

RNS Reach Story

OnTheMarket plc - OTMP New agent contract offers alongside welcome shares
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27 April 2020

ONTHEMARKET PLC

("OnTheMarket", the "Group" or the "Company")

New agent contract offers alongside welcome shares

OnTheMarket plc, which operates the OnTheMarket.com property portal, is c.65% agent-owned and estimates that almost 40% of independent UK estate and letting agents now have shares in the company.

Agent shareholders already own around 45 million shares - approximately £30 million of current value in the hands of agents.

OnTheMarket has authorisation to issue a further c.32 million shares to agents who sign listing agreements with the portal.

The contracts launched today will issue either £1,000* of welcome shares per office with flexible portal choices, or £2,500* of welcome shares per office if an agent commits to list exclusively for a minimum of 12 months.

Listing is free until 1 September 2020 under both agreements and agents will receive additional shares that equate to a percentage of the amount that they pay up until 31 August 2022.

This percentage depends on how many other portals the agent lists with. It is 50% for periods of listing exclusively with OnTheMarket, 30% for periods of listing on only one of Rightmove or Zoopla/Primelocation and 20% for periods of listing on both Rightmove and Zoopla/Primelocation.

Agents will also receive a 10% discount on their listing fees for periods of listing on only one of Rightmove or Zoopla/Primelocation and 20% for periods of listing exclusively at OnTheMarket. The minimum contract term is up to 31 August 2021, with one month's notice thereafter, and annual fee increases are capped at RPI +2%.

For example, a one-office sales and lettings firm in Whitley Bay, listing on a one other portal basis, will pay £314 per month. But, in addition to receiving £1,000 of welcome shares, it will also receive £94* of shares for every paying month up to 31 August 2022.

Clive Beattie, Acting Chief Executive Officer of OnTheMarket, said: "We are ready to issue shares to agents who sign one of these latest agreements and to welcome them alongside the thousands of existing agent shareholders in

OnTheMarket. Our offering provides a unique opportunity for agents to participate in the equity value of their own portal.

"This is a defining moment for agents as they make their short-term and longer-term portal choices.

"It is in the interests of existing shareholders and the industry alike that as many agents as possible stand together and fully support OnTheMarket. We are already offering a 3-month 33% discount to those of our agents paying on full tariff agreements. Now we are inviting the industry as a whole to join together, get through this period of crisis and emerge stronger than ever with a portal that's industry-owned.

"Agents have never been so strongly galvanised to take decisive action - the power is really in their hands."

* Share calculations are based on a minimum share price of £1 at the time of share issuance and total shares available to each agent office are subject to a maximum of 6,000 shares.

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Background on OnTheMarket:

OnTheMarket plc, the majority agent-owned company which operates the OnTheMarket.com property portal, is a leading UK residential property portal provider.

Its objective is to create value for shareholders and property advertiser customers by delivering an agent-backed, technology enabled portal - offering a first-class service to agents and new homes developers at sustainably fair prices and becoming the go-to portal for serious property-seekers.

With over 3,000 estate and letting agent shareholders, operating over 6,000 offices, OnTheMarket provides a unique opportunity for agents to participate in the equity value of their own portal. Agent backing and support enable OnTheMarket to display "New & exclusive" properties to serious property-seekers 24 hours or more before agents release these properties to other portals.

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