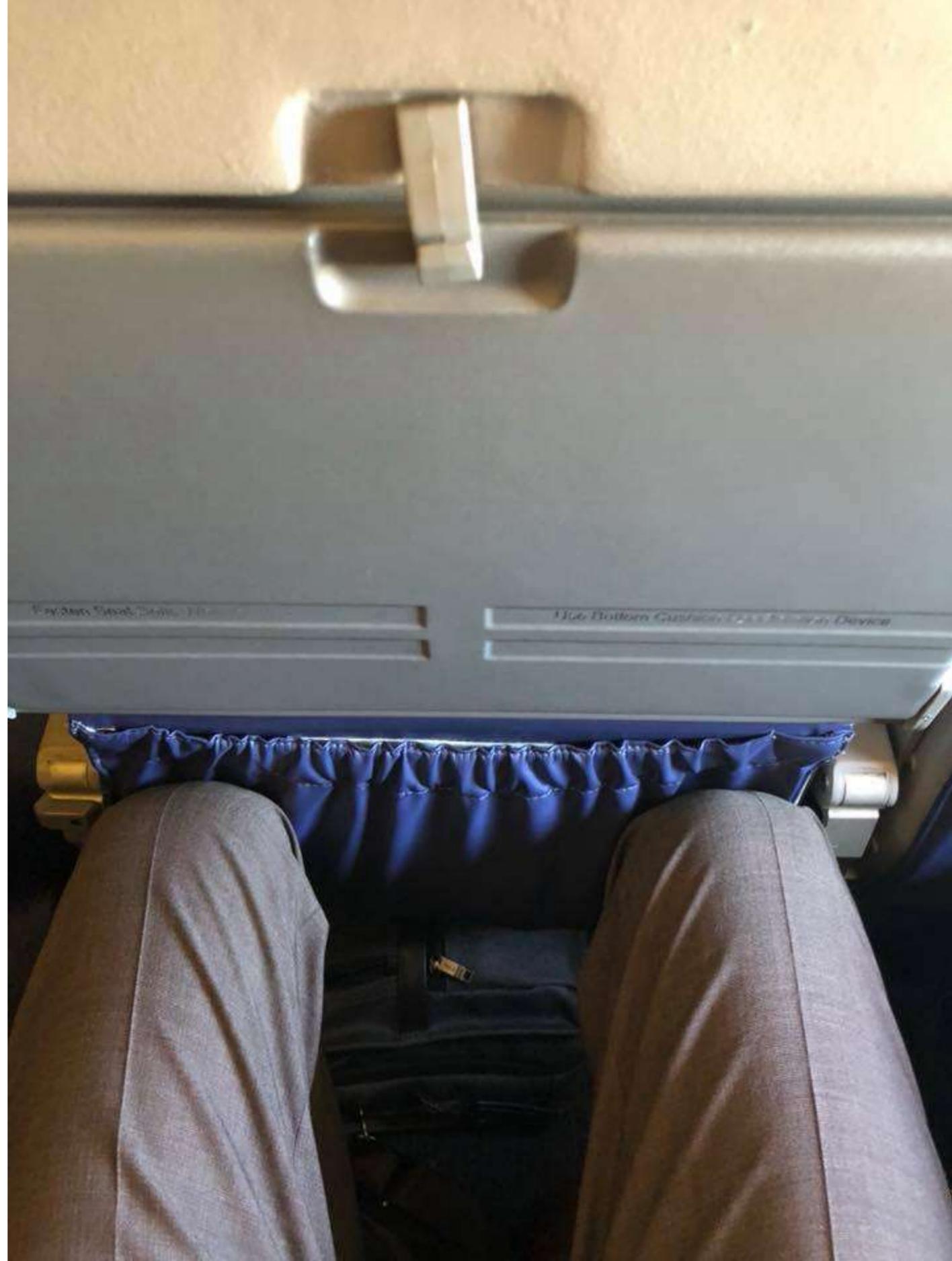


The Future of Real Estate

A nighttime photograph of the New York City skyline. The Manhattan Bridge is illuminated with warm lights, and its suspension cables are visible. In the foreground, a carousel is lit up. The city's skyscrapers are brightly lit, with their lights reflecting on the water in the foreground. The sky is dark, and the overall scene is vibrant and colorful.

James Dwiggins, CEO
NextHome, Inc.







HOUSING'S CONTRIBUTION TO GDP

Averages 15-18% with a cumulative value of \$31.8 trillion



Residential investment (averaging roughly 3-5% of GDP), which includes construction of new single-family and multi-family structures, residential remodeling, production of manufactured homes, and brokers' fees.

Consumption spending on housing services (averaging roughly 12-13% of GDP), which includes gross rents and utilities paid by renters, as well as owners' imputed rents and utility payments.

HOUSING STATISTICS

2018 Recap

- \$298,000 average home price, up 3.0% from \$289,200 in 2017
- 5.34 million existing home sales, down 3.1% from 5.51 million in 2017
- 910,000 new home units closed (estimate), up 6% from 860,000 in 2017
- Appreciation rate will be around ~ 4.7%, 2017 (6.3%), 2016 (5.5%), 2015 (5.7%), 2014 (4.9%), 2013 (9.6%) and 2012 (7.4%)



ONE BIG QUESTION

How do we buy or sell real estate in the future?



THE REAL ESTATE EXPERIENCE

Many inexperienced agents, lack of broker oversight, tons of paperwork, consumer confusion, etc.

