

IN RE REALOGY CORP.  
SHAREHOLDER LITIGATION

**SUPERIOR COURT OF NEW JERSEY**  
**MORRIS COUNTY:**  
**CHANCERY DIVISION-GENERAL EQUITY PART**  
**DOCKET NO: C-181-06**

**NOTICE OF PENDENCY OF CLASS ACTION,  
PROPOSED SETTLEMENT OF CLASS ACTION  
AND SETTLEMENT HEARING**

**TO: ALL RECORD OR BENEFICIAL OWNERS OF REALOGY CORP. (“REALOGY”) COMMON STOCK FROM DECEMBER 15, 2006 THROUGH APRIL 10, 2007, INCLUDING WITHIN THE CLASS THE LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS IN INTEREST, PREDECESSORS, TRUSTEES, ADMINISTRATORS, EXECUTORS, TRANSFEREES AND ASSIGNS OF ALL SUCH FOREGOING HOLDERS AND/OR OWNERS, IMMEDIATE AND REMOTE, EXCLUDING THE DEFENDANTS AND CERTAIN PERSONS OR ENTITIES AFFILIATED WITH THE DEFENDANTS (COLLECTIVELY, THE “CLASS”).**

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS LITIGATION. IF YOU WERE NOT THE BENEFICIAL HOLDER OF REALOGY COMMON STOCK BUT HELD REALOGY COMMON STOCK FOR A BENEFICIAL HOLDER, PLEASE TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL HOLDER.**

**SETTLEMENT HEARING**

Members of the Class are hereby notified that the Superior Court of the State of New Jersey in and for Morris County (the “Court”) will hold a hearing in the Morris County Courthouse, Washington Street, Morristown, New Jersey on August 15, 2007, at 10:00 a.m. (the “Settlement Hearing”), to (i) determine whether the terms and conditions of a proposed settlement (the “Settlement”) of the above-captioned consolidated action (the “Action”) are fair, reasonable and adequate and in the best interests of the Class such that the Action should be settled and ended; (ii) determine whether a Class should be finally certified in the Action, and whether the Class was adequately represented by the Plaintiffs and their Counsel; (iii) hear and determine any objections to the Settlement; and (iv) if the Court approves the Settlement, determine whether it should award attorneys’ fees and expenses to Plaintiffs’ Counsel as described below.

The Court has reserved the right to adjourn the Settlement Hearing, by oral announcement at such hearing or any adjournment thereof and without further notice of any kind.

**THE FACTUAL BACKGROUND**

**THE DESCRIPTION OF THE ACTION AND THE SETTLEMENT THAT FOLLOW HAVE BEEN PREPARED BY COUNSEL FOR THE PARTIES. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO SUCH MATTERS, AND THIS NOTICE IS NOT AN EXPRESSION BY THE COURT OF FINDINGS OF FACT.**

Domus Holdings LLC and Domus Acquisition Corp., each an affiliate of Apollo Management L.P., entered into an agreement and plan of merger dated December 15, 2006 (the “Merger Agreement”) with Realogy Corporation (“Realogy” or the “Company”), pursuant to which one of the affiliates would acquire by merger all of the outstanding shares of Realogy common stock for \$30 per share in cash (the “Merger”).

From December 18, 2006 through December 22, 2006, Plaintiffs filed four putative class action lawsuits in the Superior Court of New Jersey concerning the proposed merger of Realogy pursuant to the Merger Agreement, alleging breaches of fiduciary duties therewith, captioned as follows:

(a) Jeff Adams v. Henry R. Silverman, Richard A. Smith, Martin L. Edelman, Robert W. Pittman, Robert F. Smith, Robert E. Nederlander, Cheryl D. Mills, Kenneth Fisher, Apollo Management, L.P. and Realogy Inc., Docket No. C-180-06 (N.J. Super. Ct. Ch. Div.);

(b) NECA-IBEW Pension Fund (The Decatur Plan) and Thomas F. Coyne v. Realogy Corporation, Henry R. Silverman, Richard A. Smith, Martin L. Edelman, Kenneth Fisher, Cheryl D. Mills, Robert E. Nederlander, Robert W. Pittman and Robert F. Smith, Docket No. MRS-L-3450-06 (N.J. Super. Ct. Law Div.);

(c) Brian Roffe v. Realogy Corporation, Henry R. Silverman, Richard A. Smith, Martin L. Edelman, Kenneth Fisher, Cheryl D. Mills, Robert E. Nederlander, Robert W. Pittman and Robert F. Smith, Docket No. MRS-L-3456-06 (N.J. Super. Ct. Law Div.); and

(d) Norfolk County Retirement System v. Realogy Corporation, Henry R. Silverman, Richard A. Smith, Martin L. Edelman, Robert W. Pittman, Robert F. Smith, Robert E. Nederlander, Cheryl D. Mills and Kenneth Fisher, Docket No. C-181-06 (N.J. Super. Ct. Ch. Div.) (“Norfolk County Retirement System”).

