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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-Q

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

For the quarterly period ended June 30, 2024
OR

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______________ to ______________
Commission File Number: 001-39645

GUILD HOLDINGS COMPANY
(Exact Name of Registrant as Specified in its Charter)

Delaware	**85-2453154**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
5887 Copley Drive San Diego, California	**92111**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (858) 560-6330

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, $0.01 par value per share	**GHLD**	**The New York Stock Exchange**

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 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-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 complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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 August 1, 2024, the registrant had 21,053,279 shares of Class A common stock outstanding and 40,333,019 shares of Class B common stock outstanding.

GUILD HOLDINGS COMPANY
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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Guild Holdings Company, a Delaware corporation, together with its subsidiaries, is referred to in this Quarterly Report on Form 10-Q (this "Quarterly Report") as "Guild," "we," "us," "our," and the "Company." This Quarterly Report contains forward-looking statements that reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as "may," "should," "could," "predict," "potential," "believe," "will likely result," "expect," "continue," "will," "anticipate," "seek," "estimate," "intend," "plan," "projection," "would" and "outlook," or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

Important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements include, but are not limited to, the following:

- A disruption in the secondary home loan market or our ability to sell the loans that we originate could have a detrimental effect on our business.
- Macroeconomic and U.S. residential real estate market conditions have and may continue to materially and adversely affect our revenue and results of operations.
- Because we are highly dependent on certain U.S. government-sponsored entities and government agencies, we may be adversely impacted by any organizational or pricing changes or changes in our relationship with these entities and agencies.
- Changes in prevailing interest rates or U.S. monetary policies have had and may continue to have a detrimental effect on our business.
- Our servicing rights are subject to termination with or without cause.
- If a significant number of our warehouse lines of credit, on which we are highly dependent, are terminated or reduced, we may be unable to find replacement financing on favorable terms, or at all, which would have a material adverse effect on us.
- Our existing and any future indebtedness could adversely affect our ability to operate our business, our financial condition or the results of our operations.
- If we do not maintain and improve the technology infrastructure that supports our origination and servicing platform or if we suffer any significant disruption in service on our platform, our ability to serve our clients may be materially and adversely impacted.
- Acquisitions and investments have in the past, and may in the future, cause our financial results to differ from our expectations or the expectations of the investment community and we may not be able to achieve anticipated benefits from such acquisitions and investments.
- Pressure from existing and new competitors may adversely affect our business, operating results, financial condition and prospects.
- Our failure to maintain or grow our historical referral relationships with our referral partners may materially and adversely affect us.
- We are required to make servicing advances that can be subject to delays in recovery or may not be recoverable in certain circumstances.
- A substantial portion of our assets are measured at fair value. From time to time our estimates of their value prove to be inaccurate and we are required to write them down.
- The success and growth of our business will depend upon our ability to adapt to and implement technological changes and to develop and market attractive products and services.
- Adverse events to our clients could occur, which can result in substantial losses that could adversely affect our financial condition.
- Our business could be materially and adversely affected by a cybersecurity breach or other vulnerability involving our computer systems or those of certain third-party service providers.
- Operating and growing our business may require additional capital, and if capital is not available to us, our business, operating results, financial condition, and prospects may suffer.
- We are subject to certain operational risks, including, but not limited to, employee or customer fraud, the obligation to repurchase sold loans in the event of a documentation error, and data processing system failures and errors.
- We are periodically required to repurchase mortgage loans that we have sold or indemnify purchasers of our mortgage loans.
- Seasonality may cause fluctuations in our financial results.
- If we fail to protect our brand and reputation, our ability to grow our business and increase the volume of mortgages we originate and service may be adversely affected.
- We are subject to certain risks associated with investing in real estate and real estate related assets, including risks of loss from adverse weather conditions, man-made or natural disasters, pandemics, terrorist attacks and the effects of climate change.

- If we are unable to attract, integrate and retain qualified personnel, our ability to develop and successfully grow our business could be harmed.
- Our risk management strategies may not be fully effective in mitigating our risk exposures in all market environments or against all types of risk.
- Changes in, or our failure to comply with, the highly complex legal and regulatory framework applicable to our mortgage loan origination and servicing activities could harm our business, operating results, financial condition, and prospects.
- Our failure to comply with fair lending laws and regulations could lead to a wide variety of negative consequences.
- Our failure to obtain and maintain the appropriate state licenses would prohibit us from originating or servicing mortgages in those states and adversely affect our operations.
- Changes in the guidelines of the GSEs, FHA, VA, USDA, and Ginnie Mae could adversely affect our business.
- Material changes to the laws, regulations or practices applicable to reverse mortgage programs operated by FHA and HUD could adversely affect our reverse mortgage business.
- Our actual or perceived failure to comply with stringent and evolving legal obligations related to data privacy and security may materially and adversely affect us.
- We may from time to time be subject to litigation, which may be extremely costly to defend, could result in substantial judgment or settlement costs and could subject us to other remedies.
- We are controlled by McCarthy Capital Mortgage Investors, LLC (“MCMI”), and MCMI’s interests may conflict with our interests and the interests of our other stockholders.
- Our directors and executive officers have significant control over our business.
- As a “controlled company,” we rely on exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.
- We are a holding company and depend upon distributions from GMC to meet our obligations.
- Sales of a substantial number of shares of our Class A common stock by our existing stockholders in the public market could cause the price of our Class A common stock to fall.
- Our issuance of capital stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise would dilute all other stockholders.
- There is no assurance that we will pay dividends in the future.
- Certain provisions in our certificate of incorporation and bylaws and of Delaware law may prevent or delay an acquisition of Guild, which could decrease the trading price of our stock.
- The dual class structure of our common stock may adversely affect the trading market for our Class A common stock.
- Our quarterly and annual operating results or other operating metrics may fluctuate significantly and may not meet expectations of research analysts, which could cause the trading price of our Class A common stock to decline.
- If we fail to maintain effective internal control over financial reporting or disclosure controls and procedures, we may be unable to report our financial results accurately on a timely basis, which would result in the loss of investor confidence, delisting, claims or investigations, and cause the market price of our Class A common stock to decline.

We are also subject to other risks and uncertainties described in our Form 10-K for the year ended December 31, 2023 and our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission.

We disclaim any obligation to update any forward-looking statements made in this Quarterly Report to reflect events or circumstances after the date of this Quarterly Report or to reflect new information or the occurrence of unanticipated events, except as required by law.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

GUILD HOLDINGS COMPANY
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	June 30, 2024	December 31, 2023
Assets		
Cash and cash equivalents	$ 102,185	$ 120,260
Restricted cash	5,620	7,121
Mortgage loans held for sale, at fair value	1,729,007	901,227
Reverse mortgage loans held for investment, at fair value	376,182	315,912
Ginnie Mae loans subject to repurchase right	568,176	699,622
Mortgage servicing rights, at fair value	1,292,662	1,161,357
Advances, net	53,640	64,748
Property and equipment, net	16,262	13,913
Right-of-use assets	72,562	65,273
Goodwill and intangible assets, net	230,452	211,306
Other assets	133,096	115,981
Total assets	$ 4,579,844	$ 3,676,720
Liabilities and stockholders’ equity		
Warehouse lines of credit, net	$ 1,616,569	$ 833,781
Home Equity Conversion Mortgage-Backed Securities (“HMBS”) related borrowings	358,101	302,183
Ginnie Mae loans subject to repurchase right	574,707	700,120
Notes payable	271,000	148,766
Accounts payable and accrued expenses	80,253	63,432
Operating lease liabilities	82,780	75,832
Deferred tax liabilities	244,722	225,021
Other liabilities	129,276	144,092
Total liabilities	3,357,408	2,493,227
Commitments and contingencies (Note 15)		
Stockholders’ equity		
Preferred stock, $0.01 par value; 50,000,000 shares authorized; no shares issued and outstanding	—	—
Class A common stock, $0.01 par value; 250,000,000 shares authorized; 21,061,207 and 20,786,814 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	211	208
Class B common stock, $0.01 par value; 100,000,000 shares authorized; 40,333,019 shares issued and outstanding at June 30, 2024 and December 31, 2023	403	403
Additional paid-in capital	51,352	47,158
Retained earnings	1,169,852	1,135,387
Non-controlling interests	618	337
Total stockholders’ equity	1,222,436	1,183,493
Total liabilities and stockholders’ equity	$ 4,579,844	$ 3,676,720

See accompanying notes to condensed consolidated financial statements

GUILD HOLDINGS COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Revenue				
Loan origination fees and gain on sale of loans, net	$ 205,848	$ 136,925	$ 339,908	$ 229,576
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	2,134	2,306	5,364	2,306
Loan servicing and other fees	67,709	60,211	133,497	120,298
Valuation adjustment of mortgage servicing rights	2,134	27,890	22,912	(26,981)
Interest income	36,219	26,584	60,947	44,829
Interest expense	(28,647)	(17,329)	(45,188)	(29,591)
Other income, net	288	224	27	259
Net revenue	285,685	236,811	517,467	340,696
Expenses				
Salaries, incentive compensation and benefits	188,938	144,903	329,005	256,023
General and administrative	28,398	20,448	57,609	41,331
Occupancy, equipment and communication	20,348	18,402	40,163	35,832
Depreciation and amortization	3,970	3,661	7,724	7,399
(Reversal of) provision for foreclosure losses	(496)	(1,044)	(104)	470
Total expenses	241,158	186,370	434,397	341,055
Income (loss) before income taxes	44,527	50,441	83,070	(359)
Income tax expense (benefit)	6,936	13,505	17,079	(100)
Net income (loss)	37,591	36,936	65,991	(259)
Net income (loss) attributable to non-controlling interests	8	—	(90)	(5)
Net income (loss) attributable to Guild	$ 37,583	$ 36,936	$ 66,081	$ (254)
Earnings (loss) per share attributable to Class A and Class B Common Stock:				
Basic	$ 0.61	$ 0.61	$ 1.08	$ —
Diluted	$ 0.60	$ 0.60	$ 1.06	$ —
Weighted average shares outstanding of Class A and Class B Common Stock:				
Basic	61,337	60,962	61,223	60,931
Diluted	62,393	61,801	62,275	60,931

See accompanying notes to condensed consolidated financial statements

GUILD HOLDINGS COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In thousands, except share and per share amounts)

	Class A Shares	Class A Amount	Class B Shares	Class B Amount	Additional Paid-In Capital	Retained Earnings	Non-controlling Interests	Total
Balance at December 31, 2022	20,583,130	$ 206	40,333,019	$ 403	$ 42,727	$ 1,205,885	$ 66	$ 1,249,287
Net loss	—	—	—	—	—	(37,190)	(5)	(37,195)
Repurchase and retirement of Class A common stock	(50,166)	(1)	—	—	(567)	—	—	(568)
Stock-based compensation	—	—	—	—	1,756	—	—	1,756
Vesting of restricted stock units	333	—	—	—	—	—	—	—
Shares of Class A common stock withheld related to net share settlement	(137)	—	—	—	(1)	—	—	(1)
Balance at March 31, 2023	20,533,160	$ 205	40,333,019	$ 403	$ 43,915	$ 1,168,695	$ 61	$ 1,213,279
Net income	—	—	—	—	—	36,936	—	36,936
Repurchase and retirement of Class A common stock	(51,588)	(1)	—	—	(549)	—	—	(550)
Stock-based compensation	—	—	—	—	2,323	—	—	2,323
Dividend equivalents on unvested restricted stock units forfeited	—	—	—	—	(23)	23	—	—
Vesting of restricted stock units	211,733	2	—	—	(2)	—	—	—
Shares of Class A common stock withheld related to net share settlement	(48,163)	—	—	—	(523)	—	—	(523)
Balance at June 30, 2023	20,645,142	$ 206	40,333,019	$ 403	$ 45,141	$ 1,205,654	$ 61	$ 1,251,465

See accompanying notes to condensed consolidated financial statements

GUILD HOLDINGS COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (Continued)
(In thousands, except share and per share amounts)

	Class A Shares	Class A Amount	Class B Shares	Class B Amount	Additional Paid-In Capital	Retained Earnings	Non-controlling Interests	Total
Balance at December 31, 2023	20,786,814	$ 208	40,333,019	$ 403	$ 47,158	$ 1,135,387	$ 337	$ 1,183,493
Net income (loss)	—	—	—	—	—	28,498	(98)	28,400
Repurchase and retirement of Class A common stock	(17,747)	—	—	—	(251)	—	—	(251)
Stock-based compensation	—	—	—	—	2,137	—	—	2,137
Dividend equivalents on unvested restricted stock units forfeited	—	—	—	—	(20)	20	—	—
Acquisition of non-controlling interests	—	—	—	—	—	—	371	371
Balance at March 31, 2024	20,769,067	$ 208	40,333,019	$ 403	$ 49,024	$ 1,163,905	$ 610	$ 1,214,150
Net income	—	—	—	—	—	37,583	8	37,591
Cash dividends declared ($0.50 per share)	—	—	—	—	—	(30,702)	—	(30,702)
Repurchase and retirement of Class A common stock	(14,221)	—	—	—	(201)	—	—	(201)
Stock-based compensation	—	—	—	—	2,687	—	—	2,687
Dividend equivalents on unvested restricted stock units issued	—	—	—	—	943	(943)	—	—
Dividend equivalents on unvested restricted stock units forfeited	—	—	—	—	(9)	9	—	—
Vesting of restricted stock units	384,174	4	—	—	(4)	—	—	—
Shares of Class A common stock withheld related to net share settlement	(77,813)	(1)	—	—	(1,088)	—	—	(1,089)
Balance at June 30, 2024	21,061,207	$ 211	40,333,019	$ 403	$ 51,352	$ 1,169,852	$ 618	$ 1,222,436

See accompanying notes to condensed consolidated financial statements

GUILD HOLDINGS COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities		
Net income (loss)	$ 65,991	$ (259)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	7,724	7,399
Valuation adjustment of mortgage servicing rights	(22,912)	26,981
Valuation adjustment of mortgage loans held for sale	718	6,106
Valuation adjustment of reverse mortgage loans held for investment and HMBS-related borrowings	(5,364)	(2,306)
Unrealized gain on derivatives	(17,506)	(15,755)
Amortization of right-of-use assets	11,313	10,888
Provision for investor reserves	4,556	5,018
(Reversal of) provision for foreclosure losses	(104)	470
Valuation adjustment of contingent liabilities due to acquisitions, net	7,838	1,248
Gain on sale of mortgage loans excluding fair value of other financial instruments, net	(235,539)	(151,020)
Deferred income taxes	19,701	(147)
Stock-based compensation	4,824	4,079
Origination of mortgage servicing rights	(89,631)	(71,945)
Origination and purchase of mortgage loans held for sale	(9,650,745)	(7,012,503)
Proceeds on sale of and payments from mortgage loans held for sale	9,057,786	6,877,200
Other	3,160	2,015
Changes in operating assets and liabilities:		
Advances and other assets	6,895	14,611
Accounts payable and accrued expenses	17,145	1,610
Operating lease liabilities	(11,875)	(11,579)
Other liabilities	(24,917)	(8,010)
Net cash used in operating activities	(850,942)	(315,899)
Cash flows from investing activities		
Acquisition of businesses, net of cash acquired	(17,710)	(5,480)
Origination and purchase of reverse mortgage loans held for investment	(67,483)	(34,402)
Principal payments received on reverse mortgage loans held for investment	23,620	—
Issuance of notes receivable	—	(11,250)
Purchases of property and equipment, net	(4,023)	(2,423)
Other	(19,490)	(854)
Net cash used in investing activities	(85,086)	(54,409)
Cash flows from financing activities		
Borrowings on warehouse lines of credit	10,292,580	6,954,199
Repayments on warehouse lines of credit	(9,509,783)	(6,614,142)
Proceeds from issuance of reverse mortgage loans and tails accounted for as HMBS-related obligations	66,201	—
Repayments on HMBS-related obligations	(21,326)	—
Borrowings on notes payable	122,234	30,000
Repayments on notes payable	—	(32,500)
Net change in related party notes payable	—	(530)
Dividends paid	(30,702)	—
Repurchases of Class A common stock	(452)	(1,118)
Taxes paid related to net share settlement of equity awards	(1,089)	(524)
Other	(1,211)	—
Net cash provided by financing activities	916,452	335,385
Decrease in cash, cash equivalents and restricted cash	(19,576)	(34,923)
Cash, cash equivalents and restricted cash, beginning of period	127,381	146,754
Cash, cash equivalents and restricted cash, end of period	$ 107,805	$ 111,831

See accompanying notes to condensed consolidated financial statements

GUILD HOLDINGS COMPANY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In thousands)

	Six Months Ended June 30,	
	2024	**2023**
Supplemental information		
Cash paid for interest, net	$ 14,938	$ 7,173
Income tax refunds, net of cash paid	$ (2,472)	$ (2,144)
Supplemental disclosure of non-cash investing activities:		
Measurement period adjustment to goodwill	$ —	$ 760
Cash, cash equivalents and restricted cash at end of period are comprised of the following:		
Cash and cash equivalents	$ 102,185	$ 105,963
Restricted cash	5,620	5,868
Total cash, cash equivalents and restricted cash	$ 107,805	$ 111,831

See accompanying notes to condensed consolidated financial statements

GUILD HOLDINGS COMPANY
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—BUSINESS, BASIS OF PRESENTATION, AND SIGNIFICANT ACCOUNTING POLICIES

Business

Guild Holdings Company, including its consolidated subsidiaries (collectively, "Guild" or the "Company") originates, sells, and services residential mortgage loans in the United States. The Company operates in two reportable segments, origination and servicing. The Company operates approximately 480 branches with licenses in 49 states and the District of Columbia. The Company originates residential mortgages through retail and correspondent channels.

The Company is certified with the United States Department of Housing and Urban Development ("HUD") and the Department of Veterans Affairs ("VA") and operates as a Federal Housing Administration ("FHA") non-supervised lender. In addition, the Company is an approved issuer with the Government National Mortgage Association ("GNMA" or "Ginnie Mae"), as well as an approved seller and servicer with the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac") and the United States Department of Agriculture Rural Development ("USDA").

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") and in accordance with U.S. generally accepted accounting principles ("GAAP") applicable to interim financial statements. These unaudited condensed consolidated financial statements reflect all normal recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results of the interim period. The unaudited condensed consolidated financial statements include the accounts of the Company and all other entities in which it has a controlling financial interest or consolidates as a variable interest entity or joint venture. All significant intercompany accounts and transactions have been eliminated in consolidation. The condensed consolidated balance sheet data as of December 31, 2023 was derived from audited financial statements, but does not include all disclosures required by GAAP. These unaudited condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. The Company follows the same accounting policies for preparing quarterly and annual reports.

Reclassifications

Certain reclassifications have been made to the condensed consolidated financial statements to conform to the current year's presentation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although management is not currently aware of any factors that would significantly change its estimates and assumptions, actual results could materially differ from those estimates.

Escrow and Fiduciary Funds

As a loan servicer, the Company maintains segregated bank accounts in trust for investors and escrow balances for mortgagors, which are excluded from the Company's Condensed Consolidated Balance Sheets. These accounts totaled $954.7 million and $646.5 million at June 30, 2024 and December 31, 2023, respectively.

