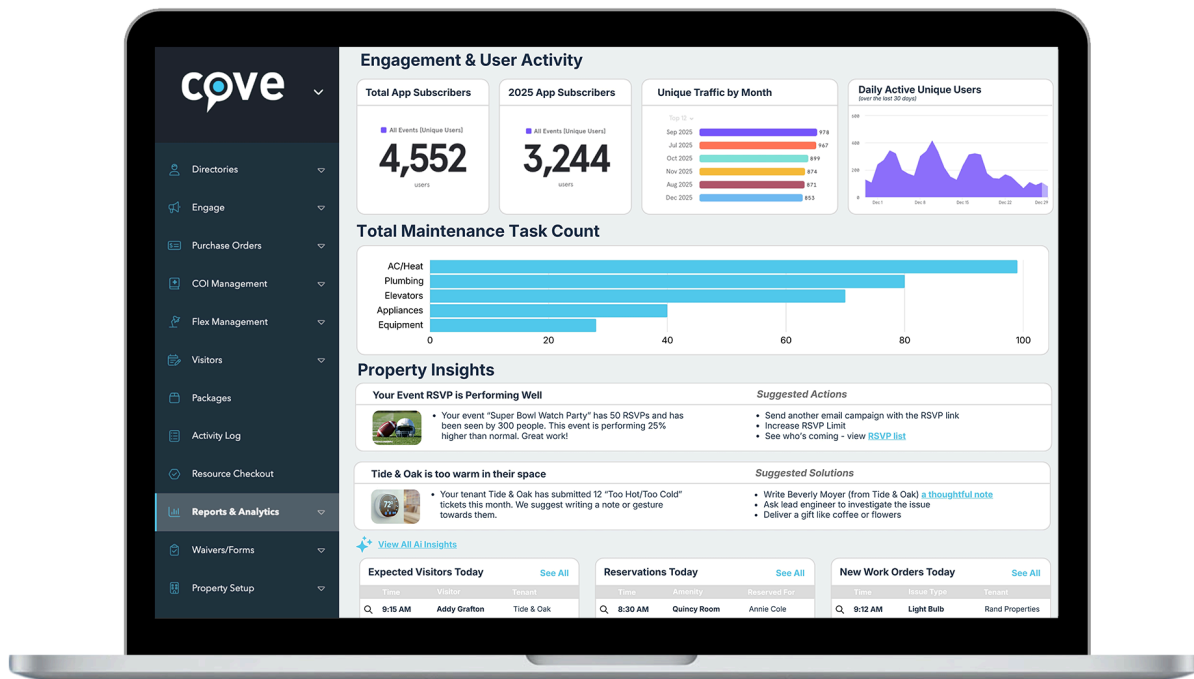


PROP TECH TALK

How Cove is using its all-in-one AI building operations platform to boost beleaguered offices



Courtesy: Cove

Owners of the newest, highest-quality and most-prestigious office properties, so-called Class A spaces, are seeing strong leasing and low vacancies. Class B, however — largely mid-range properties that offer a balance of quality and cost, with good, functional facilities, decent locations, and standard amenities, but without the luxury or prestige — are still struggling. That category is plagued by higher vacancies, loan defaults and rising conversions.

But Class B landlords are still seeing value and are making a new push to renovate and reimagine their properties in order to add to that value. Part of that includes property technology.

Last year, Lead Edge Capital, a growth equity firm, made a \$72 million bet on Cove, an integrated software platform for commercial property management. Cove combines tenant engagement, like remote access, payments and work orders, with building operations, like guest entry and maintenance.

“The funding arrives during a period of significant transformation across the commercial real estate (CRE) industry. And hybrid work, shifting tenant expectations, and rising operating costs are reshaping how buildings are managed and experienced,” according to an LEC release at the time.

The deal was one of the largest office-focused prop tech investments of 2025 and builds on prior Cove investments from Blackstone and Nuveen.

Cove is currently being used across more than 540 million square feet of commercial space and 10% of New York office buildings, the company said. The firm calls itself an “equalizer between trophy office towers and Class B buildings,” because it offers amenity-rich, hospitality-driven experiences that are more widely available in Class A buildings.

“We’re replacing anywhere from three to five solutions when we come in,” explained Adam Segal, co-founder and CEO of Cove. “You don’t need a bunch of point solutions. You need one single, unified platform to operate your asset.”

There are already plenty of companies working to move every aspect of building operations to data-powered apps or platforms, but Cove says its secret sauce is putting them all on one system. Work orders, visitor registration, system controls – “our value proposition has been consolidation, simplification for essentially every person that touches an asset,” he said.

As a result, Cove is also collecting massive amounts of data that it can then run through AI to offer actionable insights and efficiencies back to tenants and landlords. It is already doing this for clients as large as Chicago’s Willis Tower (formerly Sears Tower), where it serves property managers, building engineers and thousands of tenants.

Cove doesn’t just operate in the office space; it serves other sectors such as life science campuses, retail centers, industrial spaces and medical facilities, as well.

Despite some large clients, including Cushman & Wakefield, Nuveen and Rudin, Segal admits there have been headwinds in getting CRE operators to sign on.

“It’s going to be a crawl, walk, run approach to how you implement something like artificial intelligence into the commercial real estate world. Why? Because it’s been a slower adopter,” said Segal. “Eventually, we’ll get them there. I’d say right now we’re in the crawl, walk phase.”

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