

## Partners building apartment search service

Expanding inventory and features could fulfill their national ambitions

By MARY STONE

**E**nvisioned as a multiple listing service for apartments, Newdigs.com aims to combine all of Rochester's available rental inventory in one online marketplace.

With experience as apartment landlords, former tenants and leasing agents, Ben Munson and Daniel Mooney, two Rochester Institute of Technology alumni, combined their knowledge to empower tenants to comparison shop in ways Craigslist does not.

To launch the business, Munson, 30, and Mooney, 32, decided not to chase venture capital but to raise money from friends and relatives first, to keep the business here and maintain better control of it.

Newdigs opened its friends-and-family investment round in September and so far has raised one-third of the \$250,000 Munson and Mooney are seeking. With the money, the duo wants to hire a half dozen people, mostly RIT co-op students, to flesh out more of the site's functionality.

Since building the basis of their site and moving into the RIT high-technology incubator in September 2008, Munson and Mooney have been applying the suggestions and lessons they have gathered from venture capital experts at High Tech Rochester Inc., Excell Partners Inc. and Trillium Group LLC.

Last year, Newdigs competed in the Rochester regional business plan competition held by HTR and participated in the Entrepreneurs Network program, sponsored by Monroe County. The latter is a sort of boot camp for startup businesses like Newdigs to test their revenue models and introduce their companies to venture capitalists.

One cornerstone of their plan, Mooney and Munson say, is getting landlords from



Photo by Kimberly McKinzie

**Ben Munson, left, and Dan Mooney want to create an online apartment service that offers more than Craigslist for both tenants and landlords.**

every corner of the city involved.

"We're really trying to shed some light on the affordable housing inventory. If you think it's hard to find an apartment on Park Avenue and find pictures of it and have a sense of whether you want to live there before you get there, just try to find something in the northwest section of the city or the northeast," Munson says. "There are literally no places you can go to find any information on that apartment inventory.

"We're working with (the Housing Council in the Monroe County Area Inc.) right now to put Rochester on the map as having one of the most transparent, searchable, affordable housing markets in the nation."

With the Housing Council's partnership alone, 200 to 300 units have been added to the Newdigs inventory. By the end of November, Newdigs will have more than 450 apartment listings spread across a five-county area.

Beyond the local market, the ultimate goal, Munson and Mooney say, is to go national, but to do that they need to establish a strong launch pad in each region. To that end, Newdigs allows landlords of properties with fewer than 25 units to list

for free, in the same way Craigslist does.

Critical to their success in any market, the founders explain, is a full inventory. Additional needs include digital leases, tenant applications and other online forms that property managers can use to make their job easier.

Munson and Mooney want to make searching for an apartment easier and more uniform for landlords and for tenants by eliminating some of the guesswork.

"We realized pretty early on that Craigslist with a map is fine, but we didn't want to just incrementally improve," Mooney says.

"We wanted to really knock it out of the park.

"For us, that was bringing in features like property management, tenant screening, features that landlords do on a daily basis."

Mooney, who like Munson owns rental property, quit his full-time job in July to focus more on programming the site. Now that both are focused exclusively on Newdigs, development is expected to be that much faster.

Right now, the site is live, allowing landlords to post listings for free and inviting them to provide feedback so that Munson and Mooney can make as many enhancements as possible. For landlords of properties with more than 25 units, the cost to market an apartment complex, for example, will be \$95 a month starting next year.

One of the enhancements will include an iPhone application, which can help prospective tenants investigate detailed Newdigs listings while they are scouting for properties on foot or by car.

Making a lot of incremental innovations, Munson and Mooney say, will be instrumental to success.

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