FAQ: The Homesy Deep Dive

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Homesy in 10 words:

The first social network for home discovery and home sales.

More detail please?

Homesy is a social real estate marketplace designed to promote greater consumer access to available homes and home data – and better value than traditional real estate listings – through the power of buyers and sellers connecting directly to one another unassisted by brokers, agents, or an MLS. Consumers discover, price, buy and sell homes with next generation storytelling, data technologies, and AI in a mobile-first, ad-supported app, and even get rewarded for their contributions to the network. It's like LinkedIn – but for your home.

LinkedIn for homes?

Linkedin is a network where you can search and transact through a profile of your work history. It's not a flat directory of people looking for jobs, but a network of *user profiles* and work-related content that unlocks a plethora of data and unleashes new opportunities for professionals, recruiters, and service providers.

A new paradigm of home discovery establishing the value of every home through user-generated data

Homesy is a network where you can search and transact through *home profiles* that capture data in every room and amenity. It's not a flat directory of listings, but a new paradigm of home discovery that establishes the value of every home through user-generated data: A network that expands opportunity for everyone, buyers, sellers, and even service providers – without the assistance of commissioned salespeople.

No brokers?

Nope. We don't employ agents or pay commissions to brokers, and we're not an MLS (Multiple Listing Service). While we welcome brokers and agents on the Homesy network, our business models are entirely distinct. The broker is at the center of home discovery and transaction in real estate today. On Homesy, *consumers*, not brokers, are at the center of the real estate journey.

Brokers are focused on transaction above all else. Their livelihood depends on promoting sales: speed, price, volume, and hype. Since commissions don't vary by price, the homes brokers most want to sell are those that bear the highest price and therefore have the best commission. The formula for brokers who want to get rich: *Sell the most expensive homes faster for the highest price, relative to similar nearby properties.*

Consumers – especially Millennial and Gen Z shoppers, the first all-mobile, all-digital natives and the largest cohort of all buyers – want the best price when buying or selling a house too. But younger consumers want digital experiences where they're in control, where they're not spending money hiring someone else who knows less than they do about their needs and often has less relevant information than they get from their phone. This is the essence of the generational shift to apps over gatekeepers. Whether looking for a job on Linkedin, making investments on Robinhood, buying insurance on Lemonade, searching for an Airbnb, finding love on Tinder, learning something new on Wikipedia, *digital shoppers experience networks driving better deals and deeper information than sites that extract value from consumers by forcing them through a commission-fueled sales funnel.*

62% of Millennials say real estate makes them cry.

No industry typifies that outdated model of value extraction better than the 125-year-old residential real estate monopoly. Pre-internet, it had absolute control. Anyone who wanted to find available properties or pricing information, whether they were in market or just curious, had only one place to turn: a Realtor® (the registered trademark of the National Association of Realtors) who then provided access to a local Multiple Listing Service, the sole source of information, updated weekly to agents.

Much has changed since then, especially since the founding of Zillow in 2004. But the monopoly has managed to keep all the other options – iBuying, discount or flat-rate brokerages, and

For Sale By Owner (FSBO) – at bay, while flouting the path of consumer innovation. With over 90% of all transactions taking place through brokers, the commissioned brokerage model is still the source of home sales and data, making consumers vulnerable to upselling, steering, and bias. No wonder 62% of Millennials and GenZ's report that "real estate makes me cry."

Indeed, younger consumers who value **self-efficacy** (DIY), **speed** (real-time availability), **social context** (multiple platforms to do different things), **social proof** (tangible and intangible on-platform rewards), **data ownership,** and **network scale** know there must be a better way. Legacy real estate is a mystery to them: *We do most of the work online, so why are we spending time and money on brokers? Why don't real estate sites give us more accurate, transparent, reliable data so we can make better decisions? Why is a single broker better equipped to advise me on property or price than a network? Where is that network?*

Once you hear these generational questions, you'll wonder why no one has turned real estate on its head – built an organic digital experience for people *shopping* for homes instead of salespeople *selling* them homes. We did – and the first thing we did was to get rid of listings.

Listings are advertising. They were never intended to be a database of homes.

So no brokers – *and* no listings?

Listings are advertising, without the detail, differentiation, and reach of *good* advertising. Or even a comprehensive data base. Born in the classifieds sections of newspapers, listings were never intended to be a database of homes. One can argue that listings morphed into a database through the MLS system, but the MLS wasn't designed as a database or data lake, unless by database you mean a listing directory of "existing homes for sale."

It sounds tautological, but a Multiple Listing Service's job is to list properties for sale (and get consumers to call a broker for showings), not to create or present a comprehensive database of homes and home value. In fact, a national database that gives consumers the ability to make detailed comparisons of homes in multiple locations does not exist today, and as long as data is tied to commission, any new effort to create a national database of existing homes is bound to fail.

Less than 10% of all basic home data are contained in MLS listings

Consider that as of 2021 there were seven median rooms for each of America's 138M occupied units – about a billion data points in all. In most listings, however, the only rooms counted or measured are bedrooms and bathrooms. All the other rooms of your home – kitchens, garages, attics, cellars, basements, dens, gardens, porches, etc. as well as their basic amenities (closets, windows, flooring, wiring, lighting, built-ins, even kitchen appliances) – are neither counted, measured, or described. By our count, at least 10 billion data points – 90% of critical home data – are missing from what would constitute a truly comprehensive data collection encompassing those 138M occupied units.

It's not that brokers don't know those rooms or amenities exist: The industry data bible, the Real Estate Standards Organization (RESO) Data Dictionary, shows some 1,300 data fields covering nearly every aspect of a property, neighborhood, and transaction, yet only a few (BRs, BAs) have MLS utilization rates higher than 90%.

The problem is one of business model, not data. From a broker's perspective, listings are a cost center – a form of marketing that *may* include data collection, but only if it gets a customer to connect. It's not hard to see why. An agent who works on a 50/50 split with a brokerage has the thinnest of margins. If she sells a home at the median of $450,000 on a standard 6% commission, gets paid $27,000 from escrow and pays half to the buyer's broker and half to the brokerage, she'll be lucky to pocket $6,750. Selling one home a month, she grosses just

$81,000 a year, leaving very little money for data collection or out-of-pocket marketing.

