



Real Matters Q3 2025 Conference Call - Transcript

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Corporate Participants

Brian Lang, *Chief Executive Officer*

Rodrigo Pinto, *Executive Vice President and Chief Financial Officer*

Lyne Beauregard, *Vice President, Investor Relations & Corporate Communications*

Other Participants

Gavin Fairweather, *Cormark Securities*

Thanos Moschopoulos, *BMO Capital Markets*

Robert Young, *Canaccord Genuity*

Martin Toner, *ATB Capital Markets*

Richard Tse, *National Bank Financial*

Presentation

Operator

Good day. And thank you for standing by. Welcome to the Q3 2025 Real Matters Earnings Conference Call. (Operator Instructions) Please be advised that today's conference is being recorded.

I would now like to hand the conference over to your first speaker today Lyne Beauregard, Vice President, Investor Relations and Corporate Communications. Please go ahead.

Lyne Beauregard

Thank you, Operator. And good morning, everyone. Welcome to Real Matters financial results conference call for the third quarter ended June 30th, 2025. With me today are Real Matters Chief Executive Officer, Brian Lang; and Chief Financial Officer, Rodrigo Pinto.

This morning before market open we issued a news release announcing our results for the three and nine months ended June 30th, 2025. The release, accompanying slide presentation as well as financial statements and MD&A are posted in the Investors section of our website at realmatters.com.

During the call we may make certain forward-looking statements, which reflect the current expectations of management with respect to our business and the industry in which we operate. However there are a number of risks, uncertainties and other factors that could cause our results to differ materially from our expectations. Please see the slide entitled cautionary note regarding forward-looking information in the accompanying slide presentation for more details. You can also find additional information about these risks in the risk factors section of the company's annual information form for the year ended September 30th, 2024, which is available on SEDAR+ and in the Investor Relations section of our website.

As a reminder, we refer to non-GAAP measures in our slide presentation including net revenue, net revenue margins, adjusted net income or loss, adjusted net income or loss per diluted share, adjusted EBITDA and adjusted EBITDA margin. Non-GAAP measures are described in our MD&A for the three and nine months ended June 30th, 2025, where you'll also find reconciliations to the nearest IFRS Accounting Standards measures.

With that, I will turn it over to Brian. Brian?

Brian Lang

Thank you, Lyne. Good morning, everyone. And thank you for joining us on the call today. Real Matters delivered double-digit sequential growth in all three segments in the third quarter. Consolidated revenues were up 22% from the second quarter of 2025 as we benefited from a seasonal uptick in purchase origination market volumes and to a lesser extent, marginally better market conditions for refinance origination.

Q3 consolidated net revenue was up 18% quarter-over-quarter, and we posted positive consolidated adjusted EBITDA of \$0.3 million, up from a loss of \$1.9 million in the second quarter of 2025. Our proven performance track record remains strong as we maintained our top position across lender scorecards and added four new clients during the third quarter. Following the end of the quarter, we secured several notable wins including the successful launch of our second Tier 1 lender in U.S. Title.

In Appraisal, we launched a new top 15 lender and significantly expanded market share with one of our top 50 lenders. Our ongoing ability to capture market share and launch new clients continues to underscore the company's competitive strength and our ability to grow amid persistent market headwinds. U.S. Appraisal revenues were up 22% sequentially, principally as a result of the spring market increase in purchase origination volumes, albeit from a very low level.

We posted U.S. appraisal net revenue margins of 26.2%, and we remained in the range of our target operating model for the 11th quarter in a row. U.S. Appraisal adjusted EBITDA increased to \$4 million from \$2.6 million in the second quarter due to the top line growth. U.S. title revenues increased to

\$2.8 million from \$2.3 million in the second quarter, driven by slightly better refinance market volumes as well as an important market share increase with the largest reverse mortgage lender in the U.S.

Our U.S. title business continues to build momentum. third quarter origination volumes were up 52% year-over-year, outpacing the estimated market volume growth as a result of our expanding client base and net market share gains, and the pipeline remains strong. With the increase in refinance origination revenues, net revenue margins increased 900 basis points on a year-over-year basis to 52.6% in the third quarter. We launched the largest credit union in the U.S. during the quarter. And as I mentioned earlier, we are now live with our second Tier 1 lender, which marks an important milestone for Real Matters that was several years in the making.

