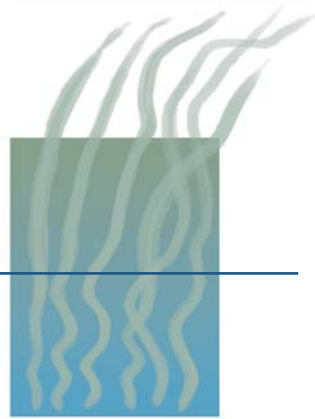


Atlantic East Real Estate

5 North Water Street, Nantucket, MA 02554

T: 508-228-7707 F: 508-228-7780

www.AtlanticEastRE.com



N A N T U C K E T

A T L A N T I C E A S T

HAPPY NEW YEAR...WE HOPE IT'S YOUR BEST YET

We are spending a good portion of our off season looking ahead to how we can best serve you and your real estate needs. Our focus continues to be on community building and creating relationships with people who have a desire to come to Nantucket, whether to invest in a second home, enjoy an island get away for vacation, or to live here permanently. We've also been doing a lot of technical research on how to get you the information you need and want in a user friendly format.

From our perspective as your Nantucket contact, a great web site and regular communication put us in front of the people we want to reach. Valuable information can enhance and strengthen relationships and community.

For today, we thank you for being a regular reader of our newsletter and extend our best wishes to you and yours for a great year ahead.

Heidi Drew, ABR, RSPS

Penny Dey, GRI, ABRM

MARKET NEWS

Atlantic East continues to bring you the most up to date, accurate and easy to interpret information on the Nantucket market. All of our agents are members of the Nantucket Association of Real Estate Brokers and are Realtor members of the Massachusetts and National Association of Realtors. We belong to LINK Nantucket; NAREB'S multiple listing service, enabling us to provide you the most complete and timely listing information. If you would like to have direct access to LINK Nantucket, please contact your *Atlantic East* agent.

We have spent time this past year evaluating how to most effectively reach potential clients. Studies by the National Association of Realtors have shown that 80% of home searches are done through the internet while a 2006 study of Yahoo shows newspapers command only 6.2% of the home search process. We will continue to effectively focus our marketing on the internet. An added bonus is that it is environmentally responsible.

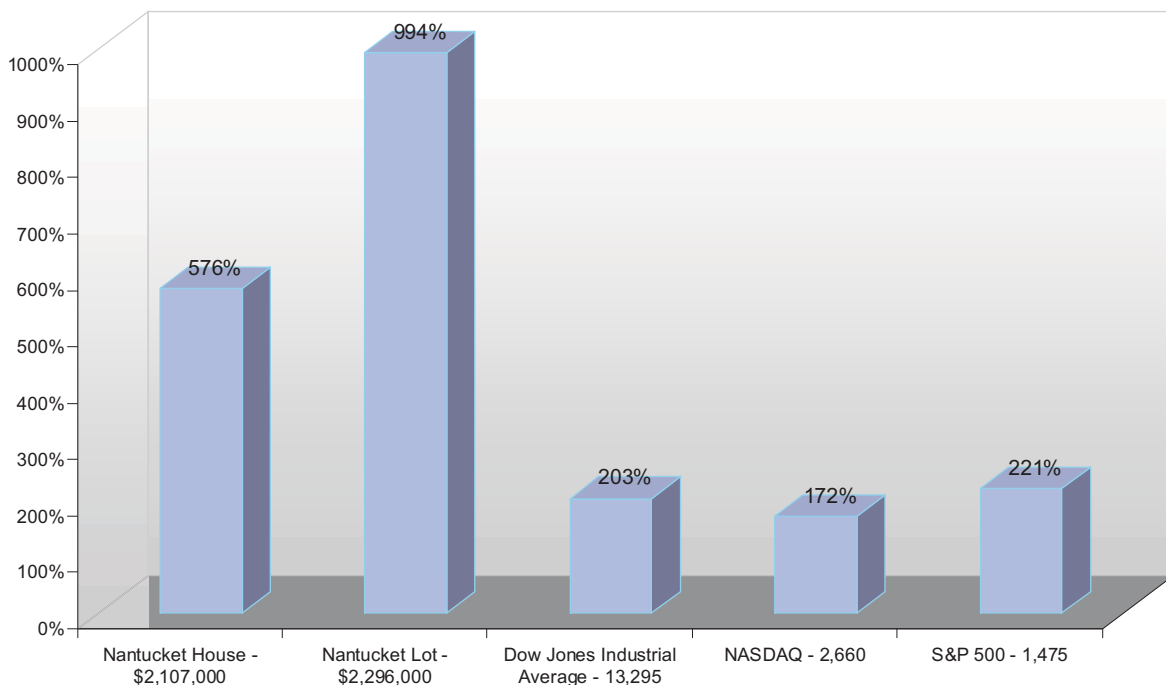
On to 2008! The Nantucket market continues at a more moderate pace than a few years ago. The big story for 2007 is that the number of sales was down 20% from 2006. However, the total sales dollars were down by only 6%. In 2007 there were 400 sales for a total of \$859 million dollars. In 2006 there were 475 sales totaling \$917 million. Both 2004 and 2005 the total sales dollars exceeded \$1 billion. The decrease in the number of sales has impacted the Nantucket market more than the decrease in the dollars that those sales represent. Remember that the Nantucket market is primarily a second home market and, as a result, is not as impacted by the subprime lending crisis or the volatility of interest rates as a primary market would be.

