

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **October 14, 2020**

**Redfin Corporation**

(Exact name of registrant as specified in its charter)

<b>Delaware</b> <small>(State or other jurisdiction of incorporation or organization)</small>	<b>001-38160</b> <small>(Commission File Number)</small>	<b>74-3064240</b> <small>(I.R.S. Employer Identification No.)</small>
<b>1099 Stewart Street Seattle</b> <small>(Address of principal executive offices)</small>	<b>Suite 600 WA</b>	<b>98101</b> <small>(Zip Code)</small>
<b>(206) 576-8333</b> <small>Registrant's telephone number, including area code</small>		

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	RDFN	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

**Item 7.01 Regulation FD Disclosure.**

On October 14, 2020, we announced that we intend to offer, subject to market conditions and other factors, \$525 million aggregate principal amount of convertible senior notes due 2025 (the "Notes"). We also intend to grant to the initial purchaser of the Notes an option to purchase up to an additional \$78.75 million aggregate principal amount of Notes, for settlement within a period of 13 days from, and including, the date Notes are first issued. In connection with the offering of the Notes, we are providing the following estimated preliminary financial results for our three months ended September 30, 2020 and certain key business metrics, some of which are also estimated preliminary numbers.

The estimated preliminary results presented below are based on the information available to us as of the date of this report. Our actual results may vary from these estimated preliminary results and will not be finalized until after the filing of this report. We have not identified any material events or trends that occurred during the period that we believe will materially affect these estimates.

This data has been prepared by, and is the responsibility of, our management. Our independent registered public accounting firm, Deloitte & Touche LLP, has not audited, reviewed, compiled, or performed any procedures with respect to the preliminary financial results. Accordingly, Deloitte & Touche LLP does not express an opinion or any other form of assurance with respect thereto.

	Three Months Ended September 30,	
	2020	2019
	(estimated)	
	(unaudited, in thousands)	
<b>Selected Financial Data</b>		
Real estate services revenue	\$ 209,000	\$ 154,126
Properties revenue	18,500	80,164
Other revenue	8,000	5,161
Intercompany elimination	(500)	(768)
Total revenue	235,000	238,683
Gross profit <sup>(1)</sup>	92,000	53,377
Operating expenses <sup>(1)</sup>	57,000	45,941
Net income <sup>(1)</sup>	32,000	6,782
Dividend on convertible preferred stock	(1,500)	—
Net income attributable to common stock	\$ 30,500	\$ 6,782

(1) Includes depreciation and amortization, and stock-based compensation.

	Three Months Ended September 30,	
	2020	2019
	(estimated)	
	(unaudited, in thousands)	
<b>Supplemental Financial Data</b>		
Depreciation and amortization	\$ 4,000	\$ 2,557
Stock-based compensation	11,500	7,510

	Three Months Ended September 30,	
	2020	2019
	(estimated)	
<b>Key Business Metrics</b>		
Monthly average visitors (in thousands)	49,000	35,633
Real estate services transactions:		
Brokerage	18,750	16,098
Partner	5,100	3,499
Average number of lead agents	1,800	1,579

	Two Months Ended August 31,	
	2020	2019
<b>Key Business Metrics</b>		
Aggregate home value of real estate transactions (in millions)	\$ 8,146	\$ 6,614
U.S. market share by value	1.03 %	0.98 %

As of the date of this report, the information required to calculate our aggregate home value of real estate services transactions and U.S. market share by value for the three months ended September 30, 2020 was not yet available. Accordingly, we are providing results for the two months ended August 31, 2020 based on the latest data that is available to us.

Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Business Metrics" beginning on page 26 of our quarterly report for the quarter ended June 30, 2020 for an explanation of the key business metrics presented above.

#### Forward-Looking Statements

The estimated preliminary financial results and number of real estate services transactions for the three months ended September 30, 2020 are forward-looking statements and may differ materially from actual results. These estimates should not be viewed as a substitute for our full financial statements prepared in accordance with U.S. generally accepted accounting principles or our actual number of real estate services transactions for the quarter. Accordingly, you should not place undue reliance on this preliminary data. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those identified under the heading "Risk Factors" in our annual report for the year ended December 31, 2019, as supplemented by our quarterly report for the quarter ended June 30, 2020, both of which are available on our Investor Relations website at <http://investors.redfin.com> and on the SEC website at [www.sec.gov](http://www.sec.gov).

#### Item 8.01 Other Events.

On October 14, 2020, we announced that we intend to offer, subject to market conditions and other factors, \$525 million aggregate principal amount of convertible senior notes due 2025. We intend to offer the Notes to the initial purchaser of the Notes pursuant to Section 4(a)(2) of the Securities Act of 1933 (the "Securities Act") and expect any resale of the Notes to be to qualified institutional buyers pursuant to Rule 144A under the Securities Act. We also intend to grant to the initial purchaser of the Notes an option to purchase up to an additional \$78.75 million aggregate principal amount of Notes.

We expect to use a portion of the net proceeds of the offering, together with shares of our common stock, to repurchase a portion of our 1.75% convertible senior notes due 2023 (the "2023 notes") through privately negotiated transactions entered into concurrently with the pricing of the proposed offering.

