



SONDER Series D Deck

Building the future of hospitality

We want to become
the world's largest
and most loved
hospitality brand

We travel more than ever before...

5% annual
growth

Fastest growing segment
of the global economy

35 days
per year

Millennials spend
travelling

50% by
2025

Of travellers will
be millennials





...and needs are changing.

Authentic experience

Digital natives

Social media friendly

Can't be \$400 a night

Travelers are forced to choose between two flawed options.



01

Hotels

Soulless

Only downtown

Cramped rooms

Antiquated service

Slow internet



02

Individual Hosts

Unreliable and inconsistent

Not always clean

Not always comfortable

Spotty responsiveness

Safety concerns

We're building the next generation hospitality company.



1900s

Independent hotels



1950s

Big box chains



2000s

Peer to peer



Tomorrow

Tech-enabled brand

We're building the next generation hospitality company.



1900s

Independent hotels



1950s

Big box chains

WAL*MART®



2000s

Peer to peer

ebay



Tomorrow

Tech-enabled brand

amazon

SONDER

SONDER

SAN DIEGO



SONDER

13 units • North Park

\$155
a night



SONDER

New Orleans



111 units • CBD

\$151
a night



SONDER

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London



16 units • Covent Garden

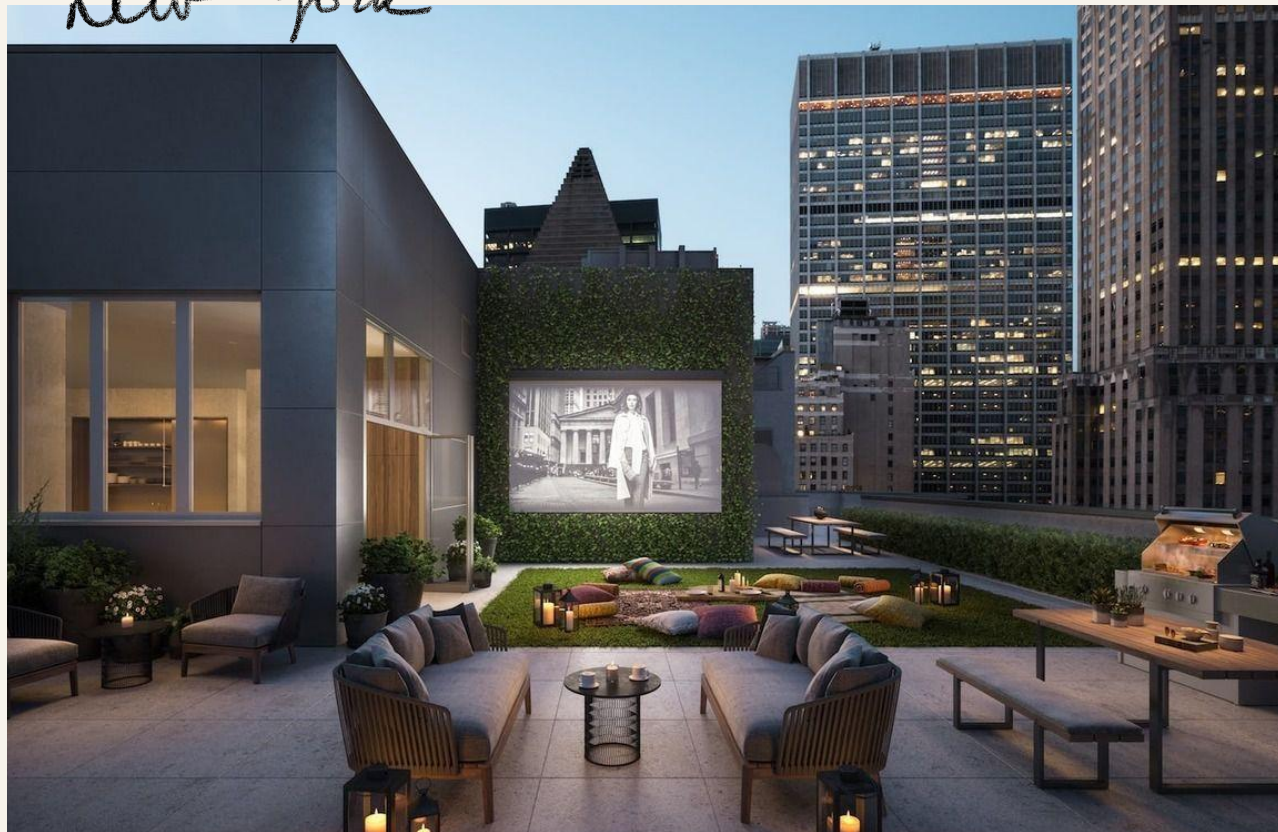
£181 per
room



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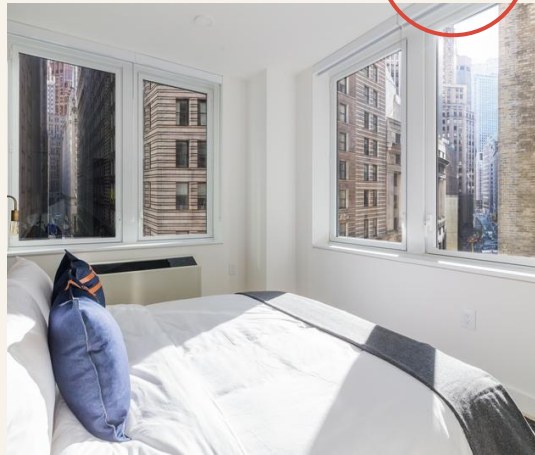
SONDER

new york



169 units • FiDi

\$225
a night



SONDER

We're the market leader in tech-enabled hospitality.

\$2.3b+

Assets under management

700+

Employees

28

Markets

6,500+

Units

\$200m

Total financing

300,000+

Guests hosted

71

NPS (industry avg 37)

100%

Regulatory compliance

\$313M

Expected NTM Revenue

SONDER





Guest Experience

Guest Experience

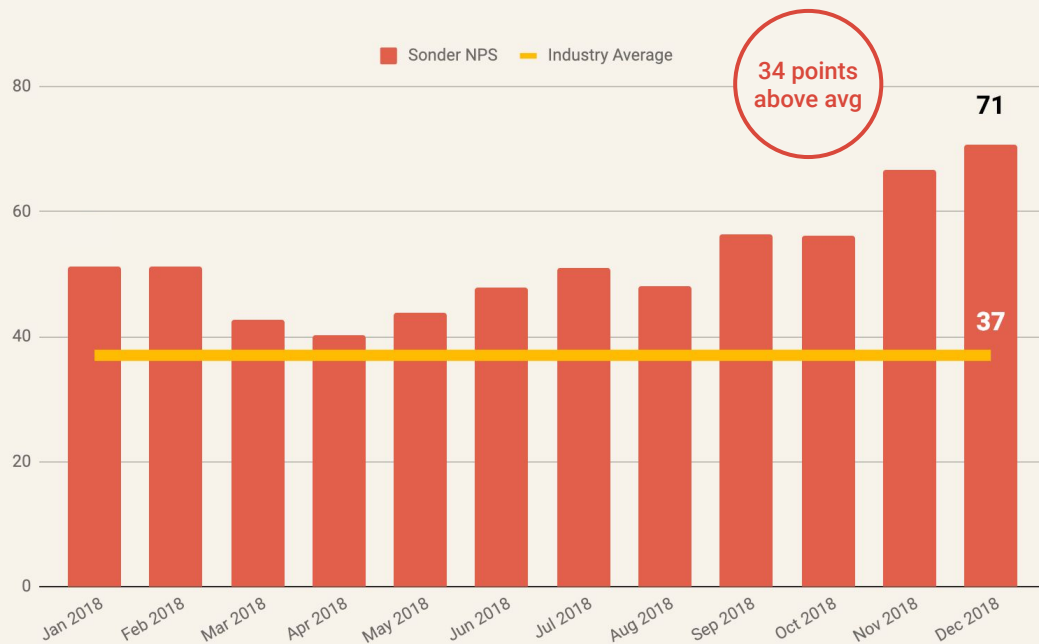
Unit Economics

Supply

Demand

Defensibility

We built an experience people love...



