

HOMEAWAY INC
 Form 424B4
 December 12, 2013
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Filed Pursuant to Rule 424(b)4
 Registration No. 333-192750

CALCULATION OF REGISTRATION FEE

Title of Each Class of	Amount	Proposed	Proposed	
Securities to be Registered	To Be	Maximum	Maximum	Amount of
	Registered(1)	Offering Price	Aggregate	Registration Fee(2)
		per Share	Offering Price	
Common Stock, \$0.0001 par value per share (Common Stock)	6,921,424	\$37.00	\$256,092,688	\$32,984.74

(1) Includes shares of common stock that the underwriters have the option to purchase to cover over-allotments, if any.

(2) Represents deferred payment of the registration fee (in reliance upon Rules 456(b) and 457(r) of the Securities Act) in connection with the registrant's Registration Statement on Form S-3 (Registration No. 333-192750) being paid herewith.

Table of Contents**PROSPECTUS****6,018,630 Shares****Common Stock**

HomeAway, Inc. is offering 5,500,000 shares of its common stock and the selling stockholders identified in this prospectus are offering 518,630 shares of common stock. We will not receive any proceeds from the sale of shares by the selling stockholders.

Our common stock is listed on The Nasdaq Global Select Market under the symbol **AWAY**. On December 6, 2013, the closing sale price of our common stock as reported on The Nasdaq Global Select Market was \$39.36 per share.

Investing in our common stock involves risks. See Risk Factors beginning on page 9.

PRICE \$37.00 A SHARE

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Company	Proceeds to Selling Stockholders
Per Share	\$ 37.00	\$ 1.3875	\$ 35.6125	\$ 35.6125
Total	\$ 222,689,310.00	\$ 8,350,849.13	\$ 195,868,750.00	\$ 18,469,710.88

The selling stockholders identified in this prospectus have granted the underwriters the right to purchase up to an additional 902,794 shares of our common stock pursuant to the underwriters' option. We will not receive any proceeds from the sale of shares by the selling stockholders.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares to purchasers on December 17, 2013.

DEUTSCHE BANK SECURITIES**GOLDMAN, SACHS & CO.****STIFEL**

December 12, 2013

J.P. MORGAN SECURITIES LLC**MORGAN STANLEY****PACIFIC CREST SECURITIES**

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We, the selling stockholders and the underwriters have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the selling stockholders are offering to sell and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus, including any information incorporated by reference, or in any free-writing prospectus prepared by or on behalf of us or to which we have referred you, is accurate only as of its date, regardless of its time of delivery or of any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

All references in this prospectus to HomeAway, the Company, we, us and our refer to HomeAway, Inc. and its consolidated subsidiaries.

HomeAway, VRBO, FeWo Direkt, Holiday-Rentals, Homelidays, Abritel, Aluguetemporada, BedandBreakfast.com, Escapia, Instant Software, Owners Direct, Top Rural, Stayz, Rentahome.com.au, TakeABreak.com.au, YesBookIt, BookaBach and travelmob are trademarks or logos appearing in this prospectus owned by HomeAway, Inc. or one of our subsidiaries. All other trademarks, service marks and trade names appearing in this prospectus are the property of their respective owners.

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SUMMARY

*This summary highlights information contained or incorporated by reference in this prospectus. This summary does not contain all of the information that you should consider before deciding to invest in our common stock. This summary is qualified in its entirety by the more detailed information and financial information appearing elsewhere in or incorporated by reference in this prospectus. You should read this entire prospectus carefully, including the information incorporated by reference in this prospectus, especially the risks of investing in our common stock discussed under *Risk Factors* beginning on page 8.*

Homeaway, Inc.

Overview

We operate the world's largest online marketplace for the vacation rental industry. Our marketplace brings together millions of travelers seeking vacation rentals online with hundreds of thousands of property owners and managers of vacation rental properties located in 171 countries around the world. Our portfolio includes leading vacation rental websites in the United States, the United Kingdom, Germany, France, Spain, Brazil, Australia and Singapore. During the three and nine months ended September 30, 2013, our websites attracted approximately 198 million and 606 million website visits, respectively, and as of September 30, 2013, our global marketplace included more than 773,000 paid listings.

Our portfolio includes the leading vacation rental websites HomeAway.com, VRBO.com and VacationRentals.com in the United States; HomeAway.co.uk and OwnersDirect.co.uk in the United Kingdom; HomeAway.de in Germany; Abritel.fr and Homelidays.com in France; HomeAway.es and Toprural.com in Spain; AlugueTemporada.com.br in Brazil; HomeAway.com.au and www.stayz.com.au in Australia; bookabach.co.nz in New Zealand; and travelmob.com in Singapore.

