

PROPTTECH REPORT 2025



ENTRACKR

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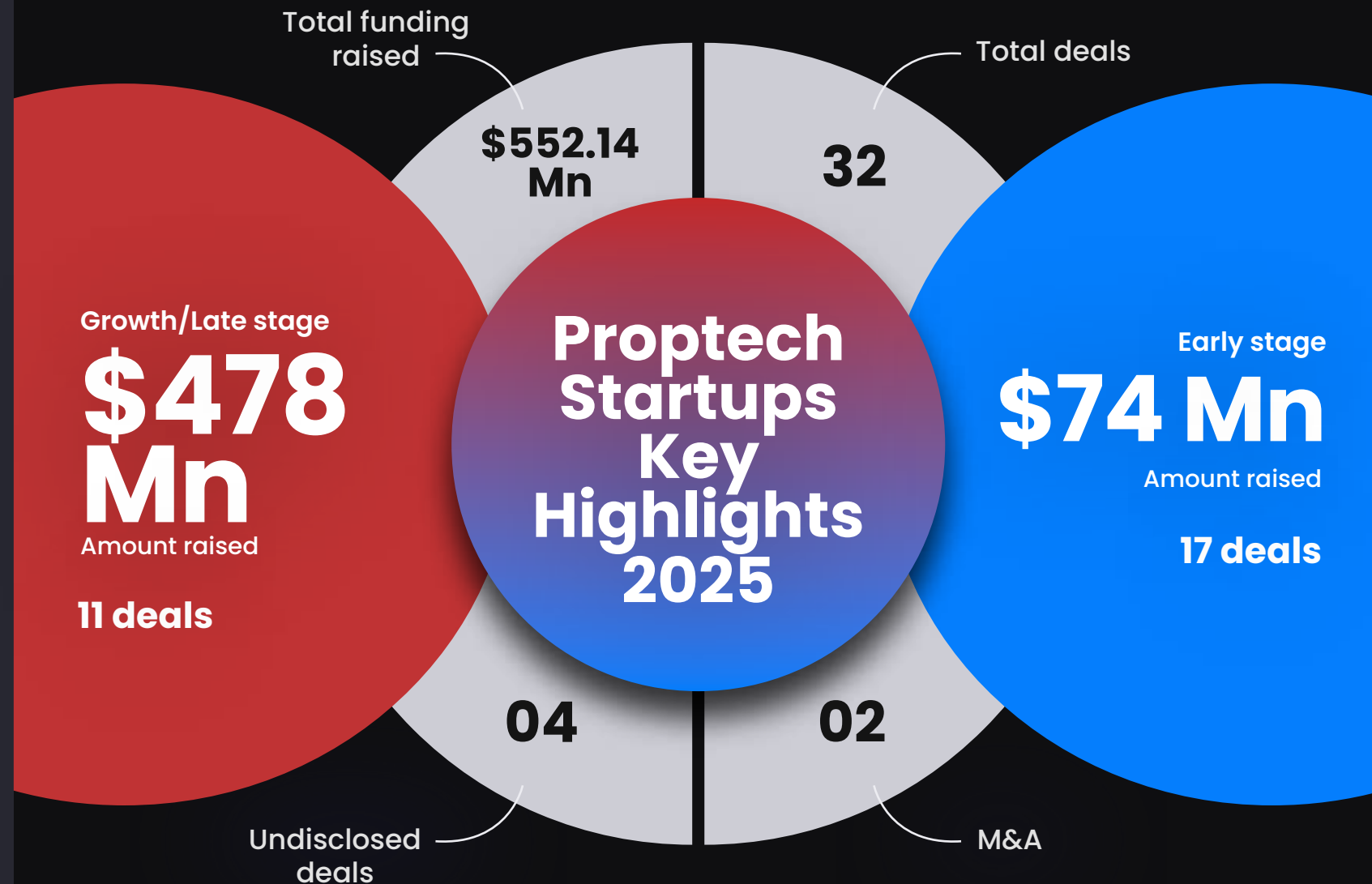
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Overview

The vast Indian proptech sector, which comprises multiple segments such as real estate, hospitality, co-working, co-living, interior design, construction technology, and other allied areas, has witnessed a revival in funding activity following the downturn in 2023. This renewed investor interest has been closely linked to rapid technological advancements, particularly the adoption of artificial intelligence, data analytics, and automation to improve property discovery, asset management, construction efficiency, and customer experience. In 2025, the proptech sector collectively secured over \$550 million in funding, led by major players including Infra.Market, OYO, WeWork, Square Yards, and several others.