Brokerages try to help their agents with collateral, sophisticated CRMs, and engagement tools, but for most brokers, *co-brokerage* is still the most efficient, cost-effective way to get marketing reach. Ask a top broker how they make their money, and they'll always say it's relationships, not necessarily with consumers, but with other brokers who tell potential buyers about a property. Broader reach is just wasted: The agent's job is to find to find one buyer for one property.

There's nothing more frustrating than knowing you're not seeing all the inventory.

However if you're a digital consumer in a tight market trying to find a new home from the other side of a screen, there's nothing more frustrating than knowing there is inventory available that you're not seeing – for any reason the agent believes, from your suitability (income, race, sexual identity, etc.) or simply because there's a more expensive home with a higher commission nearby. *The club always wins.*

What's wrong with a club?

Ever since the rise of local real estate boards in the late 1800s, building trust in fragmented markets with incomplete information has bedeviled the industry. The only people who know homes down to the last floorboard are the people who live there. "Last mile" data is almost impossible to get.

The MLS was designed to formalize sharing listings between the selling brokers who find clients and create listings and other members of the real estate board who bring buyers to a listing. If you wanted to sell real estate, you had to join the local board for access to the MLS and its listings. As the Toledo board put it: "Property listed with One is Listed for All." The club ruled.

In economics, "club goods" are both non-rivalrous (I use it, but you can use it too) *and* "excludable" (not everyone who *can* use it has access). Golf courses are an example of club goods. My use of the course doesn't typically affect yours (it's non-rivalrous), but the club makes sure a crowd doesn't show up through its rules and fees (excludable).

Real estate listings are "club goods." Properties are rivalrous, – listings aren't – but they can be excludable: The National Association of Realtors wrote the rules that govern precisely who's in the club and who can create or edit listings: Consumers can't add or edit MLS listings. Brokers can't mix "pocket listings" or FSBO (For Sale By Owner) listings with MLS listings. These rules and others created by local boards and the National Association were designed to protect the club at all costs, even if it means reducing inventory.

Steering inflates prices, reduces inventory, and makes a more inefficient marketplace.

Indeed, in October 2023, the US Department of Justice won a guilty verdict against the NAR on behalf of plaintiffs who said the NAR, MLS, and participating brokerages had conspired to keep commissions high by concealing information communicating the obligatory compensation to potential cooperating buyers' brokers. Steering, said the DOJ, hurts consumer pocketbooks, pushes prices higher, reduces inventory, and makes real estate one of the world's most inefficient marketplaces. The jury agreed and assessed damages of nearly $1.8 billion – potentially as much as $5 billion if trebled, and that is just for the state of Missouri; there are at least seven other significant antitrust suits making their way through the courts today. If most of them are successful, the damages will almost certainly open the door to significant disruption and even potential bankruptcy of the residential real estate industry.

Governmental intervention to stop steering is one solution to the embedded power of the monopoly. *Homesy's* solution is to let users search for homes and transact through a profile – without the gatekeepers getting in the way.

Profiles vs listings

In the pre-Internet era, consumers hired brokers to discover properties. Zillow, c. 2004, aggregated listings to make discovery easier (and aggregate more power for itself or a future brokerage business). Today, digital customers "hire" Homesy to take advantage of technologies that shift the static primitives of listings – time, pricing, location, data detail, even stakeholder communications – to the real dynamism of the internet so they can benefit from the network effects they generate as they create and share data.

Profiles aren't just a different kind of listing – they create value between buyers and sellers.

A profile isn't just a different kind of listing – it's a vehicle for capturing and exchanging data, a new way to create value between buyers and sellers, a tool of inclusion, not exclusion.

To return to the analogy of a LinkedIn profile, a LinkedIn member may create a profile for any number of reasons – update their work history, promote a product, search for a job, or just meet others who share their interests. Their profile and its standing on the network are constantly changing; the more members contribute to the network, the more their visibility grows increasing the likelihood their profile will be found by recruiters, hiring-managers, and friends. The profile, not job listings, vastly expands the reach of Linkedin members, creating the largest and most efficient job search site in the

primitives	traditional listings	profiles
Listing date	24h fm listing to posting creates arbitrage	Dynamic real-time listings eliminate list arbitrage
Location	Specific to a single location	Multi-location search enables price-to-value discovery across multiple geographies
Property Data	BDs, BAs, lot size, taxes, property age etc.	Editable atomic data for every room empowering apples-to-apples comps
Price	Set by broker until buyer counters	Dynamic pricing including user-based valuation/ estimate tools
Contact	Broker or agent phone contact info	Network vs. single-pointed commissioned sources

LIVE MVP
app.homesy.us
login : user@homesy.us
pw: user123

Feed
Real-time reverse chronological feed personalized for posting, favoriting, & liking

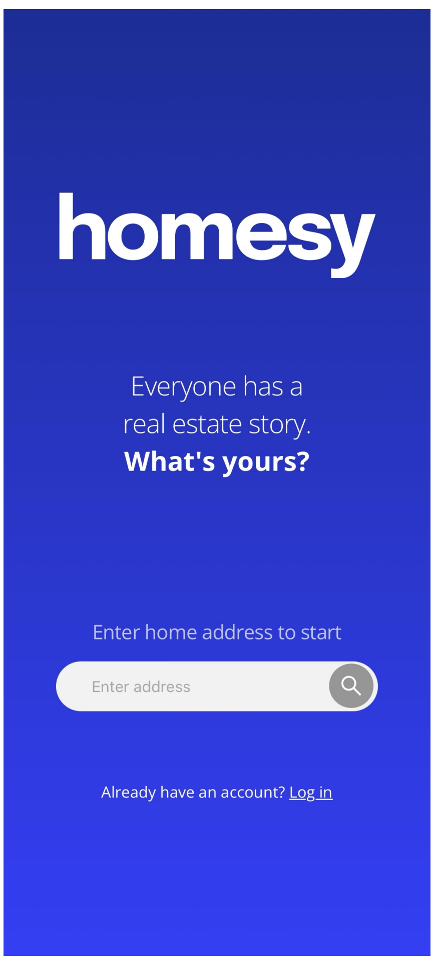
Profiles
Room-based profiles capturing user-generated data & storytelling

Dreamboard
User-selected favorite homes & rooms, made for collaboration and sharing

world and saving both candidates and recruiters millions of hours and billions of dollars.

