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Cleardoor Invites Investors to Join their Cap Table

A tech-enabled real estate company providing an affordable financing solution, Cleardoor Equity, alongside a consumer-centric brokerage

September 23, 2024 (Saratoga Springs, New York). Cleardoor Inc. is a progressive real estate company backed by a highly experienced team that offers discounted real estate brokerage and addresses affordable financing for first-time home buyers aligned with consumer and regulatory trends.

Cleardoor real estate brokerage division was launched successfully in a regional market during 1Q2024 by Eric Eckardt, an industry veteran with three former exits in proptech. Eric has led public, private and startup companies over the past 20 plus years. Previously, he was an Entrepreneur in Residence with American Family Insurance (AmFam) where he worked on a solution he introduced to promote homeownership through affordable financing while presenting single-family rental (SFR) investment opportunities to accredited investors - a model similar to one he brought to market in 2015.

Now, Cleardoor Equity aims to connect prospective home buyers with investors using equity financing instead of traditional mortgage debt. Unlike rent-to-own models with low conversion rates to homeownership, Cleardoor Equity's approach makes customers homeowners on day one. The platform efficiently manages investors' investments through fully vertically integrated operations including an in-house property management division. They will continue to vertically integrate with affiliated services to provide a cost-effective seamless transaction – something the industry has been striving to achieve for the past decade.

In today's U.S. real estate market, macroeconomic headwinds including higher interest rates due to the Federal Reserve's aggressive monetary policy to tame inflation in 2023 have made traditional mortgage financing more expensive. This has increased the need for sustainable, debt-free financing for home buyers. Homeownership provides the ability to build equity and generate wealth. According to the National Association of Realtors (NAR), first-time home buyers are at historic lows, representing only 26%

of all home purchases with a historical mean of 40% in 1981. This combined with anemic levels of inventory is making home affordability out of reach for many prospective home buyers using traditional housing financing. Cleardoor Equity enables SFR investors to passively invest in performing assets in favorable metro markets with consistent yield that meet their buy-box while reducing turnover and promoting homeownership.

“Cleardoor is a progressive company solving a major barrier in the housing market with an affordable financing solution. This is in addition to our pro-consumer real estate brokerage whose commission fee structure is aligned with consumer trends and the regulatory landscape. We are building a real business with favorable unit economics and are uniquely positioned in the industry to make a difference,” said Eric Eckardt Founder & CEO. *“We are providing a viable path to homeownership across all demographics while offering home sellers a modern solution to preserve their equity without sacrificing on service.”*

The real estate brokerage market alone is over a \$100 billion addressable market that remains highly fragmented with limited options. Cleardoor believes recent regulatory pressure and settlements against incumbent commission practices will have a material impact on the real estate fee model benefiting the consumer. Since launching Cleardoor’s brokerage division, consumer response has been outstanding - providing a full service offering at a greater value. Home-sellers can list for 1% and offer a buy-side offer of cooperation, if any at their discretion - aligned with the current regulatory landscape.

The market opportunity for equity financing is also significant in the U.S. Jennifer Rimbach, an impact investor and serial tech for good entrepreneur based in Washington, DC, was recruited from the AmFam venture build studio as a founding member and Head of Impact at Cleardoor to support low- to moderate income households while working closely with social impact investors, policymakers, and the public sector.

Jennifer Rimbach believes Cleardoor Equity’s innovative equity-based housing financing is a means of lowering the barrier to entry for homeownership while solving SFR investor pain points, as the model requires less money out of pocket and identifies vetted home buyers whose interests align with those of investors. She said “homeownership made possible through Cleardoor is a vehicle for reducing wealth inequality, as owning a home debt free can improve credit scores, unlock buying power, and build generational wealth.”

Cleardoor is now inviting investors to participate in their next financing round at <https://cleardoor.app/safe/>.

About Cleardoor

Cleardoor Inc.—a wholly owned subsidiary of Domus Holdings LLC—is headquartered in New York and offers a technology-powered full service real estate company designed for the consumer. We help people sell or buy a home while saving thousands in commission expenses and provide affordable equity-based housing financing solutions for home buyers. Cleardoor is on a mission to empower consumers with all the resources they need to sell or buy properties.

For more information, visit www.cleardoor.io. To learn about Cleardoor Equity visit <https://cleardoor.io/shared-equity/>. To be added to Cleardoor’s press release distribution list, email info@cleardoor.io. To view Cleardoor’s press center, [click here](#).