

Real Estate Market in the Five Eastern Towns of Long Island



By:

Suffolk Research Service, Inc.

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I. Executive Summary

This report presents extensive market data on the real estate market in the five eastern towns of Long Island. Those towns are Southampton, East Hampton, Riverhead, Southold and Shelter Island.

In recent years, home and vacant land real estate prices have grown at unusually high rates in all five Towns, and we expect that growth to continue for the foreseeable future.

Price increases in all five towns are impressive. In the largest town, Southampton, median price growth was 178% over the six year period 1999 through 2005. In East Hampton, the second largest town, the growth over the same period has been 195%. The highest growth in median price over the period was in the smallest of the five towns, Shelter Island, 200%.

“The Hamptons”, and to a growing extent, the other three East End Towns, are celebrity driven markets. These markets are “IN” locations, populated by the rich and famous, and the “wanna-bes”. The high end “Monster House Market” is a segment of the market, which is growing fast and expected to grow even faster in the future. This high end of the market is less subject to down-turns in the economy, because those buying these very expensive homes tend to be more down-turn resistant.

**Median Prices for Single Family Residences 1999 thru 2005
Five Eastern Long Island Towns**

Year	Southampton		East Hampton		Riverhead		Southold		Shelter Island	
	Median Price	% Change	Median Price	% Change	Median Price	% Change	Median Price	% Change	Median Price	% Change
1999	265,000	20.45	288,000	4.72	160,000	16.36	185,000	6.32	250,000	10.13
2000	310,000	16.98	380,000	31.94	180,000	12.5	195,000	5.4	325,000	30
2001	323,000	4.19	400,000	5.26	182,000	1.11	242,500	24.35	350,000	7.69
2002	400,000	23.83	495,000	23.75	246,000	35.16	307,500	26.8	450,000	28.57
2003	500,000	25.00	590,000	19.19	288,000	17.07	389,000	26.5	510,000	13.33
2004	630,000	26.00	692,500	17.37	353,500	22.74	440,000	13.11	740,000	45.09
2005	737,000	16.98	849,000	22.59	371,380	5.05	490,000	11.36	750,000	1.35
6 yrs	178		195		132		165		200	

Source: Suffolk Research Service, Inc.

II. Size of the Market and Distribution of Properties

Suffolk County, New York, consists of ten “Towns”. This report covers the real estate market in the five most eastern of the ten Towns – in order of size: Southampton, East Hampton, Southold, Riverhead, and Shelter Island.

Suffolk Research Service, Inc. publishes data on the real estate markets in these five Towns. That data, updated monthly, can be viewed on:

www.SuffolkResearch.com/markets.htm.

The data is presented for each of the five Towns, and for many villages, hamlets, and market areas within the five Towns. The data is presented in graphical and tabular format, and can easily be “copied and pasted” into reports.

