Home Sharing Concept Paper

$50,000 in Innovation Funds has been allocated to the South Bay Cities Council of Governments to develop a home-sharing pilot program in the South Bay offering a solution in assisting and/or preventing homelessness. The SBCCOG will facilitate finding potential homeowners and potential home seekers to match through collaboration with local senior villages, service providers, and faith based and community organizations and in partnership with Silvernest.

Silvernest, a well-established and successful home sharing organization, will assist SBCCOG in developing and launching a pilot program in our cities to facilitate home-sharing arrangements to provide mutually beneficial relationships and stable living spaces. Silvernest’s proprietary matching algorithms pairs the applicants based on their profiles and preferences. Silvernest will provide interview processes, background screening, rent direct deposit, rental agreement assistance, and other services to the participants.

The housing crisis is impacting so many of our neighbors. This home-sharing program is designed to assist the growing number of older residents who need support to remain living in their family homes, as well as assist many individuals on the verge of homelessness due to high rents and low wages.

Benefits to older adult homeowners include the ability to create flexible and customized rental agreements and the support provided by the program to ensure that matches work for all involved. Homeowners who may benefit from a home-sharing arrangement could be experiencing one or more of the following:
- “Empty nester” with a big empty home
- Desire to age in their home and maintain independence
- Living on a fixed income
- Needing help with daily tasks like grocery shopping, transportation, or home repairs

Addressing the need to prevent those with economic challenges from becoming homeless is the other top priority of the home-sharing program. Many individuals may be a paycheck or two away from losing their home or apartment. The reality of obtaining affordable housing within a short period of time isn’t likely which puts people at risk of becoming homeless. This program offers a more affordable and beneficial opportunity to secure stable housing quickly and safely.

Local service providers will help identify potential renters. The result may be a long-term rental arrangement or may be a short-term path to future independent living but either way, this is an opportunity to prevent anyone from ending up living in the streets.

The home-sharing program will provide financial, emotional and physical benefits for both homeowners and renters. Our goal is to successfully complete at least 15 matches by June 30, 2021.
Homesharing Services Proposal

SILVERNEST + SOUTH BAY CITIES COUNCIL OF GOVERNMENTS
Introducing Silvernest

Silvernest is an online homesharing platform that helps compatible homeowners and renters find each other and provides the tools and support they need to create a **Home Sweet Shared Home®**.

Our proprietary matching algorithm pairs potential housemates based on their profiles and preferences, displaying matches up to 100%. Users can securely message one another, conduct background screens, set up state-specific leases and rent direct deposit, and more. **To date, we’ve helped homeowners and renters realize over $50 million in rent income and savings.**

MONTHLY MEMBERSHIP INCLUDES:

- **Roommate Matching**
- **Lease Creation**
- **Rent Direct Deposit**
- **Homesharing Community**
How we work together

Through this partnership, South Bay Cities Council of Governments and Silvernest can come together to address challenges related to income insecurity, displacement and affordable housing.

By making homesharing available to its clients, SBCCOG can immediately increase access to affordable housing, reduce social isolation, help people age in place and more.
Proposed solution

We propose the following solution package to help SBCCOG create immediate access to affordable housing and provide an aging-in-place solution to residents of South Bay Cities.

<table>
<thead>
<tr>
<th>PREVIOUSLY PLANNED DELIVERABLES</th>
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<tbody>
<tr>
<td>Silvernest homeowner memberships (6 months)</td>
<td>15</td>
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<tr>
<td>Renter background screens</td>
<td>90</td>
</tr>
<tr>
<td>Partner Services hours (includes basic landing page)</td>
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<tr>
<td>Subtotal</td>
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</table>

<table>
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<tr>
<th>PROPOSED ADD-ONS FOR PARTNERSHIP SUCCESS</th>
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</thead>
<tbody>
<tr>
<td>Custom blog post</td>
<td>$1,500</td>
</tr>
<tr>
<td>Mailer or flyer</td>
<td>$1,500</td>
</tr>
<tr>
<td>Case worker/counselor training session</td>
<td>$500</td>
</tr>
<tr>
<td>Single email copy and graphics</td>
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<tr>
<td>OR</td>
<td></td>
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<tr>
<td>Email bundle (copy and graphics for 6 emails)</td>
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<tr>
<td>Subtotal</td>
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</tr>
</tbody>
</table>

**GRAND TOTAL** $14,500 - $16,500
Calculating ROI

Together we can leverage existing inventory and find homes and extra income for those in need.

