



**Jake** 00:10

Thank you so much, Alexis for taking the time to come on the show today really appreciate you, you coming on. And I'm excited about your company excited to talk with you today. Best Place to get started, I think for people who aren't familiar with, with you or your company, perhaps would be to do just a very quick, you know, Introduction to cover your company. And then we'll talk about your story a little bit and dig into cover a little bit more later.

**Alexis Rivas** 00:35

Sounds good. Sounds good. Jake, thanks for having me on. So I've covered what we do is we design, we permit we manufacture and we install homes. So we are building homes with production lines and software. And we're modernizing the entire home building process from you know, initial stages of zoning research and design and engineering all the way through to the nuts and bolts of how it comes together.

**Jake** 01:03

Great. So can we talk about your your story a little bit how you got to where you are now I know covers been a few years in the making, would love to kind of go back as, as far as you're willing to go and talk about how you got interested in, you know, the housing space in general came up with the idea for cover, and went ahead and got started.

**Alexis Rivas** 01:23

Yeah, so from a very young age, I was always interested in construction and building and, and so I decided to study architecture. And I also worked in architecture. And when I was working, I worked for different firms, mostly in residential. Some of them were doing, you know, \$120 million single family homes, super high end homes, others were doing larger, you know, condo developments and multifamily developments. And then, you know, others were just doing, you know, more regular homes, right, like the, you know, 300,000 to \$1 million home. And what I saw was, you know, a construction process that was very broken, and it was consistently broken, right projects were constantly over budget, missed deadlines, and it was just an unpredictable process. And so I started asking the question, why is this the case? Why is it so expensive? Why is it so I'm predictable. And what I realized was that it was a coordination between all of the different parties involved to get a building done. So just as a specific example, there was this one home we were working on, and there was little LED light on the top of

the doorframe, that would shine a light on to the door handle really nice touch, you know, high end detail. Great, but they were charging \$2,000 for that. And I thought to myself, you know, that's crazy right now, LEDs 50 cents, maybe there's a \$5 transformer Max, you know, why is this \$2,000. And what I realized was, in order to get that implemented from an idea to you know, it's installed and working in the home, you had to coordinate Sorry about that, you have to coordinate with the architect, the general contractor, the electrician, the door fabricator, the door installer, and the client, right, and they all have to be on the same page on the sequence of events and how it's going to connect them to this the home's electrical system, and how this is all going to work together. And, and so, you know, as soon as all those people are talking for a few minutes, you know, that's where your \$2,000 comes from. So, so I, when I realized that the reason construction was so expensive was because people had to coordinate, I started asking the question, you know, why aren't homes made in the factory more like a product where it's a repeatable process, it's standardized, it's well understood. And as a result, it can be higher quality, lower cost, and much faster. That's, that's what the question in my head went. And I learned that that's what I learned that prefabrication was a thing, right? That's not a new idea. It's been tried for decades. And so I went and worked for a prefab company. And when I was working there, what I learned was that yes, they were building homes inside of a factory. But all they had done was take the conventional construction process, right building with drywall, and two by four wood and hammers and nails, and replicated that same conventional process inside of a factory. And so there was very minor efficiency gains by doing that. And, and, and I was kind of shocked by this, because, you know, most products when they're moved into a factory, you they're redesigned from the ground up to be geared towards manufacturability to be geared towards rapid assembly from the start. And that hadn't been done for homes. And nobody was doing that. And that's when I realized this is an incredible opportunity here. You know, if we make homes in a factory in a way that enable To be fast, low cost higher quality, we can raise the bar for the quality of the spaces that we live in and make housing abundant for people. And that's when I realized, let's do this, I started chatting with my co founder, Jamal, Jamal and I went to architecture school together. And and, you know, I had come in, I'd come into this problem more from the from the perspective of residential construction, what is, you know, what, what are the problems in the field, and Jamal actually studied architecture because he

was interested in software and its use in architecture. So parametric design, generative design, geospatial analysis. And so what we realized was that part of this was a manufacturing problem and production line. And a huge part of this was an information problem, which was, how do we take all of the information that goes into the design and the engineering and the material procurement, and all the way through to the installation itself, all the details that go into a home, and manage that process, because unlike most products, you can't literally build the same home over and over again, there's just too much variation in properties, too much variation. And in environmental conditions, like the direction of the sun, you know, that affects energy use all of these things. And so a custom is necessary for construction. And so we realized that, that managing the information to enable the construction to be, you know, basically, mass customization was a key part of solving problem. That's where the software comes in.

