

What It's Really Like to Work in PropTech

The Industry's First Salary and
Employee Experience Benchmark

September 2022



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There aren't many industries like PropTech. It's relatively new, filled with companies changing how buildings operate and what their impact is on where we live, work and play. It isn't like other tech sectors. When you're selling into one of the oldest businesses there is, the typical software company playbook doesn't always work. That's probably why one of the first things someone will tell you about working in PropTech is that you don't get it unless you're in it.

Until now, there hasn't been much data available about what it is like to work in this industry. This summer, we surveyed 500 people working in PropTech to understand how they're compensated and what they like and dislike about their experience.

The good news: based on our findings, most people feel valued and are happier than their peers who work in other sectors, including other types of tech companies. They like where they work, believe in company leadership, and are generally well-compensated. The CEOs and executive teams in this space are investing in creating places where people are excited to come to work, whether they're commuting to the office or signing on from wherever they happen to be that day.

However, that doesn't mean that PropTech companies aren't immune to the challenges facing other industries. Most people surveyed are looking for a new job, even if they're just casually browsing. They are on the hunt for more money – of course – but are also searching for better benefits and often more freedom to define when and where they work. And those benefits go beyond standard packages of healthcare and a retirement account, raising the bar for what emerging companies have to offer top talent in order to win them over.

As you dig into the findings, our hope is that you not only compare how you and your team are paid, but get inspired to have conversations about how your company can help employees feel even more fulfilled at work.

Find out what we discovered.



1

People in PropTech are happier than most workers.



2

Although most people like where they work, they're still looking for new jobs.



3

The top reason to switch jobs? Money. But, this job seeker's market is cooling fast.



4

People in PropTech are paid well, but salaries vary based on job function and location.



5

While the pay may be high, the benefits are lacking.



6

By far, PropTech CEOs have the widest salary range of any position in the industry.

About the Survey

In June 2022, LMRE and Fifth Wall partnered to survey 500 professionals working in PropTech. The goal was to gather opinions from all levels within an organization, from those fresh out of school working their first jobs to the CEOs and founders redefining the industry. In addition, the growing number of PropTech companies based in Europe, Asia, and Australia means expanding beyond the US and the UK to understand how work experience and individual compensation differ based on geography.

For the purpose of this study, PropTech is defined as the digital transformation of the real estate industry and built environment. Any platform that empowers a real estate company to operate more efficiently and effectively using technology and digitalization falls under this category, including CRE Tech, Resi Tech, ConTech, Smart Buildings, ESG Tech.

For ease of comparison, all salary data provided has been converted to USD.





People in PropTech are happier than people working in other industries.

Overall, 73% of those surveyed feel valued by their employers, which is a key indicator of job performance, productivity, and satisfaction. In addition, 78% like their company's culture, and 77% believe their leadership is innovative.

In comparison, **a 2021 study** completed by Great Places to Work found that only half of people worldwide have had a positive work experience. Even though these numbers were higher for people working in technology and professional services (60% and 57% respectively), PropTech employees are still notably happier at work than their peers outside the industry.

This high level of workplace satisfaction is particularly interesting because most people haven't been at their company for very long. Nearly two-thirds (65%) of those surveyed have only worked at their company for two years or less with

38% joining their company within the last year. Only 10% have been with their current employer for five or more years.

Beyond their short tenures with current employers, most people haven't worked in PropTech for very long. Overall, 65% of people surveyed joined the industry less than five years ago, even though 82% have more than five years of total work experience. Overall, only 9% said that they have more than 10 years of working experience in PropTech.

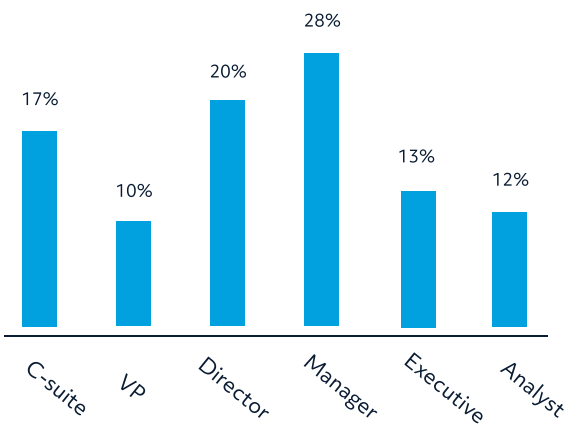
Starting a new job is hard. Starting a job in a new industry is even harder. The fact that most people surveyed like where they work is a testament to the excitement surrounding PropTech and the investments that these companies have made in becoming great places to work.