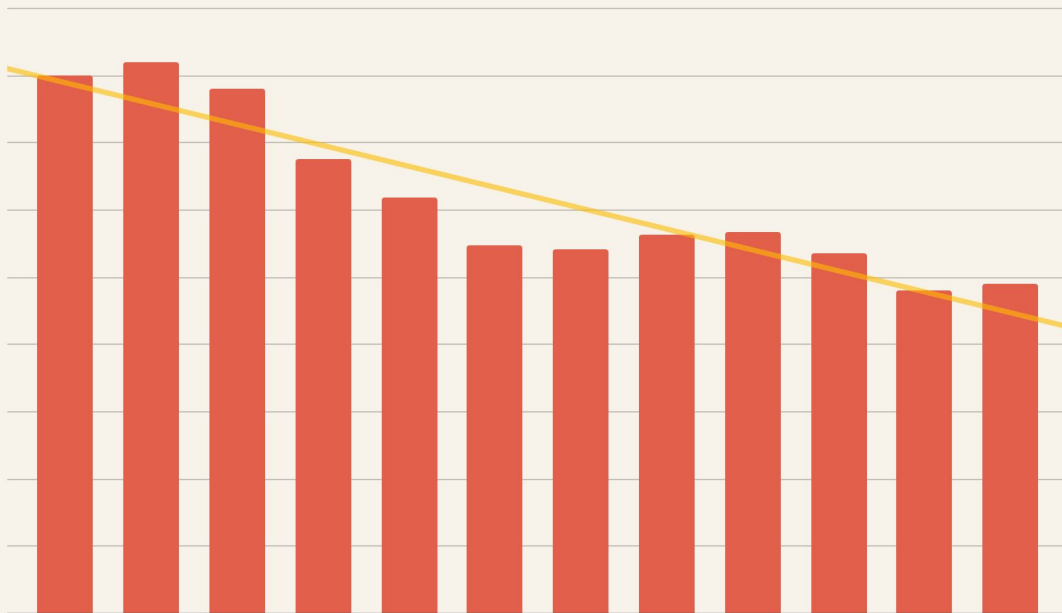
“

We travel frequently with our friend group from all over the country and we found this amazing space... We had never stayed in a Sonder rental before but we will never stay anywhere else again if we have the option!

Lynette
WEST VIRGINIA

...and made the it increasingly consistent.

Guest issue rate



01

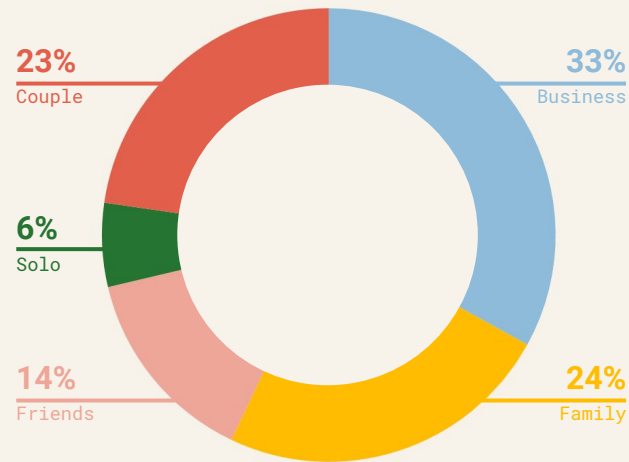
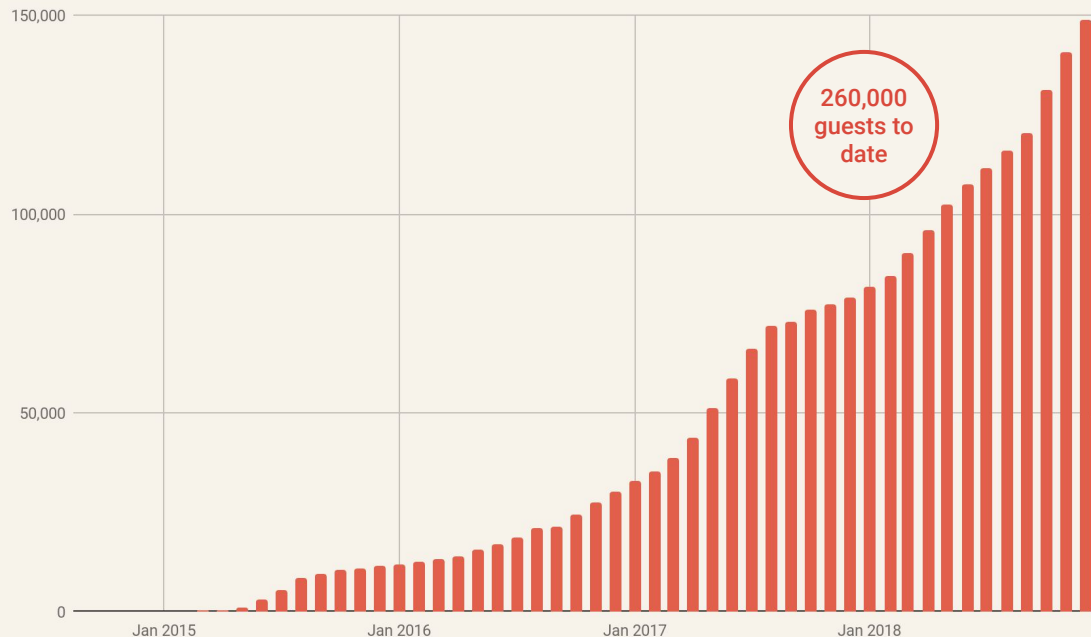
Connected home initiative reduced access issues.

02

QA process implementation, dispatch app improvements, and third party housekeeping incentive plans allows us to identify even more minor issues before guests check-in.

We accommodated hundreds of thousands of diverse guests.

TTM guests



From 163 Countries in Total

Average Guests per Stay: 2.5

Average Daily Rate (ADR) per Bedroom: \$129

Length of Stay: 4 days

What do they want out of a place to stay?

A jaw-dropping space
in a fantastic location
with seamless service

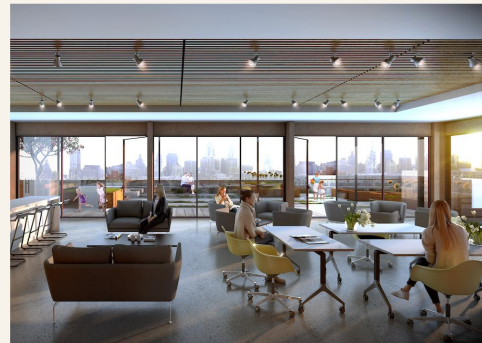
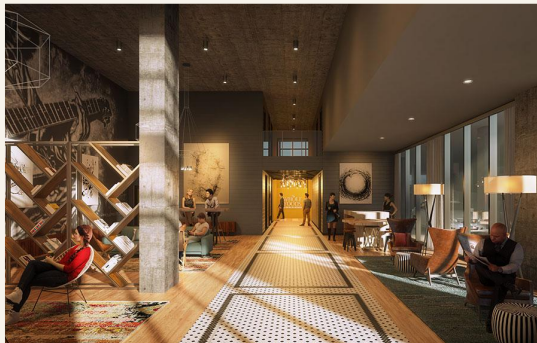


