

REFINITIV

DELTA REPORT

10-Q

ZG - ZILLOW GROUP, INC.

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1327
CHANGES	191
DELETIONS	424
ADDITIONS	712

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z:ErikBlachfordMember
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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 EXCH

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

For the quarterly period ended March 31, 2024

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

June 30, 2024

Commission File Number: 001-36853

ZILLOW GROUP, INC.

(Exact

(Exact name of registrant as specified in its charter)

Washington 47-1645716
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

Washington 47-1645716
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1301 Second Avenue, Floor 36,

Seattle, Washington 98101

(Address of principal executive offices) (Zip Code)
(206) 470-7000

(206) 470-7000
(Registrant's 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

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 and all amendments to such reports which have been filed during the preceding 12 months (or for such shorter period as the registrant may specify):

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of the Securities Exchange Act of 1933 and Rule 304a of Regulation S-T (23.104) of the Securities Exchange Act of 1934 (or, if the registrant is not required to submit and post Interactive Data Files, indicate by check mark whether the registrant has complied with the requirements of Rule 304a of Regulation S-T (23.104) of the Securities Exchange Act of 1934):

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a small business filer, or an emerging growth company. If the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, indicate by check mark whether the registrant is also a "smaller" reporting company. If the registrant is an emerging growth company, indicate by check mark whether the registrant has elected not to avail itself of the benefits of the reduced disclosure requirements applicable to emerging growth companies. (See Rule 405 of the Securities Exchange Act of 1933 and Rule 304a of Regulation S-T (23.104) of the Securities Exchange Act of 1934 for definitions of "large accelerated filer," "accelerated filer," "smaller" reporting company, "small business filer," and "emerging growth company.")

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

Large accelerated filer ☒
Non-accelerated filer ☐

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

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 April 24, 2024 July 31, 2024, 55,205,739 54,274,808 shares of Class A common stock, 6,217,447 shares of Class B common stock a

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ZILLOW GROUP, INC.

Quarterly Report on Form 10-Q

For the Three Months Ended March 31, 2024

June 30, 2024

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Table of Contents**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

Abbreviation or Acronym	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
2020 Plan	Zillow Group, Inc. 2020 Incentive Plan
2024 Notes	0.75% Convertible Senior Notes due September 1, 2024
2025 Notes	2.75% Convertible Senior Notes due May 15, 2025
2026 Notes	1.375% Convertible Senior Notes due September 1, 2026
Aryeo	Aryeo, Inc., a wholly owned subsidiary acquired on July 31, 2023
Board	The Board of Directors of Zillow Group, Inc.
FASB	Financial Accounting Standards Board
Follow Up Boss	Enchant, LLC, d/b/a Follow Up Boss, a wholly owned subsidiary acquired on December 8, 2023
GAAP	Generally accepted accounting principles
IRLC	Interest rate lock commitment
Lenders	UBS AG, JPMorgan Chase Bank, N.A., and prior to the master repurchase agreement expiration in March 2024,
	Atlas Securitized Products, L.P
MBS	Mortgage-backed security
Notes	2024 Notes, 2025 Notes and 2026 Notes in aggregate
OECD	Organization for Economic Co-operation and Development
Pillar Two	Pillar Two Global Anti-Base Erosion
Repurchase Authorizations	A series of authorizations from the Board to repurchase Class A common stock, Class C capital stock, outstanding convertible

	senior notes, or a combination thereof
SEC	Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
Spruce	Refers to substantially all assets and liabilities of Spruce Holdings, Inc. and certain affiliated entities, which assets and liabilities were acquired on September 11, 2023

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Abbreviation or Acronym	Definition
Zillow Group, "the Company," "we," "us" and "our"	Refers to Zillow Group, Inc., unless the context indicates otherwise as used in this
2020 Plan	Zillow Group, Inc. 2020 Incentive Plan
2024 Notes	0.75% Convertible Senior Notes due September 1, 2024
2025 Notes	2.75% Convertible Senior Notes due May 15, 2025
2026 Notes	1.375% Convertible Senior Notes due September 1, 2026
Aryeo	Aryeo, Inc., a wholly owned subsidiary acquired on July 31, 2023
Board	The Board of Directors of Zillow Group, Inc.
FASB	Financial Accounting Standards Board
Follow Up Boss	Enchant, LLC, d/b/a Follow Up Boss, a wholly owned subsidiary acquired on December 8
GAAP	Generally accepted accounting principles in the United States
IRLC	Interest rate lock commitment
Lenders	UBS AG, JPMorgan Chase Bank, N.A., and prior to the master repurchase agreement expi
MBS	Mortgage-backed security
NAR	National Association of REALTORS®
Notes	2024 Notes, 2025 Notes and 2026 Notes in aggregate
OECD	Organization for Economic Co-operation and Development
Pillar Two	Pillar Two Global Anti-Base Erosion
Repurchase Authorizations	A series of authorizations from the Board to repurchase Class A common stock, Class
SEC	United States Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
Spruce	Refers to substantially all assets and liabilities of Spruce Holdings, Inc. and cert

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, including Part I, Item 2 (Management's Discussion and Analysis of Financial Condi
"will," "estimate," "continue," "anticipate," "intend," "could," "would,"
"project," "plan," "expect," "potential," "might" "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "could," "w

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those risks, uncertain
.

- the current and future health and stability of the economy and United States residential real estate industry, including changes
- our ability to manage advertising and product inventory and pricing and 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 applicat
- our ability to comply with current and future rules and requirements promulgated by the National Association of REALTORS(R), NAR,
- our ability to navigate industry changes, including as a result of certain past, pending or future class action lawsuits, settler party, such as the NAR settlement agreement entered into on March 15, 2024;

- 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;
- our ability to operate and grow Zillow Home Loans, our mortgage origination business, including the ability to obtain or maintain financing;
- the duration and impact of natural disasters, geopolitical events, and other catastrophic events (including public health crises such as the COVID-19 pandemic);
- our ability to maintain adequate security measures or technology systems, or those of third parties on which we rely, to protect our data and information;
- the impact of past, pending or future litigation and other disputes or enforcement actions, which may include lawsuits or investigations;
- our ability to attract, engage, and retain a highly skilled remote workforce;
- acquisitions, investments, strategic partnerships, capital-raising activities, or other corporate transactions or commitments by us;
- 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 our intellectual property;
- our ability to comply with domestic and international laws, regulations, rules, contractual obligations, policies and other obligations;
- our ability to pay our debt, settle conversions of our Notes, or repurchase our Notes upon a fundamental change;
- our ability 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 metrics;
- 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

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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 they will be achieved. In addition, statements such as "we believe" "we believe" and similar statements reflect our beliefs and opinions on the relevant s

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

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 other filings, are available on the SEC's website at www.sec.gov. Investors and others should note that Zillow Group announces material financial information to its investors using its press releases

- Zillow Group Investor Relations Site (<https://investors.zillowgroup.com>)
- Zillow Group Blog (<https://www.zillowgroup.com/news/>)
- Zillow Group's Group X Account formerly known as Twitter (<https://twitter.com/zillowgroup>)

The information Zillow Group posts through these channels may be deemed material. Accordingly, investors should monitor these chan

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

ZILLOW GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in

(in millions, except share data, unaudited)

	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,439	\$ 1,492
Short-term investments	1,478	1,318
Accounts receivable, net	100	96
Mortgage loans held for sale	132	100
Prepaid expenses and other current assets	170	140
Restricted cash	3	3
Total current assets	3,322	3,149
Contract cost assets	23	23
Property and equipment, net	343	328
Right of use assets	66	73
Goodwill	2,817	2,817
Intangible assets, net	232	241
Other assets	20	21
Total assets	\$ 6,823	\$ 6,652
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 34	\$ 28
Accrued expenses and other current liabilities	104	107
Accrued compensation and benefits	47	47
Borrowings under credit facilities	123	93
Deferred revenue	58	52
Lease liabilities, current portion	27	37
Convertible senior notes, current portion	608	607

Total current liabilities	1,001	971
Lease liabilities, net of current portion	92	95
Convertible senior notes, net of current portion	1,001	1,000
Other long-term liabilities	64	60
Total liabilities	2,158	2,126
Commitments and contingencies (Note 12)		
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 - 55,205,739 and 55,282,702 shares as of March 31, 2024 and December 31, 2023, 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 - 174,752,848 and 171,853,566 shares as of March 31, 2024 and December 31, 2023, respectively	-	-
Additional paid-in capital	6,469	6,301
Accumulated other comprehensive loss	(11)	(5)
Accumulated deficit	(1,793)	(1,770)
Total shareholders' equity	4,665	4,526
Total liabilities and shareholders' equity	\$ 6,823	\$ 6,652

Assets

Current assets:
Cash and cash equivalents
Short-term investments
Accounts receivable, net
Mortgage loans held for sale
Prepaid expenses and other current assets
Restricted cash
Total current assets
Contract cost assets
Property and equipment, net
Right of use assets
Goodwill
Intangible assets, net
Other assets
Total assets
Liabilities and shareholders' equity
Current liabilities:
Accounts payable
Accrued expenses and other current liabilities
Accrued compensation and benefits
Borrowings under credit facilities
Deferred revenue
Lease liabilities, current portion
Convertible senior notes, current portion
Total current liabilities
Lease liabilities, net of current portion
Convertible senior notes, net of current portion
Other long-term liabilities
Total liabilities
Commitments and contingencies (Note 12)
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 – 54,274,808 and 55,282,702 shares
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 – 170,914,834 and 171,853,566 shares
Additional paid-in capital
Accumulated other comprehensive loss
Accumulated deficit
Total shareholders' equity
Total liabilities and shareholders' equity

See accompanying notes to the condensed consolidated financial statements.

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ZILLOW GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in

(in millions, except share data, which are presented in thousands, and per share data, unaudited)

	Three Months Ended	
	March 31,	
	2024	2023
Revenue	\$ 529	\$ 469
Cost of revenue	123	92
Gross profit	406	377
Operating expenses:		
Sales and marketing	166	156
Technology and development	147	137
General and administrative	132	123
Impairment costs	6	6
Total operating expenses	451	422
Loss from operations	(45	(45
Other income, net	33	32
Interest expense	(9	(9
Loss before income taxes	(21	(22
Income tax expense	(2	-
Net loss	\$ (23	\$ (22
Net loss per share - basic and diluted	\$ 0.10	\$ 0.09
Weighted-average shares outstanding - basic and diluted	234,695	234,425

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenue	\$ 572	\$ 506	\$ 1,101	\$ 975
Cost of revenue	130	104	253	196
Gross profit	442	402	848	779
Operating expenses:				
Sales and marketing	205	173	371	329
Technology and development	144	140	291	277
General and administrative	131	153	263	276
Impairment and restructuring costs	—	2	6	8
Acquisition-related costs	—	1	—	1
Total operating expenses	480	469	931	891
Loss from operations	(38)	(67)	(83)	(112)
Loss on extinguishment of debt	(1)	—	(1)	—

Other income, net	34	42	67	74
Interest expense	(10)	(9)	(19)	(18)
Loss before income taxes	(15)	(34)	(36)	(56)
Income tax expense	(2)	(1)	(4)	(1)
Net loss	<u>\$ (17)</u>	<u>\$ (35)</u>	<u>\$ (40)</u>	<u>\$ (57)</u>
Net loss per share - basic and diluted	\$ (0.07)	\$ (0.15)	\$ (0.17)	\$ (0.24)
Weighted-average shares outstanding - basic and diluted	233,453	233,629	234,074	234,023

See accompanying notes to the condensed consolidated financial statements.

