



Investor Presentation

NASDAQ **FTHM**

Fathom Holdings, Inc. is a national, technology-driven, real estate services platform integrating residential brokerage, mortgage, title, and SaaS offerings to brokerages and agents by leveraging proprietary cloud-based software

[VISIT.FATHOMINC.COM](https://www.fathominc.com) →

January 2025



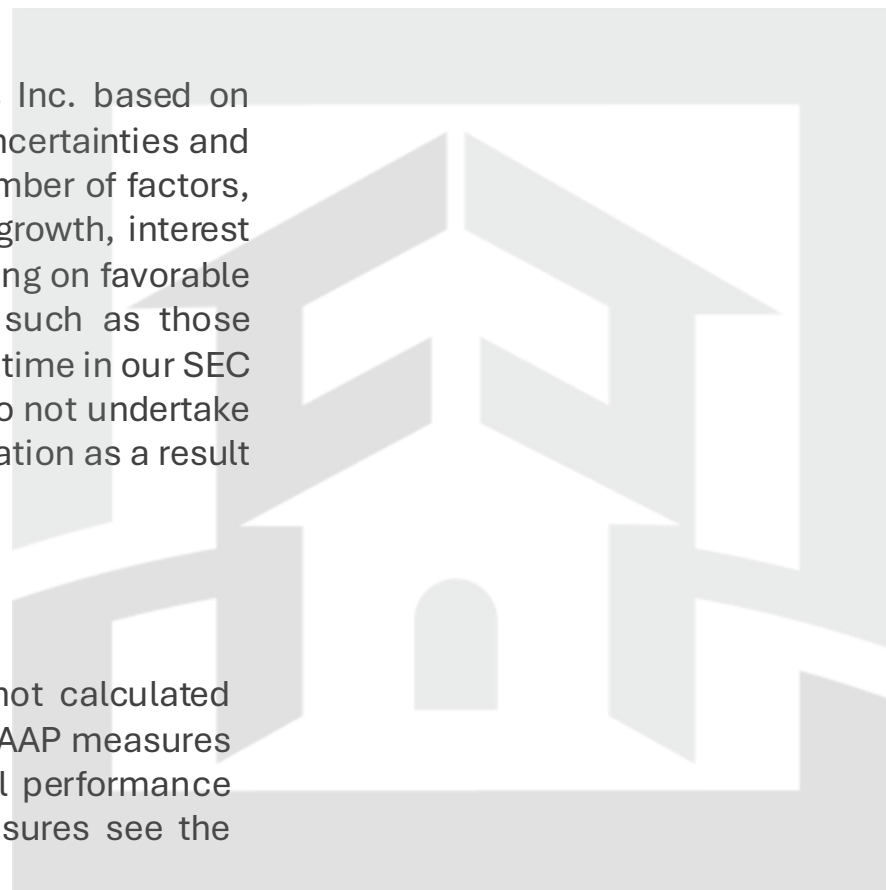
Legal Disclaimer

Forward Looking Statements

This presentation contains forward-looking statements about Fathom Holdings Inc. based on management's current expectations, which are subject to known and unknown uncertainties and risks. Our actual results could differ materially from those discussed due to a number of factors, including uncertainty as to our future revenue and profitability, management of growth, interest rates, the real estate market, our ability to raise additional equity and debt financing on favorable terms, competition, general economic and real estate industry uncertainties such as those caused by ongoing anti-trust litigation, and other risk factors set forth from time to time in our SEC filings. We are providing this information as of the date of this presentation and do not undertake any obligation to update any forward-looking statements contained in this presentation as a result of new information, future events or otherwise.

Non-GAAP Measures

This presentation contains certain supplemental financial measures that are not calculated pursuant to U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. For a reconciliation of our non-GAAP measures see the bottom of slide 25, and for important disclosures see slide 29.



Fathom Snapshot

ABOUT FATHOM

Fathom Holdings is a national, technology-driven, end-to-end real estate services platform integrating residential brokerage, mortgage, title, and SaaS offerings for brokerages and agents across the U.S. **It's not a new approach to an old model; it's a full-blown reinvention.**

Fathom offers real estate agents the opportunity to keep more of their hard-earned commission dollars through a differentiated commission model. Our unique, low-cost, and disruptive model has allowed Fathom to attract agents faster than our peers and enjoy agent retention rates approximately twice the national average.

In addition, our wholly owned mortgage, title, and SaaS businesses allow Fathom to generate more revenue and more profit per transaction.

2024 HIGHLIGHTS



\$244M

Revenue thru Q3 2024



35,000+

Transactions in 2024



24%+

Agent Growth as of Oct 2024



\$20M

Lifetime Software
Acquisitions



Expansion

Opened 5 new states
in 2024



Acquisition

2,200 real estate agents
\$100M est. revenue for 2025
12,000 est. transactions for 2025



Positive Market Outlook

According to NAR's Chief Economist, Lawrence Yun

2025 Forecast



4.36M in Home Sales
9% INCREASE



\$1.79T in Total Home
Sale Volume

2026 Forecast



4.93M in Home Sales
13% INCREASE



\$2.07T in Total Home
Sale Volume



6% Rates

Significant recovery fueled by
lower and stabilizing rates



Lawrence Yun
NAR Chief Economist

Investment Highlights

1

Real Estate Brokerage Reinvented

Highly disruptive tech-based real estate platform combining brokerage, mortgage, title, and SaaS services.

2

Unmatched Value Proposition

Agents gain top-tier technology, support, and training while earning more income per transaction and through recruiting.

3

Proprietary Technology

Designed to streamline every aspect of the brokerage operation enabling unmatched scalability, cost efficiency, and innovation.

4

Ancillary Services

Fully-owned mortgage and title companies drive higher margins by leveraging our expanding agent network and transactions.

5

Effective Growth Strategy

Aggressive expansion strategy, prioritizing both substantial growth and sustainable profitability.

6

Historical Performance

Navigating a challenging market with steady progress and a strategic focus on long-term growth.

7

Experience Management Team

Led by industry veterans with a proven track record of driving growth and innovation in real estate, mortgage, title, and technology.



1 Real Estate Brokerage Reinvented

Fathom is not a new approach to an old model; it's a full-blown reinvention. Highly disruptive tech-based real estate platform combining brokerage, mortgage, title, and SaaS services.

