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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

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	**35-2478370**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
23975 Park Sorrento, Suite 400 Calabasas, California	**91302**
(Address of principal executive offices)	**(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**

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 ☐	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
Emerging growth company ☐	

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes☐ No ☐

Number of shares of common stock, par value $0.0001 per share, of the registrant issued and outstanding as of November 3, 2026, was37,951,698 shares.

MARCUS & MILLICHAP, INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	September 30, 2026 (unaudited)	December 31, 2025
Assets		
Current assets:		
Cash, cash equivalents, and restricted cash (restricted cash of $2,029 and $11,253 at September 30, 2026 and December 31, 2025, respectively)	$ 189,223	$ 161,921
Commissions receivable	15,423	14,851
Income tax receivable	1,852	1,962
Marketable debt securities, available-for-sale (amortized cost of $57,221 and $90,557 at September 30, 2026 and December 31, 2025, respectively, and $0 allowance for credit losses)	57,141	90,564
Advances and loans, net	14,378	15,299
Prepaid expenses and other assets, current	37,887	24,613
Total current assets	315,904	309,210
Property and equipment, net	23,769	23,877
Operating lease right-of-use assets, net	68,609	74,333
Marketable debt securities, available-for-sale (amortized cost of $130,138 and $145,570 at September 30, 2026 and December 31, 2025, respectively, and $0 allowance for credit losses)	126,453	145,701
Assets held in rabbi trust	13,998	13,476
Deferred tax assets, net	43,926	44,586
Goodwill and other intangible assets, net	40,404	41,662
Advances and loans, net	131,473	147,215
Other assets, non-current	20,689	27,120
Total assets	$ 785,225	$ 827,180
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 9,889	$ 11,021
Deferred compensation and commissions	47,669	57,463
Operating lease liabilities	16,260	18,796
Accrued bonuses and other employee related expenses	20,977	23,856
Other liabilities, current	18,396	10,311
Total current liabilities	113,191	121,447
Deferred compensation and commissions	34,496	35,416
Operating lease liabilities	56,063	59,459
Other liabilities, non-current	7,423	7,755
Total liabilities	211,173	224,077
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock, $0.0001 par value:		
Authorized shares – 25,000,000; issued and outstanding shares – none at September 30, 2026 and December 31, 2025, respectively	—	—
Common stock, $0.0001 par value:		
Authorized shares – 150,000,000; issued and outstanding shares – 37,951,698 and 38,422,993 at September 30, 2026 and December 31, 2025, respectively	4	4
Additional paid-in capital	209,370	192,945
Retained earnings	367,698	409,753
Accumulated other comprehensive (loss) income	(3,020)	401
Total stockholders' equity	574,052	603,103
Total liabilities and stockholders' equity	$ 785,225	$ 827,180

See accompanying notes to condensed consolidated financial statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Real estate brokerage commissions	$ 174,105	$ 162,166	$ 479,219	$ 427,205
Financing fees	26,980	26,292	84,092	70,681
Other revenue	7,283	5,434	19,439	13,320
Total revenue	208,368	193,892	582,750	511,206
Operating expenses:				
Cost of services	133,452	120,996	363,755	315,962
Selling, general and administrative	73,517	72,527	216,420	215,629
Depreciation and amortization	2,305	2,743	7,044	8,745
Total operating expenses	209,274	196,266	587,219	540,336
Operating loss	(906)	(2,374)	(4,469)	(29,130)
Other income, net	3,656	4,041	11,611	13,518
Interest expense	(155)	(197)	(448)	(584)
Income (loss) before provision (benefit) for income taxes	2,595	1,470	6,694	(16,196)
Provision (benefit) for income taxes	1,588	1,230	4,878	(979)
Net income (loss)	$ 1,007	$ 240	$ 1,816	$ (15,217)
Earnings (loss) per share:				
Basic	$ 0.03	$ 0.01	$ 0.05	$ (0.39)
Diluted	$ 0.03	$ 0.01	$ 0.05	$ (0.39)
Weighted average common shares outstanding:				
Basic	37,893	39,013	37,972	38,982
Diluted	38,296	39,175	38,266	38,982

See accompanying notes to condensed consolidated financial statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 1,007	$ 240	$ 1,816	$ (15,217)
Other comprehensive (loss) income:				
Marketable debt securities, available-for-sale:				
Change in net unrealized gains and losses	(1,749)	213	(2,889)	1,039
Reclassification adjustment for net gains and losses included in other income, net	—	—	—	(6)
Net change, net of tax of $(609) and $(1,020) for the three and nine months ended September 30, 2026 and $72 and $344 for the three and nine months ended September 30, 2025, respectively	(1,749)	213	(2,889)	1,033
Foreign currency translation (loss) gain, net of tax of $0 for each of the three and nine months ended September 30, 2026 and 2025, respectively	(38)	(367)	(532)	571
Total other comprehensive (loss) income	(1,787)	(154)	(3,421)	1,604
Comprehensive (loss) income	$ (780)	$ 86	$ (1,605)	$ (13,613)

See accompanying notes to condensed consolidated financial statements.

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

	Three Months Ended September 30, 2026							
	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount	Shares	Amount				
Balance at June 30, 2026	—	$ —	37,871,003	$ 4	$ 203,468	$ 376,674	$ (1,233)	$ 578,913
Net and comprehensive income (loss)	—	—	—	—	—	1,007	(1,787)	(780)
Dividends	—	—	—	—	—	(9,983)	—	(9,983)
Stock-based award activity								
Stock-based compensation	—	—	—	—	6,791	—	—	6,791
Issuance of common stock for vesting of restricted stock units	—	—	109,492	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(28,797)	—	(889)	—	—	(889)
Balance as of September 30, 2026	—	$ —	37,951,698	$ 4	$ 209,370	$ 367,698	$ (3,020)	$ 574,052

	Three Months Ended September 30, 2025							
	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount	Shares	Amount				
Balance at June 30, 2025	—	$ —	38,996,974	$ 4	$ 181,624	$ 425,822	$ 325	$ 607,775
Net and comprehensive income (loss)	—	—	—	—	—	240	(154)	86
Dividends	—	—	—	—	—	(10,148)	—	(10,148)
Stock-based award activity								
Stock-based compensation	—	—	—	—	5,966	—	—	5,966
Issuance of common stock for vesting of restricted stock units	—	—	112,155	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(26,321)	—	(812)	—	—	(812)
Repurchases of common stock	—	—	(21,733)	—	—	(626)	—	(626)
Balance as of September 30, 2025	—	$ —	39,061,075	$ 4	$ 186,778	$ 415,288	$ 171	$ 602,241

See accompanying notes to condensed consolidated financial statements.

	Nine Months Ended September 30, 2026							
	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
	Shares	Amount	Shares	Amount				
Balance at December 31, 2025	—	$ —	38,422,993	$ 4	$ 192,945	$ 409,753	$ 401	$ 603,103
Net and comprehensive income (loss)	—	—	—	—	—	1,816	(3,421)	(1,605)
Dividends	—	—	—	—	—	(19,881)	—	(19,881)
Stock-based award activity								
Stock-based compensation	—	—	—	—	20,187	—	—	20,187
Shares issued pursuant to employee stock purchase plan	—	—	22,398	—	540	—	—	540
Issuance of common stock for vesting of restricted stock units	—	—	557,573	—	—	—	—	—
Issuance of common stock for unvested restricted stock awards	—	—	18,886	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(157,195)	—	(4,302)	—	—	(4,302)
Repurchases of common stock	—	—	(912,957)	—	—	(23,990)	—	(23,990)
Balance as of September 30, 2026	—	$ —	37,951,698	$ 4	$ 209,370	$ 367,698	$ (3,020)	$ 574,052

	Nine Months Ended September 30, 2025							
	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
	Shares	Amount	Shares	Amount				
Balance at December 31, 2024	—	$ —	38,856,790	$ 4	$ 173,340	$ 458,907	$ (1,433)	$ 630,818
Net and comprehensive (loss) income	—	—	—	—	—	(15,217)	1,604	(13,613)
Dividends	—	—	—	—	—	(20,378)	—	(20,378)
Stock-based award activity								
Stock-based compensation	—	—	—	—	18,368	—	—	18,368
Shares issued pursuant to employee stock purchase plan	—	—	17,767	—	441	—	—	441
Issuance of common stock for vesting of restricted stock units	—	—	588,272	—	—	—	—	—
Issuance of common stock for unvested restricted stock awards	—	—	17,297	—	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	—	—	(167,982)	—	(5,788)	—	—	(5,788)
Issuance of common stock for stock settled deferred consideration	—	—	13,485	—	417	—	—	417
Repurchases of common stock	—	—	(264,554)	—	—	(8,024)	—	(8,024)
Balance as of September 30, 2025	—	$ —	39,061,075	$ 4	$ 186,778	$ 415,288	$ 171	$ 602,241

See accompanying notes to condensed consolidated financial statements.

