



Earnings Call

Q3 2023



HOUS
LISTED
NYSE



Management Presenters



Ryan Schneider
Chief Executive Officer
and President



Charlotte Simonelli
Executive Vice President and
Chief Financial Officer



Alicia Swift
Senior Vice President, Investor Relations
and Treasury

Important Disclosures

Forward-Looking Statements

This presentation contains forward-looking statements. The Company desires to take advantage of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995 and is including this statement for the express purpose of availing itself of the protections of the safe harbor with respect to all forward-looking statements. Therefore, the Company wishes to caution each participant to consider carefully the specific factors discussed with each forward-looking statement in this presentation and other factors contained in the Company's filings with the Securities and Exchange Commission under the captions "Forward-Looking Statements", "Risk Factors", "Legal Proceedings" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as such factors in some cases have affected, and in the future (together with other factors) could affect, the ability of the Company to implement its business strategy and may cause actual results to differ materially from those contemplated by the statements expressed herein. Forward-looking statements, estimates, and projections are inherently subject to significant economic, competitive, litigation, regulatory, and other uncertainties and contingencies, many of which are beyond the control of management, including, among others, rising inflation and mortgage rates, constrained inventory, declining affordability, and other macroeconomic concerns. The information contained in this presentation is as of October 24, 2023. The Company assumes no obligation to update the information or the forward-looking statements contained herein, whether as a result of new information or otherwise. RECIPIENTS ARE STRONGLY ADVISED TO READ THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION BECAUSE THEY CONTAIN IMPORTANT INFORMATION.

Non-GAAP Financial Measures

Certain financial measures, as used in this presentation, are supplemental measures of the Company's performance that are not Generally Accepted Accounting Principles ("GAAP") measures. Refer to slides 27-29 of this presentation and Tables 1a, 5a, 5b, 6a, 6b, 7, 8a, 8b and 9 of the October 24th Press Release announcing third quarter financial results for the definitions of these non-GAAP financial measures, a reconciliation of these measures to their most comparable GAAP measures, and the Company's explanation of why it believes these non-GAAP measures are useful to investors.



Our Business

The Anywhere Network

A Leader of Integrated Residential Real Estate Services in the U.S.

AnywhereSM Advisors

Full-service residential real estate brokerage with brands in many of the largest metropolitan areas in the U.S.



AnywhereSM Brands

Global franchisor of some of the most recognized brands in the real estate industry.

Segment also includes Anywhere Leads and Cartus Relocation



AnywhereSM Integrated Services

Leading full-service title and settlement services company in the U.S.

Segment includes our minority-held mortgage joint venture and Title Insurance Underwriter joint venture



Recognized as an Industry Leader in Culture and Talent

Recognition

- Named in 2023 to Fortune's Most Innovative Companies, TIME's World's Best Companies, Forbes' Best Employers and Best Employers for Diversity, and World's Most Ethical Companies for the 12th consecutive year
- More leaders and more women in 2023 Swanepoel Power 200 than any other real estate company
- Anywhere affiliated agents represent more than 15% of 2023 Top 250 Latino Agents Report, more than any other real estate company

Governance and Integrity

- Diverse and independent Board of Directors
- Nominating & Corporate Governance Committee Charter includes ESG oversight responsibilities
- Robust Board-led investor outreach program since 2018



Community Commitment

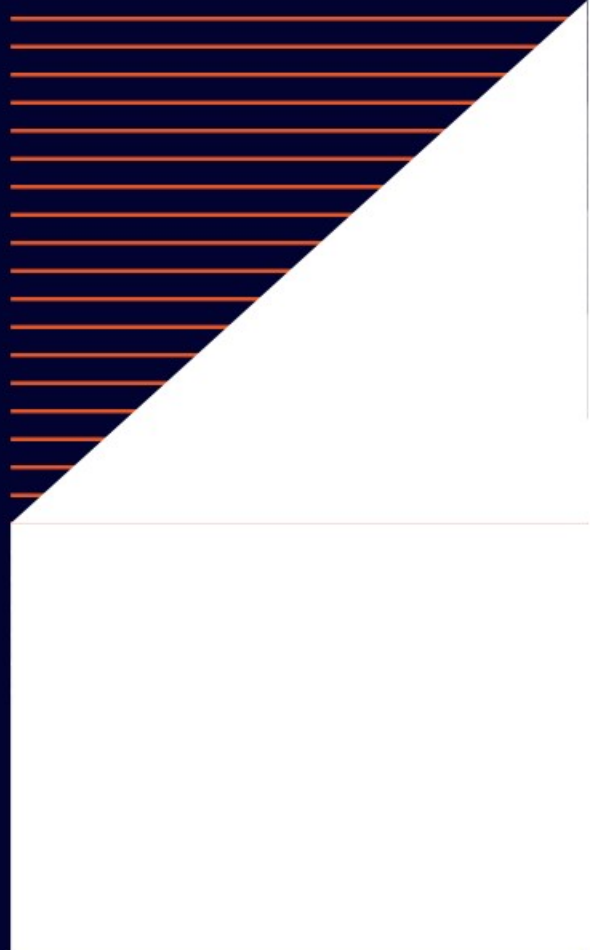
- Fair Housing Pledge
- Agents of Change Program
- Ascend: Executive Leadership Experience
- Inclusive Ownership Program
- Accelerate: Leadership Pilot for Inclusive Ownership
- Charitable Partnerships
- Diverse Industry Organization Partnerships