$500K  Cost of building a single unit of affordable housing

3 YRS  Average time to complete an affordable housing build

Silvernest, on the other hand, is cost-effective, scalable and immediately deployable.
Proposed solution: what’s included

HOMEOWNER MEMBERSHIPS (15 x 6 MONTHS)

Silvernest homeowner membership includes a suite of services to support the full homesharing journey, from finding a roommate to executing a lease and processing rent payments.

The average Silvernest homeowner receives an average of 8 renter applicants and can view renters by match percentage.

MONTHLY MEMBERSHIP INCLUDES

ROOMMATE MATCHING
LEASE CREATION
RENT DIRECT DEPOSIT
HOMESHARING GUIDANCE

RETAIL PRICE: $24.99/MONTH
Proposed solution: what’s included

RENTER BACKGROUND SCREENS (90)

Homeowners on Silvernest are strongly encouraged to request a background screen from any renter they’re considering as a potential housemate. Many renters undergo proactive pre-screening as well.

Silvernest partners with an industry-leading provider to perform these background screens. Screens are good for 90 days and can be used to apply to multiple listings.

Each screen includes the following:

✓ National criminal search
✓ County criminal search
✓ Eviction history and civil search
✓ Global watch list search
✓ Sex offender registry search
✓ Social Security number verification
Proposed solution: what’s included

PARTNER SERVICES: 50 HOURS

Silvernest provides the following services to make our partnership successful. Each item plays a critical role in equipping your team and allowing us to measure the impact of our work together.

**ONBOARDING AND TRAINING**
Set up accounts and reports, train your team on homesharing and the Silvernest platform

**MARKETING MATERIALS**
Publish a co-branded landing page, provide access to materials library including blogs, flyers, digital ads and more

**PROGRAM MANAGEMENT**
Regular check-ins with your designated partnership manager, support for customer care and FAQ

**MEASUREMENT AND REPORTING**
Monthly reports showing website traffic and signup data, ability to monitor ROI/impact
Proposed add-ons

CUSTOM BLOG POST

Silvernest will create a custom blog post to communicate your desired message(s) to your audience and partners. Don’t have a topic in mind? No problem. We’ll also provide strategic direction and topic/content recommendations based on our experience. This post can be hosted on your website, the Silvernest website or both.

Example custom blog posts
Proposed add-ons

MAILER OR FLYER/HANDOUT

We’ll create a custom flyer or handout based on:

- The needs and concerns of your audience
- The important messages you want to communicate
- Desired call-to-action/contact information

This flyer will be available in printable and digital formats to support your real-world and virtual marketing needs.

Example flyer/handout
Proposed add-ons

IN-DEPTH CUSTOMER CARE TRAINING SESSION

It’s important to make sure your team is equipped to offer and explain homesharing services effectively.

We’ll provide a one-hour, hands-on training session that includes the following and more:

• Overview and demo of the Silvernest platform and features

• How to support customers through the signup/profile creation process

• Answers to common customer questions

• How to direct customers to Silvernest Customer Support

Example training slides
Proposed add-ons

EMAIL COPY AND GRAPHICS

Email is a powerful way to keep your audience informed and engaged. We’ll provide email copy and graphics for you to send to your database to support your strategic marketing needs.

Use these emails to:

- Create awareness of homesharing and this program
- Keep clients and partners up-to-date on the latest news from HIP Homes
- Encourage users to convert/complete the registration process
- Provide education and resources

Example email with copy and graphics
Thank you.

CONTACT

Jennifer Hammer
Director of Strategic Partnerships
jennifer@silvernest.com
360-672-2184
Services Agreement

This Service Agreement (the “Agreement”) between Silvernest, Inc., a Delaware corporation (“Silvernest”) and South Bay Cities Council of Governments (“SBCCOG”), is entered into July __, 2020 (the “Effective Date”). Silvernest and South Bay Cities Council of Governments are individually referred to as a “Party” and collectively referred to as the “Parties.”

Silvernest and South Bay Cities Council of Governments desire to enter into this Agreement pursuant to the terms and conditions set forth herein.

1. Services. Silvernest shall provide the services to SBCCOG as set forth on Exhibit A attached hereto (the “Services”). SBCCOG agrees to (i) promote the Silvernest Homesharing Services only in connection with its SBCCOG Homesharing Services and not for reselling or transferring to a third party.

