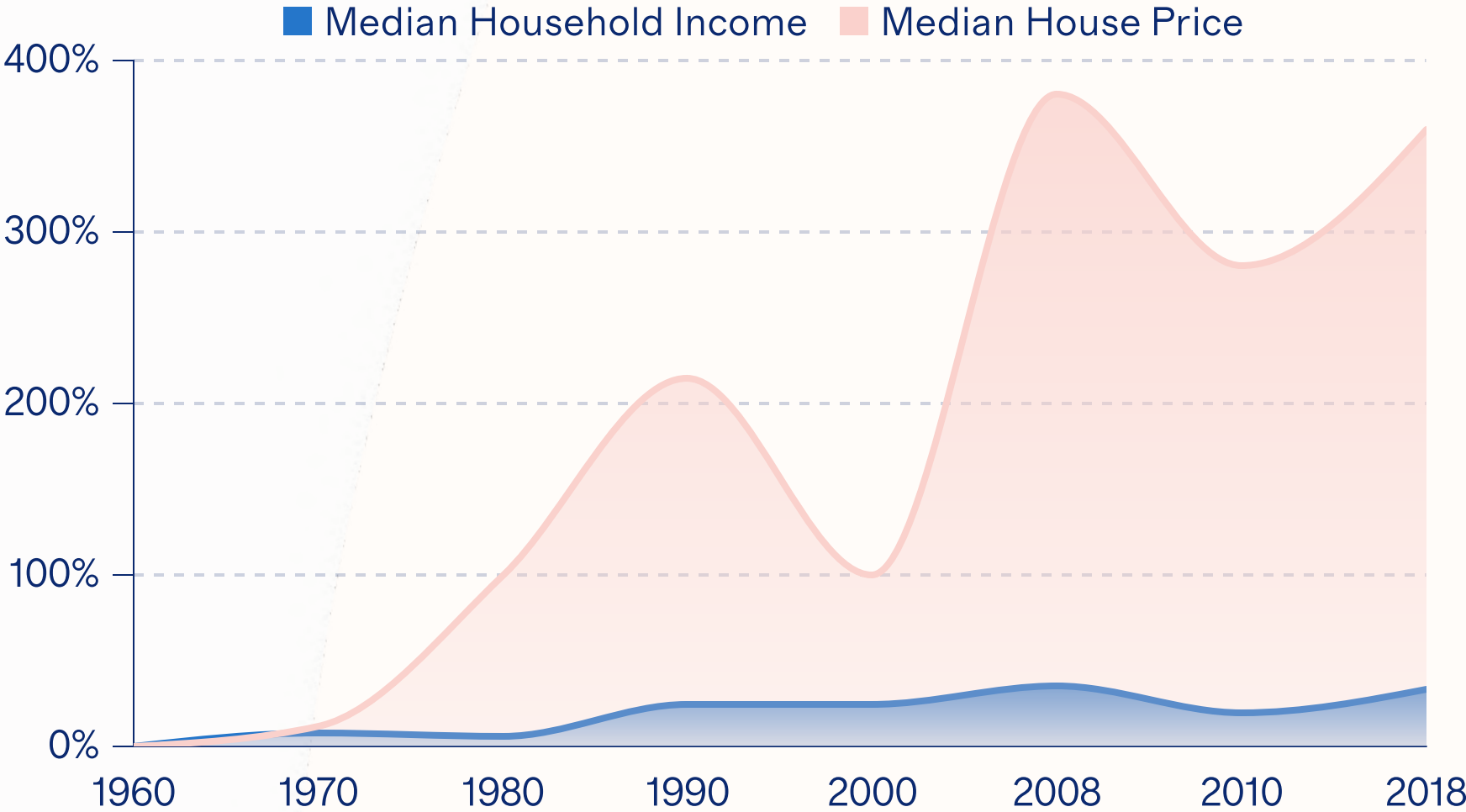




Homestead

The First Development Platform for Homeowners

Homeownership is No Longer Affordable



Home Price and Household Income in Los Angeles

All values are indexed to 1960.
Source: PUMS and American Community Surveys



Home Prices Continue to Rise



