

Market Leader, Inc.  
Form DEFM14A  
July 16, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**MARKET LEADER, INC.**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

## Edgar Filing: Market Leader, Inc. - Form DEFM14A

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Dear Shareholder:

As previously announced, on May 7, 2013, Market Leader, Inc. entered into a merger agreement with Trulia, Inc., under which a wholly owned subsidiary of Trulia will merge with Market Leader, with Market Leader continuing as the surviving corporation and a wholly owned subsidiary of Trulia. We refer to this transaction as the merger. If the merger is consummated, Market Leader will no longer be a publicly held corporation.

The merger requires the approval of holders of a majority of the outstanding shares of Market Leader common stock and we are asking you to vote to approve the merger agreement and thereby to approve the transactions contemplated by the merger agreement, including the merger. If the merger agreement is approved by Market Leader shareholders and the merger is completed, for each share of Market Leader common stock that you hold (other than shares with respect to which dissenter's rights are properly exercised or shares owned by Trulia, any of its subsidiaries or Market Leader), you will be entitled to receive (i) \$6.00 in cash, without interest and subject to applicable withholding tax, plus (ii) 0.1553 of a share of the common stock of Trulia, in each case subject to adjustment as described in this proxy statement/prospectus.

The following table sets forth the closing sale prices per share of Trulia common stock and Market Leader common stock as of May 7, 2013, the last trading day prior to the public announcement of the proposed merger, and as of July 12, 2013, the most recent practicable trading day prior to the date of this proxy statement/prospectus. The table also sets forth the implied value of the merger consideration proposed for each share of Market Leader common stock as of the same two dates. This implied value was calculated by multiplying the closing sale price of Trulia common stock on the relevant date by the exchange ratio of the stock consideration of 0.1553 and adding the per share cash consideration, or \$6.00 per share.

	Trulia Common Stock	Market Leader Common Stock	Implied Value of Market Leader Common Stock
May 7, 2013	\$ 34.34	\$ 9.61	\$ 11.33
July 12, 2013	\$ 34.92	\$ 11.32	\$ 11.42

Market Leader common stock is listed on The Nasdaq Global Select Market under the symbol LEDR. Trulia common stock is listed on the New York Stock Exchange under the symbol TRLA. The market prices of shares of Market Leader common stock and Trulia common stock are subject to fluctuation. As a result, you are urged to obtain current market quotations.

Your vote is very important. The record date for determining the shareholders entitled to receive notice of, and to vote at, the special meeting is July 15, 2013. We cannot complete the merger unless Market Leader shareholders holding a majority of the outstanding shares of Market Leader common stock as of the close of business on the record date vote in favor of the approval of the merger agreement at the special meeting. Whether or not you expect to attend the Market Leader special meeting in person, if you are the record holder of shares, please vote your shares as promptly as possible by (a) accessing the Internet website specified on your proxy card, (b) calling the toll-free number specified on your proxy card or (c) signing and returning all proxy cards that you receive in the postage-paid envelope provided, so that your shares may be represented and voted at the Market Leader special meeting. If your shares are registered in the name of a broker, bank or other holder of record, please follow the voting instructions you receive from the holder of record to vote your shares. If your shares are registered in the name of a broker, bank or other holder of record and you plan to attend the special meeting in person, please bring to the special meeting a letter, account statement or other evidence of your beneficial ownership as of the record date. **A failure to vote your shares, or to provide instructions to your broker, bank or nominee as to how to vote your shares, is the equivalent of a vote against the merger.**

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In addition, at the special meeting you also will be asked to approve the adjournment of the special meeting under certain circumstances and to approve, on a non-binding, advisory basis, the compensation payable to Market Leader's named executive officers that is based on or otherwise relates to the merger.

**The Market Leader board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to, and in the best interests of, Market Leader and its shareholders, adopted the merger agreement and approved the transactions contemplated thereby, including the merger; and unanimously recommends that you vote FOR the approval of the merger agreement, FOR the approval, on a non-binding, advisory basis, of the compensation payable to Market Leader's named executive officers that is based on or otherwise relates to the merger and FOR the adjournment of the special meeting, if necessary to solicit additional proxies.**

The obligations of Trulia and Market Leader to complete the merger are subject to the satisfaction or waiver of several conditions set forth in the merger agreement. More information about Trulia, Market Leader, the merger agreement and the transactions contemplated thereby, including the merger, is contained in this proxy statement/prospectus.

**For a discussion of risk factors that you should consider in evaluating the transaction, see the section entitled Risk Factors beginning on page 27 of this proxy statement/prospectus.** The market price of Trulia common stock will continue to fluctuate following the date of the special meeting. Consequently, at the time of the special meeting, the value of the stock consideration will not yet be determined.

We urge you to read the attached proxy statement/prospectus carefully and in its entirety.

Sincerely,

Ian Morris

*President and Chief Executive Officer*

Market Leader, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined that this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

This proxy statement/prospectus is dated July 16, 2013, and is first being mailed to Market Leader shareholders on or about July 17, 2013.

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON AUGUST 16, 2013**

Dear Shareholder:

You are cordially invited to attend a special meeting of shareholders of Market Leader, Inc. ( "Market Leader" ), which will be held on August 16, 2013, at 9:00 a.m., local time, at Market Leader's offices, 11332 NE 12<sup>th</sup> Way, Suite 200, Kirkland, WA 98034. Shareholders of record who owned our common stock at the close of business on July 15, 2013, are entitled to vote at the special meeting. At the special meeting we will ask you to consider and vote upon:

a proposal to approve the Agreement and Plan of Merger, dated as of May 7, 2013, by and among Market Leader, Trulia, Inc., and Mariner Acquisition Corp., which is referred to herein as the merger agreement;

a proposal to approve, on a non-binding, advisory basis, the compensation payable to Market Leader's named executive officers that is based on or otherwise relates to the merger; and

a proposal to adjourn the Market Leader special meeting to solicit additional proxies in favor of the proposal to approve the merger agreement, if there are not sufficient votes at the time of such adjournment to approve the merger agreement.

At the special meeting, Market Leader may also conduct any other business properly brought before the special meeting and any adjournment or postponement thereof.

**The Market Leader board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to, and in the best interests of, Market Leader and its shareholders, adopted the merger agreement and approved the transactions contemplated thereby, including the merger; and unanimously recommends that you vote FOR the approval of the merger agreement, FOR the approval, on a non-binding, advisory basis, of the compensation payable to Market Leader's named executive officers that is based on or otherwise relates to the merger and FOR the adjournment of the special meeting, if necessary to solicit additional proxies.**

To assure your representation at the special meeting, you are urged to submit your proxy as promptly as possible. Registered shareholders may vote by Internet, by telephone or by completing, signing, dating and returning the enclosed proxy card as promptly as possible in the enclosed postage prepaid envelope. Your shares will be voted in accordance with your instructions. You may attend the special meeting and vote in person even if you have previously returned your proxy card or voted by Internet or telephone.

A list of Market Leader shareholders of record entitled to vote at the Market Leader special meeting will be available during regular business hours at Market Leader's executive offices and principal place of business at 11332 NE 12<sup>th</sup> Way, Suite 200, Kirkland, WA 98034 for inspection by shareholders of record of Market Leader for any purpose germane to the special meeting. The list will also be available at the special meeting.

If your shares are registered in the name of a broker, bank or other holder of record, please follow the voting instructions you receive from the holder of record to vote your shares. If your shares are registered in the name of a broker, bank or other holder of record and you plan to attend the special meeting in person, please bring a letter, account statement or other evidence of your beneficial ownership as of the record date to the special meeting.

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**Your vote is very important. Approval of the merger agreement requires the affirmative vote of holders of a majority of the shares of Market Leader common stock issued and outstanding as of the close of business on the record date. A failure to vote your shares, or to provide instructions to your broker, bank or nominee as to how to vote your shares, is the equivalent of a vote against the merger. Please vote using one of the methods above to ensure that your vote will be counted. Your proxy may be revoked at any time before the vote at the special meeting by following the procedures outlined in this proxy statement/prospectus.**

By Order of the Board of Directors,

Ian Morris

*President & Chief Executive Officer*

Market Leader, Inc.

Kirkland, Washington

July 16, 2013

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**ADDITIONAL INFORMATION**

This proxy statement/prospectus incorporates important business and financial information about Market Leader from other documents filed with the U.S. Securities and Exchange Commission, referred to as the SEC, that are not included in or delivered with this proxy statement/prospectus. For a listing of documents incorporated by reference into this proxy statement/prospectus, please see the section entitled "Where You Can Find More Information." This information is available to you without charge upon your request. This information is available for you to review at the SEC's public reference room located at 100 F Street, N.E., Room 1580, Washington, DC 20549, and through the SEC's website at [www.sec.gov](http://www.sec.gov). You can also obtain the documents incorporated by reference into this proxy statement/prospectus by requesting them in writing or by telephone from Market Leader at the following address and telephone number:

**Market Leader, Inc.**

11332 NE 122<sup>nd</sup> Way, Suite 200 Kirkland, Washington 98034 (425)-952-5500 Attn: Investor Relations

In addition, you may also obtain additional copies of the proxy statement/prospectus or the documents incorporated by reference into the proxy statement/prospectus by contacting Georgeson, Inc., Market Leader's proxy solicitor, toll-free at (866) 695-6078 (banks and brokers toll-free collect at (800) 223-2064). You will not be charged for any of these documents you request.

Investors may also consult Market Leader's and Trulia's websites for more information concerning Market Leader, Trulia and the merger described in this proxy statement/prospectus. Market Leader's website is [www.marketleader.com](http://www.marketleader.com) and Trulia's website is [www.trulia.com](http://www.trulia.com). Information included on these websites is not incorporated by reference into this proxy statement/prospectus.

**If you would like to request documents, please do so by August 9, 2013, in order to receive them before the special meeting.**



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**ABOUT THIS DOCUMENT**

This document, which forms part of a Registration Statement on Form S-4 filed by Trulia with the SEC, constitutes a prospectus of Trulia under Section 5 of the Securities Act of 1933, as amended, which is referred to herein as the Securities Act, with respect to the shares of Trulia common stock to be issued to Market Leader shareholders pursuant to the merger agreement. This document also constitutes a proxy statement of Market Leader under Section 14(a) of the Securities Exchange Act of 1934, as amended, which is referred to herein as the Exchange Act, with respect to the Market Leader special meeting at which Market Leader shareholders will be asked to vote upon, among other things, the proposal to approve the merger agreement.

You should rely only on the information contained or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. You should not assume that the information contained in, or incorporated by reference into, this proxy statement/prospectus is accurate as of any date other than the date of this proxy statement/prospectus or the date of the SEC filing incorporated by reference herein, as applicable. Neither the mailing of this proxy statement/prospectus to Market Leader shareholders nor the issuance by Trulia of common stock in connection with the merger will create any implication to the contrary.