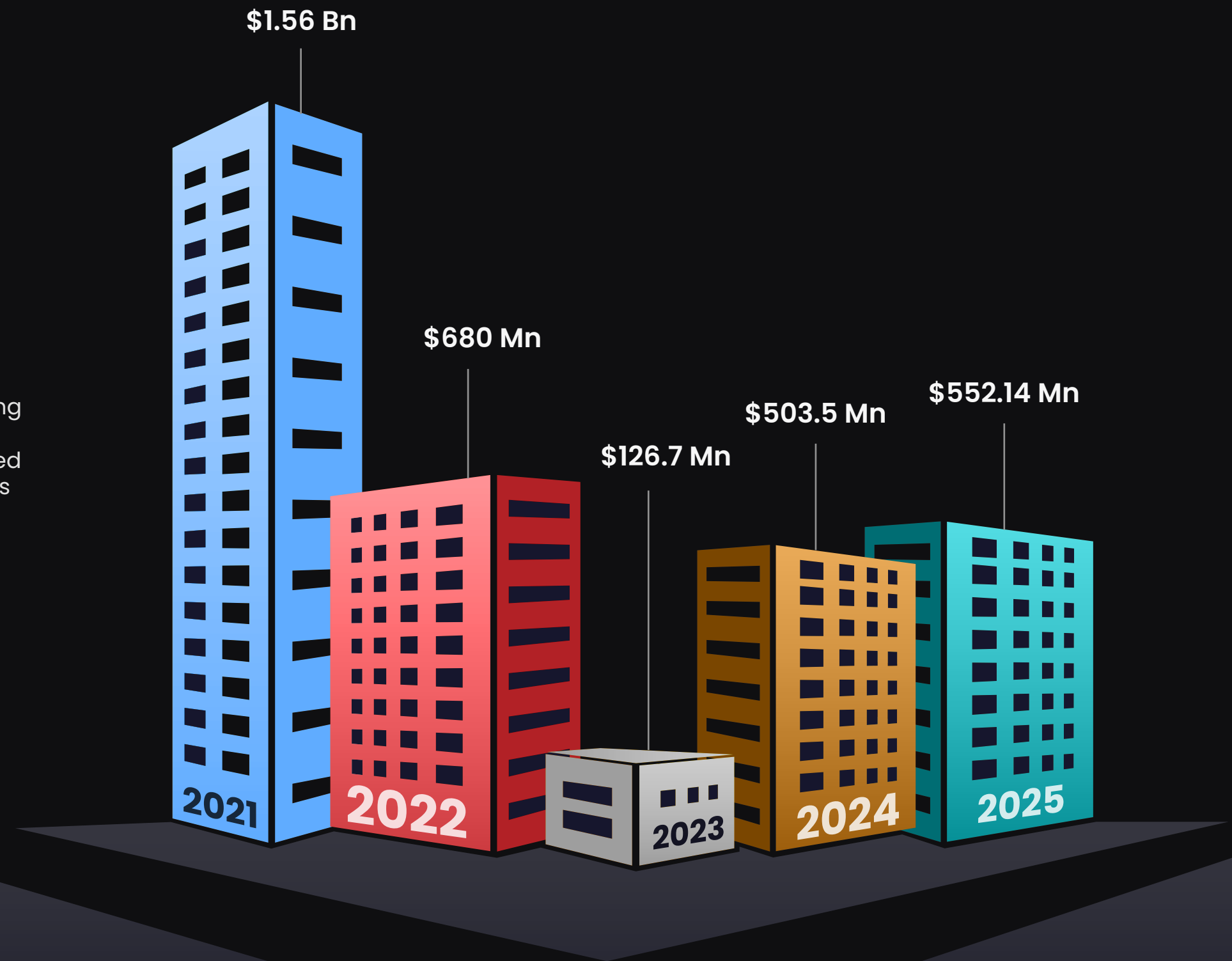
Importantly, investor interest in 2025 was increasingly driven by full-stack and transaction-led proptech models, a clear shift away from classifieds-only platforms as startups pursued deeper monetisation and end-to-end control of real estate transactions.

