Realogy Holdings Corp.
Form S-1/A
September 28, 2012
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As filed with the Securities and Exchange Commission on September 28, 2012.

Registration No. 333-181988

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

AMENDMENT NO. 4

TO

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

REALOGY HOLDINGS CORP.

(Exact name of registrant as specified in its charter)

Delaware	**6531**	**20-8050955**
(State or Other Jurisdiction of Incorporation or Organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification No.)**

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(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨	Accelerated filer ¨
Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price Per Share(2)**	**Proposed Maximum Aggregate Offering Price(2)**	**Amount of Registration Fee(3)**
Common Stock, $0.01 par value	46,000,000	$27.00	$1,242,000,000	$142,334

(1) Includes 6,000,000 shares which may be sold pursuant to the underwriters over-allotment option.
(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) under the Securities Act.
(3) Of this amount, $114,600 has been previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED SEPTEMBER 28, 2012

PRELIMINARY PROSPECTUS

40,000,000 Shares

Realogy Holdings Corp.

Common Stock

$ Per Share

This is Realogy Holdings Corp. s initial public offering. Realogy Holdings Corp. is selling 40,000,000 shares of its common stock.

Following the completion of this offering and related transactions, funds affiliated with Apollo Management Holdings, L.P. will continue to own a majority of the voting power of our outstanding common stock. As a result, we expect to be a controlled company within the meaning of the corporate governance standards of The New York Stock Exchange (NYSE). See Principal Stockholders.

We expect the public offering price to be between $23.00 and $27.00 per share. Currently, no public market exists for the shares. Our shares of common stock have been approved for listing on the NYSE under the symbol RLGY .

Investing in our common stock involves risks. See Risk Factors beginning on page 25 to read about certain factors you should consider before buying our common stock.

	Per Share	Total

Initial Public Offering Price	$	$
Underwriting Discounts and Commissions	$	$
Proceeds to Us, before Expenses	$	$

We have agreed to allow underwriters to purchase up to an additional 6,000,000 shares from us, at the public offering price, less the underwriting discounts and commissions, within 30 days from the date of this prospectus.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock against payment on or about , 2012.

Goldman, Sachs & Co. **J.P. Morgan**

Barclays **Credit Suisse**

Citigroup **Wells Fargo Securities** **BofA Merrill Lynch**

Credit Agricole CIB **Comerica Securities** **CRT Capital** **Houlihan Lokey**
Lebenthal & Co., LLC **Loop Capital Markets** **Apollo Global Securities**

The date of this prospectus is , 2012.

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You should rely only on the information contained in this prospectus and any free writing prospectus prepared by us or on our behalf that we have referred you to. We and the underwriters have not authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are not making an offer of these securities in any state or other jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus and any free writing prospectus is accurate as of any date other than the date of the applicable document regardless of its time of delivery or the time of any sales of our common stock. Our business, financial condition, results of operations or cash flows may have changed since the date of the applicable document.

Except as otherwise indicated or unless the context otherwise requires, the terms we, us, our, our company and the Company refer to Realog Holdings Corp., which was previously known as Domus Holdings Corp., a Delaware corporation (Holdings), and its consolidated subsidiaries, including Domus Intermediate Holdings Corp., a Delaware corporation (Intermediate), and Realogy Corporation, a Delaware corporation (Realogy). Neither Holdings nor Intermediate conducts any operations other than with respect to its respective direct or indirect ownership of Realogy.

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TRADEMARKS AND SERVICE MARKS

We own or have rights to use the trademarks, service marks and trade names that we use in conjunction with the operation of our business. Some of the more important trademarks that we own or have rights to use that appear in this prospectus include the CENTURY 21®, COLDWELL BANKER®, ERA®, THE CORCORAN GROUP®, COLDWELL BANKER COMMERCIAL®, SOTHEBY S INTERNATIONAL REALTY® and BETTER HOMES AND GARDENS® REAL ESTATE marks, which are registered in the United States and/or registered or pending registration in other jurisdictions, as appropriate to the needs of our relevant business. Each trademark, trade name or service mark of any other company appearing in this prospectus is owned by such company.

MARKET AND INDUSTRY DATA AND FORECASTS

This prospectus includes data, forecasts and information obtained from independent trade associations, industry publications and surveys and other information available to us. Some data is also based on our good faith estimates, which are derived from management s knowledge of the industry and independent sources. As noted in this prospectus, the National Association of Realtors (NAR), the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) were the primary sources for third-party industry data and forecasts. While data provided by NAR and Fannie Mae are two indicators of the direction of the residential housing market, we believe that homesale statistics will continue to vary between us and NAR and Fannie Mae because they use survey data in their historical reports and forecasting models whereas we use data based on actual reported results. In addition to the differences in calculation methodologies, there are geographical differences and concentrations in the markets in which we operate versus the national market. For instance, comparability is impaired due to NAR s utilization of seasonally adjusted annualized rates whereas we report actual period over period changes and NAR s use of median price for its forecasts compared to our average price. Additionally, NAR data is subject to periodic review and revision. While we believe that the industry data presented herein is derived from the most widely recognized sources for reporting U.S. residential housing market statistical data, we do not endorse or suggest reliance on this data alone.

Forecasts regarding median sales price, volume of homesales, and other metrics included in this prospectus to describe the housing industry are inherently uncertain or speculative in nature and actual results for any period may materially differ. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but such information may not be accurate or complete. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein. Statements as to our market position are based on market data currently available to us. While we are not aware of any misstatements regarding industry data provided herein, our estimates involve risks and uncertainties and are subject to change based upon various factors, including those discussed under the headings Risk Factors and Forward-Looking Statements. Similarly, we believe our internal research is reliable, even though such research has not been verified by any independent sources.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including the section entitled Risk Factors and our financial statements and the related notes included elsewhere in this prospectus, before making an investment decision to purchase our common stock. All amounts in this prospectus are expressed in U.S. dollars and the financial statements have been prepared in accordance with generally accepted accounting principles in the United States (GAAP).

Our Company

We are the preeminent and most integrated provider of residential real estate services in the U.S. We are the world s largest franchisor of residential real estate brokerages with some of the most recognized brands in the real estate industry, the largest owner of U.S. residential real estate brokerage offices, the largest U.S. and a leading global provider of outsourced employee relocation services and a significant provider of title and settlement services. Our owned and franchised brokerage businesses are more than two and a half times larger than their nearest competitor and, in 2011, we were involved in approximately 26% of domestic existing homesale transaction volume that involved a real estate brokerage firm. Our revenue is derived on a fee-for-service basis, and given our breadth of complementary service offerings, we are able to generate fees from multiple aspects of a residential real estate transaction. Our operating platform is supported by our portfolio of industry leading franchise brokerage brands, including Century 21®, Coldwell Banker®, ERA®, Sotheby s International Realty® and Better Homes and Gardens® Real Estate and we also own and operate the Corcoran Group® and CitiHabitats brands. Our multiple brands and operations allow us to derive revenue from many different segments of the residential real estate market, in many different geographies and at varying price points.

We believe that we are experiencing the beginning of a recovery in the residential real estate market. In the first eight months of 2012, on a company-wide basis, our volume of completed homesales (i.e., average homesale price times number of homesale transactions) increased 13% compared to the first eight months of 2011. According to NAR, existing homesale transaction volume (i.e., median homesale price times number of homesale transactions) for August 2012 increased approximately 20% as compared to August 2011. Furthermore, the most recent NAR forecast estimates that the volume of existing homesales will increase 14% for the full year 2012 compared to 2011 and increase a further 14% in 2013 compared to 2012.

We believe that our business is well positioned to benefit from a sustained recovery in the residential real estate market as a result of our scale, market leadership, breadth of complementary service offerings and operations, and the substantial brand equity of our portfolio of brokerage brands. Furthermore, since the downturn in the residential real estate market began, we have implemented a number of actions which we believe have fundamentally improved our operations and enhanced our ability to generate significant growth in our Adjusted EBITDA and free cash flow upon a sustained recovery in the residential real estate market. For the period from 2006 through 2011, due to the decline in the residential real estate market, our revenues and related commission expense decreased $2.4 billion and $1.4 billion, respectively. Since 2006, we have reduced our operating cost base, which we define as our operating, marketing and general and administrative expenses, which are line items on the face of our statement of operations included elsewhere in this prospectus, by approximately $500 million, of which approximately $200 million of the reduction occurred from 2009 to 2011, primarily through reductions in salaries and related employee expense, occupancy costs and marketing expenses. This has been accomplished by streamlining business units, consolidating offices and increasing the use of online listings distribution, while improving the infrastructure necessary to preserve our best-in-class service and enhancing our ability to capitalize on a recovery in the residential real estate market. While both our revenues and commission expense would be expected to increase in connection with a recovery in the residential real estate market, we believe the reduction in our operating cost base will be largely sustainable, as these cost reductions relate primarily to the decrease in our employee headcount from approximately 15,000 employees at January 1, 2006 to approximately 10,400 employees at December 31, 2011 and the consolidation or closing of 358 brokerage offices

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(and the related savings from no longer operating such offices) during the same period. These two expense items are not expected to increase as our current office footprint and employee level can efficiently operate at present levels even if we were to experience a significant increase in residential real estate activity. We have continued to invest in our businesses to further strengthen our long-term growth prospects in a recovering housing market, including growing our franchise network through adding brokers to our existing franchise brands, adding a new franchise brokerage brand, Better Homes and Gardens® Real Estate, recruiting sales associates and completing several strategic acquisitions.

Upon completion of this offering and using the net proceeds therefrom to reduce indebtedness as described in Use of Proceeds and the conversion of approximately $1.903 billion aggregate principal amount of the Convertible Notes (as defined below) substantially concurrently with the closing of the offering as described below, our outstanding indebtedness (assuming debt balances as of June 30, 2012) will be reduced by approximately $2.8 billion, or 38%, and our annualized interest expense will decline by approximately $330 million (including the elimination of approximately $232 million of annual interest expense relating to the Convertible Notes), which would have represented a reduction of approximately 49% of our $672 million of interest expense for the twelve months ended June 30, 2012. Our reduced interest expense, combined with our modest capital expenditure requirements and the substantial reduction of future cash taxes from the anticipated utilization of approximately $2.1 billion of net operating loss carry forwards as of December 31, 2011, positions us to generate significant free cash flow upon a sustained residential real estate market recovery. Although we do not have any significant debt maturities until 2016, it is our primary objective to use a substantial portion of future free cash flow generation to further reduce our outstanding indebtedness.

Segment Overview

We report our operations in four segments, each of which receives fees based upon services performed for our customers: Real Estate Franchise Services (known as Realogy Franchise Group or RFG), Company Owned Real Estate Brokerage Services (known as NRT), Relocation Services (known as Cartus) and Title and Settlement Services (known as Title Resource Group or TRG). See Management s Discussion and Analysis of Financial Condition and Results of Operations and the financial statements, including the notes thereto, included elsewhere in this prospectus for further information on our reportable segments.

Real Estate Franchise Services (61% of EBITDA for the year ended December 31, 2011)

We are the largest franchisor of residential real estate brokerages in the world through our portfolio of well known brokerage brands, including Century 21®, Coldwell Banker®, ERA®, Sotheby s International Realty®, Coldwell Banker Commercial® and Better Homes and Gardens® Real Estate. We derive substantially all of our real estate franchising revenues from royalty fees received under long-term (typically ten year) franchise agreements with our franchisees. The royalty fee is based on a percentage of the franchisees sales commission earned from real estate transactions, which we refer to as gross commission income. Our franchisees pay us fees for the right to operate under one of our trademarks and to enjoy the benefits of the systems and business-enhancing tools provided by our real estate franchise operations. These fees provide us with recurring franchise revenue streams at high operating margins. In addition to highly competitive brands that provide unique offerings to our franchisees, we support our franchisees with dedicated national marketing and servicing programs, technology, training and education to facilitate our franchisees in growing their business and increasing their revenue and profitability. We believe that one of our strengths is the strong relationships that we have with our franchisees, as evidenced by our 97% retention rate of gross commission income in our franchise system through June 30, 2012. At June 30, 2012, our real estate franchise system had approximately 13,500 offices worldwide in 103 countries and territories, including approximately 6,100 brokerage offices and approximately 238,500 independent sales associates (which included approximately 41,500 independent sales agents working with our company owned brokerage offices) operating under our franchise and proprietary brands in the U.S., with an average tenure among U.S. franchisees of approximately 19 years as of June 30, 2012.

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Company Owned Real Estate Brokerage Services (11% of EBITDA for the year ended December 31, 2011)

We own and operate the largest residential real estate brokerage business in the U.S. under the Coldwell Banker®, Sotheby s International Realty®, ERA®, Corcoran Group® and CitiHabitats brand names. We offer full-service residential brokerage services through approximately 720 company owned brokerage offices in more than 35 of the largest metropolitan areas of the U.S. As a result of our attractive geographic positioning, the average sales price of an NRT transaction is approximately twice the national average. NRT, as the broker for a home buyer or seller, derives revenues primarily from gross commission income received at the closing of real estate transactions. We also operate a large independent real estate owned (REO) residential asset manager, which assists our clients in selling bank-owned properties. In addition, our home mortgage joint venture with PHH Corporation (PHH) is the exclusive recommended provider of mortgages for our real estate brokerage and relocation service customers (unless exclusivity is waived by PHH). We also assist landlords and tenants through property management services.

Relocation Services (22% of EBITDA for the year ended December 31, 2011)

We are a leading global provider of outsourced employee relocation services. We are the largest provider of such services in the U.S. and also operate in key international relocation destinations. We offer a broad range of world-class employee relocation services designed to manage all aspects of an employee s move to facilitate a smooth transition in what otherwise may be a complex and difficult process for the employee and employer. Our relocation services business serves corporations, including over 64% of the Fortune 50 companies, as well as affinity organizations such as insurance companies and credit unions that provide our services to their members. In 2011, we assisted in over 153,000 relocations in more than 165 countries for approximately 1,500 active clients and as of June 30, 2012, our top 25 relocation clients had an average tenure of 17 years with us.

Title and Settlement Services (6% of EBITDA for the year ended December 31, 2011)

We assist with the closing of real estate transactions by providing full-service title and settlement (i.e., closing and escrow) services to customers, real estate companies, including our company owned real estate brokerage and relocation services businesses, as well as a targeted channel of large financial institution clients, including PHH. In 2011, TRG was involved in the closing of approximately 156,000 transactions of which approximately 56,000 related to NRT. In addition to our own title and settlement services, we also coordinate a nationwide network of attorneys, title agents and notaries to service financial institution clients on a national basis. We also serve as an underwriter of title insurance policies in connection with residential and commercial real estate transactions. Our average claims rate in the past three years in title underwriting of 1.5% is well below the industry average of 7% for the same period.

Our Complementary Businesses Build Value for Each Other

Our four complementary businesses and mortgage joint venture work together to form our value circle, allowing us to generate revenue at various points in a residential real estate transaction, as illustrated in the diagram below. Unlike other industry participants who offer only one or two services, we can offer homeowners, our franchisees and our corporate and affinity clients ready access to numerous associated services that facilitate and simplify the home purchase and sale process. These services provide further revenue opportunities for our owned businesses and those of our franchisees. All four of our businesses and our mortgage joint venture can derive revenue from the same real estate transaction. An example is when a relocation services business client engages us to relocate an employee, who then hires a real estate agent affiliated with one of our franchisees or company owned real estate brokerages to assist the employee in listing his or her residence in the departure city, buying a home in the destination city, uses our local title agent for title insurance and settlement services and obtains a mortgage through our mortgage venture with PHH. See Business Our Brands for a discussion of key drivers relating to our business.

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Industry Trends

Industry definition: We primarily operate in the U.S. residential real estate industry, which, according to NAR, is an approximately $990 billion industry based on 2011 transaction volume (i.e. average homesale price times the number of new and existing homesale transactions), as compared to $2.1 trillion in 2006, and derive the majority of our revenues from serving the needs of buyers and sellers of existing homes rather than those of new homes. Residential real estate brokerage companies typically realize revenues in the form of a commission that is based on a percentage of the price of each home sold and/or a flat fee. As a result, the real estate industry generally benefits from rising home prices and increased volume of homesales (and conversely is adversely impacted by falling prices and decreased volume of homesales). We believe that existing home transactions and the services associated with these transactions, such as mortgage origination, title services and relocation services, represent the most attractive segment of the residential real estate industry for the following reasons: (i) the existing homesales segment represents a significantly larger addressable market than new homesales, (ii) existing homesales afford us the opportunity to represent either the buyer or the seller and in some cases both the buyer and the seller and (iii) we are able to generate revenues from ancillary services provided to our customers.

We also believe that the traditional broker-assisted business model compares favorably to alternative channels of the residential brokerage industry, such as discount brokers and for sale by owner (FSBO). According to NAR, FSBO transactions, including services from Internet-based providers, declined to 13% of

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existing homesales in 2011 from 21% in 2001. We are confident that consumers will continue to choose to use the broker-assisted model for residential real estate transactions because (i) the average transaction size is very high and generally the largest transaction one does in a lifetime; (ii) transactions occur infrequently; (iii) there is a high variance in price, depending on neighborhood, floor plan, architecture, fixtures, and outdoor space; (iv) there is a compelling need for personal service as home preferences are unique to each buyer; and (v) a high level of support is required given the complexity associated with the process. Underscoring the value of the traditional brokerage model, after declining modestly during the height of the residential real estate market to 2.47% per transaction side, the average broker commission rate earned by our franchisees and our owned operations has held steady at 2.53% over the past three years.

Cyclical nature of industry: The existing homesale real estate industry is cyclical in nature and has historically shown strong growth though it has been in a significant and lengthy downturn since the second half of 2005, which has had a material adverse effect on our results of operations, after having experienced significant growth between 2000 and 2005. Based upon data published by NAR, from 2005 to 2011, annual U.S. existing homesale units declined by 40% from 7.1 million to 4.3 million and the median homesale price declined by 24% from a median price of $219,600 to $166,100, resulting in a total transaction volume decline of 54%.

We believe that the 2012 year-to-date improvement in the residential real estate market may be reflective of a sustainable market recovery driven by lower interest rates, fewer foreclosures, high affordability of home ownership, and satisfying demand that has built up during a period of economic uncertainty. The inventory supply is returning to a more typical level and acting as a stabilizing force on home prices. In addition, as rental prices have recently continued to rise, the cost of owning a home is now lower than the rental of a comparable property in the vast majority of U.S. metropolitan areas.

As of their most recent releases, Fannie Mae and NAR are forecasting an 8% and 9% increase in existing homesale transactions for 2012 compared to 2011, respectively. With respect to homesale prices, NAR s most recent release is forecasting median homesale prices for 2012 to increase 5% compared to 2011. Fannie Mae s most recent forecast shows a 2% increase in median homesale price for 2012 compared to 2011. For 2013, NAR is forecasting an 8% increase in homesales to 5.0 million units compared to 2012, although it noted in its May 2012 release that the number of homesales could rise to as many as 5.3 million units, or a 14% increase compared to 2012, assuming a return to more normal mortgage lending standards. NAR also is forecasting a 5% increase in median existing homesale prices in 2013 compared to 2012.

Although there have been concerns about significant shadow inventory (i.e., properties where the homeowner is seriously delinquent in meeting its mortgage obligations or where the property is in some stage of foreclosure or already a REO), we do not believe that this will have a significant impact on our business, as the concentration of the shadow inventory is limited to a few regions of the country and the potential increase in unit sales activity should offset in whole or in part the adverse impact on home prices in these regions. Furthermore, according to NAR, the percentage of distressed properties has declined from 31% of sales in August 2011 to 22% of sales in August 2012, and institutions holding distressed mortgages have increasingly shifted activity away from REOs and focused on short sales, which are less disruptive to the market.

Favorable long-term demand dynamics: We believe that long-term demand for housing and the growth of our industry is primarily driven by affordability, the economic health of the domestic economy, positive demographic trends such as population growth, increases in the number of U.S. households, low interest rates, increases in renters that qualify as homebuyers and locally based economic factors such as demand relative to supply. We believe that the residential real estate market will benefit over the long term from expected positive fundamentals, including the following factors:

based on U.S. Census data and NAR, from 1991 through 2011, the average number of existing homesale transactions as a percentage of U.S. households was approximately 4.5%, compared to an average of approximately 3.7% from 2007 through 2011. During the same period, the number of U.S.

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- households grew from 94 million in 1991 to 119 million in 2011, increasing at a 1% CAGR. We believe that as the U.S. economy stabilizes, the number of existing homesale transactions as a percentage of U.S. households will progress to the 4.5% mean level and the number of annual existing homesale transactions will increase;

- according to the 2011 State of the Nation s Housing Report compiled by the Joint Center for Housing Studies (JCHS), the number of U.S. households is projected to grow by an average of 1.2 million annually from 2010 to 2020. Assuming this annual household formation and given the lack of new home building activity over the past several years, we would expect both home sale price and volume to exhibit strong growth over the long term;

- aging echo boomers (i.e., children born to baby boomers) are expected to drive much of the next U.S. household growth;

- we believe that as baby boomers age, a portion are likely to purchase smaller homes or purchase retirement homes thereby increasing homesale activity; and

- according to NAR, the number of renters that qualify to buy a median priced home increased from 9 million in 2005 to 19 million in 2011.

See Business Industry Trends and Management s Discussion and Analysis of Financial Condition and Results of Operations for further discussion of our industry.

Our Strengths

We believe that our scale, market leadership, breadth of complementary servicing offerings and operations, and the substantial brand equity of our portfolio of brokerage brands, coupled with our efficient shared back office operations are distinguishing factors in our industry and provide us with various competitive advantages. These strengths include the following:

The market leader in residential real estate services. We believe that we are the preeminent provider of residential real estate services with a strong market presence in each of our business units. For instance:

- in 2011, we were involved, either through our franchise operations or company owned brokerage offices, in approximately 26% of all existing domestic homesale transaction volume that involved a real estate brokerage firm;

- our franchise real estate brokerage business is more than two and a half times larger than our nearest competitor when measured by the number of independent sales associates;

- our owned real estate brokerage business generates approximately three and a half times the sales volume of our nearest domestic competitor;

- our relocation services business is nearly double that of our nearest competitor when measured by the volume of relocated employees in 2011; and

- our title and settlement services business continues to strengthen through continued participation in NRT transactions, expansion of services provided to third party mortgage originators and growth in title underwriting.

World class portfolio of real estate brands serving all market segments. We are the only major residential real estate services provider to successfully manage multiple, locally competing real estate brands on both a national and international basis. Our brands are among the most well known and established real estate brokerage brands in the world. The strong image and familiarity of our brands attract potential real estate buyers and sellers to seek out brokers affiliated with our brands. We believe that brand recognition is important in the real estate

business because home buyers and sellers are generally infrequent users of brokerage services and typically rely on reputation and market prominence as well as word-of-mouth recommendations. In addition, we believe that brand recognition contributes significantly to the retention of independent sales associates, as evidenced by the retention of the production of approximately 94% of our first and second quartile of sales associates at NRT through June 30, 2012, as well as the retention of our franchisees, as evidenced by our franchisee retention rate of 97% of gross commission income in our franchise system through June 30, 2012. Our broad array of brands and operations allows us to derive revenue from many different segments of the residential real estate market, in many different geographies and at varying price points. For example, our Sotheby s brand serves the high-end market and its global brand recognition is fueling its strong international growth, while our Century 21® brand serves all market segments in the U.S. and internationally as one of the most recognizable names in real estate.

Attractive business model with recurring revenue base. We believe that our established role as an intermediary in the home sale process and our integrated fee-for-services platform creates a strong business model with recurring revenue streams. Our real estate franchise operations have a recurring franchisee revenue base, generate high profit margins and require relatively modest capital investment. We also realize significant economies of scale by servicing multiple brands with a single shared service organization that provides, among other services, accounting, collection and technology platforms that benefit all our brands. We believe that our business model positions us well to take advantage of the continually-evolving housing needs of individuals across the demographic spectrum, providing a certain level of recurring revenue.