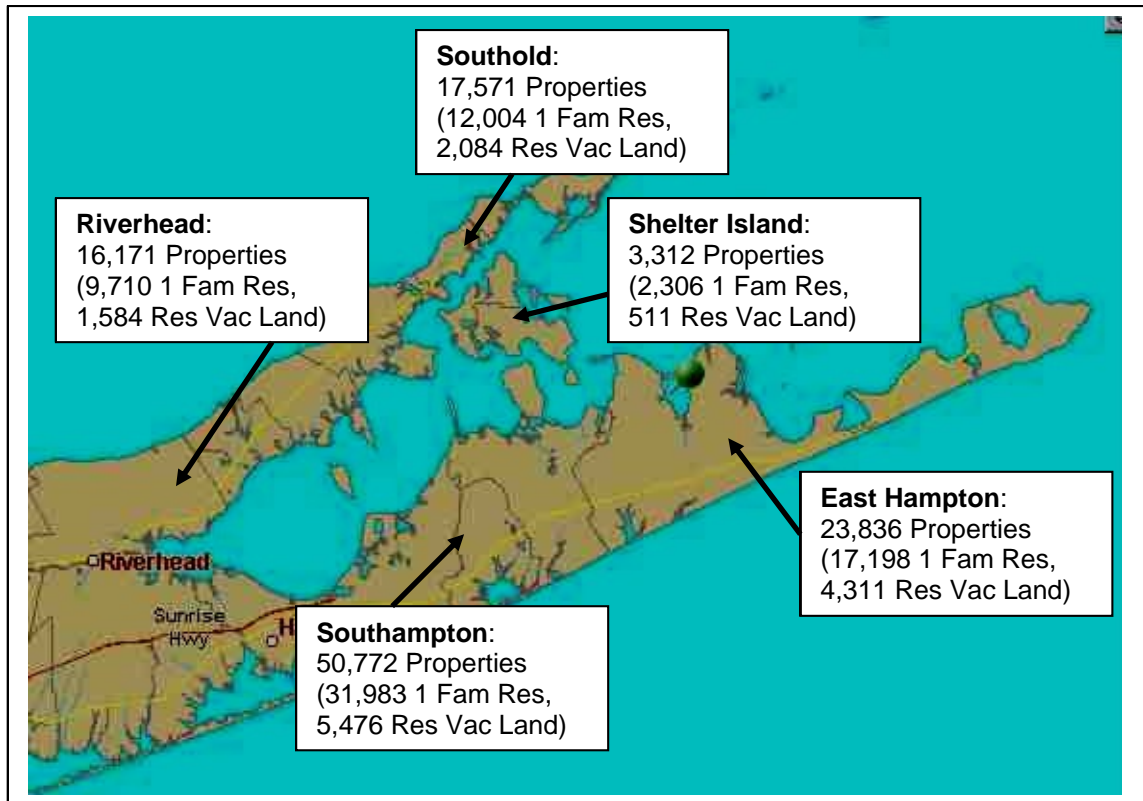


Figure 1: Property Statistics for Five Eastern Towns – Single Family Homes and Residential Vacant Land – Value in # Parcels. (Source: Tax Rolls for the five Towns, supplied in summer of 2005 by the Suffolk County Treasurer’s Office.)

The distribution of properties by land use code is shown by Table 1.

**Table 1: Distribution by Land Use by Present Ownership, and Property Transfers
1/1/02 thru 2/28/06**

Land Use Category	Land Use Code	Total Present Properties in Five Towns		Property Transfers 1/1/02 thru 2/28/06		
		Acres	Number of Properties	Acres Transferred	Dollar Sales	Properties Transferred
Agriculture	100	67,530	2,104	3,059	328,670,769	239
Residences	200	62,962	78,740	10,502	11,714,133,217	13,267
Land	300	48,775	22,376	5,872	1,806,617,888	3,347
Commercial	400	8,426	4,969	1190	568,227,360	735
Recreation Entertainment	500	7,839	520	155	39,472,491	28
Community Services	600	5,704	1,414	143	91,162,181	37
Industrial	700	3,860	87	77	12,371,143	6
Utilities	800	3,769	1,014	12	964,459	5
Forested Lands, etc.	900	29,778	1,326	23	3,644,500	5

Source: Tax Rolls from Suffolk County Treasurer and Transfer Data from Suffolk Research Service, Inc.

III. Fifteen Year Single Family Residence Market – Sales of Homes

The market for real estate on the East End of Long Island was uneventful for the period 1990 through 1998 with very little growth in price or unit sales. After 1999, however, the market took off.

In recent years, the median price for single family residences soared, growing at double digit growth rates for the years 2002, 2003, 2004, and 2005 in the Town of Southampton, and in the Town of East Hampton. The smaller Towns of Southold, Riverhead, and Shelter Island also experienced high growth rates.

Table 2 shows the yearly median price summaries for the five Towns – 1990 through 2005.

Year	South-ampton	East Hampton	Southold	Riverhead	Shelter Island
1990	210,000	215,000	155,179	141,500	239,500
1991	207,500	221,000	143,000	133,000	209,000
1992	187,000	209,000	142,500	118,000	221,000
1993	200,000	210,000	150,000	135,000	210,000
1994	210,000	220,000	147,000	126,000	205,000
1995	180,500	200,000	152,000	129,000	180,000
1996	215,000	225,000	155,500	137,000	295,500
1997	224,500	250,000	160,000	142,500	250,000
1998	220,000	275,000	174,000	137,500	227,000
1999	265,000	288,000	185,000	160,000	250,000
2000	310,000	380,000	195,000	180,000	325,000
2001	323,000	400,000	242,500	182,000	350,000
2002	400,000	495,000	307,500	246,000	450,000
2003	500,000	590,000	389,000	288,000	510,000
2004	630,000	692,500	440,000	353,500	740,000
2005	737,000	849,000	490,000	371,380	750,000

Source: Suffolk Research Service, Inc.