**Jake** 06:33

Yeah, it's a great story and appreciate you sharing it. It's, it's interesting for me to hear like, I love hearing an entrepreneur who comes to an idea not like looking for an idea necessarily, or like a successful business necessarily, but you know, you had a passion for architecture clearly, and saw problems throughout your journey, even you know, went to, you know, these prefab home company, and got to like, what you thought might be the solution and realize, wow, this is pretty screwed up, too. And we need to do that, you know, this still needs to be improved upon significantly and rethought kind of from scratch. How do we build homes, in factories on assembly lines, with lower skilled labor? for cheaper? And what I think was really interesting that I want to, like, you know, reiterate is you mentioned, and I found this kind of in researching cover is that I think there's a very realistic promise of delivering something cheaper, faster, and of higher quality. And usually, you kind of have to compromise at least one of those three dimensions, you know, speed, price and quality. And so I think it's a it's an extremely attractive proposition. Actually, I don't know. I mean, I like I think it was independently but for all I know, I saw your guy's company in an article somewhere a few years ago, and kind of took the idea without realizing it. But I've long been thinking that the idea of building kind of a Tesla, for housing, that extremely intriguing and borderline inevitable, you guys view yourself as somewhat comparable to Tesla, I understand in a couple of ways. But can we first just talk about how, you know, you might mirror them a little bit in

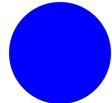
terms of building houses, like a car company, and maybe more specifically, like Tesla using certain advanced automation and everything like that?

**Alexis Rivas** 08:24

Yeah, absolutely. So it really is about building homes more like how cars are made. And and the part of that, that that that applies, is that it's a production line. It's predictable process. And it's a process that ensures quality control, right. You remove the complexity, from what's, you know, happening on site, you move it into the factory, and you build machinery and process around that. So that, you know, we can bring anyone in, show them, you know, here's, here's what you need to do. watch them do it a few times, and now they're doing that task better than an expert trades person that's been doing it for 20 years, because they have tools. They have process, and they have great documentation that supports that. Right. And that's really if you look at automotive that's, that's how it's successful, right? It's about taking what would really is a very complex product. I mean, if you look at a car, there's hundreds of moving parts, there's curved surfaces, there's incredible finishes. It's very complex product, and they're making it incredibly efficient in terms of the the amount of labor that goes in, right? Cars typically have like one or \$2,000 worth of labor go into them in the factory, that's insanely low. Right? You know, if you look at a construction site, you're looking at somewhere between 30 to 50% of the cost is labor just for reference. And so the big thing that we're doing is is removing you eliminating the complexity. From the from what's happening on site, moving it into the factory, like an automotive process, and and making it efficient, like an automatic process, right? That's really where the analogy works. I think where the analogy breaks is that unlike cars, we have, we are manufacturing panels in the factory. So wall panels, floor panels, roof panels, those come complete with insulation, structure, waterproofing, electrical plumbing, they shipped to the site, and then they're rapidly assembled. Right. And so unlike a car where the finished product leaves the factory complete, we we kind of ship out these Lego like blocks that are then assembled on site. So I think that that's kind of where the analogy is slightly different.

**Jake** 10:53

Yeah, I like the Lego analogy. And I saw that, you know, you guys, I think you wrote something like finite parts, infinite designs, in terms of the fact that you have, you know, these



different panels, whether it's rooms or walls or whatever. But you can actually combine them and theoretically infinite designs for people's homes, whether it's one bedroom, two bedroom, additional dwelling you unit, I think it's called, like the ad use that people just kind of put in their backyards for, for work or whatever it might be. So it's, I mean, it's extremely compelling concept, I think, I'm at least super excited about I want one of one of these for myself already. I think about you know, the fact that you are taking costs out of the labor in the factory, you know, you're trading carpenters, and plumbers for people who can, you know, kind of stand in an assembly line and plug in and do their task. And without compromising on precision, because of the automation, which you mentioned, and like, you can train these people for their very specific jobs. And then I understand you're also cutting costs out of the kind of shipping process, because you're doing it in parts, as opposed to like building a home and shipping it is that right?

