

PropTech Company Analysis

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The basics of what each company does, how their technology platforms work, how they make money, annual revenue, valuation, and funding information have been detailed for Ajar, Compass, Opendoor, and Redfin. All findings are summarized in this [spreadsheet](#) and below, including the initial findings. Please note that two of these valuations (Compass and Opendoor) were prior to the Covid-19 pandemic, which has impacted real estate businesses across the board; the valuations for Ajar and Redfin are current.

Ajar

- [Ajar](#) holds the number one spot for “property management and rent collection platform[s] in the Middle [East](#).” They help property managers manage properties efficiently and with support, and offer a place for tenants of those properties to pay their rent and contact property management with issues or questions. Their technology functions for both landlords and tenants.
- It allows [property](#) managers to: Add properties and tenants to database; customize / send invoices; manage tenants, leases, paperwork, etc within the system; monitor performance w/ insights; and collect payments security via the system. It allows [tenants](#) to: Join the app and pay rent/fees through the system; get notifications from landlords or property managers; communicate with property managers and the landlord directly; and earn rewards through the program.
- The company has estimated annual revenue of just over [\\$251 K](#).
- [Ajar’s](#) revenue model is a SaaS-subscription [plan](#).
- They’ve been through [three](#) investing rounds, but only got funding in the third round. The first was Seed stage through BECO Capital and the second was an Early VC round through the same investor; neither time the company got funding (according to La French Tech). In the third round, Series A, they got [\\$7.5 M](#) from 500 Startups. Ajar is currently in the Late Growth Stage.

Compass

- Compass has created “the first modern real estate [platform](#)” that pairs top real estate agents with strong technology to make their “search and sell experience intelligent and [seamless](#).” Their technology supports over [12 K](#) agents in many large cities all over the US.
- In addition to showcasing homes for buyers and connecting real estate agents with sellers

and buyers, the platform also offers a variety of other services and functionality. [Compass Concierge](#) provides improvement and staging services for those wishing to sell their homes faster and for higher prices. [Compass Bridge Loan Services](#) provides eligible borrowers with gap loans for buying a new home that's costlier than the one they're selling.

- [Compass Cares](#) offers space on the platform to connect real estate agents and agency employees with local causes to support through volunteering and donations. [Compass Academy](#) offers educational materials, checklists, live workshops, and an extensive course library for real estate agents wishing to improve their profitability margins. [Compass Sports and Entertainment](#) is a “national network of vetted specialists dedicated to serving exclusive clientele with personalized attention, marketing & tech prowess, market expertise and total discretion.”
- [Compass Commercial](#) is the site's option for those selling and/or buying commercial properties. The [site](#) also offers market research, exclusive offerings for high-end customers or those seeking discrete sales, neighborhood guides, and the Compass Smart Sign, an LED sign for realtors.
- Compass has estimated annual revenue of [\\$2.3 B](#).
- Compass' revenue model is a [commission-split](#), with the majority (70 – 90%) going to the real estate agents and the remaining percentage going to Compass.
- According to Crunchbase, Compass has gotten [\\$1.6 B](#) in total funding over 11 rounds. Their most recent round of funding ended in November 2019 and was a Venture-Series Unknown. The company has been funded by [31](#) total investors, of which Alumni Ventures Group and Canada Pension Plan Investment Board are the most recent. They are considered Late Growth / Venture Stage.
- In November 2019, the company held a private valuation of [\\$6.4 B](#), which puts its value “at least four times higher than the holding companies that own Douglas Elliman, Century 21, Coldwell Banker, and other big brands in the residential [arena](#).”

Opendoor

- [Opendoor](#) is a company operating in 21 American cities that offers home sellers a convenient way to sell their homes (to the company), or list their homes for sale on the company's platform. They [partner](#) with vendors (like contractors) and builders, and offer those services through their platform, as well. They offer home trade-ins, builder trade-ups, and a slew of agents with whom buyers and sellers can connect.
- A homeowner that wants to get an [offer](#) from Opendoor completes information about their home, schedules a home assessment with the company's assessors, receives an offer, and if accepted, chooses among multiple selling options. As noted previously, through the tech, sellers can list/sell their homes, and buyers can tour and finance homes, connect with

agents, or participate in trade-ins or trade-ups.

- Opendoor has estimated annual revenue of [\\$100 M](#).
- Opendoor's business model is [commission-split](#), and "typically falls between 6 – 8% and goes no higher than 14%," depending on how long the company believes they'll need to sell the property, any maintenance the property will need, and upkeep costs like utilities and taxes.
- Opendoor has been through eight rounds of funding netting [\\$1.5 B](#) total from 63 investors (7 lead investors). The most recent investors are SV Angel and General Atlantic in a Series E round. They are considered Late Stage Venture.
- In July 2019, Opendoor held a [\\$3.8 B](#) valuation, according to Inc.

Redfin

- [Redfin](#) is a residential real estate platform providing a [database](#) of homes for sale and brokerage services to home buyers and sellers.
- Redfin's [platform](#) offers a place to buy and sell homes or connect with Redfin real estate agents. It offers the ability for sellers to find inspectors and lenders, provides free home buying classes, and educational materials for buyers and sellers. It also offers sellers tools to compare interest rates and calculate payments on a potential new home.
- Redfin has estimated annual revenue of [\\$851.4 M](#).
- The company works on a [commission-split model](#), earning 1 – 1.5% listing fees, plus minimum commissions for Redfin agents.
- Redfin has garnered total funding of [\\$319.6 M](#) through 12 rounds of funding and with 17 total investors (10 lead investors). Their most recent round was Post-IPO Equity, and Durable Capital Partners and Dragoneer Investment Group are the most recent investors.
- Their funding stage is [IPO](#).
- Redfin's Enterprise Value / Revenue in March 2019 was [\\$13.8 B](#), though its current valuation rests at [\\$4.49 B](#).

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