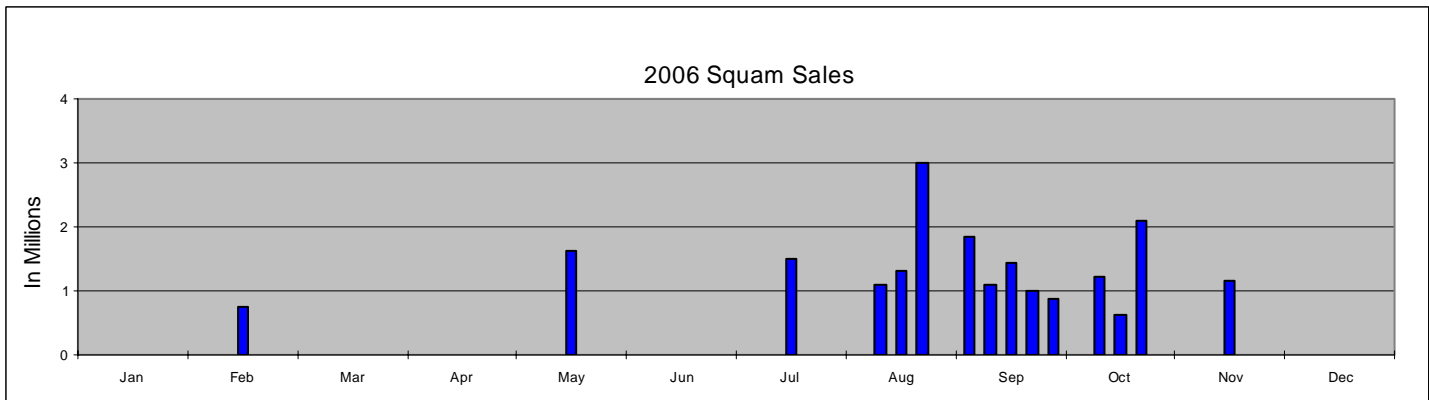
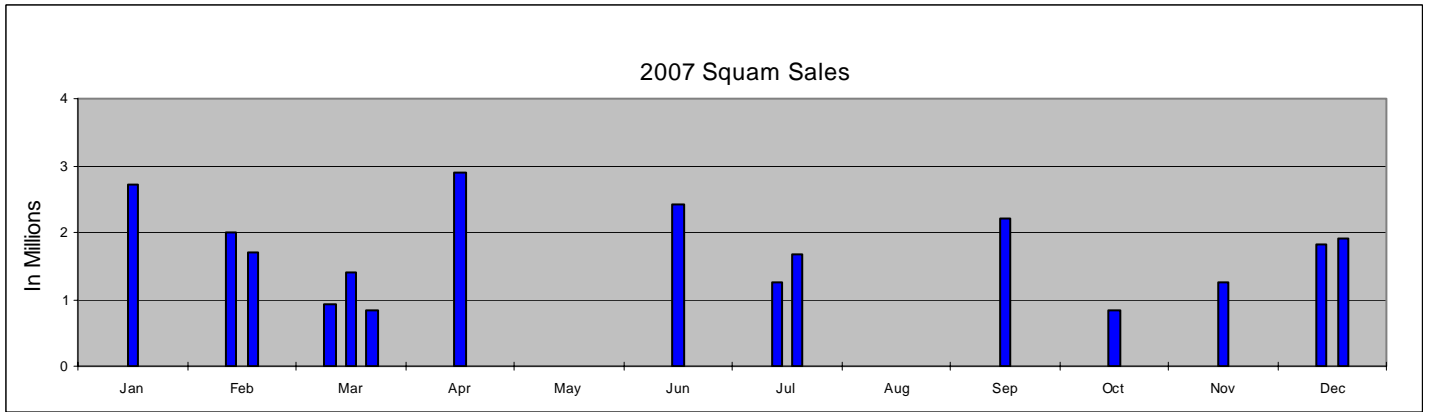


SQUAM LAKE SHOREFRONT SALES IN YEAR 2007 AND PAST DECADE



The above is clearly graphic evidence of the health and strength of the shorefront market on Squam. But those of you whom have followed Squam's shorefront values over the long term are surely not surprised. You remember well the same stability and strength Squam revealed during the stressful oil embargo period of '73 & '74 and the October 19th, 1987 stock market plunge.

Considering the fact that Squam's shorefront cottages are, for the most part, vacation homes it is indeed remarkable that in this particular year it has not only remained essentially unaffected by the major real estate down turn that has engulfed the entire nation but has shown an **increase** in the valuation statistics!

Note the following:

Year '06	Year '07
15 Sales	15 Sales
Average sale \$1,376,266	Average sale \$1,720,000
Total Gross \$20,644,000	Total Gross \$25,891,000

THE PAST DECADE

<u>Year</u>	<u>Total Number of Sales</u>	<u>Average Sale</u>
'98	10	\$700,100
'99	14	\$738,978
'00	13	\$899,307
'01	10	\$1,641,933
'02	9	\$1,157,000
'03	9	\$1,377,777
'04	16	\$1,758,875
'05	15	\$2,362,326
'06	15	\$1,376,266
'07	15	\$1,720,000

December 2007

Considering that Squam is New Hampshire's 2nd largest lake, where over 700 owners share over 50 miles of shorefront, it is quite remarkable that so few sales take place annually over the years (average being 12.7 in this 10 year study).

What also draws our attention (year after year) is it's use/investment Return On Investment (ROI) exceeding 10%. Note the doubling of average sale values from '98 to '06. This 10 year analysis continues to support our 25 year study done a few years ago showing a doubling of shorefront values every 7 years.

As each year goes by, the above statistics gain more importance in identifying long term market strength and stability of Squam's shorefront values.

Jack and Dana Armstrong
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