REALOGY CORP
Form S-1
March 05, 2012
Table of Contents

As filed with the Securities and Exchange Commission on March 5, 2012
Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM S-1 REGISTRATION STATEMENT AND
POST-EFFECTIVE AMENDMENT NO. 3 TO FORM S-1
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

REALOGY CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	6531	20-4381990
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

One Campus Drive
Parsippany, New Jersey 07054
(973) 407-2000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

DOMUS 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.)

One Campus Drive
Parsippany, New Jersey 07054
(973) 407-2000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

GUARANTORS LISTED ON SCHEDULE A HERETO
Marilyn J. Wasser, Esq.
Realogy Corporation
One Campus Drive
Parsippany, New Jersey 07054
(973) 407-2000
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:
Stacy J. Kanter, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square

New York, New York 10036-6522
(212) 735-3000

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: ý

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	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
11.00% Series A Convertible Senior Subordinated Notes due 2018	$1,143,706,000(1)	100%(2)	$1,143,706,000(2)(3)	(5)
11.00% Series B Convertible Senior Subordinated Notes due 2018	$291,424,196(1)	100%(2)	$291,424,196(2)(3)	(5)
11.00% Series C Convertible Senior Subordinated Notes due 2018	$675,111,000(1)	100%(2)	$675,111,000(2)(3)	(5)
Class A Common Stock, $0.01 par value	2,025,809,224(4)	(6)	(6)	(6)
Guarantees	—	—	—	(7)
Total Amount of Registration Fee	—	—	—	(5)

(1) Represents the aggregate principal amount of the notes that were issued by Realogy Corporation on January 5, 2011.

(2) Represents a bona fide estimate of the maximum aggregate offering price solely for the purpose of calculating the registration fee under Rule 457(a) under the Securities Act.

(3) Equals the aggregate principal amount of notes being registered.

(4) Represents the maximum number of shares of Class A Common Stock of Domus Holdings Corp. issuable upon conversion of the notes being registered hereby at an initial conversion rate of (A) 975.6098 shares of Class A Common Stock per $1,000 aggregate principal amount of 11.00% Series A Convertible Senior Subordinated Notes due 2018 and 11.00% Series B Convertible Senior Subordinated Notes due 2018, and (B) 926.7841 shares of Class A Common Stock per $1,000 aggregate principal amount of 11.00% Series C Convertible Senior Subordinated Notes due 2018. Pursuant to Rule 416 under the Securities Act, the registrants are also registering such indeterminate number of shares of Class A Common Stock as may be issued from time to time upon conversion of the notes as a result of the anti-dilution provisions thereof.

(5) The registration fee for the offering of the notes was previously paid in connection with the filing of the registration statement on Form S-1 with the SEC on April 1, 2011 (File No. 333-173250), to which this Registration Statement upon effectiveness, shall act as Post-Effective Amendment No. 3.

(6) No separate consideration will be received for the shares of Class A Common Stock of Domus Holdings Corp. issuable upon conversion of the notes; therefore, no additional registration fee is required pursuant to Rule 457(i) under the Securities Act.

(7) The notes are guaranteed by the guarantors named in Schedule A herein. No separate consideration will be paid in respect of the guarantees, and no additional registration fee is required pursuant to Rule 457(n) under the Securities Act.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants 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.

Table of Contents

SCHEDULE A

The address for each of the guarantors listed below is One Campus Drive, Parsippany, New Jersey 07054. The primary standard industrial classification code number for each of the guarantors listed below is 6531. The guarantors, the states of incorporation or organization for each guarantor and the IRS employer identification number for each guarantor is listed below.

Exact name of registrant as specified in its charter	State of incorporation or organization	IRS employer identification no.
Burrow Escrow Services, Inc.	California	33-0876967
Coldwell Banker Real Estate LLC	California	95-3656885
Coldwell Banker Residential Brokerage Company	California	95-3140237
Coldwell Banker Residential Real Estate LLC	California	95-3522685
Coldwell Banker Residential Referral Network	California	33-0196250
Cornerstone Title Company	California	33-0955745
Equity Title Company	California	95-3415676
Guardian Title Company	California	95-2951502
National Coordination Alliance LLC	California	33-0477770
NRT West, Inc.	California	45-3744709
Realogy Operations LLC	California	95-2699378
Referral Network Plus, Inc.	California	26-2299918
Valley of California, Inc.	California	94-1615655
West Coast Escrow Company	California	95-4037858
Colorado Commercial, LLC	Colorado	84-1539312
Guardian Title Agency, LLC	Colorado	84-1300104
NRT Colorado LLC	Colorado	84-1474328
Referral Network, LLC	Colorado	84-1541495
Better Homes and Gardens Real Estate Licensee LLC	Delaware	26-1483161
Better Homes and Gardens Real Estate LLC	Delaware	26-1439164
Burgdorff LLC	Delaware	26-0376660
Career Development Center, LLC	Delaware	20-5782611
Cartus Asset Recovery Corporation	Delaware	26-3108651
Cartus Corporation	Delaware	94-1717274
Cartus Partner Corporation	Delaware	26-1545145
CB Commercial NRT Pennsylvania LLC	Delaware	37-1653141
CDRE TM LLC	Delaware	20-5122543
Century 21 Real Estate LLC	Delaware	95-3414846
CGRN, Inc.	Delaware	22-3652986
Coldwell Banker LLC	Delaware	33-0320545
Coldwell Banker Real Estate Services LLC	Delaware	26-0376845
Coldwell Banker Residential Brokerage LLC	Delaware	33-0722736
Domus Holdings Corp.	Delaware	20-8050955
Equity Title Messenger Service Holding LLC	Delaware	14-1871488
ERA Franchise Systems LLC	Delaware	22-3419810
First California Escrow Corp	Delaware	20-2923040
Franchise Settlement Services LLC	Delaware	20-0922030
Global Client Solutions LLC	Delaware	26-3051498
Guardian Holding Company	Delaware	20-0597637
Gulf South Settlement Services, LLC	Delaware	20-2668391

Jack Gaughen LLC	Delaware	26-0376973
Keystone Closing Services LLC	Delaware	23-2930568
NRT Arizona Commercial LLC	Delaware	20-3697457
NRT Arizona LLC	Delaware	20-3392792
NRT Arizona Referral LLC	Delaware	20-3697479
NRT Columbus LLC	Delaware	31-1794070
NRT Commercial LLC	Delaware	52-2173782
NRT Commercial Utah LLC	Delaware	87-0679989
NRT Development Advisors LLC	Delaware	20-0442165
NRT Devonshire LLC	Delaware	26-2333684
NRT Hawaii Referral, LLC	Delaware	20-3574360
NRT LLC	Delaware	33-0769705
NRT Mid-Atlantic LLC	Delaware	26-0393458
NRT Missouri LLC	Delaware	64-0965388
NRT Missouri Referral Network LLC	Delaware	26-0393293
NRT New England LLC	Delaware	04-2154746
NRT New York LLC	Delaware	13-4199334
NRT Northfork LLC	Delaware	26-0840964
NRT Philadelphia LLC	Delaware	27-3478613
NRT Pittsburgh LLC	Delaware	26-0393427
NRT Referral Network LLC	Delaware	80-0506617
NRT Relocation LLC	Delaware	20-0011685
NRTREO Experts LLC	Delaware	26-2707374
NRT Settlement Services of Missouri LLC	Delaware	26-0006000
NRT Settlement Services of Texas LLC	Delaware	52-2299482
NRT Sunshine Inc.	Delaware	51-0455827
NRT Utah LLC	Delaware	87-0679991
ONCOR International LLC	Delaware	20-5470167
Real Estate Referral LLC	Delaware	26-0393629
Real Estate Referrals LLC	Delaware	26-0393668
Real Estate Services LLC	Delaware	22-3770721
Realogy Franchise Group LLC	Delaware	20-4206821
Realogy Global Services LLC	Delaware	22-3528294
Realogy Licensing LLC	Delaware	22-3544606
Realogy Services Group LLC	Delaware	20-1572338
Realogy Services Venture Partner LLC	Delaware	20-2054650
Secured Land Transfers LLC	Delaware	26-0184940
Sotheby's International Realty Affiliates LLC	Delaware	20-1077136
Sotheby's International Realty Licensee LLC	Delaware	20-1077287
Sotheby's International Realty Referral Company, LLC	Delaware	20-4568253
Title Resource Group Affiliates Holdings LLC	Delaware	20-0597595
Title Resource Group Holdings LLC	Delaware	22-3868607
Title Resource Group LLC	Delaware	22-3680144
Title Resource Group Services LLC	Delaware	22-3788990
Title Resources Incorporated	Delaware	76-0594000
TRG Services, Escrow, Inc.	Delaware	26-1512603
World Real Estate Marketing LLC	Delaware	26-3623204
WREM, Inc.	Delaware	27-1798705

Table of Contents

Referral Network LLC	Florida	59-2541359
St. Joe Title Services LLC	Florida	59-3508965
The Sunshine Group (Florida) Ltd. Corp.	Florida	13-3329821
Coldwell Banker Commercial Pacific Properties LLC	Hawaii	99-0335507
Coldwell Banker Pacific Properties LLC	Hawaii	99-0323981
NRT Insurance Agency, Inc.	Massachusetts	04-3332208
Referral Associates of New England LLC	Massachusetts	04-3079542
Mid-Atlantic Settlement Services LLC	Maryland	52-1851057
Sotheby's International Realty, Inc.	Michigan	38-2556952
Burnet Realty LLC	Minnesota	41-1660781
Burnet Title LLC	Minnesota	41-1926464
Burnet Title Holding LLC	Minnesota	41-1840763
Home Referral Network LLC	Minnesota	41-1685091
Market Street Settlement Group LLC	New Hampshire	02-0505642
The Sunshine Group, Ltd.	New York	13-3329821
Coldwell Banker Residential Referral Network, Inc.	Pennsylvania	25-1485174
TRG Settlement Services, LLP	Pennsylvania	25-1810204
Lakecrest Title, LLC	Tennessee	38-3682041
Alpha Referral Network LLC	Texas	33-0443969
American Title Company of Houston	Texas	75-2477592
ATCOH Holding Company	Texas	76-0452401
NRT Texas LLC	Texas	75-2412614
Processing Solutions LLC	Texas	76-0006215
TAW Holding Inc.	Texas	76-0593996
Texas American Title Company	Texas	74-1909700
Waydan Title, Inc.	Texas	76-0443701

Table of Contents

EXPLANATORY NOTE

This Registration Statement contains a combined prospectus under Rule 429 promulgated under the Securities Act of 1933, as amended (the "Securities Act"), that relates to each of the series of notes issued by Realogy Corporation, the related guarantees thereof and the Class A Common Stock issuable upon conversion of the notes by Domus Holdings Corp. that previously have been registered with the Securities and Exchange Commission on the registration statement bearing File No. 333-173250. This Registration Statement is filed pursuant to Rule 429 to add registrants to such registration statement and to reflect the guarantees of each of the series of notes by such additional registrants. Pursuant to Rule 429, upon effectiveness, this Registration Statement shall act as Post-Effective Amendment No. 3 to Form S-1 Registration Statement (File No. 333-173250).

Table of Contents

The information in this 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 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 March 5, 2012
PROSPECTUS

Realogy Corporation
Up to $1,143,706,000 11.00% Series A Convertible Senior Subordinated Notes due 2018
Up to $291,424,196 11.00% Series B Convertible Senior Subordinated Notes due 2018
Up to $675,111,000 11.00% Series C Convertible Senior Subordinated Notes due 2018
and
Domus Holdings Corp.
Class A Common Stock Issuable upon Conversion of the Notes

Realogy Corporation ("Realogy") issued $2,110,241,196 aggregate principal amount of 11.00% Convertible Senior Subordinated Notes due 2018, consisting of (i) $1,143,706,000 aggregate principal amount of 11.00% Series A Convertible Senior Subordinated Notes due 2018 (the "Series A Convertible Notes"), (ii) $291,424,196 aggregate principal amount of 11.00% Series B Convertible Senior Subordinated Notes due 2018 (the "Series B Convertible Notes") and (iii) $675,111,000 aggregate principal amount of 11.00% Series C Convertible Senior Subordinated Notes due 2018 (the "Series C Convertible Notes" and, together with the Series A Convertible Notes and the Series B Convertible Notes, the "notes") on January 5, 2011 in connection with Realogy's private debt exchange offers (the "Debt Exchange Offering") as more fully described herein. The Series A Convertible Notes, Series B Convertible Notes and Series C Convertible Notes were issued under the same indenture (the "indenture"), dated as of January 5, 2011, by and among, Realogy, Domus Holdings Corp., Realogy's indirect parent corporation ("Holdings"), the note guarantors party thereto (the "Note Guarantors") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee), and are treated as a single class for substantially all purposes under the indenture. This prospectus will be used by the selling securityholders named herein to resell their notes up to a total principal amount of $2,110,241,196 and the Class A Common Stock of Holdings, par value $0.01 per share ("Class A Common Stock"), issuable upon conversion of the notes. We are registering the offer and sale of the notes up to a total principal amount of $2,110,241,196 and the shares of Class A Common Stock issuable upon conversion of the notes to satisfy registration rights we have granted.
The Series A Convertible Notes bear interest at a rate of 11.00% per annum. The Series B Convertible Notes bear interest at a rate of 11.00% per annum. The Series C Convertible Notes bear interest at a rate of 11.00% per annum. Interest is payable semi-annually to holders of record at the close of business on April 1 and October 1 immediately preceding the interest payment dates of April 15 and October 15 of each year.
The notes are guaranteed on an unsecured senior subordinated basis by each of Realogy's U.S. direct or indirect restricted subsidiaries that is a guarantor under the 13.375% Senior Subordinated Notes (as defined below). Subject to certain exceptions, any subsidiary that in the future guarantees the 13.375% Senior Subordinated Notes will also guarantee the notes. Holdings also guarantees the notes on an unsecured junior subordinated basis.
The notes are convertible into Class A Common Stock at any time prior to April 15, 2018. Every $1,000 aggregate principal amount of Series A Convertible Notes or Series B Convertible Notes is convertible into 975.6098 shares of Class A Common Stock, which is equivalent to an initial conversion price of approximately $1.025 per share, and every $1,000 aggregate principal amount of Series C Convertible Notes is convertible into 926.7841 shares of Class A Common Stock, which is equivalent to an initial conversion price of approximately $1.079 per share, in each case subject to adjustments under certain conditions as set forth in the indenture.
Upon the occurrence of a Qualified Public Offering (as defined below), and at any time thereafter, Realogy may, at its option, redeem the notes, in whole or in part, at a redemption price, payable in cash, equal to 90% of the principal amount of the notes to be redeemed plus accrued and unpaid interest thereon to, but not including, the redemption

date. If Realogy undergoes a Change of Control (as defined below), it must offer to repurchase the notes at 101% of the principal amount, plus accrued and unpaid interest and additional interest, if any, to the repurchase date.

We are not selling any notes or shares of Class A Common Stock pursuant to this prospectus and will not receive any proceeds from sales of the securities registered herein by the selling securityholders. The selling securityholders may sell all or a portion of their notes and the Class A Common Stock issuable upon conversion thereof from time to time in market transactions, in negotiated transactions or otherwise, and at prices and on terms that will be determined by the prevailing market price or at negotiated prices. For more information regarding the sales of the notes and Class A Common Stock issuable upon conversion of the notes by the selling securityholders pursuant to this prospectus, please read "Plan of Distribution."

There is no public market for the notes or Class A Common Stock and we do not intend to apply for listing of the notes or the Class A Common Stock on any securities exchanges or for quotation of these securities through any automated quotation systems. Because there is no public market for our Class A Common Stock, the selling securityholders will sell their shares of our Class A Common Stock at a fixed price until shares of our Class A Common Stock are quoted on the OTC Bulletin Board or listed for trading or quoted on any other public market, and thereafter at prevailing market prices or privately negotiated prices. The offering price is between $1.00 to $2.00 per share of Class A Common Stock.

Investing in the notes and the Class A Common Stock issuable upon conversion of the notes involves risks. See "Risk Factors" beginning on page 15.

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 date of this prospectus is , 2012.

Table of Contents

TABLE OF CONTENTS

Table of Contents

INTRODUCTORY NOTE

Except as otherwise indicated or unless the context otherwise requires, the terms "we," "us," "our," "our company" and the "Company" refer to Domus Holdings Corp ("Holdings"), a Delaware corporation and its consolidated subsidiaries, including Domus Intermediate Holdings Corp., a Delaware corporation ("Intermediate") and Realogy Corporation, a Delaware corporation ("Realogy"). Holdings is not a party to the senior secured credit facility and certain references in this prospectus to our consolidated indebtedness exclude Holdings with respect to indebtedness under the senior secured credit facility. In addition, while Holdings is a guarantor of Realogy's obligations under the Unsecured Notes (as defined below), the First Lien Notes (as defined below) and the First and a Half Lien Notes (as defined below), Holdings is not subject to the restrictive covenants in the agreements governing such indebtedness. Holdings, the indirect parent of Realogy, does not conduct any operations other than with respect to its indirect ownership of Realogy. Intermediate, the parent of Realogy, does not conduct any operations other than with respect to its ownership of Realogy. As a result, the consolidated financial positions, results of operations and cash flows of Holdings, Intermediate and Realogy are the same.

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 "Unsecured Notes" refers, collectively, to the Existing Notes, the Extended Maturity Notes and the 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 and 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.

The term "2012 Senior Secured Notes Offering" refers to the issuance of the First Lien Notes and the New First and a Half Lien Notes on February 2, 2012 in a private offering and the application of the proceeds therefrom.

You should rely only on the information contained in this prospectus or to which we have referred you. We have not, and the selling securityholders have not, authorized anyone to provide you with information that is different. This prospectus may only be used where it is legal to sell the securities being offered by this prospectus. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.

Table of Contents

STATE SECURITIES LAWS CONSIDERATIONS

The securities represented hereby have not been registered under any state securities commission or regulatory authority and may be offered, sold or otherwise transferred only if so registered or in a manner exempt from registration under such state securities commission or regulatory authority. See "State Securities Laws Considerations."

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® 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 their use of median price for their forecasts compared to our average price. Additionally, NAR data is subject to periodic review and revision. On December 21, 2011, NAR issued a press release disclosing that it had completed a review of its sampling and methodology processes with respect to existing homesales and as a result has issued a downward revision to their previously reported homesales and inventory data for the period from 2007 through November 2011. The revision did not affect NAR's previously reported median or average price data. These revisions had no impact on our reported financial results or key business driver information. 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 rates of home ownership, 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.

Table of Contents

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 notes and shares of Class A Common Stock issuable upon conversion of the notes. 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 Unites States ("GAAP").

Our Company

Realogy is a wholly-owned subsidiary of Intermediate, which is a wholly-owned subsidiary of Holdings. Intermediate does not conduct any operations other than with respect to its ownership of Realogy. Holdings does not conduct any operations other than with respect to its indirect ownership of Realogy.

We are one of the preeminent and most integrated providers of real estate and relocation services. We are the world's largest real estate brokerage franchisor, the largest U.S. residential real estate brokerage firm, the largest U.S. provider and a leading global provider of outsourced employee relocation services and a provider of title and settlement services. Through our portfolio of leading brands and the broad range of services we offer, we have established our company as a leader in the residential real estate industry, with operations that are dispersed throughout the U.S. and in various locations worldwide. We derive the vast majority of our revenues from serving the needs of buyers and sellers of existing homes, rather than serving the needs of builders and developers of new homes. Realogy was incorporated on January 27, 2006 in the State of Delaware and Holdings was incorporated on December 14, 2006 in the State of Delaware.

We report our operations in four segments: Real Estate Franchise Services, Company Owned Real Estate Brokerage Services, Relocation Services and Title and Settlement Services.

Segment Overview

Real Estate Franchise Services. Through our Real Estate Franchise Services segment, or RFG, we are a franchisor of some of the most recognized brands in the real estate industry. As of December 31, 2011, our franchise system had approximately 14,000 offices (which included approximately 725 of our company owned and operated brokerage offices) and 245,800 independent sales associates (which included approximately 42,100 independent sales agents working with our company owned brokerage offices) operating under our franchise and proprietary brands in the U.S. and 100 other countries and territories around the world (internationally, generally through master franchise agreements). In 2011, we were involved, either through our franchise operations or company owned brokerages, in approximately 26% of all existing homesale transaction volume (homesale sides, each side representing either the “buy” side or the “sell” side of a homesale transaction, times average sales price) for transactions involving a real estate brokerage firm in the U.S. As of December 31, 2011, we had approximately 3,300 domestic franchisees, none of which individually represented more than 1% of our franchise royalties (other than our subsidiary, NRT LLC, or NRT, which operates our company owned brokerages). We believe this reduces our exposure to any one franchisee. On average, our franchisee’s tenure with our brands is 18 years as of December 31, 2011. Our franchise revenues in 2011 included $204 million of royalties paid by our company owned brokerage operations, or approximately 37% of total franchise revenues, which are eliminated in consolidation. As of December 31, 2011, our real estate franchise brands were:

- Century 21®— One of the world’s largest residential real estate brokerage franchisors, with approximately 7,500 franchise offices and approximately 107,800 independent sales associates located in the U.S. and 71 other countries and territories;
- Coldwell Banker®— One of the world's largest residential real estate brokerage franchisors, with approximately 3,100 franchise and company owned offices and approximately 84,800 independent sales associates located in the U.S. and 50 other countries and territories;
- ERA®— A residential real estate brokerage franchisor, with approximately 2,400 franchise and company owned offices and approximately 30,500 independent sales associates located in the U.S. and 35 other countries and territories;

1

Table of Contents

- Sotheby's International Realty® — A luxury real estate brokerage brand. In February 2004, we acquired Sotheby's company owned offices and the exclusive license for the rights to the Sotheby's Realty and Sotheby's International Realty® trademarks. Since that time, we have grown the brand from 15 company owned offices to approximately 600 franchise and company owned offices and approximately 12,000 independent sales associates located in the U.S. and 44 other countries and territories;
- Better Homes and Gardens® Real Estate — We launched the Better Homes and Gardens® Real Estate brand in July 2008 under an exclusive long-term license from Meredith Corporation ("Meredith") and have approximately 210 franchise offices and approximately 6,700 independent sales associates located in the U.S. and Canada; and
- Coldwell Banker Commercial® — A commercial real estate brokerage franchisor, with approximately 175 franchise offices and approximately 1,800 independent sales associates worldwide. The number of offices and independent sales associates in our commercial franchise system does not include our residential franchise and company owned brokerage offices and the independent sales associates who work out of those brokerage offices that also conduct commercial real estate brokerage business using the Coldwell Banker Commercial® trademarks.

We derive substantially all of our real estate franchising revenues from royalty fees received under long-term franchise agreements with our franchisees (typically ten years in duration for new domestic agreements). 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 royalty fees for the right to operate under one of our trademarks and to utilize the benefits of the franchise system. These royalty fees enable us to have recurring revenue streams. In exchange, we license our marks for our franchisees' use and provide them with certain systems and tools that are designed to help our franchisees to serve their customers and attract new or retain existing independent sales associates. We support our franchisees with servicing programs, technology, training and education, as well as branding-related marketing which is funded through contributions by our franchisees and us (including our company-owned and operated brokerages). We believe that one of our strengths is the strong relationships that we have with our franchisees, as evidenced by our franchisee retention rate of 97% in 2011. Our retention rate represents the annual gross commission income as of December 31 of the previous year generated by our franchisees that remain in the franchise system on an annual basis, measured against the annual gross commission income of all franchisees as of December 31 of the previous year.

Company Owned Real Estate Brokerage Services. Through our subsidiary, NRT, we own and operate a full-service real estate brokerage business in more than 35 of the largest metropolitan areas of the U.S. Our company owned real estate brokerage business operates principally under our Coldwell Banker® brand as well as under the ERA® and Sotheby's International Realty® franchised brands, and proprietary brands that we own, but do not currently franchise to third parties, such as The Corcoran Group® and Citihabitats. In addition, under NRT, we operate a large independent real estate owned ("REO") residential asset manager, which focuses on bank-owned properties. At December 31, 2011, we had approximately 725 company owned brokerage offices, approximately 4,700 employees and approximately 42,100 independent sales associates working with these company owned offices. Acquisitions have been, and will continue to be, part of our strategy and a contributor to the growth of our company owned brokerage business.

Our company owned real estate brokerage business derives revenues primarily from gross commission income received serving as the broker at the closing of real estate transactions. For the year ended December 31, 2011, our average homesale broker commission rate was 2.50% which represents the average commission rate earned on either the "buy" side or the "sell" side of a homesale transaction. Generally in U.S. homesale transactions, the broker for the home seller instructs the closing agent to pay a portion of the sales commission to the broker for the buyer and keeps the remaining portion of the homesale commission. In addition, as a full-service real estate brokerage company, in compliance with applicable laws and regulations, including the Real Estate Settlement Procedures Act ("RESPA"), we actively promote the services of our relocation and title and settlement services businesses, as well as the products offered by PHH Home Loans, LLC ("PHH Home Loans"), our home mortgage joint venture with PHH Corporation ("PHH") that is the exclusive recommended provider of mortgages for our real estate brokerage and relocation service customers. All mortgage loans originated by PHH Home Loans are sold to PHH or other third party investors, and PHH Home Loans does not hold any mortgage loans for investment purposes or perform servicing functions for any loans it originates. Accordingly, our home mortgage joint venture structure insulates us from mortgage servicing risk. We own 49.9% of PHH Home Loans and PHH owns the remaining 50.1%. The Company is not the primary beneficiary and therefore our financial results only reflect our proportionate share of the joint venture's results of operations which are

Table of Contents

recorded using the equity method.

Relocation Services. Through our subsidiary, Cartus Corporation (“Cartus”), we are a leading global provider of outsourced employee relocation services and the largest provider in the U.S. 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 difficult process for both the employee and the employer.

Our relocation services business primarily offers its clients employee relocation services such as homesale assistance, home finding and other destination services, expense processing, relocation policy counseling and other consulting services, arranging household moving services, visa and immigration support, intercultural and language training and group move management services.

In 2011, we assisted in over 153,000 relocations in over 165 countries for approximately 1,500 active clients, including over 70% of the Fortune 50 companies as well as affinity organizations. In January 2010, our relocation business acquired Primacy Relocation LLC ("Primacy"), a relocation and global assignment management services company headquartered in Memphis, Tennessee with international locations in Canada, Europe and Asia. The acquisition enabled Cartus to re-enter the U.S. government relocation business, increase its domestic operations, as well as expand the Company’s global relocation capabilities. Effective January 1, 2011, the Primacy business began operating under the Cartus name. Cartus has offices in the U.S. as well as internationally in the United Kingdom, Canada, Hong Kong, Singapore, China, Germany, France, Switzerland and the Netherlands. In addition to general residential housing trends, key drivers of our relocation services business are corporate spending and employment trends.

Clients pay a fee for the services performed and we also receive commissions from third-party service providers, such as real estate brokers and household goods moving service providers. The majority of our clients pay interest on home equity advances and nearly all clients reimburse all other costs associated with our services, including, where required, repayment of home equity advances and reimbursement of losses on the sale of homes purchased. We believe we provide our relocation clients with exceptional service which leads to client retention. As of December 31, 2011, our top 25 relocation clients had an average tenure of 16 years with us. In addition, our relocation services business generates revenue for our other businesses because the clients of our relocation services business often utilize the services of our franchisees and company owned brokerage offices as well as our title and settlement services.

Title and Settlement Services. In most real estate transactions, a buyer will choose, or will be required, to purchase title insurance that will protect the purchaser and/or the mortgage lender against loss or damage in the event that title is not transferred properly and to insure free and clear ownership of the property to the buyer. Our title and settlement services business, which we refer to as Title Resource Group (“TRG”), assists with the closing of a real estate transaction 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 addition to our own title settlement services, we also coordinate a nationwide network of attorneys, title agents and notaries to service financial institution clients on a national basis.

Our title and settlement services business earns revenues through fees charged in real estate transactions for rendering title and other settlement and non-settlement related services. We provide many of these services in connection with transactions in which our company owned real estate brokerage and relocation services businesses are participating. 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. Fees for escrow and closing services are generally separate and distinct from premiums paid for title insurance and other real estate services. We also derive revenues by providing our title and settlement services to various financial institutions in the mortgage lending industry. Such revenues are primarily derived from providing our services to their customers who are refinancing their mortgage loans.

We also serve as an underwriter of title insurance policies in connection with residential and commercial real estate transactions. Our title insurance underwriter is licensed in 26 states and Washington, D.C. Our title underwriting operation generally earns revenues through the collection of premiums on policies that it issues.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information on our reportable segments, including financial information.

3

Table of Contents

2012 Senior Secured Notes Offering

On February 2, 2012, the Company issued $593 million aggregate principal amount of 7.625% Senior Secured First Lien Notes due 2020 and $325 million aggregate principal amount of 9.000% Senior Secured Notes due 2020 to repay amounts outstanding under its senior secured credit facility. The First Lien Notes and the New First and a Half Lien Notes are senior secured obligations of the Company and will mature on January 15, 2020. The First Lien Notes and the New First and a Half Lien Notes bear interest at a rate of (i) 7.625% per annum for the First Lien Notes and (ii) 9.000% per annum for the New First and a Half Lien Notes, in each case payable semi-annually on January 15 and July 15 of each year, commencing July 15, 2012. The First Lien Notes and the New First and a Half Lien Notes were issued in a private offering exempt from the registration requirements of the Securities Act.

The Company used the proceeds from the offering, of approximately $918 million, to: (i) prepay $629 million of its non-extended term loan borrowings under its senior secured credit facility which were due to mature in October 2013, (ii) repay all of the $133 million in outstanding borrowings under its non-extended revolving credit facility which was due to mature in April 2013 and (iii) repay $156 million of the outstanding borrowings under its extended revolving credit facility which is due to mature in April 2016. In conjunction with the repayments of $289 million described in clauses (ii) and (iii), the Company reduced the commitments under its non-extended revolving credit facility by a like amount, thereby terminating the non-extended revolving credit facility.

The First Lien Notes and the New First and a Half Lien Notes are guaranteed on a senior secured basis by Intermediate and each domestic subsidiary of Realogy that is a guarantor under its senior secured credit facility and certain of its outstanding securities. The First Lien Notes and the New First and a Half Lien Notes are also guaranteed by Holdings, on an unsecured senior subordinated basis. The First Lien Notes and the New First and a Half Lien Notes are secured by substantially the same collateral as Realogy's existing obligations under its senior secured credit facility. The priority of the collateral liens securing the First Lien Notes is (i) equal to the collateral liens securing Realogy's first lien obligations under its senior secured credit facility and (ii) senior to the collateral liens securing Realogy's other secured obligations that are not secured by a first priority lien, including the First and a Half Lien Notes, and Realogy's second lien obligations under its senior secured credit facility. The priority of the collateral liens securing the New First and a Half Lien Notes is (i) junior to the collateral liens securing Realogy's first lien obligations under its senior secured credit facility and the First Lien Notes, (ii) equal to the collateral liens securing the Existing First and a Half Lien Notes and (iii) senior to the collateral liens securing Realogy's second lien obligations under its senior secured credit facility.

* * * *

Our headquarters are located at One Campus Drive, Parsippany, New Jersey 07054 and our general telephone number is (973) 407-2000. We maintain an Internet website at http://www.realogy.com. Our website address is provided as an inactive textual reference. Our website and the information contained on that site, or connected to that site, are not incorporated by reference into this prospectus.

