the corcoran report

YEAR END 2010

Welcome to the 2010 Year End Corcoran Report, our annual comparison of the East End's residential real estate market. This report uses market-wide data from the Long Island Real Estate Report and is based upon transactions reported for the calendar year 2010. It compares data to that reported in 2009. For the purposes of the Hamptons market comparison, this report compares the villages and hamlets from Remsenburg to Montauk, plus Shelter Island, while the North Fork encompasses the area extending from Aquebogue to Orient.

the **hamptons** residential

The 2009 market presented a challenge for residential real estate transactions. However, 2010 enjoyed an increase in sales both in the number of properties traded as well as in the gross dollar volume of those sales. With the exception of North Sea, every village and hamlet experienced an increase in units sold this year. However, with inventory of available property at historically high levels, the increased sales activity did not translate to higher sale prices; median and average home prices remained relatively flat overall in the Hamptons in 2010.

	Q4 YTD	Average Price	Median	Units	$ Volume
Amagansett	2010	2.095M	1.593M	74	155.054M
	Change	-15%	-30%	+72%	+47%
	2009	2.452M	2.275M	43	105.436M
Bridgehampton Sagaponack	2010	3.975M	2.4876M	116	461.145M
	Change	+7%	-16%	+45%	+55%
	2009	3.721M	2.950M	80	297.727M
East Hampton	2010	1.097M	697K	314	344.420M
	Change	+13%	+2%	+62%	+83%
	2009	971K	685K	194	188.442M
Village of East Hampton	2010	4.030M	2.975M	62	249.869M
	Change	+13%	+32%	+59%	+80%
	2009	3.567M	2.250M	39	139.102M
East Quogue Hampton Bays	2010	569K	424K	258	146.917M
	Change	-7%	+3%	+48%	+38%
	2009	610K	412K	174	106.099M

Area	Q4 YTD	Average Price	Median	Units	$ Volume
Montauk	2010	861K	650K	103	88.640M
	Change	-46%	-17%	+61%	-14%
	2009	1.607K	780K	64	102.860M
Sag Harbor North Haven	2010	1.345M	929K	140	188.256M
	Change	+18%	+15%	+112%	+150%
	2009	1.140K	805K	66	75.254M
Quogue Village Quiogue	2010	1.701M	999K	58	98.649M
	Change	+35%	+1%	+45%	+96%
	2009	1.259M	989K	40	50.379M
Southampton Village	2010	2.723M	1.60M	119	324.013M
	Change	-15%	-6%	+63%	+38%
	2009	3.218M	1.70M	73	234.924M
Southampton	2010	995K	780K	161	160.187M
	Change	+17%	+16%	+156%	+200%
	2009	847K	670K	63	53.364M
Wainscott	2010	2.046M	1.30M	43	87.969M
	Change	+1%	-9%	+115%	+117%
	2009	2.023M	1.432M	20	40.469M
Water Mill	2010	2.465M	1.950M	79	194.797M
	Change	-17%	-23%	+88%	+57%
	2009	2.962M	2.549M	42	124.406M
Remsenburg Westhampton et. al	2010	1.022M	715K	188	192.213M
	Change	-18%	-8%	+26%	+4%
	2009	1.240M	775K	149	184.820M
Shelter Island	2010	1.304M	999K	65	84.762M
	Change	+33%	+31%	+48%	+97%
	2009	978K	760K	44	43.027M
North Sea Noyac	2010	1.020M	750K	27	27.536M
	Change	-5%	-20%	-52%	-54%
	2009	1.079M	935K	56	60.432M

		Average Price	Median	Units	$ Volume
Hamptons Total	2010	1.552M	860K	1807	2.804B
	Change	-1%	+3%	+58%	+55%
	2009	1.575M	830K	1147	1.807B

the north fork residential

Like the Hamptons, the North Fork experienced significant increases in the number of properties and the dollar volume sold in 2010, although not to the same extent. Median and average sale prices were flat on this fork of the island too, but the shift in activity levels was perhaps even more welcome here, since the North Fork experienced a declining market months prior to the slowing in the Hamptons. Inventory of available property remains high, with more homes coming onto the market in the wake of increased sales activity.

