



FinTech: Real Estate & Mortgage Software

Software Market Review & Analysis



Alkali Partners

Technology Investment Banking

Broad FinTech Market Trends

Accelerating FinTech Momentum

Sector Overview: The FinTech market continues to demonstrate resilience, supported by digital adoption, strong institutional backing, and renewed M&A activity. Growth is being driven by scalable, tech-enabled platforms and investor focus on sustainable profitability and integration efficiency.



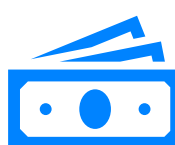
Digital Infrastructure: Cloud-native systems, open APIs, and embedded finance are reshaping financial services delivery and enabling cross-industry integration.



AI Adoption: Integration of AI and automation is enhancing underwriting, compliance, and personalization, driving valuation premiums of 1-2 revenue turns for data-rich platforms.



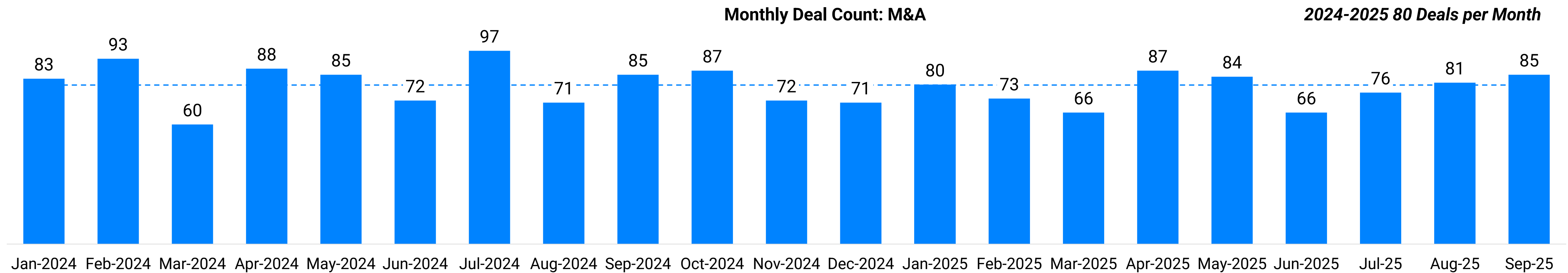
Consolidation Trend: Cross-sector deals in payments, wealth, and infrastructure continue, with financial sponsors executing add-ons to achieve scale and 20% cost synergies through integration.



Institutional Capital Flows: Growth and PE investors remain active (over \$20 B in financing volume year-to-date), favoring later-stage and infrastructure-driven FinTechs.

Top 5 Largest M&A Deals Announced in Q2 2025

EV (\$M)	Target	Acquirer	Sector
24,250			Payments
14,200			Real Estate and Mortgage Tech
13,500			Payments
2,862			Capital Tech Markets
2,500			Payments



*Through Q3, 2025
Sources: PitchBook, Houlihan Lokey, FRED

Real Estate & Mortgage Tech

Continued Strategic Consolidation in Real Estate & Mortgage Tech

Real estate and mortgage technology markets entered 2025 with cautious optimism. While mortgage rates have eased from their 2023 peak, affordability and inventory constraints continue to weigh on transaction volumes. M&A activity has picked up modestly, led by buyers seeking defensible platforms with steady fee revenue and operational efficiency rather than growth. Investors are applying tighter discipline on valuations.

Notable transactions include:

- Rocket acquired Redfin in July, expanding its end-to-end homebuying and mortgage platform.
- Intapp acquired TermSheet in April to fold real-asset software and deal workflow into its AI-driven platform.
- Maymont Homes (Brookfield) acquired Divvy Homes’ assets in January, consolidating rent-to-own operations.