Figures 2 – 6 Show Median Price History, 1990 – 2005, Five Towns

Figure 2: Southampton Town, Median Prices, Single Family Homes

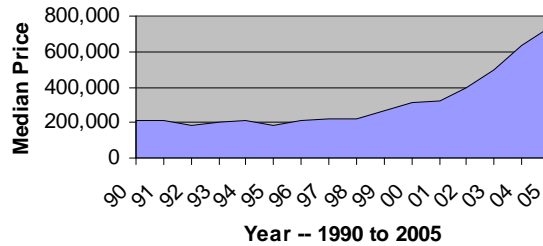


Figure 3: East Hampton Town, Median Price Single Family Homes

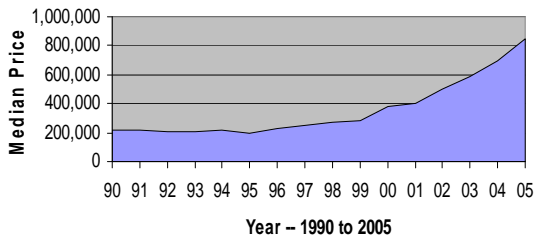


Figure 4: Southold Town, Median Price, Single Family Homes

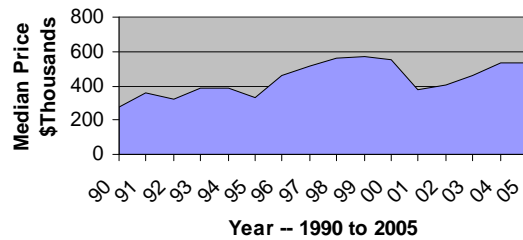


Figure 5: Riverhead Town, Median Prices Single Family Homes

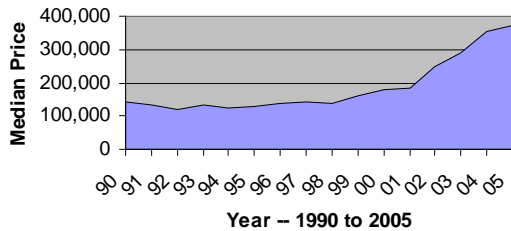
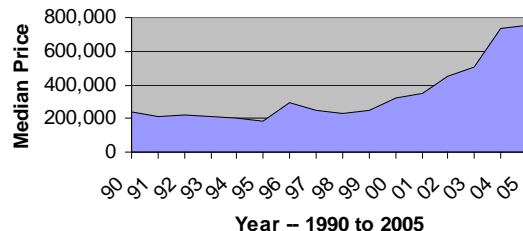


Figure 6: Shelter Island Town, Median Prices Single Family Homes



Source for Figures 2 thru 6: Suffolk Research Service, Inc.

Similar growth trends were experienced in unit sales and dollar sales for Single Family Residences on the East End of Long Island. Note that each of the five East End Towns had declines in unit sales and dollar sales between 2000 and 2001, followed by recovery and growth. See Tables 3 and 4.

**Table 3: Unit Sales History, Single Family Homes
Five Eastern Towns on Long Island**

Year	South-ampton	East Hampton	Southold	Riverhead	Shelter Island
1990	855	474	273	257	43
1991	961	468	362	338	37
1992	1,092	555	323	392	67
1993	1,086	564	388	313	66
1994	1,300	699	382	338	52
1995	1,215	616	327	343	52
1996	1,300	724	461	370	46
1997	1,465	756	518	421	51
1998	1,723	809	559	428	102
1999	2,086	975	572	613	91
2000	1,893	1,031	551	551	82
2001	1,329	588	377	369	66
2002	1,607	807	408	512	71
2003	1,690	789	460	689	96
2004	2,114	999	530	694	98
2005	1,854	885	533	770	101

Table 4: Dollar Sales History, Single Family Homes Five Eastern Towns on Long Island -- in \$Millions

Year	South-ampton	East Hampton	Southold	Riverhead	Shelter Island
1990	262.2	170.6	51.4	38.8	12.0
1991	290.5	144.7	71.2	46.3	10.1
1992	338.8	168.9	55.7	50.6	18.9
1993	351.2	171.3	72.1	44.2	18.4
1994	405.2	239.3	66.2	45.3	17.3
1995	342.3	213.3	60.5	46.1	13.3
1996	444.4	253.5	90.5	52.9	17.2
1997	524.6	289.0	109.4	63.8	17.5
1998	655.4	332.1	123.4	61.7	30.8
1999	963.3	428.4	136.2	104.0	39.2
2000	1,081.1	658.6	142.2	106.1	42.5
2001	720.2	413.6	119.9	75.1	33.5
2002	1,069.3	593.9	151.9	140.4	48.1
2003	1,346.4	672.5	226.0	210.1	66.5
2004	2,100.5	1,070.5	308.2	260.3	99.5
2005	2,249.0	1,253.5	336.6	316.3	105.4

Source: Suffolk Research Service, Inc.

