

# Guidelines for Partnerships/Ventures

Winning The Most Valuable Segment in Real Estate

*New Construction within Established Communities*

## What We'll Deliver

Ventures with teardowns.com provide partners with lead-generating and consumer-focused products within the infill redevelopment sector of residential real estate - teardowns and the resulting new construction.



Joint Marketing  
Partnerships



## How it Works...

- Partners are assigned territory based on **interest, expertise and experience**. Marketing partners have use of our brands, broker designed custom “system” and a unique consumer-focused platform to differentiate, gain advantage and enhance their current business.
- A Partner’s assigned exclusive territory is password protected, giving them access to **their territory’s searchable database of redevelopment buyers and sellers, listing system** and, for managing brokers, if desired, listing management. Partners use custom broker created software as lead management tools and listing data dissemination to registered buyers.
- Partners are notified of **new buyer registrations and seller inquiries from the specific market(s)** in which they have been assigned via an email alert as they are received.
- The assigned Partner’s contact information is in turn sent (via email) **directly to newly registered buyers or sellers**. Partner’s contact information is listed on the searchable [Contact Us](#) page of teardowns.com and are the search result for their assigned market(s).
- Marketing Partners are the recipient of incoming inquiries via the prominent **“[Ask an Agent](#)” tab** located on every page of teardowns.com.
- In the event a new buyer registers to **see listings from multiple markets** each partner that has been assigned a territory in which the buyer has registered will get an alert.

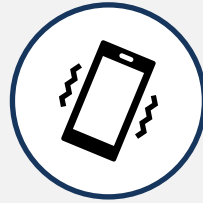
# “The System”



Collects seller inquiry notifications and new buyer registrations



Upon registration new buyers and sellers receive assigned Partner's contact info



Partner receives new buyer and seller alerts from their assigned markets



Creates and manages listings



Disseminates new listing information to registered buyers who have indicated interest in the listing location's specific local market



Sends weekly regional inventory of listings to registered buyers within a wider local market



Allows for listing management by team leader, broker, manager, etc.



Exclusive database is searchable by assigned Partner

# Partner “Uses”

- Lead collection and management
- Attract sellers with a unique value proposition for selling their redevelopment opportunity
- Competitive advantage (Exclusivity) – only one Partner per market – Qualified Partners may be assigned multiple territories
- Alternative and compatible strategies for “coming soon”, “office exclusive”, “company” and MLS listings
- Direct to buyer marketing and sales for more profit
- Share of ecommerce revenue; FSBO and competitor revenue from postings in your assigned market through teardowns.com
- Collect buyers and enhance relationships with builders, investors, developers and individual buyers and sellers
- Ability to offer consumer sellers lower transaction costs, certainty of sale and convenience features that cater to the purchase and sale of the unique property type.



# Buyers

Buyers register to see listings from their specific area of interest. Rather than expect buyers to visit the marketplace when they are ready to buy, new postings are pushed (via an email alert) to targeted registered buyers as they are received.

All registered buyers from the locale of the listings' origin are sent new listing information simultaneously making for a fair and impartial buying process. A regional inventory of listings is sent automatically to registered buyers on a weekly basis.

Buyer registrations are used for lead generation, new business development and as our Partner's own proprietary database of buyers in which to market coming soon, office, private, exclusive and MLS listings. Registration is free to buyers.

## Value Proposition for Buyers



Buy direct from listing agent and save



Find and buy property not found anywhere else



It's easy

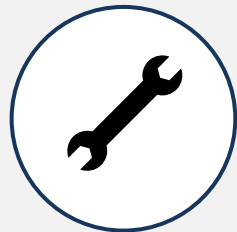
# Sellers

The teardowns.com platform permits [sellers](#) of “land-valued” or redevelopment property opportunities a convenient, simple, faster, efficient and fitting marketing strategy for their “as-is” sale.

To ensure market sales prices through competition and exposure to the buyers most likely to buy, listings are exposed directly and simultaneously to our Partner’s exclusive network of local builders, developers, investors, local real estate agents, and individuals – the database. Your customer may want the listing exposed through MLS as well. That’s between our Partner and their customer. Our job is to help Partners “get the call” when it’s time for sellers to sell.

Consumers come for “ease of sale” and smart marketing. Listings are normally bought and sold “as is”, house showings are limited and sometimes not even necessary, yard signs (or riders) are optional (but highly recommended for further lead generation).

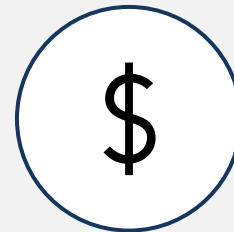
## Value Proposition for Sellers



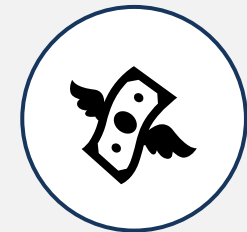
**Sell “as is” - no showings, no fixes or repairs**



**Use an Agent or Sell yourself - the process is efficient, streamlined & convenient**



**Lower transaction cost at full market sales prices**



**Cash buyers**

# Marketing to Sellers



## Older Sellers

The demographic most likely to own a property whose value is in the land are often senior citizens and baby-boomers. Many have neglected or deferred maintenance and have homes that have not been modernized to today's buyer standards.