Table of Contents

OUR OWNERSHIP AND DEBT STRUCTURE

The following diagram sets forth our ownership and debt structure as of December 31, 2011. The diagram does not display all of our subsidiaries.

---

(1) Consists of investment funds affiliated with Apollo (as defined below) and an investment fund of co-investors managed by Apollo that invested an aggregate of $1,978 million of equity in Holdings upon consummation of the Merger (as defined below).

(2) In connection with the Debt Exchange Offering, Paulson & Co. Inc., on behalf of the several investment funds and accounts managed by it (together with such investment funds and accounts, "Paulson"), and Apollo received notes. On a fully diluted basis, assuming that all of the notes issued in the Debt Exchange Offering are converted into Class A Common Stock of Holdings, Paulson and Apollo would own approximately 21.52% and 66.26%, respectively, of the outstanding common stock of Holdings ("Common Stock") immediately following such conversion, and the remaining 12.22% of the outstanding Common Stock would be held by our directors, officers and employees (0.2%) and other holders of the notes.

(3) Certain members of our management also contributed rollover equity of $23 million to finance a portion of the Merger. As of December 31, 2011, management owned 2,730,000 shares of Common Stock, options to purchase 17,894,675 shares of Common Stock and 105,000 shares of restricted stock of Holdings. On January 5, 2011, the Board of Directors of Realogy approved the Realogy Corporation Phantom Value Plan and made initial grants of Incentive Awards of approximately $21.8 million to our CEO, the other named executive officers and three additional executive officers who directly report to the CEO. These grants are subject to the terms and conditions of the Phantom Value Plan which is intended to provide certain participants, including the Company's named executive officers, with an incentive to remain in the service of the Company, to increase their interest in the success of the Company and to receive compensation based upon the Company's success.

Table of Contents

(4) After giving effect to the 2012 Senior Secured Notes Offering, as of December 31, 2011, the first priority obligations under our senior secured credit facility, on a pro forma basis, would have consisted of a $1,822 million term loan facility, $97 million of outstanding borrowings under a $363 million revolving credit facility, and $170 million of letters of credit outstanding under a $187 million synthetic letter of credit facility. The available capacity under our revolving credit facility is reduced by outstanding letters of credit drawn thereunder. As of February 27, 2012, we had $55 million outstanding on the revolving credit facility and $81 million of outstanding letters of credit. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

(5) The First Lien Notes and the New First and a Half Lien Notes are guaranteed by Intermediate, Holdings and each of our U.S. direct or indirect restricted subsidiaries that guarantees our senior secured credit facility, our Existing First and a Half Lien Notes and our Unsecured Notes or that guarantees certain indebtedness in the future, subject to certain exceptions. Each of the First Lien Notes and the New First and a Half Lien Notes and the related guarantees (other than the guarantees by Holdings) is secured by a lien, subject to certain exceptions and permitted liens, on substantially all of our and our guarantors' existing and future assets. The guarantees of the First Lien Notes and the New First and a Half Lien Notes by Holdings are unsecured senior subordinated obligations of Holdings. In the event of enforcement of any of the liens securing the First Lien Notes and the New First and a Half Lien Notes and the related guarantees, the proceeds thereof will be first applied to repay, on a pro rata basis, the obligations secured by first priority liens, including our first lien obligations under our senior secured credit facility and the First Lien Notes, and second to repay, on a pro rata basis, the obligations under the New First and a Half Lien Notes, the Existing First and a Half Lien Notes and any other obligations secured by a lien of equal priority to the New First and a Half Lien Notes and the Existing First and a Half Lien Notes, before being applied to repay our second lien obligations, including our Second Lien Loans (as defined below) under our senior secured credit facility.

(6) Consists of $700 million of Existing First and a Half Lien Notes which are secured by liens that are effectively junior in priority to our first priority senior secured indebtedness, which includes the First Lien Notes, effectively equal in priority to indebtedness secured by a pari passu lien, including the New First and a Half Lien Notes, and effectively senior in priority to our second priority senior secured indebtedness, including the Second Lien Loans.

(7) Consists of $650 million of second lien term loans under the incremental loan feature of the senior secured credit facility (the "Second Lien Loans").

(8) Guarantors include each wholly-owned subsidiary of Realogy other than subsidiaries that are (a) foreign subsidiaries, (b) securitization entities that are subsidiaries of Cartus Corporation, (c) insurance underwriters that are subsidiaries of Title Resource Group LLC and (d) qualified foreign corporation holding companies.

(9) Certain subsidiaries of Cartus Corporation are borrowers under the securitization facilities. These special purpose entities were created for financing relocation receivables and advances and other related assets and issuing notes secured by such receivables and other assets. At December 31, 2011, $327 million of securitization obligations were outstanding under our securitization facilities which were collateralized by $366 million of securitization assets that are not available to pay our general obligations.

(10) Other bank indebtedness consists of $133 million of revolving credit facilities that are supported by letters of credit under our senior secured credit facility a portion of which are issued under our synthetic letter of credit facility, with $75 million due in July 2012, $8 million due in August 2012 and $50 million due in January 2013.

Our Equity Sponsor

On December 15, 2006, Realogy entered into an agreement and plan of merger (the "Merger") with affiliates of Apollo. The Merger was consummated on April 10, 2007. As a result of the Merger, Realogy became an indirect wholly-owned subsidiary of Holdings and our principal stockholders are investment funds affiliated with, or co-investment vehicles 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 a leading global alternative asset manager with offices in New York, Los Angeles, London, Frankfurt, Luxembourg, Singapore, Hong Kong and Mumbai. As of December 31, 2011, Apollo had assets under management of $75 billion in its private equity, capital markets and real estate businesses. Companies owned or controlled by Apollo or its affiliates or in which Apollo or its affiliates have a significant equity investment include, among others, Affinion Group Holdings, Inc., AMC Entertainment, Inc., Berry Plastics Group, Inc., CEVA Group Plc, Metals USA Holdings Corp., Momentive Performance Materials LLC, NCL Corporation Ltd., Noranda Aluminum Holding Corporation, Rexnord Holdings, Inc. and Verso Paper Company.

Table of Contents

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table presents our summary 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 in this prospectus. The consolidated balance sheet date as of December 31, 2009 has been derived from our consolidated and combined financial statements not included in this prospectus.

Holdings, the indirect parent of Realogy, does not conduct any operations other than with respect to its indirect ownership of Realogy. Intermediate, the parent of Realogy, does not conduct any operations other than with respect to its ownership of Realogy. Any expenses related to stock options issued by Holdings or franchise taxes incurred by Holdings are recorded in Realogy's financial statements. As a result, there are no material differences between Holdings' and Realogy's financial statements for the years ended December 31, 2011, 2010 and 2009 and no material differences between Intermediate's and Realogy's financial statements for the years ended December 31, 2011, 2010 and 2009.

The summary historical consolidated financial data should be read in conjunction with the sections of this prospectus entitled "Capitalization," and "Selected Historical Consolidated and Combined Financial Statements."

	As of or For the Year Ended December 31,		
	2011	2010	2009
Statement of Operations Data:			
Net revenue	$4,093	$4,090	$3,932
Total expenses	4,526	4,084	4,266
Income (loss) before income taxes, equity in earnings and noncontrolling interests	(433)	6	(334)
Income tax expense (benefit)	32	133	(50)
Equity in (earnings) losses of unconsolidated entities	(26)	(30)	(24)
Net loss	(439)	(97)	(260)
Less: Net income attributable to noncontrolling interests	(2)	(2)	(2)
Net loss attributable to Realogy and Holdings	$(441)	$(99)	$(262)
Other Data:			
Interest expense, net (1)	$666	$604	$583
Cash flows provided by (used in):			
Operating activities	(192)	(118)	341
Investing activities	(49)	(70)	(47)
Financing activities	192	124	(479)
EBITDA (2)	443	835	465
EBITDA before restructuring and other items (2)	476	534	427
Adjusted EBITDA—Senior secured credit facility covenant compliance (3)	571	633	619
Balance Sheet Data:			
Cash and cash equivalents	$143	$192	$255
Securitization assets (4)	366	393	364
Total assets	7,810	8,029	8,041
Securitization obligations	327	331	305
Long-term debt, including short-term portion	7,150	6,892	6,706
Equity (deficit) (5)	(1,508)	(1,072)	(981)

Table of Contents

---

(1) We estimate that our annual cash interest will increase by approximately $46 million on a pro forma annualized basis after giving effect to the 2012 Senior Secured Notes Offering, based on our debt balances as of December 31, 2011 and assuming LIBOR rates as of December 31, 2011.

(2) EBITDA is defined by us as net income (loss) before depreciation and amortization, interest (income) expense, net (other than relocation services interest for securitization assets and securitization obligations) and income taxes. EBITDA before restructuring and other items is defined by us as EBITDA adjusted for merger costs, restructuring costs, former parent legacy cost (benefit) items, net,and gain (loss) on the early extinguishment of debt. We present EBITDA and EBITDA before restructuring and other items because we believe EBITDA and EBITDA before restructuring and other items are useful supplemental measures in evaluating the performance of our operating businesses and provide greater transparency into our results of operations. The EBITDA and EBITDA before restructuring and other items measures are used by our management, including our chief operating decision maker, to perform such evaluation. EBITDA and EBITDA before restructuring and other items should not be considered in isolation or as a substitute for net income or other statement of operations data prepared in accordance with GAAP.

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 believe EBITDA before restructuring and other items also facilitates company-to-company operating performance comparisons by backing out those items in EBITDA as well as certain historical cost (benefit) items which may vary for different companies for reasons unrelated to operating performance. We further believe that EBITDA is frequently used by securities analysts, investors and other interested parties in their evaluation of companies, many of which present an EBITDA measure when reporting their results.

EBITDA and EBITDA before restructuring and other items have limitations as analytical tools, and you should not consider EBITDA and EBITDA before restructuring and other items either in isolation or as substitutes for analyzing our results as reported under GAAP. Some of these limitations are:

- these measures do not reflect changes in, or cash requirement for, our working capital needs;
- these measures do not reflect our interest expense (except for interest related to our securitization obligations), or the cash requirements necessary to service interest or principal payments, on our debt;
- these measures do not reflect our income tax expense or the cash requirements to pay our taxes;
- these measures do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and these EBITDA measures do not reflect any cash requirements for such replacements; and
- other companies may calculate these EBITDA measures differently so they may not be comparable.

EBITDA and EBITDA before restructuring and other items are not necessarily comparable to other similarly titled financial measures of other companies due to the potential inconsistencies in the method of calculation

(3) Adjusted EBITDA-Senior Secured Credit Facility Covenant Compliance corresponds to the definition of "EBITDA," calculated on a "pro forma basis," used in the senior secured credit facility to calculate the senior secured leverage ratio. Adjusted EBITDA is calculated by adjusting EBITDA by the items described below. Adjusted EBITDA is presented to demonstrate Realogy's compliance with the senior secured leverage ratio covenant in the senior secured credit facility. Adjusted EBITDA should not be considered in isolation or as a substitute for net income or other statement of operations data prepared in accordance with GAAP.

In addition to the limitations described above with respect to EBITDA and EBITDA before restructuring and other items, Adjusted EBITDA includes pro forma cost savings, the pro forma effect of business optimization initiatives and the pro forma full year effect of acquisitions and new franchisees. These adjustments may not reflect the actual cost savings or pro forma effect recognized in future periods. We present Adjusted EBITDA for the trailing twelve month period.

8

Table of Contents

A reconciliation of net loss attributable to Realogy to EBITDA, EBITDA before restructuring and other items and Adjusted EBITDA for the years ended December 31, 2011, 2010 and 2009 as calculated in accordance with the senior secured credit facility and presented in certificates delivered to the lenders under the senior secured credit facility is set forth in the following table:

	For the Year Ended December 31,					
	2011		2010		2009	
Net loss attributable to Realogy	$(441	)	$(99	)	$(262	)
Income tax expense (benefit)	32		133		(50	)
Income (loss) before income taxes	(409	)	34		(312	)
Interest expense (income), net	666		604		583	
Depreciation and amortization	186		197		194	
EBITDA	443		835		465	
Merger costs, restructuring costs and former parent legacy costs (benefit), net	(3	) (a)	(301	) (b)	37	(c)
Loss (gain) on the early extinguishment of debt	36		—		(75	)
EBITDA before restructuring and other items	476		534		427	
Pro forma cost savings	11	(d)	20	(e)	33	(f)
Pro forma effect of business optimization initiatives	52	(g)	49	(h)	38	(i)
Non-cash charges	4	(j)	(4	) (k)	34	(l)
Non-recurring fair value adjustments for purchase accounting (m)	4		4		5	
Pro forma effect of acquisitions and new franchisees (n)	7		13		5	
Apollo management fees (o)	15		15		15	
Proceeds from WEX contingent asset (p)	—		—		55	
Incremental securitization interest costs (q)	2		2		3	
Expenses incurred in debt modification activities (r)	—		—		4	
Adjusted EBITDA—Senior secured credit facility covenant compliance	$571		$633		$619	
Total senior secured net debt (s)	$2,536		$2,905		$2,886	
Senior secured leverage ratio	4.44	x (t)	4.59	x	4.66	x

(a) Consists of $11 million of restructuring costs and $1 million of merger costs offset by a benefit of $15 million of former parent legacy items.

(b) Consists of $21 million of restructuring costs and $1 million of merger costs offset by a benefit of $323 million of former parent legacy items.

(c) Consists of $70 million of restructuring costs and $1 million of merger costs offset by a net benefit of $34 million for former parent legacy items.

(d) Represents actual costs incurred that are not expected to recur in subsequent periods due to restructuring activities initiated during 2011. From this restructuring, we expect to reduce our operating costs by approximately $21 million on a twelve-month run-rate basis and estimate that $10 million of such savings were realized from the time they were put in place. The adjustment shown represents the impact the savings would have had on the period from January 1, 2011 through the time they were put in place, had those actions been effected on January 1, 2011.

(e) Represents actual costs incurred that are not expected to recur in subsequent periods due to restructuring activities initiated during 2010. From this restructuring, we expect to reduce our operating costs by approximately $34 million on a twelve-month run-rate basis and estimate that $14 million of such savings were realized from the time they were put in place. The adjustment shown represents the impact the savings would have had on the period from January 1, 2010 through the time they were put in place, had those actions been effected on January 1, 2010.

(f) Represents actual costs incurred that were not expected to recur in subsequent periods due to restructuring activities initiated during 2009. From this restructuring, we expected to reduce our operating costs by approximately $103 million on a twelve-month run-rate basis and estimated that $70 million of such savings were realized from the time they were put in place. The adjustment shown represents the impact the savings would have had on the period from January 1, 2009 through the time they were put in place, had those actions been effected on January 1, 2009.

(g) Represents the twelve-month pro forma effect of business optimization initiatives that have been completed to reduce costs, including $1 million related to our Relocation Services integration costs and acquisition related non-cash adjustments, $6 million related to vendor renegotiations, $41 million for employee retention accruals and $4 million of other initiatives. 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.

(h) Represents the twelve-month pro forma effect of business optimization initiatives that have been completed to reduce costs, including $12 million related to our Relocation Services, integration costs, new business start-ups and acquisition related non-cash adjustments, $6 million related to vendor renegotiations, $23 million for employee retention accruals and $8 million of other initiatives. 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.

(i) Represents the twelve-month pro forma effect of business optimization initiatives that have been completed to reduce costs, including $3 million for initiatives to improve the Company Owned Real Estate Brokerage profit margin, $2 million for initiatives to improve Relocation Services and Title and Settlement Services fees, $19 million for employee retention accruals, and $14 million related to other initiatives. 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.

(j) Represents the elimination of non-cash expenses, including $7 million of stock-based compensation expense and $4 million of other items less $7 million for the change in the allowance for doubtful accounts and notes reserves from January 1, 2011 through December 31, 2011.

(k) Represents the elimination of non-cash expenses, including $6 million of stock-based compensation expense, less $8 million for the change in the allowance for doubtful accounts and notes reserves from January 1, 2010 through December 31, 2010 and $2 million of other non-cash items.

(l) Represents the elimination of non-cash expenses, including a $14 million write-down of a cost method investment acquired in 2006, $12 million for the change in the allowance for doubtful accounts and the reserves for development advance notes and promissory notes from January 1, 2009 through December 31, 2009, $7 million of stock-based compensation expense, and $1 million related to the unrealized net losses on foreign currency transactions and foreign currency forward contracts.

(m) Reflects the adjustment for the negative impact of fair value adjustments for purchase accounting at the operating business segments primarily related to deferred rent for the twelve months ended December 31, 2011, 2010 and 2009.

(n) Represents the estimated impact of acquisitions and new franchisees as if they had been acquired or signed on January 1st. 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 as of January 1st.

(o) Represents the elimination of annual management fees payable to Apollo for the years ended December 31, 2011, 2010 and 2009.

(p) Wright Express Corporation ("WEX") was divested by Cendant in February 2005 through an initial public offering. As a result of such IPO, the tax basis of WEX's tangible and intangible assets increased to their fair market value which may reduce federal income tax that WEX might otherwise be obligated to pay in future periods. Under Article III of the Tax Receivable Agreement dated February 22, 2005 among WEX, Cendant and Cartus (the "TRA"), WEX was required to pay Cendant 85% of any tax savings related to the increase in basis utilized for a period of time that we expect will be beyond the maturity of the notes. Cendant is required to pay 62.5% of these tax-savings payments received from WEX to us. 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

Realogy under Article III of the TRA.

(q) Reflects the incremental borrowing costs incurred as a result of the securitization facilities refinancing for the years ended December 31, 2011, 2010 and 2009.

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

(s) Pursuant to the terms of our senior secured credit facility, total senior secured net debt does not include the Existing First and a Half Lien Notes, the New First and a Half Lien Notes offered hereby, other indebtedness secured by a lien on our assets that is pari passu or junior in priority to the Existing First and a Half Lien Notes, including our Second Lien Loans, securitization obligations or the Unsecured Notes.

(t) After giving effect to the 2012 Senior Secured Notes Offering, our senior secured leverage ratio would have been 3.87 to 1.0 at December 31, 2011.

Table of Contents

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

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

	Year Ended December 31,		
	2011	2010	2009
Operating Statistics:			
Real Estate Franchise Services (1)			
Closed homesale sides (2)	909,610	922,341	983,516
Average homesale price (3)	$198,268	$198,076	$190,406
Average homesale broker commission rate (4)	2.55 %	2.54 %	2.55 %
Net effective royalty rate (5)	4.84 %	5.00 %	5.10 %
Royalty per side (6)	$256	$262	$257
Company Owned Real Estate Brokerage Services (7)			
Closed homesale sides (2)	254,522	255,287	273,817
Average homesale price (3)	$426,402	$435,500	$390,688
Average homesale broker commission rate (4)	2.50 %	2.48 %	2.51 %
Gross commission income per side (8)	$11,461	$11,571	$10,519
Relocation Services			
Initiations (9)	153,269	148,304	114,684
Referrals (10)	72,169	69,605	64,995
Title and Settlement Services			
Purchase title and closing units (11)	93,245	94,290	104,689
Refinance title and closing units (12)	62,850	62,225	69,927
Average price per closing unit (13)	$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 homesale 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.

(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.

(9) Represents the total number of transferees served by the relocation services business.

(10) Represents the number of referrals from which we earned revenue from real estate brokers.

(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.

11

Table of Contents

THE OFFERING

The summary below describes the principal terms of the notes and the Class A Common Stock issuable upon conversion of the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more detailed description of the terms and conditions of these securities, please refer to the sections entitled "Description of the Notes" and "Description of the Common Stock."

Issuer of the Notes	Realogy Corporation, a Delaware corporation.
Issuer of the Class A Common Stock	Domus Holdings Corp., a Delaware corporation and the indirect parent of Realogy.
Securities Offered by the Selling Stockholders	Up to $1,143,706,000 principal amount of 11.00% Series A Convertible Senior Subordinated Notes due 2018, up to $291,424,196 principal amount of 11.00% Series B Convertible Senior Subordinated Notes due 2018 and up to $675,111,000 principal amount of 11.00% Series C Convertible Senior Subordinated Notes due 2018, which were issued under the same indenture and are treated as a single class for substantially all purposes under the indenture, and Class A Common Stock issuable upon conversion of the notes.
Maturity	April 15, 2018, if not earlier repurchased, redeemed or converted. Realogy will be obligated to pay the outstanding aggregate principal amount in cash on the maturity date of the notes.
Interest	Cash interest on the Convertible Notes accrues at a rate of 11.00% per annum. Realogy will pay interest on overdue principal, if any, from time to time on demand at a rate that is 2% per annum in excess of 11.00% to the extent lawful, and will pay interest on overdue installments of interest, if any, from time to time on demand at a rate that is 2% per annum in excess of 11.00% to the extent lawful.
Interest Payment Dates	Interest on the notes is payable semi-annually in arrears on April 15 and October 15.
Guarantees	The notes are guaranteed on an unsecured senior subordinated basis by each of Realogy's U.S. direct or indirect restricted subsidiaries that is a guarantor under the 13.375% Senior Subordinated Notes. Subject to certain exceptions, any subsidiary that in the future guarantees the 13.375% Senior Subordinated Notes will also guarantee the notes. In addition, Holdings also guarantees the notes on an unsecured junior subordinated basis. Except in certain circumstances, each guarantee will be released upon the release of the guarantor from its guarantee under the 13.375% Senior Subordinated Notes. If Realogy fails to make payments on the notes, the guarantors, including Holdings, must make them instead. Each entity, other than Holdings, that guarantees Realogy's obligations under the notes and the indenture is referred to in this prospectus as a “Note Guarantor.” As of and for the year ended December 31, 2011, our subsidiaries that are not Note Guarantors represented 7.3% of our total assets (2.8% of our total assets excluding assets of our non-guarantor securitization entities), 4.2% of our total liabilities 0.7% of our total liabilities excluding liabilities of our non-guarantor securitization entities), 6.5% of our net revenue (6.4% of our net revenue

excluding net revenue of our non-guarantor securitization entities), (11.1)% of our income before income taxes, equity in earnings and noncontrolling interests ((10.6)% of our income before income taxes, equity in earnings and noncontrolling interests excluding income before income taxes, equity in earnings and noncontrolling interests of our non-guarantor securitization entities) and 16.5% of our EBITDA (16.1% of our EBITDA excluding EBITDA of our non-guarantor securitization entities), in each case after intercompany eliminations.

Table of Contents

As of and for the year ended December 31, 2010, Realogy's subsidiaries that are not Note Guarantors represented 7.2% of its total assets (2.4% of its total assets excluding assets of its non-guarantor securitization entities), 4.6% of its total liabilities (1.0% of its total liabilities, excluding liabilities of its non-guarantor securitization entities), 5.1% of its net revenue (5.1% of its net revenue excluding net revenue of its non-guarantor securitization entities), 600% of its income before income taxes, equity in earnings and noncontrolling interests (850% of its income before income taxes, equity in earnings and noncontrolling interests excluding income before income taxes, equity in earnings and noncontrolling interests of its non-guarantor securitization entities) and 7.9% of its EBITDA (7.7% of its EBITDA excluding EBITDA of its non-guarantor securitization entities), in each case after intercompany eliminations.

Ranking

The notes and the guarantees thereof are Realogy's and the Note Guarantors' unsecured senior subordinated obligations and:

- are subordinated in right of payment to all of Realogy's and the Note Guarantors' existing and future senior debt, including the senior secured credit facility, the First and a Half Lien Notes, the Senior Notes, and the related guarantees;
- are equal in right of payment with all of Realogy's and the Note Guarantors' existing and future senior subordinated debt, including the Senior Subordinated Notes; and
- rank senior in right of payment to all of Realogy's and the Note Guarantors' existing and future debt that is by its terms subordinated to the notes.

The guarantee by Holdings is Holdings' unsecured senior subordinated obligation, is equal in right of payment to all existing and future subordinated indebtedness of Holdings and is junior in right of payment to all existing and future senior indebtedness of Holdings.

In addition, the guarantees of the notes are structurally subordinated to all of the existing and future liabilities and obligations (including trade payables, but excluding intercompany liabilities) of each of Realogy's subsidiaries that is not a Note Guarantor.

As of December 31, 2011, after giving effect to the 2012 Senior Secured Notes Offering, Realogy and the Note Guarantors would have had:

- approximately $2,512 million of first lien senior secured indebtedness, including approximately $1,919 million of first lien indebtedness under the senior secured credit facility (without giving effect to $94 million of outstanding letters of credit under the senior secured credit facility and $172 million of undrawn availability under the revolving credit facility), $593 million of First Lien Notes, $1,025 million of First and a Half Lien Notes and $650 million of Second Lien Loans, all of which are effectively senior to the notes, to the extent of the value of the assets securing such debt;
- Realogy and the Note Guarantors would have had approximately $867 million of senior indebtedness, including senior secured indebtedness, other bank indebtedness and the Senior Notes, all of which would have been senior to the notes;

Realogy and the Note Guarantors had approximately $2,307 million of senior subordinated indebtedness, including the notes; and

our non-Note Guarantor subsidiaries had approximately $391 million of total liabilities (approximately $327 million of which consisted of obligations under our securitization facilities), all of which are structurally senior to the notes. In addition, our securitization subsidiaries were permitted to incur approximately $135 million of additional secured relocation obligations under our securitization facilities, subject to maintaining sufficient relocation assets for collateralization, all of which are structurally senior to the notes.

Table of Contents

Optional Conversion	The notes are convertible at any time at the option of the holders thereof, in whole or in part, into shares of Class A Common Stock, at the conversion rates described below.
Conversion Rates	975.6098 shares of Class A Common Stock per $1,000 aggregate principal amount of Series A Convertible Notes and Series B Convertible Notes, which is equivalent to an initial conversion price of approximately $1.025 per share and 926.7841 shares of Class A Common Stock per $1,000 aggregate principal amount of Series C Convertible Notes, which is equivalent to an initial conversion price of approximately $1.079 per share. The conversion rates are subject to adjustment as provided in "Anti-Dilution Provisions" below.
Optional Redemption	Upon a Qualified Public Offering and thereafter, the notes will be redeemable at the option of Realogy at a price equal to 90% of the principal amount thereof, plus accrued and unpaid interest to the date of redemption. Holders will be provided with notice of an upcoming Qualified Public Offering and will have a period of time to convert prior to a Qualified Public Offering as described in "Description of the Notes." A "Qualified Public Offering" means an underwritten public offering of Class A Common Stock by Holdings or any selling stockholders pursuant to an effective registration statement filed by Holdings with the Securities and Exchange Commission (other than (a) a registration relating solely to an employee benefit plan or employee stock plan, a dividend reinvestment plan, or a merger or a consolidation, (b) a registration incidental to an issuance of securities under Rule 144A, (c) a registration on Form S-4 or any successor form, or (d) a registration on Form S-8 or any successor form) under the Securities Act, pursuant to which the aggregate offering price of the Class A Common Stock (by Holdings and/or other selling stockholders) sold in such offering (together with the aggregate offering prices from any prior such offerings) is at least $200 million and the listing of Class A Common Stock on the NASDAQ Global Select Market, NASDAQ Global Market, or the New York Stock Exchange or any successor exchange to the foregoing.
Mandatory Offer to Purchase	Upon a Change of Control, each holder of the notes shall have the right to require Realogy to repurchase its notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of purchase.
Anti-Dilution Provisions	Customary anti-dilution protections are provided for mergers, reorganizations, consolidations, stock splits, extraordinary stock dividends, combinations, recapitalizations, reclassifications, distribution of assets (including cash) and similar events.
Covenants	The indenture does not contain any restrictive covenants.
Common Stock Dividends	The notes do not participate in any Common Stock dividends or distributions of Holdings.
Use of Proceeds	

	We will not receive any proceeds from the sale of the notes or the Class A Common Stock by the selling securityholders.
Risk Factors	See “Risk Factors” for a discussion of factors you should carefully consider before deciding to invest in the notes.

Table of Contents

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 the notes, the Class A Common Stock and our indebtedness; (2) risks related to our business; and (3) risks related to Realogy's separation from Cendant. Based on the information currently known to us, we believe that the following information identifies the most significant risk factors affecting our company and the notes and Class A 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. You should carefully consider the following risk factors and all other information contained in this prospectus before making any investment decision.

Risks Related to the Notes, the Class A Common Stock and our Indebtedness

Our significant indebtedness, high interest obligations and negative cash flows 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 December 31, 2011, after giving effect to the 2012 Senior Secured Notes Offering, our total debt, excluding our securitization obligations, would have been $7,361 million (without giving effect to outstanding letters of credit under our senior secured credit facility). In addition, as of December 31, 2011, our current liabilities included $327 million of securitization obligations which were collateralized by $366 million of securitization assets that are not available to pay our general obligations. At December 31, 2011, after giving effect to the 2012 Senior Secured Notes Offering, $2,052 million of our borrowings under our senior secured credit facility and other bank indebtedness would have been at variable rates of interest thereby exposing us to interest rate risk.

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. While our total debt has increased since the date of our acquisition in order to fund negative cash flows, the industry and economy have experienced significant declines that have negatively impacted our operating results. Revenues for the year ended December 31, 2011 compared to the year ended December 31, 2007, on a pro forma combined basis, have decreased by approximately 31%. As a result, we have been, and continue to be, challenged by our heavily leveraged capital structure. As a result of the 2012 Senior Secured Notes Offering, we expect that our annual cash interest will increase due to an increase in the interest rate on the First Lien Notes and the New First and a Half Lien Notes compared to certain indebtedness under our senior secured credit facility, which was repaid with the proceeds from the 2012 Senior Secured Notes Offering. After giving effect to the 2012 Senior Secured Notes Offering, we estimate that our annual cash interest would increase on a pro forma annualized basis by approximately $46 million from approximately $616 million to $662 million based on our pro forma debt balances as of December 31, 2011, assuming LIBOR rates as of December 31, 2011.

There can be no assurance that we will be able to reduce the level of our leverage or debt 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;

Table of Contents

- 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 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. 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.

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.

We will continue to evaluate potential financing transactions, including refinancing certain tranches of our indebtedness, issuing incremental debt, obtaining incremental letters of credit facilities and extending maturities as well as potential transactions pursuant to which third parties, Apollo or its affiliates may provide financing to us or otherwise engage in transactions to provide liquidity to us. There can be no assurance as to which, if any, of these alternatives we may pursue as the choice of any alternative will depend upon numerous factors such as market conditions, our financial performance and the limitations applicable to such transactions under our existing financing agreements and the consents we may need to obtain under the relevant documents. There also 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.

An event of default under our senior secured credit facility 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, the

Second Lien Loans, other indebtedness secured by a lien on our assets pari passu or junior in priority to the liens securing the First and a

16

Half Lien Notes (including indebtedness supported by letters of credit issued under our senior secured credit facility), our securitization obligations or the Unsecured Notes. For the twelve months ended December 31, 2011, we were in compliance with the senior secured leverage ratio covenant with a ratio of 4.44 to 1.0. After giving effect to the 2012 Senior Secured Notes Offering, the senior secured leverage ratio on a pro forma basis would have been 3.87 to 1.0 at December 31, 2011. Based upon our financial forecast for 2012, 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 delayed further or is weak, we will 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 Holdings 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, the lenders under our senior secured credit facility could proceed against the collateral granted to secure the senior secured credit facility and our other secured indebtedness. We have pledged a significant portion of our assets as collateral to secure such indebtedness. If the lenders under our senior secured credit facility 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. Our total indebtedness will not be significantly reduced unless and until the notes are converted into equity at the option of the holders thereof. 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.

