

LendingTree, Inc. (TREE)

\$55.72 (Stock Price as of 12/02/2025)

Price Target (6-12 Months): **\$72.00**

Long Term: 6-12 Months

Zacks Recommendation:

Outperform

(Since: 11/04/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

1-Strong Buy

Zacks Style Scores:

VGM: A

Value: B

Growth: A

Momentum: F

Summary

Shares of LendingTree have outperformed the industry in the past six months. Its third-quarter 2025 results were driven by a rise in adjusted EBITDA. Its earnings surpassed the Zacks Consensus Estimate in the trailing four quarters. The company's focus on non-mortgage product offerings will continue to support its revenue growth in the upcoming period. Also, efforts to reinforce the SPRING and TreeQual platforms will improve cross-selling opportunities. The company's targeting strategy to increase wallet share with its lending partners will likely drive Insurance segment revenues in the future. Yet, its weak liquidity position is concerning. Given a high debt/equity ratio, the company's capital distribution activities seem unsustainable. Nonetheless, the company's cost-control efforts are expected to support profitability in future.

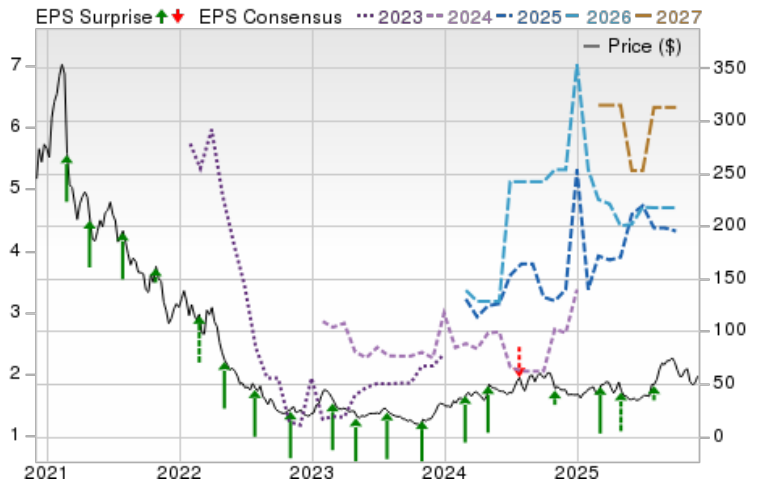
Data Overview

52 Week High-Low	\$77.35 - \$33.50
20 Day Average Volume (sh)	228,936
Market Cap	\$761.7 M
YTD Price Change	43.8%
Beta	2.08
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Financial - Mortgage & Related Services
Zacks Industry Rank	Top 24% (58 out of 243)

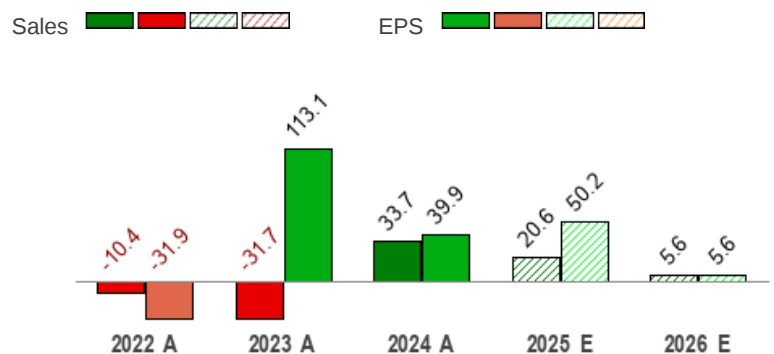
Last EPS Surprise	38.2%
Last Sales Surprise	10.5%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	03/04/2026
Earnings ESP	0.0%

P/E TTM	11.2
P/E F1	11.6
PEG F1	0.5
P/S TTM	0.7

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	273 E	285 E	297 E	290 E	1,146 E
2025	240 A	250 A	308 A	287 E	1,085 E
2024	168 A	210 A	261 A	262 A	900 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.94 E	1.16 E	1.37 E	2.25 E	5.06 E
2025	0.99 A	1.13 A	1.70 A	0.90 E	4.79 E
2024	0.70 A	0.54 A	0.80 A	1.16 A	3.19 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/02/2025.

