

Foxy acquisition to boost disruption of SA property industry

SA Home Loans has acquired a 49% stake in online property start-up, PropertyFox - in what is seen as a major vote of confidence from the established industry player in both the sustainability of the digital real estate agent model, and the local disruptor's growth potential.



PropertyFox co-founders, Ashley James and Crispin Inglis

Worldwide the digital revolution is creating efficient alternatives to the traditional real estate agent model. Recognising the massive potential to shake things up in South Africa, PropertyFox's founders launched in April 2016 and the firm's efficiency, transparency and customer centricity have already saved consumers more than R10-million in fees.

Kevin Penwarden, CEO of SA Home Loans, says the investment was an excellent fit for both companies, "We had been looking for an opportunity to enter the property industry as it is vertically aligned with our industry and PropertyFox resonated strongly with us. The business model is compelling and has been proven to be successful elsewhere in the world."

He adds that, importantly, the firm's founders Crispin Inglis and Ashley James are young, entrepreneurial and energised. "We believe deeply in their ability to grow PropertyFox into a leader in the industry and are really excited to be a part of their story."

While PropertyFox will continue to operate as an independent business, the deal will directly benefit both businesses.

PropertyFox will use the cash injection to accelerate growth, develop new tech, ramp up brand awareness and deepen presence across all nine South African provinces. “PropertyFox will become a strong source of leads for us,” says Penwarden.

Joint founder and CEO of PropertyFox, Inglis says the business has grown rapidly from ‘two guys and a laptop’ to a business that employs 20. “The investment from SA Home Loans will allow us to ramp up growth in 2018, a critical time for the business. We are looking forward to having two SA Home Loans directors on our board and will benefit hugely from their combined 30 years of experience in banking, marketing and home loans.”

He says the deal comes after a year-long ‘courtship’. “It is a real feather in our cap to have the backing of such an influential mortgage finance provider – and one with an intricate understanding of the South African property industry.”

Inglis says, “Technology has allowed us to offer clients greater transparency, a far more efficient process and lower commissions than the traditional players.” The business offers an end-to-end service for buyers and sellers – including all paperwork, valuation and legal support, with sellers only needing to ‘open the door’ and show security-checked prospective buyers their home.

“Our partnership with SA Home Loans and the synergies it offers, will allow us to improve our offering to clients, while still maintaining our focus on our core service, home sales,” concludes Inglis.

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