



by mipim x metaprop

POST-SHOW REPORT

AN EXCLUSIVE REPORT BY **PROPEL BY MIPIM**
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propel
Networking Summit

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INTRODUCTION

The first ever Propel Networking Summit brought together innovation experts from both sides of the Atlantic to discuss the future of proptech in an animated online conference.

Conceived as a “kick-off for our major event later this year”, according to Propel by MIPIM Director, Nicolas Kozubek, June’s two day Propel Networking Summit proved a mouthwatering taster for the return of Propel by MIPIM NYC 2021.

Slated for 8-9 December 2021, Propel by MIPIM NYC will once more be an in-person event, representing a “great occasion for real estate and tech professionals to reconnect together after these difficult events for everyone”, Kozubek said, launching the online summit.

Promoting the New York connection, the opening keynote from Lindsay Greene, Chief Strategy Officer - New York City Economic Development Corporation, described proptech as “one of our biggest and brightest tech sectors”, calling NYC “a global hub for proptech”.

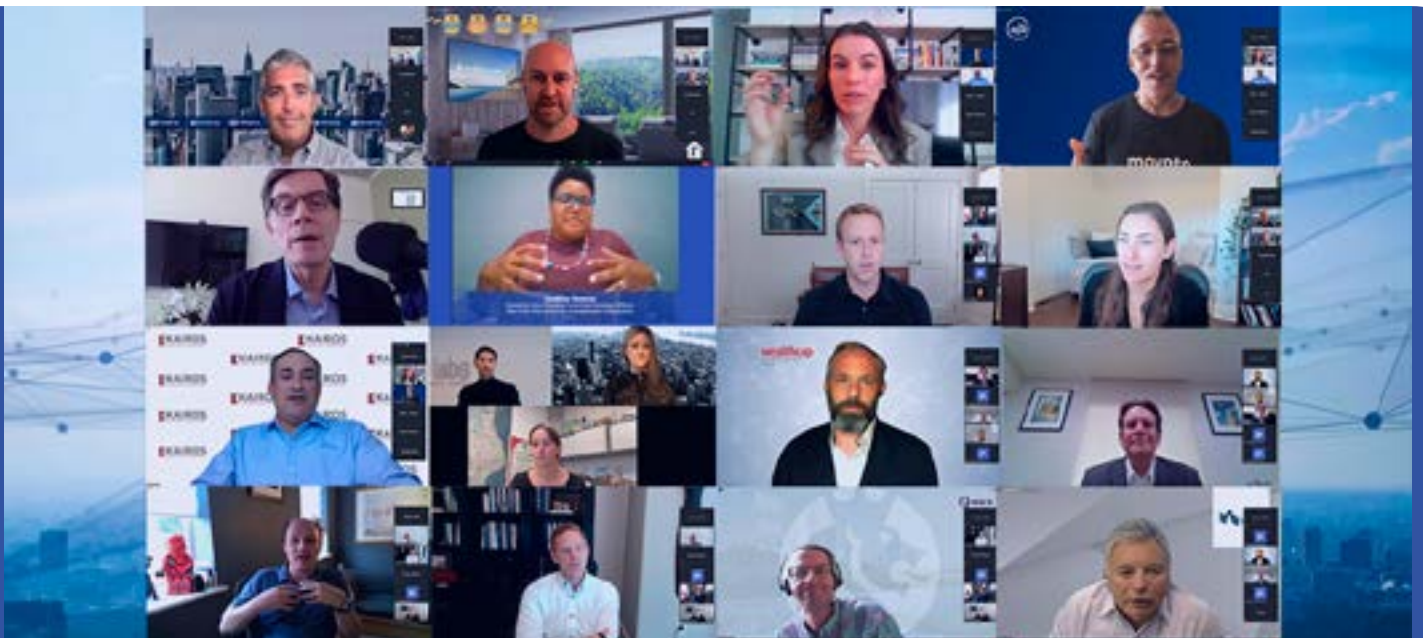
She added: “New York brings together a lot of those conditions for success, that is a fusion of the real estate industry and companies that are here; a lot of capital and funding; and we have a lot of talent that is specific to tech, and to every kind of building you could possibly imagine.”

The summit underlined that there is no better time to be in the industry. “Confidence in proptech is at record levels,” signaled Aaron Block, Founder of venture capital giant MetaProp, kicking off day one in conversation with Kozubek.

He went on to summarize the tantalizing state of play in the proptech world as a whole. “We’re thrilled about the momentum in the space and the snap-back in activity after the crisis,” he said. “The recovery has been beyond our expectation from an innovation perspective. Not just the number of start-ups – 200 a month in the proptech space – but also the industry innovators who are leaning in in a way that we haven’t seen before.”

