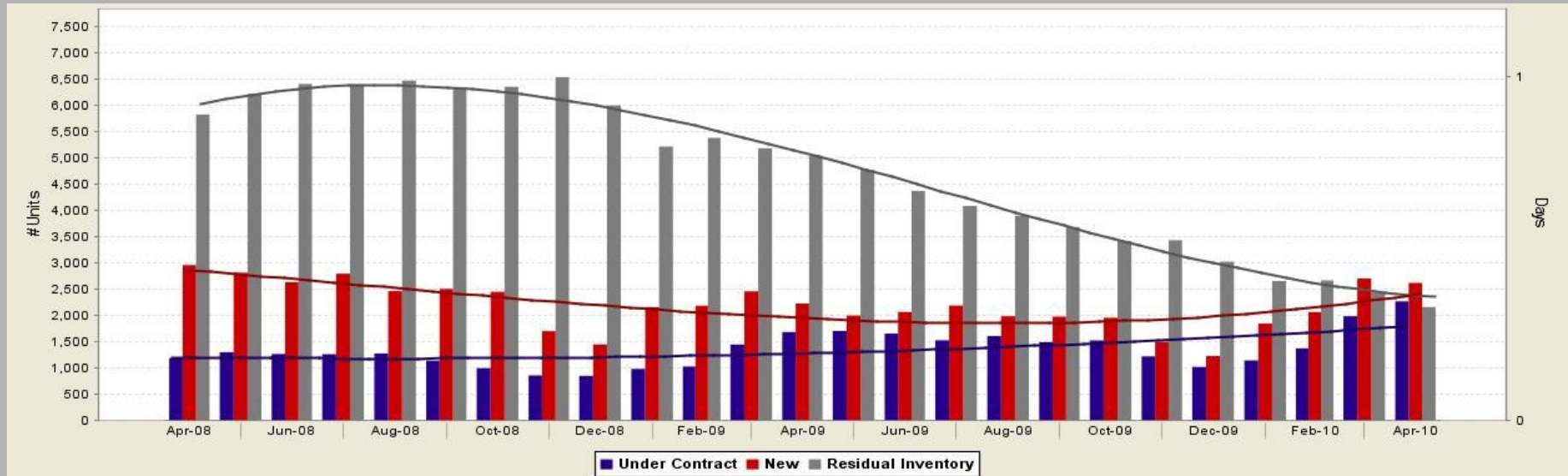


Market Dynamics

Basic Absorption

2 Years (Monthly) 04/01/08 - 04/30/10

Sereno Group



KEY INFORMATION

| | Apr-08 | Apr-10 | Change | Percent Change |
|--------------------|--------|--------|--------|----------------|
| Under Contract | 1,182 | 2,268 | 1,086 | 91.9 |
| New | 2,960 | 2,620 | -340 | -11.5 |
| Residual Inventory | 5,833 | 2,160 | -3,673 | -63.0 |



| | | | | | | |
|-----------------|---|------------|------------------------|---------------|----------------|---------------|
| MLS: MLSStngs | Period: 2 Years (Monthly) | Price: All | Construction Type: All | Bedrooms: All | Bathrooms: All | Lot Size: All |
| Property Types: | Residential Property: (Detached Single, Attached Single, Other), Common Interest: (Condo, Townhouse, Other) | | | | | Sq Ft: All |
| Counties: | Santa Clara | | | | | |

