing & digital solutions for the RE industry with financings of >€26bn

ACCENTRO

REAL ESTATE AG

listed German market leader regarding privatization as a service

REAL ESTATE ENTREPRENEURS



PROF. DR. STEPHAN BONE-WINKEL

- Managing Partner of ceos Invest, founder of BEOS AG
- Professor of real estate development at the University of Regensburg
- Immobilienmanager "Person of the Year 2015"

← Tweet



deutschestartups.org
@StartupVerband

Eine auf den ersten Blick kleine News. Doch wer mit dem Markt vertraut ist sieht, dass dies ein erster wichtiger Schritt ist um mehr Berufsständische Versorgungswerke, Pensionskassen und Versicherungen für das dynamische deutsche Startup-Ökosystem zu gewinnen. Bitte nachmachen!

[Translate Tweet](#)



PropTech1 Ventures @PropTech1 · Jan 29

Wir freuen uns, mit dem Versorgungswerk der Zahnärztekammer Schleswig-Holstein unseren 1. institutionellen Investor gewonnen zu haben. Da Pensionskassen & Versicherungen hierzulande noch viel zu selten in #VC investieren, ist diese Beteiligung ein nächstes Qualitätssiegel für uns [twitter.com/Konii_de/statu...](https://twitter.com/Konii_de/status...)

6:34 PM · Jan 30, 2020 · [Twitter Web App](#)

7 Retweets 9 Likes



ANDION

German-leading real estate developer with a sales volume of €2.5bn

valser.

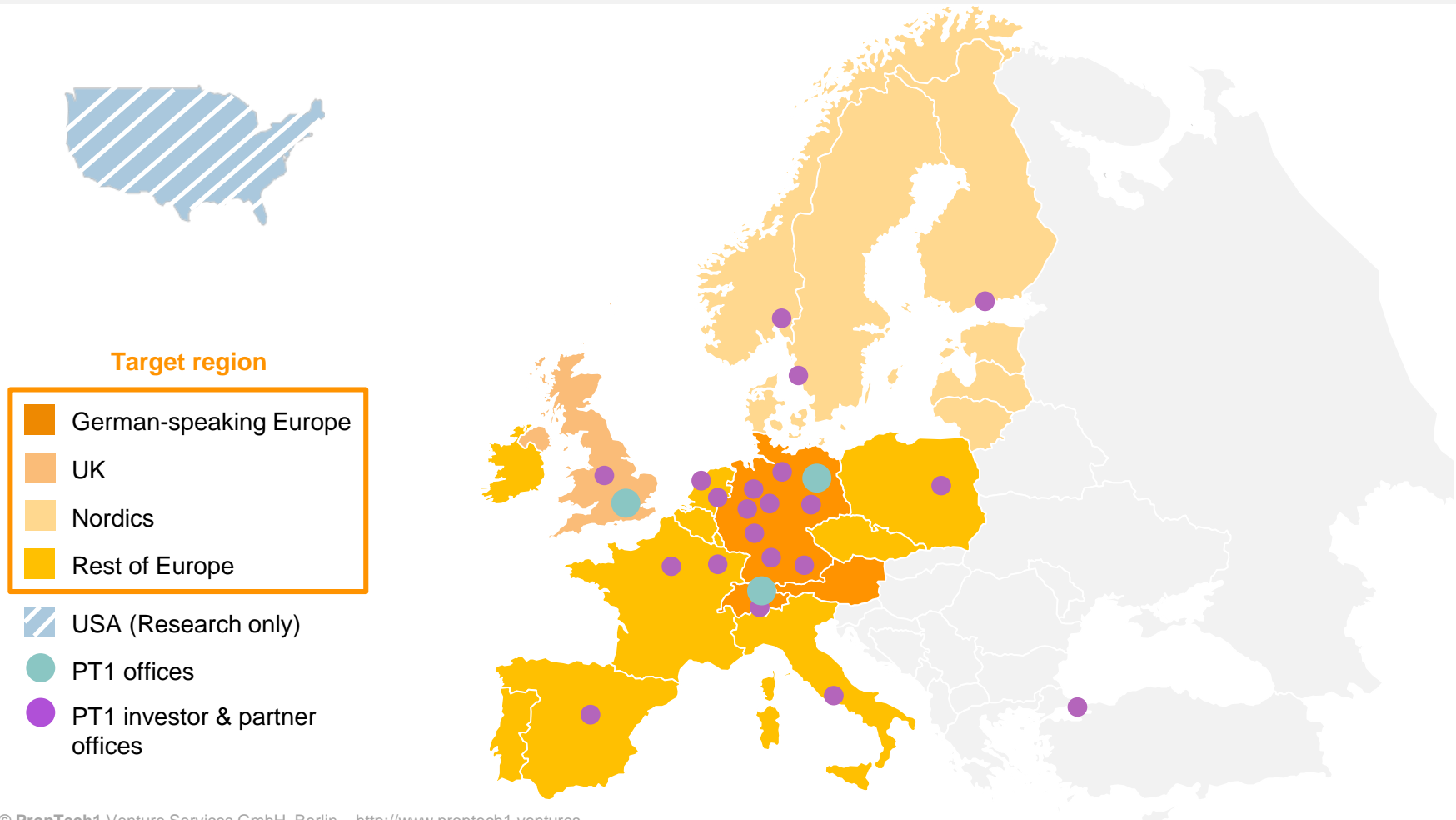
Rich-based full-scale real estate company

HRÖDER

HRÖDER & Völkers Commercial for brokerage interview expert, Die Welt, Zeitung, Tagesspiegel, (enpost)

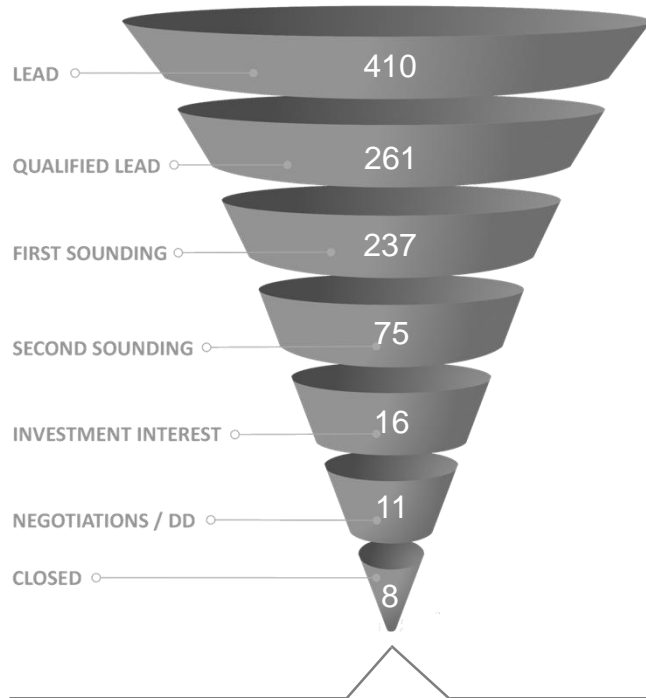
PropTech1 geographic focus: The pan-European PropTech platform

PropTech1's research coverage includes all (Western) key markets and is clustered in five regions. This international perspective allows us to identify trends, benchmarks, best-practice models, co-investors, exit channels, investment targets. Main investment focus of the fund are German-speaking countries and selected (Western and Northern) European markets where we can best deliver our smart money value-add. We have established a wide-reaching investor & partner network in all of Europe that facilitates an extensive proprietary deal flow without us having to maintain own offices in over a dozen countries.



