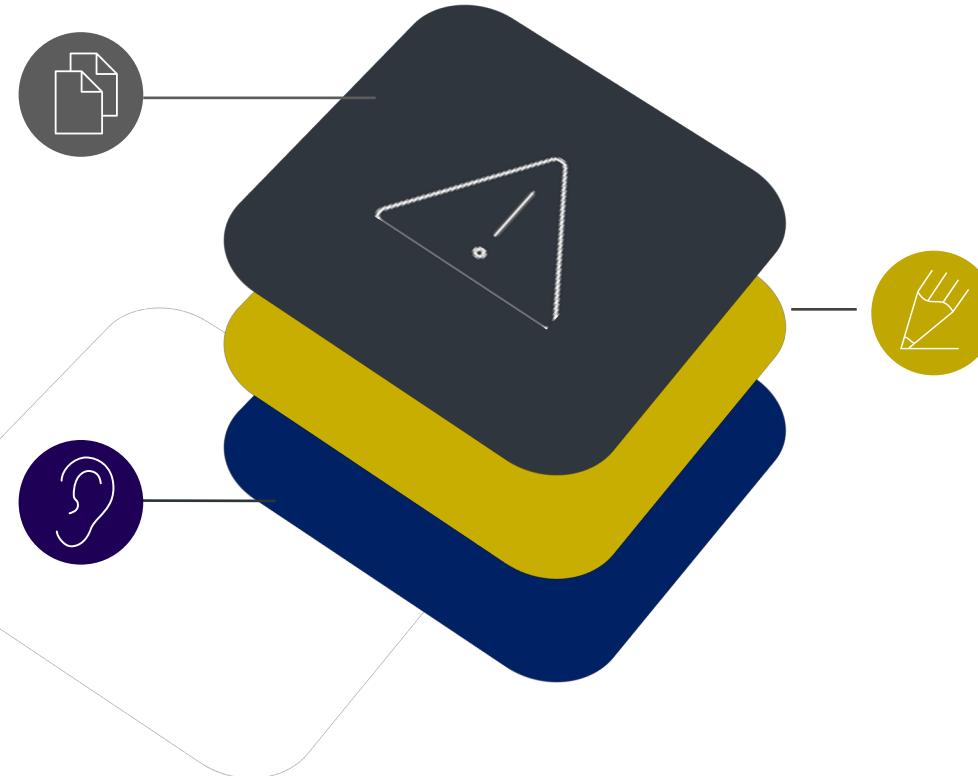




# Problem: Spaniards seeking a mortgage face 3 big problems.

## 1. Mortgage comparison sites are not personal:

Comparison sites do not tailor your needs and only give you some vague idea of banks' portfolio. This ecosystem doesn't bring ease of mind to buyers (the most vulnerable to this situation are 1<sup>st</sup> time buyers)



## 3. External advice is expensive and limited

Independent unbiased advise cost from 3-5% of the mortgage value. And experts are really hard to find, as traditional brokers in Spain target subprime profiles.

## 2. To get accurate quotes you need to apply to every single bank.

If you want a pre-approval, you need to apply to each bank, one by one (either digitally or physically).

We have estimated that a borrower could easily waste 7 hours of his or her time doing so ! \*

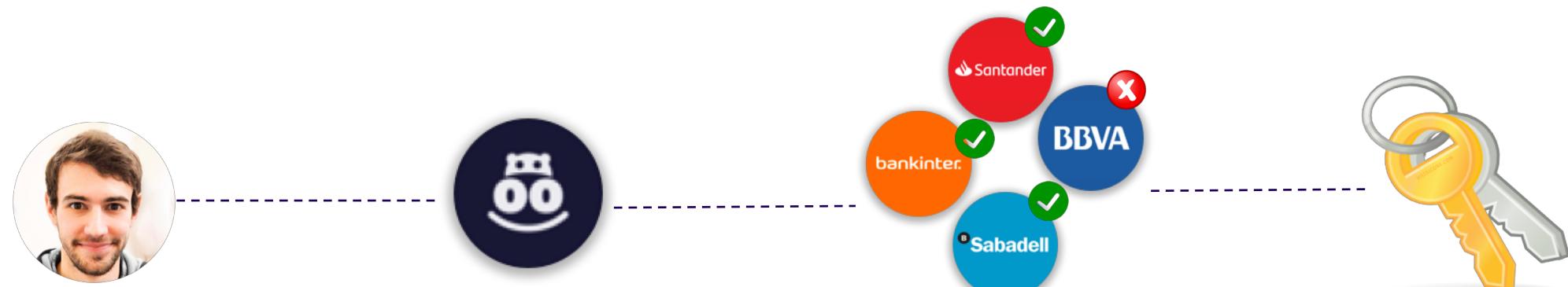
\* Assuming that it takes 20 minutes to digitally apply to a bank (if you go to branches, it could be even hours per bank)

In conclusion the mortgage industry in Spain is totally broken, bringing an opportunity to disrupt it.



