



Marcus & Millichap

2025

Annual Report

Marcus & Millichap, Inc.

MMI
LISTED
NYSE



REAL ESTATE INVESTMENT SALES | FINANCING
RESEARCH | ADVISORY SERVICES



Mission Statement

At Marcus & Millichap, our commitment is to help our clients create and preserve wealth by providing them with the best real estate investment sales, financing, research, and advisory services.

Founded on Specialization – A Culture of Client Results Powered by Research and Technology

- Dedicated to real estate investment brokerage since 1971
- The industry leader in real estate investment transactions
 - 1,808 investment sales and financing professionals
 - Serving investors with 80+ offices throughout the U.S. and Canada
 - Integrated marketing system matching buyers and sellers
 - Specialized coverage by property type
- A leading source of real estate financing and capital markets expertise
- A trusted provider of market research and advisory services

TO OUR SHAREHOLDERS

Marcus & Millichap (“MMI”) achieved critical strategic and financial progress in 2025, posting the second year of recovery from the market disruption of 2023. Our management’s priority for the year was to return the Company to profitability and growth in our sales force, overcoming elevated uncertainty and interest rate volatility. We are pleased to share that both goals were met, with our team overcoming a still-challenging market to grow revenue by 8.5% and expanding the sales force by nearly 100 sales and financing professionals. Thanks to ongoing efforts to contain costs, the Company’s Adjusted EBITDA¹ improved from \$9 million in 2024 to \$25 million in 2025, with a modestly positive pre-tax income of \$3 million. While these numbers are far from our potential and aspirations, 2025 serves as a critical turning point in resuming a renewed path of growth and excellence for MMI.

Throughout 2025, we continued to hold the industry-leading position in Commercial Real Estate brokerage transactions, completing 9,000 transactions totaling approximately \$50 billion in volume. Our Private Client business, the cornerstone of our franchise, delivered 11% revenue growth, benefiting from improved lending conditions and our ability to work with clients to narrow the bid-ask spread.

Our financing business continued its strong trajectory, with revenue growing by 24% for the year following 26% growth in 2024, reflecting both our expanded bench of experienced financing professionals and our team's ability to navigate a complex lending landscape. We closed financing transactions with over 420 separate lenders during the year, demonstrating our unique market access and ability to provide a wide range of solutions for our clients.

During the year, we further strengthened our competitive position through strategic investments and operational improvements, positioning us for long-term growth. Our investments in AI-powered technology are still in an early stage but already show encouraging potential, while enhanced brokerage support drove measurable productivity improvements. The Company’s leading research content, media coverage, and major presence at key industry events remained strong, keeping our team close to clients, solving problems, and presenting them with opportunities.

Our balance sheet is a core advantage, ending 2025 with nearly \$400 million in cash, cash equivalents, restricted cash, and marketable debt securities, available-for-sale, and no debt, providing exceptional strategic flexibility as we pursue growth initiatives. Our strong capital position enables us to make investments in talent and platform enhancements while continuing to deliver shareholder returns. Throughout 2025, we maintained a disciplined approach to capital allocation, distributing \$47 million to shareholders through our dividend and share repurchase programs. MMI has returned \$217 million to shareholders since 2022, despite navigating one of the most challenging market disruptions in commercial real estate history.

Market Environment

The commercial real estate market in 2025 reflected ongoing “higher for longer” interest rates, despite expectations for more constructive U.S. Federal Reserve action. Although inflation pressures and geopolitical risks limited the Federal Reserve’s ability to significantly lower rates, we observed meaningful improvements in market liquidity and transaction velocity throughout the year.

The credit environment also showed notable improvement, with lender spreads compressing and loan-to-value ratios expanding as competition among lenders returned. Many banks and credit unions re-entered the market with renewed lending capacity, which is critical to our private client business segment. This improvement in liquidity helped narrow the bid-ask spread that had constrained transaction flow in the last two years.

The passage of time has brought more realistic expectations to valuations, while more stable interest rates, although at higher levels than expected, are helping values reset. The dramatic slowdown in job growth and the increase in job cuts across many sectors are concerning. However, most economists still expect growth ahead with modest but positive employment gains. This is a critical foundation for commercial real estate demand, which registered a strong year in 2025.

¹ Adjusted EBITDA is a “Non GAAP” financial measure. A reconciliation of EBITDA to its closest GAAP financial measure is disclosed beginning on page 36 of the Company’s 2025 Annual Report on Form 10-K, which was filed with the SEC on February 26, 2026.

Looking Forward

In 2026, MMI will mark 55 years since its founding in 1971. Our vision of creating client value by connecting each property with the largest pool of qualified investors continues to drive and differentiate the firm. Countless advances in technology, along with our market research, training, and development, have fueled our market leadership and provided the foundation for our strategic plan to take MMI to the next level. The investments we have made in talent acquisition and retention, technology, infrastructure, and platform enhancements during challenging times have strengthened our competitive position and prepared us to capitalize on the market recovery that is now gaining momentum.

Building on this foundation, management will continue to work to generate additional momentum in revenue growth, sales force expansion, and the productivity of our sales force. This includes further expanding our client outreach and exclusive inventory while improving our conversion rate to drive revenue growth. As importantly, initiatives to diversify revenue sources include scaling our auction services, growing our loan sales volume, and further expanding our financing division, particularly the agency lending capacity for multifamily. We believe the expansion of our leasing presence in retail and industrial will also bring synergistic revenue growth in the years ahead. We continue to pursue strategic acquisitions in our core business and adjacent services that can further increase client touchpoints and revenue diversification. Through these initiatives, we strive to position Marcus & Millichap as a more resilient, technology-enabled platform focused on creating long-term shareholder value.

Our success is made possible by the dedication of our team members, the guidance of our Board, and the trust of our shareholders. We recognize that returning to historical profitability levels requires continued innovation and market share expansion, and we are confident that the foundation we have built positions Marcus & Millichap for sustainable growth and industry leadership in the years ahead.

Sincerely,



Hessam Nadji
President, Chief Executive Officer



George M. Marcus
Chairman of the Board of Directors

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-36155

MARCUS & MILLICHAP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

35-2478370

(I.R.S. Employer
Identification No.)

23975 Park Sorrento, Suite 400
Calabasas, California

(Address of principal executive offices)

91302

(Zip Code)

(818) 212-2250

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	MMI	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant’s voting stock held by non-affiliates at June 30, 2025 was approximately \$722.0 million, based on the closing price per share of common stock on June 30, 2025 of \$30.71 as reported on the New York Stock Exchange. Shares of common stock known by the registrant to be beneficially owned by directors and executive officers of the registrant and 10% stockholders who are affiliates are not included in the computation. The registrant, however, has made no determination that such persons are “affiliates” within the meaning of Rule 12b-2 under the Securities Exchange Act of 1934.

As of February 23, 2026, there were 38,234,466 shares of the registrant’s common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s Proxy Statement to be delivered to stockholders in connection with the annual meeting of stockholders to be held on April 30, 2026 are incorporated by reference into Part III of this Annual Report on Form 10-K. Such Proxy Statement will be filed with the United States Securities and Exchange Commission (the “SEC”) within 120 days of the registrant’s fiscal year ended December 31, 2025.

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MARKET, INDUSTRY AND OTHER DATA

Unless otherwise indicated, information contained in this Annual Report on Form 10-K concerning the commercial real estate industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on (i) information gathered from various sources, (ii) certain assumptions that we have made, and (iii) our knowledge of the commercial real estate market. While we believe that the market position, market opportunity and market size information that is included in this Annual Report on Form 10-K is generally reliable, such information is inherently imprecise. Unless indicated otherwise, the industry data included herein is generally based on information available through the nine months ended September 30, 2025 since full year 2025 information may not yet have been published. We use market data from CoStar Group, Inc. and Real Capital Analytics that consists of list side information of sales transactions of multifamily, retail, office, and industrial buildings, with a value of \$1 million or more.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K includes forward-looking statements, including our expectations regarding the long-term outlook of the commercial real estate transaction market, and our positioning within it, our belief relating to the Company's long-term growth, our assessment of the key factors influencing the Company's business outlook, including the expectation for future interest rates and likely impact of potential rate cuts on commercial real estate demand, and the execution of our capital return program, including a semi-annual dividend and stock repurchase program. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting the financial condition of our business. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results may be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to:

- general uncertainty in the capital markets, a worsening of economic conditions, and the rate and pace of economic recovery following an economic downturn;
- changes in our business operations;
- market trends in the commercial real estate market or the general economy, including the impact of inflation and changes to interest rates;
- our ability to attract and retain qualified senior executives, managers, and investment sales and financing professionals;
- the impact of forgivable loans and related expense resulting from the recruitment and retention of agents;
- the impact of litigation and our success in appealing any judgments entered against us;
- the effects of increased competition on our business;
- our ability to successfully enter new markets or increase our market share;
- our ability to successfully expand our services and businesses and to manage any such expansions;
- our ability to retain existing clients and develop new clients;
- our ability to keep pace with changes in technology;
- any business interruption or technology failure, including cybersecurity risks and ransomware attacks, and any related impact on our reputation;
- changes in interest rates, availability of capital, tax laws, tariffs and trade regulations, executive orders, employment laws, or other government regulation affecting our business;
- our ability to successfully identify, negotiate, execute, and integrate accretive acquisitions; and
- other risk factors included under "Risk Factors" in this Annual Report on Form 10-K.

In addition, in this Annual Report, the words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "goal," "expect," "predict," "potential," "should," and similar expressions, as they relate to our Company, our business, and our management, are intended to identify forward-looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Annual Report on Form 10-K may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.

Forward-looking statements speak only as of the date of this Annual Report on Form 10-K. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable laws. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

PART I

Unless the context requires otherwise, the words "Marcus & Millichap," "MMI," "we," the "Company," "us" and "our" refer to Marcus & Millichap, Inc., and its consolidated subsidiaries.

Item 1. Business

Company Overview

Marcus & Millichap, Inc. (“MMI”) is a leading national real estate services firm specializing in commercial real estate investment sales, financing services, research and advisory services. We are the leading national investment brokerage company in the \$1 million to \$10 million private client market. This is the largest and most active market and consistently comprises more than 80% of total U.S. commercial property transactions greater than \$1 million in the marketplace. As of December 31, 2025, we had 1,808 investment sales and financing professionals who are primarily commission-based independent contractors who provide real estate investment brokerage and financing services to sellers and buyers of commercial real estate in over 80 offices in the United States and Canada. In 2025, we closed 8,818 sales, financing, and other transactions with total sales volume of approximately \$50.8 billion.

Marcus & Millichap, Inc was formed in June 2013 in preparation for the spin-off of Marcus & Millichap Real Estate Investment Services, Inc. (“MMREIS”), which was founded in 1971. MMREIS was the real estate investment services business of the Marcus & Millichap Company (“MMC”). Our initial public offering (“IPO”) was completed in November 2013. In connection with our IPO, the shareholders of MMREIS contributed their shares of MMREIS to MMI in exchange for common stock of MMI.

Commercial Real Estate Services

We generate revenue by collecting real estate brokerage commissions upon the sale, and financing fees upon the financing of commercial properties, by providing equity advisory services and loan sales, loan guarantees and providing consulting and advisory services. Real estate brokerage commissions are typically based upon the value of the property and financing fees are typically based upon the size of the loan. In 2025, approximately 84% of our revenues were generated from real estate brokerage commissions, 14% from financing fees, and 2% from other revenue, including consulting and advisory services.

We divide commercial real estate into four major markets, characterized by price in order to understand trends in our revenue from period to period:

- Properties priced less than \$1 million;
- *Private client market*: properties priced from \$1 million to up to but less than \$10 million;
- *Middle market*: properties priced from \$10 million to up to but less than \$20 million; and
- *Larger transaction market*: properties priced from \$20 million and above.

We serve clients with one property, multiple properties and large investment portfolios. The largest group of investors we serve typically transacts in the \$1 million to \$10 million private client market. The investment brokerage and financing professionals serving private clients within the private client market represent the largest part of our business, which differentiates us from our competitors. In 2025, approximately 64% of our brokerage commissions came from this market. Properties in this market are characterized by higher asset turnover rates due to the type of investor as compared to other markets. Private clients are often motivated to buy, sell and/or refinance properties not only for business reasons but also due to personal circumstances, such as death, divorce, taxes, changes in partnership structures and other personal or financial circumstances. Therefore, private client investors are influenced less by the macroeconomic trends than other large-scale investors, making the private client market less volatile over the long term than other markets. Accordingly, our business model distinguishes us from our national competitors, who may focus primarily on the more volatile larger transaction and middle markets, or on other business activities such as leasing or property management, and from our local and regional competitors, who lack a broad national platform.

Real Estate Brokerage

Our primary business and source of revenue is the representation of commercial property owners as their exclusive investment broker in the sale of their properties. Our investment sales professionals also represent buyers in fulfilling their investment real estate acquisition needs. Our auction services division offers our clients an accelerated way to buy and sell commercial property as a complement to our traditional property marketing channels. Sales are generated by maintaining relationships with property owners, providing market information and trends to them during their investment or “hold” period, and being selected as their representative when they decide to sell, buy additional property, or exchange their

property for another property. We collect commissions upon the sale of each property based on a percentage of sales price. These commission percentages are typically inversely correlated with sales price and thus are generally higher for smaller transactions.

Financing Services

Marcus & Millichap Capital Corporation (“MMCC”) is a financial intermediary that provides commercial real estate capital markets solutions to commercial real estate owners, developers, and investors. MMCC generates revenue from fees collected from capital placement services including senior debt, mezzanine debt, joint venture, preferred equity, and securitization services. Our financing division provides other services such as loan sales and due diligence, and receives recurring loan performance fees from certain lenders. During 2025, approximately 42% of MMCC’s revenue came from placing acquisition financing, 33% from refinancing activities, and 25% from other financing activities.

MMCC partners with an assortment of capital providers including national and regional banks, credit unions, private equity funds, insurance companies, government agencies, including the Federal National Mortgage Association (“Fannie Mae”), the Federal Home Loan Mortgage Corporation (“Freddie Mac”), the Federal Housing Administration, conduit lenders, debt funds, hard money lenders, and structured debt facilitators (including preferred equity and mezzanine providers).

In 2021, MMCC entered into a strategic alliance (“Strategic Alliance”) with M&T Realty Capital Corporation (“MTRCC”) enabling MMCC to provide clients with increased access to MTRCC’s affordable and conventional multifamily agency financing through a highly streamlined process with dedicated resources. MTRCC has a Delegated Underwriting and Servicing Agreement (“DUS Agreement”) with Fannie Mae and is an approved lender for Freddie Mac’s Conventional and Targeted Affordable Housing loans.

Other Services

We provide advisory and consulting services designed to assist clients in forming their investment strategy and making transaction decisions. Our advisory and consulting services include opinions of value, operating and financial performance benchmarking analysis, specific asset buy-sell strategies, market and submarket analysis and ranking, portfolio strategies by property type, market strategy, development and redevelopment feasibility studies, and other services. We also provide leasing services for tenants and/or landlords in connection with commercial real estate leases.

Our Competitive Strengths

Research

Our research division produces more than 1,500 publications and client presentations per year and is a leading source of information for the real estate industry as well as the general business media. We provide research on 10 commercial property types covering: multifamily, retail, office, industrial, single-tenant net lease, seniors housing, self-storage, hospitality, medical office, and manufactured housing, as well as capital markets/financing. This research includes analysis and forecasting of the economy, capital markets, real estate fundamentals, investment, pricing, and yield trends. It is designed to assist investors in their strategy formation and decisions relating to specific assets and to help our investment sales and financing professionals develop and maintain relationships with clients.

Our transactional and market research expertise results in significant print, radio, television, and online media coverage including major national real estate publications such as Real Estate Forum, GlobeSt, Multi-Housing News, Commercial Property Executive, Connect CRE, Wealth Management Real Estate, as well as local market business journals and major national news outlets such as CNBC, The Wall Street Journal, Los Angeles Times, The New York Times, Fox Business, Bloomberg Businessweek, Forbes, and numerous newspapers and trade publications in major metropolitan cities. Our CEO is frequently interviewed on national business channels, such as CNBC, Yahoo! Finance, Schwab Network, Fox Business, and Bloomberg to discuss the commercial real estate market.

Integrated National Platform

We underwrite, value, and market properties to reach the largest and most qualified pool of buyers. We offer our clients one of the industry’s largest teams of investment sales and financing sales professionals. The Real Estate Brokerage and Financing Services teams operate side-by-side in our offices providing a fully integrated service offering to our clients. By combining these resources with the latest property and capital markets data and information, we believe we have

differentiated ourselves in the marketplace and deliver tailored financial solutions that meet our clients' investing and financial objectives. These sales and financing professionals are empowered by our proprietary system, MNet, which enables real-time buyer-seller matching throughout North America. We use a proactive marketing campaign that leverages the investor relationships of our entire sales force, direct marketing and a suite of proprietary web-based tools that connects each asset with the right buyer pool.

Technology

Our proprietary internal marketing system, MNet, allows our investment sales professionals to share listing information with investors across the United States and Canada. MNet is an integrated tool that contains our entire property inventory, allowing our investment sales professionals to find listings with targeted criteria. This system is an essential part of connecting sellers to the largest pool of qualified buyers through our platform. A function of MNet, called Buyer Needs, enables our sales force to register the investment needs of various buyers, which are then matched to our available inventory on a real-time basis.

MNet-Launch, a related application, is a web-based system for automating the production of property marketing materials and launching marketing campaigns. MNet-Launch allows our investment sales professionals to rapidly create professionally branded and designed listing proposals or marketing packages that automatically imports property information, data on comparable properties, and other information from MNet, and then dynamically populates our e-marketing, print, and internet media.

Our website features MyMMI, which allows investors to register for an account and create personalized criteria for inventory, research, and events notifications. Since its launch, over 170,000 visitors have created MyMMI accounts. We actively qualify leads generated from the saved search preferences and share those leads with our agents via our customer relationship management platform. During 2025, our websites averaged approximately 95,000 new visitors per month and approximately 165,000 page views per month and served as a portal for delivery of online marketing materials and deal collaboration.

Intellectual Property

We hold various trademarks and trade names, which include the "Marcus & Millichap" name. We believe our intellectual property plays an important role in maintaining our competitive position in a number of the markets that we serve. With respect to the Marcus & Millichap name, we maintain trademark registrations for these service marks.

In addition to trade names, we have developed proprietary technologies for the provision of real estate investment services, such as MNet, MNet-Launch, and CapNet. We also offer proprietary research to clients through our research division. Given the importance of these proprietary technologies to our business, we seek to secure our rights under applicable intellectual property protection laws in these and any other proprietary assets that we use in our business. The expiration or termination of our trademarks or trade names or the loss of any of our other intellectual property rights including the Marcus & Millichap name may have a material adverse effect on our business.

Human Capital

We recognize that our people are among our most valuable assets, and we are dedicated to cultivating a positive, supportive, and inclusive workplace that promotes the development and well-being of our employees and independent investment sales and financing professionals. Our human capital strategy focuses on attracting, retaining, and nurturing talented individuals that share our Company's priorities, driving long-term value. These initiatives are led by our Chief People Officer, who was appointed in 2024 and continues to oversee these efforts. The Chief People Officer is tasked with overseeing talent acquisition, professional development, compensation, benefits, employee engagement, and organizational culture, while ensuring alignment with our broader business objectives. We are committed to creating an inclusive and safe work environment, offering our employees competitive and comprehensive compensation packages.

Talent Acquisition

We seek to attract top talent by offering competitive salaries and benefits for our employees, along with competitive commission structures and business support for our investment sales and financing professionals. A key aspect of our operating model is that our management team does not compete with our investment sales and financing professionals and instead focuses on supporting their professional development, enhancing technical skills and client service capabilities. In

2025, we appointed a new Senior Director, National Sales Recruiter, and expanded the sales recruiting team to accelerate the hiring of sales professionals. By providing a supportive environment where professionals can focus on delivering value to clients while advancing their careers, we create a workplace that promotes individual success and organizational excellence. Our established position as the leading broker in the \$1 million to \$10 million private client market, combined with high transaction volume, further enhances our ability to attract top talent.

Investment Sales and Financing Professionals

Investment sales and financing professionals are the key service providers to our clients. Our investment sales and financing professionals hold applicable real estate sales licenses or other licenses for their functions. We execute “Salespersons Agreements” setting out the relationship between the professional and us. Each investment sales and financing professional is obligated to provide services exclusively to us, and is provided access to our information technology, research, business forms and other support. Each investment sales and financing professional generally reports on their activities to either the local market leader, or in some cases, to product specialty managers. Our investment sales professionals are classified as independent contractors under state and Internal Revenue Service guidelines. As such, we generally do not pay for the professionals’ expenses or benefits or withhold payroll taxes; rather, they are paid from the commissions earned by us upon the closing of a transaction, and these individuals generally do not earn a salary from which taxes are withheld.

Development and Training

As part of our commitment to building a skilled and knowledgeable workforce, we provide substantial support to train and develop our investment sales team and employees. Our National Director of Development and Training is responsible for overseeing the training and development of our investment sales and financing professionals. Additionally, managers in each market offer extensive support through classroom training, coaching, mentoring, workshops, and hands-on guidance. Our managers are seasoned senior investment sales and financing professionals who play a crucial role in developing both new and seasoned talent. Our training programs are further facilitated and supported by Marcus & Millichap University, our learning management system, and other professional development opportunities.

Employees have multiple opportunities for learning and growth, with access to a range of internal, external, virtual, and in-person training programs designed to enhance their leadership, functional, and technical skills. In 2025, we launched several facilitator-led managerial training programs across our footprint to support the development of leaders.

We offer the William A. Millichap Fellowship Program (the "Fellowship Program"), a comprehensive two-year training and development initiative designed to prepare participants for successful careers in commercial real estate. The Fellowship Program also sponsors real estate internships at various universities nationally. We expanded the Fellowship Program from 17 to 22 major U.S. cities in 2025, reinforcing our commitment to cultivating and developing diverse talent. We believe our training, development, and mentoring initiatives not only distinguish us from competitors but also drive superior results for our clients.

We offer a paid summer internship program for college and university students that provides valuable hands-on experience in our industry, allowing participants to contribute to impactful projects and engage with leadership throughout the organization. In 2025, we expanded our internship program by 43%, from 101 to 144 hires, across 37 offices in the U.S. and Canada. The program is committed to promoting an inclusive environment, actively seeking interns from diverse backgrounds, experiences, and perspectives to foster a dynamic and innovative workforce.

To support the development of our leaders, we continue to partner with a global research and workplace consulting advisory company to implement a robust leadership training program for our leaders including our market leaders. This program includes a leadership strengths assessment, and a leadership development program. We also have a variety of training programs available to our employees through Harvard Business Review content and other training resources.

Key Metrics

As of December 31, 2025, we had 854 employees, consisting of 91 employees who serve as financing professionals, 70 employees in communications and marketing, 21 employees in research and 672 employees in management, support and general and administrative functions. A key strategic factor to growing our business is recruiting, hiring, training, and developing investment sales and financing professionals.

As of December 31, 2025, we had 1,808 investment sales and financing professionals, a 5.6% increase compared to December 31, 2024. The increase is attributable to the Company's strategy to invest in talent acquisition and retention.

Market Environment

Seasonality

Our real estate brokerage commissions and financing fees have tended to be seasonal and, combined with other factors, can affect an investor's ability to compare our financial condition and results of operations on a quarter-by-quarter basis. Historically, this seasonality has generally caused our revenue, operating income, net income, and cash flows from operating activities to be lower in the first half of the year and higher in the second half of the year, particularly in the fourth quarter. The concentration of earnings and cash flows in the last six months of the year, particularly in the fourth quarter, is due to an industry-wide focus of clients to complete transactions towards the end of the calendar year. This historical trend can be disrupted both positively and negatively by major economic events, political events or natural disasters. For a more detailed description of our seasonality, refer to Item 1A – “Risk Factors – External Business Risks – *Seasonal fluctuations and other market data in the investment real estate industry could adversely affect our business and make comparisons of our quarterly results difficult*” and Item 7 – “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Overview – *Seasonality*” of this Annual Report on Form 10-K.

Competition

We compete in real estate brokerage and financing within the commercial real estate industry on a national, regional, and local basis. Competition is based on a number of critical factors, including the quality and expertise of our investment sales and financing professionals, our execution skills, sales support, brand recognition, and our business reputation. We primarily compete with other brokerage and financing firms that seek investment brokerage and financing business from real estate owners and investors. To a lesser extent, we compete with in-house real estate departments, owners who may transact without using a brokerage firm, direct lenders, consulting firms, and investment managers. Our relative competitive position also varies across geographies, property types, and services. Many of our competitors mainly focus on larger sales and institutional investors and are not heavily concentrated in our largest market, which is the \$1 million to \$10 million private client market. However, there is crossover and competition between us and these firms. As a result of the fragmentation in the market, there are also numerous local and regional competitors in our markets, as well as competitors specializing in certain property types. Despite recent consolidation, the commercial real estate services industry remains highly fragmented and competitive.

We believe we are uniquely positioned in the commercial marketplace with more than 50 years of experience representing clients in need of commercial real estate services across multiple property types, investor types, and geographic regions, with the ability to grow with our clients and an independent management team that provides training and mentoring opportunities to our sales team.

Competition to attract and retain qualified professionals is also intense in each of our geographic regions and across all property types. We offer what we believe to be competitive compensation and support programs to our professionals. Our ability to continue to compete effectively will depend on retaining, motivating, and appropriately compensating our professionals. For further discussion of our competition in the commercial real estate industry, refer to Item 1A – “Risk Factors – External Business Risks – *We have numerous significant competitors and potential future competitors, some of which may have greater resources than we do, and we may not be able to continue to compete effectively.*”

Government Regulation

We are subject to various real estate regulations, and we maintain real estate and other broker licenses in 48 states and the District of Columbia in the United States and four provinces in Canada. We are a licensed broker in each state in which we have an office, as well as those states where we frequently do business. We are also subject to numerous other federal, state, and local laws and regulations that contain general standards for, and prohibitions on, the conduct of real estate brokers and sales associates, including agency duties, collection of commissions, telemarketing, advertising, and consumer disclosures. One of our wholly-owned subsidiaries is subject to certain human resource, data security, information technology, and other compliance requirements due to its loan sale and consulting contracts with certain U.S. government agencies.

Available Information

Our website address is www.MarcusMillichap.com. Information on our website does not constitute part of this report and inclusions of our internet address in this Annual Report on Form 10-K are inactive textual references only. We are required to file current, annual and quarterly reports, proxy statements, and other information required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), with the SEC. We make available free of charge through a link provided on our website, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements, Forms 3, 4 and 5 filed by or on behalf of directors, executive officers and certain large stockholders, and any amendments to those documents filed or furnished pursuant to the Exchange Act. Such reports are available as soon as reasonably practicable after they are filed with the SEC.

The SEC also maintains a website that contains reports, proxy and information statements and other information about us that we file electronically with the SEC at www.sec.gov.

We also make available on our website and will provide print copies to stockholders upon request, (i) our corporate governance guidelines, (ii) our code of ethics, and (iii) charters of the audit, compensation, nominating and corporate governance, and executive committees of our Board of Directors.

From time to time, we may announce key information in compliance with Regulation Fair Disclosure by disclosing that information on our website. The information on our website (or any webpages referenced in this Annual Report on Form 10-K) is not part of this or any other report Marcus & Millichap files with, or furnishes to, the SEC.

References to our and the SEC's website do not constitute incorporation by reference of the information contained on those websites and should not be considered part of this document.

Item 1A. Risk Factors

Investing in our securities involves a high degree of risk. You should carefully consider the following risk factors and the other information in this Annual Report on Form 10-K, including "Management's Discussion and Analysis of Financial Position and Results of Operations," "Quantitative and Qualitative Disclosures About Market Risk," and our consolidated financial statements and related notes, before making any investment decisions regarding our securities. If any of the following risks actually occur, our business, financial condition and operating results could be adversely affected. As a result, the trading price of our securities could decline, and you may lose part or all of your investment. Moreover, the risks below are not the only risks we face, and additional risks not currently known to us or that we presently deem immaterial may emerge or become material at any time and may negatively impact business, financial condition and operating results. Investors should carefully consider all relevant risks and uncertainties before investing in our common stock.

Overview

We are impacted by and manage many risk factors detailed below affecting our business including External Business Risks, Human Resource and Personnel Risks, Internal Business Risks, Technology and Cybersecurity Risks, Investment Risks, Risks Related to Our Founder and General Risks as well as the risks discussed in "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk." Many of these factors described below in External Business Risks are outside of our control. In addition, we are a personnel and relationship-intensive business rather than a capital-intensive business. While all the risk factors discussed below have the potential to negatively impact our business, the most significant risks facing us are the risks associated with general economic conditions, commercial real estate market conditions, and our ability to attract and retain qualified and experienced managers and investment sales and financing professionals.

External Business Risks

General economic conditions and commercial real estate market conditions have had and may in the future have a negative impact on our business.

Over the past several years, macroeconomic factors have caused significant volatility to the U.S. economy. The impact of these factors has led to uncertainty in the financial markets, inflation, and elevated interest rates, which has adversely impacted the commercial real estate industry. The commercial real estate industry, in particular, has seen significant slowing, and we experienced a significant decline in revenues in 2024 and 2023 compared to 2022, resulting in

operating losses. Although revenue increased in 2025, it remains below 2022 levels, and we continue to experience operating losses. We may continue to be negatively impacted by periods of economic downturns, recessions and disruptions in the capital markets; credit and liquidity issues in the capital markets, including international, national, regional and local markets; inflationary pressures; tax and regulatory changes and corresponding declines in the demand for commercial real estate investment and related services. Historically, commercial real estate markets and, in particular, the U.S. commercial real estate market, have tended to be cyclical and related to the flow of capital to the sector, the condition of the economy as a whole, and to the perceptions and confidence of market participants to the economic outlook. Cycles in the real estate markets may lead to similar cycles in our earnings and significant volatility in our stock price. Further real estate markets may “lag” behind the broader economy such that even when underlying economic fundamentals improve in a given market, additional time may be required for these improvements to translate into strength in the real estate markets. The “lag” may be exacerbated when banks delay their resolution of commercial real estate assets whose values are less than their associated loans.

Negative economic conditions, changes in interest rates, credit and the availability of capital, both debt and/or equity, disruptions in capital markets, uncertainty of the tax and regulatory environment and/or declines in the demand for commercial real estate investment and related services in international and domestic markets or in significant markets in which we do business, had a significant impact to our financial results in 2025, 2024 and 2023 and could have in the future a material adverse effect on our business, results of operations and/or financial condition. In particular, the commercial real estate market is directly impacted by (i) the availability of debt and/or equity financing for commercial real estate transactions, (ii) increased interest rates and changes in monetary policies by the U.S. Federal Reserve, (iii) changes in the perception that commercial real estate is an accepted asset class for portfolio diversification, (iv) changes in tax policy affecting the attractiveness of real estate as an investment choice, (v) changes in regulatory policy impacting real estate development opportunities and capital markets, (vi) slowdowns in economic activity that could cause residential and commercial tenant demand to decline, (vii) declines in the regional or local demand for commercial real estate, or (viii) significant disruptions in other areas of the real estate markets could adversely affect our results of operations. Any of the foregoing could adversely affect the operation and income of commercial real estate properties. Additionally, we are subject to inflationary pressures on employee and contractor wages and salaries, which materially impact our financial results.

