

Offerpad



INVESTOR PRESENTATION

Q3 2024 UPDATE

NYSE : OPAD

Disclaimer

Forward-Looking Statements

Certain statements in this Presentation may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or Offerpad Solutions Inc.'s (the "Company") plans, strategies, business prospects, market opportunity and future financial or operating performance. Statements using words such as "may," "should," "could," "might," "plan," "possible," "project," "strive," "budget," "forecast," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "potential" or "continue," or the negatives of these terms, are also forward-looking. Such forward-looking statements are subject to numerous risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including but not limited to: the outcome of any legal proceedings that may be instituted against the Company; changes in applicable laws or regulations; the ability to respond to general economic conditions; the health of the U.S. residential real estate industry; the ability to grow market share in existing markets or any new markets; the ability to manage growth and its cost structure effectively; the ability to accurately value and manage real estate inventory, maintain an adequate and desirable supply of real estate inventory, and manage renovations; the ability to successfully launch new product and service offerings, and to manage, develop and refine the technology platform; and other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's Annual Report on Form 10-K filed on February 27, 2024 and other documents filed by the Company from time to time with the Securities and Exchange Commission (SEC). You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Company does not undertake any duty to update these forward-looking statements.

Financial Information; Non-GAAP Financial Measures

This Presentation also includes certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP") including, but not limited to, Contribution Margin, Adjusted EBITDA, Adjusted Net (Loss) Income, Adjusted Gross (Loss) Profit and certain ratios and other metrics derived therefrom. Contribution Margin means net sale proceeds less holding and selling costs, plus other services. Adjusted EBITDA includes adjustments for amortization of share based compensation and other non-cash expense. The Company calculates Adjusted Net Income (Loss) as GAAP Net Income (Loss) adjusted for the change in fair value of warrant liabilities. The Company calculates Adjusted Gross Profit as gross profit under GAAP adjusted for (1) net inventory valuation adjustment plus (2) interest expense associated with homes sold in the presented period and recorded in cost of revenue. Net inventory valuation adjustment is calculated by adding back the inventory valuation adjustment charges recorded during the period on homes that remain in inventory at period end and subtracting the inventory valuation adjustment charges recorded in prior periods on homes sold in the current period. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly-titled measures used by other companies. The Company believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and results of operations. The Company believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in and in comparing the Company's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures.

This Presentation also includes certain projections of non-GAAP financial measures. The Company has not provided a quantitative reconciliation of forecasted Adjusted EBITDA to forecasted net income (loss) within this presentation because the Company is unable to calculate certain reconciling items without making unreasonable efforts. These items, which include, but are not limited to, stock-based compensation with respect to future grants and forfeitures, could materially affect the computation of forward-looking net income (loss), are inherently uncertain and depend on various factors, some of which are outside of the Company's control.

Industry and Market Data

In this Presentation, the Company relies on and refers to certain information and statistics obtained from third-party sources which the Company believes to be reliable. The Company has not independently verified the accuracy or completeness of any such third-party information.



OUR MISSION

**Provide your best way
to buy and sell a home. Period.**

Software-enabled real estate platform



Cash Offer

For those who want to sell on their own schedule with more convenience, certainty and control.



Competitive Offer

Certainty & Control

No Showings

Flexible Closing

Free Local Move

3-Day Extended Stay



Listing Services

For those who want to buy or list with guidance from real estate experts.



Price Exploration

Trusted Agent Guidance

Market Exposure

Free Local Move

The Support of Offerpad



Ancillary Services

Offering personalized solutions to meet each individual customers needs.



Mortgage Offerings

Title Services



Renovations

Offering renovation services to partners looking for quality and speed.



