



Urban Land Institute

April 18, 2019



Moderne Ventures is a strategic investment fund

We invest in **technology companies** building solutions in and around **multi-trillion dollar industries** that account for **20% of US GDP**



Real Estate



Finance



Insurance



Home Services



1

About Moderne

2

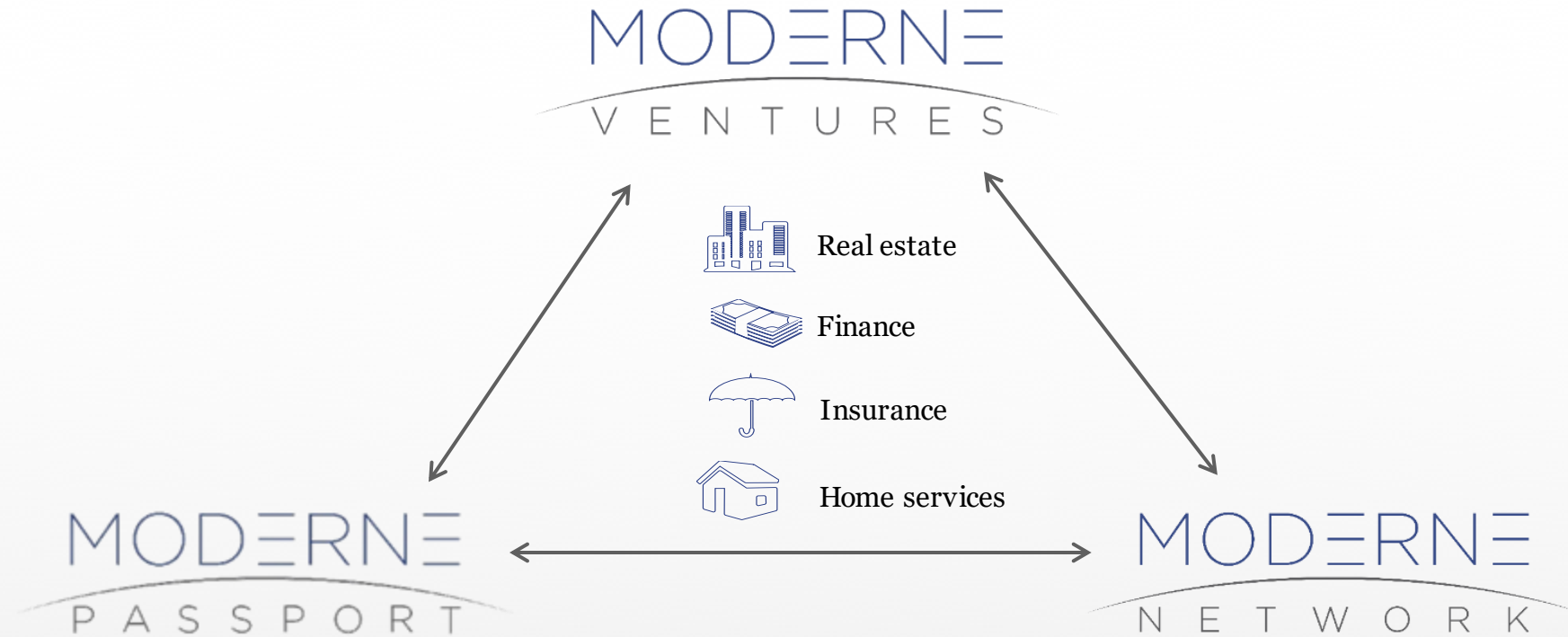
**Tech & Trends in
RE TECH**

3

**Practical
Applications**

***Moderne Ventures:** Moving entire industries forward through tech & innovation*

Our **unique structure** builds **symbiotic relationships** between **high quality tech companies** and **strategic partners**, creating a **virtuous circle** that advances **entire industries**



Industry immersion program: brings companies into the industry and our network to innovative companies

700+ corporations and industry executives that are **customers, advisors, and investors**

We connect companies to our industries and connect our industries to innovation

Proven Track Record

Our proven model generates **top-tier returns** for our LPs and **strategic ROI** to our industry partners.

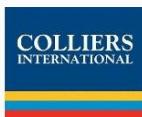
	Investment Value	Financial Highlights							
<div>1</div> <div>Initial SCV Fund¹</div> <div>2008 Vintage</div> <div>30 Companies</div>	<p>The chart shows a bar for 'Invested Capital' at \$18M and a taller bar for 'Estimated Fair Market Value' at \$312M. An arrow points from the top of the first bar to the top of the second bar. The second bar is divided into a light blue bottom section labeled '\$60m realized' and a dark blue top section.</p> <table><tr><th>Category</th><th>Value</th></tr><tr><td>Invested Capital</td><td>\$18M</td></tr><tr><td>Estimated Fair Market Value</td><td>\$312M</td></tr></table>	Category	Value	Invested Capital	\$18M	Estimated Fair Market Value	\$312M	18X	Investment Multiple
Category	Value								
Invested Capital	\$18M								
Estimated Fair Market Value	\$312M								
		49%	IRR						
<div>2</div> <div>MV Fund I, L.P.²</div> <div>2015 Vintage</div> <div>48 Companies</div>	<p>The chart shows a bar for 'Invested Capital' at \$13M and a taller bar for 'Estimated Fair Market Value' at \$21M. An arrow points from the top of the first bar to the top of the second bar. The first bar is divided into a light blue top section labeled 'Reserves' and a dark blue bottom section. A box labeled 'Early Results' points to the top of the second bar.</p> <table><tr><th>Category</th><th>Value</th></tr><tr><td>Invested Capital</td><td>\$13M</td></tr><tr><td>Estimated Fair Market Value</td><td>\$21M</td></tr></table>	Category	Value	Invested Capital	\$13M	Estimated Fair Market Value	\$21M	1.6X	Investment Multiple
Category	Value								
Invested Capital	\$13M								
Estimated Fair Market Value	\$21M								
		32%	IRR						

We have been investing on this strategy for more than a decade and have produced outsized returns

