



Real Estate & Property Technology Sector Update

Harris Williams | Q1 Report

Harris Williams: At a Glance



- **30 years** and thousands of deals closed
- **100%** of revenue is from M&A advisory
- **10** industry groups with deep sector expertise
- **200+** closed transactions in the last 24 months
- **70%** of revenue from repeat clients
- **8** offices across the U.S. and Europe

The Harris Williams Technology Group

- **35+** dedicated professionals in Boston, London, and San Francisco
- **44** closed technology transactions since January 2020

Technology Coverage Areas

- Application Software
- Infrastructure & Security Software
- IT & Managed Services

Sector Coverage Areas

- Architecture, Engineering, & Construction
- Education
- Human Capital Management
- Pharma
- Compliance
- Government & Public Sector
- Industrial
- Legal
- Real Estate & Property
- eCommerce & Retail
- Healthcare
- Office-of-the-CFO
- Supply Chain & Logistics

Thematic Focus Areas

- SaaS / Cloud
- Integrated Payments
- Digital Transformation
- AI / Machine Learning

HW Real Estate & Property Technology Coverage Team

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Harris Williams’ Real Estate & Property Technology Experience


Selected Real Estate & Property Technology Transaction Experience

 <p>has been acquired by</p> 	 <p>has made a significant investment in</p> 	 <p>has made a strategic investment in</p> 	 <p>has been acquired by</p> 	 <p>has acquired</p> 
 <p>has been acquired by</p> 	 <p>has received a majority investment from</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 


Additional Property Services Transaction Experience

 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 
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Harris Williams’ Transaction Spotlight



has been acquired by



August 2021

Relevant Subsectors

HW Deal Contacts

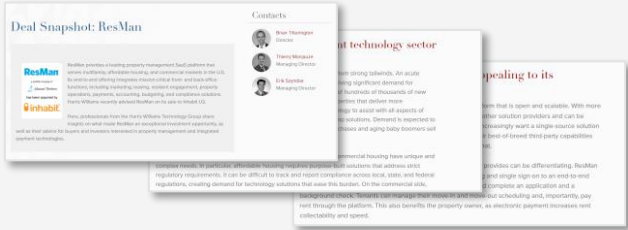
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Company Background

ResMan provides an innovative, end-to-end property management SaaS platform, streamlining operations and driving growth for property managers while providing convenience for residents.

[Click to Read Full Deal Snapshot](#)



Harris Williams Role

Harris Williams served as exclusive financial advisor to ResMan, a portfolio company of Mainsail Partners, in this transaction.

Property Management Software	Integrated Payments
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Real Estate & Property Technology Observations and Key Trends

Digital transformation across key points of the property life cycle is driving technology adoption.



Perspectives on Real Estate & Property Technology

Residential



Solutions that enable agents, brokers, or home-seekers to engage across entire home-search, purchase, and close life cycle

Property Discovery • Broker / Agent Tools • Financing and Mortgage • Homeowners Association • Home Services • Data and Analytics

Select Market Participants

BoomTown!

COMPASS

CoStar Group

LONE WOLF TECHNOLOGIES

MoxiWorks

Opendoor

propertybase™

PropLogix

Reapit

Key Trends

- Digitization of the home buying experience is streamlining the discovery process and enabling brokers / agents to more efficiently execute transactions from lead to close
- Homebuyers are migrating online and adopting data-driven solutions that simplify the entire home purchasing process

Commercial



Solutions that enable investment in, monitoring, and operation of commercial real estate properties

Property Discovery • Broker / Agent Tools • Sustainability Tools • Investor Management • Data and Analytics

Select Market Participants

AltusGroup

apto

CBRE

cherre

knock.

Grace Hill

LeaseAccelerator

measurabl


RealNex

VISUAL LEASE

Key Trends

- Flexible workforces emerging from COVID-19 require sophisticated workspace management tools that optimize space utilization
- Property managers and investors are acutely focused on driving sustainability across their property footprint while improving operational efficiencies

Property Management



Solutions that enable and enhance property operations, experience, and vendor relationships across multi-tenant properties

Marketing and Communications • Payments and Accounting • Utility and Vendor Management • Tenant Experience • Landlord and Tenant Screening • Lease Management • Workforce Management

Select Market Participants

ACCRUENT

appfolio™

entrata

inhabit®

LeaseQuery

LEONARDO²⁴⁷

mri

turbotenant

VTS

YARDI

Key Trends

- Housing shortage and rising cost of home ownership is driving demand for multi-family and mixed-use properties, and the technology needed to manage and grow property portfolios
- Integration and interoperability of core platforms with best-of-breed point solutions driving adoption across every aspect of the property life cycle

