



## PRESS RELEASE

Nordic platform for property-backed lending and investing enters German market

### **EstateGuru partners with Varengold Bank to innovate the alternative lending industry in Germany**

**Berlin, November 19, 2020.** EstateGuru, the European leader in alternative property lending, and Varengold Bank, the bank for the marketplace lending industry, have signed a term sheet for a fronting service agreement. As part of the upcoming accord, Varengold Bank will provide a regulatory umbrella to enable the launch of EstateGuru's full-service package in Germany.

EstateGuru is the leading Pan-European marketplace facilitating property-backed loans for small and medium sized enterprises. Through its platform, private and institutional investors can invest in carefully selected projects backed by first-rank mortgages, starting from as little as 50 euros. Founded in 2013, EstateGuru today offers investments in 8 countries, has facilitated more than 263 million euros worth of loans and rewarded its 64,000 investors with more than 20 million euros in interest payments as of November 16, 2020. Following the upcoming signing of the fronting service agreement with Varengold Bank, EstateGuru will offer its full range of services to all borrowers and investors based in Germany.

"Geographic expansion is one of the three key development areas that will empower us to deliver on our long-term strategy to finance 5 billion euros annually by 2025. The other two being technology and institutional investors. Germany has been on our radar for quite some time. Our biggest community of 19,000 private investors comes from here. So, it is a logical step to become a proper member of the alternative finance industry in Germany. To be fully compliant with the regulatory environment in Germany, we need to have a fronting service cooperation with a local bank. As Varengold Bank is already a valued long-term partner and first-class service provider for fintechs, we have decided to ensure compliance by partnering with them", says Marek Pärtel, co-founder and CEO of EstateGuru.

"When it comes to financial services, Germany is a heavily regulated market. Foreign fintechs tend to underestimate the bureaucratic hurdles until they experience them firsthand. EstateGuru has decided to address this challenge by making use of the regulatory umbrella we can provide thanks to our full banking license. It is a perfect example of how fronting services enable the entry of companies with business models that bring innovation, new technology and agility to the German market – to the ultimate benefit of all market participants. We are happy to contribute our share to market development and proud to have the opportunity to exhibit our fronting expertise as part of an expansion of our existing partnership with this Estonian fintech powerhouse", adds Lukas Diehl, Executive Vice President and Head of Marketplace Banking of Varengold Bank.

#### **About EstateGuru**

EstateGuru is the leading Pan-European marketplace facilitating property-backed loans for SMEs and carefully selected investment opportunities for our global investor base. We are developing a digital and borderless ecosystem for real estate financing and investing in Europe and beyond. By connecting different service providers, SMEs and investors into one single marketplace, we can offer something unique that other financial institutions cannot – the seamless, cross-border and digital service for borrowers and investors. The



team consists of 50 professionals from 9 different nationalities based in Tallinn (HQ), Riga, Vilnius, Helsinki, London and Berlin. For more information, see [www.estateguru.co](http://www.estateguru.co)

### **About Varengold Bank**

Varengold Bank is a German financial institution founded in 1995 and granted a full banking licence in 2013. In addition to its head office in Hamburg, the bank has presences in London and Sofia. Core business areas are Marketplace Banking and Commercial Banking. Within Marketplace Banking, the focus is on the cooperation with European FinTechs, especially lending platforms. Varengold Bank's service portfolio includes Funding, Debt and Equity Capital Markets products, Fronting Services for products subject to banking licence requirements and International Payment Services. The Board of Managing Directors consists of Dr. Bernhard Fuhrmann and Frank Otten, who – together with an approx. 80-strong international team – continuously help to drive the modernisation of the finance sector. Varengold Bank is registered with the Federal Financial Supervisory Authority (BaFin) under 109 520 and its shares (ISIN: DE0005479307) have been listed on the Open Market of the Frankfurt Stock Exchange since 2007. For more information, see [www.varengold.de](http://www.varengold.de)

### **Press and Media Inquiries:**

**EstateGuru: Piret Reinson**, Head of Marketing and Communications  
Phone: +372 510 1984, E-mail: [piret.reinson@estateguru.co](mailto:piret.reinson@estateguru.co),

**Varengold Bank: Marc Morian**, Head of Communications  
Phone: +49 (40) 66 86 49 0, E-mail: [communications@varengold.de](mailto:communications@varengold.de)

**redRobin. Strategic Public Relations: Fabienne Fahrenholtz**  
Phone: +49 (0) 40 692 123-25, E-mail: [fahrenholtz@red-robin.de](mailto:fahrenholtz@red-robin.de)