Risk Factors Comparison 2024-02-29 to 2023-03-16 Form: 10-K

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An investment in shares of our Class A common stock **,** ~~or~~ **our 7** ~~our 6~~ . ~~125~~ **500** % Senior Notes **or our other securities** involves risks and uncertainties, including the potential loss of all or a part of your investment. The following are important risks and uncertainties that could affect our business, but we do not ascribe any particular likelihood or probability to them unless specifically indicated. Before making an investment decision to purchase our **Class A** common stock or our ~~6~~ **7** . ~~125~~ **500** % Senior Notes, you should carefully read and consider all of the risks and uncertainties described below, as well as other information included in this Annual Report on Form 10- K, including ~~“~~ **Part II,** Item 7 ~~—~~ **,** Management’ s Discussion and Analysis of Financial Condition and Results of Operations ~~”~~ **,** and the consolidated financial statements and related notes included herein. The occurrence of any of the following risks or additional risks and uncertainties that are currently immaterial or unknown could materially and adversely affect our business, financial condition, liquidity, result of operations, cash flows or prospects. RISKS RELATED TO OUR BUSINESS Risks Related to Global Economic and Market Conditions General conditions in the economy, commercial real estate market and the banking sector (including perceptions of such conditions) can have a material adverse effect on our business, financial condition, results of operations and prospects. Commercial real estate markets are cyclical and traditionally relate to the condition of the economy or, at least, to the perceptions of investors and users as to the relevant economic outlook or market factors. For example, companies may be hesitant to expand their office space or enter into long- term real estate commitments if they are concerned about the general economic environment or perceive that ~~the~~ **their** ~~market~~ **need** for office space is shrinking. Companies that are under financial pressure for any reason ~~, including those pressures exacerbated by Covid- 19,~~ or are attempting to more aggressively manage their expenses ~~,~~ may reduce the size of their workforces, limit capital expenditures, including with respect to their office space, permit more of their staff to work from home and / or seek corresponding reductions in office space and related management or other services. General economic conditions and declines in the demand for commercial real estate brokerage and the services we provide in several markets or in significant markets have led to, and could continue to lead to, material adverse effects on our business, financial condition, results of operations, cash flows and prospects **, including** ~~as a result of the following factors~~ : • ~~A~~ **a** general decline in acquisition and disposition activity in the commercial real estate market has led to **,** and could continue to lead to **,** a reduction in the commissions and fees we receive for arranging such transactions, as well as in commissions and fees we earn for arranging the financing for acquirers ~~.~~ **;** • ~~A~~ **a** general decline in the value and performance of commercial real estate and in rental rates has led to **,** and could continue to lead to **,** a reduction in management and leasing commissions and fees. Additionally, such declines have led to **,** and could continue to lead to **,** a reduction in commissions and fees that are based on the value of, or revenue produced by, the properties for which we provide services. This may include commissions and fees for appraisal and valuation, sales and leasing, and property and facilities management ~~.~~ **;** • ~~Cyclicality~~ **cyclicality** in the commercial real estate markets may lead to volatility in our earnings, and the commercial real estate business can be highly sensitive to market perception of the economy generally and our industry specifically. Real estate markets are also thought to “ lag ” the broader economy. This means that, even when underlying economic fundamentals improve in a given market, it may take additional time for these improvements to translate into strength in the commercial real estate markets ~~.~~ **;** • ~~Changes~~ **changes** to the utilization of many types of commercial real estate, including the adoption of hybrid and remote work schemes, shifts in demand across geographical areas or from urban to suburban or rural sites, and changes in environmental regulations and costs associated with renovations and new builds each has ~~lead~~ - **led** to **,** and could continue to lead to **,** reduced demand in areas in which we provide services ~~.~~ **, particularly for Class B and Class C office space;** • ~~In~~ **in** weaker economic environments, income- producing multifamily real estate may experience higher property vacancies, lower investor and tenant demand and reduced values. In such environments, including the current environment, **we have experienced and in the future** we could experience lower transaction volumes and transaction sizes as well as fewer loan originations with lower relative principal amounts, as well as potential credit losses arising from risk- sharing arrangements with respect to certain GSE loans ~~.~~ **;** • ~~Periods~~ **periods** of economic weakness or recession, **volatile** ~~significantly rising~~ interest rates, fiscal uncertainty, declining employment levels, declining demand for commercial real estate, falling real estate values, disruption to the global capital or credit markets, political uncertainty or the public perception that any of these events may occur, have negatively affected and may continue to negatively affect the performance of ~~some or all of~~ our business lines ~~.~~ **;** • ~~Our~~ **our** ability to raise funding in the long- term or short- term debt capital markets or the equity capital markets, or to access secured lending markets ~~have~~ **has been** , and could continue to be **,** adversely affected by conditions in the United States and international economy and markets, with the cost and availability of funding adversely affected by illiquid credit markets and wider credit spreads and changes in interest rates ~~.~~ **;** • ~~In March~~ **in the first half of** 2023, ~~the Federal Deposit Insurance Corporation took control of~~ Silicon Valley Bank ~~and~~ **,** Signature Bank ~~due to liquidity~~ **and First Republic Bank were closed by state regulators, and** concerns **arose** ~~. The situation is still developing with respect to Silicon Valley Bank and Signature Bank, and concerns have arisen~~ regarding the stability of other banks and financial institutions. If further liquidity and financial stability concerns arise with respect to banks and financial institutions, either **internationally,** nationally or in specific regions, the ability of our customers, clients and vendors to access existing cash, cash equivalents and investments, or to access existing or enter into new banking arrangements or facilities, may be threatened, which could have a material adverse effect on our business, financial condition, results of operations and prospects **; and • disagreement over the federal budget has caused the U. S. federal government to shut down for periods of time in recent years. Federal government entities, such as HUD, that rely on funding from the federal budget could be adversely**

affected in the event of a government shutdown, which could have an adverse effect on our business and our results of operations . Interest rate increases in response to ~~rising~~ inflation rates may have a material negative impact on our businesses. Mortgage interest rates for commercial and multifamily properties had been near historic lows for a number of years leading up to 2022. In response to domestic and international markets experiencing significant inflationary pressures ~~in fiscal year 2022~~ , interest rates increased rapidly ~~during~~ **between** the ~~year~~ **first quarter of 2022 until the fourth quarter of 2023** . This was largely due to actions taken by the Federal Reserve in the U. S. and other **major** central banks in various countries. ~~On February 1,~~ **From March 2022 to July** 2023, the Federal Reserve **has several times** raised its target range for the federal funds rate to ~~4~~ **its current target range of 5. 25 % to 5** . 50 % ~~to 4. 75 %~~ , ~~the eighth~~ **a cumulative 525** basis point increase **over this period** ~~and a cumulative 425 basis point increase since March 2022. Additionally, the Federal Reserve has indicated that it is likely to continue to raise the rate to a peak level of 5. 00 % in 2023 in order to curtail high inflation~~ . The ~~Federal Open Market Committee ("~~ FOMC ~~")~~ also stated that it **may** ~~plans to~~ continue reducing the $ ~~8~~ **7** . ~~4~~ **6** trillion portfolio of securities it holds (as of ~~February 15~~ **January 31** , ~~2023~~ **2024**), including long- term agency mortgage- backed securities and U. S. Treasuries. These securities were purchased as part of the Federal Reserve' s quantitative easing program designed to hold down long- term interest rates ~~, and the FOMC previously indicated that a maximum of $ 60 billion in Treasury purchases and $ 35 billion in mortgage- backed securities purchases would be allowed to roll off, phased in over three months starting June 1, 2022~~ . These actions have reduced credit and capital availability, particularly in the second half of 2022 **and 2023** . Less available and more expensive credit and capital has had pronounced effects on the commercial mortgage origination and investment sales markets in which we operate and could cause acquisitions and dispositions to become yet more difficult to finance for our clients, in turn affecting our ability to service them. These ~~rate increases or other government~~ actions ~~taken to reduce inflation~~ could also exacerbate recessionary pressures in many parts of the world. The markets in which we operate may continue to experience reduced volumes and negative conditions until interest rates stabilize, and it may take longer for interest rates to ~~stop climbing or~~ stabilize than anticipated. ~~Each~~ **While the Federal Reserve has not indicated whether it will continue to raise the federal funds rate or take other actions in 2024, it has stated that it continues to view inflation as a concern. In addition, higher interest rates may cause commercial and multifamily capitalization rates to move higher and property valuations to move lower. This may reduce property owners' equity and the amount** of **financing available to them. These factors, combined with record loan maturities, may cause significant distress for our owner and investor clients as they seek to refinance their debt or service their existing mortgages, in turn impacting our fees and business with them. While we believe that we may earn fees from increased sales of distressed properties or loans on such properties and Newmark' s capital markets business may be retained to manage properties acquired under distress, there can be no assurance that** these ~~effects has and may continue to reduce~~ **incremental fees, if any, will offset any declines in** ~~the~~ **other** ~~demand for~~ **parts of** our ~~services~~ **business caused by rate increases** , which **in turn** ~~could adversely affect our revenues and as a result~~ could materially adversely affect our business **, financial condition, results of operations and prospects. Downgrades of sovereign credit ratings, sovereign debt crises, or a decrease in the integrity of capital markets may have material adverse effects on the financial and commercial real estate markets and general economic conditions, as well as our businesses, financial condition, cash flows, results of operations and prospects. Any further downgrades of the U. S. sovereign credit rating by one or more of the major credit rating agencies could have material adverse effects on the financial and commercial real estate markets and economic conditions in the U. S. and throughout the world. This in turn could have a material adverse impact on our businesses, financial condition, cash flows, results of operations and prospects. The ultimate impacts of any further negative credit rating actions with respect to U. S. government obligations on global financial markets and our businesses, financial condition, cash flows, results of operations and prospects are unpredictable and may not be immediately apparent. Additionally, the negative impact on economic conditions and global financial markets from sovereign debt matters with respect to the U. K., the EU and / or its member states, Japan, China or other major economies could adversely affect our businesses, financial condition, cash flows, results of operations and prospects. Concerns about the sovereign debt of certain major economies have caused uncertainty and disruption for financial markets globally, and continued uncertainties loom over the outcome of various governments' financial support programs and the possibility that EU member states or other major economies may experience similar financial troubles. Any further downgrades of the long- term sovereign credit rating of the U. S. or additional sovereign debt crises in major economies could cause disruption and volatility of financial markets globally and have material adverse effects on our businesses** , financial condition, results of operations and prospects. Risks Related to Concentration of our Business Our business is generally geographically concentrated and could be significantly affected by any adverse change in the regions in which we operate. Our current business operations are primarily located in the United States, with other business operations in ~~Canada~~ **the U. K.** , Latin America, **Canada** ~~the U. K.~~ , the EU and Asia. Although we are actively seeking to expand our business to outside the U. S. across several new jurisdictions, we are still highly concentrated in the United States. Because we derived the large majority of our total revenues on a consolidated basis for the year ended December 31, ~~2022~~ **2023** from our operations in the United States, we are exposed to adverse competitive changes and economic downturns and changes in political conditions domestically. If we are unable to identify and successfully manage or mitigate these risks, our business, financial condition, results of operations, cash flows and prospects could be materially adversely affected. The concentration of business with institutional owners and corporate clients can increase business risk, and our business can be adversely affected due to the loss of certain of these clients. We value the expansion of business relationships with individual corporate clients because of the increased efficiency and economics that can result from developing recurring business from performing an increasingly broad range of services for the same client. Although our client portfolio is currently highly diversified for the year ended December 31, ~~2022~~ **2023** , our top 10 clients, collectively, accounted for approximately **11** ~~7. 4 % of our total revenue on a consolidated basis, and our largest client accounted for approximately 2. 3~~ % of our total revenue on a consolidated basis. As we grow our business, relationships with certain institutional owners and corporate clients may increase, and our client portfolio may become increasingly concentrated. Having increasingly large and concentrated clients also can lead to greater or more concentrated risks if, among other possibilities, any such client: • experiences its own financial problems; • becomes bankrupt or insolvent, which can lead to our failure to be paid for services we have previously provided or funds we have previously advanced; • decides to reduce its operations or its real estate facilities; • makes a change in its real estate strategy, such as no longer outsourcing its real estate operations; • decides to change its providers of real estate services; or • merges with another corporation or otherwise undergoes a change of control, which may result in new management taking over with a different real estate philosophy or in different relationships with other real estate providers. Risks Related to ~~the Impacts of the COVID- 19 Pandemic The effects of the COVID- 19 pandemic continue to significantly disrupt and adversely affect the environment in which we and our clients and competitors operate, including the global economy, the U. S. economy, the global financial markets, and the commercial real estate services industry. The effects of COVID- 19 remain challenging to predict due to multiple uncertainties, including the transmissibility, severity, and duration of new virus variants and the potential extent of their spread, and the impact on our employees, operations, suppliers, vendors, and clients' operations. On January 30, 2023, the Biden Administration announced its plan to extend the " public health emergency " status of COVID- 19 for a final time to May 11, 2023. Once such status expires, government programs supporting public health safety measures may begin to be rolled back or be eliminated. We will continue to evaluate the nature and extent of the impact of all of the foregoing on our business. Changing market conditions as a result of the pandemic and responses thereto have caused us to re- position aspects of our business to adapt to and better address the needs of our clients in the future. Changes in the mix of demand for office and commercial space, including increased demand for flexible- use space and office space in suburban areas or new metropolitan regions to the extent they may be replacing prior demand for urban office space in certain traditional business centers, and increased demand for data storage, fulfillment and distribution centers, life sciences facilities and other alternative asset classes, replacing prior demand for downtown, urban and other high- density retail and commercial space, may require us to enter into new geographic markets or lines of business, through expansion or acquisition of existing business. Any of these changes could have a material adverse effect on our business, financial condition, results of operations and prospects. Since the onset of the global pandemic, a large percentage of our occupier clients have begun to examine the best ways to utilize office space as they seek to attract and retain talent. This has led to occupiers reducing the amount of office space they lease or will lease, particularly in the technology sector. At the same time, across most industries and regions, older office buildings in less desirable locations (often referred to as" class B " or " class C" space) have seen reduced demand and lease or sell at significant discount to " class A " space, which are newer, renovated, LEED certified, and have more amenities. This flight to quality has negatively impacted industry capital markets and leasing activity related to class B and C space. It remains unclear if or when office usage will return to pre- pandemic levels. To the extent occupiers do not continue to further increase the percentage of employees working in offices, or there is a longer than anticipated return to the office, this may further decrease demand for urban office space, and which could have a material effect on the nature of and demand of our commercial real estate services, our business, prospects, financial condition