Yet the conference also found time to address proptech and real estate’s pain points, starting with the diversity, equity and inclusion (DEI) challenge and going right through to matters of sustainability, with carbon-related tax hikes just a few short years away.

Meanwhile, an asset class networking session underlined that proptech professionals have never been in greater demand. Louisa Dickins, Co-Founder of global proptech recruitment platform LMRE, said: “The candidate-hungry market is driving up pay rates – 30% increases in some cases as a classic result of supply and demand. On average, active candidates are receiving three job offers.”



POST-PANDEMIC POTENTIAL

The pandemic's transformational effects took top billing in the opening keynote from Lindsay Greene, Chief Strategy Officer - New York City Economic Development Corporation. Noted Greene: "One of the things that helped us get through Covid was that we had a fusion between the manufacturing sectors, life sciences, and healthcare in NYC. Those things are spawning more activity post-Covid."

Taking another look at the post-pandemic future, Sofia Karadima of Investment Monitor discussed tech investment trends with a stellar panel of experts.

Responded Mikkel Bulow-Lehnsby, Co-Founder, Chairman, NREP: "Covid has clearly shown to me that the world is unpredictable, so we shouldn't spend so much time trying to predict it, and spend more time trying to fundamentally solve

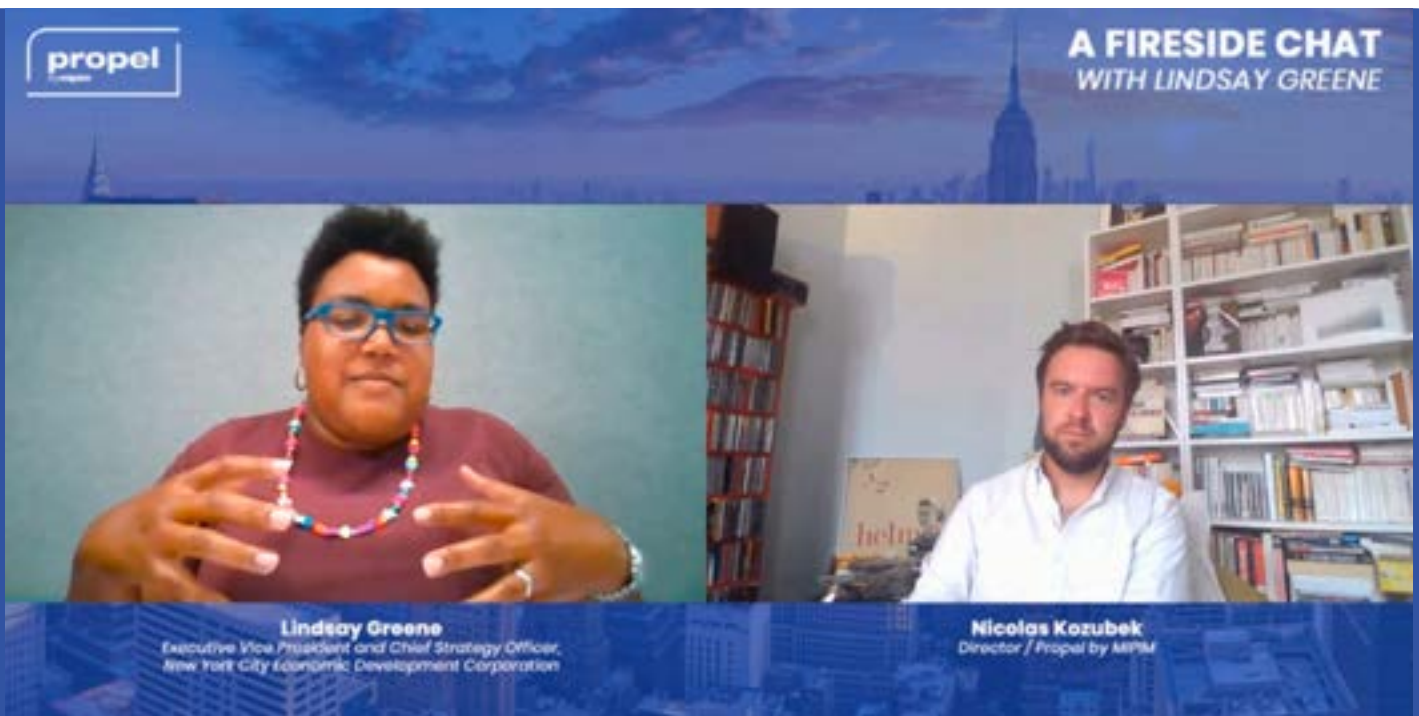
problems. Business has to be part of the solution, and that is a great note of hope."

