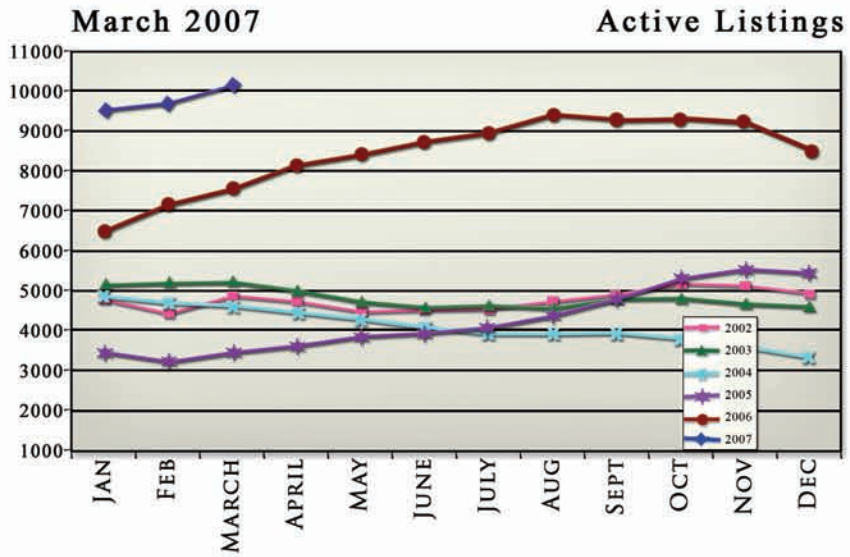




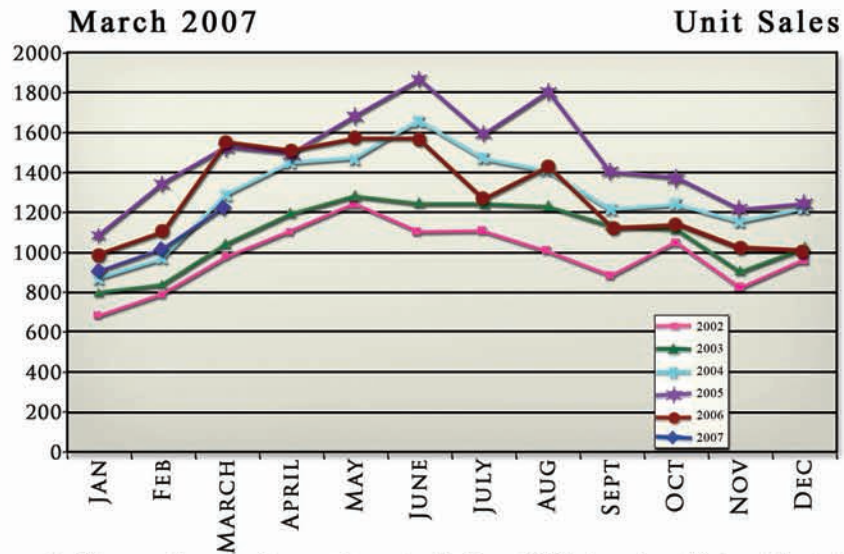
**MARKET
DYNAMICS**



Key Market Indicators (Tucson MLS)



⊗ Inventory levels in greater Tucson reached an all time high record at just over 10,000 properties for sale. Historically this time of year sees stable inventories as buyers and sellers enter the market in similar numbers. This is still a buyers market in most areas and price ranges.



⊗ Transaction units continue to follow 2004 levels which at that time was considered a very strong year. The trend lines follows pretty closely the historical data from prior years. Actual units closed was over 1200 which normally would be considered a healthy month.

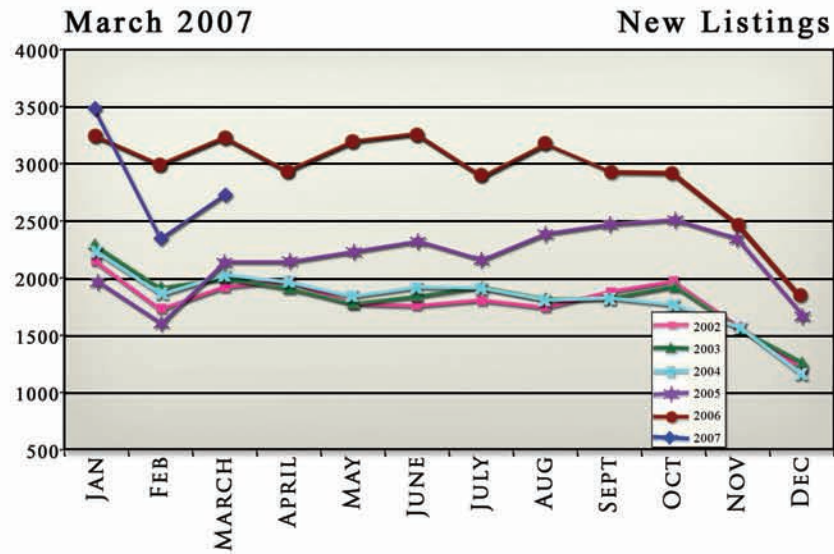


LONG COMPANIES

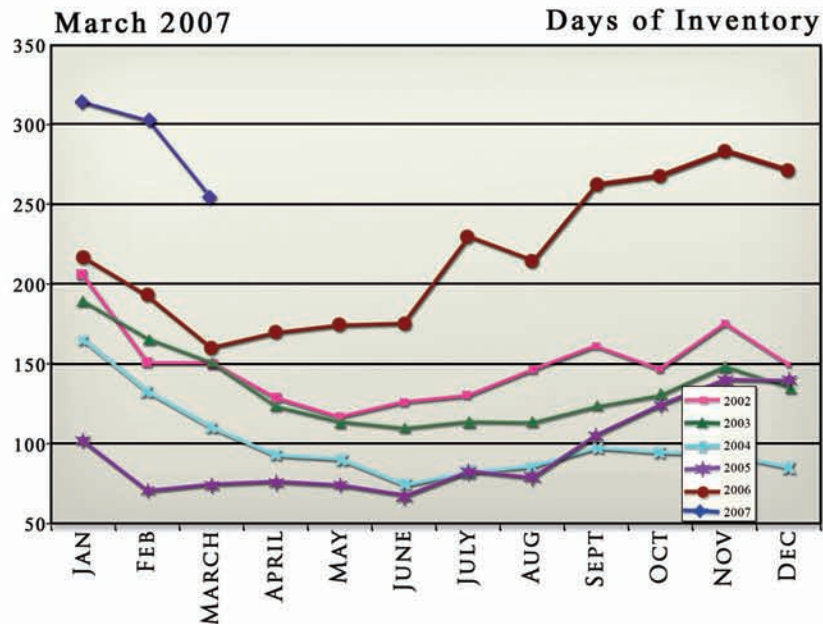
**MARKET
DYNAMICS**



Key Market Indicators (Tucson MLS)



Ⓞ New listings rebounded from February and followed the historical trends with an increase in March. New inventories are entering the market at a lower level than we experienced in 2006 but continue at a much higher level than prior years. Buyers have plenty of selection.



Ⓞ Following the historical pattern, but remaining higher than all prior years, days of inventory dropped for two consecutive months. We are still at over 250 days worth which is significantly into the buyers market arena.