Even though most people like where they work, that doesn't mean they aren't looking for a new job.

More than half of all those surveyed (52%) are looking for a new job. Whilst the likelihood of job seeking did vary based on seniority level and workplace model, the biggest factors that forced people to start their job searches were feeling undervalued at work, their lack of faith in company leadership, and whether or not company culture was a match for them.

Job Seekers by Seniority Level



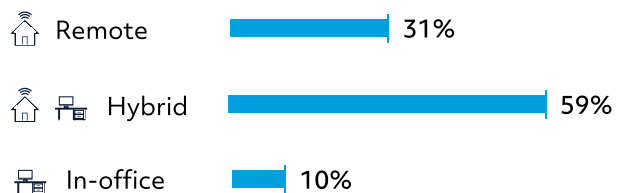
When people didn't feel valued, the percentage of those seeking a new opportunity jumped to 88%. In addition, those surveyed who didn't feel valued were also less likely to approve of their company culture and believe in company leadership. Similarly to the perception of being valued, people's dislike of their company culture also meant they were

far more likely to be looking for a new job (86%) and feel undervalued (67%).

While this data may seem obvious, it underscores the importance of investing in each employee's experience and the different factors that impact whether or not they feel like they are doing meaningful work with a team they're excited to be on.

The one factor that did not show a strong correlation between feeling valued and seeking a new job is their company's approach to the office. Only 58% of people who work full-time in an office setting said they feel valued by their company. However, those with an in-office work model are less likely to be looking for a new job – 47% for those in the office vs. 60% of people working remotely and 54% of hybrid workers.

Workplace Model





The top reason that would entice someone to switch jobs? Money, obviously, considering it's a jobseeker's market. However, that's changing fast.

Overall, 82% of people surveyed admit they'd quit their job for a higher salary. Other motivating factors lagged behind money significantly, with 44% saying they'd leave their job for a better company culture or flexible hours and better benefits (43%). Making more money is especially motivating for people who work at bigger companies. Nearly 90% of those surveyed who work at companies with more than 500 employees said they'd leave for better compensation.

Record worldwide inflation certainly makes it easy to understand why people want to make more money simply because life has gotten more expensive. For companies that want to keep their best talent, the standard 5-7% annual salary increase isn't going to feel as impactful as it once was. However, when it comes to net-new staff, hiring is slowing, particularly in the US and Europe.

This shift away from a jobseeker's market means companies have to strike a balance between being competitive but not overpaying for talent.



With the market cooling, company leaders now have to ask themselves which people and positions are most critical to their business. After that, they typically follow one of three strategies: refocusing on their core business aka what made them great in the first place, cost-cutting and adjusting headcount across the organization, or continuing to hire key positions and focusing on retaining genuine revenue-generating talent.

Richard Lloyd
Co-Founder, LMRE



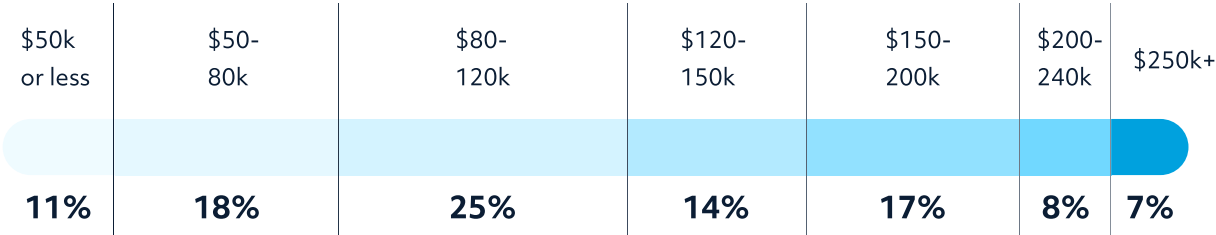
People in PropTech are paid well, but salaries and total compensation packages vary greatly depending on your department, experience, and where you live.

Overall, 33% of those surveyed earn more than \$150,000 a year in terms of gross salary. For directors and above, that percentage jumps to 45%. More than one-third of C-Suite respondents earn \$200,000+ per year, in comparison to just 15.5% of all those surveyed.