I'd like to take this opportunity to recognize the team for their relentless focus and dedication to delivering an extraordinary experience for our lenders and ultimately, homeowners. Our network management model continues to differentiate us in the market and is a key driver behind winning new customers and increasing market share with existing customers, which fuels our overall growth.

As our foundation grows, we are increasingly well positioned to benefit from market dynamics, which will amplify our growth trajectory and unlock meaningful operating leverage. Today there are nearly 12 million outstanding mortgages with rates above 6%. Approximately 8 million of those mortgages have rates above 6.5%, making them prime rate refinance candidates when interest rates dip below 6%. In the last few weeks, we have seen the spread between the 10-year treasury yield and the 30-year mortgage rate begin to revert toward the long-term historical average.

Turning to Canada. Revenues for the segment were up 19% on a quarter-over-quarter basis and adjusted EBITDA increased 21% sequentially to \$1.3 million. We launched two new clients in Canada during the third quarter.

With that, I'll hand it over to Rodrigo. Rodrigo?

Rodrigo Pinto

Thank you, Brian. And good morning, everyone. Seasonally, the third quarter should be better for purchase origination volumes in our U.S. Appraisal segment due to the spring home buying season. However enduring affordability issues, high rates and a volatile macro environment resulted in a softer spring market this year.

For our U.S. Appraisal and U.S. Title segments, relative changes in interest rates are the biggest driver of refinance origination volumes. Although the spread between the 10-year treasury yield and the 30-year mortgage rate tightened to 240 basis points, the average 30-year mortgage rate remained flat quarter-over-quarter, while the spot rate increased by 24 basis points intra-quarter, peaking at 6.89% and then declining to 6.77% towards the tail end of the quarter.

We estimate that addressable purchase mortgage origination market volumes were relatively flat year-over-year, but up on a sequential basis, while addressable refinance origination volumes increased year-over-year and sequentially, directionally in line with Fannie and MBA estimates. Turning to our segmented financial performance.

I'll start with our U.S. Appraisal segment where we recorded revenues of \$32.6 million, down 13% from the same period last year, principally due to lower addressable market. The comparable quarter also included higher volumes from a temporary reallocation of market share from one of our leading clients, which returned to prior levels over the course of fiscal 2025.

Year-over-year, revenues from purchase mortgage originations were down 23% and revenues from refinance originations were down 4%. Home equity revenues were down 5% year-over-year, mainly due to a lower addressable market for home equity transactions, partially offset by net market share gains with existing and new clients. Home equity revenues accounted for 25% of the segment's revenues in Q3. U.S. Appraisal net revenue was \$8.6 million for the third quarter, down from \$10.3 million in Q3 '24, and net revenue margins decreased by 140 basis points, mostly due to the distribution of transaction volumes as it relates to geographies, clients and product mix.

We posted net revenue margin of 26.2% in Q3 '25, which remains within our target operating model range. third quarter U.S. Appraisal operating expenses were down 8% year-over-year to \$4.5 million due primarily to lower salaries and benefit costs and our ongoing efforts to prudently manage expenses. We posted U.S. Appraisal adjusted EBITDA of \$4 million compared with \$5.5 million from the third quarter of fiscal 2024 as lower net revenue was partially offset by lower operating expenses.

Turning to our U.S. Title segment. third quarter revenues increased 30% year-over-year to \$2.8 million, and refinance origination revenues were up 66%, mainly due to net market share gains with clients and higher refinance mortgage market origination volume. U.S. Title net revenue was \$1.5 million, up 57% from the third quarter last year, and net revenue margins increased to 52.6% from 43.6%, mostly due to higher volume serviced, which diluted our fixed costs as well as higher proportion of incoming order volumes that closed. U.S. Title operating expenses were up 10% year-over-year, mainly due to hiring additional sales personnel to accelerate new sales, and we are already seeing returns on that investment with new client wins and our growing pipeline.