and results of operations. Risks Related to~~ Competition in the Commercial Real Estate Services Industry We operate in a highly competitive industry with numerous competitors, some of which may have greater financial and operational resources than we do. We compete to provide a variety of services within the commercial real estate industry. Each of these business disciplines is highly competitive on a local, regional, national and global level. We face competition not only from other national real estate service companies, but also from global real estate services companies, boutique real estate advisory firms, and consulting and appraisal firms. Depending on the product or service, we also face competition from other real estate service providers, institutional lenders, insurance companies, investment banking firms, commercial banks, investment managers and accounting firms, some of which may have greater financial resources than we do. Although many of our competitors are local or regional firms that are substantially smaller than we are, some of our competitors are substantially larger than us on a local, regional, national or international basis and have similar service competencies to ours. Such competitors include CBRE Group, Inc., Jones Lang LaSalle Incorporated, Cushman & Wakefield plc, Savills plc., and Colliers International Group, Inc. In addition, more specialized firms like Marcus & Millichap Inc., Eastdil Secured LLC, Walker & Dunlop, Inc., WeWork Inc., and IWG PLC compete with us in certain product offerings. Our industry has continued to consolidate and there is an inherent risk that ~~competitive~~ **competitor** firms may be more successful than we are at growing through merger and acquisition activity. See **the heading** " **Competition " under Part I,** Item 1 ~~-~~**,** Business ~~- Competition~~. ~~"~~ In general, there can be no assurance that we will be able to continue to compete effectively with respect to any of our commercial real estate business lines or on an overall basis, to maintain current commission and fee levels or margins, or to maintain or increase our market share. Additionally, competitive conditions, particularly in connection with increasingly large clients, may require us to compromise on certain contract terms with respect to the extent of risk transfer, acting as principal rather than agent in connection with supplier relationships, liability limitations and other terms and conditions. Where competitive pressures result in higher levels of potential liability under our contracts, the cost of operational errors and other activities for which we have indemnified our clients will be greater and may not be fully insured. Risks Related to New Opportunities / Possible Transactions and Hires We may pursue opportunities including strategic alliances, acquisitions, dispositions, joint ventures or other growth opportunities (including hiring new brokers and other professionals), which could present unforeseen integration obstacles or costs and could dilute our stockholders. We may also face competition in our acquisition strategy, and such competition may limit such opportunities. We have explored and continue to explore a wide range of acquisitions, **dispositions, and** joint ventures and strategic alliances with other real estate services firms, including maintaining or developing relationships with independently owned offices ~~,~~ and ~~with~~ other companies that have interests in businesses in which there are brokerage, management or other strategic opportunities. These arrangements may be terminable by either party or may be subject to amendment. Such transactions may be necessary for us to enter into or develop new products or services or markets, as well as to strengthen our current ones. These opportunities and activities involve a number of risks and challenges, including: • potential disruption of our ongoing business and product, service and market development and distraction of management; • ~~difficulty~~ retaining and integrating personnel and integrating administrative, operational, financial reporting, internal control, compliance, technology and other systems; • **potentially** ~~the necessity of~~ hiring additional managers and other critical professionals and integrating them into current operations; • **increased** ~~increasing the~~ scope, geographic diversity and complexity of our operations; • **to the extent that we pursue** ~~the~~ **these opportunities internationally, exposure to political, economic, legal, regulatory, operational and other** risks ~~relating~~ **that are inherent in operating in a foreign country, including risks of possible nationalization and / or foreign ownership restrictions, expropriation, price controls, capital controls, foreign currency fluctuations, regulatory and tax requirements, economic and / or political instability, geographic, time zone, language and cultural differences among personnel in different areas of the world, exchange controls and other restrictive government actions, as well as the outbreak of hostilities; • the expansion of our cybersecurity processes** to **include new businesses, or the integration of the cybersecurity processes of acquired businesses, including internationally; •** integrating accounting and financial systems and accounting policies and the related risk of having to restate our historical financial statements; • potential dependence upon, and exposure to liability, loss or reputational damage relating to **,** systems, controls and personnel that are not under our control; • addition of business lines in which we have not previously engaged; • potential unfavorable reaction to our strategy by our customers, counterparties, ~~and~~ employees **and investors** ; • the upfront costs associated with pursuing transactions and recruiting personnel, which efforts may be unsuccessful in the increasingly competitive marketplace for the most talented producers and managers; • conflicts or disagreements with any strategic alliance or joint venture partner; • exposure to potential unknown liabilities of any acquired business, strategic alliance or joint venture that are significantly larger than we anticipate at the time of acquisition, and unforeseen increased expenses or delays associated with acquisitions, including costs in excess of the cash transition costs that we estimate at the outset of a transaction; • reduction in availability of financing due to ~~tightened credit markets or~~ credit ratings downgrades or defaults by us, in connection with these activities; • a significant increase in the level of our indebtedness in order to generate cash resources that may be required to effect acquisitions; • dilution resulting from any issuances of shares of our Class A common stock or limited partnership units in connection with these activities; • a reduction of the diversification of our business resulting from any dispositions; • ~~the necessity of~~ replacing certain **individuals whose services are lost and** functions that are sold in dispositions; • the cost of rebranding and the impact on our ~~market~~ **brand** awareness of dispositions; • the impact of any reduction in our asset base resulting from dispositions on our ability to obtain financing or the terms thereof; and • a lag in the realization of financial benefits from these transactions and arrangements. We face competition for acquisition targets, which may limit our number of ~~acquisitions~~ - **acquisition** and growth opportunities and may lead to higher acquisition prices or other less favorable terms. Our international acquisitions and expansion have required compliance and other regulatory actions. As we continue to grow internationally we may experience additional expenses or obstacles. There can be no assurance that we will be able to identify, acquire or profitably manage additional businesses or integrate successfully any acquired businesses without substantial costs, delays or other operational or financial difficulties. Any future growth will be partially dependent upon the continued availability of suitable transactional candidates at favorable prices and valuations and upon advantageous terms and conditions, which may not be available to us, as well as sufficient liquidity to fund these transactions. Future transactions and any necessary related financings also may involve significant transaction- related expenses, which include payment of break- up fees, assumption of liabilities, including compensation, severance, lease termination, and other restructuring costs, and transaction and deferred financing costs, among others. In addition, there can be no assurance that such transactions will be accretive or generate favorable operating margins. The success of these transactions will also be determined in part by the ongoing performance of the acquired companies and the acceptance of acquired employees of our equity- based compensation structure and other variables which may be different from the existing industry standards or practices at the acquired companies. We will need to successfully manage the integration of recent **and future** acquisitions and future growth effectively. ~~The~~ **Such** integration and additional growth may place a significant strain upon our management, administrative, operational, financial reporting, internal control and compliance infrastructure. Our ability to grow depends upon our ability to successfully hire, train, supervise and manage additional employees, expand our management, administrative, operational, financial reporting, compliance and other control systems effectively, allocate our human resources optimally, maintain clear lines of communication between our transactional and management functions and our finance and accounting functions, and manage the pressure on our management, administrative, operational, financial reporting, ~~and~~ compliance and other control infrastructure. Additionally, managing future growth may be difficult due to our new geographic locations, markets and business lines. We may not realize, or it may take an extended period **of** time to realize, the full benefits ~~and synergies~~ **that we anticipate** from strategic alliances, acquisitions, joint ventures or other growth opportunities. There can be no assurance that we will be able to accurately anticipate and respond to the changing demands we will face as we integrate **recent acquisitions** and continue to expand our operations, and we may not be able to manage growth effectively or to achieve growth at all. From time to time, we may also seek to dispose of portions of our business, or otherwise reduce our ownership or minority investments in other businesses, each of which could materially affect our cash flows and results of operations. Dispositions involve significant risks and uncertainties, such as the ability to sell such businesses ~~on~~ **at** satisfactory ~~price~~ **prices** and terms and in a timely manner (including long and costly sales processes and the possibility of lengthy and potentially unsuccessful attempts by a buyer to receive required regulatory approvals) ~~,~~ or at all, disruption to other parts of the business and distraction of management, loss of key employees or customers, exposure to unanticipated liabilities or ongoing obligations to support the businesses following such dispositions. In addition, if such dispositions are not completed for any reason, the market price of our Class A common stock may reflect a market assumption that such transactions will occur, and a failure to complete such transactions could result in a decline in the market price of our Class A common stock. Any of these factors could have a material adverse effect on our business, financial condition, results of operations and prospects. Risks Related to International Operations We are and we will continue to be exposed to political, economic, legal, regulatory, operational and other risks, including with respect to the outbreak of hostilities or other instability, inherent in operating in foreign countries. As we grow our business internationally, and due to our current international operations, we are and we will continue to be exposed to political, economic, legal, regulatory, operational and other risks that are inherent in operating in foreign countries, including risks of possible nationalization and / or foreign ownership restrictions, expropriation, price controls, capital controls, **exchange controls and other restrictive government actions,** foreign currency fluctuations, regulatory and tax requirements, economic and / or political instability, geographic, time zone, language and cultural differences among personnel in different areas of the world including, among others, recent economic ~~and political~~ volatility in the U. K. and rising political and other tensions between the U. S. and China, exchange controls and other restrictive government actions, ~~as well as~~ the outbreak of hostilities such as **the wars in** ~~Russia' s invasion of~~ Ukraine and **Israel and** ~~the~~ **other ongoing conflicts** ~~impact of it~~ and **hostilities in the Middle East,** measures taken in response thereto, including sanctions imposed by governments and related counter- sanctions **, as well as potential changes in these factors as a result of the upcoming U. S. Presidential election** . The U. K. exit from the EU could materially adversely impact our customers, counterparties, businesses, financial condition, results of operations and prospects. On January ~~1~~ **31** , ~~2021~~ **2020** , the U. K. formally left the EU **,** and **on January 1, 2021,** U. K.- EU trade became subject to a new **withdrawal** agreement ~~that was concluded in December of 2020~~ . The exit from the EU is commonly referred to as Brexit. In light of ongoing uncertainties, market participants are still adjusting. The ~~exact~~ **long- term** impact of Brexit on the U. K.- EU flow of services **and on** ~~therefore remains unknown. This same uncertainty applies to the consequences for~~ the economies of the U. K. and ~~the~~ EU member states **remains unknown** ~~as a result of the U. K.' s withdrawal from the EU~~ . Market access risks and uncertainties have had **,** and could continue to have **,** a material adverse effect on our customers, business, prospects, financial condition and results of operations. Furthermore, **as** ~~in the future~~ the U. K. ~~'~~ **and EU amend legislation and regulations post- Brexit, there is a risk of increased divergence between the U. K.'** s and EU' s ~~regulation~~ - **regulatory regimes** ~~may diverge~~ , which could disrupt and increase the costs of our operations, and result in a loss of existing levels of cross- border market access **. Risks Related to the Impacts of the COVID- 19 Pandemic The long- term effects of the COVID- 19 pandemic continue to significantly disrupt and adversely affect the environment in which we and our clients and competitors operate, including ongoing changes in demand in the commercial real estate services industry. Since the onset of the global pandemic, a large percentage of our occupier clients have begun to examine the best ways to utilize office space as they seek to attract and retain talent. This has led to occupiers reducing the amount of office space they lease or will lease, particularly for commercial leases. Additionally, changes in the mix of demand for office and commercial space, including increased demand for flexible- use space, higher quality " class A " space and office space in suburban areas or new metropolitan regions to the extent they may be replacing prior demand for urban office space in certain traditional business centers and lower quality " class B " or " class C " space, and increased demand for data storage, fulfillment and distribution centers, life sciences facilities and other alternative asset classes, replacing prior demand for downtown, urban and other high- density retail and commercial space, may require us to enter into new geographic markets or lines of business, through expansion or acquisition of existing business. While the Biden administration in May 2023 announced the expiration of the " public health emergency " status of COVID- 19, the ongoing effects of the global pandemic remain challenging to predict and it remains unclear if or when office usage will return to pre- pandemic levels. Continued changes in the demand for the types of office spaces may cause us to further re- position aspects of our business to adapt to and better address the needs of our clients in the future. These changes could have a material adverse effect on our business, financial condition, results of operations and prospects** . Risks Related to Regulatory Compliance and Potential Liabilities We may have liabilities in connection with our business, including appraisal and valuation, sales and leasing and property and facilities management activities that exceed our insurance coverage. As a licensed real estate broker and provider of commercial real estate services, we and our licensed sales professionals and independent contractors that work for us are subject to statutory due diligence, disclosure and standard- of- care obligations. While we believe we have adequate insurance coverage relative to the scale of our business, failure to fulfill these obligations could subject us or our sales professionals or independent contractors to litigation from parties who purchased, sold or leased properties that we brokered or managed. We could become subject to claims by participants in real estate sales and leasing transactions, as well as building owners and companies for whom we provide management services, claiming that we did not fulfill our obligations. We could also become subject to claims made by clients for whom we provided appraisal and valuation services and / or third parties who perceive themselves as having been negatively affected by our appraisals and / or valuations. We also could be subject to audits and / or fines from various local real estate authorities if they determine that we are violating licensing laws by failing to follow certain laws, rules and regulations. While these liabilities have been insignificant in the past, we have no assurance that this will continue to be the case. In our property and facilities management business, we hire and supervise third- party contractors to provide services for our managed properties. Depending upon (i) the terms of our contracts with clients, which, for example, may place us in the position of a principal rather than an agent, or (ii) the responsibilities we assume or are legally deemed to have assumed in the course of a client engagement (whether or not memorialized in a contract), we may be subject to claims for defects, negligent performance of work or other similar actions or omissions by third parties we do not control. Moreover, our clients may seek to hold us accountable for the actions of contractors because of our role as property or facilities manager or project manager, even if we have disclaimed liability as a contractual matter, in which case we may be pressured to participate in a financial settlement for purposes of preserving the client relationship. While these liabilities have been insignificant in the past, there is no assurance that this will continue to be the case. Because we employ large numbers of building staff in facilities that we manage, we face risk in potential claims relating to employment injuries, termination and other employment matters. While these risks are generally passed back to the building owner, there is no assurance that this will