As per data compiled by Entrackr, Indian proptech startups raised over \$550 million across 32 deals in 2025, led by construction technology and building materials platform Infra.Market, which secured around \$175 million, accounting for over 30% of the total proptech funding during the year. This was followed by hospitality major OYO. Meanwhile, three proptech startups operating in the co working space category, WeWork India, IndiQube, and Smartworks, went public in 2025 and also raised their respective pre IPO funding rounds. Real estate and brokerage firm Square Yards secured a \$35 million funding round.



Year-on-Year Funding Trends

The proptech sector has witnessed significant shifts in funding trends over the past few years, mirroring broader market conditions and evolving investor sentiment. Riding the wave of the Indian startup funding boom in 2021, the sector attracted a robust \$1.56 billion in investments. This momentum weakened in 2022, with funding declining sharply to \$680 million, before falling further in 2023 to a low of \$126.7 million. The trend reversed in 2024, as improving market confidence led venture funding inflows to rebound beyond the \$500 million mark. This recovery continued into 2025, with the sector sustaining its growth trajectory and raising \$552 million.



Proptech Sector Which Attracted The Most Funding Since 2020

Among all proptech segments, the hospitality segment emerged as the leading sector in terms of total funding, attracting \$956 million, largely driven by OYO alone raising over \$900 million during the period. Other hospitality companies that raised capital included Treebo, FabHotels, along with several early-stage firms. Construction tech also witnessed strong investor interest, garnering approximately \$670 million in funding, with a significant portion raised by building materials platform Infra.Market.

Real estate firms also received investors' interests during the period, as the sector secured around \$535 million. The funding was led by major players such as NoBroker, Square Yards, PropShare, and others. The co-working sector has witnessed significant activity since 2020, marked by a wave of public listings. Four co-working startups went public during this period, including Awfis, which listed in 2024, followed by Smartworks, IndiQube, and WeWork India in 2025. Collectively, the co-working segment raised around \$300 million across 26 deals, reflecting sustained investor interest in the sector.

Other major proptech segments that secured funding during the 2020–2025 period included mortgage & finance, co-living, interior design, SaaS, and furniture rental startups, which collectively raised over \$1 billion in funding.