# Solution: Create a mortgage marketplace where users could choose, select, and apply to as many offers as they want with the help of an expert for free.

- Our business model consist of **charging a commission of 0,5% to the bank** once the operation is closed (the closing cycle takes about 3 months)
- Our target client is solvent, an urban homeowner, and seeks 200k on average (**that's 1,000 € per operation**)



## Step one

A user answers a few questions in our bot.

## Step two

An algorithm scans banks portfolio and presents only the mortgages that fit to the user based on his financial and personal circumstances.

## Step three

The user chooses and applies to as many mortgages as he wants to get pre-approval quotes.

## Step four

An expert is always there to guide the user throughout the entire process and to help him choose the best mortgages.

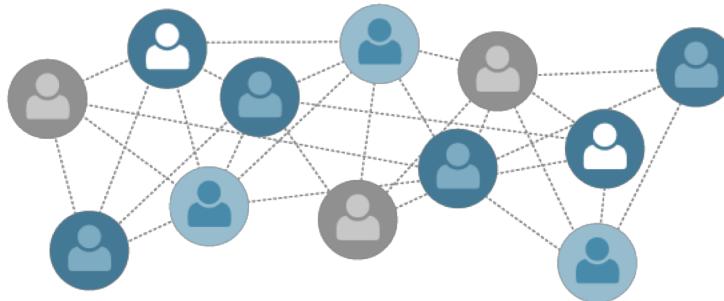
Our Business Model is relatively flexible and scalable compared to the bank's distribution systems.



With little investment on Marketing ( $\approx$ 14k), we have gathered promising metrics and found that there is product market fit.

## 653 USERS

21 € lead



Only through SEM and PR channels.

## 108 users uploaded their sensitive docs

130 € per complete full profile



Complete full profile means that the user has uploaded 3 extremely sensitive document:  
**ID, payrolls, and income tax declaration.**

## 15 expected closings

930 € CPA

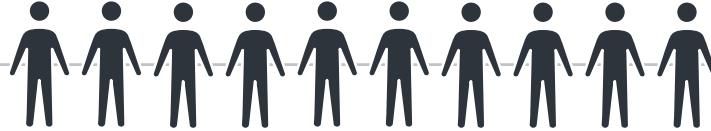


The sales cycle in the brokered industry takes more than 3 months. We will lower the CPA further in the next 3 months as we include sales reps and close more banks collaborations.

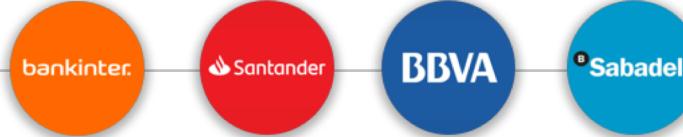
These are promising metrics, and we are ready to grow exponentially.



# Value proposition: Optimal time to add value to users and banks.



- Users need to apply to each bank for a pre-approval > **With Hipoo, the application is centralized.**
- Users tend to distrust banks & they lack of mortgage knowledge > **Hipoo provides unbiased advise.**
- Users are uncertain about their property appraisal value > **We use AVM to calculate it.**
- Bank's products have difficult-to-spot overcosts > **We disclose them very thoroughly.**
- Users find almost impossible to compare products > **Hipoo's algorithm facilitates the comparison.**
- Bank's working hours are not convenient to the users > **we work until 8pm.**



- Access to qualified & screened users.
- Access to potential clients for free and at zero risk (unless commission after a closing where banks will cross-sell to the client many products)
- Reduce the cost of operating branches, following the tendency to reduce branches.
- Externalizing the mortgage process reduces Bank's churn rate.
- Cost of acquiring new clients is reduced by more than 50%
- Customized offers to groups (eg. government employee offers)

Perfect time to enter the market. First, technology improvements such as A.I, AVM, or Omnichannel came about. Following this, a **paradigm shift** in the demand curve began to take place, as our metrics indicate.



We are using Salesforce to manage customers and operations efficiently and our sales reps are ready to close 30 mortgages per month (x5 traditional brokers rate)

## TRADITIONAL BROKERS

Rely on gut feeling or do not crunch the information to categorize the deals.

Sales reps can handle a limited number of operations.

The communication is not centralized and conversations are difficult to follow.

Need to manually gather the information for submission to the banks.



Segment customers and focus on the hottest deals with an in-house credit scoring.

Automation of many operational processes allows 1 sales rep to handle up to 300 opportunities.

3 channels of communication in the platform (Chat, Call Center, and Email) enhance customer satisfaction.

With just one click, we are able to submit the operations to all the banks at once.