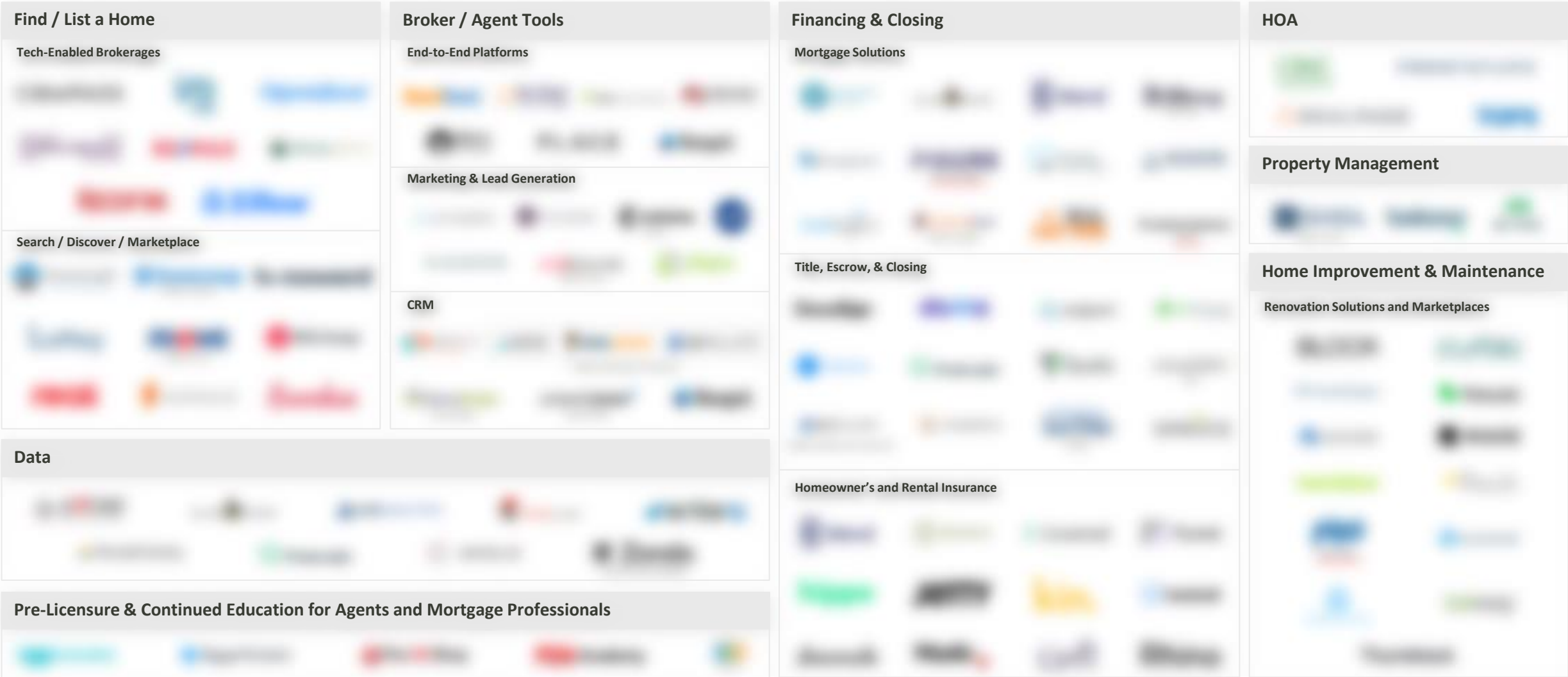
Harris Williams

Real Estate & Property Technology | January 2022 5

Single-Family / Residential Market Landscape

To view full market map, please contact:
hwTech_AEC/RE@harriswilliams.com

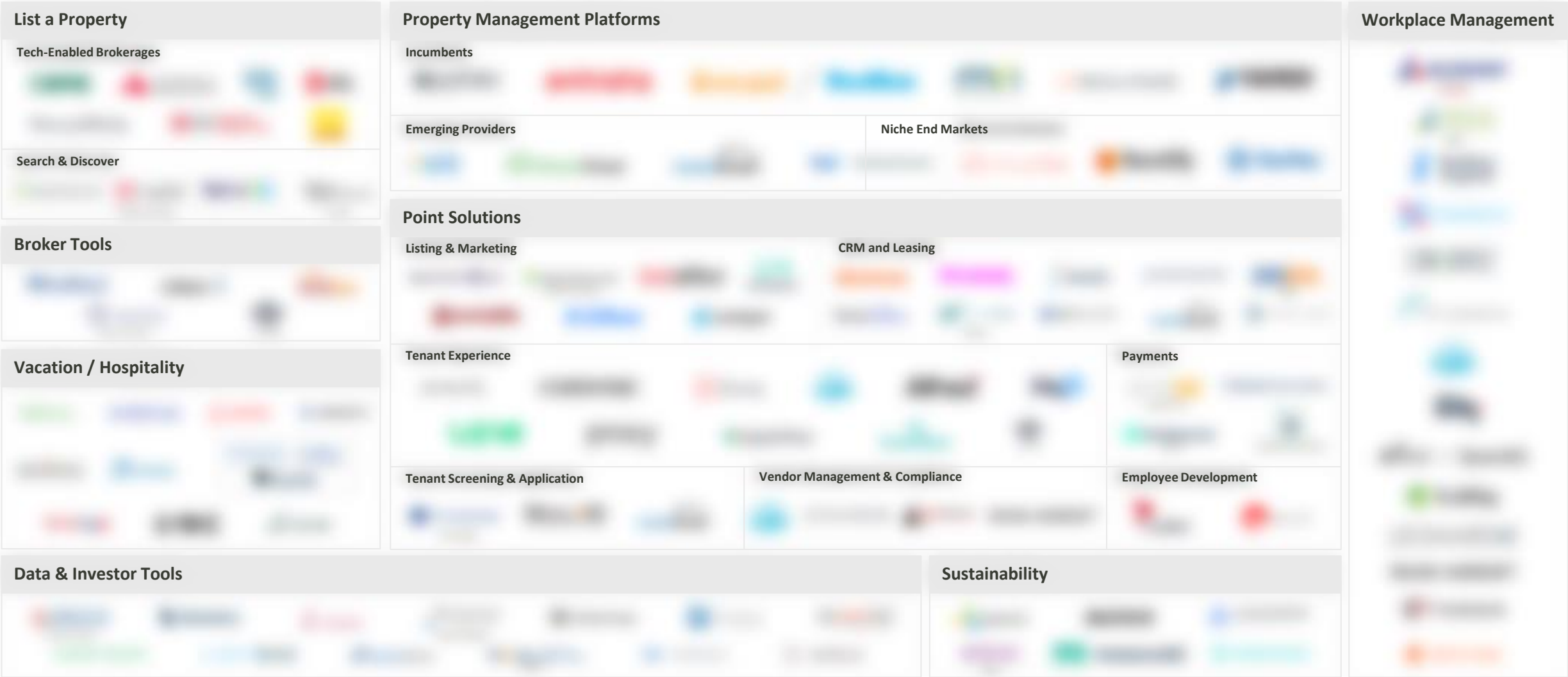
Highly fragmented market benefiting from accelerating adoption of technology at every phase of the home journey.



Commercial and Property Management Landscape

To view full market map, please contact:
hwTech_AEC/RE@harriswilliams.com

Focus on increasing property efficiency, space optimization, and sustainability is driving adoption of technology industry-wide.



Select 2021 Real Estate & Property Technology Transactions

InhabitIQ's acquisition of ResMan

ResMan

Target

inhabitIQ

Buyer

August 27, 2021

EV: HW Confidential

EV / LTM Revenue: HW Confid.

EV / EBITDA: HW Confidential

- ResMan is a provider of property management SaaS solutions that enable more efficient operations for multi-family and commercial properties
- Post transaction, ResMan will enhance Inhabit IQ's presence in residential and affordable housing markets with a core property management software platform and integrated payments capabilities

Genstar's acquisition of Inside Real Estate

inside real estate

Target

GENSTAR
CAPITAL

Buyer

December 23, 2021

EV: Confidential

EV / LTM Revenue: Confid.

EV / EBITDA: Confidential

- Inside Real Estate is a provider of cloud-based marketing solutions for residential real estate agents and brokers