2. Definitions. The capitalized terms defined below and elsewhere in this Agreement shall have the respective meanings ascribed to them for purposes of this Agreement.
   a. “Silvernest Homesharing Services” means the services provided within the Silvernest comprehensive platform as defined under the Silvernest Terms of Use available at www.silvernest.com.
   b. “SBCCOG Homesharing Services” means home sharing services promoted to seniors and adults in South Bay Cities.

3. Term and Termination. The term of this Agreement shall commence on the Effective Date and shall expire on July __, 2021 (Expiration Date) unless earlier terminated as provided herein. Either Party may terminate this Agreement upon fifteen (15) days’ written notice to the other Party. Any terms of this Agreement that by their nature extend beyond its termination shall remain in effect. In the event that this Agreement is terminated, the Parties shall immediately cease using the collaborative marketing materials and remove the any reference to the other party on its website or marketing materials.

4. License Grant. Each Party hereby grants the other Party a non-exclusive, non-transferable license to use and display the other Party’s marketing materials during the Term. Notwithstanding the foregoing, any modification of the other Party’s marketing materials must be approved by the other Party in writing prior to being used. Any modification in the marketing materials of the other Party is assigned back to that Party who shall continue to retain all rights, title, and interest in all its marketing materials. Each Party will comply with the other Party’s trademark usage guidelines.

5. Warranty Disclaimer. SILVERNEST’S SERVICES ARE PROVIDED “AS IS”, WITH ANY AND ALL FAULT AND WITHOUT ANY WARRANTY OF ANY KIND AND EACH PARTY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES, AND CONDITIONS WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

6. Indemnity.
   a. Silvernest shall indemnify, defend and hold SBCCOG and its directors, officers, employees and agents harmless from and against any and all third-party claims,
liability, damages, losses, expenses, penalties, fines, and interest (including reasonable attorney fees and litigation expenses) arising from or related to a claim that the Silvernest Homesharing Services infringe the intellectual property rights of such third party and all third-party claims, liability, damages, losses, expenses, penalties, fines, and interest (including reasonable attorney fees and litigation expenses) arising from, related to or caused in whole or in part by the grossly negligent act, intentional act, omission, willful misconduct or bad faith of Silvernest.

b. SBCCOG shall indemnify, defend and hold Silvernest and its respective directors, officers, employees and agents harmless from and against any and all third-party claims, liability, damages, losses, expenses, penalties, fines, and interest (including reasonable attorney fees and litigation expenses) arising from, related to or caused in whole or in part by the grossly negligent act, intentional act, omission, willful misconduct or bad faith of SBCCOG.

c. The Party seeking indemnity (“Indemnified Party”) shall promptly notify the Party from whom it seeks indemnity (the “Indemnifying Party”) promptly in writing of any claim, demand, suit or proceeding or of any act, omission or occurrence for which the Indemnified Party may seek indemnification from the Indemnifying Party. In the case of any claims, demand, suit or proceeding, any notice must be in time to allow the Indemnifying Party to timely file an answer or otherwise defend such claim. The Indemnifying Party shall control the defense of any claim.

7. Limitation of Liability.
   a. EXCEPT FOR THE INDEMNITY PROVISIONS SET FORTH IN SECTION 6 OR A BREACH OF THE CONFIDENTIALITY PROVISIONS SET FORTH IN SECTION 8, IN NO EVENT SHALL EITHER PARTY BE LIABLE ONE TO THE OTHER FOR ANY LOST PROFITS, LOSS OF BUSINESS, LOST SAVINGS OR OTHER CONSEQUENTIAL, SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR IN CONNECTION WITH ANY BREACH OF THIS SERVICE AGREEMENT EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE.

b. EXCEPT FOR THE INDEMNITY PROVISIONS SET FORTH IN SECTION 6 OR A BREACH OF THE CONFIDENTIALITY PROVISIONS SET FORTH IN SECTION 8, EACH PARTY’S TOTAL LIABILITY TO THE OTHER IN CONTRACT OR IN TORT (INCLUDING, WITHOUT LIMITATION, BREACH OF WARRANTY, NEGLIGENCE AND STRICT LIABILITY IN TORT) SHALL NOT TO EXCEED TWENTY THOUSAND DOLLARS ($20,000) IN THE AGGREGATE FOR ALL CLAIMS.

c. NOTWITHSTANDING THE FOREGOING, A PARTY’S AGGREGATE LIABILITY PURSUANT TO THE INDEMNITY PROVISIONS SET FORTH IN SECTION 6 SHALL IN NO EVENT EXCEED TWO HUNDRED THOUSAND DOLLARS ($200,000) IN THE AGGREGATE FOR ALL CLAIMS.

