

HomeYap



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Jeffrey S. Marcus

General Partner

508.776.0068

Jeff.Marcus@HomeYap.com

22 Bates Road, Suite 284

Mashpee, MA 02649

www.HomeYap.com

The accompanying Business Plan will provide granularity.

The HomeYap Team

Jeff Marcus - General Partner & President

Ian Crowley - Partner & Head of Marketing. Front-end developer

Lee Overy - Partner & Head of back-end development.

Adrian Gorny - Consultant back-end development

Buying and selling a home is expensive, difficult, restrictive, opaque, and confusing.

Expensive - Selling costs 5% of the sale price or about 25% of the average annual household income.

Difficult - Buyers need an agent to get to sellers and sellers need an agent to get to buyers. Technologies used in everyday life are absent in the current marketplace.

Restrictive - Buyers and sellers cannot speak directly in the current environment.

Opaque - Sellers have no idea what the buy-side looks like; only listings are public.

Confusing - 5 million+ sales take place each year, but no one is incentivized to explain how it works.

Solution = HomeYap - the world's first buyer-drive real estate marketplace.

1. Buyers get a voice.
2. Buyers and sellers get automatic notifications.
3. Buyer and sellers can chat in a safe space.
4. An effective and inexpensive way to sell a home.
5. Detailed explanations for buyers and seller.
6. Lower costs for sellers will translate into overall lower home prices.

The answer is not complicated.

Let buyers tell the marketplace what they want.

Let sellers have direct access to the buyers.

Provide an inexpensive way for homeowners to sell to buyers.

Reduce the costs of selling a home.

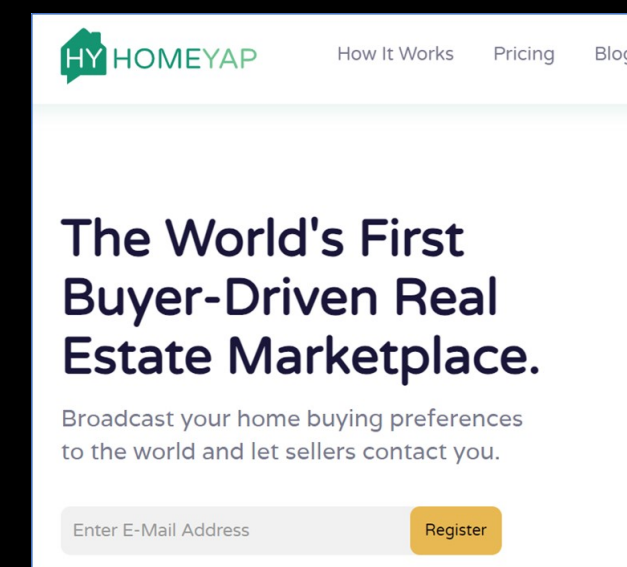
Create a transparent marketplace for residential real estate.

The 2 videos to the right should explain the concept and product in more detail.

The story of Bob & Sue



How-to video



HomeYap Business Model

1. Buyers add BuyWants for free.
2. Realtors pay for chatting directly with interested buyers.
3. FSBO's pay to list directly on HomeYap.
4. Advertisers and partners pay for access to homebuyers and homesellers.

Go-To-Market Plan

1. Demographically targeted digital TV advertisement
Comcast/Xfinity FEP-Geomarketing
2. Social media marketing campaigns
3. HomeYap 4-stage strategic plan

Competition

There is no one currently doing what HomeYap is designed to do, however, there are a myriad of companies that enable people to buy and sell homes:

1. Real Estate Brokers
2. Local MLS
3. Zillow and other on-line services
4. Very small FSBO sites

Financial projections



The forecast below is conservative and based on reach/penetration of the realtor and FSBO population. The FSBO population will grow if there is a productive and cost-effective product. (see the Business Plan for details).

| <u>PROJECTED REVENUES</u> | | <u>YEAR 1</u> | | <u>YEAR 2</u> | | <u>YEAR 3</u> | |
|---------------------------|-------------|-----------------------|------------------|-----------------------|--------------------|---------------|--|
| Realtor reach 1% | \$2,833,500 | Realtor reach 5% | \$14,167,500 | Realtor reach 15% | \$42,502,500 | | |
| FSBO reach 1% | \$2,776,830 | FSBO reach 5% | \$13,884,150 | FSBO reach 10% | \$27,768,300 | | |
| <u>Advertiser (0)</u> | <u>0</u> | <u>Advertiser (5)</u> | <u>\$300,000</u> | <u>Advertiser 20)</u> | <u>\$1,200,000</u> | | |
| Total Revenues | \$5,610,330 | | \$28,351,650 | | \$71,470,800 | | |

Where we are.

HomeYap's accomplishments

1. Analyzed the industry from the top down and bottom up
2. Understand the problems and best solutions
3. Built a back-end and front-end that can accommodate the market

HomeYap need funds to:

1. Monthly Listhub payments for MLS IDX feeds
2. Integrated the IDX feed into the existing back-end
3. Market the site and its benefits and attract customers
4. Pay a permanent back-end developer for future updates and changes
5. Build the FSBO module
6. Eventually, build the HomeYap market view

Detailed business plane provided below...



The World's First
Buyer-Driven Real
Estate Marketplace.

HomeYap

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jeff.marcus@HomeYap.com
508-776-0068

Team

Jeffrey S. Marcus – General Partner, founder, concept, industry expert, administrator, financial

- Sotheby's International Realty - Top 5% agent
- Turning Point Analytics – Owner and Founder since 2009. Market and investment research consultant
- 25 years running trading desks for hedge funds and investment managers



Ian Crowley – Partner, Head marketing and front-end development
Great Harbor Digital – owner. Great Harbor Digital is a digital agency offering marketing, web development and design services to VC-backed startups, e-commerce companies and non-profits.

- Website Development
- E-Commerce Consulting
- Traffic Acquisition & SEO
- CRM & Lead Management
- E-Mail Marketing
- Marketing & Analytics Dashboarding
- Graphic Design & Video Editing
- Content Management



Lee Overy – Partner, Head of back-end development.

- PointsBox Limited - Founder / CTO
- CloudRadar IT Infrastructure Monitoring. Chief Software Architect
- hullo Aircrew. Web Developer
- Kudos Media Limited – Director



Adrian Górný – Consultant - back-end development

- Full-stack developer (PHP, JS)
- AppVerk - IT Team Leader / Full-stack developer
- Codein - Owner / Full-stack developer
- CodeSailors - CTO / Full-stack developer
- CHIC Group - PHP Developer



HomeYap's slogan

The World's First Buyer-Driven Real Estate Marketplace.

Broadcast your home-buying preferences to the world let sellers contact you.

The Problems

1. Buying and selling a home is expensive, difficult, restrictive, opaque, and confusing.

- **Expensive** - Selling costs are 5% of the sale price or about 24% of the average annual household income.
- **Difficult** - Buyers need an agent to get to sellers, and sellers need an agent to get to buyers.
- **Restrictive** - Buyers and sellers cannot speak directly in the current environment.
- **Opaque** - Sellers have no idea what the buy-side looks like; only listings are public.

2. Confusing

Over 5 million home sales take place each year, but no one is incented to explain how the process works. In fact, people in the market benefit from the consumers' lack of knowledge.

HomeYap will provide step-by-step instructions to help buyers and sellers through the process: See the links below:

- [HomeYap Guide to Buying a Home](#)
- [HomeYap Guide to Selling a Home](#)
- [Comparative Market Analysis \(CMA\) instructions](#)
- [CMA worksheet example](#)
- [Buying/Selling timeline worksheet](#)
- [Example of an offer](#)
- [Example of an offer addendum](#)
- [Example of an Offer- Home Sale Contingency](#)

The Problems with more granularity

HOME BUYERS HAVE NO VOICE IN THE MARKET - Only two people know the buy-side of the real estate market – the buyer and his realtor

AN INEFFICIENT MARKET - Unlike almost every other large market, the real estate market is characterized by huge information imbalances and lack of transparency.

