

21 January 2016

## **ASX Announcement**

### **ONTHEHOUSE PROGRESSES KEY STRATEGIC INITIATIVES**

- **Completion of initial design of the next generation Console, which will be a cloud-based Software as a Service (SaaS) platform**
- **Third party product now integrated into Console and immediately generating new revenue stream; further products to follow**
- **Potential joint venture between the Consumer Online Division (COD) and real estate industry owned RealestateVIEW**

Onthehouse Holdings Ltd (ASX:OTH) is pleased to provide this update regarding the progress achieved by the Company in relation to the three key strategic initiatives below.

#### **1) Completed initial design work and scoping of the new cloud-based SaaS Console platform**

- Initial design and user interface of new Console platform has been developed and user testing begun; ramping up development resources
- Increasing the flexibility and attractiveness of Console to agents, who are increasingly looking for cloud solutions
- Streamlining the back-office systems of real estate agents and ensuring new services can be seamlessly provided to increase office productivity
- Forming the core of the revitalised listed Onthehouse

The initial design and user interface of the Company's next generation Console platform, which will be a cloud-based Software as a Service (SaaS) platform, has been developed and user testing has begun. Development staff have been hired, and increased recruitment is planned for February 2016 as the Company ramps up development activity.

The new cloud-based SaaS Console platform will provide flexibility to real estate agencies and streamline their back office systems, while ensuring new services can be seamlessly provided that will increase the productivity of real estate agency offices.

The new cloud-based platform will allow the Company to increase market share of its property management product, grow revenue through improved cross sell of website and CRM modules, and create new non-software revenue opportunities through third party integrations and data.

#### **2) Third party product now integrated into Console and immediately generating new revenue stream; further products to follow**

- New cloud-based API facilitates integrations and new revenue streams
- Increases Console's value proposition for real estate agents
- Strong customer response to accounts payable integration
- Further third party applications to be launched

In November 2015, Onthehouse successfully launched a cloud-based API solution that allows third party services to be provided to real estate agents' offices via Console. The company is now actively pursuing this channel as it increases the suite of services that can be accessed via Console while also creating new revenue streams for Onthehouse.

The first solution – Accounts Payable – was launched in December 2015, and is already generating new clients whilst in beta. There are plans for a full launch later this quarter. Further integrations with other third party products will soon be launched, increasing customer satisfaction and revenue.

Commenting on the Console platform's enhancements, Onthehouse CEO Chris Meehan said:

*"With one of the largest client bases of real estate agents in Australia, we are very focused on streamlining back-end processes to ease the running of their businesses.*

*"Integrating third party applications into Console enables greater productivity for real estate agents while also creating new revenue streams for Onthehouse. This strategic initiative provides an attractive channel for Onthehouse to access the \$180 million market for real estate agency software and data solutions it does not currently have access to, and leverage the benefits of our upcoming cloud-based SaaS Console platform."*

### **3) Joint venture between COD and real estate industry owned RealestateVIEW**

- Onthehouse is in advanced negotiations to form a joint venture that would combine the Company's consumer-centric portal (onthehouse.com.au) with real estate industry owned portal (realestateview.com.au)
- Joint venture would create a significant competitor in the Australian real estate portal market, with greater scale across both consumer audience and revenue, and is expected to be immediately profitable
- Ongoing discussions with other potential strategic partners to drive growth

Following extensive consideration of a number of proposals, Onthehouse is in advanced negotiations to merge COD (which includes Onthehouse.com.au website and Residex) with the industry owned RealestateVIEW portal (REV). A non-binding termsheet was signed in December and a sale agreement is being prepared.

Concurrently, the parties are continuing discussions with other strategic joint venture partners that could see increased investment to aggressively accelerate the new joint venture's marketing and product development.

Commenting on the proposed joint venture, Onthehouse CEO Chris Meehan said:

*"A joint venture with real estate industry owned RealestateVIEW would create a larger profitable competitor in the Australian online real estate sector. The new business would have well over two million unique browsers per month, and around 75% of sale and rental listings. This joint venture would be a natural evolution for Onthehouse's Consumer Online division.*

*“If implemented this joint venture would provide the real estate industry with a scale platform to participate in the online real estate sector at a time when many are looking for an alternative to the existing online portals.”*

Enzo Raimondo, RealestateVIEW’s Managing Director, said:

*“Together, RealestateVIEW and Onthehouse.com.au have built a real estate marketplace that provides consumers with all sold and current property information in one place and delivers real value to the real estate industry.*

*“Onthehouse.com.au recently launched a new platform that gives consumers a unique search experience and the data to make more informed property decisions. We believe it provides a strong strategic fit with RealestateVIEW.”*

Onthehouse expects to release its 2016 half-year results on or around 25 February 2016.

-ENDS-

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### **About Onthehouse**

Onthehouse Holdings Limited (ASX: OTH) is an ASX listed Australian online real estate content and services platform headquartered in Brisbane. The business divisions operated by the Company consist of:

The Consumer Online Division is a platform of publicly available real estate websites underpinned by the [www.onthehouse.com.au](http://www.onthehouse.com.au) website, providing free access to an extensive database of real estate content and property values on most properties in Australia, including traditional real estate online classified listings. The website is comparable to successful offerings in the US (Zillow) and UK (Zoopla) and has very quickly become the third largest online real estate platform in Australia, currently attracting more than 1.8 million unique visitors per month. The division also offers data and valuation related services for financial institutions utilising Onthehouse's extensive database.

The Real Estate Solutions Division provides tools for real estate agents, other property professionals and financial institutions. It provides an integrated platform for office administration, property sales and management applications, online advertising solutions and other business performance tools for real estate agents.

### **About RealestateVIEW**

Founded in 2001, realestateVIEW.com.au is one of Australia's leading real estate portals. The real estate portal's aim is to make it easy for consumers to find their dream home by listing thousands of rental properties and homes for sale. To help consumers plan and conduct market research, realestateVIEW.com.au offers a suite of essential tools from free property alerts and the latest sales and auction results to property reports with up-to-date median prices, historical sales results and general suburb profile data.

RealestateVIEW's shareholders include the Real Estate Institutes of Victoria, New South Wales, Queensland, and Tasmania, as well as a broad range of franchise groups and agents.