The notes and the related guarantees are effectively subordinated to all of our secured debt and the secured debt of the Note Guarantors and if a default occurs, we and the Note Guarantors may not have sufficient funds to fulfill our obligations under the notes and the related guarantees.

The notes and the related guarantees are general unsecured obligations but Realogy's obligations under the senior secured credit facility, the First Lien Notes and the First and a Half Lien Notes and each Note Guarantor's obligations under its guarantee of the senior secured credit facility, the First Lien Notes and the First and a Half Lien Notes are secured by a security interest in substantially all of our assets and the assets of the Note Guarantors. The notes are effectively

17

Table of Contents

subordinated to all of our and the Note Guarantors' secured indebtedness to the extent of the value of the assets securing that indebtedness. As of December 31, 2011, after giving effect to the 2012 Senior Secured Notes Offering, Realogy and the Note Guarantors would have had approximately $5,054 million of senior secured indebtedness, including approximately $1,919 million of first lien indebtedness under the senior secured credit facility (without giving effect to $94 million of outstanding letters of credit under the senior secured credit facility and $172 million of undrawn availability under the revolving credit facility), $593 million under the First Lien Notes, $1,025 million under the First and a Half Lien Notes, $650 million of Second Lien Loans and approximately $867 million of senior unsecured indebtedness, all of which would have been effectively senior to the notes. In addition, subject to some limitations, the indenture governing the notes and the indentures governing the Unsecured Notes, the First Lien Notes and the First and a Half Lien Notes permit Realogy, subject to certain limitations, to incur additional secured indebtedness and the notes and the related guarantees are effectively junior to any additional secured indebtedness we may incur.

In the event of our bankruptcy, liquidation, reorganization or other winding up, our assets that secure our secured indebtedness will be available to pay obligations on the notes only after all secured indebtedness and all senior indebtedness, together with accrued interest, has been repaid in full from those assets. Because the senior secured credit facility, the First Lien Notes and the First and a Half Lien Notes are secured obligations, if we fail to comply with the terms of the senior secured credit facility, the First Lien Notes or the First and a Half Lien Notes and those creditors or noteholders accelerated the payment of all the funds borrowed thereunder and we were unable to repay such indebtedness, they could foreclose on substantially all of our assets and the assets of our Note Guarantors which serve as collateral. In this event, our secured creditors and holders of the First Lien Notes and the First and a Half Lien Notes would be entitled to be repaid in full from the proceeds of the liquidation of those assets before those assets would be available for distribution to other creditors, including holders of the notes. Holders of the notes will participate in our remaining assets ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all the notes and the related guarantees then outstanding. The guarantees of the notes have a similar ranking with respect to secured and unsecured indebtedness of the Note Guarantors as the notes do with respect to our secured and unsecured indebtedness, as well as with respect to any unsecured obligations expressly subordinated in right of payment to the guarantees.

The notes are structurally subordinated to all indebtedness of our existing or future subsidiaries that do not become Note Guarantors.

You do not have any claim as a creditor against any of our existing subsidiaries that are not Note Guarantors or against any of our future subsidiaries that do not become Note Guarantors. Indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries are structurally senior to your claims against those subsidiaries. As of December 31, 2011, our non-Note Guarantor subsidiaries had approximately $391 million of total liabilities (approximately $327 million of which would have consisted of secured indebtedness under the securitization facilities) all of which will be structurally senior to the notes. In addition, our securitization subsidiaries would have been permitted to incur approximately $135 million of additional secured indebtedness under our securitization facilities, subject to having the requisite relocation asset base, all of which are structurally senior to the notes.

The notes are not guaranteed by any of our foreign subsidiaries, our securitization subsidiaries, our insurance subsidiaries and our qualified foreign corporation holding companies. These non-Note Guarantor subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due under the notes, or to make any funds available therefor, whether by dividends, loans, distributions or other payments.

In the event of a bankruptcy, liquidation, reorganization or other winding up of any of our non-Note Guarantor subsidiaries, these non-Note Guarantor subsidiaries will pay the holders of their debt, holders of preferred equity interests and their trade creditors before they will be able to distribute any of their assets to us (except to the extent we have a claim as a creditor of such non-Note Guarantor subsidiary). Any right that we or the Note Guarantors have to receive any assets of any of the non-Note Guarantor subsidiaries upon the bankruptcy, liquidation, reorganization or other winding up of those subsidiaries, and the consequent rights of holders of the notes to realize proceeds from the sale of any of those subsidiaries' assets, are structurally subordinated to the claims of those subsidiaries' creditors, including trade creditors and holders of preferred equity interests of those subsidiaries.

As of and for the year ended December 31, 2011, our subsidiaries that are not Note Guarantors represented 7.3% of our total assets (2.8% of our total assets excluding assets of our non-guarantor securitization entities), 4.2% of our total liabilities 0.7% of our total liabilities excluding liabilities of our non-guarantor securitization entities), 6.5% of our net revenue (6.4% of our net revenue excluding net revenue of our non-guarantor securitization entities), (11.1)% of our income

Table of Contents

before income taxes, equity in earnings and noncontrolling interests ((10.6)% of our income before income taxes, equity in earnings and noncontrolling interests excluding income before income taxes, equity in earnings and noncontrolling interests of our non-guarantor securitization entities) and 16.5% of our EBITDA (16.1% of our EBITDA excluding EBITDA of our non-guarantor securitization entities), in each case after intercompany eliminations.

In addition, the indentures governing the notes, the Unsecured Notes, the First Lien Notes and the First and a Half Lien Notes, subject to certain limitations, permit these subsidiaries to incur additional indebtedness and do not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by these subsidiaries.

Your right to receive payments on the notes is junior to all of our and the Note Guarantors' senior indebtedness, including our and the Note Guarantors' obligations under the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes, the Senior Notes and other existing and future senior debt.

The notes are general unsecured obligations that are junior in right of payment to all of our existing and future senior indebtedness, including the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes and the Senior Notes. The guarantees of the notes are general unsecured obligations of the Note Guarantors that are junior in right of payment to all of the Note Guarantors' existing and future senior indebtedness, including their guarantee of the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes and the Senior Notes. We and the Note Guarantors may not pay principal, premium, if any, interest or other amounts on account of the notes or the related guarantees in the event of a payment default or certain other defaults in respect of certain of our senior indebtedness, including debt under the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes and the Senior Notes, unless such senior indebtedness has been paid in full or the default has been cured or waived. In addition, in the event of certain other defaults with respect to our senior indebtedness, we or the Note Guarantors may not be permitted to pay any amount on account of the notes or the related guarantees for a designated period of time. In addition, the notes are pari passu in right of payment with all of our existing and future senior subordinated indebtedness, including the Senior Subordinated Notes.

Because of the subordination provisions in the Senior Subordinated Notes and the notes and the related guarantees, in the event of a bankruptcy, liquidation or dissolution of us or any Note Guarantor, our or the applicable Note Guarantor's assets will not be available to pay obligations under our Senior Subordinated Notes or the notes or the related guarantees until we or the applicable Note Guarantor's have made all payments on our or their senior indebtedness, respectively. We cannot assure you that sufficient assets will remain after all these payments have been made to make any payments on our senior subordinated indebtedness, including payments of principal or interest when due.

As of December 31, 2011, after giving effect to the 2012 Senior Secured Notes Offering, we and the Note Guarantors would have had approximately $5,054 million of senior indebtedness (without giving effect to $94 million of outstanding letters of credit under the senior secured credit facility and $172 million of undrawn availability under the revolving credit facility), including indebtedness under the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes, the Senior Notes and other bank indebtedness, all of which would have been senior to the notes.

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 senior to the Senior Subordinated Notes;
- pay dividends or make distributions to our stockholders;
- repurchase or redeem capital stock or subordinated indebtedness;
- make loans, investments or acquisitions;
- incur restrictions on the ability of certain of our 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 our assets;

Table of Contents

- 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 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.

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

At December 31, 2011, after giving effect to the 2012 Senior Secured Notes Offering, $2,052 million of our borrowings under the senior secured credit facility and other bank indebtedness, would have been 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 December 31, 2011.

If we default on our obligations to pay our indebtedness, we may not be able to make payments on the notes or other indebtedness.

Any default under the agreements governing our indebtedness, including a default under the senior secured credit facility that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness, could render us unable to pay principal, premium, if any, and interest on the notes and substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness (including covenants under our senior secured credit facility and in the indentures governing the Senior Cash Notes, the Senior Subordinated Notes, the First Lien Notes and the First and a Half Lien Notes), we could be in default under the terms of the agreements governing such indebtedness. Any of our future debt agreements may contain similar provisions. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under the senior secured credit facility could elect to terminate their commitments thereunder and cease making further loans and institute foreclosure proceedings against our assets and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to obtain waivers from the required lenders under the senior secured credit facility to avoid being in default, including as a result of our failure to comply with the senior secured leverage ratio. Our senior secured leverage ratio was 4.44 to 1.0 at December 31, 2011 and, pursuant to the terms of the senior secured credit facility, may not exceed 4.75 to 1.0. A continued delayed or weak housing recovery may materially adversely affect our ability to maintain compliance with our senior secured leverage ratio covenant given our highly leveraged capital structure. If we breach our covenants under the senior secured credit facility and seek a waiver, we may not be able to obtain a waiver from the required lenders or the cost of such a waiver could be onerous. If this occurs, we would be in default under the senior secured credit facility, the lenders could exercise their rights, and we could be forced into bankruptcy or liquidation. See "Description of Other Indebtedness" and "Description of the Notes."

We are a holding company and are dependent on dividends and other distributions from our subsidiaries.

We are a holding company with limited direct operations. Our principal assets are the equity interests that we hold in our operating subsidiaries. As a result, we are dependent on dividends and other distributions from those subsidiaries to generate the funds necessary to meet our financial obligations, including the payment of principal and interest on our outstanding debt. Our subsidiaries may not generate sufficient cash from operations to enable us to make principal and interest payments on our indebtedness. In addition, any payment of dividends, distributions, loans or advances to us by our subsidiaries could be subject to restrictions on dividends or repatriation of earnings under applicable local law and monetary transfer restrictions in the jurisdictions in which our subsidiaries operate. In addition, payments to us by our subsidiaries will be contingent upon our subsidiaries' earnings. Our subsidiaries are permitted under the terms of our indebtedness, including our senior secured credit facility and the indentures governing the Unsecured

Notes, the First Lien Notes and the First and a Half Lien Notes, to incur additional indebtedness that may restrict payments from those subsidiaries to us. We cannot assure you that agreements governing current and future indebtedness of our subsidiaries will permit those subsidiaries to provide us with sufficient cash to fund our debt service payments.

Table of Contents

Our subsidiaries are legally distinct from us and, except for our existing and future subsidiaries that are guarantors of our indebtedness, including the senior secured credit facility, the Unsecured Notes, the First Lien Notes and the First and a Half Lien Notes, have no obligation, contingent or otherwise, to pay amounts due on our debt or to make funds available to us for such payment.

Realogy may be unable to purchase the notes upon a change of control.

Upon a change of control, as defined in the indenture, Realogy is required to offer to purchase all of the notes then outstanding for cash at 101% of the principal amount thereof plus accrued and unpaid interest and additional interest, if any. If a change of control occurs under the indenture, we may not have sufficient funds to pay the change of control purchase price, and we may be required to secure third party financing to do so. We may not be able to obtain this financing on commercially reasonable terms, or on terms acceptable to us, or at all. Further, we may be contractually restricted under the terms of the senior secured credit facility and the terms of our other senior indebtedness, from repurchasing all of the notes tendered by holders upon a change of control. Accordingly, we may not be able to satisfy our obligations to purchase any notes unless we are able to refinance or obtain waivers under the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes and/or the Senior Notes, as applicable. If our failure to repurchase the notes upon a change of control would cause a default under the notes, it would also cause a cross-acceleration or cross-default under the indentures governing the Senior Cash Notes, the Senior Subordinated Notes, the First Lien Notes, the First and a Half Lien Notes and the senior secured credit facility. The senior secured credit facility also provides that a change of control, as defined therein, will be a default that permits lenders to accelerate the maturity of borrowings thereunder and, if such debt is not paid, to enforce security interests in the collateral securing such debt, thereby limiting our ability to raise cash to purchase the notes, and reducing the practical benefit of repurchase provisions to the holders of the notes. Our securitization facilities contain, and any of our future debt agreements may contain, similar provisions.

The change of control provisions in the indenture may not protect you in the event that we consummate a highly leveraged transaction, reorganization, restructuring, merger or other similar transaction, unless such transaction constitutes a change of control under the indenture. Such a transaction may not involve a change in voting power or beneficial ownership or, even if it does, may not involve a change in the magnitude required under the definition of change of control in the indenture to trigger our obligation to repurchase the notes. Except as otherwise described above, the indenture does not contain provisions that permit the holders of the notes to require Realogy to repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction. If an event occurs that does not constitute a change of control as defined in the indenture, Realogy will not be required to make an offer to repurchase the notes and you may be required to continue to hold your notes despite the event. In addition, the change of control provisions in the notes may also delay or prevent an otherwise beneficial takeover of us due to such takeover triggering the related purchase requirement. See "Description of Other Indebtedness" and "Description of the Notes—Repurchase at Option of the Holder Upon a Change of Control."

There is no public market for the notes, and we do not know if an active trading market will ever develop or, if a market does develop, whether it will be sustained.

The notes when issued were a new issue of securities and there is no existing trading market for any series of notes. Although the dealer managers in the Debt Exchange Offering have informed us that they intend to make a market in each series of notes, they have no obligation to do so and may discontinue making a market in any series of notes at any time without notice. Therefore, an active trading market for the notes may not develop.

We do not intend to apply for listing or quotation of any series of notes on any securities exchange or for quotation on any automated dealer quotation system. The liquidity of any market for the applicable series of notes will depend on a number of factors, including:

- the number of holders of such series of notes;
- our operating performance, financial condition or prospects;
- the market for similar securities;
- the interest of securities dealers in making a market in the applicable series of notes; and
- prevailing interest rates.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes. The market, if any, for each series of notes may not be free from similar disruptions, and any such disruptions may adversely affect the prices at which you may sell your notes. You may not be able to sell your notes at a particular time, and the price that you receive when you sell may not be favorable.

Apollo is our controlling stockholder and Paulson may become a significant stockholder. There can be no assurance that Apollo and Paulson will act in our best interests as opposed to their own best interests.

Because of its position as our controlling stockholder, to the extent not otherwise limited in the senior secured credit facility or our indentures, Apollo is able to exercise significant control over decisions affecting us, including:

- our direction and policies, including the appointment and removal of officers;
- mergers or other business combinations and opportunities involving us;
- further issuance of capital stock or other equity or debt securities by us;
- payment of dividends; and
- approval of our business plans and general business development.

In addition, Paulson owns notes that may be converted into 21.5% of the total outstanding shares of Common Stock on an as converted basis assuming that all notes are converted into shares of Class A Common Stock (as defined below). 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 and has certain other rights with respect to issuances of our equity and debt securities.

Even if all of the outstanding notes held by parties other than Apollo were converted into Class A Common Stock, which has one vote per share, Apollo, by virtue of its ownership of shares of Class B Common Stock (as defined below), which has five votes per share, would continue to control a majority of the voting power of the outstanding Common Stock. In addition, if all of the notes were converted into Class A Common Stock, all of the Class B Common Stock would automatically convert into shares of Class A Common Stock and Apollo would then hold 66.2% of the outstanding shares of Class A Common Stock.

The concentration of ownership held by Apollo could delay, defer or prevent a change of control of us or impede a merger, takeover or other business combination that may be otherwise favorable to us. In addition, pursuant to Holdings' Amended and Restated Certificate of Incorporation, Apollo has 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 the equity of Holdings, even if such amount is less than 50%, Apollo will continue to be able to strongly influence or effectively control our decisions.

Because our equity securities are not registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are not listed on any U.S. securities exchange, we are not subject to any of the corporate governance requirements of any U.S. securities exchanges.

If we encounter financial difficulties, or we are unable to pay our debts as they mature, the interests of our equity holders may conflict with those of the holders of indebtedness under the senior secured credit facility, the First Lien Notes, the First and a Half Lien Notes, the Unsecured Notes or any other holder of our debt and such equity holders have no obligation to provide any additional equity or any debt financing to us. In addition, none of the holders of the notes are under any obligation to convert their notes into equity.

Texas insurance laws and regulations may delay or impede your ability to purchase the notes and/or the Class A 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, including the notes, the Common Stock, or a combination thereof, would be presumed to have acquired indirect control of our title insurance underwriter subsidiary unless the Texas Department of Insurance, upon application, determines otherwise.

Table of Contents

Apollo and Paulson have previously received approvals for their current holdings from the Texas Department of Insurance. Certain purchases of the notes and/or the Class A Common Stock could be subject to similar approvals which could significantly delay or otherwise impede your ability to complete such purchase.

Ratings of the notes may cause their trading price to fall and affect the marketability of the notes.

The notes are rated by Moody's Investors Services, Inc. and Standard & Poor's Ratings Services. A rating agency's rating of the notes is not a recommendation to purchase, sell or hold any particular security, including the notes. Such ratings are limited in scope, and do not comment as to material risks relating to an investment in the notes. An explanation of the significance of such rating may be obtained from such rating agency. There is no assurance that such credit ratings will remain in effect for any given period of time. Rating agencies also may lower, suspend or withdraw ratings on the notes or our other debt in the future. Holders of the notes will have no recourse against us or any other parties in the event of a change in or suspension or withdrawal of such ratings. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market prices or marketability of the notes.

Federal and state statutes allow courts, under specific circumstances, to void notes and guarantees and require holders of notes to return payments received.

The issuance of the notes and the related guarantees may be subject to review under federal and state fraudulent transfer and conveyance statutes. While the relevant laws may vary from state to state, under such laws the payment of consideration will be a fraudulent conveyance if (1) we paid the consideration with the intent of hindering, delaying or defrauding creditors or (2) we, Holdings, Intermediate or any of the Note Guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing either the notes or a guarantee and, in the case of (2) only, one of the following is also true:

- we, Holdings, Intermediate or any of the Note Guarantors were insolvent or rendered insolvent by reason of the incurrence of the indebtedness;
- payment of the consideration left us, Holdings, Intermediate or any of the Note Guarantors with an unreasonably small amount of capital to carry on the business; or
- we, Holdings, Intermediate or any of the Note Guarantors intended to, or believed that we or it would, incur debts beyond our or its ability to pay as they mature.

If a court were to find that the issuance of the notes or a related guarantee was a fraudulent conveyance, the court could void the payment obligations under the notes or such guarantee or subordinate the notes or such guarantee to presently existing and future indebtedness of ours, Intermediate's, Holdings' or such Note Guarantor's, or require the holders of the notes to repay any amounts received with respect to the notes or such guarantee. In the event of a finding that a fraudulent conveyance occurred, you may not receive any repayment on the notes. Further, the voidance of the notes could result in an event of default with respect to our other debt and that of Holdings, Intermediate and the Note Guarantors that could result in acceleration of such debt.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. In general, however, a court would consider an issuer or a guarantor insolvent if:

- the sum of its debts, including contingent and unliquidated liabilities, was greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they became due.

We cannot be certain as to the standards a court would use to determine whether or not we, Holdings, Intermediate or the Note Guarantors were solvent at the relevant time, or regardless of the standard that a court uses, that the issuance of the notes and the related guarantees would not be subordinated to our or any guarantor's other debt.

If the guarantees of the notes were legally challenged, any such guarantee could also be subject to the claim that, since the guarantee was incurred for our benefit, and only indirectly for the benefit of the guarantor, the obligations of the applicable guarantor were incurred for less than fair consideration. A court could thus void the obligations under the guarantees of the notes, subordinate them to Holdings', Intermediate's or the applicable Note Guarantor's other debt or take

Table of Contents

other action detrimental to the holders of the notes.

Each guarantee of the notes contains a provision intended to limit Holdings', Intermediate's and the Note Guarantors' liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer. This provision may not be effective to protect the guarantees from being voided under fraudulent transfer law, or may reduce or eliminate the guarantor's obligation to an amount that effectively makes such guarantee worthless.

The notes do not restrict our ability to incur additional debt, repurchase our securities or to take other actions that could negatively impact holders of the notes.

We are not restricted under the terms of the notes from incurring additional debt, including secured debt, or repurchasing our securities. In addition, the limited covenants applicable to the notes do not require us to achieve or maintain any minimum financial results relating to our financial position or results of operations. Our ability to recapitalize, incur additional debt and take a number of other actions that are not limited by the terms of the notes could have the effect of diminishing our ability to make payments on the notes when due. Certain of our other debt instruments may, however, restrict these and other actions. See "Description of the Notes—Subordination of the Notes."

The conversion rates of the notes may not be adjusted for all dilutive events that may occur.

As described under "Description of the Notes-Conversion Rate Adjustments," we will adjust the conversion rates of the notes for certain events, including, among others:

- the issuance of stock or cash dividends on the Class A Common Stock;
- the issuance of certain rights or warrants to purchase Class A Common Stock;
- certain subdivisions and combinations of Class A Common Stock; and
- the distribution of capital stock, indebtedness or assets of Holdings.

We will not adjust the conversion rates for other events, such as an issuance of Class A Common Stock for cash or in connection with an acquisition, or for grants of options, restricted stock or other equity awards pursuant to Holdings' existing and future employee incentive plans, including the Phantom Value Plan, that may adversely affect the trading price of the notes or the Class A Common Stock. If we engage in any of these types of transactions, the value of the Class A Common Stock into which the notes may be convertible may be diluted. In addition, if we are unable to maintain compliance with the senior secured leverage ratio under our senior secured credit facility, we may issue additional equity in the future pursuant to an equity cure or otherwise, which could also adversely impact the value of the notes or the Class A Common Stock. An event that adversely affects the value of the notes, but does not result in an adjustment to the conversion rates, may occur.

You may lose the option time value of your notes if we redeem your notes upon a Qualified Public Offering or if you elect to have your notes repurchased upon a Change of Control and if the notes are redeemed by us upon a Qualified Public Offering, you will not receive the full face amount of your notes.

Upon a Qualified Public Offering and at any time thereafter, the notes will be redeemable at our option at a price equal to 90% of the principal amount thereof, plus accrued and unpaid interest to the date of redemption. In addition, if a change of control occurs prior to the maturity date of the notes, each holder of the notes will have the right to require us to repurchase its notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. Upon such redemption or repurchase, you will not be compensated for any lost option time value of your notes. In addition, because we may redeem the notes at a price equal to 90% of the principal amount thereof, you will not receive the full face amount of your notes following any such redemption.

As a holder of the notes, you will not be entitled to any rights with respect to Class A Common Stock, but you will be subject to all changes made with respect to Class A Common Stock and even if you convert your notes, your voting interests may be diluted.

If you hold notes, you will not be entitled to any rights with respect to the Class A Common Stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on the Class A Common Stock), but you will be subject to all changes affecting the Class A Common Stock. You will have the rights with respect to the Class A Common Stock only when shares of Class A Common Stock are delivered to you upon conversion of your notes. For example, in the event that an amendment is proposed to Holdings' charter or by-laws requiring stockholder approval and the

record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the date you are deemed to have received Class A Common Stock upon conversion, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of the Class A Common Stock. In addition, because the Class B Common Stock has five votes per share, even if you convert your notes, your voting interests in the Class A Common Stock may not be proportional to your actual ownership of the outstanding Common Stock and holders of Class B Common Stock may control a majority of the voting interests in the Common Stock even though they do not own a majority of the outstanding Common Stock.

Recent regulatory actions may adversely affect the trading price and liquidity of the notes.

If the Class A Common Stock becomes publicly traded, we expect that many investors in, and potential purchasers of, the notes will employ, or seek to employ, a convertible arbitrage strategy with respect to the notes. Investors that employ a convertible arbitrage strategy with respect to convertible debt instruments typically implement that strategy by selling short the common stock underlying the notes and dynamically adjusting their short position while they hold the notes. Investors may also implement this strategy by entering into swaps on the Class A Common Stock in lieu of or in addition to short selling the common stock. As a result, any specific rules regulating equity swaps or short selling of securities or other governmental action that interferes with the ability of market participants to effect short sales or equity swaps with respect to the Class A Common Stock could adversely affect the ability of investors in, or potential purchasers of, the notes to conduct the convertible arbitrage strategy that we believe they will employ, or seek to employ, with respect to the notes. This could, in turn, adversely affect the trading price and liquidity of the notes.

The SEC and other regulatory and self-regulatory authorities have implemented various rules and may adopt additional rules in the future that may impact those engaging in short selling activity involving equity securities (including the Class A Common Stock). In particular, Rule 201 of SEC Regulation SHO generally restricts short selling when the price of a "covered security" triggers a "circuit breaker" by falling 10% or more from the security's closing price as of the end of regular trading hours on the prior day. If this circuit breaker is triggered, short sale orders can be displayed or executed only if the order price is above the current national best bid, subject to certain limited exceptions. Because the Class A Common Stock is a "covered security," these Rule 201 restrictions, if triggered, may interfere with the ability of investors in, and potential purchasers of, the notes, to effect short sales in the Class A Common Stock and conduct the convertible arbitrage strategy that we believe they will employ, or seek to employ, with respect to the notes.

The SEC also approved a pilot program allowing securities exchanges and the Financial Industry Regulatory Authority, Inc. ("FINRA") to halt trading in securities included in the S&P 500 Index, Russell 1000 Index and over 300 exchange traded funds if the price of any such security moves 10% or more from a sale price in a five-minute period (the "SRO pilot program"). Beginning on August 8, 2011, the SRO pilot program was expanded to include all other NMS stocks, and imposes a trading halt in these additional stocks in the event of any price movement of 30% or 50% (or more), depending upon the trading price of the stock. Beginning on November 23, 2011, the SRO pilot program was amended to exclude all rights and warrants from the trading halt. The SRO pilot program is effective until January 31, 2012.

In addition, FINRA and exchanges have proposed a "Limit Up-Limit Down" mechanism. If approved by the SEC, FINRA and exchanges would establish procedures to prevent trading in stock covered by the mechanism outside of specific price bands during regular trading hours. If trading is unable to occur within those price bands for more than 15 seconds, there would be a five-minute trading pause. The SEC has not yet determined whether to approve the Limit Up-Limit Down proposal.

The enactment of the Dodd-Frank Act on July 21, 2010 also introduces regulatory uncertainty that may impact trading activities relevant to the notes. This legislation may require many over-the-counter swaps and security-based swaps to be centrally cleared through regulated clearinghouses and traded on exchanges or comparable trading facilities. In addition, swap dealers, security-based swap dealers, major market participants and major security-based swap participants may be required to comply with margin and capital requirements as well as public reporting requirements to provide transaction and pricing data on both cleared and uncleared swaps. These requirements could adversely affect the ability of investors in, or potential purchasers of, the notes to maintain a convertible arbitrage strategy with respect to the notes (including increasing the costs incurred by such investors in implementing such strategy). This could, in turn, adversely affect the trading price and liquidity of the notes. The implementation dates for these requirements are subject to regulatory action and at this time cannot be determined with certainty. We cannot predict how this legislation will ultimately be implemented by the SEC and other regulators or the magnitude of the effect that this legislation will have on the trading price or liquidity of the notes.

Although the direction and magnitude of the effect that the amendments to Regulation SHO, FINRA and securities exchange rule changes and/or implementation of the Dodd-Frank Act may have on the trading price and the liquidity of the

Table of Contents

notes will depend on a variety of factors, many of which cannot be determined at this time, past regulatory actions have had a significant impact on the trading prices and liquidity of convertible debt instruments. For example, in September 2008, the SEC issued emergency orders generally prohibiting short sales of the common stock of certain financial services companies while Congress worked to provide a comprehensive legislative plan to stabilize the credit and capital markets. The orders made the convertible arbitrage strategy that many convertible debt investors employ difficult to execute and adversely affected both the liquidity and trading price of convertible debt instruments issued by many of the financial services companies subject to the prohibition. Any governmental action that similarly restricts the ability of investors in, or potential purchasers of, the notes to effect short sales of the Class A Common Stock, including the amendments to Regulation SHO, FINRA and exchange rule changes and the implementation of the Dodd-Frank Act, could similarly adversely affect the trading price and the liquidity of the notes.

You may be subject to United States federal income or withholding taxes if we adjust the conversion rates of notes in certain circumstances, even if you do not receive any cash.

We will adjust the conversion rates of the notes for stock splits and combinations, stock dividends, cash dividends and certain other events that affect the capital structure of Holdings. See "Description of the Notes—Conversion Rate Adjustments." If we adjust the conversion rates, you may be treated as having received a constructive distribution from us, resulting in taxable income to you for United States federal income tax purposes, even though you would not receive any cash in connection with a conversion rate adjustment and even though you might not exercise your conversion right. In addition, Non-U.S. Holders (as defined in "Certain United States Federal Income Tax Considerations") of the notes may be deemed to have received a distribution subject to United States federal withholding tax requirements. See "Certain United States Federal Income Tax Considerations—U.S. Holders—Constructive Dividends" and "Certain United States Federal Income Tax Considerations—Non-U.S. Holders—Constructive Dividends."

Holders who convert their notes into Class A Common Stock may be subject to greater risks than the risks to which they would otherwise be subject.

If you elect to convert your notes into Class A Common Stock, you will hold equity of Holdings, rather than debt of Realogy, which will have important consequences to you. For example, the rights of holders of Class A Common Stock will be junior to our existing and future indebtedness and other obligations. If we were to become subject to bankruptcy protection, holders of the notes who do not convert their notes may receive value greater than the value, if any, received by holders of Class A Common Stock. This is because any claims of holders of the notes and our other indebtedness will be given priority over the claims of holders of equity securities.

The conversion prices of the notes were determined by negotiations and are based on a premium to the estimated fair market value of the Class A Common Stock. There may not be an active market for Class A Common Stock, and a market may never develop, which could adversely affect the liquidity and market price of the notes and could result in holders of Class A Common Stock being unable to monetize their investment.

Currently there is no public market for the Class A Common Stock. In the absence of a public market for the Class A Common Stock, the conversion prices of the notes were determined through negotiations with holders of the Existing Notes by reference to the Company's estimated fair market value of the Class A Common Stock as of November 29, 2010. The conversion prices were based on a premium to the estimated fair market value of the Class A Common Stock and may not bear any relationship to our past, current or future operations, cash flows, net income, current financial condition, the book value of our assets or any other established criteria for value. As a result, the conversion prices of the notes should not be considered as reflective of the actual value of the Class A Common Stock.

An active trading market for the Class A Common Stock may never develop or be sustained. The absence of such market could adversely affect the liquidity and price of the Class A Common Stock and the notes. In addition, we cannot assure you that, if such market were to develop, the price at which the Class A Common Stock may trade will not decline, or that such price will reflect the actual financial performance of Holdings.

In connection with any Qualified Public Offering, Holdings expects that it would list the Class A Common Stock for trading on the NASDAQ Global Select Market, the NASDAQ Global Market or the New York Stock Exchange. Until then, you may not be able to liquidate any investment you may make in the Class A Common Stock by converting the notes. We cannot assure you that there will be a trading market for the Class A Common Stock or that an active public market will develop or, if developed, will continue. If an active public market does not develop or is not maintained, the market price and liquidity of the Class A Common Stock may be adversely affected. Moreover, in the event you are able to sell some or all of your Class A Common Stock, you may not recover the original investment.

Table of Contents

Fluctuations in the market price of Class A Common Stock may impact the trading price of the notes and make them more difficult to resell. Holders who receive Class A Common Stock upon conversion of the notes will also be subject to the risk of volatility and depressed prices of Class A Common Stock.

