



**La Rosa Holdings Corp.**

1420 Celebration Boulevard, 2<sup>nd</sup> Floor

Celebration, Florida 34747

Phone: (321) 250-1799

<https://larosaholdings.com/>

Ticker (Exchange)	LRHC (NASDAQ)
Recent Price (07/10/2025)	\$7.59
52-week Range	\$6.40 - \$142.40
Shares Outstanding	729,000
Market Capitalization	\$5.5 mm
Average 3-month volume	273,521
Insider Ownership +>5%	37%
Institutional Ownership	—
EPS (Qtr. ended 12/31/2024)	(\$0.79)
Employees	~50



**LA ROSA HOLDINGS: AGENT-CENTRIC, TECH-ENABLED REAL ESTATE PLATFORM**

- La Rosa Realty (Established in FL in 2004)
- La Rosa Franchising
- La Rosa Property Management
- La Rosa Commercial Real Estate (CRE)
- La Rosa Coaching
- Title Agency

**COMPANY DESCRIPTION**

La Rosa Holdings Corp. (“La Rosa” or “the Company”) is a vertically integrated, tech-enabled real estate services firm redefining the industry through its agent-first model and flexible compensation options, including revenue sharing or 100% commissions. Founded in 2004 by Joseph “Joe” La Rosa and based in Celebration, Florida, the Company offers a full suite of services across residential and commercial brokerage, franchising, coaching, property management, and title services. Supported by proprietary tools—including the “My Agent Account” platform and JAEME AI assistant—La Rosa provides its agents and franchisees with strong tech infrastructure and training. The Company operates 26 corporate-owned offices across Florida, California, Texas, Georgia, North Carolina, and Puerto Rico, along with six franchised offices and branches and three affiliated brokerages. It also owns a full-service escrow and title company in Florida. With 2,769 licensed professionals in 41 locations, La Rosa generates revenue from multiple streams, including commissions, franchise fees, coaching programs, and agent services. Its real estate school and leadership programs serve as both recruitment tools and independent profit centers. Since its October 2023 IPO, La Rosa has focused on expansion through new markets, acquisitions, and international growth—starting with Spain—and plans to introduce mortgage and insurance services.

**KEY POINTS**

- **Scalable, Tech-Driven Growth Model.** La Rosa’s flexible structure, multiple revenue streams, and proprietary technology enable efficient scaling and strong positioning in the PropTech (property technology) and real estate markets.
- **Agent-First Economics That Attract Talent.** With 100% commissions, revenue share, and low fees, La Rosa competes aggressively for agents. Its structure supports agent-led recruiting, helping scale the business efficiently.
- **Well-Positioned for Post-NAR Market Shift.** The \$418 million National Association of Realtors (NAR) settlement is likely to reshape commission structures and elevate agent-centric models.
- **Diversified, Recurring Revenue Streams.** La Rosa earns revenue across residential, commercial, rentals, training, and title services—creating stability and multiple levers for growth.
- **Strong Revenue Growth and Capital Position.** Revenue more than doubled to \$69.4 million in 2024 from \$31.8 million in 2023. With IPO proceeds and a \$4.96 million capital raise in early 2025, La Rosa is well-funded to pursue further expansion.
- **Founder-Led with Long-Term Vision.** La Rosa is led by an experienced, forward-thinking team across real estate, finance, and tech. CEO Joe La Rosa retains majority voting control and continues to drive strategic direction and culture.
- **Strong Liquidity to Support Growth.** As of December 31, 2024, La Rosa reported \$1.44 million in cash and \$2.14 million in restricted cash, totaling \$3.58 million in available liquidity to support ongoing expansion.

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Executive Overview

La Rosa Holdings Corp. (“La Rosa” or “the Company”) is a vertically integrated, agent-focused real estate enterprise that delivers a comprehensive, end-to-end services platform encompassing residential and commercial brokerage, franchising, agent coaching and education, property management, and title/escrow services. Founded in 2004 by Joseph “Joe” La Rosa and headquartered in Celebration, Florida, the Company has evolved from a single-office brokerage into a tech-enabled, multi-segment platform with a growing presence across the U.S. and Puerto Rico.

At the core of La Rosa’s strategy is a differentiated, agent-centric model designed to empower real estate professionals. Unlike traditional brokerages, La Rosa offers agents two compensation options: a 100% commission structure with a low annual flat fee or a revenue-sharing model that provides passive income opportunities. This flexible model is supported by a robust cloud-based tech ecosystem anchored by its proprietary “My Agent Account” platform and its AI assistant, JAEME (Just About Everything Made Easy). Introduced in 2023, JAEME helps agents generate personalized marketing content—such as property descriptions, email campaigns, business plans, and video scripts—while streamlining operations and boosting productivity. These exclusive tools enable agents to automate lead generation and manage transactions within a secured, all-in-one platform.

La Rosa monetizes its technology through monthly tech fees charged to both corporate and franchise agents. The platform also integrates customized third-party services—such as Customer Relationship Management (CRM), transaction management, and social media automation—within proprietary workflows tailored to the La Rosa network.

The Company currently operates 26 corporate-owned real estate brokerage offices across Florida, California, Texas, Georgia, North Carolina, and Puerto Rico, as well as six franchised and three affiliated offices. Its full network includes more than 2,769 licensed real estate brokers and sales associates, contributing to a total of 41 offices worldwide.

La Rosa supports its agent network through its real estate school, coaching programs, and leadership training initiatives, which serve as both talent pipelines and revenue drivers. Its integrated model enables strategic cross-selling of services—including commercial brokerage, education, and title/escrow—allowing the Company to capture multiple revenue streams from each transaction. Future expansion plans include entering new markets, pursuing acquisitions, and adding mortgage and insurance services to its platform.

Following its IPO in October 2023 (Figure 1), La Rosa secured growth capital while founder Joe La Rosa retained strategic control with 50.5% voting power. With its blend of high-tech infrastructure and high-touch support, La Rosa represents a compelling growth story as a scalable, agent-first platform disrupting the traditional real estate brokerage landscape.

Core Business Segments

Each of La Rosa’s core business segments, as illustrated in Figure 2 (page 4), are outlined below and further detailed within the Core Story section of this Executive Informational Overview (EIO), pages 14-27.

Figure 1  
La Rosa Holdings Corp.  
NASDAQ IPO, OCTOBER 10, 2023



Source: La Rosa Holdings Corp.

Figure 2  
La Rosa Holdings Corp.  
CORE BUSINESS SEGMENTS



Source: La Rosa Holdings Corp.

- **Residential and Commercial Brokerage.** La Rosa’s foundation lies in providing full-service real estate brokerage across both residential and commercial markets. Services are offered through a growing network of corporate-owned and franchised offices, generating transaction-based revenue and brand visibility.
- **Agent Education and Coaching.** The Company operates a licensed real estate school and robust coaching division, delivering courses, workshops, and individualized performance training. This segment generates recurring income while boosting agent productivity and retention.
- **Property Management.** La Rosa provides rental property management services, offering owners tenant placement, rent collection, and maintenance coordination. This segment delivers stable, recurring revenue and supports client relationships beyond the initial transaction.
- **Franchising.** Through its franchise model, La Rosa expands into new markets efficiently, licensing its brand, proprietary technology, and training programs to independent operators. Franchisees pay royalty and tech fees in exchange for access to La Rosa’s full support ecosystem.
- **Title and Escrow Services.** By managing title and escrow operations in-house, La Rosa captures additional revenue per deal while delivering a seamless closing experience. These services enhance transaction efficiency and are currently focused in Florida.
- **Commission Advancement Program.** Launched in April 2025, this program gives agents early access to pending commissions, improving cash flow and helping agents manage active deal volume more effectively. It also serves as a retention tool in a competitive agent marketplace.

### Agent-First Philosophy and Commission Model Fuels Growth and Retention

La Rosa’s flexible commission structure is designed to attract and retain agents at all experience levels. Established agents operate on a 100% commission model, paying only flat fees per transaction and for tech access, which appeals to high producers. Newer agents start with a 70/30 or 60/40 split that includes comprehensive coaching and revenue-sharing incentives, rewarding mentors and recruiters. Once agents meet certain production milestones, they can transition to the 100% plan. This tiered system supports agent growth, drives recruitment, and maximizes retention across the Company’s expanding network. Additionally, La Rosa’s unique, agent-centric business model allows agents to work across not only residential but also commercial real estate as well as property management—while providing them with advanced proprietary technology to support their success.

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La Rosa operates with a clear mission to “support, empower, and elevate those we serve with integrity.” The Company fosters a values-based culture grounded in professionalism, adaptability, and service—principles that guide its agents and employees. Recognizing that real estate is fundamentally relationship-driven, the Company focuses on empowering its agents through training, coaching, and tools that enhance both their professional development and their ability to invest in personal marketing. This agent-first strategy strengthens service quality and drives repeat and referral business. La Rosa has built strong momentum particularly within Latino communities—predominantly in Florida and Puerto Rico—where it sees continued growth in both agent recruitment and customer demand.

Industry data from the National Association of Realtors (NAR) reinforces this model. In 2024, 88% of homebuyers used a real estate agent, and 49% said the most valuable service provided was help finding the right home. Most buyers (77%) interviewed only one agent, and 88% said they would recommend or work with their agent again. Among sellers, 90% used an agent—an all-time high—while For Sale By Owner (FSBO) transactions dropped to just 6%. Referrals remained key, with 40% of buyers referred by someone they knew and 81% of sellers selecting the first agent they contacted. La Rosa believes that skilled, well-supported agents with access to market data and strong brokerage relationships are essential to helping clients achieve optimal outcomes. While built for today’s real estate environment, the Company remains focused on long-term housing trends and is preparing for demographic and economic shifts that may shape the market in the years ahead.

### **Proprietary Technology Platform as a Strategic Advantage**

La Rosa has built a proprietary, cloud-based SaaS platform that serves as both a revenue stream and a competitive differentiator. At its core is the My Agent Account system—an all-in-one portal for transaction management, CRM, marketing, and agent education. The platform’s AI-powered assistant, JAEME, automates content creation, marketing, and client engagement, giving La Rosa’s agents a productivity edge and reducing operational costs. Beyond its internal use, the Company has begun exploring licensing opportunities for JAEME, positioning its technology infrastructure as a scalable SaaS business line. This integrated tech ecosystem enhances agent retention, enables efficient national expansion, and creates a high-margin, subscription-based revenue stream—placing La Rosa at the forefront of digital transformation in real estate.

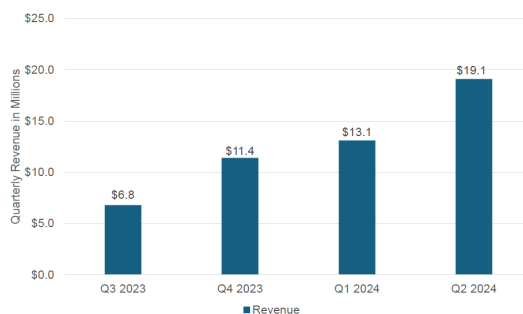
### **Domestic and International Expansion**

A major growth driver for La Rosa is its ability to scale through acquisitions and franchising. In January 2025, the Company acquired La Rosa Realty Beaches, a well-established Fort Lauderdale brokerage with over 90 agents and \$2.7 million in trailing twelve-month revenue. This acquisition reflects La Rosa’s ability to absorb high-performing brokerages and enhance them through its proven platform. Internationally, the Company announced its entrance into Europe in 2025, beginning with Spain, where it has engaged a veteran area developer to introduce La Rosa’s agent-first model. This marks the beginning of La Rosa’s global expansion strategy, targeting markets with strong agent ecosystems and robust transaction volumes.

### **Financial Performance and Capital Strategy**

For the fiscal year ended December 31, 2024, La Rosa reported audited revenues of \$69.4 million, more than doubling its prior-year revenue of \$31.8 million. This 118% year-over-year growth underscores the Company’s solid operational execution driven by strategic acquisitions, a rapidly expanding agent base, and enhanced agent productivity. Notably, residential real estate services contributed \$57.0 million, reflecting a \$36.6 million increase, fueled by both organic growth and revenue contributions from eight acquisitions completed during the year. Figure 3 (page 6) illustrates the Company’s revenue growth over the past several quarters.

Figure 3  
La Rosa Holdings Corp.  
REVENUE GROWTH



Source: La Rosa Holdings Corp.

The Company continues to invest in proprietary technology while maintaining disciplined capital allocation to support scale. In early 2025, La Rosa raised \$4.96 million through a private placement, with proceeds allocated toward debt reduction, balance sheet reinforcement, and future acquisitions. This capital injection positions the Company to accelerate its expansion into underserved U.S. markets and select international regions.

La Rosa’s revenue model is a blend of transaction-driven income and recurring fee income. The transaction side includes residential and commercial brokerage commissions (which, due to high splits, largely go to agents except in cases of new agent splits or corporate-owned deals) and franchise royalties. The recurring/fee side includes tech fees, franchise fees, training/coaching fees, and ancillary service fees (title, property management, etc.). This multi-pronged approach yields a more balanced revenue profile than a pure brokerage and gives La Rosa flexibility in various market conditions. For instance, in a slow housing market, brokerage commissions might dip, but coaching and franchise fees (which are more fixed or subscription-like) can provide stability. Likewise, title and property management segments tend to be less cyclical than home sales. By continuing to increase the share of revenues from franchises and ancillary services, La Rosa aims to boost its profitability and reduce reliance on volatile commission income.

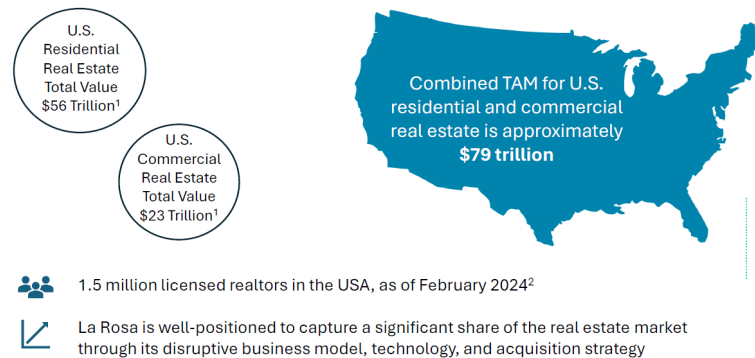
### Opportunity in the Wake of the NAR Settlement

The March 2024 \$418 million settlement by the National Association of Realtors (NAR)—a landmark agreement resolving antitrust lawsuits—is expected to transform the U.S. real estate industry by ending the long-standing practice of sellers covering buyer agent commissions. As part of the settlement, Multiple Listing Services (MLS) will no longer display offers of buyer agent compensation, and buyers must sign written agreements with their agents before viewing homes. These changes disrupt traditional brokerage models and are accelerating demand for more transparent, agent-centric platforms. La Rosa Holdings—offering both 100% commission and revenue-sharing options, supported by low overhead and proprietary tech—believes it is ideally positioned to capitalize on this shift and lead in the new real estate era. La Rosa’s flexible, agent-first model aligns with where the market is heading. As legacy brokerages work to overhaul their operations, La Rosa is already built for this new environment. Its streamlined structure, emphasis on agent empowerment, and robust tech platform give it a strong advantage in a market demanding transparency, flexibility, and lower costs.