	FATHOM REALTY DISRUPTOR	TRADITIONAL BROKERAGE OLD MODEL
BROKERAGE MODEL	Tech-enabled, flat-fee commission brokerage designed for scalability and agent profitability.	Legacy model with high commission splits and limited innovation in operational efficiency.
AGENT COMMISSION	Flat \$500 per transaction, allowing agents to maximize their income.	Agents pay 20-40% of their commission to the broker, significantly reducing take-home income.
OFFICES	Virtual model with minimal overhead, enabling rapid expansion into new markets.	Brick-and-mortar offices result in higher costs and slower market expansion.
TECHNOLOGY	Proprietary Platform-as-a-Service (PaaS) empowers agents and brokers with unmatched scalability, cost-efficiency, and innovation.	Limited or outdated technology increases operating costs and contributes to agent dissatisfaction.
ANCILLARY SERVICES	Fully-owned mortgage and title companies increase margins by leveraging the agent network and transaction volume.	Services vary widely by company and region, often resulting in inconsistent support for agents and clients.
GROWTH POTENTIAL	High growth driven by industry-low agent attrition and an attractive, agent-focused commission model.	Growth has stagnated, with many firms losing agents to modern, tech-driven models like Fathom.

2 Unmatched Value Proposition

Agents gain top-tier technology, support, and training while earning more income per transaction and through recruiting.

Industry-Best
Commission Splits



Reimagined
Revenue Sharing



Effective
Technology



Real Estate
Leads



Training
That Works



Meaningful
Agent Support



Industry-Best Commission Splits

With two commission plans available, agents keep more income per transaction, providing them with the resources to grow their business and support their family.

Fathom agents earn **vastly more income** on every sale, but that is only one of the many reasons they join Fathom. More income means greater opportunities to invest in growing their business. It's time for them to **come grow with us!**

Marco **Fregenal**
CEO



COMPENSATION COMPARISON

	FATHOM Max Plan	FATHOM Share Plan	Traditional Brokerages
Annual Fee or Monthly Fee Annualized	\$700	\$700	\$1,200 AVERAGE
Pre-Cap Fee/Split	\$465 + \$35 E&O	12% (\$465 min) + \$35 E&O	30% Commission AVERAGE
Annual Cap on Commissions	\$9,000	\$12,000	N/A for most brokerages
After Cap Fee	\$165 + \$35 E&O	\$165 + \$35 E&O	Remains at 30% AVERAGE
Referral Program	Rev Share	Rev Share	N/A for most brokerages

INCOME COMPARISON



\$430,000	Sale Price
x 2.7%	Commission %
\$11,610	Total Commission
- \$465	Flat-fee to Fathom
\$11,145	Total to Agent

VS



\$430,000	Sale Price
x 2.7%	Commission %
\$11,610	Total Commission
- \$3,483	Split to Broker (30%)
\$8,127	Total to Agent

\$3,018* MORE INCOME ON JUST ONE SALE

NOTES

1. Calculations based on Fathom's **Max Plan**
2. Savings * based on median sales price and common agent commission in U.S. at the time chart created.
3. Total to agent does not include E&O from either example.



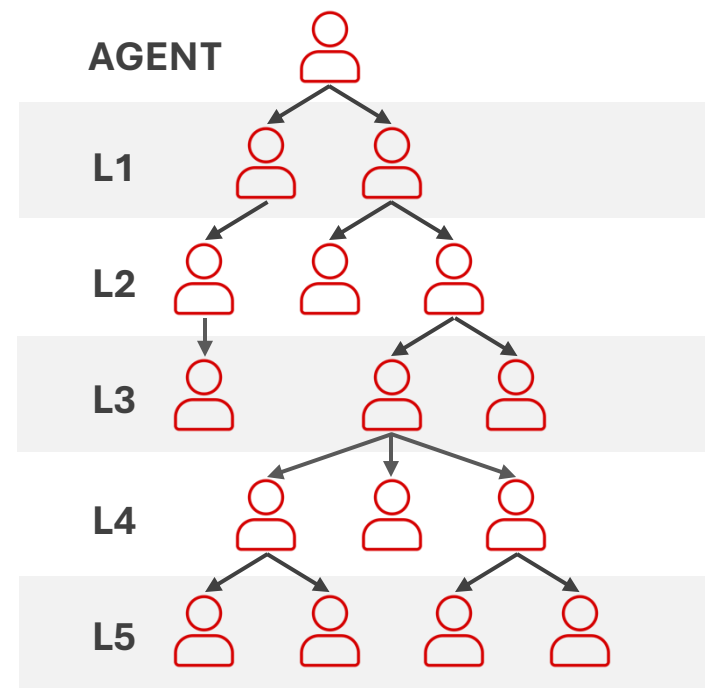
Faster Growth Thru Revenue Sharing

Revenue sharing is a program that allows agents to earn additional income by receiving a portion of Fathom’s gross profit generated from transactions completed by the agents they recruit into the company. This incentivizes agents to help grow the Fathom network.

Tiered Earnings (levels)



LEVEL 1: Agents personally recruited.	10%	35%
LEVEL 2: Agent’s level 1 recruits.	10%	25%
LEVEL 3: Agent’s level 2 recruits.	10%	20%
LEVEL 4: Agent’s level 3 recruits.	10%	15%
LEVEL 5: Agent’s level 4 recruits.	10%	5%



Why Revenue Share works:

- Increases **growth** thru referrals.
- Improves agent **retention**.
- Encourages agent **collaboration**.
- **Reduces** marketing spend.

Revenue Sharing Example

Example flow of gross profit.

