

THE WINDERMERE REPORT



Real Estate Market Review and 2011 Forecast


Windermere
Coeur d'Alene Realty, Inc.

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Hayden

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MARKET REVIEW

Our prediction of a "calmer more balanced" real estate market in 2010 took longer to happen than we had hoped, but the good news is, it happened. Every category had an increase in number of sales from the previous year, and single family residential and residential on acreage properties ended the year with increases in average sales price. The following charts are based on data from all sales reported to the Coeur d'Alene Association of REALTORS® Multiple Listing Service from January 1 through December 31, 2010.

SINGLE FAMILY HOMES - % OF MARKET SHARE

PRICE RANGE	2010	2009	2008	2007	2006	2005	2004
Under \$150,000	42%	34%	18%	14%	21%	33%	59%
\$151,000 - \$200,000	32%	39%	39%	37%	26%	28%	15%
\$201,000-\$250,000	12%	13%	20%	22%	20%	13%	12%
\$251,000 - \$300,000	6%	6%	10%	11%	11%	9%	5%
\$301,000 - \$400,000	5%	4%	9%	9%	11%	8%	5%
\$401,000 - \$500,000	2%	2%	2%	4%	4%	4%	2%
Over \$501,000	1%	2%	2%	3%	7%	5%	2%

RESIDENTIAL

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2010	2952	\$ 207,543	132
2009	1,915	\$189,157	122
2008	1,803	\$217,623	121
2007	2,328	\$231,752	115
2006	2,823	\$223,709	122
2005	3,801	\$201,567	74
2004	3,742	\$154,807	89

RESIDENTIAL ON ACREAGE

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2010	444	\$291,264	152
2009	306	\$285,388	143
2008	297	\$355,659	136
2007	399	\$384,196	142
2006	410	\$368,521	154
2005	698	\$355,956	129
2004	681	\$254,991	138

RESIDENTIAL WATERFRONT

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2010	102	\$624,305	204
2009	77	\$760,113	183
2008	70	\$812,258	142
2007	147	\$797,518	153
2006	182	\$756,694	154
2005	122	\$654,233	116
2004	176	\$414,712	139

RESIDENTIAL WATERFRONT SECONDARY

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2010	39	\$274,172	143
2009	33	\$254,103	127
2008	23	\$445,039	153
2007	46	\$384,508	138
2006	60	\$430,807	164
2005	55	\$402,577	125
2004	62	\$252,853	123

WATERFRONT PROPERTIES - AVERAGE SALES PRICE

AREA	2010	2009	2008	2007	2006	2005	2004
Coeur d'Alene Lake	\$653,612	\$1,464,300	\$1,450,417	\$1,008,481	\$830,000	\$805,838	\$432,861
Hayden Lake	\$721,577	\$796,069	\$856,210	\$798,400	\$925,000	\$941,960	\$563,543
All Other Lakes & Rivers	\$640,400	\$567,534	\$664,092	\$778,013	\$475,398	\$473,690	\$358,461

CONDOS/TOWNHOUSES

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2010	222	\$185,625	148
2009	162	\$193,391	154
2008	196	\$253,645	129
2007	244	\$322,244	167
2006	230	\$235,236	180
2005	153	\$180,283	106
2004	131	\$135,309	156

MULTI FAMILY-RESIDENCE

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2010	54	\$185,377	133
2009	44	\$332,204	122
2008	51	\$302,459	129
2007	85	\$318,465	135
2006	151	\$314,180	103
2005	267	\$260,492	92
2004	284	\$227,250	97

Note: This data representation is based on data supplied by the Coeur d'Alene Association of REALTORS®, Coeur d'Alene, ID, or its Multiple Listing Service (MLS). Neither the Association nor its MLS guarantees or is in any way responsible for its accuracy. Data maintained by the Association or its MLS may not reflect all real estate activity in the market area.

MARKET FORECAST

HOW CAN YOU MAKE THE MOST OF THE MARKET IN 2011?

Your individual circumstances will determine your best course of action

Are you living in the home that best fits your lifestyle?