Now apply that framework to a home instead of a job. Like a Linkedin profile, a Homesy profile is a living, dynamic collection of home data, and profile participation is incentivized with visibility – reach for your home. From the moment users add content to their profile to the moment they declare their intent to sell, months or years away – we call it "raising your flag" – their home gains greater visibility, creating greater demand and therefore commanding a higher price.

A Homesy profile is not just a listing adapted to the dynamics of networks. It's an entirely new kind of real estate data asset – a digital container holding all the ingredients of traditional listings re-architected to capture the user experience of a home through all its rooms in digital space. And the center of that experience is *rooms*: the source of Homesy's data river sustaining our competitive advantage and driving revenue.



Once you've experienced the way Homesy does this, it makes such intuitive sense, you'll wonder why no one's done it before.

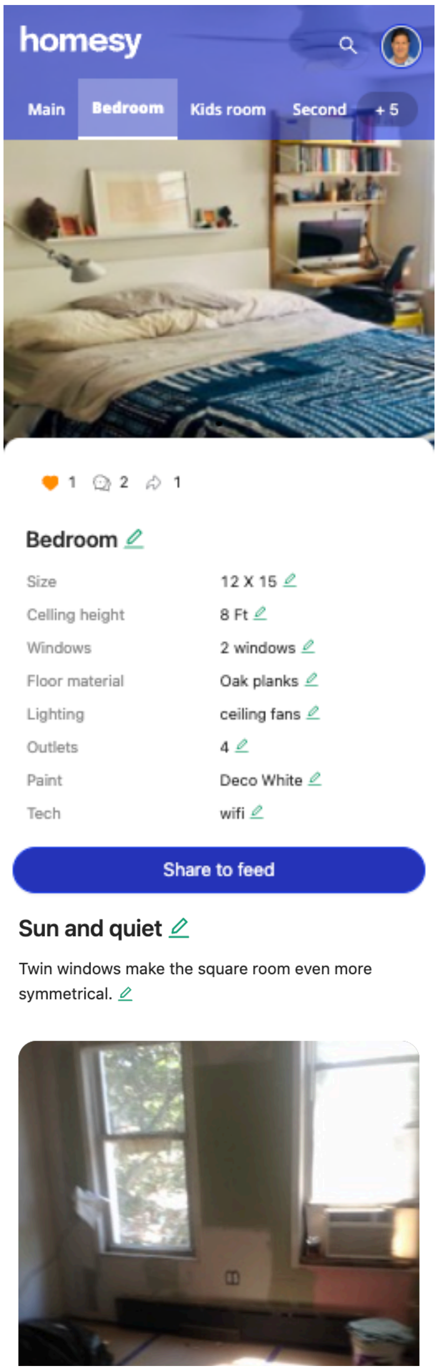
Take me through it.

In legacy real estate, properties are commodities traded between salespeople. On Homesy, every home is a unique, subjective property, even the same unit on another floor. The way we personalize our homes defines how we value them, and it's the contact between users that creates value.

From Homesy's very first screen, users are asked to volunteer their experience of a home by entering their *current* home address, not one they aspire to. Claiming their actual home – not a fictional piece of real estate in a metaverse – immediately sets the expectation that Homesy isn't just another site for browsing listings, but is designed to reflect *your* interest and engagement in your home. After we collect basic phone and email and follow up with an email confirmation, that message is amplified with the following:

"We looked at the public records of your house and found the following rooms: [X] Bedrooms, [Y] Bathrooms.

Is this list correct? If not, please edit and add others."



A room profile page

The user is then presented with a scrolling list of rooms from which to select: bedrooms and bathrooms, but also kitchens, living rooms, basements, dens, home theaters, home offices, pantries, laundry rooms, even an open text box to add non-standard rooms (e.g., porches 16 room choices common to most homes.

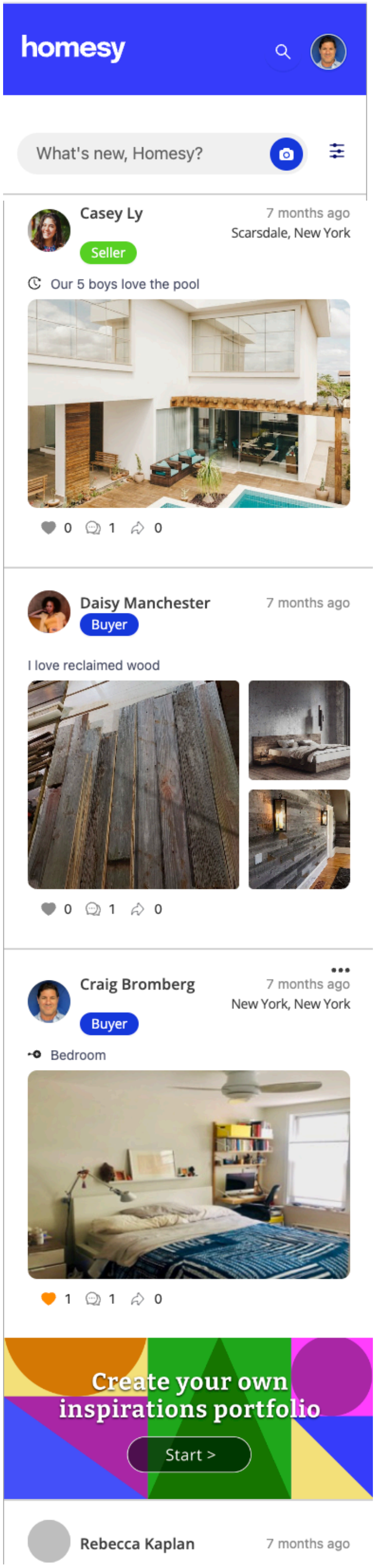
It quickly becomes clear that *rooms* are the key to *everything* a user might do on Homesy: building a profile; contributing to the main feed (personalized to zip code and other interests), and creating a Dreamboard from photos of favorited properties and rooms. Here's how those features work:

Profiles (*room profile, seen at left)* are auto-configured by room from users' initial registration choices. (Rooms can also be added or deleted later.) Each profile page is headed by a navigation bar with a tab for each room. To navigate, the user taps or slides her finger (or a mouse) to move from room to room. It's a little like walking between the rooms of your home.