A copy of the press release announcing these proposed transactions is filed as exhibit 99.1 to this report and is incorporated into this report by reference.

**Item 9.01 Financial Statements and Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Press release dated October 14, 2020</a>
104	Cover page interactive data file, submitted using inline XBRL

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**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 hereunto duly authorized.

**Redfin Corporation**  
(Registrant)

Date: October 14, 2020

/s/ Chris Nielsen  
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Chris Nielsen  
Chief Financial Officer

# REDFIN.

## Redfin to Offer \$525 Million of Convertible Senior Notes Due 2025

SEATTLE, October 14, 2020 (PRNewswire) -- Redfin Corporation (NASDAQ: RDFN) today announced that it proposes to offer \$525 million aggregate principal amount of convertible senior notes due 2025 (the “notes”), subject to market conditions and other factors. The notes are to be sold only to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933 (the “Act”). Redfin also intends to grant to the initial purchaser of the notes an option to purchase up to an additional \$78.75 million aggregate principal amount of notes for settlement within a period of 13 days from, and including, the date notes are first issued.

The notes will be general unsecured obligations of Redfin, and interest will be payable semi-annually in arrears.

The notes will mature on October 15, 2025, unless repurchased, redeemed or converted in accordance with their terms prior to such date. Prior to July 15, 2025, the notes will be convertible at the option of holders only upon satisfaction of certain conditions and during certain periods, and thereafter, at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. Upon conversion, the notes may be settled in shares of Redfin common stock, cash or a combination of cash and shares of Redfin common stock, at the election of Redfin.

The interest rate, initial conversion rate, offering price and other terms are to be determined by negotiations between Redfin and the initial purchaser.

Redfin expects to use a portion of the net proceeds from the offering of the notes, together with shares of Redfin common stock, to repurchase a portion of its outstanding 1.75% convertible senior notes due 2023 (the “2023 notes”) as described below. Redfin expects to use the remainder of the net proceeds from this offering for working capital and other general corporate purposes. Redfin may also use a portion of the net proceeds to invest in or acquire third-party businesses, products, services, technologies or other assets.

Redfin expects to use a portion of the net proceeds of the offering, together with shares of its common stock, to repurchase a portion of its 2023 notes through privately negotiated transactions entered into concurrently with the pricing of the proposed offering (the “note repurchases”). In connection with any note repurchases, Redfin expects that holders of the outstanding 2023 notes that have hedged their equity price risk with respect to such notes (the “hedged holders”) will, concurrently with the pricing of the notes, unwind their hedge positions by buying Redfin common stock (to the extent they will not receive shares of Redfin common stock in connection with such note repurchases) and/or entering into or unwinding various derivative transactions with respect to Redfin common stock. The amount of Redfin common stock to be purchased by the hedged holders may be substantial in relation to the historic average daily trading volume of Redfin common stock. This activity by the hedged holders could increase (or reduce any decrease) in the market price of Redfin common stock and may increase the effective conversion price of the notes.

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This announcement is neither an offer to sell nor a solicitation of an offer to buy any Redfin securities (including the shares of Redfin common stock, if any, into which the notes are convertible) and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. Any offers of the notes will be made only by means of a private offering memorandum.

The notes, any shares of Redfin common stock issuable upon conversion of the notes and any shares of Redfin common stock issuable in connection with any repurchases of the 2023 notes have not been registered under the Act, or any state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of federal securities laws including, statements relating to the timing of the proposed offering, the proposed repurchases of the 2023 notes, expected actions of holders of the 2023 notes that participate in the note repurchases and expected use of proceeds from the proposed offering. We believe our expectations related to these forward-looking statements are reasonable, but actual results may turn out to be materially different. Factors that could cause actual results to differ materially from the forward-looking statements in this press release include prevailing market conditions, the impact of general economic, industry or political conditions in the United States or internationally and the impact of COVID-19. Additional factors include those identified under the heading "Risk Factors" in our annual report for the year ended December 31, 2019, as supplemented by our quarterly report for the quarter ended June 30, 2020, both of which are available on our Investor Relations website at <http://investors.redfin.com> and on the SEC website at [www.sec.gov](http://www.sec.gov). All forward-looking statements reflect our beliefs and assumptions only as of the date of this press release. We undertake no obligation to update forward-looking statements to reflect future events or circumstances.

### **About Redfin**

Redfin is a technology-powered residential real estate company, redefining real estate in the consumer's favor in a commission-driven industry. We do this by integrating every step of the home buying and selling process and pairing our own agents with our own technology, creating a service that is faster, better and costs less. We offer brokerage, iBuying, mortgage, and title services, and we also run the country's #1 real estate brokerage search site, offering a host of online tools to consumers, including the Redfin Estimate. We represent people buying and selling homes in over 90 markets in the United States and Canada. Since our launch in 2006, we have saved our customers over \$800 million and we've helped them buy or sell more than 235,000 homes worth more than \$115 billion.

Investor Relations: Shikher Mathur, 206-576-8610, [ir@redfin.com](mailto:ir@redfin.com); Public Relations: Mariam Sughayer, 206-588-6863, [press@redfin.com](mailto:press@redfin.com)