PARI · WHITE PAPER · MARCH 2026

Sharing Economy 3.0

Why private capital is the last great underutilized asset class, and why its democratization will cost a fraction of what the first two eras did.

Yoshi Mua
Founder & CEO, Pari

Co-authored & edited with Claude

32 min read
9 sections + appendices

Published March 2026
Updated August 2026

CONTENTS

Executive Summary

The consumer internet has produced exactly two durable, category-defining sharing platforms at global scale. Airbnb unlocked underutilized physical space. Uber unlocked underutilized vehicles and driver time. Each created a market where none had existed, and each paid an extraordinary price to do it.

By the time Uber posted its first full year of operating profit in 2023, the company had absorbed cumulative operating losses of roughly $31.5 billion since it began reporting financials in 2014[1][2][3]. Airbnb carried an accumulated deficit of $6.0 billion as of December 31, 2020, having reported a net loss in every year since inception[4][5]. These figures do not represent incompetence. They represent the actual, measurable cost of manufacturing three things that did not previously exist: a **behavior** (sleeping in a stranger's spare bedroom, entering a stranger's private vehicle), a **trust substrate** capable of supporting that behavior between parties with no prior relationship, and a **regulatory accommodation** in hundreds of jurisdictions that had written their rules for a world without either.

The central claim of this paper is that the third act does not have to pay this tax.

Intra-family lending, the informal institution colloquially known as the "Bank of Mom and Dad," is already one of the largest credit markets in the United States, and it operates almost entirely without infrastructure. Merrill Lynch and Age Wave estimated that boomer and Gen X parents transfer roughly $500 billion annually to their adult children, approximately twice what those same parents contribute to their own retirement accounts[6]. The U.S. Census Bureau's Survey of Income and Program Participation recorded $48.6 billion in voluntary support flowing to individuals outside the provider's household in a single year, of which $17.6 billion went to adult children[7]. Roughly $2.5 trillion in wealth is already passing between generations and spouses annually, en route to a projected $124 trillion transfer through 2048[8][9].

The behavior is not merely present. It is dominant, growing, and structurally unavoidable given housing affordability trends. What is absent is not demand. What is absent is **structure**: a promissory note, an amortization schedule, an Applicable Federal Rate that satisfies IRC Section 7872, an automated payment rail, a servicing ledger, and a credit-reporting outcome. In the absence of that structure, the market produces predictable damage. Bankrate's 2025 Financial Taboos Survey found that among the 70 percent of U.S. adults who have lent money or fronted a shared expense with the expectation of repayment, 55 percent experienced at least one negative consequence, including 44 percent who lost money outright and 26 percent whose relationship was damaged[10].

This paper makes five arguments:

1. **The market education tax is the single largest cost driver in sharing-economy company building, and it is avoidable in Era 3.0.** Eras 1.0 and 2.0 spent a decade and tens of billions of dollars manufacturing behavior, trust, and regulatory tolerance. Era 3.0 inherits all three.

2. **Private intra-family capital is the largest underutilized asset class remaining.** Homeowners aged 62 and older alone hold a record $14.92 trillion in housing wealth[11]. The annual flow of parental support to adult children is measured in hundreds of billions of dollars. Neither pool is intermediated by purpose-built infrastructure.

3. **Trust in Era 3.0 is endogenous, not engineered.** Airbnb and Uber had to solve what Arun Sundararajan framed as the core question of the sharing economy: how do you move a population from accepting a package from a stranger to entering a stranger's car[12]? Pari does not solve that problem because it does not have that problem. The counterparties are a parent and a child.

4. **The regulatory posture inverts.** Eras 1.0 and 2.0 were built on regulatory arbitrage and paid for it with litigation, lobbying, and ballot warfare. Uber, Lyft, DoorDash, Instacart, and peers spent more than $200 million on California's Proposition 22, the most expensive ballot measure in state history[13][14]. Era 3.0 has no comparable fight available, because the applicable rules (IRC Section 7872, the Applicable Federal Rate regime, BSA/AML, Regulation E) are rules a family lender **wants** to comply with. Compliance is the product feature.

5. **Distribution runs through fiduciaries, not paid consumer acquisition.** The 16,544 SEC-registered investment advisers managing $176.8 trillion in regulatory assets for 73.7 million clients already sit inside the family conversation where these loans originate[15]. That channel converts what would otherwise be a $200 to $500 consumer-lending customer acquisition cost into a partner-mediated introduction[16].

The remainder of this paper substantiates each claim, quantifies the underlying pools, examines the failure modes of the unstructured status quo, and closes with an explicit falsification test.

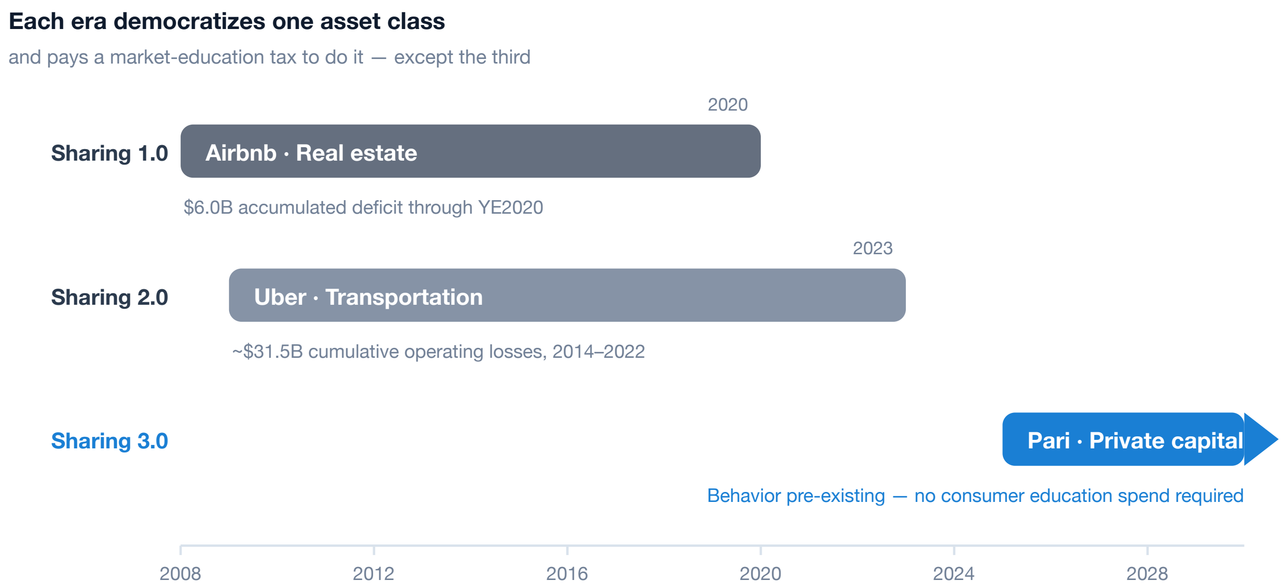

Figure 1. The three acts. Airbnb and Uber each spent a decade and billions manufacturing a behavior before inflecting. Era 3.0 begins from a behavior that already exists, which is why no loss curve is drawn for it. Sources:[1][2][3][4][5].

1. Introduction: What "Democratization" Actually Costs

The phrase "sharing economy" was popularized by Rachel Botsman and Roo Rogers in 2010 and refined academically by Arun Sundararajan and others through the following decade[12][17]. The common definition centers on peer-to-peer platforms that unlock the latent capacity of privately held assets. A spare bedroom is a hotel room that has not been listed. A car sitting in a driveway twenty-two hours a day is transportation capacity that has not been sold.

The economic logic is elegant. The execution has been brutally expensive.

The reason is that these platforms were never merely matching supply with demand. They were manufacturing the social preconditions under which such a match becomes thinkable. Sundararajan framed the central problem directly: how does a society move from the level of trust required to accept a delivery from a stranger to the level required for a person to enter a stranger's vehicle and say, drive me to another city[12]? Botsman described the resolution as "distributed trust," a shift in which confidence migrates away from institutions and toward networked reputation systems mediated by platforms[17]. The academic literature that followed has consistently identified trust generation and risk mitigation as the binding constraint on peer-to-peer platform viability, and has found conflicting evidence about how reliably reputation systems actually solve it[18].

This is the correct frame for understanding why Airbnb and Uber lost so much money for so long. They were not subsidizing rides and stays because the underlying unit economics were unfixable. They were subsidizing rides and stays because they were purchasing a change in what a hundred million people considered normal.

Pari is not purchasing a change in what anyone considers normal. Lending money to your children is one of the oldest financial behaviors in human society. It is already happening, at scale, right now, in the households of the clients that registered investment advisers serve every day.

The rest of this paper is an attempt to put numbers on that difference.

---

2. Act I and Act II: The Full Accounting

2.1 The capital record

Public filings give us an unusually clean read on what the first two eras cost.

Uber. In its FY2019 Form 10-K, Uber disclosed operating losses of $4.1 billion, $3.0 billion, and $8.6 billion for 2017, 2018, and 2019 respectively, and an accumulated deficit of $16.4 billion as of December 31, 2019[1]. Independent tabulations place cumulative operating losses from 2014 through 2022 at approximately $31.5 billion before the company posted its first full-year operating profit in 2023[2][3]. The company raised more than $24 billion in venture and private equity capital before its 2019 IPO, including approximately $9.3 billion from SoftBank's Vision Fund[2].

