

Press Information, 8 October 2018

## Berlin Hyp and 21st Real Estate announce strategic partnership

**Berlin Hyp is investing in the Berlin-based PropTech 21st Real Estate. The two companies have also agreed on a full-scale strategic cooperation. The focus is on digitising real estate valuation, in particular by jointly developing data models based on artificial intelligence.**

The cooperation aims at developing various calculation methods to optimise valuation reports and integrate these into the bank's core process. These calculation methods benefit from 21st Real Estate's large set of market data. With its high expertise in real estate and managing big data, the PropTech company is able to quickly develop a high-quality and tailor-made valuation tool, which, combined with artificial intelligence, makes the valuation of commercial real estate significantly faster and more reliable.

"With the help of state-of-the-art machine learning algorithms based on over a billion data points, we will enable our partners to carry out completely automated location-, object- and investment-related calculations. We analyse real estate portfolios and their potential for appreciation at the push of a button," explains Petr Bradatsch, CEO of 21st Real Estate and former founding member of Immobilienscout24. Taking factors such as CAPEX measures, rent increases and value appreciation into account, scenario analyses and return calculations can also be performed at the level of individual properties.

So far, none of the assessment tools currently available on the market meet the banking sector's requirements concerning their integration into an optimised and efficient lending process. "The strategic investment in 21st Real Estate is therefore a further, significant milestone towards notably driving digitisation forward," says Sascha Klaus, CEO of Berlin Hyp, explaining this commitment. "We are delighted to be in partnership with 21st Real Estate, one of the most experienced players in the PropTech industry."

The real estate financier's digitisation strategy comprises two pillars. On the one hand, digitisation should make the company's own processes more efficient. At the same time, the business model is to be expanded to include additional products and services in core-business related areas. Here, both partners see potential in further developing the results of the cooperation to market maturity at a later stage and making them available to other market players.

"In consistently pursuing and implementing the continuous expansion of our range of services, we are establishing a holistic approach to advising our customers," says Matthias Arnheiter, Head of Corporate Strategy at Berlin Hyp.

21st Real Estate's nationwide market data directly optimise and accelerate the valuation and lending process for residential and commercial real estate.

With its stake in 21st Real Estate, the real estate financier is once again underscoring its pioneering role in digitisation as well as its commitment to investing in new technologies. The parties have agreed not to disclose the amount of the investment.

## Press contact

### 21st Real Estate GmbH

Silvia Heinze  
Head of Marketing  
Hausvogteiplatz 11  
D-10117 Berlin  
T: +49 30 27 970 105  
[silvia.heinze@21re.de](mailto:silvia.heinze@21re.de)

### Berlin Hyp AG

Nicole Hanke  
Head of Communications and Marketing  
Budapester Strasse 1  
D-10787 Berlin  
T +49 30 2599 9123  
[nicole.hanke@berlinhyp.de](mailto:nicole.hanke@berlinhyp.de)

## 21st Real Estate

With its innovative platform, 21st Real Estate is digitising the purchase of real estate to enable real estate to be traded online on only one platform. This enables customers to automatically find properties fitting to their investment strategy, to evaluate investments in real time and to reliably predict returns, as well as to control and monitor the digitised purchasing process, including due diligence and all partners involved. With the help of spatial-econometric models and state-of-the-art machine learning technology, the company generates the database from over one billion raw data.

## Berlin Hyp

Berlin Hyp specialises in large-volume real estate finance for professional investors and housing societies, for whom the Bank develops individual financing solutions. As an enterprise forming a Group together with the German savings banks, it also makes an extensive spectrum of products and services available to these institutions. Berlin Hyp is not only at the forefront as the issuer of the first Green Pfandbrief; the bank also supports the financing of sustainable real estate. Berlin Hyp's clear focus, 150 years of experience and the ability to actively shape the digital transformation in the real estate sector with an eye to the future characterise the Bank as a leading German real estate and Pfandbrief bank.