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ZILLOW GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(in

(in millions, unaudited)

	Three Months Ended	
	March 31,	
	2024	2023
Net loss	\$ (23	\$ (22
))
Other comprehensive income (loss):		
Net unrealized gains (losses) on investments	(6	12
)	
Total other comprehensive income (loss)	(6	12
)	
Comprehensive loss	\$ (29	\$ (10
))

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Net loss	\$ (17)	\$ (35)	\$ (40)	\$ (57)
Other comprehensive loss:				
Net unrealized losses on investments	—	(16)	(6)	(4)
Total other comprehensive loss	—	(16)	(6)	(4)
Comprehensive loss	<u>\$ (17)</u>	<u>\$ (51)</u>	<u>\$ (46)</u>	<u>\$ (61)</u>

See accompanying notes to the condensed consolidated financial statements.

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ZILLOW GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(in

(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 January 1, 2024	233,354	\$ - \$ 6,301	\$ (1,770	\$ (4,526
			5	
))
Issuance of Class C capital stock upon exercise of stock options	1,309	- 50	- -	50
Vesting of restricted stock units	1,724	- -	- -	-
Share-based compensation expense	-	- 127	- -	127
Repurchases of Class A common stock and Class C capital stock	(- 211	(- 9	- -	(9
)))
Net loss	- -	- -	(-	(-
			23	23
))
Other comprehensive loss	- -	- -	(6	(6
))
Balance at March 31, 2024	236,176	\$ - \$ 6,469	\$ (1,793	\$ (4,665
			11	
))

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 January 1, 2023	234,268	\$ - \$ 6,109	\$ (1,612	\$ (4,482
			15	
))
Issuance of Class C capital stock upon exercise of stock options	373	- 13	- -	13
Vesting of restricted stock units	1,365	- -	- -	-
Share-based compensation expense	-	- 121	- -	121
Repurchases of Class A common stock and Class C capital stock	(- 2,012	(- 86	- -	(86
)))
Net loss	- -	- -	(-	(-
			22	22
))
Other comprehensive income	- -	- -	12	12
Balance at March 31, 2023	233,994	\$ - \$ 6,157	\$ (1,634	\$ (4,520
			3	
))

	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, 2024	236,176	\$ -	\$ 6,469	\$ (1,793)	\$ (11)
Issuance of Class C capital stock upon exercise of stock options	315	-	11	-	-
Vesting of restricted stock units	1,801	-	-	-	-

Share-based compensation expense	—	—	134	—	—	
Repurchases of Class A common stock and Class C capital stock	(6,885)	—	(292)	—	—	
Net loss	—	—	—	(17)	—	
Balance at June 30, 2024	231,407	\$ —	\$ 6,322	\$ (1,810)	\$ (11)	\$

	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Share Equity
	Shares	Amount				
Balance at April 1, 2023	233,994	\$ —	\$ 6,157	\$ (1,634)	\$ (3)	\$
Issuance of Class C capital stock upon exercise of stock options	450	—	17	—	—	
Vesting of restricted stock units	1,556	—	—	—	—	
Share-based compensation expense	—	—	150	—	—	
Repurchases of Class A common stock and Class C capital stock	(3,277)	—	(150)	—	—	
Net loss	—	—	—	(35)	—	
Other comprehensive loss	—	—	—	—	(16)	
Balance at June 30, 2023	232,723	\$ —	\$ 6,174	\$ (1,669)	\$ (19)	\$

See accompanying notes to the condensed consolidated financial statements.

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	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Share Equity
	Shares	Amount				
Balance at January 1, 2024	233,354	\$ —	\$ 6,301	\$ (1,770)	\$ (5)	\$
Issuance of Class C capital stock upon exercise of stock options	1,624	—	61	—	—	
Vesting of restricted stock units	3,525	—	—	—	—	
Share-based compensation expense	—	—	261	—	—	
Repurchases of Class A common stock and Class C capital stock	(7,096)	—	(301)	—	—	
Net loss	—	—	—	(40)	—	
Other comprehensive loss	—	—	—	—	(6)	
Balance at June 30, 2024	231,407	\$ —	\$ 6,322	\$ (1,810)	\$ (11)	\$

	Class A Common Stock, Class B Common Stock and Class C Capital Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Share Equity
	Shares	Amount				
Balance at January 1, 2023	234,268	\$ —	\$ 6,109	\$ (1,612)	\$ (15)	\$
Issuance of Class C capital stock upon exercise of stock options	823	—	30	—	—	
Vesting of restricted stock units	2,921	—	—	—	—	

Share-based compensation expense	—	—	271	—	—
Repurchases of Class A common stock and Class C capital stock	(5,289)	—	(236)	—	—
Net loss	—	—	—	(57)	—
Other comprehensive loss	—	—	—	—	(4)
Balance at June 30, 2023	232,723	\$ —	\$ 6,174	\$ (1,669)	\$ (19)

ZILLOW GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in
(in millions, unaudited))

	Three Months Ended	
	March 31,	
	2024	2023
Operating activities		
Net loss	\$ (23	(\$ 22
))
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	56	40
Share-based compensation	108	103
Amortization of right of use assets	3	6
Amortization of contract cost assets	5	6
Amortization of debt issuance costs	2	1
Impairment costs	6	6
Accretion of bond discount	(8	(10
))
Other adjustments to reconcile net loss to net cash provided by operating activities	1	2
Changes in operating assets and liabilities:		
Accounts receivable	(4	(3
))
Mortgage loans held for sale	(32	(7
))
Prepaid expenses and other assets	(30	(27
))
Contract cost assets	(5	(6
))
Lease liabilities	(13	(8
))
Accounts payable	6	-
Accrued expenses and other current liabilities	-	10
Accrued compensation and benefits	-	(

		3
)
Deferred revenue	6	5
Other long-term liabilities	2	-
Net cash provided by operating activities	80	93
Investing activities		
Proceeds from maturities of investments	139	433
Purchases of investments	((
	297	490
))
Purchases of property and equipment	((
	39	31
))
Purchases of intangible assets	((
	7	9
))
Net cash used in investing activities	((
	204	97
))
Financing activities		
Net borrowings on warehouse line of credit and repurchase agreements	30	5
Repurchases of Class A common stock and Class C capital stock	((
	9	86
))
Proceeds from exercise of stock options	50	13
Net cash provided by (used in) financing activities	71	(
		68
)
Net decrease in cash, cash equivalents and restricted cash during period	((
	53	72
))
Cash, cash equivalents and restricted cash at beginning of period	1,495	1,468
Cash, cash equivalents and restricted cash at end of period	\$ 1,442	\$ 1,396
Supplemental disclosures of cash flow information		
Noncash transactions:		
Capitalized share-based compensation	\$ 19	\$ 18
Write-off of fully depreciated property and equipment	9	7

	Six Months Ended June 30,	
	2024	2023
Operating activities		
Net loss	\$ (40)	\$ (57)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	115	85
Share-based compensation	221	233
Amortization of right of use assets	6	12
Amortization of contract cost assets	9	11

Amortization of debt issuance costs	3	3
Impairment costs	6	6
Accretion of bond discount	(17)	(20)
Other adjustments to reconcile net loss to net cash provided by operating activities	8	(5)
Changes in operating assets and liabilities:		
Accounts receivable	(19)	(19)
Mortgage loans held for sale	(95)	(32)
Prepaid expenses and other assets	(49)	(30)
Contract cost assets	(9)	(11)
Lease liabilities	(27)	(15)
Accounts payable	11	—
Accrued expenses and other current liabilities	6	27
Accrued compensation and benefits	(1)	2
Deferred revenue	7	5
Other long-term liabilities	—	(2)
Net cash provided by operating activities	135	193
Investing activities		
Proceeds from maturities of investments	474	806
Purchases of investments	(591)	(638)
Purchases of property and equipment	(76)	(66)
Purchases of intangible assets	(14)	(18)
Net cash provided by (used in) investing activities	(207)	84
Financing activities		
Net borrowings on warehouse line of credit and repurchase agreements	89	29
Repurchases of Class A common stock and Class C capital stock	(301)	(236)
Settlement of long-term debt	(89)	—
Proceeds from exercise of stock options	61	30
Net cash used in financing activities	(240)	(177)
Net increase (decrease) in cash, cash equivalents and restricted cash during period	(312)	100
Cash, cash equivalents and restricted cash at beginning of period	1,495	1,468
Cash, cash equivalents and restricted cash at end of period	\$ 1,183	\$ 1,568
Supplemental disclosures of cash flow information		
Noncash transactions:		
Capitalized share-based compensation	\$ 40	\$ 38
Write-off of fully depreciated property and equipment	20	16

See accompanying notes to the condensed consolidated financial statements.

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ZILLOW GROUP, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

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Note 1.
Organization and Description of Business

Zillow Group is reimaging real estate to make home a reality for more and more people. As the most visited real estate website i
Our portfolio of affiliates, subsidiaries and brands includes Zillow Premier Agent, Zillow Home Loans, our mortgage originations b

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 p

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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 inti
States GAAP and applicable rules and regulations of the SEC regarding interim financial reporting. Certain information and note disclo

The unaudited condensed consolidated interim financial statements, in the opinion of management, reflect all adjustments, consisti
31, 2024 June 30, 2024 and 2023. The results for the three and six months ended March 31, 2024 June 30, 2024 are not necessarily indicat

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates, judgments and assum
Recently Adopted Accounting Standards
In June 2022, the FASB issued guidance to improve existing measurement and
disclosure requirements for equity securities that are subject to a
contractual sale restriction. This guidance is effective for interim and
annual periods beginning after December 15, 2023 on a prospective basis, with

early adoption permitted. We adopted this guidance on January 1, 2024, which did not have a material impact on our financial position, results of operations or cash flows.

