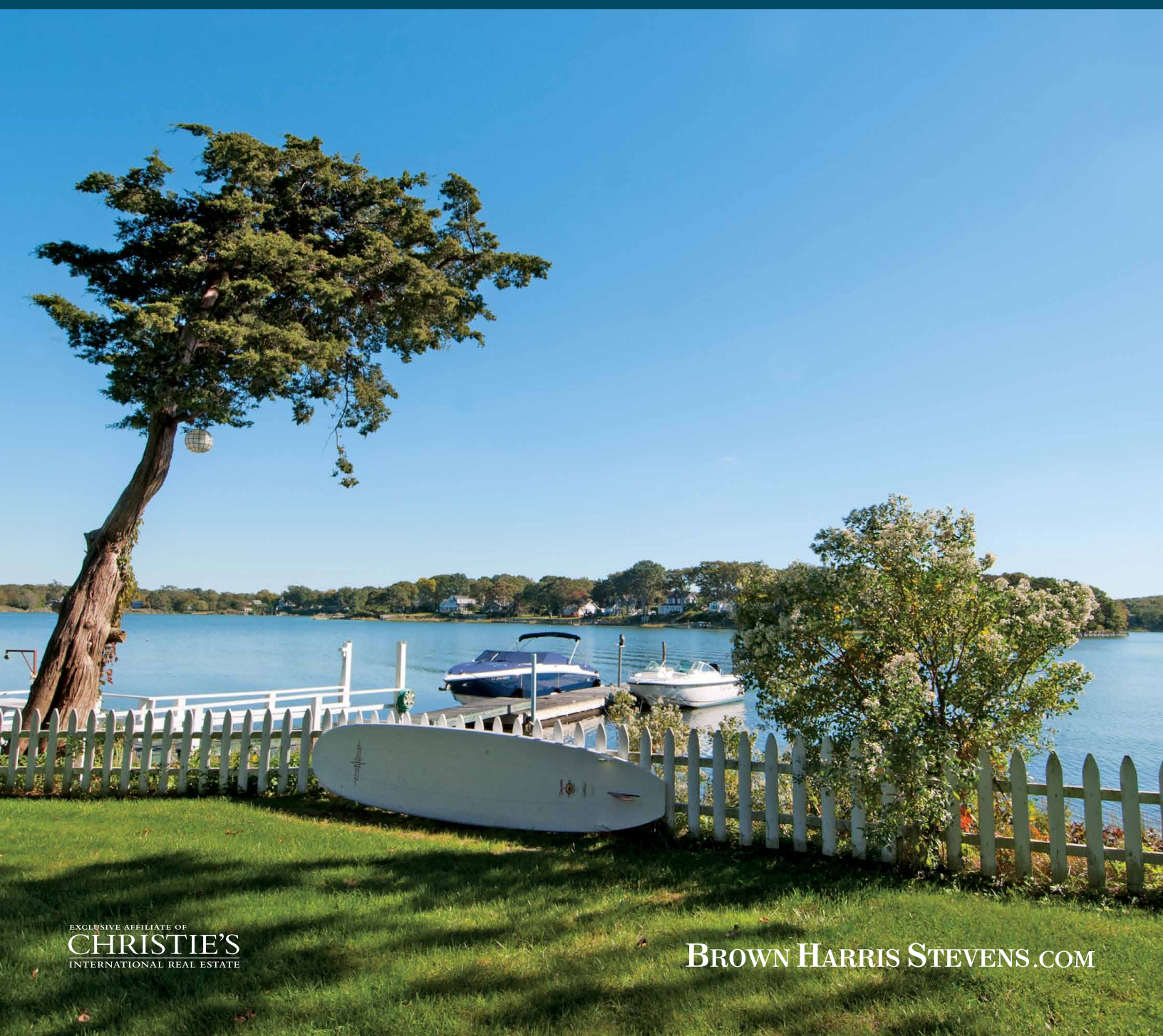


BROWN HARRIS STEVENS

Established 1873

East End Residential Market Report

First Quarter 2011



FIRST QUARTER PRICES DECLINE REFLECTING LATE 2010 SURGE

At the end of 2010, there was a rush for many sellers to close before the Bush-era tax cuts were set to expire on December 31st. While these tax cuts were ultimately extended at the last minute, many high-end sellers had already committed to selling in order to lock in lower capital gains rates. This caused the fourth quarter 2010 average price to rise sharply due to the increased level of high-end sales.