continue to be the case. Adverse outcomes of property and facilities management disputes or litigation could have a material adverse effect on our business, financial condition, results of operations and prospects, particularly to the extent we may be liable on our contracts, or if our liabilities exceed the amounts of the insurance coverage procured and maintained by us. Some of these litigation risks may be mitigated by any commercial insurance we maintain in amounts we believe are appropriate. However, in the event of a substantial loss or certain types of claims, our insurance coverage and / or self- insurance reserve levels might not be sufficient to pay the full damages. Additionally, in the event of grossly negligent or intentionally wrongful conduct, insurance policies that we may have may not cover us at all. Further, the value of otherwise valid claims we hold under insurance policies could become uncollectible in the event of the covering insurance company' s insolvency, although we seek to limit this risk by placing our commercial insurance only with highly rated companies. Any of these events could materially negatively impact our business, financial condition, results of operations and prospects. While these liabilities have been insignificant in the past, we have no assurance that this will continue to be the case. If we fail to comply with laws, rules and regulations applicable to commercial real estate brokerage, valuation and advisory ~~and~~ **,** mortgage transactions and our other business lines, then we may incur significant financial penalties. Due to the broad geographic scope of our operations and the commercial real estate services we perform, we are subject to numerous federal, state, local and foreign laws, rules and regulations specific to our services. For example, the brokerage of real estate sales and leasing transactions and other related activities require us to maintain brokerage licenses in each state in which we conduct activities for which a real estate license is required. We also maintain certain state licenses in connection with our lending, servicing and brokerage of commercial and multifamily mortgage loans. If we fail to maintain our licenses or conduct brokerage activities without a license or violate any of the laws, rules and regulations applicable to our licenses, then we may be subject to audits, required to pay fines (including treble damages in certain states) ~~or~~ **,** be prevented from collecting commissions owed, be compelled to return commissions received or have our licenses suspended or revoked. In addition, because the size and scope of commercial real estate transactions have increased significantly during the past several years, both the difficulty of ensuring compliance with the numerous state licensing and regulatory regimes and the possible loss resulting from non- compliance have increased. Furthermore, the laws, rules and regulations applicable to our business lines also may change in ways that increase the costs of compliance. The failure to comply with federal, state, local and foreign laws, rules and regulations could result in significant financial penalties that could have a material adverse effect on our business, financial condition, results of operations and prospects. Environmental regulations may adversely impact our commercial real estate business and / or cause us to incur costs for cleanup of hazardous substances or wastes or other environmental liabilities. Federal, state, local and foreign laws, rules and regulations impose various environmental zoning restrictions, use controls, and disclosure obligations which impact the management, development, use and / or sale of real estate. Such laws and regulations tend to discourage sales and leasing activities, as well as mortgage lending availability, with respect to some properties. A decrease or delay in such transactions may materially and adversely affect our business, financial condition, results of operations and prospects. In addition, a failure by us to disclose environmental concerns in connection with a real estate transaction may subject us to liability to a buyer / seller or lessee / lessor of property. While historically we have not incurred any significant liability in connection with these types of environmental issues, there is no assurance that this will continue to be the case. In addition, ~~in~~ **various laws, rules and regulations restrict the levels of certain substances that may be discharged into the environment by properties and such laws, rules and regulations may impose liability on current or previous real estate owners or operators for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at the property. We may face costs or liabilities under these laws as a result of** our role as **an on- site** property or facilities manager ~~, we could incur liability under environmental laws for the investigation or remediation of hazardous or toxic substances or wastes~~ relating to properties we currently or formerly managed. Such liability may be imposed without regard to the lawfulness of the original disposal activity, or our knowledge of, or fault for, the release or contamination. Further, liability under some of these laws may be joint and several, meaning that one liable party could be held responsible for all costs related to a contaminated site. Insurance for such matters may not be available or sufficient. While historically we have not incurred any significant liability under these laws, ~~this may~~ **and we believe that we have taken adequate measures to prevent any such losses, no assurances can be given that these events will** not **occur** ~~always be the case~~ . Certain requirements governing the removal or encapsulation of asbestos- containing materials, as well as local ordinances obligating property or facilities managers to inspect for and remove lead- based paint in certain buildings, could increase our costs of legal compliance and potentially subject us to violations or claims. More stringent enforcement of existing regulations could cause us to incur significant costs in the future, and / or materially and adversely impact our commercial real estate brokerage and management services business. While historically we have not incurred any significant liability under these laws, this may not always be the case. **Within** ~~Our operations are affected by federal, state and / or local environmental laws in the jurisdictions in which we maintain office space for~~ our own operations **,** ~~and where~~ we ~~manage properties for clients, and we~~ may face ~~liability with respect to environmental issues occurring at properties that we occupy or manage. Various laws, rules and regulations restrict the levels of certain substances that may be discharged into the environment by properties and such laws, rules and regulations may impose liability on current or previous real estate owners or operators for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at the property. We may face costs or liabilities under these laws as a result of our role as an on- site property manager. While we believe that we have taken adequate measures to prevent any such losses, no assurances can be given that these events will not occur. Within our own operations, we may face additional costs from~~ rising costs of environmental compliance, which may make it more expensive to operate our corporate offices. Our operations are conducted within leased office building space, and, accordingly, we do not currently anticipate that regulations restricting the emissions of greenhouse gases, or taxes that may be imposed on their release, would result in material costs or capital expenditures. However, we cannot be certain about the extent to which such regulations will develop as there are higher levels of understanding and commitments by different governments in the United States and around the world regarding risks related to the climate and how they should be mitigated. Risks Related to Our Mortgage Servicing Business ~~The changes~~ **Changes** in relationships with the GSEs and HUD could adversely affect our ability to originate commercial real estate loans through such programs, although we also provide debt and equity to our clients through other third- party capital sources. Compliance with the minimum collateral and risk- sharing requirements of such programs, as well as applicable state and local licensing agencies, could reduce our liquidity. Currently, through our capital markets business we originate a significant percentage of our loans for sale through the GSEs and HUD programs. Berkeley Point Capital LLC, a subsidiary within our capital markets business, is approved as a Fannie Mae DUS lender, a Freddie Mac Optigo seller / servicer, a Freddie Mac **TAH** ~~Targeted Affordable Housing~~ Seller, a HUD MAP lender nationwide, and a Ginnie Mae issuer. Our status as an approved lender affords us a number of advantages, which may be terminated by the applicable GSE or HUD at any time. Although we intend to take all actions to remain in compliance with the requirements of these programs, as well as applicable state and local licensing agencies, the loss of such status would, or changes in our relationships with the GSEs and HUD could ~~,~~ prevent us from being able to originate commercial real estate loans for sale through the particular GSE or HUD, which could have a material adverse effect on our business, financial condition, results of operations and prospects. It could also result in a loss of similar approvals from the GSEs or HUD. As of December 31, ~~2022~~ **2023** , we exceeded the most restrictive applicable net worth requirement of these programs by approximately $ ~~430~~ **409** . ~~1~~ **2** million, but there is no assurance that this will continue to be the case. We are subject to risk of loss in connection with defaults on loans sold under the Fannie Mae DUS program that could materially and adversely affect our results of operations and liquidity. Under the Fannie Mae DUS program, we originate and service multifamily loans for Fannie Mae without having to obtain Fannie Mae' s prior approval for certain loans, as long as the loans meet the underwriting guidelines set forth by Fannie Mae. In return for the delegated authority from Fannie Mae to make loans and Fannie Mae' s commitment to purchase such loans, we must maintain minimum collateral and generally are required to share risk of loss on loans sold through Fannie Mae. With respect to most loans, we are generally required to absorb approximately one- third of any losses on the unpaid principal balance of a loan at the time of loss settlement. Some of the loans that we originate under the Fannie Mae DUS program are subject to reduced levels or no risk- sharing. However, we generally receive lower servicing fees with respect to such loans. Although our capital markets business' s average annual losses from such risk- sharing programs have been a minimal percentage of the aggregate principal amount of such loans to date, if loan defaults increase, actual risk- sharing obligation payments under the Fannie Mae DUS program could increase, and such defaults could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, a material failure to pay our share of losses under the Fannie Mae DUS program could result in the revocation of our license from Fannie Mae and the exercise of various remedies available to Fannie Mae under the Fannie Mae DUS program. A change to the conservatorship of Fannie Mae and Freddie Mac and related actions, along with any changes in laws and regulations affecting the relationship between Fannie Mae and Freddie Mac and the U. S. federal government or the existence of Fannie Mae and Freddie Mac, could have a material adverse effect on our business, financial condition, results of operations and prospects. Each GSE has been ~~created~~ under a conservatorship established by its regulator, the **FHFA** ~~Federal Housing Finance Agency~~ , since 2008. The conservatorship is a statutory process designed to preserve and conserve the GSEs' assets and property and put them in a sound and solvent condition. The conservatorships have no specified termination dates. There has been significant uncertainty regarding the future of the GSEs, including how long they will continue to exist in their current forms. Changes in such forms could eliminate or substantially reduce the number of loans we originate with the GSEs. Policymakers and others have focused significant attention in recent years on how to reform the nation' s housing finance system, including what role, if any, the GSEs should play. Such reforms could significantly limit the role of the GSEs in the nation' s housing finance system. Any such reduction in the loans we originate with the GSEs could lead to a reduction in fees related to the loans we originate or service. These effects could cause our capital markets business to realize significantly lower revenues from its loan originations and servicing fees, and ultimately could have a material adverse effect on our business, financial condition, results of operations and prospects. Risks Related to Our Intellectual Property We may not be able to protect our intellectual property rights or may be prevented from using intellectual property used in our business. Our success is dependent, in part, upon our intellectual property. We rely primarily on trade secret, contract, patent, copyright and trademark law in the United States and other jurisdictions as well as confidentiality procedures and contractual provisions to establish and protect our intellectual property rights to proprietary technologies, products, services or methods, and our brand. Unauthorized use of our intellectual property could make it more expensive to do business and harm our operating results. We cannot ensure that our intellectual property rights are sufficient to protect our competitive advantages or that any particular patent, copyright or trademark is valid and enforceable, and all patents ultimately expire. In addition, the laws of some foreign countries may not protect our intellectual property rights to the same extent as the laws in the United States, or at all. Any significant impairment of our intellectual property rights could harm our business or our ability to compete. Protecting our intellectual property rights is costly and time consuming. Although we have taken steps to protect ourselves, there can be no assurance that we will be aware of all patents, copyrights or trademarks that may pose a risk of infringement by our products and services. Generally, it is not economically practicable to determine in advance whether our products or services may infringe the present or future rights of others. Accordingly, we may face claims of infringement or other violations of intellectual property rights that could interfere with our ability to use intellectual property or technology that is material to our business. The number of such third- party claims may grow. Our technologies may not be able to withstand such third- party claims or rights against their use. We may have to rely on litigation to enforce our intellectual property rights, protect our trade secrets, determine the validity and scope of the rights of others or defend against claims of infringement or invalidity. If our software licenses or services from third parties are terminated or adversely changed or amended or contain material defects or errors, or if any of these third parties were to cease doing business, or if products or services offered by third parties were to contain material defects or errors, our ability to operate our business may be materially adversely affected. We license databases, software and services from third parties, much of which is integral to our systems and our business. The licenses are terminable if we breach or have been perceived to have breached our obligations under the license agreements. If any material licenses were terminated or adversely changed or amended, if any of these third parties were to cease doing business or if any licensed software or databases licensed by these third parties were to contain material defects or errors, we may be forced to spend significant time and money to replace the licensed software and databases, and our ability to operate our business may be materially adversely affected. Further, any errors or defects in third- party services or products (including hardware, software, databases, cloud computing and other platforms and systems) or in services or products that we develop ourselves, could result in errors in, or a failure of **,** our services or products, which could harm our business. Although we take steps to locate replacements, there can be no assurance that the necessary replacements will be available on acceptable terms, if at all. There can be no assurance that we will have an ongoing license to use all intellectual property which our systems require, the failure of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Risks Related to Our IT Systems and **Cybersecurity** ~~Cyber- Security~~ Defects or disruptions in our technology or services could diminish demand for our products and services and subject us to liability. Because our technology, products and services are complex and use or incorporate a variety of computer hardware, software and databases, both developed in- house and acquired from third- party vendors, our technology, products and services may have errors or defects. Errors and defects could result in unanticipated downtime or failure and could cause financial loss and harm to our reputation and our business. ~~Furthermore~~ **Our customers may use our technology** , ~~if~~ **products and services in unanticipated ways that may cause a disruption for other customers. As** we acquire companies, we may encounter difficulty in ~~incorporating~~ **integrating** the acquired technologies **, products and services** and maintaining the quality standards that are consistent with our technology, products and services. **Since our customers use our technology, products and services for important aspects of their business, any errors, defects, or disruptions in such technology, products and services, or other performance problems with our technology, products and services, could subject our customers to harm and hurt our reputation.** Malicious cyber- attacks and other adverse events affecting our operational systems or infrastructure, or those of third parties, could disrupt our business, result in the disclosure of confidential information, damage our reputation and cause losses or regulatory penalties. ~~Developing and maintaining our operational systems and infrastructure are challenging, particularly as a result of rapidly evolving legal and regulatory requirements and technological shifts.~~ Our ~~financial, accounting, data processing or other operating and compliance systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, such as a malicious cyber- attack or other adverse events, which may adversely affect our ability to provide services. In addition, our~~ operations rely on the secure processing, storage and transmission of confidential and other information on our computer systems and networks. Although we take protective measures such as software programs, firewalls and similar technology, to maintain the confidentiality, integrity and availability of our and our clients' information, and endeavor to modify these protective measures as circumstances warrant, the nature of cyber threats continues to evolve. As a result, our computer systems, software and networks may be vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability or disruption of service, computer viruses, acts of vandalism, or other malicious code, ransomware **, supply- chain attacks** , hacking, phishing and other cyber- attacks and other adverse events that could have an adverse security impact. **Additionally, we may have become more vulnerable to cybersecurity attacks utilizing emerging technologies, such as AI.