Corporate Social Responsibility

- [2022 CSR Report](#)



Investment Highlights



Anywhere has the Assets to Win



The opportunity to drive change at scale that comes with closing over 1 million transactions annually



A nationwide network of trusted advisors



Industry's leading franchise business with six nationally recognized brokerage brands



End-to-end national assets in brokerage, mortgage, title, and insurance



Deep understanding of the consumer



Tech and data scale



Attractive Franchise Power

Unmatched Brand Portfolio



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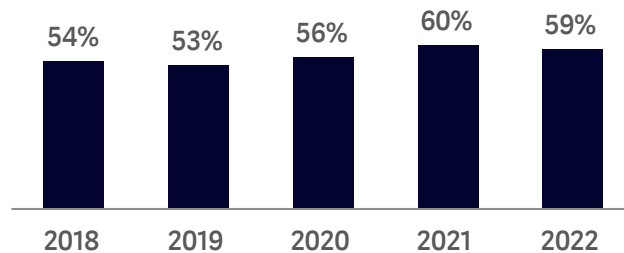
Sotheby's
INTERNATIONAL REALTY

Fast Facts¹

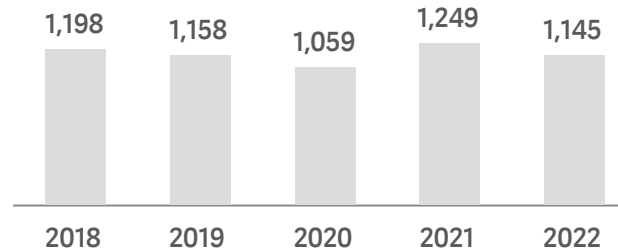
- Anywhere Real Estate is the #1 real estate franchisor in the U.S.
 - 2 of the top 5 and
 - 6 of the top 15 franchise brands in U.S. real estate
- Nationwide footprint with ~2,100 total franchisees
- Typical new U.S. contract is 10-years in length
- Average U.S. franchisee tenure >20 years
- GCI retention rate 98.4%
- 40k+ closings delivered from our global referral networks

High Margin Business with Steady Recurring Revenue and Operating EBITDA²

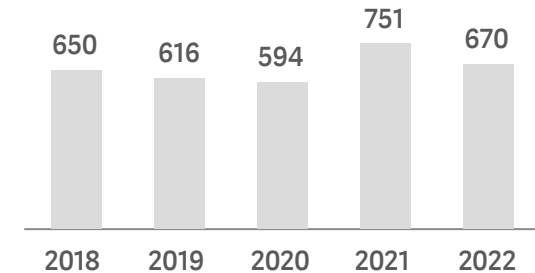
Franchise Operating EBITDA Margins (%)



Franchise Revenue (\$M)



Franchise Operating EBITDA (\$M)



1. Fast facts as of December 31, 2022

2. Franchise Group is inclusive of the Anywhere Leads Group and Cartus Relocation Services and includes owned brokerage intercompany royalties and marketing fees of \$306M from 2018, \$293M from 2019, \$316M from 2020, \$407M from 2021 and \$373M from 2022.



Leadership in Technology and Data

High Impact Technology And Products

Personalized agent and franchisee technology to **enhance productivity**



Affiliate Insights

Uses Anywhere's data scale to provide actionable insights for individual franchisees, helping them run their business better



Listing Concierge

Simplifies and automates creation and placement of custom marketing to sell houses faster and for more money



RealVitalize

Provides liquidity, contractors, and project management to optimize a home's value before sale



HomePlace

Guides consumers through the transaction with all documents in one place

API Connectivity

developers.anywhere.re enables freedom, flexibility, and choice for third party developers, brokers, and agents and allows us to connect to **100+ external products**

Business capabilities enabled by **hundreds of APIs**. In 2022:

- 2.57B API calls
- 93 APIs available to third parties
- Nearly 200 partners integrated

Industry Leading Data Scale

1.2PB of real estate data on a modern, cloud based infrastructure

Integration of data and AI models for **core business processes** like agent recruiting