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

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities		
Net income (loss)	$ 1,816	$ (15,217)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	7,044	8,745
Non-cash lease expense	15,607	15,997
Credit loss expense (benefit)	241	(99)
Stock-based compensation	20,187	18,368
Deferred taxes, net	1,684	(978)
Unrealized foreign exchange gains (losses)	266	(95)
Net realized gains on marketable debt securities, available-for-sale	—	(8)
Other non-cash items	616	1,756
Changes in operating assets and liabilities:		
Commissions receivable	(833)	1,203
Prepaid expenses	(7,586)	440
Advances and loans	16,454	40,080
Other assets	(233)	(3,851)
Accounts payable and accrued expenses	(1,169)	663
Income tax receivable	111	(341)
Accrued bonuses and other employee related expenses	(2,801)	(6,675)
Deferred compensation and commissions	(8,575)	(27,567)
Operating lease liabilities	(14,939)	(15,045)
Other liabilities	(37)	3,013
Net cash provided by operating activities	27,853	20,389
Cash flows from investing activities		
Purchases of marketable debt securities, available-for-sale	(118,503)	(285,048)
Proceeds from sales and maturities of marketable debt securities, available-for-sale	166,513	261,417
Issuances of employee notes receivable	(50)	(104)
Payments received on employee notes receivable	25	—
Purchase of property and equipment	(5,868)	(5,476)
Net cash provided by (used in) investing activities	42,117	(29,211)
Cash flows from financing activities		
Taxes paid related to net share settlement of stock-based awards	(4,302)	(5,788)
Proceeds from issuance of shares pursuant to employee stock purchase plan	540	441
Dividends paid	(10,548)	(10,755)
Principal payments on stock appreciation rights liability	(2,518)	(2,230)
Principal payments on contingent consideration	(42)	(1,118)
Cash paid for stock repurchases	(25,492)	(7,975)
Net cash used in financing activities	(42,362)	(27,425)
Effect of currency exchange rate changes on cash, cash equivalents, and restricted cash	(306)	162
Net increase (decrease) in cash, cash equivalents, and restricted cash	27,302	(36,085)
Cash, cash equivalents, and restricted cash at beginning of period	161,921	153,445
Cash, cash equivalents, and restricted cash at end of period	$ 189,223	$ 117,360
Supplemental disclosures of cash flow information:		
Interest paid during the period	$ 367	$ 466
Income taxes paid, net	$ 4,264	$ 387
Supplemental disclosures of noncash investing and financing activities:		
Reduction of accrued bonuses and other employee related expenses in settlement of employee notes receivable	$ 73	$ 56
Unpaid purchases of property and equipment	$ 1,254	$ 683
Right-of-use assets obtained in exchange for operating lease liabilities	$ 9,871	$ 10,009
Issuance of stock for the settlement of deferred consideration	$ —	$ 417
Dividend payable	$ 10,368	$ 10,597

See accompanying notes to condensed consolidated financial statements.

MARCUS & MILLICHAP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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 September 30, 2026, MMI operates 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 financial information presented in the accompanying unaudited condensed consolidated financial statements has been prepared in accordance with rules and regulations of the U.S. Securities and Exchange Commission ("SEC") for Quarterly Reports on Form 10-Q and Article 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. generally accepted accounting principles ("U.S. GAAP") for complete financial statements. In the opinion of management, the accompanying unaudited condensed consolidated financial statements and notes include all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the condensed consolidated financial position, results of operations and cash flows for the periods presented. These unaudited condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements and notes thereto, including the Company's accounting policies for the year ended December 31, 2025 included in the Company's Annual Report on Form 10-K filed on February 26, 2026 with the SEC. The results of the three and nine months ended September 30, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026, for other interim periods or for future years.

The Company reclassified certain items previously included within prepaid expenses to prepaid expenses and other assets, current in the December 31, 2025 consolidated balance sheet to conform with current period presentation.

Consolidation

The accompanying condensed 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.

Use of Estimates

The preparation of the condensed 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, the related disclosures at the date of the condensed 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 prepaid expenses and other assets, current and other assets, non-current), security deposits (included under other assets, 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.

MARCUS & MILLICHAP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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 ("Strategic Alliance") with M&T Realty Capital Corporation ("MTRCC") pursuant to which the Company provides loan opportunities that may be funded through MTRCC's Delegated Underwriting and Servicing Agreement ("DUS Agreement") with the Federal National Mortgage Association ("Fannie Mae") that requires MTRCC to guarantee a portion of each loan funded. 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 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 each of the three and nine months ended September 30, 2026 and 2025, 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 three and nine months ended September 30, 2026, the Company's Canadian operations represented3.8% and 4.2% of total revenue, respectively. During the three and nine months ended September 30, 2025, the Company's Canadian operations represented 4.0% and 4.1% of total revenue, respectively.

During the three and nine months ended September 30, 2026 and 2025, no office represented 10% or more of total revenue.

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 the loan closes. At that time, 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 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 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 condensed consolidated statements of operations. The guarantee obligation is capped at 16.70% 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, or upon closing of the transaction or when the Company has no further performance obligations.

New Accounting Pronouncements

Pending Adoption

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 condensed 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 the Company's condensed consolidated financial statements, it is expected to result in incremental disclosures within the footnotes to its condensed consolidated financial statements.

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 2025-06 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 condensed 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 condensed consolidated financial statements.

2. Property and Equipment, Net

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

	September 30, 2026	December 31, 2025
Computer software and hardware equipment	$ 62,283	$ 56,758
Furniture, fixtures and equipment	24,771	24,544
Less: accumulated depreciation and amortization	(63,285)	(57,425)
	$ 23,769	$ 23,877

Depreciation expense for property and equipment was $2.0 million and $2.2 million for the three months ended September 30, 2026 and 2025, respectively, and $6.0 million and $7.1 million for the nine months ended September 30, 2026 and 2025, respectively.

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

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

	September 30, 2026				
	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Short-term investments:					
U.S. treasuries	$ 7,810	$ —	$ —	$ (25)	$ 7,785
Corporate debt	49,411	—	3	(58)	49,356
	$ 57,221	$ —	$ 3	$ (83)	$ 57,141
Long-term investments:					
U.S. treasuries	$ 21,723	$ —	$ —	$ (565)	$ 21,158
U.S. government sponsored entities	3,922	—	—	(182)	3,740
Corporate debt	40,414	—	14	(1,041)	39,387
Asset-backed securities (“ABS”) and other	64,079	—	26	(1,937)	62,168
	$ 130,138	$ —	$ 40	$ (3,725)	$ 126,453

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	December 31, 2025				
	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Short-term investments:					
Corporate debt	$ 90,557	$ —	$ 28	$ (21)	$ 90,564
	$ 90,557	$ —	$ 28	$ (21)	$ 90,564
Long-term investments:					
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
ABS and other	59,929	—	452	(657)	59,724
	$ 145,570	$ —	$ 1,265	$ (1,134)	$ 145,701

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):

	September 30, 2026					
	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	$ 27,935	$ (556)	$ 749	$ (34)	$ 28,684	$ (590)
U.S. government sponsored entities	3,371	(116)	354	(66)	3,725	(182)
Corporate debt	75,120	(492)	9,065	(607)	84,185	(1,099)
ABS and other	46,615	(1,117)	5,183	(820)	51,798	(1,937)
	$ 153,041	$ (2,281)	$ 15,351	$ (1,527)	$ 168,392	$ (3,808)

	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)
	$ 31,736	$ (394)	$ 16,885	$ (761)	$ 48,621	$ (1,155)

(1) The fair value excludes accrued interest receivable.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Gross realized gains[(1)]	$ —	$ —	$ —	$ 8
Gross realized losses[(1)]	$ —	$ —	$ —	$ —

(1) Recorded in other income, net in the condensed consolidated statements of operations. The cost basis of securities sold was 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 policy. As of September 30, 2026, the portfolio had a weighted average credit rating of AA- and a weighted term to contractual maturity of 8.2 years. As of September 30, 2026, the Company had 228 securities in the portfolio for which there was an unrealized loss. For these securities, there was an unrealized aggregate loss of $3.8 million, or 2.0% of amortized cost of the Company's total portfolio, and a weighted average credit rating of AA-.

As of September 30, 2026, 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):

	September 30, 2026		December 31, 2025	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	$ 57,221	$ 57,141	$ 90,557	$ 90,564
Due after one year through five years	70,113	68,691	85,624	86,148
Due after five years through ten years	15,032	14,693	16,055	16,118
Due after ten years	44,993	43,069	43,891	43,435
	$ 187,359	$ 183,594	$ 236,127	$ 236,265

The weighted average contractual maturity as of September 30, 2026 and December 31, 2025 was 8.2 years and 6.8 years, respectively. Actual maturities may differ from contractual maturities because certain issuers have the right to prepay certain obligations with or without prepayment penalties.

4. 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.