Institutional Portfolio Remodels

Rental Turns

Efficient Execution

\$11b+

Lifetime Revenue

82k+

Lifetime real estate transactions

37k+

Lifetime homes renovated & sold

\$630m+

Invested into property improvement renovations

66

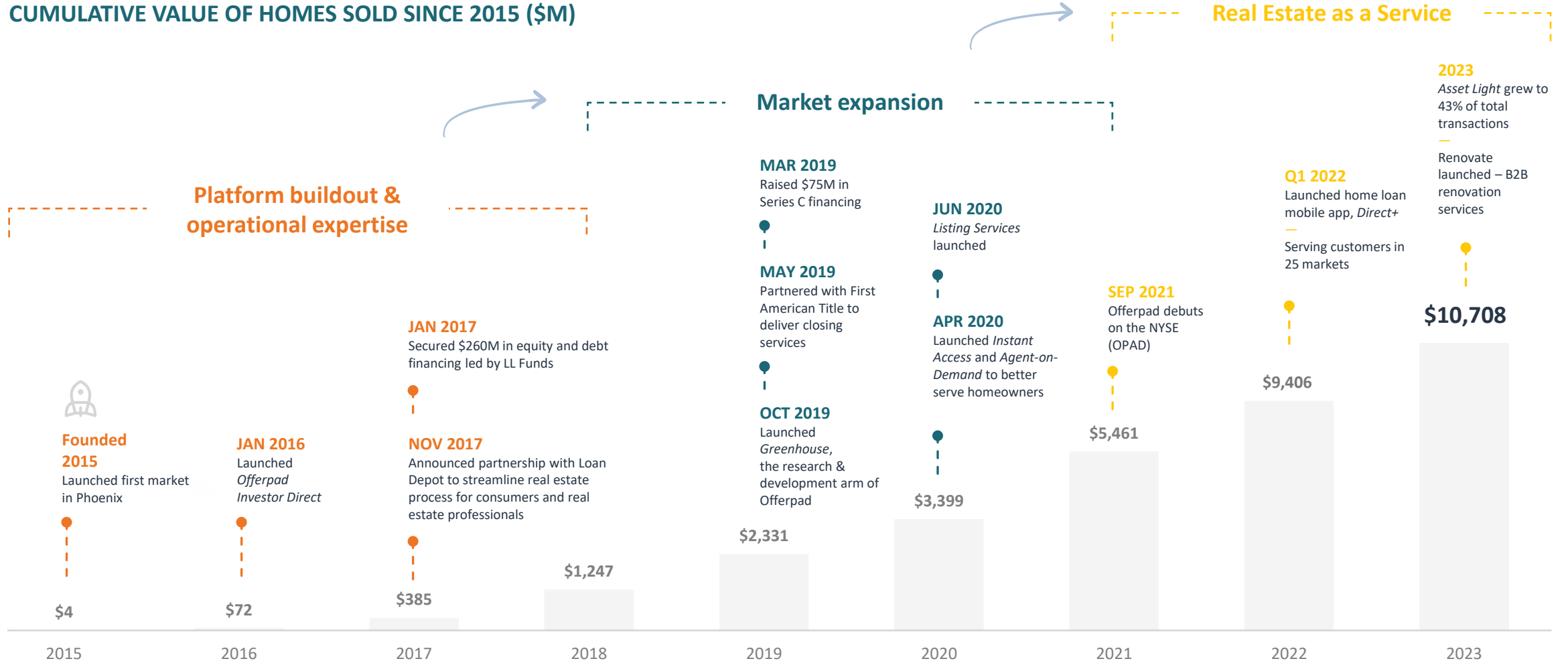
Net Promoter Score¹

91%

Customer Satisfaction Rate¹

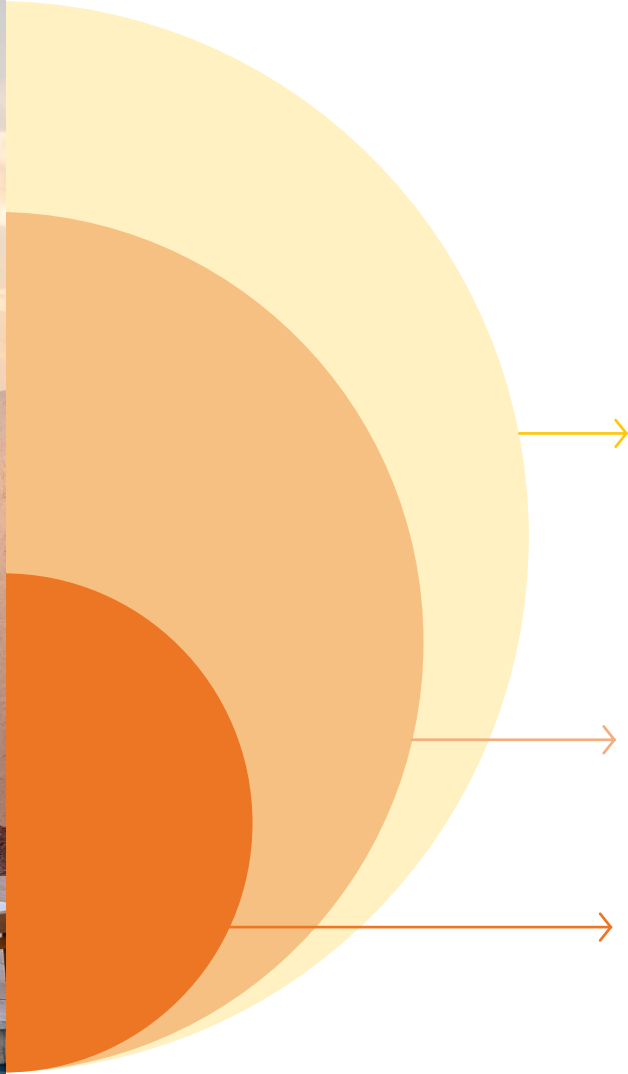
Years of platform investment positions us for future growth as the residential market rebounds

CUMULATIVE VALUE OF HOMES SOLD SINCE 2015 (\$M)





Massive and evolving market presents substantial opportunity



REAL ESTATE OPPORTUNITY TODAY

\$1.9t¹

99% non-digital / ~1% digital penetration²

MARKET OPPORTUNITY

\$1.0t³

“Buy Box” today

\$450m⁴

2024E renovation market

1. 2023: US Census & National Association of Realtors
2. Company Estimates
3. 2023: Houses in the US in the price range of \$0 - \$750K
4. 2024 Estimate from Joint Center of Housing Studies of Harvard University

A simple, tech-enabled solution for our customers

Request a cash offer

Instant estimated offer range within minutes with our quick 3-minute request form

Access vacant Offerpad homes via mobile app

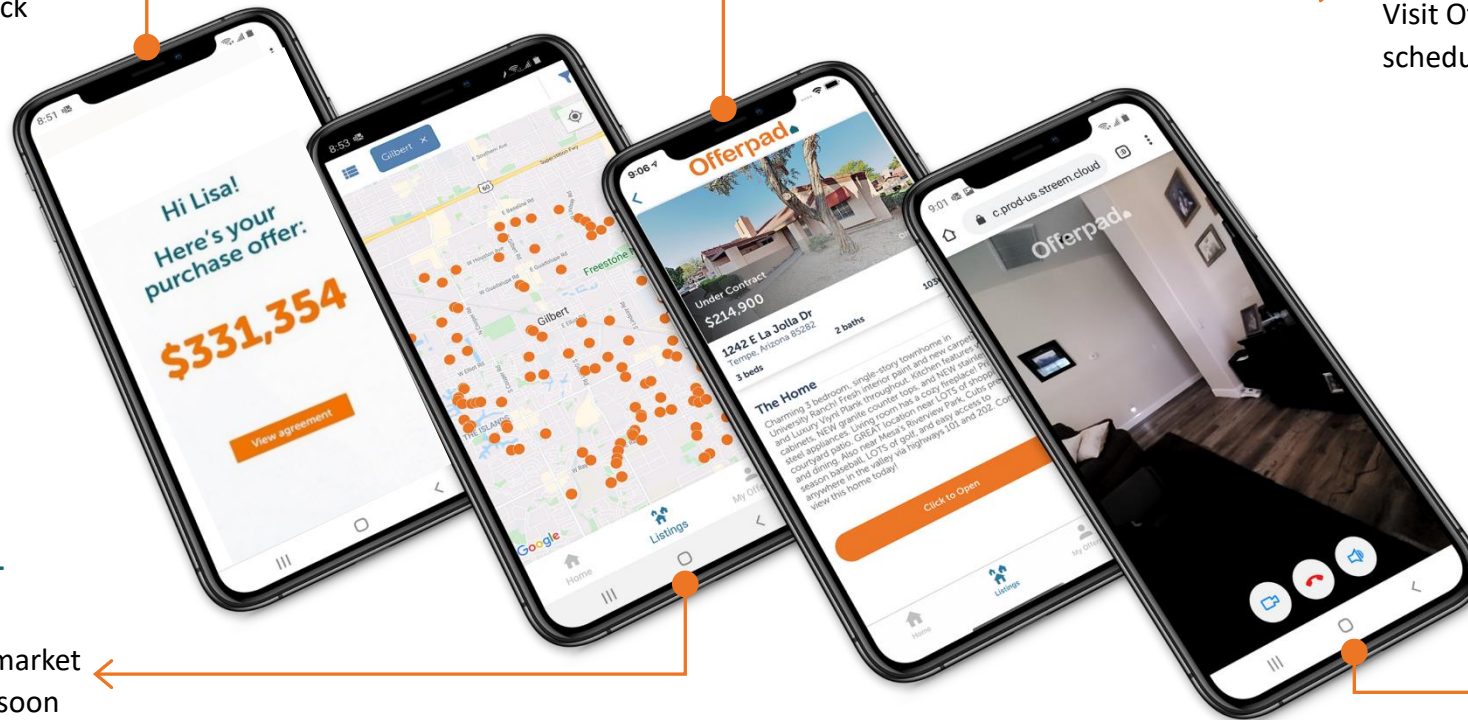
Visit Offerpad homes on your own schedule, at a time that works best for you