**This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this proxy statement/prospectus regarding Trulia has been provided by Trulia and information contained in this proxy statement/prospectus regarding Market Leader has been provided by Market Leader.**

All references in this proxy statement/prospectus to: Market Leader refer to Market Leader, Inc., a Washington corporation, and its subsidiaries; Trulia refer to Trulia, Inc., Inc., a Delaware corporation, and its subsidiaries; Merger Sub refer to Mariner Acquisition Corp., a Washington corporation and a wholly-owned subsidiary of Trulia formed for the purpose of effecting the merger as described in this proxy statement/prospectus; and the combined company refer to Trulia and each of its subsidiaries, including Market Leader, immediately following completion of the transactions contemplated by the merger agreement.

All references in this proxy statement/prospectus to the merger agreement refer to the Agreement and Plan of Merger, dated as of May 7, 2013, by and among Trulia, Merger Sub and Market Leader, a copy of which is included as Annex A to this proxy statement/prospectus, as it may be amended from time to time, and all references to the merger refer to the merger of Merger Sub with and into Market Leader, with Market Leader continuing as the surviving corporation.

Although Delaware law generally refers to the term stockholders and Washington law generally refers to the term shareholders to specify holders of the capital stock of a corporation, for convenience such holders are referred to in this proxy statement/prospectus as shareholders in accordance with the Washington law terminology.

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Annex B	Text of GCA Savvian Advisors, LLC Opinion
Annex C	Chapter 23B.13 of the Washington Business Corporation Act
Annex D	Form of Voting Agreement
Annex E	Valuation and Qualifying Accounts

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**QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING**

**Q: Why am I receiving this proxy statement/prospectus?**

A: Trulia and Market Leader have agreed to the acquisition of Market Leader by Trulia under the terms of the merger agreement that is described in this proxy statement/prospectus. A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A. You are receiving this proxy statement/prospectus because you have been identified as a shareholder of Market Leader as of the close of business on the record date for the special meeting, which is July 15, 2013. This document serves as both a proxy statement of Market Leader, used to solicit proxies for the special meeting of Market Leader shareholders, and as a prospectus of Trulia, used to offer shares of Trulia common stock to Market Leader shareholders in exchange for shares of Market Leader common stock pursuant to the terms of the merger agreement. This document contains important information about the merger, the shares of Trulia common stock to be issued pursuant to the merger and the special meeting of Market Leader shareholders, and you should read it carefully.

**Q: What am I being asked to vote on?**

A: In order to complete the merger, Market Leader shareholders must vote in favor of a proposal to approve the merger agreement, which is referred to herein as the merger proposal, and all other conditions to the merger must be satisfied or waived. Market Leader will hold a special meeting to obtain this approval, which is referred to herein as the special meeting. The enclosed proxy materials allow you to vote your shares without attending the special meeting.

In addition, you are being asked to vote on a proposal to approve, on a non-binding, advisory basis, the compensation payable to Market Leader named executive officers that is based on or otherwise relates to the merger, which is referred to herein as the merger-related compensation payments proposal.

You are also being asked to vote on a proposal to adjourn the Market Leader special meeting to solicit additional proxies in favor of the merger proposal if there are not sufficient votes at the time of such adjournment to approve the merger proposal.

**Your vote is important. We encourage you to vote as soon as possible.**

**Q: What consideration will I receive in connection with the merger?**

A: At the effective time of the merger, each share of Market Leader common stock issued and outstanding immediately prior to the effective time of the merger (other than shares with respect to which dissenters' rights are properly exercised or shares owned by Trulia, any of its subsidiaries or Market Leader) will be converted into the right to receive (i) \$6.00 in cash, without interest and subject to applicable withholding tax, which is referred to herein as the cash consideration, plus (ii) 0.1553 of a share of the common stock of Trulia, which is referred to herein as the stock consideration, in each case subject to adjustment as described below under the question "Why is the merger consideration subject to adjustment?" The cash consideration together with the stock consideration is referred to herein as the merger consideration.

Market Leader shareholders will not receive any fractional shares of Trulia common stock in the merger. Instead, any shareholder who would otherwise be entitled to a fractional share of Trulia common stock will be entitled to receive an amount in cash (rounded down to the nearest whole cent), without interest, equal to the product of such fraction multiplied by the volume weighted average closing price of Trulia common stock, rounded to the nearest one-tenth of a cent, as reported on New York Stock Exchange, which is referred to herein as the NYSE, for the ten (10) trading days immediately preceding (but not including) the date of the closing of the merger, which is referred to herein as the closing measurement price.

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**Table of Contents****Q: How will the merger affect Market Leader options to purchase common stock, restricted stock units and stock appreciation rights?**

A: In connection with the merger, except as provided in the following paragraph, each outstanding Market Leader stock option, stock appreciation right and restricted stock unit held by a service provider of Market Leader who continues to be a service provider to the combined company following the merger, which is referred to herein as a continuing service provider, will be assumed and converted into a corresponding equity award to purchase or acquire shares of Trulia common stock. The terms of each assumed equity award will be the same except that the shares subject to each equity award and the exercise price, if any, will be adjusted by an exchange ratio formula set forth in the merger agreement. At its discretion, Trulia may elect to assume the share reserve of Market Leader's existing equity incentive plan at the time of the closing of the merger.

The NYSE Listed Company Manual requires the prior approval by the Trulia shareholders for the issuance (or potential issuance) by Trulia of its shares (or securities convertible into or exercisable for Trulia shares) if such shares are or will be upon issuance equal to 20% or more of Trulia's outstanding shares before the issuance. The merger agreement limits the aggregate number of shares of Trulia common stock that may be issued or are otherwise issuable in connection with the merger, including the Trulia shares issuable in respect of assumed Market Leader equity awards, to avoid meeting or exceeding this threshold. If the aggregate number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) meets or exceeds 19.9% of the number of shares of Trulia common stock outstanding immediately prior to the effective time of the merger, which is referred to herein as the 19.9% threshold, then certain vested Market Leader stock options and stock appreciation rights would not be assumed and instead would be terminated in exchange for a cash payment with respect to each share of Market Leader common stock underlying any such award that is equal to (i) \$6.00 plus (ii) 0.1553 multiplied by the closing measurement price minus (iii) the exercise price of such award, net of applicable withholding taxes. However, if the exercise price of a vested award not assumed pursuant to this paragraph exceeds the sum of (i) and (ii), then that award would terminate without consideration. The identification of Market Leader equity awards not assumed pursuant to this paragraph would be determined by a formula set forth in the merger agreement. If the price of Trulia's common stock decreased and the cash-out mechanic described above was triggered, Trulia would be required to pay additional cash consideration to the holders of such vested equity awards, which Trulia believes is reasonably possible based upon the historic volatility of Trulia's common stock price and the time it may take to complete the merger. By way of example, if Trulia's stock price decreased such that the closing measurement price would be 10%, 20% and 30% less than the volume-weighted average price of Trulia's common stock for the 10-trading day period ending July 11, 2013 (\$32.30), Trulia believes it would be required to pay cash consideration to such vested equity holders of approximately \$0 (as the cash-out would not have been triggered), \$0 (as the per share exercise price of the cashed-out awards would exceed the sum of (i) and (ii) above and thus terminate without consideration) and \$1.6 million, respectively. The cash-out would be made in lieu of the assumption of the cashed out awards, and the cash consideration paid to the holders of such awards would be substantially equivalent to the value of the Trulia equity awards that such holders would receive if the cash-out was not effected. Accordingly, the impact on the purchase price will not be significant and the cash-out would not affect the form or amount of the merger consideration to be received by the holders of Market Leader common stock.

**Q: Why is the merger consideration subject to adjustment?**

A: As noted above, the merger agreement limits the aggregate number of shares of Trulia common stock that may be issued or are otherwise issuable in connection with the merger to the 19.9% threshold. If, following the cash-out of vested options and stock appreciation rights described in the answer above, the aggregate number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) would still meet or exceed the 19.9% threshold, the aggregate stock consideration would be decreased to the minimum extent necessary such that the number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) would not meet or



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exceed the 19.9% threshold. In such event, the aggregate cash consideration would be increased by an amount equal to the product of (a) the amount of the reduction in the aggregate stock consideration multiplied by (b) the closing measurement price. Although the adjustment will change the respective amounts of stock consideration and cash consideration you will receive in the merger, the overall value of the merger consideration as of the closing date of the merger should not be substantively changed due to the adjustment. Although as of the date of this proxy statement/prospectus, Trulia and Market Leader do not anticipate that an adjustment to the merger consideration will be necessary, a decline in the price of Trulia's common stock could result in the adjustment being made. For example, using the equity capitalization of Trulia and Market Leader as of May 3, 2013 (the reference date for Trulia's and Market Leader's respective capitalization representations and warranties contained in the merger agreement) and assuming a cash-out of all of Market Leader's vested equity awards as described above, Trulia's stock price would need to decline to below approximately \$7.68 per share before any such adjustment to the merger consideration would be effected. As of July 11, 2013, the closing price of Trulia's common stock as reported on the NYSE was \$34.22 per share. Until the merger has been consummated, holders of Market Leader's common stock may not know the proportion of stock consideration and cash consideration they will receive in the merger.

### **Q: What happens if the merger is not completed?**

A: If the merger agreement is not approved by Market Leader's shareholders or if the merger is not completed for any other reason, you will not receive any payment for your shares of Market Leader common stock in connection with the merger. Instead, Market Leader will remain an independent public company and its common stock will continue to be listed and traded on the Nasdaq Global Select Market. If the merger agreement is terminated in certain circumstances, Market Leader will be required to pay Trulia for its out-of-pocket expenses related to the merger, subject to a cap of \$1.0 million. Additionally, if the merger agreement is terminated in certain other circumstances, Market Leader would be required to pay Trulia a termination fee of \$15.0 million (less Trulia's out-of-pocket expenses that Market Leader is otherwise required to pay). See the section entitled "The Merger Agreement Expenses and Termination Fees."

### **Q: When and where will the meeting be held?**

A: The Market Leader special meeting will be held at 9:00 a.m., local time, on August 16, 2013, at Market Leader's offices, 11332 NE 12<sup>th</sup> Way, Suite 200, Kirkland, WA 98034.

### **Q: What do I need to do now?**

A: Carefully read and consider the information contained in and incorporated by reference into this proxy statement/prospectus, including its annexes. After you carefully read this proxy statement/prospectus, follow the voting instructions below. In order to assure that your shares are voted, please submit your proxy as instructed on your proxy or voting instruction card even if you currently plan to attend the special meeting in person.