Outstanding Spaces

Exceptional style

Designed for living

Accommodating groups



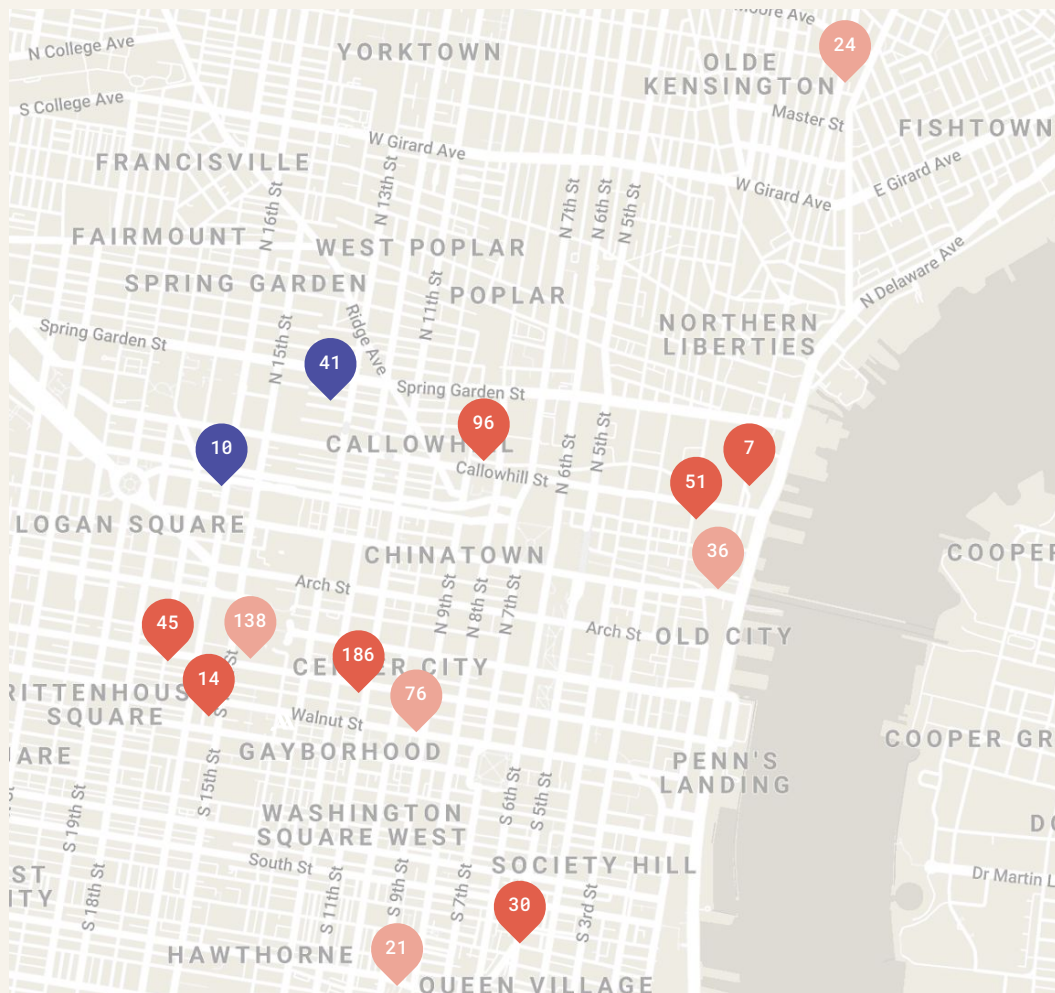


Best Locations

Walkable neighborhoods

Lively & safe

Large selection



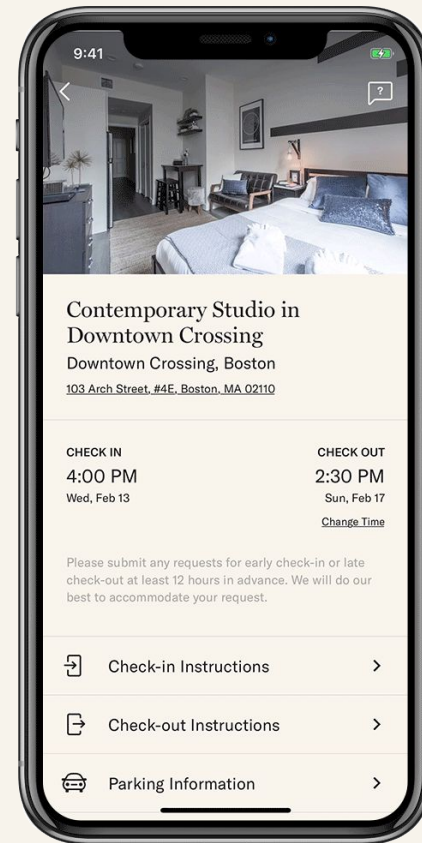
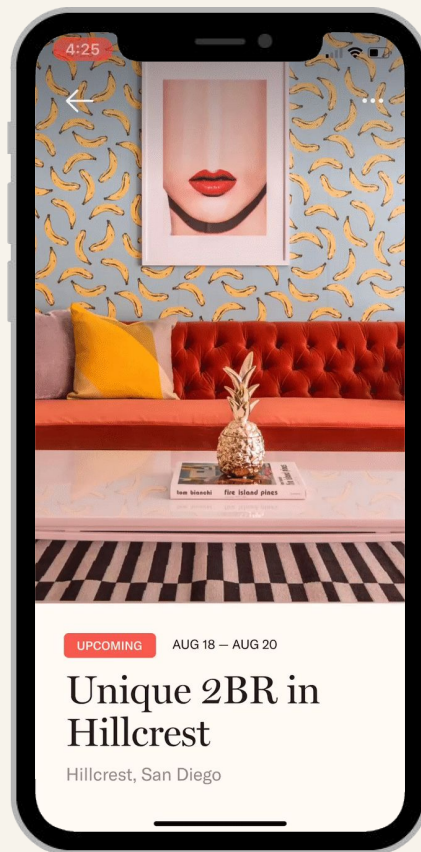


Mobile-First Service

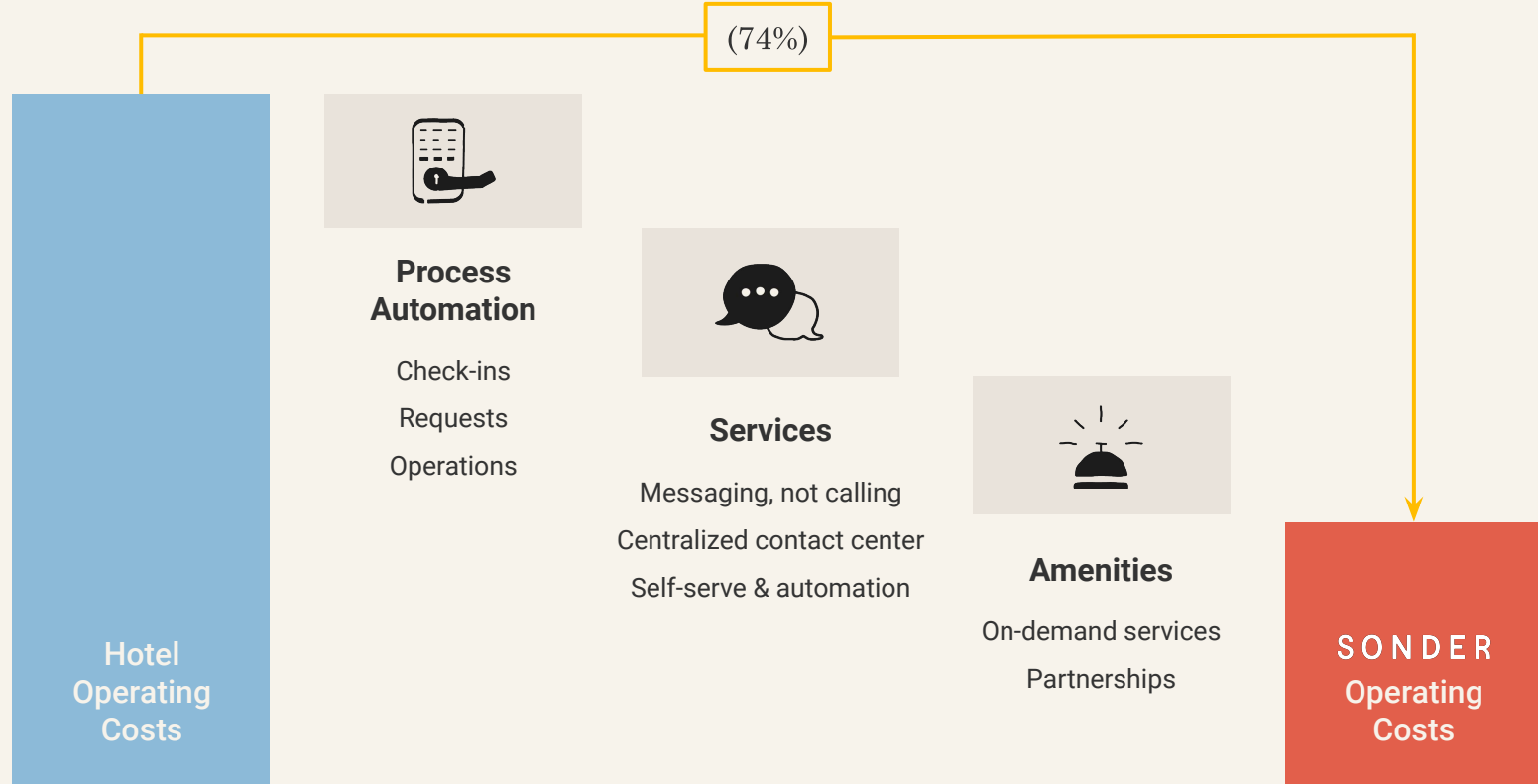
The lobby is on your phone

Casual and personalized service

No tipping and free, fast wifi

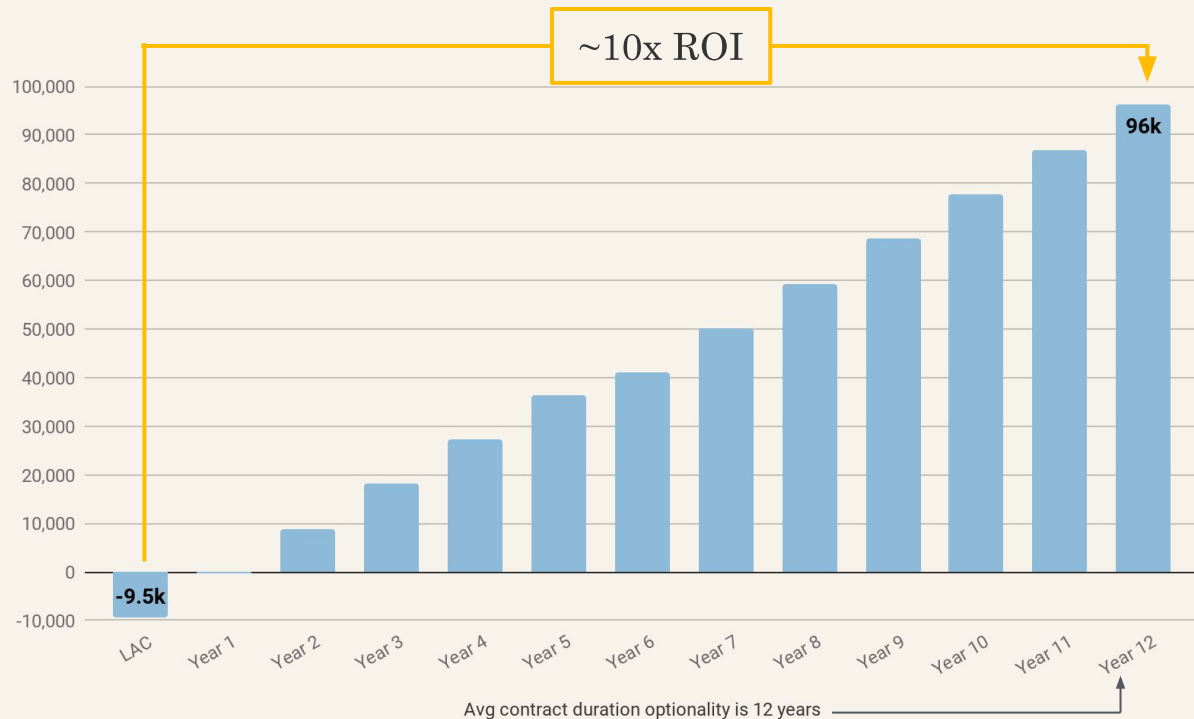


We transformed the hospitality operating model with technology.