In conclusion by automating and centralising processes in Salesforce, we reduce operating cost, make data-driven decisions, and increase customer satisfaction.



We have the right team to execute and we will take this start-up to the next level. We successfully launched one of fastest growing fintech in Europe.

- Housers' founding team (one of the fastest growing start-up in Spain and the biggest real estate crowdfunding platform in Europe)
- Salesforce expert



**Juan Ferrer**  
CEO



**David Minguez**  
CFO & COO



**José Climent**  
Backend



**Kiko Ferrer**  
Back office

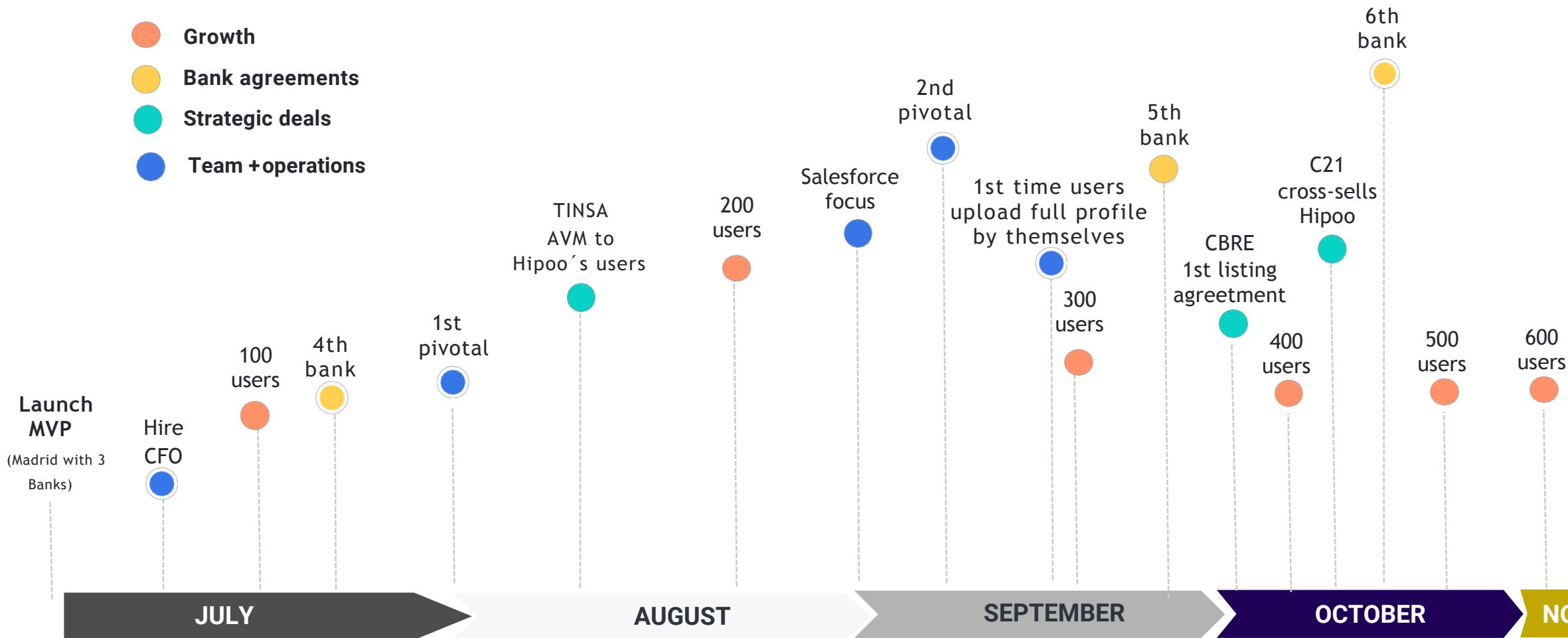


A very high banking profile from one of the top Spanish banks will immediately join our team.



Most importantly, we are very fast and result oriented team. These are some of the milestones we have achieved since we launched.

AI mortgagebot



With a limited team of 4 we have had a fairly strong impact and transcendence in a very short time.



Though there are big challenges ahead: direct competitors will emerge and VC in Spain is about to get into the mortgage tech landscape. There is urgency to act.

	Hipoo	helloteca di hola a tu hipoteca	creditoh!	idealista.com	CrediMarket
Online lead generation	✓	✓	✓	✓	✓
Product recommendation and selection engine	✓	✗	✗	✗	✗
Free to the borrower	✓	✓	✗	✓	✓
Omnichannel experience <small>(besides phone &amp; email)</small>	Platform chat & Whatsapp.	Whatsapp	✗	✗	✗
Transparent, traceable, and journey tailor interactions	✓	✗	✗	✗	✗
Call center	✗	✓	✓	✓	✓

### Good opportunity



There is a clear lack of digital brokers at the most privileged place in the value chain, the point of purchase. This situation offers a unique opportunity for new players.