1. Data as of July 31, 2018 gross of taxes, fees & other expenses.
2. Data as of March 31, 2019 gross of taxes, fees & other expenses

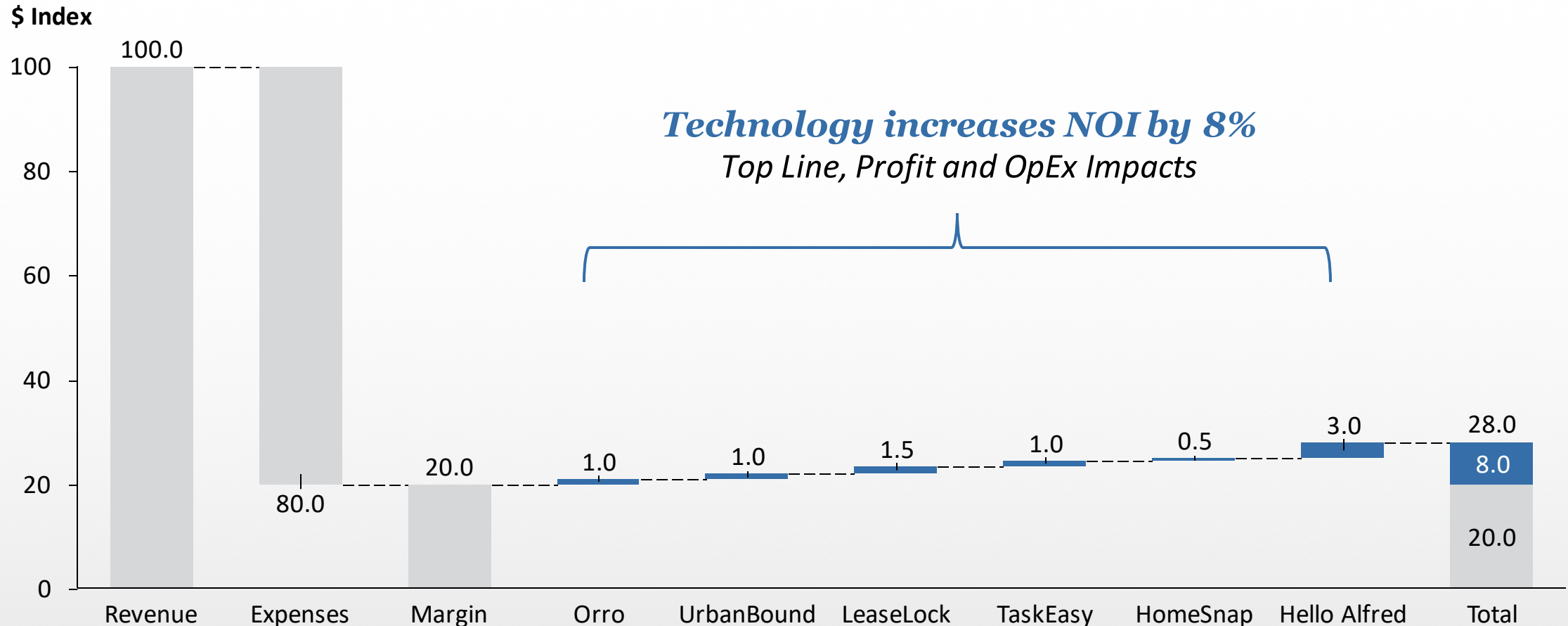
An Unparalleled Network: Illustrative Industry Participants

Moderne’s Network include **700+ executives and corporations** managing **\$billions in revenues** and **\$trillions in AUM** who work with Moderne to develop **differentiation and competitive advantages** through **technology and innovation**.



Technology Building Strategic ROI

Case Study: US Real estate **multi-billion dollar fund** investing in **office, multi-family & master planned community** assets. **Using technology can increase NOI by as much as 8%**



Portfolio Addresses Key Business Challenges

80+ investments that provide **solutions** for the **most common business challenges** in the industry

Earning Referrals



Lead Generation / Big Data



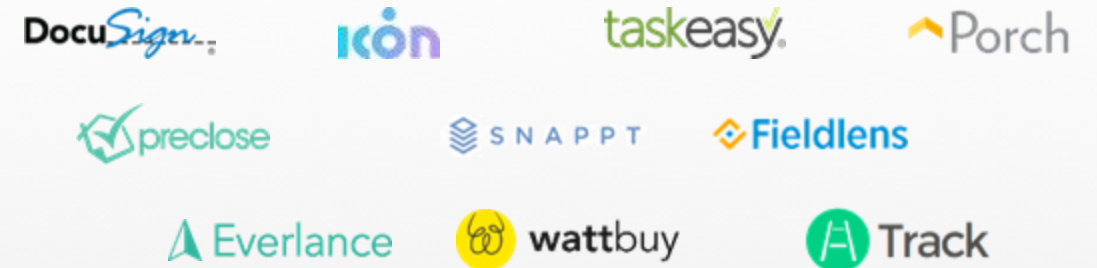
Communication / Marketing



Financing / Insurance



Operational & Transaction Efficiency





Develop Relationships & Adding Value



We invest across asset classes *including multifamily, office, retail, residential, & hospitality*

We have **invested in 80 companies** across 2 funds **over 10+ years**. We **review 4,500 companies each year** and generally **source companies outside our industry** to find **solutions applicable within it**.

