Realogy Holdings Corp.
Form 424B4
October 11, 2012
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Filed Pursuant to Rule 424(b)(4)
Registration No. 333-181988

PROSPECTUS

40,000,000 Shares

Realogy Holdings Corp.

Common Stock

$27.00 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. may continue to own a majority of the voting power of our outstanding common stock. As a result, we may be a controlled company within the meaning of the corporate governance standards of The New York Stock Exchange (NYSE). See Principal Stockholders.

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	$ 27.00	$ 1,080,000,000
Underwriting Discounts and Commissions	$ 1.2825	$ 51,300,000
Proceeds to Us, before Expenses	$ 25.7175	$ 1,028,700,000

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 October 16, 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 October 10, 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 (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 $2.9 billion, or 39%, and our annualized interest expense will decline by approximately $333 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 50% 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.

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 $333 million assuming debt balances as of June 30, 2012, which would have represented a reduction of approximately 50% 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 $1.1 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 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

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- 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

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.

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

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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 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.

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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	2,248	2,410	2,270	4,526	4,084	4,266
Income (loss) before income taxes, equity in earnings and noncontrolling interests	(64)	(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	(54)	(216)	(258)	(439)	(97)	(260)
Less: Net income attributable to noncontrolling interests	(1)	(1)	(1)	(2)	(2)	(2)
Net loss attributable to Holdings	$ (55)	$ (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)	$ 180	$ 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	4,485
Equity (deficit) [7]	$ (1,712)	$ 185	$ 1,117

(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 $333 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 50% 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.

(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 $27.00 per share 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 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

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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 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

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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	We estimate that the net proceeds to us from the sale of our common stock in this offering will be approximately $1,023 million (or $1,177 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

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	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;