We recorded an adjusted EBITDA loss of \$1.7 million for the U.S. Title segment compared with the \$1.9 million loss we recorded in the third quarter of fiscal 2024. In Canada, third quarter revenues increased modestly to \$10 million due to an increase in market volumes and net market share gains with existing a new clients. Net revenue was flat at \$1.9 million and net revenue margins decreased by 30 basis points, mostly due to the business mix of transaction volumes. Canadian adjusted EBITDA was \$1.3 million, in line with the third quarter of fiscal 2024.

In total, third quarter consolidated revenue and net revenue were down 8% and 10% year-over-year to \$45.4 million and \$11.9 million, respectively, as lower U.S. Appraisal segment revenues were partially offset by an increase in revenues from our U.S. Title and Canada segments. We recorded positive consolidated adjusted EBITDA of \$0.3 million compared with \$1.7 million in third quarter of fiscal 2024.

Our business remains resilient, and we continue to operate from a position of strength due to our solid balance sheet. At quarter end, we had no debt and cash of \$43.8 million, down from \$45.7 million at March 31st, 2025, mostly due to the timing of changes in working capital.

With that, I'll turn it back over to Brian. Brian?

Brian Lang

Thank you, Rodrigo. So in summary, the third quarter delivered solid sequential growth despite soft market conditions. We launched four new clients and maintained our position at the top of lender scorecards. Overall, we are making excellent progress in achieving our long-term objectives by launching new clients and growing market share. We have achieved a major milestone with the launch of our second Tier 1 lender in U.S. Title, and we are focused on scaling the business with more new client wins and market share growth on the horizon.

We also have the capacity to take on additional volume with our existing operating cost base. We believe there is substantial pent-up demand in the U.S. mortgage market. In recent weeks, the spread between the 10-year treasury yield and 30-year mortgage rates has begun to narrow and is currently within 60 basis points of the long-term historical average of 170 basis points.

Typically, homeowners require approximately a 50 basis point incentive to consider financing. Additionally, Americans hold record levels of home equity today. 82% of borrowers have at least 30% equity in their homes, representing a significant and potentially accessible source of liquidity in a recessionary environment. Combined with the eight million mortgages currently carrying rates above 6.5%, these factors reinforce our confidence in the market's near-term growth prospects.

Over the past 30 years, the U.S. mortgage market has experienced several cycles of growth and decline. Historical trends tell us that although the market has currently experienced a protracted period of decline, it is likely to rebound as economic conditions stabilize and demand for housing persists. With \$44 million in cash, zero debt, disciplined cost management and expanding client base and increasing market share, Real Matters is strategically positioned to drive growth as the mortgage market inevitably transitions to its next expansion phase.

We look forward to leveraging our model to continue to demonstrate the through-cycle earnings potential of our business in line with our focus on scale and market share growth. Under our target operating model, we believe that our U.S. Appraisal segment has the potential to deliver \$50 million

to \$65 million in adjusted EBITDA, and our U.S. Title business could generate \$30 million to \$45 million of adjusted EBITDA.

With that, Operator, we'd like to open it up now for questions.

Question and Answer Session

Operator

[Operator Instructions] Our first question comes from the line of Gavin Fairweather with Cormark. Your line is now open.

Gavin Fairweather

Oh, Hi good morning. Thanks for taking my question. Maybe just to start on U.S. Appraisal. I think you said the addressable market was about flat, but you did see a bit of a decline year-over-year. I know you touched on the temporary volume that was in the comparable period. But just curious for any other color you can provide in terms of what you saw in terms of lender market share and channel mix out there in the market.

Brian Lang

Sure. Thanks, Gavin. Good to hear from you. So listen, on the appraisal side of the business, again I think we talked about it being a solid quarter. I think one of the big moves on appraisal this quarter for us was we are -- we were able to, subsequent to the quarter launch a top 15 lender as well as substantially grow our market share with one of the top 50 lenders in the U.S. And so when I think about the long-term franchise value of the business, Gavin, I think the team continues to do the things we need to do around market share and putting new clients on the board. The year-over-year comparison, as you know with the volume that we've got right now you're going to get some distortion in the numbers.

