

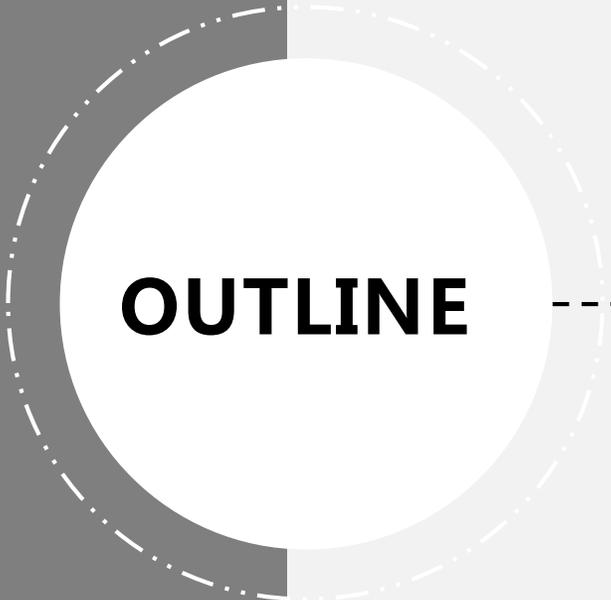


# YIJU BUSINESS PLAN



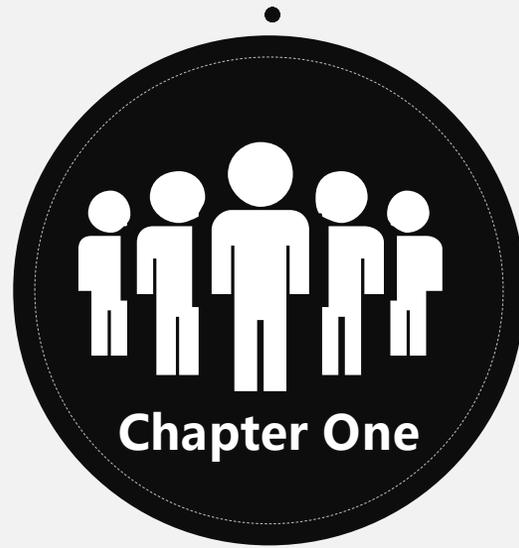
**Canadian Real Estate Platform**

<https://en.yiju.ca>



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# **Introduction**

Yiju is a Canadian real estate platform which was established by Yiju Inc. in October 2018 and aims to provide the most professional, accurate, and timely real estate information for Canadian real estate buyers and sellers.

Yiju has maintained a good and long-term cooperative relationship with the REBGV (Real Estate Board of Greater Vancouver) , TREB (Toronto Real Estate Board), and CREA (Canadian Real Estate Association). The platform can synchronously update more than 200,000 active listings in Canada from MLS based on different listing agreements in real time to ensure the relevancy and accuracy of housing information.

Yiju is committed to being an online real estate brokerage with neither agents nor listings.





## **Market Potential**

# Market Potential



- Canada's total housing transaction volume in 2018 was 457,600 units, and the average housing price was C\$488,100. The total national real estate market was C\$223.35 billion, accounting for 9.63% of Canada's GDP in 2018 (C\$2.32 trillion). Overall revenue of Canadian real estate brokerages was C\$11.67 billion.
- In Ontario, the total housing transaction volume in 2018 was 189,600 units, and the average housing price was C\$569,000. The total market volume was C\$107.88 billion, accounting for 48.30% of the total national market.
- In British Columbia, the total housing transaction volume was 78,300 units in 2018, with the average housing price of C\$712,500. The total market volume was C\$ 55.79 billion, accounting for 24.98% of the total national market.



# Market Potential



➤ In Quebec, the total housing transaction volume in 2018 was 86,500 units, with the average house price of C\$307,700. The total market volume was C\$26.62 billion, accounting for 11.92% of the total national market.

➤ In 2015, Chinese buyers accounted for 33% of the total transaction volume in Vancouver, and 14% in Toronto. In these two cities, overseas buyers accounted for 5% of the total transaction volume. Out of that, 70.6% came from China, 4.6% from the United States, and 3.6% from India.