** Despite the defensive measures we have taken, these threats may come from external forces such as governments, nation- state actors, organized crime, hackers, ~~and other third parties such as outsource or infrastructure- support providers and application developers~~ or may originate internally from within us. We also face the risk of operational disruption, failure, termination or capacity constraints of any of the third parties that facilitate our business activities. Such parties could also be the source of a cyber- attack on or breach of our operational systems, **network,** data or infrastructure. Malicious actors may also attempt to compromise or induce **our** employees, clients or other users of our systems to disclose sensitive information or provide access to our data, and these types of risks may be difficult to detect or prevent. There ~~has~~ **have** been an increasing number of ransomware, hacking, phishing and other cyber- attacks in recent years in various industries, and ~~cyber- security~~ **cybersecurity** risk management has been the subject of increasing focus by our regulators. Like other companies, we have on occasion experienced, and may continue to experience, threats to our systems, including viruses, phishing and other cyber- attacks. The number and complexity of these ~~attacks~~ **threats** continue to increase over time. The techniques used in these attacks are increasingly sophisticated, change frequently and are often not recognized until launched. If one or more cyber- attacks occur, it could potentially jeopardize the confidential, proprietary and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our, as well as our clients' or other third parties', operations, which could result in reputational damage, financial losses and / or client dissatisfaction, which may not in all cases be covered by insurance. If an actual, threatened or perceived cyber- attack or breach of our security occurs, our clients could lose confidence in our platforms and solutions, security measures and reliability, which would materially harm our ability to retain existing clients and gain new clients. As a result of any such attack or breach, we may be required to expend significant resources to repair system, network or infrastructure damage and to protect against the threat of future cyber- attacks or security breaches. We could also face litigation or other claims from impacted individuals as well as substantial regulatory sanctions or fines. The extent of a particular cyber-attack and the steps that we may need to take to investigate the attack may not be immediately clear, and it may take a significant amount of time before such an investigation can be completed and full and reliable information about the attack is known. While such an investigation is ongoing, we may not necessarily know the full extent of the harm caused by the cyber-attack, and any resulting damage may continue to spread. Furthermore, it may not be clear how best to contain and remediate the harm caused by the cyber- attack, and certain errors or actions could be repeated or compounded before they are discovered and remediated. Any or all of these factors could further increase the costs and consequences of a cyber- attack. A technological breakdown could also interfere with our ability to comply with financial reporting requirements. Such a breakdown could also impact our ability to report on a timely basis due to the international locations of members of our accounting and finance departments. Additionally, ~~the SEC has issued guidance stating that, as a public company, we are expected to have controls and procedures that relate to cyber- security disclosure, and are required to disclose information relating to certain cyber- attacks or other information security breaches in disclosures required to be made under the federal securities laws. Any such cyber incidents involving our computer systems and networks, or those of third parties important to our business, could have a material adverse effect on our business, financial condition, results of operations and prospects. Additionally,~~ data privacy is subject to frequently changing rules and regulations in countries where we do business. **Rights** ~~For example, the GDPR requires entities both~~ in ~~the European Economic Area and outside to comply with new regulations~~ --- **relation** ~~regarding the handling of~~ **to an individual' s** personal data **in the EU and U. K. are governed respectively by the GDPR in the EU and the equivalent Data Protection Act 2018 in the U. K. which create obligations in relation to such personal data and the possibility of significant financial penalties for non- compliance** . We are also subject to certain U. S. federal and state laws governing the protection of personal data. These laws and regulations are increasing in complexity and number. In addition to the increased cost of compliance, our failure to successfully implement or comply with appropriate processes to adhere to the GDPR and other laws and regulations relating to personal data could result in substantial financial penalties for non- compliance, expose us to litigation risk and could harm our reputation. **The SEC has recently adopted new rules that state that, as a public company, we are required to disclose certain of our processes that relate to cybersecurity and to disclose information relating to material cyber- attacks or other information security breaches. While we view cybersecurity as a top priority, developing and maintaining our operational systems and infrastructure is challenging, particularly as a result of rapidly evolving legal and regulatory requirements and technological shifts. Our financial, accounting, data processing or other operating and compliance systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, such as a malicious cyber- attack or other adverse events, which may adversely affect our ability to provide services. Any such cyber incidents involving our computer systems and networks, or those of third parties important to our business, could have a material adverse effect on our business, financial condition, results of operations and prospects. We may use AI in our business, and challenges with properly managing its use could result in competitive harm, regulatory action, legal liability and brand or reputational harm. We may utilize AI in our business and integrate AI into our platforms, products, offerings and services. Such use may present legal, regulatory and other challenges that could subject us to competitive harm, regulatory action, legal liability and brand or reputational harm. If the output of any AI integrated into our platforms, products, offerings or services are or alleged to be deficient, inaccurate, infringing, violative of third- party rights or biased, our business, financial condition, and results of operations may be adversely affected. Our success and ability to remain competitive in the industry in which we operate requires adapting to technological developments and evolving industry standards, including in the field of AI. Our competitors or other third parties may incorporate AI into their products or services more quickly or more successfully than us, which could make our products and services obsolete, impair our ability to compete effectively and adversely affect our business. Moreover, use of third- party AI tools could lead to the inadvertent disclosure of confidential and proprietary information, which could put us at a competitive disadvantage and adversely affect our proprietary rights, business and financial condition. As AI capabilities improve and are increasingly adopted, we may also become more vulnerable to cybersecurity attacks that use AI. Such cybersecurity attacks could compromise our intellectual property and other sensitive information, be costly to remediate and cause significant damage to our business, reputation and operations.** Risks Related to Our Key Personnel and Employee Turnover The loss of one or more of our key executives, the development of future talent, and the ability of certain key employees to devote adequate time and attention to us are a key part of the success of our business, and failure to continue to employ and have the benefit of these executives may adversely affect our businesses and prospects. Our people are our most important resource. We must retain the services of our key employees and strategically recruit and hire new talented employees to attract clients and transactions. Further, as we diversify into future business lines or geographic regions, hiring and engagement of effective management in these areas will impact our future success. In addition, like other companies, we ~~are~~ **have** ~~experiencing~~ **experienced** turnover among operational and support staff as a result of wage pressures occurring throughout the economy. See " ~~Item 1- Business-~~ Human Capital Management ~~.~~" **in Part I, Item 1, Business.** If our retention efforts are not successful or our turnover rate continues to ~~increase~~ **increases** in the future, our business, results of operations and financial condition could be materially adversely affected. Effective succession planning is also important to our long- term success. Failure to transition smoothly and effectively transfer knowledge to future executive officers and key employees could hinder our strategic planning and execution. From time to time, senior management, outside directors or other key employees may leave our Company or be absent due to illness or other factors. While we strive to reduce the negative impact of such changes, losing certain key ~~employee~~ **employees** could result in significant disruptions to our operations. Hiring, training, and successfully integrating replacement critical personnel is time consuming, and if unsuccessful, could disrupt our operations, and as a result could materially adversely affect our business, financial condition, results of operations and prospects. Howard W. Lutnick, who serves as our **Executive** Chairman, is also the Chairman and Chief Executive Officer of Cantor, ~~Chairman and~~ Chief Executive Officer **, President, director and sole shareholder** of CFGM, the managing general partner of Cantor, and Chairman of the Board and Chief Executive Officer of BGC ~~Partners~~ **Group** . Stephen M. Merkel, our Executive Vice President and Chief Legal Officer, is employed as Executive Managing Director, General Counsel and Secretary of Cantor and Executive Vice President and General Counsel of BGC. In addition, Messrs. Lutnick and Merkel hold offices at various other affiliates of Cantor. While we have ~~recently~~ entered into ~~term~~ employment agreements with our CEO and CFO, Messrs. Lutnick and Merkel are two key employees who are not subject to an employment agreement with us or any of our subsidiaries ~~. Currently~~ **; however** , ~~Mr. Lutnick expects to spend approximately 33 % of his time on our matters~~

~~and Mr. Merkel expects to spend approximately 25 % of his time on our matters. These percentages may vary depending on business developments at Newmark, Cantor, BGC Partners or any of our or their other affiliates, including SPACs. As a result, these key employees dedicate only a portion of their professional efforts to our business and operations.~~ Mr. Lutnick received a retention bonus in December 2021 which provides for certain cash payments contingent upon Mr. Lutnick ~~'~~ **'** s continued service as our **Executive** Chairman and principal executive officer **. Currently, Mr. Lutnick expects to spend approximately 33 % of his working time on our matters and Mr. Merkel expects to spend approximately 25 % of his working time on our matters. These percentages may vary depending on business developments, strategic initiatives or acquisition activity at Newmark, Cantor, BGC Group or any of our or their other affiliates, including SPACs. As a result, these key employees dedicate only a portion of their professional efforts to our business and operations** . There is no contractual obligation for such executives to spend a specific amount of their time with us and / or BGC ~~Partners~~ **Group** or Cantor and their respective affiliates. These two key employees may not be able to dedicate adequate time and attention to our business and operations, and we could experience an adverse effect on our operations due to the demands placed on these members of our management team by other professional obligations. In addition, these key employees' other responsibilities could cause conflicts of interest with us. ~~Certain of~~ **In addition to Mr. Lutnick,** our **success has largely been dependent on executive officers such as Barry M. Gosin, who serves as our Chief Executive Officer, and other** key employees **, including some who have been hired in connection with acquisitions. Although Mr. Gosin entered into** ~~and~~ - **an employment agreement in February 2023, if any of our key employees were to join an existing competitor, form a competing company,** ~~officers~~ --- **offer services** ~~are subject~~ to **Cantor or any affiliates that compete with our products, services or otherwise leave us, some of our clients could choose to use the services of that competitor or another competitor instead of our services, which could adversely affect our revenues and as a result could materially adversely affect our business, financial condition, results of operations and prospects. Should Mr. Lutnick or our other most senior executives leave or otherwise become unavailable to render services to us, their loss could disrupt our operations, adversely impact employee retention and morale, and seriously harm our business. We may be unable to enforce** post- employment restrictive covenants **applicable to our employees. Certain of our key employees and officers are subject to post- employment restrictive covenants** , including non- competition agreements, in connection with their employment agreements and / or the Newmark Holdings limited partnership agreement. **While we have had success in responding to challenges to certain of our non- compete provisions,** ~~There~~ **there** can be no assurance that our non- competition agreements will be found enforceable if challenged in certain states, including states that generally do not enforce post- employment restrictive covenants. ~~The~~ **In 2023, the** Federal Trade Commission ~~recently~~ proposed a rule that would render non- competition clauses unenforceable in certain situations **, and is expected to vote on its proposed rule in April of this year** . If such a rule were passed (in any form) and upheld by the courts, it could have a ~~materially~~ -- **material** adverse impact on any applicable post- employment restrictive covenants currently in place. Additionally, the Newmark Holdings limited partnership agreement, which includes non- competition and other arrangements applicable to our key employees who are limited partners of Newmark Holdings, may not prevent certain of our key employees, including Messrs. Lutnick and Merkel whose employment by Cantor and BGC ~~Partners~~ **Group** is not subject to these provisions in the Newmark Holdings limited partnership agreement, from resigning or competing against us ~~. Should Mr. Lutnick or our other most senior executives leave or otherwise become unavailable to render services to us, their loss could disrupt our operations, adversely impact employee retention and morale, and seriously harm our business. In addition, our success has largely been dependent on executive officers such as Barry M. Gosin, who serves as our Chief Executive Officer, and other key employees, including some who have been hired in connection with acquisitions. Although Mr. Gosin entered into a term employment agreement in February 2023 that provides for incentive compensation, if any of our key employees were to join an existing competitor, form a competing company, offer services to Cantor or any affiliates that compete with our products, services or otherwise leave us, some of our clients could choose to use the services of that competitor or another competitor instead of our services, which could adversely affect our revenues and as a result could materially adversely affect our business, financial condition, results of operations and prospects~~ . Risks Related to Seasonality Our business is generally affected by seasonality, which could have a material adverse effect on our results of operations in a given period. Due to the strong desire of many market participants to close real estate transactions prior to the end of a calendar year, our business exhibits certain seasonality, with our revenue tending to be lowest in the first quarter and strongest in the fourth quarter. This could have a material effect on our results of operations in any given period. The seasonality of our business makes it difficult to determine during the course of the year whether planned results will be achieved and to adjust to changes in expectations. To the extent that we are not able to identify and adjust for changes in expectations or we are confronted with negative conditions that inordinately impact seasonal norms, our business, financial condition, results of operations and prospects could be materially adversely affected. Risks ~~Relating~~ **Related** to ~~our~~ **Our** Commercial Contracts and Arrangements We may not be able to replace partner offices when affiliation agreements are terminated, which may decrease our scope of services and geographic reach. We have agreements in place to operate on a collaborative and cross- referral basis with certain offices in the United States, and in various locations globally in return for contractual and referral fees paid to us and / or certain mutually beneficial co- branding and other business arrangements. These independently owned offices ~~(or"~~ **, which we refer to as "** business partners ~~")~~ **, "** generally use some variation of Newmark in their names and marketing materials. These agreements are normally multi- year contracts, and generally provide for mutual referrals in their respective markets, generating additional contract and brokerage fees. Through these business partners, our clients have access to additional brokers with local market research capabilities as well as other commercial real estate services in locations where we do not have a physical presence. From time to time our arrangements with these business partners may be terminated pursuant to the terms of the individual license agreements. The opening of a Company- owned office to replace an office owned by a business partner requires us to invest capital, which in some cases could be significant. Certain of these agreements or relationships could be impacted in the event that we rebrand or our ~~market~~