Revenue enhancing value circle among our complementary businesses. We believe that our four complementary businesses and mortgage joint venture uniquely position us to generate revenue growth opportunities from the multiple components of a residential real estate transaction, with each service generating the potential for revenues in ancillary services offered by other business units. We believe that our strong, long-term relationships with our franchisees, the broad range of our real estate and relocation services and our ability to capture incremental business opportunities through cross-selling many of our related products and services provide us with significant market place advantages and incremental revenue generation opportunities.

Well-positioned for a residential real estate market recovery. Since 2005, we have instituted a number of actions that we believe more favorably position our business, relative to prior residential real estate market cycles, to take advantage of a sustained residential real estate market recovery. Although the unfavorable conditions in the real estate market have resulted in significant operating losses over the last several years, we have reduced our operating cost base by approximately $500 million since 2006, of which approximately $200 million of the reduction occurred from 2009 to 2011. We believe that we will be able to maintain a significant majority of those savings as the residential housing market recovers. Furthermore, we have continued to invest in our business to drive future growth opportunities. For example, in 2008 we launched the Better Homes and Gardens® Real Estate brokerage brand to expand market penetration opportunities. At RFG, we have continued to enlarge our franchise network footprint by adding a significant number of new franchisees and at NRT we have continued to add to our sales associate base by recruiting productive new sales associates and strategically acquiring brokerage firms. In addition, we expanded the Cartus global footprint through the acquisition of Primacy Relocation LLC (Primacy) in 2010. Our historically strong performance at higher residential real estate activity levels, combined with the investments we have made in our business and the cost-saving actions we have taken, position us to take advantage of a sustained residential real estate market recovery.

Attractive cash flow generation characteristics. Upon completion of this offering and related transactions, we expect to reduce our annualized interest expense by approximately $330 million assuming debt balances as of June 30, 2012, which would have represented a reduction of approximately 49% of our $672 million of interest expense for the twelve months ended June 30, 2012. We believe this reduction in our interest expense, combined with our profitability improvement with a residential real estate market recovery, modest capital expenditure requirements and the substantial reduction of future cash taxes from the anticipated utilization of

our significant net operating loss carry forwards of approximately $2.1 billion as of December 31, 2011, will position us to be able to generate significant free cash flow with a residential real estate market recovery. The cash tax benefit from our net operating losses (NOLs) is dependent upon our ability to generate sufficient taxable income. Accordingly, we may be unable to earn enough taxable income in order to fully utilize our current NOLs.

Industry leading management team. Our executive officers have extensive experience in the real estate industry, which we believe is an essential component to our future growth. Our senior executive management team combines a deep knowledge of the real estate markets and an understanding of industry trends. We believe that our depth of experience in these areas has enabled us to effectively manage through the economic downturn despite our significant operating losses during such time, adapt to technological advances, operate more effectively, and remain a preeminent provider of real estate and relocation services in the U.S.

Our Strategies

We intend to pursue the following key elements of our business strategy in order to continue to grow and strengthen the Company:

Capitalize on a residential real estate market recovery. Since 2005, we have undertaken significant efforts to streamline our businesses, expand our operational footprint and invest in our business which we believe positions us well to capitalize on a sustained residential real estate market recovery. Notwithstanding the fact that we incurred net losses for the six months ended June 30, 2012 and the year ended December 31, 2011 primarily due to our high interest expense obligations combined with the downturn in the residential real estate market, we believe that our business model will allow us to achieve incremental EBITDA driven by macroeconomic improvements to the overall residential real estate market and/or due to actions taken by management to improve our market position through organic gains or strategic acquisitions. For example, in 2011, EBITDA at NRT and RFG combined would have increased by approximately $11 million (assuming all other variables remain constant) with every 1% increase in either our homesale sides or average selling price. In addition, EBITDA at Cartus and TRG will also benefit from a recovering residential real estate market and overall economy. We believe that our ability to capitalize on a residential real estate market recovery, together with our anticipated reduction of indebtedness and interest expense in connection with this offering and related transactions, will result in a significant improvement in our net equity which was a deficit of approximately $1.7 billion as of June 30, 2012. After giving effect to the offering and related transactions, our total equity would have been approximately $1.0 billion as of June 30, 2012.

Continue to utilize our technology platform to add value and differentiate our services. We believe that we effectively use innovative technology to attract more customers, enhance sales associates productivity and improve our profitability. We intend to continue to identify, acquire, develop, and market new technologies and tools that are designed to further solidify our market position, expand our customer base, convert Internet leads into revenue generating opportunities, be more responsive to our customers needs and help our independent sales associates to become more efficient and successful. We continue to expand our technological platform to effectively leverage technologies across our franchised and proprietary brands and differentiate our business from new entrants in the real estate market. This technological platform allows us to continue to strengthen ties and maximize connectivity with our independent sales associates, franchisees, corporate customers and home buyers.

Ongoing focus on growth opportunities. We continue to focus on the growth of our businesses, and believe that each of our segments is well-positioned to take advantage of unique growth opportunities.

Real Estate Franchise Services. We intend to grow our real estate franchise business by selling new franchises and helping current franchisees recruit productive sales associates and grow their businesses. We believe we have significant incremental franchise sales opportunities with real estate brokers that

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are unaffiliated with a real estate brand, currently estimated to represent 55% of brokers, as well as real estate brokers that are affiliated with competing brands. We believe our franchise sales force can effectively market our franchise systems to these brokerages by leveraging our brand names, technologies, sales, marketing and educational support systems, and prospective participation in the Cartus Broker Network, which is a network of real estate brokers consisting of our company owned brokerage operations, select franchisees and independent real estate brokers who have been approved to become members. We also intend to continue to expand our international presence through the sale of international master franchises (with the right to subfranchise), which has been our primary method of international expansion at RFG in 103 countries and territories, and, with some of our brands, direct franchise sales.

Company Owned Real Estate Brokerage Services. We intend to continue to recruit, acquire and develop effective independent sales associates who can successfully engage and promote transactions from new and existing clients, which we believe will increase NRT s profit margins due in part to our ability to incorporate new sales associates into our existing infrastructure. We also intend to continue to optimize our office footprint by opportunistically consolidating offices, rationalizing office size and reducing lease expense where appropriate in order to enhance overall profitability.

Relocation Services. We intend to continue to expand our relocation services business domestically and globally through a combination of adding new clients, providing additional services to existing clients and providing new product offerings. In 2011, we signed 124 new clients and expanded services provided to 300 existing clients. Our pipeline of client prospects for 2012 is robust. We also intend to grow our affinity services business, which provide our services to organizations such as insurance companies and credit unions that have established members.

Title and Settlement Services. We intend to grow our title and settlement services business by recruiting title and escrow sales associates in existing markets and by completing acquisitions to expand our geographic footprint or complement existing operations. We also intend to continue to increase our capture rate of title business from our NRT homesale sides. During 2011, approximately 38% of the customers of our company owned brokerage offices where we offer title coverage also utilized our title and settlement services. In addition, we expect to continue to grow and diversify our lender channel and our title underwriting businesses by expanding and adding clients and increasing our agent base, respectively.

Utilize Cash Flow from Operations to further reduce indebtedness. Although we do not have any significant corporate debt maturities until 2016, with the positive cash flow we expect to generate from improved profitability as a result of the continuation of the residential real estate market recovery, our low capital expenditure requirements, low cash income taxes as a result of the anticipated utilization of our significant net operating loss position of $2.1 billion as of December 31, 2011 and the reduction in our annual interest expense following this offering, it is our primary objective to use a substantial portion of the cash flow generated from our business to further reduce our outstanding indebtedness in the future. The cash tax benefit from our NOLs is dependent upon our ability to generate sufficient taxable income. Accordingly, we may be unable to earn enough taxable income in order to fully utilize our current NOLs.

Risks Relating to Our Business and This Offering

Participating in this offering involves substantial risk. Our ability to execute our strategy also is subject to certain risks. The risks described under the heading Risk Factors immediately following this summary may cause us not to realize the full benefits of our strengths or may cause us to be unable to successfully execute all or part of our strategy. Some of the more significant challenges and risks include the following:

our significant indebtedness and interest obligations could prevent us from meeting our obligations under our debt instruments and could adversely affect our ability to fund our operations, react to

changes in the economy or our industry, or incur additional borrowings under our existing facilities, and we have historically needed to incur additional debt in order to fund negative cash flow;

the residential real estate market is cyclical and we have been, and will continue to be, negatively impacted by downturns in this market;

seasonal fluctuations in the residential real estate brokerage and relocation businesses could adversely affect our business;

a prolonged decline or lack of sustained growth in the number of homesales and/or prices would adversely affect our revenues and profitability;

diverse macroeconomic developments could slow or impair a housing recovery and if the residential real estate market or the economy as a whole does not improve, we may experience material adverse effects on our business, financial condition and liquidity, including our ability to access capital and grow our business;

competition in the residential real estate and relocation business is intense and may adversely affect our financial performance;

several of our businesses are highly regulated and any failure to comply with such regulations or any changes in such regulations could adversely affect our business; and

investors in this offering will suffer immediate and substantial dilution, including as a result of conversions of the Convertible Notes by the holders thereof.

Before you participate in this offering, you should carefully consider all of the information in this prospectus, including matters set forth under the heading Risk Factors.

Letter Agreements with Holders of Convertible Notes

In order to facilitate the successful completion of this offering, we have entered into letter agreements (the Significant Holders letter agreements) with certain holders of our Convertible Notes, including Apollo (as defined below), Paulson & Co. Inc., on behalf of the several investment funds and accounts managed by it (together with such investment funds and accounts, Paulson), York Capital Management, Franklin Mutual Advisers, LLC (on behalf of the several investment funds and accounts managed by it) and Western Asset Management Company, as investment manager on behalf of certain of its investment funds and separately managed accounts, whom we collectively refer to herein as the Significant Holders. As of September 4, 2012, the Significant Holders together held approximately $1.903 billion of the total approximately $2.110 billion aggregate principal amount of our Convertible Notes. Pursuant to the Significant Holders letter agreements, in consideration for such Significant Holders agreeing (1) not to transfer their respective Convertible Notes from the date of such Significant Holders letter agreement (unless the transferee agrees to assume the restrictions on transfer and lock-up obligations contained in such agreement), (2) to enter into a lock-up agreement with the underwriters for this offering (covering all shares of common stock that each such Significant Holder owns) for a period of 180 days following the date of this prospectus, subject to certain exceptions pursuant to the terms of the lock-up agreement, and (3) to convert all of their respective Convertible Notes, including any Convertible Notes acquired after the date of the Significant Holders letter agreements, substantially concurrently with the closing of this offering, each such Significant Holder will receive (a) 0.125 shares of common stock for each share of common stock issued upon conversion of such Significant Holder s Convertible Notes as of the date of conversion (the New Share Issuance) and (b) a cash payment equal to $55.00 for each $1,000 aggregate principal amount of Convertible Notes converted, or approximately $105 million in the aggregate (a portion of which will be attributable to accrued interest on the Convertible Notes from April 15, 2012 to the closing date of this offering). The Significant Holders will not receive the interest payment to be paid on the Convertible Notes on October 15, 2012. The amount of the cash payment to be paid to the Significant Holders is equal to the

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accrued and unpaid interest that the Significant Holders would have otherwise been entitled to receive with respect to the Convertible Notes held by them if they held such Convertible Notes through October 15, 2012, the next regularly scheduled interest payment date for the Convertible Notes. In addition, Apollo and Paulson have agreed to allow us to suspend our existing resale registration statement relating to the Convertible Notes and the underlying shares of common stock, provided that the resale registration statement is reinstated on the expiration of the lock-up period provided for in their lock-up agreement with the underwriters for this offering. The obligations of the Significant Holders to convert their Convertible Notes are subject to certain conditions, including that the closing of this offering shall have occurred or shall be occurring simultaneously with the conversion. Each Significant Holders letter agreement will automatically terminate upon the earlier of (1) the New Share Issuance (although the Significant Holders will continue to be bound by their lock-up agreements with the underwriters) or (2) December 26, 2012, if an underwriting agreement in connection with this offering has not been executed on or prior to such date.

We have also entered into letter agreements (the Other Holders letter agreements and, together with the Significant Holders letter agreements, the letter agreements) with other eligible holders of our Convertible Notes, whom we refer to herein as the Other Holders, which, as of September 4, 2012, together held approximately $127 million aggregate principal amount of such Convertible Notes, which provide that in consideration for agreeing with us (1) not to transfer their respective Convertible Notes from the date of the Other Holders letter agreement (unless the transferee agrees to assume the restrictions on transfer and lock-up obligations contained in such agreement) and (2) to enter into a lock-up agreement with the underwriters of this offering (covering all shares of common stock that each such Other Holder owns) for a period of 180 days following the date of this prospectus, subject to certain exceptions pursuant to the terms of the lock-up agreement, each such Other Holder will receive 0.125 shares of common stock for each share of common stock issued upon conversion of such Other Holder s Convertible Notes. The Other Holders are under no obligation to convert their Convertible Notes but are not entitled to receive the additional shares of common stock except in the event of conversion of their Convertible Notes. Each Other Holders letter agreement will automatically terminate upon the earlier of (1) the date on which the Other Holder no longer holds Convertible Notes (although such Other Holder will continue to be bound by its lock-up agreement with the underwriters of this offering to the extent all or a portion of its Convertible Notes have been converted) or (2) December 26, 2012, if an underwriting agreement in connection with this offering has not been executed on or prior to such date.

Pursuant to the letter agreements:

- the Significant Holders have agreed to convert all of their approximately $1.903 billion aggregate principal amount of Convertible Notes into shares of common stock substantially concurrently with the closing of this offering and all of their shares will be subject to lock-up agreements for a period of 180 days following the date of this prospectus (subject to certain exceptions pursuant to the terms of the lock-up agreements), including all of the shares issued to them pursuant to the Significant Holders letter agreements; and

- the Other Holders, which, as of September 4, 2012, held approximately $127 million aggregate principal amount of Convertible Notes, will be subject to lock-up agreements for a period of 180 days following the date of this prospectus (subject to certain exceptions pursuant to the terms of the lock-up agreements), which will cover any shares they receive upon conversion of their Convertible Notes and pursuant to the Other Holders letter agreements.

Assuming the conversion of all of the Convertible Notes into shares of common stock, approximately 97% of our outstanding shares of common stock (excluding the shares issued in this offering) will be subject to lock-up agreements for a period of 180 days following the date of this prospectus (subject to certain exceptions pursuant to the terms of the lock-up agreements). See Shares Eligible For Future Sale.

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Concurrently with the closing of this offering, pursuant to the terms of the indenture governing the Convertible Notes, we intend to issue a redemption notice to holders of approximately $207 million aggregate principal amount of Convertible Notes, which include the Other Holders, to redeem on the 31st day following the date of such notice any remaining Convertible Notes that have not been surrendered to us for conversion prior to such date, at a redemption price equal to 90% of the principal amount thereof, plus accrued and unpaid interest. We are required to make an interest payment with respect to such Convertible Notes on October 15, 2012 which is prior to the anticipated redemption date for the Convertible Notes. As a result, we expect that the Other Holders who, as noted above, held approximately $127 million aggregate principal amount of Convertible Notes as of September 4, 2012, will receive the interest payment due on October 15, 2012 prior to converting their Convertible Notes, assuming they elect to so convert. Holders of the Convertible Notes other than the Significant Holders and the Other Holders, representing approximately $80 million aggregate principal amount of Convertible Notes, may elect to convert their respective Convertible Notes at any time prior to the redemption date for the Convertible Notes and such holders will receive the interest payment due on October 15, 2012, to the extent that they have not elected to convert their Convertible Notes prior to such date. However, such other holders will not be entitled to receive 0.125 shares for each share of common stock issued upon conversion of their respective Convertible Notes and will not be subject to any lock-up agreements. For every 100 shares of common stock issued upon the conversion of Convertible Notes by the Other Holders, an additional 12.5 shares of common stock will be issued pursuant to the Other Holders letter agreements. The Significant Holders will receive an aggregate of 73,006,178 shares of common stock upon conversion of their Convertible Notes and 9,125,776 shares of common stock pursuant to the Significant Holders letter agreements.

Principal Stockholders

Our principal stockholders are investment funds affiliated with or managed by Apollo Management VI, L.P. or one of its affiliates (together with Apollo Global Management, LLC and its subsidiaries, Apollo). Founded in 1990, Apollo is one of the world s largest alternative investment managers, with total assets under management of approximately $105 billion as of June 30, 2012, and a team of over 600 employees located in ten offices around the world. See Principal Stockholders.

Our headquarters are located at One Campus Drive, Parsippany, New Jersey 07054. We have entered into a lease for new corporate headquarters at 175 Park Avenue, Madison, New Jersey and expect to take occupancy of the new headquarters in early 2013. Our general telephone number is (973) 407-2000. We were incorporated on December 14, 2006 in the State of Delaware. We maintain an Internet website at http://www.realogy.com. Our website address is provided as an inactive textual reference. The contents of our website are not incorporated by reference herein or otherwise a part of this prospectus.

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As used in this prospectus, this offering and related transactions refers, collectively, to (i) the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes into 73,006,178 shares of common stock by the Significant Holders, including by Apollo and Paulson, (ii) the issuance of 9,125,776 shares of common stock to the Significant Holders and the cash payment of approximately $105 million pursuant to the letter agreements described above under Letter Agreements with Holders of Convertible Notes, (iii) the offering of our common stock hereby and the use of net proceeds therefrom to repay certain outstanding indebtedness described herein, (iv) the reverse stock split that we effected prior to the date hereof whereby holders of our outstanding shares of common stock received 1 share for every 25 shares of common stock held by them and (v) the statutory conversions of Intermediate and Realogy into Delaware limited liability companies.

As used in this prospectus, common stock collectively refers to our shares of Class A common stock and Class B common stock outstanding prior to the completion of this offering and the shares of common stock to be

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issued on the closing date of this offering and thereafter. Unless otherwise indicated, all information in this prospectus assumes the conversion of all of the shares of Class B common stock into shares of Class A common stock on a one-for-one basis. Upon the effectiveness of our amended and restated certificate of incorporation following the completion of this offering, we will only have one class of common stock.

As used in this prospectus, the term Existing Notes refers, collectively, to the 10.50% Senior Notes due 2014 (the 10.50% Senior Notes), the 11.00%/11.75% Senior Toggle Notes due 2014 (the Senior Toggle Notes) and the 12.375% Senior Subordinated Notes due 2015 (the 12.375% Senior Subordinated Notes) issued on April 10, 2007. The term Extended Maturity Notes refers collectively to the 11.50% Senior Notes due 2017 (the 11.50% Senior Notes), the 12.00% Senior Notes due 2017 (the 12.00% Senior Notes and, together with the 11.50% Senior Notes, the Senior Cash Notes) and the 13.375% Senior Subordinated Notes due 2018 (the 13.375% Senior Subordinated Notes) issued on January 5, 2011. The term Senior Notes refers collectively to the 10.50% Senior Notes, the Senior Toggle Notes, the 11.50% Senior Notes and the 12.00% Senior Notes. The term Convertible Notes refers collectively to the 11.00% Series A Convertible Notes due 2018, the 11.00% Series B Convertible Notes due 2018 and the 11.00% Series C Convertible Notes due 2018, issued on January 5, 2011. The term Unsecured Notes refers, collectively, to the Existing Notes, the Extended Maturity Notes and the Convertible Notes. The term Senior Subordinated Notes refers, collectively, to the 12.375% Senior Subordinated Notes and the 13.375% Senior Subordinated Notes. The term Existing First and a Half Lien Notes refers to the 7.875% Senior Secured Notes due 2019 issued on February 3, 2011. The term New First and a Half Lien Notes refers to the 9.000% Senior Secured Notes due 2020 issued on February 2, 2012. The term First and a Half Lien Notes refers, collectively, to the Existing First and a Half Lien Notes and the New First and a Half Lien Notes. The term First Lien Notes refers to the 7.625% Senior Secured First Lien Notes due 2020 issued on February 2, 2012.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table presents our summary historical consolidated financial data and operating statistics. The consolidated statement of operations data and cash flow data for the years ended December 31, 2011, 2010 and 2009 have been derived from our audited consolidated financial statements included elsewhere in this prospectus.

The consolidated statement of operations data and cash flow data for the six months ended June 30, 2012 and 2011 and the consolidated balance sheet data as of June 30, 2012 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus. The condensed consolidated financial statements, in the opinion of management, include all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the financial position and results of operations as of the dates and for the periods indicated.

The summary historical consolidated financial data should be read in conjunction with the sections of this prospectus entitled Use of Proceeds, Capitalization, Unaudited Pro Forma Financial Information and Selected Historical Consolidated Financial Data and our financial statements and notes thereto included elsewhere in this prospectus. Historical results are not necessarily indicative of results that may be expected for any future period.

(In millions, except per share data)	Pro Forma As Adjusted [3][4] For the Six Months Ended June 30, 2012	As of and For the Six Months Ended June 30, 2012	2011	As of and For the Year Ended December 31, 2011	2010	2009
Statement of Operations Data:						
Net revenue	$ 2,184	$ 2,184	$ 2,010	$ 4,093	$ 4,090	$ 3,932
Total expenses	2,244	2,410	2,270	4,526	4,084	4,266
Income (loss) before income taxes, equity in earnings and noncontrolling interests	(60)	(226)	(260)	(433)	6	(334)
Income tax expense (benefit)	15	15	2	32	133	(50)
Equity in earnings of unconsolidated entities	(25)	(25)	(4)	(26)	(30)	(24)
Net loss	(50)	(216)	(258)	(439)	(97)	(260)
Less: Net income attributable to noncontrolling interests	(1)	(1)	(1)	(2)	(2)	(2)
Net loss attributable to Holdings	$ (51)	$ (217)	$ (259)	$ (441)	$ (99)	$ (262)
Basic loss per share		$ (27.07)	$ (32.31)	$ (55.01)	$ (12.35)	$ (32.71)
Diluted loss per share		(27.07)	(32.31)	(55.01)	(12.35)	(32.71)
Other Data:						
Interest expense, net [1]	$ 181	$ 346	$ 340	$ 666	$ 604	$ 583
Depreciation and amortization		89	93	186	197	194
Loss (gain) on the early extinguishment of debt		6	36	36		(75)
Net cash (used in) provided by operating activities		(93)	(194)	(192)	(118)	341
Net cash used in investing activities		(30)	(24)	(49)	(70)	(47)
Net cash provided by (used in) financing activities		118	179	192	124	(479)
Adjusted EBITDA [2]		$ 274	$ 240	$ 571	$ 633	$ 619
Senior secured leverage ratio for the trailing twelve month period [2]		4.08x		4.44x	4.59x	4.66x

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	As of June 30, 2012		
	Actual	Pro Forma (3)	Pro Forma, As Adjusted (4)
Balance Sheet Data:			
Cash and cash equivalents (5)	$ 138	$ 138	$ 49
Securitization assets (6)	393	393	393
Total assets	7,362	7,356	7,263
Securitization obligations	267	267	267
Long-term debt, including short-term portion	7,335	5,432	4,562
Equity (deficit) (7)	$ (1,712)	$ 185	$ 1,040

(1) Following the completion of this offering and related transactions, our annualized interest expense (assuming debt balances as of June 30, 2012) will decline by approximately $330 million (including the elimination of approximately $232 million of annual interest expense relating to the Convertible Notes), which would have represented a reduction of approximately 49% of our $672 million of interest expense for the twelve months ended June 30, 2012.

(2) We define EBITDA as net income (loss) before depreciation and amortization, interest expense, net (other than relocation services interest for securitization assets and securitization obligations) and income taxes. We believe EBITDA facilitates company-to-company operating performance comparisons by backing out potential differences caused by variations in capital structures (affecting net interest expense), taxation, the age and book depreciation of facilities (affecting relative depreciation expense) and the amortization of intangibles, which may vary for different companies for reasons unrelated to operating performance. We further believe that EBITDA is frequently used by investors, securities analysts and other interested parties in their evaluation of companies, many of which present an EBITDA measure when reporting their results.