The fact that many high-end closings that would have occurred in the first quarter of 2011 closed a few months earlier caused a decline in prices during the first quarter of 2011. The Hamptons average price of \$1,405,503 was 21% lower than during the first quarter of 2010. It's also worth noting that 2010's first quarter was a particularly strong quarter, as the market's recovery began to accelerate. A year ago 50% of all South Fork sales were for \$1 million or more. In the first quarter of 2011 this figure fell to 38%, as buyers favored less expensive homes.

There were 209 South Fork sales reported at the time of this report, 23% less than during the same period in 2010.

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Brown Harris Stevens

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Senior Analyst
Brown Harris Stevens

Data for this report is sourced from The Long Island Real Estate Report.

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THE HAMPTONS

Amagansett 631.267.7100	Bridgehampton 631.537.2727	East Hampton 631.324.6400	Sag Harbor 631.725.2250	Southampton 631.287.4900	Westhampton Beach 631.288.5500
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NORTH FORK

Cutchogue 631.734.5657

Greenport 631.477.0551

NEW YORK CITY

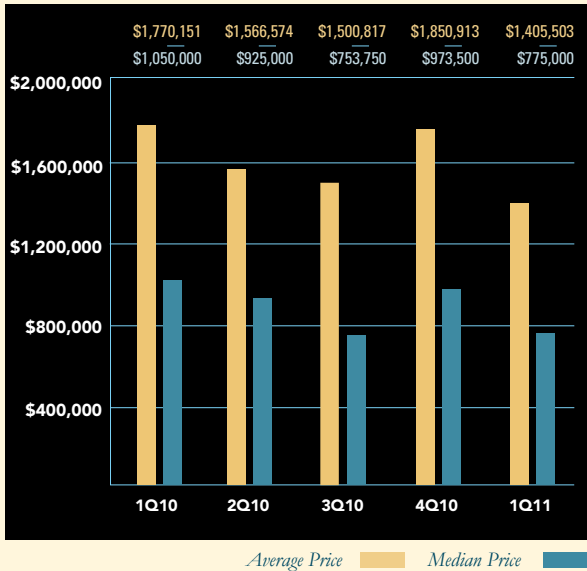
Manhattan 212.906.9200	Brooklyn 718.875.0100
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PALM BEACH

Palm Beach 561.659.6400

SOUTH FORK

Average and Median Sales Price

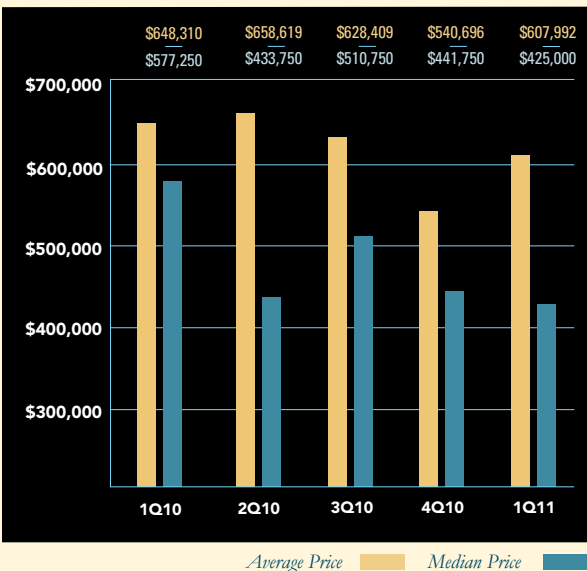


Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	50%	\$596,875	62%	\$557,500
\$1,000,000-\$2,499,999	32%	\$1,550,000	23%	\$1,550,000
\$2,500,000-\$3,999,999	10%	\$3,012,500	5%	\$2,800,000
\$4,000,000-\$7,999,999	6%	\$5,425,000	9%	\$5,050,000
\$8,000,000 and higher	3%	\$12,000,000	0%	\$17,500,000
Total	100%	\$1,050,000	100%	\$775,000

Prices fell compared to the first quarter of 2010 for homes on the South Fork. At \$1,405,503, the average sale price was 21% lower than a year ago, while the median fell 26% to \$775,000. This was due in part to a shift towards homes priced under \$1 million, which accounted for 62% of all sales compared to 50% a year ago.