So number one, we mentioned it was a softer spring than we expected. So definitely, the spring market wasn't exactly what we were expecting. And number two, this time last year, there was an incident in the industry and one of our competitors had to sort of shut down their business for an amount of time. And so we were allocated a significant increase in market share with one of our biggest Tier 1 customers.

So when you do the year-over-year comparison, we have now had that temporary allocation back to where it was before all of this happened in Q2 of last year. So that's why there's a little bit of noise in the numbers, Gavin, but that will -- when we normalize that, we were in line with the market. And again I think we're much more focused on the long term with the appraisal business.

Gavin Fairweather

Thanks so much. Appreciate the color. Then maybe just on Title. I mean you touched on the long-term kind of target operating model. But maybe just going back to share a little bit, given the recent wins and momentum that we've seen in the title business, and I understand there's still a few sales processes underway. How are you feeling about kind of market share over the next two or three years for that business and what might be achievable?

Brian Lang

Thanks for the question, Gav. Yes. So I mean I think you've mentioned, I think the word that's most on our mind, which is momentum. So we talked this time last year about investing in the business from a sales standpoint, making sure that we were focused on building out the stable of customers that we've got and then, of course staying very focused and sharp on the market share with existing -- our existing customers.

So as I mentioned, I think we've got some very good news around that, both with the launch in this past quarter of the largest credit union in the U.S. on our title platform as well as doubling market share with the largest reverse mortgage lender in the United States that's on our platform. So -- and that's a reasonably substantial number. So if I go back to our knitting and the fundamentals of our business, that's what it's all about.

It's about getting a new customer on and then demonstrating our performance using our network platform to drive the market share up. So as we look to the pipeline, Gavin, the pipeline remains very strong. We've got a few top 100s in the pipeline in discussions right now in RFPs or SOWs. We've talked about a Tier 1 coming on in the next few quarters. So in our view, this investment in sales that we made last year, I think we're starting to see that really pay off, both in delivering some new customers as well as making sure that the pipeline is robust.

Gavin Fairweather

That's great. And then lastly, maybe for Rodrigo. Just on title net revenue margins. If you kind of isolate the refinance origination market, are you still running in the 60s in that business? I'm just trying to think about modeling that line as rate refi starts to dominate your mix again.

Rodrigo Pinto

Yes. Thanks, Gavin. Yes. We are running in the 60%. As we discussed before, we need additional volume that helps with our net revenue margins, and we feel confident we'll -- with the right volumes, we'll get to the target operating model range.

Gavin Fairweather

Thanks a lot. (Inaudible).

Operator

Our next question comes from the line of Thanos Moschopoulos from BMO Capital Markets. Your line is now open.

Thanos Moschopoulos

Hi, good morning. With the new administration in the U.S., has there been any change to the regulatory environment or potential pending regulatory changes that may have an impact on your markets or not really?

Brian Lang

Thanks for the question, Thanos. No. I mean I'd say there's been some personnel changes at some of the departments in the U.S. But from a regulation standpoint, there has been no changes. I mean the only thing -- listen, we're not -- of course we're not going to comment much on what's going on down from a governmental standpoint down there. The one thing I can say to you, though, is I would make the bold assertion that the administration is both pro real estate and pro lower interest rates.

So when -- again when I look out to the future, I think we believe that there's a real optimistic view around the 12 million mortgages that are currently sitting at 6% and the eight million that are at 6.5% our view is that that pool is something that will definitely come into play in the not-too-distant future. Of course if we could call the market, we would. But I think that's really what we're looking at from sort of a government standpoint. As well as I think the other point, Thanos, is there's definitely a lot of talk about bank deregulation, and you've probably seen some of that from some of the leaders from the banks, both from JPMorgan and Wells. There was definitely in their shareholder letters, some very specific requests and recommendations around bank deregulation. And so I think that's, again something that this administration would be quite supportive of.

Thanos Moschopoulos

Great. The U.S. appraisal net revenue margin was down just a little bit year-on-year and sequentially. Anything to call out? Or is that just a mix dynamic?

Brian Lang

It's just a mix dynamic. I think that, as you know Thanos, that goes up and down a little bit. It's still within our target operating model range, which is most important for us. But it's just a channel mix.

