

HONELY, LLC
AGREED-UPON PROCEDURES REPORT
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

HONELY, LLC
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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Jonathan Shah, Chief Executive Officer
Honely, LLC
New York, New York

We have performed the procedures enumerated in the attached schedule of Procedures Performed and Findings, which were agreed to by Honely, LLC (the "Client"). The sufficiency of these procedures is solely the responsibility of the Client. Consequently, we make no representation regarding the sufficiency of the procedures described below herein, for the purpose for which this report has been requested or for any other purpose.

The Client has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of exhibiting the effectiveness of the Honely platform in projecting residential real estate valuations and certain macroeconomic indicators for the six-month period ended June 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are presented in the following Sections:

Section I: Procedures Performed and Findings
Section II: Appendices

We were engaged by the Client to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the procedures performed. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Client and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Client and is not intended to be, and should not be, used by anyone other than the Client.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

Jericho, New York
September 8, 2021

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SECTION I. PROCEDURES PERFORMED AND FINDINGS

A. Residential Real Estate Valuation Procedures

- 1) We selected ten (10) U.S. zip codes at random and obtained a population of sales of residential real estate from January 1, 2021 through June 30, 2021 as provided by First American Datatree solution database (“First American”).

We selected the following ten (10) U.S. zip codes:

<u>Zip Code</u>	<u>State</u>	<u>County</u>
28208	North Carolina	Mecklenburg County
38104	Tennessee	Shelby County
11756	New York	Nassau County
60505	Illinois	Kane County
32207	Florida	Duval County
53150	Wisconsin	Waukesha County
94563	California	Contra Costa County
19082	Pennsylvania	Delaware County
76104	Texas	Tarrant County
85747	Arizona	Pima County

For each of the selected ten (10) U.S. zip codes, we obtained a population of sales of residential real estate from January 1, 2021 through June 30, 2021 as provided by First American.

- 2) From the ten (10) U.S. zip codes selected in Step 1, we selected 25 specific property sale transactions and observed the Honely platform valuation projection of each of the selected 25 specific property sales transactions across three (3) years, two (2) years, one (1) year, and three (3) months prior to the sale transaction date, and we reported the variances.

We compared the projected value within the Honely valuation projection to the sale transaction value reported by First American and found the reported variances. See Appendix A for selected properties and variances found.

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SECTION I. PROCEDURES PERFORMED AND FINDINGS (cont'd.)

B. Macroeconomic Indicators/Indices Procedures

- 1) From each report, Consumer Price Index (CPI) and Retail Sales, and for the House Price Index (HPI) in the Miami, Los Angeles and Phoenix markets, select two (2) dates between January 1, 2019 and present.

We selected dates: January 1, 2020 and October 1, 2020.

- 2) On the Honely platform, observe each index projection for three (3) years, two (2) years, one (1) year, and three (3) months prior to the selected dates in Step 1 and compare the index projection to the index reported by the Federal Reserve Bank of St. Louis and report the variances.

We compared the projections of the above discussed indices within the Honely platform to the index reported by the Federal Reserve Bank of St. Louis and found the reported variances. See Appendix B for specific findings.

