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

FORM 10-Q

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

For the quarterly period ended June 30, 2026

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

Commission File Number: 001-36853

ZILLOW GROUP, INC.

(Exact name of registrant as specified in its charter)

Washington
(State or other jurisdiction of
incorporation or organization)

47-1645716
(I.R.S. Employer
Identification No.)

**1301 Second Avenue, Floor 36,
Seattle, Washington 98101**
(Address of principal executive offices) (Zip Code)
(206) 470-7000
(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
Class A Common Stock, par value \$0.0001 per share	ZG	The Nasdaq Global Select Market
Class C Capital Stock, par value \$0.0001 per share	Z	The Nasdaq Global Select Market

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 ☒

As of July 29, 2026, 41,402,072 shares of Class A common stock, 6,217,447 shares of Class B common stock and 177,255,435 shares of Class C capital stock were outstanding.

ZILLOW GROUP, INC.

Quarterly Report on Form 10-Q**For the Three Months Ended June 30, 2026**

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GLOSSARY OF TERMS

As used in this Quarterly Report on Form 10-Q, the terms identified below have the meanings specified below unless otherwise noted or the context indicates otherwise:

Abbreviation, Acronym or Common Term	Definition
Zillow Group, “the Company,” “we,” “us” and “our”	Refers to Zillow Group, Inc., unless the context indicates otherwise as used in this Quarterly Report on Form 10-Q
2025 Notes	2.75% Convertible Senior Notes fully settled in May 2025
Board	Board of Directors of Zillow Group, Inc.
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
FTC	Federal Trade Commission
GAAP	Generally accepted accounting principles in the United States
IRLC	Interest rate lock commitment
Lenders	JPMorgan Chase Bank, N.A., UBS AG, Bank of Montreal, and Bank of Nova Scotia
MBS	Mortgage-backed security
MLS	Multiple Listing Service
NAR	National Association of REALTORS®
Repurchase Authorizations	A series of authorizations by the Board to repurchase Class A common stock, Class C capital stock, or a combination thereof
Revolving Credit Facility	The Company’s \$500 million revolving credit facility with a maturity date of January 30, 2031, pursuant to a credit agreement dated as of January 30, 2026
SEC	United States Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
TTV	Total Transaction Value for the residential real estate industry

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, including Part I, Item 2 (Management's Discussion and Analysis of Financial Condition and Results of Operations), contains forward-looking statements based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include all statements that are not historical facts and generally may be identified by terms such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "could," "would," "project," "plan," "expect," "potential," "might" or the negative or plural of these words or similar expressions.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those risks, uncertainties and assumptions described in Part I, Item 1A (Risk Factors) in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, including, but not limited to risks related to:

- the health and stability of the economy and United States residential real estate industry, including changes in inflationary conditions, interest rates, housing availability and affordability, labor shortages and supply chain issues;
- our ability to manage advertising, product inventory and pricing, and to maintain relationships with our real estate partners;
- our ability to establish or maintain relationships with listing and data providers, which affects traffic to our mobile apps and websites; or changes to our rights to use or timely access listing data, or to the quality or quantity of such listing data;
- our ability to comply with current and future rules and requirements promulgated by NAR, MLSs, or other real estate industry groups or governing bodies, or decisions to repeal, amend or not enforce such rules and requirements;
- our ability to navigate industry changes, including as a result of past, pending or future lawsuits, settlements or government investigations, which may include lawsuits, settlements or investigations in which we are not a named party;
- uncertainties related to policy changes, enforcement priorities, or government shutdowns at the federal and state levels;
- our ability to continue to innovate and compete to attract customers and real estate partners;
- our ability to effectively invest resources to pursue new strategies, develop new products and services and expand existing products and services into new markets;
- our ability to operate and grow Zillow Home Loans' mortgage operations, including the ability to obtain or maintain sufficient financing to fund the origination of mortgages, meet customers' financing needs with product offerings, continue to grow origination operations and resell originated mortgages on the secondary market;
- the duration and impact of natural disasters, climate change, geopolitical events, and other catastrophic events (including public health crises) on our ability to operate, demand for our products or services, or general economic conditions;
- our public statements, disclosures, targets, and product features related to sustainability matters;
- our ability to maintain adequate security controls or technology systems, or those of third parties on which we rely, to protect data integrity and the information and privacy of our customers and other third parties;
- our ability to navigate any significant disruption in service on our mobile apps or websites or in our network;
- the impact of past, pending or future litigation and other disputes or enforcement actions, which may include lawsuits or investigations to which we are not a party;
- our ability to attract, engage, and retain a highly skilled workforce;
- mergers, acquisitions, investments, strategic partnerships, capital-raising activities, or other corporate transactions or commitments by us or our competitors;
- our ability to continue relying on third-party services to support critical functions of our business;
- our ability to protect and continue using our intellectual property and prevent others from copying, infringing upon, or developing similar intellectual property, including as a result of artificial intelligence;
- our ability to comply with domestic and international laws, regulations, rules, contractual obligations, policies and other obligations, or to obtain or maintain required licenses to support our business and operations;
- our ability to pay our debt or to raise additional capital or refinance our indebtedness on acceptable terms, or at all;
- actual or anticipated fluctuations in quarterly and annual results of operations and financial position;
- actual or perceived inaccuracies in the assumptions, estimates and internal or third-party data that we use to calculate business, performance and operating metrics; and
- volatility of our Class A common stock and Class C capital stock prices.

Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the effect of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely on forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, except as required by law, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements, and we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this report to conform these statements to actual results or to changes in our expectations.

In addition, statements such as “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe that such information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

NOTE REGARDING INDUSTRY AND MARKET DATA

This Quarterly Report on Form 10-Q contains market and industry data that are based on our own internal estimates and research, as well as independent industry publications, trade or business organizations and other statistical information from third parties. Third-party information generally states that the information contained therein has been obtained from sources believed to be reliable. We have not independently verified any of the data from third-party sources nor have we validated the underlying economic assumptions relied on therein. The content of, or accessibility through, these market and industry data sources, except to the extent specifically set forth in this Quarterly Report on Form 10-Q, does not constitute a portion of this report and are not incorporated herein, and any sources are an inactive textual reference only.

WHERE YOU CAN FIND MORE INFORMATION

Our filings with the SEC, including our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, are available on the “Investors” section of our website at <https://investors.zillowgroup.com>, free of charge, as soon as reasonably practicable after the electronic filing of these reports with the SEC. The information contained on our website is not a part of this Quarterly Report on Form 10-Q or any other document we file with the SEC.

Investors and others should note that Zillow Group announces material financial information to its investors using its press releases, SEC filings and public conference calls and webcasts. Zillow Group intends to also use the following channels as a means of disclosing information about Zillow Group, its services and other matters, and for complying with its disclosure obligations under Regulation FD:

- Zillow Group Investor Relations Site (<https://investors.zillowgroup.com>)
- Zillow Front Porch (<https://www.zillow.com/news/>)
- Zillow Group LinkedIn Account (<https://www.linkedin.com/company/zillow>)

The information Zillow Group posts through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following Zillow Group’s press releases, SEC filings and public conference calls and webcasts. This list may be updated from time to time and reflects current updated channels as of the date of this Quarterly Report on Form 10-Q. The information we post through these channels is not a part of this Quarterly Report on Form 10-Q or any other document we file with the SEC, and the inclusion of our website addresses and LinkedIn Account are as inactive textual references only.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

ZILLOW GROUP, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (in millions, except share data, unaudited)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 572	\$ 768
Short-term investments	110	527
Accounts receivable, net	175	149
Mortgage loans held for sale	494	386
Prepaid expenses and other current assets	384	287
Restricted cash	6	5
Total current assets	1,741	2,122
Contract cost assets	27	27
Property and equipment, net	356	350
Right of use assets	59	56
Goodwill	2,823	2,823
Intangible assets, net	263	279
Other assets	36	28
Total assets	\$ 5,305	\$ 5,685
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 72	\$ 36
Accrued expenses and other current liabilities	194	134
Accrued compensation and benefits	94	62
Borrowings under master repurchase agreements	465	364
Deferred revenue	65	69
Lease liabilities, current portion	16	14
Total current liabilities	906	679
Lease liabilities, net of current portion	77	79
Other long-term liabilities	14	43
Total liabilities	997	801
Commitments and contingencies (Note 11)		
Shareholders' equity:		
Preferred stock, \$0.0001 par value; authorized — 30,000,000 shares; no shares issued and outstanding	—	—
Class A common stock, \$0.0001 par value; authorized — 1,245,000,000 shares; issued and outstanding — 41,402,072 and 46,233,920 shares as of June 30, 2026 and December 31, 2025, respectively	—	—
Class B common stock, \$0.0001 par value; authorized — 15,000,000 shares; issued and outstanding — 6,217,447 shares	—	—
Class C capital stock, \$0.0001 par value; authorized — 600,000,000 shares; issued and outstanding — 177,249,941 and 187,994,150 shares as of June 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	6,126	6,741
Accumulated other comprehensive income (loss)	(1)	2
Accumulated deficit	(1,817)	(1,859)
Total shareholders' equity	4,308	4,884
Total liabilities and shareholders' equity	\$ 5,305	\$ 5,685

See accompanying notes to the condensed consolidated financial statements.

ZILLOW GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except share data, which are presented in thousands, and per share data, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue:				
For Sale revenue:				
Residential	\$ 465	\$ 434	\$ 915	\$ 851
Mortgages	84	48	148	89
Total For Sale revenue	549	482	1,063	940
Rentals	209	159	392	288
Other	14	14	25	25
Total revenue	772	655	1,480	1,253
Cost of revenue	210	166	399	305
Gross profit	562	489	1,081	948
Operating expenses:				
Sales and marketing	249	226	459	424
Technology and development	156	153	306	302
General and administrative	131	121	254	242
Restructuring costs	36	—	36	—
Total operating expenses	572	500	1,055	968
Income (loss) from operations	(10)	(11)	26	(20)
Other income, net	13	18	29	40
Interest expense	(6)	(5)	(10)	(10)
Income (loss) before income taxes	(3)	2	45	10
Income tax expense	(1)	—	(3)	—
Net income (loss)	\$ (4)	\$ 2	\$ 42	\$ 10
Net income (loss) per share:				
Basic	\$ (0.02)	\$ 0.01	\$ 0.18	\$ 0.04
Diluted	\$ (0.02)	\$ 0.01	\$ 0.18	\$ 0.04
Weighted-average shares outstanding:				
Basic	227,896	241,083	231,767	241,667
Diluted	227,896	251,665	233,891	253,916

See accompanying notes to the condensed consolidated financial statements.

ZILLOW GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss)	\$ (4)	\$ 2	\$ 42	\$ 10
Other comprehensive income (loss):				
Net unrealized gains (losses) on investments	(1)	1	(3)	4
Total other comprehensive income (loss)	(1)	1	(3)	4
Comprehensive income (loss)	<u>\$ (5)</u>	<u>\$ 3</u>	<u>\$ 39</u>	<u>\$ 14</u>

See accompanying notes to the condensed consolidated financial statements.

ZILLOW GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in millions, except share data, which are presented in thousands, unaudited)

	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Shares	Amount				
Balance at April 1, 2026	229,095	\$ —	\$ 6,221	\$ (1,813)	\$ —	\$ 4,408
Issuance of Class C capital stock upon exercise of stock options	127	—	5	—	—	5
Vesting of restricted stock units	1,291	—	—	—	—	—
Share-based compensation expense	—	—	101	—	—	101
Repurchases of Class A common stock and Class C capital stock	(5,644)	—	(201)	—	—	(201)
Net loss	—	—	—	(4)	—	(4)
Other comprehensive loss	—	—	—	—	(1)	(1)
Balance at June 30, 2026	224,869	\$ —	\$ 6,126	\$ (1,817)	\$ (1)	\$ 4,308

	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount				
Balance at April 1, 2025	241,320	\$ —	\$ 6,628	\$ (1,874)	\$ —	\$ 4,754
Issuance of Class C capital stock upon exercise of stock options	520	—	22	—	—	22
Vesting of restricted stock units	1,597	—	—	—	—	—
Share-based compensation expense	—	—	117	—	—	117
Settlement of convertible senior notes	1	—	—	—	—	—
Repurchases of Class A common stock and Class C capital stock	(2,306)	—	(150)	—	—	(150)
Net income	—	—	—	2	—	2
Other comprehensive income	—	—	—	—	1	1
Balance at June 30, 2025	241,132	\$ —	\$ 6,617	\$ (1,872)	\$ 1	\$ 4,746

See accompanying notes to the condensed consolidated financial statements.

