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Anywhere Real Estate, Inc. (HOUS)

Q3 2024 Earnings Call

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MANAGEMENT DISCUSSION SECTION

Operator: Good morning, and welcome to the Anywhere Real Estate Third Quarter 2024 Earnings Conference Call via webcast. Today's call is being recorded and a written transcript will be made available in the Investor Information section of the company's website tomorrow. A webcast replay will also be made available on the company's website.

At this time, I would like to turn the conference over to Anywhere's Senior Vice President, Alicia Swift. Please go ahead, Alicia.

Alicia Swift

Senior Vice President, Investor Relations and Treasury, Anywhere Real Estate, Inc.

Thank you, Brianna. Good morning, and welcome to the third quarter 2024 earnings conference call for Anywhere Real Estate. On the call with me today are Anywhere's CEO and President, Ryan Schneider and Chief Financial Officer, Charlotte Simonelli.

As shown on slide 3 of the presentation, the company will be making statements about its future results and other forward-looking statements during this call. These statements are based on the current expectations and the current economic environment. Forward-looking statements, estimates and projections are inherently subject to significant economic, competitive, antitrust and other litigation, regulatory, and other uncertainties and contingencies, many of which are beyond the control of management, including among others, industry and macroeconomic developments.

Actual results may differ materially from those expressed or implied in the forward-looking statements.

The references made to October in these remarks are preliminary results for the month. October 2024 included one more business day than October 2023. Our discussion on October opened and closed volumes have been adjusted to reflect like-for-like number of business days.

As we have shared multiple times, we have two large expected one-time free cash flow headwinds. The first headwind is our approved \$83.5 million litigation settlement. We have made \$30 million in payments, \$10 million was made in 2023 and \$20 million was made in Q2 of 2024. The remaining \$53.5 million will be due when appeals are resolved. The timing of the appeals is uncertain depending on the developments in the proceedings, and we currently expect the payment to occur no earlier than mid-2025. Second, the 1999 Cendant legacy tax matter, which is approximately \$40 million, is due shortly after notice is received, which has not yet happened, but is still anticipated for 2024. Overall, we estimate around \$60 million of one-time payments for 2024. For further discussion of these matters, see our SEC periodic reports, including the Form 10-Q we filed this morning.

Our free cash flow estimates reference do not include any potential impacts relating to the implementation of industry settlement practice changes, which remain uncertain.

The reference to core franchise in these remarks is the franchise segment, excluding relocation and leads.

Important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified in our earnings release issued today as well as in our annual and quarterly SEC filings.

For those who listen to the rebroadcast of this presentation, we remind you that the remarks made herein are as of today, November 7, and have not been updated subsequent to the initial earnings call.

Now, I will turn the call over to our CEO and President, Ryan Schneider.

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Thank you, Alicia. Good morning. I'm proud of Anywhere Real Estate's performance, especially in a third quarter housing market that proved more challenging than anyone had anticipated. We delivered strong EBITDA and free cash flow, invested meaningfully in the business for future growth, strengthened our balance sheet, and made significant strategic progress across our unique assets.

Unlike others, we are not sacrificing long-term potential for short-term earnings. We remain committed to profitable growth, are investing for the future, and are positioned for meaningful financial octane as the housing market strengthens.

During the third quarter of 2024, we delivered \$1.5 billion of revenue and \$94 million of operating EBITDA, which includes a couple of one-off headwinds that Charlotte will cover. Our closed transaction volume was flat year-over-year with the continuing market trend of units being down and prices rising.

Prices continue to be resilient with most of the country still seeing price gains versus the prior year as demand continues to outpace supply even with elevated mortgage rates. We did see some interesting geographic variation in Q3 with a few markets like Florida and New York City, where our Advisors business is more heavily concentrated, having a tougher quarter. This led to our Brands business outperforming Advisors on volume, explaining the small revenue delta when you look year-over-year. And we love the nationwide performance of our luxury portfolio, which demonstrated great strength and share gains.

We continued our track record of executing on what we can control in the quarter as we realized \$30 million of cost savings and remain on track to achieve our previously raised \$120 million cost savings target for the year.

We generated \$99 million of free cash flow. Consistent with our top capital allocation priorities, we used our free cash flow to meaningfully invest in the business for future growth and to repay the term loan A and repurchase debt at a discount.

And we led the way in helping our agents and franchisees navigate industry changes that took effect in the third quarter, receiving very positive feedback from our network and highlighting our readiness versus our competitors.

