

REALBIZ MEDIA GROUP, INC. Raising Price Target to \$7.00

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REALBIZ MEDIA GROUP, INC. (OTC:QB – RBIZ - \$4.00)

Price Target: \$7.00

Rating: Speculative Buy

COMPANY SNAPSHOT

RealBiz Media Group, Inc. is a real estate, digital media, and technology company whose proprietary video processing technology makes it one of the leaders in providing home video tours to the real estate industry. Its client base includes more than 60,000 real estate agents and brokers. Through its wholly owned *HomeTourNetwork* operation, the company provides a Television video on demand network, a growing MVA network, and an existing Virtual Tour network. The company enjoys access to the nation's largest real estate companies with numerous approved vendors and national contracts, both key to its future development programs.

KEY STATISTICS

Price as of 10/1/13	\$4.00
52 Wk High – Low	\$4.00 – 0.26
Est. Shares Outstanding	28.6M
Market Capitalization	\$114M
3 Mo Avg Vol	15,000
Exchange	OTCQB

COMPANY INFORMATION

RealBiz Media Group, Inc.
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KEY TAKEAWAYS

Since our coverage initiation in early May 2013, RBIZ has been on a phenomenal tear, achieving major milestones. On the heels of new contracts, the stock has more than doubled during this time to a new year high, prompting us to substantially raise our price target to \$7.00 from \$4.00.

RealBiz Media Group, Inc. is on the cutting edge of a fast-growing, high value digital media platform for the real estate industry. Based on recent transactions, and the valuations for peer companies such as Trulia (NYSE – TRLA) and Zillow (NYSE – Z), we believe that as RealBiz's business scales, its market cap could be valued in the billions. TRLA and Z, which are both losing money, trade at high monthly unique visitors/ market cap multiples and RBIZ is well-positioned to join them based on its approach and new contracts.

The drivers in the industry are huge. Consumers and agents routinely use Web and technology tools to research and execute real estate transactions, driving growth.

The Company is leveraging \$30M and 28 patents associated with the proprietary video creation and delivery platform to emerge as the real estate industry's digital video marketing and advertising go-to firm for Web and mobile applications.

With a client base of over 60,000 real estate agents and brokers, RealBiz is a leader in the creation and delivery of virtual home tours used in real estate listings. Through its wholly owned Home Tour Network, RBIZ includes a television video on demand network, which can be seen on major cable platforms in Atlanta, GA, Chicago, IL and Las Vegas, NV.



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KEY TAKEAWAYS (Cont'd)

The Company has key relationships with many groups in the real estate industry including Realogy and Realtor.com which enables it to engage in building a library of virtual home tours on demand. RealBiz is targeting delivery of its multimedia Video on Demand platforms to more than 70 million households and can convert millions of home listings into videos, each month. This is possible due to the Company's patented proprietary technology, which is capable of sorting and converting text and picture home listings to a video with voice and music at the rate of up to 500,000 listings per hour. Once created, these home listing videos are automatically distributed to multiple media platforms (television, web and mobile) for consumer viewing.

RealBiz's latest offering, a Micro Video App geared for use on mobile devices, could emerge as the most disruptive technology in the space. Sold to agent and brokers, the RealBiz Media MVA offers the ability to utilize a unique platform to substantially increase success in real estate agents marketing efforts. The MVA is a proprietary video widget application designed to deliver video as part of a complete agent marketing tool that integrates Search Engine Optimization (SEO) strategies, traffic generation, e-mail, lead generation, and mobile-friendly viewing across all mobile devices. The Company has already shipped or signed more than 40,000 MVA's, which means the MVA now has an approximate monthly circulation of two million consumers. By year-end, management believes that the estimated circulation of 500,000 MVA's could reach ten million monthly impressions.

WHAT'S NEW

In recent months, the Company has made huge strides in penetrating this market. These include:

A new deal with Hunt Real Estate Era

Hunt Real Estate Era, with 40,000 agents and RealBiz Media launched customized property video microsites (MVA) and has had big success in short order. Additional penetration of the agent network is ongoing.

RBIZ Signed MVA Deal With Prudential Select Properties

Prudential Select Properties, located in the greater St. Louis (MO) area, will be the first Prudential brokerage to deploy a content distribution network (CDN) hosted listing video microsite for every qualifying listing in their local MLS. According to Prudential, with the help of RBMG, the Company is now able to create listing and community video content with the understanding that the value of unique content to search engines will help set it apart and move it up in search results. Plus, it will lower costs which are now eaten up by paying for ads on Google (NASDAQ – GOOG).

RealBiz plans to integrate its Micro Video App (MVA) technology platform with the FilmRobot AgencyClick platform to create "RealBiz Agent." RealBiz Agent will give real estate agents an "Agent Community" where they can network and have access to a digital film library that will include home services video, how to videos,



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industry trends, key statistics, new product lines, and local community events. Now, agents can connect locally to consumers on a more personal basis utilizing relevant video through their customized MVA (which can be delivered via email and social media platforms). Since 70% of all agents do not have listings due to inventory shortages this will give the forward-thinking agents a leg up.

RealBiz Media Announces Strategic Partnership With International Cruise & Excursions, Inc.

Just yesterday, RBIZ announced an agreement with International Cruise & Excursions, Inc. (ICE) for implementation and distribution of a customized membership program targeted at real estate agents and their homeowner clients. The program will be branded as the "Home & Away Club" and is a powerful tool to aid agents in attracting new listings, client retention, and offer an unparalleled thank you gift to their clients. With tens of millions of members, cross-sale opportunities to both firms' customer bases could be enormous.

Club offerings are far reaching as they give members access to all of existing travel product lines including Cruises, Hotels and Resorts, Airfare, and Car Rental. The Club also has a comprehensive lineup of Lifestyle offerings that include Golf, Skiing, Wine Clubs, High End Merchandise, Sports, Concert and Entertainment Tickets, Cosmetics, Spa, and Wellness programs. Notably, all Club products carry a best value guarantee, and savings to the member can be substantial. Additionally, the companies will be working together to expand Club offerings to include new homeowner product lines covering home merchandise and appliances, home renovations, home maintenance services, and various financial and insurance products.

The Home & Away Club introduction is being targeted prior to year's end.

CONCLUSION

RealBiz Media Group, Inc. is on the cutting edge of a fast-growing, high value digital media platform for the real estate industry. Based on recent transactions, and the valuations for peer companies such as Trulia (NYSE – TRLA) and Zillow (NYSE – Z), we believe that as RealBiz's business scales, its market cap could be valued in the billions. TRLA and Z, which are both losing money, trade at high monthly unique visitors/ market cap multiples and RBIZ is well-positioned to join them based on its approach and new contracts. In fact, we believe that the new initiatives could enable the Company to rival Trulia's and Zillow's monthly unique figures, sometime in 2014.

Unlike Trulia, which tends to target the professional side of the market, RealBiz is poised to generate revenue by providing a platform monetizer via its revenue generated by real estate pros and consumers alike. Offering a platform from which to provide rich media content services and delivery through traditional media (television), traditional web and the mobile web, along with partnering with the number one brand name in the space, (Realtor.com) is a huge advantage over all of the companies in the space.

With only a few hundred thousand shares in the float, this exciting company is poised to reach our new \$7.00 price target in short order, as it penetrates its customer base and monetizes its platform's offerings. The picture perfect stock chart can be found below. We rate these shares Speculative Buy.

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Recent Trading History For RBIZ

(Source: Stockta.com)



Analyst: Robert Goldman

Rob Goldman has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.



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