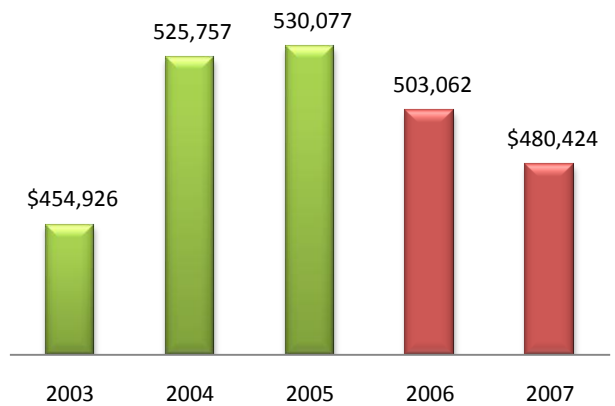


Johnston | Lynch Group's Watertown Market Report

Historical Home Sale Statistics | 2003 - 2007

Single Family - Watertown, MA

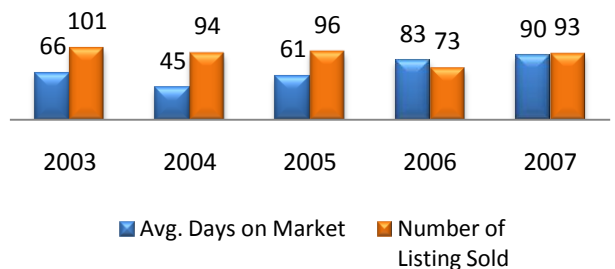
Year	Number of Listing Sold	Avg. Days on Market	Average Sale Price	Sales Price % Change
2003	101	66	\$ 454,926	
2004	94	45	525,757	15.57%
2005	96	61	530,077	0.82%
2006	73	83	503,062	-5.10%
2007	93	90	\$ 480,424	-4.50%



Stability on its way?

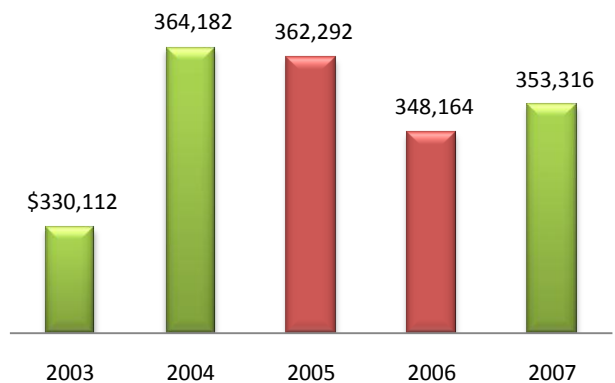
Watertown's single family home market has been more volatile than many of its neighbors. Adjustments are felt more dramatically and cycles take longer to complete, 2006 was a year of adjustment for the state, and 2007 was overall a good year in real estate. Watertown bucked that trend with a decline in average sale value of 4.50%.

Watertown's owner occupied residences is mostly condominiums. As a result, single family activity is difficult to project year to year. Our outlook for single family home in Watertown, is that, it will not meet the expectation we have for the robust markets is boarders. As a result, Watertown's prognosis for 2008, single family values will decrease or remain flat.



Condominiums - Watertown, MA

Year	Number of Listing Sold	Avg. Days on Market	Average Sale Price	Sales Price % Change
2003	182	52	\$ 330,112	
2004	219	49	364,182	10.32%
2005	281	47	362,292	-0.52%
2006	229	76	348,164	-3.90%
2007	306	78	353,316	1.48%



2007 - Condos are Up!

Condo sales are up! The average sale price is up!

Condominium sales in Watertown are up in all categories. The total number of sales is up and the average sale price has gained slightly by 1.48%. The affordability, location, and the total number of condominiums in Watertown make this category of residential real estate the dominate force in Watertown.

With reasonable levels of inventory on the market, strong history of turnover, we believe 2008 will be a good year for condos in Watertown. We are not certain how the 179 unit condo complex Reston Place will affect the re-sale market in 2008. We remain confident; more people will continue to turn to Watertown as a place with well appointed condos that have the location they desire.

