

April 5, 2012

To the Board of Directors
Greater Albuquerque Association of REALTORS®

We have audited the consolidated financial statements of Greater Albuquerque Association of REALTORS® and Subsidiary (GAAR or the Company) for the year ended December 31, 2011, and have issued our report thereon dated April 5, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 6, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Company are described in Note 1 to the consolidated financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Misstatements can be broadly categorized as objective, meaning that the amount of the adjustment is an observable event, and subjective, meaning that the amount of the adjustment is based on judgment and estimates. There were no material corrected or uncorrected misstatements detected as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 5, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Company and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "PULAKOS CPAs, PC". The signature is written in a cursive, slightly stylized font. The "P" is large and loops around the "U". The "CPAs" is written in a smaller, more standard cursive, and "PC" is at the end.

Pulakos CPAs

**Greater Albuquerque Association of REALTORS®
and Subsidiary**

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

INDEPENDENT AUDITORS' REPORT

Board of Directors

Greater Albuquerque Association of REALTORS®

We have audited the accompanying consolidated statements of financial position of the Greater Albuquerque Association of REALTORS® and Subsidiary as of December 31, 2011 and 2010, and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Greater Albuquerque Association of REALTORS® management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Greater Albuquerque Association of REALTORS® and Subsidiary as of December 31, 2011 and 2010 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities on pages 12 and 13 are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



April 5, 2012

Pulakos CPAs, PC

Greater Albuquerque Association of REALTORS® and Subsidiary

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2011 and 2010

Assets

	<u>2011</u>	<u>2010</u>
Current assets		
Cash and cash equivalents	\$ 1,213,598	\$ 898,358
Certificates of deposit	3,249,880	3,399,670
Accounts receivable	525,345	516,727
Prepaid expenses	30,972	25,441
Income tax receivable	-	71,366
Inventory	<u>22,566</u>	<u>30,373</u>
Total current assets	<u>5,042,361</u>	<u>4,941,935</u>
Property and equipment, net	<u>2,996,537</u>	<u>3,104,551</u>
	<u><u>\$ 8,038,898</u></u>	<u><u>\$ 8,046,486</u></u>

Liabilities and Net Assets

	<u>2011</u>	<u>2010</u>
Current liabilities		
Accounts payable	\$ 34,135	\$ 41,904
Accrued liabilities	71,495	65,692
Income tax payable	4,257	-
National and state dues payable	405,719	393,936
Deferred membership dues and MLS fees	1,087,055	1,147,398
Current portion of long-term debt	<u>106,328</u>	<u>99,952</u>
Total current liabilities	<u>1,708,989</u>	<u>1,748,882</u>
Long-term debt	<u>1,420,118</u>	<u>1,525,328</u>
Net assets		
Unrestricted net assets		
Board designated - building repair/replacement	210,500	210,500
Board designated - VCBR	22,088	22,088
Board designated - event income	9,055	3,950
Operating	<u>4,668,148</u>	<u>4,535,738</u>
Total unrestricted net assets	<u>4,909,791</u>	<u>4,772,276</u>
	<u><u>\$ 8,038,898</u></u>	<u><u>\$ 8,046,486</u></u>

Greater Albuquerque Association of REALTORS® and Subsidiary

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenues		
Multiple listing service	\$ 1,515,472	\$ 1,508,400
Membership dues	769,771	864,188
Membership fees	181,913	228,654
Merchandise sales	63,390	80,561
Event income	46,564	52,866
Education revenue	46,169	61,179
Sponsors	20,620	12,598
Miscellaneous income	17,716	24,762
Interest income	<u>13,027</u>	<u>22,261</u>
Total revenues	<u>2,674,642</u>	<u>2,855,469</u>
Expenses		
Program services-		
Multiple listing service	332,033	344,343
Public relations	86,131	91,439
Event costs	79,934	89,567
Merchandise	61,862	82,527
Education expenses	<u>15,022</u>	<u>18,261</u>
Total program services	<u>574,982</u>	<u>626,137</u>
Support services-		
Salaries, benefits and payroll taxes	898,585	1,009,505
Miscellaneous	192,033	128,958
Professional services	143,842	141,738
Depreciation	125,856	131,514
Office and utilities	121,732	127,719
Licenses and fees	117,434	99,117
Interest expense	99,275	105,255
Travel and meals	95,189	80,139
Contibution expense	95,060	-
Repairs and maintenance	<u>57,960</u>	<u>53,240</u>
Total support services	<u>1,946,966</u>	<u>1,877,185</u>
Total expenses	<u>2,521,948</u>	<u>2,503,322</u>
Change in net assets, before income taxes	152,694	352,147
Income tax (expense) benefit	<u>(15,179)</u>	<u>4,278</u>
Change in net assets, after income taxes	137,515	356,425
Net assets, beginning of year	<u>4,772,276</u>	<u>4,415,851</u>
Net assets, end of year	<u>\$ 4,909,791</u>	<u>\$ 4,772,276</u>