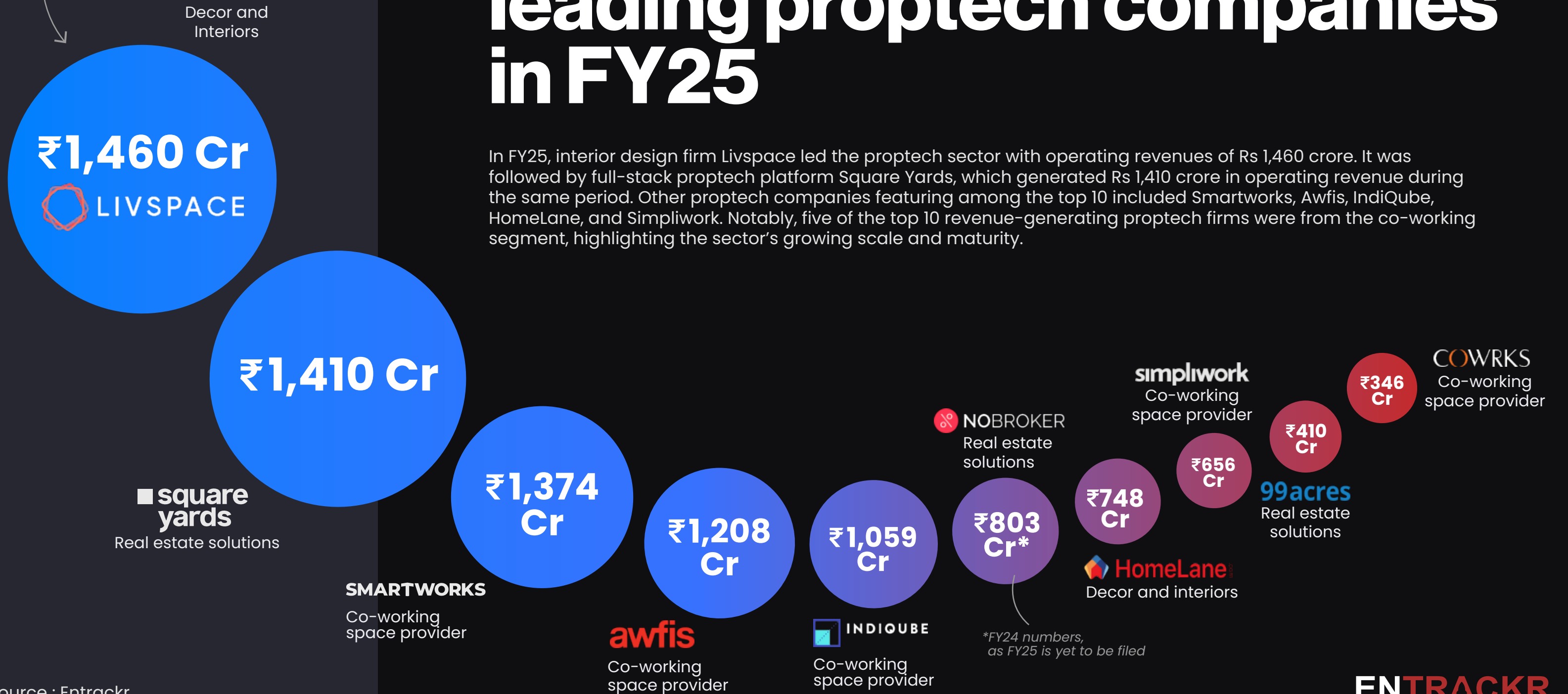
Category-wise Growth in Proptech Startups since 2021



Leading Proptech Companies in terms of Revenue

Financial performance of leading proptech companies in FY25

In FY25, interior design firm Livspace led the proptech sector with operating revenues of Rs 1,460 crore. It was followed by full-stack proptech platform Square Yards, which generated Rs 1,410 crore in operating revenue during the same period. Other proptech companies featuring among the top 10 included Smartworks, Awfis, IndiQube, HomeLane, and Simpliwork. Notably, five of the top 10 revenue-generating proptech firms were from the co-working segment, highlighting the sector's growing scale and maturity.



Consolidations in the proptech segment

The proptech sector witnessed only two merger and acquisition deals in 2025. Home interior and renovation platform Livspace acquired Mumbai-based LED lighting solutions provider Abby Lighting in a cash-and-stock deal. Meanwhile, workspace solutions provider Incuspaze acquired VSKOUT, a B2B SaaS company that offers curated data analytics for commercial real estate (CRE).

Proptech IPO Landscape: Live and Forthcoming Listings

The proptech sector has witnessed a notable surge in IPO activity in the recent past, reflecting rising investor interest and growing confidence in real estate technology driven businesses. Co-working space solutions provider Awfis became the first co-working startup to go public in May 2024 and raised Rs 599 crore through its IPO. This momentum continued in 2025 as four more co-working startups Smartworks IndiQube WeWork India and DevX listed on Indian stock exchanges highlighting the increasing acceptance of proptech companies in public markets.