# Background Analysis



On August 23, 2018, the Supreme Court of Canada ruled that the Toronto Real Estate Board would disclose house sales data, including sold prices to the public within 60 days. It is only a matter of time before other real estate boards do the same. This trend in Canada will likely culminate in a situation very similar to the United States where property information is already accessible to the public. From this point of view, the openness and transparency of Canadian real estate information will become an irreversible trend. The information monopoly advantage of real estate agents will no longer exist, and the importance of their role in the transaction process is bound to be weakened. However, real estate transactions are still long and complicated processes involving large investments of money. As such, real estate agents will still play a very important advisory role. Yiju is positioned as the pre-sales service platform which targets potential buyers/sellers. The service provides a rating system along with enhanced, analyzed information to potential buyers/sellers, and assists them to complete their transactions by cooperating with real estate agents.

With the development of 5G, blockchain, big data, VR, AR, AI and other technologies, online home buying is getting closer to reality. Yiju will make an accurate valuation of each house through analysis of active listings and historical transaction records, combined with other factors such as nearby schools, community, and market trends. Our VR showing tool will help potential buyers filter properties, overcome the inconvenience of distance, and view features of pre-construction condos.



## **Industry Analysis**



## Agents

1

**Intense Competition  
and High Customer  
Acquisition Costs**

2

**Long Transaction  
Processes**

3

**Scattered Customer  
Information**



## Clients

1

**Information Asymmetry  
and Opacity**

2

**Long Industry  
Chain**

3

**Non-Standardized  
Service and Difficulty  
Building Rapport**



## **Business Model**

## Industry Issues

Due to the boom of the Canadian real estate market, the number of real estate brokerages increased significantly in recent years.

White-hot industry competition, high customer acquisition costs, long transaction processes, scattered customer information, etc. are issues that greatly occupy agents' resources and energy, which makes improving service quality a challenge



## Agents

Issues

How to Solve

Solutions

## Solutions

By taking advantage of the convenience of an online platform, Yiju will integrate online lead resources, filter potential customers, and follow up the whole transaction process in real time. As a result, real estate agents will receive high-quality leads and devote more resources to improving their service quality

## Industry Issues

Due to the intense competition in the industry and real estate agents receiving their income only through commissions, there is an incentive for agents to conceal property problems and risks existing in the contract from customers. In the long and complicated real estate process, customers do not have access to all the information, thus making them vulnerable. The main reasons for this situation are the lack of information transparency and a complicated process.



## Clients

Issues

How to Solve

Solutions

## Solutions

Through cooperation with Canadian real estate boards, Yiju ensures the authenticity and integrity of listings. The platform provides as much information as possible to customers, such as school district listings, community housing prices, etc., to give customers a better perspective. In addition, Yiju will also integrate a rating and recommendation system for real estate agents and intermediary service providers to help customers make the best choice.

## 1. Obtain and Screen Leads

Yiju drives traffic to our platform through promotions, and obtains the information of potential customers through our lead generation system, then screens them for accuracy

## 4. Obtain Feedback

After the transaction is completed, Yiju will follow up with the client for feedback. Based on this, the real estate agent is evaluated for future reference.