Airbnb. Airbnb's S-1 disclosed net losses in every year since inception, with an accumulated deficit of $1.4 billion as of December 31, 2019 and $2.1 billion as of September 30, 2020[4]. Its first annual report as a public company reported a 2020 net loss of $4.6 billion and an accumulated deficit of $6.0 billion as of December 31, 2020[5]. A substantial portion of the 2020 loss was IPO-related: the company recognized $2.8 billion in non-cash stock-based compensation on completion of the offering, plus an $827 million non-cash mark-to-market adjustment on warrants[19].

Combined, the two anchor companies of Eras 1.0 and 2.0 carried accumulated deficits exceeding **$37 billion** at their respective inflection points. That figure is materially larger than the commonly cited "$15 billion combined" shorthand, and we use the fuller number here because it is what the filings actually support.

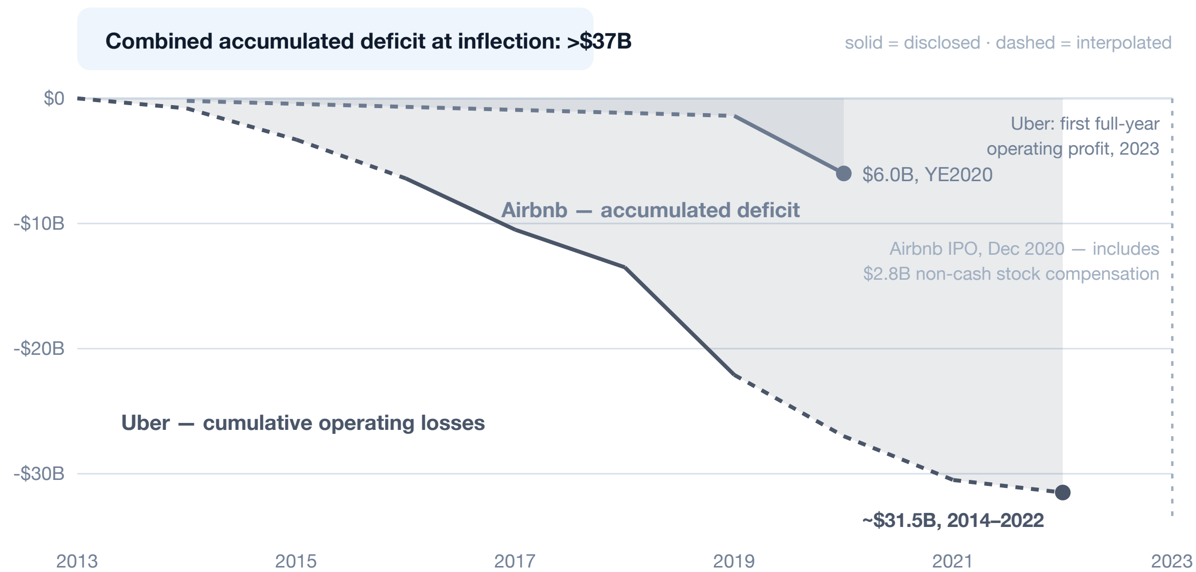

Figure 2. Cumulative losses to first profit. Solid segments are disclosed figures; dashed segments interpolate between cited points. Airbnb's 2020 deficit includes $2.8B of non-cash IPO stock compensation and therefore overstates operating burn. Sources:[1][2][3][4][5][19].

2.2 Decomposing the market education tax

Aggregate losses are a blunt instrument. It is more useful to decompose what that capital purchased. Three distinct categories of spend recur across both companies.

Category one: behavior manufacture. This is direct consumer and supplier subsidy plus brand spend aimed at making an unfamiliar transaction feel routine. Airbnb's sales and marketing expense ran at approximately 35 percent of revenue in 2020, 20 percent in 2021, and 18 percent in 2022[20]. In absolute terms the company spent $1.186 billion in 2021, $1.516 billion in 2022, and $2.1 billion in 2024, the last representing about 19 percent of revenue[20][21]. A 2026 analysis of Airbnb's SEC filings from 2020 through 2026 concluded that the company has quietly rebuilt the marketing engine it was publicly known for cutting, with total sales and marketing rising from 24 percent to 28 percent of revenue between 2024 and 2026[22].

Even a company that famously markets itself on organic demand, and which disclosed in its S-1 that approximately 91 percent of traffic arrived through direct or unpaid channels, has never stopped paying to defend the behavior it created[23].

Category two: trust manufacture. This is the harder category to isolate in filings because it is embedded across product development, operations and support, insurance, and trust and safety headcount. It includes identity verification, host guarantees, damage protection, background checks, ratings infrastructure, dispute resolution, and the twenty-four hour support organizations both companies had to build. The academic literature is clear that this layer is not optional: reputation and risk-mitigation systems are the mechanism by which stranger-to-stranger transactions become possible at all[18].

Category three: regulatory accommodation. This is where the numbers become spectacular.

Uber, Lyft, DoorDash, Instacart, and allied companies spent more than $200 million backing California's Proposition 22 in 2020, making it the most expensive ballot measure in the state's history[13]. Reported donor breakdowns place Uber at approximately $52 million, Lyft at $49 million, DoorDash at $48 million, and Instacart at $28 million, against roughly $15 to $20 million raised by the opposition[24][14]. The measure passed with about 58 percent support and was ultimately upheld by the California Supreme Court, but the cost of that outcome is a permanent line item in the history of Era 2.0[14].

Airbnb's regulatory expenditure follows the same pattern at a different scale. The company contributed more than $8 million to fight San Francisco's Proposition F in 2015[25]. Bloomberg reported that Airbnb maintained an in-house legal organization of roughly 120 lawyers to manage its regulatory exposure ahead of its IPO, and that its litigation with San Francisco alone cost the city approximately $330,000 in legal fees while costing Airbnb roughly half its listings in that market[26]. The company spent a then-record $1 million on federal lobbying in 2022, $820,000 in the first nine months of 2023, and at least $651,000 across nine states in 2023 alone[27]. It reported $940,000 in federal lobbying spend in 2024, employing twenty-two lobbyists[21]. In 2023 Airbnb settled with Italian authorities for 576 million euros over uncollected landlord income tax[28].

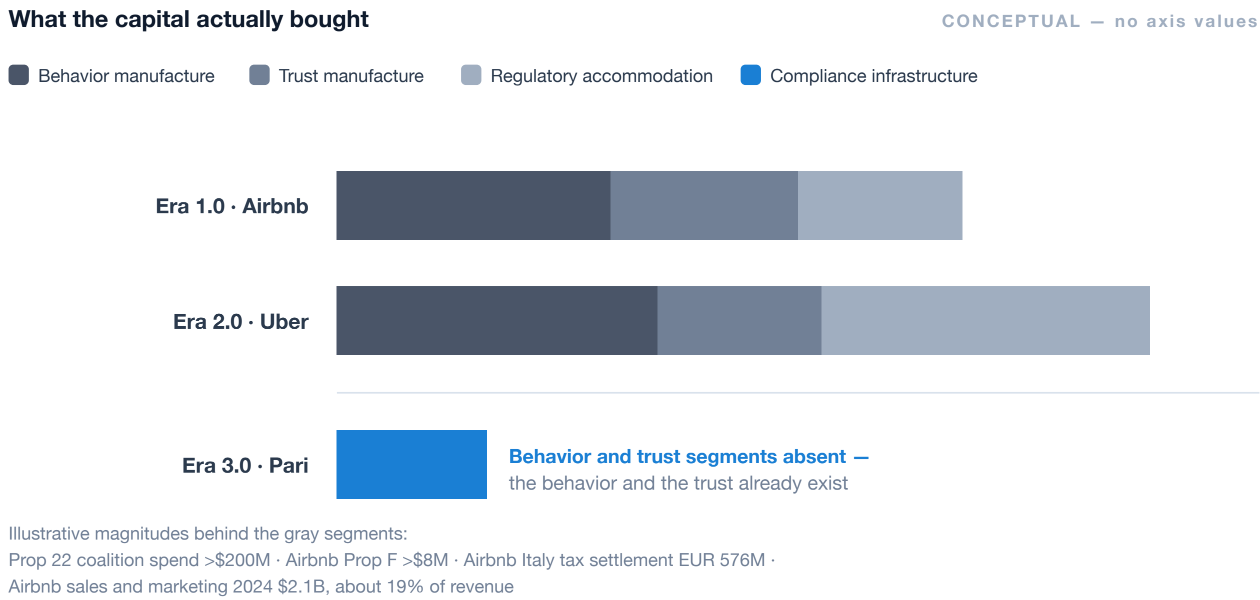

Figure 3. The market education tax, in three components. Conceptual and illustrative: the segments are not a financial reconciliation and do not sum to either company's accumulated deficit. Sources: [13] [21] [25] [28].

