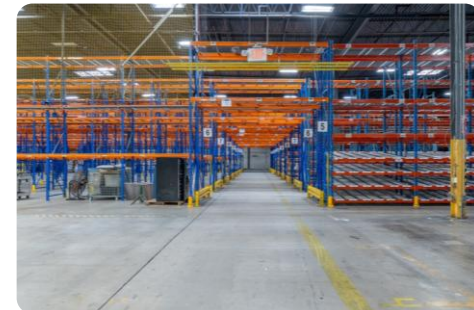




# Investor Presentation January 2026



## Forward Looking Statements

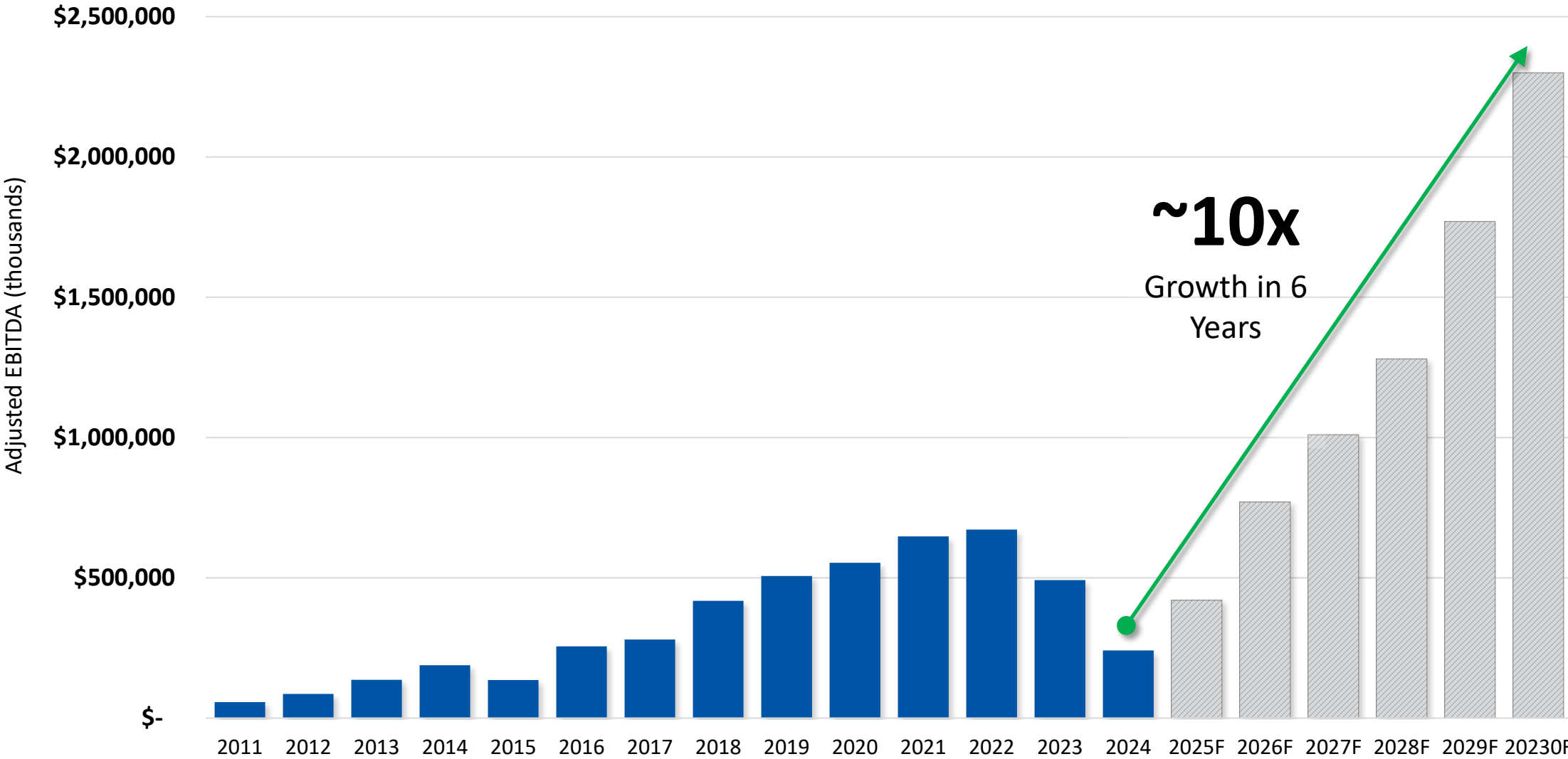
This investor presentation includes “forward-looking statements”.

Potential factors that may cause actual results to differ materially from those projected in these forward-looking statements are described in

CoStar Group’s periodic filings with the Securities and Exchange Commission (“SEC”), such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, including the “Risk Factors” sections of those documents. These filings can be accessed via the SEC’s website at [www.sec.gov](http://www.sec.gov).

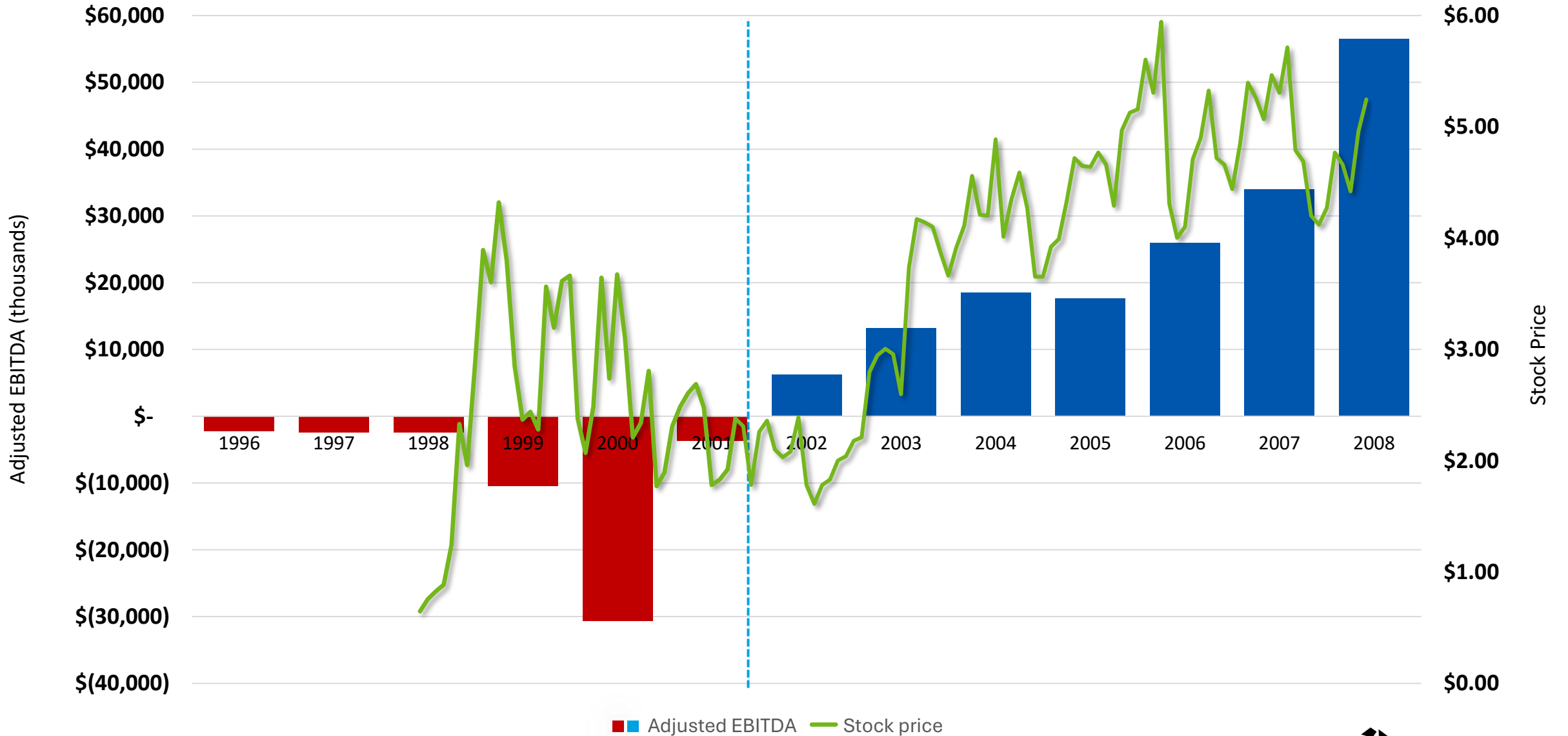
All forward-looking statements reflect information available to CoStar Group as of the date of this presentation, and CoStar Group undertakes no obligation to update or revise any forward-looking statements unless required by applicable law.