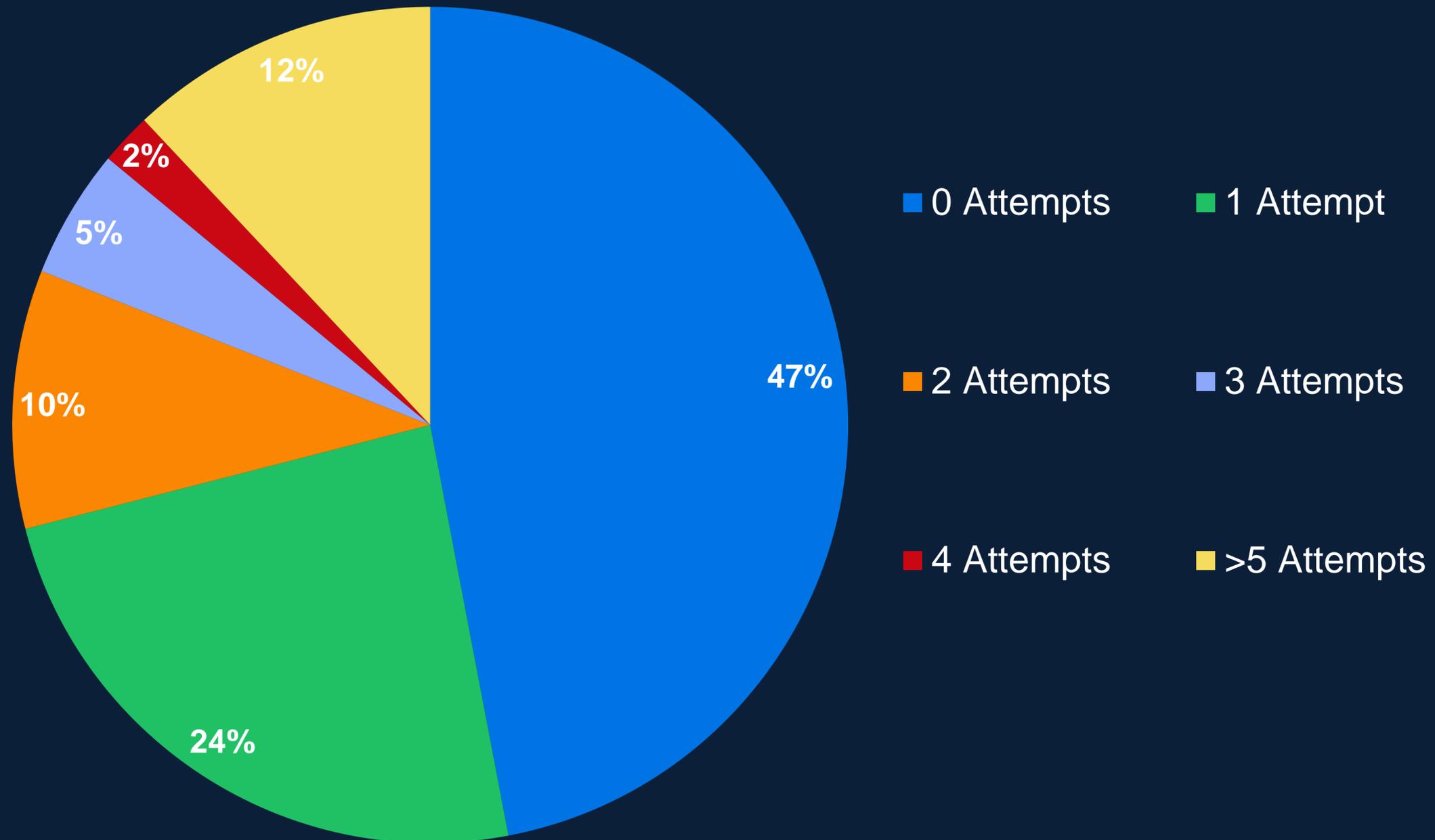




82% of sellers said they would use their real estate agent again, yet 23% actually do.

NEARLY HALF OF ALL INQUIRIES UNANSWERED

Zillow has been tracking agent response





**Real estate agents need
to clearly provide and
articulate a unique value
proposition or face being
removed from the
buying/selling process**



VENTURE CAPITALISTS

They want a piece of the action



In 2010, the total investment in real estate technology was estimated to be \$33 million.
In 2017, over \$5 billion was raised.

WHY?