Trends

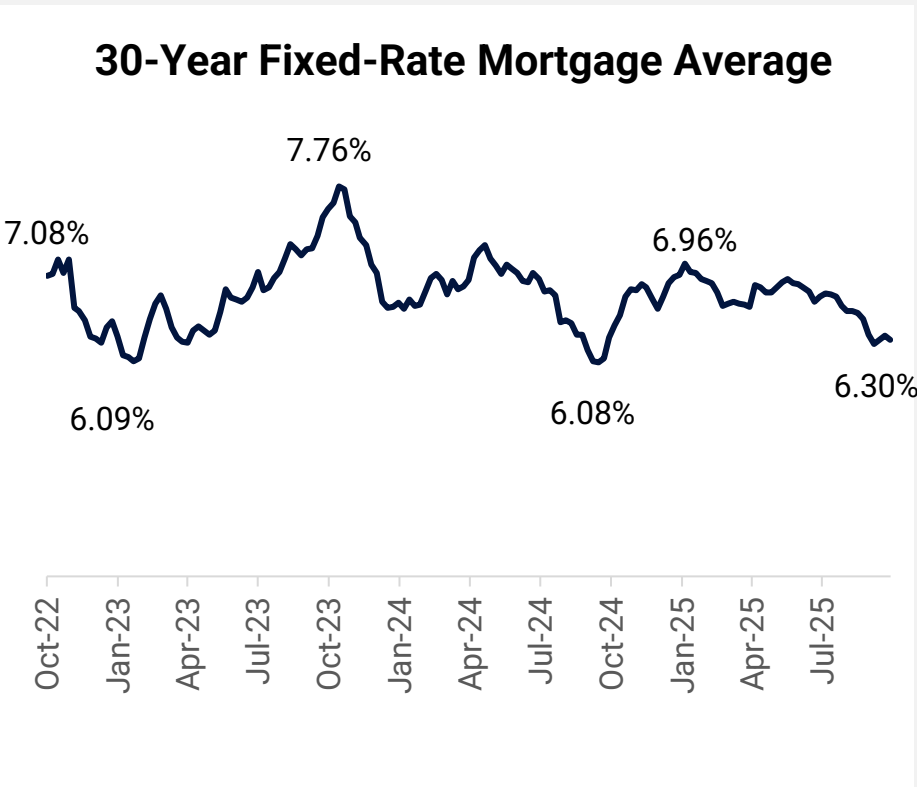
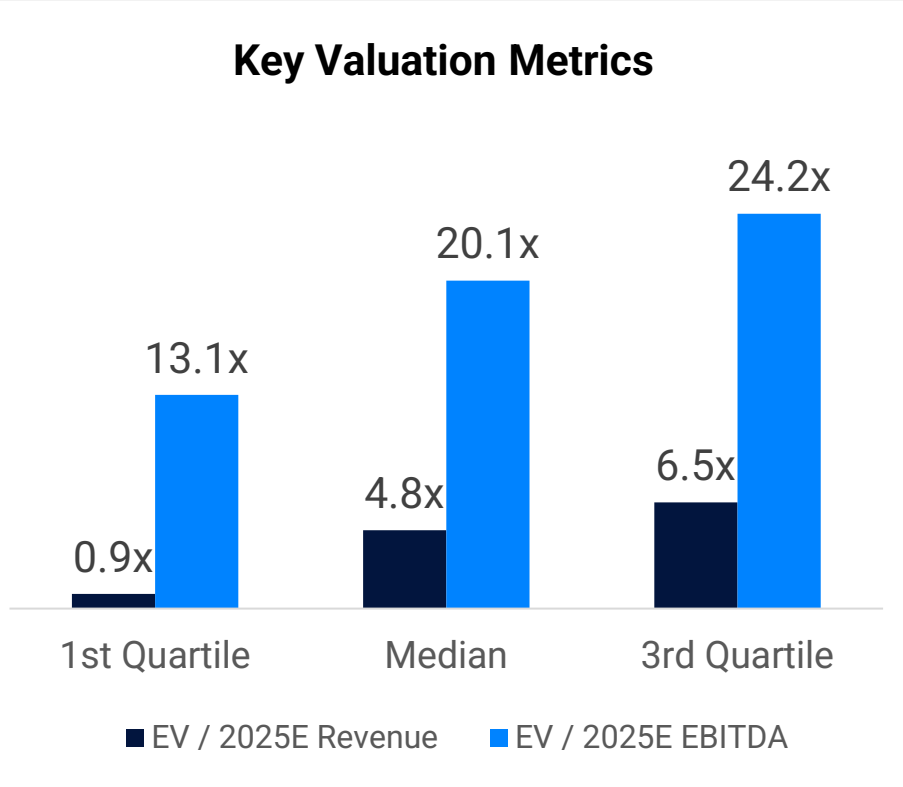
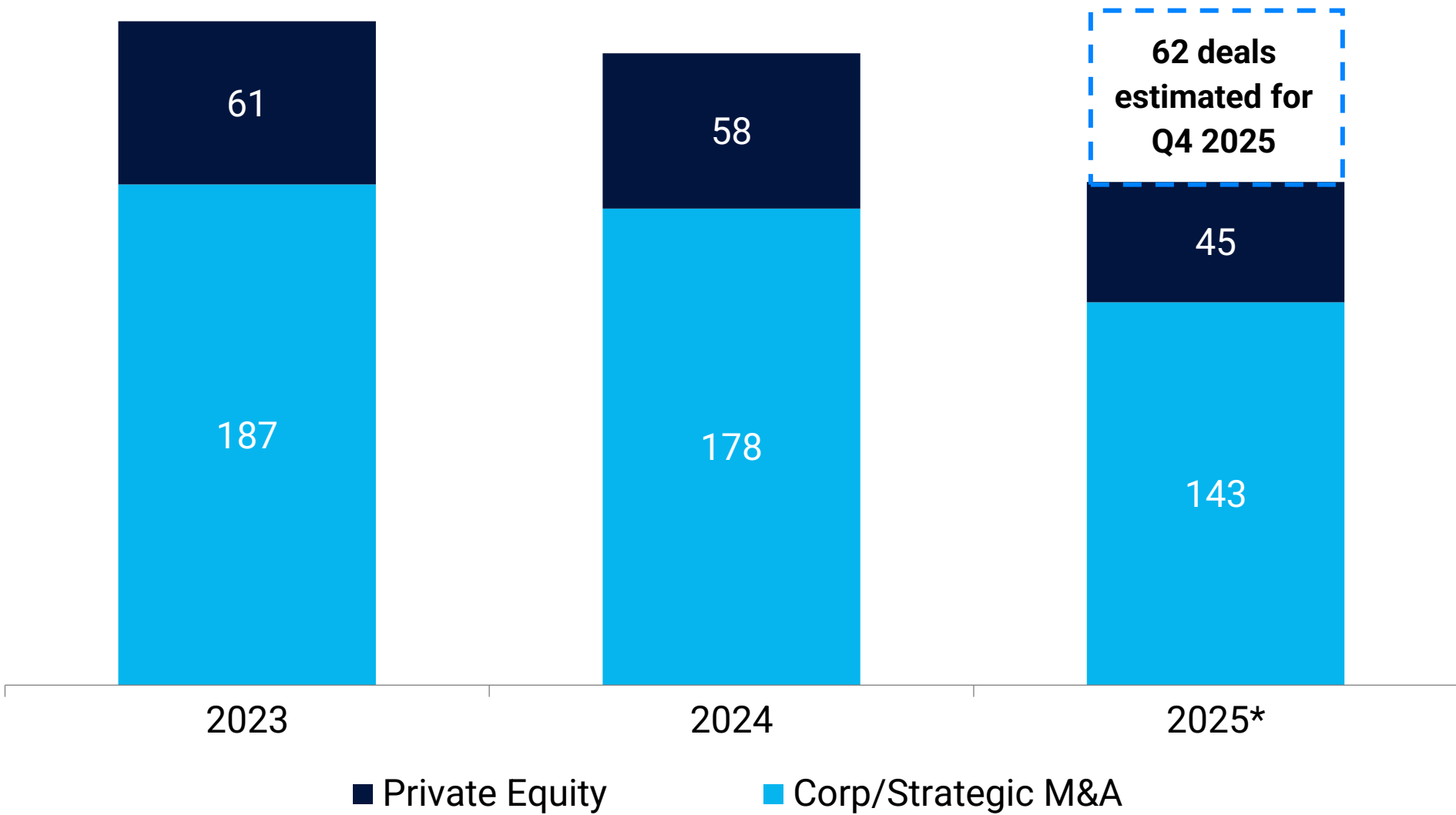
AI-driven automation & decisioning: Lenders and property platforms are using AI to automate underwriting, valuations, and workflows—boosting speed, accuracy, and borrower confidence.