## Traditional Marketing Tactics

These sellers are often "old school". They read the newspaper and read their (snail) mail. Because prospective clients can be identified by data and appearance, target marketing is simplified; direct-mail and display ads in the local rag have been the foundation of our company's success.

## Marketing Materials at the Ready

Sample editable postcards and marketing materials are found [for Partner use](#) on [teardowns.com](#). How Partners market "teardowns" is up to them. Our strategies are suggestions based on our experience and software's design. Some sellers and Partners use our "value in land" or "The Lot Size" brands for a softer public-facing image (yard sign riders).



# Identifying Seller Prospects

Teardowns can be locally identified, cataloged and kept in database form for instantaneous retrieval and use. Identifying teardown prospects in your specific assigned market (drive the neighborhood, portal search, algorithm, county records etc.) is a boon for efficient and smart marketing.

Our Partners can choose their identification method on their own if they choose to utilize the strategy.


# Marketing the Business

Unlike the “iBuyer” model, teardowns occur in markets where housing is unique and the economics for total redevelopment are in place or on the horizon.

Sellers in “teardown” markets with ongoing or start-up redevelopment often begin with these question(s):

- Is my property a **candidate for redevelopment**?
- Is the **value** of my property **in the land**?
- Is a builder the best buyer for my real estate?
- **Is my house a teardown?**

Our Partners use these types of questions and target consumers offering differentiated and fitting marketing solutions. Each local market may use different models that address their unique needs and wants. Our local Partners decide what to offer their local consumers.



Use colorful, descriptive, recognizable, Internet-friendly and scalable brands

Offer sellers and buyers a value proposition that's fitting of the unique property type

Collect buyers through brand use – Buyers are looking for teardowns or “land-valued” property and sellers know they have them

# Business Case

Founding test market: Hinsdale, Illinois 60521

16,816

population

5,488

# of homes in the  
community

\$800,000+

median home value

\$160,000

median income

\$500K+

average market  
price for  
teardowns

1,686

# of registered buyers  
in 60521 database (450  
Builders, 936  
Individuals & 300 real  
estate pros)

154

# of teardown sales  
via teardowns.com in  
60521

\$300K - \$2MM

Range of sale prices  
for teardowns sold in  
60521:

# National Coverage, SEO & Search

The Company is [nationally recognized](#) for its expertise and innovative approach to real estate transactions within the redevelopment property space. [teardowns.com](#) is a page one search return for “teardowns”. Our Joint Marketing Partners benefit from this exposure.

## THE WALL STREET JOURNAL.

### A Final Goodbye to a Family Home

Knowing Your Childhood Abode Is About to Be Demolished Can Be Devastating



## The New York Times

### *The Heart of Teardown Country*

By Carin Rubenstein

Teardowns undertaken by individuals have remained strong, said Brian Hickey, the founder and president of [teardowns.com](#), an Internet real estate company begun in 2001 that focuses on homes ripe for demolition. He cited a 19 percent jump in registrations for new buyers at the site in the last year.

On the other hand, he said, speculative rebuilding, in general, appears to have softened to some extent. But several pockets of extreme affluence seem impervious to any and all negative trends. For instance, speculators in Greenwich, Conn.; Bedford in Westchester County, N.Y.; and Old Westbury on Long Island are just as involved in the process as they've ever been.

## CHICAGOAGENT MAGAZINE

### Teardowns: An Evolution within the Housing Market

Brian Hickey, the founder of [teardowns.com](#), an online marketplace geared towards the redevelopment of properties, likes to think of teardowns as part of an “evolution not a revolution” within the housing market.

“Buyers’ preferences have changed – more buyers prefer new or like-new homes if it’s affordable for them,” Hickey said. “Even those that prefer historic structures usually appreciate them more with a new kitchen and bathroom. Old is not ‘in’.” And that demand for new clashes with the fact that 52 percent of the country’s nearly 132 million homes are between 55 and 95+ years old.

Those changes in homebuyer preferences have made the demolition of pre-existing properties more common. Hickey says that if buyers decide to tear down and start over that they should ask themselves the following questions: Is the value of the property in the structure itself, or the land? Is the functional obsolescence of the home too much to overcome? Does the home have structural problems that can only be solved by new construction?

Hickey also suggests that homeowners become familiar with their new neighborhood to determine if the immediate area can support a home that is worth more than the valuation of the pre-existing property. He advises that homeowners need to be wary of owning the most expensive house on the block.

# The Deal

The Company is flexible in terms of its' deal structure with Partners; however [Joint Marketing Partnerships](#) by referral fee are preferred (review upon request).

Under this type of Agreement, a referral is paid to the Company (an Illinois licensed broker) for transactions *derived or resulting from*, the use of the Company's brands, platform and/or "system". Referral fees are paid at the time of closing.

Partners share 50%/50% any ecommerce monies paid to the Company within a Partners assigned territory. Those fees are paid via the Company's PayPal account and are paid to our Partner (broker) at end of each month. [eCommerce revenue](#) is derived from posted listings by users; individuals (fsbo), real estate agents and builder/investors.





**Get on your way quickly and control your success with something different....**