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SECTION 2. APPENDICES

Appendix A

3 Year Valuation Projection							
#	Property ID	Sales Date	Zip Code	Sale Amount	3 Year Valuation Projection	Variance	Absolute Value Variance %
1	29253059	1/6/2021	32207	\$ 219,500	\$ 194,738	\$ 24,762	12.72%
2	29223864	1/15/2021	32207	150,000	163,164	(13,164)	8.07%
3	91684391	1/25/2021	11756	505,000	430,578	74,422	17.28%
4	6578705	1/25/2021	85747	310,000	281,314	28,686	10.20%
5	136056261	1/26/2021	76104	517,500	458,548	58,952	12.86%
6	114262639	1/28/2021	19082	119,900	115,003	4,897	4.26%
7	136141901	2/3/2021	76104	2,483,800	2,584,114	(100,314)	3.88%
8	98152397	2/8/2021	28208	292,000	285,680	6,320	2.21%
9	124317088	2/10/2021	38104	405,000	378,094	26,906	7.12%
10	46327367	2/19/2021	60505	333,000	325,082	7,918	2.44%
11	29230737	2/22/2021	32207	270,000	159,240	110,760	69.56% *
12	10592581	2/24/2021	94563	2,300,000	2,071,274	228,726	11.04%
13	151008283	3/1/2021	53150	618,433	597,506	20,927	3.50%
14	98251977	3/1/2021	28208	260,000	295,959	(35,959)	12.15%
15	10590149	3/1/2021	94563	1,915,000	2,229,438	(314,438)	14.10%
16	6590321	3/1/2021	85747	313,500	295,008	18,492	6.27%
17	124317704	3/2/2021	38104	411,000	358,330	52,670	14.70%
18	124312162	3/5/2021	38104	530,000	668,431	(138,431)	20.71% *
19	91726906	3/9/2021	11756	500,000	480,511	19,489	4.06%
20	98251675	3/16/2021	28208	200,000	164,855	35,145	21.32% *
21	6599431	3/16/2021	85747	415,000	384,759	30,241	7.86%
22	6709698	3/18/2021	85747	234,000	220,378	13,622	6.18%
23	163040494	3/19/2021	76104	453,200	419,087	34,113	8.14%
24	98306753	3/29/2021	28208	226,000	224,894	1,106	0.49%
25	10586682	3/31/2021	94563	1,715,000	1,631,335	83,665	5.13%
Absolute Value Median **							7.49%

* The Company considers all properties whose prediction error is outside three standard deviations, in the same zip code, as outliers.

** Outliers are not included in the calculation.

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Appendix A (cont'd.)

2 Year Valuation Projection							
#	Property ID	Sales Date	Zip Code	Sale Amount	2 Year Valuation Projection	Variance	Absolute Value Variance %
1	29253059	1/6/2021	32207	\$ 219,500	\$ 203,859	\$ 15,641	7.67%
2	29223864	1/15/2021	32207	150,000	169,495	(19,495)	11.50%
3	91684391	1/25/2021	11756	505,000	451,897	53,103	11.75%
4	6578705	1/25/2021	85747	310,000	293,962	16,038	5.46%
5	136056261	1/26/2021	76104	517,500	480,068	37,432	7.80%
6	114262639	1/28/2021	19082	119,900	117,297	2,603	2.22%
7	136141901	2/3/2021	76104	2,483,800	2,653,502	(169,702)	6.40%
8	98152397	2/8/2021	28208	292,000	293,931	(1,931)	0.66%
9	124317088	2/10/2021	38104	405,000	390,016	14,984	3.84%
10	46327367	2/19/2021	60505	333,000	334,503	(1,503)	0.45%
11	29230737	2/22/2021	32207	270,000	165,822	104,178	62.83% *
12	10592581	2/24/2021	94563	2,300,000	2,142,564	157,436	7.35%
13	151008283	3/1/2021	53150	618,433	608,156	10,277	1.69%
14	98251977	3/1/2021	28208	260,000	299,588	(39,588)	13.21%
15	10590149	3/1/2021	94563	1,915,000	2,256,116	(341,116)	15.12%
16	6590321	3/1/2021	85747	313,500	300,849	12,651	4.21%
17	124317704	3/2/2021	38104	411,000	367,301	43,699	11.90%
18	124312162	3/5/2021	38104	530,000	676,008	(146,008)	21.60% *
19	91726906	3/9/2021	11756	500,000	489,248	10,752	2.20%
20	98251675	3/16/2021	28208	200,000	169,334	30,666	18.11% *
21	6599431	3/16/2021	85747	415,000	392,904	22,096	5.62%
22	6709698	3/18/2021	85747	234,000	224,726	9,274	4.13%
23	163040494	3/19/2021	76104	453,200	428,057	25,143	5.87%
24	98306753	3/29/2021	28208	226,000	228,524	(2,524)	1.10%
25	10586682	3/31/2021	94563	1,715,000	1,662,210	52,790	3.18%
Absolute Value Median **							5.54%

* The Company considers all properties whose prediction error is outside three standard deviations, in the same zip code, as outliers.

** Outliers are not included in the calculation.

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Appendix A (cont'd.)