While the third quarter housing market was tough, I am incredibly optimistic about the near-term outlook. Our October volume results were much stronger than we saw in Q3. October closed volume was up 9% year-over-year, and October open volume, which represents new contracts and future closings, was up 16% year-over-year, including strong unit growth. And remember, these numbers are adjusted for business days to match October 2023, which had one fewer business day. So, the unadjusted October numbers are even stronger. And we hope these strong results are the first step in an improving trend that the US housing market clearly needs.

We are in a strong position to capitalize for both near-term and medium-term improvements in the housing market. We've demonstrated our ability to generate meaningful EBITDA and free cash flow in this very difficult market and are excited by our financial octane as the market improves.

Now, turning to our strategic progress in the quarter. First, we are disproportionately investing in luxury and we love our results. Our Corcoran and Sotheby's International Realty brands are consistently outperforming the market, with 5% volume growth in the quarter, including growing our luxury unit share year-over-year in a world where units are down across the broader market.

Our Coldwell Banker Global Luxury agents continue to do great, including the highest sale ever in Miami at \$122 million. And we had over 250 closed transactions above \$10 million in the quarter with multiple record sales at different geographies and we currently have over 1,100 listings above \$10 million.

Second, we are strategically growing our high-margin franchise business. In Q3, we added 17 new franchisees, further expanding our network. Each of our six brands welcomed new franchisees and we are excited about our robust pipeline.

In this time of substantial industry change, our powerful brands, our strong value proposition, and our unique assets are proving to be a competitive differentiator, reflected in our franchise expansion results and positioning us for continued growth.

Third, integrating brokerage and title remains a top strategic priority for Anywhere Real Estate. We are on track to complete the nationwide rollout of our brokerage and title integrated services to our owned brokerage Coldwell Banker agents later this month. This milestone provides agents with enhanced support and high-value transaction coordination services, interacting seamlessly with both the agent and their client. This saves agents time and expense, allowing our great agents to focus on generating new business.

Consumers benefit from a simpler transaction experience and a faster, more seamless closing process, especially when they choose to use our title, mortgage, and insurance services. And for Anywhere, this strategic progress should deliver higher agent and client satisfaction, lower cost per transaction, and more capture of title, mortgage, and insurance.

Finally, we're actively executing our AI agenda to drive better experiences faster and at lower cost. Last quarter, we told you how we introduced new generative AI capabilities to our great marketing product called Listing Concierge. The feedback from our agents using this product has been overwhelmingly positive, and they've deployed this generative AI to help successfully market nearly 12,000 listings in just a few months. And from a brand standpoint, it's earned us recognition as an innovation leader, including Anywhere Real Estate being recognized for the Best Use of AI by a Brokerage from one of our industry's leading publications.

We also continue to use generative AI to improve our operational efficiency. Building on the brokerage operations' document processing example I gave you last quarter, we believe nearly every area of our operations can benefit from generative AI to deliver these better experiences for our customers, both faster than we can today and at lower costs. And we're excited to see our teams experiment with these opportunities in brokerage and title operations, in our lead generation business, in our relocation business, and in functional areas like HR and Finance.

It's quite clear that all companies across all industries have a powerful transformation opportunity to leverage these new capabilities and we remain committed to being at the forefront of that journey in the real estate industry.

With that, let me turn over to Charlotte for more details on Q3.

Charlotte C. Simonelli

Executive Vice President & Chief Financial Officer, Anywhere Real Estate, Inc.

Good morning, everyone. Our third quarter results reflect our ongoing resilience and strategic focus in a challenging market environment. We achieved strong EBITDA and solid free cash flow, and we leveraged these results to advance our capital allocation priorities, investing in the business and improving our balance sheet.

I will now highlight our third quarter financial results. Q3 revenue was \$1.5 billion, down slightly versus prior year driven predominantly by lower advisor revenue, compounded by a higher prior-year comp in Advisors.

Q3 operating EBITDA was \$94 million, a decrease of \$13 million versus prior year due to lower revenue, partially offset by lower expenses across the enterprise. Please note we had a headwind in the quarter driven by a prior year benefit and some employee-related expenses. We also had some additional legal expenses in the quarter.

Q3 realized cost savings were \$30 million. We have delivered \$90 million in savings year-to-date and are on track to deliver \$120 million for the full year. We're excited by these results and the opportunities ahead of us to drive

further cost savings. I will provide more details on our savings expectations for 2025 at our year-end earnings release.