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

	September 30, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Goodwill and intangible assets:						
Goodwill	$ 37,656	$ —	$ 37,656	$ 37,851	$ —	$ 37,851
Intangible assets [1]	19,182	(16,434)	2,748	19,377	(15,566)	3,811
	$ 56,838	$ (16,434)	$ 40,404	$ 57,228	$ (15,566)	$ 41,662

[1] Total weighted remaining average amortization period was 2.2 years and 2.9 years as of September 30, 2026 and December 31, 2025, respectively. Intangible assets principally include non-compete agreements and customer relationships.

The Company recorded amortization expense for intangible assets of $0.3 million and $0.6 million for the three months ended September 30, 2026 and 2025, respectively, and $1.1 million and $1.7 million for the nine months ended September 30, 2026 and 2025, respectively.

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

	Nine Months Ended September 30, 2026
Beginning balance	$ 37,851
Impact of foreign currency translation	(195)
Ending balance	$ 37,656

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

	September 30, 2026
Remainder of 2026	$ 324
2027	1,214
2028	1,210
2029	—
2030	—
Thereafter	—
	$ 2,748

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 Company evaluates its intangible assets that have finite useful lives whenever an event or change in circumstances indicates that the carrying value of the asset may not be recoverable.

As of September 30, 2026, the Company considered the impact of economic conditions and evaluated its goodwill and intangible assets for potential impairment. Based on this assessment, the Company determined no events or changes in circumstances existed that would indicate potential impairment. Accordingly, the Company concluded that as of September 30, 2026, there was no impairment of goodwill and intangible assets.

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5. Selected Balance Sheet Data

Allowances on Advances and Loans

Allowance for credit losses for advances and loans was $1.1 million as of both September 30, 2026 and December 31, 2025, which is included in advances and loans, net in the accompanying condensed consolidated balance sheets.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets consisted of the following (in thousands):

	Current		Non-Current	
	September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
Security deposits	$ —	$ —	$ 1,224	$ 1,251
Employee notes receivable	65	140	28	1
Securities, held-to-maturity[1]	9,500	—	—	9,500
Loan performance fee receivable	5,678	5,121	15,274	15,112
Investments in convertible notes[2]	5,769	5,630	—	—
Prepaid expenses	14,035	10,424	3,981	—
Other[3]	2,840	3,298	182	1,256
	$ 37,887	$ 24,613	$ 20,689	$ 27,120

(1) In connection with the Strategic Alliance with MTRCC, the Company holds 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 7 – “Fair Value Measurements” for additional information.
(3) Other primarily includes customer trust accounts.

Deferred Compensation and Commissions

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

	Current		Non-Current	
	September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
Stock appreciation rights (“SARs”) liability[1]	$ 863	$ 2,800	$ 6,820	$ 7,343
Commissions payable to investment sales and financing professionals	46,079	53,889	17,657	18,618
Deferred compensation liability[1]	398	331	10,019	9,455
Other	329	443	—	—
	$ 47,669	$ 57,463	$ 34,496	$ 35,416

(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 12 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 is 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, 2026 and 2025 were 6.19% and 6.57%, respectively. MMI recorded interest expense related to this liability of $114,000 and $156,000 for the three months ended September 30, 2026 and 2025, respectively, and $341,000 and $469,000 for the nine months ended September 30, 2026 and 2025, respectively.

Estimated payouts within the next 12 months for participants that have separated from service have been classified as current. The Company made payments of $2.8 million and $2.6 million during the nine months ended September 30, 2026 and 2025, 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 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 condensed 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 12 months for participants that have separated from service or elected an in-service payout have been classified as current. During the nine months ended September 30, 2026 and 2025, the Company made total payments to participants of $243,000 and $260,000, 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):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Increase in the carrying value of the assets held in the rabbi trust[(1)]	$ 42	$ 542	$ 618	$ 1,173
Increase in the net carrying value of the deferred compensation obligation[(2)]	$ (6)	$ (524)	$ (584)	$ (1,069)

(1) Recorded in other income, net in the condensed consolidated statements of operations.
(2) Recorded in selling, general and administrative expense in the condensed consolidated statements of operations.

Other Liabilities

Other liabilities consisted of the following (in thousands):

	Current		Non-Current	
	September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
Contingent consideration	$ 597	$ 718	$ 1	$ 2
Dividends payable	10,569	1,040	1,093	1,289
Stock repurchase payable	—	1,501	—	—
Loan guarantee obligation	2,383	2,040	6,165	6,253
Other [1]	4,847	5,012	164	211
	$ 18,396	$ 10,311	$ 7,423	$ 7,755

[1] As of September 30, 2026 and December 31, 2025, other, current liabilities primarily includes a legal accrual related to an ongoing litigation matter. See Note 13 – "Commitments and Contingencies" for additional information.

6. 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 three months ended September 30, 2026 and 2025 of $14,000 and $19,000, respectively, and during the nine months ended September 30, 2026 and 2025 of $53,000 and $45,000, respectively. These amounts are included in selling, general and administrative expense in the accompanying condensed 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 three months ended September 30, 2026, the Company earned real estate brokerage commissions and financing fees of $0.3 million from transactions with subsidiaries of MMC related to these services, and incurred cost of services of $0.2 million related to this revenue. For the nine months ended September 30, 2026, the Company earned real estate brokerage commissions and financing fees of $1.6 million from transactions with subsidiaries of MMC related to these services, and incurred cost of services of $1.0 million related to this revenue. For the three and nine months ended September 30, 2025, the Company did not have any transactions with subsidiaries of MMC.

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 $0.3 million for both the three months ended September 30, 2026 and 2025, and $0.9 million for both the nine months ended September 30, 2026 and 2025. Operating lease cost is included in selling, general and administrative expense in the accompanying condensed consolidated statements of operations. The related operating lease ROU asset, net and operating lease liability as of September 30, 2026 were $5.6 million and $6.4 million, respectively, and as of December 31, 2025 were $6.2 million and $7.0 million, respectively.

Amounts due from and to MMC

As of September 30, 2026 and December 31, 2025, the Company recorded a net receivable of $7,000 and $3,100 with MMC, respectively. These amounts are included in prepaid expenses and other assets, current in the accompanying condensed consolidated balance sheets.

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The Company makes advances to non-executive employees from time-to-time. At September 30, 2026 and December 31, 2025, the aggregate principal amount for employee notes receivable was $93,000 and $141,000, respectively, which is included in other assets in the accompanying condensed consolidated balance sheets. See Note 5 – "Selected Balance Sheet Data".

As of September 30, 2026, George M. Marcus, the Company's founder and Chairman, beneficially owned approximately39.5% of the Company's issued and outstanding common stock, including shares owned by Phoenix Investments Holdings, LLC and the Marcus Family Foundation II.

7. 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.

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 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 securities are Level 1 or Level 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, and is a Level 3 measurement.

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The Company has elected to account for its 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 condensed consolidated statements of operations. The Company estimates 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. The Company 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.

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

	September 30, 2026				December 31, 2025			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Assets held in rabbi trust	$ 13,998	$ —	$ 13,998	$ —	$ 13,476	$ —	$ 13,476	$ —
Convertible notes	$ 5,769	$ —	$ —	$ 5,769	$ 5,630	$ —	$ —	$ 5,630
Cash equivalents [1]:								
Commercial paper	$ 22,377	$ —	$ 22,377	$ —	$ 2,396	$ —	$ 2,396	$ —
Money market funds	68,473	68,473	—	—	78,686	78,686	—	—
	$ 90,850	$ 68,473	$ 22,377	$ —	$ 81,082	$ 78,686	$ 2,396	$ —
Marketable debt securities, available-for-sale:								
Short-term investments:								
U.S. treasuries	$ 7,785	$ 7,785	$ —	$ —	$ —	$ —	$ —	$ —
Corporate debt	49,356	—	49,356	—	90,564	—	90,564	—
	$ 57,141	$ 7,785	$ 49,356	$ —	$ 90,564	$ —	$ 90,564	$ —
Long-term investments:								
U.S. treasuries	$ 21,158	$ 21,158	$ —	$ —	$ 29,259	$ 29,259	$ —	$ —
U.S. government sponsored entities	3,740	—	3,740	—	2,461	—	2,461	—
Corporate debt	39,387	—	39,387	—	54,257	—	54,257	—
ABS and other	62,168	—	62,168	—	59,724	—	59,724	—
	$ 126,453	$ 21,158	$ 105,295	$ —	$ 145,701	$ 29,259	$ 116,442	$ —
Liabilities:								
Contingent consideration	$ 598	$ —	$ —	$ 598	$ 720	$ —	$ —	$ 720
Deferred compensation liability	$ 10,417	$ 10,417	$ —	$ —	$ 9,786	$ 9,786	$ —	$ —

[1] Included in cash, cash equivalents, and restricted cash on the accompanying condensed consolidated balance sheets.

There were no transfers in or out of Level 3 during the three and nine months ended September 30, 2026 and 2025.