brand awareness is changed. There can be no assurance that, if we lose additional business partners, we will be able to identify suitable replacement partners or fund the establishment or acquisition of an owned office. In addition, although we do not control the activities of these business partners and are not responsible for their liabilities, we may face reputational risk if any of these business partners are involved in or accused of illegal, unethical or similar behavior. Failure to maintain coverage in important geographic markets may negatively impact our operations, reputation and ability to attract and retain key employees and expand domestically and internationally and could have a material adverse effect on our business, financial condition, results of operations and prospects. Declines in or terminations of servicing engagements or breaches of servicing agreements could have a material adverse effect on our business, financial condition, results of operations and prospects. We expect that loan servicing fees will continue to constitute a significant portion of our revenues and / or earnings related to our multifamily business for the foreseeable future. Nearly all of these fees are derived from loans that **we** ~~our capital markets business originates~~ - **originate** and ~~sells~~ **that are sold** through ~~the agencies'~~ **GSE / FHA** programs or ~~places~~ **placed** with institutional investors. A decline in the number or value of loans that we originate for these investors or terminations of our servicing engagements will decrease these fees. HUD has the right to terminate our capital markets business' current servicing engagements for cause. In addition to termination for cause, Fannie Mae and Freddie Mac may terminate our ~~capital markets business'~~ servicing engagements without cause by paying a termination fee. Institutional investors typically may terminate servicing engagements with **us** ~~our capital markets business~~ at any time with or without cause, without paying a termination fee. We are also subject to losses that may arise from servicing errors, such as a failure to maintain insurance, pay taxes, or provide notices. If we breach our servicing obligations to the agencies or institutional investors, including as a result of a failure to perform by any third parties to which we have contracted certain routine back- office aspects of loan servicing, the servicing engagements may be terminated. Significant declines or terminations of servicing engagements or breaches of such obligations, in the absence of replacement revenue sources, could materially and adversely affect our business, financial condition and results of operations. Reductions in loan servicing fees as a result of defaults or prepayments by borrowers could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition to exposure to potential loss sharing, our loan servicing business is also subject to potential reductions in loan servicing fees if the borrower defaults on a loan originated thereby, as the generation of loan servicing fees depends upon the continued receipt and processing of periodic installments of principal, interest and other payments such as amounts held in escrow to pay property taxes and other required expenses. The loss of such loan servicing fees would reduce the amount of cash actually generated from loan servicing and from interest on amounts held in escrow. The expected loss of future loan servicing fees would also result in non- cash impairment charges to earnings. Such cash and non- cash charges could ~~have a material adverse effect on our business, financial condition, results of operations and prospects. Risks Relating to Change in LIBOR We may be adversely affected by the transition away from LIBOR and the use of SOFR or other alternative reference rates. LIBOR is a basic rate of interest used in lending between banks on the London interbank market and was widely used as a reference for setting the interest rate on loans globally. The United Kingdom' s Financial Conduct Authority and the administrator of LIBOR have announced that the publication of the most commonly used U. S. dollar LIBOR settings will cease to be published or cease to be representative after June 30, 2023, and the publication of all other LIBOR settings ceased to be published as of December 31, 2021. On January 1, 2022, banks in the United States ceased entering into new credit and other contractual agreements using US dollar LIBOR as a reference rate, and instead began incorporating alternative reference rates, such as the Secured Overnight Financing Rate (" SOFR "), within such agreements. While we have actively transitioned our credit facility and other funding arrangements to alternative reference rates (such as SOFR), we may still enter into funding arrangements in the future that reference LIBOR until such arrangements no longer become available. Additionally, Fannie Mae and Freddie Mac have stopped accepting adjustable- rate mortgages (" ARMs ") based on LIBOR and began accepting ARMs based on SOFR in 2020. In January 2023, both Fannie and Freddie announced the transition from LIBOR based indices to SOFR based indices for all legacy loans that were originally issued based on LIBOR effective the day after June 30, 2023. The withdrawal and replacement of LIBOR with SOFR or other alternative benchmarks introduces risks for us, our clients and the commercial real estate services industry. These risks include legal implementation risks, as extensive changes to documentation for new and existing clients, including lenders and real estate investors / owners, may be required. There are also financial risks arising from any changes in the valuation of financial instruments, which may impact our valuation and advisory business, our capital markets services business, and our lending and loan servicing business. There are also operational risks due to the potential requirement to adapt information technology systems and operational processes to address the replacement of LIBOR. In addition, replacement of LIBOR may temporarily reduce or delay transaction volume and could lead to various complexities and uncertainties related to our industry. Each of these risks may~~ have a material adverse effect on our business, financial condition, results of operations and prospects. Risks Related to Liquidity, Funding and Indebtedness Liquidity is essential to our business, and insufficient liquidity could have a material adverse effect on our business, financial condition, results of operations and prospects. Liquidity is essential to our business. Our liquidity position could be impaired due to circumstances that we may be unable to control, such as a general market disruption or idiosyncratic events that affect our clients, other third parties or us. We are a holding company with no direct operations. We conduct substantially all of our operations through our operating subsidiaries. We do not have any material assets other than our direct and indirect ownership in the equity of our subsidiaries. As a result, our operating cash flow as well as our liquidity position are dependent upon the earnings of our subsidiaries. In addition, we are dependent on the distribution of earnings, loans or other payments by our subsidiaries to us. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to any of our subsidiaries, we, as an equity owner of such subsidiary, and therefore holders of our securities, including our Class A common stock, will be subject to the prior claims of such subsidiary' s creditors, including trade creditors, and any preferred equity holders. Any dividends declared by us, any payment by us of our indebtedness or other expenses, and all applicable taxes payable in respect of our net taxable income, if any, are paid from cash on hand and funds received from distributions, loans or other payments, primarily from our subsidiaries. Regulatory, tax restrictions or elections, and other legal or contractual restrictions may limit our ability to transfer funds freely from our subsidiaries. These laws, regulations and rules may hinder our ability to access funds that we may need to meet our obligations. Certain debt and security agreements entered into by our subsidiaries contain or may contain various restrictions, including restrictions on payments by our subsidiaries to us and the transfer by our subsidiaries of assets pledged as collateral. To the extent that we need funds to pay dividends and repurchase shares or purchase limited partnership units, repay indebtedness and meet other expenses, or to pay taxes on our share of Newmark OpCo' s net taxable income, and Newmark OpCo or its subsidiaries are restricted from making such distributions under applicable law, regulations, or agreements, or are otherwise unable to provide such funds, it could materially adversely affect our business, financial condition, results of operations and prospects, including our ability to maintain adequate liquidity or to raise additional funding, including through access to the debt and equity capital markets. Our ability to raise funding in the long- term or short- term debt capital markets or the equity capital markets, or to access lending markets could be adversely affected by conditions in the United States and international economy and markets, or idiosyncratic events, with the cost and availability of funding adversely affected by wider credit spreads, changes in interest rates and dislocations in capital markets, as well as various business, governance, tax, accounting and other considerations. To the extent we are unable to access the debt capital markets on acceptable terms in the future, we may seek to raise funding and capital through equity issuances or other means. Turbulence in the U. S. and international economy or markets adversely affect our liquidity and funding positions, financial condition and the willingness of certain clients to do business with each other or with us. Acquisitions and financial reporting obligations related thereto may impact our ability to access **the** capital markets on a timely basis and may necessitate greater short- term borrowings during certain times, which in turn may adversely affect our cost of borrowing, financial condition, and creditworthiness, and as a result, potentially impact our credit ratings and associated outlooks. We may need to access short- term funding sources in order to meet a variety of business needs from time to time, including financing acquisitions **,** as well as ~~,~~ ongoing business operations or activities such as hiring or retaining real estate brokers, salespeople, managers and other professionals. While we have ~~a~~ credit ~~facility~~ **facilities** in place, to the extent that our capital or other needs exceed the capacity of our existing funding sources or we are not able to access any of these sources, this could have a material adverse effect on our business, financial condition, results of operations and prospects. As of December 31, ~~2022~~ **2023** , our GSE business had $ **5 billion of committed loan funding and $** 1. ~~6~~ **1** billion of ~~committed~~ **uncommitted** loan funding available through multiple commercial banks, and an uncommitted $ ~~800~~ **400** million Fannie Mae loan repurchase facility. Consistent with industry practice, our capital markets business' existing warehouse facilities are short- term, requiring annual renewal. If any of the committed facilities are terminated or are not renewed or the uncommitted facility is not honored, we would be required to obtain replacement financing, which we may be unable to find on favorable terms, or at all, and, in such event, we might not be able to originate loans, which could have a material adverse effect on **MSRs** ~~mortgage servicing rights~~ and on our business, financial condition, results of operations and prospects. We are subject to the risk of failed loan deliveries, and even after a successful closing and delivery, may be required to repurchase the loan or to indemnify the investor if there is a breach of a representation or warranty made by us in connection with the sale of loans, which could have a material adverse effect on our business, financial condition, results of operations and prospects. We bear the risk that a borrower will not close on a loan that has been pre- sold to an investor and the amount of such borrower' s rate lock deposit and any amounts recoverable from such borrower for breach of its obligations are insufficient to cover the investor' s losses. In addition, the investor may choose not to take delivery of the loan if a catastrophic change in the condition of a property occurs after we fund the loan and prior to the investor purchase date. We also have the risk of errors in loan documentation which prevent timely delivery of the loan prior to the investor purchase date. A complete failure to deliver a loan could be a default under the warehouse facilities collateralized by **GSEs** ~~U. S. Government Sponsored Enterprises~~ used to finance the loan. While we have not experienced failed deliveries in the past, no assurance can be given that we will not experience failed deliveries in the future or that any losses will not have a material adverse effect on our business, financial condition, results of operations or prospects. We must make certain representations and warranties concerning each loan we originate for the GSEs' and HUD' s programs or securitizations. The representations and warranties relate to our practices in the origination and servicing of the loans and the accuracy of the information being provided by ~~it~~ **them** . In the event of a material breach of representations or warranties concerning a loan, even if the loan is not in default, investors could, among other things, require us to repurchase the full amount of the loan and seek indemnification for losses from it, or, for Fannie Mae DUS loans, increase the level of risk- sharing on the loan. Our obligation to repurchase the loan is independent of our risk- sharing obligations. Our ability to recover on a claim against the borrower or any other party may be contractually limited and would also be dependent, in part, upon the financial condition and liquidity of such party. Although these obligations have not had a significant impact on our results to date, significant repurchase or indemnification obligations imposed on us could have a material adverse effect on our business, financial condition, results of operations and prospects. We have debt, which could adversely affect our ability to raise additional capital to fund our operations and activities, limit our ability to react to changes in the economy or the commercial real estate services industry, expose us to interest rate risk, impact our ability to obtain favorable credit ratings and prevent us from meeting or refinancing our obligations under our indebtedness, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Our indebtedness, which ~~at December 31~~ **on January 15** , ~~2022~~ **2024** was approximately $ ~~550~~ **600** . 0 million, may have important, adverse consequences to us and our investors, including: • it may limit our ability to borrow money, dispose of assets or sell equity to fund our working capital, capital expenditures, dividend payments, debt service, strategic initiatives or other obligations or purposes; • it may limit our flexibility in planning for, or reacting to, changes in the economy, the markets, regulatory requirements, our operations or business; • our financial leverage may be higher than some of our competitors, which may place us at a competitive disadvantage; • it may make us more vulnerable to downturns in the economy or our business; • it may require a substantial portion of our cash flow from operations to make interest payments; • it may make it more difficult for us to satisfy other obligations; • it may increase the risk of a future downgrade of our credit ratings or otherwise impact our ability to obtain or maintain investment grade credit ratings, which could increase the interest rates under certain of our debt agreements, increase future debt costs and limit the future availability of debt financing; • we may not be able to borrow additional funds or refinance existing debt as needed or take advantage of business opportunities as they arise, pay cash dividends or repurchase common stock **or purchase limited partnership units** ; and • there would be a material adverse effect on our business, financial condition, results of operations and prospects if we ~~were~~ **are** unable to service our indebtedness or obtain additional financing or refinance our existing debt on terms acceptable to us. Our indebtedness excludes the warehouse facilities collateralized by GSEs because these lines are used to fund short **-** term loans held for sale that are generally sold within 45 days from the date the loan is funded. All of the loans held for sale were either under commitment to be purchased by Freddie Mac or had confirmed forward trade commitments for the issuance and purchase of Fannie Mae or Ginnie Mae mortgage- backed securities that will be secured by the underlying loans. Some of our borrowings have variable interest rates. As a result, ~~changes~~ **increases** in market interest rates ~~has~~ **have** had and may continue to have a material adverse effect on our interest expense. Both domestic and international markets experienced significant inflationary pressures in fiscal ~~year~~ **years** 2022 **and 2023,** and inflation rates in the U. S., as well as in other countries in which we operate, **may** ~~are currently expected to~~ continue at elevated levels for the near- term. In response, the Federal Reserve in the U. S. and other central banks in various countries have raised, and may again raise, interest rates in response to concerns about inflation. ~~Raising~~ **Rising** interest rates could further increase our cost of funds, which could reduce our net income. In an effort to limit our exposure to interest rate fluctuations, we may rely on interest rate hedging or other interest rate risk management activities. These activities may limit our ability to participate in the benefits of lower interest rates with respect to the hedged borrowings. Adverse developments resulting from changes in interest rates or hedging transactions could have a material adverse effect on our business, financial condition, results of operations and prospects. ~~Some of our borrowings will mature in the near future. For example, our 6. 125 % Senior Notes are due November 15, 2023, and currently have an outstanding aggregate principal amount of $ 550 million.~~ Our ability to meet our payment and other obligations ~~under~~ **related to** our debt ~~borrowing~~ depends on our ability to refinance such debt, borrow funds from our ~~$ 600~~ million credit ~~facility~~ **facilities** and to generate and maintain ~~significant~~ **sufficient** cash ~~flow~~ **flows** ~~in~~ **. To** the ~~near~~ **extent that we incur additional indebtedness or seek to refinance our existing debt, the risks described above could increase. In addition, our actual cash requirements in the** future **may be greater than expected** . We cannot assure you that our business will generate cash flow from operations, or that additional capital will be available to us, in an amount sufficient to enable us to meet our payment obligations under our borrowings and to fund other liquidity needs, which could have a material adverse effect on our business, financial condition, results of operations and prospects. ~~To the extent that we incur additional indebtedness or seek to refinance our existing debt, the risks described above could increase. In addition, our actual cash requirements in the future may be greater than expected. Our cash flow from operations may not be sufficient to service our outstanding debt or to repay the outstanding debt as it becomes due, and we may not be able to borrow money, sell assets or otherwise raise funds on acceptable terms, or at all, to service or refinance our debt.