

HOMESTORE INC  
Form 8-K  
March 03, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 8-K  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): February 27, 2006

**Homestore, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**000-26659**

(Commission  
File Number)

**95-4438337**

(IRS Employer  
Identification No.)

**30700 Russell Ranch Road**

**Westlake Village, California 91362**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (805) 557-2300

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written  
communications  
pursuant to  
Rule 425 under the  
Securities Act (17  
CFR 230.425)

Soliciting material  
pursuant to  
Rule 14a-12 under  
the Exchange Act  
(17 CFR  
240.14a-12)

Pre-commencement  
communications  
pursuant to  
Rule 14d-2(b) under  
the Exchange Act  
(17 CFR  
240.14d-2(b))

o  
Pre-commencement  
communications  
pursuant to  
Rule 13e-4(c) under  
the Exchange Act  
(17 CFR  
240.13e-4(c))

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Item 1.01 Entry into a Material Definitive Agreement

SIGNATURE

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**Item 1.01 Entry into a Material Definitive Agreement**

On February 27, 2006, the Management Development and Compensation Committee of the Board of Directors of Homestore, Inc. (the Company ) approved bonus plans for 2006 for the Company s named executive officers. Under such bonus plans, the named executive officers are eligible to receive performance bonuses upon achievement of certain cash operating income (COI) and revenue objectives and certain individual performance objectives specified in the plans. Certain executives have additional COI and revenue objectives relating to the financial performance of a given business unit. For purposes of the plans, COI will be calculated as operating income less non-cash charges and extraordinary, non-recurring items, calculated before payment of executive bonuses.

Actual bonuses payable for fiscal year 2006 (if any) will vary depending on the extent to which actual performance meets, exceeds, or falls short of the applicable performance goals. In the event the executive successfully achieves all of his target performance objectives, he will receive a bonus equal to his annual base compensation. In the event the executive significantly exceeds his performance objectives, he may receive a bonus in excess of his target bonus, up to a maximum of twice his annual base compensation.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOMESTORE, INC.

Date: March 3, 2006

By: /s/ Michael R. Douglas  
Michael R. Douglas  
Executive Vice President, General  
Counsel and Secretary