



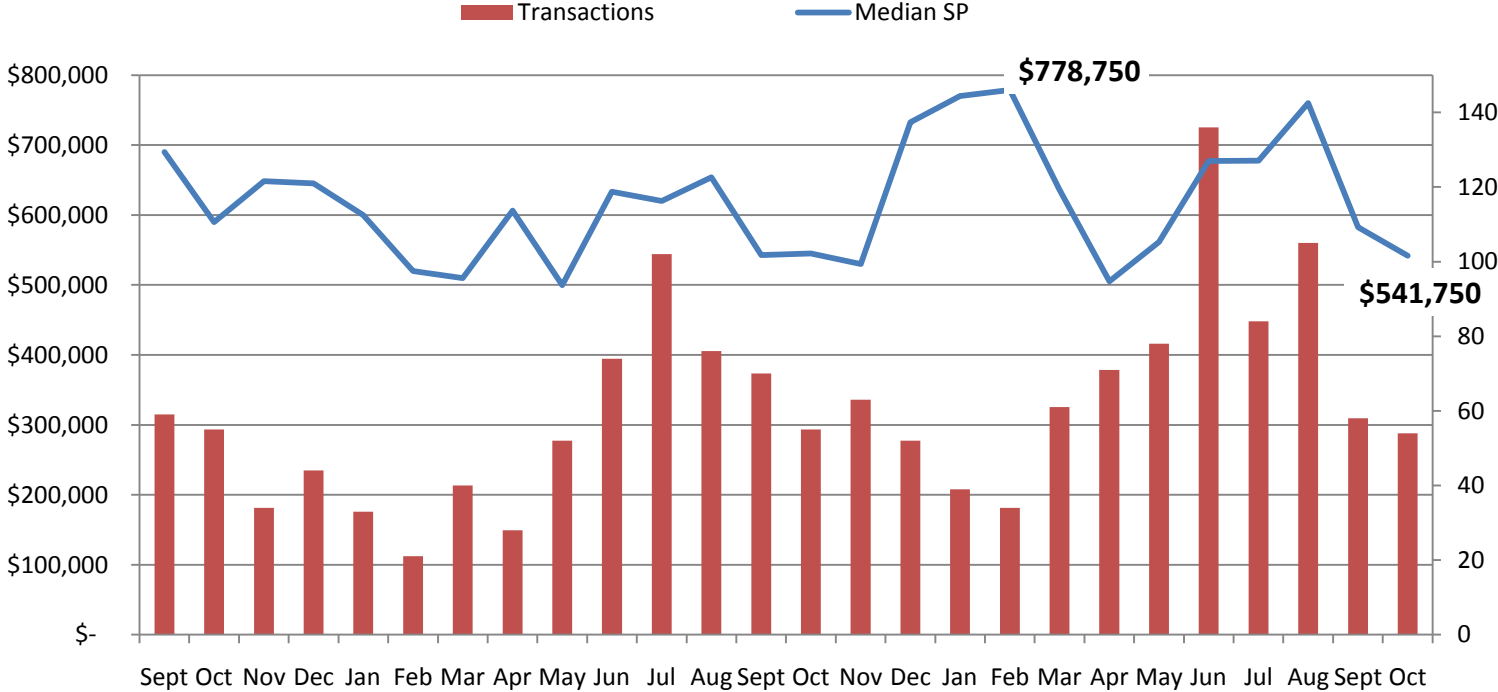
Welcome to Wilmette

A Review of Real Estate Transactions
in Wilmette October 2010

@properties

North Shore Sales Drop in Q3 and October

North Shore - Evanston to Winnetka
Single Family Homes Sales

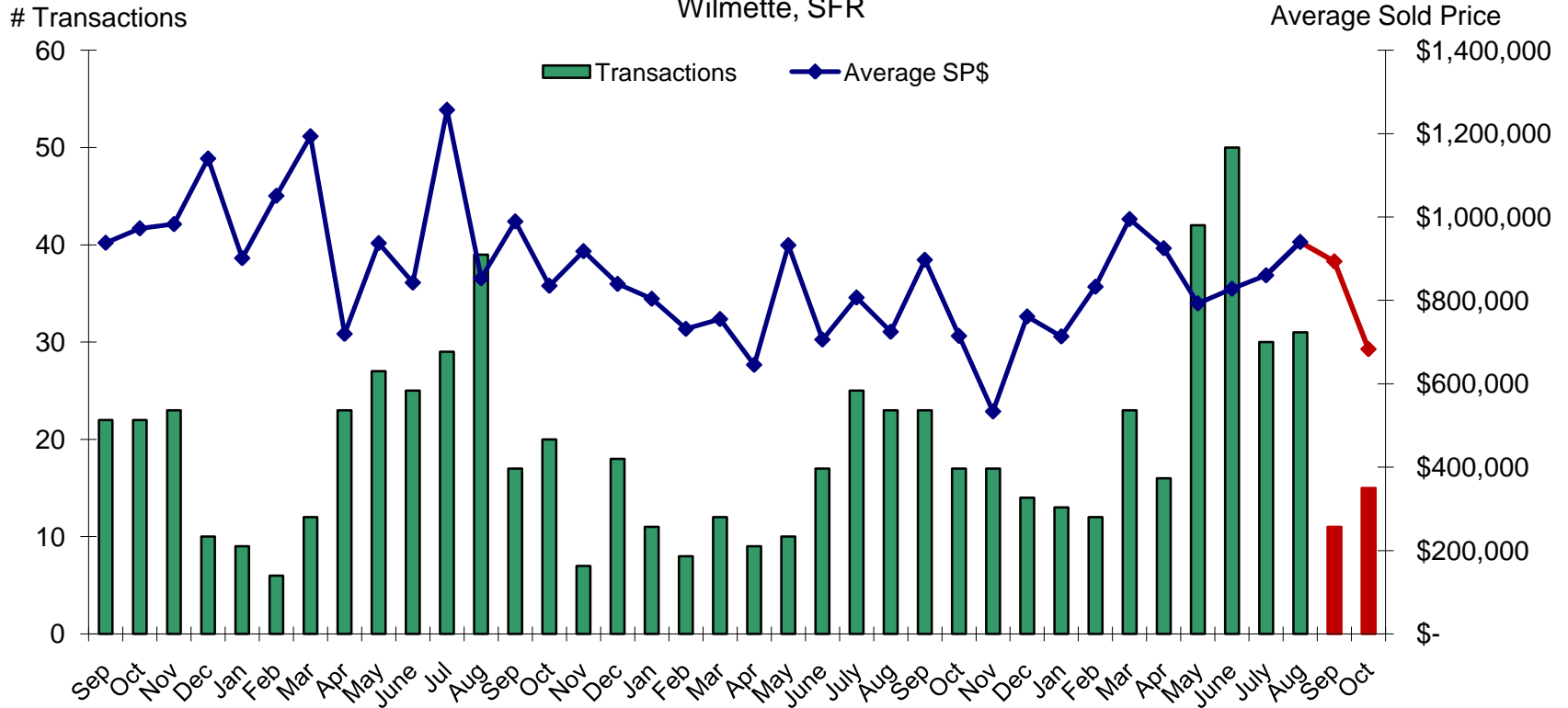


As we look at the last two years we can see that homes in Evanston , Wilmette, Kenilworth and Winnetka didn't have the massive drop we saw in the 2007 to 2008 time period. If we ignore the high reached in February 2010 we still see a moderate downtrend in pricing. What has been disconcerting is the sharp drop off in volume. While it still looks as if more homes will sell in 2010 as did in 2009, the fall off from June is something to watch. Wilmette was hardest hit

