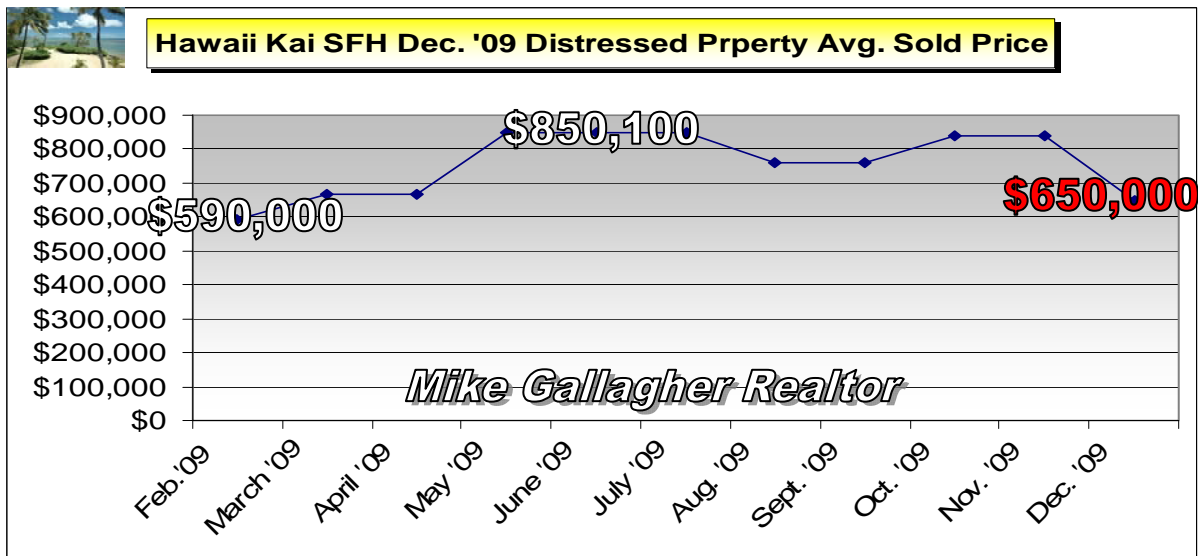
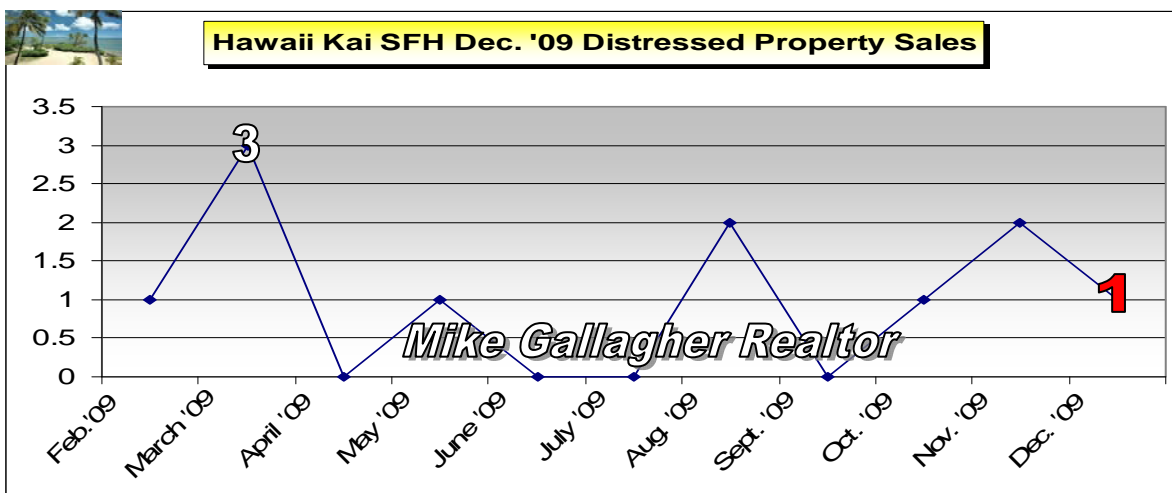