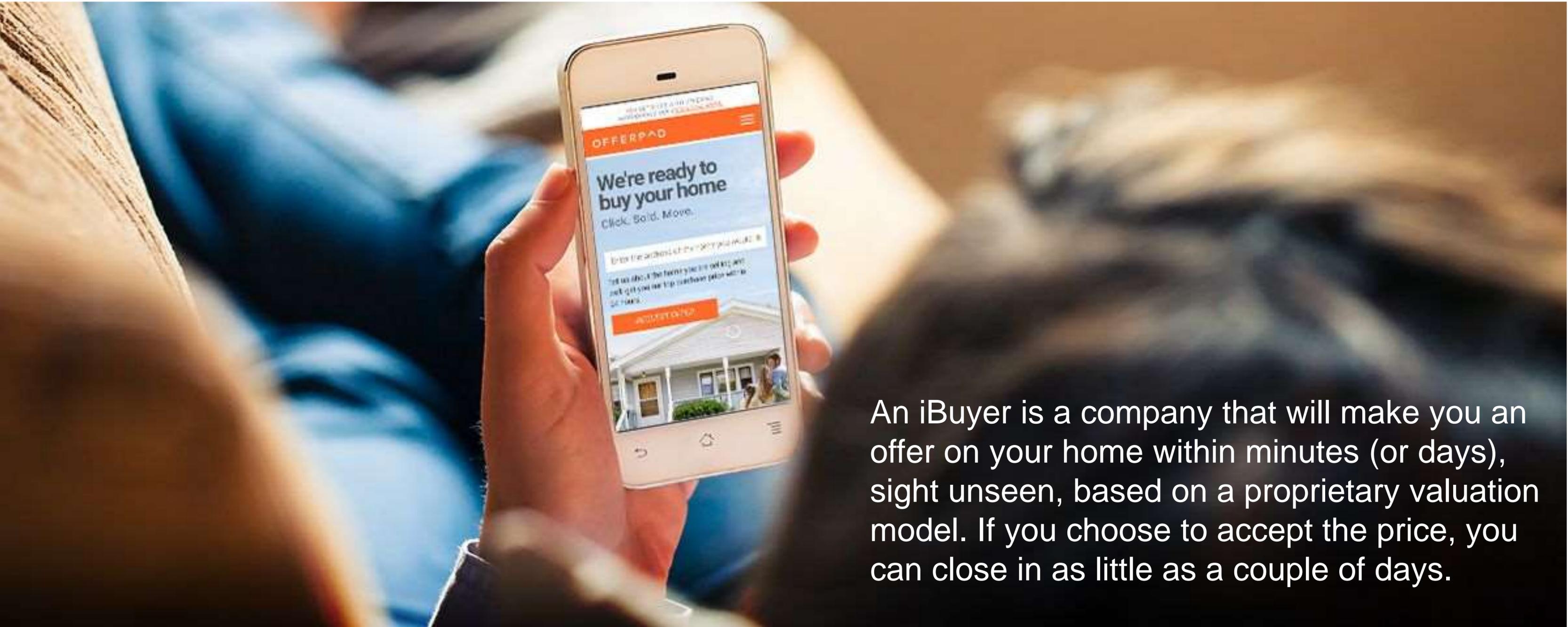


Country	Transactions	Avg. Sale Price	Avg. Commission	Annual Commission Pool
United States	5,600,000	\$223,000	5.0%	\$62B
Australia	500,000	\$471,000	2.0%	\$4.7B
United Kingdom	1,200,000	\$275,000	1.4%	\$4.6B
New Zealand	90,000	\$318,000	2.8%	\$801M

COMMISSION RATE COMPARISON

THERE ARE A LOT OF PLAYERS BECAUSE THE OPPORTUNITY IS HUGE!

iBUYERS EMERGE



An iBuyer is a company that will make you an offer on your home within minutes (or days), sight unseen, based on a proprietary valuation model. If you choose to accept the price, you can close in as little as a couple of days.

knock

Opendoor

REDFIN

Offerpad

Zillow

iBUYER MARKET SHARE

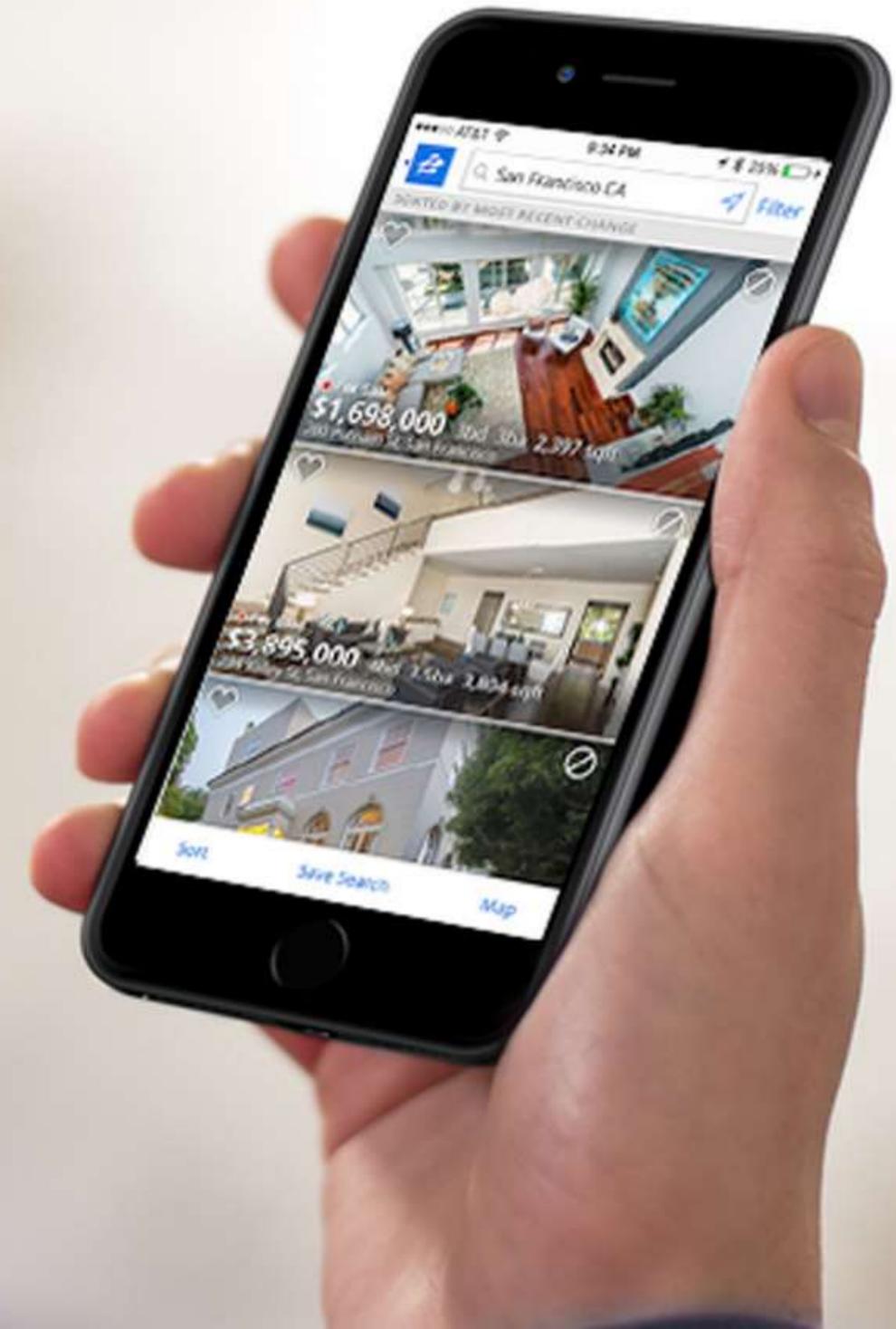
Convenience is a huge attraction for some