In addition, we operate BedandBreakfast.com, the most comprehensive global site for finding bed and breakfast properties, providing travelers with another source for unique lodging alternatives to hotels. We also offer HomeAway Software for Professionals at software.HomeAway.com, which provides software solutions for property management to property owners, managers and innkeepers.

Recent Development

Stayz Acquisition

On December 3, 2013, we entered into a Share Sale Agreement (the "Sale Agreement") with HomeAway Australia Holdings Pty Ltd ("HomeAway Australia"), one of our wholly owned subsidiaries, Fairfax Media Limited ("Fairfax Media") and Fairfax Digital Pty Limited ("Fairfax Digital"), a division of Fairfax Media, pursuant to which we acquired all of the shares of Stayz Pty Limited ("Stayz") on December 5, 2013 for a total purchase price of approximately \$198 million in cash (the "Stayz Acquisition"). As a result of the transactions under the Sale Agreement, Stayz became a wholly owned subsidiary of HomeAway Australia on December 5, 2013 and, therefore, we will reflect additional revenue and expenses associated with Stayz for the period from the closing date to December 31, 2013. In addition, we incurred approximately \$3 million in related transaction costs, substantially all of which were payable contingent on the

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consummation of the transaction and therefore were not included in management's previous Adjusted EBITDA guidance for the fourth quarter of 2013.

Stayz is a leading Australian online marketplace for vacation rentals, primarily targeting property owners and managers located in Australia and travelers visiting Australia. It operates this marketplace at www.Stayz.com.au, and its brands also include Rentahome.com.au, TakeABreak.com.au and YesBookIt.com.au. Stayz maintains all of its operations in Australia. In addition to serving as an online marketplace for vacation rentals, Stayz also provides services and software to property managers and maintains a car rental booking portal for travelers. Stayz has two subsidiaries, Occupancy Pty Limited and Stayz Limited (NZ), both of which became our indirect wholly owned subsidiaries as a result of the Stayz Acquisition. Stayz employs a pay-per-booking business model, which produces the majority of its revenue.

We view the Stayz Acquisition as consistent with our ongoing strategy to continue to add to our marketplace of websites to provide travelers with a broader inventory selection of vacation properties to choose from, particularly in the Asia-Pacific region. As of the date of this prospectus, none of our financial statements or other financial information that is presented in or incorporated by reference into this prospectus includes any impact of the Stayz Acquisition.

Corporate Information

HomeAway, Inc. was incorporated in 2004 as CEH Holdings, Inc. in the State of Delaware. In 2006, we changed our name to HomeAway, Inc. Our principal executive offices are located at 1011 W. Fifth Street, Suite 300, Austin, Texas 78703 and our telephone number is (512) 684-1100. Our corporate website address is www.HomeAway.com. We do not incorporate the information contained on, or accessible through, our websites into this prospectus.

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The Offering

Common stock offered by HomeAway	5,500,000 shares
Common stock offered by the selling stockholders	518,630 shares
Total common stock offered	6,018,630 shares
Option to purchase additional shares from selling stockholders	902,794 shares offered by the selling stockholders
Common stock outstanding before this offering	85,798,100 shares
Common stock to be outstanding after this offering	91,298,100 shares
Use of proceeds	We intend to use the net proceeds from this offering for general corporate purposes, which may include acquisitions or license of, or investment in, products, services, technologies or other businesses. We will not receive any proceeds from the sale of shares by the selling stockholders.
Dividend policy	We do not intend to pay dividends on our common stock. See Dividend Policy.
Risk factors	You should read the information incorporated by reference under the heading Risk Factors in this prospectus for a discussion of factors that you should consider carefully before deciding to invest in shares of our common stock.
Nasdaq Global Select Market symbol	AWAY
Unless otherwise indicated, all information in this prospectus relating to outstanding shares of our common stock is as of September 30, 2013 and excludes:	

9,549,998 shares of common stock issuable upon exercise of options outstanding as of September 30, 2013 under our stock option plans, with a weighted average exercise price of \$20.11 per share;

2,180 shares of common stock issuable upon exercise of warrants outstanding as of September 30, 2013, at a weighted average exercise price of \$0.01 per share;

1,984,371 shares of common stock issuable upon the release of outstanding restricted stock units as of September 30, 2013; and

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12,485,867 shares of common stock reserved for future grant or issuance under our 2011 Equity Incentive Plan.
Unless otherwise indicated, all information in this prospectus assumes no exercise by the underwriters of their option to purchase up to 902,794 shares from the selling stockholders.