- Post transaction, Genstar will support Inside Real Estate's expanding solution set for high-growth real estate agents and brokerages, and support continued market consolidation

Insight and Stone Point's take-private of CoreLogic

CoreLogic

Target

INSIGHT
PARTNERS
STONE POINT CAPITAL
Buyer

June 4, 2021

EV: \$7.8B

EV / LTM Revenue: 4.8x

EV / EBITDA: 15.7x

- CoreLogic is a provider of property information, data and analytics, and homebuying solutions to the global residential real estate market
- Post transaction, CoreLogic will use the partnership to develop new solutions and continue expanding across its existing markets

Opendoor's acquisition of RedDoor

REDDOOR

Target

Opendoor

Buyer

October 7, 2021

EV: NA

EV / LTM Revenue: NA

EV / EBITDA: NA

- RedDoor is a provider of a digital-first mortgage application platform for residential homebuyers, offering rapid pre-approvals and access to financing
- Post transaction, Opendoor will incorporate RedDoor into its home mortgage business, advancing Opendoor's goal of becoming a one-click stop for all parts of the homebuyer's journey

Thoma Bravo's take-private of RealPage

REALPAGE
OUTPERFORM

Target

THOMABRAVO

Buyer

April 22, 2021

EV: \$10.2B

EV / LTM Revenue: 9.0x

EV / EBITDA: 48.6x

- RealPage is a provider of marketing, leasing, resident experience, and operations solutions for over 19 million multifamily properties worldwide
- Post transaction, Thoma Bravo will leverage its software experience to facilitate additional digital innovation and product development at RealPage