Each tab now becomes a receptacle for the story of each room in your home, limited only by your imagination:

- before and after photos of the primary bath;
- a drawing of the sun streaming into a bedroom;
- video of an adorable street;
- photos of flora and fauna in the backyard;
- video of dinner at the kitchen island;
- plans for a new home theater in the old garage.

Users can share every story to the main feed. The more data posted to the feed, the more that user's feed reflects her property via horizontal scroll bars of recommended homes, rooms, and AI-curated features (Porches, Kitchen Islands, etc.)



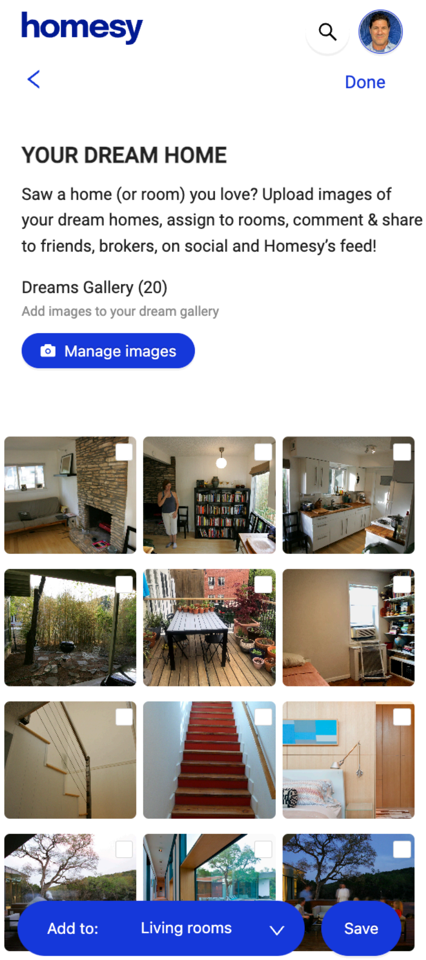
The feed

But room tabs aren't just for *qualitative* storytelling. Each tab is also pre-configured for *quantitative* data collection specific to *each room type*, starting with dimensions and core amenities including ceiling height, flooring, closets, windows, lighting, and room-specific amenities. Bathrooms have buttons to indicate the presence of a shower, bath, toilet, cabinets, and more. Kitchens have buttons for islands, cabinets and cubic square feet, appliances, and more.

Some buttons collect raw size data, some are configured for measurement, others are open-text boxes. Your kitchen floor is oak, but your bathroom floor is marble; you have a steam shower and separate bath in the primary bathroom, but the kids' only have a bath. Your ceilings are 8 feet tall. As our data gets more sophisticated, we'll incorporate LIDAR for room measurement and eventually even give users the ability to dig into every home element right down to the SKU.

The **Feed** *(at left)* is just what you'd expect from a social network – a reverse chronology of posts where anyone can add a post or ask questions; it's all about posting and sharing. Posts can include photos (videos coming soon), favoriting, liking, and sharing. Future versions of the product will also contain AI-generated recommendations of homes for sale and/or profiled in a specified locations, an AI-guided chat bot that helps you connect to properties that fit your criteria in multiple locations, browsable "magazines" of AI-curated content relevant to your location and interests, with valuation/estimate polls, notices of live, hyperlocal events and open houses, live chat, and more.

The **Dreamboard** (*next page*) is designed to give users a place to save favorite homes and rooms wherever they find them – on Homesy, other websites, or captured from a camera or mobile phone – and share a group of pictures (up to three) to friends, family, contractors, designers, lenders, etc. and other social platforms. Today, the Dreamboard is a receptacle for gathering and sharing homes and rooms, but with sufficient scale, our aim is to use the Dreamboard as an AI-



Dreamboard

guided matching tool between favorited homes and/or rooms and actual properties for sale.

Vestimates – social valuations – are the core of Homesy's AVM (Automated Valuation Method).

If your home is on Zillow, it likely has a Zestimate, Zillow's proprietary Automated Valuation Model (AVM). AVMs are algorithmic black boxes, top-down distillations of local sales and home data, which means they, like all residential real estate data, miss critical bottoms-up data that inform property value. As a result, all AVMs are off the actual sales price of a home by some margin; Zillow says its Zestimates are off 3 - 15% off the actual median sales price. A home selling for $1 million could have a Zestimate between $850K and $1.15 million, a spread that makes Zestimates little more than a gimmick. Try negotiating with that.

Unlike legacy AVMs, Homesy's Vestimates are designed for social input from both top and bottom. Because Homesy is socially architected through user-generated data inputs on property rooms and amenities, its algorithm brings greater accuracy to the AVM by incorporating social signals along with generic AVM data.

The same social architecture also allows users to interact directly with the Vestimate, which unlike today's AVM, is a dynamic tool accommodating user input to the valuation – or, uniquely, to an estimate. (Hence the name Vestimate: V for valuation, E for estimate.) Valuations calculate present value from acquisition to the present; estimates look at value from present state to the future. In essence, Homesy uses the same set of data to allow users to make assessments of home value from the present or to the future, estimating future value based on remodeling – and we will expand our data set to incorporate Amazon's taxonomical model to drive Vestimates down to specific SKUs.

Say you're a prospective home seller with a Homesy account. Your home's last sale price was $876,000 for a property with 4 bedrooms, 3 baths, basement, kitchen, pantry, home office, mudroom, attic, and garage: 14 rooms. You've postponed upgrading the house over the last few years, but, knowing that you *might* one day be in-market, added stories and photos of each room. You've also added comments to your own and other's posts on Homesy, raising the visibility of your home on the network, adding slightly to the demand calculation of your home's Vestimate. The Vestimate of your home increases as you participate. As $876K starts to approach $920K, you start thinking about selling.