### **Q: How do I vote?**

A: You may vote For, Against or Abstain on any proposal. Votes will be counted by the inspector of elections appointed for the special meeting. The procedures for voting are as follows:

#### *Voting by Proxy*

Registered shareholders may vote by mail, by telephone or by Internet:

## Edgar Filing: Market Leader, Inc. - Form DEFM14A

To vote by mail, please complete, sign, date and mail your proxy card in the postage prepaid envelope provided. Proxies should be mailed sufficiently in advance to ensure receipt prior to the special meeting.

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To vote by telephone, call toll-free 1-800-652-VOTE (8683) from any touch-tone telephone and follow the instructions. Have your proxy card available when you call. If you vote by phone, you do not need to mail your proxy card. Telephone voting is available until 11:59 p.m., Eastern Time, on August 15, 2013.

You can vote on the Internet at [www.investorvote.com/LEDR](http://www.investorvote.com/LEDR). Have your proxy card in hand when going online and follow the online instructions. If you vote by the Internet, you do not need to mail your proxy card. Internet voting is available up until 11:59 p.m., Eastern Time, on August 15, 2013.

If your shares are held of record in the name of a bank, broker or other nominee you should follow the separate instructions that the nominee provides to you. Although most banks and brokers now offer telephone and Internet voting, availability and specific processes will depend on their voting arrangements.

If the special meeting is postponed or adjourned for any reason, at any subsequent reconvening of the special meeting all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the special meeting, except for any proxies that have at that time effectively been revoked or withdrawn, even if the proxies had been effectively voted on the same or any other matter at a previous meeting.

### *Voting in Person at the Special Meeting*

If you are a registered holder and attend the special meeting and wish to vote in person, you may request a ballot when you arrive. If your shares are held of record in the name of your bank, broker or other nominee and you would like to vote in person at the special meeting, you must bring to the special meeting a letter, account statement or other evidence from the nominee indicating that you were the beneficial owner of the shares on the record date for the special meeting and a legal proxy from the nominee.

### **Q: How does the Market Leader board of directors recommend that I vote?**

A: The Market Leader board of directors reviewed and considered the terms and conditions of the merger agreement and the transactions contemplated thereby, including the merger, and, after careful consideration, has unanimously:

determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to, and in the best interests of, Market Leader and its shareholders;

adopted the merger agreement and approved the transactions contemplated thereby, including the merger; and

resolved to recommend the approval of the merger agreement to Market Leader's shareholders.

The Market Leader board of directors unanimously recommends that Market Leader's shareholders vote **FOR** the merger proposal, **FOR** the approval, on a non-binding, advisory basis, of the merger-related compensation payments proposal and **FOR** the adjournment of the special meeting, if necessary to solicit additional proxies.

### **Q: What vote is required to approve each proposal?**

A: The voting requirements to approve the proposals are as follows:

## Edgar Filing: Market Leader, Inc. - Form DEFM14A

The approval of the merger proposal requires the affirmative vote of the shareholders of record as of the record date holding a majority of all outstanding shares of Market Leader's common stock on that date.

The approval, on a non-binding, advisory basis, of compensation payable to Market Leader's named executive officers that is based on or otherwise relates to the merger requires that the votes cast in favor of this proposal exceed the votes cast against this proposal, provided a quorum is present.

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The approval of the adjournment of the special meeting, to solicit additional proxies in favor of the merger proposal if there are not sufficient votes at the time of such adjournment to approve the merger proposal, requires the affirmative vote of the holders of a majority of the shares of Market Leader common stock present, in person or by proxy, at the special meeting and entitled to vote thereon, if a quorum is not present. If a quorum is present, the approval of the adjournment of the special meeting, to solicit proxies in favor of the merger proposal if there are not sufficient votes at the time of such adjournment to approve the merger proposal, requires that the votes cast in favor of the adjournment proposal exceed the votes cast against the adjournment proposal.

**Q: How are the officers and directors of Market Leader going to vote in the merger?**

A: In connection with entering into the merger agreement, each of the directors and executive officers of Market Leader and their respective permitted transferees, as applicable, in their individual capacities, each of whom are referred to herein as a supporting shareholder, entered into voting agreements pursuant to which the supporting shareholders agreed to, among other things, vote their shares of Market Leader common stock (i) in favor of the merger proposal and (ii) against approval of any proposal made in opposition to, in competition with, or inconsistent with, the merger agreement or the merger or any other transactions contemplated by the merger agreement. In addition, the supporting shareholders agreed not to directly or indirectly transfer their respective shares of Market Leader common stock during the term of the voting agreement, subject to certain limited exceptions. The voting agreements may not be terminated by the supporting shareholders even if the Market Leader board of directors has withdrawn or changed its recommendation in favor of the transaction with Trulia and, in such instances, the supporting shareholders would be required to vote to approve the merger proposal. As of the record date, the supporting shareholders as a group owned and were entitled to vote 3,014,354 shares of Market Leader common stock, or approximately 11% of the outstanding shares of Market Leader common stock on that date.

**Q: What constitutes a quorum?**

A: Shareholders who hold at least a majority of the issued and outstanding Market Leader common stock as of the close of business on the record date and who are entitled to vote must be present or represented by proxy in order to constitute a quorum to conduct the special meeting.

**Q: What will happen if I return my proxy card without indicating how to vote?**

A: If you sign and return your proxy card without indicating how to vote on any particular proposal, the Market Leader common stock represented by your proxy will be voted in favor of that proposal.

**Q: What will happen if I fail to vote or I abstain from voting?**

A: If you are a shareholder of record and do not vote by completing your proxy card, by telephone, through the Internet, or in person at the special meeting, your shares will not be voted. This will have the same effect as voting against the merger proposal but will have no effect on the outcome of the other two proposals. If your shares are held in street name by a bank, brokerage firm or other nominee, and you do not provide your bank, brokerage firm or other nominee with instructions as to how to vote your shares, your shares will not be voted at the special meeting. This will have the same effect as voting against the merger proposal but will have no effect on the outcome of the other two proposals.

**Q: How many votes do I and others have?**

## Edgar Filing: Market Leader, Inc. - Form DEFM14A

- A: Each Market Leader shareholder is entitled to one vote for each share of Market Leader common stock owned as of the record date. As of the close of business on the record date, there were 27,346,211 issued and outstanding shares of Market Leader common stock. As of the record date, the directors and executive officers and their affiliates as a group owned and were entitled to vote 2,929,354 shares of Market Leader common stock, or approximately 11% of the shares of Market Leader common stock on that date.

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**Q: If my shares are held in street name by my broker, bank or other nominee, will my broker, bank or nominee vote my shares for me?**

A: If you hold your shares through a broker, bank or other nominee, you must provide your broker, bank or nominee with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, bank or nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to Market Leader or by voting in person at the special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee. Brokers, banks and other nominees who hold shares of Market Leader common stock on behalf of their customers may not vote such shares or give a proxy to Market Leader to vote those shares without specific instructions from their customers.

**Q: Am I entitled to dissenters rights?**

A: Yes. Market Leader shareholders who do not vote in favor of the merger proposal and follow certain procedural steps will be entitled to dissenters rights under chapter 23B.13 of the Washington Business Corporation Act, which is referred to herein as the WBCA, provided they take the steps required to perfect their rights under chapter 23B.13 of the WBCA. For more information regarding dissenters rights, see the section entitled Dissenters Rights. In addition, a copy of chapter 23B.13 of the WBCA is attached as Annex C to this proxy statement.

**Q: Can I change my vote after I have returned a proxy or voting instruction card?**

A: Yes. If you are a registered holder and give your proxy card to Market Leader or vote by telephone or the Internet, you have the power to revoke your proxy or change your vote by taking any of the following actions before your proxy is voted at the special meeting:

voting again by telephone or Internet any time prior to 11:59 p.m., Eastern Time, on August 15, 2013;

notifying the Secretary of Market Leader in writing no later than the beginning of the special meeting of your revocation;

delivering to the Secretary of Market Leader no later than the beginning of the special meeting a revised signed proxy card bearing a later date; or

attending the special meeting and voting in person, which will automatically cancel any proxy previously given, or revoking your proxy in person, but your attendance alone will not revoke any proxy that you have previously given.

If your shares are held in street name by your broker, bank or other nominee, you should contact them to change your vote.

**Q: When do you expect the merger to be completed?**

A: Trulia and Market Leader expect to complete the merger during the third quarter of 2013 if the approval of the merger proposal is obtained, assuming the other conditions that are set forth in the merger agreement to the consummation of the merger are satisfied or waived. However, it is possible that the merger will not be consummated within that timeframe.

**Q: Do I need to do anything with my Market Leader common stock certificates now?**

A: No. After the merger is completed, if you held certificates representing shares of Market Leader common stock prior to the merger, Trulia's exchange agent will send you a letter of transmittal and instructions for exchanging your shares of Market Leader common stock for the merger consideration. Upon surrender of the certificates for cancellation along with the executed letter of transmittal and other required documents



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described in the instructions, you will receive the merger consideration. Unless you specifically request to receive Trulia stock certificates, the shares of Trulia common stock you receive in the merger will be issued in book-entry form. **DO NOT SEND ANY STOCK CERTIFICATES WITH YOUR PROXY.**

**Q: Do I need identification to attend the Market Leader special meeting in person?**

A: Yes. Please bring proper identification, together with proof that you are a record owner of Market Leader common stock. If your shares are held of record in the name of your bank, broker or other nominee and you would like to vote in person at the special meeting, you must bring to the special meeting a letter, account statement or other evidence from the nominee indicating that you were the beneficial owner of the shares on the record date for the special meeting.

**Q: Who can help answer my questions?**

A: If you have questions about the merger agreement, the merger or the merger proposal or the other matters to be voted on at the special meeting or desire additional copies of this proxy statement/prospectus or additional proxy cards, you should contact Georgeson, Inc., Market Leader's proxy, toll-free at (866) 695-6078 (banks and brokers toll-free collect at (800) 223-2064).

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**SUMMARY**

*This summary highlights selected information contained or incorporated by reference in this proxy statement/prospectus and may not contain all of the information that is important to you. This summary is not intended to be complete and reference is made to, and this summary is qualified in its entirety by, the more detailed information contained or incorporated by reference in this proxy statement/prospectus and the annexes attached to this proxy statement/prospectus. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled *Where You Can Find More Information*. Page references have been included parenthetically to direct you to a more complete description of the topics presented in this summary.*

**The Companies (See page 60)**

***Trulia, Inc.***

Trulia is redefining the home search experience for consumers and changing the way that real estate professionals build their businesses. Trulia's marketplace, delivered through the web and mobile applications, gives consumers powerful tools to research homes and neighborhoods and enables real estate professionals to efficiently market their listings and attract new clients. Trulia believes it delivers the best home search experience by combining Trulia's superior user interface with its comprehensive database of real estate properties, local insights, and user-generated content. Trulia offers free and subscription products that provide real estate professionals with access to transaction-ready consumers and help them enhance their online presence. In the three months ended March 31, 2013, Trulia had 31.3 million monthly unique visitors. As of the three months ended March 31, 2013, Trulia had more than 389,000 active real estate professionals in its marketplace, 27,900 of whom were paying subscribers.