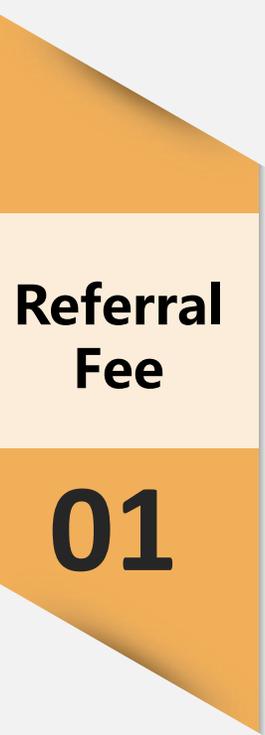
## 2. Recommend Agents to Customers

Based on customer needs, recommend matching real estate agents

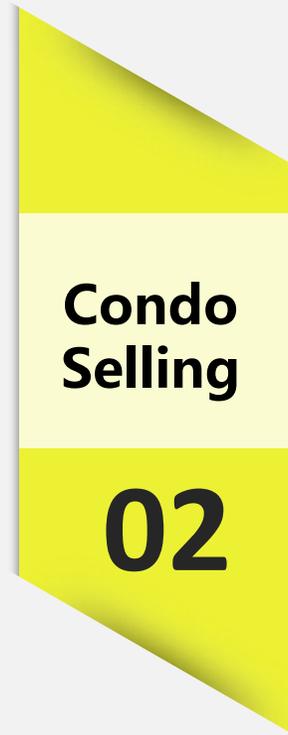
## 3. Track and Consult

Yiju will track the whole process, and provide consulting services to customers

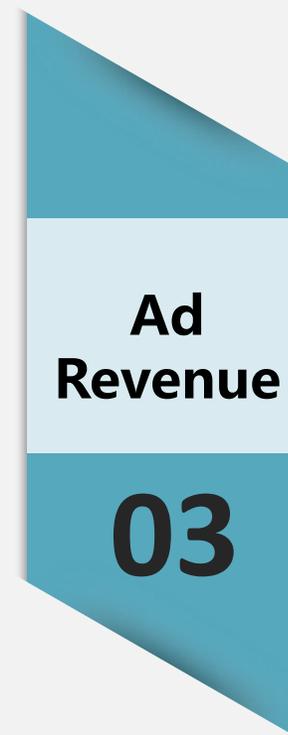
# Revenue Model



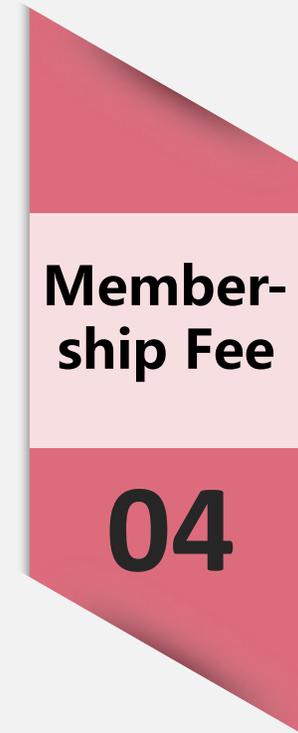
After the deal is completed, Yiju will charge 30% of the commission from agents as a referral fee



Sign agreements with developers to sell to buyers directly, or cooperate with real estate agents to sell condos.



Provide various ad spaces on the Yiju website and app for real estate and related industries, such as mortgage, insurance, renovation, etc.



At the early stages of the platform, membership fee will be waived to attract users.

