



## HAMPTONS 3rd Quarter 2008

**3rdQ** statistics put forth, in living color, what we are already well aware of... the housing market everywhere has been hit. While there are varying degrees of severity, American homeowners' most valuable asset is being threatened.

Though we are fortunate enough to live on the tip of Long Island, surrounded on three sides by water and a short commute to NYC, we are directly impacted by the health of Wall Street. Bonus money has always taken the L.I. Expressway to the East End.

Looking at the statistics, we see in all 11 Hamptons Markets monitored by **Town & Country**, significant declines in the **Number of Home Sales** as well as **Total Sales Volume**. In addition, 9 of the 11 markets saw reductions in the **Median Home Sale Price**.

The **Bridgehampton** market (which includes WaterMill and Sagaponack) resembles the stock market — whiplash. While **Bridgehampton** saw the steepest decline in the **Number of Home Sales**, a drop of 80% or 50 homes sales in **3rdQ'07** vs. 10 homes sales in **3rdQ'08**, while the **Median Home Sale Price** shot up to \$4.025M, or 31% up from \$3M in **3rdQ 2007**.

The **Total Sales Volume** in 3 markets was off by more than 80%...**East Hampton Village** (-86%), **Sag Harbor Area** (which includes Noyack and North Haven) (-86%), and **Southampton Village** (-82%). This drastic decline in 'dollars exchanged' significantly impacts the towns and villages that rely on the income generated by real estate sales. In particular, issues exist where towns borrowed against future revenues from the 2% Peconic Tax. Hopefully, they will curtail buying on margin.

A close look at **Hamptons All Markets Combined** and we can get a pulse on just how severely our markets have been hit by this correction... while the **Number of Home Sales** and **Total Sales Volume** are down by -62% and -67.7% respectively. The **Median Home Sale Price** price declined far less, at -22%.

A correction was bound to occur, even expected, since values continued their ascent since the former bear market which ended in 1990. That's approximately 18 years of banner appreciation. East End real estate remains my long term investment of choice and from the caliber of calls we've been receiving at **Town & Country** it appears the best of the best agree — cash buyers are scoffing up bargains.

To view more specifics on your particular locations and price ranges visit our website **1TownandCountry.com** and click on "Reports".

### 1TownandCountry.com

\*Source: The Long Island Real Estate Report

\*\*All information is deemed reliable and correct. Information is subject to errors, omissions and withdrawal without prior notice.

