

THE DUPONT GROUP



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**Southern Marin County
Real Estate Digest**

2007 Year End Review

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Sotheby's
INTERNATIONAL REALTY

About The DuPont Group

The DuPont Group's three members include David duPont (below), Jaime duPont (right) and Kathy Green. Our web address is www.TheDuPontGroup.net.



Featured Website Tools:

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- Current Market Data
- Historical Price Trends

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Southern Marin Review for 2007

We are pleased to present our year end Review. On behalf of The DuPont Group, we thank you for your support and feedback. It's been a pleasure providing insight into our local real estate markets. We look forward to another great year for Southern Marin real estate.

The 2007 Marin market will be remembered in two distinct halves: January through June was busy across all segments. July through December was particularly slow for homes priced below \$1,850,000, and fairly steady for sales above \$1,850,000. The effect of a stable high end and slow mid market, combined with a robust first half, drove average price data for 2007 higher: Tiburon +10%; Mill Valley +6.9%; Sausalito +3.4%; and Belvedere +26%.

Ben Bernanke and the Federal Reserve bank believes that despite slowing growth plus housing and credit market turmoil, the U.S. economy is in decent shape, and unlikely to enter a recession any time soon. Corporate profits are strong and a weaker dollar is encouraging exports. *The broad capital markets, however, are sending contradictory signals:* gold and oil at record highs, Treasury bonds are in high demand while global equity markets are increasingly volatile. The latest U.S. economic data is weak — mild inflationary pressures combined with low job growth, sluggish manufacturing and the worst holiday shopping season results since 2003.

Interestingly in Marin County, few quality homes have come on the market. One wonders why sellers are waiting. Part of the answer may be that slowing sales are a sign of a slowing economy: corporate relocation was almost non-existent in the second half. Perhaps sellers are tentative due to misleading media coverage of the sub-prime fallout, thinking that prices will improve in the Spring. Either way, with so few quality homes on the market, Marin homeowners who wish to sell in the short-term should take advantage of the lack of competition across most price points.

Buyers on the other hand are increasingly anxious as inventory levels remain low. Competition for quality homes continues to be fierce.

Our short-term forecast for Southern Marin: an increase in activity and a strong Spring 2008. Longer-term: keep an eye on the capital markets as they foretell activity in the high end; as far as homes below \$1,850,000, focus on economic data, as job growth / contraction foretells activity in this market segment. ◇

Federal Foreclosure Ruling in 2007 Sets Precedent

A Federal judge in Ohio recently ruled against mortgage bond investors in 14 foreclosure cases, saying that they were not able to prove the necessary incidence of ownership.

A foreclosing lender must produce a legal claim to the subject property — most usually the original mortgage note. However, these notes are held separately from the electronic ownership of the mortgage bond. Some investors seem to be having difficulty locating these notes in the event of foreclosure.

This ruling by a federal judge should prove advantageous for homeowners in the foreclosure process as it could take years for these cases to work through the court system. Investors can still file foreclosure proceedings in state courts, but one outcome may be that investors will be more inclined to negotiate with the troubled homeowners than enter lengthy foreclosure proceedings.

National Surge in Homeownership

The national rate of homeownership has remained fairly stable at near 64% for 30 years. That number started increasing in 1994 and rose to a peak of 69.2% in 2004.

Since 2004, the homeownership rate has decreased slightly to 68.2%.

Goldman Sachs' chief U.S. economist is concerned about a continued contraction in the homeownership rate, writing "The key issue is the potential for a vicious cycle" in which falling home prices force more defaults, short sales and foreclosures, which creates more unsold inventory that pushes down prices, crimping consumer sentiment and spending, and creating more defaults, short-sales and foreclosures.

The National Association of Realtors writes that "Homeownership remains at record levels" and that "Housing is a good, long-term investment that provides both economic and social benefits. Based on current trends and underlying demand, the overall U.S. homeownership rate could exceed 70 percent by 2013."

