Doma Second Quarter 2021 Earnings Transcript

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Thank you, operator. Good afternoon and thank you for joining Doma's Second Quarter 2021 Earnings Conference Call.

Earlier today, Doma issued a press release announcing its second quarter results, which is also available at investor.doma.com. Leading today's discussion will be Doma's Founder and Chief Executive Officer, Max Simkoff, and Chief Financial Officer, Noaman Ahmed. Following management's prepared remarks, we will open up the call to questions.

Before we begin, I would like to remind you that our discussion will contain predictions, expectations, forward-looking statements and other information about our business that is based on management's current expectations as of the date of the presentation. Forward-looking statements include, but are not limited to, Doma's expectations or predictions of financial and business performance and conditions and competitive and industry outlook. Forward-looking statements are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from historical results and/or from our forecasts, including those set forth in Doma's Form 8-K filed today.

For more information, please refer to the risks, uncertainties and other factors discussed in Doma's SEC filings. All cautionary statements that we make during this call are applicable to any forward-looking statements we make wherever they appear. You should carefully consider the risks and uncertainties and other factors discussed in Doma's SEC filings. Do not place undue reliance on forward-looking statements as Doma is under no obligation and expressly disclaim any responsibility for updating, altering or otherwise revising any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Running through some of the technicalities associated with the recent public listing event. The transaction was accounted for as a reverse recapitalization and Capitol Investment Corporation V will be treated as the acquired company for financial statement reporting purposes. Doma, prior to the business combination, was deemed the predecessor and Doma, after the business combination, will be the successor SEC registrant, meaning that Doma's financial statements for periods prior to the consummation of the Business Combination will be disclosed in Doma's future periodic reports. No goodwill or other intangible assets were recorded, in accordance with GAAP. For more details, please see our filings with the SEC.

Additionally, during this conference call, we will also refer to non-GAAP financial measures, including retained premiums and fees, adjusted gross profit, and the other measures described in our earnings release. Our GAAP results and description of our non-GAAP financial measures with a full reconciliation to GAAP can be found in the second quarter 2021 earnings release which has been furnished to the SEC and available on our website.

And with that, I'll turn the call over to Max Simkoff, CEO of Doma Holdings, Inc.

Max Simkoff, Chief Executive Officer, Doma

Thanks, Chris, and good afternoon everybody, thank you for joining us today. This is our first quarterly earnings call as a public company and I'm excited to start today's call talking through our demonstrated results in Q2, the continued expectations for top-line performance that we have in the future, and additionally the core drivers of this growth that enable us to deliver a much-needed solution for a very large market that is long overdue for disruption by modern-day technology. After I've talked through our Q2 highlights, the drivers of our growth, and our vision for how we will build on this with the new proceeds we've recently brought to the balance sheet via going public, I will hand it over to Noaman Ahmad, our CFO, to provide more detail on our Q2 financial results as well as a more detailed update regarding our near-term expectations.

So first on our growth, our results in the 2nd quarter were a testament to how successfully we've been able to execute on our mission of delivering differentiated value to customers and consumers alike, leveraging the power of machine learning. These efforts have driven significant market share gains. We opened and closed substantially more orders than we did during the same quarter last year, allowing us to grow our retained premiums & fees (which as a reminder is our primary topline metric) by 46% vs. Q2 of 2020.

Most importantly, we drove share gains and another quarter of over 500% YoY closed order growth in our Enterprise channel, which is where we have fully deployed our Doma Intelligence platform and technology differentiated offerings. This growth was principally fueled by two factors:

- First, the addition of new customers. We signed 7 key new Enterprise customers, including Wells Fargo and Fairway Independent Mortgage, two more of the top 15 largest mortgage originators in the country
- Second, by expanding wallet share with existing Enterprise customers, such as Chase, Homepoint, and PennyMac. Some of these wallets share gains were driven by Doma expanding into 4 more States, bringing our geographic footprint up over 75% coverage of the US mortgage market by volume.