Beyond their salary, most people (67%) can earn a bonus or commission. The most common amount that people can earn is \$30,000-50,000, but total bonuses vary beyond this range. In addition, nearly 40% of people surveyed also have an equity stake in their company. For directors and above, this figure climbs to 46%. Unsurprisingly, those in the C-suite are most likely to have stock options with 92% of those respondents confirming that their compensation includes equity. These additional aspects of compensation are often used as lures for people to join PropTech from industries where salaries are higher such as commercial real estate and banking.

On average, salaries in the US and Asia Pacific are 40% higher than their peers in the UK and Europe. Part of this is attributed to the sheer amount of venture funding being pumped into PropTech companies across these regions regardless of the company's growth stage. Salaries in the US have increased 20-30% over the past year alone. In addition, real estate investment firms spinning up their own tech arms and innovation funds are opening the door for experienced real estate pros to shift to PropTech, demanding earnings that map to their expertise.

Salary Range for Total Survey Population



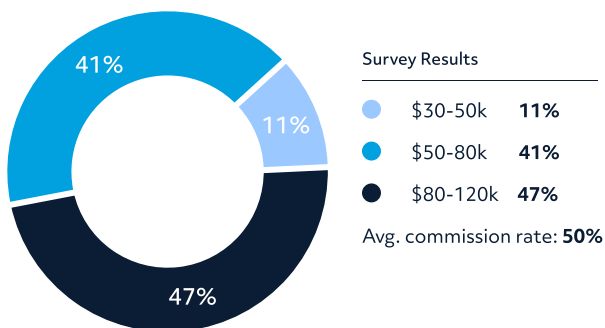
Startups born in Asia Pacific are being joined by more mature PropTech companies looking to establish themselves in the space, particularly in Singapore where the tech sector is expected to grow 30% by 2025. Beyond the sheer number of Asia Pacific's real estate investment companies that have a home base there, Singapore's aggressive goal of having a net-zero economy has created an ecosystem for PropTech companies also focused on the challenge of decarbonization.

Unlike in the US and Asia Pacific, salaries in Europe trend lower, matching the region's lower costs of living. However, this shouldn't be considered a sign that PropTech isn't an emerging sector there. In the UK alone, there are nearly 800 PropTech companies, most choosing London as their regional hub. France and Germany are spurring their own enclaves for PropTech, given access to existing tech talent in these markets fueled by government goals for tech sector growth. Much like in Asia Pacific, energy and carbon-focused companies are finding welcome homes in Europe given the region's ambitious goals for lowering emissions.

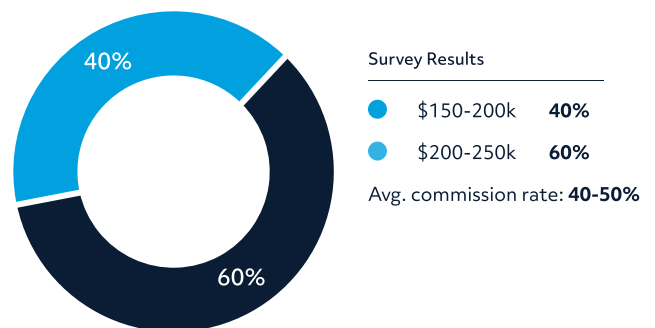
Regardless of location, tech and data roles are fetching the highest salaries right now. From software engineers and data scientists to product heads and project directors, the people responsible for building the technology and delivering insights to customers are at the top of the pyramid. Sales leaders and account executives aren't far behind. While job titles vary from company to company, below are highlighted salaries and positions within each function to showcase what people are being paid today.