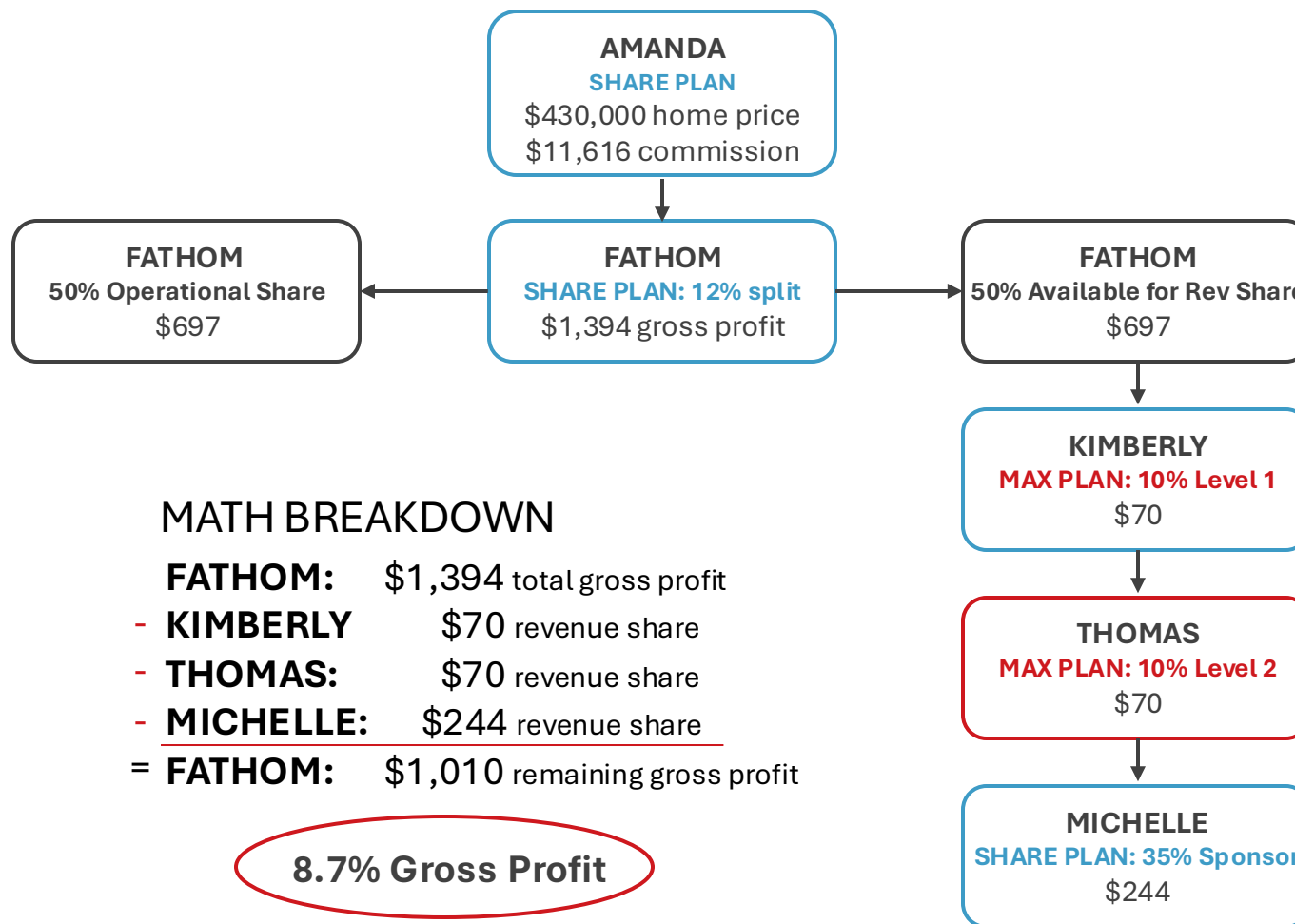


SPONSORING AGENT: Michelle (Share Plan)

↳ **LEVEL 1:** Thomas (Max Plan)

↳ **LEVEL 2:** Kimberly (Max Plan)

↳ **LEVEL 3:** Amanda (Share Plan)



Effective Technology

Fathom’s cutting-edge proprietary technology equips agents with all the tools and resources they need to achieve success and grow their business.

72%
of agents want better
tools and tech
Source: NAR 2023 Report

AGENT WEBSITES

Professional, customizable websites designed to showcase the agent’s brand and attract clients.

CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

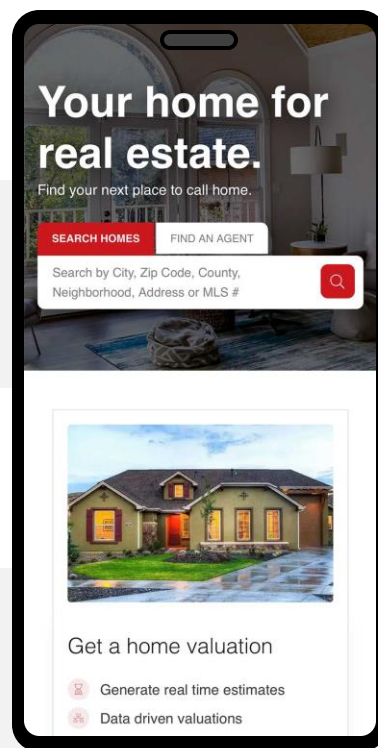
A powerful system to organize, nurture, and convert leads into loyal clients.

TRANSACTION MANAGEMENT

Streamlined tools to manage contracts, deadlines, and compliance for a seamless closing process.

NEIGHBORHOOD REPORTS

Detailed, data-driven insights to help clients make informed decisions about their next move and generate new leads.



LEAD GENERATION

Innovative tools and strategies to drive new leads and expand the agent’s client base.

MARKETING CAMPAIGNS

Campaign management tools for email, text, video, social media, and more to boost the agent’s visibility and engagement.

PRINT AND WEB MARKETING CENTER

A one-stop resource for creating high-quality print and digital marketing materials tailored to your needs.

Real Estate Leads

Providing powerful lead generation tools and programs to help agents close more deals and grow their business.

87%
of agents want more
and better leads
Source: NAR 2023 Report



HOMETOWN HEROES

Connects agents to local heroes with exclusive benefits.



AI FOR LEAD ENGAGEMENT

Maximizes conversion rates by automating personalized outreach.



Go Social Agent

Simplifies social media marketing to drive inbound leads effortlessly.



FIRST TIME BUYER PROGRAM

Captures a growing market of first-time homebuyers with tailored solutions.

Meaningful Support and Training

Agent support and ongoing training for agents of all levels and experience.

80%
of agents want better meaningful support
Source: NAR 2023 Report

AGENT SUPPORT

Fathom provides unparalleled support to its agents.