Silver Lake's acquisition of Entrata

entrata

Target

SILVERLAKE

Buyer

July 7, 2021

EV: Confidential

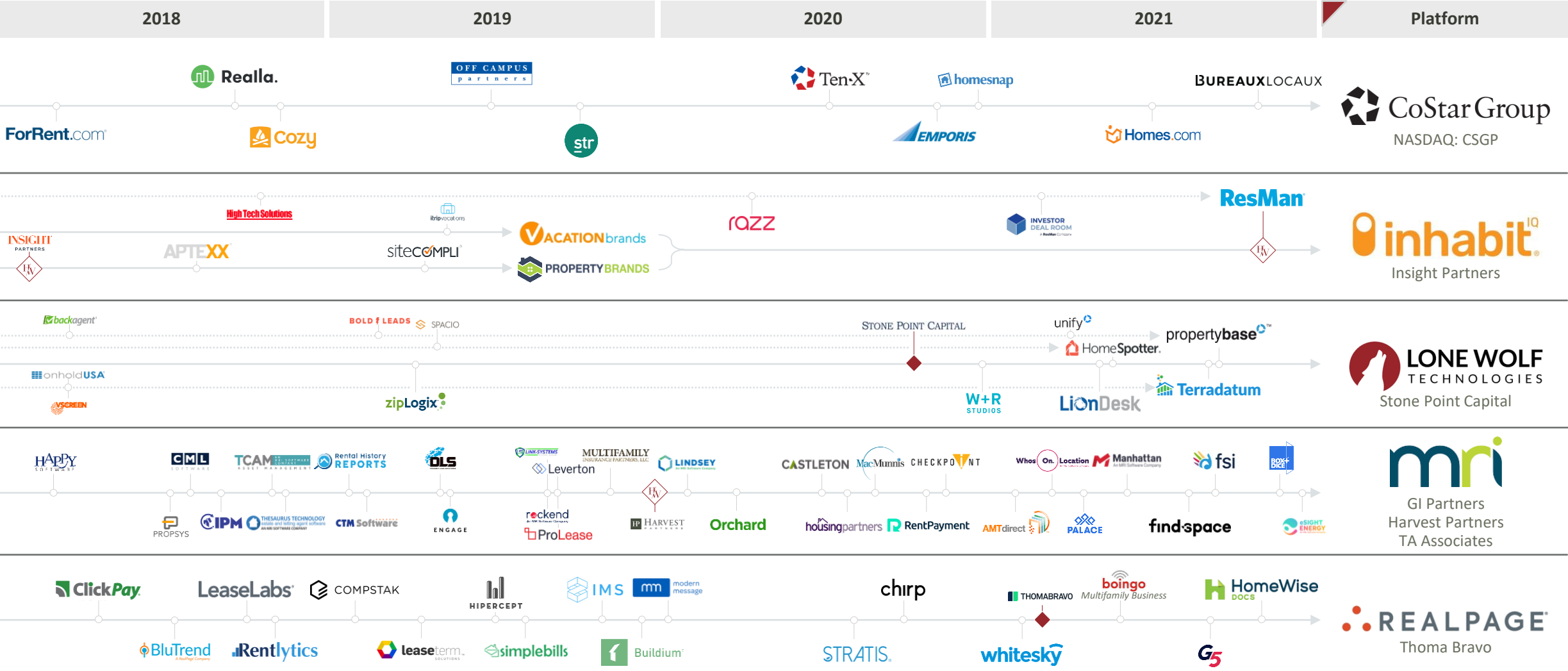
EV / LTM Revenue: Confid.

EV / EBITDA: Confidential

- Entrata is a provider of property management software and facilitates over \$20B in annual payment volume for 20,000+ apartment communities in the United States
- Post transaction, Entrata will use the capital to increase its research and development initiatives and pursue international expansion opportunities