### Market Opportunity

La Rosa believes that it is well positioned to seize a significant opportunity in the \$79 trillion U.S. real estate market, which spans \$56 trillion in residential assets and \$23 trillion in commercial properties, as summarized in Figure 4 (page 7). With approximately 1.5 million licensed realtors nationwide, the Company is strategically targeting market share by offering an agent-centric platform that blends innovative technology, a disruptive business model, and an aggressive acquisition strategy. By addressing both residential and commercial sectors, La Rosa is uniquely poised to scale rapidly and redefine traditional real estate services across a highly fragmented industry.

Figure 4  
La Rosa Holdings Corp.  
GROWTH OPPORTUNITY



Source: La Rosa Holdings Corp.

### Corporate Information (Headquarters and History)

La Rosa Holdings Corp. traces its origins to 2004, when Joseph La Rosa founded La Rosa Realty. Drawing from his family’s experience in commercial and residential real estate development, La Rosa established the Company with a vision to create an agent-centric brokerage model. This model emphasized providing agents with comprehensive support, including training, coaching, and technology, while allowing them to retain 100% of their commissions. Over the years, La Rosa Realty expanded its services beyond residential brokerage to include commercial real estate, franchising, property management, and title services. Headquartered at 1420 Celebration Boulevard, 2<sup>nd</sup> Floor, Celebration, Florida 34747, La Rosa Holdings has grown into a tech-enabled, multi-service real estate platform with a presence across multiple U.S. states and Puerto Rico. As of May 2025, the Company employs approximately 50 full-time staff members.



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## Intellectual Property

La Rosa’s intellectual property (IP) portfolio underpins its technology-driven real estate platform. A key asset is the Company’s proprietary software ecosystem, notably the “My Agent Account” platform and JAEME AI assistant, which afford La Rosa a competitive edge in agent productivity and marketing.

In terms of brand assets, La Rosa has protected its trade names and marks in key markets. As of May 2025, the Company holds U.S. service mark registrations for “LR La Rosa Realty” and the “LR” logo, among other trademarks. It also controls various domain names, including [Larosarealty.com](https://larosarealty.com) and [Larosaholdings.com](https://larosaholdings.com), which are vital for its online presence. La Rosa relies on a combination of trademarks, trade secrets, copyrights, and patents (as applicable) to safeguard its IP, and requires confidentiality and invention assignment agreements with employees and partners to protect proprietary information.

La Rosa continually evaluates patenting new innovations and files applications when beneficial. This commitment to protect its IP ensures that the Company’s brand reputation, proprietary technology, and business methods (such as its coaching curriculum and franchise systems) remain valuable competitive assets. Management considers the La Rosa Realty brand and its associated marks to be of significant value in promoting the Company’s services, reflecting the importance of brand-driven goodwill in its expansion strategy.



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## Company Leadership

La Rosa Holding is guided by a dynamic and experienced leadership team whose collective expertise spans real estate, finance, technology, public service, and corporate governance. Under the strategic direction of founder and CEO Joseph La Rosa, the Company has built a vertically integrated real estate platform that empowers agents while driving innovation and growth. Each member of the management team and Board of Directors brings a unique background that contributes to the Company's operational excellence and long-term vision. The following section provides detailed profiles of La Rosa's key executives and board members, highlighting their professional experience, areas of expertise, and contributions to the Company's success.

### *Joseph "Joe" La Rosa, Founder, President, CEO, and Chairman of the Board*

Joseph "Joe" La Rosa is the Founder, President, Chief Executive Officer, and Chairman of the Board at La Rosa Holdings Corp. Since founding La Rosa Realty in 2004, he has transformed it into a comprehensive, agent-centric real estate enterprise. Under his leadership, the Company has expanded its services to include residential and commercial real estate, property management, mortgage, title, and insurance services. Joe's vision emphasizes integrating technology and fostering a supportive environment for agents, which has been pivotal in the Company's growth and success. Beyond his corporate responsibilities, Joe is an entrepreneur, speaker, and author. He actively shares insights on real estate trends and leadership through various platforms, including social media and public speaking engagements. His commitment to innovation and excellence has established him as a respected figure in the real estate industry.

### *Deana La Rosa, Chief Operating Officer*

As the Chief Operating Officer of La Rosa Holdings, Deana La Rosa plays a pivotal role in overseeing the Company's operations. Her career includes experience as a CEO, financial analyst, and quality assurance manager in the lending and software development sectors. Deana holds certifications as a Mortgage Broker, Mortgage Lender, and Mortgage Loan Originator, reflecting her deep expertise in financial services.

### *Alex Sincler Santos, Chief Technology Officer*

With over 25 years of experience, Alex Santos serves as the Chief Technology Officer at La Rosa Holdings. He has a strong background in the Software Development Life Cycle (SDLC) and is recognized for his resourcefulness, communication skills, and leadership. Alex's expertise is crucial in integrating technology solutions across the Company's real estate services. He holds a Bachelor of Science in Computer Science.

### *Tiffany Polite, Director of Coaching*

Tiffany Polite is the Director of Coaching at La Rosa Holdings, with over 25 years of experience in sales and management. She focuses on mentoring real estate agents, enhancing their professional skills and performance through personalized coaching and strategic guidance. Tiffany is passionate about empowering agents to achieve both professional and personal growth.

### *Pedro Aguilar, Director of Education*

Pedro Aguilar serves as the Director of Education at La Rosa Holdings, bringing over seven years of experience in the real estate industry as both an agent and coach. Prior to his tenure in real estate, Pedro dedicated over a decade as an instructor for the U.S. Marine Corps Recruiting, where he was instrumental in driving recruiting goals across various nationwide stations. His extensive background in training and leadership uniquely helps him to develop and implement effective educational programs for La Rosa's agents. Pedro holds professional designations, including Accredited Buyer's Representative (ABR) and Graduate, Realtor Institute (GRI), underscoring his commitment to excellence in the field.

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*Korey Alberts, CPA, Corporate Controller*

Korey Alberts serves as the Corporate Controller at La Rosa Holdings, where he oversees the Company's financial operations and reporting. Prior to joining La Rosa Holdings, Korey held the position of Senior Manager of Group Reporting at Finastra, a global financial technology firm. In this role, he was responsible for consolidating financial statements and ensuring compliance with international accounting standards. Korey has been recognized for his detail-oriented approach and commitment to achieving organizational goals. He is also active in community service, having participated in initiatives such as teaching financial literacy to third graders during EY Connect Day.

*Maria Correa, President of Division Latina*

Maria Correa is the President of Division Latina at La Rosa Holdings, bringing nearly two decades of experience in the real estate industry. Her career is marked by a steadfast commitment to professionalism and client satisfaction, qualities that have earned her an extensive and loyal clientele. Maria has been a member of the National Association of Hispanic Real Estate Professionals (NAHREP) since 2009, actively contributing to the advancement of Hispanic professionals in the real estate sector. She is also affiliated with the Osceola County Association of Realtors since 2006 and the National Association of Realtors, reflecting her dedication to upholding the highest standards in the industry. In her leadership role at La Rosa Realty Kissimmee, Maria has been instrumental in fostering a supportive and collaborative environment, guiding agents toward professional growth and success. Her focus on personalized mentorship and strategic guidance has significantly contributed to the development of her team and the broader real estate community.

**Board of Directors**

*Joe La Rosa, Founder, Chairman of the Board, CEO and Interim CFO*

Biography on page 9.

*Siamack Alavi, Chairperson of the Compensation Committee, Audit Committee and Nominating Committee*

Siamack Alavi serves as a Director at La Rosa Holdings, where he is Chair of the Compensation Committee and a member of both the Audit and Nominating Committees. With over four decades of entrepreneurial and leadership experience, Siamack brings deep expertise in launching and scaling successful business ventures. In 2012, he founded *Muscle Media*, a global fitness and health media platform that he continues to own and operate. He also launched *Infinite Labs Digital* in 2016, a digital marketing agency specializing in B2B and B2C growth strategies. Siamack's broad business acumen and strategic perspective play a key role in supporting La Rosa's corporate governance and long-term growth initiatives.

*Michael A. La Rosa, Director*

Michael A. La Rosa is a Director at La Rosa Holdings and currently serves as a Governor-appointed Commissioner and Chair of the Florida Public Service Commission, where he oversees regulation of the state's utility and telecommunications sectors. A co-founder of La Rosa Realty and Vice President of La Rosa Development Corporation, he brings deep experience in commercial real estate and business development. From 2012 to 2020, Michael served in the Florida House of Representatives, where he chaired key committees focused on commerce and energy policy. He holds a B.A. in Interpersonal Communication from the University of Central Florida.

*Ambassador Ned L. Siegel, Director*

Ambassador Ned L. Siegel is a Director at La Rosa Holdings and President of The Siegel Group, a global advisory firm specializing in real estate, infrastructure, and technology. He served as U.S. Ambassador to The Bahamas from 2007 to 2009 and previously as Senior Advisor to the U.S. Mission to the United Nations. With over four decades of business experience, Ambassador Siegel has developed and managed over \$1 billion in real estate assets. He also held board positions with OPIC and Enterprise Florida. He holds a J.D. from Dickinson School of Law and is a Phi Beta Kappa graduate of the University of Connecticut.

*Lourdes Felix, Director*

Lourdes Felix is a corporate finance executive with 30 years of experience in capital markets, public accounting, and private enterprise. She joined the Board of Directors of La Rosa Holdings in May 2024 and serves as Chair of the Audit Committee. Lourdes is also the CEO, CFO, and a board member of BioCorRx Inc., and President of its subsidiary, BioCorRx Pharmaceuticals. Her expertise spans SEC compliance, GAAP, Sarbanes-Oxley, and financial operations. She holds a B.S. in Accounting from the University of Phoenix.

## Milestones

The accompanying section highlights key milestones La Rosa Holdings has achieved to date, along with upcoming initiatives that underscore the Company's continued momentum and growth potential.

### Recent Milestones

- **Expanded Brokerage Network Through Acquisitions.** Since going public in October 2023, La Rosa has strategically acquired twelve real estate brokerage franchises, significantly broadening its national footprint, and accelerating market penetration.
- **Entered the Title Services Market.** In August 2024, La Rosa successfully completed the acquisition of Nona Title Agency, operating as Red Door Title, marking a key step in the Company's vertical integration strategy and expansion into title and closing services.
- **Achieved Record Agent Growth.** Between June and December 2024, the Company onboarded over 400 new agents, the largest agent intake in its history, reflecting the growing appeal of its tech-enabled, agent-first model.
- **Signed Letter of Intent (LOI) for Transformative Brokerage Acquisition.** In September 2024, La Rosa announced an LOI to acquire a large-scale brokerage firm with over 950 agents and more than \$19 million in 2023 revenue, a potential game-changer that would further elevate its market position and scale.
- **Improved Financial Flexibility Through Debt Restructuring.** In October 2024, La Rosa restructured its existing debt, halting conversion rights and deferring principal and interest payments until February 2025—measures aimed at strengthening liquidity and supporting continued growth initiatives.

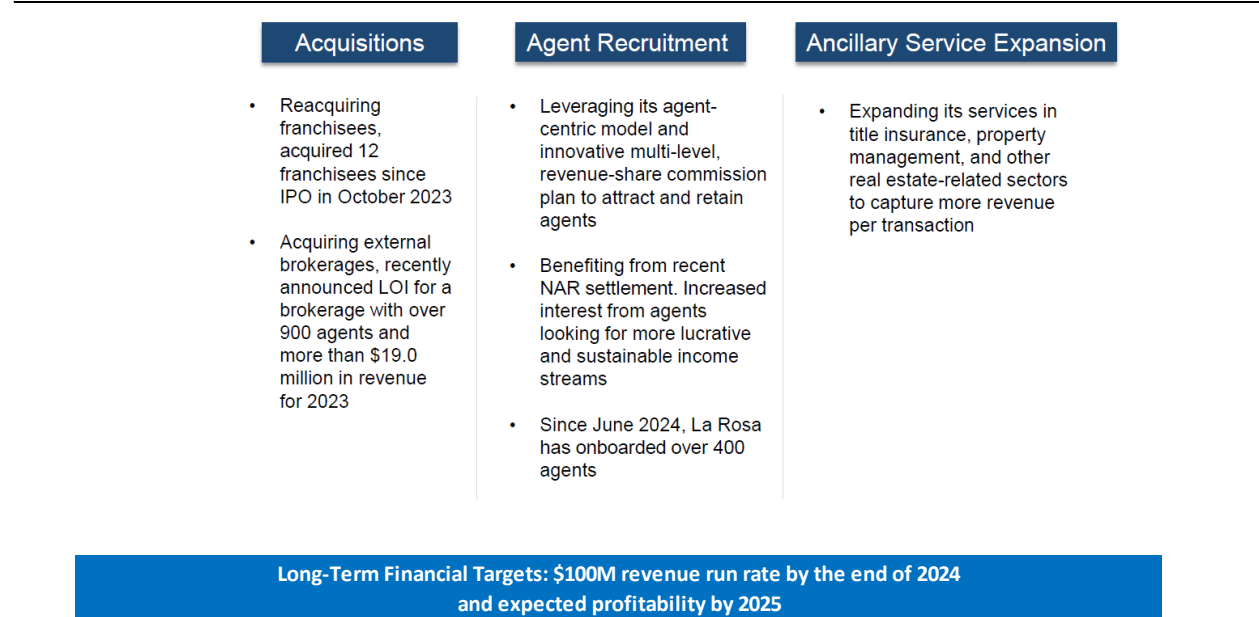
### Potential Milestones

- **Service Diversification.** La Rosa plans to expand its end-to-end platform by adding in-house mortgage brokerage and insurance services through acquisition or development. This would enable the Company to capture additional revenue streams from mortgage origination fees and insurance commissions tied to transactions brokered by its agents.
- **Geographic Expansion.** The Company is pursuing new U.S. markets and international growth, including plans to open additional corporate offices and award new franchises. With an established presence on the East Coast, Southeast, California, and Puerto Rico, La Rosa seeks to enter the Midwest, Northeast, and other global markets.
- **Agent Network Expansion Milestone:** La Rosa expects to grow its agent count from just under 2,800 to over 4,000 in 2025, contingent on the successful close of a key acquisition—marking a significant step in its strategic growth plan.
- **Franchise and Corporate Office Strategy.** While continuing to grow through franchising, La Rosa is increasingly focused on opening or converting to corporate-owned offices in key markets. This hybrid approach enhances both scale and profitability, using franchises for reach and corporate offices for depth and margin optimization.
- **Technology Innovation.** Ongoing investment in its proprietary tech platform—including My Agent Account and JAEME's AI tools—is central to La Rosa's growth. Future enhancements may include blockchain contracts, AI-driven lead generation, or white-labeling its technology to other brokerages, supporting both differentiation and monetization.

