



Q&A with Vivek Mehra, CEO and Founder of ParqEx bringing to market the First App and Private Parking Marketplace connecting People and Organizations Who Own Parking Spaces with Individuals Looking for Parking



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Interview conducted by:
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CEOCFO: *Mr. Mehra, would you tell us the concept behind ParqEx?*

Mr. Mehra: The basic concept is very simple: if you own a parking space you can rent it out when you are not using it. We connect people and organizations who own parking spaces with individuals who are looking for parking. We primarily get our supply of parking spaces from individuals like you and me, non-profits like schools, colleges, and churches, and from real estate entities like developers and landlords.

CEOCFO: *Are people looking at this the way they are looking at Airbnb? Where does this fit in the continuum of people renting out things they are not using all of the time?*

Mr. Mehra: Yes, fundamentally that is the core underlying concept: we are the Airbnb for parking. But since launching we have really grown from only that into a platform where we have three distinct service offerings. The first of these is our Marketplace where individuals are renting out their parking spaces when they are not using them. That is the sharing economy model, or the Airbnb concept. We have also now built proprietary technology that helps property owners better manage their parking with features like mobile phone access, a guest parking program, and enforcement tools. We have evolved from just being a market app into a platform that the real estate industry is using to benefit both managers and residents.

CEOCFO: *Would you walk us through what happens with your different offerings?*

Mr. Mehra: After launching the Marketplace, we realized that there are a lot of parking spaces available but that accessing them was often difficult. Creating the market was helpful and people were happy to have a way to rent out their spaces, but when there was a garage door or gate involved it was difficult to give renters temporary access. To solve this issue, we built a proprietary IoT technology called Access+ that opens gates and garage doors right from the ParqEx app. With Access+, users don't have to exchange a "clicker" or fob in order to let someone into their parking spot. Owners can more easily rent their secure parking spot, or share it with a friend or family member without having to handoff a physical

item. This offering strengthens the Marketplace because it makes it much easier to list their parking spots for short-term hourly or daily use. Access+ is also used by property managers to increase convenience and save cost at multi-family buildings by replacing physical devices like clickers and fobs that constantly need to be distributed, replaced, repaired, and collected. Our third offering, called GuestParq, sprang from the realization that many residential buildings lack a good way to manage parking for guests of residents. GuestParq is a service offering that acts as an amenity for residents while making the process clearer and simpler for property managers to execute. For example, if I live in a condo and I have any friends or family visiting, I can use ParqEx to simply pre-reserve a parking space in my building and transfer it to my guest so that when they arrive they can open the door and park without having to wait for me or the doorman to let them in. In addition, the managers have a log of exactly who has entered the garage when, and what cars should be parked in which spots.

CEOCFO: *Regarding the person-to-person offering, are people concerned about security?*

Mr. Mehra: People do worry about that, but there are numerous steps and measures we have taken to alleviate these concerns. We want to make it as unlikely as possible that someone will use ParqEx for the wrong reasons. With ParqEx, every user who accesses our system must provide a verified email address, valid credit card information, and must use their mobile device to access a secure property. If you think about it, if someone has malicious intent there are easier ways for them to proceed with these bad activities rather than providing a very clear digital footprint to follow by using our app. Using ParqEx is a lot riskier and more elaborate for these bad actors than simply following a car into a secure garage. So while it does come up as a concern, we have come to realize that it does not need to be. In our three years of operations we have never had any security issues stemming from use of our app.

“ParqEx is uniquely positioned at the intersection of the transportation and real estate sectors, and is ready to disrupt both.”- Vivek Mehra

CEOCFO: *How do you market the various products?*

Mr. Mehra: On the supply side we need to bring in more parking and more properties. Our sales team typically works with the owners or managers or real estate to introduce ParqEx offerings either to monetize their underused parking assets or to better manage their parking. So developers and property managers are the target audience for our sales team. With regards to the more peer-to-peer aspect of adding individual parking spaces, we use digital marketing channels like Facebook and Google, and we also use some more traditional advertising methods to increase awareness. For the demand side of the equation, meaning the renters - people who are looking for parking, we also make heavy use of digital marketing channels and augment that with online promotions and other content providers wherever possible.

