

FT PARTNERS FINTECH INDUSTRY RESEARCH

June 9, 2017

CADRE

**Cadre Raises \$65 million in Series C Financing
led by Andreessen Horowitz**

ANDREESSEN HOROWITZ

Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institutional Investor* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

steve.mclaughlin@ftpartners.com

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Cadre Raises \$65 million in Series C Financing

Transaction Summary

CADRE

Transaction Summary

- **On June 6, 2017, Cadre announced it had raised \$65 million in Series C financing led by Andreessen Horowitz**
 - Breyer Capital, Ford Foundation, General Catalyst, Goldman Sachs, Khosla Ventures and Thrive Capital also participated in the round
 - Cadre's existing investors include DST, Founders Fund, SL Green and others
- **This latest financing round will support Cadre's national expansion into additional markets, further development of its data program and growth of its technology and real estate teams**
 - Cadre's significant growth since its launch two years ago paved the way for this latest round

Cadre's Financing History

Date	Size (\$ mm)	Investor(s)
06/06/17	\$65	Andreessen Horowitz; Ford Foundation; General Catalyst; Goldman Sachs; Khosla Ventures; Thrive Capital
01/28/16	50	Ford Foundation; Founders Fund; Kensington Capital Holdings; Goldman Sachs; Thrive Capital
03/24/15	18	General Catalyst; Thrive Capital; TowerBrook Capital Partners

Transaction Commentary

"We welcome Andreessen Horowitz as investors and look forward to a great partnership as we continue to scale Cadre. With a laser focus on our mission, we're creating a platform that allows people to expand their financial futures. We believe that with technology, we can drive down marginal costs and enable broader access to attractive investment opportunities."

CADRE

Ryan Williams
CEO



"Cadre is designed to give accredited investors direct access to slices of individual commercial real estate investments, allowing deal-by-deal discretion. While targeting the same size investments, Cadre's fees are significantly lower than its analog competitors and it offers deep transparency. And the company is in the process of refining functionality that will give these investors the potential for liquidity during the life of the investment. This all makes us believe that the Cadre value proposition for investors is far superior to that of existing options, and will — like other digital marketplaces before it — disrupt less efficient analog incumbents.

We also believe that Cadre offers a robust value proposition to property managers and sponsors, the other side of their two-sided marketplace, by offering them guaranteed funding as well as a permanent source of capital — and that capital is lower cost as Cadre leverages the efficiencies inherent in a digital marketplace. Last but not least, Cadre offers a suite of technology services that helps operators efficiently manage the capital raising and asset management processes. The fact that a billion dollars have already been invested on the Cadre platform — and one early investment has already sold at a price that generated attractive returns for its investors — suggests that their value proposition is resonating on both sides of the marketplace." ⁽¹⁾

ANDREESSEN
HOROWITZ

Jeff Jordan
General Partner



Cadre Raises \$65 million in Series C Financing

Cadre Overview

CADRE

Company Overview

CADRE

Founders:	Ryan Williams
Headquarters:	New York, NY
Founded:	2014

- Cadre provides a technology-enabled investment platform that connects qualified individuals and institutions to vetted real estate investment opportunities
 - The Company operates a marketplace where investors benefit from increased transparency, actionable information, lower fees and more flexibility
 - Cadre usually requires a minimum investment amount of \$100,000 per transaction

	CADRE	Real Estate Funds	Public REITs	Private REITs	Direct Deals	Crowd-funding
Investment Expertise	✓	✓	✓	?	?	✗
Lower Fees	✓	✗	?	✗	✓	?
Transparency	✓	✗	✗	✗	?	?
Diversification	✓	✓	✓	?	✗	?
Flexible Commitment	✓	✗	✓	?	✗	?