Our Local division grew over the same period last year in large part due to a significant shift in our transaction mix toward purchase transactions. Purchase transactions have the benefit of being much less susceptible to macro-economic swings, and also yield higher average retained premiums and fees per transaction. We also prepared to begin fulfilling purchase volume via our Doma Intelligence platform later this year – on track with the timing expectations we've communicated in the past. Finally, we accelerated the refinance volume in our Local business that is now being serviced through our Doma Intelligence platform, enabling us to offer differentiated capabilities for more of the smaller, regional lenders and credit unions that will help us capture additional share and drive more growth in that part of the market going forward.

I'm going to talk more about our technology solutions in a minute but first, an important reminder-- we currently only serve a small percentage of our $23 Billion market opportunity and therefore believe that we can continue to grow rapidly, regardless of macro-economic trends, on the strength of our differentiated offering and the strong track record of customer obsessed delivery for which we are now known. For this reason, we are raising our 2021 full year outlook for retained premiums & fees, which is the primary measure we use for assessing the top-line performance of our business, and Noaman will share more details on this shortly.

To talk through some of the drivers of this growth, as many of you know, our growth in the $23 Billion residential title and escrow market is driven by a unique approach of applying cutting edge, machine-learning technology to remove giant chunks of friction, frustration, and expense from the historically tedious process of closing a residential purchase or refinance transaction. In Q2, we demonstrated significant progress in more broadly deploying this technology and seeing ever faster, better, and cheaper outcomes for our clients and end customers.

At the core of our technology-first approach to delivering instant home ownership experiences is a platform we call Doma Intelligence. The Doma Intelligence platform utilizes three key elements: Doma Title, Doma Escrow and Doma Close to deliver our machine learning capabilities across all aspects of a residential mortgage closing. As many more of you may be new to Doma given our recent entry into the public markets, I thought it'd be beneficial to walk through how these solutions work and who they serve.

Doma Title reduces the typical three-to-five-day title underwriting process down to less than a minute using industry leading, machine learning-powered underwriting technology. In Q2, all of our Doma Enterprise customers continued to see significant benefit from Doma Title, with more than 80% of orders underwritten instantly regardless of where these orders were being handled and closed across the country. In our Doma Enterprise channel, in the second quarter we saw quicker transaction close times on average for our customers of between 3-5 days for instantly underwritten orders within Doma Title versus those handled via a traditional search process. While we launched Doma Title for Refinance transactions originally in our Doma Enterprise business, we extended its use to Refinance transactions in our Local channel late last year, and saw accelerating adoption of it throughout Q2 across a broader set of Local refinance transactions in more markets. We are now excited to launch this proprietary technology for purchase transactions by the end of this year – on the timeline we communicated earlier this year – to bring the same speed, accuracy and cost savings to an entirely new category of transactions.

Doma Escrow is the second core element of Doma Intelligence, and it applies a unique combination of natural language processing and computer vision to cut massive amounts of labor, time, and stress from the cumbersome areas of fee balancing and closing document management. Our Doma Escrow functionality can scan hundreds of pages of documents at a time, extract relevant information, automatically balance and reconcile fees, and identify and correct errors and discrepancies – work that has historically been manually fulfilled in this industry. At one of our largest, nationally serviced Doma Enterprise lender customers, we saw that in Q2 Doma Escrow was processing and delivering closing documents 33% faster than the fastest competitive alternative in this part of the process that this lender had ever seen. And as the machine-learning models that drive this part of the solution process more and more data, we expect for them to get even more accurate and still faster as time grows – providing continuously optimizing benefit to our customers. Across Doma Title and Doma Escrow we have five pending U.S. patent applications, and our data science teams are constantly inventing new first-of-their kind machine learning applications to drive more unique intellectual property for the company.

