Investor Meetings
January 20 - 23, 2014
Margaret Kelly – Chief Executive Officer & Member of Board of Managers

Forward Looking Statements and Non-GAAP Information

This presentation contains forward-looking statements within the meaning of federal securities laws, that are subject to risks and uncertainties. All statements other than statements of historical facts contained in this presentation are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

These forward-looking statements are based on assumptions that we have made in light of our industry experience and on our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you consider this presentation, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (some of which are beyond our control) and assumptions. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the preliminary prospectus referred to below. All forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements, as well as other cautionary statements in the preliminary prospectus.

Because of these factors, we caution that you should not place undue reliance on any of our forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Except as required by law, we have no duty to, and do not intend to, update or revise the forward-looking statements in this presentation after the date of this presentation.

This presentation refers to "Adjusted EBITDA," "Adjusted Net Income" and "Levered Free Cash Flow." Adjusted EBITDA, Adjusted Net Income and Levered Free Cash Flow are not measures of financial performance or liquidity under generally accepted accounting principles ("GAAP") and the use of Adjusted EBITDA, Adjusted Net Income and Levered Free Cash Flow is limited because they do not include certain material costs necessary to operate our business. In addition, Adjusted EBITDA, Adjusted Net Income and Levered Free Cash Flow, as presented, may not be comparable to similarly titled measures of other companies. See the Appendix for a reconciliation of Adjusted EBITDA, Adjusted Net Income and Levered Free Cash Flow with the most directly comparable measure under GAAP.

Investment Highlights

- **#1 Real Estate Franchise Brand With Unmatched Global Presence**
- **Best-in-Class Network of More Than 92,000 Agents**
- **Multiple Growth Drivers in Place, Supported by Strong Housing Market Tailwinds**
- **Stable, Fee-Based Revenue Model with Strong Margins and Cash Flow**
- **Asset-Light Franchise Business**
- **Committed and Experienced Leadership Team**

#1 Real Estate Franchise Brand

Ranking RE/MAX vs. Large Industry Peers

	U.S. Residential Market Share [1]	Transaction Sides Per Agent in RT500 [2]	Agents Worldwide YE 2012 [3]	Countries [4]	U.S. National Advertising Share [5]	Total U.S. Website Visits (MM) [6]	Offices Worldwide [3]
RE/MAX	**#1**	**17.1**	**89,008**	**96**	**32.8%**	**52.5**	**6,331**
Coldwell Banker	#2	8.5	82,200	51	24.0%	28.2	3,100
Keller Williams Realty	#3	7.3	76,662 [7]	15	1.8%	23.6	700
Century 21	#4	8.2	100,300	74	20.1%	41.1	7,060
Prudential	#5	8.1	50,000	3	6.8%	5.6	1,500
ERA Real Estate	#6	9.5	31,000	36	0.2%	2.4	2,322
Sotheby's	#7	5.7	12,900	49	6.5%	2.6	659
Better Homes and Gardens	#8	6.8	8,300	2	2.0%	2.4	252

Denotes Realogy Brand

Sources:
Except as noted, Coldwell Banker, Century 21, ERA, Sotheby's and Better Homes and Gardens data is as reported by Realogy Corporation on SEC Form 10-K, Annual Report for 2012; Keller Williams and Prudential data is from information available at kw.com and prudentialrealestate.com, respectively

1. Based on market share survey by MMR Strategy Group in 2013
2. Based on the 2013 Real Trends 500 survey (2012 data) of participating largest brokerages, Coldwell Banker includes NRT
3. As of year-end 2012 unless otherwise noted
4. Based on lists of countries claimed at each franchisor website as of August 2013, excluding claimed locations that are not independent countries (i.e. territories, etc.)
5. Full-year 2012 U.S. national-media ad spend, as a percentage of spend of all national real estate franchises, as reported by Nielsen Monitor-Plus
6. Experian Marketing Services Hitwise data, full-year 2012
7. Based on agent roster count at kw.com as of 2/13/13

RE/MAX – Our Differentiated Approach

Traditional Brokerage	RE/MAX
■ Owned / operated by broker ■ 30-40% of commission goes to broker ■ Commission rate determined by broker, not agent ■ Minimal training ■ Marketing dictated by broker	■ Nearly 100% franchised — Relatively low, attractive franchisee fee ■ Recommended 95% / 5% commission split (agent / broker) ■ Ability to set commission rates with sellers in many cases ■ Ability to self-promote ■ Multiple support channels — Brand — Marketing — Training
Model Driven by Commission	***Model Driven by Agent Count***

vs.

What Attracts Agents and Franchisees… The Pillars of Our Model

Pillars of a Successful Franchise Model

Affiliation with #1 Brand	#1 name in real estate[(1)] RE/MAX agents are industry's most productive among largest brokerages in U.S. and Canada
Training Programs	RE/MAX University 24/7 on demand; 1,000+ titles; 150 awards Ability to achieve highly valued industry designations or certifications (CPDE, ABR, CRS)
Lead Referral System	Award winning, global websites attract buyers and sellers We believe we generate more free leads than any other brand Global agent network facilitates agent to agent referrals
Attractive Agent & Franchise Economics	Recommended 95% / 5% split with broker vs. 70% / 30% or 60% / 40% at traditional brokerages Sell more, earn more Relatively low, attractive franchisee fee
Entrepreneurial Culture	Founded by industry "mavericks" Freedom to set commission rates, self-promote, etc.

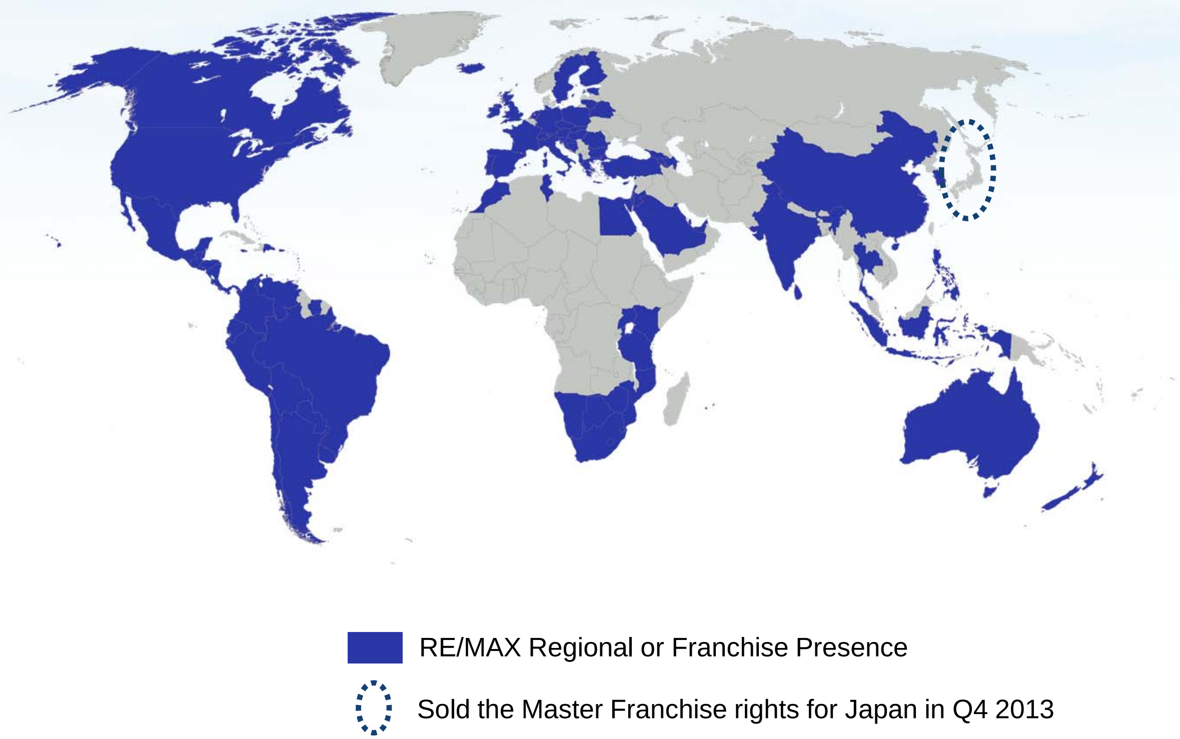
Our Agents and Franchisees are in Business FOR Themselves, But NOT By Themselves

Source:
1. Based on the 2013 unaided brand awareness survey by MMR Strategy Group

Unmatched Global Presence

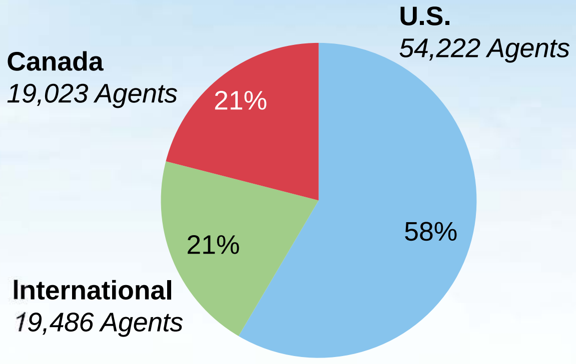
RE/MAX Global Presence

September 30, 2013



Agents by Geography

September 30, 2013



Website a Key Differentiator

- global.remax.com
  - 700k listings
  - 80 countries and territories
  - 38 languages

