

MRI Software to acquire PropTech Group

4 years ago



Globalproperty technology leader [MRI Software](#) announces it has entered into a binding Scheme Implementation Deed to acquire 100 percent of PropTech Group Limited (“PTG”) (ASX: PTG.AX) for an estimated value of A\$93.4 million. PTG is an operator and investor in real estate software companies, primarily in Australia, New Zealand, and the United Kingdom.

The A\$0.60 cash per share offer, equating to an implied equity value of approximately A\$93.4 million on a fully diluted basis^[1] was submitted to the Australian Stock Exchange (ASX) by PTG earlier today (PTG [advisory link here](#)). The offer includes MRI acquiring PTG’s well-respected real estate software brands including VaultRE, VaultEA, EagleCRM, Real Estate Investar, Website Blue, Designly, and RentFind Inspector. Many of PTG’s products complement and strengthen the [MRI Living](#)™ suite of solutions for residential sales and property management – and add new capabilities in other areas.

David Bowie, Managing Director and Senior Vice President (Asia Pacific) for MRI Software says, “This acquisition brings immediate value to our real estate agency clients in the region and represents a significant investment in the future of the real estate sector more broadly. In the same way FinTech fuelled growth and efficiencies in banking and finance over the last decade, we believe PropTech will propel the next generation of real estate to ensure its long-term value and contribution to our national economies.

“The business of finding, buying, selling, renting, and investing in property comes with the same complexities as any advanced industry – and needs the right technology to enable its potential. A combined MRI and PTG will be well-equipped to help modern real estate agencies respond to changing consumer expectations and market dynamics,” he says.

A recent YouGov national survey commissioned by MRI in Australia called “*Voice of the Australian Real Estate Consumer*” (link to key findings [here](#)) amplifies an example of changing consumer needs: 7 in 10

Australians say it's a "hassle" to deal with multiple real estate agencies for property changes. It reveals that on average, Australian real estate consumers made seven (7) property transactions over the past ten years, up to one per year for Millennials (26-41 years old) moving from rentals to buying or investing in a relatively short period of time. Of those, a remarkable 3 in 5 (64%) would prefer to work with only one real estate agency for all their property needs.

"A lifetime view of a client from tenant to retiree is a significant shift in the way many real estate agencies operate today. To keep clients for life, we believe an open and connected technology ecosystem is a must. Marketing, sales, and property management need to be able to work together to deliver a 'single view'," says MRI's David Bowie.

PTG Product Inclusions in MRI Acquisition

MRI's acquisition includes a range of PTG portfolio products that automate and simplify business services at various touch points in a client's relationship with a real estate agency, including:

1. CRM (Customer Relationship Management): VaultRE, VaultEA, and EagleCRM manage sales/listings, rentals, and contacts in a residential or commercial property context.
2. Property Investment and Insights: Real Estate Investar locates, compares, and analyses property investment opportunities, tracking national, regional, metro, and local market movements.
3. Property Inspections: RentFind Inspector simplifies property inspection and condition report generation.
4. Marketing Automation: Designly allows agents to self-manage brand assets and campaigns with one-click marketing automation, and SocialEazie offers automated social media marketing for real estate.
5. Agent and Agency Websites: WebsiteBlue is a full-service professional web design and development service and PropSEO offers all-in-one search engine optimisation.

Joe Hanna, PTG's Group CEO and Managing Director says, "PTG was founded to help real estate businesses find a smarter way to do business - and to help our industry prosper. Bringing our respective innovations together in one ecosystem makes sense as agencies rise to the challenge of keeping clients for life. I welcome our shareholders' support to secure closure on the agreement in the coming months so we can collectively crack on with making a positive difference."

MRI's David Bowie adds, "MRI has served the real estate industry for more than 50 years - including over 25 years in Australia and New Zealand. We look forward to working with PTG's management team and employees to continue delivering on our shared commitment to offer the real estate industry choice across an open and connected PropTech ecosystem - one that supports agencies in driving further innovation and pioneering the next generation of real estate in Australia and New Zealand." The Australian Stock Exchange (ASX) was formally advised by PTG at AEDT on 31 October 2022. The acquisition has been unanimously approved by the boards of MRI and PTG and is pending shareholder and regulatory approval. PTG will continue to serve its clients as usual, without interruption. Due process is expected to take a few months. MRI is being advised by Highbury Partnership, as financial adviser, and Corrs, as legal adviser.

[1] Implied equity value based on a cash proposal of A\$0.60 per PropTech Group share multiplied by



155,645,079 PropTech Group shares on issue (on a fully diluted basis).