# Accelerating Adjusted EBITDA Growth After Successful Investment in Homes.com

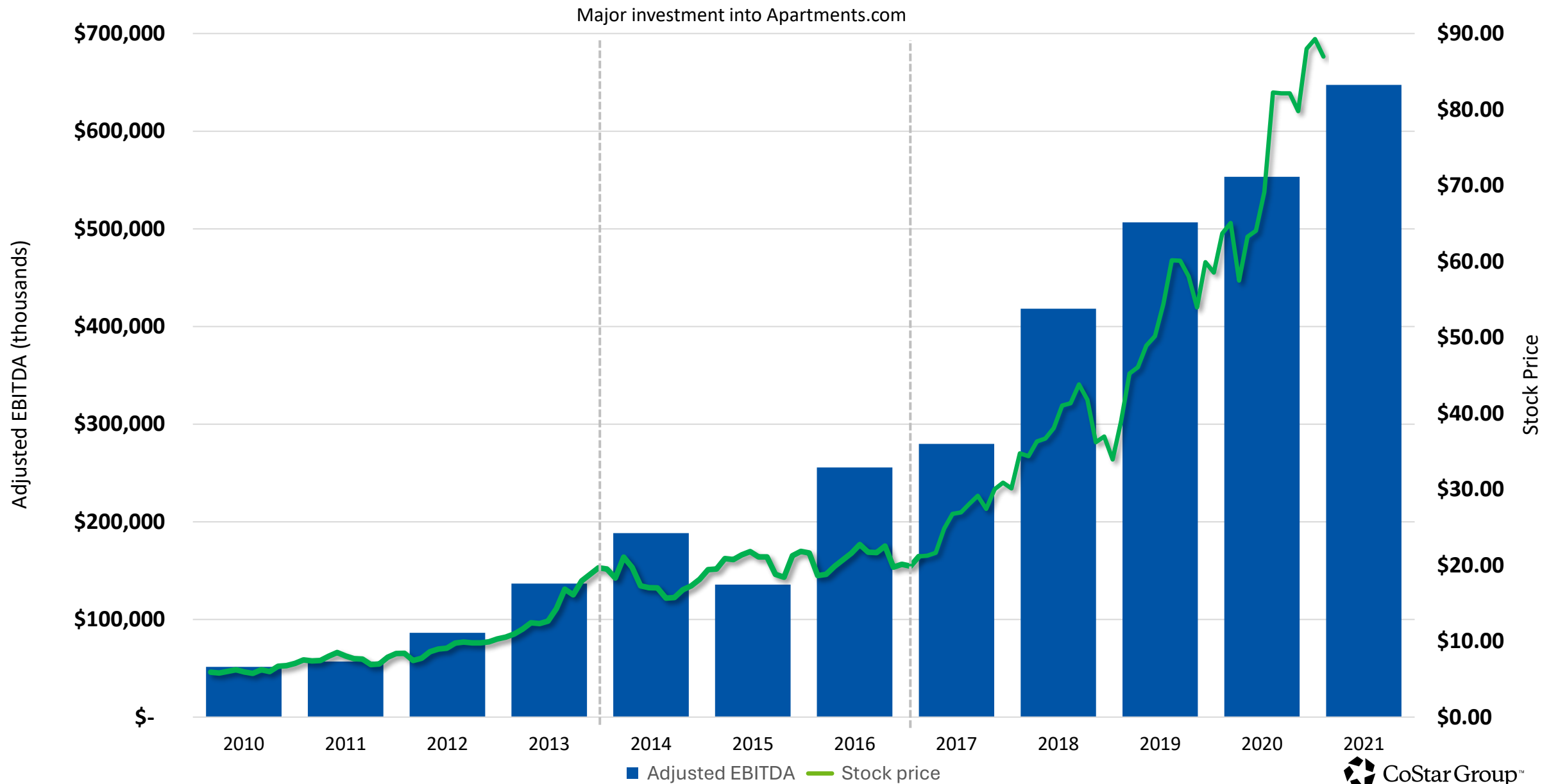


2025 forecast represents the midpoint of guidance ranges provided on October 28, 2025  
 2026 forecast represents the midpoint of guidance ranges provided on January 7, 2026  
 2028 forecast is in line with medium-term targets provided on January 7, 2026

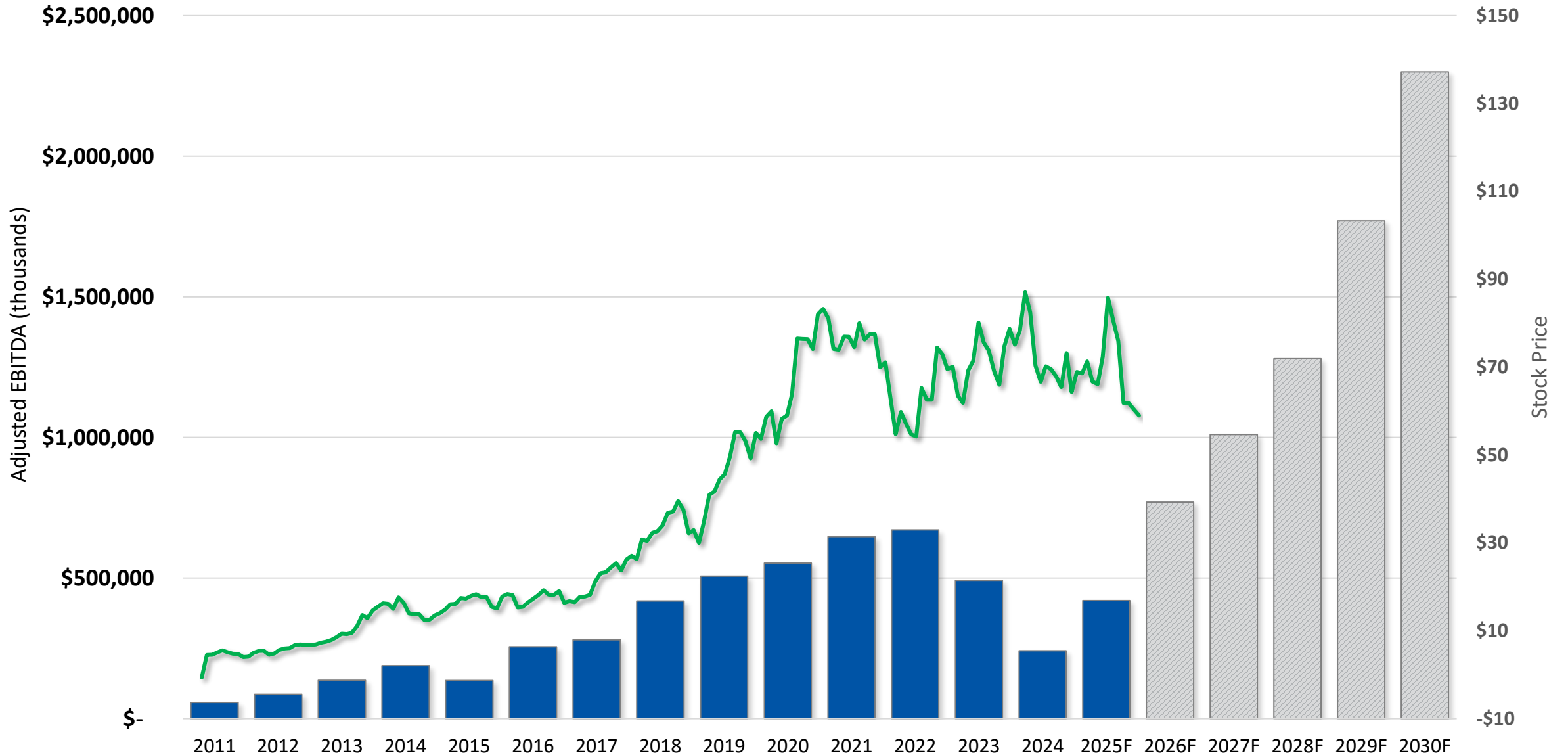
# In 2002 CoStar Group Grew Adjusted EBITDA as CoStar Investment Phase Ended



# In 2017 CoStar Group Grew Adjusted EBITDA After Apartments.com Investment



# CoStar Group Growing Adjusted EBITDA as a Major Investment Phase Ends









2025 forecast represents the midpoint of guidance ranges provided on October 28, 2025

2026 forecast represents the midpoint of guidance ranges provided on January 7, 2026

2028 forecast is in line with medium-term targets provided on January 7, 2026

## Since its IPO, CoStar has Realized IRRs of Between 17% - 39% on its Major Investments

PRODUCT	TOTAL PURCHASE PRICE	COMBINED INVESTMENT <sup>1</sup>	IRR	INVESTMENT RETURN MULTIPLE
 CoStar™	(\$918M)	(\$1,014M)	27%	14x
 Apartments.com™	(\$1,239M)	(\$1,371M)	33%	11x
 LoopNet™	(\$511M)	(\$512M)	20%	7x
 CoStar REAL ESTATE MANAGER™	(\$17M)	(\$19M)	39%	53x
 Land.com™	(\$82M)	(\$82M)	24%	8x
 BizBuySell™	(\$77M)	(\$77M)	17%	5x

Source: To calculate IRR and investment return multiples, CoStar estimates the market value of each brand, as of September 30, 2025, using 10-year historic average commercial revenue and Adjusted EBITDA multiples. The IRR is calculated using the combined investment, estimated market value and the time elapsed since the combined investment was completed, and investment valuation multiples are calculated by dividing market value by the combined investment.

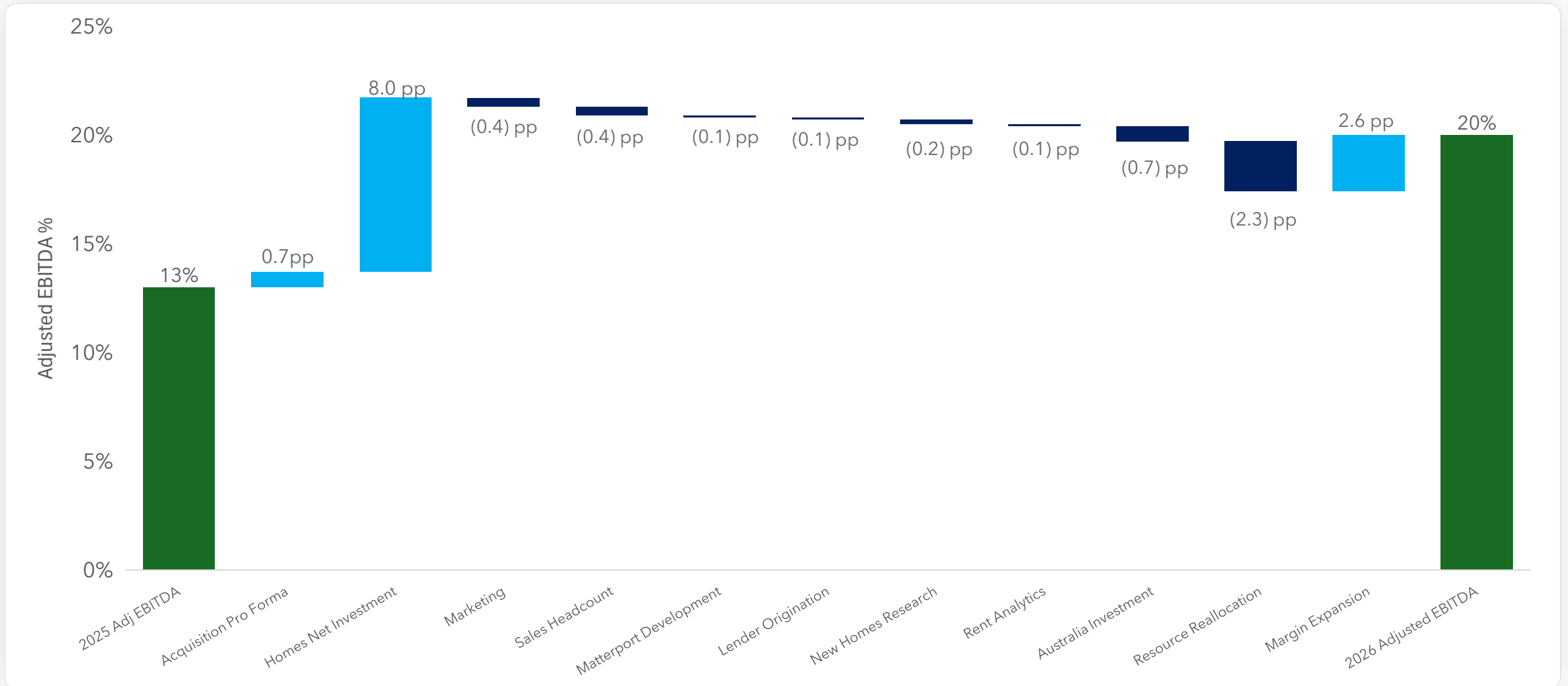
<sup>1</sup> Includes negative cash flow cycle before brands turned positive. Negative cash flow cycles by brand: CoStar \$96M; Apartments.com \$132M; LoopNet \$1M; CoStar Real Estate Manager \$2M