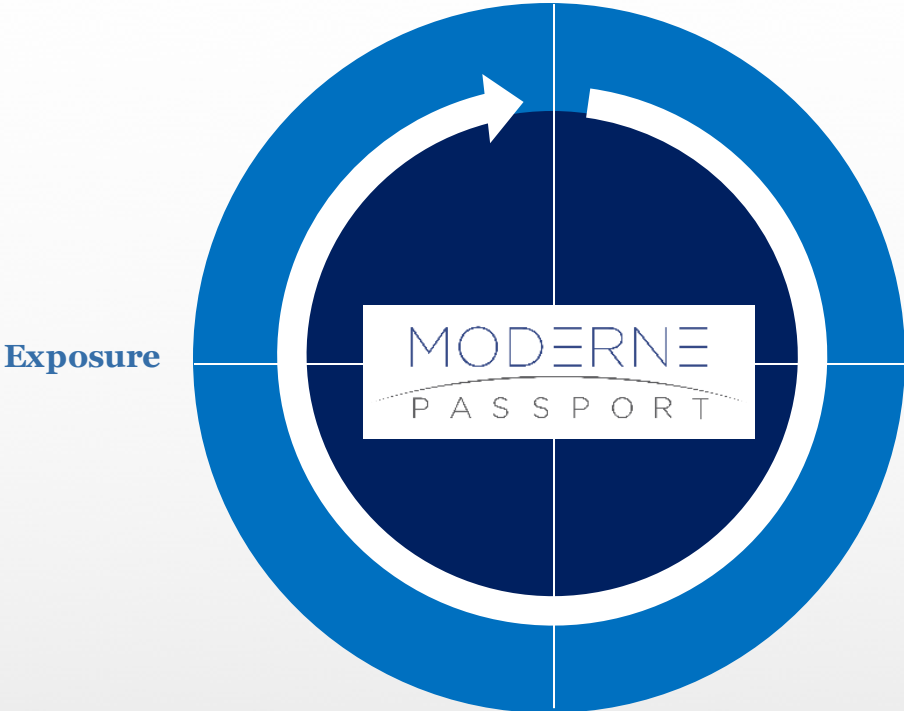
Segmentation	Development	Sales, Leasing & Marketing	Financing/ Transaction	Customer Relations	Property Management/ Asset Management	Business Operations
						
						
						
						
						
						
						
						
						
						

Moderne Passport: Bridging Corporate RE & Innovation

The **Passport Program** helps **companies enter the industry** and **Moderne Advisory** helps **Corporate Partners build innovation into their culture and processes**

Tech Companies

Education



Mentorship



Deploy

Corporate Partners

Strategy



Source

Pilot, Assess & Refine



1

About Moderne

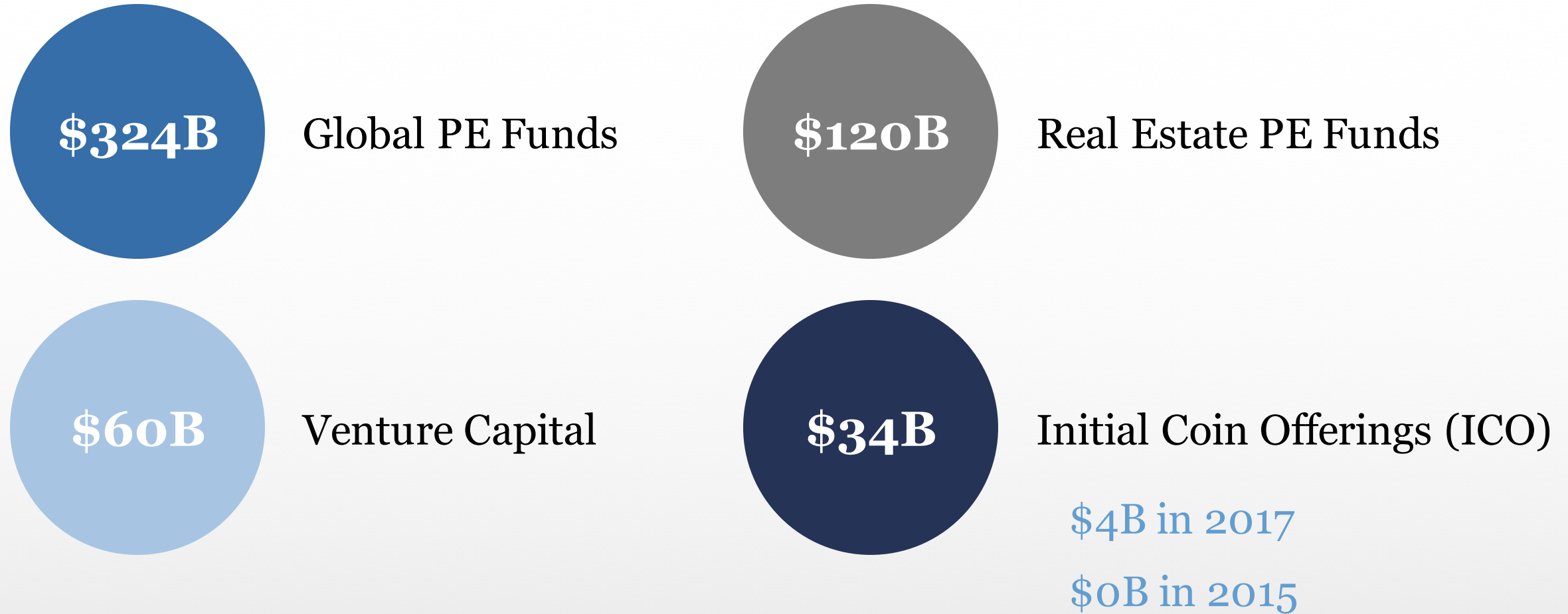
2

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Investing – Record Capital Raises in 2018



> \$300M in Real Estate Investment ICOs, Q1 2019

ICO Meets VC: Blockstack Raises \$25 Million for Decentralized Internet Fund



Global Property Store with Decentralized Title Registry

Propy token sale has ended. Special thanks to all of you who participated in making this sale a success!

	Amount Raised	ICO Dates	Project
EOS	\$4.1 billion	6/26/17 - 6/18/18	Smart Contracts
Telegram	\$1.7 billion	01/18 - 02/18	Encrypted Messaging & Blockchain Ecosystem
Dragon	\$320 million	02/15/18 - 03/15/2018	Decentralized Currency for Casinos
Huobi	\$300 million	01/24/18 - 02/28/18	Cryptocurrency Exchange
Hdac	\$258 million	11/27/17 - 12/22/17	IoT Contract & Payment Platform
Filecoin	\$257 million	08/10/17 - 09/10/17	Decentralized Cloud Storage
Tezos	\$232 million	07/01/17 - 07/14/17	Self-Amending Distributed Ledger
Sirin Labs	\$158 million	12/16/17 - 12/26/17	Open-Source Blockchain Smartphone

Forbes

Billionaires Innovation Leadership Money Consumer Industry

48,886 views | Oct 3, 2018, 09:00am

A First For Manhattan: \$30M Real Estate Property Tokenized With Blockchain



Rachel Wolfson Contributor @

Crypto & Blockchain

I write about crypto, women in crypto and blockchain technology.