Contingent Consideration

During the nine months ended September 30, 2026, 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.

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As of September 30, 2026 and December 31, 2025, contingent consideration had a maximum undiscounted payment to be settled in cash of $6.6 million and $6.8 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 12 months. Changes in fair value are included in selling, general and administrative expense in the condensed consolidated statements of operations.

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

	Nine Months Ended September 30,	
	2026	2025
Beginning balance	$ 720	$ 4,731
Change in fair value of contingent consideration[(1)]	128	847
Payments of contingent consideration	(250)	(4,430)
Ending balance	$ 598	$ 1,148

(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 September 30, 2026	Valuation Technique	Unobservable inputs	Range (Weighted Average)[(1)]	
Contingent consideration	$ 598	Discounted cash flow	Expected life of cash flows	0.3-1.1 years	(0.3 years)
			Discount rate	6.7%-6.7%	(6.7%)
			Probability of achievement	0.3%-100.0%	(99.8%)

	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%)

(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 0.14 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 93% considering premiums from potential conversion into equity and losses from potential liquidation, and (v) discounted cash flow at a weighted average discount rate of 14.0%. During the nine months ended September 30, 2026, the fair value of the convertible notes increased by approximately $0.1 million primarily due to a change in the estimated time of settlement. The estimated time to settlement changed from a weighted average of 0.27 years as of December 31, 2025 to 0.25 years as of September 30, 2026.

Nonrecurring Fair Value Measurements

In accordance with U.S. GAAP, from time to time, the Company measures 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.

8. Stockholders' Equity

Common Stock

As of September 30, 2026 and December 31, 2025, there were 37,951,698 and 38,422,993 shares of common stock, $0.0001 par value, issued and outstanding, respectively, which included unvested restricted stock awards ("RSAs") issued to non-employee directors. See Note 11 – "Earnings (loss) per Share" for additional information.

On July 31, 2026, the Board of Directors declared a semi-annual regular dividend of $0.25 per share, with a payment date of October 6, 2026, to stockholders of record at the close of business on September 15, 2026. The compensation committee of the Company's Board of Directors ("Compensation Committee") granted dividend equivalents to all unvested grants as of the record date.

As of September 30, 2026, the dividend payable was $11.7 million, of which $9.5 million was subsequently paid on October 6, 2026 and $2.2 million of dividend equivalents related to unvested stock awards remain to be paid upon vesting of stock awards. The dividend payable is recorded in other liabilities in the condensed consolidated balance sheets, of which $1.1 million is classified as non-current. See Note 5 – "Selected Balance Sheet Data."

Preferred Stock

The Company has 25,000,000 authorized shares of preferred stock with a par value of $0.0001 per share. At September 30, 2026 and December 31, 2025, there were no preferred shares issued or outstanding.

Accumulated Other Comprehensive (Loss) Income

Amounts reclassified from accumulated other comprehensive (loss) income are included as a component of other income, net or selling, general and administrative expense, as applicable, in the condensed 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. The Company's Board of Directors subsequently approved two additional authorizations of $70 million each on May 2, 2023 and on April 30, 2026, increasing the total authorized repurchase amount to $210 million. During the nine months ended September 30, 2026, the Company repurchased and retired 912,957 shares of common stock for $23.9 million, at an average cost of $26.22 per share. As of September 30, 2026, $90.1 million remained authorized and available for repurchases under the Repurchase Program.

9. 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

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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 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 September 30, 2026, there were 1,774,787 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 September 30, 2026, there were no issued or outstanding options or SARs under the Amended Plan.

During the nine months ended September 30, 2026, 574,870 RSUs and RSAs vested, with 157,195 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, 2025[1]	1,753,386	$ 37.92
Granted	858,525	$ 27.80
Granted, with vesting subject to performance targets	176,706	$ 27.29
Vested	(574,870)	$ 39.10
Forfeited/canceled	(42,480)	$ 36.14
Nonvested shares at September 30, 2026[1]	2,171,267	$ 32.78

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

As of September 30, 2026, the Company had unrecognized stock-based compensation relating to RSUs, RSAs and PSUs of approximately $54.4 million, which is expected to be recognized over a weighted-average period of 3.05 years.

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.

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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, and24,993 shares of common stock remain available for issuance under the Amended ESPP as of September 30, 2026. As of September 30, 2026, total unrecognized compensation cost related to the Amended ESPP was $39,000 and is expected to be recognized over a weighted average period of 0.12 years.

Summary of Stock-Based Compensation

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
ESPP	$ 80	$ 69	$ 239	$ 201
RSUs, PSUs and RSAs	6,711	5,897	19,948	18,167
	$ 6,791	$ 5,966	$ 20,187	$ 18,368

10. Income Taxes

The Company provides for the effects of income taxes in interim financial statements based on the Company's estimate of its annual effective tax rate ("AETR") for the full year, which is based on forecasted income by jurisdiction where the Company operates, adjusted for any tax effects of items that relate discretely to the period, if any. For the nine months ended September 30, 2026, the Company recognized an income tax provision of $4.9 million and an effective tax rate of72.9%. In the comparable 2025 period, the Company recorded an income tax benefit of $1.0 million and an effective tax rate of6.0%, calculated based on the actual year-to-date loss (the "discrete method"). The year-over-year increase in the effective tax rate is primarily driven by the use of the AETR method for the nine months ended September 30, 2026, compared with the discrete method applied in the prior period, as well as the effect of discrete tax items recorded in 2026. The Company evaluated the realizability of its net deferred tax asset of $43.9 million related to its U.S. operations and concluded that it is more likely than not that the asset will be realized, resulting in no additional valuation allowance. Canada deferred tax assets remain fully reserved with a valuation allowance.

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11. Earnings (Loss) per Share

Basic and diluted earnings (loss) per share for the three and nine months ended September 30, 2026 and 2025, respectively, consisted of the following (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator (Basic and Diluted):				
Net income (loss)	$ 1,007	$ 240	$ 1,816	$ (15,217)
Change in value for stock settled consideration[1]	—	—	—	5
Adjusted net income (loss)	$ 1,007	$ 240	$ 1,816	$ (15,212)
Denominator:				
Basic				
Weighted average common shares issued and outstanding	37,912	39,030	37,990	38,999
Deduct: Unvested RSAs[2]	(19)	(17)	(18)	(17)
Weighted average common shares outstanding	37,893	39,013	37,972	38,982
Basic earnings (loss) per common share	$ 0.03	$ 0.01	$ 0.05	$ (0.39)
Diluted				
Weighted average common shares outstanding from above	37,893	39,013	37,972	38,982
Add: Dilutive effect of RSUs, RSAs, PSUs & ESPP[3]	403	162	294	—
Weighted average common shares outstanding	38,296	39,175	38,266	38,982
Diluted earnings (loss) per common share	$ 0.03	$ 0.01	$ 0.05	$ (0.39)
Antidilutive shares excluded from diluted earnings (loss) per common share[4]	317	755	894	1,096

(1) Relates to contingently issuable stock settled consideration.
(2) RSAs were issued 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 9 – “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 nine months ended September 30, 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.

12. 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 measure of segment assets is reported on the condensed consolidated balance sheets as total assets.

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The following table presents selected financial information with respect to the Company's single reportable segment for the three and nine months ended September 30, 2026 and 2025, respectively (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
enue:				
Real estate brokerage commissions	$ 174,195	162,866	479,319	427,205
Financing fees	26,980	26,292	84,092	70,681
Other revenue	7,283	5,434	19,439	13,320
al revenue	208,368	193,892	582,750	511,206
s:				
Cost of services	133,452	120,996	363,755	315,962
Sales and production support	47,145	46,486	143,447	142,739
Facility expenses	8,471	8,659	25,460	25,785
Depreciation and amortization	2,305	2,743	7,044	8,745
Other segment items[1]	17,901	17,382	47,513	47,105
nterest expense	155	197	448	584
Other income	(3,656)	(4,041)	(11,611)	(13,518)
ncome tax expense (benefit)	1,588	1,230	4,878	(979)
al net expenses	207,361	193,652	580,934	526,423
ment net income (loss)	1,007	240	1,816	(15,217)
ustments and reconciling items	—	—	—	—
solidated net income (loss)	$ 1,007	240	1,816	(15,217)
er specified segment disclosures:				
nterest income[2]	$ 3,698	3,389	11,025	11,795
nterest expense	$ 155	197	448	584
Other significant noncash items:				
Stock-based compensation[3]	$ 6,791	5,966	20,187	18,368

(1) Other segment items include: 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 and production support caption.

