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Richter launches KayoCloud cloud-based brokerage

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New York, NY According to Joe Richter, CEO, KayoCloud, the first virtual, cloud-based commercial real estate brokerage in the U.S., has launched. After partnering with traditional firms over the past two years, KayoCloud is now offering its software and machine learning technology directly to individual brokers.

The virtual commercial brokerage is launching with over 15 agents— many of whom used the technology at their previous firms. KayoCloud's brokers benefit from increased efficiency and deal flow, while having the convenience and flexibility to work anywhere, anytime.

The company's end-to-end cloud-based technology includes its AI lead-gen and microtargeting capabilities known as Arrow + Dart. KayoCloud's Dart uses survival analysis to foresee properties that will hit the market, and Arrow micro-targets relevant buyers to sell deals.

"Witnessing usage on our enterprise platform (LSpire) surge by 800% during the pandemic has been remarkable," said Richter.

"Commercial brokers are rethinking their need to depend upon the likes of Cushman, CBRE, and JLL, and are now embracing a cloud-based model where they retain 100% of their commission."

"When Joe Richter left traditional brokerage, he set out with an ambitious and clever plan to disrupt the industry," said Robert Scharf, EVP of real estate, Edison Properties. "He and his brother Jake faced a world where cold calling, fax machines, and old-school tactics were prevalent! In a short time, their team has worked side by side with industry leaders to build a platform that offers a superior process."

"LSpire embodies the cutting edge of CRE technology," said Erik Edeen, principal at Avison Young. "In a world full of increasing distractions, the ML/AI capabilities allow a broker to cut through the static and spend their most valuable asset wisely – their time."

Jacob Maarek, KayoCloud's chief data officer, relayed the following anecdote. "Just last week, a prospective broker ran our model to determine likely buyers on his exclusive in Midwood, Brooklyn. Our technology correctly identified his highest offer to date from an under-the-radar local investor group, and also brought new buyers to the mix." Jacob added, "The results of our AI lead-gen, however, is what excites brokers and investors the most because it foresees future market activity. It's a game changer!"

Additionally, KayoCloud's 10 Minute OM tool automates back-office work by swiftly creating pitch-books and customizable offering memorandums, including a traditional PDF. All deal participants also benefit from a Digital OM, where buyers take instant actions by scheduling a tour, messaging a broker, and underwriting the deal.

"The commercial real estate sales process has remained nearly unchanged for decades and innovation is disrupting all aspects of business today," said Neil Adamson, CIO, ATCO. "Cloud-based technologies like KayoCloud are an exciting innovation in commercial real estate sales. Automation and efficiency will be a theme of our industry for years to come."

Kayo's end-to-end system is connected to its deal management software that empowers brokers to track each phase of a deal in real time. All document signings take place securely in the cloud, including NDAs, letters of intent, and commission agreements.

"As a real estate developer and investor you realize that key decisions are typically based on collecting accurate information and running a strategic process," said Eli Weiss, principal, Joy Construction Corp. "KayoCloud's AI/ML expeditiously assembles all the key information and provides a strategic platform for value-add executions."

To date, the company has facilitated over $427 million in commercial investment sales volume. KayoCloud also announced a previously undisclosed funding round in 2019 that included prominent Manhattan real estate investors; the company is now cash-flow positive.

"As someone who follows PropTech closely, KayoCloud is at the forefront of modernizing the antiquated brokerage process," said Al Gindi, principal, Gindi Equities.

KayoCloud, a subsidiary of LSPIRE Inc., transforms the way commercial properties are bought and sold. The virtual, cloud-based commercial brokerage automates a broker's day-to-day operational activities, allowing them to work anywhere, anytime with increased efficiency.