We built a very strong business model.

Cumulative cash flow by unit, assuming no future improvement



Three unit economic levers

01

Improve revenue per available day.

02

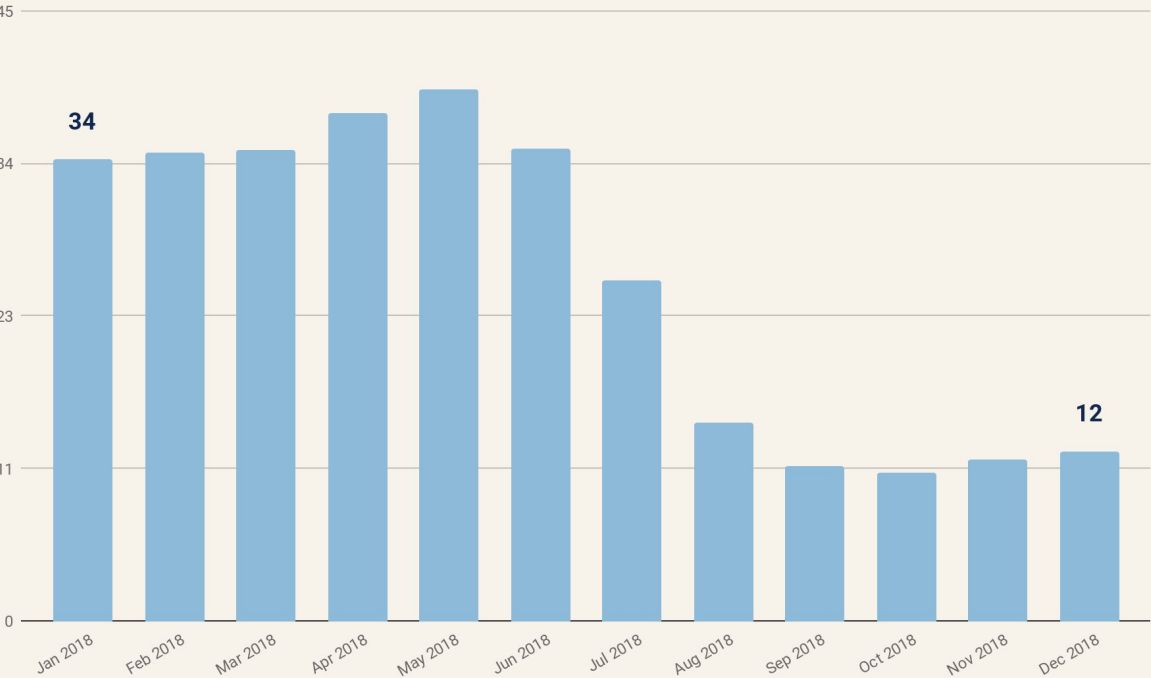
Decrease direct costs.

03

Decrease location acquisition cost (LAC).

In 2018 we completely transformed our unit economics.

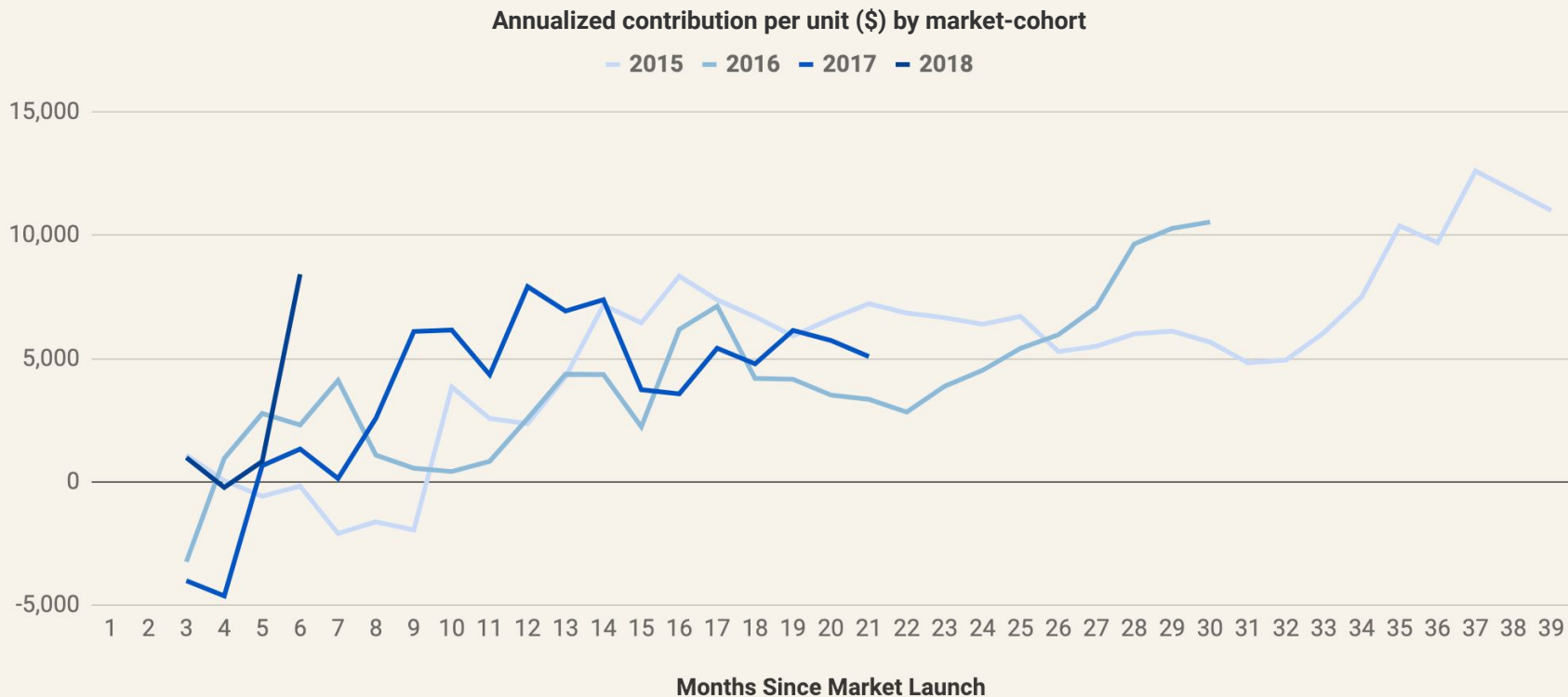
Location acquisition cost payback (months)



Location Acquisition Cost (LAC)	2017	2018
CapEx		
Rent during Setup		
Security Deposit		
Rent Abatement		
Revenue Ramp-Up		
Total LAC	17,611	9,530

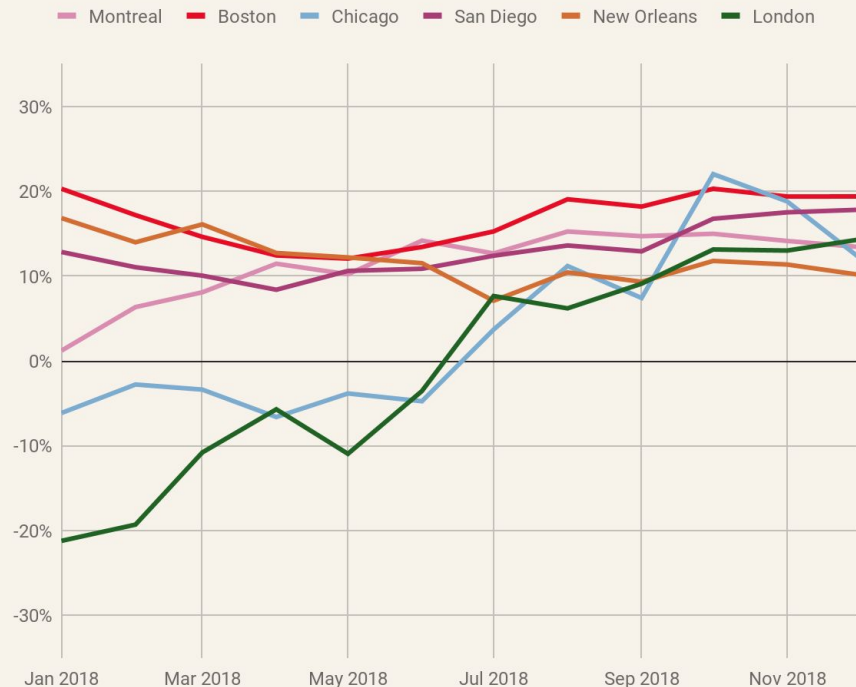
Annual Unit Contribution	2017	2018
Revenue		
Rent		
Direct Costs		
Contribution	6,284	9,206

Our markets are generating an increasing amount of contribution...