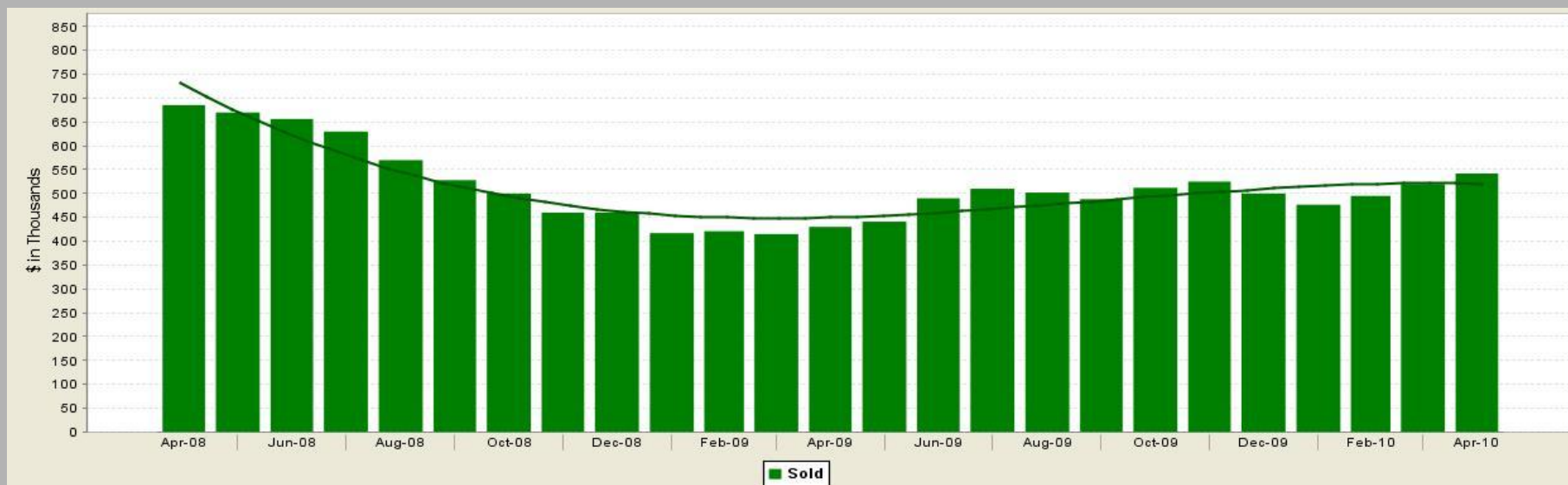
Market Dynamics
Basic Absorption
2 Years (Monthly) 04/01/08 - 04/30/10

| Time Period | # Properties Under Contract | # New Properties Listed | # Residual Inventory Properties | Under Contract / New % | Under Contract / Residual Inventory % |
|--------------------|------------------------------------|--------------------------------|--|-------------------------------|--|
| Apr-10 | 2,268 | 2,620 | 2,160 | 86.56 | 105.00 |
| Mar-10 | 1,985 | 2,704 | 2,437 | 73.41 | 81.45 |
| Feb-10 | 1,372 | 2,062 | 2,668 | 66.54 | 51.42 |
| Jan-10 | 1,141 | 1,844 | 2,658 | 61.88 | 42.93 |
| Dec-09 | 1,017 | 1,225 | 3,025 | 83.02 | 33.62 |
| Nov-09 | 1,218 | 1,495 | 3,434 | 81.47 | 35.47 |
| Oct-09 | 1,523 | 1,955 | 3,422 | 77.90 | 44.51 |
| Sep-09 | 1,489 | 1,977 | 3,685 | 75.32 | 40.41 |
| Aug-09 | 1,606 | 1,985 | 3,904 | 80.91 | 41.14 |
| Jul-09 | 1,525 | 2,188 | 4,089 | 69.70 | 37.30 |
| Jun-09 | 1,653 | 2,065 | 4,375 | 80.05 | 37.78 |
| May-09 | 1,703 | 1,998 | 4,780 | 85.24 | 35.63 |
| Apr-09 | 1,683 | 2,227 | 5,048 | 75.57 | 33.34 |
| Mar-09 | 1,444 | 2,460 | 5,188 | 58.70 | 27.83 |
| Feb-09 | 1,025 | 2,185 | 5,387 | 46.91 | 19.03 |
| Jan-09 | 979 | 2,155 | 5,221 | 45.43 | 18.75 |
| Dec-08 | 848 | 1,445 | 6,006 | 58.69 | 14.12 |
| Nov-08 | 855 | 1,699 | 6,547 | 50.32 | 13.06 |
| Oct-08 | 994 | 2,451 | 6,361 | 40.55 | 15.63 |
| Sep-08 | 1,136 | 2,506 | 6,342 | 45.33 | 17.91 |
| Aug-08 | 1,274 | 2,464 | 6,480 | 51.70 | 19.66 |
| Jul-08 | 1,260 | 2,796 | 6,408 | 45.06 | 19.66 |
| Jun-08 | 1,264 | 2,633 | 6,416 | 48.01 | 19.70 |
| May-08 | 1,298 | 2,815 | 6,224 | 46.11 | 20.85 |
| Apr-08 | 1,182 | 2,960 | 5,833 | 39.93 | 20.26 |

Market Dynamics

Median Price (Sold)