Sales

Account Executive

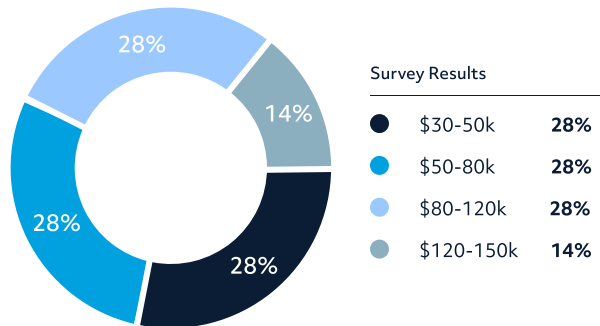


VP of Sales

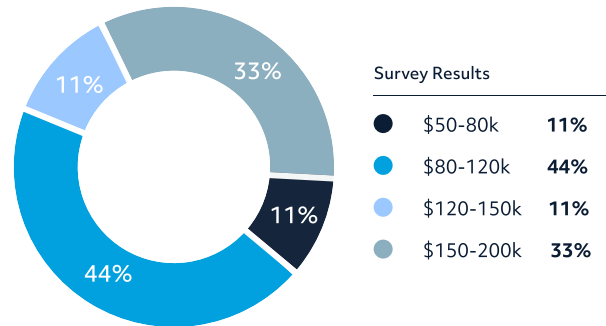


Marketing

Marketing Manager

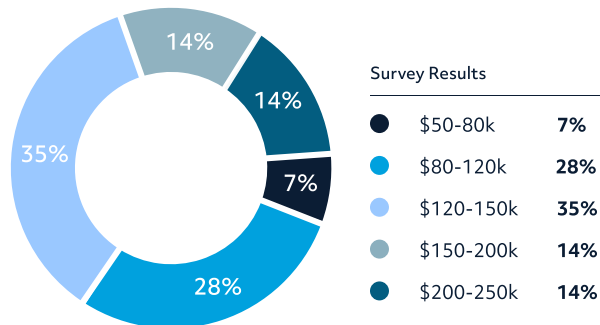


Director of Marketing

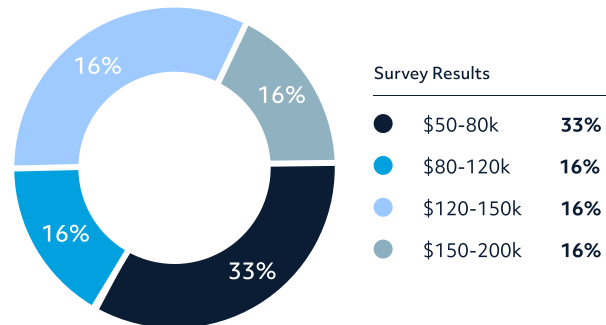


Tech

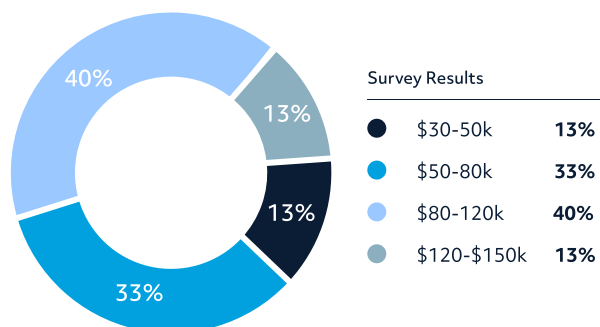
Engineer



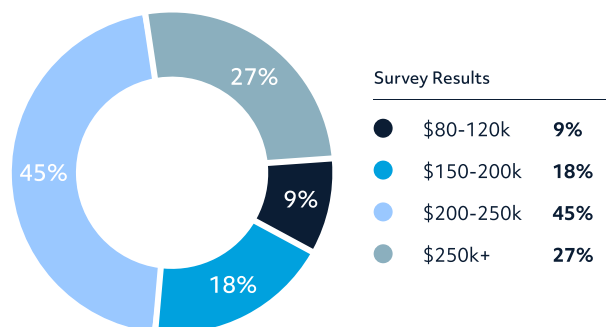
Data Scientist



Product Manager



VP of Product

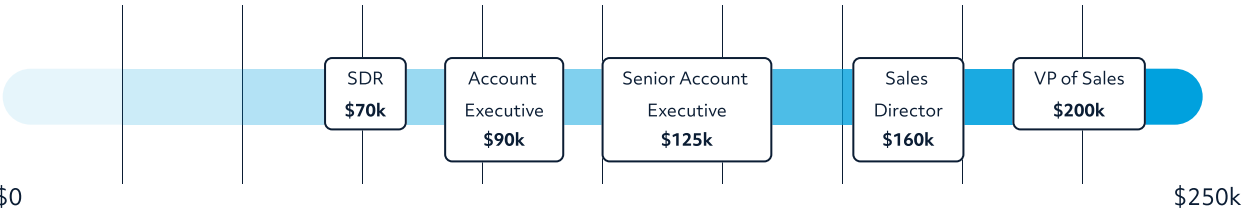


Key Finding 4

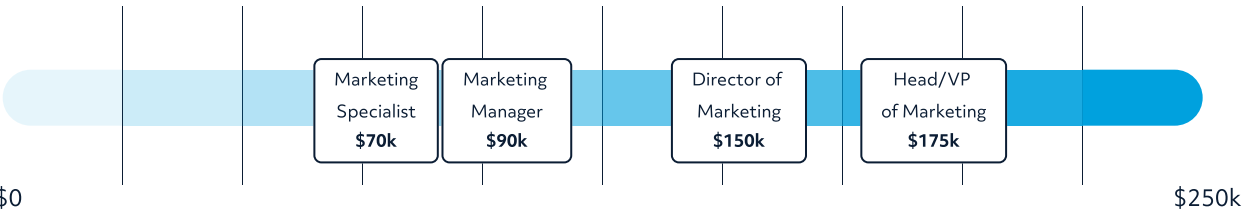


