# Investor Webcast Presentation: Third Quarter 2011 Financial Results

November 1, 2011

# Important Disclosures

***Forward-Looking Statements***

*This presentation contains forward-looking statements. The Company desires to take advantage of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995 and is including this statement for the express purpose of availing itself of the protections of the safe harbor with respect to all forward-looking statements. Therefore, the Company wishes to caution each participant to consider carefully the specific factors discussed with each forward-looking statement in this presentation and other factors contained in the Company's Prospectus dated June 16, 2011 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 and the Company's other filings with the Securities and Exchange Commission under the captions "Forward-Looking Statements", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as such factors in some cases have affected, and in the future (together with other factors) could affect, the ability of the Company to implement its business strategy and may cause actual results to differ materially from those contemplated by the statements expressed herein. The information contained in this presentation speaks as of November 1, 2011. The Company assumes no obligation to update the information or the forward-looking statements contained herein, whether as a result of new information or otherwise. RECIPIENTS ARE STRONGLY ADVISED TO READ THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION BECAUSE THEY CONTAIN IMPORTANT INFORMATION.*

***Non-GAAP Financial Measures***

*The financial measures EBITDA, EBITDA before restructuring and other items, and Adjusted EBITDA as presented in the Company's filings with the Securities and Exchange Commission are supplemental measures of the Company's performance that are not Generally Accepted Accounting Principles ("GAAP") measures. Refer to slide 17 of this presentation and Tables 6,7 and 8 of the November 1, 2011 press release announcing second quarter results for the definitions of those non-GAAP financial measures, a reconciliation of those measures to net income, and the Company's explanation of why it believes those non-GAAP measures are useful to investors.*

# Management Presenters

| | |
|---|---|
| Richard A. Smith | President and Chief Executive Officer |
| Tony Hull | Chief Financial Officer |
| Alicia Swift | SVP, Financial Planning & Analysis |

# Third Quarter 2011 Results

| Financial Metric | % Change vs Q3 2010 |
|---|---|
| **Revenue:** | $1.2 billion (+10% year-over-year) |
| **Reported EBITDA:** | $187 million, includes $3 million legacy benefit and $3 million of restructuring costs |
| **EBITDA before restructuring and other items*:** | $187 million (+8% year-over-year) |
| **Net loss attributable to Realogy:** | $28 million |
| **Covenant Compliance:** | Measured debt ratio of 4.15 to 1 (within the 4.75 to 1 maximum allowance) |

** EBITDA before restructuring and other items excludes restructuring costs, former parent legacy items and loss on the early extinguishment of debt. See Slide 17 for a reconciliation of EBITDA before restructuring and other items to net income.*

# Operational Highlights – Q3 2011

| | % Change vs Q3 2010 | | |
|---|---|---|---|
| | NRT | RFG | NAR |
| Homesale sides | +16% | +10% | +17% |
| Average homesale price (NAR Median) | -5% | -1% | -4% |
| Net sales volume (sides x price) | +10% | +10% | +12% |

NAR is currently engaged in a review of its homesale reporting and methodology, the result of which we believe will be a downward revision to their past housing metric reports. It is important to note that the revisions will **not** have any impact on Realogy's reported financial results or reported key business drivers.

# Realogy Franchise Group and NRT – Q3 2011

## RFG

- Domestic franchise sales added new franchisees and sales associates with $100 million in franchisee gross commission income (GCI) in Q3
- International highlights:
  - Better Homes and Gardens Real Estate entered Canada, its first international market

## NRT

- Continued successful growth initiatives
  - Recruited new sales associates who generated over $60 million in GCI during last 12 months
  - M&A over last 12 months added about $70 million of GCI
  - Retained 93% of production from its agents in top two quartiles

# Cartus and TRG – Q3 2011

## Cartus

- Signed 38 new clients in the quarter with contracts totaling an estimated $4.9 million in annualized revenue
- Expanded domestic and international service agreements with 94 existing clients

## TRG

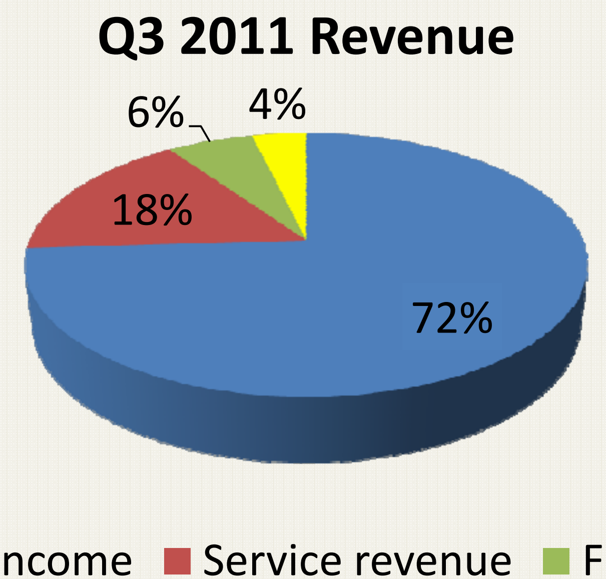
- Continues to expand lender channel
  - Now at 108 clients
- Underwriting claims experience less than 2% YTD
  - Compares to industry average loss ratio of 6%