Income Has Remained Steady



The American Dream is Out of Reach

It's time to redefine Homeownership

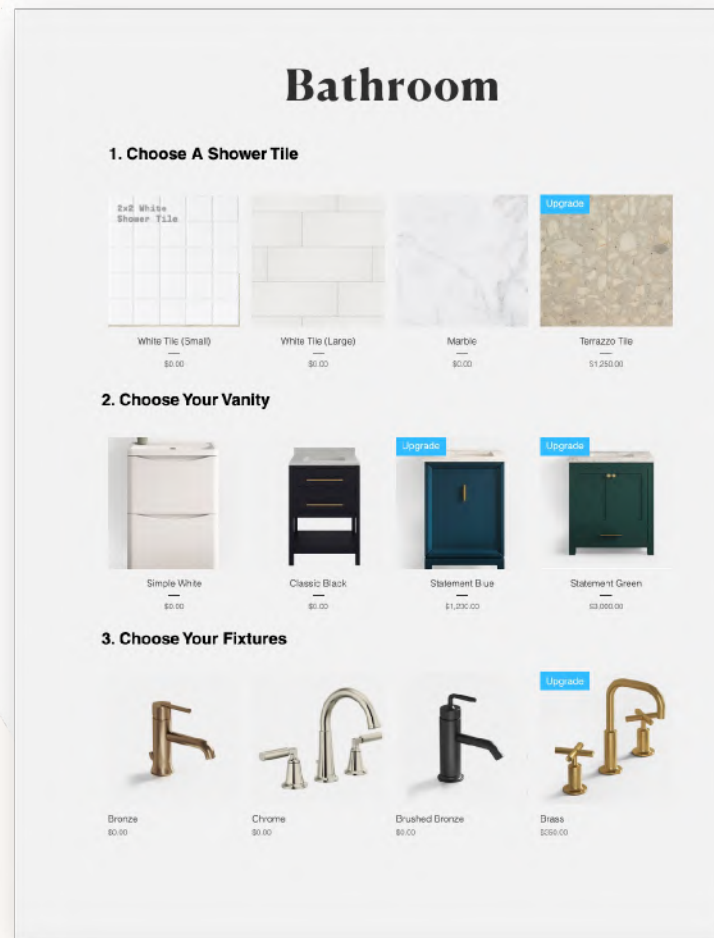
Your Home Needs to Work For You

ADU Laws Opened the Door

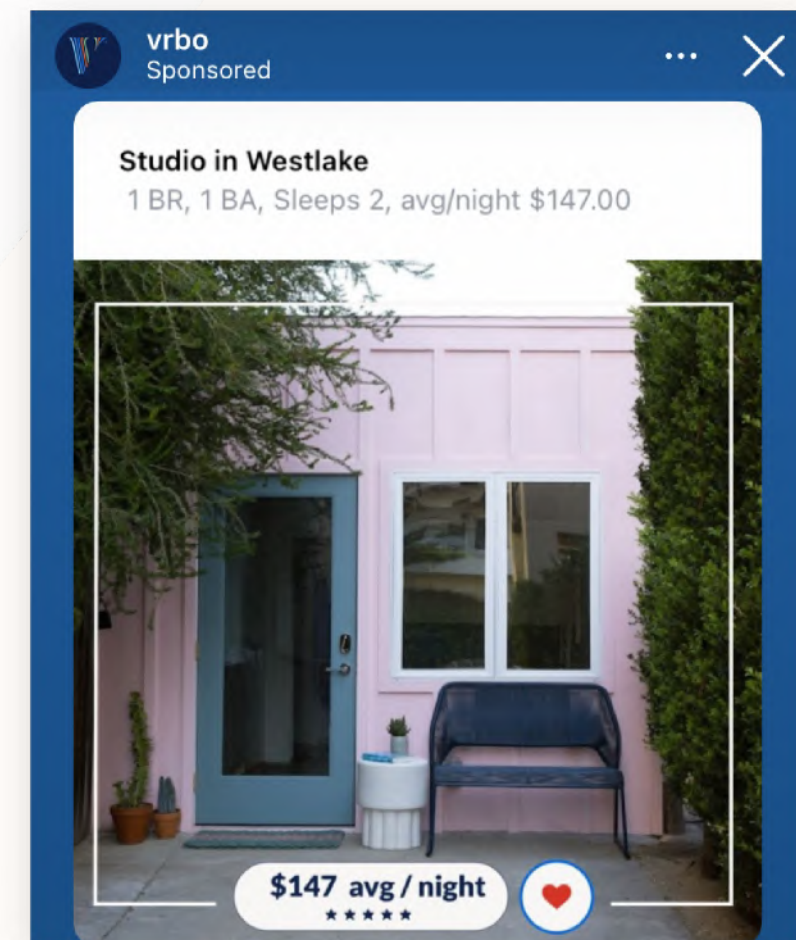
We built a platform for homeowners to turn their largest asset into income