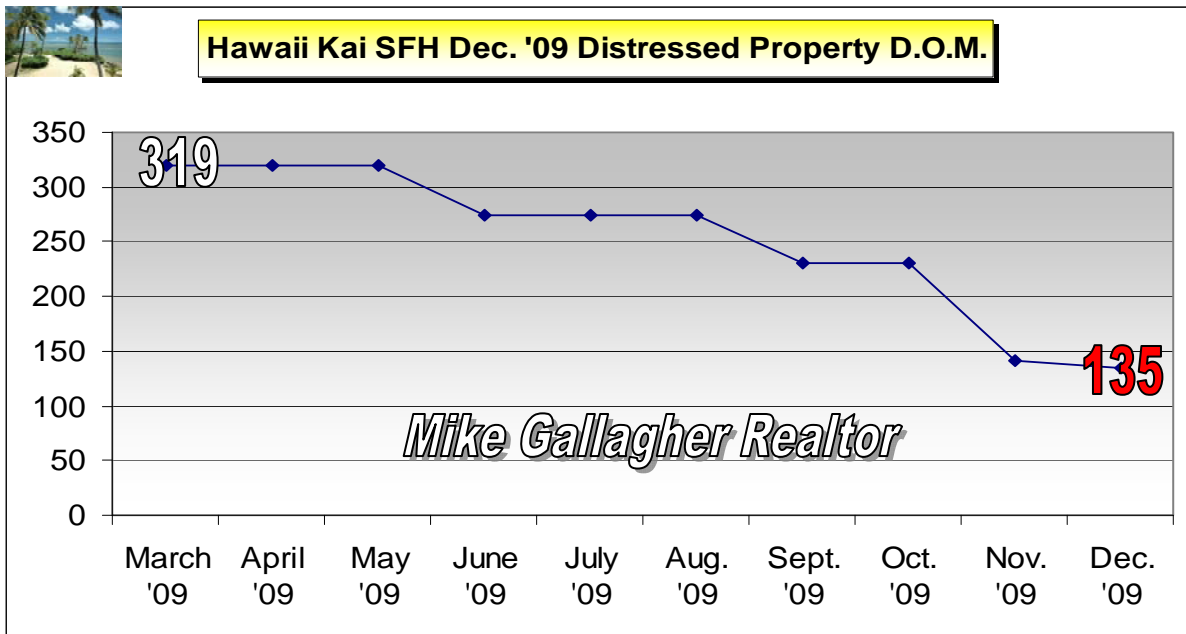
Hawaii Kai Single Family Home Distressed Property Year End 2009 Sales Report



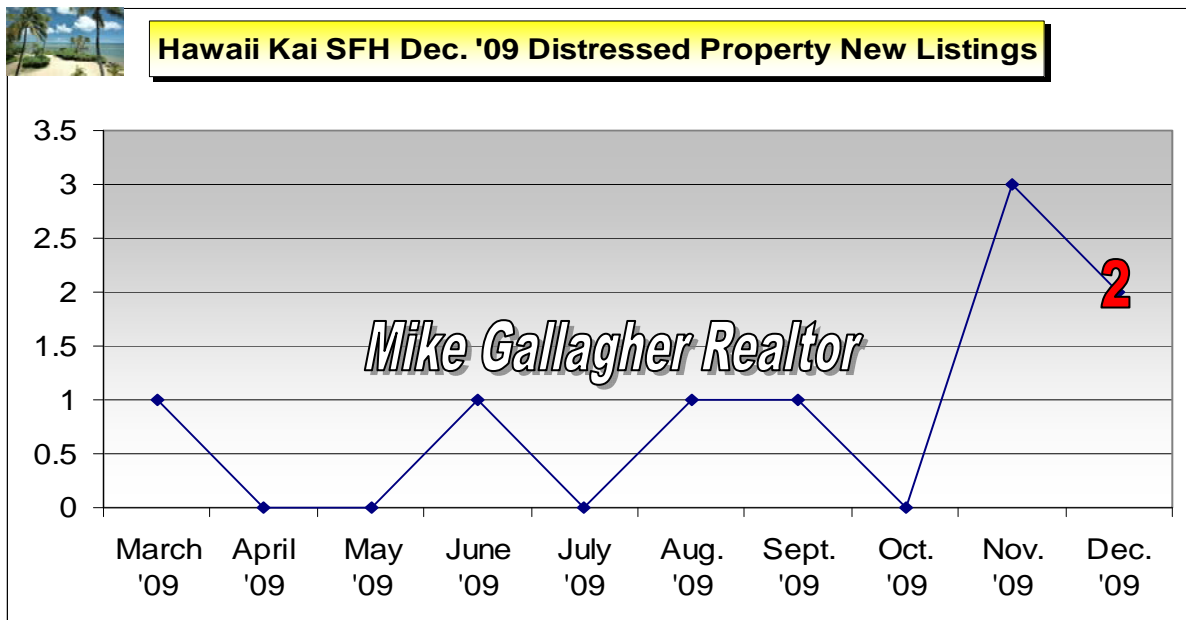
The statistics available for Distressed Properties that are available from the Honolulu Board of Realtors are fairly new. The whole Distressed Property Market is fairly new as well which makes it difficult to glean pertinent information with any consistency, especially for Neighborhoods that are not experiencing many Distressed Property listings or sale. This is why many of the graphs are going to look somewhat incomplete.