Trulia's common stock is traded on the NYSE under the symbol *TRLA*. The principal executive offices of Trulia are located at 116 New Montgomery Street, Suite 300, San Francisco, CA 94105, and its telephone number is (415) 648-4358.

For more information regarding Trulia's business, see the section entitled *Description of Trulia's Business*.

***Market Leader, Inc.***

Market Leader, founded in 1999, provides innovative online technology and marketing solutions for real estate professionals across the United States and Canada. Market Leader serves 135,000 real estate agents, brokerages and franchisors, offering complete end-to-end solutions that enable them to grow and manage their businesses. Market Leader's subscription-based real estate marketing software and services help customers generate a steady stream of prospects, plus provide the systems and training they need to convert those prospects into clients. In addition, Market Leader's national consumer real estate sites give its customers access to millions of future home buyers and sellers, while providing consumers with free access to the information they seek.

Shares of Market Leader common stock currently trade on the Nasdaq Global Select Market under the stock symbol *LEDR*. The principal executive offices of Market Leader are located at 11332 NE 122<sup>nd</sup> Way, Suite 200, Kirkland, WA 98034, and its telephone number is (425) 952-5500.

Additional information about Market Leader and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. See the section entitled *Where You Can Find More Information*.

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### ***Mariner Acquisition Corp.***

Mariner Acquisition Corp., a wholly owned subsidiary of Trulia, is a Washington corporation formed for the purpose of effecting the merger and is referred to herein as Merger Sub.

Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the merger.

### **The Merger (See page 61)**

Pursuant to the terms and subject to the conditions of the merger agreement, at the closing of the proposed transactions contemplated by the merger agreement, Merger Sub will be merged with and into Market Leader, and Market Leader will continue as the surviving corporation of the merger and as a wholly owned subsidiary of Trulia. Following the merger, Market Leader will no longer be a publicly traded corporation.

### **Merger Consideration (See page 91)**

At the effective time of the merger, each share of Market Leader common stock issued and outstanding immediately prior to the effective time of the merger (other than shares with respect to which dissenter's rights are properly exercised or shares owned by Trulia, any of its subsidiaries or Market Leader) will be converted into the right to receive (i) \$6.00 in cash, without interest and subject to applicable withholding tax, plus (ii) 0.1553 of a share of the common stock of Trulia, in each case subject to adjustment as described below under the caption Adjustment to the Merger Consideration.

Market Leader shareholders will not receive any fractional shares of Trulia common stock in the merger. Instead, any shareholder who would otherwise be entitled to a fractional share of Trulia common stock will be entitled to receive an amount in cash (rounded down to the nearest whole cent), without interest, equal to the product of such fraction multiplied by the closing measurement price.

### **Treatment of Market Leader Equity Awards (See page 92)**

In connection with the merger, except as provided below under the caption Cash-Out of Certain Vested Equity-Based Awards, each Market Leader stock option, stock appreciation right and restricted stock unit held by a continuing service provider will be assumed and converted automatically at the effective time of the merger into a corresponding equity award to purchase or acquire Trulia common stock and will continue to be governed by the terms of the applicable Market Leader equity incentive plan and related grant agreement under which it was granted. The terms of each assumed equity award will be the same except that the shares subject to each equity award and the exercise price, if any, will be adjusted by an exchange ratio formula set forth in the merger agreement. At its discretion, Trulia may elect to assume the share reserve of Market Leader's existing equity incentive plan at the time of the closing of the merger.

### **Cash-Out of Certain Vested Equity-Based Awards (See page 93)**

The NYSE Listed Company Manual requires the prior approval by the Trulia shareholders for the issuance (or potential issuance) by Trulia of its shares (or securities convertible into or exercisable for Trulia shares) if such shares are or will be upon issuance equal to 20% or more of Trulia's outstanding shares before the issuance. The merger agreement limits the aggregate number of shares of Trulia common stock that may be issued or are otherwise issuable in connection with the merger, including the Trulia shares issuable in respect of assumed Market Leader equity awards, to avoid meeting or exceeding this threshold. If the aggregate number of shares of

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Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) meets or exceeds 19.9% of the number of shares of Trulia common stock outstanding immediately prior to the effective time of the merger, which is referred to herein as the 19.9% threshold, then certain vested Market Leader stock options and stock appreciation rights will not be assumed and instead will be terminated in exchange for a cash payment with respect to each share of Market Leader common stock underlying any such award equal to (i) \$6.00 plus (ii) 0.1553 multiplied by the closing measurement price minus (iii) the per share exercise price of such award, net of applicable withholding taxes. However, if the per share exercise price of a vested award not assumed pursuant to this paragraph exceeds the sum of (i) and (ii), then such award would terminate without consideration. The identification of Market Leader equity awards not assumed pursuant to this paragraph would be determined by a formula set forth in the merger agreement. If the price of Trulia's common stock decreased and the cash-out mechanic described above was triggered, Trulia would be required to pay additional cash consideration to the holders of such vested equity awards, which Trulia believes is reasonably possible based upon the historic volatility of Trulia's common stock price and the time it may take to complete the merger. By way of example, if Trulia's stock price decreased such that the closing measurement price would be 10%, 20% and 30% less than the volume-weighted average price of Trulia's common stock for the 10-trading day period ending July 11, 2013 (\$32.30), Trulia believes it would be required to pay cash consideration to such vested equity holders of approximately \$0 (as the cash-out would not have been triggered), \$0 (as the per share exercise price of the cashed-out awards would exceed the sum of (i) and (ii) above and thus terminate without consideration) and \$1.6 million, respectively. The cash-out would be made in lieu of the assumption of the cashed out awards, and the cash consideration paid to the holders of such awards would be substantially equivalent to the value of the Trulia equity awards that such holders would receive if the cash-out was not effected. Accordingly, the impact on the purchase price will not be significant and the cash-out would not affect the form or amount of the merger consideration to be received by the holders of Market Leader common stock.

**Adjustment to the Merger Consideration (See page 94)**

As noted above, the merger agreement limits the aggregate number of shares of Trulia common stock that may be issued or are otherwise issuable in connection with the merger to the 19.9% threshold. If, following the cash-out of certain vested equity-based awards as described under the caption Cash-Out of Certain Vested Equity-Based Awards above, the aggregate number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) would still meet or exceed the 19.9% threshold, the aggregate stock consideration would be decreased to the minimum extent necessary such that the number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) would not meet or exceed the 19.9% threshold. In such event, the cash consideration will be increased by an amount equal to the product of (i) the amount of the reduction in the stock consideration multiplied by (ii) the closing measurement price. Although the adjustment will change the respective amounts of stock consideration and cash consideration you will receive in the merger, the overall value of the merger consideration as of the closing date of the merger should not be substantively changed due to the adjustment. Although as of the date of this proxy statement/prospectus, Trulia and Market Leader do not anticipate that an adjustment to the merger consideration will be necessary, a decline in the price of Trulia's common stock could result in the adjustment being made. For example, using the equity capitalization of Trulia and Market Leader as of May 3, 2013 (the reference date for Trulia's and Market Leader's respective capitalization representations and warranties contained in the merger agreement) and assuming a cash-out of all of Market Leader's vested equity awards as described above, Trulia's stock price would need to decline to below approximately \$7.68 per share before any such adjustment to the merger consideration would be effected. As of July 11, 2013, the closing price of Trulia's common stock as reported on the NYSE was \$34.22 per share. Until the merger has been consummated, holders of Market Leader's common stock may not know the proportion of stock consideration and cash consideration they will receive in the merger.

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### **Recommendations of the Market Leader Board of Directors (See page 105)**

The Market Leader board of directors unanimously recommends that Market Leader's shareholders vote **FOR** the merger proposal, **FOR** the approval, on a non-binding, advisory basis, of the merger-related compensation payments proposal and **FOR** the adjournment of the special meeting, if necessary to solicit additional proxies.

### **Market Leader's Reasons for the Merger (See page 67)**

In the course of reaching its decision to adopt the merger agreement and to recommend that Market Leader shareholders vote to approve the merger proposal, Market Leader's board of directors consulted with its senior management, financial advisor and legal counsel, reviewed a significant amount of information and considered a number of factors, including, among others, those contained in the section entitled "The Merger" Market Leader's Reasons for the Merger and Recommendation of the Market Leader Board of Directors.

### **Opinion of GCA Savvian Advisors, LLC (See page 70)**

The Board received an opinion, dated May 6, 2013, from GCA Savvian Advisors, LLC, referred to herein as "GCA Savvian", that, as of that date and based on and subject to assumptions made, matters considered and limitations on the scope of review undertaken by GCA Savvian as set forth therein, the merger consideration was fair, from a financial point of view, to the holders of the shares of Market Leader common stock entitled to receive such consideration. The full text of GCA Savvian's written opinion, which sets forth, among other things, the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken by GCA Savvian in rendering its opinion is attached as Annex B to this proxy statement/prospectus. The opinion was delivered to the Market Leader board of directors and addresses only the fairness, from a financial point of view, of the merger consideration to the holders of shares of Market Leader common stock entitled to receive such consideration. The opinion does not address any other aspect of the proposed merger and does not constitute a recommendation to the Market Leader board of directors or to any other persons in respect of the proposed merger, including as to how any holder of shares of Market Leader common stock should vote or act in respect of the proposed merger.

### **Interests of Market Leader's Directors and Executive Officers in the Merger (See page 79)**

In considering the recommendation of the Market Leader board of directors to approve the merger proposal, Market Leader shareholders should be aware that Market Leader's directors and executive officers may have interests in the merger that are different from, or in addition to, the interests of shareholders generally. The Market Leader board of directors was aware of and considered these interests, among other matters, in adopting the merger agreement and approving the merger, and in recommending that the merger agreement be approved by shareholders. These interests include accelerated vesting of certain outstanding Market Leader equity awards held by directors and one executive officer of Market Leader in connection with the merger, certain cash payments payable to Market Leader executive officers in the event of a qualifying termination of employment following consummation of the merger, continued employment of executive officers following the merger, and the continued indemnification and for a period of six years following the closing of the merger insurance coverage of directors and executive officers.

### **Voting Agreements (See page 112)**

In connection with entering into the merger agreement, Trulia and each of the directors and executive officers of Market Leader and their respective permitted transferees, as applicable, in their individual capacities, each of whom are referred to herein as a supporting shareholder, entered into voting agreements pursuant to which the supporting shareholders agreed to, among other things, vote their shares of Market Leader common

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stock (i) in favor of the merger proposal and (ii) against approval of any proposal made in opposition to, in competition with, or inconsistent with, the merger agreement or the merger or any other transactions contemplated by the merger agreement. In addition, the supporting shareholders agreed not to directly or indirectly transfer their respective shares of Market Leader common stock during the term of the voting agreement. The voting agreements may not be terminated by the supporting shareholders even if the Market Leader board of directors has withdrawn or changed its recommendation in favor of the transaction with Trulia and, in such instances, the supporting shareholders would be required to vote to approve the merger proposal. As of the record date, the supporting shareholders as a group owned and were entitled to vote 3,014,354 shares of Market Leader common stock, or approximately 11% of the shares of Market Leader common stock on that date.