2.3 The pattern

Read together, the record of Eras 1.0 and 2.0 describes a specific company-building archetype:

DIMENSION	SHARING 1.0 AND 2.0
Behavior	Did not exist; had to be manufactured
Trust between counterparties	Zero at t=0; had to be synthesized by the platform
Regulatory posture	Adversarial; existing law prohibited or did not contemplate the activity
Liquidity	Cold-start on both sides simultaneously
Acquisition	Paid, broad, consumer-direct
Time to first profit	12 to 14 years
Capital consumed to inflection	Billions to tens of billions

Every one of these dimensions inverts in Era 3.0. Section 4 takes them one at a time.

3. Act III: Sizing the Asset

Before examining the structural inversion, it is necessary to establish that the asset class in question is actually large. This section assembles the evidence from four independent angles.

3.1 The stock: household balance sheets

Housing wealth among U.S. homeowners aged 62 and older reached a record $14.92 trillion in the first quarter of 2026, according to the NRMLA/RiskSpan Reverse Mortgage Market Index[11]. That figure was approximately $7.54 trillion in the first quarter of 2020 and roughly $4 trillion at its 2006 pre-crisis peak, meaning senior home equity has nearly quadrupled in two decades[29]. NRMLA estimates that homeowners aged 62 and older own about four in ten U.S. homes[29].

This matters because it is the collateral base against which family lending is, in practice, underwritten. The parent who writes a $200,000 check for a child's down payment is frequently drawing on home equity, retirement accounts, or taxable investments.

3.2 The flow: the Great Wealth Transfer

Cerulli Associates projects that $124 trillion in wealth will transfer through 2048, with $105 trillion flowing to heirs and $18 trillion to charity[8]. Approximately $100 trillion of that total, roughly 81 percent, will come from baby boomers and older generations[8]. More than half the total volume, $62 trillion, is expected to originate from high-net-worth and ultra-high-net-worth households, which together represent only about 2 percent of all households[30]. Millennials are projected to inherit the largest share of any generation, an estimated $46 trillion over twenty-five years, while Gen X stands to inherit the most over the next ten years at approximately $14 trillion[8].

Critically for near-term market sizing: an estimated **$2.5 trillion per year is already being passed down** to the next generation and to spouses[9]. Cerulli's estimate was revised upward from approximately $84 trillion (through 2045) in its 2021 report, a roughly 50 percent increase driven by inflation, asset appreciation, and wealth concentration[9].

Figure 4. The Great Wealth Transfer, decomposed. The 2048 total is a projection; the ~$2.5 trillion annual run rate is present tense. The remainder band is the residual after the two cited generational allocations. Sources:[8][9][30].

3.3 The flow: annual parental support

The wealth transfer literature describes what happens at death. The more immediately relevant number is what happens during life.

Merrill Lynch and Age Wave, surveying more than 2,500 parents, estimated that boomer and Gen X parents provide roughly **$500 billion annually** in financial support to their adult children, approximately twice what those parents contribute to their own retirement accounts[6].

The U.S. Census Bureau's Survey of Income and Program Participation provides a more conservative, government-collected floor. In 2020, approximately 8.7 million people provided $48.6 billion in voluntary support to individuals living outside their households, of which $17.6 billion went to adult children aged twenty-one or older who were not away at school and $17.5 billion went to parents[7]. Notably, the SIPP series shows annual support to parents ranging from $10.4 billion to $27.9 billion across 2014 to 2021, confirming both the scale and the volatility of these flows[7].

Survey data from Savings.com found that for the first time, 50 percent of parents with a child older than eighteen provide at least some financial support, up from 47 percent the prior year and 45 percent the year before, at an average of $1,474 per month[31]. Among parents still in the workforce, contributions to adult children averaged $1,589 per month against $673 per month in their own retirement savings, a ratio of roughly 2.3 to 1[32]. More than 60 percent of surveyed parents reported sacrificing their own financial security to provide this support, and about 18 percent said they saw no end to the contributions[33]. AARP research puts the average annual parental contribution at approximately $7,000 with a median of $1,400, and found that 42 percent of supporting parents report financial stress while 35 percent report emotional stress[34].

The estimates vary by an order of magnitude depending on methodology, which is exactly what one should expect from a market with no instrumentation. That variance is itself an argument for the product.

3.4 The wedge: housing

Housing is where intra-family capital is most visible and most consequential.

The National Association of Realtors reports that the median age of first-time homebuyers reached 40 in 2025, up from 30 in 1990, driven by home prices rising nearly twice as fast as incomes and by the time required to accumulate a down payment stretching from roughly three years to nearly ten[35].

Against that backdrop, family capital has become a primary channel of housing access:

- NAR's 2024 Profile of Home Buyers and Sellers found that roughly **one quarter of first-time buyers** funded their down payment with a gift from a relative or friend[36].
- A 2025 Redfin survey found that **20.7 percent** of Gen Z and millennial homeowners made their down payment using a cash gift from family, with roughly 11 percent using an inheritance[37].
- A LendingTree survey found that **16 percent** of homeowners overall say their parents helped with the down payment, rising to 27 percent among Gen Z and 24 percent among millennials, and that nearly 80 percent of Gen Z homeowners received down payment help from some source, with 33 percent saying they could not have bought without it[38].
- A Veterans United survey found that **59 percent** of parents have provided or plan to provide financial help toward a child's home purchase, with 33 percent citing a specific down payment contribution[39].
- A 2026 report cited 40 percent of U.S. homeowners receiving down payment help, including 78 percent of Gen Z homeowners and 56 percent of millennial homeowners[40].

Most important for Pari's thesis is the **gift-versus-loan split**, because it defines the addressable slice:

SOURCE	GIFT	LOAN	COMBINATION
LendingTree (recipients of down payment help)[38]	48%	28%	25%
Veterans United (parents providing help)[39]	57%	20%	23%

Roughly one fifth to one quarter of family housing support is already structured as a loan in the participants' own understanding, and another quarter is a hybrid. That is the near-term serviceable market. The gift category is not permanently excluded either: a meaningful share of "gifts" are gifts precisely because structuring a loan was too hard, not because the parent preferred to forgo repayment.

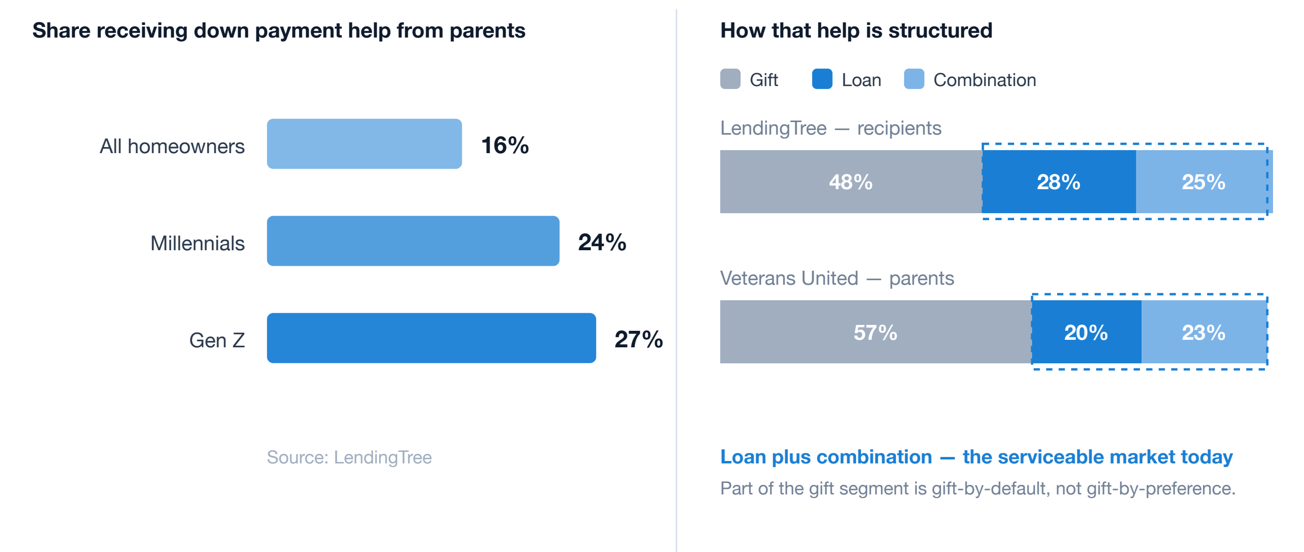

Figure 5. The Bank of Mom and Dad, by generation and by structure. The loan and combination segments are the serviceable market today. A portion of the gift segment is gift-by-default rather than gift-by-preference. Sources:[38] [39].

3.5 A note on market-size reports

Published estimates of the "sharing economy" market diverge so severely that we decline to rely on them. One vendor placed the 2025 global market at $244.8 billion growing to $752.8 billion by 2030[41]. Another placed 2026 at $454.2 billion growing to $5.56 trillion by 2035[42]. A third cited $387.1 billion in 2024 growing to $827.1 billion by 2031 at a 7.7 percent CAGR. These are not reconcilable, and the compound growth rates implied range from single digits to above 30 percent.

We flag this deliberately. The sizing in Sections 3.1 through 3.4 rests on regulatory filings, Census data, Federal Reserve-derived indices, and named-methodology surveys, not on syndicated market reports. Readers should apply the same discount to any competitor's TAM slide that cites the latter.

4. The Structural Inversion

This section takes each dimension of the Era 1.0 and 2.0 archetype and demonstrates the inversion.