Asset Tokenization: Real estate assets are being turned into digital tokens, unlocking liquidity and enabling fractional ownership for a broader set of investors.

Digitalization of Mortgage and Insurance Workflows: Seamless, mobile-first mortgage and property tools are redefining how borrowers, tenants, and agents interact across the full housing lifecycle.

Real Estate & Mortgage Tech Deal Count

Annualization suggests 2025 is set to surpass 2023 and 2024 deal volume, lead by **stable acquisition volume from strategics** with slightly lower PE deals.



Public Companies

Sponsor Backed Companies

Traditional Buyout Sponsors

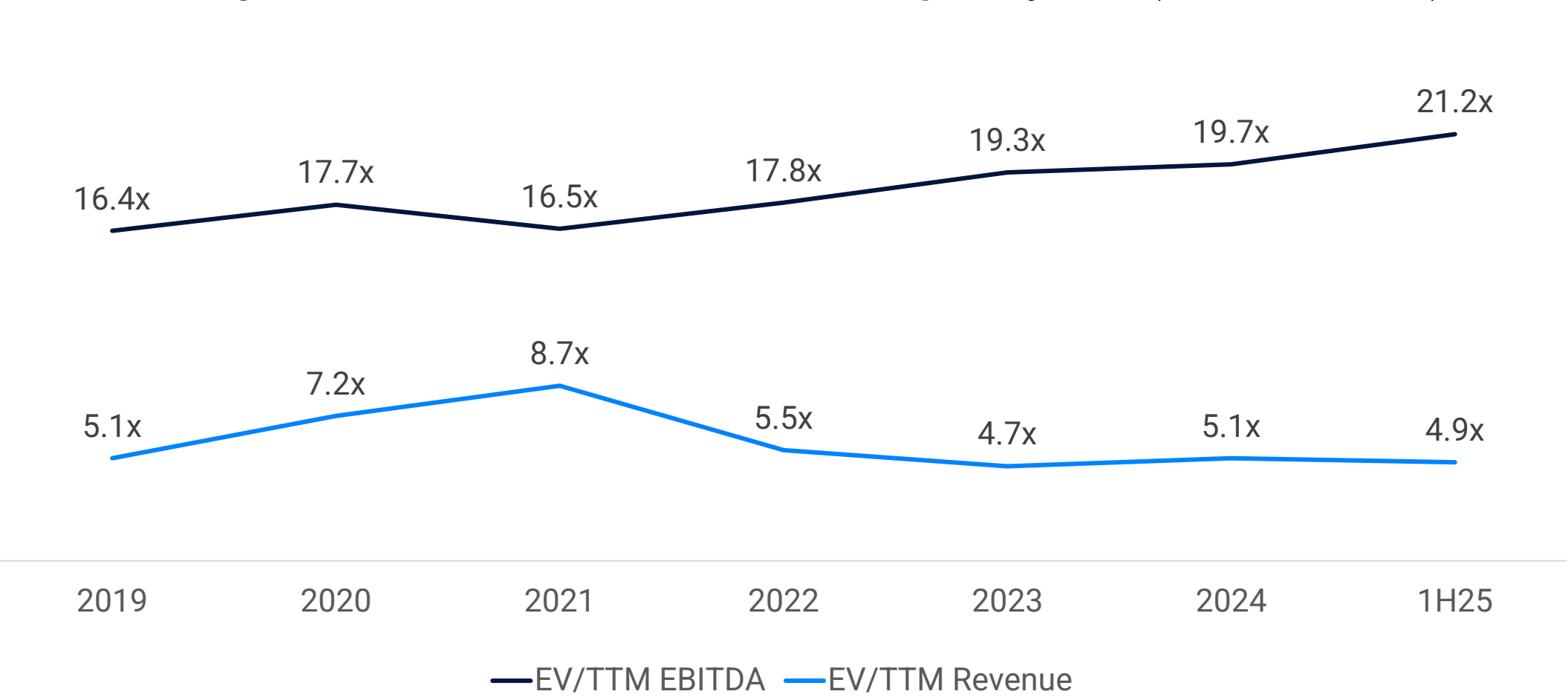
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Real Estate & Mortgage Tech