CEOCFO: *Where are you most active today?*

Mr. Mehra: We started the company in Chicago and are headquartered there. As a result, the majority of our revenue currently comes from Chicago. At this point we have also launched ParqEx in Milwaukee and Madison, Wisconsin. We are opportunistically growing in cities such as D.C, LA, San Francisco, and even Honolulu as people discover what ParqEx can do. We recently we have on-boarded property in Austin, and have received inbound interest from Miami as well. What we are finding is that our digital presence is growing, which is leading to more word of mouth, which is in turn helping us to get started in regions we weren't even targeting yet. Our 2018 goal is to begin a more deliberate national growth push by putting more focus into building our supply base in geographic areas where we've already gotten a toehold.

CEOCFO: *Do you find any resistance?*

Mr. Mehra: It is one of the easiest sales that you ever have to make because when we talk to a developer or a property manager our offering is simple; we are here to make you money or to save you money. This in turn makes the value of their asset or investment more valuable. For developers, if they are sitting on a parcel of land that is not going to be developed for the next two years they are incurring property tax and maintenance costs that can easily be offset by renting out some parking. This, in turn, makes the property more valuable. For property managers, they are often incurring direct costs related to garage access, and significant operating costs from inefficient enforcement processes. ParqEx helps with all these things at a very low cost, so we generally get very positive reactions as the word gets out and people recognize the value we are bringing.

CEOCFO: *What is your business model?*

Mr. Mehra: On the marketplace side we allow owners to list for free and take a 20% commission of any parking booked through ParqEx. So if someone rents your spot for \$100, you are going to get \$80 and we keep \$20. We also charge a

\$1.00 service fee to the renter, so the renter will actually pay \$101. For Access+ and GuestParq we charge a one-time installation fee of anywhere from \$50 to \$500 depending on the complexity of the setup, and then we charge a monthly service fee depending on usage. That means you might pay approximately \$3 per parking spot per month, but it really depends on usage.

CEO CFO: Do you see applications for the IoT technology in other areas and industries?

Mr. Mehra: Absolutely! We are excited about that. It is in its infancy right now and we are staying focused on our core industry for now because we have limited resources. But we are already seeing a great deal of interest for applications and partnerships coming in from different areas of the transportation sector. For example, car manufacturers have found out about what we can do and they're interested in this technology because it would make the driving experience more seamless. In addition, there are other sharing economy companies who see that ParqEx can make their services more feasible or more valuable. For example, ride sharing companies like Getaround and Turo find a need to access secure parking facilities and Access+ can open up greater possibilities for them. There are other opportunities coming in from the real estate segment as well where there are multiple ways that our technology can be integrated to improve operations and/or provide valuable tenant amenities. So yes, there are many other applications of our Access+ IoT technology that we see coming to fruition in the next couple of years.

CEO CFO: How do you stay focused as CEO with so much opportunity?

Mr. Mehra: To me, focus comes from experience. Having over twenty years of experience, I have learned that there will always be opportunities out there, but if you chase them all you are going to get into trouble quickly. I think that life lesson is especially relevant for early-stage startups. This is my third startup, and I find that it is extremely important to stay focused, do one thing right until you see product/market fit, and if you do that well it will really take you a long way. There will be lots of different opportunities you could pursue, and you will possibly miss a few by staying disciplined, but you'll increase your chances of success by doing so.

CEO CFO: Why pay attention to ParqEx?

Mr. Mehra: There are a couple key reasons to pay attention to us. The first is that ParqEx is uniquely positioned at the intersection of the transportation and real estate sectors, and is ready to disrupt both. We have already seen how ride sharing companies like Uber and Lyft have changed transportation, and Airbnb has obviously made a huge impact on travel and real estate. In a similar way, ParqEx is using technology to improve the way parking will be used now, and into the future. Another good reason to watch us is because the opportunity is huge. To give you some perspective, it is estimated that for every car today there are 8 parking spaces in the United States. Therefore, we know that there is an abundant supply and yet there is still a parking problem primarily due to the issue of access. ParqEx has the solution to this problem, and we are able to monetize these underutilized real estate assets, which is a big deal. The US parking market is currently a \$30 billion industry, and if ParqEx can bring more private supply to the market, we can not only solve the problem of inadequate parking but we can also help the real estate industry by improving the economics of ownership. That is very exciting. We are poised for the future because we have built our technology from the ground up, and we are able to work with and compliment these new disruptive business models such as connected cars and ride sharing companies. ParqEx is going to help bring parking into the future, and that's something to pay attention to!