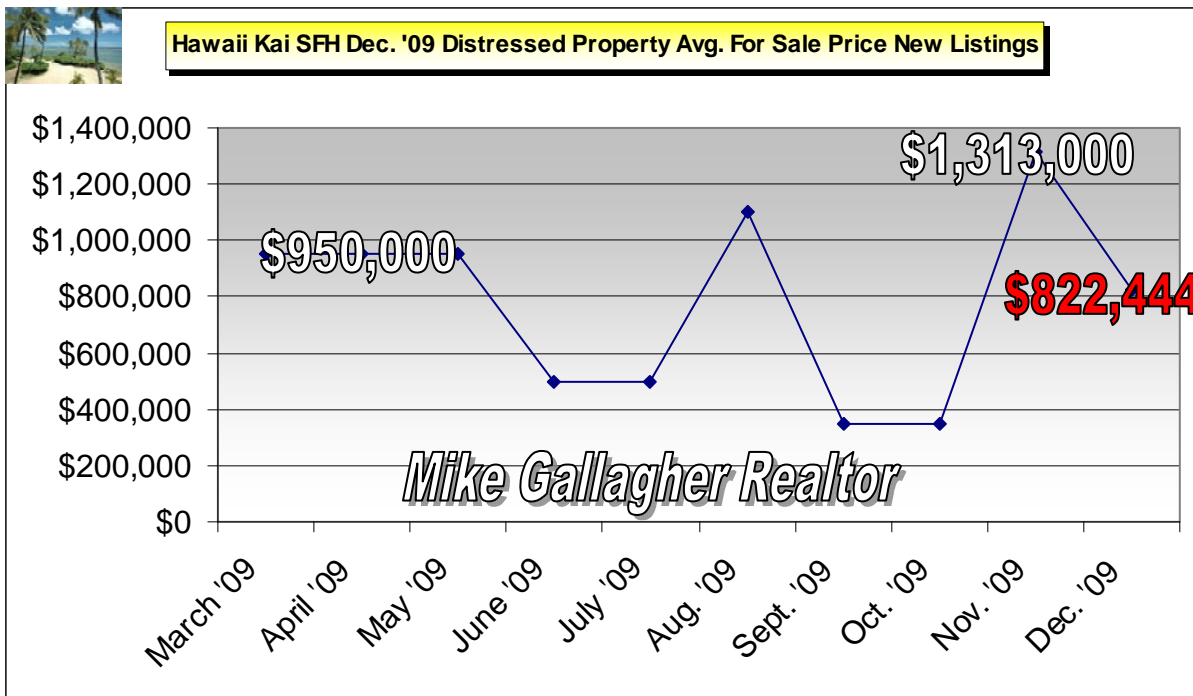
My intention is keeping track of Distressed Property Sales was that I know that this category of sales is going to become more prevalent over time and no one else is keeping track of this data that I am aware of the way I am. I would like to be able to go back and look at trends in this category years from now and understand the market clearly. To get to this point will take time. In the meantime I can share what little information I do have that might be interesting to you.





This D.O.M. graph is a little misleading unless you understand the circumstances in which the data is collected. First off, "Active" or "For Sale" inventory acquires age each day it has been on the market For Sale. A year ago from today's date, 365 days a listing that is For Sale will appear in the Honolulu Board of Realtors Multiple Listing Service and show a D.O.M. (Days On Market) of 365 days. Days On Market is the measurement of how long it takes to have obtained an Accepted Offer for the property. As New Listings come onto the market as For Sale or Active they go into go into Escrow at different D.O.M. measurement and as we get closer to today's date we will see a natural tendency for the D.O.M. graph to show a progression of lower and lower D.O.M. As time goes on this graph will become more useful as it will become more consistent and then it will provide with accurate data and we will be able to see trends.





Similar conditions exist in the Average For Sale and Sold Prices as I described for the previous D.O.M. graph. As time goes on, this graph will become more consistent. The nature Distressed Properties is so full of different variables such as when the listing was taken, how long did it take to sell, when did the Seller first purchase it, was the market an up market or down market when the Seller purchased it, are they now "Underwater", owing more that the Market Value, etc. In other words, the 'nature' of Distressed Properties is inconsistent but trends will become apparent over time and we will be able to see similar statistics in a low activity area such as Hawaii Kai as we currently see for a very active Distressed Property Market such as Ewa, today.