~~ We may incur substantially more debt or take other actions which would intensify the risks discussed herein. We may incur substantial additional debt in the future, some of which may be secured debt. Under the terms of our existing debt, we are permitted under certain circumstances to incur additional debt, grant liens on our assets to secure existing or future debt, recapitalize our debt or take a number of other actions that could have the effect of diminishing our ability to make payments on our debt when due. To the extent that we borrow additional funds, the terms of such borrowings may include higher interest rates, more stringent financial covenants, change of control provisions, make- whole provisions or other terms that could have a material adverse effect on our business, financial condition, results of operations and prospects. Credit ratings downgrades ~~or defaults by us~~ could adversely affect us. Our credit ratings and associated outlooks are critical to our reputation and operational and financial success. Our credit ratings and associated outlooks are influenced by a number of factors, including: operating environment, regulatory environment, earnings and profitability trends, the rating agencies' view of our funding and liquidity management practices, balance sheet size / composition and resulting leverage, cash flow coverage of interest, composition and size of the capital base, available liquidity, outstanding borrowing levels, our competitive position in the industry, our relationships in the industry, our relationship with Cantor, acquisitions or dispositions of assets and other matters. A credit rating and / or the associated outlook can be revised upward or downward at any time by a rating agency if such rating agency decides that circumstances of ~~the~~ **that** company or related companies warrant such a change. Any adverse ratings change or a downgrade in the credit ratings of Newmark, Cantor or any of their other affiliates, and / or the associated ~~rating~~ **ratings** outlooks could adversely affect the availability of debt **, including with respect to our 7. 500 % Senior Notes,** financing to us on acceptable terms, as well as the cost and other terms upon which we may obtain any such financing. In addition, our credit ratings and associated outlooks may be important to clients of ours in certain markets and in certain transactions. A company' s contractual counterparties may, in certain circumstances, demand collateral in the event of a credit ratings or outlook downgrade of that company. Further, interest rates ~~,~~ payable on our future or currently outstanding debt ~~, including with respect to~~ **may increase in the event that** our ~~6~~ **ratings get downgraded; for example, under the terms of our 7** . ~~125~~ **500** % Senior Notes, ~~may~~ **a downgrade in our credit ratings by Fitch Ratings Inc. or Standard & Poor' s would lead to an** increase in the ~~event that our ratings get downgraded~~ **interest rate payable on those notes** . ~~Currently~~ **As of December 31, 2023** , our long- term credit ratings from Japan Credit Rating Agency, Ltd. are BBB with a stable outlook, and from both Fitch Ratings Inc. and Kroll Bond Rating Agency are BBB-, and the associated outlooks are stable. Our long- term credit rating from Standard & Poor' s is BB with an associated outlook of ~~positive~~ **stable** . No assurance can be given that our credit ratings and associated outlooks will remain unchanged in the future. Our acquisitions may require significant cash resources and may lead to a significant increase in the level of our indebtedness. Potential future acquisitions may lead to a significant increase in the level of our indebtedness. We may enter into short- or long- term financing arrangements in connection with acquisitions which may occur from time to time. In addition, we may incur substantial nonrecurring transaction costs, including break- up fees, assumption of liabilities and expenses and compensation expenses. The increased level of our consolidated indebtedness in connection with potential acquisitions may restrict our ability to raise additional funding or capital on favorable terms, and such leverage, and any resulting liquidity or credit issues, could have a material adverse effect on our business, financial condition, results of operations and prospects. Risks ~~Relating~~ **Related** to ~~our 6~~ **Our 7** . ~~125~~ **500** % Senior Notes We may not have the funds necessary to repurchase the ~~6~~ **7** . ~~125~~ **500** % Senior Notes upon a change of control triggering event as required by the indenture governing these notes. Upon the occurrence of a “ change of control triggering event ” (as defined in in the indenture governing the ~~6~~ **7** . ~~125~~ **500** % Senior Notes) unless we have exercised our right to redeem the notes, holders of the notes will have the right to require us to repurchase all or any part of their notes at a price in cash equal to 101 % of the then- outstanding aggregate principal amount of the notes repurchased plus accrued and unpaid interest, if any. If we experience a “ change of control triggering event **,** ” ~~,~~ we can offer no assurance that we would have sufficient, financial resources readily available to satisfy our obligations to repurchase any or all of the notes should any holder elect to cause us to do so. Our failure to repurchase the notes as required would result in a default under the indenture, which in turn could result in defaults under agreements governing certain of our other indebtedness, including the acceleration of the payment of any borrowings thereunder, and which could have a material adverse effect on our business, financial condition, results of operations and prospects. The requirement to offer to repurchase the ~~6~~ **7** . ~~125~~ **500** % Senior Notes upon a change of control triggering event may delay or prevent an otherwise beneficial takeover attempt of us. The requirement to offer to repurchase the ~~6~~ **7** . ~~125~~ **500** % Senior Notes upon a change of control triggering event may in certain circumstances delay or prevent a takeover of us and / or the removal of incumbent management that might otherwise be beneficial to investors in our Class A common stock ~~. Other General Risks Employee misconduct, fraud, miscommunication or error could harm us by impairing our ability to attract and retain customers and subjecting us to significant financial losses, legal liability, regulatory sanctions and penalties and reputational harm; moreover, misconduct is difficult to detect and deter, and error is difficult to prevent. Employee misconduct, fraud or error could subject us to financial losses, legal liability, and regulatory sanctions and penalties and could seriously harm our reputation and negatively affect us. Misconduct or fraud by employees could include engaging in improper or unauthorized transactions or activities, failing to properly supervise other employees or improperly using confidential information. Employee errors and miscommunication, including mistakes in executing, recording or processing transactions for customers, could cause us to suffer liability, loss, sanction and / or reputational harm, which could expose us to the risk of material losses even if the errors and miscommunication are detected and the transactions are unwound or reversed. It is not always possible to deter and detect employee misconduct or fraud or prevent errors and miscommunications. While we have various supervisory systems and compliance processes and procedures in place, and seek to mitigate applicable risks, the precautions we take to deter and detect and prevent this activity may not be effective in all cases. Increased scrutiny and changing expectations from stockholders with respect to the Company' s ESG practices or demographic disclosure may result in additional costs or risks. Companies across our industry are facing increasing scrutiny related to their ESG practices and related demographic disclosures, Investor advocacy groups, certain institutional investors, investment funds and other influential investors are also increasingly focused on ESG practices and related demographic disclosures and in recent years have placed increasing importance on the non- financial impacts of their investments. Further, customer bids, requests for proposals and other customer arrangements or opportunities may require disclosure of ESG metrics in order to compete for business. While we are focused on our ESG efforts and disclosures, if our ESG practices and disclosure of specific metrics do not meet customer, investor or other industry stockholder expectations, which continue to evolve, we may not win or may lose customers, or may incur additional costs and our business, financial condition, results of operations and prospects could be materially adversely affected~~ . RISKS RELATED TO OUR CORPORATE AND PARTNERSHIP AND EQUITY STRUCTURE We are a holding company, and accordingly we are dependent upon distributions from Newmark OpCo to pay dividends, taxes and indebtedness and other expenses and to make repurchases. We are a holding company with no direct operations, and we will be able to pay dividends, taxes and other expenses, and to make repurchases of shares of our Class A common stock and purchases of Newmark Holdings limited partnership interests or other equity interests in our subsidiaries, only from our available cash on hand and funds received from distributions, loans or other payments, primarily from Newmark OpCo. Tax restrictions or elections and other legal or contractual restrictions may limit our ability to transfer funds freely from our subsidiaries. In addition, any unanticipated accounting, tax or other charges against net income could adversely affect our ability to pay dividends and to make repurchases. Our Board of Directors and Audit Committee authorized repurchases of shares of our Class A common stock and purchases of limited partnership interests or other equity interests in our subsidiaries up to $ 400 million. This authorization includes repurchases of stock or units from executive officers, other employees and partners, including Cantor, as well as other affiliated persons or entities. From time to time, we may repurchase shares or purchase units. See “ **—** Risks Related to **Our Business — Risks Related to** Liquidity, Funding and Indebtedness **—** ~~”~~ Liquidity is essential to our business, and insufficient liquidity could have a material adverse effect on our business, financial condition, results of operations and prospects. ” Reductions in our quarterly cash dividend and corresponding reductions in distributions by Newmark Holdings to its partners may reduce the value of our common stock and the attractiveness of our equity- based compensation and limit the ability of our partners to repay employee loans. ~~Our Board has traditionally authorized a dividend policy which generally provides that we expect to pay a quarterly cash dividend to our common stockholders based, in part, on our post- tax Adjusted Earnings per fully diluted share.~~ On February ~~15~~ **21** , ~~2023~~ **2024** our Board declared a quarterly ~~qualified~~ cash dividend of $ 0. 03 per share to Class A and Class B common stockholders of record as of March ~~3~~ **8** , ~~2023~~ **2024** . Investors seeking a high short- term dividend yield may find our Class A common stock less attractive than securities of issuers with higher dividend yields. Our ability to pay dividends is dependent upon our available cash on hand and funds received from distributions, loans or other payments from Newmark OpCo. Newmark OpCo intends to distribute to its limited partners, including us, on a pro rata and quarterly basis, cash in an amount that will be determined by Newmark Holdings, its general partner, of which we are the general partner. Newmark OpCo’ s ability, and in turn our ability, to make such distributions will depend upon the continuing profitability and strategic and operating needs of our business. We may not pay the same dividend to our shares as the distribution paid by Newmark OpCo to its limited partners. In November 2022, our Board of Directors reauthorized our stock and unit repurchase authorization to $ 400 million. In addition, from time to time, we may reinvest all or a portion of the distributions we receive in Newmark OpCo’ s business. Accordingly, there can be no assurance that future dividends will be paid, that dividend amounts will be maintained or that repurchases or purchases will be made at current or future levels. See “ **Capital Deployment Priorities, Dividend Policy and Repurchase and Redemption Program ” in Part II,** Item 5 ~~–~~**,** Market for Registrant’ s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities ~~- Dividend Policy~~ . ~~”~~Because our voting control is concentrated among the holders of our Class B common stock, the market price of our Class A common stock may be materially adversely affected by its disparate voting rights. The holders of our Class A common stock and Class B common stock have substantially identical economic rights, but their voting rights are different. Holders of Class A common stock are entitled to one vote per share, while holders of Class B common stock are entitled to 10 votes per share on all matters to be voted on by stockholders in general. As of December 31, ~~2022~~ **2023** , Cantor and CFGM held no shares of our Class A common stock. As of December 31, ~~2022~~ **2023** , Cantor and CFGM held 21, 285, 533 shares of our Class B common stock, which represented all of the outstanding shares of our Class B common stock. The shares of Class B common stock held by Cantor and CFGM as of December 31, ~~2022~~ **2023** represented approximately 58. ~~6~~ **2** % of our total voting power. In addition, Cantor has the right to exchange exchangeable partnership interests in Newmark Holdings into additional shares of Class A or Class B common stock, and pursuant to the ~~exchange~~ **Exchange** ~~agreement~~ **Agreement** , Cantor, CFGM and other Cantor affiliates entitled to hold Class B common stock under our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** have the right to exchange from time to time, on a one- to- one basis, subject to adjustment, shares of our Class A common stock now owned or subsequently acquired by such persons for shares of our Class B common stock, up to the number of shares of Class B common stock that are authorized but unissued under our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** . Cantor has pledged 5. 0 million shares of Class B common stock held by it to Bank of America in connection with certain partner loans. We expect to retain our dual class structure, and there are no circumstances under which the holders of Class B common stock would be required to convert their shares of Class B common stock into shares of Class A common stock, absent the exercise of the pledge in the event of foreclosure. As long as Cantor beneficially owns a majority of our total voting power, it will have the ability, without the consent of the other holders of our Class A common stock, to elect all of the members of our Board of Directors and to control our management and affairs. In addition, it will be able to in its sole discretion determine the outcome of matters submitted to a vote of our stockholders for approval and will be able to cause or prevent a change of control of us ~~. In certain circumstances, the shares of Class B common stock issued to Cantor may be transferred without conversion to Class A common stock such as when the shares are transferred to an entity controlled by Cantor or Mr. Lutnick~~ . Our Class B common stock is controlled by Cantor and will not be subject to conversion or redemption by us. Our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** does not provide for automatic conversion of shares of Class B common stock into shares of Class A common stock upon the occurrence of any event. Furthermore, the Class B common stock is only issuable to Cantor, Mr. Lutnick or certain persons or entities controlled by them. The difference in the voting rights of Class B common stock could adversely affect the market price of our Class A common stock. The dual class structure of our common stock may adversely affect the trading market for our Class A common stock. S & P Dow Jones **Indices** and FTSE Russell **have** previously ~~announced changes to their eligibility criteria for inclusion of shares of public companies on certain indices, including the S & P 500, to exclude~~ **excluded** companies with multiple classes of shares of common stock from being added to ~~such~~ **their** indices or ~~limit~~ **limited** their inclusion in them. In addition, several shareholder advisory firms have announced their opposition to the use of multiple class structures. ~~As a result,~~ **It is possible that** the dual class structure of our common stock may prevent the inclusion of our Class A common stock in such indices and may cause shareholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for our Class A common stock. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of our Class A common stock. Delaware law may protect decisions of our Board of Directors that have a different effect on holders of our Class A common stock and Class B common stock. Stockholders may not be able to challenge decisions that have an adverse effect upon holders of our Class A common stock compared to holders of our Class B common stock if our Board of Directors acts in a disinterested, informed manner with respect to these decisions, in good faith and in the belief that it is acting in the best interests of our stockholders. Delaware law generally provides that a Board of Directors owes an equal duty to all stockholders, regardless of class or series, and does not have separate or additional duties to different groups of stockholders, subject to applicable provisions set forth in a corporation’ s certificate of incorporation and general principles of corporate law and fiduciary duties. If we or Newmark Holdings were deemed an “ investment company ” under the Investment Company Act, the Investment Company Act’ s restrictions could make it impractical for us to continue our business and structure as contemplated and could materially adversely affect our business, financial condition, results of operations and prospects. Generally, an entity is deemed an “ investment company ” under Section 3 (a) (1) (A) of the Investment Company Act if it is primarily engaged in the business of investing, reinvesting, or trading in securities, and is deemed an “ investment company ” under Section 3 (a) (1) (C) of the Investment Company Act if it owns “ investment securities ” having a value exceeding 40 % of the value of its total assets (exclusive of U. S. ~~Government~~ **government** securities and cash items) on an unconsolidated basis. We believe that neither we nor Newmark Holdings should be deemed an “ investment company ” as defined under Section 3 (a) (1) (A) because neither of us is primarily engaged in the business of investing, reinvesting, or trading in securities. Rather, through our operating subsidiaries, we and Newmark Holdings are primarily engaged in the operation of various types of commercial real estate services businesses as described in this Annual