Mill Valley Homes

Summary & Current Inventory

Mill Valley average home prices increased about 6.9% in 2007. Inventory levels continue to puzzle both agents and buyers, as they are well below normal. Sales of homes priced above \$1,850,000 have held up remarkably well all year despite a slowdown in sales below this price point

Despite a plethora of newspaper headlines, Mill Valley and Southern Marin in general have weathered the current slowdown well, thanks to robust capital markets and strong high-end demand. There is no place in the world like Mill Valley and home buyers know it. We continue to believe Mill Valley will see an increase in activity at current price levels, across all price points in Spring 2008.

Current Inventory

The inventory of listed homes for sale in Mill Valley above \$1,850,000 is low right now, with only 16 homes available. Buyers are still paying up for the "right" homes as witnessed by multiple sales this year of homes priced over \$1,000 per square foot — see sales on page 6. Of homes currently on the market, 31% are under contract, and this foretells, possibly, an active Spring market.

Most importantly, we are still hearing from buyers looking in these price ranges that they wish there were more homes on the market. Due to the low number of homes on the market and the large number of qualified buyers, the Spring real estate market will most likely see firm price levels and increasing unit sales when pent-up inventory and strong demand meet.

Recent sales

Please find all home sales in Mill Valley over \$1,850,000 on the next three pages. These sales are divided into three price ranges \$1.85M - 2.25M - 3.0+M.

If you have any questions about any of this data, or would like a price opinion on your home, please do not hesitate to call us.

2007 Mill Valley Sales Price Range \$1.85—\$2.25M

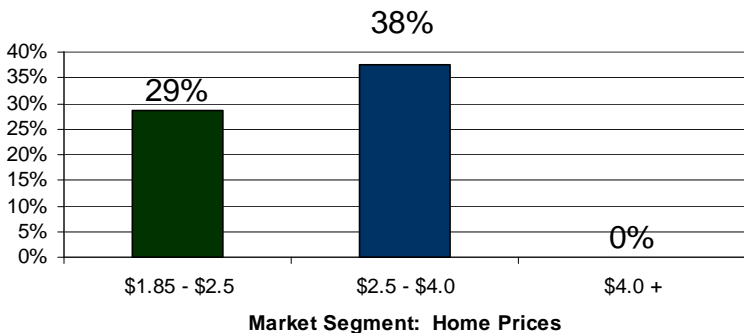
Street Address	Selling Price	Sq Ft	\$/SqFt	Days on Mkt
354 Panoramic Hwy	1,850,000	2506	738	0
279 Hillside Ave	1,850,000	1252	1478	18
171 Bolsa Ave	1,855,000	2074	894	93
19 Bay Vista Dr	1,865,000	2749	678	27
939 Alturas Way	1,880,000	3284	572	76
280 Lovell Ave	1,883,000	2600	724	21
15 Euterpe St	1,895,000	2400	790	52
118 Neider Ln	1,900,000	3216	591	27
274 Hillside Ave	1,935,000	2801	691	23
35 Bayview Ave	1,975,000	2448	807	14
82 De Silva Island Dr	1,985,000	2066	961	21
699 Forest Way	1,995,000	3495	571	156
528 Montford Ave	1,995,000	2893	690	36
580 Edgewood Ave	1,995,000	2997	666	163
1041 Erica Rd	2,050,000	3300	621	20
15 Vista Del Sol Dr	2,080,000	3867	538	18
336 Laurel Way	2,095,000	3116	672	80
27 Seminary Cove Dr	2,100,000	2457	855	53
44 Bayview Ave	2,100,000	1905	1102	279
27 King St	2,100,000	3577	587	117
77 Walnut Ave	2,125,000	1850	1149	22
17 Escalon Dr	2,140,000	2047	1045	106
369 Pine Hill Rd	2,150,000	3044	706	31
100 Laverne Ave	2,150,000	3200	672	86
601 Sequoia Valley Rd	2,150,000	3143	684	241
53 Carmelita Ave	2,153,920	2463	875	74
99 Great Circle Dr	2,175,000	3381	643	28
28 Glen Dr	2,175,000	2553	852	54
81 Sycamore Ave	2,185,000	2005	1090	30
45 Kipling Dr	2,197,000	4184	525	101
14 Topside Way	2,200,000	3121	705	51
47 Ridge Ave	2,200,000	4657	472	1
1 Eagle Rock Rd	2,200,000	3500	629	91
61 Homestead Blvd	2,210,000	3338	662	16
38 Woodbine Dr	2,250,000	2252	999	24
Averages	2,058,398	2,850	770	64