Select Real Estate and Property Tech Consolidation Platforms

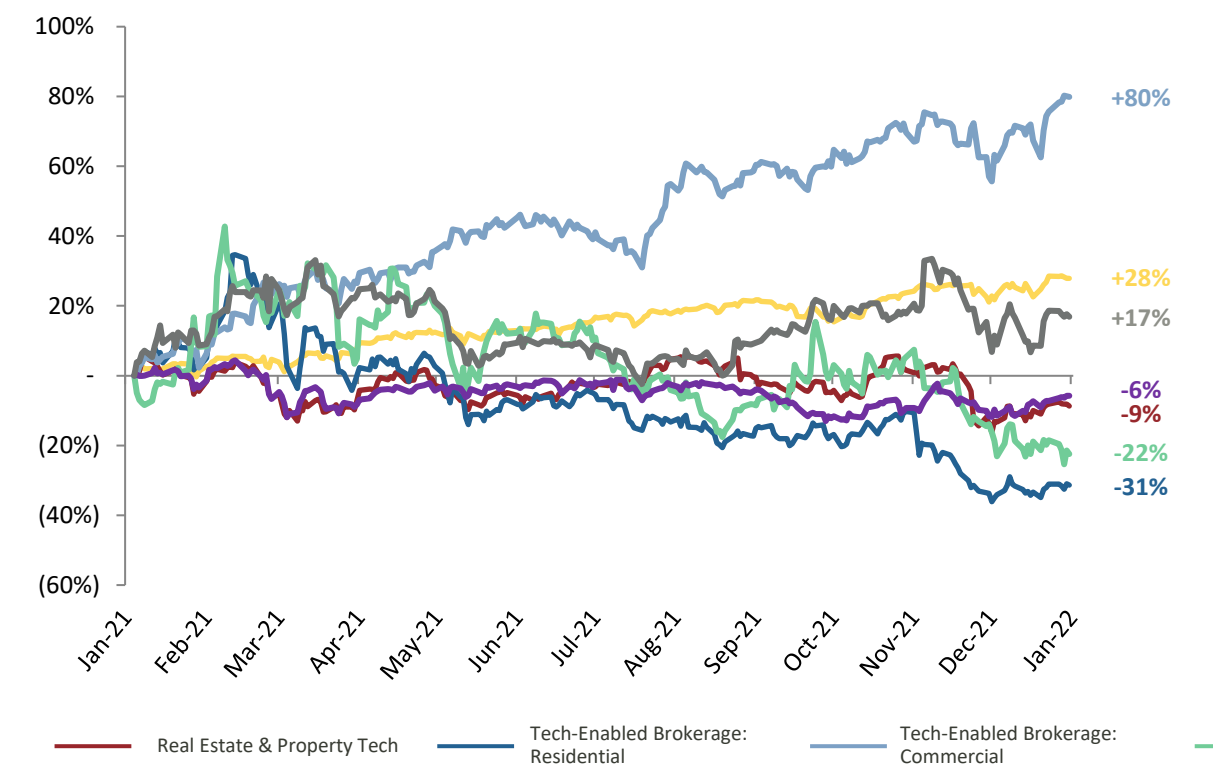
Highly active and well capitalized consolidation platforms have emerged, driving further M&A activity in the space.



Real Estate & Property Technology Public Company Trended Stock Performance

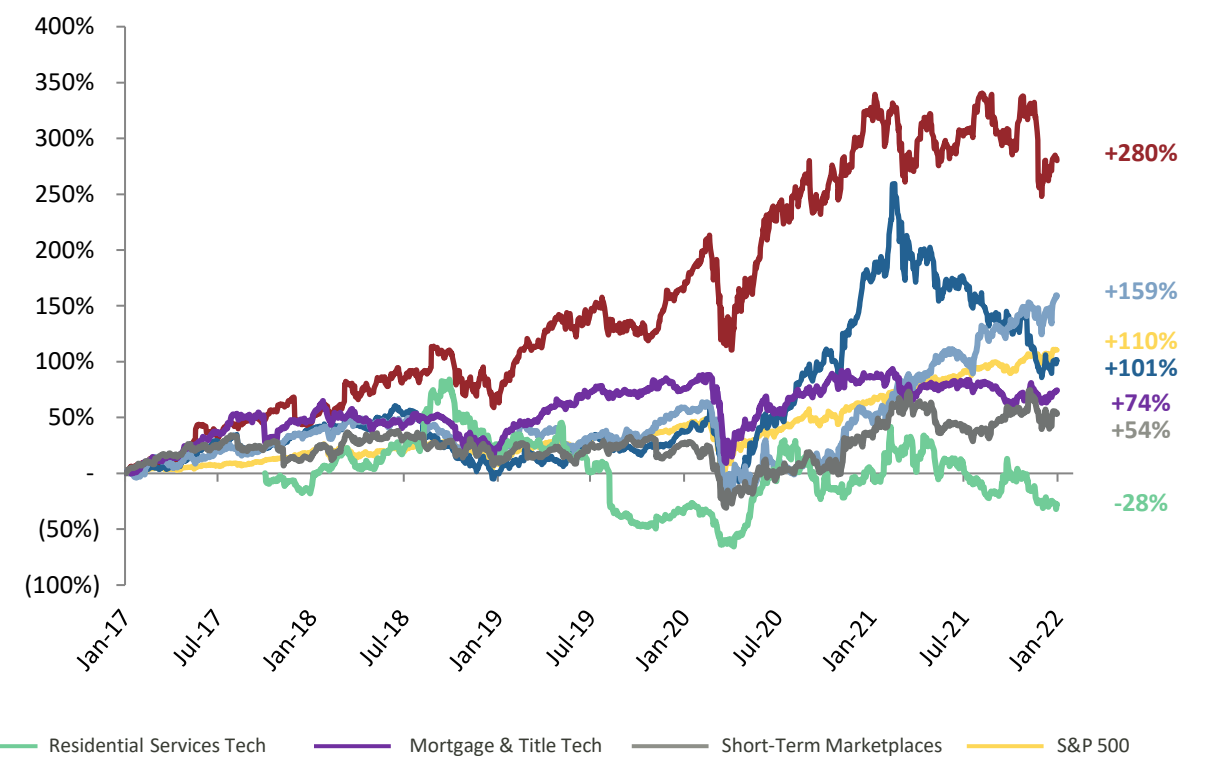
Public Company Stock Performance – Last 12 Months