IV. Single Family Residence Market – Home Sales by Price Range

Since the turn of the Millennium, there has developed an active market for “Monster Homes” – properties over \$10,000,000 in value. This trend is evident only in the Towns of East Hampton and Southampton.

Table 5 shows the distribution of home prices from 1/1/2001 through February of 2006 by price range. Of the 1,247 homes sold at over \$2 Million on the East End (all five Towns) for the period 2001 through 2/28/06, five were in Riverhead, 51 in Southold, and 31 in Shelter Island.

It should be noted, from the values presented in Table 5, that about one-half of the dollar value for the market of homes is in the price range above \$1,000,000 (\$7,594,059,710 of \$ 14,808,623,221), and more than half the homes sold (10,728 homes of 19,436) are in the “under \$ 500,000” price range.

Selling the higher priced homes takes longer, but the profit is higher for the real estate agent and his/her real estate agency.

Table 5: Distribution of Home Prices by Price Range – Five East End Towns, 1/1/01 to 2/28/06			
Price Range	Number of Homes Sold in Price Range	\$ Sales in Price Range	Cumulative \$ Sales Including Price Range
20,000,000 and over	11	303,280,000	
15,000,000 to 19,999,999	17	288,574,700	591,854,700
10,000,000 to 14,999,999	29	355,225,000	947,079,700
7,500,000 to 9,999,999	45	391,010,000	1,338,089,700
5,000,000 to 7,499,999	124	754,407,253	2,092,496,953
4,000,000 to 4,999,999	109	484,547,359	2,577,044,312
3,000,000 to 3,999,999	247	855,716,601	3,432,760,913
2,000,000 to 2,999,999	591	1,456,114,365	4,888,875,278
1,000,000 to 1,999,999	1,897	2,705,184,432	7,594,059,710
500,000 to 1,000,000	5,638	4,018,767,077	11,612,826,787
Under 500,000	10,728	3,195,796,434	14,808,623,221
Totals	19,436	14,808,623,221	14,808,623,221

Source: Suffolk Research Service, Inc.

A search for homes currently (April, 2006) for sale on www.hreo.com (the biggest East End community real estate website) shows 26 listings in the price range \$20,000,000 to \$100,000,000, 44 properties priced between \$15,000,000 and \$20,000,000, and 56 priced between \$10,000,000 and \$15,000,000.

V. South of the Highway vs North of the Highway

Homes cost more in the Towns of Southampton and East Hampton, if they are “South of the Highway” – where the “highway” is route 27, route 27A, or Hill Street in Southampton Village. Being “South of the Highway” continues to be a prestige “positive”, but a very important factor in buying or selling property. There are desirable homes “North of the Highway”, but all else being equal, properties “South of the Highway” demand a higher price.

In September of 2005, we searched in our database for “Monster Houses” (homes with selling prices \$10 Million and higher) and found that 23 homes and estates had transferred “South of the Highway” since Jan 1, 2000. The same search performed on “North of the Highway” homes and estates yielded only two properties since the turn of the Millennium. Those properties were: 373 Millstone Brook Rd., Southampton a 30 acre estate which sold for \$10 Million in 2002, and 30 Cross Hwy, Amagansett, an 18 acre estate which sold for \$14.45 Million in July of 2005.

We did a computer analysis of prices from 1/1/01 to 8/31/05 in three important market areas. Prices increased to a greater extent South of the Highway in all three areas we studied – Southampton Village (200% compared to 125% North of the Highway), Bridgehampton, (108% compared to 90.4%) and Water Mill (125% compared to 54%). See Table 6.

Area	% Price Increase, South of the Highway	% Price Increase, North of the Highway
Southampton Village	200	125
Bridgehampton	108	90
Water Mill	125	54
Source: Suffolk Research Service, Inc.		