- **Talent Development and Culture.** La Rosa continues to invest in agent success through expanded coaching, training, and mentorship programs, reinforcing its “Family. Passion. Growth.” culture. This approach supports strong retention, productivity, and scalable agent performance.
- **Momentum in Key Demographics.** The Latino market plays a vital role in its growth strategy, representing a significant portion of both its agent base and customer clientele. With deep cultural ties and bilingual support, La Rosa has built strong momentum in Latino communities—particularly in Florida and Puerto Rico—positioning the Company to further expand in this rapidly growing demographic segment.

By executing on these strategic goals, La Rosa envisions accelerating its growth trajectory, increasing its share of the \$56 trillion U.S. residential real estate market and \$23 trillion in commercial properties, and delivering enhanced value to both its agents and investors. Figure 5 provides a summary of this growth strategy.

Figure 5  
La Rosa Holdings Corp.  
GROWTH STRATEGY



Source: La Rosa Holdings Corp.

## Core Story

La Rosa Holdings Corp. (“La Rosa” or “the Company”) is a holding company for six agent-centric, tech-integrated, cloud-based real estate service businesses, including residential and commercial brokerage, franchising, agent education and coaching, property management, and title services. La Rosa Realty, the Company’s principal brokerage brand, includes 26 corporate-owned offices and branches across Florida, California, Texas, Georgia, North Carolina, and Puerto Rico. The Company also supports six franchised locations and three affiliated offices across seven U.S. states and Puerto Rico. In addition, La Rosa operates a full-service title and escrow company in Florida, and, as of April 2025, launched a commission advancement program exclusively for La Rosa agents. As of March 31, 2025, La Rosa’s corporate and franchised offices are staffed by 2,769 licensed real estate brokers and sales associates.

### Company Philosophy and Market Approach

La Rosa is driven by a mission to “support, empower, and elevate those we serve with integrity.” The Company fosters a culture grounded in excellence, adaptability, and compassion—values it instills across its agent network and employee base. These principles are at the core of La Rosa’s commitment to delivering exceptional service in a relationship-driven real estate industry.

Unlike transactional, internet-only brokerages, La Rosa recognizes that the decision to buy or sell a home is deeply personal, often the most significant financial decision a consumer will make. The Company believes that buyers and sellers ultimately choose agents based on professionalism, market knowledge, and personal connection. As such, La Rosa emphasizes training, mentoring, and providing agents with the tools and financial flexibility to invest in their own local marketing, which in turn helps capture a larger share of client referrals and repeat business. This agent-first philosophy is supported by data from the National Association of Realtors (NAR), which in its 2024 survey found that:

- 88% of homebuyers purchased their home through a real estate agent or broker;
- 49% said help finding the right home was the most valuable service their agent provided;
- 77% of buyers interviewed only one agent during their home search;
- 88% would use their agent again or recommend them to others;
- 90% of sellers used an agent or broker, with For Sale By Owner (FSBO) transactions falling to a historic low of 6%;
- 40% of buyers selected an agent referred by a friend, neighbor, or relative, while 21% returned to an agent they had previously worked with; and
- 81% of sellers contacted only one agent before making their selection.

These figures reinforce La Rosa’s belief that high-quality agents—not automation—are the cornerstone of trust in the real estate transaction process. The Company’s agents leverage their market expertise, access to exclusive data, and broad brokerage relationships to guide buyers and secure optimal outcomes for sellers. While La Rosa is built to thrive in today’s real estate landscape, it is equally focused on adapting to the evolving demands of tomorrow’s housing market. The Company actively studies trends in homeownership by age cohort and is developing forward-looking strategies to stay ahead of demographic and economic shifts that may impact future demand.

**Business Segments and Services**

La Rosa Holdings is structured as a holding company with a portfolio of subsidiaries operating across six key business segments in real estate as well as its franchisee acquisitions, as summarized below and in Figure 6, and further detailed in the accompanying section.

- La Rosa Realty (Established in FL in 2004)
- La Rosa Coaching
- La Rosa Commercial Real Estate (CRE)
- La Rosa Property Management
- La Rosa Franchising
- Title Agency

Figure 6  
La Rosa Holdings Corp.  
CORPORATE STRUCTURE

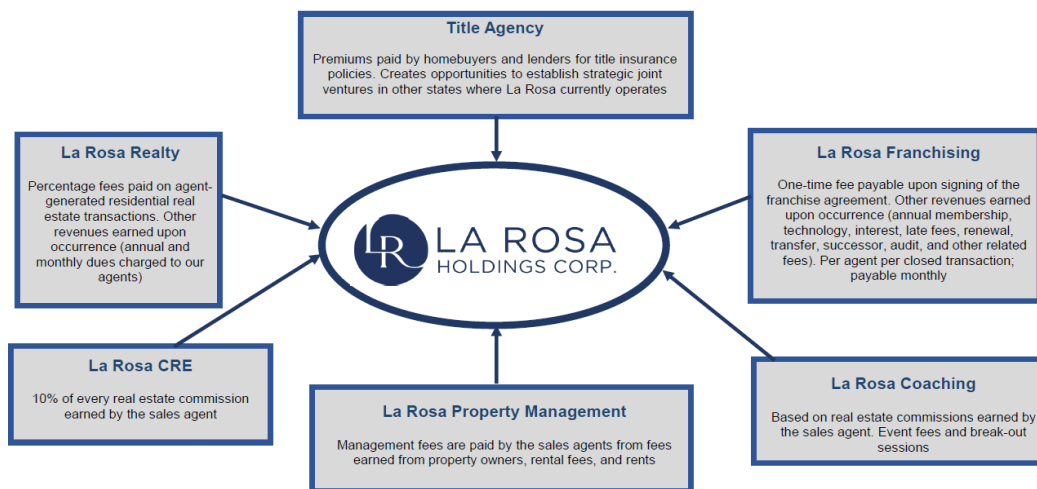


Source: La Rosa Holdings Corp.

The Company’s multi-segment structure enables multiple revenue streams, as shown in Figure 7 (page 16), with the revenue breakdown from the first half of 2024 shown in Figure 8 (page 16). In the accompanying section, each segment and its role in La Rosa’s operating model is further detailed.

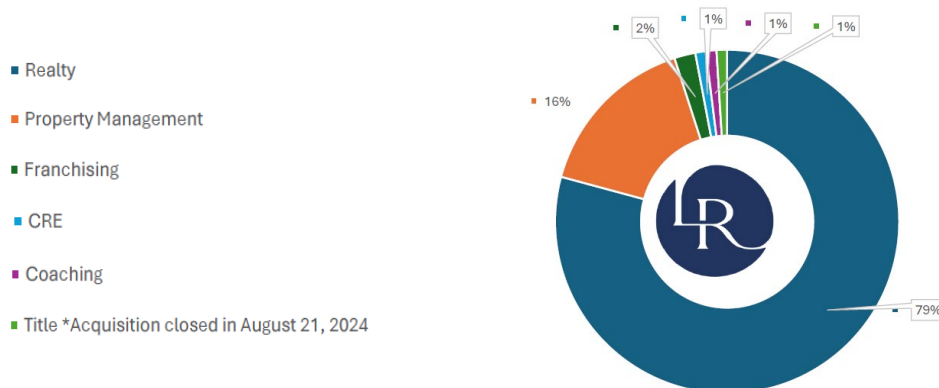


Figure 7  
La Rosa Holdings Corp.  
DIVERSIFIED REVENUE STREAMS



Source: La Rosa Holdings Corp.

Figure 8  
La Rosa Holdings Corp.  
REVENUE BREAKDOWN FIRST HALF OF 2024



Source: La Rosa Holdings Corp.

### Residential Real Estate Brokerage (La Rosa Realty)

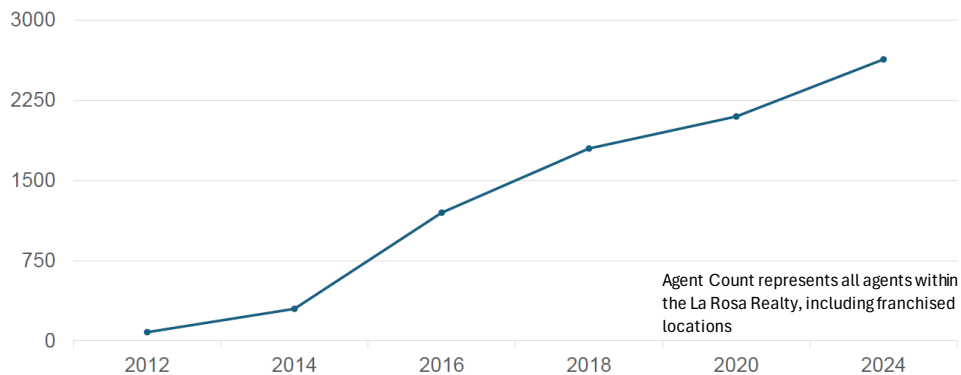
As La Rosa’s foundational segment, this part is conducted primarily under the brand La Rosa Realty. The Company directly owns and operates 41 residential brokerage offices and branches across Florida (its largest base), as well as in Georgia, Texas, California, North Carolina, and Puerto Rico. These corporate offices, shown in Figure 9 (page 17), house the firm’s real estate agents and brokers who represent buyers and sellers in home transactions. Residential brokerage is an agent-centric, service-intensive business, where La Rosa’s agents guide clients through pricing, negotiations, inspections, and closing, providing a “high touch” experience that drives referrals and repeat business. As of late 2024, La Rosa’s corporate and franchise offices together were staffed by 2,769 licensed agents, making it one of the larger independent broker networks in its markets. Figure 10 (page 17) illustrates La Rosa’s growth in licensed agents since 2012.

Figure 9  
La Rosa Holdings Corp.  
OFFICE LOCATIONS

<p><b>CALIFORNIA</b> Hayward Los Angeles</p> <p><b>GEORGIA</b> Alpharetta Gainesville</p> <p><b>NEW YORK</b> Valley Stream** Hauppauge**</p> <p><b>SOUTH CAROLINA</b> Greenville**</p> <p><b>TEXAS</b> Houston</p> <p><b>PUERTO RICO</b> Bayamon* Carolina</p>	<p><b>FLORIDA</b> Apopka Celebration Clermont Davenport* Doral Downtown Orlando* Fort Lauderdale* Jacksonville* Kendall* Kissimmee Lake Nona Lakeland Lake Worth* Longwood Miami Lakes North Florida</p>	<p>Orlando Reunion* Sarasota St. Cloud St. Petersburg Tampa Venice* Waterford Lakes Winter Garden Winter Haven</p> <p>*Franchised location **Affiliated offices that pay</p>
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Source: La Rosa Holdings Corp.

Figure 10  
La Rosa Holdings Corp.  
AGENT GROWTH (2012-2024)



Source: La Rosa Holdings Corp.

### Modern, Flexible Approach to Real Estate Brokerage





Unlike many traditional brokerages, La Rosa’s model heavily emphasizes agent support and autonomy. Experienced agents can keep 100% of their commissions and use the brokerage offices mainly as needed for closings or training rather than daily desk work. This lean, cloud-integrated setup allows the Company to scale geographically without high fixed office overhead, while still providing agents physical meeting space when required. A summary of La Rosa’s model compared to that of a traditional real estate model is provided in Figure 11 (page 18).

Figure 11  
 La Rosa Holdings Corp.  
 CHANGING THE INDUSTRY LANDSCAPE

**Traditional Real Estate Model**

- High fixed costs
- High brokerage split, with limited revenue share or equity
- Limited support
- Outdated commission structures

**La Rosa Model**

-  Agent-centric 100% commission model with multiple revenue streams
-  Provides proprietary technology, training, and on-going coaching support
-  Offers ancillary services, e.g. mortgage, insurance and title services
-  Encourages agents to pursue commercial real estate (CRE) transactions and provide CRE services

Source: La Rosa Holdings Corp.

**Strong Q1 2025 Growth in Florida and Puerto Rico**

On May 7, 2025, the Company announced significant Q1 2025 growth at two of its fastest-growing offices: Celebration, FL, and BF Prime in Carolina, Puerto Rico. The Celebration office added 412 agents year-over-year, doubling its transaction volume and boosting revenue by 86% to \$3.4 million. BF Prime, acquired in August 2024, added 55 agents and saw a 900% increase in transaction volume and a 268% jump in revenue to \$98K. CEO Joe La Rosa credited the Company’s agent-first model and growth in Latino markets for driving momentum and noted plans for international expansion, including Spain.

***Commercial Real Estate (La Rosa CRE)***

La Rosa Commercial Real Estate (run through La Rosa CRE, LLC) serves as the commercial real estate division of La Rosa Holdings Corp., offering a full suite of services tailored to the needs of investors, developers, and business owners. The division provides brokerage, leasing, property management, investment sales, tenant and landlord representation, and strategic advisory services. La Rosa CRE specializes in assisting clients with the acquisition, disposition, and management of a wide array of commercial property types, including office buildings, industrial spaces, retail centers, multi-family residential complexes, and land development projects. With operations spanning across key U.S. markets and select international locations, La Rosa CRE combines local market expertise with the broader resources and technology infrastructure of La Rosa Holdings to deliver highly customized client solutions.

Notably, La Rosa encourages its residential agents to pursue commercial deals when opportunities arise, a contrast to many firms that silo these specialties. Those transactions are funneled through the CRE subsidiary in order for agents to have support of commercial specialists and for the Company to earn referral fees—an internal cross-selling that broadens service scope. This integrated residential-commercial approach means that clients can use La Rosa for both home and business real estate needs, and agents can diversify their deal flow.

**Driving National Expansion of Commercial Division**

In January 2025, La Rosa appointed commercial real estate veteran JM Padron (see press release from January 30, 2025) to lead the national expansion of its commercial division. With over 30 years of experience—including leadership roles at RE/MAX Commercial Mexico and JM Partners Holding—Padron brings expertise in brokerage, investment structuring, and franchise development. He is expected to focus on scaling La Rosa’s commercial operations and launching a training program to equip residential agents with commercial real estate skills, creating new growth opportunities and strengthening the Company’s position in the sector.

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### *Real Estate Education and Coaching (La Rosa Coaching, LLC)*

A cornerstone of La Rosa's value proposition is its agent training and coaching program. Through La Rosa Coaching (La Rosa Coaching, LLC), the Company provides extensive training to its agents and to its franchisees' agents. All new agents who join La Rosa are required to have a coach and attend multi-day training sessions covering the Company's philosophy, technology tools, and best practices. This onboarding bootcamp is run through the Coaching division and instills consistent standards across the organization.