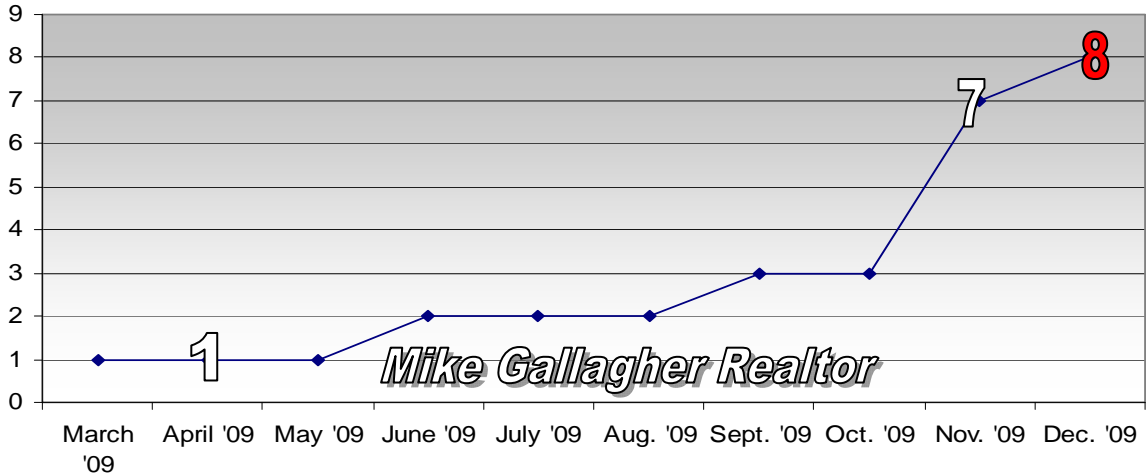
As of January 27, 2010 47% of all listings For Sale for Single Family Homes in Ewa are Distressed Properties. Also as of the same date 60% of listings for Condos are Distressed Properties in Ewa.

Hopefully, Distressed Properties will not grow in any area on Oahu as this is not a good thing to wish upon owners.

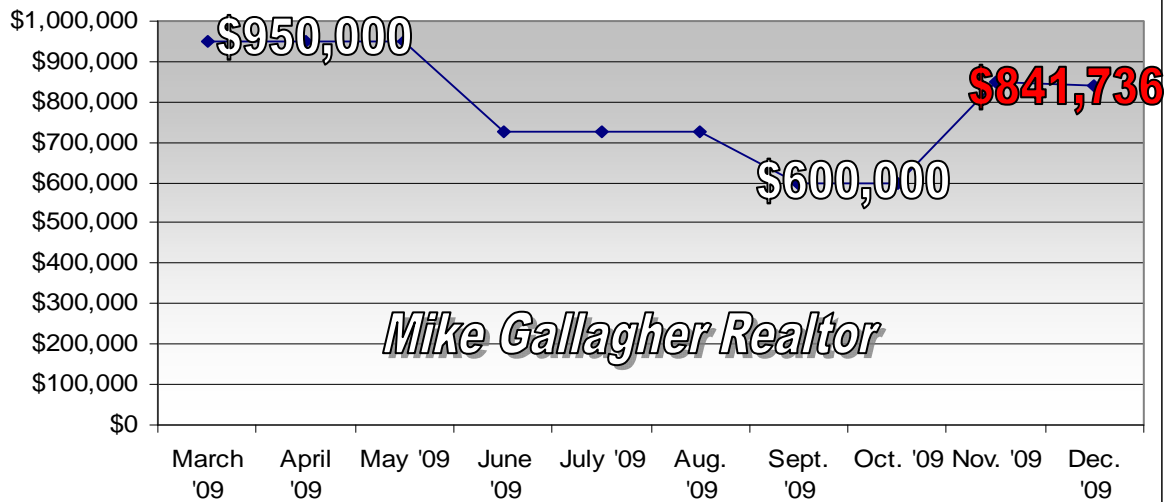
There are many variables in the current Economy that make it difficult to determine how much this overall Distressed Property Market will grow or decline. I do not have a 'Crystal Ball' but I am betting that the Distressed Property market is going to grow over the next year and into 2011. This may not be the case for areas such as Hawaii Kai where the average time an owner has owned his or her property is approximately 13 years, but it will certainly be the case where the average owner has owned their property for less than 5 years.



Hawaii Kai SFH Dec. '09 Distressed Property Inventory



Hawaii Kai SFH Dec. '09 Distressed Property Avg. For Sale Price



Thank you for taking the time to read my report and I wish you the best in your explorations of the current market.

If you need a great agent with high ethical standards please do not hesitate to call or email me with any questions you may have.

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