Q3 free cash flow was \$99 million, a slight increase over prior year, despite unfavorable timing in our securitization facility. We repaid our \$196 million term loan A and repurchased unsecured notes at a discount using a combination of cash and revolver borrowings.

Now, let me go into more detail on our business segment performance. Our Anywhere Brands business, which includes leads and relocation, generated \$151 million in operating EBITDA. Operating EBITDA decreased \$4 million year-over-year, primarily due to slightly lower intercompany royalties, partially offset by reduced operating and marketing expenses. We remain confident in our core franchise business, which further expanded in the quarter as Ryan noted, and its stable margins over time.

Our Q3 Anywhere Advisors operating EBITDA was negative \$11 million, down \$3 million versus prior year due to lower revenue, partially offset by lower operating and marketing costs. This business generated \$75 million in operating EBITDA before the transfer of intercompany royalties and marketing fees paid to our franchise business. Q3 agent commission splits were 80.4%, up 15 basis points year-over-year, but down sequentially from the previous quarter. The year-over-year increase was attributable to non-core items such as lower company generated leads due to ongoing softness in the relocation segment and lower new development business. As agent commission expense is our largest expense category, I want to highlight that this is the 10th consecutive quarter with stable commissions around 80%, underscoring our strong agent value proposition and effective management.

Anywhere Integrated Services generated \$1 million in operating EBITDA in Q3. Title purchase closings were down 3% versus prior year in the quarter, but refinancings increased 15% as mortgage rates moved lower across the third quarter.

We continue to focus on optimizing our balance sheet and reducing debt. During the third quarter, we repaid \$196 million of our term loan A using a combination of cash and revolver borrowings, pushing out the maturity with no incremental interest expense. This leaves us with no maturities until mid-2026, providing us with ample financial flexibility.

We repurchased an aggregate \$26 million of the 5.75% and 5.25% senior notes for \$19 million, capturing \$7 million of discount. We ended the quarter with a revolver balance of \$500 million, a \$90 million increase from Q2, despite a combined utilization of \$214 million to repay our term loan A and for bond repurchases.

Our free cash flow delivery remains strong in both good and bad markets. Despite facing the two toughest consecutive years in housing in three decades, we have successfully addressed almost \$600 million of near-term maturities in the past two years through our proven ability to generate positive free cash flow and also leveraging our ample liquidity provided by our revolver capacity.

For 2024, we anticipate our free cash flow, excluding one-time items, to be about \$100 million driven by favorable working capital, robust savings programs, and disciplined cost management. This strong free cash flow generation is a true differentiator in our industry and gives us tremendous flexibility to continue to invest for the future and reduce debt, which remain top capital allocation priorities.

Our third quarter results highlight Anywhere's strategic focus and financial discipline. We remain committed to improving our operational efficiency, managing costs, continuing to deliver our differentiated margin profile versus

our competitive set, and optimizing our balance sheet. These efforts provide us with significant financial octane today and flexibility to drive future growth as the market improves.

Let me now turn the call back to Ryan for some closing remarks.

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Thank you, Charlotte. Q3 was an incredible time of change for our industry. We saw the biggest industry changes any of us can remember roll out. We saw ongoing mortgage rate volatility with rates actually rising again near the end of the quarter, and we saw a housing market that was frankly worse than forecasters anticipated.

But given all of that, I'm proud of our achievements in the quarter, including generating meaningful EBITDA and free cash flow as we remain disciplined on both margin and profitable growth, investing in critical strategic areas like luxury, franchise, owned brokerage, and generative AI, supporting our agents and franchisees navigating industry changes with a competitive edge, and continuing to deliver on the things in our control like our higher cost savings target for the year.

These accomplishments were anchored by our great employees, agents and franchisees who throughout all of this remained focused on delivering for customers.

I'm excited by our strategic progress as we continue to invest in the future. We are positioned to generate great financial octane in stronger housing markets and deliver long-term value for our agents, franchisees, and shareholders. The future is full of opportunities, and Anywhere Real Estate is ready to lead real estate to what's next.

With that, we will now take your questions.

QUESTION AND ANSWER SECTION

Operator: Thank you. [Operator Instructions] Our first question comes from the line of Anthony Paolone with JPMorgan. Please go ahead.