In the third key element of Doma Intelligence – Doma Close - we are building an unparalleled user experience around a fully remote, fully digital way to instantly close a mortgage by allowing for all of the homebuyers' documents to be signed at the tap of a finger. In Q2, we began broadening Doma Close to address more of the document management process to include pre-closing documents as well as some post-closing follow-ups, allowing for a larger number of Refinance transactions to benefit from Doma Close beginning in Q3.

Across these 3 core product areas, Doma also applies our built-from-scratch, operational service delivery model that augments our proprietary technology with deep human expertise to drive more effective outcomes, better user experiences, faster time to close, and lower costs for everyone involved in the title insurance, escrow, and closing services process.

So, in summary, because of our unique, full-stack technology-first solution, in Q2 more banks and lenders sent more orders our way, across more of the United States, further validating the notion that our approach is resonating across the industry. We deliver faster residential mortgage closings for the likes of Chase, PennyMac, Homepoint, and now new customers like Wells Fargo and Fairway Independent Mortgage. We did so by underwriting title insurance faster, balancing closing statements and processing complex structured and unstructured data faster, enables our clients to digitally close residential refinance transactions for *their* end customers at a record-setting pace – ultimately producing meaningful and more impactful long-term relationships with those same customers. These faster closings are also less error-prone because our machine learning technology gets constantly smarter at making accurate interpretations and decisions, it's also a much better closing experience overall for everyone. Better for borrowers, better for mortgage originators, and by the end of this year – better for buyers, sellers and real estate agents.

We are confident that as we continue to build upon our cutting-edge technology platform we can expand our competitive lead and further build on the growth we've already demonstrated for many quarters to come.

I want to finish by talking about where we go from here, now that we have recently taken the company public and added a significant amount of new capital to our balance sheet that we will use to widen our lead. As a reminder, all of our growth in 2021 so far, as well as the continued growth we expect for the remainder of the year, is driven by a self-funded plan that does not yet reflect any benefit from the $350M of new proceeds we just raised when we entered the public markets on July 28th. These proceeds will allow us to expand the scope of our ambition, and to accelerate the pace of our execution to deliver upside beyond the self-funded plan we previously outlined. Going public was simply another way of us establishing our place as a growth business – being able to expand key markets more quickly and launch new product functionality that extend the advantages of our Doma Intelligence platform.

In terms of expanding key markets in our core business today: to support continued growth across both Doma Enterprise and Doma Local, we'll now be embarking on a multi-year journey to expand and grow our customer acquisition functions – from new customer sales to account management to service and solution delivery. As we do this, we are confident that the appeal of working to bring the industry into the future will help us attract the best talent in the market, oftentimes getting people from diverse backgrounds at some of the leading tech companies on the planet to consider joining a real estate tech business when they might have normally not given it a second look.

With respect to launching new product functionality, we are the process of finalizing a plan to use some of the proceeds we just raised to build deeper functionality for more rapidly understanding and actioning decisions instantly across every aspect of the mortgage closing process, using new proprietary data sources. To drive this expansion in product scope and functionality – we've already started augmenting our overall technology team. The quality and size of this team grew materially even over the last few months. In Q2 alone, we hired top tier engineers, data scientists, product managers, operational experts, and customer relationship managers from the likes of Box, Carta, LogMeIn, Netflix, Oracle NetSuite, PayPal and Splunk – among others.

And finally, with respect to expanding our focus to new adjacent markets, we plan on putting some of the proceeds we've raised to work against delivering the same cutting-edge technology we've deployed for Title and Closing to both the $8B appraisal market and the $3B home warranty market. Appraisal because it is as manual and full of friction as title and escrow, and our machine learning and insurance expertise presents a clear opportunity to introduce a new approach that would remove a lot of today's labor dependency from the relatively analog, old school process. And in the case of Home Warranty, we believe that the total available market itself could be even bigger if someone delivered a truly enjoyable and impactful instant digital experience for homeowners to protect and add value to many of the their most valuable and important home systems – and we see several opportunities for us to establish a foothold in that part of the market as we deliver a more integrated digital mortgage closing platform Successfully penetrating these adjacencies increases the size of our near-term TAM from $23B billion to $34 billion, representing a 50% increase to our addressable market alone.