1. The sell side of the market is known by just about anybody with a computer or a cell phone
2. The Sell-side is organized and controlled by realtors and the MLS network. This is designed to protect \$70 billion in commissions.
3. The only place, other than a single real estate agent, where buyers can input their wants is Zillow and other on-line sites. These sites are only search engines that give no sellers information about home buyers. *Zillow is really a lead generator for real estate agents.* (There will be more on this later.)

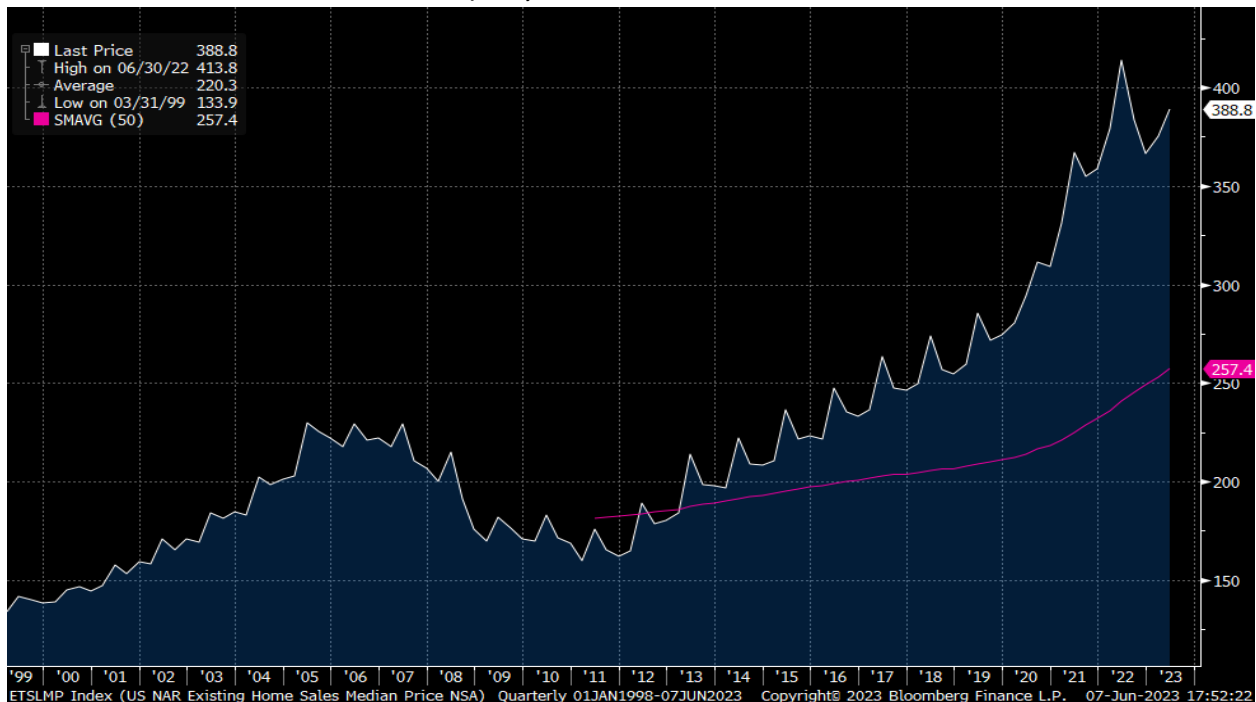
THE COST OF SELLING A HOME IS VERY HIGH. The normal person in the U.S. will spend 24% of their pre-tax household income to sell their home.

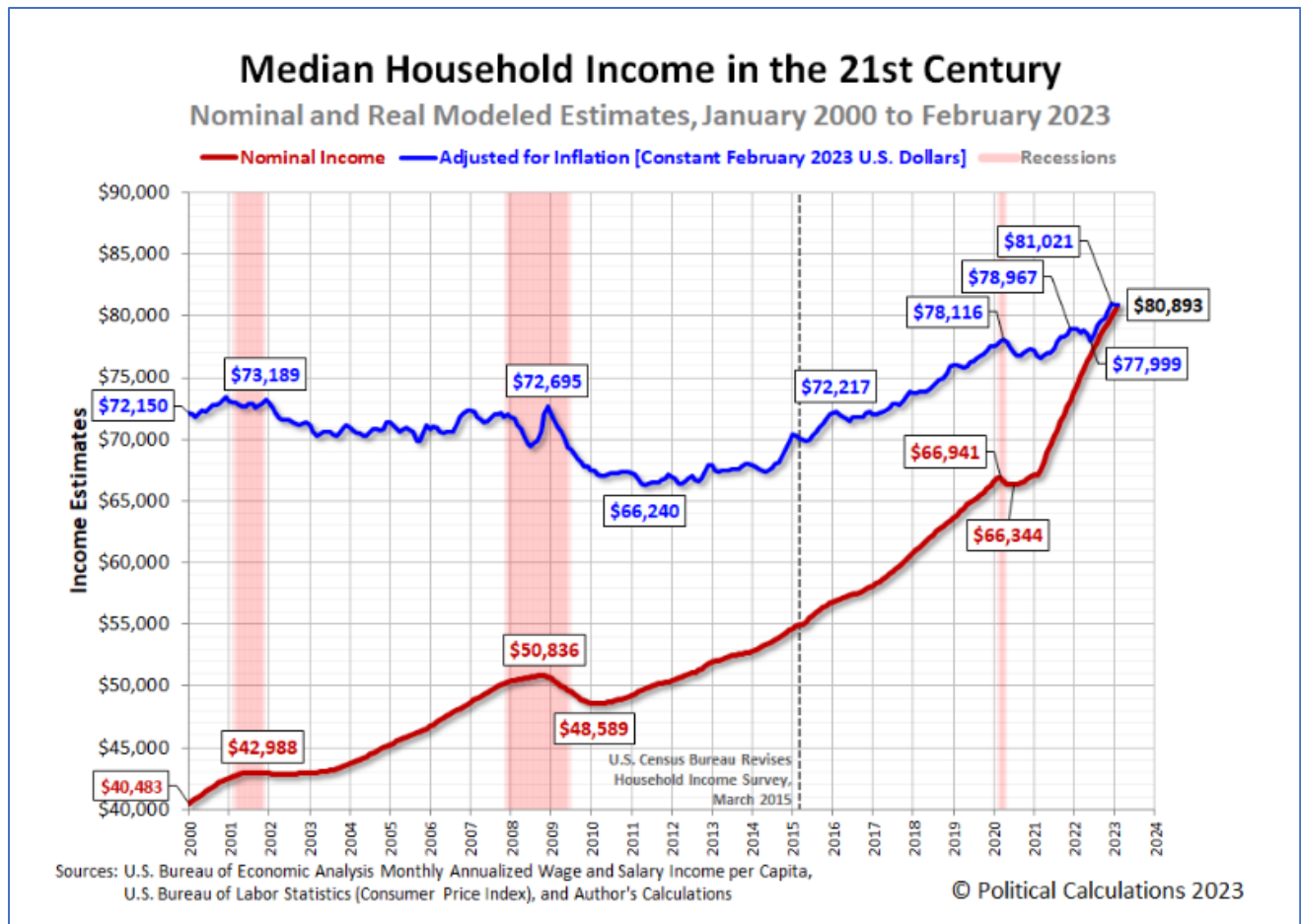
MATH: Median Home Price \$388,000 X 5% = \$19,400 (commission)

\$19,400/\$80,893 (U.S. average household income) = 23.98%

(sources below)