Analytic Leadership

Proven track record of utilizing **predictive analytics** and **machine learning** to drive results

Multiple Proofs of Concept focused on **generative AI**



Anywhere is Focused on Agent and Consumer Pain Points

How We Get There



Making the Real Estate Transaction Simpler for Agents and Consumers

IMPROVE BUYING AND SELLING EXPERIENCE ACROSS THE "FULL BUY BOX" OF REAL ESTATE

- Reduce friction for EVERY consumer transaction
 - Create an easier and integrated experience for all parts of a consumer's next move
 - Deliver a reimagined transaction that is "push button simple"
-

CAPTURE THE ECONOMICS

- Win substantially more brokerage transactions
- Expand unit economics - greater title/mortgage capture
- Attract more agents



The Line-of sight Innovation is Attractive for the Ecosystem

CONSUMERS WIN

- Higher sales prices for sellers, more competitive offer for buyers
 - Fewer contingencies and less risk
-

AGENTS WIN

- Better sales prices
 - Better productivity
-

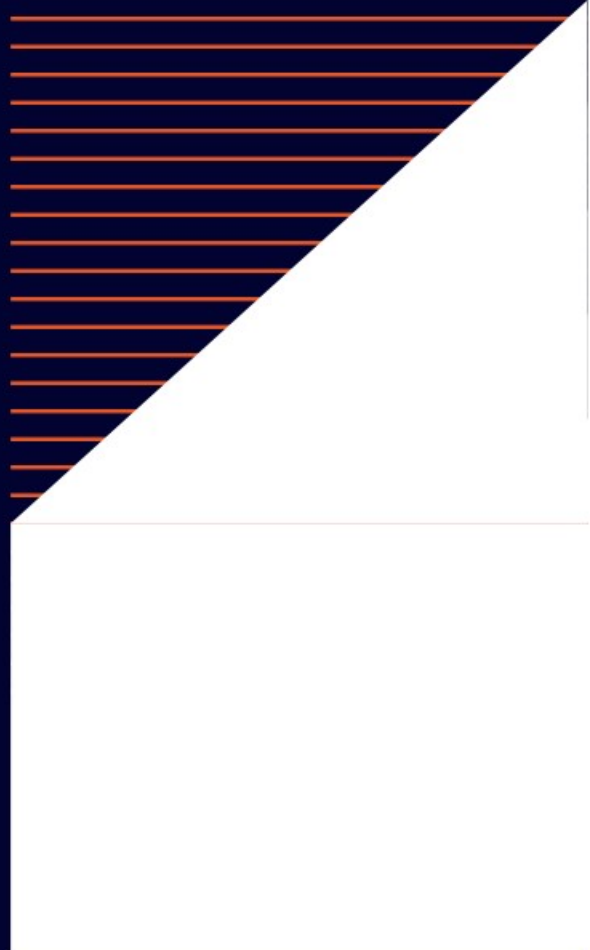
WE WIN

- More productive agents
- Higher agent retention
- Increased title and mortgage capture





Third Quarter Results



Q3 2023 By The Numbers

272K

Closed Transactions

\$1.6B

Revenue Generated

\$107M

Operating EBITDA¹

\$95M

Free Cash Flow¹
(\$151M of cash and cash equivalents²)

\$60M

Realized Cost Savings
(\$160M realized cost savings year-to-date)
(On track to deliver \$200M for the full year)

\$281M

Debt Reduction through debt exchanges, open market repurchases and repayment of portion of revolver balance

1. See Slide 27 for a reconciliation of Net income attributable to the Company to Operating EBITDA. Refer to Table 9 of the Press Release dated October 24, 2023 for the definitions of these non-GAAP financial measures and the Company's explanation of why it believes these non-GAAP measures are useful to investors.

2. Excludes restricted cash.



Transaction Volume

	Q3 2023 vs. Q3 2022
Anywhere Combined	
Closed Homesale Sides	(17)%
Average Homesale Price	5%
Combined Total Homesale Transaction Volume (sides x price)	(13)%
Anywhere Brands - Franchise Group¹	
Closed Homesale Sides	(18)%
Average Homesale Price	5%
Total Homesale Transaction Volume (sides x price)	(14)%
Anywhere Advisors - Owned Brokerage Group	
Closed Homesale Sides	(17)%
Average Homesale Price	5%
Total Homesale Transaction Volume (sides x price)	(13)%