PT1 aggregates the best PropTech deal flow in Europe in terms of quality and quantity: Statistics for Q1 2018 – Q2 2019

THE INVESTMENT FUNNEL



SIMPLIFA
AUFZÜGE. BEURTEILEN. OPTIMIEREN. BETREUEN.

inpera

seniovo

ARCHITRAVE



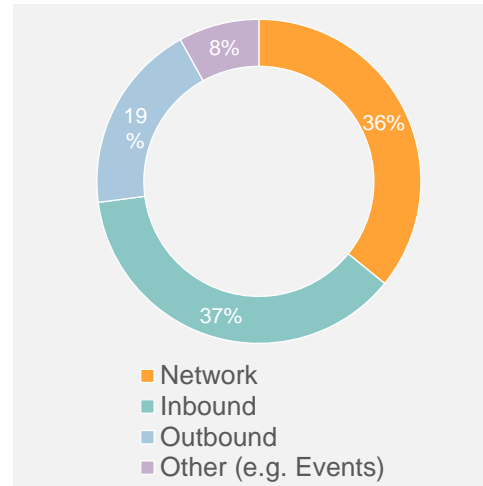
WUNDERFLATS

Archilyse

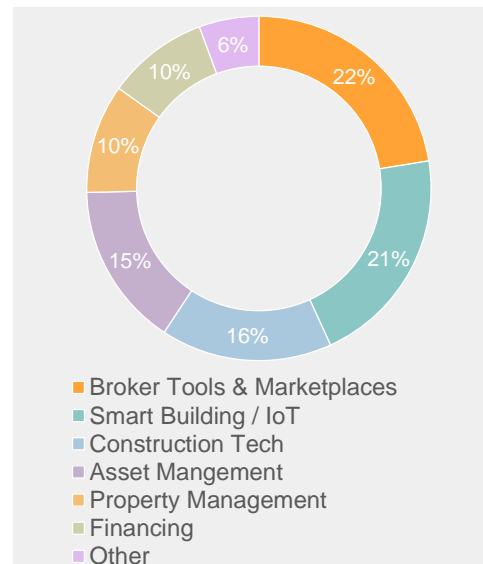
building radar

Thing
everything smart

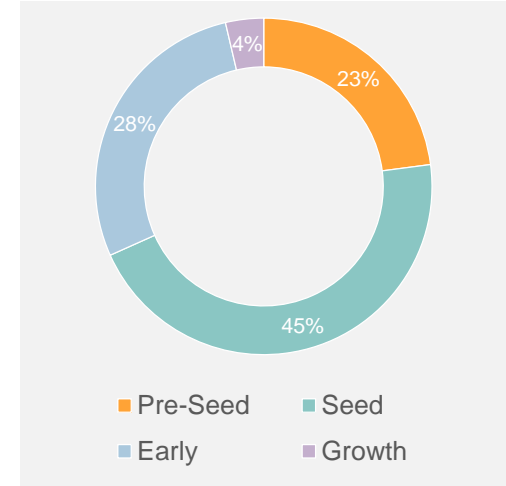
LEAD ORIENTATION



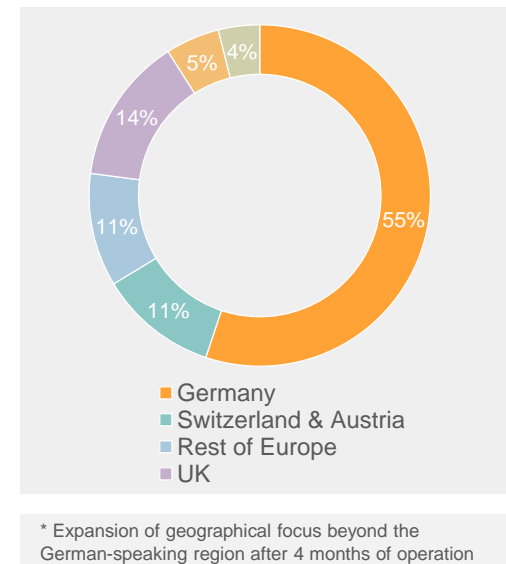
SECTOR



STAGE



GEOGRAPHICAL ORIGIN*



The best PropTech startups select PT1 due to its sector focus and “smart money” value-add

Attracting the best PropTech entrepreneurs is the foundation for creating a strong-performing portfolio, providing added smart money value through our entrepreneurial, VC, and real estate expertise further propels our investment targets forward. Our portfolio founders can vouch for this.



HUBERTUS VON
SCHIERSTAEDT
Co-Founder/MD Simplifia

“ Maybe the best PropTech investor: entrepreneurial attitude meets executorial excellence. ”



JANNES VIEBROCK
Co-Founder INPERA

“ PropTech1’s widespread network and their valuable support with structuring the round is a real asset. ”



JONATHAN KOHL
CEO & Founder Seniovo

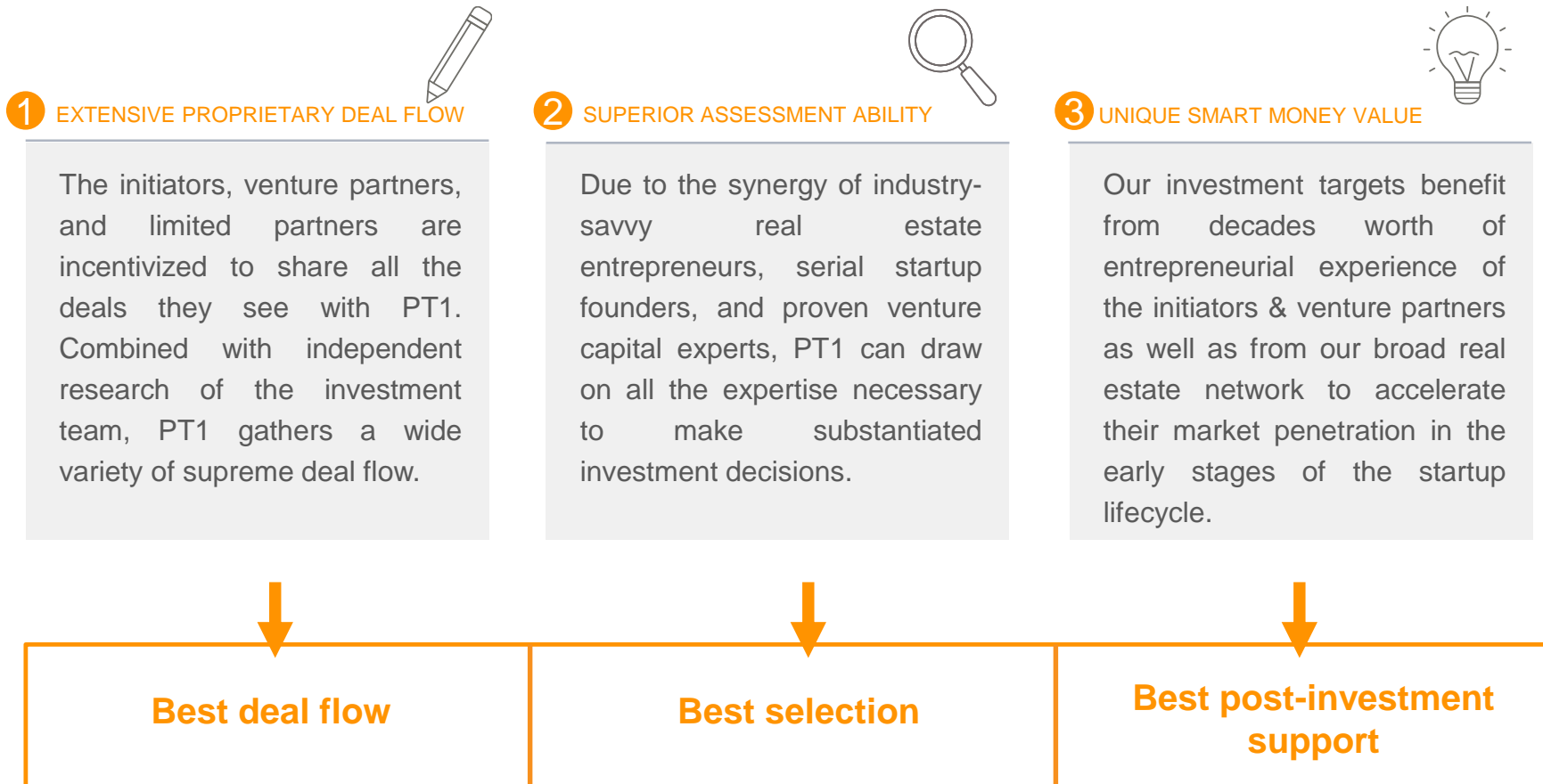
“ PropTech1 was our desired investor: experienced entrepreneurs, funding, and market access – What more could you wish for? ”



DR. MATTHIAS
STANDFEST
CEO & Founder Archilyse

“ PropTech1 seems to be the professional and agile expert investor the PropTech scene was waiting for. ”

Dedicated to PropTech, independent and smart: PropTech1 renders natural competitive advantages by design



2

HAUPTERKENNTNISSE

- PropTech und ConTech wachsen in Europa seit 2014 jährlich um 45% (CAGR).
- Seit letztem Jahr zeugen erstmals Finanzierungsrunden im zweistelligen Millionenbereich von einer zunehmenden Reife des Sektors.
- UK ist europaweit führend im Finanzierungsvolumen und Anzahl der Deals. Der DACH-Raum, Frankreich, Spanien und die Nordics folgen.

Just released:

European PropTech Trends (EPTT20)

Some findings on the following pages...