TWEET THIS

Tokenization is paving the way for a new forefront in real estate development," Serhant told me.



BITCOIN

Kevin O'Leary: NYC hotel wants to use a \$400 million cryptocurrency offering to sell ownership like a stock

- "Instead of a stock, a share, it's a coin. With a smart contract approved by the SEC," says the "Shark Tank" investor and O'Shares chairman.
- "You will be an owner of a third of this hotel. If it works, it will be the first of its kind," O'Leary says.

Matthew J. Belvedere | @Matt_Belvedere

Published 9:38 AM ET Mon, 19 March 2018



If Venture is Hot, Commercial Real Estate (CRE) tech is on Fire



RE tech investing growing – these figures represent only **sector specific** investments and don't include those outside the industry but applicable like **DocuSign (\$4.4B IPO)** and other tech related but not specific to RE.



2016 CRE Tech investing



2017 CRE Tech investing

**600% growth
over 2 years**



2018 Estimated CRE Tech investing

Capital Pouring Into Tech In All Our Sectors

Insurtech

2016

\$1.8B

+30%

2018

\$2.3B

Fintech

\$17B

+50%

\$26B

Smart Home

\$35B

+40%

\$49B

Why Are They Investing? *Gigantic Industries & Technological Transformation*

Why all the excitement? The world's largest industries represent **opportunity for seismic shifts** like others before it with similar characteristics **Prime for technological transformation**



Paper Based
Processes



Digitized
Processes

DocuSign

\$8.8B Market Cap*

*Antiquated processes
that are ripe for
change – **innovate or
be disrupted***



Broadcast TV



Internet Streaming



Hotels



Convenient Stay

How to Disrupt Successfully: Challenge Normal

Jubilee Project: 50 people, 1 question: What would you change?



“My ears”

“I would like to be taller”

“My nose would be smaller”



“I want cheetah legs so I can run faster”

“I would have wings”

“I would like a mermaid tail to dive deeper”

The Lesson? Ditch the Constraints

How to Disrupt Successfully: Challenge Normal

Jubilee Project Applied to Real Estate: Think Outside of Our Industry

Challenge Normal

“We’ve always done it this way”

“It won’t integrate with our back office”

“What would my investors say”

Take Action

“Would we do it this way if we started from scratch?”

“Let’s run some **small pilots & get data on ROI impact**; then **figure out what to do about it.**”

“We will use differentiation to our advantage”

The Lesson? Ditch the constraints

What keeps you up at night?

How can technology and tools help solve or reduce the challenges

Attracting New Business



Amenities

Generating Referrals & Renewals



Experience

Driving Ancillary Income



Data

2.5 Quintilian Bytes

2,500,000,000,000,000,000

= More data *generated in the last*

2 years *than the previous*

5,000 years

2018 *This Is What Happens In An Internet Minute*

Every internet minute in 2018...



Consultative and advisory services driving experience



Deliver what the customers want

Tech is changing Real Estate

Sample tech and trends in Multifamily



Lifestyle as a Service

Service based amenities → Concierge, Pets, Tech
HelloAlfred, Envoy, HelloTech, Havenly



3d Printing: \$4,000, 800 sq ft, 24 hrs
Coming soon to Multifamily
ICON, NewStory



Augmented Reality

View and monetize virtual space, reduce staff time
GEOCV, Havenly



Shared Economy 25B rideshares 2017

Ride Share, Bike Share, Dog Share → reduce storage & parking(\$) **Envoy, TaskEasy, Omni**



Sustainability

Proven business benefits → reduced costs, improved brand image, less waste **Sagegreenlife, Wattbuy**



Internet of Things 25% expect smart homes

Smart Homes, Buildings and Communities --> **Dwelo, August, Latch, Butterfly**



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What keeps you up at night? – Select Case Studies

How technology and tools help solve or reduce common challenges

Top Line Revenue:

Attracting new business,
renewals & referrals



Decreasing Opex:

Driving down Costs



Adding Value:

Driving Ancillary
Income

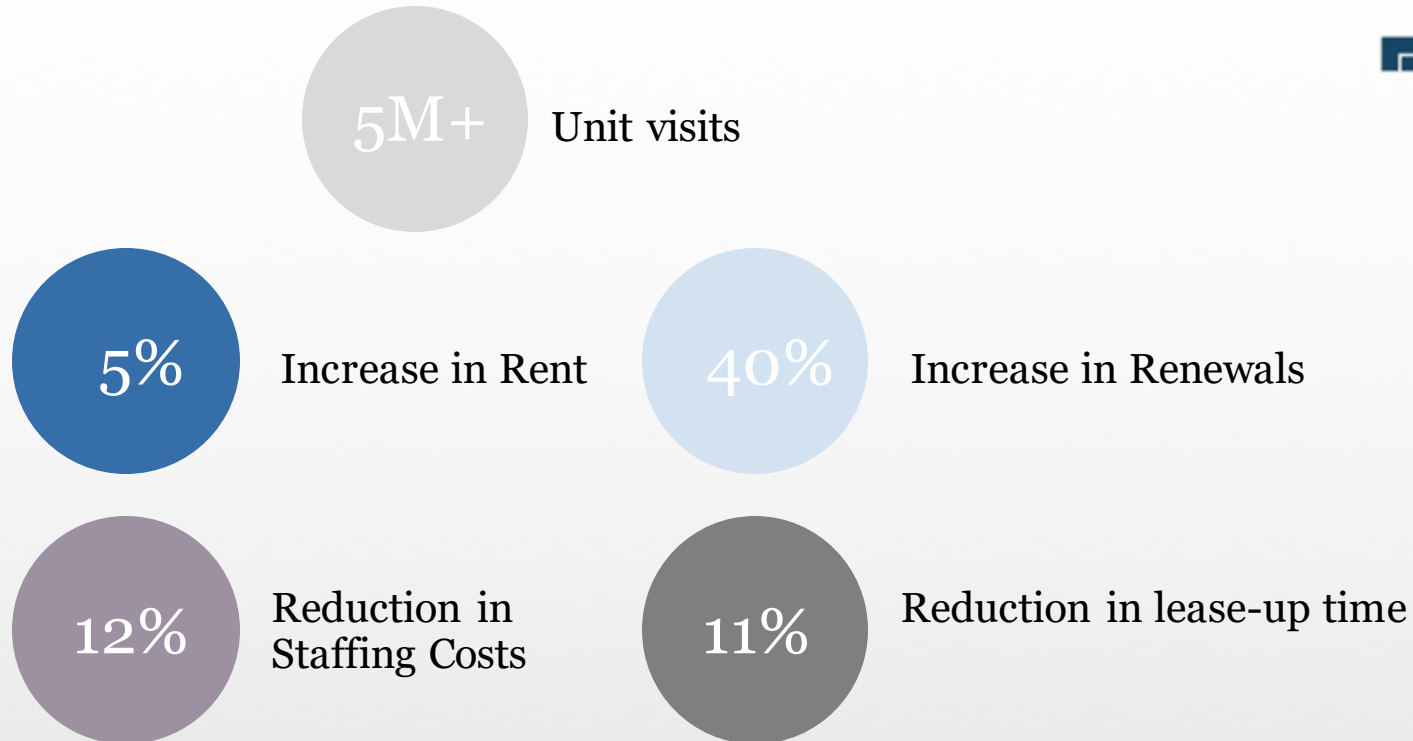




Changing the way we live with a service that gives us back something we all need more of: time

Hello Alfred **helps owners & operators differentiate their buildings** by handling tenants' tasks with its suite of technology and staff so they can focus on what they love, & you can stay ahead. **Buildings with Alfred attract residents, retain them & reduce operational costs.**

Highlights

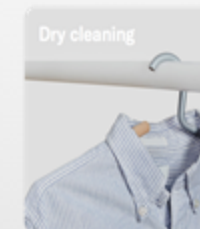
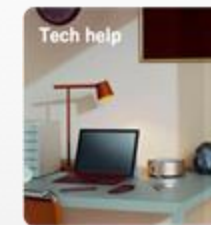


Sample Clients

RELATED

GREYSTAR

RXR





We Eliminate Deposits—Totally.

Renters pay \$29 per month providing properties up to **10x better protection through insurance** versus security deposits and surety bonds. **Renters save thousands of dollars** at move-in, while **properties drive more traffic, convert more leases, and fully eliminate deposit administration**. LeaseLock is the first nationwide A-rated (Excellent) lease insurance program.

Highlights

30%

Lift in lease conversion: Driving more traffic +15 leads/week & **signing more leases**

+\$1M

Ancillary annual income stream based on 20k unit portfolio and \$50/unit

-\$1M

Decrease in Admin Costs

Service

Rolling out 1,000,000 units nationwide

5 of Top 10 NMHC launching Zero Deposit

AVENUE5
RESIDENTIAL

LMC
A Lennar Company

GREYSTAR™

LINCOLN
PROPERTY
COMPANY

BAINBRIDGE

ROCO
REAL ESTATE

PINNACLE
CAMPUS LIVING

First
Communities
Excellence in Apartment Management

CA CAMPUS
ADVANTAGE

Porch gets the job done: home service and maintenance for homes and buildings

Porch is the **leading home improvement marketplace and service maintenance provider**, connecting homeowners and building managers who need help with a project to professionals that can provide a full suite of services from routine maintenance or turnover tasks and large or complicated renovations.

Highlights

2.6M

Services completed. 90% of all zip codes covered.

9.7/10

Customer satisfaction

25%

Of all home inspections booked through Porch

Service and Goods Partners



bytegain

Artificial Intelligence platform that increases lead quantity, quality, and performance

Bytegain analyzes billions of online user behavior data points on websites and CRM systems to **identify patterns** in journeys **enabling real-time conversion predictions, lead scoring and next best actions to close** — increasing lead quantity, quality, and performance

Highlights

108%

Higher revenues reported by Apartment List, **51% higher conversion rate** and **17% higher user engagement** using focused retargeting by Bytegain!

3x

Higher likelihood that targeted leads **sign a lease**

40%

Increase in conversion rate by ecommerce company targeting 'best' leads

Partners



Online interior design that's fun, convenient and affordable

Havenly is the most delightful way to design a home - we **match residents with a personal interior designer** to create a beautiful living space based on their style and budget.