Search Offerpad & non-Offerpad homes online

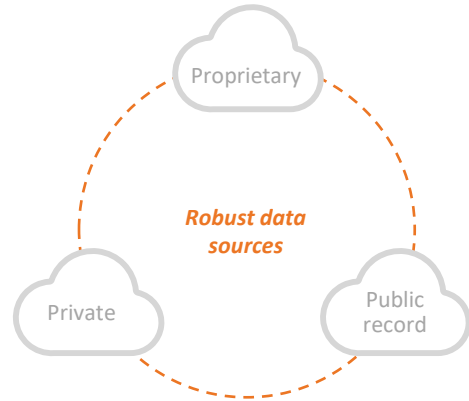
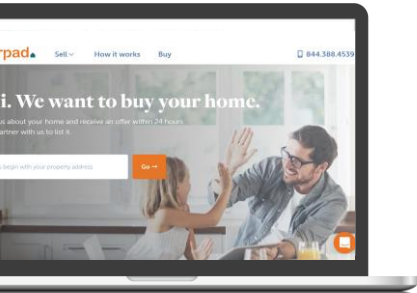
Research all homes on the market as well as Offerpad coming soon homes

Complete inspection, virtual closings

Utilize virtual tools to complete closing process if desired

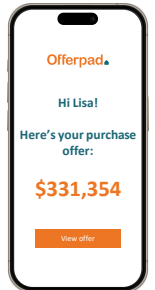


Local expertise supercharges our proprietary technology, driving enhanced unit economics



Advantaged combination of machine evaluation & human review

OFFERCOAP **Offerpad** LIMELIGHT



500+
data points
per home

8 years
of proprietary data insights
and machine learning

100k+
offers sent per
year ¹

Our expanding product ecosystem provides integrated opportunities across multiple solutions

Offerpad CASH OFFER

→ Driving Volume & Opportunity

- Consumer brand awareness
- Solution for Partner+ engagement
- Creates Direct+ opportunity
- Enterprise partnerships

Offerpad RENOVATE

→ Diversifies Revenue

- Utilizes foundational resources (boots on the ground)
- Builds partner pipeline for Direct+
- Optimizes operation leverage



Offerpad DIRECT+

→ High Margin Service Fee Business

- Optimize conversion—allows for potential of higher offers and expanded buy-box
- Solution for Partner+ agents with top offers
- Builds partner pipeline for Renovate

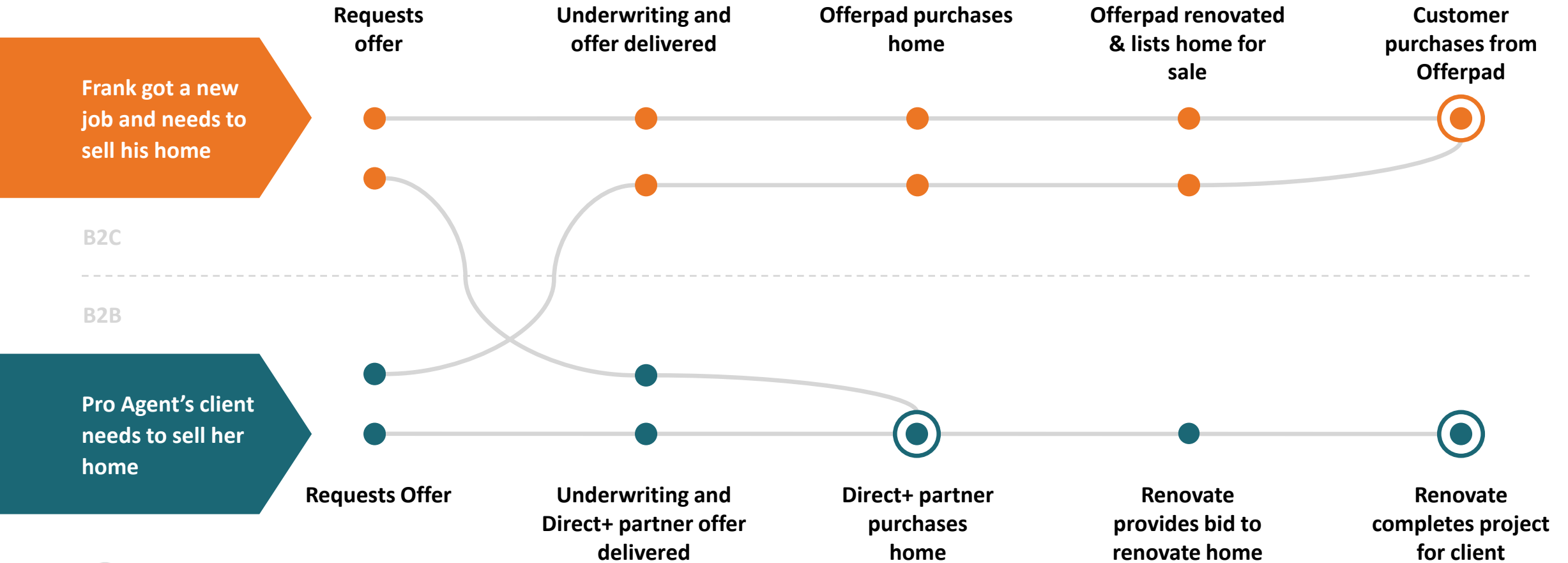
Offerpad PARTNER+

→ Lead Opportunities & Monetization

- Listing option for sellers by Offerpad Max partner agents
- Lead generation by Offerpad Pro & Max partner agents
- Enterprise partnerships

Offerpad is your partner in home ownership

→ Our agile and adaptable product suite meets both our retail and business customers right where they're at



 Revenue moments

Customer experience → Cash offer

	TRADITIONAL	vs	OFFERPAD
BROKER SEARCH	30+ days		Instant Estimated Offer
PREPARE LISTING & MARKETING	30+ days \$1000's of list ready repairs		\$0 of list ready repairs
SHOWING & OPEN HOUSE	10+ showings 30+ days on market		0 showings or open houses <3 days to be under contract
CLOSING	30-45 days in escrow		Close in as little as 7 days
	6+ months to buy or sell a home		Close in as little as 7 days



What ever your fears may be, try Offerpad first. You have nothing to lose and they make it so easy and stress free, you'll find yourself wanting to work there. There is a reason why Offerpad should be proud. Their team works together on every step and never let you feel like you are being taken advantage of or anything. Quite the opposite, **they were like friends sitting by your side, helping you all the way. We walked away feeling happy.** Their customer service skills are out of control. Thank you again Offerpad!

—Customer in Katy, Texas



This was my second experience using Offerpad. I advised my customers what to expect and it was exactly as anticipated. They thought it was super important to have the flexible closing date since they were purchasing new construction. **Overall, an excellent experience.**

—Customer in Jacksonville, Florida

Leveraging renovation excellence

CORE BUSINESS MODEL SINCE 2015

- Buy, renovate, and sell homes
- Deliver efficient, high-quality renovations that contribute significantly to the performance of our portfolio
- Use in-house talent & vetted external specialists to increase quality and control

OFFERPAD-OWNED PORTFOLIO RENOVATION IMPACT SINCE INCEPTION

~37k Renovations completed

+\$630m Invested into improving properties

Q3 2024

\$23k Avg. cost of renovations completed

29 days Avg. time for renovation completion

Offerpad

STAND-ALONE RENOVATION SERVICES SINCE 2023

- Built a sophisticated renovation operation in response to client demand that leverages existing teams and technology to provide renovations at scale
- Expanding marketing opportunities
- Building on the momentum established in our flagship year