Recently Issued Accounting Standards Not Yet Adopted

In November 2023, the FASB issued guidance to improve existing disclosure requirements for segment reporting, primarily through enhanced disclosure requirements for segment reporting. While we anticipate this guidance will result in new disclosure requirements for entities with similar characteristics, we do not expect it to have a material impact on our financial position, results of operations or cash flows.

In December 2023, the FASB issued guidance to enhance the income tax rate reconciliation disclosure requirements and to provide clarity on the retrospective approach and have not yet determined the impact the adoption of this guidance will result in additional disclosures.

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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 measurements of other cash equivalents are based on quoted market prices in active markets (Level 1).

Short-term investments

The fair value measurement of our short-term investments is based on observable market-based inputs or inputs that are derived primarily from observable market-based inputs or inputs that are derived primarily from observable market-based inputs or inputs that are derived primarily from observable market-based inputs.

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 active markets for similar assets (Level 1).

Forward contracts The fair value of mandatory loan sales commitments and derivative instruments such as forward sales of mortgage loans is calculated by reference to quoted prices in active markets for similar assets (Level 1).

Contingent consideration

In December 2023, Zillow Group acquired Follow Up Boss, a customer relationship management system for real estate professionals, 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. The fair value of the contingent consideration is based on our estimated cost of debt and are directly related to the fair value of the contingent consideration.

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 the contingent consideration. During the three months and six month periods ended March 31, 2024 and June 30, 2024, there were no material changes in the unobservable inputs used in the fair value measurement of the contingent consideration.

Interest rate lock commitments The fair value of interest rate lock commitments is calculated by reference to quoted prices in secondary markets for commitments to sell mortgage loans (Level 1).

IRLCs The fair value of IRLCs is calculated by reference to quoted prices in secondary markets for commitments to sell mortgage loans (Level 1).

The pull-through rate is based on estimated changes in market conditions, loan stage and historical borrower behavior. Pull-through rates are used to estimate the fair value of mortgage loans held for sale.

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consolidated statements of operations. The following table presents the range and weighted-average pull-through rates used in determining the fair value of mortgage loans held for sale.

March 31, 2024	December 31, 2023
Range	61 - 45
	% - %
	100 - 100
	% - %
Weighted-average	87 - 85
	% - %

	June 30, 2024	December 31, 2023
Range	46% - 100%	45% - 100%
Weighted-average	87%	85%

We manage our interest rate risk related to IRLCs and mortgage loans held for sale through the use of derivative instruments, generally consisting of interest rate swaps.

The following table presents the notional amounts of the economic hedging instruments related to our mortgage loans held for sale in the form of interest rate swaps:

	March 31, 2024	December 31, 2023
IRLCs	\$ 247	\$ 167
Forward contracts	\$ 309	\$ 218

(1)

(1)

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

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	June 30, 2024	December 31, 2023
IRLCs	\$ 254	\$ 167
Forward contracts ⁽¹⁾	\$ 363	\$ 218

⁽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 the end of the period.

	March 31, 2024				December 31, 2023			
	Amortized		Estimated		Amortized		Estimated	
	Cost		Fair Market		Cost		Fair Market	
	Value				Value			
Assets								
Cash	\$	52	\$	52	\$	50	\$	50
Cash equivalents:								
Money market funds		1,261		1,261		1,440		1,440
U.S. government		124		124		2		2
treasury securities								
Commercial paper		2		2		-		-
Short-term investments:								
U.S. government		1,273		1,263		1,149		1,143
treasury securities								
(1)								
Corporate bonds		195		195		160		161
U.S. government		14		14		14		14
agency securities								
Commercial paper		6		6		-		-
Mortgage origination-related:								
Mortgage loans		-		132		-		100
held for sale								
IRLCs - other		-		5		-		3
current assets								
Restricted cash		3		3		3		3
Total assets measured at fair	\$	2,930	\$	3,057	\$	2,818	\$	2,916
value on a recurring basis								
Liabilities								

Mortgage origination-related:				
Forward contracts - accrued expenses	\$	-	\$	1
and other current liabilities				
Contingent consideration:				
Contingent consideration - accrued expenses and other current liabilities	-	30	-	30
Contingent consideration - other long-term liabilities	-	54	-	51
Total liabilities measured at fair value on a recurring basis	\$	-	\$	85
				\$
				82
(1)				
The estimated fair market value includes \$				
10				
million and \$				
6				
million of gross unrealized losses as of March 31, 2024 and December 31, 2023, respectively.				

	June 30, 2024		Decem
	Amortized Cost	Estimated Fair Market Value	Amortized Cost
Assets			
Cash	\$ 7	\$ 7	\$
Cash equivalents:			
Money market funds	1,109	1,109	1,4
U.S. government treasury securities	65	65	
Short-term investments:			
U.S. government treasury securities ⁽¹⁾	1,232	1,222	1,1
Corporate bonds	207	206	10
U.S. government agency securities	14	14	:
Commercial paper	5	5	
Mortgage origination-related:			
Mortgage loans held for sale	—	195	
IRLCs - other current assets	—	4	
Forward contracts - other current assets	—	1	
Restricted cash	2	2	
Total assets measured at fair value on a recurring basis	\$ 2,641	\$ 2,830	\$ 2,8
Liabilities			
Mortgage origination-related:			
Forward contracts - accrued expenses and other current liabilities	\$ —	\$ —	\$
Contingent consideration:			
Contingent consideration - accrued expenses and other current liabilities	—	31	
Contingent consideration - other long-term liabilities	—	55	
Total liabilities measured at fair value on a recurring basis	\$ —	\$ 86	\$
(1) The estimated fair market value includes \$10 million and \$6 million of gross unrealized losses as of June 30, 2024 and December 31			

The following table presents available-for-sale investments by contractual maturity date as of **March 31, 2024** June 30, 2024 (in mil

Amortized Cost	Estimated Fair
	Market Value
Due in one year or less	\$ 732 \$ 730
Due after one year	756 748
Total	\$ 1,488 \$ 1,478

	Amortized Cost	Estimated Fair Market Value
Due in one year or less	\$ 681	\$ 673
Due after one year	777	774
Total	\$ 1,458	\$ 1,447

See Note 7 for the carrying amounts and estimated fair values of our convertible senior notes.

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Note 4. Property and Equipment, net

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

March 31, 2024	December 31, 2023	
Website development costs	\$ 497	\$ 452
Leasehold improvements	47	48
Computer equipment	19	19
Office equipment, furniture and fixtures	18	20
Property and equipment	581	539
Less: accumulated amortization and depreciation	(238	(211
))
Property and equipment, net	\$ 343	\$ 328

	June 30, 2024	December 31, 2023
Website development costs	\$ 539	\$ 452
Leasehold improvements	47	48
Computer equipment	18	19
Office equipment, furniture and fixtures	18	20
Property and equipment	622	539
Less: accumulated amortization and depreciation	(266)	(211)
Property and equipment, net	\$ 356	\$ 328

We recorded depreciation expense related to property and equipment (other than website development costs) of \$ 4 million\$4 million and \$ 6 million\$6 million for the three months ended March 31, 2024June 30, 2024 and 2023, respectively, and \$8 million and \$12 million for the

We capitalized website development costs of \$ 52 million\$54 million and \$ 45 million\$50 million for the three months ended March 31, 2024June 30, 2024 and 2023, respectively, and \$106 million and \$95 million for 33 million\$36 million and \$ 22 million\$27 million for the three months ended March 31, 2024June 30, 2024 and 2023, respectively, and \$69 million and \$49 million for

Note 5. Acquisitions

Acquisition of Follow Up Boss

On December 8, 2023, Zillow Group acquired Follow Up Boss, a customer relationship management system for real estate professionals, \$399 million in cash, net of cash acquired, and contingent consideration of up to \$100 million in cash, payable over a three-year period upon achievement of certain performance metrics. See Note 3 for additional information.

The total preliminary purchase price has been allocated to the assets acquired and liabilities assumed, including identifiable intangible assets.

Preliminary purchase price:	
Cash	\$ 403
Contingent consideration	81
Total preliminary purchase price	\$ 484
Identifiable assets acquired and liabilities assumed:	
Cash and cash equivalents	\$ 4
Goodwill	401
Intangible assets	86
Other assets	1
Deferred revenue	(7)
Other liabilities	(1)
Total preliminary purchase price	\$ 484

Preliminary purchase price:	
Cash	\$ 403
Contingent consideration	81
Total preliminary purchase price	\$ 484
Identifiable assets acquired and liabilities assumed:	
Cash and cash equivalents	\$ 4
Goodwill	402
Intangible assets	86
Deferred revenue	(7)
Other liabilities	(1)
Total preliminary purchase price	\$ 484

The preliminary estimated fair value of the identifiable intangible assets acquired and associated useful lives consisted of the following:

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Preliminary Estimated Fair Value	Estimated Weighted-Average Useful Life (in years)
Developed technology	\$ 50 4
Customer relationships	34 7
Trade names and trademarks	2 7
Total	\$ 86

	Preliminary Estimated Fair Value	Estimated Weighted-Average Useful Life (in years)
Developed technology	\$ 50	4
Customer relationships	34	7
Trade names and trademarks	2	7
Total	\$ 86	

Estimated fair values of the identifiable intangible assets acquired were determined by management, based in part on a preliminary

The purchase price allocation for the Follow Up Boss acquisition is preliminary and subject to change during the measurement period. Acquisition-related costs incurred, which primarily included legal, accounting and other external costs directly related to the acquisition, are included within acquisition-related costs in our consolidated statements of operations and were expensed as incurred. Unaudited pro forma revenue and earnings information has not been presented as the effects were not material to our condensed consolidated financial statements.

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Acquisitions of Aryeo and Spruce

On July 31, 2023, Zillow Group acquired Aryeo, a software company that serves real estate photographers, in exchange for approximately \$15 million in cash, net of cash acquired, and 380,259 shares of our Class C capital stock with a value of \$20 million, for total consideration of \$35 million, net of cash acquired. On September 11, 2023, Zillow Group acquired substantially all of the assets and liabilities of Spruce, a software company that serves real estate photographers, in exchange for approximately \$19 million in cash, net of cash acquired.

