Form 8937

Issuers of corporate securities are required to complete Internal Revenue Service Form 8937 to report organizational actions that affect the basis of securities.

The following Form 8937 relates to the July 5, 2011 preferred stock distributions.
Report of Organizational Actions Affecting Basis of Securities

Part I  Reporting Issuer

1 Issuer's name
HOMEAWAY, INC.

3 Name of contact for additional information
RICHARD TATER

5 Email address of contact

6 Number and street (or P.O. box if mail is not delivered to street address) of contact
1011 W. FIFTH STREET, SUITE 300

7 City, town, or post office, state, and Zip code of contact
AUSTIN, TEXAS 78703

8 Date of action
JULY 5, 2011

9 Classification and description
DISTRIBUTIONS ON PREFERRED STOCK

10 CUSIP number

11 Serial number(s)

12 Ticker symbol

13 Account number(s)

Part II  Organizational Action

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ►
HOMEAWAY, INC. MADE DISTRIBUTIONS ON JULY 5, 2011 OF ACCUMULATED AND UNPAID DIVIDENDS TO HOLDERS OF EACH OF ITS SERIES A REDEEMABLE PREFERRED STOCK, SERIES B REDEEMABLE PREFERRED STOCK, AND SERIES C CONVERTIBLE PREFERRED STOCK.

% of Distribution

SECURITY CLASSIFIED AS A REDUCTION OF BASIS
NONDIVIDEND DISTRIBUTION PER SHARE

SERIES A REDEEMABLE PREFERRED STOCK 81.95% $0.5688
SERIES B REDEEMABLE PREFERRED STOCK 81.95% $0.6696
SERIES C CONVERTIBLE PREFERRED STOCK 81.95% $1.3684

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ►
HOMEAWAY, INC. CALCULATED EARNINGS AND PROFITS IN ACCORDANCE WITH IRC SECTION 312. THE COMPUTATION SUPPORTS THE CALCULATION OF THE TAXABLE PORTION OF THE DISTRIBUTIONS ON THE RESPECTIVE SERIES OF PREFERRED STOCK. THE COMPUTATION ALSO SUPPORTS THE PORTION OF THE DISTRIBUTIONS THAT ARE IN EXCESS OF CURRENT AND ACCUMULATED EARNINGS AND PROFITS.

For Paperwork Reduction Act Notice, see the separate instructions.
Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.
THE NONDIVIDEND PORTION OF DISTRIBUTIONS IS DETERMINED PURSUANT TO IRC SECTION 301(c).

18 Can any resulting loss be recognized?
NO RESULTING LOSS CAN BE RECOGNIZED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year.
THE REPORTABLE TAX YEAR IS 2011.
SEE ATTACHED STATEMENT.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Original with signature available upon request.

Print your name: RICHARD TATER

Preparer's name
Preparer's signature
Date
Check [ ] if self-employed

PTIN

Firm's name
Firm's address

Firm's EIN
Phone no.

Send Form 8837 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
Consult Your Tax Advisor
This notice contains our general understanding of the application of certain existing U.S. Federal income tax laws and regulations relating to the distributions. The information in this document does not constitute tax advice and does not purport to be a complete description of the consequences that may apply to specific holders of our preferred stock at the time of the distributions. You should be aware that it is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending any transaction or matters addressed herein. Each taxpayer is urged to seek independent advice from their tax advisor based on their particular circumstances.