



THE HAMPTONS

Quarterly Survey of Residential Sales

4Q-2012

ELLIMAN REPORT

THE HAMPTONS

- Most fourth quarter sales and lowest inventory in 6 years**

Sales increased 5.8% from the prior year quarter to 529, the highest total for a fourth quarter in at least 6 years. Listing inventory fell 12.2% to a 6-year low of 1,023 listings.

- High-end market strength drove price indicators higher**

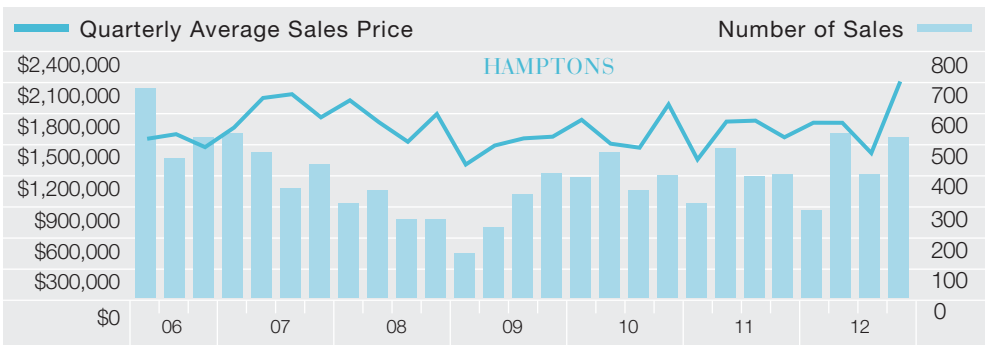
Median sales price increased 16.3% from the same period last year to \$907,000. Average sales price jumped 34.7% to \$2,130,788, the highest level reached since we began tracking the data 7 years ago. This was consistent with the larger year-over-year gains in median sales price in the upper market quintiles.

- Listing discount slipped as days on market expanded**

Listing discount fell to 13.1% from 14.8% in the prior year quarter as buyers and sellers moved closer together on price. Days on market expanded by 12 days to 218 as older inventory was absorbed.

Hamptons Market Matrix	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$2,130,788	49.4%	\$1,426,245	34.7%	\$1,581,608
Median Sales Price	\$907,000	18.6%	\$765,000	16.3%	\$780,000
Number of Sales (Closed)	529	30.6%	405	30.3%	406
Days on Market (From Last List Date)	218	9.5%	199	5.8%	206
Listing Discount (From Last List Price)	13.1%		9.2%		14.8%
Listing Inventory (active)	1,023	-21.4%	1,302	-12.2%	1,165
Absorption Rate (mos)	5.8	-39.6%	9.6	-32.6%	8.6

Year -to-Date	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$1,497,677	N/A	N/A	9.6%	\$1,365,972
Median Sales Price	\$835,000	N/A	N/A	-1.2%	\$845,000
Number of Sales (Closed)	1,760	N/A	N/A	9.7%	1,605



The final quarter of the 2012 Hamptons housing market was characterized by unusually heavy sales volume and falling inventory, which both hit 6-year highs and lows, respectively. The strength at the upper end of the market continued to skew the overall price indicators higher, while the pace of the market accelerated and older listing inventory was more readily absorbed.

There were 529 sales in the fourth quarter, a 30.3% increase over the same period last year

and the largest fourth quarter total in at least 6 years. Listing inventory fell 12.2% from the prior year quarter to 1,023, the lowest level in the same 6 years. Due to the sharp drop in supply and sharp increase in demand, the absorption rate, or number of months to sell all listing at the current pace of sales, increased to 5.8 months, roughly one third faster than the 8.6 months in the prior year quarter.

As a result of the faster market pace, older

listing inventory was more readily absorbed this quarter. Days on market, or the number of days that a property took to sell and close expanded to 218 in the fourth quarter, 12 days longer than a year ago. Listing discount, the percent difference between the list price at time of sale and sales price, slipped to 13.1% from 14.8% over the same period.

