reAlpha (Nasdaq: AIRE) Reports Third-Quarter 2026 Financial Results

DUBLIN, Ohio, November 17, 2026 (GLOBE NEWSWIRE) – reAlpha Tech Corp. (Nasdaq: AIRE) (the "Company" or "reAlpha"), an AI-powered real estate technology company, today announced financial results and business highlights for the third quarter ended September 30, 2026.

Financial Highlights

(All figures are approximate and compared to the third quarter of 2025 unless otherwise stated.)

- Revenue totaled approximately $1.6 million in the third quarter of 2026, compared to approximately $1.4 million in the third quarter of 2025, an increase of approximately 11%.
    - Homebuying Services Segment revenue was approximately $1.3 million, compared to approximately $1.0 million in the prior-year period, an increase of approximately 20%. Revenue contributions from Prevu and InstaMortgage more than offset the absence of approximately $0.5 million of GTG Financial revenue recognized in the third quarter of 2025 before its acquisition was rescinded.
    - Technology Services Segment revenue decreased approximately 12% to approximately $0.3 million, compared to approximately $0.4 million in the prior-year period, primarily reflecting lower subscription revenue from AiChat's conversational AI platform.
- Cash, cash equivalents and restricted cash decreased 92% to approximately $0.8 million as of September 30, 2026, compared to approximately $9.3 million as of September 30, 2025, primarily reflecting cash used to fund ongoing operations and acquisition-related expenditures.
- Gross profit increased to approximately $0.9 million, up from approximately $0.7 million in the third quarter of 2025. Gross profit margin increased to 55% from 52% in the third quarter of 2025, primarily reflecting a more favorable service mix, including higher-margin revenue contributions from Prevu, as well as the absence of higher-cost operations associated with GTG Financial.
- Net loss narrowed by approximately 39% to $3.4 million in the third quarter of 2026, compared to approximately $5.6 million in the third quarter of 2025.
- Adjusted EBITDA improved to approximately $(1.9) million, compared to approximately $(4.3) million in the third quarter of 2025, representing an improvement of approximately 56%. The improvement was primarily driven by higher gross profit, supported by increased revenue from the Company's homebuying services segment following the acquisitions of Prevu and InstaMortgage, as well as decreased marketing and advertising expenses, including the absence

of expenses associated with the Mercurius Media Capital LP ("MMC") marketing credits, and reduced professional and legal fees. These improvements were partially offset by higher personnel-related expenses associated with the expanded workforce following the acquisitions.

- Total transaction volume increased approximately 74% to $188.8 million for the trailing twelve months ended September 30, 2026, compared to approximately $108.4 million for the trailing twelve months ended September 30, 2025. Total transaction volume represents the aggregate dollar value of real estate brokerage, mortgage brokerage, direct mortgage lending and title transactions facilitated through reAlpha's services on a trailing twelve-month basis.

"The growth strategy and return-driven spending initiatives we've implemented continue to emerge in our financial results.Revenue grew by 11% and our net loss narrowed by 39% in the third quarter compared to the prior-year period," said Thomas Kutzman, Chief Financial Officer of reAlpha. "Expanding our service offerings through the addition of Prevu and InstaMortgage has strengthened our revenue opportunity, while disciplined spending optimization has significantly reduced our operating expenses year-over-year. These results give us a stronger foundation to build on as we prioritize performance and operating efficiency."

Business Highlights

- In Q3 2026, reAlpha completed the acquisition of InstaMortgage, adding multi-state direct lending, in-house underwriting and funding capabilities to reAlpha's integrated mortgage platform and expanding its mortgage footprint across 38 states and Washington, D.C. InstaMortgage generated approximately $7.3 million in revenue and $5.3 million in gross profit in 2025 and remained profitable through the first six months of 2026. On an unaudited pro forma basis, reAlpha and InstaMortgage generated approximately $11.8 million in combined revenue and $7.7 million in combined gross profit for 2025.

- On November 4, 2026, reAlpha completed a $1.75 million public offering, generating approximately $1.75 million in gross proceeds before deducting placement agent fees and other offering expenses. The Company intends to use the net proceeds for working capital and general corporate purposes, which could include funding operations, supporting growth initiatives, capital expenditures, potential acquisitions, investments in complementary businesses or technologies, or in connection with the settlement of the Company's litigation or claims.