### **Regulatory Approvals Required for the Merger (See page 88)**

The merger is subject to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to herein as the HSR Act. Under the HSR Act, and the rules that have been promulgated under the HSR Act, acquisitions of a sufficient size may not be completed unless information has been furnished to the Antitrust Division of the U.S. Department of Justice, which is referred to herein as the DOJ, and to the U.S. Federal Trade Commission, which is referred to herein as the FTC, and applicable waiting period requirements have been satisfied or early termination of the waiting period has been granted. Both Trulia and Market Leader filed the required notification and report forms on May 14, 2013, commencing the 30-calendar day waiting period that would have expired on June 13, 2013. On May 24, 2013, Trulia and Market Leader received notification from the FTC of early termination of the waiting period.

### **Litigation Relating to the Merger (See page 89)**

In connection with the Merger, three purported class action lawsuits brought on behalf of all Market Leader shareholders were filed in King County Superior Court: *Bruce Lynn v. Market Leader, et al.*, No. 13-2-20796-6, filed May 23, 2013; *Arjun Reddy v. Morris, et al.*, No. 13-2-21115-7, filed May 29, 2013; and *Jamason v. Market Leader, et al.*, No. 13-2-21190-4, filed May 29, 2013. The complaints in the three pending lawsuits are similar. Each complaint names Market Leader, all of the members of Market Leader's board of directors, Trulia, and Mariner Acquisition Corp. as defendants. The complaints allege, among other things, that Market Leader's board of directors breached its fiduciary duties to its shareholders by failing to maximize shareholder value or to engage in a fair sale process before approving the proposed acquisition of Market Leader by Trulia. The complaints further allege that Market Leader, Trulia and Mariner Acquisition Corp. aided and abetted the Market Leader board of directors in its breaches of fiduciary duty. The plaintiffs seek relief that includes an injunction prohibiting the consummation of the Merger, rescission to the extent the Merger terms have already been implemented, damages for the breaches of fiduciary duty, and payment of plaintiffs' attorneys' fees and costs. Market Leader and its board of directors believe that these allegations are without merit and intend to defend the lawsuits vigorously. There can be no assurance, however, with regard to the outcome of these lawsuits.

### **Dissenters' Rights (See page 149)**

Market Leader shareholders who do not vote in favor of the approval of the merger agreement and follow certain procedural steps will be entitled to dissenters' rights under chapter 23B.13 of the WBCA, provided they take the steps required to perfect their rights under chapter 23B.13 of the WBCA.

### **The Merger Agreement (See page 91)**

A copy of the merger agreement is attached as Annex A to this proxy statement/prospectus. You are encouraged to read the entire merger agreement carefully because it is the principal legal document governing the merger.

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**Conditions to Completion of the Merger (See page 107)**

***Mutual Conditions***

Each party's obligation to complete the merger are subject to the satisfaction or waiver of certain conditions, including:

the effectiveness of the registration statement of which this proxy statement/prospectus is a part under the Securities Act and the absence of any stop order or proceedings initiated or threatened in writing by the SEC for that purpose;

the approval of the merger proposal by Market Leader shareholders;

the expiration or termination of all applicable waiting periods under the HSR Act;

the approval of the listing of the Trulia common stock to be issued in the merger on the NYSE, subject to official notice of issuance; and

the absence of any order, or the threat thereof, or any law, that has the effect of making the merger illegal or otherwise prevents the consummation of the merger.

***Conditions to the Obligations of Trulia and Merger Sub***

The obligations of Trulia and Merger Sub to complete the merger are subject to the satisfaction or waiver of certain additional conditions, including:

the accuracy of the representations and warranties made by Market Leader in the merger agreement to varying standards depending on the representation or warranty;

Market Leader's performance, in all material respects, of all of its obligations set forth in the merger agreement;

no material adverse effect with respect to Market Leader shall exist;

the absence of pending or overtly threatened legal proceedings brought by a governmental authority that seeks to restrain or prohibit the completion of any of the transactions contemplated by the merger agreement or the voting agreements, seeks to impose any antitrust restraints (as defined in The Merger Agreement Covenants Reasonable Best Efforts to Complete the Merger ) or if adversely determined, would reasonably be likely to have a material adverse effect on Market Leader or Trulia;

all applicable waiting periods and all approvals under all antitrust laws will have expired, been terminated or obtained and all other approvals that are necessary to consummate the transactions contemplated by the merger agreement will have been obtained; and

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holders of no more than 5% of the outstanding shares of Market Leader capital stock will have exercised, or notified the parties of an intent to exercise, statutory rights of dissent under Washington law.

### ***Conditions to the Obligations of Market Leader***

The obligations of Market Leader to complete the merger are subject to the satisfaction or waiver of certain additional conditions, including:

the accuracy of the representations and warranties made by Trulia in the merger agreement to varying standards depending on the representation or warranty;

Trulia's performance, in all material respects, of all of its obligations set forth in the merger agreement; and

there having been no material adverse effect with respect to Trulia.



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### **Prohibitions on Market Leader from Soliciting Other Offers (See page 102)**

The merger agreement contains no shop provisions that, subject to certain exceptions, restrict Market Leader's ability to solicit, initiate, encourage, facilitate or induce the making of competing third-party proposals to acquire all or a significant part of Market Leader and require Market Leader to provide Trulia with certain information relating to any such proposals received by Market Leader. In addition, Trulia generally has an opportunity to offer to modify the terms of the proposed merger in response to any competing acquisition proposal that may be made before the Market Leader board of directors may withdraw or change its recommendation to the Market Leader shareholders in favor of the proposed merger. Further, Market Leader cannot terminate the merger agreement even if the Market Leader board of directors has withdrawn or changed its recommendation in favor of the transaction with Trulia and, in such instances, Trulia can require Market Leader to hold the special meeting to vote upon the merger proposal.

### **Termination of the Merger Agreement (See page 109)**

#### ***Mutual Termination Rights***

Trulia and Market Leader may terminate the merger agreement by mutual written consent.

Either Trulia or Market Leader may also terminate the merger agreement if:

the merger has not been completed by October 31, 2013, provided that such right to terminate will not be available to any party whose action or failure to act has been the principal cause of or principally resulted in any of the conditions to the merger having failed to be satisfied on or before such date, and such action or failure to act constitutes a material breach of the merger agreement;

there is a final and nonappealable order or law that has the effect of making the merger illegal or otherwise prevents the consummation of the merger; or

Market Leader fails to obtain the requisite shareholder approval of the merger proposal at the special meeting (including any adjournments and postponements thereof at which a vote was taken on the merger proposal).

#### ***Trulia's Termination Rights***

Trulia may also terminate the merger agreement if:

Market Leader breaches its representations or warranties or fails to perform any covenant or obligation in such a way that would cause the failure of the closing conditions relating thereto, and in the case of a breach of a representation or warranty, such breach is not curable, or cured within 30 days following notice thereof, through the exercise of reasonable efforts;

a material adverse effect with respect to Market Leader exists;

Market Leader breaches its obligations under the merger agreement related to non-solicitation of an alternative acquisition proposal, convening the special meeting or a change in board recommendation;

the Market Leader board of directors makes a board recommendation change or notifies Trulia of its intent to make a board recommendation change;

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the Market Leader board of directors approves or recommends any alternative acquisition proposal or alternative acquisition transaction;

Market Leader enters into an agreement, memorandum of understanding or letter of intent agreeing to or accepting an acquisition proposal or acquisition transaction (other than certain excluded confidentiality agreements);

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a tender or exchange offer relating to Market Leader common stock is commenced by a third party and Market Leader does not, within 10 business days, publicly reaffirm the Market Leader board of directors' recommendation in favor of the merger proposal and recommend rejection of the tender or exchange offer; or

the Market Leader board of directors fails to publicly reaffirm its recommendation in favor of the merger proposal with Trulia within 10 business days after Trulia's request to do so.

***Market Leader's Termination Rights***

Market Leader may also terminate the merger agreement if Trulia or Merger Sub breaches its representations or warranties or fails to perform any covenant or obligation in such a way that would cause the failure of the closing conditions relating thereto, and in the case of a breach of a representation or warranty, such breach is not curable, or cured within 30 days following notice thereof, through the exercise of reasonable efforts.

Market Leader cannot terminate the merger agreement even if the Market Leader board of directors has withdrawn or changed its recommendation in favor of the transaction with Trulia and, in such instances, Trulia can require Market Leader to hold the special meeting to vote upon the approval of the merger proposal.

**Expenses and Termination Fees (See page 110)**

Market Leader has agreed to reimburse Trulia for its out-of-pocket fees and expenses of up to \$1.0 million if the merger agreement is terminated because Market Leader fails to obtain the requisite shareholder approval of the merger proposal and, prior to the termination of the merger agreement, an acquisition proposal has been publicly announced or has become publicly known, or has been communicated or otherwise made known to Market Leader.

Market Leader has also agreed to pay Trulia a termination fee of \$15.0 million (less any of Trulia's expenses paid by Market Leader, as described above), if any one of the following events occur:

the merger agreement is terminated by Trulia for any of the following reasons (i) Market Leader breaches its obligations under the merger agreement related to non-solicitation, convening the special meeting or a change in board recommendation; (ii) the Market Leader board of directors makes a board recommendation change or notifies Trulia of its intent to make a board recommendation change; (iii) the Market Leader board of directors approves or recommends any alternative acquisition proposal or acquisition transaction; (iv) Market Leader enters into an agreement or arrangement to discuss or negotiate an alternative acquisition proposal or acquisition transaction (other than certain excluded confidentiality agreements); (v) a tender or exchange offer relating to Market Leader common stock is commenced and Market Leader does not, within 10 business days, publicly reaffirm the Market Leader board of directors' recommendation in favor of the merger proposal and recommend rejection of the tender or exchange offer; or (vi) the Market Leader board of directors fails to publicly reaffirm its recommendation in favor of the merger proposal with Trulia within 10 business days after Trulia's request; or

(i) the merger agreement is terminated because the merger has not been completed by October 31, 2013, (ii) prior to the termination of the merger agreement, an acquisition proposal is publicly announced or becomes publicly known, or has been communicated or otherwise made known to Market Leader's board of directors and (iii) within twelve (12) months following the termination of the merger agreement, either an acquisition transaction with a third party is consummated or Market Leader enters into a letter of intent, memorandum of understanding or other contract providing for an acquisition transaction with a third party; or

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(i) the merger agreement is terminated because Market Leader fails to obtain the requisite shareholder approval of the merger proposal at the special meeting, (ii) prior to the termination of the merger agreement, an acquisition proposal with a third party is publicly announced or becomes publicly known, or has been communicated or otherwise made known to Market Leader's board of directors and (iii) within twelve (12) months following the termination of the merger agreement, either an acquisition transaction with a third party is consummated or Market Leader enters into a letter of intent, memorandum of understanding or other contract providing for an acquisition transaction with a third party; or

(i) the merger agreement is terminated because Market Leader breaches its representations or warranties or fails to perform any covenant or obligation in such a way that would cause the failure of the closing conditions relating thereto, and in the case of a breach of a representation or warranty, such breach is not curable, or cured within 30 days following notice thereof, through the exercise of reasonable efforts; (ii) prior to the breach or inaccuracy that forms the basis for the termination, an acquisition proposal is publicly announced or becomes publicly known, or has been communicated or otherwise made known to Market Leader's board of directors and (iii) within twelve (12) months following the termination of the merger agreement, either an acquisition transaction is consummated or Market Leader enters into a letter of intent, memorandum of understanding or other contract providing for an acquisition transaction.