- Experienced local managers who offer guidance and mentorship.
- Real time phone, email, and chat support.
- Robust transaction management services, ensuring agents can focus on their clients and close deals efficiently.



ON DEMAND TRAINING

Over 150 courses available 24/7



LIVE LOCAL TRAINING

Taught by local industry experts



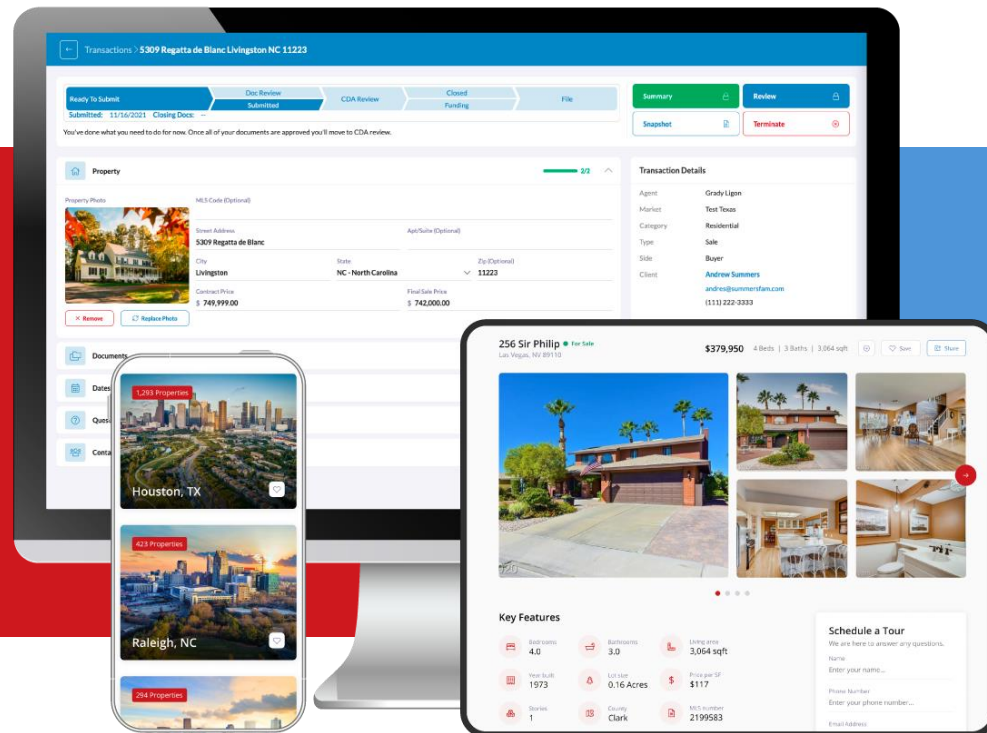
AGENT MENTOR PROGRAM

One-on-one hands-on training for newer agents



3 Proprietary Technology

Fully owned and developed in-house, Fathom's proprietary technology, powering every aspect of our real estate platform, enabling unmatched scalability, cost efficiency, and innovation across our real estate and SaaS services. Fathom's proprietary technology is used by many of the largest real estate companies in the U.S., touching over 300,000 agents.



intelliAgent

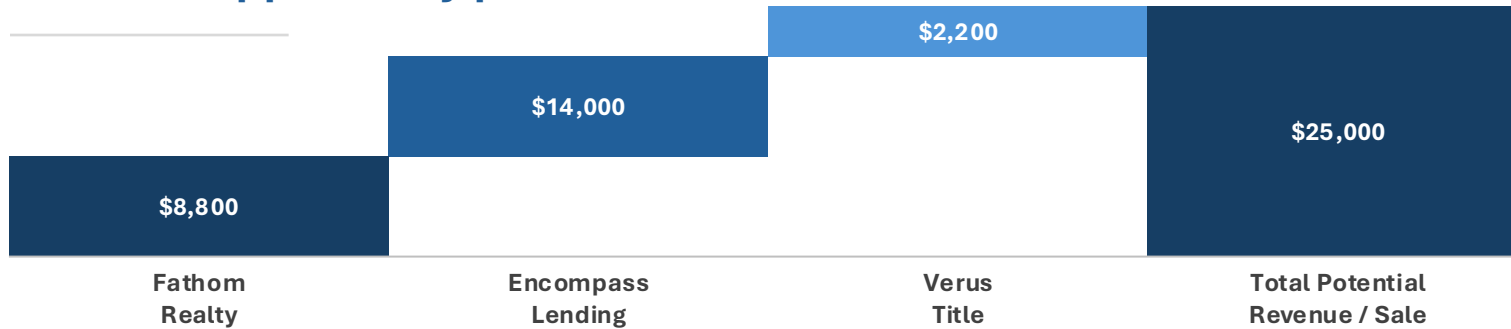
TECH HIGHLIGHTS

- **Streamline** and automate operations.
- **Faster** expansion into new markets.
- **Minimize** external tech costs.
- **Reduce** costs per agent with growth.
- **Improve** attach rates for core businesses.
- **Increase** gross profit per transaction and agent.

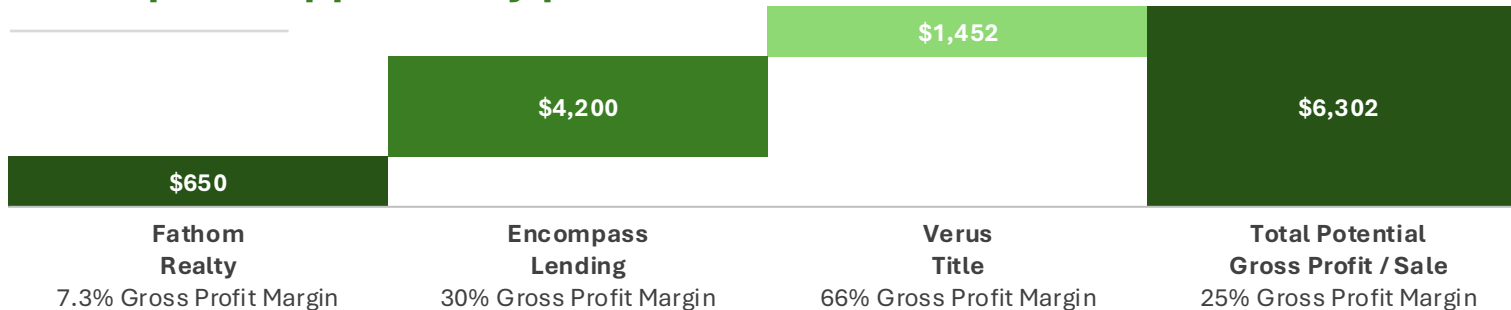
4 Ancillary Services

Fully-owned mortgage and title companies drive higher margins by leveraging our expanding agent network and transactions in a \$215B addressable market.