1. Includes all franchisees except for Owned Brokerage Group.



Key Revenue Drivers

	Q3 2023 vs. Q3 2022	
	Amount	% Change
Anywhere Brands - Franchise Group ¹		
Closed Homesale Sides	200,619	(18)%
Average Homesale Price	\$470,818	5%
Average Broker Commission Rate	2.45%	2 bps
Net Royalty per Side	\$442	5%
Anywhere Advisors - Owned Brokerage Group		
Closed Homesale Sides	71,794	(17)%
Average Homesale Price	\$712,232	5%
Average Broker Commission Rate	2.41%	1 bps
Gross Commission Income per Side	\$18,013	6%
Anywhere Integrated Services - Title Group		
Purchase Title and Closing Units	28,453	(19)%
Refinance Title and Closing Units	2,304	(31)%
Average Fee per Closing Unit	\$3,187	2%

1. Includes all franchisees except for Owned Brokerage Group.



Revenue Details

Net Revenue (\$ in millions)	Q3 2023	Q3 2022	\$ Change
Franchise Group ¹	\$ 271	\$ 306	\$ (35)
Owned Brokerage Group	1,309	1,486	(177)
Title Group	93	113	(20)
Corporate & Other ²	(89)	(97)	8
Total Revenue	\$ 1,584	\$ 1,808	\$ (224)

1. Franchise Group is inclusive of Anywhere Leads Group and Cartus Relocation Services.

2. Revenues include the elimination of transactions between segments, which consists of intercompany royalties and marketing fees paid by Owned Brokerage Group of \$89 million and \$97 million during the three months ended September 30, 2023 and 2022, respectively, and are eliminated through the Corporate and Other line.



Operating EBITDA Details

Operating EBITDA (\$ in millions)	Q3 2023	Q3 2022	\$ Change
Franchise Group ¹	\$ 155	\$ 202	\$ (47)
Owned Brokerage Group	(8)	(1)	(7)
Title Group	2	9	(7)
Corporate & Other	(42)	(44)	2
Operating EBITDA	\$ 107	\$ 166	\$ (59)

1. Franchise Group is inclusive of the Anywhere Leads Group and Cartus Relocation Services.

Note: See Slide 28 for a reconciliation of Operating EBITDA to Net income attributable to the Company. Refer to Table 9 of the Press Release dated October 24, 2023 for the definitions of certain non-GAAP financial measures and the Company's explanation of why it believes these non-GAAP measures are useful to investors.



Operating EBITDA without Intercompany Royalty

Operating EBITDA (\$ in millions)	Q3 2023	Q3 2022	\$ Change
Franchise Group	66	105	(39)
Owned Brokerage Group	81	96	(15)
Franchise & Owned Brokerage Combined	\$ 147	\$ 201	\$ (54)

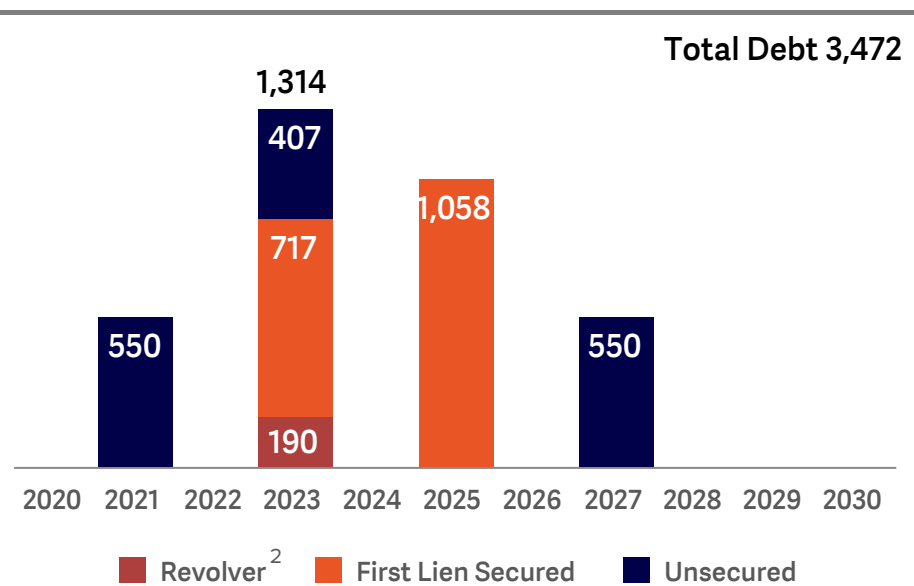
Note: The segment numbers noted above do not reflect the impact of intercompany royalties and marketing fees paid by Owned Brokerage Group to Franchise Group of \$89 million and \$97 million during the three months ended September 30, 2023 and 2022, respectively.