For purposes of determining termination fees, the term acquisition proposal will have the definition set forth under the section entitled "The Merger Agreement - Limitation on the Solicitation, Negotiation and Discussion of Other Acquisition Proposals by Market Leader," except that all references to 15% and 85% in such definition should instead be references to 50%.

**Ownership of Trulia After the Merger**

Based on the number Market Leader shares of common stock outstanding as of July 15, 2013, Trulia expects to issue approximately 4,246,867 million shares of its common stock to Market Leader shareholders in the merger. The actual number of shares of Trulia common stock to be issued in the merger will be determined at the completion of the merger based on the number of Market Leader shares outstanding at the time of the consummation of the merger, subject to adjustment as described herein. Immediately after the consummation of the merger, and based on the number of shares of Trulia common stock outstanding as of June 30, 2013, it is expected that former Market Leader shareholders will own approximately 11.6% of the 36,532,392 shares of Trulia common stock then outstanding.

**Directors and Management After the Merger (See page 86)**

Upon completion of the merger, the board of directors and executive officers of Trulia are expected to remain unchanged, except that it is anticipated that Ian Morris, Market Leader's Chief Executive Officer, will become an executive officer of Trulia.

**Material U.S. Federal Income Tax Consequences of the Merger (See page 86)**

The receipt of the merger consideration in exchange for Market Leader common stock pursuant to the merger will be a taxable transaction for United States federal income tax purposes.

In general, a United States holder who receives merger consideration in exchange for shares of Market Leader common stock pursuant to the merger will recognize capital gain or loss for United States federal income tax purposes equal to the difference, if any, between (1) the sum of the fair market value of Trulia common stock received as of the effective time of the merger and the amount of cash received and (2) the holder's aggregate adjusted tax basis in the shares of Market Leader common stock exchanged for the merger consideration.

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**Tax matters are very complicated, and the tax consequences of the merger to a particular Market Leader shareholder will depend in part on such shareholder's circumstances. Accordingly, you should consult your own tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.**

### **Accounting Treatment (See page 88)**

In accordance with accounting principles generally accepted in the United States, Trulia will account for the merger using the acquisition method of accounting for business combinations.

### **Procedure for Receiving the Merger Consideration**

Trulia has appointed Computershare Trust Company, N.A., as its exchange agent, to coordinate the payment of the cash and stock merger consideration following the merger. If you own shares of Market Leader common stock that are held in street name by your broker, bank or other nominee, you will receive instructions from your broker, bank or other nominee as to how to surrender your street name shares and receive cash and stock for those shares. If you hold certificated shares, the exchange agent will send you written instructions for surrendering your certificates and obtaining the cash and stock merger consideration at or about the date on which Market Leader completes the merger. **Do not send in your share certificates now.**

### **Comparison of Trulia and Market Leader Shareholder Rights (See page 132)**

The rights of Trulia shareholders are currently governed by the Delaware General Corporation Law, which is referred to herein as the DGCL, and the certificate of incorporation and by-laws of Trulia. The rights of Market Leader shareholders are currently governed by the Washington Business Corporations Act, which is referred to herein as the WBCA, and the articles of incorporation and by-laws of Market Leader. Upon completion of the merger, Market Leader shareholders will become Trulia shareholders. Accordingly, Market Leader shareholders will have different rights as shareholders of Trulia than as shareholders of Market Leader, because the DGCL and the certificate of incorporation and by-laws of Trulia contain provisions that are different from the provisions contained in the WBCA and the articles of incorporation and by-laws of Market Leader.

### **Proposal to Approve the Merger-Related Compensation for Named Executive Officers (See page 238)**

As required by Section 14A of the Exchange Act and the applicable SEC rules issued thereunder, which were enacted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, Market Leader is required to submit a proposal to Market Leader shareholders for a non-binding, advisory vote to approve the payment of certain compensation to the named executive officers of Market Leader that is based on or otherwise relates to the merger. This proposal, commonly known as say-on-golden parachute vote and which is referred to herein as the merger-related compensation payments proposal, gives Market Leader shareholders the opportunity to express their views on the compensation that Market Leader's named executive officers may be entitled to receive that is based on or otherwise relates to the merger.

### **Risk Factors (See page 27)**

The merger (including the possibility that the merger may not be consummated) poses a number of risks to Market Leader shareholders. In addition, Market Leader shareholders will be receiving shares of Trulia common stock in the merger. Trulia is subject to various risks associated with its business and a number of risks exist with respect to an investment in Trulia common stock.

**Table of Contents****TRULIA SELECTED HISTORICAL FINANCIAL AND OTHER DATA**

The following selected statement of operations data for the years ended December 31, 2010, 2011, and 2012 and the balance sheet data as of December 31, 2011 and 2012 have been derived from Trulia's audited financial statements included elsewhere in this proxy statement/prospectus. The selected statement of operations data in the three months ended March 31, 2012 and 2013 and the balance sheet data as of March 31, 2013 have been derived from Trulia's unaudited interim financial statements included elsewhere in this proxy statement/prospectus. The selected statement of operations data for the years ended December 31, 2008 and 2009 and the balance sheet data as of December 31, 2008, 2009 and 2010 have been derived from Trulia's financial statements which are not included in this proxy statement/prospectus. The unaudited interim financial statements reflect, in the opinion of management, all adjustments, of a normal, recurring nature that are necessary for the fair presentation of the financial statements. Trulia's historical results are not necessarily indicative of the results that may be expected in the future and the results in the three months ended March 31, 2013 are not necessarily indicative of results to be expected for the full year or any other period. You should read the following selected historical financial and other data below in conjunction with the section titled "Trulia Management's Discussion and Analysis of Financial Condition and Results of Operations" and Trulia's financial statements and related notes included elsewhere in this proxy statement/prospectus.

	2008	2009	Year Ended December 31,		2012	Three Months Ended	
			2010	2011		2012	March 31,
							2013
	(In thousands, except share and per share data)						
<b>Statement of Operations Data:</b>							
Revenue	\$ 8,066	\$ 10,338	\$ 19,785	\$ 38,518	\$ 68,085	\$ 12,162	\$ 24,002
Cost and operating expenses: <sup>(1)</sup>							
Cost of revenue (exclusive of amortization) <sup>(2)</sup>	2,680	2,855	3,657	5,795	9,999	2,205	3,181
Technology and development	5,202	7,056	8,803	14,650	20,199	4,646	4,897
Sales and marketing	5,194	5,532	8,638	17,717	33,747	6,075	12,293
General and administrative	3,143	1,912	2,501	6,123	13,659	2,971	5,172
Total cost and operating expenses	16,219	17,355	23,599	44,285	77,604	15,897	25,543
Loss from operations	(8,153)	(7,017)	(3,814)	(5,767)	(9,519)	(3,735)	(1,541)
Interest income	298	55	15	17	50	3	26
Interest expense	(11)	(21)	(39)	(389)	(1,016)	(252)	(236)
Change in fair value of warrant liability				(16)	(369)	(216)	
Loss before provision for income taxes	(7,866)	(6,983)	(3,838)	(6,155)	(10,854)	(4,200)	(1,751)
Provision for income taxes					(67)		(231)
Net loss attributable to common shareholders	\$ (7,866)	\$ (6,983)	\$ (3,838)	\$ (6,155)	\$ (10,921)	\$ (4,200)	\$ (1,982)
Net loss per share attributable to common shareholders, basic and diluted <sup>(3)</sup>	\$ (1.40)	\$ (1.21)	\$ (0.64)	\$ (0.92)	\$ (0.87)	\$ (0.61)	\$ (0.07)
Weighted average shares used in computing net loss per share attributable to common shareholders, basic and diluted <sup>(3)</sup>	5,606,337	5,752,478	6,016,550	6,657,045	12,538,769	6,882,065	28,427,025
<b>Other Financial Information:</b>							
Adjusted EBITDA <sup>(4)</sup>	\$ (6,890)	\$ (5,857)	\$ (2,497)	\$ (1,787)	\$ (3,364)	\$ (2,473)	\$ 1,211



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(1) Stock-based compensation was allocated as follows:

	Year Ended December 31,					Three Months Ended March 31,	
	2008	2009	2010	2011	2012	2012	2013
	(In thousands)						
Cost of revenue	\$ 22	\$ 10	\$ 8	\$ 11	\$ 32	\$ 5	\$ 41
Technology and development	166	177	176	482	930	192	411
Sales and marketing	119	105	97	183	398	55	337
General and administrative	446	13	73	808	1,210	213	603
<b>Total stock-based compensation</b>	<b>\$ 753</b>	<b>\$ 305</b>	<b>\$ 354</b>	<b>\$ 1,484</b>	<b>\$ 2,570</b>	<b>\$ 465</b>	<b>\$ 1,392</b>

(2) Amortization of product development costs were included in technology and development as follows:

	\$ 321	\$ 179	\$ 366	\$ 708	\$ 1,108	\$ 274	\$ 199
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(3) See Note 11 to Trulia's audited financial statements for an explanation of the method used to calculate basic and diluted net loss per share attributable to common shareholders and the weighted average number of shares used in the computation of the per share amounts.

(4) See "Non-GAAP Financial Measures" for more information and a reconciliation of Adjusted EBITDA to net loss, the most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles in the United States, or GAAP.