The average sale price of all properties in 2007 was \$2,148,000, higher than it has ever been.

The average selling price of a house is now \$2,107,000, roughly the same as it was in 2006. The average lot is now selling for \$2,296,000 – 8% higher than the average house! The average selling price of a lot is up nearly 65% from 2006 due to some extraordinarily large sales of vacant land. The least expensive fee simple house sale in 2007 was \$425,000 for a 4 bedroom house at the edge of town in need of updating. The highest priced home sold in 2007 was \$10,700,000 for a 3 acre waterfront parcel in Dionis with a 4 bedroom home. The least expensive piece of land sold in 2006 was a 5,000 s.f. lot in the mid island area for \$350,000. The highest price paid for vacant land in 2007 was \$26,500,000 for 7.54 waterfront acres in Dionis.

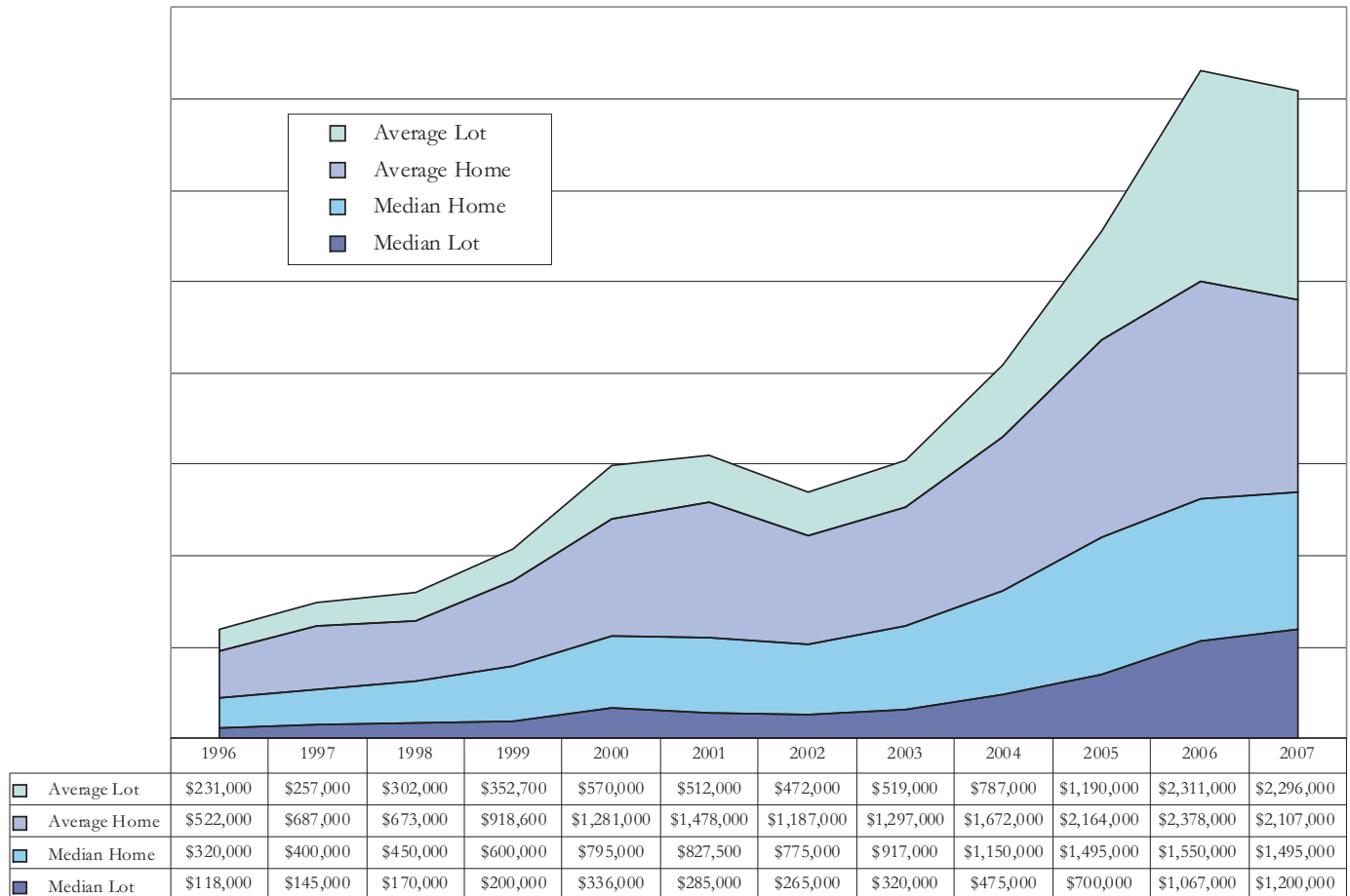
Continued on next page....

Market Indicators
Change in Value Since 1996
As of December 31, 2007



Nantucket House and Land Prices

As of December 31, 2007



MARKET NEWS...Continued

The average sale as a percentage of listing price for 2007 was 94%, up slightly from 2006 reflecting more realistic pricing by sellers.

It now takes an average of 9 months for a property to sell; this number has been steadily climbing since 2004. As the number of properties listed for sale increases, properties will be on the market for longer.



The market is being driven by a number of factors, primarily large supply and tempered demand or lack of urgency on the part of buyers. A more moderate sales pace signals the shift to more of a buyer's market. The good news for buyers is that there are plenty of quality choices in all price ranges and locations.

What next? We know from experience that markets go in cycles and we have entered a cycle marked by a price sensitive market with a good amount of inventory. Those properties that are priced to the current market, and not some past or future one, will likely sell this year. There are now some good opportunities for buyers who may have been waiting to see what 2008 brings. All of which would indicate a steady market similar to last year.