PropTech1 Research

PropTech1 Ventures vereint führende Immobilienunternehmen und -unternehmer, Serial Entrepreneurs aus dem Digital-Sektor sowie Venture-Capital-Experten in einem Venture-Capital-Fonds, der sich auf das ungenutzte Innovationspotenzial der Immobilienwirtschaft in Europa fokussiert. Das Analysten-Team von PropTech1 recherchiert dabei die wichtigsten Trends, entscheidendsten Marktentwicklungen und vielversprechendsten Startups in Europa und wertet sie im Detail aus.

Als Essenz aus unserem Research veröffentlichen wir in unregelmäßigen Abständen Studien und Whitepaper, in denen wir unterschiedliche Teilsegmente im PropTech-Markt und damit neue, interessante und oftmals die tradierten Prozesse und Machtverteilungen innerhalb der Immobilienwirtschaft in Frage stellende Trends erörtern, ihre jeweiligen Anbieter beleuchten sowie Chancen und Risiken für die Marktteilnehmer aufzeigen.

Um keine zukünftigen Studien und Deep Dives zu verpassen, hinterlegen Sie [hier](#) Ihre Kontaktdaten und wir schicken Ihnen neue Ausgaben bei Erscheinen per E-Mail zu.

EUROPEAN PROPTech TRENDS

INHALTSVERZEICHNIS

1 FAKTEN

1.0 Methodik

Impressum

PropTech1 Venture Services GmbH
Tempelhofer Damm 2
12101 Berlin

Geschäftsführung

Page:
chart

2 MEINUNG

2.1 Die Lage des Ökosystems

2.2 Trends für 2020

3 ÜBER PROPTech1 VENTURES

The Facts

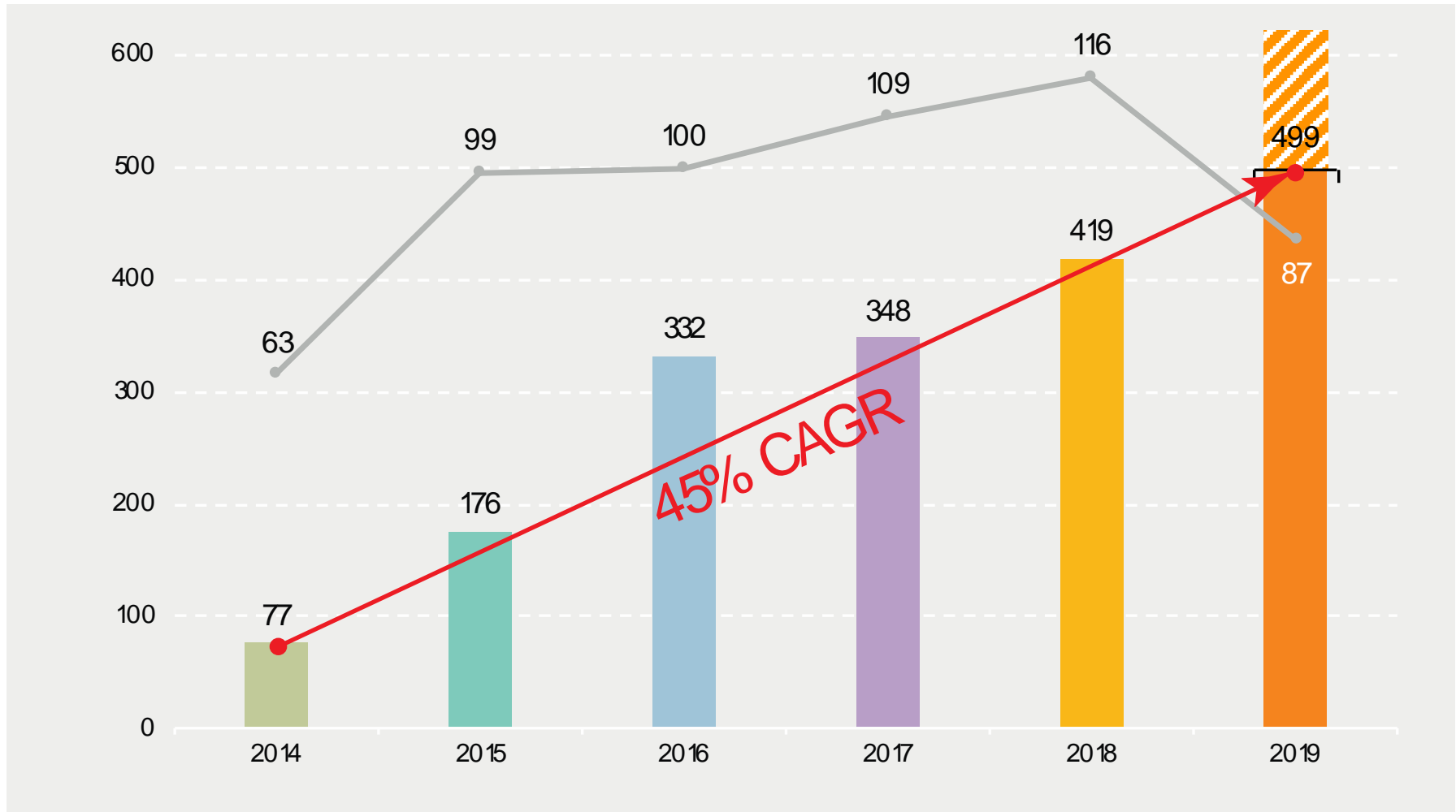
2.1



European PropTech financing activity is steadily growing

TOTAL PROPTECH FUNDING IN EUROPE (IN \$M)

Number of financing rounds



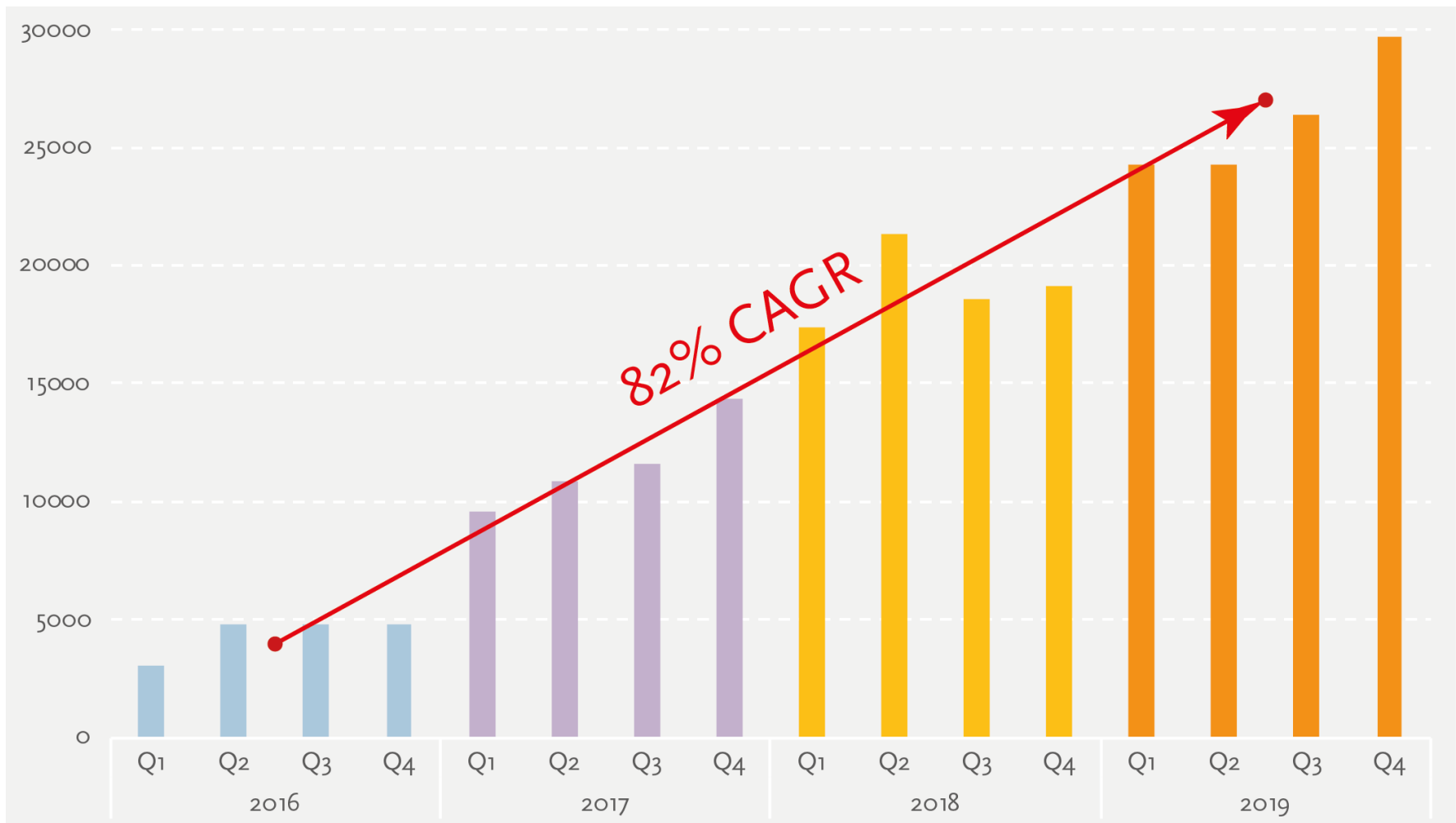
Europe's most well-funded PropTechs

The map below provides a rough overview of selected PropTech startups that have accumulated the highest amounts of equity in their respective countries over their life-cycle within the past five years. It should be noted that only equity financings are taken into account for which exact financing amounts have been published.