Perhaps you are holding back because your current home has not appreciated as you had hoped. If you are waiting, consider this: Many sellers are recognizing that their



opportunity is with the new home they can buy now. They may not get what they had hoped for on their current home, but they can purchase so much more home in today's market!

Investment opportunities are abundant in today's market!

Is it time to give your kids, your grandkids, or yourself, a chance? Conservative investments in residential rental property can fund a child or grandchild's future college education, or provide you with a secure plan for your future retirement.

Affordability is at an all time high.

New data suggests that "housing is more affordable now than it has been in 35 years."* The "Affordability Index", is measured by factoring average home price, interest rates, and household income, to determine housing affordability for the median family population.

First Time Home Buyers, Move up Buyers, Empty Nesters, even Vacation Home Collectors, can use today's low interest rates and post-bubble prices to their advantage. In all sectors of the market, there are bargains to be had!

*MSN Money February 9, 2011

DISTRESSED PROPERTIES CONTINUE TO PLAY A (SMALL) ROLE

"Distressed Properties" are a common topic of the national news and they are a part of our local market. But unlike other parts of the country, Short Sale and REO properties were only 28% of the single family residential sales last year. It is important to remember that this means 72% of the single family sales were not in distress.

What is the difference between a short sale and a REO?

A SHORT SALE occurs when a property is sold for less than what is owed on the property's loan. Typically the borrower is delinquent on their mortgage payments, the market value of the property is less than what is owed, and the lender decides that selling the property at a loss is preferable to foreclosure. The advantage to the borrower in "selling short" is that by avoiding foreclosure they may lessen the damage to their credit score, and in some cases, may even receive financial assistance for their move under the Federal Government's Home Affordable Foreclosure Alternatives

Program, (known as HAFA). A Short Sale however, does not necessarily release the borrower from the obligation to pay the remaining balance of the loan, known as the deficiency. The decision to "sell short" should be made carefully and with the help of a skilled REALTOR® and legal counsel. Purchasers of a short sale property must understand that the experience can often be frustrating. Acceptance of their offer will be subject to the seller's lender approval and this approval can often take several months.

REO refers to Real Estate Owned property which is in the possession of a lender as a result of foreclosure or forfeiture. Bank REO properties are generally in poor condition and in need of repairs and maintenance. Although their discounted prices make REOs attractive to investors, the condition of an REO property is often a deterrent for owner-occupied purchasers.

THANK YOU

Each year we make a commitment of giving back to our community. Since 1997, the Windermere Foundation has had the opportunity to donate \$673,051.29 to deserving people and organizations right in our area. **Windermere Foundation Recipients in 2010 included:**

For Children

Boots & Socks Program
Baby Anthony Fundraiser
Children's Village
Athletic Shoes for Underprivileged Children

For Families

Family Promise of North Idaho
Christmas Cheer 125 Needy Seniors

For Women

North Idaho Violence Prevention Center
(The Women's Center)

For Community

Community Action Partnership
Trinity Group Homes
Veterans of Foreign Wars
TESH- programs for disabled young adults
Habitat for Humanity
North Idaho College Dual Enrollment
Program Scholarships



**Total given back to our
community in 2010 =
\$38,968**

MARKET COVERAGE

140 REALTORS® and Staff

3 Locations

1 Goal: Help You Accomplish your Dreams

We at Windermere Coeur d'Alene Realty have been very fortunate to attract quality people: REALTORS® and staff whose commitment to professionalism and spirit of community service are the building blocks of our company.

Our Company Core Values set us apart from most real estate brokerages and have earned us the reputation as the most trusted real estate company in our community.


Windermere
Coeur d'Alene Realty, Inc.

www.CDAREalty.com

1-800-883-1356

OUR COMPANY CORE VALUES

Deliver exceptional service | Be honest in all dealings | Encourage and support each other
Contribute to our community | Take responsibility | Put clients' interest above our own



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Windermere/Coeur d'Alene Realty: Proud recipients of Idaho's Brightest Star Award for Service for Children