13. 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 judgment makes a loss probable and reasonably estimable as to at least the actual damages component. Accordingly, the Company has an accrual of $4 million as of September 30, 2026, which was initially recorded in 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 and 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 and Restated Credit Agreement, which further extended the maturity date to June 1, 2026. On May 27, 2026, the Company executed the Fourth Amendment to the Second Amended and Restated Credit Agreement, which further extended the maturity date to June 1, 2027. On October 14, 2026, the Company executed the Fifth Amendment to the Second Amended and Restated Credit Agreement, which increased the sublimit for standby letters of credit to $8.0 million (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 an $8.0 million sublimit for the issuance of standby letters of credit of which $0.34 million was utilized at September 30, 2026. 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 condensed consolidated statements of operations and were $41,000 for each of the three months ended September 30, 2026 and 2025, and $100,000 and $115,000 for the nine months ended September 30, 2026 and 2025, respectively. As of September 30, 2026, 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. Under the Fourth Amendment to the Second Amended and Restated Credit Agreement, the Company is no longer required to maintain $10 million of the minimum daily average cash deposits 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 September 30, 2026, 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 September 30, 2026, the Company has agreed to a maximum aggregate guarantee obligation of $525.5 million relating to loans with an unpaid balance of $3,207.1 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 September 30, 2026 and December 31, 2025, the Company has recorded an allowance for loss-sharing obligations of $255,000 and $292,000, respectively. As of September 30, 2026 and December 31, 2025, the Company pledged $2.0 million and $1.3 million, 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 September 30, 2026 aggregated $8.0 million.

14. Subsequent Events

On July 31, 2026, the Board of Directors declared a semi-annual regular dividend of $0.25 per share, or $10.0 million, payable to stockholders of record at the close of business on September 15, 2026, of which $9.5 million was paid on October 6, 2026.

On October 14, 2026, the Company executed the Fifth Amendment to the Second Amended and Restated Credit Agreement with the Bank, which increases the sublimit for the issuance of standby letters of credit from $3.0 million to $8.0 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

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.

Forward-Looking Statements

This Quarterly Report on Form 10-Q 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 changes in interest rates or inflation and their impact 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 brand reputation or clients;
- the failure to maintain the security of our information and technology networks, including personally identifiable and client information;
- 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 our most recent Annual Report on Form 10-K, this Quarterly Report on Form 10-Q or in any subsequent SEC report.

In addition, in this Quarterly Report on Form 10-Q, words such as "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 Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q. 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.

The results of operations for the nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2026, or for any other future period. The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and the notes thereto

included in Item 1 of this Quarterly Report on Form 10-Q and in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 26, 2026, including the "Risk Factors" section and the consolidated financial statements and notes included therein.

Overview

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 September 30, 2026, we had 1,670 investment sales and financing professionals that are primarily exclusive independent contractors operating in 80 offices, who provide real estate brokerage and financing services to sellers and buyers of commercial real estate assets. During the three and nine months ended September 30, 2026, we closed 2,316 and 6,644 investment sales, financing and other transactions with total sales volume of approximately $13.8 billion and $40.0 billion, respectively. 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.

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 three months ended September 30, 2026, approximately 84% of our revenue was generated from real estate brokerage commissions, 13% from financing fees and 3% from other revenue, including consulting and advisory services.

We divide commercial real estate into four major markets, characterized by price:

- 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 are the industry leader in serving private clients in the $1 million - $10 million private client market, which contributed approximately 61% and 63% of our real estate brokerage commissions during the three months ended September 30, 2026 and 2025, respectively, and approximately 63% and 64% for the nine months ended September 30, 2026 and 2025, respectively. The following table sets forth the number of transactions, sales volume and revenue by each commercial real estate market for real estate brokerage:

	Three Months Ended September 30,								
	2026			2025			Change		
Real Estate Brokerage	Number	Volume	Revenue	Number	Volume	Revenue	Number	Volume	Revenue
		(in millions)	(in thousands)		(in millions)	(in thousands)		(in millions)	(in thousands)
<$1 million	222	$ 135	$ 6,123	244	$ 151	$ 7,356	(22)	$ (16)	$ (1,233)
Private Client Market ($1 – <$10 million)	1,161	3,779	105,989	1,164	3,758	102,323	(3)	21	3,666
Middle Market ($10 – <$20 million)	121	1,671	30,501	106	1,405	26,139	15	266	4,362
Larger Transaction Market (≥$20 million)	80	3,824	31,492	72	3,044	26,348	8	780	5,144
	1,584	$ 9,409	$ 174,105	1,586	$ 8,358	$ 162,166	(2)	$ 1,051	$ 11,939

	Nine Months Ended September 30,								
	2026			2025			Change		
Real Estate Brokerage	Number	Volume	Revenue	Number	Volume	Revenue	Number	Volume	Revenue
		(in millions)	(in thousands)		(in millions)	(in thousands)		(in millions)	(in thousands)
<$1 million	645	$ 381	$ 17,559	657	$ 396	$ 18,032	(12)	$ (15)	$ (473)
Private Client Market ($1 – <$10 million)	3,295	10,816	300,340	3,026	9,791	273,542	269	1,025	26,798
Middle Market ($10 – <$20 million)	283	3,888	71,861	262	3,540	66,251	21	348	5,610
Larger Transaction Market (≥$20 million)	239	11,708	89,459	191	9,306	69,380	48	2,402	20,079
	4,462	$ 26,793	$ 479,219	4,136	$ 23,033	$ 427,205	326	$ 3,760	$ 52,014

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.

Despite numerous economic headwinds, the U.S. economy is proving to be durable and resilient. Job creation remains positive, with the addition of 612,000 new positions through September 30, 2026. Although the pace of job creation has decreased from the 2010-2019 annual average of more than 2,000,000 positions per year, the unemployment rate remains in the low four percent range. In addition, retail sales have remained robust, achieving 6.3% growth on a year-over-year basis as of September 30, and on an inflation adjusted basis, retail sales growth remains positive at 3.1%. Other positive economic indicators, including both the ISM manufacturing and non-manufacturing indexes, delivered readings of 55 for September 2026, reiterating a positive growth outlook. These trends support the consensus Blue Chip GDP growth forecast of 2.3% for the year.

The positive economic growth outlook remains challenged by elevated inflation and a rising interest rate climate. Brent Crude oil prices pushed well above $100 per barrel in October 2026, reinforcing upward pressure on gasoline and diesel prices. As of October 20, 2026, the national average price of gasoline was 44% higher than its pre-Middle East conflict level on February 27, 2026, while diesel was 68% higher. As a result, energy prices were 20.4% higher in September than a year prior and transportation prices were up by 7.8%. These inflationary drivers pushed the Producer Price Index to a 6.3% year-over-year gain and the Consumer Price Index to 3.7% annual growth, levels substantively above the Federal Reserve target of 2.0% inflation. In September, the Federal Reserve raised the overnight rate by 25 basis points to a lower bound of 3.75%, and the consensus outlook portends additional rate increases that could restrain economic growth in 2027. Despite rising interest rates, investor motivation to transact remains positive. Many investors have commercial real estate targeted capital for acquisitions, and some owners face impending debt maturities that will require refinancing or asset sales. In many cases, owners will be unable to refinance their properties due to the higher interest rates, forcing them to sell properties. Investors may lose their initial investment if they are unable to refinance their properties and, in some cases, lenders are agreeing to short sales. This is creating acquisition opportunities for investors with ready capital who can buy the property at a lower basis. While higher interest rates have expanded the buyer/seller expectation gap, the prospect of further interest rate increases may cause both buyers and sellers to meet the market more quickly than in past cycles.

While the Middle East conflict, tariffs and other policies have sustained elevated uncertainty, and the prospect of rising inflation and higher interest rates could force another commercial real estate repricing cycle, long-term drivers support the commercial real estate investment thesis. Positive demographics, limited and falling construction levels across all property types together with the hard asset benefits offered by commercial real estate in an elevated inflation cycle bolster the long-term commercial real estate investment 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.

Multifamily housing demand has rebounded in 2026 after a slow second half of 2025. However, demand tapered in the third quarter of 2026, falling short of new completions to raise the national average vacancy rate by 10 basis points over the second quarter to 4.6%. Slowing job creation and household formation impacted the pace of new leases, but that trend was partially offset by increased tenant retention. Rising mortgage rates have restrained home sales as monthly payments have pressed higher, expanding the affordability gap between renting and owning a home. This is helping multifamily operators retain rental households for longer. The multifamily market is also benefiting from the slowing pace of new apartment completions, which were nearly 27% lower in the first three quarters of 2026 compared to the same period last year. That trend helped sustain vacancy levels below 5% on a national basis. While rent growth varies substantively by region, with Sun Belt metros still facing a meaningful supply overhang and modestly negative rent growth in several metros, the broader trend is positive. With multifamily completions expected to decline further through 2027, the prospect of strengthening property performance offers investors an improving outlook. Although rental housing demand could be restrained if the economy, job creation or household formation continues to weaken, the current outlook remains cautiously optimistic.