These and other types of events have recently led to a decline in transaction activity as well as a decrease in property values which, in turn, has and may continue to lead to a reduction in brokerage commissions and financing fees relating to such transactions. These effects have and may continue to cause us to realize lower revenue from our transaction service fees, including brokerage commissions, which fees usually are tied to the transaction value and are payable upon the successful completion of a particular transaction. Such declines in transaction activity and value have and may continue to also significantly reduce our financing activities and revenue.

Fiscal uncertainty, significant changes and volatility in the financial markets and business environment, and similar significant changes in the global, political, security and competitive landscape, make it increasingly difficult for us to predict our revenue and earnings into the future. As a result, any revenue or earnings projections or economic outlook which we may give, may be affected by such events or may otherwise turn out to be inaccurate.

The impact of hybrid work and lower office real estate occupancy rates could adversely affect our business.

Our business has been and may continue to be materially affected by the trend of hybrid work and hoteling arrangements resulting in lower office real estate occupancy rates. If companies continue to adopt hybrid work models, the demand for traditional office spaces may decrease resulting in lower transaction volumes and property values for property sales, acquisitions, and financing. This may lead to a decline in revenues generated from such property transactions.

The trend of hybrid work and lower office real estate occupancy rates may continue to have material impacts on our business. We must adapt our strategies, offerings and portfolio management approaches to stay ahead of market trends, identify emerging opportunities, and mitigate risks associated with the changing dynamics of the office real estate landscape.

Increases in prevailing interest rates may place downward pressure on commercial real estate prices and could potentially reduce commercial real estate investment activity, negatively impacting our business.

Market interest rates are affected by many factors outside of our control, including governmental monetary policies, domestic and international economic conditions, inflation, deflation, recession, changes in unemployment, the money

supply, international disorder and instability in domestic and foreign financial markets. Increased interest rates can apply downward pressure on commercial real estate prices and reduce activity in the commercial real estate industry, which have recently and may continue to have an adverse impact on our business.

During 2022, the Federal Reserve raised interest rates by an aggregate of 425 basis points, which resulted in a slowdown in activity during the second half of 2022. During 2023, the Federal Reserve raised rates by an additional 100 basis points, which further contributed to the market slowdown. In 2024, the Federal Reserve reduced rates three times, reducing the federal funds target by a cumulative 100 basis points to a range of 4.25%-4.5%. In 2025, the Federal Reserve reduced rates another three times, reducing the federal funds target by a cumulative 75 basis points to a range of 3.5%-3.75%. The current market consensus is that the Federal Reserve will further decrease the federal funds rate interest rates during 2026. If interest rates begin to increase, the resulting reduction in commercial real estate transactions and subsequent price reduction of commercial real estate may result in us closing fewer brokerage, financing and other transactions, which would result in decreased revenue and adversely impact our business.

Our business has been, and may in the future, be adversely affected by restrictions in the availability of debt or equity capital, the fluctuating cost of capital, as well as a lack of adequate credit and the risk of deterioration of the debt or credit markets and commercial real estate markets.

Restrictions on the availability of capital, both debt and/or equity, can create significant reductions in the liquidity and flow of capital to the commercial real estate markets. Severe restrictions in debt or equity liquidity as well as the lack of the availability of credit in the markets we service can significantly reduce the volume and pace of commercial real estate transactions. These restrictions can also have a general negative effect upon commercial real estate prices themselves. Our business is particularly sensitive to the volume of activity and pricing in the commercial real estate market. Beginning in the second half of 2022 and continuing throughout 2023 and 2024, this had, and may have in the future, a significant adverse effect on our business. Although activity levels increased in 2025, the investment market remains fluid as it adapts to the broader economic and financial market climate.

We cannot predict with any degree of certainty the magnitude or duration of developments in the credit markets and commercial real estate markets as it is inherently difficult to make accurate predictions with respect to such macroeconomic movements that are beyond our control. This uncertainty limits our ability to plan for future developments. In addition, uncertainty regarding market conditions have and may continue to limit the ability of other participants in the credit markets or commercial real estate markets to plan for the future. As a result, market participants have and may continue to act more conservatively than they might in a stabilized market, which may perpetuate and amplify the adverse developments in the markets we service. While business opportunities may emerge from assisting clients with transactions relating to distressed commercial real estate assets, the volume of such transactions has not been, and may in the future not be, sufficient to meaningfully offset the declines in transaction volumes within the overall commercial real estate market.

Inflation can have an adverse impact on our business and on our clients.

Inflation risk is the risk that the value of assets or income from investments will be worth less in the future as inflation decreases the value of money. The annual inflation rate in the U.S. increased to 9.1% in June 2022, the highest annual inflation rate since November 1981, but decreased to 3.4% in December 2023 and further declined to 2.9% as of December 2024. In 2025, the U.S. imposed numerous tariffs, potentially risking a new inflationary cycle. At year end 2025, the inflation rate was 2.7%. Inflation has increased the wages paid to our employees and commissions paid to independent contractors. Furthermore, our clients are also affected by inflation and increased interest rates. A significant and continued increase in interest rates and inflation would be expected to have a further negative impact on client demand for commercial real estate and demand for our services, which would, in turn, affect our profitability.

Our loss sharing indemnification obligation pursuant to our agreement with M&T Realty Capital Corporation may adversely impact our results of operations, cash flows and/or our financial condition.

In September 2021, MMCC entered into an agreement with MTRCC, which has a DUS Agreement with Fannie Mae and is an approved lender for Freddie Mac's Conventional and Targeted Affordable Housing loans. MTRCC originates, underwrites, closes and services loans under the DUS Agreement and is subject to indemnifying Fannie Mae for a portion of the risk of loss for those loans. Under the agreement with MTRCC, MMCC provides loan opportunities to MTRCC, and for those loans closed under the DUS Agreement by MTRCC, MMCC has the option to assume a portion of the indemnification obligation of MTRCC to Fannie Mae. We may need to secure additional sources of financing to satisfy our loss sharing indemnification obligations under these programs. We cannot make any assurances that such financing would

be available on attractive terms, if at all, or that any indemnification obligations might be material or would not have an adverse effect on our business, financial condition and results of operations.

We have numerous significant competitors and potential future competitors, some of which may have greater resources than we do, and we may not be able to continue to compete effectively.

We compete in investment sales and financing within the commercial real estate industry. Our investment sales focus is on the private client market, which is highly fragmented. The fragmentation of our market makes it challenging to effectively gain market share. We also face competition from local and regional service providers who have existing relationships with potential clients. Furthermore, transactions in the private client market are smaller than many other commercial real estate transactions. Although the brokerage commissions in this market are generally a higher percentage of the sales price, the smaller size of the transactions requires us to close many more transactions to sustain revenue. If the commission structure or the velocity of transactions were to change, we could be disproportionately affected by changes compared to other companies that focus on larger transactions, institutional clients and other areas of the commercial real estate market.

There is no assurance that we will be able to continue to compete effectively, maintain our current fee arrangements with our private clients, maintain current margin levels or counteract increased competition. The services we provide to our clients are highly competitive on a national, regional and local level. Depending on the geography, property type or service, we face competition from, including, but not limited to, commercial real estate service providers, in-house real estate departments, private owners and developers, institutional lenders, research and consulting firms, and investment managers, some of whom are clients and many of whom may have greater financial resources than we do. In addition, future changes in laws and regulations could lead to the entry of other competitors. Many of our competitors are local, regional or national firms. Although most are substantially smaller than we are, some of these competitors are larger on a local, regional or national basis, and we believe more national firms are exploring entry into or expansion in the \$1 million to \$10 million private client market. We may face increased competition from even stronger competitors in the future due to a trend toward acquisitions and consolidation. We are also subject to competition from other large national and multi-national firms as well as regional and local firms that have similar service competencies to ours. Our existing and future competitors may choose to undercut our fees or increase the levels of compensation they are willing to pay to their employees and investment sales and financing professionals. This could result in these competitors recruiting our employees and investment sales and financing professionals, cause us to increase our level of compensation or commission necessary to retain employees or investment sales and financing professionals, and/or require us to recruit new employees or investment sales and financing professionals. These occurrences could cause our revenue to decrease, and/or expenses to increase, which could have an adverse effect on our business, financial condition and results of operations.

Our brokerage operations are subject to geographic and commercial real estate market risks, which could adversely affect our revenue and profitability.

Our real estate brokerage offices are located in and around large metropolitan areas as well as mid-market regions throughout the U.S. and Canada. Local and regional economic conditions in these locations could differ materially from prevailing conditions in other parts of the country. We realize more of our revenue in California than in any other state. In 2025, we earned approximately 27% of our revenue from offices in California. In particular, as a result of this concentration, we are subject to heightened risks related to the California economy and real estate markets more than in other geographic markets. In addition to economic conditions, this geographic concentration means that California-specific legislation, real estate and income taxes, rent control or rent stabilization laws and regulations, a migration of residents from the California markets or a reduction in the attractiveness of the California market as a place to live and regional disasters, such as earthquakes and wildfires, including the 2025 wildfires in Los Angeles, as well as the impact of climate change, could disproportionately affect us. A downturn in investment real estate demand or economic conditions in California and other regions could result in a further decline in our total gross commission income which could have an adverse effect on our business, financial condition and results of operations.

Seasonal fluctuations and other market data in the investment real estate industry could adversely affect our business and make comparisons of our quarterly results difficult.

Our revenue and profits have historically tended to be significantly higher in the second half of each year than in the first half of the year. This is a result of a general focus in the real estate industry on completing or documenting transactions by calendar year end and because certain of our expenses are relatively constant throughout the year. This historical trend can be disrupted both positively and negatively by major economic, regulatory or political events impacting investor

sentiment for a particular property type or location, current and future projections of interest rates and tax rates, attractiveness of other asset classes, market liquidity and the extent of limitations or availability of capital allocations for larger institutional buyers, to name a few. During 2024 and 2023, seasonal fluctuations were disrupted by continued volatility in overall market conditions and interest rates. In 2025, federal policies regarding tariffs, trade and immigration, among others, weighed on investor decision making and disrupted the normal seasonal fluctuations. As a result, our historical pattern of seasonality may or may not continue to the same degree experienced in the prior years and may make it difficult to determine, during the course of the year, whether planned results will be achieved, and thus to adjust to changes in expectations.

A change in the tax laws relating to like-kind exchanges could adversely affect our business and the value of our stock.

Section 1031 of the Internal Revenue Code of 1986, as amended (the “Code”), provides for tax-free exchanges of real property for other real property. Legislation has been proposed on several occasions that would repeal or restrict the application of Section 1031. If tax-free exchanges under Section 1031 were to be limited or unavailable, our clients or prospective clients may decide not to purchase or sell property that they would have otherwise purchased or sold due to the tax consequences of the transaction, thus reducing the commissions we would have otherwise received. Any repeal or significant change in the tax rules pertaining to like-kind exchanges could have a substantial adverse impact on our business, financial condition, results of operations, and the value of our stock.

A change in the tax laws could adversely affect our business and the value of our stock.

Changes in tax laws can impact investors’ perceived value of real estate, timing of transactions and perception of real estate as a favorable investment. As a result, such changes may increase or decrease investors’ desire to engage in real estate transactions, which could have an unfavorable impact on our business, financial condition, results of operations and the value of our stock. Changes in tax laws in the various jurisdictions in which we operate may also impact the taxes we are required to pay, our ability to transact business in such jurisdictions, and may make operating in these jurisdictions unprofitable and unfavorably impact our results of operations and ability to execute our growth plans.

New laws or regulations or changes in existing laws or regulations or the application thereof could adversely affect our businesses, financial condition, results of operations, and prospects.

We are subject to numerous federal, state, local and foreign regulations specific to the services we perform in our business, as well as laws of broader applicability, such as securities, financial services and employment laws. In general, the brokerage of real estate transactions requires us to maintain applicable licenses where we perform these services. If we fail to maintain our licenses, conduct these activities without a license, or violate any of the regulations covering our licenses, we may be required to pay fines (including treble damages in certain states), return commissions received or have our licenses suspended or revoked. We could also be subject to disciplinary or other actions in the future due to claimed noncompliance with these regulations, which could have a material adverse effect on our operations and profitability.

Our business is also governed by various laws and regulations, limiting the manner in which prospective clients may be contacted, including federal and state “Do Not Call” and “Do Not Fax” regulations. We may be subject to legal claims and governmental action if we are perceived to be acting in violation of these laws and regulations. We may also be subject to claims to the extent individual employees or investment sales and financing professionals breach or fail to adhere to Company policies and practices designed to maintain compliance with these laws and regulations. The penalties for violating these laws and regulations can be material and could result in changes to the ways in which we are able to contact prospective clients.

As the size and scope of commercial real estate transactions have increased significantly during the past several years, both the difficulty of ensuring compliance with numerous licensing regimes and the possible loss resulting from non-compliance have increased. New or revised legislation or regulations applicable to our business, both within and outside of the U.S., as well as changes in administrations or enforcement priorities may have an adverse effect on our business. Such new or revised legislation or regulations applicable to our business may impact transaction volumes and values, increase the costs of compliance or prevent us from providing certain types of services in certain jurisdictions or in connection with certain transactions or clients. For example, legislation which limits or prohibits dual agency could have an adverse impact on our revenue. We are unable to predict how any of these new laws, rules, regulations and proposals will be implemented or in what form, or whether any additional or similar changes to laws or regulations, including the interpretation or implementation thereof, will occur in the future. Risks of legislative changes, including as a result of interpretive guidance or other directives from the current administration, and new laws, regulations and interpretations may also come into effect.

The impact of any new or revised legislation or regulations under the current administration is unknown. Any such action could affect us in substantial and unpredictable ways and could have an adverse effect on our business, financial condition and results of operations.

We are subject to complex and evolving licensing and regulatory requirements.

Our business operations are subject to requirements in various jurisdictions to maintain licenses and comply with particular regulations. If we fail to maintain our licenses or conduct regulated activities without a license or in contravention of applicable regulations, we may be required to pay fines, return commissions or may have a given license suspended or revoked. Our acquisition activity increases these risks, as we must transfer licenses of acquired entities and their staff, as appropriate. Licensing requirements may also preclude us from engaging in certain types of transactions or change the way in which we conduct business or increase the cost of doing so.

As a licensed real estate service provider and advisor, we and our licensed investment sales and financing professionals may be subject to various disclosure, regulatory requirements and other obligations in the jurisdictions in which we operate. Failure to fulfill these requirements and obligations could subject us to litigation from parties who purchased or sold properties we brokered. We could become subject to claims by participants in real estate sales or other services claiming we did not fulfill our obligations as a service provider or broker. This may include claims with respect to conflicts of interest where we are acting, or are perceived to be acting, for two or more clients with potentially contrary interests. Any failure to comply with the licensing and regulatory requirements in the jurisdictions in which we operate could have an adverse effect on our business and results of operations.

Human Resource and Personnel Risks

If we are unable to attract and retain qualified and experienced managers, investment sales and financing professionals, our growth may be limited, and our business and operating results could suffer.

Our most important asset is people, and our continued success depends on our managers and investment sales and financing professionals. If these people depart, we will lose the time and resources invested in training and developing them, and our business, financial condition and results of operations may suffer. Additionally, such departures may have a disproportionate adverse effect on our operations if our most experienced investment sales and financing professionals do not remain with us or if departures occur in geographic areas where substantial amounts of our real estate brokerage commissions and financing fee revenue are generated. Departures of senior people or those in key revenue-generating markets could have a disproportionate adverse effect.

Competitors frequently attempt to recruit our investment sales and financing professionals. Our independent contractor and employment arrangements may not prevent these people from departing and competing against us. Because most of our professionals are independent contractors and most key employees, including sales leadership, do not have employment agreements, we may be unable to retain these people.

An important component of maintaining and growing our business is recruiting, training and retaining new and experienced professionals. Future growth depends on the availability of qualified candidates who fit our culture and can be retained on favorable economic terms. However, competitors may offer compensation packages and commission splits we cannot economically match.

The recruitment and retention of key experienced professionals may require significant investments, including compensation packages, support agreements and commission splits. We may also advance funds in the form of forgivable loans, which would be expensed over their contractual terms. These investments carry the risk of underperformance and misjudgment of value, resulting in losses.

During a downturn in the commercial real estate industry, experienced professionals may leave due to reduced transaction activity and income opportunities. Recruiting and retaining less experienced professionals also becomes more difficult as the industry is less attractive during downturns.

If we lose the services of our executive officers or certain other members of our senior management team, we may not be able to execute our business strategy.

Our success depends on our senior management team, who are important to our vision, strategic direction and culture. Our current long-term strategy was developed by this team and depends on their skills and knowledge to

implement. Growth and investment initiatives may require additional management expertise. We may not be able to offset the impact of losing senior management or other key employees or recruit replacements, which could negatively affect our business, financial condition and results of operations.

Our business could be hurt if we are unable to maintain our business philosophy and culture of information sharing and efforts to maintain our philosophy and culture could adversely affect our ability to maintain and grow our business.

Our policy of information sharing, matching properties with large pools of investors and the emphasis that we place on our clients, our people and our culture define our business philosophy and differentiates our services from that of our competitors. Various factors could adversely affect this culture. If we do not continue to develop and implement the right processes and tools to manage our changing enterprise and maintain this culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations.

The concentration of sales among our top investment sales and financing professionals could lead to losses if we are unable to retain them or if there is an economic downturn.

Our most successful investment sales and financing professionals generate a significant portion of our revenue. They also serve as mentors and provide training for younger professionals, supporting our culture. Losing them could materially harm our business and financial condition. Many professionals work in teams; if a team leader or manager leaves, team members may leave with them. Additionally, during economic downturns, sales are often further concentrated among top professionals with high commission splits, reducing profits and increasing risk to our business and financial condition.

Our investment sales professionals are independent contractors, not employees, and if laws, regulations or rulings mandate that they be employees, our business would be adversely impacted.

Our investment sales professionals are retained as independent contractors, and we are subject to IRS and state independent contractor regulations. These regulations may be interpreted to reclassify some or all professionals as employees. Changes in classification could require modifying compensation or reimbursing expenses. If we are forced to classify these professionals as employees, we would also be subject to employment laws regarding overtime, minimum wage, and meal and rest periods. We could incur substantial costs, penalties and damages from challenges by current or former professionals to our classification or compensation practices. Any of these outcomes could materially harm our financial condition, operations, reputation, and ability to attract clients and professionals.

Fraud, or theft, which is difficult to detect and deter, could harm us by impairing our ability to attract and retain clients and subjecting us to significant legal liability and reputational harm.

If our employees or investment sales and financing professionals engage in misconduct, we could suffer serious consequences. Misconduct may occur despite our preventive measures. If they engage in unethical practices, misuse or fail to disclose client information, we could face regulatory sanctions, reputational harm, financial losses, and damage to client relationships, reducing our ability to attract new clients. These events could materially harm our business and financial condition. Losses exceeding insurance coverage could further materially affect our business.

Internal Business Risks

We may fail to successfully differentiate our brand from those of our competitors, which could adversely affect our revenue.

The value of our brand and reputation is one of our most important assets. An inherent risk in maintaining our brand is we may fail to successfully differentiate the scope and quality of our service and product offerings from those of our competitors, or we may fail to sufficiently innovate or develop improved products or services that will be attractive to our clients. Additionally, given the rigors of the competitive marketplace in which we operate, there is the risk we may not be able to continue to find ways to operate more productively and more cost-effectively, including by achieving economies of scale, or we will be limited in our ability to further reduce the costs required to operate on a nationally coordinated platform.

Our continued efforts to expand our services and businesses may not be successful, and we may expend significant resources without corresponding returns.

We intend to continue to expand our specialty groups, particularly multi-tenant retail, office, industrial and hospitality, as well as various niche markets, including multifamily tax credit, affordable housing, student housing, manufactured housing, seniors housing and self-storage. We also plan to further grow our financing services provided through our subsidiary, MMCC. We expect to incur expenses relating to acquisitions, recruitment, training, and expanding our markets and services. The planned expansion of services and platforms requires significant resources, and there can be no assurance we will be able to continue to expand or compete effectively, attract or train a sufficient number of professionals to support the expansion, or operate these businesses profitably. We may incur significant expenses for these plans without corresponding returns, which would harm our business, financial condition and results of operations.

If we experience significant growth in the future, such growth may be difficult to sustain and may place significant demands on our administrative, operational and financial resources.

If we experience significant growth in the future, such growth could place additional demands on our resources and increase our expenses, as we will have to commit additional management, operational and financial resources to maintain appropriate operational and financial systems to adequately support expansion. There can be no assurance we will be able to manage our expanding operations effectively or we will be able to maintain or accelerate our growth, and any failure to do so could adversely affect our ability to generate revenue and control our expenses, which could adversely affect our business, financial condition and results of operations. Moreover, we may have to delay, alter or eliminate the implementation of certain aspects of our growth strategy due to events beyond our control, including, but not limited to, changes in general economic conditions and commercial real estate market conditions. Such delays or changes to our growth strategy may adversely affect our business.

If we acquire businesses in the future, we may experience high transaction and integration costs, the integration process may be disruptive to our business and the acquired businesses may not perform as we expect.

From time to time, we pursue strategic acquisitions to add and enhance our real estate brokerage and financing service offerings. The companies we have acquired have generally been regional or specialty firms that expand our network of investing and financing professionals and/or provide further diversification to our brokerage and financing services. Our acquisition structures may include deferred and/or contingent consideration payments in future periods that are subject to the passage of time or achievement of certain financial performance metrics and other conditions. Acquisitions also frequently involve significant costs related to integrating culture, information technology, accounting, reporting and management services and rationalizing personnel levels. If we are unable to fully integrate the culture, accounting, reporting and other systems of the businesses we acquire, we may not be able to effectively manage them, and our financial results may be materially adversely affected.

In addition, the acquisitions of businesses involve risks that the businesses acquired will not perform in accordance with expectations, that the expected synergies associated with acquisitions will not be achieved, that we will experience attrition from professionals licensed or associated with the acquired companies and that business judgments concerning the value, strengths and weaknesses of the businesses acquired will prove incorrect, which could have an adverse effect on our business, financial condition and results of operations. Furthermore, if we are unable to find suitable acquisition candidates, if we are unable to attract the interest of such candidates, or if we are unable to successfully negotiate and complete such acquisitions, that could limit our ability to grow.

A majority of our revenue is derived from transaction fees, which are not long-term contracted sources of recurring revenue and are subject to external economic conditions and declines in those engagements could have a material adverse effect on our financial condition and results of operations.

We historically have earned a majority of our revenue from real estate brokerage transactions and financing fees. We expect that we will continue to rely heavily on revenue from these sources for substantially all our revenue for the foreseeable future. A continuous decline in the number of transactions completed or in the value of the commercial real estate we sell could significantly decrease our revenue, which would adversely affect our business, financial condition and results of operations.

If we are unable to retain existing clients and develop new clients, our financial condition may be adversely affected.

We are substantially dependent on long-term client relationships and on revenue received for services provided for them. Our listing agreements generally expire within six months and depend on the cooperation of the client during the pendency of the agreement, as is typical in the industry. In this competitive market, if we are unable to maintain these relationships or are otherwise unable to retain existing clients and develop new clients, our business, results of operations and/or financial condition may be materially adversely affected. Historically, a global economic downturn and weaknesses in the markets in which our clients and potential clients compete have led to a lower volume of transactions and fewer real estate clients generally, hindering our ability to maintain existing and establish new client relationships.

A failure by third parties to comply with service agreements or regulatory or legal requirements could result in economic and reputational harm to us.

We rely on third parties, including subcontractors, to perform activities on behalf of our organization to improve quality, increase efficiencies and lower operational risks across our business and the services we provide. If these third parties do not meet contractual, regulatory or legal requirements, or do not have the proper safeguards and controls in place, we could be exposed to increased operational, regulatory, financial or reputational risks. In addition, these third parties face their own technology, operating and economic risks, and any significant failures by them, including the improper use or disclosure of confidential information, could cause damage to our reputation and harm to our business.

Failure to comply with confidentiality obligations could damage our reputation and materially harm our operating results.

If confidential information, including material non-public information or personal information we or our vendors and suppliers maintain, is inappropriately disclosed due to an information security breach, or if any person negligently disregards or intentionally breaches our policies, contractual commitments or other controls with respect to such data, we may incur substantial liabilities to our clients or be subject to fines or penalties imposed by governmental authorities. In addition, any breach or alleged breach of our confidentiality agreements with our clients may result in termination of their engagements, resulting in associated loss of revenue and increased costs.

We may face significant liabilities and/or damage to our professional reputation as a result of litigation allegations and negative publicity.

As a licensed real estate broker, we and our licensed professionals and brokers are subject to regulatory due diligence, disclosure and standard-of-care obligations. The actual or perceived failure to fulfill these obligations could subject us or our professionals and brokers to litigation from parties who attempted to or in fact financed, purchased or sold properties that we or they brokered, managed or had some other involvement. We could become subject to claims by those who either wished to participate or did participate in real estate transactions alleging that we did not fulfill our regulatory, contractual or other legal obligations. We also face potential conflicts of interest claims when we represent both the buyer and the seller in a transaction.

Refer to Item 3 – “Legal Proceedings” for a description of the TwinRock Holdings, LLC et al. v. Southside Ventures, LLC et al. case and its potential impacts on our business.

We depend on our business relationships and our reputation for integrity and high-caliber professional services to attract and retain clients. As a result, allegations by private litigants or regulators, whether the ultimate outcome is favorable or unfavorable to us, as well as negative publicity and press speculation about us or our investment activities, whether or not valid, may harm our reputation and damage our business prospects. In addition, if any lawsuits were brought against us and resulted in a finding of substantial legal liability, it could materially, adversely affect our business, financial condition or results of operations or cause significant reputational harm to us, which could materially impact our business.

In the event of a substantial loss, our commercial insurance coverage and/or self-insurance reserve levels might not be sufficient to pay the full damages, or the scope of available coverage may not cover certain types of claims. Further, the value of otherwise valid claims we hold under insurance policies could become uncollectible in the event of the covering insurance company’s insolvency, although we seek to limit this risk by placing our commercial insurance only with highly-rated companies. Any of these events could negatively impact our business, financial condition or results of operations.

Failure to appropriately address actual or perceived conflicts of interest could adversely affect our businesses.

Outside of our employees and investment sales and financing professionals, our reputation is one of our most important assets. As we have expanded the scope of our services, we increasingly must address potential, actual or perceived conflicts of interest relating to the services we provide to our existing and potential clients. For example, conflicts may arise between our position as an advisor to both the buyer and seller in commercial real estate sales transactions or in instances when a potential buyer requests that we represent them in securing the necessary capital to acquire an asset we are selling for another client, or when a capital source takes an adverse action against an owner client that we are advising in another matter. From time to time, we also advise or represent entities and parties affiliated with us in commercial real estate transactions which also involve clients who are unaffiliated with us. In this context, we may be subject to complaints or claims of a conflict of interest. Appropriately dealing with conflicts of interest is complex and difficult and our reputation could be damaged and cause us to lose existing clients or fail to gain new clients if we fail, or appear to fail, to deal appropriately with conflicts of interest, which could have an adverse effect on our business, financial condition and results of operations.

Technology and Cybersecurity Risks

If we do not respond to technological innovations or changes or upgrade our technology systems, our growth prospects and results of operations could be adversely affected.

To stay competitive, we need to continuously upgrade our technology infrastructure, which may require significant investment. Without these improvements, we risk system disruptions, slower performance, and unreliable service, affecting customer satisfaction and delaying new offerings. Failing to keep up with technological advancements could put us at a disadvantage, as more accessible data and online competitors disrupt traditional models. Increased transparency and rapid information dissemination also heighten the risks of reputational damage. Investing in technology infrastructure will demand substantial resources without guaranteed returns, but is essential to maintain our market position.

Interruption, data security breaches, or failure of our information technology, communications systems or data services could hurt our ability to effectively provide our services, which could damage our reputation and harm our operating results.

Our business depends on reliable information technology and communication systems, which are susceptible to disruptions from events like power outages, cyberattacks, natural disasters, or third-party failures. Since some systems rely on external providers, we cannot guarantee continuous security or availability. Any significant interruption could impact our operations, data integrity, reputation, and financial performance. While we have contingency plans and backup systems, they may not cover all scenarios. Additionally, our reliance on internally generated and third-party commercial real estate data means that any loss of access could harm our services and results.

Failure to maintain the security of our information and technology networks, including personally identifiable and client information could adversely affect us.

Security breaches and other disruptions could compromise our and our clients' information and expose us to liability, which could cause our business and reputation to suffer. In the ordinary course of our business, we collect and store sensitive data, including our proprietary business information and intellectual property and that of our clients and personally identifiable information of our employees and contractors, in third-party data centers and on our networks. The secure processing, maintenance and transmission of this information is critical to our operations. Our security measures vary in maturity across our business. Our information technology and infrastructure have been subject to, and may in the future be vulnerable to various cyber-attacks, such as hacking, spoofing and phishing attacks and ransomware attacks, exploitation of system or application vulnerabilities or our systems may be breached due to employee error, malfeasance or other disruptions. We may also not have sufficient logs available to fully investigate the scope of a cyber-attack.

Additionally, a portion of our workforce works remotely in some capacity. This arrangement exposes us to additional threat vectors and vulnerabilities.

A significant actual or potential theft, loss, fraudulent use or misuse of client, employee or other personally identifiable data, whether by third parties or as a result of employee malfeasance or otherwise, non-compliance with our contractual or other legal obligations regarding such data or a violation of our privacy and security policies with respect to such data could result in significant costs, fines, litigation or regulatory actions against us. Such an event could additionally

disrupt our operations and the services we provide to clients, damage our reputation, and cause a loss of confidence in our services, which could adversely affect our business, revenue and competitive position.

Additionally, we increasingly rely on third-party data storage providers, including cloud storage solution providers, resulting in less direct control over our data. Such third parties may also be vulnerable to security breaches and compromised security systems, which could adversely affect our reputation. In the past several years, supply chain attacks have increased in frequency and severity. As we are a consumer of information systems and technology, we are at risk of being impacted either directly or indirectly by these attacks. The control systems, cybersecurity program, infrastructure, physical facilities of, and personnel associated with third parties that we rely on are beyond our control.

We rely on the collection and use of personally identifiable information from clients to conduct our business. We disclose our information collection and dissemination practices in a published privacy statement on our websites, which we may modify from time to time. We may be subject to legal claims, government action, including under the Racketeer Influenced and Corrupt Organizations Act, and damage to our reputation if we act or are perceived to be acting inconsistently with the terms of our privacy statement, client expectations or the law. In the event we or the vendors with which we contract to provide services on behalf of our clients were to suffer a breach of personally identifiable information, our customers could terminate their business with us. Further, we may be subject to claims to the extent individual employees or investment sales and financing professionals breach or fail to adhere to Company policies and practices and such actions jeopardize any personally identifiable information. In addition, concern among potential buyers or sellers about our privacy practices could keep them from using our services or require us to incur significant expense to alter our business practices or educate them about how we use personally identifiable information.

Our business is subject to complex and evolving laws and regulations regarding privacy, data protection, and cybersecurity. Many of these laws and regulations are subject to change and uncertain interpretation and could result in claims, increased cost of operations or otherwise harm our business.

We face complex and expanding laws on privacy, data protection, and cybersecurity that often conflict across jurisdictions, raising our compliance risks and costs. Security breaches or incidents may lead to violations of these regulations and increasing reporting obligations, sometimes requiring disclosure before full assessment or remediation. Complying with such requirements can distract from incident response and potentially expose vulnerabilities. Delayed reporting may result in investigations, fines, or legal action.