Thanos Moschopoulos

Great, I'll pass it along. Thank you.

Operator

Our next question comes from the line of Robert Young with Canaccord Genuity. Your line is now open.

Robert Young

Hi, good morning. The EBITDA ranges you gave at the end of the prepared comments, could you rehash the context there? I think I missed it. Was that rehashing the long-term model or your capacity?

Brian Lang

No. That was the target operating model that we put out there, Rob. So those numbers are reflective of in a more normalized market when we take a look out and our volumes are up at levels that are much more normalized, that's when we're driving, call it, \$100 million to \$120 million in adjusted EBITDA.

Robert Young

Okay. Got it. And then can you rehash where you are on capacity after adding the share on this -- the second Tier 1 in title. Maybe rehash or update us with what the available capacity before you have to start adding or adding to OpEx would be?

Rodrigo Pinto

Sure. Sure, Rob. Today we are still at the 30% capacity -- additional capacity in appraisal and three to four times in title. Bringing this Tier 1, we can say that we'll get to two times capacity in title instead of three to four. So we don't see a need to hire at this point or increase our capacity with the new clients we are seeing. So that's where we are. We continue, Rob, to work very closely with our clients to ensure that we can make those decisions at the right time when we see volumes spiking up.

Robert Young

Okay. Great. And then the last couple of quarters, you've noted that you've been adding sales expertise, sales headcount. And I think that's on the title side. Could you -- where are you with that? Are you still adding sales? And is that what's driving some of these share gains? Maybe just -- is that something that's been fruitful? And is that something you're going to continue or maybe even accelerate from here?

Brian Lang

Yes. So I mean this was mainly a 2024 investment, Rob. So that's frankly when we started bringing on some more sales individuals. We brought a couple on at the very start, Q1 of this year. But since then, we've got, I think the right stable now of sales folks, at least for the near term. And they're the ones that I think are helping us really build the pipeline as well as deliver new customers on the platform.

So I think that's -- you're not going to see an increase in expenses there. That's really just, as you know with volume where it is, the little distortion is this -- we wouldn't even talk about this frankly in a

normalized market. But in this market, that's where you get a little bit of OpEx on the title side of the business.

Robert Young

Got it. Last question for me would be maybe update us on some of the comments last quarter on the Mr. Cooper acquisition. I think you said that, that servicing business was an opportunity for you. I think that closes later this year. Has anything changed there? Or is that still something that would be a 2026 benefit?

Brian Lang

Yes. No. I think the timing is definitely more of a 2026 benefit, Rob. But we've been in fairly significant discussions with Rocket around that. They've been quite, I think transparent on their view that they are going to end up spending time and using the servicing platform of Mr. Cooper for the servicing side of the business, but all of that other mortgage -- management mortgage service management of the business is going to go to Rocket.

So our view is and continues to be that, that service portfolio that Mr. Cooper has, as they start bringing those candidates into the funnel and start looking to refinance them that Rocket will be managing all of that. And as you probably know they have a quite a bit bigger book -- servicing book than Rocket and Rocket is very good at bringing those customers into the fold and then signing them back up for a refinance when need be. So our view is that in 2026, we should see a significant increase in volume from Rocket. Now you know Rocket right now is -- Rocket is one of our biggest appraisal customers. So I think there's a really positive upside to that.

Robert Young

Okay. Thanks a lot. Thanks for taking the questions.

Operator

(Operator Instructions) Our next question comes from the line of Martin Toner with ATB Capital Markets. Your line is now open.

Martin Toner

Thanks very much for taking the question. Most of my questions have been answered. Can you -- but can you tell us how much of the gains in title were market share versus market? And maybe kind of update us on the pace at which one would expect to gain share with a new title customer?

Brian Lang

Fantastic. Okay. Well so we're going to have to wait to see exactly what the market numbers are going to look like, Martin. So I don't think we can give you a black and white answer on that. What I can say is that a good portion of the growth in title was from market share -- continued market share gains with some of our biggest customers. And as I mentioned, we that largest reverse

mortgage lender in the U.S. is an important customer on the pipeline -- on the portfolio, and they doubled their market share.