Beyond the salary ranges provided by those surveyed, the recruiting teams at LMRE analyzed current and recently filled job openings to understand how salaries change as people progress throughout their careers for the most common roles within a PropTech company. The figures are an aggregate of salaries across the globe.

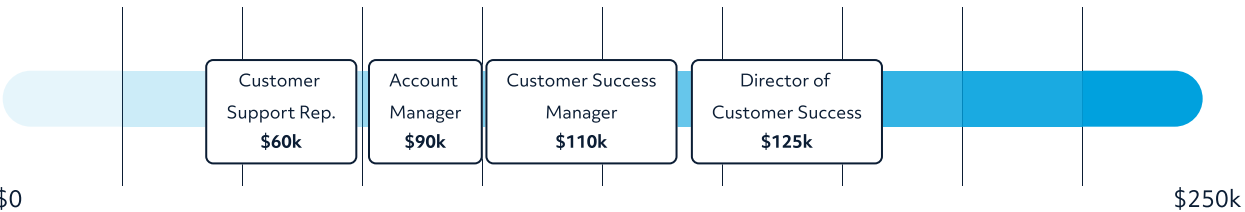
Sales



Marketing



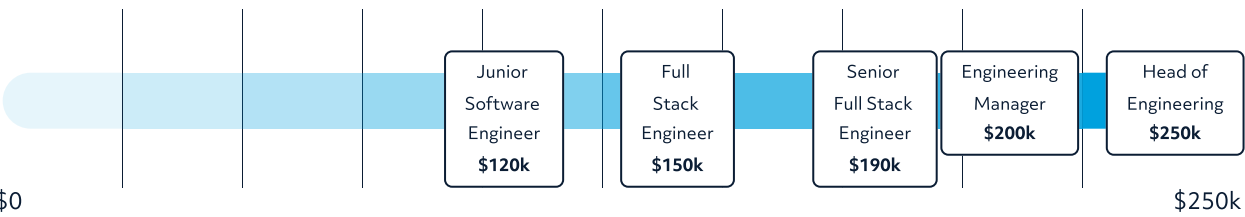
Customer Success



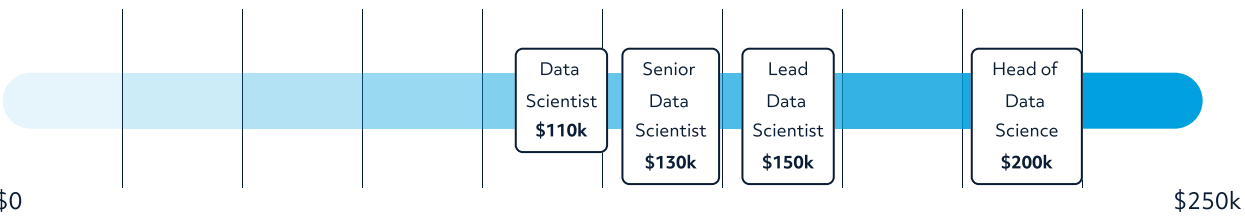
Key Finding 4



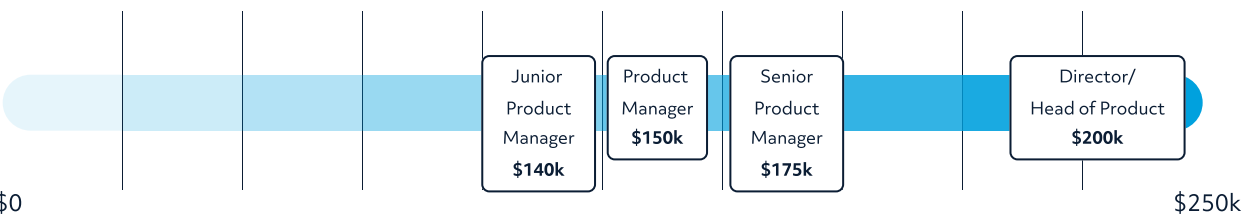
Engineering



Data Science



Product





The pay may be high, but the benefits aren't.