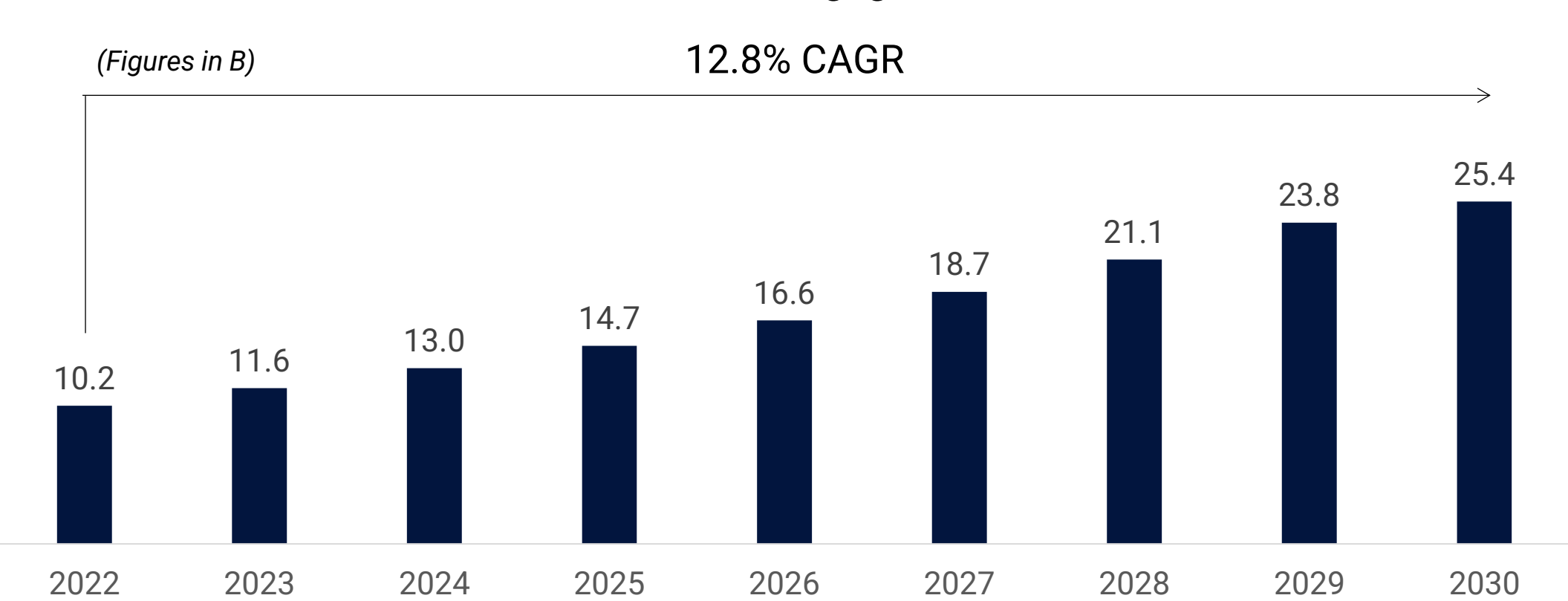
Market Dynamics: Stabilization, Automation, and Strategic Consolidation in Real Estate & Mortgage Tech

The real estate & mortgage tech sector is entering a careful normalization phase. Mortgage origination volumes remain under pressure, while proptech is driving most deal activity (~80 % of transactions). If interest rates ease and public multiples recover, deal flow could pick up further, but acquirers will be selective, targeting scalable platforms with defensible margins.

Average EV/TTM Revenue and EBITDA Multiples by Year (2019–1H 2025)



Real Estate & Mortgage Software

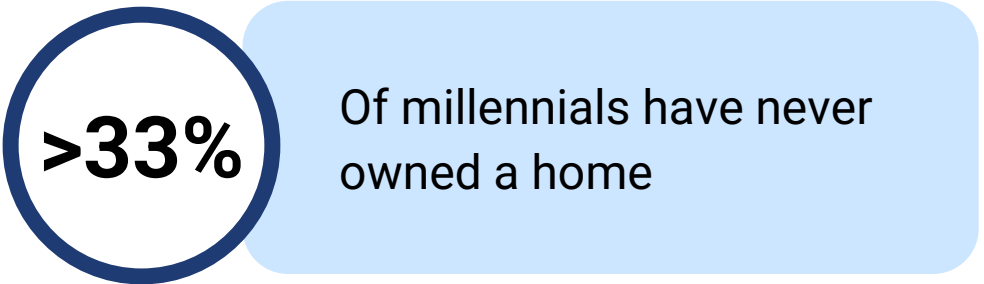
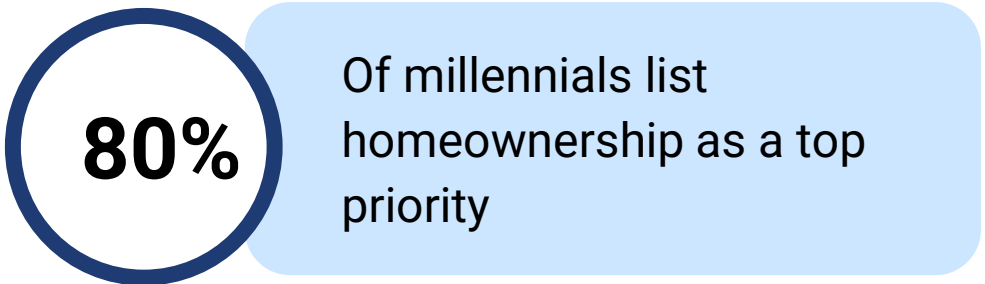