VI. Single Family Residence Market – Rental of Homes

Since the East End of Long Island is a summer resort location, there is a substantial market for rental of homes.

Reliable information about the size of the Rental Market does not exist. A late February, 2006 search for all rentals on the East End in the real estate website, Hamptons Real Estate On Line (www.hreo.com) yielded 10,346 rental property records. A search for homes available for rent from Memorial Day to Labor day yielded 6,628 property records. This site, however, is known for heavy duplication and properties, which appear on the site, yet they are no longer for rent. It is not known what percentage of the listed rentals are no longer for rent.

The same rental property website was searched for all five Towns by price for the popular Memorial Day to Labor Day period yielding the data shown in Table 7.

There were 210 homes listed for rent for the three month period for \$200,000 or over.

Table 7: Memorial Day to Labor Day Rentals by Price Range (Source: HREO.Com, Feb. 2006)	
Price Range for Summer Rentals – Memorial Day to Labor Day	Number of Properties in Price Range
Over \$200,000	210
\$100,000 to \$200,000	627
\$50,000 to \$100,000	1,843
\$25,000 to \$50,000	2,815
Under \$25,000	1,133
Total	6,628

VII. The Residential Vacant Land Market

As less land is available each year for Real Estate development, land prices have grown at almost double the rate of growth of prices for homes.

Tables 8, 9, and 10 show the recent growth in residential vacant land prices. (Note: Acreage is variable for individual properties.)

Table 8: Median Price History Residential Vacant Land Five Eastern Towns on Long Island – US\$						Table 9: Unit Sales History Residential Vacant Land Five Eastern Towns on Long Island					
Year	South-ampton	East Hampton	Southold	Riverhead	Shelter Island	Year	South-ampton	East Hampton	Southold	Riverhead	Shelter Island
1996	89,500	96,000	59,000	45,000	65,000	1996	583	327	121	103	17
1997	89,000	100,000	60,000	45,000	65,000	1997	615	402	149	102	26
1998	109,000	95,000	75,000	50,000	67,500	1998	733	497	197	121	66
1999	105,000	100,000	70,000	45,000	85,000	1999	755	475	249	108	68
2000	120,000	100,000	75,000	68,500	95,000	2000	746	594	292	166	79
2001	170,000	170,000	114,000	152,500	145,000	2001	496	393	301	196	44
2002	200,000	205,000	140,000	140,000	170,000	2002	612	342	285	145	40
2003	232,500	250,000	182,500	149,000	225,000	2003	388	209	129	90	35
2004	400,000	335,000	210,000	162,500	250,000	2004	393	273	107	72	35
2005	410,000	490,000	300,000	200,000	455,000	2005	350	231	119	70	24

Source: Suffolk Research Service, Inc.

Table 10: Dollar Sales History Residential Vacant Land Five Eastern Towns on Long Island – US\$					
Year	South-ampton	East Hampton	Southold	Riverhead	Shelter Island
1996	83.8	48.2	9.3	6.2	1.3
1997	91.4	62.7	12.1	6.3	2.4
1998	153.4	79.4	19.5	14.3	5.9
1999	120.8	88	22	6.1	6.7
2000	175.7	112.9	29.6	15.4	12.8
2001	153.2	107.7	48	33.4	8
2002	223.1	120.3	58.2	25.4	10.5
2003	172.4	86.2	28.9	50.7	8.2
2004	227.7	141.8	28.4	18.3	10
2005	280.5	192.9	41.9	19.5	14.2

Source: Suffolk Research Service, Inc.

Table 11 shows a comparison of the growth in prices of single family homes in the five Towns vs the growth in prices of vacant land – for the period 1996 to 2005.

The growth rate in the median price of residential vacant land is greater than the growth rate in median price of single family homes. Leading the price increase rate is the Town of Shelter Island. The lowest growth in median price for both land and homes is in the Town of Riverhead.

If you invested \$1 Million in the median priced Shelter Island residential vacant land in 1995, by the year 2005, that investment would have been worth \$6 Million. The same \$1 Million invested in the median priced Southampton residential vacant land would have yielded \$3.6 Million in the year 2005.

In December of 2004, Suffolk Research Service, Inc. performed a computer analysis of the price per acre of vacant land vs the size of the parcel being sold. An acre of land, that year in a parcel of 5 acres or greater in size cost \$101,000 in 2004, where an acre of land purchased that year in parcels 1 acre in size cost \$438,000.