Highlights

125k

Virtual design projects completed → **largest interior design business**

78%

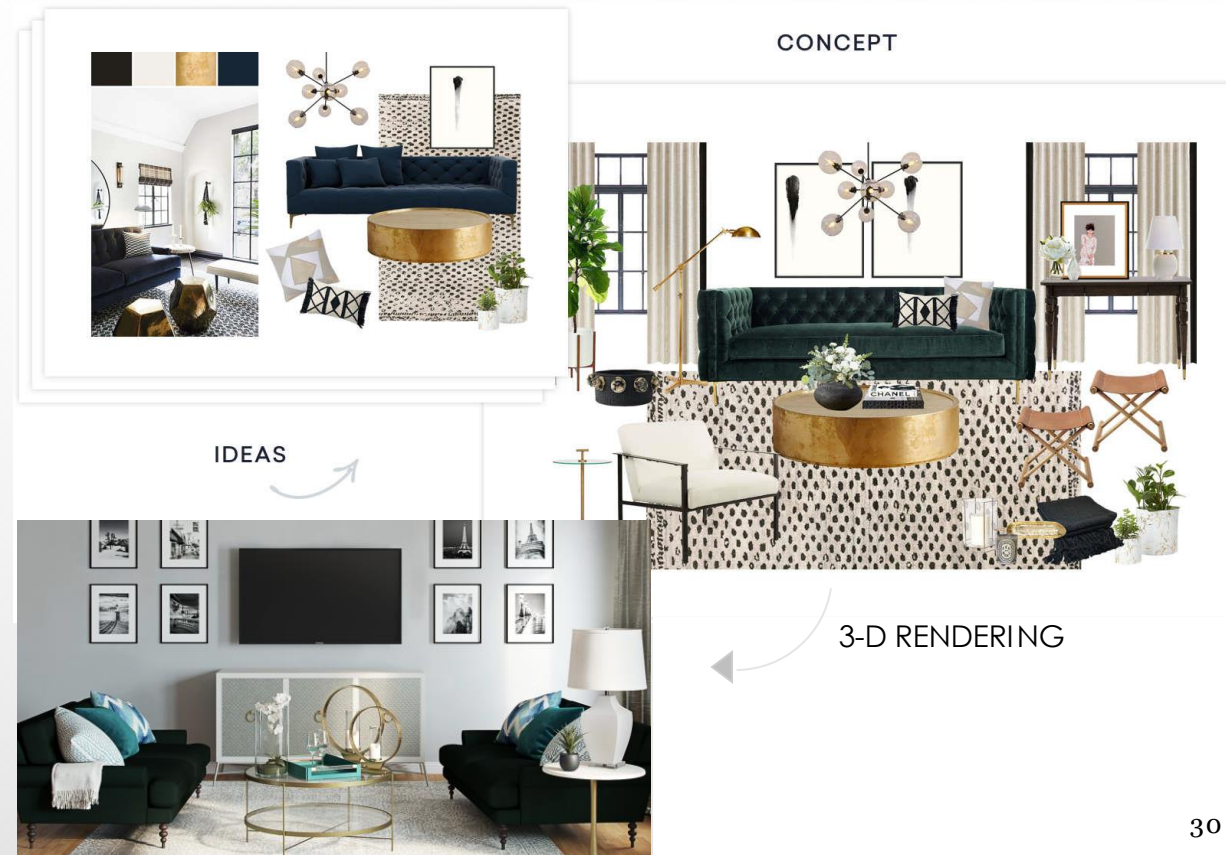
Residents who bought a custom-sized rug, wall art or living room set **renewed** vs 10% who simply bought electronics

\$200-
\$1,000

“Havenly Move-In Gift” for new residents:
Design Package + Shopping Credit =
Higher Lease Renewal Rates

Passport Participant. Data as of 2/28/19.

Product



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Yard Care Simplified.

Tech-driven, recurring yard care delivered to institutional property managers and homeowners across the US. TaskEasy delivers **on-demand, fully managed yard care** with competitive pricing including **snow clearing, fertilization, tree and shrub care, sprinkler systems and other common tasks.**

Highlights

2M+

Lawns mowed

11,000+

Cities across all 50 states

30K+

Properties serviced each month

Sample Clients





Revolutionizing the building industry with 3D printers, robotics & advance materials

ICON has developed a **proprietary 3D printer, cement mix and custom software to 3D print homes & buildings on site**. It has successfully built a permitted, 3D printed a home in Austin, TX in 24 hours for \$4,000 & generated almost no waste.

Highlights

<24

Hours to print a single story, 600-800 square foot home

<\$4,000

To print a 3D printed home

World's
1st

3D printed neighborhood in 2019

Product





Stop losing qualified international renters with Nova's global credit history & normalized credit scores

Nova currently **accesses credit history from 7 countries** (equating to **over 40% of immigrant inflows**) and **normalizes credit scores to US standards**, unlocking new consumers for property managers and lenders, and new futures for immigrants.

Highlights

~10M

Number of international lease applicants with overseas credit history

\$15B

Rental income opportunity lost due to no credit history data

+200k

Number of multi-family units live with Nova Credit

Passport Participant. Data as of 2/28/19.

Product



By 2050, immigrants will drive 82% of U.S. population growth



imageSurge transforms any window into an interactive touch screen

imageSurge through-window technology enables **potential clients to view & interact with digital display content from the storefront window. Manage listings, publish content and videos, and generate street-side leads 24/7.** Banks, restaurants & retailers display their current rates, sales and product reviews to draw people in - converting foot traffic to sales.

Highlights



Finalist for NRF's Shop.org "Digital Commerce Startup of the Year"

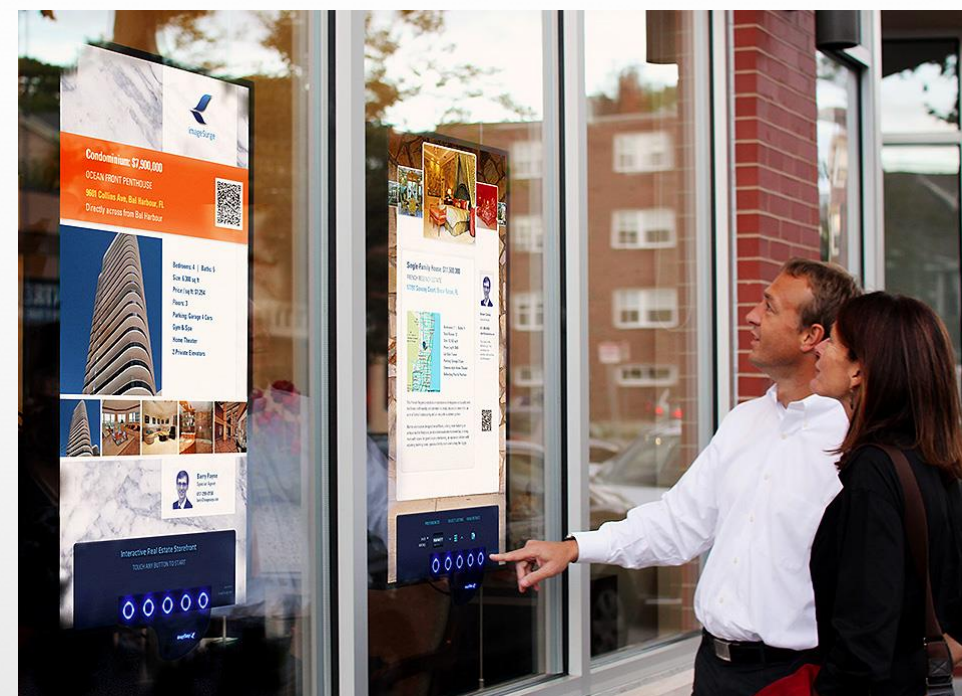


Leads captured in the real estate vertical



Storefront interactions captured

Product





Simple, seamless smart building technology platform

Dwelo’s technology enables property managers to administer all smart devices property-wide with a single platform.

