

REDFIN

A Technology-Powered Real Estate Company

Q2 2024 Earnings Slides



Important Legal Information

This presentation contains forward-looking statements. All statements contained in this presentation other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, our market growth and trends, and our objectives for future operations, are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “plan,” “potentially,” “preliminary,” “likely,” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs.

These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those described under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023, as supplemented by Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, each of which are available on our Investor Relations website at <http://investors.redfin.com>. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the effect of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make.

In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely on forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update any of these forward-looking statements for any reason after the date of this presentation or to conform these statements to actual results or revised expectations.

This presentation also contains information using industry publications that generally state that the information contained therein has been obtained from sources believed to be reliable, but such information may not be accurate or complete. While we are not aware of any misstatements regarding the information from these industry publications, we have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied on therein.

Q2 2024 Highlights

1

Revenue up 7%, second straight quarter of growth¹

2

Market share (by units) of 0.77% (up from 0.75% in Q2 2023)²

3

52 million average monthly visitors (v. 52 million Q2 2023)³

4

Rentals revenue up 12%; 4th straight quarter of positive adjusted EBITDA

5

Mortgage segment attach rate of 28% (up from 24% in Q2 2023)⁴

6

Other segment sixth consecutive quarter of positive adjusted EBITDA⁵

(1) Financial comparisons reflect results from continuing operations (excluding discontinued properties business).