# Business Flow ( Rental )



**Landlords**



**YIJU**



**Tenants**

Upload house info and pay-for-promotion

Tenants contact directly

Sign up and pay-for-promotion

Refer tenants and charge referral fee

Upload listings

Online/offline marketing

Sign up and inquire

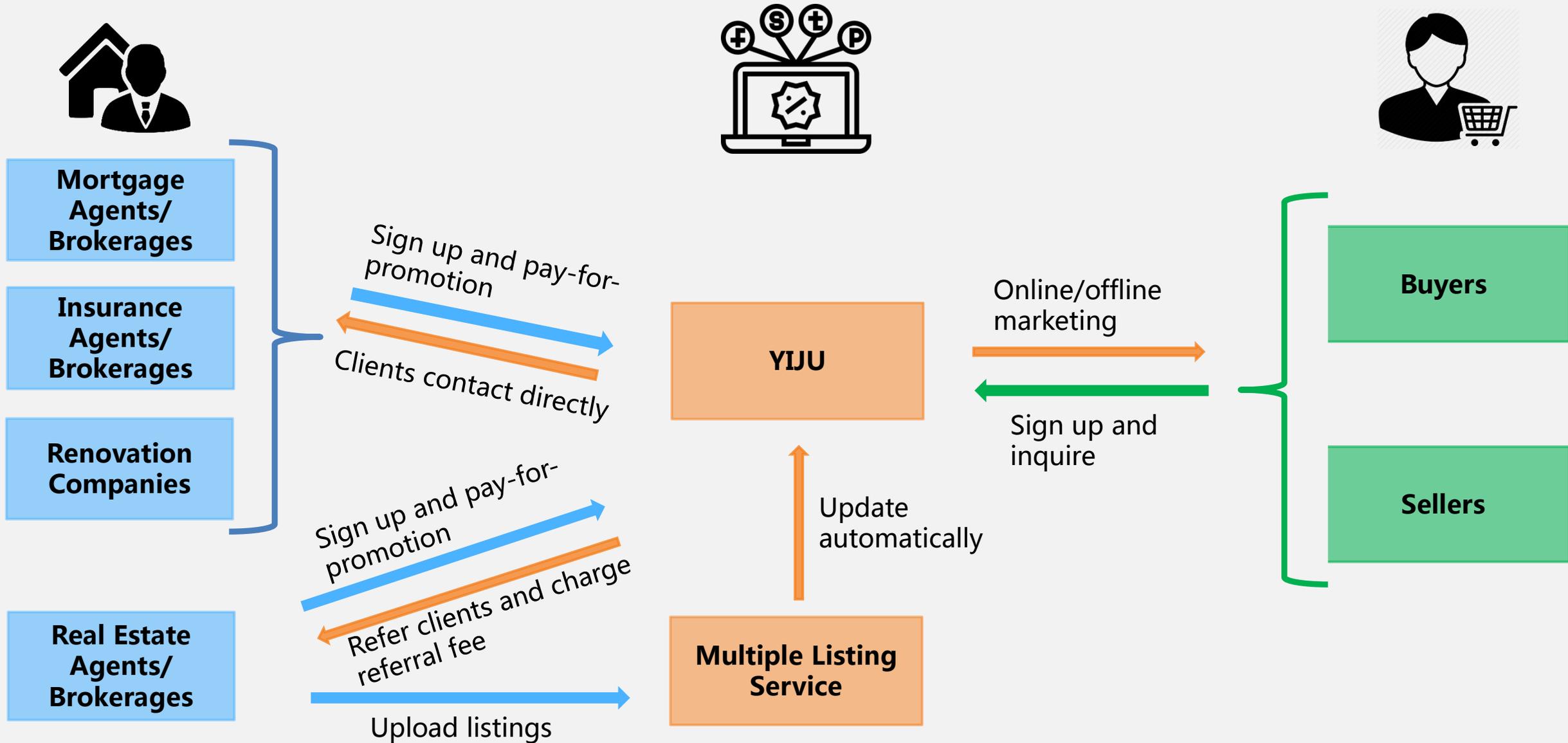
Update automatically

**Multiple Listing Service**

**Real Estate Agents/  
Brokerages**



# Business Flow ( Re-sale )



# Business Flow ( Pre-sale Condos )



**Developers**

Units allocation and pay-for-promotion

Buyers purchase directly

**YIJU**

Online/offline marketing

**Buyers**

**Real Estate Agents/  
Brokerages**

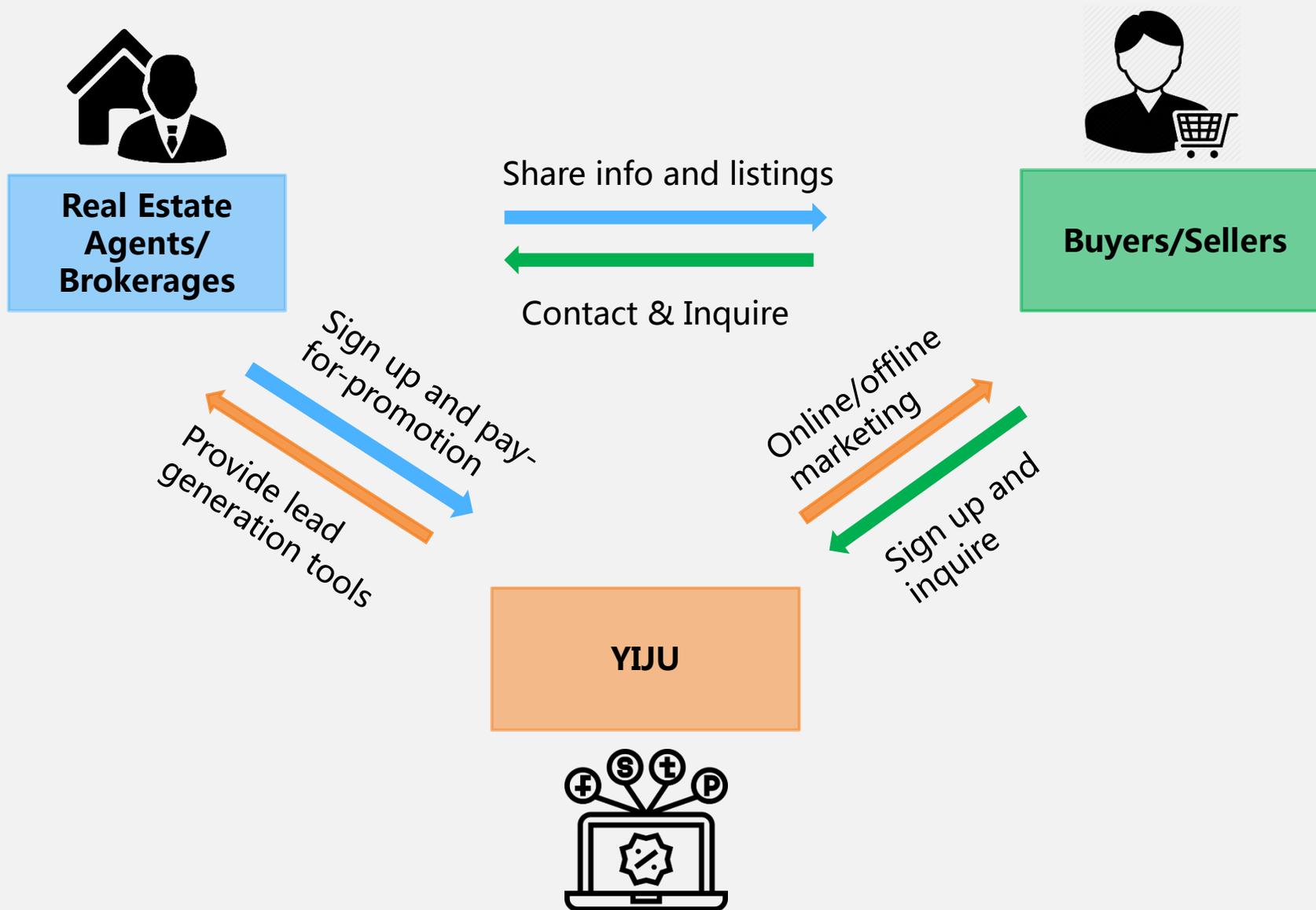
Upload assignments and pay-for-promotion