Adjusted EBITDA calculated for a twelve-month period corresponds to the definition of EBITDA, calculated on a pro forma basis, used in our senior secured credit facility to calculate the senior secured leverage ratio. Adjusted EBITDA includes adjustments to EBITDA for merger costs, restructuring costs, former parent legacy cost (benefit) items, net, gain (loss) on the early extinguishment of debt, pro forma cost savings, the pro forma effect of business optimization initiatives and the pro forma effect of acquisitions and new franchisees, in each case calculated as of the beginning of the twelve-month period. Adjusted EBITDA calculated for a quarterly period adjusts for the same items as for a twelve-month period, except that the pro forma effect of cost savings, business optimizations and acquisitions and new franchisees are calculated as of the beginning of the quarterly period instead of the twelve-month period. EBITDA and Adjusted EBITDA are supplemental measures of performance that are not required by, or presented in accordance with GAAP and may be calculated differently by other companies, including other companies in our industry, limiting their usefulness as comparative measures. EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute to any GAAP measures and should be assessed alongside other performance measures, including operating income, net income and our other GAAP results. For further discussion of EBITDA and Adjusted EBITDA, see Management s Discussion and Analysis of Financial Condition and Results of Operations Non-GAAP Financial Measures.

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The unaudited financial data for the twelve months ended June 30, 2012 have been derived by adding the financial data for the fiscal year ended December 31, 2011 to the financial data for the six months ended June 30, 2012 and subtracting the financial data for the six months ended June 30, 2011. Set forth in the table below is (i) a reconciliation of net loss attributable to Realogy to Adjusted EBITDA for the six months ended June 30, 2012 and 2011 and (ii) a reconciliation of net loss attributable to Realogy to Adjusted EBITDA as calculated in accordance with the senior secured credit facility and presented in certificates delivered to the lenders under the senior secured credit facility for the twelve months ended June 30, 2012 and the years ended December 31, 2011, 2010 and 2009:

	For the Six Months Ended June 30,		For the Twelve Months Ended			
	2012	2011	June 30, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Net loss attributable to Realogy	$ (217)	$ (259)	$ (399)	$ (441)	$ (99)	$ (262)
Income tax expense (benefit)	15	2	45	32	133	(50)
Income (loss) before income taxes	(202)	(257)	(354)	(409)	34	(312)
Interest expense (income), net	346	340	672	666	604	583
Depreciation and amortization	89	93	182	186	197	194
EBITDA	**233**	**176**	**500**	**443**	**835**	**465**
Merger costs, restructuring costs and former parent legacy costs (benefit), net [(a)]	2	(9)	8	(3)	(301)	37
Loss (gain) on the early extinguishment of debt	6	36	6	36		(75)
Pro forma cost savings for restructuring initiatives [(b)]	2	3	8	11	20	33
Pro forma effect of business optimization initiatives [(c)]	21	22	48	52	49	38
Non-cash charges [(d)]	(4)	(1)		4	(4)	34
Non-recurring fair value adjustments for purchase accounting [(e)]	2	2	4	4	4	5
Pro forma effect of acquisitions and new franchisees [(f)]	2	2	7	7	13	5
Apollo management fees [(g)]	8	8	15	15	15	15
Proceeds from WEX contingent asset [(h)]						55
Incremental securitization interest costs [(i)]	2	1	3	2	2	3
Expenses incurred in debt modification activities [(j)]						4
Adjusted EBITDA	**$ 274**	**$ 240**	**$ 599**	**$ 571**	**$ 633**	**$ 619**
Total senior secured net debt [(k)]			$ 2,445	$ 2,536	$ 2,905	$ 2,886
Senior secured leverage ratio			4.08x	4.44x	4.59x	4.66x

(a) Consists of:

	For the Six Months Ended June 30,		For the Twelve Months Ended			
	2012	2011	June 30, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Restructuring costs	$ 5	$ 5	$ 11	$ 11	$ 21	$ 70
Merger costs			1	1	1	1
Former parent legacy benefits	(3)	(14)	(4)	(15)	(323)	(34)

$ 2	$ (9)	$ 8	$ (3)	$ (301)	$ 37

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(b) Represents actual costs incurred that are not expected to recur in subsequent periods due to restructuring activities initiated during the period. The adjustment shown represents the impact the savings would have had on the period from the first day of the period through the time they were put in place, had those actions been effected as of such date.

	For the Six Months Ended June 30,		For the Twelve Months Ended			
	2012	2011	June 30, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Expected reduction in operating costs based on a three or twelve month run-rate	$ 4	$ 5	$ 18	$ 21	$ 34	$ 103
Estimated savings realized from the time they were put in place	2	2	10	10	14	70
	$ 2	$ 3	$ 8	$ 11	$ 20	$ 33

(c) Represents the pro forma effect of business optimization initiatives that have been completed to reduce costs.

	For the Six Months Ended June 30,		For the Twelve Months Ended			
	2012	2011	June 30, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Relocation Services integration costs and acquisition related non-cash adjustments	$ 1	$ 1	$ 3	$ 1	$ 12	$
Initiatives to improve the Company Owned Real Estate Brokerage profit margin	1					3
Initiatives to improve the Relocation Services and Title and Settlement Service fees						2
Vendor renegotiations			5	6	6	
Employee retention accruals	20	21	40	41	23	19
Other initiatives	(1)			4	8	14
	$ 21	$ 22	$ 48	$ 52	$ 49	$ 38

The employee retention accruals reflect the employee retention plans that have been implemented in lieu of our customary bonus plan, due to the ongoing and prolonged downturn in the housing market in order to ensure the retention of executive officers and other key personnel, principally within our corporate services unit and the corporate offices of our four business units.

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(d) Represents the elimination of non-cash expenses, including:

	For the Six Months Ended June 30,		For the Twelve Months Ended			
	2012	2011	June 30, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Stock-based compensation expense	$ 2	$ 4	$ 5	$ 7	$ 6	$ 7
Change in allowance for doubtful accounts and notes reserves	(7)	(6)	(11)	(7)	(8)	12
Write-down of a cost method investment						14
Unrealized net losses on foreign currency transactions and foreign currency forward contracts	1	1				1
Other items			6	4	(2)	
	$ (4)	$ (1)	$	$ 4	$ (4)	$ 34

(e) Reflects the adjustment for the negative impact of fair value adjustments for purchase accounting at the operating business segments primarily related to deferred rent.

(f) Represents the estimated impact of acquisitions and new franchisees as if they had been acquired or signed at the beginning of the period. Franchisee sales activity is comprised of new franchise agreements as well as growth acquired by existing franchisees with our assistance. We have made a number of assumptions in calculating such estimate and there can be no assurance that we would have generated the projected levels of EBITDA had we owned the acquired entities or entered into the franchise contracts at the beginning of the period.

(g) Represents the elimination of annual management fees payable to Apollo.

(h) Wright Express Corporation (WEX) was divested by Cendant in February 2005 through an initial public offering. On June 26, 2009, we entered into a Tax Receivable Prepayment Agreement with WEX, pursuant to which WEX simultaneously paid us the sum of $51 million, less expenses of approximately $2 million, as prepayment in full of its remaining contingent obligations to us under Article III of the Tax Receivable Agreement dated February 22, 2005 among WEX, Cendant and Cartus. We also received an aggregate of $6 million of recurring tax receivable payments from WEX during 2009.

(i) Reflects the incremental borrowing costs incurred as a result of the securitization facilities refinancing.

(j) Represents the expenses incurred in connection with the Company s unsuccessful debt modification activities in the third quarter of 2009.

(k) Pursuant to the terms of our senior secured credit facility, total senior secured net debt does not include the First and a Half Lien Notes, other indebtedness secured by a lien on our assets that is pari passu or junior in priority to the First and a Half Lien Notes, including our $650 million of second lien term loans under the incremental loan feature of the senior secured credit facility (the Second Lien Loans), our securitization obligations and the Unsecured Notes.

(3) Pro forma gives effect to the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders substantially concurrently with the closing of this offering.

(4) Pro forma as adjusted gives effect to (i) our sale of 40,000,000 shares of common stock in this offering at an initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, and our expected use of the net proceeds of this offering as described under Use of Proceeds and (ii) the issuance of 9,125,776 shares of common stock to the Significant Holders pursuant to the Significant Holders letter agreements.

(5) Readily available cash as of June 30, 2012 was $89 million. Readily available cash includes cash and cash

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equivalents less statutory cash required for our title business. Pro forma as adjusted cash and cash equivalents reflects (i) the payment of interest of approximately $59 million, representing the interest on indebtedness that will be repaid as described in Use of Proceeds, and (ii) the cash payment of approximately $105 million pursuant to the Significant Holders letter agreements as described in Use of Proceeds. The amount of such payment is equal to the interest that the Significant Holders would have otherwise been entitled to receive with respect to the Convertible Notes held by them if they held such Convertible Notes through October 15, 2012, the next regularly scheduled interest payment date. The Significant Holders will not receive the interest payment to be paid on the Convertible Notes on October 15, 2012. See footnote 2 of the Notes to Unaudited Pro Forma Financial Information under the heading Unaudited Pro Forma Financial Information.

(6) Represents the portion of relocation receivables and advances and other related assets that collateralize our securitization obligations.

(7) See footnotes 10 and 11 to the table under the heading Capitalization.

Key Business Drivers

The following table represents key business drivers for the periods set forth below:

	Six Months Ended June 30,		Year Ended December 31,		
	2012	2011	2011	2010	2009
Operating Statistics:					
Real Estate Franchise Services [1]					
Closed homesale sides [2]	471,229	435,688	909,610	922,341	983,516
Average homesale price [3]	$ 205,967	$ 198,513	$ 198,268	$ 198,076	$ 190,406
Average homesale broker commission rate [4]	2.55%	2.55%	2.55%	2.54%	2.55%
Net effective royalty rate [5]	4.68%	4.85%	4.84%	5.00%	5.10%
Royalty per side [6]	$ 256	$ 255	$ 256	$ 262	$ 257
Company Owned Real Estate Brokerage Services [7]					
Closed homesale sides [2]	138,041	124,261	254,522	255,287	273,817
Average homesale price [3]	$ 429,267	$ 432,618	$ 426,402	$ 435,500	$ 390,688
Average homesale broker commission rate [4]	2.50%	2.49%	2.50%	2.48%	2.51%
Gross commission income per side [8]	$ 11,497	$ 11,625	$ 11,461	$ 11,571	$ 10,519
Relocation Services					
Initiations [9]	86,168	81,541	153,269	148,304	114,684
Referrals [10]	36,305	33,095	72,169	69,605	64,995
Title and Settlement Services					
Purchase title and closing units [11]	50,538	45,190	93,245	94,290	104,689
Refinance title and closing units [12]	39,782	27,666	62,850	62,225	69,927
Average price per closing unit [13]	$ 1,350	$ 1,457	$ 1,409	$ 1,386	$ 1,317

(1) These amounts include only those relating to third-party franchisees and do not include amounts relating to the Company Owned Real Estate Brokerage Services segment.

(2) A closed home sale side represents either the buy side or the sell side of a homesale transaction.

(3) Represents the average selling price of closed homesale transactions.

(4) Represents the average commission rate earned on either the buy side or sell side of a homesale transaction.

(5) Represents the average percentage of our franchisees commission revenue (excluding NRT) paid to the Real Estate Franchise Services segment as a royalty. The net effective royalty rate does not include the

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effect of non-standard incentives granted to some franchisees. Royalty fees are charged to all franchisees pursuant to the terms of the relevant franchise agreements and are included in each of the real estate brands franchise disclosure documents. Non-standard incentives are occasionally used by the sales force as consideration for new or renewing franchisees. Due to the limited number of franchisees that receive these non-standard incentives, we believe excluding such incentives from the net effective royalty rate provides a more meaningful average for typical franchisees. We anticipate that as the housing market recovers and our franchise revenues increase, the impact of these non-standard incentives on the net effective royalty rate will decrease accordingly. The inclusion of these non-standard incentives would reduce the net effective royalty rate by approximately 20 basis points for the year ended December 31, 2011.

(6) Represents net domestic royalties earned from our franchisees (excluding NRT) divided by the total number of our franchisees closed homesale sides.

(7) Our real estate brokerage business has a significant concentration of offices and transactions in geographic regions where home prices are at the higher end of the U.S. real estate market, particularly the east and west coasts. The real estate franchise business has franchised offices that are more widely dispersed across the United States than our real estate brokerage operations. Accordingly, operating results and homesale statistics may differ between our brokerage and franchise businesses based upon geographic presence and the corresponding homesale activity in each geographic region.

(8) Represents gross commission income divided by closed homesale sides. Gross commission income includes commissions earned in homesale transactions and certain other activities, primarily leasing and property management transactions.

(9) Represents the total number of transferees served by the relocation services business. Revenue is recognized when services are performed. The amounts presented for the year ended December 31, 2010 include 26,087 initiations as a result of the acquisition of Primacy in January 2010.

(10) Represents the number of completed referral transactions from which we earned revenue from real estate brokers. The amounts presented for the year ended December 31, 2010 include 4,997 referrals as a result of the acquisition of Primacy in January 2010.

(11) Represents the number of title and closing units processed as a result of a home purchases.

(12) Represents the number of title and closing units processed as a result of homeowners refinancing their home loans.

(13) Represents the average fee we earn on purchase title and refinancing title units.

THE OFFERING

Common stock offered by the Company hereby	40,000,000 shares.
Common stock to be outstanding after this offering	130,153,234 shares (136,153,234 shares if the underwriters exercise in full their option to purchase additional shares of common stock from us), assuming the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders into shares of common stock and the issuance of the shares of common stock pursuant to the Significant Holders letter agreements and assuming further the redemption of the Convertible Notes not held by the Significant Holders.
Listing	Our shares of common stock have been approved for listing on the NYSE under the ticker symbol RLGY .
Option to purchase additional shares	We have agreed to allow the underwriters to purchase up to 6,000,000 additional shares from us, at the public offering price, less the underwriting discounts and commissions, within 30 days from the date of this prospectus.
Use of proceeds	Assuming an initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, we estimate that the net proceeds to us from the sale of our common stock in this offering will be approximately $946 million (or $1,089 million if the underwriters exercise in full their option to purchase additional shares of common stock from us), after deducting estimated underwriting discounts and commissions and offering expenses.
	We currently intend to use the net proceeds received by us in this offering, along with readily available cash, (i) to prepay all of the outstanding $650 million principal amount of the Second Lien Loans, (ii) to repurchase or redeem approximately $64 million principal amount of outstanding 10.50% Senior Notes and $41 million principal amount of outstanding Senior Toggle Notes, (iii) to redeem approximately $207 million aggregate principal amount of Convertible Notes that are not held by the Significant Holders following the closing date of this offering at a redemption price equal to 90% of the principal amount thereof, or $186 million, (iv) to pay the $15 million cash portion of the Management Agreement Termination Fee (as defined below) which will be paid on January 15, 2013, (v) to pay the cash payment of approximately $105 million pursuant to the Significant Holders letter agreements (a portion of which will be attributable to accrued interest on the Convertible Notes), (vi) to pay prepayment premiums and fees in connection with the repayment of the foregoing indebtedness and (vii) to pay interest of approximately $59 million, representing interest payable from April 15, 2012 through the anticipated prepayment date of the

	indebtedness that will be repaid. To the extent that any Convertible Notes not owned by the Significant Holders are converted into common stock, the portion of the net proceeds of this offering that would have been used to pay the redemption price for such Convertible Notes would instead be applied to the repayment of our other indebtedness. See Use of Proceeds, Description of Indebtedness and footnote 8 of the Notes to Unaudited Pro Forma Financial Information under the heading Unaudited Pro Forma Financial Information.
Dividends	We do not currently anticipate paying dividends on our common stock following this offering. Any declaration and payment of future dividends to holders of our common stock may be limited by restrictive covenants in our debt agreements, and will be at the sole discretion of our board of directors (the Board of Directors) and will depend on many factors, including our financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends and other considerations that our Board of Directors deems relevant. See Dividend Policy, Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources, and Description of Capital Stock Common Stock.
Risk factors	See Risk Factors for a discussion of factors you should carefully consider before deciding to invest in our common stock.
Directed share program	The underwriters have reserved for sale, at the initial public offering price, up to 400,000 shares of the common stock being offered to our employees and directors. See Underwriting (Conflicts of Interest).
Conflicts of interest	Affiliates of Apollo Global Securities, LLC own more than 10% of our outstanding common stock. Because Apollo Global Securities, LLC is an underwriter for this offering, it is deemed to have a conflict of interest within the meaning of FINRA Rule 5121(f)(5)(B). In addition, affiliates of Apollo Global Securities, LLC will be deemed to receive more than 5% of net offering proceeds and will have a conflict of interest pursuant to Rule 5121(f)(5)(C)(ii). Accordingly, this offering is being made in compliance with the requirements of FINRA Rule 5121. Since Apollo Global Securities, LLC is not primarily responsible for managing this offering, pursuant to FINRA Rule 5121, the appointment of a qualified independent underwriter is not necessary. Apollo Global Securities, LLC will not confirm sales to discretionary accounts without the prior written approval of the customer.

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Except as otherwise indicated, all of the information in this prospectus assumes or reflects:

- the effect of the 1-for-25 reverse stock split described below;
- the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders into 73,006,178 shares of common stock;
- the issuance of 9,125,776 shares of common stock pursuant to the Significant Holders letter agreements;
- the redemption of approximately $207 million of Convertible Notes not held by the Significant Holders rather than the conversion of such Convertible Notes;
- the conversion of all outstanding shares of Class B common stock into shares of Class A common stock on a one-for-one basis;
- no exercise of the underwriters option to purchase up to 6,000,000 additional shares of common stock;
- an initial public offering price of $25.00, which is the midpoint of the offering price range set forth on the cover page of this prospectus; and
- our amended and restated certificate of incorporation and amended and restated bylaws are in effect, pursuant to which the provisions described under Description of Capital Stock will become operative.

Prior to the date hereof, we effected a reverse stock split whereby holders of our outstanding shares of common stock received 1 share of common stock for every 25 shares of common stock held by them, resulting in 8,021,280 shares of common stock outstanding immediately following the reverse stock split. As a result of the reverse stock split and pursuant to the terms of the indenture governing the Convertible Notes, the conversion rates applicable to each series of Convertible Notes were adjusted as follows:

- the conversion rate for the Series A Convertible Notes and the Series B Convertible Notes was adjusted from 975.6098 shares of common stock per $1,000 principal amount of Series A Convertible Notes and Series B Convertible Notes to 39.0244 shares of common stock per $1,000 principal amount of Series A Convertible Notes and Series B Convertible Notes, which is equivalent to an adjusted conversion price of $25.625; and
- the conversion rate for the Series C Convertible Notes was adjusted from 926.7841 shares of common stock per $1,000 principal amount of Series C Convertible Notes to 37.0714 shares of common stock per $1,000 principal amount of Series C Convertible Notes, which is equivalent to an adjusted conversion price of $26.975.

The Significant Holders have agreed to convert all of the Convertible Notes held by them into shares of common stock substantially concurrently with the closing of this offering. As of September 4, 2012, the Significant Holders held in the aggregate approximately $1.903 billion aggregate principal amount of Convertible Notes, which, once converted, will result in the issuance of an additional 82,131,954 shares of common stock promptly following the closing of this offering, including the shares of common stock issued pursuant to the Significant Holders letter agreements. See Letter Agreements with Holders of Convertible Notes.

Following the conversion by Apollo of all of its Convertible Notes, all of the shares of Class B common stock outstanding immediately prior to such conversion will convert into shares of Class A common stock on a one-for-one basis. There will be no shares of Class B common stock outstanding following the completion of this offering. Upon the effectiveness of our amended and restated certificate of incorporation, we will only have one class of common stock.

On the closing date of this offering, pursuant to the terms of the indenture governing the Convertible Notes, we intend to issue a redemption notice to redeem on the 31st day following the date of such notice any remaining Convertible Notes that have not been surrendered to us for conversion prior to such date at a redemption price equal to 90% of the principal amount thereof, plus accrued and unpaid interest.

Prior to the completion of this offering and other related transactions, we intend to effect statutory conversions of Intermediate and Realogy into Delaware limited liability companies (the Statutory Conversions) in order to permit our Convertible Notes to be converted into shares of our common stock on a tax-free basis, and as a result facilitate such conversions. As a result of the Statutory Conversions, our ability to utilize certain of our NOLs for state tax purposes will be eliminated, which we do not expect to have a significant impact on us.

The number of shares of common stock to be outstanding after completion of this offering is based on shares of our common stock to be sold by us in this offering and, except where we state otherwise, the information with respect to our common stock we present in this prospectus, including as set forth above, and:

- does not give effect to 2,686,600 shares of common stock reserved for future issuance under the Holdings 2007 Stock Incentive Plan (as amended, the Stock Incentive Plan), including, as of June 30, 2012, 109,883 shares of common stock issuable upon the exercise of currently exercisable options at a weighted average exercise price of $48.25 and 1,461,530 shares of common stock issuable upon the exercise of outstanding options which have not yet vested, at a weighted average exercise price of $23.50;

- does not give effect to 6,800,000 shares of common stock reserved for future issuance under the 2012 Long-Term Incentive Plan (the 2012 LTIP), which includes an aggregate of 290,000 shares of restricted stock and 1,653,000 shares issuable upon the exercise of options at an exercise price equal to the initial public offering price, in each case, to be awarded to our named executive officers and certain of our employees in connection with this offering, and options in an aggregate amount equal to approximately $1.2 million anticipated to be granted in October to certain of our executive officers related to the consideration such officers would have been entitled to under the Phantom Value Plan (as defined below) if Apollo continued to hold Convertible Notes through October 15, 2012, the next regularly scheduled interest payment date for the Convertible Notes; and

- does not give effect to shares of common stock in an amount equal to $25 million that will be issued on January 15, 2013, representing the non-cash portion of the Management Agreement Termination Fee.

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RISK FACTORS

You should carefully consider each of the following risk factors and all of the other information set forth in this prospectus before making any investment decision. The risk factors generally have been separated into three groups: (1) risks related to our indebtedness; (2) risks related to our business; and (3) risks related to an investment in our common stock and this offering. Based on the information currently known to us, we believe that the following information identifies the most significant risk factors affecting our company and our common stock. Additional risks and uncertainties not presently known to us may also adversely affect our business. In addition, past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. As a result, the trading price of our common stock could decline and you may lose all or part of your investment. You should carefully consider the following risk factors and all other information contained in this prospectus before making any investment decision.

Risks Related to Our Indebtedness

Our significant indebtedness and interest obligations could prevent us from meeting our obligations under our debt instruments and could adversely affect our ability to fund our operations, react to changes in the economy or our industry, or incur additional borrowings under our existing facilities.

We are significantly encumbered by our debt obligations. As of June 30, 2012, our total debt, excluding our securitization obligations, was $7,335 million (without giving effect to outstanding letters of credit under our senior secured credit facility). In addition, as of June 30, 2012, our current liabilities included $267 million of securitization obligations which were collateralized by $393 million of securitization assets that are not available to pay our general obligations. While our outstanding indebtedness upon completion of this offering and related transactions will be reduced by approximately $2.8 billion, or 38% (assuming debt balances as of June 30, 2012), and our annualized interest expense will decline by approximately $330 million (which includes the elimination of approximately $232 million of annual interest expense relating to the Convertible Notes), we will remain highly leveraged.

Our indebtedness was principally incurred to finance our acquisition by Apollo in April 2007 and reflected our then current earnings and our expectations that the housing downturn would recover in the near term. Since the date of our acquisition, the industry and economy have experienced significant declines that have negatively impacted our operating results and we have had to incur additional debt to fund negative cash flows. Revenues for the year ended December 31, 2011 compared to the year ended December 31, 2007, on a pro forma combined basis, decreased by approximately 31%. There can be no assurance that we will be able to reduce the level of our indebtedness in the future.