Wilmette Sales Continue Slowdown

Contracts vs Average Sale Price
September 2007 to October 2010

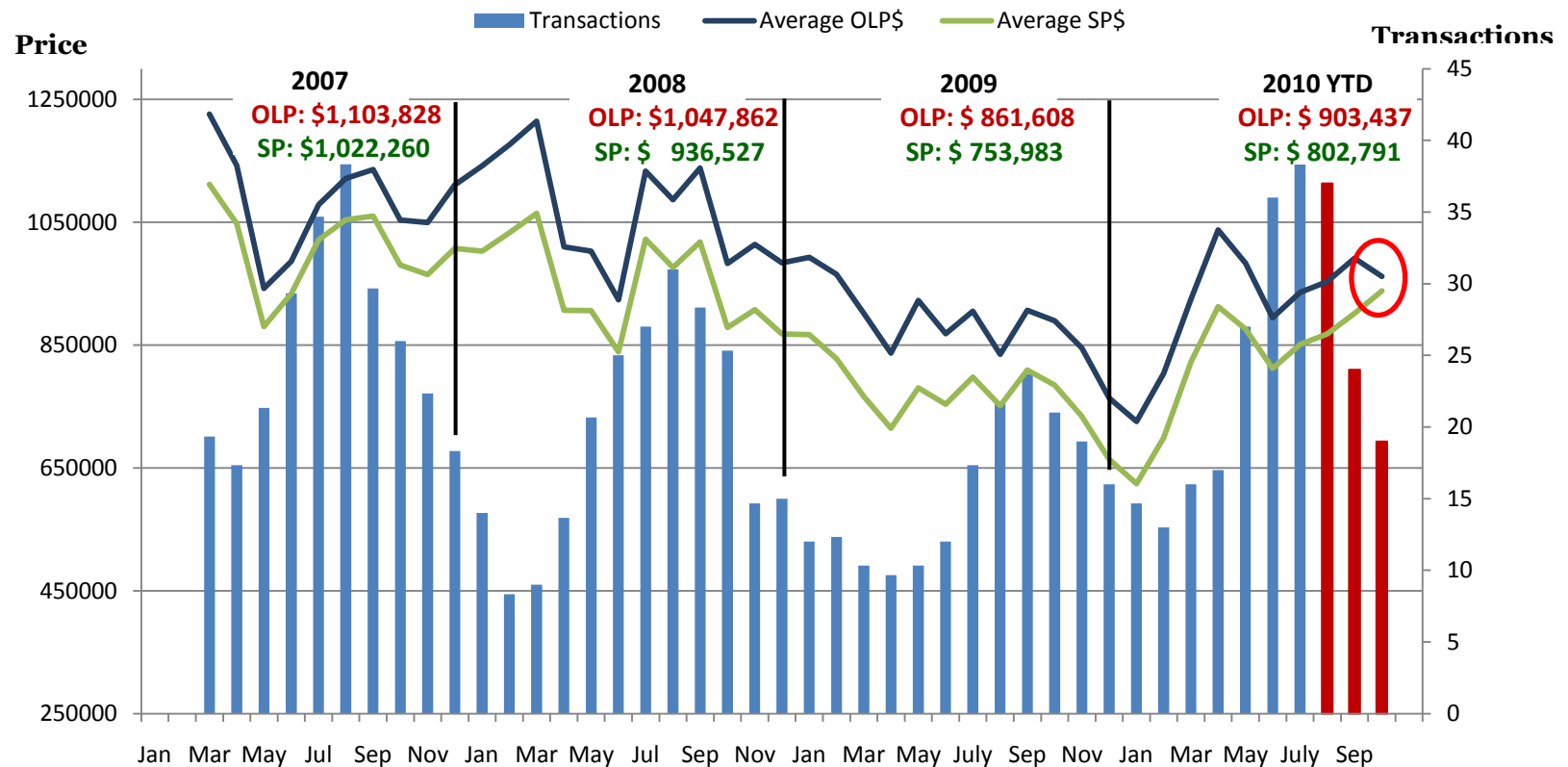
Wilmette, SFR



While there is still an upward bias to the Average Sold Price for homes in Wilmette, I am concerned about the two month decline in Price as well as the drop we saw in September transactions.. In October we saw marginally more transactions but the Results are still below those for the prior two years. Some of this decline can be attributed to the Federal Tax Credits but we've talked about that for several months now. I suggest there is still an underlying issue, perhaps a lack of consumer confidence, which has been holding us back. With low interest rates, substantially lower prices and many housing choices, we should have seen a "pop" back. Let's see how November and the 4th quarter play out.