This shows the profitability of the practice of subdivision.

Table 11: Comparison of the % Growth of Residential Land Median Price to Single Family Home Median Price – 1996 to 2005		
Town	% Price Growth In Land	% Price Growth in Single Family Homes
Southampton	358	243
East Hampton	410	277
Southold	431	215
Riverhead	344	171
Shelter Island	600	347
Source: Suffolk Research Service, Inc.		

VIII. The Commercial Real Estate Market

The market for Commercial real estate on the East End of Long Island is small compared to Vacant Land, Agriculture, and Residential Properties, as is shown by Table 1, presented earlier in this report.

Table 12 shows the distribution of Commercial Land Use in the five Towns, and the Commercial Land transferred from 1/1/03 through 2/28/06.

Table 12: Commercial Land Use Distribution Town and Property Transfers 1/1/03 thru 2/28/06					
Town	Total Properties in Five Towns		Property Transfers 1/1/03 thru 2/28/06		
	Acres	Number of Properties	Acres Transferred	Dollar Sales	Properties Transferred
East Hampton Town	3300.88	1534	650.73	152,567,610	228
Riverhead Town	2067.15	716	231.1	98,679,035	115
Shelter Island Town	88.07	87	13.6	2,132,000	5
Southampton Town	2148.67	1682	204.38	229,810,715	228
Southold Town	820.89	950	89.8	82,728,000	156
Total, Five Towns	8425.66	4969	1189.61	565,917,360	732
Source: Suffolk Research Service, Inc.					

IX. Effect of Economic Down-turn on the East End Real Estate Market

Figures 2 through 6, presented earlier show the remarkable ability of the East End Real Estate markets to hold up in economic down-turns. Historically, real estate unit sales on the East End have suffered during down-turns, but median prices have continued to rise, or at least remained flat.

Figures 7 and 8, presented below, show the effect of the '95-'96 and '00-'01 economic down-turns on the real estate unit sales in Southampton and East Hampton.

Figure 7: East Hampton Town, Unit Sales, Single Family Homes

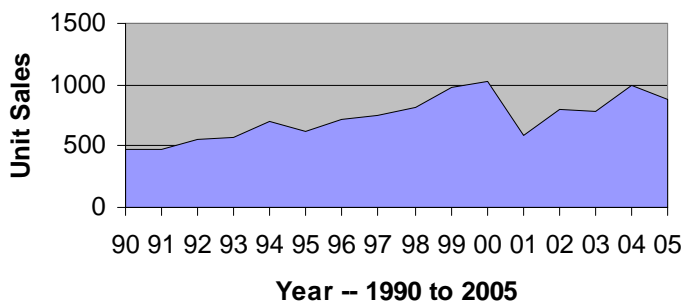
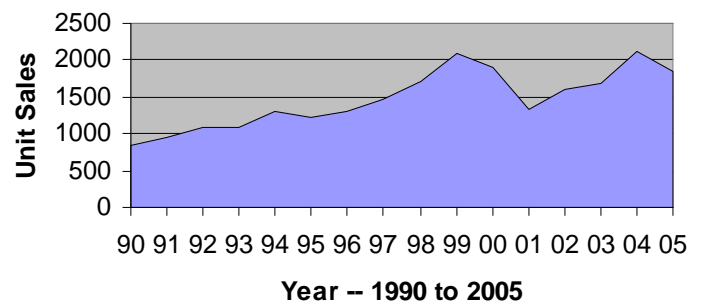


Figure 8: Southampton Town, Unit Sales, Single Family Homes



Since historical trends are all we have to depend upon in the prediction of the future, it is expected that the Real Estate prices on the East End of Long Island will continue to rise, dampened by one and two year periods of economic slump.

X. Real Estate Ownership on the East End of Long Island

The East End of Long Island is a Real Estate driven economy, where a substantial percentage (40% to 50%) of the homes and vacant land is owned by people who have another “primary residence”.

Suffolk Research Service, Inc. performed a computer analysis of the ownership of properties in the five eastern Towns of Long Island. The analysis was performed on our current database of owners (received from Suffolk County in the summer of 2005) and on a database of owners obtained from Suffolk County two years earlier.

Table 14 shows a comparison of Single Family Homes (Land Use Code 210) and Residential Vacant Land (Land Use Code 311) ownership in all five Towns. Note that 50-61% of the land is owned by persons who pay their real estate taxes from an address on the East End of Long Island (61.34% for single family homes, 50.74% for residential vacant land).

