

Quarterly Industry Update

As of June 30, 2016

Industry: Real Estate Software



Industry Summary

Cogent Valuation identified Real Estate Software publicly traded companies, IPOs, and recent M&A transactions within the Real Estate Software industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since June 30, 2015, the median 52-week share price return of the Real Estate Software industry was -10.4%. Between June 30, 2014 and June 30, 2016, the median EV/EBITDA multiple decreased from 13.7 to 8.8. Furthermore, the median price-to-earnings multiple decreased from 24.8 to 18.7 over the same period.

Comparable Public Company Key Statistics

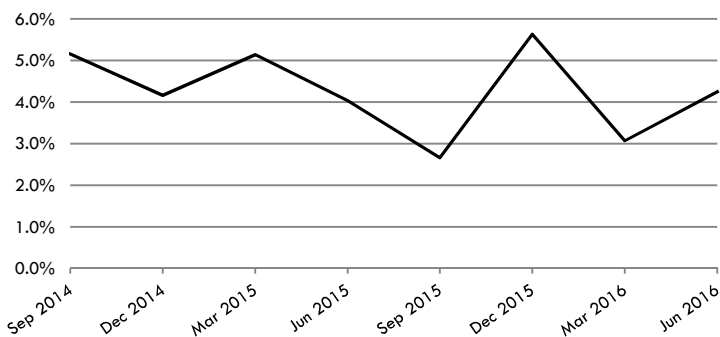
| | | | | | |
|---------------------------|--------|----------------------------|------|--------------------------------|-------|
| Median 52-Week Return | -10.4% | Median EV/Revenue Multiple | 1.3x | Median Price/Earnings Multiple | 18.7x |
| Median 3-Year CAGR Return | 6.8% | Median EV/EBITDA Multiple | 8.8x | Median EV/Gross CF Multiple | 17.3x |

Comparable Public Company Market Price Returns As of June 30, 2016

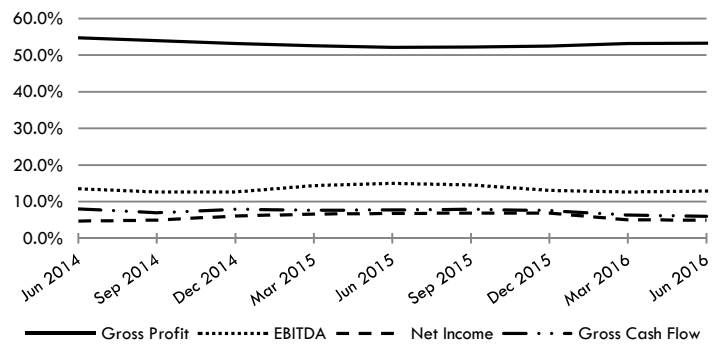
| | YTD | 3 Month | 1 Year | 2 Year | 3 Year | 5 Year | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|--------------|-------------|---------------|---------------|-------------|-------------|---------------|--------------|--------------|--------------|---------------|
| Altisource Portfolio Solutions S.A. | 0.1% | 15.3% | -9.6% | -50.7% | -33.4% | -5.4% | -17.7% | -78.7% | 83.1% | 72.7% | 74.8% |
| BGC Partners, Inc. | -11.2% | -3.8% | -0.5% | 8.2% | 13.9% | 2.4% | 7.2% | 51.2% | 74.9% | -41.8% | -28.5% |
| CBRE Group, Inc. | -23.4% | -8.1% | -28.4% | -9.1% | 4.3% | 1.1% | 1.0% | 30.2% | 32.2% | 30.7% | -25.7% |
| Colliers International Group Inc. | -23.6% | -10.4% | -11.3% | -18.1% | 2.8% | -0.4% | -13.1% | 18.9% | 52.9% | 6.3% | -12.3% |
| HFF, Inc. | -7.0% | 4.9% | -30.8% | -11.9% | 17.6% | 13.9% | -13.5% | 33.8% | 80.2% | 44.2% | 6.9% |
| Leju Holdings Limited | -18.7% | -10.7% | -44.3% | -33.3% | N/A | N/A | -46.8% | N/A | N/A | N/A | N/A |
| Marcus & Millichap, Inc. | -12.8% | 0.1% | -44.9% | -0.2% | N/A | N/A | -12.4% | 123.2% | N/A | N/A | N/A |
| RE/MAX Holdings, Inc. | 7.9% | 17.4% | 13.4% | 16.6% | N/A | N/A | 8.9% | 6.8% | N/A | N/A | N/A |
| Realty Holdings Corp. | -20.9% | -19.6% | -37.9% | -12.3% | -15.5% | N/A | -17.6% | -10.1% | 17.9% | N/A | N/A |
| RealPage, Inc. | -0.5% | 7.1% | 17.1% | -0.3% | 6.8% | -3.3% | 2.2% | -6.1% | 8.4% | -14.6% | -18.3% |
| Reis, Inc. | 4.9% | 5.7% | 12.3% | 8.7% | 10.4% | 20.2% | -9.3% | 36.1% | 47.6% | 42.9% | 29.7% |
| Zillow Group, Inc. | 40.7% | 43.4% | 26.8% | -12.3% | 25.0% | N/A | -26.2% | 29.6% | 194.5% | 23.4% | N/A |
| Median of Industry Public Companies | -9.1% | 2.5% | -10.4% | -10.5% | 6.8% | 1.1% | -12.7% | 29.6% | 52.9% | 27.1% | -12.3% |