1 Year Valuation Projection							
#	Property ID	Sales Date	Zip Code	Sale Amount	1 Year Valuation Projection	Variance	Absolute Value Variance %
1	29253059	1/6/2021	32207	\$ 219,500	\$ 208,400	\$ 11,100	5.33%
2	29223864	1/15/2021	32207	150,000	170,923	(20,923)	12.24%
3	91684391	1/25/2021	11756	505,000	463,402	41,598	8.98%
4	6578705	1/25/2021	85747	310,000	299,839	10,161	3.39%
5	136056261	1/26/2021	76104	517,500	490,819	26,681	5.44%
6	114262639	1/28/2021	19082	119,900	113,675	6,225	5.48%
7	136141901	2/3/2021	76104	2,483,800	2,701,784	(217,984)	8.07%
8	98152397	2/8/2021	28208	292,000	300,072	(8,072)	2.69%
9	124317088	2/10/2021	38104	405,000	399,556	5,444	1.36%
10	46327367	2/19/2021	60505	333,000	341,536	(8,536)	2.50%
11	29230737	2/22/2021	32207	270,000	172,323	97,677	56.68% *
12	10592581	2/24/2021	94563	2,300,000	2,203,651	96,349	4.37%
13	151008283	3/1/2021	53150	618,433	618,294	139	0.02%
14	98251977	3/1/2021	28208	260,000	302,457	(42,457)	14.04%
15	10590149	3/1/2021	94563	1,915,000	2,276,919	(361,919)	15.90% *
16	6590321	3/1/2021	85747	313,500	306,640	6,860	2.24%
17	124317704	3/2/2021	38104	411,000	377,167	33,833	8.97%
18	124312162	3/5/2021	38104	530,000	681,773	(151,773)	22.26% *
19	91726906	3/9/2021	11756	500,000	497,634	2,366	0.48%
20	98251675	3/16/2021	28208	200,000	174,441	25,559	14.65%
21	6599431	3/16/2021	85747	415,000	401,172	13,828	3.45%
22	6709698	3/18/2021	85747	234,000	229,031	4,969	2.17%
23	163040494	3/19/2021	76104	453,200	437,204	15,996	3.66%
24	98306753	3/29/2021	28208	226,000	231,832	(5,832)	2.52%
25	10586682	3/31/2021	94563	1,715,000	1,692,314	22,686	1.34%
Absolute Value Median **							3.55%

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Appendix A (cont'd.)

3 Month Valuation Projection							
#	Property ID	Sales Date	Zip Code	Sale Amount	3 Month Valuation Projection	Variance	Absolute Value Variance %
1	29253059	1/6/2021	32207	\$ 219,500	\$ 215,413	\$ 4,087	1.90%
2	29223864	1/15/2021	32207	150,000	171,225	(21,225)	12.40%
3	91684391	1/25/2021	11756	505,000	483,087	21,913	4.54%
4	6578705	1/25/2021	85747	310,000	308,042	1,958	0.64%
5	136056261	1/26/2021	76104	517,500	507,491	10,009	1.97%
6	114262639	1/28/2021	19082	119,900	113,877	6,023	5.29%
7	136141901	2/3/2021	76104	2,483,800	2,733,320	(249,520)	9.13%
8	98152397	2/8/2021	28208	292,000	305,258	(13,258)	4.34%
9	124317088	2/10/2021	38104	405,000	409,552	(4,552)	1.11%
10	46327367	2/19/2021	60505	333,000	347,533	(14,533)	4.18%
11	29230737	2/22/2021	32207	270,000	183,991	86,009	46.75% *
12	10592581	2/24/2021	94563	2,300,000	2,280,815	19,185	0.84%
13	151008283	3/1/2021	53150	618,433	635,217	(16,784)	2.64%
14	98251977	3/1/2021	28208	260,000	307,449	(47,449)	15.43% *
15	10590149	3/1/2021	94563	1,915,000	2,313,878	(398,878)	17.24% *
16	6590321	3/1/2021	85747	313,500	316,453	(2,953)	0.93%
17	124317704	3/2/2021	38104	411,000	397,198	13,802	3.47%
18	124312162	3/5/2021	38104	530,000	692,888	(162,888)	23.51% *
19	91726906	3/9/2021	11756	500,000	511,665	(11,665)	2.28%
20	98251675	3/16/2021	28208	200,000	185,585	14,415	7.77%
21	6599431	3/16/2021	85747	415,000	415,338	(338)	0.08%
22	6709698	3/18/2021	85747	234,000	236,323	(2,323)	0.98%
23	163040494	3/19/2021	76104	453,200	452,972	228	0.05%
24	98306753	3/29/2021	28208	226,000	237,300	(11,300)	4.76%
25	10586682	3/31/2021	94563	1,715,000	1,742,979	(27,979)	1.61%
Absolute Value Median **							2.28%

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** Outliers are not included in the calculation.