Significant data theft, misuse, or non-compliance—whether internal or external—can lead to considerable expenses, litigation, regulatory action, operational disruptions, reputational damage, and loss of competitive advantage. Our reliance on third-party technology providers further reduces control over data security, and their vulnerabilities may also negatively impact us if not indemnified.

Investment Risks

Our investments in marketable debt securities, available-for-sale are subject to certain risks which could affect our overall financial condition, results of operations or cash flows.

We invest a portion of our available cash and cash equivalent balances in money market funds, some of which have floating net asset values or by purchasing marketable debt securities with maturities in excess of three months in a managed portfolio in a variety of fixed or variable rate debt securities, including U.S. government and federal agency securities and corporate debt securities. The primary objective of our investment activity is to maintain the safety of principal, provide for future liquidity requirements while maximizing yields without significantly increasing risk. Should any of our investments or marketable debt securities lose value or have their liquidity impaired, it could affect our overall financial condition. Additionally, if we choose or are required to sell these securities in the future at a loss, our consolidated operating results or cash flows may be affected.

We may be deemed to be an investment company due to our investments in marketable debt securities, available-for-sale and, if such a determination were made, we would become subject to significant regulation that would adversely affect our business.

We may be deemed to be an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"), if, among other things, we own "investment securities" with a value exceeding 40% of the value of our total assets, unless we qualify under a particular exemption or safe harbor. We invest part of our available cash and cash equivalents in a variety of short-term, investment-grade securities, some of which may qualify as "investment

securities” under the Investment Company Act. Investment companies are subject to registration under the Investment Company Act and compliance with a variety of restrictions and requirements. If we were to be deemed an investment company we would become subject to these restrictions and requirements, and the consequences of having been an investment company without registering under the Investment Company Act could have a material adverse effect on our business, financial condition and results of operations, as well as restrict our ability to sell and issue securities, borrow funds, engage in various transactions or other activities and make certain investment decisions. In addition, we may incur significant costs or limitation on business opportunities to avoid investment company status if an exemption from the Investment Company Act were to be considered unavailable to us at a time when the value of our “investment securities” exceeds 40% of the value of our total assets. We believe that we satisfy the conditions to be exempt from the Investment Company Act because, among other things, we are engaged directly and primarily in a business other than that of investing, reinvesting, owning, holding or trading in securities. However, absent an exemptive order from the SEC, our status of being exempt cannot be assured.

Risks Related to Our Founder

Our Chair and founder owns a significant portion of our common stock, which may prevent other stockholders from influencing significant decisions, and the sale of such stock may depress the price of our common stock and impair our ability to raise capital.

George M. Marcus, our Chair and founder beneficially owns approximately 15.0 million shares, or approximately 39% of our outstanding common stock as of December 31, 2025. Because of Mr. Marcus’ substantial ownership of our outstanding common stock, he may be able to significantly influence the outcome of corporate actions requiring stockholder approval, including the election and removal of directors, so long as he controls a significant portion of our common stock. Mr. Marcus’ shares may also be sold in a public or private sale which could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through the future sales of equity securities.

Our Chair may have actual or potential conflicts of interest because of his position with MMC.

George M. Marcus serves as the Chair of our Board of Directors and is Chair of the Board of Directors of MMC. In addition, Mr. Marcus beneficially owns substantially all of the outstanding stock of MMC. His position at MMC and the ownership of any MMC equity or equity awards creates or may create the appearance of conflicts of interest if and when he is faced with decisions that could have different implications for MMC and for us.

General Risks

Our existing goodwill and other intangible assets could become impaired, which may require us to take non-cash charges.

Under current accounting guidelines, we evaluate our goodwill and other intangible assets for potential impairment annually or more frequently if circumstances indicate impairment may have occurred. We perform the required annual goodwill impairment evaluation in the fourth quarter of each year. Any impairment of goodwill or other intangible assets would result in a non-cash charge against earnings, and such charge could materially adversely affect our reported results of operations and the market price of our common stock in future periods.

Our brand and reputation are important Company assets, and will be affected by how we are perceived in the marketplace.

Our brand and reputation are important assets, and we believe our continued success depends on our ability to preserve, grow and leverage the value of our brand. Our ability to attract and retain clients is highly dependent upon the external perceptions of our expertise, level of service, trustworthiness, business practices, management, workplace culture, financial condition, our response to unexpected events and other subjective qualities. Negative perceptions or publicity regarding these matters, even if related to seemingly isolated incidents and whether or not factually correct, could erode trust and confidence and damage our reputation, which could make it difficult for us to attract or retain clients. Negative public opinion could result from actual or alleged conduct in any number of activities or circumstances, including the personal conduct of individuals associated with our brand, handling of client complaints, regulatory compliance, the use and protection of client and other sensitive information, and from actions taken by regulators or others in response to any such conduct.

The protection of our brand, including related trademarks and other intellectual property, may require the expenditure of significant financial and operational resources. Moreover, the steps we take to protect our brand may not adequately protect our rights or prevent third parties from infringing or misappropriating our trademarks. Any unauthorized use by third parties of our brand may adversely affect our business.

In preparing our financial statements we make certain assumptions, judgments, and estimates that affect amounts reported in our consolidated financial statements, which, if not accurate, may significantly impact our financial results.

We make assumptions, judgments, and estimates that affect amounts reported in our consolidated financial statements. These assumptions, judgments, and estimates are drawn from historical experience and various other factors that we believe are reasonable under the circumstances as of the date of the consolidated financial statements. Actual results could differ materially from our estimates, and such differences could significantly impact our financial results.

The price of our common stock may fluctuate significantly, and you could lose all or part of your investment.

Volatility in the market price of our common stock may prevent shareholders from being able to sell shares of our common stock at or above the price shareholders paid for them. The market price for our common stock could fluctuate significantly for various reasons, including quarterly and annual variations in our results and those of our competitors; changes to the competitive landscape; estimates and projections by the investment community; the arrival or departure of key personnel, especially the retirement or departure of key senior investment sales and financing professionals and management; the introduction of new services by us or our competitors; acquisitions, strategic alliances or joint ventures involving us or our competitors; and general global and domestic economic, credit and liquidity issues, market or political conditions.

As a result of these factors, investors in our common stock may not be able to resell their shares at or above the price paid to acquire the stock or may not be able to resell them at all. These broad market and industry factors may materially reduce the market price of our common stock, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock is low.

If securities analysts do not publish research or reports about our business or if they downgrade our Company or our sector, or we do not meet expectations of the analysts the price of our common stock could decline.

The trading market for our common stock depends in part on the research and reports that industry or financial analysts publish about us or our business. These research reports about our business may contain information about us, including, but not limited to estimates of our future results of operations and stock price. We do not control these analysts, nor can we assure that any analysts will continue to follow us, issue research reports or publish information that accurately predicts our actual results or stock price. Furthermore, if we do not meet the expectations of industry or financial analysts or one or more of the analysts who do cover us downgrades our Company or our industry, or the stock of any of our competitors, the price of our common stock could decline. If one or more of these analysts ceases coverage of our Company, we could lose visibility in the market, which in turn could cause the price of our common stock to decline.

Significant fluctuations in our revenue and net income may make it difficult for us to achieve steady earnings growth on a quarterly or an annual basis, which may make the comparison between periods difficult and may cause the price of our common stock to decline.

We have experienced and may continue to experience fluctuations in revenue and net income as a result of many factors, including, but not limited to, economic conditions, capital market disruptions, the timing of transactions, revenue mix and the timing of additional selling, general and administrative expenses to support growth initiatives, recognition and expensing of forgivable loans provided to investment sales and financing professionals. We provide many of our services pursuant to contracts that typically expire within six months and that are dependent on the client's cooperation. Consequently, many of our clients can terminate or significantly reduce their relationships with us on very short notice for any reason. In addition, a significant portion of our expenses are fixed and do not vary proportionately with fluctuations in revenues. If our clients terminate or significantly reduce their relationships with us on short notice for any reason, we may be unable to adjust our expenses in a timely manner which could have an immediate material adverse effect on our business, financial condition and results of operation.

We plan our capital and operating expenditures based on our expectations of future revenue and, if revenues are below expectations in any given quarter or year, we may be unable to adjust capital or operating expenditures in a timely

manner to compensate for any unexpected revenue shortfall, which could have an immediate material adverse effect on our business, financial condition and results of operation.

Future sales or the perception of future sales of a substantial amount of our common stock may depress the price of shares of our common stock.

Future sales, issuances of shares under our Amended and Restated 2013 Omnibus Equity Incentive Plan, as amended (the “2013 Plan”), and 2013 Employee Stock Purchase Plan (the “ESPP”) or the availability of a substantial amount of our common stock in the public market could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through the future sales of equity securities.

We may issue shares of our common stock or other securities from time to time as consideration for future acquisitions and investments. If any such acquisition or investment is significant, the number of shares of our common stock, or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be substantial. We may also grant registration rights covering those shares of our common stock or other securities in connection with any such acquisitions and investments.

We cannot predict the size of future issuances or sales of our common stock or the effect, if any, that future issuances and sales of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including shares of our common stock issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

Cybersecurity Risk Management and Strategy

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. These risks include, among other things, operational risks; intellectual property theft; fraud; extortion; harm to employees or customers; violation of privacy or security laws and other litigation and legal risk; and reputational risks. We have implemented several cybersecurity processes, technologies, and controls to aid in our efforts to assess, identify, and manage such material risks.

Our process for identifying and assessing material risks from cybersecurity threats operates alongside our broader overall risk assessment process, covering all company risks. As part of this process, appropriate disclosure personnel collaborate with subject matter specialists, as necessary, to gather insights for identifying and assessing material cybersecurity threat risks, their severity, and potential mitigations.

We also have a cybersecurity specific risk assessment process, which helps identify our cybersecurity threat risks. As part of this process, and our processes to provide for the availability of critical data and systems, maintain regulatory compliance, identify and manage our risks from cybersecurity threats, and to protect against, detect, and respond to cybersecurity incidents, as such term is defined in Item 106(a) of Regulation S-K, we undertake the below listed activities, among others:

- periodic comparison of our processes to standards set by the National Institute of Standards and Technology;
- closely monitor emerging data protection laws and implement changes to our processes designed to comply;
- undertake an annual review of our consumer-facing policies and statements related to cybersecurity;
- conduct regular phishing email simulations for all employees and all contractors with access to corporate email systems to enhance awareness and responsiveness to such possible threats;
- conduct annual cybersecurity training for all employees and contractors, along with targeted training on a quarterly basis for specific subsets of employees identified through our phishing simulations;
- through policy, practice and contract (as applicable) require employees, as well as third-parties who provide services on our behalf, to treat customer information and data with care;
- conduct regular network and endpoint monitoring and vulnerability assessments to improve our information systems, as such term is defined in Item 106(a) of Regulation S-K;

- carry information security risk insurance that provides protection against the potential losses arising from a cybersecurity incident;
- conduct vulnerability scans and leverage the scan results to continuously patch and manage our network as new threats emerge; and
- constant active monitoring by our contracted Security Operations Center.

Our incident response plan coordinates the activities we take to prepare for, detect, respond to and recover from cybersecurity incidents, which include processes to triage, assess severity for, escalate, contain, investigate, and remediate the incident, as well as to comply with potentially applicable legal obligations and mitigate brand and reputational damage. The incident response team assesses the severity and priority of incidents on a rolling basis, with escalations of higher severity cybersecurity incidents provided to our management team. If a cybersecurity incident is determined to be a material cybersecurity incident, our incident response processes define the steps to disclose such a material cybersecurity incident.

As part of the above processes, we regularly engage with assessors, consultants, auditors, and other third parties, including by regularly conducting technical and data reviews with our cybersecurity partners to help identify areas for continued focus, improvement and/or compliance.

Our processes also address cybersecurity threat risks associated with our use of third-party service providers, including those in our supply chain or who have access to our customer and employee data or our systems. Third-party risks are included within our broader overall risk assessment process, as well as our cybersecurity-specific risk identification program, both of which are discussed above. In addition, cybersecurity considerations affect the selection and oversight of our third-party service providers. We perform diligence on third parties that have access to our systems, data or facilities that house such systems or data, and continually monitor cybersecurity threat risks identified through such diligence. Additionally, we generally require those third parties that could introduce significant cybersecurity risk to us to agree by contract to manage their cybersecurity risks in specified ways, and to agree to be subject to cybersecurity audits, which we conduct as appropriate.

We describe whether and how risks from identified cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition, under the heading “Item 1.A – Risk Factors – Technology and Cybersecurity Risks,” which disclosure is incorporated by reference herein.

Cybersecurity Governance

Cybersecurity is an important part of our risk management processes and an area of increasing focus for our Board and management.

Our audit committee is responsible for the oversight of risks from cybersecurity threats. At least quarterly, the audit committee receives an overview from management of our cybersecurity threat risk management and strategy processes covering topics such as data security posture, results from third-party assessments, progress towards pre-determined risk-mitigation-related goals, our incident response plan, and material cybersecurity threat risks or incidents and developments, as well as the steps management has taken to respond to such risks. In such sessions, the audit committee generally receives materials indicating current and emerging material cybersecurity threat risks, and describing the company’s ability to mitigate those risks, and discusses such matters with our Chief Information Officer. Members of the audit committee regularly engage in conversations with management on cybersecurity-related news events and discuss any updates to our cybersecurity risk management and strategy programs. Material cybersecurity threat risks are also considered during separate Board meeting discussions of important matters like risk management, operational budgeting, business continuity planning, mergers and acquisitions, brand management, and other relevant matters.

Our cybersecurity risk management and strategy processes, which are discussed in greater detail above, are led by our Chief Information Officer (“CIO”). The CIO has been responsible for cybersecurity for over ten years across multiple organizations, leading enterprise security programs, business continuity planning, cybersecurity response planning, and the implementation of the National Institute of Standards and Technology (NIST) cybersecurity framework. In the CIO’s most recent role, the CIO established and led a dedicated Cybersecurity Department, developing comprehensive security strategies, implementing cutting-edge cybersecurity tools, and designing response plans to support the entire company. At our company, the CIO continues to drive proactive risk management, regulatory compliance, and a culture of cybersecurity awareness.

The firm's senior executive team, inclusive of the CEO, CFO, COO, CAO and CLO, are informed about and monitor the prevention, mitigation, detection, and remediation of cybersecurity incidents through their management of, and participation in, the cybersecurity risk management and strategy processes described above, including the operation of our incident response plan.

As discussed above, these members of management report to the audit committee about cybersecurity threat risks, among other cybersecurity related matters.

Item 2. Properties

Our principal executive offices are located at 23975 Park Sorrento, Suite 400, Calabasas, California 91302. Our telephone number is (818) 212-2250. We lease all of our brokerage offices (typically less than 12,000 square feet) and other support facilities in the United States and Canada. We believe that our current facilities are adequate to meet our needs through the end of 2026; however, as we continue to evaluate our office footprint, our lease needs could change during the year.

Item 3. Legal Proceedings

We are involved in claims and legal actions arising in the ordinary course of our business, some of which involve claims for damages that are substantial in amount. Most of these litigation matters are covered by our insurance policies, which contain deductibles, exclusions, claim limits and aggregate policy limits. Such litigation and other proceedings may include, but are not limited to, actions relating to commercial relationships, standard brokerage disputes like the alleged failure to disclose physical or environmental defects or property expenses or contracts, the alleged inadequate disclosure of matters relating to the transaction like the relationships among the parties to the transaction, potential claims or losses pertaining to the asset, vicarious liability based upon conduct of individuals or entities outside of our control, general fraud claims, conflicts of interest claims, employment law claims, including claims challenging the classification of our sales professionals as independent contractors, claims alleging violations of state consumer fraud statutes and intellectual property. While the ultimate liability for these legal proceedings cannot be determined, we review the need for an accrual for loss contingencies quarterly and record an accrual for litigation related losses where the likelihood of loss is both probable and estimable.

On October 1, 2025, a jury in Boone County, Missouri returned a verdict against our subsidiary, MMREIS, in connection with the 2019 sale of a student-housing property near the University of Missouri. The jury awarded MO Murrayfield, LLC, the purchaser of the property, \$4.075 million in actual damages and \$20.0 million in punitive damages and awarded TwinRock Holdings, LLC \$10.0 million in punitive damages with \$0 in actual damages. On October 24, 2025, the Circuit Court entered judgments in the above amounts in favor of the purchaser and the other party.

On February 14, 2026, the Circuit Court granted the Company's motion for judgment notwithstanding the verdict with respect to the verdict in favor of TwinRock Holdings, LLC, vacating the \$10 million punitive damages award and directing that judgment be entered in favor of the Company. The Company filed its appeal as to the judgment in favor of MO Murrayfield, LLC on February 23, 2026. The Company denies wrongdoing and believes there are strong grounds for reversal or significant reduction of the remaining judgment.

In light of the February 14, 2026 ruling, the Company has revised its estimate of the range of reasonably possible loss to \$0 to approximately \$24.1 million, pending appellate outcomes. We have recorded an accrual of \$4.0 million, representing approximately the actual damages awarded. If our post-trial motions or appeals are not successful in reversing or significantly reducing the award, we could be required to record significant additional charges, which could have a material impact on our financial results.

For additional information regarding legal proceedings, see Note 16 — "Commitments and Contingencies" of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock trades on the New York Stock Exchange ("NYSE") under the symbol "MMI".

As of February 10, 2026, there were 51 stockholders of record, and the closing price of our common stock was \$27.22 per share as reported on the NYSE.

Dividends

We currently expect to continue to declare semi-annual regular dividends; however, the declaration and amount of any future cash dividends will be subject to the sole discretion of the Board of Directors and will depend upon many factors, including our business, financial condition and results of operations and other factors deemed relevant by our Board of Directors from time to time.

Stock Performance Graph

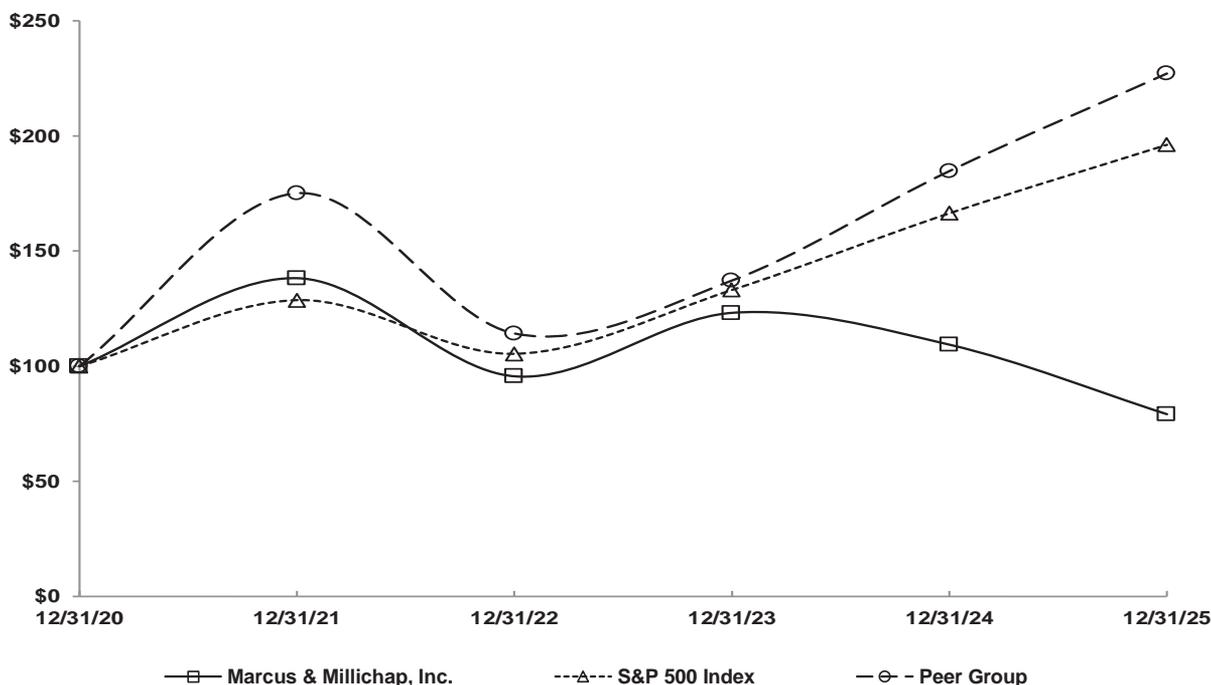
The performance graph shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of Marcus & Millichap, Inc. under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act.

The following graph shows a comparison from December 31, 2020 through December 31, 2025 of the cumulative total return for our common stock, the Standard & Poor's 500 Stock Index ("S&P 500 Index") and an industry peer group for this period.

The graph assumes that \$100 was invested at the market close on December 31, 2020 in the common stock of Marcus & Millichap Inc., the S&P 500 Index and the peer group, and assumes reinvestment of dividends. The stock price performance of the following graph is not necessarily indicative of future stock price performance. The industry peer group is comprised of the following publicly-traded real estate services companies: CBRE, Colliers, Cushman, JLL, and Newmark (collectively "Peer Group"). We selected our Peer Group based on companies that represent our primary competitors with certain business lines reasonably comparable to ours and based on the length of time they have been publicly-traded.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN

Among Marcus & Millichap, Inc, the S&P 500 Index, and a Peer Group



	Base Period 12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25
Marcus & Millichap, Inc.	100.00	138.22	95.63	123.18	109.36	79.18
S&P 500 Index	100.00	128.71	105.40	133.10	166.40	196.16
Peer Group	100.00	175.12	114.22	137.20	184.75	227.11

Purchases of Equity Securities by the Issuer

Share repurchase activity during the three months ended December 31, 2025 was as follows:

Periods	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs ⁽²⁾
October 1, 2025 - October 31, 2025	136,269	\$ 28.44	136,269	\$ 59,052,231
November 1, 2025 - November 30, 2025	95,650	28.83	95,650	56,294,938
December 1, 2025 - December 31, 2025	436,642	27.96	436,642	44,084,256
Total	668,561		668,561	\$ 44,084,256

(1) Excludes shares withheld for employee taxes upon vesting of stock-based awards. Stock repurchases under our program may be made through open market and privately negotiated transactions at times and in such amounts as management deems appropriate. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements, capital availability, and other market conditions. The stock repurchase program does not have an expiration date and may be limited or terminated at any time without prior notice.

(2) As of December 31, 2025, the Company had outstanding authorization to purchase up to \$140 million of the Company's common stock under its common stock repurchase program announced on August 2, 2022, of which \$95.9 million had been utilized.

Recent Sales of Unregistered Securities

None.

Item 6. [RESERVED]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of our financial condition and results of operations should be read in conjunction with our audited consolidated financial statements and the accompanying notes thereto included elsewhere herein. The following discussion contains, in addition to historical information, forward-looking statements that include risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those factors set forth under Item 1A – “Risk Factors” and Item 7 – “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Overview – Factors Affecting Our Business” of this Annual Report on Form 10-K.

Overview

Our Business

We are a leading national real estate services firm specializing in commercial real estate investment sales, financing services, research, and advisory services. We have been the top commercial real estate investment broker in the United States based on the number of investment transactions for more than 15 years. As of December 31, 2025, we had 1,808 investment sales and financing professionals that are primarily exclusive independent contractors operating in more than 80 offices, who provide real estate brokerage and financing services to sellers and buyers of commercial real estate assets. During the year ended December 31, 2025, we closed 8,818 investment sales, financing and other transactions with total sales volume of approximately \$50.8 billion. During the year ended December 31, 2024, we closed 7,836 investment sales, financing and other transactions with total sales volume of approximately \$49.6 billion.

We generate revenue by collecting real estate brokerage commissions upon the sale, and financing fees upon the financing of commercial properties, by providing equity advisory services and loan sales, loan guarantees and providing consulting and advisory services. Real estate brokerage commissions are typically based upon the value of the property and financing fees are typically based upon the size of the loan. During the year ended December 31, 2025, approximately 84% of our revenue was generated from real estate brokerage commissions, 14% from financing fees and 2% from other revenue, including consulting and advisory services.

Acquisitions

We continue to pursue opportunities to increase our market presence through the execution of our growth strategies by targeting markets based on population, employment, level of commercial real estate sales, inventory and competitive opportunities where we believe the markets will benefit from our commercial real estate investment sales, financing, research, and advisory services.

Factors Affecting Our Business

Our business and our operating results, financial condition and liquidity are significantly affected by the number and size of commercial real estate investment sales and financing transactions that we close in any period. The number and size of these transactions are affected by our ability to recruit and retain investment sales and financing professionals, identify and contract properties for sale, and identify those that need financing and refinancing. We principally monitor the commercial real estate market through four factors, which generally drive our business. The factors are the economy, commercial real estate supply and demand, capital markets, and investor sentiment and investment activity.

The Economy

Our business is dependent on economic conditions within the markets in which we operate. Changes in the economy on a global, national, regional, or local basis can have a positive or negative impact on our business. Economic indicators and projections related to job growth, unemployment, interest rates, retail spending and consumer confidence trends can

have a positive or negative impact on our business. Overall market conditions, including global trade, interest rate changes, inflation, job creation, and global events can affect investor sentiment and, ultimately, the demand for our services from investors in real estate.

Ongoing changes in U.S. trade and tariff policies combined with uncertainty in geopolitical and fiscal policies have sustained elevated economic headwinds. These challenges have restrained some investor and business leader decision making and impacted job creation. The policy-driven uncertainty has been exacerbated by the government shutdown in October 2025, which stalled government data releases. Broad-based expectations of an inflation surge have not flowed through to the market, and though inflation has been relatively stable near 3.0%, interest rates have remained range-bound with the 10-year treasury rate, remaining in the low-4% range. Since the tariffs were first announced in April 2025, job creation averaged just 11,600 per month through December, down from an average of more than 123,000 per month in the first four months of 2025. Unemployment ticked up to 4.4% at year end, which although still low by historical standards, has raised some concerns. To mitigate the slackening employment market, the Federal Reserve lowered the overnight rate three times in the second half of 2025, taking the rate to the 3.5% - 3.75% range, its lowest levels since November 2022. As of the last available data, in November 2025, retail sales were up 3.3% year-over-year, suggesting that tariffs had yet to impact consumption. However, the growth in retail sales appears to be bifurcated, with high earning households contributing nearly 60% of total consumption. This suggests that lower income households may be facing greater economic headwinds that could ultimately weigh on household formations and spending in some retail categories.

Although the economy remains generally sound, the lack of clarity from the U.S. presidential administration regarding tariffs and trade policy together with the limited economic data available due to the government shutdown has made it increasingly difficult to predict the economic outlook. Recession risk remains modestly elevated, and inflation risk continues to be a concern. The Federal Reserve has remained cautious, opting to hold rates flat in January 2026 as expected. Risks of additional government shutdowns, further U.S. military action in Venezuela, efforts to acquire Greenland and increased immigration enforcement action have garnered national and international media attention, further exacerbating economic uncertainty. Should policy uncertainty abate, the underlying strength of the U.S. economy could support a stronger economic outlook.

Commercial Real Estate Supply and Demand

Our business is dependent on the willingness of investors to invest in or sell commercial real estate, which is affected by many factors beyond our control. These factors include the supply of commercial real estate, coupled with user demand for these properties, and the performance of real estate assets, when compared with other investment alternatives, such as stocks and bonds.

Although the pace of apartment and industrial construction has begun to abate, markets where the new additions were concentrated, predominantly in the Sun Belt, continue to face an overhang of inventory that is affecting fundamentals. Markets with limited new supply continue to generate modest performance gains. Oversupply risks are diminishing as elevated capital costs, rising tariffs on building materials, and construction labor shortages increase construction costs. Retail and office development was already low entering 2025 and showed little sign of a revival by year end. Apartment starts have fallen by 72% from their peak in 2022, and industrial completions in 2026 are expected to fall to approximately 200 million square feet, their lowest level since 2014. As a result, receding new supply risks should aid commercial real estate performance in the coming quarters.

While many Sun Belt markets face multifamily oversupply challenges, other metropolitan areas experienced only modest vacancy rate increases. Nationally, the vacancy rate remained unchanged on a year-over-year basis at 5.2% as of the fourth quarter of 2025, but unit absorption tapered in the second half of the year and fell to -40,000 units in the fourth quarter. This likely reflects the weaker pace of job creation and slowing new household formations. Office demand has continued to improve, achieving a seventh consecutive quarter of positive space absorption. Although vacancy rates remain elevated for the sector as a whole, select sub-segments of office properties in a variety of markets continue to draw tenant demand. Retail space demand was positive in the fourth quarter, sustaining a vacancy rate below 5% led by neighborhood and community retail centers which maintained vacancy rates in the mid-4% range. Hotel demand remains down from last year as international travel to the United States has been impacted by trade policies and fraying international relations. In addition, elevated uncertainty and weakened consumer confidence have impacted leisure travel. Should trade deals be established and policies normalized, confidence could improve and quickly revive hotel room demand.

The commercial real estate space demand outlook remains difficult to discern amid the dramatic policy shifts enacted by the U.S. presidential administration and the limited data available due to the government shutdowns. Increased

uncertainty, weakened sentiment and risks of a recession and higher inflation could slow decision making, causing commercial real estate space demand to falter. If policy clarity emerges, commercial real estate space demand could be reinvigorated. Nonetheless, all commercial real estate property types aside from office properties entered the new cycle on sound footing, suggesting a durable performance outlook.

Capital Markets

Credit and liquidity issues in the financial markets have a direct impact on the flow of capital to the commercial real estate market. Real estate purchases are often financed with debt, and as a result, credit and liquidity impact transaction activity and prices. Movements of interest rates in one direction, whether increasing or decreasing, could adversely or positively affect the operations and income potential of commercial real estate properties, as well as lender and equity underwriting for real estate investments. These changes directly influence investor demand for commercial real estate investments and what they are willing to pay. Furthermore, the use of debt or loan-to-value ratios can shift along with lender confidence and underwriting standards. At times of heightened uncertainty or liquidity issues, loan-to-values decline, requiring buyers to provide more equity and take more risk to close deals.

Interest rates appear to have stabilized, with the 10-year treasury rate holding relatively steady in the low-4% range. While interest rate risks remain, the Federal Reserve initiated a series of rate reductions in the fourth quarter of 2025 that could restrain upward movement in lending rates. Some uncertainty surrounding Federal Reserve rate policies will linger into 2026 as Jerome Powell's tenure as the Chairman of the Federal Reserve ends in May and a new leader assumes the role. Federal Reserve rate policy could also hinge on an impending Supreme Court decision on whether Federal Reserve Board Governor Lisa Cook can be terminated and replaced by the U.S. presidential administration. Lender spreads have continued to tighten, reducing commercial real estate lending rates to their lowest level since 2022, but the rate outlook is fluid. Debt capital liquidity remains healthy with the multifamily lending caps for Fannie Mae and Freddie Mac increasing by 20.5% for 2026 thus far and as regional banks reengage the market after stabilizing their balance sheets and gaining confidence from the probability of relaxed banking regulations.