The acquisitions of Aryeo and Spruce have been accounted for as business combinations, and assets acquired and liabilities assumed

The total purchase prices have been allocated to the assets acquired and liabilities assumed, including identifiable intangible as:

	Aryeo	Spruce
Cash and cash equivalents	\$ 3	\$ 5
Goodwill	26	16
Intangible assets	11	2
Other assets	-	2
Liabilities	(2)	(1)
Total purchase price	\$ 38	\$ 24

	Aryeo	Spruce
Cash and cash equivalents	\$ 3	\$ 5
Goodwill	26	16
Intangible assets	11	2
Other assets	-	2
Liabilities	(2)	(1)
Total purchase price	\$ 38	\$ 24

The estimated fair value of the identifiable intangible assets acquired and associated useful lives consisted of the following (in

Aryeo				Spruce	
Estimated Fair Value	Estimated Useful Life (in years)		Estimated Fair Value	Estimated Useful Life (in years)	
Customer relationships	\$	5	5	\$	-
					-
Purchased content		4	3		-
					-
Developed technology		2	3		2
					3
Total	\$	11	\$	2	

	Aryeo		Spruce	
	Estimated Fair Value	Estimated Useful Life (in years)	Estimated Fair Value	Estimated Useful Life (in years)
Customer relationships	\$ 5	5	\$ —	—
Purchased content	4	3	—	—
Developed technology	2	3	2	3
Total	\$ 11		\$ 2	

We used an income approach to measure the fair value of the customer relationships intangible asset acquired from Aryeo based on the acquisition-related costs incurred, which primarily included legal, accounting and other external costs directly related to the acquisition.

Unaudited pro forma revenue and earnings information related to the acquisitions has not been presented as the aggregate effects of the acquisitions are not material.

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Note 6. Intangible Assets, net

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

March 31, 2024			
	Cost	Accumulated Amortization	Net
Customer relationships	\$ 98	\$ (76	
		22	
)	
Developed technology	104	(69	
		35	
)	
Software	90	(58	
		32	
)	
Trade names and trademarks	47	(26	
		21	
)	
Purchased content	14	(3	
		11	
)	
Total	\$ 353	\$ (232	
		121	
)	

December 31, 2023			
	Cost	Accumulated Amortization	Net
Customer relationships	\$ 98	\$ (79	
		19	
)	
Developed technology	104	(74	
		30	
)	

Software	84	(55
		29	
)	
Trade names and trademarks	47	(27
		20	
)	
Purchased content	17	(6
		11	
)	
Total	\$ 350	\$	241
		109	
)	

	June 30, 2024		
	Cost	Accumulated Amortization	Net
Customer relationships	\$ 98	\$ (26)	\$ 72
Developed technology	104	(44)	60
Software	97	(38)	59
Trade names and trademarks	47	(22)	25
Purchased content	19	(13)	6
Total	\$ 365	\$ (143)	\$ 222

	December 31, 2023		
	Cost	Accumulated Amortization	Net
Customer relationships	\$ 98	\$ (19)	\$ 79
Developed technology	104	(30)	74
Software	84	(29)	55
Trade names and trademarks	47	(20)	27
Purchased content	17	(11)	6
Total	\$ 350	\$ (109)	\$ 241

Amortization expense recorded for intangible assets was \$ 19 million and \$ 12 million for the three months ended March 31, 2024 June 30, 2024 and 2023, respectively and \$38 million and \$24 million for the three months ended March 31, 2024 June 30, 2024 and 2023, respectively. We do not record any impairment costs related to our intangible assets for the three or six months ended March 31, 2024 June 30, 2024 or 2023.

Note 7. Debt

The following table presents the carrying values of Zillow Group's debt as of the dates presented (in millions):

	March 31, 2024	December 31, 2023
Master repurchase agreements:		
JPMorgan Chase Bank, N.A.	\$ 65	\$ 40
UBS AG	58	45
Atlas Securitized Products, L.P.	-	8
(1)		
Total master repurchase agreements	123	93
Convertible senior notes		
1.375	496	496
% convertible senior notes due 2026		
2.75	505	504
% convertible senior notes due 2025		
0.75	608	607
% convertible senior notes due 2024		
Total convertible senior notes	1,609	1,607
Total debt	\$ 1,732	\$ 1,700

(1)
Agreement expired on March 11, 2024 and was not renewed.

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	June 30, 2024	December 31, 2023
Master repurchase agreements:		
JPMorgan Chase Bank, N.A.	\$ 111	\$ 40
UBS AG	71	45
Atlas Securitized Products, L.P. ⁽¹⁾	—	8
Total master repurchase agreements	182	93
Convertible senior notes		
2026 Notes	497	496
2025 Notes	417	504
2024 Notes	608	607
Total convertible senior notes	1,522	1,607
Total debt	\$ 1,704	\$ 1,700

⁽¹⁾Agreement expired on March 11, 2024 and was not renewed.

Credit Facilities

We utilize master repurchase agreements to provide capital for Zillow Home Loans. The following table summarizes certain details r

Lender	Maturity Date	Maximum Borrowing Capacity	Borrowings Outstanding	Available Borrowing Capacity	Weighted-Average Interest Rate
JPMorgan Chase Bank, N.A.	May 1, 2025	\$ 150	\$ 111	\$ 39	
UBS AG	October 9, 2024	100	71	29	
Total		\$ 250	\$ 182	\$ 68	

On May 2, 2024, the Zillow Home Loans master repurchase agreement with JPMorgan Chase Bank, N.A.	May 30, 2024	\$ 100	\$ 61
UBS AG	October 9, 2024	100	58
		42	7.05 %
Total		\$ 200	\$ 123
		\$ 77	

was amended and renewed. The amended master repurchase agreement increased the total maximum borrowing capacity from \$100 million to \$

In accordance with the master repurchase agreements, the Lenders agreed to pay Zillow Home Loans a negotiated purchase price for e
31, 2024 June 30, 2024 and December 31, 2023, \$
128 \$190 million and \$
99 \$99 million, respectively, in mortgage loans held for sale were pledged as collateral under the master repurchase agreements.

Borrowings on the master repurchase agreements bear interest at a floating rate based on SOFR plus an applicable margin, as define
For additional details related to our repurchase agreements, see Note 11 in the Notes to the Consolidated Financial Statements inc

Convertible Senior Notes

The following tables summarize certain details related to our outstanding Notes as of the dates presented or for the periods ended

March 31, 2024				December 31, 2023			
Maturity Date	Aggregate Principal	Stated Interest Rate	Effective Interest Rate	Semi-Annual Interest	Unamortized Debt	Fair Value	Unamortized Debt
Amount				Payment Dates	Issuance Costs		Issuance Costs
September	\$ 499	1.375 %	1.57 %	March 1;	\$ 3 \$ 615	\$ 3	\$ 681

1, 2026					September				
					1				
May 15, 2025	507	2.75	%	3.20	% May 15;	2	535	3	560
					November 15				
September	608	0.75	%	1.02	% March 1;	-	730	1	825
1, 2024					September 1				
Total	\$ 1,614	\$ 5	\$ 1,880	\$ 7	\$ 2,066				

Three Months Ended								Three Months Ended	
March 31, 2024								March 31, 2023	
Maturity Date	Contractual	Amortization of		Interest Expense		Contractual	Amortization of	Interest Expense	
	Coupon Interest	Debt Issuance				Coupon Interest	Debt Issuance		
	Costs				Costs				
September 1, 2026	\$ 2	\$ -	\$ 2	\$ 2	\$ -	\$ 2			
May 15, 2025	3	1	4	4	-	4			
September 1, 2024	1	1	2	1	1	2			
Total	\$ 6	\$ 2	\$ 8	\$ 7	\$ 1	\$ 8			

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						June 3
Maturity Date	Aggregate Principal Amount	Stated Interest Rate	Effective Interest Rate	Semi-Annual Interest Payment Dates		Unamortized Debt Issu
September 1, 2026	\$ 499	1.375 %	1.57 %	March 1; September 1		\$
May 15, 2025	419	2.75 %	3.20 %	May 15; November 15		
September 1, 2024	608	0.75 %	1.02 %	March 1; September 1		
Total	\$ 1,526					\$

Three Months Ended					Three Months Ended		
June 30, 2024					June 30, 2023		
	Contractual Coupon Interest	Amortization of Debt Issuance	Costs	Interest Expense	Contractual Coupon Interest	Amortization of Debt Issuance	
2026 Notes	\$ 1	\$	1	\$ 2	\$ 2	\$	
2025 Notes	3		—	3	4		
2024 Notes	2		—	2	1		

Total	\$	6	\$	1	\$	7	\$	7	\$
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Six Months Ended June 30, 2024					Six Months Ended June 30, 2023				
	Contractual Coupon	Interest	Amortization of Debt	Issuance Costs	Interest Expense	Contractual Coupon	Interest	Amortization of Debt	Issuance Costs
2026 Notes	\$	3	\$	1	\$	4	\$	4	\$
2025 Notes		6		1		7		8	
2024 Notes		3		1		4		2	
Total	\$	12	\$	3	\$	15	\$	14	\$

The Notes are senior unsecured obligations. The 2026 Notes and 2025 Notes are classified as long-term debt and the 2025 Notes and 2024 Notes are classified as current debt. The Notes are convertible into cash, shares of Class C capital stock or a combination thereof, at our election, and may be settled

Maturity Date	Early Conversion Date	Conversion Rate	Conversion Price	Optional Redemption Date
September 1, 2026	March 1, 2026	22.9830	\$ 43.51	September 5, 2023
May 15, 2025	November 15, 2024	14.8810	67.20	May 22, 2023
September 1, 2024	March 1, 2024	22.9830	43.51	September 5, 2022

	Early Conversion Date	Conversion Rate	Conversion Price	Optional Redemption Date
2026 Notes	March 1, 2026	22.9830	\$ 43.51	September 5, 2023
2025 Notes	November 15, 2024	14.8810	67.20	May 22, 2023
2024 Notes	March 1, 2024	22.9830	43.51	September 5, 2022

During the three months ended June 30, 2024 and in accordance with our Repurchase Authorizations, we repurchased \$88 million aggregate principal amount of the Notes.

The following table summarizes certain details related to the capped call confirmations with respect to the convertible senior notes.

Maturity Date	Initial Cap Price	Cap Price Premium
September 1, 2026	\$ 80.5750	150 %
September 1, 2024	72.5175	125 %

There were no conversions of the Notes during the three months ended March 31, 2024 or 2023.

Maturity Date	Initial Cap Price	Cap Price Premium
September 1, 2026	\$ 80.5750	150 %
September 1, 2024	72.5175	125 %

The last reported sale price of our Class C capital stock did not equal or exceed 130% of the conversion price of each any series of the Notes for more than at least 20 trading days during the 30 consecutive trading days ending on the last trading day of the period.

For additional details related to our convertible senior notes, see Note 11 in the Notes to Consolidated Financial Statements included in this prospectus.

Note 8. Income Taxes

We are subject to income taxes in the United States (federal and state) and certain foreign jurisdictions. As of March 31, 2024, we have accumulated tax losses of \$1.4 billion as of December 31, 2023, which are available to reduce future taxable income. We have accumulated state tax losses of \$56 million (tax effected) as of December 31, 2023.