Highlights

100+

Communities with Dwelo live

2-3%

Rental increase rates with smart home technologies

Product



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Bring your space to life

Nature plays a vital role in creating a **productive and effective environment for people**. Our patented living walls enable unparalleled performances and stunning visuals to make the ecosystems of our lives—work, schools, shops, homes—a greener place while providing **credits towards LEED certification, WELL credits freshened air and increased natural humidity**

Living Wall Benefits

83%

Millennials say they will be more loyal to a company that helps them contribute to social and environmental issues.

75%

Millennials said they would take a pay cut to work for a socially responsible company.

75%

More water efficient than other solutions and 30-50% lower Maintenance Costs vs Competitors

Product



Millennials will be 3 out 4 workers by 2025



Electric Vehicles as an Amenity

Envoy's turnkey solution enables the real estate industry, companies, communities and municipalities the ability to implement closed and exclusive car sharing, e-bike and e-scooter sharing.

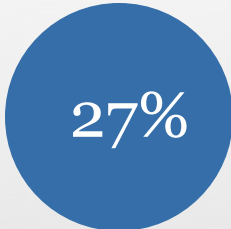
Highlights



Renters become users of Envoy



Participants become Power users (3x/ week) after first time using Envoy



Car sharing reduces the amount of vehicle miles traveled (VMT)

Passport Participant. Data as of 6/30/18.

Product

Benefits: Rent Premiums, Tenant Retention, LEED/Green Building, Amenity Differentiator, & Development Incentives



Envoy APP	eMobility	EV Infrastructure
Registration, Reservation, Unlock/Lock	Tesla 3, X, S, Fiat 500e, VW e-Golf, Nissan LEAF e-Bikes, e-Scooters	

Up to 1 in 10 new cars sold in 2030 may likely by a shared vehicle...on this trajectory, 1 in 3 may be in 2050
– McKinsey

TRANSIT SCREEN

Real-time transit and mobility information available at a glance

TransitScreen incorporates all mobility options – public transit, bikeshare, carshare, and ride hailing services – presented in real time, so everyone has the tools they need to make informed, sustainable decisions on how they get around. Its CityMotion app provides mobile access to real-time updates including corporate shuttles no matter where they are.

Highlights

1,000+

Currently installed in more than 800 US and international locations

15M

Monthly impressions

33%

Growth in sales transactions after installation at a Seattle Starbucks!

Product



A relevant slice of retail where residents' live, work, and play

Stockwell provides **smart mini-stores** to bring the store to where people already are and fill it with the everyday essentials they need. **Stockwell stores operate autonomously and are stocked, maintained and managed by Stockwell.**

Highlights

210K+

Number of purchased transactions processed

203

Current 'stores' in operation

2

Number of months for payback period at top performing location

Product



Desktime

Helping clients turn unused office space into cash

Desktime is an online platform and directory that is addressing the virtual workspace movement by providing the opportunity to rent space by the day, week, or month and allowing businesses to earn income on excess space capacity.

