

# Proptech gaining momentum as investment space to watch

In Africa, the value of the startup space is set to exceed \$7bn and while 60% of that is attributed to fintech, proptech is gaining momentum as an investment space to watch. Global investment in proptech topped \$32bn in 2021, up 28% from a dire, Covid-hit 2020 and 3.23% up from 2019, according to the Center for Real Estate Technology & Innovation's [2021 Real Estate Tech Venture Funding Report](#).



Gil Sperling and Daniel Levy, co-CEOs and cofounders of Flow

“Proptech is democratising an industry that covers one of humanity’s essential needs – everyone needs a roof over their heads,” says Flow cofounder and co-CEO Gil Sperling. “The real estate industry was being left behind in the world of online transactions because of their complex and expensive nature - it’s a massively fragmented space.”

## Brands working hard to meet consumers online

“The online audience in South Africa has grown immensely over the last two years - out of necessity - so brands have been working hard to meet consumers online and make them more comfortable with transacting there,” says Daniel Levy, co-CEO and cofounder of Flow.

“Proptech is one of the fastest-growing spaces in South African tech right now because consumers are using the online space to meet more of their needs – and an essential like property is a huge one.”



SA estate agents welcome proptech, digital transformation a non-negotiable

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## 'Things are looking bright'

Sperling says that if Flow is a barometer of the growth of adoption of proptech in SA, things are looking bright. “We’re

seeing 30% month-on-month growth, with a 10x growth in property-related social spend over the last 12 months,” he says. “Those are the kind of numbers that make investors take notice of a sector.”

Metaprop’s [Year-End 2021 Global Proptech Confidence Index](#) showed that 71% of investors expect to make more proptech investments over the next 12 months, up from 54% six months ago. 49% of proptech funding went to residential tech, with just 7.6% of that investment focusing on commercial owners and tenants.

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