See Notes to Consolidated Financial Statements and Independent Auditors' Report.

Greater Albuquerque Association of REALTORS® and Subsidiary

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2011 and 2010

	2011	2010
Operating activities		
Change in net assets	\$ 137,515	\$ 356,425
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	125,856	131,514
Loss on disposal of property and equipment	858	1,585
Changes in operating assets and liabilities		
Accounts receivable	(8,618)	(17,108)
Prepaid expenses	(5,531)	(5,558)
Income tax receivable/payable	75,623	(105,287)
Inventory	7,807	7,388
Accounts payable	(7,769)	(19,364)
Other liabilities	5,803	9,562
Due to related parties, net	-	(136,160)
Deferred membership dues and MLS fees	(60,343)	(144,685)
National and state dues payable	11,783	(727,886)
Net cash provided (used) by operating activities	282,984	(649,574)
Investing activities		
Redemptions (purchases) of certificates of deposit	149,790	(1,229,411)
Proceeds from sale of property and equipment	-	1,000
Purchases of property and equipment	(18,700)	(26,659)
Net cash provided (used) by investing activities	131,090	(1,255,070)
Financing activities		
Principal payments on long-term debt	(98,834)	(92,853)
Net cash used by financing activities	(98,834)	(92,853)
Change in cash and cash equivalents	315,240	(1,997,497)
Cash and cash equivalents, beginning of year	898,358	2,895,855
Cash and cash equivalents, end of year	\$ 1,213,598	\$ 898,358
Supplemental cash flow disclosure:		
Interest paid	\$ 99,275	\$ 105,255
Income taxes paid	\$ -	\$ 65,539

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Greater Albuquerque Association of REALTORS® (GAAR or the Company) was initially chartered in 1921 to unite those engaged in the recognized branches of the real estate business for the purpose of exerting a beneficial influence upon matters affecting the real estate business and related interests. The Company was incorporated in the State of New Mexico as a not-for-profit corporation in 1956 and is tax-exempt under Internal Revenue Code Section 501(c)(6). During the year ended September 30, 1999, the Company changed its name to the Albuquerque Metropolitan Board of REALTORS®, Inc., to better reflect the geographic area it services, and in 2007 again changed its name to the Greater Albuquerque Association of REALTORS®.

The Company operates geographically in Central New Mexico in what is essentially the Albuquerque metropolitan area and serves approximately 3,000 real estate professionals in that area. Benefits provided to members include access to a multiple listing service, electronic lock boxes, real estate forms, insurance, legislative political activity, education classes, and access to the REALTORS® store.

Southwest Multiple Listing Service, Inc. (SWMLS) was incorporated in September 1995 under the laws of the State of New Mexico as a for-profit corporation to which was transferred the operating activities of GAAR's multiple listing service function, effective October 1, 1995. SWMLS has a separately elected Board of Directors, but its outstanding stock is entirely owned by GAAR. GAAR assigns direct costs and allocates a portion of indirect costs to SWMLS for reimbursement, and GAAR bills its members for SWMLS services and then remits collections to SWMLS upon receipt. When SWMLS has net income, it pays income taxes based on those profits; SWMLS may elect to pay dividends to GAAR from after-tax profits. The accounts and transactions of SWMLS have been consolidated into GAAR's financial statements as of and for the years ended December 31, 2011 and 2010. All significant inter-company transactions and accounts have been eliminated in the preparation of these consolidated financial statements.