	Q4 YTD	Average Price	Median	Units	$ Volume
Aquebogue Jamesport	2010	428K	394K	102	43.661M
	Change	+5%	-1%	+44%	+52%
	2009	406K	396K	71	28.809M
Cutchogue	2010	697K	540K	51	33.553M
	Change	-1%	+8%	+13%	+12%
	2009	705K	500K	45	31.733M
Greenport Greenport Village	2010	401K	333K	62	24.870M
	Change	-20%	-13%	+19%	-5%
	2009	502K	384K	52	26.098M
Mattituck Laurel	2010	577K	410K	84	48.509M
	Change	+15%	+4%	+47%	+69%
	2009	504K	393K	57	28.741M
East Marion Orient	2010	691K	635K	38	26.246M
	Change	+8%	+37%	+58%	+71%
	2009	638K	462K	24	15.316M
Peconic	2010	647K	527K	10	6.468M
	Change	-26%	-18%	+67%	+23%
	2009	878K	643K	6	5.266M
Southold	2010	602K	457K	112	67.398M
	Change	+3%	+5%	+32%	+36%
	2009	582K	435K	85	49.507M

		Average Price	Median	Units	$ Volume
North Fork Total	2010	551K	420K	459	252.705M
	Change	+1%	+1%	+35%	+36%
	2009	545K	414K	340	185.470M

the east end residential markets combined

This metric represents a snapshot of combined sales across the East End's entire residential market. Typically, these are the markets in which all competitive East End real estate agencies work.

	Q4 YTD	Average Price	Median	Units	$ Volume
Total	2010	1.349M	721K	2266	3.057B
	Change	+1%	+6%	+52%	+53%
	2009	1.340M	678K	1487	1.992B

the residential luxury market

The luxury market is defined as the top 10% of all residential sales made within the period being reported. As various factors redefine the high end market in any given period, these numbers may demonstrate more radical changes.

	Q3 YTD	Average Price	Median	Units	$ Volume
South Fork Shelter Island	2010	6.504M	5.0M	181	1.177B
	Change	-3%	-7%	+57%	+52%
	2009	6.723M	5.40M	115	773.194M
North Fork	2010	1.510M	1.368M	46	69.439M
	Change	-6%	-5%	+35%	+28%
	2009	1.60M	1.444M	34	54.414M

the land market

The land market is defined as the total sales of all vacant land on the East End regardless of the zoning classification. Increased activity in the land market in 2010 is a harbinger of future residential construction by both speculative builders and end-users, and is a strong sign of the area's ongoing fundamental value for investors and homeowners.

	Q3 YTD	Average Price	Median	Units	$ Volume
South Fork Shelter Island	2010	1.549M	583K	184	285.042M
	Change	+50%	+26%	+92%	+187%
	2009	1.034M	463K	96	99.294M
North Fork	2010	675K	340K	36	24.288M
	Change	+8%	+13%	+24%	+35%
	2009	622K	300K	29	18.035M

the commercial market

The commercial market has experienced an anticipated decline in activity on the East End as the national economy effects long-term leases that expired within the year.

	Q3 YTD	Average Price	Median	Units	$ Volume
South Fork Shelter Island	2010	1.725M	1.250M	29	50.033M
	Change	+5%	+39%	-22%	-18%
	2009	1.640M	900K	37	60.716M
North Fork	2010	951K	518K	8	7.608M
	Change	+60%	-14%	-33%	+7%
	2009	593K	600K	12	7.113M

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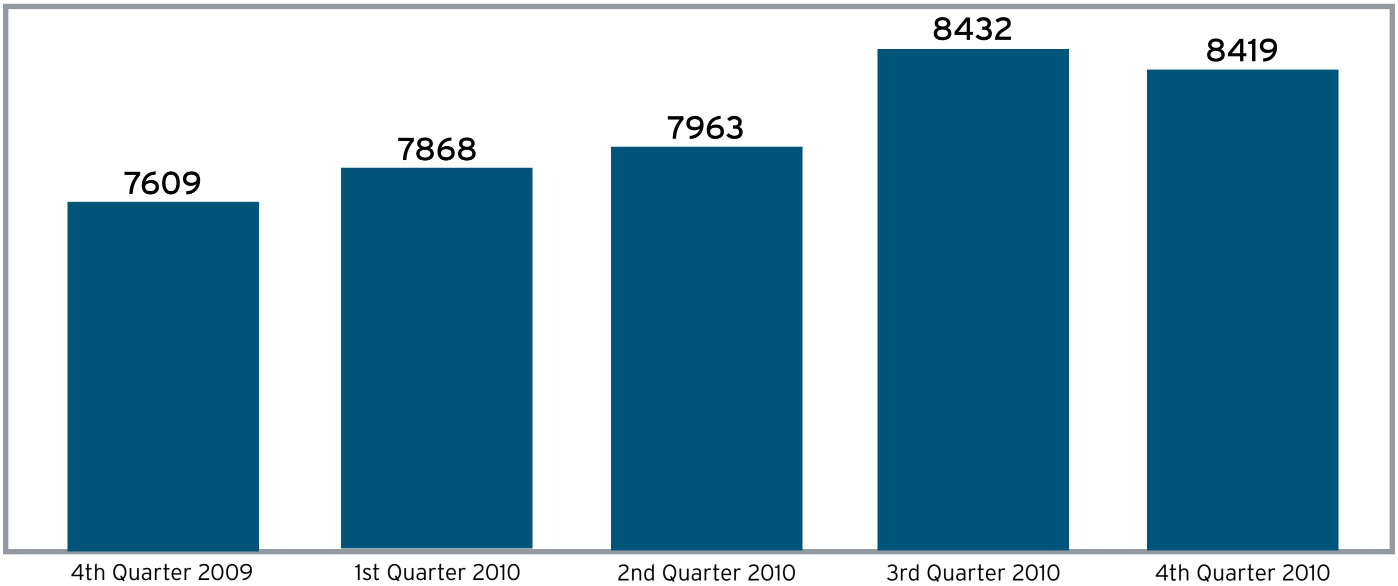
the inventory