Not 5 years after founding the company in a single shared office in San Francisco, we now have over 1,500 associates across 22 states helping us accelerate our pace toward not only owning a leadership position in the $23 Billion residential title & closing market, but also in expanding our focus into the $11 Billion Appraisal and Home Warranty opportunity. With the new proceeds we've just raised via going public, we can not only accelerate the growth in our core business, but we can help deliver a future where you will sign a purchase contract for a home on a Friday afternoon and move in on Monday morning, with all the interim processes and documents handled by our proprietary technology in between.

Before concluding my prepared remarks, I want to thank the team of people and investors who have partnered with us to support our long-term growth as a public company. In addition to the more than 1,500 strong I mentioned we now have helping us to recognize our long-term vision, I also want to thank our three recently announced new board members, Sharda Cherwoo, formerly a Partner at Ernst & Young, Maxine Williams, the Chief Diversity Officer at Facebook, and Serena Wolfe, the Chief Financial Officer at Annaly Capital Management, Inc, a leading diversified capital manager in the mortgage REIT sector. These phenomenal women will bring diverse perspectives and broad expertise and will be valuable members to our already exceptionally strong board, helping us round out our incredible team. And I also want to make sure to thank our investors – both those who have been with us for a large part of the journey already, but those who recently decided to back the company for our long-term success.

With that, I'll pass it over to Noaman who can provide more color on our second quarter results and improved financial outlook for the full year. Noaman?

Noaman Ahmad, Chief Financial Officer, Doma

Thanks Max and good afternoon, everyone. We are proud of the Doma team for helping us achieve strong results for the second quarter of 2021 that exceeded our internal plan, all while remaining hyper-focused on successfully becoming a public company, which we accomplished on July 28th. As part of taking the Company public, we raised approximately $350M dollars in cash to add to the $159 million we had on the balance sheet at the end of Q2. As Max mentioned, this additional capital is all upside to our previously disclosed forecast which was built on a self-funded basis and will help provide growth above and beyond what we are already experiencing and forecasting.

Now to our recent results. In Q2 2021 we generated revenue on a GAAP basis of $130 million dollars, up 29% from the second quarter in 2020. As we have stated in the past, GAAP revenue includes the portion of Third-Party Agent premiums that Doma does not retain, so we focus on Doma's retained premiums and fees which excludes the premium retained by third-party agents. We believe this is a much better representation of Doma's underlying top-line performance. With this in mind, retained premiums and fees grew **to** $65 million dollars in the second quarter of 2021, a 46% year over year increase.

Our growth in Q2 was fueled by another quarter of over 500% YoY closed order growth in our Doma Enterprise channel – 519% to be exact - which is where our Doma intelligence platform is fully deployed. The continued strength in this channel was the result of significant wallet share capture as well as new client wins, consistent with the thesis we outlined in our financial plan. Open order momentum in the channel was equally strong with open orders increasing 343% YoY in Q2, providing us added confidence in our ability to meaningfully exceed our original retained premiums and fees forecast for the year.

Closed order growth in our Local channel was 4%, and while this was muted when compared to our growth in the Doma Enterprise channel, we saw favorable mix trends with purchase closed orders growing 48% YoY, helping drive a 10% YoY increase in our average direct retained premium and fees per order. As Max mentioned, the purchase transaction side of the real estate market is strategically important to us. We intend to continue investing in this area, in particular as we expand the Doma Intelligence offering to power purchase transactions later in the year.

Turning to our profitability for the quarter, our main focus is adjusted gross profit, which grew **to** $30 million dollars, a 31% increase compared to the same period in 2020. Adjusted gross profit as a percentage of retained premiums and fees was 46% in the second quarter of 2021, compared to 51% in the second quarter of 2020. The downtick in adjusted gross profit as a percentage of retained premiums and fees was consistent with our financial plan and driven principally by a reduced benefit from provision from claims releases this quarter, as well as investments in staffing ahead of growth in our Doma Enterprise channel - a trend we expect to continue as we rapidly scale this channel.