US Median Home Price – most recent \$388,000



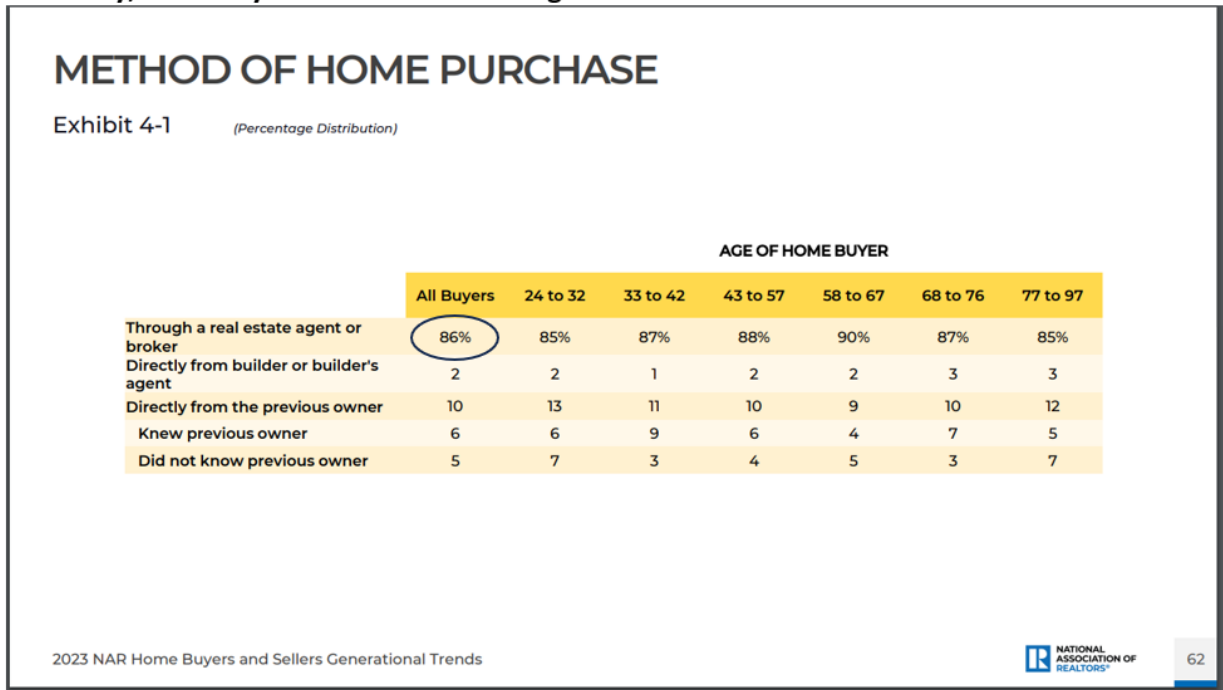


TO PROTECT THE \$70 BILLION THAT HOME SELLERS PAY EACH YEAR TO BROKERS, THE INDUSTRY REFUSES TO ALLOW SIMPLE TECHNOLOGY TO SOLVE THE PROBLEM.

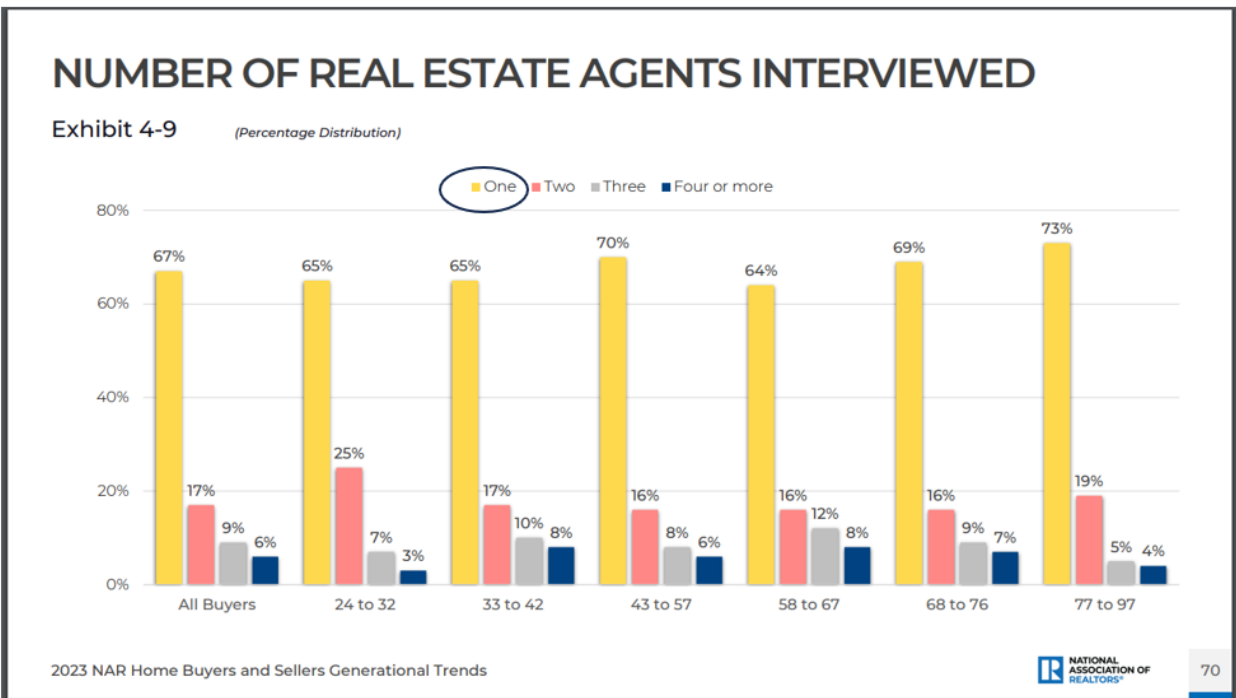
1. Over 85% of home buyer and home sellers use a real estate agent.
2. What does a real estate agent do? On the buy-side they help individuals find homes. On the sell-side they market homes for sale.
3. Sell-side – agents get exclusive contracts with home-sellers, who agree to pay 5%-6% of the sale price of their homes to accomplish the sale.
 - through an agreement with the local MLS, agents list, publicize, show, assist in the negotiation, and coordinate the closing.
4. Buy-side – agents, who have access to MLS, normally get paid ½ of the commission to find a buyer for homes that are for sale.
 - Buyer agents show homes, assist in the negotiation, and coordinate the closing.
5. Almost all listings can be searched and found through on-line real estate sites. That is because services exist to provide the MLS data for a fee.

The charts and tables below are from the most recent [NAR \(March 2023\) survey](#). The results give clear indications of the state of the current real estate market.

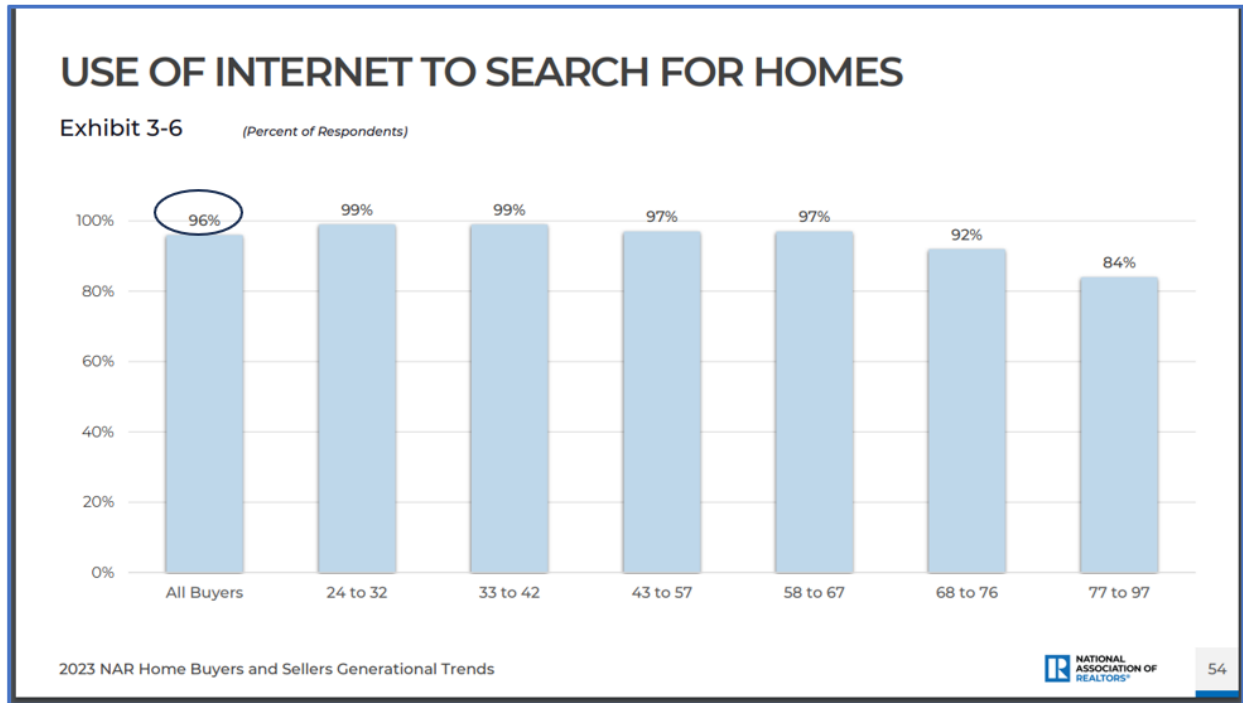
Currently, most buyers use a real estate agent