However, benefits offered to employees are lacking. This is the one area of compensation where the industry as a whole shows its immaturity. Beyond the opportunity to make more money, 44% of those surveyed would switch jobs for a better work-life balance. Another 43% would leave for better benefits. Although most people have baseline healthcare and dental insurance, many of the benefits that employees value the most are not offered by PropTech companies.

Only 56% said their companies offer parental leave. Even fewer people have access to company-sponsored life insurance (45%), retirement plans (41%), and commuting and wellbeing stipends (24% and 33% respectively). These benefits, or lack thereof, are often in opposition to how companies are choosing to operate. For example, even though 69% of those surveyed are back in the office either full-time or on a hybrid schedule, less than a quarter have access to transportation benefits.

Two companies getting culture and benefits right.

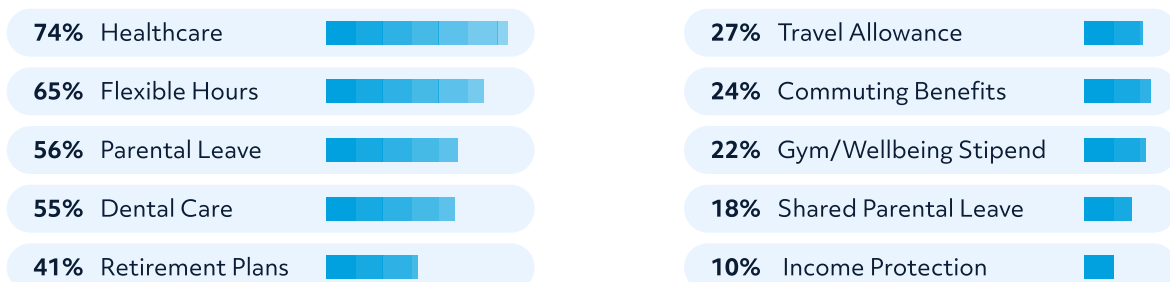
Opendoor

Recognized as both a Great Place to Work® and a Great Place to Work® for Parents, Opendoor brings value to its employees in and outside the office. From 100% company-sponsored healthcare, life, and disability insurance to employee resource groups and commuter benefits, Opendoor focuses on giving people what they need to feel happy and healthy.



VTS is a Great Place to Work® and a member of Fortune's Best Places to Work for Millennials. In addition to full insurance packages and retirement planning, the company also offers 16 weeks of 100% paid parental leave for primary caregivers and 6 weeks for secondary caregivers. VTS opens up access to executive coaching for all staff and monthly well-being sessions.

The Most Common Benefits Offered by PropTech Companies





By far, PropTech CEOs have the widest salary range.

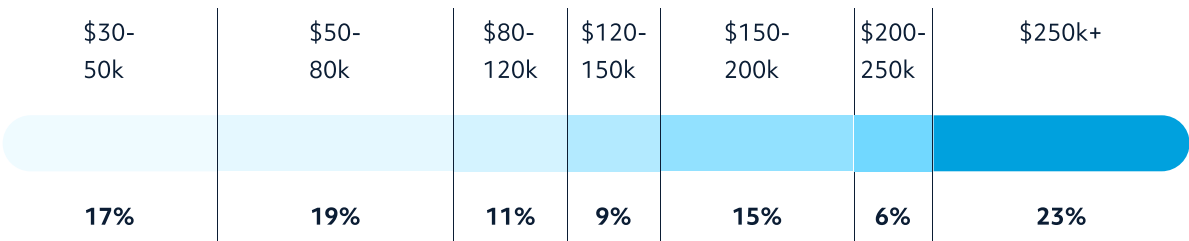
The 47 CEOs and presidents surveyed have the most variance in compensation, with salary ranges as low as \$30,000-50,000 and as high as \$250,000 or more. Less than half (45%) of these company leaders have a bonus or commission structure, but nearly all have an equity stake.