Added Jeffrey Berman, Partner, Camber Creek: "Covid 19 was an accelerant for the real estate industry to increasingly adopt technology. The opportunities that I see playing out in the short term surround a return to work. In the medium and long term, I think the opportunity set will get even wider."

Conference delegates also heard how the potential of digital twins is driving the data race in real estate, creating challenges and opportunities across the industry.

David McKee, CEO, Slingshot Simulations said that his firm was working across "several hundred thousand data sets... and it's all about the natural language, the semantics, across multiple countries". Drawing a parallel between the trial-and-error of digital twin development and the coronavirus outbreak, he said: "When you are making some deci-

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sions, you have to accept that you're going to get it wrong. The pandemic showed us how unpredictable the world is. But how quickly can we update our models and adapt to reality – that's the goal."

Added Shaun Klann, President, Willow Inc: "When we look at the real estate industry at large, the data that we are looking to digitize is a complete mess. Real estate moves very slowly in all phases of its life-cycle. The pursuit of perfection in what a digital twin is can pause progress; the right solution is starting with a simple model."

Said, Jordan Garrett, Digital Twin and Edge Solutions Lead, Dell Technologies: "if you're just embarking on the journey, you need to have that grand vision, that north star, of where you want to go to. But then it's got to be executed in a lean sort of fashion. I would focus on the outcome – do we have the data that we need to construct the model that we need? Then we leverage simulation technologies."

There was also a chance to look at the next generation of start-ups and tie-ups in the industry. London & Partners and the Mayors International Business Programme presented 16 of the best and brightest scale-ups from the London ecosystem to the North American market.

Summarized Simon Allison, Senior Inward Investment Manager, London & Partners: "London's proptech scene has seen a massive rise in the past five years. It's home to more than 500 prop-

tech companies, we have eight master degree courses around real estate, and another 31 tackling urban planning, sustainability and design. There are also 253 venture capital funds."