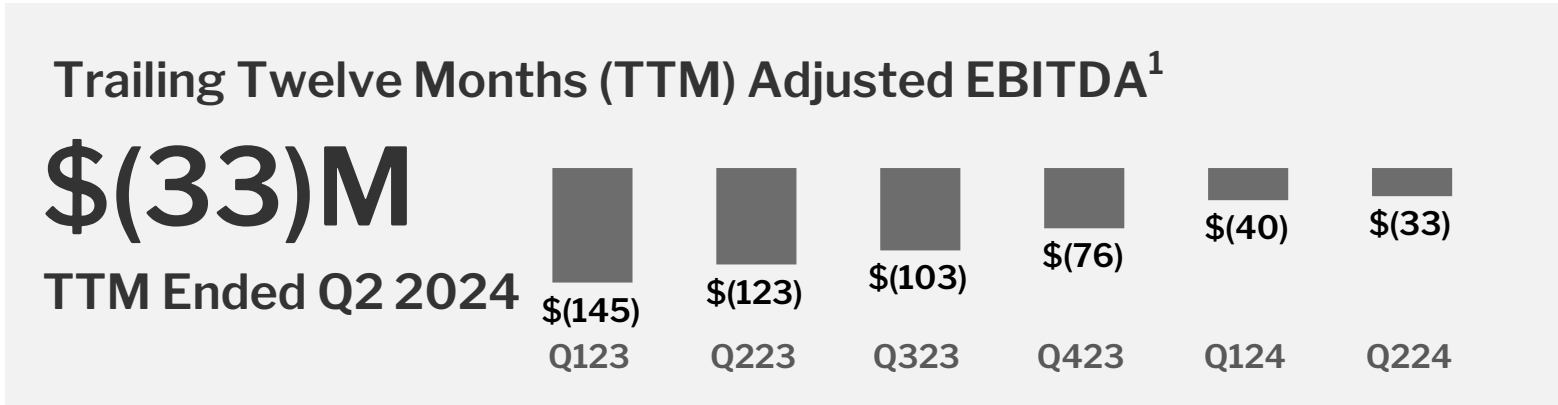
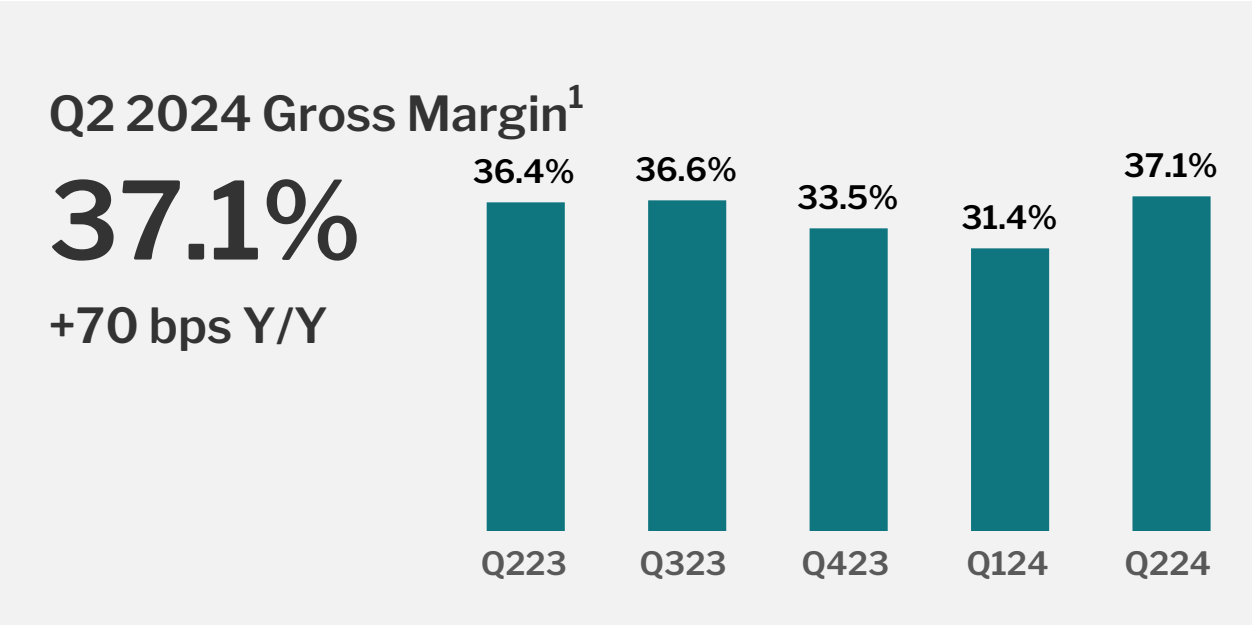
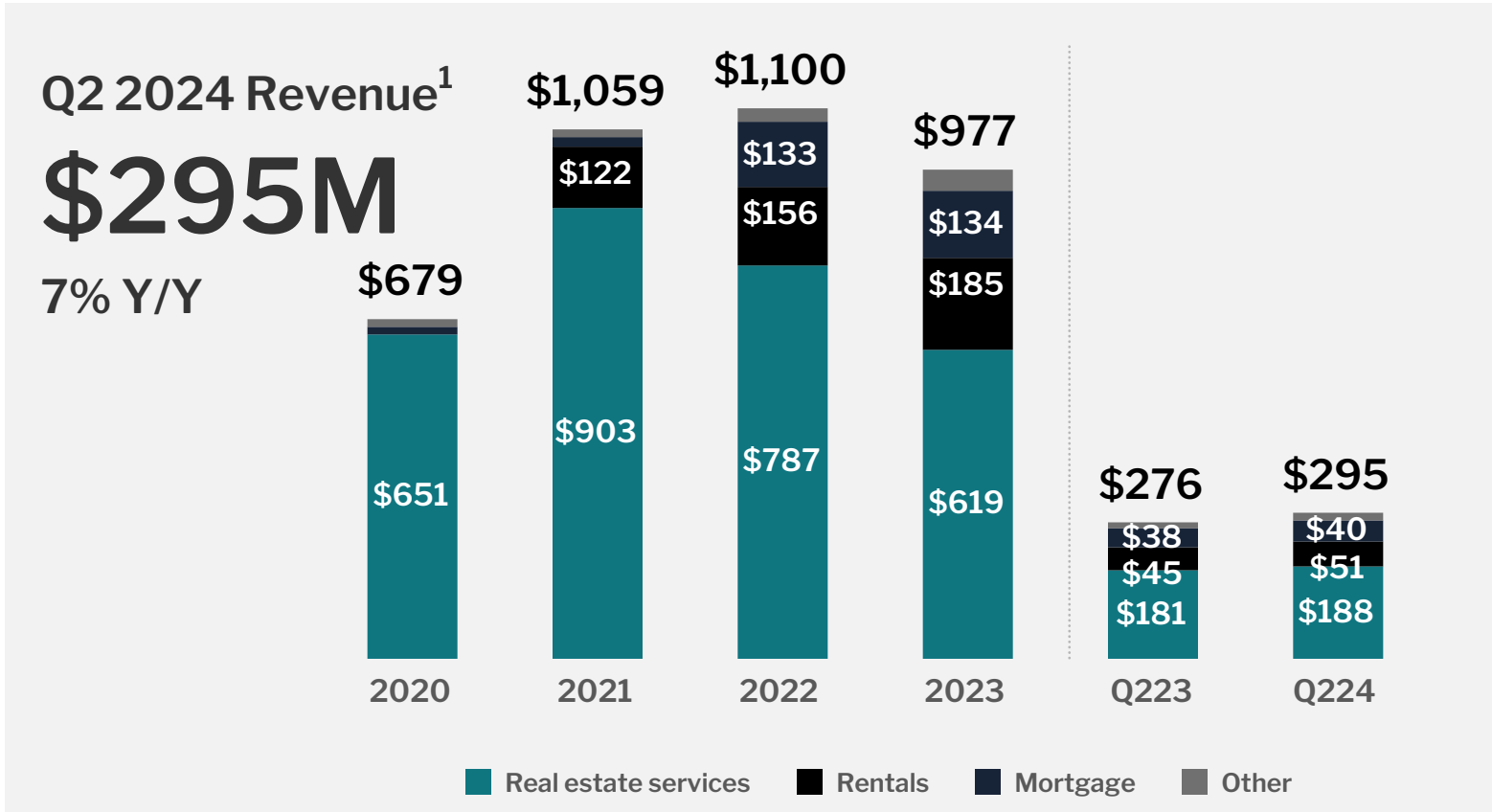
(2) Please refer to our 10-Q for additional information on how market share is calculated.