Residential mortgage market is expected to grow exponentially while intermediaries' market share will increased at an even higher pace.



### TAM

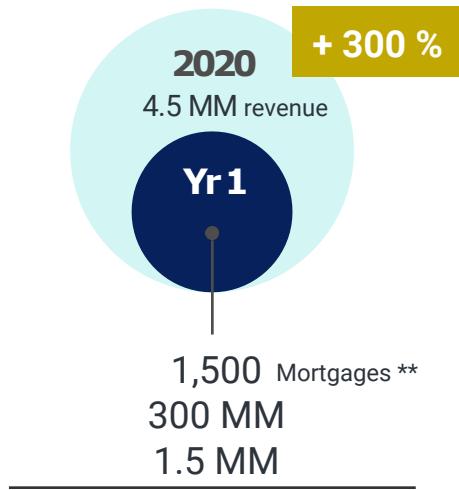
Total residential mortgages sold  
Gross residential lending  
Maximum annual revenue for intermediaries



### SAM

Current distribution from intermediaries ≈29% \*

\* Source: European mortgage distribution report from Oliver Wyman. The study says its 50% but we assumed is half because also points out that results should be interpreted carefully (many tied agents operate under a franchise model of the large banks and operate in a very similar manner to bank branches)



### SOM

3% of 2017' SAM by end of Y1

\*\* Our target is urban homeowners from big cities, so we assume that our average mortgages will be 200k instead of current 117k

The mortgage industry in Spain is currently at its best, offering the opportunity for new players to enter an enormous and growing market.



We are seeking 750k at a 2.5M post-money valuation. The money will be invested in Marketing & headcount (mainly sales reps) and will help us operate for over a year.

Raising capital for 1 year

**750K =**

Marketing investment

**0.5M + 20 pax**

Headcount. Mainly sales reps  $\frac{1}{2}$



# These are our projections in terms of P&L 5 years and market share 2019'

## CUENTA DE RESULTADOS

	Previsiones				
	2018	2019	2020	2021	2022
<b>IMPORTE NETO CIFRA DE NEGOCIOS</b>	<b>0,00</b>	<b>1.456.000,00</b>	<b>4.435.000,00</b>	<b>5.620.000,00</b>	<b>6.400.000,00</b>
Aumento de exist. de prod. terminado		0,00	0,00	0,00	0,00
Trab. Realizados para su activo		94.380,00	94.380,00	94.380,00	94.380,00
Otros ingresos de explotación		0,00	0,00	0,00	0,00
<b>TOTAL INGRESOS</b>	<b>0,00</b>	<b>1.550.380,00</b>	<b>4.529.380,00</b>	<b>5.714.380,00</b>	<b>6.494.380,00</b>
Aprovisionamientos		-225.060,00	-231.811,80	-238.766,16	-245.929,08
Publicidad, propaganda y relaciones públicas	-10.198,15	-501.525,00	-857.025,00	-965.650,00	-1.088.100,00
Gastos de personal	-119.416,42	-662.403,82	-1.270.461,54	-1.462.064,04	-1.604.954,04
Otros gastos de explotación	-63.148,41	-116.160,00	-119.644,80	-123.234,14	-123.234,14
<b>TOTAL GASTOS</b>	<b>-192.762,98</b>	<b>-1.505.148,82</b>	<b>-2.478.943,14</b>	<b>-2.789.714,34</b>	<b>-3.062.217,26</b>
<b>RDO. BRUTO EXPLOTACION</b>	<b>-192.762,98</b>	<b>45.231,18</b>	<b>2.050.436,86</b>	<b>2.924.665,66</b>	<b>3.432.162,74</b>
Amortización inmovilizado	-5.215,84	-26.491,20	-45.367,20	-64.243,20	-83.119,20
Imputación de subvenciones de inmovilizado		0,00	0,00	0,00	0,00
Provisiones, deterioros		0,00	0,00	0,00	0,00
Resultados por enajenación de inmovilizado y otros	32,57	0,00	0,00	0,00	0,00
<b>RDO. EXPLOTACION</b>	<b>-197.946,25</b>	<b>18.739,98</b>	<b>2.005.069,66</b>	<b>2.860.422,46</b>	<b>3.349.043,54</b>
Resultado financiero	-25,50	0,00	0,00	0,00	0,00
<b>RDO. ANTES DE IMPUESTOS</b>	<b>-197.971,75</b>	<b>18.739,98</b>	<b>2.005.069,66</b>	<b>2.860.422,46</b>	<b>3.349.043,54</b>
Impuesto sociedades		4.685,04	501.267,36	715.105,56	837.260,88
<b>RDO. DEL EJERCICIO</b>	<b>-197.971,75</b>	<b>23.425,02</b>	<b>2.506.337,02</b>	<b>3.575.528,02</b>	<b>4.186.304,42</b>