OFFERPAD RENOVATE™ —THIRD PARTY RENOVATION SERVICES Q3 2024 HIGHLIGHTS

227 Total projects completed

\$4.0m Total revenue



\$17.7k Avg. revenue per project

21 Markets with projects completed

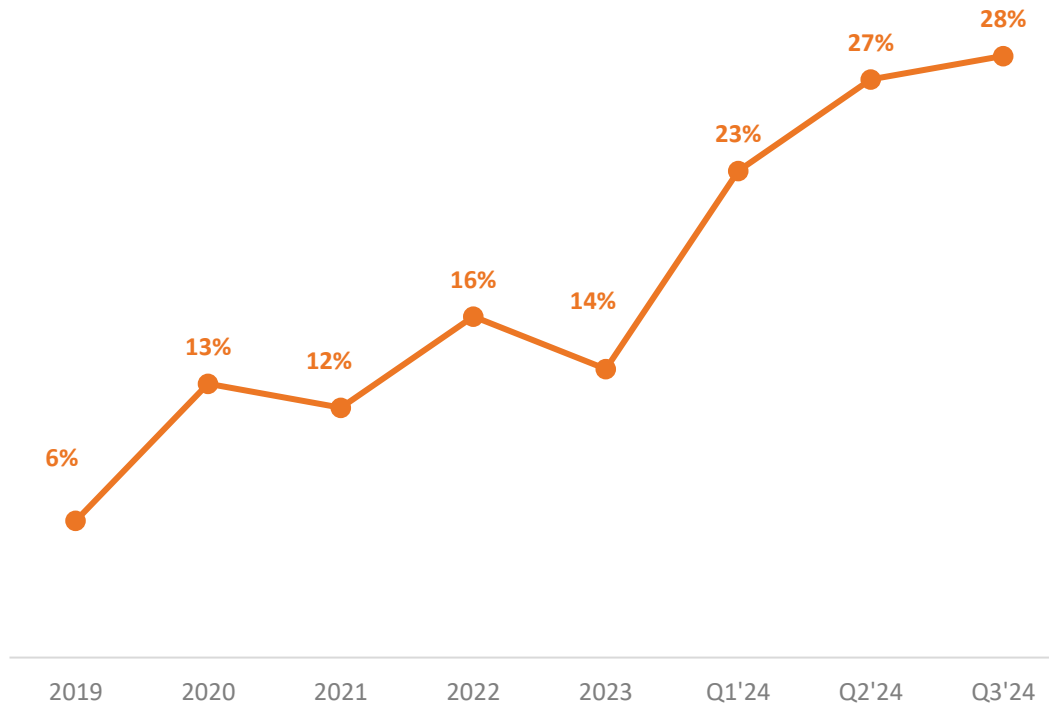
1.9 Avg. days in renovation per \$1k spent



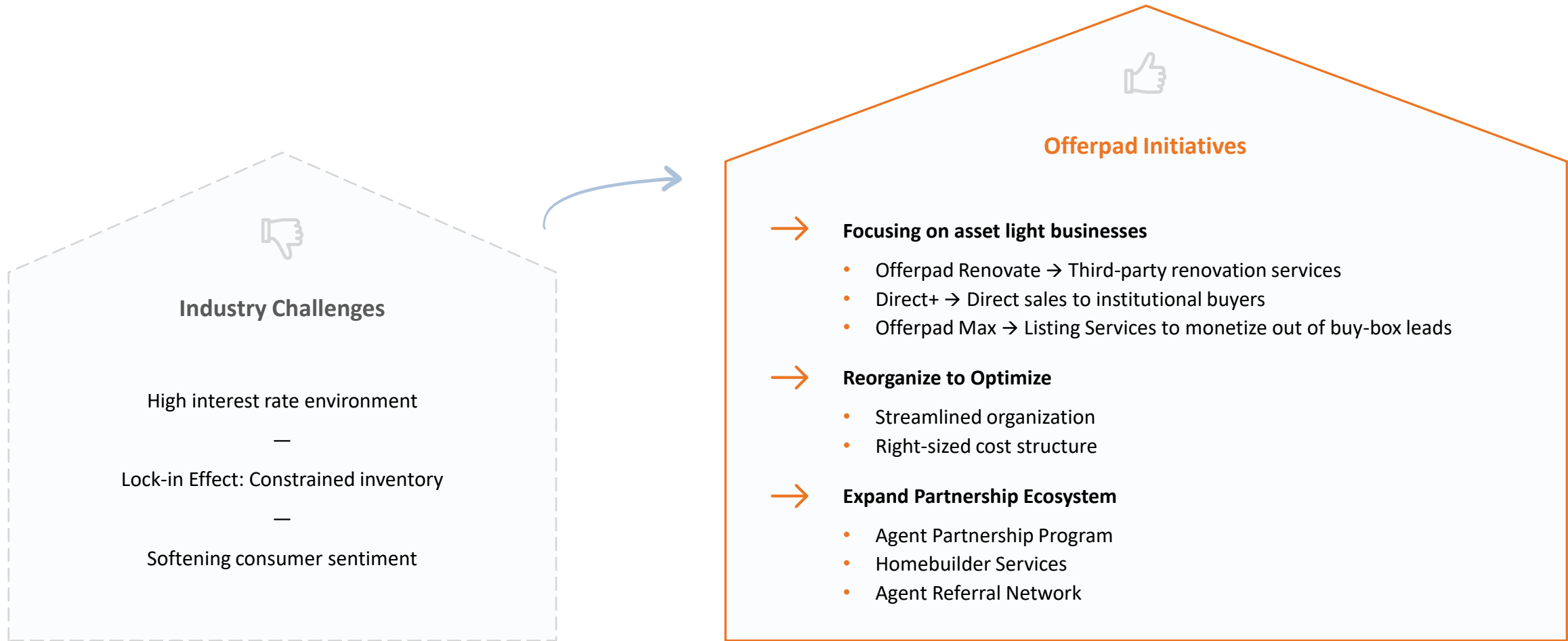
Robust and growing partner ecosystem

 <p>CASH OFFER</p> <ul style="list-style-type: none"> • Online web portals • Brokerages (<i>national to local</i>) • Homebuilders (<i>national to local</i>) 	 <p>RENOVATE</p> <ul style="list-style-type: none"> • SFR operators • Fix & Flippers • Government affiliates
 <p>DIRECT+</p> <ul style="list-style-type: none"> • SFR operators • Fix & Flippers • Institutional investors (<i>national to local</i>) 	 <p>PARTNER+</p> <ul style="list-style-type: none"> • Online web portals • Brokerages (<i>national to local</i>) • Homebuilders (<i>national to local</i>)