Finally, Adjusted EBITDA decreased by $10 million dollars year over year as we invested in customer acquisition and corporate support staffing and initiatives as part of becoming a public company.

With respect to the capital management of the business, we continue to operate a capital light infrastructure, consisting mainly of software development related to the Doma Intelligence platform, which resulted in a $6 million dollar investment in fixed assets in the second quarter of 2021.

I'll close my remarks with our outlook for the remainder of the year. Because Doma's financial results exceeded our original plan through the first half of 2021, and because of our recent, strong open order momentum - which is a leading indicator of retained premium and fees and reinforces the success of our disruptive approach to the title insurance and closing process - we are today raising our full year outlook. We now expect to generate between $250 and $260 million dollars of retained premiums and fees and between $95 and $105 million dollars of Adjusted Gross Profit for full year 2021. This outpaces our original forecast of $226 million dollars of retained premiums and fees and $89 million dollars of Adjusted Gross Profit as disclosed in the public investor presentation and the Form S-4 that were filed earlier this year, positioning us well for a strong 2022.

With that, I will turn the call back to Max.

Max Simkoff

Thank you Noaman. I will conclude by saying how incredibly excited we are about the future of Doma. We have proven our ability to add, onboard and scale customers across the entire spectrum of the mortgage market. We also executed against our plan to expand our Enterprise channel to new states and continue to drive efficiency gains through the utilization of Doma Intelligence. The largest mortgage originators in the country recognize our value proposition, and we have also dramatically improved their labor efficiency, time to close, customer satisfaction and overall costs in a short period of time. We are starting to see a similar value proposition play out in our Local channel as we continue to introduce the Doma Intelligence platform to our branch-dependent customers, and we are excited to introduce purchase transactions through Doma Intelligence as we remain steadfast on our journey to upend the title and escrow industry.

We hope to have the opportunity to meet with you over the next several weeks as we attend several marquee investor conferences to tell our compelling story. First up is the Needham Virtual FinTech and Digital Transformation Conference on August 19. After that we plan to attend several notable events in September, including the DA Davidson Software and Internet Conference, the JMP FinTech AI Conference, and the Citi Global Technology Conference. Thanks again to everyone for tuning in today.

Q&A

Matt Carletti, JMP Securities

Hey, thanks, good afternoon. Max, you commented a few times on your push into local market purchase transactions, back before 2021. My question is, can you talk a little bit more about that, specifically, you know, how do you view the value proposition to the real estate agent, in that case as different (Positive/Negative/Otherwise) than to your strategic partnerships on the Refi side? Do you think investors should think about risk differently on the purchase side versus refi side? Is there different risk involved in purchase versus refi given there’s a property exchanging hands versus just a new loan with refi?

Max Simkoff

Sure, thanks Matt, for the question, good to hear your voice. As you know, purchase transactions are referred to us via real estate agents operating in local markets versus loan officers referring us refi transactions in those same local markets, or in the case of our enterprise business, large lenders sending us significant volume of primarily refi transactions. So we get these transactions from Real Estate agents. And the value proposition to a Real Estate agent really isn’t fundamentally different than the one we offer to a lender, or more specifically to a loan officer. That isn’t to say that Loan Officers doing refis and Real Estate agents helping clients buy or sell heir home, they both care equally as much about closing the transaction as quickly as possible, with the most certainty, at the most reasonable price. On the risk side, we do think that purchase transactions likely have more risk, due to the fact that they're really transactions between unrelated third parties. But we feel confident that our instant underwriting model is still going to work successfully for these transactions. And additionally, if you recall, the revenue for purchase transactions is oftentimes two to three times what the revenue for a refi transaction is. So that allows us to still we believe afford to, you know, manage and measure the risk effectively. So we think the value proposition is just as strong for real estate agents. In many ways. It's very similar to what it is for loan officers at a lender.