2 Years (Monthly) 04/01/08 - 04/30/10



KEY INFORMATION

| | Apr-08 | Apr-10 | Median Price Change | Percent Change |
|------|---------|---------|---------------------|----------------|
| Sold | 685,335 | 542,000 | -143,335 | -20.9 |

| | | | | | | |
|-----------------|---|------------|------------------------|---------------|----------------|---------------|
| MLS: MLSStngs | Period: 2 Years (Monthly) | Price: All | Construction Type: All | Bedrooms: All | Bathrooms: All | Lot Size: All |
| Property Types: | Residential Property: (Detached Single, Attached Single, Other), Common Interest: (Condo, Townhouse, Other) | | | | | Sq Ft: All |
| Counties: | Santa Clara | | | | | |

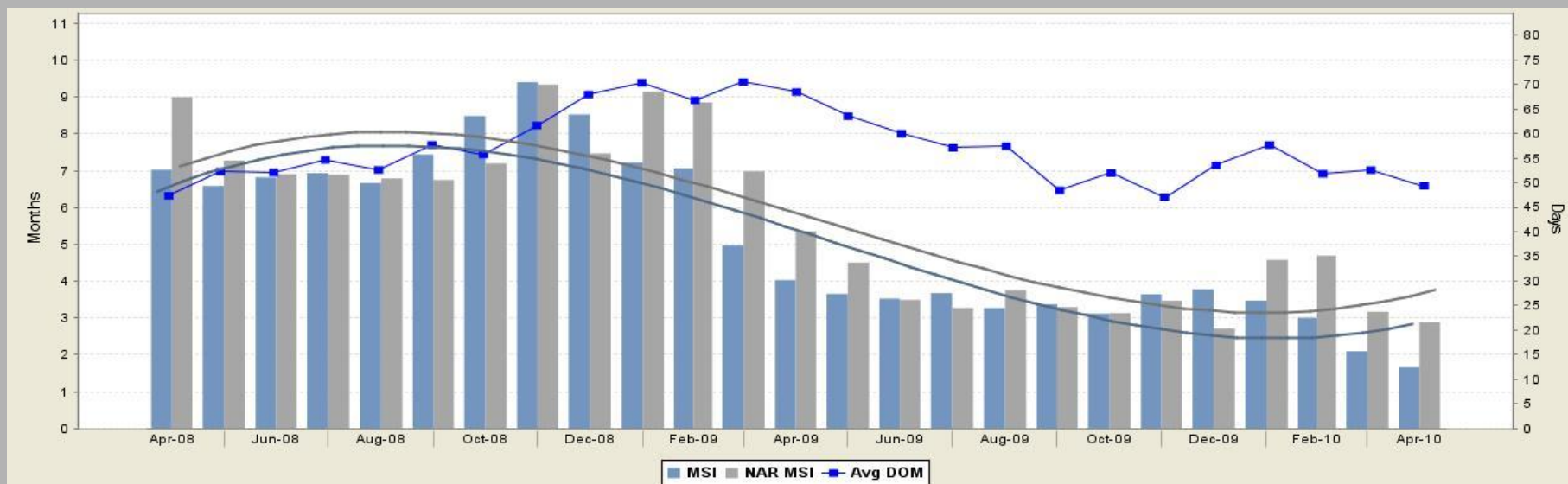
Market Dynamics
Median Price (Sold)
2 Years (Monthly) 04/01/08 - 04/30/10