On December 22, 2006, plaintiffs in Norfolk County Retirement System amended their complaint to add Apollo Management VI, L.P. as a defendant, and on December 26, 2006, they served defendants in that action with a Request for the Production of Documents.

On January 10, 2007, the Parties entered into a stipulation and requested by joint letter application that the Court transfer the Law Division actions to the Chancery Division and consolidate the actions in the Chancery Division, with the proposed caption of the Action to be In re Realogy Corp. Shareholder Litigation, No. C-181-06, and with the amended complaint filed by plaintiffs in Norfolk County Retirement System to be the operative complaint in the Action. That application was granted on February 2, 2007.

Subsequent to the January 18, 2007 filing of the Preliminary Proxy Statement by Realogy, Plaintiffs amended the operative complaint in the Action to add a claim of breach of the fiduciary duty of candor based upon certain alleged disclosure violations in connection with the proposed merger of Realogy (“Second Amended Complaint”). Plaintiffs also added Domus Holdings LLC and Domus Acquisition Corp. as Defendants.

From February 2, 2007 through February 7, 2007, Plaintiffs and the Defendants negotiated stipulations and proposed orders governing the protection and exchange of confidential information. These negotiations resulted in a stipulation and proposed order, which the Court entered on February 9, 2007.

On or after February 7, 2007, following negotiations with respect to the scope and production of discovery, the Defendants produced documents to Plaintiffs relating to certain claims asserted in the Second Amended Complaint, including among other things, certain financial projections prepared by Realogy based upon various economic assumptions and a presentation to the Realogy Board of Directors (“Board”) prepared by Evercore Partners, the financial advisor to the Board and the Special Committee of the Board.

Plaintiffs’ Counsel held a series of discussions with Counsel for the Defendants seeking certain additional disclosures in the Preliminary Proxy Statement and facts underlying the Action. An expert retained by Plaintiffs participated in certain of these discussions.

Following such discussions, respective Counsel for the Parties entered into negotiations of the terms of a potential settlement of this matter. Following these negotiations, the Parties reached an agreement in principle concerning the proposed settlement of the Action.

On February 22, 2007, the Parties entered into a Memorandum of Understanding (the “MOU”) setting forth their agreement in principle concerning the Action. The MOU provided for, among other things, (a) the irrevocable waiver by the Apollo Defendants of any right to a termination fee to the extent that it exceeds \$180,000,000; (b) certain agreements by the Defendants concerning shareholder demands for appraisal rights; and (c) the inclusion of certain additional disclosures in the Company’s Final Proxy Statement. The Parties concluded that the terms contained in the MOU were fair and adequate to the Company, its stockholders, the Plaintiffs and the Defendants.

There is another series of shareholder actions pending in the Chancery Court of the State of Delaware arising out of the same facts as the Action, which have been consolidated under the caption In re: Realogy Corporation Shareholder Litigation, C.A. No. 2621-N (the “Delaware Action”). Collectively, this Action and the Delaware Action are referred to as “the Actions.”

Plaintiffs’ Delaware Counsel coordinated efforts with Plaintiffs’ New Jersey Counsel and participated in the discovery, discussions and negotiations set forth above.

Counsel for the Plaintiffs in the Action have completed certain discovery including (i) the review of documents produced by Defendants both during settlement discussions and requested following execution of the MOU in response to Plaintiffs’ Request for Production, including minutes of the meetings by the Board and the Special Committee formed by the Board to review the Merger; and (ii) the deposition of Anthony Hull, Chief Financial Officer of Realogy.

The Defendants have denied and continue to deny each and all of the claims and contentions alleged by the Plaintiffs in the Action. The Defendants deny and continue to deny all allegations of wrongdoing or liability against them as alleged in the complaints filed in the Action. The Defendants also have denied and continue to deny, *inter alia*, the allegations that the Plaintiffs or the Settlement Class have suffered damage or that the Plaintiffs or the Settlement Class were harmed by the conduct alleged in the complaints filed in the Action.

Nonetheless, the Defendants have concluded that further conduct of the Action could be protracted and expensive, and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation of Settlement (“Stipulation”). The Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like the Action. The Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in the Stipulation.

