



THE HAMPTONS

Quarterly Survey of Residential Sales

2Q-2013

ELLIMAN REPORT

THE HAMPTONS

• **Inventory fell as the number of sales surged**

There were 1,573 listings at the end of the quarter, 12.5% below prior year levels. Sales jumped 25.2% to 675 over the same period, accelerating the absorption rate by 30% to 7 months. This was the 5th consecutive quarterly year-over-year rise in activity.

• **Price indicators were mixed from prior year levels**

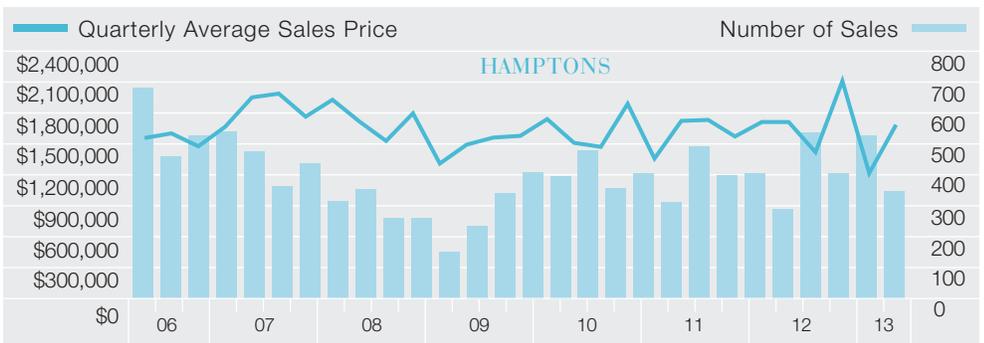
Median sales price rose by 8.2% to \$920,000 from the same period last year. Average sales price slipped 1.6% to \$1,696,879 over the same period, skewed by fewer high-end sales as a result of the rush to close at the end of 2012 before the “fiscal cliff.” However, the market share of all sales above \$1M expanded by 4% to 44.7% from prior year levels.

• **Days on market and listing discount both slipped as market pace quickened**

Days on market was 183 or 10 days faster than during the prior-year quarter. Listing discount was at 10.6%, 1.4% lower than in the same period last year, reflecting the faster market pace.

Hamptons Market Matrix	2Q-2013	%Chg (qRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$1,696,879	39.2%	\$1,218,594	-1.6%	\$1,724,249
Median Sales Price	\$920,000	24.3%	\$740,000	8.2%	\$850,000
Number of Sales (Closed)	675	94.5%	347	25.2%	539
Days on Market (From Last List Date)	183	-2.1%	187	-5.2%	193
Listing Discount (From Last List Price)	10.6%		9.4%		12.0%
Listing Inventory (active)	1,573	9.5%	1,437	-12.5%	1,798
Absorption Rate (mos)	7.0	-43.5%	12.4	-30.0%	10.0

Year -to-Date	2Q-2013	%Chg (qRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$1,534,487	N/A	N/A	-11.0%	\$1,724,501
Median Sales Price	\$850,000	N/A	N/A	2.4%	\$830,000
Number of Sales (Closed)	1,022	N/A	N/A	23.7%	826



Like the prior quarter, there were fewer high-end transactions, fallout from the year-end rush to close before the expiration of the “fiscal cliff” deadline for tax planning purposes. Although the number of sales at or above \$5M fell by 13.2% to 33, the number of sales over \$1M actually expanded by 4% to 44.7% over the same period reflecting a more active “trade-up” or upper middle market than last year. As a result of this skew, the overall average sales price fell

by 1.6% to \$1,696,879, yet the median sales price increased 8.2% to \$920,000, the second highest median sales price in 5 years, second only to \$937,500 reached in the second quarter two years ago. There were 675 sales in the second quarter, a 25.2% surge above prior year levels. The second quarter total represented the most active spring market since 2006, prior to the Lehman tipping point in 2008. The gross sales volume was \$1,145,393,325, the highest total since we began tracking the metric in the first quarter of 2005. The decline in supply was

consistent with the rise in sales activity. There were 1,573 listings at the end of the second quarter, 12.5% below the same period last year. The absorption rate, defined as the number of months to sell all listing inventory at the current pace of sales, fell sharply to 7 months from 10 months in the prior year quarter. The Hamptons represented 80.8% of all East End sales in the quarter, up 1.1% from the prior year quarter and accounting for 91.3% of total sales dollars, unchanged from last year. Consistent with the faster pace, the days on market, defined as the