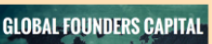

















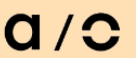









Popularity of PropTech rises steadily even among the public






















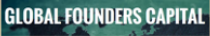













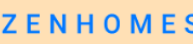


NUMBER OF GOOGLE SEARCHES FOR „PROPTech“ IN EUROPE



Largest financing rounds: BrokerTech still the most mature sub-segment (1/2)

Startup	Finanzierungshöhe(\$)	Modell	Lead Investor	Datum	Runde	Land
 TopHat	98M	Modulares Bauen		April 2019	Series A	
 STUDENT.COM	60M	Marktplatz für studentisches Wohnen		Februar 2016	Series C	
McMakler	56,6M	Online-Makler		Juni 2019	Series C	
 EXPORO	48,7M	Immobilien-Crowdinvesting		Juni 2019	Series B	
nested	47,5M	Online-Plattform für den Hausverkauf		Oktober 2017	Series B	
 Finalcad	40M	Software für Bauprojekts-Management		Dezember 2018	Series C	
 SPOTAHOME	40M	Marktplatz für mittelfristige Vermietung	 <small>KLEINER PERKINS CAUFELD BYERS</small>	Juni 2018	Series B	
 lendinvest	39,5M	P2P-Marktplatz für Hypotheken		September 2018	Series C	
 easyProperty.com	37,7M	Online-Makler		Dezember 2015	Series B	
 Yopa	34,8M	Online-Makler		September 2017	Series A	
 Plentific	32M	Marktplatz für Property Manager und Handwerker		November 2019	Series B	
 Lamudi	31,4M	Immobilienmarktplatz		Februar 2016	Series C	
 badi	30M	WG-Marktplatz		Januar 2019	Series B	

Largest financing rounds: BrokerTech still the most mature sub-segment (2/2)




Startup	Finanzierungshöhe(\$)	Modell	Lead Investor	Datum	Runde	Land
 CONDECO	30M	Lösungen zur Raum- und Arbeitsplatzbuchung	 HIGHLAND EUROPE	Juni 2016	Series A	
 SPACEMAKER	25M	AI-Software für Baustellenplanung	 ATOMICO	Juni 2019	Series A	
 GasTag	24,4M	Software Lösung für Gas	 WATERLAND PRIVATE EQUITY INVESTMENTS	Januar 2018	Series B	
 uniplaces <small>book it. live it.</small>	24M	Marktplatz für mittelfristige Vermietung	 ATOMICO	November 2015	Series A	
 housesimple	23,6M	Online-Makler	Freston Ventures	Dezember 2017	Series C	
 HOMEDAY	23,2M	Online-Makler	 Project A	Oktober 2018	Series B	
 Property Partner	22,6M	Immobilien-Crowdinvesting	 octopus ventures	März 2016	Series B	
 PRPRIOO	22,5M	Online-Makler	 GLOBAL FOUNDERS CAPITAL	Mai 2019	Series B	
 CASA VO	21,9M	iBuyer	 GREENOAKS	Oktober 2019	Series B	
 blueground	20M	Marktplatz für mittelfristige Vermietung	 VentureFriends	März 2019	Series B	
 emoov	19,9M	Online-Makler	 4i	Mai 2018	Series B	
 Disperse	15M	AI-Software für Baustellen-Monitoring	 Northzone	Oktober 2019	Series A	
 ZENHOMES	14,5M	Software für Immobilienverwaltung	 SIGNA	August 2019	Series A	

EPPT 2020 Preview:

Few PropTech-focused investors, but the number is growing

Venture-Capital-Investor	Anzahl Portfolio-unternehmen
 VITO ONE	15
 BitStone CAPITAL	10
 PROPTech1	8
 SIGNA	8
 concrete	8
 kima ventures	8
 a/c	7
 High-Tech Gründerfonds	7

Venture-Capital-Investor	Anzahl Portfolio-unternehmen
 STARTUP WISE GUYS	7
 TARGET GLOBAL	6
 HV HOLTZBRINCK VENTURES	5
 GLOBAL FOUNDERS CAPITAL	5
 octopus ventures	5
 PICUS CAPITAL	5
 EUROPEANFOUNDERS THE FOUNDERS BEHIND THE FOUNDERS	5
 passion capital	5
 idinvest PARTNERS	5

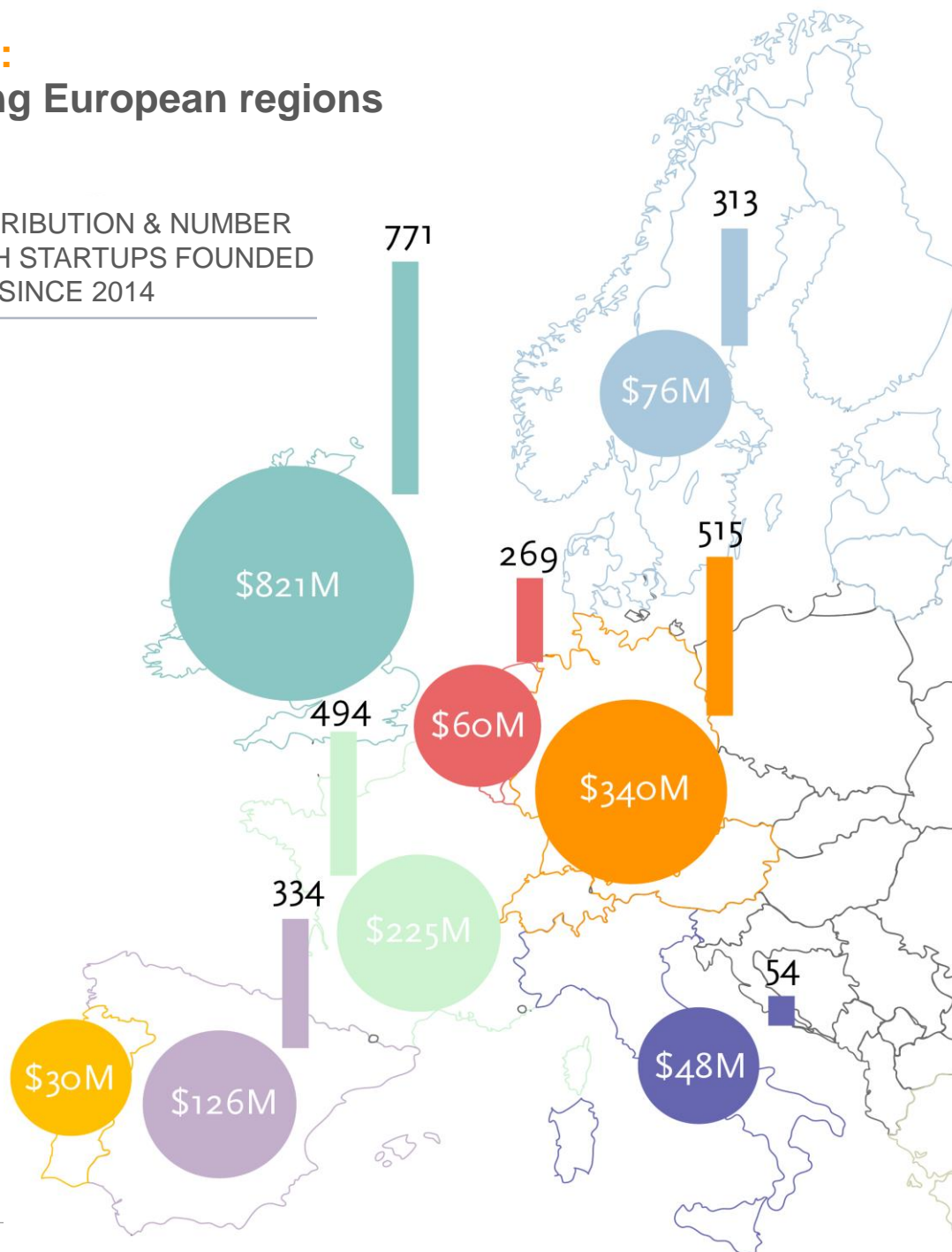
Accelerator	Anzahl Portfolio-unternehmen
 pi labs	39
 Seedcamp	18
 blackprint Booster	12