Most buyers do not really know if the real estate agent is good or bad. They do not shop. The vast majority of them only speak with 1 agent.



Even though they have a real estate agent. 96% of buyers use the Internet to search for homes.



Over half of the buyers found the house they eventually bought by using the Internet, while only 29% found a house through their agent.

WHERE BUYER FOUND THE HOME THEY PURCHASED

Exhibit 3-4 (Percentage Distribution)

| | AGE OF HOME BUYER | | | | | | |
|--|-------------------|----------|----------|----------|----------|----------|----------|
| | All Buyers | 24 to 32 | 33 to 42 | 43 to 57 | 58 to 67 | 68 to 76 | 77 to 97 |
| Internet | 51% | 56% | 52% | 53% | 55% | 42% | 38% |
| Real estate agent | 29 | 25 | 25 | 29 | 39 | 36 | 31 |
| Friend, relative or neighbor | 10 | 10 | 10 | 7 | 9 | 9 | 21 |
| Directly from sellers/Knew the sellers | 5 | 5 | 9 | 4 | 3 | 5 | 3 |
| Yard sign/open house sign | 4 | 3 | 3 | 5 | 3 | 7 | 6 |
| Home builder or their agent | 1 | 1 | 1 | 2 | 1 | 1 | 1 |
| Print newspaper advertisement | * | * | * | * | * | * | * |
| Home book or magazine | * | * | * | * | * | * | * |
| Other | * | * | * | * | * | * | * |

*Less than 1 percent

2023 NAR Home Buyers and Sellers Generational Trends

NATIONAL ASSOCIATION OF REALTORS®

52

Even though most people found their homes using the Internet, 56% of them perceived that finding a home was the most difficult part of the process. Only 15%, 13%, and 8% found that paperwork, understanding the process, and appraising the property was difficult, respectively.

MOST DIFFICULT STEPS OF HOME BUYING PROCESS

Exhibit 3-5 (Percent of Respondents)

| | AGE OF HOME BUYER | | | | | | |
|--|-------------------|----------|----------|----------|----------|----------|----------|
| | All Buyers | 24 to 32 | 33 to 42 | 43 to 57 | 58 to 67 | 68 to 76 | 77 to 97 |
| Finding the right property | 56% | 60% | 52% | 59% | 54% | 59% | 56% |
| Paperwork | 15 | 17 | 20 | 15 | 13 | 14 | 16 |
| Understanding the process and steps | 13 | 30 | 19 | 12 | 7 | 7 | 8 |
| Saving for the down payment | 13 | 28 | 19 | 21 | 2 | 2 | * |
| Appraisal of the property | 8 | 8 | 6 | 9 | 8 | 7 | 5 |
| Getting a mortgage | 7 | 9 | 11 | 7 | 6 | 5 | 2 |
| Inability to move forward in process due to Covid-19 | 3 | 2 | 3 | 3 | 4 | 2 | 1 |
| Other | 7 | 7 | 7 | 8 | 8 | 6 | 5 |
| No difficult steps | 20 | 10 | 14 | 18 | 25 | 23 | 32 |

*Less than 1 percent

SELLERS

Like their buyer counterparts, 86% of sellers used a real estate agent to sell their home.

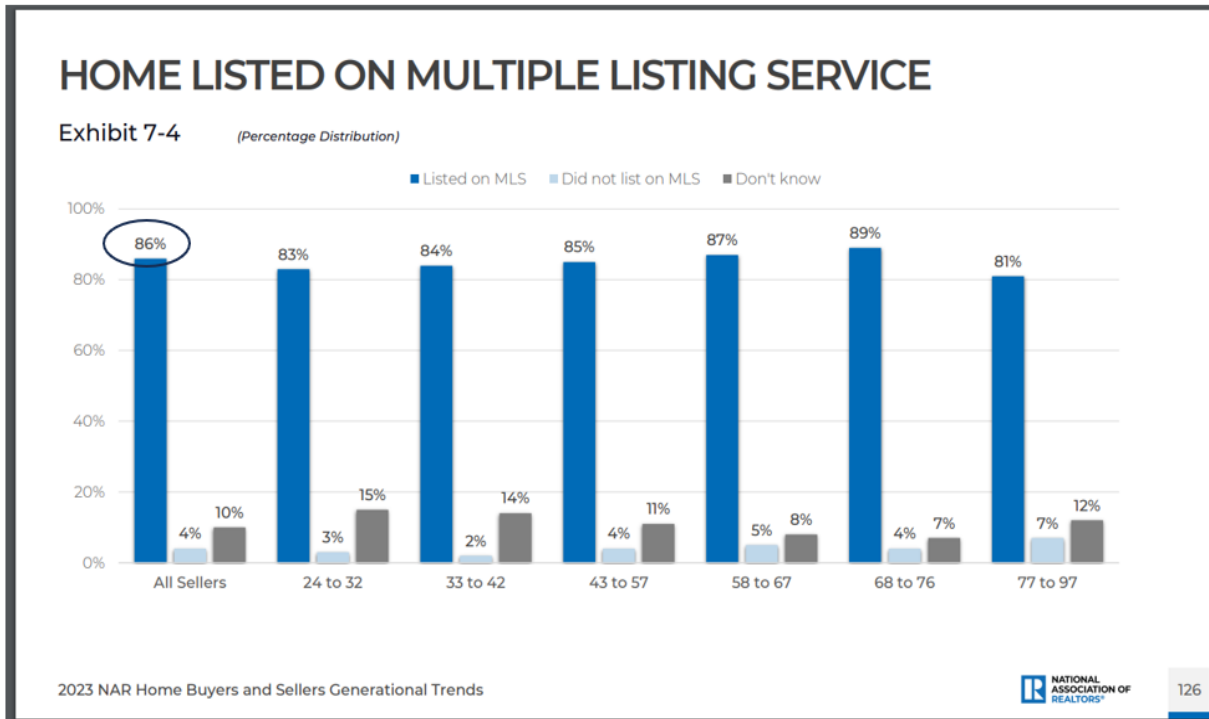
METHOD USED TO SELL HOME

Exhibit 6-18 (Percentage Distribution)