Multiple Growth Drivers in Place

Drive Agent Growth and Retention

Increase Franchise Sales

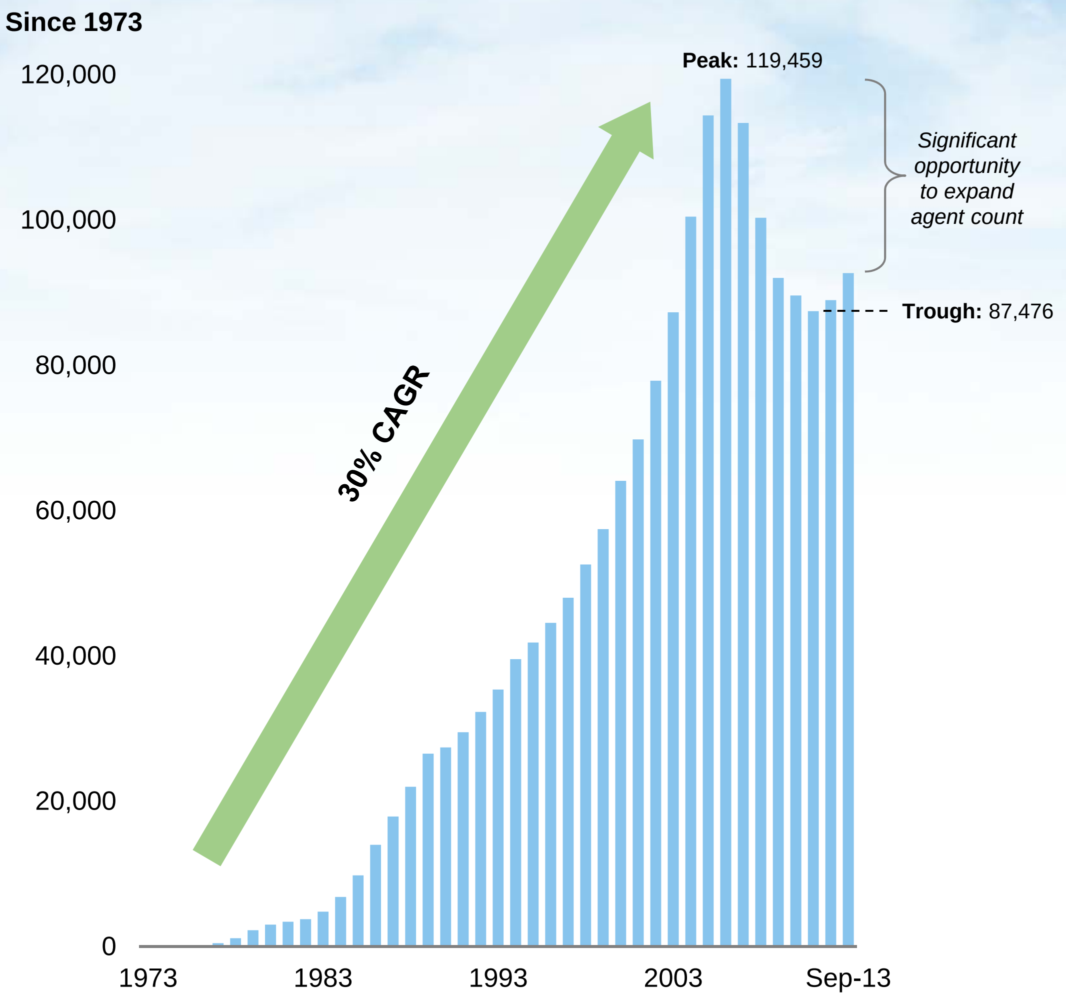
RE/MAX® *Growth Drivers*

Acquire Independent Regions

Drives Incremental Market Share Gains for RE/MAX

Expansive Agent Network Growing Again
…with Room to Expand

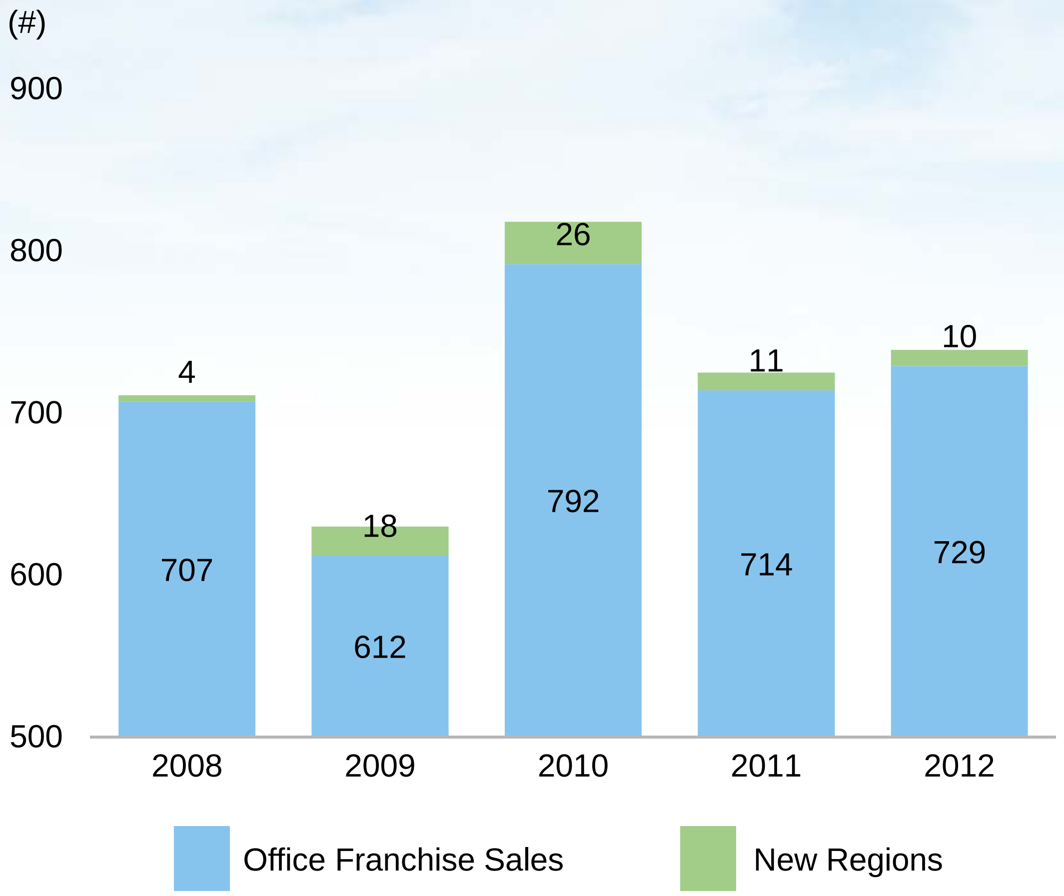
Number of Agents Growing Again



- 33 years of uninterrupted growth 1973-2006
  - 406 months of ***consecutive growth***
- Growth through all previous recessions
- Conditions right for return to peak (country count, recovery, etc.)

Growth in Franchise Sales Key to Footprint Expansion

Global Franchise Sales Expected to Enter New Period of Growth

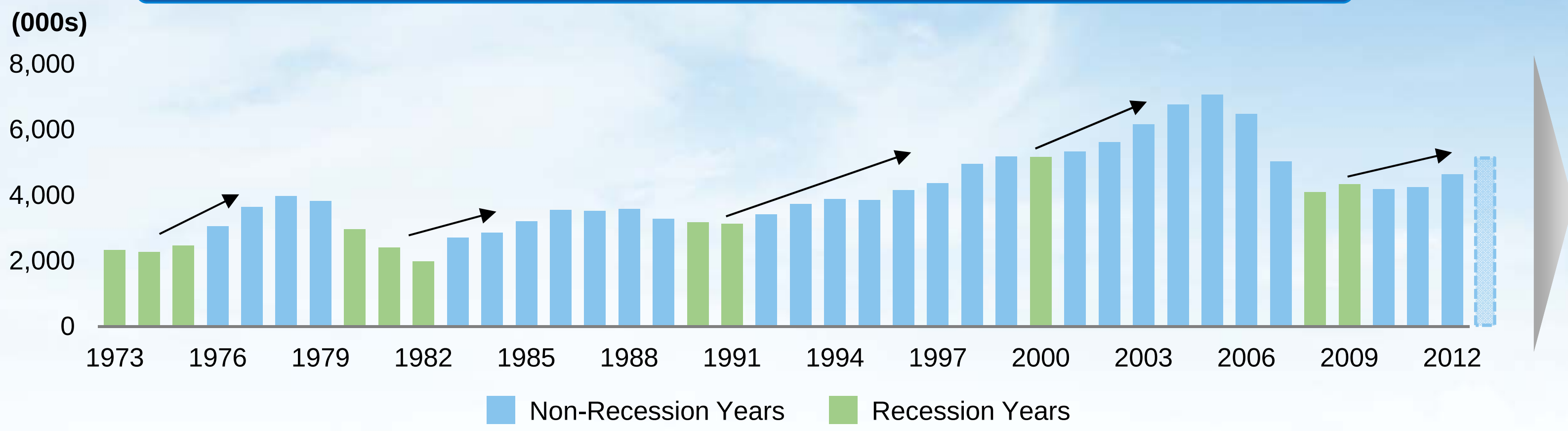


Key Initiatives

- Increase footprint by targeting underpenetrated geographies in the U.S. and Canada where RE/MAX market share below network average
- Continue to expand international presence

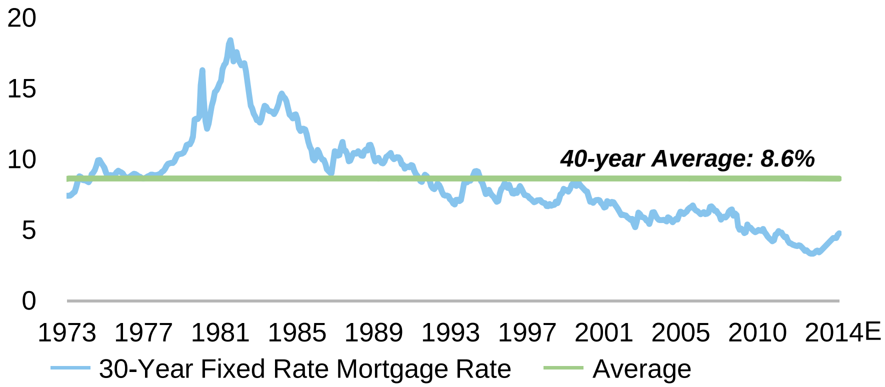
U.S. Housing Market Recovery Provides Positive Tailwinds