4.1 Behavior capture, not behavior manufacture

Airbnb had to convince people to sleep in a stranger's house. Uber had to convince people to get into a stranger's car. Both propositions were, at launch, genuinely strange, and the strangeness was the primary cost driver.

Pari has to convince a parent to lend money to their own child. That behavior has a documented participation rate of 50 percent among parents of adult children[31], and 59 percent among parents contemplating a child's home purchase[39]. Roughly 70 percent of U.S. adults have lent money or fronted a shared expense with the expectation of being repaid[10].

The consumer education question is not "would you consider doing this." It is "you are already doing this, would you like it documented, priced, automated, and reported."

That is a fundamentally different, and dramatically cheaper, marketing problem. It is closer to QuickBooks selling bookkeeping to people already keeping books on paper than it is to Uber selling a category that did not exist.

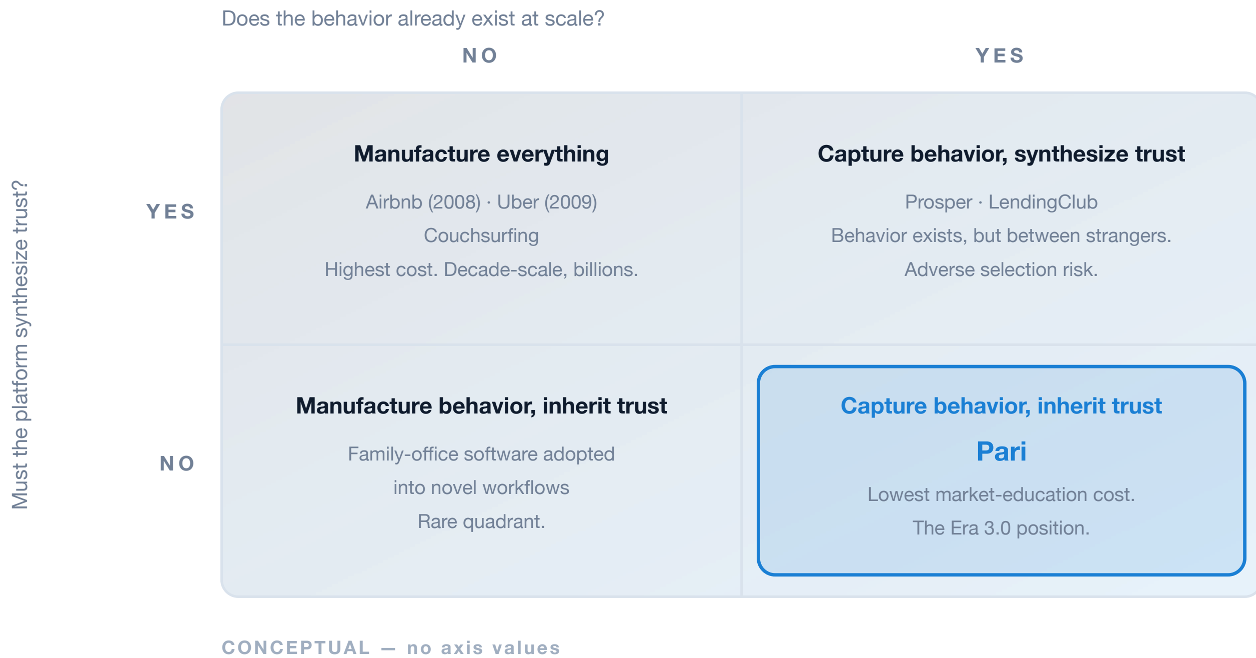

Figure 6. Behavior manufacture versus behavior capture. Conceptual. Peer-to-peer lending sits in the top-right: the behavior existed, but between strangers, which is what made it expensive. Era 3.0 sits bottom-right.

4.2 Trust is endowed, not engineered

This is the deepest structural difference and the one most often underappreciated.

Every peer-to-peer platform in Eras 1.0 and 2.0 had to construct a trust substrate from nothing. The literature identifies this as the binding constraint, and finds the solutions contested: some studies establish reputation systems as effective trust generators, while others argue that rating-based reputation functions as a "fictitious commodity" that does not reliably support the risk it is asked to carry[18].

Pari's counterparties know each other. They share a name, a history, a holiday table, and in most cases an eventual estate. The information asymmetry that destroys stranger-to-stranger lending, the borrower's true willingness and capacity to repay, is close to fully resolved before the platform is involved.

This is not a soft advantage. It is the reason the loss curve looks different. Consumer lending platforms carry credit losses driven by adverse selection: the borrowers who most want the loan are disproportionately the borrowers least able to repay it, and the platform must price for a population it cannot fully observe. A parent lending to a child has near-perfect observation of the borrower and, crucially, a non-financial recovery mechanism that no institutional lender possesses.

The inverse is also true and must be stated honestly: the non-financial recovery mechanism is the relationship, and when the loan fails, the relationship is what absorbs the loss. That is the subject of Section 5.

4.3 Regulatory alignment, not regulatory arbitrage

Eras 1.0 and 2.0 were, structurally, bets that existing regulation would yield. Short-term rental platforms operated against zoning and hotel-tax regimes. Ride-hailing operated against taxi medallion systems and employment classification law. The strategy worked, but the cost was $200 million ballot measures, 120-lawyer in-house legal departments, and nine-figure tax settlements [13] [26] [28].

Era 3.0 has no equivalent bet available, and does not need one, because the relevant regulation is regulation the customer wants to satisfy.

Consider IRC Section 7872, which governs below-market loans between related parties. If a family loan carries a rate below the Applicable Federal Rate for its term, the IRS treats the shortfall as forgone interest, imputed as income to the lender and as a gift, dividend, or compensation to the borrower depending on the relationship [43] [44]. The statute provides a de minimis exception where aggregate loans between two individuals do not exceed $10,000, subject to an exclusion for loans used to acquire income-producing assets, and a separate limitation for gift loans up to $100,000 tied to the borrower's net investment income [44] [45]. AFRs are published monthly by IRS revenue ruling and are stratified by term: short-term (three years or less), mid-term (over three and up to nine years), and long-term (over nine years) [46].

Beyond the rate itself, the IRS and the courts evaluate whether a purported loan is a loan at all. The recurring factors are a written promissory note stating principal, rate, payment schedule, maturity, and default provisions; a stated rate at or above the AFR in effect on the origination date; and actual payments flowing from borrower to lender on the agreed schedule [46]. Where those elements are absent, the entire arrangement is exposed to recharacterization as a gift or distribution from day one [46].

Read that list again. It is a product specification.

Every element the IRS looks for in a bona fide loan is an element Pari generates by default: the note, the AFR-compliant rate, the amortization schedule, the maturity date, and the transaction record demonstrating that payments actually occurred. A family that uses Pari is not evading a rule. It is generating the evidence that the rule was followed.

The same logic extends to the Bank Secrecy Act and anti-money-laundering regime, to Regulation E for electronic fund transfers, and to state lending and servicing requirements. In Era 1.0 and 2.0, compliance was a tax on the business model. In Era 3.0, compliance **is** the business model, because the customer's core unmet need is documentary defensibility.

Dimension	SHARING 1.0 / 2.0	SHARING 3.0
Relationship to existing law	Activity prohibited or uncontemplated	Activity permitted and specifically addressed
Governing framework	Zoning, hotel tax, taxi medallion, worker classification	IRC 7872, AFR regime, BSA/AML, Regulation E
Cost of compliance	Litigation, lobbying, ballot campaigns, settlements	Product development
Customer attitude to compliance	Indifferent or hostile — compliance raises the price	Actively desired — compliance is the value
Representative expenditure	Proposition 22: >$200M coalition spend	SOC 2 audit, BSA/AML program, GC in seat
Directional risk	An adverse ruling can eliminate the market	An adverse ruling is not the failure mode

Figure 7. Regulatory posture: arbitrage versus alignment. Conceptual comparison. In Eras 1.0 and 2.0 compliance was a tax on the model; in Era 3.0 documentary compliance is the value the customer is buying. Sources:[13] [14] [26] [28] [43] [44] [45] [46].

4.4 No cold start

Airbnb and Uber faced the canonical two-sided cold-start problem: no guests without hosts, no hosts without guests, no riders without drivers, no drivers without riders. Solving it required geographic-market-by-geographic-market subsidy, which is why the loss curve scaled with expansion rather than flattening with it.

Pari's network is not a marketplace. It is a set of independent, pre-formed, closed loops. A single family of two participants is a complete, functioning unit on day one. There is no liquidity threshold to cross, no chicken-and-egg to break, and no market-by-market launch subsidy, because the supply and the demand arrive together, already matched, already known to each other.

The consequence for capital efficiency is direct: growth cost scales roughly linearly with families onboarded rather than superlinearly with geographies entered.