Indexed Stock Price Performance for the period January 2021 – January 2022



Public Company Stock Performance – 5 Years

Indexed Stock Price Performance for the period January 2017 – January 2022



Real Estate & Property Tech

Agilysys, AltusGroup, Appfolio, Autodesk, CoStar Group, Procore, SmartRent

Tech-Enabled Brokerage: Residential

COMPASS, realtor.com News Corp, Opendoor, REA Group, REDFIN, Zillow

Tech-Enabled Brokerage: Commercial

CBRE, Colliers International, Cushman & Wakefield, JLL, Marcus & Millichap, Newmark, Realogy

Residential Services Tech

ANGI HomeServices, nextdoor, Porch Group

Mortgage & Title Tech

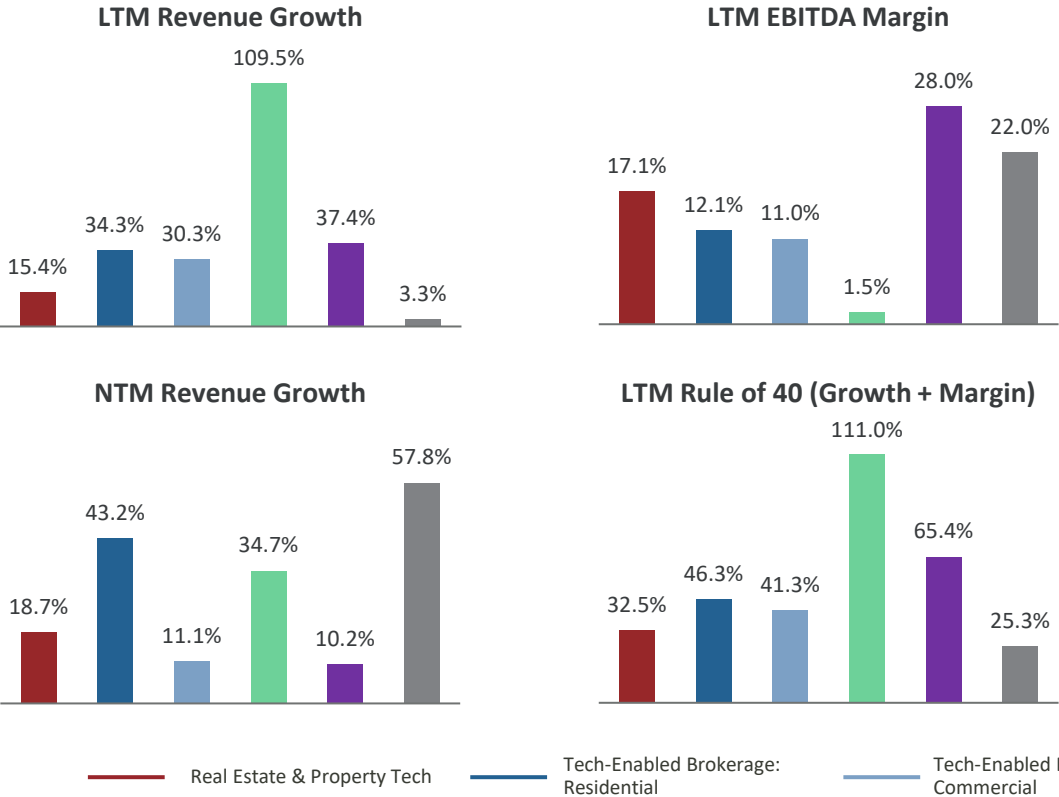
Black Knight, Blend, Fidelity National Financial, LendingTree