Highlights

2X

of paying customers

50%

Increase in revenue in 2H

50%

Increase in number of new listing YoY

Key Clients



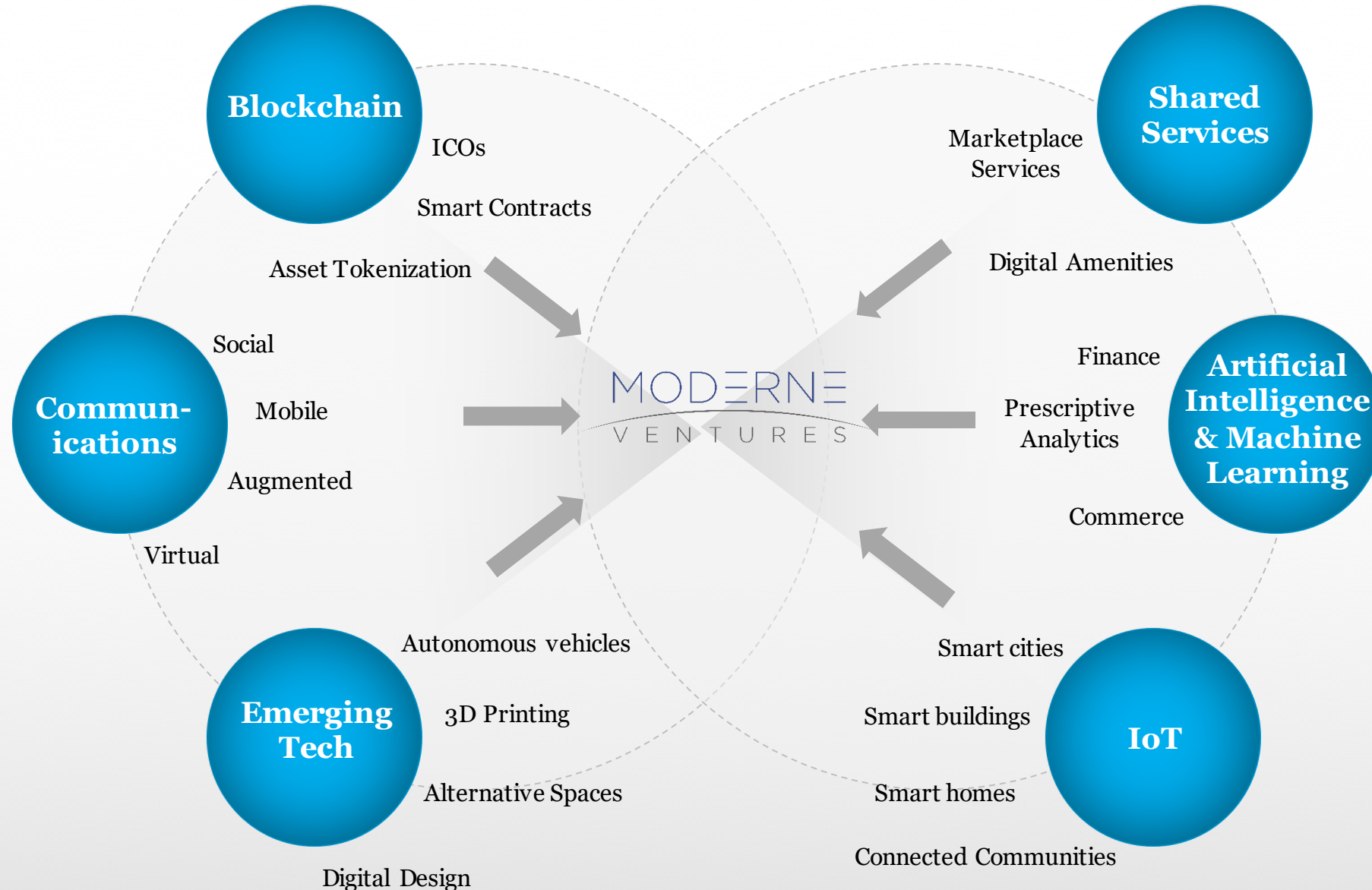
Technology and Real Estate

Technology investing leads to strategic ROI for core real estate investments in form of:

- + Higher Rents
- Decreased OPEX
- + Cool Branding Factor
- = Higher NOIs

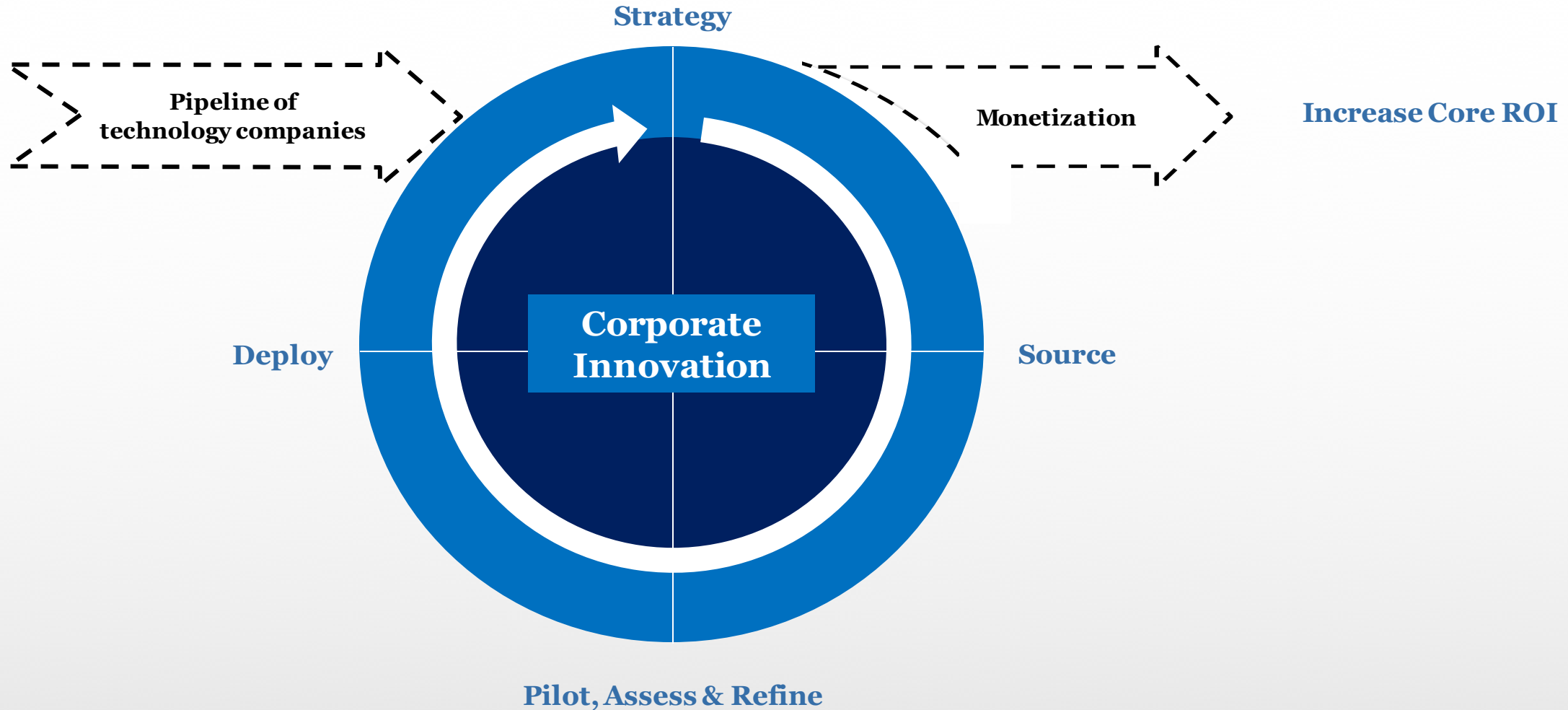
Investment Themes

We make broad thematic investments **outside** our industries that can be applicable **inside** our industries.



Take Action

Make innovation part of the strategy. Build in **systematic processes** and **analysis** to **incorporate innovation** into the vision.



Real Estate and Technology

Strategy should be built to enable:

1

First Access



2

Speed to Market



3

Generate Revenue
& Portfolio ROI



1. Join the Moderne Network

Meet cutting edge tech companies, listen to their pitches and provide feedback.

2. Corporate Partner, Pilot & Investment Opportunities

Contact us to discuss other corporate partner, pilot and investment opportunities.

[Contact us: Info@ModerneVentures.com](mailto:Info@ModerneVentures.com)



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