

Zillow sets IPO at \$20 per share in Weds.

July 20 2011

(AP) -- Real estate listing and information service Zillow Inc. will sell shares for \$20 apiece in its initial public offering Wednesday.

That's \$2 higher than the top of the range it predicted on Friday.

The company, based in Seattle, said in a [Securities and Exchange Commission](#) filing that it will sell roughly 3.5 million shares, meaning it aims to raise just over \$69.2 million through the sale of [common stock](#). It also plans a private placement of about 275,000 common shares, which would raise about \$5.5 million more.

That means the company expects to tally about \$74.7 million, above the \$71.6 million it said it expected to raise on Friday.

In addition, it's giving underwriters the option to buy up to an additional 519,300 shares to cover any over-allotments.

Zillow plans to use the funds for general corporate purposes, including a possible acquisition.

The company will trade on the Nasdaq Global Market under the symbol "Z."

Zillow was founded in 2004 and launched its website in 2006. It has since rolled out applications for accessing its content through mobile devices.

The company holds data on more than 100 million U.S. homes and provides listings for homes for sale and rent. It also features a mortgage marketplace where users can solicit mortgage quotes.

The portal is best known for its "Zestimate," a proprietary home-valuation model it uses to provide an estimate for property values on more than 70 million U.S. homes.

Zillow makes money from real estate and mortgage brokers' [subscription fees](#) and advertising.

In the first quarter Zillow's loss narrowed to \$826,000 from \$2.8 million in the same period a year earlier. Revenue doubled to \$11.3 million. [Zillow](#) lost \$6.8 million in 2010, although revenue jumped 74 percent to \$30.5 million from 2009.

Citi is acting as sole book-running manager for the offering. Allen & Co. LLC is acting as senior co-manager and Pacific Crest Securities, ThinkEquity LLC, and First Washington Corporation are acting as co-managers.

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