Each new agent is paired with an experienced agent-coach who mentors them through their first several transactions and the completion of La Rosa's exclusive core competency courses and exams. The coaching program, formalized in 2019, grew out of Joe La Rosa's background in motivational coaching and continues to embody the culture of personal development. Participating agents gain skills in lead generation, client service, and business growth, which in turn boosts their productivity (and the Company's transaction volume).

Coaches, who are typically high-performing agents themselves, receive financial incentives (a share of the new agent's commissions) as compensation for their mentorship, aligning everyone's interests. La Rosa thus turns agent training into a revenue center: new agents on the Coaching plan split a portion of commissions that flow through the Coaching subsidiary and to the individual coach. Additionally, franchisees pay a coaching fee to La Rosa for each agent they enroll in the system, providing another income stream. Beyond new agent training, La Rosa Coaching also offers ongoing seminars, advanced courses, and team-building workshops open to all agents, thereby fostering continuous development. This emphasis on education not only improves agent retention (agents feel supported) but also is a competitive advantage in recruiting talent, where seasoned agents join La Rosa knowing they will get top-notch training for their teams and new agents know they will not be left to sink or swim.

### *Property Management (La Rosa Property Management)*

Through La Rosa Property Management, LLC, the Company provides property management services for owners of single-family homes (and possibly other property types), currently working with approximately 800 properties on a monthly ongoing basis. This division handles tasks such as tenant placement, rent collection, maintenance coordination, and financial reporting for landlords, offering a steady, fee-based income stream outside of sales commissions. While currently a smaller segment, property management is strategic for La Rosa as it extends the relationship with clients beyond a one-time transaction, as an investor who buys a rental home through La Rosa can then hire the firm to manage the property. It also allows La Rosa's agents to offer more complete services to investors and opens cross-selling opportunities (e.g., an owner using La Rosa Property Management might use La Rosa's agents to sell or buy more properties).

In 2024, La Rosa integrated a property management disbursement module into its agent technology platform, which streamlines how rental proceeds and expenses are handled through My Agent Account 3.0. This demonstrates the Company's commitment to scaling the property management segment with efficient tech. As La Rosa expands to new markets, establishing a local property management presence can complement its brokerage operations and appeal to a broader client base (including institutional investors or absentee owners). The long-term vision includes growing this segment via acquisitions or partnerships, capitalizing on the reliable monthly revenue property management can generate.

### *Franchising (La Rosa Franchising)*

La Rosa operates a franchise program allowing independent brokerage owners to license the La Rosa Realty brand and business system. La Rosa Franchising, LLC began franchising the model in 2019 and by 2023 had 6 franchised offices (plus a few affiliated offices) across several states and Puerto Rico. Franchisees typically are former top-producing agents or teams who want to run their own brokerage with La Rosa's playbook.

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Under the franchise model, franchisees own and operate their brokerage (bearing their own operating costs and risks) but gain access to La Rosa’s well-known brand, proprietary technology platform, training programs, and ongoing support. In return, franchisees pay La Rosa an initial franchise fee and ongoing fees, including a royalty fee (percentage of their gross commissions), annual membership fees, a tech fee for the software platform, a training fee for their staff training, and a coaching fee (which is passed through to La Rosa’s Coaching division). They also pay a commercial referral fee to La Rosa’s CRE division for any commercial deals closed. This fee structure allows La Rosa to monetize franchisees’ success while providing them value, where it is a “win-win” franchising model that keeps franchisee expenses lower than many competing franchises.

Because the franchise “product” is essentially a proven business-in-a-box (brand, systems, tools, and training), it has relatively low incremental costs for La Rosa, resulting in high gross margins on franchise revenue. Franchise operations have therefore been a profitable growth area, fueling La Rosa’s expansion into new territories without the capital outlay of opening company-owned offices. Even as La Rosa now shifts attention to corporate office expansion, it intends to continue franchising in markets where local ownership and entrepreneurship can accelerate the brand’s presence.

#### *Title and Escrow Services (Title Agency)*

Recognizing the importance of the closing process in real estate, La Rosa offers title insurance and escrow services through its subsidiary Nona Title Agency, LLC. Based in Florida, this full-service title company handles title searches, issuance of title insurance policies, and escrow/settlement for real estate transactions. Title services are a natural extension of La Rosa’s platform, where, by directing deals to an in-house title agent, the Company can earn fees that would otherwise go to third parties while providing convenience to clients and agents (a more integrated closing experience).

Many of La Rosa’s Florida transactions already flow through Nona Title, and with its acquisition in 2024, the Company can now replicate this model in other states by obtaining or partnering with title agencies. Title operations typically charge a percentage of the transaction or a set fee, contributing to La Rosa’s ancillary revenue. Moreover, having control over title and escrow can speed up closing timelines and ensure quality service, which feeds back into positive client experiences. Should La Rosa add mortgage brokerage services (see section below), the title and mortgage pieces together would give the Company significant control (and profit capture) over the entire transaction pipeline beyond brokerage commissions.

#### *Other Services*

##### Mortgage, Insurance, and Agent Finance

While not yet fully in-house, La Rosa plans to add mortgage brokerage and home insurance brokerage to its suite of services. Currently, the Company refers these needs to outside partners but has expressed intent to acquire or launch its own mortgage and insurance operations to further diversify income. This would allow La Rosa to earn loan origination fees and insurance commissions, and also ensure that clients receive cohesive service (one-stop shopping for buying a home, getting a mortgage, insuring the property, closing the title, and even managing it post-sale).

##### Commission Advance Program

Another emerging service is the commission advance program (LR Agent Advance) launched in 2025, which provides La Rosa’s agents the option to get an advance on pending commissions for a fee. This program effectively acts as a financial service for agents, helping them smooth their cash flow and generating interest or fee income for the Company. It exemplifies La Rosa’s innovative approach to addressing agent needs and monetizing solutions. Together, these current and planned services position La Rosa not just as a brokerage, but as an integrated real estate ecosystem that can capture revenue at multiple points in a property’s lifecycle.

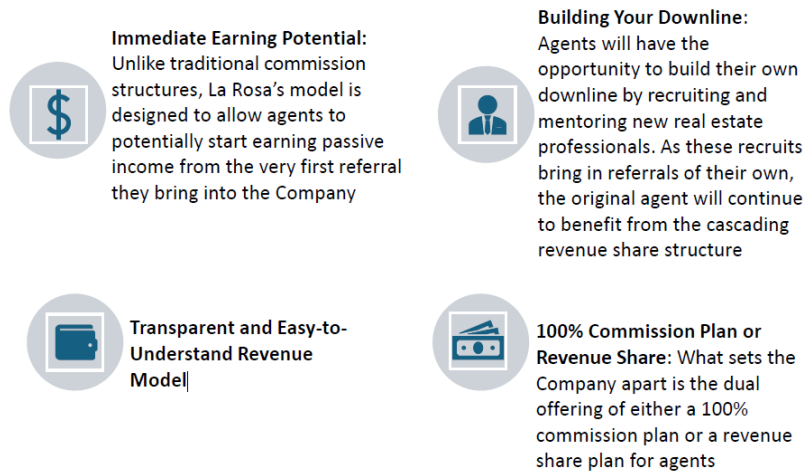
## Agent-First Operating Model Drives Scalable Revenue

La Rosa’s operating model is engineered to maximize agent productivity and Company revenue by aligning incentives and leveraging its full suite of services. At its core, the model is agent-centric, allowing agents to retain an unusually high portion of commissions, which attracts top talent, and in return the Company earns revenue through alternative channels (fees, ancillary services, and high volume). Key aspects of the operating model and revenue generation are summarized in Figure 12 and outlined in the accompanying section.

Figure 12

La Rosa Holdings Corp.

### REINVENTING THE REVENUE SHARE MODEL IN REAL ESTATE



Source: La Rosa Holdings Corp.

## Commission Structure

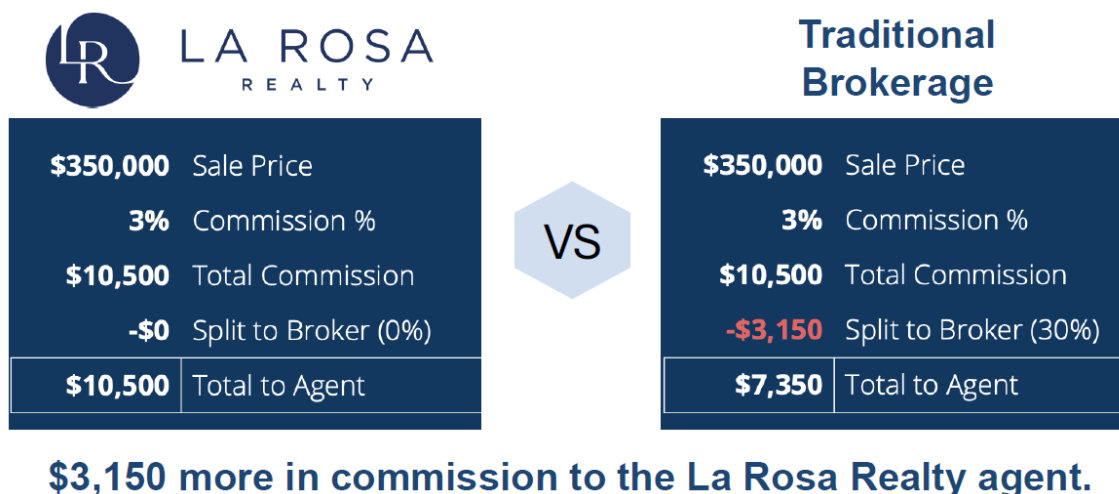
Experienced agents at La Rosa operate on a 100% commission model, meaning the agent keeps the entirety of the sales commission on a deal. Instead of taking a split, La Rosa charges these agents flat fees—for example, a monthly desk/tech fee and a transaction fee per deal (capped at approximately \$695 per transaction). This structure appeals to high-producing agents who prefer paying a fixed cost in exchange for keeping the bulk of their earnings. La Rosa operates on the premise that volume and agent count growth will offset the lower marginal cut per transaction, which has fueled its agent recruitment.

For newly licensed or less-experienced agents, La Rosa provides intensive coaching in exchange for a temporary commission split. Under the New Agent Coaching (NAC) program, new agents start on a 70/30 commission split (agent keeps 70%, 30% goes to La Rosa’s organizations). That 30% is distributed in a way that rewards the support system: 6% of the total commission goes to La Rosa Coaching, LLC (the corporate coaching division), 14% to the individual coach/mentor agent, 7% to the local brokerage office that recruited the agent, and 3% to La Rosa’s Director of Coaching. This allocation ensures that the mentor and the office have a stake in the new agent’s success, and the Company covers the cost of training.

Alternatively, new agents can choose an “Ultimate Plan Business Builder” (UPBB), which operates on a 60/40 split (agent 60%, support structure 40%) and incorporates a 10% revenue share incentive. In the UPBB model, part of the Company’s 40% share is used to pay revenue share overrides—essentially referral commissions—to agents who bring others into the Company (downline payouts). This is La Rosa’s version of a multilevel recruitment incentive, encouraging agents to recruit peers and build teams (similar to models at competitors eXp Realty or Keller Williams).

Importantly, once agents graduate from the training period or achieve certain production thresholds, they can move to the 100% commission plan, having proven their capability. At that point, the Company benefits from their higher transaction volume (which drives more fee revenue and ancillary usage). By offering three distinct plans (70/30 for new agents, 60/40 with revenue share, or 100% for established agents), La Rosa can cater to agents at different career stages and preferences, which is a flexibility that aids recruiting and retention. Figure 13 illustrates the earnings potential for an agent in the La Rosa Premier and Blue plan who are no longer in La Rosa Coaching versus a traditional brokerage firm (noting that new agents enter La Rosa Coaching at a 60/40 split for their first four transactions).

Figure 13  
La Rosa Holdings Corp.  
LA ROSA REALTY AGENTS EARN MORE THAN TRADITIONAL BROKERAGES (EXAMPLE)



Source: La Rosa Holdings Corp.

### Agent Fees and Dues

Even with 100% commission, agents contribute to La Rosa’s revenue through various fees. These include monthly membership fees (which can range from \$0 up to approximately \$75 depending on the plan) and per-transaction fees (capped flat rates). The tech fee is a notable one, where La Rosa charges what it considers a “reasonable” monthly fee to all agents (including franchise agents) for use of its proprietary platform and tools.

Given the breadth of services provided (CRM, websites, marketing automation, etc.), this fee is both a revenue source and a way to fund ongoing platform development. Agents also pay for training/coaching services, though in many cases this is embedded in the commission split for new agents rather than an out-of-pocket expense. Additionally, La Rosa has a revenue share program for agents who recruit others: while this means a portion of Company revenue is paid back out as rewards, it also drives exponential agent growth, which in turn increases fee-based revenues.

From an operating perspective, La Rosa’s low-overhead offices (agents mostly work remotely and use office space only occasionally) and centralized tech platform allow these fees to be kept relatively low, sustaining the value proposition that these are “reduced rates” compared to what agents would give up in a traditional split model. The model effectively shifts the cost burden from variable splits to fixed fees and service usage, aligning with the cloud-based brokerage philosophy.



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### *Franchise Royalties and Fees*

The franchising segment contributes revenue via several streams paid by franchisee brokerages to La Rosa Corporate. Initial franchise fees provide upfront cash for each new franchise sold. Ongoing royalties (a percentage of franchisee gross commission income) are a primary recurring revenue. For instance, a franchise might pay a ~6% royalty on all closed sales. In addition, La Rosa earns an annual membership fee from franchisees and specific fees tied to the services it provides: a coaching fee (franchisees pay to enroll their agents in La Rosa Coaching programs), a commercial referral fee (franchise offices pay a cut on commercial deals to La Rosa CRE), training fees for any training of franchise staff, and tech fees for each user of the My Agent Account platform at the franchise.

This comprehensive fee structure means that as franchisees grow their agent count and sales, La Rosa's revenue from that franchise also grows on multiple dimensions. The franchisor provides support and oversight (franchise business consultants, marketing support, etc.), but because the franchisees handle their own local operations, franchising is a high-margin business segment for La Rosa.

Notably, La Rosa's franchise model is somewhat more flexible and lower-cost than many competing franchises as franchise owners have freedom to run their business with minimal corporate control and benefit from lower fees, which makes the franchise offer attractive. This in turn helps La Rosa sell more franchises, expanding the brand reach without heavy capital investment. As the Company balances franchising with corporate expansion, it may selectively buy back high-performing franchises or open new corporate offices; however, franchise fees will remain a key income stream especially in regions where franchising is the chosen expansion mode.