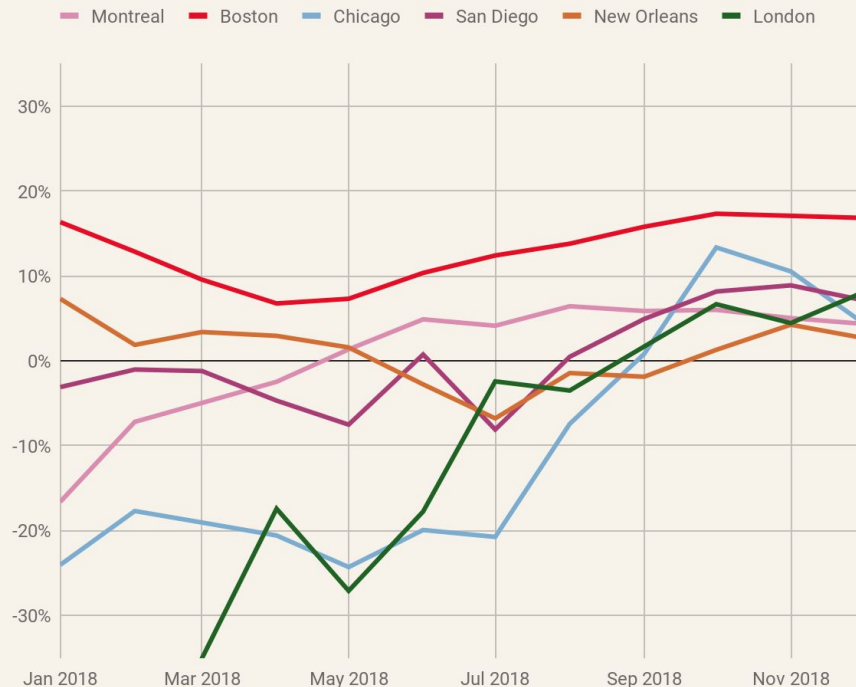


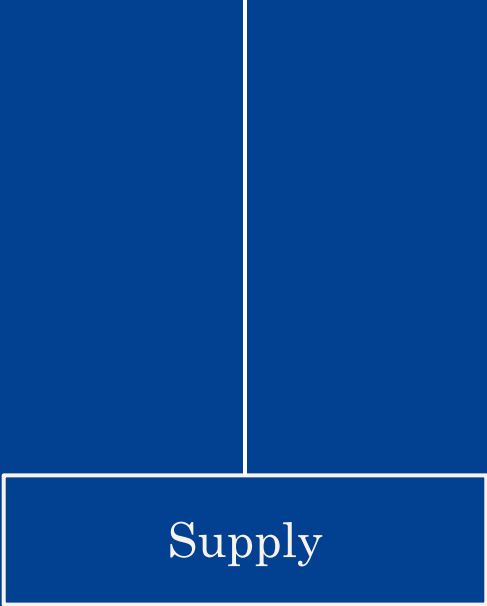
...making all of our markets with over 100 live units profitable.

Contribution margin by market



EBITDA margin by market





Supply

Guest Experience

Unit Economics

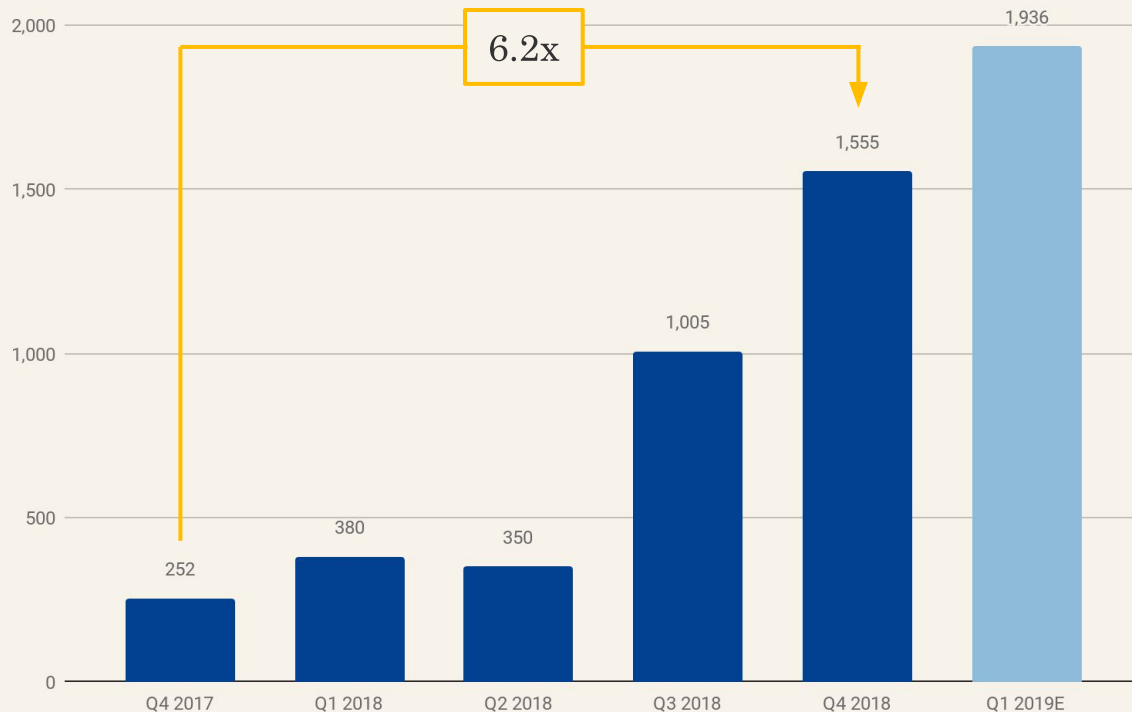
Supply

Demand

Defensibility

Breakout growth started in Q3 2018...

Units signed per quarter



01

Following our unit economics success, we turned our attention to growth and in H2 added supply that will generate 148M of annualized revenue.

02

Our productivity per person has increased from 7 to 30 units per month over the last 12 months.

03

Our average deal size is now 19 units (vs 5 units as of YE 2017), and we currently have 2,400 units signed or in lease negotiation for Q1.

We achieved 100% compliance by targeting under-construction supply that meets hotel standards.

Zoning

All new units are commercially zoned and eligible for hotel or transient licensing

ADA

Compliance with ADA guidelines in all non-exempt properties

Insurance

\$10M in liability coverage

Taxation

Pay relevant tourism, value added and municipal taxes

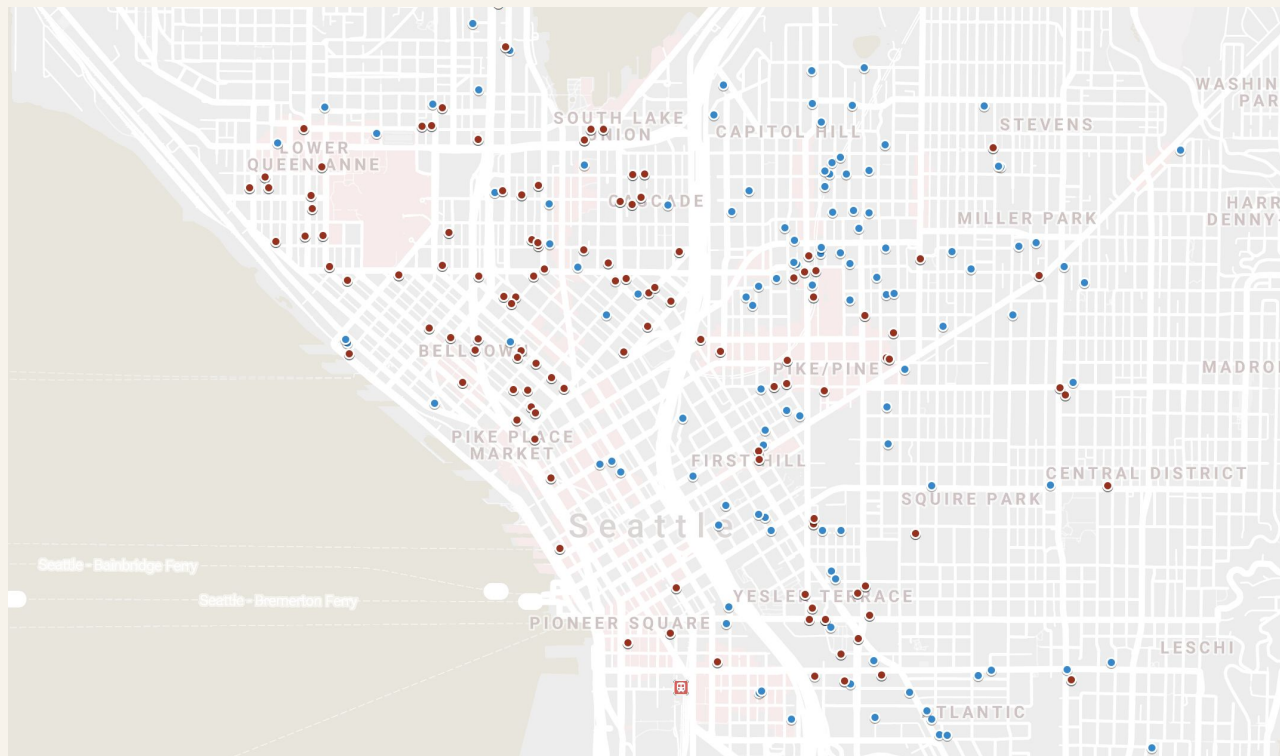
Fire & Safety

Compliant with all local fire and safety requirements

Inspections

City staff available to assist regulators for periodic inspections

We identified all developments in the US.