Sereno Group

| Time Period | FOR SALE | | UNDER CONTRACT | | SOLD | | EXPIRED | | NEW LISTINGS | |
|-------------|-----------|--------------|----------------|--------------|-----------|--------------|-----------|--------------|--------------|--------------|
| | Median \$ | # Properties | Median \$ | # Properties | Median \$ | # Properties | Median \$ | # Properties | Median \$ | # Properties |
| Apr-10 | 549,000 | 6,790 | 483,000 | 2,268 | 542,000 | 1,309 | 527,000 | 744 | 569,000 | 2,620 |
| Mar-10 | 508,000 | 6,831 | 488,000 | 1,985 | 520,000 | 1,315 | 499,650 | 676 | 525,000 | 2,704 |
| Feb-10 | 499,000 | 6,024 | 478,400 | 1,372 | 495,000 | 879 | 510,000 | 525 | 535,000 | 2,062 |
| Jan-10 | 489,900 | 5,692 | 470,000 | 1,141 | 476,500 | 865 | 499,950 | 589 | 499,800 | 1,844 |
| Dec-09 | 495,000 | 5,667 | 449,000 | 1,017 | 500,000 | 1,418 | 614,444 | 802 | 449,000 | 1,225 |
| Nov-09 | 500,000 | 6,245 | 495,000 | 1,218 | 525,000 | 1,280 | 649,000 | 585 | 480,000 | 1,495 |
| Oct-09 | 529,000 | 6,985 | 518,000 | 1,523 | 512,000 | 1,515 | 599,919 | 712 | 499,999 | 1,955 |
| Sep-09 | 537,900 | 7,234 | 498,000 | 1,489 | 488,125 | 1,525 | 656,000 | 715 | 528,945 | 1,977 |
| Aug-09 | 540,000 | 7,593 | 499,000 | 1,606 | 502,000 | 1,399 | 639,000 | 730 | 519,000 | 1,985 |
| Jul-09 | 549,800 | 8,020 | 470,000 | 1,525 | 510,000 | 1,712 | 680,000 | 887 | 532,277 | 2,188 |
| Jun-09 | 549,950 | 8,292 | 499,000 | 1,653 | 490,000 | 1,669 | 668,000 | 807 | 549,900 | 2,065 |
| May-09 | 549,000 | 8,784 | 495,000 | 1,703 | 441,000 | 1,382 | 649,894 | 854 | 549,975 | 1,998 |
| Apr-09 | 525,000 | 9,409 | 449,000 | 1,683 | 430,000 | 1,268 | 599,924 | 940 | 549,950 | 2,227 |
| Mar-09 | 499,900 | 9,700 | 424,900 | 1,444 | 415,000 | 1,028 | 559,450 | 1,074 | 539,950 | 2,460 |
| Feb-09 | 495,000 | 9,258 | 418,500 | 1,025 | 421,000 | 818 | 549,000 | 993 | 535,000 | 2,185 |
| Jan-09 | 485,000 | 9,385 | 410,000 | 979 | 417,000 | 774 | 585,000 | 1,333 | 499,915 | 2,155 |
| Dec-08 | 489,999 | 9,486 | 429,000 | 848 | 459,900 | 968 | 599,888 | 1,408 | 429,900 | 1,445 |
| Nov-08 | 499,950 | 10,134 | 459,900 | 855 | 460,000 | 861 | 610,000 | 1,238 | 485,900 | 1,699 |
| Oct-08 | 519,950 | 10,901 | 457,450 | 994 | 500,000 | 1,172 | 616,944 | 1,472 | 524,900 | 2,451 |
| Sep-08 | 529,000 | 11,003 | 525,000 | 1,136 | 528,000 | 1,252 | 599,000 | 1,417 | 569,000 | 2,506 |
| Aug-08 | 530,000 | 11,200 | 539,975 | 1,274 | 570,000 | 1,251 | 601,999 | 1,429 | 545,000 | 2,464 |
| Jul-08 | 549,000 | 11,415 | 579,644 | 1,260 | 630,000 | 1,268 | 615,000 | 1,419 | 588,888 | 2,796 |
| Jun-08 | 550,000 | 11,181 | 644,500 | 1,264 | 656,250 | 1,248 | 616,500 | 1,298 | 594,999 | 2,633 |
| May-08 | 569,925 | 11,120 | 668,944 | 1,298 | 670,000 | 1,175 | 629,975 | 1,274 | 625,000 | 2,815 |
| Apr-08 | 578,444 | 10,690 | 680,000 | 1,182 | 685,335 | 923 | 619,995 | 1,203 | 629,925 | 2,960 |

Market Dynamics

Months Supply of Inventory (BrokerMetrics® vs. NAR Calculations) 2 Years (Monthly) 04/01/08 - 04/30/10



KEY INFORMATION

| | Apr-08 | Apr-10 | Change | Percent Change |
|---------|--------|--------|--------|----------------|
| MSI | 7 | 2 | -5 | -76.3 |
| NAR MSI | 9 | 3 | -6 | -67.9 |



| | | | | | | |
|-----------------|---|------------|------------------------|---------------|----------------|---------------|
| MLS: MLSStngs | Period: 2 Years (Monthly) | Price: All | Construction Type: All | Bedrooms: All | Bathrooms: All | Lot Size: All |
| Property Types: | Residential Property: (Detached Single, Attached Single, Other), Common Interest: (Condo, Townhouse, Other) | | | | | Sq Ft: All |
| Counties: | Santa Clara | | | | | |

