



THE MARKET

With the U.S. homeownership rate continuing at record levels, more consumers are demanding full service from real estate professionals while also turning to the Internet to access information on buying or selling real estate. To serve this need, real estate professionals are integrating Web technology into their traditional sales offering of exemplary service to consumers.

Century 21 Real Estate Corporation, franchiser of the world's largest residential real estate sales organization, is doing just that. It has one of the largest office networks and the broadest global coverage. Simply put, CENTURY 21® is the most recognized name in real estate.*

ACHIEVEMENTS

Century 21 Real Estate Corporation has consistently increased its global presence and market share. Since its inception in 1971, the company has grown to more than 6,700 independently owned and operated franchised offices in more than 36 countries and territories.

The CENTURY 21 System also boasts the greatest level of brand recognition in the industry.

A 2003 study conducted by Millward Brown found that when asked to name a real estate company, more than half of the consumers polled mentioned the CENTURY 21 System first, more often than any other real estate brand.

Century 21 Real Estate Corporation has received numerous accolades for its interactive individual marketing efforts; most notably, its consumer Web site Century21.com received the Web Marketing Association's 2003 Standard of Excellence Award. This year, Century21.com and 21Online.com, the company's Intranet, received the 2004 Apex Award for Publication Excellence for Most Improved Web and Intranet Sites.

In addition, for the third year in a row, Century 21 Real Estate Corporation made *Training* magazine's "Training Top 100" list. This survey ranks the training and development programs of the nation's top companies, and has recognized Century 21 Real Estate Corporation for its Internet-based CENTURY 21 Learning System®, a blended learning platform that helps professionals hone their industry knowledge often while earning credit toward professional designations and in some cases before completing state-mandated post-license and continuing education requirements.

HISTORY

Century 21 Real Estate Corporation began in 1971 in Orange County, California, created by real estate brokers Art Bartlett and Marsh Fisher. Growth was rapid for the CENTURY 21 System. Within four years, combined sales of all CENTURY 21 companies topped \$1 billion. In 1977, the company went public and began reacquiring the independently owned regions, originally sold as "master franchises."

Three years later, an approved merger between the company and Trans-World Corporation occurred, and in 1985, Metropolitan Life Insurance Company

purchased the company. During the 1980s and early 1990s, Century 21 Real Estate Corporation became the first franchised real estate organization to create a quality service program, and the company continues to systematically survey buyers and sellers who use a CENTURY 21 broker or sales associate.

In 1995, Hospitality Franchise Systems, Inc. (HFS) acquired the corporation, and two years later HFS merged with CUC International to form Cendant Corporation (NYSE: CD). Century 21 Real Estate Corporation remains an indirect subsidiary of Cendant Corporation.

During its 33-year history Century 21 Real Estate Corporation has developed a significant international presence, beginning in April 1975 when Canada became the first international region. Global expansion in the succeeding years brought the company into 34 more countries and territories, including the United Kingdom, Ireland, Mexico, Hong Kong, the Philippines, and Spain. More than 50 percent of CENTURY 21® franchises are now located outside of the United States.



THE PRODUCT

As a franchise organization, Century 21 Real Estate Corporation provides its brokers and sales associates with the knowledge, skills, and tools they need to grow their customer-focused businesses. The vision of Century 21 Real Estate Corporation is to provide its members with world-class marketing, technology, and franchise support programs.

For CENTURY 21 real estate professionals, the goal is to provide exemplary customer service, giving clients "peace of mind" throughout their real estate transactions.

To meet the needs of different customers, Century 21 Real Estate Corporation has developed specialty programs such as the CENTURY 21 Fine Homes & EstatesSM program, which provides specialized services and tools to help affiliates who are marketing high-end properties.

The CENTURY 21 Learning System (CLS) platform has partnered with the National Association of Hispanic Real Estate Professionals (NAHREP) to offer the NAHREP Certified Professional (NCP) designation course. This course provides real estate professionals with the cultural awareness and understanding needed to market their real estate knowledge and services to the growing Hispanic population.

The CENTURY 21 System is not limited to residential sales. CENTURY 21 Commercial associates specialize in the sale and marketing of



commercial and investment properties. Century 21 Real Estate Corporation provides its network of commercial real estate brokers with the specialized tools and information they need to be competitive, such as learning opportunities and a complete marketing program that distinguishes commercial properties from the residential market.

RECENT DEVELOPMENTS

Recent years have seen an increase of new initiatives within the CENTURY 21® System, designed to assist consumers as well as real estate professionals.

To ensure that CENTURY 21 brokers and sales associates remain at the forefront of industry trends, Century 21 Real Estate Corporation developed one of the industry's premier learning programs, the CENTURY 21 Learning System® (CLS™) platform. A Web-based, fully interactive educational system, CLS provides a blended learning program to CENTURY 21 brokers and agents. CLS allows CENTURY 21 System members to engage in live educational sessions on industry and business-related topics from the convenience of their desktop as their own schedule allows.