296K

Completed units
in top US cities
in 2019



88K

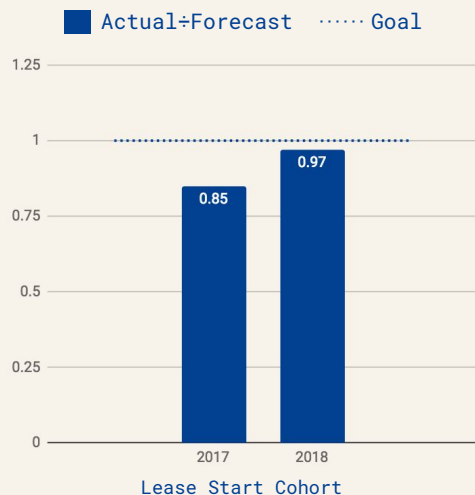
Opportunities

Class A Buildings,
Attractive Locations,
and Correct Zoning

We built a growth machine that delivers high quality and volume...

01

Accurate Underwriting



02

Sound Investments

Brand standards

Contribution margin

Payback

Risk

03

Predictable Conversion

LOIs sent

↓ 39%

LOIs signed

↓ 91%

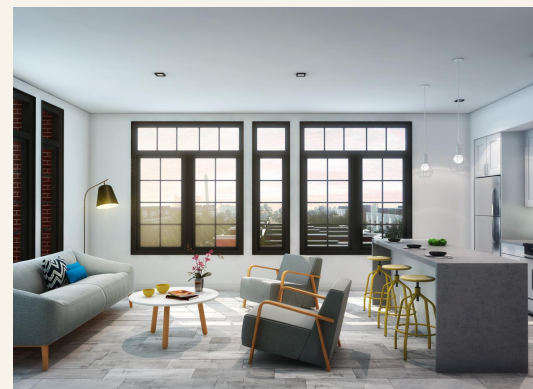
Leases signed

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Washington, D.C.



9 units • March 2019



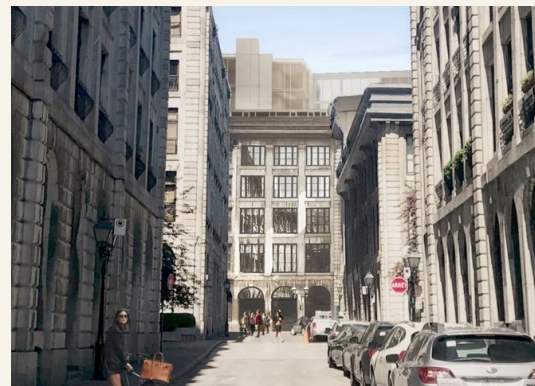
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montreal

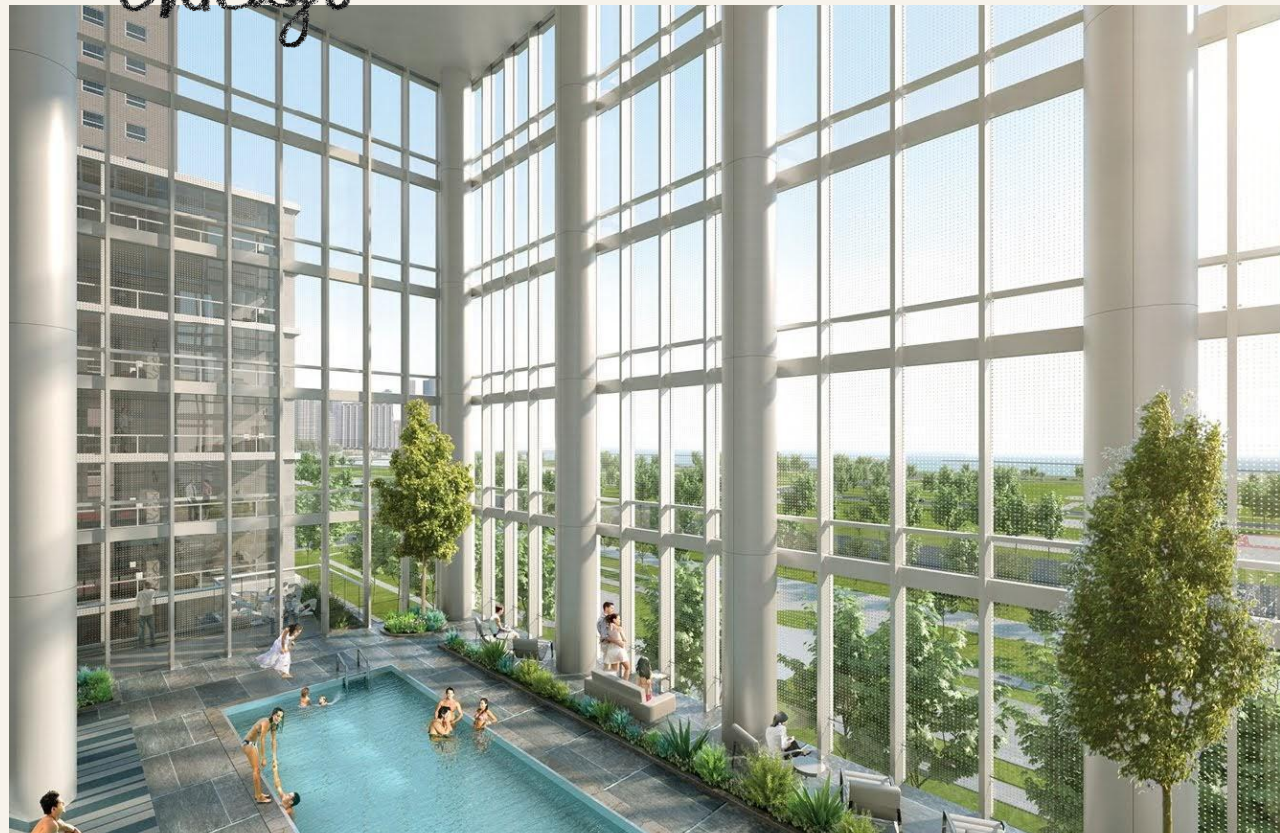


46 units • October 2019



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Chicago



95 units • July 2019

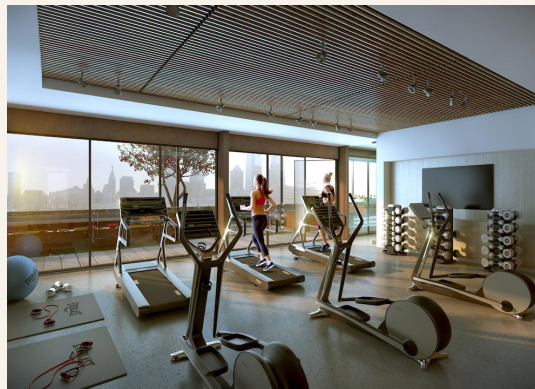


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Philadelphia



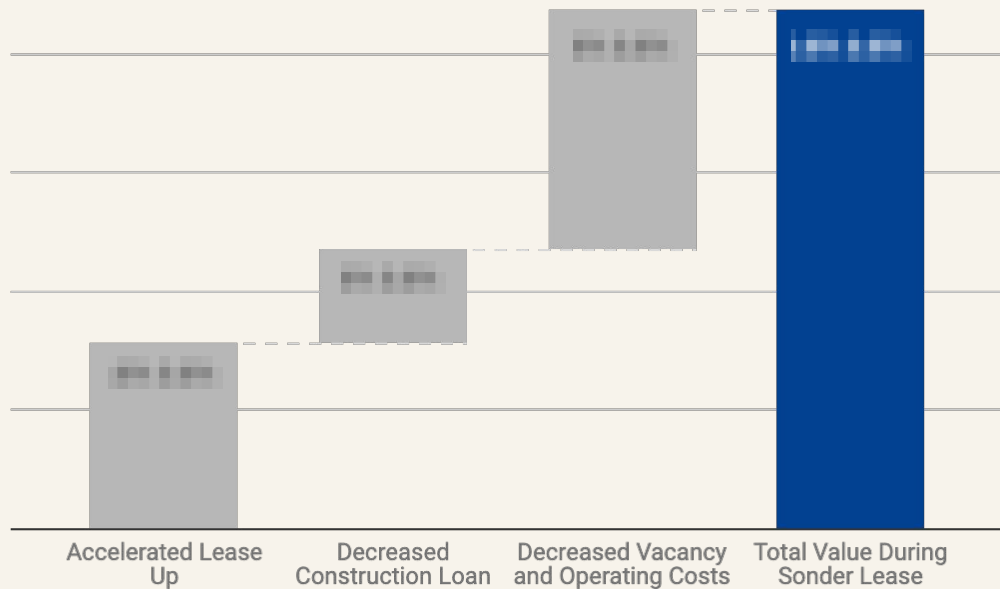
96 units • July 2019



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Strong value add compared to multifamily leasing