8. Confidential Information.
   a. During the Term and at all times thereafter, each Party shall not disclose, and shall maintain the confidentiality of, all Confidential Information received from the other Party. “Confidential Information” means (i) this Agreement and the terms hereof, (ii) all information marked “confidential,” “proprietary” or with a similar legend by either Party, and (iii) any technical and non-technical information related to a Party’s business and current, future and proposed products and services of each of the Parties, including for example and without limitation, each Party’s respective information concerning research, development, design details and specifications, financial information, procurement requirements, engineering and manufacturing
information, customer lists, business forecasts, sales information and marketing plans and any information a Party has received from others that may be made known to the other Party and which a Party is obligated to treat as confidential or proprietary, except that information disclosed by a Party to this Agreement (the “Discloser”) will be considered Confidential Information of Discloser by the other Party (the “Recipient”), only if the information is designated as “Confidential” (or with some other similar legend) or identified as confidential at the time of disclosure or any other information that is treated as confidential by the disclosing Party or would reasonably be understood to be confidential, whether or not so marked.

b. Recipient will not use any Confidential Information except to the extent necessary for the purpose described in this Agreement and Recipient will not disseminate or in any way disclose any Confidential Information to any person, firm, business or governmental agency or department, except as such disclosure is expressly permitted in this Agreement. Furthermore, neither Party may disclose the existence of any negotiations, discussions or consultations in progress between the Parties to any person, firm or business or to any form of public media without the prior written approval of the other Party. Recipient shall treat all of Discloser’s Confidential Information with the same degree of care as Recipient accords to Recipient’s own Confidential Information, but not less than reasonable care. Recipient shall disclose Discloser’s Confidential Information only to those of Recipient’s employees, consultants and contractors who need to know the information to assist Recipient with respect to the Purpose. Recipient certifies that each of its employees, consultants and contractors will have agreed, either as a condition of employment or in order to obtain Discloser’s Confidential Information, to be bound by terms and conditions substantially similar to those terms and conditions applicable to Recipient under this Agreement. Recipient shall immediately give notice to Discloser of any unauthorized use or disclosure of Discloser’s Confidential Information. Recipient shall assist Discloser in remedying the unauthorized use or disclosure of Discloser’s Confidential Information.

c. Recipient’s obligations shall not apply to any of Discloser’s Confidential Information that Recipient can document: (a) was in the public domain at or subsequent to the time the Confidential Information was communicated to Recipient by Discloser through no fault of Recipient; (b) was rightfully in Recipient’s possession free of any obligation of confidence at or subsequent to the time the Confidential Information was communicated to Recipient by the Discloser; (c) was developed by employees or agents of Recipient independently of and without reference to any of Discloser’s Confidential Information; or (d) was communicated by Discloser to an unaffiliated third party free of any obligation of confidence. A disclosure by Recipient of any of Discloser’s Confidential Information (a) in response to a valid order by a court or other governmental body; (b) as otherwise required by law; or (c) necessary to establish the rights of either party under this Agreement shall not be considered to be a breach of this Agreement by the Recipient; provided, however, that Recipient provides prompt prior written notice thereof to the Discloser to enable Discloser to seek a protective order or otherwise prevent the disclosure.

d. All of Discloser’s Confidential Information are the property of Discloser and no license or other rights to the Discloser’s Confidential Information is granted or implied hereby. All materials (including, without limitation, documents, drawings, papers, models, apparatus, sketches, designs and lists) furnished by Discloser to Recipient (whether or not they contain or disclose Discloser’s Confidential Information) are the property of the Discloser. Within five (5) days after any request by Discloser, Recipient shall destroy or deliver to Discloser, at Discloser’s option,
(a) all Discloser-furnished materials and (b) all materials in Recipient’s possession or control (even if not Discloser-furnished) that contain or disclose any of the Discloser’s Confidential Information. Recipient will provide Discloser a written certification of Recipient’s compliance with Recipient’s obligations under this Section.