Revenue opportunity per transaction.



Gross profit opportunity per transaction.

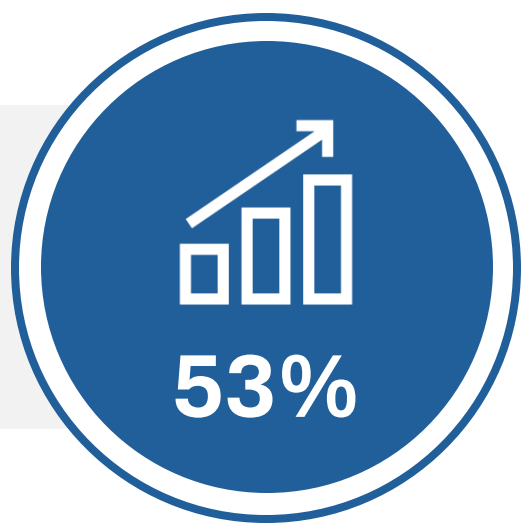


Fathom’s impressive margins, achieved while offering highly competitive commission plans to our agents, are only part of the story. When combined with revenue from our ancillary services, our potential to deliver substantial shareholder value becomes unmistakably clear.



Ancillary Growth

Remarkable growth highlighting the strength and momentum of our ancillary services.



GROWTH YOY
Q3 GROSS REVENUE



GROWTH YOY
Q3 GROSS REVENUE

5 Effective Growth Strategy

Aggressive expansion strategy, prioritizing both substantial growth and sustainable profitability.

There are two prevailing approaches to company growth: one focuses on driving massive revenue at the expense of profitability, while the other sacrifices growth to ensure strong profits. At Fathom, we're determined to strike a balance and achieve both.



1. FINANCIAL: REAL ESTATE PLATFORM

Fathom's platform delivers the lowest cost per agent and per transaction in the industry, enabling a faster and more sustainable path to profitability. With exceptionally low agent turnover, Fathom outperforms traditional brokerages in operational efficiency.

- According to Real Trends, the industry average cost per transaction for a traditional brokerage ranges from \$1,200 to \$1,800*.
- Fathom achieves an industry-low direct cost per transaction of only \$264.

2. FINANCIAL: INCREASE GROSS PROFIT PER TRANSACTION

Fathom aims to boost gross profit per transaction to \$800 by expanding offerings such as leads, ancillary services, and transaction-related solutions.

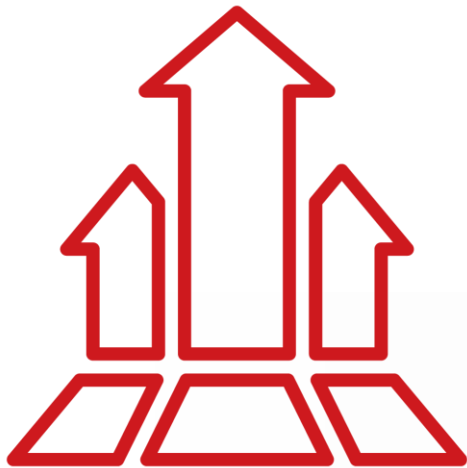
3. FINANCIAL: INCREASE OVERALL GROSS PROFIT

By enhancing integration across ancillary services, marketing solutions, and SaaS platform offerings for agents and brokerages, Fathom is driving broader revenue growth and profitability.



Agent Growth

Agent growth drives increased transaction volume, fueling profitability through higher revenue and economies of scale.



**100K
AGENTS**

ORGANIC GROWTH

1. Attract top talent with industry-leading commission plans that empower agents to keep more of their earnings.
2. Expand revenue opportunities for high-performing agents and teams through integrated ancillary services like mortgage, title, and SaaS offerings.
3. Foster a culture of excellence and collaboration that inspires agents to thrive and grow their businesses.

AGENT REFERRALS

1. Capitalize on agent referrals, which currently drive nearly 50% of Fathom's growth.
2. Enhance referral momentum with revenue-sharing incentives, creating a virtuous cycle of agent recruitment and retention.

ACQUISITIONS

1. Over 100 acquisition targets identified, primarily smaller brokerages struggling with operational inefficiencies, representing more than 200,000 agents and 400,000 transactions annually.
2. Leverage Fathom's proprietary technology and scalable operational model to transform these unprofitable companies into profitable entities, driving long-term growth.

Recent Acquisition

Leveraging Fathom's proprietary technology and scalable operational model to transform unprofitable companies into profitable enterprises, fueling long-term growth.



On November 1, 2024, Fathom acquired Arizona-based My Home Group, adding 2,200 agents and over 12,000 transactions completed in 2024.



2025 PROJECTIONS

Over \$100M in revenue and \$1.2M in EBITDA.



2026 PROJECTIONS

Over \$130M in revenue and \$2.0M in EBITDA.



BREAKEVEN

Acquisition breakeven expected within 2 years.

Cryptocurrency Growth Strategy

Industry first and positioned for the future.

1. STRATEGIC TREASURY ASSET



Fathom strategically invests excess capital in Bitcoin, positioning the company as future-ready while providing a strong hedge against inflation and market volatility.

2. PIONEERING REAL ESTATE CLOSINGS



Through its title company, Fathom will lead the industry by offering real estate closings powered by cryptocurrency. This innovative approach leverages blockchain technology to reduce costs, enhance security, and transform the buying experience.

3. EMPOWERING AGENTS



Fathom empowers its agents with the option to be paid in Bitcoin, offering innovative financial flexibility and positioning them to thrive in an increasingly digital and rapidly evolving economy.



6 Historical Performance

Navigating a challenging market with steady progress and a strategic focus on long-term growth and profitability.