Existing Home Sales (1)



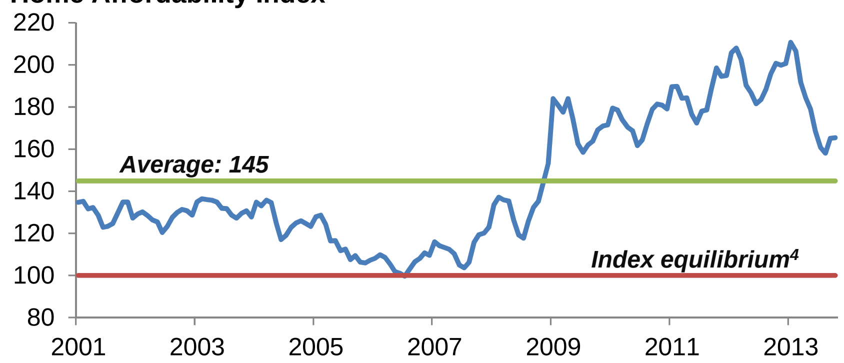
Mortgage Rates Attractive (2)

30-Year Fixed Rate Mortgage Interest Rate (%)



Increased Affordability (3)

Home Affordability Index



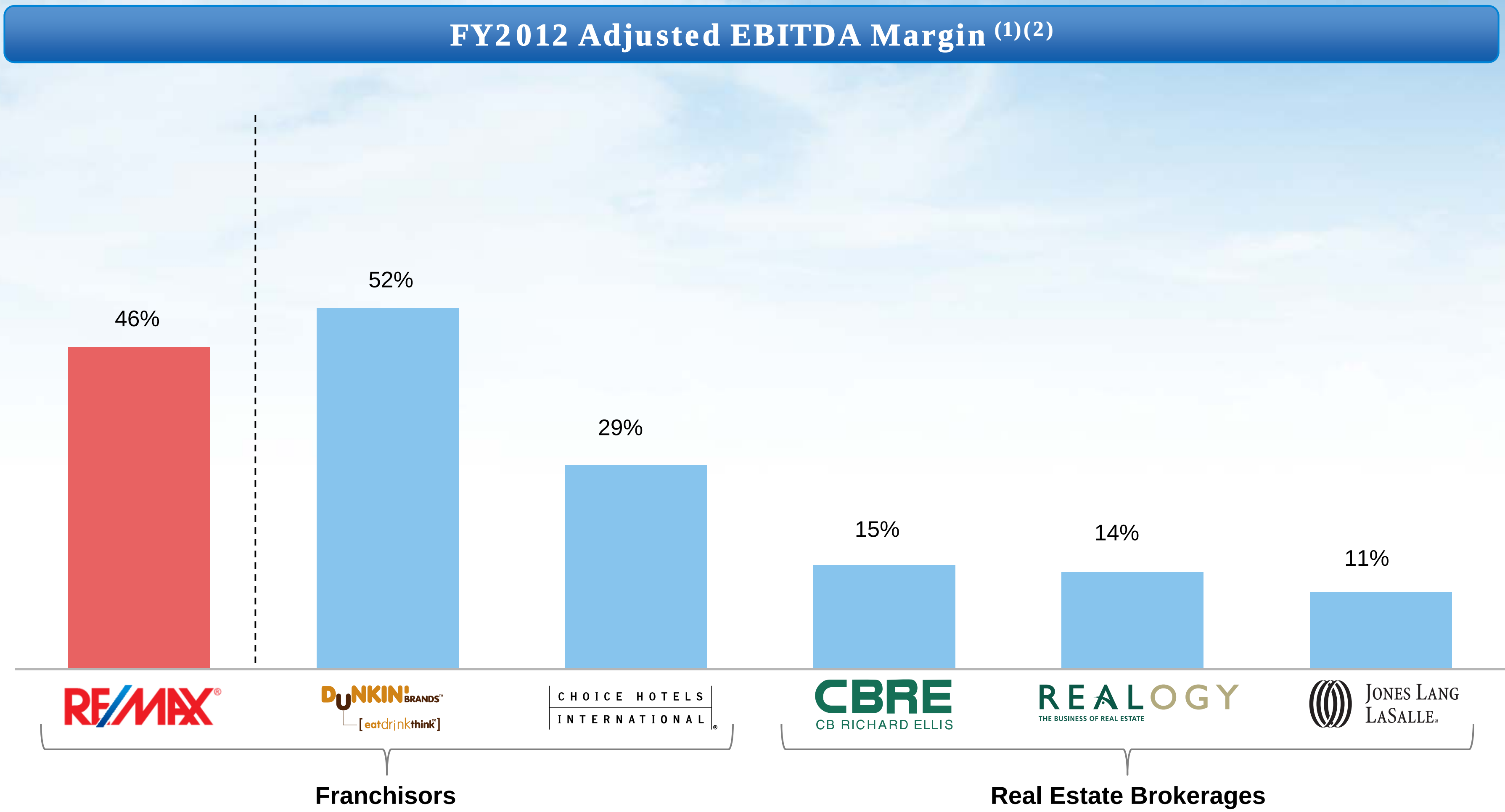
1. 2013 National Association of Realtors (NAR). 2013 data based on September 2013 annualized estimate from NAR.
2. 2013 Primary Mortgage Market Survey (Freddie Mac)
3. 2013 NAR Housing Affordability Index (composite)
4. A value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that 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.

Asset-Light Franchise Business…

Attractive Franchise Model

- **Resilient, recurring fee streams based on agent count**
- **Low fixed-cost structure**
- **Low capital investment required for additional growth**
- **High EBITDA margins**
- **Strong cash flow**

EBITDA Margins In-Line with Franchisors



Notes:

1. Adjusted for (gain) loss on sale of assets and sublease, (gain) loss on extinguishment of debt, stock based compensation, deferred rent adjustments, salary paid to Dave and Gail Liniger that will not be paid post IPO, expenses incurred in connection with the IPO and acquisition transaction costs; see appendix for reconciliation with GAAP measures
2. Excludes stock based compensation for comparable companies; CBRE does not reported Adjusted EBITDA and as such EBITDA has been used for the calculation of the margin; Adjusted EBITDA and Adjusted EBITDA margin are not GAAP measures; other companies may calculate this measure differently so these measures may not be comparable; this chart is for illustrative purposes only

RE/MAX Four Tier Structure Drives Strong Recurring Cash Flows

Tiers	Description	Services Offered
RE/MAX	Owns the right to the RE/MAX brand and sells franchises and franchising rights	■ Brand Equity ■ Market Share ■ National TV Advertising ■ Marketing Strategies ■ Corporate Communications
Region Owner	Owns rights to sell brokerage franchises in a specified region *Typically 15 – 20 year agreement*	■ Local Services ■ Regional Advertising ■ Franchise Sales ■ 12 Company-owned Regions ■ 20 Independent Regions
Franchisee (or Broker / Owner)	Own rights to operate a RE/MAX branded brokerage office, list properties and recruit agents *5 year agreement*	■ Office Infrastructure ■ Sales Tools / Management ■ Over 6,300 Offices Worldwide
Agent (or Sales Associate)	Branded independent contractors who operate out of local franchise brokerage offices *1 year agreement*	■ Works with Buyer or Seller ■ Sets Own Commission Rate

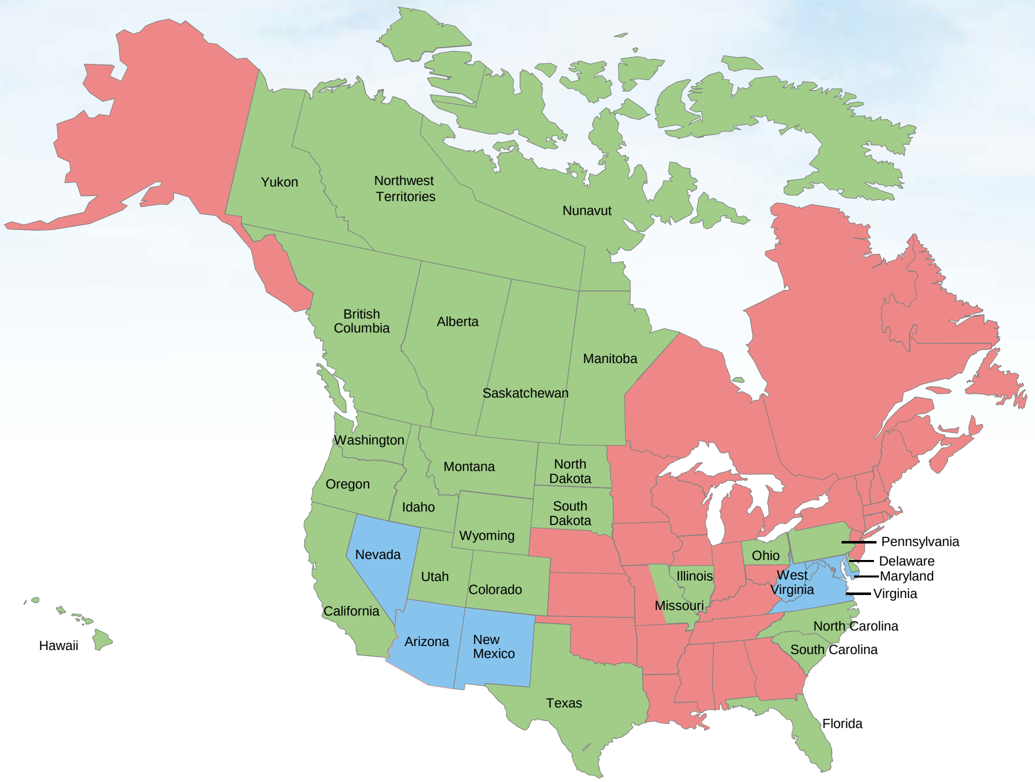
Franchise and Agent Fees Drive Strong and Recurring Cash Flows