Units allocation, refer clients and charge referral fee

Sign up and inquire

**Assignment Sellers**

# Business Flow ( Marketing )





## **Competitor Analysis**

# Competitor Analysis



## Zillow

Zillow is a US real estate platform founded in 2006 and had its IPO on NASDAQ in 2011. Zillow officially entered the Canadian housing market in 2018. At present, it has close to 200 million active monthly users, making it the largest real estate platform in North America. Zillow's core feature is Zestimate, a housing price evaluation system.



## HouseSigma

HouseSigma is a Toronto based local real estate app established in 2016. It has acquired a certain amount of users through its sold history and home evaluation system. Recently, HouseSigma has set up its own real estate brokerage to be more deeply involved in real estate transactions and thus is not appealing to other real estate agents and companies to co-operate with



## RealMaster

RealMaster is a real estate media app based in Toronto which was founded in 2014. Its revenue mainly comes from advertising, and does not enter into the transaction process. They recently expanded into the local renovation market. Their online traffic growth has stalled due to the fact that they only target the local Chinese community.



# Strengths



**Highly Experienced in Online Marketing**

With over 10 years of experience in providing website and online marketing services for the real estate industry, Yiju is familiar with various online promotion methods such as websites, apps, social media, self-media, and SEO

**Familiar with Real Estate Industry**

Yiju has provided over 2,000 real estate industry clients with online promotion programs, and has a deep understanding of the needs and pain points of the real estate industry

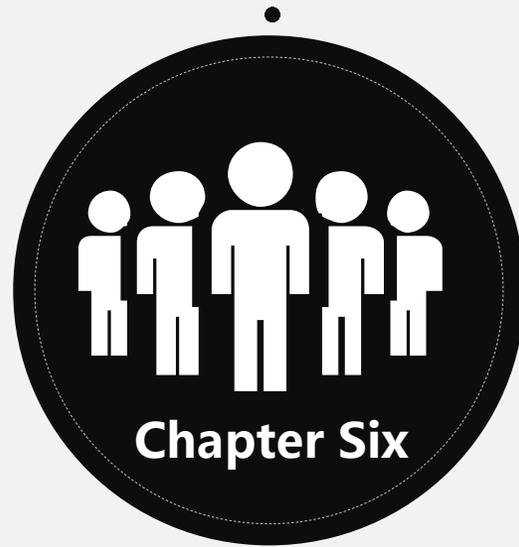
**Deep Involvement in Real Estate Transactions**

Yiju has 50,000+ real estate agents and 200,000+ buyers/sellers contact information

**National Layout**

Yiju will be deeply involved in the real estate transaction process and optimize it using the advantages of the Internet, bringing more clients to b-end agents, while also improving the service experience for c-end clients and avoiding information asymmetry

With Toronto at its center, Yiju will strive to extend its services to all major cities in Canada and the United States



## **Our Team**

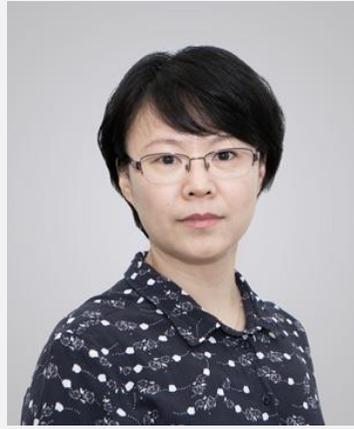
# Our Team



**Zhuo Shen**

**CEO**

Zhuo has a Bachelor's degree in applied electronic automation, and is the co-founder of EZI Technologies Inc. He has 27 years of experience in system management and network engineering, as well as more than 10 years of experience in online promotion in the real estate industry. Zhuo has participated in the planning of nearly a thousand promotion cases, giving him profound insight into the needs of b-end agents and c-end customers.