### *Ancillary Services Revenue*

A significant aspect of La Rosa's model is capturing revenue from ancillary real estate services linked to its transactions. The Company cross-sells or directs usage of its internal services to its agents and franchisees to drive these revenues. For example, all La Rosa transactions in Florida are encouraged (or required, in the case of Company-owned offices) to close with Nona Title Agency, generating title insurance premiums and closing fees for La Rosa. Likewise, if an agent's client needs property management for an investment property, La Rosa Property Management is likely to handle it, yielding management fee income.

The Company has stated that a leading driver of past and future growth is referring or requiring agents to use its various in-house services. This ensures a greater share of the client's spending stays within La Rosa. The forthcoming addition of mortgage and insurance are expected to follow the same logic, where agents are expected to refer their buyers to La Rosa's mortgage brokers and encourage homeowners to get insurance via La Rosa's agency, creating new revenue lines (loan origination fees, insurance commissions) for the firm.

By vertically integrating these services, La Rosa not only earns more per customer, but also improves the client experience (streamlining communication among all parties to a deal). The Company's internal culture reinforces this cross-utilization. For instance, residential agents are required to route commercial transactions through La Rosa's commercial brokerage, and new franchise offices often start by converting existing La Rosa corporate offices (ensuring continuity of service usage).

As of 2025, ancillary revenues include coaching fees (from agents in training), title fees, property management fees, and tech fees, with more expected. These tend to have higher profit margins than the core brokerage commissions, which often must be shared with agents. Therefore, growth in ancillary attachment rate (percentage of deals that use a La Rosa ancillary service) is a key part of improving the Company's overall margins.

*Proprietary SaaS Technology*

La Rosa’s investment in its technology platform yields direct revenue. The subscription-like tech fee described earlier (monthly fees paid by agents and franchisees for the software) effectively turns this platform into a profit center. With thousands of users, even a modest monthly fee aggregates to a substantial amount annually. Furthermore, the Company’s development of proprietary tools like JAEME AI opens opportunities for licensing or “white labeling” technology to other industries or brokerages. Figure 14 provides a snapshot of La Rosa’s proprietary technology platforms.

Figure 14  
La Rosa Holdings Corp.  
PROPRIETARY SaaS TECHNOLOGY



Source: La Rosa Holdings Corp.

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In mid-2024, La Rosa announced plans to white-label JAEME for use outside its network, potentially creating a new SaaS revenue stream (with details still emerging). Internally, the technology also reduces costs by automating tasks (e.g., marketing, agent training tracking), which indirectly improves operating margins. Overall, while not a traditional revenue stream in real estate brokerage, La Rosa’s tech platform contributes both as a fee-based service to agents and as a differentiator that attracts more agents (hence more transaction fee income). The Company’s ability to “monetize the back-end”—i.e., charge for tools rather than take front-end commissions—is a distinctive element of its financial model.

### Technology Platform and Infrastructure

Technology is a central pillar of La Rosa’s strategy, enabling its agent-centric model and nationwide collaboration. The Company prides itself on a cloud-based, integrated technology platform that connects all aspects of the business for agents, franchisees, and clients. The core of this infrastructure is the My Agent Account portal, which is a proprietary platform that serves as an agent intranet, transaction management system, CRM, marketing center, and education hub all in one. Accessible via web and mobile, My Agent Account allows agents to handle virtually every aspect of their business online: managing contacts and leads, uploading listings, conducting paperless transactions (with e-signatures and document storage), tracking commissions, and staying updated on Company training/events. Franchise owners and team leaders also use the platform for oversight and analytics of their offices. By having a unified system, La Rosa ensures consistency and efficiency across its dispersed offices; an agent in California and an agent in Florida follow the same processes and have access to the same tools. This has been crucial for scaling without needing large administrative staff at each location.

A standout feature of La Rosa’s tech suite is JAEME (Just About Everything Made Easy), the Company’s proprietary AI-powered assistant. JAEME was launched in late 2023 as part of My Agent Account and showcases La Rosa’s early adoption of AI in real estate. It is essentially a content generation and workflow AI that helps agents automate marketing and client communication tasks. Through natural language processing, JAEME can produce:

- Compelling property descriptions for new listings, tailored to highlight key features.
- Effective email campaigns and follow-up messages to prospects.
- Detailed business plans for agents’ personal growth (e.g., setting sales goals and action plans).
- Innovative video scripts for property tour videos or social media content.
- High-conversion newsletter content to send to an agent’s sphere of influence.
- Exclusive lead generation ideas and social media posts to help agents stand out.

By inputting some basic information or prompts, agents can leverage JAEME to generate polished marketing materials in seconds, something that would normally take hours or require hiring a copywriter. This not only saves time but helps standardize quality; even a new agent can produce professional-grade content with AI assistance. JAEME also integrates with the CRM so it can, for example, automatically send out drip emails to leads or post blogs to an agent’s website without manual intervention. The AI continuously “learns” from large datasets (and potentially from La Rosa’s own data) to improve suggestions and efficiency. La Rosa’s introduction of JAEME reflects a broader commitment to give its agents “weapons” to compete in a tech-driven market. While competitors may use third-party AI tools, La Rosa having its own proprietary AI allows customization to the Company’s scripts and values. It is also an IP asset that the Company can potentially license.

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Beyond JAEME, La Rosa's platform includes a robust CRM system with AI integration. This CRM helps agents nurture leads automatically. It can trigger personalized emails or texts to prospects on birthdays, home purchase anniversaries, or when the system's AI detects a lead is active (e.g., browsing properties on the agent's website). The platform also provides automated blogging and social media marketing, where an agent can have their new listings or market updates automatically posted to their social media channels, creating "top-of-mind" awareness for the La Rosa brand in their community. All these tech tools are designed to make an individual agent as effective as a larger team, leveling the playing field against high-tech rivals and online lead aggregators.

From an infrastructure standpoint, La Rosa's systems are cloud-based and accessible anywhere, which was especially important during the COVID-19 pandemic and beyond. Agents can work remotely and still collaborate with their brokers and transaction coordinators through the platform. The Company uses secure cloud hosting on Amazon Web Services (AWS) to ensure reliability and data security. There are features for commission management and accounting as well, such that when a deal closes, the platform calculates the split or fee owed and can handle things including disbursements to agent, broker, coach, etc., with transparency. This level of automation reduces administrative labor and errors in payments.

Another facet of La Rosa's technology is the integration of third-party best-in-class applications where needed. For example, for digital signatures and transaction management, these "Paperless Transactions" employ DocuSign, Dotloop, and My Agent Account. For the IDX websites (agent websites with home search capability), it integrates MLS feeds and works with Lofty to provide modern site templates. However, La Rosa has integrated these into one login and brand experience so agents may not realize where the third-party tool begins as it feels seamless. The benefit of integration is that data flows between systems; a lead from an agent's IDX website goes straight into the CRM, which then could trigger a JAEME-crafted follow-up email, for example.

To keep agents engaged and utilizing the resources, La Rosa's platform further features community and informational sections, such as an education calendar, events announcements, and Company news accessible via the dashboard. This is especially important for a dispersed workforce, as this helps maintain a sense of community and alignment. Agents can see upcoming training webinars, coaching sessions, or Company conferences and RSVP or join virtually.

Crucially, La Rosa monetizes the platform by charging its users a subscription (which is part of its agent fees and franchise fees). Because La Rosa built or customized these tools, its cost per user is low so these fees are likely to have high margins. The platform's value is evident in that franchisees and affiliated offices (offices not branded La Rosa but paying to use some La Rosa systems) are willing to pay for it. This shows La Rosa's technology has demand beyond its immediate corporate structure.

As technology evolves, the Company is positioned to continuously update the My Agent Account. Plans for future enhancements likely include mobile app improvements, predictive analytics (perhaps the system could tell agents which leads are most likely to convert, or which neighborhoods to target based on data), and further AI applications (maybe AI that can fill out contract forms or do comparative market analysis).

In terms of competitive tech positioning, La Rosa's platform is comparable to those of much larger firms. For instance, Keller Williams has its "Command" platform with an AI named Kelle, and Compass has its proprietary suite, where La Rosa has built something similar albeit for a smaller scale. This is attractive for tech-savvy agents who do not want to sacrifice tools when moving to a 100% commission environment. It is also a defensive moat: agents using and relying on the system daily for their business are less likely to leave the Company since they would lose that integrated support. Similarly, franchisees tied into La Rosa's technology might be less inclined to switch brands.

Finally, La Rosa's move to white-label JAEME to external brokers (announced via press release in 2024) hints at an evolution from purely an internal tool to a potential revenue generator and industry solution. If successful, La Rosa could become a technology provider to smaller brokerages that lack AI capabilities (essentially turning competitors into customers for its technology). This strategy is unique among real estate brokerages and could open a new business line with SaaS-like revenue. It also reinforces La Rosa's reputation as a tech leader despite its size.

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La Rosa’s tech infrastructure, epitomized by the My Agent Account platform and JAEME AI, is a critical enabler of its business model. It allows the Company to scale efficiently, empower agents, and maintain quality control across a wide network. La Rosa’s blend of proprietary innovation and smart integration of tools gives it a platform on par with much larger competitors. As the real estate industry digitalizes, La Rosa’s early investment in building its own system and AI capabilities provides a sustainable competitive advantage and the agility to adapt to new tech trends quickly.

### **NAR Settlement: A Major Industry Shift**

In March 2024, the National Association of Realtors (NAR) reached a \$418 million settlement to resolve several high-profile lawsuits challenging the way real estate commissions have traditionally been handled in the U.S. At the center of the lawsuits was the long-standing practice where home sellers were expected to pay commissions to the buyer’s agent—often totaling 2.5% to 3%—which critics argued inflated costs and stifled competition. As part of the settlement, which is still awaiting court approval, NAR agreed to make several changes that could significantly reshape the real estate landscape. These include:

- Ending the practice of advertising buyer agent commissions on MLS (Multiple Listing Services),
- Requiring formal written agreements between buyers and their agents before home showings, and
- Promoting greater transparency and negotiation around commissions.

The result is a real estate environment that is expected to become more competitive, with increased pressure on brokerages to justify their fees and deliver clear value to clients.

### *Positioned to Lead in a Post-NAR Market*

La Rosa Holdings believes that it is ahead of the curve as it relates to its positioning in a post NAR market. The Company’s agent-first model offers a choice between 100% commission and a revenue-share structure and fits perfectly with where the market is headed. La Rosa’s agents keep more of their earnings and operate with greater flexibility, which is exactly what many agents are now looking for as the industry adapts to these changes. While many traditional brokerages may need to overhaul their models in response to the NAR settlement, La Rosa is already built for this new reality. Its focus on low overhead, agent empowerment, and transparency not only positions it to weather the transition—it is likely to give the Company a competitive edge.

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## Competition

### Competitive Advantages and Market Positioning

La Rosa occupies a unique niche in the competitive landscape of real estate brokerages, combining aspects of traditional brokerages, 100% commission models, and franchise networks. Several competitive advantages distinguish La Rosa from its peers, as described below.

#### *Agent-First Value Proposition*

La Rosa's entire business is built around empowering agents, offering them higher income potential (via 100% commissions and revenue share) and extensive support (training, technology, and a menu of services). This contrasts with the traditional brokerage model where firms keep a large split of agent commissions. By putting agents first, La Rosa attracts and retains productive agents, which directly correlates to market share.

The Company grew and thrived during challenging times (it expanded through the 2008-2009 Great Recession) by adhering to this philosophy of giving agents the tools to succeed while maximizing their earnings. Many competitors either focus solely on high commission splits (e.g., low-service 100% commission brokerages) or on strong support but for a high split (traditional franchises). La Rosa's hybrid of high commission and high support is a powerful differentiator. For example, an agent at La Rosa can take home more of their commission compared to at a RE/MAX or Keller Williams team, yet still enjoy a robust CRM, marketing automation, and training akin to what those franchise networks provide. The result is a strong incentive for agents to choose La Rosa over "discount" rivals that may offer 100% commission but no support, and over traditional brokers that offer support but at a high cost. La Rosa's agent count growth (reaching 2,769 agents in 2025) attests to this appeal.

#### *Comprehensive Service Integration*

Unlike most traditional brokerages, La Rosa offers an end-to-end platform with brokerage, franchising, coaching, property management, and title services under one roof. This vertical integration means the company can capture more value per client and per agent. It also provides a smoother experience for clients: a homebuyer can find an agent through La Rosa, get guided through the purchase, obtain title and closing services internally, and even get post-sale services (property management or future resale) without leaving the La Rosa ecosystem. Many competitors rely on third-party affiliations for such services (e.g., brokerage sends deal to an outside title company), missing out on revenue and control.

#### *Proprietary Technology and AI Leadership*

In an industry being transformed by technology, La Rosa has made significant strides with its proprietary technology platform, giving it an edge over smaller competitors who rely on off-the-shelf systems. The My Agent Account platform centralizes all agent functions (CRM, marketing, transaction management, commission tracking, training, etc.) in one cloud-based interface. The addition of JAEME, the AI assistant, in 2023 positions La Rosa at the forefront of using artificial intelligence in brokerage operations.

JAEME helps agents create marketing content in seconds, something few brokerages can claim to offer. This not only improves agent efficiency (letting them handle more clients) but is also a strong recruiting tool: agents who join La Rosa get access to an AI content generator to elevate their marketing. The Company's willingness to invest in technology (and even monetize it externally) suggests it can keep pace with or out-innovate larger rivals.



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Traditional franchise brands (like Century 21 or Coldwell Banker) often struggle with legacy systems, and newer 100% commission firms (like eXp Realty) do have advanced cloud platforms but lack La Rosa’s physical support and coaching mix. La Rosa strikes a balance by using technology to amplify human touch rather than replace it. Moreover, the data and insights generated by its integrated platform (covering agent performance, lead conversion, etc.) give La Rosa a feedback loop to continuously refine its training and support. The Company’s tech-forward moves (e.g., accepting cryptocurrency payments, launching an online offer partnership) further cement its image as an innovator in real estate services.

### *Strong Culture and Leadership*

The ethos of “Family. Passion. Growth.” is not just a slogan but a practiced culture at La Rosa. Joseph La Rosa, the founder/CEO, is a well-known real estate coach and has authored a motivational book, which imbues the organization with a self-improvement and family-like environment. This cultural aspect is a competitive advantage in an industry where agent turnover is high. Agents often choose a brokerage not just for economic reasons but for mentorship, community, and support. La Rosa’s tight-knit feel (even as it grows) and emphasis on personal development help retain agents and franchisees. Testimonials often cite the “La Rosa family” atmosphere as a reason for joining. In contrast, some 100% commission competitors might be very transactional with their agents (just charging fees with minimal interaction).

Additionally, the leadership’s significant ownership (the La Rosa family controls over 50% of voting power) provides stability and alignment with shareholders. Investors can take comfort that the founder who built the successful model is still at the helm driving strategic decisions. This controlled-company structure has its drawbacks (reduced influence of outside shareholders), but it means the Company’s vision can be pursued consistently, which in the case of La Rosa has been a winning formula so far.