Although economic uncertainty combined with financial market and interest rate volatility normally tend to increase investor caution, capital flows into commercial real estate could potentially be bolstered. As a "hard asset" with some level of resistance to inflation, recessions and financial market volatility, investment into commercial real estate could benefit from the current economic climate. The repricing of commercial real estate assets over the last three years has enhanced their yield profile, supporting positive or neutral leverage in many markets and property types. In addition, the passage of the "One Big Beautiful Bill Act" in July 2025 provides some tax benefits and additional clarity to the commercial real estate market. Bonus depreciation rules, increased state and local tax ("SALT") allowances, and increased deductibility of interest paid on commercial real estate could bolster investment activity. Furthermore, by making many of the new tax rules permanent, investors can rely on greater tax policy certainty, allowing them to deploy longer-term investment strategies. Whether capital migrates to commercial properties will likely depend on the risk perception of the broader financial market, but other hard assets have already experienced increased demand in the wake of the rapid policy shifts.

Investor Sentiment and Investment Activity

We facilitate investors buying, selling, and financing properties in order to generate commissions. Investors' desires and need to engage in real estate transactions are dependent on many factors that are beyond our control. The economy, supply and demand for properly positioned properties, available credit and market events impact investor sentiment and, therefore, transaction velocity. In addition, our private clients, who make up the largest source of revenue, are often motivated to buy, sell and/or refinance properties due to personal circumstances, such as death, divorce, partnership breakups and estate planning.

Commercial real estate transaction activity increased by 17% in 2025 compared to 2024, led by velocity gains in retail and office property sales. In 2025, industrial transactions increased by 16% on a year-over-year basis and apartment transactions rose by 14%. Hotel property sales activity increased by a more modest 9% in 2025. The uptick in transactions reflects the increased cap rates and lower rates on commercial real estate lending. If the economy avoids a major disruption, the combination of increased stability, higher yields and lower interest rates could bolster investment activity in coming quarters. Clarity on investor expectations in the new trade and economic climate have yet to fully emerge.

Several metrics traditionally associated with rising transaction activity, including increased exclusive inventory being brought to market and rising requests for Broker Opinions of Value, suggest that transactional momentum could be sustained in the coming quarters. Nonetheless, the variety of potential headwinds facing the sector, including the economy,

interest rates, financial market trends, geopolitical and commercial real estate pricing clarity, could suppress activity. In the current uncertain climate, defensive assets such as single-tenant net lease properties backed by high-credit tenants and medical office assets continue to receive buyer interest. Apartment properties, supported by positive long-term drivers, including robust demographics of the renter-aged population and the high cost of homeownership, is also a favored property segment. Another important factor influencing the investor outlook is the renewal of many of the 2017 Tax Cuts and Jobs Act provisions. Accelerated depreciation, pass-through entity deductions, increases in Low Income Housing Tax Credit (LIHTC) allocations, increased SALT deductions and the renewal of Opportunity Zones could benefit commercial real estate investment. Ultimately, market velocity will be dictated by a combination of the economic outlook, financial market trends, geopolitical forces, Federal Reserve action, interest rates and the buyer/seller expectation gap. If trade policy stabilizes, uncertainty abates and investor sentiment rises, we believe commercial real estate investment activity could gain additional momentum.

Seasonality

Our real estate brokerage commissions and financing fees have tended to be seasonal and, combined with other factors, can affect an investor's ability to compare our financial condition and results of operations on a quarter-by-quarter basis. Historically, this seasonality has generally caused our revenue, operating income, net income, and cash flows from operating activities to be lower in the first half of the year and higher in the second half of the year, particularly in the fourth quarter. The concentration of earnings and cash flows in the last six months of the year, particularly in the fourth quarter, is due to an industry-wide focus of clients to complete transactions towards the end of the calendar year. This historical trend can be disrupted both positively and negatively by major economic events, political events, geopolitical events, natural disasters, or public health crises, which may impact, among other things, investor sentiment for a particular property type or location, volatility in financial markets, current and future projections of interest rates, attractiveness of other asset classes, market liquidity, and the extent of limitations or availability of capital allocations for larger property buyers, among others. Private client investors may accelerate or delay transactions due to personal or business-related reasons unrelated to economic events. In addition, our operating margins are typically lower during the second half of each year due to our commission structure for some of our senior investment sales and financing professionals. These senior investment sales and financing professionals are on a graduated commission schedule that resets annually, pursuant to which higher commissions are paid for higher sales volumes. During 2024, seasonal fluctuations were disrupted by changes in overall market conditions and interest rates. In 2025, the seasonal fluctuations were disrupted by tax law changes and federal policies related to trade, tariffs and immigration. Going forward, our historical pattern of seasonality may or may not continue to the same degree experienced in prior years.

Key Financial Measures and Indicators

Revenue

Our revenue is primarily generated from our real estate investment sales business. In addition to real estate brokerage commissions, we generate revenue from financing fees and from other revenue, which are primarily comprised of consulting and advisory fees.

Because our business is transaction oriented, we rely on investment sales and financing professionals to continually develop leads, identify properties to sell and finance, market those properties and close the sale or financing in a timely manner to generate a consistent flow of revenue. While our sales volume is impacted by seasonality factors, the timing of closings is also dependent on many market and personal factors unique to a particular client or transaction, particularly clients transacting in the \$1 million to \$10 million private client market. These factors can cause transactions to be accelerated or delayed beyond our control. Further, commission rates earned are generally inversely related to the value of the property sold or financed. As we have expanded our business into the middle and larger transaction markets, we have seen our overall commission rates fluctuate from period-to-period as a result of changes in the relative mix of the number and volume of investment sales transactions closed in the middle and larger transaction markets as compared to the \$1 million to \$10 million private client market. These factors may result in period-to-period variations in our revenue that differ from historical patterns.

A small percentage of our transactions include retainer fees and/or breakage fees. Retainer fees are credited against a success-based fee paid upon the closing of a transaction or a breakage fee. Transactions that are terminated before completion will sometimes generate breakage fees, which are usually calculated as a set amount or a percentage of the fee we would have received had the transaction closed.

Real Estate Brokerage Commissions

We earn real estate brokerage commissions by acting as a broker for commercial real estate owners seeking to sell or investors seeking to buy properties. Revenue from real estate brokerage commissions is recognized at the close of escrow.

Financing Fees

We earn financing fees by securing financing on purchase transactions or by securing refinancing of our clients' existing mortgage debt. We recognize financing fee revenue at the time the loan closes, and we have no remaining significant obligations in connection with the transaction.

To a lesser extent, we also earn fees on loan performance, equity advisory services, loan sales, loan guarantees and ancillary services associated with financing activities. We recognize guarantee fees over the term of the guarantee and other fees when we have no further obligations, generally upon the closing of the transaction.

Other Revenue

Other revenue includes fees generated from consulting and advisory services, leasing, as well as referral fees from other real estate brokers, and are recognized when services are provided, upon closing of the transaction or when we have no further obligations.

Operating Expenses

Our operating expenses consist of cost of services, selling, general and administrative expenses and depreciation and amortization. The significant components of our expenses are further described below.

Cost of Services

The majority of our cost of services expense is variable commissions paid to our investment sales and financing professionals and compensation-related costs related to our financing activities. Commission expenses are directly attributable to providing services to our clients for investment sales and financing services. Most of our investment sales and financing professionals are independent contractors and are paid commissions; however, because there are some who are employees and initially paid a salary, costs of services also include employee-related compensation, employer taxes and benefits for those employees. The commission rates we pay to our investment sales and financing professionals vary based on individual contracts negotiated and are generally higher for the more experienced professionals. Some of our most senior investment sales and financing professionals can also earn additional commissions after meeting certain annual financial thresholds. These additional commissions are recognized as cost of services in the period in which they are earned. Payment of a portion of these additional commissions are generally deferred for a period of three years, at our election, and paid at the end of the third calendar year. Cost of services also includes referral fees paid to other real estate brokers where we are the principal service provider. Cost of services, therefore, can vary based on the commission structure of the investment sales and financing professionals that closed transactions in any particular period.

Selling, General and Administrative Expenses

The largest expense component within selling, general and administrative expenses is compensation for our management team and sales and support staff, as well as business development, marketing, and expensing of forgivable loans provided to our investment sales and financing professionals over the contractual term of the loan. In addition, these costs include facility costs (excluding depreciation and amortization), sales and events, licenses and subscriptions, legal, information technology, telecommunications, changes in fair value for contingent and deferred consideration and other administrative expenses. Also included in selling, general and administrative are expenses for stock-based compensation.

Depreciation and Amortization Expense

Depreciation expense consists of depreciation recorded on our computer software and hardware equipment, as well as our furniture, fixtures and equipment. Depreciation is recognized over estimated useful lives ranging from three to seven years for assets. Amortization expense consists of amortization recorded on intangible assets amortized on a straight-line basis using a useful life between one and seven years.

Other Income, Net

Other income, net primarily consists of interest income, realized gains and losses on our marketable debt securities, available-for-sale, net gains or losses on our deferred compensation plan assets, foreign currency gains and losses and other non-operating income and expenses.

Interest Expense

Interest expense primarily consists of interest expense associated with the stock appreciation rights (“SARs”) liability, and our Credit Agreement.

Provision (benefit) for Income Taxes

We are subject to U.S. and Canadian federal taxes and individual state and local taxes based on the income generated in the jurisdictions in which we operate. Our effective tax rate fluctuates as a result of (i) changes in our annual effective tax rate applied to current pre-tax income (loss), (ii) the change in the mix of our activities in the jurisdictions in which we operate due to differing tax rates in those jurisdictions and (iii) the impact of permanent items, including compensation charges, qualified transportation fringe benefits, uncertain tax positions, meals and entertainment and tax-exempt deferred compensation plan assets. Our provision (benefit) for income taxes includes the windfall tax benefits and shortfall expenses, net, from shares issued in connection with our Amended Plan and Amended ESPP.

We record deferred taxes, net based on the tax rate expected to be in effect at the time those items are expected to be recognized for tax purposes.

On July 4, 2025, the “One Big Beautiful Bill Act” was signed into law in the U.S. This law contains a broad range of tax reform provisions. The Company has assessed the legislation enacted during the period and does not anticipate a material impact on our consolidated financial statements.

Results of Operations

The following is a discussion of our results of operations for the years ended December 31, 2025 and 2024. The tables included in the period comparisons below provide summaries of our results of operations. The period-to-period comparisons of financial results are not necessarily indicative of future results.

Key Operating Metrics

We regularly review a number of key metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. We also believe these metrics are relevant to investors’ and others’ assessment of our financial condition and results of operations. During the years ended December 31, 2025, 2024, and 2023, we closed more than 8,800, 7,800 and 7,500 investment sales, financing and other transactions, respectively, with total sales volume of approximately \$50.8 billion, \$49.6 billion and \$43.6 billion, respectively. Such key metrics for real estate brokerage and financing activities (excluding other transactions) are as follows:

<i>Real Estate Brokerage</i>	Years Ended December 31,		
	2025	2024	2023
Average number of investment sales professionals	1,577	1,610	1,744
Average number of transactions per investment sales professional	3.83	3.38	3.14
Average commission per transaction	\$ 104,756	\$ 108,261	\$ 102,238
Average commission rate	1.82 %	1.75 %	1.82 %
Average transaction size (in thousands)	\$ 5,767	\$ 6,174	\$ 5,630
Total number of transactions	6,038	5,447	5,475
Total brokerage sales volume (in millions)	\$ 34,820	\$ 33,630	\$ 30,823

<i>Financing</i> ⁽¹⁾	Years Ended December 31,		
	2025	2024	2023
Average number of financing professionals	101	101	96
Average number of transactions per financing professional	16.43	12.37	11.21
Average fee per transaction	\$ 49,298	\$ 52,955	\$ 50,677
Average fee rate	0.69 %	0.73 %	0.81 %
Average transaction size (in thousands)	\$ 7,193	\$ 7,283	\$ 6,254
Total number of transactions	1,659	1,249	1,076
Total financing sales volume (in millions)	\$ 11,934	\$ 9,096	\$ 6,729

(1) Operating metrics exclude certain financing fees not directly associated to transactions.

The following table sets forth the number of transactions, sales volume and revenue by commercial real estate market for real estate brokerage:

<i>Real Estate Brokerage</i>	Years Ended December 31,								
	2025			2024			Change		
	Number	Volume (in millions)	Revenue (in thousands)	Number	Volume (in millions)	Revenue (in thousands)	Number	Volume (in millions)	Revenue (in thousands)
<\$1 million	931	\$ 556	\$ 25,945	819	\$ 446	\$ 21,034	112	\$ 110	\$ 4,911
Private Client Market (\$1 – <\$10 million)	4,435	14,607	406,316	3,967	12,802	365,837	468	1,805	40,479
Middle Market (\$10 – <\$20 million)	381	5,195	96,498	344	4,764	84,186	37	431	12,312
Larger Transaction Market (≥\$20 million)	291	14,462	103,757	317	15,618	118,638	(26)	(1,156)	(14,881)
	<u>6,038</u>	<u>\$ 34,820</u>	<u>\$ 632,516</u>	<u>5,447</u>	<u>\$ 33,630</u>	<u>\$ 589,695</u>	<u>591</u>	<u>\$ 1,190</u>	<u>\$ 42,821</u>

Comparison of Years Ended December 31, 2025 and 2024

Below are key operating results for the year ended December 31, 2025 compared to the results for the year ended December 31, 2024 (dollars in thousands):

	Year Ended December 31, 2025	Percentage of Revenue	Year Ended December 31, 2024	Percentage of Revenue	Change	
					Dollars	Percentage
Revenue:						
Real estate brokerage commissions	\$ 632,516	83.8 %	\$ 589,695	84.7 %	\$ 42,821	7.3 %
Financing fees	103,916	13.8	84,512	12.1	19,404	23.0 %
Other revenue	18,724	2.4	21,853	3.2	(3,129)	(14.3)%
Total revenue	755,156	100	696,060	100	59,096	8.5 %
Operating expenses:						
Cost of services	470,486	62.3	431,471	62.0	39,015	9.0 %
Selling, general and administrative	286,283	37.9	280,909	40.3	5,374	1.9 %
Depreciation and amortization	12,098	1.6	16,589	2.4	(4,491)	(27.1)%
Total operating expenses	768,867	101.8	728,969	104.7	39,898	5.5 %
Operating loss	(13,711)	(1.8)	(32,909)	(4.7)	19,198	(58.3)%
Other income, net	17,504	2.3	20,693	2.9	(3,189)	(15.4)%
Interest expense	(773)	(0.1)	(812)	(0.1)	39	(4.8)%
Income (loss) before provision (benefit) for income taxes	3,020	0.4	(13,028)	(1.9)	16,048	(123.2)%
Provision (benefit) for income taxes	4,929	0.7	(666)	(0.1)	5,595	(840.1)%
Net loss	\$ (1,909)	(0.3)%	\$ (12,362)	(1.8)%	\$ 10,453	(84.6)%
Adjusted EBITDA ⁽¹⁾	\$ 24,611	3.3 %	\$ 9,372	1.3 %	\$ 15,239	162.6 %

- (1) Adjusted EBITDA is not a measurement of our financial performance under U.S. GAAP and should not be considered as an alternative to net income, operating income or any other measures derived in accordance with U.S. GAAP. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net loss, which is the most directly comparable U.S. GAAP financial measure, see “Non-GAAP Financial Measure” below.

Revenue

Our total revenue was \$755.2 million in 2025 compared to \$696.1 million in 2024, an increase of \$59.1 million, or 8.5%. Total revenue primarily increased as a result of increases in real estate brokerage commissions and financing fees, as described below. See "Factors Affecting Our Business" section for additional market information.

Real estate brokerage commissions. Revenue from real estate brokerage commissions increased to \$632.5 million in 2025 from \$589.7 million in 2024, an increase of \$42.8 million, or 7.3%. The increase was primarily attributed to a 3.5% increase in total sales volume and a seven basis point increase in the average commission rate earned. The increase in the average commission rate was due to the revenue shift from the Middle Market and Larger Transaction Market to the Private Client Market, which generally earns higher commission rates as rates generally have an inverse relationship to transaction size. The Private Client Market revenue increased by 11.1%, while the combined Middle Market and Larger Transaction Market revenue decreased by 1.3%.

Financing fees. Revenue from financing fees increased to \$103.9 million in 2025 from \$84.5 million in 2024, an increase of \$19.4 million, or 23.0%. The increase was a result of a 31.2% increase in the total financing volume, partially offset by a decrease of four basis points in the average fee rate earned compared to 2024.

Other revenue. Other revenue decreased to \$18.7 million in 2025 from \$21.9 million in 2024, a decrease of \$3.1 million, or 14.3%. The decrease was primarily driven by decreases in leasing fees during 2025 compared to 2024.

Total Operating Expenses

Our total operating expenses were \$768.9 million in 2025 compared to \$729.0 million in 2024, an increase of \$39.9 million, or 5.5%. Cost of services increased by \$39.0 million and selling, general, and administrative expenses increased by \$5.4 million, partially offset by a decrease of \$4.5 million in depreciation and amortization expense as described below.

Cost of services. Cost of services are variable commissions paid to our investment sales professionals and compensation-related costs in connection with our financing activities. Cost of services increased to \$470.5 million in 2025 from \$431.5 million in 2024, an increase of \$39.0 million, or 9.0%. The increase was primarily due to increased commission expenses driven by the related increased revenue discussed above. Cost of services as a percentage of total revenue increased by 30 basis points to 62.3% compared to 2024 primarily due to our senior investment sales and financing professionals earning a higher amount of additional commissions.

Selling, general, and administrative expense. Selling, general and administrative expense increased to \$286.3 million in 2025 from \$280.9 million in 2024, an increase of \$5.4 million or 1.9%. The increase was primarily due to an increase in a legal accrual related to an ongoing litigation matter and an increase in compensation related costs, partially offset by a decrease in facility expenses related to consolidation of office space in 2024. As a percentage of revenue, selling, general and administrative expense decreased due to the fixed nature of certain of these expenses.

Depreciation and amortization expense. Depreciation and amortization expense decreased to \$12.1 million in 2025 from \$16.6 million in 2024, a decrease of \$4.5 million, or 27.1%. The decrease primarily relates to accelerated amortization and impairment of certain intangible assets in 2024 resulting from changes in estimates.

Other Income, Net

Other income, net decreased to \$17.5 million in 2025 from \$20.7 million in 2024. The \$3.2 million decrease primarily relates to a \$2.0 million decline in the estimated fair values of convertible notes compared to the corresponding 2024 amount due to a change in assumptions. The decrease is also due to a reduction in interest income as a result of lower yields on the marketable investment securities.

Interest Expense

Interest expense decreased by an immaterial amount in 2025 compared to 2024, and primarily relates to interest expense on our SARs liability.

Provision (benefit) for Income Taxes

The provision for income taxes was \$4.9 million in 2025, compared to a benefit for income taxes of \$0.7 million in 2024. The effective income tax rate for 2025 was 163.2% compared to 5.1% for 2024. The majority of the increase in the effective tax rate is related to permanent items, including officers' compensation and stock compensation shortfalls as such amounts have a larger percentage impact on the effective tax rate, the closer that pre-tax income gets to breakeven. Additionally, the change in the valuation allowance resulted in tax provision amount in 2025 versus tax benefits in 2024. Refer to Note 12 – "Income Taxes" of our accompanying Notes to Consolidated Financial Statements for additional information.

Comparison of Years Ended December 31, 2024 and 2023

A discussion regarding our results of operations for the year ended December 31, 2024 compared to the results for the year ended December 31, 2023 can be found under Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on February 27, 2025, which is available on the SEC's website at www.sec.gov.

Non-GAAP Financial Measure

In this Annual Report on Form 10-K, we include a non-GAAP financial measure, Adjusted EBITDA. We define Adjusted EBITDA as net loss before (i) interest income and other, including interest on marketable debt securities, available-for-sale and cash, cash equivalents, and restricted cash, and net realized gains (losses) on marketable debt securities, available-for-sale, (ii) interest expense, (iii) provision (benefit) for income taxes, (iv) depreciation and amortization, and (v) stock-based compensation. We use Adjusted EBITDA in our business operations to evaluate the performance of our business, develop budgets and measure our performance against those budgets, among other things. We also believe that analysts and investors use Adjusted EBITDA as a supplemental measure to evaluate our overall operating performance. However, Adjusted EBITDA has material limitations as a supplemental metric and should not be considered in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. We find Adjusted EBITDA to be a useful management metric to assist in evaluating performance, because Adjusted EBITDA eliminates items related to capital structure, taxes and non-cash items. In light of the foregoing limitations, we do not rely solely on Adjusted EBITDA as a performance measure and also consider our U.S. GAAP results. Adjusted EBITDA is not a measurement of our financial performance under U.S. GAAP and should not be considered as an alternative to net loss, operating loss or any other measures calculated in accordance with U.S. GAAP. Because Adjusted EBITDA is not calculated in the same manner by all companies, it may not be comparable to other similarly titled measures used by other companies. A reconciliation of the most directly comparable U.S. GAAP financial measure, net loss, to Adjusted EBITDA is as follows (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Net loss	\$ (1,909)	\$ (12,362)	\$ (34,035)
Adjustments:			
Interest income and other ⁽¹⁾	(15,506)	(18,793)	(17,890)
Interest expense	773	812	888
Provision (benefit) for income taxes	4,929	(666)	(6,366)
Depreciation and amortization	12,098	16,589	13,627
Stock-based compensation	24,226	23,792	24,146
Adjusted EBITDA	\$ 24,611	\$ 9,372	\$ (19,630)

⁽¹⁾ Other includes net realized gains (losses) on marketable debt securities, available-for-sale.

Liquidity and Capital Resources

Our primary sources of liquidity are cash and cash equivalents, cash flows from operations, marketable debt securities, available-for-sale and, if necessary, borrowings under the Credit Agreement (as defined herein). We have invested a portion of our cash in money market funds and fixed and variable income debt securities, in accordance with our investment policy approved by the Board of Directors. Certain of our investments in money market funds may not maintain a stable net asset value and may impose a discretionary liquidity fee. To date, we have not experienced any restrictions on our ability to redeem funds from money market funds. Although we have historically funded our operations through operating cash flows, there can be no assurance that we can continue to meet our cash requirements entirely through our operations, cash and cash equivalents, proceeds from the sale of marketable debt securities, available-for-sale or availability under the Credit Agreement.

Cash Flows

Our total cash, cash equivalents, and restricted cash balance increased by \$8.5 million to \$161.9 million at December 31, 2025, compared to \$153.4 million at December 31, 2024. The following table sets forth our summary cash flows for the years ended December 31, 2025, 2024, and 2023 (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Net cash provided by (used in) operating activities	\$ 66,657	\$ 21,714	\$ (72,430)
Net cash (used in) provided by investing activities	(3,824)	(9,902)	74,867
Net cash used in financing activities	(54,576)	(28,755)	(67,679)
Effect of currency exchange rate changes on cash, cash equivalents, and restricted cash	219	(365)	122
Net increase (decrease) in cash, cash equivalents, and restricted cash	8,476	(17,308)	(65,120)
Cash, cash equivalents, and restricted cash at beginning of period	153,445	170,753	235,873
Cash, cash equivalents, and restricted cash at end of period	\$ 161,921	\$ 153,445	\$ 170,753

Operating Activities

Cash flows provided by operating activities were \$66.7 million in 2025 compared to \$21.7 million in 2024. The \$45.0 million increase in cash flows from operating activities in 2025 compared to 2024 was primarily due to a reduction in net losses, as discussed above, and a reduction in advances and loans granted in 2025 compared to 2024. The cash flows from operating activities were also affected by the timing of certain cash receipts and payments.

Investing Activities

Cash flows used in investing activities were \$3.8 million in 2025 compared to cash flows used in investing activities of \$9.9 million in 2024. The \$6.1 million decrease in cash used in investing activities in 2025 compared to 2024 was primarily due to a decrease in net proceeds of \$6.1 million from sales, purchases, and maturities of securities in 2025 compared to the same period in 2024.

Financing Activities

Cash flows used in financing activities were \$54.6 million in 2025 compared to \$28.8 million in 2024. The increase of \$25.8 million in cash flows used in financing activities in 2025 compared to 2024 was primarily due to an increase of \$24.6 million in stock repurchases.

Liquidity

We believe that our existing balances of cash and cash equivalents, cash flows expected to be generated from our operations, and proceeds from the sale of marketable debt securities, available-for-sale will be sufficient to satisfy our operating requirements for at least the next 12 months and beyond. If we need to raise additional capital through public or private debt or equity financings, strategic relationships or other arrangements, this capital might not be available to us in a

timely manner, on acceptable terms, or at all. Our failure to raise sufficient capital when needed could prevent us from funding acquisitions or otherwise financing our growth or operations. As of December 31, 2025, cash, excluding restricted cash, cash equivalents, and marketable debt securities, available-for-sale, aggregated \$386.9 million.

Credit Agreement

We have a credit agreement with Wells Fargo Bank, National Association (as amended, the “Credit Agreement”) which provides for a \$10 million principal amount senior secured revolving credit facility that is guaranteed by all of our domestic subsidiaries and matures on June 1, 2026. As of December 31, 2025, there were no amounts outstanding under the Credit Agreement. We monitor covenant compliance on a regular basis to ensure continued compliance with the Credit Agreement. Our ability to borrow under the Credit Agreement is limited by our ability to comply with its covenants or obtain necessary waivers. See Note 16 – “Commitments and Contingencies” of our accompanying Notes to Consolidated Financial Statements for additional information on the Credit Agreement.

Off Balance Sheet Arrangements

The Company, in connection with the Strategic Alliance with M&T Realty Capital Corporation (“MTRCC”), has agreed to provide loan opportunities that may be funded through MTRCC’s agreement with Fannie Mae, which requires MTRCC to guarantee a portion of each funded loan. On a loan-by-loan basis, the Company, at its option, can assume a portion of MTRCC’s guarantee obligation to Fannie Mae of loan opportunities presented to and closed by MTRCC. As of December 31, 2025, the Company has agreed to a maximum aggregate guarantee obligation of \$444.9 million relating to loans with an unpaid balance of \$2,723.4 million. The maximum guarantee obligation is not representative of the actual loss we would incur. The Company would be liable for this amount only if all of the loans for which it is providing a guarantee to MTRCC were to default and all of the collateral underlying these loans was determined to be without value at the time of settlement. The Company has recorded an allowance for losses of \$292,000 as of December 31, 2025 related to these guarantee obligations. The Company is required to provide cash collateral to MTRCC for this obligation and this is reflected as \$1.3 million of restricted cash as of December 31, 2025, which is included in cash, cash equivalents, and restricted cash on the consolidated balance sheet.

Material Cash Requirements

The following table summarizes current and long-term material cash requirements as of December 31, 2025, which we expect to fund primarily with operating cash flows (in thousands):

	Total	Less than 1 Year	1-3 Years	3-5 Years	More Than 5 Years	Other ⁽⁷⁾
Operating lease liabilities, including imputed interest ⁽¹⁾	\$ 89,304	\$ 22,456	\$ 34,492	\$ 19,903	\$ 12,453	\$ —
SARs liability (principal and interest) ⁽²⁾	14,647	2,800	1,395	596	9,856	—
Deferred commissions payable ⁽³⁾	32,612	13,992	15,213	2,274	1,133	—
Deferred compensation liability ⁽⁴⁾	9,786	14	295	617	1,857	7,003
Contingent consideration ⁽⁵⁾	720	718	2	—	—	—
Other ⁽⁶⁾	9,793	2,600	7,125	—	—	68
	<u>\$ 156,862</u>	<u>\$ 42,580</u>	<u>\$ 58,522</u>	<u>\$ 23,390</u>	<u>\$ 25,299</u>	<u>\$ 7,071</u>

(1) See Note 4 – “Operating Leases” of our accompanying Notes to Consolidated Financial Statements.

(2) Forecasted principal payments are based on each participant’s estimated retirement age and current contractual interest rate of 6.57% as of January 1, 2025 and reflect required payments that resulted from the retirement of certain executives. See Note 7 – “Selected Balance Sheet Data” of our accompanying Notes to Consolidated Financial Statements.

(3) Includes short-term and long-term deferred commissions payable (excludes commissions currently payable on closed transactions). See Note 7 – “Selected Balance Sheet Data” of our accompanying Notes to Consolidated Financial Statements.

(4) Represents current estimated payouts for participants currently receiving payments based on their elections at the time of deferral. We hold assets in a rabbi trust of \$13.5 million to settle outstanding amounts when they become due. Amounts assume no increase or decrease in the liability due to future returns or losses. See Note 7 – “Selected Balance Sheet Data” of our accompanying Notes to the Consolidated Financial Statements.

- (5) Relates to contingent consideration in connection with our business acquisitions. See Note 6 – “Acquisitions, Goodwill and Other Intangible Assets” and Note 9 – “Fair Value Measurements” of our accompanying Notes to Consolidated Financial Statements.
- (6) Relates to amounts that may be advanced to sales and financing professionals. See Note 16 – “Commitments and Contingencies” of our accompanying Notes to Consolidated Financial Statements.
- (7) Amounts in Other represent amounts where payments are dependent on future events, which may occur at any time from less than 1 year to more than 5 years and relates to our deferred compensation liability and certain advances to sales and financing professionals. Payments for deferred compensation liability are based on the participants’ elections at the time of deferral and may not begin before separation from service. The ultimate resolution depends on many factors and assumptions. Certain amounts advanced to sales and financing professionals are contingent upon reaching specified performance criteria. Accordingly, we are not able to reasonably estimate the timing of such payments, if any.

Other than operating expenses, including those accrued and payable as December 31, 2025, cash requirements for 2026 are expected to consist primarily of capital expenditures for the future acquisitions, if any, payment of dividends, if any, payments for stock repurchases, if any, and advances to our investment sales and financing professionals.

Inflation

Our commissions and other variable costs related to revenue are primarily affected by real estate market supply and demand, which may be affected by uncertain or changing economic and market conditions, including inflation/deflation arising in connection with and in response to various macroeconomic factors and impact of increased interest rates on the broader economy.

The annual CPI inflation rate in the U.S. peaked at 9.1% in June 2022, the highest annual inflation rate since November 1981. CPI inflation fell to 2.4% as of March 2025 and ended 2025 at 2.7%. In 2022 through 2023, the Federal Reserve increased the federal funds rate to the 5.25%-5.5% range in an effort to combat inflation, which had an adverse impact on commercial real estate transactions. In the latter part of 2024, the Federal Reserve lowered the overnight rate by 100 basis points to the 4.25%-4.5% range, and by year-end 2025 the rate was 3.5%-3.75%, the lowest level since 2022. Nonetheless, the 10-year treasury rate has remained range-bound in the low- to mid-4% range, keeping the cost of debt capital elevated. The rate reductions by the Federal Reserve in late 2025 could support lower interest rates, but because the rate cuts were in response to a weakening labor market, economic headwinds could offset the lower interest rate climate.

Looking forward, inflation could rise as the impact of tariffs flow-through to consumers. The Federal Reserve has communicated that they remain cautious pending additional clarity on federal fiscal, trade, tax, regulatory and domestic policies. Several of these policies, such as tariffs and more stringent immigration controls, have the potential to be inflationary in nature. Future inflation risk may depend on the timing and implementation of the proposed policies.

Critical Accounting Estimates

We prepare our financial statements in accordance with U.S. GAAP. In applying many of these accounting principles, we make assumptions, estimates and/or judgments that affect the reported amounts of assets, liabilities, revenues and expenses in our consolidated financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates and/or judgments, however, are often subjective and our actual results may change based on changing circumstances or changes in our analyses. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known.

We believe that the critical accounting policies discussed below involve a greater degree of judgment or complexity than our other accounting policies. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our consolidated financial condition and results of operations. See the notes to our consolidated financial statements for a summary of our significant accounting policies.