Basis of Accounting

The Company's consolidated financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, amounts on deposit with local financial institutions, and short-term liquid investments with original maturities of three months or less.

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Certificates of Deposit

Certificates of deposit are recorded at fair value based on quoted prices in active markets. All certificates of deposit are FDIC insured and have various maturity dates of less than one year.

Accounts Receivable

Membership dues and multiple listing service fees are billed in advance of the period in which these dues and fees will be earned. Nonpayment of membership terminates services as per the policies of the Board of Directors. The balance of receivables reported in the accompanying consolidated financial statements are expected to be collected until members indicate non-renewal, and therefore no allowance for uncollectible receivables has been recorded as of December 31, 2011 or 2010.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is provided over the estimated useful lives (three to forty years) of the respective assets using straight-line for financial reporting purposes and accelerated methods for tax reporting purposes. Repairs and maintenance expenses are charged to operations when incurred, and major betterments and replacements are capitalized. The current policy is to capitalize assets with a useful life of greater than one year and cost of \$300 or more.

Financial Instruments

The carrying amounts of cash, certificates of deposit, receivables, payables, accrued expenses, and other liabilities approximate fair value due to short maturity periods of these instruments. The fair value of long-term debt is the carrying value due to the adjustable market rate of interest.

Revenue Recognition

Revenues for membership, multiple listing service revenue, education and event income, and other revenue are recognized as earned in the year for which the dues, fees or services are used or provided.

Net Assets

The Company reports information regarding its financial positions and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets carry no donor-imposed restrictions but may be designated for specific purposes by the Company.

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Net Assets – Continued

Unrestricted net assets are summarized into three categories, as follows:

Amounts designated by the Board - building repair and replacement.

Amounts designated by the Board - Valencia County Board of Realtors (VCBR) merger

Operating - Other unrestricted net assets are reported as Operating unrestricted net assets.

There are no temporarily or permanently restricted net assets at December 31, 2011 and 2010.

Income Taxes

GAAR is a not-for-profit organization exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code, but is required to pay unrelated business income tax on activities that fall outside of the scope of its tax-exempt purpose. GAAR has adopted accounting principles generally accepted in the United States of America as they relate to uncertain tax positions. Management believes that the activities of GAAR are within their tax-exempt purpose, with the exceptions noted above, and that there are no material uncertainties in regards to tax positions.

SWMLS is a taxable entity and is, therefore, subject to federal and state income taxes. The liability method is used in accounting for income taxes, which includes the effects of temporary differences between financial and taxable amounts of assets and liabilities. Management has determined there are no material deferred tax assets or liabilities as of December 31, 2011 and 2010.

Currently, the 2008, 2009 and 2010 tax years are open and subject to examination by the Internal Revenue Service and New Mexico Taxation and Revenue Department. SWMLS is not currently under audit nor has SWMLS been contacted by any of these jurisdictions. Management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended December 31, 2011 or 2010.

Description of Program and Support Services

The following program and supporting services are included in the accompanying consolidated financial statements:

Program Services

Multiple Listing Service (MLS) - Provides a web-based service to members listing available properties.

Merchandise - Provides supplies and other products that are useful to members at discount prices.

Education - Provides courses in real estate to REALTORS® to meet the continuing education requirements of the New Mexico Real Estate Commission and other education topics of interest to REALTORS®.

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Program Services – Continued

Event Costs - Provides events for members and the community.

Public Relations - Seeks to enhance the REALTORS® image with area residents and monitors laws and pending laws of the state legislature and other governmental entities that have an impact on REALTORS®. GAAR provides a liaison between REALTORS® and governmental entities.

Support Services

Administrative Salaries and Wages - Includes the functions necessary to provide coordination and articulation of GAAR's program strategy; secure proper administrative functioning of the Board of Directors; maintain competent services for the program administration of GAAR; and manage the financial and budgetary responsibilities of GAAR.

Other Administrative Expense - Includes other functions necessary to carry out the program strategies of GAAR.

Subsequent Events

GAAR has evaluated all events occurring subsequent to December 31, 2011 and through April 5, 2012, which is the date that the consolidated financial statements were issued, and does not believe that any events occurring during this period require either recognition or disclosure in the accompanying consolidated financial statements.