EPPT 2020 Preview:

UK & DACH - leading European regions in terms of funding

PROPTech1

EUROPEAN FUNDING DISTRIBUTION & NUMBER OF EUROPEAN PROPTech STARTUPS FOUNDED ACCORDING TO REGIONS SINCE 2014



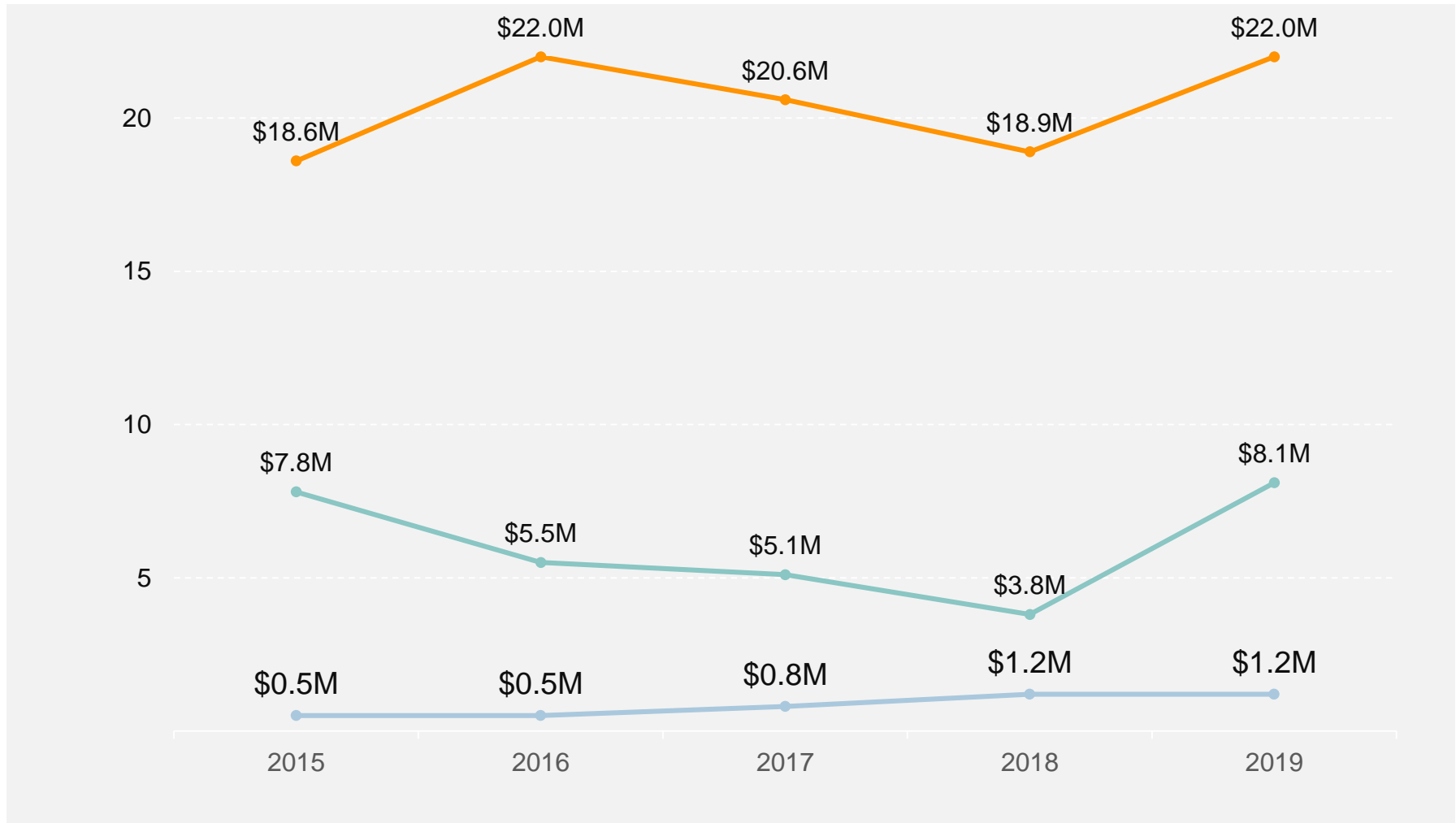
PropTech broken down into stages

DEFINITION

- Seed
 - Angel investments
 - Accelerator investments
 - Seed investments
- Early
 - Series A
 - Series B
- Late
 - Series C
 - Series D
 - Series E
 - Series F+

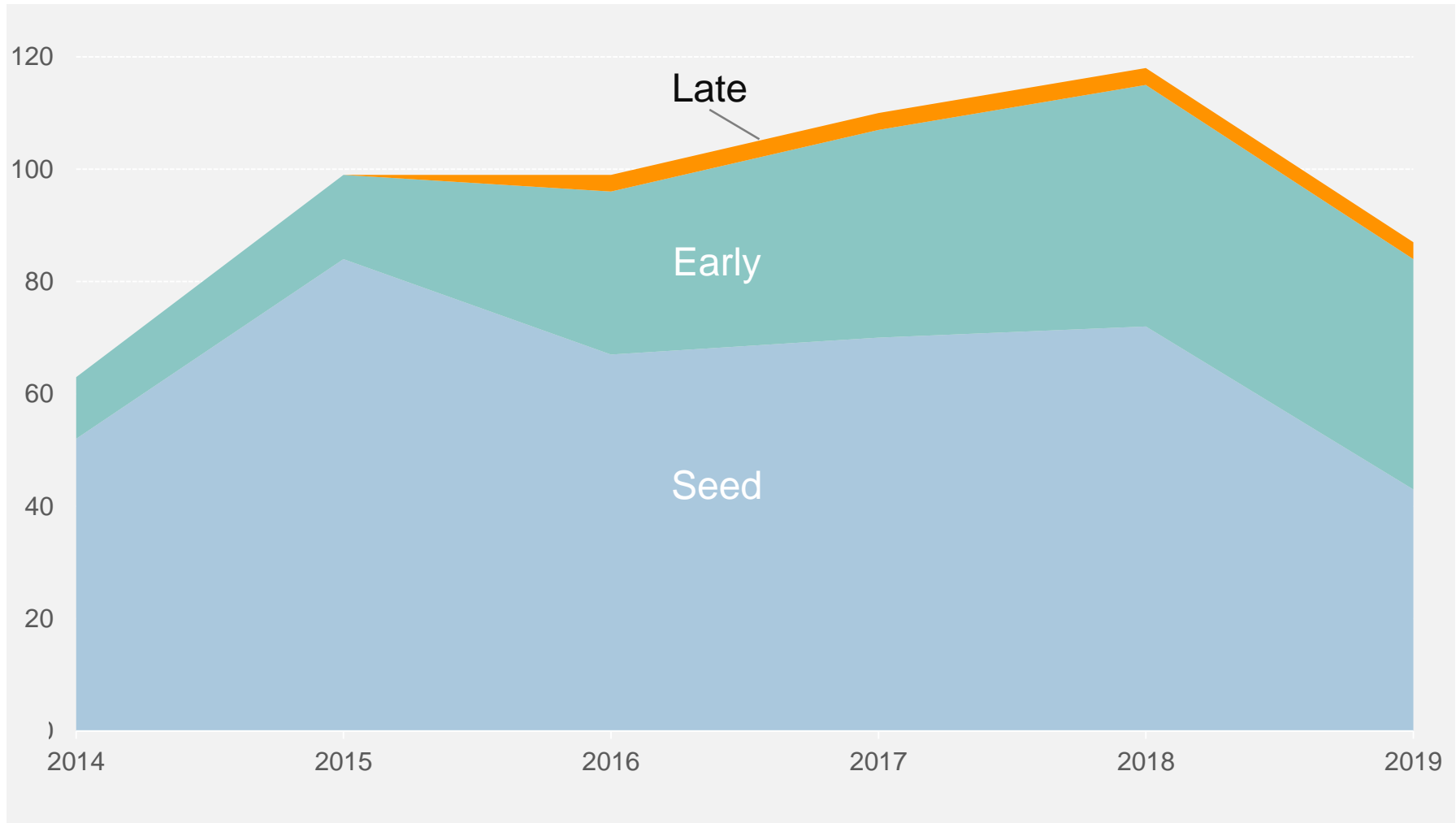
The European PropTech ecosystem is still relatively young