Anthony Paolone

Analyst, JPMorgan Securities LLC

Great. Thanks. Good morning. I mean, I guess first one for Ryan. Can you maybe give us your take on two things, both the current state of the housing market and also your view on clear cooperation policy, both of these being widely discussed these days?

A

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Yeah. Thanks, Tony. Those are probably the two biggest things getting talked about in the industry right now. So, on the housing market, you're catching me at a big moment of excitement. And if I step back a little bit, you go back to kind of the start of the third quarter and you had these incredibly credible forecasters that Fannie Mae and others thinking the quarter was going to be kind of closer to 10% growth with both growth in units and prices. And it didn't really work out that way, right? The quarter was a lot closer to flat. Units were down. Prices were up a little bit. But the fourth quarter has started off very differently than that.

As I mentioned, our closed volume in October was up 9% year-over-year and our open volume is up 16%. And that's better than what people are forecasting today for the quarter. So, we're really excited about that.

And then a couple of the markets like, Florida had a rough ride in Q3. We see that improving already in October. And so, given that we've been at this kind of 4 million unit trough here for almost two years, to see this kind of growth, not just in the closed, but the opened, has been pretty exciting, especially given the financial octane that we just generate when you get a stronger housing market. So, we're feeling good. It's early. One month doesn't make a trend. But, boy, we like that first step in where things may be going. So, that feels really good.

On your other part of your question on clear cooperation, there's been a lot of discussion about that, both in the news and competitively. And just for background, clear cooperation, for folks who don't know, that's a rule that requires listings to be published within one business day for kind of public marketing. And frankly, it does put a little bit of limit on consumer choice and flexibility, but it really ensures equal access to available inventory, and we actually don't support rescinding that policy.

We've given some alternatives that I would kind of characterize as relaxed, but not repeal that policy, but we don't think it should go away. And bluntly, if you step back from those arguments, Tony, and let's just tell some truth here, the real debate about clear cooperation is who is going to be advantaged and who is going to be disadvantaged in business for this, right? And I think if we repeal this thing, it's disadvantage for both sellers and buyers. Buyers, they then don't get the lack of transparency of the current listing inventory. And over the long run, sellers, frankly will have less info of what's happening in their market, and there's also some fair housing issues in repealing this thing. But the real industry debate is who's going to win if this thing gets repealed, right? And repealing, it's going to advantage the large brokers, including some who are advocating for repeal as people could create curated gardens or walled gardens around their listings. And the reality is we have more listings than anybody does, Tony. And so, if this thing got repealed, we could be the biggest beneficiary, even if we don't think that's the right answer. But the message I share with my team, my agents, and my franchisees is, if it does get repealed and the market shifts, we will be advantaged because of our scale in listings and our networks. And bluntly, I'm not going to sit here and let someone else have an advantage and put our agents and franchisees at a disadvantage. So, we're not here to like start this change out there in the industry. But I guarantee you, we're in a better position than anybody to be advantaged of it if it did happen and we're sure not going to stand idly by and let our folks be at a disadvantage.

Anthony Paolone

Analyst, JPMorgan Securities LLC

Q

Understand. Thanks. That's great commentary. And then just my second question is, can you discuss or give us any data on just early read on what's happening with buy-side commission rates given the August 17 change?

Ryan M. Schneider

A

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Yeah. I mean, I believe, Tony, we're the only public brokerage firm that publishes average broker commission rates, so it's right there for you to see. And our commission rates were down 4 to 5 basis points this quarter, 4 points in one business, 5 points in the other business, and that's actually a little less than last quarter and we gave a bunch of commentary last quarter on what was driving that. And we haven't seen anything change, so you can go back and look at that commentary. But we're going to keep leaning into the transparency of just publishing these things every single quarter, so you can see. And again, the magnitude of impact that we saw in the quarter overall was 4 to 5 basis points and there were a bunch of factors that drove that, many of which we listed last quarter.

Charlotte C. Simonelli

A

Executive Vice President & Chief Financial Officer, Anywhere Real Estate, Inc.

Yeah. It's a prior-year comp issue that we talked about in the second quarter and then also a mix issue.

Anthony Paolone

Q

Analyst, JPMorgan Securities LLC

Okay, great. Thank you.

Operator: Our next question comes from the line of Tommy McJoynt with KBW. Please go ahead.

Tommy McJoynt

Q

Analyst, Keefe, Bruyette & Woods, Inc.