So I think it's going to be a mix of both, and it's hard to break it out yet until we get all the market information. So that's sort of on that piece. Then onboarding new customers, I think historically, what we've talked about is it taking a good portion of a year to get ourselves up in the 10% range of market share with customers, and that was our experience on the appraisal side of the business.

I think because we've built up so much performance equity with these customers and most of the customers, of course that we are bringing on title, we already service on the appraisal side. So I expect that timeframe to be shrunk substantially from where it was. I frankly think in this particular case of the second Tier 1 that we've brought on, their market share target is well above 10% on what they would like to allocate to us. And so our goal is by the end of this calendar year to get ourselves up to the market share target they have for us. So you would think going into next year, calendar January and onwards, we should see a good chunk of that market share, if not all of it, on the platform.

Martin Toner

Superb. Thank you very much. That's all from me.

Operator

Our next question comes from the line of Richard Tse with National Bank Financial Markets. Your line is now open.

Richard Tse

Yes. Thank you. Brian, I think in the past, you sort of talked about some of your traditional lenders kind of losing some of their volumes as they maybe deemphasize the business. Can you maybe update us in terms of where those clients would stand now? And what do you think the catalyst would be for them to sort of bring volumes back?

Brian Lang

Yes. Thanks for the question, Richard. As you mentioned, I think in a very, very low volume market, there's a couple of challenges for some of the big lenders. The biggest one simply being that from a profitability standpoint, because they have a substantial footprint, most of them as well as they've got an awful lot more regulation they need to manage their way through.

It's very difficult to be profitable when the volume is where it is now. The flip side to that, and there's lots of data out there on this, is that when the market is more robust, they can scale up much faster than some of their competitors in the space. So the value for us, which, by the way is not too dissimilar to our business in that you guys know that our margins move incredibly once we get more

scale in the business. So it's -- there's, I think a correlation there with us and some of our biggest lending partners.

So that's sort of, I think piece one to the story. As far as when things -- when the market is in a place where they want to invest more, it's frankly, a lot of that has to do again back to their profitability. So they're looking for volume, I think to start increasing so that they can manage that profitability. And so I think you'll see that whether it's some rate changes, whether the supply of purchase starts picking up because as we know the demand is there on the purchase side of the business. But once those metrics, I think start moving a little bit more in a larger direction -- in a higher direction, I think Richard, we'll see them definitely start stepping back in. And by the way we saw this last year.

So we saw this in September and October of last year. When rates were coming down, we definitely saw the Tier 1s step in and really start making sure that, number one, they retain their customers, which is absolutely paramount for them as well as start going out and recruiting new customers.

Richard Tse

Okay. Is it would it be fair to say that when volumes kind of return to a normalized level because of that shift, you would actually see a bit more of an outsized benefit relative to the market?

Brian Lang

Absolutely. I think it would be a very reasonable, if not significant outsized benefit when that starts happening. And again that's why we've -- as you know Richard, that's why we spent so much time making sure that we had the big Tier 1 players. We've got the big nonbanks. The long-term franchise value of the organization is built on their backs. And so our view is that we will definitely get a tailwind beyond just the volume tailwind, we will definitely get a share tailwind from those big lenders.

Richard Tse

Okay. And then obviously as we sort of wait to enter another cycle here, as you look ahead, -- what are you thinking collectively in the background as a way to potentially moderate sort of this volatility of this business going forward? I know in the past, you've talked about expanding in the data side, potentially to do that. But is that still on the minds of management and the Board? And do you require kind of a cycle here where you pick up cash to pursue those strategies?

Brian Lang

Yes. It sounds like you're laying out our inorganic strategy there, Richard. So that's exactly what it is. It's -- in this market, we're trying to be very thoughtful and prudent around managing our balance sheet, which hopefully you see that with the \$40-plus million that we've had on the books as well as no debt. That being said, that we are continuing to actively look at less cyclical opportunities, data being one of them.

As areas in which we can expand the business so that as we move through this next cycle, we try and take some of that cyclicalness out of the business. So we'll continue to look at that. And to your point, I think it gets -- we get more opportunistic once we're able to start generating some more free cash flow.