Trailing 3 Month Data Confirm Slowing

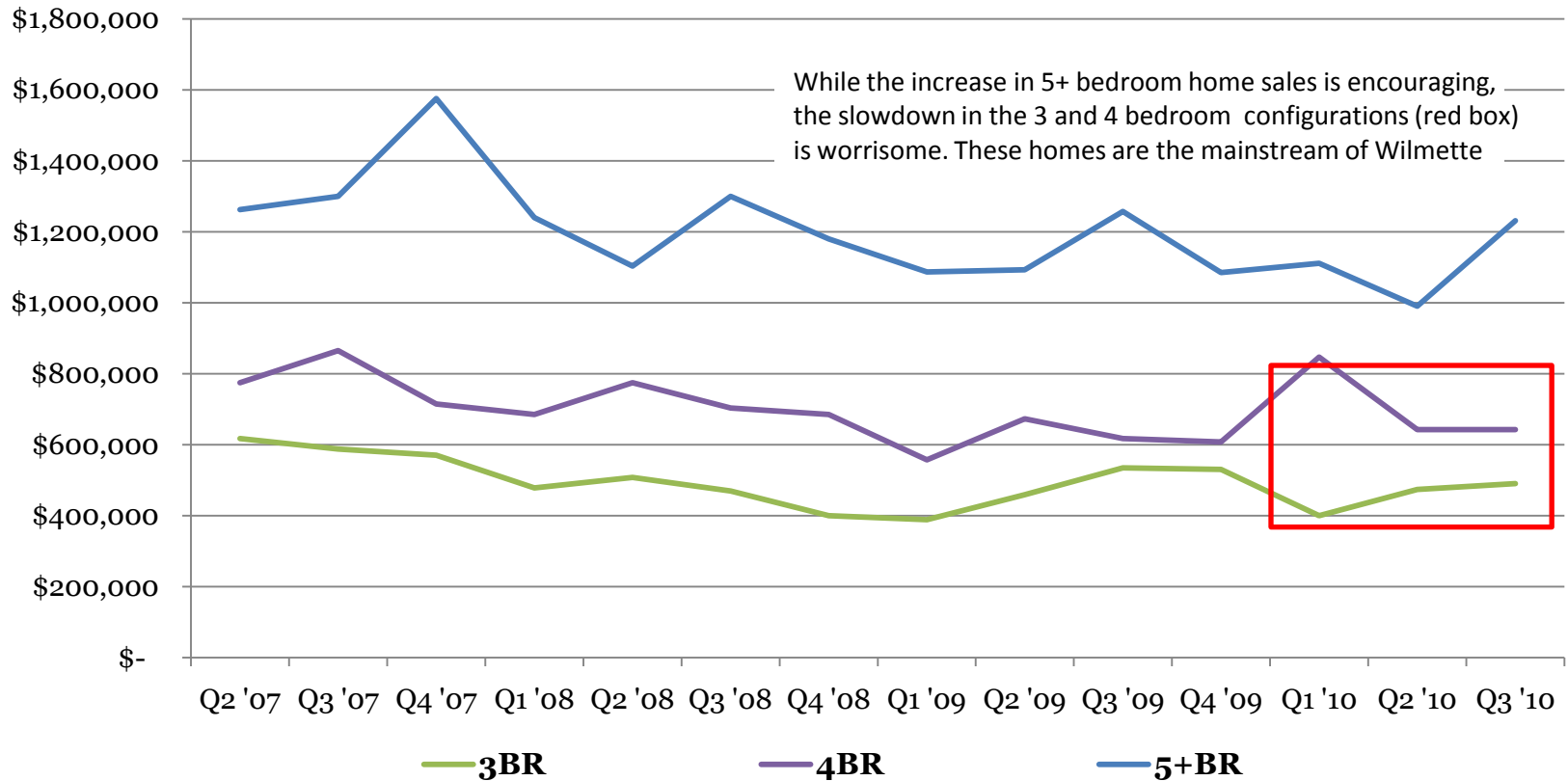
Closed Transactions - Trailing Three Months Wilmette March 2007 - October 2010



In Q3 and now in October 2010 we saw Trailing 3 Month **transactions** drop dramatically (red bars). September and October Closed volume is below that of the prior two years. Last month I noted that there appeared to be a stability between Original List Prices and Sold Prices. In October we saw that ratio drop. **THAT'S GOOD**: prices are down and buyers are purchasing. But, this also suggests we are selling more lower priced homes at prices much closer to List Prices than all year. In fact, 25% of the homes sold in October were **BELOW \$500,000** - the first time in Wilmette in well over a year. Let's watch Q4 for developments.

Slowdown in Key Housing Segments

Analysis of Wilmette SF Sales Median Price by # of Bedrooms



What to Look in Q4 2010

- Continued low level of transactions
 - 4th Quarter a tough time to sell
 - Available credit still a problem
- Pipeline is just “Okay”
 - Only 16 closed deals in October
 - 9 Pending deals –only 1 new PENDING in November
- Buyers are looking and are savvy about price
 - Sellers need to get ready for negotiations
 - Buyers have SHARP sense of value and competition

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