## 2026 Adjusted EBITDA Would be Highest in CoStar's History

	<u>2024 ACTUAL</u>	<u>2025 FORECAST</u>	<u>2026 GUIDANCE</u>
Revenue	\$ 2,736	\$ 3,235	\$ 3,800
Net Income / (Loss)	\$ 139	\$ (19)	\$ 195
Adjusted EBITDA	\$ 241	\$ 420	\$ 770
Adjusted EBITDA Margin	9%	13%	20%
Net Income (Loss) Per Share - Diluted	\$ 0.34	\$ (0.04)	\$ 0.47
Non-GAAP Net Income Per Share - Diluted	\$ 0.73	\$ 0.83	\$ 1.27
Shares Repurchased in \$	\$ -	\$ 500	~\$500

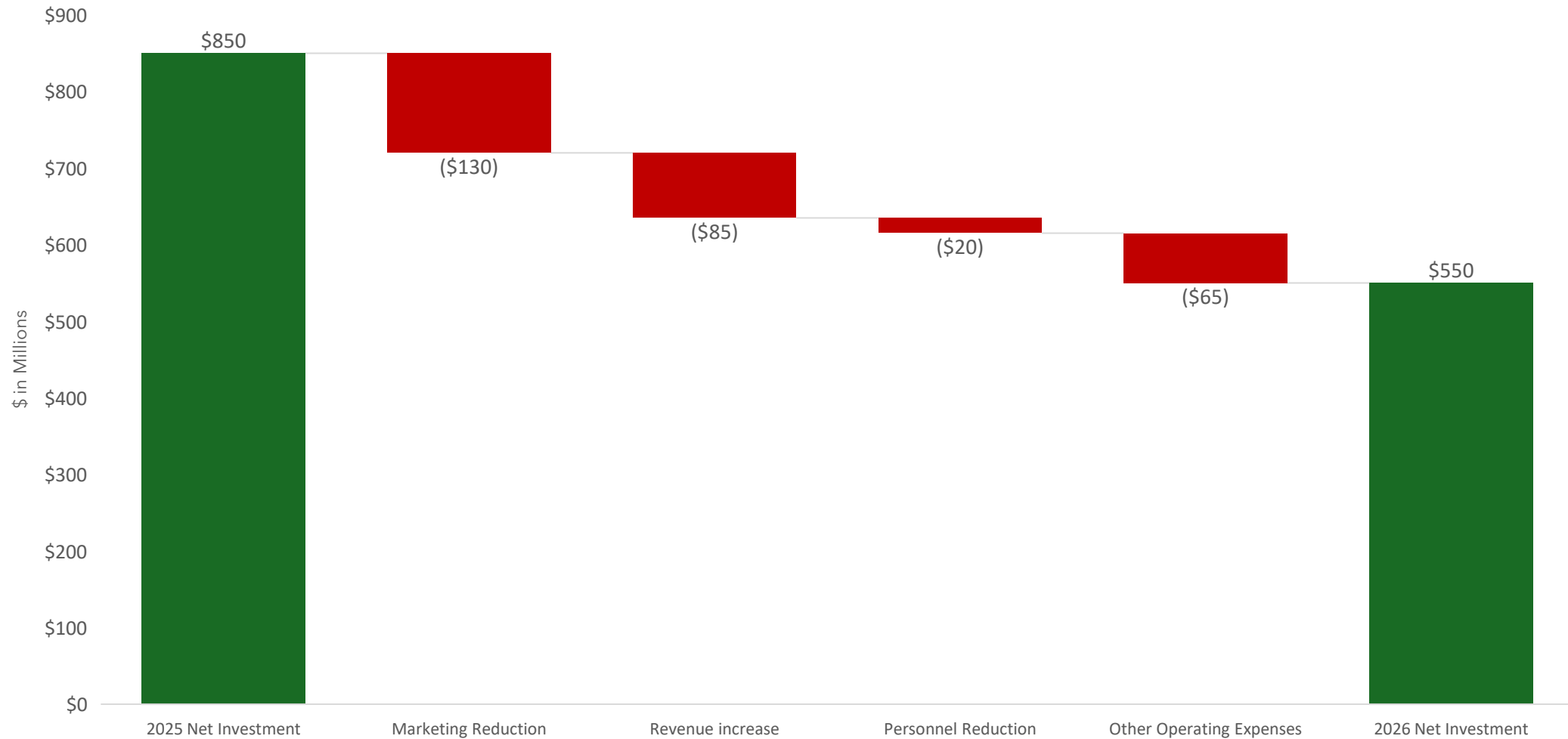
2025 forecast represents the midpoint of guidance ranges provided on October 28, 2025  
2026 guidance represents the midpoint of outlook ranges provided on January 7, 2026  
\$ in millions except per share amounts

# 2026 Adjusted EBITDA Margin Includes Strategic Investments in Products, Marketing, and Salesforce



# Net Investment In Homes.com Declines \$300M in 2026

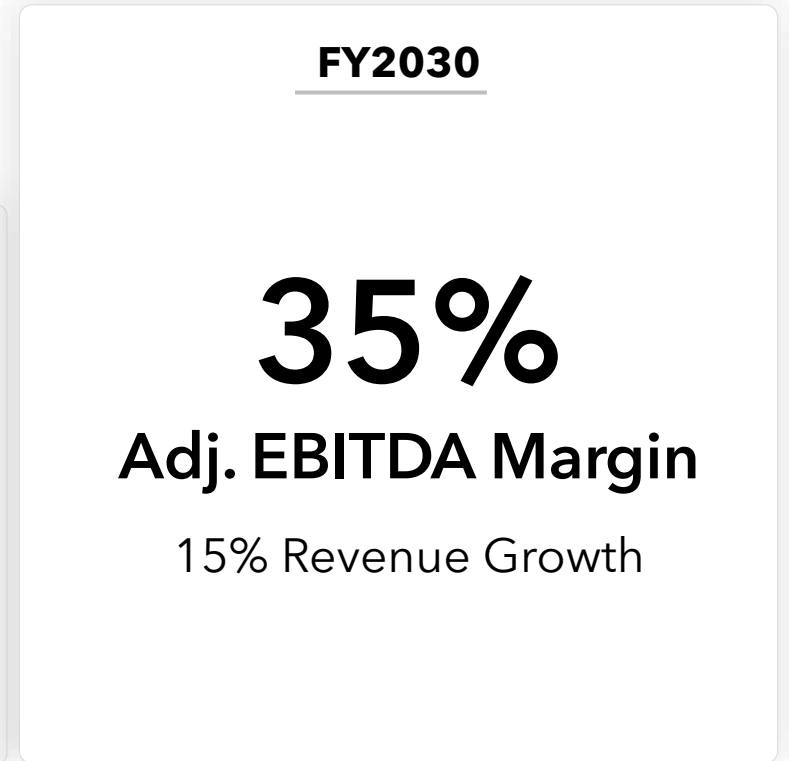
Many content initiatives completed, AI cost savings, high awareness achieved, marketing reduced with Apartments.com co-marketing, development resources shifted to Domain Integration