AVERAGE INVESTMENT TICKET SIZE OF EUROPEAN PROPTech COMPANIES IN THE EARLY STAGES



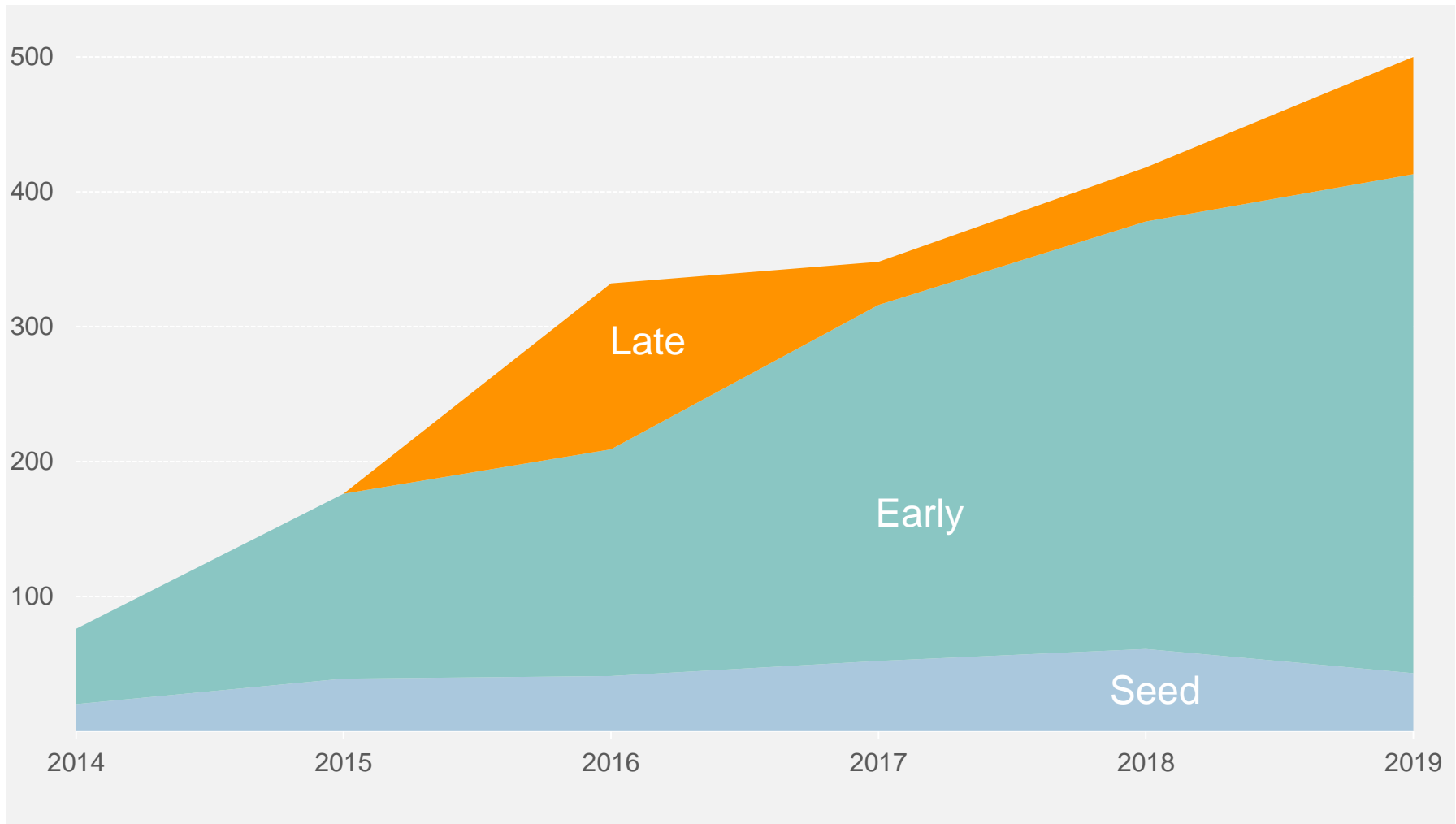
The European PropTech ecosystem is still relatively young

NUMBER OF EUROPEAN PROPTECH INVESTMENT ROUNDS BY STAGE



Most of the money goes into early stage

INVESTMENT VOLUME (M EUR) IN EUROPEAN PROPTech STARTUPS BY STAGE



Our 2 cents

2.2



” Is the PropTech hype over? “

Typical Panel / Journalist question late 2019

OrgVue^C

Just 15%

Making people count

Search

Bloomberg

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How WeWork valuation t

Dakin Campbell Sep 28, 2019, 4:29

Technology

WeWork's Startup Party Ends With Cut

By Ellen Huettner
4. Oktober 2019

- Company
- Some will

The Telegraph

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🏠 > Technology Intelligence >

British landlords exposed to billions in WeWork rental commitments

f share ↗ ↗ ↗

Save 1



What w

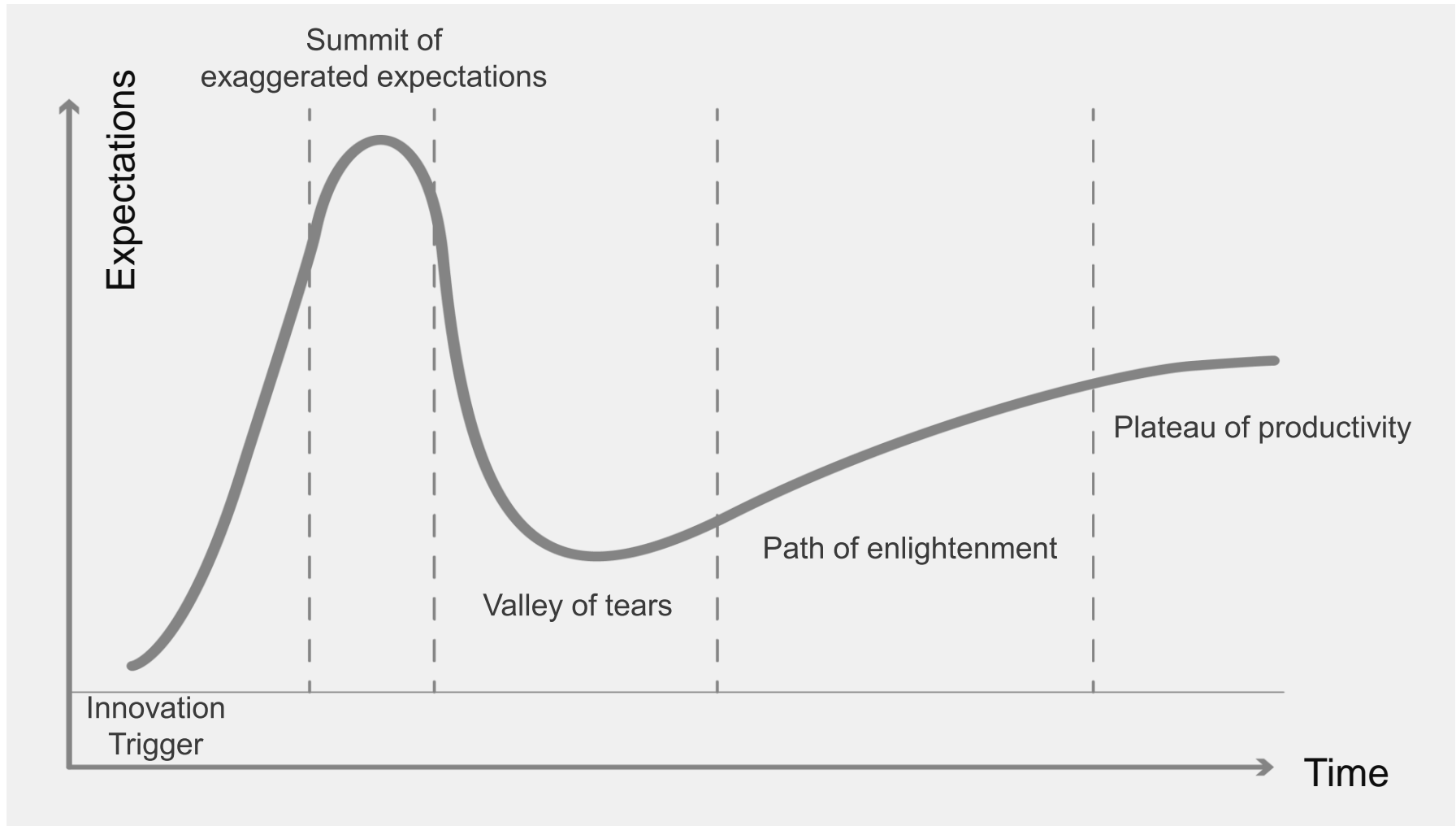
Bloomberg

Time to panic?



