

Morris Ian H
 Form 4
 May 22, 2012

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Morris Ian H

2. Issuer Name and Ticker or Trading Symbol
 Market Leader, Inc. [LEDR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 11332 NE 122ND WAY, SUITE 200
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/18/2012

____ Director
 ____ Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
 CEO

KIRKLAND, WA 98034

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	05/18/2012		M		36,456 (1) A \$ 2.5 560,958	D	
Common Stock	05/18/2012		S		36,456 (2) D \$ 4.24 524,502	D	
Common Stock	05/21/2012		M		3,544 (1) A \$ 2.5 528,046	D	
Common Stock	05/21/2012		S		3,544 (3) D \$ 4.2644 524,502	D	
Common Stock	05/22/2012		M		3,230 (4) A \$ 2.5 527,732	D	

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Common Stock 05/22/2012 S 3,230₍₅₎ D \$ 4.52 524,502 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy)	\$ 2.5	05/18/2012		M	36,456 <u>(1)</u>	06/01/2004 06/25/2013	Common Stock	395,000	
Option (Right to Buy)	\$ 2.5	05/21/2012		M	3,544 <u>(1)</u>	06/01/2004 06/25/2013	Common Stock	395,000	
Option (Right to Buy)	\$ 2.5	05/22/2012		M	3,230 <u>(1)</u>	06/01/2004 06/25/2013	Common Stock	395,000	

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Morris Ian H
11332 NE 122ND WAY, SUITE 200
KIRKLAND, WA 98034

CEO

Signatures

Jacqueline Davidson, CFO 05/22/2012

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The exercise was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

(2) The sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

The sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person. The reported price is a weighted average sales price. These shares were sold in multiple transactions at prices ranging from \$4.24 to \$4.36. The reporting person will provide to the issuer, any security holder of the issuer, or the SEC staff, upon request, full information regarding the number of shares sold at each separate price within the range.

(4) The exercise was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

(5) The sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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