### *Scalable Expansion Strategy*

La Rosa has scaled rapidly through a hybrid model combining franchising, acquisitions, and organic growth. This multi-pronged strategy provides both breadth and depth: franchising enables fast market entry via local operators, while acquisitions boost revenue capture and control in strategic markets. Unlike RE/MAX (franchise-only) or Redfin (corporate-only), La Rosa’s flexibility allows it to adapt market-by-market, offering franchise deals or opening flagship offices as needed.

The Company has expanded to seven states and Puerto Rico, supported by flexible commission plans and a revenue share model that drives agent-led recruitment—similar to eXp Realty, but with the added infrastructure of physical offices and training. Its track record of integrating acquisitions—dozens of offices added in 2023–2024—positions La Rosa to opportunistically consolidate smaller brokerages, especially as industry margins tighten. Its replicable systems and operational discipline give it a competitive edge in scaling efficiently.

### *Market Focus and Niche Strength*

La Rosa is primarily concentrated in Florida, where it has strong brand recognition—particularly in Orlando and Miami—and is consistently ranked among the state’s top brokerages by transaction count. It expands into new markets, such as Georgia, through acquisitions that provide instant local presence. The Company operates in both residential and commercial segments, offering a diversified revenue mix that helps offset cyclicity in either market. Additionally, its connection to Hispanic communities—via branding, bilingual outreach, and presence in Puerto Rico—positions La Rosa to serve a fast-growing demographic often overlooked by national competitors.



**Potential Competition**

La Rosa Holdings operates in a highly fragmented and evolving real estate brokerage industry, competing with both traditional firms and newer, tech-driven platforms. The Company has positioned itself as a disruptive force with its agent-centric, dual-commission model and vertically integrated service offerings. La Rosa’s primary competition includes a mix of legacy brokerage brands (e.g., Coldwell Banker, Century 21, RE/MAX) and fast-growing, publicly traded virtual brokerages (e.g., eXp Realty, The Real Brokerage). What sets La Rosa apart is its simplified revenue share structure, fully unlocked commission plans, and proprietary tech platform—factors that it believes will accelerate agent recruitment and retention in a post-NAR lawsuit landscape. A summary of select potential competition that La Rosa may face in the market is provided in Figure 15, followed by descriptions.

Figure 15  
La Rosa Holdings Corp.  
POTENTIAL COMPETITION



Source: La Rosa Holdings Corp.

**Tech-Driven Virtual Brokerages**

*eXp Realty (EXPI-NASDAQ) – Bellingham, WA*

eXp Realty is the flagship subsidiary of eXp World Holdings and a pioneer of the fully cloud-based real estate brokerage model. Known for its aggressive revenue share and stock incentive programs, eXp offers agents a virtual work environment supported by its “eXp World” metaverse-style platform. The company’s multi-level revenue share structure requires agents to unlock earnings across tiers by meeting recruitment and transaction thresholds, which can be complex for new or solo agents to navigate. Despite this, eXp has rapidly scaled to tens of thousands of agents globally, benefiting from its low overhead and scalable tech stack. La Rosa seeks to differentiate itself by offering a simpler, more agent-friendly revenue share model with full access from day one.

*The Real Brokerage (REAX-NASDAQ) – Toronto, Canada*

The Real Brokerage is a mobile-first, cloud-based real estate platform that has gained traction in North America through its revenue sharing and performance-based incentives. The company emphasizes agent collaboration, financial transparency, and the use of modern mobile tools for transactions and client communications. While The Real Brokerage offers strong agent support, its revenue share system—like eXp’s—relies on multi-level qualification steps, which can dilute earnings potential for agents not focused on recruitment. La Rosa, in contrast, highlights its dual-option model (100% commission or 90/10 revenue share) as more flexible and rewarding for agents at any stage in their career.

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## Traditional Brokerage Giants

*Coldwell Banker – Madison, NJ (Part of Anywhere Real Estate Inc., HOUS-NYSE)*

Founded in 1906, Coldwell Banker is one of the most established real estate franchises in the U.S., operating under a traditional broker-centric model. Agents typically operate on lower splits, with a significant portion of commissions retained by the brokerage in exchange for branding, training, and administrative support. Despite its longstanding reputation and national footprint, the model has faced criticism for being slow to adapt to new technology and agent-friendly compensation structures.

*Century 21 – Madison, NJ (Also part of Anywhere Real Estate Inc., HOUS-NYSE)*

Century 21 offers a well-known national brand and a legacy structure similar to Coldwell Banker, focused on broker-led offices with fixed commission splits and localized support. The company markets itself to agents seeking strong brand association and in-person office environments. However, the cost burden on agents and relatively rigid compensation frameworks have made it less appealing to the growing segment of independent, digitally savvy agents that companies like La Rosa aim to attract.

*RE/MAX Holdings, Inc. (RMAX-NYSE) – Denver, CO*

RE/MAX operates on a hybrid model where agents pay monthly desk fees in exchange for high commission splits, rather than a percentage-based split structure. Its decentralized franchise system has historically appealed to entrepreneurial agents, but the requirement for agents to shoulder fixed costs regardless of production can be a financial burden in slower markets. Additionally, RE/MAX may not have kept pace with innovation in tech-driven brokerage models, potentially leaving it vulnerable to digital-native competitors like La Rosa and eXp.

## Additional Competitors to Consider

*Compass, Inc. (COMP-NYSE) – New York, NY*

Compass is a tech-forward, agent-centric brokerage that focuses on high-end markets. While it operates under a more traditional split model (not 100% commission), it differentiates through its branded tech suite, marketing tools, and concierge services. Compass is ideal for top-performing agents and teams seeking luxury branding and strong back-office support.

*Fathom Holdings Inc. (FTHM-NASDAQ) – Cary, NC*

Fathom Holdings is a cloud-based real estate services company offering residential brokerage, mortgage, title, insurance, and SaaS solutions through its proprietary platform, *intelliAgent*. Its flagship brokerage, Fathom Realty, operates on a 100% commission model with flat transaction fees, appealing to high-performing agents. The company supports agents with marketing, administrative services, and coaching through its Elevate Program. With its recent acquisition of My Home Group in Arizona, Fathom continues to expand its national footprint and cross-sell its integrated services, making it a key competitor in the tech-enabled, agent-focused brokerage space.

*Keller Williams Realty – Austin, TX (Privately held)*

Keller Williams is one of the largest real estate franchises globally. It pioneered the profit-share model (as opposed to revenue share) and offers extensive in-person training, coaching, and franchise support. While not tech-first, KW has invested in proprietary platforms like Command and KW Connect. Its model appeals to team leaders and agents who value culture and brick-and-mortar support. However, La Rosa's simplified compensation structure and hybrid corporate/franchise growth strategy position it as a more modern alternative.

*Redfin Corporation (RDFN-NASDAQ) – Seattle, WA*

Redfin combines a tech-powered brokerage with salaried agents, offering a full-service, discounted commission structure to consumers. The company is vertically integrated, providing home search, mortgage, and title services, making it more of a consumer-facing PropTech platform than a pure agent network. Redfin's model contrasts sharply with La Rosa's focus on agent independence and entrepreneurialism, but it represents an alternative approach to disintermediation in the real estate transaction.

*Side Inc. – San Francisco, CA (Private; reportedly preparing for IPO)*

Side is a white-label brokerage platform that empowers top-producing agents and teams to operate their own brands while Side handles brokerage operations, compliance, and technology. Though still private, Side has attracted significant venture capital and serves as a back-end partner to high-volume agents. It offers a flexible model but typically targets elite agents, whereas La Rosa focuses on scale, affordability, and accessibility for agents of all experience levels.

## Investment Highlights

- **Innovative Agent-Centric Model Driving Disruption.** La Rosa Holding operates a differentiated, agent-first business model that sets it apart from traditional brokerages. Agents can choose between a 100% commission plan or a transparent revenue-share structure, enabling higher earnings and long-term passive income. This flexible approach is particularly attractive in today’s evolving real estate landscape, shaped by regulatory reform and shifting commission economics.
- **Accelerated Growth and M&A-Fueled Expansion.** Since its IPO in October 2023, La Rosa has aggressively scaled through both organic growth and strategic acquisitions. The Company has onboarded more than 400 agents organically and completed 13 acquisitions—including a major brokerage with over 900 agents. These developments position La Rosa to potentially exceed its 4,000-agent target ahead of plan and likely approach its \$100 million revenue goal by year-end 2025.
- **Diverse and Scalable Revenue Streams.** With operations across six integrated business segments—Realty, Franchising, Property Management, Commercial Real Estate (CRE), Coaching, and Title Services—La Rosa generates income from nearly every component of a real estate transaction. High-margin areas such as title insurance and a fast-growing property management division (approaching 800 units) provide strong profitability drivers beyond home sales.
- **Proprietary Tech and AI-Powered Infrastructure.** La Rosa’s agent productivity is enhanced through its proprietary SaaS-based platform, My Agent Account, which integrates CRM tools and AI features. “JAEME,” the Company’s AI assistant, automates listing management, client communication, and marketing. Future developments, including wearable AI tech, further solidify La Rosa’s technology leadership in the brokerage space.
- **Massive Market Opportunity with Low Penetration.** Operating within the \$79 trillion U.S. residential and commercial real estate market, La Rosa is positioned to capture share from traditional brokerages. Only about 10% of the nation’s 1.5 million licensed realtors currently work under models similar to La Rosa’s, presenting a significant opportunity for growth and disruption as more agents seek modern, agent-centric platforms.
- **Early-Stage Global Expansion.** While already operating in Florida, California, New York, Texas, Georgia, and Puerto Rico, La Rosa recently launched operations in North Carolina and is preparing to enter European markets—beginning with Spain and potentially Portugal. These moves mark the beginning of La Rosa’s international growth strategy and elevate its potential as a global disruptor.
- **Founder-Led with Strategic Vision.** Founder and CEO Joseph “Joe” La Rosa, who retains 50.5% voting control, continues to guide the Company’s vision, culture, and strategic direction. Backed by an experienced leadership team and board with expertise in real estate, technology, capital markets, and public service, La Rosa is well-equipped to execute its aggressive growth roadmap.
- **Strengthening Financial Position and Profitability Trajectory.** The Company has improved its balance sheet through strategic debt restructuring and expects to approach \$70 million in revenue in the near term. With a capital-efficient, asset-light model and diversified income streams, La Rosa is on a clear path toward profitability and sustainable shareholder returns.
- **Proven Leadership and Strong Governance.** CEO Joseph “Joe” La Rosa brings over 20 years of industry experience, supported by a seasoned management team and a diverse Board of Directors with expertise in real estate, finance, and public company leadership.
- **Strong Liquidity to Support Growth.** As of December 31, 2024, La Rosa held \$1.44 million in cash and \$2.14 million in restricted cash, providing \$3.58 million in total liquidity to fund its continued expansion initiatives.

## Historical Financial Results

Figures 16, 17, and 18 (pages 34-36) provide a summary of La Rosa Holding's most recent key financial statements for the quarter ended December 31, 2024. For more complete information, please refer to the Company's most recent 10-K report filed April 15, 2024 <https://s3.amazonaws.com/sec.irpass.cc/2686/0001213900-25-032211.htm>.

Figure 16  
La Rosa Holdings Corp. and Subsidiaries  
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,	
	2024	2023
Revenue	\$ 69,448,786	\$ 31,759,404
Cost of revenue	63,495,507	28,918,236
Gross profit	5,953,279	2,841,168
Operating expenses:		
Sales and marketing	1,007,077	359,717
General and administrative	10,625,551	4,473,340
Stock-based compensation — general and administrative	4,730,355	5,100,474
Impairment of goodwill	787,438	-
Total operating expenses	17,150,421	9,933,531
Loss from operations	(11,197,142)	(7,092,363)
Other income (expense)		
Interest expense, net	(403,397)	(140,382)
Loss on extinguishment of debt	(777,538)	-
Amortization of debt discount	(649,138)	(1,016,644)
Change in fair value of derivative liability	(1,338,506)	138,985
Other income, net	15,745	286,641
Loss before provision for income taxes	(14,349,996)	(7,823,763)
Benefit from income taxes	-	-
Net loss	(14,349,996)	(7,823,763)
Less: Net income (loss) attributable to noncontrolling interests in subsidiaries	97,567	(5,326)
Net loss after noncontrolling interest in subsidiaries	(14,447,563)	(7,818,437)
Less: Deemed dividend	1,476,044	1,472,514
Net loss attributable to common stockholders	\$ (15,923,607)	\$ (9,290,951)
Loss per share of common stock attributable to common stockholders		
Basic and diluted	\$ (0.79)	\$ (1.27)
Weighted average shares used in computing net loss per share of common stock attributable to common stockholders		
Basic and diluted	20,222,347	7,293,033

Source: La Rosa Holdings Corp.

Figure 17  
La Rosa Holdings Corp. and Subsidiaries  
CONSOLIDATED BALANCE SHEETS

	December 31, 2024	December 31, 2023
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 1,442,901	\$ 959,604
Restricted cash	2,137,707	1,484,223
Accounts receivable, net of allowance for credit losses of \$166,504 and \$83,456, respectively	931,662	826,424
Other Current Assets	1,788	—
<b>Total current assets</b>	<b>4,514,058</b>	<b>3,270,251</b>
<b>Noncurrent assets:</b>		
Property and equipment, net	9,411	14,893
Right-of-use asset, net	997,715	687,570
Intangible assets, net	5,840,080	4,632,449
Goodwill, net	8,012,331	5,702,612
Other long-term assets	33,831	21,270
<b>Total noncurrent assets</b>	<b>14,893,368</b>	<b>11,058,794</b>
<b>Total assets</b>	<b>\$ 19,407,426</b>	<b>\$ 14,329,045</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 2,376,704	\$ 1,147,073
Accrued expenses	738,065	227,574
Contract liabilities	7,747	—
Line of credit	148,976	—
Derivative liability	1,607,544	—
Advances on future receipts, net	618,681	77,042
Accrued acquisition cash consideration	381,404	300,000
Notes payable, current	2,187,673	4,400
Lease liability, current	473,733	340,566
<b>Total current liabilities</b>	<b>8,540,527</b>	<b>2,096,655</b>
<b>Noncurrent liabilities:</b>		
Note payable, net of current	1,475,064	615,127
Security deposits and escrow payable	2,137,707	1,484,223
Lease liability, noncurrent	545,759	363,029
Other liabilities	32,950	2,950
<b>Total non-current liabilities</b>	<b>4,191,480</b>	<b>2,465,329</b>
<b>Total liabilities</b>	<b>12,732,007</b>	<b>4,561,984</b>
<b>Commitments and contingencies (Note 13)</b>		
<b>Stockholders' equity:</b>		
Preferred stock - \$0.0001 par value; 50,000,000 shares authorized; 2,000 Series X shares issued and outstanding at December 31, 2024 and December 31, 2023, respectively	—	—
Common stock - \$0.0001 par value; 250,000,000 shares authorized; 21,847,514 and 13,406,480 issued and outstanding at December 31, 2024 and December 31, 2023, respectively	2,185	1,341
Additional paid-in capital	29,121,589	18,016,400
Accumulated deficit	(26,555,319)	(12,107,756)
<b>Total stockholders' equity - La Rosa Holdings Corp. shareholders</b>	<b>2,568,455</b>	<b>3,909,985</b>
Noncontrolling interest in subsidiaries	4,106,964	3,857,076
<b>Total stockholders' equity</b>	<b>6,675,419</b>	<b>9,767,061</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 19,407,426</b>	<b>\$ 14,329,045</b>

Source: La Rosa Holdings Corp.