Benefits of Investing with Cadre

Better Economics

- Cadre’s fee load is up to 40% lower than a traditional fund
- No “double layer” of carried interest
- Favorable tax characteristics

Cadre investor net return 15.9%

Fund investor net return 13.4%

Differentiated Technology

- Enhanced sourcing, diligence and asset management processes
- Efficient scale and lower marginal cost of investing, allowing lower fees than traditional peers

True Alignment

- SEC-registered investment advisor with a fiduciary responsibility
- Cadre employees invest alongside investors in each transaction
- Active asset management role with detailed deal-level transparency

Cadre’s Typical Investment

Risk

- Cadre invests across the risk spectrum

Transaction Size

- \$50 – 250 mm

Asset Class

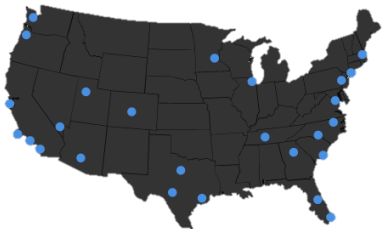
- Cadre invests in all asset classes
- Multi-family, office, industrial, retail, hospitality and student housing

Hold Period

- Up to 10 years

Geography

- Cadre focuses on opportunities within metro areas with favorable long-term supply / demand dynamics



Cadre Raises \$65 million in Series C Financing

FT PARTNERS RESEARCH

Andreessen Horowitz Overview

CADRE

Overview

ANDREESSEN HOROWITZ



Marc Andreessen
Co-Founder,
General Partner



Ben Horowitz
Co-Founder,
General Partner



Jeff Jordan
General Partner



Lars Dalgaard
General Partner

Location

- Menlo Park, CA

About

- Founded in 2009 by Marc Andreessen and Ben Horowitz, former co-founders of Opsware
- Seed, venture and growth-stage investor with over \$4bn in total assets under management across four funds
- Prefers to invest in companies with over 50% of annual growth
- Likes to participate in Series B rounds for consumer-oriented businesses and Series A for enterprise-oriented companies, but generally stage agnostic
- Early investor in some of the fastest-growing technology companies in the world, like Facebook, Skype, Twitter and Pinterest

Investment Preferences

Investment Criteria

Fund Size:	\$1,580 mm
Fund Raised:	2016
Investment Range:	\$0.01 – 100 mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Minority
Geography:	North America
Transaction Type:	Venture, Growth, Seed
Industry Focus:	Software-enabled Consumer and Enterprise Products and Services

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
06/17	Cadre (Series C)	\$65	NA	CapMkts
05/17	Axoni (Series A)	22	NA	CapMkts
05/17	Propel (Seed)	5	NA	Pymts
05/17	Open Invest (Seed)	3	NA	CapMkts
02/17	Tezos (Early Stage VC)	10	NA	CapMkts
02/17	HealthSherpa Insurance Agency (Series A)	7	NA	HCIT
01/17	TransferWise (Secondary)	NA	NA	Pymts
12/16	Polychain Capital (Early Stage VC)	10	NA	CapMkts
11/16	PeerStreet (Series A)	15	NA	Bnkg
11/16	Cross River Bank (Later Stage VC)	28	NA	Bnkg
10/16	Quantopian (Series C)	26	NA	CapMkts
09/16	Point Digital Finance (Series A)	8	NA	Bnkg
07/16	Capriza (Series C)	23	Ben Horowitz	BPO
04/16	Affirm (Series D)	100	NA	Bnkg
04/16	Swanest (Seed)	10	NA	CapMkts
03/16	Branch.co (Series A)	9	Zal Bailimoria	Bnkg
01/16	Pindrop Security (Series C)	75	Scott Weiss	Bnkg
12/15	Oration (Series A)	11	NA	HCIT
12/15	Factual (Series B)	35	NA	Pymts
10/15	Open Gov (Series C)	25	Marc Andreessen	FMS

