

Peer Insights

R E P O R T

Q&A with Dennis Conforto

President and CEO of National HouseCheck Corporation

Principle Series:

Family Office Insights sits down with Dennis Conforto to discuss his mission to revolutionize the home inspection industry and his plans to make it better for everyone involved—home buyers, sellers, real estate professionals, and home inspectors.



Family Office Insights is a voluntary, “opt-in” collaborative peer-to-peer community of single family offices, qualified investors and institutional investors.

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Q: What business experience do you bring to this new HouseCheck business model?

A: I've gained a great deal of business knowledge and experience in my career that I'm now able to apply to HouseCheck. One of my key accomplishments was growing an international software firm from two employees to over 2,000 employees, taking the company through an IPO, and then orchestrating the sale of that company to GE. Since then, I've grown and sold a few other companies, as well...plus, I've written two books on consumer trends, I've served on a board that established standards for barcodes that are now being used worldwide, and I was awarded the Ernst & Young Entrepreneur of the Year award for the software industry. I've also recently completed an autobiography, which will be released shortly.

But perhaps my most satisfying achievement has been establishing working relationships with a variety of world-class individuals who are masters in their fields of endeavor. Many of these highly-accomplished professionals are now working with me on creating and launching HouseCheck.

Q: What opportunity did you see in the marketplace that prompted you to launch HouseCheck?

A: Some time ago, after I'd completed the sale of my most recent business and had some free time on my hands, a friend and neighbor asked my advice on how he could expand his home inspection business. As I researched the home inspection industry to formulate some ideas for my friend, I was surprised to find that home inspections accounted for \$1.5 Billion in revenue, yet no one had established a national consumer brand to serve such a sizable industry.

The more research I conducted, the more compelling the opportunity became. So I set about recruiting some of my key contacts (including my neighbor, who had been the genesis for the whole idea) to join me in establishing a national consumer brand to take over the home inspection industry — "HouseCheck."

Q: How would you briefly describe the HouseCheck concept?

A: The HouseCheck model will exhibit some of the same disruptive characteristics as the Uber model. HouseCheck will recruit over 8,000 of the the best home inspectors across the country and organize them under a national consumer brand. HouseCheck will actively sell home inspections to consumers, and will then subcontract those inspections to our team of independent HouseCheck-certified Inspectors. While we'll be appealing directly to consumers, we'll also be establishing alliances with the real estate community, who traditionally have provided referrals to home inspectors for the benefit of their clients. In addition, we'll be working to invert the standard business model, encouraging home sellers to commission a home inspection *before* listing their home, which eliminates much of the risk that results from having the home inspection occur after a buyer's offer has been accepted.

Unlike most acquisition models, our roll-up process is actual a profit center, because our inspectors will pay to become part of HouseCheck.

Q: Why do you expect the various stakeholders to embrace this model?

A: Inspectors will like working with HouseCheck because we'll relieve them of the non-productive work that they normally need to do, such as making sales calls, educating consumers, doing marketing, handling scheduling, billing, collections, etc. In addition, we'll enable them to earn two to three times more revenue, because they'll be able to complete more inspections due to our advanced business systems and inspection technologies. And on top of all that, our inspectors will be able to own stock in HouseCheck.

Real estate people will rest in the knowledge that HouseCheck inspectors are professionals who conduct a thorough inspection, but avoid making speculative pronouncements that could unnecessarily jeopardize a sales contract. HouseCheck will revolutionize the real estate industry by creating a transparent "Carfax-type" environment in which information about a home is readily available for the first time. Real estate agents always look good as a result of referring a client to HouseCheck.

Consumers naturally gravitate to a recognizable brand with a good reputation, and HouseCheck will be the only national consumer brand in the home inspection space. Plus, our completely re-imagined Inspection Report will earn a reputation as the most complete, most consumer-friendly inspection report in the business. Also, HouseCheck Inspectors are certified, background-checked, and double insured, so there's no risk...and every HouseCheck inspection comes with a money-back guarantee, as well.

Q: How do you plan to grow this model?

A: We're currently running a full-scale test market in southwest Idaho, which is giving us real-time information from consumers and the industry on how the model can be perfected. Once we determine the model is solid, we'll begin rolling it out in additional markets across the U.S. In all, we'll be establishing HouseCheck in 210 Designated Market Areas, as defined by Nielsen rankings. It will be important to roll out the model rapidly, in order to establish the brand as preeminent in each market and capture market share before the inevitable competitors mobilize.

Q: How do you intend to establish the HouseCheck brand in each market or region?

A: When we enter a new market, we'll conduct a consumer media blitz to establish brand recognition via TV, radio, outdoor, email, direct mail, social media, print media, and public relations. Simultaneously, we'll begin contacting key Inspectors, enticing them to attend a recruiting event. Meanwhile, we'll also be making inroads into the real estate community, building relationships that will generate referrals.

Our efforts with Inspectors and Realtors will naturally feed each other; the best Inspectors already have relationships with active Realtors, and they'll bring those Realtor relationships with them into HouseCheck. Similarly, active Realtors already know the most competent Inspectors, and will readily refer them to us.

Our consumer marketing ties the whole package together, because all three groups will be impacted by our aggressive consumer brand-building program.

Q: What are your plans for expanding the HouseCheck business model beyond home inspections?

A: We've already identified a number of other home-related services that could be centralized under the HouseCheck brand using the same infrastructure that we'll be building to implement our primary business model. From a platform of preeminence in home inspections, we'll be in an excellent position to expand our market cap through the addition of services such as home maintenance inspections, property staging, real estate photography and videography, and many other service categories, each of which exceed \$1 Billion in sales.

Q: What's next for you and for HouseCheck?

A: At this point, we've established most of the systems that are needed to operate our model, and we're actively selling and delivering inspections in our test market, even without the benefit of consumer media. Our next step is to turn on the consumer marketing in our test market in order to increase volume to full capacity; it's for this reason that we're seeking funding.

As the test market reaches full capacity, we're ready to undertake the process of rolling out the business model to additional markets nationwide.




Dennis Conforto

Dennis Conforto is an accomplished entrepreneur and senior executive with over 35 years of experience and a strong portfolio of successes. He is especially skilled in orchestrating the growth of start-ups and global firms including both private and publicly held corporations. He has demonstrated his diversified and unique skill-set through the optimization of many businesses in many different fields including retail, manufacturing, software development and sales, publishing, media buying, e-commerce, online services and business consulting, resulting in Conforto being considered one of the world's foremost experts in Retail. Conforto's proven ability for elevating businesses into top revenue-generating entities has led him to be an in-demand motivational speaker, author, and industry spokesperson. He has been CEO for many businesses and organizations, and has served on several Boards of Directors. Conforto has traveled over 8 million miles around the globe and is accomplished in international business and culture.

To learn more information, please visit www.DennisConforto.com, or reach out to Dennis directly at dennis.conforto@housecheck.net.

Check out the HouseCheck Investor Presentation at www.HouseCheck.com, or at www.HouseCheck.net/investor-presentation/ – PW: Parma83660).



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Arthur Andrew Bavelas