

FOR IMMEDIATE RELEASE

Sotheby's International Realty® Network Continues Mediterranean Expansion

PARSIPPANY, N.J. (May 5, 2008) – Sotheby's International Realty Affiliates LLC today announced signing of an exclusive 25-year licensing agreement covering the eastern Mediterranean region with Terra Sotheby's International Realty, with its first office to open in Cyprus by the end of the year.

According to Michael R. Good, president and chief executive officer, Sotheby's International Realty Affiliates LLC, the eastern Mediterranean region represents a crucial step in the brand's overall European expansion.

“Our development in this part of Europe comes at a time of unparalleled economic growth for the region, primarily as a result of the strong tourist industry and the emergence of the region as a financial services and maritime center,” said Good. “The economy also has been buoyed substantially by the strength of the real estate industry. We see vast potential for future growth in this area.”

The *Sotheby's International Realty* network currently has more than 9,000 sales associates located in more than 470 offices in the U.S. and 29 other countries and territories.

The owners of Terra Sotheby's International Realty collectively control and operate premier hotel, real estate, advisory and investment companies in the eastern Mediterranean region with a combined worth in excess of \$1.6 billion and annual revenue in excess of \$550 million.

“We believe the *Sotheby's International Realty* brand is uniquely positioned to help our firm take advantage of the luxury real estate growth in this region,” said Theo Vassiliou, general manager, Terra Sotheby's International Realty. “Through the global network of *Sotheby's International Realty* professionals we aim to deliver top quality services to the luxury real estate segment both on a regional and global basis.”

About Sotheby's International Realty Affiliates LLC

Founded in 1976 to provide independent brokerages with a powerful marketing and referral program for luxury listings, the *Sotheby's International Realty* network was designed to connect the finest independent real estate companies to the most prestigious clientele in the world. In February 2004, Realogy Corporation, a global provider of real estate and relocation services, entered into a long-term strategic alliance with Sotheby's, the operator of the auction house. The agreement provided for the licensing of the *Sotheby's International Realty* name and the development of a full franchise system by Realogy's subsidiary, Sotheby's International Realty Affiliates LLC. Affiliations in the system are granted only to brokerages and individuals meeting strict qualifications. Sotheby's International Realty Affiliates LLC supports its affiliates with a host of operational, marketing, recruiting, educational and business development resources. Franchise affiliates also benefit from an association with the venerable Sotheby's auction house, established in 1744.

For more information, visit www.sothebysrealty.com.

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