

New local proptech app Flow raises R20m in seed funding

Local proptech startup Flow, which aims to revolutionise the rental space by rewarding good tenant behaviour, has raised R20m in seed funding. Kalon Venture Partners is the lead investor of R10m, with co-investment of an additional R10m from an international venture capitalist.



L-R Jonathan Liebrmann, Gil Sperling and Daniel Levy, co-founders of Flow

The mobile app, co-founded by Gil Sperling, Daniel Levy and Jonathan Liebrmann, is specifically targeting millennial renters, commonly known as Generation Rent. The funding will be used to accelerate the development of the app in order to fuel growth and increase the base of tenants already using Flow, as well as to increase the range of rewards available to tenants.

With Flow, tenants get rewarded for registering, adding their property details, paying their rent on time, looking after their homes, and more. For these rewards, Flow has struck partnerships with a number of brands in the lifestyle, entertainment, homeware, fashion and travel space, including: Superbalist, Weylandts, SweepSouth, OneCart, plus a selection of airline and electricity providers. Tenants that are fully in Flow can get up to 20% of their rent back in rewards every month.

Property industry ripe for disruption

“Compared with any other industry, the property industry – and in particular the rental market – is archaic and disconnected. There’s also a massive paradigm shift in how people should rent which is inspired and driven by their lifestyle choices, and is something proptech could and should leverage big time. People are used to being connected all the time and transacting digitally, in real-time, and they want transparency in their dealings with companies (including their landlords). These are some of the key factors that inspired the creation of Flow. Through scaling with technology and economies of scale, we can revolutionise the economics of rent, providing a more seamless experience and more value to tenants,” says Sperling, CEO of Flow.



#BizTrends2019: Empowering 'Generation Rent'

Jonathan Liebmann 22 Jan 2019



Globally, proptech is one of the fastest growing sectors. In 2017, venture capitalist's put \$12.6bn into the proptech sector, with WeWork and Compass leading in terms of funds raised. Softbank invested \$4.4bn in WeWork and \$450m in Compass. US-based real estate tech firms comprised nearly \$6.5bn (or 52%) of the venture capital funding raised in 2017.

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