(3) Source: Google Analytics, web and mobile application visitors.

(4) Attach rate reflects total closed loans for Redfin buy-side customers divided by buy-side transactions with a mortgage (excluding cash transactions). We previously reported only the inclusive attach rate (including cash transactions), which was 22% in Q2 2024 and 19% in Q2 2023.

(5) Other segment includes our title and digital revenue businesses.

Key Financial Results



(1) Revenue, gross margin and adjusted EBITDA figures reflect results from continuing operations (excluding discontinued properties business).

Segment Profit

Q2 2024 Adjusted EBITDA

\$0M

Real estate services

\$(3.6)

Rentals

\$0.9

Mortgage

\$1.1

Other

\$7.9

Corp OH

\$(6.4)

Q2 2024 Net Loss

\$(28)M

Real estate services

\$(18.2)

Rentals

\$(7.2)

Mortgage

\$(0.2)

Other

\$7.2

Corp OH

\$(9.5)

Real Estate Services

Q2 2024 Revenue

\$188M

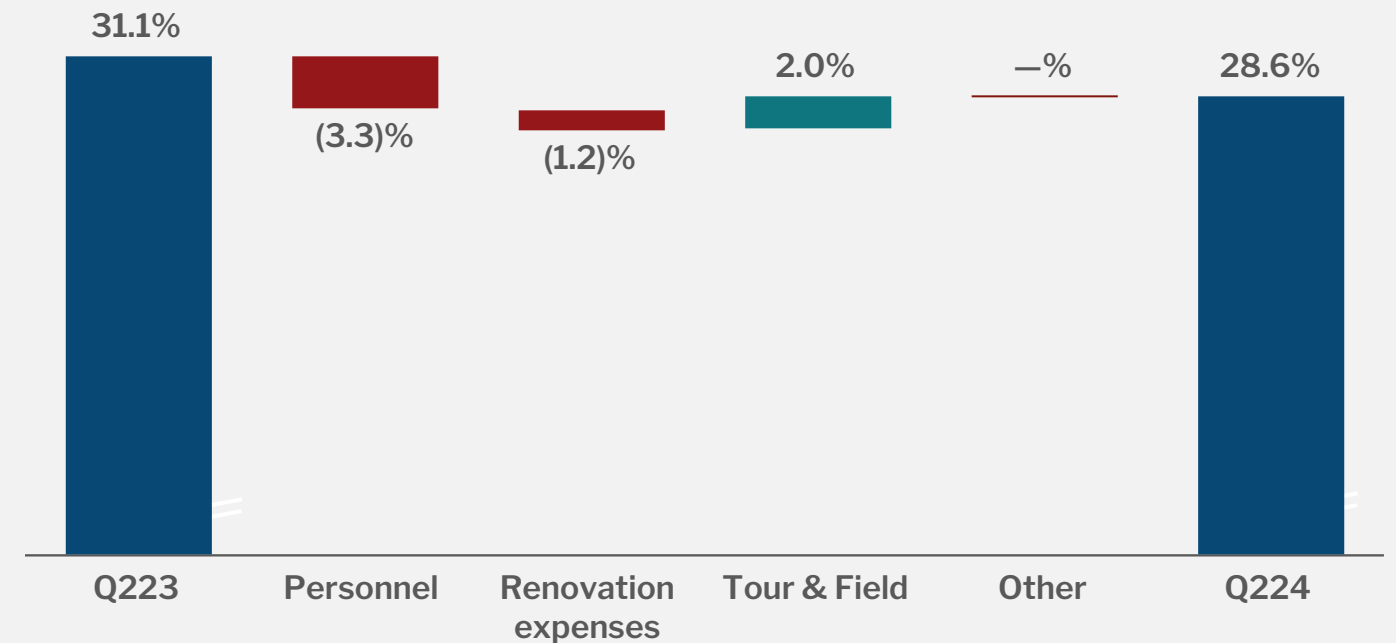
4% Y/Y

Q2 2024 Gross Margin

28.6%

-250 bps Y/Y

\$ Millions	Q2 2024	Q2 2023	YoY Change
Brokerage revenue	\$ 178	\$ 170	5 %
Partner revenue	10	11	(11)%
Total real estate services revenue	\$ 188	\$ 181	4 %
U.S. market share	0.77 %	0.75 %	2 bps
Average lead agents	1,719	1,792	(4)%
Brokerage transactions	14,178	13,716	3 %
Transactions per lead agent	8.2	7.7	6 %
Partner transactions	3,395	3,952	(14)%



Note: 330 basis point increase in personnel costs and transaction bonuses, partially offset by a 200 basis point decrease in home-touring and field expenses as we have eliminated compensation for home-touring and field compensation and replaced it with transaction bonuses for some employee agents.