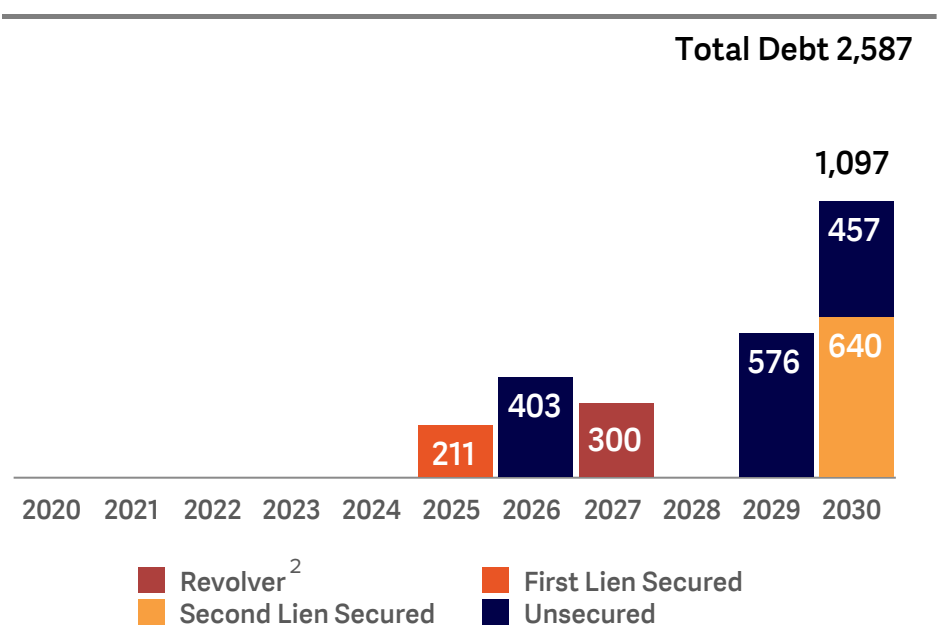
Transformed Debt Stack

- Reduced overall net debt by approximately \$900M (or 25%) since 2019, including \$281M in Q3 2023 related to opportunistic bond exchanges, open market debt repurchases, and repaying a portion of our revolver balance.
- Shifted to a higher mix of unsecured debt and extended maturities (only ~\$200M due before 2026).
- Reduced weighted average cost of fixed rate debt (4.96% vs. 6.65% in 2019¹).

December 31, 2019 (\$M)



September 30, 2023 (\$M)



1. Excludes interest rate swaps.

2. Revolving Credit Facility is first lien secured debt but shown separately in the charts above (note: Anywhere's current revolver capacity is \$1.1B in total).

Note: Both graphs exclude finance lease obligations, amortization payments and securitization obligations.



Continued Opportunistic Debt Transactions

Debt Exchanges

- In August 2023, we had full participation and successfully exchanged ~\$800M of our 2029 and 2030 notes for ~\$640M of new 7% second lien 2030 secured notes.
- This transaction reduced debt by \$160M incurring only minimal incremental cash interest expense.
- Anywhere retained flexibility and long-dated maturities.

Debt Repurchases

- During the third quarter 2023, Anywhere completed ~\$70M face value in opportunistic open market debt repurchases across our 2029 and 2030 unsecured notes.
 - The weighted average purchase price was ~\$71.50, enabling us to capture ~\$20M of discount.
 - Specifically, we repurchased \$26 million of our 5.75% Notes and \$40 million of our 5.25% Notes saving ~\$3.5M in annual cash interest



Operating, Marketing and G&A by Segment

(\$ in billions)	For the Four-Quarter Period Ended September 30, 2023			
	Operating	Marketing	General and Administrative	Total
Franchise Group ¹	\$ 0.3	\$ 0.1	\$ 0.1	\$ 0.5
Owned Brokerage Group	\$ 0.9	\$ 0.1	\$ 0.1	\$ 1.1
Title Group	\$ 0.3	\$ —	\$ 0.1	\$ 0.4
Corporate & Other ²	\$ (0.3)	\$ —	\$ 0.2	\$ (0.1)
Total Company	\$ 1.2	\$ 0.2	\$ 0.5	\$ 1.9