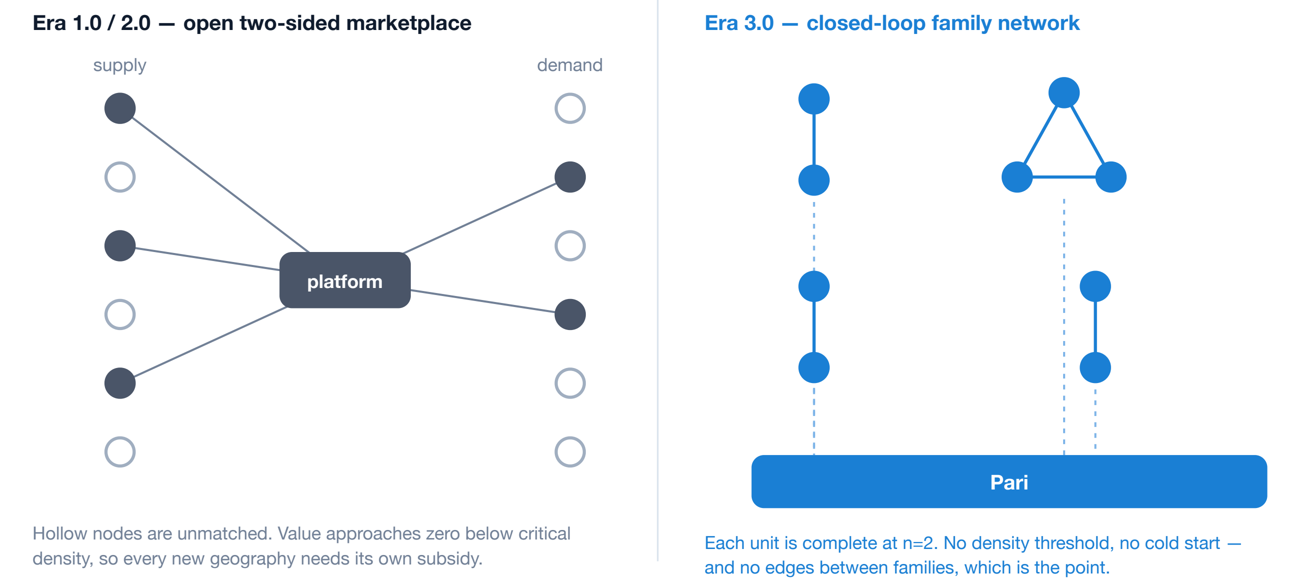

Figure 8. Open marketplace versus closed-loop network. Conceptual. There are deliberately no edges between family clusters: each unit is complete at two participants, so there is no density threshold to subsidize.

4.5 Fiduciary distribution, not paid acquisition

The final inversion is distribution.

Eras 1.0 and 2.0 acquired customers directly, at scale, through paid channels, which is why sales and marketing remained a persistent nine-to-ten-figure annual line item even after profitability[21][22].

Consumer fintech faces the same pressure without the same brand gravity. Vendor benchmarks for the sector should be treated with caution given wide methodological dispersion, but the reported ranges are instructive: consumer lending products are cited at roughly $200 to $500 per acquired customer, digital banking platforms materially higher, and blended fintech averages in the $1,400 to $1,700 range[16][47]. As a concrete public data point, one neobank reported a $19 customer acquisition cost against a stated marketwide target of $175 for a new checking account, a spread that illustrates how much the distribution mechanism, rather than the product, determines the number[48].

Pari's channel is the registered investment adviser.

The RIA industry reached record scale in 2025: 16,544 SEC-registered advisers, $176.8 trillion in reported regulatory assets under management (up 22.3 percent year over year), 73.7 million clients, and non-clerical employment surpassing 1.1 million for the first time[15]. Advisers focused on individual clients are typically small businesses, averaging eight employees and $424 million in assets under management[15].

Three properties make this channel structurally correct for Era 3.0:

First, the adviser is already in the conversation. Intra-family loans are discussed in estate planning, gifting strategy, and cash-flow meetings. The adviser does not need to create the topic. The adviser needs a tool for a topic already on the agenda.

Second, the adviser has a demand-side incentive. Approximately 70 percent of clients want estate planning delivered as part of a holistic advisory relationship, and 40 percent say they would switch advisers to obtain it. Among younger cohorts, 63 percent of Gen Z, 54 percent of millennial, and 46 percent of Gen X investors say they would change advisers for integrated estate and legacy planning support[49].

Third, the adviser faces an acute retention problem tied to exactly this transition. Roughly 37 percent of RIA advisers are expected to retire within ten years, representing about 35 percent of RIA assets, and only 42 percent of RIA firms report having a written succession plan, the lowest level since tracking began in 2019[49]. Simultaneously, the Great Wealth Transfer is moving assets to a generation the incumbent adviser frequently does not have a relationship with. An intra-family lending product is a mechanism for the adviser to be present, useful, and documented in the next generation's financial life before the inheritance event, not after it.

A single RIA relationship therefore delivers what a paid consumer campaign cannot: a trusted, fiduciary-obligated introducer with a book of hundreds or thousands of household relationships, each of which contains the exact use case, and a commercial motive to see the product adopted.

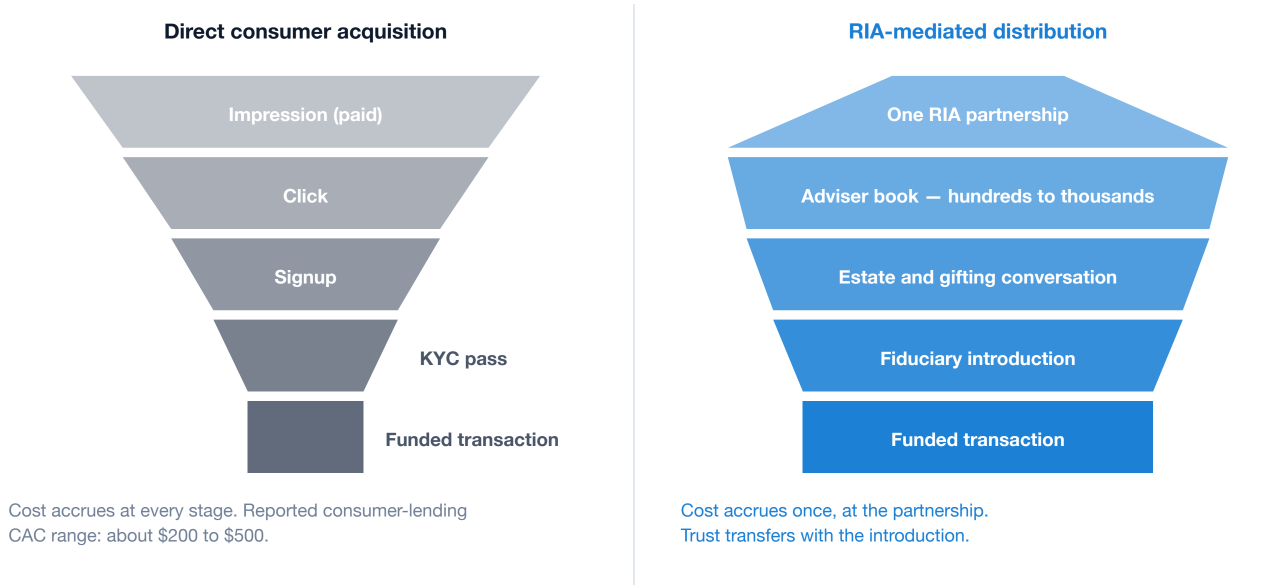

Figure 9. Two distribution physics. Conceptual. Cost accrues at every stage of a paid funnel and once at the partnership in a fiduciary one. CAC benchmarks come from vendor studies with wide methodological dispersion. Sources:[15][16][47].

5. The Cost of the Unstructured Status Quo

The strongest argument for Era 3.0 is not that the market is large. It is that the market is large **and currently produces systematic damage** that a modest amount of infrastructure would eliminate.

5.1 Non-repayment

The empirical record on informal family and friend lending is consistently poor:

- Bankrate's 2025 Financial Taboos Survey: of the 70 percent of U.S. adults who have lent money or fronted a shared expense expecting repayment, **55 percent experienced at least one negative consequence**, including 44 percent who lost money, 26 percent whose relationship was damaged, and 7 percent whose credit score declined[10].

- A FinanceBuzz study found that **nearly half of loans to family members remain unpaid**, and that 24 percent of family lenders reported the loan negatively affected the relationship, including 3 percent for whom it ended the relationship entirely[50].
- A CreditCards.com survey found **42 percent** of people who lent money were not repaid, with roughly half of boomers and Gen X reporting they were burned[51].
- LendingTree found that **35 percent** of those who lent money to friends or family reported negative consequences ranging from hurt feelings to irreparable relationship harm, and that **24 percent regretted lending at all**[52].

These are not marginal failure rates. A consumer lending book with a 40 to 50 percent charge-off rate would be shut down. This one persists because the "lender" is not underwriting, not pricing, not servicing, and frequently not even documenting.

5.2 Relationship damage as the real loss line

The financial loss in an informal family loan is often the smaller cost. The relational loss is the larger one, and it is uninsured, unpriced, and permanent.

The mechanism is worth stating precisely, because it is what the product actually addresses. In an undocumented loan, there is no agreed schedule, so every month is ambiguous. There is no stated rate, so there is no shared understanding of what is owed. There is no automated payment, so every transfer requires an affirmative act by the borrower and, eventually, a request by the lender. The request is the injury. Ambiguity converts a financial arrangement into a recurring interpersonal negotiation, and the negotiation is where relationships fail.

Automation removes the request. That is the product insight, and it is the reason the "aha" for a family is not the interest rate. It is that nobody ever has to ask.

