

Tech Friday #17 – Molegolar: Modular Real Estate

We hosted our most recent Tech Friday event with Molegolar's CEO and Founder, Saulo Suassuna Filho. He commented on the advantages of modular technology applied to the real estate sector and also discussed the pandemic's impact on the segment.

- Modular Real Estate – Molegolar is a startup, originated from the homebuilder Suassuna Fernandes, which develops smart residential modules that can be combined according to client needs.
- The modular technology – Molegolar has a digital library of more than five thousand different modules with various characteristics that can be translated into a customized project for each type of land plot, according to the homebuilder's request.
- COVID-19 impact – Saulo noted that Molegolar was negatively affected in the beginning of the pandemic; however, as homebuilders started to revise their launches for the year to adapt their projects to new customer needs, the company's demand recovered.

Molegolar at a glance. Molegolar is a startup, originated from the homebuilder Suassuna Fernandes (Recife-PE), that develops smart residential modules. Saulo explained that the demand for real estate is dynamic: the clients need different sizes of houses, for example, at different times in their lives. With that in mind, Molegolar's idea is to make the real estate supply dynamic as well. The company sells projects of modular apartments to homebuilders, in which it is possible to remove or add modules to create a smaller or larger apartment, depending on the customer's current needs, without having to change residence. Saulo noted that the company's first building using the modular technology was developed in 2015, and was composed of two-dorms modules, measuring 52 sqm., that could be combined into apartments of up to 200 sqm. He highlighted that even during the economic crisis, this building had an impressive sales speed. 80% of the apartments were sold under the combination-of-modules model, validating the company's technology. In the following year, Molegolar was spun off from Suassuna Fernandes. To date, the company has interacted with more than 600 homebuilders, in more than 24 countries, in addition to selling more than 100 apartments under the company's model.

Understanding the modular technology. Saulo highlighted that Molegolar has a digital library with more than five thousand different module options, with different characteristics. The company can develop a customized project for each type of land plot and according to the homebuilder's request. The number of modules on a floor can vary and the end customer acquires the apartment knowing that they have the option to buy or sell modules later, depending on the availability. Saulo also mentioned that each module has its own deed, making their transfer between owners easier. In addition, the individual modules also make finding credit easier because they can be financed individually and under different names; there is also the possibility of using them separately as a guarantee of patrimony. Lastly, Molegolar's founder noted that the company's services also include a consultancy specialized in modular technology, besides the project.

The pandemic's impact. The company's CEO noted that Molegolar was negatively affected in the beginning of the pandemic; however, as the companies began to adapt to the new reality and clients began to have new needs, the company saw a significant increase in its demand and has also expanded its operations, hiring new employees. Saulo noted that clients have started to request larger residences where they can more conveniently work from home, for example. Therefore, homebuilders started to revise their launches for the year in order to adapt their projects to these new customer needs.

Disrupting the Real Estate sector. Saulo highlighted that there is still a lot to evolve in terms of technology in the real estate segment. He noted that, according to a Harvard Business Review study, the construction sector is ahead of only the fishing and hunting sectors in terms of technology evolution, even though the sector represents almost 10% of the global GDP. Nevertheless, Saulo mentioned that the sector has been evolving and new startups have emerged in the segment. He noted that according to a Terracota Ventures study, the numbers of startups in the construction segment has grown almost five times in four years, which is positive for the sector's evolution.

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