Co-working has emerged as a leading segment in the Indian startup IPO landscape with several players tapping public markets in recent years. Building on this momentum many other co-working space brands including Table Space which is eyeing a \$2.5 billion valuation in its planned IPO along with Bhive, Stylework and Incuspaze are also expected to enter the IPO fray soon further strengthening co-working dominance in the proptech public listing space.

Other proptech startups are also eyeing public listings in the near term as PRISM the parent company of OYO has recently filed confidential draft IPO papers with SEBI and is targeting a valuation of \$7 to \$8 billion. Square Yards, an integrated real estate platform and mortgage platform, offering property search, transactions, home loans, rentals, interiors, and property management, while its fintech arm Urban Money provides housing, personal, and secured loans, is also preparing for an initial public offering. In addition, co-working is not the only segment driving this trend as other proptech segments are also expected to join the IPO wave including construction tech major Infra.Market and furniture rental companies Furlenco and Rentomojo.

The Next Phase of Real Estate Platforms is Full-Stack

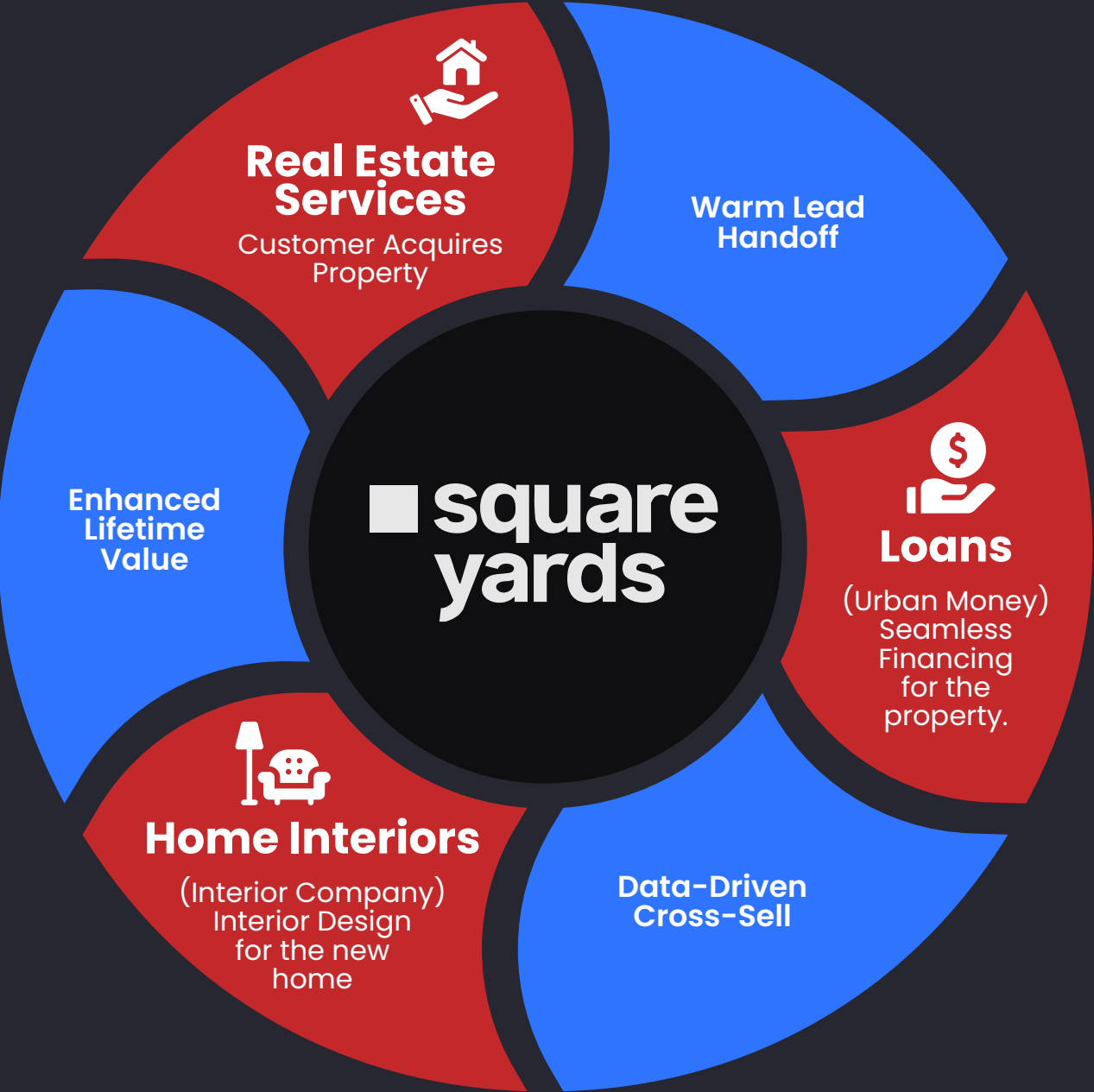
Full-stack proptech platforms have a clear advantage over classifieds-led models as they participate directly in transactions and capture a larger share of real estate value. The report notes that in a Rs 1 crore property transaction, brokerage earns around 5% (Rs 5 lakh), compared to Rs 25,000–30,000 in listing fees for classifieds, which highlights the stronger scalability of commission-led models. Even large classifieds players such as Zillow, despite over 70% traffic share in the US, have captured only about 1.4% of the overall real estate services market, which points to monetisation limits. In this context, the report positions Square Yards as a full-stack real estate platform that combines a classifieds layer with an in-house and partner agent network and shows unit economics that compare favourably with traditional portals such as 99acres, Housing.com, and Magicbricks.