SOUTHOLD TOWNSHIP

Average and Median Sales Price

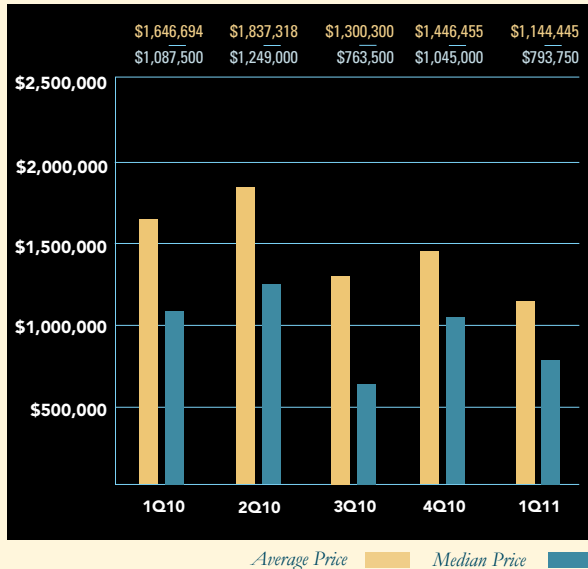


Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	88%	\$515,000	87%	\$420,000
\$1,000,000-\$2,499,999	12%	\$1,500,000	13%	\$1,475,000
\$2,500,000-\$3,999,999	0%	n/a	0%	n/a
\$4,000,000-\$7,999,999	0%	n/a	0%	n/a
\$8,000,000 and higher	0%	n/a	0%	n/a
Total	100%	\$577,250	100%	\$425,000

The average price in Southold Township of \$607,992 during the first quarter was 6% lower than a year ago. The median price of \$425,000 was 26% lower than the first quarter of 2010.

AMAGANSETT MARKET

Average and Median Sales Price



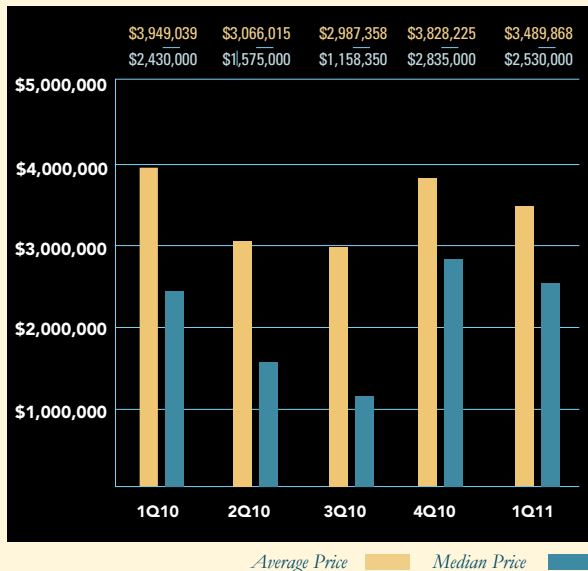
Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	50%	\$677,500	73%	\$690,000
\$1,000,000-\$2,499,999	28%	\$1,580,000	18%	\$1,525,000
\$2,500,000-\$3,999,999	15%	\$2,875,000	5%	\$2,800,000
\$4,000,000-\$7,999,999	8%	\$6,100,000	5%	\$5,200,000
\$8,000,000 and higher	0%	n/a	0%	n/a
Total	100%	\$1,087,500	100%	\$793,750

Both the average and median price fell in the Amagansett market over the past year. Sales under \$1 million comprised 73% of all sales, up from 50% during 2010's first quarter. This brought the average price 31% lower, to \$1,144,445.

Includes Amagansett and Montauk.