0.2% is percentage of all transactions across the US were sold to iBuyers

5% market share in November in Phoenix

3% of the 5% is Opendoor in Phoenix

Opendoor is now in 16 markets (exponential growth)

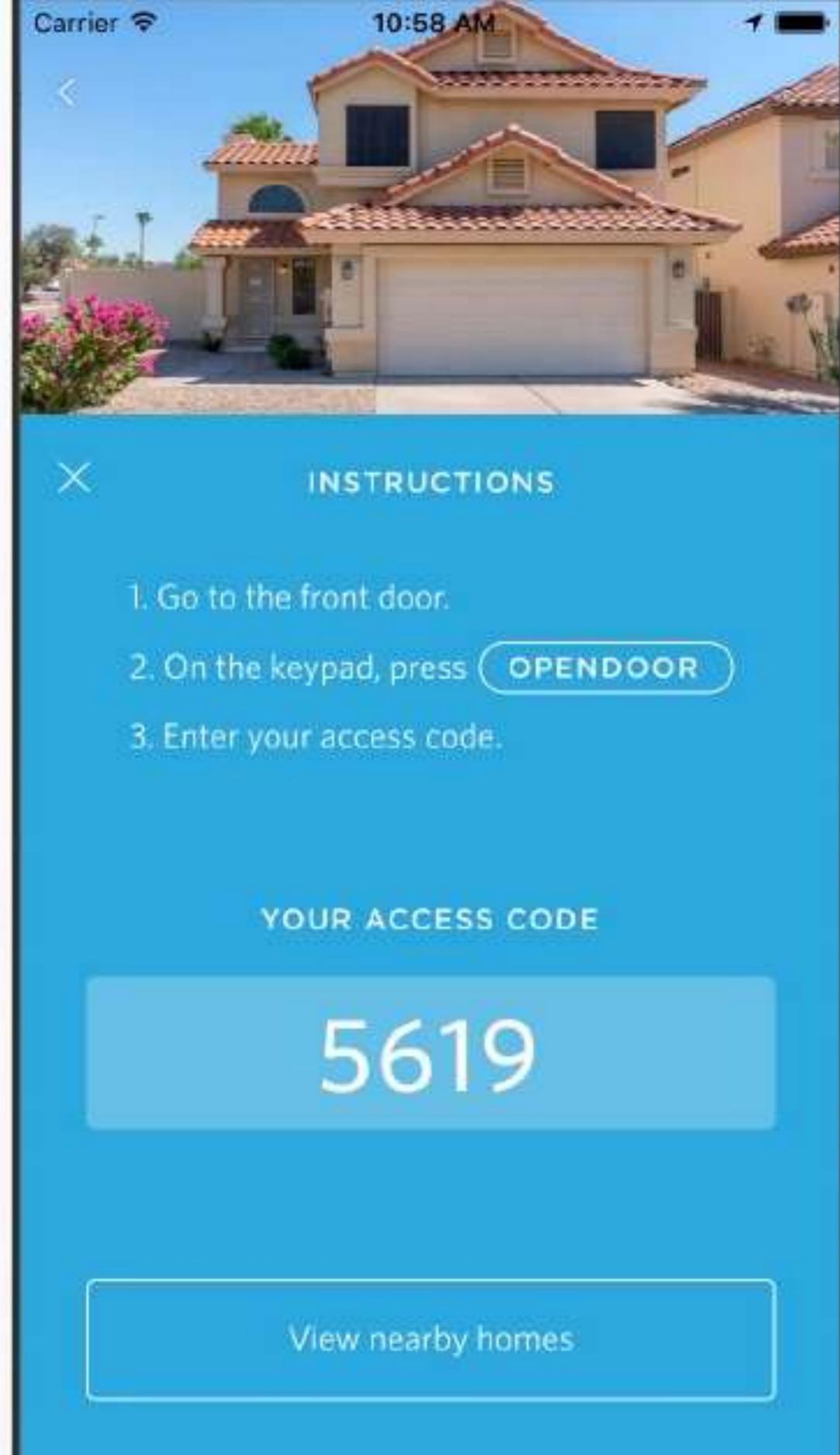


28



Opendoor

CHANGING THE EXPERIENCE



CONSUMER HABITS

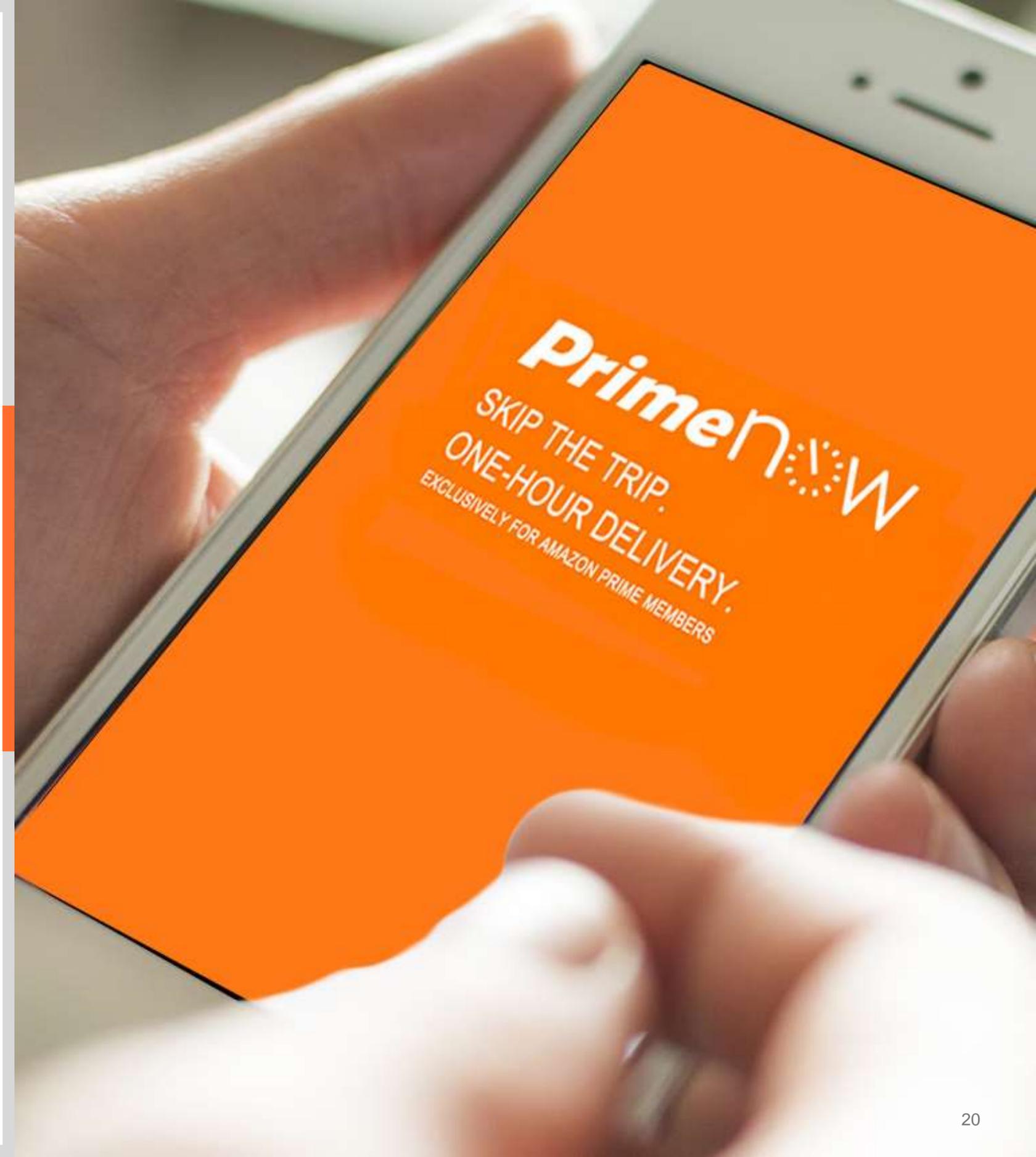
They are changing and people expect immediacy



SAME DAY PACKAGE DELIVERY

AMAZON PRIME NOW

Prime Now offers household items and essentials, plus certain items from Amazon.com, with FREE 2-hour delivery.





DINNER DELIVERY

PLATED

Get everything you need to make amazing meals – delivered in one perfectly customized box each day.



CLOTHING DELIVERY

TRUNKCLUB

They have a personal stylist who will help find clothes you love and fit correctly, and ship you trunks of clothes as often as you want. Simply try them on and return the items you don't want.



RETAILER BANKRUPTCIES UP 31% IN 2017

claire's®

sears®

Brookstone®

MATTRESSFIRM

NINE WEST

ROCKPORT

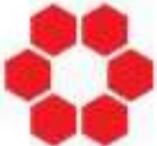
KIKO
MILANO

DAVID'S™
BRIDAL

THE
WALKING
COMPANY.

A'GACI

GUMP'S

 **BON•TON**

RETAILER BANKRUPTCIES CONTINUED IN 2018

PRIORITIZE EXPERIENCES & CONVENIENCE

78% of Millennials would rather pay for an experience than material goods

57% say they'll switch brands if a company doesn't provide an easy checkout process

JCPenney





DEAN'S LIST
FINALS
Biology
CARE PACKAGE
Art
Computer Science
PHYSICS
iPad
Laundry
STUDY GROUPS