The retail and industrial sectors remain encumbered by tariffs, economic uncertainty and elevated shipping and transportation costs, but space demand for both property types remained positive in the third quarter of 2026. Through the end of the third quarter, industrial space completions have declined by 14.7% from the same period last year, while space demand has increased. Third quarter industrial space absorption outpaced new completions for the first time since the second quarter of 2022 helping to reduce the national average industrial vacancy rate to 7.6%, a 10 basis points reduction compared to the second quarter. The momentum shift also resulted in 1.1% annual rent growth, marking the strongest national rent gain since mid-year 2024. With new industrial construction expected to slow further, the sector appears to be reaching a positive turning point.

Like industrial, retail space demand strengthened in the third quarter to outpace completions, with the national average vacancy rate down to 4.8%, a 10 basis point reduction compared to the second quarter of 2026. The positive momentum supported a modest improvement in rent growth. Although inflation, weak hiring and the erosion of wage-growth support pose a headwind for the retail sector, inflation adjusted core retail sales continue to gain ground, rising by 2.2% on a year-over-year basis as of September. If the sector sustains momentum, retail property performance should continue to make headway, especially as new space additions remain very limited.

Demand for office space continues to grow as companies increasingly bring more of their workforce into the office. Office space absorption has been positive for ten consecutive quarters, with annual gains on par with the 10-year average prior to the pandemic. While space demand has been concentrated in Class A properties and suburban areas of primary markets, the gains have been sufficient to reduce the vacancy rate by 150 basis points from its peak of 17.3% in the first quarter of 2024. Opportunistic investors who have acquired office assets at a significant discount and who anticipate an extended office property recovery cycle have boosted office property transaction activity.

The commercial real estate space demand outlook is difficult to discern amid the dramatic policy shifts enacted by the U.S. presidential administration. Increased uncertainty, weakened sentiment 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.

The sustained upward pressure on interest rates in the third quarter, with elevated prospects of future rate increases by the Federal Reserve, have begun to spur investors to adapt their strategies. While many investors had hoped for rates to fall, the evolving outlook suggests that is unlikely. As a result, both buyers and sellers are increasingly motivated to take action before interest rates rise further. For investors facing impending mortgage maturities, many must decide whether to sell assets or refinance them at significantly higher interest rates. While some lenders may offer investors in good standing extensions of existing terms, fewer lenders are doing so than in past years. As a result, investors with loans that were originated five years ago at mortgage rates in the mid-3% range now face a refinance rate in the mid-6% to mid-7% range depending on the asset and borrower. The refinance terms also frequently require a significant additional cash infusion. As a result, investors may need to sell their properties at a loss, in some cases partnering with their lender to short sell the property for less than the current loan amount. By the same token, many buyers are expediting the purchase process as they attempt to lock-in their financing ahead of additional rate increases. Lending liquidity remains healthy, but prevailing interest rates now stand 30-50 basis points higher than they were 90 days ago.

Although economic uncertainty combined with financial market and interest rate volatility normally tends 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. Whether capital migrates to commercial properties will likely depend on the risk perception of the broader financial market.

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 6% in the third quarter of 2026 compared to the same period in 2025, led by gains in institutional grade industrial, office and single tenant retail property sales. In the third quarter, industrial transactions priced $20 million and higher surged to 1,133 transactions while office and single tenant retail transactions above $20 million increased by 89% and 278% respectively. Third quarter transaction velocity of property types priced between $2.5 million and $10 million edged down by 8% compared to the same quarter last year while the $10 million to $20 million segment was flat. The commercial real estate investment climate remains challenged by rising interest rates, slowed job creation and slowing household formation. However, if the conflict in the Middle East reaches a resolution, inflation could abate, alleviating some of the interest rate pressure. Nonetheless, commercial real estate has historically offered some inflation resistance and has delivered durable returns when financial market turbulence rises, so commercial real estate could emerge as a favored alternative investment option.

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, rising inflation, rising 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. 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 and foreign policy stabilize, uncertainty abates and investor sentiment rises, we believe commercial real estate investment activity could gain additional momentum.

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 leasing, 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 to non-employee directors, employees and independent contractors (i.e. investment sales and financing professionals) under the Amended and Restated 2013 Omnibus Equity Incentive Plan (the "Amended Plan") and the Amended and Restated 2013 Employee Stock Purchase Plan (the "Amended ESPP").

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 (as defined herein in Item 2).

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 tax 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.

Results of Operations

The following is a discussion of our results of operations for the three and nine months ended September 30, 2026 and 2025. 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 three months ended September 30, 2026 and 2025, we closed 2,316 and 2,289 investment sales, financing and other transactions, respectively, with total sales volume of approximately $13.8 billion and $12.2 billion, respectively. During the nine months ended September 30, 2026 and 2025, we closed 6,644 and 6,065 investment sales, financing and other transactions, respectively, with total sales volume of approximately $40.0 billion and $33.9 billion, respectively. Such key metrics for real estate brokerage and financing activities (excluding other transactions) are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Real Estate Brokerage	2026	2025	2026	2025
Average number of investment sales professionals	1,564	1,554	1,597	1,558
Average number of transactions per investment sales professional	1.01	1.02	2.79	2.65
Average commission per transaction	$ 109,915	$ 102,248	$ 107,400	$ 103,289
Average commission rate	1.85 %	1.94 %	1.79 %	1.85 %
Average transaction size (in thousands)	$ 5,940	$ 5,270	$ 6,005	$ 5,569
Total number of transactions	1,584	1,586	4,462	4,136
Total brokerage sales volume (in millions)	$ 9,409	$ 8,358	$ 26,793	$ 23,033

	Three Months Ended September 30,		Nine Months Ended September 30,	
Financing [(1)]	2026	2025	2026	2025
Average number of financing professionals	102	101	102	101
Average number of transactions per financing professional	4.15	4.02	12.75	11.41
Average fee per transaction	$ 51,652	$ 50,246	$ 54,077	$ 49,176
Average fee rate	0.76 %	0.71 %	0.74 %	0.69 %
Average transaction size (in thousands)	$ 6,830	$ 7,065	$ 7,341	$ 7,108
Total number of transactions	423	406	1,301	1,152
Total financing sales volume (in millions)	$ 2,889	$ 2,868	$ 9,550	$ 8,188

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

Comparison of Three Months Ended September 30, 2026 and 2025

Below are key operating results for the three months ended September 30, 2026 compared to the three months ended September 30, 2025 (dollars in thousands):

	Three Months Ended September 30, 2026	Percentage of Revenue	Three Months Ended September 30, 2025	Percentage of Revenue	Change	
					Dollars	Percentage
Revenue:						
Real estate brokerage commissions	$ 174,105	83.6 %	$ 162,166	83.6 %	$ 11,939	7.4 %
Financing fees	26,980	12.9	26,292	13.6	688	2.6 %
Other revenue	7,283	3.5	5,434	2.8	1,849	34.0 %
Total revenue	208,368	100.0	193,892	100.0	14,476	7.5 %
Operating expenses:						
Cost of services	133,452	64.0	120,996	62.4	12,456	10.3 %
Selling, general and administrative	73,517	35.3	72,527	37.4	990	1.4 %
Depreciation and amortization	2,305	1.1	2,743	1.4	(438)	(16.0)%
Total operating expenses	209,274	100.4	196,266	101.2	13,008	6.6 %
Operating loss	(906)	(0.4)	(2,374)	(1.2)	1,468	61.8 %
Other income, net	3,656	1.8	4,041	2.0	(385)	(9.5)%
Interest expense	(155)	(0.1)	(197)	(0.1)	42	(21.3)%
Income before provision for income taxes	2,595	1.3	1,470	0.7	1,125	76.5 %
Provision for income taxes	1,588	0.8	1,230	0.6	358	29.1 %
Net income	$ 1,007	0.5 %	$ 240	0.1 %	$ 767	319.6 %
Adjusted EBITDA [(1)]	$ 8,241	4.0 %	$ 6,889	3.6 %	$ 1,352	19.6 %

(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 (loss), operating income (loss) 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 income (loss), which is the most directly comparable U.S. GAAP financial measure, see "Non-GAAP Financial Measure" below.

Revenue

Our total revenue was $208.4 million for the three months ended September 30, 2026 compared to $193.9 million for the same period in 2025, an increase of $14.5 million, or 7.5%. Total revenue primarily increased as a result of increases in real estate brokerage commissions and financing fees, as described below. See the "Factors Affecting Our Business" section for additional market information.

Real estate brokerage commissions. Revenue from real estate brokerage commissions increased to $174.1 million for the three months ended September 30, 2026 from $162.2 million for the same period in 2025, an increase of $11.9 million, or 7.4%. The increase was primarily attributed to a 12.6% increase in total sales volume, partially offset by a nine basis point decrease in the average commission rate earned. The Middle Market and Larger Transaction Market revenue increased by 18.1% and the Private Client Market revenue increased by 3.6%.

Financing fees. Revenue from financing fees increased to $27.0 million for the three months ended September 30, 2026 from $26.3 million for the same period in 2025, an increase of $0.7 million, or 2.6%. The increase was primarily attributed to a 0.7% increase in the total financing volume and a five basis point increase in the average fee rate earned compared to the same period in 2025.