Our income tax expense or benefit for interim periods is determined using an estimate of our annual effective tax rate, adjusted for discrete items. Income tax expense (benefit) was not material for the three months or six month periods ended March 31, 2024, June 30, 2024 and 2023.

Note 9. Share Repurchase Authorizations

The Board has authorized the repurchase of up to \$ 2.5 \$2.5 billion of our Class A common stock, Class C capital stock, outstanding convertible senior notes or a combination thereof. For Repurchases of stock under the Repurchase Authorizations may be made in open-market transactions or privately negotiated transactions. As of June 30, 2024, \$ 761 million \$381 million remained available for future repurchases pursuant to the Repurchase Authorizations.

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The following table summarizes our Class A common stock and Class C capital stock repurchase activity under the Repurchase Authorizations.

		Three Months Ended		Three Months Ended	
		March 31, 2024		March 31, 2023	
Class A common stock	Class C capital stock	Class A common stock	Class C capital stock	Class A common stock	Class C capital stock
Shares repurchased	119	92	314	1,698	
Weighted-average price per share	\$ 45.02	\$ 45.42	\$ 42.44	\$ 42.96	
Total purchase price	\$ 5	\$ 4	\$ 13	\$ 73	

In April 2024, we repurchased 0.3 million shares of Class A common stock for \$ 15 million at a weighted average price per share of \$ 43.01 and 1.8 million shares of Class C capital stock for \$ 76 million at a weighted average price per share of \$ 43.34. As of May 1, 2024, \$ 670 million remained available for future repurchases pursuant to the Repurchase Authorizations.

		Three Months Ended		Three Months Ended	
		June 30, 2024		June 30, 2023	
		Class A common stock	Class C capital stock	Class A common stock	Class C capital stock
Shares repurchased		981	5,904	496	2,781
Weighted-average price per share	\$	41.92	\$ 42.41	\$ 45.18	\$ 45.86
Total purchase price	\$	41	\$ 251	\$ 23	\$ 127

		Six Months Ended		Six Months Ended	
		June 30, 2024		June 30, 2023	
		Class A common stock	Class C capital stock	Class A common stock	Class C capital stock
Shares repurchased		1,100	5,996	810	4,479
Weighted-average price per share	\$	42.26	\$ 42.45	\$ 44.12	\$ 44.76
Total purchase price	\$	46	\$ 255	\$ 36	\$ 200

Note 10. Share-Based Awards

In addition to the option awards and restricted stock units typically granted under the 2020 Plan which vest quarterly over four years, during the first quarter of 2023, the Compensation Committee of the Board approved option and restricted stock unit awards granted over a three-year period. The exercisability terms of these equity awards are otherwise consistent with the terms of the option awards and restricted stock units.

Option Awards

The following table summarizes option award activity for the **three** **six** months ended **March 31, 2024** **June 30, 2024**:

Number of Shares Subject to Existing Options (in thousands)	Weighted- Average Exercise Price Per Share	Weighted- Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2024	32,524	\$ 44.18	6.9 \$ 495
Granted	2,744	55.69	
Exercised	(1,309	38.24	
Forfeited or canceled	(197	42.87	
Outstanding at March 31, 2024	33,762	45.35	6.8 210
Vested and exercisable at March 31, 2024	20,961	44.49	5.7 148

	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, 2024	32,524	\$ 44.18	6.9	\$ 495
Granted	2,853	55.11		
Exercised	(1,624)	37.79		
Forfeited or canceled	(346)	43.34		
Outstanding at June 30, 2024	33,407	45.43	6.6	158
Vested and exercisable at June 30, 2024	22,047	44.72	5.6	120

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

	Three Months Ended	
	March 31,	
	2024	2023
Expected volatility	57	55
	% -	% -
	61	61
	%	%
Risk-free interest rate	4.14	3.80
	% -	% -
	4.28	4.04
	%	%
Weighted-average expected life	5.5	5.3
	-	-
	6.8	6.5
	years	years
Weighted-average fair value of options granted	\$	\$
	32.28	23.60

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Expected volatility	59%	61%	57% - 61%	55% - 61%
Risk-free interest rate	4.50%	3.75%	4.14% - 4.50%	3.75% - 4.04%
Weighted-average expected life	5.5 years	5.3 years	5.5 - 6.8 years	5.3 - 6.5 years

Weighted-average fair value of options granted	\$29.69	\$25.81	\$31.93	\$23.76
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As of March 31, 2024June 30, 2024, there was a total of \$ 367 million\$314 million in unrecognized compensation cost related to unvested option awards.

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Restricted Stock Units

The following table summarizes activity for restricted stock units for the three six months ended March 31, 2024June 30, 2024:

Restricted Stock Units (in thousands)	Weighted-Average Grant Date Fair Value	
Unvested outstanding at January 1, 2024	12,038	\$ 45.42
Granted	5,748	55.71
Vested	(1,724)	45.48
Forfeited	(388)	47.17
Unvested outstanding at March 31, 2024	15,674	49.14

	Restricted Stock Units (in thousands)	Weighted-Average Grant Date Fair Value
Unvested outstanding at January 1, 2024	12,038	\$ 45.42
Granted	6,275	54.88
Vested	(3,525)	46.49
Forfeited	(604)	47.67
Unvested outstanding at June 30, 2024	14,184	49.24

As of March 31, 2024June 30, 2024, there was a total of \$ 720 million\$652 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 operation:

	Three Months Ended	
	March 31,	
	2024	2023
Cost of revenue	\$ 4	\$ 4
Sales and marketing	18	16
Technology and development	42	39
General and administrative	44	44
Total share-based compensation	\$ 108	\$ 103

	Three Months Ended June 30,	Six Months Ended June 30,
--	--------------------------------	------------------------------

	2024		2023	
	2024	2023	2024	2023
Cost of revenue	\$ 4	\$ 4	\$ 8	\$ 8
Sales and marketing	20	19	38	35
Technology and development	42	42	84	81
General and administrative	47	65	91	109
Total share-based compensation	\$ 113	\$ 130	\$ 221	\$ 233

Note 11. Net Loss Per Share

For the periods presented, the following Class C capital stock equivalents were excluded from the calculations of diluted net loss

	Three Months Ended	
	March 31,	
	2024	2023
Weighted-average Class C capital stock option awards outstanding	30,710	18,046
Weighted-average Class C capital stock restricted stock units outstanding	12,668	12,108
Class C capital stock issuable upon conversion of the Notes	32,998	33,855
Total Class C capital stock equivalents	76,376	64,009

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	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Weighted-average Class C capital stock option awards outstanding	19,091	22,315	20,935	20,045
Weighted-average Class C capital stock restricted stock units outstanding	14,877	15,366	13,776	13,746
Class C capital stock issuable upon conversion of the Notes	32,410	33,855	32,697	33,855
Total Class C capital stock equivalents	66,378	71,536	67,408	67,646

Note 12. Commitments and Contingencies

Commitments

During the three and six months ended March 31, 2024June 30, 2024, there were no material changes to the commitments disclosed in

Legal Proceedings

We are involved in a number of legal proceedings concerning matters arising in connection with the conduct of our business activit:

On September 17, 2019, International Business Machines Corporation ("IBM" ("IBM") filed a complaint against us in the U.S. District answer to our counterclaims. On September 18, 2020, we filed four Inter Partes Review ("IPR" ("IPR") petitions before the U.S. Patent a
 'l Bus. Machs. Corp. ("Rakuten IPR" IPR"), IPR2022-00646 concerning the final remaining patent in this action, which the courtCourt (

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On July 21, 2020, IBM filed a second action against us in the U.S. District Court, for the Western District of Washington, alleging, among other things, that the Company has infringed and continues to willfully

On November 16, 2021, November 19, 2021 and January 6, 2022, three purported class action lawsuits were filed against us and certain of our subsidiaries.

On March 10, 2022, May 5, 2022 and July 20, 2022, shareholder derivative suits were filed in the U.S. District Court for the Western District of Washington ("Federal Court") and on July 25, 2022, a shareholder derivative suit was filed in the Superior Court of the State of Washington, King County. The Federal Court issued orders consolidating the three federal derivative suits and staying the consolidated action pending the outcome of the state court litigation.

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.

Indemnifications

In the ordinary course of business, we enter into contractual arrangements under which we agree to provide indemnification of varying degrees to certain parties.

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Note 13. 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 the customer.

Disaggregation of Revenue

The following table presents our revenue disaggregated by category for the periods presented (in millions):

Three Months Ended		
March 31,		
	2024	2023
Residential	\$ 393	\$ 361
Rentals	97	74
Mortgages	31	26
Other	8	8
Total revenue	\$ 529	\$ 469

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Residential	\$ 409	\$ 380	\$ 802	\$ 741
Rentals	117	91	214	165
Mortgages	34	24	65	50
Other	12	11	20	19
Total revenue	\$ 572	\$ 506	\$ 1,101	\$ 975

Contract Balances

Contract assets totaled \$117 million and \$134 million as of March 31, 2024 and June 30, 2024, respectively. As of March 31, 2024 and June 30, 2024, the average remaining recognition period for our contract asset related to our Premier Agent Flex offering is five months.

For the three months ended March 31, 2024 and June 30, 2024, the opening balance of deferred revenue was \$52 million, of which \$44 million was recognized as revenue during the period. For the three months ended March 31, 2023 and June 30, 2023, the opening balance was \$41 million, of which \$41 million was recognized as revenue during the period.

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For the six months ended June 30, 2024, the opening balance of Contents deferred revenue was \$52 million, of which \$47 million was recognized as revenue during the period. For the six months ended June 30,

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 con:

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 website i Our portfolio of affiliates, subsidiaries and brands includes Zillow Premier Agent, Zillow Home Loans, our mortgage originations b As of March 31, 2024 June 30, 2024, we had 6,429 6,682 employees, compared to 6,263 employees as of December 31, 2023.