2007 Mill Valley Sales

Price Range \$2.25—\$3M

Street Address	Selling Price	Sq Ft	\$/SqFt	Days on Mkt
78 Sycamore Ave	2,300,000	2300	1000	20
950 Smith Rd	2,300,000	3756	612	9
245 Tamalpais Ave	2,300,000	2897	794	28
95 Sycamore Ave	2,300,000	1876	1226	36
145 Marion Ave	2,310,000	3076	751	30
175 Marquerite Ave	2,340,000	2713	863	41
21 Edgewood Ave	2,385,000	2925	815	31
137 Sunnyside Ave	2,439,100	2563	952	0
109 Willis Dr	2,440,000	4523	539	3
29 Buena Vista Ave	2,460,000	3067	802	22
235 Hillside Ave	2,500,000	1935	1292	25
901 Marin Dr	2,500,000	4541	551	23
375 Summit Ave	2,550,000	3343	763	115
68 Del Casa Dr	2,569,050	3008	854	10
74 Homestead Blvd	2,600,000	4000	650	77
149 Manor Dr	2,645,000	2662	994	24
891 Marin Dr	2,650,000	3910	678	49
50 Kite Hill Ln	2,700,000	3700	730	33
94 Walnut Ave	2,760,000	2394	1153	17
216-218 Corte Madera	3,000,000	2739	1095	160
12 Heron Dr	3,000,000	3158	950	28
386 Throckmorton Ave	3,000,000	2740	1095	99
37 Hazel Ave	3,000,000	3423	876	16
Averages	2,567,311	3,098	871	39

Mill Valley Inventory Under Contract



2007 Mill Valley Sales

Price Range \$3M+

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
366 Summit Ave	3,050,000	4593	664	44
35 Sycamore Ave	3,100,000	3876	800	50
150 Chapel Dr	3,200,000	4800	667	15
418 Throckmorton Ave	3,285,000	3400	966	65
255 Hillside Ave	3,450,000	3504	985	24
408 Wendy Way	3,495,000	3980	878	20
50 Walnut Ave	3,575,000	3850	929	24
276 Oakdale Ave	3,598,500	2680	1343	12
225 Roque Moraes Dr	3,600,000	4617	780	14
223 E Strawberry Dr	3,700,000	3290	1125	95
25 Heron Dr	3,825,000	4407	868	173
145 Chapel Drive	3,850,000	4800	802	179
175 Cascade Dr	3,895,000	4046	963	45
3 Nina Ct -3209	3,900,000	4087	954	110
67 Molino Ave	3,910,000	4309	907	21
421 Wellesley Ave	3,950,000	3680	1073	0
366 Lovell Ave	4,500,000	3950	1139	42
435 Ralston Ave	6,550,000	4635	1413	162
Averages	3,801,861	4,028	959	61



Tiburon / Belvedere Homes

Current Inventory

Tiburon average home prices increased 10% in 2007. Our September issue highlighted a fair number of aggressively priced homes that were languishing on the market. Many of those homes have recently sold or are currently "in contract" while others have been pulled off the market during the slow holiday period — to give them a fresh start in the New Year. In the interim, a fair number of well priced homes have come on the market and sold quickly, many with multiple offers. The average price of a Tiburon home is now \$2,200,000. Tiburon 2007 sales data is on pages 10 - 12.

Belvedere's average price was up 26% in 2007 due to strong high-end demand. The two most expensive homes sold in 2007 had been on the market for several years — please see Belvedere 2007 home sale data on page 13. The average price for a Belvedere home is now \$3,782,450.

Tiburon current inventory is quite low, partly due to seasonal cycles. We are still hearing from Tiburon buyers seeking homes in these price ranges that they wish there were more homes on the market. Due to the low number of *quality* and *well-priced* homes, and the large number of qualified buyers, the Spring market will likely see firm price levels and increasing unit sales as limited supply meets strong demand.