Other revenue. Other revenue increased to $7.3 million for the three months ended September 30, 2026 from $5.4 million for the same period in 2025, an increase of $1.8 million, or 34.0%. The increase was primarily driven by increases in leasing fees and consulting fees during the three months ended September 30, 2026 compared to the same period in 2025.

Total Operating Expenses

Our total operating expenses were $209.3 million for the three months ended September 30, 2026 compared to $196.3 million for the same period in 2025, an increase of $13.0 million, or 6.6%. Cost of services increased by $12.5 million, partially offset by a decrease of $0.4 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 $133.5 million for the three months ended September 30, 2026 from $121.0 million for the same period in 2025, an increase of $12.5 million, or 10.3%. 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 160 basis points to 64.0% compared to the same period in 2025 primarily due to our senior investment sales and financing professionals earning higher commissions in 2026.

Selling, general and administrative expense. Selling, general and administrative expense increased to $73.5 million for the three months ended September 30, 2026 compared to $72.5 million for the same period in 2025, an increase of 1.4%. The net increase of $1.0 million is primarily due to an increase in IT related costs partially offset by a decrease in litigation costs. In the third quarter of 2025, a $4.0 million legal accrual was recorded related to an ongoing litigation matter.

Depreciation and amortization expense. Depreciation and amortization expense decreased to $2.3 million for the three months ended September 30, 2026 from $2.7 million for the same period in 2025, a decrease of $0.4 million, or 16.0%. The decrease primarily relates to assets that were fully depreciated.

Other Income, Net

Other income, net decreased to $3.7 million for the three months ended September 30, 2026 from $4.0 million for the same period in 2025. The $0.3 million decrease is primarily due to a lower average yield on the Company's investments and to a reduction of the invested assets during the period compared to the same period in prior year.

Interest Expense

Interest expense decreased by an immaterial amount for the three months ended September 30, 2026 compared to the same period in 2025, and primarily relates to interest expense on our SARs liability.

Provision for Income Taxes

The provision for income taxes was $1.6 million for the three months ended September 30, 2026, compared to $1.2 million for the same period in 2025. The effective income tax rate for the three months ended September 30, 2026 was 61.2%, compared to 83.7% for the same period in 2025. The effective tax rate for the three months ended September 30, 2026 was determined using the estimated annual effective tax rate method, whereas the effective tax rate for the same period in 2025 was determined using the discrete method. The lower effective tax rate for the three months ended September 30, 2026 compared to the same period in 2025 was primarily due to non-deductible items, state income taxes, and shortfall tax expenses, net, related to stock-based compensation, as well as higher pre-tax income in the current period, which reduced the relative impact of these items. Refer to Note 10 – “Income Taxes” of our accompanying Notes to Condensed Consolidated Financial Statements for additional information.

Comparison of Nine Months Ended September 30, 2026 and 2025

Below are key operating results for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 (dollars in thousands):

	Nine Months Ended September 30, 2026	Percentage of Revenue	Nine Months Ended September 30, 2025	Percentage of Revenue	Change	
					Dollars	Percentage
Revenue:						
Real estate brokerage commissions	$ 479,219	82.2 %	$ 427,205	83.6 %	$ 52,014	12.2 %
Financing fees	84,092	14.4	70,681	13.8	13,411	19.0 %
Other revenue	19,439	3.4	13,320	2.6	6,119	45.9 %
Total revenue	582,750	100.0	511,206	100.0	71,544	14.0 %
Operating expenses:						
Cost of services	363,755	62.4	315,962	61.8	47,793	15.1 %
Selling, general and administrative	216,420	37.2	215,629	42.2	791	0.4 %
Depreciation and amortization	7,044	1.2	8,745	1.7	(1,701)	(19.5)%
Total operating expenses	587,219	100.8	540,336	105.7	46,883	8.7 %
Operating loss	(4,469)	(0.8)	(29,130)	(5.7)	24,661	(84.7)%
Other income, net	11,611	2.0	13,518	2.6	(1,907)	(14.1)%
Interest expense	(448)	(0.1)	(584)	(0.1)	136	(23.3)%
Income (loss) before provision (benefit) for income taxes	6,694	1.1	(16,196)	(3.2)	22,890	141.3 %
Provision (benefit) for income taxes	4,878	0.8	(979)	(0.2)	5,857	598.3 %
Net income (loss)	$ 1,816	0.3 %	$ (15,217)	(3.0)%	$ 17,033	111.9 %
Adjusted EBITDA [1]	$ 23,306	4.0 %	$ (397)	(0.1)%	$ 23,703	[2]

[1] Adjusted EBITDA is not a measurement of our financial performance under U.S. generally accepted accounting principles ("U.S. GAAP") and should not be considered as an alternative to net income (loss), operating income (loss) 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 income (loss), which is the most directly comparable U.S. GAAP financial measure, see "Non-GAAP Financial Measure" below.

[2] Percentage not meaningful.

Revenue

Our total revenue was $582.8 million for the nine months ended September 30, 2026 compared to $511.2 million for the same period in 2025, an increase of $71.5 million, or 14.0%. Total revenue primarily increased as a result of increases in real estate brokerage commissions and financing fees, as described below. See the "Factors Affecting Our Business" section for additional market information.

Real estate brokerage commissions. Revenue from real estate brokerage commissions increased to $479.2 million for the nine months ended September 30, 2026 from $427.2 million for the same period in 2025, an increase of $52.0 million, or 12.2%. The increase was primarily attributed to a 16.3% increase in total sales volume, partially offset by a six basis point decrease in the average commission rate earned compared to the same period in 2025. The decrease in the average commission rate was primarily driven by a shift in revenue from the Private Client Market to the Larger Transaction Market, which generally earns lower commission rates. For the nine months ended September 30, 2026, the Larger Transaction Market included certain transactions with sales volume exceeding $300 million individually, which more significantly reduced the average commission rate earned. The Middle Market and Larger Transaction Market revenue increased by 18.9%, while the Private Client Market revenue increased by 9.8%.

Financing fees. Revenue from financing fees increased to $84.1 million for the nine months ended September 30, 2026 from $70.7 million for the same period in 2025, an increase of $13.4 million, or 19.0%. The increase was primarily

attributed to a 16.6% increase in the total financing volume and a five basis point increase in the average fee rate earned compared to the same period in 2025.

Other revenue. Other revenue increased to $19.4 million for the nine months ended September 30, 2026 from $13.3 million for the same period in 2025, an increase of $6.1 million, or 45.9%. The increase was primarily driven by increases in leasing fees and consulting fees during the nine months ended September 30, 2026 compared to the same period in 2025.

Total Operating Expenses

Our total operating expenses were $587.2 million for the nine months ended September 30, 2026 compared to $540.3 million for the same period in 2025, an increase of $46.9 million, or 8.7%. Cost of services increased by $47.8 million, partially offset by a decrease of $1.7 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 $363.8 million for the nine months ended September 30, 2026 from $316.0 million for the same period in 2025, an increase of $47.8 million, or 15.1%. 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 60 basis points to 62.4% compared to the same period in 2025 primarily due to our senior investment sales and financing professionals earning higher commissions in 2026.

Selling, general and administrative expense. Selling, general and administrative expense increased to $216.4 million for the nine months ended September 30, 2026 compared to $215.6 million for the same period in 2025, an increase of 0.4%. The net increase of $0.8 million is primarily due to an increase in IT related costs partially offset by a decrease in litigation costs. In the third quarter of 2025, a $4.0 million legal accrual was recorded related to an ongoing litigation matter.

Depreciation and amortization expense. Depreciation and amortization expense decreased to $7.0 million for the nine months ended September 30, 2026 from $8.7 million for the same period in 2025, a decrease of $1.7 million, or 19.5%. The decrease primarily relates to assets that were fully depreciated.

Other Income, Net

Other income, net decreased to $11.6 million for the nine months ended September 30, 2026 from $13.5 million for the same period in 2025. The $1.9 million decrease primarily relates to a lower average yield on the Company's investments and to a reduction of the invested assets during the period compared to the same period in the prior year.

Interest Expense

Interest expense decreased by an immaterial amount for the nine months ended September 30, 2026 compared to the same period in 2025, and primarily relates to interest expense on our SARs liability.

Provision (benefit) for Income Taxes

The provision for income taxes was $4.9 million for the nine months ended September 30, 2026, compared to a benefit for income taxes of $1.0 million for the same period in 2025. The effective income tax rate for the nine months ended September 30, 2026 was 72.9% compared to 6.0% for the same period in 2025. The increase in the effective tax rate for the nine months ended September 30, 2026, compared to the same period in 2025, primarily reflects the use of the estimated AETR methodology in 2026, compared to the discrete method in 2025. In addition, the effective tax rate for the nine months ended September 30, 2026 was impacted by the change from a pre-tax loss in the prior-year period compared to pre-tax income in the current-year period, as well as the relative impact of non-deductible items, state income taxes, and shortfall tax expenses, net, related to stock-based compensation. Refer to Note 10 – “Income Taxes” of our accompanying Notes to Condensed Consolidated Financial Statements for additional information.