   a. Waiver. Either Party’s failure or delay in enforcing the terms and conditions of the Agreement or in insisting upon strict performance of any obligations shall not be interpreted as a waiver thereof. Waiver of any provision of this Agreement shall only be effective if in writing and shall not be interpreted as a waiver of any subsequent breach or failure under the same or any other provision of this Agreement. No conduct, statement, course of conduct, course of dealing, oral expression, or other action shall be construed as a waiver.
   b. Assignment. Neither Party shall assign its rights or delegate its duties under the Agreement, or otherwise dispose of any right, title, or interest in all or any part of this Agreement without the prior written consent of the other Party except a Party may assign or transfer this Agreement to a successor in interest by way of merger or acquisition of all or substantially all of its assets or equity.
   c. Governing Law. This Agreement shall be governed and interpreted pursuant to the laws of the State of Delaware, without giving effect to conflict of laws principles.
   d. Public Announcement. The parties agree that any announcement concerning the subject of this SERVICE AGREEMENT, or any subsequent binding and definitive agreement shall be a mutually agreed joint announcement.
   e. Entire Agreement. This Agreement contains the final and complete agreement between the Parties for performance of the services specified herein and supersedes all prior and contemporaneous conduct, agreements, statements, representations, negotiations, course of conduct, course of dealing, and communications pertaining to those services, whether written or oral. This Agreement may not be altered or amended except by a writing signed by the parties.
   f. Severability. If any term or condition of the Agreement is held to be invalid, void, or otherwise unenforceable by any court of competent jurisdiction, that holding shall in no way affect the validity or enforceability of any other term or condition of the Agreement, unless enforcing the balance of the Agreement would deprive either party of a fundamental benefit of its bargain.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
IN WITNESS WHEREOF, South Bay Cities Council of Governments and Silvenest each has caused this Agreement to be duly executed as of the day and year first above written.

<table>
<thead>
<tr>
<th>Silvenest, Inc.</th>
<th>South Bay Cities Council of Governments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature</td>
<td>Signature</td>
</tr>
<tr>
<td>Print Name and Title</td>
<td>Print Name and Title</td>
</tr>
<tr>
<td>Date</td>
<td>Date</td>
</tr>
</tbody>
</table>
EXHIBIT A

Description of Services:

As part of this Agreement, Silvernest will provide the following Services:

- Silvernest shall permit the Silvernest Homesharing Services to be included in the SBCCOG Homesharing Services offering.
- Silvernest agrees to offer up to fifteen (15) homeowner 6 mo. Memberships to eligible homeowners of SBCCOG and up to ninety (90) renter background screenings at no cost to the homeowners or renters. Each homeowner shall be required to accept Silvernest’s Terms of Use.
- Silvernest will provide a dedicated landing page for SBCCOG hosted by Silvernest, to specifically capture traffic and users of SBCCOG Home Sharing Services and provide the free membership or background screening to eligible homeowners and renters. SBCCOG can promote this URL as part of their services and in all marketing materials. Silvernest will provide SBCCOG data on traffic to the dedicated landing page and high-level data on member activity including number of signups, number of qualified matches, general demographic data and other data as mutually agreed by both Parties and allowed within Silvernest’s stated Privacy Policy. SBCCOG may only use the data for its own marketing purposes and shall not provide the data to a third party, unless otherwise agreed in writing by Silvernest.
- Silvernest’s staff will provide strategic partnership guidance not to exceed 50 hours that include onboarding, training, development of marketing materials, program management and reporting as well as other services mutually agreed by both parties.

As part of this Agreement, SBCCOG will:

- Promote the dedicated partner landing page in order achieve the goal of homeowner and renter signups and direct users to the offer.
- Provide a dedicated point of contact to work with Silvernest to operationalize and execute the program.
- Determine and manage the eligibility requirements and parameters for memberships (if applicable).
- Provide resources to achieve mutually agreed upon project milestones that support a service live date within three months of contract date.

Fees for Services:

SBCCOG will pay Silvernest fees equal to ten thousand dollars ($10,000) for the Services. These fees are payable as follows: 50% ($5,000) upon execution of the Agreement and 50% ($5,000) when the service is live and available for homeowners and renters. If the Agreement is terminated prior to the expiration of the Term, Silvernest will refund remaining fees calculated on a prorata calendar basis equal to the time between the termination and expiration of the Term. Silvernest will not be responsible to refund any fees if:

- less than fifteen (15) homeowners and ninety (90) renters or equivalent do not take advantage of the free services prior to Expiration Date.
- less than 50 strategic partnership guidance hours were used.

Outside of the Services provided above, expenses associated with the production of marketing materials and campaigns will be assumed by SBCCOG. Additionally, unless otherwise agreed in this Agreement, each Party shall be responsible for its own costs and expenses with respect to its obligations under this Agreement. Silvernest will invoice SBCCOG for the fees due hereunder and SBCCOG will pay upon receipt.