VACATION RENTALS

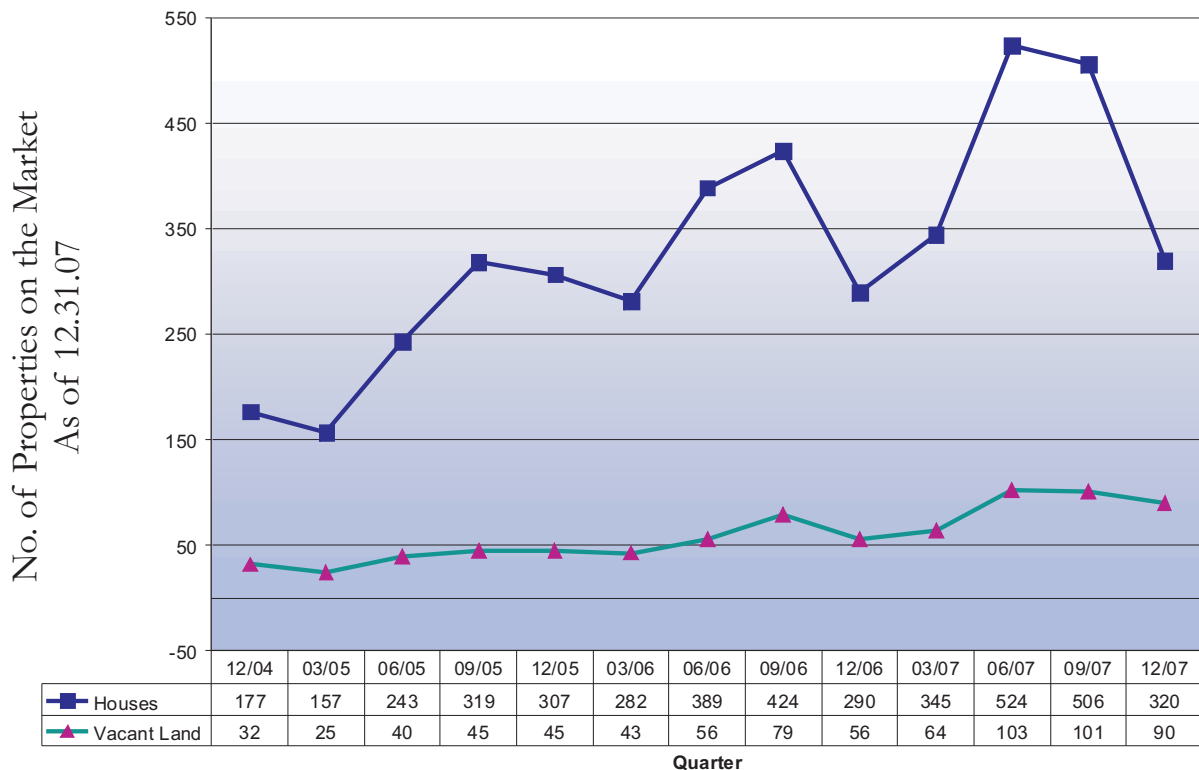
Atlantic East handles over 400 fine homes for rent. When we started the company three years ago we made a decision to focus on doing quality rentals rather than the largest number. Because of the size of our office, all of our agents are familiar with every property we handle for rent. Our agents live full time on Nantucket and are a great resource for information about travel to the island, dining and entertainment options, and things not to miss once you are here. There are many great homes available for rent in 2008. Please visit www.AtlanticEastRE.com for the most comprehensive descriptions and photographs.

If you are the owner of a home on Nantucket and are not yet listed with us please contact us and we will help guide you through the process. We value quality homes for our tenants and would be delighted to work with you. Our office phone: 508-228-7707.

E-mail: office@atlanticeastre.com.