Headwinds:

- **Margin Pressure:** Competition among tech providers, financing firms, and platforms drives down pricing, squeezing profit margins in mortgage and proptech services.
- **Legacy Systems, Fragmentation, and Integration Overhead:** Many lenders and real estate operators still use siloed, legacy infrastructure, making it costly and slow to adopt new tech or consolidate platforms.
- **Capital Constraints & Investor Caution:** Funding (especially growth / venture capital) has cooled, raising the bar on business metrics and increasing pressure for early profitability.
- **Regulation, Data Risk, and Algorithmic Trust:** Heightened scrutiny over borrower data, model bias, appraiser regulation, valuation accuracy, and fairness increases compliance burden and slows adoption.

Tailwinds:

- **AI & Automation Adoption:** Mortgage and property platforms are increasingly using AI for underwriting, document processing, valuation, and predictive analytics to reduce friction and operational costs.
- **Embedded / Integrated Finance & Platforms:** More real estate marketplaces and broker platforms are embedding mortgage, title, and insurance capabilities directly, creating a one-stop user experience.
- **Regulatory Standardization:** Changes like UAD 3.6 (structured appraisal data) lower friction for machine-read valuation models and open doors to more automation.
- **Increasing Demand from Borrowers:** Borrowers expect faster digital decisions, personalization, mobile onboarding, and seamless experiences, pushing lenders and platforms to modernize.



Real Estate & Mortgage Tech

Notable Deal Activity in the Past Six Months

October 2025

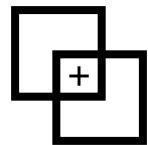
Select Industry Transactions

Date	Target	Acquirer/Investor	Deal Type	Deal Value (\$M)
10/06/2025	iGuide	REA Group	M&A	Undisclosed
10/1/2025	Mr. Cooper	Rocket Companies	M&A	14,200.0
09/10/2025	Tank Stream Labs	Scalare Partners	M&A	5.5
08/27/2025	Domain	CoStar Group	M&A	1920.0
05/23/2025	Acheteur.ch	Neho	M&A	Undisclosed
05/15/2025	Enrata	Blackstone	Growth Equity	200.0
05/13/2025	Meey Group	Global Emerging Markets	Growth Equity	80.0
05/12/2025	Nawy	Partech	Growth Equity	52.0
05/06/2025	Azibo	TurboTenant	M&A	Undisclosed
05/06/2025	HelloData.ai	Grace Hill	M&A	Undisclosed
05/05/2025	Gridky	Groupe Premium	M&A	Undisclosed
04/28/2025	Sprive	Ascension	Growth Equity	7.3
04/21/2025	TermSheet	Intapp	M&A	72.0
04/15/2025	Property Monitor	Dubizzle Group	M&A	Undisclosed

Real Estate & Mortgage Tech

Coverage Team

Overview



Mergers & Acquisitions

Advise sellers of privately held tech companies through M&A transactions



Growth Equity Investments

Advise founders seeking capital for growth or risk diversification



Recapitalizations & Buyouts

Advise sellers of privately held tech companies to financial sponsors



Operational & Strategic Advisory

Advise boards seeking to restructure, reorganize, or prepare for liquidity events

Domain expertise: Over 100 deals closed in enterprises software and technology in the last decade.

Sector specific coverage: Weekly tracking of FinTech M&A, buyers, and market trends.

Experience: Multiple deals across FinTech and adjacent verticals.



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Select Software Transactions



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