PARTNER ECOSYSTEM % OF TOTAL REQUESTS



Controlling our own destiny



Growth plan includes multiple profit expansion touch points

Market penetration in existing markets

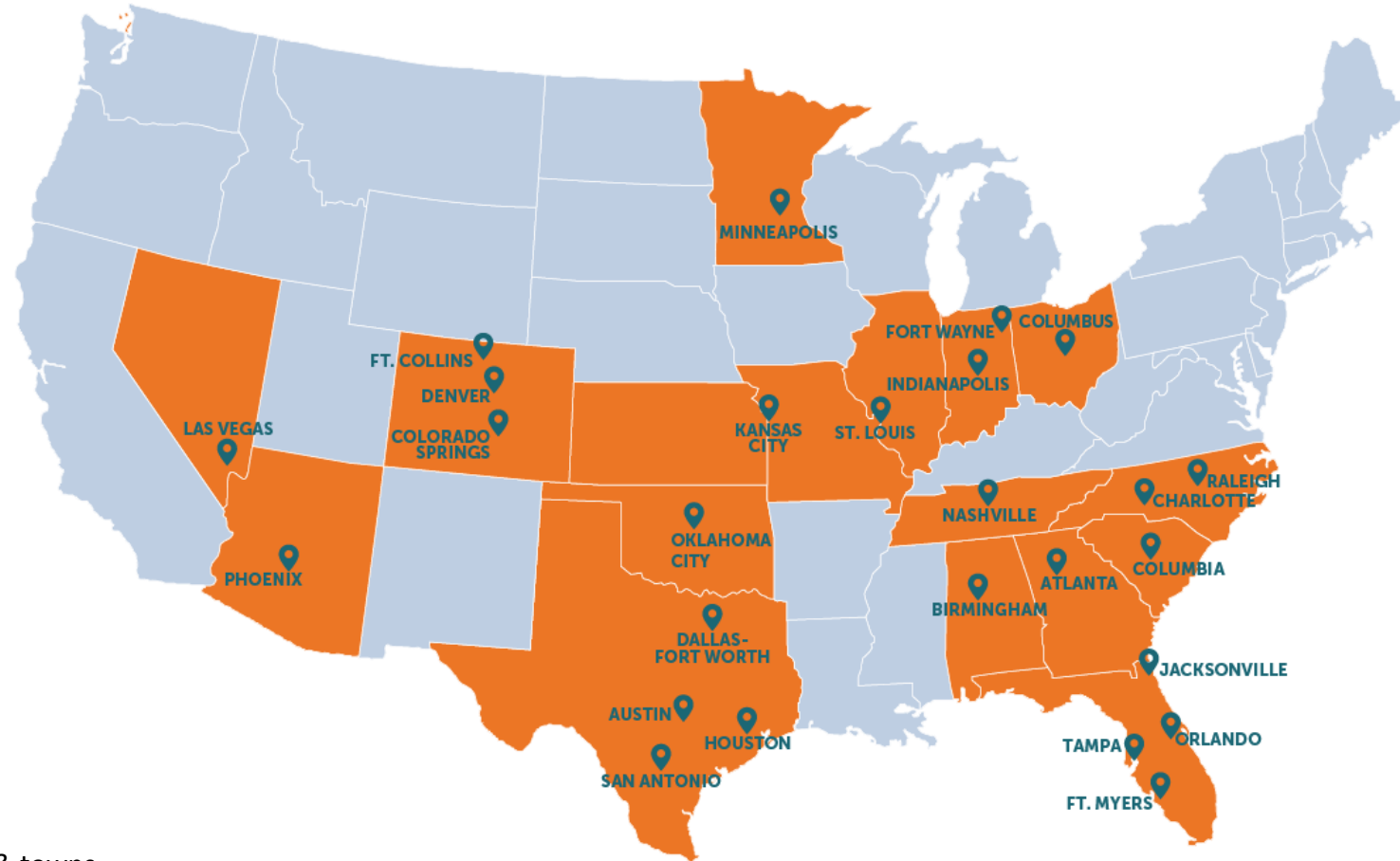
- Long-term goal to drive total market share to 3-4%, from current less than 1%


Expanding B2B services


- **Direct+** → connecting institutional buyers with sellers
- **Renovate** → Renovation as a service for institutional clients
- **Offerpad Max** → Agent access to Offerpad Sellers and Listings

Grow partner ecosystem

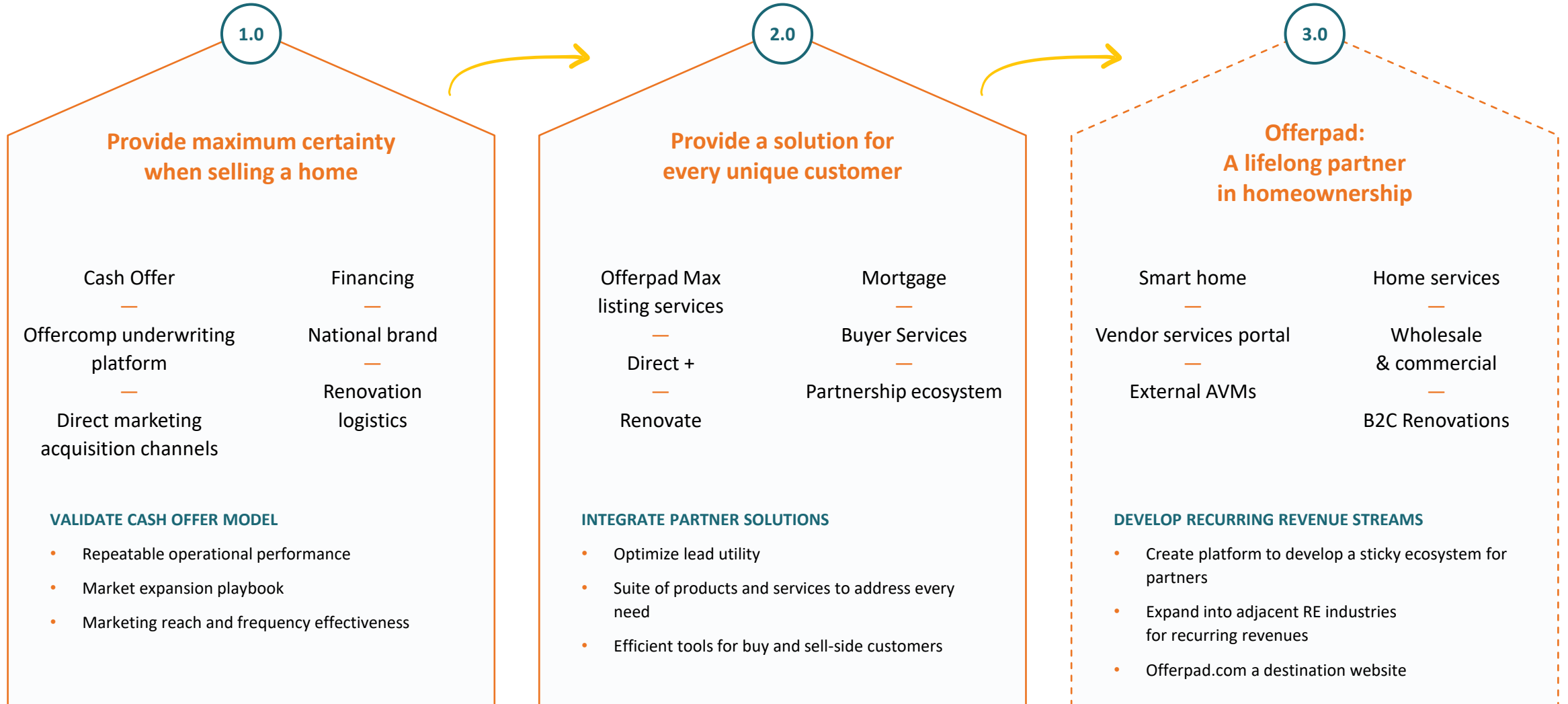
- Agent Partnership Program
- Homebuilder Services
- Agent Referral Network