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 econo

Revenue Overview

Our revenue is classified into four categories: Residential, Rentals, Mortgages and Other. Residential. Residential revenue includes revenue generated by our Premier Agent and new construction marketplaces, as well as rev Premier Agent revenue is generated by the sale of advertising services, as well as marketing and technology products and services, New construction revenue primarily includes advertising services sold to home builders on a cost per residential community or cost Revenue generated through ShowingTime+ includes ShowingTime revenue, which is primarily generated by Appointment Center, a softwar

services to efficiently schedule real estate viewing appointments on behalf of their customers. Appointment Center services also 25 Table of Contents include call center specialists who provide scheduling support to customers. ShowingTime+ revenue also includes our Rentals. Rentals revenue includes advertising and a suite of tools sold to property managers on a cost per lead, lease, listing or Mortgages. Mortgages revenue primarily includes revenue generated through mortgage originations and the related sale of mortgages 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, It

Financial Overview

For the three months ended March 31, 2024 June 30, 2024 and 2023, we generated total revenue of \$529 million \$572 million and \$469 r • Residential revenue increased by \$32 million \$29 million, or 9% 8%, to \$393 million \$409 million, due to increases in the number visit. • Rentals revenue increased by \$23 million \$26 million, or 31% 29%, to \$97 million \$117 million, due to an increase in quarterly r • Mortgages revenue increased by \$5 million \$10 million, or 19% 42%, to \$31 million \$34 million, driven by an increase in mortgage During the three months ended March 31, 2024 June 30, 2024 and 2023, we generated gross profit of \$406 million \$442 million and \$37

Key Metrics

Management has identified visits, unique users and the volume of loans originated through Zillow Home Loans as relevant to investo

Visits

The number of visits is an important metric because it is an indicator of consumers' consumers' level of engagement with our mobile

We define a visit as a group of interactions by users with our Zillow, Trulia and StreetEasy mobile applications and websites. A s

Prior to January 1, 2024, we measured visits to Zillow and StreetEasy using the Universal Analytics version of Google Analytics. An

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Universal Analytics willis no longer be offered by Google as of July 1, 2024 and will behas been replaced by Google Analytics 4. A onfrom January 1, 2024 through June 30, 2024, we measuremeasured visits to Zillow using an internal measurement tool, but continuecon (i) after thirty minutes of user inactivity or at midnight; or (ii) through a campaign change.

We believe the use of an internal measurement tool to measure visits to Zillow will allowand StreetEasy allows us to maintain cont

The following table presents the number of visits to our mobile applications and websites for the periods presented (in millions, i

Three Months Ended		2023 to 2024	
March 31,		% Change	
2024	2023		
Visits	2,316	2,238	3 %

, recast for prior periods, as described above:

	Three Months Ended			Six Months Ended		
	June 30,		2023 to 2024	June 30,		2023 to 2024
	2024	2023		2024	2023	
Visits	2,495	2,391	4 %	4,811	4,629	4 %

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 se

We count a unique user the first time an individual accesses one of our mobile applications using a mobile device during a calend

Prior to January 1, 2024, we measured unique users for Zillow, StreetEasy and HotPads using Universal Analytics. As discussed above

Due to technological limitations, user software settings, or user behavior, our internal measurement tool and Universal Analytics i

We believe the use of an internal measurement tool to measure unique users for Zillow, will allowStreetEasy and HotPads allows us periodthree and six month periods ended March 31, 2023June 30, 2023.

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

Three Months Ended		2023 to 2024	
March 31,		% Change	
2024	2023		
Average monthly unique users	217	217	- %

, recast for prior periods, as described above:

	Three Months Ended			Six Months Ended		
	June 30,		2023 to 2024	June 30,		2023 to 2024
	2024	2023		2024	2023	
Average monthly unique users	231	232	- %	224	225	- %

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 pro

The following table presents loan origination volume by purpose and in total for Zillow Home Loans for the periods presented (in m.

Three Months Ended		2023 to 2024	
March 31,		% Change	
2024	2023		
Purchase loan origination volume	\$ 601 \$ 259	132	%
Refinance loan origination volume	4 3	33	%
Total loan origination volume	\$ 605 \$ 262	131	%

	Three Months Ended			Six Months Ended		
	June 30,		2023 to 2024	June 30,		2023 to 2024
	2024	2023		2024	2023	
Purchase loan origination volume	\$ 756	\$ 336	125 %	\$ 1,357	\$ 595	128 %
Refinance loan origination volume	3	4	(25)%	8	7	14 %
Total loan origination volume	\$ 759	\$ 340	123 %	\$ 1,365	\$ 602	127 %

During the three months and six month periods ended March 31, 2024 June 30, 2024, total loan origination volume increased 131%123% & increase in total loan origination volume was These increases were primarily driven by the continued growth in Zillow Home Loans purcha

Results of Operations

Given continued uncertainty surrounding the health of the housing market, interest rate environment and inflationary conditions, f.

Revenue

% of Total Revenue						
Three Months Ended		2023 to 2024		Three Months Ended		
March 31,				March 31,		
2024	2023	\$ Change	% Change	2024	2023	
(in millions, except percentages, unaudited)						
Residential	\$ 393 \$ 361 \$ 32	9 %	74 %	77 %		
Rentals	97 74 23	31	18	16		
Mortgages	31 26 5	19	6	6		
Other	8 8 -	-	2	2		
Total revenue	\$ 529 \$ 469 \$ 60	13 %	100 %	100 %		

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	Three Months Ended				% of Total Revenue	
	June 30,		2023 to 2024		Three Months Ended	
	2024	2023	\$ Change	% Change	2024	2023
(in millions, except percentages, unaudited)						
Residential	\$ 409	\$ 380	\$ 29	8 %	72 %	75 %
Rentals	117	91	26	29	20	18
Mortgages	34	24	10	42	6	5
Other	12	11	1	9	2	2
Total revenue	\$ 572	\$ 506	\$ 66	13 %	100 %	100 %

	Six Months Ended				% of Total Revenue	
	June 30,		2023 to 2024		Six Months Ended	
					June 30,	

	2024	2023	\$ Change	% Change	2024	2023
	(in millions, except percentages, unaudited)					
Residential	\$ 802	\$ 741	\$ 61	8 %	73 %	76 %
Rentals	214	165	49	30	19	17
Mortgages	65	50	15	30	6	5
Other	20	19	1	5	2	2
Total revenue	\$ 1,101	\$ 975	\$ 126	13 %	100 %	100 %

Three months ended March 31, 2024 June 30, 2024 compared to three months ended March 31, 2023 June 30, 2023

Total revenue increased \$60 million \$66 million, or 13%, to \$529 million \$572 million:

- Residential revenue increased \$29 million, or 8%. The increase in Residential revenue was partially driven by a 4% increase in 2024, and continued improvement in our ability to connect high-intent customers to agents. new construction revenue. We calculate Residential revenue per visit by dividing the revenue generated by in the number of visits for the three months ended March 31, 2024, compared to the three months ended March 31, 2023.
- Rentals revenue increased \$23 million \$26 million, or 31% 29%. The increase in Rentals revenue was primarily due to a 41% 25% in from multifamily property managers as well as growth in multifamily property listings, which drove a 46% 44% increase in multif Rentals revenue to increase in absolute dollars during the three months ending June 30, 2024, driven by macroeconomic factors, including housing availability and affordability, and decreased rental occupancy rates, as well as continued investment in growing our Rentals business.
- Mortgages revenue increased \$5 million \$10 million, or 19% 42%. This increase was primarily driven by a \$13 million \$16 million 31, 2023 June 30, 2023 to \$605 million \$759 million for the three months ended March 31, 2024 June 30, 2024, primarily driven by

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Six months ended June 30, 2024 compared to six months ended June 30, 2023

Total revenue increased \$126 million, or 13%, to \$1.1 billion:

- Residential revenue increased \$61 million, or 8%. The increase in Residential revenue was partially driven by a 4% increase in visits for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. Residential revenue was also
- Rentals revenue increased \$49 million, or 30%. The increase in Rentals revenue was primarily due to a 34% increase in quarterl
- Mortgages revenue increased \$15 million, or 30%. This increase was driven by a \$29 million increase in mortgage originations r

Adjusted EBITDA

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

	% of Revenue							
	Three Months Ended				2023 to 2024			
	March 31,				March 31,			
	2024	2023	\$ Change	% Change	2024	2023		
Net loss	\$ (23)	\$ (22)	\$ (1)	(5) %	(4)	(5)	%	(5) %
Adjusted EBITDA	\$ 125	\$ 104	\$ 21	20 %	24	22	%	22 %

	% of Revenue

	Three Months Ended				Three Months Ended	
	June 30,		2023 to 2024		June 30,	
	2024	2023	\$ Change	% Change	2024	2023
Net loss	\$ (17)	\$ (35)	\$ 18	51 %	(3)%	(7)%
Adjusted EBITDA	\$ 134	\$ 111	\$ 23	21 %	23 %	22 %

	Six Months Ended				% of Revenue	
	June 30,		2023 to 2024		Six Months Ended	
	2024	2023	\$ Change	% Change	2024	2023
Net loss	\$ (40)	\$ (57)	\$ 17	30 %	(4)%	(6)%
Adjusted EBITDA	\$ 259	\$ 215	\$ 44	20 %	24 %	22 %

To provide investors with additional information regarding our financial results, we have disclosed Adjusted EBITDA, a non-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 our performance. 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 GAAP financial measures.

- 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;
 - Adjusted EBITDA does not reflect impairment and restructuring costs;
 - Adjusted EBITDA does not reflect acquisition-related costs;
 - Adjusted EBITDA does not reflect loss on extinguishment of debt;
 - Adjusted EBITDA does not reflect interest expense or other income, net;
 - Adjusted EBITDA does not reflect income taxes; and
 - Other companies, including companies in our own industry, may calculate Adjusted EBITDA differently from the way we do, limiting its comparability.
- Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including various GAAP financial measures.

