

INVESTMENT MEMORANDUM

Urban Dynamics

Date: October 3, 2023 | Prepared by: Jessica Tran

EXECUTIVE SUMMARY

Urban Dynamics presents a compelling investment opportunity in the rapidly growing real estate technology sector. With its innovative platform that enhances property management efficiency and tenant experience, Urban Dynamics is well-positioned for scalable growth and market expansion.

COMPANY OVERVIEW

Founded in 2018 and headquartered in San Francisco, California, Urban Dynamics specializes in providing cutting-edge technology solutions for real estate management. The company's platform integrates data analytics and AI to optimize property operations, reduce costs, and improve tenant satisfaction. Since inception, Urban Dynamics has rapidly gained market traction.

INVESTMENT THESIS

- The increasing adoption of technology in real estate is driving demand for innovative solutions like Urban Dynamics' platform.
- Urban Dynamics' platform offers a competitive advantage in the market, with a focus on scalability and innovation.

FINANCIAL SUMMARY

Revenue (TTM)	\$45M
Revenue Growth	35%
EBITDA (TTM)	\$10M
EBITDA Margin	22%
Net Debt	\$15M
EV/EBITDA	12.0x

HISTORICAL FINANCIALS

Year	Revenue	EBITDA	Margin
2021	\$20M	\$4M	20%
2022	\$33M	\$7M	21%

2023	\$45M	\$10M	22%
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KEY RISKS AND MITIGANTS

Risk	Mitigant
Market competition from established players	Develop unique features and maintain strong customer relationships.
Technology adoption barriers among traditional real estate firms	Invest in education and support to ease the transition to tech solutions.
Economic downturn affecting real estate investments	Diversify customer base across various real estate sectors.

VALUATION SUMMARY

Enterprise Value	\$120M
Equity Value	\$105M
EV/Revenue	2.67x
EV/EBITDA	12.0x
Target IRR	25%
Target MOIC	2.5x

RECOMMENDATION

**INVEST.** Urban Dynamics represents a unique opportunity to capitalize on the intersection of technology and real estate, with strong financial metrics and a robust growth trajectory.