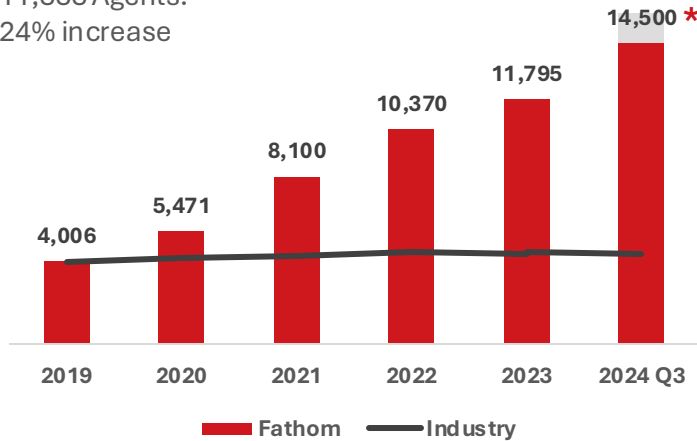
Growth is easy in a thriving market, but the real test is when the market is under immense pressure from inflation, high interest rates, and government bureaucracy. I could not be prouder of our Fathom family for our strong performance, quarter after quarter.

Marco **Fregenal**
CEO



AGENTS

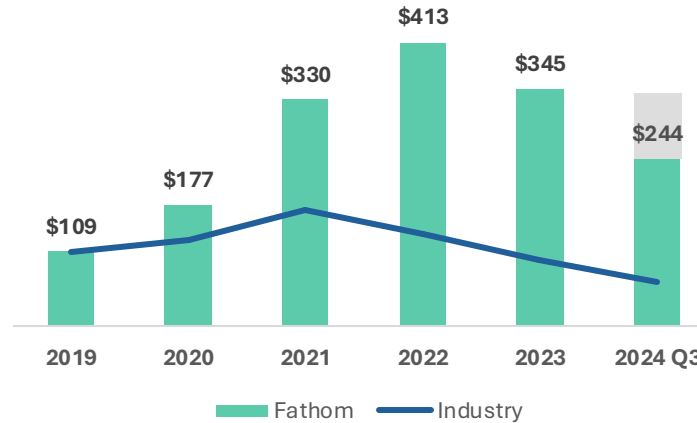
Q3 2024 (+ acquisition) 14,500 Agents vs. Q3 2023 11,333 Agents.
24% increase



*Includes Q3 and My Home Group Acquisition

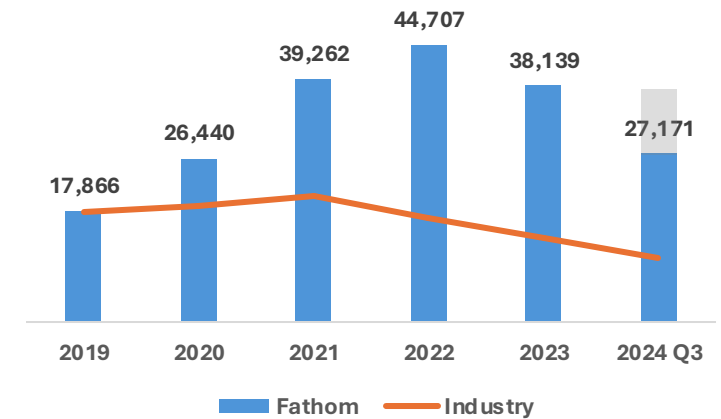
REVENUE (\$M)

Q3 2024 \$83.7M vs. Q3 2023 \$93.5M
10% decrease. Due to mortgage rate increases.



TRANSACTIONS

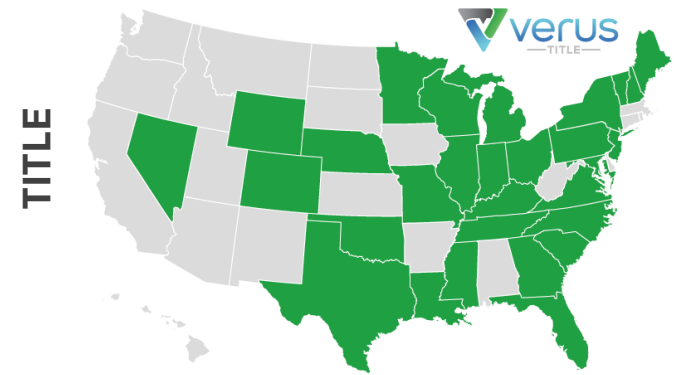
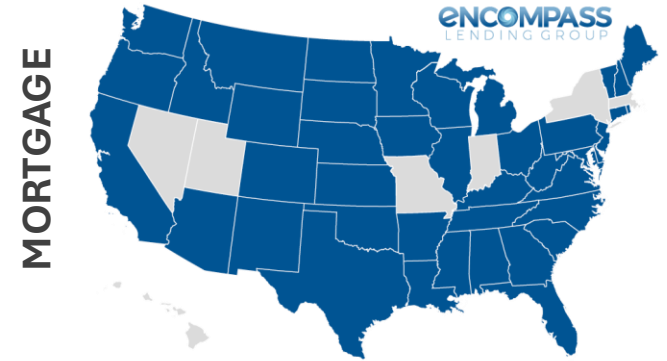
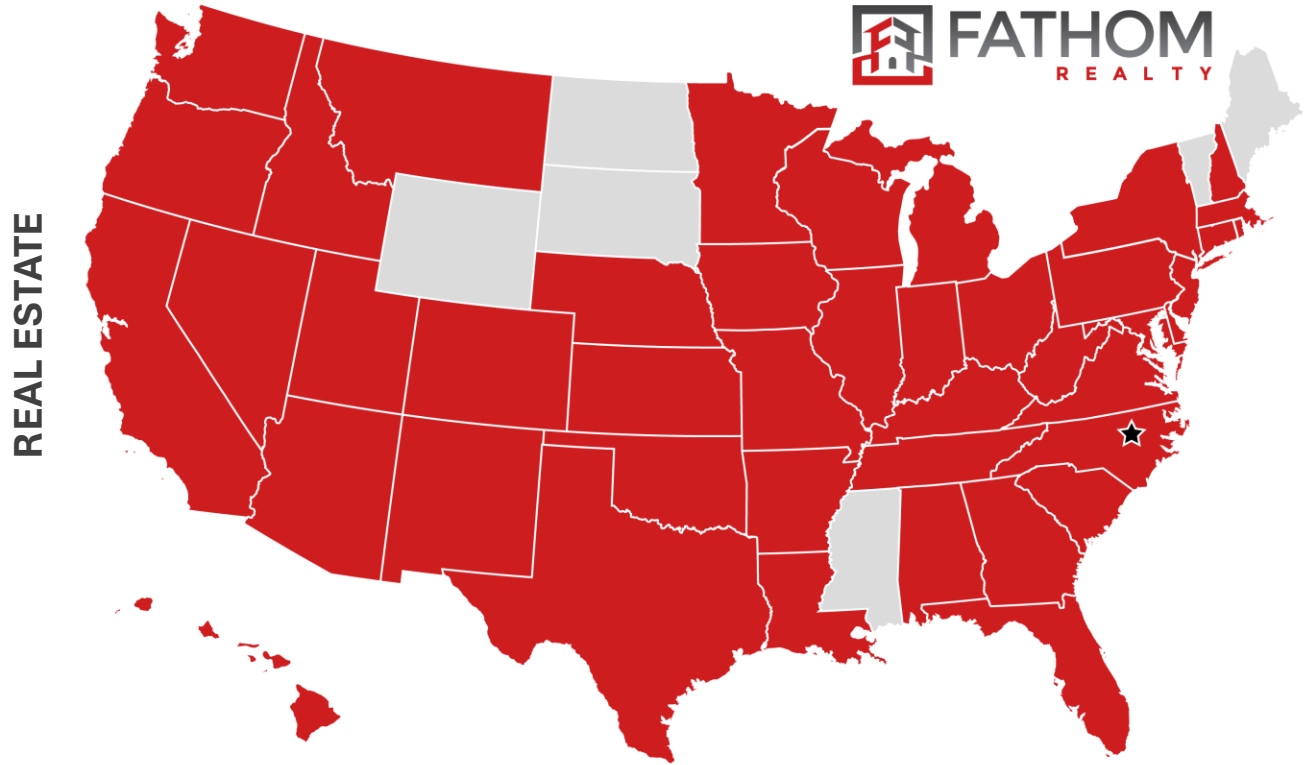
9,331 Q3 2024 vs. 10,303 Q3 2023;
9% decrease. Due to mortgage rate increases.