**Alexis Rivas** 12:05

Yeah, that's right. One of the big challenges with most approaches to prefab that, you know, in the past have been that they, they ship these large, you know, really shipping container sized rooms. And, and then they require, you know, oversized trucks and special permits to take these on the road. And they also require large, expensive cranes to put them in place. And besides the logistics cost of that, it actually means that you can't build in a lot of places, places where there's overhead power lines, or trees, right. And so our approach because it's, it's panels, and these panels can actually be hand carried, right, they're lightweight enough to be hand carried, they can be assembled by a crew of, you know, two to four people. And, and that's, you know, it really is more like Legos, right? Where they come complete from the factory, right, and all of the complexity is done in the factory. And then on site, it's really assembly work, right. And what we're moving towards is that anyone who could assemble, you know, IKEA furniture could assemble a cover, right, that's what we're designing it towards.

**Jake** 13:18

That's interesting. And I think another aspect where I see, you know, the final aspect, from my perspective, where I see significant cost savings is that I understand the companies that do already take sort of a modular approach, don't have quite the precision that you guys have been able to incorporate with a lot of the automation in the factory. And so, you know, the, the parts, you know, they might be able to build them in the

factory, which save some money, and then they might be able to, you know, ship them in a modular fashion by by parts by panels, and that saves them some money. But then when it actually gets there, everything doesn't really fit together perfectly. And we're not even talking about maybe customizable houses like you guys are building, but even just like, something that's fairly standard, something might be a couple inches off. And if the roof doesn't fit on the walls, you need to bring in, you know, skilled labor to go in and fix that or you need to redo the part or whatever it is. How big of a deal is the precision for you guys versus you know, some of these other companies that are building prefab homes?

**Alexis Rivas** 14:19

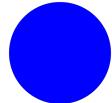
Yes. So so I think you hit it, you hit it right on the head, right? Right. When we, with conventional construction, because you're building as you go, are you put in one piece and then attach the next piece and then you know, you just piecemealing it, you can adjust for imprecision as you go right to make the same thing look, okay. The end product. With prefab, like you said, the issue that a lot of these other companies run into is they build these large parts, they build them in precisely and then they'll spend months on site, patching them together and trying to make it look all right, because they're not building precisely. What we've done is we've we've, we've engineered our building blocks, right though these Lego like panels, so that they leave the factory with a level of precision that is just unheard of in construction, right, we're talking about, you know, conventional construction might be, you know, quarter of an inch or a half inch, and we're talking 1000s of an inch. And so we deliver these parts, and they just, they just fit together. And because they fit together, that means that you don't have to do all of this extra patching work and figuring out how to do the finishes on site. So we fit we ship all the panels, including the finishes from the factory.

**Jake** 15:43

Yeah, it's interesting, and and, again, quite compelling. From my perspective, I think, you know, one other thing I

**Alexis Rivas** 15:52

can just add to that. The reason we're able to do this is because of the team we've built, our what we realized was that, yes, we build homes, but we're building homes more like how cars are made. And so our team is is actually folks that know how to build to that level of precision. It's people that have worked



at Tesla, people that have worked that Honda and Toyota, and, and then even people that worked at aerospace like SpaceX, where they you know, the precision that a rocket or a car is made at is an order is a couple orders of magnitudes more than construction. And so from a team expertise standpoint, they know how to do this, right? And we're eliminating that technical risk.

**Jake** 16:42

Right, so before we leave the Tesla analogy, or maybe we already have, but I want to circle back for, for one comparison. Tesla, of course, started with the Roadster, and then sold the Model S and then more recently, the model three, and they kind of are addressing a larger and larger market with a cheaper or, you know, less expensive and less expensive car. You guys are starting with fairly or I understand you started with like fairly expensive, additional, it's called an additional dwelling unit. And