Short-Term Marketplaces

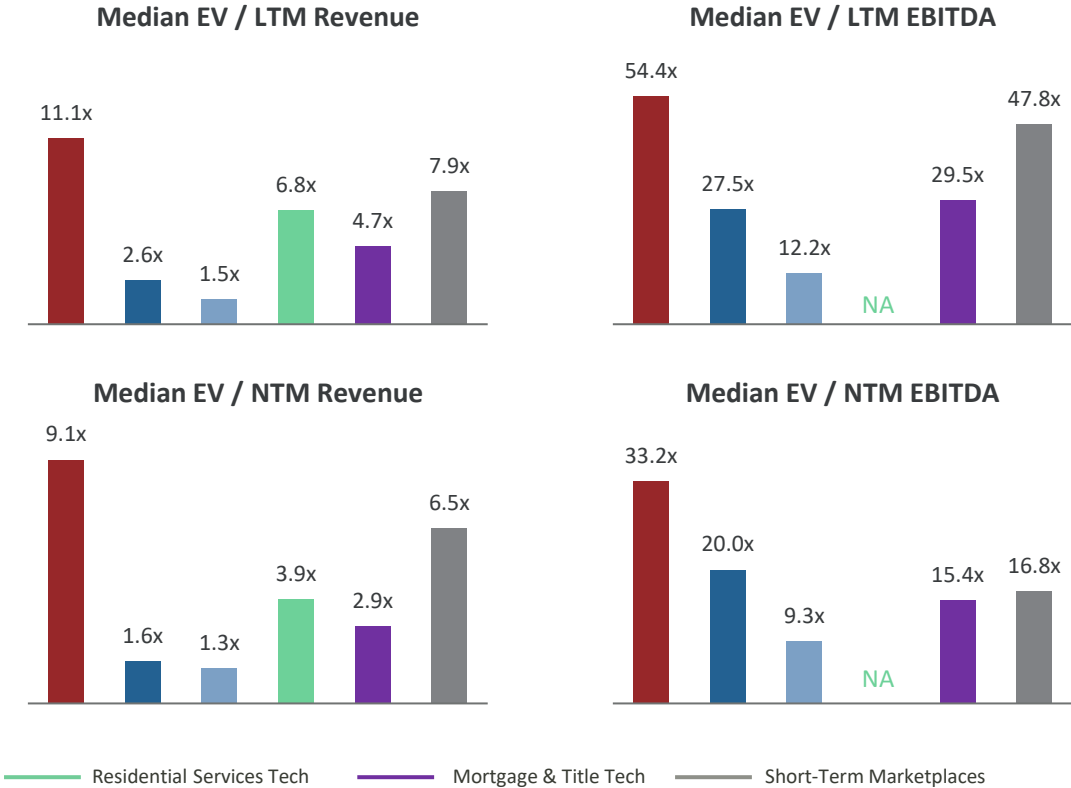
Airbnb, Booking Holdings, Expedia, Home to Go, TripAdvisor

Real Estate & Property Technology Public Company Operating and Valuation Metrics

Public Company – Operating Metrics



Public Company – Valuation Metrics



Real Estate & Property Tech

Agilysys, AltusGroup, appfolio, AUTODESK, CoStar Group, PROCORE, SmartRent

Tech-Enabled Brokerage: Residential

COMPASS, realtor.com News Corp, Opendoor, REA Group, REDFIN, Zillow

Tech-Enabled Brokerage: Commercial

CBRE, Colliers, Cushman & Wakefield, JLL, Marcus & Millichap, NEWMARK, REALOGY

Residential Services Tech

ANGI HOME SERVICES, nextdoor, Porch Group

Mortgage & Title Tech

BLACK KNIGHT, blend, FIDELITY, lendingtree










Short-Term Marketplaces

airbnb, BOOKING HOLDINGS, Expedia, home to go, Tripadvisor

Harris Williams Capabilities and Locations



Harris Williams has a broad range of industry expertise, which creates powerful opportunities. Our clients benefit from our deep-sector experience, integrated industry intelligence and collaboration across the firm, and our commitment to learning what makes them unique. For more information, visit our website at www.harriswilliams.com.

	Aerospace, Defense & Government Services		Business Services		Building Products & Materials		Consumer		Energy, Power & Infrastructure
	Healthcare & Life Sciences		Industrials		Specialty Distribution		Technology		Transportation & Logistics