Our substantial degree of leverage could have important consequences, including the following:

- it causes a substantial portion of our cash flows from operations to be dedicated to the payment of interest and required amortization on our indebtedness and not be available for other purposes, including our operations, capital expenditures and future business opportunities or principal repayment. Our significant level of interest payments are challenging in periods when seasonal cash flows in the residential real estate market are at their lowest points;

- it could cause us to be unable to maintain compliance with the senior secured leverage ratio covenant under our senior secured credit facility;

- it could cause us to be unable to meet our debt service requirements under our senior secured credit facility or the indentures governing the Unsecured Notes, the First Lien Notes and the First and a Half Lien Notes or meet our other financial obligations;

- it may limit our ability to incur additional borrowings under our existing facilities or securitizations, to obtain additional debt or equity financing for working capital, capital expenditures, business development, debt service requirements, acquisitions or general corporate or other purposes, or to refinance our indebtedness;

- it exposes us to the risk of increased interest rates because a portion of our borrowings, including borrowings under our senior secured credit facility, are at variable rates of interest;
- it may limit our ability to adjust to changing market conditions and place us at a competitive disadvantage compared to our competitors that have less debt;
- it may cause a further downgrade of our debt and long-term corporate ratings;
- it may limit our ability to attract acquisition candidates or to complete future acquisitions;
- it may cause us to be more vulnerable to periods of negative or slow growth in the general economy or in our business, or may cause us to be unable to carry out capital spending that is important to our growth; and
- it may limit our ability to attract and retain key personnel.

We may not be able to generate sufficient cash to service all of our indebtedness and be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments or to refinance our debt obligations depends on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. Historically, we have needed to incur additional debt in order to fund negative cash flow. We cannot assure you that we will maintain a level of cash flows from operating activities and from drawings on our revolving credit facilities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness or meet our operating expenses.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional debt or equity capital or restructure or refinance our indebtedness. We cannot assure you that we would be able to take any of these actions, that these actions would be successful and permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. The senior secured credit facility and the indentures governing the 12.375% Senior Subordinated Notes, the Extended Maturity Notes, the First Lien Notes and the First and a Half Lien Notes restrict our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or realize the related proceeds from them and these proceeds may not be adequate to meet any debt service obligations then due.

If we cannot make scheduled payments on our debt, we will be in default and, as a result:

- our debt holders could declare all outstanding principal and interest to be due and payable;
- the lenders under our senior secured credit facility could terminate their commitments to lend us money and foreclose against the assets securing their borrowings; and
- we could be forced into bankruptcy or liquidation.

Following the completion of the offering, we will continue to evaluate potential financing transactions, including refinancing certain tranches of our indebtedness and extending maturities. There can be no assurance that financing or refinancing will be available to us on acceptable terms or at all.

Future indebtedness may impose various additional restrictions and covenants on us which could limit our ability to respond to market conditions, to make capital investments or to take advantage of business opportunities. Our ability to make payments to fund working capital, capital expenditures, debt service, and strategic acquisitions will depend on our ability to generate cash in the future, which is subject to general economic, financial, competitive, regulatory and other factors that are beyond our control.

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An event of default under our senior secured credit facility or the indentures governing our other material indebtedness would adversely affect our operations and our ability to satisfy obligations under our indebtedness.

The senior secured credit facility contains restrictive covenants, including a requirement that we maintain a specified senior secured leverage ratio, which is defined as the ratio of our total senior secured debt (net of unrestricted cash and permitted investments) to trailing four quarter Adjusted EBITDA. Our senior secured leverage ratio may not exceed 4.75 to 1.0. Total senior secured debt, for purposes of this ratio, does not include the First and a Half Lien Notes, other indebtedness secured by a lien on our assets pari passu or junior in priority to the liens securing the First and a Half Lien Notes (including indebtedness supported by letters of credit issued under our senior secured credit facility), including the Second Lien Loans, our securitization obligations or the Unsecured Notes. For the twelve months ended June 30, 2012, we were in compliance with the senior secured leverage ratio covenant with a ratio of 4.08 to 1.0. Based upon our financial forecast, we expect to remain in compliance with the senior secured leverage ratio covenant for at least the next 12 months. If a housing recovery is not sustained or is weak or if general macroeconomic or other factors do not continue to improve, we may be subject to additional pressure in maintaining compliance with our senior secured leverage ratio covenant. In future periods, if we are unable to renew or refinance bank indebtedness secured by letters of credit issued under the senior secured credit facility (which are not included in the calculation of the senior secured leverage ratio) and the letters of credit are drawn upon, the reimbursement obligations related to those letters of credit issued under the senior secured credit facility will be included in the calculation of the senior secured leverage ratio. A failure to maintain compliance with the senior secured leverage ratio covenant, or a breach of any of the other restrictive covenants, would result in a default under the senior secured credit facility.

We have the right to cure an event of default of the senior secured leverage ratio in three of any four consecutive quarters through the issuance of additional equity for cash, which would be infused as capital into Realogy to increase Adjusted EBITDA for purposes of calculating the senior secured leverage ratio for the applicable twelve-month period and reduce net senior secured indebtedness upon actual receipt of such capital. If we are unable to maintain compliance with the senior secured leverage ratio covenant and we fail to remedy or avoid a default through an equity cure permitted thereunder, there would be an event of default under the senior secured credit facility.

Other events of default include, without limitation, nonpayment of principal or interest, material misrepresentations, insolvency, bankruptcy, certain material judgments, change of control, and cross-events of default on material indebtedness as well as failure to obtain an unqualified audit opinion by 90 days after the end of any fiscal year. Upon the occurrence of any event of default under the senior secured credit facility, the lenders:

- will not be required to lend any additional amounts to us;
- could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable;
- could require us to apply all of our available cash to repay these borrowings; or
- could prevent us from making payments on the Unsecured Notes, the First Lien Notes or the First and a Half Lien Notes,

any of which could result in an event of default under the indentures governing the First Lien Notes, the First and a Half Lien Notes and the Unsecured Notes or our Apple Ridge Funding LLC securitization program.

If we were unable to repay the amounts outstanding under our senior secured credit facility or meet our payment obligations with respect to the First Lien Notes and the First and a Half Lien Notes, the lenders and holders of such debt under our senior secured credit facility could proceed against the collateral granted to secure the senior secured credit facility and the First Lien Notes and the First and a Half Lien Notes. We have pledged a significant portion of our assets as collateral to secure such indebtedness. If the lenders under our senior secured

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credit facility or holders of the First Lien Notes and/or the First and a Half Lien Notes accelerate the repayment of borrowings, we may not have sufficient assets to repay the senior secured credit facility and our other indebtedness or borrow sufficient funds to refinance such indebtedness. In the future, we may need to seek new financing, or explore the possibility of amending the terms of our senior secured credit facility, and we may not be able to do so on commercially reasonable terms, or terms that are acceptable to us, if at all.

If an event of default is continuing under our senior secured credit facility, the indentures governing the Unsecured Notes, the First Lien Notes, the First and a Half Lien Notes or our other material indebtedness, such event could cause a termination of our ability to obtain future advances under, and amortization of, our Apple Ridge Funding LLC securitization program.

Variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

At June 30, 2012, $2,036 million of our borrowings primarily under our senior secured credit facility and other bank indebtedness was at variable rates of interest thereby exposing us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness would increase even if the amount borrowed remained the same, and our net income would decrease. Although we have entered into interest rate swaps, involving the exchange of floating for fixed rate interest payments, to reduce interest rate volatility for a portion of our variable rate borrowings, such interest rate swaps do not eliminate interest rate volatility for all of our variable rate indebtedness at June 30, 2012.

Restrictive covenants under our indentures and the senior secured credit facility may limit the manner in which we operate.

Our senior secured credit facility and the indentures governing the Extended Maturity Notes, the 12.375% Senior Subordinated Notes, the First Lien Notes and the First and a Half Lien Notes contain, and any future indebtedness we incur may contain, various covenants and conditions that limit our ability to, among other things:

- incur or guarantee additional debt;
- incur debt that is junior to senior indebtedness and, with respect to the Senior Subordinated Notes, senior to such Senior Subordinated Notes;
- pay dividends or make distributions to Realogy s stockholders;
- repurchase or redeem capital stock or subordinated indebtedness;
- make loans, investments or acquisitions;
- incur restrictions on the ability of certain of Realogy s subsidiaries to pay dividends or to make other payments to us;
- enter into transactions with affiliates;
- create liens;
- merge or consolidate with other companies or transfer all or substantially all of Realogy s and its material subsidiaries assets;

- transfer or sell assets, including capital stock of subsidiaries; and

- prepay, redeem or repurchase the Unsecured Notes, the First Lien Notes, the First and a Half Lien Notes and debt that is junior in right of payment to loans under the senior secured credit facility, the Unsecured Notes, the First Lien Notes and the First and a Half Lien Notes.

As a result of these covenants, we are limited in the manner in which we conduct our business and we may be unable to engage in favorable business activities or finance future operations or capital needs.

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Risks Related to Our Business

The residential real estate market is cyclical and we are negatively impacted by downturns in this market and general economic conditions.

The residential real estate market tends to be cyclical and typically is affected by changes in general economic conditions which are beyond our control. The U.S. residential real estate market has most recently shown signs of recovery after having been in a significant and prolonged downturn, which began in the second half of 2005. However, we cannot predict whether the recovery will continue or if and when the market and related economic forces will return the U.S. residential real estate industry to a period of sustained growth. We had net losses of $216 million for the six months ended June 30, 2012 and $439 million for the year ended December 31, 2011, primarily due to our high interest expense obligations combined with the downturn in the residential real estate market. If the residential real estate market or the economy as a whole does not improve, we may experience further adverse effects on our business, financial condition and liquidity, including our ability to access capital and grow our business.

Any of the following could halt or limit a recovery in the housing market and have a material adverse effect on our business by causing a lack of sustained growth or a decline in the number of homesales and/or prices which, in turn, could adversely affect our revenues and profitability:

- continued high unemployment;
- a period of slow economic growth or recessionary conditions;
- weak credit markets;
- a low level of consumer confidence in the economy and/or the residential real estate market;
- instability of financial institutions;
- legislative, tax or regulatory changes that would adversely impact the residential real estate market, including but not limited to potential reform relating to Fannie Mae, Freddie Mac and other government sponsored entities (GSEs) that provide liquidity to the U.S. housing and mortgage markets;
- increasing mortgage rates and down payment requirements and/or constraints on the availability of mortgage financing, including but not limited to the potential impact of various provisions of the Dodd-Frank Act or other legislation and regulations that may be promulgated thereunder relating to mortgage financing, including restrictions imposed on mortgage originators as well as retention levels required to be maintained by sponsors to securitize certain mortgages;
- excessive or insufficient regional home inventory levels;
- renewed high levels of foreclosure activity including but not limited to the release of homes already held for sale by financial institutions;
- adverse changes in local or regional economic conditions;

the inability or unwillingness of homeowners to enter into homesale transactions due to negative equity in their existing homes;

a decrease in the affordability of homes;

our geographic and high-end market concentration relating in particular to our company-owned brokerage operations;

local, state and federal government laws or regulations that burden residential real estate transactions or ownership, including but not limited to changes in the tax laws, such as potential limits on, or elimination of, the deductibility of certain mortgage interest expense, the application of the alternative minimum tax, real property taxes and employee relocation expense;

- shifts in populations away from the markets that we or our franchisees serve;
- decreasing home ownership rates, declining demand for real estate and changing social attitudes toward home ownership;
- commission pressure from brokers who discount their commissions; and/or
- acts of God, such as hurricanes, earthquakes and other natural disasters that disrupt local or regional real estate markets.

Seasonal fluctuations in the residential real estate brokerage and relocation businesses could adversely affect our business.

The residential real estate brokerage business is subject to seasonal fluctuations. Historically, operating results and revenues for all of our businesses have been strongest in the second and third quarters of the calendar year. A significant portion of the expenses we incur in our real estate brokerage operations are related to marketing activities and commissions and are, therefore, variable. However, many of our other expenses, such as interest payments, facilities costs and certain personnel-related costs, are fixed and cannot be reduced during a seasonal slowdown. For example, interest payments of approximately $215 million are due on our Unsecured Notes and Second Lien Loans in October and April of each year. Accordingly, one of our significant interest payments falls in, or immediately following, the period of our lowest cash flow generation. Because of this asymmetry and the size of our cash interest obligations, if the housing market does not experience a sustained recovery, we may be required to seek additional sources of working capital for our future liquidity needs. There can be no assurance that we would be able to obtain additional financing on acceptable terms or at all.

A prolonged decline or lack of sustained growth in the number of homesales and/or prices would adversely affect our revenues and profitability.

Based upon data published by NAR, from 2005 to 2011, annual U.S. existing homesale units declined by 40% and the median homesale price declined by 24%. Our revenues for the year ended December 31, 2011 compared to the year ended December 31, 2007, on a pro forma combined basis, decreased approximately 31%. A further decline or lack of sustained growth in existing homesales, a continued decline in home prices or a decline in commission rates charged by brokers would further adversely affect our results of operations by reducing the royalties we receive from our franchisees and company owned brokerages, reducing the commissions our company owned brokerage operations earn, reducing the demand for our title and settlement services and reducing the referral fees earned by our relocation services business. For example, for 2011, a 100 basis point (or 1%) decline in either our homesale sides or the average selling price of closed homesale transactions, with all else being equal, would have decreased EBITDA by $11 million for our Real Estate Franchise Services and our Company Owned Real Estate Brokerage Services segments on a combined basis.

Our company owned brokerage operations are subject to geographic and high-end real estate market risks, which could continue to adversely affect our revenues and profitability.

Our subsidiary, NRT, owns real estate brokerage offices located in and around large metropolitan areas in the U.S. Local and regional economic conditions in these locations could differ materially from prevailing conditions in other parts of the country. NRT has more offices and realizes more of its revenues in California, Florida and the New York metropolitan area than any other regions in the country. For the year ended December 31, 2011, NRT realized approximately 64% of its revenues from California (28%), the New York metropolitan area (25%) and Florida (11%). For the six months ended June 30, 2012, NRT realized approximately 64% of its revenues from California (29%), the New York metropolitan area (24%) and Florida (11%). A further downturn in residential real estate demand or economic conditions in these regions could result in a further decline in NRT s total gross commission income and profitability and have a material adverse effect on us. In addition, given the significant geographic overlap of our title and settlement services business with our company owned brokerage offices, such regional declines affecting our company owned brokerage operations

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could have an adverse effect on our title and settlement services business as well. A further downturn in residential real estate demand or economic conditions in these states could continue to result in a decline in our overall revenues and have a material adverse effect on us.

NRT has a significant concentration of transactions at the higher end of the U.S. real estate market. A shift in NRT s mix of property transactions from the high range to lower and middle range homes would adversely affect the average price of NRT s closed homesales.

Loss or attrition among our senior management or other key employees could adversely affect our financial performance.

Our success is largely dependent on the efforts and abilities of our senior management and other key employees. Our ability to retain our employees is generally subject to numerous factors, including the compensation and benefits we pay, the mix between the fixed and variable compensation we pay our employees and prevailing compensation rates. Given the lengthy and prolonged downturn in the real estate market and the cost-cutting measures we implemented during the downturn, certain of our employees have received, and may in the near term continue to receive, less incentive compensation. As such, we may suffer significant attrition among our current key employees. If we were to lose key employees and not promptly fill their positions with comparably qualified individuals, our business may be materially adversely affected.

Tightened mortgage underwriting standards could continue to reduce homebuyers ability to access the credit market on reasonable terms.

During the past several years, many lenders have significantly tightened their underwriting standards, and many subprime and other alternative mortgage products are no longer being made available in the marketplace. If these trends continue and mortgage loans continue to be difficult to obtain, including in the jumbo mortgage markets important to our higher value and luxury brands, the ability and willingness of prospective buyers to finance home purchases or to sell their existing homes will be adversely affected, which will adversely affect our operating results.

Adverse developments in general business, economic and political conditions could have a material adverse effect on our financial condition and our results of operations.

Our business and operations and those of our franchisees are sensitive to general business and economic conditions in the U.S. and worldwide. These conditions include short-term and long-term interest rates, inflation, fluctuations in debt and equity capital markets, levels of unemployment, consumer confidence and the general condition of the U.S. and the world economy.

The residential real estate market also depends upon the strength of financial institutions, which are sensitive to changes in the general macroeconomic environment. Lack of available credit or lack of confidence in the financial sector could materially and adversely affect our business, financial condition and results of operations. For example, negative macroeconomic conditions could exacerbate the fragility of financial institutions, heightening our exposure to counterparty risk under certain of our agreements which require counterparties to maintain, among other things, certain credit quality levels.

A host of factors beyond our control could cause fluctuations in these conditions, including the political environment and acts or threats of war or terrorism. Adverse developments in these general business and economic conditions could have a material adverse effect on our financial condition and our results of operations.

Potential reform of Freddie Mac and Fannie Mae or a reduction in U.S. government support for the housing market could have a material impact on our operations.

In September 2008, the U.S. government placed Fannie Mae and Freddie Mac in conservatorship and has provided funding of billions of dollars to these entities in the form of preferred stock investments to backstop shortfalls in their capital requirements. Congress also has held hearings on the future of Freddie Mac and Fannie

Mae and other government sponsored entities with a view towards further legislative reform. On February 11, 2011, the Obama Administration issued a report to the U.S. Congress outlining proposals to reform the U.S. housing finance market, including, among other things, reform designed to reduce government support for housing finance and the winding down of Freddie Mac and Fannie Mae over a period of years. Numerous pieces of legislation seeking various types of reform for the GSEs have been introduced in Congress. In August 2012, the U.S. Treasury announced modifications to its preferred stock investments in these entities that are aimed at winding these entities down through an orderly process. The modifications include an accelerated reduction of Fannie Mae and Freddie Mac s investment portfolios, requiring these portfolios to be wound down at the annual rate of 15%, an increase from the 10% annual reduction in the prior agreements. The impact of that change is to reduce the investment portfolio of those entities to $250 billion four years ahead of the prior schedule. The modifications also include the U.S. government s sweep of all quarterly profits generated by Fannie Mae and Freddie Mac to pay the quarterly cash dividends on the U.S. government s preferred stock investments, thereby eliminating the prior practice of issuing additional preferred stock to the U.S. government (and thereby increasing its investment) to fund the quarterly cash dividend payments. Legislation, if enacted, or further regulation which curtails Freddie Mac and/or Fannie Mae s activities and/or results in the wind down of these entities could increase mortgage costs and could result in more stringent underwriting guidelines imposed by lenders or cause other disruptions in the mortgage industry, any of which could have a materially adverse affect on the housing market in general and our operations in particular. Given the current uncertainty with respect to the extent, if any, of such reform, it is difficult to predict either the long-term or short-term impact of government action that may be taken.

At present, the U.S. government also is attempting, through various avenues, to increase loan modifications for home owners with negative equity. There can be no assurance that these measures or any other governmental action will support a sustained recovery in the housing market.

The Dodd-Frank Act and other financial reform legislation may, among other things, result in new rules and regulations that may adversely affect the housing industry.

On July 21, 2010, the Dodd-Frank Act was signed into law for the express purpose of regulating the financial services industry. The Dodd-Frank Act establishes an independent federal bureau of consumer financial protection to enforce laws involving consumer financial products and services, including mortgage finance. The bureau is empowered with examination and enforcement authority. The Dodd-Frank Act also establishes new standards and practices for mortgage originators, including determining a prospective borrower s ability to repay their mortgage, removing incentives for higher cost mortgages, prohibiting prepayment penalties for non-qualified mortgages, prohibiting mandatory arbitration clauses, requiring additional disclosures to potential borrowers and restricting the fees that mortgage originators may collect. These standards and practices include limitations, which are scheduled to become effective in 2013, on the amount that a mortgage originator may receive with respect to a qualified mortgage, including fees received by affiliates of the mortgage originator. Based upon the current legislation and the definition of a qualified mortgage, such limitation could adversely affect the fees received by TRG, as provider of title and settlement services, in transactions originated by our joint venture, PHH Home Loans, LLC (PHH Home Loans). While we are continuing to evaluate all aspects of the Dodd-Frank Act, such legislation and regulations promulgated pursuant to such legislation as well as other legislation that may be enacted to reform the U.S. housing finance market could materially and adversely affect the mortgage and housing industries, result in heightened federal regulation and oversight of the mortgage and housing industries, increase down payment requirements, increase mortgage costs, curtail affiliated business transactions and result in increased costs and potential litigation for housing market participants.

Certain provisions of the Dodd-Frank Act may impact the operation and practices of Fannie Mae and Freddie Mac and other GSEs and require sponsors of securitizations to retain a portion of the economic interest in the credit risk associated with the assets securitized by them. Substantial reduction in, or the elimination of, GSE demand for mortgage loans could have a material adverse effect on the mortgage industry and the housing industry in general and these provisions may reduce the availability of mortgages to certain individuals.

Monetary policies of the federal government and its agencies may have a material impact on our operations.

Our business is significantly affected by the monetary policies of the federal government and its agencies. We are particularly affected by the policies of the Federal Reserve Board, which regulates the supply of money and credit in the U.S. The Federal Reserve Board s policies affect the real estate market through their effect on interest rates as well as the pricing on our interest-earning assets and the cost of our interest-bearing liabilities.

We are affected by any rising interest rate environment. Changes in the Federal Reserve Board s policies, the interest rate environment and mortgage market are beyond our control, are difficult to predict and could have a material adverse effect on our business, results of operations and financial condition. Additionally, the possibility of the elimination of the mortgage interest deduction could have an adverse effect on the housing market by reducing incentives for buying or refinancing homes and negatively affecting property values.

Competition in the residential real estate and relocation business is intense and may adversely affect our financial performance.

We generally face intense competition in the residential real estate services business. As a real estate brokerage franchisor, our products are our brand names and the support services we provide to our franchisees. Upon the expiration of a franchise agreement, a franchisee may choose to franchise with one of our competitors or operate as an independent broker. Competitors may offer franchisees whose franchise agreements are expiring similar products and services at rates that are lower than we charge. Our largest national competitors in this industry include Brookfield Residential Property Services, an affiliate of Brookfield Asset Management, Inc. (Brookfield), which in December 2011 acquired Prudential Real Estate and Relocation Services and also operates the brands, Real Living in the U.S. and Royal LePage in Canada; RE/MAX International, Inc.; and Keller Williams Realty, Inc. Some of these companies may have greater financial resources than we do, including greater marketing and technology budgets, and may be less leveraged. Regional and local franchisors provide additional competitive pressure in certain areas. To remain competitive in the sale of franchises and to retain our existing franchisees, we may have to reduce the fees we charge our franchisees to be competitive with those charged by competitors, which may accelerate if market conditions deteriorate. In addition, we face the risk that at the time of contract renewal, our franchisees will decide not to renew their agreements with us, or that unaffiliated brokers will decide to remain independent because they believe they can compete effectively in the market without the need to license a brand of a franchisor and receive services offered by a franchisor.

Our company owned brokerage business, like that of our franchisees, is generally in intense competition. We compete with other national independent real estate organizations, including Home Services of America, franchisees of our brands and of other national real estate franchisors, franchisees of local and regional real estate franchisors, regional independent real estate organizations, discount brokerages, and smaller niche companies competing in local areas. Competition is particularly severe in the densely populated metropolitan areas in which we operate. In addition, the real estate brokerage industry has minimal barriers to entry for new participants, including participants pursuing non-traditional methods of marketing real estate, such as Internet-based brokerage or brokers who discount their commissions. Discount brokers have had varying degrees of success and, while they were negatively impacted by the prolonged downturn in the residential housing market, they may adjust their model and increase their market presence in the future. Listing aggregators and other web-based real estate service providers may also begin to compete for part of the service revenue through referral or other fees. Real estate brokers compete for sales and marketing business primarily on the basis of services offered, reputation, utilization of technology, personal contacts and brokerage commission. As with our real estate franchise business, a decrease in the average brokerage commission rate may adversely affect our revenues. We also compete for the services of qualified licensed independent sales associates. Some of the firms competing for sales associates use a different model of compensating agents, in which agents are compensated for the revenue generated by other agents that they recruit to those firms. This business model may be appealing to certain agents and hinder our ability to attract and retain those agents. The ability of our company owned brokerage offices to retain independent sales associates is generally subject to numerous factors, including the sales commissions they receive and their perception of brand value. Given our substantial debt and negative perceptions in the media

relating to our financial condition, our company owned brokerage offices may not be successful in attracting or maintaining independent sales associates. In addition, competition for sales associates could reduce the commission amounts retained by our company after giving effect to the split with independent sales associates and possibly increase the amounts that we spend on marketing. Our average homesale commission rate per side in our Company Owned Real Estate Services segment has declined from 2.62% in 2002 to 2.50% for the six months ended June 30, 2012.