Recent Accounting Standards

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-09,*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. For public business entities the update will be effective for annual periods beginning after December 15, 2024. The Company is currently evaluating the disclosure requirements related to the new standard.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280)* ("ASU 2023-07"). ASU 2023-07 requires disclosure, on an annual and interim basis, of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), as well as the aggregate amount of other segment items included in the reported measure of segment profit or loss. ASU 2023-07 requires that a public

entity disclose the title and position of the CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss. Public entities will be required to provide all annual disclosures currently required by Topic 280 in interim periods, and entities with a single reportable segment are required to provide all the disclosures required by the amendments in the update and existing segment disclosures in Topic 280. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective adoption. Early adoption is permitted. The Company is currently evaluating the disclosure requirements related to the new standard.

In August 2023, the FASB issued ASU 2023-05, *Business Combinations—Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement* ("ASU 2023-05"). ASU 2023-05 applies to the formation of a "joint venture" or a "corporate joint venture" and requires a joint venture to initially measure all contributions received upon its formation at fair value. The guidance does not impact accounting by the venturers. The new guidance is applicable to joint venture entities with a formation date on or after January 1, 2025 on a prospective basis and early adoption is permitted. The Company is currently evaluating the impact of adoption of the new guidance on its financial statements.

NOTE 2—FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Inputs used to measure fair value are prioritized within a three-level fair value hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The categorization of assets and liabilities measured at fair value within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels of inputs used to measure fair value are as follows:

- ***Level One*** - Level One inputs are unadjusted, quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- ***Level Two*** - Level Two inputs are observable for that asset or liability, either directly or indirectly, and include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, observable inputs for the asset or liability other than quoted prices and inputs derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified contractual term, the inputs must be observable for substantially the full term of the asset or liability.
- ***Level Three*** - Level Three inputs are unobservable inputs for the asset or liability that reflect the Company's assessment of the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, and are developed based on the best information available.

The Company updates the valuation of each instrument recorded at fair value on a monthly or quarterly basis, evaluating all available observable information, which may include current market prices or bids, recent trade activity, changes in the levels of market activity and benchmarking of industry data. The assessment also includes consideration of identifying the valuation approach that would be used currently by market participants. If it is determined that a change in valuation technique or its application is appropriate, or if there are other changes in availability of observable data or market activity, the current methodology will be analyzed to determine if a transfer between levels of the valuation hierarchy is appropriate. Such reclassifications are reported as transfers into or out of a level as of the beginning of the quarter that the change occurs.

Fair value is based on quoted market prices, when available. If quoted prices are not available, fair value is estimated based upon other observable inputs. Unobservable inputs are used when observable inputs are not available and are based upon judgments and assumptions, which are the Company's assessment of the assumptions market participants would use in pricing the asset or liability. These inputs may include assumptions about risk, counterparty credit quality, the Company's creditworthiness and liquidity and are developed based on the best information available. When a determination is made to classify an asset or liability within Level Three of the valuation hierarchy, the determination is based upon the significance of the unobservable factors to the overall fair value measurement of the asset or liability. The fair value of assets and liabilities classified within Level Three of the valuation hierarchy also typically includes observable factors and the realized or unrealized gain or loss recorded from the valuation of these instruments would also include amounts determined by observable factors.

Recurring Fair Value Measurements

The Company's fair value measurements are evaluated within the fair value hierarchy, based on the nature of the inputs used to determine the fair value at the measurement date. At June 30, 2024 and

December 31, 2023, the Company had the following assets and liabilities that are measured at fair value on a recurring basis:

Mortgage Loans Held for Sale ("MLHS") — MLHS are carried at fair value. The fair value of MLHS is based on secondary market pricing for loans with similar characteristics, and as such, is classified as a Level Two measurement. Fair value is estimated through a market approach by using either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain factors to approximate the fair value of a whole mortgage loan, including the value attributable to servicing rights and credit risk, (ii) current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics. The agency mortgage-backed security market is a highly liquid and active secondary market for conforming conventional loans whereby quoted prices exist for securities at the pass-through level and are published on a regular basis. The Company has the ability to access this market and it is the market into which conforming mortgage loans are typically sold. We regularly review our critical estimates and assumptions used in the valuation of our MLHS.

Reverse Mortgage Loans Held for Investment — Reverse mortgage loans held for investment are carried at fair value and classified within Level Three of the valuation hierarchy. Fair value is estimated using a present value methodology that discounts estimated projected cash flows over the life of the loan using unobservable inputs which include conditional prepayment rates and discount rates. The conditional prepayment rate assumption is inclusive of voluntary (repayment or payoff) and involuntary (inactive/delinquent status and default) prepayments. The discount rate assumption used is primarily based on an assessment of current market yields on reverse mortgage loan and tail securitizations, expected duration of the asset and current market interest rates. The Company engages a third-party valuation expert to assist in estimating the fair value. See "Note 8—Reverse Mortgage Loans Held for Investment and HMBS-related Borrowings" for additional information on the Company's reverse mortgage loans held for investment.

Mortgage Servicing Rights ("MSRs") — MSRs are classified within Level Three of the valuation hierarchy due to the use of significant unobservable inputs and the lack of an active market for such assets. The fair value of MSRs is estimated based upon projections of expected future cash flows considering prepayment estimates, the Company's historical prepayment rates, portfolio characteristics, interest rates based on interest rate yield curves, implied volatility, costs to service and other economic factors. The Company obtains valuations from an independent third party on a monthly basis, and records an adjustment based on this third-party valuation. See "Note 6—Mortgage Servicing Rights" for additional information on the Company's MSRs.

Derivative Instruments — Derivative instruments are classified within Level Two and Level Three of the valuation hierarchy, and include the following:

Interest Rate Lock Commitments ("IRLCs") — IRLCs are classified within Level Three of the valuation hierarchy. IRLCs represent an agreement to extend credit to a mortgage loan applicant, or an agreement to purchase a loan from a third-party originator, whereby the interest rate on the loan is set (or "locked") prior to funding. The fair value of IRLCs recorded at lock inception is based upon the estimated fair value of the underlying mortgage loan, including the expected net future cash flows related to servicing the mortgage loan, net of estimated incentive compensation expenses, and adjusted for: (i) estimated costs to complete and originate the loan and (ii) an adjustment to reflect the estimated percentage of IRLCs that will result in a closed mortgage loan under the original terms of the agreement (pull-through rate). The pull-through rate is considered a significant unobservable input and is estimated based on changes in pricing and actual borrower behavior using a historical analysis of loan closing and fallout data. On a quarterly basis, actual loan pull-through rates are compared to the modeled estimates to confirm the assumptions are reflective of current trends. Generally, a change in interest rates is accompanied by a directionally opposite change in the assumption used for the pull-through percentage, and the impact to fair value of a change in pull-through would be partially offset by the related change in price.

Forward Delivery Commitments — Forward delivery commitments are classified within Level Two of the valuation hierarchy. Forward delivery commitments fix the forward sales price that will be realized upon the sale of mortgage loans into the secondary market. The fair value of forward delivery commitments is primarily based upon the current agency mortgage-backed security market to-be-announced pricing specific to the loan program, delivery coupon and delivery date of the trade. Best efforts sales commitments are also entered into for certain loans at the time the borrower commitment is made. These best-efforts sales commitments are valued using the committed price to the counterparty against the current market price of the IRLC or mortgage loan held for sale.

Option contracts are a type of forward commitment that represents the rights to buy or sell mortgage-backed securities at specified prices in the future. Their value is based upon the underlying current to-be-announced pricing of the agency mortgage-backed security market, and market-based volatility.

The Company regularly reviews its critical estimates and assumptions used in the valuation of our IRLCs and forward delivery commitments. See “Note 5—Derivative Financial Instruments” for additional information on derivative instruments.

Notes Receivable — Notes receivable are classified within Level Three of the valuation hierarchy as the Company's valuation includes significant unobservable inputs, including consideration of estimates of future earn-out payments, discount rates and expectations about settlement.

HMBS-Related Borrowings — HMBS-related borrowings are carried at fair value and classified within Level Three of the valuation hierarchy. These borrowings are not actively traded; therefore, quoted market prices are not available. The Company determines fair value using a discounted cash flow model, by discounting the projected payment of principal and interest over the estimated life of the borrowing at a market rate, due to significant unobservable inputs, including conditional prepayment rates and discount rates. The discount rate assumption used is primarily based on an assessment of current market yields for newly issued HMBS, expected duration and current market interest rates. The Company engages a third-party valuation expert to assist in estimating the fair value. See “Note 8—Reverse Mortgage Loans Held for Investment and HMBS-related Borrowings” for additional information on the Company's HMBS-related borrowings.

Contingent Liabilities Due to Acquisitions — Contingent liabilities represent future obligations of the Company to make payments to the former owners of its acquired companies. The Company determines the fair value of its contingent liabilities using a discounted cash flow approach whereby the Company forecasts the cash outflows related to the future payments, which are based on a percentage of net income specified in the purchase agreements. The Company then discounts these expected payment amounts to calculate the present value, or fair value, as of the valuation date. The Company’s management evaluates the underlying projections used in determining fair value each period and makes updates to these underlying projections.

The Company uses a risk-adjusted discount rate to value the contingent liabilities which is considered a significant unobservable input, and as such, the liabilities are classified as a Level Three measurement. Management’s underlying projections adjust for market penetration and other economic expectations, and the discount rate is risk-adjusted for key factors such as uncertainty in the mortgage banking industry due to its reliance on external influences (interest rates, regulatory changes, etc.), upfront payments, and credit risk. An increase in the discount rate will result in a decrease in the fair value of the contingent liabilities. Conversely, a decrease in the discount rate will result in an increase in the fair value of the contingent liabilities. At June 30, 2024 the range of the risk adjusted discount rate was 23.2% - 25.0%, with a weighted average of 24.1% and at December 31, 2023 the risk adjusted discount rate was 25.0%. Adjustments to the fair value of the contingent liabilities (other than payments) are recorded as a gain or loss and are included within general and administrative expenses in the Condensed Consolidated Statements of Operations.

The following table summarizes the Company’s assets and liabilities measured at fair value on a recurring basis at June 30, 2024:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Mortgage loans held for sale	$ —	$ 1,729,007	$ —	$ 1,729,007
Reverse mortgage loans held for investment	—	—	376,182	376,182
Mortgage servicing rights	—	—	1,292,662	1,292,662
Derivative assets				
Interest rate lock commitments	—	—	18,172	18,172
Forward delivery commitments	—	2,754	—	2,754
Notes receivable	—	—	11,376	11,376
Total assets at fair value	$ —	$ 1,731,761	$ 1,698,392	$ 3,430,153
Liabilities:				
HMBS-related borrowings	$ —	$ —	$ 358,101	$ 358,101
Derivative liabilities				
Forward delivery commitments and best efforts sales commitments	—	4,666	—	4,666
Contingent liabilities due to acquisitions	—	—	26,575	26,575
Total liabilities at fair value	$ —	$ 4,666	$ 384,676	$ 389,342

The following table summarizes the Company's assets and liabilities measured at fair value on a recurring basis at December 31, 2023:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Mortgage loans held for sale	$ —	$ 901,227	$ —	$ 901,227
Reverse mortgage loans held for investment	—	—	315,912	315,912
Mortgage servicing rights	—	—	1,161,357	1,161,357
Derivative assets				
Interest rate lock commitments	—	—	14,902	14,902
Forward delivery commitments	—	693	—	693
Notes receivable	—	—	10,627	10,627
Total assets at fair value	$ —	$ 901,920	$ 1,502,798	$ 2,404,718
Liabilities:				
HMBS-related borrowings	$ —	$ —	$ 302,183	$ 302,183
Derivative liabilities				
Forward delivery commitments and best efforts sales commitments	—	16,245	—	16,245
Contingent liabilities due to acquisitions	—	—	8,720	8,720
Total liabilities at fair value	$ —	$ 16,245	$ 310,903	$ 327,148

The table below presents a reconciliation of certain Level Three assets and liabilities measured at fair value on a recurring basis for the three and six months ended June 30, 2024:

(in thousands)	Interest Rate Lock Commitments	Notes Receivable	Contingent Liabilities
Balance at March 31, 2024	$ 23,588	$ 11,006	$ 20,101
Net transfers and revaluation losses	(5,416)	—	—
Additions	—	159	—
Valuation adjustments	—	211	6,474
Balance at June 30, 2024	$ 18,172	$ 11,376	$ 26,575
Balance at December 31, 2023	$ 14,902	$ 10,627	$ 8,720
Net transfers and revaluation losses	3,270	—	—
Additions	—	308	10,017
Valuation adjustments	—	441	7,838
Balance at June 30, 2024	$ 18,172	$ 11,376	$ 26,575

The table below presents a reconciliation of certain Level Three assets and liabilities measured at fair value on a recurring basis for the three and six months ended June 30, 2023:

(in thousands)	Interest Rate Lock Commitments	Notes Receivable	Contingent Liabilities
Balance at March 31, 2023	$ 12,206	$ 11,250	$ 2,218
Net transfers and revaluation losses	(6,593)	—	—
Additions	—	—	4,401
Valuation adjustments	—	(1,426)	1,174
Balance at June 30, 2023	$ 5,613	$ 9,824	$ 7,793
Balance at December 31, 2022	$ 1,518	$ —	$ 526
Net transfers and revaluation losses	4,095	—	—
Additions	—	11,250	6,103
Valuation adjustments	—	(1,426)	1,164
Balance at June 30, 2023	$ 5,613	$ 9,824	$ 7,793

Changes in the availability of observable inputs may result in reclassifications of certain assets or liabilities. Such reclassifications are reported as transfers in or out of Level Three as of the beginning of the period that the change occurs. There were no transfers between fair value levels for the three and six months ended June 30, 2024 and June 30, 2023.

Non-Recurring Fair Value Measurements

Certain assets and liabilities that are not typically measured at fair value on a recurring basis may be subject to fair value measurement requirements under certain circumstances. These adjustments to fair value usually result from write-downs of individual assets. At June 30, 2024 and December 31, 2023, the Company had the following financial assets measured at fair value on a non-recurring basis:

Ginnie Mae Loans Subject to Repurchase Right — GNMA securitization programs allow servicers to buy back individual delinquent mortgage loans from the securitized loan pool once certain conditions are met. If a borrower makes no payment for three consecutive months, the servicer has the option to repurchase the delinquent loan for an amount equal to 100% of the loan’s remaining principal balance. Under ASC 860, *Transfers and Servicing*, this buy-back option is considered a conditional option until the delinquency criteria are met, at which time the option becomes unconditional. The Company records these assets and liabilities at their fair value, which is determined to be the remaining unpaid principal balance (“UPB”). The Company’s future expected realizable cash flows are the cash payments of the remaining UPB whether paid by the borrower or reimbursed through a claim filed with HUD. The Company considers the fair value of these assets and liabilities to fall into the Level Two bucket in the valuation hierarchy due to the assets and liabilities having specified contractual terms and the inputs are observable for substantially the full term of the assets' and liabilities' lives.

The following table summarizes the Company’s financial assets and liabilities measured at fair value on a non-recurring basis at June 30, 2024:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Ginnie Mae loans subject to repurchase right	$ —	$ 568,176	$ —	$ 568,176
Total assets at fair value	$ —	$ 568,176	$ —	$ 568,176
Liabilities:				
Ginnie Mae loans subject to repurchase right	$ —	$ 574,707	$ —	$ 574,707
Total liabilities at fair value	$ —	$ 574,707	$ —	$ 574,707

The following table summarizes the Company's financial assets and liabilities measured at fair value on a non-recurring basis at December 31, 2023:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Ginnie Mae loans subject to repurchase right	$ —	$ 699,622	$ —	$ 699,622
Total assets at fair value	$ —	$ 699,622	$ —	$ 699,622
Liabilities:				
Ginnie Mae loans subject to repurchase right	$ —	$ 700,120	$ —	$ 700,120
Total liabilities at fair value	$ —	$ 700,120	$ —	$ 700,120

Fair Value Option

The Company has elected to measure its MLHS, reverse mortgage loans held for investment, notes receivable and HMBS-related borrowings at fair value. The following is the estimated fair value and UPB of assets and liabilities that have contractual principal amounts and for which the Company has elected the fair value option. The fair value option was elected as the Company believes fair value best reflects their expected future economic performance and to align with the Company's business and risk management strategies.

(in thousands)	Fair Value	Principal Amount Due Upon Maturity	Difference
June 30, 2024			
Assets:			
Mortgage loans held for sale[1]	$ 1,729,007	$ 1,723,047	$ 5,960
Reverse mortgage loans held for investment[2]	376,182	335,691	40,491
Notes receivable	11,376	11,864	(488)
Liabilities:			
HMBS-related borrowings	$ 358,101	$ 348,865	$ 9,236

(1) MLHS that were 90 days or more past due had a fair value of $5.6 million and UPB of $7.3 million.
(2) Reverse mortgage loans held for investment that were 90 days or more past due had a fair value of $3.1 million and UPB of $3.0 million.

(in thousands)	Fair Value	Principal Amount Due Upon Maturity	Difference
December 31, 2023			
Assets:			
Mortgage loans held for sale[1]	$ 901,227	$ 892,816	$ 8,411
Reverse mortgage loans held for investment[2]	315,912	290,907	25,005
Notes receivable	10,627	11,556	(929)
Liabilities:			
HMBS-related borrowings	$ 302,183	$ 293,542	$ 8,641

(1) MLHS that were 90 days or more past due had a fair value of $7.3 million and UPB of $9.9 million.
(2) Reverse mortgage loans held for investment that were 90 days or more past due had a fair value of $3.4 million and UPB of $3.3 million.

NOTE 3—ACQUISITIONS

The following acquisitions were accounted for as business combinations, under which the total purchase price was allocated to the net tangible and intangible assets acquired and liabilities assumed based on their preliminary fair values and the excess was recorded as goodwill. The preliminary fair values are subject to subsequent adjustments during the measurement period, not to exceed one year from the date of acquisition.

The goodwill resulting from the purchase price allocation reflects the expected synergistic benefits of expanding the Company's geographic locations and the existing workforce. The acquired goodwill was allocated to the origination segment and is deductible for tax purposes.

2024 Acquisitions

On February 12, 2024, the Company entered into an asset purchase agreement to acquire certain retail lending assets of privately held Utah-based lender Academy Mortgage Corporation ("Academy Mortgage") for a purchase price of $27.0 million including the estimated fair value of contingent consideration that Academy Mortgage could receive based on the performance of the Academy Mortgage branches. The transaction closed on February 26, 2024. The addition of Academy Mortgage is expected to extend Guild's market share across its national footprint and increase the Company's branches and origination staff. The purchase was financed with a combination of cash and existing borrowings.

In March 2024, the Company, through its subsidiary, acquired a controlling interest in Waterton Insurance Group, LLC, a provider of home insurance solutions.