	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount				
Balance at January 1, 2026	240,446	\$ —	\$ 6,741	\$ (1,859)	\$ 2	\$ 4,884
Issuance of Class C capital stock upon exercise of stock options	785	—	23	—	—	23
Vesting of restricted stock units	2,747	—	—	—	—	—
Share-based compensation expense	—	—	196	—	—	196
Repurchases of Class A common stock and Class C capital stock	(19,109)	—	(834)	—	—	(834)
Net income	—	—	—	42	—	42
Other comprehensive loss	—	—	—	—	(3)	(3)
Balance at June 30, 2026	<u>224,869</u>	<u>\$ —</u>	<u>\$ 6,126</u>	<u>\$ (1,817)</u>	<u>\$ (1)</u>	<u>\$ 4,308</u>

	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount				
Balance at January 1, 2025	242,489	\$ —	\$ 6,733	\$ (1,882)	\$ (3)	\$ 4,848
Issuance of Class C capital stock upon exercise of stock options	1,320	—	55	—	—	55
Vesting of restricted stock units	2,967	—	—	—	—	—
Share-based compensation expense	—	—	229	—	—	229
Settlement of convertible senior notes	1	—	—	—	—	—
Repurchases of Class A common stock and Class C capital stock	(5,645)	—	(400)	—	—	(400)
Net income	—	—	—	10	—	10
Other comprehensive income	—	—	—	—	4	4
Balance at June 30, 2025	<u>241,132</u>	<u>\$ —</u>	<u>\$ 6,617</u>	<u>\$ (1,872)</u>	<u>\$ 1</u>	<u>\$ 4,746</u>

ZILLOW GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions, unaudited)

	Six Months Ended June 30,	
	2026	2025
Operating activities		
Net income	\$ 42	\$ 10
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	130	132
Share-based compensation	169	196
Amortization of right of use assets	4	4
Amortization of contract cost assets	13	10
Other adjustments to reconcile net income to net cash provided by operating activities	(13)	(9)
Changes in operating assets and liabilities:		
Accounts receivable	(26)	(47)
Mortgage loans held for sale	(108)	(91)
Prepaid expenses and other assets	(94)	(46)
Contract cost assets	(13)	(13)
Lease liabilities	(7)	(6)
Accounts payable	36	26
Accrued expenses and other current liabilities	49	18
Accrued compensation and benefits	32	—
Deferred revenue	(4)	8
Other long-term liabilities	1	(1)
Net cash provided by operating activities	211	191
Investing activities		
Proceeds from maturities of investments	98	272
Proceeds from sales of investments	391	50
Purchases of investments	(75)	(109)
Purchases of property and equipment	(70)	(73)
Purchases of intangible assets	(19)	(115)
Net cash provided by investing activities	325	25
Financing activities		
Net borrowings on master repurchase agreements	101	85
Repurchases of Class A common stock and Class C capital stock	(826)	(400)
Settlement of 2025 Notes	—	(419)
Payments for debt issuance costs	(2)	—
Proceeds from exercise of stock options	23	55
Payment of contingent consideration for acquisition	(27)	(30)
Net cash used in financing activities	(731)	(709)
Net decrease in cash, cash equivalents and restricted cash during period	(195)	(493)
Cash, cash equivalents and restricted cash at beginning of period	773	1,085
Cash, cash equivalents and restricted cash at end of period	\$ 578	\$ 592
Supplemental disclosures of cash flow information		
Noncash transactions:		
Write-off of fully depreciated property and equipment	\$ 97	\$ 82
Capitalized share-based compensation	27	33
Write-off of fully amortized intangible assets	15	9

See accompanying notes to the condensed consolidated financial statements.

ZILLOW GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

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Note 1. Organization and Description of Business

Zillow Group is reimagining real estate to make home a reality for more and more people. As the most visited real estate app and website in the United States, Zillow connects hundreds of millions of consumers with innovative technology, trusted agents and loan officers, and seamless digital solutions. With industry-leading tools and resources, Zillow supercharges real estate professionals so they can grow their businesses and deliver exceptional client experiences. For renters and housing providers, Zillow offers not only a robust marketplace but a set of end-to-end products and services to streamline applications, leases, payments and more. Zillow's ecosystem spans the entire home journey — from dreaming and shopping to renting, buying, selling and financing.

Our portfolio of affiliates, subsidiaries and brands includes Zillow, Zillow Premier Agent, Zillow Home Loans, our mortgage origination operations and affiliate lender, Zillow Rentals, Zillow New Construction, Trulia, StreetEasy, Out East, HotPads, Follow Up Boss, ShowingTime, dotloop and Zillow Closing.

Certain Significant Risks and Uncertainties

We operate in a dynamic industry and, accordingly, can be affected by a variety of factors, which are uncertain and difficult to predict. For example, we believe that potential changes in any of the following areas may have a significant impact on us in terms of our future financial position, results of operations or cash flows: the health and stability of the economy and United States residential real estate industry, including changes in inflationary conditions, interest rates, housing availability and affordability, labor shortages and supply chain issues; our ability to navigate industry changes, including as a result of past, pending or future lawsuits, settlements or government investigations; uncertainties related to policy changes, enforcement priorities, or government shutdowns at the federal and state levels; our ability to manage advertising, product inventory and pricing, and to maintain relationships with our real estate partners; our ability to comply with current and future rules and requirements promulgated by NAR, MLSs, or other real estate industry groups or governing bodies, and to maintain or establish relationships with listing and data providers; changes to our rights to use or timely access listing data, or to the quality or quantity of such listing data; our investment of resources to pursue strategies and develop new products and services that may not prove effective or that are not attractive for customers and real estate partners or that do not allow us to compete successfully; our ability to operate and grow the mortgage operations of Zillow Home Loans, our affiliate lender, including the ability to obtain or maintain sufficient financing and resell originated mortgages on the secondary market; the duration and impact of natural disasters, climate change, geopolitical events, and other catastrophic events (including public health crises) on our ability to operate, demand for our products or services, or general economic conditions; outcomes of legal proceedings and

government investigations; our ability to attract, engage, and retain a highly skilled workforce; protection of Zillow Group's information and systems against security breaches or disruptions in operations; reliance on third-party services to support critical functions of our business; protection of our brand and intellectual property; and changes in laws or government regulation affecting our business, among other things.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements include Zillow Group, Inc. and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. These condensed consolidated financial statements have been prepared in conformity with GAAP and applicable rules and regulations of the SEC regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the audited financial statements and accompanying notes included in Zillow Group, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2025. The condensed consolidated balance sheet as of December 31, 2025, included herein, was derived from the audited financial statements of Zillow Group, Inc. as of that date. Certain reclassifications of prior period amounts have been made to conform to the current period presentation.

The unaudited condensed consolidated interim financial statements, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, necessary to present fairly our financial position as of June 30, 2026 and our results of operations, comprehensive income (loss) and shareholders' equity for the three and six months ended June 30, 2026 and 2025, and cash flows for the six months ended June 30, 2026 and 2025. The results for the three and six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026, for any interim period, or for any other future year.

There were no significant changes to the significant accounting policies disclosed in Note 2 in the Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, except for the updates noted below. Such updates were made due to the recognition of restructuring costs during the three and six months ended June 30, 2026.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the financial statements, as well as the reported amounts of revenue and expenses during the periods presented. On an ongoing basis, we evaluate our estimates, including those related to the accounting for certain revenue offerings, amortization period and recoverability of contract cost assets, website and software development costs, recoverability of long-lived assets and intangible assets, share-based compensation, income taxes, business combinations, including the initial and subsequent fair value measurements of assets (primarily intangible assets) and liabilities, and the recoverability of goodwill, among others. To the extent there are material differences between these estimates, judgments or assumptions and actual results, our financial statements will be affected. The health of the housing market and broader economy may result in additional uncertainty with respect to estimates, judgments and assumptions, which may materially impact the estimates previously listed, among others.

Restructuring Costs

Restructuring costs recorded in our condensed consolidated statements of operations primarily relate to employee termination costs. One-time employee termination benefits are recognized when the plan of termination has been communicated to employees and certain other criteria are met. Other severance and employee costs, primarily pertaining to ongoing employee benefit arrangements, are recognized when it is probable that the employees are entitled to the severance benefits and the amounts can be reasonably estimated. The cumulative effect of a change resulting from a revision to either the timing or the amount of estimated cash flows for restructuring is recognized as an adjustment to the liability in the period of the change.

Recently Issued Accounting Standards Not Yet Adopted

In November 2024, the FASB issued guidance that will require disclosure of specified information about certain costs and expenses included within an entity's consolidated financial statements. This guidance is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, and can be applied on a prospective or

retrospective basis, with early adoption permitted. We have not yet determined the impact the adoption of this guidance will have on our consolidated financial statements.

In September 2025, the FASB issued guidance that modernizes the accounting for internal-use software costs by removing all references to project development stages. Under this guidance, eligible software development costs begin capitalization once management has authorized and committed to funding the project and it is probable the project will be completed and used to perform the function intended. This guidance is effective for annual and interim periods beginning after December 15, 2027, and can be applied on a prospective, retrospective or modified basis, with early adoption permitted. We have not yet determined the impact the adoption of this guidance will have on our consolidated financial statements.

In December 2025, the FASB issued guidance that improves the navigability of interim reporting guidance and clarifies when it applies. This guidance is effective for annual and interim periods beginning after December 15, 2027, and can be applied on a prospective or retrospective basis, with early adoption permitted. We have not yet determined the impact the adoption of this guidance will have on our consolidated financial statements.

Note 3. Financial Instruments

We apply the following methods and assumptions in estimating our fair value measurements:

Cash equivalents — The fair value measurement of money market funds is based on quoted market prices in active markets (Level 1). The fair value measurement of other cash equivalents is based on observable market-based inputs principally derived from or corroborated by observable market data (Level 2).

Short-term investments — The fair value measurement of our short-term investments is based on observable market-based inputs or inputs that are derived principally from or corroborated by observable market data by correlation or other means (Level 2).

Restricted cash — The carrying value of restricted cash approximates fair value due to the short period of time that amounts are held in escrow (Level 1).

Mortgage loans held for sale — The fair value of mortgage loans held for sale is generally calculated by reference to quoted prices in secondary markets for commitments to sell mortgage loans with similar characteristics (Level 2).

Forward contracts — The fair value of mandatory loan sales commitments and derivative instruments such as forward sales of MBSs that are utilized as economic hedging instruments is calculated by reference to quoted prices for similar assets (Level 2).

Contingent consideration — In December 2023, Zillow Group acquired Follow Up Boss for \$399 million in cash, net of cash acquired, and contingent consideration of up to \$100 million, payable over a three-year period upon achievement of certain performance metrics. During the six months ended June 30, 2026 and 2025, we paid \$33 million in cash each period to settle the first and second earn out payments, most of which represented settlement of the acquisition date fair value. The fair value of the contingent consideration is estimated using a Monte Carlo simulation which considers the probabilities of the achievement of certain performance metrics (Level 3).

The discount rates used in our valuation of contingent consideration are based on our estimated cost of debt and are directly related to the fair value of contingent consideration. An increase in the discount rate, in isolation, would result in a decrease in the fair value measurement. Conversely, a decrease in the discount rate, in isolation, would result in an increase in the fair value measurement. The probabilities of achieving the relevant performance metrics used in our valuation of contingent consideration are directly related to the fair value of contingent consideration, as an increase in the probability, in isolation, would result in an increase in the fair value measurement. Conversely, a decrease in the probability, in isolation, would result in a decrease in the fair value measurement.

During the three and six months ended June 30, 2026, there were no material changes in the unobservable inputs used in determining the fair value of contingent consideration included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

IRLCs — The fair value of IRLCs is calculated by reference to quoted prices in secondary markets for commitments to sell mortgage loans with similar characteristics. Expired commitments are excluded from the fair value measurement. Since not all IRLCs will become closed loans, we adjust our fair value measurements for the estimated amount of IRLCs that will not close. This adjustment is effected through the pull-through rate, which represents the probability that an IRLC will ultimately

result in a closed loan. For IRLCs that are canceled or expire, any recorded gain or loss is reversed at the end of the commitment period (Level 3).

The pull-through rate is based on estimated changes in market conditions, loan stage and historical borrower behavior. Pull-through rates are directly related to the fair value of IRLCs as an increase in the pull-through rate, in isolation, would result in an increase in the fair value measurement. Conversely, a decrease in the pull-through rate, in isolation, would result in a decrease in the fair value measurement. Changes in the fair value of IRLCs are included within revenue in our condensed consolidated statements of operations. The following table presents the ranges and weighted-average pull-through rates used in determining the fair value of IRLCs as of the dates presented:

	June 30, 2026	December 31, 2025
Range	57% - 100%	47% - 100%
Weighted-average	85%	86%

We manage our interest rate risk related to IRLCs and mortgage loans held for sale through the use of derivative instruments, generally forward contracts on MBSs, which are commitments to either purchase or sell a financial instrument at a future date for a specified price, and mandatory loan commitments, which are an obligation by an investor to buy loans at a specified price within a specified time period. We do not enter into or hold derivatives for trading or speculative purposes, and our derivatives are not designated as hedging instruments. Changes in the fair value of our derivative financial instruments are recognized in revenue in our condensed consolidated statements of operations.

The following table presents the changes in our IRLCs for the periods presented (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Balance, beginning of the period	\$ 12	\$ 7	\$ 8	\$ 4
Issuances	43	24	75	45
Transfers	(40)	(22)	(68)	(40)
Fair value changes	1	—	1	—
Balance, end of period	<u>\$ 16</u>	<u>\$ 9</u>	<u>\$ 16</u>	<u>\$ 9</u>

The following table presents the notional amounts of the economic hedging instruments related to our mortgage loans held for sale as of the dates presented (in millions):

	June 30, 2026	December 31, 2025
IRLCs	\$ 767	\$ 402
Forward contracts ⁽¹⁾	993	696

⁽¹⁾ Represents net notional amounts. We do not have the right to offset our forward contract derivative positions.