**Jennifer Jiang**

**CTO**

Jennifer graduated from the University of Toronto with a Master's degree in computer science, and is the co-founder and chief architect of EZI Technologies Inc. She has over 10 years of real estate online product development experience, and is familiar with MLS® and real estate software development



**Henry Tong**

**COO**

Henry graduated from Three Gorges University with a bachelor's degree in financial management. He is the marketing manager of EZI Technologies Inc., with nearly 10 years of experience in Internet promotion and operation in both China and Canada. He is familiar with the Canadian real estate market and is proficient at combining the characteristics of local real estate with domestic promotion channels.



**Helen Sun**

**Operation  
Supervisor**

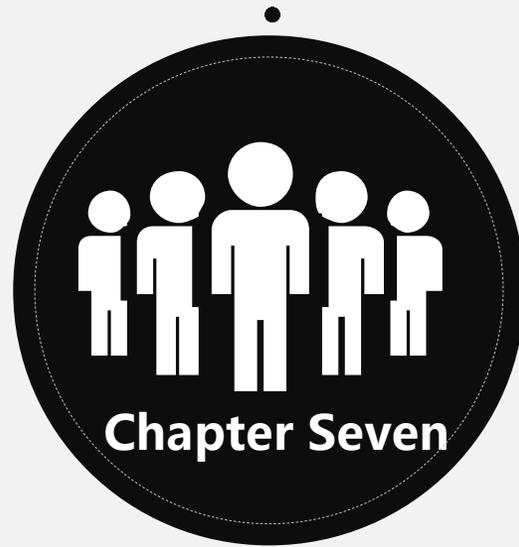
Helen graduated with a Master's of Finance from McMaster University, and has worked for a number of local Canadian media companies. She has an in-depth understanding of and hands-on experience with we-media, social media, and printed media