2023 Acquisitions

In 2023, the Company acquired certain assets of First Centennial Mortgage Corporation ("FCM"), Cherry Creek Mortgage LLC ("CCM") and Legacy Mortgage, LLC ("Legacy") for a total fair value consideration of $15.4 million, which consisted of $8.0 million in cash, total fair value of contingent consideration of $6.1 million and an original issuance discount on note receivable of $1.3 million.

The Company does not consider the 2024 or 2023 acquisitions to be material, individually or in the aggregate. The results of the acquisitions have been included in the Company's condensed consolidated financial statements since the date of the acquisitions. Transaction costs associated with these transactions were not material and were expensed as incurred within general and administrative expenses in the Condensed Consolidated Statements of Operations.

CCM Note Receivable

In March 2023, the Company issued a note receivable to CCM in the amount of $11.3 million in connection with the acquisition of CCM, which closed in April 2023. The Company recognized a discount on the note receivable of approximately $1.3 million on the date the acquisition closed. The note bears interest at a variable rate tied to the Secured Overnight Financing Rate ("SOFR") plus an applicable margin. Also, pursuant to the acquisition, CCM will be entitled to earn-out payments for four years based on certain performance criteria. The earn-out payments will be first allocated to repay the interest and principal due on the note receivable. The note receivable matures in April 2027. If an earn-out payment is not due to CCM, 50% of the interest payment may be "paid-in-kind," and thereby added to the principal balance. The Company elected to apply the fair value option to this note receivable to align with the accounting treatment for the contingent consideration liability.

NOTE 4—ADVANCES, NET

Advances, net consisted of the following:

(in thousands)	June 30, 2024	December 31, 2023
Trust advances	$ 35,126	$ 44,487
Foreclosure advances	23,321	25,955
Foreclosure loss reserve	(4,807)	(5,694)
Total advances, net	$ 53,640	$ 64,748

Management has established a foreclosure reserve for estimated uncollectible balances of the foreclosure and trust advances. The activity of the foreclosure loss reserve was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2024	2023	2024	2023
Balance — beginning of period	$ 5,826	$ 8,665	$ 5,694	$ 8,698
(Reversal of) provision for foreclosure losses	(496)	(1,044)	(104)	470
Utilization of foreclosure reserve	(523)	(962)	(783)	(2,509)
Balance — end of period	$ 4,807	$ 6,659	$ 4,807	$ 6,659

NOTE 5—DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses forward commitments in hedging the interest rate risk exposure on its fixed and adjustable rate commitments. The Company's derivative instruments are not designated as hedging instruments for accounting purposes; therefore, changes in fair value are recognized in current period earnings. Realized and unrealized gains and losses from the Company's non-designated derivative instruments are included in loan origination fees and gain on sale of loans, net in the Condensed Consolidated Statements of Operations. Derivative assets are included within other assets and derivative liabilities are included within other liabilities in the Consolidated Balance Sheets.

Changes in the fair value of the Company's derivative financial instruments are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Unrealized hedging (losses) gains	$ (7,566)	$ 9,703	$ 17,506	$ 15,755

Notional and Fair Value

The notional and fair value of derivative financial instruments not designated as hedging instruments were as follows as of June 30, 2024 and December 31, 2023:

		Fair Value	
(in thousands)	**Notional Value**	**Derivative Asset**	**Derivative Liability**
June 30, 2024			
IRLCs	$ 1,821,836	$ 18,172	$ —
Forward delivery commitments and best efforts sales commitments	$ 1,923,277	$ 2,754	$ 4,666
December 31, 2023			
IRLCs	$ 821,865	$ 14,902	$ —
Forward delivery commitments and best efforts sales commitments	$ 933,850	$ 693	$ 16,245

The Company had an additional $314.6 million and $163.8 million of outstanding forward contracts and mandatory sell commitments, comprised of closed loans with equal and offsetting UPB amounts allocated to them, at June 30, 2024 and December 31, 2023, respectively. The Company also had $455.0 million and $343.0 million in closed hedge instruments not yet settled at June 30, 2024 and December 31, 2023, respectively. See "Note 2—Fair Value Measurements" for fair value disclosure of the derivative instruments.

The following table presents the unobservable input assumption used to determine the fair value of IRLCs as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Unobservable Input	**Range (Weighted Average)**	
Loan funding probability ("pull-through")	0% - 100% (88.0%)	0% - 100% (86.5%)

Counterparty agreements for forward commitments contain master netting agreements. The master netting agreements contain a legal right to offset amounts due to and from the same counterparty, including the right to obtain cash collateral. The Company incurred no credit losses due to nonperformance of any of its counterparties during the three and six months ended June 30, 2024 and June 30, 2023.

The table below represents financial assets and liabilities that are subject to master netting arrangements categorized by financial instrument as of June 30, 2024 and December 31, 2023:

(in thousands)	Gross Amounts of Recognized Assets (Liabilities) in the Balance Sheet	Gross Amounts Offset in the Balance Sheet	Cash Collateral Paid and Offset in the Balance Sheet	Net Amounts of Recognized Assets (Liabilities) in the Balance Sheet
June 30, 2024				
Forward delivery commitments	$ 1,602	$ (3,436)	$ 4,588	$ 2,754
Total assets	$ 1,602	$ (3,436)	$ 4,588	$ 2,754
Forward delivery commitments and best efforts sales commitments	$ (6,733)	$ 2,017	$ 50	$ (4,666)
Total liabilities	$ (6,733)	$ 2,017	$ 50	$ (4,666)
December 31, 2023				
Forward delivery commitments	$ 8	$ (2,837)	$ 3,522	$ 693
Total assets	$ 8	$ (2,837)	$ 3,522	$ 693
Forward delivery commitments and best efforts sales commitments	$ (18,105)	$ 148	$ 1,712	$ (16,245)
Total liabilities	$ (18,105)	$ 148	$ 1,712	$ (16,245)

NOTE 6—MORTGAGE SERVICING RIGHTS

The following table presents the activity of MSRs for the three and six months ended June 30, 2024 and June 30, 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Balance — beginning of period	$ 1,216,483	$ 1,112,161	$ 1,161,357	$ 1,139,539
MSRs originated	55,397	44,452	89,631	71,945
MSRs purchased	18,648	—	18,762	—
Changes in fair value:				
Due to collection/realization of cash flows	(18,511)	(15,890)	(30,630)	(27,060)
Due to changes in valuation model inputs or assumptions	20,645	43,780	53,542	79
Balance — end of period	$ 1,292,662	$ 1,184,503	$ 1,292,662	$ 1,184,503

The following table presents the unobservable input assumptions used to determine the fair value of MSRs:

	June 30, 2024	December 31, 2023
Unobservable Input	**Range (Weighted Average)**	
Discount rate	9.6% - 15.5% (10.8%)	9.6% - 15.5% (10.9%)
Prepayment rate	6.0% - 42.9% (7.9%)	6.4% - 32.0% (8.5%)
Cost to service (per loan)	$71.9 - $466.1 ($96.2)	$72.1 - $366.3 ($96.4)

At June 30, 2024 and December 31, 2023, the MSRs had a weighted average life of approximately 8.2 years and 8.0 years, respectively. See “Note 2 —Fair Value Measurements” for additional information regarding the valuation of MSRs.

Actual revenue generated from servicing activities included contractually specified servicing fees, as well as late fees and other ancillary servicing revenue, which were recorded within loan servicing and other fees as follows for the three and six months ended June 30, 2024 and June 30, 2023:

(in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Servicing fees from servicing portfolio	$ 66,065	$ 59,410	$ 130,099	$ 118,390
Late fees	2,042	1,619	4,098	3,287
Other ancillary servicing revenue and fees	(398)	(818)	(700)	(1,379)
Total loan servicing and other fees	$ 67,709	$ 60,211	$ 133,497	$ 120,298

At June 30, 2024 and December 31, 2023, the UPB of mortgage loans serviced for others totaled $89.1 billion and $85.0 billion, respectively, including loans subserviced by third-parties of $1.6 billion at June 30, 2024. Conforming conventional loans serviced by the Company are sold to FNMA or FHLMC programs on a nonrecourse basis, whereby foreclosure losses are generally the responsibility of FNMA and FHLMC and not the Company. Similarly, certain loans serviced by the Company are secured through GNMA programs, whereby the Company is insured against loss by the FHA or partially guaranteed against loss by the VA.

The key assumptions used to estimate the fair value of MSRs are prepayment speeds, the discount rate and costs to service. Increases in prepayment speeds generally have an adverse effect on the value of MSRs as the underlying loans prepay faster. In a declining interest rate environment, the fair value of MSRs generally decreases as prepayments increase and therefore, the estimated life of the MSRs and related cash flows decrease. Decreases in prepayment speeds generally have a positive effect on the value of MSRs as the underlying loans prepay less frequently. In a rising interest rate environment, the fair value of MSRs generally increases as prepayments decrease and therefore, the estimated life of the MSRs and related cash flows increase. Increases in the discount rate generally have an adverse effect on the value of the MSRs. The discount rate is risk adjusted for key factors such as uncertainty in the mortgage banking industry due to its reliance on external influences (interest rates, regulatory changes, etc.), premium for market liquidity, and credit risk. A higher discount rate would indicate higher uncertainty of the future cash flows. Conversely, decreases in the discount rate generally have a positive effect on the value of the MSRs. Increases in the costs to service generally have an adverse effect on the value of the MSRs as an increase in costs to service would reduce the Company's future net cash inflows from servicing a loan. Conversely, decreases in the costs to service generally have a positive effect on the value of the MSRs. MSR uncertainties are hypothetical and do not always have a direct correlation with each assumption. Changes in one assumption may result in changes to another assumption, which might magnify or counteract the uncertainties.

The following table illustrates the impact of adverse changes on the prepayment speeds, discount rate and cost to service at two different data points at June 30, 2024 and December 31, 2023, respectively:

	Prepayment Speeds		Discount Rate		Cost to Service (per loan)	
(in thousands)	10% Adverse Change	20% Adverse Change	10% Adverse Change	20% Adverse Change	10% Adverse Change	20% Adverse Change
June 30, 2024						
Mortgage servicing rights	$ (40,735)	$ (79,215)	$ (53,549)	$ (103,281)	$ (12,841)	$ (25,506)
December 31, 2023						
Mortgage servicing rights	$ (36,968)	$ (72,701)	$ (47,899)	$ (93,196)	$ (11,315)	$ (23,573)

NOTE 7—MORTGAGE LOANS HELD FOR SALE

The Company sells substantially all of its originated mortgage loans into the secondary market. The Company may retain the right to service these loans upon sale through ownership of servicing rights. A

reconciliation of the changes in MLHS to the amounts presented in the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2024 and June 30, 2023 is set forth below:

(in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Balance — beginning of period	$ 901,227	$ 845,775
Origination and purchase of mortgage loans held for sale	9,650,745	7,012,503
Proceeds on sale of and payments from mortgage loans held for sale	(9,057,786)	(6,877,200)
Gain on sale of mortgage loans excluding fair value of other financial instruments, net	235,539	151,020
Valuation adjustment of mortgage loans held for sale	(718)	(6,106)
Balance — end of period	$ 1,729,007	$ 1,125,992

NOTE 8—REVERSE MORTGAGE LOANS HELD FOR INVESTMENT AND HMBS-RELATED BORROWINGS

A reconciliation of the changes in reverse mortgage loans held for investment and HMBS-related borrowings for the periods presented is below:

(in thousands)	Three Months Ended June 30, 2024		Six Months Ended June 30, 2024	
	Reverse Mortgage Loans Held for Investment	HMBS-Related Borrowings[1]	Reverse Mortgage Loans Held for Investment	HMBS-Related Borrowings[1]
Balance — beginning of period	$ 348,076	$ (326,804)	$ 315,912	$ (302,183)
Originations and purchases	36,940	—	67,483	—
Securitization of home equity conversion mortgages (“HECM”) loans and tails accounted for as a financing (including realized fair value changes)	—	(39,677)	—	(66,201)
Repayments (principal payments received)	(14,428)	11,840	(23,620)	21,326
Change in fair value recognized in earnings[2]	5,594	(3,460)	16,407	(11,043)
Balance — end of period	$ 376,182	$ (358,101)	$ 376,182	$ (358,101)
Securitized loans (pledged to HMBS-related borrowings)	$ 365,005	$ (358,101)	$ 365,005	$ (358,101)
Unsecuritized loans and tail advances	11,177	—	11,177	—
Total	$ 376,182	$ (358,101)	$ 376,182	$ (358,101)

(in thousands)	Three Months Ended June 30, 2023		Six Months Ended June 30, 2023	
	Reverse Mortgage Loans Held for Investment	HMBS-Related Borrowings[1]	Reverse Mortgage Loans Held for Investment	HMBS-Related Borrowings[1]
Balance — beginning of period	$ —	$ —	$ —	$ —
Originations and purchases	34,403	—	34,403	—
Change in fair value recognized in earnings[2]	2,306	—	2,306	—
Balance — end of period	$ 36,709	$ —	$ 36,709	$ —
Unsecuritized loans and tail advances	$ 36,709	$ —	$ 36,709	$ —
Total	$ 36,709	$ —	$ 36,709	$ —

(1) HMBS-related borrowings represent the issuance of pools of HMBS, which are guaranteed by GNMA, to third-party security holders. The Company accounts for the transfers of these advances in the related HECM loans as secured borrowings, retaining the initial HECM loans in the Condensed Consolidated Balance Sheet as reverse mortgage loans held for investment and recording the pooled HMBS as HMBS-related borrowings.

(2) See further breakdown in the table below.

The following table presents gains (losses) on reverse mortgage loans held for investment and HMBS-related borrowings for the periods presented:

(in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Gain on new originations[1]	$ 1,882	$ —	$ 3,166	$ —
Gain on tail securitizations[2]	435	—	757	—
Net interest income	25	—	48	—
Change in fair value of reverse mortgage loans held for investment	(208)	2,306	1,393	2,306
Fair value gain recognized in earnings[3]	2,134	2,306	5,364	2,306
Loan fees and other[4]	963	282	1,749	282
Total	$ 3,097	$ 2,588	$ 7,113	$ 2,588

(1) Includes the changes in fair value of newly originated loans held for investment in the period from origination through securitization date.

(2) Includes the cash realized gains upon securitization of tails.

(3) See breakdown between loans held for investment and HMBS-related borrowings in the table above.

(4) Loan fees and other are included with Loan origination fees and gain on sale of loans, net in the Condensed Consolidated Statements of Operations.

The following table presents the unobservable input assumptions used to determine the fair value of reverse mortgage loans held for investment and HMBS-related borrowings as of June 30, 2024 and December 31, 2023:

Unobservable Input	June 30, 2024	December 31, 2023
	Range (Weighted Average)	
Life in years	0.1 - 9.1 (6.9)	0.1 - 8.9 (7.2)
Discount rate	12.0% - 12.0% (12.0%)	12.0% - 12.0% (12.0%)
Conditional prepayment rate including voluntary and involuntary prepayments	6.5% - 19.9% (8.0%)	6.9% - 11.3% (8.1%)

NOTE 9—GOODWILL AND INTANGIBLE ASSETS, NET

The following table presents the Company's goodwill and intangible assets, net as of June 30, 2024 and December 31, 2023:

(in thousands)	June 30, 2024	December 31, 2023
Goodwill	$ 198,724	$ 186,181
Intangible assets, net	31,728	25,125
Goodwill and intangible assets, net	$ 230,452	$ 211,306

Goodwill

The changes in the carrying amount of goodwill allocated to the origination segment are presented in the following table:

(in thousands)	
Balance at December 31, 2022	$ 176,769
Acquisitions	8,654
Purchase accounting adjustments	758
Balance at December 31, 2023	186,181
Acquisitions	12,543
Balance at June 30, 2024	$ 198,724

Intangible Assets, Net

The following table presents the Company's intangible assets, net as of June 30, 2024 and December 31, 2023:

	June 30, 2024			December 31, 2023		
(in thousands)	Gross Intangibles	Accumulated Amortization	Net Intangibles	Gross Intangibles	Accumulated Amortization	Net Intangibles
Referral network	$ 53,500	$ (21,772)	$ 31,728	$ 42,300	$ (17,625)	$ 24,675
Non-compete agreements	2,700	(2,700)	—	2,700	(2,250)	450
	$ 56,200	$ (24,472)	$ 31,728	$ 45,000	$ (19,875)	$ 25,125

Amortization expense related to intangible assets was $2.4 million and $2.0 million for the three months ended June 30, 2024 and June 30, 2023, respectively, and $4.6 million and $4.0 million for the six months ended June 30, 2024 and June 30, 2023, respectively.

NOTE 10—WAREHOUSE LINES OF CREDIT, NET

Warehouse lines of credit consisted of the following at June 30, 2024 and December 31, 2023. Changes subsequent to June 30, 2024 have been described in the notes referenced with the below table.

		(in thousands)	
	Maturity	June 30, 2024	December 31, 2023
$165 million master repurchase facility agreement[1]	January 2025	$ 147,062	$ 122,462
$250 million master repurchase facility agreement[2]	August 2024	198,856	99,059
$400 million master repurchase facility agreement[3]	August 2024	366,086	158,412
$200 million master repurchase facility agreement[4]	May 2025	141,856	87,252
$200 million master repurchase facility agreement[5]	September 2024	139,963	91,039
$400 million master repurchase facility agreement[6]	September 2024	273,412	134,964
$200 million master repurchase facility agreement[7]	N/A	161,931	30,185
$200 million master repurchase facility agreement[8]	N/A	163,022	78,682
$75 million master repurchase facility agreement[9]	N/A	26,944	34,280
		1,619,132	836,335
Prepaid commitment fees		(2,563)	(2,554)
Warehouse lines of credit, net		$ 1,616,569	$ 833,781

(1) The variable interest rate is calculated using a base rate tied to SOFR.

(2) The variable interest rate is calculated using a base rate tied to SOFR, plus the applicable interest rate margin. This line of credit requires a minimum deposit of $1.3 million, included in restricted cash.

(3) The variable interest rate is calculated using a base rate tied to SOFR, plus the applicable interest rate margin. This facility requires a minimum deposit of $2.0 million, included in restricted cash.

(4) The variable interest rate is calculated using a base rate plus SOFR, with a floor of0.375% plus the applicable interest rate margin. This facility requires a minimum deposit of $300,000, included in restricted cash.

(5) The variable interest rate is calculated using a base rate tied to SOFR with a floor of0.40%, plus the applicable interest rate margin.

(6) The variable interest rate is calculated using a base rate tied to SOFR with a floor of0.50%, plus the applicable interest rate margin. Subsequent to June 30, 2024, this line was increased to $500.0 million.

(7) The variable interest rate is calculated using a base rate tied to SOFR, plus the applicable interest rate margin. This facility's maturity date is30 days from written notice by either the financial institution or the Company.

(8) This facility agreement has a maturity of 364 days on the first $150.0 million committed amount and $50.0 million is due on demand. The variable interest rate is calculated using a base rate tied to SOFR with a floor of 0.75%.

(9) The interest rate on this facility is 3.375%. This facility is used for GNMA delinquent buyouts. Each buyout represents a separate transaction that can remain on the facility for up to five years.