Growing Coverage

14,500+ Agents Across 43 States & D.C.

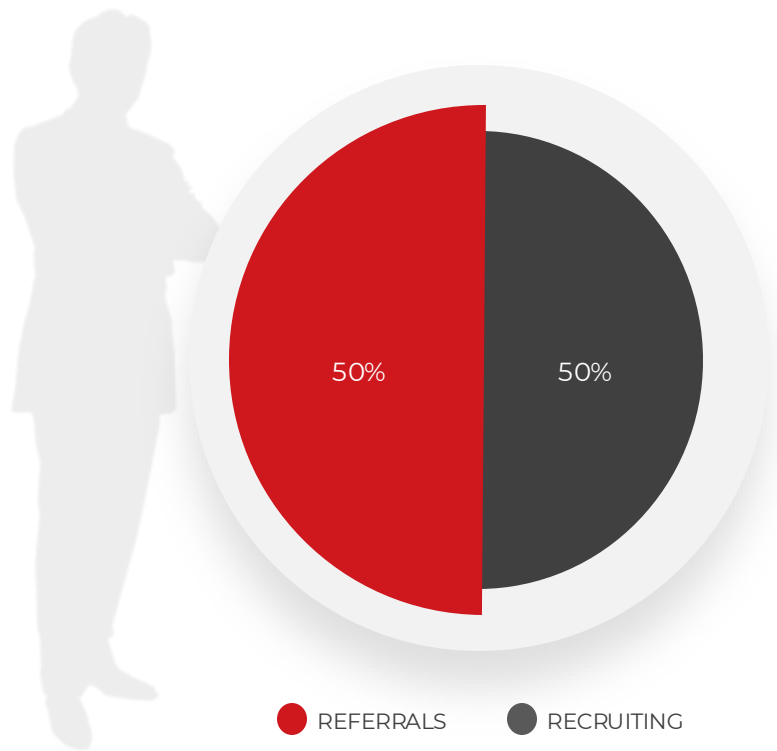
Expansion plans to all 50 states and Canada.



Low Agent Acquisition Cost

Data as of Q3 2024.

AGENT GROWTH BY SOURCE



AGENT ACQUISITION COST BREAKDOWN

Quick Break-even 15X LTV to CAC	
Annual Fee on First Sale	+ \$700
Transaction Fee per Sale	+ \$550
Gross Profit on First Sale	= \$1,250
Cost to Acquire Agent	- \$1,100
Break-Even	First Sale

Low Agent Turnover

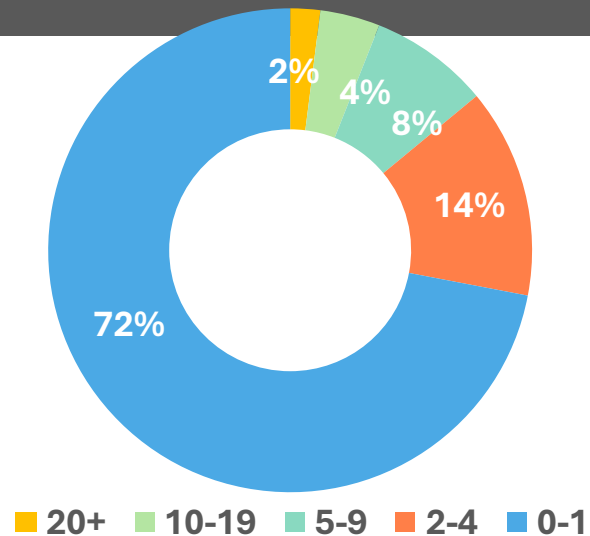
Data as of Q3 2024.

When you build the right culture centered around service and a deep love for your agents, you are rewarded with loyalty. When you combine that with our unmatched value proposition, it's no wonder we have the lowest turnover in the industry.