If the Class A Common Stock becomes publicly traded, the conversion value of the notes will be based on the market price of shares of Class A Common Stock, and any decline in the market price of Class A Common Stock may have a similar effect on the value of the notes and could limit the number of shares deliverable upon conversion of the notes. Holders who receive shares of Class A Common Stock upon conversion of the notes will also be subject to the risk of volatility and depressed prices of Class A Common Stock. The conversion of some or all of the notes and any sales of Class A Common Stock issued upon conversion of the notes could adversely affect the market price of Class A Common Stock. In the future, Holdings may sell additional shares of Class A Common Stock to raise capital. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for Class A Common Stock. The issuance and sale of substantial amounts of Class A Common Stock or securities convertible into Class A Common Stock, or the perception that such issuances and sales may occur, could adversely affect the value of the notes and the market price of Class A Common Stock and impair Holdings' ability to raise capital through the sale of additional equity securities. In addition, holders who receive shares of Class A Common Stock upon conversion of the notes may have their percentage ownership diluted in the future because of equity issuances.

The market price of Class A Common Stock (if such market were to develop) could also be affected by possible sales of shares of Class A Common Stock by investors who view the notes as a more attractive means of equity participation in Holdings and by hedging or arbitrage trading activity involving Class A Common Stock that we expect to develop if the Class A Common Stock becomes publicly tradable. Such hedging or arbitrage trading activity could, in turn, affect the trading price of the notes and/or the market price of any Class A Common Stock that holders receive upon conversion of their notes.

Risks Related to Our Business

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

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 recently shown some signs of stabilizing from a lengthy and deep downturn that began in the second half of 2005. However, we cannot predict when the market and related economic forces will return the U.S. residential real estate industry to a period of sustained growth.

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 that provide liquidity to the U.S. housing and mortgage markets;
- increasing mortgage rates and down payment requirements and/or reduced availability of mortgage financing, including but not limited to the potential impact of various provisions of the Dodd-Frank Act or other legislation or regulation that may be enacted or promulgated to reform the U.S. housing finance market, including restrictions imposed on mortgage originators as well as retention levels required to be maintained by sponsors to securitize mortgages;
- excessive or insufficient regional home inventory levels;
- continuing high levels of foreclosure activity including but not limited to the release of homes for sale by financial institutions and the uncertainty surrounding the appropriateness of mortgage servicers foreclosure processes;
- adverse changes in local or regional economic conditions;

27

Table of Contents

- 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 regulation that burden residential real estate transactions or ownership;
- shifts in populations away from the markets that we or our franchisees serve;
- individual tax law changes, including 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 expenses;
- 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.

Recently, banks and other lenders have come under investigations for alleged improper support for foreclosure actions. As a result, the foreclosure process in many areas has slowed and may face ongoing disruption. These foreclosure developments could reduce the level of homesales and could, once these homes reemerge on the market, add additional downward pressure on the price of existing homesales. A potential settlement of related litigation in 2012 could ease the disruption to foreclosures.

Our success is largely dependent on the efforts and abilities of the independent sales associates retained by company owned brokerage offices and by our franchisees. The ability of our company owned brokerage offices and our franchisees to retain independent sales associates is generally subject to numerous factors, including the compensation they receive and their perception of brand value. Given our high degree of leverage and negative perceptions in the media relating to our financial condition, neither our company owned brokerage offices or our independent franchisees may be successful in attracting or maintaining independent sales associates. If we or our franchisees fail to attract and retain independent sales associates, our business may be materially adversely affected.

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 unfavorable conditions in the real estate market and general macroeconomic conditions do not significantly improve, we would be required to seek additional sources of working capital for our future liquidity needs, including obtaining additional financing from affiliated or non-affiliated debt holders and deferring or reducing spending. There can be no assurance that we would be able to defer or reduce expenses or that any such actions would not materially and adversely impact our business and results of operations, or that we could 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

28

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%). 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 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, consumer confidence and the general condition of the U.S. and world economy. Dramatic declines in the housing market during the past five years, with falling home prices and increasing foreclosures, including disruptions and delays occasioned by recent investigations into alleged improper foreclosure processes, and unemployment, have resulted in significant write-downs of asset values by financial institutions, including government-sponsored entities and major commercial and investment banks. These actions, which initially impacted mortgage-backed securities, spread to credit default swaps and other derivative securities and caused many financial institutions to seek additional capital, to merge with larger and stronger institutions and, in some cases, to fail. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and

Table of Contents

institutional investors reduced, and in some cases, ceased to provide funding to borrowers, including other financial institutions. 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.

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.

Recent U.S. governmental actions to assist in the stabilization and/or recovery of the residential real estate market may not be successful; reform of Freddie Mac and Fannie Mae could have a material impact on our operations.

The U.S. government implemented certain actions during the past several years to assist in a stabilization and/or a recovery of the residential real estate market. These measures have included: (1) the placement of Fannie Mae and Freddie Mac in conservatorship in September 2008 and the funding of billions of dollars to these entities to backstop shortfalls in their capital requirements; (2) the establishment, and subsequent expansion and extension, of a federal homebuyer tax credit for qualified buyers (that, as extended, required signed contracts on or before April 30, 2010); (3) as part of a broader plan to bring stability to credit markets and stimulate the housing market, the purchase of mortgage-backed securities by the Federal Reserve Board in an attempt to maintain low mortgage rates (the first phase of which ended on March 31, 2010); (4) the continuation of the 2008 higher loan limits for FHA, Freddie Mac and Fannie Mae loans, most recently extended through 2013; (5) the availability of low-cost refinancing through Fannie Mae and Freddie Mac to certain homeowners negatively impacted by falling home prices, as well as encouraging lenders to modify loan terms with borrowers at risk of foreclosure or already in foreclosure; and (6) ongoing attempts to cause Freddie Mac, Fannie Mae and various banks implicated in foreclosure investigations to modify loans, including by the reduction of principal, when the home value has fallen below the amount of the loan. There can be no assurance that these actions or any other governmental action will continue to stabilize the housing market or that any recovery in this market will be sustained as these programs either wind down or expire by their terms.

Moreover, Congress has held hearings on the future of Freddie Mac and Fannie Mae and other government sponsored entities or GSEs with a view towards further legislative reform. Legislation, if enacted, 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, either of which could materially adverse affect 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.

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 and also 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. 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 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.

Table of Contents

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.

Competition in the residential real estate services business is intense. 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 further deteriorate.

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 have been negatively impacted by the prolonged downturn in the residential housing market, they may increase their market share 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. 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% in 2011.

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.

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. While we believe that our franchising operations are in compliance with such existing regulations, we cannot predict the effect any existing or future legislation or regulation may have on our business operation or financial condition.

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 the duty 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 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 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 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 and it is possible that the practice of HUD taking very expansive broad readings of RESPA will continue or accelerate at the Consumer Financial Protection Bureau (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, were recently 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. We cannot assure you that future legislative or regulatory changes will not adversely affect our business operations.

In addition, regulatory authorities 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.

Table of Contents

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;
- 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 can impose significant 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; and
- increases in state, local or federal taxes that could diminish profitability or liquidity.

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 may not be successful in developing the Better Homes and Gardens Real Estate brand.

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 with which we are in the process of building the Sotheby's International Realty® franchise system. In January 2006, we acquired our title insurance underwriter and certain title agencies. 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.

In October 2007, we entered into a long-term agreement to license the Better Homes and Gardens® Real Estate brand from Meredith. We seek to build a new international residential real estate franchise company using the Better Homes and Gardens® Real Estate brand name. The licensing agreement between us and Meredith became operational on July 1, 2008 and is for a 50-year term, with a renewal term for another 50 years at our option. We may not be able to successfully develop the brand in a timely manner given the housing downturn and limitations in developing the brand in certain countries, or at all. Our inability to complete acquisitions or to successfully develop the Better Homes and

Gardens® Real Estate brand would have a material adverse effect on our growth strategy.

Table of Contents

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;
- 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.

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 remain weak or worsen for franchisees, their 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.
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. 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.

34

Clients of our relocation business may terminate their contracts 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. If a significant number of our relocation clients terminate their contracts with us, 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 we earned 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 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; 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 arising from the handling of escrow transactions and closings. 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 title or escrow 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.

Fraud, defalcation and misconduct by employees are also risks inherent in our business. We carry insurance covering the loss or theft of funds of up to $30 million annually in the aggregate, subject to a deductible of $1 million per occurrence. 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. 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 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 our deposits, customers could seek to hold us responsible for these deposits and, if the customers prevailed in their claims, we could be subject to significant losses. These escrow and trust deposits totaled $272 million at December 31, 2011.

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.

At December 31, 2011, $327 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.

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

Table of Contents

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 recently 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.

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 operations. For the year ended December 31, 2011, revenues from these operations were approximately 3% of total revenues. Our international operations are subject to risks not generally experienced by our U.S. operations. The risks involved in our international operations 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; and
- changes in foreign taxation structures.

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, actions against our title company alleging it knew or should have known that 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, 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.

37

In 2002, Frank K. Cooper Real Estate #1, Inc. filed a putative class action against Cendant and Cendant's subsidiary, Century 21 Real Estate Corporation. The complaint alleges breach of certain provisions of the Real Estate Franchise Agreement entered into between Century 21 and the plaintiffs, breach of the implied duty of good faith and fair dealing, violation of the New Jersey Consumer Fraud Act and breach of certain express and implied fiduciary duties. The complaint alleges, among other things, that Cendant diverted money and resources from Century 21 franchisees and allotted them to NRT owned brokerages and otherwise improperly charged expenses to marketing funds. The New Jersey Consumer Fraud Act, if applicable, provides for treble damages, attorney's fees and costs as remedies for violation of the Act. On August 17, 2010, the court granted plaintiffs' renewed motion to certify a class. The certified class includes Century 21 franchisees at any time between August 1, 1995 and April 17, 2002 whose franchise agreements contain New Jersey choice of law and venue provisions and who have not executed releases releasing the claim (unless the release was a provision of a franchise renewal agreement). A case management order entered on November 29, 2010 established, among other things, a trial date of April 16, 2012. All expert reports have been produced and expert depositions have commenced.

As of January 24, 2012, Realogy entered into a memorandum of understanding memorializing the principal terms of a proposed settlement of this action. The structure of the proposed settlement involves both monetary and non-monetary consideration as well as contributions from insurance carriers. The non-monetary consideration includes but is not limited to waivers and modifications of certain fees and payments of incentive fees. On February 16, 2012, the parties executed a Stipulation of Settlement finalizing the terms of the settlement reflected in the memorandum of understanding. The Stipulation of Settlement and related settlement documents were submitted to the Court on February 17th by the plaintiffs to obtain preliminary approval. The court granted preliminary approval on February 22nd. Notice of the settlement will go to the class in the next 30 days. A fairness hearing will be held on June 4, 2012 when the court will determine whether to grant final approval of the settlement. Realogy has reserved for funding that would be required beyond carrier contributions and that amount is reflected in our financial results for the year ended December 31, 2011.

This class action involves substantial, complex litigation. Class action litigation is inherently unpredictable and subject to significant uncertainties. If the proposed settlement is not finalized and approved by the court, the resolution of this litigation could result in substantial losses and there can be no assurance that such resolution will not have a material adverse effect on our results of operations, financial condition or liquidity.

Two key RESPA issues currently being litigated in various courts by other industry participants and us are (1) whether RESPA's prohibition of unearned fees applies to all fees or only split fees and (2) whether RESPA impinges on the ability of a real estate broker to charge a two-part fee with fixed and variable components. These issues directly impact the fee structures of franchisees and our Company owned brokerage business in those states where fees frequently include both fixed and variable commission charges. In 2011, the U.S. Supreme Court agreed to hear Freeman vs. Quicken Loans, Inc., where the issue presented is whether RESPA applies to a fee that is not split or shared with a third party. Oral argument in that case was heard on February 21, 2012. A decision in the Quicken Loans case or in other pending cases that interpret RESPA broadly could significantly increase the volume of RESPA litigation and could adversely impact us and our franchisees.

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 are vulnerable to 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. 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 or other business interruption. Any extended interruption in our technologies or systems 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. 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.

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 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.

Table of Contents

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.

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

Our ability to utilize our net operating losses ("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 five-percent shareholders in any three-year period. Although we do not believe that we have undergone an ownership change within the last three years, it is possible that we will undergo an ownership change in the future and, as a result, our use of NOL carryforwards may be limited.

Risks Related to Realogy's Separation from Cendant

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 $80 million at December 31, 2011 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.

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.

Table of Contents

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this prospectus or other public statements 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 or other public statements. These forward-looking statements were based on various facts and were derived utilizing numerous important assumptions and other important factors, and changes in such facts, assumptions or factors could cause actual results to differ materially from those in the 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 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 conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts. You should understand that the following important factors could affect our future results and cause actual results to differ materially from those expressed in the forward-looking statements:

- we have substantial leverage as a result of our April 2007 acquisition by affiliates of Apollo Management VI, L.P. and the related financings (the "Merger Transactions"). Since the Merger Transactions, we have needed to incur additional debt in order to fund negative cash flows, principally due to the significant level of interest expense arising from our substantial leverage. As of December 31, 2011, our total debt (excluding the securitization obligations) was $7,150 million, an increase of $258 million since December 31, 2010. After giving effect to the 2012 Senior Secured Notes Offering, our interest expense has increased. The housing industry and economy have experienced significant declines since the time of the Merger Transactions, which have negatively impacted our operating results. As a result, we have been, and continue to be, challenged by our heavily leveraged capital structure, negative cash flows and significant level of interest expense;
- under our senior secured credit facility, our senior secured leverage ratio of total senior secured net debt to trailing four quarter EBITDA, as those terms are defined in the senior secured credit facility, calculated on a "pro forma" basis pursuant to the senior secured credit facility, may not exceed 4.75 to 1.0 on the last day of each fiscal quarter. For the twelve months ended December 31, 2011, we were in compliance with the senior secured leverage ratio covenant with a ratio of 4.44 to 1.0. After giving effect to the 2012 Senior Secured Notes Offering, our senior secured leverage ratio would have been 3.87 to 1.0 at December 31, 2011. While the housing market has shown signs of stabilization, there remains substantial uncertainty with respect to the timing and scope of a full housing recovery and if a housing recovery is delayed or is weak or if general macroeconomic or other factors do not significantly improve, we may be subject to additional pressure in maintaining compliance with our senior secured leverage ratio covenant;
- if we experience an event of default under our senior secured credit facility, including but not limited to a failure to pay our cash interest obligations under such facility, or under our indentures or relocation securitization facilities, or a failure to maintain, or a failure to cure a default of, the applicable senior secured leverage ratio under such instruments, or other lack of liquidity caused by substantial leverage and the adverse conditions in the housing market or other factors, such an event would materially and adversely affect our financial condition, results of operations and business;
- we will continue to evaluate potential financing transactions, including refinancing certain tranches of our indebtedness, issuing incremental debt, obtaining incremental letters of credit facilities and extending maturities, as well as potential transactions pursuant to which third parties, Apollo or its affiliates may provide financing to us or otherwise engage in transactions to provide liquidity to us. There can be no assurance as to which, if any, of these alternatives we may pursue as the choice of any alternative will depend upon numerous factors such as market conditions, our financial performance and the limitations applicable to such transactions under our existing financing agreements and the consents we may need to obtain under the relevant documents. There also can be no assurance that financing or refinancing will be available to us on acceptable terms or at all;
- adverse developments or the absence of sustained improvement in general business, economic, employment and political conditions;

- adverse developments or the absence of sustained improvement in 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 caused by either absolute

Table of Contents

price decreases or a change in the mix of business that we conduct 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 and high levels of unemployment in the U.S. and abroad;

increasing mortgage rates and down payment requirements and/or reduced 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, including restrictions imposed on mortgage originators as well as potential retention levels required to be maintained by sponsors to securitize certain mortgages;

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 that provide liquidity to the U.S. housing and mortgage markets and potential reform of the Internal Revenue Code, which could involve reform that reduces the amount that taxpayers would be allowed to deduct for home mortgage interest;

negative trends and/or a negative perception of the market trends in value for residential real estate;

continuing high levels of foreclosure activity including but not limited to the release of homes 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;

lower homeownership rates due to various factors, including, but not limited to, high unemployment levels, reduced demand or preferred use by households of rental housing due in part to uncertainty regarding future home values;

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

local and regional conditions in the areas where our franchisees and brokerage operations are located;

- 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 failure to enter into or renew franchise agreements or maintain franchisee satisfaction with our brands;
- the inability of franchisees to survive the ongoing challenges of the real estate market;
- 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 or controversies with our franchisees;
- competition in our existing and future lines of business, including, but not limited to, higher costs to retain or attract sales agents for residential real estate brokerages, and the financial resources of competitors. In addition, 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;
- our failure to comply with laws and regulations and any changes in laws and regulations;
- seasonal fluctuations in the residential real estate brokerage business could adversely affect our business, financial condition and liquidity, particularly during periods in which we have significant fixed cash obligations due to our fixed expenses, such as interest payments, facilities costs and personnel-related costs;
- the loss of any of our senior management or key managers or employees;
- adverse effects of natural disasters or environmental catastrophes;

Table of Contents

- 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. For any forward-looking statements contained in our public filings or other public statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Table of Contents

USE OF PROCEEDS

We will not receive any proceeds from the sale of the notes and Class A Common Stock issuable upon conversion thereof by the selling securityholders.

Table of Contents

CAPITALIZATION

The following table sets forth Realogy's cash and cash equivalents and capitalization as of December 31, 2011. You should read this table in conjunction with the information included under the headings "Selected Historical Consolidated and Combined Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this prospectus.

	As of December 31, 2011	As Adjusted
Capitalization (excluding securitization obligations)	(In millions)	
Cash and cash equivalents (1)	$143	$354
Long-term debt (including current portion):		
Senior Secured Credit Facility:		
Non-extended revolving credit facility (2)	78	—
Extended revolving credit facility (2)	97	97
Non-extended term loan facility	629	—
Extended term loan facility	1,822	1,822
First Lien Notes	—	593
First and a Half Lien Notes	700	700
New First and a Half Lien Notes	—	325
Second Lien Loans	650	650
Other bank indebtedness (3)	133	133
Existing Notes:		
10.50% Senior Notes	64	64
Senior Toggle Notes	52	52
12.375% Senior Subordinated Notes (4)	187	187
Old Notes:		
11.50% Senior Notes (5)	489	489
12.00% Senior Notes (6)	129	129
13.375% Senior Subordinated Notes	10	10
11.00% Convertible Notes	2,110	2,110
Total long-term debt, including short-term portion	7,150	7,361
Total equity (deficit)	(1,508)	(1,508)
Total capitalization (7)	$5,642	$5,853

---

(1) Readily available cash as of December 31, 2011 was $101 million. Readily available cash includes cash and cash equivalents less statutory cash required for our title business.

(2) The available capacity under these facilities was reduced by $53 million and $66 million of outstanding letters of credit on the non-extended and the extended revolving credit facility, respectively, at December 31, 2011. On February 2, 2012, the Company completed the 2012 Senior Secured Notes Offering and used the proceeds therefrom to repay all amounts outstanding under its non-extended revolving credit facility and terminate the related commitments. As of February 27, 2012, we had $55 million of outstanding borrowings under the extended revolving credit facility.

(3) 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, with $75 million due in July 2012, $8 million due in August 2012 and $50 million due in January 2013.

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

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

(6) Consists of $190 million of 12.375% Senior Subordinated Notes, less a discount of $3 million.

(7) We expect to have a write-off for deferred financing costs in the first quarter of 2012 due to the prepayment of the non-extended revolving credit facility and the non-extended term loan facility.

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

(9) As of February 27, 2012, we had $55 million of outstanding borrowings and approximately $81 million of available capacity under the extended revolving credit facility.

Table of Contents

DIVIDEND POLICY

Holdings has not historically paid any dividends to its shareholders and does not expect to pay dividends on the Class A Common Stock in the foreseeable future, although it reserves the right to do so. We anticipate that all of our earnings in the foreseeable future will be used for the operation and growth of our business.

Any future determination to pay dividends on the Class A Common Stock will be at the discretion of the Holdings Board and will depend upon many factors, including our financial position, results of operations, liquidity, legal requirements and other factors deemed relevant by the Holdings Board.

Holdings' ability to pay dividends is dependent on cash dividends from its subsidiaries as well as certain restrictions contained in the Paulson Securityholders Agreement. Covenants under the senior secured credit facility and the indentures governing Realogy's outstanding securities also place restrictions on Realogy's ability to pay dividends. See "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Descriptions of Other Indebtedness" and "Certain Relationships and Related Party Transactions."

Table of Contents

DETERMINATION OF OFFERING PRICE

As of the date of this prospectus, there is no established public trading market for the Class A Common Stock. The selling securityholders may sell their notes and Class A Common Stock issuable upon conversion thereof from time to time at the prevailing market prices at the time of the sale or at privately negotiated prices. See "Plan of Distribution" in this prospectus.

The conversion prices of the notes were determined by our Board of Directors following negotiations with holders of the Existing Notes in connection with the Debt Exchange Offering by reference to the estimated fair market value of the Class A Common Stock as of November 29, 2010. The conversion prices were based on a premium to the estimated fair market value of the Class A Common Stock and may not bear any relationship to our past, current or future operations, cash flows, net income, current financial condition, the book value of our assets or any other established criteria for value. As a result, the conversion prices of the notes should not be considered as reflective of the actual value of the Class A Common Stock.

Table of Contents

SELECTED HISTORICAL CONSOLIDATED FINANCIAL STATEMENTS

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 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 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.

Holdings, the indirect parent of Realogy, does not conduct any operations other than with respect to its indirect ownership of Realogy. Intermediate, the parent of Realogy, does not conduct any operations other than with respect to its ownership of Realogy. Any expenses related to stock compensation issued by Holdings to the employees or directors of Realogy or franchise taxes incurred by Holdings are recorded in Realogy's financial statements. As a result, there are no material differences between Holdings' and Realogy's financial statements for the years ended December 31, 2011, 2010, 2009 and 2008 and no material differences between Intermediate's and Realogy's financial statements for the years ended December 31, 2011, 2010, 2009 and 2008.

Although Realogy continued as the same legal entity after the Merger, the financial statements 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. The consolidated statement of operations data for the period January 1, 2007 to April 9, 2007 are derived from the audited financial statements of the Predecessor not included elsewhere in this prospectus, and the consolidated statement of operations data for the period April 10, 2007 to December 31, 2007 are derived from the audited financial statements of the Successor not included elsewhere in this prospectus. 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. The results for periods of less than a full year are not necessarily indicative of the results to be expected for any interim period or for a full year.

The selected historical consolidated financial data and operating statistics presented below should be read in conjunction with our annual consolidated financial statements and accompanying notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus. Our annual consolidated financial information may not be indicative of our future performance.

Table of Contents

	Successor Year Ended December 31, 2011	2010	2009	2008	For the Period April 10 Through December 31, 2007	Predecessor For the Period From January 1 Through April 9, 2007
	(In millions, except per share data)					
Statement of Operations Data:						
Net revenue	$4,093	$4,090	$3,932	$4,725	$4,472	$1,492
Total expenses	4,526	4,084	4,266	6,988	5,708	1,560
Income (loss) before income taxes, equity in earnings and noncontrolling interests	(433)	6	(334)	(2,263)	(1,236)	(68)
Income tax expense (benefit)	32	133	(50)	(380)	(439)	(23)
Equity in (earnings) losses of unconsolidated entities	(26)	(30)	(24)	28	(2)	(1)
Net loss	(439)	(97)	(260)	(1,911)	(795)	(44)
Less: Net income attributable to noncontrolling interests	(2)	(2)	(2)	(1)	(2)	—
Net loss attributable to Realogy	$(441)	$(99)	$(262)	$(1,912)	$(797)	$(44)
Net loss attributable to Holdings	$(441)	$(99)	$(262)	$(1,912)	$(797)	$—
Earnings (loss) per share:						
Basic loss per share:	$(2.20)	$(0.49)	$(1.31)	$(9.55)	$(3.98)	$(0.20)
Diluted loss per share:	$(2.20)	$(0.49)	$(1.31)	$(9.55)	$(3.98)	$(0.20)
Weighted average common and common equivalent shares outstanding:						
Basic:	200.4	200.4	200.2	200.1	200.1	217.5
Diluted:	200.4	200.4	200.2	200.1	200.1	217.5

	As of December 31, 2011	2010	2009	2008	2007
	(In millions, except ratio and operating statistics)				
Balance Sheet Data:					
Securitization assets	$366	$393	$364	$845	$1,300
Total assets	7,810	8,029	8,041	8,912	11,172
Securitization obligations	327	331	305	703	1,014
Long-term debt	7,150	6,892	6,706	6,760	6,239
Equity (deficit)	(1,508)	(1,072)	(981)	(740)	1,203
Other Financial Data:					
Ratio of earnings to fixed charges (1)	—	1.1x	—	—	—
Cash dividends	—	—	—	—	—

(1) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income before income taxes and non-controlling interests plus fixed charges. Fixed charges consist of interest expense on all indebtedness, including amortization of deferred financing costs, and the portion of rental expense that management believes is representative of the interest factor. In addition, interest expense includes interest incurred related to our securitization obligations. Interest related to these securitization obligations are recorded within net revenues on the consolidated and combined statements of operations as the related borrowings are utilized to fund advances within

our relocation business where interest is earned on such advances. The interest related to these securitization obligations was $6 million, $7 million, $12 million and $46 million for the years ended December 31, 2011, 2010, 2009 and 2008, respectively, $45 million for the period from April 10 through December 31, 2007, and $14 million for the period from January 1 through April 9, 2007. Our earnings were insufficient to cover fixed charges by approximately $361 million for the year ended December 31, 2011, $278 million for the year ended December 31, 2009, approximately $2,317 million for the year ended December 31, 2008, approximately $1,229 million for the period from April 10 to December 31, 2007, and by approximately $65 million for the period from January 1 to April 9, 2007.

Table of Contents

	For the Year Ended December 31,				
	2011	2010	2009	2008	2007
Operating Statistics:					
Real Estate Franchise Services [(a)]					
Closed homesale sides [(b)]	909,610	922,341	983,516	995,622	1,221,206
Average homesale price [(c)]	$198,268	$198,076	$190,406	$214,271	$230,346
Average homesale brokerage commission rate [(d)]	2.55 %	2.54 %	2.55 %	2.52 %	2.49 %
Net effective royalty rate [(e)]	4.84 %	5.00 %	5.10 %	5.12 %	5.03 %
Royalty per side [(f)]	$256	$262	$257	$287	$298
Company Owned Real Estate Brokerage Services [(g)]					
Closed homesale sides [(b)]	254,522	255,287	273,817	275,090	325,719
Average homesale price [(c)]	$426,402	$435,500	$390,688	$479,301	$534,056
Average homesale brokerage commission rate [(d)]	2.50 %	2.48 %	2.51 %	2.48 %	2.47 %
Gross commission income per side [(h)]	$11,461	$11,571	$10,519	$12,612	$13,806
Relocation Services					
Initiations [(i)]	153,269	148,304	114,684	136,089	132,343
Referrals [(j)]	72,169	69,605	64,995	71,743	78,828
Title and Settlement Services					
Purchasing title and closing units [(k)]	93,245	94,290	104,689	110,462	138,824
Refinance title and closing units [(l)]	62,850	62,225	69,927	35,893	37,204
Average price per closing unit [(m)]	$1,409	$1,386	$1,317	$1,500	$1,471

(a) 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.

(b) A closed homesale side represents either the "buy" side or the "sell" side of a homesale transaction.

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

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

(e) 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.

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

(g) 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.

(h) Represents gross commission income divided by closed homesale sides.

(i) Represents the total number of transferees served by the relocation services business. 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.

(j) Represents the number of referrals 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.

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

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

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

In presenting the financial data above in conformity with general accepted accounting principles, we are required to make estimates and assumptions that affect the amounts reported. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies" for a detailed discussion of the accounting policies that we believe require subjective and complex judgments that could potentially affect reported results.

Table of Contents

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our consolidated financial statements and accompanying notes thereto included elsewhere herein. Unless otherwise noted, all dollar amounts in tables are in millions. Holdings, the indirect parent of Realogy, does not conduct any operations other than with respect to its indirect ownership of Realogy. Any expenses related to stock compensation issued by Holdings to the employees or directors of Realogy or franchise taxes incurred by Holdings are recorded in Realogy's financial statements. As a result, there are no material differences between Holdings' and Realogy's financial statements for the years ended December 31, 2011, 2010 or 2009. This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements. See "Forward-Looking Statements" and "Risk Factors" for a discussion of the uncertainties, risks and assumptions associated with these statements. Actual results may differ materially from those contained in any forward-looking statements.

Overview

We are a global provider of real estate and relocation services and report our operations in the following four segments:

- Real Estate Franchise Services (known as Realogy Franchise Group or RFG) - franchises the Century 21®, Coldwell Banker®, ERA®, Sotheby’s International Realty®, Coldwell Banker Commercial® and Better Homes and Gardens® Real Estate brand names. As of December 31, 2011, our franchise system had approximately 14,000 franchised and company owned offices and 245,800 independent sales associates operating under our brands in the U.S. and 100 other countries and territories around the world, which included approximately 725 of our company owned and operated brokerage offices with approximately 42,100 independent sales associates. We franchise our real estate brokerage franchise systems to real estate brokerage businesses that are independently owned and operated. We provide operational and administrative services and certain systems and tools that are designed to help our franchisees serve their customers and attract new, or retain existing, independent sales associates. Such services include national and local advertising programs, listing and agent-recruitment tools, including technology, training and purchasing discounts through our preferred vendor programs. Franchise revenue principally consists of royalty and marketing fees from our franchisees. The royalty received is primarily based on a percentage of the franchisee’s gross commission income. Royalty fees are accrued as the underlying franchisee revenue is earned (upon closing of the homesale transaction). Annual volume incentives given to certain franchisees on royalty fees are recorded as a reduction to revenue and are accrued for in relative proportion to the recognition of the underlying gross franchise revenue. In the U.S. and generally in Canada, we employ a direct franchising model, however, in other parts of the world, we usually employ a master franchise model, whereby we contract with a qualified, experienced third party to build a franchise enterprise. Under the master franchise model, we typically enter into long term franchise agreements (often 25 years in duration) and receive an initial area development fee and ongoing royalties. Royalty increases or decreases are recognized with little corresponding increase or decrease in expenses due to the operating efficiency within the franchise operations. In addition to royalties received from our independently owned franchisees, our Company Owned Real Estate Brokerage Services segment pays royalties to the Real Estate Franchise Services segment.
- Company Owned Real Estate Brokerage Services (known as NRT) - operates a full-service real estate brokerage business principally under the Coldwell Banker®, ERA®, Corcoran Group® and Sotheby’s International Realty® brand names. As an owner-operator of real estate brokerages, we assist home buyers and sellers in listing, marketing, selling and finding homes. We earn commissions for these services, which are recorded upon the closing of a real estate transaction (i.e., purchase or sale of a home), which we refer to as gross commission income. We then pay commissions to real estate agents, which are recognized concurrently with associated revenues. We also operate a large independent residential REO asset manager. These REO operations facilitate the maintenance and sale of foreclosed homes on behalf of lenders.
- Relocation Services (known as Cartus) - primarily offers clients employee relocation services such as homesale assistance, providing home equity advances to transferees (generally guaranteed by the client), home finding and other destination services, expense processing, relocation policy counseling and consulting services, arranging

household goods moving services, visa and immigration support, intercultural and language training and group move management services. We provide these relocation services to corporate and government clients for the transfer of their employees. We earn revenues from fees charged to clients for the performance and/or facilitation of these services and recognize such revenue as services are provided. In the majority of relocation transactions,

Table of Contents

the gain or loss on the sale of a transferee's home is generally borne by the client. For all homesale transactions, the value paid to the transferee is either the value per the underlying third party buyer contract with the transferee, which results in no gain or loss, or the appraised value as determined by independent appraisers. We generally earn interest income on the funds we advance on behalf of the transferring employee, which is typically based on prime rate or LIBOR rate and recorded within other revenue (as is the corresponding interest expense on the securitization borrowings) in the Consolidated Statement of Operations. Additionally, we earn revenue from real estate brokers and other third-party service providers. We recognize such fees from real estate brokers at the time the underlying property closes. For services where we pay a third-party provider on behalf of our clients, we generally earn a referral fee or commission, which is recognized at the time of completion of services.