### **THE SETTLEMENT TERMS**

As a direct result of the prosecution of the Action, a proposed settlement has been reached under the following terms:

(a) The Apollo Defendants agreed to waive and did waive any right to a Superior Transaction Fee to the extent that it exceeds \$180,000,000, pursuant to Section 7.03 of the Merger Agreement. Such waiver was immediately effective and irrevocable upon the execution of the MOU, notwithstanding any other provisions or conditions thereof, and was disclosed to Realogy’s shareholders in the Final Proxy Statement dated February 23, 2007.

(b) Realogy and its successor agreed not to assert that any shareholder’s demand for appraisal is untimely under Section 262 of the General Corporation Law of the State of Delaware (the “DGCL”) where such shareholder has submitted a written demand for appraisal within 30 calendar days of the shareholder vote on the

Merger (with any such deadline being extended to the following business day should the 30th day fall on a holiday or weekend). Realogy and its successor further agreed not to assert that any actions taken by such shareholders are untimely with respect to the first three sentences of Section 262(e) of the DGCL, if such actions are taken within 30 days of the deadlines (*i.e.*, 120 days (first sentence), 60 days (second sentence), and 120 days (third sentence)) set forth therein. The agreements set forth in Section 2.1(b) of the Stipulation became immediately effective and irrevocable upon the execution of the MOU, notwithstanding any other provisions or conditions thereof, and were disclosed to Realogy's shareholders in the Final Proxy Statement dated February 23, 2007.

(c) Realogy agreed to and did include in its Final Proxy Statement for the Merger certain additional disclosures addressed to allegations in the Second Amended Complaint in the form annexed as Exhibit A to the Stipulation.

(d) In addition to the disclosures annexed to the Stipulation as Exhibit A, Realogy agreed to and did provide Plaintiffs, for their advance review, certain other disclosures included in the Final Proxy Statement.

(e) The Parties agree, pursuant to N.J. Ct. R. 4:32-1, for settlement purposes only, that the Action shall proceed as a class action on behalf of a non-opt-out class consisting of the Settlement Class, as defined in the Stipulation.

If the Court approves the Settlement, it will approve an Order and Final Judgment which, among other things, will provide that the Action is dismissed with prejudice and that all Settled Claims, as defined in the Stipulation, are fully and finally released, discharged and dismissed with prejudice as to each and all of the Defendants and Released Persons, as defined in the Stipulation, by each and all members of the Settlement Class.

The releases contemplated by the Settlement extend to claims that Plaintiffs and the Settlement Class Members do not know or suspect to exist at the time of the release, which if known might have affected the decision to enter into the release or to object or not to object to the Settlement ("Unknown Claims"). Upon the Effective Date, as defined in ¶ 1.3 of the Stipulation, Plaintiffs and the Settlement Class Members shall be deemed to have, and shall have waived and relinquished to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by any law of the United States or any state or territory of the United States, or principle of common law, which governs or limits a person's release of Unknown Claims; further that (i) Plaintiffs and the Settlement Class Members shall be deemed to waive, and shall waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor;

(ii) Plaintiffs and the Settlement Class Members also shall be deemed to waive any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542; and (iii) Plaintiffs, on behalf of the Settlement Class, acknowledge that members of the Settlement Class may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of this release, but that it is their intention, as Plaintiffs, and on behalf of the Settlement Class, to fully, finally and forever settle and release any and all claims released hereby known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery or existence of such additional or different facts.

Upon the Effective Date, as defined in ¶ 1.3 of the Stipulation, each of the Defendants shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished and discharged, Plaintiffs, each and all of the Settlement Class Members and Plaintiffs' Counsel from all claims,

based upon or arising out of the institution, prosecution, assertion, settlement or resolution of the Action or the Settled Claims; provided, however, that the Defendants shall retain the right to enforce the terms of the Stipulation and Settlement.

### **ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

If the Court approves the Settlement, Counsel for Plaintiffs will apply for an award of attorneys' fees and expenses in an amount not to exceed \$1,500,000 in the aggregate. Defendants will not oppose such an application for fees and expenses in or below such amount, and in no event will Defendants be obligated to pay an award in excess of that amount. Subject to the terms and conditions of the Stipulation and any order of the Court, any such attorneys' fees or expenses the Court awards to Plaintiffs' Counsel shall be paid by Realogy (or its successors-in-interest). The Court may consider and rule upon the fairness, reasonableness and adequacy of the Settlement independently of any award of attorneys' fees and expenses.