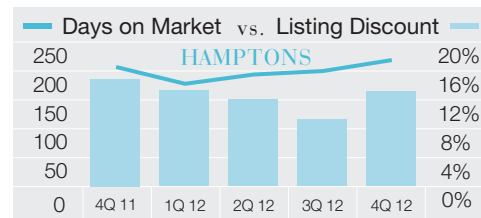
Median sales price increased 16.3% from the same period last year to \$907,000. Average

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sales price expanded 34.7% to \$2,130,788, its highest level in 7 years. The larger jump in average sales price reflects the high-end skew and the increased strength at the upper end of the housing market. Consistent with this pattern, the top 2 market quintiles showed the largest year-over-year gains in median sales price.

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$4,615,000	27.9%
4/5	\$1,848,813	47.9%
3/5	\$907,000	16.3%
2/5	\$575,000	15.0%
1/5	\$339,265	9.4%



CONDOS

- The number of sales surged as listing inventory fell** Although condos are a small market subset, sales more than doubled from their prior year levels. Over the same period, inventory dropped 14.4% to 83 units.
- Price indicators remained below prior year levels** Median sales price was \$551,100, down 7.4% from last year. Listing discount remained essentially unchanged at 10%.

Condos Market Matrix	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$502,842	-8.3%	\$548,413	-33.6%	\$756,763
Median Sales Price	\$551,100	10.2%	\$500,000	-7.4%	\$595,163
Number of Sales (Closed)	28	16.7%	24	133.3%	12
Days on Market (From Last List Date)	248	-6.1%	264	11.2%	223
Listing Discount (From Last List Price)	10.0%		7.7%		9.8%
Listing Inventory (active)	83	-1.2%	84	-14.4%	97
Absorption Rate (mos)	8.9	-15.2%	10.5	-63.4%	24.3

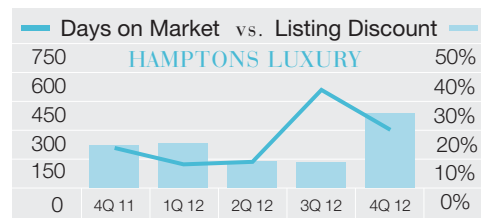
LUXURY

- Listing inventory fell and absorption rate fell sharply** There were 117 listings at the end of the fourth quarter, down 15.2% from the same period last year, pulling the absorption rate down to 6.6 months from 10.1 months in the prior year quarter.
- Listing discount and days on market jumped as older listings were sold off** Days on market for sales that closed in the fourth quarter jumped by more than 3 months from a year ago, as the market absorbed languishing listings. Listing discount followed the same pattern, rising from 14.8% to 25.6% over the same period.
- Price indicators up sharply** The luxury market threshold began at \$4,650,000 in the fourth quarter. Median sales price increased 16.6% from the prior year quarter to \$6,995,000.

Luxury Market Matrix	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$9,791,736	85.4%	\$5,282,080	31.0%	\$7,473,692
Median Sales Price	\$6,995,000	79.4%	\$3,900,000	16.6%	\$6,000,000
Number of Sales (Closed)	53	29.3%	41	29.3%	41
Days on Market (From Last List Date)	300	-40.8%	507	45.6%	206
Listing Discount (From Last List Price)	25.6%		8.9%		14.8%
Listing Inventory (active)	117	-14.0%	136	-15.2%	138
Absorption Rate (mos)	6.6	-34.0%	10.0	-34.7%	10.1

Top 5 Locations by Average Sales Price (Number of Sales)					
Current Quarter		Prior Quarter		Prior Year Quarter	
Southampton (8)	\$12,481,250	Wainscott (1)	\$18,587,000	Wainscott (3)	\$11,950,000
Water Mill (4)	\$12,412,500	Montauk (2)	\$7,137,500	Southampton (6)	\$7,925,333
Bridgehampton (6)	\$10,675,000	Southampton (8)	\$6,225,000	Bridgehampton (13)	\$7,066,454
East Hampton (17)	\$10,040,812	Westhampton Beach (2)	\$6,045,000	East Hampton (8)	\$6,337,500
Sagaponack (8)	\$9,112,900	Bridgehampton (5)	\$6,031,000	Sagaponack (8)	\$6,332,813

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$20,000,000	49.5%
4/5	\$10,243,750	27.8%
3/5	\$6,995,000	16.6%
2/5	\$6,100,000	29.8%
1/5	\$5,131,300	29.9%



Note: This sub-category is the analysis of the top ten percent of all sales. The data is also contained within the other markets presented.

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