(2) The report's text and the price target are as of 11/05/2025.

Overview

LendingTree, Inc., the parent company of LendingTree, LLC, is headquartered in Charlotte, NC and has been operating solely in the United States since July 1998. Its online marketplace provides clients access to product offerings from more than 430 partners. In June 2014, the company re-launched My LendingTree, a platform that offers a personalized loan comparison-shopping experience by providing free credit scores and credit score analysis.

LendingTree has three reportable segments: Home, Consumer and Insurance.

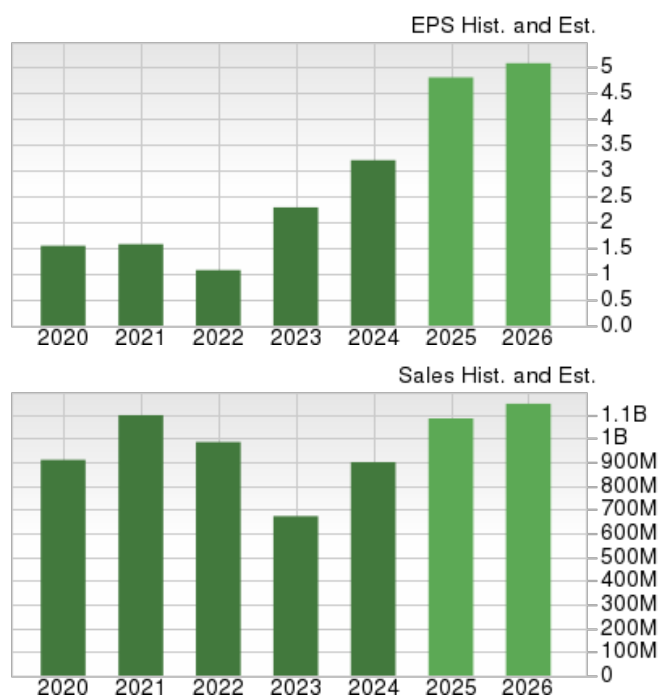
The Home segment (which contributed 27.3% of total revenues as of Sept. 30, 2025) provides a complete suite of loan offerings, including purchase mortgage, refinance mortgage, home equity loans and lines of credit in the United States.

The Consumer segment (43.2%) includes information, tools and access to multiple conditional loan offers for credit cards, personal loans, small business loans, student loans, auto loans, deposit accounts, and other credit products such as credit repair and debt settlement.

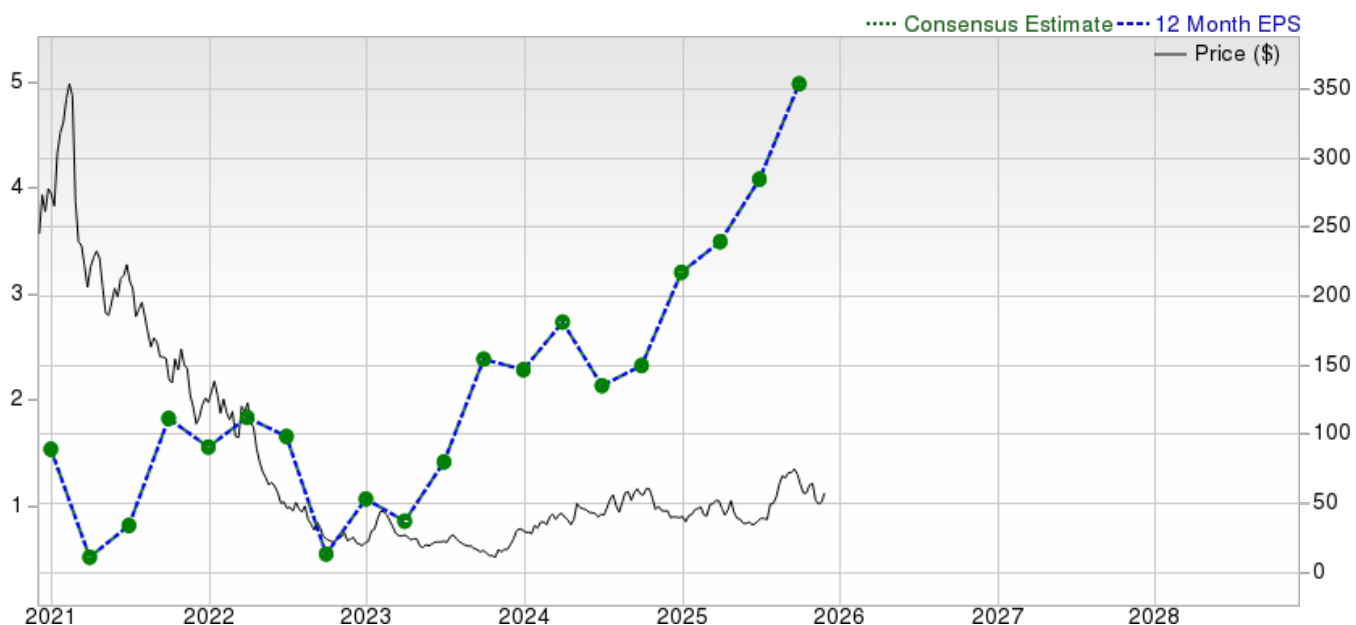
The Insurance segment (29.5%) includes information, tools and access to insurance quote products and sales of insurance policies in the agency. businesses.