NOTE 2 – ACCOUNTS RECEIVABLE

In 2011, the Company issued its fiscal year 2012 membership billings and quarterly MLS billings and recorded a receivable balance. Revenue related to these billings is deferred until fiscal year 2012. Below summarizes accounts receivable at December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Fiscal year membership and MLS billings	\$ 1,090,287	\$ 1,147,398
Less: collections of membership and MLS billings	<u>564,942</u>	<u>630,671</u>
Accounts receivable	<u>\$ 525,345</u>	<u>\$ 516,727</u>

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 3 – PROPERTY AND EQUIPMENT

	2011	2010
Land	\$ 764,696	\$ 764,696
Building and improvements	2,506,765	2,501,346
Furniture and fixtures	127,466	125,271
Office equipment	412,322	415,094
	3,811,249	3,806,407
Less accumulated depreciation	814,712	701,856
	\$ 2,996,537	\$ 3,104,551

NOTE 4 – LONG-TERM DEBT

	2011	2010
Note payable to financial institution, 6.20%, secured by building, monthly payments of \$16,509, (including interest), matures April 2022.	\$ 1,526,446	\$ 1,625,280
Less current portion	106,328	99,952
	\$ 1,420,118	\$ 1,525,328

Annual maturities of long-term debt follow:

2012	\$ 106,328
2013	113,111
2014	120,327
2015	128,003
2016	136,168
Thereafter	922,509
	\$ 1,526,446

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 5 - EMPLOYEE PENSION PLAN

The Company maintains a tax-deferred pension plan qualified under Section 401(k) of the Internal Revenue Code. Employees may elect to defer a portion of the salary up to applicable IRS limits, with matching contributions of 50% of the participant's deferral, not exceeding 2% of the employee's annual wages. The plan covers all full-time employees. Employer contributions were \$7,225 and \$7,194 for the years ended December 31, 2011 and 2010, respectively.

NOTE 6 - COMMITMENTS & CONTINGENCIES

Service Agreement

In 2007, SWMLS entered into a five-year service agreement with Rapattoni Corporation for services related to operating the multiple listing service. In 2010, the original service agreement was extended by one year, from November 2012 to November 2013. The agreement is per member use and cannot be cancelled. Payments for services are made monthly. SWMLS paid Rapattoni Corporation \$268,091 and \$272,839 for the years ended December 31, 2011 and 2010, respectively. Management estimates that approximately \$256,699 will be paid to Rapattoni Corporation for multiple listing services in 2012, based upon current enrollment levels.

Related Party Transactions

As management agent, the Company collects and disburses funds on behalf of related parties. At times, the Company uses its own funds and records corresponding receivables/payables for the transactions.

Operating Leases

The Company leases a copier under an operating lease agreement that expires in 2015. Monthly lease payments are \$883, which does not include copier usage fees. Total lease expense for the years ended December 31, 2011 and 2010 were \$16,397 and \$21,201, respectively.

Minimum future lease payments follow:

2012	\$	10,602
2013		10,602
2014		10,602
2015		<u>8,835</u>
	\$	<u>40,641</u>

Greater Albuquerque Association of REALTORS® and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 6 - COMMITMENTS & CONTINGENCIES - CONTINUED

Albuquerque Community Foundation Endowment Fund

In 2011, GAAR established a permanent endowment fund, known as The Realtor Fund (the Fund), with the Albuquerque Community Foundation (ACF). The purpose of the Fund is to aid in creating adequate housing, building functioning cities, developing productive industries and preserving a healthful environment in Bernalillo, Valencia, Sandoval, and Torrance Counties. ACF will make a good faith effort to act upon the advice and recommendations of GAAR in regards to the purpose of the Fund, but ultimately ACF holds variance power over the Fund. The initial contribution made by GAAR to the Fund in 2011 was \$90,000, with the intent that similar annual contributions will be made, with a goal of a \$1,000,000 Fund balance.