# Meaningful Margin Expansion From 2026 - 2030

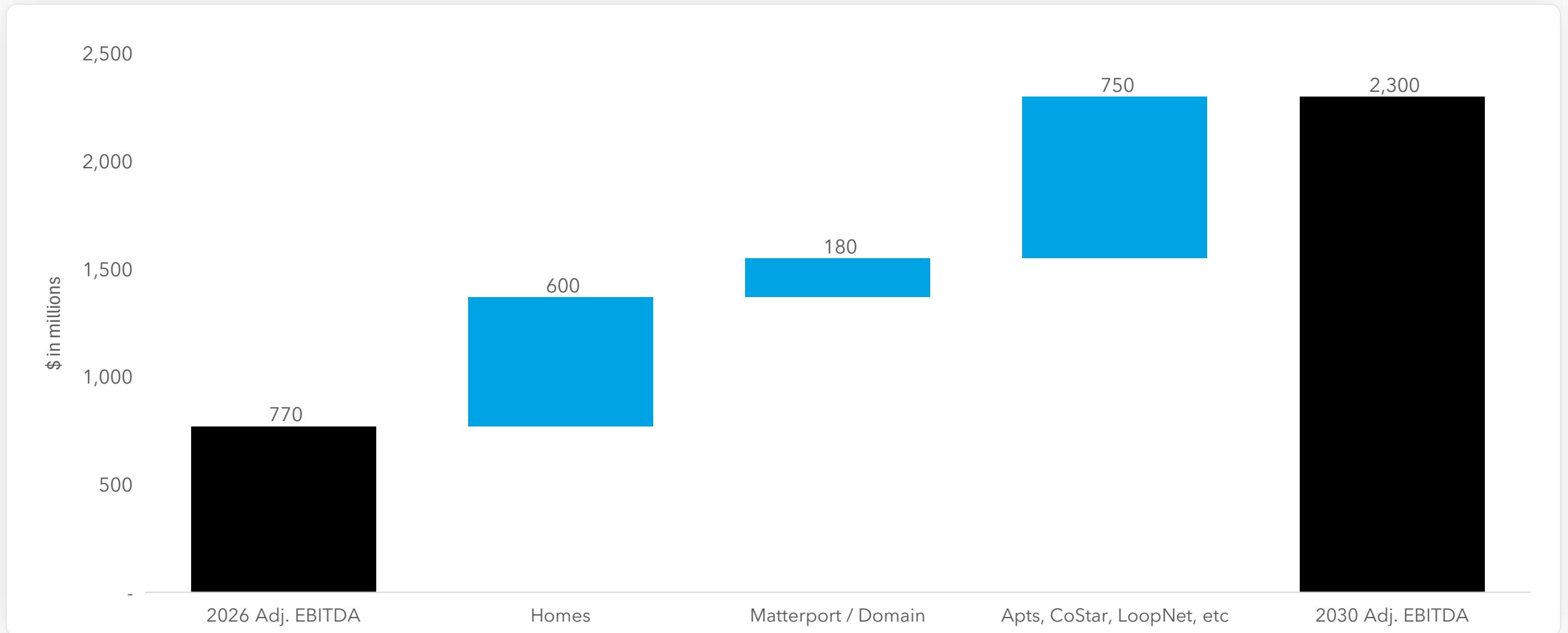
## Entering Margin Expansion Phase

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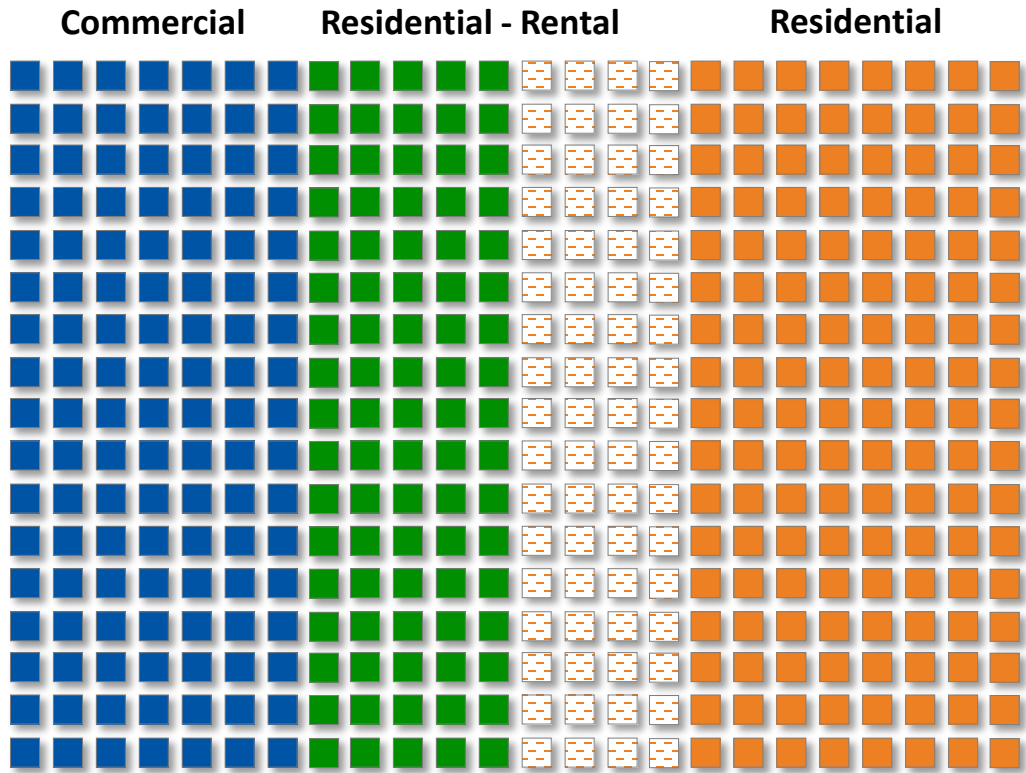


Revenue growth rates represent two-year compound annual growth rates  
2026 guidance as provided on January 7, 2026  
2028 forecast is in line with medium-term targets provided on January 7, 2026

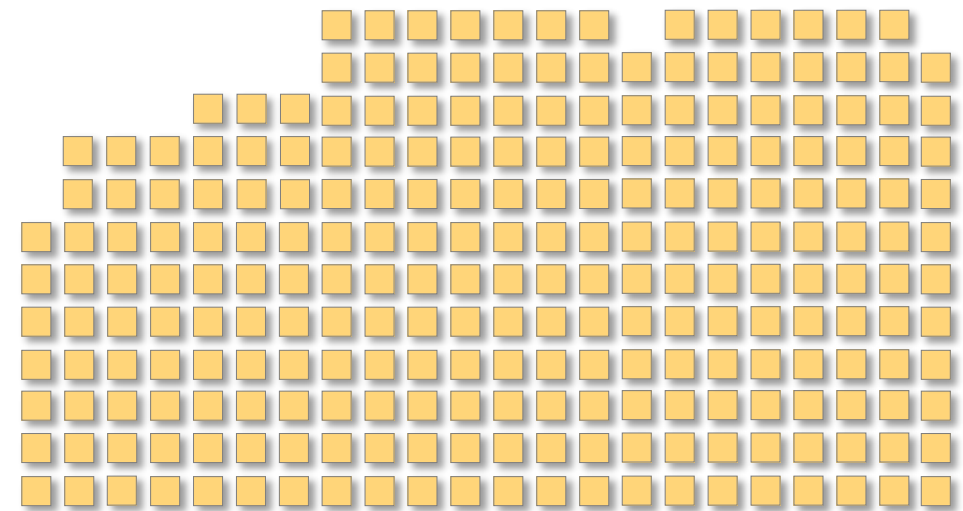
# Adjusted EBITDA Grows to \$2.3B by 2030 as Homes.com Turns Profitable, With Additional Operating Leverage Expected



# Creating Value By Digitizing All the Segments of Real Estate



**Real Estate**  
\$ 393 Trillion



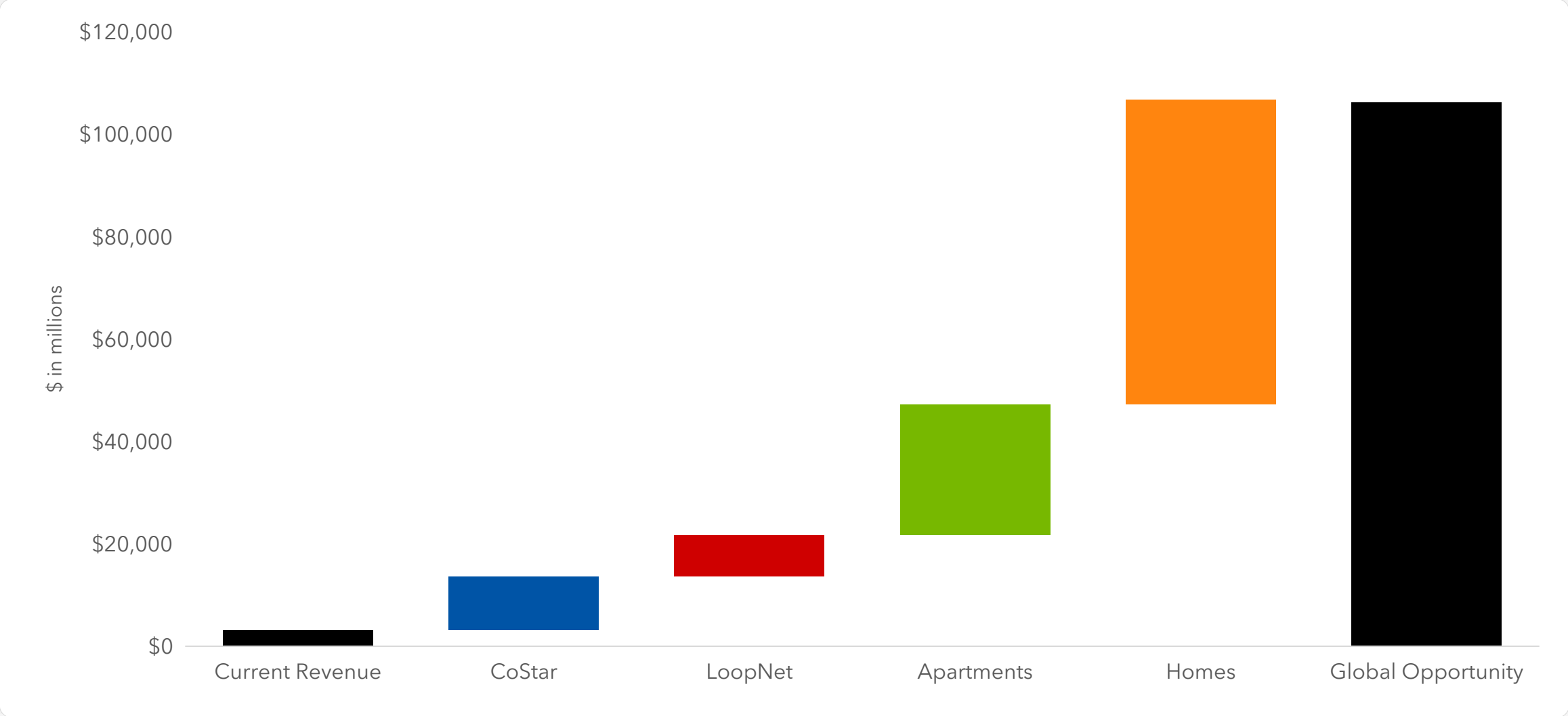
**Gold, Private Equity, Money, Bonds & Credit, Equities**  
\$ 221 Trillion