Value propositions aren't abstractions. When it comes to commissions, buyers & sellers must ask: *Is it worth it?*

The Vestimate tool allows users to dig deep into actual sales value as more data is added for each room, making it possible to do the kind of calculations that make possible what GenZ home prospects are calling "house hacking," right down to the SKU. If a seller wants to test his price, he can build his Vestimate and submit it to the feed for comment. Likewise, if he wants to test the value of the home to cover various scenarios – converting the basement to a home theater, transforming a garage into an ADU, buying a two-family home to rent one unit and cover his mortgage – he can add room plans to his profile or capture the info in someone else's profile, enter those data into the Vestimate tool, and share the results to the feed asking for comment: Is this good value… or should he keep his search hot?

OK, cool product, but how does it help me?

Let's summarize.

Users hire Homesy

- because of the promise of transparency
- because the network connects users without gatekeepers
- because inventory, remodels & valuations are posted real-time
- because profile data reveals home value better than listings
- because it's free, not tied to commission
- because reach creates demand for your home

And users get:

- apple-to-apples comps across properties and rooms
- social validation of pricing, home value, and estimates
- real-time hyperlocal insights about buyer/seller motivations
- personalized content specific to location, interests, rooms
- a new supplement to broker marketing
- intangible and tangible (financial rewards) for participation

Drill down to the buyer/seller value proposition.

Six percent commission – plus additional brokerage fees, staging, and any repairs an agent may suggest to make a home more sellable – may not seem like much in the abstract, but a $1.5M home (4X the median home sale (below the 2022 national median for luxury homes) will cost at least $100,000 in agent-related commissions. Even if the buyer "pays" half the commission – and the recent antitrust suits will most probably disrupt that process – the seller is on the hook for $50,000 just in commissions. If they are also buying a new home – and half of all sellers are also buyers – at least $100,000 of which will be paid in commissions. Sellers and buyers have to ask: Is it worth it?

On the seller side, the starting point is an assessment of the property – a discussion which necessitates an assessment of the broker's insights on property value and listing prices.

Seller Broker Value Proposition	Buyer's Broker Value Proposition	Homesy value proposition
Hiring & negotiating broker fees	Hiring & negotiating broker fees	No fees
Analysis of seller's needs	Analysis of buyer's needs	Network knowledge
Pricing strategy	Financial prequal & approval	Network, Vestimate, Partners
Property prep	Neighborhood info	Network
Marketing strategy	Home search & visit	Profiles, in-app comms
Offer evaluation	Offer prep	Vestimates
Negotiation	Negotiation	Bid/Ask tool
Post contract work	Vendor negotiation	Partner network
Pre-close prep	Pre-close prep	Partner network
Closing	Closing	Partner network
Broker owns data	NA	Consumers own data
Cost	Cost	Less than 1%

Agents may come to the table forearmed with CMAs (Comparative Market Analysis) or previous BPOs (Broker Price Opin ions), as well as marketing materials, notably absent of specifics on property marketing but glitzed to the max with brokerage branding. The intent is to walk away from that meeting with the prospect signed to an exclusive contract committing the seller to pay 6% commission, of which 3% will be shared with the buyer's broker, plus fees.

Chemistry and speed are of the essence at this juncture. Agents have 48 hours to get a listing into the MLS, and once listed are loathe to change prices too quickly for fear that they'll signal weakness. Cutting prices means less commission, raising prices means longer DOM (days on market).

Unfortunately, the only signals that guide this effort are responses to the listing which gets limited email support, postcarding, and co-brokerage, but little other marketing. In brokerage, marketing *is* pricing. If sellers have a gripe about the price, listing, or pace of their sale, they'll need to consult with their broker, who owns and manages the deal, the listing, and

Transparency isn't virtue signaling. It's how we chase price optimization.

their relationships. A buyer *will be found* – but today, the only way to assess the market is to put the home on the market and test responses, a strategy that requires all sorts of dependencies, from testing marketing to staging. All the more reason setting the right price right from the start is so critical to getting efficient price optimization.

Buyers find the lack of accuracy, transparency, and costs of brokerage just as frustrating. Finding properties that fit their budgets, lifestyle, and design choices today is essentially a test of buyers' internet search skills with a very limited number of search facets: all other public data being equal (lot size, sq footage, prev. tax assessment), the only variables to search for are BRs, BAs, location, and price – thousands of mostly undifferentiated listings.

On Homesy, buyers have far greater control to personalize their search not only through their own profiles, Dreamboards, and feeds, but through the instant feedback the network provides. Every user signal generates actionable insights whether seeking homes for sale, digging deeper into home values

Data exchange between buyers & sellers leads directly to actionable insights that create real financial value.

through AI-curated communities in hyperlocal areas (12 South, Nashville) or deeply personalized interests (hot weather porches, lake houses, cathedral ceilings). By substituting a network of buyers and sellers motivated to drive value for themselves and others through their engagement, Homesy drives network effects that create value throughout the entire journey of home ownership – from discovery to sale.
It’s easy to dismiss the cult of transparency as mere virtue signaling, but for buyers and sellers, the quest for deep and real data is critical to chasing price optimization. The exchange of data between buyers and sellers leads directly to actionable insights that generate real financial value. Calling two bedrooms and a closet a 3BR property isn’t only deceptive; it’s inflationary. On Homesy, users who recognize that subterfuge can call it out (or choose to ignore it), just as they would on Linkedin, Tinder, or Wikipedia. On the other hand, posting before and after photos of a deck extension improves perceived value, generates reach, and creates demand – which creates greater accuracy and more social validation that the price is right.

And it is – because Homesy not only gives users faster (real time), better (wider, deeper), more personalized, real estate insights that builds reach and demand for homes, it is also commission-free, saving users thousands of dollars in both time and money. Compared to legacy real estate, “free” is a pretty attractive value proposition.

But it’s not really free if users do all the work.

Which is why we believe the incentives attached to Homesy membership are crucial to its success, starting with algorithmic reach, financial rewards, and ownership of data assets.