BRIDGEHAMPTON MARKET

Average and Median Sales Price



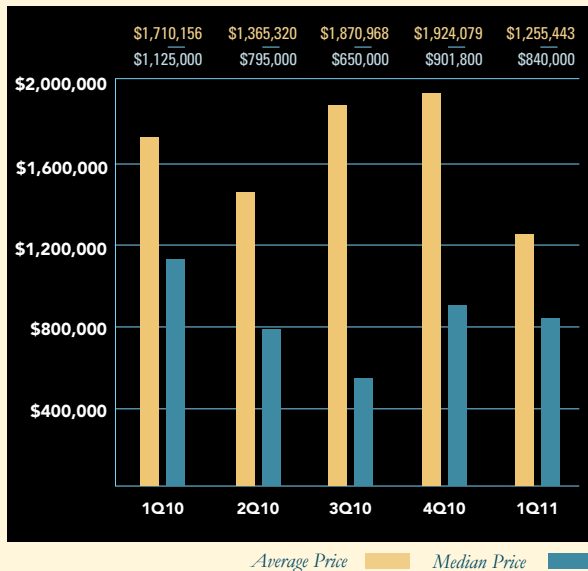
Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	14%	\$850,000	32%	\$712,500
\$1,000,000-\$2,499,999	36%	\$1,617,500	16%	\$1,825,000
\$2,500,000-\$3,999,999	19%	\$3,225,000	16%	\$2,900,000
\$4,000,000-\$7,999,999	14%	\$6,400,000	32%	\$4,675,000
\$8,000,000 and higher	17%	\$10,574,950	5%	\$17,500,000
Total	100%	\$2,430,000	100%	\$2,530,000

A decline in sales of \$8 million or more brought the average price 12% lower in the Bridgehampton market compared to a year ago. The median price, which measures the middle of the market, rose 4% over this time, to \$2,530,000.

Includes Bridgehampton, Sagaponack and Wainscott.

EAST HAMPTON MARKET

Average and Median Sales Price



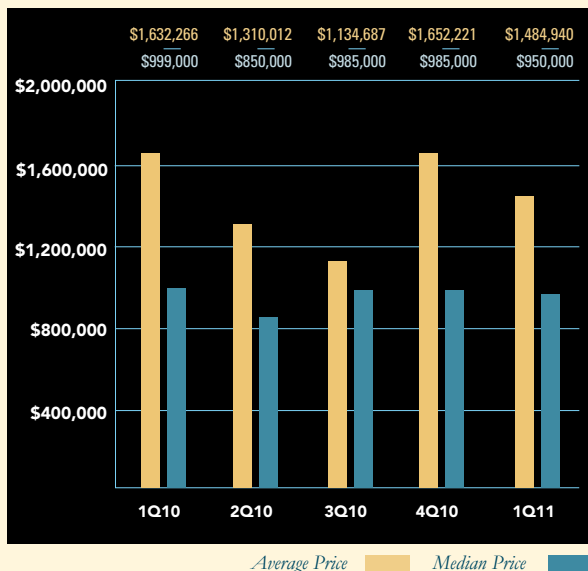
Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	49%	\$638,000	60%	\$580,000
\$1,000,000-\$2,499,999	36%	\$1,531,500	27%	\$1,350,000
\$2,500,000-\$3,999,999	8%	\$3,125,000	7%	\$2,955,000
\$4,000,000-\$7,999,999	7%	\$6,500,000	5%	\$5,250,000
\$8,000,000 and higher	1%	\$12,500,000	0%	n/a
Total	100%	\$1,125,000	100%	\$840,000

At \$1,255,443, the average price for homes in East Hampton was 27% lower than a year ago. The median price fell 25% during this time, to \$840,000.

Includes East Hampton and East Hampton Village.