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You should read the following summary financial data in conjunction with our annual consolidated financial statements and the notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our report on Form 10-K for the fiscal year ended December 31, 2012 (the "10-K Report"), which are incorporated herein by reference, and our interim condensed consolidated financial statements and the notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our report on Form 10-Q for the quarter ended September 30, 2013 (the "10-Q Report"), which are incorporated herein by reference. The statement of operations data set forth below for the fiscal years ended December 31, 2010, 2011 and 2012 and the balance sheet data as of December 31, 2012 are derived from, and are qualified by reference to, our audited annual consolidated financial statements included in the 10-K Report. The statement of operations data for the nine-month periods ended September 30, 2013 and 2012 and the balance sheet data as of September 30, 2013 are derived from, and are qualified by reference to, our unaudited interim condensed consolidated financial statements included in the 10-Q Report. The results of operations for the nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the full fiscal year ending December 31, 2013, or any other future period.

	Year Ended December 31,			Nine Months Ended September 30, (unaudited)	
	2010	2011	2012	2012	2013
	(in thousands except per share data)				
Consolidated Statements of Operations Data:					
Revenue:					
Listing	\$ 152,890	\$ 199,457	\$ 237,973	\$ 175,601	\$ 215,593
Other	14,994	30,766	42,431	33,246	40,627
Total revenue	167,884	230,223	280,404	208,847	256,220
Costs and expenses:					
Cost of revenue (exclusive of amortization shown separately below)	25,647	34,456	45,342	33,105	40,448
Product development	18,703	32,744	43,152	31,060	42,033
Sales and marketing	58,376	81,532	93,366	71,300	83,795
General and administrative	41,445	47,268	56,311	42,036	51,643
Amortization expense	9,953	11,542	12,438	9,028	8,905
Total costs and expenses	154,124	207,542	250,609	186,529	226,824
Operating income	13,760	22,681	29,795	22,318	29,396
Other income (expense):					
Interest expense	(22)				
Interest income	208	374	928	684	848
Other expense	(3,326)	(4,384)	(2,587)	(2,201)	(1,983)
Total other expense	(3,140)	(4,010)	(1,659)	(1,517)	(1,135)
Income before income taxes	10,620	18,671	28,136	20,801	28,261
Income tax (expense) benefit	6,314	(12,493)	(13,175)	(10,389)	(9,143)
Net income	16,934	6,178	14,961	10,412	19,118
Net loss attributable to noncontrolling interests					(125)
Net income attributable to HomeAway, Inc.	16,934	6,178	14,961	10,412	19,243
Cumulative preferred stock dividends and discount accretion	(35,224)	(24,678)			
Net income (loss) attributable to common stockholders	\$ (18,290)	\$ (18,500)	\$ 14,961	\$ 10,412	\$ 19,243

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	Year Ended December 31,			Nine Months Ended	
				September 30,	
	2010	2011	2012	2012	2013
(in thousands except per share data)					
Net income (loss) per share attributable to common stockholders:					
Basic	\$ (0.48)	\$ (0.31)	\$ 0.18	\$ 0.13	\$ 0.23
Diluted	\$ (0.48)	\$ (0.31)	\$ 0.18	\$ 0.12	\$ 0.22

Weighted average number of shares outstanding:					
Basic	38,143	59,549	82,382	82,107	84,805
Diluted	38,143	59,549	84,942	84,811	87,738

	Year Ended December 31,			Nine Months Ended	
	2010	2011	2012	2012	2013
Other Financial Data:					
Adjusted EBITDA(1)	\$ 43,220	\$ 66,756	\$ 80,348	\$ 59,023	\$ 75,692
Free cash flow(2)	51,452	64,499	85,265	63,354	69,572
Capital expenditures	10,396	12,978	17,260	14,641	14,661
Non-GAAP net income(3)	32,186	29,237	40,617	28,992	42,954

	Year Ended December 31,			Nine Months Ended	
	2010	2011	2012	2012	2013
Selected Operating Data:					
Paid listings, end of period	527,535	640,925	711,631	720,031	773,352
Average revenue per listing	\$ 318	\$ 341	\$ 352	\$ 344	\$