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Sources and Disclosures

Sources

1. S&P Capital IQ
2. Pitchbook
3. Mergermarket

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Appendix

Public Market Operational and Valuation Metrics

As of January 19, 2022

\$ in Thousands

Company	Capitalization	Value	High	Gross Margin	EBITDA Margin	LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Real Estate & Property Tech									
Autodesk, Inc.	\$55,950,239	\$57,207,639	73.9%	91.7%	18.6%	13.6x	11.6x	72.9x	30.5x
CoStar Group, Inc.	28,889,552	26,246,134	72.4%	81.4%	25.6%	13.9x	12.3x	54.4x	36.8x
Procore Technologies, Inc.	8,751,475	7,768,979	61.0%	81.8%	NM	16.2x	13.0x	NM	NM
AppFolio, Inc.	3,842,594	3,740,450	59.8%	59.9%	1.9%	11.1x	9.1x	NM	81.0x
Altus Group Limited	2,407,623	198,648	NA	36.3%	15.5%	0.4x	0.4x	2.7x	1.9x
SmartRent, Inc.	1,450,104	981,689	49.4%	-11.0%	NM	11.0x	4.2x	NM	NM
Agilysys, Inc.	917,452	858,192	58.5%	64.7%	NM	5.7x	4.9x	NM	33.2x
Median	\$3,842,594	\$3,740,450	60.4%	64.7%	17.1%	11.1x	9.1x	54.4x	33.2x
Tech-Enabled Brokerage: Residential									
REA Group Limited	\$14,679,588	\$14,977,167	85.1%	69.0%	46.5%	19.9x	18.5x	42.7x	31.1x
Zillow Group, Inc.	13,517,332	14,946,326	25.0%	36.5%	1.0%	3.0x	1.7x	NM	NM
News Corporation	12,807,927	15,099,927	78.8%	50.1%	12.1%	1.5x	1.5x	12.8x	9.3x
Opendoor Technologies Inc.	6,120,001	10,717,213	25.5%	11.2%	NM	2.4x	0.8x	NM	NM
Redfin Corporation	3,237,223	4,232,656	31.2%	24.7%	NM	2.8x	1.7x	NM	NM
Compass, Inc.	3,335,572	3,105,572	37.1%	94.9%	NM	0.5x	0.4x	NM	NM
Median	\$9,463,964	\$12,831,770	34.1%	43.3%	12.1%	2.6x	1.6x	27.8x	20.2x
Tech-Enabled Brokerage: Commercial									
CBRE Group, Inc.	\$32,434,184	\$34,708,031	89.1%	22.1%	9.4%	1.3x	1.1x	14.1x	12.2x
Jones Lang LaSalle Incorporated	12,277,955	15,959,855	88.2%	73.2%	13.3%	1.6x	1.4x	11.8x	11.8x
Colliers International Group Inc.	6,138,568	7,612,439	91.5%	38.7%	13.6%	2.1x	1.9x	15.3x	13.9x
Cushman & Wakefield plc	4,677,213	7,277,313	91.9%	20.0%	6.6%	0.8x	0.7x	12.6x	8.4x
Newmark Group, Inc.	3,039,094	5,291,305	81.1%	100.0%	1.0%	2.1x	1.8x	NM	9.3x
Realogy Holdings Corp.	1,903,885	4,927,885	77.7%	40.8%	11.0%	0.6x	0.6x	5.7x	6.0x
Marcus & Millichap, Inc.	1,880,055	1,562,861	90.7%	36.5%	14.6%	1.5x	1.3x	10.2x	8.9x
Median	\$4,677,213	\$7,277,313	89.1%	38.7%	11.0%	1.5x	1.3x	12.2x	9.3x

Public Market Operational and Valuation Metrics (Cont.)

As of January 19, 2022

\$ in Thousands

Company	Capitalization	Value	High	Gross Margin	EBITDA Margin	LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Residential Services Tech									
Angi Inc.	\$4,220,101	\$4,355,602	43.8%	83.2%	1.5%	2.7x	2.3x	NM	NM
Nextdoor Holdings, Inc.	2,274,768	2,685,801	32.0%	84.6%	NM	15.5x	11.5x	NM	NM
Porch Group, Inc.	1,090,473	1,088,197	40.4%	69.3%	NM	6.8x	3.9x	NM	NM
Median	\$2,274,768	\$2,685,801	40.4%	83.2%	1.5%	6.8x	3.9x	NA	NA
Mortgage & Title Tech									
Fidelity National Financial, Inc.	\$15,011,895	\$13,581,895	93.5%	64.5%	28.0%	0.9x	1.1x	3.3x	5.1x
Black Knight, Inc.	11,387,374	14,763,574	84.2%	46.1%	35.0%	10.3x	9.4x	29.5x	19.0x
LendingTree, Inc.	1,727,209	2,254,672	34.8%	94.7%	5.0%	2.1x	1.9x	42.3x	15.4x
Blend Labs, Inc.	1,648,429	1,332,278	34.1%	55.9%	NM	7.2x	3.8x	NM	NM
Median	\$6,557,291	\$7,918,283	59.5%	60.2%	28.0%	4.7x	2.9x	29.5x	15.4x
Short-Term Marketplaces									
Airbnb, Inc.	\$96,796,285	\$91,306,580	70.3%	79.9%	NM	17.2x	12.9x	NM	50.8x
Booking Holdings Inc.	97,611,611	96,980,611	88.5%	75.0%	22.0%	10.5x	6.5x	47.8x	19.2x
Expedia Group, Inc.	26,738,567	32,557,567	92.0%	80.2%	NM	4.5x	2.9x	NM	14.3x
TripAdvisor, Inc.	3,867,685	4,116,685	43.1%	91.4%	NM	5.3x	3.1x	NM	12.1x
HomeToGo SE	908,582	908,582	55.7%	NA	NA	NM	9.0x	NM	NM
Median	\$26,738,567	\$32,557,567	70.3%	80.0%	22.0%	7.9x	6.5x	47.8x	16.8x
Total Comp Set Median	\$4,448,657	\$6,284,309	70.3%	64.7%	13.3%	3.0x	2.6x	14.1x	13.9x