1. Upload Your Property



2. Select your Design



3. See it Built

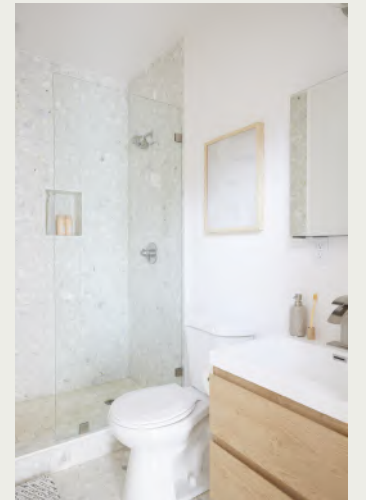
Our ADUs Change Lives

Securing lifelong income, without lifting a finger

245 square feet

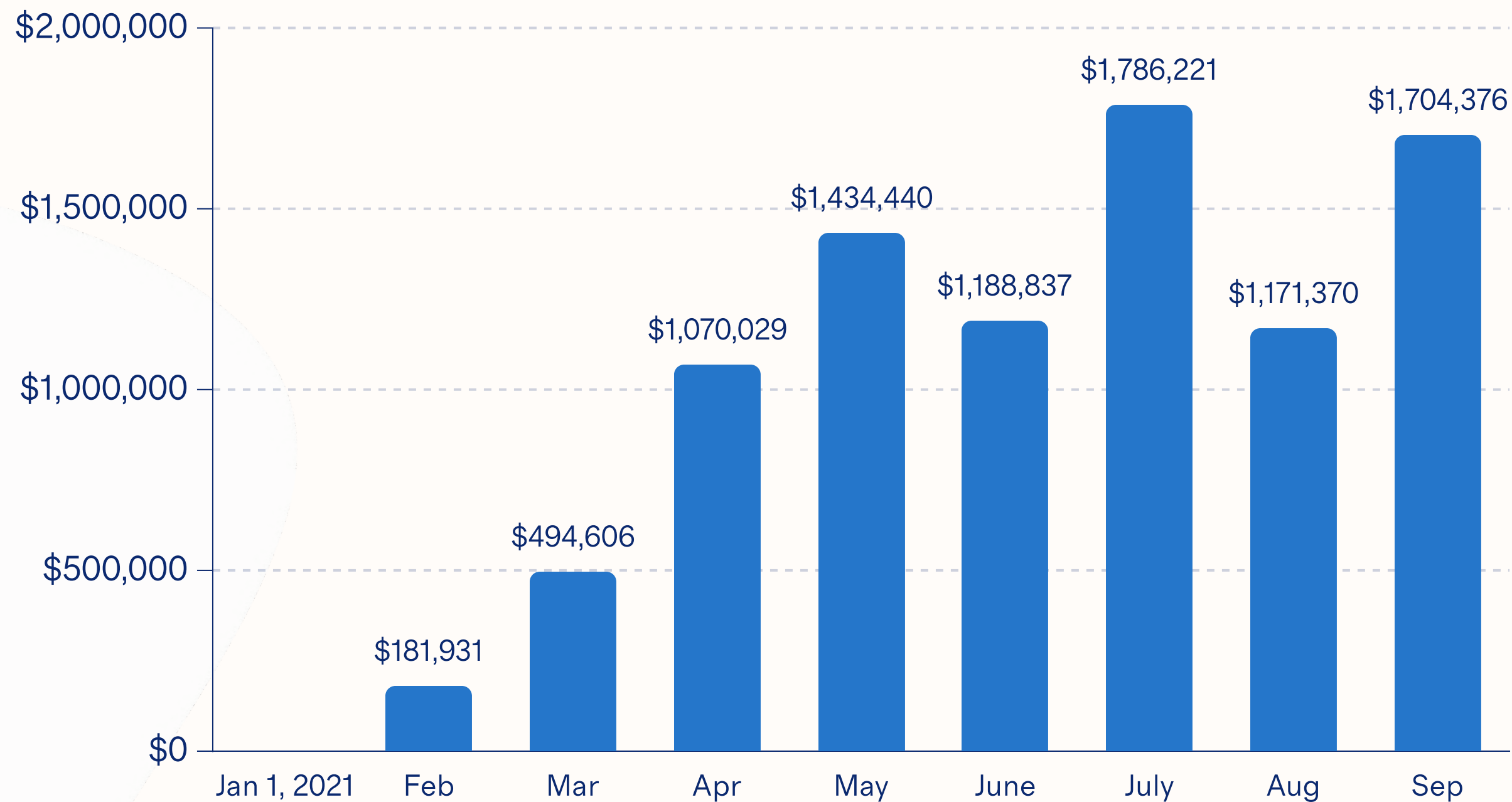
@\$147/night!