- In November 2026, reAlpha appointed Russell Sinclair as Head of Product to lead product strategy and management across the Company's real estate, mortgage and title technology offerings. Mr. Sinclair was the former Chief Product Officer of Prevu and a product leader at Microsoft, StreetEasy (a Zillow Group company), and House IQ.

"Total transaction volume grew 74% to $188.8 million over the trailing twelve months as we added Prevu and InstaMortgage to the platform," said Mike Logozzo, Chief Executive Officer of reAlpha. "With both acquisitions complete, our focus is bringing real estate, mortgage and title together in one place. We believe that combination, along with buyer rebates where permitted, creates a simpler and more affordable path to homeownership. Our priority is disciplined execution, because that is how we intend to build long-term value."

About reAlpha Tech Corp.

reAlpha Tech Corp. (Nasdaq: AIRE) is an AI-powered real estate technology company that aims to transform the multi-trillion-dollar U.S. real estate services market. reAlpha is developing an end-to-end platform that streamlines real estate transactions through integrated brokerage, mortgage, and title services. With a strategic, acquisition-driven growth model and proprietary AI infrastructure, reAlpha is building a vertically integrated ecosystem designed to deliver a simpler, smarter, and more affordable path to homeownership. For more information, visit www.realpha.com.

Forward-Looking Statements

The information in this press release includes "forward-looking statements." Any statements other than statements of historical fact contained herein, including statements by reAlpha's Chief Executive Officer, Mike Logozzo, or reAlpha's Chief Financial Officer, Thomas Kutzman or statements about the InstaMortgage acquisition, the anticipated benefits of the InstaMortgage acquisition, reAlpha's ability to integrate InstaMortgage into its business and scale its business following the acquisition of InstaMortgage, reAlpha's long-term platform strategy and anticipated benefits to customers, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "could", "might", "plan", "possible", "project", "strive", "budget", "forecast", "expect", "intend", "will", "estimate", "anticipate", "believe", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: reAlpha and InstaMortgage's ability to obtain regulatory approval in Virginia and New York; reAlpha's ability to realize the expected benefits of the acquisition of InstaMortgage and its operations, including the possibility that the expected benefits from the acquisition will not be realized or will not be realized within the expected time period; the potential negative effects of the Company's and InstaMortgage's business from not obtaining the regulatory approvals in Virginia and New York timely or at all; the health of the U.S. residential real estate industry and changes in general economic conditions; reAlpha's ability to pay contractual obligations, including with respect to the acquisition of InstaMortgage; reAlpha's liquidity, operating performance, cash flow and ability to secure adequate financing; reAlpha's ability to maintain compliance with Nasdaq's continued listing rules; reAlpha's ability to generate additional sales or revenue from having access to, or obtaining, additional U.S. states brokerage licenses; whether reAlpha's technology and products will be accepted and adopted by its customers and intended users; reAlpha's ability to integrate the business of its acquired companies into its existing business, including InstaMortgage, and the anticipated demand for such acquired companies' services; reAlpha's ability to successfully enter new geographic markets and to scale its operational capabilities to expand into additional geographic markets and nationally; the potential loss of key employees of reAlpha and of its subsidiaries; reAlpha's ability to obtain, and maintain, the required licenses to operate in the U.S. states in which it, or its subsidiaries, operate in, or intend to operate in; reAlpha's ability to maintain and strengthen its brand and reputation; reAlpha's ability to continue attracting loan officers and maintain its relationship with its REALTOR® affiliate to expand its operations nationally; the availability of rebates, which may be limited or restricted by state law; risks related to data privacy, including evolving laws and consumer expectations; the inability to accurately forecast demand for AI-based real estate-focused products; the inability to execute business objectives and growth strategies successfully or sustain reAlpha's growth; the inability of reAlpha's customers to pay for reAlpha's services; reAlpha's ability to

obtain additional financing or access the capital markets on acceptable terms and conditions in the future; changes in applicable laws or regulations, including with respect to the real estate market, AI and AI technologies, and the impact of the regulatory environment and complexities with compliance related to such environment; reAlpha's ability to effectively compete in the real estate and AI industries; and other risks and uncertainties indicated in reAlpha's most recent Annual report on Form 10-K and current or periodic reports filed with the SEC and available for review at www.sec.gov. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Although reAlpha believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. reAlpha's future results, level of activity, performance or achievements may differ materially from those contemplated, expressed or implied by the forward-looking statements, and there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking statements. For more information about the factors that could cause such differences, please refer to reAlpha's filings with the SEC. Readers are cautioned not to put undue reliance on forward-looking statements, and reAlpha does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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reAlpha Tech Corp. and Subsidiaries
Condensed Consolidated Balance Sheet
September 30, 2026 (Unaudited) and December 31, 2025