The following table presents a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure, which is net loss for each of the periods presented (in millions, unaudited):

Three Months Ended		
March 31,		
2024	2023	
Reconciliation of Adjusted EBITDA to Net Loss:		
Net loss	\$ (23)	\$ (22)
Income taxes	2	-
Other income, net	(33)	(32)
Depreciation and amortization	56	40
Share-based compensation	108	103
Impairment costs	6	6
Interest expense	9	9
Adjusted EBITDA	\$ 125	\$ 104

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	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Reconciliation of Adjusted EBITDA to Net Loss:				
Net loss	\$ (17)	\$ (35)	\$ (40)	\$ (57)
Income taxes	2	1	4	1
Other income, net	(34)	(42)	(67)	(74)
Depreciation and amortization	59	45	115	85
Share-based compensation	113	130	221	233
Impairment and restructuring costs	—	2	6	8
Acquisition-related costs	—	1	—	1
Loss on extinguishment of debt	1	—	1	—
Interest expense	10	9	19	18
Adjusted EBITDA	\$ 134	\$ 111	\$ 259	\$ 215

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Costs and Expenses, Gross Profit and Other Items

% of Total Revenue						
Three Months Ended			2023 to 2024		Three Months Ended	
March 31,					March 31,	
2024	2023	\$ Change	% Change	2024	2023	
(in millions, except percentages, unaudited)						
Cost of revenue	\$ 123	\$ 92	\$ 31	34 %	23 %	20 %
Gross profit	406	377	29	8	77	80
Operating expenses:						
Sales and marketing	166	156	10	6	31	33
Technology and development	147	137	10	7	28	29
General and administrative	132	123	9	7	25	26
Impairment costs	6	6	-	-	1	1
Total operating expenses	451	422	29	7	85	90
Other income, net	33	32	1	3	6	7
Interest expense	9	9	-	-	2	2
Income tax expense	2	-	2	-	-	-

	Three Months Ended				% of Total Revenue	
	June 30,				Three Months Ended	
	2024	2023	\$ Change	% Change	2024	2023
(in millions, except percentages, unaudited)						
Cost of revenue	\$ 130	\$ 104	\$ 26	25 %	23 %	21 %
Gross profit	442	402	40	10	77	79
Operating expenses:						
Sales and marketing	205	173	32	18	36	34
Technology and development	144	140	4	3	25	28
General and administrative	131	153	(22)	(14)	23	30
Impairment and restructuring costs	—	2	(2)	(100)	—	—
Acquisition-related costs	—	1	(1)	(100)	—	—

Total operating expenses	480	469	11	2	84	93
Loss on extinguishment of debt	1	—	1	—	—	—
Other income, net	34	42	(8)	(19)	6	8
Interest expense	10	9	1	11	2	2
Income tax expense	2	1	1	100	—	—

					% of Total Revenue	
	Six Months Ended				Six Months Ended	
	June 30,		2023 to 2024		June 30,	
	2024	2023	\$ Change	% Change	2024	2023
	(in millions, except percentages, unaudited)					
Cost of revenue	\$ 253	\$ 196	\$ 57	29 %	23 %	20 %
Gross profit	848	779	69	9	77	80
Operating expenses:						
Sales and marketing	371	329	42	13	34	34
Technology and development	291	277	14	5	26	28
General and administrative	263	276	(13)	(5)	24	28
Impairment and restructuring costs	6	8	(2)	(25)	1	1
Acquisition-related costs	—	1	(1)	(100)	—	—
Total operating expenses	931	891	40	4	85	91
Loss on extinguishment of debt	1	—	1	—	—	—
Other income, net	67	74	(7)	(9)	6	8
Interest expense	19	18	1	6	2	2
Income tax expense	4	1	3	300	—	—

Cost of Revenue

Cost of revenue consists of expenses related to operating our mobile applications and websites, including associated headcount-rel

Three months ended **March 31, 2024** **June 30, 2024** compared to three months ended **March 31, 2023**
June 30, 2023

Cost of revenue increased **\$31 million** **\$26 million**, or **34%** **25%**, driven by increases of **\$17** **\$15** million in depreciation and amortizati

Six months ended June 30, 2024 compared to six months ended June 30, 2023

Cost of revenue increased \$57 million, or 29%, driven by increases of \$32 million in depreciation and amortization expense primari
expense, \$3 million in connectivity costs, and \$3 million in lead acquisition costs.

Gross Profit

Gross profit is calculated as revenue less cost of revenue. Gross margin is gross profit expressed as a percentage of revenue. Our

Three months ended **March 31, 2024** **June 30, 2024** compared to three months ended **March 31, 2023**
June 30, 2023

Gross profit increased by **\$29 million** **\$40 million**, or **8%** **10%**, primarily due to an increase in revenue, discussed above. Total gross

Six months ended June 30, 2024 compared to six months ended June 30, 2023

Gross profit increased by \$69 million, or 9%, primarily due to an increase in revenue, discussed above. Total gross margin decreas

Sales and Marketing

Sales and marketing expenses consist of advertising costs and other sales expenses related to promotional and marketing activities.

Three months ended March 31, 2024 June 30, 2024 compared to three months ended March 31, 2023 June 30, 2023

Sales and marketing expenses increased \$10 million\$32 million, or 6%18%, due to an increase of \$12 million\$17 million in headcount advertising costs driven by active cost management. rentals marketplace. We expect sales and marketing expenses to increase in absolute

Six months ended June 30, 2024 compared to six months ended June 30, 2023

Sales and marketing expenses increased \$42 million, or 13%, due to an increase of \$29 million in headcount-related expenses, inclu rentals marketplace.

Technology and Development

Technology and development expenses consist of headcount-related expenses, including salaries, benefits, bonuses and share-based c

Three months ended March 31, 2024 June 30, 2024 compared to three months ended March 31, 2023 June 30, 2023

Technology and development expenses increased \$10 million\$4 million, or 7%3%, due to increases of \$12 million\$4 million in headcou

Six months ended June 30, 2024 compared to six months ended June 30, 2023

Technology and development expenses increased \$14 million, or 5%, due to increases of \$16 million in headcount-related expenses, i

General and Administrative

General and administrative expenses consist of headcount-related expenses, including salaries, benefits, bonuses and share-based c

Three months ended March 31, 2024 June 30, 2024 compared to three months ended March 31, 2023 June 30, 2023

General and administrative expenses increased \$9 milliondecreased \$22 million, or 7%14%, primarily due to increasesa decrease of \$ million\$20 million in headcount-related expenses, including share-based compensation expense. The decrease in headcount-related expens consideration associated with our acquisition of Follow Up Boss. These increases were partially offset by a \$4 million decrease of \$3 million in rent expense primarily driven by cost savings associated wit Impairment Costs Impairment costs were

Six months ended June 30, 2024 compared to six months ended June 30, 2023

General and administrative expenses decreased \$13 million, or 5%, primarily due to a decrease of \$18 million in headcount-related , 2024 and 2023 and were decrease in rent expense primarily driven by cost savings associated with changes in the use of certain office s

Impairment and Restructuring Costs

We did not record any impairment and restructuring costs for the three months ended June 30, 2024. Impairment and restructuring co

Impairment and restructuring costs were \$6 million and \$8 million for the six months ended June 30, 2024 and 2023, respectively, a

Other Income, net

Other income, net consists primarily of interest income earned on our cash, cash equivalents and investments and fair value adjust

Other income, net decreased \$8 million for the three months ended June 30, 2024 as compared to the three months ended June 30, 202

Other income, net decreased \$7 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023, a

Income Taxes

We are subject to income taxes in the United States (federal and state) and certain foreign jurisdictions. As of March 31, 2024Jun

Income tax expense was not material for the three monthsand six month periods ended March 31, 2024 June 30, 2024 and 2023.

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In 2021, the OECD, a global policy forum, released Pillar Two, designed to ensure that multinational groups with consolidated fina

Liquidity and Capital Resources

Our primary sources of liquidity and capital resources are cash flows from operations, debt financing and equity offerings. Our ca

Sources of Liquidity

As of March 31, 2024 June 30, 2024 and December 31, 2023, we had cash and cash equivalents, investments and restricted cash of \$2.9

We believe that cash from operations and cash and cash equivalents and investment balances will be sufficient to meet our ongoing

Summarized Cash Flow Information

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

	Three Months Ended	
	March 31,	
	2024	2023
Cash Flow Data:		
Net cash provided by operating activities	\$ 80	\$ 93
Net cash used in investing activities	(204)	(97)
Net cash provided by (used in) financing activities	71	(68)

	Six Months Ended	
	June 30,	
	2024	2023
Cash Flow Data:		
Net cash provided by operating activities	\$ 135	\$ 193
Net cash provided by (used in) investing activities	(207)	84
Net cash used in financing activities	(240)	(177)

Cash Flows Provided By Operating Activities

Our operating cash flows result primarily from cash received from real estate professionals, rental professionals, mortgage profes

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For the three six months ended March 31, 2024 June 30, 2024, net cash provided by operating activities was \$80 million \$135 million. million, amortization of right of use assets of \$3 million \$6 million, and amortization of debt issuance costs of \$2 million. \$3 millior million \$95 million increase in mortgage loans held for sale due to an increase in purchase loan origination volume, a \$49 million incr

For the six months ended June 30, 2023, net cash provided by operating activities was \$193 million. This was driven by a net loss increase \$2 million decrease in accounts receivable primarily due to an increase in revenue from products and services billed in arrears. other long-term liabilities. These changes were partially offset by a \$6 million increase in a a \$6 million increase in deferred revenue and a \$2 million increase in other long-term liabilities.

For the three months ended March 31, 2023, net cash provided by operating activities was \$93 million. This was driven by a net loss of \$22 million, adjusted by share-based compensation of \$103 million, depreciation and amortization of \$40 million, accretion of bond discount of \$10 million, impairment costs of \$6 million, amortization of contract cost assets of \$6 million, amortization of right of use assets of \$6 million, and other adjustments to reconcile net loss to net cash provided by operating activities of \$2 million. Changes in operating assets and liabilities decreased cash provided by operating activities by \$39 million. The changes in operating assets and liabilities are primarily related to a \$27 million increase in prepaid expenses and other current assets due primarily to an increase in revenue from products and services billed in arrears, an \$8 million decrease in lease liabilities due to contractual lease payments, a \$7 million increase in mortgage loans held for sale due to an increase in loan origination volume, a \$6 million increase in contract cost assets, a \$3 million increase in accounts receivable and a \$3 million decrease in accrued compensation and

benefits. These changes were partially offset by a \$10 million increase in accrued expenses and other current liabilities primarily driven by revenue and a \$2 million increase in accrued compensation and benefits.

Cash Flows Used In Provided By (Used In) Investing Activities

Our primary investing activities include the purchase and sale or maturity of investments and the purchase of property and equipment. For the three six months ended March 31, 2024 June 30, 2024, net cash used in investing activities was \$204 million \$207 million. This was primarily due to the purchase of property and equipment. For the three six months ended March 31, 2023 June 30, 2023, net cash used in provided by investing activities was \$97 million \$84 million.

Cash Flows Provided By (Used In) 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 the warehouse line of credit and master repurchase agreements related to Zillow Home Loans. Loans and settlement of long-term debt including repurchases of the 2025 Notes.

For the three six months ended March 31, 2024 June 30, 2024, net cash provided by used in financing activities was \$71 million \$240 million. This was primarily due to the exercise of employee option awards and the proceeds from the exercise of option awards. For the three six months ended March 31, 2023 June 30, 2023, net cash used in financing activities was \$68 million \$177 million, which was primarily due to the exercise of employee option awards and the proceeds from the exercise of option awards.

For the three six months ended March 31, 2023 June 30, 2023, net cash used in financing activities was \$68 million \$177 million, which was primarily due to the exercise of employee option awards and the proceeds from the exercise of option awards.

