

Vacasa Technology Overview

Matt Roberts:

Our technology platform underpins everything we do and we are really proud of it. I'll now turn it over to Mike to take you through it in more detail.

Mike Xenakis:

Thanks Matt - let's jump right in.

Our platform is made up of best in class products that are purpose built for the vacation rental lifecycle. Our proprietary Vacation Rental Management System is at the nucleus of our platform. It's not off the shelf, but instead purpose-built to accommodate the differentiated functionality we require at scale. We're not trying to support 10,000 listings, but hundreds of thousands of listings and millions of nights sold. Additionally, it's not designed to just support homeowners, but instead reflects the breadth of our service and supports guests and operations alike. It's basically the glue that holds together our purpose built products.

Our data advantage fuels our smart acquisition engine, which is another example of how AI and machine learning play at Vacasa. We use our trove of proprietary supply, demand and operational data to identify, predict and target the highest value properties in a given area. In that way, we are able to efficiently hone in on the most valuable supply.

Our Carto Map predictive scoring tool allows us to anticipate how much homeowners can earn and predict the potential value of a property to Vacasa in order to prioritize our marketing efforts.

This is a proprietary piece of technology that we believe has allowed us to build the strongest outbound sales lead funnel in the industry helping us go after the supply opportunity.

For homeowners, vacation rentals are better with Vacasa. Homeowners can simply hand us their keys and we handle the rest. From marketing and booking to pricing and maintenance, we act as the trusted partner every step of the way. We are only a call or click away on their homeowner dashboard. Vacasa homeowners enjoy greater peace of mind, superior income generation, and better service.

Our homeowner products remove friction from every step of the process. Homeowners can easily access all their booking, payment, and performance details in a simple, intuitive interface on our homeowner portal or via our mobile app. Personalized recommendations and revenue forecasts are available at the touch of a button. We offer a true omni-channel communication platform to maintain connectivity and ensure our homeowners are fully supported every step of the way.

We've built a seamless booking experience for guests that rivals top players in the industry. The vast majority of our traffic is organic - we spend less than 1% of GBV on guest acquisition, a tribute to the differentiated and compelling nature of our inventory and business model.

Uniquely, we offer a selection of properties that already have a level of curation and quality. It's clear to the user that they're on a site solely focused on reputable vacation rentals.

Guests can find Vacasa homes on all major booking sites, including our own, and leading travel brands like Marriott. Regardless of where they find us, the vacation rental experience for guests is elevated with Vacasa, on par with the hospitality they would expect at a hotel. Our technology platform and experienced team deliver high-quality, consistent experiences. One example is our powerful guest app that enables a frictionless experience with a comprehensive suite of features for before, during and after their stay. Guests are able to search, book and pay for their stay. Leading up to the trip we prepare them by sending important details about the home and their stay. Upon arrival at the home, the guest app facilitates access to the property, WiFi connection and our 24/7 support.

The hospitality we deliver to guests - both through our service and through our app - is designed to build loyalty and drive repeat bookings over time.

Our HomeCare Hub is a proprietary software tool purpose-built for vacation rentals, and powered by AI. Not unlike Uber and Doordash who have built proprietary technology and machine learning algorithms to manage transportation and food deliveries, our HomeCare Hub and field operations network allows us to optimize staffing, assignments, dispatching and workflows across all of our local markets. Operations managers have a complete pulse on all the homes in their portfolio 24/7 with bi-directional flow of information from the property. Furthermore, we have built API integrations to vendors to maximize efficiency in the process. Our AI-driven software solution continuously improves, enhancing our operational effectiveness over time.

We run a highly operationally complex business which creates a natural competitive moat. Our technology platform powers our local logistics and operations and enables the scalability of our model.