Market Dynamics

Months Supply of Inventory (BrokerMetrics® vs. NAR Calculations) 2 Years (Monthly) 04/01/08 - 04/30/10

| Time Period | MSI | NAR MSI | # For Sale Last Day of Month | # Under Contract | # Sold |
|-------------|-----|---------|------------------------------|------------------|--------|
| Apr-10 | 1.7 | 2.9 | 3,778 | 2,268 | 1,309 |
| Mar-10 | 2.1 | 3.2 | 4,170 | 1,985 | 1,315 |
| Feb-10 | 3.0 | 4.7 | 4,127 | 1,372 | 879 |
| Jan-10 | 3.5 | 4.6 | 3,962 | 1,141 | 865 |
| Dec-09 | 3.8 | 2.7 | 3,848 | 1,017 | 1,418 |
| Nov-09 | 3.6 | 3.5 | 4,442 | 1,218 | 1,280 |
| Oct-09 | 3.1 | 3.1 | 4,750 | 1,523 | 1,515 |
| Sep-09 | 3.4 | 3.3 | 5,030 | 1,489 | 1,525 |
| Aug-09 | 3.3 | 3.8 | 5,257 | 1,606 | 1,399 |
| Jul-09 | 3.7 | 3.3 | 5,608 | 1,525 | 1,712 |
| Jun-09 | 3.5 | 3.5 | 5,832 | 1,653 | 1,669 |
| May-09 | 3.7 | 4.5 | 6,227 | 1,703 | 1,382 |
| Apr-09 | 4.0 | 5.4 | 6,786 | 1,683 | 1,268 |
| Mar-09 | 5.0 | 7.0 | 7,182 | 1,444 | 1,028 |
| Feb-09 | 7.1 | 8.9 | 7,240 | 1,025 | 818 |
| Jan-09 | 7.2 | 9.1 | 7,073 | 979 | 774 |
| Dec-08 | 8.5 | 7.5 | 7,230 | 848 | 968 |
| Nov-08 | 9.4 | 9.3 | 8,041 | 855 | 861 |
| Oct-08 | 8.5 | 7.2 | 8,435 | 994 | 1,172 |
| Sep-08 | 7.4 | 6.7 | 8,450 | 1,136 | 1,252 |
| Aug-08 | 6.7 | 6.8 | 8,497 | 1,274 | 1,251 |
| Jul-08 | 6.9 | 6.9 | 8,736 | 1,260 | 1,268 |
| Jun-08 | 6.8 | 6.9 | 8,619 | 1,264 | 1,248 |
| May-08 | 6.6 | 7.3 | 8,548 | 1,298 | 1,175 |
| Apr-08 | 7.0 | 9.0 | 8,305 | 1,182 | 923 |

Market Dynamics

Percent Under Contract (UC)

2 Years (Monthly) 04/01/08 - 04/30/10



KEY INFORMATION

| | Apr-08 | Apr-10 | # Units Change | Percent Change |
|------------------|--------|--------|----------------|----------------|
| For Sale | 10,690 | 6,790 | -3,900 | -36.5 |
| Under Contract | 1,182 | 2,268 | 1,086 | 91.9 |
| % Under Contract | 11.1 | 33.4 | 22.3 | 202.1 |

FS
-36%

UC
+92%

% UC
+202%

| | | | | | | |
|-----------------|---|------------|------------------------|---------------|----------------|---------------|
| MLS: MLSStngs | Period: 2 Years (Monthly) | Price: All | Construction Type: All | Bedrooms: All | Bathrooms: All | Lot Size: All |
| Property Types: | Residential Property: (Detached Single, Attached Single, Other), Common Interest: (Condo, Townhouse, Other) | | | | | Sq Ft: All |
| Counties: | Santa Clara | | | | | |