Belvedere inventory is similar to Tiburon in that well-presented, correctly priced homes coming on the market are selling very quickly; homes that aren't priced right or show poorly will languish. There are currently 20 homes for sale in Belvedere that have been on the market for an average of 126 days. ◇

2007 Tiburon Sales**Price Range \$1.85—\$2.5mm**

Street Address	Selling	Sq Ft	\$ / SqFt	Days on Mkt
403 Paradise Dr	1,850,000	1833	1009	122
102 Paradise Dr	1,850,000	2205	839	73
122 Trinidad Dr	1,875,000	2808	668	14
107 Paradise Dr	1,895,000	1724	1099	15
5050 Paradise Dr	1,910,000	2600	735	45
1800 Vistazo St W	1,930,000	2309	836	60
16 Bay Vista Dr	1,950,000	3386	576	25
104 Jefferson Dr	1,995,000	2716	735	24
1887 Centro West St	1,995,000	1362	1465	4
166 Trinidad Dr	2,000,000	2513	796	130
166 Rock Hill Dr	2,000,000	2170	922	20
303 Paradise Dr	2,000,000	2205	907	0
21 Via Capistrano St	2,073,000	2840	730	22
5 Corte Las Casas	2,095,000	2730	767	27
100 Monterey Dr	2,100,000	3617	581	83
529 Silverado Dr	2,100,000	2199	955	48
12 Southridge Rd W	2,135,000	3566	599	38
4875 Paradise Dr	2,162,000	3366	642	38
10 Cypress Hollow Dr	2,200,000	3135	702	60
4903 Ranch Rd	2,200,000	3213	685	18
22 Corte San Fernando	2,250,000	2130	1056	34
2375 Spanish Trail Rd	2,300,000	1763	1305	25
301 Paradise Dr	2,350,000	2321	1012	15
142 Hacienda Dr	2,380,000	2552	933	0
735 Hawthorne Dr	2,445,000	2700	906	100
30 Noche Vista Ln	2,500,000	2816	888	24
70 Monterey Dr	2,500,000	3776	662	6
Averages	2,112,593	2,613	852	40



2007 Tiburon Sales**Price Range \$2.5 - \$4M**

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
28 Redding Ct	2,542,500	3853	660	0
1 Tara Hill Rd	2,562,000	4052	632	21
11 Greenwood Ct	2,600,000	3361	774	32
941 Owlswood Ln	2,600,000	3591	724	142
23 Turtle Rock Ct	2,675,000	4210	635	187
18 Upper Cecilia Way	2,750,000	2656	1035	23
2306 Mar East St	2,750,000	3919	702	22
412 Greenwood	2,750,000	2505	1098	27
23 Cecilia Ct	2,775,000	3938	705	39
17 Reed Ranch Rd	2,795,000	3854	725	22
333 Blackfield Dr	2,850,000	4522	630	88
4795 Paradise Dr	2,900,000	3839	755	15
669 Hawthorne Dr	2,900,000	4900	592	192
22 Cecilia Ct	2,900,000	3300	879	18
2485 Paradise Dr	2,995,000	3000	998	0
18 Cibrian Dr	3,025,000	4972	608	171
1810 Lagoon View Dr	3,025,000	2861	1057	50
2486 Mar East St	3,100,000	2600	1192	142
967 Tiburon Blvd	3,150,000	4000	788	10
18 Tanfield Rd	3,150,000	2519	1250	84
8 Francisco Vista Ct	3,175,000	3291	965	190
4 Heathcliff Dr	3,225,000	2872	1123	40
2 Audrey Ct	3,250,000	3675	884	407
2310 Paradise Dr	3,320,267	3062	1084	21
2122 Centro East St	3,450,000	3451	1000	0
205 Taylor Rd	3,495,000	3094	1130	20
75 Hacienda Dr	3,495,000	5144	679	220
24 Hillcrest Rd	3,500,000	4036	867	157
13 Roseville Ct	3,564,500	4900	727	129
86 Via Los Altos	3,575,000	5685	629	53
1818 Lagoon View Dr	3,812,823	4527	842	87
103 Via Los Altos	3,900,000	4612	846	108
3564 Paradise Dr	3,930,000	3314	1186	318
Averages	3,105,669	3,761	861	92