Income Taxes

We account for income taxes under the asset and liability method. We recognize deferred tax assets and liabilities for the future tax consequences attributable to (i) differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and (ii) operating losses and tax credit carryforwards. We measure

existing deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which we expect to have temporary differences realized or settled. We recognize in the provision for income taxes, the effect on deferred tax assets and liabilities of a change in tax rates in the period that includes the enactment date. We periodically evaluate deferred tax assets to assess whether it is likely that the deferred tax assets will be realized. In determining whether a valuation allowance is required, we consider the timing of deferred tax reversals, estimates of future taxable income, current year taxable income, and historical performance. Valuation allowances are provided against deferred tax assets when it is more-likely-than-not that some portion or all of the deferred tax asset will not be realized. Our valuation allowance is related principally to losses incurred in our Canadian operations. Future results of operations of the Canadian business will impact valuation allowances in the future.

Due to the nature of our business, which includes activity in the U.S. and Canada, incorporating numerous states and provinces as well as local jurisdictions, our tax position can be complex. As such, our effective tax rate is subject to changes as a result of fluctuations in the mix of our activity in the various jurisdictions in which we operate including changes in tax rates, state apportionment, tax related interest and penalties, valuation allowances and other permanent items, including Sec. 162(m) and net windfalls and shortfalls related to stock-based compensation. Calculating some of the amounts involves a high degree of judgment. Our state taxes, net of federal benefit, has ranged from 1.5% to 10.3% over the past three years.

We evaluate our tax positions quarterly. The threshold for recognizing the benefits of tax return positions in the financial statements is “more likely than not” to be sustained by the taxing authority and requires measurement of a tax position meeting the more-likely-than-not criterion, based on the largest benefit that is more than 50% likely to be realized. We assess our inventory of tax positions with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction) and determine whether uncertain tax positions are required to be recognized in our consolidated financial statements.

The above factors create volatility in our effective tax rate from quarter to quarter and have caused our effective tax rates to range from 5.1% to 163.2% over the past three years.

We recognize interest and penalties incurred as income tax expense. See Note 12 – “Income Taxes” of our accompanying Notes to Consolidated Financial Statements for additional information.

Leases

Our leases consist of purpose built-out office space, which reverts to the lessor upon termination of the lease and operating leases for autos. We determine if an arrangement is a lease at inception. Right-of-use assets (“ROU assets”) represent our right to use an underlying asset for the lease term and lease liabilities represent our contractual obligation to make lease payments under the lease. Operating leases are included in operating lease ROU assets, non-current, and operating lease liabilities current and non-current captions in the consolidated balance sheets.

Operating lease ROU assets and liabilities are recognized on the commencement date based on the present value of lease payments over the lease term. Lease agreements may contain periods of free rent or reduced rent, predetermined fixed increases in the minimum rent and renewal or termination options, all of which add complexity and impact the determination of the lease term and lease payments to be used in calculating the lease liability. Certain facility leases provide for rental escalations related to increases in the lessors’ direct operating expenses. We use the implicit rate in the lease when determinable. As most of our leases do not have a determinable implicit rate, determining the rate to be used in our calculations is judgmental. We use an estimated incremental borrowing rate calculated on a spread over treasuries based on our estimated credit rating for the indicated term of the lease based on the information available on the commencement date of the lease. As a result, the incremental borrowing rate has and will continue to be impacted by market interest rates. The weighted average incremental borrowing rate was 5.4% in 2025 and 5.2% in 2024. Any payments for completed improvements, determined to be owed by the lessor, net of incentives received, are recorded as an increase to the ROU asset and are considered in the determination of the lease cost.

We have lease agreements with lease and non-lease components, which are accounted for as a single lease component. Lease cost is recognized on a straight-line basis over the lease term. Variable lease payments consist of common area costs, insurance, taxes, utilities, parking, and other lease related costs, which are determined principally based on billings from landlords.

Investments in Marketable Debt Securities, Available-for-Sale

We maintain a portfolio of investments in a variety of fixed and variable rate debt securities, including U.S. treasuries, U.S. government sponsored entities, corporate debt, asset-backed securities, and other. We consider our investments in marketable debt securities to be available-for-sale, and accordingly, are recorded at their fair values. We determine the appropriate classification of investments in marketable debt securities at the time of purchase. Interest along with amortization of purchase premiums and accretion of discounts from the purchase date through the estimated maturity date, including consideration of variable maturities and contractual call provisions, are included in other income, net in the consolidated statements of operations. See Note 5 – “Investments in Marketable Debt Securities, Available-for-Sale” of our accompanying Notes to Consolidated Financial Statements for additional information. We typically invest in highly rated debt securities, and our investment policy generally limits the amount of credit exposure to any one issuer. The policy requires substantially all investments to be investment grade, with the primary objective of minimizing the potential risk of principal loss and matching long-term liabilities.

Unrealized losses on our marketable securities, available-for-sale, fluctuate based on changes in market interest rates due the fixed interest rates of most of the securities. Unrealized losses aggregated \$1.2 million and \$1.6 million as of December 31, 2025 and 2024, respectively. We review our investment portfolio quarterly for all securities in an unrealized loss position to determine if an impairment charge or credit reserve is required. We exclude accrued interest from both the fair value and the amortized cost basis of marketable debt securities, available-for-sale, for the purposes of identifying and measuring an impairment. An investment is impaired if the fair value is less than its amortized cost basis. Impairment relating to credit losses is recorded through a reduction in the amortized cost of the security or an allowance for credit losses and credit loss expense (included in selling, general and administrative expense), limited by the amount that the fair value is less than the amortized cost basis. Impairment that has not been recorded as a credit loss is recorded through other comprehensive loss, net of applicable taxes. We made an accounting policy election to not measure an allowance for credit losses for accrued interest receivable. We evaluate write-off of accrued interest receivable by the major security-type level at the time credit loss exists for the underlying security.

Determining whether a credit loss exists requires a high degree of judgment, and we consider both qualitative and quantitative factors in making our determination. We evaluate our intent to sell, or whether we will more likely than not be required to sell, the security before recovery of its amortized cost basis. For all securities in an unrealized loss position, we evaluate, among other items, the extent and length of time the fair market value of a security is less than its amortized cost, time to maturity, duration, seniority, the financial condition of the issuer including credit ratings, any changes thereto and relative default rates and loss severity, leverage ratios, availability of liquidity to make principle and interest payments, performance indicators of the underlying assets, analyst reports and recommendations, and changes in base and market interest rates. If the qualitative and quantitative analysis is sufficient to conclude that an impairment related to credit losses does not exist, we typically do not perform further quantitative analysis to estimate the present value of cash flows expected to be collected from the debt security. Estimates of expected future cash flows are our best estimate based on past events, current conditions, and reasonable and supportable economic forecasts. To date, we have not recorded any credit losses or impairments on our portfolio of marketable securities, available for sale.

Contingent and Deferred Consideration

In connection with certain business acquisitions, the Company may enter into agreements to pay additional cash or other consideration based on the achievement of certain performance measures and/or service and time requirements. Contingent and deferred consideration in connection with the acquisition of a business is measured at fair value on the acquisition date and remeasured at fair value each reporting period thereafter until the consideration is settled, with changes in fair value recorded in selling, general and administrative expense in the consolidated statements of operations.

In its determination of fair value for contingent and deferred consideration, the Company uses judgment in determining the probability of achieving contractual performance targets and the time frame in which the settlements will occur. Further, judgment is used in determining the appropriate current and future interest rates to apply in each situation. The Company estimated the probability of achievement of contractual performance targets was between 0% to 100% based on each acquisition’s historical and estimated future performance and risk adjusted discount rates of between 4.8% to 6.1%, which resulted in a recorded fair value liability for the contingent consideration of \$0.7 million and \$4.7 million as of December 31, 2025, and 2024, respectively. The Company estimated the fair value of the deferred consideration using a discounted cash flow estimate using market rates, with the only remaining condition on such payments being the passage of time which resulted in a recorded fair value liability of \$0.4 million as of December 31, 2024. As of December 31, 2025, there was no deferred consideration balance outstanding. The maximum undiscounted future settlements of contingent

consideration was \$6.8 million at December 31, 2025, and the Company is uncertain as to the extent of the volatility in the judgments and unobservable inputs will have on the ultimate settlement of these amounts in the foreseeable future.

Recent Accounting Pronouncements

For information regarding recent accounting pronouncements, see Note 2 – “Accounting Policies and Recent Accounting Pronouncements” of our accompanying Notes to Consolidated Financial Statements set forth in Item 8 of this Annual Report on Form 10-K. We do not believe any of the other accounting pronouncements listed in that note will have a significant impact on our business.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We maintain a portfolio of investments in a variety of fixed and variable debt rate securities, including U.S. Treasuries, U.S. government sponsored entities, corporate debt, asset-backed securities and others. As of December 31, 2025, the fair value of investments in marketable debt securities, available-for-sale was \$236.3 million. The primary objective of our investment activity is to maintain the safety of principal and to provide for future liquidity requirements while maximizing yields without significantly increasing risk. While some investments may be securities of companies in foreign countries, all investments are denominated and payable in U.S. Dollars. We do not enter into investments for trading or speculative purposes. While our intent is not to sell these investment securities prior to their stated maturities, we may choose to sell any of the securities for strategic reasons including, but not limited to, anticipated capital requirements, anticipation of credit deterioration, duration management, yield management and because a security no longer meets the criteria of our investment policy. We do not use derivatives or similar instruments to manage our interest rate risk. We seek to invest in high quality investments. The weighted average credit rating of our portfolio investments (exclusive of cash, cash equivalents, and restricted cash) was A+ as of December 31, 2025. Maturities are maintained consistent with our short-, medium- and long-term liquidity objectives.

Currently, our portfolio of investments predominantly consists of fixed interest rate debt securities; however, a portion of our investment portfolio may consist of variable interest rate debt securities. Our investments in fixed interest rate debt securities are subject to various market risks. Changes in prevailing interest rates may adversely or positively impact their fair market value should interest rates generally rise or fall. Accordingly, we also may have interest rate risk with variable interest rate debt securities as the income produced may decrease if interest rates fall. Contraction in market liquidity may adversely affect the value of portions of our portfolio and affect our ability to sell securities in the time frames required and at acceptable prices. Uncertainty in future market conditions may raise market participant’s expectations of returns, thus impacting the value of securities in our portfolio as well. The following table sets forth the impact on the fair value of our investments as of December 31, 2025 from changes in interest rates based on the weighted average duration of the debt securities in our portfolio (in thousands):

Change in Interest Rates	Approximate Change in Fair Value of Investments Increase (Decrease)
2% Decrease	\$ 6,357
1% Decrease	\$ 3,306
1% Increase	\$ (3,561)
2% Increase	\$ (7,377)

Due to the nature of our business and the manner in which we conduct our operations, we believe we do not face any material interest rate risk with respect to other assets and liabilities, equity price risk or other market risks. The functional currency of our Canadian operations is the Canadian dollar. We are exposed to foreign currency exchange rate risk for the settlement of transactions of the Canadian operations as well as unrealized translation adjustments. Historically foreign exchange rate risk has not been material.

Item 8. Financial Statements and Supplementary Data

See financial statements beginning at page F-1.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f), including maintenance of (i) records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets, and (ii) policies and procedures that provide reasonable assurance that (a) transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, (b) our receipts and expenditures are being made only in accordance with authorizations of management and our Board of Directors, and (c) we will prevent or timely detect unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Our management, with the supervision and participation of our chief executive officer (“CEO”) and chief financial officer (“CFO”), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Annual Report on Form 10-K, based on the criteria established under the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) (2013 framework). Based on such evaluation, our management has concluded that as of December 31, 2025, our disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Our system of internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of our financial statements for external reporting purposes in accordance with U.S. GAAP. Our management, including our CEO and CFO, assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In conducting its assessment, management used the criteria issued by COSO. Based on this assessment, management concluded that, as of December 31, 2025, our internal control over financial reporting was effective based on those criteria. The effectiveness of internal control over financial reporting as of December 31, 2025 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included herein.

Management, including our CEO and CFO, does not expect that our disclosure controls and procedures, or our internal control over financial reporting will prevent all error and fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefit of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Changes in Internal Control over Financial Reporting

There have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any significant impact to our internal controls over financial reporting despite the fact that a number of our employees and independent contractors are still working remotely. The design of our processes and controls allow for remote execution with accessibility to secure data. Given the current environment, we are continually monitoring and assessing the design and operating effectiveness on our internal controls.

Inherent Limitations on Effectiveness of Controls

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of the inherent limitations of any system of internal control. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses of judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper overriding of controls. As a result of such limitations, there is risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Item 9B. Other Information

Insider Adoption or Termination of Trading Arrangements

Disclosure in Lieu of Reporting on a Current Report on Form 8-K

Gregory LaBerge Employment Agreement

As previously reported by the Company, effective on May 1, 2025, Gregory LaBerge transitioned to the role of Senior Vice President, Chief Client Officer. On February 25, 2026, Mr. LaBerge entered into an employment agreement with the Company effective as of February 23, 2026 (“LaBerge Employment Agreement”) memorializing the terms of his service as Senior Vice President, Chief Client Officer. Pursuant to the terms of the LaBerge Employment Agreement, Mr. LaBerge will (i) receive an annual base salary of \$350,000, (ii) be eligible to receive an annual discretionary cash bonus with a bonus target of \$550,000 based on the achievement of individual goals and Company goals, and (iii) be eligible to receive restricted stock units and performance stock units. The foregoing description of the LaBerge Employment Agreement is not complete and is qualified in its entirety by reference to the full text and terms of such document, a copy of which is filed as Exhibit 10.19 to this Annual Report on Form 10-K and incorporated herein by reference.

During the quarter ended December 31, 2025, none of our directors or officers informed us of the adoption or termination of a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Executive Officers

The names and ages of our executive officers and directors as of February 26, 2026 are as follows:

Name	Age	Position(s)
Hessam Nadji	60	President, Chief Executive Officer and Director
Steven F. DeGennaro	62	Executive Vice President and Chief Financial Officer
John David Parker	45	Executive Vice President and Chief Operating Officer
Gregory A. LaBerge	55	Senior Vice President, Chief Client Officer

Hessam Nadji

Mr. Nadji has served as President and Chief Executive Officer and as a director of the Company since March 2016. He previously served as Senior Executive Vice President and Chief Strategy Officer. He joined the Company as Vice President of Research in 1996 and held various other senior management roles through the years, including Chief Marketing Officer and head of the Company's specialty brokerage divisions. He launched the Company's IPA division and played a leading role in the Company's initial public offering in 2013. Mr. Nadji received a B.S. in information management and computer science from City University in Seattle and has over 36 years of experience working in the real estate industry.

Steven F. DeGennaro

Mr. DeGennaro has served as Executive Vice President and Chief Financial Officer since August 2020. Prior to joining the Company, Mr. DeGennaro held the position of Chief Financial Officer at InTouch Health Inc., a venture-backed telehealth company, from March 2018 to July 2020. Prior to that he served as Chief Financial Officer at Xirrus, Inc., a manufacturer of wireless networking products, from January 2004 to November 2017. He also served as Chief Financial Officer at Calix Networks, Inc. and Xircom, Inc. Mr. DeGennaro began his career at KPMG. Mr. DeGennaro holds a B.B.A. in Accounting from the University of San Diego.

John David Parker

Mr. Parker has served as Executive Vice President and Chief Operating Officer, since April 2025, and previously served as Executive Vice President and Chief Operating Officer, Eastern Division from June 2021 to April 2025. Mr. Parker joined the Company in 2004 as a multifamily agent in the Manhattan office and transitioned to management in 2006. In 2007, Mr. Parker opened the Company's Brooklyn office and took over responsibility for the New York regional offices soon afterward. Mr. Parker was appointed Division Manager for the Northeast in 2016 and has been instrumental in driving the Company's expansion in Canada. Mr. Parker holds a bachelor's degree in operations and information systems management from Pennsylvania State University.

Gregory A. LaBerge

Mr. LaBerge has served as Senior Vice President and Chief Client Officer since May 2025, and previously served as Senior Vice President and Chief Administrative Officer from 2015 until May 2025. Mr. LaBerge joined the Company in 2005 as an investment broker, became a regional manager in 2008, and was named National Director of our National Hospitality Group in 2012. Prior to that, he worked for 10 years as a management consultant, five years with Ernst & Young LLP, and for Diamond Technology Partners (now part of PricewaterhouseCoopers LLP). His expertise was in working with Fortune 500 companies on strategic and operational initiatives. Mr. LaBerge received his B.A. degree in economics from Northwestern University and his M.B.A. from the Kelley School of Business at Indiana University.

Other Proxy Information

Certain information required by this Item regarding our Audit Committee is incorporated herein by reference to information appearing in our definitive Proxy Statement for our 2025 Annual Meeting of Stockholders ("Proxy Statement"), which information will appear under the caption entitled "Corporate Governance—Board Committees and Charters" and "Policies for Compensation Risk Mitigation—Hedging, Pledging and Insider Trading Policies.

To comply with Section 16(a) of the Exchange Act, we will provide disclosure of delinquent Section 16(a) reports, if any, in our Proxy Statement under the caption entitled “Other Matters—Delinquent Section 16(a) Reports” in the Proxy Statement, and such disclosure, if any, is incorporated herein by reference.

Ethical Business Practices

We strive to conduct our business with integrity and the highest standards of ethics and governance that support our values. We do so by promoting fair labor practices, upholding human rights, and complying with legal requirements, including those that address bribery and corruption. We also implement policies, practices, and trainings that convey our expectations and values and meet stakeholder needs.

As part of this effort, we adopted a Code of Ethics. The Code of Ethics does not attempt to identify every possible category of ethical and legal behavior, but instead sets forth the Company’s clear expectations for ethical and honest behavior. The Company is committed to legal compliance, fair dealing, and addressing internal and external ethical concerns, which it does in part through its Ethics Hotline, which allows for anonymous reporting and direct communication with the Company’s compliance officer. The Company’s expectations for ethics are further embedded into the Company’s practices through cross-discipline education and trainings, which are provided at the individual, office, and Company-wide levels.

The Code of Ethics can be found at <https://ir.marcusmillichap.com/corporate-governance/governance-documents> and clicking on “Code of Ethics.”

We intend to satisfy the disclosure requirements under Item 5.05(c) of Form 8-K regarding an amendment to, or waiver from, a provision of the Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions by posting such information on our website, at the address and location specified above.

Item 11. Executive Compensation

The information required by this Item is incorporated herein by reference to information appearing in our Proxy Statement, which information will appear under the caption entitled “Compensation Discussion and Analysis” and “Executive Compensation” in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item is incorporated herein by reference to information appearing in our Proxy Statement, which information will appear under the captions entitled “Principal Stockholders” in the Proxy statement.

Equity Compensation Plan Information

The following table summarizes information about our equity compensation plans as of December 31, 2025. All outstanding awards relate to our common stock.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights ⁽¹⁾	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights ⁽²⁾	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) ⁽³⁾
	(a)	(b)	(c)
Equity compensation plans approved by security holders	1,736,089	\$ —	2,657,734
Equity compensation plans not approved by security holders	—	—	—
	1,736,089	\$ —	2,657,734

⁽¹⁾ Consists of restricted stock units (“RSUs”) and performance share units (“PSUs”) granted under our Amended Plan. Excludes restricted stock awards granted under the Amended Plan, purchase rights granted under the Amended ESPP.

⁽²⁾ Outstanding RSUs and PSUs have no exercise price.

⁽³⁾ Includes 2,610,343 shares available for future issuance under the Amended Plan. Includes 47,391 shares available for future issuance under the Amended ESPP, including shares subject to purchase during the current offering period, which commenced on November 15, 2025 (the exact number of which will not be known until the purchase date on May 14, 2026). Subject to the number of shares remaining in the share reserve, the maximum number of shares purchasable by any participant on any one purchase date for any purchase period, including the current purchase period, may not exceed 1,250 shares.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item is incorporated herein by reference to information appearing in our Proxy Statement, which information will appear under the captions entitled “Corporate Governance—Director Independence” and “Certain Relationships and Related Party Transactions” in the Proxy Statement.

Item 14. Principal Accounting Fees and Services

The information required by this Item is incorporated herein by reference to information appearing in our Proxy Statement, which information will appear under the caption entitled “Proposal 2: Ratification of Appointment of Independent Registered Public Accounting Firm for 2026” in the Proxy Statement.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this Report:

(1) Consolidated Financial Statements

The consolidated financial statements listed in the accompanying Index to Consolidated Financial Statements are attached to this Form 10-K beginning on page F-1.

Reports of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as of December 31, 2025 and 2024

Consolidated Statements of Operations for the years ended December 31, 2025, 2024 and 2023

Consolidated Statements of Comprehensive Loss for the years ended December 31, 2025, 2024 and 2023

Consolidated Statements of Stockholders' Equity for the years ended December 31, 2025, 2024 and 2023

Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023

Notes to Consolidated Financial Statements

(2) Financial Statement Schedules

The financial statement schedules have been omitted because they are not applicable, or the information required to be set forth therein is included in the consolidated financial statements or notes thereto.

(b) Exhibits

The following exhibits are included herein or incorporated herein by reference:

Number	Description
3.1	Amended and Restated Certificate of Incorporation of Marcus & Millichap, Inc. (incorporated by reference to Exhibit 3.1 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended September 30, 2013 filed on November 22, 2013).
3.2	Amended and Restated Bylaws of Marcus & Millichap, Inc. (incorporated by reference to Exhibit 3.2 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended September 30, 2013 filed on November 22, 2013).
4.1	Specimen Stock Certificate (incorporated by reference to Exhibit 4.1 to the registrant's registration statement on Form S-1 (No. 333-191316) filed on September 23, 2013).
4.2	Description of the registrant's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.2 to the registrant's Annual Report on Form 10-K (No. 001-36155) for the year ended December 31, 2019 filed on March 2, 2020).
10.1	Transition Services Agreement by and between Marcus & Millichap, Inc. and Marcus & Millichap Company dated October 31, 2013 (incorporated by reference to Exhibit 10.3 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended September 30, 2013 filed on November 22, 2013).
10.2*	Sixth Amendment to Transition Services Agreement by and between Marcus & Millichap, Inc. and Marcus & Millichap Company dated February 19, 2025.
10.3†	Form of Indemnification Agreement by and between Marcus & Millichap, Inc. and each of its Officers and Directors (incorporated by reference to Exhibit 10.7 to the registrant's registration statement on Form S-1 (No. 333-191316) filed on September 23, 2013).
10.4†	Amended and Restated 2013 Omnibus Equity Incentive Plan, Amended and Restated effective May 2, 2024 (incorporated by reference to Exhibit 10.2 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended June 30, 2024 filed on August 7, 2024).

Number	Description
10.5†	Amended and Restated 2013 Omnibus Equity Incentive Plan Restricted Stock Award Agreement. (incorporated by reference to Exhibit 10.2 to the registrant's quarterly report on form 10-Q (No. 001-36155) for the quarter ended September 30, 2024 filed on November 8, 2024).
10.6†	Form of Stock Option Award Agreement under 2013 Omnibus Equity Incentive Plan (incorporated by reference to Exhibit 10.10 to the registrant's registration statement on Form S-1 (No. 333-191316) filed on September 23, 2013).
10.7†	Form of Restricted Stock Unit Award Agreement under 2013 Omnibus Equity Incentive Plan (incorporated by reference to Exhibit 10.11 to the registrant's registration statement on Form S-1 (No. 333-191316) filed on September 23, 2013).
10.8†	Form of Restricted Stock Award Agreement under 2013 Omnibus Equity Incentive Plan (incorporated by reference to Exhibit 10.12 to the registrant's registration statement on Form S-1/A (No. 333-191316) filed on October 21, 2013).
10.9†	Form of Amendment, Restatement and Freezing of Stock Appreciation Rights Agreement (Section 409A grandfathered) (incorporated by reference to Exhibit 10.14 to the registrant's registration statement on Form S-1 (No. 333-191316) filed on September 23, 2013).
10.10†	2013 Employee Stock Purchase Plan, Amended and Restated Effective May 2, 2024 (incorporated by reference to Exhibit 10.3 to the registrant's quarterly report on form 10-Q (No. 001-36155) for the quarter ended June 30, 2024 filed on August 7, 2024).
10.11†	Amended and Restated 2013 Omnibus Equity Incentive Plan Performance Unit Award Agreement (incorporated by reference to Exhibit 10.1 to the registrant's current report on Form 8-K (No. 001-36155) filed on February 4, 2025).
10.12†	Employment Agreement between the Company and Hessam Nadji effective as of March 31, 2016 (incorporated by reference to Exhibit 10.21 to the registrant's current report on Form 8-K/A (No. 001-36155) filed on April 8, 2016).
10.13†	Marcus & Millichap, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.1 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended June 30, 2018 filed on August 9, 2018).
10.14†	Employment Agreement between the Company and Steven F. DeGennaro effective as of August 4, 2020 (incorporated by reference to Exhibit 10.1 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended September 30, 2020 filed on November 9, 2020).
10.15†	Employment Agreement by and between John David Parker and Marcus & Millichap, Inc., dated August 4, 2022 (incorporated by reference to Exhibit 10.2 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended June 20, 2022 filed on August 5, 2022).
10.16†	Employment Agreement by and between Richard Matricaria and Marcus & Millichap, Inc., dated May 1, 2025 (incorporated by reference to Exhibit 10.1 to the registrant's current report on Form 8-K (No. 001-36155) filed on June 9, 2025).
10.17†	Change in Control Policy dated August 3, 2021 (incorporated by reference to Exhibit 10.1 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended June 30, 2021 filed on August 6, 2021).
10.18†	Amended & Restated Death & Disability Policy dated August 3, 2021 (incorporated by reference to Exhibit 10.2 to the registrant's quarterly report on Form 10-Q (No. 001-36155) for the quarter ended June 30, 2021 filed on August 6, 2021).
10.19*	Employment Agreement by and between Gregory LaBerge and Marcus & Millichap, Inc., dated February 25, 2026.
19.1	Insider Trading and Disclosure Policy.
21.1*	List of Subsidiaries.
23.1*	Consent of Ernst & Young LLP.

Number	Description
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Restated Compensation Recovery Policy of Marcus & Millichap, Inc. (incorporated by reference to Exhibit 97 to the registrant's annual report on form 10-K (No. 001-36155) for the year ended December 31, 2023 filed on February 27, 2024)
101*	The following financial statements from the Company's Annual Report on Form 10-K for the year ended December 31, 2025, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Loss, (iv) Consolidated Statements of Stockholders' Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

† Indicates management contract or compensatory plan.

* Filed herewith.

** Furnished, not filed.

(c) Financial Statement Schedules

Not applicable.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 26, 2026

Marcus & Millichap, Inc.

/s/ Hessam Nadji

Hessam Nadji

President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Hessam Nadji</u> Hessam Nadji	Director, President and Chief Executive Officer (Principal Executive Officer)	February 26, 2026
<u>/s/ Steven F. DeGennaro</u> Steven F. DeGennaro	Chief Financial Officer (Principal Financial Officer)	February 26, 2026
<u>/s/ Fabrice De Bosschere</u> Fabrice De Bosschere	First Vice President, Corporate Controller (Principal Accounting Officer)	February 26, 2026
<u>/s/ George M. Marcus</u> George M. Marcus	Director	February 26, 2026
<u>/s/ Collete English Dixon</u> Collete English Dixon	Director	February 26, 2026
<u>/s/ Norma J. Lawrence</u> Norma J. Lawrence	Director	February 26, 2026
<u>/s/ Lauralee E. Martin</u> Lauralee E. Martin	Director	February 26, 2026
<u>/s/ Nicholas F. McClanahan</u> Nicholas F. McClanahan	Director	February 26, 2026
<u>/s/ George T. Shaheen</u> George T. Shaheen	Director	February 26, 2026
<u>/s/ Don C. Watters</u> Don C. Watters	Director	February 26, 2026

MARCUS & MILLICHAP, INC.

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Marcus & Millichap, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Marcus & Millichap, Inc. (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 26, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Deferred commissions payable

Description of the Matter

At December 31, 2025, the Company's commissions payable to investment sales and financing professionals was \$72.5 million. As discussed in Note 7 to the consolidated financial statements, certain investment sales and financing professionals have the ability to earn additional commissions after meeting certain annual revenue thresholds. All commissions are recognized as cost of services in the period in which they are earned as they relate to specific transactions closed. The Company has the ability to defer payment of certain commissions at its election, for up to three years. These payments are referred to as deferred commissions.

Auditing the Company's deferred commissions was complex with regard to evaluating the completeness of the population of investment sales and financing professionals eligible for deferred commissions and the accuracy of the investment sales and financing professionals' revenue production to meet thresholds used in determining deferred commissions earned.

How We Addressed the Matter in Our Audit We evaluated the design and tested the operating effectiveness of the Company’s internal controls over the deferred commissions process. We also tested controls over the completeness and accuracy of the data used in calculating the deferred commissions, including approvals.

To test the deferred commissions payable, we performed audit procedures that included, among others, evaluating the completeness of the deferred commissions schedule based on investment sales and financing professionals’ sales performance. Additionally, we obtained agreements for a sample of agents and recalculated the deferred commissions payable balances based on the agreement terms and investment sales and financing professionals’ revenue production and commission splits. Finally, we inspected for evidence of the eligibility approval process and performed a hindsight analysis to evaluate the cash disbursed compared to the respective deferred commissions previously accrued.

Income Taxes

Description of the Matter At December 31, 2025, the Company’s gross deferred tax assets and valuation allowance were \$75 million and \$6 million, respectively. As discussed in Note 2 to the consolidated financial statements, the Company evaluates deferred tax assets to assess whether the deferred tax assets will be realized. Valuation allowances are provided against deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Auditing the Company’s assessment of the deferred tax assets was complex with regard to evaluating management’s judgements used in considering both positive and negative evidence supporting the realizability of the deferred tax assets. The Company’s projection of future taxable income, and the ability to utilize deferred tax assets, relies on several key assumptions such as anticipated average commission rates and projected revenue growth rates for both revenue and expenses. Evaluation of the timing of the deferred tax reversals involved a high degree of auditor judgement to assess, including the use of our tax specialists.

How We Addressed the Matter in Our Audit We evaluated the design and tested the operating effectiveness of the Company’s internal controls over the valuation allowance process. We also tested controls over the completeness and accuracy of the data used in the Company’s forecast and deferred tax asset utilization analysis, including approvals.

To test the realizability of the deferred tax assets, our audit procedures included evaluating the methodology used, testing the reasonableness of the key assumptions noted above in the Company’s forecast of taxable income, and testing the underlying data used by the Company. In conjunction with our specialists, we compared management’s key assumptions to market data and historical results, evaluating the likelihood of realization under multiple possible scenarios. Additionally, we involved our tax specialists in evaluating the forecast and the timing of deferred tax assets reversal.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2013.