CEOLOGY
Mac
Papers
ART HISTORY
LECTURES
Economics
History
Ramen





NORDSTROM LOCAL

A tiny 3,000 sq. ft. store with no inventory

NORDSTROM LOCAL

A store without any inventory



Merchandise on display, but not for purchase



Alterations and tailoring on site



Grab a coffee or juice at the bar



Curbside pick-up is always an option

TECHNOLOGY ADVANCEMENTS

Artificial intelligence and machine learning



ING PRESENTS

THE NEXT

REMBRANDT



12

17

20



PORTRAIT

CAUCASIAN

MALE

FACIAL HAIR

30-40 YEARS OLD

DARK CLOTHING

COLLAR

WEARING A HAT

FACING TO THE RIGHT





AlphaGo



Lee Sedol





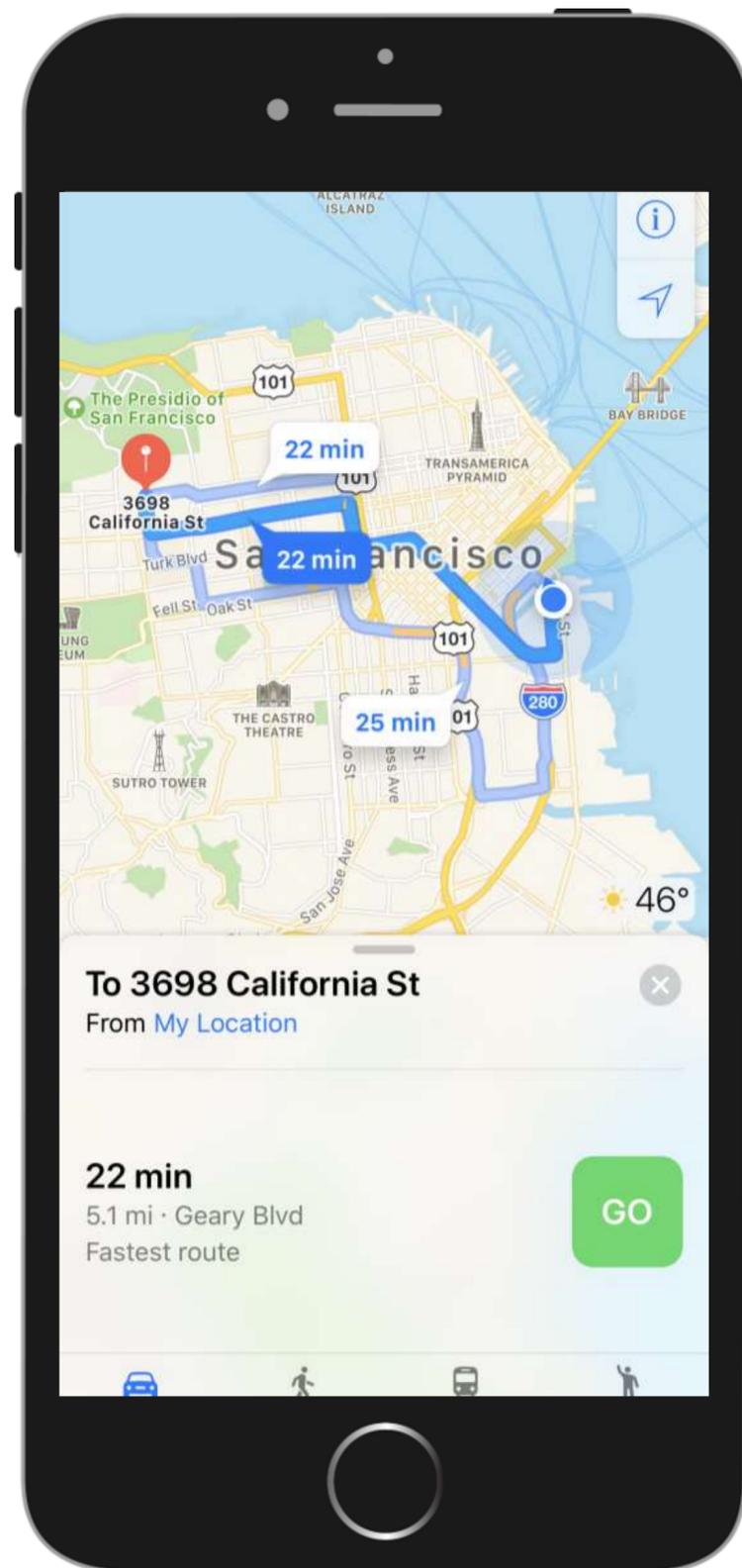
SOPH

NOT ALL ARTIFICIAL INTELLIGENCE IS SCARY

Think Uber, Lyft, Google Maps

If you have the Location Services capability enabled for Google Maps, you're constantly sending real-time data about your whereabouts and the time it takes you to get from place to place. Google combines everyone's data to determine the concentration of cars on the roads and how fast they are moving. (Or aren't moving, depending on your situation.)

Over time, Google has compiled all of this traffic information to create traffic histories, which is how it can tell you if traffic is running slower or faster than "normal." It also uses information gleaned from the Waze app, which includes updates from Departments of Transportation from across the country—that's why Google Maps can pinpoint specific accidents.