Matt Carletti, JMP Securities

Great, well, then, maybe if you could give us a little bit of color on the strategic enterprise side. Just some of the more recent additions in terms of partnerships, Wells Fargo for example, give us a feel for kind of where those rollouts stand. But how long does it take to get somebody like a Wells or so you added this Fairway, you know, most recently, kind of fully up and running on the platform, and what does the pipeline look like for additional partnerships?

Max Simkoff

Sure. So Wells Fargo did launch and they're already in production. And I can say they've got a great team. They've they're they've been a phenomenal partner. But I won't comment more on their individual performance metrics, I think to answer the second part of your question, in terms of how these clients, these DOMA enterprise clients typically launch after we've spent some period of time familiarizing them with the value proposition and, you know, oftentimes providing reference customers for them to talk to or doing a demo of the solution. The onboarding of a client can happen pretty quickly. And then they scale volume, usually over a several month period, just to validate that the solution is delivering the differentiated value that we promised, we've proven across pretty much all of our enterprise customers that we've got a follow up framework for illuminating that value over the first few months of onboarding, in a way that helps us expand with the client pretty quickly thereafter. And, you know, we're excited to do this with all of our enterprise customers going forward, including Wells Fargo.

Matt Carletti, JMP Securities

Last one, if I could, the Lodasoft partnership, that was a, you know, now end of June. That sounds like it's a little bit different than maybe some of the other partnerships that we've seen, can you just give a little bit of color there on kind of what that is, and how we should expect to see that progress play out?

Max Simkoff

Sure, Lodasoft is a really a software platform to help mortgage brokers manage their business and provide better outcomes for their customers. And that partnership was really about us. spending more focus on the mortgage broker part of the origination market, it's a really fast growing and attractive part of the market for us. And as we had onboarded some mortgage broker customers through our enterprise channel. Earlier this year, we saw the opportunity to explore a partnership with Lodasoft to see if there's a way for us to get better capabilities and focus on that part of the market in the back half of the year.

Matt Carletti, JMP Securities

Great. Well, thank you for taking my questions. And congrats on a nice first quarter on the gates as a public company. Thanks so much.

Operator

Thank you. Our next question comes from Tom White of DA Davidson, your question please.

Tom White, DA Davidson

Great. Thank you, guys and congrats on your first public earnings call. Max, sounds like your conviction on being able to hit your self-funded plan has increased here over the last few months. I guess not surprising, given the recent strength in the business. But can you maybe just give us a little bit more color on specifically what you're seeing that is increasing your conviction there, both for this year, but also kind of, you know, in terms of the forecast you had for the next couple of years? And maybe, can you clarify whether the self-funded plan contemplates proceeds from the from the PIPE, or was it really entirely self-funded?

Max Simkoff

Sure. So I'll ask Noaman to take a shot at this.

Noaman Ahmad

So Hi, Tom, first from a funding perspective and growth perspective, our self-funded plan that we disclosed earlier this year, was all based on the current cash we had on the balance sheet. So we've contemplated none of the SPAC proceeds and none of the pipe proceeds. We're very confident in delivering to that plan or better than that plan. As you've seen, the performance this year has been stronger. In our original forecasts, and we've raised guidance as a result of that, again, is all on the basis of our current investment trajectory. It does not contemplate any use of the new proceeds we have raised. And as we now look to the rest of the year and beyond, we will start planning for how to utilize the new funds raised. Our long-term objectives are no different. And our ability to invest in those strategic objectives is no different at this point.

Tom White, DA Davidson

Okay, great. Maybe a follow up in the in the prepared remarks there, there was a comment about, you know, investing in, I think it was sort of new proprietary data sources to help kind of better inform or train the algorithms on domain intelligence platforms. So could you just give us a little bit more color than what kind of data are you thinking about? And how would it kind of improve the product?