This new homeowner
nets **\$30k a year!**



We are very satisfied and highly recommend them... we now have a new friend renting out the ADU and it is making a big difference financially during this economic recession.

\$9M in 2021 Booked Revenue



51

Projects Sold

5x

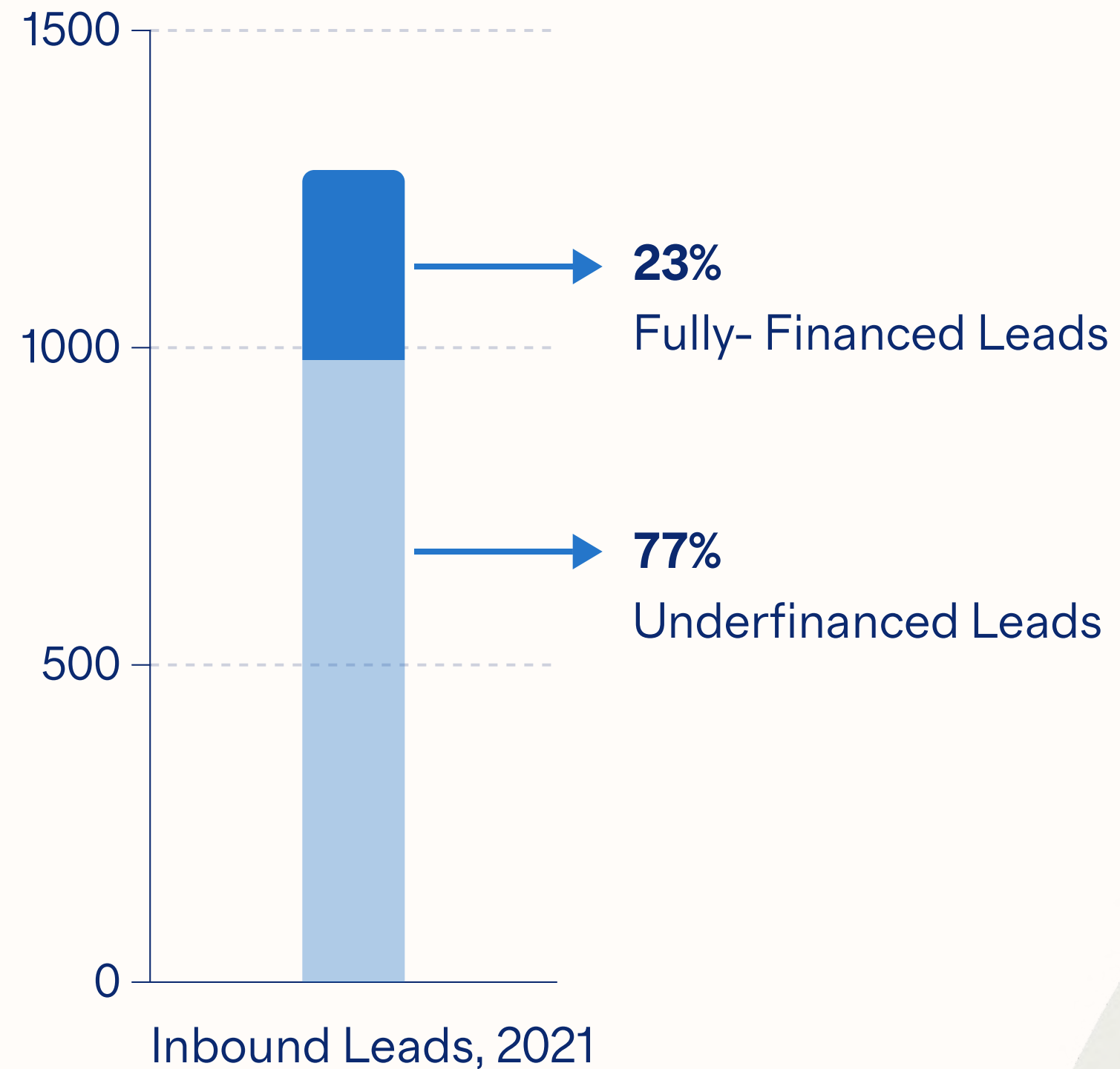
Faster process
vs. average ADU

22.8%

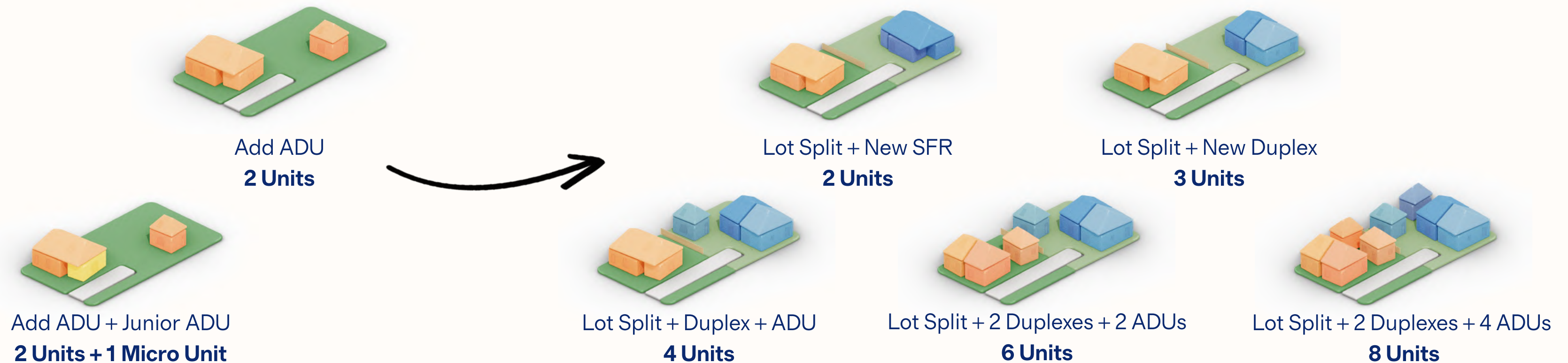
Month-over-Month
Growth

ADU Financing left an Untapped Market

Few existing ADU financing options meant that we could **only serve a fraction of people who wanted our product**