Other category includes revenues from the resale of online advertising space to third parties and home improvement referrals. The company ceased reselling online advertising space during the first quarter of 2020 and ceased offering home improvement referrals in first-quarter 2019.

For the past few years, LendingTree has been focused on diversifying its business and sources of revenues through acquisitions. In first-quarter 2022, the company acquired an equity interest in EarnUp, a consumer-facing payments platform, for \$15 million. In 2020, it acquired an equity interest in Stash Financial, Inc. In 2019, LendingTree acquired ValuePenguin.com for \$106.1 million. In 2018, the company completed the acquisitions of QuoteWizard.com, LLC, for the total equity purchase value of \$370.2 million and Student Loan Hero, Inc., for a total cash consideration of \$60 million. Further, it acquired Ovation Credit Services for a total consideration of \$20.75 million.



As of 12/02/2025



As of 12/02/2025

Reasons To Buy:

- ▲ LendingTree's revenues in the Insurance segment have increased drastically, seeing a CAGR of 13.4% over the past four years (ended 2024). The rising trend continued in the first nine months of 2025. The company's targeting strategy to increase wallet share with its lending partners is showing positive results and improving credit conditions. The company intends to continue adding offerings for consumers, small businesses, and network partners to its online marketplace to grow and diversify its revenue sources, thus driving profitability. Management expects strong momentum in the insurance and small business segments, and noted a continued focus on AI-enabled operational improvements and expanding the concierge sales model to other businesses in 2026.
- ▲ LendingTree is committed to boosting revenues by diversifying its non-mortgage product offerings, particularly in the Consumer segment. Over the past few years, the company has expanded its services, including credit cards, and widened its loan offerings to include personal, auto, small business, and student loans. With the launch of the LendingTree WinCard in partnership with Upgrade in February 2023, the company introduced its first branded consumer credit offering. LendingTree's initiatives, including SPRING (previously MyLendingTree) and TreeQual, are likely to improve cross-selling opportunities, thus driving profitability.
- ▲ Lending Tree's cost base has witnessed a four-year (2020-2024) negative CAGR of 1.2%, led by its cost-containment efforts, including headcount reduction and elimination of low-profit businesses. Though the expenses increased year over year in the first nine months of 2025, the company's cost-containment initiatives may help it reduce the expense base in the upcoming period, thus benefiting bottom-line growth.
- ▲ LendingTree's trailing 12-month return on equity (ROE) indicates its growth potential. The company's ROE of 36.30% compares favorably with 6.32% of the industry. This reflects the company's efficiency in using shareholders' funds.
- ▲ Shares of LendingTree have overperformed the industry in the past six months. Earnings estimates for 2025 have been unchanged over the past seven days. Given the strong fundamentals, the stock has decent upside potential for the near term.

LendingTree's reduced dependence on mortgage-related sources of revenues is expected to support its financials. Also, its inorganic growth moves have strengthened its online lending platform.

