



Real estate venture capital invests in proptech startups with stable profitability, transparency and AI solutions

Market studies reveal that real estate investors are betting on emerging companies with lower risk in a context of slower financing

Experts from the MIT, international consultancy The Proptech Connection, and organizations such as Proptech Bulgaria, will assess the current market situation at The District 2024

Barcelona, August 6, 2024 - Investment in Real Estate assets is in a moment of reactivation, although the financing scenario for real estate-oriented start-ups has experienced a cooling sentiment in the first half of 2024. The main reasons are given by the global economic context, the rise of geopolitical uncertainty in territories that are 'home' to private equity and the re-evaluation of companies that focus their activity on proptech.

Proof of this are the figures provided by the think tank, Center for Real Estate Technology and Innovation (CRETI), which indicate that venture capital investments in this segment have fallen by 12% globally in the first six months of this year. However, early-stage startup operations have seen an increase in interest of 63%, thus demonstrating the market's tendency to maintain its commitment to innovation in real estate.

According to experts, the startups that attract the attention of capital in proptech are those that, in the development of their business, the revenue from the solution they provide does not involve a one-time payment from their clients, but a recurring payment throughout the contracted service. Likewise, companies that handle risk management correctly, that have good governance capabilities when they are established in frameworks where regulation is unclear, or that implement real-time payments and incorporate AI proposals, are attractive to investors.

All of this will be evaluated at [The District](#), the summit designed by and for real estate capital to be held in Barcelona from **September 25 to 27**, and which this year will include the **Proptech & Venture Capital forum**. It will discuss the current state of innovation in Real Estate, examine alliances between agents, analyze the challenges that startups currently face when taking their first steps, and provide the keys to making them scalable.

In this regard, among the leaders attending the event will be **Eduardo Garrido** and **Klaus Schleicher**, representatives of the Massachusetts Institute of Technology (MIT), who will explain how MIT drives innovation in industry with the aim of developing more technological societies and business fabrics.

The best success stories and innovators at The District 2024

The District, which has become the real estate "Davos", will bring on its stages the best success stories of European startups that have managed to position themselves at the forefront of the most innovative, with experts such as **Sylvia Georgieva**, Director of PropTech Bulgaria.



In turn, the summit will bring to the table reference examples of collaboration in proptech, which have boosted disruption in the sector, as is the case of Cocircular, which focuses its activity on the digital and traceable management of construction waste, under the leadership of its CEO, **Paula Sanchez**.

Saudi Arabia and the USA: Global Innovation Scenarios

The financing provided by alternative sources such as venture capital firms is a driving force in investment for innovation in real estate. However, and although we are living in a time in which caution reigns for venture capital, The District will study different global scenarios in which the emerging talent implicit in proptech is being promoted. One of them is the **United States**, where there is a more consolidated ecosystem. **Ivo van Breukelen**, Managing Partner and Global Head of Origination, The Proptech Connection, the world's only independent global advisory firm for digital solutions for Real Estate, will delve into how venture capital and strategic financing are shaping the future of real estate entrepreneurship in North America.

Likewise, this third edition of The District, which will be the most international, will have **Saudi Arabia** as its guest country, chosen for its projection in terms of real estate investment and for the plans that are being implemented in the territory. But it will also attend the summit because of its great commitment to technological innovation in Real Estate, which is part of its strategy to diversify the economy, beyond oil, through the Vision 2030 plan. According to data from the startup data analytics company, MAGNiTT, venture capital investments in Proptech in Saudi Arabia experienced an annual increase of 35% in 2023 and the overall sector managed to raise around \$40 million, exemplifying the possibilities that arise in this area.

Likewise, **Saudi Arabia** -along with the United Arab Emirates- is expected to continue to capitalize on global proptech opportunities in the coming years due to the urban and social transformation it is undergoing with giga-projects and population growth. For all these reasons, a delegation of entrepreneurs from the Arab kingdom will be present at The District to show the rest of the real estate capital value chain the promising capabilities it offers for real estate technology and its investors.

About The District (September 25-27, Barcelona): is the largest European event dedicated to Real Estate from an investment perspective. The summit has a Hospitality area and a content program in The District World Summit 2024, the global reference congress on capital structures in the real estate industry, which has 5 auditoriums. It is the main meeting forum where the different Real Estate agents who are looking for opportunities and new real estate projects that drive urban transformation meet with the aim of designing the future of the sector in Europe. The District is an event organized by NEBEXT - Next Business Exhibitions.