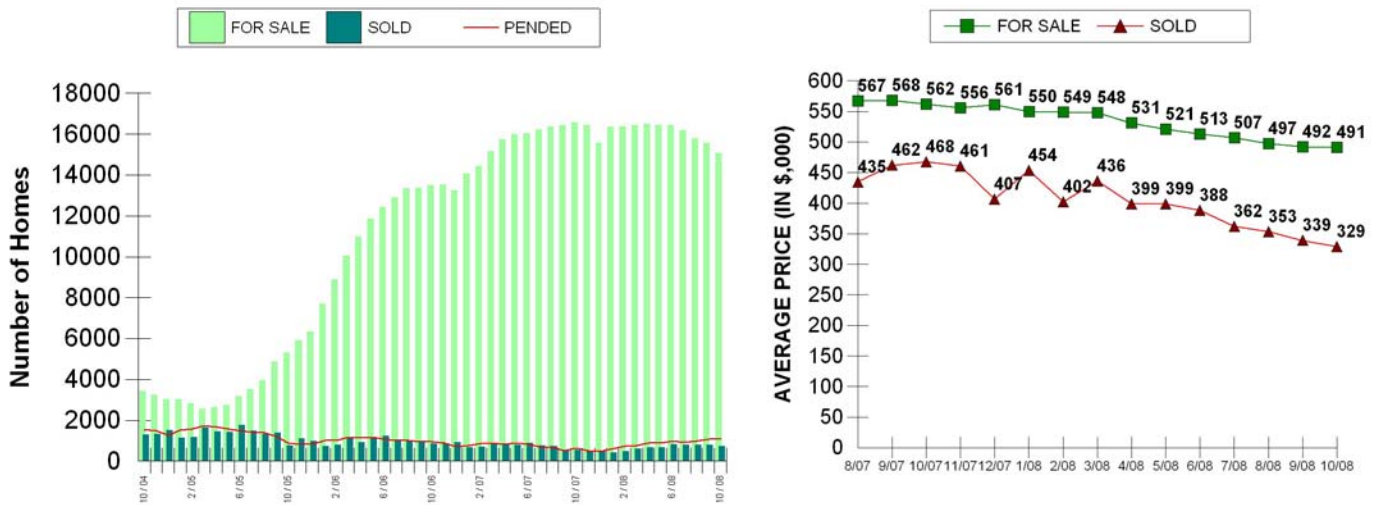


November 2008

Dear valued clients:

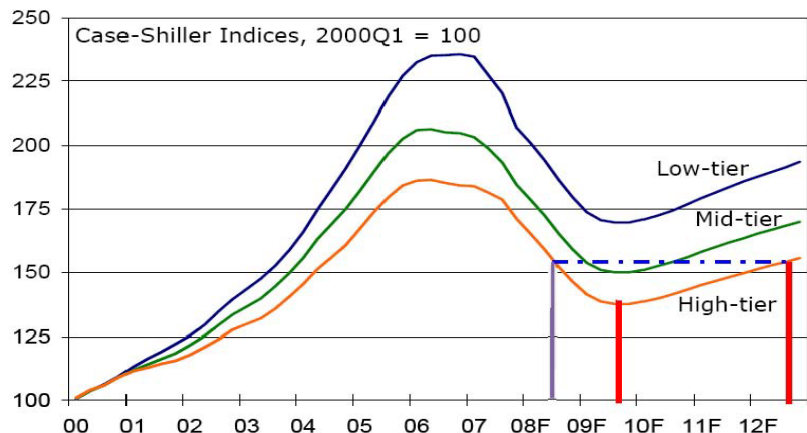
As the broker/owner of Balistreri Realty, I am writing to provide current market information you need as a seller in a frank, clear and concise manner. Although the current real estate market is widely discussed on daily television shows, in newspaper articles and in periodicals, we all tend to think it does not affect us or our property values. However, the market does affect each property being offered for sale. **Locally, we have a two year or better supply of available inventory.** While there have been a few more closed sales month over month, the few buyers in the marketplace are being hesitant and cautious, at best.