Agent Count Based Recurring Fee Streams	**1** **Continuing Franchise Fees** *Based on Agent Count; Paid Monthly* Fixed fee per agent paid by Independent Regions, or by franchisees in Company-owned Regions **39%**	**2** **Annual Dues** *Based on Agent Count; Paid Annually* Fixed annual fees paid by agents directly to RE/MAX **20%**	59%	% of 2012 Revenue
Transaction Based	**3** **Broker Fees** *Based on Real Estate Commissions; Paid Monthly* Percentage fee paid on agent-generated transactions **14%**		14%	
Other Revenue	**4** **Franchise Sales and Other Franchise Revenue** Franchise fees in connection with the initial sale or renewal of a franchise and other income **16%**	**5** **Brokerage Revenue** Brokerage management fee revenue from owned brokerages for services provided to their affiliated real estate agents **11%**	27%	

Franchise and Agent Fees Drive Strong and Recurring Cash Flows

Strategy of Acquiring Independent Franchise Regions in the US & Canada

46% of Agents in the US/Canada are in Independent Regions (1)(2)



Overview (1)(2)

- Company-owned Regions
  - 12 Regions
  - ~40,000 Agents
- Independent Regions
  - 20 Regions
  - ~34,000 Agents
- Average Annual Revenue per Agent (3)
  - Company-owned Regions: ~$2,300
  - Independent Regions: ~$800

Recent History of Acquiring Back Independent Regions

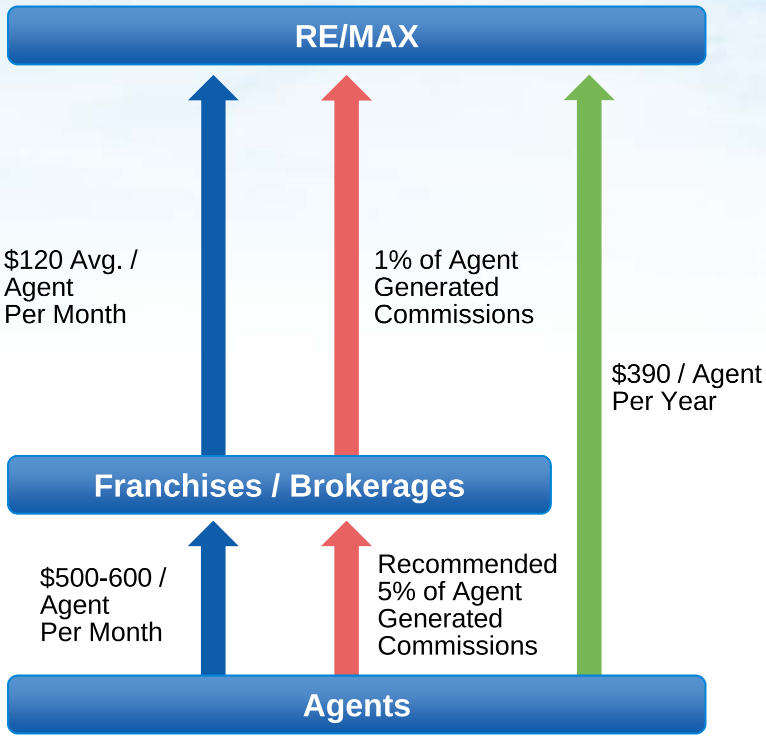
Year	Region	Current Agents (1)
2013	Southwest	1,949
2013	Central Atlantic	3,936
2012	Texas	4,572
2011	Mountain States	3,380
2007	Carolinas	1,739
2007	Florida	4,424
2007	California & Hawaii	5,357

At IPO

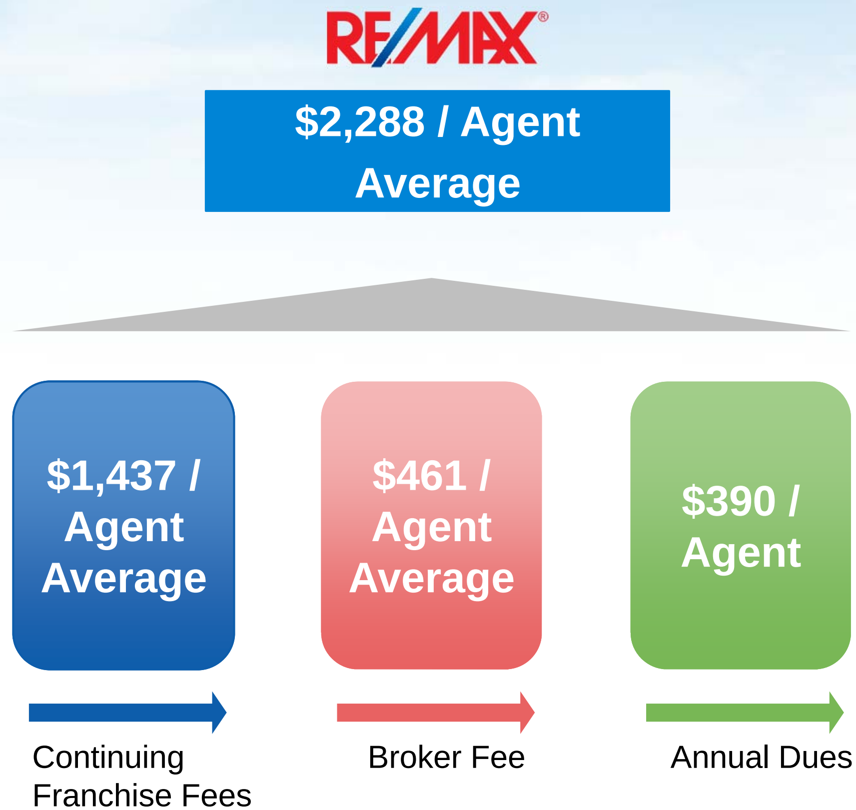
Notes:
1. Agent counts as of August 31, 2013
2. Pro forma for acquisitions of franchise rights in Southwest and Central Atlantic regions
3. Based on actual revenue per agent for the year ended December 31, 2012 and does not take into account the acquisition of certain assets of RE/MAX of Texas

Revenue Model – Owned Regions

Revenue Streams from Agent to Franchisee to RE/MAX [1]



Annual Revenue per Agent to RE/MAX [1] (U.S. / Canada)

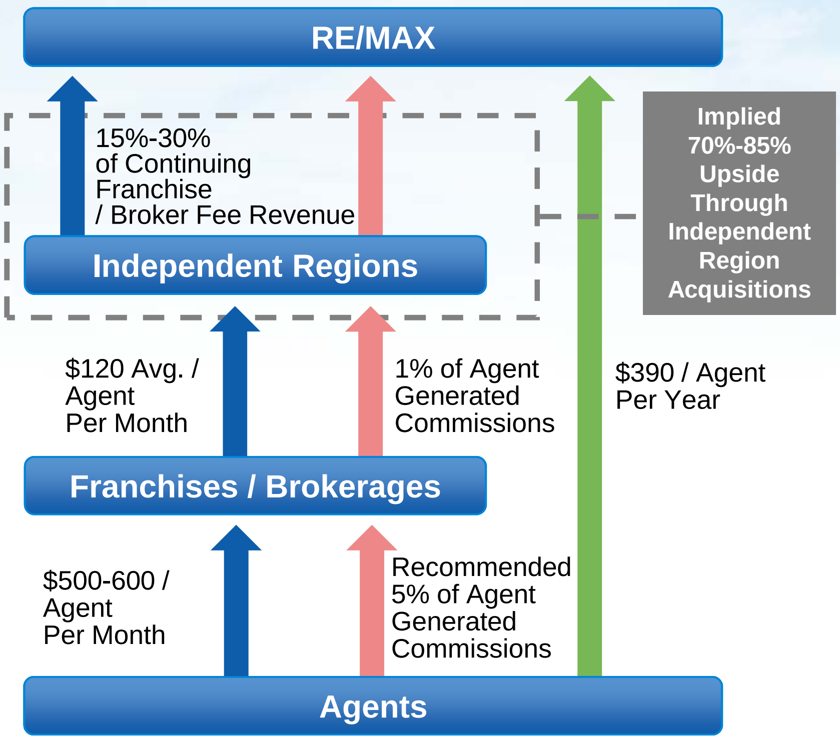


Notes:

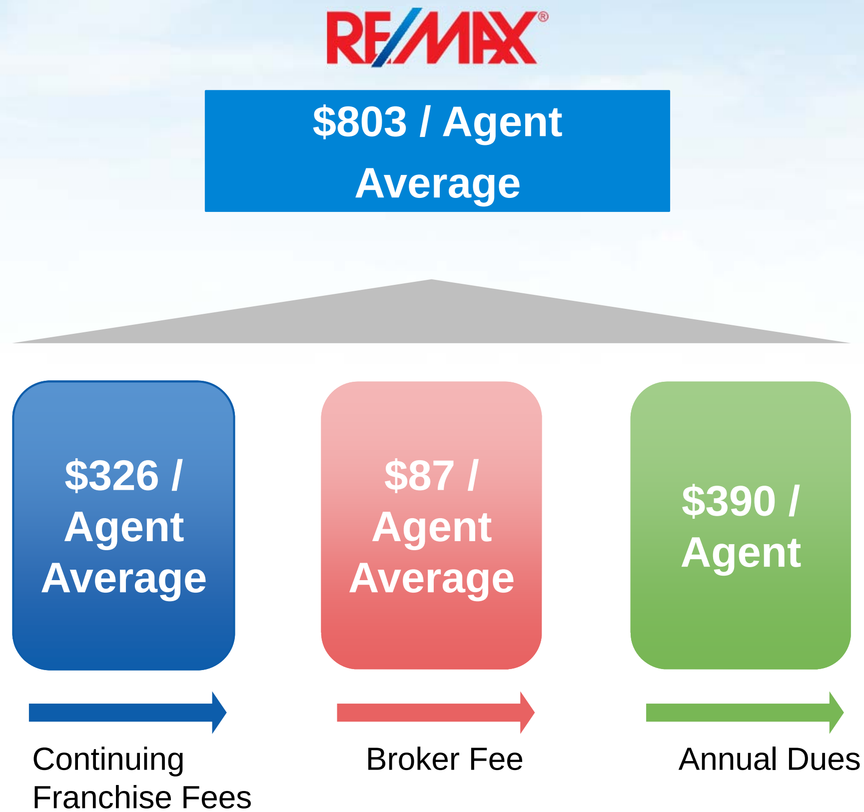
1. Based on 2012 revenue per agent; does not take into account acquisition of RE/MAX of Texas assets