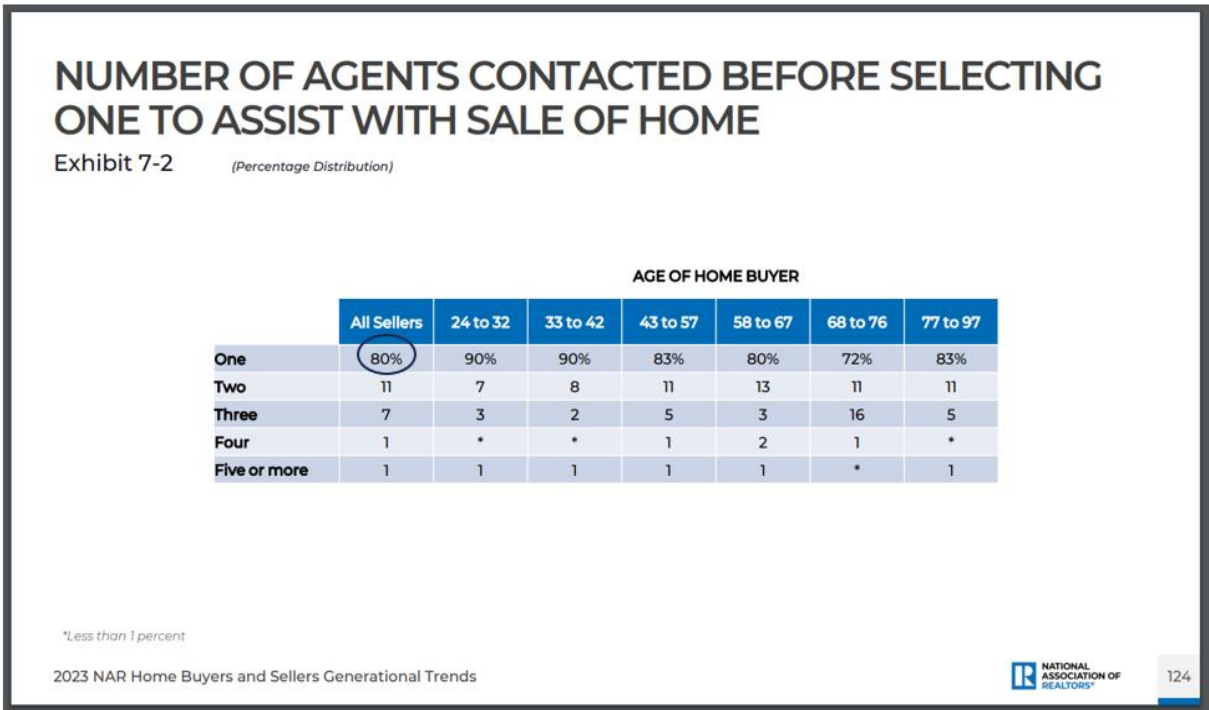
| | AGE OF HOME SELLER | | | | | | |
|--|--------------------|----------|----------|----------|----------|----------|----------|
| | All Sellers | 24 to 32 | 33 to 42 | 43 to 57 | 58 to 67 | 68 to 76 | 77 to 97 |
| Sold home using an agent or broker | 86% | 87% | 86% | 82% | 84% | 84% | 82% |
| Seller used agent/broker only | 85 | 85 | 85 | 81 | 82 | 83 | 80 |
| Seller first tried to sell it themselves, but then used an agent | 1 | 2 | 1 | 1 | 2 | 1 | 2 |
| Received quote from iBuyer, but sold with real estate agent/broker | * | * | * | * | * | * | * |
| For-sale-by-owner (FSBO) | 10 | 9 | 9 | 12 | 11 | 11 | 12 |
| Seller sold home without using a real estate agent or broker | 10 | 9 | 9 | 11 | 11 | 10 | 11 |
| First listed with an agent, but then sold home themselves | * | * | * | 1 | * | 1 | 1 |
| Sold home to a homebuying company | 1 | 2 | 1 | 2 | 1 | 2 | 2 |
| Sold it through an iBuyer program | 1 | 1 | 1 | * | * | * | 1 |
| Other | 2 | 2 | 3 | 4 | 3 | 3 | 3 |

*Less than 1 percent

86% had their homes listed on an MLS network.



Just like buyers, sellers do not shop for the best agent. 80% only spoke to one agent.



The obvious conclusion is that buyers and sellers hire the first agent they speak to.

Buyers are spending a lot of time searching the internet for homes.

Sellers are paying 24% of their annual household income for the MLS network, which feeds online sites like Zillow, which is where buyers are going to find homes for sale.

The obvious question is, why can't buyers and sellers use the internet to find each other?

THE REAL ESTATE INDUSTRY'S MECHANICS EXISTS AS IF THE TECHNOLOGY OF THE PAST 20 YEARS NEVER HAPPENED

Through the internet, technology has evolved so that individuals can do almost every transaction without the assistance of a human being:

- Buy and sell a car
- Buy and sell a myriad of other kinds of property from other people (boats, furniture, etc...)
- Buy products (Amazon and almost every company that makes a product).
- Find a loved one or just love.
- Manage an investment portfolio
- Buy insurance of all kinds
- Sign contracts electronically (DocuSign, etc...)
- Buy travel, rent vacation homes, rent cars.

Why can't people buy and sell property online?

HomeYap says they can!

HomeYap says the real estate brokerage industry makes this seem impossible when it is actually very possible.

HomeYap says people can buy and sell homes safely, easily, and at a far lower expense.

Solution

INITIAL SOLUTIONS (FIRST STAGES)

BUYERS GET A VOICE. They can broadcast their Buy Wants to the world to find matching sellers.

LESS ENERGY AND STRESS. Buyers and Sellers get automatic alerts.

ANONYMOUS CHAT – Buyers can chat anonymously with agents and sellers about matching homes and avoid becoming a sales lead.

EVERYONE SAVES TIME AND ENERGY – buyers and sellers can chat first to determine if further action makes sense.

FSBO BECOMES A VIABLE OPTION – right now, 86% of sellers use and pay for an agent to list their home. If there were a database of buyers and an inexpensive way to find those buyers, more people would sell on their own

LATER-STAGE SOLUTIONS:

LOWER COSTS FOR HOME BUYERS AND SELLERS:

- FSBO (for Sale by Owner) on HomeYap – becomes the prevalent way of selling at a much, much lower costs of selling
- BUYERS – lower costs for sellers should translate into lower prices for homes

A TRANSPARENT MARKET FOR HOMES – the ultimate solution is a market where demand and supply are transparent for everyone. In this final scenario, a search on HomeYap would bring up **ALL buyers and sellers** in a given area using filtered property characteristics.

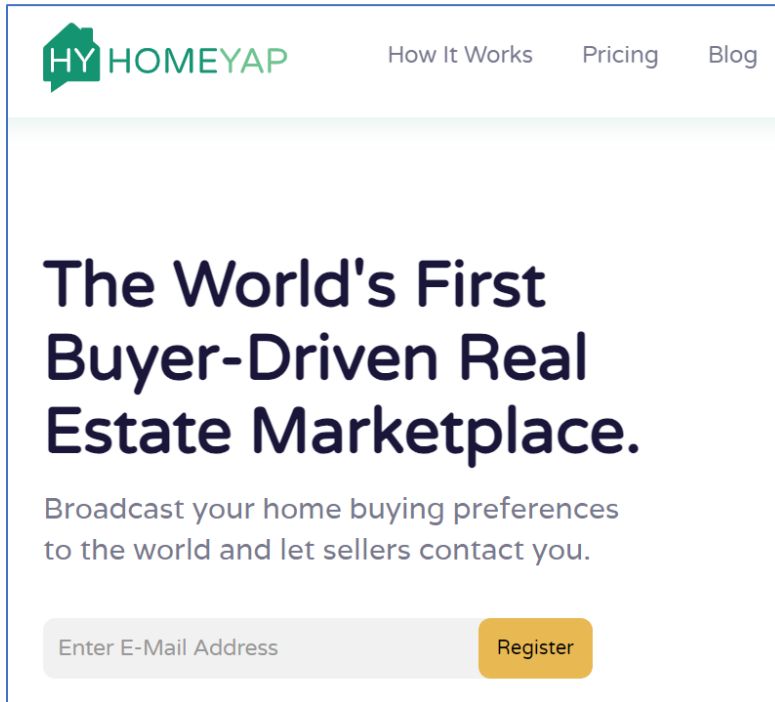
The Product / Service

HomeYap is easy to use. The following two videos show:

1. an example of a consumer using HomeYap and ...