Value add for developer relative to traditional multifamily use

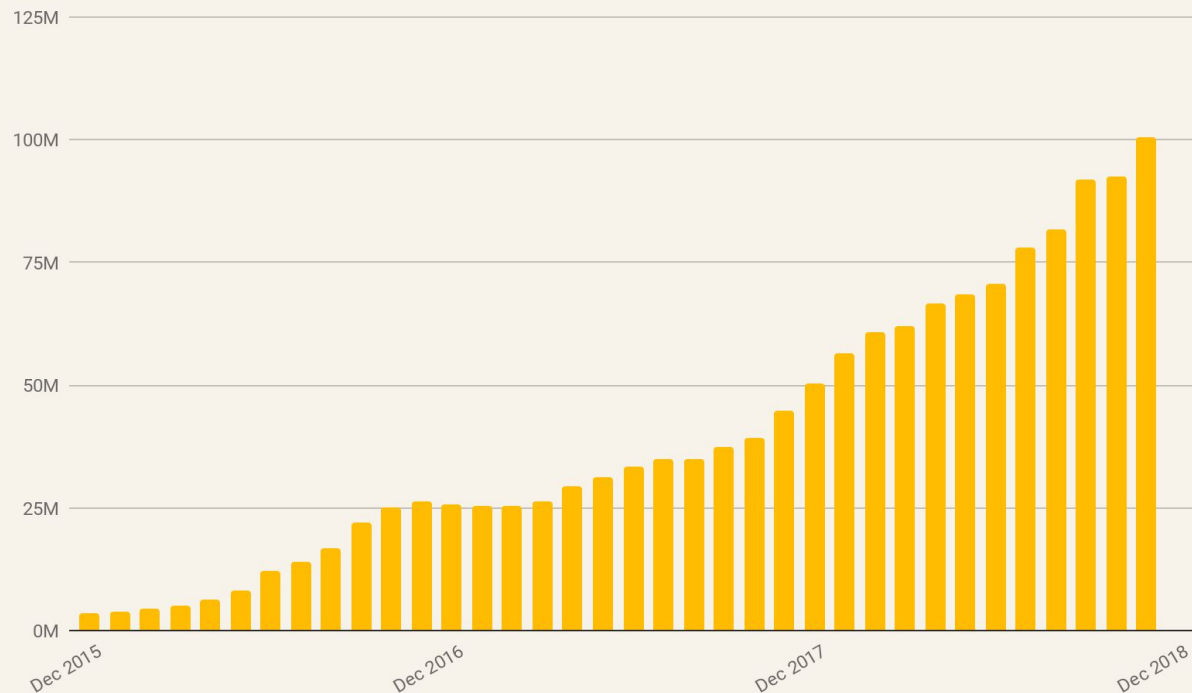


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We surpassed 100M run rate with no direct marketing spend...

Revenue run rate (\$M)



77%
occupancy

01

Scalable and cost-effective distribution partnerships.

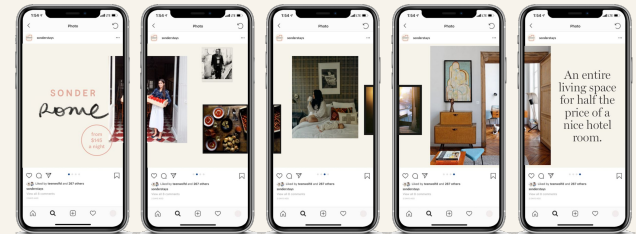
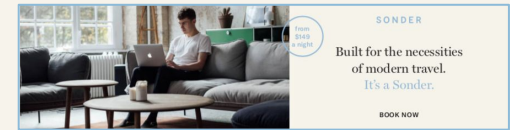
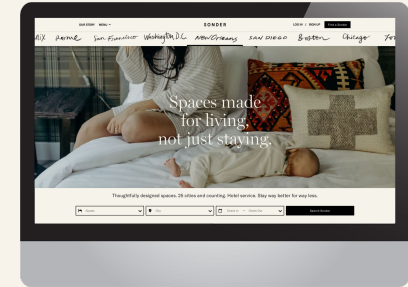
02

Great experience fuels 5 star reviews and high search ranks.

03

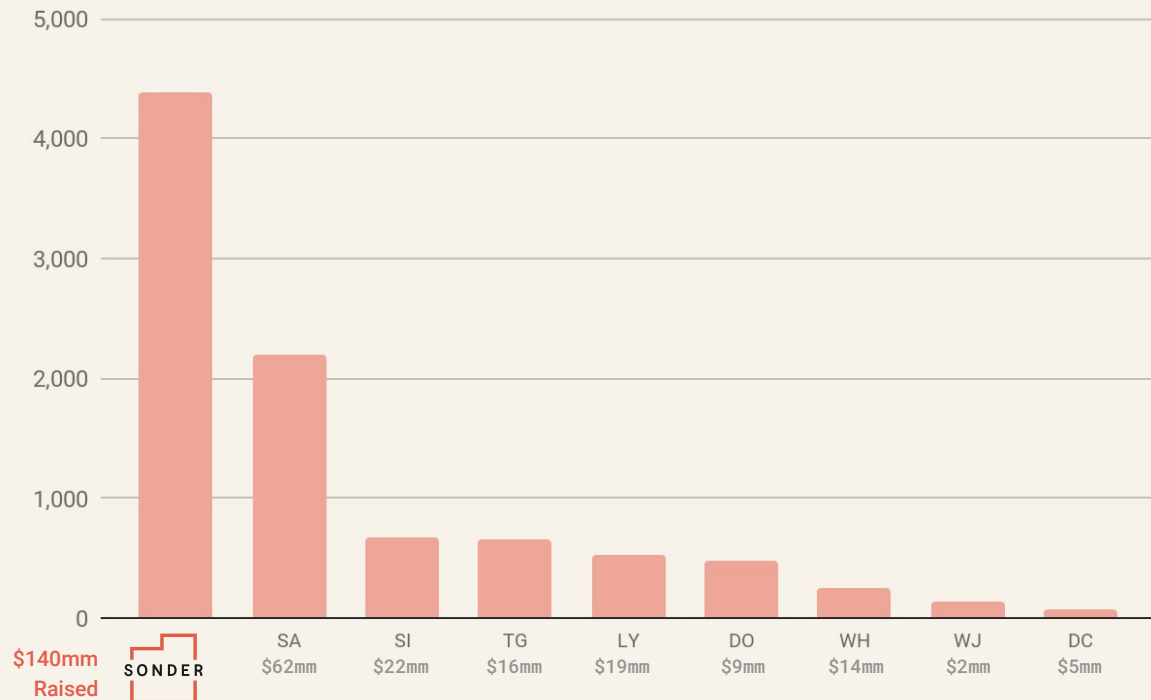
Brand awareness and repeats are translating into more direct bookings.

In 2019 we will finally lay the foundations for what will become an iconic consumer brand.



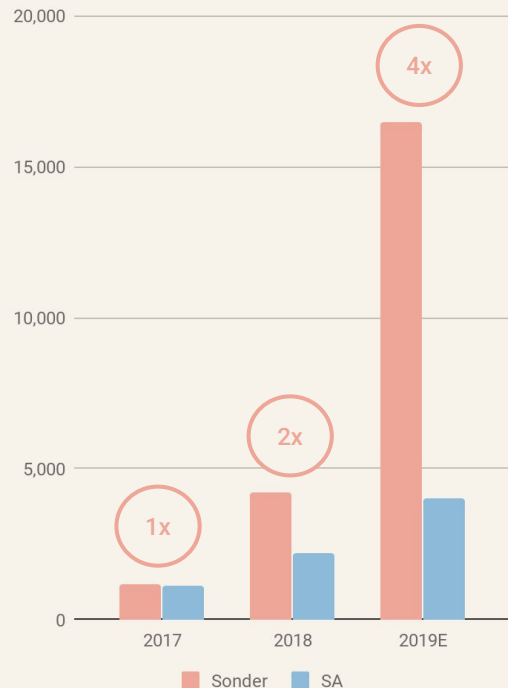
We're larger than all of our VC-backed competitors combined.

Total units


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Competitor units from "Biggest Vacation Home Operator Moving Into City Market," *The Information*, with extrapolated growth. SA2019 goal from "Spokane-based Stay Alfred receives \$47 million for expansion," *The Spokesman-Review*.

Sonder vs Stay Alfred



The larger we are, the more we will leverage our scale to dominate supply and demand...

