

January 7, 2010 Update for Lake Point Condominiums

Overall status: Fair

Market Status: Poor

Market Data

	East Madison – 2009 Condo Sales (per above summary)		
	2008	2009	% Change 2008-2009
Listed	776	748	3.6% decline in inventory
Sold	289	330	14% increase in sales

Avg Sale Price \$179,713 \$156,629 12.8% decline in price

	Dane County – 2009 Condo Sales (per above summary)		
	2008	2009	% Change 2008-2009
Listed	3818	3101	18.7% decline in inventory
#Sold	1290	1262	2% decline in sales
Avg Sale Price	\$196,783	\$169,924	13.6% decline in price

East Madison – 2009 Condo Sales \$125,000-\$175,000 (per above summary)

- 259 listed
- 119 sold
- Average sale price \$154,900

TRENDS:

- Decline in pricing = more condo sales, fewer on market
- Based on East Madison 2009 condo sales, there is currently 1.2 years of inventory on the market
- Prices will continue to decline until financing becomes more available for all condos and we have 6 months of inventory (a seller's market).
- Mortgage rates are going up which will take some buyers out of the market.
- There are more condo short sales and foreclosures coming on the market. Many listings that expired at the end of 2009 expired because the sellers had their condos listed for more than they're worth and are in a short sale or foreclosure situation. This will continue through 2010.

Elver Park on the west side of the City is offering short sales at \$63,900 for 1,200 sf units with 2 parking spaces. There are 20 units of inventory remaining and this project is tough competition for the Garden View units (700 sf with one space).

One Townhome contract was closed in December

Lake Point Inventory- 8 townhomes and 13 conversion (Garden View) units.

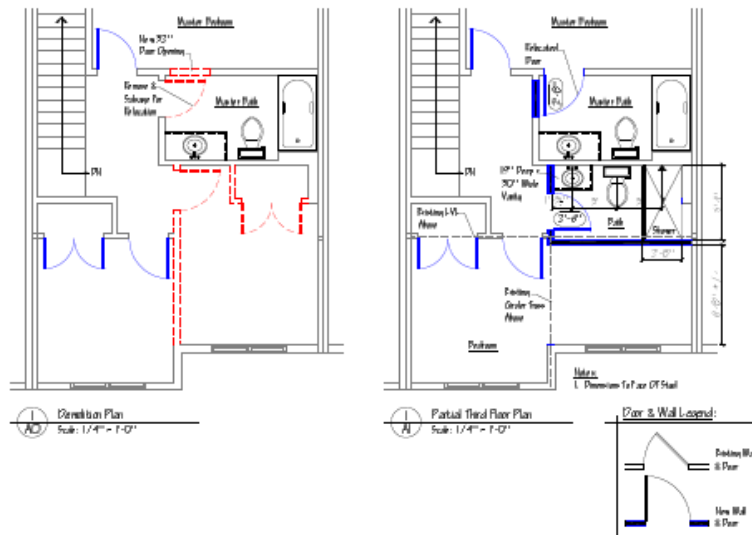
Schedule item	Item Owner	Plan date	Actual or scheduled	Comments

Inventory Completion	Receiver	3/15/10	Two Garden View units and one townhouse are being completed.
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Detail

The day to day management of the Lake Point Condominium Association will be turned over to an Owner Board of Directors in the next few months. This will be timed with the departure of Anchor Property Management from the current effort. We appreciate the assistance they brought to our effort and wish them well.

The receiver and marketing team are working on a remodeling of the 3rd floor of townhome unit 1809 from a small 3 bedroom layout to 2 bedroom/2 bathroom unit. We believe this effort will shed a new perspective on the unit and create interest in the project. The buyer is paying for the remodel per the contract. Though prospects are few, we are having some luck generating sales with a true Master Bedroom.



Lake Point Condominiums
 Madison, WI
 10 December 2009
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The 2010 budget process has been slowed by the pending departure of Anchor and the enlisting of owners to manage their property.

The receiver has paid down \$250,000 of the Fannie Mae loan balance.

WEB

The Lake Point website has been up and links will be transferred to Keller (<http://lakepointcondos.com>). This site is owned and controlled by the development. Keller William's changes to the site have been enacted.