Risks⁽²⁾

- As of Sept. 30, 2025, LendingTree reported cash and cash equivalents of \$68.6 million. However, this figure remained significantly lower than the company's debt level. Long-term debt was \$383.4 million in the same period. Given its weak liquidity position, the company may face challenges in fulfilling its debt obligations if the economic situation deteriorates.
 - LendingTree's capital distribution activities keep us apprehensive. Although the company returns capital to its shareholders through share repurchases, such moves might become unsustainable due to its lower liquidity level and rising debt obligations. In February 2018 and February 2019, the board of directors authorized a stock repurchase program that allowed for the repurchase of shares worth up to \$100.0 million and \$150.0 million, respectively. As of Sept. 30, 2025, \$96.7 million remained authorized for share repurchases. With limited cash levels, inconsistent quarterly performance, and a high debt/equity ratio, the company's capital distribution activities seem unsustainable.
 - Lending Tree stock seems overvalued compared with the broader industry. Its current price-to-book is above the industry average.
-

Last Earnings Report

LendingTree Q3 Earnings Top Estimates, EBITDA Improves Y/Y

LendingTree's third-quarter 2025 adjusted net income per share of \$1.70 topped the Zacks Consensus Estimate of \$1.23 per share. The figure compares favorably with the 80 cents reported in the prior-year quarter

Results were driven by a rise in revenues. An increase in adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) was an added positive. However, a rise in total cost was a spoilsport.

Results exclude certain non-recurring items. After considering these, TREE reported a GAAP net income of \$10.2 million against the net loss of \$58 million in the year-ago quarter.

Revenues, Variable Marketing Margin Increase

Total revenues in the third quarter grew 18% year over year to \$307.8 million. The reported figure surpassed the Zacks Consensus Estimate by 10.5%.

The total cost of revenues was \$11 million, up 17.5% from the prior-year quarter.

Adjusted EBITDA totaled \$39.8 million, up 47.9% from the year-ago quarter.

The variable marketing margin was \$93.2 million, up 20.7% year over year.

As of Sept. 30, 2025, cash and cash equivalents were \$68.6 million compared with \$149.1 million as of June 30. Long-term debt was \$388.4 million compared with \$385.1 million as of June 30, 2025.

Outlook

Q4

For the fourth quarter of 2025, total revenues are estimated to be between \$280 million and \$290 million.

Adjusted EBITDA and the variable marketing margin are anticipated to be \$29.5-\$31.5 million and \$82-\$85 million, respectively.

2025

For 2025, total revenues are expected to be between \$1.08 billion and \$1.09 billion compared with the prior mentioned \$1.0-\$1.05 billion.

Adjusted EBITDA is projected to be in the range of \$126-\$128 million compared with the previously stated \$119-\$126 million.

The variable marketing margin is expected to be in the range of \$337-\$340 million compared with the \$329-\$336 million mentioned previously.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Oct 30, 2025
Sales Surprise	10.51%
EPS Surprise	38.21%
Quarterly EPS	1.70
Annual EPS (TTM)	4.98

Valuation

Lending Tree's shares are up 68% in the past six months while up 27.2% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 32.1% in the past six months and those in the Zacks Finance sector are up 11.9%. Over the past year, the Zacks sub-industry is up 11.5% and the sector is up 12.3%.

The S&P 500 index is up 23.7% in the past six-month period and up 18% in the past year.

The stock is currently trading at 7.32X trailing 12 months price to book value, which compares to 6.52X for the Zacks sub-industry, 4.33X for the Zacks sector, and 8.81X for the S&P 500 index.

Over the past five years, the stock has traded as high as 12.72X and as low as 0.77X, with a 5-year median of 4.22X. Our Outperform recommendation indicates that the stock will perform better than the market. Our \$72 price target reflects 7.41X forward earnings.

The table below shows summary valuation data for TREE.