Users & Closings expected impacted by the 750k round > capturing 0,25% total market

Mes	Nuevos usuarios	Usuarios Acumulados	Hipotecas	Hipotecas Acumuladas
ene.-19	938	938		0
feb.-19	1.032	1.970		0
mar.-19	1.135	3.105	47	47
abr.-19	1.249	4.354	52	99
may.-19	1.374	5.728	85	184
jun.-19	1.511	7.239	94	278
jul.-19	1.662	8.901	137	415
ago.-19	1.828	10.729	151	566
sep.-19	2.011	12.740	183	749
oct.-19	2.212	14.952	201	950
nov.-19	2.433	17.385	241	1.191
dic.-19	2.676	20.061	265	1.456
ene.-20	2.703	22.764	292	1.748
feb.-20	2.730	25.494	321	2.069



 Thank you ! 

Pitch and Q&A with CEO and CFO available upon request: [juan@hipoo.com](mailto:juan@hipoo.com) & [david@hipoo.com](mailto:david@hipoo.com)

# More reasons to invest

# Excellent time to market

1

Mortgage  
Origination



- **Mortgage volume increasing since 2013**

- N° of mortgages and volume only in Spain is expected to increase until reaching rates of €5,800 million in mortgages per month (€70,000 million per year) by 2020.

2

Mortgage  
process



- **Manual and obsolete mortgage process**

- The current existing process for the mortgage application is obsolete.
- New FINTECH players are entering the European market and disrupting this industry

