

Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name OPENDOOR TECHNOLOGIES INC.		2 Issuer's employer identification number (EIN) 30-1318214	
3 Name of contact for additional information INVESTOR RELATIONS	4 Telephone No. of contact 480-618-6760	5 Email address of contact INVESTORS@OPENDOOR.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 410 N. SCOTTSDALE RD, SUITE 1000		7 City, town, or post office, state, and Zip code of contact TEMPE AZ 85288	
8 Date of action 5/16/2025	9 Classification and description NOTES EXCHANGE		
10 CUSIP number See Statement	11 Serial number(s) See Statement	12 Ticker symbol See Statement	13 Account number(s) See Statement

Part II Organizational Action Attach additional statements if needed. See second page of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ See Statement

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See Statement

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See Statement

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Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See Statement

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See Statement

Blank lines for providing information on resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See Statement

Blank lines for providing other information necessary for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signed by: Selim Freiha Date ▶ 6/27/2025
Signature ▶ [Signature] Title ▶ CFO
Print your name ▶ SELIM FREIHA

Paid Preparer Use Only

Print/Type preparer's name DAVID HANSEN	Preparer's signature <u>[Signature]</u>	Date 6/27/2025	Check <input type="checkbox"/> if self-employed	PTIN P01267413
Firm's name ▶ DELOITTE TAX LLP	Firm's address ▶ 555 MISSION STREET	SAN FRANCISCO CA 94105	Firm's EIN ▶ 86-1065772	Phone no. 415-783-4000

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Opendoor Technologies Inc.

Statement to Form 8937

Form 8937, Part I, Line 10

Notes Surrendered in the Exchange

0.25% Convertible Senior Notes due 2026: CUSIP 683712AA1

Consideration Received in the Exchange

7.0% Convertible Senior Notes due 2030: CUSIP 683712AC7

Form 8937, Part II, Line 14

On May 16, 2025, Opendoor Technologies Inc. (the “Company”) consummated separate privately negotiated Exchange and Subscription Agreements (the “Agreements”) with certain existing noteholders and other investors. Pursuant to the Agreements, certain holders (“Existing Holders”) of the Company’s 0.25% Convertible Senior Notes due 2026 (the “2026 Notes”) agreed to exchange 2026 Notes for an equal principal amount of the Company’s 7.00% Convertible Senior Notes due 2030 (the “2030 Notes”) (such transaction, the “Exchange”). Approximately \$245.78 million in principal amount of 2026 Notes was retired pursuant to the Exchange. Also pursuant to the Agreements, certain investors and Existing Holders also subscribed for approximately \$79.22 million principal amount of 2030 Notes for cash of approximately \$75.26 million (or 95.0% of the principal amount of such 2030 Notes) (such transaction, the “Subscription”).

Form 8937, Part II, Line 15

Effect on Basis to U.S. Exchanging Holders Participating in the Exchange

The following summary of certain U.S. federal income tax consequences of the Exchange is for informational purposes only and is not a substitute for careful tax planning and advice based upon your individual circumstances. The discussion below is limited to an Existing Holder that is a “United States person,” as defined in Section 7701(a)(30) of the Internal Revenue Code (each, a “U.S. Exchanging Holder”). Additionally, the discussion below assumes that each U.S. Exchanging Holder is an original purchaser of the 2026 Notes. For instance, the discussion below does not address the market discount rules under Sections 1276 through 1278 of the Internal Revenue Code. All holders of 2026 Notes are urged to consult their tax advisors for the U.S. federal, state, local and other tax consequences applicable under the applicable Agreement.

In General

The exchange of a debt instrument that constitutes a “security” for U.S. federal income tax purposes for consideration received in an Exchange should be treated as part of a “Recapitalization” within the

meaning of Section 368(a)(1)(E) of the Internal Revenue Code if some or all of the consideration received in the Exchange constitutes stock or “securities” for U.S. federal income tax purposes.

Whether a debt instrument constitutes a security is determined based on all the facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including, among others, whether the debt instrument is secured, the creditworthiness of the obligor, the subordination or lack thereof to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued. Moreover, in published guidance, the IRS has indicated that newly issued debt instruments that would not qualify as securities when viewed in isolation may, in some circumstances, nonetheless qualify as securities if issued in exchange for existing securities.

The 2026 Notes and the 2030 Notes each have a term of approximately five years, and each are convertible into the common stock of the Company. Therefore, both the 2026 Notes and the 2030 Notes may constitute securities for U.S. tax purposes, and the Company has previously disclosed its intention to treat the 2026 Notes as securities. The discussion below addresses the U.S. federal income tax treatment of the Exchange in the event that both the 2026 Note and the 2030 Notes are securities and, in the alternative, if either or both of the 2026 Notes or the 2030 Notes are not securities. Each U.S. Exchanging Holder should consult with its own tax advisor regarding the U.S. federal income tax treatment of the 2026 Notes and the 2030 Notes.