SAG HARBOR MARKET

Average and Median Sales Price



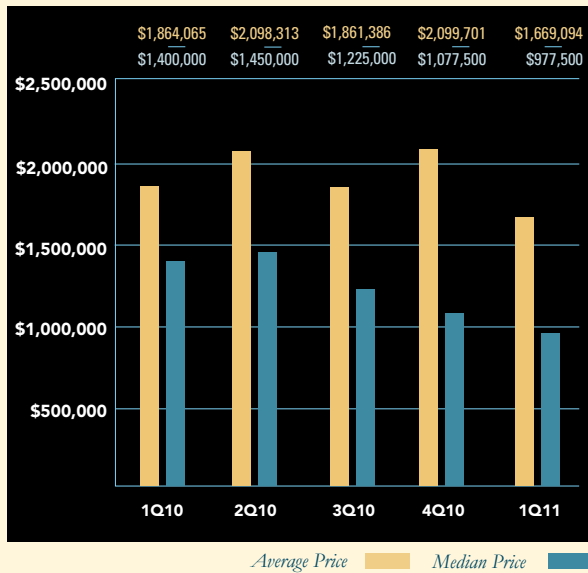
Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	51%	\$625,000	52%	\$539,000
\$1,000,000-\$2,499,999	35%	\$1,770,000	28%	\$1,400,000
\$2,500,000-\$3,999,999	11%	\$3,018,750	10%	\$2,787,500
\$4,000,000-\$7,999,999	0%	n/a	10%	\$4,575,000
\$8,000,000 and higher	3%	\$13,700,000	0%	n/a
Total	100%	\$999,000	100%	\$950,000

The average price in the Sag Harbor market of \$1,484,940 during the first quarter was down 9% from a year ago. The median price fell 5% from the first quarter of 2010, to \$950,000.

Includes North Haven, Noyack, Sag Harbor, Sag Harbor Village and Shelter Island.

SOUTHAMPTON MARKET

Average and Median Sales Price



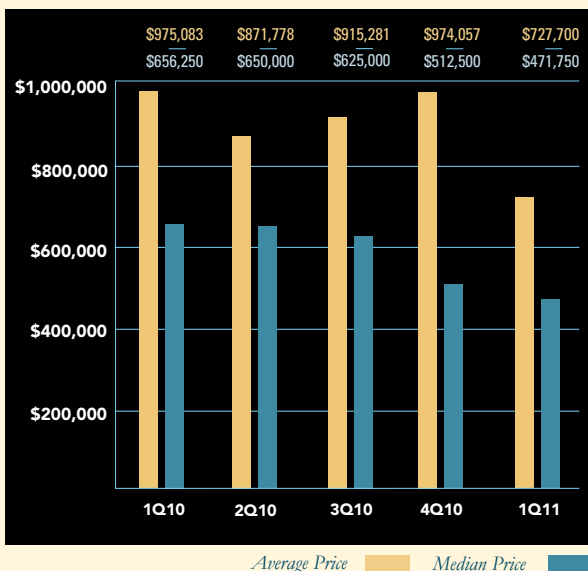
Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	30%	\$720,000	53%	\$620,000
\$1,000,000-\$2,499,999	52%	\$1,575,000	33%	\$1,737,500
\$2,500,000-\$3,999,999	10%	\$2,850,000	0%	n/a
\$4,000,000-\$7,999,999	6%	\$5,055,750	14%	\$5,450,000
\$8,000,000 and higher	1%	\$16,000,000	0%	n/a
Total	100%	\$1,400,000	100%	\$977,500

Just over half of all sales in Southampton were for under \$1 million in 2011's first quarter, up from just 30% a year ago. This brought the median price down 30%, to \$977,500. An increase in the percentage of sales over \$4 million kept the decline in the average price to just 10% during this time.

Includes North Sea, Southampton, Southampton Village and Water Mill.

WESTHAMPTON MARKET

Average and Median Sales Price



Sales Price	1Q10		1Q11	
	Percent of total	Median Price	Percent of total	Median Price
Less than \$1,000,000	77%	\$508,905	80%	\$385,000
\$1,000,000-\$2,499,999	14%	\$1,250,000	18%	\$1,765,000
\$2,500,000-\$3,999,999	7%	\$3,450,000	2%	\$260,000
\$4,000,000-\$7,999,999	2%	\$5,555,250	0%	n/a
\$8,000,000 and higher	0%	n/a	0%	n/a
Total	100%	\$656,250	100%	\$471,750

Homes in the Westhampton market sold for an average of \$727,700, 25% less than during the first quarter of 2010. During the first quarter of 2011, 80% of all sales in this market were for under \$1 million.

Includes East Quogue, Hampton Bays, Quogue, Quogue Village, Remsenburg, Westhampton, Westhampton Beach, Westhampton Beach Village and Westhampton Dunes.