3

Time to Market



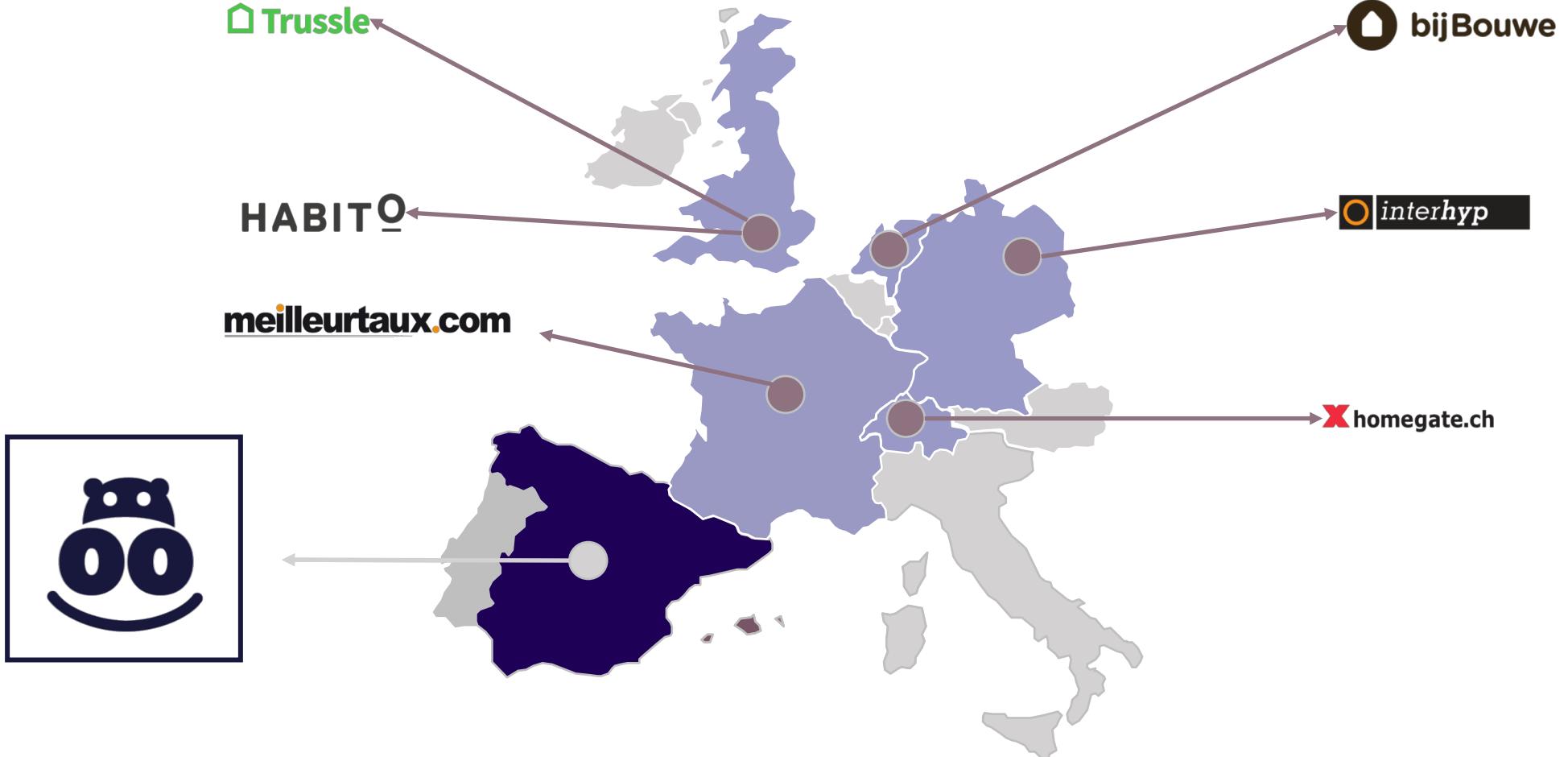
- **Excellent Time-to-Market**

- HIPOO will enter a huge and growing market, in need of new and digital solutions.
- While benefiting from being the first player in the Spanish and Portuguese market.

The timing is good as new fintech players will need to response with demanding new technology solutions that are ready to apply and need agile and fast applications (A.I, instant conditional approval...).



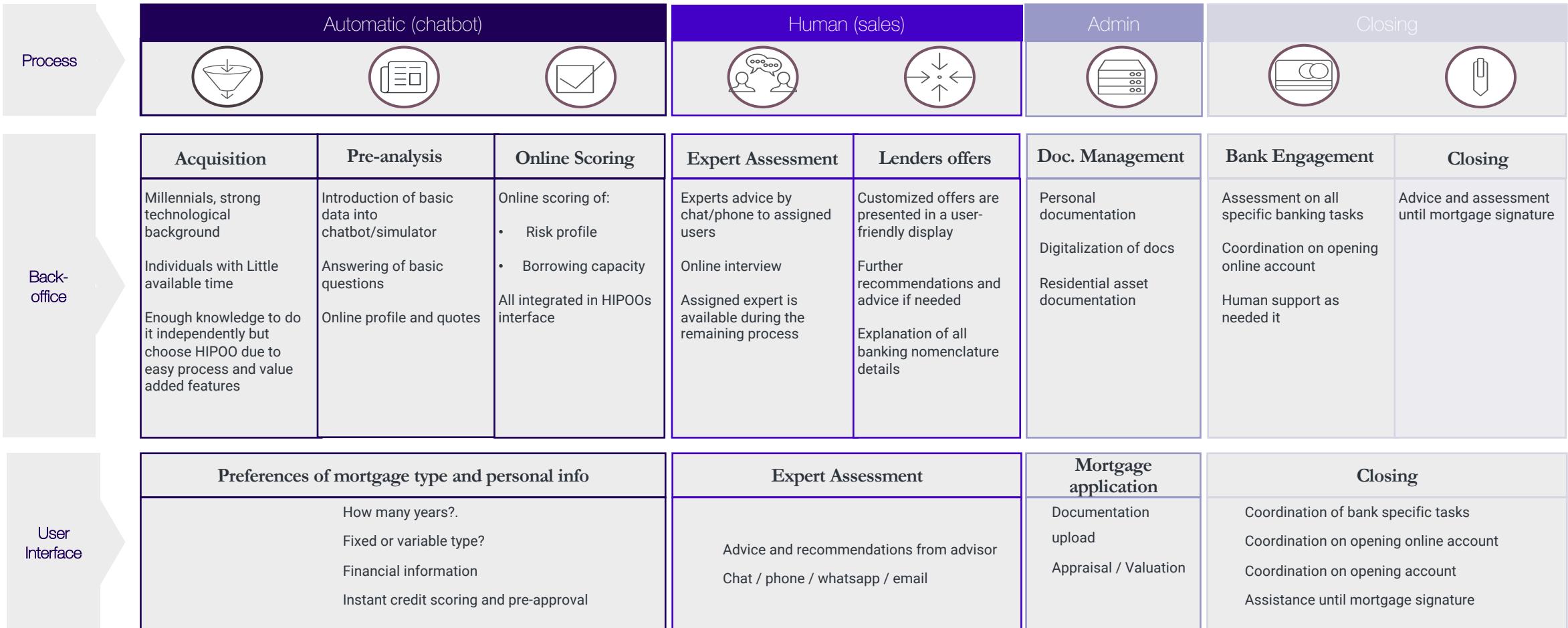
# 1<sup>st</sup> digital mortgage broker in Spain



Hipoo is launching as the first Spanish fintech that wants to redesign the mortgage selection process with a successful tested business model in other countries.



