



## Purplebricks Targets California for Ambitious US Expansion

- To Launch Hybrid Online Real Estate Service Later this Year -

**LONDON (June 14th, 2017)** – In advance of attending the 51st Annual NAREE Real Estate Journalism Conference in Denver on June 14 - 17, Purplebricks Group plc (AIM: PURP) ("Purplebricks" or the "Company"), the hybrid real estate agency that has enjoyed immense success in the United Kingdom and Australia, today announced that it will commence its ambitious United States expansion, identifying California as the first launch state, later this year.

Purplebricks' highly differentiated business model combines local market real estate experts with a proven technology platform to make the entire process of buying and selling a home more convenient, transparent and cost effective. The Company's compelling value proposition provides consumers with the opportunity to save thousands of dollars with a competitive flat fee—without having to sacrifice exceptional service—and by giving real estate agents the resources to build a unique and highly scalable, profitable business.

Purplebricks is targeting California for its US launch due to the state's strong housing and economic fundamentals. According to data compiled by the California Association of REALTORS® and other publicly available information pertaining to US homes sales, California ranks #1 in transactions nationally with total sales commissions exceeding \$11.5 billion. As it builds a strong brand presence in California, Purplebricks intends to expand into other key US states via a controlled roll-out strategy with a plan to accelerate coverage, as required. Purplebricks has recruited Eric Eckardt, a real estate technology veteran, to serve as its US CEO and position the Company for long-term success in the market.

In preparation for its US launch, Purplebricks will soon begin engaging hundreds of highly experienced, full-time real estate agents across California who demonstrate extensive local market knowledge and a passion for customer service. Known as Local Real Estate Experts, Purplebricks' recruits will undergo extensive training that covers all aspects of the Purplebricks platform to ensure the highest servicing standards.

Importantly, Purplebricks' Local Real Estate Experts will have the opportunity to earn more and work more effectively, benefiting from the combination of territorial exclusivity determined by zip code, lead generation from high impact TV-led marketing and technology that frees them up to spend more time with customers. Purplebricks will offer its Local Real Estate Experts sell-side and buy-side opportunities. Real estate agents interested in joining the Purplebricks team are encouraged to email their resume to [joinus@purplebricks.com](mailto:joinus@purplebricks.com).

**Commenting on the news, Purplebricks US CEO Eric Eckardt, said:**

*"Purplebricks is launching in the US, with a distinct offering, which aims to offer a better deal for customers and a compelling opportunity for highly skilled, experienced Local Real Estate Experts. Our plans are progressing well and we remain on-course to launch in the second half of 2017."*

**Michael Bruce, Founder and Group CEO of Purplebricks, said:**

*"We are absolutely delighted to be moving forward at pace with plans for what will be an exciting US launch. We will be giving sellers and buyers a unique and seamless experience. We are looking to recruit the very best real estate agents who want to be highly successful and who want to spend their time helping and supporting customers rather than prospecting for leads. We will provide them with a stimulating customer centric culture and market leading support to help them build scalable, profitable businesses."*

**About Purplebricks Group plc**

Purplebricks is a leading next generation estate agency in the UK, combining highly experienced and professional Local Property Experts (LPEs) and an innovative use of technology to help make the process of selling, buying or letting so much more convenient, transparent and cost effective. Purplebricks is transforming the way people perceive estate agents and estate agency. Building on its UK success, Purplebricks launched into Australia in August 2016 and in February 2017 announced plans to enter the US market.

Unlike traditional agents, where customers only pay upon the sale of the property, which effectively means that those that do sell pay more in order to cover the costs of those that do not sell, Purplebricks believes it is more equitable that everyone should pay, charging a flat fee at instruction. This helps to avoid the industry issue of those that are merely 'testing the water' and underpins the low, flat fee model.

In the UK Purplebricks charges £849 (inc. VAT) for a sale anywhere in the UK other than in London and surrounding areas where there is a charge of £1,199 (inc. VAT). There are additional charges if the customer wants Purplebricks to undertake the viewings on their behalf, if they require an energy performance certificate or a Rightmove premium display, amongst other services that are available. The business model is low cost, flexible and cash generative, without the need for an expensive leased estate. LPEs are self-employed and receive a flat fee per instruction and can earn additional fees from the sale of ancillary services including but not limited to conveyancing, mortgage referrals and insurance.

Purplebricks listed on the UK's AIM market in December 2015, raising £25.0m (c.US\$32m) of growth capital before listing costs and other expenses at 100p per share. In February 2017 Purplebricks raised an additional £50m (c.US\$65m) before expenses through a share placing to fund US expansion. Purplebricks currently has a market capitalisation around £1.0bn (c.US\$1.3bn).

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