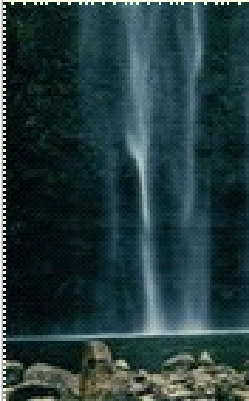




Foreclosures Down for June....



The number of foreclosure filings in Hawaii for June was the lowest monthly amount since January 2009. According to RealtyTrac, there were 344 foreclosure filings in June, down 66 percent from the 1,000 in the same month of 2010. This compares to 337 filings in January of 2009.

This could be a reflection of the new foreclosure law that has a moratorium on non-judicial foreclosures until October of this year. Or it could be a sign that we are slowly digging our way out of the worst of this mess.

It is also important to note that *judicial* foreclosures rose from 109 in June of last year to 200 this year. The new law was intended to force lenders to negotiate some type of loan modification. Let's hope that is what begins to happen.

Investor Potential

Condo Prices:

There are some condo units available today that have great one to two year upside potential. These units would be a wise investment for those people that have some cash on hand or can qualify for loans under \$150K. Each of these units is below the market value of comparable sales in their complex:

- 1) Plantation Hale: An REO unit currently on the market for \$84,900. These units are 1 bedroom/1 bath with HOA fees of \$600/month. Put it in the rental pool or long term rent it. Lowest sold unit this year was at \$125K.
- 2) Village Manor: Another REO 2 bedroom/1 bath unit currently listed for \$118K. This is a small complex in Kapaa town and this unit has already been remodeled. No comps (because the complex is so small) but the assessed value is \$145,800 and it sold in 2006 for \$303,000.
- 3) Halelani Village: You can track our market by watching the sales at this complex. In down times, the prices head below \$125K and when the market rises, values head over \$300K. Right now there is a 2 bedroom/1 bath REO unit available for \$107,900. Sales this year are averaging around \$120K.

Just a few examples of how you can put your money to work...even in today's market.

Sales Down In June

Sales figures for June are in and number of sales are down about 27% from the same time last year. If you really look at the numbers however, you'll see that we are only down 5 sales from last year. As I've said before, our market is small which makes small numbers make a big difference in the percentages.

Year-to-date we are only down about 2% in number of sales and up 14% in volume (or sales dollars). As we've been talking about all year, the market seems to be stabilizing.

Social Media Help

It's all a little new for me but I'm hoping some of you will help me out by going to Google Maps and rating my business. Just click on <http://maps.google.com>, type in McCartney Properties, Kauai, and then click on the link to my page. Once you're there, scroll down to see "Reviews by Google Users". Next to that is a link that says, "Been here? Rate and Review". I appreciate the plugs!!!

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