	As of December 31,					As of March 31,	
	2008	2009	2010	2011	2012	2012	2013
	(In thousands)						
<b>Condensed Balance Sheet Data:</b>							
Cash and cash equivalents and short-term investments	\$ 14,012	\$ 7,587	\$ 4,395	\$ 11,341	\$ 100,017	\$ 11,523	\$ 214,336
Working capital (deficit)	14,137	6,881	(132)	4,165	82,632	(323)	194,593
Property and equipment, net	1,131	847	3,465	5,548	7,069	5,630	8,294
Total assets	16,843	11,162	15,710	24,195	118,964	24,519	235,726
Deferred revenue	212	546	1,810	4,827	13,296	7,018	14,814
Total indebtedness	640	517	1,955	9,592	9,759	9,637	9,795
Preferred stock warrant liability				297		513	
Total shareholders' equity (deficit)	14,912	8,262	7,142	3,039	86,534	(435)	200,320

**Non-GAAP Financial Measures**

Adjusted EBITDA is a financial measure that is not calculated in accordance with generally accepted accounting principles in the United States, or GAAP. Trulia defines Adjusted EBITDA as net loss adjusted to exclude interest income, interest expense, taxes, depreciation and amortization, change in the fair value of our warrant liability and stock-based compensation. Below, Trulia has provided a reconciliation of Adjusted EBITDA to its net loss, the most directly comparable financial measure calculated and presented in accordance with GAAP. Adjusted EBITDA should not be considered as an alternative to net loss or any other measure of financial performance calculated and presented in accordance with GAAP. Trulia's Adjusted EBITDA may not be comparable to similarly titled measures of other organizations because other organizations may not calculate Adjusted EBITDA in the same manner as Trulia calculates the measure.

Trulia includes Adjusted EBITDA in this proxy statement/prospectus because it is an important measure upon which our management assesses its operating performance. Trulia uses Adjusted EBITDA as a key performance measure because Trulia believes it facilitates operating performance comparisons from period to period by excluding potential differences primarily caused by variations in capital structures, tax positions, the impact of depreciation and amortization expense on its fixed assets, changes related to the fair value remeasurements of its preferred stock warrant, and the impact of stock-based compensation expense. Because Adjusted EBITDA facilitates internal comparisons of Trulia's historical operating performance on a more consistent basis, Trulia also uses Adjusted EBITDA for business planning purposes, to incentivize and compensate our management personnel, and in evaluating acquisition opportunities. In addition, Trulia believes





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Adjusted EBITDA and similar measures are widely used by investors, securities analysts, ratings agencies, and other parties in evaluating companies in Trulia's industry as a measure of financial performance and debt-service capabilities.

Trulia's use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

Adjusted EBITDA does not reflect Trulia's cash expenditures for capital equipment or other contractual commitments;

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect capital expenditure requirements for such replacements;

Adjusted EBITDA does not reflect changes in, or cash requirements for, Trulia's working capital needs;

Adjusted EBITDA does not reflect the interest expense or the cash requirements necessary to service interest or principal payments on Trulia's indebtedness; and

Other companies, including companies in Trulia's industry, may calculate Adjusted EBITDA measures differently, which reduces their usefulness as a comparative measure.

In evaluating Adjusted EBITDA, you should be aware that in the future Trulia will incur expenses similar to the adjustments in this presentation. Trulia's presentation of Adjusted EBITDA should not be construed as an inference that Trulia's future results will be unaffected by these expenses or any unusual or non-recurring items. When evaluating our performance, you should consider Adjusted EBITDA alongside other financial performance measures, including Trulia's net loss and other GAAP results.

The following table presents a reconciliation of Adjusted EBITDA to Trulia's net loss, the most comparable GAAP measure, for each of the periods indicated:

	2008	Year Ended December 31,			2012	Three Months Ended March 31,		
		2009	2010	2011		2012	2013	
		(In thousands)						
Net loss attributable to common shareholders	\$ (7,866)	\$ (6,983)	\$ (3,838)	\$ (6,155)	\$ (10,921)	\$ (4,200)	\$ (1,982)	
Non-GAAP adjustments:								
Interest income	(298)	(55)	(15)	(17)	(50)	(3)	(26)	
Interest expense	11	21	39	389	1,016	252	236	
Depreciation and amortization	510	855	963	2,496	3,585	797	1,360	
Change in fair value of warrant liability				16	369	216		
Stock-based compensation	753	305	354	1,484	2,570	465	1,392	
Provision for income taxes					(67)		231	
Adjusted EBITDA	\$ (6,890)	\$ (5,857)	\$ (2,497)	\$ (1,787)	\$ (3,364)	\$ (2,473)	\$ 1,211	



**Table of Contents****MARKET LEADER SELECTED HISTORICAL FINANCIAL DATA**

The selected consolidated financial data presented below under the captions Consolidated Statements of Operations Data and Consolidated Balance Sheet Data for the years ended December 31, 2012 and 2011 and as of December 31, 2012 and 2011 are derived from Market Leader's audited consolidated financial statements contained in its Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this proxy statement/prospectus. The selected consolidated financial data for the years ended December 31, 2010, 2009 and 2008 and as of December 31, 2010, 2009, and 2008 are derived from Market Leader's audited consolidated financial statements for such years, which have not been included in, or incorporated by reference into, this proxy statement/prospectus. The selected consolidated financial data should be read in conjunction with Market Leader's consolidated financial statements for the respective periods, the related notes, and the related reports of KPMG LLP, an independent registered public accounting firm.

The consolidated statement of operations data for the three months ended March 31, 2013 and 2012, and the consolidated balance sheet data as of March 31, 2013 have been derived from Market Leader's unaudited condensed consolidated financial statements contained in its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013, which is incorporated by reference in this proxy statement/prospectus. The balance sheet data as of March 31, 2012 has been derived from Market Leader's unaudited condensed consolidated financial statements for such period, which have not been included in, or incorporated by reference into, this proxy statement/prospectus. These financial statements are unaudited, but, in the opinion of Market Leader's management, contain all adjustments necessary to present fairly Market Leader's consolidated financial position, results of operations, and cash flows for the periods indicated.

You should read this selected consolidated financial data together with the financial statements of Market Leader and the accompanying notes and management's discussion and analysis of financial condition and results of operations of Market Leader contained in Market Leader's Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013, each of which is incorporated by reference in this proxy statement/prospectus. See the section entitled Where You Can Find More Information.

**Consolidated Statements of Operations Data**

	Year Ended December 31,					Three Months Ended		
	2008	2009	2010	2011	2012	2012	2013	
	(In thousands, except share and per share data)						(unaudited)	
<b>Statement of Operations Data:</b>								
Revenues	\$ 38,386	\$ 23,935	\$ 24,430	\$ 34,025	\$ 44,988	\$ 10,186	\$ 12,924	
Expenses:								
Sales and marketing (1)	24,978	19,297	23,908	27,757	28,989	7,028	8,845	
Technology and product development (1)	6,409	5,114	5,358	8,209	9,713	2,339	2,942	
General and administrative (1)	9,245	6,915	5,920	6,840	7,828	1,855	2,303	
Depreciation and amortization of property and equipment	4,046	2,837	2,522	2,537	2,901	644	827	
Amortization of intangible assets	1,929	1,922	1,772	1,788	3,319	823	787	
Loss on asset disposition				174				
Contract termination charge				1,450				
Gain on sale of fixed assets	(791)							
Impairment of goodwill	4,883							
Total expenses	50,699	36,085	39,480	48,755	52,750	12,689	15,704	

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	Year Ended December 31,					Three Months Ended	
	2008	2009	2010	2011	2012	March 31, 2012	2013
	(In thousands, except share and per share data)						
Loss from operations	(12,331)	(12,150)	(15,050)	(14,730)	(7,762)	(2,503)	(2,780)
Equity in loss of unconsolidated subsidiary	(2,004)	(244)	(254)				
Gain on valuation of investment in subsidiary			750				
Interest income, net	1,225	241	202	60	32	9	6
Loss before provision for income taxes	(13,110)	(12,153)	(14,352)	(14,670)	(7,730)	(2,494)	(2,774)
Provision for income taxes	9	(4,782)	10	(27)	54	28	7
Net loss	(13,119)	(7,371)	(14,362)	(14,643)	(7,784)	(2,522)	(2,781)
Net loss attributable to noncontrolling interest	\$	\$	\$ (79)	\$ (398)	\$	\$	\$
Net loss attributable to Market Leader	\$ (13,119)	\$ (7,371)	\$ (14,283)	\$ (14,245)	\$ (7,784)	\$ (2,522)	\$ (2,781)
Net loss per share basic and diluted	(0.54)	(0.30)	(0.58)	(0.56)	(0.30)	(0.10)	(0.10)
Number of shares used in per share calculations	24,293	24,189	24,661	25,222	25,944	25,447	26,734

(1) Stock-based compensation is included in the expense line items above in the following amounts:

	Year Ended December 31,					Three Months Ended	
	2008	2009	2010	2011	2012	March 31, 2012	2013
	(In thousands, except share and per share data)						
Sales and marketing (1)	970	714	529	680	1,639	355	373
Technology and product development (1)	200	109	193	180	345	50	438
General and administrative (1)	2,155	1,540	1,083	639	1,265	228	558
	3,325	2,363	1,805	1,499	3,249	633	1,369

**Consolidated Balance Sheet Data**

	As of December 31,					As of March 31,	
	2008	2009	2010	2011	2012	2012	2013
	(In thousands)						
<b>Balance Sheet Data:</b>							
Cash and cash equivalents and short-term investments	\$ 58,648	\$ 51,433	\$ 45,315	\$ 23,099	\$ 22,199	\$ 20,638	\$ 21,989
Working capital	55,932	53,469	41,722	18,332	17,382	16,793	17,128
Property and equipment, net	4,452	4,472	3,856	4,507	5,486	5,060	5,764
Total assets	69,424	64,387	53,730	42,691	39,071	39,588	38,783
Deferred revenue	374	405	517	1,056	1,126	1,303	1,070
Stock appreciation liability				45	1,044	177	1,917
Total liabilities	4,580	4,594	5,399	7,573	7,770	6,290	9,067
Total shareholders equity and noncontrolling interest	64,844	59,793	48,331	35,118	31,301	33,298	29,716

**Table of Contents****SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA**

The following selected unaudited pro forma condensed combined financial data was prepared using the acquisition method of accounting with Trulia as the accounting acquirer. The selected unaudited pro forma condensed combined balance sheet data assume the merger of Trulia and Market Leader took place on March 31, 2013. The selected unaudited pro forma condensed combined statement of operations data assume the merger of Trulia and Market Leader took place on January 1, 2012.

The following selected unaudited pro forma condensed combined financial information is for illustrative purposes only and is not necessarily indicative of the combined financial position or results of operations of future periods or the results that actually would have been realized had the entities been a single entity during these periods. Future results may vary significantly from the results reflected because of various factors, including those discussed in the Section entitled Risk Factors. The following selected unaudited pro forma condensed combined financial information should be read in conjunction with the section entitled Unaudited Pro Forma Condensed Combined Financial Information and related notes included in this proxy statement/prospectus.