Let’s start with ***reach***. As mentioned above, the more users contribute data about their property – post, comment, add photos/videos, favorite, use the Vestimates or Dreamboards – the more their home will be seen on the platform. (Promotions via “recommended homes,” AI-curated magazines e.g., “suburban porches,” member emails, etc.) This kind of reach is unthinkable in legacy real estate whether agented or FSBO. On Homesy, visibility equals value, especially when we recognize the specific value of enhanced placement relative to the cost of

The more you post, the more your home is seen. Visibility = Value and Value = Demand.

advertising on the platform, a value that even can be priced into a home’s AVM and reflected in Vestimates.
That value is also delivered through **financial rewards,** starting with KEYS, a point system whose value is also algo-determined, capturing aggregated user contributions and other metrics (frequency of posting, tenure on the platform, number of related users, etc.) This starts right at registration: Those who register – but *don’t* claim an address – get a Basic account where their KEYS accumulate, but have little value, at least for now. Those who *validate their residence* with a third proof of identification will get a keyless, permission-less digital wallet where their KEYS will be tallied and associated to our non-tradable non-fungible token – with retail discounts through brand partners.

However the ultimate roots of user value on Homesy are related not just to reach and rewards, but **ownership**. Homesy was designed to separate the data layer of real estate from trans action and derive value directly from the ownership of their own user data. For younger people, Black and Brown Americans – anyone who has struggled to save for a downpayment – ownership drives a culture of access to opportunities to create, manage, and profit from the unique data representing one's home. This is why data ownership is a critical part of our culture as a company and our brand – possibly even the

Home data is the on-ramp to home ownership

last on-ramp to the American Dream. It's your home. It should be your data and your copyright. And you should have control over how it is used, expired, and how you can profit from it. That control starts with generating a profile: users writing, editing, photographing, and videoing their homes and adding home data. But there will be times users will want privacy more than reach. Network contributions are public by default, but users can opt to limit their public-facing data by anonymizing their home address to within a radius of their property) and/or aliasing their username (e.g., Ari21NYC), or both, for every post.

When you sell your home and a new owner submits KYC proof-of-residence, all previously public-facing data will be presented as an archive to the new owner – a user's guide to the new house and to the provenance of the property.

Indeed another implication of data ownership is the opportunity to transform data ownership into asset growth.

Homes are non-fungible assets by definition; even identical homes have one-of-a-kind differences that make them unique properties. Representing that data set as a single, composable asset that grows over time, appreciating in financial value like any other asset, is critical to building value for users and for Homesy.

The simplest form of such an asset is a non-fungible token that protects and defines the rules for asset ownership, appreciation, and financial opportunities – a Home NFT, but one with unique properties. It's important to note that we are not putting properties, deeds, or escrow funds on a blockchain –

only the data created by users, subject to the same conditions of trade and transfer outlined above. However, the utility and applicability of such a Home NFT (invisible to most users except as KEYS) creates a unique opportunity for Homesy to generate additional liquidity for our tokens. Eventually our hope is that such liquidity generates meaningful outcomes that help prospective buyers purchase a home. For more information, please request our litepaper on Homesy NFTs.

So what's left for brokers if consumers have total control?
Anyone can be a Homesy, but social real estate is a new way to think about finding or buying a home. Not everyone will be a Homesy and Homesy will likely follow the the 1% rule: 90% of the participants consume content, 9% of the participants change

Homesy advisors are the star of the show lighting up their community with local smarts

or update content, and 1% of the participants add content – which creates a terrific opportunity for what we call the Home Advisor Program (HAP).

With the DOJ antitrust suits increasing pressure on the industry – and rampant layoffs in the ranks of buyer brokers – a new opportunity to guide the 99% of participants who might need help creating a differentiated profile, interrogating a valuation or estimate, or testing multiple home discovery scenarios seems like a worthy alternative for a younger, more digital cadre of former agents. HAP is designed just for them. Advisors can be brokers, agents, designers, real estate influencers, creators – even teams of agents – anyone who wants to build a new kind of non-commissioned partnership with buyers and sellers.

Upon registering and validating a business page, HAP participants will receive an invitation to join a competitively priced lead program with scheduling tools, live open house and audio tools, pro profile customization tools, and educational programs to keep them engaged in a collaborative relationship with their clients. Our intent is to make every HAP member the star of their own show, sized to the scale of their ambition and audience, a vibrant, continuous presence designed to inform and delight a community with increased access to home ownership – and share in the value of our Home NFTs and other financial rewards.

Media-savvy brokers such as Ryan Serhant have built entire empires to turn brokers into stars, but it's proven difficult to bring these services to national scale with salaries, commissions, and stores in the mix, especially selling homes under the luxury threshold ($1.6M nationally, but as much as $3.6M on the coasts.) By contrast, Homesy advisors are independent contractors who pay Homesy to participate in HAP, receive financial rewards for their participation, and get promotion to their hyperlocal audience through our efforts to capture market share across 200 second-tier US cities.

200 cities is a bit ambitious don't you think?

Of course. But our cost structure is dramatically different than traditional brokerage, tech brokers, or iBuyers. We're not employing an army of agents housed in brick-and-mortar stores; not beholden to the NAR rulebook or the threat of someone taking away our access to an MLS listings; not creating an agent pyramid like eXp. Nor are we iBuyers like Opendoor, buying thousands of properties that sit on the balance sheet,

Homesy goes to market by anchoring network effects with boots-on-the-ground

bleeding cash. Our philosophy is different, our margins are different, and our mission is different.

The core of our go-to-market strategy is "Hyperlocal/Hypersocial," a fierce ground game that puts boots on the ground in frothy Millennial cities such as Nashville, Tampa, Raleigh, Boise, Toledo, where we can anchor the network effects we create online through our app. Red Bull, Uber, Tinder, Facebook, and Nextdoor beat the cold start challenges of two-sided markets by developing hyperlocal experience effects that acted as a force multiplier, and we believe the same strategy will work for real estate, an industry that has always been hyperlocal, but whose marketing efforts have always been hampered by its reliance on the club.

Working with teams of college age ambassadors spreading the word at concerts, malls, home decor retail, and coffee shops, at homes in university areas and tech barrios, we aim to create brand awareness with consumers and incentive-based programs for brokers, designers, contractors, developers, and other service providers through topic-driven Open House events (e.g., a panel on local users who have built ADUs), curated in-app programming, and low-cost hyperlocal programmatic advertising. The objective is to energize the paths between users and supply-side relationships on the ground and in the app, strengthening the relationships created by AI matching.

But Lyft, Tinder, Facebook are consumer brands.