 **26** markets

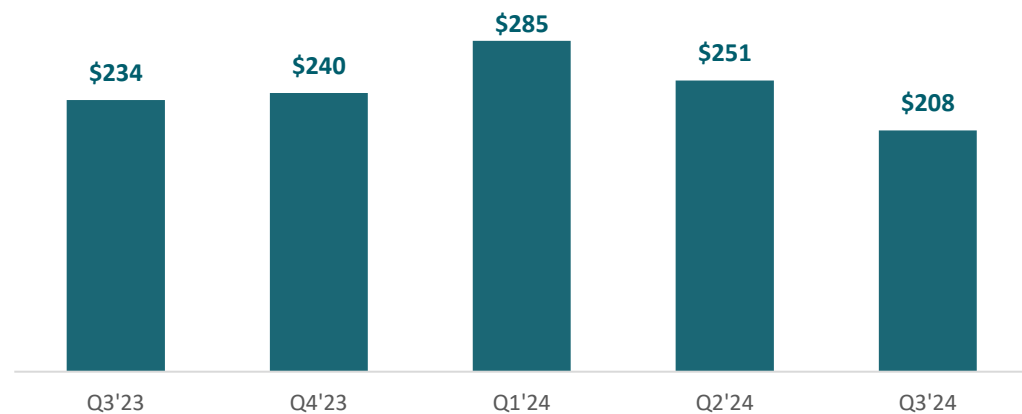
 **1,800+** cities & towns nationwide

Long-term vision → Real Estate as a Service

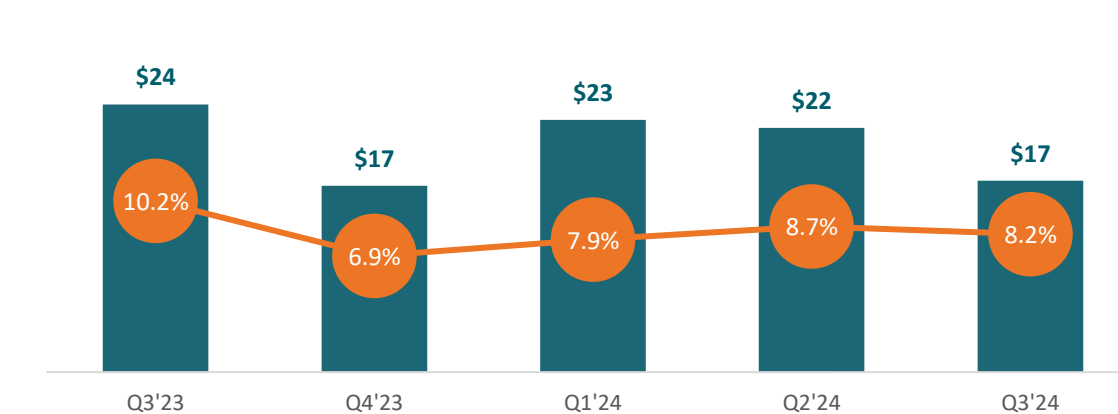


Improving profitability after abrupt market shift in 2022

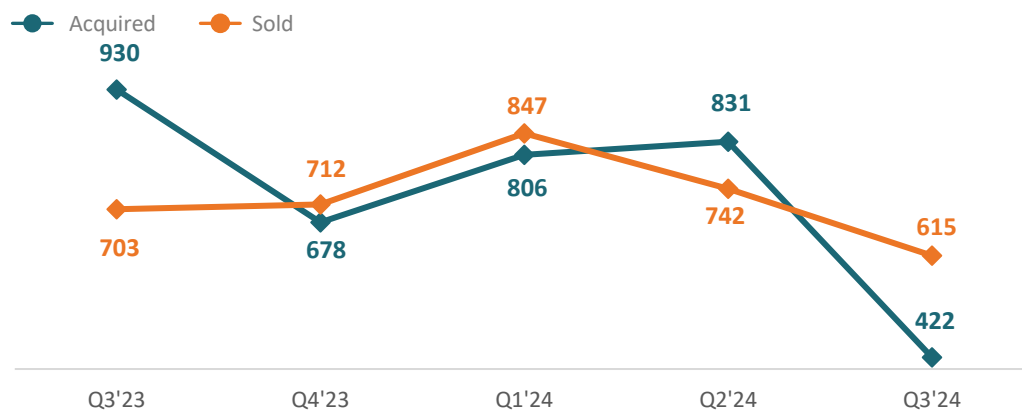
REVENUE (\$M)