Richard Tse

Okay, great, thank you.

Operator

I'm showing no further questions at this time. Thank you for your participation in today's conference. This does conclude the program. You may now disconnect.

Robert Young

Okay. Then last question for me, just maybe clarifying something you said earlier. I think you suggested that a recession in the U.S. -- not hoping for a recession, obviously but I think you suggested that, that's potentially driving RFP activity higher. Can you just explain that, if I heard that right, and then I'll pass the line?

Brian Lang

Sure. Well, I think just broadly speaking, Rob, when there's economic and financial market uncertainty, I think it just creates significant opportunities within the mortgage industry. So again if I look back, and I mentioned 2016, if we look at Covid, when there is uncertainty in the market, often that drives lenders to start thinking about the what-if scenarios on what could happen. So this refinance pool that's building, a lot of lenders are looking at that. If recession were to hit, then most likely interest rates are going to need to be managed. I'm not going to call the market. I'm not going to suggest what's going to happen. But if that were to happen, then rates would go down. And as we've said, there's not a lot of downward movement that needs to happen in the rates for there to be a real opportunity for a very significant portion of the market to refinance.

So that's why I think these RFPs are continuing to move with the same momentum, is because a lot of those lenders are looking to the future and making sure that they've got their bases covered when that refinance volume comes online.

Operator

Our next question comes from the line of Richard Tse with National Bank Financial.

Richard Tse

Just sort of a two-part question. Can you maybe update us on your aspirations for data? Then the sort of second one, I don't know if it's related, but you have sort of talked about adjacent acquisition opportunities in the past. So I guess the question on that side is, why not maybe look at some of those? You've got quite a bit of cash. Valuations are probably low. Then arguably, you probably have some capacity given things are still fairly quiet. So I know they're -- may be a little bit offbeat questions, but just kind of curious what your thoughts would be on those.

Brian Lang

No problem, Richard. Yes. So on the data front, we've talked about doing some organic work right now which is what we have been doing. But we do continue to look at acquisition opportunities, Richard. I think up until now over the past couple of quarters, we haven't found a really great fit, but we'll continue to look at those, continue to look at building out the organic work that we're doing. And hopefully, there'll be a marriage between those two at some point in upcoming quarters.

So that's on the data front. And again with the data that we've got, we continue to see looking ahead at long-term franchise value, there's definitely a real opportunity for us to monetize the data in a very robust way.

On the -- I think you said acquisitions that are adjacent acquisitions. Again, we would prioritize that we've been looking and we've been open about looking at the Title side of things. And so we continue to keep our eyes open. We've been participating in conversations around that. So again, that would be something that we continue to look at.

Then those are, I think really are the two areas where we've sort of focused our management's time and energy when it comes to looking at potential outside opportunities. And I'm aligned with you, Richard, on your comments around valuations, et cetera, that they still are some pretty healthy valuations. So I'm not sure that that's come down significantly. But we're going to continue to look at those as it makes sense.

Of course that all being said, Richard, we continue to really drive the core business, keep an eye on making sure that we're making the headway we want, both from a performance, market share and new customer standpoint, building out the sort of stable of the future.

Richard Tse

And just the last one for me. You have a reasonable amount of cash on the balance sheet. So is it sort of the same amount that's kind of required as before just to sort of give comfort to your customers? Or is there an opportunity to maybe deploy some of that capital into buybacks or wherever it may be? Just kind of wanted to get an update on that.

Rodrigo Pinto

Sure, Richard. So again, we are trying to be financially prudent as much as we can. We want to keep our healthy balance sheet. As Brian suggested before, there's several discussions about RFPs, and that's a key question, right, showing liquidity and a healthy balance sheet. It's one of the first questions we get when we participate on those RFPs.

So at this point, we feel it's prudent to maintain our balance sheet as is. And as soon as we have more visibility, any changes in the market looking forward, we believe we can then start thinking deeper into capital allocations and how to allocate our capital to perhaps better returns.

Operator

And I'm currently showing no further questions at this time. This does conclude today's conference call. Thank you for your participation. You may now disconnect.