Valuation Multiples - TREE					
		Stock	Sub-Industry	Sector	S&P 500
P/B TTM	Current	6.38	6.29	4.23	7.51
	5-Year High	12.72	13.28	4.35	9.19
	5-Year Low	0.77	2.04	2.71	6.62
	5-Year Median	4.22	4.25	3.51	8.00
P/EBITDA TTM	Current	7.73	6.27	16.42	22.00
	5-Year High	56.63	NA	20.53	24.02
	5-Year Low	NA	NA	11.82	14.59
	5-Year Median	4.32	8.68	16.17	18.87
P/S F12M	Current	0.77	5.99	9.29	5.35
	5-Year High	4.26	7.44	10.05	5.52
	5-Year Low	0.18	2.62	6.68	3.84
	5-Year Median	0.67	5.34	8.33	5.04

As of 11/04/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 24% (58 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
LendingClub Corporat...(LC)	Outperform	1
Federal Agricultural...(AGM)	Neutral	3
CNFinance Holdings L...(CNF)	Neutral	3
Ellington Financial ...(EFC)	Neutral	2
Enova International,...(ENVA)	Neutral	2
Walker & Dunlop, Inc...(WD)	Neutral	3
Orchid Island Capita...(ORC)	NA	
PennyMac Financial S...(PFSI)	NA	

Industry Comparison⁽¹⁾ Industry: Financial - Mortgage & Related Services

	TREE	X Industry	S&P 500	CNF	LC	ORC
Zacks Recommendation (Long Term)	Outperform	-	-	Neutral	Outperform	NA
Zacks Rank (Short Term)	1	-	-	3	1	
VGM Score	A	-	-	D	F	
Market Cap	761.73 M	1.39 B	37.75 B	40.94 M	2.12 B	1.09 B
# of Analysts	3	2	22	1	4	0
Dividend Yield	0.00%	0.00%	1.46%	0.00%	0.00%	19.97%
Value Score	B	-	-	B	D	
Cash/Price	0.09	0.48	0.04	3.43	0.41	0.56
EV/EBITDA	63.05	30.11	14.37	NA	9.93	1.74
PEG Ratio	0.46	1.11	2.18	NA	NA	NA
Price/Book (P/B)	5.75	1.63	3.36	0.07	1.45	1.01
Price/Cash Flow (P/CF)	17.28	7.37	14.85	6.04	18.25	NA
P/E (F1)	12.04	17.59	19.89	NA	16.08	NA
Price/Sales (P/S)	0.72	1.47	3.03	NA	2.24	NA
Earnings Yield	8.60%	2.96%	5.01%	-14.07%	6.19%	NA%
Debt/Equity	2.93	2.16	0.57	1.32	0.00	0.00
Cash Flow (\$/share)	3.22	2.93	8.99	0.99	1.01	-0.14
Growth Score	A	-	-	F	F	NA
Hist. EPS Growth (3-5 yrs)	NA%	-7.09%	8.16%	NA	-15.03%	-54.58%
Proj. EPS Growth (F1/F0)	50.16%	-7.78%	8.37%	NA	139.58%	NA
Curr. Cash Flow Growth	-30.69%	-7.97%	7.00%	-71.06%	31.61%	-73.58%
Hist. Cash Flow Growth (3-5 yrs)	-20.44%	5.07%	7.31%	-38.68%	12.00%	NA
Current Ratio	1.43	2.05	1.19	681.01	0.71	122.76
Debt/Capital	74.58%	70.56%	38.15%	56.81%	0.00%	0.00%
Net Margin	1.34%	2.61%	12.82%	NA	10.94%	NA
Return on Equity	36.30%	6.44%	17.00%	NA	7.68%	6.69%
Sales/Assets	1.35	0.13	0.53	NA	0.09	NA
Proj. Sales Growth (F1/F0)	20.60%	9.21%	5.70%	NA	26.40%	NA
Momentum Score	F	-	-	C	F	
Daily Price Chg	-1.38%	-1.38%	0.25%	2.93%	2.68%	0.42%
1 Week Price Chg	12.77%	5.99%	0.94%	5.99%	11.04%	0.42%
4 Week Price Chg	-10.16%	0.37%	0.85%	19.16%	3.66%	-2.44%
12 Week Price Chg	-23.21%	-11.88%	4.86%	95.42%	11.71%	0.14%
52 Week Price Chg	39.75%	17.73%	12.88%	-34.40%	16.96%	-7.56%
20 Day Average Volume	228,936	283,657	2,782,405	8,987	1,663,473	5,207,140
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	NA
(F1) EPS Est 4 week change	0.00%	0.00%	0.07%	0.00%	0.00%	NA
(F1) EPS Est 12 week change	29.72%	-0.34%	0.62%	NA	10.73%	NA
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	NA	0.00%	NA

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	B
Growth Score	A
Momentum Score	F
VGM Score	A

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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