# Current Operating Environment

| NAR & Fannie Mae year-over-year forecasts | 2011 | 2012 |
|---|---|---|
| **National Association of Realtors (November Forecast)** | | |
| Existing homesale units | +1% | +4% |
| Median homesale price | -4% | +3% |
| **Fannie Mae (October Forecast)** | | |
| Existing homesale units | +1% | +1% |
| Median homesale price | -4% | -1% |

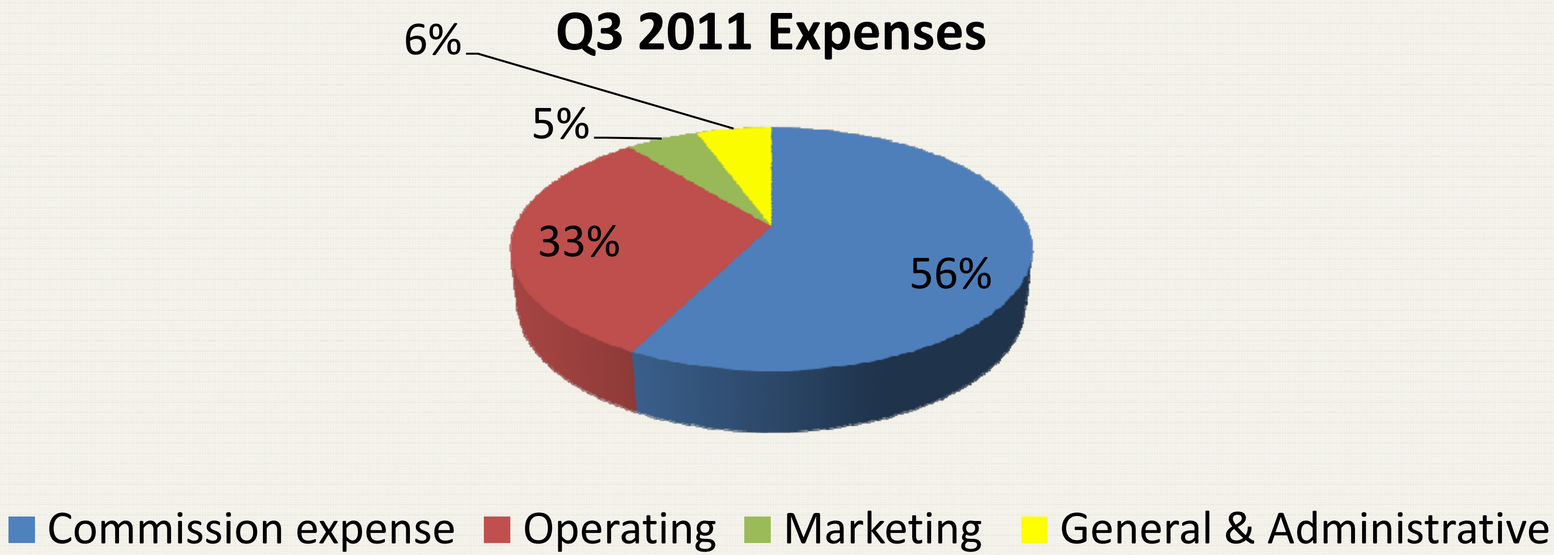
- Fourth quarter of 2011, year-over-year unit homesale comparisons are forecasted by NAR to improve by 5%

# Revenue Breakdown




| $ in millions | Q3 2011 | Q3 2010 | % Change |
|---|---|---|---|
| Gross commission income (NRT) | $831 | $751 | 11% |
| Service revenue (principally from Cartus and TRG) | 211 | 197 | 7% |
| Franchise fees (RFG) | 73 | 67 | 9% |
| Other | 40 | 37 | 8% |
| Net Revenue | $1,155 | $1,052 | 10% |

# Expense Breakdown




| $ in millions | Q3 2011 | Q3 2010 | % Change |
|---|---|---|---|
| Commission and other agent-related costs | $547 | $490 | 12% |
| Operating | 324 | 315 | 3% |
| Marketing | 45 | 42 | 7% |
| General and administrative | 62 | 45 | 38% |

# Q3 & YTD 2011 Revenue Drivers

| | Q3 2011 vs Q3 2010 | | YTD 2011 vs. 2010 | |
|---|---|---|---|---|
| | Amount | % Change | Amount | % Change |
| **Realogy Franchise Group** | | | | |
| Homesale sides | 252,991 | +10% | 688,679 | -3% |
| Average homesale price | $200,987 | -1% | $199,422 | +1% |
| **NRT** | | | | |
| Homesale sides | 71,167 | +16% | 195,428 | -1% |
| Average homesale price | $433,003 | -5% | $432,758 | -- |
| **Cartus** | | | | |
| Initiations | 37,540 | +2% | 119,081 | +3% |
| Broker referrals | 22,254 | +13% | 55,349 | +3% |
| **Title Resource Group** | | | | |
| Purchase title units | 26,128 | +14% | 71,318 | -2% |
| Avg. price per closing unit | $1,446 | +5% | $1,453 | +3% |
| Refinance title units | 14,234 | -19% | 41,900 | +5% |

