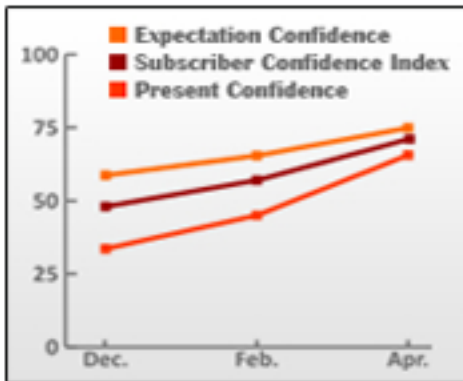


ARMLS® Subscriber Confidence Index™

The ARMLS® Subscriber Confidence Index™ (SCI) is derived from survey responses from a representative random sampling of ARMLS Subscribers who have closed at least one transaction in the previous twelve months.



Similar to the Consumer Confidence Index published by the Conference Board, its relevance lies in being the only economic indicator derived from the firsthand, up close observations of Realtors who operate at the front line of real estate in the Valley.

Since ARMLS began surveying its Subscribers in December 2010, the Subscriber Confidence Index rose 23 points to 71% in April. The Present Confidence Index rose 32 points to 65.6% and the Expectation Confidence Index rose 16% to 74.9%.

Similar to the Consumer Confidence Index, the SCI is also a leading indicator of changing market conditions which influence Realtors' efforts, spending and their interaction with potential Buyers and Sellers.

The respondents are asked seven questions, the answers to which are either:

Better Worse Same I Don't Know

Survey Questions:

1. What is your appraisal of current real estate conditions in the Valley compared to six months ago?
2. What is your expectation of real estate conditions in the Valley six months from now?
3. What is your appraisal of current business conditions in the Valley compared to six months ago?
4. What is your expectation of business conditions in the Valley six months from now?
5. What is your appraisal of current employment conditions in the Valley six months compared to six months ago?
6. What is your expectation of employment conditions in the Valley six months from now?
7. What is your expectation of your family income six months from now?

Results:

Each question is given an index calculated by: $(\# \text{ Better} / \# \text{ Better} + \# \text{ Worse}) \times 100$
The current Subscriber Confidence Index is the Average of all seven indices.
Present Confidence is an Average of the indices from Questions 1,3, and 5.
Expectation Confidence is an Average of the indices of Questions 2, 4, 6 and 7.

