



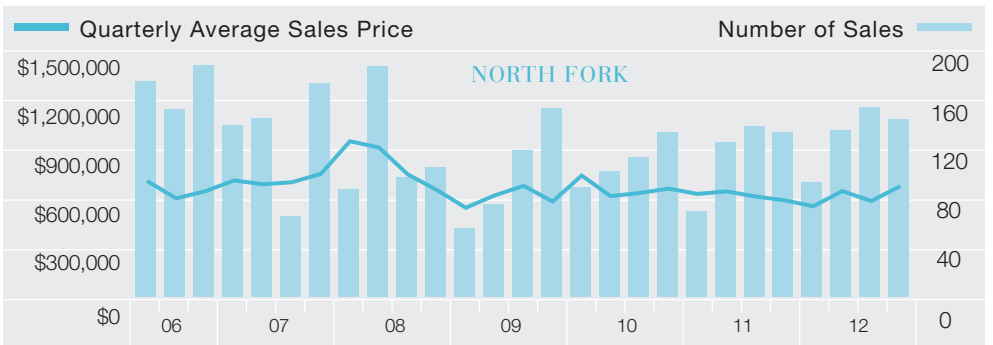
ELLIMAN REPORT

NORTH FORK

- Increased sales as inventory fell to lowest level in four years** There were 462 listings at the end of the fourth quarter, 17.9% fewer than in the same period last year, marking the lowest total in four years. The number of sales rose 8.1% from 135 in the prior year quarter to 146, resulting in 3-month faster absorption rate of 9.5 months over the same period.
- Listing discount remained stable as days on market expanded** The increased number of days it took to sell a property reflected the increased absorption of older listings due to low inventory levels. Listing discount was 9.4%, essentially unchanged from the same period last year.
- Price indicators posted year-over-year gains** Median sales price rose 7.2% from the prior year quarter to \$482,500. Average sales price followed the same pattern, rising 14.5% to \$683,563 over the same period.

North Fork Market Matrix	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$683,563	15.3%	\$592,707	14.5%	\$596,890
Median Sales Price	\$482,500	15.2%	\$418,750	7.2%	\$450,000
Number of Sales (Closed)	146	-6.4%	156	8.1%	135
Days on Market (From Last List Date)	201	16.2%	173	8.1%	186
Listing Discount (From Last List Price)	9.4%		7.0%		9.3%
Listing Inventory (active)	462	-25.7%	622	-17.9%	563
Absorption Rate (mos)	9.5	-20.8%	12.0	-24.0%	12.5

Year-to-Date	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$627,493	N/A	N/A	0.5%	\$624,362
Median Sales Price	\$430,000	N/A	N/A	-2.3%	\$440,000
Number of Sales (Closed)	533	N/A	N/A	12.9%	472



The fourth quarter 2012 North Fork housing market was marked by upward price pressure, falling inventory, rising sales and a faster pace than we had seen in the same quarter a year ago. The price gains were weighted towards the end of 2012, as falling inventory provided buyers with fewer options and record low mortgage rates fostered additional affordability.

Listing inventory fell sharply from the prior year quarter, as was the case in most markets in the region. There were 462 listings at the end of the

fourth quarter, 17.9% fewer than in the same period a year ago, marking the lowest inventory level in four years. There were 146 sales, 8.1% more than in the prior year quarter. Due to falling inventory and rising sales, the absorption rate, or number of months to sell all listing inventory at the current pace of sales, fell 24% to 9.5 months.

With a faster monthly absorption rate, older listing inventory was more readily absorbed this quarter. Year over year, days on market, or the

average number of days from the last list price to the contract date, increased by 15 days to 201. Listing discount, the percent difference between the list price at contract date and the contract price, remained essentially unchanged from the same period last year at 9.4%.

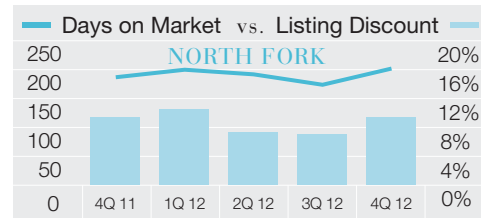
The median sales price was \$482,500, 7.2% above the year ago quarter, while average sales price followed the same pattern, rising 14.5% to \$683,563 over the same period. The rise in

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these indicators was skewed higher by improved strength at the upper end of the market. The year-over-year change in median sales price by quintile showed mixed results, with the largest increase in the top quintile and the largest decline in the bottom quintile.