**Alexis Rivas** 17:13

yeah, it's a it's an accessory dwelling unit. But yes, yeah,

**Jake** 17:16

that's fine. So everyone knows what I mean, it's something you put in the backyard and you can go you know, make an officer or whatever you want to do. So you started with those being fairly expensive. And you guys are based out in LA. So doing most of this locally, or at least, you know, last I saw I do most of this locally selling these things. And they're not, they're not super expensive, but they're also not cheap. It's like a couple \$100,000 I think for for some of these on the larger end. But in the future, I imagine you guys had sort of a Tesla like strategy of, you know, getting the the higher end market to pay for some of your initial products. And then almost like the like the Tesla Model three, without really compromising on design. You know, still having a beautiful house or like Tesla still having a beautiful car that goes just as fast the house functions just as well, and maybe just as nice accessories or whatever it is. And being able to sell that to a broader market that's not willing to pay quite as much. Is that a part of your thinking? how this actually scales from kind of where you are now to where you envision yourself in the future?

**Alexis Rivas** 18:24

Yeah, it really is. And I think the one thing that's a huge that was a huge part of the Tesla strategy was actually overcoming



people's fears around electric and fears around performance. And the Roadster, you know, by building a high end car with with incredible acceleration, they proved that electric could be better than an internal combustion engine from a performance standpoint. And we actually have a similar problem that we're in a similar approach where today, when people think of prefab, often what goes through their mind is low quality, cheap, you know, mobile homes, right. Like, that's what people think. And so, a big part of why we're starting off with the high end low volume market is actually overcome that fear just like Tesla did. And so, you know, these homes are uncompromising, I mean, top shelf appliances, top shelf performance, like really high end. And and then at, you know exactly what you said, as we wrap up in volume, we reinvest into engineering and manufacturing, we lower the costs, and we make it an even more mass market product. And then we repeat that again and go, you know, to the model, three equivalents and even more mass but even beyond that, right to the kinds of homes that you might see out in the Midwest or you know, built in Texas, which are built at you know, a lot less than what homes are built out in California, which is where we're starting.

**Jake** 19:54

Right and, you know, you guys talk about you're providing like an all in one solution. Like people don't really have to worry about anything, they just kind of go to your website. And if they meet the qualifications in terms of location, it's off to the races. Can you talk about? You know, I'm a bit familiar, but for people listening, I want to hear how you describe the process as a whole from, you know, discovering your website to actually having a half.

**Alexis Rivas** 20:21

Yeah, so the first question that people often have is what what should I build? What can I build in my backyard? Right? And turns out that that's actually not an easy question to answer. Because every city has different zoning rules. every neighborhood has different zoning rules, and their property specific considerations. And so what we've done is we've you know, the first step is to go on our website, build coverage, comm type in your address, it's right, the first thing you see is an area, type in your address, and we'll pull up all the relevant zoning information, you answer a few questions about, you know, what are you looking to build, how many bedrooms, what's the size, and then we'll show you what the zoning allows you to build in your specific backyard. And this is taking data



that's, you know, in the hundreds of pages of zoning and geospatial information about your property and the local neighborhood restrictions and applying that to your property to give you that answer. And so once you understand what you can build, then you can start the design process with us. And so what that involves is that we actually will come out and meet with you, at your property in your backyard, of course, socially distanced right now. And we'll meet with you and we'll go over what it is that you're looking to build, and ask you 50 to 100 questions that dive into the specifics, you know, things like, how do you want the backyard unit to relate to the primary home in terms of privacy? Do you want to have huge windows? Do you want to have smaller windows? What kind of appliances Do you want in your kitchen? How is your kitchen going to be used? All of these, you know, how much storage Do you need. And so all the questions that a great architect would ask, wrote, you know, a long design process, we've compressed into a design profile that we create digitally for you. And then we take that information. And we take the information about what's possible in your backyard, and we combine it to create custom designs tailored to your backyard and tailored to your needs. And so we'll present these designs to you in this this is our software plays a huge part in generating these designs, and telling you and visualizing them for you in 3d telling you exactly what they're going to cost how they're going to perform. So it's, it's months and 10s of 1000s of dollars of design work compressed into days, right. And at this point, you can say, Okay, I want to move forward with this design option and make these changes, and then we can go back and do that. It's, it's a panelized system, right, so we've got quite a bit of flexibility, we can, we can add space to the rooms, move things around, move windows around, so that you can see a tree or, or you know, block a certain view. And, and so we arrive at a design that you know you love. And then that's when you say, Okay, I want to sign the contract, and I want to build this with you. And so you put down a deposit. And at that point, we we take care of the permitting process for you, we'll update you regularly on how that's going with the city. And that's, that's the, that's a process that's unfortunately, still relatively slow and outside of our control. But we, you know, build these, you know, permit them, once we receive the permits, we do the foundation's we do the utility hookups, they don't hook up the water, waste the electricity to your primary home. And then we cut, we pour the foundation, and we come in and we install the cover on top of that. And, and you know, at the end, we'll walk you through it, we'll show you, you know, show you how to use it. And that's it, it's done.



