



FOR IMMEDIATE RELEASE

New Survey Highlights Staggering Lack of Real Estate Literacy in America

Homie findings reveal that many millennials are vulnerable to paying much higher commissions in the name of convenience

(SALT LAKE CITY, June 16, 2020) – Homie, a real estate technology company that has been changing the way homes are bought and sold since 2015, recently released the results of a survey polling 1,000 millennial Americans on topics related to real estate.

The results of the survey highlight the extent to which the real estate industry has historically complicated the process, added unnecessary fees, and created confusion about the costs of homeownership. Millennials polled were largely unaware of many of the complexities involved in buying and selling real estate, underscoring the need for better transparency and education. The study revealed:

Commission Confusion

- 65% of respondents don't know that the typical amount of commissions paid when selling a home is 6%* of the price of the home, or \$18,000 for a \$300,000 home. This might explain why many millennials are willing to consider giving away huge chunks of equity in exchange for perceived convenience with so-called "iBuyers" that charge between 6% and 14% of the cost of the home.
- 42% of respondents believe it is "free" to use a buyer's agent to purchase a home. This myth has helped keep real estate commissions artificially high because the current system has made it difficult for sellers to negotiate the buyer agent commission (BAC). The fact is that the buyer's money is typically used to pay both the listing and buyer agents in the transaction.

Real Estate Agents

- 16.5% of the millennials polled erroneously believe that consumers are legally required to use a real estate agent to buy or sell a home. Homie customers get a dedicated agent without paying high commissions.
- Unfortunately, 82% are unaware that in most states, a real estate license can be obtained with as little as 1.5 weeks of training.

Mortgage Myths

- Over half the respondents don't know how much money needs to be put down to avoid Private Mortgage Insurance (PMI). Homeownership is becoming increasingly unaffordable for many first time home buyers and millennials.

Most importantly, the results show that only 13% of people feel completely confident that they understand the process of buying and selling a home. This might be another reason why some millennials rely on 'iBuyer' services for the perceived convenience of selling their home while losing out on thousands of dollars in equity.

"These results perfectly sum up the catalyst behind Homie's mission to simplify the buying and selling experience, and take the guesswork out of real estate," said Johnny Hanna, co-founder and CEO of Homie. "The real estate landscape has left consumers confused for decades, and while confidence in traditional agents is relatively low, real estate literacy may be even worse. These findings make Homie even more determined to arm Americans with basic real estate education and tools to help them make the smartest decisions when buying and selling a home."

The Homie app and website equip first-time home buyers and sellers with detailed education, videos, and dedicated agent support to make the process simple and transparent. The use of technology dramatically reduces the cost, with average savings for home sellers of \$10,000*. It's full-service real estate at a fraction of the cost.

Homie Real Estate Education Free Resources

Homie realizes that buying and selling a home can be confusing. That's why they're making [resources](#) available for free to everyone.

About Homie

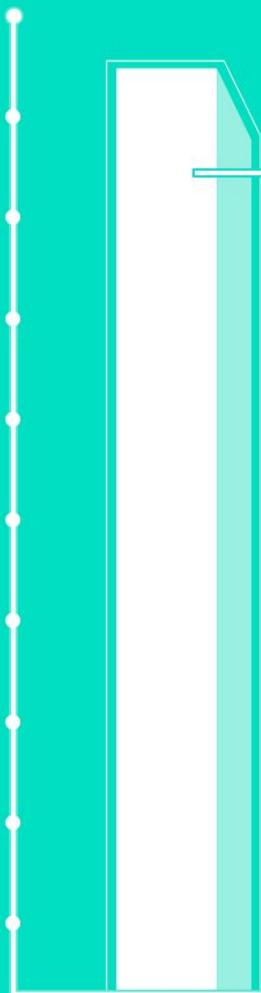
Homie is a real estate technology company changing the way real estate is bought and sold by eliminating high fees and commissions. The company simplified an outdated and overcomplicated process through a combination of technology and expert, full-service agent support. Homie is the #1 listing brokerage office in the state of Utah and growing quickly in the state of Arizona and Nevada. With real estate, home loans, closing services, and insurance, the Homie Tech family is making every aspect of buying and selling a home simple, affordable, and enjoyable. Finally, the way real estate should be. To learn more, visit: www.homie.com.

*based upon traditional real estate models, commissions are negotiable

*Calculated based on the difference of Homie LLCs (an Arizona LLC) and Homie We've Got Your Back LLC (a Utah LLC) flat fee versus 3% of the sold price and the average buyer agent

commission paid versus 3% of the sold price. Arizona transactions from January 2018 through February 2020, Utah transactions from January 2016 - June 2020. Homie LLC (Arizona), Homie We've Got Your Back (LLC) and Homie LLC (Nevada) are separate but affiliated entities. Results may vary.

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85%

of respondents are **unaware** that in most states, a real estate license can be obtained with as little as **1.5–3 weeks of training.**

15%

of respondents were aware of this.

 **homie**

Half

of polled millennials don't know how much money they need in a down payment to avoid private mortgage insurance.



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87%

of respondents **feel unclear** about the process of buying or selling a home.

13%

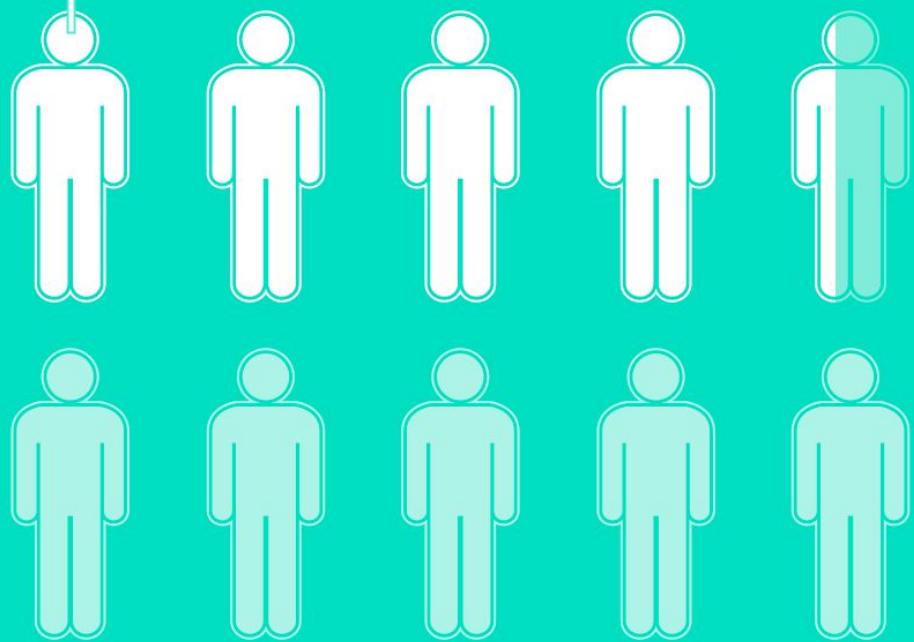
of respondents feel completely confident in the process of buying or selling a home.



△ homie

42%

of respondents **believe it's free** to use a buyer's agent when purchasing a home.



△ homie