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Appendix B

Consumer Price Index				
Date	3 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	253.195	258.687	5.492	2.12%
10/1/2020	255.507	260.462	4.955	1.90%
Consumer Price Index				
Date	2 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	255.224	258.687	3.463	1.34%
10/1/2020	258.307	260.462	2.155	0.83%
Consumer Price Index				
Date	1 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	256.649	258.687	2.038	0.79%
10/1/2020	259.592	260.462	0.870	0.33%
Consumer Price Index				
Date	2 Month Forecast*	Actual Value	Variance	Variance %
1/1/2020	258.474	258.687	0.213	0.08%
10/1/2020	260.115	260.462	0.347	0.13%

*Note that based on the most up to date FED reporting for exporting individual indices, the Engagement team utilized a 2 Month Forecast for reporting purposes.

Retail Sales				
Date	3 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	\$ 457,723.53	\$ 460,586.00	\$ 2,862.47	0.62%
10/1/2020	\$ 480,971.61	\$ 493,991.00	\$ 13,019.39	2.64%
Retail Sales				
Date	2 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	\$ 460,858.34	\$ 460,586.00	\$ 272.34	0.06%
10/1/2020	\$ 490,481.27	\$ 493,991.00	\$ 3,509.73	0.71%
Retail Sales				
Date	1 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	\$ 459,499.23	\$ 460,586.00	\$ 1,086.77	0.24%
10/1/2020	\$ 484,494.61	\$ 493,991.00	\$ 9,496.39	1.92%
Retail Sales				
Date	3 Month Forecast	Actual Value	Variance	Variance %
1/1/2020	\$ 460,188.04	\$ 460,586.00	\$ 397.96	0.09%
10/1/2020	\$ 487,570.36	\$ 493,991.00	\$ 6,420.64	1.30%

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Miami Key Data

Date	3 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	261.75	247.97	13.78	5.56%
10/1/2020	269.53	263.08	6.45	2.45%

Date	2 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	252.18	247.97	4.21	1.70%
10/1/2020	264.10	263.08	1.02	0.39%

Date	1 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	249.97	247.97	2.00	0.81%
10/1/2020	260.09	263.08	(2.99)	-1.14%

Date	3 Month Forecast	Actual Value	Variance	Variance %
1/1/2020	248.18	247.97	0.22	0.09%
10/1/2020	260.28	263.08	(2.79)	-1.06%

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Los Angeles Key Data				
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Date	3 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	300.92	291.62	9.31	3.19%
10/1/2020	315.86	312.40	3.45	1.11%

Date	2 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	301.25	291.62	9.63	3.30%
10/1/2020	312.45	312.40	0.05	0.01%

Date	1 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	294.45	291.62	2.83	0.97%
10/1/2020	305.08	312.40	(7.32)	-2.34%

Date	3 Month Forecast	Actual Value	Variance	Variance %
1/1/2020	290.93	291.62	(0.69)	-0.24%
10/1/2020	308.95	312.40	(3.45)	-1.11%

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Phoenix Key Data

Date	3 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	198.85	201.34	(2.49)	-1.24%
10/1/2020	213.28	221.77	(8.48)	-3.83%

Date	2 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	198.11	201.34	(3.24)	-1.61%
10/1/2020	217.72	221.77	(4.04)	-1.82%

Date	1 Year Forecast	Actual Value	Variance	Variance %
1/1/2020	201.83	201.34	0.49	0.24%
10/1/2020	216.23	221.77	(5.54)	-2.50%

Date	3 Month Forecast	Actual Value	Variance	Variance %
1/1/2020	200.76	201.34	(0.58)	-0.29%
10/1/2020	219.06	221.77	(2.70)	-1.22%