Below are two graphs from Trendgraphix, Inc., a national firm that tracks local market trends and statistics. The graph on the left shows that sales versus available inventory (homes and condos) in our market has experienced a huge divergence over the past 48 months. The graph on the right shows the significant downward trend in the average sales price over the last 14 months with **values falling about 2% per month or 24% annually.**



On the next graph, you can see (from Case-Schiller Indices) that the projections indicate falling prices through late 2009 and then a slow recovery. The graph indicates that **the offer price you may receive today, in this declining market, might not be matched again until the fall of 2013.** Most recently, in speaking personally with several other economic experts like Lawrence Yun, NAR chief economist, they believe South Florida's recovery will be delayed beyond the rest of the country because of the glut of inventory, over development and excessive number of foreclosures.

According to all indications, price adjustments are needed throughout the country – and our area is **NO exception.** The following quotes make clear that only the most aggressively priced properties will sell. We are strongly urging you to look at your current list price and let us assist you in determining if a price adjustment is necessary. Even if you have recently



reduced your asking price, a further adjustment may be needed. It is our goal to do all we can to make sure your property is the one that sells, not the one that gets passed over because of price.

“Set an asking price 10% below what homes like yours have been selling for. If your market is really frozen and you need to drop your price, make one large cut. No baby steps.” - Money Magazine 5/12/08

“If prices in your area are generally down 20%, then price your home 25% to 30% below its peak bubble value.” - The Wall Street Journal 7/14/08

“When cutting the price, take a big bite, not a bunch of nibbles.” - Washington Post 8/24/2008

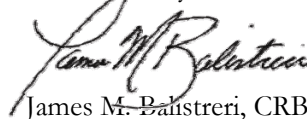
Median sales prices in South Florida are generally down 35% to 40% over the peak bubble and CNNMoney.com forecasts home prices in our area to decline another 13.8% over 2009. Our shared hopes of a never ending real estate boom have come to an end. The harsh reality that we all need to face is that we are not able to sell property at the highly inflated prices that peaked in 2005. **Our goal continues to be to help you price your property realistically, and at full market value.** However, we would not be fulfilling our fiduciary duty to you, nor moral obligation, if we did not tell you the market conditions have changed dramatically and continue to decline.

Annual sales volume of homes and condos in South Florida has declined some 120% since the 2005 peak. Fears of rising unemployment, foreclosures, a falling stock market, tightening credit and an overall slowing of the economy, have affected many lives locally and across the country. We strongly believe that the real estate market will rebound, and that it is a prudent place to be investing today.

Your listing agent will be calling you, if he or she has not already, to meet with you and help you determine if a price adjustment is needed using current market data. In addition, **I invite you to our Boca Raton or Fort Lauderdale offices on one of the following dates, so I can share a presentation with you on current market conditions** and make myself available to you for questions and answers. I expect the presentation to last 30 minutes and I will stay as long as needed. **The dates are: Monday, December 1, 9:30 a.m. Boca Raton office (1 N. Federal Hwy, 3rd Floor) and Ft. Lauderdale 7:00 p.m. (3099 E. Commercial Blvd.); and Tuesday, December 2, 9:30 a.m. at Ft. Lauderdale office and 7:00 p.m. at the Boca Raton office.** If either of these two dates does not work for you, call me directly and we can meet at another time. As space is limited, please call either office (FTL 954-489-3100; Boca 561-886-1600) and confirm which session you will attend.

Our goal has always been and continues to be to provide you with the highest level of expertise and representation. We want to offer you peace of mind, knowing that we are doing all we can, and you are doing all you can, to sell your property and move on to the next phase of your life.

Most sincerely,



James M. Baistreri, CRB, CIPS

Broker/Owner

954-545-1600

PS – Should you be facing a short sale or other financial difficulty with your property, please inform your listing agent or contact me directly as we may be able to assist you with this matter as well.