The following table presents the amortized cost, as applicable, and estimated fair market value of assets and liabilities measured at fair value on a recurring basis by category as of the dates presented (in millions):

	June 30, 2026		December 31, 2025	
	Amortized Cost	Estimated Fair Market Value	Amortized Cost	Estimated Fair Market Value
Assets				
Cash	\$ 46	\$ 46	\$ 19	\$ 19
Cash equivalents:				
Money market funds	526	526	659	659
U.S. government treasury securities	—	—	90	90
Short-term investments:				
Corporate bonds	73	73	149	150
U.S. government treasury securities	36	36	369	370
Commercial paper	1	1	—	—
U.S. government agency securities	—	—	7	7
Mortgage origination-related:				
Mortgage loans held for sale	—	494	—	386
IRLCs - prepaid expenses and other current assets	—	16	—	8
Restricted cash	6	6	5	5
Total assets measured at fair value on a recurring basis	<u>\$ 688</u>	<u>\$ 1,198</u>	<u>\$ 1,298</u>	<u>\$ 1,694</u>
Liabilities				
Mortgage origination-related:				
Forward contracts - accrued expenses and other current liabilities	\$ —	\$ 2	\$ —	\$ 1
Contingent consideration:				
Contingent consideration - accrued expenses and other current liabilities	—	32	—	33
Contingent consideration - other long-term liabilities	—	—	—	31
Total liabilities measured at fair value on a recurring basis	<u>\$ —</u>	<u>\$ 34</u>	<u>\$ —</u>	<u>\$ 65</u>

The following table presents available-for-sale investments by contractual maturity date as of June 30, 2026 (in millions):

	Amortized Cost	Estimated Fair Market Value
Due in one year or less	\$ 25	\$ 25
Due after one year	85	85
Total	<u>\$ 110</u>	<u>\$ 110</u>

Note 4. Property and Equipment, Net

The following table presents the detail of property and equipment, net as of the dates presented (in millions):

	June 30, 2026	December 31, 2025
Website development costs	\$ 590	\$ 596
Leasehold improvements	33	32
Computer equipment	17	17
Office equipment, furniture and fixtures	9	9
Property and equipment	649	654
Less: accumulated amortization and depreciation	(293)	(304)
Property and equipment, net	\$ 356	\$ 350

We recorded depreciation expense related to property and equipment (other than website development costs) of \$3 million for both the three months ended June 30, 2026 and 2025 and \$5 million and \$7 million for the six months ended June 30, 2026 and 2025, respectively.

We capitalized website development costs of \$46 million and \$51 million for the three months ended June 30, 2026 and 2025, respectively, and \$90 million and \$99 million for the six months ended June 30, 2026 and 2025, respectively. Amortization expense for website development costs included in cost of revenue was \$41 million and \$42 million for the three months ended June 30, 2026 and 2025, respectively, and \$83 million for both the six months ended June 30, 2026 and 2025.

Note 5. Intangible Assets, Net

The following tables present the detail of intangible assets, net as of the dates presented (in millions):

	June 30, 2026		
	Cost	Accumulated Amortization	Net
Customer relationships	\$ 194	\$ (64)	\$ 130
Software	150	(58)	92
Developed technology	59	(39)	20
Trade names and trademarks	47	(32)	15
Purchased content	23	(17)	6
Total	\$ 473	\$ (210)	\$ 263

	December 31, 2025		
	Cost	Accumulated Amortization	Net
Customer relationships	\$ 194	\$ (52)	\$ 142
Software	140	(53)	87
Developed technology	59	(32)	27
Trade names and trademarks	47	(30)	17
Purchased content	24	(18)	6
Total	\$ 464	\$ (185)	\$ 279

Amortization expense recorded for intangible assets was \$21 million and \$22 million for the three months ended June 30, 2026 and 2025, respectively, and \$42 million for both the six months ended June 30, 2026 and 2025. We did not record any impairment costs related to intangible assets for the three or six months ended June 30, 2026 or 2025.

Note 6. Debt

Master Repurchase Agreements

We utilize master repurchase agreements to provide capital for Zillow Home Loans. The following table summarizes certain details related to our outstanding master repurchase agreements as of the dates presented (in millions, except interest rates):

Lender	Maturity Date	Maximum Borrowing Capacity ⁽¹⁾	Outstanding Borrowings at June 30, 2026	Outstanding Borrowings at December 31, 2025	Weighted-Average Interest Rate at June 30, 2026
JPMorgan Chase Bank, N.A. ⁽²⁾	April 22, 2027	\$ 200	\$ 159	\$ 126	5.18 %
Bank of Montreal ⁽³⁾	February 24, 2027	200	139	88	5.20 %
Bank of Nova Scotia ⁽⁴⁾	June 4, 2027	150	94	65	5.08 %
UBS AG	September 4, 2026	150	73	85	5.20 %
Total		<u>\$ 700</u>	<u>\$ 465</u>	<u>\$ 364</u>	

⁽¹⁾ Available borrowing capacity under our master repurchase agreements is primarily uncommitted.

⁽²⁾ Agreement was amended and renewed on April 23, 2026 to extend the maturity date to April 22, 2027.

⁽³⁾ Agreement was amended and renewed on February 25, 2026 to increase the total maximum borrowing capacity from \$150 million to \$200 million and to extend the maturity date to February 24, 2027.

⁽⁴⁾ Agreement was amended and renewed on June 5, 2026 to increase the total maximum borrowing capacity from \$100 million to \$150 million and to extend the maturity date to June 4, 2027.

As of June 30, 2026 and December 31, 2025, \$487 million and \$381 million, respectively, in mortgage loans held for sale were pledged as collateral under the master repurchase agreements.

The master repurchase agreements include customary representations and warranties, covenants and provisions regarding events of default. As of June 30, 2026, Zillow Home Loans was in compliance with all financial covenants and no event of default had occurred. The master repurchase agreements are recourse to Zillow Home Loans and have no recourse to Zillow Group or any of its other subsidiaries.

For additional details related to our master repurchase agreements, see Note 8 in the Notes to the Consolidated Financial Statements in Part II, Item 8 included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Revolving Credit Facility

On January 30, 2026, Zillow Group entered into a \$500 million Revolving Credit Facility by and among Zillow Group, MFTB Holdco, Inc., Zillow, Inc. (the “Borrower”), the lenders from time to time party thereto, Goldman Sachs Bank USA as administrative agent and as issuing bank, and other issuing banks from time to time party thereto. The Revolving Credit Facility may be increased by up to an additional \$250 million subject to the terms of the credit agreement. Revolving loans on the Revolving Credit Facility bear interest at a floating rate based on either an alternative base rate, as defined in the credit agreement, or SOFR, in each case plus an applicable margin, depending on Zillow Group’s total net leverage ratio. Revolving loans may be borrowed, repaid and reborrowed under the Revolving Credit Facility until January 30, 2031, at which time all amounts borrowed must be repaid. Revolving loans may be prepaid, and revolving loan commitments may be permanently reduced by the Borrower in whole or in part, without penalty or premium.

The Revolving Credit Facility contains customary representations, warranties and affirmative and negative covenants, including a total net leverage ratio financial covenant. The negative covenants include restrictions on the incurrence of liens and indebtedness, certain investments and acquisitions, dividends, stock repurchases, transactions with affiliates and other matters, all subject to certain exceptions. The Borrower’s obligations under the Revolving Credit Facility are guaranteed by Zillow Group, MFTB Holdco, Inc. and certain of the Borrower’s subsidiaries. The Borrower’s obligations under the Revolving Credit Facility are secured by a first priority security interest in substantially all of the assets of the Borrower and such guarantors, subject to customary exclusions.

We have not drawn any amounts under the Revolving Credit Facility as of June 30, 2026. Borrowings on the Revolving Credit Facility will be classified within long-term liabilities in our condensed consolidated balance sheets.

Note 7. Income Taxes

We are subject to income taxes in the United States (federal and state) and certain foreign jurisdictions. As of June 30, 2026 and December 31, 2025, we have provided a valuation allowance against our net deferred tax assets that we believe, based on the weight of available evidence, are not more likely than not to be realized. We have accumulated federal tax losses of approximately \$1.8 billion as of December 31, 2025, which are available to reduce future taxable income. We have accumulated state tax losses of approximately \$70 million (tax effected) as of December 31, 2025.

Our income tax expense or benefit for interim periods is determined using an estimate of our annual effective tax rate, adjusted for discrete items, if any, that are taken into account for the relevant period. We update our estimate of the annual effective tax rate on a quarterly basis and make adjustments to the tax provision or benefit, as applicable. Income tax expense was not material for the three or six month periods ended June 30, 2026 or 2025.

Note 8. Share Repurchase Authorizations

Prior to March 4, 2026, the Board authorized the repurchase of up to \$3.5 billion of our Class A common stock, Class C capital stock, convertible senior notes or a combination thereof. On March 4, 2026, the Board authorized the repurchase of up to an additional \$1.25 billion of our Class A common stock, Class C capital stock, or a combination thereof, which increased our total cumulative Repurchase Authorizations to \$4.8 billion. On June 3, 2026, the Board approved an amendment to its Repurchase Authorizations pursuant to which, effective June 3, 2026, no repurchase of shares under the Repurchase Authorizations is permitted if, after giving effect to such repurchase, any single shareholder would beneficially own more than 45% of the then-outstanding voting power of the Company's voting securities. As of June 30, 2026, \$1.1 billion remained available for future repurchases of our stock pursuant to the Repurchase Authorizations.

The following table summarizes our Class A common stock and Class C capital stock repurchase activity under the Repurchase Authorizations, excluding excise taxes and commissions, for the periods presented (in millions, except share data, which are presented in thousands, and per share amounts):

	Three Months Ended June 30, 2026		Three Months Ended June 30, 2025	
	Class A common stock	Class C capital stock	Class A common stock	Class C capital stock
Shares repurchased	1,033	4,611	1,784	522
Weighted-average price per share	\$ 35.71	\$ 35.38	\$ 65.04	\$ 65.03
Total purchase price	\$ 37	\$ 163	\$ 116	\$ 34

	Six Months Ended June 30, 2026		Six Months Ended June 30, 2025	
	Class A common stock	Class C capital stock	Class A common stock	Class C capital stock
Shares repurchased	4,832	14,277	4,244	1,401
Weighted-average price per share	\$ 45.25	\$ 42.52	\$ 70.09	\$ 73.19
Total purchase price	\$ 219	\$ 607	\$ 297	\$ 103

Note 9. Share-Based Awards

In connection with the annual review cycle, option awards and restricted stock units are granted under the Zillow Group, Inc. 2020 Incentive Plan during the first quarter of each year and typically vest quarterly over four years. For additional information regarding our share-based awards, see Note 11 in the Notes to the Consolidated Financial Statements in Part II, Item 8 in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Option Awards

The following table summarizes option award activity for the six months ended June 30, 2026:

	Number of Shares Subject to Existing Options (in thousands)	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2026	27,303	\$ 49.79	5.7	\$ 565
Granted	4,681	43.24		
Exercised	(785)	28.83		
Forfeited or canceled	(571)	52.98		
Outstanding at June 30, 2026	30,628	49.27	5.9	1
Vested and exercisable at June 30, 2026	22,798	48.43	4.9	1

The following assumptions were used to determine the fair value of option awards granted for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Expected volatility	53%	59%	53% - 56%	59% - 60%
Risk-free interest rate	4.16%	3.92%	3.87% - 4.16%	3.92% - 4.17%
Weighted-average expected life	5.8 years	5.5 years	5.8 - 7.0 years	5.3 - 6.8 years
Weighted-average fair value of options granted	\$18.64	\$37.18	\$23.42	\$43.17

As of June 30, 2026, there was a total of \$211 million in unrecognized compensation cost related to unvested option awards.

Restricted Stock Units

The following table summarizes activity for restricted stock units for the six months ended June 30, 2026:

	Restricted Stock Units (in thousands)	Weighted-Average Grant Date Fair Value
Unvested outstanding at January 1, 2026	9,319	\$ 61.83
Granted	6,190	43.12
Vested	(2,747)	53.05
Forfeited	(817)	58.18
Unvested outstanding at June 30, 2026	11,945	\$ 54.40

As of June 30, 2026, there was a total of \$611 million in unrecognized compensation cost related to unvested restricted stock units.

Share-Based Compensation Expense

The following table presents the effects of share-based compensation expense in our condensed consolidated statements of operations during the periods presented (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Cost of revenue	\$ 2	\$ 3	\$ 4	\$ 6
Sales and marketing	14	19	30	37
Technology and development	31	40	64	78
General and administrative	28	37	58	75
Restructuring costs	13	—	13	—
Total share-based compensation	<u>\$ 88</u>	<u>\$ 99</u>	<u>\$ 169</u>	<u>\$ 196</u>

Note 10. Net Income (Loss) Per Share

For the periods presented, the following table reconciles the denominators used in the basic and diluted net income (loss) per share calculations (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Denominator for basic calculation	227,896	241,083	231,767	241,667
Effect of dilutive securities:				
Option awards	—	7,649	1,768	8,653
Unvested restricted stock units	—	2,933	356	3,596
Denominator for dilutive calculation	<u>227,896</u>	<u>251,665</u>	<u>233,891</u>	<u>253,916</u>

For the periods presented, the following Class C capital stock equivalents were excluded from the calculations of diluted net income (loss) per share because their effect would have been antidilutive (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Weighted-average capital stock option awards outstanding	1,986	3,344	2,278	3,478
Weighted-average capital stock restricted stock units outstanding	12,395	4,145	9,169	2,844
Capital stock issuable upon conversion of the 2025 Notes	—	3,084	—	4,652
Total capital stock equivalents	<u>14,381</u>	<u>10,573</u>	<u>11,447</u>	<u>10,974</u>

Note 11. Commitments and Contingencies

Purchase Commitments

Purchase commitments primarily include various non-cancelable agreements to purchase content related to our mobile apps and websites and for certain cloud computing, data storage, and enterprise technology services to support our business operations. The amounts due for non-cancelable purchase commitments as of June 30, 2026 are as follows (in millions):

		Purchase Obligations
Remainder of 2026	\$	71
2027		115
2028		43
2029		33
2030		12
Total future purchase commitments	\$	274

Legal Proceedings

We are involved in a number of legal proceedings concerning matters arising in connection with the conduct of our business activities, some of which are at preliminary stages and some of which seek an indeterminate amount of damages. We regularly evaluate the status of legal proceedings in which we are involved to assess whether a loss is probable or there is a reasonable possibility that a loss or additional loss may have been incurred to determine if accruals are appropriate. We further evaluate each legal proceeding to assess whether an estimate of possible loss or range of loss can be made if accruals are not appropriate. For certain cases described below, management is unable to provide a meaningful estimate of the possible loss or range of possible loss because, among other reasons, (i) the proceedings are in preliminary stages; (ii) specific damages have not been sought; (iii) damages sought are, in our view, unsupported and/or exaggerated; (iv) there is uncertainty as to the outcome of pending appeals or motions; (v) there are significant factual issues to be resolved; and/or (vi) there are novel legal issues or unsettled legal theories presented. For these cases, however, management does not believe, based on currently available information, that the outcomes of these proceedings will have a material effect on our financial position, results of operations or cash flow. For the matters discussed below, we have not recorded any material accruals as of June 30, 2026 or December 31, 2025.