The weighted average interest rate for warehouse lines of credit was 7.0% at June 30, 2024 and December 31, 2023. All warehouse lines of credit are collateralized by underlying mortgages and related documents. Existing balances on warehouse lines are repaid through the sale proceeds from the collateralized loans held for sale. The Company had cash balances of $6.4 million and $8.7 million in its warehouse buy down accounts as offsets to certain lines of credit at June 30, 2024 and December 31, 2023, respectively.

The agreements governing the Company's warehouse lines of credit contain covenants that include certain financial requirements, including maintenance of maximum adjusted leverage ratio, minimum net worth, minimum tangible net worth, minimum liquidity, adjusted pre-tax net income and limitations on additional indebtedness, dividends, sale of assets, and decline in the mortgage loan servicing portfolio's fair value. At June 30, 2024 and December 31, 2023, the Company was in compliance with all debt covenants.

The Company has an optional short-term financing agreement between FNMA and the lender described as "As Soon As Pooled" ("ASAP"). The Company can elect to assign FNMA Mortgage-Backed Security ("MBS") trades to FNMA in advance of settlement and enter into a financing transaction and revenue related to the assignment is deferred until the final pool settlement date. The Company determines utilization based on warehouse availability and cash needs. There were no outstanding balances as of June 30, 2024 and December 31, 2023 on the ASAP financing.

NOTE 11—NOTES PAYABLE

Revolving Notes

The Company has an agreement for a revolving note from one of its warehouse banks, which it can draw upon as needed. The agreement currently expires in August 2027. Borrowings on the revolving note are collateralized by the Company’s GNMA MSRs. Monthly interest on the outstanding balance is calculated using a base rate tied to the SOFR rate plus the applicable margin, with a SOFR floor of 0.5%. The revolving note also has an unused facility fee on the average unused balance, which is also paid quarterly. The unused facility fee is waived if the average outstanding balance exceeds 50% of the available facility. The revolving note has a committed amount of $135.0 million and the agreement allows for the Company to increase the committed amount up to a maximum of $200.0 million. The Company has the option to convert the outstanding balance of the revolving note into a term note at its discretion. At June 30, 2024 and December 31, 2023, the Company had $46.0 million and $31.0 million, respectively, in outstanding borrowings on this credit facility.

The Company has an agreement for a revolving note of up to $100.0 million from one of its warehouse banks, which it can draw upon as needed. The agreement currently expires in September 2024. Borrowings on the revolving note are collateralized by the Company’s FHLMC MSRs. Monthly interest on the outstanding balance is calculated using a base rate tied to the SOFR rate plus the applicable margin, with a floor of 0.50%. The revolving note also had an unused facility fee on the average unused balance, which was also paid quarterly. The unused facility fee was waived if the average outstanding balance exceeded 35% of the available combined warehouse and MSR facility. In September 2023, the revolving note was amended to remove the unused facility fee. The Company has the option to convert the outstanding balance of the revolving note into a term note at its discretion. At June 30, 2024 and December 31, 2023, the Company had $95.0 million and $30.0 million, respectively, in outstanding borrowings on this credit facility.

The Company has an agreement for a revolving note, which it can draw upon as needed. The agreement currently expires in September 2028. Borrowings on the revolving note are collateralized by the Company’s FNMA MSRs. Monthly interest on the outstanding balance is calculated using a base rate tied to the SOFR rate plus the applicable margin, with a SOFR floor of 2.0%. The revolving note has a committed amount of $250.0 million and the agreement allows for the Company to increase the committed amount up to a maximum of $400.0 million. At June 30, 2024 and December 31, 2023, the Company had $130.0 million and $87.8 million, respectively, in outstanding borrowings on this credit facility.

Term Note

The Company had a term note agreement with one of its warehouse banks collateralized by the Company’s FNMA MSRs that had an initial committed amount of $125.0 million and allowed for an increase of the committed amount up to a maximum of $175.0 million. Principal payments of 5% of the outstanding balance were due quarterly, with the remaining principal balance due upon the original maturity date of March 2024. In September 2023, the Company paid in full the $87.5 million remaining balance due on the term note with funds borrowed under a new revolving note agreement with a different lender and the term note agreement was terminated concurrently with repayment.

NOTE 12—STOCKHOLDERS' EQUITY

Common Stock

The Company has two classes of common stock: Class A and Class B. The Company's Class A common stock is traded on the New York Stock Exchange under the symbol “GHLD.” There is no public market for the Company’s Class B common stock. However, under the terms of the Company’s Certificate of Incorporation, the holder of Class B common stock may convert any portion or all of the holder’s shares of Class B common stock into an equal number of shares of Class A common stock at any time.

The holders of shares of Class A common stock and Class B common stock are entitled to dividends when and if declared by the Company’s Board of Directors out of legally available funds. Any stock dividend must be paid in shares of Class A common stock with respect to Class A common stock and in shares of Class B common stock with respect to Class B common stock.

The voting powers, preferences and relative rights of Class A common stock and Class B common stock are identical in all respects, except that the holders of shares of Class A common stock have one vote per share and the holders of shares of Class B common stock have ten votes per share.

Restricted Stock Units

The Company issues restricted stock units (“RSUs”) under the 2020 Omnibus Incentive Plan (the “2020 Plan”), which represent the right to receive, upon vesting, one share of the Company’s Class A common stock. The number of potentially dilutive shares related to RSUs is based on the number of shares, if any, that

would be issuable at the end of the respective reporting period, assuming that date was the end of the vesting period.

Unvested RSUs under the 2020 Plan have rights to dividends, which entitle holders to the same dividend value per share as holders of common shares in the form of dividend equivalent units ("DEUs"). DEUs will be credited as additional RSUs on the dividend payment date, will vest on the same date as the underlying RSUs and are forfeited if the underlying RSUs forfeit prior to vesting. The number of additional RSUs credited will equal (1) the per share cash dividend amount, multiplied by (2) the number of RSUs, divided by (3) the fair market value of a share of Class A common stock on the last trading day before the date of the dividend payment, rounded up to the nearest whole number of RSUs.

Common Stock Dividends

The Company declared and paid $30.7 million in dividends during the six months ended June 30, 2024 and paid $30.5 million in dividends during the year ended December 31, 2023.

In conjunction with the payment of Guild's dividends, Guild issued 59,330 and 95,413 DEUs to holders of RSUs during the six months ended June 30, 2024 and year ended December 31, 2023, respectively. Since the DEUs are forfeitable, the value of the DEUs was recorded as a reduction to retained earnings and an increase to additional paid-in capital.

Share Repurchase Program

On May 5, 2022, the Company's Board of Directors authorized the Company to repurchase up to $20.0 million of the Company's outstanding Class A common stock over the following 24 months from such date. On March 7, 2024, our Board of Directors extended the share repurchase program to May 5, 2025. The share repurchase program allows the Company to repurchase shares of its Class A common stock from time to time on the open market or in privately negotiated transactions. The Company is not obligated to purchase any shares under the share repurchase program and the timing of any repurchases will depend on a number of factors, including, but not limited to, stock price, trading volume, market conditions, and other general business considerations. The share repurchase program may be modified, suspended or terminated by the Company's Board of Directors at any time. The Company intends to fund any repurchases under the share repurchase program with cash on hand. During the three and six months ended June 30, 2024, the Company repurchased and subsequently retired 14,221 and 31,968 shares of its Class A common stock for $0.2 million and $0.5 million at an average price of $14.09 per share and $14.13 per share, excluding commissions, respectively. During the three and six months ended June 30, 2023 the Company repurchased and subsequently retired 51,588 and 101,754 shares of its Class A common stock for $0.5 million and $1.1 million at an average price of $10.64 per share and $10.96 per share, excluding commissions, respectively. As of June 30, 2024, $10.7 million remains available for repurchase.

NOTE 13—EARNINGS (LOSS) PER SHARE

Basic earnings or loss per share is computed based on the weighted average number of shares of Class A and Class B common stock outstanding during the period using the two-class method. Diluted earnings or loss per share is computed based on the weighted average number of shares plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include RSUs for Class A common stock.

The following table sets forth the components of basic and diluted earnings per share for the periods presented:

(in thousands, except per share amounts)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net income (loss) attributable to Guild	$ 37,583	$ 36,936	$ 66,081	$ (254)
Weighted average shares outstanding—Class A Common Stock	21,004	20,629	20,890	20,598
Weighted average shares outstanding—Class B Common Stock	40,333	40,333	40,333	40,333
Weighted average shares outstanding—Basic	61,337	60,962	61,223	60,931
Add: dilutive effects of unvested shares of restricted stock	1,056	839	1,052	—
Weighted average shares outstanding—Diluted	62,393	61,801	62,275	60,931
Earnings (loss) per share attributable to Class A and Class B Common Stock:				
Basic	$ 0.61	$ 0.61	$ 1.08	$ —
Diluted	$ 0.60	$ 0.60	$ 1.06	$ —

No shares of Class A common stock were excluded from the calculation of earnings per share as a result of being anti-dilutive for the three and six months ended June 30, 2024 and for the three months ended June 30, 2023. Approximately 786,000 potential shares of Class A common stock related to unvested RSUs were excluded from the calculation of diluted loss per share for the six months ended June 30, 2023 because they were anti-dilutive due to the net loss.

NOTE 14—STOCK-BASED COMPENSATION

The Company's stock-based compensation arrangements include grants of RSUs under the 2020 Plan. Compensation costs recognized for these restricted stock grants were approximately \$2.7 million and \$4.8 million for the three and six months ended June 30, 2024, respectively, and \$2.3 million and \$4.1 million for the three and six months ended June 30, 2023, respectively, and are included in salaries, incentive compensation and benefits. As of June 30, 2024, there was approximately \$13.4 million of unrecognized compensation costs related to these unvested RSUs which is expected to be recognized over a weighted average period of 1.4 years.

NOTE 15—COMMITMENTS AND CONTINGENCIES

Reserves for loan repurchases from investors

In the ordinary course of business, the Company has exposure to liabilities with respect to certain representations and warranties that we make to the investors who purchase loans that we originate. Under certain circumstances, these representations and warranties could require the Company to repurchase forward mortgage loans, or indemnify the purchaser for losses incurred if there has been a breach of these representations and warranties or if early payment defaults have occurred. The liability for probable losses related to the repurchase and indemnification obligation considers an estimate of probable future repurchase or indemnification obligations from breaches of representations and warranties. The maximum exposure under the Company's representations and warranties would be the outstanding principal balance and any premium received on all loans ever sold by the Company, less any loans that have already been paid in full by the mortgagee, that have defaulted without a breach of representations and warranties, that have been indemnified via settlement or make-whole, or that have been repurchased. Additionally, the Company may receive relief of certain representations and warranty obligations on loans sold to FNMA or FHLMC on or after January 1, 2013 if FNMA or FHLMC satisfactorily concludes a quality control loan file review or if the borrower meets certain acceptable payment history requirements within 12 or 36 months after the loan is sold to FNMA or FHLMC. The liability for investor reserves is included within other liabilities in the Consolidated Balance Sheets.

The activity of the investor reserves was as follows for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Balance — beginning of period	$ 18,278	$ 16,671	$ 19,973	$ 16,094
Provision for investor reserves	4,036	3,116	4,556	5,018
Realized losses, net	(2,003)	(1,423)	(4,218)	(2,748)
Balance — end of period	$ 20,311	$ 18,364	$ 20,311	$ 18,364

Commitments to Extend Credit

The Company enters into IRLCs with customers who have applied for residential forward mortgage loans and meet certain credit and underwriting criteria. These commitments expose the Company to market risk if interest rates change and the loan is not economically hedged or committed to an investor. The Company is also exposed to credit loss if the loan is originated and not sold to an investor and the customer does not perform. The collateral upon extension of credit typically consists of a first deed of trust in the mortgagor's residential property. Commitments to originate loans do not necessarily reflect future cash requirements as some commitments are expected to expire without being drawn upon. Total commitments to originate forward mortgage loans at June 30, 2024 and December 31, 2023 were approximately $1.8 billion and $821.9 million, respectively.

The Company manages the interest rate price risk associated with its outstanding IRLCs and loans held for sale by entering into derivative loan instruments such as forward loan sales commitments, mandatory delivery commitments, options and futures contracts. Total commitments related to these derivatives at June 30, 2024 and December 31, 2023 were approximately $1.9 billion and $933.9 million, respectively.

The Company has originated reverse mortgage loans under which the borrowers have additional borrowing capacity of $116.9 million and $107.3 million at June 30, 2024 and December 31, 2023, respectively. This additional borrowing capacity is available on a scheduled or unscheduled payment basis. The Company also had short-term commitments to lend $2.3 million and $0.3 million in connection with our reverse mortgage loans, outstanding at June 30, 2024 and December 31, 2023, respectively. The Company finances origination of reverse mortgage loans with warehouse lines.

Legal Proceedings

The Company is involved in various lawsuits arising in the ordinary course of business. While the ultimate results of these lawsuits cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the consolidated financial position or results of operations of the Company.

NOTE 16—REGULATORY CAPITAL AND LIQUIDITY REQUIREMENTS

Certain secondary market investors and state regulators require the Company to maintain minimum net worth and capital requirements. To the extent that these requirements are not met, secondary market investors and/or the state regulators may utilize a range of remedies including sanctions, and/or suspension or termination of selling and servicing agreements, which may prohibit the Company from originating, securitizing or servicing these specific types of mortgage loans.

The Company is subject to certain minimum net worth, minimum capital ratio and minimum liquidity requirements established by the Federal Housing Finance Agency ("FHFA") for Fannie Mae and Freddie Mac Seller/Servicers, and Ginnie Mae for single family issuers.

The most restrictive of the minimum net worth and capital requirements require the Company to maintain a minimum adjusted net worth balance of $263.8 million and $253.5 million as of June 30, 2024 and December 31, 2023, respectively. As of June 30, 2024 and December 31, 2023, the Company was in compliance with this requirement.

NOTE 17—SEGMENTS

ASC 280, *Segment Reporting*, establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in that guidance, the Company has determined that it has two reportable segments — Origination and Servicing.

Origination — The Company operates its loan origination business throughout the United States. Its licensed sales professionals and support staff cultivate deep relationships with referral partners and clients and

provide a customized approach to the loan transaction whether it is a purchase or refinance. The origination segment is primarily responsible for loan origination, acquisition and sale activities.

Servicing — The Company services loans out of its corporate office in San Diego, California. Properties of the loans serviced by the Company are disbursed throughout the United States and as of June 30, 2024 the Company serviced at least one loan in 49 different states. The servicing segment provides a steady stream of cash flow to support the origination segment, and more importantly it allows for the Company to build long-standing client relationships that drive repeat and referral business back to the origination segment to recapture the client's next mortgage transaction. The servicing segment is primarily responsible for the servicing activities of all loans in the Company's servicing portfolio, which includes, but is not limited to, collection and remittance of loan payments, managing borrower's impound accounts for taxes and insurance, loan payoffs, loss mitigation and foreclosure activities.

The Company does not allocate assets to its reportable segments as they are not included in the review performed by the CODM for purposes of assessing segment performance and allocating resources. The balance sheet is managed on a consolidated basis and is not used in the context of segment reporting. The Company also does not allocate certain corporate expenses, which are represented by All Other in the tables below.

The following table presents the financial performance and results by segment for the three months ended June 30, 2024:

(in thousands)	Origination	Servicing	Total Segments	All Other	Total
Revenue					
Loan origination fees and gain on sale of loans, net	$ 206,218	$ (370)	$ 205,848	$ —	$ 205,848
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	2,134	—	2,134	—	2,134
Loan servicing and other fees	—	67,709	67,709	—	67,709
Valuation adjustment of mortgage servicing rights	—	2,134	2,134	—	2,134
Interest (expense) income, net	(119)	11,910	11,791	(4,219)	7,572
Other income (expense), net	535	45	580	(292)	288
Net revenue	208,768	81,428	290,196	(4,511)	285,685
Expenses					
Salaries, incentive compensation and benefits	169,037	8,518	177,555	11,383	188,938
General and administrative	21,798	2,855	24,653	3,745	28,398
Occupancy, equipment and communication	17,876	735	18,611	1,737	20,348
Depreciation and amortization	3,162	270	3,432	538	3,970
Reversal of foreclosure losses	—	(496)	(496)	—	(496)
Total expenses	211,873	11,882	223,755	17,403	241,158
Income tax expense	—	—	—	6,936	6,936
Net (loss) income	$ (3,105)	$ 69,546	$ 66,441	$ (28,850)	$ 37,591

The following table presents the financial performance and results by segment for the six months ended June 30, 2024:

(in thousands)	Origination	Servicing	Total Segments	All Other	Total
Revenue					
Loan origination fees and gain on sale of loans, net	$ 339,882	$ 26	$ 339,908	$ —	$ 339,908
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	5,364	—	5,364	—	5,364
Loan servicing and other fees	—	133,497	133,497	—	133,497
Valuation adjustment of mortgage servicing rights	—	22,912	22,912	—	22,912
Interest income (expense), net	545	22,366	22,911	(7,152)	15,759
Other income (expense), net	899	67	966	(939)	27
Net revenue	346,690	178,868	525,558	(8,091)	517,467
Expenses					
Salaries, incentive compensation and benefits	290,142	16,663	306,805	22,200	329,005
General and administrative	42,346	6,717	49,063	8,546	57,609
Occupancy, equipment and communication	34,811	1,701	36,512	3,651	40,163
Depreciation and amortization	6,653	411	7,064	660	7,724
Reversal of foreclosure losses	—	(104)	(104)	—	(104)
Total expenses	373,952	25,388	399,340	35,057	434,397
Income tax expense	—	—	—	17,079	17,079
Net (loss) income	$ (27,262)	$ 153,480	$ 126,218	$ (60,227)	$ 65,991

The following table presents the financial performance and results by segment for the three months ended June 30, 2023:

(in thousands)	Origination	Servicing	Total Segments	All Other	Total
Revenue					
Loan origination fees and gain on sale of loans, net	$ 136,499	$ 426	$ 136,925	$ —	$ 136,925
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	2,306	—	2,306	—	2,306
Loan servicing and other fees	—	60,249	60,249	(38)	60,211
Valuation adjustment of mortgage servicing rights	—	27,890	27,890	—	27,890
Interest income (expense), net	1,331	10,266	11,597	(2,342)	9,255
Other income, net	168	49	217	7	224
Net revenue	140,304	98,880	239,184	(2,373)	236,811
Expenses					
Salaries, incentive compensation and benefits	127,024	7,495	134,519	10,384	144,903
General and administrative	15,061	2,240	17,301	3,147	20,448
Occupancy, equipment and communication	16,187	1,223	17,410	992	18,402
Depreciation and amortization	3,364	218	3,582	79	3,661
Reversal of foreclosure losses	—	(1,044)	(1,044)	—	(1,044)
Total expenses	161,636	10,132	171,768	14,602	186,370
Income tax expense	—	—	—	13,505	13,505
Net (loss) income	$ (21,332)	$ 88,748	$ 67,416	$ (30,480)	$ 36,936

The following table presents the financial performance and results by segment for the six months ended June 30, 2023:

(in thousands)	Origination	Servicing	Total Segments	All Other	Total
Revenue					
Loan origination fees and gain on sale of loans, net	$ 228,775	$ 801	$ 229,576	$ —	$ 229,576
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	2,306	—	2,306	—	2,306
Loan servicing and other fees	—	120,336	120,336	(38)	120,298
Valuation adjustment of mortgage servicing rights	—	(26,981)	(26,981)	—	(26,981)
Interest income (expense), net	2,631	17,676	20,307	(5,069)	15,238
Other income (expense), net	166	101	267	(8)	259
Net revenue	233,878	111,933	345,811	(5,115)	340,696
Expenses					
Salaries, incentive compensation and benefits	220,281	15,069	235,350	20,673	256,023
General and administrative	29,555	5,120	34,675	6,656	41,331
Occupancy, equipment and communication	31,361	2,481	33,842	1,990	35,832
Depreciation and amortization	6,763	360	7,123	276	7,399
Provision for foreclosure losses	—	470	470	—	470
Total expenses	287,960	23,500	311,460	29,595	341,055
Income tax benefit	—	—	—	(100)	(100)
Net (loss) income	$ (54,082)	$ 88,433	$ 34,351	$ (34,610)	$ (259)

NOTE 18—SUBSEQUENT EVENT

Subsequent to June 30, 2024, the Company entered into a policy loan arrangement secured by Company Owned Life Insurance ("COLI") policies for certain employees and former employees for participant distributions under the Company's deferred compensation plans. The amount borrowed is limited to a maximum of 90% of the net policy value and reduces the amount of the COLI policy cash surrender value upon payout. The loan incurs net interest expense of1.0% and can be repaid at the option of the Company with future premium payments, however repayment is not required until benefit proceeds are paid.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to highlight and supplement data and information presented elsewhere in this Quarterly Report, including the condensed consolidated financial statements and related notes thereto included in Part I, Item 1. Prior period information has been revised to conform to the current period presentation. The following discussion includes forward-looking statements that reflect our plans, estimates and assumptions and involve numerous risks and uncertainties, including, but not limited to, those described in the "Item 1A. Risk Factors" section of our 2023 Annual Report on Form 10-K. See also "Cautionary Statement Regarding Forward-Looking Statements." Future results could differ significantly from the historical results presented in this section.