Los Angeles, California
February 26, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Marcus & Millichap, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Marcus & Millichap, Inc.'s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Marcus & Millichap, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated February 26, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Los Angeles, California
February 26, 2026

MARCUS & MILLICHAP, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except for shares and par value)

	December 31,	
	2025	2024
Assets		
Current assets:		
Cash, cash equivalents, and restricted cash (restricted cash of \$11,253 and \$10,678 at December 31, 2025 and December 31, 2024, respectively)	\$ 161,921	\$ 153,445
Commissions receivable	14,851	18,804
Prepaid expenses	10,424	9,311
Income tax receivable	1,962	6,030
Marketable debt securities, available-for-sale (amortized cost of \$90,557 and \$189,667 at December 31, 2025 and December 31, 2024, respectively, and \$0 allowance for credit losses)	90,564	189,667
Advances and loans, net	15,299	17,519
Other assets, current	14,189	15,543
Total current assets	309,210	410,319
Property and equipment, net	23,877	26,139
Operating lease right-of-use assets, net	74,333	81,120
Marketable debt securities, available-for-sale (amortized cost of \$145,570 and \$52,366 at December 31, 2025 and December 31, 2024, respectively, and \$0 allowance for credit losses)	145,701	51,147
Assets held in rabbi trust	13,476	12,191
Deferred tax assets, net	44,586	48,080
Goodwill and other intangible assets, net	41,662	43,521
Advances and loans, net	147,215	173,657
Other assets, non-current	27,120	23,626
Total assets	\$ 827,180	\$ 869,800
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 11,021	\$ 13,737
Deferred compensation and commissions	57,463	67,197
Operating lease liabilities	18,796	18,522
Accrued bonuses and other employee related expenses	23,856	25,485
Other liabilities, current	10,311	8,076
Total current liabilities	121,447	133,017
Deferred compensation and commissions	35,416	33,257
Operating lease liabilities	59,459	65,701
Other liabilities, non-current	7,755	7,007
Total liabilities	224,077	238,982
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.0001 par value:		
Authorized shares – 25,000,000; issued and outstanding shares – none at December 31, 2025 and December 31, 2024, respectively	—	—
Common stock, \$0.0001 par value:		
Authorized shares – 150,000,000; issued and outstanding shares – 38,422,993 and 38,856,790 at December 31, 2025 and December 31, 2024, respectively	4	4
Additional paid-in capital	192,945	173,340
Retained earnings	409,753	458,907
Accumulated other comprehensive income (loss)	401	(1,433)
Total stockholders' equity	603,103	630,818
Total liabilities and stockholders' equity	\$ 827,180	\$ 869,800

See accompanying notes to consolidated financial statements.

MARCUS & MILLICHAP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Years Ended December 31,		
	2025	2024	2023
<i>Revenue:</i>			
Real estate brokerage commissions	\$ 632,516	\$ 589,695	\$ 559,752
Financing fees	103,916	84,512	66,898
Other revenue	18,724	21,853	19,277
Total revenue	755,156	696,060	645,927
<i>Operating expenses:</i>			
Cost of services	470,486	431,471	406,645
Selling, general and administrative	286,283	280,909	285,023
Depreciation and amortization	12,098	16,589	13,627
Total operating expenses	768,867	728,969	705,295
Operating loss	(13,711)	(32,909)	(59,368)
Other income, net	17,504	20,693	19,855
Interest expense	(773)	(812)	(888)
Income (loss) before provision (benefit) for income taxes	3,020	(13,028)	(40,401)
Provision (benefit) for income taxes	4,929	(666)	(6,366)
Net loss	\$ (1,909)	\$ (12,362)	\$ (34,035)
<i>Loss per share:</i>			
Basic	\$ (0.05)	\$ (0.32)	\$ (0.88)
Diluted	\$ (0.05)	\$ (0.32)	\$ (0.88)
<i>Weighted average common shares outstanding:</i>			
Basic	38,943	38,678	38,659
Diluted	38,943	38,678	38,659

See accompanying notes to consolidated financial statements.

MARCUS & MILLICHAP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)

	Years Ended December 31,		
	2025	2024	2023
Net loss	\$ (1,909)	\$ (12,362)	\$ (34,035)
<i>Other comprehensive loss:</i>			
Marketable debt securities, available-for-sale:			
Change in net unrealized gains and losses	1,012	753	2,300
Reclassification adjustment for net gains and losses included in other income, net	(5)	—	142
Net change, net of tax of \$350, \$256 and \$813 for the years ended December 31, 2025, 2024, and 2023, respectively	1,007	753	2,442
Foreign currency translation gain (loss), net of tax of \$0 for each of the years ended December 31, 2025, 2024, and 2023, respectively	827	(1,418)	407
Total other comprehensive income (loss)	1,834	(665)	2,849
Comprehensive loss	<u>\$ (75)</u>	<u>\$ (13,027)</u>	<u>\$ (31,186)</u>

See accompanying notes to consolidated financial statements.

MARCUS & MILLICHAP, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except for shares)

	Series A Redeemable Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2022	—	\$ —	39,255,838	\$ 4	\$ 131,541	\$ 585,581	\$ (3,617)	\$ 713,509
Net and comprehensive income (loss)	—	—	—	—	—	(34,035)	2,849	(31,186)
Dividends	—	—	—	—	—	(20,372)	—	(20,372)
<i>Stock-based award activity:</i>								
Stock-based compensation	—	—	—	—	24,146	—	—	24,146
Issuance of common stock pursuant to employee stock purchase plan	—	—	25,818	—	661	—	—	661
Issuance of common stock for vesting of restricted stock units	—	—	453,986	—	—	—	—	—
Issuance of common stock for unvested restricted stock awards	—	—	17,339	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(138,451)	—	(4,441)	—	—	(4,441)
Issuance of common stock for stock settled deferred consideration	—	—	58,205	—	1,833	—	—	1,833
Repurchases of common stock	—	—	(1,260,251)	—	—	(38,876)	—	(38,876)
Balance as of December 31, 2023	—	—	38,412,484	4	153,740	492,298	(768)	645,274
Net and comprehensive (loss) income	—	—	—	—	—	(12,362)	(665)	(13,027)
Dividends	—	—	—	—	—	(20,244)	—	(20,244)
<i>Stock-based award activity:</i>								
Stock-based compensation	—	—	—	—	23,792	—	—	23,792
Issuance of common stock pursuant to employee stock purchase plan	—	—	30,562	—	847	—	—	847
Issuance of common stock for vesting of restricted stock units	—	—	557,259	—	—	—	—	—
Issuance of common stock for unvested restricted stock awards	—	—	16,121	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(168,681)	—	(5,872)	—	—	(5,872)
Issuance of common stock for stock settled deferred consideration	—	—	25,945	—	833	—	—	833
Repurchases of common stock	—	—	(16,900)	—	—	(785)	—	(785)
Balance as of December 31, 2024	—	—	38,856,790	4	173,340	458,907	(1,433)	630,818
Net and comprehensive (loss) income	—	—	—	—	—	(1,909)	1,834	(75)
Dividends	—	—	—	—	—	(20,378)	—	(20,378)
<i>Stock-based award activity:</i>								
Stock-based compensation	—	—	—	—	24,226	—	—	24,226
Issuance of common stock pursuant to employee stock purchase plan	—	—	33,141	—	821	—	—	821
Issuance of common stock for vesting of restricted stock units	—	—	605,705	—	—	—	—	—
Issuance of common stock for unvested restricted stock awards	—	—	17,297	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(170,310)	—	(5,859)	—	—	(5,859)
Issuance of common stock for stock settled deferred consideration	—	—	13,485	—	417	—	—	417
Repurchases of common stock	—	—	(933,115)	—	—	(26,867)	—	(26,867)
Balance as of December 31, 2025	—	\$ —	38,422,993	\$ 4	\$ 192,945	\$ 409,753	\$ 401	\$ 603,103

See accompanying notes to consolidated financial statements.

MARCUS & MILLICHAP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,		
	2025	2024	2023
Cash flows from operating activities			
Net loss	\$ (1,909)	\$ (12,362)	\$ (34,035)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	12,098	16,589	13,627
Non-cash lease expense	21,328	24,987	26,348
Credit loss expense (recovery)	(31)	578	(128)
Stock-based compensation	24,226	23,792	24,146
Deferred taxes, net	3,139	(1,416)	(6,429)
Unrealized foreign exchange (gains) losses	(108)	191	(37)
Net realized (gains) losses on marketable debt securities, available-for-sale	(8)	—	190
Other non-cash items	2,355	(1,665)	(341)
Changes in operating assets and liabilities:			
Commissions receivable	4,437	(3,448)	(7,590)
Prepaid expenses	(1,113)	(498)	599
Advances and loans	29,068	(12,811)	(5,177)
Other assets	(2,397)	(8,798)	(7,208)
Accounts payable and accrued expenses	(3,587)	5,685	(2,960)
Income tax receivable and payable	4,068	3,269	(616)
Accrued bonuses and other employee related expenses	(1,561)	6,407	(19,182)
Deferred compensation and commissions	(7,008)	(1,845)	(35,846)
Operating lease liabilities	(19,793)	(19,015)	(18,364)
Other liabilities	3,453	2,074	573
Net cash provided by (used in) operating activities	66,657	21,714	(72,430)
Cash flows from investing activities			
Purchases of marketable debt securities, available-for-sale	(326,983)	(190,704)	(302,283)
Proceeds from sales and maturities of marketable debt securities, available-for-sale	331,136	188,751	391,612
Purchases of convertible notes	—	—	(5,000)
Issuances of employee notes receivable	(105)	(82)	(126)
Payments received on employee notes receivable	—	6	34
Purchase of property and equipment	(7,872)	(7,873)	(9,370)
Net cash (used in) provided by investing activities	(3,824)	(9,902)	74,867
Cash flows from financing activities			
Taxes paid related to net share settlement of stock-based awards	(5,859)	(5,872)	(4,441)
Proceeds from issuance of shares pursuant to employee stock purchase plan	821	847	661
Dividends paid	(20,550)	(20,226)	(20,103)
Principal payments on stock appreciation rights liability	(2,230)	(1,976)	(1,945)
Principal payments on deferred and contingent consideration	(1,392)	(743)	(2,410)
Cash paid for stock repurchases	(25,366)	(785)	(39,441)
Net cash used in financing activities	(54,576)	(28,755)	(67,679)
Effect of currency exchange rate changes on cash, cash equivalents, and restricted cash	219	(365)	122
Net increase (decrease) in cash, cash equivalents, and restricted cash	8,476	(17,308)	(65,120)
Cash, cash equivalents, and restricted cash at beginning of period	153,445	170,753	235,873
Cash, cash equivalents, and restricted cash at end of period	\$ 161,921	\$ 153,445	\$ 170,753

See accompanying notes to consolidated financial statements.

MARCUS & MILLICHAP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,		
	2025	2024	2023
Supplemental disclosures of cash flow information:			
Interest paid during the period	\$ 478	\$ 581	\$ 478
Income taxes paid, net	\$ 422	\$ 468	\$ 674
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 23,984	\$ 23,151	\$ 22,276
Supplemental disclosures of noncash investing and financing activities:			
Unpaid purchases of property and equipment	\$ 1,157	\$ 561	\$ 257
Right-of-use assets obtained in exchange for operating lease liabilities	\$ 14,355	\$ 16,122	\$ 28,306
Issuance of stock for the settlement of deferred consideration	\$ 417	\$ 833	\$ 1,833
Dividend payable	\$ 836	\$ 884	\$ 923

See accompanying notes to consolidated financial statements.

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

1. Description of Business and Basis of Presentation

Description of Business

Marcus & Millichap, Inc. (the “Company,” “Marcus & Millichap,” or “MMI”), a Delaware corporation, is a real estate services firm specializing in commercial real estate investment sales, financing services, research and advisory services. As of December 31, 2025, MMI operates over 80 offices in the United States and Canada through its wholly-owned subsidiaries, including the operations of Marcus & Millichap Capital Corporation.

Reorganization and Initial Public Offering

Marcus & Millichap, Inc was formed in June 2013 in preparation for the spin-off of Marcus & Millichap Real Estate Investment Services, Inc. (“MMREIS”), the real estate investment services business of the Marcus & Millichap Company (“MMC”). Our initial public offering (“IPO”) was completed in November 2013. In connection with our IPO, the shareholders of MMREIS contributed their shares of MMREIS to MMI in exchange for common stock of MMI.

Basis of Presentation

The Company’s consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

2. Accounting Policies and Recent Accounting Pronouncements

Accounting Policies

Cash, Cash Equivalents, and Restricted Cash

The Company considers cash equivalents to include short-term, highly liquid investments with maturities of three months or less when purchased. Restricted cash includes amounts restricted in connection with our Credit Agreement (as defined below) and loan guarantee obligations with M&T Realty Capital Corporation (“MTRCC”). Portions of the balance of cash, cash equivalents, and restricted cash were held in financial institutions, various money market funds with fixed and floating net asset values and short-term commercial paper. Money market funds have floating net asset values and may be subject to liquidity fees. The Company assesses short-term commercial paper for impairment in connection with investments in marketable debt securities, available-for-sale. The likelihood of realizing material losses from cash, cash equivalents, and restricted cash, including the excess of cash balances over federally insured limits, is remote.

Revenue Recognition

The Company generates real estate brokerage commissions by acting as a broker for real estate owners or investors seeking to buy or sell interests in commercial properties and generates financing fees from securing financing on purchase transactions, from refinancing its clients’ existing mortgage debt and other ancillary fees associated with financing activities, including, but not limited to, debt and equity advisory services, loan sales, due diligence services, loan guarantee fees, loan performance fees and other consulting services.

Real Estate Brokerage Commissions

Contracts for representing buyers and sellers of real estate are negotiated on a transaction-by-transaction basis. The consideration associated with the successful outcome remains constrained until the completion of a transaction which happens at the close of escrow. At that time, the Company's performance is complete, and the Company recognizes revenue related to the transaction.

Financing Fees

Contracts for representing potential borrowers are negotiated on a transaction-by-transaction basis. The consideration associated with the successful outcome remains constrained until the completion of a transaction which happens at the time

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

the loan closes. At that time, the Company's performance is complete, and the Company recognizes revenue related to the transaction. The Company's fee arrangements, with an exception for guarantee obligations, do not include terms or conditions that require the Company to perform any service or fulfill any obligation once the loan closes.

Loan Performance Fees - For loans originated through the strategic alliance ("Strategic Alliance") with MTRCC, the Company receives variable consideration in the form of loan performance fees based on a portion of the servicing fees expected to be received by MTRCC under the servicing contract for servicing the loan. As the Company is not obligated to perform any servicing functions and has no further obligations related to the transaction giving rise to the loan performance fees, the estimated value of the loan performance fees to be received is recorded at the time the loan closes and are collected over the estimated term of the related loan. Any changes in the estimate of loan performance fees to be received are recorded in revenue in the period the estimate changes.

Guarantee Obligations - For certain loans originated through the Strategic Alliance with MTRCC, the Company may agree, at its option, to indemnify MTRCC for a portion of MTRCC's obligations for loans sold to the Federal National Mortgage Association ("Fannie Mae"). For these loans, the Company allocates a portion of the transaction price and records a loan guarantee obligation based on its fair value. Revenue for this stand ready obligation is recorded on a straight-line basis over the term of the estimated guarantee period and is recorded in financing fees in the consolidated statements of operations. The guarantee obligation is capped at 16.7% of any unpaid principal balance in excess of the value of the collateral securing such loan. For these loans, the Company is required to pledge cash in a restricted bank account in support of the guarantee obligation. The Company records an allowance for estimated losses related to the loans subject to the guarantee considering the risk characteristics of the loan, the loan's risk rating, historical loss experience, potential adverse situations affecting individual loans and other forecasted information as appropriate.

Other Revenue

Other revenue includes fees generated from leasing, consulting and advisory services, as well as fees from other ancillary services, and such fees are recognized when services are provided, upon closing of the transaction or when the Company has no further performance obligations.

Capitalization of Internal Software

Certain costs related to the development or purchase of internal-use software are capitalized. Internal costs that are incurred in the preliminary project stage are expensed as incurred. Direct consulting costs and certain payroll and related costs that are incurred during the development stage of a project are capitalized and depreciated using the straight-line method over a useful life of five years. Capitalized costs are recorded in property and equipment, net, and amortization is recorded in depreciation and amortization in the consolidated financial statements. Amortization begins for software that has been placed into production and is ready for its intended use. Post-implementation costs such as training, maintenance and support are expensed as incurred. The Company evaluates the carrying value of capitalized software for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

Commissions Receivable, Net

Commissions receivable, net consists of commissions earned on brokerage and financing transactions for which payment has not yet been received. The Company evaluates the need for an allowance for credit losses based on consideration of historical experience, current conditions and forecasts of future economic conditions. The majority of commissions earned are settled within 10 days after the close of escrow. Certain commissions for leasing transactions are received upon occupancy.

Advances and Loans, Net

Advances and loans, net includes amounts advanced and loans due from the Company's investment sales and financing professionals.

In order to attract and retain highly skilled professionals, from time to time the Company advances funds to its investment sales and financing professionals. The advances are typically in the form of forgivable loans that have terms that are generally between 5 and 10 years. The principal amount of a forgivable loan and accrued interest are forgiven over

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

the term of the loan, so long as the investment sales and financing professionals continue to be a service provider with the Company, and/or upon achieving contractual performance criteria. These amounts are charged to selling, general and administrative expense over the service period. If the investment sales and financing professional's relationship with the Company is terminated before the amount advanced is forgiven, the unforgiven amount, and any accrued interest, becomes due and payable. The Company evaluates the need for an allowance for credit losses based on amounts advanced, expected forgiveness, consideration of historical experience, current conditions and forecasts of future economic conditions. Estimated credit losses, net of any reversals, are charged to credit loss expense included in selling, general and administrative expense. Amounts are generally written off when amounts are determined to be no longer collectable.

The Company, from time to time, also enters into various agreements, including notes receivable, with certain of its investment sales and financing professionals whereby these individuals receive loans that are to be repaid in the future. The notes receivable, along with stated interest, are typically collected from future commissions or repaid based on the terms stipulated in the respective agreements that are generally between one and seven years. The Company evaluates the need for an allowance for credit losses for the loans based on historical experience, current conditions and reasonable forecasts of future economic conditions. Estimated credit losses, net of any reversals, are charged to credit loss expense included in selling, general and administrative expense. Amounts are generally written off when amounts are determined to be no longer collectable.

Cost of Services

Cost of services principally consists of variable commissions, compensation-related costs related to the Company's financing activities, and other costs for the Company's investment sales and financing professionals related to transactions closed in the period. Commissions are accrued based on revenue from transactions generated by the Company's investment sales and financing professionals. Investment sales and financing professionals are compensated at commission rates based on individual agreements, and a portion of the commissions due upon the closing of a transaction may be deferred in accordance with their contracts. Some of the Company's most senior investment sales and financing professionals also have the ability to earn additional commissions after meeting certain annual financial thresholds. These additional commissions are recognized as cost of services in the period in which they are earned. Payment of a portion of these additional commissions are generally deferred for a period of three years, at our election, and paid at the end of the third calendar year. These deferred commissions are included in deferred compensation and commissions (current and non-current) captions in the accompanying consolidated balance sheets. Cost of services also includes referral fees paid to other real estate brokers where we are the principal service provider.

Investments in Marketable Debt Securities, Available-for-Sale

The Company maintains a portfolio of investments in a variety of fixed and variable rate debt securities, including U.S. treasuries, U.S. government sponsored entities, corporate debt, asset-backed securities ("ABS") and other. The Company considers its investments in marketable debt securities to be available-for-sale, and accordingly, are recorded at their fair values. The Company determines the appropriate classification of investments in marketable debt securities at the time of purchase. Interest along with amortization of purchase premiums and accretion of discounts from the purchase date through the estimated maturity date, including consideration of variable maturities and contractual call provisions, are included in other income, net in the consolidated statements of operations. The Company typically invests in highly rated debt securities, and its investment policy generally limits the amount of credit exposure to any one issuer. The policy requires substantially all investments to be investment grade, with the primary objective of minimizing the potential risk of principal loss and matching long-term liabilities. See Note 5 – "Investments in Marketable Debt Securities, Available-for-Sale" for additional information.

The Company reviews quarterly its investment portfolio of all securities in an unrealized loss position to determine if an impairment charge or credit reserve is required. The Company excludes accrued interest from both the fair value and the amortized cost basis of marketable debt securities, available-for-sale, for the purposes of identifying and measuring an impairment. An investment is impaired if the fair value is less than its amortized cost basis. Impairment relating to credit losses is recorded through a reduction in the amortized cost of the security or an allowance for credit losses and credit loss expense (included in selling, general and administrative expense), limited by the amount that the fair value is less than the amortized cost basis. Impairment that has not been recorded as a credit loss is recorded through other comprehensive income (loss), net of applicable taxes. The Company made an accounting policy election to not measure an allowance for

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

credit losses for accrued interest receivables. The Company evaluates write-off of accrued interest receivable at the time credit loss exists for the underlying security.

Determining whether a credit loss exists requires a high degree of judgment and the Company considers both qualitative and quantitative factors in making its determination. The Company evaluates its intent to sell, or whether the Company will more likely than not be required to sell, the security before recovery of its amortized cost basis. For all securities in an unrealized loss position, the Company evaluates, among other items, the extent and length of time the fair market value of a security is less than its amortized cost, time to maturity, duration, seniority, the financial condition of the issuer including credit ratings, any changes thereto and relative default rates, leverage ratios, availability of liquidity to make principal and interest payments, performance indicators of the underlying assets, analyst reports and recommendations, and changes in base and market interest rates. If the qualitative and quantitative analysis is sufficient to conclude that an impairment related to credit losses does not exist, the Company typically does not perform further quantitative analysis to estimate the present value of cash flows expected to be collected from the debt security. Estimates of expected future cash flows are the Company's best estimate based on past events, current conditions and reasonable and supportable economic forecasts.

Assets Held in Rabbi Trust

The Company maintains a non-qualified deferred compensation program for certain employees. Deferred amounts are invested in variable whole life insurance policies owned by the Company supporting the deferred obligation and are held in a rabbi trust. Participants elect to invest in various hypothetical equity and debt securities offered within the plan on a notional basis. The net change in the carrying value of the underlying assets held in the rabbi trust is recorded in other income, net. The change in the deferred compensation liability as a result of the change in the notional value of the participants accounts is recorded as a component of selling, general and administrative expense in the consolidated statements of operations.

Fair Value Measurements

U.S. GAAP defines the fair value of a financial instrument as the amount that would be received from the sale of an asset in an orderly transaction between market participants at the measurement date. The Company is responsible for the determination of fair value and the supporting methodologies and assumptions. The Company uses various pricing sources and third parties to provide and validate the values utilized.

The degree of judgment used in measuring the fair value of financial instruments is generally inversely correlated with the level of observable valuation inputs. Financial instruments with quoted prices in active markets generally have more pricing observability and less judgment is used in measuring fair value. Financial instruments for which no quoted prices are available have less observability and are measured at fair value using valuation models or other pricing techniques that require more judgment.

Assets recorded at fair value are measured and classified in accordance with a fair value hierarchy consisting of the three "levels" based on the observability of inputs available in the marketplace used to measure the fair values as discussed below:

- *Level 1:* Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- *Level 2:* Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; or
- *Level 3:* Unobservable inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model. Management estimates include certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

Recurring Fair Value Measurements

The Company values its investments including commercial paper and floating net asset value money market funds recorded in cash, cash equivalents, and restricted cash, investments in marketable debt securities, available-for-sale, assets held in the rabbi trust, deferred compensation liability, contingent and deferred consideration and investments in convertible notes at fair value on a recurring basis.

Fair values for investments included in cash, cash equivalents, and restricted cash and marketable debt securities, available-for-sale, were determined for each individual security in the investment portfolio and all these securities are Level 1 or 2 measurements as appropriate.

Fair values for assets held in the rabbi trust and related deferred compensation liability were determined based on the cash surrender value of the Company owned variable life insurance policies and underlying investments in the trust, and are Level 2 and Level 1 measurements, respectively.

Contingent consideration in connection with acquisitions, is carried at fair value and determined on a contract-by-contract basis, calculated using unobservable inputs based on a probability of achieving EBITDA and other performance requirements (refer to Note 9 – “Fair Value Measurements”), and is a Level 3 measurement. Deferred consideration in connection with acquisitions is carried at fair value and calculated using a discounted cash flow estimate with the only remaining condition on such payments being the passage of time, and is a Level 2 measurement.

We have elected to account for our investments in convertible notes, included in other assets, under the fair value option, with changes in fair value recognized in other income, net in the consolidated statement of operations. We estimate the fair value of each convertible note at each balance sheet date using a scenario-based framework that incorporates various scenarios weighted based on the expected likelihood of occurrence. Within each scenario, a discounted cash flow approach was utilized, taking the expected settlement for the event, and discounting it based on the expected timing and a discount rate. Each of the assumptions in the model were considered significant assumptions. We noted that a change in the expected probability, expected payoff, timing, or discount rate, would result in a change to the fair value ascribed to the convertible notes. As these are significant inputs not observable in the market, the valuation is classified as a Level 3 measurement.

Nonrecurring Fair Value Measurements

In accordance with U.S. GAAP, from time to time, the Company may measure certain assets at fair value on a nonrecurring basis. The Company reviews the carrying value of intangibles, goodwill and other assets for indications of impairment at least annually. When indications of potential impairment are identified, the Company may be required to determine the fair value of those assets and record an adjustment for the carrying amount in excess of the fair value determined. Any fair value determination would be based on valuation approaches, which are appropriate under the circumstances and utilize Level 2 and Level 3 measurements as required.

Assets and Liabilities not Measured at Fair Value

The Company’s commissions receivable, amounts due from employees and investment sales and financing professionals (included in the other assets, current and other assets, non-current captions), accounts payable and other liabilities and commissions payable (included in deferred compensation and commissions, current and deferred compensation and commissions, non-current captions) are carried at cost, which approximates fair value based on their immediate or short-term maturities and terms which approximate current market rates.

The Company’s obligations under stock appreciation rights (“SARs”) liability (included in the deferred compensation and commissions, current and deferred compensation and commissions, non-current captions) bear interest at a variable rate based on U.S. Treasuries, and the Company has determined that the carrying value approximates their fair value.

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation and amortization. The Company uses the straight-line method for depreciation and amortization. Depreciation and amortization is recorded over estimated useful lives ranging from three to seven years.

The Company evaluates its fixed assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Other Assets

Other assets consist primarily of securities, held-to-maturity, investments in convertible notes, loan performance fee receivable, security deposits made in connection with operating leases, customer trust accounts, employee notes receivable and other assets and receivables. In connection with a brokerage transaction, the Company may need to, or be required to, hold cash in escrow for a transaction participant. These amounts are deposited into separate customer trust accounts controlled by the Company. The amounts are included in current other assets, net, with a corresponding liability included in accounts payable and other liabilities, both in the consolidated balance sheets.

Leases

The Company utilizes operating leases for all its facilities and autos. The Company determines if an arrangement is a lease at inception. Right-of-use assets ("ROU assets") represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's contractual obligation to make lease payments under the lease. Operating leases are included in operating lease ROU assets, and operating lease liabilities, current and non-current captions in the consolidated balance sheets.

ROU assets and liabilities are recognized on the commencement date based on the present value of lease payments over the lease term. Lease agreements may contain periods of free rent or reduced rent, predetermined fixed increases in the minimum rent and renewal or termination options, all of which add complexity and impact the determination of the lease term and lease payments to be used in calculating the lease liability. Certain facility leases provide for rental escalations related to increases in the lessors' direct operating expenses. The Company uses the implicit rate in the lease when determinable. As most of the Company's leases do not have a determinable implicit rate, the Company uses an estimated incremental borrowing rate calculated on a spread over treasuries based on our estimated credit rating for the indicated term of the lease based on the information available on the commencement date of the lease. The Company typically leases general purpose built-out office space, which reverts to the lessor upon termination of the lease. Any payments for completed improvements, determined to be owed by the lessor, net of incentives received, are recorded as an increase to the ROU asset and considered in the determination of the lease cost.

The Company has lease agreements with lease and non-lease components, which are accounted for as a single lease component. Lease cost is recognized on a straight-line basis over the lease term. Variable lease payments consist of common area costs, insurance, taxes, utilities, parking and other lease related costs, which are determined principally based on billings from landlords. Sub-lease income is recorded as a component of selling general and administrative expense in the consolidated statements of operations.

Litigation

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business, some of which involve claims for damages that are substantial in amount. Most of these litigation matters are covered by insurance, which contain deductibles, exclusions, claim limits and aggregate policy limits. While the ultimate liability for these legal proceedings cannot be determined, the Company uses judgment in the evaluation of claims and the need for accrual for loss contingencies quarterly. The Company records an accrual for litigation related losses where the likelihood of loss is both probable and estimable. The Company accrues legal fees for litigation as the legal services are provided.

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Advertising Costs

Advertising costs are expensed as incurred. Advertising costs are included in selling, general and administrative expense in the accompanying consolidated statements of operations.

Income Taxes

The Company accounts for income taxes under the asset and liability method. The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to (i) differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and (ii) operating losses and tax credit carryforwards. The Company measures existing deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which the Company expects to have temporary differences realized or settled. The Company recognizes in the (benefit) provision for income taxes, the effect on deferred tax assets and liabilities of a change in tax rates in the period that includes the enactment date. The Company periodically evaluates deferred tax assets to assess whether it is likely that the deferred tax assets will be realized. In determining whether a valuation allowance is required, the Company considers the timing of deferred tax reversals, current year taxable income and historical performance. Valuation allowances are provided against deferred tax assets when it is more-likely-than-not that some portion or all of the deferred tax asset will not be realized.

Because of the nature of the Company's business, which includes activity in the U.S. and Canada, incorporating numerous states and provinces as well as local jurisdictions, the Company's tax position can be complex. As such, the Company's effective tax rate is subject to changes as a result of fluctuations in the mix of its activity in the various jurisdictions in which the Company operates including changes in tax rates, state apportionment, tax related interest and penalties, valuation allowances and other permanent items. Calculating some of the amounts involves a high degree of judgment.

The Company evaluates its tax positions quarterly. The threshold for recognizing the benefits of tax return positions in the financial statements is "more likely than not" to be sustained by the taxing authority and requires measurement of a tax position meeting the more-likely-than-not criterion, based on the largest benefit that is more than 50% likely to be realized. The Company assesses its inventory of tax positions with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction) and determines whether uncertain tax positions are required to be recognized in the Company's consolidated financial statements.

The Company recognizes interest and penalties incurred as income tax expense.

Stock-Based Compensation

The Company measures and records compensation expense for all stock-based awards made to employees, independent contractors and non-employee directors. Awards are issued under the Amended and Restated 2013 Omnibus Equity Incentive Plan, as amended (the "Amended Plan") and 2013 Employee Stock Purchase Plan, as amended (the "Amended ESPP").

For awards made to the Company's employees, directors and independent contractors, the Company initially values restricted stock units ("RSUs") and restricted stock awards ("RSAs") based on the grant date closing price of the Company's common stock. For awards with periodic vesting, the Company recognizes the related expense on a straight-line basis over the requisite service period for the entire award, subject to periodic adjustments to ensure that the cumulative amount of expense recognized through the end of any reporting period is at least equal to the portion of the grant date value of the award that has vested through that date. The Company accounts for forfeitures as they occur.

The Company has issued performance share units ("PSUs"), which are subject to a three-year cliff-vesting period, based on achievement of pre-determined performance targets. At the end of each reporting period, we evaluate the probability that the PSUs will vest. Compensation expense related to PSUs is generally recognized over the three-year performance period, based on the grant-date fair value and the probability that the pre-determined performance targets will be achieved. The Company accounts for forfeitures as they occur.

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For shares issued under the Amended ESPP, the Company determined that the Amended ESPP was a compensatory plan and is required to expense the fair value of the awards over each six-month offering period. The Company estimates the fair value of these awards using the Black-Scholes option pricing model. The Company calculates the expected volatility based on the historical volatility of the Company's common stock, the risk-free interest rate based on the U.S. Treasury yield curve in effect at the time of grant, both consistent with the term of the offering period. The Company includes a dividend yield based on the recurring semi-annual dividend. The Company accounts for forfeitures as they occur.