SB9 Changes Everything



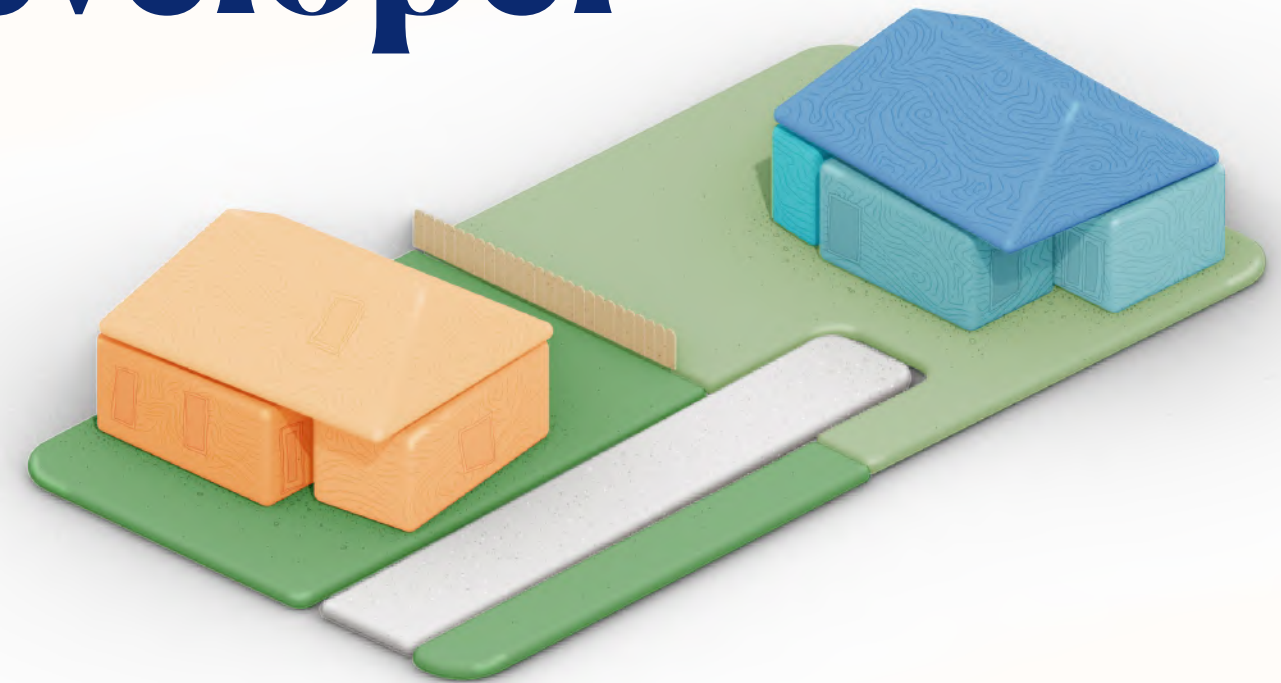
2020 ADU Laws
2 Units Max

Jan 1, 2022 SB9, up to 8 Units
Lot Splits* Create a Massive Opportunity

***Only Allowed if One Lot is Owner-Occupied**

SB9's lot splitting provisions unlock new financing opportunities

SB9 Allows Every Homeowner to Become a Developer



The Problem:

Homeowners Aren't Ready to Become Developers

Homeowners:



Don't know how to maximize their property



Can't access large construction loans to develop



Don't have time to manage a complex project



Aren't ready to take a risk on their own

The Solution:

Homestead's Development Platform for Homeowners

Homestead:



Partners with homeowners to help split the lot



Generates development options



Secures otherwise inaccessible financing



Develops the project and shares the profits

Partner-and-Profit with Homestead



- ✓ Maximize Lot Potential
- ✓ No Time Investment, Faster Results
- ✓ Professionally Developed Project
- ✓ Zero Risk, Zero Money Down