Right, we're your single point of contact, you don't have to go and talk to, you know, hundreds of contractors or select from 1000 different materials, because we've already done that work and found a product that has, you know, great value performs really well. And it's cohesive, right, it's, it's a it's a high end, modern, minimalist kind of feel to the product. And so you don't need to go through all that effort of evaluating appliances, fixtures, and finishes and details. And, you know, working with an architect, we've done that we've put it into a system and we can deliver that.

**Jake** 24:36

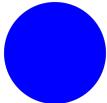
I've seen videos and images of bunch of units. And they're I mean, they're amazing. They're so beautiful. I have kind of a, you know, a bias towards minimalist type design. So maybe that's a part of it, but they're just to your point. I mean, the details are, I'll get that out in a second. I want to ask something else first on permitting because it sounds like that's You know, the innovations that you've brought to the design process in and of itself could possibly be worthy of like a company. And like a successful one, it sounds like to me, the fact that you, you know, eliminate months of work, compress it to a few days, have some, you know, a process for taking inputs that are delivered human to human conversation, you know, they don't have to do anything like on their computer, which can get frustrating. They're just talking to someone, that person plugs it into the system comes out beautiful designs that are then further adaptable, that in and of itself, to me sounds like extremely valuable, you know, ignoring the fact that that's only one aspect of this business, the permitting side? Well, first, actually, just a clarification, what the whole thing was all in like six months or so. And like I said, like a couple \$100,000 or so.

**Alexis Rivas** 25:50

Yeah, so from what from a timeline standpoint, it takes between six and nine months to deliver. And that's mostly because we actually have a backlog of orders that we're ramping up production to fulfill.

**Jake** 26:02

Okay, well, that's, you know, a good problem to have it sounds like the the permanent pieces, but I wanted to ask, just kind of a sincere question. I'm not sure if you thought about it explicitly, probably have, but but perhaps not. You know, you talked about how it's kind of like out of your control. Right.



And I understand it's, you know, it's the government and we see how effective they are on a number of on a number of aspects these days. But when you talk about that being out of your control is that, you know, is influencing, I don't know if this is like LA, California, even more local than LA, like within the towns or whatever, I'm not an expert in this by any means. But region to region, town to town and city to city state to state is this something that is impossible for you to influence and potentially change and accelerate their process or something that would just be really, really difficult, and you don't, you know, you haven't necessarily tried or been able to do thus far.

**Alexis Rivas** 27:03

So what we found is that LA City is willing to work with us and try new things and help us make it go faster. And we've done that, in cases where we have been able to move faster, where needed. And it really comes down to the city, though that's I can't answer that question. You know, broadly, it LA City has been good to work with, you know, it's still it's still a government, you know, agency, right. And there's oftentimes, it's not just you're not dealing with one department, in order to build one of these backyard homes, you know, accessory dwelling units, you actually need to deal with the fire department, you need to deal with the building department, you need to often deal with the Bureau of engineering when it comes to how you're connecting this to the sewer line. And so it's different departments. And so a big part of the complexity that we take off of your plate is is doing all of that for you, what tends to happen is that the if you look at the individual, you know, department response times, they're not crazy, right there, you know, a couple of weeks often, it's just that you might need a document from one department to then take to the other department so that they can sign off on their part. And and that's what you know, adds up and so and so we manage that process very well. But, you know, there's there's some constraints in terms of you know, how fast I can go and as as we ramp up we're continuing to work with the cities and and figure out how we can make that go faster.