Rentals

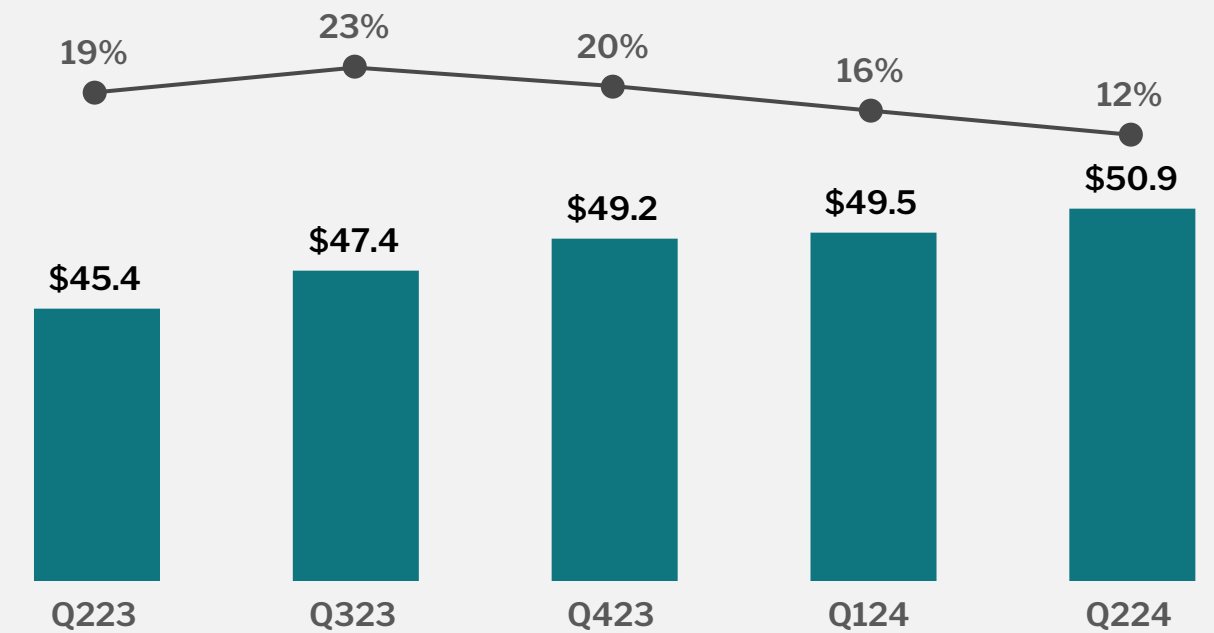
Q2 2024 Revenue

\$51M

+12%Y/Y

Q2 2024 Revenue Growth

12%



\$ Millions	Q2 2024	Q2 2023	YoY Change
Rentals revenue	\$ 51	\$ 45	12 %
Cost of revenue	12	10	12 %
Gross profit	\$ 39	\$ 35	13 %
Gross margin	77.2 %	77.0 %	20 bps

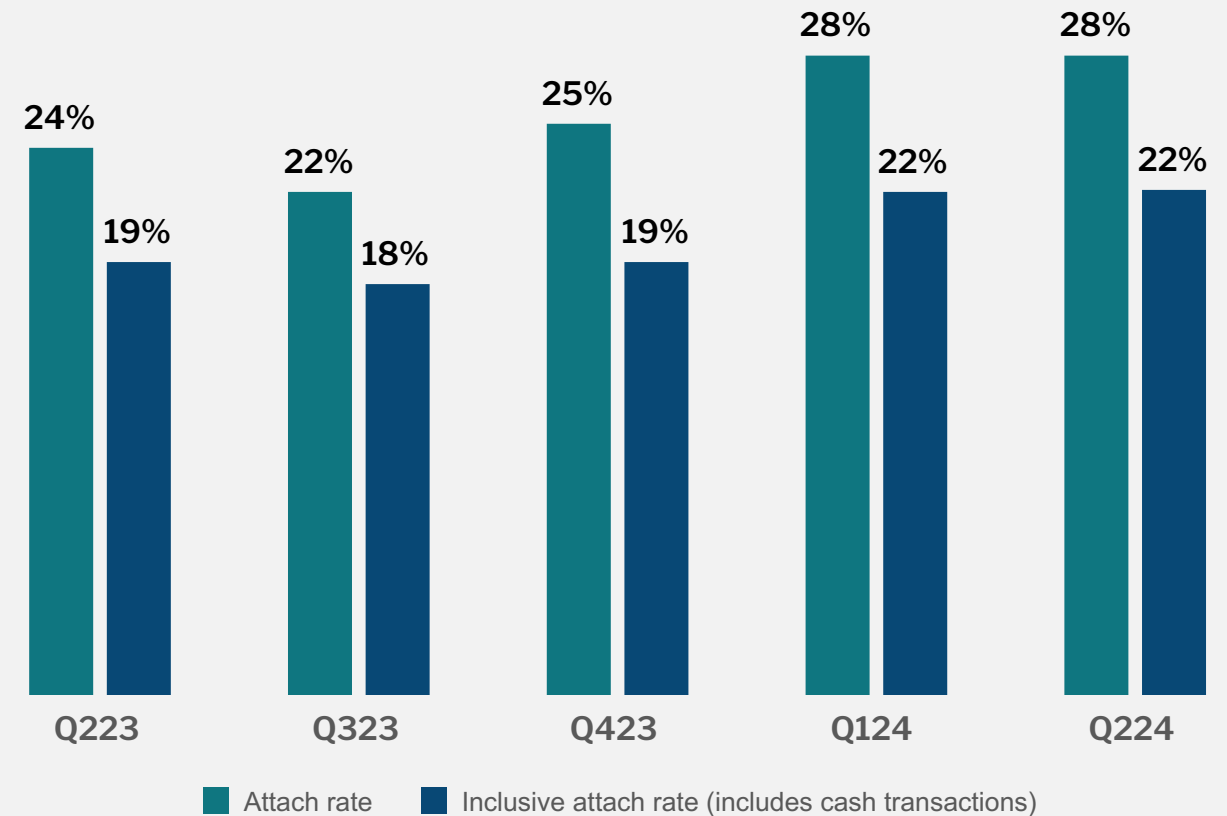
Mortgage

Q2 2024 Revenue

\$40M

Q2 2024 Attach Rate¹

28%



\$ Millions	Q2 2024	Q2 2023	YoY Change
Mortgage revenue	\$ 40	\$ 38	5 %
Cost of revenue	33	34	(5)%
Gross profit	\$ 8	\$ 4	84 %
Gross margin	19.0 %	10.8 %	820 bps
Originations (\$ value, in millions)	\$ 1,338	\$ 1,282	4 %
Originations (units, in ones)	3,192	3,131	2 %

