# Module 1 Challenge

## Overview and Origin

\* Roofstock

\* Roofstock was incorporated in 2015.

\* Gary Beasley, Gregor Watson and Rich Ford are the co-founders of Roofstock.

\* Greg Watson, founder of multiple financial and investment firms and a long-time investor in real estate was frustrated by the process of buying and selling investment properties. He reached out to Gary Beasley to discuss and work together to improve this process. They later invited Rich Ford to the discussions.

\* According to prnewswire.com, article dated 10 March 2022 Roofstock has raised over $400 million from investors such as Khosla Ventures, Bain Capital Ventures, Lightspeed Venture Partners, Canvas Ventures, SVB Capital and SoftBank Vision Fund 2 [2]

## Business Activities

\* Real estate is a huge asset class that has been relatively untouched by technology, and is often fragmented, analog and inefficient as a result. Roofstock makes buying and investing in rental homes seamless and accessible, and we saw a huge opportunity for the platform, particularly as interest in the sector continues to grow [2]

\* The company’s intended customer can range from the largest global asset managers who have no presence yet in single family rental (SFR) to the largest institutions already in the SFR space to individual investors. [2]

\* Roofstock is different to its competitors as they work for both buyers and sellers and do not own any of the properties listed on its marketplace.

\* Roofstock uses 51 technology products and services including HTML 5, Google Analytics and JQuery according to G2 Stack [4]. Other sources state they are actively using 68 technologies for its website, according to BuilWith. These include Viewport Meta, Iphone/Mobile Compatible and Google Font API.

## Landscape

\* Roofstock represents the real estate domain of Fintech.

\* This domain hasn’t seen the same level of impact compared to other domains until more recently. The emerging technologies such as Artificial Intelligence, Blockchain and Virtual reality is emerging to improve transacting and marketing. With the emergence of these technologies, it will make the real estate agents lives easier leaving them with time to build and maintain face to face relationships with buyers, sellers or tenants.

\* Some other major companies in this domain are Emoov, Yourkeys, LendInvest, Generation Home, Opendoor, Divvy Homes, Fiserv, Cadre and Zillow.

## Results

\* Since founded Roofstock has surpassed $5B in transactions across 70 plus markets.

## Recommendations

\* Roofstock has evolved and since founded in 2015. Their offerings range from buying, selling and managing. They have also acquired Stessa and Great Jones in 2021. Their partners range between property management, financing and insurance. They are currently working in the single-family residential space. My recommendation would be to extend this service into the commercial space.

\* The expansion into the commercial space will introduce a different asset class offering. Commercial property investors traditionally are self-funded retirees, investors looking for higher cashflows and lower holding costs. It also allows for diversification.

\* The existing technologies used will support this product.

# Addendum

1. Roofstock - <https://www.roofstock.com/>

1. Prnewsire - <https://www.prnewswire.com/in/news-releases/roofstock-raises-240m-at-1-9b-valuation-to-expand-access-to-real-estate-investing-888898674.html#:~:text=Founded%20in%202015%20and%20recently,and%20SoftBank%20Vision%20Fund%202>
2. Mashvisor - <https://www.mashvisor.com/blog/roofstock-competitors/>
3. Crunchbase -https://www.crunchbase.com/organization/roofstock/technology
4. Stackshare - <https://stackshare.io/roofstock/roofstock>
5. Openagent - <https://www.openagent.com.au/blog/technology-and-the-future-of-real-estate>
6. Fintech - <https://fintechmagazine.com/top10/top-10-real-estate-fintechs-stirring-market>
7. SPD Load - <https://spdload.com/blog/fintech-in-real-estate/>