Max Simkoff

Sure. So our product is at its core, a machine intelligence platform that consumes data from a variety of different sources to effectively make predictions that make the process of closing a mortgage more efficient. And, you know, like most at scale machine learning platforms, the more data of different types that you can feed into the models, the smarter and more accurate and more optimized they can get over time. So today, we use a combination of proprietary and some actual public data sources. And without going into specifics about the specific data sources that that we're planning on incorporating into the model, we're always looking for new data to factor into the model to make them more accurate at driving these predictions. So, you know, you can expect us to continue finding and incorporating new data sources, just kind of in the normal course of focusing on making the platform smarter.

Tom White, DA Davidson

Okay, maybe one more if I could, I think, you know, in the past, you guys have talked about being kind of sub 10% penetrated, when it comes to kind of the refi volume at your kind of large Enterprise customers? How should we think about where that penetration, you know, might be able to get to over the next few years, you know, presuming you guys continue to execute it and kind of stay ahead of the competition? You know, where could that kind of penetration rate kind of max out?

Max Simkoff

Sure. Well, you know, we certainly haven't disclosed volumes on a client-by-client basis, per se, you're right, that we're still relatively underpenetrated across these Enterprise customers as a group. And that's even despite a number of significant year to date, wallet share expansions with this group of customers, including when we launched it in new states. And you know, near immediately after launching, the new states started taking volume from those same customers. So there's a lot more room for us to grow, I think, to more directly answer the question, you're asking if it's, you know, where might we find a ceiling, a wallet share ceiling with these customers. And we've seen, you know, several examples now of where it's not at all abnormal for us to be able to get upwards of 50 to 75% of the wallet share in these customers. And again, I think the reason for that is really important, it's that we're delivering such better results for these customers, they're able to close these loans so much faster for their own customers, with better quality and, and at a more affordable price. So, you know, we feel quite confident that over time, you know, it's entirely reasonable for us to get as high as 50% to 75% wallet share in these accounts.

Tom White, DA Davidson

Appreciate the color and congrats on your first call out of the gates. Thank you.

Operator

Thank you. Our next question comes from the line of Jason Helfstein from Oppenheimer, your question please.

Sean Rausch, Oppenheimer

Hey, guys, it's Sean on the call for Jason. Congrats on the quarter. So I just have one for you. We're beginning to see a lot of these tech enabled brokerage firms really starting to lean into the adjacent services opportunity. How are you guys thinking about potential partnerships here? Do you see it as an opportunity? Or are you more focused on the traditional side of things? Thank you.

Max Simkoff

Thanks, Sean. Thanks for the question. We do see an opportunity here in the long run. I'm very encouraged and excited by the amount of technology investment that's being directed at enabling real estate agents to spend more time building their business and less time fulfilling a lot of the ancillary services and back-office tasks that that quite frankly they shouldn't have to be doing. And so we are just seeing now some of these platforms start to offer some of the kind of open API architecture that would enable solutions like ours, to nicely slot in there and offer integrated product value. So that is an area where we're going to be spending our time and it's an area where we've stepped up our technology team. To spend more time and focus, particularly in the back half of the year, we start bringing purchase transactions onto the domain intelligence platform as well as more refis.

Operator

Thank you. This does conclude the question-and-answer session of today's program. I'd like to hand the program back to management for any further remarks.

Max Simkoff

Thanks, I would just like to finish the call by sending a big thank you again to our customers, without whom we wouldn't have a business. We're hugely indebted to you for believing in us. And we plan on continue to deliver incredible value for you. To our team—as I mentioned over 1500 strong and we're just really lucky to work with this group of people and also to our investors who have chosen to back the business and partner with us to build long term value. I really wanted to thank you a lot. Have a great day.

Operator

Thank you, ladies and gentlemen, for your participation in today's conference. This does conclude the program. You may now disconnect. Good day.