In our relocation services business, we compete primarily with global and regional outsourced relocation service providers. The larger outsourced relocation service providers that we compete with include: Brookfield Global Relocation Services, an affiliate of Brookfield (including the recently acquired operations of Prudential Real Estate and Relocation Services), SIRVA, Inc., and Weichert Relocation Resources, Inc. As the relocation business becomes more global in nature with greater emphasis on relocation of employees throughout the world, we will face greater competition from firms that provide services on a global basis.

The title and settlement services business is highly competitive and fragmented. The number and size of competing companies vary in the different areas in which we conduct business. We compete with other title insurers, title agents and vendor management companies. The title and settlement services business competes with a large, fragmented group of smaller underwriters and agencies as well as national competitors.

Several of our businesses are highly regulated and any failure to comply with such regulations or any changes in such regulations could adversely affect our business.

Several of our businesses are highly regulated. The sale of franchises is regulated by various state laws as well as by the Federal Trade Commission (the FTC). The FTC requires that franchisors make extensive disclosure to prospective franchisees but does not require registration. A number of states require registration and/or disclosure in connection with franchise offers and sales. In addition, several states have franchise relationship laws or business opportunity laws that limit the ability of franchisors to terminate franchise agreements or to withhold consent to the renewal or transfer of these agreements.

Our real estate brokerage business must comply with the requirements governing the licensing and conduct of real estate brokerage and brokerage-related businesses in the jurisdictions in which we do business. These laws and regulations contain general standards for and prohibitions on the conduct of real estate brokers and sales associates, including those relating to licensing of brokers and sales associates, fiduciary and agency duties, administration of trust funds, collection of commissions, advertising and consumer disclosures. Under state law, our real estate brokers have certain duties to supervise and are responsible for the conduct of their brokerage business.

Several of the litigation matters we are involved with allege claims based upon breaches of fiduciary duties by our licensed brokers, violations of state laws relating to business practices or consumer disclosures, claims alleging that we improperly terminated franchises, and with respect to compliance with wage and hour regulations. We cannot predict with certainty the cost of defense or the ultimate outcome of these or other litigation matters filed by or against us, including remedies or awards, and adverse results in any such litigation, including treble damages, may harm our business and financial condition.

Our company owned real estate brokerage business, our relocation business, our mortgage origination joint venture, our title and settlement service business and the businesses of our franchisees (excluding commercial brokerage transactions) must comply with the Real Estate Settlement Procedures Act (RESPA). RESPA and comparable state statutes, among other things, restrict payments which real estate brokers, agents and other settlement service providers may receive for the referral of business to other settlement service providers in connection with the closing of real estate transactions. Such laws may to some extent restrict preferred vendor arrangements involving our franchisees and our company owned brokerage business. RESPA and similar state laws also require timely disclosure of certain relationships or financial interests that a broker has with providers

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of real estate settlement services. Pursuant to the Dodd-Frank Act, administration of RESPA has been moved from the Department of Housing and Urban Development (HUD) to the new Consumer Financial Protection Bureau (the CFPB) and it is possible that the practice of HUD taking very expansive readings of RESPA will continue or accelerate at the CFPB creating increased regulatory risk.

Our title insurance business also is subject to regulation by insurance and other regulatory authorities in each state in which we provide title insurance. State regulations may impede or impose burdensome conditions on our ability to take actions that we may want to take to enhance our operating results.

There is a risk that we could be adversely affected by current laws, regulations or interpretations or that more restrictive laws, regulations or interpretations will be adopted in the future that could make compliance more difficult or expensive. There is also a risk that a change in current laws could adversely affect our business. For example, the Bush tax cuts, which have reduced ordinary income and capital gains rates on federal taxes, have been extended until the end of 2012, after which these tax cuts are due to expire. There can be no assurance that these tax cuts will be extended or if extended, the extension may apply only to a portion of the tax cuts and/or the extension could be limited in duration. Other potential federal tax legislation includes the elimination or narrowing of mortgage tax deductions. Higher federal income tax rates or further limits on mortgage tax deductions could negatively impact the purchase and sale of residential homes. In addition, any adverse changes in regulatory interpretations, rules and laws that would place additional limitations or restrictions on affiliated transactions could have the effect of limiting or restricting collaboration among our business units. We cannot assure you that future legislative or regulatory changes will not adversely affect our business operations.

Regulatory authorities also have relatively broad discretion to grant, renew and revoke licenses and approvals and to implement regulations. Accordingly, such regulatory authorities could prevent or temporarily suspend us from carrying on some or all of our activities or otherwise penalize us if our financial condition or our practices were found not to comply with the then current regulatory or licensing requirements or any interpretation of such requirements by the regulatory authority. Our failure to comply with any of these requirements or interpretations could limit our ability to renew current franchisees or sign new franchisees or otherwise have a material adverse effect on our operations.

We are also, to a lesser extent, subject to various other rules and regulations such as:

- the Gramm-Leach-Bliley Act which governs the disclosure and safeguarding of consumer financial information;
- various state and federal privacy laws protecting consumer data;
- the USA PATRIOT Act;
- restrictions on transactions with persons on the Specially Designated Nationals and Blocked Persons list promulgated by the Office of Foreign Assets Control of the Department of the Treasury;
- federal and state Do Not Call, Do Not Fax, and Do Not E-Mail laws;
- controlled business statutes, which impose limitations on affiliations between providers of title and settlement services, on the one hand, and real estate brokers, mortgage lenders and other real estate providers, on the other hand, or similar laws or regulations that would limit or restrict transactions among affiliates in a manner that would limit or restrict collaboration among our businesses;
- the Affiliated Marketing Rule, which prohibits or restricts the sharing of certain consumer credit information among affiliated companies without notice and/or consent of the consumer;

the Fair Housing Act;

laws and regulations, including the Foreign Corrupt Practices Act and U.K. Bribery Act, that impose sanctions on improper payments;

- laws and regulations in jurisdictions outside the United States in which we do business;
- state and federal employment laws and regulations, including any changes that would require classification of independent contractors to employee status, and wage and hour regulations;
- increases in state, local or federal taxes that could diminish profitability or liquidity; and
- consumer fraud statutes that are broadly written.

Our failure to comply with any of the foregoing laws and regulations may subject us to fines, penalties, injunctions and/ or potential criminal violations. Any changes to these laws or regulations or any new laws or regulations may make it more difficult for us to operate our business and may have a material adverse effect on our operations.

Changes in accounting standards, subjective assumptions and estimates used by management related to complex accounting matters could have an adverse effect on results of operations.

Generally accepted accounting principles in the United States and related accounting pronouncements, implementation guidance and interpretations with regard to a wide range of matters, such as stock-based compensation, asset impairments, valuation reserves, income taxes and fair value accounting, are highly complex and involve many subjective assumptions, estimates and judgments made by management. Changes in these rules or their interpretations or changes in underlying assumptions, estimates or judgments made by management could significantly change our reported results.

We may not have the ability to complete future acquisitions.

We have pursued an active acquisition strategy as a means of strengthening our businesses and have sought to integrate acquisitions into our operations to achieve economies of scale. Our company owned brokerage business has completed over 350 acquisitions since its formation in 1997 and, in 2004, we acquired the Sotheby s International Realty® residential brokerage business and entered into an exclusive license agreement for the rights to the Sotheby s International Realty® trademarks which are used in the Sotheby s International Realty® franchise system. In January 2006, we acquired our title insurance underwriter and certain title agencies. In addition, in 2010, we expanded the Cartus global footprint through the acquisition of Primacy. As a result of these and other acquisitions, we have derived a substantial portion of our growth in revenues and net income from acquired businesses. The success of our future acquisition strategy will continue to depend upon our ability to fund such acquisitions given our total outstanding indebtedness, find suitable acquisition candidates on favorable terms and to finance and complete these transactions.

We may not realize anticipated benefits from future acquisitions.

Integrating acquired companies involves complex operational and personnel-related challenges. Future acquisitions may present similar challenges and difficulties, including:

- the possible defection of a significant number of employees and independent sales associates;
- increased amortization of intangibles;
- the disruption of our respective ongoing businesses;
- possible inconsistencies in standards, controls, procedures and policies;

the failure to maintain important business relationships and contracts;

unanticipated costs of terminating or relocating facilities and operations;

unanticipated expenses related to integration; and

potential unknown liabilities associated with acquired businesses.

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A prolonged diversion of management s attention and any delays or difficulties encountered in connection with the integration of any business that we have acquired or may acquire in the future could prevent us from realizing the anticipated cost savings and revenue growth from our acquisitions.

We may be unable to maintain anticipated cost savings and other benefits from our restructuring activities.

We have achieved cost savings from various restructuring initiatives targeted at reducing costs and enhancing organizational effectiveness while consolidating existing processes and facilities and will continue to identify additional cost savings. We may not be able to achieve or maintain the anticipated cost savings and other benefits from these restructuring initiatives that are described elsewhere in this prospectus. If our cost savings or the benefits are less than our estimates or take longer to implement than we project, the savings or other benefits we projected may not be fully realized.

Our financial results are affected by the operating results of franchisees.

Our real estate franchise services segment receives revenue in the form of royalties, which are based on a percentage of gross commission income earned by our franchisees. Accordingly, the financial results of our real estate franchise services segment are dependent upon the operational and financial success of our franchisees. If industry trends or economic conditions are not sustained or do not continue to improve, our franchisees financial results may worsen and our royalty revenues may decline. Gross closed commission income of our new franchisees may never materialize and accordingly we may not receive any material royalty revenues from new franchisees. In addition, we may have to increase our bad debt and note reserves. We may also have to terminate franchisees more frequently due to non-reporting and non-payment. Further, if franchisees fail to renew their franchise agreements, or if we decide to restructure franchise agreements in order to induce franchisees to renew these agreements, then our royalty revenues may decrease, and profitability from new franchisees may be lower than in the past due to reduced royalty rates, non-standard incentives and higher expenses from licensing fees.

The success of our franchisees is largely dependent on the efforts and abilities of the independent sales associates, which is subject to numerous factors, including the sales commissions they receive and their perception of brand value. Given our substantial debt and negative perceptions in the media relating to our financial condition, our independent franchisees may not be successful in attracting or maintaining independent sales associates. If our franchisees fail to attract and retain independent sales associates, our business may be materially adversely affected.

Our franchisees and independent sales associates could take actions that could harm our business.

Our franchisees are independent business operators and the sales associates that work with our company owned brokerage operations are independent contractors, and, as such, neither are our employees, and we do not exercise control over their day-to-day operations. Our franchisees may not successfully operate a real estate brokerage business in a manner consistent with industry standards, or may not hire and train qualified independent sales associates or employees. If our franchisees and independent sales associates were to provide diminished quality of service to customers, our image and reputation may suffer materially and adversely affect our results of operations. Improper actions by our franchisees may also lead to direct claims against us based on theories of vicarious liability and negligence.

Additionally, franchisees and independent sales associates may engage or be accused of engaging in unlawful or tortious acts such as, for example, violating the anti-discrimination requirements of the Fair Housing Act. Such acts or the accusation of such acts could harm our and our brands image, reputation and goodwill.

Franchisees, as independent business operators, may from time to time disagree with us and our strategies regarding the business or our interpretation of our respective rights and obligations under the franchise agreement. This may lead to disputes with our franchisees and we expect such disputes to occur from time to

time in the future as we continue to offer franchises. To the extent we have such disputes, the attention of our management and our franchisees will be diverted, which could have a material adverse effect on our business, financial condition, results of operations or cash flows.

Clients of our relocation business may terminate their contracts and clients of our lender channel business may terminate their relationships with us at any time.

Substantially all of our contracts with our relocation clients are terminable at any time at the option of the client. If a client terminates its contract, we will only be compensated for all services performed up to the time of termination and reimbursed for all expenses incurred up to the time of termination. In addition, TRG s lender channel business is highly dependent on our relationships with institutional clients who have not historically entered into contracts with us. If a significant number of our relocation clients terminate their contracts with us or if our relationships with the institutional clients in TRG s lender channel business deteriorate, our results of operations would be materially adversely affected.

Our marketing arrangement with PHH Home Loans may limit our ability to work with other key lenders to grow our business.

Under our Strategic Relationship Agreement relating to PHH Home Loans, we are required to recommend PHH Home Loans as originator of mortgage loans to the independent sales associates, customers and employees of our company owned and operated brokerage offices. This provision may limit our ability to enter into beneficial business relationships with other lenders and mortgage brokers.

We do not control the joint venture PHH Home Loans and PHH as the managing partner of that venture may make decisions that are contrary to our best interests.

Under our Operating Agreement with PHH relating to PHH Home Loans, we own a 49.9% equity interest but do not have control of the operations of the joint venture. Rather, our joint venture partner, PHH, is the managing partner of the venture and may make decisions with respect to the operation of the venture, which may be contrary to our best interests and may adversely affect our results of operations. In addition, our joint venture may be materially adversely impacted by changes affecting the mortgage industry, including but not limited to regulatory changes, increases in mortgage interest rates and decreases in operating margins.

In the event of a termination of our joint venture PHH Home Loans, our earnings derived from the business that had been conducted by the joint venture and the related marketing fees that our franchise segment earns from PHH could be materially adversely affected.

Either party has the right to terminate the joint venture upon the occurrence of certain events, such as a material breach by the other party of any representation, warranty, covenant or other agreement contained in the Operating Agreement, Strategic Relationship Agreement or certain other related agreements that is not cured following any applicable notice or cure period, or the insolvency of the other party. In addition, we may terminate the joint venture at our election at any time after January 31, 2015 by providing two years prior notice to PHH, and PHH may terminate the venture at its election effective January 31, 2030 by notice delivered no earlier than three years, but not later than two years, before such date. Upon any termination of the joint venture by us, we may require that PHH purchases our interest or sells its interest to a buyer designated by us. Upon any termination of the joint venture by PHH, PHH will be entitled to purchase our interest. In each case, the purchase price would be the fair market value of the interest sold.

If the joint venture is terminated, we may not be able to replace PHH with a new joint venture partner on terms comparable to us as those contained in the existing agreements governing the joint venture and, even if successful in finding a replacement partner, may incur expenses or loss of mortgage related earnings during any such transition. We may also decide not to continue to engage in the loan origination business conducted by the

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joint venture. In the event of a termination of the joint venture, our earnings derived from the business that had been conducted by the joint venture and the related marketing fees that we earned from PHH could be materially adversely affected.

We may experience significant claims relating to our operations and losses resulting from fraud, defalcation or misconduct.

We issue title insurance policies which provide coverage for real property to mortgage lenders and buyers of real property. When acting as a title agent issuing a policy on behalf of an underwriter, our insurance risk is typically limited to the first $5,000 of claims on any one policy, though our insurance risk is not limited if we are negligent. The title underwriter which we acquired in January 2006 typically underwrites title insurance policies of up to $1.5 million. For policies in excess of $1.5 million, we typically obtain a reinsurance policy from a national underwriter to reinsure the excess amount. To date, our title underwriter has experienced claims losses that are significantly below the industry average; however, our claims experience could increase in the future, which could negatively impact the profitability of that business. We may also be subject to legal claims or additional claims losses arising from the handling of escrow transactions and closings by our owned titled agencies or our underwriter s independent title agents. Our subsidiary, NRT, carries errors and omissions insurance for errors made during the real estate settlement process of $15 million in the aggregate, subject to a deductible of $1 million per occurrence. In addition, we carry an additional errors and omissions insurance policy for Realogy and its subsidiaries for errors made for real estate related services up to $35 million in the aggregate, subject to a deductible of $2.5 million per occurrence. This policy also provides excess coverage to NRT creating an aggregate limit of $50 million, subject to the NRT deductible of $1 million per occurrence. The occurrence of a significant claim in excess of our insurance coverage in any given period could have a material adverse effect on our financial condition and results of operations during the period. In addition, insurance carriers may dispute coverage for various reasons and there can be no assurance that all claims will be covered by insurance.

Fraud, defalcation and misconduct by employees are also risks inherent in our business. We carry insurance covering the loss or theft of funds by employees of up to $30 million annually in the aggregate, subject to a deductible of $1 million per occurrence. We may also from time to time be subject to liability claims based upon the fraud or misconduct of our franchisees. To the extent that any loss or theft of funds substantially exceeds our insurance coverage, our business could be materially adversely affected.

In addition, we rely on the collection and use of personally identifiable information from customers to conduct our business. We disclose our information collection and dissemination practices in a published privacy statement on our websites, which we may modify from time to time. We may be subject to legal claims, government action and damage to our reputation if we act or are perceived to be acting inconsistently with the terms of our privacy statement, customer expectations or the law. In the event we or the vendors with which we contract to provide services on behalf of our customers were to suffer a breach of personally identifiable information, our customers, such as our Cartus corporate or affinity clients, could terminate their business with us. Further, we may be subject to claims to the extent individual employees or independent contractors breach or fail to adhere to company policies and practices and such actions jeopardize any personally identifiable information. In addition, concern among potential home buyers or sellers about our privacy practices could keep them from using our services or require us to incur significant expense to alter our business practices or educate them about how we use personally identifiable information.

We could be subject to significant losses if banks do not honor our escrow and trust deposits.

Our company owned brokerage business and our title and settlement services business act as escrow agents for numerous customers. As an escrow agent, we receive money from customers to hold until certain conditions are satisfied. Upon the satisfaction of those conditions, we release the money to the appropriate party. We deposit this money with various banks and while these deposits are not assets of the Company (and therefore excluded from our consolidated balance sheet), we remain contingently liable for the disposition of these deposits. The

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banks may hold a significant amount of these deposits in excess of the federal deposit insurance limit. If any of our depository banks were to become unable to honor any portion of our deposits, customers could seek to hold us responsible for such amounts and, if the customers prevailed in their claims, we could be subject to significant losses. These escrow and trust deposits totaled $481 million at June 30, 2012.

Title insurance regulations limit the ability of our insurance underwriter to pay cash dividends to us.

Our title insurance underwriter is subject to regulations that limit its ability to pay dividends or make loans or advances to us, principally to protect policy holders. Generally, these regulations limit the total amount of dividends and distributions to a certain percentage of the insurance subsidiary s surplus, or 100% of statutory operating income for the previous calendar year. These restrictions could limit our ability to receive dividends from our insurance underwriter, make acquisitions or otherwise grow our business.

We may be unable to continue to securitize certain of our relocation assets, which may adversely impact our liquidity or limit the scope of our relocation business.

At June 30, 2012, $267 million of securitization obligations were outstanding through special purpose entities monetizing certain assets of our relocation services business under two lending facilities. We have provided a performance guaranty which guarantees the obligations of our Cartus subsidiary and its subsidiaries, as originator and servicer under the Apple Ridge securitization program. The securitization markets have experienced significant disruptions which may have the effect of increasing our cost of funding or reducing our access to these markets in the future. If we are unable to continue to securitize these assets, we may be required to find additional sources of funding which may be on less favorable terms or may not be available at all. In such an event, without alternative sources of liquidity, our relocation segment s operations could be significantly curtailed.

The occurrence of any trigger events under our Apple Ridge securitization facility could cause us to lose funding under that facility and therefore restrict our ability to fund the operation of our U.S. relocation business.

The Apple Ridge securitization facility, which we use to advance funds on behalf of certain clients of our relocation business in order to facilitate the relocation of their employees, contains terms which if triggered may result in a termination or limitation of new or existing funding under the facility and/or may result in a requirement that all collections on the assets be used to pay down the amounts outstanding under such facility. The triggering events include but are not limited to: those tied to the age and quality of the underlying assets; a change of control; a breach of our senior secured leverage ratio covenant under our senior secured credit facility if uncured; and the acceleration of indebtedness under our senior secured credit facility, unsecured or secured notes or other material indebtedness. The occurrence of a trigger event under the Apple Ridge securitization facility could restrict our ability to access new or existing funding under this facility or result in termination of the facility, either of which would adversely affect the operation of our relocation business.

We are highly dependent on the availability of the asset-backed securities market to finance the operations of our relocation business, and disruptions in this market or any adverse change or delay in our ability to access the market could have a material adverse effect on our financial position, liquidity or results of operations.

Our Apple Ridge securitization facility, as amended in December 2011, matures in December 2013. We could encounter difficulties in renewing this facility and if this source of funding is not available to us for any reason, we could be required to borrow under the revolving credit facility or incur other indebtedness to finance our working capital needs, and there can be no assurance in this regard, or we could require our clients to fund the home purchases themselves, which could have a material adverse effect on our ability to achieve our business and financial objectives.

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Our international operations are subject to risks not generally experienced by our U.S. operations.

Our relocation services business operates worldwide, and to a lesser extent, our real estate franchise services segment has international franchisees and master franchisees. For each of the year ended December 31, 2011 and the six months ended June 30, 2012, revenues from these operations represented approximately 3% of our total revenues. Our international operations are subject to risks not generally experienced by our U.S. operations. The risks involved in our international operations and relationships that could result in losses against which we are not insured and therefore affect our profitability include:

- fluctuations in foreign currency exchange rates;
- exposure to local economic conditions and local laws and regulations, including those relating to our employees;
- economic and/or credit conditions abroad;
- potential adverse changes in the political stability of foreign countries or in their diplomatic relations with the U.S.;
- restrictions on the withdrawal of foreign investment and earnings;
- government policies against businesses owned by foreigners;
- investment restrictions or requirements;
- diminished ability to legally enforce our contractual rights in foreign countries;
- difficulties in registering, protecting or preserving trade names and trademarks in foreign countries;
- restrictions on the ability to obtain or retain licenses required for operation;
- foreign exchange restrictions;
- withholding and other taxes on remittances and other payments by subsidiaries;
- changes in foreign taxation structures; and
- compliance with the Foreign Corrupt Practices Act, the U.K. Anti-Bribery Act or similar laws of other countries.

We are subject to certain risks related to litigation filed by or against us, and adverse results may harm our business and financial condition.

We cannot predict with certainty the cost of defense, the cost of prosecution, insurance coverage or the ultimate outcome of litigation and other proceedings filed by or against us, including remedies or damage awards, and adverse results in such litigation and other proceedings may harm our business and financial condition. Such litigation and other proceedings may include, but are not limited to, actions relating to intellectual property, commercial arrangements, franchising arrangements, negligence and fiduciary duty claims arising from franchising arrangements or company owned brokerage operations, actions against our title company alleging it knew or should have known others were committing mortgage fraud, standard brokerage disputes like the failure to disclose hidden defects in the property such as mold, vicarious liability based upon conduct of individuals or entities outside of our control, including franchisees and independent sales associates, antitrust claims, general fraud claims and employment law claims, including claims challenging the classification of our sales associates as independent contractors, and claims alleging violations of RESPA or state consumer fraud statutes. In the case of intellectual property litigation and proceedings, adverse outcomes could include the cancellation, invalidation or other loss of material intellectual property rights used in our business and injunctions prohibiting our use of business processes or technology that is subject to third party patents or other third party intellectual property rights. In addition, we may be required to enter into licensing agreements (if available on acceptable terms or at all) and pay royalties.

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We are also party to an action pending in the United States District Court for the Central District of California, arising from the relationship of two of our subsidiaries with a former Coldwell Banker Commercial franchisee, whose 40.5% shareholder allegedly utilized the Coldwell Banker Commercial name in the offer and sale of securities that were improperly sold. On July 19, 2012 we entered into a definitive settlement agreement and on September 17, 2012, the settlement was preliminarily approved by the court, subject to final court approval. There can be no assurance that the court will grant such final approval. See Business Legal Proceedings.

We are reliant upon information technology to operate our business and maintain our competitiveness, and any disruption or reduction in our information technology capabilities could harm our business.