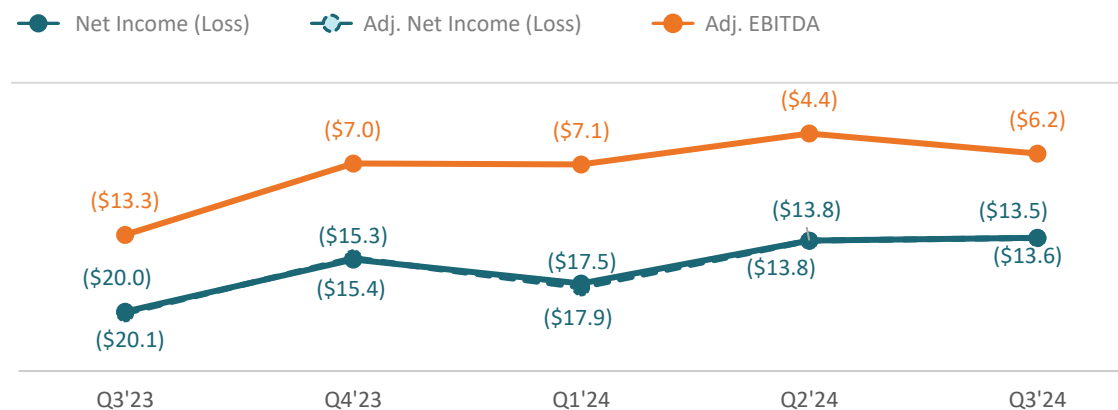
GROSS PROFIT (\$M) & MARGIN %



HOMES ACQUIRED & HOMES SOLD

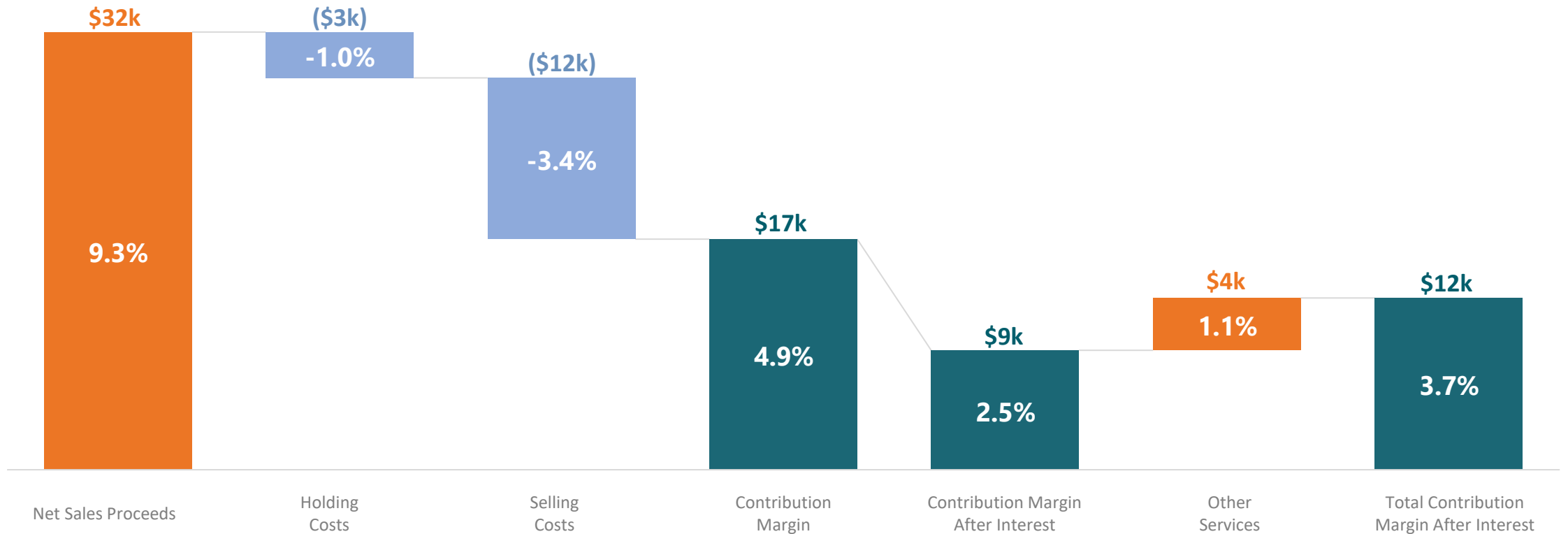


NET INCOME (LOSS), ADJ. NET INCOME (LOSS) & ADJ. EBITDA (\$M)



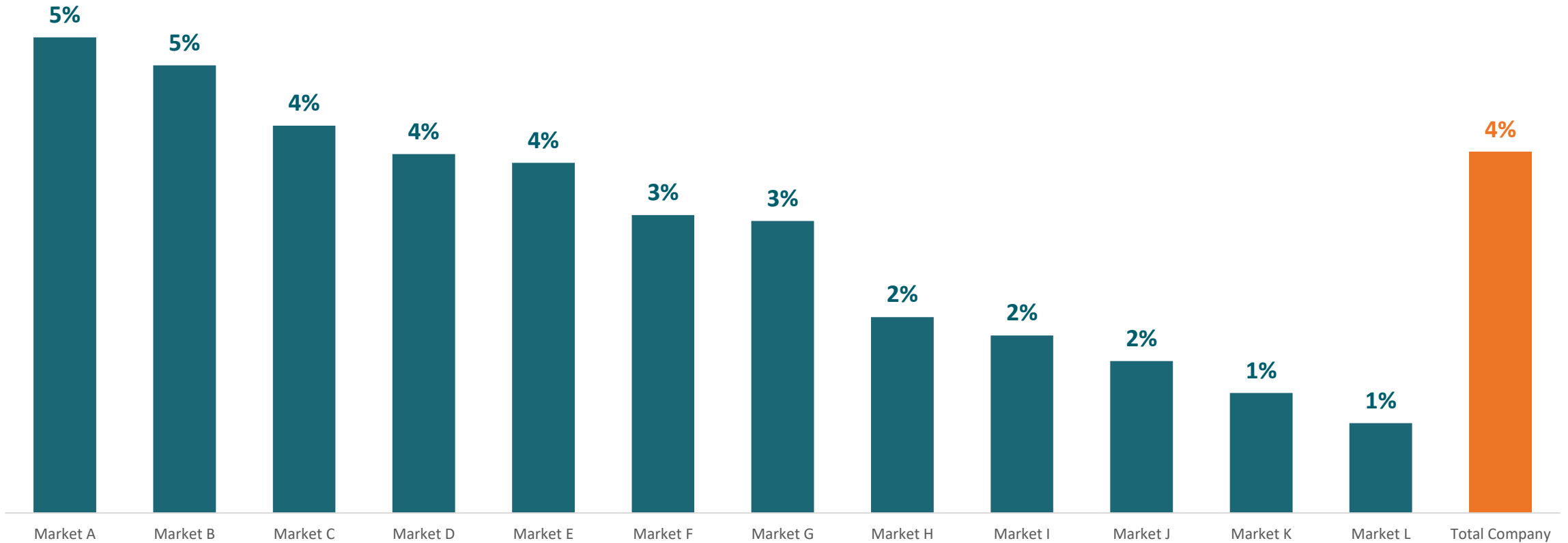
Contribution margins continue to grow and diversify through evolving product mix

Q3'24 TOTAL CONTRIBUTION MARGIN AFTER INTEREST PER HOME SOLD



Market level contribution continues to expand

Q3'24 CONTRIBUTION MARGIN AFTER INTEREST ¹



Q3 2024 Results

REVENUE	\$208.1m	(17%) QoQ
HOMES ACQUIRED	422	(49%) QoQ
HOMES SOLD	615	(17%) QoQ
NET INCOME (LOSS)	(\$13.5m)	32% YoY
ADJ. EBITDA	(\$6.2m)	53% YoY
GROSS PROFIT PER HOME SOLD	\$27.9k	(5%) QoQ
CONTRIBUTION PROFIT (LOSS) AFTER INTEREST PER HOME SOLD	\$12.4k	(14%) QoQ

Q3 2024 HIGHLIGHTS

- Net loss of (\$13.5m) and Adj EBITDA of (\$6.2m) an improvement of 32bps and 53bps respectively YoY
- Acquisitions from Agent Partnership Program at 33% of total, up from 21% in Q3'23
- 30% of Contribution Profit after Interest driven by Asset Light Services

Q4 2024 Outlook

HOMES SOLD



480 to 540

REVENUE



\$160m to \$185m

ADJ. EBITDA¹



Slightly lower

1. See Non-GAAP financial measures on slide 2 for an explanation of why a reconciliation of this guidance cannot be provided.





Offerpad investment highlights



LARGE ADDRESSABLE MARKET

Offerpad operates in the residential real estate industry with a Total Addressable Market of \$1.9T.



FOCUSED BUSINESS MODEL

Offerpad is focused on responsible, long-term growth powered by our real estate expertise and advanced, proprietary technology that help optimize each transaction.



COMPETITIVE DIFFERENTIATION

Offerpad's suite of real estate platform services provides customizable options to meet each customer's needs.