<i>Selected Unaudited Pro Forma Condensed Combined Statements of Operations Data:</i>	<b>Three Months Ended March 31, 2013</b>	<b>Year Ended December 31, 2012</b>
Operating revenue	\$ 36,926	\$ 113,073
Operating expenses	47,444	155,260
Operating loss	(10,518)	(42,187)
Loss before provision for income taxes	(10,722)	(43,490)
Net loss	(10,960)	(37,271)
<b>Earnings per share:</b>		
Basic	(0.34)	(2.23)
Diluted	(0.34)	(2.23)

<i>Selected Unaudited Pro Forma Condensed Combined Balance Sheet Data:</i>	<b>Three Months Ended March 31, 2013</b>
Cash and cash equivalents	\$ 63,047
Working capital	44,519
Total assets	480,447
Long-term liabilities	59,093
Stockholders' equity	375,155

**Table of Contents****CERTAIN HISTORICAL AND PRO FORMA PER SHARE INFORMATION**

The following tables for the year ended December 31, 2012 and the three month period ended March 31, 2013 summarize selected unaudited per share data for (i) Trulia and Market Leader on an historical basis, (ii) Trulia on a pro forma combined basis giving effect to the merger using the acquisition method of accounting and (iii) Market Leader on a pro forma equivalent basis based on the exchange ratio of 0.1553 of a share of Trulia common stock per share of Market Leader common stock, excluding the benefit to Market Leader shareholders of the cash component of the merger consideration. It has been assumed for purposes of the pro forma combined financial information provided below that the merger was completed on January 1, 2012 for earnings per share purposes, and on December 31, 2012 for book value per share purposes.

The unaudited pro forma per share data is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the transactions had been consummated at the beginning of the earliest period presented, nor is it necessarily indicative of future operating results or financial position. The pro forma adjustments are estimates based upon information and assumptions available at the time of the filing of this proxy statement/prospectus. Neither Trulia nor Market Leader declared any cash dividends related to their respective common stock during the periods presented.

The following information should be read in conjunction with the section entitled Unaudited Pro Forma Condensed Combined Financial Statements and related notes included in this proxy statement/prospectus.

**Year Ended December 31, 2012**

	Trulia		Market Leader	
	Historical	Pro Forma Combined	Historical	Pro Forma Equivalent <sup>(1)</sup>
Loss per share <sup>(2)</sup>				
Basic	\$ (0.87)	\$ (2.23)	\$ (0.30)	\$ (0.05)
Diluted	\$ (0.87)	\$ (2.23)	\$ (0.30)	\$ (0.05)
Book value per share of common stock <sup>(3)</sup>	\$ 3.14	\$ 11.81	\$ 1.18	\$ 0.18

**Three Months Ended March 31, 2013**

	Trulia		Market Leader	
	Historical	Pro Forma Combined	Historical	Pro Forma Equivalent <sup>(1)</sup>
Loss per share <sup>(2)</sup>				
Basic	\$ (0.87)	\$ (0.34)	\$ (0.10)	\$ (0.02)
Diluted	\$ (0.87)	\$ (0.34)	\$ (0.10)	\$ (0.02)
Book value per share of common stock <sup>(3)</sup>	\$ 6.24	\$ 10.34	\$ 1.10	\$ 0.17

- (1) Market Leader pro forma equivalent amounts are calculated by multiplying Market Leader's historical per share amounts by the exchange ratio of 0.1553. Does not reflect the \$6.00 cash component of the merger consideration.
- (2) The Pro Forma Condensed Combined Statement of Operations for the year ended December 31, 2012 and the three months ended March 31, 2013, as applicable, was prepared by combining Trulia's historical consolidated statement of operations and Market Leader's historical consolidated statement of operations adjusted to give effect to pro forma events that are (a) directly attributable to the merger, (b) factually supportable and (c) expected to have a continuing effect on combined results.
- (3) Historical book value per share is computed by dividing common shareholders' equity by the number of Trulia or Market Leader common stock outstanding, as applicable. Pro forma combined book value per share is computed by dividing pro forma common shareholders' equity by the pro forma number of shares of Trulia common stock that would have been outstanding as of December 31, 2012 or March 31, 2013, as applicable.

**Table of Contents****COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION**

Trulia common stock is listed and traded on the NYSE under the symbol TRLA, and Market Leader common stock is listed and traded on the Nasdaq Global Select Market under the symbol LEDR. The following table sets forth, for the respective periods of Trulia and Market Leader indicated, the high and low sale prices per share of Trulia common stock and Market Leader common stock.

	High	Trulia Low	Dividend	High	Market Leader Low	Dividend
<b>Year Ended December 31, 2013</b>						
Third Quarter (through July 12, 2013)	\$ 34.92	\$ 30.81		\$ 11.32	\$ 10.71	
Second Quarter	\$ 35.33	\$ 27.52		\$ 11.12	\$ 8.30	
First Quarter	\$ 38.22	\$ 16.50		\$ 9.01	\$ 6.28	
<b>Year Ended December 31, 2012</b>						
Fourth Quarter	\$ 23.88	\$ 14.69		\$ 7.09	\$ 5.43	
Third Quarter(1)	\$ 26.57	\$ 20.44		\$ 7.16	\$ 4.35	
Second Quarter				\$ 5.08	\$ 3.51	
First Quarter				\$ 3.99	\$ 2.40	
<b>Year Ended December 31, 2011</b>						
Fourth Quarter				\$ 3.02	\$ 1.94	
Third quarter				\$ 2.40	\$ 1.90	
Second quarter				\$ 2.55	\$ 1.89	
First quarter				\$ 3.00	\$ 1.75	

(1) Trulia's stock commenced trading on the NYSE on September 20, 2012.

The following table sets forth the closing sale prices per share of Trulia common stock and Market Leader common stock as of May 7, 2013, the last trading day prior to the public announcement of the proposed merger, and as of July 12, 2013 the most recent practicable trading day prior to the date of this proxy statement/prospectus. The table also sets forth the implied value of the merger consideration proposed for each share of Market Leader common stock as of the same two dates. This implied value was calculated by multiplying the closing sale price of Trulia common stock on the relevant date by the exchange ratio of the stock consideration of 0.1553 and adding the per share cash consideration, or \$6.00 per share.

	Trulia Common Stock	Market Leader Common Stock	Implied Value of Market Leader Common Stock
May 7, 2013	\$ 34.34	\$ 9.61	\$ 11.33
July 12, 2013	\$ 34.92	\$ 11.32	\$ 11.42

**The market prices of shares of Market Leader common stock and Trulia common stock are subject to fluctuation. As a result, you are urged to obtain current market quotations.**

**Dividend Policy**

Trulia has never declared or paid cash dividends on its common stock. Trulia currently intends to retain all future earnings for the operation and expansion of its business. Trulia does not anticipate declaring or paying cash dividends on its common stock in the foreseeable future. Any payment of cash dividends on its common stock will be at the discretion of Trulia's board of directors and will depend upon its operating results, earnings, capital requirements, contractual restrictions and other factors deemed relevant by Trulia's board of directors. In addition, Trulia's current credit facility prohibits Trulia from paying any cash dividends without the lenders' consent.





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Market Leader has never declared or paid any cash dividends on its common stock. Any future payment of cash dividends on Market Leader common stock will be at the discretion of the Market Leader's board of directors and will depend upon Market Leader's operating results, earnings, capital requirements, contractual restrictions and other factors deemed relevant by the Market Leader board of directors. The merger agreement restricts the ability of Market Leader to declare or pay dividends.

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**Table of Contents****RISK FACTORS**

*In addition to the other information included or incorporated by reference in this proxy statement/prospectus, including the matters addressed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements", you should carefully consider the following risks described below in evaluating whether to vote to approve the merger proposal. In addition, you should read and consider the risks associated with the businesses of each of Trulia and Market Leader because these risks will also affect the combined company. For Trulia, a description of these risks can be found in Trulia's Quarterly Report on Form 10-Q for the three months ended March 31, 2013, filed with the SEC on May 13, 2013. For Market Leader, a description of these risks can be found in Market Leader's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, as updated by any subsequent Quarterly Reports of Market Leader on Form 10-Q, each of which is filed with the SEC and incorporated by reference into this proxy statement/prospectus. You should also read and consider the other information in this proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information."*

**Risks Related to the Merger**

***Market Leader shareholders will not know the value of the merger consideration they will receive until the closing because the market price of Trulia common stock fluctuates.***

The number of shares of Trulia common stock to be received by holders of Market Leader common stock in the merger as part of the merger consideration has been fixed at 0.1553 of a share of Trulia common stock for each share of Market Leader common stock. Trulia's common stock is actively traded on the NYSE and, therefore, the implied value of the merger consideration changes along with changes in Trulia's stock price. Accordingly, at the time of the Market Leader special meeting, Market Leader shareholders will not know what the value of Trulia's common stock will be at the effective time of the merger and, therefore, they will not be able to calculate the market value of the Trulia common stock issued as stock consideration in the merger that they would have the right to receive upon completion of the merger. The actual value of the stock consideration may be less than the implied value on the day of the special meeting. Because the price of Trulia common stock could fluctuate during the period of time between when the Market Leader shareholders vote to approve the merger proposal and the effective time of the merger, Market Leader shareholders will be subject to the risk of a decline in the price of Trulia common stock during this period.

***The proportion of stock consideration and cash consideration to be delivered in the merger is subject to adjustment under certain circumstances and Market Leader shareholders may not know the proportion of stock consideration and cash consideration they will receive until the closing.***

The NYSE Listed Company Manual requires the prior approval by the Trulia shareholders for the issuance (or potential issuance) by Trulia of its shares (or securities convertible into or exercisable for Trulia shares) if such shares are or will be upon issuance equal to 20% or more of Trulia's outstanding shares before the issuance. The merger agreement limits the aggregate number of shares of Trulia common stock that may be issued or are otherwise issuable in connection with the merger to avoid meeting or exceeding this threshold. If, following the cash-out of vested options and stock appreciation rights described elsewhere in this proxy statement/prospectus, the aggregate number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) meets or exceeds 19.9% of the number of shares of Trulia common stock outstanding immediately prior to the effective time of the merger, which is referred to herein as the 19.9% threshold, then the aggregate stock consideration would be decreased to the minimum extent necessary such that the number of shares of Trulia common stock issued or issuable in the merger (including shares of Trulia common stock issuable in respect of assumed Market Leader equity awards) would not meet or exceed the 19.9% threshold. In such event, the aggregate cash consideration would be increased by an amount equal to the product of (a) the amount of the reduction in the aggregate stock consideration multiplied by (b) the volume weighted average closing price of Trulia common stock, rounded to the nearest one-tenth of a cent, as reported on the NYSE, for the ten (10) trading days immediately preceding (but

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not including) the date of the closing of the merger. Although the adjustment will change the respective amount