Earnings per Share

The difference between basic and diluted weighted average shares outstanding represents the dilutive impact of common stock equivalents consisting of shares to be issued under the Plan and ESPP, and contingently issuable shares in connection with stock settled consideration for acquired businesses.

Foreign Currency Translation

The Company prepares the financial statements of its Canadian subsidiary using the local currency as the functional currency. The assets and liabilities of the Company's Canadian subsidiary are translated into U.S. dollars at the rates of exchange at the balance sheet date with the resulting translation adjustments included as a separate component of stockholder's equity through other comprehensive loss in the consolidated statements of comprehensive loss.

Income and expenses are translated at the average monthly rates of exchange. The Company includes gains and losses from foreign currency transactions in other income, net in the consolidated statements of operations.

The effect of foreign currency translation on cash, cash equivalents, and restricted cash is reflected in cash flows from operating activities on the consolidated statements of cash flows, and is not material for any period presented.

Taxes Collected from Clients and Remitted to Governmental Authorities

The Company accounts for tax assessed by any governmental authority that is based on revenue or transaction value (e.g. sales, use and value added taxes) on a net basis, and, accordingly, such amounts are not included in revenue. Collected amounts are recorded as a current liability until paid.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk principally consist of cash, cash equivalents, and restricted cash, investments in marketable debt securities, available-for-sale, investments in strategic alliance partners (included under other assets), security deposits (included under other assets, current and non-current), and commissions receivable, net. Cash, cash equivalents, and restricted cash are placed with high-credit quality financial institutions and invested in high-credit quality money market funds and commercial paper. Concentrations and ratings of investments in marketable debt securities, available-for-sale are limited by the approved investment policy.

To reduce its credit risk, the Company monitors the credit standing of the financial institutions and money market funds that represent amounts recorded as cash, cash equivalents, and restricted cash. The Company historically has not experienced any significant losses related to cash, cash equivalents, and restricted cash.

In September 2021, the Company entered into a Strategic Alliance with MTRCC pursuant to which the Company has agreed to provide loan opportunities that may be funded through MTRCC's Delegated Underwriting and Servicing Agreement ("DUS Agreement") with Fannie Mae that requires MTRCC to guarantee a portion of each loan funded. On a

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loan-by-loan basis, the Company, at its option, can indemnify a portion of MTRCC's guarantee obligation of loan opportunities presented to and closed by MTRCC through the DUS Agreement. The Company manages and limits the concentration of risk related to the guarantees assumed by monitoring the underlying property type, geographic location, credit of the borrowers, underlying debt service coverage, and loan to value ratios.

The Company derives its revenue from a broad range of real estate investors, owners, and users in the United States and Canada, none of which individually represents a significant concentration of credit risk. The Company maintains allowances, as needed, for estimated credit losses based on management's assessment of the likelihood of collection. For the years ended December 31, 2025, 2024, and 2023, no transaction represented 10% or more of total revenue. Further, while one or more transactions may represent 10% or more of commissions receivable at any reporting date, amounts due for brokerage and financing transactions are typically collected within 10 days of settlement and, therefore, do not expose the Company to significant credit risk.

During the years ended December 31, 2025, 2024, and 2023, the Company's Canadian operations represented approximately 4%, 5%, and 4%, respectively, of total revenue.

During each of the years ended December 31, 2025, 2024, and 2023, no office represented 10% or more of total revenue.

Business Combinations

The Company accounts for business combinations using the acquisition method of accounting, under which the consideration for the acquisition, including the fair value of any contingent and deferred consideration, is allocated to the assets acquired and liabilities assumed. The Company recognizes identifiable assets acquired and liabilities assumed at their acquisition date fair values as determined by management as of the acquisition date. The excess of the consideration over the assets acquired net of liabilities assumed is recognized as goodwill. During the measurement period, which is not to exceed one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded as expense in the consolidated statements of operations.

In connection with certain acquisitions, the Company enters into agreements to pay additional cash amounts based on the achievement of certain performance measures and/or service and time requirements. Contingent and deferred consideration in connection with the acquisition of a business is measured at fair value on the acquisition date and remeasured at fair value each reporting period thereafter until the consideration is settled in cash or stock, with changes in fair value recorded in selling, general and administrative expense in the consolidated statements of operations.

Acquisition-related costs, such as due diligence, legal and accounting fees, are expensed as incurred and not considered in determining the fair value of the acquired assets. Acquisition-related costs are reflected in selling, general and administrative expense in the consolidated statements of operations.

Goodwill and Other Intangible Assets

The Company evaluates goodwill for impairment annually in the fourth quarter. In addition to the annual impairment evaluation, the Company evaluates at least quarterly whether events or circumstances have occurred in the period subsequent to the annual impairment testing which indicate that it is more likely than not an impairment loss has occurred. The initial impairment evaluation of goodwill is a qualitative assessment and is performed to assess whether the fair value of a reporting unit is less than its carrying amount. The Company completes a quantitative impairment test if evidence from the qualitative assessment indicates that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If the Company determines the quantitative impairment test is required, the estimated fair value of the reporting unit is determined and compared to its carrying amount, including goodwill. If the carrying amount exceeds the estimated fair value, an impairment loss is recognized equal to that excess. The loss recognized cannot exceed the carrying amount of goodwill. The Company currently has only one reporting unit, therefore, all goodwill is allocated to that one reporting unit.

The Company evaluates its finite-lived intangible assets for impairment at least annually, or as events or changes in circumstances indicate the carrying value may not be recoverable. The Company records an impairment loss if impairment

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triggers exist and the fair value of the asset is less than the asset's carrying amount. The Company measures recoverability by comparing the carrying amount to the future undiscounted cash flows that the intangible assets are expected to generate. If the carrying value of the intangible assets are not recoverable, the impairment recognized is measured as the amount by which the carrying value exceeds its fair value. The Company's intangible assets primarily include non-compete agreements, customer relationships and contracts in progress that resulted from its business combinations. These intangible assets are generally amortized on a straight-line basis using a useful life between 1 and 7 years.

Segment Reporting

The Company has one reportable segment: commercial real estate services. The commercial real estate services segment is the aggregation of our two operating segments: investment sales and financing services. Investment sales and financing services share similar customers, economic characteristics and regulatory environment. The commercial real estate services segment provides these integrated services to investors in commercial real estate, delivered through a network of offices, housing both investment sales and financing professionals, supported by an integrated national platform. The chief operating decision maker ("CODM") uses net income (loss) to evaluate the overall needs and opportunities of the Company as a whole based on strategic directions and growth initiatives, some of which may apply to parts or all of the organization. Net income (loss) is used to monitor budget versus actual results, as well as to benchmark the Company's performance to its peer group. The CODM uses this assessment of performance in determining management compensation. The Company's CODM is its Chief Executive Officer.

Recent Accounting Pronouncements

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative ("ASU 2023-06"). ASU 2023-06 was issued in response to the SEC's final amendments in Release No. 33-10532, Disclosure Update and Simplification that updated and simplified disclosure requirements that the SEC believed were duplicative, overlapping, or outdated, and to align the requirements in the FASB Accounting Standards Codification ("Codification") with the SEC's disclosure requirements. The effective date for each amendment in ASU 2023-06 will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. If the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K by June 30, 2027, the pending content of the related amendment will be removed from the Codification and will not become effective for any entity. The Company does not expect the adoption of ASU 2023-06 to have a material impact on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"), to require disaggregated information about a reporting entity's effective tax rate reconciliation, as well as information on income taxes paid. The new requirements should be applied on a prospective basis with an option to apply them retrospectively. ASU 2023-09 became effective for annual periods beginning after December 15, 2024. The Company adopted ASU 2023-09 for the year ended December 31, 2025 and applied the new disclosure requirements.

In March 2024, the FASB issued ASU 2024-02, Codification Improvements - Amendments to Remove References to the Concepts Statements ("ASU 2024-02"), which removes references to various FASB Concepts Statements in the guidance to simplify the Codification and draw a distinction between authoritative and nonauthoritative literature. ASU 2024-02 is effective on a prospective basis, with the option for retrospective application, for annual periods beginning after December 15, 2024. The adoption of ASU 2024-02 did not have a material impact on the Company's consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03 Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40). The new guidance is intended to provide investors enhanced disclosures and requires public entities to disaggregate key expense types. The update is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The disclosure updates are required to be applied prospectively with the option for retrospective application. While the adoption is not expected to have an impact on our consolidated financial statements, it is expected to result in incremental disclosures within the footnotes to our consolidated financial statements.

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In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) (“ASU 2025-06”), to update guidance on accounting for internal-use software. The amendments modernize guidance to consider different methods of software development, updating the requirements for capitalization of software costs. ASU 2025-6 is effective for annual reporting periods beginning after December 15, 2027, with early adoption permitted. The new requirements may be applied on a prospective, retrospective, or modified transition approach. The Company is evaluating the impact this ASU will have on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements (“ASU 2025-11”), which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact this ASU will have on its consolidated financial statements.

3. Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	December 31,	
	2025	2024
Computer software and hardware equipment	\$ 56,758	\$ 52,208
Furniture, fixtures and equipment	24,544	24,938
Less: accumulated depreciation and amortization	(57,425)	(51,007)
	\$ 23,877	\$ 26,139

Depreciation expense for property and equipment was \$10.0 million, \$9.4 million and \$8.9 million for the years ended December 31, 2025, 2024 and 2023, respectively.

During the years ended December 31, 2025 and 2024, the Company wrote-off \$3.6 million and \$6.8 million, respectively, of property and equipment, primarily related to fully depreciated assets, disposed assets, and abandoned construction-in-progress.

4. Operating Leases

The Company has operating leases for all of its facilities and autos. The operating lease cost, included in selling, general and administrative expense in the consolidated statements of operations, consisted of the following (in thousands):

	Years Ended December 31,	
	2025	2024
Operating lease cost:		
Lease cost ⁽¹⁾	\$ 25,417	\$ 29,057
Variable lease cost ⁽²⁾	5,182	6,241
Sublease income	(1,195)	(1,037)
	\$ 29,404	\$ 34,261

(1) Includes charges related to consolidation of office space during the years ended December 31, 2025 and 2024.

(2) Primarily relates to common area maintenance, property taxes, insurance, utilities and parking.

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Maturities of lease liabilities by year consisted of the following (in thousands):

	December 31, 2025
2026	\$ 22,456
2027	19,211
2028	15,281
2029	11,239
2030	8,664
Thereafter	12,453
Total future minimum lease payments	89,304
Less imputed interest	(11,049)
Present value of operating lease liabilities	<u>\$ 78,255</u>

Other information related to the operating leases consisted of the following:

	December 31,	
	2025	2024
Weighted average remaining operating lease term	4.74 years	5.11 years
Weighted average discount rate	5.4 %	5.2 %

5. Investments in Marketable Debt Securities, Available-for-Sale

Amortized cost, allowance for credit losses, gross unrealized gains (losses) in accumulated other comprehensive income (loss) and fair value of marketable debt securities, available-for-sale, by type of security consisted of the following (in thousands):

	December 31, 2025				
	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<i>Short-term investments:</i>					
Corporate debt	\$ 90,557	\$ —	\$ 28	\$ (21)	\$ 90,564
	<u>\$ 90,557</u>	<u>\$ —</u>	<u>\$ 28</u>	<u>\$ (21)</u>	<u>\$ 90,564</u>
<i>Long-term investments:</i>					
U.S. treasuries	\$ 29,058	\$ —	\$ 218	\$ (17)	\$ 29,259
U.S. government sponsored entities	2,490	—	17	(46)	2,461
Corporate debt	54,093	—	578	(414)	54,257
Asset-backed securities (“ABS”) and other	59,929	—	452	(657)	59,724
	<u>\$ 145,570</u>	<u>\$ —</u>	<u>\$ 1,265</u>	<u>\$ (1,134)</u>	<u>\$ 145,701</u>

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December 31, 2024

	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<i>Short-term investments:</i>					
U.S. treasuries	\$ 29,515	\$ —	\$ 20	\$ (18)	\$ 29,517
Corporate debt	160,152	—	55	(57)	160,150
	<u>\$ 189,667</u>	<u>\$ —</u>	<u>\$ 75</u>	<u>\$ (75)</u>	<u>\$ 189,667</u>
<i>Long-term investments:</i>					
U.S. treasuries	\$ 819	\$ —	\$ —	\$ (46)	\$ 773
U.S. government sponsored entities	996	—	3	(70)	929
Corporate debt	31,820	—	139	(1,025)	30,934
ABS and other	18,731	—	114	(334)	18,511
	<u>\$ 52,366</u>	<u>\$ —</u>	<u>\$ 256</u>	<u>\$ (1,475)</u>	<u>\$ 51,147</u>

The Company's investments in marketable debt securities, available-for-sale, that have been in a continuous unrealized loss position, for which an allowance for credit losses has not been recorded, by type of security consisted of the following (in thousands):

December 31, 2025

	Less than 12 months		12 months or greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value ⁽¹⁾	Gross Unrealized Losses
U.S. treasuries	\$ —	\$ —	\$ 780	\$ (17)	\$ 780	\$ (17)
U.S. government sponsored entities	1,562	(2)	413	(44)	1,975	(46)
Corporate debt	21,937	(5)	12,266	(430)	34,203	(435)
ABS and other	8,237	(387)	3,426	(270)	11,663	(657)
	<u>\$ 31,736</u>	<u>\$ (394)</u>	<u>\$ 16,885</u>	<u>\$ (761)</u>	<u>\$ 48,621</u>	<u>\$ (1,155)</u>

December 31, 2024

	Less than 12 months		12 months or greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value ⁽¹⁾	Gross Unrealized Losses
U.S. treasuries	\$ —	\$ —	\$ 10,050	\$ (64)	\$ 10,050	\$ (64)
U.S. government sponsored entities	—	—	432	(70)	432	(70)
Corporate debt	15,654	(46)	25,520	(1,036)	41,174	(1,082)
ABS and other	6,393	(70)	4,333	(264)	10,726	(334)
	<u>\$ 22,047</u>	<u>\$ (116)</u>	<u>\$ 40,335</u>	<u>\$ (1,434)</u>	<u>\$ 62,382</u>	<u>\$ (1,550)</u>

⁽¹⁾ The fair value excludes accrued interest receivable.

Gross realized gains and losses from the sales of the Company's marketable debt securities, available-for-sale, consisted of the following (in thousands):

Years Ended December 31,

	2025	2024	2023
Gross realized gains ⁽¹⁾	\$ 8	\$ —	\$ —
Gross realized losses ⁽¹⁾	\$ —	\$ —	\$ (190)

⁽¹⁾ Recorded in other income, net in the consolidated statements of operations. The cost basis of securities sold were determined based on the specific identification method.

The Company invests its excess cash in a diversified portfolio of fixed and variable rate debt securities to meet current and future cash flow needs. All investments are made in accordance with the Company's approved investment

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policy. As of December 31, 2025, the portfolio had a weighted average credit rating of A+ and a weighted term to contractual maturity of 6.8 years. As of December 31, 2025, the Company had 101 securities in the portfolio for which there was an unrealized loss. For these securities, there was an unrealized aggregate loss of \$1.2 million, or 0.5% of amortized cost, and a weighted average credit rating of A.

As of December 31, 2025, the Company performed an impairment analysis and determined an allowance for credit losses was not required. The Company determined that it did not have an intent to sell and it was not more likely than not that the Company would be required to sell any security based on its current liquidity position, or to maintain compliance with its investment policy, specifically as it relates to minimum credit ratings. The Company evaluated the securities with an unrealized loss considering severity of loss, credit ratings, specific credit events during the period since acquisition, overall likelihood of default, market sector, potential impact from the current economic environment, including interest rates, geopolitical unrest and a review of an issuer's and securities' liquidity and financial strength, as needed. The Company concluded that it would receive all scheduled interest and principal payments. The Company, therefore, determined qualitatively that the unrealized loss was related to changes in interest rates and other market factors and therefore no allowance for credit losses was required.

Amortized cost and fair value of marketable debt securities, available-for-sale, by contractual maturity consisted of the following (in thousands, except weighted average data):

	December 31, 2025		December 31, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	\$ 90,557	\$ 90,564	\$ 189,667	\$ 189,667
Due after one year through five years	85,624	86,148	26,315	25,944
Due after five years through ten years	16,055	16,118	11,246	10,716
Due after ten years	43,891	43,435	14,805	14,487
	\$ 236,127	\$ 236,265	\$ 242,033	\$ 240,814

The weighted average contractual maturity as of December 31, 2025 and December 31, 2024 was 6.8 years and 2.3 years, respectively. Actual maturities may differ from contractual maturities because certain issuers have the right to prepay certain obligations with or without prepayment penalties.

6. Acquisitions, Goodwill and Other Intangible Assets

Goodwill is recorded as part of the Company's acquisitions and primarily arose from the acquired assembled workforce and brokerage and financing sales platforms. The Company expects all of the goodwill to be tax deductible, with the tax-deductible amount of goodwill related to the contingent and deferred consideration to be determined once the cash payments are made to settle any contingent and deferred consideration. The goodwill resulting from acquisitions is allocated to the Company's one reporting unit.

Goodwill and intangible assets, net consisted of the following (in thousands):

	December 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Goodwill and intangible assets:						
Goodwill	\$ 37,851	\$ —	\$ 37,851	\$ 37,597	\$ —	\$ 37,597
Intangible assets ⁽¹⁾	19,377	(15,566)	3,811	19,123	(13,199)	5,924
	\$ 57,228	\$ (15,566)	\$ 41,662	\$ 56,720	\$ (13,199)	\$ 43,521

⁽¹⁾ Total weighted remaining average amortization period was 2.9 years and 3.5 years as of December 31, 2025 and 2024, respectively. Intangible assets principally include non-compete agreements and customer relationships.

The Company recorded amortization expense for intangible assets of \$2.1 million for the year ended December 31, 2025, \$7.2 million for the year ended December 31, 2024 and \$4.7 million for the year ended December 31, 2023. The

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amortization expense of \$7.2 million for the year ended December 31, 2024 included an accelerated amortization of \$1.2 million and an impairment of \$2.2 million of certain intangible assets resulting from changes in estimates.

The changes in the carrying amount of goodwill consisted of the following (in thousands):

	Years Ended December 31,	
	2025	2024
Beginning balance	\$ 37,597	\$ 38,046
Impact of foreign currency translation	254	(449)
Ending balance	<u>\$ 37,851</u>	<u>\$ 37,597</u>

Estimated amortization expense for intangible assets by year for the next five years and thereafter consisted of the following (in thousands):

	Years Ended December 31,
2026	\$ 1,387
2027	1,214
2028	1,210
	<u>\$ 3,811</u>

As of December 31, 2025, the Company considered the impact of economic conditions and evaluated its goodwill and intangible assets for impairment testing. The Company estimated the recoverability of the intangible assets by comparing the carrying amount of each asset to the future undiscounted cash flows that the Company expects the asset to generate. The sum of the undiscounted expected future cash flows was greater than the carrying amount of the intangible assets as of December 31, 2025. The Company concluded that there was no impairment of intangible assets during the year ended December 31, 2025. At December 31, 2024, the sum of the undiscounted expected future cash flows related to a prior acquisition was lower than the carrying amount of the intangible assets. We determined the fair value to be nominal based on a discounted cash flow over the remaining useful life, resulting in an impairment of the related intangible assets of \$2.2 million during the year ended December 31, 2024. The Company concluded that there was no impairment of goodwill during the years ended December 31, 2025 and 2024.

7. Selected Balance Sheet Data

Allowances on Advances and Loans

Allowance for credit losses for advances and loans as of December 31, 2025 and 2024 was \$1.1 million and \$1.2 million, respectively, which is included in advances and loans, net in the accompanying consolidated balance sheets.

Other Assets

Other assets consisted of the following (in thousands):

	Current December 31,		Non-Current December 31,	
	2025	2024	2025	2024
Security deposits	\$ —	\$ —	\$ 1,251	\$ 1,300
Employee notes receivable	140	28	1	88
Securities, held-to-maturity ⁽¹⁾	—	—	9,500	9,500
Loan performance fee receivable	5,121	3,310	15,112	12,529
Investments in convertible notes ⁽²⁾	5,630	6,347	—	—
Other ⁽³⁾	3,298	5,858	1,256	209
	<u>\$ 14,189</u>	<u>\$ 15,543</u>	<u>\$ 27,120</u>	<u>\$ 23,626</u>

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- (1) In connection with the Strategic Alliance with MTRCC, the Company held a \$9.5 million Mandatorily Redeemable Fixed-Rate Cumulative Preferred Stock investment in MTRCC, classified as held-to-maturity, which is expected to mature on August 26, 2027 and accrues interest based on the one-year treasury rate.
- (2) The Company purchased convertible notes with principal balances aggregating \$5.0 million during the fourth quarter 2023 in connection with strategic alliances with companies in the real estate sector. The Company has elected to account for its investments in convertible notes under the fair value option. See Note 9 – “Fair Value Measurements” for additional information.
- (3) Other primarily includes customer trust accounts and prepaid lease costs.

Deferred Compensation and Commissions

Deferred compensation and commissions consisted of the following (in thousands):

	Current December 31,		Non-Current December 31,	
	2025	2024	2025	2024
SARs liability ⁽¹⁾	\$ 2,800	\$ 2,603	\$ 7,343	\$ 9,518
Commissions payable to investment sales and financing professionals	53,889	63,952	18,618	15,608
Deferred compensation liability ⁽¹⁾	331	173	9,455	8,131
Other	443	469	—	—
	<u>\$ 57,463</u>	<u>\$ 67,197</u>	<u>\$ 35,416</u>	<u>\$ 33,257</u>

- (1) The SARs and deferred compensation liabilities become subject to payout at the time the participant is no longer considered a service provider. As a result of the retirement of certain participants, estimated amounts to be paid to participants within the next twelve months have been classified as current.

SARs Liability

Prior to the IPO, certain employees of the Company were granted SARs under a stock-based compensation program assumed by MMC. In connection with the IPO, the SARs agreements were revised, the MMC liability of \$20.0 million for the SARs was frozen as of March 31, 2013 and was transferred to MMI through a capital distribution. The SARs liability will be settled with each participant in ten annual installments in January of each year upon retirement or termination from service, or in full upon consummation of a change in control of the Company.

Under the revised agreements, MMI is required to accrue interest on the outstanding balance beginning on January 1, 2014, at a rate based on the 10-year treasury note, plus 2%. The rate resets annually. The rates at January 1, 2025, 2024 and 2023 were 6.57%, 5.95% and 5.79%, respectively. MMI recorded interest expense related to this liability of \$625,000, \$681,000 and \$761,000 for the years ended December 31, 2025, 2024 and 2023, respectively.

Estimated payouts within the next twelve months for participants that have separated from service have been classified as current. The Company made payments of \$2.6 million and \$2.5 million during the years ended December 31, 2025 and 2024, respectively, consisting of principal and accumulated interest.

Commissions Payable

Certain investment sales and financing professionals can earn additional commissions after meeting certain annual revenue thresholds. These commissions are recognized as cost of services in the period in which they are earned as they relate to specific transactions closed. The Company may defer payment of certain commissions, at its election, for up to three years. Commissions that are not expected to be paid within 12 months are classified as long-term.

Deferred Compensation Liability

A select group of management is eligible to participate in the Marcus & Millichap Deferred Compensation Plan (the “Deferred Compensation Plan”). The Deferred Compensation Plan is a non-qualified deferred compensation plan that is

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intended to comply with Section 409A of the Internal Revenue Code and permits participants to defer compensation up to the limits set forth in the Deferred Compensation Plan. Amounts are paid out generally when the participant is no longer a service provider; however, an in-service payout election is available to participants. Participants may elect to receive payouts as a lump sum or quarterly over a two to 15-year period. The Company elected to fund the Deferred Compensation Plan through Company-owned variable life insurance policies. The Deferred Compensation Plan is managed by a third-party institutional fund manager, and the deferred compensation and investment earnings are held as a Company asset in a rabbi trust, which is recorded in assets held in rabbi trust in the accompanying consolidated balance sheets. The assets in the trust are restricted unless the Company becomes insolvent, in which case the trust assets are subject to the claims of the Company's creditors. The Company may also, in its sole and absolute discretion, elect to withdraw at any time a portion of the trust assets by an amount by which the fair market value of the trust assets exceeds 110% of the aggregate deferred compensation liability represented by the participants' accounts. Estimated payouts within the next twelve months for participants that have separated from service or elected an in-service payout have been classified as current. During the years ended December 31, 2025 and 2024, the Company made total payments to participants of \$0.3 million and \$2.0 million respectively.

The assets held in the rabbi trust are carried at the cash surrender value of the variable life insurance policies, which represents its fair value. The net change in the carrying value of the assets held in the rabbi trust and the net change in the carrying value of the deferred compensation liability, each exclusive of additional contributions, distributions and trust expenses, consisted of the following (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Increase in the carrying value of the assets held in the rabbi trust ⁽¹⁾	\$ 1,418	\$ 1,561	\$ 1,526
Decrease in the net carrying value of the deferred compensation obligation ⁽²⁾	\$ (1,279)	\$ (1,400)	\$ (1,439)

⁽¹⁾ Recorded in other income, net in the consolidated statements of operations.

⁽²⁾ Recorded in selling, general and administrative expense in the consolidated statements of operations.

Other Liabilities

Other liabilities consisted of the following (in thousands):

	Current December 31,		Non-Current December 31,	
	2025	2024	2025	2024
Deferred consideration	\$ —	\$ 411	\$ —	\$ —
Contingent consideration	718	4,614	2	117
Dividends payable	1,040	942	1,289	1,559
Stock repurchase payable	1,501	—	—	—
Loan guarantee obligation	2,040	1,426	6,253	5,238
Other ⁽¹⁾	5,012	683	211	93
	<u>\$ 10,311</u>	<u>\$ 8,076</u>	<u>\$ 7,755</u>	<u>\$ 7,007</u>

⁽¹⁾ As of December 31, 2025, other, current liabilities primarily includes a legal accrual related to an ongoing litigation matter. See Note 16 – “Commitments and Contingencies” for additional information.

8. Related-Party Transactions

Shared and Transition Services

Certain services are provided to the Company under a Transition Services Agreement (“TSA”) between MMC and the Company. The TSA is intended to provide certain services until the Company acquires these services separately. In addition, the Company charges MMC for certain shared licensing arrangements. Under the TSA, the Company earned net charge-backs during the years ended December 31, 2025, 2024, and 2023 of \$63,000, \$59,000, and \$77,000, respectively.

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These amounts are included in selling, general and administrative expense in the accompanying consolidated statements of operations.

Brokerage and Financing Services with the Subsidiaries of MMC

MMC has wholly or majority owned subsidiaries that buy and sell commercial real estate properties. The Company performs certain brokerage and financing services related to transactions of the subsidiaries of MMC. For the years ended December 31, 2025, 2024, and 2023, the Company earned real estate brokerage commissions and financing fees of \$0.9 million, \$1.9 million, and \$1.1 million, respectively, from transactions with subsidiaries of MMC related to these services. The Company incurred cost of services of \$0.5 million, \$1.2 million, and \$0.7 million respectively, related to this revenue.

Operating Lease with MMC

The Company has an operating lease with MMC for a single-story office building located in Palo Alto, California, which expires in May 2032. The related operating lease cost was \$1.2 million for each of the years ended December 31, 2025, 2024 and 2023. Operating lease cost is included in selling, general and administrative expense in the accompanying consolidated statements of operations. The related operating lease ROU asset, net and operating lease liability as of December 31, 2025 were \$6.2 million and \$7.0 million, respectively, and as of December 31, 2024 were \$7.0 million and \$7.6 million, respectively.

Amounts due from and to MMC

As of December 31, 2025 the Company recorded a receivable of \$3,100 with MMC. As of December 31, 2024, the Company recorded a payable of \$1,000 with MMC. These amounts are included in accounts receivable and accounts payable, in the accompanying consolidated balance sheets.

Other

The Company makes advances to non-executive employees from time-to-time. At December 31, 2025 and 2024, the aggregate principal amount for employee notes receivable was \$141,000 and \$116,000, respectively, which is included in other assets in the accompanying consolidated balance sheets. See Note 7 – "Selected Balance Sheet Data".

As of December 31, 2025, George M. Marcus, the Company's founder and Chairman, beneficially owned approximately 39.0% of the Company's issued and outstanding common stock, including shares owned by Phoenix Investments Holdings, LLC and the Marcus Family Foundation II.

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9. Fair Value Measurements

Assets and liabilities carried at fair value on a recurring basis consisted of the following (in thousands):

	December 31, 2025				December 31, 2024			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Assets held in rabbi trust	\$ 13,476	\$ —	\$ 13,476	\$ —	\$ 12,191	\$ —	\$ 12,191	\$ —
Convertible notes	\$ 5,630	\$ —	\$ —	\$ 5,630	\$ 6,347	\$ —	\$ —	\$ 6,347
Cash equivalents ⁽¹⁾ :								
Commercial paper	\$ 2,396	\$ —	\$ 2,396	\$ —	\$ —	\$ —	\$ —	\$ —
Money market funds	78,686	78,686	—	—	90,737	90,737	—	—
	<u>\$ 81,082</u>	<u>\$ 78,686</u>	<u>\$ 2,396</u>	<u>\$ —</u>	<u>\$ 90,737</u>	<u>\$ 90,737</u>	<u>\$ —</u>	<u>\$ —</u>
Marketable debt securities, available-for-sale:								
<i>Short-term investments:</i>								
U.S. treasuries	\$ —	\$ —	\$ —	\$ —	\$ 29,517	\$ 29,517	\$ —	\$ —
Corporate debt	90,564	—	90,564	—	160,150	—	160,150	—
ABS and other	—	—	—	—	—	—	—	—
	<u>\$ 90,564</u>	<u>\$ —</u>	<u>\$ 90,564</u>	<u>\$ —</u>	<u>\$ 189,667</u>	<u>\$ 29,517</u>	<u>\$ 160,150</u>	<u>\$ —</u>
<i>Long-term investments:</i>								
U.S. treasuries	\$ 29,259	\$ 29,259	\$ —	\$ —	\$ 773	\$ 773	\$ —	\$ —
U.S. government sponsored entities	2,461	—	2,461	—	929	—	929	—
Corporate debt	54,257	—	54,257	—	30,934	—	30,934	—
ABS and other	59,724	—	59,724	—	18,511	—	18,511	—
	<u>\$ 145,701</u>	<u>\$ 29,259</u>	<u>\$ 116,442</u>	<u>\$ —</u>	<u>\$ 51,147</u>	<u>\$ 773</u>	<u>\$ 50,374</u>	<u>\$ —</u>
Liabilities:								
Contingent consideration	\$ 720	\$ —	\$ —	\$ 720	\$ 4,731	\$ —	\$ —	\$ 4,731
Deferred consideration	\$ —	\$ —	\$ —	\$ —	\$ 411	\$ —	\$ 411	\$ —
Deferred compensation liability	\$ 9,786	\$ 9,786	\$ —	\$ —	\$ 8,304	\$ 8,304	\$ —	\$ —

⁽¹⁾ Included in cash, cash equivalents, and restricted cash on the accompanying consolidated balance sheets.

There were no transfers in or out of Level 3 during the years ended December 31, 2025 and 2024.