Source: Savills, *How much is global real estate worth?*  
October 2025

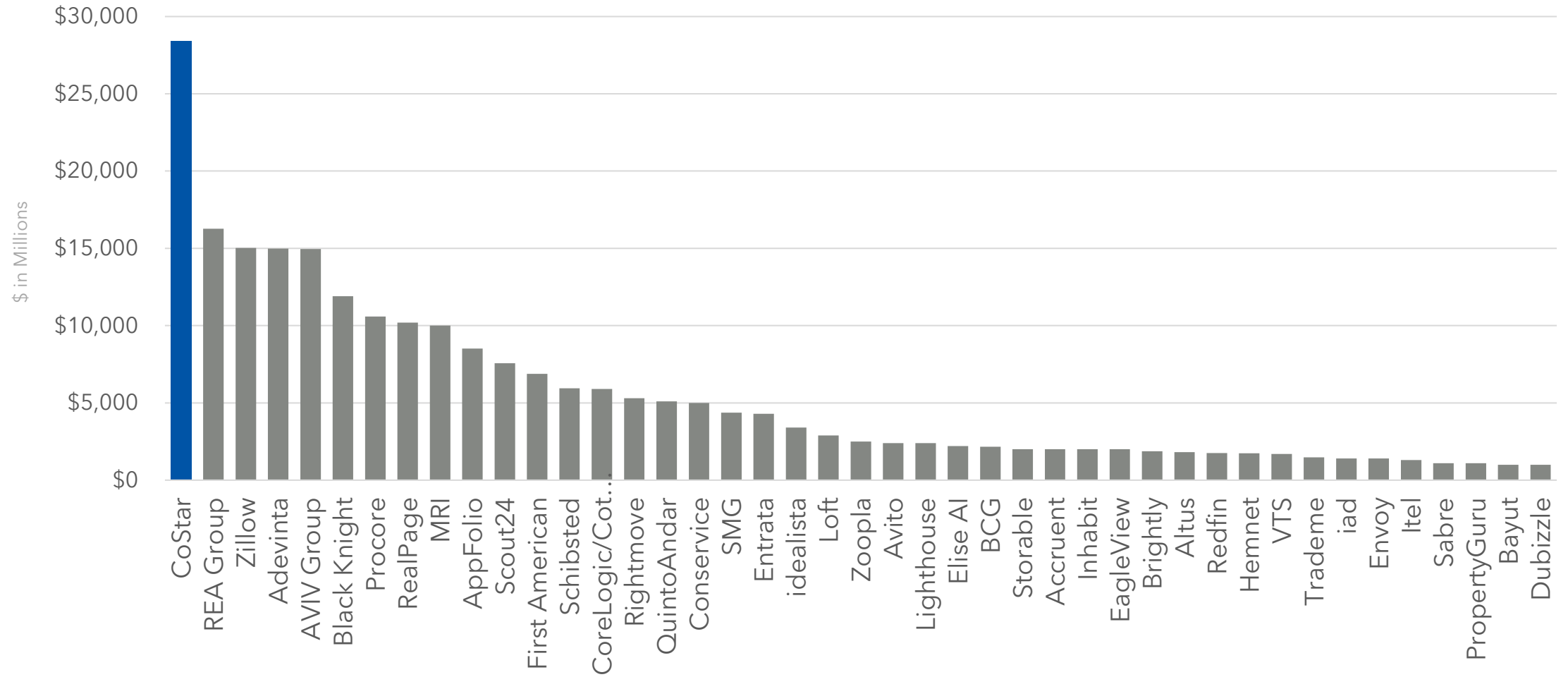
# Completing Coverage of All Major Real Estate Segments Achieves a Strategic Imperative for CoStar Group

- Positions CoStar Group to monetize the largest real estate segment
- Homes.com is a compelling solution for single family homes rentals
- CoStar Group can sell complete integrated solutions to our clients, who conduct both commercial and residential business
- To compete outside the U.S., CoStar Group must offer all segments
- With all segments CoStar Group achieves software scale advantage

# CoStar Group Current Core Products Have Total Addressable Global Market In Excess of \$100 Billion

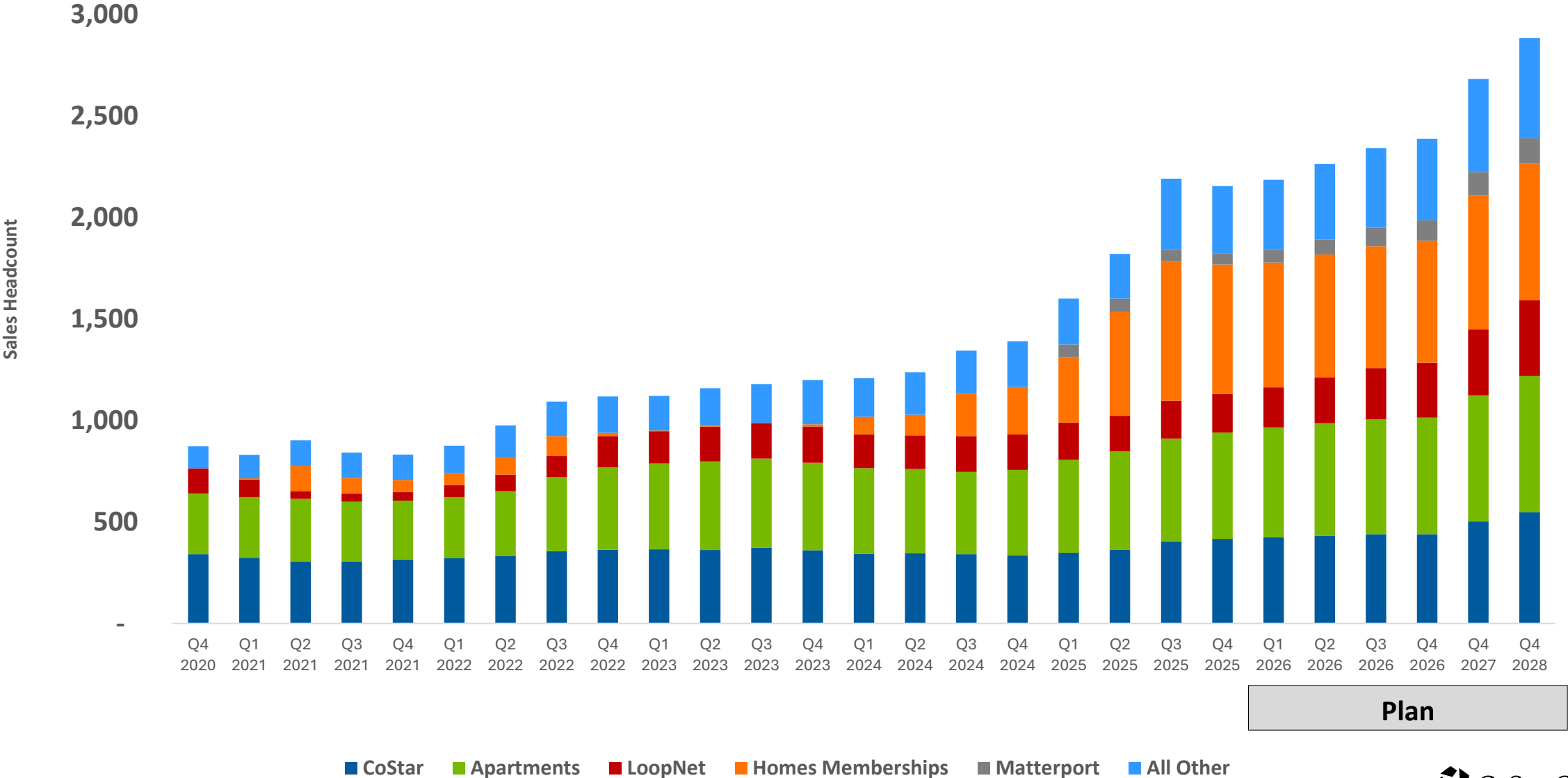


# CoStar Group is the Global Leader in Digital Real Estate



Valuations are market caps for publicly traded companies as of 12/31/25, converted to USD if applicable. Private company valuations are based on the most recently available public information. Population includes real estate technology companies with a minimum valuation of \$1B.

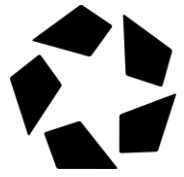
# We are Investing to Grow our Sales Force