Non-GAAP Financial Measure

In this Quarterly Report on Form 10-Q, we include a non-GAAP financial measure, Adjusted EBITDA. We define Adjusted EBITDA as net income (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 income (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 income (loss), to Adjusted EBITDA is as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 1,007	$ 240	$ 1,816	$ (15,217)
Adjustments:				
Interest income and other [1]	(3,605)	(3,487)	(11,067)	(11,898)
Interest expense	155	197	448	584
Provision (benefit) for income taxes	1,588	1,230	4,878	(979)
Depreciation and amortization	2,305	2,743	7,044	8,745
Stock-based compensation	6,791	5,966	20,187	18,368
Adjusted EBITDA	$ 8,241	$ 6,889	$ 23,306	$ (397)

[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 in Item 2). 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 $27.3 million to $189.2 million at September 30, 2026, compared to $161.9 million at December 31, 2025. The following table sets forth our summary cash flows for the nine months ended September 30, 2026 and 2025 (in thousands):

	Nine Months Ended September 30,	
	2026	2025
Net cash provided by operating activities	$ 27,853	$ 20,389
Net cash provided by (used in) investing activities	42,117	(29,211)
Net cash used in financing activities	(42,362)	(27,425)
Effect of currency exchange rate changes on cash, cash equivalents, and restricted cash	(306)	162
Net increase (decrease) in cash, cash equivalents, and restricted cash	27,302	(36,085)
Cash, cash equivalents, and restricted cash at beginning of period	161,921	153,445
Cash, cash equivalents, and restricted cash at end of period	$ 189,223	$ 117,360

Operating Activities

Cash flows provided by operating activities were $27.9 million for the nine months ended September 30, 2026 compared to $20.4 million for the same period in 2025. The $7.5 million increase in cash flows provided by operating activities for the nine months ended September 30, 2026 compared to the same period in 2025 was primarily due to a $17.0 million decrease in net losses, as discussed above, and a $19.0 million decrease in the change in deferred compensation and commissions, partially offset by a $23.6 million decrease in advances and loans and an $8.0 million increase in prepaid expenses in the nine months ended September 30, 2026 compared to the same period in 2025. The cash flows provided by operating activities were also affected by the timing of certain cash receipts and payments.

Investing Activities

Cash flows provided by investing activities were $42.1 million for the nine months ended September 30, 2026 compared to cash flows used in investing activities of $29.2 million for the same period in 2025. The $71.3 million increase in cash provided by investing activities for the nine months ended September 30, 2026 compared to the same period in 2025 was primarily due to an increase in net proceeds of $71.6 million from sales, purchases, and maturities of securities.

Financing Activities

Cash flows used in financing activities were $42.4 million for the nine months ended September 30, 2026 compared to $27.4 million for the same period in 2025. The $15.0 million increase in cash flows used in financing activities is primarily due to the $17.5 million increase in cash paid for stock repurchases in the 2026 period compared to the same period in 2025.

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 September 30, 2026, cash (excluding restricted cash), cash equivalents, and marketable debt securities, available-for-sale, aggregated $370.8 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, 2027. As of September 30, 2026, 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 13 – "Commitments and Contingencies" of our accompanying Notes to Condensed 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 September 30, 2026, the Company has agreed to a maximum aggregate guarantee obligation of $525.5 million relating to loans with an unpaid balance of $3,207.1 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 $255,000 as of September 30, 2026 related to these guarantee obligations. The Company is required to provide cash collateral to MTRCC for this obligation and this is reflected as $2.0 million of restricted cash as of September 30, 2026, which is included in cash, cash equivalents, and restricted cash on the condensed consolidated balance sheet.

Material Cash Requirements

There have been no material changes in our commitments under contractual obligations, as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025 through the date on which the condensed consolidated financial statements were issued, other than for the payment of $9.5 million on April 3, 2026 of a semi-annual regular dividend of $0.25 per share on outstanding common stock declared by our Board of Directors on February 10, 2026. On July 31, 2026, the Board of Directors declared a semi-annual regular dividend of $0.25 per share, with a payment date of October 6, 2026, to stockholders of record at the close of business on September 15, 2026, of which $9.5 million was paid on October 6, 2026.

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 May 2026, largely due to the surge in oil and gas prices caused by the Middle East conflict, inflation increased to 4.2% before retreating to 3.4% in July as the cease fire allowed increased crude oil to navigate the Strait of Hormuz, lowering energy costs. Since then, the price of oil, gasoline and diesel have boosted inflation, taking the rate to 3.7% as of September with leading indicators such as energy inflation and the Producer Price Index suggesting inflation will increase. Although tariffs will likely play a role in the inflation outlook, the greater inflation risks largely center on the duration of the Middle East conflict and the amount of damage done to infrastructure. The uncertainty surrounding these variables has increased expectations of additional rate increases by the Federal Reserve in the coming months.

Looking forward, inflation could rise as the impact of tariffs flow through to consumers and if the Middle East conflict and closure of the Strait of Hormuz continues for an extended period. At this time, these variables remain opaque, clouding the inflation and interest rate outlook.

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 condensed 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. There were no significant changes in our critical accounting policies, as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 26, 2026.

Item 3. 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 September 30, 2026, the fair value of investments in marketable debt securities, available-for-sale was $183.6 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 AA- as of September 30, 2026. 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 participants' 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 September 30, 2026 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	$	6,017
1% Decrease	$	3,048
1% Increase	$	(3,128)
2% Increase	$	(6,336)

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 4. 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 Quarterly Report on Form 10-Q, based on the criteria established under the Internal Control Integrated Framework (the "2013 framework") issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on such evaluation, our management has concluded that as of September 30, 2026, 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.

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 September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. 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 such as the alleged failure to disclose physical or environmental defects or property expenses or contracts, the alleged inadequate disclosure of matters relating to the transaction such as 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 reasonably 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, $4.1 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 13 — "Commitments and Contingencies" of the Notes to Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

Except as set forth below, there have been no material changes from the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2025.

We have been subject to cybersecurity incidents in the past and may be the target of future attacks. The 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 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.

In April 2026, the Company experienced a cybersecurity incident in which a threat actor used social engineering techniques to obtain an employee's login credentials and gain unauthorized access to certain Company systems, resulting in the exfiltration of certain customer, employee, and internal business data. The Company promptly detected the incident, contained the unauthorized access, and engaged outside cybersecurity and legal counsel to assist with its response. The Company's systems and business operations were not disrupted, and the Company does not believe the incident has had a material impact on its business, financial condition or results of operations. There can be no assurance that future cybersecurity incidents will not adversely affect our reputation, brand, business, financial condition, and results of operations, or result in future costs, litigation, or regulatory proceedings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer

There were no share repurchases as part of the publicly announced plans or programs during the three months ended September 30, 2026, and the approximate dollar value of shares available for purchase under the plans or programs is $90.1 million.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans

None of our directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the quarterly period covered by this report.

Item 6. Exhibits

Exhibit No.	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.
101*	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in Inline XBRL: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations, (iii) Condensed Consolidated Statements of Comprehensive (Loss) Income, (iv) Condensed Consolidated Statements of Stockholders' Equity, (v) Condensed Consolidated Statements of Cash Flows, and (vi) Notes to Condensed 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)

* Filed herewith.
** Furnished, not filed.

SIGNATURES

Pursuant to the requirements 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.

Marcus & Millichap, Inc.

Date: November 6, 2026 By: /s/ Hessam Nadji

Hessam Nadji
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 6, 2026 By: /s/ Steven F. DeGennaro

Steven F. DeGennaro
Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

Certification of Chief Executive Officer of Marcus & Millichap, Inc. pursuant to Rule 13a-14(a) under the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Hessam Nadji, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Marcus & Millichap, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2026

/s/ Hessam Nadji

Hessam Nadji
President and Chief Executive Officer

Exhibit 31.2

Certification of Chief Financial Officer of Marcus & Millichap, Inc. pursuant to Rule 13a-14(a) under the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Steven F. DeGennaro, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Marcus & Millichap, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2026

/s/ Steven F. DeGennaro

Steven F. DeGennaro
Chief Financial Officer

Exhibit 32.1

Certifications of Chief Executive Officer and Chief Financial Officer of Marcus & Millichap, Inc. Pursuant to Rule 13a-14(b) under the Exchange Act and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Marcus & Millichap, Inc. on Form 10-Q for the period ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Hessam Nadji, President and Chief Executive Officer of the Company, and Steven F. DeGennaro, Chief Financial Officer of the Company, certify, to the best of our knowledge, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2026

/s/ Hessam Nadji

Hessam Nadji
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 6, 2026

/s/ Steven F. DeGennaro

Steven F. DeGennaro
Chief Financial Officer
(Principal Financial Officer)