- Title and Settlement Services (known as Title Resource Group or TRG) - provides full-service title, settlement and vendor management services to real estate companies, affinity groups, corporations and financial institutions with many of these services provided in connection with the Company's real estate brokerage and relocation services business. We provide title and closing services, which include title search procedures for title insurance policies, homesale escrow and other closing services. Title revenues, which are recorded net of amounts remitted to third party insurance underwriters, and title and closing service fees are recorded at the time a homesale transaction or refinancing closes. We provide many of these services to third party clients in connection with transactions generated by our Company Owned Real Estate Brokerage and Relocation Services segments as well as various financial institutions in the mortgage lending industry. We also serve as an underwriter of title insurance policies in connection with residential and commercial real estate transactions.

As discussed under the heading "Current Industry Trends," the domestic residential real estate market has been in a significant and lengthy downturn. As a result, our results of operations have been, and may continue to be, materially adversely affected.

July 2006 Separation from Cendant

Realogy was incorporated on January 27, 2006 to facilitate a plan by Cendant to separate into four independent companies—one for each of Cendant's real estate services, travel distribution services ("Travelport"), hospitality services (including timeshare resorts) ("Wyndham Worldwide") and vehicle rental businesses ("Avis Budget Group"). Prior to July 31, 2006, the assets of the real estate services businesses of Cendant were transferred to Realogy and, on July 31, 2006, Cendant distributed all of the shares of Realogy's common stock held by it to the holders of Cendant common stock issued and outstanding on the record date for the distribution, which was July 21, 2006 (the "Separation"). The Separation was effective on July 31, 2006.

Before the Separation, Realogy entered into a Separation and Distribution Agreement, a Tax Sharing Agreement and several other agreements with Cendant and Cendant's other businesses to effect the separation and distribution and provide a framework for Realogy's relationships with Cendant and Cendant's other businesses after the Separation. These agreements govern the relationships among Realogy, Cendant, Wyndham Worldwide and Travelport subsequent to the completion of the separation plan and provide for the allocation among Realogy, Cendant, Wyndham Worldwide and Travelport of Cendant's assets, liabilities and obligations attributable to periods prior to the Separation.

April 2007 Merger Agreement with Affiliates of Apollo

On December 15, 2006, Realogy entered into an agreement and plan of merger with Holdings and Domus Acquisition Corp., which are affiliates of Apollo Management VI, L.P., an entity affiliated with Apollo Global Management, LLC. Under the merger agreement, Holdings acquired the outstanding shares of Realogy pursuant to the merger of Domus Acquisition Corp. with and into Realogy, with Realogy being the surviving entity (the "Merger"). The Merger was consummated on April 10, 2007. All of Realogy's issued and outstanding common stock is currently owned by Intermediate , which is a direct, wholly owned subsidiary of Holdings.

Realogy incurred substantial indebtedness in connection with the Merger, the aggregate proceeds of which were sufficient to pay the aggregate merger consideration, repay a portion of Realogy's then outstanding indebtedness and pay fees and expenses related to the Merger. Specifically, Realogy entered into the senior secured credit facility, issued unsecured notes and refinanced the credit facilities governing Realogy's relocation securitization programs . In addition, investment funds affiliated with, or co-investment vehicles managed by, Apollo Management VI, L.P. or one of its affiliates (together with Apollo Global Management, LLC and its subsidiaries, "Apollo"), as well as members of management who purchased Holdings common stock with cash or through rollover equity, contributed $2,001 million to Realogy to complete the Merger Transactions, which was treated as a contribution to Realogy's equity. Holdings common stock is currently

Table of Contents

owned or controlled solely by Apollo, although other parties own notes that may be converted, at the option of such parties, into Holdings common stock.

Current Industry Trends

Our businesses compete primarily in the domestic residential real estate market. This market is cyclical in nature and although it has shown strong growth over several decades, it has been in a significant and prolonged downturn, which initially began in the second half of 2005. Based upon data published by NAR from 2005 to 2011, the number of annual U.S. existing homesale units has declined by 40% and the median price has declined by 24%.

In response to the housing downturn, the U.S. government implemented certain actions during the past several years to help stabilize and assist in a recovery of the residential real estate market. These measures have included: (1) the placement of Fannie Mae and Freddie Mac in conservatorship in September 2008 and the funding by the government of billions of dollars to these entities to backstop shortfalls in their capital requirements; (2) the establishment, and subsequent expansion and extension, of a federal homebuyer tax credit for qualified buyers (that, as extended, required signed contracts on or before April 30, 2010); (3) as part of a broader plan to bring stability to credit markets and stimulate the housing market, the purchase of mortgage-backed securities by the Federal Reserve in an attempt to maintain low mortgage rates which concluded in mid-2011; (4) the continuation of the 2008 higher loan limits for the FHA, Freddie Mac and Fannie Mae loans most recently extended to the end of 2013; and (5) the availability of low-cost refinancing through Fannie Mae and Freddie Mac to certain homeowners negatively impacted by falling home prices and encouraging lenders to modify loan terms, including reductions in principal amount, with borrowers at risk of foreclosure or already in foreclosure. Based in part on these measures, since 2010, the residential real estate market has shown signs of stabilization, particularly with respect to the number of homesale transactions, through pressure continues to exist on average homesale price in part due to the high levels of distressed sales.

Interest rates continue to be at low levels by historical standards, which we believe has helped stimulate demand in the residential real estate market, thereby reducing the rate of sales volume decline. According to Freddie Mac, interest rates on commitments for 30-year, fixed-rate first mortgages have decreased from 5.3% in December 2008 to 4.0% in December 2011. Offsetting some of the favorable impact of lower interest rates are conservative mortgage underwriting standards, increased down payment requirements and homeowners having limited or negative equity in homes in certain markets. Mortgage credit conditions have tightened significantly during this housing downturn, with banks limiting credit availability to more creditworthy borrowers and requiring larger down payments, stricter appraisal standards, and more extensive mortgage documentation. As a result, mortgages are less available to borrowers and it frequently takes longer to close a homesale transaction due to the enhanced mortgage and underwriting requirements.

According to Corelogic's February 2012 press release, there were 1.4 million homes at the end of 2011 in some stage of foreclosure in the U.S. This magnitude of so-called shadow inventory could, were it to be released into the market, adversely impact home prices in local markets, while potentially increasing unit sales activity. Furthermore, according to Corelogic's November 2011 press release, there are approximately 10.7 million homes that have negative equity, as the mortgages on such properties exceed the estimated fair market value of the homes. Utilizing 2010 Census data, the 10.7 million homes with negative equity represent approximately 14% of all owner-occupied homes in the U.S. More than half of the homes with negative equity are located in just six states (AZ, CA, FL, GA, OH and IL) and, as a result, sales activity in these states could experience a slower pace of sales compared to the rest of the country, as homeowners may be reluctant to sell their residences at a loss.

According to NAR, the inventory of existing homes for sale is 2.3 million homes at December 2011 compared to 3.0 million homes at December 2010. The December 2011 inventory level represents a seasonally adjusted 6.4 months supply which is down from 8.5 months supply as of December 2010. The supply could increase due to the release of homes for sale by financial institutions. This factor could add downward pressure on the price of existing homesales.

Recent Legislative and Regulatory Matters

Dodd-Frank Act. 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.

Table of Contents

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, disrupt mortgage availability, increase down payment requirements, increase mortgage costs and result in potential litigation for housing market participants.

Certain provisions of the Dodd-Frank Act may impact the operation and practices of Fannie Mae, Freddie Mac and other government sponsored entities, or 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 by reducing qualifying mortgages could have a material adverse effect on the mortgage industry and the housing industry in general and these provisions may reduce the availability or increase the cost of mortgages to certain individuals.

Potential Reform of the U.S. Housing Finance Market and Potential Wind-down of Freddie Mac and Fannie Mae. 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. Legislation, if enacted, 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, either 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.

Mortgage Interest Deduction. Certain lawmakers are looking into a variety of tax law changes in order to achieve additional tax revenues and reduce the federal deficit. One possible change would reduce the amount certain taxpayers would be allowed to deduct for home mortgage interest and possibly limit the deduction to one's primary residence. Any reduction in the mortgage interest deduction could have an adverse effect on the housing market by reducing incentives for buying homes and could negatively affect property values.

****

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 dynamics such as housing demand relative to housing supply. While the housing market has shown signs of stabilization, there remains substantial uncertainty with respect to the timing and scope of a housing recovery. Factors that may negatively affect a housing recovery include:

- higher mortgage rates as well as reduced availability of mortgage financing;
- lower unit sales, due to the reluctance of first time homebuyers to purchase due to concerns about investing in a home and move-up buyers having limited or negative equity in homes;
- lower average homesale price, particularly if banks and other mortgage servicers liquidate foreclosed properties that they are currently holding in certain concentrated affected markets;
- continuing high levels of unemployment and associated lack of consumer confidence;
- unsustainable economic recovery in the U.S. or a weak recovery resulting in only modest economic growth;
- a lack of stability or improvement in home ownership levels in the U.S.; and
- legislative or regulatory reform, including but not limited to reform that adversely impacts the financing of the U.S. housing market or amends the Internal Revenue Code in a manner that negatively impacts home ownership such as reform that reduces the amount that certain taxpayers would be allowed to deduct for home mortgage interest.

Consequently, we cannot predict when the residential real estate industry will return to a period of sustainable growth. Moreover, 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.

55

Table of Contents

Many of the trends impacting our businesses that derive revenue from homesales also impact our Relocation Services business, which is a global provider of outsourced employee relocation services. In addition to general residential housing trends, key drivers of our Relocation Services business are corporate spending and employment trends which have shown signs of stabilization; however, there can be no assurance that corporate spending on relocation services will return to previous levels following any economic recovery.

Homesales

According to NAR, homesale transactions for 2011 increased 2% over 2010 and represent the 4th consecutive year that homesale transactions have been in the 4.1 to 4.3 million range on an annual basis, despite adverse economic and housing conditions during that period. The annual year over year trend in homesale transactions is as follows:

	2011 vs. 2010	2010 vs. 2009	2009 vs. 2008
Number of Homesales			
Industry			
NAR	2% (a)	(5)%	5%
Fannie Mae	2% (a)	(5)%	5%
Realogy			
Real Estate Franchise Services	(1)%	(6)%	(1)%
Company Owned Real Estate Brokerage Services	—%	(7)%	—%

(a) Existing homesale data is as of the most recent NAR and Fannie Mae press release.

As of their most recent releases, NAR and Fannie Mae are forecasting an increase of 7% and 6%, respectively, in existing homesale transactions for 2012 compared to 2011. In addition, NAR and Fannie Mae are forecasting an increase of 3% and 3%, respectively, in existing homesale transactions for 2013 compared to 2012.

Homesale Price

In 2010, the percentage decrease in the average price of homes brokered by our franchisees and company owned offices significantly outperformed the percentage change in median home price reported by NAR, due to the geographic areas they serve, as well as, a greater impact from increased activity in the mid and higher price point segment of the housing market and less distressed homesale activity in our company owned offices compared to the prior year. NAR reported homesale price declines of 4% for the year ended December 31, 2011 compared to 2010 while our price was flat for RFG and only down 2% for NRT. We believe that one significant reason, other than our geographic footprint, that accounts for the difference between our average homesale price and the median homesale price of NAR is due to the high level of distressed sales included in NAR's data. The annual year over year trend in the price of homes is as follows:

	2011 vs. 2010	2010 vs. 2009	2009 vs. 2008
Price of Homes			
Industry			
NAR	(4)%(a)	—%	(13)%
Fannie Mae	(4)%(a)	—%	(13)%
Realogy			
Real Estate Franchise Services	—%	4%	(11)%
Company Owned Real Estate Brokerage Services	(2)%	11%	(18)%

(a) Existing homesale price data is for median price and is as of the most recent NAR and Fannie Mae press release.

As of their most recent releases, NAR is forecasting an increase of 1% in median homesale prices for 2012 compared to 2011, while Fannie Mae is forecasting a decrease of 3% in median homesale prices for 2012 compared to 2011. In addition, NAR is forecasting an increase of 2% in median homesale prices for 2013 compared to 2012 and Fannie Mae is forecasting that median homesale prices are flat.

****

Table of Contents

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 their use of median price for their forecasts compared to our average price. Additionally, NAR data is subject to periodic review and revision. On December 21, 2011, NAR issued a press release disclosing that it had completed a review of its sampling and methodology processes with respect to existing homesales and as a result has issued a downward revision to their previously reported homesales and inventory data for the period from 2007 through November 2011. For example, NAR previously estimated that homesale transactions for 2010 were 4.9 million, but, after the revision NAR estimated that homesale transactions for 2010 were 4.2 million. The revision did not affect NAR's previously reported median or average price data. These revisions had no impact on our reported financial results or key business driver information. While we believe that the industry data presented herein are 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. We also note that forecasts are inherently uncertain or speculative in nature and actual results for any period may materially differ.

Housing Affordability Index

According to NAR, the housing affordability index has continued to improve as a result of the homesale price declines that began in 2007. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. The housing affordability index improved to 185 for 2011 compared to 174 for 2010 and 169 for 2009 and the overall improvement in this index could favorably impact a housing recovery.

Other Factors

Due to the prolonged downturn in the residential real estate market, a significant number of franchisees have experienced operating difficulties. As a result, many of our franchisees with multiple offices have reduced overhead and consolidated offices in an attempt to remain competitive in the marketplace. In addition, we have had to terminate franchisees due to non-reporting and non-payment which could adversely impact transaction volumes in the future. Due to the factors noted above, we significantly increased our bad debt and note reserves in prior years and continue to actively monitor the collectability of receivables and notes from our franchisees. In response to the weakness in the residential real estate market, our Company Owned Real Estate Brokerage Services segment has consolidated the number of offices it operates from 1,082 offices at December 31, 2005 to 725 offices at December 31, 2011.

Key Drivers of Our Businesses

Within our Real Estate Franchise Services segment and our Company Owned Real Estate Brokerage Services segment, we measure operating performance using the following key operating statistics: (i) closed homesale sides, which represents either the "buy" side or the "sell" side of a homesale transaction, (ii) average homesale price, which represents the average selling price of closed homesale transactions and (iii) average homesale broker commission rate, which represents the average commission rate earned on either the "buy" side or "sell" side of a homesale transaction.

Our Real Estate Franchise Services segment is also impacted by the net effective royalty rate which represents the average percentage of our franchisees' commission revenues payable to our Real Estate Franchise Services segment, net of volume incentives achieved. The net effective royalty rate does not include the effect of non-standard incentives granted to some franchisees.

Prior to 2006, the average homesale broker commission rate was declining several basis points per year, the effect of which was more than offset by increases in homesale prices. From 2007 through 2011, the average broker commission rate remained fairly stable; however, we expect that, over the long term, the average brokerage commission rates will modestly decline.

The net effective royalty rate has been declining over the past three years. We would expect that, over the near term, the net effective royalty rate will continue to modestly decline due to an increased concentration of business in larger franchisees which earn higher volume rebates as well as the Company's focus on strategic growth through relationships with larger established real estate companies which may pay a lower royalty rate. The net effective rate can also be affected by a shift in volume amongst our brands which operate under different royalty rate arrangements.

Table of Contents

Our Company Owned Real Estate Brokerage Services segment has a significant concentration of real estate brokerage 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, while our Real Estate Franchise Services segment has franchised offices that are more widely dispersed across the United States. Accordingly, operating results and homesale statistics may differ between our Company Owned Real Estate Brokerage Services segment and our Real Estate Franchise Services segment based upon geographic presence and the corresponding homesale activity in each geographic region.

Within our Relocation Services segment, we measure operating performance using the following key operating statistics: (i) initiations, which represent the total number of transferees we serve and (ii) referrals, which represent the number of referrals from which we earn revenue from real estate brokers. In our Title and Settlement Services segment, operating performance is evaluated using the following key metrics: (i) purchase title and closing units, which represent the number of title and closing units we process as a result of home purchases, (ii) refinance title and closing units, which represent the number of title and closing units we process as a result of homeowners refinancing their home loans, and (iii) average price per closing unit, which represents the average fee we earn on purchase title and refinancing title sides.

The decline in the number of homesale transactions and the decline in homesale prices has and could continue to adversely affect our results of operations by: (i) reducing the royalties we receive from our franchisees and company owned brokerages, (ii) reducing the commissions our company owned brokerage operations earn, (iii) reducing the demand for our title and settlement services, (iv) reducing the referral fees we earn in our relocation services business, and (v) increasing the risk of franchisee default due to lower homesale volume. Our results could also be negatively affected by a decline in commission rates charged by brokers.

The following table presents our drivers for the years ended December 31, 2011, 2010 and 2009. See “Results of Operations” below for a discussion as to how the material drivers affected our business for the periods presented.

	Year Ended December 31,			Year Ended December 31,		
	2011	2010	% Change	2010	2009	% Change
Real Estate Franchise Services [(a)]						
Closed homesale sides	909,610	922,341	(1%)	922,341	983,516	(6%)
Average homesale price	$198,268	$198,076	—%	$198,076	$190,406	4%
Average homesale broker commission rate	2.55%	2.54%	1 bps	2.54%	2.55%	(1) bps
Net effective royalty rate	4.84%	5.00%	(16) bps	5.00%	5.10%	(10) bps
Royalty per side	$256	$262	(2%)	$262	$257	2%
Company Owned Real Estate Brokerage Services						
Closed homesale sides	254,522	255,287	—%	255,287	273,817	(7%)
Average homesale price	$426,402	$435,500	(2%)	$435,500	$390,688	11%
Average homesale broker commission rate	2.50%	2.48%	2 bps	2.48%	2.51%	(3) bps
Gross commission income per side	$11,461	$11,571	(1%)	$11,571	$10,519	10%
Relocation Services						
Initiations [(b)]	153,269	148,304	3%	148,304	114,684	29%
Referrals [(c)]	72,169	69,605	4%	69,605	64,995	7%
Title and Settlement Services						
Purchase title and closing units	93,245	94,290	(1%)	94,290	104,689	(10%)
Refinance title and closing units	62,850	62,225	1%	62,225	69,927	(11%)
Average price per closing unit	$1,409	$1,386	2%	$1,386	$1,317	5%

(a) Includes all franchisees except for our Company Owned Real Estate Brokerage Services segment.

(b)

Includes initiations of 26,087 for the year ended December 31, 2010, related to the Primacy acquisition in January 2010.

(c) Includes referrals of 4,997 for the year ended December 31, 2010, related to the Primacy acquisition in January 2010.

Table of Contents

The following table represents the impact of our revenue drivers on our business operations.
The following table sets forth the impact on EBITDA for the year ended December 31, 2011 assuming either our homesale sides or average selling price of closed homesale transactions, with all else being equal, increased or decreased by 1%, 3% and 5%.

	Homesale Sides/Average Price [1] (units and price in thousands)	Decline of 5%	Decline of 3%	Decline of 1%	Increase of 1%	Increase of 3%	Increase of 5%
		($ in millions)					
Homesale sides change impact on:							
Real Estate Franchise Services [2]	910 sides	$(12)	$(7)	$(2)	$2	$7	$12
Company Owned Real Estate Brokerage Services [3]	255 sides	$(43)	$(26)	$(9)	$9	$26	$43
Homesale average price change impact on:							
Real Estate Franchise Services [2]	$198	$(12)	$(7)	$(2)	$2	$7	$12
Company Owned Real Estate Brokerage Services [3]	$426	$(43)	$(26)	$(9)	$9	$26	$43

(1) Average price represents the average selling price of closed homesale transactions.
(2) Increase/(decrease) relates to impact on non-company owned real estate brokerage operations only.
(3) Increase/(decrease) represents impact on company owned real estate brokerage operations and related intercompany royalties to our real estate franchise services operations.

Results of Operations

Discussed below are our consolidated results of operations and the results of operations for each of our reportable segments. The reportable segments presented below represent our operating segments for which separate financial information is available and which is utilized on a regular basis by our chief operating decision maker to assess performance and to allocate resources. In identifying our reportable segments, we also consider the nature of services provided by our operating segments. Management evaluates the operating results of each of our reportable segments based upon revenue

Table of Contents

and EBITDA. EBITDA is defined as net income (loss) before depreciation and amortization, interest (income) expense, net (other than Relocation Services interest for securitization assets and securitization obligations) and income taxes, each of which is presented on our Consolidated Statements of Operations. Our presentation of EBITDA may not be comparable to similarly-titled measures used by other companies.

Year Ended December 31, 2011 vs. Year Ended December 31, 2010

Our consolidated results were comprised of the following:

	Year Ended December 31,		
	2011	2010	Change
Net revenues	$4,093	$4,090	$3
Total expenses [(1)]	4,526	4,084	442
Income (loss) before income taxes, equity in earnings and noncontrolling interests	(433)	6	(439)
Income tax expense (benefit)	32	133	(101)
Equity in earnings of unconsolidated entities	(26)	(30)	4
Net loss	(439)	(97)	(342)
Less: Net income attributable to noncontrolling interests	(2)	(2)	—
Net loss attributable to Holdings and Realogy	$(441)	$(99)	$(342)

(1) Total expenses for the year ended December 31, 2011 include $11 million of restructuring costs, $1 million of merger costs and $60 million related to the 2011 Refinancing Transactions (as defined below), partially offset by a net benefit of $15 million of former parent legacy items. Total expenses for the year ended December 31, 2010 include $21 million of restructuring costs and $1 million of merger costs, offset by a net benefit of $323 million of former parent legacy items primarily as a result of tax and other liability adjustments.

Net revenues increased $3 million for the year ended December 31, 2011 compared with the year ended December 31, 2010 principally due to an increase in revenues for the Title and Settlement Services segment due to higher refinance and title insurance premiums and the Relocation Services segment due to volume increases. These increases were offset by decreases in homesale transaction volume at the Real Estate Franchise Services segment and Company Owned Real Estate Brokerage Services segment as a result of the absence of the homebuyer tax credit in 2011.

Total expenses increased $442 million (11%) primarily due to:

- the absence of a net benefit of $323 million of parent legacy items as a result of tax and other liability adjustments which occurred in 2010 compared to a net benefit of $15 million of former parent legacy items in 2011;
- the impact of the 2011 Refinancing Transactions, which resulted in a $36 million loss on the early extinguishment of debt as well as an increase in interest expense of $17 million as a result of the de-designation of interest rate swaps and $7 million due to the write-off of financing costs; and
- a $51 million increase in operating, marketing and general and administrative expenses primarily due to:

an increase in variable operating expenses for the Title and Settlement Services segment of $25 million as a result of increases in underwriter and refinancing volume and $3 million increase in legal expenses;

an increase in expenses for the Real Estate Franchise Service segment, primarily due to $10 million of incremental legal expenses, $7 million of incremental employee related costs, $5 million of incremental expenses related to the international business conferences for all of our brands in 2011 that were not held in 2010 and a $4 million increase in marketing expenses;

an increase in variable operating expenses for the Relocation Services segment of $11 million primarily as a result of increases in international volume and $5 million of incremental employee related costs; and

partially offset by a decrease of $30 million in operating expenses at the Company Owned Real Estate Brokerage Services segment due to restructuring and cost-saving activities as well as reduced employee related costs.

Table of Contents

Our income tax expense for the year ended December 31, 2011 was $32 million and was comprised of the following:

- $19 million of income tax expense which was primarily due to an increase in deferred tax liabilities associated with indefinite-lived intangible assets, and
- $13 million of income tax expense for foreign and state income taxes in certain jurisdictions.

No Federal income tax benefit was recognized for the current period due to the recognition of a full valuation allowance for domestic operations.

Following is a more detailed discussion of the results of each of our reportable segments for the years ended December 31, 2011 and 2010:

	Revenues [a]			EBITDA [b][c]			Margin		
	2011	2010	% Change	2011	2010	% Change	2011	2010	Change
Real Estate Franchise Services	$557	$560	(1)%	$320	$352	(9)%	57%	63%	(6)
Company Owned Real Estate Brokerage Services	2,970	3,016	(2)	56	80	(30)	2	3	(1)
Relocation Services	423	405	4	115	109	6	27	27	—
Title and Settlement Services	359	325	10	29	25	16	8	8	—
Corporate and Other	(216)	(216)	*	(77)	269	*			
Total Company	$4,093	$4,090	—%	$443	$835	(47)%	11%	20%	(9)
Less: Depreciation and amortization				186	197				
Interest expense, net [d]				666	604				
Income tax expense (benefit)				32	133				
Net loss attributable to Holdings and Realogy				$(441)	$(99)				

* not meaningful

(a) Revenues include elimination of transactions between segments, which primarily consists of intercompany royalties and marketing fees paid by our Company Owned Real Estate Brokerage Services segment of $216 million and $216 million during the year ended December 31, 2011 and 2010, respectively.

(b) EBITDA for the year ended December 31, 2011 includes $11 million of restructuring costs, $1 million of merger costs and $36 million loss on the early extinguishment of debt, partially offset by a net benefit of $15 million of former parent legacy items.

(c) EBITDA for the year ended December 31, 2010 includes $21 million of restructuring costs and $1 million of merger costs, offset by a net benefit of $323 million of former parent legacy items primarily as a result of tax and other liability adjustments.

(d) Includes $24 million of incremental interest expense in 2011 which is comprised of $17 million due to the de-designation of interest rate swaps from an accounting perspective and $7 million due to the write-off of financing costs as a result of the 2011 Refinancing Transactions.

As described in the aforementioned table, EBITDA margin for “Total Company” expressed as a percentage of revenues decreased 9 percentage points for the year ended December 31, 2011 compared to the same period in 2010 primarily due to a net benefit of $323 million of former parent legacy items resulting from tax and other liability adjustments in 2010 compared to a net benefit of $15 million of former parent legacy items for 2011. In addition, there was a decrease in current year EBITDA due to a $36 million loss on the early extinguishment of debt as well as a decrease in homesale transaction volume at the Real Estate Franchise Services segment and Company Owned Real Estate Brokerage Services segment as well as increased expenses at the Real Estate Franchise Services segment.

On a segment basis, the Real Estate Franchise Services segment margin decreased 6 percentage points to 57% from 63% in the comparable prior period due to an increase in legal expenses, employee related expenses, incremental expenses related to the international business conferences and other expenses. The Company Owned Real Estate Brokerage Services segment margin decreased 1 percentage point to 2% from 3% in the comparable prior period due to a slight decrease in the number of homesale transactions and a decrease in equity earnings related to our investment in PHH Home Loans, partially offset by lower operating expenses primarily as a result of restructuring and cost-saving activities. The Relocation Services segment margin remained at 27% and the Title and Settlement Services segment margin remained at 8%.

Table of Contents

Corporate and Other EBITDA for the year ended December 31, 2011 decreased $346 million to negative $77 million primarily due to a net benefit of $323 million in 2010 of former parent legacy items resulting from tax and other liability adjustments compared to a net benefit of $15 million in 2011 from former parent legacy items for the same comparable period and a $36 million loss on the early extinguishment of debt as a result of the 2011 Refinancing Transactions.

Real Estate Franchise Services

Revenues decreased $3 million to $557 million and EBITDA decreased $32 million to $320 million for the year ended December 31, 2011 compared with the same period in 2010.

The decrease in revenue was driven by a $10 million decrease in third-party domestic franchisee royalty revenue due to a 1% decrease in the number of homesale transactions and a lower net effective royalty rate as our larger affiliates are achieving higher volume levels. Average homesale price remained flat compared to 2010.

The decrease in revenue was also attributable to a $2 million decrease in royalties received from our Company Owned Real Estate Brokerage Services segment which pays royalties to our Real Estate Franchise Services segment. These intercompany royalties of $204 million and $206 million during 2011 and 2010, respectively, are eliminated in consolidation. See "Company Owned Real Estate Brokerage Services" for a discussion of the drivers related to this period over period revenue decrease for Real Estate Franchise Services segment.

These decreases were partially offset by a $7 million increase in marketing revenue compared to the same period in 2010 and a $3 million increase in area development fees.

The decrease in EBITDA was due to the decrease in revenues discussed above, as well as:

- a $10 million increase in legal expenses primarily due to higher legal costs and legal reserves and the reversal of litigation accruals in 2010 due to a favorable legal outcome and an insurance reimbursement;
- an increase in employee related costs of $7 million;
- incremental expenses of $5 million related to the international business conferences for all of our brands in 2011;
- an increase in marketing expense of $4 million; and
- a $2 million impairment of a cost method investment.

Company Owned Real Estate Brokerage Services

Revenues decreased $46 million to $2,970 million and EBITDA decreased $24 million to $56 million for the year ended December 31, 2011 compared with the same period in 2010.

Excluding REO revenues, revenues decreased $33 million primarily due to decreased commission income earned on homesale transactions. This decrease was driven by a 2% decrease in the average price of homes sold while the number of homesale transactions remained flat and an increase in the average broker commission rate. We believe the 2% decrease in the average price of homes sold and flat homesale transactions are reflective of industry trends in the markets we serve. Separately, revenues from our REO asset management company decreased by $13 million to $23 million in the year ended December 31, 2011 compared to the same period in 2010 due to reduced inventory levels of foreclosed properties being made available for sale. Our REO operations facilitate the maintenance and sale of foreclosed homes on behalf of lenders.

EBITDA decreased $24 million due to the decrease in revenues discussed above, as well as:

- $14 million related to additional operating costs related to late 2010 acquisitions; and
- a $4 million decrease in equity earnings related to our investment in PHH Home Loans;

partially offset by,

- a $44 million decrease in operating expenses, net of inflation, due to restructuring and cost-saving activities as well as reduced employee costs; and
- a $2 million decrease in royalties paid to our Real Estate Franchise Services segment.

Table of Contents

Relocation Services

Revenues increased $18 million to $423 million and EBITDA increased $6 million to $115 million for the year ended December 31, 2011 compared with the same period in 2010.

The increase in revenues was primarily driven by $19 million of incremental international revenue due to increased transaction volume and a $4 million increase in relocation service fee revenues primarily due to higher domestic transaction volume. These increases were partially offset by a $5 million decrease in at-risk revenue due to fewer closings in 2011 compared to 2010.

EBITDA increased $6 million primarily as a result of the increase in revenues discussed above and a $3 million decrease in restructuring expenses, partially offset by an $8 million increase in operating expenses due to higher volume related international costs and an $8 million increase due to higher employee related costs.

Title and Settlement Services

Revenues increased $34 million to $359 million and EBITDA increased $4 million to $29 million for the year ended December 31, 2011 compared with the same period in 2010.