## COMMERCIAL





# CoStar Group™

## RESIDENTIAL

 Apartments.com™

 Homes.com™

 Land.com™

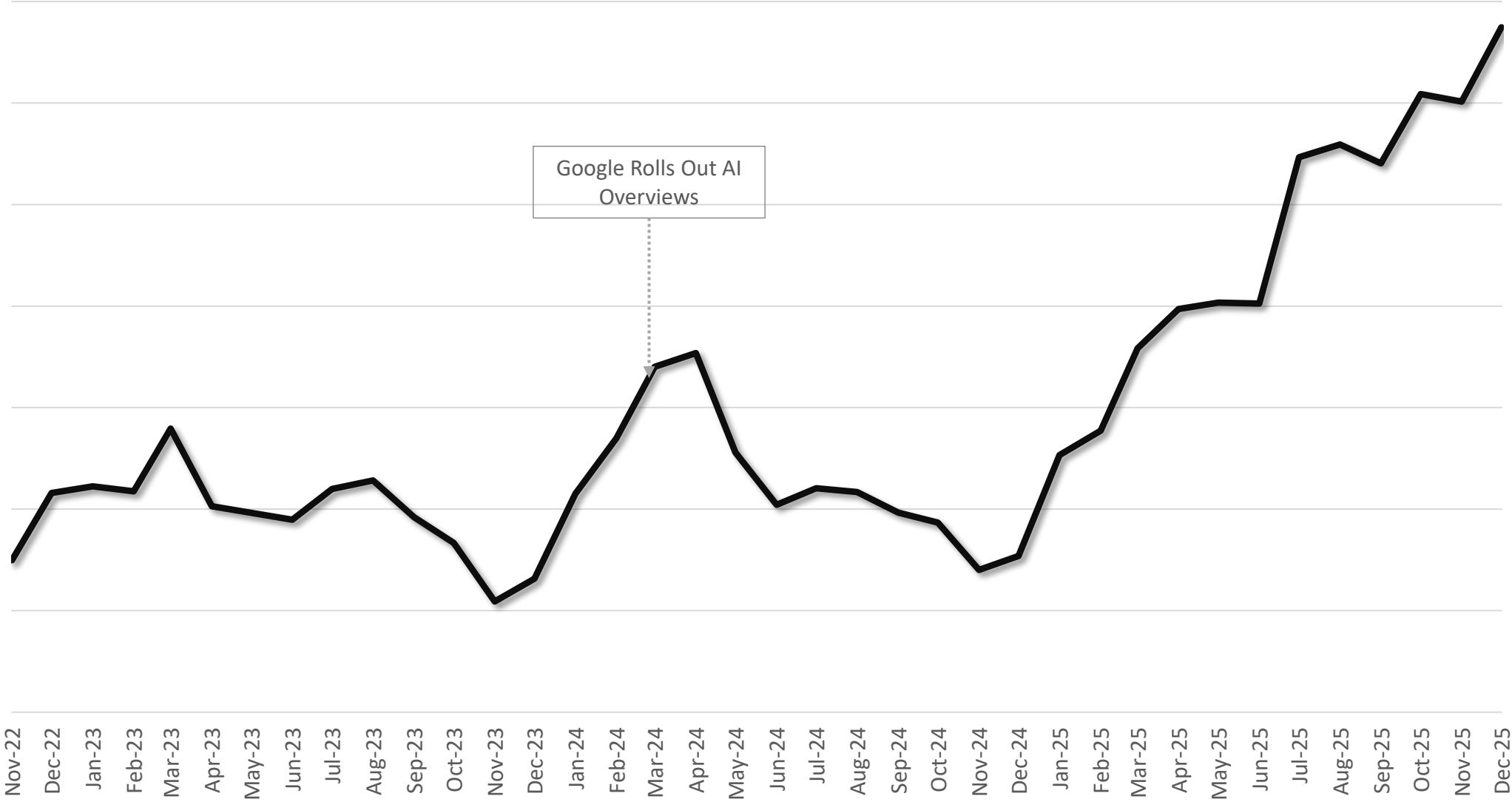
**Domain**

 OnTheMarket

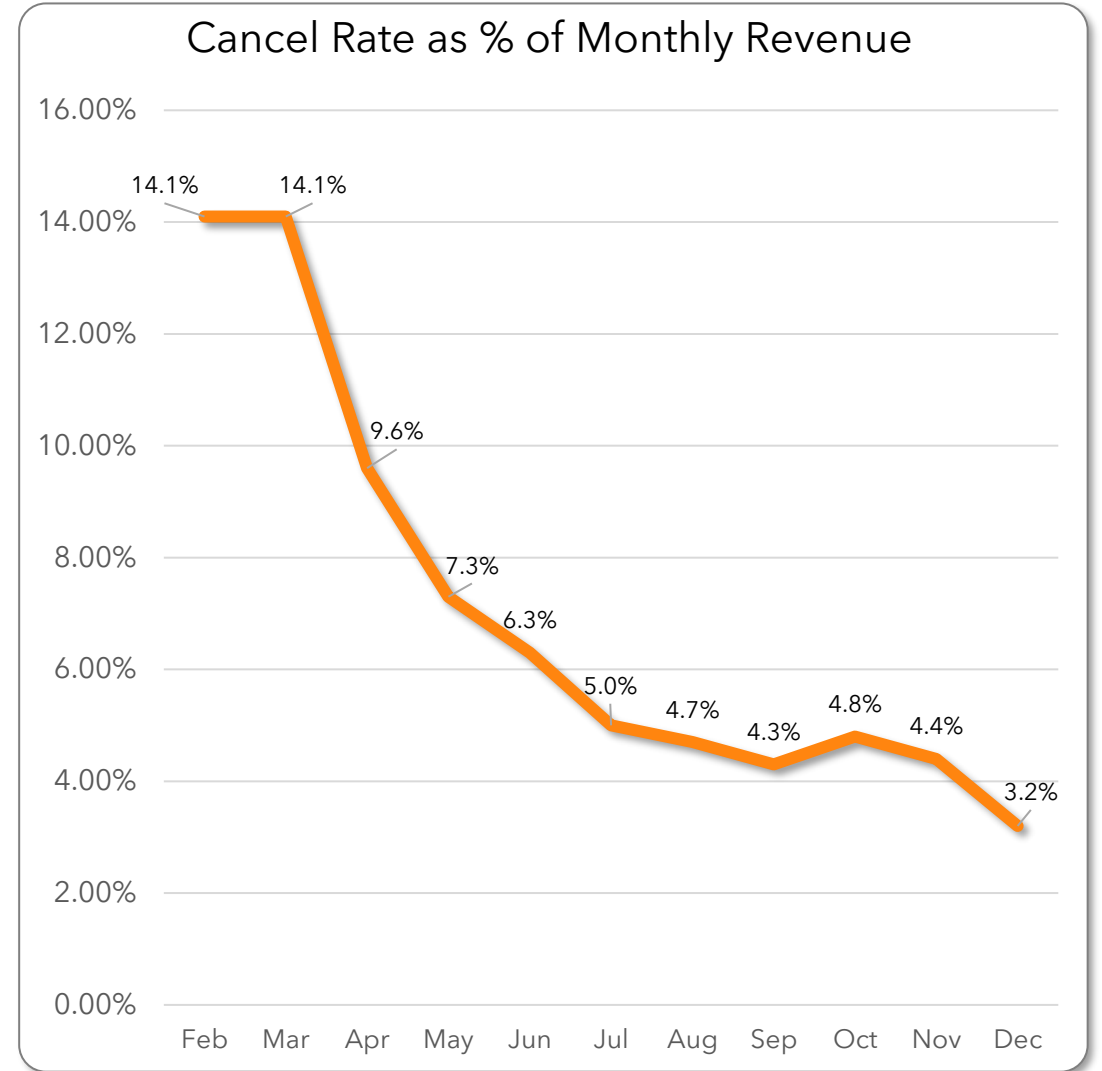
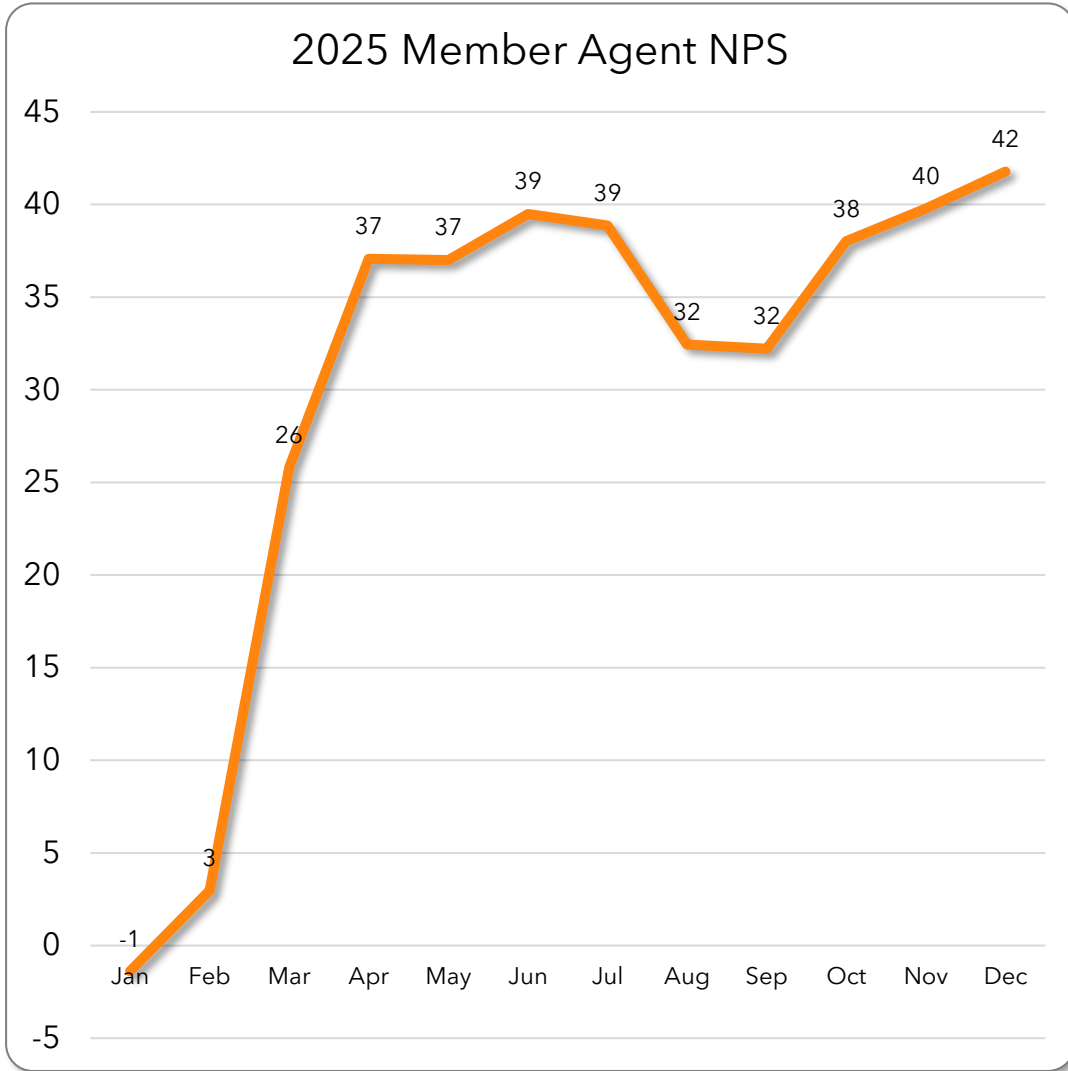