Multiple Revenue Generation Points



Homeowner



Homestead

- 1

Homestead Splits the Lot & Originates Refi
- 2

Homestead Secures Project Financing
- 3

Attaches Construction Partner
- 4

Sells New Home

80%

20%

Profit Split on Sale of New Home

Example SB9 Project

Lot Split + Developing 1,200 sq ft home with
Homeowner/ Homestead Profit Sharing

Total Development Costs* \$360k

Dev. Services (10%) \$36k

Sale Price \$800k

Seller Services (2%) \$16K

Outside Seller Services (3%) \$24k

Homestead Profit Share (20%) \$73k

Homeowner Profit Share (80%) \$291k

+

Refi Loan Origination \$10k

Homestead Makes \$135k

California Market Size

6.1M SB9 eligible parcels

\$4.9T

Add 1 Unit

\$8.5T

Add 2 Units

\$11.3T

Add 3 Units

SB9 overrides local regulations, allowing Homestead to offer a standardized product in any jurisdiction.

Top Down Case Study:

In this 1 Mile Radius...



San Fernando Valley, Los Angeles

4,196 Owner-Occupied Parcels Over 7,500 sqft

\$3.35B TAM

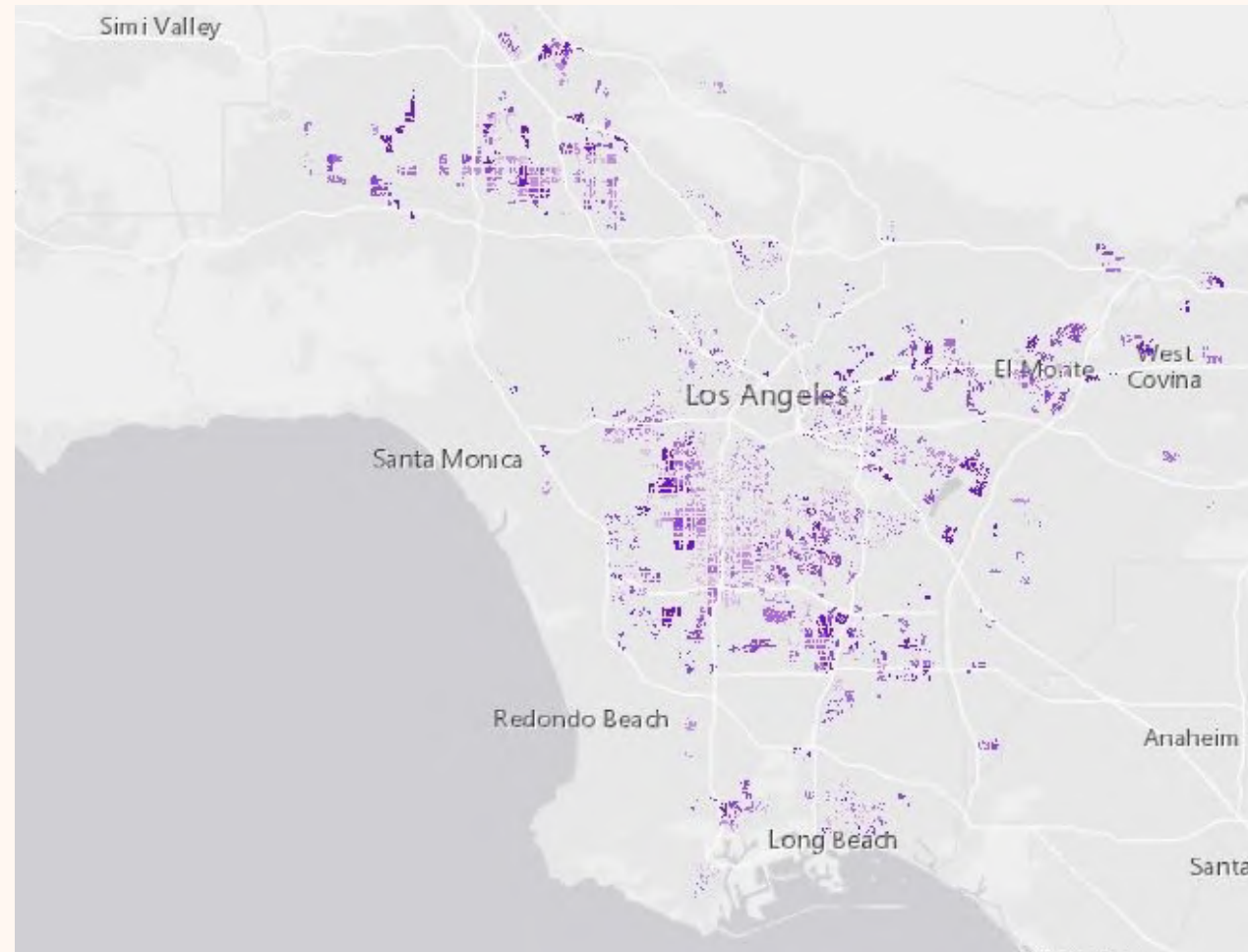
\$67M SAM/yr

Based On:

- 2% Adoption
- Split Lot, Add 1 Unit
- \$800k Sale Price
- 4,196 Parcels

Bottom Up Case Study:

Beachhead Market



Customer Profile: 112,300 parcels in LA County

- 50 + Years Old
- Income <\$75,000
- Unable to get financing for a \$500,000 project
- SB 9 Qualified Property
- Not sold in last 15 years

1,123 parcels
\$900M Revenue

280 parcels
\$224M Revenue

5,715 parcels
\$4.6B Revenue

Early Adopters (1%)

- Want Cash Now
- People who wanted to build ADUs but couldn't get financing

Community Leaders (.25%)

- Pastors, Educators, Government Workers
- Invested in keeping people in their communities, not letting flippers displace constituents

Community Fabric (5%)

- Ready for retirement but doesn't have the funds
- Wants to pass the house to their kids one day



**Our Team has a
1 Year Headstart**

Our Team



Sam Schneider

MIT M.Arch

Background in finance. Worked on Dept. of Energy and NASA projects @ MIT



Sean Phillips

MIT M.Arch

Background in computational design. Worked at Media Lab, Center for Advanced Urbanism @ MIT

Our Backers



