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App Deal Highlights a Push to Lure Workers Back Into Offices

Real-estate data firm VTS is buying of ice-app developer Lane Technologies for \$200 million



Nick Romito, CEO and co-founder of VTS, says companies and landlords are having to find new ways to make employees comfortable with returning to the office.

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By [Peter Grant](#)

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Real-estate software and data firm VTS has agreed to acquire an app company that aims to simplify office life as more workers are heading back to their desks.

VTS, whose primary business is providing online tools to landlords for managing leases and tenant data, said it is buying Toronto-based Lane Technologies Inc. The price is about \$200 million, according to people familiar with the matter, making it one of the largest proptech acquisitions ever.

The company plans to combine Lane with its own VTS Rise to form the largest office-app firm in the world.

VTS's chief executive and co-founder, Nick Romito, said the Lane acquisition reflects how companies and landlords are having to find new ways to make employees comfortable about returning to the office after more than 18 months of remote work.

"You need real incentives to compete with the couch," he said.

The rate of workers returning to the office has been gradually rising and recently hit a high for the pandemic, according to Kastle Systems, a security company that tracks access-card swipes in 10 cities. But the majority of employees still haven't returned because of the emergence of the Delta variant and the preference many employees have expressed for remote working.

To ease the transition back to the office, Chicago-based personal-finance-app firm M1 Finance is adding kombucha and cold brew to the free snacks offered in the office. The U.S. office of consulting firm 7th Level Communications, based in Scottsdale, Ariz., is providing free gym memberships, catered lunches and chiropractor sessions to "get rid of stress," said Chairman Jeremy Miner.

In New York, developer Related Cos. has teamed up with local merchants at its sprawling Hudson Yards development on Manhattan's West Side. As part of its PM Treats program, restaurants and food stores in the complex offer office workers free samples.

Meanwhile, Rockefeller Center has opened a new garden on the roof of Radio City Music Hall to workers at the complex and their guests. In the coming weeks, Brookfield Asset Management will be offering free fitness classes, food events and special discounts and promotions at its properties in New York, Houston, Denver and Los Angeles.

VTS says its acquisition will form an office-app business with over 1,400 buildings in the U.S. and Canada and over two million users. The combined customer roster will include such big office landlords as Brookfield, Oxford Properties Group, Starwood Capital Group LLC and RXR Realty.

Since VTS acquired Rise Buildings in March that business has added 700 buildings. The firm expects that growth rate to continue as landlords compete fiercely in markets where vacancy rates are nearing or topping record levels.

Both landlords and employers want "to incentivize employees to come back," said Ryan Masiello, co-founder and chief strategy officer of VTS.

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