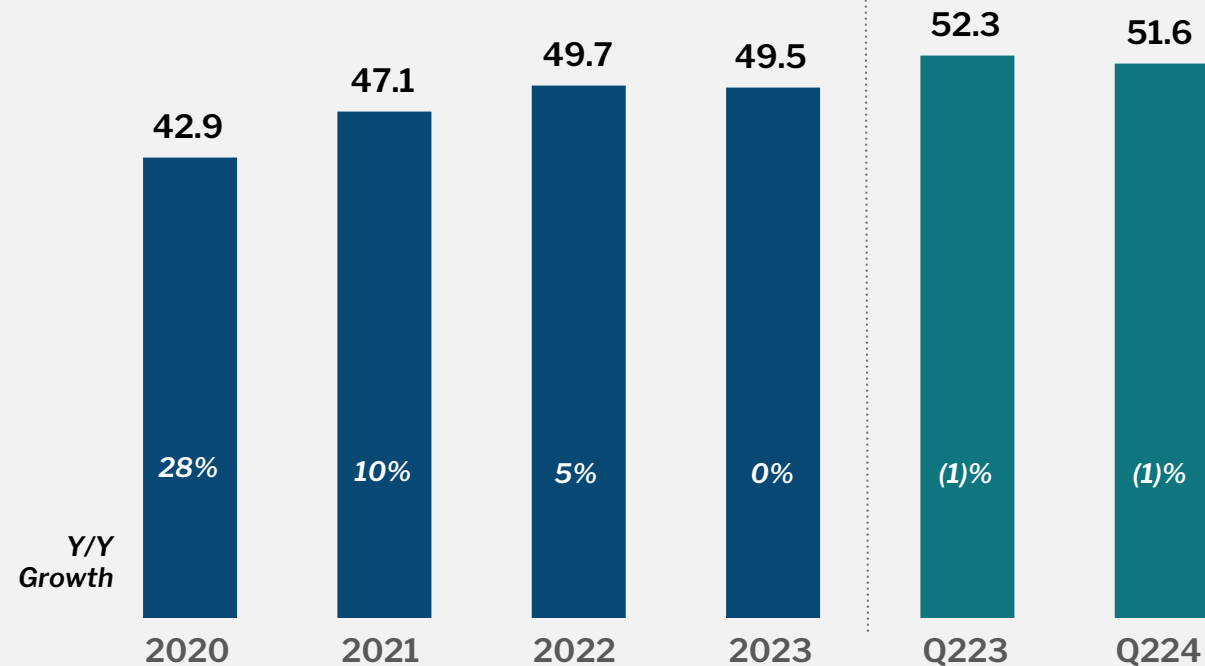
(1) Attach rate reflects total closed loans for Redfin buy-side customers divided by Redfin buy-side transactions with a mortgage (excluding cash transactions) for the period. We previously reported only the inclusive attach rate (which includes cash transactions in the denominator).