Report on Form 10- K. Neither we nor Newmark Holdings is an “ investment company ” under Section 3 (a) (1) (C) because more than 60 % of the value of our total assets on an unconsolidated basis are interests in majority- owned subsidiaries that are not themselves “ investment companies. **”** In particular, Berkeley Point, a significant majority- owned subsidiary, is entitled to rely on, among other things, the mortgage banker exemption in Section 3 (c) (5) (C) of the Investment Company Act. To ensure that we and Newmark Holdings are not deemed “ investment companies ” under the Investment Company Act, we need to be primarily engaged, directly or indirectly, in the non- investment company businesses of our operating subsidiaries. If we were to cease participation in the management of Newmark Holdings, if Newmark Holdings, in turn, were to cease participation in the management of Newmark OpCo, or if Newmark OpCo, in turn, were to cease participation in the management of our operating subsidiaries, that would increase the possibility that we and Newmark Holdings could be deemed “ investment companies. ” Further, if we were deemed not to have a majority of the voting power of Newmark Holdings (including through our ownership of the Special Voting Limited Partnership Interest), if Newmark Holdings, in turn, were deemed not to have a majority of the voting power of Newmark OpCo (including through its ownership of the Special Voting Limited Partnership Interest), or if Newmark OpCo, in turn, were deemed not to have a majority of the voting power of our operating subsidiaries, that would increase the possibility that we and Newmark Holdings could be deemed “ investment companies. ” Finally, if any of our operating subsidiaries were deemed “ investment companies, ” our interests in Newmark Holdings and Newmark OpCo, and Newmark Holdings’ interests in Newmark OpCo, could be deemed “ investment securities, ” and we and Newmark Holdings could be deemed “ investment companies. ” We expect to take all legally permissible action to ensure that we and Newmark Holdings are not deemed investment companies under the Investment Company Act, but no assurance can be given that this will not occur. The Investment Company Act and the rules thereunder contain detailed prescriptions for the organization and operations of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, limit the issuance of debt and equity securities, prohibit the issuance of stock options and impose certain governance requirements. If anything were to happen that would cause us or Newmark Holdings to be deemed to be an investment company under the Investment Company Act, the Investment Company Act would limit our or its capital structure, ability to transact business with affiliates (including Cantor, Newmark Holdings or Newmark OpCo, as the case may be) and ability to compensate key employees. Therefore, if we or Newmark Holdings became subject to the Investment Company Act, it could make it impractical to continue our business in this structure, impair agreements and arrangements and impair the transactions contemplated by those agreements and arrangements, between and among us, Newmark Holdings and Newmark OpCo, or any combination thereof, and materially adversely affect our business, financial condition, results of operations and prospects. We may be required to pay Cantor for a significant portion of the tax benefit, if any, relating to any additional tax depreciation or amortization deductions we claim as a result of any step up in the tax basis of the assets of Newmark OpCo resulting from exchanges of interests held by Cantor in Newmark Holdings for our common stock. Certain partnership interests in Newmark Holdings may be exchanged for shares of Newmark ~~Group~~ common stock. In the vast majority of cases, the partnership units that become exchangeable for shares of Newmark common stock are units that have been granted as compensation, and, therefore, the exchange of such units will not result in an increase in Newmark’ s share of the tax basis of the tangible and intangible assets of Newmark OpCo. However, exchanges of other partnership units ~~-~~ **—** including non- tax- free exchanges of units by Cantor ~~-~~ **—** could result in an increase in the tax basis of such tangible and intangible assets that otherwise would not have been available, although the Internal Revenue Service may challenge all or part of that tax basis increase, and a court could sustain such a challenge by the Internal Revenue Service. These increases in tax basis, if sustained, may reduce the amount of tax that Newmark would otherwise be required to pay in the future. In such circumstances, the tax receivable agreement that Newmark entered into with Cantor provides for the payment by Newmark to Cantor of 85 % of the amount of cash savings, if any, in the U. S. federal, state and local income tax or franchise tax that Newmark actually realizes as a result of these increases in tax basis and certain other tax benefits related to its entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. It is expected that Newmark will benefit from the remaining 15 % cash savings, if any, in income tax that we realize. RISKS RELATED TO OUR RELATIONSHIP WITH CANTOR AND ITS AFFILIATES We are controlled by Cantor. Cantor’ s interests may conflict with our interests, and Cantor may exercise its control in a way that favors its interests to our detriment, including in competition with us for acquisitions or other business opportunities. As of December 31, ~~2022~~ **2023** , Cantor and CFGM held no shares of our Class A common stock. As of December 31, ~~2022~~ **2023** , Cantor and CFGM held 21, 285, 533 shares of our Class B common stock, which represented all of the outstanding shares of our Class B common stock. The shares of Class B common stock held by Cantor and CFGM as of December 31, 2022 represented approximately 58. ~~6~~ **2** % of our total voting power. Cantor and CFGM also own **26, 921,** ~~24~~ **248** ~~, 651, 649~~ exchangeable limited partnership units of Newmark Holdings. If Cantor and CFGM were to exchange such units into shares of our Class B common stock, Cantor would have approximately 76. ~~1~~ **0** % of our total voting power as of December 31, 2022 (61. ~~4~~ **10** % if Cantor were to exchange such units into shares of our Class A common stock). We expect to retain our dual class structure, and there are no circumstances under which the holders of Class B common stock would be required to convert their shares of Class B common stock into shares of Class A common stock. ~~As a result,~~ Cantor, directly through its ownership of shares of our Class A common stock and Class B common stock, and Mr. Lutnick, indirectly through his control of Cantor, are each able to exercise control over our management and affairs and all matters requiring stockholder approval, including the election of our directors and determinations with respect to acquisitions and dispositions, as well as material expansions or contractions of our business, entry into new lines of business and borrowings and issuances of our Class A common stock and Class B common stock or other securities **. This control is subject to the approval of our Audit Committee on those matters requiring such approval** . Cantor’ s voting power may also have the effect of delaying or preventing a change of control of us. Cantor’ s and Mr. Lutnick’ s ability to exercise control over us could create or appear to create potential conflicts of interest. **See “ — Mr. Lutnick has actual or potential conflicts of interest because of**

his positions with BGC Group and / or Cantor or its other affiliates. " Conflicts of interest may arise between us and Cantor in a number of areas relating to our past and ongoing relationships, including: • potential acquisitions and dispositions of businesses **, mergers, joint ventures, investments or similar transactions** ; • the issuance, acquisition or disposition of securities by us; • the election of new or additional directors to our Board of Directors; • the payment of dividends by us (if any), distribution of profits by Newmark OpCo and / or Newmark Holdings and repurchases of shares of our Class A common stock or purchases of Newmark Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor or our executive officers, other employees, partners and others; • any loans to or from us or Cantor **, or any financings or credit arrangements that relate to or depend on our relationship with Cantor or its relationship with us** ; • business operations or business opportunities of ours and Cantor' s that would compete with the other party' s business opportunities; • intellectual property matters; • business combinations involving us; and • the nature, quality and pricing of administrative services and transition services to be provided to or by ~~BGC Partners or~~ Cantor or **its** ~~their respective~~ affiliates. Potential conflicts of interest could also arise if we decide to enter into any new commercial arrangements with Cantor in the future or in connection with Cantor' s desire to enter into new commercial arrangements with third parties. We also expect Cantor to manage its ownership of us so that it will not be deemed to be an investment company under the Investment Company Act, including by maintaining its voting power in us above a majority absent an applicable exemption from the Investment Company Act. This may result in conflicts with us, including those relating to acquisitions or offerings by us involving issuances of shares of our Class A common stock, or securities convertible or exchangeable into shares of **our** Class A common stock, ~~that~~ **which** would dilute Cantor' s voting power in us. **See " — Risks Related to Our Corporate and Partnership and Equity Structure — If we or Newmark Holdings were deemed an " investment company " under the Investment Company Act, the Investment Company Act' s restrictions could make it impractical for us to continue our business and structure as contemplated and could materially adversely affect our business, financial condition, results of operations and prospects. "** In addition, Cantor has from time to time in the past and may in the future consider possible strategic realignments of its own business and / or of the relationships that exist between and among Cantor and its other affiliates and us. Any future material related- party transaction or arrangement between Cantor and its other affiliates and us is subject to the prior approval by our ~~audit~~ **Audit** ~~committee~~ **Committee** , but generally does not require the separate approval of our stockholders, and if such stockholder approval is required, Cantor may retain sufficient voting power to provide any such requisite approval without the affirmative consent of our other stockholders. Further, our regulators may require the consolidation, for regulatory purposes, of Cantor and / or its other affiliates and us or require other restructuring of the group. There is no assurance that such consolidation or restructuring would not result in a material expense or disruption to our business. We also have entered into agreements that provide certain rights to the holder of a majority of the Newmark Holdings exchangeable limited partnership interest, which is currently Cantor. For example, the Separation and Distribution Agreement provides that dividends for a year to our common stockholders that are 25 % or more of our post- tax Adjusted Earnings per fully diluted share for such year shall require the consent of the holder of a majority of the Newmark Holdings exchangeable limited partnership interests. In addition, the Separation and Distribution Agreement requires Newmark to contribute any reinvestment cash (i. e., any cash that Newmark retains, after the payment of taxes, as a result of distributing a smaller percentage than Newmark Holdings from the distributions they receive from Newmark OpCo), as an additional capital contribution with respect to its existing limited partnership interest in Newmark OpCo, unless Newmark and the holder of a majority of the Newmark Holdings exchangeable limited partnership interests agree otherwise. It is possible that Cantor, as the holder of a majority of the Newmark Holdings exchangeable limited partnership interest, will not agree to a higher dividend percentage or a different use of reinvestment cash, even if doing so might be more advantageous to the Newmark stockholders. Our agreements and other arrangements with BGC ~~Partners~~ **Group** and Cantor, including the Separation and Distribution Agreement, may be amended upon agreement of the parties to those agreements and approval of our ~~audit~~ **Audit** ~~committee~~ **Committee** ~~. During the time that we are controlled by Cantor, Cantor may be able to require us to agree to amendments to these agreements~~ . We may not be able to resolve any potential conflicts, and, even if we do, the resolution may be less favorable to us than if we were dealing with an unaffiliated party. In order to address potential conflicts of interest between or among BGC ~~Partners~~ **Group** , Cantor and their respective representatives and us, our ~~amended and restated certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** contains provisions regulating and defining the conduct of our affairs as they may involve BGC ~~Partners~~ **Group** and / or Cantor and their respective representatives, and our powers, rights, duties and liabilities and those of our representatives in connection therewith. Cantor may compete with us for acquisitions or other business opportunities. Cantor has existing real estate- related businesses ~~,~~ and Newmark and Cantor are co- sponsors of a **SPAC** ~~special purpose acquisition company,~~ named Newmark Acquisition Corp ~~., and are partners in a real estate- related joint venture, Real Estate LP, which, in December 2022, we amended to provide us the right to redeem our membership interest in on or after July 1, 2023~~ . In addition, from time to time, Cantor may sponsor other SPACs or invest in other ventures which have a real estate focus. While these businesses do not currently compete with Newmark, it is possible that, in the future, real estate- related opportunities in which Newmark would be interested may also be pursued by Cantor and / or **Cantor** ~~Real Estate LP, and Real Estate LP~~ may conduct activities in any real estate- related business or asset- backed securities- related business or any extensions thereof and ancillary activities thereto. For example, Cantor' s commercial lending business has historically offered conduit loans to the multifamily market. While conduit loans have certain key differences versus multifamily agency loans, such as those offered by our capital markets business, there can be no assurance that Cantor ~~' s and / or Real Estate LP~~ ' s lending businesses will not seek to offer multifamily loans to our existing and potential multifamily customer base. Moreover, the service of officers or partners of Cantor as our executive officers and directors, and those persons' ownership interests in and payments from Cantor and its affiliates, SPACs and similar investments or other entities, could create conflicts of interest when we and those directors or executive officers are faced with decisions that could have different implications for us and them. Our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** provides that, to the greatest extent permitted by law, no Cantor Company or BGC ~~Partners~~ **Group** Company, each as defined in our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** , or any of the representatives, as defined in our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** , of a Cantor Company or BGC ~~Partners~~ **Group** Company will, in its capacity as our stockholder or affiliate, owe or be liable for breach of any fiduciary duty to us or any of our stockholders. In addition, to the greatest extent permitted by law, none of any Cantor Company, BGC ~~Partners~~ **Group** Company or any of their respective representatives will owe any duty to refrain from engaging in the same or similar activities or lines of business as us or our representatives or doing business with any of our or our representatives' clients or customers. If any Cantor Company, BGC ~~Partners~~ **Group** Company or any of their respective representatives acquires knowledge of a potential transaction or matter that may be a corporate opportunity (as defined in our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation**) for any such person, on the one hand, and us or any of our representatives, on the other hand, such person will have no duty to communicate or offer such corporate opportunity to us or any of our representatives, and will not be liable to us, any of our stockholders or any of our representatives for breach of any fiduciary duty by reason of the fact that they pursue or acquire such corporate opportunity for themselves, direct such corporate opportunity to another person or do not present such corporate opportunity to us or any of our representatives, subject to the requirement described in the following sentence. If a third- party presents a corporate opportunity to a person who is both our representative and a representative of a BGC ~~Partners~~ **Group** Company and / or a Cantor Company, expressly and solely in such person' s capacity as our representative, and such person acts in good faith in a manner consistent with the policy that such corporate opportunity belongs to us, then such person will be deemed to have fully satisfied and fulfilled any fiduciary duty that such person has to us as our representative with respect to such corporate opportunity, provided that any BGC ~~Partners~~ **Group** Company, any Cantor Company or any of their respective representatives may pursue such corporate opportunity if we decide not to pursue such corporate opportunity. The corporate opportunity policy that is included in our ~~amended and restated certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** is designed to resolve potential conflicts of interest between us and our representatives and BGC ~~Partners~~ **Group** , Cantor and their respective representatives. The Newmark Holdings and Newmark OpCo limited partnership agreements contain similar provisions with respect to us and / or BGC ~~Partners~~ **Group** and Cantor and each of our respective representatives. This policy, however, could make it easier for BGC ~~Partners~~ **Group** or Cantor to compete with us. If BGC ~~Partners~~ **Group** or Cantor competes with us, it could materially harm our business, financial condition, results of operations and prospects. Mr. Lutnick ~~has actual or potential conflicts of interest because of his positions with BGC Partners and / or Cantor or its other affiliates. Mr. Lutnick~~ serves as Chairman of the Board and Chief Executive Officer of BGC ~~Partners~~ **Group** and as Chairman and Chief Executive Officer of Cantor and holds offices at various other affiliates of Cantor and serves as an officer and director of several SPACs. He has **also joined,** and may in the future ~~also~~ join **,** the board of other public companies from time to time. Further, Mr. Lutnick' s family members are periodically employed by our businesses. In addition, Mr. Lutnick owns BGC ~~Partners~~ **Group** common stock **and** ~~, other BGC Partners' equity awards or partnership interests in BGC Holdings, or~~ equity interests in Cantor **and** ~~or any of its~~ other affiliates. These interests may be significant compared to his total assets. Although BGC ~~Partners~~ **Group** is no longer our parent following the Spin- Off, Cantor controls both us and BGC ~~Partners~~ **Group** . Mr. Lutnick' s positions at BGC ~~Partners~~ **Group** and / or Cantor, any family employment or other relationships, and the ownership of