The increase in revenues was primarily driven by a $32 million increase in underwriter revenue and a $2 million increase in volume from refinancing transactions. EBITDA increased $4 million as a result of the increase in revenues discussed above partially offset by an increase of $25 million in variable operating costs as a result of the increase in underwriter and refinancing volume noted above and $3 million increase in legal expenses.

2011 Restructuring Program

During 2011, the Company committed to various initiatives targeted principally at reducing costs, enhancing organizational efficiencies and consolidating existing facilities. The Company incurred restructuring charges of $11 million in 2011. The Company Owned Real Estate Brokerage Services segment recognized $5 million of facility related expenses and $4 million of personnel related expenses. The Relocation Services and Title and Settlement Services segments each recognized $1 million of facility and personnel related expenses. At December 31, 2011, the remaining liability was $3 million.

2010 Restructuring Program

During 2010, the Company committed to various initiatives targeted principally at reducing costs, enhancing organizational efficiencies and consolidating facilities. The Company recognized $21 million for the year ended December 31, 2010. The Company Owned Real Estate Brokerage Services segment recognized $9 million of facility related expenses, $3 million of personnel related expenses and $1 million of expense related to asset impairments. The Relocation Services segment recognized $2 million of facility related expenses and $1 million of personnel related expenses. The Title and Settlement Services segment recognized $2 million of facility related expenses and $1 million of personnel related expenses. The Corporate and Other segment recognized $2 million of facility related expenses. At December 31, 2011, the remaining liability was $3 million.

Table of Contents

Year Ended December 31, 2010 vs. Year Ended December 31, 2009

Our consolidated results were comprised of the following:

	Year Ended December 31,		
	2010	2009	Change
Net revenues	$4,090	$3,932	$158
Total expenses [(1)]	4,084	4,266	(182)
Income (loss) before income taxes, equity in earnings and noncontrolling interests	6	(334)	340
Income tax benefit	133	(50)	183
Equity in (earnings) losses of unconsolidated entities	(30)	(24)	(6)
Net loss	(97)	(260)	163
Less: Net income attributable to noncontrolling interests	(2)	(2)	—
Net loss attributable to Holdings and Realogy	$(99)	$(262)	$163

---

(1) Total expenses for the year ended December 31, 2010 include $21 million of restructuring costs and $1 million of merger costs, offset by a net benefit of $323 million of former parent legacy items primarily as a result of tax and other liability adjustments. Total expenses for the year ended December 31, 2009 include $70 million of restructuring costs and $1 million of merger costs offset by a benefit of $34 million of former parent legacy items (comprised of a benefit of $55 million recorded at Cartus related to Wright Express Corporation (”WEX”) partially offset by $21 million of expenses recorded at Corporate) and a gain on the extinguishment of debt of $75 million.

Net revenues increased $158 million (4%) for the year ended December 31, 2010 compared with the year ended December 31, 2009 principally due to an increase in the average price of homes sold and the impact of the Primacy acquisition.

Total expenses decreased $182 million (4%) primarily due to a net benefit of $323 million of former parent legacy items primarily as a result of tax and other liability adjustments compared to a net benefit of $34 million of former parent legacy items during the same period in 2009 which was primarily comprised of $55 million of tax receivable payments from WEX, as well as a decrease in restructuring expenses of $49 million compared to the same period in 2009. The decrease in expenses was partially offset by an $82 million increase in commission expenses paid to real estate agents due to increased gross commission income, the absence of a $75 million gain on the extinguishment of debt included in expenses in 2009, as well as a $21 million increase in interest expense.

Our income tax expense for the year ended December 31, 2010 was $133 million and was comprised of the following:

- $109 million of income tax expense was recorded for the reduction of certain deferred tax assets as a result of our former parent company’s IRS examination settlement of Cendant’s taxable years 2003 through 2006;
- $22 million of income tax expense was recorded for an increase in deferred tax liabilities associated with indefinite-lived intangible assets; and
- $2 million of income tax expense was recognized primarily for foreign and state income taxes for certain jurisdictions.

No Federal income tax benefit was recognized for the current period due to the recognition of a full valuation allowance for domestic operations.

Following is a more detailed discussion of the results of each of our reportable segments for the years ended December 31, 2010 and 2009.

Table of Contents

	Revenues [a]			EBITDA [b] [c]			Margin		
	2010	2009	% Change	2010	2009	% Change	2010	2009	Change
Real Estate Franchise Services	$560	$538	4 %	$352	$323	9 %	63 %	60 %	3
Company Owned Real Estate Brokerage Services	3,016	2,959	2	80	6	1,233	3	—	3
Relocation Services	405	320	27	109	122	(11)	27	38	(11)
Title and Settlement Services	325	328	(1)	25	20	25	8	6	2
Corporate and Other [d]	(216)	(213)	*	269	(6)	*			
Total Company	$4,090	$3,932	4 %	$835	$465	80 %	20 %	12 %	8
Less: Depreciation and amortization				$197	$194				
Interest expense, net				$604	$583				
Income tax expense (benefit)				$133	$(50)				
Net loss attributable to Holdings and Realogy				$(99)	$(262)				

* not meaningful

(a) Revenues include elimination of transactions between segments, which consists of intercompany royalties and marketing fees paid by our Company Owned Real Estate Brokerage Services segment of $216 million and $213 million during the year ended December 31, 2010 and 2009, respectively.

(b) EBITDA for the year ended December 31, 2010 includes $21 million of restructuring costs and $1 million of merger costs, offset by a net benefit of $323 million of former parent legacy items primarily as a result of tax and other liability adjustments.

(c) EBITDA for the year ended December 31, 2009 includes $70 million of restructuring costs and $1 million of merger costs offset by a benefit of $34 million of former parent legacy items (comprised of a benefit of $55 million recorded at Cartus related to WEX partially offset by $21 million of expenses recorded at Corporate).

(d) EBITDA includes unallocated corporate overhead and a gain on the extinguishment of debt of $75 million for the year ended December 31, 2009.

As described in the aforementioned table, EBITDA margin for "Total Company" expressed as a percentage of revenues increased 8 percentage points for the year ended December 31, 2010 compared to the same period in 2009 primarily due to a $289 million increase in former parent legacy benefits as well as improvements in operating results from our Real Estate Franchise Services and Company Owned Real Estate Brokerage Services segments.

On a segment basis, the Real Estate Franchise Services segment margin increased 3 percentage points to 63% from 60% in the prior period. The year ended December 31, 2010 reflected a decline in homesale transactions, primarily in the second half of the year, largely offset by higher average homesale prices. In addition, the segment had lower bad debt and notes reserve expense.

The Company Owned Real Estate Brokerage Services segment margin increased 3 percentage points to 3% from zero in the comparable prior period. The year ended December 31, 2010 reflected an increase in the average homesale price and lower operating expenses primarily as a result of restructuring and cost-saving activities partially offset by a decrease in the number of homesale transactions. Sales volume for the year ended December 31, 2010 benefited from the homebuyer tax credit in the first half of the year as well as a notable increase in activity at the mid and higher end of the housing market throughout the year.

The Relocation Services segment margin decreased 11 percentage points to 27% from 38% in the comparable prior period primarily due to the absence in 2010 of $55 million of tax receivable payments from WEX in 2009, partially offset by reduced employee costs and other cost saving initiatives.

The Title and Settlement Services segment margin increased 2 percentage points to 8% from 6% in the comparable prior period primarily due to cost reductions which more than offset the slight decrease in revenue.

Corporate and Other EBITDA for the year ended December 31, 2010 increased $275 million to $269 million due to a net benefit of $323 million of former parent legacy items primarily as a result of tax and other liability adjustments compared to a net cost of $21 million of former parent legacy items for the same period in 2009. The increase was also due

Table of Contents

to the absence in 2010 versus 2009 of a $14 million writedown of a cost method investment. The net increase was partially offset by the absence in 2010 versus 2009 of a $75 million gain on debt extinguishment and $11 million of proceeds from a legal settlement.

Real Estate Franchise Services

Revenues increased $22 million to $560 million and EBITDA increased $29 million to $352 million for the year ended December 31, 2010 compared with the same period in 2009.

Intercompany royalties from our Company Owned Real Estate Brokerage Services segment increased $4 million from $202 million in 2009 to $206 million in 2010. These intercompany royalties are eliminated in consolidation through the Corporate and Other segment and therefore have no impact on consolidated revenues and EBITDA, but do affect segment level revenues and EBITDA. See “Company Owned Real Estate Brokerage Services” for a discussion as to the drivers related to this period over period revenue increase for real estate franchise services.

International revenue increased $4 million during the year ended December 31, 2010, while third-party domestic franchisee royalty revenue decreased $11 million compared to the prior year due to a 6% decrease in the number of homesale transactions partially offset by a 4% increase in the average homesale price. In addition, marketing revenue and related marketing expenses increased $27 million and $22 million, respectively.

The $29 million increase in EBITDA was principally due to the increase in revenues discussed above, a $17 million decrease in bad debt and note reserves expense as a result of improved collection activities compared to the prior period and a $7 million decrease in expenses related to conferences and franchisee events.

Company Owned Real Estate Brokerage Services

Revenues increased $57 million to $3,016 million and EBITDA increased $74 million to $80 million for the year ended December 31, 2010 compared with the same period in 2009.

Excluding REO revenues, revenues increased $87 million primarily due to increased commission income earned on homesale transactions which was driven by an 11% increase in the average price of homes sold, partially offset by a 7% decrease in the number of homesale transactions and a decrease in the average broker commission rate. The increase in the average homesale price and lower average broker commission rate are primarily the result of a shift in homesale activity from lower to higher price points. We believe the 7% decrease in homesale transactions is reflective of industry trends in the markets we serve and the decrease may have been higher if the housing market was not aided by the 2010 homebuyer tax credit program in the first half of 2010, particularly in locations which have lower average homesale prices. Separately, revenues from our REO asset management company decreased by $30 million to $36 million in the year ended December 31, 2010 compared to the same period in 2009 due to generally reduced inventory levels of foreclosed properties being made available for sale. Our REO operations facilitate the maintenance and sale of foreclosed homes on behalf of lenders.

EBITDA increased $74 million due to the $57 million increase in revenues discussed above as well as:

- a decrease in restructuring expense of $35 million for the year ended December 31, 2010 compared to the same period in the prior year;
- a decrease of $60 million in other operating expenses, net of inflation, primarily due to restructuring and cost-saving activities as well as reduced employee costs;
- an increase of $6 million in equity earnings related to our investment in PHH Home Loans; and
- a decrease of $5 million in marketing costs due to cost reduction initiatives;

partially offset by:

- an increase of $82 million in commission expenses paid to real estate agents as a result of the increase in revenues earned on homesale transactions; and
- an increase of $4 million in royalties paid to our Real Estate Franchise Services segment as a result of the increase in revenues earned on homesale transactions.

Table of Contents

Relocation Services

Revenues increased $85 million to $405 million, including $75 million related to Primacy, and EBITDA decreased $13 million to $109 million, despite an increase of $14 million related to Primacy, for the year ended December 31, 2010 compared with the same period in 2009.

Relocation revenue, excluding the Primacy acquisition, increased $10 million and was primarily driven by a $7 million increase in international revenue due to higher transaction volume. The acquisition of Primacy in January 2010 contributed $75 million of revenue during the year ended December 31, 2010, which primarily consisted of $31 million of referral and domestic relocation service fee revenue, $25 million of government at-risk revenue and $14 million of international revenue.

EBITDA, excluding the Primacy acquisition, decreased $27 million for the year ended December 31, 2010 compared with the same period in 2009 due to the absence in 2010 of $55 million of tax receivable payments from WEX. Absent the impact of the WEX tax receivable payments and the Primacy results, EBITDA increased $28 million primarily as a result of a $12 million decrease in other operating expenses as a result of reduced employee costs and other cost-saving initiatives, a $9 million decrease in restructuring expenses, and a $4 million year over year reduction in legal expenses. EBITDA, excluding the impact of the WEX tax receivable payments, increased $42 million.

Title and Settlement Services

Revenues decreased $3 million to $325 million and EBITDA increased $5 million to $25 million for the year ended December 31, 2010 compared with the same period in 2009.

The decrease in revenues was primarily driven by an $11 million decrease in resale volume and a $7 million decrease in volume from refinancing transactions partially offset by a $13 million increase in underwriter revenue. The refinancing activity was weighted towards the second half of 2010 when mortgage rates fell below 5% for an extended period of time. EBITDA increased $5 million primarily due to $7 million of cost reductions offset by the decrease in revenues discussed above.

2010 and 2009 Restructuring Programs

During the years ended December 31, 2010 and 2009, the Company committed to various initiatives targeted principally at reducing costs and enhancing organizational efficiencies while consolidating existing processes and facilities. The following are total restructuring charges by segment as of December 31:

	2010 Expense Recognized and Other Additions		2009 Expense Recognized and Other Additions (b)
Real Estate Franchise Services	$—		$3
Company Owned Real Estate Brokerage Services	13		52
Relocation Services	4	(a)	9
Title and Settlement Services	3		3
Corporate and Other	2		7
	$22		$74

(a) Includes $1 million of unfavorable lease liability recorded in purchase accounting for Primacy which was reclassified to restructuring liability as a result of the Company restructuring certain facilities after the acquisition date.

(b) During the year ended December 31, 2009, the Company reversed $4 million in the Consolidated Statement of Operations related to restructuring accruals established in 2006 through 2008.

Table of Contents

Financial Condition, Liquidity and Capital Resources

Financial Condition

	December 31, 2011	December 31, 2010	Change
Total assets	$7,810	$8,029	$(219)
Total liabilities	$9,318	$9,101	$217
Total equity (deficit)	$(1,508)	$(1,072)	$(436)

For the year ended December 31, 2011, total assets decreased $219 million primarily as a result of a decrease in cash and cash equivalents of $49 million, a $21 million decrease in other current assets, a decrease in franchise agreements intangible assets, other intangibles and property and equipment of $67 million, $39 million and $21 million, respectively, due to amortization and depreciation and an $10 million decrease in deferred taxes.

Total liabilities increased $217 million principally due to a $258 million increase in long term debt, primarily as a result of the 2011 Refinancing Transactions, partially offset by a $24 million decrease in due to former parent and a $19 million decrease in accounts payable.

Total equity (deficit) decreased $436 million primarily due to the net loss attributable to Holdings and Realogy of $441 million for the year ended December 31, 2011.

Liquidity and Capital Resources

Our liquidity position has been and is expected to continue to be negatively affected by the ongoing unfavorable conditions in the real estate market resulting in negative operating cash flows, the substantial interest expense on our debt obligations and potential adverse changes in interest rates. Our liquidity position would also be adversely impacted by our inability to access our relocation securitization programs and could be adversely impacted by our inability to access the capital markets. In addition, our short-term liquidity position from time to time has been and may continue to be negatively affected by seasonal fluctuations in the residential real estate brokerage business. Although we have seen improvement in affordability and stabilization in homesale sides at our Company Owned Real Estate Brokerage Services segment and average sales price at our Real Estate Franchise Services segment, we are not certain whether these signs of stabilization will lead to a recovery. We cannot predict when the residential real estate industry will return to a period of sustainable growth. Moreover, 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.

Our primary liquidity needs will be to service our debt and finance our working capital and capital expenditures, which we have historically satisfied with cash flows from operations and funds available under our revolving credit facilities and securitization facilities. After giving effect to the 2012 Senior Secured Notes Offering, we estimate that our annual cash interest will increase on a pro forma annualized basis by approximately $46 million from approximately $616 million to $662 million based on our pro forma debt balances as of December 31, 2011 and assuming LIBOR rates as of December 31, 2011. Primarily as a consequence of our cash interest obligations, we expect to experience negative cash flows in 2012 given our operating environment. However, if conditions in the real estate market do not deteriorate further, given our availability under our extended revolving credit facility and other sources of liquidity which we believe are available to us, we believe we will be able to meet our cash flow needs through December 31, 2012.

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. Because of this asymmetry and the size of our cash interest obligations, if unfavorable conditions in the real estate market and general macroeconomic conditions do not significantly improve, we would be required to seek additional sources of working capital for our future liquidity needs, including obtaining additional financing and deferring or reducing spending. There can be no assurance that we would be able to defer or reduce expenses or that any such actions would not materially and adversely impact our business and results of operations or that we would be able

68

Table of Contents

to obtain financing on acceptable terms or at all.

We will continue to evaluate potential financing transactions, including refinancing certain tranches of our indebtedness, issuing incremental debt, obtaining incremental letters of credit and extending maturities as well as potential transactions pursuant to which third parties, Apollo or its affiliates may provide financing to us or otherwise engage in transactions to provide liquidity to us. There can be no assurance as to which, if any, of these alternatives we may pursue as the choice of any alternative will depend upon numerous factors such as market conditions, our financial performance and the limitations applicable to such transactions under our existing financing agreements and the consents we may need to obtain under the relevant documents. There also can be no assurance that financing or refinancing will be available to us on acceptable terms or at all. In addition, the conversion of all or a portion of our approximately $2.1 billion in outstanding notes into equity at the option of the holders thereof would increase our liquidity, although the holders of the notes are not obligated to do so.

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.

Cash Flows

Year ended December 31, 2011 vs. year ended December 31, 2010

At December 31, 2011, we had $143 million of cash and cash equivalents, a decrease of $49 million compared to the balance of $192 million at December 31, 2010. The following table summarizes our cash flows for the years ended December 31, 2011 and 2010:

	Year Ended December 31,		
	2011	2010	Change
Cash provided by (used in):			
Operating activities	$(192)	$(118)	$(74)
Investing activities	(49)	(70)	21
Financing activities	192	124	68
Effects of change in exchange rates on cash and cash equivalents	—	1	(1)
Net change in cash and cash equivalents	$(49)	$(63)	$14

For the year ended December 31, 2011, we used $74 million of additional cash in operations compared to the same period in 2010. For the year ended December 31, 2011, $192 million of cash was used in operating activities due to negative cash flows from operating results of $201 million after $608 million of cash interest payments, partially offset by an increase in accounts payable, accrued expenses and other liabilities of $23 million. For the year ended December 31, 2010, $118 million of cash was used in operating activities due to uses of cash related to trade receivables and relocation receivables of $9 million and $27 million, respectively, as well as by negative cash flows from operating results of $152 million after $550 million of cash interest payments, partially offset by sources of cash related to accounts payable and relocation properties held for sale of $30 million and $43 million, respectively.

For the year ended December 31, 2011, we used $21 million less cash for investing activities compared to the same period in 2010. For the year ended December 31, 2011, $49 million of cash was used in investing activities primarily due to $49 million of property and equipment additions and acquisition related payments of $6 million, partially offset by a $6 million change in restricted cash and net proceeds from certificates of deposit of $5 million. For the year ended December 31, 2010, $70 million of cash was used in investing activities and was primarily due to $49 million of property and equipment additions, $17 million related to acquisition related payments and the purchase of certificates of deposit for $9 million, partially offset by proceeds from the sale of assets of $5 million.

For the year ended December 31, 2011, we generated $68 million more cash from financing activities compared to the same period in 2010. For the year ended December 31, 2011, $192 million of cash was provided by financing activities and was comprised of $700 million of proceeds from the issuance of the Existing First and a Half Lien Notes, $98 million related to the proceeds from the extension of the term loan facility and an increase in incremental revolver borrowings of $145 million, partially offset by $706 million of term loan facility repayments and the payment of $35 million of debt

Table of Contents

issuance costs. On December 14, 2011, Realogy entered into agreements to amend and extend the existing Apple Ridge Funding LLC securitization program which resulted in the pay off of the 2007 securitization notes and issuance of the 2011 securitization notes under the extended securitization facility. For the year ended December 31, 2010, $124 million of cash was provided by financing activities and was comprised of $142 million of proceeds from drawings on our unsecured revolving credit facilities and additional securitization obligations of $27 million, partially offset by $32 million of term loan facility repayments.

Year ended December 31, 2010 vs. year ended December 31, 2009

At December 31, 2010, we had $192 million of cash and cash equivalents, a decrease of $63 million compared to the balance of $255 million at December 31, 2009. The following table summarizes our cash flows for the years ended December 31, 2010 and 2009:

	Year Ended December 31,		
	2010	2009	Change
Cash provided by (used in):			
Operating activities	$(118)	$341	$(459)
Investing activities	(70)	(47)	(23)
Financing activities	124	(479)	603
Effects of change in exchange rates on cash and cash equivalents	1	3	(2)
Net change in cash and cash equivalents	$(63)	$(182)	$119

For the year ended December 31, 2010 we used $459 million of additional cash in operations compared to the same period in 2009. For the year ended December 31, 2010, $118 million of cash was used in operating activities due to uses of cash related to trade receivables and relocation receivables of $9 million and $27 million, respectively, as well as by negative cash flows from operating results of $152 million after $550 million of cash interest payments, partially offset by sources of cash related to accounts payable and relocation properties held for sale of $30 million and $43 million, respectively. For the year ended December 31, 2009, $341 million of cash was provided by operating activities and was comprised of sources of cash related to relocation receivables and relocation properties held for sale of $442 million and $22 million, respectively, and trade receivables and accounts payable of $40 million and $26 million, respectively, partially offset by a $48 million use of cash related to due from former parent and negative cash flows from operating results of $200 million after $487 million of cash interest payments.

For the year ended December 31, 2010 we used $23 million more cash for investing activities compared to the same period in 2009. For the year ended December 31, 2010, $70 million of cash was used in investing activities and was primarily due to $49 million of property and equipment additions, $17 million related to acquisition related payments and the purchase of certificates of deposit for $9 million, partially offset by proceeds from the sale of assets of $5 million. For the year ended December 31, 2009, $47 million of cash was used in investing activities and was primarily comprised of $40 million of property and equipment additions and $5 million related to acquisition related payments.

For the year ended December 31, 2010 we provided $603 million more cash from financing activities compared to the same period in 2009. For the year ended December 31, 2010, $124 million of cash was provided by financing activities and was comprised of $142 million of proceeds from drawings on our unsecured revolving credit facilities and additional securitization obligations of $27 million, partially offset by $32 million of term loan facility repayments. For the year ended December 31, 2009, $479 million of cash was used in financing activities and was comprised of $410 million of securitization obligation repayments, a decrease in incremental revolver borrowings of $515 million and $32 million of term loan facility repayments, partially offset by proceeds of $500 million related to the issuance of the Second Lien Loans.

Table of Contents

Financial Obligations

Indebtedness Table

As of December 31, 2011, the total capacity, outstanding borrowings and available capacity under the Company's borrowing arrangements were as follows:

	Interest Rate	Expiration Date	Total Capacity	Outstanding Borrowings	Available Capacity
Senior Secured Credit Facility:					
Non-extended revolving credit facility (1)	(2)	April 2013	$289	$78	$158
Extended revolving credit facility (1)	(2)	April 2016	363	97	200
Non-extended term loan facility	(3)	October 2013	629	629	—
Extended term loan facility	(3)	October 2016	1,822	1,822	—
Existing First and a Half Lien Notes	7.875%	February 2019	700	700	—
Second Lien Loans	13.50%	October 2017	650	650	—
Other bank indebtedness (4)		Various	133	133	—
Existing Notes:					
Senior Notes	10.50%	April 2014	64	64	—
Senior Toggle Notes	11.00%	April 2014	52	52	—
Senior Subordinated Notes(5)	12.375%	April 2015	190	187	—
Extended Maturity Notes:					
Senior Notes(6)	11.50%	April 2017	492	489	—
Senior Notes(7)	12.00%	April 2017	130	129	—
Senior Subordinated Notes	13.375%	April 2018	10	10	—
Convertible Notes	11.00%	April 2018	2,110	2,110	—
Securitization obligations:(8)					
Apple Ridge Funding LLC		December 2013	400	296	104
Cartus Financing Limited(9)		Various	62	31	31
			$8,096	$7,477	$493

(1) The available capacity under these facilities was reduced by $53 million and $66 million of outstanding letters of credit on the non-extended and the extended revolving credit facility, respectively, at December 31, 2011. On February 2, 2012, the Company completed the 2012 Senior Secured Notes Offering (described below) which, among other things, terminated availability under the non-extended revolving credit facility. On February 27, 2012, the Company had $55 million outstanding on the extended revolving credit facility and $81 million of outstanding letters of credit.

(2) Interest rates with respect to revolving loans under the senior secured credit facility are based on, at Realogy's option, adjusted LIBOR plus 2.25% (or with respect to the extended revolving loans, 3.25%) or ABR plus 1.25% (or with respect to the extended revolving loans, 2.25%) in each case subject to reductions based on the attainment of certain leverage ratios.

(3) Interest rates with respect to term loans under the senior secured credit facility are based on, at Realogy's option, (a) adjusted LIBOR plus 3.0% (or with respect to the extended term loans, 4.25%) or (b) the higher of the Federal Funds Effective Rate plus 0.5% (or with respect to the extended term loans, 1.75%) and JPMorgan Chase Bank, N.A.'s prime rate ("ABR") plus 2.0% (or with respect to the extended term loans, 3.25%).

(4) Consists of revolving credit facilities that are supported by letters of credit issued under the senior secured credit facility, $75 million due in July 2012, $8 million due in August 2012 and $50 million due in January 2013. In January 2012, Realogy repaid $25 million of the outstanding borrowings and reduced the capacity of the credit facility due in July 2012 by $25 million.

(5) Consists of $190 million of 12.375% Senior Subordinated Notes due 2015, less a discount of $3 million.

(6) Consists of $492 million of 11.50% Senior Notes due 2017, less a discount of $3 million.

(7) Consists of $130 million of 12.00% Senior Notes due 2017, less a discount of $1 million.

(8) Available capacity is subject to maintaining sufficient relocation related assets to collateralize these securitization obligations.

(9) Consists of a £35 million facility which expires in August 2015 and a £5 million working capital facility which expires in August 2012.

Table of Contents

2012 Senior Secured Notes Offering

On February 2, 2012, Realogy issued $593 million of First Lien Notes and $325 million of New First and a Half Lien Notes, the proceeds of which were used to repay amounts outstanding under its senior secured credit facility. The First Lien Notes and the New First and a Half Lien Notes are senior secured obligations of the Company and will mature on January 15, 2020. Interest is payable semiannually on January 15 and July 15 of each year, commencing July 15, 2012. The First Lien Notes and the New First and a Half Lien Notes were issued in a private offering that is exempt from the registration requirements of the Securities Act.

The Company used the proceeds from the offering, of approximately $918 million, to: (i) prepay $629 million of its non-extended term loan borrowings under its senior secured credit facility which were due to mature in October 2013, (ii) repay all of the $133 million in outstanding borrowings under its non-extended revolving credit facility which was due to mature in April 2013, and (iii) repay $156 million of the outstanding borrowings under its extended revolving credit facility. In conjunction with the repayments of $289 million described in clauses (ii) and (iii), the Company reduced the commitments under its non-extended revolving credit facility by a like amount, thereby terminating the non-extended revolving credit facility. After giving effect to the 2012 Senior Secured Notes Offering, we estimate that our annual cash interest will increase on a pro forma annualized basis by approximately $46 million from approximately $616 million to $662 million based on our debt balances as of December 31, 2011 and assuming LIBOR rates as of December 31, 2011.

The First Lien Notes and the New First and a Half Lien Notes are guaranteed on a senior secured basis by Domus Intermediate Holdings Corp., Realogy's parent, and each domestic subsidiary of Realogy that is a guarantor under its senior secured credit facility and certain of its outstanding securities. The First Lien Notes and the New First and a Half Lien Notes are also guaranteed by Holdings, on an unsecured senior subordinated basis. The First Lien Notes and the New First and a Half Lien Notes are secured by substantially the same collateral as Realogy's existing obligations under its senior secured credit facility. The priority of the collateral liens securing the First Lien Notes is (i) equal to the collateral liens securing Realogy's first lien obligations under its senior secured credit facility and (ii) senior to the collateral liens securing Realogy's other secured obligations that are not secured by a first priority lien, including the First and a Half Lien Notes, and Realogy's second lien obligations under its senior secured credit facility. The priority of the collateral liens securing the New First and a Half Lien Notes is (i) junior to the collateral liens securing Realogy's first lien obligations under its senior secured credit facility and the First Lien Notes, (ii) equal to the collateral liens securing the Existing First and a Half Lien Notes and (iii) senior to the collateral liens securing Realogy's second lien obligations under its senior secured credit facility.

Table of Contents

Pro forma Indebtedness Table

The debt table below gives effect to the 2012 Senior Secured Notes Offering as if it occurred on December 31, 2011:

	Interest Rate	Expiration Date	Total Capacity	Outstanding Borrowings	Available Capacity
Senior Secured Credit Facility:					
Extended revolving credit facility [(1)]	(2)	April 2016	363	97	172
Extended term loan facility	(3)	October 2016	1,822	1,822	—
First Lien Notes	7.625%	January 2020	593	593	—
Existing First and a Half Lien Notes	7.875%	February 2019	700	700	—
New First and a Half Lien Notes	9.00%	January 2020	325	325	—
Second Lien Loans	13.50%	October 2017	650	650	—
Other bank indebtedness [(4)]		Various	133	133	—
Existing Notes:					
Senior Notes	10.50%	April 2014	64	64	—
Senior Toggle Notes	11.00%	April 2014	52	52	—
Senior Subordinated Notes [(5)]	12.375%	April 2015	190	187	—
Extended Maturity Notes:					
Senior Notes [(6)]	11.50%	April 2017	492	489	—
Senior Notes [(7)]	12.00%	April 2017	130	129	—
Senior Subordinated Notes	13.375%	April 2018	10	10	—
Convertible Notes	11.00%	April 2018	2,110	2,110	—
Securitization obligations: [(8)]					
Apple Ridge Funding LLC		December 2013	400	296	104
Cartus Financing Limited [(9)]		Various	62	31	31
			$8,096	$7,688	$307

---

(1) The available capacity under this facility was reduced by $94 million of outstanding letters of credit after taking into consideration the $25 million reduction in letters of credit backed revolving credit borrowings that occurred in January 2012. On February 27, 2012, the Company had $55 million outstanding on the extended revolving credit facility and $81 million of outstanding letters of credit.

(2) Interest rates with respect to revolving loans under the senior secured credit facility are based on, at Realogy's option, adjusted LIBOR plus 2.25% (or with respect to the extended revolving loans, 3.25%) or ABR plus 1.25% (or with respect to the extended revolving loans, 2.25%) in each case subject to reductions based on the attainment of certain leverage ratios.

(3) Interest rates with respect to term loans under the senior secured credit facility are based on, at Realogy's option, (a) adjusted LIBOR plus 3.0% (or with respect to the extended term loans, 4.25%) or (b) the higher of the Federal Funds Effective Rate plus 0.5% (or with respect to the extended term loans, 1.75%) and JPMorgan Chase Bank, N.A.'s prime rate ("ABR") plus 2.0% (or with respect to the extended term loans, 3.25%).

(4) Consists of revolving credit facilities that are supported by letters of credit issued under the senior secured credit facility, $75 million due in July 2012, $8 million due in August 2012 and $50 million due in January 2013. In January 2012, Realogy repaid $25 million of the outstanding borrowings and reduced the capacity of the credit facility due in July 2012 by $25 million.

(5) Consists of $190 million of 12.375% Senior Subordinated Notes due 2015, less a discount of $3 million.

(6) Consists of $492 million of 11.50% Senior Notes due 2017, less a discount of $3 million.

(7) Consists of $130 million of 12.00% Senior Notes due 2017, less a discount of $1 million.

(8) Available capacity is subject to maintaining sufficient relocation related assets to collateralize these securitization obligations.

(9) Consists of a £35 million facility which expires in August 2015 and a £5 million working capital facility which expires in August 2012.