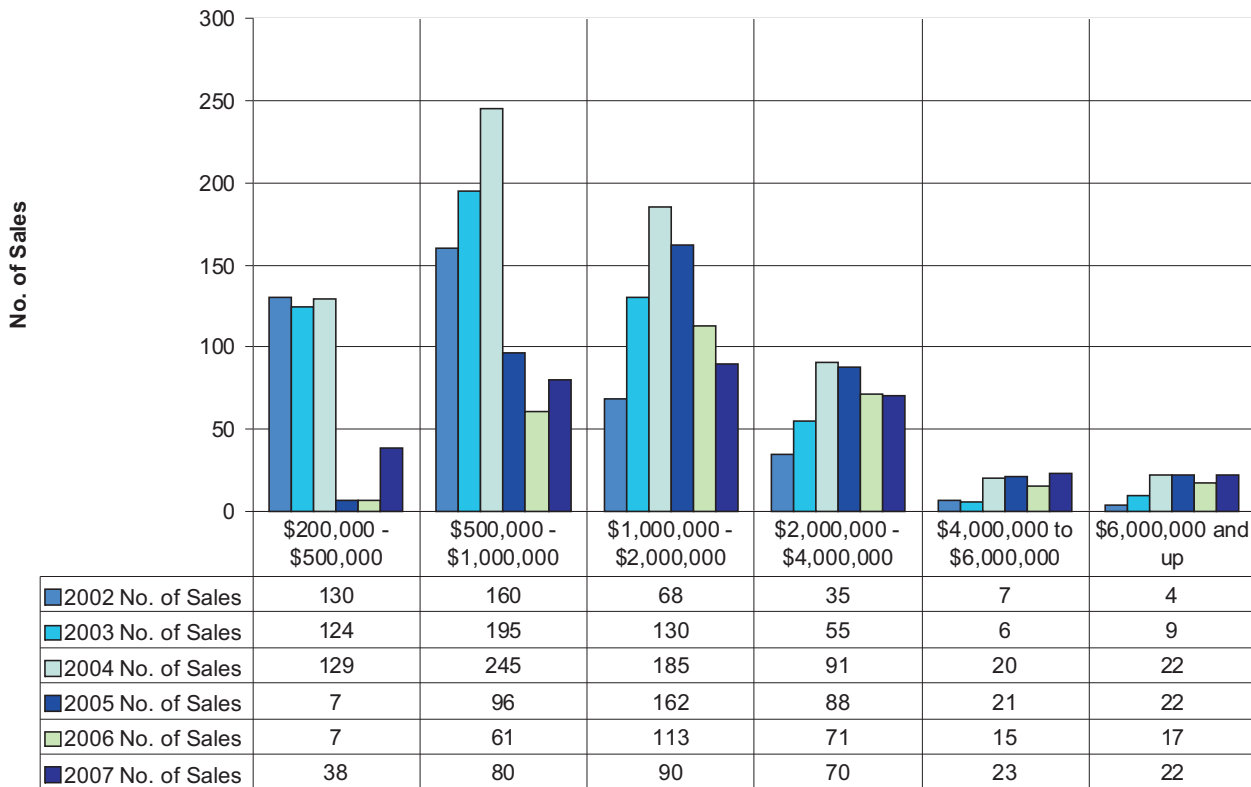
Nantucket: Endangered Place

In 2003 Nantucket was named one of the “threatened” places in Massachusetts by the National Trust for Historic Preservation. While Nantucket has a long history of dedication to preservation, an increase in “teardowns” and “gut rehabs” as well as the inappropriate siting of new homes, are noticeably altering the heritage and cultural landscape on the island. Change may be unavoidable, even in a place like Nantucket, but proper planning and a strong commitment to preservation are essential to managing change and growth. Newcomers must be helped to understand that “buying a piece of Nantucket” means respecting the architectural traditions that make the island appealing and unique. In 2003, 16 Nantucket preservation organizations formed the Nantucket Preservation Trust to educate homeowners as to what’s historic or not, take forceful positions on preservation issues, and to educate the public. The NPT holds preservation easements on a number of private homes in Nantucket. A preservation easement on an historic home protects the architectural integrity of the property by restricting future alteration and uses. Preservation easements can protect both the exterior and interior of a property. In addition, an easement donation may be considered a tax-deductible charitable contribution for federal income tax purposes. For more information about the NPT and preservation easements please visit www.nantucketpreservation.org.



NANTUCKET

Number of House Sales by Price Range 2002 - 2007



Data Source: LINK Nantucket

ALL THE LISTINGS

All Nantucket properties listed for sale can easily be seen on our web site, www.AtlanticEastRE.com. We are one of the first offices on-island to bring ALL listings for sale to the public, through a live data feed from our multiple listing service. It is easy to search for properties using different criteria, to see high quality interior photographs and to map their locations. If you wish to have more detailed information on sales listings than offered through our web site you can sign up for complimentary access directly to our multiple listing service, LINK Nantucket. NAREB has been using LINK for nearly one year and the service has enabled fast and accurate exchange of information as well as ease of use and stability. To sign up, or for more information, please contact your *Atlantic East* agent.