Contingent and Deferred Consideration

During the year ended December 31, 2025, the Company considered current interest rates and the probability of achieving EBITDA and other performance targets in its determination of fair value for the contingent consideration. The Company is uncertain as to the extent of the volatility in the unobservable inputs in the foreseeable future. Deferred consideration in connection with acquisitions is carried at fair value and calculated using a discounted cash flow estimate with the only remaining condition on such payments being the passage of time.

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As of December 31, 2025 and December 31, 2024, contingent and deferred consideration had a maximum undiscounted payment to be settled in cash or stock of \$6.8 million and \$12.0 million, respectively. Assuming the achievement of the applicable performance criteria and/or service and time requirements, the Company anticipates these payments will be made over the next two years. Changes in fair value are included in selling, general and administrative expense in the consolidated statements of operations.

A reconciliation of contingent consideration measured at fair value on a recurring basis consisted of the following (in thousands):

	Years Ended December 31,	
	2025	2024
Beginning balance	\$ 4,731	\$ 5,482
Change in fair value of contingent consideration ⁽¹⁾	788	43
Payments of contingent consideration	(4,799)	(794)
Ending balance	<u>\$ 720</u>	<u>\$ 4,731</u>

⁽¹⁾ Includes immaterial impact of foreign currency translation.

Quantitative information about the valuation technique and significant unobservable inputs used in the valuation of the Company's Level 3 financial liabilities measured at fair value on a recurring basis consisted of the following (dollars in thousands):

	Fair Value at December 31, 2025	Valuation Technique	Unobservable inputs	Range (Weighted Average) ⁽¹⁾	
Contingent consideration	\$ 720	Discounted cash flow	Expected life of cash flows	1.0-1.8 years	(1.0 year)
			Discount rate	5.2%-5.2%	(5.2%)
			Probability of achievement	0.3%-100.0%	(99.8%)
	Fair Value at December 31, 2024	Valuation Technique	Unobservable inputs	Range (Weighted Average) ⁽¹⁾	
Contingent consideration	\$ 4,731	Discounted cash flow	Expected life of cash flows	0.3-2.8 years	(0.4 years)
			Discount rate	4.8%-6.1%	(5.9%)
			Probability of achievement	0.0%-100.0%	(98.2%)

⁽¹⁾ Unobservable inputs were weighted by the relative fair value of the instruments.

Convertible Notes

The fair value of the convertible notes considered (i) accrued interest rates between 6% and 10%, (ii) a net weighted average maturity of 0.3 years which may be extended at the option of the holders, (iii) the expected likelihood of occurrence of various scenarios including financing, equity financing, change in control, or liquidation, (iv) a net weighted average settlement of 98% considering premiums from potential conversion into equity and losses from potential liquidation, and (v) discounted cash flow at a weighted average discount rate of 13.5%. During the year ended December 31, 2025, the fair value of the convertible notes decreased by approximately \$0.7 million primarily due to a change in likelihood of occurrence of the various scenarios and a decrease in the net settlement rate. The estimated time to settlement changed from a weighted average of 0.77 years as of December 31, 2024 to 0.27 years as of December 31, 2025.

10. Stockholders' Equity

Common Stock

As of December 31, 2025 and December 31, 2024, there were 38,422,993 and 38,856,790 shares of common stock, \$0.0001 par value, issued and outstanding, which included unvested restricted stock awards ("RSAs") issued to non-employee directors, respectively. See Note 14 – "Loss per Share" for additional information.

On February 6, 2025, the Board of Directors declared a semi-annual regular dividend of \$0.25 per share, with a payment date of April 4, 2025, to stockholders of record at the close of business on March 12, 2025. On July 31, 2025, the Board of Directors declared a second semi-annual regular dividend of \$0.25 per share, with a payment date of October 6, 2025, to stockholders of record at the close of business on September 15, 2025. The total dividends declared by the Company during the year ended December 31, 2025 were \$20.4 million.

As of December 31, 2025, the dividend payable related to unvested stock awards remaining to be paid upon vesting of stock awards was \$2.3 million. The dividend payable is recorded in other liabilities in the consolidated balance sheets. See Note 7 – "Selected Balance Sheet Data."

Preferred Stock

The Company has 25,000,000 authorized shares of preferred stock with a par value \$0.0001 per share. At December 31, 2025 and December 31, 2024, there were no preferred shares issued or outstanding.

Accumulated Other Comprehensive Income (Loss)

Amounts reclassified from accumulated other comprehensive income (loss) are included as a component of other income, net or selling, general and administrative expense, as applicable, in the consolidated statements of operations. The reclassifications were determined on a specific identification basis.

The Company has not provided for U.S. taxes on unremitted earnings of its foreign subsidiary as it is operating at a loss and has no earnings and profits to remit. As a result, deferred taxes were not provided related to the cumulative foreign currency translation adjustments.

Repurchases of Common Stock

On August 2, 2022, the Company's Board of Directors authorized a common stock repurchase program (the "Repurchase Program") of up to \$70 million. On May 2, 2023, the Company's Board of Directors authorized an additional \$70 million to repurchase common stock under the Repurchase Program. During the year ended December 31, 2025, the Company repurchased and retired 933,115 shares of common stock for \$26.9 million, at an average cost of \$28.79 per share. During the year ended December 31, 2024, the Company repurchased and retired 16,900 shares of common stock for \$0.6 million, at an average cost of \$32.77 per share. As of December 31, 2025, \$44.1 million remained authorized for repurchases under the Repurchase Program.

11. Stock-Based Compensation Plans

2013 Omnibus Equity Incentive Plan

The Company's Board of Directors adopted the 2013 Omnibus Equity Incentive Plan (the "2013 Plan") in October 2013. In February 2017, the Board of Directors amended and restated the 2013 Plan, which was approved by the Company's stockholders in May 2017. In October 2023 and February 2024, the Board of Directors further amended the 2013 Plan to eliminate the term of the 2013 Plan and to make certain other best practice and administrative changes (the 2013 Plan, as amended, the "Amended Plan"). The Amended Plan was approved by the stockholders of the Company at the 2024 Annual Meeting of Stockholders.

Grants are made from time to time by the Compensation Committee at its discretion, subject to certain restrictions as to the number and value of shares that may be granted to any individual. In addition, non-employee directors receive

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annual grants under a Director Compensation Policy. The Compensation Committee, at its discretion, may credit dividend equivalents to certain unvested awards as provided in the Amended Plan. Any dividend equivalents credited to unvested awards are paid to the participant at the time the related grants vest. As of December 31, 2025, there were 2,610,343 shares available for future grants under the Amended Plan.

Awards Granted and Settled

Under the Amended Plan, the Company has issued RSAs to non-employee directors and restricted stock units (“RSUs”) to employees and independent contractors. RSAs vest on the earlier of the first anniversary of the date of grant or the next annual meeting of stockholders, subject to service requirements. RSUs generally vest in equal annual installments over a four to five-year period from the date of grant or earlier as approved by the Compensation Committee. In February 2025, the compensation committee of the Board of Directors adopted a new form of PSU Award Agreement under the Amended Plan. The Company has also issued PSUs under the Amended Plan, which are subject to a three-year cliff-vesting period, based on achievement of pre-determined performance targets. At the end of each reporting period, the Company evaluates the probability that the PSUs will vest. Compensation expense related to PSUs is recognized generally over the three-year performance period, based on the grant-date fair value and the probability that the pre-determined performance targets will be achieved. Dividend equivalents granted for unvested stock awards are paid at the time the stock awards vest. Any unvested awards and dividend equivalents are forfeited upon termination as a service provider. As of December 31, 2025, there were no issued or outstanding options or SARs under the Amended Plan.

During the year ended December 31, 2025, 621,826 shares of RSUs and RSAs vested, with 170,310 shares of common stock withheld to pay applicable required employee statutory withholding taxes based on the market value of the shares on the vesting date. The shares withheld for taxes were returned to the share reserve and are available for future issuance in accordance with provisions of the Amended Plan. Unvested RSUs will be settled through the issuance of new shares of common stock.

Outstanding Awards

Activity under the Amended Plan consisted of the following (dollars in thousands, except weighted average per share data):

	Shares	Weighted-Average Grant Date Fair Value Per Share
Nonvested shares at December 31, 2022 ⁽¹⁾	1,741,461	\$ 42.14
Granted	734,388	\$ 35.20
Vested	(465,480)	\$ 40.87
Forfeited/canceled	(10,624)	\$ 40.96
Nonvested shares at December 31, 2023 ⁽¹⁾	1,999,745	\$ 39.90
Granted	607,597	\$ 36.04
Vested	(574,598)	\$ 39.37
Forfeited/canceled	(46,737)	\$ 39.73
Nonvested shares at December 31, 2024 ⁽¹⁾	1,986,007	\$ 38.74
Granted	371,652	\$ 35.20
Granted, with vesting subject to performance targets	86,148	\$ 37.06
Vested	(621,826)	\$ 38.73
Forfeited/canceled ⁽²⁾	(68,595)	\$ 37.48
Nonvested shares at December 31, 2025 ⁽¹⁾	<u>1,753,386</u>	\$ 37.92

⁽¹⁾ Nonvested RSUs will be settled through the issuance of new shares of common stock.

⁽²⁾ Forfeited/canceled shares resulted in \$67,000 of dividend equivalents forfeited in 2025.

As of December 31, 2025, the Company had unrecognized stock-based compensation relating to RSUs, RSAs and PSUs of approximately \$46.7 million, which is expected to be recognized over a weighted-average period of 2.63 years.

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The aggregate fair value of RSUs and RSAs that vested were \$20.9 million, \$20.2 million and \$15.1 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Employee Stock Purchase Plan

In 2013, the Company adopted the 2013 Employee Stock Purchase Plan (the “ESPP”). The ESPP is intended to qualify under Section 423 of the Internal Revenue Code and provides for consecutive, non-overlapping six-month offering periods. The offering periods generally start on the first trading day on or after May 15 and November 15 of each year. Qualifying employees may purchase shares of the Company stock at a discount based on the lower of the market price at the beginning or end of the offering period, subject to Internal Revenue Service (“IRS”) limitations. The Company determined that the ESPP was a compensatory plan and is required to expense the fair value of the awards over each six-month offering period.

In October 2023 and February 2024, the Board of Directors amended the ESPP to (i) eliminate the term of the ESPP such that the ESPP shall continue in effect until the ESPP is terminated by the Board of Directors or the Compensation Committee, (ii) eliminate the “evergreen” feature providing for annual increases in the number of shares reserved for issuance under the ESPP without stockholder approval, (iii) increase the discount qualifying employees may purchase shares of the Company stock to 15% based on the lower of the market price at the beginning or end of the offering period, subject to IRS limitations and (iv) make certain other best practice and administrative changes to the ESPP (the ESPP as amended, the “Amended ESPP”). The Amended ESPP was approved by the stockholders of the Company at the 2024 Annual Meeting of Stockholders.

The ESPP initially had 366,667 shares of common stock reserved, and 47,391 shares of common stock remain available for issuance under the Amended ESPP as of December 31, 2025. As of December 31, 2025, total unrecognized compensation cost related to the Amended ESPP was \$134,000 and is expected to be recognized over a weighted average period of 0.36 years.

Summary of Stock-Based Compensation

Components of stock-based compensation are included in selling, general and administrative expense in the consolidated statements of operations and consisted of the following (in thousands):

	Years Ended December 31,		
	2025	2024	2023
ESPP	\$ 255	\$ 226	\$ 146
RSUs, PSUs and RSAs	23,971	23,566	24,000
	<u>\$ 24,226</u>	<u>\$ 23,792</u>	<u>\$ 24,146</u>

12. Income Taxes

The components of income from continuing operations before provision (benefit) for income taxes consisted of the following (in thousands):

	Years Ended December 31,		
	2025	2024	2023
United States	\$ 6,396	\$ (14,396)	\$ (39,708)
Foreign	(3,376)	1,368	(693)
	<u>\$ 3,020</u>	<u>\$ (13,028)</u>	<u>\$ (40,401)</u>

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The provision (benefit) for income taxes consisted of the following (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Federal:			
Current	\$ 1,190	\$ 138	\$ (220)
Deferred	3,338	(84)	(5,342)
	<u>4,528</u>	<u>54</u>	<u>(5,562)</u>
State:			
Current	601	595	277
Deferred	(206)	(1,331)	(1,087)
	<u>395</u>	<u>(736)</u>	<u>(810)</u>
Foreign:			
Current	—	—	—
Deferred	6	16	6
	<u>6</u>	<u>16</u>	<u>6</u>
	<u>\$ 4,929</u>	<u>\$ (666)</u>	<u>\$ (6,366)</u>

Significant components of the Company's deferred tax assets, net consisted of the following (in thousands):

	December 31,	
	2025	2024
Deferred Tax Assets:		
Accrued expenses and bonuses	\$ 4,670	\$ 3,984
Advances and loans and other reserves	21,712	16,611
Deferred compensation and commissions	8,728	12,088
Operating lease liabilities	21,760	22,834
Stock-based compensation	7,125	7,682
Net operating and capital loss carryforwards	6,358	11,341
Other comprehensive income	—	306
Amortizable intangibles and other	4,569	4,526
Other	192	—
Deferred tax assets before valuation allowance	<u>75,114</u>	<u>79,372</u>
Valuation allowance	(5,813)	(4,959)
Deferred Tax Assets	<u>69,301</u>	<u>74,413</u>
Deferred Tax Liabilities:		
Property and equipment	(1,271)	(2,744)
Operating lease ROU assets, net	(18,346)	(19,236)
Prepaid expenses	(1,056)	(895)
State taxes	(1,562)	(1,535)
Other comprehensive income	(37)	—
Goodwill and other	(2,443)	(1,923)
Deferred Tax Liabilities	<u>(24,715)</u>	<u>(26,333)</u>
Deferred Tax Assets, Net	<u>\$ 44,586</u>	<u>\$ 48,080</u>

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As of December 31, 2025, the Company had \$9.0 million (\$1.9 million tax effected) of net operating loss carryforwards, which are available to reduce future federal income taxes, and have no expiration date. Under the Coronavirus Aid Relief and Economic Security Act (CARES Act) and Tax Cuts and Jobs Act (2017 Tax Act), federal net operating losses incurred after December 31, 2017 carried forward indefinitely and can offset up to 80% of future taxable income for tax years after December 31, 2020. State net operating loss carryforwards of \$12.6 million (\$0.8 million tax effected) are also available to reduce future state income taxes and will expire between 2034 and 2044. As of December 31, 2025, the Company had Canadian net operating loss carryforwards of approximately \$14.0 million (\$3.7 million tax effected), principally all of which will begin to expire in 2035.

A valuation allowance is required when it is more-likely-than not that all or a portion of a deferred tax asset will not be realized. Realization of a deferred tax asset is dependent upon taxable income in prior carryback years as appropriate, depending on jurisdiction, estimates of future taxable income, tax planning strategies and reversals of existing taxable temporary differences. The Company determined that as of December 31, 2025 and 2024, \$5.8 million and \$5.0 million, respectively, of the deferred tax assets related to Canadian losses do not satisfy the recognition criteria. The Company has therefore recorded a valuation allowance for this amount. The valuation allowance for deferred tax assets increased by \$854,000 during 2025, decreased by \$337,000 during 2024 and increased by \$361,000 during 2023. The changes are primarily related to the Company's Canadian operations.

As further described in Note 2, *Accounting Policies and Recent Accounting Pronouncements*, the Company has elected to prospectively adopt the guidance in ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Disclosures*, or ASU 2023-09. The following table is a reconciliation of the U.S. federal statutory tax rate of 21% to the Company's effective tax rate for the year ended December 31, 2025 in accordance with the guidance in ASU No. 2023-09 (in thousands).

	Year Ended December 31,	
	2025	
	Amount	Rate
Income before provision for income taxes	\$ 3,020	100.0 %
Income taxes at the federal statutory rate	634	21.0 %
State taxes, net of federal benefit ⁽¹⁾	312	10.3 %
Foreign tax effects:		
Statutory rate difference between Canada and US	(186)	(6.2)%
Changes in valuation allowances	854	28.3 %
Other	46	1.5 %
Effect of cross-border tax laws	(16)	(0.5)%
Nontaxable/nondeductible items:		
Travel and entertainment	739	24.5 %
Officers' compensation	2,053	68.0 %
Parking expense	130	4.3 %
Life insurance investment income	(298)	(9.9)%
Dividend on unvested awards	(209)	(6.9)%
Stock based compensation	745	24.7 %
Business gifts	76	2.5 %
Other	49	1.6 %
Provision for income taxes and effective income tax rate	<u>\$ 4,929</u>	<u>163.2 %</u>

MARCUS & MILLICHAP, INC.
Notes to Consolidated Financial Statements

⁽¹⁾ State taxes in California and Texas made up the majority of the tax effect in this category.

The following table is a reconciliation of the U.S federal statutory rate of 21% to the Company's effective rate for the years ended December 31, 2024 and 2023 in accordance with the guidance prior to the adoption of ASU 2023-09 (in thousands):

	Years Ended December 31,			
	2024		2023	
	Amount	Rate	Amount	Rate
Income tax (benefit) expense at the federal statutory rate	\$(2,736)	21.0 %	\$(8,484)	21.0 %
State income tax (benefit) expense, net of federal benefit	(582)	4.5 %	(602)	1.5 %
Shortfall (windfall) tax benefits, net related to stock-based compensation	1,014	(7.8)%	1,260	(3.1)%
Change in valuation allowance	(337)	2.6 %	388	(0.9)%
Permanent and other items ⁽¹⁾	1,975	(15.2)%	1,072	(2.7)%
(Benefit) provision for income taxes	<u>\$ (666)</u>	<u>5.1 %</u>	<u>\$ (6,366)</u>	<u>15.8 %</u>

⁽¹⁾ Permanent items relate principally to compensation charges (6.8% – 2024), meals and entertainment (5.5% – 2024), qualified transportation fringe benefits, and other items.

There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of December 31, 2025, 2024 and 2023.

The Company is subject to tax in various jurisdictions and, as a matter of ordinary course, the Company may be subject to income tax examinations by the federal, state and foreign taxing authorities for the tax years 2021 to 2025. The Company is not currently under income tax examination by any taxing authority, and the income tax examination by the state of Illinois was closed without any assessment.

During the year ended December 31, 2025, the Company paid no federal income taxes and received a federal income tax refund of \$2.0 million related to prior overpayments in prior periods. State income taxes of \$0.4 million were paid during the year ended December 31, 2025, and the Company received state income tax refunds of \$0.6 million. No foreign income taxes were paid. Net of income taxes paid and refunds received, cash income tax activity for the year ended December 31, 2025 resulted in a net refund of \$2.2 million.

The Company has not provided for U.S. taxes on unremitted earnings of its foreign subsidiary as this subsidiary is operating at a loss and has no earnings and profits to remit. As a result, deferred taxes were not provided related to the cumulative translation adjustments.

13. Retirement Plans

The Company has a defined contribution plan (the “Marcus & Millichap, Inc. 401(k) Plan”) under Section 401(k) of the Internal Revenue Code for all eligible employees who have completed one month of service. The contribution plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. Participants may contribute up to 75% of their annual eligible compensation, subject to Internal Revenue Service limitations and ERISA. The Company matches employees' contributions each pay period, dollar for dollar, up to an annual maximum of \$4,000 (“Company Match”). Employees become vested in Company Match contributions 33% upon completion of one year of service, 66% upon completion of two years of service and 100% upon completion of three years of service. Company Match contributions aggregated \$2.2 million, \$2.1 million and \$1.1 million for the years ended December 31, 2025, 2024, and 2023, respectively, which is included in selling, general and administrative expense in the consolidated statements of operations.

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14. Loss per Share

Basic and diluted loss per share for the years ended December 31, 2025, 2024 and 2023, respectively consisted of the following (in thousands, except per share data):

	Years Ended December 31,		
	2025	2024	2023
Numerator (Basic and Diluted):			
Net loss	\$ (1,909)	\$ (12,362)	\$ (34,035)
Change in value for stock settled consideration ⁽¹⁾	(4)	31	65
Adjusted net loss	<u>\$ (1,913)</u>	<u>\$ (12,331)</u>	<u>\$ (33,970)</u>
Denominator:			
<i>Basic</i>			
Weighted average common shares issued and outstanding	38,960	38,695	38,674
Deduct: Unvested RSAs ⁽²⁾	(17)	(17)	(15)
Weighted average common shares outstanding	<u>38,943</u>	<u>38,678</u>	<u>38,659</u>
Basic loss per common share	<u>\$ (0.05)</u>	<u>\$ (0.32)</u>	<u>\$ (0.88)</u>
<i>Diluted</i>			
Weighted average common shares outstanding from above	38,943	38,678	38,659
Add: Dilutive effect of RSUs, RSAs, PSUs & ESPP ⁽³⁾	—	—	—
Weighted average common shares outstanding	<u>38,943</u>	<u>38,678</u>	<u>38,659</u>
Diluted loss per common share	<u>\$ (0.05)</u>	<u>\$ (0.32)</u>	<u>\$ (0.88)</u>
Antidilutive shares excluded from diluted earnings per common share ⁽⁴⁾	<u>1,100</u>	<u>962</u>	<u>1,593</u>

(1) Relates to contingently issuable stock settled consideration.

(2) RSAs were issued and outstanding to the non-employee directors and will vest in full on the earlier of the first anniversary of the date of grant or the next annual meeting of stockholders, subject to service requirements. See Note 11 – “Stock-Based Compensation Plans” for additional information.

(3) Shares related to the Company's RSUs, RSAs, PSUs, Amended ESPP, and contingently issuable shares were excluded from the weighted average common shares outstanding for the year ended December 31, 2025 because inclusion of such shares would be antidilutive in a period of loss.

(4) Primarily pertaining to RSU grants to the Company’s employees and independent contractors.

15. Segment Information

The Company's single reportable segment, the commercial real estate services segment, derives revenues from customers by providing investment sales and financing services to investors in commercial real estate. The accounting policies of the commercial real estate services segment are described in Note 2 – “Accounting Policies and Recent Accounting Pronouncements”. The measure of segment assets is reported on the consolidated balance sheets as total assets. The CODM assesses performance for the commercial real estate services segment and decides how to allocate resources based on net loss that also is reported on the consolidated statements of operations as net loss.

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The following table presents selected financial information with respect to the Company's single reportable segment for the years ended December 31, 2025, 2024, and 2023 (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Revenue:			
Real estate brokerage commissions	\$ 632,516	\$ 589,695	\$ 559,752
Financing fees	103,916	84,512	66,898
Other revenue	18,724	21,853	19,277
Total revenue	755,156	696,060	645,927
Less:			
Cost of services	470,486	431,471	406,645
Sales and production support	189,240	186,354	191,892
Facility expenses	34,378	38,375	38,804
Depreciation and amortization	12,098	16,589	13,627
Other segment items ⁽¹⁾	62,665	56,180	54,327
Interest expense	773	812	888
Other income	(17,504)	(20,693)	(19,855)
Income tax expense (benefit)	4,929	(666)	(6,366)
Total net expenses	757,065	708,422	679,962
Segment net loss	(1,909)	(12,362)	(34,035)
Adjustments and reconciling items	—	—	—
Consolidated net loss	\$ (1,909)	\$ (12,362)	\$ (34,035)

Other specified segment disclosures:

Interest income ⁽²⁾	\$ 15,523	\$ 18,982	\$ 18,185
Interest expense	\$ 773	\$ 812	\$ 888
Other significant noncash items:			
Stock-based compensation ⁽³⁾	\$ 24,226	\$ 23,792	\$ 24,146

(1) Other segment items includes: costs related to sales events, licenses and subscriptions, promotion and marketing, recruitment and training, information technology, telecommunications, consulting and professional fees, legal expenses, insurance costs, and other general and administrative expenses.

(2) Interest income is included within the other income caption.

(3) Stock-based compensation is included within the sales & production support caption.

16. Commitments and Contingencies

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business, some of which involve claims for damages that are substantial in amount. Most of these litigation matters are covered by insurance, which contain deductibles, exclusions, claim limits and aggregate policy limits. While the ultimate liability for these legal proceedings cannot be determined, the Company uses judgment in the evaluation of claims and the need for accrual for loss contingencies quarterly.

The Company records an accrual for litigation related losses where the likelihood of loss is both probable and reasonably estimable. The Company evaluates which potential liabilities are probable and the related range of reasonably estimated losses and records a charge that reflects its best estimate or the lower end of the range, if there is no better estimate. The Company accrues legal fees for litigation as the legal services are provided.

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Assessing whether a loss is probable or reasonably possible, whether the loss or a range of losses is estimable, and the amount of the best estimate or lower end of the range often requires management to exercise significant judgment about future events. Management makes these assessments based on a number of assumptions and subjective factors, including negotiations, discovery, settlements and payments, rulings, advice of legal counsel, and other information and events pertaining to a particular matter, and estimates based on currently available information and prior experience.

On October 1, 2025, a jury in the case of TwinRock Holdings, LLC et al. v. Southside Ventures, LLC et al., pending in the Circuit Court of Boone County, Missouri returned a verdict against Marcus & Millichap Real Estate Investment Services, Inc., a wholly-owned subsidiary of the Company, in connection with the 2019 sale of a student-housing property near the University of Missouri. The jury awarded MO Murrayfield, LLC \$4.1 million in actual damages and \$20 million in punitive damages and awarded TwinRock Holdings, LLC \$10 million in punitive damages with \$0 in actual damages. On October 24, 2025, the Circuit Court entered judgments in the above amounts in favor of MO Murrayfield, LLC and TwinRock Holdings, LLC.

On February 14, 2026, the Circuit Court granted the Company's motion for judgment notwithstanding the verdict with respect to the verdict in favor of TwinRock Holdings, LLC, vacating the \$10 million punitive damages award and directing that judgment be entered in favor of the Company. The Company filed its appeal as to the judgment in favor of MO Murrayfield, LLC on February 23, 2026. The Company denies wrongdoing and believes there are strong grounds for reversal or significant reduction of the remaining judgment.

In accordance with ASC 450, management determined that the judgments make a loss probable and reasonably estimable as to at least the actual damages component. Accordingly, the Company recorded an accrual of \$4 million in the year ended December 31, 2025. In light of the February 14, 2026 ruling, the Company has revised its estimate of the range of reasonably possible loss to \$0 to approximately \$24.1 million, pending appellate outcomes, exclusive of any pre-judgment interest or costs. The Company will continue to monitor the matter and update its assessment as warranted by future developments.

Credit Agreement

On September 25, 2023, the Company executed the First Amendment to the Second Amended and Restated Credit Agreement with Wells Fargo Bank, National Association (the "Bank"), which provides for a \$10 million line of credit (the "Credit Facility") and a maturity date of June 1, 2024. On May 30, 2024, the Company executed the Second Amendment to the Second Amended Restated Credit Agreement which extended the maturity date to June 1, 2025. On May 9, 2025, the Company executed the Third Amendment to the Second Amended Restated Credit Agreement, which further extended the maturity date to June 1, 2026 (as amended, the "Credit Agreement").

The Company may borrow, repay and reborrow amounts under the Credit Facility until its maturity date, at which time all amounts outstanding under the Credit Facility must be repaid in full. Borrowings under the Credit Facility are available for general corporate purposes and working capital. The Credit Facility includes a \$3.0 million sublimit for the issuance of standby letters of credit of which \$1.05 million was utilized at December 31, 2025. Borrowings under the Credit Facility will bear interest at the daily simple Secured Overnight Financing Rate plus a spread of 175 basis points. In connection with the amendments to the Credit Agreement, the Company paid bank fees and other expenses, which are being amortized over the remaining term of the Credit Agreement. The Company pays a commitment fee of up to 0.5% per annum, payable quarterly, based on the amount of unutilized commitments under the Credit Facility. The amortization and commitment fees are included in interest expense in the accompanying consolidated statements of operations and were \$149,000, \$131,000, and \$128,000 during the years ended December 31, 2025, 2024, and 2023, respectively. As of December 31, 2025, there were no amounts outstanding under the Credit Facility.

The Credit Facility contains customary covenants, including financial covenants, financial reporting requirements and events of default. Financial covenants require the Company, on a combined basis with its guarantors, to maintain total liquidity including cash and cash equivalents and marketable securities, held for sale of \$100 million and an average daily cash balance of \$35 million with the Bank, on a combined basis with all the guarantors, calculated as of the end of the month. In addition, the Credit Facility requires that \$10 million of the minimum daily average cash deposits be held in a blocked account at the Bank, as cash collateral. The Credit Facility is secured by substantially all assets of the Company, including pledges of 100% of the stock or other equity interest of each subsidiary except for the capital stock of a controlled foreign corporation (as defined in the Internal Revenue Code), in which case no such pledge is required. As of

MARCUS & MILLICHAP, INC.
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December 31, 2025, the Company was in compliance with all financial and non-financial covenants and has not experienced any limitation in its operations as a result of the covenants. Our ability to borrow under our Credit Facility is limited by our ability to comply with its covenants or obtain necessary waivers.

Strategic Alliance

The Company, in connection with the Strategic Alliance with MTRCC, has agreed to provide loan opportunities that may be funded through MTRCC's DUS Agreement with Fannie Mae. MTRCC's agreement with Fannie Mae requires MTRCC to guarantee a portion of each funded loan. On a loan-by-loan basis, the Company, at its option, can indemnify a portion of MTRCC's guarantee obligation of loan opportunities presented to and closed by MTRCC. As of December 31, 2025, the Company has agreed to a maximum aggregate guarantee obligation of \$444.9 million relating to loans with an unpaid balance of \$2,723.4 million. The Company would be liable for its maximum aggregate guarantee obligation only if all of the loans for which it is providing a guarantee to MTRCC were to default and all of the collateral underlying these loans were determined to be without value at the time of settlement. As of December 31, 2025 and 2024, the Company has recorded an allowance for loss-sharing obligations of \$292,000 and \$174,000, respectively. As of December 31, 2025 and 2024, the Company pledged \$1,253,000 and \$678,000, respectively, in a restricted bank account in support of the guarantee obligation.

Other

In connection with certain agreements with investment sales and financing professionals, the Company may agree to advance amounts to such professionals upon reaching certain time and performance goals. Such commitments as of December 31, 2025 aggregated \$9.8 million, of which \$1.2 million has been paid subsequent to year end.

17. Subsequent Events

On February 10, 2026, the Board of Directors declared a semi-annual regular dividend of \$0.25 per share, or \$10.0 million, payable on April 3, 2026, to stockholders of record at the close of business on March 13, 2026.

Between December 31, 2025 and February 23, 2026, the Company repurchased an additional 232,367 shares of common stock for \$6.1 million pursuant to a Rule 10b5-1 trading plan and the stock repurchase program.



Board of Directors

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Hessam Nadji
President
Chief Executive Officer

Collete English Dixon
Executive Director
Marshall Bennett Institute
of Real Estate

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KPMG LLP

Lauralee E. Martin
CEO (Retired)
HCP, Inc.

Nicholas F. McClanahan
Managing Director (Retired)
Merrill Lynch

George T. Shaheen
CEO & Global Managing
Partner (Retired)
Andersen Consulting

Don C. Watters
Director Emeritus
McKinsey & Company

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Hessam Nadji
President
Chief Executive Officer

Steven F. DeGennaro
Executive Vice President
Chief Financial Officer

John David Parker
Executive Vice President
Chief Operating Officer

Gregory A. LaBerge
Senior Vice President
Chief Client Officer

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NYSE Trading Symbol: MMI

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