Business and Executive Overview

Guild is a growth-oriented mortgage company that employs a relationship-based loan sourcing strategy to execute our mission of delivering the promise of homeownership in neighborhoods and communities across the United States. Our business model is centered on providing a personalized mortgage-borrowing experience that is delivered by our knowledgeable loan officers and supported by our diverse product offerings.

Our operations consist of two distinct, but related, reportable segments that we refer to as our origination and servicing segments. In addition, one of our business strategies is to seek to recapture mortgage transactions when our borrowers prepay their loans. Purchase recapture rate is calculated as the ratio of (i) unpaid principal balance ("UPB") of our clients that originated a new mortgage with us for the purchase of a home in a given period, to (ii) total UPB of our clients that paid off their existing mortgage as a result of selling their home in a given period. Refinance recapture rate is calculated as the ratio of (i) UPB of our clients that originated a new mortgage loan for the purpose of refinancing an existing mortgage with us in a given period, to (ii) total UPB of our clients that paid off their existing mortgage as a result of a refinance in the same period. Overall recapture rate for a given period is calculated as the ratio of (i) UPB of our clients from both purchase and refinance transactions in a given period, to (ii) the total UPB of our clients that paid off their existing mortgage and originated a new mortgage in a given period. This calculation excludes clients to whom we did not actively market due to contractual prohibitions or other business reasons. Our calculation of purchase recapture rate and overall recapture rate may be different than or otherwise not comparable to similarly named rates used by other companies.

Executive Summary

This executive summary highlights selected 2024 and 2023 financial information that should be considered in the context of the additional discussions below.

- Guild originated $6.5 billion and $3.9 billion of mortgage loans during the three months ended June 30, 2024 and March 31, 2024, respectively, and originated $10.4 billion and $7.3 billion of mortgage loans during the six months ended June 30, 2024 and June 30, 2023, respectively. Investments in our origination platform through acquisitions and recruiting in recent periods have contributed to the increase in origination volumes even during periods of high home prices and low inventory which have caused mortgage demand to remain at low levels.

- Purchase originations accounted for 92.3%, 90.8%, 91.8% and 93.3% of total originations for the three months ended June 30, 2024 and March 31, 2024 and for the six months ended June 30, 2024 and June 30, 2023, respectively. According to the Mortgage Bankers Association's ("MBA") July 2024 Mortgage Finance Forecast, purchase originations accounted for 78.3%, 77.2%, 77.8% and 80.2% of total one-to-four family originations for the three months ended June 30, 2024 and March 31, 2024 and for the six months ended June 30, 2024 and June 30, 2023, respectively.

- Guild's servicing portfolio as of June 30, 2024 was $89.1 billion of UPB compared to $82.0 billion of UPB as of June 30, 2023, with the average size of the portfolio increasing 8.6% over that time. The UPB of our servicing portfolio excludes loans subserviced by third-parties and includes loans held for sale.

- Guild generated $37.6 million and $28.5 million of net income for the three months ended June 30, 2024 and March 31, 2024, respectively, and $66.1 million of net income and $0.3 million of net loss for the six months ended June 30, 2024 and June 30, 2023, respectively. Guild generated diluted earnings per share of $0.60 and $0.46 for the three months ended June 30, 2024 and March 31, 2024, respectively, and diluted earnings per share of $1.06 and diluted loss per share of zero for the six months ended June 30, 2024 and June 30, 2023, respectively.

- Guild generated $30.7 million and $8.0 million of adjusted net income for the three months ended June 30, 2024 and March 31, 2024, respectively, and $38.8 million and $6.4 million of adjusted net

income for the six months ended June 30, 2024 and June 30, 2023, respectively. Guild generated adjusted diluted earnings per share of $0.49 and $0.13 for the three months ended June 30, 2024 and March 31, 2024, respectively, and adjusted diluted earnings per share of $0.62 and $0.10 for the six months ended June 30, 2024 and June 30, 2023, respectively.

- Guild generated $41.6 million and $16.0 million of adjusted EBITDA for the three months ended June 30, 2024 and March 31, 2024, respectively, and $57.5 million and $17.7 million of adjusted EBITDA for the six months ended June 30, 2024 and June 30, 2023, respectively.

- Guild's adjusted return on equity was 10.1% and 2.7% for the three months ended June 30, 2024 and March 31, 2024, respectively, and 6.4% and 1.0% for the six months ended June 30, 2024 and June 30, 2023, respectively.

- Guild had a tangible net book value per share of $16.15 and $15.90 at June 30, 2024 and December 31, 2023, respectively.

- During the three months ended June 30, 2024, we had a 27% purchase recapture rate, a 22% refinance recapture rate and a 25% overall recapture rate, compared to 25%, 26%, and 26%, respectively, for the three months ended March 31, 2024. During the six months ended June 30, 2024, we had a 27% purchase recapture rate, a 25% refinance recapture rate and a 27% overall recapture rate, compared to 28%, 26%, and 27%, respectively, for the six months ended June 30, 2023.

- In 2024 and 2023, we acquired certain assets of four mortgage lenders to support our growth strategy by expanding our business into new local communities and increasing our presence in the geographic areas we serve our clients. The acquisitions were funded with cash on hand and borrowings totaling approximately $25.0 million.

Adjusted net income, adjusted earnings per share, adjusted EBITDA, adjusted return on equity and tangible net book value per share are not measures calculated in accordance with generally accepted accounting principles in the United States of America ("GAAP"), and should not be considered an alternative to, or more meaningful than, net income as an indicator of our operating performance. Please see "—Non-GAAP Financial Measures" for further information regarding our non-GAAP measures and reconciliations to the nearest comparable financial measure calculated and presented in accordance with GAAP.

Market and Economic Overview

The Federal Reserve raised the Federal Funds rate by 525 basis points during 2022 and 2023 in an effort to curb inflation and slow economic growth. While the Federal Reserve has left rates unchanged since July 2023, decisions about changes in interest rates by the Federal Reserve could be assessed on a month-to-month basis. While the Federal Reserve does not directly control mortgage interest rates, a higher Federal Funds rate and higher inflation usually lead to increases in the 10-year treasury yield, which leads to higher mortgage interest rates. The 10-year treasury yield increased 20 basis points and the 30-year mortgage interest rate increased 30 basis points during the three months ended June 30, 2024, which continues to lead to fewer refinancings and lower prepayment activity. Home-buying affordability challenges remain as elevated home prices and mortgage rates cause some buyers to delay purchase plans. Many homeowners with mortgage interest rates well below the current rates are choosing not to sell, further tightening available inventory. Additionally, the MBA's July 2024 Mortgage Finance Forecast is forecasting mortgage originations for purchases to increase by 1.6% in 2024 to $1.35 trillion from $1.33 trillion in 2023 and are predicting refinance originations to increase by 37.3% in 2024 to $431 billion from $314 billion in 2023. The elevated rates in 2023 and 2024, as well as the tight housing supply have led to higher levels of competition and lower gain on sale margins and profitability. Margins may continue to remain at reduced rates due to interest rates remaining at high levels for longer than expected and increasing competition among mortgage providers, placing sustained pressure on pricing. However, future margins will depend on future market demand, capacity and other macroeconomic factors.

According to the MBA, average 30-year mortgage interest rates increased by 30 basis points during the three months ended June 30, 2024. These mortgage interest rate changes affect the fair value adjustments and assumptions used within the Mortgage Servicing Rights ("MSR") valuation model. Historically, increases in average mortgage interest rates have generally resulted in lower prepayment speeds. Likewise, increases in average mortgage interest rates may result in subsequent upward adjustments to the fair value of our MSRs for the loans that still exist in our portfolio, depending on the other inputs to the MSR fair value model. We recorded a gain of $2.1 million and gain of $20.8 million for the three months ended June 30, 2024 and March 31, 2024, respectively, and recorded a gain of $22.9 million and a loss of $27.0 million for the six months ended June 30, 2024 and June 30, 2023, respectively, for changes in the fair value of our MSRs. See discussion below under "—Results of Operations—Revenue—Valuation Adjustment of Mortgage Servicing Rights".

Key Performance Indicators

Management reviews several key performance indicators to evaluate our business results, measure our performance, identify trends affecting our business, formulate projections and inform our strategic business decisions. We use these key performance indicators to develop operational goals for managing our business.

Our origination metrics enable us to monitor our ability to generate revenue and expand our market share across different channels. In addition, they help us track origination quality and compare our performance against the nationwide originations market and our competitors. Our servicing metrics enable us to monitor the size of our customer base, the characteristics and related value of our MSRs, the health of the business as measured by the average MSR delinquency rate and help drive our customer retention efforts. We believe that the net additions to our portfolio are indicators of the growth of our mortgage loans serviced and our servicing income.

We believe that these key performance indicators provide useful information to investors and others by allowing for greater transparency with respect to key metrics used by management in its financial and operational decision-making. These metrics may be used by investors in understanding and evaluating our operating results and enhancing the overall understanding of our past performance and future prospects. Summary data for these key performance indicators is listed below. Please refer to "—Results of Operations" for additional metrics that management reviews in conjunction with the condensed consolidated financial statements.

	Three Months Ended			
($ and units in thousands)	**June 30, 2024**	**March 31, 2024**	**Change**	**% Change**
Origination Data				
Total originations[1]	$ 6,525,898	$ 3,852,539	$ 2,673,359	69.4 %
Total originations (units)[2]	19.2	11.9	7.3	61.3 %
Gain on sale margin (bps)[3]	326	364	(38)	(10.4)%
Gain on sale margin on pull-through adjusted locked volume (bps)[4]	315	290	25	8.6 %
Servicing Data[5]				
UPB (period end)[6]	$ 89,092,933	$ 86,319,074	$ 2,773,859	3.2 %
Loans serviced (period end)[6]	358	349	9	2.6 %
Loans serviced (average)[6]	354	347	7	2.0 %
MSR multiple (period end)[7]	4.9	4.7	0.2	4.3 %
Weighted average coupon rate	4.3 %	4.2 %	0.1 %	2.4 %
Loan delinquency rate 60-plus days (period end)	1.5 %	1.6 %	(0.1)%	(6.3)%

	Six Months Ended			
($ and units in thousands)	**June 30, 2024**	**June 30, 2023**	**Change**	**% Change**
Origination Data				
Total originations[1]	$ 10,378,437	$ 7,292,475	$ 3,085,962	42.3 %
Total originations (units)[2]	31.1	22.4	8.7	38.8 %
Gain on sale margin (bps)[3]	340	323	17	5.3 %
Gain on sale margin on pull-through adjusted locked volume (bps)[4]	305	299	6	2.0 %
Servicing Data[5]				
UPB (period end)[6]	$ 89,092,933	$ 82,030,408	$ 7,062,525	8.6 %
Loans serviced (period end)[6]	358	335	23	6.9 %
Loans serviced (average)[6]	352	330	22	6.7 %
MSR multiple (period end)[7]	4.9	4.8	0.1	2.1 %
Weighted average coupon rate	4.3 %	3.8 %	0.5 %	13.2 %
Loan delinquency rate 60-plus days (period end)	1.5 %	1.5 %	— %	— %

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[(1)] Total originations includes retail forward and reverse, brokered, wholesale and correspondent loans.
[(2)] Total origination units excludes second lien mortgages originated at the same time as the first mortgage or shortly thereafter.
[(3)] Represents loan origination fees and gain on sale of loans, net plus gain on reverse mortgage loans held for investment and HMBS-related borrowings, net divided by total originations, excluding brokered and wholesale loans, to derive basis points.
[(4)] Represents loan origination fees and gain on sales of loans, net divided by pull-through adjusted locked volume. Pull-through adjusted locked volume is equal to total locked volume multiplied by pull-through rates of 88.0%, 88.0% and 85.4% as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively. We estimate the pull-through rate based on changes in pricing and actual borrower behavior using a historical analysis of loan closing data and "fallout" data with respect to the number of commitments that have historically remained unexercised.
[(5)] Excludes subserviced forward and reverse mortgage loans, which had ending UPB of $2.0 billion, $320.7 million and $34.5 million as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively.
[(6)] Includes loans held for sale, which had ending UPB of $1.6 billion, $1.0 billion, and $1.0 billion as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively, and period end number of loans serviced of 6,000, 3,000 and 4,000, for the same periods, respectively.
[(7)] Represents a metric used to determine the relative value of our MSRs in relation to our annualized retained servicing fee. It is calculated by dividing (a) the fair market value of our MSRs as of a specified date by (b) the weighted average annualized retained servicing fee for our servicing portfolio as of such date. We exclude purchased MSRs from this calculation because our servicing portfolio consists primarily of originated MSRs and, consequently, purchased MSRs do not have a material impact on our weighted average service fee.

Non-GAAP Financial Measures

To supplement our financial statements presented in accordance with GAAP and to provide investors with additional information regarding our GAAP financial results, we have presented in this Quarterly Report adjusted net income, adjusted earnings per share, adjusted EBITDA, adjusted return on equity and tangible net book value per share which are non-GAAP financial measures. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similarly titled measures presented by other companies.

We use these non-GAAP financial measures (other than tangible net book value per share) to evaluate our operating performance, to establish budgets and to develop operational goals for managing our business. These non-GAAP financial measures are designed to evaluate operating results exclusive of fair value and other adjustments that are not indicative of our business's operating performance. Accordingly, we believe that these financial measures provide useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects. In addition, management uses the non-GAAP financial measure of tangible net book value per share to evaluate the adequacy of our stockholders' equity and assess our capital position and believes tangible net book value provides useful information to investors in assessing the strength of our financial position.

Adjusted net income. Net income (loss) is the most directly comparable financial measure calculated and presented in accordance with GAAP for adjusted net income, a non-GAAP measure. We define adjusted net income as earnings or loss attributable to Guild excluding (i) the change in the fair value measurements related to our MSRs due to changes in model inputs and assumptions, (ii) change in the fair value of contingent liabilities related to completed acquisitions, net of change in the fair value of notes receivable related to acquisitions, (iii) amortization of acquired intangible assets and (iv) stock-based compensation. We exclude these items because we believe they are non-cash expenses that are not reflective of our core operations or indicative of our ongoing operations. Adjusted net income is also adjusted by applying an estimated effective tax rate to these adjustments. We exclude the change in the fair value of MSRs due to changes in model inputs and assumptions from adjusted net income and adjusted EBITDA below because we believe this non-cash, non-realized adjustment to net revenues is not indicative of our operating performance or results of operations, but rather reflects changes in model inputs and assumptions (e.g., prepayment speed, discount rate and cost to service assumptions) that impact the carrying value of our MSRs from period to period.

Adjusted earnings per share—Basic and Diluted. Earnings per share is the most directly comparable financial measure calculated and presented in accordance with GAAP for adjusted earnings per share, a non-GAAP measure. We define adjusted earnings per share as our adjusted net income divided by the basic and diluted weighted average shares outstanding of our Class A and Class B common stock. Diluted weighted average shares outstanding is adjusted to include potential shares of Class A common stock related to unvested RSUs that were excluded from the calculation of GAAP diluted loss per share because they were anti-dilutive due to the net loss, when applicable.

Adjusted EBITDA. Net income (loss) is the most directly comparable financial measure calculated and presented in accordance with GAAP for adjusted EBITDA, a non-GAAP measure. We define adjusted EBITDA as earnings before (i) interest expense on non-funding debt (without adjustment for net warehouse interest related

to loan fundings and payoff interest related to loan prepayments), (ii) taxes, (iii) depreciation and amortization and (iv) net income attributable to the non-controlling interests, and excluding (v) any change in the fair value measurements of our MSRs due to valuation assumptions, (vi) change in the fair value of contingent liabilities related to completed acquisitions, net of change in the fair value of notes receivable related to acquisitions and (vii) stock-based compensation. We exclude these items because we believe they are not reflective of our core operations or indicative of our ongoing operations.

Adjusted return on equity. Return on equity is the most directly comparable financial measure calculated and presented in accordance with GAAP for adjusted return on equity, a non-GAAP measure. We define adjusted return on equity as annualized adjusted net income as a percentage of average beginning and ending stockholders' equity during the period.

Tangible net book value per share. Book value per share is the most directly comparable financial measure calculated and presented in accordance with GAAP for tangible net book value per share, a non-GAAP measure. We define tangible net book value per share as total stockholders' equity attributable to Guild, less goodwill and intangible assets, net divided by the total shares of our Class A and Class B common stock outstanding.