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number of days from the last list price change to contract date, averaged 183 days or 10 days faster than the same period last year. Listing discount, the percentage difference between the list price at time of contract and the sales price, fell to 10.6% from 12% over the same period.

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$3,680,000	5.1%
4/5	\$1,575,000	3.3%
3/5	\$915,000	7.6%
2/5	\$593,750	0.2%
1/5	\$315,000	-1.6%



CONDOS

- Number of sales edged higher as inventory slipped** The much larger decline in median sales price than average sales price reflects the lack of high-end sales.
- Price indicators jumped** The median sales price surged 19.1% to \$670,000 from the prior year quarter. Average sales price also saw a sharp gain, rising by 32.7% to \$726,377 over the same period.

Condos Market Matrix	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$726,377	37.7%	\$527,664	32.7%	\$547,537
Median Sales Price	\$670,000	103.0%	\$330,000	19.1%	\$562,500
Number of Sales (Closed)	31	106.7%	15	3.3%	30
Days on Market (From Last List Date)	178	30.9%	136	41.3%	126
Listing Discount (From Last List Price)	11.9%		9.1%		9.6%
Listing Inventory (active)	116	19.6%	97	-3.3%	120
Absorption Rate (mos)	11.2	-42.3%	19.4	-6.7%	12.0

LUXURY

- Price indicators below prior year levels from shift in mix** Median sales price fell 18.6% and average sales price fell 11.7% from same period last year. The flurry of high-end activity in a rush to close at the year-end preceding the “fiscal cliff” essentially “poaching” the high-end sales from the second quarter skewing these indicators lower.
- Days on market expanded despite drop in inventory** The average property took 174 days to sell, almost 6 weeks longer than the prior year quarter. There were 161 listings at the end of the quarter, down 19.9% from the same period last year.
- Sales above \$5M fell 13.2%** There were 33 sales at or above \$5M, down 13.2% from last year, but more than four times the total in the prior quarter.

Luxury Market Matrix	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$7,071,706	48.8%	\$4,753,294	-11.7%	\$8,005,382
Median Sales Price	\$4,995,000	35.8%	\$3,677,250	-18.6%	\$6,140,000
Number of Sales (Closed)	67	97.1%	34	26.4%	53
Days on Market (From Last List Date)	174	67.3%	104	29.9%	134
Listing Discount (From Last List Price)	8.5%		7.9%		9.2%
Listing Inventory (active)	161	-36.6%	254	-19.9%	201
Absorption Rate (mos)	7.2	-67.9%	22.4	-36.8%	11.4

Top 5 Locations by Average Sales Price (Number of Sales)				
	Current Quarter	Prior Quarter		Prior Year Quarter
	Sagaponack (4) \$11,050,000	Wainscott (2) \$9,318,750	Bridgehampton (11)	\$9,318,955
	Southampton (14) \$8,521,429	Water Mill (6) \$5,805,000	Southampton (9)	\$9,141,667
	Montauk (2) \$8,297,500	Sagaponack (4) \$5,712,500	East Hampton (12)	\$8,400,625
	East Hampton (15) \$6,919,467	Bridgehampton (7) \$4,947,143	Montauk (1)	\$7,000,000
	Bridgehampton (10) \$6,783,400	Quogue (1) \$3,862,500	Sagaponack (10)	\$6,475,500

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$12,500,000	-17.2%
4/5	\$6,975,000	-9.7%
3/5	\$4,995,000	-18.6%
2/5	\$4,300,000	-7.5%
1/5	\$3,800,000	0.0%



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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