

Zillow online real estate company buys Trulia

WASHINGTON, USA: Online real estate website Zillow announced it is buying rival Trulia in a \$3.5bn stock deal that merges the two main firms in the sector.



Zillow's Spencer Rascoff says economies of scale will reduce costs but increase the user base tremendously.
Image: [GeekWire](#)

"Consumers love using Zillow and Trulia to find vital information about homes and connect with the best local real estate professionals," Zillow Chief Executive Spencer Rascoff claimed.

"This is a tremendous opportunity to combine our resources and achieve even more impressive innovation that will benefit consumers and the real estate sector," he added.

The combined company will maintain both the Zillow and Trulia consumer brands, and provide listings for home and apartment sales and rentals.

According to a joint statement by the companies, both boards approved the deal, which is expected to be finalised sometime next year.

Trulia Chief Executive Pete Flint will run Trulia but report to Rascoff and the joint board once the companies have merged.

Shared missions and visions

"Trulia and Zillow have shared missions and visions aimed at empowering consumers while helping real estate agents, brokerages and franchisors benefit from their technology," Flint said.

Both sides use a similar model, offering free listings and information while generating revenue through advertising sales to real estate professionals.

Zillow reported a record 83m unique users across mobile and Web sites in June while Trulia said its user base had grown to 54m. Roughly half of [Trulia.com's](#) monthly visitors do not visit [Zillow.com](#), and about two-thirds of Zillow.com's users do not use Trulia.

Zillow shareholders will own around two-thirds of the combined firm under the deal, which gives Trulia owners 0.44 shares in Zillow in exchange for one of Trulia's shares.

The statement said the deal would permit "faster innovation," especially in mobile advertising and better access to real estate market data. By combining the companies, overall costs are likely to reduce while access for advertisers should improve.

Zillow was launched in 2006 and is based in Seattle. San Francisco-based Trulia was created in 2005.

AFP via I-Net Bridge



Trulia's Pete Flint says the deal is based on shared visions of the two companies and will make them both stronger and more competitive.
Image: [GeekWire](#)