5.3 Tax and documentary exposure

An undocumented family loan carries live tax risk that most families do not know they have taken on.

Where the stated rate is below the AFR, forgone interest is imputed to the lender as income and treated as transferred to the borrower[43][44]. Where documentation is absent altogether, the IRS may recharacterize the entire arrangement as a gift, consuming annual exclusion and lifetime exemption capacity that the family intended to preserve[46]. For 2026 decedents the federal lifetime unified credit stands at $15 million per person, and taxable lifetime gifts reduce that amount dollar for dollar[40].

For a high-net-worth household, an unstructured $500,000 loan to a child is not a casual favor. It is an unrecorded, unpriced, potentially reportable transfer sitting inside an estate plan that a fiduciary is being paid to keep clean. That is precisely why the RIA is the right distribution partner: the adviser has professional exposure to the mess and no current tool for resolving it.

5.4 The foregone spread

The final cost is opportunity cost, and it is the number that makes the product self-evidently rational to both sides of the table.

The rates below were refreshed for the August 2026 update and are current as of mid-August 2026:

INSTRUMENT	RATE	SOURCE
National average savings account APY	0.62%	Bankrate, Aug 15, 2026[53]
Mid-term Applicable Federal Rate (annual)	~4.35%	Aug 2026 AFR[46]
Average personal loan rate index	12.42%	Bankrate, Aug 12, 2026[54]
Commercial bank 24-month personal loan	11.86%	Federal Reserve, May 2026[55]
Average APR, new credit card offers	23.80%	LendingTree, Aug 2026[56]
Average APR, accounts accruing interest	22.15% (Q2 2026)	LendingTree[56]

Consider the ordinary case. A parent holds $100,000 in cash earning 0.62 percent. A child carries $40,000 on cards at 22.15 percent. The household is simultaneously a lender at near-zero and a borrower at above-twenty. The consolidated family balance sheet is destroying roughly 21.5 points of spread on the overlapping capital, every year, for no reason other than the absence of a mechanism.

A documented intra-family loan at, say, 6 percent leaves the parent earning nearly ten times the national savings rate, comfortably above the AFR floor and therefore free of imputed-interest exposure, while the child pays roughly a quarter of what the card was charging. Both sides are strictly better off, the spread stays inside the family instead of leaving it, and the entire gain is created by structure rather than by risk-taking.

This is the "aha" calculation, and it is worth noting that it does not depend on any forecast. It depends only on the current rate environment, which has for several years featured an unusually wide gap between what households earn on deposits and what they pay on revolving credit.

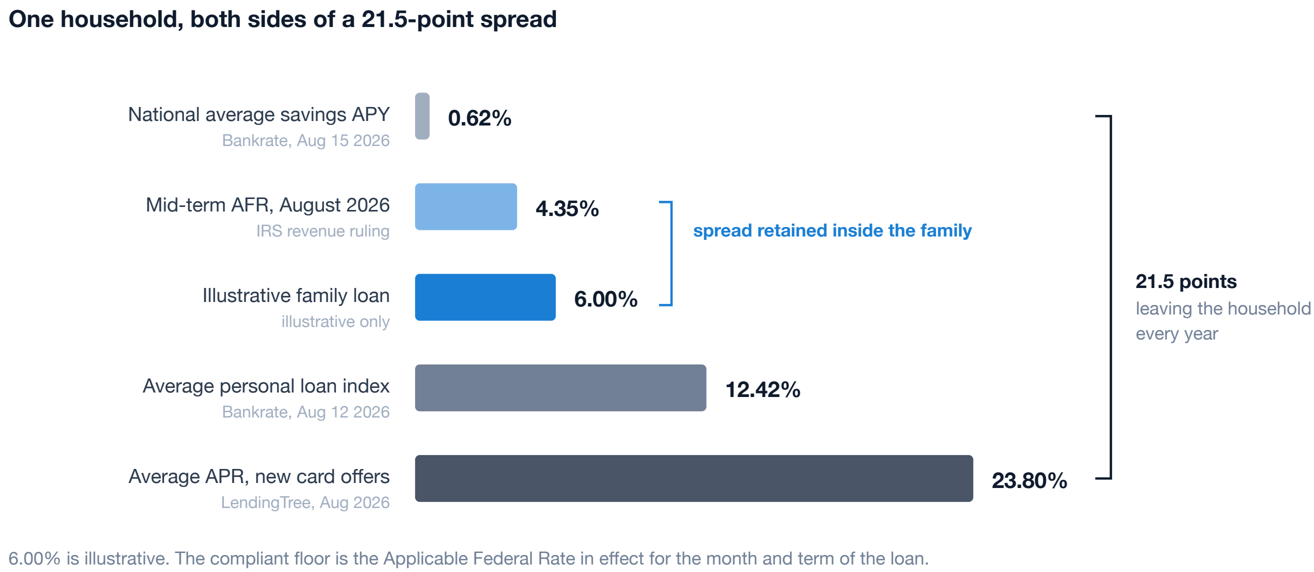

Figure 10. The spread that leaves the family. The 6.00% family rate is illustrative only; the compliant floor is the Applicable Federal Rate in effect for the month and term of the loan. Sources:[46] [53] [54] [55] [56].

6. What Era 3.0 Must Still Build

The claim that Era 3.0 avoids the market education tax is not a claim that it is free. It is a claim that the spending moves to a different, smaller, and more defensible category.

Eras 1.0 and 2.0 spent on behavior, trust, and regulatory accommodation. Era 3.0 spends on **regulated infrastructure**:

REQUIREMENT	WHY IT IS REQUIRED	NATURE OF THE COST
Money movement rails	Automation is the core value; manual transfer reintroduces the ask	Sponsor bank relationship, ACH origination, settlement risk management
BSA/AML program	Any money transmission touchpoint triggers it	Documented program, designated officer, ongoing monitoring

REQUIREMENT	WHY IT IS REQUIRED	NATURE OF THE COST
Loan servicing ledger	Amortization, payoff, delinquency states, payoff letters	Engineering
Document generation	Promissory note, amortization schedule, AFR selection	Engineering plus counsel review
SOC 2	Required by RIA and banking partners as a diligence gate	Audit cost plus continuous controls
State licensing analysis	Lending and servicing requirements vary materially by state	Counsel

The distinguishing feature of this list is that every line item is a **one-time or fixed** investment that produces a durable, transferable credential, rather than a recurring, market-by-market subsidy that must be paid again in every new geography. A completed SOC 2 report does not need to be re-earned in Ohio. A $200 million ballot measure does.

That is the capital efficiency argument, stated plainly: Era 3.0's costs are fixed and front-loaded; Era 1.0 and 2.0's costs were variable and recurring.

7. Counterarguments

An honest paper should state the strongest objections rather than the weakest.

Objection 1: If the behavior already exists, why has nobody built this?

Attempts exist. Family mortgage documentation services have operated for years, and peer-to-peer lending marketplaces raised and deployed enormous capital in the 2010s. The documentation services solved paperwork without solving money movement, servicing, or distribution. The P2P marketplaces solved matching and servicing but were structurally exposed to adverse selection because they were lending between strangers, which put them in the difficult top-right quadrant of Figure 6 rather than the favorable bottom-right. Neither attempted RIA distribution at scale.

The more candid answer is that this required three things to be simultaneously true: banking-as-a-service infrastructure mature enough to give a small team programmatic ACH, a compliance tooling ecosystem cheap enough that a pre-seed company could credibly hold SOC 2 and a documented BSA/AML program, and an RIA channel large enough and under enough succession pressure to want the product. That conjunction is recent.

Objection 2: Families do not want a contract. Formalizing it is the opposite of what a gift is for.

This is the most serious objection, and the survey data cuts both ways. The gift-versus-loan splits show that 48 to 57 percent of family housing support is characterized as a gift by participants[38][39]. Those households are not the market, and the paper should not pretend otherwise.

But the objection also proves too much. Roughly one fifth to one quarter of the same support is already characterized as a loan by the participants themselves, and another quarter as a combination. Those families have already decided they want repayment. They simply have no tool. And within the pure-gift population, an unknown but non-trivial share chose gift status because structuring a loan was prohibitively difficult, not because they preferred to forgo the money.

Objection 3: The RIA channel is slow, conservative, and hard to penetrate.

Correct, and this is the primary execution risk. RIAs are fiduciaries with compliance departments and vendor-diligence processes. Sales cycles are measured in months. The mitigation is that the same properties that make the channel slow to enter make it durable once entered: a competitor faces the same diligence gate, and an adviser who has integrated a tool into an estate-planning workflow does not casually replace it.

Objection 4: The relationship is the collateral, and the relationship is not repossessable.

True, and this is the honest limit of the model. A family loan cannot be enforced the way a secured commercial loan can be, and any platform that pretends otherwise is misrepresenting the product. The correct framing is that Pari does not eliminate family loan risk; it moves the failure mode from ambiguous and relational to explicit and financial. A documented, automated loan that goes delinquent produces a known number and a known date. An undocumented one produces resentment of indeterminate size and unlimited duration. The first is manageable. The second is what the data in Section 5.1 is measuring.

Objection 5: Rates will normalize and the spread argument will weaken.