The percentage of CEOs who feel valued at their company mirrors the percentage of total respondents that feel valued (74% vs. 73% respectively). However, the same similarity can't be made when it comes to company culture.

Unsurprisingly, 96% of CEOs like the company culture that they've had a hand in creating. That figure is significantly lower – an 18.18% delta – when compared to all people surveyed.

This difference of perspective highlights just how important it is to ask for feedback from employees about what could make them happier and more fulfilled at work. As these survey results showed, when people don't like where they work, they won't stick around for very long.

Salary Range for CEOs and Presidents



Making sense of the data.

The survey results showcase three key takeaways for companies to consider.

First, salaries are highlighted as the most influencing factor in someone's search. With the PropTech space expanding and becoming increasingly competitive, the attraction of candidates from adjacent industries and cross-sectors, which previously were priced out of the market, is no longer an implicating factor.

However, the second reminder from the data is that salary alone is not what an employee is looking for. In any industry, retention is a challenge, which is continually affecting the industry as competition grows and becomes more attractive. This survey demonstrates the importance of these variables; how an employee is valued, whether there is an openly diverse culture, and what their role is in impacting innovation and growth. As PropTech companies invest more in workplace culture, the importance of values and DEI, our hope is that it will attract more diverse talent. This is something that next year's survey will explore.

Even with competitive salaries and the right inclusive environment, there is still no guarantee towards the retention of staff for two years or more. However, for C-Suite individuals, this doesn't follow the regular trends. This, therefore, begs the question — is this a generational divide?

It is worth noting that this data does not consider the effects of geopolitical issues and future economics. The market has been candidate-led since 2019, but with a recession looming, a shift towards a client-driven space is to be expected. This will not impact the number of roles available, due to the continuous investment as companies keep scaling. However, a downturn will be seen in the power of candidates to bargain over remuneration packages, leading to a noticeable shift towards the focus of employing key strategic hires, multi-skilled individuals and those who resonate with companies' values and culture. Companies will need to continue to ensure their values, culture, and diversity initiatives align to attract the top talent.

Another point of comparison to consider: compensation in PropTech, particularly base salaries, still can't compete with those offered by traditional commercial real estate roles. They are typically 20% lower, with companies in the industry attempting to offset the difference with equity options, bonus potential, and flexibility. However, these benefits can fall short for people moving from adjacent, high-salary industries like CRE, finance, and law. On a more positive note, PropTech remains a hot market, attracting cross-sector candidates who want to have a real impact on the future of our built environment.

Louisa Dickins

Co-Founder, LMRE

So what happens next?

People in PropTech have benefited from strong funding and experienced founders who have adapted what they've learned in other industries to create companies that are better than most in terms of what they offer employees. The rise of the industry has also had the backing of another force – a strong economy – as it has taken shape. But with a less sunny market ahead, PropTech companies will have tougher decisions to make about the pace of hiring and how much they're willing to spend for new talent, while also trying to keep current employees happy.



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About



LMRE is a PropTech Recruitment and Search Consultancy, globally recognized for leading the way in Real Estate Tech & Innovation talent management. From the outset, our vision was to become a global provider of the very best strategic talent to the most innovative organizations in PropTech, ConTech, Smart Buildings, ESG, Sustainability, and Strategic Consulting.

At LMRE we are fully committed at all times to exceeding the expectations of our candidates and clients by providing the very best advice and by unlocking exclusive opportunities across our global network in the UK, Europe, North America, and Asia-Pacific.

To find your local recruitment expert, get in touch with the team. Follow for more information about LMRE, services we can offer, and insights into PropTech and recruitment.



Founded in 2016, Fifth Wall, a Certified B Corporation, is the largest venture capital firm focused on technology for the global real estate industry. With approximately \$3.2 billion in commitments and capital under management, Fifth Wall connects many of the world's largest owners and operators of real estate with the entrepreneurs who are redefining the future of the Built World.

Fifth Wall is backed by a global mix of more than 100 strategic limited partners (LPs) from more than 15 countries, including BNP Paribas Real Estate, British Land, CBRE, Cushman & Wakefield, Hilton, Host Hotels & Resorts, Ivanhoé Cambridge, Kimco Realty Corporation, Lennar, Lowe's Home Improvement, Marriott International, MetLife Investment Management, MGM Resorts, Related Companies, Starwood Capital, Toll Brothers, and others.

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