Increasingly, consumers are turning to the Internet for real estate information, and the company's consumer Web site has the numbers that prove it. Century21.com has become the most highly trafficked residential real estate sales organizational Web site, and in 2004, Century21.com saw a significant increase in overall usage. In 2003, Century21.com was receiving more than 1.6 million visitors each month, while in 2004 that number increased to more than 5 million visitors each month, including 1.9 million new visitors.**

Century21.com offers a number of features to help visitors make educated real estate decisions, including online tools that allow users to compare property listings, plan move-in and home improvement projects, and calculate mortgage payments, along with a financial planner and many other helpful tools. New in 2004, an "Open House" feature enables customers to locate open house events happening in their area, and an "Office Locator" feature gives driving directions to local Century 21 offices, complete with maps.

Century 21 Real Estate Corporation is committed to helping all Americans achieve homeownership. Century 21 Real Estate Corporation's Spanish-language consumer Web site, Century21Espanol.com, includes all the information from Century21.com, but adds relevant information specifically for Hispanic consumers. In addition, Century21Espanol.com offers property, office, and agent searches and mortgage calculators, as well as the ability to search for offices with Spanish-speaking agents.

Other Spanish-language initiatives include incorporating information about the home buying process into popular Spanish-language network programs. *De Mananita* airs a segment titled



"Camino a Casa" (On the Road Home) with Century 21, and Univision's popular Saturday evening program *Sabado Gigante* offers its audience CENTURY 21 information by advertising the 800 9-TU-CASA hotline number, and the Spanish-language consumer Web site, Century21Espanol.com.

In 2003, the brand also began airing two new Spanish commercials that position CENTURY 21 professionals as trusted partners and demonstrate their willingness to guide homebuyers through the process of purchasing their first home.

Century 21 Real Estate Corporation recently collaborated with Black Entertainment Television (BET) to support and promote homeownership among African-Americans. BET.com has now launched the Owning a Home (OAH) Club sponsored by Century 21 Real Estate Corporation. This club is an interactive virtual classroom accessed through BET.com that provides knowledge and experience of several real estate-related industries and professionals, along with the home-buying tools via Century21.com.

PROMOTION

Century 21 Real Estate Corporation uses a unique combination of advertising and promotional programs to enhance its strong brand awareness.

Century 21 Real Estate Corporation partners with Major League Baseball® as the "Official Real Estate Organization of Major League Baseball." This alliance includes sponsorship of the CENTURY 21® Home Run Derby® competition, the most-watched sporting event on ESPN after NFL football. In association with Major League Baseball's Home Run Derby competition, Century 21 Real Estate Corporation sponsors the "CENTURY 21 Home Run Derby All-Star Sweepstakes," which gives consumers a chance to win \$250,000 toward a new home and a trip to Major League Baseball's All-Star Week.

BRAND VALUES

Century 21 Real Estate Corporation is dedicated to providing its brokers and sales associates with the technology and marketing tools as well as the franchise support services they need to succeed.

The CENTURY 21 System is also committed to capitalizing on industry trends, including consolidation and expanded services, to deliver what clients and customers need while enhancing the company's leadership position.

CENTURY 21 brokers and sales associates provide topnotch customer service by using their training, experience, and knowledge to reduce the anxiety often associated with real estate transactions. While it may be the largest organization of its kind, the CENTURY 21 System also understands that each customer is unique and needs special attention and care. CENTURY 21 sales

professionals are committed to building "customers for life."

*Source: 2003 Market Tracking Study. This survey included 1,085 telephone interviews (via computer-assisted program) with a national random sample of adults (ages 25-54) who bought or sold a home within the past two years or plan to purchase or sell a home within the next two years. Millward Brown, a leading research agency, conducted the continuous tracking survey between March 9, 2003, and August 9, 2003. Brand-aided awareness is over 90 percent. Statistical testing between reported numbers was performed at the 90 percent confidence level.

**As determined by Web Trends.

THINGS YOU DIDN'T KNOW ABOUT CENTURY 21 REAL ESTATE CORP.

- A longtime supporter of Easter Seals, Century 21 Real Estate Corporation is the all-time leading fundraiser for this nonprofit organization. The CENTURY 21 System has donated more than \$76 million to this worthy cause.
- As part of the 2004 Major League Baseball All-Star Week in Houston, Century 21 Real Estate Corporation hosted the CENTURY 21 Mascot Home Run Derby. "Junction Jack" of the Houston Astros took home first place for the third year in a row in this fun-filled competition.
- In 2003, the CENTURY 21 Web site Builder Wizard was launched, offering CENTURY 21 affiliates the opportunity to develop their own Web site and connect it to the company's consumer Web site, Century21.com.
- Century 21 Real Estate Corporation's award-winning educational platform, the CENTURY 21 Learning System® platform now offers its flagship course, CREATE 21 (Career Real Estate Agent Training and Education), in a bilingual format.