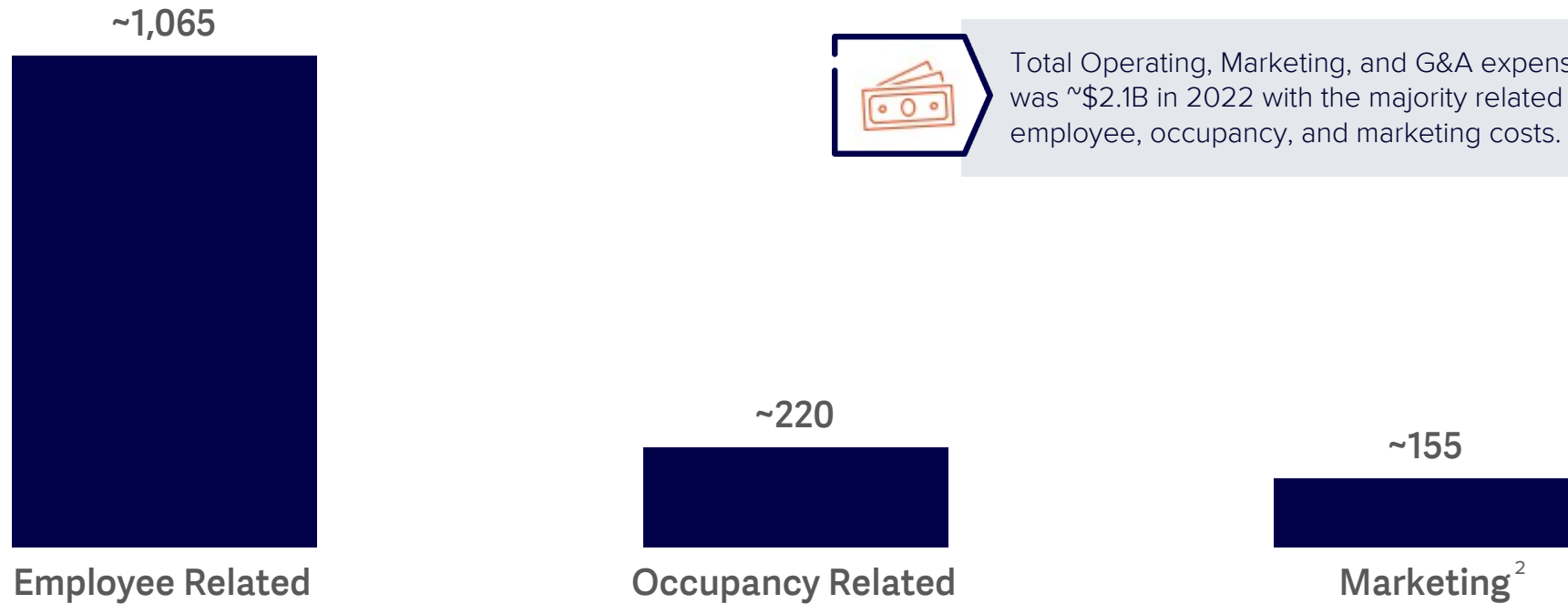
1. Franchise Group is inclusive of the Anywhere Leads Group and Cartus Relocation Services.

2. Corporate and Other includes elimination of intercompany royalties between franchise and brokerage.



Key Operating Expense Opportunity Areas

Anywhere Operating, Marketing, General and Administrative Expenses, 2022 (\$M)¹

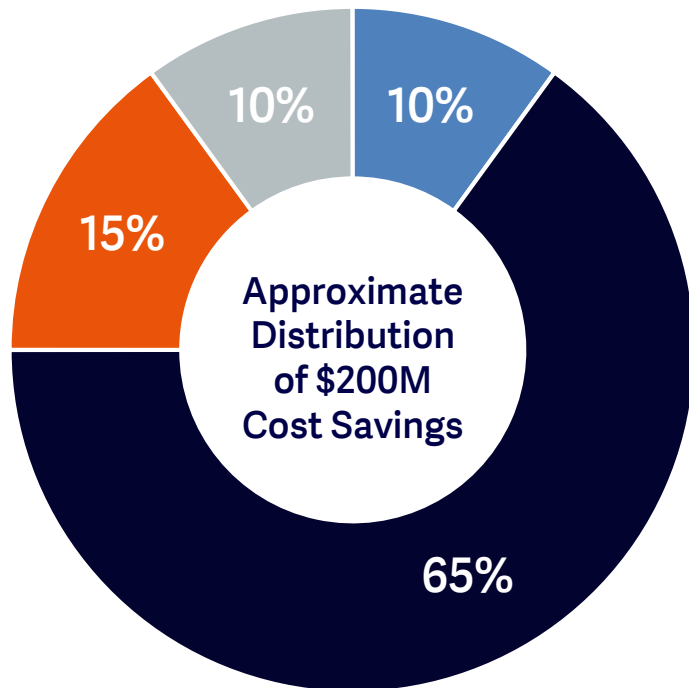


1. The remaining 30% of expense not captured relates to technology, finance, legal and other operational and overhead expenses.
2. Marketing excludes employee related expense and includes approximately \$50 million Brand Marketing Fund (BMF) related expense.



Anywhere 2023 Cost Savings Plan

Targeting \$200 million of realized cost savings in 2023¹



- Franchise Group
- Owned Brokerage Group
- Title Group
- Corporate and Other



We are changing how we operate to capture efficiencies and lower expenses across the enterprise.



We expect cost savings to be realized evenly throughout the year with approximately two-thirds being permanent cost reductions.



Approximately 70% of savings will come from headcount and footprint actions.