Well, what's a hype (cycle) again:

EXAGGERATED EXPECTATIONS WILL GIVE WAY TO LASTING EFFICIENCY GAINS



PEERING INTO THE CRYSTAL BALL

- PropTech sector is still relatively young, which is why the largest financing deals are still to come
- The coming-of-age phase, in which PropTechs were playfully tried out, is over
- From 2020, the sector will increasingly have to convince the industry with measurable efficiency gains in its core business
- Digital change does not happen overnight; however, a long-term innovation strategy for traditional real estate companies is without alternative & existential
- Startups that have a business model that already TODAY generates a tangible ROI for their customers (+ have a strong agenda for the future) will be the winners

Our four “Things to Watch ” for 2020

1 “GretaTech”: Regulation will make sustainable solutions inevitable

- Sooner or later, sustainability will become mainstream
- The first major investors and private equity companies are publicly positioning themselves for more climate protection
- For years the political power of green parties has been growing, both nationally and internationally
- Corresponding regulations such as CO2 pricing set economic incentives or sanctions



1 “GretaTech”:
Smart heating reduces costs of real estate owners

The AI Solution to Europe's Office Energy Consumption Problem

vilisto
einfach Wohlfühlklima



- 1 **“GretaTech”:**
Horizontal IoT platforms automate various energy-relevant aspects of a building to increase efficiency

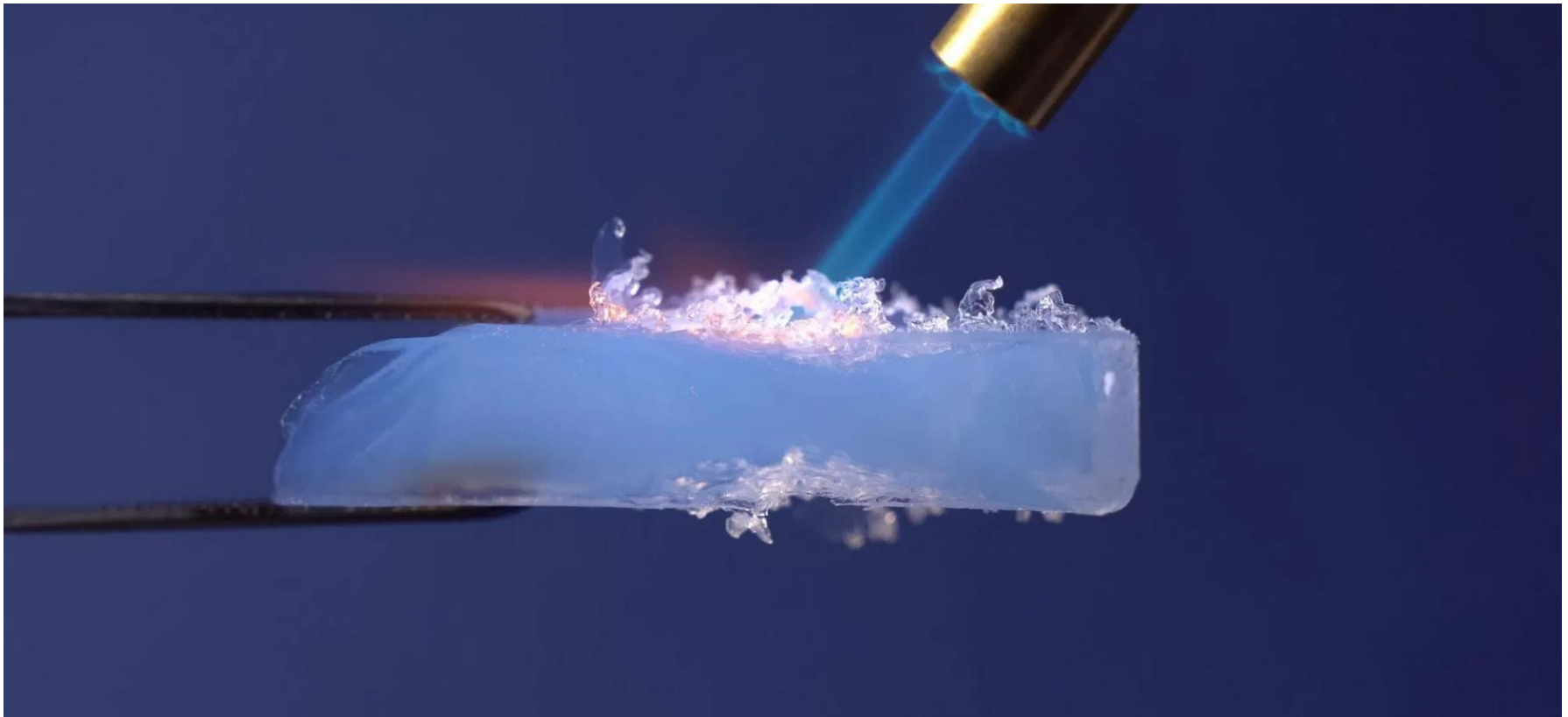


1

“GretaTech”:

Modern material make insulating more efficient, variable, and safe

cerabran
SYSTEMBAUSTOFFE



Pre-fabrication, modular construction & process methodology

- In times of scarce resources and increasing social pressure on construction costs and efficient use of space in metropolitan areas, a standardized, industrialized, modular way of constructing becomes more important
- Current construction processes are closer of pyramid construction than to modern, IT-supported project management methods
- Bad images of 1950 Plattenbau in Eastern Germany are uncalled for, as new materials and digital technologies are now being used





2

Platte Next Gen:

New construction technology: 3D printing



Technische
Universität
Braunschweig

2

Platte Next Gen: Modern IT project management processes



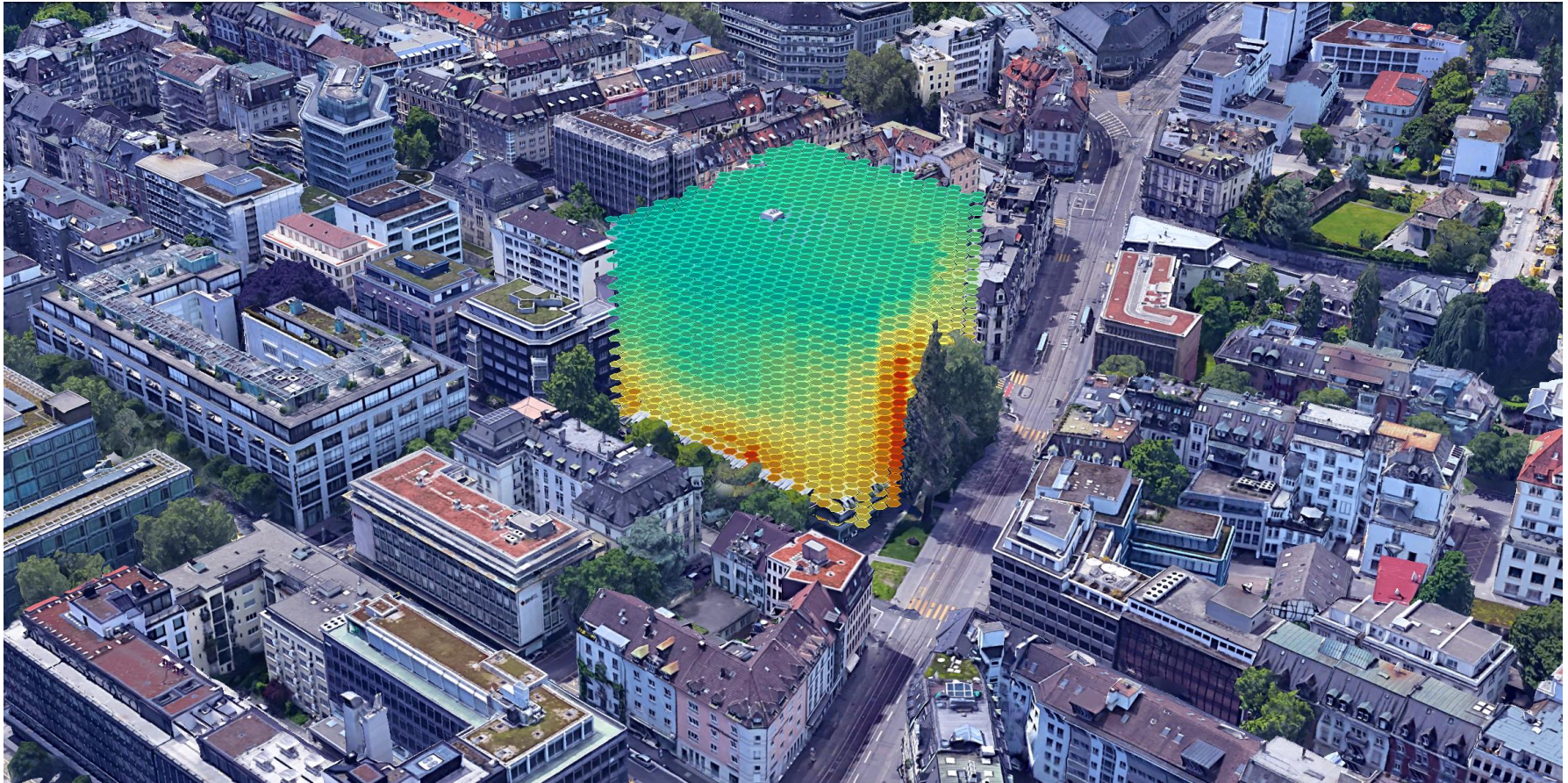
- Past success created sluggish systems, which were almost resistant to necessary improvements
- Accordingly, the RE industry has an IT landscape that can only be described as blatantly backwards according to modern criteria
- The basis must be created first for a meaningful use of big data or even machine learning / artificial intelligence in order to benefit from the use of cloud services, central data storage, and thus real-time computing capabilities