### **CLASS CERTIFICATION**

On May 9, 2007, the Court signed an order (the "Scheduling Order") determining preliminarily and solely for purposes of the Settlement, that the Action may be maintained as a class action by Plaintiffs as representatives of the Class, pursuant to New Jersey Court Rule 4:32-1. At the Settlement Hearing, the Court will be asked to consider these issues and make specific findings that (i) the Action is finally certified as a class action pursuant to New Jersey Court Rule 4:32-1 as a non-opt-out class and (ii) the Class was adequately represented by the Plaintiffs and their attorneys.

### **CONDITIONS TO THE SETTLEMENT**

The Effective Date of the Settlement shall be conditioned on the occurrence of all of the following events:

- (a) entry by the Court of the Judgment approving the Stipulation and Settlement;
- (b) the Judgment has become Final, as defined in ¶ 1.4 of the Stipulation;
- (c) the Merger has been consummated; and
- (d) the Delaware Action has been dismissed with prejudice.

### **RIGHT TO APPEAR AT SETTLEMENT HEARING**

Any member of the Settlement Class who objects to the Settlement, the class action determination, the judgment to be entered in the Action, and/or the application for attorneys' fees and disbursements, or who otherwise wishes to be heard, may appear in person or by counsel at the Settlement Hearing and show cause why the Settlement should not be approved; provided, however, that no person other than Plaintiffs' Counsel and Counsel for the Defendants in the Action shall be heard and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court unless not later than ten (10) calendar days prior to the Settlement Hearing such person files with the Court and serves upon Counsel listed below: (a) a written notice of intention to appear; (b) proof of class membership; (c) a detailed statement of all of such person's objections to any matters before the Court; and (d) the grounds therefore or the reasons that such person desires to appear and be heard, as well as all documents or writings such person desires the Court to consider. Contemporaneously with such filing with the Court, such filings shall be served upon the following counsel:

**Counsel for Plaintiffs**

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**Counsel for Realty Corporation and the Individual Defendants**

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**Counsel for the Apollo Defendants**

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WACHTELL, LIPTON, ROSEN & KATZ  
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Adir Waldman  
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New York, New York 10019  
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Fax: (212) 403-2000

Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, the adequacy of the representation of the Settlement Class by Plaintiffs and their Counsel, any award of attorneys' fees or reimbursement of expenses, or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as described above. Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection or otherwise contesting the Settlement in this or any other action or proceeding.

**INTERIM INJUNCTION**

All proceedings in the Action, other than proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of this Court. Pending final determination of whether the Court should approve the Settlement, Plaintiffs and all members of the Settlement Class are barred and enjoined from commencing or prosecuting in any court or proceeding any action asserting any claims, either directly, representatively, derivatively or in any other capacity, that have been asserted in the Action, or that relate in any way to the Settled Claims as defined in the Stipulation.

**SCOPE OF THIS NOTICE AND FURTHER INFORMATION**

This Notice does not purport to be a comprehensive description of the lawsuit, the allegations or transactions related thereto, the terms of the Settlement or the Action. For a more detailed statement of the matters involved in this litigation, you may inspect the pleadings, the Stipulation of Settlement, the Orders entered by the Superior Court, Morris County and other papers filed in the litigation, at the Office of the Clerk in Superior Court of the State of New Jersey, Morris County Courthouse, Washington Street, Morristown, New Jersey, during the regular hours of each business day. Questions may be directed to Plaintiffs' principal counsel at the following addresses:

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**LERACH COUGHLIN STOIA GELLER**

**RUDMAN & ROBBINS LLP**  
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58 South Service Road, Suite 200  
Melville, New York 11747  
Tel: (631) 367-7100  
Fax: (631) 367-1173

Brokerage firms, banks and other persons or entities who are members of the Class in their capacities as record owners, but not as beneficial owners, are requested to send this Notice promptly to beneficial owners. Additional copies of this Notice for transmittal to beneficial owners are available on request directed to:

In re Realogy Corp. Shareholder Litigation  
c/o Complete Claim Solutions, LLC  
P.O. Box 24683  
West Palm Beach, FL 33416  
Toll-free Phone: (800) 760-5617  
Fax: (561) 651-7788

Web: [www.completeclaimsolutions.com/realogy/](http://www.completeclaimsolutions.com/realogy/)

Dated: May 29, 2007

BY ORDER OF THE COURT:  
PLEASE DO NOT CALL THE COURT

In re Realogy Corp. Shareholder Litigation  
c/o Complete Claim Solutions, LLC  
P.O. Box 24683  
West Palm Beach, FL 33416

**IMPORTANT COURT DOCUMENT**