On September 17, 2019, International Business Machines Corporation (“IBM”) filed a complaint against us in the U.S. District Court for the Central District of California, alleging, among other things, that the Company has infringed and continues to willfully infringe seven patents held by IBM and seeks unspecified damages, including a request that the amount of compensatory damages be trebled, injunctive relief and costs and reasonable attorneys’ fees. Our motion to transfer venue to the U.S. District Court for the Western District of Washington (the “Court”) was granted on May 28, 2020. On November 25, 2022, Zillow filed a motion to join an Inter Partes Review (“IPR”) petition within *Ebates Performance Mktg., Inc. d/b/a Rakuten Rewards v. Int’l Bus. Machs. Corp.* (“Rakuten IPR”), IPR2022-00646 concerning one patent in this action, which the Court granted on April 20, 2023. On October 11, 2023, the U.S. Patent and Trial Appeal Board (“PTAB”) ruled on the Rakuten IPR finding the claims of the patent asserted against Zillow unpatentable. IBM appealed the PTAB’s decision on November 21, 2023 (the “PTAB Appeal”), and cross appeals were filed by Ebates Performance Marketing Inc. on November 21, 2023 and by us on December 15, 2023. On March 20, 2024, IBM voluntarily dismissed all claims filed in this action against Zillow with prejudice, with the exception of those pertaining to the patent asserted within the pending PTAB Appeal. On June 21, 2024 we filed our response to the PTAB Appeal. On July 30, 2024, IBM filed its reply in further support of the PTAB Appeal. On September 3, 2024, we filed our reply in further support of our cross-appeal. On December 9, 2025, the Federal Circuit issued an order affirming the October 11, 2023 PTAB decision in full. On April 17, 2026, we filed our motion for summary judgment. On June 30, 2026, the Court issued an order denying Zillow’s motion. In July 2026, the parties reached an agreement in principle to resolve all remaining claims in this action, the impact of which will not be material to the Company.

On November 16, 2021, November 19, 2021 and January 6, 2022, three purported class action lawsuits were filed against us and certain of our executive officers, alleging, among other things, violations of federal securities laws on behalf of a class of those who purchased our stock between August 7, 2020 and November 2, 2021. The three purported class action lawsuits, captioned *Barua v. Zillow Group, Inc. et al.*, *Silverberg v. Zillow Group, et al.* and *Hillier v. Zillow Group, Inc. et al.* were brought in the Court and were consolidated on February 16, 2022 (the “Federal Securities Suit”). On May 12, 2022, the plaintiffs filed their amended consolidated complaint which alleges, among other things, that we issued materially false and misleading statements regarding our Zillow Offers business. The complaints seek to recover, among other things, alleged damages sustained by the purported class members as a result of the alleged misconduct. On December 7, 2022, the Court

rendered its decision granting our previously filed motion to dismiss, in part, and denying the motion, in part. On January 23, 2023, we filed our answer to the consolidated complaint. On March 14, 2024, plaintiffs filed a motion for class certification, which was granted on August 23, 2024. On September 6, 2024, we filed a petition for permission to appeal the class certification order, on September 16, 2024, plaintiffs filed their opposition to our petition, and on September 23, 2024, we filed our reply in further support of the petition. On October 24, 2024, the Ninth Circuit issued an order granting Zillow permission to appeal. On November 1, 2024, the Court issued an order staying the Federal Securities Suit pending the outcome of the appeal, which was extended on October 10, 2025. On January 8, 2025, we filed our opening brief in the appeal. On March 10, 2025, plaintiffs filed their response brief, and on April 30, 2025, we filed our reply brief. On September 26, 2025, the Ninth Circuit affirmed the Court's class certification. On October 24, 2025, we filed an en banc petition before the Ninth Circuit seeking rehearing of the Ninth Circuit's September 26, 2025 decision. On January 6, 2026, the Ninth Circuit issued an order denying Zillow's en banc petition. On June 5, 2026, Zillow filed a petition for certiorari before the Supreme Court of the United States. On June 25, 2026, the Supreme Court mandated that plaintiffs respond to Zillow's petition. There is a reasonable possibility that a loss may be incurred related to this matter; however, the possible loss or range of loss is not estimable. We deny the allegations of any wrongdoing and intend to vigorously defend the claims in this consolidated lawsuit.

On March 10, 2022, May 5, 2022, July 20, 2022 and October 31, 2024, shareholder derivative suits were filed in the Court and on July 25, 2022, a shareholder derivative suit was filed in the Superior Court of the State of Washington, King County, against us and certain of our executive officers and directors seeking unspecified damages on behalf of the Company and certain other relief, such as reform to corporate governance practices. The plaintiffs (including the Company as a nominal defendant) allege, among other things, that the defendants breached their fiduciary duties by failing to maintain an effective system of internal controls, which purportedly caused the losses the Company incurred when it decided to wind down Zillow Offers operations. Plaintiffs also allege, among other things, violations of Section 14(a) and Section 20(a) of the Exchange Act, insider trading and waste of corporate assets. On August 23, 2023, a second shareholder derivative suit was filed in the Superior Court of the State of Washington, King County. These shareholder derivative lawsuits have since been stayed by the relevant courts and they remain stayed as of June 30, 2026. There is a reasonable possibility that a loss may be incurred related to this matter; however, the possible loss or range of loss is not estimable. The defendants deny the allegations of any wrongdoing and vigorously defend the claims in these lawsuits.

On September 30, 2025, the FTC filed a complaint in the U.S. District Court for the Eastern District of Virginia against Zillow Group, Inc., Zillow, Inc., and Redfin Corporation. On October 1, 2025, the Attorneys General of the Commonwealth of Virginia and the States of Arizona, Connecticut, New York, and Washington (collectively, "the States") filed a similar complaint against the same parties in the same court. The complaints allege that the partnership entered into between Zillow and Redfin on February 6, 2025 (the "Redfin Partnership") harmed competition for online multifamily rental-listings in violation of federal antitrust laws. The complaints of the FTC and the States both seek a permanent injunction and seek other equitable relief, including, among other things, a divestiture of assets or reconstruction of businesses, and other relief sufficient to restore the competition that would exist absent the anticompetitive conduct alleged. The complaint of the States also seeks an award of costs of the lawsuit, including reasonable attorneys' fees. We filed our motion to dismiss on January 13, 2026. Plaintiffs filed their opposition to our motion to dismiss on February 3, 2026. On February 12, 2026, we filed our reply in further support of our motion to dismiss, and on May 6, 2026, the court denied the motion. On June 10, 2026, the FTC and the States filed a motion for partial summary judgment. On June 24, 2026, we filed our opposition to the motion, and on June 30, 2026, the FTC and the States filed their reply. On July 8, 2026, oral argument on the motion was held, and the court denied the motion in its entirety. Trial is set to begin on August 24, 2026. There is a reasonable possibility that a loss may be incurred related to this matter; however, the possible loss or range of loss is not estimable. We deny the allegations of any wrongdoing and intend to vigorously defend the claims in these lawsuits.

On June 9, 2026, a purported class action lawsuit, captioned *Breidert v. Zillow Group, Inc. et al.*, was filed against us and certain of our executive officers in the U.S. District Court for the Western District of Washington. The complaint alleges, among other things, violations of the federal securities laws arising from the Redfin Partnership, and seeks to recover, among other things, damages sustained as a result of the alleged misconduct. On June 22, 2026, the parties filed a stipulation staying deadlines pending the appointment of a lead plaintiff and lead counsel and the filing of an amended or other operative complaint. There is a reasonable possibility that a loss may be incurred related to this matter; however, the possible loss or range of loss is not estimable. We deny the allegations of any wrongdoing and intend to vigorously defend the claims in this lawsuit.

On July 13, 2026 and July 14, 2026, shareholder derivative suits were filed in the U.S. District Court for the Western District of Washington against certain of our executive officers and directors, with the Company named as a nominal defendant, seeking unspecified damages on behalf of the Company and certain other relief, such as reform to corporate governance practices. The plaintiffs allege, among other things, that the defendants breached their fiduciary duties in connection with the Redfin Partnership, including by causing the Company to make allegedly false and misleading statements regarding the Redfin

Partnership. There is a reasonable possibility that a loss may be incurred related to this matter; however, the possible loss or range of loss is not estimable. The defendants deny the allegations of any wrongdoing and intend to vigorously defend the claims in these lawsuits.

In addition to the matters discussed above, from time to time, we are involved in litigation and claims that arise in the ordinary course of business. Although we cannot be certain of the outcome of any such litigation or claims, nor the amount of damages and exposure that we could incur, we currently believe that the final disposition of such matters will not have a material effect on our business, financial position, results of operations or cash flow. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Indemnifications

In the ordinary course of business, we enter into contractual arrangements under which we agree to provide indemnification of varying scope and terms to business partners and other parties with respect to certain matters. For additional information regarding our indemnifications, see Note 13 in the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Note 12. Revenue and Contract Balances

We recognize revenue when or as we satisfy our performance obligations by transferring control of the promised products or services to our customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those products or services. See Note 2 in the Notes to the Consolidated Financial Statements in Part II, Item 8 in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 for additional information on our revenue from contracts with customers and contract balances.

Contract Balances

Contract assets included in prepaid expenses and other current assets in our condensed consolidated balance sheets totaled \$297 million and \$212 million as of June 30, 2026 and December 31, 2025, respectively. Contract assets included in other assets in our condensed consolidated balance sheets totaled \$25 million and \$18 million as of June 30, 2026 and December 31, 2025, respectively. As of June 30, 2026, the average remaining recognition period for our contract assets related to our Zillow Preferred offering was five months.

For the three months ended June 30, 2026, the opening balance of deferred revenue was \$74 million, of which \$50 million was recognized as revenue during the period. For the three months ended June 30, 2025, the opening balance of deferred revenue was \$70 million, of which \$53 million was recognized as revenue during the period.

For the six months ended June 30, 2026, the opening balance of deferred revenue was \$69 million, of which \$58 million was recognized as revenue during the period. For the six months ended June 30, 2025, the opening balance of deferred revenue was \$62 million, of which \$53 million was recognized as revenue during the period.

Note 13. Segment Information

Significant Segment Expenses

The following table presents our significant expense categories included in our reported measure of segment profitability for the periods presented (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	\$ 772	\$ 655	\$ 1,480	\$ 1,253
Less:				
Headcount-related expenses, excluding share-based compensation	318	298	622	586
Direct product and service costs	115	73	214	123
Share-based compensation	75	99	156	196
Depreciation and amortization	65	67	130	132
Marketing and advertising costs	74	64	119	107
Software and hardware costs	39	27	73	53
Third-party professional service fees	40	19	71	36
Restructuring costs	36	—	36	—
Facility expenses	7	7	13	14
Other items (1)	13	12	20	26
Income (loss) from operations	(10)	(11)	26	(20)
Other income, net	13	18	29	40
Interest expense	(6)	(5)	(10)	(10)
Income tax expense	(1)	—	(3)	—
Net income (loss)	\$ (4)	\$ 2	\$ 42	\$ 10

(1) Other items include data acquisition costs, insurance costs, and taxes.

Note 14. Restructuring Costs

On August 4, 2026, Zillow Group announced a plan to reduce its headcount by approximately 7% of its employees. This headcount reduction is designed to allow the Company to move faster and operate more efficiently, including with a more sustainable cost structure. As a result, the Company currently estimates that it will incur pre-tax restructuring costs totaling approximately \$59 million to \$64 million related to employee termination costs, of which an estimated \$36 million to \$38 million are expected to be future cash expenditures associated with severance payments, and the remaining amount is expected to be accelerated share-based compensation expense. For the three months ended June 30, 2026, Zillow Group recorded \$36 million in restructuring costs related to these employee termination costs and expects that the remainder of the restructuring costs will be recognized during the three months ending September 30, 2026. These employee termination costs have been recorded as restructuring costs within our condensed consolidated statements of operations. As of June 30, 2026, we have accrued \$23 million for estimated future cash expenditures associated with severance payments, and no associated cash payments were made during the three months ended June 30, 2026. All estimated amounts are subject to change until finalized.

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

The following discussion of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results may differ materially from those described in or implied by any forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q, including in the section titled "Note Regarding Forward-Looking Statements," and those factors discussed in Part I, Item 1A (Risk Factors) of our Annual Report on Form 10-K for the year ended December 31, 2025.