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$1,301,000	6.2%
4/5	\$640,000	-1.5%
3/5	\$482,500	7.2%
2/5	\$349,000	-3.1%
1/5	\$240,000	-5.5%



CONDOS

- **Although a small market subset, the number of sales surged** Number of sales doubled from year ago levels to 10. Inventory dropped 39.5% to 23 units.
- **Price indicators and days on market declined** Median sales price was \$295,000, down 16.9% from the prior year quarter. Days on market fell 28.5% to 103 over the same period.

Condos Market Matrix	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$335,200	-5.0%	\$352,667	-20.2%	\$419,953
Median Sales Price	\$295,000	-6.3%	\$315,000	-16.9%	\$354,905
Number of Sales (Closed)	10	233.3%	3	100.0%	5
Days on Market (From Last List Date)	103	-50.5%	208	-28.5%	144
Listing Discount (From Last List Price)	7.3%		16.6%		7.5%
Listing Inventory (active)	23	-51.1%	47	-39.5%	38
Absorption Rate (mos)	6.9	-85.3%	47.0	-69.7%	22.8

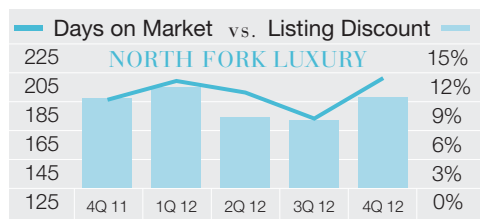
LUXURY

- **Price indicators skewed by high-end activity** The luxury market threshold began at \$1,301,000 in the fourth quarter. Median sales price surged 41.3% from the prior year quarter to \$1,987,500. Reflecting the high-end skew, the upper quintiles showed the largest gains in median sales price.
- **Listing inventory fell as days on market surged** There were 64 listing in the fourth quarter, 13.5% fewer than in the prior year period. This scarcity of inventory caused older listings to be absorbed. Listing discount followed a similar pattern, rising from 10.5% to 15.8% over the same period.
- **Market pace accelerated** The combination of falling inventory and stable sales resulted in a 19.5% decline in the monthly absorption rate from 15.9 months in the prior year quarter to 12.8.

Luxury Market Matrix	4Q-2012	% Chg (QRT)	3Q-2012	% Chg (YR)	4Q-2011
Average Sales Price	\$2,284,637	51.6%	\$1,507,300	44.5%	\$1,580,536
Median Sales Price	\$1,987,500	29.5%	\$1,535,000	41.3%	\$1,406,250
Number of Sales (Closed)	15	-6.3%	16	7.1%	14
Days on Market (From Last List Date)	305	4.5%	292	48.8%	205
Listing Discount (From Last List Price)	15.8%		6.2%		10.5%
Listing Inventory (active)	64	-24.7%	85	-13.5%	74
Absorption Rate (mos)	12.8	-19.5%	15.9	-19.5%	15.9

Top 5 Locations by Average Sales Price (Number of Sales)						
	Current Quarter		Prior Quarter		Prior Year Quarter	
	Southold (4)	\$2,645,000	Mattituck (2)	\$2,775,000	Cutchogue (2)	\$1,800,000
	Shelter Island (7)	\$2,446,786	Cutchogue (1)	\$2,600,000	Southold (3)	\$1,709,167
	Cutchogue (1)	\$2,286,055	Shelter Island (5)	\$2,177,848	Shelter Island (3)	\$1,708,333
	East Marion (2)	\$1,425,500	Orient (3)	\$1,539,333	Mattituck (1)	\$1,425,000
	Peconic (1)	\$1,425,000	Southold (2)	\$1,402,500	New Suffolk (2)	\$1,406,250

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$3,450,000	72.5%
4/5	\$2,655,000	60.9%
3/5	\$1,987,500	41.3%
2/5	\$1,550,000	17.4%
1/5	\$1,350,000	8.0%



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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