2. a demonstration of how to use the website.

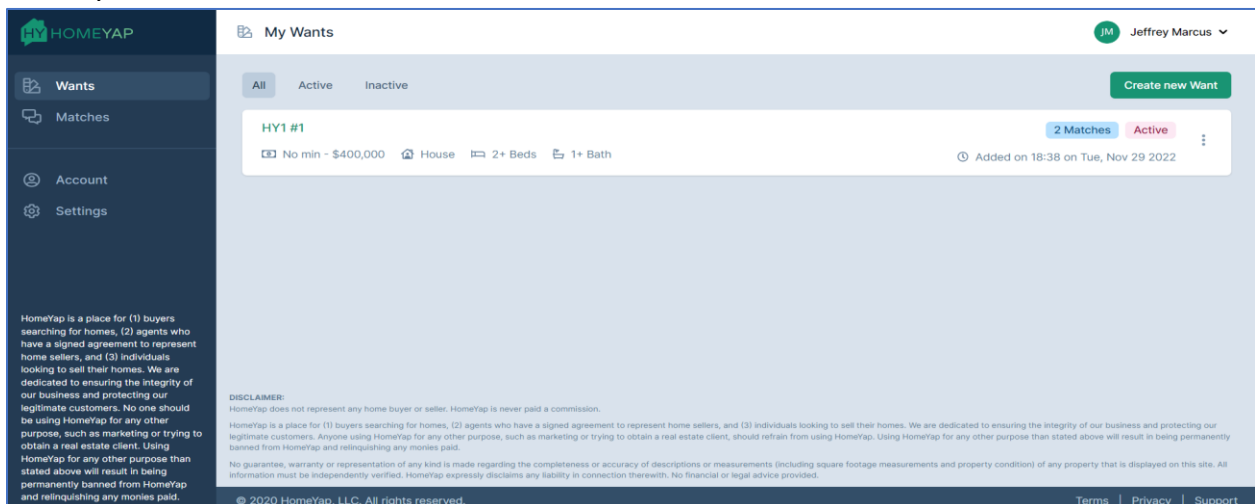


Business Model – how we get paid

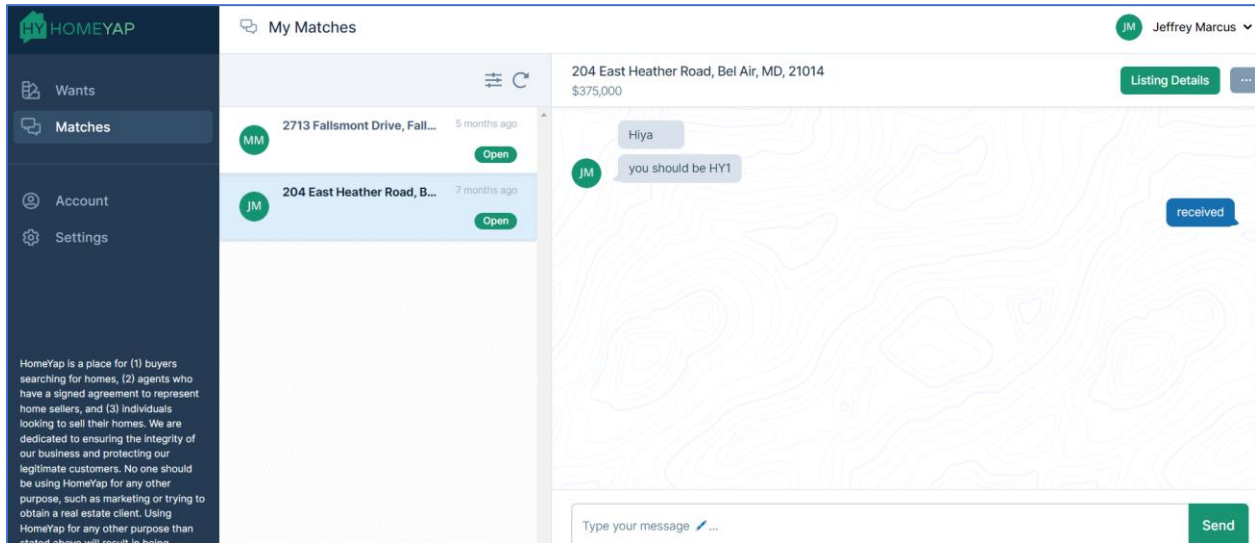
The business model is best described by breaking HomeYap down by users.

Home buyers – can register and create as many BuyWants (descriptions of what they want to buy) as they need. There is never a cost to the buyer. This is helpful initially because, in the current environment, the buyer can search and find a house for free and pays no commission.

The buyer dashboard

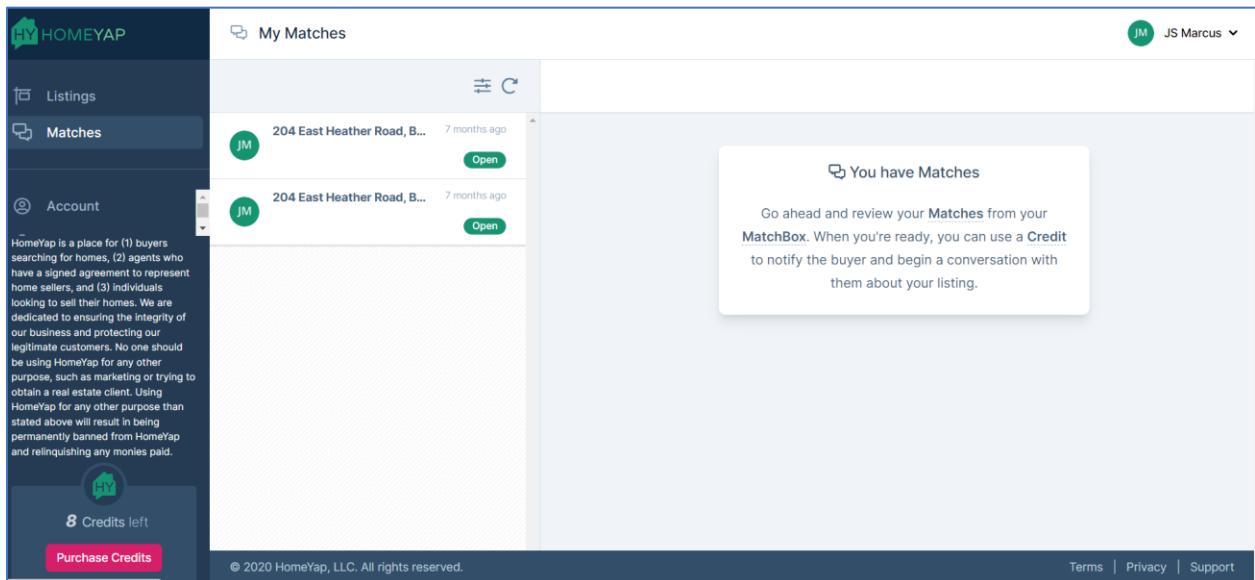


Matches and the beginning of a chat



Real estate agents – initially, we were going to have agents find HomeYap, register, and get notified when a buyer matched a home they had for sale. We have decided that we can eliminate this step by purchasing the MLS listings directly from Listhub using an IDX exchange. Now, before an agent has registered at HomeYap, he/she will get a notification by email that a buyer for their listing is at HomeYap.

Seller dashboard and matches



Agents will register for free, but will need to pay \$25/month to be able to chat with buyers. Agents will receive five chat credits each month. If they need to chat with additional buyers, they buy more credits.