Revenue Model – Independent Regions

Revenue Streams from Agent to Franchisee to Independent Region to RE/MAX [1]



Annual Revenue per Agent to RE/MAX [1] (U.S. / Canada)

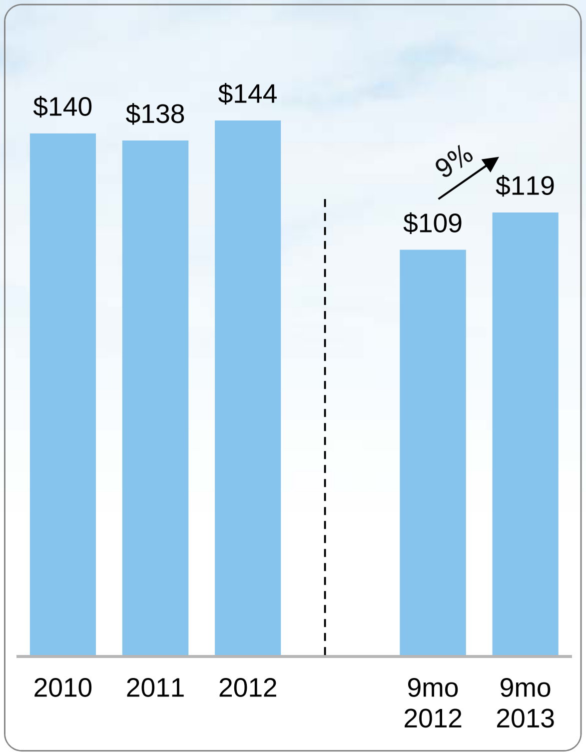


Notes:

1. Based on 2012 revenue per agent; does not take into account acquisition of RE/MAX of Texas assets

Increasing Financial Performance

Revenues ($MM)



Adjusted EBITDA (1) ($MM)

Adjusted Net Income (2) ($MM)

Stable, High Margins

Margin

44% *43%* *46%* *45%* *50%*

Margin

19% *20%* *23%* *22%* *23%*

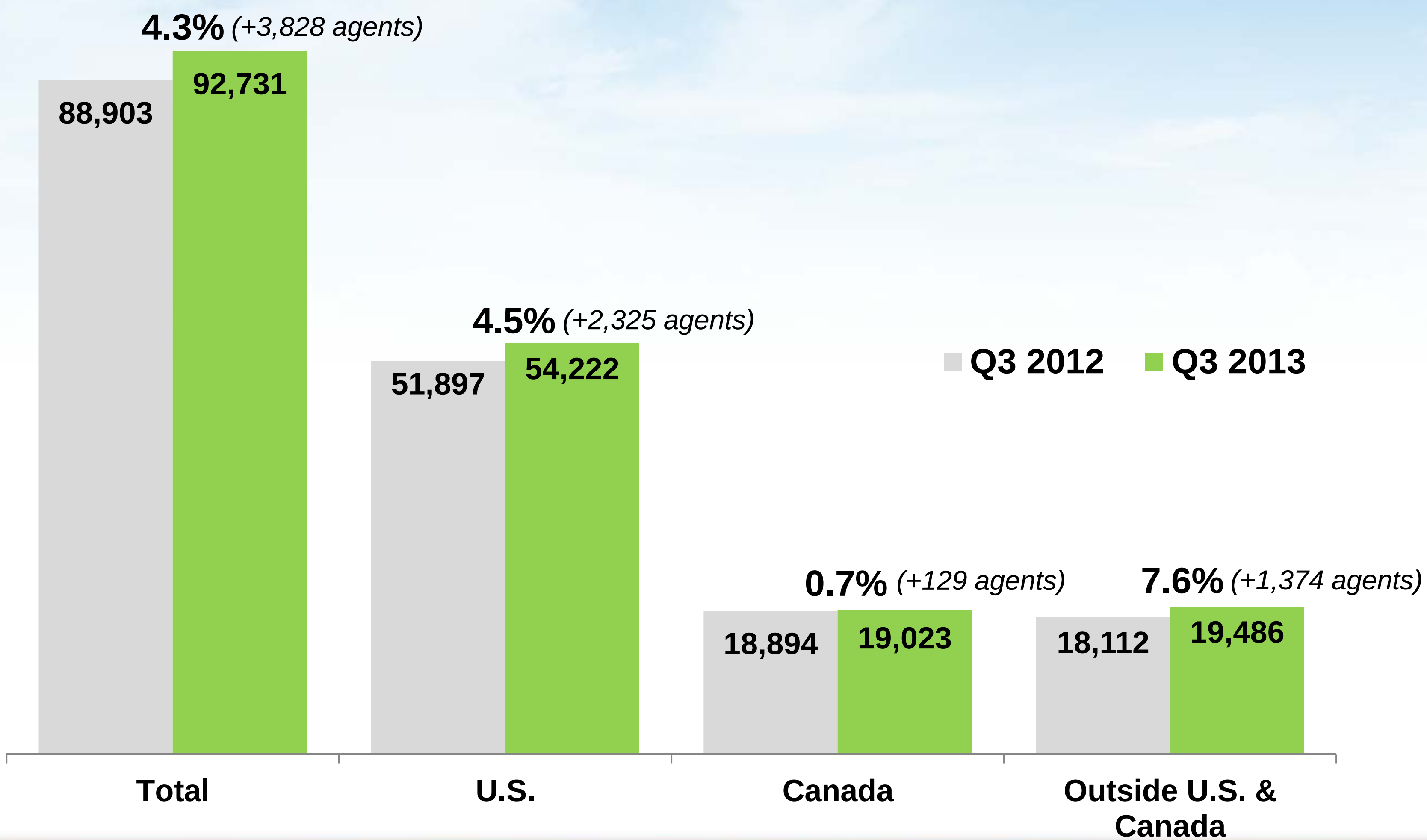
Notes:

1. Adjusted for (gain) loss on sale of assets and sublease, (gain) loss on extinguishment of debt, stock based compensation, deferred rent adjustments, salary paid to Dave and Gail Liniger that will not be paid post IPO, expenses incurred in connection with the IPO and acquisition transaction costs; see appendix for reconciliation with GAAP measures
2. Assumes full corporate tax rate of 38%; adjusted for (gain) loss on sale of assets and sublease, (gain) loss on extinguishment of debt, stock based compensation, deferred rent adjustments, salary paid to Dave and Gail Liniger that will not be paid post IPO, expenses incurred in connection with the IPO and acquisition transaction costs and amortization expense; see appendix for reconciliation with GAAP measures