**Jake** 28:38

I feel like you guys would do pretty well in Miami I spoke with with the mayor the other day and obviously Founders Fund with with Keith you know, back Founders Fund backs you guys and Keith is down there really leading the charge. He's you know, the mayor's super receptive to working with tech, obviously, it could be a an interesting match, I want to talk about the



details of the homes for a second I watched a video and you're, you know, you're showing someone through the home, I think this was like maybe one of your first units even, and you're talking about how the stove heats the pot, not like the actual surface of the stove, it's the certain appliance that it is and then you have bamboo and like the, you know, in the bathroom by the sink or whatever. And that's like, you know, you chose bamboo because it's extremely durable, and it grows like weeds. You've got all these you got the like floor to ceiling windows that go all the way top to bottom. You've got all these like, details. And obviously you're running the company, you know, it's not necessarily your job to know all of these things. every little detail, but it sounds like you really know, you know, all the nooks and crannies of all of these units. How important to you was it to be I think you used the word earlier. You know, really compromising on quality and details?

**Alexis Rivas** 30:04

Yeah, it is really important. And the reason for that is, it's two things. The first one is that this is our equivalent of the Roadster, right? low volume, high, high end. And so what we're doing is we're proving to the world that we're better than conventional construction much better than conventional construction. And whenever you're trying to move someone towards taking something new, and a new approach to something, there's always an inherent fear, right. And so the solution that you have can't just be, you know, 10%, better 20% better, it has to be 10 times better, right? To overcome the friction of an inertia of just the norm, right, and so a little bit better isn't enough, and that, that's why we're, we are obsessive around the details, because that's what makes our homes, you know, feel and operate like multimillion dollar, you know, the top architect in better than those homes, right? If you were trying to build a cover, with, you know, using a unit that looked and felt like the cover, using conventional construction methods, you'd probably spend at least three months, if not, like, up to a year, going back and forth between, you know, a team of very expensive architects like top architects, right best in the city, best engineers, and, and, you know, like the number one general contractor in your neighborhood, to go back and forth on how to do this, right. And so, if you tried to replicate this, it would be it'd be very, very difficult with conventional construction. And so, you know, what we're doing is we're the reason it's so important, we are so obsessive about these details, is we need to prove to the world that prefab is not a compromise. It's, it's better than conventional

construction. And then from there, we can make it you know, lower cost, and abundantly available as we ramp up production and invest into manufacturing, and engineering.

**Jake** 32:17

Right. So we've been talking a lot about how you guys like Tesla, like other companies, peloton, maybe being one, you've got this vertically integrated solution, where you're in control of every step of the process from, you know, plugging in their their zip code, or their location to the design process, the manufacturing and the on site. There's nothing really throughout the process that is not under your purview and responsibility directly down to you know, every screw and nail in the house and every detail of you know, the bamboo and everything like that. separately from that I saw you had an interesting tweet, which I'm gonna read it was, he said, construction is a bigger opportunity than automotive. It's more fragmented, and even less dollars go into r&d. So that's, you know, that's one tweet. And I'm going to read another one because Founders Fund your guys backer, I know DeLeon works closely with Keith, I don't know if you guys have interacted with Keith directly. But yeah, yeah, his pinned tweet on his on his Twitter. I don't know if you're familiar, but it's, you know, formula for startup success, find large, highly fragmented industry with low NPS Net Promoter Score, and vertically integrated solution to simplify the value product. So I think about that, and like, I don't know, if you

**Alexis Rivas** 33:46

love that, like, as soon as I saw that I knew that keep an eye on.

**Jake** 33:51

Yeah, it's like, it's basically the thesis for what you guys are doing. And you know, there's a reason I read the tweet, because you talk directly about the fragmentation. And then everything we've discussed so far has kind of revolved around this aspect of you guys controlling every step of the process, the vertically integrated business. And it's just, you know, because of the fragmentation in the housing industry, and all these different people you need to bring together and all of the friction and unnecessary time and energy and expense and reduction in quality that goes through as a result of that process. You have, I mean, I don't know like what what the net promoter score is technically, but I imagine you know, next to the DMV, getting your house bill or getting like a repair on



your house is probably like one of the most complained about things like a DMV,

**Alexis Rivas** 34:37  
let's put it that way.

**Jake** 34:39  
And maybe where Souza yeah, that's pretty funny. So yeah, it's it's very you know, I I don't usually get like this on with every entrepreneur and I got a lot of entrepreneurs on the show that I think are you know, super successful, you know, to name one like DeLeon who came on your guys, investors starting a space company. I think his company I'm also really excited about they're obviously just getting started. But that seems huge to me. This is kind of an out there question actually a little bit off topic, but he's obviously doing manufacturing and or, you know, planning to do manufacturing in space. Is there any of you guys had a conversation, if there's any sensibility to doing anything related to housing, in terms of the manufacturing in space? I know, it's not nearly, you know, anywhere near the top of the list of things that make sense to manufacturing space, like, you know, 3d printing hearts and, and things like that, and, you know, silicone and everything like that. But is there has there been any conversation about that,

