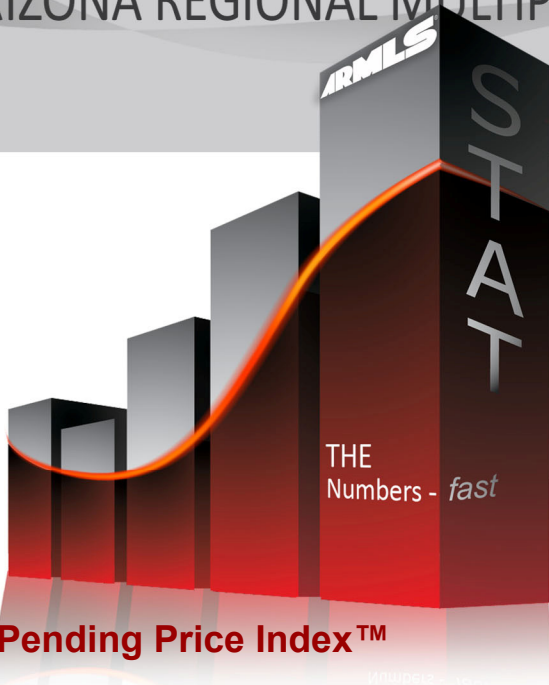


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“ARMLS PPI” is a trademark
of Arizona Regional MLS.



The ARMLS Pending Price Index™

THE ARMLS Pending Price Index™ (PPI™) is a predictive market tool exclusive to ARMLS. The Index uses pending sales data from the Arizona Regional MLS system to predict Median sales price and Average sales price three to four months into the future. This information is only available through ARMLS, the sole aggregator of pending sales data.

Pending sales data predict that the Average price will drop over 4% in August to \$168.7K and continue downward but at a slower rate in September (3.1%) and October (1.5%) then spike strongly upward, recovering 14% to \$183.7K in November.

The accuracy of the ARMLS PPI™ diminishes the further into the future the prediction is made because the sample size diminishes with time. So the strong recovery in November should be tempered with caution because of a long lead time.

The Median sales price shows a counter trend, falling fractionally (only \$100) in August and significantly (-3.9%) in September, then recovering strongly October (2.1%) and November (2.0%) to finish right where it started four months earlier.

Overall, the Median and Average sales prices have remained relatively flat over the previous 18 months with only small monthly fluctuations. The Median is exactly where it was in February 2009 and the Average is fractionally higher than it was that same month. The market appears to be in a fairly stable pattern although it is prone to slight dips indicating that the recovery is still tentative and subject to many outside economic factors.

