Pacaso Launches to Create New Category of Second Home Ownership; Secures $267 Million in Funding

Former Zillow leaders Spencer Rascoff and Austin Allison Launch Pacaso to make second homes more accessible during and after Covid-19

SAN FRANCISCO, Oct. 1, 2020 /PRNewswire/ -- Pacaso, a company that creates a more accessible category of second home ownership, launched today. Pacaso's chairman is Zillow co-founder and former CEO Spencer Rascoff; its CEO is dotloop founder and former Zillow executive Austin Allison.

As people rethink how and where they want to live during and after Covid-19, Pacaso offers the best way to buy and own a second home. Pacaso modernizes the generations-old practice of co-owning a second home, creating a marketplace that makes buying and selling easy, and adding professional management and technology to make scheduling dates and owning the home seamless and simple.

Buyers considering a second home can tell Pacaso where they want to buy, how much they want to spend and how much time they expect to spend in the house. Pacaso and its real estate agent partners will help them find the perfect home and set up a professionally managed LLC uniquely designed for co-ownership. The buyer will purchase their desired share — for example, half of the home, which will guarantee them access to the home for half the year — and Pacaso will briefly purchase the remainder of the home, before reselling the remaining portion to vetted buyers. Pacaso will manage the property, and owners will use Pacaso's mobile app to make scheduling easy and equitable. Buyers will pay a 10 percent fee at the time of purchase, and then will pay an annual property management fee equal to 1 percent of the purchase price.

Pacaso raised $17 million in Series A funding, with Maveron leading the round and additional investment from Crosscut and Global Founders Capital. Among the individual investors are former Starbucks CEO and chairman emeritus Howard Schultz; leading real estate coach Tom Ferry; former Zillow President of Media and Marketplaces Greg Schwartz; and Amazon CEO of Consumer Worldwide Jeff Wilke. Pacaso has also secured $250 million in debt financing to purchase shares of homes.

"The co-ownership concept for second homes has been around for decades," said Allison. "But the traditional process is difficult, high risk and onerous. Pacaso is the easy button for co-ownership. We bring together and organize the ownership group; manage the legal process; provide the tech tools so owners can easily and equitably schedule time; and manage the home itself.

"Pacaso also makes the process more accessible, allowing buyers to purchase anywhere from one-eighth to half of a second home, depending on their occupancy needs," Allison continued. "It dramatically reduces the hassle. And finally, owners can sell with ease through Pacaso's marketplace and our network of real estate agent partners — without having to build consensus among all owners."

For current second home owners who love their home but want to right-size their ownership and lessen the hassle, Pacaso will purchase part of the home, then resell as shares to vetted buyers. At launch, Pacaso is focused on 25 markets in 10 states.

In addition to Rascoff and Allison, Pacaso's team includes other former Zillow executives such as CMO Whitney Curry, CRO Andreas Madsen and CTO Daivak Shah. Pacaso's chief product officer is Hotwire and Concur veteran Doug Anderson.

"The mission of Pacaso is to democratize second home ownership, a luxury to which millions of American aspire but which seemed previously inaccessible, and is more important than ever as people seek safety, security and serenity amid Covid-19," Rascoff said. "Nearly every member of Pacaso's team has experience turning an innovative idea into a company with a household name. From Hotwire to Zillow to dotloop, our team has taken entirely new concepts and created innovation and processes to make them a reality. With this team in place and with $267 million in funding and debt, Pacaso is poised to scale incredibly quickly."

About Pacaso
Pacaso™ (pronounced like "Picasso") creates a more accessible category of second-home ownership by building a marketplace around co-owning a second home through a property-specific LLC, and reduces the cost and hassle of ownership. Pacaso manages the property and uses proprietary technology to make scheduling easy. Pacaso was founded by Zillow executives, including co-founder and former CEO Spencer Rascoff and founder and former CEO of dotloop, Austin Allison.

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