# Business Unit Revenue and EBITDA

| Net Revenue ($ in millions) | Q3 2011 | Q3 2010 | % change |
|---|---|---|---|
| RFG | $151 | $138 | 9% |
| NRT | 841 | 762 | 10% |
| Cartus | 126 | 122 | 3% |
| TRG | 95 | 84 | 13% |

| EBITDA before restructuring & other items | Q3 2011 | Q3 2010 | % change |
|---|---|---|---|
| RFG | $92 | $90 | 2% |
| NRT | 50 | 33 | 52% |
| Cartus | 50 | 51 | -2% |
| TRG | 8 | 8 | 0% |
| Corporate | (13) | (9) | -44% |
| **Total EBITDA before restructuring and other items** | **$187** | **$173** | **8%** |

# Balance Sheet – Q3 2011

| Assets ($ in millions) | September 30, 2011 | December 31, 2010 |
|---|---|---|
| Cash and cash equivalents | $102 | $192 |
| Trade receivables | 142 | 114 |
| Relocation receivables | 449 | 386 |
| Relocation properties held for sale | 17 | 21 |
| Deferred income taxes | 66 | 76 |
| Other current assets | 91 | 109 |
| Total current assets | 867 | 898 |
| Property and equipment, net | 169 | 186 |
| Goodwill | 2,613 | 2,611 |
| Trademarks | 732 | 732 |
| Franchise agreements, net | 2,858 | 2,909 |
| Other intangibles, net | 450 | 478 |
| Other non-current assets | 208 | 215 |
| Total assets | $7,897 | $8,029 |

# Balance Sheet – Q3 2011 (cont’d)

| Liabilities and Equity (Deficit) ($ in millions) | September 30, 2011 | December 31, 2010 |
|---|---|---|
| Accounts payable | $155 | $203 |
| Securitization obligations | 332 | 331 |
| Due to former parent | 78 | 104 |
| Revolving credit facilities and current portion of long-term debt | 200 | 194 |
| Accrued expenses and other current liabilities | 621 | 525 |
| Total current liabilities | 1,386 | 1,357 |
| Long-term debt | 6,827 | 6,698 |
| Deferred income taxes | 885 | 883 |
| Other non-current liabilities | 143 | 163 |
| Total liabilities | 9,241 | 9,101 |
| Total equity (deficit) | (1,344) | (1,072) |
| Total liabilities and equity (deficit) | $7,897 | $8,029 |

# Cash Flow and Looking Ahead

- Cash-flow items (full-year 2011)
  - Corporate cash interest expected to be $605 to $615 million
  - CapEx expected to be approximately $45 million
  - Working capital, including cash restructuring costs, is expected to be a use of cash between $50 and $60 million
  - Net funding of legacy issues expected to be approximately $15 million

- Fourth quarter homesales to increase, but at a slower pace than we saw in Q3 as indicated by our preliminary October closed homesales being up 8%, and average sales price to be down for the fourth quarter

# Appendix

# GAAP Reconciliation

| ($ in millions) | Quarter Ended September 30, 2011 | Quarter Ended September 30, 2010 | Nine Months Ended September 30, 2011 | Nine months Ended September 30, 2010 | LTM ended September 30, 2011 |
|---|---|---|---|---|---|
| Net loss attributable to Realogy | $(28) | $(33) | $(287) | $(8) | $(378) |
| Income tax expense | 10 | 10 | 12 | 134 | 11 |
| Income (loss) before income taxes | (18) | (23) | (275) | 126 | (367) |
| Interest expense, net | 159 | 151 | 499 | 458 | 645 |
| Depreciation and amortization | 46 | 49 | 139 | 148 | 188 |
| **EBITDA** | $187 | $177 | $363 | $732 | $466 |
| Legacy costs (benefits), net | (3) | (6) | (17) | (315) | (25) |
| Restructuring costs | 3 | 2 | 8 | 12 | 17 |
| Merger Costs | - | - | - | - | 1 |
| Loss on early extinguishment of debt | - | - | 36 | - | 36 |
| Total restructuring and other items | - | (4) | 27 | (303) | 29 |
| **EBITDA before restructuring and other items** | $187 | $173 | $390 | $429 | $495 |
| Pro forma cost savings for 2010 restructuring initiatives | | | | | 3 |
| Pro forma cost savings for 2011 restructuring initiatives | | | | | 12 |
| Pro forma effect of business optimization initiatives | | | | | 50 |
| Non-cash charges | | | | | 3 |
| Non-recurring fair value adjustments for purchase accounting | | | | | 4 |
| Pro forma effect of acquisitions and new franchisees | | | | | 7 |
| Apollo management fees | | | | | 15 |
| Incremental securitization interest costs | | | | | 2 |
| *Adjusted EBITDA* | | | | | $591 |

Note: Refer to Tables 6,7 and 8 of the Press Release dated November 1, 2011 for the definitions of certain non-GAAP financial measures, a reconciliation of those measures to net income, and the Company’s explanation of why it believes those non-GAAP measures are useful to investors.