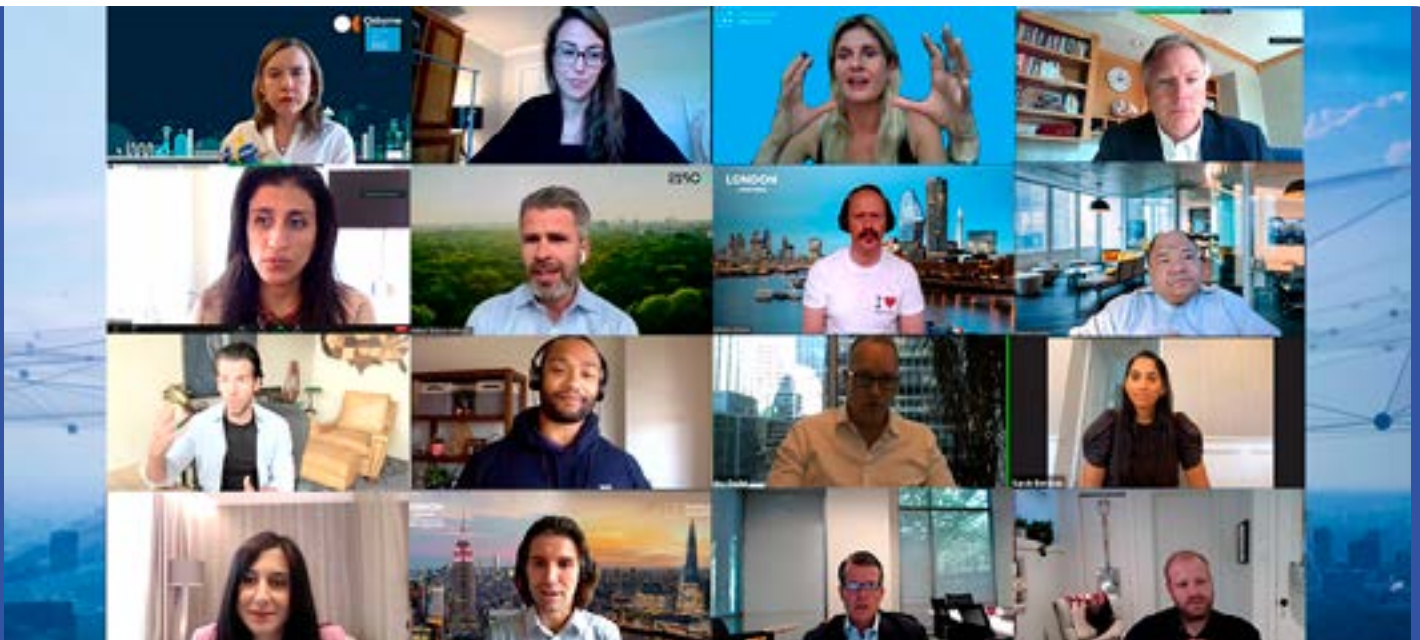
THE FUTURE OF THE OFFICE

The future of the office came under scrutiny on the Propel Networking Summit's second day, as expert opinion coalesced around how proptech can support the evolution of the asset class.

Lauren Mead, Vice President Marketing, HQO, explored how proptech is transforming office real estate specifically by engaging tenants more effectively.

Said Mead: "There's no doubt that the pandemic has created a huge shift in how people think about the office, and has put more power than ever into the hands of individual workers to decide where they work.

"The key is to take a data driven approach to tenant engagement. This means using a combination of data from tenant surveys as well as using data about how tenants are actually using your property. This is entirely possible by digitizing your properties with tenant engagement technology which allows you to connect directly with the people who occupy your buildings."



In another session, Francisco Acoba, Principal, Ernst & Young US LLP went head-to-head with Jacinda Lofland, Director, Strategy & Innovation, Nuveen, Ryan Baxter, Proptech Advisor, NYSERDA and Scott Leibold, EVP and Global Head of Purchasing & Property, RELX Inc to discuss how landlords can better embrace the future in terms of office design.

Said Leibold: “We’re starting to see more and more landlords being increasingly proactive on tenant needs. Twenty years ago, that was non-existent. It definitely is changing, it’s changing for the better, and we all need to work together to move things forward.”

Added Baxter: “The common denominator in managing space in ESG reporting commitments is data collection. So, tech is your best friend in that regard, and landlords should be very tangibly thinking about creating that accounting link that translates from building performance to ESG reporting.”

Noted Lofland: “Occupiers spend more on workers than anything else. Improving a lot of the intangible things is going to improve the experience of

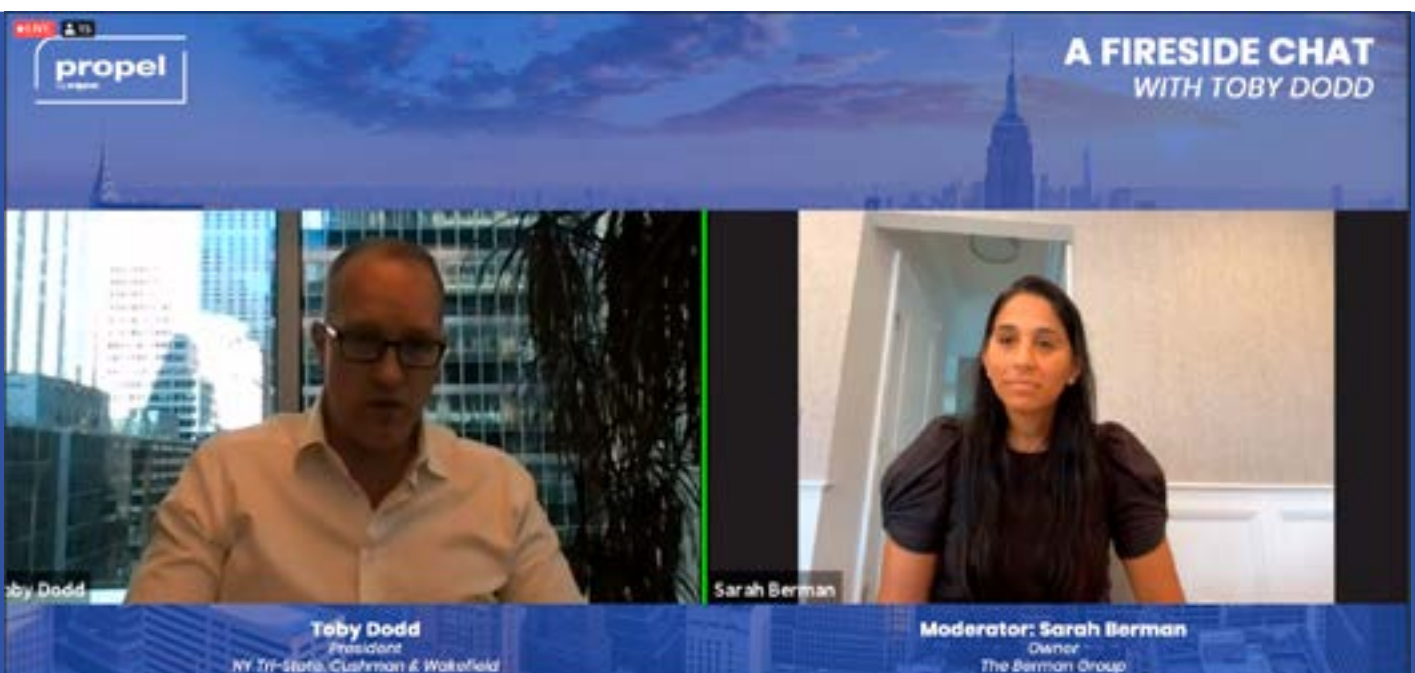
employees, and if we can increase productivity and increase occupier satisfaction, it is going to cost but it can be cost effective.”