2007 Tiburon Sales**Price Range \$4M+**

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
19 Bayview Ave	4,100,000	3375	1215	21
10 Via Paraiso E	4,283,558	5439	788	443
227 Round Hill Rd	4,300,000	6000	717	366
10 Venado Dr	4,495,000	4797	937	18
11 Acela Dr	4,850,000	4798	1011	268
9 Francisco Vista Ct	4,950,000	5811	852	135
21 Tara Hill Rd	5,100,000	3562	1432	0
96 Via Los Altos	5,700,000	4653	1225	19
5 High Meadow Ln	6,150,000	5876	1047	335
1805 Lagoon View Dr	7,130,000	4127	1728	3
106 Mount Tiburon Rd -	9,000,000	8000	1125	471
110 Gilmartin Dr -1527	20,000,000	13000	1538	1217
Averages	6,671,547	5,787	1,134	275

Bush Announces Mortgage Rate Freeze Plan

Many troubled homeowners may get some relief from a proposed plan negotiated by the Bush administration to freeze interest rates on subprime mortgages that have rates scheduled to rise in 2008.

While many seem eligible for the relief, it appears that only a fraction will be subject to proposed legislation. Some of those who will not be given help as part of Bush's plan may see support coming from their lenders in the form of new mortgages secured by the Federal Housing Administration (FHA).

Bush's plan would apply to individuals and families currently living in their homes who have not yet missed any payments. It also applies only to mortgages originated between 2005 and July 30, 2007 that are scheduled to rise to higher rates in 2008 and 2009.

The largest obstacle to the plan is garnering support of bond investors who have already purchased the mortgages. These investors must agree to accept lower interest payments.

Critics are quick to point out that even with a Bush-backed deal, there will be lawsuits brought by investors whose investments are be impacted by the legislation. ◇

2007 Belvedere Sales

Street Address	Selling Price	Sq Ft	\$/SqFt	Days on Mkt
298 Bella Vista Ave	2,000,000	2142	934	14
29 Bayview Ave	2,000,000	1919	1042	57
18 Eucalyptus Rd	2,100,000	1784	1177	94
34 Bella Vista Ave	2,400,000	2627	914	132
74 Bayview Ave	2,525,000	2754	917	37
39 Belvedere Ave	2,700,000	1906	1417	27
208 San Rafael Ave	2,712,500	2148	1263	27
41 West Shore Rd	2,725,000	3288	829	45
36 Cove Rd	2,825,000	2136	1323	45
28 Windward Rd	2,850,000	1703	1674	159
1 Belvedere Ave	3,000,000	3126	960	57
21 West Shore Rd	3,233,000	3763	859	134
130 Belvedere Ave	3,600,000	4515	797	66
2 Edgewater Rd	3,810,000	3175	1200	14
31 Windward Rd	4,200,000	2924	1436	0
6 Maybridge Rd	4,875,000	4003	1218	34
432 Golden Gate Ave	5,800,000	3601	1611	31
424 Golden Gate Ave	5,400,000	4000	1350	161
57 W Shore Rd	5,400,000	3936	1372	77
205 Golden Gate Ave	6,000,000	3329	1802	1
2 Bellevue Ave	6,000,000	5692	1054	181
50 Cliff Rd	6,500,000	4967	1309	177
30 Crest Rd	8,100,000	9733	832	816
445 Belvedere Ave	15,500,000	8131	1906	591
Averages	4,427,313	3,638	1,216	124



Sausalito Homes

Current Inventory

In 2006, Sausalito led Marin County with 20% year over year average sale price appreciation. In 2007, average prices in Sausalito increased 3.4%. Digging deeper reveals several very interesting trends. First, the average condominium sale actually decreased 1% in 2007 while the average single family residence increased 10%. Meanwhile, condominium unit sales are down 31% since 2003, while sales of single family residences are down 20% since 2003. Every incremental increase in price seems to result in a corresponding decrease in unit sales, possibly due to decreased affordability for new home buyers and/or existing homeowners trading up. Sausalito 2007 sales data is on the next page.