Overview of our Business

Zillow Group is reimagining real estate to make home a reality for more and more people. As the most visited real estate app and website in the United States, Zillow connects hundreds of millions of consumers with innovative technology, trusted agents and loan officers, and seamless digital solutions. With industry-leading tools and resources, Zillow supercharges real estate professionals so they can grow their businesses and deliver exceptional client experiences. For renters and housing providers, Zillow offers not only a robust marketplace but a set of end-to-end products and services to streamline applications, leases, payments and more. Zillow's ecosystem spans the entire home journey — from dreaming and shopping to renting, buying, selling and financing.

Our portfolio of affiliates, subsidiaries and brands includes Zillow, Zillow Premier Agent, Zillow Home Loans, our mortgage origination operations and affiliate lender, Zillow Rentals, Zillow New Construction, Trulia, StreetEasy, Out East, HotPads, Follow Up Boss, ShowingTime, dotloop and Zillow Closing.

As of June 30, 2026, we had 7,232 employees, compared to 7,068 employees as of December 31, 2025.

Health of Housing Market

Our financial performance is impacted by changes in the health of the housing market, which is impacted, in turn, by general economic conditions. Current market factors have been driven by low housing inventory, elevated and volatile mortgage interest rates, changes in rental inventory and occupancy rates, as well as home price fluctuations and inflationary conditions. These factors may impact the number of transactions consumers complete using our products and services and demand for our advertising services. According to residential real estate data published by NAR, TTV increased 6% during the three months ended June 30, 2026 as compared to the three months ended June 30, 2025 and increased 4% during the six months ended June 30, 2026 as compared to the six months ended June 30, 2025. We continue to invest in the growth of our business, which we believe has resulted in year over year total revenue results, described below, for the three and six month periods ended June 30, 2026 as compared to the same periods in the prior year, that exceeded industry performance for the same periods. The extent to which market factors impact our results and financial position will depend on future developments, which are uncertain and difficult to predict.

Revenue Overview

Our revenue is classified into four categories: Residential, Mortgages, Rentals and Other. Our "For Sale revenue" subtotal includes our Residential and Mortgages revenue categories and represents our revenue from participation in residential real estate purchase and sale transactions.

Residential. Residential revenue includes revenue generated from our agent and software offerings and revenue derived from our New Construction marketplace and StreetEasy for sale product offerings. Agent offerings include Zillow Preferred, Premier Agent market-based pricing, and Zillow Showcase. Software offerings primarily include Follow Up Boss, dotloop, and ShowingTime.

Premier Agent advertising products, which include the delivery of validated customer connections, or leads, are offered on a pay for performance ("Zillow Preferred") and share of voice ("market-based pricing") basis. Connections are delivered when consumer contact information is provided to Premier Agent partners. We do not promise any minimum or maximum share of connections to customers for either market-based pricing or Zillow Preferred.

With the Zillow Preferred model, Premier Agent partners are provided with leads and pay a performance advertising fee when a real estate transaction is closed with one of the leads, generally within two years.

For Premier Agent market-based pricing, connections are distributed to Premier Agent partners in proportion to their share of voice, or a Premier Agent partner's share of total advertising purchased in a particular zip code.

Zillow Showcase is an advertising and marketing solution which allows real estate agents to advertise an enhanced listing on our mobile apps and websites.

Follow Up Boss revenue primarily consists of our software as a service (“SaaS”) customer relationship management system which provides real estate agents, teams and brokerages with a central hub to manage real estate transactions from connection to close.

Dutloop is a real estate transaction management SaaS solution. ShowingTime primarily generates revenue through Appointment Center, which is a SaaS and call center solution allowing real estate agents, brokerages and MLSs to efficiently schedule real estate viewing appointments on behalf of their customers.

Our new construction marketing solutions allow home builders to showcase their available inventory to home shoppers. New construction revenue primarily includes revenue generated by advertising sold to builders on a cost per residential community or cost per impression basis.

StreetEasy for-sale revenue primarily consists of our StreetEasy Experts and StreetEasy subscription offerings. StreetEasy Experts is our pay for performance pricing model available in the New York City market for which agents and brokers are provided with leads at no initial cost and pay a performance referral fee only when a real estate purchase transaction is closed with one of the leads. Revenue generated through StreetEasy subscription offerings includes the sale of advertising and a suite of tools to developers, property managers, agents and other market professionals on a cost per property basis.

Rentals. Rentals revenue includes advertising and a suite of tools sold to property managers on a cost per lead, lease, listing or impression basis or for a fixed fee for certain advertising packages through both the Zillow and StreetEasy brands. Rentals revenue also includes revenue generated from our rental applications product, through which potential renters can submit applications to multiple properties for a flat service fee.

Mortgages. Mortgages revenue primarily includes revenue generated through mortgage originations and the related sale of mortgages on the secondary market through Zillow Home Loans and revenue from advertising sold to mortgage lenders and other mortgage professionals on a cost per lead basis, primarily through our Connect services.

Other. Other revenue includes revenue generated primarily by display advertising.

For additional information on our revenue categories, see Note 2 in our Notes to Consolidated Financial Statements in Part II, Item 8 in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Financial Overview

For the three months ended June 30, 2026 and 2025, we generated total revenue of \$772 million and \$655 million, respectively, an increase of 18%. The increase in total revenue was primarily attributable to the following:

For Sale Revenue

- Mortgages revenue increased by \$36 million, or 75%, to \$84 million, driven by an increase in mortgage originations revenue as a result of increased total loan origination volume.
- Residential revenue increased by \$31 million, or 7%, to \$465 million, due to an increase in residential revenue per visit.

Rentals Revenue

Rentals revenue increased by \$50 million, or 31%, to \$209 million, due to increases in quarterly revenue per average monthly rentals unique visitor and average monthly rentals unique visitors.

Gross Profit

During the three months ended June 30, 2026 and 2025, we generated gross profit of \$562 million and \$489 million, respectively, an increase of 15%.

August 2026 Cost Management Actions

On August 4, 2026, Zillow Group announced a plan to reduce its headcount by approximately 7% of its employees. This headcount reduction is designed to allow the Company to move faster and operate more efficiently, including with a more

sustainable cost structure. As a result, the Company currently estimates that it will incur pre-tax restructuring costs totaling approximately \$59 million to \$64 million related to employee termination costs, of which an estimated \$36 million to \$38 million are expected to be future cash expenditures associated with severance payments, and the remaining amount is expected to be accelerated share-based compensation expense. For the three months ended June 30, 2026, Zillow Group recorded \$36 million in restructuring costs related to employee termination costs and expects that the remainder of the restructuring costs will be recognized during the three months ending September 30, 2026. These employee termination costs have been recorded as restructuring costs within our condensed consolidated statements of operations. We plan to fund the cash expenditures through existing cash and investment balances. We expect total headcount-related expenses to decrease in absolute dollars during the three months ending September 30, 2026 as a result of these cost management actions.

Key Metrics

Management has identified visits, unique users, For Sale revenue per TTV, and the volume of loans originated through Zillow Home Loans as relevant to investors' and others' assessment of our financial condition and results of operations.

Visits

The number of visits is an important metric because it is an indicator of consumers' level of engagement with our mobile apps, websites and other services. We believe highly engaged consumers are more likely to use our products and services, including Zillow Home Loans, or be transaction-ready real estate market participants and therefore more sought-after by our Premier Agent partners.

We define a visit as a group of interactions by users with our Zillow, Trulia and StreetEasy mobile apps and websites. A single visit can contain multiple page views and actions, and a single user can open multiple visits across domains, web browsers, desktop or mobile devices. Visits can occur on the same day, or over several days, weeks or months.

Zillow and StreetEasy measure visits using an internal measurement tool, and Trulia measures visits with Adobe Analytics. Visits to Trulia end after thirty minutes of user inactivity. Visits to Zillow and StreetEasy end after thirty minutes of user inactivity or at midnight.

The following table presents the number of visits to our mobile apps and websites for the periods presented (in millions, except percentages):

	Three Months Ended June 30,		2025 to 2026 % Change	Six Months Ended June 30,		2025 to 2026 % Change
	2026	2025		2026	2025	
Visits	2,529	2,590	(2)%	4,805	4,944	(3)%

Unique Users

Measuring unique users is important to us because much of our revenue depends in part on our ability to connect home buyers and sellers, renters and individuals with or looking for a mortgage to real estate, rental and mortgage professionals, products and services. Growth in consumer traffic to our mobile apps and websites increases the number of impressions, clicks, connections, leads and other events we can monetize to generate revenue. For example, our revenue depends in part, on users accessing our mobile apps and websites to engage in the sale, purchase, renting and financing of homes, including with Zillow Home Loans, and a significant portion of our Residential revenue, Rentals revenue and Other revenue depends on advertisements being served to users of our mobile apps and websites.

We count a unique user the first time an individual accesses one of our mobile apps using a mobile device during a calendar month and the first time an individual accesses one of our websites using a web browser during a calendar month. If an individual accesses our mobile apps using different mobile devices within a given month, the first instance of access by each such mobile device is counted as a separate unique user. If an individual accesses more than one of our mobile apps within a given month, the first access to each mobile app is counted as a separate unique user. If an individual accesses our websites using different web browsers within a given month, the first access by each such web browser is counted as a separate unique user. If an individual accesses more than one of our websites in a single month, the first access to each website is counted as a separate unique user since unique users are tracked separately for each domain.

Zillow, StreetEasy, and HotPads measure unique users using an internal measurement tool, and Trulia measures unique users with Adobe Analytics.

Due to technological limitations, user software settings, or user behavior, our internal measurement tool may assign a unique cookie to different instances of access by the same individual to our mobile apps and websites. In such instances, although this tool captures the number of unique users in accordance with the defined methodology, there are inherent limitations in measuring the number of unique individuals accessing our mobile apps and websites.

The following table presents our average monthly unique users for the periods presented (in millions, except percentages):

	Three Months Ended June 30,		2025 to 2026 % Change	Six Months Ended June 30,		2025 to 2026 % Change
	2026	2025		2026	2025	
Average monthly unique users	239	243	(2)%	229	235	(3)%

For Sale Revenue Per Total Transaction Value

For Sale revenue per TTV is an important metric because it is an indicator of our For Sale revenue performance relative to the residential real estate industry. To evaluate how our investments drive performance relative to industry growth, we use this metric to measure our ability to both connect and convert more buyers and sellers to transact with us and to grow revenue per customer transaction.

We calculate For Sale revenue per TTV as total For Sale revenue for the relevant period divided by the aggregate TTV for the same period. TTV is calculated as the number of existing residential homes sold during the relevant period multiplied by the average sales price of existing residential homes sold during the same period.

Prior to the three months ended December 31, 2025, TTV was calculated and reported using existing-home sales and average sales price data collected and estimated by Zillow Group as published monthly on our site. Beginning with the three months ended December 31, 2025, we calculate and report TTV using existing-home sales and average sales price data published by NAR, an industry-standard, publicly available source of residential real estate transaction data. We made this change to align the calculation of TTV with a widely used industry data source. We believe the use of the NAR data improves comparability of the metric over time.

We have recast TTV and For Sale revenue per TTV for the twelve months ended June 30, 2025 to conform with the revised TTV methodology used for the twelve months ended June 30, 2026, described above. The change in methodology to calculate TTV resulted in an approximately 26% increase in TTV and 20% decrease in For Sale revenue per TTV reported for the twelve months ended June 30, 2025, primarily due to differences in existing residential homes sold and average sales price of existing residential homes sold for the period as collected and estimated by Zillow Group compared to as reported by NAR.

Zillow Group's presentation of TTV is derived from third-party data published by NAR, which may be subject to revisions, updates, or changes in methodology. While we believe NAR's data provides a reliable measure of industry transaction data, changes to the underlying data or methodologies could affect TTV and, as a result, For Sale revenue per TTV in future periods.

The following table presents our For Sale revenue per TTV for the periods presented:

	Twelve Months Ended June 30,		2025 to 2026 % Change
	2026	2025	
For Sale revenue (in millions)	\$ 2,026	\$ 1,812	12 %
Total Transaction Value (in trillions) ⁽¹⁾	\$ 2.3	\$ 2.2	4 %
For Sale revenue per Total Transaction Value (in basis points)	8.8	8.2	7 %

⁽¹⁾ Estimate for the twelve months ended June 30, 2026 is as of July 2026.

Loan Origination Volume

Loan origination volume is an important metric as it is a measure of how successful we are at the origination of mortgage loan products through our Zillow Home Loans mortgage origination operations, which directly impacts our Mortgages revenue. Loan origination volume represents the total value of mortgage loan originations closed through Zillow Home Loans during the period.

The following table presents loan origination volume by purpose and in total for Zillow Home Loans for the periods presented (in millions, except percentages):

	Three Months Ended June 30,		2025 to 2026 % Change	Six Months Ended June 30,		2025 to 2026 % Change
	2026	2025		2026	2025	
Purchase loan origination volume	\$ 2,174	\$ 1,116	95 %	\$ 3,722	\$ 1,907	95 %
Refinance loan origination volume	7	10	(30)%	29	15	93 %
Total loan origination volume	<u>\$ 2,181</u>	<u>\$ 1,126</u>	<u>94 %</u>	<u>\$ 3,751</u>	<u>\$ 1,922</u>	<u>95 %</u>

During the three and six months ended June 30, 2026, total loan origination volume increased 94% and 95%, respectively, compared to the three and six months ended June 30, 2025. This increase was primarily driven by the continued growth in Zillow Home Loans purchase loan originations in line with our strategic priorities.

Results of Operations

Given continued uncertainty surrounding the health of the housing market, interest rate environment and inflationary conditions, financial performance for current and prior periods may not be indicative of future performance.