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

2) * denotes M&A exit; ** denotes IPO exit

3) Deal Amount in mm

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FT PARTNERS RESEARCH

Selected FT Partners' Research – *Click to View*



Research Report: Innovations in Capital Markets Technology



Riskalyze's \$20 mm growth financing



Cowen Group Acquires Convergenx for \$116 million



Factset Acquires BISAM for \$205 million



Euronext Acquires FastMatch for \$153 million



Robinhood Raises \$110 million in Series C Financing led by DST Global



Moody's Acquires Bureau van Dijk for €3 billion

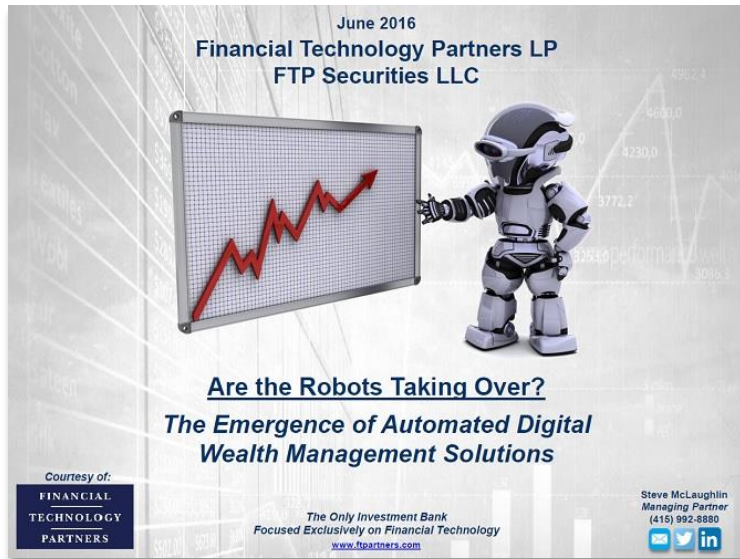


London Stock Exchange Group Acquires Two of Citi's Businesses

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Selected FT Partners Research – Digital Wealth Management

Are the Robots Taking Over? The Emergence of Automated Digital Wealth Management Solutions



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FT Partners' 140-page report provides a comprehensive overview of key industry trends driving innovation in the wealth management space and how the industry is reacting to the emergence of Robo Advisors and other Digital Wealth Management disruptors.

Additional highlights of the report include:

- A discussion of the different Automated Digital Wealth Management platforms and business models
- The responses of incumbents in the wealth management space, including the innovations, partnerships and acquisitions being made to stay ahead of the game
- Interviews with eight CEOs of leading Digital Wealth pioneers including Betterment, Link Pacific Advisors, MyVest, NextCapital, Nutmeg, Riskalyze, SigFig and Vanare
- A detailed industry landscape of Digital Wealth Management providers as well as other innovative, tangential companies, profiles of 28 companies and a comprehensive list of private equity financing and M&A transactions in the space

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Significant Experience in the WealthTech Sector

M&A Transactions

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
sole strategic and financial advisor to

BLACKROCK

in its 100% acquisition of

FutureAdvisor

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PENSIO
TRUST COMPANY

in its sale to

OpusBank
BUILD YOUR MASTERPIECE

for total consideration of

\$ 104,000,000

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Financial Technology Partners LP
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Alpha

in its acquisition by

CHIX EUROPE

TMX **Maple Group**

valued at approximately

\$ 175,000,000

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ZYWAVE

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Zephyr
ASSOCIATES, INC.

in its sale to

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for total cash consideration of

\$ 62,000,000

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in its sale to

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for cash and stock consideration of
approximately