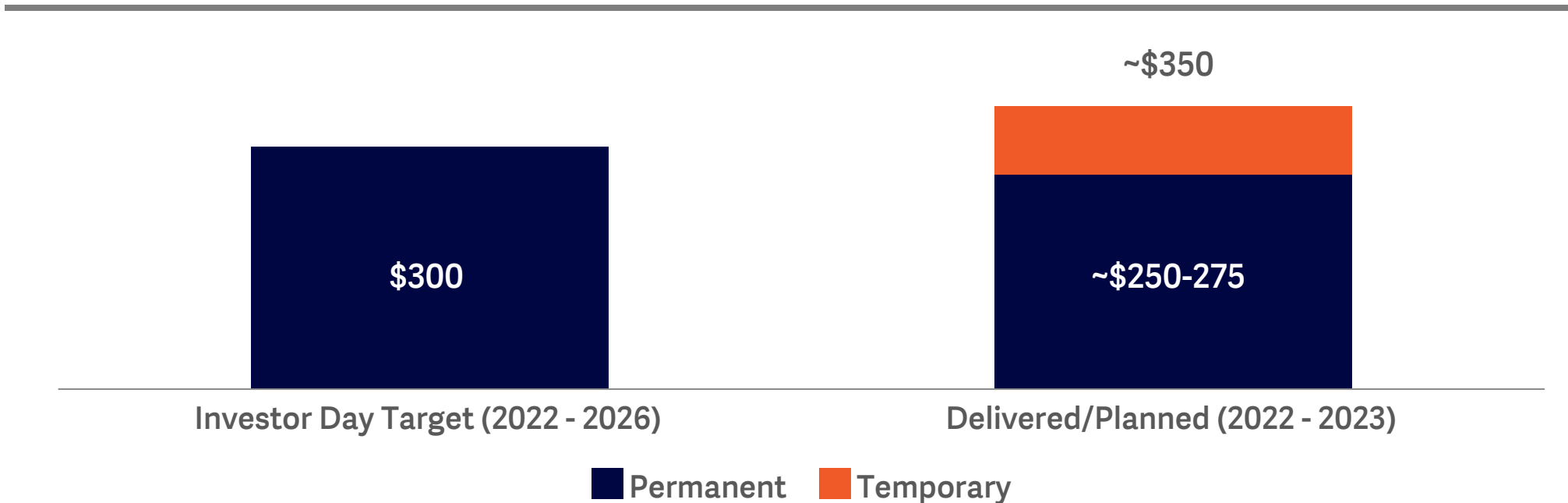
1. 2023 Cost savings program excludes any offset from inflation and any impacts from litigation expenses or accruals..



We've Nearly Achieved Our 2026 Cost Savings Target

Anywhere announced a \$300 million cost take out target by 2026 during May 2022 Investor Day.

Anywhere Cost Savings (\$M)



We estimate approximately two-thirds of our cost savings programs to be permanent cost reductions.