The following tables reconcile our non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Reconciliation of Net Income (Loss) to Adjusted Net Income and Earnings (Loss) Per Share to Adjusted Earnings Per Share

	Three Months Ended		Six Months Ended	
(in thousands, except per share amounts)	**June 30, 2024**	**March 31, 2024**	**June 30, 2024**	**June 30, 2023**
Net income (loss) attributable to Guild	$ 37,583	$ 28,498	$ 66,081	$ (254)
Add adjustments:				
Change in fair value of MSRs due to model inputs and assumptions	(20,645)	(32,897)	(53,542)	(79)
Change in fair value of contingent liabilities and notes receivable due to acquisitions, net	6,263	1,134	7,397	1,248
Amortization of acquired intangible assets	2,429	2,168	4,597	3,975
Stock-based compensation	2,687	2,137	4,824	4,079
Tax impact of adjustments[1]	2,399	7,002	9,401	(2,582)
Adjusted net income	$ 30,716	$ 8,042	$ 38,758	$ 6,387
Weighted average shares outstanding of Class A and Class B Common Stock:				
Basic	61,337	61,109	61,223	60,931
Diluted	62,393	62,157	62,275	60,931
Adjusted diluted[2]	62,393	62,157	62,275	61,717
Earnings (loss) per share—Basic	$ 0.61	$ 0.47	$ 1.08	$ —
Earnings (loss) per share—Diluted	$ 0.60	$ 0.46	$ 1.06	$ —
Adjusted earnings per share—Basic	$ 0.50	$ 0.13	$ 0.63	$ 0.10
Adjusted earnings per share—Diluted	$ 0.49	$ 0.13	$ 0.62	$ 0.10

(1) Calculated using the estimated effective tax rates of 25.9%, 25.5%, 25.6% and 28.0% for the three months ended June 30, 2024 and March 31, 2024 and the six months ended June 30, 2024 and June 30, 2023, respectively.

(2) Adjusted diluted weighted average shares outstanding of Class A and Class B Common Stock for the six months ended June 30, 2023 includes 786,000 potential shares of Class A common stock related to unvested RSUs that were excluded from the calculation of GAAP diluted loss per share because they were anti-dilutive. There were no adjustments for the three months ended June 30, 2024 and March 31, 2024 or for the six months ended June 30, 2024.

Reconciliation of Net Income (Loss) to Adjusted EBITDA

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net income (loss)	$ 37,591	$ 28,400	$ 65,991	$ (259)
Add adjustments:				
Interest expense on non-funding debt	4,749	3,281	8,030	5,382
Income tax expense (benefit)	6,936	10,143	17,079	(100)
Depreciation and amortization	3,970	3,754	7,724	7,399
Change in fair value of MSRs due to model inputs and assumptions	(20,645)	(32,897)	(53,542)	(79)
Change in fair value of contingent liabilities and notes receivable due to acquisitions, net	6,263	1,134	7,397	1,248
Stock-based compensation	2,687	2,137	4,824	4,079
Adjusted EBITDA	$ 41,551	$ 15,952	$ 57,503	$ 17,670

Reconciliation of Return on Equity to Adjusted Return on Equity

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Income Statement Data:				
Net income (loss) attributable to Guild	$ 37,583	$ 28,498	$ 66,081	$ (254)
Adjusted net income	$ 30,716	$ 8,042	$ 38,758	$ 6,387
Denominator: Average stockholders' equity	$ 1,218,293	$ 1,198,822	$ 1,202,965	$ 1,250,376
Return on equity	12.3 %	9.5 %	11.0 %	— %
Adjusted return on equity	10.1 %	2.7 %	6.4 %	1.0 %

Reconciliation of Book Value Per Share to Tangible Net Book Value Per Share

(in thousands, except per share amounts)	June 30, 2024	December 31, 2023
Total stockholders' equity	$ 1,222,436	$ 1,183,493
Less: non-controlling interests	618	337
Total stockholders' equity attributable to Guild	$ 1,221,818	$ 1,183,156
Adjustments:		
Goodwill	(198,724)	(186,181)
Intangible assets, net	(31,728)	(25,125)
Tangible common equity	$ 991,366	$ 971,850
Ending shares of Class A and Class B common stock outstanding	61,394	61,120
Book value per share	$ 19.90	$ 19.36
Tangible net book value per share[1]	$ 16.15	$ 15.90

[1] Tangible net book value per share uses the same denominator as book value per share.

Results of Operations

The following tables summarize our condensed consolidated statements of operations for the three months ended June 30, 2024 compared to March 31, 2024 and the six months ended June 30, 2024 compared to June 30, 2023.

	Three Months Ended			
($ in thousands)	**June 30, 2024**	**March 31, 2024**	**$ Change**	**% Change**
Revenue				
Loan origination fees and gain on sale of loans, net	$ 205,848	$ 134,060	$ 71,788	53.5 %
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	2,134	3,230	(1,096)	(33.9) %
Loan servicing and other fees	67,709	65,788	1,921	2.9 %
Valuation adjustment of mortgage servicing rights	2,134	20,778	(18,644)	(89.7) %
Interest income	36,219	24,728	11,491	46.5 %
Interest expense	(28,647)	(16,541)	(12,106)	(73.2) %
Other income (expense), net	288	(261)	549	210.3 %
Net revenue	285,685	231,782	53,903	23.3 %
Expenses				
Salaries, incentive compensation and benefits	188,938	140,067	48,871	34.9 %
General and administrative	28,398	29,211	(813)	(2.8) %
Occupancy, equipment and communication	20,348	19,815	533	2.7 %
Depreciation and amortization	3,970	3,754	216	5.8 %
(Reversal of) provision for foreclosure losses	(496)	392	(888)	(226.5) %
Total expenses	241,158	193,239	47,919	24.8 %
Income before income taxes	44,527	38,543	5,984	15.5 %
Income tax expense	6,936	10,143	(3,207)	(31.6) %
Net income	37,591	28,400	9,191	32.4 %
Net income (loss) attributable to non-controlling interests	8	(98)	106	108.2 %
Net income attributable to Guild	$ 37,583	$ 28,498	$ 9,085	31.9 %

($ in thousands)	Six Months Ended June 30, 2024	June 30, 2023	$ Change	% Change
Revenue				
Loan origination fees and gain on sale of loans, net	$ 339,908	$ 229,576	$ 110,332	48.1 %
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	5,364	2,306	3,058	132.6 %
Loan servicing and other fees	133,497	120,298	13,199	11.0 %
Valuation adjustment of mortgage servicing rights	22,912	(26,981)	49,893	184.9 %
Interest income	60,947	44,829	16,118	36.0 %
Interest expense	(45,188)	(29,591)	(15,597)	(52.7)%
Other income, net	27	259	(232)	(89.6)%
Net revenue	517,467	340,696	176,771	51.9 %
Expenses				
Salaries, incentive compensation and benefits	329,005	256,023	72,982	28.5 %
General and administrative	57,609	41,331	16,278	39.4 %
Occupancy, equipment and communication	40,163	35,832	4,331	12.1 %
Depreciation and amortization	7,724	7,399	325	4.4 %
(Reversal of) provision for foreclosure losses	(104)	470	(574)	(122.1)%
Total expenses	434,397	341,055	93,342	27.4 %
Income (loss) before income taxes	83,070	(359)	83,429	NM
Income tax expense (benefit)	17,079	(100)	17,179	NM
Net income (loss)	65,991	(259)	66,250	NM
Net loss attributable to non-controlling interests	(90)	(5)	(85)	NM
Net income (loss) attributable to Guild	$ 66,081	$ (254)	$ 66,335	NM

NM—Not meaningful.

Revenue

Loan Origination Fees and Gain on Sale of Loans, Net

The tables below provide additional detail regarding the loan origination fees and gain on sale of loans, net for the periods presented.

($ in thousands)	Three Months Ended June 30, 2024	March 31, 2024	$ Change	% Change
Gain on sale of loans	$ 135,306	$ 72,241	$ 63,065	87.3 %
Loan origination fees	20,093	9,476	10,617	112.0 %
Fair value of originated MSRs	51,410	31,370	20,040	63.9 %
Changes in fair value of mortgage loans held for sale (“MLHS”) and interest rate lock commitments (“IRLCs”)	5,227	5,105	122	2.4 %
Changes in fair value of forward commitments	(2,152)	16,388	(18,540)	(113.1)%
Provision for investor reserves	(4,036)	(520)	(3,516)	(676.2)%
Total loan origination fees and gain on sale of loans, net	$ 205,848	$ 134,060	$ 71,788	53.5 %

The increase in gain on sale of loans for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 was driven by an increase in loan sales of $2.2 billion.

The increase in loan origination fees for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 was driven by the increase in loan origination volume.

The increase in the fair value of originated MSRs for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 was due to the increase in loan sales.

The changes in fair value of MLHS and IRLC for the three months ended June 30, 2024 was driven by an increase in interest rate lock volume and loans held for sale offset by a decrease in margins.

The change in fair value of forward commitments for the three months ended June 30, 2024 was driven by an increase in volume consistent with the increase in volume of the interest rate lock commitments and inventory.

	Six Months Ended			
($ in thousands)	**June 30, 2024**	**June 30, 2023**	**$ Change**	**% Change**
Gain on sale of loans	$ 207,547	$ 131,716	$ 75,831	57.6 %
Loan origination fees	29,569	23,637	5,932	25.1 %
Fair value of originated MSRs	82,780	65,536	17,244	26.3 %
Changes in fair value of MLHS and IRLCs	10,332	2,045	8,287	405.2 %
Changes in fair value of forward commitments	14,236	11,660	2,576	22.1 %
Provision for investor reserves	(4,556)	(5,018)	462	9.2 %
Total loan origination fees and gain on sale of loans, net	$ 339,908	$ 229,576	$ 110,332	48.1 %

The increase in gain on sale of loans for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 was driven by an increase in loan sales of $2.5 billion.

Loan origination fees for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 increased $5.9 million, or 25.1%. The increase in loan origination fees is primarily driven by our loan origination volume increase.

The increase in the fair value of originated MSRs for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 was due to both an increase in loan sales volume for the six months ended June 30, 2024 and an overall increase in the value of the capitalized MSRs at time of sale.

The change in fair value of MLHS and IRLC for the six months ended June 30, 2024 was driven by an increase in interest rate lock volume and loans held for sale offset by a decrease in margins.

The change in fair value of forward commitments for the six months ended June 30, 2024 was driven by an increase in volume consistent with the increase in volume of the interest rate lock commitments and by favorable market pricing.

The tables below provide additional detail regarding the composition of our origination volume and other key performance indicators for the periods presented.

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Change	% Change
Loan origination volume by type:				
Conventional conforming	$ 3,787,056	$ 2,211,777	$ 1,575,279	71.2 %
Government[1]	1,639,793	1,129,649	510,144	45.2 %
Other[2]	1,099,049	511,113	587,936	115.0 %
Total originations	$ 6,525,898	$ 3,852,539	$ 2,673,359	69.4 %
Service retained[3]	67.8 %	72.2 %	(4.4) %	(6.1) %
Gain on sale margin (bps)[4]	326	364	(38)	(10.4) %
Weighted average note rate	6.9 %	6.7 %	0.2 %	3.0 %
Excludes reverse and brokered loans:				
Purchase	92.3 %	90.8 %	1.5 %	1.7 %
Refinance	7.7 %	9.2 %	(1.5) %	(16.3) %
Total locked volume[5]	$ 7,419,119	$ 5,247,958	$ 2,171,161	41.4 %
Pull-through adjusted locked volume[6]	$ 6,528,825	$ 4,618,203	$ 1,910,622	41.4 %
Gain on sale margin on pull-through adjusted locked volume (bps)[7]	315	290	25	8.6 %
Purchase recapture rate	27.1 %	25.3 %	1.8 %	7.1 %
Refinance recapture rate	21.9 %	25.9 %	(4.0) %	(15.4) %
Overall recapture rate	25.3 %	25.6 %	(0.3) %	(1.2) %

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Loan origination volume by type:				
Conventional conforming	$ 5,998,833	$ 4,268,673	$ 1,730,160	40.5 %
Government[1]	2,769,442	2,129,256	640,186	30.1 %
Other[2]	1,610,162	894,546	715,616	80.0 %
Total originations	$ 10,378,437	$ 7,292,475	$ 3,085,962	42.3 %
Service retained[3]	69.5 %	85.0 %	(15.5)%	(18.2)%
Gain on sale margin (bps)[4]	340	323	17	5.3 %
Weighted average note rate	6.9 %	6.5 %	0.4 %	6.2 %
Excludes reverse and brokered loans:				
Purchase	91.8 %	93.3 %	(1.5)%	(1.6)%
Refinance	8.2 %	6.7 %	1.5 %	22.4 %
Total locked volume[5]	$ 12,667,077	$ 8,987,903	$ 3,679,174	40.9 %
Pull-through adjusted locked volume[6]	$ 11,147,028	$ 7,675,669	$ 3,471,359	45.2 %
Gain on sale margin on pull-through adjusted locked volume (bps)[7]	305	299	6	2.0 %
Purchase recapture rate	27.3 %	27.6 %	(0.3)%	(1.1)%
Refinance recapture rate	25.3 %	26.0 %	(0.7)%	(2.7)%
Overall recapture rate	26.6 %	27.1 %	(0.5)%	(1.8)%

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(1) Government includes forward and reverse loans.
(2) Other includes state housing, non-agency, second liens and brokered loans.
(3) Represents loans sold for which we continue to act as the servicer.

(4) Represents loan origination fees and gain on sale of loans, net plus gain on reverse mortgage loans held for investment and HMBS-related borrowings, net divided by total originations, excluding brokered and wholesale loans, to derive basis points.

(5) Total locked volume represents the aggregate dollar value of the potential loans for which we have agreed to extend credit to consumers at specified rates for a specified period of time, subject to certain contingencies that are described in the IRLCs between us and each of those consumers. The total locked volume for a given period is representative of the IRLCs that we have initially entered into during that period.

(6) Pull-through adjusted locked volume is equal to total locked volume multiplied by pull-through rates of 88.0%, 88.0% and 85.4% as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively. We estimate the pull-through rate based on changes in pricing and actual borrower behavior using a historical analysis of loan closing data and "fallout" data with respect to the number of commitments that have historically remained unexercised.

(7) Represents loan origination fees and gain on sales of loans, net divided by pull-through adjusted locked volume.

Gain on Reverse Mortgage Loans Held for Investment and HMBS-related Borrowings, Net

The gain on origination and securitization related to our reverse mortgage portfolio was $2.1 million and $3.2 millionfor the three months ended June 30, 2024 and March 31, 2024, respectively, and $5.4 million and $2.3 million for the six months ended June 30, 2024 and June 30, 2023, respectively.

Loan Servicing and Other Fees

The tables below provide additional details regarding our loan servicing and other fees for the periods presented.

	Three Months Ended			
($ in thousands)	**June 30, 2024**	**March 31, 2024**	**$ Change**	**% Change**
Servicing fees from servicing portfolio	$ 66,065	$ 64,034	$ 2,031	3.2 %
Late fees	2,042	2,056	(14)	(0.7)%
Other ancillary servicing revenue and fees	(398)	(302)	(96)	(31.8)%
Total loan servicing and other fees	$ 67,709	$ 65,788	$ 1,921	2.9 %

Servicing fee income increased 3.2% for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, from $64.0 million to $66.1 million. The increase was mostly due to the 2.4% increase in the average UPB of our servicing portfolio and the increase in the number of loans serviced.

	Six Months Ended			
($ in thousands)	**June 30, 2024**	**June 30, 2023**	**$ Change**	**% Change**
Servicing fees from servicing portfolio	$ 130,099	$ 118,390	$ 11,709	9.9 %
Late fees	4,098	3,287	811	24.7 %
Other ancillary servicing revenue and fees	(700)	(1,379)	679	49.2 %
Total loan servicing and other fees	$ 133,497	$ 120,298	$ 13,199	11.0 %

Servicing fee income increased 9.9% for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, from $118.4 million to $130.1 million. The increase was mostly due to the 8.2% increase in the average UPB of our servicing portfolio and the increase in the number of loans serviced.

The tables below provide additional details regarding our servicing portfolio composition and key performance indicators, excluding loans subserviced by third-parties and reverse mortgages, for the periods presented.

	Three Months Ended			
($ and units in thousands)	June 30, 2024	March 31, 2024	Change	% Change
Ending UPB of servicing portfolio[1]	$ 89,092,933	$ 86,319,074	$ 2,773,859	3.2 %
Average UPB of servicing portfolio[1]	$ 87,706,004	$ 85,676,487	$ 2,029,517	2.4 %
Weighted average servicing fee	0.32 %	0.31 %	0.01 %	3.2 %
Weighted average coupon rate	4.3 %	4.2 %	0.1 %	2.4 %
Weighted average prepayment speed[2]	7.9 %	8.0 %	(0.1)%	(1.3) %
MSR multiple (period end)[3]	4.9	4.7	0.2	4.3 %
Loans serviced (period end)[4]	358	349	9	2.6 %
Loan delinquency rate 60-plus days (period end)	1.5 %	1.6 %	(0.1)%	(6.3) %

	Six Months Ended			
($ and units in thousands)	June 30, 2024	June 30, 2023	Change	% Change
Ending UPB of servicing portfolio[1]	$ 89,092,933	$ 82,030,408	$ 7,062,525	8.6 %
Average UPB of servicing portfolio[1]	$ 87,063,416	$ 80,461,698	$ 6,601,718	8.2 %
Weighted average servicing fee	0.32 %	0.30 %	0.02 %	6.7 %
Weighted average coupon rate	4.3 %	3.8 %	0.5 %	13.2 %
Weighted average prepayment speed[2]	7.9 %	7.9 %	— %	— %
MSR multiple (period end)[3]	4.9	4.8	0.1	2.1 %
Loans serviced (period end)[4]	358	335	23	6.9 %
Loan delinquency rate 60-plus days (period end)	1.5 %	1.5 %	— %	— %

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(1) Excludes subserviced forward and reverse mortgage loans, which had ending UPB of $2.0 billion, $320.7 million and $34.5 million as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively, and includes loans held for sale of $1.6 billion, $1.0 billion, and $1.0 billion, respectively.

(2) Represents the percentage of UPB that will pay off ahead of time in each period, calculated as an annual rate. This estimate is calculated by our third-party valuation provider.

(3) Represents a metric used to determine the relative value of our MSRs in relation to our annualized retained servicing fee. It is calculated by dividing (a) the fair market value of our MSRs as of a specified date by (b) the weighted average annualized retained servicing fee for our servicing portfolio as of such date. We exclude purchased MSRs from this calculation because our servicing portfolio consists primarily of originated MSRs and, consequently, purchased MSRs do not have a material impact on our weighted average service fee.

(4) Loans serviced includes 6,000, 3,000 and 4,000 of loans held for sale as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively.

Valuation Adjustment of Mortgage Servicing Rights

The tables below provide the components of our MSR valuation adjustment for the periods presented.

	Three Months Ended			
($ in thousands)	June 30, 2024	March 31, 2024	$ Change	% Change
Change in fair value of MSRs due to collection/realization of cash flows	$ (18,511)	$ (12,119)	$ (6,392)	(52.7)%
Change in fair value of MSRs due to model inputs and assumptions	20,645	32,897	(12,252)	(37.2)%
Total MSR valuation adjustment	$ 2,134	$ 20,778	$ (18,644)	(89.7)%

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Change in fair value of MSRs due to collection/realization of cash flows	$ (30,630)	$ (27,060)	$ (3,570)	(13.2)%
Change in fair value of MSRs due to model inputs and assumptions	53,542	79	53,463	NM
Total MSR valuation adjustment	$ 22,912	$ (26,981)	$ 49,893	184.9 %

NM—Not meaningful.