Effect on Basis to U.S. Exchanging Holders if the Exchange Is a Recapitalization

The following discussion assumes that the 2026 Notes and the 2030 Notes are securities for U.S. federal income tax purposes.

Recapitalization Treatment

If a U.S. Exchanging Holder exchanges 2026 Notes for 2030 Notes then, subject to the discussion below regarding consideration received for accrued but unpaid interest, it is anticipated that such exchange would constitute a Recapitalization. A U.S. Exchanging Holder generally would not recognize gain or loss unless any cash was received; in which case, the U.S. Exchanging Holder would only recognize any gain (but not loss) realized up to an amount equal to the amount of any cash received.

A U.S. Exchanging Holder’s tax basis in the 2030 Notes received in exchange for 2026 Notes (apart from any portion thereof that may be allocable to accrued but unpaid interest) generally will equal such holder’s adjusted tax basis in 2026 Notes surrendered, plus the amount of gain recognized by such holder, less the sum of any cash received. A U.S. Exchanging Holder’s holding period in the 2030 Notes received (apart from any portion thereof that may be allocable to accrued but unpaid interest) generally will include the holder’s holding period in the 2026 Notes surrendered if the 2026 Notes were held as a capital asset.

To the extent any portion of a U.S. Exchanging Holder's share of the consideration is allocable to interest on its 2026 Notes that accrued but was not paid while such holder held the 2026 Notes, such portion would be generally treated as a payment of interest.

Treatment of U.S. Exchanging Holders Holding 2030 Notes

The 2030 Notes are treated as having been issued with original issue discount ("OID") for U.S. federal income tax purposes, with the issue price of such 2030 Notes determined based on the cash price at which investors subscribed for 2030 Notes in the Subscription. Such OID is required to be included in interest income on a constant yield basis, regardless of the U.S. Exchanging Holder's method of accounting for interest for U.S. federal income tax purposes. To the extent that a U.S. Exchanging Holder's tax basis in the 2030 Notes immediately after the Exchange differs from the issue price of the 2030 Notes, such difference would constitute acquisition premium or bond premium (if tax basis exceeds issue price) or market discount (if tax basis is less than issue price). U.S. Exchanging Holders should consult with their tax advisors regarding the tax accounting for 2030 Notes received in the Exchange.

Effect on Basis to U.S. Exchanging Holders if the Exchange Is Not a Recapitalization

If either or both the 2026 Notes and the 2030 Notes are not securities for U.S. federal income tax purposes, a U.S. Exchanging Holder would generally be expected to recognize gain or loss in an amount equal to the difference, if any, between (i) the U.S. Exchanging Holder's amount realized and (ii) the U.S. Exchanging Holder's adjusted tax basis in its 2026 Notes. A U.S. Exchanging Holder's amount realized generally is equal to sum of (i) the amount of cash consideration received, and (ii) the issue price (fair market value) of any 2030 Notes received (subject to the discussion below regarding accrued but unpaid interest). A U.S. Exchanging Holder's tax basis in the 2030 Notes received would be equal to their issue price, and the holding period in those 2030 Notes received would begin on the day following the day of receipt.

To the extent any portion of the consideration is allocable to accrued but unpaid interest that accrued while such holder held the 2026 Notes, such portion would be treated as a payment of interest.

Form 8937, Part II, Line 16

To the extent an Exchange constitutes a Recapitalization, such U.S. Exchanging Holder's aggregate tax basis in 2030 Notes received in respect of its 2026 Notes will generally equal such U.S. Exchanging Holder's aggregate tax basis in its respective 2026 Notes surrendered in the Exchange (excluding any portion allocable to accrued but unpaid interest), adjusted as described above.

If an Exchange does not constitute a Recapitalization, the tax basis of any 2030 Notes received by a U.S. Exchanging Holder would equal their issue price, which issue price is determined based on the cash price paid by investors participating in the Subscription.

Form 8937, Part II, Line 17

Internal Revenue Code Sections 354, 356, 358, 1001, 1012, 1223, and 1273.

Form 8937, Part II, Line 18

An Exchange generally should not result in a recognizable loss to a U.S. Exchanging Holder if an Exchange qualifies as a Recapitalization to that U.S. Exchanging Holder. If an Exchange does not qualify as a Recapitalization, the Exchange would result in a recognizable loss to a U.S. Exchanging Holder to the extent such holder's tax basis in 2026 Notes surrendered plus interest that accrued but was not paid while such holder held such 2026 Notes exceeds the sum of the cash and the issue price of any 2030 Notes received therefor.

Form 8937, Part II, Line 19

The Company is treating the 2030 Notes as having an issue price of 95.0% of their principal amount, based on the cash price paid by investors participating in the Subscription.