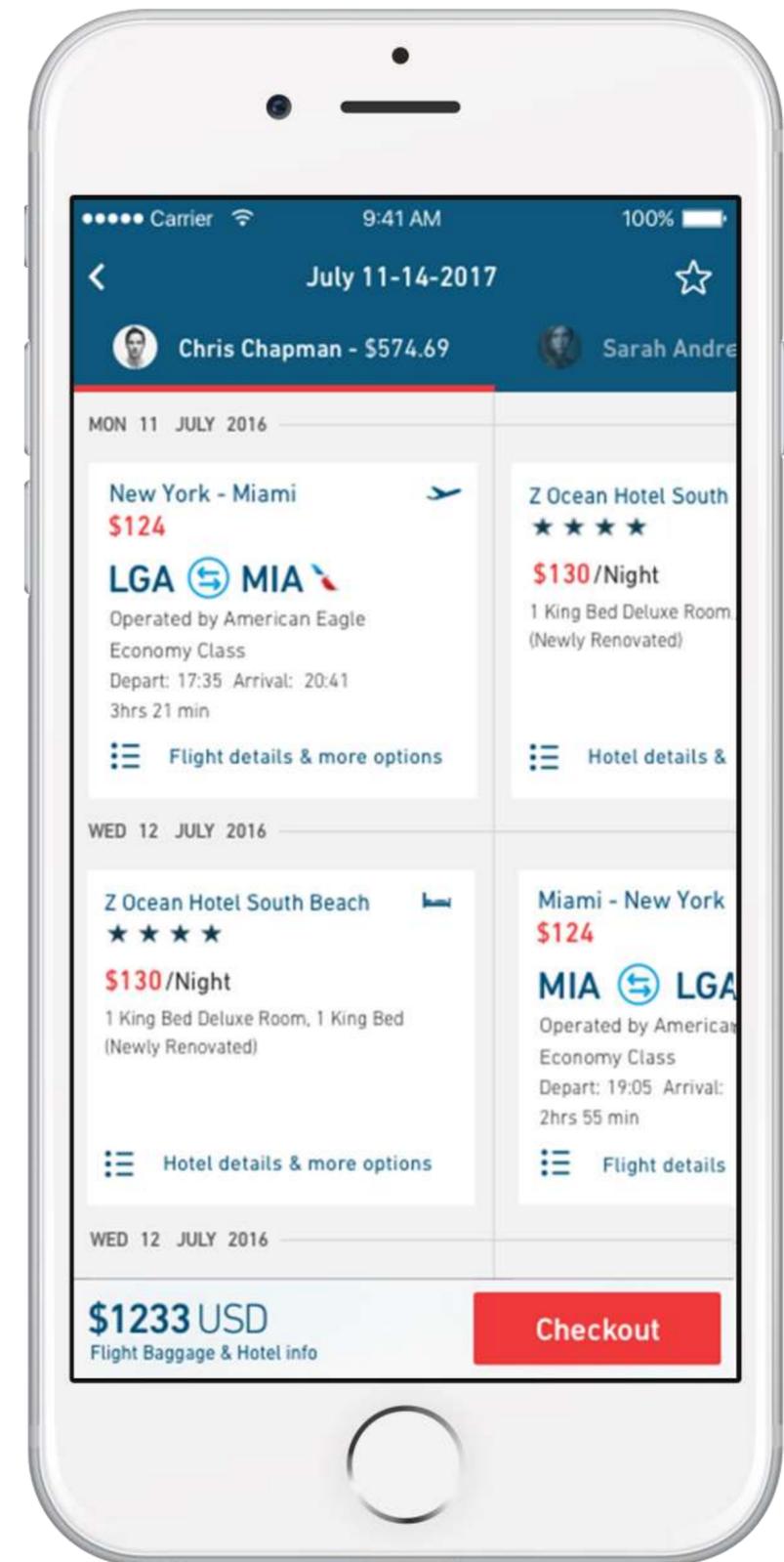




Speak. Book. Travel.

HelloGbye is on a mission to turn your most complicated trip into one simple booking experience with its AI-powered solution that makes travel planning up to 10X more efficient.

So when users speak or type something like, “Fly me to Miami on Monday for 3 nights, staying in South Beach for under \$250 per night, then fly me home,” the app produces results based on commands and loaded preferences instantly.



AUTONOMOUS VEHICLES

- /Autonomous
- /Sensing
- /Communication
- /Battery
- /Navigation
- /Mirrorless
- /Ecology