# Homes.com SEO Up 143% Year over Year

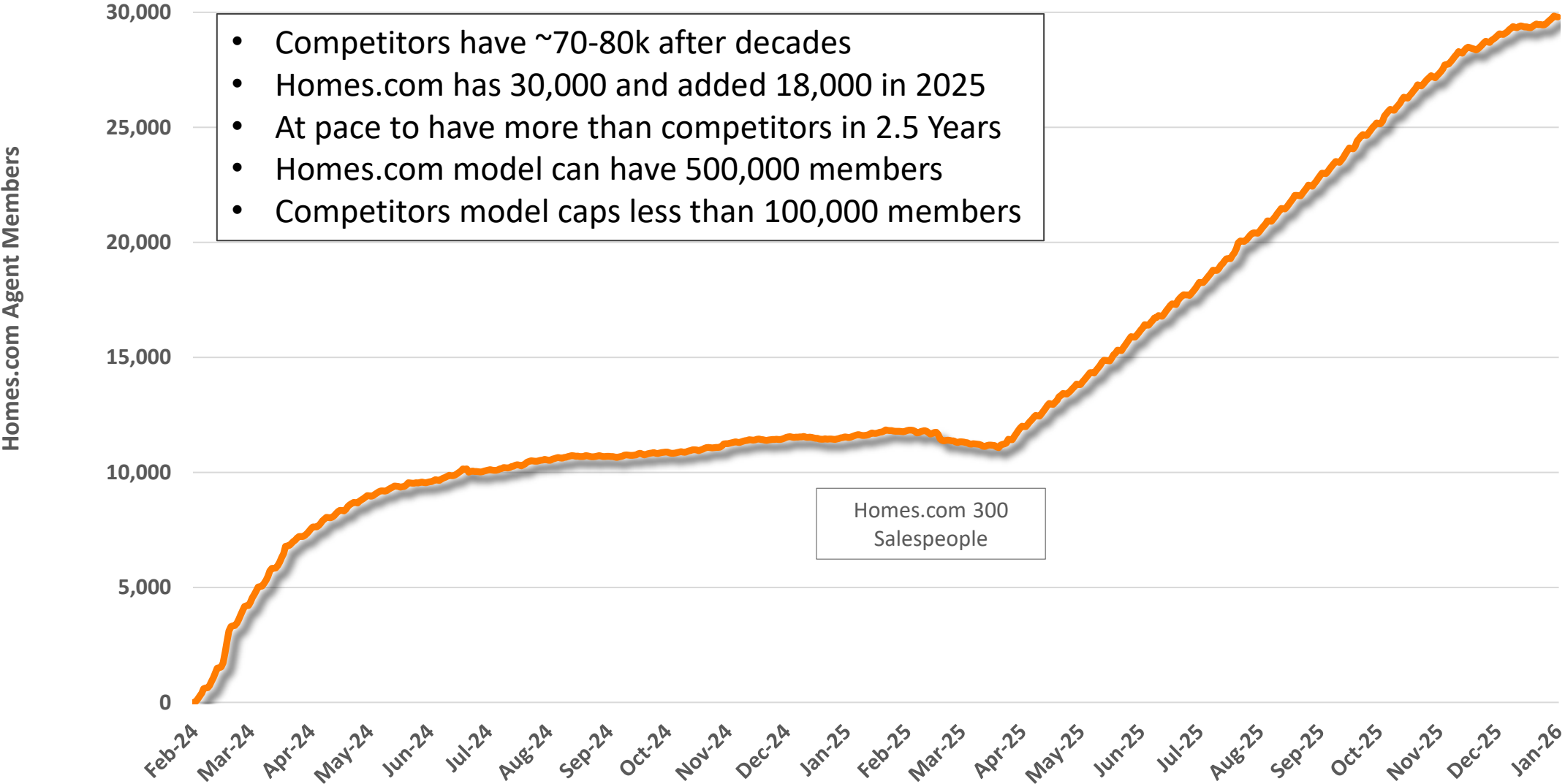
100 Million+ Monthly Homes.com Network Visitors



# NPS and Cancel Rate Both Improving in 2025



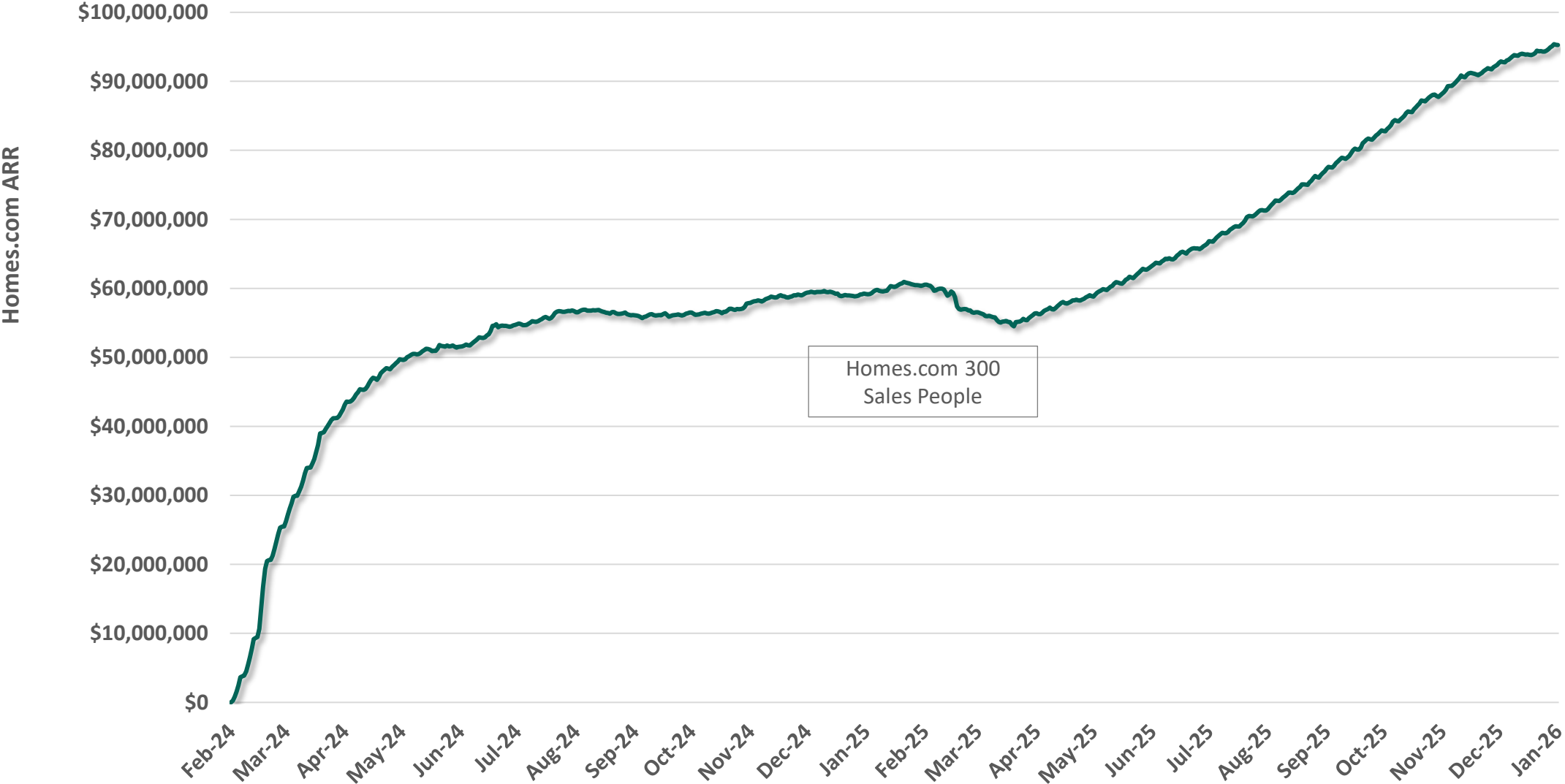
# Memberships Increased Dramatically With Sales Force Investment



- Competitors have ~70-80k after decades
- Homes.com has 30,000 and added 18,000 in 2025
- At pace to have more than competitors in 2.5 Years
- Homes.com model can have 500,000 members
- Competitors model caps less than 100,000 members

Homes.com 300 Salespeople

# Homes.com Annual Recurring Revenue (ARR) Climbed 58% Year Over Year

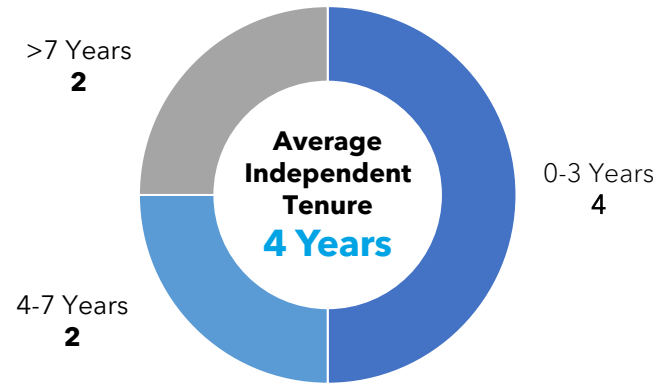


# Refreshed, Independent and Experienced Board

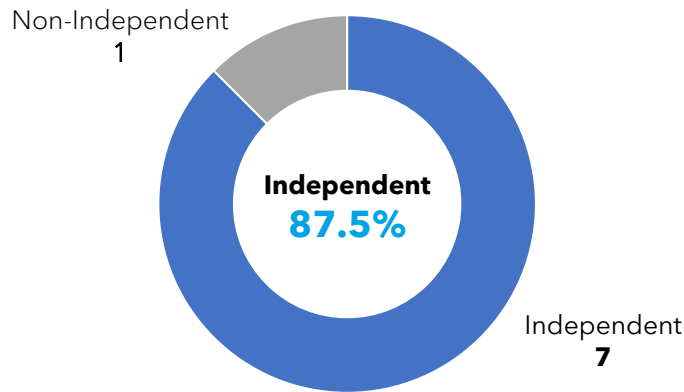
## Board Refreshment



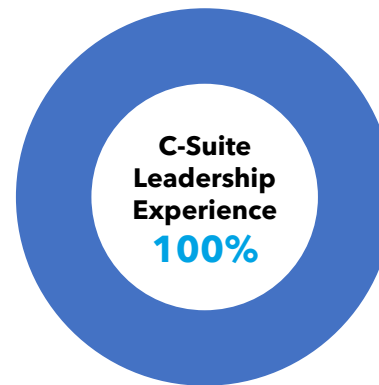
## Tenure<sup>1</sup>



## Independence



## Leadership Experience



## Board Changes in Past Year

- ✓ New independent Board Chair
- ✓ Fully reconstituted Nominating & Corporate Governance and Compensation Committees
- ✓ Three new independent directors, including two nominees from D.E. Shaw and Third Point
- ✓ Three existing directors retired
- ✓ Formed Capital Allocation Committee

Note: <sup>1</sup> Director tenure as of 31-Dec-2025.