Our business depends upon the use of sophisticated information technologies and systems, including technology and systems utilized for communications, records of transactions, procurement, call center operations and administrative systems. The operation of these technologies and systems is dependent upon third party technologies, systems and services, for which there are no assurances of continued or uninterrupted availability and support by the applicable third party vendors on commercially reasonable terms. We also cannot assure you that we will be able to continue to effectively operate and maintain our information technologies and systems. In addition, our information technologies and systems are expected to require refinements and enhancements on an ongoing basis, and we expect that advanced new technologies and systems will continue to be introduced. We may not be able to obtain such new technologies and systems, or to replace or introduce new technologies and systems as quickly as our competitors or in a cost-effective manner. Also, we may not achieve the benefits anticipated or required from any new technology or system, and we may not be able to devote financial resources to new technologies and systems in the future.

In addition, our information technologies and systems and those of our suppliers are vulnerable to breach, damage or interruption from various causes, including: (1) natural disasters, war and acts of terrorism, (2) power losses, computer systems failure, Internet and telecommunications or data network failures, operator error, losses and corruption of data, and similar events and (3) computer viruses, penetration by individuals seeking to disrupt operations or misappropriate information and other physical or electronic breaches of security. We maintain certain disaster recovery capabilities for critical functions in most of our businesses, including certain disaster recovery services from International Business Machines Corporation. We also have certain protections designed to protect against breaches. However, these capabilities may not successfully prevent a disruption to or material adverse effect on our businesses or operations in the event of a disaster, theft of data or other business interruption. Any extended interruption in our technologies or systems or significant breach could significantly curtail our ability to conduct our business and generate revenue. Additionally, our business interruption insurance may be insufficient to compensate us for losses that may occur.

We do not own two of our brands and must manage cooperative relationships with both owners.

The Sotheby s International Realty® and Better Homes and Gardens® Real Estate brands are owned by the companies that founded these brands. We are the exclusive party licensed to run brokerage services in residential real estate under those brands, whether through our franchisees or our company owned operations. Our future operations and performance with respect to these brands requires the continued cooperation from the owners of those brands and successful protection of those brands. In particular, Sotheby s has the right to approve the master franchisors of, and the material terms of our master franchise agreements governing our relationships with, our Sotheby s franchisees located outside the U.S., which approval cannot be unreasonably withheld or delayed. If Sotheby s unreasonably withholds or delays its approval for new international master franchisors, our relationship with them could be disrupted. Any significant disruption of the relationships with the owners of these brands could impede our franchising of those brands and have a material adverse effect on our operations and performance.

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The weakening or unavailability of our intellectual property rights could adversely impact our business.

Our trademarks, trade names, domain names, trade dress and other intellectual property rights are fundamental to our brands and our franchising business. The steps we take to obtain, maintain and protect our intellectual property rights may not be adequate and, in particular, we may not own all necessary registrations for our intellectual property. Applications we have filed to register our intellectual property may not be approved by the appropriate regulatory authorities. Our intellectual property rights may not be successfully asserted in the future or may be invalidated, circumvented or challenged. We may be unable to prevent third parties from using our intellectual property rights without our authorization or independently developing technology that is similar to ours. Also third parties may own rights in similar trademarks. Any unauthorized use of our intellectual property by third parties could reduce any competitive advantage we have developed or otherwise harm our business and brands. If we had to litigate to protect these rights, any proceedings could be costly, and we may not prevail. Our intellectual property rights, including our trademarks, may fail to provide us with significant competitive advantages in the U.S. and in foreign jurisdictions that do not have or do not enforce strong intellectual property rights.

We cannot be certain that our intellectual property does not and will not infringe issued intellectual property rights of others. We may be subject to legal proceedings and claims in the ordinary course of our business, including claims of alleged infringement of the patents, trademarks and other intellectual property rights of third parties. Any such claims, whether or not meritorious, could result in costly litigation. Depending on the success of these proceedings, we may be required to enter into licensing or consent agreements (if available on acceptable terms or at all), or to pay damages or cease using certain service marks or trademarks.

We franchise our brands to franchisees. While we try to ensure that the quality of our brands is maintained by all of our franchisees, we cannot assure that these franchisees will not take actions that hurt the value of our intellectual property or our reputation.

Our license agreement with Sotheby s for the use of the Sotheby s International Realty® brand is terminable by Sotheby s prior to the end of the license term if certain conditions occur, including but not limited to the following: (1) we attempt to assign any of our rights under the license agreement in any manner not permitted under the license agreement, (2) we become bankrupt or insolvent, (3) a court issues a non-appealable, final judgment that we have committed certain breaches of the license agreement and we fail to cure such breaches within 60 days of the issuance of such judgment, or (4) we discontinue the use of all of the trademarks licensed under the license agreement for a period of twelve consecutive months.

Our license agreement with Meredith Corporation (Meredith) for the use of the Better Homes and Gardens® Real Estate brand is terminable by Meredith prior to the end of the license term if certain conditions occur, including but not limited to the following: (1) we attempt to assign any of our rights under the license agreement in any manner not permitted under the license agreement, (2) we become bankrupt or insolvent, or (3) a trial court issues a final judgment that we are in material breach of the license agreement or any representation or warranty we made was false or materially misleading when made.

We may incur substantial and unexpected liabilities arising out of our pension plan.

We have a defined benefit pension plan for which participation was frozen as of July 1, 1997, however, the plan is subject to minimum funding requirements. Although the Company to date has met its minimum funding requirements, the pension plan represents a liability on our balance sheet and will generate substantial cash requirements for us, which may increase beyond our expectations in future years based on changing market conditions. For example, as of the end of the fiscal year ended December 31, 2011, for financial reporting purposes, we estimated that required cash contributions will be between $8 million and $9 million each year for the next five years and approximately $48 million over the succeeding five years. In addition, changes in interest rates, mortality rates, health care costs, early retirement rates, investment returns and the market value of plan assets can affect the funded status of our pension plan and cause volatility in the future funding requirements of the plan.

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Our ability to use our NOLs and other tax attributes may be limited if we undergo an ownership change.

Our ability to utilize our NOLs and other tax attributes could be limited if we undergo an ownership change within the meaning of Section 382 of the Internal Revenue Code of 1986, as amended (the Code). An ownership change is generally defined as a greater than 50 percentage point increase in equity ownership by 5% shareholders in any three-year period. It is possible that an ownership change occurs as a result of the sale of our common stock pursuant to this offering, the conversion of the Convertible Notes, the issuance of shares of common stock pursuant to the letter agreements, prior and future equity issuances, or the cumulative effect of such transactions. Pursuant to rules under Section 382 of the Code and a published Internal Revenue Service (the IRS) notice, a company s net unrealized built-in gain within the meaning of Section 382 of the Code may reduce the limitation on such company s ability to utilize NOLs resulting from an ownership change. Although there can be no assurance in this regard, we believe that, to the extent we undergo an ownership change, the resulting limitation on our ability to utilize our NOLs should be significantly reduced as a result of our net unrealized built-in gain. However, the cash tax benefit from our NOLs is dependent upon our ability to generate sufficient taxable income. Accordingly, we may be unable to earn enough taxable income in order to fully utilize our current NOLs.

The Statutory Conversions will eliminate certain of our NOLs for state tax purposes.

Prior to the completion of this offering and other related transactions, we intend to effect the Statutory Conversions in order to permit our Convertible Notes to be converted into shares of our common stock on a tax-free basis, and as a result facilitate such conversions. As a result of the Statutory Conversions, our ability to utilize certain of our NOLs for state tax purposes will be eliminated, the net cash impact of which is expected to be approximately $19 million (net of benefits from payments of additional taxes in these states, which are deductible for federal income tax purposes).

We are responsible for certain of Cendant s contingent and other corporate liabilities.

Under the Separation and Distribution Agreement dated July 27, 2006 the (Separation and Distribution Agreement) among Realogy, Cendant Corporation (Cendant), which changed its name to Avis Budget Group, Inc. (Avis Budget) in August 2006, Wyndham Worldwide Corporation (Wyndham Worldwide) and Travelport Inc. (Travelport), and other agreements, subject to certain exceptions contained in the Tax Sharing Agreement dated as of July 28, 2006, as amended (the Tax Sharing Agreement), among Realogy, Wyndham Worldwide and Travelport, Realogy and Wyndham Worldwide have each assumed and are generally responsible for 62.5% and 37.5%, respectively, of certain of Cendant s contingent and other corporate liabilities not primarily related to the businesses of Travelport, Realogy, Wyndham Worldwide or Avis Budget Group. The due to former parent balance was $76 million at June 30, 2012 and represents Realogy s accrual of its share of potential Cendant contingent and other corporate liabilities.

If any party responsible for Cendant contingent and other corporate liabilities were to default in its payment, when due, of any such assumed obligations related to any such contingent and other corporate liability, each non-defaulting party (including Cendant) would be required to pay an equal portion of the amounts in default. Accordingly, Realogy may, under certain circumstances, be obligated to pay amounts in excess of its share of the assumed obligations related to such contingent and other corporate liabilities, including associated costs and expenses.

Although we have resolved various Cendant contingent and other corporate liabilities and have established reserves for most of the remaining unresolved claims of which we have knowledge, adverse outcomes from the unresolved Cendant liabilities for which Realogy has assumed partial liability under the Separation and Distribution Agreement could be material with respect to our earnings or cash flows in any given reporting period.

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Risks Related to an Investment in Our Common Stock and this Offering

There is no existing market for our common stock and we do not know if one will develop, which could impede your ability to sell your shares and depress the market price of our common stock.

Prior to this offering, there has not been a public market for our common stock. We cannot predict the extent to which investor interest in the company will lead to the development of an active trading market on the NYSE or otherwise, or how liquid that market might become. If an active trading market does not develop, you may have difficulty selling any of our common stock that you buy. The initial public offering price for the common stock will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. See Underwriting (Conflicts of Interest). Consequently, you may not be able to sell our common stock at prices equal to or greater than the price you paid in this offering.

The price of our common stock may fluctuate significantly and you could lose all or part of your investment.

Volatility in the market price of our common stock may prevent you from being able to sell your shares of common stock at or above the price you paid for them. The market price for our common stock could fluctuate significantly for various reasons, many of which are outside our control, including those described above and the following:

- our operating and financial performance and prospects, including but not limited to the incurrence of additional indebtedness or other adverse changes relating to our debt;
- our quarterly or annual earnings or those of other companies in our industry;
- conditions that impact demand for our products and services, including the condition of the U.S. residential housing market;
- future announcements concerning our business or our competitors businesses;
- the public s reaction to our press releases, other public announcements and filings with the SEC;
- changes in earnings estimates or recommendations by securities analysts who track our common stock;
- market and industry perception of our success, or lack thereof, in pursuing our growth strategy;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- changes in government and environmental regulation;
- housing and mortgage finance markets;
- changes in accounting standards, policies, guidance, interpretations or principles;

- arrival and departure of key personnel;
- the number of shares to be publicly traded after this offering;
- sales of common stock by us, Apollo, Paulson, or members of our management team;
- adverse resolution of new or pending litigation against us;
- changes in general market, economic and political conditions in the United States and global economies or financial markets, including those resulting from natural disasters, terrorist attacks, acts of war and responses to such events; and
- material weakness in our internal controls over financial reporting.

As a result of these factors, investors in our common stock may not be able to resell their shares at or above the initial public offering price or may not be able to resell them at all. These broad market and industry factors may materially reduce the market price of our common stock, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock is low.

Apollo controls us and Paulson will also be a significant stockholder, and their interests may conflict with or differ from your interests as a stockholder.

Following the completion of this offering and related transactions, funds affiliated with our equity sponsor, Apollo, will indirectly beneficially own approximately 50.2% of our common stock, assuming the underwriters do not exercise their option to purchase additional shares. If the underwriters exercise in full their option to purchase additional shares, funds affiliated with Apollo will indirectly beneficially own approximately 48.0% of our common stock. Apollo will also receive shares of our common stock in an amount equal to $25 million on January 15, 2013, representing a portion of the Management Agreement Termination Fee. As a result, subject to Paulson s right to designate one director, Apollo will have the power to elect all of our directors. Therefore, Apollo effectively will have the ability to prevent any transaction that requires the approval of our Board of Directors or our stockholders, including the approval of significant corporate transactions such as restructurings, mergers and the sale of substantially all of our assets and Apollo will continue to be able to significantly influence or effectively control our decisions. In addition, so long as Apollo holds at least 25% of the voting power of our outstanding shares of common stock, a majority of the directors designated to the Board of Directors by Apollo must approve certain of our significant business decisions. See Certain Relationships and Related Party Transactions and Description of Capital Stock Composition of Board of Directors; Election and Removal of Directors; Number of Directors.

In addition, following the completion of this offering and related transactions, Paulson will indirectly beneficially own approximately 10.2% of our common stock, assuming the underwriters do not exercise their option to purchase additional shares. If the underwriters exercise in full their option to purchase additional shares, Paulson will indirectly beneficially own approximately 9.8% of our common stock. Pursuant to a securityholders agreement we have entered into with Paulson (the Paulson Securityholders Agreement), Paulson also has the right to nominate a member of our Board of Directors or designate a non-voting observer to attend meetings of our Board of Directors, in addition to certain other rights. See Certain Relationships and Related Party Transactions and Description of Capital Stock Composition of Board of Directors; Election and Removal of Directors; Number of Directors.

The interests of Apollo could conflict with or differ from your interests as a holder of our common stock. For example, the concentration of ownership held by Apollo could delay, defer or prevent a change of control of the company or impede a merger, takeover or other business combination that you as a stockholder may otherwise view favorably. In addition, pursuant to our amended and restated certificate of incorporation, Apollo, and any of our directors who are affiliated with Apollo, will continue to have the right to, and will have no duty to abstain from, exercising such right to, conduct business with any business that is competitive or in the same line of business as us, do business with any of our clients, customers or vendors, or make investments in the kind of property in which we may make investments. Apollo is in the business of making or advising on investments in companies and may hold, and may from time to time in the future acquire interests in or provide advice to businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. Apollo may also pursue acquisitions that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. So long as Apollo continues to own a significant amount of our common stock, even if such amount is less than 50%, Apollo will continue to be able to strongly influence or effectively control our decisions.

Additionally, the Apollo Securityholders Agreement (as defined below) provides for the right of the Apollo Group (as defined below) to designate a number of directors, no fewer than that number that would constitute a majority of the number of directors if there were no vacancies on the Board of Directors (so long as the Apollo Group hold at least a majority of the voting power of our common stock), to the Board of Directors which will decline based upon the percentage of the voting power owned by the Apollo Group at the time of such designation. See Description of Capital Stock Composition of Board of Directors; Election and Removal of Directors; Number of Directors.

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Furthermore, a sale of a substantial number of shares of stock in the future by funds affiliated with Apollo or Paulson could cause our stock price to decline.

We are a controlled company within the meaning of the NYSE rules and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements.

Upon the closing of this offering, we expect that funds affiliated with Apollo will continue to control a majority of our voting common stock. As a result, we expect to qualify as a controlled company within the meaning of the NYSE corporate governance standards. Under the NYSE rules, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a controlled company and may elect not to comply with certain NYSE corporate governance requirements, including:

- the requirement that a majority of the Board of Directors consists of independent directors;
- the requirement that we have a nominating/corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee s purpose and responsibilities;
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee s purpose and responsibilities; and
- the requirement for an annual performance evaluation of the nominating/corporate governance and compensation committees.

Following this offering, we intend to utilize these exemptions. As a result, we will not have a majority of independent directors nor will our nominating/corporate governance and compensation committees consist entirely of independent directors and we will not be required to have an annual performance evaluation of the nominating/corporate governance and compensation committees. See Management. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to such corporate governance requirements.

Texas insurance laws and regulations may delay or impede your ability to purchase our common stock.

The insurance laws and regulations of Texas, the jurisdiction in which our title insurance underwriter subsidiary is domiciled, generally provide that no person may acquire control, directly or indirectly, of a Texas domiciled insurer, unless the person has provided required information to, and the acquisition is approved or not disapproved by, the Texas Department of Insurance. Generally, any person acquiring beneficial ownership of 10% or more of our voting securities would be presumed to have acquired indirect control of our title insurance underwriter subsidiary unless the Texas Department of Insurance, upon application, determines otherwise. Apollo and Paulson have previously received approvals for their current holdings from the Texas Department of Insurance. Certain purchasers of our common stock could be subject to similar approvals which could significantly delay or otherwise impede your ability to complete such purchase.

We have no plans to pay regular dividends on our common stock, so you may not receive funds without selling your common stock.

We have no plans to pay regular dividends on our common stock. Any declaration and payment of future dividends to holders of our common stock will be at the sole discretion of our Board of Directors and will depend on many factors, including our financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our Board of Directors deems relevant.

Certain of our debt instruments contain covenants that restrict the ability of our subsidiaries to pay dividends to us. See Description of Indebtedness and Description of Capital Stock Common Stock. Furthermore, we

will be permitted under the terms of our debt instrument to incur additional indebtedness, which may restrict or prevent us from paying dividends on our common stock. Agreements governing any future indebtedness, in addition to those governing our current indebtedness, may not permit us to pay dividends on our common stock.

Future sales or the perception of future sales of a substantial amount of our common stock may depress the price of shares of our common stock.

Future sales or the availability for sale of substantial amounts of our common stock in the public market could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through future sales of equity securities.

Our amended and restated certificate of incorporation will authorize us to issue 400,000,000 shares of common stock, of which 130,153,234 shares will be outstanding following the completion of this offering and related transactions (assuming the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders). Of these shares, (a) 40,000,000 shares of our common stock to be sold in this offering will be freely tradable without restriction or further registration under the Securities Act (other than restrictions pursuant to lock-up agreements entered into by participants in the directed share program), (b) 24,685,552 shares will be freely tradable without restriction or further registration under the Securities Act (following the expiration of the lock-up period in the lock-up agreements described herein) and (c) 65,467,682 shares will be tradable subject to the volume limitations and applicable holding period requirements of Rule 144, as well as the lock-up agreements described herein. If the holders of the approximately $207 million aggregate principal amount of Convertible Notes not held by the Significant Holders also convert their Convertible Notes into shares of common stock, it will result in the issuance of an additional 8,641,178 shares of common stock which will be freely tradable without restriction or further registration under the Securities Act, subject to, with respect to 5,534,765 shares issuable to the Other Holders (including pursuant to the Other Holders letter agreements), the expiration of the lock-up period in the lock-up agreements described herein. We will also issue shares of our common stock in an amount equal to $25 million to Apollo on January 15, 2013, representing a portion of the Management Agreement Termination Fee. See Shares Eligible for Future Sale for a discussion of the shares of our common stock that may be sold into the public market in the future and the lock-up agreements relating to certain of those shares. Pursuant to our securityholders agreements with Apollo and Paulson, each of Apollo and Paulson have certain rights to demand underwritten registered offerings in respect of the approximately 78,677,380 shares of common stock that they will own immediately following this offering and we have granted Apollo and Paulson incidental registration rights in respect of such shares of common stock. In addition, we have agreed with Apollo and Paulson to reinstate our existing resale registration statement relating to the shares of common stock issued upon conversion of the Convertible Notes, as well as the shares of common stock issued to Apollo and Paulson pursuant to the Significant Holders letter agreements, upon the expiration of the lock-up period provided for in their lock-up agreement with the underwriters. Upon the effectiveness of such registration statement, all shares covered by the registration statement would be freely transferable. See Certain Relationships and Related Party Transactions.

As soon as practicable following the completion of this offering, we intend to file one or more registration statements on Form S-8 under the Securities Act covering 9,486,600 shares of our common stock reserved for issuance under the Stock Incentive Plan and the 2012 LTIP. Accordingly, shares of our common stock registered under such registration statements will be immediately available for sale in the open market upon exercise by the holders, subject to vesting restrictions, Rule 144 limitations applicable to our affiliates and the contractual lock-up provisions described above.

We may issue shares of our common stock or other securities from time to time as consideration for future acquisitions and investments. If any such acquisition or investment is significant, the number of shares of our common stock, or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be substantial. We may also grant registration rights covering those shares of our common stock or other securities in connection with any such acquisitions and investments.

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We cannot predict the size of future issuances of our common stock or the effect, if any, that future issuances and sales of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including shares of our common stock issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock.

Delaware law and our organizational documents may impede or discourage a takeover, 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 Delaware law 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 existing stockholders. In addition, provisions of our amended and restated certificate of incorporation, amended and restated bylaws and the Apollo Securityholders Agreement that will each be effective upon completion of this offering may make it more difficult for, or prevent a third party from, acquiring control of us without the approval of our Board of Directors. Among other things, these provisions:

- classify our Board of Directors so that only some of our directors are elected each year;
- do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates;
- delegate the sole power to a majority of the Board of Directors to fix the number of directors;
- provide the power of our Board of Directors to fill any vacancy on our Board of Directors, whether such vacancy occurs as a result of an increase in the number of directors or otherwise;
- authorize the issuance of blank check preferred stock without any need for action by stockholders;
- eliminate the ability of stockholders to call special meetings of stockholders;
- prohibit stockholders from acting by written consent if less than a majority of the voting power of our outstanding common stock is controlled by Apollo;
- establish advance notice requirements for nominations for election to our Board of Directors or for proposing matters that can be acted on by stockholders at stockholder meetings; and
- provide that the approval of a majority of the directors designated to the Board of Directors by Apollo will be required for certain change of control transactions until such time as Apollo no longer controls at least 25% of the voting power of our outstanding common stock.

The foregoing factors, as well as the significant common stock ownership by funds affiliated with Apollo, could impede a merger, takeover or other business combination or discourage a potential investor from making a tender offer for our common stock, which, under certain circumstances, could reduce the market value of our common stock and your ability to realize any potential change-in-control premium. See Description of Capital Stock.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.

Our amended and restated certificate of incorporation will authorize us to issue one or more series of preferred stock. Our Board of Directors will have the authority to determine the preferences, limitations and relative rights of shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our common stock.

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You will suffer immediate and substantial dilution in the net tangible book value of the common stock you purchase.

Prior investors have paid substantially less per share than the price in this offering. The initial public offering price is substantially higher than the net tangible book value per share of the outstanding common stock after giving effect to this offering and related transactions. Accordingly, based on an assumed initial public offering price of $25.00 per share (the midpoint of the offering price range set forth on the cover page of this prospectus), and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the application of the net proceeds from such sale as described in Use of Proceeds, and following the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders substantially concurrently with the closing of the offering and the issuance of shares of common stock pursuant to the Significant Holders letter agreements, purchasers of common stock in this offering will experience immediate and substantial dilution of approximately $61.63 per share. Additionally, investors in our common stock will be further diluted in the event that the underwriters exercise their option to purchase additional shares. See Dilution.

We are a holding company and accordingly are dependent upon distributions from our subsidiaries to generate the funds necessary to meet our financial obligations and pay dividends.

We are a holding company and have no business operations of our own. Our only material asset is our indirect interest in all of the outstanding capital stock of Realogy, through which we conduct our business. We have no independent means of generating revenue. As a result, we are dependent on loans, dividends and other payments from Realogy to generate the funds necessary to pay our expenses and to pay any cash dividends. There can be no assurance that Realogy will generate sufficient cash flow to dividend or distribute funds to us or that applicable state law and contractual restrictions, including negative covenants in our senior secured credit facility and indentures, will permit such dividends or distributions. Our senior secured credit facility and indentures currently restrict Realogy from paying dividends or making distributions to us.

If securities analysts do not publish research or reports about our company, or if they issue unfavorable commentary about us or our industry or downgrade our common stock, the price of our common stock could decline.

The trading market for our common stock will depend in part on the research and reports that third-party securities analysts publish about our company and our industry. We may be unable or slow to attract research coverage and if one or more analysts cease coverage of our company, we could lose visibility in the market. In addition, one or more of these analysts could downgrade our common stock or issue other negative commentary about our company or our industry. As a result of one or more of these factors, the trading price of our common stock could decline.