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Capital Resources

Notes

As of March 31, 2024 June 30, 2024, we have a total of \$1.6 billion \$1.5 billion aggregate principal amount of Notes outstanding. This includes the following:

March 31, 2024	December 31, 2023				
Maturity Date	Aggregate Principal Amount	Stated Interest Rate	Carrying Value	Carrying Value	
September 1, 2026	\$ 499	1.375 %	\$ 496	\$ 496	
May 15, 2025	507	2.75 %	505	504	
September 1, 2024	608	0.75 %	608	607	
Total	\$ 1,614	\$ 1,609	\$ 1,607		

Maturity Date	Aggregate Principal Amount	Stated Interest Rate	June 30, 2024	December 31, 2023
			Carrying Value	Carrying Value
September 1, 2026	\$ 499	1.375 %	\$ 497	\$ 496
May 15, 2025	419	2.75 %	417	504
September 1, 2024	608	0.75 %	608	607
Total	\$ 1,526		\$ 1,522	\$ 1,607

We may from time to time seek to redeem, retire or purchase outstanding debt through cash purchases and/or exchanges for cash, share repurchases, or other means. The 2025 Notes and 2026 Notes are not convertible at the option of the holders during the three months ending September 30, 2024. During the three months ended June 30, 2024, we repurchased \$88 million aggregate principal amount of the 2025 Notes through open market purchases.

Share Repurchases

The Board has authorized the repurchase of up to \$2.5 billion \$2.5 billion of our Class A common stock, Class C capital stock, outstanding shares of Class A common stock and 0.1 million 6 million shares of Class C capital stock at an average price of \$45. This includes the following:

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Credit Facilities

Zillow Home Loans operations impact our liquidity and capital resources as a cash intensive business that funds mortgage loans ori

Lender	Maturity Date	Maximum Borrowing Capacity	Outstanding Borrowings at March 31, 2024	Outstanding Borrowings at December 31, 2023	Weighted Average Interest Rate at March 31, 2024
JPMorgan Chase Bank, N.A.	May 30, 2024	100	65	40	7.03 %
UBS AG	October 9, 2024	100	58	45	7.05 %
Atlas Securitized Products, L.P.	March 11, 2024	-	-	8	- %

Lender	Maturity Date	Maximum Borrowing Capacity	Outstanding Borrowings at June 30, 2024	Outstanding Borrowings at December 31, 2023
JPMorgan Chase Bank, N.A. (1)	May 1, 2025	150	111	
UBS AG	October 9, 2024	100	71	
Atlas Securitized Products, L.P. (2)	March 11, 2024	-	-	
Total		\$ 250	\$ 182	\$

(1) Total \$ 200 \$ 123 \$ 93

(1) Agreement was amended and renewed on May 2, 2024. The amended agreement increased the total maximum borrowing capacity from \$100 million to \$150 million. (2) Agreement expired on March 11, 2024 and was not renewed.

Refer to Note 7 of our Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q for additional information.

Contractual Obligations and Other Commitments

Convertible Senior Notes - Includes the aggregate principal amounts of the Notes due on their contractual maturity dates, as well as interest. As of June 30, 2024, \$1.5 billion of which is payable within 12 months. Future interest payments associated with the Notes are \$608 million.

Credit Facilities - Includes principal amounts due for amounts borrowed under the master repurchase agreements to finance mortgage loans.

Operating Lease Obligations - Our lease portfolio primarily comprises operating leases for our office space. During the three months ended June 30, 2024, we incurred lease expenses of \$36 million.

Contingent Consideration - In connection with the acquisition of Follow Up Boss, we are obligated to pay contingent consideration of \$1.5 billion.

Purchase Obligations - We have non-cancelable purchase obligations for content related to our mobile applications and websites and other services of \$36 million.

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Critical Accounting Policies and Estimates

Our condensed consolidated financial statements are prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and certain disclosures.

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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, foreign exchange rates, and commodity prices.

Interest Rate Risk

Under our current investment policy, we invest our excess cash in money market funds, U.S. government treasury securities, U.S. government agency securities, and high-quality corporate bonds. The yield on these investments is sensitive to changes in interest rates.

Our short-term investments are exposed to market risk due to the fluctuation of prevailing interest rates that may reduce the yield. As of **March 31, 2024** **June 30, 2024**, we had approximately **\$1.6 billion** **\$1.5 billion** aggregate principal amount of Notes outstanding. We are also subject to market risk which may impact our mortgage loan origination volume and associated revenue and the net interest, **\$93 million**, respectively, of outstanding borrowings on our master repurchase agreements which bear interest at a floating rate. For additional details related to our credit facilities and convertible senior notes, see Note 7 to our Notes to Condensed Consolidated Financial Statements.

Inflation Risk

The macroeconomic environment in the United States has experienced, and continues to experience, inflationary pressures. While it is difficult to predict the future course of inflation, if inflationary pressures persist, our costs, in particular labor, marketing and hosting costs, may increase and we may not be able to pass these costs on to our customers.

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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 position.

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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 Securities Exchange Act of 1934) that are designed to ensure that information required to be disclosed in the Company's reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. 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).

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding legal proceedings in which we are involved, see Note 12 under the subsection titled "Legal Proceedings" in our Consolidated Financial Statements.

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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 previously disclosed in our Consolidated Financial Statements.

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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 March 31, 2024 June 30, 2024.

Purchase of Equity Securities by the Issuer

The following table summarizes our stock repurchases during the three months ended March 31, 2024 June 30, 2024 (in millions, except

Total Number of Shares Purchased			Average Price Paid Per Share			Total Number of Shares
						Purchased
						Publicly
						Plans or Programs (1)
Period	Class A common stock	Class C capital stock	Class A common stock	Class C capital stock		
January 1 - January 31, 2024	-	-	\$ -	\$ -	-	\$ 770
February 1 - February 29, 2024	-	-	-	-	-	770
March 1 - March 31, 2024	119	92	45.02	45.42	211	761
Total	119	92	211			

(1) On December 2, 2021, the Board authorized a stock repurchase program granting the authority to repurchase up to \$750 million of combination of both. On May 4, 2022, the Board authorized the repurchase of up to an additional \$1 billion of Class A common stock, November 1, 2022, the Board further expanded these authorizations to allow for the repurchase of a portion of our outstanding convertible senior notes of up to an additional \$750 million of Class A common stock, Class C capital stock, outstanding convertible Repurchase Authorizations do not have an expiration date. There were no repurchases of convertible senior notes during the three months ended March 31, 2024.

Number of Shares	Approximate Dollar Value
as Part of	of Shares That May Yet
Announced	Be Purchased Under the
Programs (1)	Plans or Programs (1)

Class A common stock, Class C capital stock or a combination thereof. On July 31, 2023, the Board authorized the repurchase of up to an additional \$750 million of Class A common stock, Class C capital stock, outstanding convertible senior notes or a combination thereof. The repurchases ended March 31, 2024.

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Period
April 1 - April 30, 2024
May 1 - May 31, 2024
June 1 - June 30, 2024
Total

(1) On December 2, 2021, the Board authorized a stock repurchase program granting the authority to repurchase up to \$750 million of Class A common stock, Class C capital stock, outstanding convertible senior notes or a combination thereof. The repurchases ended March 31, 2024.

Item 5. Other Information

Trading Plans

On March 12, 2024 June 10, 2024, Erik Blachford, Claire Cormier Thielke, member of the Board, of Zillow Group, Inc., entered into a 10b5-1 sales plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act.

In addition, in the Company's Quarterly Report on Form 10-Q filed with the SEC on May 1, 2024, the Company inadvertently omitted the following information:

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Item 6. Exhibits

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

Exhibit Number	Description
3.1	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 Securities and Exchange Commission on February 17, 2015, and incorporated herein by reference).
3.2	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 Securities and Exchange Commission on June 5, 2020, and incorporated herein by reference).
31.1	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.
31.2	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.
32.1 [^]	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.
32.2 [^]	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.
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 Securities and Exchange Commission 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.

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Exhibit

Number

3.1	Amended and Restated Articles of Incorporation of Zillow Group, Inc. (Filed as Exhibit 3.1 to Registrant's Current Report on F
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31.1	Certification of Chief Executive Officer pursuant to Rule 13-14(a) of the Securities Exchange Act of 1934 as adopted pursuant
31.2	Certification of Chief Financial Officer pursuant to Rule 13-14(a) of the Securities Exchange Act of 1934 as adopted pursuant
32.1^	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes
32.2^	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are em
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 w

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its

Dated: May 1, 2024 ZILLOW GROUP, INC.

By: /s/ J

ENNIFER

R

OCK

Name: Jennifer Rock

Title: Chief Accounting Officer

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Dated: August 7, 2024

ZILLOW GROUP, INC.

By: /s/ JENNIFER ROCK

Name: Jennifer Rock

Title: Chief Accounting Officer

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**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, Richard Barton, certify that:

1. I have reviewed this report on Form 10-Q of Zillow Group, Inc. for the fiscal quarter ended **March 31, 2024** **June 30, 2024**;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact ne
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all
4. The **registrant's** **registrant's** other certifying officer and I are responsible for establishing and maintaining disclosure control
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under (
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be de
 - c) Evaluated the effectiveness of the **registrant's** **registrant's** disclosure controls and procedures and presented in this repo
 - d) Disclosed in this report any change in the **registrant's** **registrant's** internal control over financial reporting that occurri
5. The **registrant's** **registrant's** other certifying officer and I have disclosed, based on our most recent evaluation of internal con
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial report:
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the **registri**

By:	/s/ R
	ICHARD
	B
	ARTON
Name:	Richard Barton
Title:	Chief Executive Officer
Date:	May 1, 2024

By:	/s/ RICHARD BARTON
Name:	Richard Barton
Title:	Chief Executive Officer
Date:	August 7, 2024

**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 **March 31, 2024** **June 30, 2024**;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact ne
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure control
- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be de
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this repo
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurri
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal con
- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial report:
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrati

By: /s/ JEREMY HOFMANN
Name: Jeremy Hofmann
Title: Chief Financial Officer
Date: May 1, 2024

By: /s/ JEREMY HOFMANN
Name: Jeremy Hofmann
Title: Chief Financial Officer
Date: August 7, 2024

EXHIBIT 32.1

**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

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 operatic

By: /s/ R
ICHARD
B
ARTON
Name: Richard Barton
Title: Chief Executive Officer
Date: May 1, 2024

By: /s/ RICHARD BARTON
Name: Richard Barton
Title: Chief Executive Officer
Date: August 7, 2024

EXHIBIT 32.2

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" "Company") for the fiscal quarter ended

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 operatic

By: /s/ JEREMY HOFMANN
Name: Jeremy Hofmann
Title: Chief Financial Officer
Date: May 1, 2024

{graphic omitted}
{graphic omitted}

By: /s/ JEREMY HOFMANN
Name: Jeremy Hofmann
Title: Chief Financial Officer
Date: August 7, 2024

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