# Capital Allocation Committee Completed a Thorough Review and Made Unanimous Recommendations

- Committee reviewed...
  - Strategy review for business
  - Long-range financial plan for CoStar Group
  - Operational and financial performance data for Homes.com
  - Detailed long-range financial plan for Homes.com including breakeven and NPV analysis
  - Cash flow analysis to determine degrees of freedom with respect to incremental capital return
  - Historical IRR analysis of businesses
- Committee members were Andy Florance (Chair), John Berisford, Christine McCarthy, and Robert Musslewhite
- John Berisford & Christine McCarthy were nominated by activist shareholders
- Committee **unanimously** recommended to the full board the 2026 budget, share repurchase plan, and long-range Homes.com plan
- The full board **unanimously** approved the Committee's recommendations

## 7 Committee Meetings

### 5/9/2025 Inaugural Capital Allocation Committee Meeting

Discussed committee mandate, authority, responsibilities, and expectations

### 6/5/2025 Committee Meeting

Discussed potential areas of focus following Board orientation sessions

### 9/8/2025 Committee Meeting

Discussed capital allocation framework and information required

### 9/22/2025 Committee Meeting

Discussed the outline of Investor Presentation

### 11/3/2025 Committee Correspondence

Discussed capital return plan and acceleration of share repurchases

### 11/11/2025 Committee Meeting

Discussed Homes.com plan, Investor Presentation, and share repurchase program

### 12/16/2025 Committee Meeting

Reviewed and finalized recommendations to the Board

# The CoStar Group Board is Listening

Proactively & Directly Sought Shareholder Engagement on Governance & Compensation Issues

- **100%** of the top 50 shareholders contacted, representing **77%** of all shares outstanding.
- **21 of the top 50** shareholders holding a third of all shares choose to give feedback
- **Board Chair** or **Compensation Committee Chair** participated in **100%** of meetings where Board participation was requested by shareholders
- **Board Chair** or **Compensation Committee Chair** participated in **76%** of meetings with shareholders responding to outreach
- Feedback was incorporated into significant Executive Compensation plan improvements



**Louise Sams**  
Chair of the Board



**Robert Musslewhite**  
Chair of Compensation  
Committee

# Board Acted on Shareholder Feedback on Executive Compensation

WHAT WE HEARD	CHANGED FOR 2026?	WHAT WE DID
<b>Enhance Goal Rigor</b> in setting targets	✓	Established symmetrical slopes for performance metrics, increased relative TSR (rTSR) target and capped rTSR payout based on absolute TSR
<b>Reduce Weighting of Qualitative Goals</b> of short-term incentives for non-CEO NEOs	✓	Increased the portion of short-term incentive payout based on objective financial metrics from 50-65% for 2025 to 80% for 2026
<b>Give Heavier Weighting to PSUs</b> as preferred vehicle for shareholders	✓	Set LTI mix of 80% PSUs for the CEO and 60% PSUs for the other executive officers
<b>Update Performance Metrics</b> to ensure alignment with value creation, including TSR and per-share metrics	✓	Balanced EBITDA with Organic Revenue metric for STI metrics and replaced Revenue with EPS and rTSR for LTI metrics
<b>Simplify the Design</b> of executive compensation structures	✓	Eliminated stock options and annual Performance-Based Restricted Stock in favor of a mix of PSUs and time-based RSUs
<b>Enhance Disclosures</b> on compensation framework and the Committee's decision making	✓	Committed to updating disclosures to provide greater clarity and detail
<b>Remove Tax Gross-up</b> from CEO's employment agreement	✓	Eliminated legacy 280G excise tax gross-up
<b>Enhance Clawback Policy</b>	✓	Expanded existing clawback policy
<b>Increase CEO's Stock Ownership Guidelines</b>	✓	Increased minimum stock ownership requirements for CEO from 6x to 10x base salary

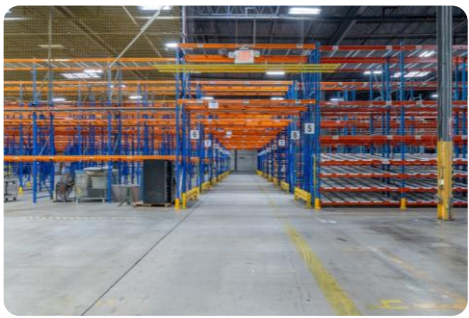
# New Executive Compensation Program Responding to Shareholder Feedback

## CEO COMPENSATION DESIGN

## OTHER NEOS COMPENSATION DESIGN

		Current	2026	Current	2026	
SHORT-TERM INCENTIVE	Performance Goals	100% EBITDA	50% Organic Revenue; 50% EBITDA	100% EBITDA	40% Organic Revenue; 40% EBITDA	
	% Subjective	0%	0%	35% - 50%	20%	
	Performance Slope	Asymmetrical	Symmetrical	Asymmetrical	Symmetrical	
LONG-TERM INCENTIVE	Instrument Mix	3-Year Performance-Based Equity Awards	40%	80%	40%	60%
		Time Based-RSUs	-	20%	-	40%
		Annual Performance Based Restricted Stock Awards	45%	Eliminate	45%	Eliminate
		Stock Options	15%	Eliminate	15%	Eliminate
	Performance Award Design	Performance Goals	3 Year Cumulative Revenue; Relative TSR Modifier $\pm$ 20%	75% Adjusted EPS <sup>1</sup> ; 25% Relative TSR <sup>2</sup> Three Year Performance Period	3 Year Cumulative Revenue; Relative TSR Modifier $\pm$ 20%	75% Adjusted EPS; 25% Relative TSR <sup>1</sup> Three Year Performance Period
		Performance Slope	Asymmetrical	Symmetrical	Asymmetrical	Symmetrical
		Relative TSR Target	50 <sup>th</sup> Percentile	55 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile	55 <sup>th</sup> Percentile

Notes: <sup>1</sup> Adjusted EPS = Non-GAAP Net Income Per Share - Diluted. <sup>2</sup> Relative TSR payout capped at 100% if absolute TSR is negative.



CoStar Group™

# Appendix

# Non-GAAP Financial Measures

For information regarding the purpose for which management uses the non-GAAP financial measures disclosed in this presentation and why management believes they provide useful information to investors regarding the Company's financial condition and results of operations, please refer to the Company's latest periodic report.

EBITDA is a non-GAAP financial measure that represents GAAP net income attributable to CoStar Group before interest income or expense, net; other income or expense, net; loss on debt extinguishment; income taxes, and depreciation and amortization expense.

Adjusted EBITDA is a non-GAAP financial measure that represents EBITDA before stock-based compensation expense; acquisition- and integration-related costs; restructuring and related costs, including certain advisory fees; and settlements and impairments incurred outside the Company's ordinary course of business. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenues for the period.

Adjusted EPS or Non-GAAP net income per diluted share is a non-GAAP financial measure that represents non-GAAP net income divided by the number of diluted shares outstanding for the period used in the calculation of GAAP net income per diluted share. For periods with GAAP net losses and non-GAAP net income, the weighted average outstanding shares used to calculate non-GAAP net income per share includes potentially dilutive securities that were excluded from the calculation of GAAP net income per share as the effect was anti-dilutive.

Non-GAAP net income is a non-GAAP financial measure determined by adjusting GAAP net income (loss) attributable to CoStar Group for stock-based compensation expense; acquisition- and integration-related costs, including gains or losses on equity investments acquired in prospective targets and related to deal-contingent financial instruments; restructuring costs; settlement and impairment costs incurred outside the Company's ordinary course of business, and loss on debt extinguishment, as well as amortization of acquired intangible assets and other related costs, and then subtracting an assumed provision for income taxes.

# Reconciliation of Net Income (Loss) to Adjusted EBITDA - Unaudited

The following table presents a reconciliation of CoStar Group's Adjusted EBITDA, including forward-looking guidance range Adjusted EBITDA, to the most directly comparable GAAP financial measure, net income (loss).

	For the Year Ending December 31, 2024	Guidance Range For the Year Ending December 31, 2025		Guidance Range For the Year Ending December 31, 2026	
		Low	High	Low	High
Net income (loss)	\$ 139	\$ (22)	\$ (16)	\$ 175	\$ 215
Amortization of acquired intangible assets	74	192	192	245	245
Depreciation and other amortization	44	52	52	77	77
Interest income, net	(213)	(112)	(112)	(22)	(22)
Other expense, net	7	9	9	—	—
Income tax expense	71	23	27	85	105
Stock-based compensation expense	89	196	196	177	177
Acquisition and integration related costs	29	62	62	3	3
Restructuring and related costs	1	6	6	—	—
Settlements and impairments	(1)	9	9	—	—
Adjusted EBITDA <sup>(1)</sup>	\$ 241	\$ 415	\$ 425	\$ 740	\$ 800

<sup>(1)</sup> Totals may not foot due to rounding.

For reconciliation of Non-GAAP Financial Measures for the periods between 2016 - 2024, please refer to press releases for those periods found on our website at [Financials & Filings | CoStar Group, Inc.](#) For the periods prior to 2016, please refer to CoStar Group's press releases filed on Form 8-K available on [www.sec.gov](http://www.sec.gov).

# Reconciliation of Net Income (Loss) to Non-GAAP Net Income - Unaudited

The following table presents a reconciliation of CoStar Group's Non-GAAP Net Income, including forward-looking guidance range Non-GAAP Net Income, to the most directly comparable GAAP financial measure, net income (loss).

	For the Year Ending December 31, 2024	Guidance Range For the Year Ending December 31, 2025		Guidance Range For the Year Ending December 31, 2026	
		Low	High	Low	High
Net income (loss)	\$ 139	\$ (22)	\$ (16)	\$ 175	\$ 215
Income tax expense	71	23	27	85	105
Income before taxes	210	1	11	260	320
Amortization of acquired intangible assets	74	192	192	245	245
Stock-based compensation expense	89	196	196	177	177
Acquisition and integration related costs	29	62	62	3	3
Restructuring and related costs	1	6	6	—	—
Settlements and impairments	(1)	9	9	—	—
Gains on investments and deal-contingent foreign currency forward contracts related to an acquisition	—	(2)	(2)	—	—
Non-GAAP income before income taxes	402	464	474	685	745
Assumed rate for income tax expense <sup>(1)</sup>	26 %	26 %	26 %	26 %	26 %
Assumed provision for income tax expense	105	121	123	178	194
Non-GAAP net income <sup>(2)</sup>	\$ 297	\$ 344	\$ 351	\$ 507	\$ 551
Net income (loss) per share - diluted	\$ 0.34	\$ (0.05)	\$ (0.03)	\$ 0.42	\$ 0.52
Non-GAAP net income per share - diluted	\$ 0.73	\$ 0.82	\$ 0.84	\$ 1.22	\$ 1.33
Non-GAAP weighted average outstanding shares - diluted	408	420	420	416	416

<sup>(1)</sup> The assumed tax rate approximates our statutory federal and state corporate tax rate for the applicable period.

<sup>(2)</sup> Totals may not foot due to rounding.

For reconciliation of Non-GAAP Financial Measures for the periods between 2016 - 2024, please refer to press releases for those periods found on our website at [Financials & Filings | CoStar Group, Inc.](#) For the periods prior to 2016, please refer to CoStar Group's press releases filed on Form 8-K available on [www.sec.gov](http://www.sec.gov).