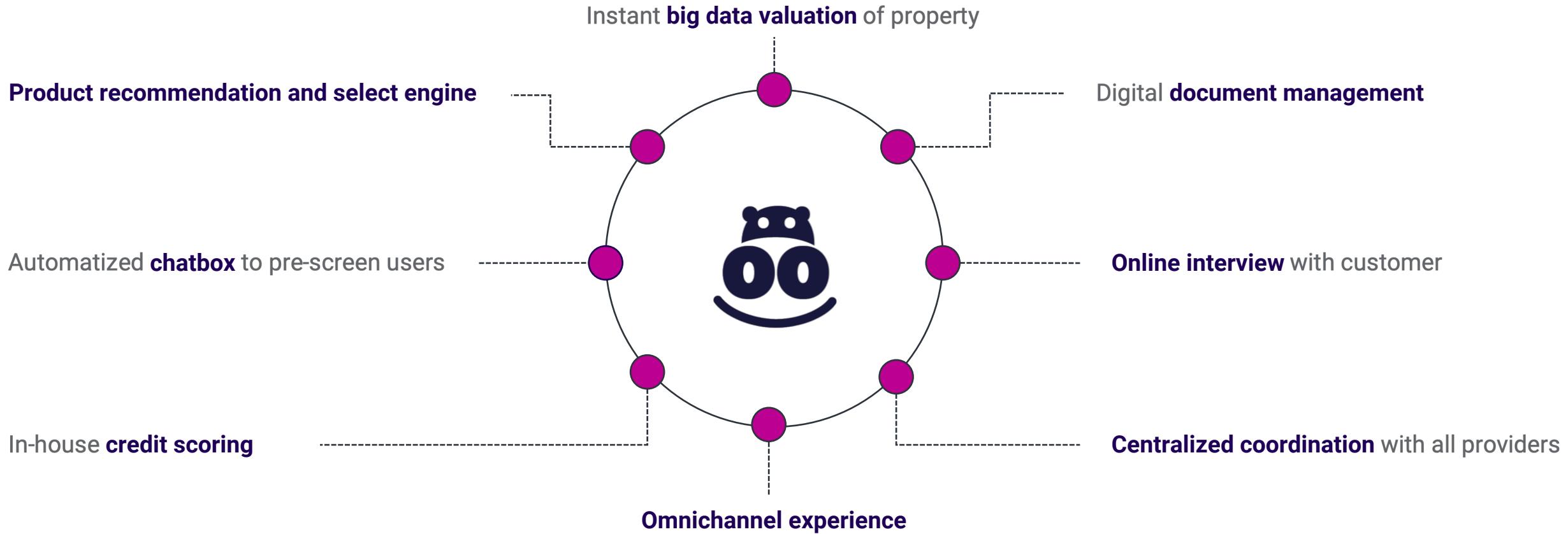
# With the help of salesforce we have developed an efficient and scalable business model



By integrating all lenders products and users bank transaction.



# This are some of the features of the product



The back-office coordinates the data collection and presents the user with customized offers.



# 6 key concepts to understand Hipoo



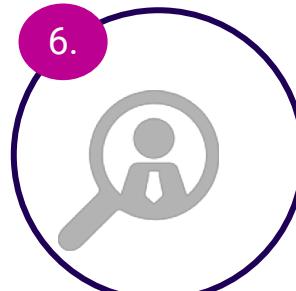
1.  
1<sup>st</sup> digital mortgage  
broker in Spain



2.  
Excellent Time to Market



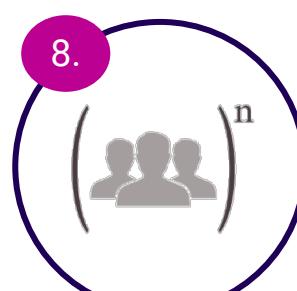
3.  
First-Mover Advantage



6.  
Customer based business  
model



7.  
Alternative customer  
source for banks



8.  
High access to users

There is a clear lack of digital brokers at the most privileged place in the value chain: the point of purchase. This situation offers a unique opportunity for new players.



# We want to be customer centric

- 

Digitalization of the client's process. Everything online except the signature at the notary
- 

Interlocutor, information, communication and documents are centralized
- 

With the objective of reducing anxiety and providing all necessary information
- 

Resources to stand out from the crowd.