Traffic and Market Share

Q2 2024 Average Monthly Visitors

52M

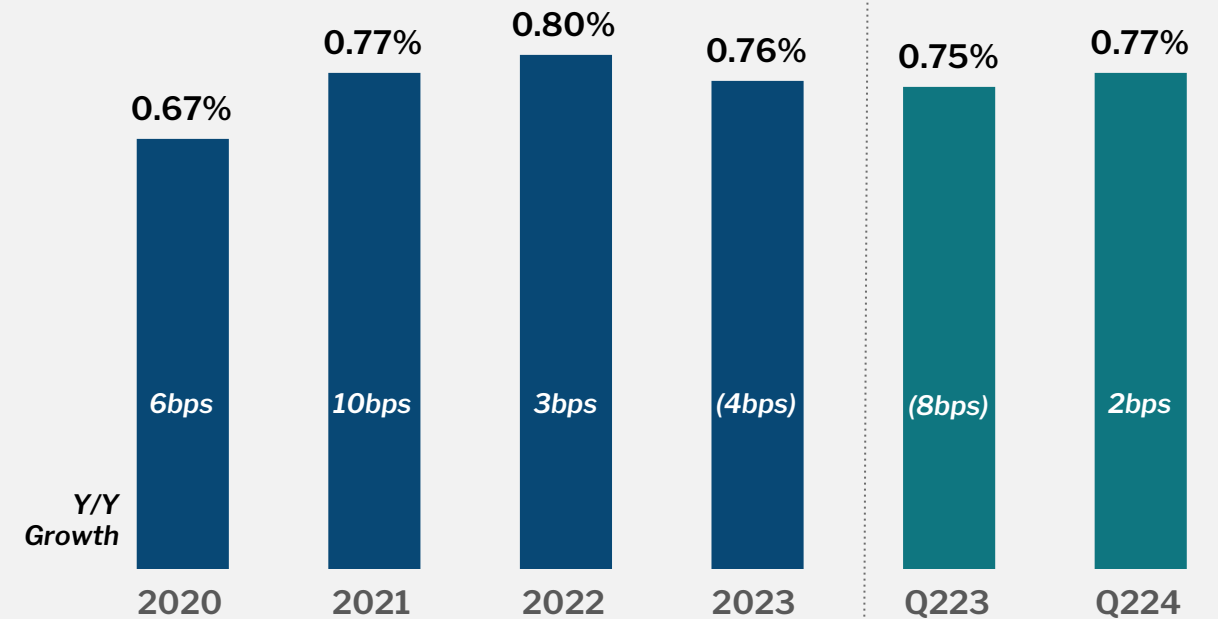
(1)% Y/Y



Q2 2024 U.S. Market Share by Units

0.77%

2 bps Y/Y

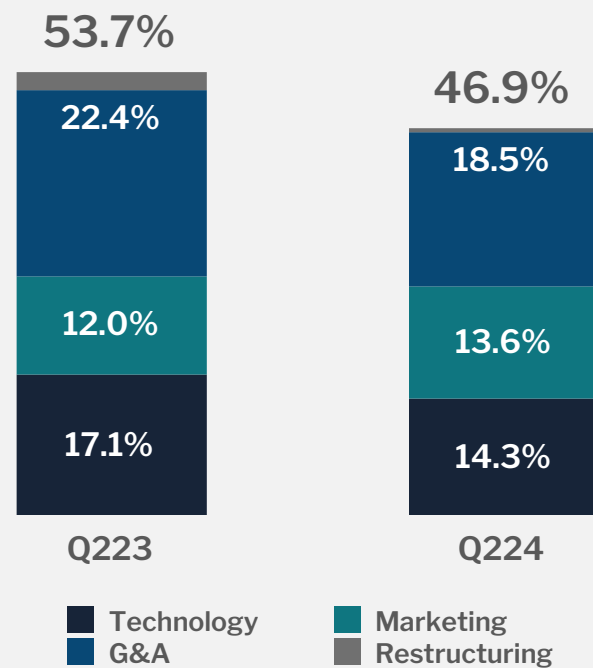


	2020	2021	2022	2023	Q223	Q224
Median Home Price	410k	455k	460k	435k	450k	465k
Average Home Price	493k	555k	557k	526k	537k	580k
Transactions (Units)	75,800	94,579	80,203	61,920	17,668	17,573