Credit Bundles
Need some extra credits to message buyers? Grab some here. You have 8 credits remaining

| | | | | | |
|------------------|-------------|-------------------|-------------|-------------------|-------------|
| 5 CREDITS | \$25 | 10 CREDITS | \$45 | 20 CREDITS | \$60 |
| → | | → | | → | |

We believe the average agent will need to buy at least 5 additional credits to sell a house. That means the revenue from each agent will be the initial \$25 plus a 5-credit package for \$25 = \$50 per month. Since agents can spend thousands of dollars on marketing a home, this is a VERY reasonable cost to speak to an interested buyer.

For Sale by Owner (FSBO)

We have designed but have yet to create the FSBO module. The cost of developing this module is less than \$5000. The FSBO module will allow individual home sellers to create their own listings, which will match with HomeYap buyers. The FSBO listing will mirror existing MLS listings.

The FSBO listing will consist of:

1. A descriptive profile created by the FSBO
2. Standard details of the property – address, square feet, bedrooms, bathrooms, style, heat source, septic type, water source....
3. Photographs
4. Video
5. Documents – deed, tax assessor field card, floor plans

The price for the FSBO on HomeYap will be \$49/month. This price obviously is far less than they would pay an agent. If it takes 6 months to sell their home, the average FSBO will pay HomeYap \$294 versus \$19,400 (median home price \$388,000 X 5%).

Additional sources of revenue

Once HomeYap achieves a critical mass, there should be opportunities for additional revenue streams through advertising.

1. General consumer product and consumer service companies. These could be national or targeted to the local or regional HomeYap user.

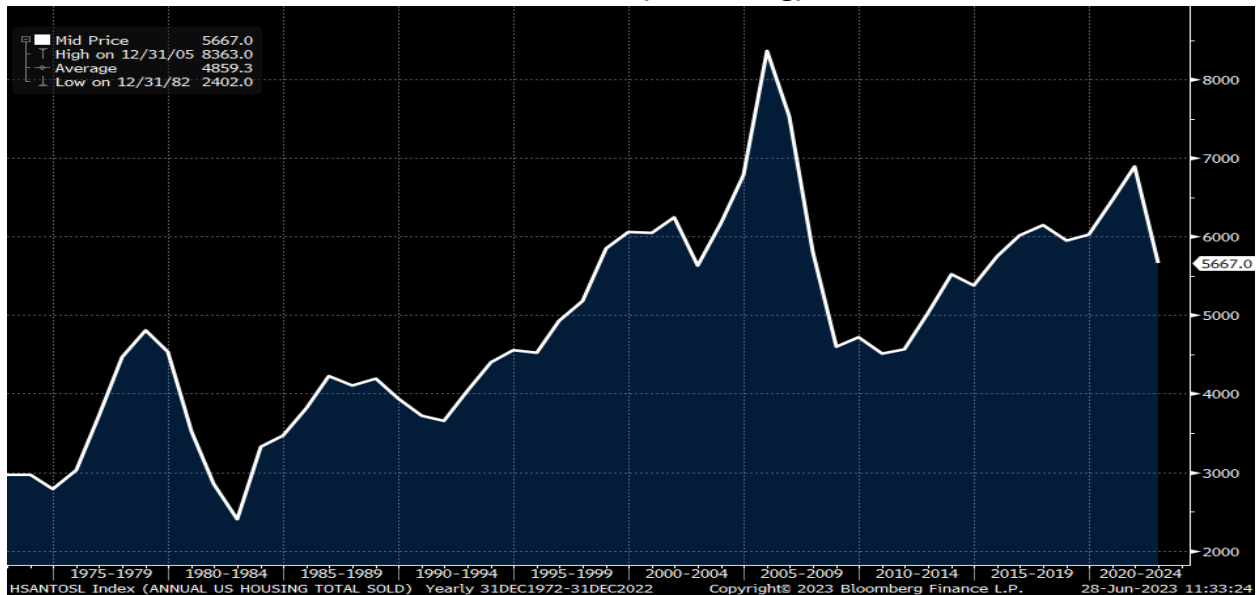
2. Local or regional home-related service providers such as mortgage companies, banks, lawyers, insurance, contractors, plumbers, electricians, and landscapers.

Market size

The residential real estate market can be measured in a number of different ways that are relevant to HomeYap.

1. Real estate agents – there are currently 1.5 million real estate agents in the U.S. This is down from a peak of about 2 million during Covid. HomeYap wants to increase the number of agents registered at HomeYap and pay credits every month.
2. Transactions – annualized home sales rate in 2023 is 5.6 million homes. *Of course, 5.6 million homes represent 11.2 million potential HomeYap users per year. There is a buyer and a seller for every transaction.*

ANNUAL HOMES SOLD IN THE U.S. – 1975-2023 (Bloomberg)



3. Transactions are important because as HomeYap's business develops, we will be looking to capture not just the fees from listing agents, but also FSBO business.
 - As the number of buyers registering BuyWants at HomeYap increases, more notifications will be sent out to agents and more agents will be registering at HomeYap.
 - When FSBO's start to realize that HomeYap is an easy, inexpensive, and effective place to sell a home, HomeYap will not only attract people who would have sold on their own anyway, but people who would have listed with an agent.
 - The increased numbers of FSBOs overall, will decrease the number of listings for agents

Competition

No one is currently doing what HomeYap is designed to do. So, there is no direct competition, but if competition is other places that buyers and sellers of residential real estate can go to accomplish their end goals, there are many.

1. Real estate brokerage

- This will be the biggest competition. Real estate brokerages and agents will be hostile to HomeYap, because it directly threatens the existing model (\$70 billion in revenue) and agents' jobs.
- The current real estate broker formula:
 - Buyers – free
 - Sellers - 4% to 6% of the closing price of the property.
 - At HomeYap, buyers are free and sellers pay significantly less

2. Zillow and other online sites

- Zillow gets the IDX feed from every U.S. MLS. As soon as an agent makes a home active in MLS, the feed goes to Zillow and other sites like it.
- Buyers search and use save searches on Zillow for alerts of listings that match their filters.
- When a buyer goes to a Zillow listing, they are invited to speak to 1 of 3 visible Premier agents. These agents have paid to appear here. They are likely not the listing agent. Zillow makes most of its money from Premier agents. The agents are paying for sales leads.
- As the problem section highlighted, buyers are not only searching Zillow on their own, their buyer agent is also searching MLS. This is a duplicate effort since Zillow's data is identical to the MLS data.

3. Scattered and very small FSBO companies – these companies are places where sellers can list homes; similar to HomeYap's FSBO function or they are lead mechanisms for a Brokerage firm to get listings. The problem with the former is:

- The seller is dependent on the marketing reach of these small companies. Their reach is usually very limited.
- Buyers are not in any important way aware of these markets for homes for sale.
- HomeYap solves these problems by matching all homes for sale with registered HomeYap buyers.

Go-To-Market Plan

HomeYap's go-to-market plan should develop along 4 stages.

1. Pre-HomeYap

- Buyers - represented by one agent. No one else is aware of their wants
- Sellers - the whole world knows, but they pay a hefty price, which is 5% of the value of their largest asset to complete the sale.