Partially true. If deposit yields rise and card APRs fall, the arbitrage in Section 5.4 narrows. But the arbitrage is a strong secondary argument, not the primary one. The primary arguments are documentation, automation, tax defensibility, and relationship preservation, and none of those depend on the rate environment. Additionally, the AFR floor moves with Treasury yields, so the compliant family rate and the parent's alternative both move together; what changes is the size of the win, not its direction.

8. Falsification

A thesis that cannot be wrong is not a thesis. The Era 3.0 argument would be falsified by any of the following:

1. **RIA adoption fails to convert.** If advisers consistently engage, complete diligence, and then decline to introduce the product to clients, the distribution premise is wrong and the company reverts to consumer acquisition economics, which the paper argues are unattractive.

2. **The loan-characterized segment does not migrate.** If families who already describe their transfers as loans decline to formalize them when formalization is made trivially easy, then the stated preference measured in surveys is not a real preference.

3. **Structured loans do not outperform unstructured ones on repayment.** If documented, automated family loans exhibit non-repayment rates comparable to the 40 to 50 percent range reported for informal arrangements[50][51], the core value proposition is disproved.

4. **Relationship outcomes do not improve.** If longitudinal measurement of Pari families shows negative relational consequences at rates comparable to the 26 to 35 percent reported for informal lending[10][52], the central non-financial claim fails.

5. **Regulatory posture proves adversarial after all.** If state lending, servicing, or money transmission regimes treat structured intra-family lending as a licensed consumer lending activity requiring the full apparatus in every state, the compliance cost profile shifts from fixed to variable and the capital efficiency argument weakens materially.

Items 2, 3, and 4 are measurable within the first several hundred funded loans.

9. Conclusion

Each era of the consumer internet has democratized a single asset class, and each has been more valuable than the last while being cheaper to unlock.

Airbnb democratized physical space and paid roughly $6 billion in accumulated deficit to establish that a stranger's spare room was an acceptable place to sleep. Uber democratized vehicles and driver time and paid roughly $31.5 billion in cumulative operating losses to establish that a stranger's car was an acceptable place to sit. Both spent a decade manufacturing behaviors, synthesizing trust, and fighting regulators, and both eventually won.

The third act does not require any of that.

The asset is private intra-family capital: nearly $15 trillion in senior housing wealth [11], approximately $2.5 trillion moving between generations annually [9], and somewhere between $48 billion and $500 billion per year flowing from parents to adult children depending on how you count it [6][7]. The behavior exists at a 50 percent participation rate among parents of adult children [31]. The trust is endogenous. The regulation is cooperative, and satisfying it is the product. The distribution channel is 16,544 fiduciary firms who are already having this conversation and who face an urgent structural need to be relevant to the next generation [15][49].

What is missing is infrastructure. The consequence of its absence is measured in the 44 percent of lenders who lose money, the 26 percent whose relationships are damaged, and the tax exposure sitting undocumented in estate plans that fiduciaries are paid to keep clean [10].

Sharing 1.0 taught the world to trust strangers with their homes. Sharing 2.0 taught the world to trust strangers with their safety. Sharing 3.0 does not have to teach anybody anything. It has to give families who already trust each other the tools that strangers have had for a century.

That is a smaller ambition and a much larger market.

Appendix A: Methodology and Data Notes

Source hierarchy. This paper prioritizes, in order: SEC filings and other primary regulatory documents; U.S. government statistical releases (Census SIPP, Federal Reserve); named-methodology industry research (Cerulli, IAA/Comply, NRMLA/RiskSpan, NAR); named-methodology consumer surveys with disclosed sample sizes (Bankrate, LendingTree, Savings.com, Veterans United, AARP); and finally, secondary reporting. Syndicated market-size reports are cited only in Section 3.5, and only to demonstrate their unreliability.

On the "$15 billion" figure. Earlier Pari materials described Airbnb and Uber as having burned "a combined $15B+" on market education. That figure is defensible as a floor but understates the record. This paper uses combined accumulated deficits exceeding $37 billion, sourced to the FY2019 Uber 10-K, the FY2020 Airbnb 10-K, and independent tabulations of Uber's 2014 to 2022 operating losses[1][2][3][5].

On "market education" as a category. No public company reports a "market education" line item. The decomposition in Section 2.2 is an analytical construct, assembled from disclosed sales and marketing expense, disclosed lobbying and litigation spend, and reported ballot-measure contributions. Figure 03 is explicitly labeled conceptual for this reason. Readers should not treat the three components as summing to the accumulated deficit.

On survey variance. Estimates of parental support to adult children range from approximately $48.6 billion (Census SIPP, restricted to voluntary support crossing household boundaries) to approximately $500 billion (Merrill/Age Wave, broader definition including in-household support, education, housing, and insurance). These are not contradictory; they measure different things. Both are cited with their definitions attached, and neither is used as a standalone TAM.

On regulatory AUM. The $176.8 trillion figure for SEC-registered adviser assets is regulatory assets under management as reported on Form ADV, which includes overlapping and sub-advised assets and therefore substantially exceeds the value of underlying client wealth. It is cited here as an indicator of channel scale and adviser count, not as a proxy for addressable household assets.

On CAC benchmarks. Fintech customer acquisition cost figures come from vendor benchmarking studies with wide dispersion and inconsistent methodology. They are presented as ranges and flagged accordingly. The Dave neobank figure is a company-reported number from public earnings commentary and is the more reliable of the acquisition data points cited.

On rates. All rate figures are as of the dates stated in the tables and will require refresh before republication. The Applicable Federal Rate is published monthly by IRS revenue ruling; any figure cited here for a specific month should be verified against the current ruling before use in a client-facing calculation.

Currency and dates. All figures in U.S. dollars unless noted. Data current as of August 2026.

Appendix B: Disclosures

Nature of this document. This white paper is published by Pari Finance Inc. for informational purposes. It is not an offer to sell or a solicitation of an offer to buy any security. It is not tax, legal, investment, or accounting advice. Discussion of IRC Section 7872, Applicable Federal Rates, gift tax exclusions, and related provisions is general in nature and is not a substitute for advice from a qualified tax professional regarding any specific transaction.

Forward-looking statements. Statements regarding market size, adoption, and future outcomes are projections based on the cited sources and on the author's assumptions. Actual results may differ materially. The falsification conditions in Section 8 are stated to make the thesis testable, not to imply that any particular outcome is assured.

AI assistance disclosure. This paper was researched and drafted with AI assistance. All quantitative claims were sourced to the referenced primary and secondary materials, and the reference list was compiled from those sources. Final editorial judgment, argument structure, and all strategic claims are the author's.

Interest disclosure. The author is the Founder and CEO of Pari Finance Inc. and has a direct financial interest in the adoption of the thesis described.

References

[1] Uber Technologies, Inc., Form 10-K for fiscal year 2019, U.S. Securities and Exchange Commission. https://www.sec.gov/Archives/edgar/data/0001543151/000154315120000010/fy2019q410kfinancialst.htm

[2] "How Did Uber Become Profitable?" Footnote Brief, 2026. https://footnotebrief.com/how-uber-became-profitable/

[3] "After years of losses, ride sharing is finally turning a profit," Global Fleet, 2024. https://www.globalfleet.com/en/shared-mobility/europe/features/after-years-losses-ride-sharing-finally-turning-profit

[4] Airbnb, Inc., Form S-1/A, U.S. Securities and Exchange Commission, December 2020. https://www.sec.gov/Archives/edgar/data/1559720/000119312520311265/d81668ds1a.htm

[5] Airbnb, Inc., Annual Report (Form 10-K) for fiscal year 2020, U.S. Securities and Exchange Commission. https://s26.q4cdn.com/656283129/files/doc_financials/2020/q4/84dcc076-235d-4520-805c-0e64b6fe8c40.pdf

[6] "Parents' Support To Adult Kids: A Stunning $500 Billion A Year," Forbes / Next Avenue, citing Merrill Lynch and Age Wave, "The Financial Journey of Modern Parenting." https://www.forbes.com/sites/nextavenue/2018/10/02/parents-support-to-adult-kids-a-stunning-500-billion-a-year/

[7] "Number Who Helped Parents Financially Almost as High as Number Who Paid Child Support," U.S. Census Bureau, Survey of Income and Program Participation, 2023. https://census.gov/library/stories/2023/06/adults-provided-support-to-parents.html

[8] "Cerulli Anticipates $124 Trillion in Wealth Will Transfer Through 2048," Cerulli Associates, December 2024. https://www.cerulli.com/press-releases/cerulli-anticipates-124-trillion-in-wealth-will-transfer-through-2048

[9] "Over $100 trillion in wealth is about to be inherited," NBC News, citing Cerulli Associates. https://www.nbcnews.com/news/amp/rcna184189

[10] "Rules To Live By When Lending Money To Friends And Family," Bankrate, citing Bankrate's 2025 Financial Taboos Survey. https://www.bankrate.com/banking/rules-for-lending-family-friends/

[11] "Senior Home Equity Surges to Record $14.92 Trillion in Q1 2026," National Reverse Mortgage Lenders Association / RiskSpan, July 2026. https://www.nrmlaonline.org/about/press-releases/17828

[12] Sundararajan, Arun. *The Sharing Economy: The End of Employment and the Rise of Crowd-Based Capitalism*. MIT Press, 2016.