Third Quarter 2013 Earnings

Growing Our Agent Count Across the Entire Network

Agent Count Growth
Q3 2012 vs. Q3 2013

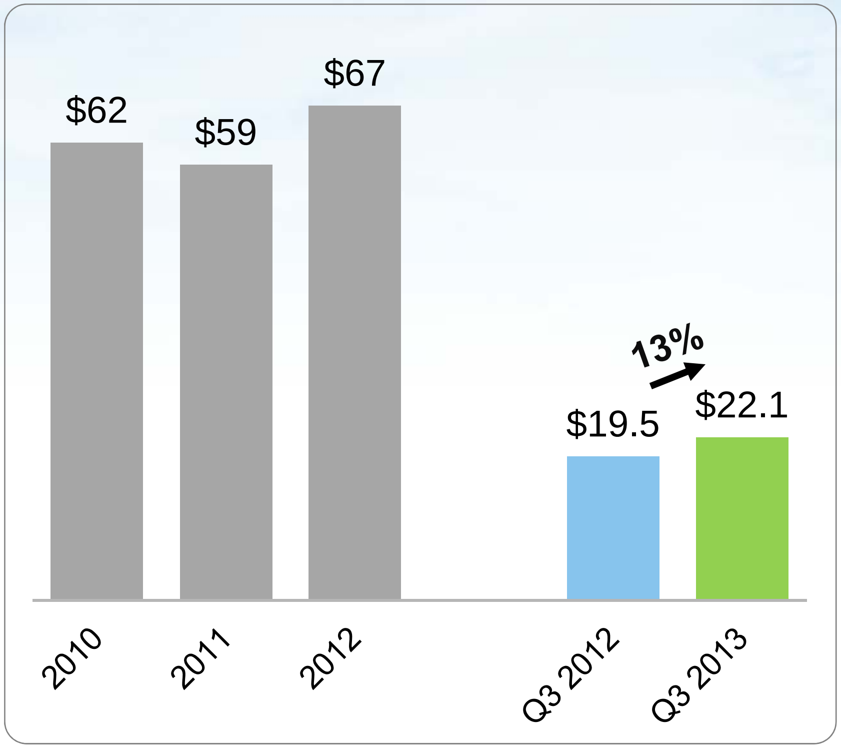


Revenue Streams

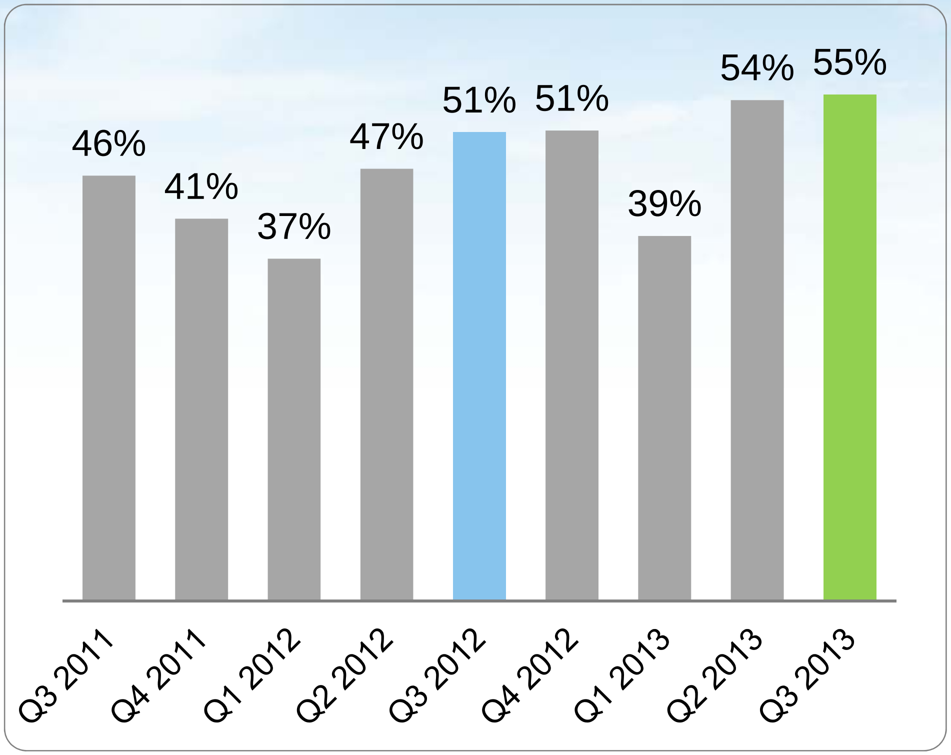
Revenue *($ thousands)*	Q3 2013	Q3 2012	% Change	9 Months Ended Sept. 30		
				2013	2012	% Change
Continuing Franchise Fees	$16,093	$14,418	+12%	$47,037	$42,293	+11%
Annual Dues	$7,455	$7,208	+3%	$22,052	$21,376	+3%
Broker Fees	$7,204	$5,685	+27%	$18,704	$14,801	+26%
Franchise Sales and Other Franchise Revenue	$5,076	$6,806	(25%)	$17,823	$17,806	0%
Brokerage Revenue	$4,484	$4,312	+4%	$13,012	$12,321	+6%
Total	$40,312	$38,429	+5%	$118,628	$108,597	+9%

Adjusted EBITDA Growth

Adjusted EBITDA[1] ($M)



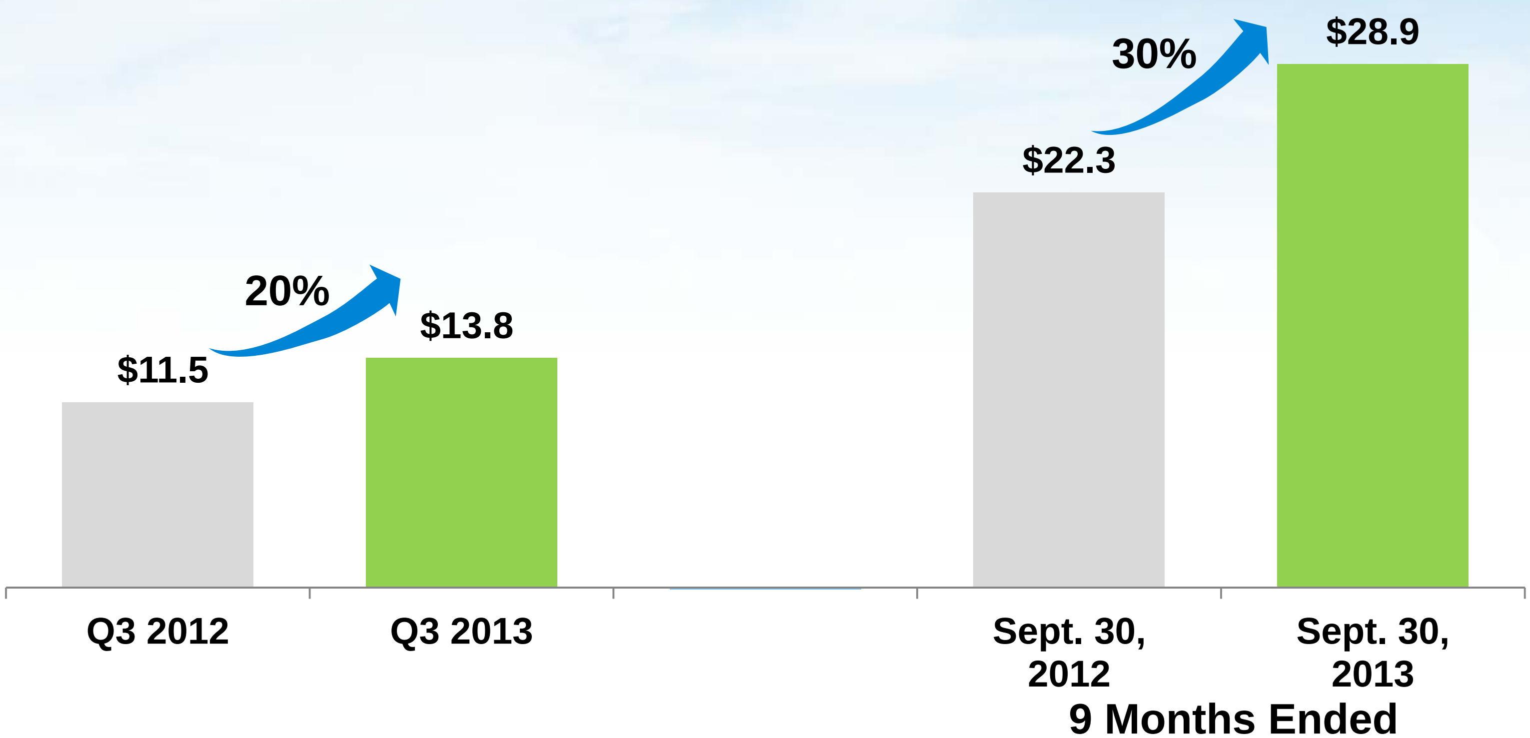
Quarterly Adjusted EBITDA[1] Margins



[1] *Adjusted EBITDA is a non-GAAP number. See slide appendix for a reconciliation of Net Income to Adjusted EBITDA and for definitions of Adjusted EBITDA and Adjusted EBITDA margin.*

Strong Free Cash Flow

Levered Free Cash Flow[1] ($M)

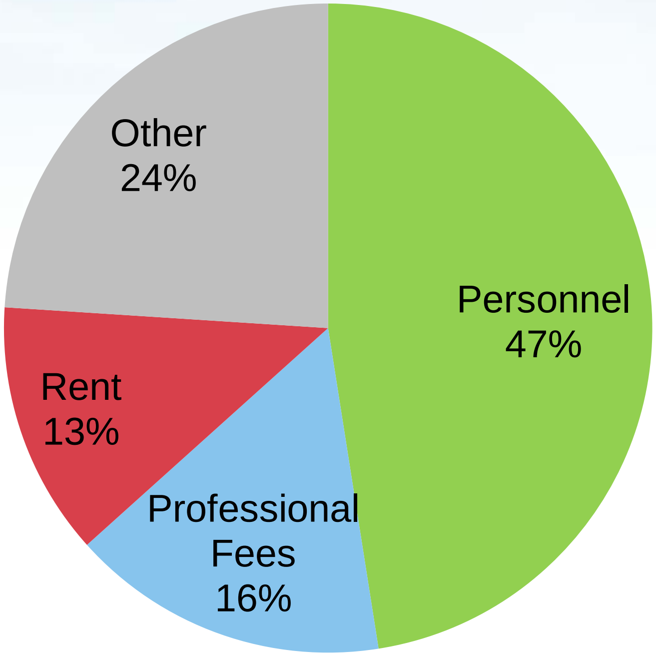


[1] Levered Free Cash Flow is a non-GAAP number. See appendix for a reconciliation of Net Income to Levered Free Cash Flow.

Expense Breakdown, Refinancing Terms and Cash Position

Q3 2013 Selling, Operating and Administrative Expenses

$22.1 million, up 7% or $1.5 million from Q3 2012



Refinancing Terms

- New credit facility of $230 million with $10 million revolver
- New Rate: LIBOR + 300 with 100bps floor (~4%)
- Previous Rate: LIBOR + 375 with 175bps floor (~5.5%)
- Interest savings of ~$3 million annually
- Cost of $3.2 million to refinance
- Early extinguishment loss of $1.7 million

Leverage & Cash Position

- Total Debt / Adjusted EBITDA of 2.99x[1]
- Cash balance of $73.5 million on Sept. 30, 2013

[1] Based on LTM 9/30/2013, Adjusted EBITDA of $76.63M and total debt of $229.42M or debt net of unamortized discount of $228.96M

Appendix

As measured by total residential transaction sides.