The fair value of our MSRs generally increases as interest rates increase and prepayments decrease. The weighted average estimated prepayment speed of loans in our servicing portfolio decreased slightly to 7.9% at June 30, 2024 compared to 8.0% at March 31, 2024, and 7.9% at June 30, 2023. Average interest rates increased during both the three and six months ended June 30, 2024, resulting in a decrease in estimated prepayment speed resulting in a $20.6 million increase in fair value of MSRs during the three months ended June 30, 2024 and a $53.5 million increase during the six months ended June 30, 2024. Prepayments remain low overall, only slightly increasing year over year. However, actual prepayments increased 50.7% from $770.5 million during the three months ended March 31, 2024 to $1.2 billion during the three months end June 30, 2024, leading to an $18.5 million decrease in fair value due to the collection/realization of projected cash flows.

Interest Income

The tables below provide additional details regarding our interest income for the periods presented.

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	$ Change	% Change
Interest income, funding	$ 21,934	$ 12,695	$ 9,239	72.8 %
Interest income earnings credit	12,873	11,148	1,725	15.5 %
Other	1,412	885	527	59.5 %
Total interest income	$ 36,219	$ 24,728	$ 11,491	46.5 %

Interest income, funding increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 due to an increase in origination volume of 69.4% and higher weighted average note rate on originated loans.

Interest income earnings credit increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 due to our higher cash balances with our banking partners.

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Interest income, funding	$ 34,629	$ 24,343	$ 10,286	42.3 %
Interest income earnings credit	24,021	19,466	4,555	23.4 %
Other	2,297	1,020	1,277	125.2 %
Total interest income	$ 60,947	$ 44,829	$ 16,118	36.0 %

Interest income, funding increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 due to an increase in origination volume and higher weighted average note rates on originated loans.

Interest income earnings credit increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 due to our cash balances yielding a higher earnings credit rate, which is set by our banking partners on non-interest bearing deposits and applied against other banking fees as an offset.

Interest Expense

The tables below provide additional details regarding our interest expense for the periods presented.

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	$ Change	% Change
Interest expense, funding facilities	$ 21,371	$ 11,188	$ 10,183	91.0 %
Interest expense, other financing	5,164	3,590	1,574	43.8 %
Bank servicing charges	1,565	1,379	186	13.5 %
Payoff interest expense	547	384	163	42.4 %
Total interest expense	$ 28,647	$ 16,541	$ 12,106	73.2 %

Interest expense, funding facilities increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 due to higher average daily balances held with our warehouse lenders as origination volumes have increased and the time from close to purchase is longer when we sell larger percentage of serviced released.

Interest expense, other financing increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 primarily due to an increase in the average balances on our notes payable and other borrowings and an increase in rates.

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Interest expense, funding facilities	$ 32,559	$ 19,833	$ 12,726	64.2 %
Interest expense, other financing	8,754	6,053	2,701	44.6 %
Bank servicing charges	2,944	2,899	45	1.6 %
Payoff interest expense	931	806	125	15.5 %
Total interest expense	$ 45,188	$ 29,591	$ 15,597	52.7 %

Interest expense funding facilities increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 primarily due to the increase in average daily balances held with our warehouse lenders.

Interest expense, other financing increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 primarily due to an increase in the average balances on our notes payable and other borrowings.

Expenses

Salaries, Incentive Compensation and Benefits

The tables below provide additional details regarding our salaries, incentives compensation and benefits expense for the periods presented.

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	$ Change	% Change
Salaries	$ 88,658	$ 73,990	$ 14,668	19.8 %
Incentive compensation	72,803	42,081	30,722	73.0 %
Benefits	27,477	23,996	3,481	14.5 %
Total salaries, incentive compensation and benefits expense	$ 188,938	$ 140,067	$ 48,871	34.9 %

Salaries increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, primarily due to increased staffing levels related to the Academy acquisition and recruiting.

Incentive compensation increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, primarily due to the 69.4% increase in origination volume.

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Salaries	$ 162,648	$ 136,768	$ 25,880	18.9 %
Incentive compensation	114,884	78,933	35,951	45.5 %
Benefits	51,473	40,322	11,151	27.7 %
Total salaries, incentive compensation and benefits expense	$ 329,005	$ 256,023	$ 72,982	28.5 %

Salaries expense increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, due to increased headcount related to acquisitions. Our average number of full-time employees increased by approximately 18.0% for the six months ended June 30, 2024 compared to the six months ended June 30, 2023.

Incentive compensation expense increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily due to the increase in origination volume of 42.3%.

Benefits expense increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily due to increased headcount and overall compensation increases.

General and Administrative

The tables below provide additional details regarding our general and administrative expense for the periods presented.

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	$ Change	% Change
Professional fees	$ 12,075	$ 15,055	$ (2,980)	(19.8) %
Advertising and promotions	4,613	7,661	(3,048)	(39.8) %
Office supplies, travel and entertainment	4,101	3,798	303	8.0 %
Contingent liability and notes receivable fair value adjustment, net	6,263	1,134	5,129	452.3 %
Other	1,346	1,563	(217)	(13.9) %
Total general and administrative expense	$ 28,398	$ 29,211	$ (813)	(2.8) %

Total general and administrative expense decreased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, primarily due decreases in professional fees and advertising and promotions expense offset by an increase in contingent liability and notes receivable fair value adjustment discussed in more detail below.

Contingent liability and notes receivable fair value adjustment increased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 due to revisions made to the estimated fair value of earn-out obligations related to our acquisitions based on revised forecasted amounts.

Professional fees decreased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, primarily due to a decrease in legal expenses and technology costs, partially offset by an increase in per-loan verification fees due to the increase in origination volume.

Advertising and promotions expense decreased for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, primarily due to holding our annual sales meeting in February 2024.

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Professional fees	$ 27,130	$ 22,032	$ 5,098	23.1 %
Advertising and promotions	12,274	10,062	2,212	22.0 %
Office supplies, travel and entertainment	7,899	5,712	2,187	38.3 %
Contingent liability and notes receivable fair value adjustment, net	7,397	1,248	6,149	492.7 %
Other	2,909	2,277	632	27.8 %
Total general and administrative expense	$ 57,609	$ 41,331	$ 16,278	39.4 %

Total general and administrative expense increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily due to an increase in professional fees, advertising and promotions, office supplies, travel and entertainment and contingent liability fair value adjustment expenses discussed in more detail below.

Professional fees increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, due to per-loan verification fees increasing because of third-party pricing increases and increases in origination volume, as well as increases for professional fees associated with corporate initiatives.

Advertising and promotions expense increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily due to an increase in the cost of our annual sales meeting due to the increase in the number of sales professionals from acquisitions and recruiting, as well as an increase in marketing tools to support the increase in the number of our sales professionals.

Office supplies, travel and entertainment expense increased for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, due to an increase in postage costs because of postage rate increases as well as a 6.7% increase in the average number of loans serviced. Additionally, travel and meetings expense increased related to acquisition-related trainings.

The increase to the contingent liability fair value adjustment, net during the six months ended June 30, 2024 compared to the six months ended June 30, 2023 was primarily due to revisions made to the estimated fair value of earn-out obligations related to our acquisitions based on revised forecasted amounts.

Occupancy, Equipment and Communication

The tables below provide additional details regarding our occupancy, equipment and communication expense for the periods presented.

	Three Months Ended			
($ in thousands)	**June 30, 2024**	**March 31, 2024**	**$ Change**	**% Change**
Occupancy	$ 12,231	$ 11,133	$ 1,098	9.9 %
Equipment	2,031	2,043	(12)	(0.6) %
Communication	6,086	6,639	(553)	(8.3) %
Total occupancy, equipment and communication expense	$ 20,348	$ 19,815	$ 533	2.7 %

Occupancy costs generally consist of fixed costs and remain consistent except any increases associated with new acquisitions, expansion into new territories and entry into new material building leases or any decreases associated with downsizing office space.

Total occupancy, equipment and communication expense increased from $19.8 million for the three months ended March 31, 2024 to $20.3 million for the three months ended June 30, 2024 due to an increase in occupancy expense as we acquired new operating leases in connection with recent acquisitions, offset by a decrease in software costs incurred in the three months ended June 30, 2024.

	Six Months Ended			
($ in thousands)	**June 30, 2024**	**June 30, 2023**	**$ Change**	**% Change**
Occupancy	$ 23,364	$ 20,785	$ 2,579	12.4 %
Equipment	4,074	3,961	113	2.9 %
Communication	12,725	11,086	1,639	14.8 %
Total occupancy, equipment and communication expense	$ 40,163	$ 35,832	$ 4,331	12.1 %

Total occupancy, equipment and communication expense increased from $35.8 million for the six months ended June 30, 2023 to $40.2 million for the six months ended June 30, 2024 due to an increase in occupancy expense as we acquired new operating leases in connection with recent acquisitions and an increase in software costs to support our origination segment.

Depreciation and Amortization

Depreciation and amortization expense is expected to remain consistent as most furniture, equipment and leasehold improvements are depreciated on a straight-line basis and intangible assets are amortized on a straight-line basis. Depreciation and amortization expense increased slightly from $3.8 million for the three months ended March 31, 2024 to $4.0 million for the three months ended June 30, 2024 due to increased amortization of intangible assets associated with recent acquisitions. Depreciation and amortization expense

increased from $7.4 million during the six months ended June 30, 2023 to $7.7 million for the six months ended June 30, 2024 due to amortization of intangible assets associated with recent acquisitions and internally-developed software.

Provision for Foreclosure Losses

Our provision for foreclosure losses decreased from a provision of $0.4 million for the three months ended March 31, 2024 to a reversal of $0.5 million for the three months ended June 30, 2024, primarily due to a decrease in the number of loans in foreclosure. Our provision for foreclosure losses decreased from a provision of $0.5 million for the six months ended June 30, 2023 to a reversal of $0.1 million for the six months ended June 30, 2024 due to a decrease in the average loss rate experienced on loans in foreclosure, as well as a decrease in the number of loans in foreclosure.

Our 60-plus days delinquency rate was 1.5%, 1.6% and 1.5% at June 30, 2024, March 31, 2024 and June 30, 2023, respectively. The delinquency rate decreased slightly compared to the prior quarter primarily due to seasonality, as the number of delinquencies and defaults typically wanes during the first half of the year when borrowers have more funds available due to the receipt of tax refund payments. We continue to monitor foreclosure reserves and potential losses regularly to assess if further changes are needed.

Segment Results

Our operations are comprised of two distinct, but related reportable segments that we refer to as our origination and servicing segments. We operate our origination segment from office locations throughout the United States. Our licensed sales professionals and support staff cultivate deep relationships with our referral partners and clients and provide a customized approach to the loan transaction, whether it is a purchase or a refinance. Although our origination and servicing segments are separated for this presentation, management sees the two segments as intricately related and interdependent. We believe that our servicing segment provides a steady stream of revenue to support our origination segment and that, more importantly, our servicing segment positions us to build longstanding client relationships that drive repeat and referral business back to the origination segment to recapture our clients' future mortgage transactions. In particular, the growth of our servicing segment is dependent on the continued growth of our origination volume because our servicing portfolio consists primarily of originated MSRs.

Financial results from our acquisitions are integrated into their respective segments after the close of the transactions. Revenues and expenses from our acquisitions are allocated primarily to our origination segment. See below for an overview and discussion of each of our segments' results for three months ended June 30, 2024 compared to the three months ended March 31, 2024 and the six months ended June 30, 2024 compared to the six months ended June 30, 2023. These results do not include unallocated corporate costs. See "Note 17—Segments" of the "Notes to Condensed Consolidated Financial Statements" in Part I, Item 1 of this Quarterly Report for additional information about our segments.

Origination

The tables below provide additional details regarding our origination segment results for the periods presented.

($ and units in thousands)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Change	% Change
Total originations[1]	$ 6,525,898	$ 3,852,539	$ 2,673,359	69.4 %
Total originations (units)[2]	19.2	11.9	7.3	61.3 %
Loan origination fees and gain on sale, net	$ 206,218	$ 133,664	$ 72,554	54.3 %
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	2,134	3,230	(1,096)	(33.9)%
Interest (expense) income, net	(119)	664	(783)	(117.9)%
Other income, net	535	364	171	47.0 %
Net revenue	208,768	137,922	70,846	51.4 %
Salaries, incentive compensation and benefits	169,037	121,105	47,932	39.6 %
General and administrative	21,798	20,548	1,250	6.1 %
Occupancy, equipment and communication	17,876	16,935	941	5.6 %
Depreciation and amortization	3,162	3,491	(329)	(9.4)%
Total expenses	211,873	162,079	49,794	30.7 %
Net loss allocated to origination	$ (3,105)	$ (24,157)	$ 21,052	87.1 %

(1) Total originations includes retail forward and reverse, brokered, wholesale and correspondent loans.
(2) Total origination units excludes second lien mortgages originated at the same time as the first mortgage or shortly thereafter.

The net loss allocated to our origination segment improved significantly by $21.1 million or 87.1% for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024, primarily driven by the increase in production volume partially offset by a decrease in gain on sale margins. Included in our expenses for the three months ended June 30, 2024 was contingent liability and notes receivable fair value adjustment of $6.3 million related to future earnout payments on our acquisitions.

Total originations increased $2.7 billion or 69.4% and total origination units increased by 61.3% for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 driven by expansion from recent acquisitions and organic recruiting.

Our gain on sale margins decreased to 326 basis points for the three months ended June 30, 2024 from 364 basis points for the previous quarter ended March 31, 2024 due to interest rate and market volatility.

Our purchase volume percentage increased from 90.8% to 92.3% of total originations for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 due to interest rate decreases in the first quarter of 2024 which led to increased refinance activity in the first quarter of 2024.

The percentage of service retained originations decreased to 67.8% for the three months ended June 30, 2024 compared to 72.2% for the previous quarter ended March 31, 2024 due to receiving higher execution on service released sales.

($ and units in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Total originations[1]	$ 10,378,437	$ 7,292,475	$ 3,085,962	42.3 %
Total originations (units)[2]	31.1	22.4	8.7	38.8 %
Loan origination fees and gain on sale, net	$ 339,882	$ 228,775	$ 111,107	48.6 %
Gain on reverse mortgage loans held for investment and HMBS-related borrowings, net	5,364	2,306	3,058	132.6 %
Interest income, net	545	2,631	(2,086)	(79.3)%
Other income, net	899	166	733	441.6 %
Net revenue	346,690	233,878	112,812	48.2 %
Salaries, incentive compensation and benefits	290,142	220,281	69,861	31.7 %
General and administrative	42,346	29,555	12,791	43.3 %
Occupancy, equipment and communication	34,811	31,361	3,450	11.0 %
Depreciation and amortization	6,653	6,763	(110)	(1.6)%
Total expenses	373,952	287,960	85,992	29.9 %
Net loss allocated to origination	$ (27,262)	$ (54,082)	$ 26,820	49.6 %

(1) Total originations includes retail forward and reverse, brokered, wholesale and correspondent loans.
(2) Total origination units excludes second lien mortgages originated at the same time as the first mortgage or shortly thereafter.

The net loss allocated to our origination segment improved significantly by $26.8 million or 49.6% for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 primarily due to an increase in net revenue of $112.8 million or 48.2%, partially offset by an increase in expenses of $86.0 million or 29.9%, driven by the increase in total originations and gain on sale.

Total originations increased $3.1 billion or 42.3% and total origination units increased by 38.8% for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 driven by expansion from recent acquisitions and organic recruiting.

Our gain on sale margins increased to 340 basis points for the six months ended June 30, 2024 from 323 basis points for the six months ended June 30, 2023 due to slight market improvement over the year.

Our purchase volume percentage decreased slightly from 93.3% to 91.8% of total originations for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 driven by increased refinance activity led by a drop in interest rates during the first quarter of 2024.

The percentage of service retained originations decreased to 69.5% for the six months ended June 30, 2024 compared to 85.0% for the six months ended June 30, 2023 due to receiving higher execution on service released sales.

Servicing

The tables below provide additional details regarding our servicing segment results for the periods presented.

	Three Months Ended			
($ and units in thousands)	**June 30, 2024**	**March 31, 2024**	**Change**	**% Change**
Average UPB of servicing portfolio[1]	$ 87,706,004	$ 85,676,487	$ 2,029,517	2.4 %
Average loans serviced[2]	354	347	7	2.0 %
Loan servicing and other fees	$ 67,709	$ 65,788	$ 1,921	2.9 %
Loan origination fees and gain on sale, net	(370)	396	(766)	(193.4)%
Other income, net	45	22	23	104.5 %
Total revenue	67,384	66,206	1,178	1.8 %
Valuation adjustment of MSRs	2,134	20,778	(18,644)	(89.7)%
Interest income, net	11,910	10,456	1,454	13.9 %
Net revenue	81,428	97,440	(16,012)	(16.4)%
Salaries, incentive compensation and benefits	8,518	8,145	373	4.6 %
General and administrative	2,855	3,862	(1,007)	(26.1)%
Occupancy, equipment and communication	735	966	(231)	(23.9)%
Depreciation and amortization	270	141	129	91.5 %
(Reversal of) provision for foreclosure losses	(496)	392	(888)	(226.5)%
Total expenses	11,882	13,506	(1,624)	(12.0)%
Net income allocated to servicing	$ 69,546	$ 83,934	$ (14,388)	(17.1)%

(1) Excludes subserviced and reverse mortgage loans, which had ending UPB of $2.0 billion and $320.7 million as of June 30, 2024 and March 31, 2024, respectively, and includes loans held for sale of $1.6 billion and $1.0 billion, respectively.

(2) Includes loans held for sale, which had period end number of loans serviced of 6,000 and 3,000 as of June 30, 2024 and March 31, 2024, respectively.

Net income allocated to servicing decreased $14.4 million, or 17.1% for the three months ended June 30, 2024 compared to the previous quarter ended March 31, 2024 primarily due a decrease in the valuation adjustment of MSRs during the quarter. See discussion above under “—Results of Operations—Revenue—Valuation Adjustment of Mortgage Servicing Rights”.

Total revenue for the three months ended June 30, 2024 increased 1.8% compared to the previous quarter ended March 31, 2024, in line with the increase in average UPB of the servicing portfolio of 2.4% and the increase in average loans serviced by 2.0% for the same period. During the quarter, we closed on the purchase of a MSR portfolio that had ending UPB of $1.6 billion.

($ and units in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Average UPB of servicing portfolio[1]	$ 87,063,416	$ 80,461,698	$ 6,601,718	8.2 %
Average loans serviced[2]	352	330	22	6.7 %
Loan servicing and other fees	$ 133,497	$ 120,336	$ 13,161	10.9 %
Loan origination fees and gain on sale, net	26	801	(775)	(96.8)%
Other income, net	67	101	(34)	(33.7)%
Total revenue	133,590	121,238	12,352	10.2 %
Valuation adjustment of MSRs	22,912	(26,981)	49,893	184.9 %
Interest income, net	22,366	17,676	4,690	26.5 %
Net revenue	178,868	111,933	66,935	59.8 %
Salaries, incentive compensation and benefits	16,663	15,069	1,594	10.6 %
General and administrative	6,717	5,120	1,597	31.2 %
Occupancy, equipment and communication	1,701	2,481	(780)	(31.4)%
Depreciation and amortization	411	360	51	14.2 %
(Reversal of) provision for foreclosure losses	(104)	470	(574)	(122.1)%
Total expenses	25,388	23,500	1,888	8.0 %
Net income allocated to servicing	$ 153,480	$ 88,433	$ 65,047	73.6 %

(1) Excludes subserviced and reverse mortgage loans, which had UPB of $2.0 billion and $34.5 million as of June 30, 2024 and June 30, 2023, respectively, and includes loans held for sale of $1.6 billion and $1.0 billion, respectively.