So are we. As Zillow proved, the out-of-market "real estate curious" consumers who show up to a listing with no intention of buying are nearly as important to as in-market buyers and sellers. Unfortunately for Zillow, its content model is dependent on broker-based listings and leads from those listings to agents. It is a real estate brand using a traditional advertising model in the form of lead generation to brokers.

It's instructive to see how Zillow's traditional media model compares to the network business model. As the below Similarweb chart shows, Facebook gets nearly 200% more monthly visits than Zillow, but Zillow users see 59% more

Engagement Mar 2022 · Worldwide · All traffic — similarweb

Metric	facebook.com	zillow.com	instagram.com	linkedin.com
Monthly visits	20.44B	298.4M	6.550B	1.538B
Monthly unique visitors	1.667B	89.46M	1.057B	315.7M
Visits / Unique visitors	12.26	3.34	6.20	4.87
Visit duration	00:10:08	00:06:14	00:07:51	00:07:31
Pages per visit	8.46	15.53	11.24	6.92
Bounce rate	32.58%	43.24%	34.81%	28.76%

Deduplicated audience BETA — Gain access to more insights — UPGRADE pages than someone browsing Facebook. This makes intuitive sense: Facebook users are in the social feed many more times a day than Zillow users, but Zillow users browse 50% more pages because they are trying to gather comps on homes.

By contrast. Homesy knits the social and real estate models *together*: a social flywheel of network effects incorporating real-time social posts, hyperlocal and national real estate news, and AI-curated "magazines" together with user-generated room-based home data. At scale, we believe this innovation will achieve unprecedented market reach – the scale of Reed's Law, of exponential growth within multiple nodes of buyers, sellers, looky-loos, as well as networks of brokers, agents, lenders, contractors, designers, architects, and other service providers and the API partnerships that mutually amplify the data running through our platforms. That's good for Homesy, but a game changer for real estate.

How do you make money?

Homesy's aim is to bring product-led growth and external revenue to a balance within its first two years.

Advertising is our first and most sustainable revenue stream. Advertising helps set customer brand expectations that Homesy is not a typical real estate site, and sets the stage for growth into adjacent areas from home finance to home improvement. Real estate professionals will have ample opportunities to create business pages and promote themselves by participating in the network through HAP, but brokerage ad opportunities will be limited as will ads for specific homes. Our intent is to offer clean, uncluttered inventory with an emphasis on native placements in the feed and rooms and custom partnerships that extend across the platform.

Advertising helps set brand expectations: This isn't your broker's game any more.

In our first year, we expect advertising to provide nearly 95% of all revenue; by Y2, we expect advertising to decline by nearly 40% as a proportion of total revenue due to growth from network effects, the direct result of the matrix of group-forming networks (GFNs) across multiple roles (buyer, seller,

Direct sales channels have seen little change since Craigslist was founded, 1995.

broker/agent, service provider) and locations – in network terms the total number of nodes plus the total number of possible sub-groups.

Subscriptions are our second revenue stream, incorporating supply-side subscriptions to accelerate GFNs (e.g., the Home Advisory Program), boosts (to get your home seen faster), ad-free viewing, and other subscription tactics from LinkedIn etc.

Direct home sales are our third revenue stream, incorporating direct (C2C) sales and broker/agent sales – an OpenMarket where consumers have optionality to sell directly on Homesy for less than 100 bps (1%) or sell with brokers or iBuyers for a tiny (0.25%) fee.

The **direct** sales channel is grossly underestimated. Over the last three years, non-agented sales have varied between 7 - 11% of the total market; at today's median of $415K/property, that is approximately $175B of estimated equity. Since the arrival of Craigslist in 1995, there has been no significant innovation in direct sales, and today Craigslist is the WildWest. Broker-listed properties far exceed owner-listed homes – proof of the dearth of marketing options for brokers – and the platform is entirely lacking in any validating technology that might protect buyers and sellers. With the NAR/MLS monopoly under attack and new rules for buyers' brokers forcing consumers to negotiate their commissions directly as a percentage of the seller's commission – a C2C direct sales offering is not only timely, but needed.

Data monetization is our fourth and likely most profitable revenue stream: packaged data dashboards, advanced analytics, predictive insights on comps, AVMs, trends, and bespoke solutions.

While Homesy is undoubtedly a social marketplace and community, it is also undeniably a data aggregator for a class of "last mile" property details that have been historically disregarded by the real estate industry and data providers including lenders, data aggregators, tax assessors, appraisers, service providers, and brokers. Each has provided some of the historical datasets at the core of the residential market; none have attained the depth of detail that constitute its true scope, the most detailed version of a home that only a consumer-based effort incentivized by demand can supply.
This scope can only be attained by creating a product that builds trust and scale – a product whose architecture, user experience, and dedication to safety, privacy, and shared incentives are key to its ability to capture that trust, and preserve its competitive advantage.

Who do you compete against?

Homesy's competitive set includes:

- **old/social media** (Dwell, Houzz, Facebook, Reddit, Nextdoor, etc.)
- **tech brokerages** (eXp, KW, Compass, etc.)
- **listing portals** (Zillow, Realtor.com, Homes.com, etc.)
- **iBuyers** (Opendoor, Offerpad, Orchard, Knock, etc.)
- **direct & flat fee**: (FSBO.com, Aalto, Craigslist, Fizber, Homecoin, Beycom, etc.)

There's no shortage of competitors, but they all focus on brokers, not consumers

With the implosion of the NAR in 2023, we have seen increasing interest in decoupling listing services from the NAR and startups such as HomeOpenly, Geodoma, SellingLater, Homes.com, OffMarket, and others offering more transparent real estate opportunities, but each and every one of these companies is reliant on brokers and commissions.

As we have said throughout this document, brokers are not the problem, but they are also not the solution to the generational realities of home discovery. Driving consumer control of home data into a highly structured digital community where homeowners can safely build network with one another is the ultimate competitive moat, unprecedented and unmatchable in real estate simply because it is born of consumer needs to find trust and transparent home data. It's time to make the vision of real estate transparency a reality for digital-first customers.