Table of Contents

2011 Refinancing Transactions
In January and February of 2011, Realogy completed a series of transactions, referred to herein as the "2011 Refinancing Transactions," to refinance portions of its senior secured credit facility and unsecured notes.
Debt Exchange Offering
On January 5, 2011, we completed private exchange offers under Section 4(2) of the Securities Act, relating to its outstanding Existing Notes (the "Debt Exchange Offering"). As a result of the Debt Exchange Offering, $2,110 million of Existing Notes were tendered for notes, $632 million of Existing Notes were tendered for Extended Maturity Notes and $303 million of Existing Notes remained outstanding.
Amendment to Senior Secured Credit Facility
Effective February 3, 2011, we entered into a first amendment to our senior secured credit facility (the "Senior Secured Credit Facility Amendment") and an incremental assumption agreement, which resulted in the following: (i) extended the maturity of a significant portion of our first lien term loans to October 10, 2016 and increased the interest rate with respect to the extended term loans; (ii) extended the maturity of a significant portion of the loans and commitments under our revolving credit facility to April 10, 2016, increased the interest rate with respect to the extended revolving loans and converted a portion of the extended revolving loans to extended term loans ($98 million in the aggregate); (iii) extended the maturity of a significant portion of the commitments under our synthetic letter of credit facility to October 10, 2016 and increased the fee with respect to the extended synthetic letter of credit commitments; and (iv) allowed for the issuance of $700 million aggregate principal amount of Existing First and a Half Lien Notes, the net proceeds of which, along with cash on hand, were used to prepay $700 million of the outstanding extended term loans. The Senior Secured Credit Facility Amendment also provides for the incurrence of additional incremental term loans that are secured on a junior basis to the second lien loans in an aggregate amount not to exceed $350 million. Additionally, the Senior Secured Credit Facility Amendment provides that the First and a Half Lien Notes will not constitute senior secured debt for purposes of calculating the senior secured leverage ratio covenant under our senior secured credit facility.
Issuance of Existing First and a Half Lien Notes
On February 3, 2011, the Company issued $700 million aggregate principal amount of Existing First and a Half Lien Notes in a private offering exempt from the registration requirements of the Securities Act. The Existing First and a Half Lien Notes are secured by substantially the same collateral as the Company's existing secured obligations under its senior secured credit facility, but the priority of the collateral liens securing the Existing First and a Half Lien Notes is (i) junior to the collateral liens securing the Company's first lien obligations under its senior secured credit facility and the First Lien Notes, (ii) equal to the collateral liens securing the New First and a Half Lien Notes and (iii) senior to the collateral liens securing the Company's second lien obligations under its senior secured credit facility. The Existing First and a Half Lien Notes mature on February 1, 2019 and bear interest at a rate of 7.875% per annum, payable semiannually on February 15 and August 15 of each year.
As discussed above, the net proceeds from the offering of the First and a Half Lien Notes, along with cash on hand, were used to prepay $700 million of certain of the first lien term loans that were extended in connection with the Senior Secured Credit Facility Amendment.
Senior Secured Credit Facility
Realogy has a senior secured credit facility which consists of (i) term loan facilities, (ii) revolving credit facilities, (iii) a synthetic letter of credit facility (the facilities described in clauses (i), (ii) and (iii), as amended by the Senior Secured Credit Facility Amendment, collectively referred to as the "First Lien Facilities"), and (iv) an incremental (or accordion) loan facility, a portion of which was utilized in connection with the incurrence of Second Lien Loans in 2009 as described below.
The extended term loans do not require any scheduled amortization of principal. Prior to the 2012 Senior Secured Notes Offering, the non-extended term loan facility provided for quarterly amortization payments totaling 1% per annum of the principal amount of the non-extended term loans.
Realogy uses the revolving credit facility for, among other things, working capital and other general corporate purposes. The loans under the First Lien Facilities (the "First Lien Loans") are secured to the extent legally permissible by

74

Table of Contents

substantially all of the assets of Realogy, Intermediate and the subsidiary guarantors, including but not limited to (i) a first-priority pledge of substantially all capital stock held by Realogy or any subsidiary guarantor (which pledge, with respect to obligations in respect of the borrowings secured by a pledge of the stock of any first-tier foreign subsidiary, is limited to 100% of the non-voting stock (if any) and 65% of the voting stock of such foreign subsidiary), and (ii) perfected first-priority security interests in substantially all tangible and intangible assets of Realogy and each subsidiary guarantor, subject to certain exceptions.

In late 2009, Realogy incurred $650 million of Second Lien Loans (the "Second Lien Loans"). The Second Lien Loans are secured by liens on the assets of Realogy and by the guarantors that secure the First Lien Loans. However, such liens are junior in priority to the First Lien Loans, the First Lien Notes and the First and a Half Lien Notes. The Second Lien Loans interest payments are payable semi-annually on April 15 and October 15 of each year. The Second Lien Loans mature on October 15, 2017 and there are no required amortization payments.

The senior secured credit facility also provides for a synthetic letter of credit facility which is for: (i) the support of Realogy's obligations with respect to Cendant contingent and other liabilities assumed under the Separation and Distribution Agreement and (ii) general corporate purposes in an amount not to exceed $100 million. The synthetic letter of credit facility capacity is $187 million at December 31, 2011, of which $43 million will expire in October 2013 and $144 million will expire in October 2016. As of December 31, 2011, the capacity was being utilized by a $70 million letter of credit with Cendant for any remaining potential contingent obligations and $100 million of letters of credit for general corporate purposes.

Realogy's senior secured credit facility contains financial, affirmative and negative covenants and requires Realogy to maintain a senior secured leverage ratio not to exceed a maximum amount on the last day of each fiscal quarter. Specifically, Realogy's total senior secured net debt to trailing twelve month EBITDA may not exceed 4.75 to 1.0. EBITDA, as defined in the senior secured credit facility, includes certain adjustments and is calculated on a "pro forma" basis for purposes of calculating the senior secured leverage ratio. In this report, the Company refers to the term "Adjusted EBITDA" to mean EBITDA as so defined for purposes of determining compliance with the senior secured leverage covenant. Total senior secured net debt does not include the First and a Half Lien Notes, Second Lien Loans, other bank indebtedness not secured by a first lien on Realogy or its subsidiaries assets, securitization obligations or the Unsecured Notes. At December 31, 2011, Realogy's senior secured leverage ratio was 4.44 to 1.0. After giving effect to the 2012 Senior Secured Notes Offering, Realogy's senior secured leverage ratio would have been 3.87 to 1.0 at December 31, 2011.

Realogy has the right to cure an event of default of the senior secured leverage ratio in three of any of the four consecutive quarters through the issuance of additional Holdings equity for cash, which would be infused as capital into Realogy. The effect of such infusion would be 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 Realogy is unable to maintain compliance with the senior secured leverage ratio and fails to remedy a default through an equity cure as described above, there would be an "event of default" under the senior secured credit facility. Other events of default under the senior secured credit facility include, without limitation, nonpayment, material misrepresentations, insolvency, bankruptcy, certain material judgments, change of control and cross-events of default on material indebtedness.

If an event of default occurs under the senior secured credit facility, and Realogy fails to obtain a waiver from the lenders, Realogy's financial condition, results of operations and business would be materially adversely affected. Upon the occurrence of an event of default under the senior secured credit facility, the lenders:

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

any of which could result in an event of default under the First and a Half Lien Notes, the Unsecured Notes and the Company's Apple Ridge Funding LLC securitization program.

If the Company were unable to repay those amounts, the lenders under the senior secured credit facility could proceed against the collateral granted to secure the senior secured credit facility and its other secured indebtedness. The Company has pledged the majority of its assets as collateral to secure such indebtedness. If the lenders under the senior secured credit facility were to accelerate the repayment of borrowings, then the Company may not have sufficient assets to repay the senior secured credit facility and its other indebtedness, including the First Lien Notes, the First and a Half Lien Notes and the Unsecured Notes, or be able to borrow sufficient funds to refinance such indebtedness. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms, or terms that are acceptable to the Company.

Other Bank Indebtedness

Realogy has separate revolving U.S. credit facilities under which it could borrow up to $125 million at December 31, 2011 and $155 million at December 31, 2010 and a separate U.K. credit facility under which it could borrow up to £5 million at December 31, 2011 and 2010. These facilities are not secured by assets of Realogy or any of its subsidiaries but are supported by letters of credit issued under the senior secured credit facility. The facilities generally have a one-year term with certain options for renewal. As of December 31, 2011, Realogy had outstanding borrowings of $133 million under these credit facilities with $75 million due in July 2012, $8 million due in August 2012 and $50 million due in January 2013. In January 2012, Realogy repaid $25 million of the outstanding borrowings and reduced the capacity of the credit facility due in July 2012 by $25 million. For the year ended December 31, 2011 and 2010, the weighted average interest rate was 2.9% and 3.0%, respectively, under the U.S. credit facilities and 2.5% and 2.5%, respectively, under the U.K. credit facility with interest payable either monthly or quarterly.

Unsecured Notes

On April 10, 2007, Realogy issued $1,700 million of Senior Notes due 2014, $550 million of Senior Toggle Notes due 2014 and $875 million of Senior Subordinated Notes due 2015.

On January 5, 2011, Realogy consummated the Debt Exchange Offering for a portion of its Existing Notes pursuant to which Realogy issued the Extended Maturity Notes and three series of notes. Pursuant to the Debt Exchange Offering, $2,110 million aggregate principal amount of the Existing Notes were tendered for notes, which are convertible at the holder’s option into Class A Common Stock, and $632 million aggregate principal amount of the Existing Notes were tendered for the Extended Maturity Notes.

As a result of the Debt Exchange Offering, Realogy extended the maturity of $2,742 million aggregate principal amount of the Unsecured Notes to 2017 and 2018, leaving $303 million aggregate principal amount of Existing Notes that mature in 2014 and 2015. In addition, pursuant to the terms of the indenture governing the terms of the notes, the notes are redeemable at Realogy’s option at a price equal to 90% of the principal amount thereof, plus accrued and unpaid interest to the date of redemption upon a Qualified Public Offering.

The 10.50% Senior Notes mature on April 15, 2014 and bear interest payable semiannually on April 15 and October 15 of each year. The 11.50% Senior Notes mature on April 15, 2017 and bear interest payable semiannually on April 15 and October 15 of each year.

The Senior Toggle Notes mature on April 15, 2014. Interest is payable semiannually on April 15 and October 15 of each year. For any interest payment period after the initial interest payment period and through October 15, 2011, Realogy had the option to pay interest on the Senior Toggle Notes (i) entirely in cash (“Cash Interest”), (ii) entirely by increasing the principal amount of the outstanding Senior Toggle Notes or by issuing Senior Toggle Notes (“PIK Interest”), or (iii) 50% as Cash Interest and 50% as PIK Interest. Cash Interest on the Senior Toggle Notes accrues at a rate of 11.00% per annum. PIK Interest on the Senior Toggle Notes accrues at the Cash Interest rate per annum plus 0.75%. Beginning with the interest period which ended October 2008 through the interest period which ended April 2011, Realogy elected to satisfy its interest payment obligations by issuing additional Senior Toggle Notes. Realogy elected to pay Cash Interest for the interest period commencing April 15, 2011 and is required to make all future interest payments on the Senior Toggle Notes entirely in cash until they mature.

Realogy would be subject to certain interest deduction limitations if the Senior Toggle Notes were treated as “applicable high yield discount obligations” (“AHYDO”) within the meaning of Section 163(i)(1) of the Internal Revenue Code, as amended. In order to avoid such treatment, Realogy is required to redeem for cash a portion of each Senior Toggle Note then outstanding at the end of the accrual period ending in April 2012. The portion of a Senior Toggle Note required to be redeemed is an amount equal to the excess of the accrued original issue discount as of the end of such accrual period, less the amount of interest paid in cash on or before such date, less the first-year yield (the issue price of the debt instrument multiplied by its yield to maturity). For the periods that Realogy elected to pay PIK

Interest, Realogy will be required to repay approximately $11 million in April 2012.

Table of Contents

The 12.00% Senior Notes mature on April 15, 2017 and bear interest payable semiannually on April 15 and October 15 of each year. The 12.375% Senior Subordinated Notes mature on April 15, 2015 and bear interest payable semiannually on April 15 and October 15 of each year. The 13.375% Senior Subordinated Notes mature on April 15, 2018 and bear interest payable on April 15 and October 15 of each year.
The Senior Notes are guaranteed on an unsecured senior basis, and the Senior Subordinated Notes are guaranteed on an unsecured senior subordinated basis, in each case, by each of Realogy's existing and future U.S. subsidiaries that is a guarantor under the senior secured credit facility or that guarantees certain other indebtedness in the future, subject to certain exceptions. The Senior Notes are guaranteed by Holdings on an unsecured senior subordinated basis and the Senior Subordinated Notes are guaranteed by Holdings on an unsecured junior subordinated basis.
On June 24, 2011, Realogy completed offers of exchange notes for Extended Maturity Notes issued in the Debt Exchange Offering. The term "exchange notes" refers to the 11.50% Senior Notes due 2017, the 12.00% Senior Notes due 2017 and the 13.375% Senior Subordinated Notes due 2018, all as registered under the Securities Act, pursuant to a Registration Statement on Form S-4 (File No. 333-173254 declared effective by the SEC on May 20, 2011). Each series of the exchange notes are substantially identical in all material respects to the Extended Maturity Notes of the applicable series issued in the Debt Exchange Offering (except that the new registered exchange notes do not contain terms with respect to additional interest or transfer restrictions). Unless the context otherwise requires, the term "Extended Maturity Notes" refers to the exchange notes.
Convertible Notes
The Series A Convertible Notes, Series B Convertible Notes and Series C Convertible Notes mature on April 15, 2018 and bear interest at a rate per annum of 11.00% payable semiannually on April 15 and October 15 of each year. The Convertible Notes are convertible into Class A Common Stock at any time prior to April 15, 2018. The Series A Convertible Notes and Series B Convertible Notes are initially convertible into 975.6098 shares of Class A Common Stock per $1,000 aggregate principal amount of Series A Convertible Notes and Series B Convertible Notes, which is equivalent to an initial conversion price of approximately $1.025 per share, and the Series C Convertible Notes are initially convertible into 926.7841 shares of Class A Common Stock per $1,000 aggregate principal amount of Series C Convertible Notes, which is equivalent to an initial conversion price of approximately $1.079 per share, subject to adjustment if specified distributions to holders of the Class A Common Stock are made or specified corporate transactions occur, in each case as set forth in the indenture governing the Convertible Notes. The Convertible Notes are guaranteed on an unsecured senior subordinated basis by each of Realogy's existing and future U.S. subsidiaries that is a guarantor under the senior secured credit facility or that guarantees certain other indebtedness in the future, subject to certain exceptions. The Convertible Notes are guaranteed on an unsecured junior subordinated basis by Holdings.
Following a Qualified Public Offering, Realogy may, at its option, redeem the Convertible Notes, in whole or in part, at a redemption price, payable in cash, equal to 90% of the principal amount of the Convertible Notes to be redeemed plus accrued and unpaid interest thereon to, but excluding, the redemption date.
On June 16, 2011, the SEC declared effective a Registration Statement on Form S-1 (File No. 333-173250) of Holdings and Realogy, registering for resale the outstanding Convertible Notes and the Class A Common Stock of Holdings issuable upon conversion of the Convertible Notes. Offers and sales of the Convertible Notes and Class A Common Stock may be made by selling securityholders pursuant to the June 2011 Final Prospectus as amended or supplemented from time to time.
Loss (Gain) on the Early Extinguishment of Debt and Write-Off of Deferred Financing Costs
As a result of the 2011 Refinancing Transactions, the Company recorded a loss on the early extinguishment of debt of $36 million and wrote off deferred financing costs of $7 million to interest expense as a result of debt modifications during the year ended December 31, 2011.
On September 24, 2009, Realogy and certain affiliates of Apollo entered into an agreement with a third party pursuant to which Realogy exchanged approximately $221 million aggregate principal amount of Senior Toggle Notes held by it for $150 million aggregate principal amount of Second Lien Loans. The third party also sold the balance of the Senior Toggle Notes it held for cash to an affiliate of Apollo in a privately negotiated transaction and used a portion of the cash proceeds to participate as a lender in the Second Lien Loan transaction. The transaction with the third party

closed concurrently with the initial closing of the Second Lien Loans. As a result of the exchange, the Company recorded a gain on the extinguishment of debt of $75 million.

Table of Contents

Securitization Obligations

Realogy has secured obligations through Apple Ridge Funding LLC, a securitization program which was due to expire in April 2012. On December 14, 2011, Realogy entered into agreements to amend and extend the existing Apple Ridge Funding LLC securitization program. The maturity date has been extended until December 2013. The maximum borrowing capacity remained at $400 million.

In 2010, Realogy, through a special purpose entity, Cartus Financing Limited, entered into agreements providing for a £35 million revolving loan facility which expires in August 2015 and a £5 million working capital facility which expires in August 2012. These Cartus Financing Limited facilities are secured by relocation assets of a U.K. government contract in a special purpose entity and are therefore classified as permitted securitization financings as defined in Realogy's senior secured credit facility and the indentures governing the Unsecured Notes.

The Apple Ridge entities and Cartus Financing Limited entity are consolidated special purpose entities that are utilized to securitize relocation receivables and related assets. These assets are generated from advancing funds on behalf of clients of Realogy's relocation business in order to facilitate the relocation of their employees. Assets of these special purpose entities are not available to pay Realogy's general obligations. Under the Apple Ridge program, provided no termination or amortization event has occurred, any new receivables generated under the designated relocation management agreements are sold into the securitization program and as new eligible relocation management agreements are entered into, the new agreements are designated to the program. The Apple Ridge program has restrictive covenants and trigger events, including performance triggers linked to the age and quality of the underlying assets, foreign obligor limits, multicurrency limits, financial reporting requirements, restrictions on mergers and change of control, breach of Realogy's senior secured leverage ratio under Realogy's senior secured credit facility if uncured, and cross-defaults to Realogy's credit agreement, unsecured and 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.

Certain of the funds that the Company receives from relocation receivables and related assets must be utilized to repay securitization obligations. These obligations were collateralized by $366 million and $393 million of underlying relocation receivables and other related relocation assets at December 31, 2011 and 2010, respectively. Substantially all relocation related assets are realized in less than twelve months from the transaction date. Accordingly, all of the Company's securitization obligations are classified as current in the accompanying Consolidated Balance Sheets.

Interest incurred in connection with borrowings under these facilities amounted to $6 million and $7 million for the year ended December 31, 2011 and 2010, respectively. This interest is recorded within net revenues in the accompanying Consolidated Statements of Operations as related borrowings are utilized to fund the Company's relocation business where interest is generally earned on such assets. These securitization obligations represent floating rate debt for which the average weighted interest rate was 2.1% and 2.4% for the year ended December 31, 2011 and 2010, respectively.

Covenants under the Senior Secured Credit Facility and Certain Indentures

The senior secured credit facility and the indentures governing the First Lien Notes, First and a Half Lien Notes, the Extended Maturity Notes and the 12.375% Senior Subordinated Notes contain various covenants that limit Realogy's ability to, among other things:

- incur or guarantee additional debt;
- incur debt that is junior to senior indebtedness and senior to the 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 our subsidiaries to pay dividends or to make other payments to Realogy;
- enter into transactions with affiliates;
- create liens;
- merge or consolidate with other companies or transfer all or substantially all of our assets;
- transfer or sell assets, including capital stock of subsidiaries; and

78

Table of Contents

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

In connection with the Debt Exchange Offering, Realogy received consents from the holders of the 10.50% Senior Notes and Senior Toggle Notes to amend the respective indentures governing the terms of such Existing Notes to remove substantially all of the restrictive covenants and certain other provisions previously contained in such indentures.

As a result of the covenants to which we remain subject, 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.

In addition, on the last day of each fiscal quarter, the financial covenant in the senior secured credit facility requires us to maintain on a quarterly basis a senior secured leverage ratio not to exceed a maximum amount. Specifically, Realogy's total senior secured net debt to trailing twelve month EBITDA may not exceed 4.75 to 1.0. EBITDA, as defined in the senior secured credit facility, includes certain adjustments and also is calculated on a pro forma basis for purposes of calculating the senior secured leverage ratio. In this report, the Company refers to the term "Adjusted EBITDA" to mean EBITDA as so defined for purposes of determining compliance with the senior secured leverage ratio covenant. Total senior secured net debt does not include the Second Lien Loans, securitization obligations, the First and a Half Lien Notes or the Unsecured Notes or other indebtedness secured by a lien that is pari passu or junior in priority to the First and a Half Lien Notes. At December 31, 2011, the Company's senior secured leverage ratio was 4.44 to 1.0. After giving effect to the 2012 Senior Secured Notes Offering, our senior secured leverage ratio would have been 3.87 to 1.0 at December 31, 2011.

To maintain compliance with the senior secured leverage ratio for the twelve-month periods ending March 31, 2012, June 30, 2012, September 30, 2012 and December 31, 2012 (or to avoid an event of default thereof), the Company will need to achieve a certain amount of Adjusted EBITDA and/or reduced levels of total senior secured net debt. The factors that will impact the foregoing include: (a) changes in sales volume and/or the price of existing homesales, (b) the ability to continue to implement cost-savings and business productivity enhancement initiatives, (c) increasing new franchise sales, sales associate recruitment and/or brokerage and other acquisitions, (d) obtaining additional equity financing from our parent company, (e) obtaining additional debt or equity financing, or (f) a combination thereof. Factors (b) through (e) may be insufficient to overcome macroeconomic conditions affecting the Company.

Based upon the Company's financial forecast, the Company believes that it will continue to be in compliance with the senior secured leverage ratio covenant during the next twelve months. While the housing market has shown signs of stabilization, there remains substantial uncertainty with respect to the timing and scope of a housing recovery and if a housing recovery is delayed or is weak, we may be subject to additional pressure in maintaining compliance with our senior secured leverage ratio.

The Company's financial forecast of Adjusted EBITDA considers numerous factors including open homesale contract trends, industry forecasts and macroeconomic factors, local market dynamics and concentrations in the markets in which we operate. Our twelve month forecast is updated monthly to consider the actual results of the Company and incorporates current homesale contract activity, updated industry forecasts and macroeconomic factors and changes in local market dynamics as well as additional cost savings and business optimization initiatives underway or to be implemented by management. As such initiatives are implemented, management, as permitted by the existing agreement, will pro forma the effect of such measures and add back the savings or enhanced revenue from those initiatives as if they had been implemented at the beginning of the trailing twelve-month period.

The Company has the right to cure an event of default of the senior secured leverage ratio in three of any of the four consecutive quarters through the issuance of additional Holdings equity for cash, which would be infused as capital into the Company. The effect of such infusion would be 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 and we fail to remedy a default through an equity cure as described above, there would be an "event of default" under the senior secured credit agreement. Other events of default under the senior secured credit facility include, without limitation, nonpayment, material misrepresentations, insolvency, bankruptcy, certain material judgments, change of control and cross-events of default on material indebtedness.

If an event of default occurs under the senior secured credit facility and we fail to obtain a waiver from our lenders, our financial condition, results of operations and business would be materially adversely affected. Upon the occurrence of an event of default under the senior secured credit facility, the lenders:

Table of Contents

- would 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 First Lien Notes, the First and a Half Lien Notes or the Unsecured Notes;

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

If we were unable to repay those amounts, the lenders under the senior secured credit facility could proceed against the collateral granted to them to secure that indebtedness. We have pledged the majority of our assets as collateral under the senior secured credit facility and the indentures governing the First Lien Notes and the First and a Half Lien Notes. If the lenders under the senior secured credit facility were to accelerate the repayment of borrowings thereunder, then we may not have sufficient assets to repay the First Lien Loans under the senior secured credit facility and our other indebtedness, including the First Lien Notes, the First and a Half Lien Notes, the Second Lien Loans and the Unsecured Notes, or be able to borrow sufficient funds to refinance such indebtedness. Even if we are able to obtain new financing, it may not be on commercially reasonable terms, or terms that are acceptable to us.

Non-GAAP Financial Measures

The SEC has adopted rules to regulate the use in filings with the SEC and in public disclosures of “non-GAAP financial measures,” such as EBITDA, EBITDA before restructuring and other items and Adjusted EBITDA and the ratios related thereto. These measures are derived on the basis of methodologies other than in accordance with GAAP.

EBITDA is defined by us as net income (loss) before depreciation and amortization, interest (income) expense, net (other than relocation services interest for securitization assets and securitization obligations) and income taxes. EBITDA before restructuring and other items is defined by us as EBITDA adjusted for merger costs, restructuring costs, former parent legacy cost (benefit) items, net, and (gain) loss on the early extinguishment of debt. Adjusted EBITDA is presented to demonstrate our compliance with the senior secured leverage ratio covenant in the senior secured credit facility. We present EBITDA, EBITDA before restructuring and other items and Adjusted EBITDA because we believe EBITDA, EBITDA before restructuring and other items and Adjusted EBITDA are useful as supplemental measures in evaluating the performance of our operating businesses and provides greater transparency into our results of operations. Our management, including our chief operating decision maker, use EBITDA and EBITDA before restructuring and other items as a factor in evaluating the performance of our business. EBITDA, EBITDA before restructuring and other items and Adjusted EBITDA should not be considered in isolation or as a substitute for net income or other statement of operations data prepared in accordance with GAAP.

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 believe EBITDA before restructuring and other items also facilitates company-to-company operating performance comparisons by backing out those items in EBITDA as well as certain historical cost (benefit) items which may vary for different companies for reasons unrelated to operating performance. We further believe that EBITDA is frequently used by securities analysts, investors and other interested parties in their evaluation of companies, many of which present an EBITDA measure when reporting their results.

EBITDA and EBITDA before restructuring and other items have limitations as analytical tools, and you should not consider EBITDA or EBITDA before restructuring and other items either in isolation or as substitutes for analyzing our results as reported under GAAP. Some of these limitations are:

- these measures do not reflect changes in, or cash requirement for, our working capital needs;
- these measures do not reflect our interest expense (except for interest related to our securitization obligations), or the cash requirements necessary to service interest or principal payments on our debt;
- these measures do not reflect our income tax expense or the cash requirements to pay our taxes;
-

these measures do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;

Table of Contents

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often require replacement in the future, and these measures do not reflect any cash requirements for such replacements; and
- other companies may calculate these measures differently so they may not be comparable.

Adjusted EBITDA as used herein corresponds to the definition of "EBITDA," calculated on a "pro forma basis," used in the senior secured credit facility to calculate the senior secured leverage ratio.

Like EBITDA and EBITDA before restructuring and other items, Adjusted EBITDA has limitations as an analytical tool, and you should not consider Adjusted EBITDA either in isolation or as a substitute for analyzing our results as reported under GAAP. In addition to the limitations described above with respect to EBITDA and EBITDA before restructuring and other items, Adjusted EBITDA includes pro forma cost savings, the pro forma effect of business optimization initiatives and the pro forma full year effect of acquisitions and new franchisees. These adjustments may not reflect the actual cost savings or pro forma effect recognized in future periods.

A reconciliation of net loss attributable to Realogy to EBITDA, EBITDA before restructuring and other items and Adjusted EBITDA for the year ended December 31, 2011 is set forth in the following table:

	For the Year Ended December 31, 2011	
Net loss attributable to Realogy	$ (441	)
Income tax expense (benefit)	32	
Income before income taxes	(409	)
Interest expense (income), net	666	
Depreciation and amortization	186	
EBITDA (a)	443	
Covenant calculation adjustments:		
Restructuring costs, merger costs and former parent legacy costs (benefit), net (b)	(3	)
Loss on the early extinguishment of debt	36	
EBITDA before restructuring and other items	476	
Pro forma cost savings for 2011 restructuring initiatives (c)	11	
Pro forma effect of business optimization initiatives (d)	52	
Non-cash charges (e)	4	
Non-recurring fair value adjustments for purchase accounting (f)	4	
Pro forma effect of acquisitions and new franchisees (g)	7	
Apollo management fees (h)	15	
Incremental securitization interest costs (i)	2	
Adjusted EBITDA	$ 571	
Total senior secured net debt (j)	$ 2,536	
Senior secured leverage ratio	4.44	x
Pro forma total senior secured net debt (k)	$ 2,211	
Pro forma senior secured leverage ratio	3.87	x

(a) Based on 2011 homesale transactions, 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 segment and our Company Owned Real Estate Brokerage Services segment combined.

(b) Consists of $11 million of restructuring costs and $1 million of merger costs offset by a benefit of $15 million of former parent legacy items.

(c) Represents actual costs incurred that are not expected to recur in subsequent periods due to restructuring activities initiated during 2011. From this restructuring, we expect to reduce our operating costs by approximately $21 million on a twelve-month run-rate basis and estimate that $10 million of such savings were realized from the time they were put in place. The adjustment shown represents the impact the savings would have had on the period from

January 1, 2011 through the time they were put in place, had

Table of Contents

those actions been effected on January 1, 2011.

(d) Represents the twelve-month pro forma effect of business optimization initiatives that have been completed to reduce costs, including $1 million related to our Relocation Services integration costs and acquisition related non-cash adjustments, $6 million related to vendor renegotiations, $41 million for employee retention accruals and $4 million of other initiatives. 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.

(e) Represents the elimination of non-cash expenses, including $7 million of stock-based compensation expense and $4 million of other items less $7 million for the change in the allowance for doubtful accounts and notes reserves from January 1, 2011 through December 31, 2011.

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

(g) Represents the estimated impact of acquisitions and new franchisees as if they had been acquired or signed on January 1, 2011. 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 as of January 1, 2011.

(h) Represents the elimination of annual management fees payable to Apollo for the twelve months ended December 31, 2011.

(i) Reflects the incremental borrowing costs incurred as a result of the securitization facilities refinancing for the twelve months ended December 31, 2011.

(j) Represents total borrowings under the senior secured credit facility which are secured by a first priority lien on our assets of $2,626 million plus $11 million of capital lease obligations less $101 million of readily available cash as of December 31, 2011. Pursuant to the terms of the senior secured credit facility, senior secured net debt does not include First and a Half Lien Notes, Second Lien Loans, other indebtedness that is secured by a lien that is pari passu or junior to the First and a Half Lien Notes or securitization obligations.

(k) Reflects the proceeds of $918 million from the issuance of $593 million of First Lien Notes and $325 million of New First and a Half Lien Notes offset by the payment of $629 million of non-extended term loan borrowings, $78 million of borrowings under the non-extended revolving credit facility and $211 million of additional readily available cash.

Liquidity Risks

Our liquidity position may be negatively affected as a result of the following specific liquidity risks.

Negative Cash Flows; Seasonality and Cash Requirements

Our liquidity position has been and is expected to continue to be negatively impacted by the ongoing unfavorable conditions in the real estate market resulting in negative cash flows and the substantial interest expense on our debt obligations. Our business segments are also 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, the two most significant interest payments fall in, or immediately following, periods of our lowest cash flow generation. Because of this asymmetry and the size of our cash interest obligations, if unfavorable conditions in the real estate market and general macroeconomic conditions do not significantly improve, we would be required to seek additional sources of working capital for our future liquidity needs, including obtaining additional financing from affiliated or non-affiliated debt holders and deferring or reducing spending. There can be no assurance that we would be able to defer or reduce expenses or that any such actions would not materially and adversely impact our business and results of operations or that we would be able to obtain financing

on acceptable terms or at all.
Senior Secured Credit Facility Covenant Compliance
On the last day of each fiscal quarter, the financial covenant in the senior secured credit facility requires us to maintain on a quarterly basis a senior secured leverage ratio not to exceed a maximum amount. Specifically, our total senior secured net debt to trailing twelve month Adjusted EBITDA may not exceed 4.75 to 1.0.
As of December 31, 2011, we were in compliance with the senior secured leverage ratio covenant with a ratio of 4.44 to 1.0. After giving effect to the 2012 Senior Secured Notes Offering, our senior secured leverage ratio covenant would have

Table of Contents

been 3.87 to 1.0 at December 31, 2011. While the housing market has shown signs of stabilization, there remains substantial uncertainty with respect to the timing and scope of a housing recovery and if a housing recovery is delayed or is weak, we may be subject to additional pressure in maintaining compliance with our senior secured leverage ratio as a result of negative cash flows due to our significant annual interest payments.