The inventory is the total number of properties for sale on the East End. Inventory has increased steadily over the past 12 months as improved market conditions convinced homeowners that had been reluctant to act during the downturn to list their properties for sale. The available inventory has remained relatively steady in the fourth quarter despite consistent sales.

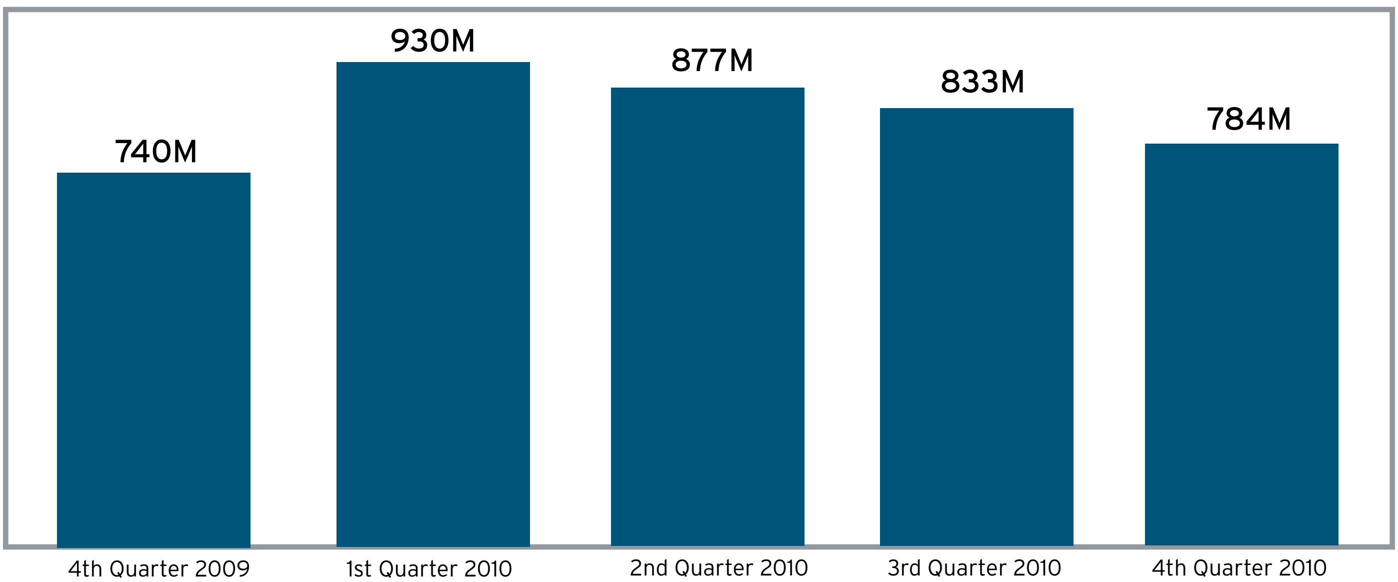
quarterly inventory 4th quarter 2009 through 4th quarter 2010



the sales volume all markets

Sales volume for all markets including land and commercial transactions, while historically seasonal on the East End, normally witnesses a rise in activity during the second and fourth quarter of each calendar year. Due to pent-up demand built up during the economic downturn of late 2008 and 2009, 2010's surge of increased sales occurred primarily in the first and second quarters. This spike leveled off to a more typical volume in the third quarter, and left little energy for an additional jump in the fourth quarter this year.

quarterly volume of east end 4th quarter 2009 through 4th quarter 2010



Source: The Long Island Real Estate Report, and Internal Records