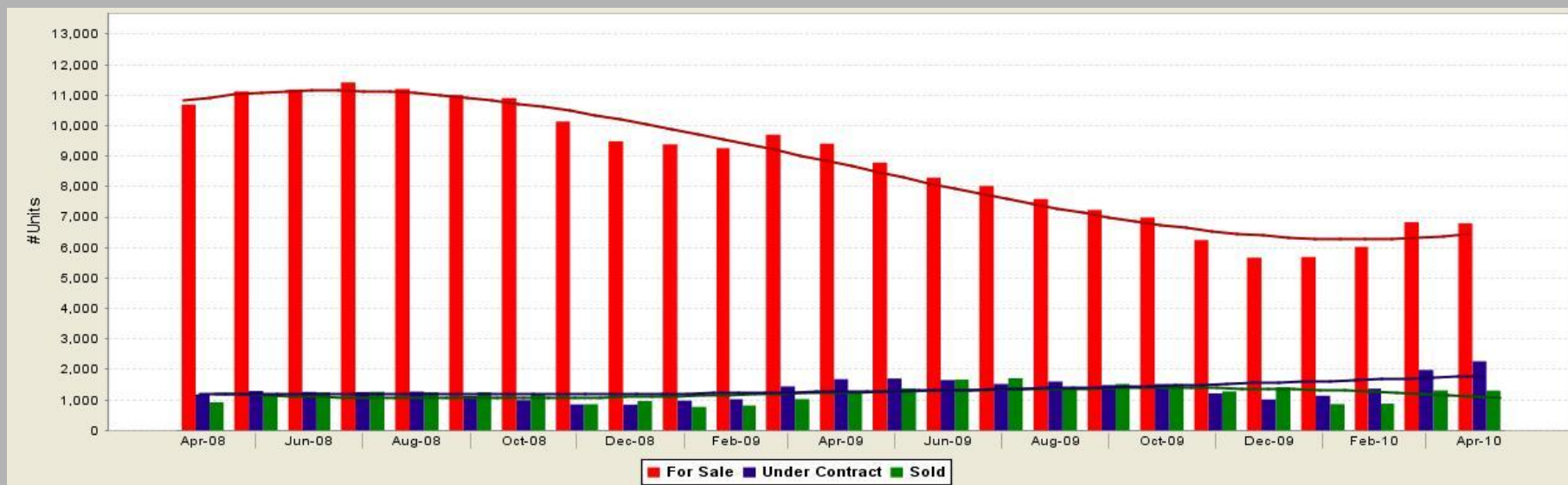
Market Dynamics
Percent Under Contract (UC)
2 Years (Monthly) 04/01/08 - 04/30/10

| Time Period | # Properties For Sale | # Properties Under Contract | % of Properties Under Contract |
|--------------------|------------------------------|------------------------------------|---------------------------------------|
| Apr-10 | 6,790 | 2,268 | 33.4 |
| Mar-10 | 6,831 | 1,985 | 29.1 |
| Feb-10 | 6,024 | 1,372 | 22.8 |
| Jan-10 | 5,692 | 1,141 | 20.0 |
| Dec-09 | 5,667 | 1,017 | 18.0 |
| Nov-09 | 6,245 | 1,218 | 19.5 |
| Oct-09 | 6,985 | 1,523 | 21.8 |
| Sep-09 | 7,234 | 1,489 | 20.6 |
| Aug-09 | 7,593 | 1,606 | 21.2 |
| Jul-09 | 8,020 | 1,525 | 19.0 |
| Jun-09 | 8,292 | 1,653 | 19.9 |
| May-09 | 8,784 | 1,703 | 19.4 |
| Apr-09 | 9,409 | 1,683 | 17.9 |
| Mar-09 | 9,700 | 1,444 | 14.9 |
| Feb-09 | 9,258 | 1,025 | 11.1 |
| Jan-09 | 9,385 | 979 | 10.4 |
| Dec-08 | 9,486 | 848 | 8.9 |
| Nov-08 | 10,134 | 855 | 8.4 |
| Oct-08 | 10,901 | 994 | 9.1 |
| Sep-08 | 11,003 | 1,136 | 10.3 |
| Aug-08 | 11,200 | 1,274 | 11.4 |
| Jul-08 | 11,415 | 1,260 | 11.0 |
| Jun-08 | 11,181 | 1,264 | 11.3 |
| May-08 | 11,120 | 1,298 | 11.7 |
| Apr-08 | 10,690 | 1,182 | 11.1 |

Market Dynamics

Supply & Demand - # Units (FS, UC, Sold)

2 Years (Monthly) 04/01/08 - 04/30/10



KEY INFORMATION

| | Apr-08 | Apr-10 | # Units Change | Percent Change |
|----------------|--------|--------|----------------|----------------|
| For Sale | 10,690 | 6,790 | -3,900 | -36.5 |
| Under Contract | 1,182 | 2,268 | 1,086 | 91.9 |
| Sold | 923 | 1,309 | 386 | 41.8 |