**Alexis Rivas** 35:41  
there's been a little bit and the conversation has basically been, well, when we start, you know, colonizing other plant planets, it's not going to be to buy for construction and hammers and nails, that's for sure. So we're gonna need alternatives to how we build homes. And and, you know, we want to be the company that's going to do that, after we take care of the problem here on earth and make housing abundant and low cost and, you know, raise the bar.

**Jake** 36:07  
Yeah, I like how you say, when we colonize other planets? Not if that's, that's pretty cool. So I know, you know, we talked a lot about these ad use, are you guys building independent houses now as well?

**Alexis Rivas** 36:20  
Right now we're focused on these these backyard homes, he's at us. And although we have built one, which is a full two bedroom, two bathroom, it's out in Joshua Tree, there's, there's a dwell article on it, and you can actually rent it on Airbnb, we built

one, and that's a, that's a, that's a standalone home, you know, to prove that this works well, you know, in both more extreme climate, and also, you know, a full home. So there was more of a proof of concept, but today, we are not delivering other than backyard homes. And the reason for that is we're starting small, we're focused on iterating quickly and keeping the iteration cycles short. And we can learn a lot more by building, you know, five 500 square foot homes and 120 500 square foot home, right. And that's why we're starting off with these backyard units.

**Jake** 37:09

Is there an aspect though, of connecting like plumbing and electricity that is concerning at all for making that jump, or it's just a matter of time, similar, like what we saw with Tesla, like you're, you know, you're spending a lot of time on these super high end ad use. And when the time comes, and you've got some, you know, cost efficiencies, you can go ahead and you kind of have a pretty, you know, not a high degree of risk in your plan to kind of move towards the independent homes.

**Alexis Rivas** 37:34

Yeah, there's no real technical risk in the jump from backyard homes to primary homes. I mean, we've already built one, right, and it works. Great.

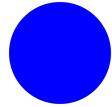
**Jake** 37:42

Great. So last question for you. I know we're coming up on time. When are you I understand at least that these are mostly if not all, in or around la right now. When are you guys, you know, building and shipping and, you know, installing these covers elsewhere. Because, you know, I'll be I'll be first on your list to get one assuming I can get a piece of land somewhere and make it work.

**Alexis Rivas** 38:10

So the approach that we've taken is to focus on delivering a really incredible end to end experience in one place, especially because there is a regulatory specific component of this, figuring out how to streamline that process in one place, and then expand rapidly to many other geographies. That's the approach we've taken, we're still in the process of, you know, improving that end to end experience and process here in LA. And then once that's done, we're gonna expand beyond it. It's not a timeline that I can publicly share.

**Jake** 38:43



Okay, yeah, totally understand? Well, again, it's, it's really exciting what you guys are building and looking forward to seeing what the future holds for cover. Any last words that you have, you know, feel free to share otherwise, would just love to know, you know, where people can go to learn more about all this and to follow you and your company and see the progress as it comes to fruition?

**Alexis Rivas** 39:06

So if you'd like to follow our progress and see what we build, you can do so on on our Twitter or Instagram, both of them are cover built. Yeah, I think the only thing Thank you, Jake, for having me. And I think the only other thing to add is that this is a hard technical problem. And we're hiring for many roles. Software Engineers. Software, as we haven't talked about it a lot. We've mentioned it briefly. But it's it is a huge part of what enables this to happen because it's it's a mass customization problem. And the part that manages that customization and makes the customization scalable is all software. And so we're we're, you know, actively recruiting for software engineers, mechanical engineers, manufacturing engineers, and all sorts of different you know, both production roles, engineering roles, and also business roles. So, you know, if you're out there and listening to this and interested in You know literally building the future please reach out.