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FORWARD-LOOKING STATEMENTS

Forward-looking statements included in this prospectus or other public statements that we make from time to time are based on various facts and derived utilizing numerous important assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include the information concerning our future financial performance, business strategy, projected plans and objectives, as well as projections of macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact economic trends, and any such variations may be material. Statements preceded by, followed by or that otherwise include the words believes, expects, anticipates, intends, projects, estimates, plans, and similar expressions or future or cond verbs such as will, should, would, may and could are generally forward-looking in nature and not historical facts. You should understand tha following important factors could affect our future results and cause actual results to differ materially from those expressed in the forward-looking statements:

- risks associated with our substantial indebtedness and interest obligations, including risks associated with our ability to comply with our senior secured leverage ratio covenant under our senior secured credit facility, interest rate risk, risks related to an event of default under our outstanding indebtedness, risks related to our ability to refinance our indebtedness and to incur additional indebtedness, and risks related to having to dedicate a substantial portion of our cash flows from operations to service our debt;
- risks related to general business, economic, employment and political conditions and the U.S. residential real estate markets, either regionally or nationally, including but not limited to:
  - a lack of improvement in the number of homesales, further declines in home prices and/or a deterioration in other economic factors that particularly impact the residential real estate market and the business segments in which we operate;
  - a lack of improvement in consumer confidence;
  - the impact of future recessions, slow economic growth, disruptions in the banking system and high levels of unemployment in the U.S. and abroad;
  - increasing mortgage rates and down payment requirements and/or constraints on the availability of mortgage financing, including but not limited to the potential impact of various provisions of the Dodd-Frank Act and regulations that may be promulgated thereunder relating to mortgage financing;
  - legislative, tax or regulatory changes that would adversely impact the residential real estate market, including potential reforms of Fannie Mae and Freddie Mac;
  - negative trends and/or a negative perception of the market trends in value for residential real estate;
  - renewed high levels of foreclosure activity including but not limited to the release of homes already held for sale by financial institutions;
  - excessive or insufficient regional home inventory levels;

- the inability or unwillingness of homeowners to enter into homesale transactions due to negative equity in their existing homes; and
- lower homeownership rates or failure of homeownership rates to return to more typical levels;

our geographic and high-end market concentration, particularly with respect to our company owned brokerage operations;

our inability to securitize certain assets of our relocation business, which would require us to find an alternative source of liquidity that may not be available, or if available, may not be on favorable terms;

limitations on flexibility in operating our business due to restrictions contained in our debt agreements;

our inability to sustain the improvements we have realized during the past several years in our operating efficiency through cost savings and business optimization efforts;

our inability to enter into franchise agreements with new franchisees or to realize royalty revenue growth from them;

our inability to renew existing franchise agreements or maintain franchisee satisfaction with our brands;

the inability of our existing franchisees to survive the challenges of the downturn in the real estate market or to grow their businesses;

disputes or issues with entities that license us their trade names for use in our business that could impede our franchising of those brands;

actions by our franchisees that could harm our business or reputation, non-performance of our franchisees, controversies with our franchisees or actions against us by third parties with which our franchisees have business relationships;

competition in our existing and future lines of business;

our failure to comply with laws and regulations and any changes in laws and regulations;

seasonal fluctuations in the residential real estate brokerage business which could adversely affect our business, financial condition and liquidity;

the loss of any of our senior management or key managers or employees or other significant labor or employment issues;

adverse effects of natural disasters or environmental catastrophes;

risks related to our international operations;

any remaining resolutions or outcomes with respect to Cendant s contingent liabilities under the Separation and Distribution Agreement and the Tax Sharing Agreement, including any adverse impact on our future cash flows;

the cumulative effect of adverse litigation, governmental proceedings or arbitration awards against us and the adverse effect of new regulatory interpretations, rules and laws; and

new types of taxes or increases in state, local or federal taxes that could diminish profitability or liquidity.

Other factors not identified above, including those described under the headings Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations, may also cause actual results to differ materially from those described in our forward-looking statements. Most of these factors are difficult to anticipate and are generally beyond our control. You should consider these factors in connection with considering any forward-looking statements that may be made by us and our businesses generally. Except for our ongoing obligations to disclose material information under the federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless we are required to do so by law.

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USE OF PROCEEDS

Assuming an initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, we estimate that the net proceeds to us from the sale of shares of our common stock in this offering will be approximately $946 million (or $1,089 million if the underwriters exercise in full their option to purchase additional shares of common stock from us), after deducting estimated underwriting discounts and commissions and offering expenses.

We intend to use the net proceeds that we receive in this offering, along with readily available cash, (i) to prepay all of the outstanding $650 million principal amount of the Second Lien Loans, (ii) to repurchase or redeem approximately $64 million principal amount of outstanding 10.50% Senior Notes and $41 million principal amount of outstanding Senior Toggle Notes, (iii) to redeem approximately $207 million aggregate principal amount of Convertible Notes that are not held by the Significant Holders following the closing date of this offering at a redemption price equal to 90% of the principal amount thereof, or $186 million, (iv) to pay the $15 million cash portion of the Management Agreement Termination Fee which will be paid on January 15, 2013, (v) to pay the cash payment of approximately $105 million pursuant to the Significant Holder letter agreements (a portion of which will be attributable to accrued interest on the Convertible Notes), (vi) to pay the prepayment premiums and fees in connection with the repayment of the foregoing indebtedness and (vii) to pay interest of approximately $59 million, representing interest payable from April 15, 2012 through the anticipated prepayment date of the indebtedness that will be repaid. The Significant Holders will not receive the interest payment to be paid on the Convertible Notes on October 15, 2012. The amount of the cash payment to be paid to the Significant Holders is equal to the accrued and unpaid interest that the Significant Holders would have otherwise been entitled to receive with respect to the Convertible Notes held by them if they held such Convertible Notes through October 15, 2012, the next regularly scheduled interest payment date for the Convertible Notes. We expect that the prepayment of the Second Lien Loans and our issuance of redemption notices to holders of the 10.50% Senior Notes and the Senior Toggle Notes (which will specify that the redemption date will be on the 31st day following the date of such notice) will occur promptly following the closing of this offering. The prepayment, repurchase or redemption of the foregoing indebtedness will be in accordance with the respective agreements governing such indebtedness.

The Significant Holders have agreed to convert all of the Convertible Notes held by them into shares of common stock substantially concurrently with the closing of this offering. As of September 4, 2012, the Significant Holders held in the aggregate approximately $1.903 billion aggregate principal amount of Convertible Notes, which, once converted, will result in the issuance of an additional 82,131,954 shares of common stock promptly following the closing of this offering, including the shares of common stock issued pursuant to the Significant Holders letter agreements. See Prospectus Summary Letter Agreements with Holders of Convertible Notes. We intend to issue a redemption notice to holders of approximately $207 million aggregate principal amount of Convertible Notes on the closing date of this offering, which will specify that the redemption date will be on the 31st day following the date of such notice.

To the extent that any Convertible Notes not owned by the Significant Holders are converted into common stock, the portion of the net proceeds of this offering that would have been used to pay the redemption price for such Convertible Notes would instead be applied to the repayment of our other indebtedness. See footnote 8 of the Notes to Unaudited Pro Forma Financial Information under the heading Unaudited Pro Forma Financial Information.

We expect delivery of the shares of common stock issued in this offering will be made against payment therefor with the underwriters of this offering on or about , 2012, which is the second business day following the date hereof; however, we expect delivery of the shares of common stock issued in this offering will be made against payment therefor with purchasers in this offering on or about , 2012, which is the fourth business day following the date hereof.

The Second Lien Loans bear interest at a rate of 13.50% per year and mature on October 15, 2017. The 10.50% Senior Notes and the Senior Toggle Notes bear interest at rates of 10.50% and 11.00% per annum, respectively, and mature on April 15, 2014. The Convertible Notes bear interest at a rate of 11.00% per annum and mature on April 15, 2018. See Description of Indebtedness for further information on the terms of our outstanding indebtedness.

Certain affiliates of the underwriters hold a portion of the indebtedness being repaid with a portion of the proceeds of this offering as described above. See Underwriting (Conflicts of Interest) Other Relationships.

A $1.00 increase (decrease) in the assumed initial public offering price of $25.00 per share, the midpoint of the offering price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by $38.1 million (or $43.8 million if the underwriters exercise in full their option to purchase additional shares of common stock from us) assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and offering expenses.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2012:

- on an actual basis;
- on a pro forma basis giving effect to the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders into 73,006,178 shares of common stock substantially concurrently with the closing of this offering; and
- on a pro forma as adjusted basis giving effect to (i) our sale of 40,000,000 shares of common stock in this offering at an assumed initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, and our expected use of the net proceeds of this offering as described in Use of Proceeds and (ii) the issuance of 9,125,776 shares of common stock to the Significant Holders pursuant to the Significant Holders letter agreements described under Prospectus Summary Letter Agreements with Holders of Convertible Notes.

To the extent that any Convertible Notes not owned by the Significant Holders are converted into common stock, the portion of the net proceeds of this offering that would have been used to pay the redemption price for such Convertible Notes will instead be applied to the repayment of our other indebtedness. See footnote 8 of the Notes to Unaudited Pro Forma Financial Information under the heading Unaudited Pro Forma Financial Information.

You should read this table in conjunction with the information included under the headings Unaudited Pro Forma Financial Information, Selected Historical Consolidated and Combined Financial Statements, Use of Proceeds, Management s Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and notes thereto included elsewhere in this prospectus.

	As of June 30, 2012		
Capitalization (excluding securitization obligations)	**Actual**	**Pro Forma**	**Pro Forma As Adjusted**
		(In millions)	
Cash and cash equivalents [1]	$ 138	$ 138	$ 49
Long-term debt (including current portion):			
Senior Secured Credit Facility:			
Extended revolving credit facility [2]	109	109	201
Extended term loan facility [3]	1,822	1,822	1,822
7.625% First Lien Notes due 2020	593	593	593
7.875% First and a Half Lien Notes due 2019	700	700	700
9.000% First and a Half Lien Notes due 2020	325	325	325
Second Lien Loans [4]	650	650	
Other bank indebtedness [5]	105	105	105
10.50% Senior Notes due 2014	64	64	
11.00/11.75% Senior Toggle Notes due 2014	41	41	
12.375% Senior Subordinated Notes due 2015 [6]	188	188	188
11.50% Senior Notes due 2017 [7]	489	489	489
12.00% Senior Notes due 2017 [8]	129	129	129
13.375% Senior Subordinated Notes due 2018	10	10	10
11.00% Convertible Notes due 2018 [9]	2,110	207	
Total long-term debt (including current portion)	7,335	5,432	4,562

Equity:			
Common stock; 178,000,000 authorized shares, 8,021,280 shares issued and outstanding (actual); 81,027,458 shares issued and outstanding (pro forma); 400,000,000 authorized shares, 130,153,234 shares issued and outstanding (pro forma as adjusted)		1	1
Additional paid-in capital [10]	2,035	3,937	5,136
Accumulated deficit [11]	(3,719)	(3,725)	(4,069)
Accumulated other comprehensive income (loss)	(30)	(30)	(30)
Noncontrolling interests	2	2	2
Total equity (deficit)	(1,712)	185	1,040
Total capitalization [12]	$ 5,623	$ 5,617	$ 5,602

(1) Readily available cash as of June 30, 2012 was $89 million. Readily available cash includes cash and cash equivalents less statutory cash required for our title business. Pro forma as adjusted cash and cash equivalents reflects (i) the payment of interest of approximately $59 million, representing the interest on indebtedness that will be repaid as described in Use of Proceeds, and (ii) the cash payment of approximately $105 million pursuant to the Significant Holders letter agreements as described in Use of Proceeds. The amount of such payment is equal to the interest that the Significant Holders would have otherwise been entitled to receive with respect to the Convertible Notes held by them if they held such Convertible Notes through October 15, 2012, the next regularly scheduled interest payment date. The Significant Holders will not receive the interest payment to be paid on the Convertible Notes on October 15, 2012. See footnote 2 of the Notes to Unaudited Pro Forma Financial Information under the heading Unaudited Pro Forma Financial Information.

(2) Interest rates with respect to revolving loans under the senior secured credit facility are based on, at our option, (a) adjusted LIBOR plus 3.25% or (b) JPMorgan Chase Bank, N.A. s prime rate (ABR) plus 2.25% in each case subject to reductions based on the attainment of certain leverage ratios. The available capacity under this facility was reduced by $89 million of outstanding letters of credit as of June 30, 2012. On September 27, 2012, the Company had $20 million outstanding on the extended revolving credit facility and $95 million of outstanding letters of credit, leaving $248 million of available capacity.

(3) Interest rates with respect to term loans under the senior secured credit facility are based on, at our option, (a) adjusted LIBOR plus 4.25% or (b) the higher of the Federal Funds Effective Rate plus 1.75% and JPMorgan Chase Bank, N.A. s prime rate plus 3.25%.

(4) The Second Lien Loans accrue interest at a rate of 13.50% per annum.

(5) Consists of revolving credit facilities that are supported by letters of credit issued under the senior secured credit facility, a portion of which are issued under the synthetic letter of credit facility; $50 million is due in January 2013, $50 million is due in July 2013, and $5 million is due in August 2013.

(6) Consists of $190 million of 12.375% Senior Subordinated Notes, less a discount of $2 million.

(7) Consists of $492 million of 11.50% Senior Notes, less a discount of $3 million.

(8) Consists of $130 million of 12.00% Senior Notes, less a discount of $1 million.

(9) The Significant Holders have agreed to convert all of their Convertible Notes into common stock substantially concurrently with the closing of this offering, representing in the aggregate approximately $1.903 billion aggregate principal amount of Convertible Notes.

(10) Pro forma additional paid-in capital reflects the conversion of approximately $1.903 billion aggregate principal amount of our Convertible Notes by the Significant Holders.

Pro forma as adjusted additional paid-in capital includes the impact of the following transactions: (i) the net proceeds from this offering of approximately $946 million; (ii) the fair value of the shares of common stock issued to the Significant Holders pursuant to the Significant Holders letter agreements of $228 million; and (iii) the $25 million portion of the Management Agreement Termination Fee to be paid in shares of our common stock on January 15, 2013.

(11) Pro forma accumulated deficit reflects a $6 million loss on the extinguishment of debt, related to the write-off of deferred financing costs due to the conversion of the Convertible Notes held by the Significant Holders.

Pro forma as adjusted accumulated deficit includes the impact of (i) the expense of $228 million, which represents the fair value of the shares of common stock issued to the Significant Holders pursuant to the Significant Holders letter agreements; (ii) $105 million of expense related to the cash payment to be made pursuant to the Significant Holders letter agreements as described in Use of Proceeds ; (iii) interest expense of $59 million, which represents the interest payable from April 15, 2012 through the anticipated prepayment date on the indebtedness that will be repaid as described in Use of Proceeds ; (iv) $40 million of expense to be recognized related to the Management Agreement Termination Fee payment to be paid $15 million in cash and $25 million in shares of our common stock on January 15, 2013; (v) $7 million of prepayment fees associated with the prepayment of our indebtedness; and (vi) a $4 million loss on the extinguishment of debt, related to the write-off of deferred financing costs on other indebtedness; offset by a

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(a) $21 million gain related to the $207 million of Convertible Notes redeemed by the Company at 90% of the principal amount thereof, (b) $44 million reduction of accrued interest recorded as of June 30, 2012 on the Convertible Notes held by the Significant Holders which will not be paid as a result of the cash payment made pursuant to the Significant Holders letter agreements, (c) $26 million reduction in accrued interest recorded as of June 30, 2012 which is included in the interest expense of $59 million reflected above and (d) an $8 million reduction in the amount accrued related to the Management Agreement (as defined below).

(12) Total capitalization excludes our securitization obligations which are collateralized by relocation related assets and appear in our current liabilities.

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DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock upon completion of this offering and related transactions. Dilution results from the fact that the per share offering price of our common stock is substantially in excess of the book value per share attributable to our existing equityholders.

The tables and calculations below set forth our net tangible book value (deficit) as of June 30, 2012:

- on an actual basis;
- on a pro forma basis giving effect to the conversion of approximately $1.903 billion aggregate principal amount of Convertible Notes by the Significant Holders substantially concurrently with the closing of this offering; and
- on a pro forma as adjusted basis giving effect to (i) our sale of 40,000,000 shares of common stock in this offering at an initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, and our expected use of the net proceeds of this offering as described in Use of Proceeds and (ii) the issuance of 9,125,776 shares of common stock to the Significant Holders pursuant to the Significant Holders letter agreements described under Prospectus Summary Letter Agreements with Holders of Convertible Notes.

Our net tangible book value (deficit) as of June 30, 2012 was $(7,529) million, or $(938.63) per share of common stock. Net tangible book value per share is calculated by subtracting $3,303 million of goodwill, $2,813 million of intangible assets, $367 million of net deferred tax liabilities and $68 million of deferred financing costs from total equity (deficit) of $(1,712) million divided by the number of common shares outstanding.

Our pro forma net tangible book value (deficit) as of June 30, 2012 was $(5,626) million, or $(69.43) per share of common stock, assuming the conversion of the Convertible Notes held by the Significant Holders and the redemption by us of the remaining outstanding Convertible Notes. Pro forma net tangible book value per share is calculated by subtracting $3,303 million of goodwill, $2,813 million of intangible assets, $367 million of net deferred tax liabilities and $62 million of deferred financing costs from total equity of $185 million divided by the number of common shares outstanding.

Our pro forma as adjusted net tangible book value (deficit) as of June 30, 2012 would have been $(4,767) million, or $(36.63) per share. This amount represents an immediate dilution of $61.63 per share to new investors. The following table illustrates this dilution per share:

Assumed initial public offering price per share of common stock		$ 25.00
Net tangible book value (deficit) per share of common stock as of June 30, 2012	$ (938.63)	
Increase in net tangible book value per share attributable to the conversion of the Convertible Notes held by the Significant Holders	869.20	
Pro forma net tangible book value (deficit) per share of common stock attributable to the conversion of the Convertible Notes held by the Significant Holders	(69.43)	
Increase in net tangible book value per share attributable to this offering	32.80	
Pro forma as adjusted net tangible book value (deficit) per share of common stock as of June 30, 2012 after this offering		(36.63)
Dilution in pro forma as adjusted net tangible book value (deficit) per share to new investors		$ 61.63

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If the underwriters exercise their option to purchase additional shares in full, our pro forma as adjusted net tangible book deficit will decrease to $33.96 per share, representing an increase to existing holders of $2.67 per share, and there will be an immediate dilution of $58.96 per share to new investors.

Assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting the estimated underwriting discounts and commissions and offering expenses in connection with this offering, a $1.00 increase in the assumed public offering price of $25.00 per share would decrease the pro forma as adjusted net tangible book deficit attributable to this offering by $0.30 per share and a $1.00 decrease in the assumed public offering price would increase the dilution to new investors by $0.29 per share.

The following table summarizes, as of June 30, 2012, the difference between the number of shares of our common stock purchased from us, the total consideration paid to us, and the average price per share paid by existing stockholders, issued upon conversion of Convertible Notes (including Significant Holders letter agreement shares) and by new investors, at the assumed initial public offering price of $25.00 per share (the midpoint of the offering price range set forth on the cover page of this prospectus), before deducting the estimated underwriting discounts and commissions and offering expenses in connection with this offering:

	Shares Purchased		Total Consideration		Average Price
	Number	Percent	Amount (in millions)	Percent	Per Share
Existing stockholders	8,021,280	6%	$ 2,000	41%	$ 249.34
Conversion of Convertible Notes (including Significant Holders letter agreement shares)	82,131,954	63	1,903	39	23.17
New investors in this offering	40,000,000	31%	1,000	20%	25.00
Total	130,153,234	100%	$ 4,903	100%	$ 37.67

See Prospectus Summary The Offering for a description of those shares not reflected in the foregoing table.

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DIVIDEND POLICY

We do not currently anticipate paying dividends on our common stock following this offering. Any declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board of Directors and will depend on many factors, including our financial condition, earnings, cash flows, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends and other considerations that our Board of Directors deems relevant. See Risk Factors Risks Related to an Investment in Our Common Stock and this Offering We have no plans to pay regular dividends on our common stock, so you may not receive funds without selling your common stock. Because we are a holding company and have no direct operations, we will only be able to pay dividends from our available cash on hand and any funds we receive from our subsidiaries. The terms of our indebtedness restrict our subsidiaries from paying dividends to us. Under Delaware law, dividends may be payable only out of surplus, which is our net assets minus our liabilities and our capital, or, if we have no surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. As a result, we may not pay dividends according to our policy or at all, if, among other things, we do not have sufficient cash to pay the intended dividends, if our financial performance does not achieve expected results or the terms of our indebtedness prohibit it. See Description of Indebtedness and Description of Capital Stock.

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UNAUDITED PRO FORMA FINANCIAL INFORMATION

We derived the unaudited pro forma financial data set forth below by the application of pro forma adjustments to the audited and unaudited consolidated financial statements included elsewhere in this prospectus.

The unaudited pro forma condensed consolidated balance sheet at June 30, 2012 and pro forma consolidated statement of operations for the year ended December 31, 2011 and the pro forma condensed consolidated statement of operations for the six months ended June 30, 2012 have been presented:

- on a pro forma basis which gives effect to the conversion of approximately $1.903 billion aggregate principal amount of the Convertible Notes by the Significant Holders into 73,006,178 shares of common stock substantially concurrently with the closing of this offering; and

- on a pro forma as adjusted basis, which gives effect to (i) our sale of 40,000,000 shares of common stock in this offering at an initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, and our expected use of the net proceeds of this offering as described in Use of Proceeds and (ii) the issuance of 9,125,776 shares of common stock to the Significant Holders pursuant to the Significant Holders letter agreements described under Prospectus Summary Letter Agreements with Holders of Convertible Notes.

The pro forma condensed consolidated balance sheet gives effect to the pro forma adjustments as if they occurred on June 30, 2012 and the pro forma consolidated statement of operations gives effect to the pro forma adjustments as if they occurred on January 1, 2011. In addition, the pro forma condensed consolidated balance sheet at June 30, 2012 has also been presented on a pro forma basis and on a pro forma as adjusted basis giving further effect to the conversion of all of the approximately $207 million aggregate principal amount of the Convertible Notes not held by the Significant Holders. See footnotes 7 through 9 of the Notes to Unaudited Pro Forma Financial Information.

The pro forma adjustments set forth below were based on available information and certain assumptions made by our management and may be revised as additional information becomes available. The unaudited pro forma financial information is presented for informational purposes only, and does not purport to represent what our balance sheet and results of operations would actually have been if the transactions had occurred on the dates indicated, nor does it purport to project our results of operations or financial condition that we may achieve in the future.

You should read our unaudited pro forma financial information and the accompanying notes in conjunction with all of the historical financial statements and related notes included elsewhere in this prospectus and the financial and other information appearing elsewhere in this prospectus, including information contained in Risk Factors, Selected Historical Consolidated Financial Data, Use of Proceeds, Capitalization and Management s Discussion and Analysis of Financial Condition and Results of Operations.

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REALOGY HOLDINGS CORP.

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

June 30, 2012

(In millions)

	Actual	Convertible Notes Pro Forma Adjustments [1]	Pro Forma	Offering Transaction Adjustments [2]	Pro Forma As Adjusted
ASSETS					
Current assets:					
Cash and cash equivalents	$ 138	$	$ 138	$ (89)	$ 49
Trade receivables	147		147		147
Relocation receivables	419		419		419
Relocation properties held for sale	10		10		10
Deferred income taxes	59		59		59
Other current assets	97		97		97
Total current assets	870		870	(89)	781
Property and equipment, net	151		151		151
Goodwill	3,303		3,303		3,303
Trademarks	732		732		732
Franchise agreements, net	1,663		1,663		1,663
Other intangibles, net	418		418		418
Other non-current assets	225	(6)	219	(4)	215
Total assets	$ 7,362	$ (6)	$ 7,356	$ (93)	$ 7,263
LIABILITIES AND EQUITY (DEFICIT)					
Current liabilities:					
Accounts payable	$ 214	$	$ 214	$	$ 214
Securitization obligations	267		267		267
Due to former parent	76		76		76
Revolving credit facilities and current portion of long-term debt	214		214	92	306
Accrued expenses and other current liabilities	583		583	(78)	505
Total current liabilities	1,354		1,354	14	1,368
Long-term debt	7,121	(1,903)	5,218	(962)	4,256
Deferred income taxes	426		426		426
Other non-current liabilities	173		173		173
Total liabilities	9,074	(1,903)	7,171	(948)	6,223
Total equity (deficit)	(1,712)	1,897	185	855	1,040
Total liabilities and equity (deficit)	$ 7,362	$ (6)	$ 7,356	$ (93)	$ 7,263

See Notes to Unaudited Pro Forma Financial Information.