Revenue

	Three Months Ended June 30,		2025 to 2026		% of Total Revenue Three Months Ended June 30,	
	2026	2025	\$ Change	% Change	2026	2025
(in millions, except percentages, unaudited)						
Revenue:						
For Sale revenue:						
Residential	\$ 465	\$ 434	\$ 31	7 %	60 %	66 %
Mortgages	84	48	36	75	11	7
Total For Sale revenue	<u>549</u>	<u>482</u>	<u>67</u>	<u>14</u>	<u>71</u>	<u>74</u>
Rentals	209	159	50	31	27	24
Other	14	14	—	—	2	2
Total revenue	<u>\$ 772</u>	<u>\$ 655</u>	<u>\$ 117</u>	<u>18 %</u>	<u>100 %</u>	<u>100 %</u>

	Six Months Ended June 30,		2025 to 2026		% of Total Revenue	
					Six Months Ended June 30,	
	2026	2025	\$ Change	% Change	2026	2025
(in millions, except percentages, unaudited)						
Revenue:						
For Sale revenue:						
Residential	\$ 915	\$ 851	\$ 64	8 %	62 %	68 %
Mortgages	148	89	59	66	10	7
Total For Sale revenue	1,063	940	123	13	72	75
Rentals	392	288	104	36	26	23
Other	25	25	—	—	2	2
Total revenue	\$ 1,480	\$ 1,253	\$ 227	18 %	100 %	100 %

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

Total revenue increased \$117 million, or 18%, to \$772 million:

For Sale Revenue

- Mortgages revenue increased \$36 million, or 75%, primarily driven by a \$38 million increase in mortgage originations revenue. The increase in mortgage originations revenue was primarily due to a 94% increase in total loan origination volume to \$2.2 billion for the three months ended June 30, 2026 from \$1.1 billion for the three months ended June 30, 2025. This increase was largely driven by continued growth in Zillow Home Loans purchase loan origination volume as we continued expanding the integrated transaction experience.
- Residential revenue increased \$31 million, or 7%. The increase in Residential revenue was primarily driven by a 10% increase in Residential revenue per visit to \$0.184 for the three months ended June 30, 2026 from \$0.168 for the three months ended June 30, 2025, primarily due to growth in our Premier Agent revenue driven by continued improvement in our ability to connect high-intent customers to agents, an increase in Zillow Showcase revenue driven by increasing adoption of our enhanced listing features by sellers and listing agents, and continued growth in new construction revenue. We calculate Residential revenue per visit by dividing the revenue generated by our Residential offerings by the number of visits in the period. We expect Residential revenue to decrease in absolute dollars during the three months ending September 30, 2026, due to housing market seasonality and as we continue to scale our Zillow Preferred model resulting in a continued shift in revenue from Residential to Mortgages as we bring the integrated transaction to more consumers.

Rentals Revenue

- Rentals revenue increased \$50 million, or 31%. The increase in Rentals revenue was primarily due to a 28% increase in quarterly revenue per average monthly rentals unique visitor to \$5.65 for the three months ended June 30, 2026 from \$4.42 for the three months ended June 30, 2025, primarily driven by a 42% increase in multifamily rentals revenue due to growth in multifamily property listings and in revenue per property as property managers upgraded to more comprehensive advertising packages. We calculate quarterly revenue per average monthly rentals unique visitor by dividing total Rentals revenue for the period by the average monthly rentals unique visitors for the period and then dividing by the number of quarters in the period. The increase in Rentals revenue was also driven by growth in average monthly rentals unique visitors, which increased 3% to 37 million during the three months ended June 30, 2026 from 36 million during the three months ended June 30, 2025. We have estimated average monthly rentals unique visitors using Comscore data, which measures average monthly unique visitors on rental listings on Zillow's, Trulia's and HotPads' mobile apps and websites, and on Realtor.com and beginning in February 2025, Redfin and its sites, including Rent.com and ApartmentGuide.com. We expect Rentals revenue to increase in absolute dollars during the three months ending September 30, 2026, primarily driven by continued growth in multifamily revenue from the addition of new rental properties.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Total revenue increased \$227 million, or 18%, to \$1.5 billion:

For Sale Revenue

- Residential revenue increased \$64 million, or 8%. The increase in Residential revenue was primarily driven by an 11% increase in Residential revenue per visit to \$0.190 for the six months ended June 30, 2026 from \$0.172 for the six months ended June 30, 2025, primarily due to growth in our Premier Agent revenue driven by continued improvement in our ability to connect high-intent customers to agents, an increase in Zillow Showcase revenue driven by increasing adoption of our enhanced listing features by sellers and listing agents, continued growth in new construction revenue and Follow Up Boss revenue.
- Mortgages revenue increased \$59 million, or 66%, primarily driven by a \$64 million increase in mortgage originations revenue. The increase in mortgage originations revenue was primarily due to a 95% increase in total loan origination volume to \$3.8 billion for the six months ended June 30, 2026 from \$1.9 billion for the six months ended June 30, 2025. This increase was largely driven by continued growth in Zillow Home Loans purchase loan origination volume as we continued expanding the integrated transaction experience.

Rentals Revenue

- Rentals revenue increased \$104 million, or 36%. The increase in Rentals revenue was driven by a 25% increase in quarterly revenue per average monthly rentals unique visitor to \$5.44 for the six months ended June 30, 2026 from \$4.36 for the six months ended June 30, 2025, primarily driven by a 48% increase in multifamily rentals revenue due to growth in multifamily property listings and in revenue per property as property managers upgraded to more comprehensive advertising packages. The increase in Rentals revenue was also driven by growth in average monthly rentals unique visitors, which increased 9% to 36 million during the six months ended June 30, 2026 from 33 million during the six months ended June 30, 2025.

Adjusted EBITDA

The following table summarizes net income (loss) and Adjusted EBITDA (in millions, except percentages):

	Three Months Ended June 30,		2025 to 2026		% of Revenue	
	2026		2025		Three Months Ended June 30,	
	2026	2025	\$ Change	% Change	2026	2025
Net income (loss)	\$ (4)	\$ 2	\$ (6)	(300)%	(1)%	— %
Adjusted EBITDA	\$ 176	\$ 155	\$ 21	14 %	23 %	24 %

	Six Months Ended June 30,		2025 to 2026		% of Revenue	
	2026		2025		Six Months Ended June 30,	
	2026	2025	\$ Change	% Change	2026	2025
Net income	\$ 42	\$ 10	\$ 32	320 %	3 %	1 %
Adjusted EBITDA	\$ 374	\$ 308	\$ 66	21 %	25 %	25 %

To provide investors with additional information regarding our financial results, we have disclosed Adjusted EBITDA, a non-GAAP financial measure, in this Quarterly Report on Form 10-Q. We have provided a reconciliation below of Adjusted EBITDA to net income (loss), the most directly comparable GAAP financial measure.

We have included Adjusted EBITDA in this Quarterly Report on Form 10-Q as it is a key metric used by our management and Board to measure operating performance and trends and to prepare and approve our annual budget. In particular, we believe the exclusion of certain expenses in calculating Adjusted EBITDA facilitates operating performance comparisons on a period-to-period basis.

Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider this measure in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not consider the potentially dilutive impact of share-based compensation;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect restructuring costs;
- Adjusted EBITDA does not reflect interest expense or other income, net;
- Adjusted EBITDA does not reflect income taxes;
- Adjusted EBITDA does not reflect certain litigation costs directly associated with our pending antitrust litigation brought by the FTC and state attorneys general (“FTC Matter”), consisting of legal fees and related expenses that we have determined arise outside the ordinary course of our business and are nonrecurring, infrequent, or unusual. In making this determination, we considered the following factors: (1) the FTC Matter is the first legal proceeding of this nature brought against us, and we do not currently expect similar proceedings to recur; (2) the nature of the remedies sought by the FTC, including, among other things, a permanent injunction and a divestiture of assets or reconstruction of businesses, differs from the relief typically sought in our ordinary course litigation; and (3) the counterparties are a federal regulatory agency and state attorneys generals, which are distinct from the type of counterparties involved in our ordinary course litigation; and
- Other companies, including companies in our own industry, may calculate Adjusted EBITDA differently from the way we do, limiting its usefulness as a comparative measure.

Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including various cash-flow metrics, net income (loss) and our other GAAP results.

The following table presents a reconciliation of Adjusted EBITDA to net income (loss) for each of the periods presented (in millions, unaudited):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss)	\$ (4)	\$ 2	\$ 42	\$ 10
Income taxes	1	—	3	—
Other income, net	(13)	(18)	(29)	(40)
Depreciation and amortization	65	67	130	132
Share-based compensation	75	99	156	196
Restructuring costs	36	—	36	—
FTC Matter litigation costs ⁽¹⁾	10	—	26	—
Interest expense	6	5	10	10
Adjusted EBITDA	<u>\$ 176</u>	<u>\$ 155</u>	<u>\$ 374</u>	<u>\$ 308</u>

⁽¹⁾ Beginning with the three months ended June 30, 2026, we calculate and report Adjusted EBITDA excluding litigation costs directly associated with the FTC Matter, which we have determined to be nonrecurring, infrequent, or unusual and outside the ordinary course of our business. We have revised Adjusted EBITDA for the three months ended March 31, 2026 to conform to the current period presentation. As a result of this revision, Adjusted EBITDA for the three months ended March 31, 2026 increased by \$16 million, from \$182 million as previously reported to \$198 million.

Costs and Expenses, Gross Profit and Other Items

	Three Months Ended June 30,		2025 to 2026		% of Total Revenue Three Months Ended June 30,	
	2026	2025	\$ Change	% Change	2026	2025
	(in millions, except percentages, unaudited)					
Cost of revenue	\$ 210	\$ 166	\$ 44	27 %	27 %	25 %
Gross profit	562	489	73	15	73	75
Operating expenses:						
Sales and marketing	249	226	23	10	32	35
Technology and development	156	153	3	2	20	23
General and administrative	131	121	10	8	17	18
Restructuring costs	36	—	36	—	5	—
Total operating expenses	572	500	72	14	74	76
Other income, net	13	18	(5)	(28)	2	3
Interest expense	6	5	1	20	1	1
Income tax expense	1	—	1	—	—	—

	Six Months Ended June 30,		2025 to 2026		% of Total Revenue Six Months Ended June 30,	
	2026	2025	\$ Change	% Change	2026	2025
	(in millions, except percentages, unaudited)					
Cost of revenue	\$ 399	\$ 305	\$ 94	31 %	27 %	24 %
Gross profit	1,081	948	133	14	73	76
Operating expenses:						
Sales and marketing	459	424	35	8	31	34
Technology and development	306	302	4	1	21	24
General and administrative	254	242	12	5	17	19
Restructuring costs	36	—	36	—	2	—
Total operating expenses	1,055	968	87	9	71	77
Other income, net	29	40	(11)	(28)	2	3
Interest expense	10	10	—	—	1	1
Income tax expense	3	—	3	—	—	—

Cost of Revenue

Cost of revenue consists of expenses related to operating our mobile apps and websites, including associated headcount-related expenses, such as salaries, benefits, bonuses and share-based compensation expense, as well as revenue-sharing costs, depreciation expense, and costs associated with hosting our mobile apps and websites. Cost of revenue also includes amortization costs related to capitalized website and development activities, amortization of software, amortization of certain intangible assets and other costs to obtain data used to populate our mobile apps and websites, and amortization of certain intangible assets recorded in connection with acquisitions, including developed technology. Cost of revenue also includes credit card fees and ad serving costs paid to third parties, direct costs to provide our rental applications product, and direct costs to originate mortgage loans, including underwriting and processing costs.

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

Cost of revenue increased \$44 million, or 27%, primarily driven by increases of \$29 million in lead acquisition costs, primarily associated with our Redfin rentals syndication agreement, \$6 million in mortgage loan processing costs due to increased purchase loan origination volume, \$4 million in software and hardware costs, \$3 million in ad serving costs to support the growth of our rentals marketplace, and \$3 million in headcount-related expenses to support loan fulfillment and processing costs driven by growth in Mortgages purchase loan origination volume.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Cost of revenue increased \$94 million, or 31%, primarily driven by increases of \$67 million in lead acquisition costs, primarily associated with our Redfin rentals syndication agreement, \$11 million in mortgage loan processing costs due to increased purchase loan origination volume, \$7 million in software and hardware costs, \$6 million in ad serving costs to support the growth of our rentals marketplace, and \$5 million in headcount-related expenses to support loan fulfillment and processing costs driven by growth in Mortgages purchase loan origination volume.

Gross Profit

Gross profit is calculated as revenue less cost of revenue. Gross margin is gross profit expressed as a percentage of revenue. Our gross profit has and will continue to be affected by a number of factors, including the mix of revenue from our various product offerings.

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

Gross profit increased by \$73 million, or 15%, primarily due to an increase in revenue, discussed above. Total gross margin decreased from 75% to 73%, primarily due to increased lead acquisition costs associated with our Redfin rentals syndication agreement.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Gross profit increased by \$133 million, or 14%, primarily due to an increase in revenue, discussed above. Total gross margin decreased from 76% to 73%, primarily due to increased lead acquisition costs associated with our Redfin rentals syndication agreement.

Sales and Marketing

Sales and marketing expenses consist of advertising costs and other sales expenses related to promotional and marketing activities, headcount-related expenses, including salaries, commissions, benefits, bonuses and share-based compensation expense for sales, sales support, customer support, including the customer connections team and mortgage loan officers and specialists, marketing and public relations employees, depreciation expense and amortization of certain intangible assets recorded in connection with acquisitions and strategic partnerships, including trade names and trademarks and customer relationships.