Figure 18  
La Rosa Holdings Corp. and Subsidiaries  
CONSOLIDATED STATEMENT OF CASH FLOWS

	For the Years Ended December 31,	
	2024	2023
<b>Cash Flows from Operating Activities:</b>		
Net loss	\$ (14,349,996)	\$ (7,823,763)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	4,730,355	5,100,474
Amortization and depreciation	1,018,934	73,134
Non-cash lease expense	561,654	—
Change in fair value of derivatives	1,338,506	(138,985)
Amortization of debt discount and financing fees	649,138	1,016,644
Loss on extinguishment of debt	777,558	—
Impairment of goodwill	787,438	—
Noncash interest expense	8,793	44,722
Provision for credit losses	82,324	21,201
Changes in Operating Assets and Liabilities:		
Accounts receivable	(174,175)	(370,831)
Deposits and prepaid expenses	15,387	45,000
Accounts payable	1,131,817	307,877
Accrued expenses and other	459,952	(239,048)
Contract liabilities	7,747	—
Security deposits and escrow payable	524,854	69,164
Operating lease liabilities	(567,593)	—
<b>Net Cash Used in Operating Activities</b>	<b>(2,997,307)</b>	<b>(1,894,411)</b>
<b>Cash Flows from Investing Activities:</b>		
Purchase of property, plant and equipment	(5,033)	—
Cash paid for acquisitions net of cash acquired of \$240,470 for acquisitions	(63,592)	(141,744)
<b>Net Cash Used in Investing Activities</b>	<b>(68,625)</b>	<b>(141,744)</b>
<b>Cash Flows from Financing Activities:</b>		
Borrowings on bank line of credit	300,508	331,095
Payments on bank line of credit	(151,532)	(417,736)
Proceeds from notes payable	3,363,228	—
Payments of deferred debt issuance costs	(459,084)	—
Payments on notes payable	(1,027,522)	(532,163)
Proceeds from advances on future receipts	1,899,250	500,650
Payments on advances on future receipts	(1,121,368)	(679,688)
Payments on post-acquisition consideration	(150,000)	—
Distributions to noncontrolling interest	(1,377,484)	—
Payments related to the public offering	—	(1,765,081)
Payments to related party	—	(168,100)
Proceeds from related party	—	45,413
Payments on convertible debt	—	(70,000)
Proceeds from issuance of preferred stock	—	1,523,000
Proceeds from issuance of common stock	2,928,685	4,360,000
Withholding tax paid on behalf of employees on stock based awards	(1,958)	(177,330)
<b>Net Cash Provided by Financing Activities</b>	<b>4,202,713</b>	<b>2,950,060</b>
Net Increase in Cash and Restricted Cash	1,136,781	913,905
Cash and Restricted Cash at Beginning of Period	2,443,827	1,529,922
Cash and Restricted Cash at End of Period	\$ 3,580,608	\$ 2,443,827
<b>Net Cash Provided by Financing Activities</b>	<b>4,202,713</b>	<b>2,950,060</b>
Net Increase in Cash and Restricted Cash	1,136,781	913,905
Cash and Restricted Cash at Beginning of Period	2,443,827	1,529,922
Cash and Restricted Cash at End of Period	\$ 3,580,608	\$ 2,443,827
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Cash Paid During the Period for:		
Interest	\$ 335,425	\$ 129,644
Taxes	\$ —	\$ —
<b>Non-Cash Activities:</b>		
Derivative liability embedded in debt instruments	\$ 269,038	\$ (883,894)
Issuance of 2,812,382 shares of common stock as consideration of acquisitions of businesses	\$ 3,601,272	\$ —
Issuance of 379,428 shares of common stock as consideration of acquisitions of businesses	\$ 377,485	\$ —
Issuance of 1,081,030 shares of common stock as part of the issuance of notes payable	\$ 1,076,769	\$ —
Issuance of 1,495,769 shares of common stock for services rendered	\$ 4,730,355	\$ —
Issuance of 230,202 shares of common stock for accounts payable	\$ 150,000	\$ —
Office leases acquired under operating lease obligations	\$ 883,652	\$ —
Convertible debt and related party debt exchanged for 1,912 shares of Series A Convertible Preferred Stock	\$ —	\$ 1,923,468
Decrease in accounts payable related to deferred offering costs	\$ —	\$ (981,069)
Issuance of 981,676 shares of common stock for beneficial conversion feature of Series A Convertible Preferred S	\$ —	\$ 1,472,514
Issuance of 1,393,618 shares of common stock for deferred offering costs	\$ —	\$ 6,968,090
Issuance of 2,750,114 shares of common stock as part of the consideration of acquisitions of businesses	\$ —	\$ 7,266,078
Issuance of 95,000 shares of common stock as part of the repayment of notes payable	\$ —	\$ 475,000
Issuance of 6,566 shares of common stock upon the conversion of convertible debt upon the IPO	\$ —	\$ 26,265
Issuance of 819,000 shares of common stock for services rendered	\$ —	\$ 1,286,180
Settlement of conversion rights	\$ —	\$ 433,894
<b>Reconciliation of Cash and Restricted Cash</b>		
Cash	\$ 1,442,901	\$ 959,604
Restricted Cash	2,137,707	1,484,223
Cash and Restricted Cash	\$ 3,580,608	\$ 2,443,827

Source: La Rosa Holdings Corp.



## Recent Events

**July 8, 2025**—La Rosa Holdings announced a strategic agreement between its subsidiary, La Rosa Realty, and The Agency Dominican Republic. The deal grants La Rosa co-broker rights to market and sell luxury residences in the IBIS Romana Bayahibe project in the Dominican Republic and exclusive sales rights in Puerto Rico. The agreement offers 360-day client protection, expedited onboarding, and recurring revenue potential from cross-border transactions. La Rosa plans to leverage the deal to target high-net-worth buyers in Latin America and the Caribbean, expanding its international reach and agent earning opportunities.

**July 7, 2025**—Launched My Agent Account Version 4.0, an upgrade to its proprietary platform that includes a new Transaction Management module. The update is expected to reduce costs and boost operational efficiency by eliminating manual tasks and third-party tools. All 3,000+ La Rosa agents now use the platform and pay an annual subscription fee, creating a growing stream of recurring revenue. Future enhancements will include AI-driven features to further streamline agent workflows and client service.

**July 3, 2025**—Announced it had surpassed 3,000 agents, marking a major milestone in its growth. The Company also reported preliminary unaudited revenue of \$38.4 million for the first half of 2025, reflecting 19.4% year-over-year growth. Management attributes this momentum to La Rosa's flexible brokerage model, which offers competitive compensation, revenue sharing, and tech-driven tools. Full Q2 results will be filed with the Company's upcoming 10-Q.

**July 2, 2025**—Announced an 80-for-1 reverse stock split effective July 7, reducing its outstanding shares from ~58.3 million to ~729,000. The move aims to regain compliance with Nasdaq's \$1.00 minimum bid requirement and reduce public float. CEO Joe La Rosa stated the split may help attract institutional investors and support a shift toward profitability and positive cash flow by year-end. Shares will continue trading under the ticker LRHC on a split-adjusted basis.

**June 12 2025**—Signed a Letter of Intent with MiiX Financial Holdings to offer credit-free home financing across its agent network and listings. The proposed alliance aims to expand access to homeownership by integrating MiiX's proprietary platform, which eliminates traditional credit checks and enables same-day real estate transactions. La Rosa would become MiiX's exclusive real estate partner, enhancing agent workflows and buyer accessibility. The deal remains subject to a definitive agreement and regulatory approvals.

**June 5 2025**—Announced plans to expand into Valencia and the Canary Islands following successful events in Málaga and Madrid. The Company established a Madrid-based subsidiary and signed an LOI with Keyla Torres Velasquez to convert two of her offices into La Rosa-branded locations. This move builds on La Rosa's international growth strategy under the La Rosa Realty España brand. Spain's real estate market remains strong, with double-digit home price growth in targeted regions.

**May 29, 2025**—In Q1 2025, La Rosa Holdings reported \$17.5 million in revenue, a 34% year-over-year increase, driven by strong gains in residential real estate services (+39%) and property management (+17%). Gross profit rose 32% to \$1.5 million. The Company grew its agent network to over 2,800 agents, all through organic expansion. While the quarter showed a net loss of \$95.9 million, this was largely due to non-cash, warrant-related accounting charges, with core operations remaining strong.

**May 21, 2025**—Received a Nasdaq delinquency notice for not timely filing its Q1 2025 Form 10-Q, thus falling out of compliance with Listing Rule 5250(c)(1). The notice does not immediately impact the Company's Nasdaq listing. La Rosa has until July 21, 2025 to submit a compliance plan and may be granted up to 180 days to regain compliance. Management stated they are working to complete the filing and expect to resolve the issue shortly.

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**May 7, 2025**—La Rosa Holdings reported strong Q1 2025 growth at its Celebration, Florida office and BF Prime office in Puerto Rico. The Celebration branch added 412 agents year-over-year, doubling its transaction volume and boosting revenue 86% to \$3.4 million. BF Prime, acquired in August 2024, added 55 agents and saw a 900% jump in transactions and a 268% revenue increase to \$98,000 from the prior quarter.

**April 24, 2025**—Authorized a \$500,000 stock buyback program, citing confidence in its business and belief that the current share price undervalues the Company. CEO Joe La Rosa highlighted a 119% revenue increase in 2024 to \$69.4 million, strong Q4 growth, and an expanded agent network of 2,700+, calling recent months “transformative” for the Company.

**April 21, 2025**—Announced that the Company has partnered with AI platform Lofty to boost agent productivity and create a new recurring revenue stream. Since launching in November 2024, over 500 of La Rosa’s 2,700+ agents have adopted the platform, highlighting strong engagement and demand.

**April 16, 2025**—Reported full-year 2024 revenue of \$69.4 million, more than doubling the \$31.8 million recorded in 2023. Residential real estate services revenue surged 179% to \$57.0 million, driven by eight acquisitions in 2024 and a full year of contributions from six 2023 acquisitions. Selling, general, and administrative expenses rose to \$11.6 million from \$4.8 million. The Company reported a net loss of \$15.9 million, or (\$0.79) per share, compared to a \$9.3 million loss, or (\$1.27) per share, in 2023.

**April 14, 2025**—Granted a 180-day extension by NASDAQ to regain compliance with the minimum bid price rule. The Company will continue to trade on the Nasdaq Capital Market under the symbol “LRHC” during this compliance period and intends to regain compliance before the deadline.

**April 8, 2025**—Launched LR Agent Advance LLC, a commission advancement program for its agents. This initiative allows agents to receive advances on pending commissions, providing financial flexibility. In exchange, LR Agent Advance will receive 15% of the total commission from participating agents, creating a new recurring revenue stream for the Company.

**February 25, 2025**—Announced its expansion into Europe with the appointment of real estate veteran Joaquín Nuevo Alarcón as Area Developer for Spain. This international move marks the Company’s first step toward building a global presence and extends its franchise development strategy into new markets across Europe.

**February 6, 2025**—Announced a \$4.96 million private placement to fund strategic acquisitions, reduce debt, and strengthen its balance sheet. The capital raise aligns with the Company’s ongoing expansion efforts and financial optimization strategy.

**January 30, 2025**—Appointed commercial real estate executive JM Padron to lead the national expansion of its commercial division. Mr. Padron brings decades of industry experience and is expected to drive growth through new service offerings and market penetration in the commercial sector.

**January 28, 2025**—Redeemed and extinguished a substantial portion of its outstanding warrants, simplifying its capital structure and enhancing long-term shareholder value. The move was part of a broader effort to improve its balance sheet and reduce potential dilution.

**January 23, 2025**—Reported unaudited preliminary revenue of approximately \$65 million for fiscal year 2024, achieving 104% year-over-year growth. The increase was attributed to strategic acquisitions and a significant rise in agent count. The Company anticipates continued expansion and aims to achieve profitability in 2025.

**January 8, 2025**—Announced that it has completed an acquisition transaction and now holds a 100% interest in the Company’s franchisee—La Rosa Realty Beaches LLC (“Realty Beaches”), located in Fort Lauderdale, Florida. Realty Beaches achieved trailing twelve-month (TTM) revenues of approx. \$2.7 million and reported positive net income as of November 30, 2024. Realty Beaches specializes in a comprehensive range of residential and commercial real estate brokerage services. Additionally, it offers coaching and support services to agents on a fee basis, further enhancing their professional development and success.

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**December 23, 2024**—Announced plans to begin accepting Bitcoin and other cryptocurrencies as a payment option for its agent network.

**December 11, 2024**—Launched its first office in North Carolina, expanding the Company’s footprint into a new regional market. The office opening supports La Rosa’s goal of national growth through its agent-centric franchise model.

**November 20, 2024**—Provided a business update and reported financial results for the third quarter ended September 30, 2024. In Q3 2024, La Rosa grew revenue to \$19.6 million from \$6.8 million in Q3 2023, driven by 13 acquisitions and increased agent fees. Residential real estate revenue rose 328% to \$16.5 million. SG&A expenses increased to \$3.0 million, and net loss widened to \$3.4 million from \$344,000. For the nine months ending September 30, 2024, revenue rose to \$51.7 million from \$20.3 million, with \$42.6 million from residential real estate. SG&A reached \$8.5 million, and net loss increased to \$10.5 million from \$1.7 million.

**November 13, 2024**—Completed the acquisition of La Rosa Realty Premier, an Orlando-based franchisee with approximately \$2.09 million in 2023 revenue and positive net income. The acquisition enhances La Rosa’s presence in Central Florida and increases operational control in a key market.

**November 7, 2024**—Announced that it would unveil proprietary technology advancements at its Growth Summit 2024. These updates are intended to bolster its tech platform and enhance tools available to agents across its network.

**October 23, 2024**—Reported preliminary revenue of approximately \$45 million for the first nine months of 2024, a 120% increase year-over-year. Growth was attributed to the acquisition of franchisees and a rising agent count across its network.

**October 9, 2024**—Announced the upcoming launch of My Agent Account version 4.0 in 2025. This update will offer significant enhancements to transaction management integration and streamline processes for real estate professionals.

