

## Market Data

### Fathom Holdings Inc. Nasdaq: FT HM

Price	\$1.25
52-wk Range	\$1.23-\$3.37
Market Cap	\$28.3M
Shares Out.	22.6M
Float	13.2M
Avg. Vol (90-day)	67,714
Revenue (ttm) <sup>1</sup>	\$317.5M
Cash (mrq) <sup>1</sup>	\$13.1M

Price & share data as of January 30, 2025

<sup>1</sup> As of September 30, 2024

[FathomInc.com](https://FathomInc.com)

## Company Overview

Fathom Holdings Inc. (Nasdaq: FT HM) is a technology-driven real estate services platform revolutionizing the traditional brokerage model. Through its innovative flat-fee commission structure, proprietary technology, and integrated offerings—spanning residential brokerage, mortgage, title, and SaaS—Fathom enables agents to maximize their earnings while delivering superior scalability and efficiency. With operations across 43 states and a rapidly growing network of over 14,500 agents, Fathom is well-positioned to capitalize on an improving housing market and expand its disruptive, high-margin approach to real estate services.

## Investment Highlights

### Disruptive Business Model Driving Agent Growth

- Industry-leading flat-fee commission model allows agents to retain more of their earnings
- Agent retention rates are nearly double the national average, with agent count growing by 23% year-over-year to 14,500 as of December 31, 2024
- Scalable, low-overhead virtual model enables rapid market expansion, outperforming traditional brick-and-mortar brokerages

### Proprietary Technology Enhancing Scalability and Efficiency

- Fully owned and developed IntelliAgent platform powers all operational aspects, minimizing costs and maximizing margins
- Technology-driven integration of residential brokerage, mortgage, title, and SaaS offerings delivers a better real estate experience
- EBITDA breakeven achievable at just 45,000 transactions annually, significantly lower than peers requiring over 100,000

### Strategic Acquisitions Expanding Revenue Base

- Successful integration of My Home Group adds \$110 million in projected 2025 revenue and strengthens Fathom's national presence
- Pipeline of over 100 acquisition targets, representing more than 200,000 agents and 400,000 transactions annually, offers substantial growth opportunities

### Robust Financial and Operational Growth

- Fourth quarter 2024 revenue increased 21%-24% year-over-year, with gross profit rising 28%-30%
- Operating efficiency drives industry-low transaction costs of \$264 versus \$1,200-\$1,800 for most traditional brokerages
- Ancillary services, including mortgage and title, boost profitability, with gross profit potential of \$6,302 per transaction when fully utilized

### Innovative Bitcoin Strategy Aligning with Digital Economy

- Treasury strategy diversifies holdings by allocating up to 50% of excess cash to Bitcoin
- Future plans to enable Bitcoin as a payment option for agents and clients align with Fathom's commitment to innovation and efficiency
- Positions Fathom as a pioneer in integrating digital currency into real estate transactions

### Positive Market Trends Supporting Long-Term Growth


- Interest rates expected to stabilize around 6% and a forecasted 9% increase in home sales in 2025 position Fathom to capitalize on an improving housing market
- Unique model and integrated services allow for greater market share capture amid rising demand

### Buy & Strong Buy Ratings with Median Price Target of \$3.38 per Share

## Market Outlook


According to NAR's Chief Economist:

### 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

## Industry-Best Commission Splits

	FATHOM Max Plan	FATHOM Share Plan	Traditional Brokerage
Annual Fee or Monthly Fee Annualized	\$700	\$700	\$1,200
Pre-Cap Fee/Split	\$465 + \$35 E&O	12% (\$465 min) + \$35 E&O	30% Commission (average in U.S.)
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 in U.S.)
Referral Program	Rev Share	Rev Share	N/A for most brokerages

## INCOME COMPARISON

		<b>TRADITIONAL BROKERAGE</b>	
\$430,000	Sale Price	\$430,000	Sale Price
x 2.7%	Commission %	x 2.7%	Commission %
\$11,610	Total Commission	\$11,610	Total Commission
- \$465	Flat-fee to Fathom	- \$3,483	Split to Broker (30%)
<b>\$11,145</b>	<b>Total to Agent</b>	<b>\$8,127</b>	<b>Total to Agent</b>

**\$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.

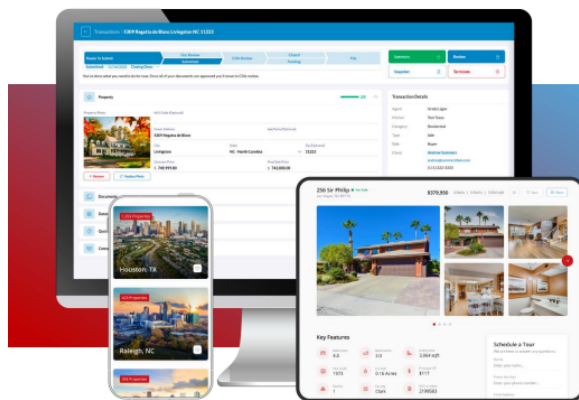
## Value Proposition

Fathom Holdings offers a compelling investment opportunity as a transformative leader in the real estate services industry. By integrating residential brokerage, mortgage, title, and SaaS offerings within a proprietary technology platform, Fathom delivers unmatched scalability and cost efficiency. Its innovative flat-fee commission model empowers agents to retain more of their earnings, driving industry-leading agent growth and retention rates—nearly double the national average. This agent-centric approach reduces overhead and accelerates market expansion, creating a competitive edge over traditional brokerages burdened by legacy models and high costs.

The company's ownership of its technology and ancillary services further enhances profitability by minimizing operational expenses and maximizing revenue per transaction. Fathom's ability to achieve EBITDA breakeven at just 45,000 transactions annually, compared to 100,000 for peers, underscores its operational efficiency and financial resilience.

Fathom's recent acquisition of My Home Group further solidifies its national presence, adding significant revenue and expanding its agent network. The integration is projected to contribute over \$110 million in revenue in 2025. Additionally, Fathom is leveraging its proprietary technology platform, intelliAgent, to increase operational efficiency across all service lines, resulting in a unique, end-to-end real estate experience that is highly attractive to both agents and clients. Furthermore, the company's new Bitcoin treasury strategy introduces a modern financial dimension, enabling Fathom to leverage digital currency both as a treasury asset and a future payment option.

Positioned for sustained growth, Fathom benefits from positive macroeconomic trends, including a projected rebound in home sales driven by stabilizing interest rates. With plans to expand its agent network to all 50 states and Canada and a robust pipeline of acquisition targets, Fathom is primed to capture market share and unlock long-term value. By combining disruptive innovation with operational excellence, Fathom Holdings is not just redefining real estate—it's delivering meaningful value to agents, clients, and shareholders alike.



## 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.

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