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Real Estate Software Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Real Estate Software Industry

| Date: | 6/30/2014 | 9/30/2014 | 12/31/2014 | 3/31/2015 | 6/30/2015 | 9/30/2015 | 12/31/2015 | 3/31/2016 | 6/30/2016 |
|------------------------------|-----------|-----------|------------|-----------|-----------|-----------|------------|-----------|-----------|
| EV/Revenues Multiple | 2.9x | 2.6x | 2.3x | 2.1x | 2.3x | 2.1x | 1.5x | 1.4x | 1.3x |
| EV/EBITDA Multiple | 13.7x | 13.5x | 13.7x | 14.2x | 11.4x | 11.5x | 8.4x | 9.2x | 8.8x |
| Price/Earnings Multiple | 24.8x | 25.7x | 26.2x | 27.9x | 24.9x | 27.9x | 20.1x | 19.0x | 18.7x |
| EV/Gross Cash Flows Multiple | 22.9x | 21.2x | 22.3x | 28.1x | 28.2x | 26.0x | 23.9x | 18.4x | 17.3x |

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Quarterly Industry Update

As of June 30, 2016

Industry: Real Estate Software



Industry Initial Public Offerings (dollars in millions, except share prices)

| Offer Date | Company Name | Offer Price | Shares Offered | Amount Raised | Total Assets | Debt | LTM Revenues | LTM EBITDA | LTM Net Income | LTM Cash Flows |
|---------------------------|--------------------------|-------------|----------------|----------------|----------------|---------------|----------------|---------------|----------------|----------------|
| 4/16/2014 | Leju Holdings Limited | \$10.00 | 10.0 | \$120.3 | \$402.9 | \$0.0 | \$335.4 | \$85.2 | \$42.5 | \$88.2 |
| 10/30/2013 | Marcus & Millichap, Inc. | \$12.00 | 6.0 | \$72.0 | \$48.0 | \$0.0 | \$413.7 | \$54.1 | \$29.1 | \$57.1 |
| 10/1/2013 | RE/MAX Holdings, Inc. | \$22.00 | 10.0 | \$220.0 | \$238.1 | \$223.2 | \$151.8 | \$63.3 | \$34.4 | \$65.5 |
| 10/10/2012 | Realty Holdings Corp. | \$27.00 | 40.0 | \$1,080.0 | \$7,362.0 | \$7,640.0 | \$4,267.0 | \$470.0 | (\$399.0) | \$540.0 |
| 7/19/2011 | Zillow Group, Inc. | \$20.00 | 3.5 | \$69.2 | \$28.6 | \$0.0 | \$36.4 | (\$2.9) | (\$4.8) | (\$1.8) |
| 8/11/2010 | RealPage, Inc. | \$11.00 | 12.3 | \$135.3 | \$160.5 | \$66.9 | \$160.0 | \$21.6 | \$26.4 | \$31.3 |
| 1/30/2007 | HFF, Inc. | \$18.00 | 14.3 | \$257.4 | N/A | N/A | N/A | N/A | N/A | N/A |
| Median of All IPOs | | nm | nm | \$135.3 | \$199.3 | \$33.4 | \$247.7 | \$58.7 | \$27.7 | \$61.3 |

nm: not meaningful, N/A: not applicable

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | EV/Revenues |
|--|-----------------------|-----------------------------|------------------|------------|----------------|-------------|
| 6/1/2016 | ReCI Inc | Goyo Intex Co., Ltd. | \$1.2 | 100% | N/A | N/A |
| 4/20/2016 | FNC, Inc. | CoreLogic Solutions, LLC | \$475.0 | 100% | N/A | N/A |
| 3/21/2014 | Leju Holdings Limited | Tencent Holdings Limited | \$180.0 | 15% | \$335.4 | 3.4x |
| 9/17/2010 | SouFun Holdings Ltd. | Apax Partners LLP | \$410.2 | 43% | \$158.3 | 5.1x |
| 4/10/2007 | Realty Corporation | Apollo Global Management | \$9,261.9 | 100% | \$6,677.0 | 1.2x |
| 8/31/2006 | SouFun Holdings Ltd. | Telstra Corporation Limited | \$254.0 | 51% | N/A | N/A |
| Median of the 6 M&A Transaction Targets | | | \$332.1 | 76% | \$335.4 | 3.4x |

Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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