01 DIGITAL EXPERIENCE

02 CENTRALIZED INTERACTIONS

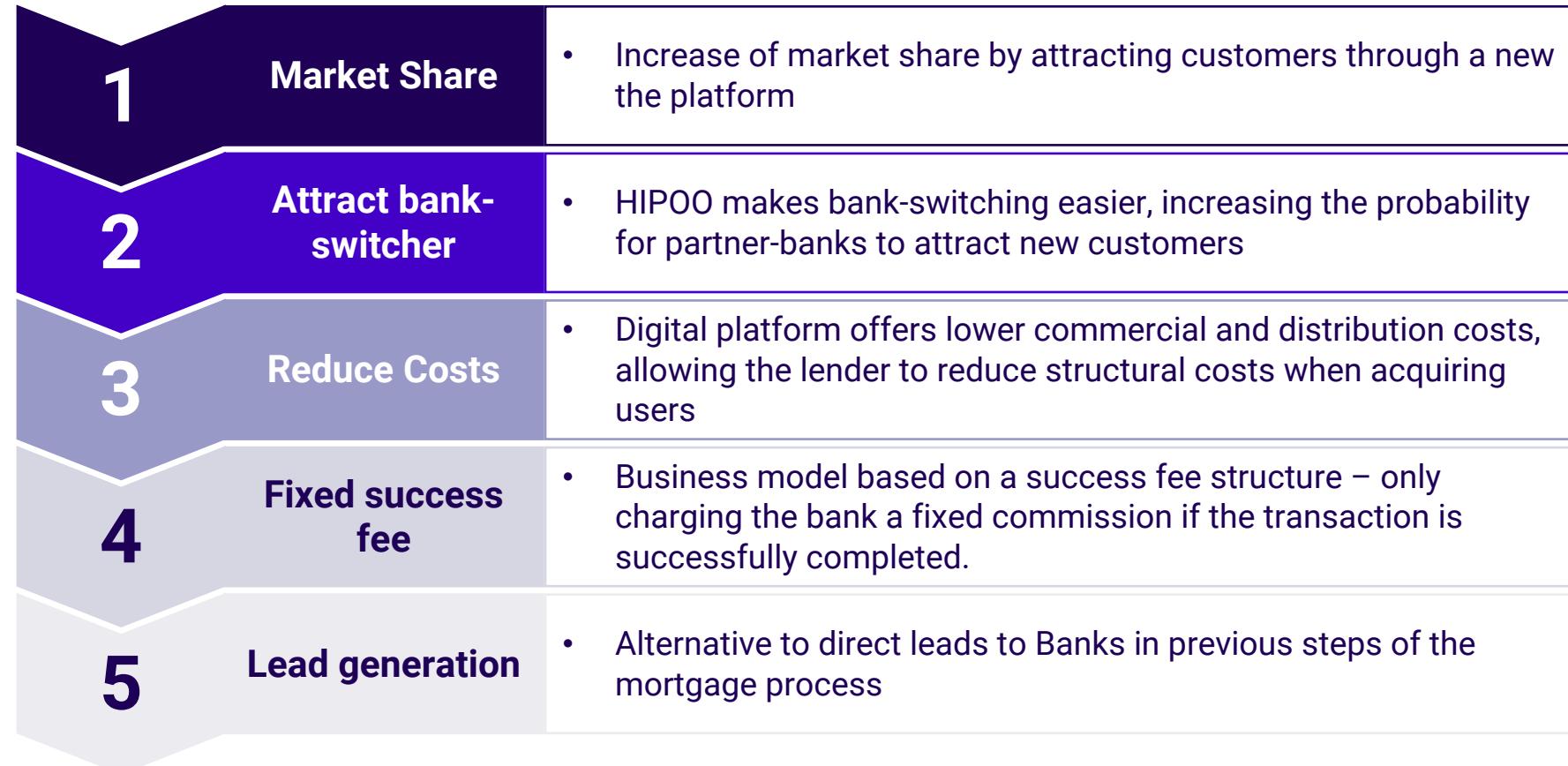
03 LEARNING PROCESS

04 CUSTOMIZED FOR THE CLIENT

Hipoo offers the borrower a new experience when applying for mortgage financing. Clearer, more direct, more direct, more understandable for everyone.



# We don't compete with banks, we are an alternative way to reach bank offers



Hipoo offers lenders an alternative source for their customers acquisition



# Summary

1. The project launch in the next months offers **perfect timing** considering the current market mortgage industry is at its best moment
2. The size of the **mortgage market in Spain** currently amounts to **€600.000 millions** and is increasing at rates of €5 millions per month having room to integrate new players
3. Society is moving towards user-friendly experiences and non time-consuming processes as a generalized trend across all industries
4. Spain shows a **clear demand** for an independent online broker service towards individual users that is not being addressed by any competitor so far
5. This business model has **been successfully tested** in other markets such as UK or USA [www.habito.com](http://www.habito.com) [www.movement.com](http://www.movement.com) & [better.com](http://better.com)
6. The **experience acquired from Housers** and the **synergies** in the real estate loan sector are very positive
7. The project will be led by the **experienced and qualified management team** that successfully launched Housers in 2015.
8. Strategic partnership with real estate agency **Century 21 and CBRE** has been established to ensure minimum level of customer acquisition





Thank you ! 

Pitch and Q&A with CEO and CFO available upon request: [juan@hipoo.com](mailto:juan@hipoo.com) & [david@hipoo.com](mailto:david@hipoo.com)