In an insightful keynote, Toby Dodd, President NY Tri-State, Cushman & Wakefield discussed leadership, recovery and the future of the office in conversation with Sarah Berman, President, The Berman Group, with a focus on NYC’s performance and outlook.

Said Dodd: “We saw the real estate community respond very readily to the crisis, and manage the occupation of buildings in a very important way. Key workers were still going to work and operating buildings; the business community and the real estate community pulled together, as did those that simply got up every day and went to work.

“In terms of New York’s proptech success, we have the talent, we have the real estate, and we have the capital here. These are all the ingredients there for the city to be at the center of the proptech industry and take it forward.”

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ESG SOLUTIONS

The topic of environmental, social and governance (ESG) matters emerged as a key theme during the Propel Networking Summit. ESG reporting has become an increasingly keen topic for real estate companies, driven by peer and client expectations, as well as emerging legislation.

In a compelling session, Brendan Wallace, Co-Founder & Managing Partner, Fifth Wall suggested that other recent events had added a layer of pressure. “During the pandemic, while we were struggling with existential problems in real estate, we got a new President and re-entered the Paris Agreement,” Wallace noted. “We are now inside the 10-year window of when environmental taxes are going to impact asset values. Carbon-related tech is going to be vital.”

Alan Greenberg, Co-Founder and chairman, GreenSoil PropTech Ventures, agreed. “For us, the biggest (recent) change was President Biden’s win, and his commitment to clean energy. There will be billions of dollars spent on charging stations. It has changed our focus more onto carbon reduction. The ESG wave is hitting, and we see a lot of opportunity, also on the S side.”

Another key session tackled sustainability matters directly by looking at the decarbonization trend in the construction industry.

Session moderator Nikki Greenberg, founder of Real Estate of the Future, summarized the state of play. “I’m a big believer that technology and out-of-the-box thinking can help solve many of our world’s different issues that we’re facing. The construction industry predates the internet, it predates cranes... and has a lot of catching up to do.”

But she expressed that the outlook gave reason for hope. “With such fantastic advances in material sciences, robotics, construction program sequencing and a whole lot of other things, we actually do have the equipment to build in a better way.”

Pi Labs founder Faisal Butt said that significant progress had been made as a result of the pandemic. “When we were all in lockdown, construction was one of the sectors that remained open for business, but many managers were at home. But there were technologies that were already

out there that allowed for the remote monitoring of construction progress and remote evaluation of construction quality.”

He added: “The commercial impetus was the lockdown fueling the need for tech like that, but if you unpack it further, there’s a really clear sustainability impact of deploying those kinds of technologies as well.

“If you are building more efficiently and catching defects in real time, rather than two or three weeks later, you can reduce the wastage of materials, and reduce the overall carbon emissions of the project.”

Added Becca Rushin, Vice President of Sustainability and Social Responsibility at Jamestown: “There has been an increased expectation that companies know what their carbon emissions are and that they’re doing something to control that. That includes embodied and operational carbon.”

She noted an increasingly universal vernacular around the issues thanks to an emerging certification industry. “Between the different assessments that we do, a lot of investors lean on GRESB. The information being requested has really increased over the years, and the new construction module has very detailed questions, really hitting all sides of ESG,” she concluded.

The second day of the summit rounded out with a talk on the rise of proptech and cloud access control, that saw Steven Van Till, CEO, Brivo Systems in conversation with Wouter Truffino, Founder & CEO, Real Estate Futureproof. Said Van Till: “All of us making products for this space are looking towards creating greener solutions which also embrace recycling and low energy use.” ■

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