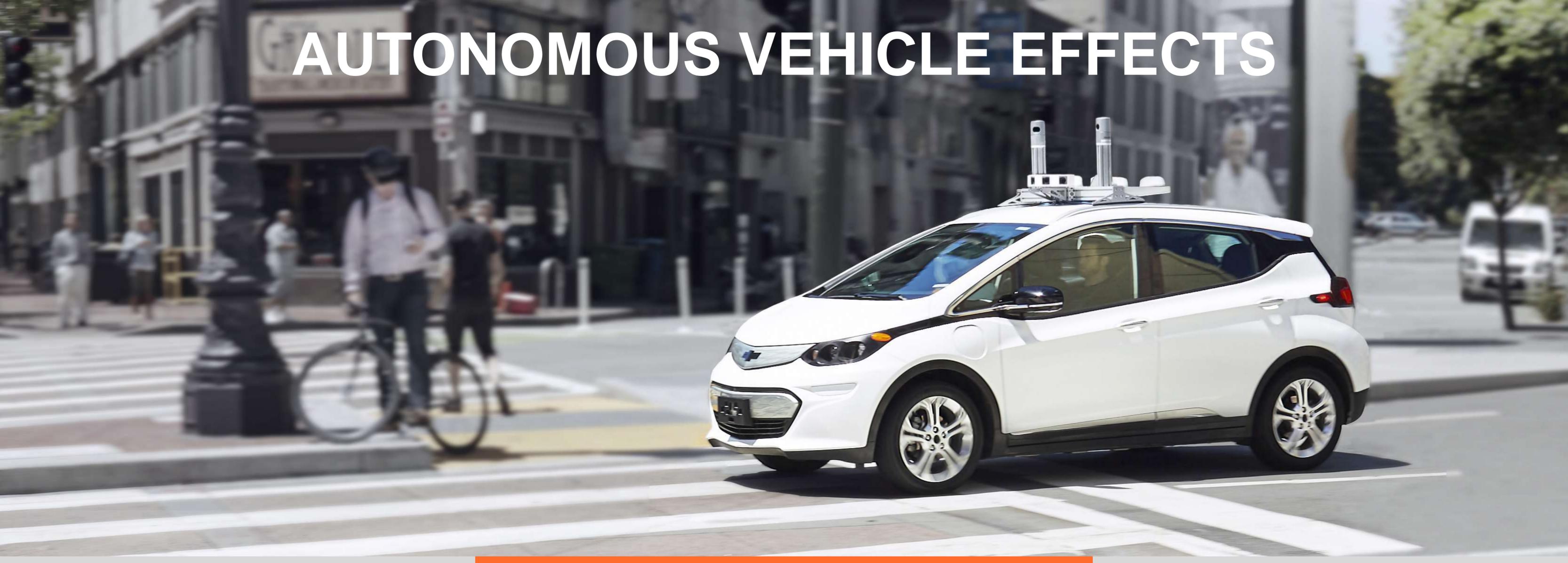
Self-Driving

48
mph

Self-Driving
Mode



AUTONOMOUS VEHICLE EFFECTS



**Value of
transit hubs**

**Suburban or
city living**

**The need
for parking**

AMAZON ENTERING REAL ESTATE

Real Estate Referrals & Smart Home Technology



HOUSING IS CHANGING

We need smaller, less expensive homes



CONTAINER HOMES

Less expensive to build, 17 million containers in existence, \$2,500 average price



CONTAINER HOMES

Less expensive to build, 17 million containers in existence, \$2,500 average price





HOMEOWNERSHIP IS DOWN

Student debt, high rents are a MAJOR problem

Homeownership for the under 35 age population is down 8 percent since 2004. For the 35-44 population, it's down 10 percent. For the 45-54 population, it's down 8 percent. And even for the 55-64 age group, it's down 7 percent.



MOUNTING U.S. DEBT AND NEW TAX LAWS

Was it a good thing? Time will tell...

- U.S. Debt stands at almost 22 trillion and growing
- Mortgage interest deduction reduced to \$750,000
- Property tax deduction capped at \$10,000
- No longer deduct moving expenses



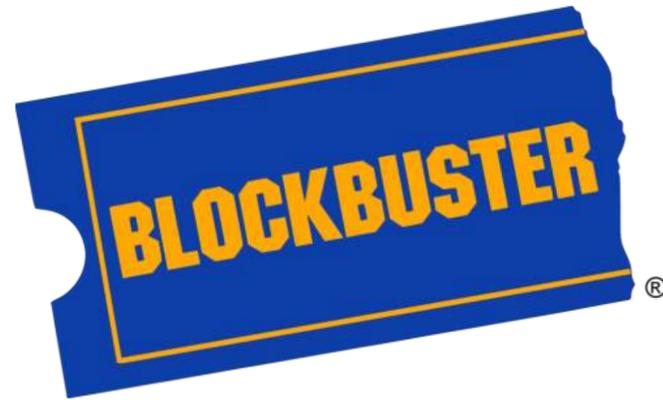
EVOLUTION OF INDUSTRIES

What happens when you don't evolve?

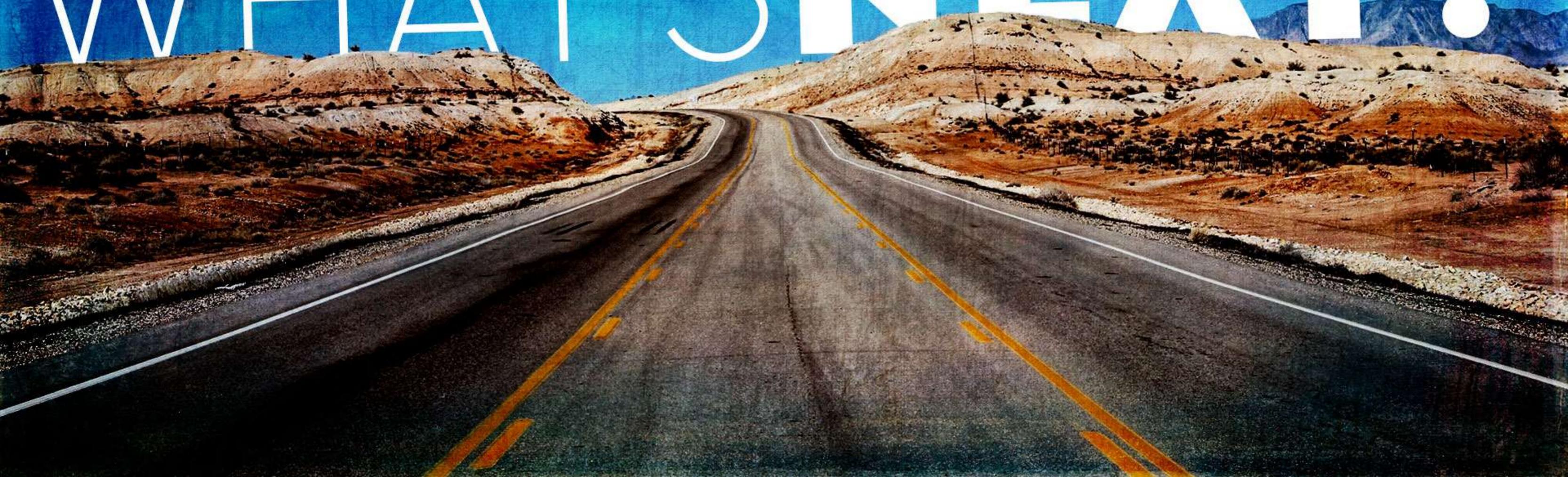


BRANDS THAT DIDN'T EVOLVE

Without continued change, your business will cease to exist



WHAT'S NEXT?



THANK YOU!