To maintain compliance with the senior secured leverage ratio for the twelve-month periods ending March 31, 2012, June 30, 2012, September 30, 2012 and December 31, 2012 (or to avoid an event of default thereof), the Company will need to achieve a certain amount of Adjusted EBITDA and/or reduced levels of total senior secured net debt. The factors that will impact the foregoing include: (a) changes in sales volume and/or the price of existing homesales, (b) the ability to continue to implement cost-savings and business productivity enhancement initiatives, (c) increasing new franchise sales, sales associate recruitment and/or brokerage and other acquisitions, (d) obtaining additional equity financing from our parent company, (e) obtaining additional debt or equity financing, or (f) a combination thereof. Factors (b) through (e) may be insufficient to overcome macroeconomic conditions affecting the Company. If we fail to maintain the senior secured leverage ratio or otherwise default under our senior secured credit facility and if we fail to obtain a waiver from our lenders, then our financial condition, results of operations and business would be materially adversely affected.

We will continue to evaluate potential financing transactions, including refinancing certain tranches of our indebtedness, issuing incremental debt, obtaining incremental letters of credit and extending maturities as well as potential transactions pursuant to which third parties, Apollo or its affiliates may provide financing to us or otherwise engage in transactions to provide liquidity to us. There can be no assurance as to which, if any, of these alternatives we may pursue as the choice of any alternative will depend upon numerous factors such as market conditions, our financial performance and the limitations applicable to such transactions under our existing financing agreements and the consents we may need to obtain under the relevant documents. There also can be no assurance that financing or refinancing will be available to us on acceptable terms or at all. In addition, the conversion of all or a portion of our approximately $2.1 billion in outstanding notes into equity at the option of the holders thereof would increase our liquidity, although the holders of the notes are not obligated to do so.

Interest Rate Risk

Certain of our borrowings, primarily borrowings under the senior secured credit facility, borrowings under our other bank indebtedness and borrowings under our securitization arrangements, are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remained the same, and our net loss would increase further. 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 floating interest rate debt facilities.

Securitization Programs

Funding requirements of our relocation business are primarily satisfied through the issuance of securitization obligations to finance relocation receivables and advances. The Apple Ridge program has restrictive covenants and trigger events, including performance triggers linked to the age and quality of the underlying assets, foreign obligor limits, multicurrency limits, financial reporting requirements, restrictions on mergers and change of control, breach of Realogy’s senior secured leverage ratio under Realogy’s senior secured credit facility if uncured, and cross-defaults to Realogy’s credit agreement, unsecured and secured notes or other material indebtedness. On December 14, 2011, we entered into agreements to amend and extend our existing Apple Ridge Funding LLC securitization program, which was due to expire in April 2012. The maturity date has been extended until December 2013. The maximum borrowing capacity remained at $400 million.

Table of Contents

Contractual Obligations

The following table summarizes our future contractual obligations as of December 31, 2011:

	2012	2013	2014	2015	2016	Thereafter	Total
Non-extended revolving credit facility (a)	$—	$78	$—	$—	$—	$—	$78
Extended revolving credit facility (a)	—	—	—	—	97	—	97
Non-extended term loan facility (b)	6	623	—	—	—	—	629
Extended term loan facility (c)	—	—	—	—	1,822	—	1,822
Existing First and a Half Lien Notes (d)			—	—	—	700	700
Second Lien Loans (d)	—	—	—	—	—	650	650
Other bank indebtedness (e)	83	50	—	—	—	—	133
10.50% Senior Notes (g)	—	—	64	—	—	—	64
11.50% Senior Notes (h)	—	—	—	—	—	492	492
11.00%/11.75% Senior Toggle Notes (f) (g)	11	—	41	—	—	—	52
12.00% Senior Notes (h)	—	—	—	—	—	130	130
12.375% Senior Subordinated Notes (g)	—	—	—	190	—	—	190
13.375% Senior Subordinated Notes (h)	—	—	—	—	—	10	10
11.00% Convertible Notes (h)	—	—	—	—	—	2,110	2,110
Securitized obligations (i)	327	—	—	—	—	—	327
Operating leases (j)	136	98	66	46	24	119	489
Capital leases (including imputed interest)	6	4	2	1	—	—	13
Purchase commitments (k)	48	22	11	10	9	253	353
Total (l) (m)	$617	$875	$184	$247	$1,952	$4,464	$8,339

(a) The Company's senior secured credit facility provided for a $652 million revolving credit facility, which included a $289 million revolving facility expiring in April 2013 and a $363 million extended revolving facility expiring in April 2016. As a result of the 2012 Senior Secured Notes Offering, all borrowings under the $289 million non-extended revolver were repaid and the facility was terminated (See Update below). Outstanding borrowings under this facility are classified on the balance sheet as current due to the revolving nature of the facility.

(b) The Company's non-extended term loan facility provides for quarterly amortization payments totaling 1% per annum of the principal amount with the balance due on the final maturity date of October 2013. As a result of the 2012 Senior Secured Notes Offering, the non-extended term loan facility was repaid and the facility was terminated (See Update below).

(c) The Company's extended term loan facility matures in October 2016. The interest rate for the variable rate debt of $1,822 million will be determined by the interest rates in effect during each period. There is no scheduled amortization of principal. The Company has entered into derivative instruments to fix the interest rate for $650 million of its $2,759 million variable rate debt, which will result in interest payments of $24 million annually. The interest rate for the remaining portion of the variable rate debt of $2,109 million will be determined by the interest rates in effect during each period.

(d) The Company's Existing First and a Half Lien Notes bear an annual interest rate of 7.875% and the Second Lien Loans bear an annual interest rate of 13.50%. Interest payments are due semi-annually and the annual interest expense for the Existing First and a Half Lien Notes and the Second Lien Loans is approximately $143 million. There is no scheduled amortization with either debt.

(e) Consists of revolving credit facilities that are supported by letters of credit issued under the senior secured credit facility, $75 million is due in July 2012, $8 million due in August 2012, and $50 million is due in January 2013. In January 2012, Realogy repaid $25 million of the outstanding borrowings and reduced the capacity of the credit facility due in July 2012 by $25 million. These obligations are classified on the balance sheet as current due to the revolving nature of the facilities. The interest rate for the revolving credit facilities is variable and will be determined by the interest rates in effect during each period.

(f) The Company utilized the PIK Interest option to satisfy interest payment obligations for the Senior Toggle Notes which increased the principal amount of the Senior Toggle Notes from October 2008 through April 2011. As a result, the Company is subject to certain interest deduction limitations if the Senior Toggle Notes were treated as AHYDO within the meaning of Section 163(i)(1) of the Internal Revenue Code. In order to avoid such treatment, the Company will redeem for cash a portion of each Senior Toggle Note then outstanding in April 2012 which is estimated to be approximately $11 million.

(g) Annual interest expense for the 10.50% Senior Notes, 12.375% Senior Subordinated Notes and Senior Toggle Notes is approximately $36 million.

(h) Annual interest expense for the 11.50% Senior Notes, 12.00% Senior Notes, 13.375% Senior Subordinated Notes and the notes is

84

Table of Contents

approximately $306 million.

(i) The Company's securitization obligations are variable rate debt and the interest payments will be determined by the interest rates in effect during each period. The Apple Ridge agreement expires in December 2013 and the Cartus Financing Limited agreements expire in August 2012 and August 2015. These obligations are classified as current on the balance sheet due to the current classification of the underlying assets that collateralize the obligations.

(j) The operating lease amounts included in the above table do not include variable costs such as maintenance, insurance and real estate taxes.

(k) Purchase commitments include a minimum licensing fee that the Company is required to pay to Sotheby's from 2009 through 2054. The annual minimum licensing fee is approximately $2 million. The purchase commitments also include a minimum licensing fee to be paid to Meredith from 2009 through 2057. The annual minimum fee began at $0.5 million in 2009 and will increase to $4 million by 2014 and generally remains the same thereafter.

(l) In April 2007, the Company established a standby irrevocable letter of credit for the benefit of Avis Budget Group Inc. in accordance with the Separation and Distribution Agreement. At December 31, 2011, the letter of credit was at $70 million. This letter of credit is not included in the contractual obligations table above.

(m) The contractual obligations table does not include the Apollo management fee and does not include other non-current liabilities such as pension liabilities of $60 million and unrecognized tax benefits of $42 million as the Company is not able to estimate the year in which these liabilities could be paid.

Contractual Obligations Update

On February 2, 2012, Realogy issued $593 million of First Lien Notes with an interest rate of 7.625% and $325 million of New First and a Half Lien Notes with an interest rate of 9.00%. The First Lien Notes and the New First and a Half Lien Notes will mature on January 15, 2020. The Company used the proceeds from the offering, of approximately $918 million, to: (i) prepay $629 million of its non-extended term loan borrowings under its senior secured credit facility which were due to mature in October 2013, (ii) repay all of the $133 million in outstanding borrowings under the non-extended revolving credit facility which was due to mature in April 2013, and (iii) repay $156 million of the outstanding borrowings under the extended revolving credit facility. In conjunction with the repayments of $289 million described in clauses (ii) and (iii), the Company reduced the commitments under its non-extended revolving credit facility by a like amount, thereby terminating the non-extended revolving credit facility. After giving effect to the 2012 Senior Secured Notes Offering, we estimate that our annual cash interest will increase on a pro forma annualized basis by approximately $46 million from approximately $616 million to $662 million based on our pro forma debt balances as of December 31, 2011 and assuming LIBOR rates as of December 31, 2011.

On February 27, 2012, the Company had $55 million outstanding on the extended revolving credit facility.

Potential Debt Purchases or Sales

Our affiliates have purchased a portion of our indebtedness and we or our affiliates from time to time may sell such indebtedness or purchase additional portions of our indebtedness. Any such future purchases or sales may be made through open market or privately negotiated transactions with third parties or pursuant to one or more tender or exchange offers or otherwise, upon such terms and at such prices as well as with such consideration as we or any such affiliates may determine. Affiliates who own portions of our indebtedness earn interest on a consistent basis with third party owners of such indebtedness.

Critical Accounting Policies

In presenting our financial statements in conformity with generally accepted accounting principles, we are required to make estimates and assumptions that affect the amounts reported therein. Several of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they pertain to future events. However, events that are outside of our control cannot be predicted and, as such, they cannot be contemplated in evaluating such estimates and assumptions. If there is a significant unfavorable change to current conditions, it could result in a material adverse impact to our results of operations, financial position and liquidity. We believe that the estimates and assumptions we used when preparing our financial statements were the most appropriate at that time. Presented below are those accounting policies that we believe require subjective and complex judgments that could potentially affect reported results. However, the majority of our businesses operate in environments where we are paid a fee for a service performed, and therefore the results of the majority of our recurring operations are recorded in our financial statements using accounting policies that are not particularly subjective, nor complex.

Table of Contents

Allowance for doubtful accounts

We estimate the allowance necessary to provide for uncollectible accounts receivable. The estimate is based on historical experience, combined with a review of current developments, and includes specific accounts for which payment has become unlikely. The process by which we calculate the allowance begins in the individual business units where specific problem accounts are identified and reserved and an additional reserve is generally recorded driven by the age profile of the receivables. Our allowance for doubtful accounts was $64 million and $67 million at December 31, 2011 and 2010, respectively.

Impairment of goodwill and other indefinite-lived intangible assets

With regard to the goodwill and other indefinite-lived intangible assets recorded in connection with business combinations, we annually, or more frequently if circumstances indicate impairment may have occurred, analyze their carrying values to determine if an impairment exists. In performing this analysis, we are required to make an assessment of fair value for our goodwill and other indefinite-lived intangible assets. We determine the fair value of our reporting units utilizing our best estimate of future revenues, operating expenses, cash flows, market and general economic conditions as well as assumptions that we believe marketplace participants would utilize including discount rates, cost of capital, and long term growth rates. Although we believe our assumptions are reasonable, actual results may vary significantly. A change in these underlying assumptions could cause a change in the results of the tests and, as such, could cause the fair value to be less than the respective carrying amount. In such an event, we would be required to record a charge, which would impact earnings.

The aggregate carrying value of our goodwill and other indefinite-lived intangible assets was $2,614 million and $1,887 million, respectively, at December 31, 2011. It is difficult to quantify the impact of an adverse change in financial results and related cash flows, as certain changes may be isolated to one of our four reporting units or spread across our entire organization. Based upon the impairment analysis performed in the fourth quarter of 2011, there was no impairment for 2011. Management did evaluate the effect of lowering the estimated fair value for each of the reporting units by 10% and determined that no impairment of goodwill would have been recognized under this evaluation.

Income taxes

We recognize deferred tax assets and liabilities based on the differences between the financial statement carrying amounts and the tax bases of assets and liabilities. We regularly review our deferred tax balances to assess their potential realization and establish a valuation allowance for amounts that we believe will not be ultimately realized. In performing this review, we make estimates and assumptions regarding projected future taxable income, the expected timing of the reversals of existing temporary differences and the identification of tax planning strategies. A change in these assumptions could cause an increase or decrease to our valuation allowance resulting in an increase or decrease in our effective tax rate, which could materially impact our results of operations.

Recently Issued Accounting Pronouncements

In September 2011, the FASB amended the guidance on testing for goodwill impairment that allows an entity to elect to qualitatively assess whether it is necessary to perform the current two-step goodwill impairment test. If the qualitative assessment determines that it is not more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step test is unnecessary. If the entity elects to bypass the qualitative assessment for any reporting unit and proceed directly to Step One of the test and validate the conclusion by measuring fair value, it can resume performing the qualitative assessment in any subsequent period. The amendments are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The Company will consider utilizing the new qualitative analysis for its goodwill impairment test to be performed in the fourth quarter of 2012.

In May 2011, the FASB amended the guidance on Fair Value Measurement that result in common measurement of fair value and disclosure requirements between U.S. GAAP and the International Financial Reporting Standards ("IFRS"). The amendments mainly change the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. The amendments are effective prospectively for interim and annual periods beginning after December 15, 2011. The Company adopted the amendments on January 1, 2012 and the adoption did not have a significant impact on the consolidated financial statements.

Table of Contents

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Realogy Corporation

Management’s Report on Internal Control Over Financial Reporting for Realogy Corporation

Realogy's management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Realogy's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Realogy's internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of Realogy's assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Realogy's management and directors; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Realogy's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of Realogy's internal control over financial reporting as of December 31, 2011. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its Internal Control-Integrated Framework. Based on this assessment, management determined that Realogy maintained effective internal control over financial reporting as of December 31, 2011.

Auditor Report on the Effectiveness of Internal Control Over Financial Reporting for Realogy Corporation

PricewaterhouseCoopers LLP, the independent registered public accounting firm that audited the financial statements included in this prospectus, has issued an attestation report on the effectiveness of Realogy's internal control over financial reporting, which is included within their audit opinion on page F-3.

Domus Holdings Corp.

Management’s Report on Internal Control Over Financial Reporting for Domus Holdings Corp.

Holdings' management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Holdings' internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Holdings' internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of Holdings' assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Holdings' management and directors; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Holdings' assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Table of Contents

Management assessed the effectiveness of Holdings' internal control over financial reporting as of December 31, 2011. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its Internal Control-Integrated Framework. Based on this assessment, management determined that Holdings maintained effective internal control over financial reporting as of December 31, 2011.

Auditor Report on the Effectiveness of Internal Control Over Financial Reporting for Domus Holdings Corp.

PricewaterhouseCoopers LLP, the independent registered public accounting firm that audited the financial statements included in this prospectus, has issued an attestation report on the effectiveness of Holdings' internal control over financial reporting, which is included within their audit opinion on page F-2.

Table of Contents

BUSINESS

Our Company

Realogy is a wholly-owned subsidiary of Intermediate, which is a wholly-owned subsidiary of Holdings. Intermediate does not conduct any operations other than with respect to its ownership of Realogy. Holdings does not conduct any operations other than with respect to its indirect ownership of Realogy.

We are one of the preeminent and most integrated providers of real estate and relocation services. We are the world's largest real estate brokerage franchisor, the largest U.S. residential real estate brokerage firm, the largest U.S. provider and a leading global provider of outsourced employee relocation services and a provider of title and settlement services. Through our portfolio of leading brands and the broad range of services we offer, we have established our company as a leader in the residential real estate industry, with operations that are dispersed throughout the U.S. and in various locations worldwide. We derive the vast majority of our revenues from serving the needs of buyers and sellers of existing homes, rather than serving the needs of builders and developers of new homes. Realogy was incorporated on January 27, 2006 in the State of Delaware and Holdings was incorporated on December 14, 2006 in the State of Delaware.

We report our operations in four segments: Real Estate Franchise Services, Company Owned Real Estate Brokerage Services, Relocation Services and Title and Settlement Services.

Segment Overview

Real Estate Franchise Services. Through our Real Estate Franchise Services segment, or RFG, we are a franchisor of some of the most recognized brands in the real estate industry. As of December 31, 2011, our franchise system had approximately 14,000 offices (which included approximately 725 of our company owned and operated brokerage offices) and 245,800 independent sales associates (which included approximately 42,100 independent sales agents working with our company owned brokerage offices) operating under our franchise and proprietary brands in the U.S. and 100 other countries and territories around the world (internationally, generally through master franchise agreements). In 2011, we were involved, either through our franchise operations or company owned brokerages, in approximately 26% of all existing homesale transaction volume (homesale sides, each side representing either the "buy" side or the "sell" side of a homesale transaction, times average sales price) for transactions involving a real estate brokerage firm in the U.S. As of December 31, 2011, we had approximately 3,300 domestic franchisees, none of which individually represented more than 1% of our franchise royalties (other than our subsidiary, NRT LLC, or NRT, which operates our company owned brokerages). We believe this reduces our exposure to any one franchisee. On average, our franchisee's tenure with our brands is 18 years as of December 31, 2011. Our franchise revenues in 2011 included $204 million of royalties paid by our company owned brokerage operations, or approximately 37% of total franchise revenues, which are eliminated in consolidation. As of December 31, 2011, our real estate franchise brands were:

- Century 21®— One of the world's largest residential real estate brokerage franchisors, with approximately 7,500 franchise offices and approximately 107,800 independent sales associates located in the U.S. and 71 other countries and territories;
- Coldwell Banker®— One of the world's largest residential real estate brokerage franchisors, with approximately 3,100 franchise and company owned offices and approximately 84,800 independent sales associates located in the U.S. and 50 other countries and territories;
- ERA®— A residential real estate brokerage franchisor, with approximately 2,400 franchise and company owned offices and approximately 30,500 independent sales associates located in the U.S. and 35 other countries and territories;
- Sotheby's International Realty®— A luxury real estate brokerage brand. In February 2004, we acquired Sotheby's company owned offices and the exclusive license for the rights to the Sotheby's Realty and Sotheby's International Realty® trademarks. Since that time, we have grown the brand from 15 company owned offices to approximately 600 franchise and company owned offices and approximately 12,000 independent sales associates located in the U.S. and 44 other countries and territories;
- Better Homes and Gardens® Real Estate — We launched the Better Homes and Gardens® Real Estate brand in July 2008 under an exclusive long-term license from Meredith Corporation ("Meredith") and have approximately 210 franchise offices and approximately 6,700 independent sales associates located in the U.S. and Canada; and

- Coldwell Banker Commercial®— A commercial real estate brokerage franchisor, with approximately 175 franchise offices and approximately 1,800 independent sales associates worldwide. The number of offices and independent sales associates in our commercial franchise system does not include our residential franchise and company owned brokerage offices and the independent sales associates who work out of those brokerage offices that also conduct commercial real estate brokerage business using the Coldwell Banker Commercial® trademarks.

We derive substantially all of our real estate franchising revenues from royalty fees received under long-term franchise agreements with our franchisees (typically ten years in duration for new domestic agreements). 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 royalty fees for the right to operate under one of our trademarks and to utilize the benefits of the franchise system. These royalty fees enable us to have recurring revenue streams. In exchange, we license our marks for our franchisees' use and provide them with certain systems and tools that are designed to help our franchisees to serve their customers and attract new or retain existing independent sales associates. We support our franchisees with servicing programs, technology, training and education, as well as branding-related marketing which is funded through contributions by our franchisees and us (including our company-owned and operated brokerages). We believe that one of our strengths is the strong relationships that we have with our franchisees, as evidenced by our franchisee retention rate of 97% in 2011. Our retention rate represents the annual gross commission income as of December 31 of the previous year generated by our franchisees that remain in the franchise system on an annual basis, measured against the annual gross commission income of all franchisees as of December 31 of the previous year.

Company Owned Real Estate Brokerage Services. Through our subsidiary, NRT, we own and operate a full-service real estate brokerage business in more than 35 of the largest metropolitan areas of the U.S. Our company owned real estate brokerage business operates principally under our Coldwell Banker® brand as well as under the ERA® and Sotheby's International Realty® franchised brands, and proprietary brands that we own, but do not currently franchise to third parties, such as The Corcoran Group® and Citihabitats. In addition, under NRT, we operate a large independent real estate owned ("REO") residential asset manager, which focuses on bank-owned properties. At December 31, 2011, we had approximately 725 company owned brokerage offices, approximately 4,700 employees and approximately 42,100 independent sales associates working with these company owned offices. Acquisitions have been, and will continue to be, part of our strategy and a contributor to the growth of our company owned brokerage business.

Our company owned real estate brokerage business derives revenues primarily from gross commission income received serving as the broker at the closing of real estate transactions. For the year ended December 31, 2011, our average homesale broker commission rate was 2.50% which represents the average commission rate earned on either the "buy" side or the "sell" side of a homesale transaction. Generally in U.S. homesale transactions, the broker for the home seller instructs the closing agent to pay a portion of the sales commission to the broker for the buyer and keeps the remaining portion of the homesale commission. In addition, as a full-service real estate brokerage company, in compliance with applicable laws and regulations, including the Real Estate Settlement Procedures Act ("RESPA"), we actively promote the services of our relocation and title and settlement services businesses, as well as the products offered by PHH Home Loans, LLC ("PHH Home Loans"), our home mortgage joint venture with PHH Corporation ("PHH") that is the exclusive recommended provider of mortgages for our real estate brokerage and relocation service customers. All mortgage loans originated by PHH Home Loans are sold to PHH or other third party investors, and PHH Home Loans does not hold any mortgage loans for investment purposes or perform servicing functions for any loans it originates. Accordingly, our home mortgage joint venture structure insulates us from mortgage servicing risk. We own 49.9% of PHH Home Loans and PHH owns the remaining 50.1%. The Company is not the primary beneficiary and therefore our financial results only reflect our proportionate share of the joint venture's results of operations which are recorded using the equity method.

Relocation Services. Through our subsidiary, Cartus Corporation ("Cartus"), we are a leading global provider of outsourced employee relocation services and the largest provider in the U.S. 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 difficult process for both the employee and the employer.

Our relocation services business primarily offers its clients employee relocation services such as homesale assistance, home finding and other destination services, expense processing, relocation policy counseling and other consulting services, arranging household moving services, visa and immigration support, intercultural and language training and group move management services.

In 2011, we assisted in over 153,000 relocations in over 165 countries for approximately 1,500 active clients, including over 70% of the Fortune 50 companies as well as affinity organizations. In January 2010, our relocation business acquired Primacy Relocation LLC ("Primacy"), a relocation and global assignment management services company headquartered in Memphis, Tennessee with international locations in Canada, Europe and Asia. The acquisition enabled Cartus to re-enter the

Table of Contents

U.S. government relocation business, increase its domestic operations, as well as expand the Company's global relocation capabilities. Effective January 1, 2011, the Primacy business began operating under the Cartus name. Cartus has offices in the U.S. as well as internationally in the United Kingdom, Canada, Hong Kong, Singapore, China, Germany, France, Switzerland and the Netherlands. In addition to general residential housing trends, key drivers of our relocation services business are corporate spending and employment trends.

Clients pay a fee for the services performed and we also receive commissions from third-party service providers, such as real estate brokers and household goods moving service providers. The majority of our clients pay interest on home equity advances and nearly all clients reimburse all other costs associated with our services, including, where required, repayment of home equity advances and reimbursement of losses on the sale of homes purchased. We believe we provide our relocation clients with exceptional service which leads to client retention. As of December 31, 2011, our top 25 relocation clients had an average tenure of 16 years with us. In addition, our relocation services business generates revenue for our other businesses because the clients of our relocation services business often utilize the services of our franchisees and company owned brokerage offices as well as our title and settlement services.

Title and Settlement Services. In most real estate transactions, a buyer will choose, or will be required, to purchase title insurance that will protect the purchaser and/or the mortgage lender against loss or damage in the event that title is not transferred properly and to insure free and clear ownership of the property to the buyer. Our title and settlement services business, which we refer to as Title Resource Group ("TRG"), assists with the closing of a real estate transaction 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 addition to our own title settlement services, we also coordinate a nationwide network of attorneys, title agents and notaries to service financial institution clients on a national basis.

Our title and settlement services business earns revenues through fees charged in real estate transactions for rendering title and other settlement and non-settlement related services. We provide many of these services in connection with transactions in which our company owned real estate brokerage and relocation services businesses are participating. 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. Fees for escrow and closing services are generally separate and distinct from premiums paid for title insurance and other real estate services. We also derive revenues by providing our title and settlement services to various financial institutions in the mortgage lending industry. Such revenues are primarily derived from providing our services to their customers who are refinancing their mortgage loans.

We also serve as an underwriter of title insurance policies in connection with residential and commercial real estate transactions. Our title insurance underwriter is licensed in 26 states and Washington, D.C. Our title underwriting operation generally earns revenues through the collection of premiums on policies that it issues.

Industry Trends

Industry definition: We primarily operate in the U.S. residential real estate industry 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 harmed 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:

- the existing homesales segment represents a significantly larger addressable market than new homesales. Of the approximately 4.6 million homesales in the U.S. in 2011, NAR estimates that approximately 4.3 million were existing homesales, representing approximately 93% of the overall sales as measured in units; and
- existing homesales afford us the opportunity to represent either the buyer or the seller and in some cases both sides.

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") for the following reasons:

-

a real estate transaction has certain characteristics that we believe are best-suited for full-service brokerages, including large monetary value, low transaction frequency, wide cost differential among choices, high buyers' subjectivity regarding styles, tastes and preferences, and the consumer's need for a high level of personalized

Table of Contents

advice, specific marketing and technology services and support given the complexity of the transaction; and

- we believe that the enhanced service and value offered by a traditional agent or broker is such that using a traditional agent or broker will continue to be the primary method of buying and selling a home in the long term.

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. According to NAR, the existing homesale transaction volume (median homesale price times existing homesale transactions) was approximately $708 billion in 2011 and grew at a compound annual growth rate, or CAGR, of 6.5% from 1972 through 2011 period. In addition, based on information published by NAR:

- despite four years of economic headwinds that particularly impacted the housing market, the number of annual existing home sales for the past four years has been in the range of 4.1 to 4.3 million;
- over a broader period, existing homesale units increased at a CAGR of 1.6% from 1972 through 2011, with unit increases 24 times on an annual basis, versus 15 annual decreases; and
- median existing homesale prices declined in four of the past five years, however, they increased at a CAGR of 4.8% (not adjusted for inflation) from 1972 through 2011, a period that included four economic recessions.

The industry has been in a significant and lengthy downturn that initially began in 2005 after having experienced significant growth since 2000. Based upon data published by NAR, from 2005 through 2011, annual U.S. existing homesale units declined by 40% and the median price of U.S. existing homesale units declined by 24%. In response to the housing downturn, the U.S. government implemented certain actions during the past several years to help stabilize and assist in a recovery of the residential real estate market. These measures have included: (1) the placement of Fannie Mae and Freddie Mac in conservatorship in September 2008 and the funding by the government of billions of dollars to these entities to backstop shortfalls in their capital requirements; (2) the establishment, and subsequent expansion and extension, of a federal homebuyer tax credit for qualified buyers (that, as extended, required signed contracts on or before April 30, 2010); (3) as part of a broader plan to bring stability to credit markets and stimulate the housing market, the purchase of mortgage-backed securities by the Federal Reserve Board in an attempt to maintain low mortgage rates, which concluded in mid-2011; (4) the continuation of the 2008 higher loan limits for the Federal Housing Administration ("FHA"), Freddie Mac and Fannie Mae loans most recently extended to the end of 2013; and (5) the availability of low-cost refinancing through Fannie Mae and Freddie Mac to certain homeowners negatively impacted by falling home prices, encouraging lenders to modify loan terms, including reductions in principal amount, with borrowers at risk of foreclosure or already in foreclosure. Based in part on these measures, since 2010, the residential real estate market has shown signs of stabilization, particularly with respect to the number of homesale transactions, though pressure continues to exist on average homesale price in part due to the high levels of distressed sales.

According to Corelogic's February 2012 press release, there were 1.4 million homes at the end of 2011 in some stage of foreclosure in the U.S. This magnitude of so-called shadow inventory could, were it to be released into the market, adversely impact home prices in local markets, while potentially increasing unit sales activity. Furthermore, according to Corelogic's November 2011 press release, there are approximately 10.7 million homes that have negative equity, as the mortgages on such properties exceed the estimated fair market value of the homes. Utilizing 2010 Census data, the 10.7 million homes with negative equity represent approximately 14% of all owner-occupied homes in the U.S. More than half of the homes with negative equity are located in just six states (AZ, CA, FL, GA, OH and IL) and, as a result, sales activity in these states could experience a slower pace of sales compared to the rest of the country, as homeowners may be reluctant to sell their residences at a loss.

Despite weakness in housing demand due to continued high unemployment and stagnant overall economic conditions, affordability for housing is at a record high level due to reduced home prices and historically low interest rates on mortgages.

According to NAR, the housing affordability index has continued to improve as a result of homesale price declines that began in 2007. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20% down payment. The housing affordability index improved to 185 for 2011 compared to 174 for 2010 and 169 for 2009 and the overall improvement in this index could favorably impact a housing recovery. In addition, according to data released by Trulia in August

2011, in many major markets, the cost of owning a home is now lower than rental of a comparable property.
Interest rates continue to be at low levels by historical standards, which we believe has helped stimulate demand in the residential real estate market, thereby reducing the rate of sales volume decline. According to Freddie Mac, interest rates on

Table of Contents

commitments for 30-year, fixed-rate first mortgages have decreased from 5.3% in December 2008 to 4.0% in December 2011. Offsetting some of the favorable impact of lower interest rates are conservative mortgage underwriting standards, increased down payment requirements and homeowners having limited or negative equity in homes in certain markets. Mortgage credit conditions have tightened significantly during this housing downturn, with banks limiting credit availability to more creditworthy borrowers and requiring larger down payments, stricter appraisal standards, and more extensive mortgage documentation. As a result, mortgages are less available to borrowers and it frequently takes longer to close a homesale transaction due to