Developers choose the strongest operator

Best capitalized

Most operationally sophisticated

Best track record & relationships

Only bidder

Guests choose the prominent brand

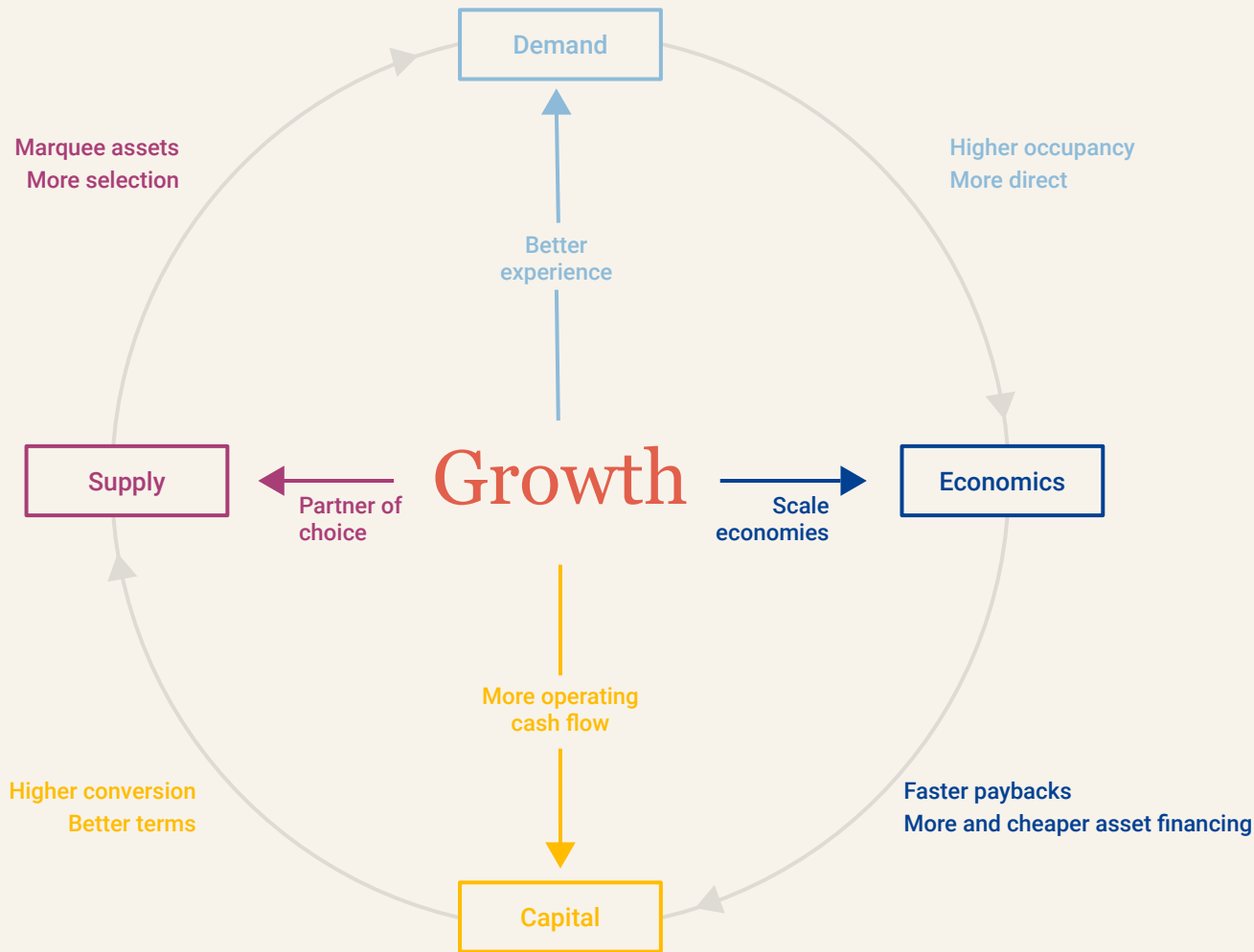
Ubiquitous across top markets

Better tech and service

Strongest brand

Most attractive price

...creating the
Sonder Flywheel.



We're aiming to be the largest hospitality brand in the world by 2025...



01

Need 4,100 new units per month.

02

Currently signing 800 units per month.

03

Requires going from 21 productive cities to 105 productive cities at the same city growth velocity.

...and are uniquely positioned to take on three other trillion dollar verticals.



2020

Transform
traditional hotels

2021

Everything in
a Sonder is for sale

2022

Housing as a service


Sanjay Banker, CFO

B.S. in Economics from Wharton; M.B.A. from Harvard Business School. Previously Partner at TPG Capital for 6 years; Principal at Bain Capital for 8 years; Engagement Manager at McKinsey for 6 years.


Deeksha Hebbar, VP of Operations

B.S. in Economics and B.S.E in Engineering from Wharton and the School of Engineering at the University of Pennsylvania; M.B.A. from Harvard Business School. Previously, VP of Business at Luxe; senior roles at McKinsey and Google.


Melissa Lightbody, VP of People

Previously VP, Enterprise Business Operations & Transformation Management Officer at Vituity; Sr Director, HR at Trulia; VP, Global Head of People and HR Operations at Machine Zone, Inc.


Marley Dominguez, Managing Director of Real Estate

B.S. in Accounting and Finance from Clemson University. Previously, Managing Director at Apple Investment Group; VP of Acquisitions for the Kuwait Pension Fund; headed real estate acquisitions for the Royal Family of Abu Dhabi.


Craig Rashkow, Sr. Director of Customer Service

B.S. and M.S. in Engineering from Dartmouth; M.B.A. from U Chicago Booth. Previously, Director of Sales Operations at McMaster-Carr.


Julia Otis, Director of Interior Design Operations

B.A. in History of Art and Architecture from Brown, M.B.A. from Yale. Previously Global Design Operations at Airbnb Plus; Head of Strategy and User Experience at True Link Financial; Consultant at the Bridgespan Group; Paralegal at the ACLU.


Phil Rothenberg, General Counsel

J.D. in Law from Georgetown; B.A. in Economics and Foreign Affairs from UVA; M.I.B.S. from USC. Previously VP of Legal at Tesla for 7 years; Attorney-Advisor at the U.S. Securities and Exchange Commission; Adjunct Professor of Law at Georgetown.


Vivek Subramanian, VP of Product & Engineering

B.S. in Computer Science from BITS Pilani in India; M.S. from the Univ of Texas at Austin; M.B.A. from UC Berkeley Haas. Previously, SVP and Head of Product at Coupang; co-founded CalmSea, a Big-Data startup; positions at Oracle and Siebel.


Arthur Chang, Senior Director of Expansion

B.S. in Hotel Administration from Cornell University. Previously VP of International Development and Head of Accounts at Coyle Hospitality Group; positions at Starwood, Nikko Hotels, and InterContinental; co-founder of Soarigami.


Ana Nekhamkin, Director of Real Estate Expansion - Europe

Summa cum laude from Wharton. Previously, Managing Director at Inhabit; positions in real estate acquisitions and development for lifestyle hotel companies such as Morgans Hotel Group, Ian Schrager Company and Virgin Hotels.


James Ondrey, Regional General Manager

B.S. in Finance from Miami University. Previously, one of the first Uber GMs then Head of Midwest Operations at Uber; CEO at SeatQuest; multiple investment banking roles.


Laura Hoxie, Director of Hospitality

B.S. in Hotel Administration from Cornell; M.B.A. from the University of Michigan. Previously, Director of Guest Experience at Hilton Worldwide; positions at Four Seasons and Avero.


Martin Picard, VP of Finance and Global Head of Real Estate

C.P.A.; B.Comm. in Accounting from Concordia University. Previously CEO of Adzura; Finance at Ned Davis Research; Senior Financial Auditor at Deloitte.


Shruti Challa, VP of Revenue

B.A. in Economics and Political Science from Stanford; M.S. in Predictable Analytics / Data Science from Northwestern. Private Investor; GM / SVP - New Business & Strategic Partnerships at Rocketmiles (Booking.com subsidiary); Head of Marketing and Sales Strategy at Groupon Rewards..


Kiran Rao, Head of Supply Growth

B.S. in Finance from the University of Illinois. Previously worked in corporate development at LinkedIn; VP at Campus Explorer; Associate at Vicente Capital Partners; and Investment Banking Analyst at BMO Capital Markets.


Amrith Desai, Director - Investment Analysis & Research

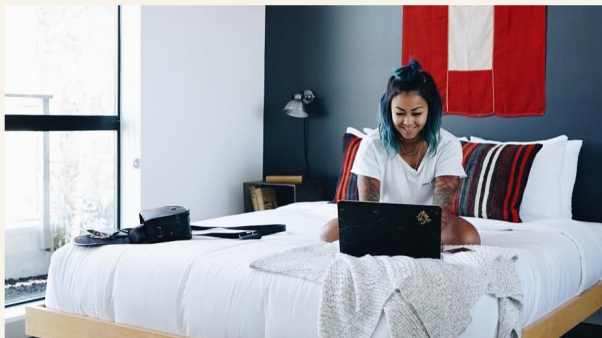
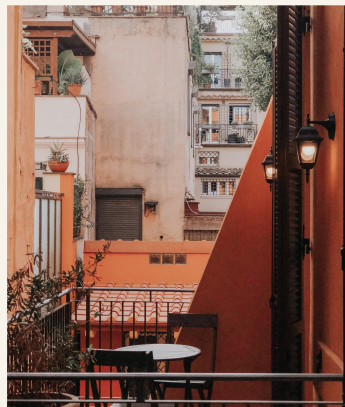
B.S. in Finance from Boston University. Previously Director of Research - New Developments at Compass; VP at JP Morgan; Senior Underwriter at JP Morgan Chase.


Jeff Sun, Director of Operations - Supply Chain

B.S. in Political Science from Yale; M.B.A. from MIT Sloan School of Management. Previously General Manager at Amazon PrimeNow; positions at Deloitte, twoXAR, and Nike.


Mason Harrison, Director of Communications

B.S. in Political Science and Government from UC Davis. Previously ran the political campaigns and/or represented John McCain, Carly Fiorina, and Arnold Schwarzenegger; VP of Communications at Crowdpc.



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Thank you