Hey, good morning, guys. Thanks for taking my questions.

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Hey, Tommy.

A

Tommy McJoynt

Analyst, Keefe, Bruyette & Woods, Inc.

It might be helpful even to dig in on those October trends a little bit on a week-by-week or maybe first-half or second-half basis. Obviously, mortgage rates are very impactful on home sale demand. So, can you maybe talk about what you saw kind of over the course of the month, given the 30-year mortgage is back up above 6.5% now?

Q

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Yeah. I got to be honest, man. I was surprised. One of the reasons I was so positively surprised by October is how mortgage rates picked up there at the end of September, right? And just creating a little more headwind into what already has been a pretty tough market. But we saw it'd be pretty similar over the whole four weeks. We didn't see a lot of week-to-week variation in that, Tommy. And again, I was more worried the September uptick was going to lead to a bigger drop. Instead, things have kind of gone the other way.

A

And then, it's been interesting geographically. Like I mentioned, Florida is improving really in October. California is having a really nice October. New Jersey is having a really nice October, North Carolina, Massachusetts. Sometimes you get these different regions have different performance issues kind of thing going on. But in October so far, it's been pretty much across the board, northern states, southern states, eastern, western, red, blue, all those kind of different cuts you could do. So, that's part of the reason I'm pretty excited by it, just that optimism that it's a little more widespread even in the face of those higher mortgage rates and so – and it's not driven by price cuts either, right? We see both good performance in units and in price. So, it's something positive maybe happening out there. And either way, we have those actual results for the month that obviously with our business help the financial octane right there.

Tommy McJoynt

Analyst, Keefe, Bruyette & Woods, Inc.

Got it. And then switching over, you made a couple of comments on some AI investments and it'll be exciting to see some of the use cases come to fruition. When you think about AI utilization in the industry and the potential for more automation, do you see any risk of that potentially enabling pressure in fees across the space, or do you think that just leads to a more efficient agent, perhaps less agents in the industry? How do you see AI impacting things?

Q

A

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

I'm a little older than you, Tommy. I remember when companies had Internet teams and then the Internet permeated everything and changed every aspect of how we do things. And that's my analogy today, too. I think it's – all of us have deep efforts on AI, but it's going to integrate across everything we do. I think there'll be substantial amount of operational efficiency coming out, but it's not just the lower cost, it's the automation, the lower error rate, the better, faster kind of experiences. It's something that is anchoring some of the underlying brokerage title integration that we're trying to do for those same objectives. And then I think it'll help have great agents, have more time to do what they do best, which is generate business and execute transactions out there.

I do think it will drive -- be part of less agents in the industry, but I think that phenomenon is already going on and I've commented publicly that I expect that and that there is a lot of good in that.

Q

Tommy McJoynt

Analyst, Keefe, Bruyette & Woods, Inc.

Thanks.

Operator: Our next question comes from the line of Matthew Bouley with Barclays. Please go ahead.

Q

Matthew Bouley

Analyst, Barclays Capital, Inc.

Thanks for taking the questions. Wanted to ask about the earnings in the quarter. It sounded like there were some employee and legal expenses. Just curious, if they were one-time, if you can kind of quantify that. Obviously, overall OpEx was actually higher year-over-year. So, just want to get a sense of kind of ongoing costs versus if anything was one-time and anything to kind of help explain some of the, I guess, elevated costs we saw during the quarter. Thank you.

A

Charlotte C. Simonelli

Executive Vice President & Chief Financial Officer, Anywhere Real Estate, Inc.

Sure. Absolutely. It's kind of a tale of two different cities. The employee-related piece was actually sort of consistent with what we were expecting, the one-time thing happened last year. So, that's why it looks inflated versus last year, because we had a one-time true-up that impacted last year's results.

On the legal side, the expenses that we took in the quarter, we do believe to be more one-time in nature and that's why I called out both things, but they're very different. One is a prior-year comp issue and one is incremental cost that was one-time that we had in the quarter that was higher than we would have anticipated. So, both of those in total are material enough for me to call them out in the script, but we're not really disclosing the exact amount.

Matthew Bouley

Analyst, Barclays Capital, Inc.

Okay. Fair enough. Thank you for that, Charlotte. And then just kind of back up to the higher level on the commission rate. So, obviously, you guys will stay transparent, as you mentioned, and that's super helpful. But as you mentioned, I guess outside of mix, the commission rates are really not falling. But I guess what are you actually hearing on the ground today around, I guess, how buyer agents are approaching, the buyer agreements, how has that evolved since this went down and kind of hearing anything around consumers pushing back at all. Just any kind of on-the-ground market color there would be helpful. Thank you.