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

Sales and marketing expenses increased \$23 million, or 10%, primarily driven by increases of \$11 million in headcount-related expenses to support loan origination costs driven by growth in Mortgages purchase loan origination volume and \$9 million in marketing and advertising costs as we continue to invest in the growth of our business. We expect sales and marketing expenses to decrease in absolute dollars during the three months ending September 30, 2026 as marketing and advertising spend normalizes following strategic increases in the first half of the year.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Sales and marketing expenses increased \$35 million, or 8%, primarily driven by increases of \$20 million in headcount-related expenses to support loan origination costs driven by growth in Mortgages purchase loan origination volume and \$10 million in marketing and advertising costs as we continue to invest in the growth of our business.

Technology and Development

Technology and development expenses consist of headcount-related expenses, including salaries, benefits, bonuses and share-based compensation expense for individuals engaged in the design, development and testing of our products, mobile apps and websites and the tools and apps that support our products. Technology and development expenses also include equipment and software maintenance costs and depreciation expense.

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

Technology and development expenses increased \$3 million, or 2%, due to a \$9 million increase in software and hardware costs which was partially offset by an \$8 million decrease in headcount-related expenses driven primarily by a decrease in share-based compensation expense.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Technology and development expenses increased \$4 million, or 1%, due to a \$14 million increase in software and hardware costs which was partially offset by a \$12 million decrease in headcount-related expenses driven primarily by a decrease in share-based compensation expense.

General and Administrative

General and administrative expenses consist of headcount-related expenses, including salaries, benefits, bonuses and share-based compensation expense for executive, finance, accounting, legal, human resources, recruiting, corporate information technology costs and other administrative support. General and administrative expenses also include legal settlement costs and estimated legal liabilities, legal, accounting and other third-party professional service fees, rent expense, depreciation expense, and bad debt expense.

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

General and administrative expenses increased \$10 million, or 8%, primarily due to an increase of \$18 million in legal expenses which was partially offset by a \$12 million decrease in headcount-related expenses, driven primarily by a decrease in share-based compensation expense.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

General and administrative expenses increased \$12 million, or 5%, primarily due to an increase of \$29 million in legal expenses which was partially offset by a decrease of \$21 million in headcount-related expenses, including share-based compensation expense.

Restructuring Costs

Restructuring costs of \$36 million for the three and six months ended June 30, 2026 related to employee termination costs incurred as a result of the reduction in headcount announced on August 4, 2026. For additional information regarding our restructuring costs, see Note 14 to our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

Other Income, net

Other income, net consists primarily of interest income earned on our cash, cash equivalents and investments.

Other income, net decreased \$5 million and \$11 million for the three and six months ended June 30, 2026, respectively, as compared to the three and six months ended June 30, 2025, primarily due to lower interest income driven by a decrease in our investment balances as a result of share repurchases and the settlement of the 2025 Notes.

Income Taxes

We are subject to income taxes in the United States (federal and state) and certain foreign jurisdictions. As of June 30, 2026 and December 31, 2025, we have provided a valuation allowance against our net deferred tax assets that we believe, based on the weight of available evidence, are not more likely than not to be realized. There is a reasonable possibility that within the next several quarters, sufficient positive evidence will become available to demonstrate that a significant portion of the valuation allowance against our U.S. net deferred tax assets will no longer be required. We have accumulated federal tax losses of approximately \$1.8 billion as of December 31, 2025, which are available to reduce future taxable income. We have accumulated state tax losses of approximately \$70 million (tax effected) as of December 31, 2025.

Income tax expense was not material for the three and six month periods ended June 30, 2026 or 2025.

Liquidity and Capital Resources

Our primary sources of liquidity and capital resources are cash flows from operations and debt financing. Our cash requirements consist principally of working capital, general corporate needs and mortgage loan originations. We continue to invest in the development and expansion of our operations using available cash flows from operations. Ongoing investments include, but are not limited to, improvements in our technology platforms, investments in new products and services, and continued investments in sales and marketing. We also use cash flows from operations to service our debt obligations and to repurchase Class A common stock, Class C capital stock, or a combination thereof through our Repurchase Authorizations or otherwise.

Sources of Liquidity

As of June 30, 2026 and December 31, 2025, we had cash and cash equivalents, investments and restricted cash of \$688 million and \$1.3 billion, respectively. Cash and cash equivalents balances consist of operating cash on deposit with financial institutions, money market funds, and, from time to time, U.S. government treasury securities and commercial paper. Investments consist of fixed income securities, which include investment grade corporate securities, U.S. government treasury securities, commercial paper, and U.S. government agency securities. Restricted cash primarily consists of amounts used to fund customer home purchases in our mortgage origination operations. Amounts on deposit with third-party financial institutions exceed the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation insurance limits, as applicable. As of June 30, 2026, Zillow Group and its subsidiaries were in compliance with all debt covenants specified in the facilities described below.

On January 30, 2026, Zillow Group entered into a \$500 million Revolving Credit Facility by and among Zillow Group, MFTB Holdco, Inc., Zillow, Inc. (the “Borrower”), the lenders from time to time party thereto, Goldman Sachs Bank USA as administrative agent and as issuing bank, and other issuing banks from time to time party thereto. The Revolving Credit Facility may be increased by up to an additional \$250 million subject to the terms of the credit agreement. Revolving loans may be borrowed, repaid and reborrowed under the Revolving Credit Facility until January 30, 2031, at which time all amounts borrowed must be repaid. Revolving loans may be prepaid, and revolving loan commitments may be permanently reduced by the Borrower in whole or in part, without penalty or premium. We have not drawn any amounts under the Revolving Credit Facility as of the date of this Quarterly Report on Form 10-Q.

We believe that cash from operations and cash and cash equivalents and investment balances will be sufficient to meet our ongoing operating activities, working capital, capital expenditures, strategic acquisitions and investments and other capital requirements for at least the next 12 months, though we may choose to utilize our Revolving Credit Facility. We believe we will meet longer-term expected future cash requirements and obligations through a combination of cash flows from operations, debt financing, including the Revolving Credit Facility, and equity offerings, as applicable.

Summarized Cash Flow Information

The following table presents selected cash flow data for the periods presented (in millions, unaudited):

	Six Months Ended June 30,	
	2026	2025
Cash Flow Data:		
Net cash provided by operating activities	\$ 211	\$ 191
Net cash provided by investing activities	325	25
Net cash used in financing activities	(731)	(709)
Adjusted free cash flow	223	188

Cash Flows Provided By Operating Activities

Our operating cash flows result primarily from cash received from real estate professionals, rental professionals, mortgage professionals, builders and brand advertisers, as well as cash received from sales of mortgages originated by Zillow Home Loans. Our primary uses of cash from operating activities include marketing and advertising activities, mortgages funded through Zillow Home Loans and employee compensation and benefits. Additionally, uses of cash from operating activities include costs associated with operating our mobile apps and websites and other general corporate expenditures.

For the six months ended June 30, 2026, net cash provided by operating activities was \$211 million. This was primarily driven by net income of \$42 million, adjusted by share-based compensation of \$169 million, depreciation and amortization of \$130 million, amortization of contract cost assets of \$13 million, amortization of right of use assets of \$4 million, and \$13 million in other adjustments to reconcile net income to net cash provided by operating activities. Changes in operating assets and liabilities decreased net cash provided by operating activities by \$134 million. The changes in operating assets and liabilities are primarily related to a \$108 million increase in mortgage loans held for sale due to the timing of loan sales, a \$94 million increase in prepaid expenses and other assets primarily due to an increase in accrued revenue, a \$26 million increase in accounts receivable primarily due to an increase in revenue from products and services billed in arrears, a \$13 million increase in contract cost assets primarily due to an increase in capitalized sales commissions, a \$7 million decrease in lease liabilities due to contractual lease payments, and a \$4 million decrease in deferred revenue. These changes were partially offset by a \$49 million increase in accrued expenses and other current liabilities, a \$36 million increase in accounts payable, and a \$32 million increase in accrued compensation and benefits, each primarily driven by the timing of payments.

For the six months ended June 30, 2025, net cash provided by operating activities was \$191 million. This was driven by net income of \$10 million, adjusted by share-based compensation of \$196 million, depreciation and amortization of \$132 million, amortization of contract cost assets of \$10 million, amortization of right of use assets of \$4 million, and \$9 million in other adjustments to reconcile net income to net cash provided by operating activities. Changes in operating assets and liabilities decreased net cash provided by operating activities by \$152 million. The changes in operating assets and liabilities are primarily related to a \$91 million increase in mortgage loans held for sale due to an increase in purchase loan origination volume, a \$47 million increase in accounts receivable primarily due to an increase in revenue from products and services billed in arrears, a \$46 million increase in prepaid expenses and other current assets primarily due to an increase in accrued revenue, a \$13 million increase in contract cost assets primarily due to an increase in capitalized sales commissions, and a \$6 million decrease in lease liabilities due to contractual lease payments. These changes were partially offset by a \$26 million increase in accounts payable and an \$18 million increase in accrued expenses and other current liabilities, both primarily driven by the timing of payments, and an \$8 million increase in deferred revenue attributable to the timing of revenue recognition.

Cash Flows Provided By Investing Activities

Our primary investing activities include the purchase and sale or maturity of investments and the purchase of property and equipment and intangible assets.

For the six months ended June 30, 2026, net cash provided by investing activities was \$325 million. This was primarily related to \$414 million of net proceeds from maturities and sales of investments, partially offset by \$89 million of purchases of property and equipment and intangible assets.

For the six months ended June 30, 2025, net cash provided by investing activities was \$25 million. This was primarily related to \$213 million of net proceeds from maturities and sales of investments. These inflows were partially offset by \$188 million of purchases of property and equipment and intangible assets, including a \$100 million payment in connection with the partnership we entered into with Redfin in February 2025.

Cash Flows Used In Financing Activities

Our primary financing activities include repurchases of Class A common stock and Class C capital stock, the exercise of employee option awards, repayments of borrowings on our master repurchase agreements related to Zillow Home Loans, and the payment of contingent consideration up to its acquisition-date fair value.

For the six months ended June 30, 2026, net cash used in financing activities was \$731 million, which primarily related to \$826 million of cash paid for share repurchases and \$27 million related to the settlement of the acquisition date fair value of the second Follow Up Boss contingent consideration earn out payment. The cash outflows were partially offset by \$101 million of net borrowings on our master repurchase agreements related to Zillow Home Loans and \$23 million of proceeds from the exercise of stock options.

For the six months ended June 30, 2025, net cash used in financing activities was \$709 million, which primarily related to \$419 million of cash paid for the settlement of the 2025 Notes, \$400 million of cash paid for share repurchases, and \$30 million related to the settlement of the acquisition date fair value of the first Follow Up Boss contingent consideration earn out payment. The cash outflows were partially offset by \$85 million of net borrowings on our master repurchase agreements related to Zillow Home Loans and \$55 million of proceeds from the exercise of option awards.

Adjusted Free Cash Flow

To provide investors with additional information regarding our liquidity, we have disclosed Adjusted free cash flow, a non-GAAP financial measure, in this Quarterly Report on Form 10-Q. We have provided a reconciliation below of Adjusted free cash flow to net cash provided by operating activities, the most directly comparable GAAP financial measure. We define Adjusted free cash flow as net cash provided by operating activities adjusted for purchases of property and equipment, purchases of intangible assets, net borrowings on master repurchase agreements, and the initial payment in connection with the Redfin rentals partnership. Borrowings on master repurchase agreements are used to fund Zillow Home Loans mortgage loan originations, and we consider them part of our ongoing liquidity management. The initial payment in connection with the Redfin rentals partnership was considered a one-time and nonrecurring cash flow, and we exclude it from our calculation as we believe it impacts the ability to evaluate the liquidity of our business operations on a period-to-period basis.

We have included Adjusted free cash flow in this Quarterly Report on Form 10-Q as it is a key metric used by our management to evaluate the effectiveness of our business strategies and execution and our ability to consistently generate cash from our core operations on a period-to-period basis.

Our use of Adjusted free cash flow has limitations as an analytical tool, and you should not consider this measure in isolation or as a substitute for analysis of our results as reported under GAAP. Adjusted free cash flow does not represent the residual cash flow available for discretionary expenditures. Other companies, including companies in our own industry, may calculate Adjusted free cash flow differently from the way we do, limiting its usefulness as a comparative measure.

The following table provides a reconciliation of Adjusted free cash flow to net cash provided by operating activities for the periods presented (in millions, unaudited):

	Six Months Ended June 30,	
	2026	2025
Net cash provided by operating activities	\$ 211	\$ 191
Purchases of property and equipment	(70)	(73)
Purchases of intangible assets	(19)	(115)
Net borrowings on master repurchase agreements	101	85
Initial payment in connection with Redfin rentals partnership	—	100
Adjusted free cash flow	<u>\$ 223</u>	<u>\$ 188</u>

Capital Resources

Revolving Credit Facility

On January 30, 2026, Zillow Group entered into a \$500 million Revolving Credit Facility, which may be increased by up to an additional \$250 million subject to the terms of the credit agreement. Borrowings under the facility bear interest at a floating rate based on either an alternative base rate, as defined in the credit agreement, or SOFR, in each case plus an applicable margin, determined by Zillow Group's total net leverage ratio. The facility matures on January 30, 2031. As of June 30, 2026, no amounts were outstanding under the Revolving Credit Facility. Refer to Note 6 of our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q for additional information on our Revolving Credit Facility.