W20



11 founders w/ experience in:

Real Estate Marketplaces



1st aquisition by **Opendoor**

Fintech/ Equity Marketplaces



IPO @ \$2B

Fabrication Technology



\$200M Series A

Homestead

Raising a Pre-Expansion Round to build the future of homeownership

Our vision is that any homeowner can use our platform to fully realize their property's potential. Millennials can finally afford homes, empty-nesters can secure their retirement, and cash-strapped homeowners can stay in their neighborhood.

We'll use our funding to **be the first to market on January 1st**. We're bringing on team members in legal, finance, and data science. We'll leverage our current team and data to **expand our existing platform** from developing ADUs to a flexible customer-driven development platform.

Join us in creating this future together.

Appendix

Next: Starter Homes for Everyone

The screenshot displays the Homestead.is website interface. At the top, the logo "Homestead.is" is visible. Below it, a navigation bar includes filters for "For Sale", "Up to \$1.5m", "Beds & Baths", "Houses", "More", and a prominent "Homestead Pre-Assessed" button. The main content area is divided into two sections: a map on the left and a grid of property listings on the right. The map shows the Sherman Village area, with several property markers indicating price reductions, such as "\$318,000 \$640,000" and "\$360,000 \$640,000". The property listings on the right are arranged in a grid, each featuring a photo of the house, a price reduction banner (e.g., "Price cut: \$35,000 (Oct 1)", "Open: Sat. 1-4pm"), and a table showing the original list price and the new Homestead price. For example, one listing shows a house at 5729 Rhodes Ave for sale at \$826,000, down from \$1,200,000. Another listing at 13917 Emelita St shows a price cut to \$910,000 from \$1,228,000. The listings also include details like the number of bedrooms, bathrooms, and square feet.

Next: Millennial First-Time Home Buyers

- 1 Pre-Sell your back yard
- 2 Search from properties that are Homestead pre-approved
- 3 Save \$300k+ off the list price