	September 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
Current Assets		
Cash, and cash equivalents	$687,606	$7,783,529
Restricted cash	82,000	-
Accounts receivable, net	167,008	68,148
Prepaid expenses	163,193	961,411
Other current assets	249,290	362,293
Escrow deposit	-	600,000
Loans held for sale, at fair value	2,557,011	-
Derivative assets, at fair value	409,287	-
Total current assets	4,315,395	9,775,381
Property and Equipment		
Property and equipment, net	$97,517	$64,626
Other Assets		
Investments	55,636	111,646
Intangible assets, net	4,423,650	4,306,553
Goodwill	13,426,778	7,459,125
TOTAL ASSETS	$22,318,976	$21,717,331
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$963,776	$306,216
Related party payables	5,686	5,654
Short term loans - related parties -current portion	36,563	86,585
Short term loans - unrelated parties -current portion	169,294	209,601
Accrued expenses	687,238	660,577
Deferred liabilities- current portion	3,339,027	1,960,850
Deferred revenue	219,504	396,227
Contingent consideration- current portion	29,444	-
Warehouse line of credit	2,537,592	-
Legal settlement accrual	750,000	-
Derivative liabilities, at fair value	256,880	-
Total current liabilities	$8,995,004	$3,625,710
Long-Term Liabilities		
Embedded derivative liability	4,755,299	4,574,980

Other long-term loans - unrelated parties - net of current portion	38,454	88,411
Deferred liabilities - net of current portion	3,724,749	561,740
Contingent consideration - net of current portion	251,258	344,877
Total liabilities	$17,764,764	$9,195,718
Mezzanine Equity		
Preferred stock, $0.001 par value; 5,000,000 shares authorized, of which 1,000,000 shares are designated as Series A Convertible Preferred Stock; 256,125 and 250,000shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively.	1,134,552	1,020,377
Stockholders' Equity		
Common stock ($0.001 par value; 200,000,000 shares authorized,6,006,678 shares outstanding as of September 30, 2026; 200,000,000 shares authorized, 5,269,799 shares outstanding as of December 31, 2025)	6,007	5,270
Additional paid-in capital	70,468,601	67,593,364
Accumulated deficit	(66,907,425)	(55,980,534)
Accumulated other comprehensive loss	(158,714)	(127,889)
Total stockholders’ equity of reAlpha Tech Corp.	3,408,469	11,490,211
Non-controlling interests in consolidated entities	11,191	11,025
Total stockholders’ equity	3,419,660	11,501,236
TOTAL LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS’ EQUITY	$22,318,976	$21,717,331

reAlpha Tech Corp. and Subsidiaries
Condensed Consolidated Statements of Operations and Comprehensive Loss
For the Three Months and Nine Months Ended September 30, 2026 and 2025 (Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Revenues	$1,604,164	$1,445,137	$3,555,569	$3,623,153
Cost of revenues	713,803	695,557	1,379,996	1,733,441
Gross Profit	890,361	749,580	2,175,573	1,889,712
Operating Expenses				
Wages, benefits and payroll taxes	2,089,569	1,655,061	6,247,558	4,291,586
Marketing and advertising	159,839	2,481,015	1,599,898	4,483,626
Professional and legal fees	1,229,888	996,329	2,610,811	2,742,220
Depreciation and amortization	176,868	132,001	509,607	393,445
Impairment of capitalized software	-	-	-	105,900
Other operating expenses	608,829	433,975	1,758,509	1,284,375
Total operating expenses	4,264,993	5,698,381	12,726,383	13,301,152
Operating Loss	(3,374,632)	(4,948,801)	(10,550,810)	(11,411,440)
Other Expense (income)				
Changes in fair value of contingent consideration	(24,148)	(67,000)	(64,175)	(148,000)
Interest expense, net	79,296	359,522	120,760	855,974
Change in fair value of derivative liability	(4,713)	(12,500)	180,319	405,204
Other expense, net	(329)	415,664	24,837	787,770
Total other expense	50,106	695,686	261,741	1,900,948
Net Loss from operations before income taxes	(3,424,738)	(5,644,487)	(10,812,551)	(13,312,388)
Income tax (expense) benefit	-	-	-	-
Net Loss	$(3,424,738)	$(5,644,487)	$(10,812,551)	$(13,312,388)
Less: Net (Loss) income Attributable to Non-Controlling Interests	212	1,317	166	2,946
Net Loss Attributable to Controlling Interests	$ (3,424,950)	$ (5,645,804)	$(10,812,717)	$(13,315,334)
Preferred stock dividend	38,419	$28,842	114,175	$78,391
Net Loss Attributable to Common Stockholders	$ (3,463,369)	$ (5,674,646)	$(10,926,892)	$(13,393,725)
Other comprehensive income				