(2) Includes loans held for sale, which had period end number of loans serviced of 6,000 and 4,000 as of June 30, 2024 and June 30, 2023, respectively.

Net income allocated to servicing increased significantly by $65.0 million or 73.6%, for the six months ended June 30, 2024 compared to June 30, 2023 primarily due to a $49.9 million increase in the valuation adjustment of MSRs during the period.

Total revenue for the six months ended June 30, 2024 increased 10.2% compared to the six months ended June 30, 2023, in line with the increase in average UPB of the servicing portfolio of 8.2% and the increase in average loans serviced by 6.7% for the same period.

Liquidity, Capital Resources and Cash Flows

Historically, our primary sources of liquidity have included:

- cash flows from our operations, including:
  - sale of whole loans into the secondary market;
  - loan origination fees;
  - servicing fee income; and
  - interest income on MLHS;
- borrowings on warehouse lines of credit to originate mortgage loans; and
- borrowings on our notes payable.

Historically, our primary uses of funds have included:

- cash flows used in our operations, including but not limited to:
  - origination of MLHS;
  - payment of interest expense; and

    - payment of operating expenses, including personnel costs and IT infrastructure;
- repayments on warehouse lines of credit;
- repayments on our notes payable;
- acquisitions of other mortgage businesses;
- share repurchases; and
- payment of dividends.

We are also subject to contingencies that may have a significant effect on the use of our cash. We believe that our cash flows from operations and other available sources of liquidity will be sufficient to fund our operations and meet our material cash requirements for the next 12 months. We believe we will meet longer-term expected future cash requirements and obligations through a combination of existing cash and cash equivalent balances, cash flow from operations, and amounts available for borrowing under our loan funding facilities.

Debt Obligations

In order to originate and aggregate loans for sale into the secondary market, we use our own working capital and borrow or obtain money on a short-term basis, primarily through committed and uncommitted loan funding facilities that we have established with large national and global banks. We fund substantially all of the mortgage loans we close through borrowings under our loan funding facilities.

Our loan funding facilities are primarily in the form of master repurchase agreements, which we refer to as "warehouse lines of credit." Loans financed under these facilities are generally financed at approximately 97% to 98% of the principal balance of the loan (although certain types of loans are financed at lower percentages of the principal balance of the loan), which requires us to fund the balance from cash generated from our operations. Once closed, the underlying mortgage loan that is held for sale is pledged as collateral for the borrowing or advance that was made under these loan funding facilities. In most cases, the loans will remain in one of the loan funding facilities for only a short time, generally less than one month, until the loans are pooled and sold. During 2024, our loans remained on warehouse lines of credit for an average of 18 days. During the time the loans are held for sale, we earn interest income from the borrower on the underlying mortgage loan. This income is partially offset by the interest and fees we must pay under the loan funding facilities.

When we sell a pool of loans in the secondary market, the proceeds received from the sale of the loans are used to pay back the amounts we owe on the loan funding facilities. We rely on the cash generated from the sale of loans to fund future loans and repay borrowings under our loan funding facilities.

As of June 30, 2024, we had nine different loan funding facilities in different amounts and with various maturities, including an early buyout facility. The early buyout facility allows us to purchase certain delinquent GNMA loans that we service and finance them on the facility until the loan is cured or subsequently sold. As of June 30, 2024, the total facility size under our loan facilities was approximately $2.1 billion, with combined outstanding balances of approximately $1.6 billion. We are continually assessing our financing arrangements to ensure they are aligned with our business needs and make adjustments as necessary. We intend to renew our warehouse lines of credit maturing in 2024 and 2025.

As of June 30, 2024, we had three different notes payable, collateralized by MSRs, in different amounts with different maturities. As of June 30, 2024, the aggregate facility size of our notes payable facilities totaled $700.0 million, with combined outstanding balances of $271.0 million. Subject to certain commitment amounts and borrowing base limitations, we had $214.0 million of borrowing capacity available under our notes payable. The borrowing capacity under our notes payable is restricted by the valuation of our servicing portfolio. We intend to renew the note payable maturing in 2024.

The amount of financing advanced on each individual loan under our loan funding facilities is determined by agreed upon advance rates, but may be less than the stated rate due to fluctuations in the market value of the mortgage loans securing the financings. If the lenders providing the funds under our loan funding facilities determine that the value of the loans serving as collateral for our borrowings under those facilities has decreased, they can initiate a margin call to require us to provide additional collateral or reduce the amount outstanding with respect to those loans. Our inability or unwillingness to satisfy such a request could result in the termination of the related facilities and a potential default under our other loan funding facilities. In addition, a large unanticipated margin call could have a material adverse effect on our liquidity.

The amount owed and outstanding under our loan funding facilities fluctuates significantly based on our origination volume, the amount of time it takes us to sell the loans we originate and the amount of loans we are self-funding with cash. We may from time to time post surplus cash as additional collateral to buy-down the effective interest rates of certain loan funding facilities or to self-fund a portion of our loan originations. As of June 30, 2024, we had posted $6.4 million in cash as additional collateral. We have the ability to draw back this

additional collateral at any time unless a margin call has been made or a default has occurred under the relevant facilities.

Our loan funding facilities and notes payable generally require us to comply with certain operating and financial covenants and the availability of funds under these facilities are subject to, among other conditions, our continued compliance with these covenants. These financial covenants include, but are not limited to, maintaining a certain (i) minimum tangible net worth, (ii) minimum liquidity and (iii) a maximum ratio of total liabilities or total debt to tangible net worth and (iv) satisfying certain adjusted pre-tax net income requirements. We may need to seek waivers or amendments of covenants depending on future operating performance. A breach of these covenants could result in an event of default under our funding facilities, which would allow the related lenders to pursue certain remedies. In addition, each of these facilities includes cross default or cross acceleration provisions that could result in all of our funding facilities terminating if an event of default or acceleration of maturity occurs under any one of them. We were in compliance with each of these covenants as of June 30, 2024 and December 31, 2023.

Our debt obligations are summarized below by facility as of June 30, 2024:

Facility ($ in thousands)	Outstanding Indebtedness	Total Facility Size	Maturity Date
Warehouse lines of credit	$ 147,062	$ 165,000	January 2025
	198,856	250,000	August 2024
	366,086	400,000	August 2024
	141,856	200,000	May 2025
	139,963	200,000	September 2024
	273,412	400,000 [1]	September 2024
	161,931	200,000 [2]	N/A
	163,022	200,000 [3]	N/A
	26,944	75,000 [4]	N/A
Total warehouse lines of credit	1,619,132	2,090,000	
Notes payable	130,000	400,000 [5]	September 2028
	46,000	200,000 [6]	August 2027
	95,000	100,000 [1]	September 2024
Total notes payable	271,000	700,000	

(1) Amounts drawn on the notes payable with this lender reduce the facility size available under the warehouse line of credit with this lender by an equal and offsetting amount.
(2) This facility's maturity date is 30 days from written notice from either the financial institution or the Company.
(3) This facility agreement has a maturity of 364 days on the first $150.0 million committed amount and $50.0 million is due on demand.
(4) Each buyout transaction carries a maximum term of five years from the date of repurchase.
(5) Facility provides for committed amount of $250.0 million, which can be increased up to $400.0 million.
(6) Facility provides for committed amount of $135.0 million, which can be increased up to $200.0 million.

Secondary Market Investors

The investors to whom we sell mortgage loans we originate in the secondary market require us to abide by certain operating and financial covenants. These covenants include maintaining (i) a certain minimum net worth, (ii) a certain minimum liquidity, (iii) a certain minimum of total liquid assets, (iv) a certain maximum ratio of adjusted net worth to total assets and (v) fidelity bond and mortgage servicing errors and omissions coverage. A breach of these covenants could result in an event of default and could disallow us to continue selling mortgage loans to one or all of these investors in the secondary market, which in turn could have a significant impact on our liquidity and results of operations. We were in compliance with each of these covenants as of June 30, 2024 and December 31, 2023.

Cash Flows

Our cash flows are summarized below:

($ in thousands)	Six Months Ended June 30, 2024	2023
Net cash used in operating activities	$ (850,942)	$ (315,899)
Net cash used in investing activities	(85,086)	(54,409)
Net cash provided by financing activities	916,452	335,385
Decrease in cash, cash equivalents and restricted cash	$ (19,576)	$ (34,923)

Operating activities

Our cash flows from operating activities are primarily influenced by changes in the levels of inventory of loans held for sale, as shown below:

($ in thousands)	Six Months Ended June 30, 2024	2023
Loans held for sale	$ (827,780)	$ (280,217)
Other operating sources	(23,162)	(35,682)
Net cash used in operating activities	$ (850,942)	$ (315,899)

For the six months ended June 30, 2024 our loan sales were less than our loan originations with loan sales at $9.3 billion and loan originations at $10.4 billion. For the six months ended June 30, 2023 our loan sales were less than our originations with loan sales at $6.9 billion and loan originations at $7.3 billion. When loan sales are higher than loan originations we typically experience a net cash inflow and when loan originations are higher than loan sales we typically experience a net cash outflow. Therefore, in the six months ended June 30, 2024 we experienced a greater net cash outflow from our loans held for sale compared to the six months ended June 30, 2023.

Investing activities

Our investing activities primarily consist of originations and payment activity on loans held for investment, strategic acquisitions and purchases of property and equipment. Cash used in investing activities increased for the six months ended June 30, 2024 compared to the prior period, primarily due to the origination of $67.5 million in reverse mortgage loans and advances held for investment, offset by payments received of $23.6 million in the six months ended June 30, 2024 compared to originations of $34.4 million in the six months ended June 30, 2023. We also used $17.7 million to fund acquisitions in the six months ended June 30, 2024 compared to $5.5 million in the prior period. In the six months ended June 30, 2024, we purchased $18.8 million of MSRs and in the six months ended June 30, 2023 we issued a note receivable for $11.3 million in connection with the acquisition of CCM.

Financing activities

Our cash flows from financing activities are primarily influenced by changes in the levels of warehouse lines of credit used to fund loan originations, which were consistent with the changes in loan origination volume.

($ in thousands)	Six Months Ended June 30, 2024	2023
Warehouse lines of credit	$ 782,797	$ 340,057
Notes payable	122,234	(2,500)
Other financing sources	11,421	(2,172)
Net cash provided by financing activities	$ 916,452	$ 335,385

Borrowings under warehouse lines of credit move directionally with our MLHS. When our loan originations are higher than our loan sales, borrowings on our warehouse lines of credit would typically exceed our repayments on those lines and when our loan sales exceed our loan originations, our repayments on those lines would typically be higher than our borrowings. During the six months ended June 30, 2024 our loan originations exceeded our loan sales by $1.0 billion, causing a greater net cash inflow by warehouse lines of

credit compared to the six months ended June 30, 2023 when our loan originations exceeded loan sales by $420.3 million.

The increase in cash provided by other financing activities was primarily driven by net borrowings of $122.2 million during the six months ended June 30, 2024 compared to net repayments of $2.5 million during the six months ended June 30, 2023 on our notes payable. In addition, we borrowed $66.2 million in connection with our reverse mortgage securitizations in the six months ended June 30, 2024, which was offset by payments of $21.3 million on our HMBS-related obligations. There was no comparable activity for the six months ended June 30, 2023 as we began originating reverse mortgage loans in the second quarter of 2023. Cash inflows from borrowings were offset by $30.7 million of dividend payments during the six months ended June 30, 2024.

Share Repurchase Program

On May 5, 2022, our Board of Directors authorized us to repurchase up to $20.0 million of our outstanding Class A common shares over the next 24 months. On March 7, 2024, our Board of Directors extended the share repurchase program to May 5, 2025. The share repurchase program allows us to repurchase our Class A common shares from time to time on the open market or in privately negotiated transactions. We are not obligated to purchase any shares under the share repurchase program and the timing of any repurchases will depend on a number of factors, including, but not limited to, stock price, trading volume, market conditions, and other general business considerations. The share repurchase program may be modified, suspended or terminated by our Board of Directors at any time. We intend to fund any repurchases under the share repurchase program with cash on hand. During the six months ended June 30, 2024, we repurchased and subsequently retired 31,968 shares of our Class A common stock at an average purchase price of $14.13 per share, excluding commissions. As of June 30, 2024, $10.7 million remains available for repurchase.

Interest Rate Lock Commitments

We enter into IRLCs with borrowers who have applied for residential forward mortgage loans and who meet certain credit and underwriting criteria. These commitments expose us to market risk if interest rates change during the period of time in which the loan is not economically hedged or committed to be sold to an investor. We are also exposed to credit loss if a loan for which we entered into an IRLC is originated and is not sold to an investor and the related client does not perform. The collateral upon extension of credit typically consists of a first deed of trust in the mortgagor's residential property. Commitments to originate loans do not necessarily reflect future cash requirements as some commitments are expected to expire without being drawn upon. Total commitments to originate forward mortgage loans, adjusted for pull-through, were approximately $1.6 billion and $710.9 million as of June 30, 2024 and December 31, 2023, respectively. See "Note 15—Commitments and Contingencies" of the "Notes to Unaudited Condensed Consolidated Financial Statements" in Part I, Item 1 of this Quarterly Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

As a smaller reporting company, we are not required to provide information for this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We are required to maintain "disclosure controls and procedures," as defined in the Rule 13a-15(e) under the Exchange Act. The Company carried out an evaluation, under the supervision and with the participation of its management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as of June 30, 2024. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2024.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified during the three months ended June 30, 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and our Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and

operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are, and from time to time may become, involved in legal and regulatory proceedings or subject to claims arising in the ordinary course of our business. We operate within highly regulated industries on a federal, state and local level and are routinely subject to various examinations and legal and regulatory proceedings in the normal and ordinary course of business. We are not presently a party to any legal or regulatory proceedings that in the opinion of our management, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations and financial condition.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on March 14, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchases of Equity Securities

The following table provides information with respect to Guild’s repurchases of shares of its Class A common stock during the three months ended June 30, 2024:

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[1]	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs (in thousands)[1]
April 1, 2024 to April 30, 2024	3,629	$13.82	3,629	$ 10,830
May 1, 2024 to May 31, 2024	7,149	$14.06	7,149	$ 10,730
June 1, 2024 to June 30, 2024	3,443	$14.42	3,443	$ 10,680
Total	14,221	$14.09	14,221	

(1) On May 5, 2022, our Board of Directors approved a share repurchase program for the repurchase of up to $20.0 million of our outstanding Class A common stock over a period of 24 months from such date. On March 7, 2024, our Board of Directors extended the share repurchase program to May 5, 2025. As of June 30, 2024, $10.7 million remains available for repurchase. The share repurchase program allows us to repurchase shares of our Class A common stock from time to time on the open market or in privately negotiated transactions. We are not obligated to purchase any shares under the share repurchase program and the timing of any repurchases will depend on a number of factors, including, but not limited to, stock price, trading volume, market conditions, and other general business considerations. The share repurchase program may be modified, suspended or terminated by our Board of Directors at any time.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

Trading Plans

During the fiscal quarter ended June 30, 2024, none of our directors or officers (as defined in Rule 16a-1(f) under the Act) informed us of theadoption or termination of a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K.

ITEM 6. EXHIBITS

EXHIBIT INDEX

Exhibit	Description
3.1	Amended and Restated Certificate of Incorporation of Guild Holdings Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on October 26, 2020)
3.2	Amended and Restated Bylaws of Guild Holdings Company (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on October 26, 2020)
10.1	Registration Rights Agreement, dated October 21, 2020, by and among Guild Holdings Company and the holders listed on Schedule I thereto (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 26, 2020)
10.2	Guild Holdings Company 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 9, 2020)
10.3†	Compensation Deferral Plan for Executives (incorporated by reference to Exhibit 10.7 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 9, 2020)
10.4†	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 1, 2020)
10.5†	Executive Nonqualified Excess Plan (incorporated by reference to Exhibit 10.8 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 1, 2020)
10.6†	Executive Nonqualified Excess Plan Adoption Agreement, dated as of November 6, 2017 (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 1, 2020)
10.7†	Form of Restricted Stock Unit Agreement for IPO Grants to Employees under the Guild Holdings Company 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.56 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 1, 2020)
10.8†	Form of Restricted Stock Unit Agreement for IPO Grants to Non-Employee Directors under the Guild Holdings Company 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.57 to the Company's Registration Statement on Form S-1 (File No. 333-249225) filed on October 1, 2020)
10.9†	Amended and Restated Executive Compensation Agreement between Guild Mortgage Company LLC and Terry Schmidt, effective as of July 1, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 4, 2023)
10.10†	Amended and Restated Executive Compensation Agreement between Guild Mortgage Company LLC and David Neylan, effective as of July 1, 2023 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 4, 2023)
10.11†	Amended and Restated Executive Compensation Agreement between Guild Mortgage Company LLC and Amber Kramer, effective as of January 1, 2021 (incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K filed on March 14, 2022)
10.12†	Form of Restricted Stock Unit Agreement to Employees under the Guild Holdings Company 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K filed on March 14, 2022)
10.13†	Form of Restricted Stock Unit Agreement to Non-Employee Directors under the Guild Holdings Company 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to Guild Holdings Company's Quarterly Report on Form 10-Q filed on August 8, 2022)
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial information from Guild's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations, (iii) the Condensed Consolidated Statements of Changes in Stockholders' Equity, (iv) the Condensed Consolidated Statements of Cash Flows, and (v) Notes to the Condensed Consolidated Financial Statements
104	Cover Page Interactive Data File - (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** The certifications attached hereto are not considered "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the limitations of that section.

† Indicates management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GUILD HOLDINGS COMPANY

Dated: August 8, 2024	By:	/s/ Terry L. Schmidt
	Name:	Terry L. Schmidt
	Title:	Chief Executive Officer
Dated: August 8, 2024	By:	/s/ Desiree A. Kramer
	Name:	Desiree A. Kramer
	Title:	Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Terry L. Schmidt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Guild Holdings Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2024 By: /s/ Terry L. Schmidt

Terry L. Schmidt
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Desiree A. Kramer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Guild Holdings Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2024

By: /s/ Desiree A. Kramer
Desiree A. Kramer
Chief Financial Officer

Exhibit 32.1

CERTIFICATION 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 Guild Holdings Company (the “Company”) for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers of the Company hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, 2024 By: /s/ Terry L. Schmidt
Terry L. Schmidt
Chief Executive Officer

Date: August 8, 2024 By: /s/ Desiree A. Kramer
Desiree A. Kramer
Chief Financial Officer