IPO Proceeds, Ownership and Shares Outstanding

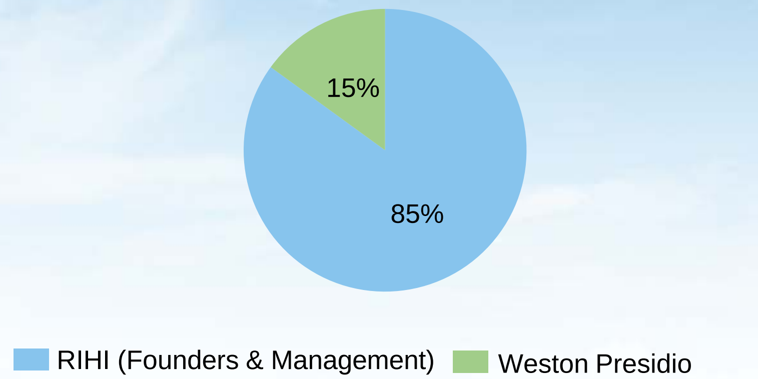
Use of Proceeds and Capital Structure

- Use of proceeds ($225MM)
  - Purchase of franchise rights in Southwest and Central Atlantic Regions
  - Redeem Minority Shareholder Preferred Interest
  - Founder liquidity & full Minority Shareholder monetization

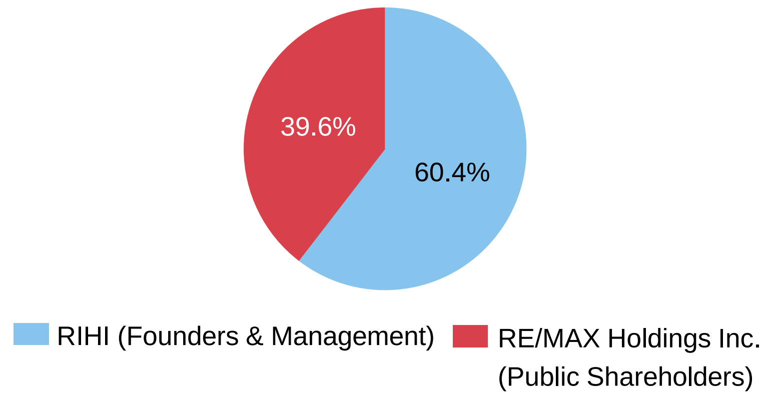
- Shares Outstanding

Actual Ownership (39.56%)	As of Sept. 30, 2013 (M)
Basic Shares Outstanding	11.61
Diluted Shares Outstanding	12.26
Economic (100%)	**As of Sept. 30, 2013 (M)**
Basic Shares Outstanding	29.34
Diluted Shares Outstanding	29.99

Ownership of RMCO, LLC – Pre-IPO

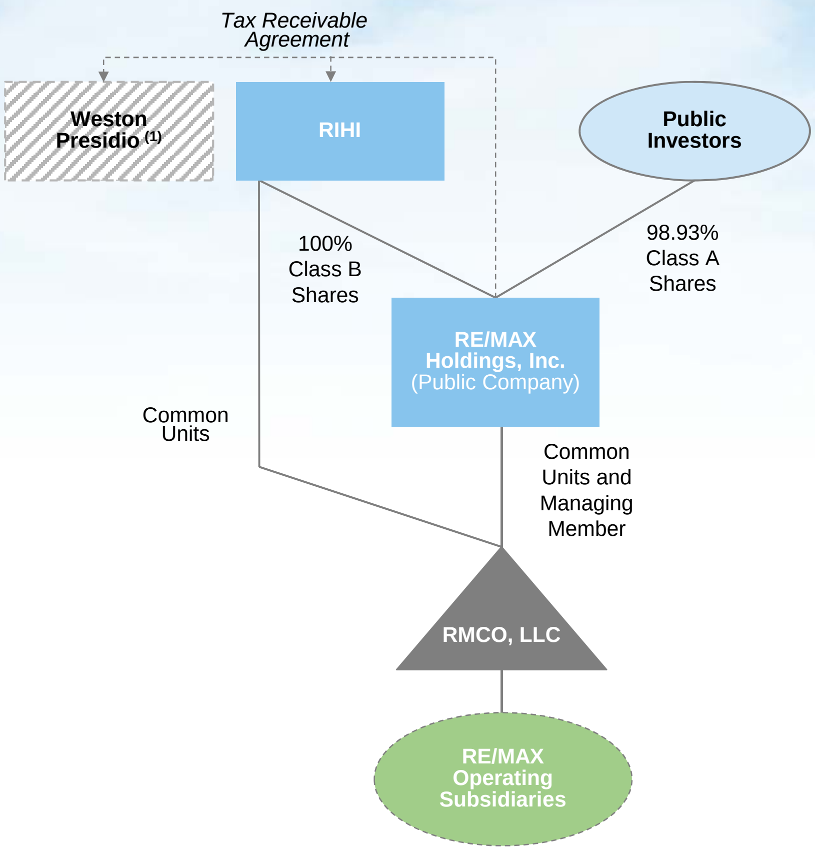


Ownership of RMCO, LLC – Post-IPO



Post-IPO "Up-C" Corporate & Tax Structure

Post IPO



General Features of Post-IPO "Up-C" Structure

- Class A shares of RE/MAX Holdings, Inc. will be held by public investors (Class A shares = one vote per share and 100% of economic rights in RE/MAX Holdings, Inc.)
- Class B shares of RE/MAX Holdings, Inc. will be held by RIHI (Class B shares = high vote and no economic rights in RE/MAX Holdings, Inc.)
- RIHI and RE/MAX Holdings, Inc. will each hold common units in RMCO, LLC
- RIHI will have "redemption rights" to redeem RMCO, LLC common units for Class A shares of RE/MAX Holdings, Inc. or cash (at the election of RE/MAX Holdings, Inc.)
- Continued taxation of RMCO, LLC as a partnership; RE/MAX Holdings, Inc. taxed as a "C" Corporation at an estimated tax rate of 38%

Key Terms of Tax Receivable Agreement

- Consistent with other "Up-C" IPO precedents, RE/MAX Holdings, Inc. will enter into a "Tax Receivable Agreement" ("TRA") with each of RIHI and Weston Presidio
- Under the terms of the TRA, RE/MAX Holdings, Inc. will be obligated to make cash payments to RIHI and Weston Presidio in respect of 85% of the amount of certain tax savings that RE/MAX Holdings, Inc. may realize (or in some cases, be deemed to realize) as a result of its expected share of amortizable tax basis in specified assets of RMCO, LLC
- RE/MAX Holdings, Inc. will retain its 15% share of any tax savings that it may realize
- RE/MAX Holdings, Inc. will fund its payments under the TRA from cash distributions received from RMCO, LLC

Note:

1. Weston Presidio will not hold an equity interest in RE/MAX Holdings, Inc. post reorganization transactions; they will be party to the Tax Receivable Agreement

Adjusted Financials Reconciliation

($MM)	FYE December 31 2010	FYE December 31 2011	FYE December 31 2012	9 Months Ended September 30 2012	9 Months Ended September 30 2013
Net Income Attributable to RMCO, LLC	**7.3**	**24.2**	**33.3**	**26.2**	**22.6**
Depreciation and Amortization [1]	15.9	14.5	12.1	9.2	11.1
Interest Expense [1]	17.2	12.2	11.7	8.8	12.1
Interest Income	(0.5)	(0.4)	(0.3)	(0.2)	(0.2)
Provision for Income taxes	2.0	2.2	2.1	1.7	1.7
EBITDA	**41.9**	**52.7**	**59.0**	**45.7**	**47.3**
(Gain) Loss on Sale of Assets and Sublease [1] [2]	(0.2)	1.6	1.4	(0.4)	(0.4)
(Gain) Loss on Extinguishment of Debt [1] [3]	17.5	0.4	0.1	0.1	1.8
Stock-Based Compensation [4]	-	-	1.1	-	0.7
Deferred Rent Adjustment [5]	0.2	1.6	1.9	1.2	1.0
Executive Costs [6]	3.0	3.0	3.0	2.3	2.3
Acquisition-Related Expenses [7]	-	-	0.3	-	0.2
Initial Public Offering Expenses [8]	-	-	-	-	5.9
Adjusted EBITDA	**62.4**	**59.3**	**66.7**	**48.9**	**58.8**
Capex	(1.1)	(0.9)	(1.6)	(1.5)	(0.7)
FCF	**61.2**	**58.4**	**65.1**	**47.4**	**58.1**

Notes:

1. Depreciation expense of $865, interest expense of $5,071, loss on sale of assets, net of $3,762 and loss on extinguishment of debt of $675 related to non-controlling interest for the year ended December 31, 2010 are excluded as these amounts were already excluded from the net income attributable to RMCO
2. Represents (gains) losses on the sale of assets as well as the loss on the sublease of our corporate headquarters office building during the year ended December 31, 2012
3. Represents losses incurred on early extinguishment of debt on our senior secured credit facility in 2011 and 2012 and the entire repayment of debt of our pre-existing debt facility in 2010
4. Stock-based compensation includes non-cash compensation expense recorded related to unit options granted to employees pursuant to our 2011 Unit Option Plan during the year ended December 31, 2012
5. Represents the non-cash charge to appropriately record rent expense on a straight-line basis over the term of the lease agreement taking into consideration escalation in monthly cash payments
6. Represents the elimination of annual salaries we paid to Dave Liniger, our Chairman and Co-Founder, and Gail Liniger, our Vice Chairman and Co-Founder, that we will not continue to pay following the consummation of this offering
7. Acquisition integration costs include fees incurred in connection with our acquisition of certain assets of RE/MAX of Texas in December 2012, including legal, accounting and advisory fees as well as consulting fees for integration services
8. Represents costs incurred in connection with the Initial Public Offering

Adjusted Financials Reconciliation (cont'd)

