Multifamily home automation startup SmartRent raises $32M

SmartRent, a company that provides home automation services for multifamily properties, announced Wednesday that it has raised $32 million from a group of investors including a powerful firm that also just poured cash into a maintenance startup.

Arizona-based SmartRent plans to use the new, Series B funding to beef up its ability to “perform rapid, large-scale deployments,” according to a statement. The company also will spend the money on projects that “bolster its leadership position within the smart apartment market.”

Lucas Haldeman

SmartRent CEO Lucas Haldeman said in a statement that his company’s automation services are “becoming a must-have technology for the multifamily industry.”

“We’re proud that so many innovators within the real estate, technology, and investment communities see the value in our platform and are committed to helping us grow,” he added.

Haldeman founded SmartRent in 2017. The company provides a platform that it describes as a “lynchpin” between various different smart home technologies. So for example, the technology makes it possible for multifamily property owners and managers to deploy and connect products such as Nest’s smart thermostat or Amazon’s Alexa-enabled smart speakers,

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While some of those technologies, such as smart speakers, could obviously be installed by residents themselves, SmartRent provides a host of services that are designed to enable widespread rollouts across large rental communities. The company will come and inspect the property, for instance, then install devices and provide ongoing support.

SmartRent believes that this approach saves managers “thousands of dollars per property on operating costs while driving increased revenue,” according to Wednesday’s statement.

SmartRent works with a host of device makers include Schlage, Jasco, Honeywell, Google Home, Yale, Dome and others.

Today, the company has deployed its technology in 40,000 rental units across North America and has contracts in place to service another 66,000 this year. Some of those units belong to UDR, a large multifamily real estate trust with units across the U.S., that has used SmartRent to install smart locks, thermostats and leak sensors, among other things.

And so far, UDR has been happy with SmartRent’s results.

“Since implementing SmartRent’s smart apartment technology, the feedback from residents and employees alike has been very positive,” Jerry Davis, UDR president and chief operating officer, said in a statement.

The new round of investment in SmartRent was led by Bain Capital, a Boston-based private equity firm. Bain has invested in numerous companies across various industries over the years, but significantly also just led a funding round in Latchel, a startup that provides maintenance services

for property managers.

In addition to Bain, SmartRent's funding round included participation from UDR, RET Ventures, Starwood Capital and others.

Matt Harris

In a statement Wednesday, Bain partner Matt Harris described SmartRent as "the clear leader" in the smart home multifamily space. And he indicated SmartRent should see growth in the future.

"Our firm's expertise in helping emerging technology companies effectively scale in large markets perfectly aligns with SmartRent's aspirations for expansion," Harris added. "We are excited to partner with the team to build a world-class business that capitalizes on a major market need."

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