Classifieds Vs Fullstack

Metric	Classifieds	Full-Stack (Eg: Square Yards)	Full-Stack Advantage
Revenue Per Customer	Rs 3k-15k Per Listing	Rs 1-3 Lakh+ Per Transaction	Much Higher Monetisation
Take Rate	< 0.5% Effective	2-4% + Services	Direct Transaction Share
Customer LTV	Low, Mostly one time	High, Multi-cycle	Long-Term Value Capture
Monetisation Model	Ads & Subscriptions	Brokerage + Loans + Services	Multiple Revenue Levers
Revenue Visibility	Ad-Budget Dependent	Deals & Milestone Linked	More Predictable
Unit Economics	Plateaus with Scale	Improves with Scale	Stronger Operating Leverage
Data Advantage	Mostly Intent Data	Transaction + Finance	Better Cross-sell & Pricing
Repeat Usage	Very Low	High (Investors, NRIs)	Built-In Repeat Demand
Supply Control	Open Marketplace	Exclusive Mandates	Higher Quality Inventory
Competitive Moat	Traffic & SEO	Execution & Trust	Harder to Replicate

Square Yards : The Integrated Growth Engine

(Shared Digital Platform & Unified Data)

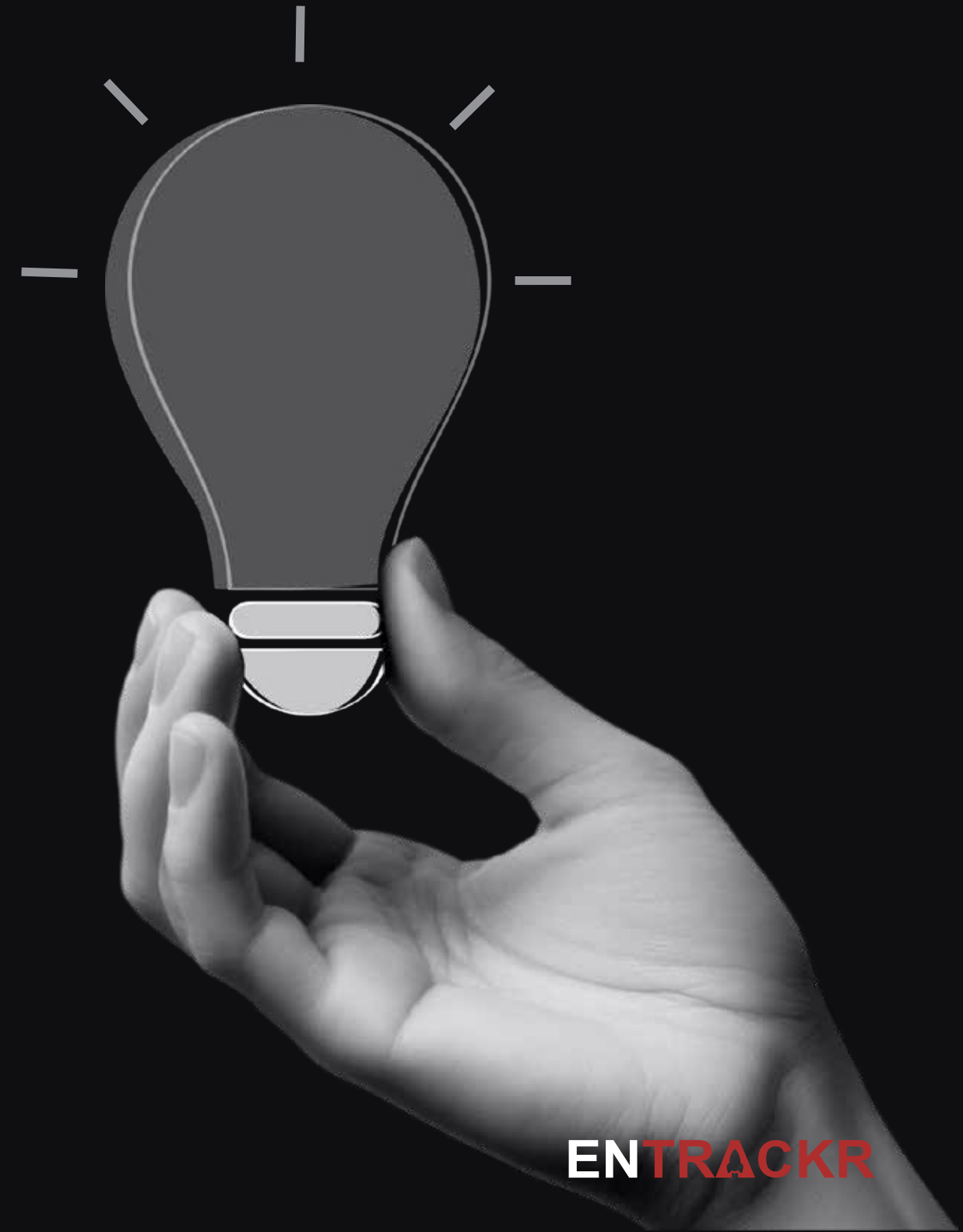


Square Yards' full-stack model goes beyond simple discovery to control the entire transaction value chain, which unlocks the majority of the market's revenue pool through high-ticket commissions rather than low-value listing fees. This integrated ecosystem, encompassing in-house brokerage, mortgage (Urban Money), and interior services, creates a virtuous cycle that significantly lowers customer acquisition costs through cross-selling warm leads, driving higher operating leverage and scalability. Consequently, while competitors struggle with fragmented customer journeys and persistent losses due to high recurring marketing spend, Square Yards has achieved 50%+ compounded annual growth over the last four years with superior unit economics & EBITDA profitability.



Conclusion

It might see its ebbs and flows, but there is little doubt that the real estate and property market will offer a compelling opportunity for startups and investors for a long time to come. It is interesting that massive categories like affordable housing have become like the agriculture of the sector, unable to attract private sector participation and counting on government backing, even as commercial segments thrive. Expectedly, the biggest challenge in the sector of opaque pricing and margins survives in that segment, even as investor push has cleaned out many of the issues in the commercial segments. Add to that the continued prevalence of cash in transactions, and you realise just how much the sector could offer the government and customers alike if the right reforms are initiated. Let's hope those changes happen sooner than later to build a strong growth engine for the broader economy.



REPORT ENDS

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