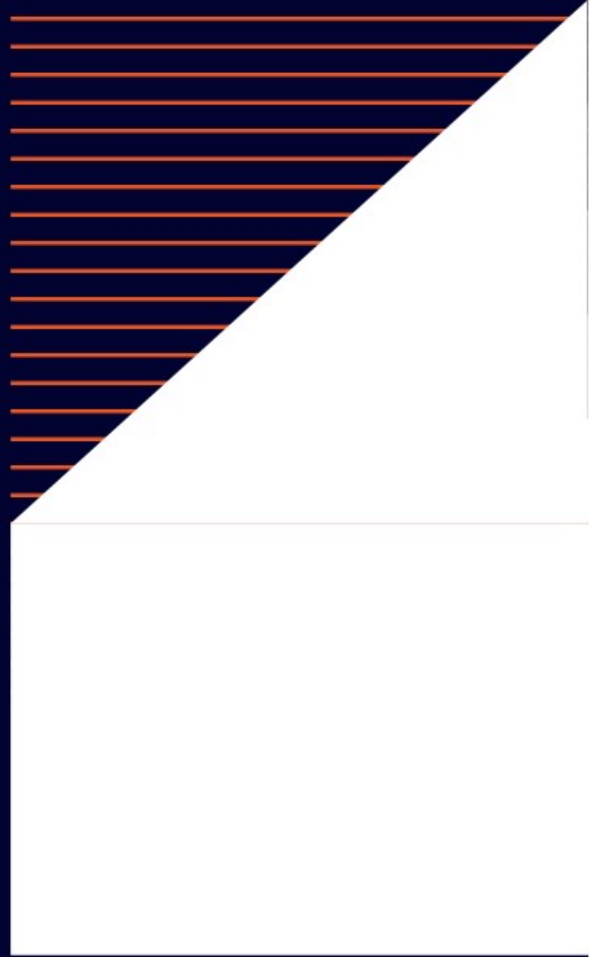
Capitalization Table

	Pricing	Maturity	As of September 30, 2023
Revolving Credit Facility	SOFR+10bps+175 ¹	July 2027 ²	\$ 300
Extended Term Loan A	SOFR+10bps+175 ¹	February 2025	211
Senior Secured Second Lien Notes	7.000%	April 2030	640
Senior Notes	5.750%	January 2029	576
Senior Notes	5.250%	April 2030	457
Exchangeable Senior Notes	0.250%	June 2026	403
Finance Lease Obligations			21
Corporate Debt (excluding securitizations)			2,608
Less: Cash and cash equivalents			151
Net Corporate Debt (excluding securitizations)			\$ 2,457
EBITDA as defined by the Senior Secured Credit Agreement			\$ 315
Net Debt Leverage Ratio³			7.8 x

1. Based on a term Secured Overnight Financing Rate ("SOFR")-based rate including a 10 basis point credit spread adjustment plus an additional margin. The additional margin is subject to adjustment based on the then current senior secured leverage ratio. Based on the previous quarter's senior secured leverage ratio, the margin was 1.75%.
2. As of September 30, 2023, the maturity date of the Revolving Credit Facility was July 2027 (subject to earlier springing maturity dates). The Revolving Credit Facility has an aggregate of \$1,100 million in capacity with \$300 million of outstanding borrowings and \$34 million of outstanding undrawn letters of credit as of September 30, 2023.
3. Defined as net corporate debt divided by EBITDA as defined by the senior secured credit facilities. See Table 8b of our October 24, 2023 Press Release for a Net Debt Leverage Ratio calculation.



Appendix



GAAP Reconciliation

(\$ in millions)	For the three months ended	
	9/30/2023	9/30/2022
Net income attributable to Anywhere	\$ 129	\$ 55
Income tax expense	45	8
Income before income taxes	174	63
Add: Depreciation and amortization	50	53
Interest expense, net	37	30
Restructuring costs, net ¹	9	16
Impairments ²	3	3
Former parent legacy cost, net ³	—	1
Gain on the early extinguishment of debt ³	(169)	—
Loss on the sale of businesses, investments or other assets, net	3	—
Operating EBITDA	\$ 107	\$ 166

1. Restructuring charges incurred for the three months ended September 30, 2023 include \$2 million at Franchise Group, \$5 million at Owned Brokerage Group, \$1 million at Title Group and \$1 million at Corporate and Other. Restructuring charges incurred for the three months ended September 30, 2022 include \$2 million at Franchise Group, \$8 million at Owned Brokerage Group and \$6 million at Corporate and Other.
2. Impairments primarily relate to non-cash lease asset and software impairments.
3. Former parent legacy items and Gain on the early extinguishment of debt are recorded in Corporate and Other. Gain on the early extinguishment of debt relates to the debt exchange transactions and open market repurchases that occurred during the third quarter of 2023.

Note: Refer to Table 9 of the Press Release dated October 24, 2023 for the definitions of certain non-GAAP financial measures and the Company's explanation of why it believes those non-GAAP measures are useful to investors.



GAAP Reconciliation

(\$ in millions)	For the three months ended	
	9/30/2023	9/30/2022
Franchise Group	\$ 155	\$ 202
Owned Brokerage Group	(8)	(1)
Title Group	2	9
Corporate and Other	(42)	(44)
Operating EBITDA	107	166
Less: Depreciation and amortization	50	53
Interest expense, net	37	30
Income tax expense	45	8
Restructuring costs, net ¹	9	16
Impairments ²	3	3
Former parent legacy cost, net ³	—	1
Gain on the early extinguishment of debt ³	(169)	—
Loss on the sale of businesses, investments or other assets, net	3	—
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(\$ in millions)	For the three months ended	
	9/30/2023	9/30/2022
Net income attributable to Anywhere	\$ 129	\$ 55
Income tax expense	45	8
Income tax payments	(1)	(17)
Interest expense, net	37	30
Cash interest payments	(53)	(33)
Depreciation and amortization	50	53
Capital expenditures	(18)	(27)
Restructuring costs and former parent legacy items, net of payments	1	12
Impairments	3	3
Gain on the early extinguishment of debt	(169)	—
Loss on the sale of businesses, investments or other assets, net	3	—
Working capital adjustments	47	(2)
Relocation receivables (assets), net of securitization obligations	21	17
Free Cash Flow	\$ 95	\$ 99

Note: Refer to Table 7 of the Press Release dated October 24, 2023 for a reconciliation of net cash provided by (used in) operating activities to Free Cash Flow.

Refer to Table 9 of the Press Release dated October 24, 2023 for the definitions of certain non-GAAP financial measures and the Company's explanation of why it believes those non-GAAP measures are useful to investors.





Thank You



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