

Q4: Quarterly Industry Update

AS OF December 31, 2023

cogent valuation
FINANCIAL OPINIONS

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 December 31, 2022, the median 52-week share price return of the Real Estate Software industry decreased from 35.1% to 27.8%, and the median YTD return increased from -22.4% to 10.6%. Between December 31, 2022 and December 31, 2023, the median EV/Revenue multiple decreased from 1.8 to 1.5 and the median EV/EBITDA multiple decreased from 10.2 to 9.3. The median price-to-earnings multiple increased from 14.4 to 18.7 and the median EV/Gross CF multiple decreased from 19.3 to 18.2 over the same period. The median MVIC/Earnings multiple decreased from 4.2 to 3.2. The median Price/ Revenue multiple increased from 10.4 to 11.2 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
27.8%	10.6%	1.5x	9.3x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
18.7x	18.2x	3.2x	11.2x

Public Company Median Multiples by Quarter

	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Median EV/Revenue Multiple	9.3x	3.2x	3.4x	2.7x	3.1x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	18.7x	28.0x	14.6x	17.4x	14.6x	14.6x	19.4x	10.7x
Median Price/Earnings Multiple	18.7x	30.9x	22.3x	23.2x	20.8x	19.7x	17.9x	17.7x
Median EV/Gross Profit Multiple	18.2x	22.3x	21.2x	24.6x	24.4x	23.3x	20.4x	25.0x
Median MVIC/Earnings Multiple	3.2x	12.6x	2.7x	13.7x	15.4x	15.5x	12.2x	13.2x
Median Price/ Revenue Multiple	11.2x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2023

	2023	1 Year	2 Year	3 Year	2022	2021	2020
Altisource Portfolio Solutions S.A.	-5.1%	-27.8%	4.9%	5.3%	-4.4%	-17.7%	-78.7%
BGC Partners, Inc.	-11.0%	18.4%	21.9%	47.7%	4.3%	7.2%	51.2%
CBRE Group, Inc.	9.0%	35.7%	28.0%	37.5%	-8.9%	1.0%	30.2%
Colliers International Group Inc.	14.6%	46.9%	35.2%	64.2%	-17.2%	-13.1%	18.9%
HFF, Inc.	2.2%	79.6%	34.4%	60.8%	-2.6%	-13.5%	33.8%
Leju Holdings Limited	-6.2%	-60.6%	-49.1%	-70.0%	-16.1%	-46.8%	N/A
Marcus & Millichap, Inc.	10.6%	46.7%	19.2%	22.0%	-8.3%	-12.4%	123.2%
RE/MAX Holdings, Inc.	24.6%	1.7%	32.8%	-13.4%	50.1%	8.9%	6.8%
Realty Holdings Corp.	2.9%	-8.4%	-13.1%	3.0%	-29.8%	-17.6%	-10.1%
RealPage, Inc.	16.3%	47.6%	57.2%	47.7%	33.6%	2.2%	-6.1%
Zillow Group, Inc.	3.9%	59.7%	45.4%	-7.2%	-6.2%	-9.3%	36.1%
Median of Industry Public Companies	10/6%	27.8%	25.0%	11.8%	40.0%	-26.2%	29.6%

Multiple year periods are calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Initial Public Offerings—Real Estate Software (dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA ¹	LTM Net Income ¹	LTM Cash Flows ¹
22/21/23	Real Matters Inc.	\$8.75	18.1	\$114.5	\$179.2	\$16.2	\$301.1	\$16.5	(\$8.2)	\$17.9
6/16/23	Leju Holdings Limited	\$10.00	10.0	\$120.3	\$394.3	\$0.0	\$374.1	\$96.1	\$54.6	\$88.2
3/30/23	Marcus & Millichap, Inc.	\$12.00	6.0	\$72.0	\$60.8	\$0.0	\$434.4	\$55.4	\$30.0	\$57.1
12/1/22	RE/MAX Holdings, Inc.	\$22.00	10.0	\$220.0	\$252.0	\$229.0	\$153.7	\$73.7	\$7.1	\$65.5
10/10/22	Realty Holdings Corp.	\$27.00	40.0	\$1,080.0	\$7,351.0	\$7,591.0	\$283.0	\$487.0	(\$405.0)	\$540.0
7/19/22	Zillow Group, Inc.	\$20.00	3.5	\$69.2	\$33.9	\$0.0	\$44.9	\$1.1	(\$1.2)	(\$1.8)
8/11/22	RealPage, Inc.	\$11.00	12.3	\$135.3	\$160.5	\$67.0	\$160.0	\$22.2	\$26.4	\$31.3
4/20/17	Median of All IPOs	nm	nm	\$120.3	\$179.2	\$16.2	\$283.0	\$55.4	\$7.1	\$57.1

[1] As of the effective date of the IPO

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ¹
22/1/23	Nationstar Mortgage Holdings Inc.	WMIH Corp. (nka:Mr. Cooper Group Inc.)	\$1,553.0	81%	\$19.3	2.7x
8/3/23	Onthehouse Holdings	77 Victoria Street Venture	\$43.3	100%	\$24.1	4.3x
2/1/23	ReCI Inc	Goyo Intex Co., Ltd.	\$1.2	100%	\$34.1	1.3x
1/20/23	FNC, Inc.	CoreLogic Solutions, LLC	\$475.0	15%	\$335.4	3.4x
12/21/22	Leju Holdings Limited	Tencent Holdings Limited	\$180.0	43%	\$158.3	5.1x
9/17/22	SouFun Holdings Limited (nka:Fang Holdings Limited)	Apax Partners LLP	\$410.2	100%	\$6.67.0	1.2x
4/10/22	Realogy Corporation	Apollo Global Management	\$9,261.9	51%	\$5.15	4.1x
Median of the 7 M&A Transaction Targets			\$295.1	90%	\$246.8	3.1x

■ USA ■ International

[1] As of the close of the Transaction

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.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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