For Sale
-36%

UC
+92%

Sold
+42%

| | | | | | | |
|-----------------|---|------------|------------------------|---------------|----------------|---------------|
| MLS: MLSstngs | Period: 2 Years (Monthly) | Price: All | Construction Type: All | Bedrooms: All | Bathrooms: All | Lot Size: All |
| Property Types: | Residential Property: (Detached Single, Attached Single, Other), Common Interest: (Condo, Townhouse, Other) | | | | Sq Ft: All | |
| Counties: | Santa Clara | | | | | |

Market Dynamics

Supply & Demand - # Units (FS, UC, Sold) 2 Years (Monthly) 04/01/08 - 04/30/10

| Time Period | FOR SALE | | UNDER CONTRACT | | SOLD | | EXPIRED | | NEW LISTINGS |
|-------------|--------------|-------------|----------------|-------------|--------------|-------------|--------------|-------------|--------------|
| | # Properties | Average DOM | # Properties | Average DOM | # Properties | Average DOM | # Properties | Average DOM | # Properties |
| Apr-10 | 6,790 | 79 | 2,268 | 49 | 1,309 | 49 | 744 | 127 | 2,620 |
| Mar-10 | 6,831 | 100 | 1,985 | 53 | 1,315 | 51 | 676 | 136 | 2,704 |
| Feb-10 | 6,024 | 125 | 1,372 | 52 | 879 | 51 | 525 | 152 | 2,062 |
| Jan-10 | 5,692 | 146 | 1,141 | 58 | 865 | 52 | 589 | 157 | 1,844 |
| Dec-09 | 5,667 | 167 | 1,017 | 53 | 1,418 | 54 | 802 | 174 | 1,225 |
| Nov-09 | 6,245 | 164 | 1,218 | 47 | 1,280 | 52 | 585 | 144 | 1,495 |
| Oct-09 | 6,985 | 161 | 1,523 | 52 | 1,515 | 54 | 712 | 157 | 1,955 |
| Sep-09 | 7,234 | 165 | 1,489 | 48 | 1,525 | 55 | 715 | 156 | 1,977 |
| Aug-09 | 7,593 | 169 | 1,606 | 57 | 1,399 | 57 | 730 | 151 | 1,985 |
| Jul-09 | 8,020 | 171 | 1,525 | 57 | 1,712 | 61 | 887 | 147 | 2,188 |
| Jun-09 | 8,292 | 174 | 1,653 | 60 | 1,669 | 66 | 807 | 144 | 2,065 |
| May-09 | 8,784 | 174 | 1,703 | 64 | 1,382 | 64 | 854 | 136 | 1,998 |
| Apr-09 | 9,409 | 173 | 1,683 | 68 | 1,268 | 65 | 940 | 140 | 2,227 |
| Mar-09 | 9,700 | 175 | 1,444 | 70 | 1,028 | 69 | 1,074 | 136 | 2,460 |
| Feb-09 | 9,258 | 183 | 1,025 | 67 | 818 | 66 | 993 | 142 | 2,185 |
| Jan-09 | 9,385 | 189 | 979 | 70 | 774 | 68 | 1,333 | 157 | 2,155 |
| Dec-08 | 9,486 | 193 | 848 | 68 | 968 | 59 | 1,408 | 142 | 1,445 |
| Nov-08 | 10,134 | 189 | 855 | 62 | 861 | 61 | 1,238 | 134 | 1,699 |
| Oct-08 | 10,901 | 182 | 994 | 56 | 1,172 | 55 | 1,472 | 133 | 2,451 |
| Sep-08 | 11,003 | 180 | 1,136 | 58 | 1,252 | 56 | 1,417 | 125 | 2,506 |
| Aug-08 | 11,200 | 177 | 1,274 | 53 | 1,251 | 53 | 1,429 | 131 | 2,464 |
| Jul-08 | 11,415 | 173 | 1,260 | 55 | 1,268 | 52 | 1,419 | 124 | 2,796 |
| Jun-08 | 11,181 | 171 | 1,264 | 52 | 1,248 | 51 | 1,298 | 122 | 2,633 |
| May-08 | 11,120 | 167 | 1,298 | 52 | 1,175 | 49 | 1,274 | 118 | 2,815 |
| Apr-08 | 10,690 | 166 | 1,182 | 47 | 923 | 53 | 1,203 | 117 | 2,960 |