Inventory in Sausalito is currently very limited — this is at least partly a seasonal phenomenon which should change in the upcoming weeks. There are only five homes for sale in Sausalito priced over \$1,850,000 and two of those (40%) are currently under contract.

Sausalito Condo Sales, 2004 – 2007

Year	Average Sale Price	Increase	Units Sold	Trend
2004	595,123	17%	93	18%
2005	681,873	15%	85	-9%
2006	686,596	1%	47	-45%
2007	679,454	-1%	50	6%

Sausalito SFR Sales, 2004—2007

Year	Average Sale Price	Increase	Units Sold	Trend
2004	1,340,392	2%	93	16%
2005	1,403,127	5%	87	-6%
2006	1,589,261	13%	79	-9%
2007	1,742,341	10%	69	-13%

2007 Sausalito Sales Price Range \$1.5-2M

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
518 Spring St	1,545,000	1945	794	242
68 Cloudview Rd	1,560,000	1812	861	90
24 Edwards Ave	1,600,000	2004	798	11
58 Spencer Ave	1,611,000	1851	870	45
180 Spencer Ave	1,612,500	1731	932	20
151 Edwards Ave	1,625,000	2400	677	63
16 Gordon St	1,625,000	2400	677	13
217 South St -2530	1,645,000	2777	592	309
46 Platt Ave	1,700,000	2577	660	122
101-103 Edwards Ave	1,725,000	1450	1190	29
515 North St	1,795,000	2378	755	314
2 Spring Hill Cir	1,825,000	2302	793	0
85 Harrison Ave	1,825,000	2782	656	28
509 Bonita St	1,895,000	2087	908	17
166 San Carlos Ave	1,995,000	2384	837	212
Averages	1,705,567	2,192	800	101

2007 Sausalito Sales Price Range \$2M+

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
85 Crescent Ave	2,060,000	2210	932	0
62 Cloudview Rd	2,225,000	2190	1016	18
32 Sunshine Ave	2,325,000	2766	841	21
121 South St	2,400,000	4000	600	182
75 Cloudview Rd	2,475,000	3466	714	164
171 Cazneau Ave	2,500,000	3494	716	128
70 Atwood Ave	2,775,000	2297	1208	80
47 Prospect Ave	3,200,000	4284	747	137
16 Bulkley Ave -2208	3,300,000	3300	1000	835
11 Vista Clara Rd	3,340,000	2662	1255	0
121 San Carlos Ave	3,450,000	3518	981	31
1 Marion Ave	3,450,000	3171	1088	36
2 Cloudview Cir	3,475,000	3234	1075	182
75 Cloudview Trl	3,675,000	5000	735	14
18 Bulkley Ave	3,950,000	3280	1204	189
77 Harrison	8,500,00	10581	803	356
Averages	3,318,750	3,716	932	148

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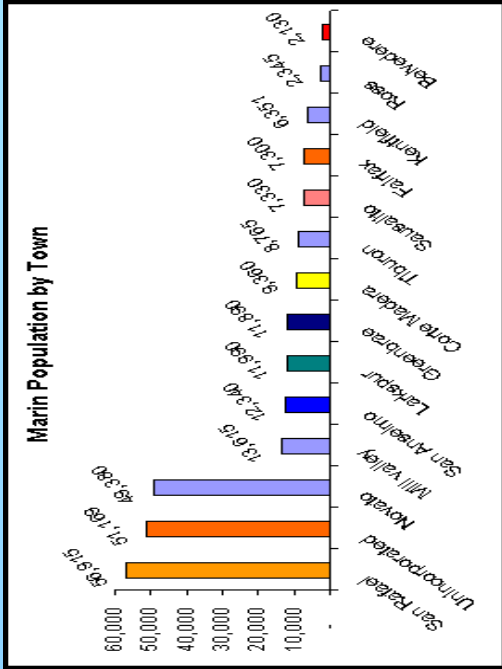


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