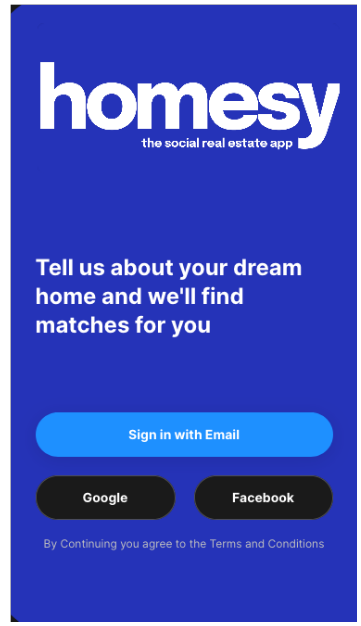
But aren't those customers renters?

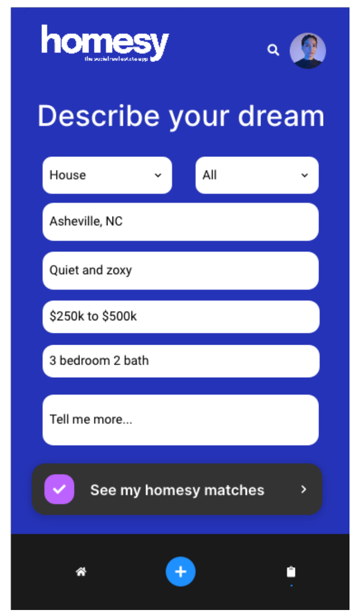
We're starting with home buyers and sellers because it's just much simpler to establish their residency than renters. Renters share many of the same home discovery problems homeowners experience, but the frequency of renters' moves, difficulty establishing renter addresses in multi-unit buildings, and complexity of associating those frequently changing rental addresses to identity create technical challenges that are beyond our current scope. For now, renters are welcome to create user profiles, participate on the network as "renters" without a home profile, and use the Dreamboard functionality to share homes and rooms they've captured along their home discovery journey.

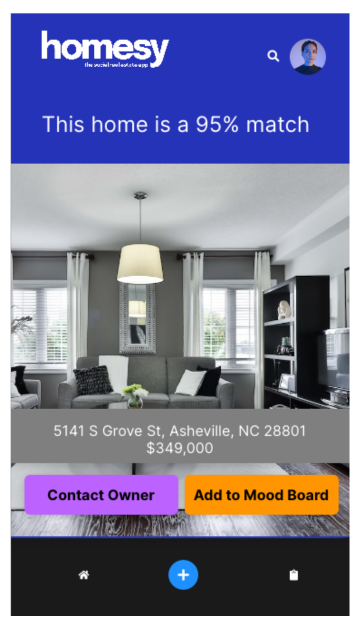
What about AI?

Unquestionably important. We built our MVP before OpenAI arrived, but have been deeply impressed by the opportunities it might afford Homesy, starting with the opportunity to build a Large Language Model (LLM) from user-generated home data. We see potential implementations for search, engagement traps in our feed, Vestimates, and our Dreamboards, matching homes, data, and content to users based on users' visual and text input, and creating contextual advertising (See the mock-ups to the immediate right.)

Other implementations might include helping users connect to available service providers and cutting friction and time it takes to build a new home by integrating service provider estimates with Vestimate user data and aligning vendors. All of these, however, require the foundational data of user data that is at Homesy's core.







Who are you? And who's on the team?

Homesy was founded by **Craig Bromberg** along with co-founders **Brad Reisner** and **Serena Chew**, partners in the NYC web development shop, Igicom.

For nearly two decades, **Craig** served as an editor-in-chief, executive editor, and editorial director at companies including Samsung, Disney, Time, CitiMorgtage, and AOL Real Estate. Craig was also a business development and consulting leader for Survey Monkey, Dachis Group, Zemanta, and the NY Dally News, and has led marketing teams for crypto and stablecoin initiatives for Steemit, Kowala and others. As adjunct faculty at Parsons The New School, Craig taught business model innovation and leadership courses in the School of Strategic Design. A former writer for Vanity Fair, New York, The New York Times, Los Angeles Times and many others, Craig is also the author of "The Wicked Ways of Malcolm McLaren" published by Harper Perennial. He holds a B.A. in Government from Oberlin College, M.Sc. Econ. from the London School of Economics, and an MBA from NYU Stern School of Business.

Co-founders **Brad Reisner** (technology lead) and **Serena Chew** (product lead) started Igicom in 2002 with a focus on data modeling, responsive and native app development, and websites for clients including AT&T, Bank of America, Comcast, Chicago Tribune/FSBO.com, MIT, NYSE, Time, WNYC and many others. In 2015, they co-founded Charitybuzz, a philanthropic platform that exited to Todd Wagner. Brad and Serena are B..A. graduates of the Univ, of Vermont.

Other team members include **Jared Holdcroft**, a senior technical lead at Igicom, **Bennett Kleinberg**, a strategic communications and media relations executive, formerly of Edelman, Clear Channel, Dentons, and others; and **Dina Ledvina,** a senior Quality Assurance lead at the Financial Times, Business Insider, and Informed Data Systems.

Advisors include **Lynette Khalfani-Co**x, themoney-coach.net, the premier African-American pundit (and author of 16 books) on personal finance; **Jonathan Miller**, the pre-eminent appraiser in the US, and a frequent guest on CNBC; **Lou Kerner**, CEO of CryptoOracle and an advisor to Moelis; and **Charu Sethi**, CMO of Unique Network, Polkadot's NFT parachain.

Current progress

February 2021: Incorporated in Delaware as Homegoer Inc
November 2021: Receive two uncapped SAFE notes totaling $75,000 from Stephen Berliner, vice chairman of Savills US, and AJ Lawrence, an angel.
April 2022: Hired Leapstart, Israeli UX/UI team for MVP
May 2023: Introduction of MVP at homesy.us
August 2023: Polkadot Relayers Incubator, Singapore, one of two companies for NFT development
October 2023: Began TestFlight prep for iOS Appstore

Funding

We are currently seeking $300,000 to pilot Homesy in at least one market (Nashville, Toledo, Raleigh, etc.) in Spring 2024, as part of a Pre-Seed round totaling $2M to operate over the next 18 months. Development needs include:

- In-app social comms and uploads
- Vestimates
- Native development
- Revenue stack dev. (ads, subscriptions, bid/offer)
- Loyalty program (blockchain development)
- AI development

For more information including financials:

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