any such equity or the equity of any of Cantor' s other affiliates create, or may create the appearance of, conflicts of interest when he is faced with decisions that could have different implications for BGC ~~Partners~~ **Group** , Cantor or any of such other affiliates than the decisions have for us. Agreements between us and / or Cantor or its affiliates are between related parties, and the terms of these agreements may be less favorable to us than those that we could negotiate with third parties and may subject us to litigation. Our relationship with Cantor and / or its affiliates may result in agreements with Cantor and / or its affiliates that are between related parties. For example, we provide to and receive from Cantor and / or its affiliates various administrative services and transition services. As a result, the prices charged to us or by us for services provided under any agreements with such entities may be higher or lower than prices that may be charged by third parties, and the terms of these agreements may be less favorable to us than those that we could have negotiated with third parties. Any future material related- party transaction or arrangement between us and such parties is subject to the prior approval by our ~~audit~~ **Audit** ~~committee~~ **Committee** , but generally does not require the separate approval of our stockholders, and if such stockholder approval were required, Cantor may retain sufficient voting power to provide any such requisite approval without the affirmative consent of our other stockholders. These related- party relationships may also from time to time subject us to litigation. We are controlled by Cantor. Cantor controls its wholly owned subsidiary, CF & Co, which may provide us with investment banking services ~~. From~~ **from** time to time ~~, in~~ **. In** addition, Cantor, CF & Co and their affiliates may provide us with advice and **other** services from time to time. We are controlled by Cantor. Cantor, in turn, controls its wholly owned subsidiary, CF & Co. Cantor, CF & Co and their affiliates ~~may~~ **have** ~~provide~~ **provided** investment banking services to us and our affiliates **in the past and may be expected to do so in the future** , including acting as our financial advisor in connection with business combinations, dispositions or other transactions, and placing or recommending to us various investments, stock loans or cash management vehicles. They ~~would~~ receive customary fees and commissions for these services in accordance with our investment banking engagement letter with CF & Co. They may also receive brokerage and market data and analytics products and services from us and our respective affiliates. ~~Real Estate LP~~ **CF & Co** may **make** ~~engage in~~ a **market in** ~~broad range of commercial real estate activities, and we will have limited influence over the selection or~~ **our notes once the** ~~management of such activities. We own approximately~~ --- **appropriate registration statement** ~~27 % of the capital in Real Estate LP. Cantor controls the remaining 73 % of its~~ - **is filed** ~~capital and controls the general partner of Real Estate LP, who manages Real Estate LP. Real Estate LP collaborates~~ with ~~Cantor' s significant existing real estate finance business, and Real Estate LP may conduct activities in any real estate- related business or asset- backed securities- related business or any extensions thereof and ancillary activities thereto. Although we amended our joint venture agreement in December 2022 to provide us~~ the **SEC** ~~right to redeem our membership interest in Real Estate LP on or after July 1, 2023, we currently have~~

~~limited to no influence on the selection or management of the activities conducted by Real Estate LP, each of which may have different risks and uncertainty associated with it and that are each beyond our control~~ . ~~See " Risk Factors- Risks Related to Our Relationship with Cantor and Its Respective Affiliates. We are controlled by Cantor. Cantor' s interests may conflict with our interests and Cantor may exercise its control in a way that favors its respective interests to our detriment. "~~ RISKS RELATED TO OWNERSHIP OF OUR CLASS A COMMON STOCK AND OUR STATUS AS A PUBLIC COMPANY If we fail to implement and maintain an effective internal control environment, our operations, reputation and stock price could suffer, we may need to restate our financial statements and we may be delayed in or prevented from accessing the capital markets. As a public company, we are required, under Section 404 of the Sarbanes- Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. This assessment is required to include disclosure of any material weaknesses identified by our management in our key internal controls over financial reporting. A material weakness is a control deficiency or combination of control deficiencies that results in more than a remote likelihood that a material misstatement of annual or interim financial statements will not be prevented or detected. To ~~achieve~~ **ensure** compliance with Section 404 ~~within the prescribed period~~ , we will **continue** ~~be engaged in a process~~ to ~~document and~~ evaluate our key internal controls over financial reporting, **including with respect to acquisitions** ~~which is both costly and challenging~~ . Internal controls over financial reporting, no matter how well designed, have inherent limitations. Therefore, internal controls determined to be effective can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision- making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. As such, we could lose investor confidence in the accuracy and completeness of our financial reports, which may have a material adverse effect on our reputation and stock price. Our ability to identify and remediate any material weaknesses in our internal controls over financial reporting could affect our ability to prepare financial reports in a timely manner, control our policies, procedures, operations and assets, assess and manage our operational, regulatory and financial risks, and integrate our acquired businesses. Similarly, we need to effectively manage any growth that we achieve in such a way as to ensure continuing compliance with all applicable control, financial reporting and legal and regulatory requirements. Any material ~~failures~~ **failure** to ensure full compliance with control and financial reporting requirements could result in restatement **of our financial statements** , delay or prevent us from accessing the capital markets and harm our reputation and **/ or** the market price for our Class A common stock. Purchasers of our Class A common stock, as well as existing stockholders, may experience significant dilution as a result of sales of shares of our Class A common stock by us ~~or by our partners and employees. Our management will have broad discretion as to the timing and amount of sales of our Class A common stock in any offering by us~~ , **and** ~~as well as the application of the net proceeds of any such sales. In addition, sales of substantial amounts of our Class A common stock, or~~ the perception that such sales could occur ~~,~~ may adversely affect prevailing market prices for our stock. We may sell shares of our Class A common stock from time to time, including, without limitation, in connection with underwritten offerings, any " at- the- market " controlled equity offering program we may establish, or to our employees and partners. We may also facilitate other potential forms of employee share monetization including issuance of shares to employees and partners which may be sold through broker transactions. As a well- known seasoned issuer, we may file an automatic shelf registration statement and commence an offering immediately thereafter. We have an effective registration statement on Form S- 4 ~~filed on May 20, 2019 (the " Acquisition Shelf Registration Statement "),~~ with respect to the offer and sale of up to 20 million shares of our Class A common stock from time to time in connection with business combination transactions, including acquisitions of other businesses, assets, properties or securities. As of December 31, ~~2022~~ **2023** , we have issued an aggregate of ~~1~~ **2** , ~~672~~ **176** , ~~746~~ **415** shares of our Class A common stock under **this** ~~the Acquisition Shelf Registration~~ **registration** ~~Statement~~ **statement** . We have filed registration statements on Form S- 8 pursuant to which we have registered the shares underlying the **Equity** ~~Newmark Group Long Term Incentive~~ Plan. As of December 31, ~~2022~~ **2023** , there were **304. 2** ~~18, 327, 254~~ million shares remaining for sale under such registration statements. The prices at which shares may be sold in any offering of our Class A common stock will vary, and these variations may be significant. Purchasers of these shares may suffer significant dilution if the price they pay is higher than the price paid by other purchasers of shares of our Class A common stock in any offerings of shares of our Class A common stock. Our management will have broad discretion as to the timing and amount of sales of our Class A common stock in any offering by us, as well as the application of the net proceeds of any such sales. Accordingly, purchasers in any such offering will be relying on the judgment of our management with regard to the use of such net proceeds, and purchasers will not have the opportunity, as part of their investment decision, to assess whether the proceeds are being used appropriately. It is possible that the proceeds will be invested in a way that does not yield a favorable, or any, return for us and cause the price of our Class A common stock to decline. We cannot predict the effect, if any, of future sales of our Class A common stock, or the availability of shares for future sales, on the market price of our Class A common stock. Sales of substantial amounts of our Class A common stock, or the perception that such sales could occur, could dilute existing holders of our Class A common stock and may adversely affect prevailing market prices for our Class A common stock. In addition, the sale by us of any shares of our Class A common stock may decrease our existing Class A common stockholders' proportionate ownership interest in us, reduce the amount of cash available per share for dividends payable on shares of our Class A common stock and diminish the relative voting strength of each previously outstanding share of our Class A common stock. Delaware law, our corporate organizational documents and other requirements may impose various impediments to the ability of a third- party to acquire control of us, which could deprive our investors of the opportunity to receive a premium for their shares. We are a Delaware corporation, and the anti- takeover provisions of the ~~Delaware General Corporation Law (which we refer to as the "~~ DGCL ~~")~~, our ~~amended and restated certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** and our ~~amended and restated bylaws~~ **Bylaws** ~~(which we refer to as our " bylaws ")~~ impose various impediments to the ability of a third- party to acquire control of us, even if a change of control would be beneficial to our Class A stockholders. These provisions, summarized below, may discourage coercive takeover practices and inadequate takeover bids. These provisions may also encourage persons seeking to acquire control of us to first negotiate with our Board of Directors. We believe that the benefits of increased protection give us the potential ability to negotiate with the initiator of an unfriendly or unsolicited proposal to acquire or restructure us and outweigh the disadvantages of discouraging those proposals because negotiation of them could result in an improvement of their terms. Our ~~bylaws~~ **Bylaws** provide that special meetings of stockholders may be called only by the Chairman of our Board of Directors, or in the event the Chairman of our Board of Directors is unavailable, by the Chief Executive Officer or by the holders of a majority of the voting power of our Class B common stock, which ~~are~~ **is** currently held by Cantor and CFGM. In addition, our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** permits us to issue " blank check " preferred stock. Our ~~bylaws~~ **Bylaws** require advance written notice prior to a meeting of our stockholders of a proposal or director nomination which a stockholder desires to present at such a meeting, which generally must be received by our Secretary not later than 120 days prior to the first anniversary of the date of our proxy statement for the preceding year' s annual meeting. In the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of the 120th day prior to the date of such proxy statement or the ~~10th~~ **tenth** day following the day on which public announcement of the date of such meeting is first made by us. Our ~~bylaws~~ **Bylaws** provide that all amendments to our ~~bylaws~~ **Bylaws** must be approved by either the holders of a majority of the voting power of all of our outstanding capital stock entitled to vote or by a majority of our Board of Directors. We have elected in our ~~amended and restated certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** not to be subject to Section 203 of the DGCL, which generally prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15 % or more of the corporation' s voting stock, for a period of three years following the date on which the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in accordance with Section 203. Accordingly, we are not subject to the anti- takeover effects of Section 203. However, our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** contains provisions that have the same effect as Section 203, except that they provide that each of the Qualified Class B Holders, as defined therein, and certain of their direct transferees will not be deemed to be " interested stockholders, " and accordingly will not be subject to such restrictions. Further, our Equity Plan contains provisions pursuant to which grants that are unexercisable or unvested may automatically become exercisable or vested as of the date immediately prior to certain change of control events. Additionally, change in control and employment agreements between us and our named executive officers also provide for certain grants, payments and grants of exchangeability, and exercisability in the event of certain change of control events. The foregoing factors, as well as the significant common stock ownership by Cantor **,** including shares of our Class B common stock, and rights to acquire additional such shares, and the provisions of any debt agreements could impede a merger, takeover or other business combination or discourage a potential investor from making a tender offer for our Class A common stock that could result in a premium over the market price for shares of Class A common stock. Our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** provides that a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware) shall be the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents. Our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** provides that, unless we consent to the selection of an alternative forum, a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware) shall be the sole and exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a claim for or based on a breach of duty or obligation owed by any current or former director, officer, employee or agent of ours to us or to our stockholders, including any claim alleging the aiding and abetting of such a breach; any action asserting a claim against us or any current or former director, officer, employee or agent of ours arising pursuant to any provision of the DGCL or our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** or ~~bylaws~~ **Bylaws** ; any action asserting a claim related to or involving us that is governed by the internal affairs doctrine; or any action asserting an " internal corporate claim " as that term is defined in Section 115 of the DGCL. This choice of forum provision may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and our directors, officers, employees and agents. Alternatively, if a court were to find the choice of forum provision contained in our ~~certificate~~ **Certificate** of ~~incorporation~~ **Incorporation** to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition, results of operations and prospects. **GENERAL RISKS Employee misconduct, fraud, miscommunication or error could harm us by impairing our ability to attract and retain customers and subjecting us to significant financial losses, legal liability, regulatory sanctions and penalties and reputational harm; moreover, misconduct is difficult to detect and deter, and error is difficult to prevent. Employee errors and miscommunication, including mistakes in executing, recording or processing transactions for customers, could cause us to suffer liability, loss, sanction and / or reputational harm, which could expose us to the risk of material losses even if the errors and miscommunication are detected and the transactions are unwound or reversed. It is not always possible to deter and detect employee misconduct or fraud or prevent errors and miscommunications. While we have various supervisory systems and compliance processes and procedures in place, and seek to mitigate applicable risks, the precautions we take**

to deter and detect and prevent this activity may not be effective in all cases. Misconduct or fraud by employees could include engaging in improper or unauthorized transactions or activities, failing to properly supervise other employees or improperly using confidential information. Ongoing scrutiny and changing expectations from stockholders with respect to the Company' s corporate responsibility or ESG practices may result in additional costs or risks. Companies across our industry are facing continuing scrutiny related to their corporate responsibility or ESG practices and related demographic disclosures. Investor advocacy groups, certain institutional investors, investment funds and other influential investors are also focused on such practices and related demographic disclosures and in recent years have placed increasing importance on the non- financial impacts of their investments. Further, customer bids, requests for proposals and other customer arrangements or opportunities may require disclosure of or improvements in ESG metrics in order to compete for business. While we have published a corporate responsibility report and are focused on these efforts and disclosures, if our practices and disclosure of specific metrics do not meet customer, investor or other industry participant expectations, which continue to evolve, we may not win or may lose customers, or may incur additional costs and our business, financial condition, results of operations and prospects could be materially adversely affected. We face increasing financial, regulatory, and transitional risks associated with the effects of climate change. Extreme weather events such as flooding, hurricanes, tornadoes, earthquakes, extreme temperatures and wildfires could negatively impact our operations or the physical assets and operations of our clients. Such weather events that affect one or more of our offices could disrupt our operations and increase our operating costs. Additionally, regulation, including regulation designed to reduce the greenhouse gas emissions of buildings or any climate change related rules could negatively affect us or our clients.