[13] "The Aftermath of California's Proposition 22," California Law Review Online. https://www.californialawreview.org/online/the-aftermath-of-californias-proposition-22

[14] "California app-based drivers to remain as contractors after state Supreme Court upholds Prop. 22," CBS News. https://cbsnews.com/sacramento/news/california-supreme-court-upholds-prop-22

[15] "Industry Statistics," Investment Adviser Association, 2026 Investment Adviser Industry Snapshot (joint IAA and Comply). https://www.investmentadviser.org/industry-snapshots/

[16] "Fintech Digital Marketing Statistics: 2026 Performance Report," citing FoundryCRO 2026 benchmarks. https://www.webtonic.io/blog/fintech-digital-marketing-statistics

[17] Botsman, Rachel. "We've stopped trusting institutions and started trusting strangers," TED, 2016. See also Botsman, R. and Rogers, R., *What's Mine Is Yours: The Rise of Collaborative Consumption*, 2010.

[18] "The limits of trust-free systems: A literature review on blockchain technology and trust in the sharing economy," *Electronic Commerce Research and Applications*, ScienceDirect. https://sciencedirect.com/science/article/abs/pii/S1567422318300292

[19] "Airbnb Fourth Quarter and Full Year 2020 Financial Results," Airbnb Newsroom. https://news.airbnb.com/airbnb-fourth-quarter-and-full-year-2020-financial-results/

[20] "Airbnb Q4 2022 Earnings," The Wolf of Harcourt Street, and WallStreetZen Airbnb statistics, both sourced to Airbnb annual reports. https://www.thewolfofharcourtstreet.com/p/airbnb-headcount-down-5-revenue-up

[21] "Airbnb to spend up to $250M on new businesses in 2025," PhocusWire, February 2025; and Airbnb statistics, iPropertyManagement. https://www.phocuswire.com/airbnb-earnings-q4-2024

[22] "Airbnb Has Quietly Rebuilt the Marketing Engine It Was Famous for Cutting," Skift, August 2026. https://skift.com/2026/08/17/airbnb-has-quietly-rebuilt-the-marketing-engine-it-was-famous-for-cutting/

[23] Airbnb, Inc., Form S-1, U.S. Securities and Exchange Commission, November 2020. https://www.sec.gov/Archives/edgar/data/1559720/000119312520294801/d81668ds1.htm

[24] "A lot is riding on history's costliest ballot proposition," Los Angeles Times, October 2020. https://www.pressreader.com/usa/los-angeles-times/20201016/281835761179271

[25] "Airbnb leads as campaign funds flow in," San Francisco Chronicle, September 2015. https://www.pressreader.com/usa/san-francisco-chronicle-late-edition/20150927/281986081363081

[26] "Inside Airbnb's Aggressive Strategy To Keep Short-Term Rentals Legal," Bloomberg. https://www.bloomberg.com/graphics/2020-airbnb-ipo-challenges/

[27] "Airbnb ramps up federal lobbying efforts amid attempts at regulation," OpenSecrets, December 2023. https://www.opensecrets.org/news/2023/12/airbnb-ramps-up-federal-lobbying-efforts-amid-attempts-at-regulation/

[28] "Short-Term Rentals, Long-Term Risks: Navigating Legal Battles in the Airbnb Economy." https://tish.law/blog/short-term-rentals-long-term-risks-navigation-legal-battles-in-the-airbnb-economy/

[29] "Senior housing wealth nears $15 trillion, underscoring housing access divide," Scotsman Guide, citing NRMLA and RiskSpan. https://www.scotsmanguide.com/news/senior-housing-wealth-nears-15-trillion-underscoring-housing-access-divide/

[30] "The Great Generational Wealth Transfer," Glenmede, citing The Cerulli Report, U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2024. https://www.glenmede.com/insights-private-wealth/the-great-generational-wealth-transfer/

[31] "Percentage of parents financially supporting adult children reaches a three-year high," Savings.com. https://www.savings.com/insights/financial-support-for-adult-children-study

[32] "50% of parents financially supporting adult children: Survey," NewsNation / Yahoo, citing Savings.com. https://www.yahoo.com/news/50-parents-financially-supporting-adult-171702181.html

[33] "50% of parents financially support adult children, report finds," NBC News, citing Savings.com. https://www.nbcnews.com/business/personal-finance/50-parents-financially-support-adult-children-report-finds-much-costs-rcna198029

[34] "Parents Are Extending Support to Their Adult Children for Longer," AARP Public Policy Institute. https://www.aarp.org/pri/topics/work-finances-retirement/financial-security-retirement/midlife-adults-supporting-adult-children/

[35] "Withdrawals From the Bank of Mom and Dad Hit Record Highs as Gen Z Battles 2026 Home Prices," Realtor.com via Yahoo Finance, citing National Association of Realtors. https://finance.yahoo.com/economy/articles/withdrawals-bank-mom-dad-hit-021100772.html

[36] "More Buyers Getting Down Payment Gifts from the Bank of Mom and Dad," Mortgage Research, citing NAR 2024 Profile of Home Buyers and Sellers. https://www.mortgageresearch.com/articles/buyers-getting-down-payment-gifts-from-the-bank-of-mom-and-dad/

[37] "By the Numbers: How the 'Bank of Mom and Dad' is reshaping homeownership for younger Americans," CNBC Select, citing a 2025 Redfin survey. https://www.cnbc.com/select/how-parents-are-helping-children-buy-homes-in-2026/

[38] "Nearly 80% of Gen Z Homeowners Had Down Payment Help on Their Current Home," LendingTree. https://www.lendingtree.com/home/mortgage/down-payment-help-survey/

[39] "Bank of mom and dad now key to homebuying for next generation," HousingWire, citing Veterans United Home Loans survey. https://www.housingwire.com/articles/bank-of-mom-and-dad-homebuyer-support-veterans-united-survey/

[40] "Bank of Mom and Dad: What to know about gifting a home," Boston.com, June 2026. https://www.boston.com/real-estate/home-buying/2026/06/17/gifting-homes-down-payments-inheritance-tax/

[41] "Sharing Economy Global Market Report 2026," The Business Research Company. https://www.thebusinessresearchcompany.com/report/sharing-economy-global-market-report

[42] "Sharing Economy Market Size and Growth 2026-2035," Global Growth Insights. https://www.globalgrowthinsights.com/market-reports/sharing-economy-market-100581

[43] 26 U.S.C. Section 7872, "Treatment of loans with below-market interest rates," Office of the Law Revision Counsel. https://uscode.house.gov/view.xhtml?req=(title:26%20section:7872%20edition:prelim)

[44] I.R.C. Section 7872, Bloomberg Tax, including the $10,000 de minimis exception for gift loans between individuals. https://irc.bloombergtax.com/public/uscode/doc/irc/section_7872

[45] "How Related Party Transactions and Loans Can Trigger IRS Scrutiny," Weaver. https://weaver.com/resources/how-related-party-transactions-and-loans-can-trigger-irs-scrutiny/

[46] "AFR Rates: Current IRS Applicable Federal Rates Table," Bizora, August 2026; and "Section 7872 and the AFR Trap," Beancount.io, May 2026. https://www.bizora.ai/post/afr-rates and https://beancount.io/blog/2026/05/11/section-7872-below-market-loans-afr-trap-intra-family-employer-employee-imputed-interest-gift-tax-guide

[47] "Top 20 Customer Acquisition Cost Statistics 2026," Amra and Elma, citing CB Insights Fintech Customer Economics Report. https://www.amraandelma.com/customer-acquisition-cost-statistics/

[48] "Dave's neobank survive-and-thrive playbook on full display in Q3 earnings," eMarketer. https://www.emarketer.com/content/dave-neobank-q3-earnings-bank-competition

[49] "50+ Key RIA Industry Statistics to Guide Advisors in 2026," CircleBlack. https://www.circleblack.com/key-ria-industry-statistics/

[50] "Family Lending: Nearly Half of Loans to Family Members Remain Unpaid," FinanceBuzz. https://financebuzz.com/lending-money-to-family-members-survey

[51] "5 Dos and Don'ts When Lending Money to Loved Ones," AARP, citing a CreditCards.com survey. https://www.aarp.org/money/personal-finance/lending-money-to-loved-ones/

[52] "Lending Between Family or Friends Results in Guilt, Hurt Feelings and Regret," LendingTree. https://www.lendingtree.com/personal/study-lending-between-family-friends/

[53] "Average Savings Account Interest Rate For August 2026," Bankrate. https://www.bankrate.com/banking/savings/average-savings-interest-rates/

[54] "Average Personal Loan Interest Rates," Bankrate, August 2026. https://www.bankrate.com/loans/personal-loans/average-personal-loan-rates/

[55] "Average Personal Loan Interest Rates for August 2026," NerdWallet, citing Federal Reserve Bank of St. Louis, Finance Rate on Personal Loans at Commercial Banks, 24 Month Loan. https://www.nerdwallet.com/personal-loans/learn/average-personal-loan-rates

[56] "Average Credit Card Interest Rate in America," LendingTree, August 2026. https://www.lendingtree.com/credit-cards/study/average-credit-card-interest-rate-in-america/

Pari Finance Inc. | *pariapp.com* | *Prosper, Texas*

Research, thesis, and argument by Yoshi Mua.
Drafting assistance by Claude (Anthropic).