Foreign currency translation adjustments	(38,115)	17,282	(30,825)	(89,154)
Total other comprehensive (Loss) income	(38,115)	17,282	(30,825)	(89,154)
Comprehensive (Loss) Income Attributable to Controlling Interests	$ (3,463,065)	$ (5,628,522)	$(10,843,542)	$(13,404,488)
Net loss per share				
Net loss per share attributable to common stockholders — basic and diluted	$(0.60)	$(1.74)	$(2.00)	$ (5.76)
Weighted-average outstanding shares — basic and diluted	5,758,916	3,268,652	5,463,206	2,326,706

reAlpha Tech Corp. and Subsidiaries
Consolidated Statements of Cash Flows
For the Nine Months Ended September 30, 2026, (Unaudited) and 2025

	For the Nine Months Ended September 30, 2026	For the Nine Months Ended September 30, 2025
Cash Flows from Operating Activities:		
Net Loss	$(10,812,551)	$(13,312,388)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	509,607	393,445
Impairment of capitalized software	-	105,900
Impairment of Intangible assets	16,039	-
Change in fair value of LHFS and derivatives, net of gain on sale	65,179	-
Amortization of loan discounts and origination fees	-	545,624
Bad debt expense	-	-
Legal settlement accrual	750,000	-
Stock based compensation	1,221,342	557,999
Change in fair value of contingent consideration	(64,175)	(148,000)
Non-cash commitment fee expenses	-	375,000
Change in fair value of derivative liability	180,319	405,204
Non-cash marketing and advertising	593,429	3,373,866
Disbursements of loans held for sale	(14,024,214)	-
Proceeds from sale of loans held for sale	16,215,938	-
Non-cash compensation - GTG Financial	-	106,000
Gain on rescission of GTG acquisition	-	(94,071)
Unrealized income, net of unrealized expense	-	-
Loss on extinguishment of debt	-	438,834
Loss on sale of properties	292	48,748
Loss from equity method investment	6,010	10,077
Interest accretion on deferred consideration	178,902	-
Changes in operating assets and liabilities, net of acquired assets and assumed liabilities:		
Changes in operating assets and liabilities		
Accounts receivable	(96,227)	139,482
Receivable from related parties	-	12,873
Payable to related parties	32	(3,665)
Prepaid expenses	204,789	57,711
Other current assets	121,579	(286,820)
Accounts payable	657,562	(555,707)
Accrued expenses	(526,817)	(781,173)
Deferred liabilities	-	(236,101)
Deferred revenue	(176,723)	-
Effect of foreign currency translation on operating assets and liabilities	(30,718)	-

Total adjustments	5,802,145	4,465,226
Net cash used in operating activities	(5,010,406)	(8,847,162)
Cash Flows from Investing Activities:		
Additions to property and equipment	(59,529)	(32,604)
Cash and restricted cash acquired in acquisitions, net	294,608	349,529
Deconsolidation of GTG cash	-	(207,606)
Cash used for additions to capitalized software	(130,947)	(156,892)
Proceeds from sale of fixed assets	514	-
Net cash (used in) investing activities	104,646	(47,573)
Cash Flows from Financing Activities:		
(Repayments of) proceeds from related-party debt	-	155,481
Proceeds from issuance of common stock	131,409	21,615,811
Net payments on warehouse line of credit	(2,093,920)	-
Payments of debt	(140,286)	(5,409,086)
Debt-extinguishment expenses	-	(368,769)
Equity issuance expenses	(5,259)	(941,742)
Net cash provided by/ (used in) financing activities	(2,108,056)	15,051,695
Net increase/ (decrease) in cash	(7,013,816)	6,156,960
Effect of exchange rate changes on cash	(107)	(1,611)
Cash, cash equivalents and restricted cash—beginning of period	7,783,529	3,123,530
Cash, cash equivalents and restricted cash—end of period	769,606	9,278,879
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 43,113	$ 457,036
Noncash Investing and Financing Activities:		
Preferred-stock issuance—MMC transaction	-	5,000,000
Series A Convertible Preferred Stock issuance - GTG Financial	-	281,260
Deferred cash payments - GTG Financial	-	1,344,750
Common stock issuance for GTG Financial acquisition	-	451,135
Noncash conversion of debt to equity—Streeterville Capital, LLC	-	720,065
Issuance of warrants to placement agents in connection with equity offerings		299,768
Common stock issuance - GTG Financial	-	1,287,000
Deferred issuance of common stock - Prevu	1,234,998	-
Common stock issuance - employees	120,825	-
Paid in kind dividends	122,500	-
Common stock issuance - InstaMortgage Inc	172,661	-
Deferred consideration - InstaMortgage	5,747,282	-