2. HomeYap - phase 1

- Buyers- BuyWants.
- BuyWants are matched to sellers/ mostly agents, who invite them to chat
- BuyWants are mostly matched using Listhub and an IDX feed
- A notification is sent to agents to invite buyer to chat
- Start to attract FSBO
- Build a base of registered buyers

3. HomeYap - phase 2

- Registered buyer base is growing
- FSBO number has grown to a critical mass
- Buyers and Sellers are chatting with each other
- Attract advertisers and partners

4. HomeYap - phase 3

- **The HomeYap Exchange** is created. Any search by buyers or sellers generates a market screen. The market screen shows both Buyers and Sellers in a location sorted by price, square feet, bedrooms, baths, acres, and other variables. Both buyers and sellers pay a small monthly fee and chat credits.

| <i>HomeYap Market View (future)</i> | | | | | | | |
|-------------------------------------|-------------|--------------|---------------------|-----------------|------------------|--------------|--------------|
| | <u>TOWN</u> | <u>STATE</u> | <u>SIZE (SQ FT)</u> | <u>BEDROOMS</u> | <u>BATHROOMS</u> | <u>ACRES</u> | <u>PRICE</u> |
| Search | Anyplace | IL | 2200 | 3 | 2 | ANY | \$400,000 |
| Results | | | | | | | |
| <u>BuyWants</u> | <u>TOWN</u> | <u>STATE</u> | <u>SIZE (SQ FT)</u> | <u>BEDROOMS</u> | <u>BATHROOMS</u> | <u>ACRES</u> | <u>PRICE</u> |
| 1 | Anyplace | IL | 2000 | 2 | 3 | ANY | 400000 |
| 2 | Anyplace | IL | 1900 | 3 | 2 | ANY | 400000 |
| 3 | Anyplace | IL | 2300 | 3 | 2 | ANY | 390000 |
| 4 | Anyplace | IL | 2200 | 3 | 2 | ANY | 385000 |
| 5 | Anyplace | IL | 2100 | 4 | 2 | ANY | 410000 |
| 6 | Anyplace | IL | 2000 | 2 | 3 | ANY | 405000 |
| <u>For Sale</u> | <u>TOWN</u> | <u>STATE</u> | <u>SIZE (SQ FT)</u> | <u>BEDROOMS</u> | <u>BATHROOMS</u> | <u>ACRES</u> | <u>PRICE</u> |
| 23 Main Street | Anyplace | IL | 2050 | 3 | 2 | 0.34 | \$415,000 |
| 157 Mountain View | Anyplace | IL | 2400 | 4 | 2 | 0.50 | \$395,000 |
| 13 Spring Road | Anyplace | IL | 2200 | 3 | 2 | 1.20 | \$405,000 |
| 45 Clear Lane | Anyplace | IL | 2250 | 3 | 3 | 1.80 | \$400,000 |
| 23 Clear Lane | Anyplace | IL | 2300 | 4 | 2 | 0.33 | \$410,000 |
| 102 East Street | Anyplace | IL | 2100 | 2 | 2 | 0.45 | \$389,000 |

- Much larger advertiser and partner revenue

Financials

Revenue forecasts

We recognize that HomeYap will be a new idea in buying and selling homes. We also understand from the survey above and industry knowledge that:

1. Consumers would welcome a new paradigm
2. Realtors are always hungry for a way to find buyers for their listings.

Even at the very low Reach assumptions, HomeYap would generate revenue and could be self-sustaining quickly with a good marketing campaign to Buyers, Realtors, and FSBO's.

Below is the projected 1, 2, and 3-year revenues.

| Market | TOTAL | Reach 2.5% | Reach 5.0% | Reach 10.0% | Reach 12.5% | Reach 15.0% | Reach 17.5% | Reach 20.0% | Reach 22.5% | Reach 25.0% | Reach 27.5% | Reach 30.0% | Reach 32.50% | Reach 35% |
|--|------------------|---------------|-------------|------------------|---------------|--------------|-------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Real Estate agents = | 1,500,000 | 37,500 | 75,000 | 150,000 | 187,500 | 225,000 | 262,500 | 300,000 | 337,500 | 375,000 | 412,500 | 450,000 | 487,500 | 525,000 |
| Homes sold annually = | 5,667,000 | 141,675 | 283,350 | 566,700 | 708,375 | 850,050 | 991,725 | 1,133,400 | 1,275,075 | 1,416,750 | 1,558,425 | 1,700,100 | 1,841,775 | 1,983,450 |
| Assumptions about annual revenues | | | | | | | | | | | | | | |
| 1. Registration = \$25 | | | | | | | | | | | | | | |
| 2. For every house for sale uses 10 credits or 10 chats = \$25 | | | | | | | | | | | | | | |
| POSSIBLE REVENUES | | | | | | | | | | | | | | |
| 1. Realtors | Reach | 1.0% | 2.5% | 5.0% | 10.0% | 15.0% | 17.5% | 20.0% | 22.5% | 25.0% | 27.5% | 30.0% | 32.5% | 35.0% |
| | Realtors | 56,670 | 141,675 | 283,350 | 566,700 | 850,050 | 991,725 | 1,133,400 | 1,275,075 | 1,416,750 | 1,558,425 | 1,700,100 | 1,841,775 | 1,983,450 |
| (Assume \$50/realtor) | Revenue | \$2,833,500 | \$7,083,750 | \$14,167,500 | \$28,335,000 | \$42,502,500 | \$49,586,250 | \$56,670,000 | \$63,753,750 | \$70,837,500 | \$77,921,250 | \$85,005,000 | \$92,088,750 | \$99,172,500 |
| 2. FSBO's | Reach | 1.0% | 2.0% | 3.0% | 4.0% | 5.0% | 6.0% | 7.0% | 8.0% | 9.0% | 10.0% | 11.0% | 12.0% | 13.0% |
| | FSBO's | 56,670 | 113,340 | 170,010 | 226,680 | 283,350 | 340,020 | 396,690 | 453,360 | 510,030 | 566,700 | 623,370 | 680,040 | 736,710 |
| \$49 per FSBO listing | Revenue | \$2,776,830 | \$5,553,660 | \$8,330,490 | \$11,107,320 | \$13,884,150 | \$16,660,980 | \$19,437,810 | \$22,214,640 | \$24,991,470 | \$27,768,300 | \$30,545,130 | \$33,321,960 | \$36,098,790 |
| 3. Advertisers and Partners - later in the plan | | | | | | | | | | | | | | |
| PROJECTED REVENUES | | | | | | | | | | | | | | |
| | | YEAR 1 | | | YEAR 2 | | | YEAR 3 | | | | | | |
| | Realtor reach 1% | \$2,833,500 | | Realtor reach 5% | \$14,167,500 | | Realtor reach 15% | \$42,502,500 | | | | | | |
| | FSBO reach 1% | \$2,776,830 | | FSBO reach 5% | \$13,884,150 | | FSBO reach 10% | \$27,768,300 | | | | | | |
| | Advertiser (0) | 0 | | Advertiser (5) | \$300,000 | | Advertiser (20) | \$1,200,000 | | | | | | |
| | Total Revenues | \$5,610,330 | | | \$28,351,650 | | | \$71,470,800 | | | | | | |
| Advertisers estimated at \$5,000/month | | | | | | | | | | | | | | |

Financial needs (years 1 and 2)

Our financial needs are below. We assume no revenue to offset the investment need for the first 2 years, but we do believe that we can garner Realtors, Buyers, and FSBO's in a very short-term with the right marketing.

1. **Listhub** – MLS feed to match with BuyWants - \$9,000 per month

2. **Marketing and advertising:**
 - TV - \$10,000/month
 - Social media - \$10,000/month
 - Marketing consultant – Great Harbor - \$3,000/month

3. **Developer consultant** – Adrian Gorny - \$4,000/month

See the 12 and 24 month maximum financial need below...

| <u>Item</u> | <u>Description</u> | <u>Monthly</u> | <u>Annual</u> |
|---|--------------------------------------|-----------------|------------------|
| Listhub | IDX feeds from 575 MLS nationally | \$9,000 | \$108,000 |
| Marketing & Advertising | | | |
| | TV - digital demographically focused | \$10,000 | \$120,000 |
| | Social Media - TikTok, Twitter | \$10,000 | \$120,000 |
| | Marketing consultant | \$3,000 | \$36,000 |
| Developer | Adrian Gorny | \$4,000 | \$48,000 |
| | 12 MONTH FINANCIAL NEED* | \$36,000 | \$432,000 |
| | 24 MONTH FINANCIAL NEED* | | \$864,000 |
| | | | |
| <i>* does not take into account expected revenues</i> | | | |