Our field application is leveraged by all of our home care staff, maintenance personnel and local managers. It is directly tied into the HomeCare Hub, which enables seamless coordination between managers, contractors and field personnel. Our proprietary application provides visibility to employees on assigned tasks or open tickets. The application is used in a myriad of ways:

- There is a real time event stream between the app and the HomeCare Hub to allow managers to know the clean status of the home
- It provides directions to units with estimated clean times and security codes for entry
- There is a guest check-out status to facilitate accelerated cleans
- There are post cleaning photo submissions for real time inspection approval
- ...and the list goes on

Over time, we have been able to automate more and more of the operational playbook and leverage AI and machine learning to drive significant efficiency gains.

We are excited about the opportunity in front of us to enable smart homes to our entire network. When referring to smart homes, the primary device is the smart lock, but it extends to thermostats, in-home tablets, wifi, pool heaters, noise monitoring and preventative maintenance notifications. I'll illustrate the benefits with a quick example:

- Smart locks benefit the homeowner because they provide a level of security not available with static keys, even those in lock boxes. We can generate unique codes for every guest, employee, contractor or homeowner. However, the lock benefits the guest because they no longer run the risk

of showing up and not finding the key in the lockbox or having to wait for the property manager to drop it off. The smart lock also greatly improves Vacasa's operational efficiency. Local staff don't need to respond to lost keys. Additionally, the locks can be programmed to trigger notifications so we know when a guest has checked-in and, more importantly, when they've checked-out. We can take this information and feed it into our scheduling algorithms to improve the efficiency of our local teams running home care

We are barely scratching the surface of our advanced smart home technology. The ability to overlay our AI expertise on the smart home ecosystem presents unique innovation opportunities and we are excited to continue the smart home rollout across our portfolio.

Homeowners can earn more when they switch to Vacasa. We do this by maximizing the total rental revenue. Rather than simply seeking to sell nights at the prevailing market price we use artificial intelligence to predict how and when we can deliver the maximum yield for homeowners, and price the home accordingly. We're not seeking the highest average daily rate nor the most number of nights sold, but instead the combination of both. To achieve this optimization we continually update our algorithm - and when I say continually update I mean we make changes up to 12 million times a day across all our channels based on proprietary data and real-time booking dynamics.

To help bring this concept to life, consider the example of a ski lodge in Lake Tahoe. 12 months out from peak season the home may be priced at \$600 per night reflecting a high likelihood of sale. As similar units in the area are booked near the \$600 level the price will fluctuate up due to the scarcity of supply. If 2 months before peak season ski conditions deteriorate and booking trends slow down, the price will drop accordingly. Similarly, if we see an increase in length of stay searches, we might drop the daily rate for those searches to lock in a higher overall yield.

The other thing we do to stay ahead in this space is constant A/B testing to beat the existing algorithm. Our data scientists and machine learning engineers constantly test, iterate and release new algorithms in an effort to improve revenue per available night. If they succeed we replace, rinse and repeat.

These yield management and pricing capabilities are clearly a key component of the value we deliver to homeowners and are differentiated vs. others in the industry.

On the demand generation side there is no other industry player that has invested in connections to the largest network of distribution partners. Other than Vacasa.com, our three largest are Airbnb, Vrbo and Booking, but we also extend our distribution to every local property site and larger brands like Marriott. We also successfully integrated with Google to list our vacation rentals on their search engine. We believe we are only one of a few platforms that can do so.

It's not just that we can seamlessly integrate and syndicate our listings across all of these channels but it's the tools we've built to allow for granular modifications on listing or prices by channel. We've built a proprietary universal channel management system that takes the details associated with a given unit and shares the listing instantly with the appropriate partner sites. We overlay our partner optimization dashboard that allows us to run A/B tests across our partner network, understand pricing elasticity by partner and work to optimize contribution regardless of channel.

Our powerful technology combines with the other components of our platform to create a mutually reinforcing flywheel effect. Our platform becomes more efficient and intelligent with every home we add and every night we sell. Greater scale drives better tech which ultimately leads to a better homeowner and guest

experience, further building scale. The flywheel effect strengthens as we grow and allows us to generate margin leverage over time from increased homeowner retention, more repeat guests, and increased operational efficiencies. It also creates a significant data advantage, which is critical fuel for any technology company.

We believe these economies of scale and data advantage create a competitive moat for our business.