Current house listings range from \$425,000 for a 2 bedroom townhouse in Madaket to \$19,750,000 for an oceanfront estate in Squam with a main house, guest house, tennis court and pool. Current land listings range from \$395,000 for a 6,500 square foot lot in the mid-island area to \$7,500,000 for nearly 7 acres in Squam.

www.tgolcott.com



SEPTIC SYSTEMS AND THE HARBOR WATERSHED DISTRICTS

In December the Board of Selectmen, acting as the Board of Health, unanimously approved amendments to the Board of Health regulations pertaining to the Madaket and Nantucket Harbor Watershed Protection Districts: The amendments **EXTEND THE DEADLINE** for Madaket septic system inspections for 23 months and for one year in the town district. Richard Ray, the health Inspector, explained that his staff is too small to be able to complete the inspections by the original deadline of December 2007. Mr. Ray noted that, of the 477 Madaket systems, 24 have failed so far and 15 have passed. In the Nantucket district, 239 of 254 have passed inspection. If you own a property in the Town district with a septic system you now have until December 2008 to get the system inspected. And in the Madaket district the system will have to be inspected by December 2008. For more information please contact the health inspector at 508-228-7226.

ERIKKA PERKINS



Erikka Perkins has been our Office Manager since we started the company. We truly would not be where we are if Erikka had not been at the helm the past 3 years. Erikka is the reason we are able to provide the level of service we do to our clients and customers. Please stop by when you are next on-island and you will be greeted by the cheerful and smiling Erikka Perkins.

Dates to Remember

January 14 Ferry Tickets go on sale
February 2 Quahog Day
March 9 Daylight Savings
April 25-27 Daffodil Weekend
May Historic Preservation Month
May 14-18 Nantucket Wine Festival
June 18-22 Nantucket Film Festival
August 16 Sandcastle & Sculpture Day
August 8 - 17 Race Week
August 17 Opera House Cup

GIVING BACK

Because Nantucket is our home, we have a strong commitment to giving back, whether by charitable donations or by volunteering our time. In 2007 Mary Malavase was honored with the Lucile R. Ralston Merit Award by the Nantucket Garden Club. This honor is given to an active member who has made the greatest contribution during the year to promote the growth and progress of the Garden Club. Mary has earned this coveted award twice in ten years! Also in 2007 Liza Ottani and her husband Jeff donated a house to the Nantucket Housing Office which was moved to a new location and is now rented to a deserving year round family. The contents of the house were given to a disabled veteran who had previously been homeless on Nantucket. The Housing Office was able to find him unfurnished housing.

Our agents also participated by supporting the Annual Scallop's Ball, and donating funds to the Nantucket Boosters Club, cancer research at Dana Farber Cancer Center, Toys for Tots, Cape Cod & Islands Elder Services, The Lighthouse School, the Nantucket New School, the Nantucket Conservation Foundation, the Nantucket Land Council, the Sconset Trust, the Boys and Girls Club, Nantucket Student Soccer and the Nantucket Historical Association.

Other volunteer activities include: walking in the "Autism Speaks Walk", crowd control for the Sankaty Lighthouse move, Annual Big Brothers Big Sisters Blooming Bids Fund Raiser, making deliveries for Meals on Wheels, being a docent for Preservation Trusts events, chairing the NHA's Festival of Trees, helping with the Boston Pops and hosting the March of Dimes Telerama and co-chairing the Lighthouse School Annual Yuletide fair.

Our agents also serve on the following boards: Nantucket Housing Office, Strong Wings, Big Brothers/Big Sisters, Sherburne Commons, the Nantucket Association of Real Estate Brokers (Executive Board, Education and Advertising committees) and the Nantucket Garden Club. *Atlantic East* continues to support non-profits by our company program that donates a percentage, matched by the company, of the sales commissions of each agent.



"We make a living by what we get, we make a life by what we give."
Sir Winston Churchill (1874 - 1965)

ATLANTIC EAST

5 North Water Street, Nantucket, MA 02554

T: 508-228-7707 F: 508-228-7780

www.AtlanticEastRE.com

Penny Dey, GRI, ABRM

Heidi Drew, ABR, RSPS

Peter DuPont

Mary Malavase, RSPS, TRC

Liza Ottani

Erikka Perkins

Justin Quinn

Anne Remian

Lisa Sherburne, ABR, RSPS

Jodi Vavricka