Table 14: Comparison of East End Property Ownership by Owners on the East End Compared to Owners Who Pay Their RE Tax From Elsewhere			
Land Use	Properties Owned by East End Residents	Properties Owned by Residents Living Elsewhere	% of Properties Owned by East End Resident Owners
All	65,154	43,334	60.06%
210	43,429	27,371	61.34%
311	6,787	6,588	50.74%

The computer program run on the database properties two years earlier yielded almost the same results (62.94% local ownership of single family homes, 51.69% local ownership of residential vacant land.)

Local ownership of single family homes “south of the highway” in East Hampton Town was only 26.95% in the most recent year vs 45.24% local ownership for homes “north of the highway”. In the Town of Southampton, “south of the highway” homes were owned 53.36% by local owners vs 59.74% for “north of the highway” homes. See: Table 15.

Table 15: Southampton/East Hampton Towns, Comparison of East End Property Ownership by Year Round Residents Compared to Owners Who Pay Their RE Tax From Elsewhere

Area North or South of Hwy	Land Use	Properties	Properties Owned by East End Residents	Properties Owned by Residents Living Elsewhere	% of Properties Owned by East End Owners
Southampton	All	50,772	29,820	20,429	59.34%
Southampton North of Hwy	210	31,983	18,899	12,739	59.74%
Southampton South of Hwy	210	13,518	7,123	6,226	53.36%
Southampton	311	5,476	3,020	2,387	55.85%
East Hampton	All	24,836	11,614	12,907	47.36%
East Hampton North of Hwy	210	17,198	7,687	9,303	45.24%
East Hampton South of Hwy	210	3,196	849	2,301	26.95%
East Hampton	311	4,311	2,071	2,178	48.74%

Source: Suffolk Research Service, Inc.; Note: 201 is Single Family Res., 311 is Res Vacant Land

The computer analysis of owner’s locations, where they receive their tax bills yielded owners in all 50 states, four territories of the US and many foreign countries. The most frequent states of the US, where owners received their taxes are shown in Table 16.

The East End, particularly “The Hamptons” (Southampton and East Hampton), is a celebrity driven real estate market where “wannabes” come to be near the rich and famous, and the rich come to show off their wealth. Hardly a day goes by in the summer months when national TV programs like “Extra”, “Entertainment Tonight”, and “Access Hollywood” don’t tout the comings and goings of the rich and famous in the Hamptons.

This “Celebrity” worshiping, which goes on in the five Towns of Eastern Long Island, is likely to be the main driver for rising property values on the East End.

Table 16: State of Primary Residence for Owners of East End Homes – 20 Leading States – State Code and Number of Owners from That State

NY	100,615	PA	303	DC	153	SC	65
NJ	2,521	MA	273	NC	116	CO	60
FL	1,444	VA	243	GA	96	AZ	52
CT	925	MD	242	OH	92	TN	51
CA	474	TX	153	IL	91	NH	50

Source: Suffolk Research Service, Inc.

XI. Real Estate Agencies, Large Agencies Dominate and *No MLS*

Ten years ago real estate on the East End of Long Island was sold by locally owned and operated firms. There were three multiple office location firms who led the market (Allan Schneider, Cook Pony Farm, Albertson). Now, in 2006, with the exception of Allan M. Schneider, big name national and New York City-based firms dominate the market.

The current leading agencies on the East End are: Allan Schneider Associates, Prudential Douglas Elliman, Corcoran Group Real Estate, Sotheby's International Realty, Brown Harris Stevens, and Century 21 Agawam Albertson.

Other agencies having more than two office locations include: Coldwell Banker Prestigious Properties, The Real Estate Store, Hampton Realty Group, and recently started Town and Country Real Estate.

The larger agencies list their agents on their websites. Table 17 presents the Town village or hamlet distribution of agents of the six largest multiple office agencies on the, East End of Long Island.

For years, the East End of Long Island Real Estate Market operated without a Multiple Listing System (MLS). Within the last five years the MLS, owned by Long Island Board of Realtors (LIBOR), has made inroads in the five Eastern Towns of Long Island.

LIBOR MLS has agencies subscribing to their service throughout the North Fork (Riverhead and Southold), in Westhampton, Quogue, East Quogue, and in Hampton Bays. There are LIBOR members on the South Fork as far east as Montauk.