Non-GAAP Financial Measures

To supplement our financial information presented in accordance with U.S. GAAP, we believe "Adjusted EBITDA," a "non-U.S. GAAP financial measure," as such term is defined under the rules of the SEC, is useful in evaluating our operating performance. We use Adjusted EBITDA to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that this non-U.S. GAAP financial measure may be helpful to investors because it provides consistency and comparability with past financial performance. However, this non-U.S. GAAP financial measure is presented for supplemental informational purposes only, has limitations as an analytical tool, and should not be considered in isolation or as a substitute for financial information presented in accordance with U.S. GAAP. In addition, other companies, including companies in our industry, may calculate a similarly titled non-U.S. GAAP measure differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of this non-U.S. GAAP financial measure as a tool for comparison. A reconciliation is provided below for our non-U.S. GAAP financial measure to the most directly comparable financial measure stated in accordance with U.S. GAAP. Investors are encouraged to review the related U.S. GAAP financial measure and the reconciliation of this non-U.S. GAAP financial measure to its most directly comparable U.S. GAAP financial measure, and not to rely on any single financial measure to evaluate our business.

We use Adjusted EBITDA, a non-U.S. GAAP financial measure, to evaluate our operating performance and facilitate comparisons across periods and with peer companies. We reconcile our Adjusted EBITDA to our net income (loss) adjusted to exclude interest expense, depreciation and amortization, share-based compensation, and other non-cash, non-operating, or non-recurring items that we believe are not indicative of our core business operations. We believe this measure provides useful insight into our ongoing performance; however, it should not be considered a substitute for, or superior to, net income or other financial information prepared in accordance with U.S. GAAP.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (3,424,738)	(5,644,487)	$(10,812,551)	(13,312,388)
Adjusted to exclude the following				
Depreciation and amortization	176,868	132,001	509,607	393,445
Amortization of loan discounts and origination fee	-	303,122	-	545,624
Changes in fair value of contingent consideration [1]	(24,148)	(67,000)	(64,175)	(148,000)
Change in fair value of Derivative Liability [2]	(4,713)	(12,500)	180,319	405,204
Loss on extinguishment of debt	-	368,769	-	438,834
GTG deconsolidation gain	-	(94,071)	-	(94,071)
Loss on equity method investments	830	7,679	6,010	10,077
Interest expense (income)	79,296	56,400	120,760	310,350
GEM commitment fee	-	125,000	-	375,000
Share-based compensation [3]	509,002	286,656	1,221,342	557,999
Equity offering costs	-	250,000	-	480,774
Impairment of Intangible Assets [4]	-	-	16,039	105,900
Acquisition-related expenses [5]	41,887	-	71,887	87,352
Legal settlement accrual [7]	750,000	-	750,000	-
Expense related to restructuring[6]	-	-	68,244	-
Adjusted EBITDA	**$ (1,895,716)**	**(4,288,431)**	**$ (7,932,518)**	**(9,843,900)**

(1) Represents non-cash changes in the fair value of contingent consideration payable to reAlpha Mortgage, which is calculated based on revenue and EBITDA targets
(2) Represents non-cash changes in the fair value of derivative liability recorded in connection with our media-for-equity transaction with MMC
(3) Represents non-cash stock-based compensation expenses recognized during the period
(4) Represents impairment of intangible assets during the period
(5) Represents costs incurred in connection with the InstaMortgage acquisition
(6) Represents restructuring costs incurred in connection with the Plans
(7) Represents accrual of legal settlement in connection to the litigation involving GEM Yield Bahamas Limited