Samantha **Giuggio**
FATHOM REALTY COO



Turnover by Agent Productivity



Lower Turnover With Our Model

Fathom 1.7% / MONTH
vs
Industry 3%+ / MONTH

- 86% of the agents who leave sold **less than 4 homes** annually
- Only 6% of agents who leave sold **more than 10 homes** annually

Consolidated Statements of Operations (000)

	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024
	Audited	Audited	Audited	Audited	Audited	Unaudited	Unaudited
Gross commission income	\$176,631	\$314,373	\$390,615	\$325,405	\$65,385	\$83,125	\$78,563
Other service revenue	153	15,857	22,349	19,821	5,118	6,082	5,170
Total Revenue	\$176,784	\$330,230	\$412,964	\$345,226	\$70,503	\$89,207	\$83,733
Commission & other agent-related costs	\$166,344	\$300,509	\$372,246	\$308,094	\$61,167	\$78,045	\$74,187
Operations and support	21	5,470	8,249	7,513	2,109	2,676	2,293
Technology and development (incl. D&A)	372	3,911	7,715	7,609	1,950	1,906	2,044
General and administrative	10,316	32,733	43,217	38,751	9,602	8,904	8,660
Litigation contingency	-	-	-	-	-	-	3,099
Marketing	970	1,895	5,218	3,348	600	759	767
Depreciation and amortization	36	1,817	3,096	3,164	728	546	444
Total Operating Expenses	\$178,059	\$346,335	\$439,741	\$368,479	\$76,156	\$92,836	\$91,494
Gain on sale of business	-	-	-	-	-	(2,958)	-
Loss from operations	(\$1,275)	(\$16,105)	(\$26,777)	(\$23,253)	(\$5,653)	(671)	(7,761)
Other expenses (income), net	74	(367)	903	580	257	629	343
Loss before income taxes	(\$1,349)	(\$15,738)	(\$27,680)	(\$23,833)	(\$5,910)	(1,300)	(8,104)
Income tax expense (benefit)	(8)	(3,247)	(54)	148	17	(6)	17
Net Loss	(\$1,341)	(\$12,491)	(\$27,626)	(\$23,981)	(\$5,927)	\$(1,294)	\$(8,121)
Gain on sale of business	-	-	-	-	-	(2,958)	-
Other expenses (income), net	74	(367)	903	580	257	629	342
Income tax expense (benefit)	(8)	(3,247)	(54)	148	17	(6)	17
Stock based compensation	728	4,011	9,131	12,994	2,652	2,499	1,967
Depreciation and amortization	166	2,748	5,346	5,947	1,480	1,319	1,251
Other non-cash and transaction related cost	-	1,187	73	201	-	-	-
Litigation contingency	-	-	-	-	-	-	3,099
Adjusted EBITDA	(\$381)	(\$8,159)	(\$12,227)	(\$4,111)	(\$1,521)	\$189	(\$1,445)

7 Experienced Management Team

Led by industry veterans with a proven track record of driving growth and innovation in real estate, mortgage, title, and technology.



Josh Harley

FOUNDER

PREVIOUS EXPERIENCE

Chair & CEO of Fathom
U.S. Marine Corps
Everdrive Solutions



Marco Fregenal

CHIEF EXECUTIVE OFFICER

PREVIOUS EXPERIENCE

CFO & President of Fathom
Page Net Brazil
How Stuff Works



Samantha Giuggio

CHIEF OPERATING OFFICER

PREVIOUS EXPERIENCE

Sr. VP of Fathom Realty
Regional Director of Fathom



Joanne Zach

CHIEF FINANCIAL OFFICER

PREVIOUS EXPERIENCE

Sr. VP of Fathom Holdings
Arthur Andersen
CPA



Jon Gwin

CHIEF REVENUE OFFICER

PREVIOUS EXPERIENCE

American Financial Network
Lenders One
Law License & Doctorate

Board of Directors



Scott Flanders

BOARD CHAIR

PREVIOUS EXPERIENCE

eHealth, Inc



David Hood

AUDIT CHAIR

PREVIOUS EXPERIENCE

Ernst & Young
Quintiles Americas



Jennifer Venable

NOM. & GOV. CHAIR

PREVIOUS EXPERIENCE

Capitol Broadcasting
Red Hat



Ravilla Gupta

BOARD MEMBER

PREVIOUS EXPERIENCE

Bagchi Group



Steve Murray

BOARD MEMBER

PREVIOUS EXPERIENCE

Real Trends



Marco Fregenal

CHIEF EXECUTIVE OFFICER

PREVIOUS EXPERIENCE

CFO & President of Fathom
PageNet Brazil
How Stuff Works



Note About Non-GAAP Financial Measures

To supplement its consolidated financial statements, which are prepared and presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), the Company uses Adjusted EBITDA, a non-GAAP financial measure, to understand and evaluate its core operating performance. This non-GAAP financial measure, which may be different than similarly titled measures used by other companies, is presented to enhance investors' overall understanding of the Company's financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

Fathom defines Adjusted EBITDA as net loss, excluding other (income) expense, net, income tax expense, depreciation and amortization, and share-based compensation expense.

Fathom believes that Adjusted EBITDA provides useful information about the Company's financial performance, enhances the overall understanding of our past performance and future prospects, and allows for greater transparency with respect to a key metric used by management for financial and operational decision-making. The Company believes that Adjusted EBITDA helps identify underlying trends in its business that otherwise could be masked by the effect of the expenses excluded in Adjusted EBITDA. Fathom believes the exclusion of share-based compensation expense related to restricted stock and restricted stock unit awards provides a useful supplemental measure in evaluating the performance of its operations and provides better transparency into its results of operations.

Adjusted EBITDA is being presented to assist investors in seeing the Company's financial performance through the eyes of management, and because it believes this measure provides an additional tool for investors to use in comparing Fathom's core financial performance over multiple periods with other companies in its industry.

Adjusted EBITDA should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. There are a number of limitations related to the use of Adjusted EBITDA compared to net loss, the closest comparable GAAP measure, including: Adjusted EBITDA excludes share-based compensation expense related to restricted stock and restricted stock unit awards, which have been, and will continue to be for the foreseeable future, significant recurring expenses in the Company's business and an important part of its compensation strategy; and Adjusted EBITDA excludes certain recurring, non-cash charges such as depreciation and amortization of property and equipment and acquired and internally developed intangible assets, although these are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future.