($MM)	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013
Net Income Attributable to RMCO, LLC	**8.3**	**5.4**	**4.7**	**9.2**	**12.4**	**7.1**	**5.4**	**9.5**	**7.7**
Depreciation and Amortization	3.7	3.6	3.6	2.9	2.8	2.9	3.7	3.7	3.7
Interest Expense	3.0	3.0	3.0	2.9	2.9	2.9	3.5	3.4	5.1
Interest Income	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.8)
Provision for Income taxes	0.6	0.6	0.5	0.6	0.6	0.4	0.5	0.6	.7
EBITDA	**15.5**	**12.5**	**11.6**	**15.5**	**18.6**	**13.2**	**13.0**	**17.2**	**17.1**
(Gain) Loss on Sale of Assets and Sublease (1)	(0.1)	0.2	(0.1)	(0.2)	(0.1)	1.8	(0.1)	(0.1)	(0.2)
(Gain) Loss on Extinguishment of Debt (2)	-	-	0.1	-	-	-	0.1	-	1.7
Stock-Based Compensation (3)	-	-	-	-	-	1.1	0.4	0.3	-
Deferred Rent Adjustment (4)	0.4	0.4	0.6	0.3	0.3	0.7	0.3	0.4	0.3
Executive Costs (5)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Acquisition-Related Expenses (6)	-	-	-	-	-	0.3	-	0.2	0.3
Initial Public Offering Expenses (7)	-	-	-	-	-	-	0.9	2.5	2.4
Adjusted EBITDA	**16.6**	**13.8**	**13.0**	**16.4**	**19.5**	**17.9**	**15.4**	**21.3**	**22.1**

Notes:

1. Represents (gains) and losses on the sale of assets as well as the loss on the sublease of our corporate headquarters office building that occurred in 2011
2. Represents losses incurred on early extinguishment of debt on our senior secured credit facility in 2011 and 2012
3. Stock-based compensation includes non-cash compensation expense recorded related to unit options granted to employees pursuant to our 2011 Unit Option Plan during the year ended December 31, 2012. See Note 11 to our audited financial statements
4. Represents the non-cash charge to appropriately record rent expense on a straight-line basis over the term of the lease agreement taking into consideration escalation in monthly cash payments
5. Represents the elimination of annual salaries we paid to Dave Liniger, our Chairman and Co-Founder, and Gail Liniger, our Vice Chairman and Co-Founder, that we will not pay following the consummation of this offering
6. Acquisition integration costs include fees incurred in connection with our acquisition of certain assets of RE/MAX of Texas in December 2012, including legal, accounting and advisory fees as well as consulting fees for integration services
7. Represents costs incurred in connection with the Initial Public Offering

Adjusted Financials Reconciliation (cont'd)

($MM)	FYE December 31 2010	FYE December 31 2011	FYE December 31 2012	9 Months Ended September 30 2012	9 Months Ended September 30 2013
Net Income Attributable to RMCO, LLC	**7.3**	**24.2**	**33.3**	**26.1**	**22.6**
Provision for Income Taxes	2.0	2.2	2.1	1.7	1.7
(Gain) loss on sale of assets and sublease [(1)(2)]	(0.2)	1.6	1.4	(0.4)	(0.4)
(Gain) Loss on Extinguishment of Debt [(1)(3)]	17.5	0.4	0.1	0.1	1.8
Stock-based compensation [(4)]	-	-	1.1	-	0.7
Deferred rent adjustment [(5)]	0.2	1.6	1.9	1.2	1.0
Executive costs [(6)]	3.0	3.0	3.0	2.3	2.3
Acquisition integration costs [(7)]	-	-	0.3	-	0.2
Initial public offering expenses [(8)]	-	-	-	-	5.9
Amortization of Intangibles	13.2	11.8	9.8	7.0	8.9
Adjusted Profit Before Tax	**43.0**	**44.8**	**53.0**	**38.1**	**44.7**
Provision for Income Taxes (38%)	16.3	17.0	20.1	14.5	17.0
Adjusted Net Income	**26.7**	**27.8**	**32.9**	**23.6**	**27.7**

Notes:

1. Loss on sale of assets, net of $3,762 and loss on extinguishment of debt of $675 related to non-controlling interest for the year ended December 31, 2010 are excluded as these amounts were already excluded from the net income attributable to RMCO
2. Represents (gains) and losses on the sale of assets as well as the loss on the sublease of our corporate headquarters office building during the year ended December 31, 2012
3. Represents losses incurred on early extinguishment of debt on our senior secured credit facility in 2011 and 2012 and the entire repayment of debt of our pre-existing debt facility in 2010
4. Stock-based compensation includes non-cash compensation expense recorded related to unit options granted to employees pursuant to our 2011 Unit Option Plan during the year ended December 31, 2012
5. Represents the non-cash charge to appropriately record rent expense on a straight-line basis over the term of the lease agreement taking into consideration escalation in monthly cash payments
6. Represents the elimination of annual salaries we paid to Dave Liniger, our Chairman and Co-Founder, and Gail Liniger, our Vice Chairman and Co-Founder, that we will not continue to pay following the consummation of this offering
7. Acquisition integration costs include fees incurred in connection with our acquisition of certain assets of RE/MAX of Texas in December 2012, including legal, accounting and advisory fees as well as consulting fees for integration services
8. Represents costs incurred in connection with the Initial Public Offering

RMCO, LLC AND SUBSIDIARIES
Net Income to Levered Free Cash Flow Reconciliation
(Reflects RE/MAX Holdings with 100% ownership of RMCO, LLC)

(Unaudited) (Amounts in thousands)

	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Consolidated:				
Net income	$ 7,697	$ 12,350	$ 22,652	$ 26,185
Depreciation and amortization	3,656	2,788	11,088	9,231
Interest expense	5,128	2,913	12,053	8,774
Interest income	(82)	(78)	(224)	(207)
Provision for income taxes	702	636	1,733	1,740
EBITDA	17,101	18,609	47,302	45,723
Gain on sale of assets and sublease(1)	(164)	(144)	(411)	(442)
Loss on early extinguishment of debt(2)	1,664	-	1,798	136
Equity based compensation(3)	-	-	701	-
Non-cash straight-line rent expense(4)	261	270	970	1,223
Chairman executive compensation(5)	750	750	2,250	2,250
Acquisition integration costs(6)	27	-	249	-
Initial public offering expenses(7)	2,436	-	5,916	-
Adjusted EBITDA	$ 22,075	$ 19,485	$ 58,775	$ 48,890
Capital Expenditures	(194)	(315)	(676)	(1,453)
Interest Expense, net	(5,047)	(2,835)	(11,829)	(8,567)
Debt Principal Payment	(575)	(538)	(9,875)	(7,736)
Add Tax Provision	702	636	1,733	1,740
Pro-forma Tax (38%)	(3,191)	(4,935)	(9,266)	(10,612)
Levered Free Cash Flow	$ 13,770	$ 11,499	$ 28,862	$ 22,263

(1) Represents (gains) and losses on the sale of assets as well as the loss on the sublease of our corporate headquarters office building.

(2) Represents losses incurred on early extinguishment of debt related to the entire repayment of debt of our pre-existing debt facility during the three months ended September 30, 2013 and losses incurred on the early extinguishment of debt on our senior secured credit facility during the nine months ended September 30, 2013 and 2012.

(3) Equity-based compensation includes non-cash compensation expense recorded related to unit options granted to employees pursuant to our 2011 Unit Option Plan.

(4) Represents the non-cash charge to appropriately record rent expense on a straight-line basis over the term of the lease agreement taking into consideration escalation in monthly cash payments.

(5) Represents the elimination of annual salaries we paid to David Liniger, our Chairman and Co-Founder, and Gail Liniger, our Vice Chairman and Co-Founder, that we will not continue to pay following the consummation of our IPO.

(6) Acquisition integration costs include fees incurred in connection with our acquisition of certain assets of RE/MAX of Texas in December 2012, and our acquisitions of the Central Atlantic and Southwest regions in connection with the IPO including legal, accounting and advisory fees as well as consulting fees for integration services.

(7) Represents costs incurred in connection with the IPO.

Non-GAAP Financial Measures

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 Adjusted EBITDA and Free Cash Flow and the ratios related thereto. These measures are derived on the basis of methodologies other than in accordance with GAAP.

RE/MAX defines Adjusted EBITDA as EBITDA (consolidated net income (loss) before depreciation and amortization, interest expense, net and income taxes, each of which is presented in the Company's unaudited condensed consolidated financial statements included elsewhere in this release), adjusted for the impact of the following items that the Company does not consider representative of the Company's ongoing operating performance: (gain) loss on sale of assets and sublease, (gain) loss on early extinguishment of debt, equity based compensation, deferred rent adjustments, salaries paid to David and Gail Liniger, the Company's Chairman and Vice Chairman, respectively, that the Company will not continue to pay subsequent to the Company's IPO, expenses incurred in connection with the Company's IPO and acquisition transaction costs.

Because Adjusted EBITDA omits certain non-cash items and other infrequent cash charges, the Company believes that it is less susceptible to variances in actual performance resulting from depreciation, amortization and other noncash charges and other infrequent cash charges and is more reflective of other factors that affect the Company's operating performance. The Company presents Adjusted EBITDA because it believes it is useful as a supplemental measure in evaluating the performance of the Company's operating businesses and provides greater transparency into the Company's results of operations. The Company's management uses Adjusted EBITDA as a factor in evaluating the performance of their business.

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. 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. Some of these limitations are:

- this measure does not reflect changes in, or cash requirements for, the Company's working capital needs;
- this measure does not reflect the Company's interest expense, or the cash requirements necessary to service interest or principal payments on the Company's debt;
- this measure does not reflect the Company's income tax expense or the cash requirements to pay the Company's taxes;
- this measure does 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 require replacement in the future, and these measures do not reflect any cash requirements for such replacements; and
- other companies may calculate this measure differently so they may not be comparable.

RE/MAX defines Levered Free Cash Flow as Adjusted EBITDA net of Capital Expenditures, Interest Expense and Pro-forma tax at a rate of 38% with an add back of Tax Provision. Free Cash Flow should not be considered in isolation or as a substitute for net income or other statement of operations data prepared in accordance with GAAP.

RE/MAX defines Adjusted Net Income (loss) as net income (loss) before amortization and certain one-time expense such as loss on extinguishment of debt and interest charges related to the refinancing of debt. Income tax expense is adjusted to reflect 38% of adjusted pre-tax net income. Adjusted net income pro forma earnings per share is Adjusted net income (loss) divided by the pro forma shares outstanding.