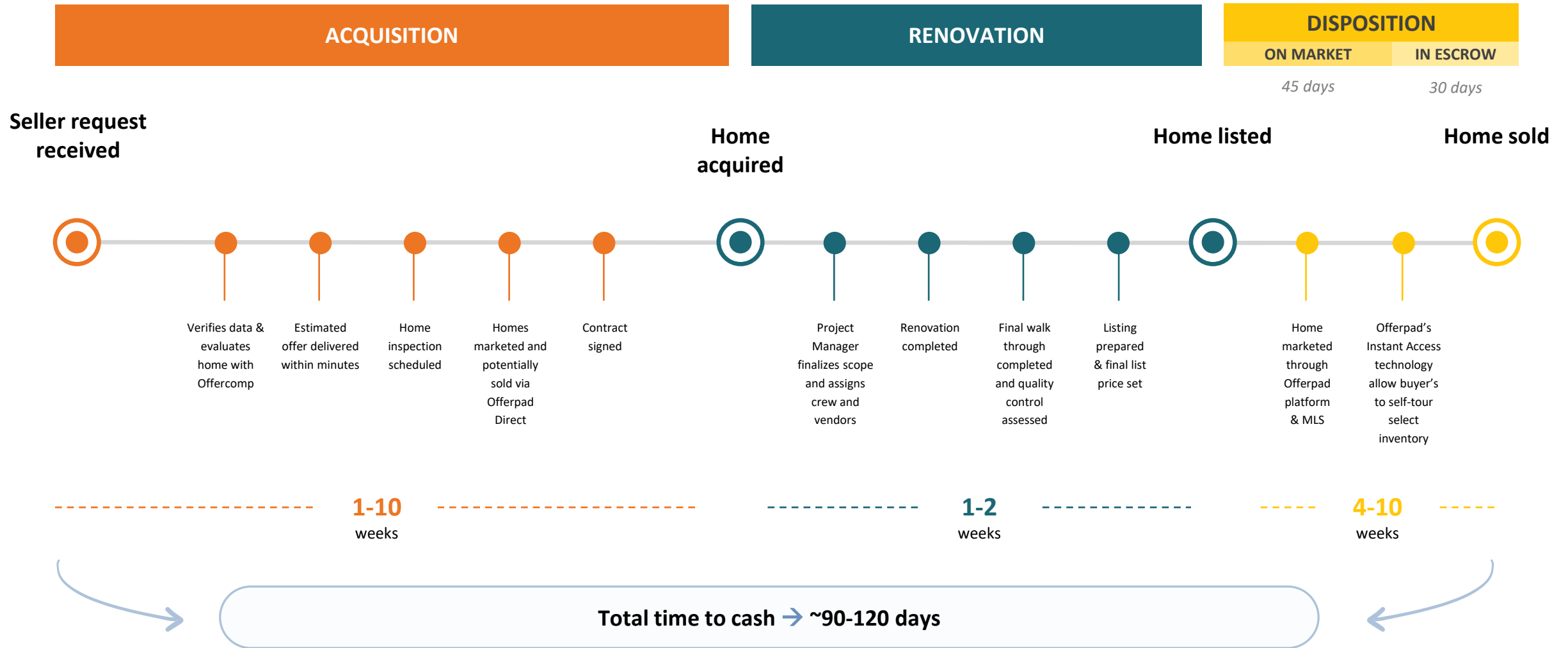
UNIQUE STRATEGIC ROADMAP TO DIGITIZE REAL ESTATE

Offerpad's growth is fueled by increasing our existing market penetration and the growth of our asset light platform services that create diversified revenue streams and increase the value proposition for our shareholders.

APPENDIX



The lifecycle of a home with Offerpad



Non-GAAP Reconciliations

	Three Months Ended				
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
<i>(in thousands, except percentages and homes sold, unaudited)</i>					
Gross profit	\$17,140	\$21,871	\$22,595	\$16,692	\$23,973
<i>Gross margin</i>	8.2%	8.7%	7.9%	6.9%	10.2%
<i>Homes sold</i>	615	742	847	712	703
Gross profit per home sold	27.9	29.5	26.7	23.4	34.1
<i>Adjustments:</i>					
Inventory valuation adjustment - current period	848	544	623	565	918
Inventory valuation adjustment - prior period	(535)	(540)	(645)	(713)	(318)
Interest expense capitalized	1,367	1,420	1,669	964	235
Adjusted gross profit	18,820	23,295	24,242	17,508	24,808
<i>Adjusted gross margin</i>	9.0%	9.3%	8.5%	7.3%	10.6%
<i>Adjustments:</i>					
Direct selling costs	(5,767)	(6,461)	(6,969)	(5,829)	(5,593)
Holding costs on sales - current period	(693)	(622)	(887)	(742)	(453)
Holding costs on sales - prior period	(341)	(443)	(483)	(285)	(72)
Other income, net	512	615	754	1,065	3,837
Contribution profit	12,531	16,384	16,657	11,717	22,527
<i>Contribution margin</i>	6.0%	6.5%	5.8%	4.9%	9.6%
<i>Homes sold</i>	615	742	847	712	703
Contribution profit per home sold	20.4	22.1	19.7	16.5	32.0
<i>Adjustments:</i>					
Interest expense capitalized	(1,367)	(1,420)	(1,669)	(964)	(235)
Interest expense on homes sold - current period	(1,865)	(2,103)	(2,521)	(2,041)	(2,622)
Interest expense on homes sold - prior period	(1,687)	(2,133)	(2,426)	(1,466)	(554)
Contribution profit after interest	7,612	10,728	10,041	7,246	19,116
<i>Contribution margin after interest</i>	3.7%	4.3%	3.5%	3.0%	8.2%
<i>Homes sold</i>	615	742	847	712	703
Contribution profit (loss) after interest per home sold	12.4	14.5	11.9	10.2	27.2

Note: Current period represents adjustments for costs incurred on homes sold in the period presented and prior periods represents adjustments for costs incurred in prior periods on homes sold in the period presented. Numbers may not total due to rounding.

Non-GAAP Reconciliations *(cont.)*

	Three Months Ended				
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
<i>(in thousands, except percentages, unaudited)</i>					
Net loss (GAAP)	\$(13,537)	\$(13,782)	\$(17,515)	\$(15,441)	\$(19,986)
Change in fair value of warrant liabilities	(14)	9	(344)	109	(131)
Adjusted net loss	\$(13,551)	\$(13,773)	\$(17,859)	\$(15,332)	\$(20,117)
<i>Adjusted net loss margin</i>	<i>(6.5%)</i>	<i>(5.5%)</i>	<i>(6.3%)</i>	<i>(6.4%)</i>	<i>(8.6%)</i>
<i>Adjustments:</i>					
Interest expense	5,114	4,581	4,905	5,154	4,406
Amortization of capitalized interest ⁽¹⁾	1,367	1,420	1,669	964	235
Income tax (benefit) expense	24	(54)	123	(8)	6
Depreciation and amortization	150	148	166	172	175
Amortization of stock-based compensation	715	3,249	3,867	2,000	2,017
Adjusted EBITDA	(6,181)	(4,429)	(7,129)	(7,050)	(13,278)
<i>Adjusted EBITDA margin</i>	<i>(3.0%)</i>	<i>(1.8%)</i>	<i>(2.5%)</i>	<i>(2.9%)</i>	<i>(5.7%)</i>

1. Amortization of capitalized interest represents all interest related costs, including senior and mezzanine interest related costs, incurred on homes sold in the period presented that were capitalized and expensed in cost of sales at the time of sale.

Note: Numbers may not total due to rounding.

Offerpad.▲

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