HANFRA (Hamptons and North Fork Realtor Association) is a rival Realtor Association to LIBOR, dedicated to the East End. LIBOR covers all of Long Island and parts of New York City.

Table 18: Area Agent Summary – by Agency

Town	Village/Area	Agency	Agents	AMS	Cor	Pru	Cent21	BHS	Sthby's
East Hampton	Amagansett	A. M. Schneider	20	20					
	Amagansett	Corcoran	20		20				
	Amagansett	Prudential	13			13			
	East Hampton	A. M. Schneider	40	40					
	East Hampton	Brown Harris Stevens	51					51	
	East Hampton	Corcoran	64		64				
	East Hampton	Prudential	41			41			
	East Hampton	Sotheby's	31						31
	Montauk	A. M. Schneider	5	5					
	Montauk	Prudential	13			13			
Riverhead	Jamesport	Century 21 Albertson/Agawam	16				16		
Shelter Island	Shelter Island	A. M. Schneider	8	8					
	Shelter Island	Corcoran	9		9				
Southampton	Bridgehampton	A. M. Schneider	46	46					
	Bridgehampton	Brown Harris Stevens	18					18	
	Bridgehampton	Corcoran	31		31				
	Bridgehampton	Prudential	43			43			
	Bridgehampton	Sotheby's	24						24
	Hampton Bays	A. M. Schneider	5	5					
	Hampton Bays	Century 21 Albertson/Agawam	14				14		
	Hampton Bays	Prudential	28			28			
	North Sea	A. M. Schneider	10	10					
	Quoque	Prudential	9			9			
	Sag Harbor	A. M. Schneider	29	29					
	Sag Harbor	Brown Harris Stevens	14					14	
	Sag Harbor	Century 21 Albertson/Agawam	9				9		
	Sag Harbor	Corcoran	31		31				
	Sag Harbor	Prudential	22			22			
	Southampton	A. M. Schneider	40	40					
	Southampton	Brown Harris Stevens	16					16	
	Southampton	Century 21 Albertson/Agawam	30				30		
	Southampton	Corcoran	39		39				
	Southampton	Prudential	39			39			
	Southampton	Sotheby's	27						27
	Westhampton	A. M. Schneider	11	11					
	Westhampton	Prudential	29			29			
	Westhampton Beach	Corcoran	21		21				
Southold	Cutchogue	A. M. Schneider	11	11					
	Cutchogue	Brown Harris Stevens	9					9	
	Cutchogue	Century 21 Albertson/Agawam	18				18		
	Greenport	Brown Harris Stevens	12					12	
	Greenport	Century 21 Albertson/Agawam	19				19		
	Mattituck	Prudential	38			38			
	Southold	A. M. Schneider	13	13					
	Southold	Century 21 Albertson/Agawam	16				16		
Totals			1052	238	215	275	122	120	82

XII. Short Term Forecast for the Five Eastern Towns

The market data published by Suffolk Research Service, Inc. monthly (www.SuffolkResearch.com/markers.htm) indicates a weakness in the market. That weakness is evident in the median price trends for the towns of East Hampton and Southampton. (Median price decrease from 2005 thru 2/28/06 of 2.35% in East Hampton Town, and a 5.02% decrease over the same period in Southampton Town.)

Shelter Island, the smallest of the Towns has shown a small growth (1.35) in median price for the full year of 2005 vs 2004 and the first two months of 2006 growth of only 2.33%. Median price trends in Riverhead and Southold continue to show robust growth in the first two months of 2006. See: Table: 19.

Year	East Hampton		Southampton		Riverhead		Southold		Shelter Island	
	Median Price	% Change	Median Price	% Change	Median Price	% Change	Median Price	% Change	Median Price	% Change
2003	590,000	19.19	500,000	25	288,000	17.07	389,000	26.5	510,000	13.33
2004	692,500	17.37	630,000	26	353,500	22.74	440,000	13.11	740,000	45.09
2005	849,000	22.59	737,000	16.98	371,380	5.05	490,000	11.36	750,000	1.35
2006	829,000	-2.35	700,000	-5.02	415,000	11.74	565,000	15.3	767,500	2.33

It is reasonable to expect that the real estate prices and sales volumes will soften in the short term, following the softening real estate market trend nationwide.

Follow the East End Real Estate market at:

www.suffolkresearch.com/markets.htm

updated monthly.