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

I've been so proud of our agents. We rolled out five different buyer agreements, may have been a little overkill, but we thought it was the right thing to do, emphasizing two things. These things have to be simple. You got to be able to absorb them on your phone, in the driveway, wherever kind of experience, and they got to be flexible, right? We rolled out agreements that just let you tour a house with an agent. We rolled out agreements on the other end of the spectrum that are six months long to go down the journey of finding a home and things -- and then some single house or multi house kind of agreements kind of in between.

The six month, let's go find the great home for our family agreement together. That's by far been the biggest one getting used, by far. And we love that, right, because it tells me that other consumers are still choosing to work with our agents deeply to help them find the next home that's awesome for their family and that they value them.

So, we've really been excited by how our agents have leaned into articulating their value, building their relationship and actually delivering over the long term for folks. And the fact that that agreement's been used more than the other four by a meaningful amount makes me incredibly excited because I'm not sure I would have predicted that going in, and that's part of the reason we rolled out the five agreements. So, that's what we're hearing. It's early, so nobody is assuming that we're done with that journey. But, boy, we like those early results. And again, the fact that people continue to work -- want to work with our great agents and do it on that kind of long-term exclusive basis and willing to sign their name to it, I feel it's great. I feel really good at it. And then I think -- I did give us credit in the script for trying to prepare people to navigate it well. And I think we've gotten feedback that our folks feel really well positioned, especially relative to a lot of competitors to have done that.

Matthew Bouley

Analyst, Barclays Capital, Inc.

Excellent. Thanks, Ryan. Good luck, guys.

Q

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Thank you.

A

Charlotte C. Simonelli

Executive Vice President & Chief Financial Officer, Anywhere Real Estate, Inc.

Thank you.

A

Operator: [Operator Instructions] Our next question comes from the line of John Campbell with Stephens. Please go ahead.

John Campbell

Analyst, Stephens, Inc.

Good morning.

Q

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Hi, John.

A

John Campbell

Analyst, Stephens, Inc.

Q

Ryan -- hey. You guys -- you've gotten a couple of questions on the average broker commission rate. Just to put maybe a finer point on that, I mean, obviously the October closed and open activity was really, really good. I don't know how much insight you have into that order activity. But as far as you can tell, how did the average broker commission rate look within that mix? Is it holding steady relative to what you saw in the quarter?

Ryan M. Schneider

Director, Chief Executive Officer & President, Anywhere Real Estate, Inc.

Yeah. I actually don't have that data yet, to be honest, so I don't have anything to give to you on that. But, the numbers we printed for the quarter are pretty consistent across the quarter of Q3. So, whether that continues to trend for October, we'll see, but we're -- we feel good.

John Campbell

Analyst, Stephens, Inc.

Okay. That's fair. And then on splits, I mean, obviously, you guys have done a good job moderating and kind of holding that steady looks like over the last two-and-a-half years. I'm curious about how much of that stabilization has been due to just a more reasonable competition versus kind of the fall-out on housing. I know you probably have less capping and whatnot. So, I guess maybe another way to frame is, what do you feel like the underlying splits are going to look like with some degree of housing recovery at some stage?

Charlotte C. Simonelli

Executive Vice President & Chief Financial Officer, Anywhere Real Estate, Inc.

Yeah. There's a couple of different variables there. I think you called out competition. I do think in part more stable competition and even just different business models in real estate competing with each other versus with us necessarily helps the competitive lens a bit. So, I think competition is definitely a variable.

And then as the housing market recovers, there's a couple of different variables too, like, sure as volumes go up, some of our agents will go up their rate table. That's one thing. But offsetting that could be agent mix coming back down a little bit as more transactions come into the pipeline. So, I love that 10 quarters kind is a trend. And so, if we've been able to navigate that well for the last 10 quarters, I think we're feeling much better about keeping it in this more normalized range in the future. But those are some of the push points for sure. Competition is probably the single biggest one.

John Campbell

Analyst, Stephens, Inc.

Okay. That's great to hear. Thanks, Charlotte.

Operator: We have no further questions at this time. With that, we will conclude today's conference call. Thank you all for your participation. You may now disconnect.

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