Operating Expenses

Q2 2024 % of Revenue

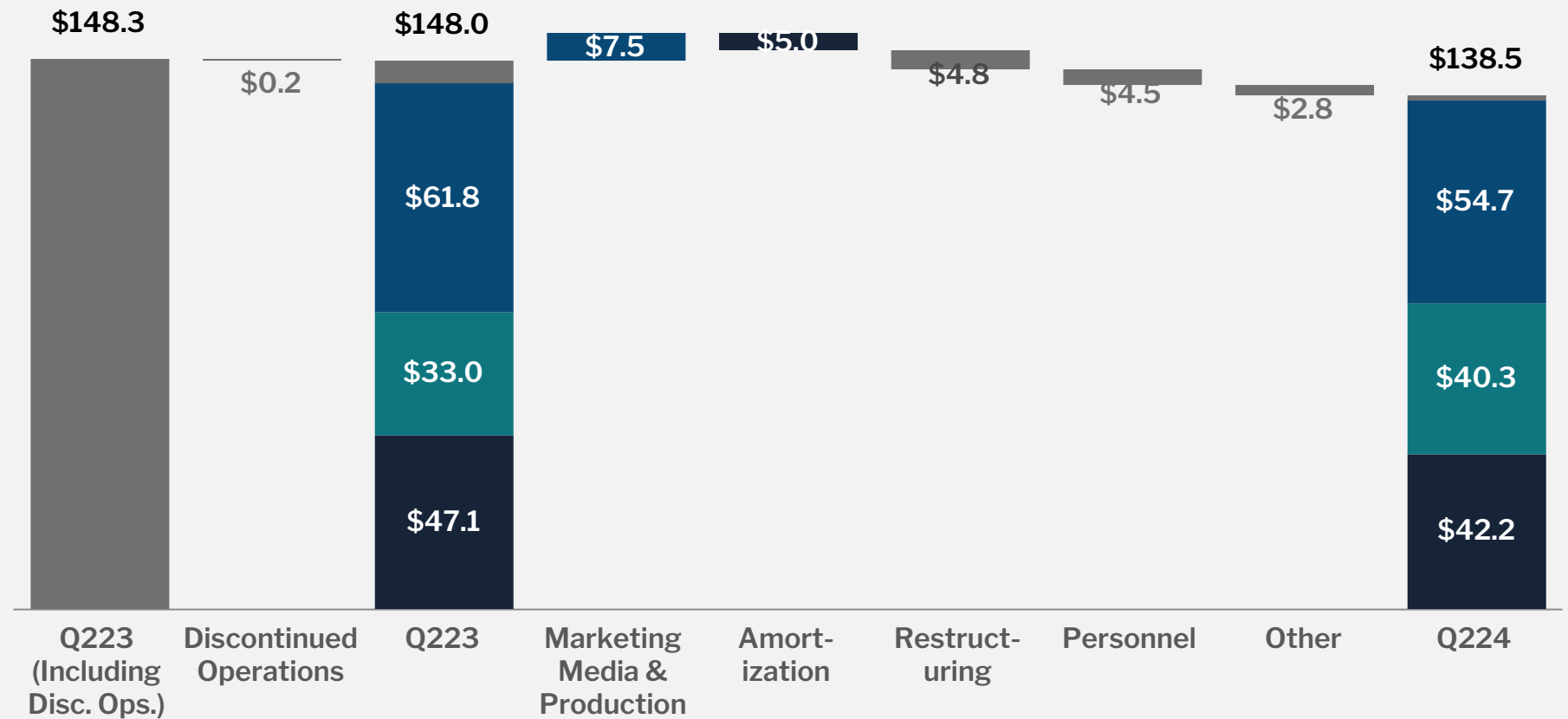
46.9%



Q2 2024 Operating Expenses

\$139M

(6)% Y/Y



Technology Marketing G&A Restructuring

Q3 2024 Outlook

\$ in millions	Low	High	Assumptions
Total Revenue	\$273	\$285	<ul style="list-style-type: none"> Year over year growth between 1% and 6% for revenue from continuing operations
Real Estate Services	171	179	<ul style="list-style-type: none"> Year over year growth between (4)% and 1% Gross margin of approximately 29%
Rentals	50	51	<ul style="list-style-type: none"> Year over year growth between 6% and 8%
Mortgage	36	39	<ul style="list-style-type: none"> Year over year growth between 10% and 19%
Other Revenue	15	16	<ul style="list-style-type: none"> Year over year growth between 40% and 45% Includes revenue from title, digital revenue and other revenue
Net Loss	(30)	(22)	<ul style="list-style-type: none"> Includes approximately \$29 million in total marketing expense, \$18 million in stock-based compensation, \$9 million in depreciation and amortization and \$6 million in net interest expense Quarterly dividend of 30,640 shares of common stock to our preferred shareholder
Adjusted EBITDA	4	12	<ul style="list-style-type: none"> Excludes \$18 million of stock-based compensation and \$9 million of depreciation and amortization and \$6 million in net interest expense

Note: Figures may not sum due to rounding. Guidance assumes, among other things, that no additional business acquisitions, investments, restructurings, convertible note or stock repurchases, or legal settlements are concluded and that there are no further revisions to stock-based compensation estimates.

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Thank You