CONSOLIDATED SUPPLEMENTARY SCHEDULES

Greater Albuquerque Association of REALTORS® and Subsidiary

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2011

Assets

	<u>GAAR</u>	<u>SWMLS</u>	<u>Consolidation</u>	<u>Total</u>
Current assets				
Cash and cash equivalents	\$ 986,996	\$ 226,602	\$ -	\$ 1,213,598
Certificates of deposit	2,399,880	850,000	-	3,249,880
Accounts receivable	426,511	98,834	-	525,345
Prepaid expenses	30,972	-	-	30,972
Inventory	22,566	-	-	22,566
Due from related parties, net	-	97,510	(97,510)	-
Investment in SWMLS	1,000	-	(1,000)	-
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Total current assets	3,867,925	1,272,946	(98,510)	5,042,361
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Property and equipment, net	2,989,102	7,435	-	2,996,537
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	\$ 6,857,027	\$ 1,280,381	\$ (98,510)	\$ 8,038,898
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Liabilities and Net Assets

Current liabilities				
Accounts payable	\$ 25,136	\$ 8,999	\$ -	\$ 34,135
Accrued liabilities	30,838	40,657	-	71,495
Income tax payable	-	4,257	-	4,257
National and state dues payable	405,719	-	-	405,719
Due to related parties, net	97,510	-	(97,510)	-
Deferred membership dues and MLS fees	730,898	356,157	-	1,087,055
Current portion of long-term debt	106,328	-	-	106,328
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Total current liabilities	1,396,429	410,070	(97,510)	1,708,989
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Long-term debt	1,420,118	-	-	1,420,118
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Total liabilities	2,816,547	410,070	(97,510)	3,129,107
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Common stock	-	1,000	(1,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets, unrestricted:				
Board designated - building repair/replacement	210,500	-	-	210,500
Board designated - VCBR	22,088	-	-	22,088
Board designated - event income	9,055	-	-	9,055
Operating	3,798,837	869,311	-	4,668,148
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Total unrestricted net assets	4,040,480	870,311	(1,000)	4,909,791
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Total liabilities and net assets	\$ 6,857,027	\$ 1,280,381	\$ (98,510)	\$ 8,038,898
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Greater Albuquerque Association of REALTORS® and Subsidiary

CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended December 31, 2011

	<u>GAAR</u>	<u>SWMLS</u>	<u>Consolidation</u>	<u>Total</u>
Revenues				
Multiple listing service	\$ -	\$ 1,515,472	\$ -	\$ 1,515,472
Membership dues	769,771	-	-	769,771
Membership fees	163,163	18,750	-	181,913
Merchandise sales	63,390	-	-	63,390
Event income	46,564	-	-	46,564
Education revenue	46,169	-	-	46,169
Sponsors	20,620	-	-	20,620
Miscellaneous income	10,191	7,525	-	17,716
Interest income	10,171	2,856	-	13,027
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Total revenues	1,130,039	1,544,603	-	2,674,642
Expenses				
Program services-				
Multiple listing service	-	332,033	-	332,033
Public relations	82,206	3,925	-	86,131
Event costs	74,935	4,999	-	79,934
Merchandise	61,862	-	-	61,862
Education expenses	15,022	-	-	15,022
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Total program services	234,025	340,957	-	574,982
Support services-				
Salaries, benefits and payroll taxes	898,585	-	-	898,585
Miscellaneous	99,492	92,541	-	192,033
Professional services	105,150	38,692	-	143,842
Depreciation	110,445	15,411	-	125,856
Office and utilities	117,683	4,049	-	121,732
Licenses and fees	58,768	58,666	-	117,434
Interest expense	99,275	-	-	99,275
Travel and meals	50,069	45,120	-	95,189
Contributions	95,060	-	-	95,060
Repairs and maintenance	57,960	-	-	57,960
Allocated overhead	(918,693)	918,693	-	-
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Total support services	773,794	1,173,172	-	1,946,966
Total expenses	1,007,819	1,514,129	-	2,521,948
Change in net assets, before income taxes	122,220	30,474	-	152,694
Income tax expense	-	(15,179)	-	(15,179)
Change in net assets, after income taxes	122,220	15,295	-	137,515
Net assets, beginning of year	3,918,260	854,016	-	4,772,276
Net assets, end of year	<u>\$ 4,040,480</u>	<u>\$ 869,311</u>	<u>\$ -</u>	<u>\$ 4,909,791</u>