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REALOGY HOLDINGS CORP.

PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2011

(In millions, except per share data)

	Actual	Convertible Notes Pro Forma Adjustments (3)	Pro Forma	Offering Transaction Adjustments (4)	Pro Forma As Adjusted
Revenues					
Gross commission income	$ 2,926	$	$ 2,926	$	$ 2,926
Service revenue	752		752		752
Franchise fees	256		256		256
Other	159		159		159
Net revenues	4,093		4,093		4,093
Expenses					
Commission and other agent-related costs	1,932		1,932		1,932
Operating	1,270		1,270		1,270
Marketing	185		185		185
General and administrative	254		254	7	261
Former parent legacy costs (benefit), net	(15)		(15)		(15)
Restructuring costs	11		11		11
Merger costs	1		1		1
Depreciation and amortization	186		186		186
Interest expense, net	666	(210)	456	(120)	336
Loss on the early extinguishment of debt	36		36		36
Total expenses	4,526	(210)	4,316	(113)	4,203
Loss before income taxes, equity in earnings and noncontrolling interests	(433)	210	(223)	113	(110)
Income tax expense	32		32		32
Equity in earnings of unconsolidated entities	(26)		(26)		(26)
Net loss	(439)	210	(229)	113	(116)
Less: Net income attributable to noncontrolling interests	(2)		(2)		(2)
Net loss attributable to Realogy Holdings	$ (441)	$ 210	$ (231)	$ 113	$ (118)
Loss per share attributable to Realogy Holdings:					
Basic loss per share:	$ (55.01)		$ (2.85)		$ (0.91)
Diluted loss per share:	(55.01)		(2.85)		(0.91)
Weighted average common and common equivalent shares (Basic and Diluted shares are the same due to the net loss):					
Existing stockholders	8.0		8.0		8.0
			73.0		73.0

Conversion of Convertible Notes held by the significant holders			
Additional shares pursuant to the significant holders letter agreements			9.1
New investors in this offering			40.0
Basic and Diluted weighted average common and common equivalent shares	8.0	81.0	130.1

See Notes to Unaudited Pro Forma Financial Information.

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REALOGY HOLDINGS CORP.

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

SIX MONTHS ENDED JUNE 30, 2012

(In millions, except per share data)

	Actual	Convertible Notes Pro Forma Adjustments (5)	Pro Forma	Offering Transaction Adjustments (6)	Pro Forma As Adjusted
Revenues					
Gross commission income	$ 1,589	$	$ 1,589	$	$ 1,589
Service revenue	380		380		380
Franchise fees	130		130		130
Other	85		85		85
Net revenues	2,184		2,184		2,184
Expenses					
Commission and other agent-related costs	1,064		1,064		1,064
Operating	643		643		643
Marketing	103		103		103
General and administrative	156		156	4	160
Former parent legacy costs (benefit), net	(3)		(3)		(3)
Restructuring costs	5		5		5
Depreciation and amortization	89		89		89
Interest expense, net	346	(105)	241	(60)	181
Loss on the early extinguishment of debt	6		6		6
Other (income)/expense, net	1		1		1
Total expenses	2,410	(105)	2,305	(56)	2,249
Loss before income taxes, equity in earnings and noncontrolling interests	(226)	105	(121)	56	(65)
Income tax expense	15		15		15
Equity in earnings of unconsolidated entities	(25)		(25)		(25)
Net loss	(216)	105	(111)	56	(55)
Less: Net income attributable to noncontrolling interests	(1)		(1)		(1)
Net loss attributable to Realogy Holdings	$ (217)	$ 105	$ (112)	$ 56	$ (56)
Loss per share attributable to Realogy Holdings:					
Basic loss per share:	$ (27.07)		$ (1.38)		$ (0.43)
Diluted loss per share:	(27.07)		(1.38)		(0.43)
Weighted average common and common equivalent shares (Basic and Diluted shares are the same due to the net loss):					
Existing stockholders	8.0		8.0		8.0
			73.0		73.0

Conversion of Convertible Notes held by the significant holders			
Additional shares pursuant to the significant holders letter agreements			9.1
New investors in this offering			40.0
Basic and Diluted weighted average common and common equivalent shares	8.0	81.0	130.1

See Notes to Unaudited Pro Forma Financial Information.

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REALOGY HOLDINGS CORP.

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

(ASSUMING CONVERSION OF ALL OF THE CONVERTIBLE NOTES)

June 30, 2012

(In millions)

	Actual	Convertible Notes Pro Forma Adjustments (7)	Pro Forma	Offering Transaction Adjustments (8)	Pro Forma As Adjusted
ASSETS					
Current assets:					
Cash and cash equivalents	$ 138	$	$ 138	$ (89)	$ 49
Trade receivables	147		147		147
Relocation receivables	419		419		419
Relocation properties held for sale	10		10		10
Deferred income taxes	59		59		59
Other current assets	97		97		97
Total current assets	870		870	(89)	781
Property and equipment, net	151		151		151
Goodwill	3,303		3,303		3,303
Trademarks	732		732		732
Franchise agreements, net	1,663		1,663		1,663
Other intangibles, net	418		418		418
Other non-current assets	225	(7)	218	(3)	215
Total assets	$ 7,362	$ (7)	$ 7,355	$ (92)	$ 7,263
LIABILITIES AND EQUITY (DEFICIT)					
Current liabilities:					
Accounts payable	$ 214	$	$ 214	$	$ 214
Securitization obligations	267		267		267
Due to former parent	76		76		76
Revolving credit facilities and current portion of long-term debt	214		214	(94)	120
Accrued expenses and other current liabilities	583		583	(79)	504
Total current liabilities	1,354		1,354	(173)	1,181
Long-term debt	7,121	(2,110)	5,011	(755)	4,256
Deferred income taxes	426		426		426
Other non-current liabilities	173		173		173
Total liabilities	9,074	(2,110)	6,964	(928)	6,036
Total equity (deficit)(9)	(1,712)	2,103	391	836	1,227
Total liabilities and equity (deficit)	$ 7,362	$ (7)	$ 7,355	$ (92)	$ 7,263

See Notes to Unaudited Pro Forma Financial Information.

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Notes to Unaudited Pro Forma Financial Information

Balance Sheet

(1) Pro forma gives effect to the conversion of approximately $1,903 million aggregate principal amount of the Convertible Notes held by the Significant Holders substantially concurrently with the closing of this offering. The pro forma balance sheet also reflects the write-off of deferred financing costs of $6 million as a result of the repayment of outstanding debt as described in Use of Proceeds.

(2) Pro forma as adjusted gives effect to the following:

Anticipated gross proceeds from the sale of common stock in this offering	$ 1,000
Use of cash on hand	89
Borrowings under our revolving credit facility	92
Less	
Transaction related costs, including $47.5 million in underwriting discounts and commissions	(54)
Prepayment of all of the aggregate outstanding principal amount of the Second Lien Loans	(650)
Redemption of all of the aggregate outstanding principal amount of the 10.50% Senior Notes	(64)
Redemption of all of the aggregate outstanding principal amount of the Senior Toggle Notes	(41)
Payment of prepayment premiums and fees	(7)
Redemption of the approximately $207 million aggregate principal amount of the Convertible Notes that are not held by the Significant Holders following the closing date of this offering at a redemption price equal to 90% of the principal amount thereof	(186)
Payment of the cash portion of the Management Agreement Termination Fee to be paid on January 15, 2013	(15)
Payment of cash pursuant to the Significant Holders letter agreements (the Significant Holders will not receive the interest payment to be paid on the Convertible Notes on October 15, 2012, the next regularly scheduled interest payment date for the Convertible Notes)	(105)
Payment of interest ($26 million was accrued at June 30, 2012), which represents the interest payable from April 15, 2012 through the anticipated prepayment date on the indebtedness that will be repaid as described in Use of Proceeds	(59)

The decrease in other non-current assets reflects the write-off of deferred financing costs of $4 million as a result of the repayment of outstanding debt as described in Use of Proceeds.

The reduction in accrued liabilities of $78 million is due to: (a) a $44 million reduction in accrued interest recorded as of June 30, 2012 on the Convertible Notes held by the Significant Holders which will not be paid as a result of the conversion of their Convertible Notes pursuant to the Significant Holders letter agreements; (b) a $26 million reduction in accrued interest recorded as of June 30, 2012 which is included in the interest expense of $59 million reflected above; and (c) an $8 million reduction in the amount accrued related to the Management Agreement.

The decrease in long-term debt of $962 million is comprised of the prepayment of $650 million principal amount of the Second Lien Loans, $64 million principal amount of the 10.50% Senior Notes, $41 million principal amount of the Senior Toggle Notes and $207 million principal amount of the Convertible Notes.

Statement of Operations for the Year Ended December 31, 2011

(3) Pro forma gives effect to the reduction in interest expense due to the conversion of approximately $1,903 million aggregate principal amount of the Convertible Notes held by the Significant Holders. The

adjustment to interest expense includes a $209 million reduction in interest expense due to the conversion of such Convertible Notes and a $1 million reduction in deferred financing costs which are amortized to interest expense. The Company has not included in the pro forma statement of operations the loss on the extinguishment of debt as it is nonrecurring.

Pro forma also gives effect to the issuance of 73,006,178 additional shares as a result of the conversion of approximately $1,903 million aggregate principal amount of the Convertible Notes held by the Significant Holders.

(4) Pro forma as adjusted gives effect to the use of net proceeds from this offering, cash on hand and borrowings under our revolving credit facility to facilitate:

Prepayment of all of the aggregate outstanding principal amount of the Second Lien Loans	$ (650)
Redemption of all of the aggregate outstanding principal amount of the 10.50% Senior Notes	(64)
Redemption of all of the aggregate outstanding principal amount of the Senior Toggle Notes	(41)
Redemption of the approximately $207 million aggregate principal amount of the Convertible Notes that are not held by the Significant Holders following the closing date of this offering at a redemption price equal to 90% of the principal amount thereof	(186)

The adjustment to interest expense includes a $121 million reduction in interest expense due to the repayment of outstanding debt noted above and a $2 million reduction in deferred financing costs, which are amortized to interest expense; offset by a $3 million increase in interest expense related to additional borrowings under our revolving credit facility.

If the $207 million aggregate principal amount of Convertible Notes not held by the Significant Holders are converted into common stock instead of being redeemed, the Company will utilize the $186 million of proceeds from this offering that otherwise would have been applied to redeem the Convertible Notes to instead repay other indebtedness, which would result in additional annual interest savings. See footnote 8 below.

The increase in general and administrative expenses of $7 million is for both the annual stock compensation expense for the grant of stock options (vesting over four years) and restricted stock (vesting over three years) to be issued in connection with this offering assuming an initial public offering price of $25.00 per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, as well as, less than $1 million of stock compensation expense related to performance based options that will be recorded upon the completion of this offering.

We have not included in our pro forma statement of operations the impact of non-recurring charges which include the following:

Expense which represents the fair value of the shares of common stock to be issued to the Significant Holders pursuant to the Significant Holders letter agreements	$ 228
Expense related to the cash payment to be made pursuant to the Significant Holders letter agreements as described in Use of Proceeds	105
Expense to be recognized related to the Management Agreement Termination Fee to be paid $15 million in cash and $25 million in shares of our common stock on January 15, 2013	40
Payment of prepayment premiums and fees associated with the prepayment of our indebtedness as described in Use of Proceeds	7
Loss on the extinguishment of debt, related to the write-off of deferred financing costs	4
Offset by	
Gain related to the approximately $207 million principal amount of Convertible Notes to be redeemed by the Company at 90% of the principal amount thereof	21

Reduction in accrued interest recorded as of June 30, 2012 on the Convertible Notes held by the Significant Holders which will not be paid as a result of the conversion of their Convertible Notes pursuant to the Significant Holders letter agreements	44
Reduction in accrued interest recorded as of June 30, 2012 which is included in the interest expense of $59 million reflected above	26
Reduction in the amount accrued related to the Management Agreement	8

Pro forma as adjusted also gives effect to the issuance of 9,125,776 additional shares pursuant to the Significant Holders letter agreements and the issuance of 40,000,000 shares in this offering.

Statement of Operations for the Six Months Ended June 30, 2012

(5) Pro forma gives effect to the reduction in interest expense due to the conversion of $1,903 million aggregate principal amount of Convertible Notes held by the Significant Holders. The adjustment to interest expense includes a $105 million reduction in interest expense due to the conversion of the Convertible Notes. The Company has not included in the pro forma statement of operations the loss on the extinguishment of debt as it is nonrecurring.

Pro forma also gives effect to the issuance of 73,006,178 additional shares as a result of the conversion of $1,903 million aggregate principal amount of the Convertible Notes held by the Significant Holders.

(6) Pro forma as adjusted gives effect to the use of net proceeds related to the offering, cash on hand and borrowings under our revolving credit facility to facilitate:

Prepayment of all of the aggregate outstanding principal amount of the Second Lien Loans	$ (650)
Redemption of all of the aggregate outstanding principal amount of the 10.50% Senior Notes	(64)
Redemption of all of the aggregate outstanding principal amount of the Senior Toggle Notes	(41)
Redemption of the approximately $207 million aggregate principal amount of the Convertible Notes that are not held by the Significant Holders following the closing date of this offering at a redemption price equal to 90% of the principal amount thereof	(186)

The adjustment to interest expense includes a $61 million reduction in interest expense due to the repayment of outstanding debt noted above and a $1 million reduction in deferred financing costs, which are amortized to interest expense; offset by a $2 million increase in interest expense related to additional borrowings under our revolving credit facility.

If the $207 million aggregate principal amount of Convertible Notes not held by the Significant Holders are converted into common stock instead of being redeemed, the Company will utilize the $186 million of proceeds from this offering that otherwise would have been applied to redeem the Convertible Notes to instead repay other indebtedness, which would result in additional annual interest savings. See footnote 8 below.

The increase in general and administrative expenses of $4 million is the six-month amount of stock compensation expense for the grant of stock options (vesting over four years) and restricted stock (vesting over three years) to be issued in connection with this offering assuming an initial public offering price of $25.00 per share, which is the midpoint of the offering price range.

Pro forma as adjusted also gives effect to the issuance of 9,125,776 additional shares pursuant to the Significant Holders letter agreements and the issuance of 40,000,000 shares of common stock in this offering.

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Notes to Unaudited Pro Forma Financial Information

(assuming conversion of all of the Convertible Notes)

Balance Sheet (assuming conversion of all of the Convertible Notes)

(7) Pro forma gives effect to the conversion of all of the approximately $1,903 million aggregate principal amount of the Convertible Notes held by the Significant Holders substantially concurrently with the closing of this offering and the assumed conversion of the approximately $207 million principal amount of Convertible Notes within 30 days from the closing of this offering, representing all of the Convertible Notes that will remain outstanding. The pro forma balance sheet also reflects the write-off of deferred financing costs of $7 million as a result of the repayment of outstanding debt.

(8) Pro forma as adjusted gives effect to the following:

Anticipated gross proceeds from the sale of common stock in this offering	$ 1,000
Use of cash on hand	89
Borrowings under our revolving credit facility	6
Less	
Transaction related costs, including $47.5 million in underwriting discounts and commissions	(54)
Prepayment of all of the aggregate outstanding principal amount of the Second Lien Loans	(650)
Redemption of all of the aggregate outstanding principal amount of the 10.50% Senior Notes	(64)
Redemption of all of the aggregate outstanding principal amount of the Senior Toggle Notes	(41)
Payment of prepayment premiums and fees	(7)
Repayment of other bank indebtedness	(100)
Payment of the cash portion of the Management Agreement Termination Fee to be paid on January 15, 2013	(15)
Payment of cash pursuant to the Significant Holders letter agreements (the Significant Holders will not receive the interest payment to be paid on the Convertible Notes on October 15, 2012, the next regularly scheduled interest payment date for the Convertible Notes)	(105)
Payment of interest ($27 million was accrued at June 30, 2012), which represents the interest payable from April 15, 2012 through the anticipated prepayment date on the indebtedness that will be repaid as described in Use of Proceeds.	(59)

The decrease in other non-current assets reflects the write-off of deferred financing costs of $3 million as a result of the repayment of outstanding debt.

The decrease in short-term debt of $94 million is comprised of the prepayment of $100 million of other bank indebtedness, offset by $6 million of borrowings under our revolving credit facility.

The reduction in accrued liabilities of $79 million is due to: (a) a $44 million reduction in accrued interest recorded as of June 30, 2012 on the Convertible Notes held by the Significant Holders which will not be paid as a result of the conversion of their Convertible Notes pursuant to the Significant Holders letter agreements; (b) a $27 million reduction in accrued interest recorded as of June 30, 2012 which is included in the interest expense of $59 million reflected above; and (c) an $8 million reduction in the amount accrued related to the Management Agreement.

The decrease in long-term debt of $755 million is comprised of the prepayment of $650 million principal amount of the Second Lien Loans, $64 million principal amount of the 10.50% Senior Notes and $41 million principal amount of the Senior Toggle Notes.

(9) Pro forma reflects interest savings of $233 million as a result of the conversion of all of the $2,110 million aggregate principal amount of Convertible Notes and pro forma as adjusted reflects interest savings of $107

million as a result of proceeds being utilized to repay $650 million principal amount of the Second Lien Loans, $64 million principal amount of the 10.50% Senior Notes, $41 million principal amount of the Senior Toggle Notes, $100 million of other bank indebtedness and $86 million of reduced borrowings under our revolving credit facility resulting in total interest savings of $340 million.

Pro forma gives effect to the issuance of 81,032,379 additional shares as a result of the conversion of all of the $2,110 million aggregate principal amount of Convertible Notes. Pro forma as adjusted gives effect to the issuance of 9,740,754 additional shares pursuant to the letter agreements and the issuance of 40,000,000 shares in this offering.

The table below sets forth selected pro forma condensed consolidated statement of operations data for the six months ended June 30, 2012 on a pro forma basis and on a pro forma as adjusted basis giving further effect to the conversion of all of the approximately $207 million aggregate principal amount of the Convertible Notes not held by the Significant holders.

	Actual	Pro Forma	Pro Forma As Adjusted
Loss attributable to Realogy Holdings	$ (441)	$ (231)	$ (118)
Additional interest savings		23	10
Adjusted net loss attributable to Realogy Holdings	$ (441)	$ (208)	$ (108)
Loss per share attributable to Realogy Holdings:			
Basic loss per share:	$ (55.01)	$ (2.34)	$ (0.78)
Diluted loss per share:	(55.01)	(2.34)	(0.78)
Weighted average common and common equivalent shares of Realogy Holdings outstanding:			
Basic:	8.0	89.0	138.8
Diluted:	8.0	89.0	138.8

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table presents our selected historical consolidated financial data and operating statistics. The consolidated statement of operations data for the years ended December 31, 2011, 2010, and 2009 and the consolidated balance sheet data as of December 31, 2011 and 2010 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The statement of operations data for the year ended December 31, 2008 and the periods from April 10, 2007 through December 31, 2007 and January 1, 2007 through April 9, 2007 (Predecessor Period as described below) and the consolidated balance sheet data as of December 31, 2009, 2008 and 2007 have been derived from our consolidated financial statements not included in this prospectus.

The consolidated statement of operations data for the six months ended June 30, 2012 and 2011 and the consolidated balance sheet data as of June 30, 2012 and 2011 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus and, in the opinion of management, include all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the financial position and results of operations as of the dates and for the periods indicated.

The financial data for 2007 are presented for two periods: January 1 through April 9, 2007 (the Predecessor Period or Predecessor, as context requires) and April 10 through December 31, 2007 (the Successor Period or Successor, as context requires), which relate to the period preceding the Merger and the period succeeding the Merger, respectively. The results of the Successor are not comparable to the results of the Predecessor due to the difference in the basis of presentation of purchase accounting as compared to historical cost. In the opinion of management, the statement of operations data for 2007 include all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations as of the dates and for the periods indicated.

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The selected historical consolidated financial data and operating statistics presented below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and accompanying notes thereto included elsewhere in this prospectus. Historical results are not necessarily indicative of results that may be expected for any future period.

	Successor							Predecessor
	Six Months Ended June 30,		Year Ended December 31,				Revised For the Period From April 10 Through December 31,	For the Period From January 1 Through April 9,
	2012	2011	2011	2010	2009	Revised 2008	2007	2007
	(In millions, except per share data)							
Statement of Operations Data:								
Net revenue	$ 2,184	$ 2,010	$ 4,093	$ 4,090	$ 3,932	$ 4,725	$ 4,472	$ 1,492
Total expenses	2,410	2,270	4,526	4,084	4,266	6,806	5,678	1,560
Income (loss) before income taxes, equity in earnings and noncontrolling interests	(226)	(260)	(433)	6	(334)	(2,081)	(1,206)	(68)
Income tax expense (benefit)	15	2	32	133	(50)	(345)	(271)	(23)
Equity in (earnings) losses of unconsolidated entities	(25)	(4)	(26)	(30)	(24)	28	(2)	(1)
Net loss	(216)	(258)	(439)	(97)	(260)	(1,764)	(933)	(44)
Less: Net income attributable to noncontrolling interests	(1)	(1)	(2)	(2)	(2)	(1)	(2)	
Net loss attributable to Realogy	$ (217)	$ (259)	$ (441)	$ (99)	$ (262)	$ (1,765)	$ (935)	$ (44)
Net loss attributable to Holdings	$ (217)	$ (259)	$ (441)	$ (99)	$ (262)	$ (1,765)	$ (935)	$
Earnings (loss) per share:								
Basic loss per share	$ (27.07)	$ (32.31)	$ (55.01)	$ (12.35)	$ (32.71)	$ (220.49)	$ (116.82)	$ (0.20)
Diluted loss per share	(27.07)	(32.31)	(55.01)	(12.35)	(32.71)	(220.49)	(116.82)	(0.20)
Weighted average common and common equivalent shares used in:								
Basic	8.0	8.0	8.0	8.0	8.0	8.0	8.0	217.5
Diluted	8.0	8.0	8.0	8.0	8.0	8.0	8.0	217.5

	As of June 30,		As of December 31,				
	2012	2011	2011	2010	2009	2008	2007
	(In millions)						
Balance Sheet Data revised:							
Cash and cash equivalents	$ 138	$ 154	$ 143	$ 192	$ 255	$ 437	$ 153
Securitization assets	393	412	366	393	364	845	1,300
Total assets	7,362	7,520	7,350	7,569	7,581	8,452	10,530
Securitization obligations	267	328	327	331	305	703	1,014
Long-term debt, including short-term portion	7,335	7,133	7,150	6,892	6,706	6,760	6,239
Equity (deficit)	(1,712)	(1,307)	(1,499)	(1,063)	(972)	(731)	1,065

NRT Franchise Agreement - Revision of Prior Period Financial Statements

In connection with the preparation of our Registration Statement, we identified and corrected an error related to the allocation of the purchase price paid by Apollo in April 2007. Specifically, we previously identified the discounted cash flows generated from the Real Estate Franchise Services franchise agreement with NRT as a separately identifiable indefinite lived intangible asset. We have concluded that the value ascribed to this agreement should have been attributed to the Real Estate Franchise Services business unit as goodwill. Accordingly, we corrected our error through the elimination of the Real Estate Franchise Services franchise agreement with the NRT intangible asset and increased the value associated with our goodwill, which resulted in a concurrent decrease in our deferred income tax liability. In connection with these changes, we updated our impairment analyses which were completed in 2007 and 2008 and the revisions are reflected in the 2007 and 2008 information above. These revisions had no impact on our 2011, 2010 or 2009 consolidated statement of operations or cash flows for the years ended December 31, 2011, 2010 or 2009.

	Six Months Ended June 30,		For the Year Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
Operating Statistics:							
Real Estate Franchise Services [a]							
Closed homesale sides [b]	471,229	435,688					