EAST HAMPTON  
324-8080

BRIDGEHAMPTON  
537-3200

SOUTHAMPTON  
283-5800

MONTAUK  
668-0500

NORTH SEA HARBOR  
283-0505

WESTHAMPTON BEACH  
288-3030

MATTITUCK  
298-0600

SOUTHOLD  
765-0500



| Hamptons 2008 3rd Quarter Statistics   |                 |                         |                         |                    |                          |                       |                         |                         |               |
|--|-----------------|-------------------------|-------------------------|--------------------|--------------------------|-----------------------|-------------------------|-------------------------|---------------|
| Sag Harbor Area (Includes Noyack and North Haven)                                      |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 7               | 6,510,000               | 665,000                 | 2                  | 3                        | 1                     | 1                       | -                       | -             |
| Change   | -69.57%         | -86.09%                 | -54.30%                 | -                  | -57.14%                  | -75.00%               | -85.71%                 | -100.00%                | -100.00%      |
| 3rd Q 2007   | 23              | 46,810,600              | 1,455,000               | 2                  | 7                        | 4                     | 7                       | 2                       | 1             |
| Sag Harbor Village   |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 13              | 17,351,000              | 1,200,000               | 1                  | 4                        | 6                     | 2                       | -                       | -             |
| Change   | -40.91%         | -37.66%                 | -4.95%                  | -50.00%            | -42.86%                  | -45.45%               | +100.00%                | -100.00%                | -             |
| 3rd Q 2007   | 22              | 27,834,000              | 1,262,500               | 2                  | 7                        | 11                    | 1                       | 1                       | -             |
| Shelter Island   |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 8               | 10,218,750              | 815,000                 | 1                  | 5                        | 1                     | -                       | 1                       | -             |
| Change   | -63.64%         | -64.91%                 | -7.39%                  | -50.00%            | -61.54%                  | -66.67%               | -100.00%                | -66.67%                 | -             |
| 3rd Q 2007   | 22              | 29,121,000              | 880,000                 | 2                  | 13                       | 3                     | 1                       | 3                       | -             |
| Southampton Area (Includes North Sea)  |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 17              | 25,693,000              | 675,000                 | 5                  | 7                        | 3                     | 1                       | -                       | 1             |
| Change   | -64.58%         | -52.23%                 | -25.02%                 | +400.00%           | -75.86%                  | -76.92%               | -75.00%                 | -100.00%                | -             |
| 3rd Q 2007   | 48              | 53,783,668              | 900,250                 | 1                  | 29                       | 13                    | 4                       | 1                       | -             |
| Southampton Village  |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 7               | 19,522,500              | 2,000,000               | -                  | 3                        | -                     | 2                       | -                       | 2             |
| Change   | -77.42%         | -81.88%                 | +14.29%                 | -100.00%           | -40.00%                  | -100.00%              | -60.00%                 | -100.00%                | -60.00%       |
| 3rd Q 2007   | 31              | 107,714,000             | 1,750,000               | 1                  | 5                        | 11                    | 5                       | 4                       | 5             |
| Vesthampton (Includes Westhampton Beach, Hampton Bays, East Quogue, Quogue and Quigou) |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 55              | 55,855,360              | 480,000                 | 30                 | 12                       | 7                     | 1                       | 3                       | 2             |
| Change   | -53.39%         | -54.84%                 | -28.36%                 | -9.09%             | -76.00%                  | -70.83%               | -83.33%                 | -25.00%                 | +100.00%      |
| 3rd Q 2007   | 118             | 123,677,306             | 670,000                 | 33                 | 50                       | 24                    | 6                       | 4                       | 1             |
| Amagansett   |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 9               | 21,903,000              | 1,550,000               | -                  | 4                        | 2                     | -                       | 1                       | 2             |
| Change   | -62.50%         | -72.42%                 | -18.42%                 | -                  | -                        | -77.78%               | -100.00%                | -                       | -66.67%       |
| 3rd Q 2007   | 24              | 79,425,612              | 1,900,000               | -                  | 4                        | 9                     | 4                       | 1                       | 6             |
| Bridgehampton (Includes Water Mill and Sagaponack)                                     |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 10              | 62,754,664              | 4,025,000               | 1                  | 2                        | -                     | 1                       | 3                       | 3             |
| Change   | -80.00%         | -65.01%                 | +30.99%                 | -75.00%            | -60.00%                  | -100.00%              | -92.31%                 | -62.50%                 | -75.00%       |
| 3rd Q 2007   | 50              | 179,336,432             | 3,072,650               | 4                  | 5                        | 8                     | 13                      | 8                       | 12            |
| East Hampton Area (Includes Wainscott)   |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 37              | 54,804,778              | 850,000                 | 7                  | 17                       | 10                    | -                       | 1                       | 2             |
| Change   | -54.88%         | -65.85%                 | -23.77%                 | +16.67%            | -48.48%                  | -61.54%               | -100.00%                | -50.00%                 | -33.33%       |
| 3rd Q 2007   | 82              | 160,465,650             | 1,115,000               | 6                  | 33                       | 26                    | 12                      | 2                       | 3             |
| East Hampton Village   |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 4               | 10,720,000              | 1,962,500               | -                  | -                        | 2                     | 1                       | -                       | 1             |
| Change   | -76.47%         | -85.87%                 | -31.56%                 | -100.00%           | -100.00%                 | -60.00%               | -50.00%                 | -                       | -87.50%       |
| 3rd Q 2007   | 17              | 75,889,375              | 2,867,375               | 1                  | 1                        | 5                     | 2                       | -                       | 8             |
| Montauk  |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 12              | 14,424,500              | 912,500                 | 2                  | 5                        | 3                     | 2                       | -                       | -             |
| Change   | -65.71%         | -66.37%                 | -8.66%                  | -                  | -72.22%                  | -75.00%               | -50.00%                 | -100.00%                | -             |
| 3rd Q 2007   | 35              | 42,893,000              | 999,000                 | -                  | 18                       | 12                    | 4                       | 1                       | -             |
| The Hamptons (All Markets Combined)  |                 |                         |                         |                    |                          |                       |                         |                         |               |
|  | # of Home Sales | Total Home Sales Volume | Median Home Sales Price | # Sales Under 500K | # Sales \$500K to \$999K | # Sales \$1M to 1.99M | # Sales \$2M to \$3.49M | # Sales \$3.5M to 4.99M | # Sales \$5M+ |
| 3rd Q 2008   | 179             | 299,757,552             | 850,000                 | 49                 | 62                       | 35                    | 11                      | 9                       | 13            |
| Change   | -62.08%         | -67.66%                 | -22.90%                 | -5.77%             | -63.95%                  | -72.22%               | -81.36%                 | -66.67%                 | -63.89%       |
| 3rd Q 2007   | 472             | 926,950,643             | 1,102,500               | 52                 | 172                      | 126                   | 59                      | 27                      | 36            |