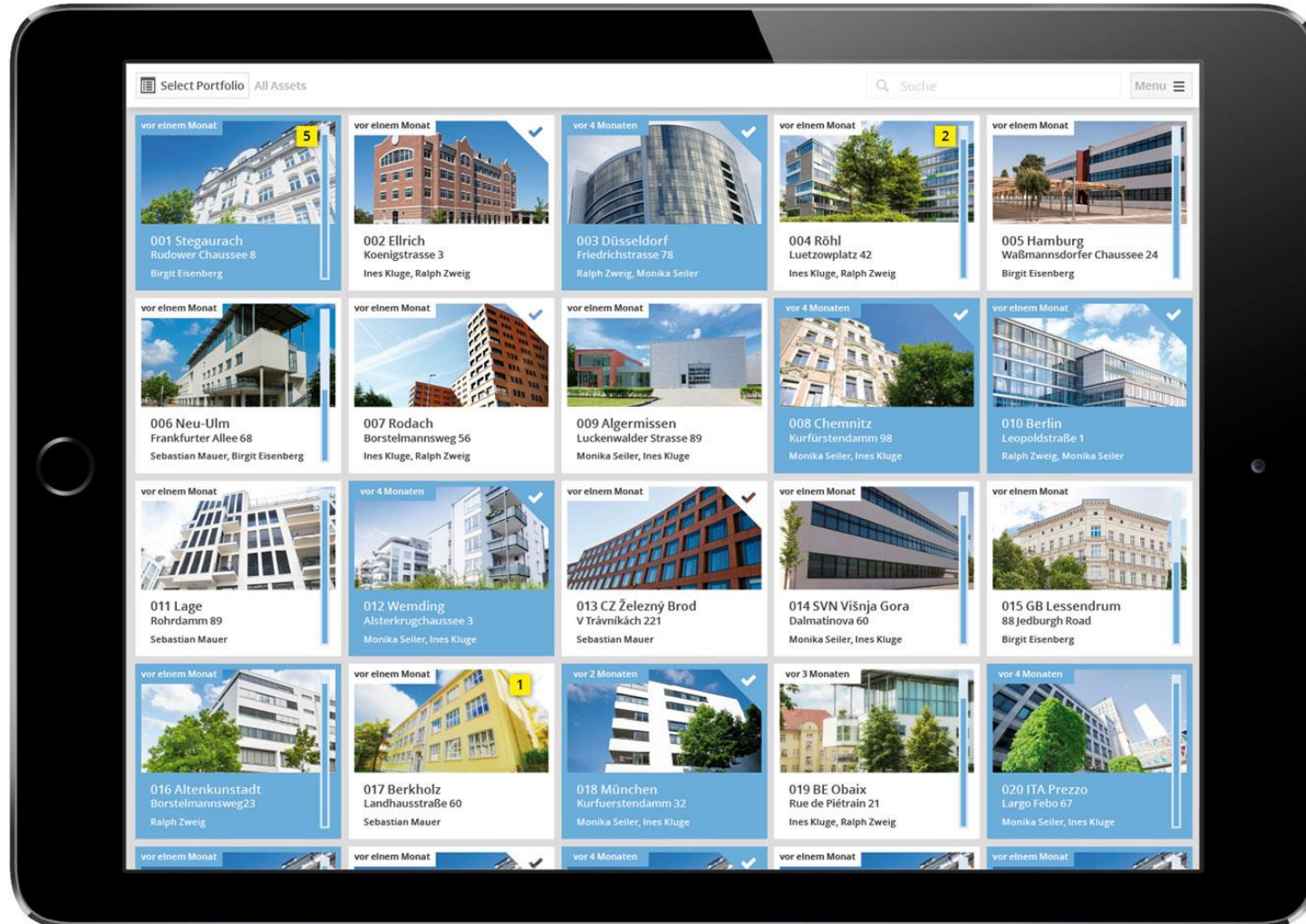
IT spring cleaning: Optimizing the valuation of objects and real estate



IT spring cleaning: Architectural analysis for the optimization of building usage



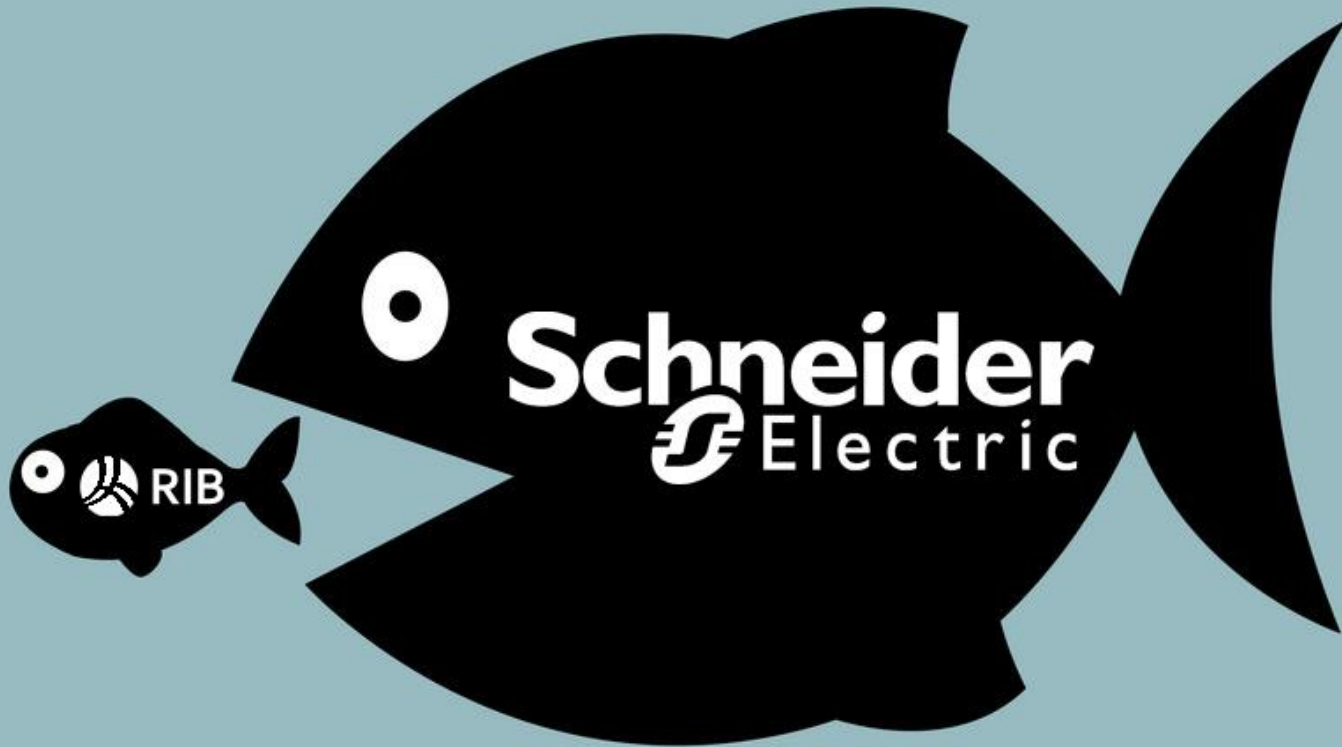
IT spring cleaning: From dusting and scanning documents to AI-driven data management



- We are constantly observing the phenomenon that real estate managers and acquirers are annoyed by the small-scale nature of current solution providers
- Accordingly, we consider 2020 to be the beginning of the consolidation of the PropTech landscape
- Possible ways of consolidation: mergers of direct competitors to aggregate market shares, complementary mergers to form entire cluster companies and platforms, both via APIs and through M&A activities



Corporates acquiring PropTechs to expand own platforms





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