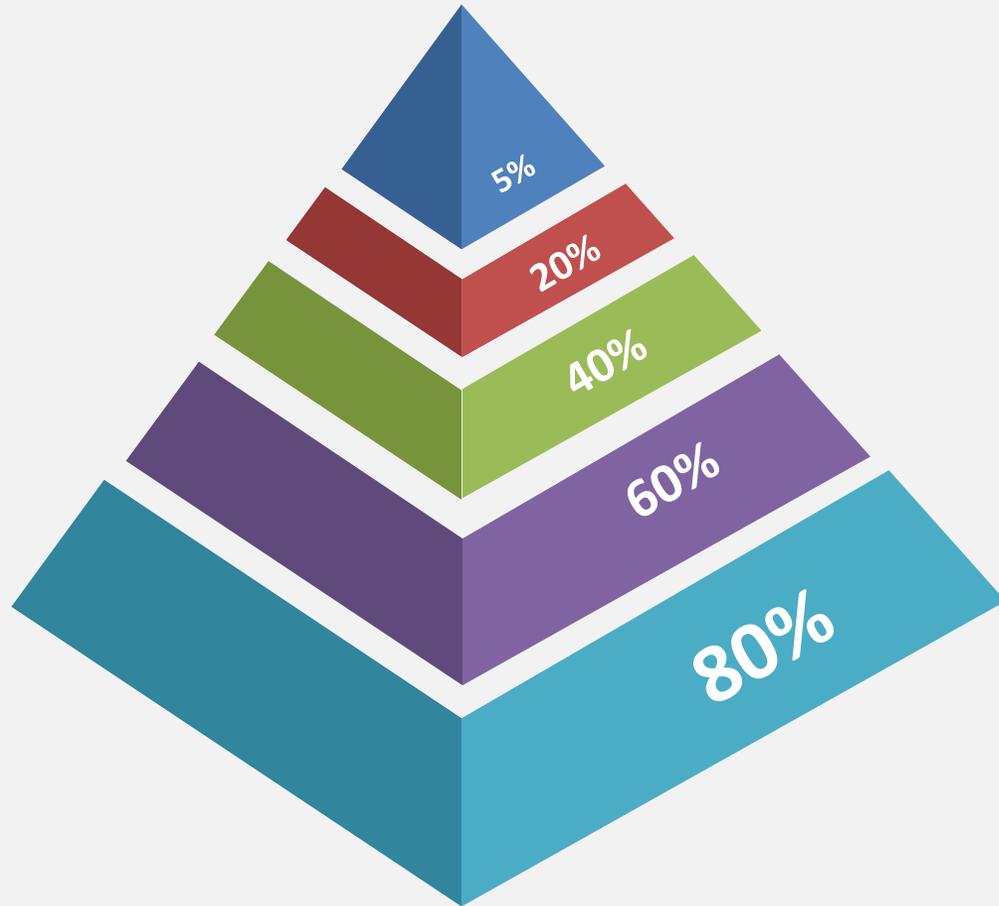
**Tab Tu**

**Application  
Developer**

Tab graduated with a master's degree in computer science from the University of Windsor, and has more than 7 years of system architecture experience. Tab has participated in the architectural design and implementation of many large projects. He is familiar with AR and big data visualization analysis, and is also proficient in C, C++, and Java



## **Equity Structure**



## EZI Technologies Inc.

34.5% (15% Option Pool)

Zhuo Shen (CEO)

20%

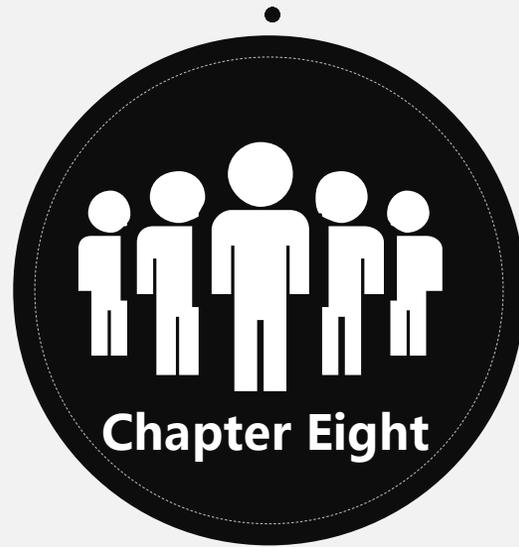
Jennifer Jiang

(CTO)

20%

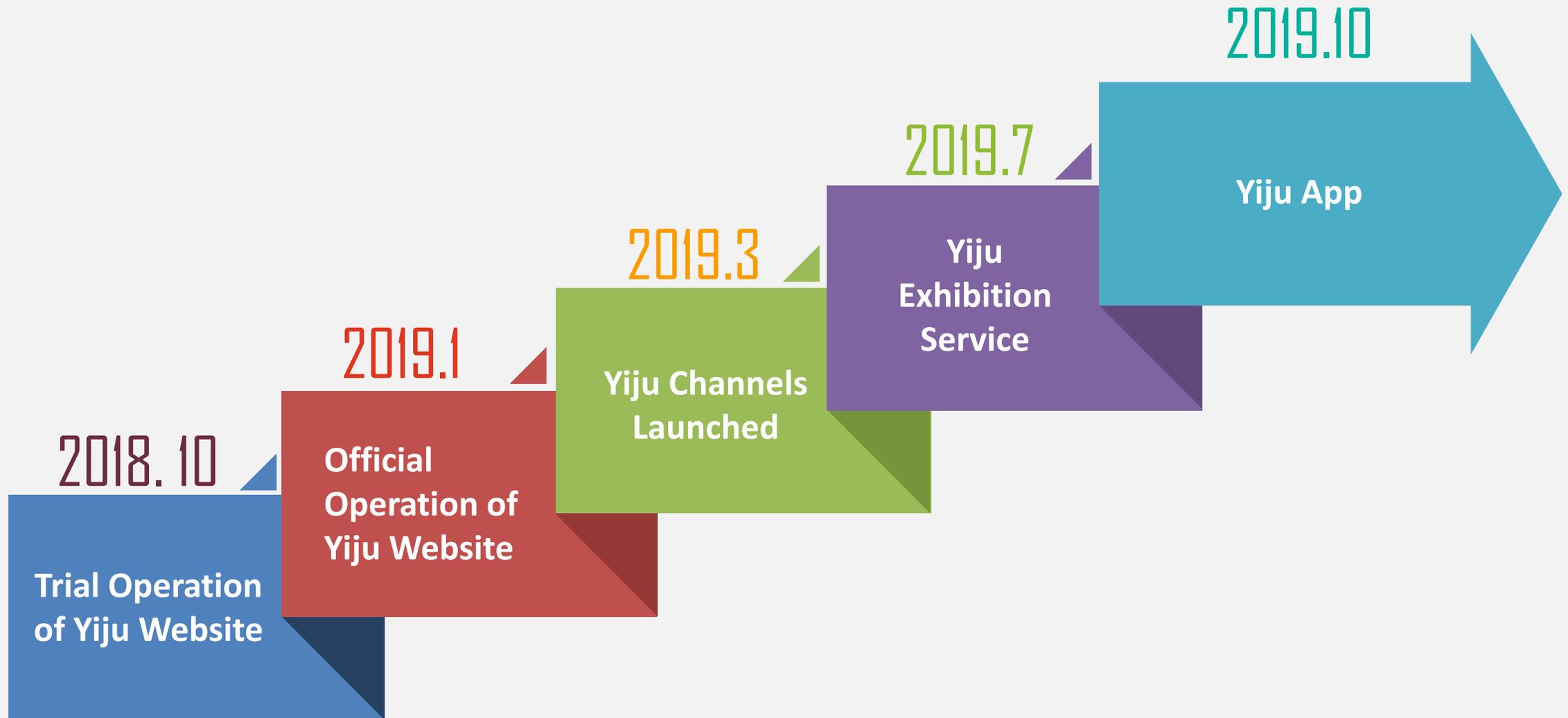
Henry Tong (COO)