Share Repurchases

On March 4, 2026, the Board authorized the repurchase of up to an additional \$1.25 billion of our Class A common stock, Class C capital stock, or a combination thereof, which increased our total cumulative Repurchase Authorizations to \$4.8 billion as of June 30, 2026. On June 3, 2026, the Board approved an amendment to the Repurchase Authorizations, pursuant to which, effective June 3, 2026, no repurchase of shares under the Repurchase Authorizations is permitted if, after giving effect to such repurchase, any single shareholder would beneficially own more than 45% of the then-outstanding voting power of the Company's voting securities. During the six months ended June 30, 2026, we repurchased 4.8 million shares of Class A common stock and 14.3 million shares of Class C capital stock at an average price of \$45.25 and \$42.52 per share, respectively, for an aggregate purchase price of \$219 million and \$607 million, respectively, totaling \$826 million. As of June 30, 2026, \$1.1 billion remained available for future repurchases of our stock pursuant to the Repurchase Authorizations, which repurchases decrease our liquidity and capital resources when effected.

Master Repurchase Agreements

Zillow Home Loans operations impact our liquidity and capital resources as a cash intensive business that funds mortgage loans originated for resale in the secondary market. We primarily use debt financing to fund mortgage loan originations. The following table summarizes our master repurchase agreements as of the periods presented (in millions, except interest rates):

Lender	Maturity Date	Maximum Borrowing Capacity ⁽¹⁾	Outstanding Borrowings at June 30, 2026	Outstanding Borrowings at December 31, 2025	Weighted Average Interest Rate at June 30, 2026
JPMorgan Chase Bank, N.A. ⁽²⁾	April 22, 2027	\$ 200	\$ 159	\$ 126	5.18 %
Bank of Montreal ⁽³⁾	February 24, 2027	200	139	88	5.20 %
Bank of Nova Scotia ⁽⁴⁾	June 4, 2027	150	94	65	5.08 %
UBS AG	September 4, 2026	150	73	85	5.20 %
Total		<u>\$ 700</u>	<u>\$ 465</u>	<u>\$ 364</u>	

⁽¹⁾ Available borrowing capacity under our master repurchase agreements is primarily uncommitted.

⁽²⁾ Agreement was amended and renewed on April 23, 2026 to extend the maturity date to April 22, 2027.

⁽³⁾ Agreement was amended and renewed on February 25, 2026 to increase the total maximum borrowing capacity from \$150 million to \$200 million and to extend the maturity date to February 24, 2027.

⁽⁴⁾ Agreement was amended and renewed on June 5, 2026 to increase the total maximum borrowing capacity from \$100 million to \$150 million and to extend the maturity date to June 4, 2027.

Refer to Note 6 of our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q for additional information on Zillow Home Loans' master repurchase agreements.

Contractual Obligations and Other Commitments

Master Repurchase Agreements - Includes principal amounts due for amounts borrowed under the master repurchase agreements to finance mortgages originated through Zillow Home Loans. Principal amounts under the master repurchase agreements are due when the related mortgage loan is sold to an investor or directly to an agency. As of June 30, 2026, we have outstanding principal amounts of \$465 million.

Operating Lease Obligations - Our lease portfolio comprises operating leases for our office space. During the three months ended June 30, 2026, there were no material changes to our operating lease obligations disclosed in Note 7 in the Notes

to the Consolidated Financial Statements in Part II, Item 8 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Contingent Consideration - In connection with the acquisition of Follow Up Boss, we are obligated to pay contingent consideration upon the achievement of certain performance metrics over a three-year period measured at each anniversary of the closing date of the acquisition. For additional information regarding this contingent consideration, see Note 3 of our Notes to Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Purchase Obligations - We have non-cancelable purchase obligations for content related to our mobile apps and websites, certain cloud computing services and amounts due under certain partnership agreements. For additional information regarding our purchase obligations, see Note 11 to our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

Restructuring Payments - We expect to make future cash payments of approximately \$36 million to \$38 million related to the employee termination costs incurred as a result of the reduction in headcount announced on August 4, 2026. We expect these additional cash payments to be made primarily during the three months ending September 30, 2026. For additional information regarding our restructuring costs, see Note 14 to our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

Critical Accounting Estimates

Our condensed consolidated financial statements are prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and related disclosures. We evaluate our estimates, judgments and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates, and the health of the housing market and the broader economy have introduced significant additional uncertainty with respect to estimates, judgments and assumptions, which may materially impact our estimates. For information on our critical accounting policies and estimates, see Part II, Item 7 (Management's Discussion and Analysis of Financial Condition and Results of Operations) of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. There have been no material changes to our critical accounting policies and estimates as previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily consist of fluctuations in interest rates.

Interest Rate Risk

Under our current investment policy, we invest our excess cash in money market funds, U.S. government treasury securities, investment grade corporate securities, U.S. government agency securities and commercial paper. Our current investment policy seeks first to preserve capital, second to provide sufficient liquidity for our operating and capital needs and third to maximize yield.

Our short-term investments are exposed to market risk due to the fluctuation of prevailing interest rates that may reduce the yield on our investments or their fair value. For our investment portfolio, we do not believe an immediate 10% increase in interest rates would have a material effect on the fair market value of our portfolio.

We are also subject to market risk which may impact our mortgage loan origination volume and associated revenue and the net interest margin derived from borrowings under our master repurchase agreements that provide capital for Zillow Home Loans. Market risk occurs in periods where changes in short-term interest rates result in mortgage loans being originated with terms that provide a smaller interest rate spread above the financing terms of our master repurchase agreements, which can negatively impact our results of operations. This risk is primarily mitigated through the expedited sale of our loans. As of June 30, 2026 and December 31, 2025, we had \$465 million and \$364 million, respectively, of outstanding borrowings on our master repurchase agreements which bear interest at a floating rate based on SOFR plus an applicable margin, as defined by the governing agreements. We manage the interest rate risk associated with our mortgage loan origination services through the use of forward sales of MBSs and mandatory loan commitments. Assuming no change in the outstanding borrowings on the master repurchase agreements, we estimate that a one percentage point increase in SOFR would not have a material effect on our interest expense associated with the master repurchase agreements for the three months ended June 30, 2026.

On January 30, 2026, Zillow Group entered into a \$500 million Revolving Credit Facility, which may be increased by up to an additional \$250 million subject to the terms of the credit agreement. Borrowings under the facility bear interest at a floating rate based on either an alternative base rate, as defined in the credit agreement, or SOFR, in each case plus an applicable margin, determined by Zillow Group's total net leverage ratio. The facility matures on January 30, 2031. As of the date of this Quarterly Report on Form 10-Q, no amounts were outstanding under the Revolving Credit Facility; however, future borrowings would expose us to additional market risk.

For additional details related to our master repurchase agreements and Revolving Credit Facility, see Note 6 to our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

Inflation Risk

The macroeconomic environment in the United States has experienced, and continues to experience, inflationary pressures. These pressures may escalate due to geopolitical developments or changes in federal policy, including proposed or newly implemented tariffs. While it is difficult to accurately measure the impact of these inflationary pressures on our business, we believe these effects have been pervasive throughout our business during the past several years. During this time, ongoing inflationary pressures in the United States have led to increases in the federal funds rate. These increases have impacted other market rates derived from this benchmark rate, including mortgage interest rates. The persistently high mortgage interest rates across the industry relative to recent years has impacted the number of transactions consumers complete using our products and services and the demand for our advertising services and mortgage origination offerings and, in turn, had an adverse impact on our revenue.

If inflationary pressures persist, our costs, in particular labor, marketing and hosting costs, may increase and we may not be able to fully offset such higher costs through price increases. In addition, uncertain or changing economic and market conditions, including inflation or deflation, may continue to affect demand for our products and services and the housing markets in which we operate. Our inability or failure to quickly respond to inflation could harm our business, results of operations and financial condition. We cannot predict the duration or magnitude of these inflationary pressures, or how they may change over time, but we expect to see continued impacts on the residential real estate industry, our customers and our company. Despite these near-term effects, we do not expect these inflationary pressures to have a material impact on our ability to execute our long-term business strategy.

Foreign Currency Exchange Risk

We do not believe that foreign currency exchange risk has had a material effect on our business, results of operations or financial condition. As we do not currently have a significant exposure to foreign operations, we do not believe an immediate 10% increase or decrease in foreign currency exchange rates relative to the U.S. dollar would have a material effect on our business, results of operations or financial condition. However, as our operations expand, a greater portion of our operating expenses may be denominated in foreign currencies, and fluctuations in foreign exchange rates could increase our operating costs or adversely affect our results of operations.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Management, under the supervision and with the participation of our Chief Executive Officer and our Chief Operating & Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of June 30, 2026. Based on that evaluation, the Chief Executive Officer and the Chief Operating Officer & Chief Financial Officer concluded that these disclosure controls and procedures were effective as of June 30, 2026.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act, that occurred during the three months ended June 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

For information regarding legal proceedings in which we are involved, see Note 11 under the subsection titled “Legal Proceedings” in our Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

There have not been any material changes to the risk factors affecting our business, financial condition or future results from those set forth in Part I, Item 1A (Risk Factors) in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. You should carefully consider the risks described in our Annual Report on Form 10-K, which could materially affect our business, financial condition or future results. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

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

Unregistered Sales of Equity Securities

There were no unregistered sales of equity securities during the three months ended June 30, 2026.

Purchase of Equity Securities by the Issuer

The following table summarizes our share repurchases during the three months ended June 30, 2026 (in millions, except share data which are presented in thousands, and per share amounts):

Period	Total Number of Shares Purchased		Average Price Paid Per Share ⁽²⁾		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
	Class A common stock	Class C capital stock	Class A common stock	Class C capital stock		
April 1 - April 30, 2026	75	336	\$ 39.82	\$ 39.77	411	\$ 1,319
May 1 - May 31, 2026	450	1,776	37.90	37.50	2,226	1,235
June 1 - June 30, 2026	508	2,499	33.17	33.27	3,007	1,135
Total	1,033	4,611			5,644	

⁽¹⁾ On December 2, 2021, the Board authorized a share repurchase program granting the authority to repurchase up to \$750 million of Class A common stock, Class C capital stock or a combination of both. This authorization was supplemented with additional Board authorizations to increase the aggregate repurchase capacity to a total of \$3.5 billion and to allow for the repurchase of a portion of our convertible senior notes. On March 4, 2026, the Board authorized the repurchase of up to an additional \$1.25 billion of Class A common stock, Class C capital stock, or a combination thereof, increasing the total Repurchase Authorizations to \$4.8 billion. On June 3, 2026, the Board approved an amendment to the Repurchase Authorizations, pursuant to which, effective June 3, 2026, no repurchase of shares under the Repurchase Authorizations is permitted if, after giving effect to such repurchase, any single shareholder would beneficially own more than 45% of the then-outstanding voting power of the Company's voting securities. The Repurchase Authorizations do not have an expiration date.

⁽²⁾ Excludes excise taxes and commissions.

Item 5. Other Information

Trading Plans

On May 12, 2026, Claire Cormier Thielke, member of the Board, entered into a 10b5-1 sales plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. This 10b5-1 sales plan provides for the sale of an indeterminate number of shares of Class C capital stock related to the vesting of restricted stock units granted to Ms. Thielke. The number of shares of Class C capital stock that will be sold under this 10b5-1 sales plan is not yet determinable because certain future awards granted during the life of the plan that follow the same vesting schedule as existing awards under the plan may be covered by the terms of the plan. This 10b5-1 sales plan will become effective on August 11, 2026 and will terminate on March 3, 2027, subject to earlier termination as provided in the plan.

Item 6. Exhibits

The exhibits listed below are filed as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Description
3.1	<u>Amended and Restated Articles of Incorporation of Zillow Group, Inc. (Filed as Exhibit 3.1 to Registrant's Current Report on Form 8-K filed with the SEC on February 17, 2015, and incorporated herein by reference).</u>
3.2	<u>Amended and Restated Bylaws of Zillow Group, Inc. (Filed as Exhibit 3.1 to Registrant's Current Report on Form 8-K filed with the SEC on June 5, 2020, and incorporated herein by reference).</u>
31.1	<u>Certification of Chief Executive Officer pursuant to Rule 13-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2	<u>Certification of Chief Financial Officer pursuant to Rule 13-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1 [^]	<u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2 [^]	<u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the inline XBRL document).
[^]	The certifications attached as Exhibits 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the SEC and are not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Quarterly Report on Form 10-Q), irrespective of any general incorporation language contained in such filing.

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.

Dated: August 5, 2026

ZILLOW GROUP, INC.

By: /s/ JENNIFER ROCK
Name: Jennifer Rock
Title: Chief Accounting Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13-14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934 AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeremy Wacksman, certify that:

1. I have reviewed this report on Form 10-Q of Zillow Group, Inc. for the fiscal quarter ended June 30, 2026;
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 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 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.

By: /s/ JEREMY WACKSMAN

Name:

Jeremy Wacksman

Title: Chief Executive Officer

Date: August 5, 2026

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13-14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934 AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeremy Hofmann, certify that:

1. I have reviewed this report on Form 10-Q of Zillow Group, Inc. for the fiscal quarter ended June 30, 2026;
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 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 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.

By: /s/ JEREMY HOFMANN

Name: Jeremy Hofmann

Title: Chief Operating Officer & Chief Financial Officer

Date: August 5, 2026

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 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 on Form 10-Q of Zillow Group, Inc. (the “Company”) for the fiscal quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jeremy Wacksman, Chief Executive Officer of the Company, certify, pursuant to 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, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ JEREMY WACKSMAN

Name:

Jeremy Wacksman

Title: Chief Executive Officer

Date: August 5, 2026

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 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 on Form 10-Q of Zillow Group, Inc. (the “Company”) for the fiscal quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jeremy Hofmann, Chief Operating Officer & Chief Financial Officer of the Company, certify, pursuant to 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, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By:	<u>/s/ JEREMY HOFMANN</u>
Name:	Jeremy Hofmann
Title:	Chief Operating Officer & Chief Financial Officer
Date:	August 5, 2026