**September 26, 2024**—Announced a debt restructuring agreement that halts conversion rights and defers principal and interest payments until February 2025. The Company noted that this restructuring reduced debt under the notes by approximately 9.5% and strengthens its financial position.

**September 18, 2024**—Announced it has been invited to present at the iAccess Alpha Buyside Best Ideas Investor Conference on September 24-25, 2024.

**September 17, 2024**—Announced its intent to acquire a real estate brokerage with over 950 agents and more than \$19.0 million in revenue for 2023. The target company also offers a proprietary cloud-based SaaS platform, aligning with La Rosa’s technology-driven growth strategy.

**September 5, 2024**—Announced it had onboarded more than 400 new agents since June 1, 2024, marking a record for the Company. The strong growth was driven by La Rosa’s revenue-share commission model and evolving real estate market dynamics.

**August 29, 2024**—Announced that management will participate in the H.C. Wainwright 26<sup>th</sup> Annual Global Investment Conference being held September 9-11, 2024 at the Lotte New York Palace Hotel in New York City.

**August 27, 2024**—Completed the acquisition of Nona Title Agency LLC, doing business as Red Door Title. The acquisition expands La Rosa’s services to include title and escrow services in Central Florida, increasing its vertical integration in the real estate transaction process.

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**August 21, 2024**—Acquired its 12<sup>th</sup> real estate brokerage franchisee and launched its multi-level revenue share plan in Puerto Rico. The expansion strengthens La Rosa’s national footprint and brings the Company closer to its goal of a \$100 million revenue run rate by year-end 2024.

**August 16, 2024**—Provided a business update and reported financial results for the second quarter ended June 30, 2024. The Company reported Q2 2024 revenue of \$19.1 million, up from \$7.5 million in Q2 2023, driven by 11 acquisitions despite a 17% drop in transaction volume. Residential real estate revenue rose 237% to \$15.9 million. SG&A costs grew to \$3.0 million from \$952,000 due to acquisition-related and IPO-related expenses. Net loss increased to \$2.3 million from \$403,000. Revenue for the six months ended June 30, 2024, reached \$32.1 million, up from \$13.5 million the prior year. Residential real estate revenue rose 226% to \$26.1 million, boosted by \$19.7 million from acquisitions. SG&A rose to \$5.5 million from \$1.9 million, and net loss widened to \$6.9 million from \$1.4 million.

**July 24, 2024**—Announced plans to acquire Celebration Corporate Center LLC and its associated commercial real estate property in Celebration, Florida. The deal, expected to close in Q3 2024, will enhance La Rosa’s commercial property portfolio.

**July 17, 2024**—Reported that it has achieved a 15% sequential increase in transaction volume in Q2 2024 compared to Q1 2024. Additionally, the transaction aggregate value increased by approximately 21%, reaching just under \$110 million.

**July 2, 2024**—Celebrated the onboarding of over 200 agents in June 2024 alone, bringing it closer to its target of 4,000 agents by year-end. This milestone represents a 62% increase in the agent count since the Company’s IPO.

**June 25, 2024**—Announced plans to white-label its proprietary AI platform, JAEME, to provide additional revenue streams and support to real estate agents. Since launch, JAEME saw a 92.6% increase in agent utilization, reflecting the technology’s growing role in productivity and efficiency.

**June 18, 2024**—Announced it has signed a non-binding Letter of Intent to acquire a controlling interest in Nona Title Agency, operating as Red Door Title, a full-service title and escrow company based in Orlando, Florida. The transaction is expected to close by the end of July. Upon completion, La Rosa would expand its service portfolio to include title insurance for residential real estate transactions—strengthening its ability to offer end-to-end solutions in the home buying and selling process.

**June 17, 2024**—Announced the addition of 92 real estate agents to its network in just one week, beginning June 10, 2024. Among the new recruits is the Millenian Group, a top-producing brokerage team based in Orlando, Florida. Led by six seasoned professionals, the team has closed more than 80 transactions and generated over \$22 million in sales in the past year, reinforcing La Rosa’s continued growth and talent acquisition strategy.

**June 14, 2024**—Announced that it has submitted a formal Request for Withdrawal of its Registration Statement on Form S-1 to the U.S. SEC, originally filed on June 11, 2024. The Registration Statement was never declared effective by the SEC, and no securities were sold under the proposed offering.

**June 12, 2024**—Announced the addition of four top-tier team leaders: Jose Couvertie, Maritza Hernandez, Oscar Hernandez, and Karla Cesin. Together, this accomplished group has closed over 425 transactions and generated more than \$100 million in sales over the past year. Beyond their sales success, the team previously built a network of 1,345 agents in just 18 months under a more complex revenue-sharing structure with a competing firm. La Rosa views their transition as a strategic opportunity and expects these leaders to achieve even greater growth within its streamlined, agent-friendly platform.

## Risks and Disclosures

This Executive Informational Overview® (EIO) has been prepared by Crystal Research Associates, LLC (“CRA”) with the assistance of La Rosa Holdings Corp. (“La Rosa” or “the Company”) based upon information provided by the Company. CRA has not independently verified such information. Some of the information in this EIO relates to future events or future business and financial performance. Such statements constitute forward-looking information within the meaning of the Private Securities Litigation Act of 1995. Such statements can only be predictions and the actual events or results may differ from those discussed due to the risks described in La Rosa’s SEC statements on forms filed from time to time.

The content of this report concerning La Rosa has been compiled primarily from information available to the public released by the Company through news releases and other filings. La Rosa is solely responsible for the accuracy of this information. Information as to other companies has been prepared from publicly available information and has not been independently verified by La Rosa or CRA. Certain summaries of activities and outcomes have been condensed to aid the reader in gaining a general understanding. CRA assumes no responsibility to update the information contained in this report. In addition, for year one of its agreement, CRA has been compensated by the Company in cash of fifty thousand dollars and one hundred thousand options for its services in creating this report and for quarterly updates.

Investors should carefully consider the risks and information about La Rosa’s business, as described below and more fully detailed in the Company’s recent filings. Investors should not interpret the order in which considerations are presented in this document or other filings as an indication of their relative importance. In addition, the risks and uncertainties covered in the accompanying sections are not the only risks the Company faces. Additional risks and uncertainties not presently known to La Rosa or that it currently believes to be immaterial may also adversely affect the Company’s business and are outlined in the Company’s recent filings. If any such risks and uncertainties develop into an actual event, La Rosa’s business, financial condition, and results of operations could be materially and adversely affected.

This report is published solely for information purposes and is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any state. Past performance does not guarantee future performance. For more complete information about the risks involved in investing in the Company, as well as for copies of this report, please contact La Rosa Holdings by calling (321) 250-1799.

### Overview

La Rosa Holdings is exposed to a broad range of risks and uncertainties that could materially impact its business, financial condition, and stock value. These risks include operational, financial, legal, and market-related factors. The following summarized risk factors are derived from the Company’s most recent 10-K filing and are intended to provide investors with a comprehensive overview of the principal challenges facing the Company. Additional risks not currently known or deemed immaterial could also adversely affect the Company’s performance.

### Risks Related to Financial Stability and Going Concern

#### *Substantial Doubt About Ability to Continue as a Going Concern*

La Rosa Holdings has incurred recurring net losses, including a net loss of \$14.35 million in 2024 compared to \$7.82 million in 2023. The Company’s operations have not generated positive cash flows, raising substantial doubt about its ability to continue as a going concern. The Company’s future viability depends on generating positive cash flows and securing additional equity or debt financing, which may not be available on acceptable terms, or at all. The independent auditors have included an explanatory paragraph in their audit report expressing substantial doubt about La Rosa’s ability to continue as a going concern. This may materially limit the Company’s ability to raise additional funds and adversely affect its financial condition, results of operations, and business prospects.

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### *Efforts to Mitigate Financial Risks*

The Company is actively pursuing strategies to mitigate these risks, including expansion through acquisitions and efforts to grow its customer base. However, there is no assurance that these strategies will be successful or that La Rosa will achieve financial stability. Failure to address these risks could have a material adverse effect on the business, financial condition, and results of operations.

### **Risks Related to Limited Operating History and Growth Prospects**

#### *Limited Operating History*

La Rosa Holdings began operations in 2021 and has a limited operating history. As a result, there is limited financial data to evaluate the Company's current business, and past performance may not be indicative of future results. The Company faces typical risks associated with early-stage ventures, such as challenges in financial forecasting, hiring experienced personnel, developing new products, and assessing legal and regulatory risks.

#### *Regulatory and Litigation Risk*

Industry-wide antitrust settlements, including the \$418 million NAR agreement, are reshaping real estate commission practices and increasing regulatory scrutiny. While La Rosa was not directly involved, these changes could impact industry norms and create legal or operational risks. The Company's agent-first, flat-fee model may offer some insulation, but continued shifts could affect future growth and profitability.

### **Risks Related to Goodwill and Intangible Asset Impairment**

#### *Potential for Impairment Charges*

Goodwill and indefinite-lived intangible assets, such as trade names, are reviewed for impairment at least annually or more frequently if impairment indicators arise. The assessment requires assumptions regarding future operating performance, business trends, and market conditions. If there are disruptions to the business, unexpected declines in operating results, or market capitalization declines, the Company may be required to record impairment charges. For the year ended December 31, 2024, an impairment of \$787,438 was recorded. Such impairments could negatively affect consolidated results of operations and net worth.

#### *Valuation Uncertainties*

The process of evaluating the recoverability of goodwill and intangible assets involves significant judgment and uncertainty. Changes in estimates or assumptions could result in further impairment charges, adversely affecting La Rosa's financial condition.

### **Risks Related to Acquisitions and Integration**

#### *Integration Challenges*

The success of recent acquisitions depends on the Company's ability to realize anticipated synergies, such as revenue growth, cost savings, and operational efficiencies. The integration process may be complex, costly, and time-consuming, potentially diverting management's attention from existing operations. Difficulties in integrating acquired businesses could prevent the realization of expected benefits and adversely affect the Company's business.

#### *Potential for Failure*

If the integration is not accomplished smoothly, successfully, or within the anticipated timeframe or budget, La Rosa may not achieve its strategic objectives. The focus and resources required for integration could also detract from other strategic opportunities and operational matters.



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## **Risks Related to Capital Raising and Liquidity**

### *Limited Capital Resources*

La Rosa Holdings has limited cash and operational resources. The Company may need to seek additional financing to fund expansion, development, or repay outstanding loans. There is no certainty that such funding will be available on acceptable terms, or at all. Even if near-term financing is obtained, additional capital may be required in the future.

### *Consequences of Inadequate Capital*

Failure to raise sufficient capital could force the Company to reduce or discontinue operations, adversely affecting financial results and strategic plans.

## **Risks Related to the Residential Real Estate Market**

### *Cyclical and Volatile Market*

The residential real estate market is cyclical and influenced by macroeconomic factors, such as interest rates, inflation, capital market fluctuations, employment levels, and consumer confidence. Economic downturns or market declines could reduce home sales, lower property values, and negatively impact revenue. The market also depends on the strength of financial institutions and the availability of credit.

### *Interest Rate and Mortgage Environment*

Rising interest rates have driven up mortgage costs, cooled home sales, and slowed overall market growth. As of July 2025, the average 30-year fixed mortgage rate was approximately 6.7%, continuing to put downward pressure on buyer demand. Many prospective homeowners remain priced out of the market, while existing homeowners with lower locked-in rates are hesitant to sell, further reducing transaction volume. These conditions are expected to continue weighing on industry revenues through the remainder of 2025.

### *Housing Market Volatility*

Fluctuations in home prices, inventory levels, and mortgage availability can cause unpredictable shifts in market conditions, potentially leading to lower sales and revenue. The U.S. housing market has experienced bubbles in the past, resulting in significant price declines, mortgage defaults, and foreclosures.

## **Risks Related to Government Regulation and Policy**

### *Impact of Government Actions*

Government regulations and policies, such as those affecting mortgage lending standards, housing policies, and banking regulations, can restrict access to financing for homebuyers. The U.S. federal government's conservatorship of Fannie Mae and Freddie Mac, capital standards imposed on banks, and monetary policy decisions may adversely impact the housing industry and the Company's performance.

### *Federal Reserve Policy Risks*

The Federal Reserve Board's policies significantly affect the availability of financing and interest rates for homebuyers. Changes in these policies, particularly in a rising interest rate environment, could further depress home sales and refinancing activity, adversely impacting revenue.

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### *Legislative and Regulatory Uncertainty*

Ongoing changes in legislation, regulation, and policy may increase down payment requirements, mortgage costs, and litigation risks for housing market participants, potentially having a material adverse effect on the Company's financial condition and results of operations.

### **Risks Related to Inflation and Cost Pressures**

#### *Inflationary Trends*

Rising inflation increases operating costs and reduces consumer purchasing power. As of May 2024, the Consumer Price Index for All Urban Consumers rose 2.4% over the previous 12 months, above the Federal Reserve's targeted inflation rate. Although inflation has moderated, persistent inflationary pressures could elevate costs and squeeze margins.

#### *Mortgage Rate Trends*

Mortgage rates remain elevated, which continues to suppress home sales and refinancing activity, impacting revenue streams. The combination of high mortgage rates, high home prices, and limited inventory has slowed the housing market, making it difficult to predict future trends. Any further increase in the federal funds rate could push the U.S. economy into a recession, which would likely have a further negative effect on operations, income, and financial condition.

### **Other Operational and Strategic Risks**

#### *Dependence on Key Personnel*

The Company's success depends on the continued service and performance of key executives and personnel. The inability to attract or retain qualified individuals could adversely affect operations and growth prospects.

#### *Technological and Competitive Risks*

The real estate industry is highly competitive and subject to rapid technological change. Failure to keep pace with technological advancements or respond to competitive pressures could erode market position and impact financial results.

#### *Legal and Compliance Risks*

La Rosa is subject to various federal, state, and local laws and regulations. Non-compliance or adverse outcomes in litigation could result in significant costs, penalties, or restrictions on operations.

### **Summary**

La Rosa Holdings faces risks typical of early-stage, growth-oriented companies, including financial losses, reliance on external funding, and exposure to cyclical real estate markets. Additional challenges may arise from regulatory changes, macroeconomic conditions such as interest rates and inflation, and ongoing operational demands. These factors could affect the Company's growth prospects, financial performance, and valuation. Investors should consider these potential risks when evaluating the business.



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Crystal Research Associates is led by Wall Street veterans, Jeffrey Kraws and Karen Goldfarb. Together, Kraws and Goldfarb have built a unique business model, capitalizing on decades of experience as an award-winning sell-side analyst team to produce institutional-quality industry and market research in a manner that is easily understood by investors and consumers. Our firm's approach has been proven successful over the years as our products are published and available on Bloomberg, Thomson Reuters/First Call, Capital IQ, FactSet, Yahoo! Finance, and scores of other popular forums.

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