25.5%



## **Operation History**

# Operation History





**Financial Demand**



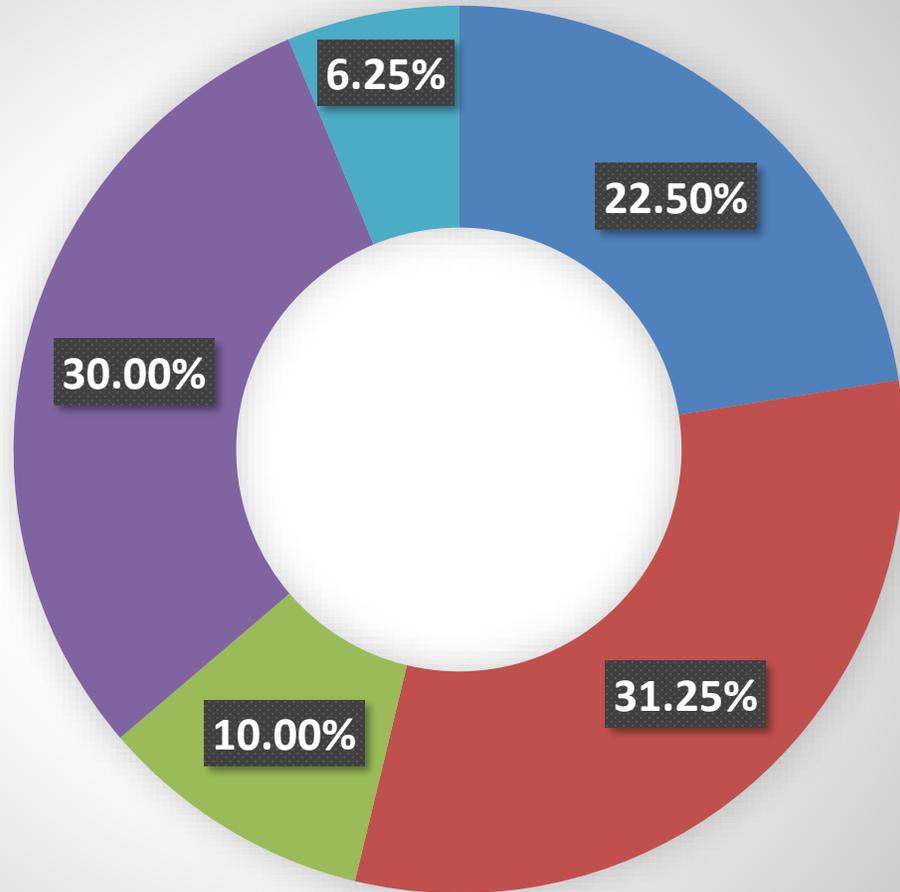
**Current round of financing : Angel Round**

**Planned financing amount : C\$1,000,000**

**Planned share sale : 10%**

**Current Valuation : C\$10,000,000**

# Budget ( Annual )



- Developer
- Marketer
- Customer Service
- Marketing Fee
- Vancouver Branch

| Items                | Expense           |
|----------------------|-------------------|
| Developer * 2        | C\$180,000        |
| Marketer * 5         | C\$250,000        |
| Customer Service * 2 | C\$80,000         |
| Marketing Fee        | C\$240,000        |
| Vancouver Branch     | C\$50,000         |
| <b>Total</b>         | <b>C\$800,000</b> |



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