\$ 680,000,000

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in the sale of its stake in

CHIX EUROPE

to

BATS

for total consideration of approximately

\$ 305,000,000

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in its sale to

Capital IQ

A Division of Standard & Poor's

for total consideration of approximately

\$ 300,000,000

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Financing Transactions

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riskalyze

in its growth equity investment led by

FTV CAPITAL

for total consideration of

\$ 20,000,000

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on its debt financing from

VISTARA CAPITAL PARTNERS

for total consideration of

\$ 5,000,000

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ENVESTNET

in its

\$69,000,000
Initial Public Offering

valuing the equity at approximately

\$ 300,000,000

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alphasense

in its growth financing from

Quantum Strategic Partners

in private investment vehicle management, to **TRIPADVISOR**

Triangle Peak **TVP**

for total consideration of

\$ 33,000,000+

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FORTIGENT

in its strategic capital raise with

AMG

for approximately

\$ 11,000,000

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AXIAL

in its financing led by

Edison PARTNERS

for total consideration of approximately

\$ 14,000,000

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liquidnet

in its financing for approximately

\$ 250,000,000

valued at approximately

\$ 1,800,000,000

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ITG INVESTMENT TECHNOLOGY GROUP

in its debt financing

Senior Revolving Credit Facility
Senior Term Loan

of approximately

\$ 205,000,000

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MarketAxess

in its minority capital raise with

TCV TECHNOLOGY CREDITORS VENTURES

for approximately

\$ 35,000,000

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FT Partners has advised on some of the most prominent and groundbreaking transactions in the WealthTech sector

Significant Experience Across the Real Estate / Mortgage Tech Value Chain

Mortgage Origination

Financial Technology Partners LP
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is pleased to announce its exclusive role as
Capital Markets & IPO Advisor to



in its

\$45,000,000

Initial Public Offering

valuing the equity at approximately

\$ 146,000,000



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Real Estate Invoicing & Payments

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
sole strategic and financial advisor to



in its Series E minority financing from

Bain Capital Ventures



for total consideration of

\$ 253,000,000



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Mortgage Technology

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role as financial advisor to



in its sale to

GTCR



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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
exclusive role as financial advisor to



in its minority investment from



for total consideration of

\$ 300,000,000



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Property Management

Financial Technology Partners LP
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sole strategic and financial advisor to



in its minority investment led by

**ACCEL
PARTNERS**

for total consideration of

\$ 50,000,000



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SaaS-based Loan Origination

Financial Technology Partners LP
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in its sale to

MOODY'S



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Listing Management Solutions

Financial Technology Partners LP
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is pleased to announce its exclusive role as
sole strategic and financial advisor to



in the sale of its



software division to



for approximately

\$ 8,500,000



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Property Insurance Solutions

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enservio

in its sale to



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Award-Winning Investment Banking Franchise Focused on Superior Client Results

FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition



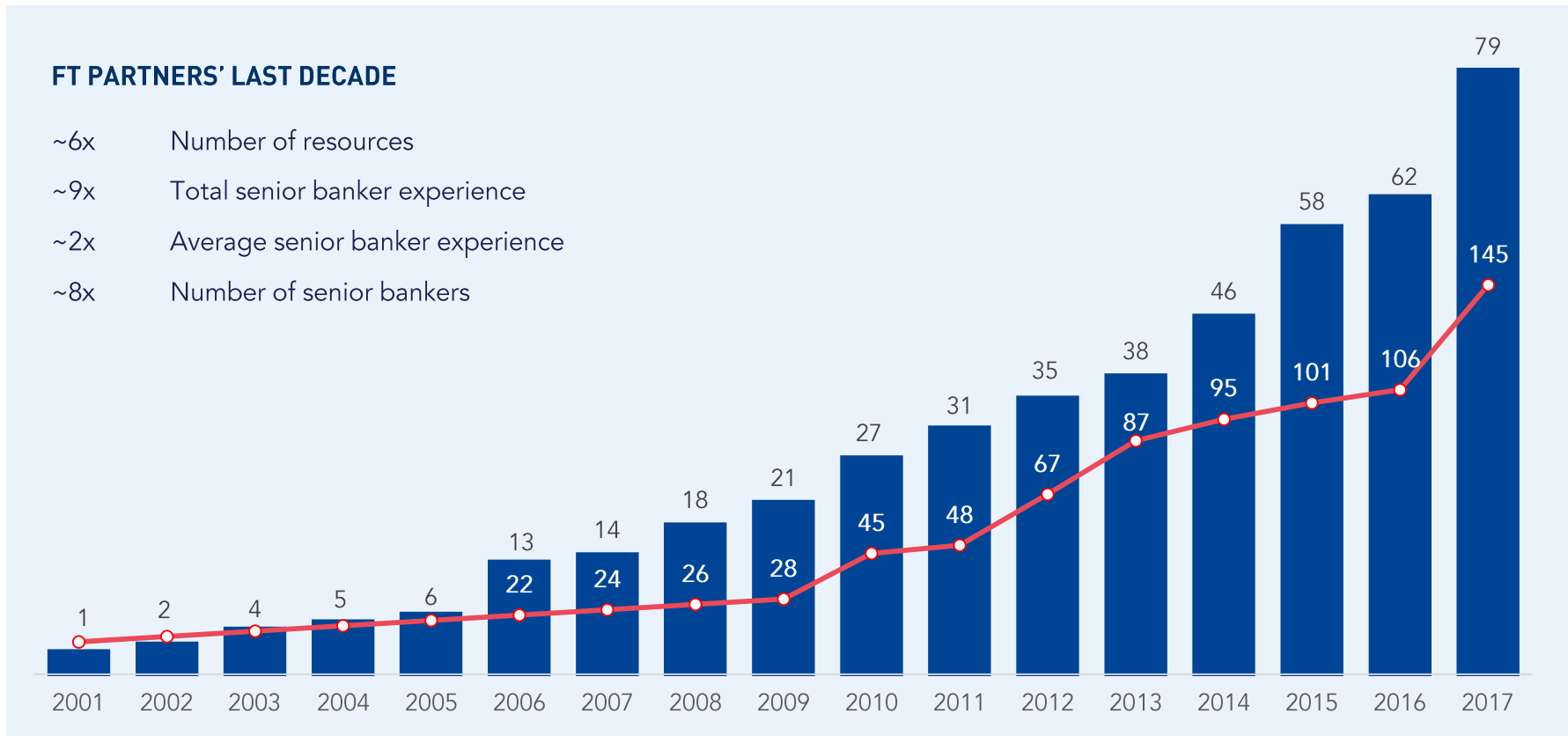
M&A Advisor Awards



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> Investment Banking Firm of the Year Cross Border Deal of the Year
2015	<ul style="list-style-type: none"> Dealmaker of the Year Technology Deal of the Year
2014	<ul style="list-style-type: none"> Equity Financing Deal of the Year Professional Services Deal of the Year, Above \$100mm
2012	<ul style="list-style-type: none"> Dealmaker of the Year Professional Services Deal of the Year, Above \$100mm
2011	<ul style="list-style-type: none"> Boutique Investment Bank of the Year Deal of the Decade 10 Deal of the Year Nominations Across 9 Categories
2010	<ul style="list-style-type: none"> Upper Middle Market Deal of the Year, Above \$500 mm IT Services Deal of the Year, Below \$500mm Cross-Border Deal of the Year, Below \$500mm
2007	<ul style="list-style-type: none"> Dealmaker of the Year – Steve McLaughlin Business to Business Services Deal of the Year Computer and Information Technology Deal of the Year, Above \$100mm Financial Services Deal of the Year, Above \$100mm
2015	<ul style="list-style-type: none"> Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006 - 2008	<ul style="list-style-type: none"> Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology
2008	<ul style="list-style-type: none"> Equity Financing Dealmaker of the Year – Steve McLaughlin Information Technology Deal of the Year Financial Services Deal of the Year
2006	<ul style="list-style-type: none"> Financing Professional of the Year – Steve McLaughlin Financing Deal of the Year - Equity Financing Deal of the Year - Debt









Platform of Choice for Clients and Bankers Alike



■ Employees —○— Total Exp. Of Directors / MDs (Years)



The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	22
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	22
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	21
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	20
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	19
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	15
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	14
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	11