

THE DUPONT GROUP



Southern Marin County
Real Estate Digest

Third Quarter 2008

Decker
Bullock

Sotheby's
INTERNATIONAL REALTY

About The DuPont Group

The DuPont Group's three members include Dave & Jaime duPont, and Melissa Crawford. www.TheDuPontGroup.net.

Featured Website Content:

- Free MLS Searches
- Astute Market Commentary
- Town & County Information
- Current Market Data
- Historical Price Trends



In 2008, 100% of the homes we listed in Southern Marin had accepted offers within an average of 6 days and sold for 98% of their listing prices.

Dave received his MBA from Pepperdine University and is a Certified Financial Planner (CFP) and Real Estate Broker. Prior to his career in real estate Dave worked in private client banking where he managed the assets of some of the Bay Area's most notable individuals and families including investment portfolios, wineries, and ranches.

Cover photo: **19 Belvedere Avenue, Belvedere \$2,888,000**

This sleek Henik Bull architectural jewel is a natural penthouse, freshly remodeled with floor to ceiling windows, and has stunning views.

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First Three Quarters 2008 Summary

Certainly the economic environment and credit markets have deteriorated since June as witnessed by the Government takeover of Freddie Mac and Fannie Mae, the rescue of AIG, the failure of Indy Mac, Countrywide, Washington Mutual, and Wachovia; the consolidation of Wall Street brokerages by large banks and the transformation of Morgan Stanley and Goldman Sachs into commercial banks.

To properly understand where we are in this cycle, it is imperative to look at an historical example: the S&L crisis and resulting real estate bear market of the late 1980's and early 1990's. The only years Marin County average prices declined from one year to the next in the post war period was during 1991 and 1992— when average prices for Marin County declined about 1.5% each year. There was still a great deal of inventory unsold as late as 1995 and real estate really didn't pick up again until 1997.

Currently, Marin County average prices have declined almost 7% since the end of 2007. On the surface, this sounds comparatively frightening, and it certainly is on several levels; but 2007 saw decreasing unit sales, and very strong high end sales which skewed average price data higher for 2007.

San Rafael (-6%), Novato (-19%) and Corte Madera (-8.4%) are seeing the largest average price declines in central and northern Marin. Southern Marin average prices are currently in the black since 2007 with Tiburon and Belvedere showing slight price declines and Mill Valley (+2.5) and Sausalito (+3.7) showing price advances.

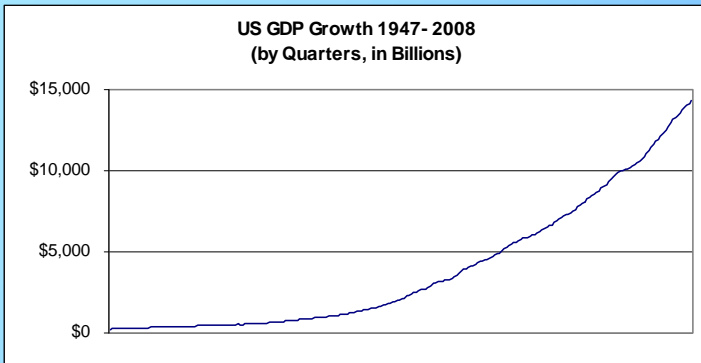
Where will we go from here? The primary issue, beyond the passing of legislation to contain the CDO credit market contagion, is consumer debt levels. If you look at the GDP growth since 1947 and compare it to consumer debt outstanding in the same time period (charts on next page), we see that at least part of the catalyst for America's postwar, long term growth was consumer leverage. Despite the great 20-year real estate bull market, homeowner's equity is lower than it has ever been before (Federal Reserve 3/6/08). This will serve to exacerbate the current downturn as it takes time for consumers to correct their personal balance sheets; especially at a time when home prices are contracting, and debt service and repayment as a percentage of income is near a cyclical high.

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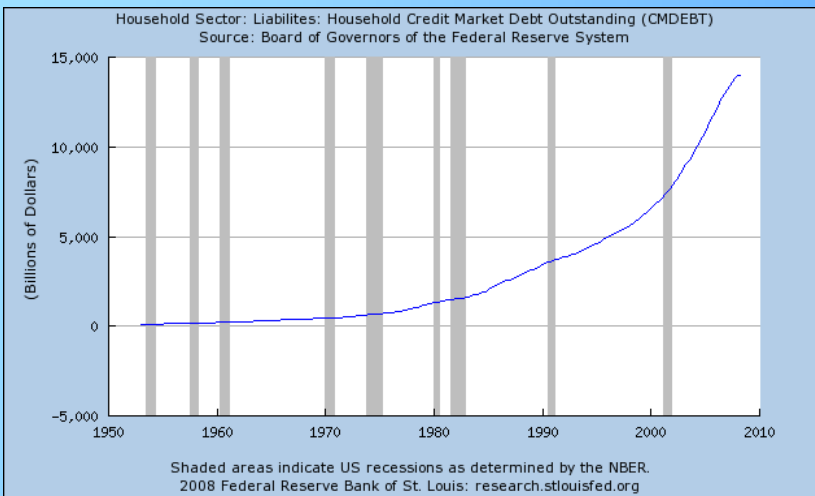


First Three Quarters 2008 Summary

Post War economic growth:



Post War growth in consumer credit:



The above charts, and recent headlines, are leading indicators of a longer lasting economic downturn; and a harbinger of a fundamental change in the way Americans save and spend their money.

The leading indicator of price trends for higher end homes in the area traditionally has been volatility in our capital markets, as executive level job growth in the Bay Area was fairly steady. This may be changing.

The good news: the Bay Area is truly the gateway to the East, America's technology center and a cyclical phenomenon. Tech and biotech job growth is still robust as corporate capital expenditures on technology have been on the books for a while, and companies tend to invest in technology during downturns to make fewer employees more productive—a sister reason to natural beauty why Marin County Real Estate prices are less volatile than almost anywhere else in the country.

A short term concern for higher-end homes in Marin is trading floors and investment banking departments are being sucked back to New York due to consolidation in financial services and banking. This trend in finance jobs may continue for some time and will serve to diminish the pool of buyers able to afford Marin prices.

Why it is still a good time to be a buyer in Southern Marin:

One of the issues that got homeowners into the pickle to begin with is the idea that one's primary home is an investment. On the contrary, homes are liabilities (big ones), until they are sold. At that point, the lucky homeowner whose home increased in value might say "this was a wonderful home, served us well, kids had access to great schools and healthy living, and as it turns out it was a decent investment as well." Going forward, hopefully, we will hear the same thing, only the ending may go like this: "and it was a safe place to put our money."

The point here is that buyers looking in Southern Marin can take their time and find the right house, at the right time, at the right price. They are buying shelter for themselves and their families, not investments (although ironically, homes in Southern Marin are probably one of safest places to invest your money for the next 10 years).

Why it is still a good time to be a seller in Southern Marin:

We are still very close to the peak of the real estate market, both in the short term cycle as well as the longer term, post war trend. My concern is that as a function of affordability, home prices may not revisit these levels for some time. If you sold your home in 2005, you would have had more competition for it and may have sold it for 10% more. However, average home prices in all Southern Marin towns are higher than 2005. Bottom line, if you are planning to sell your home in the near term, or want the equity in your home to help finance your retirement years, you might want to get that ball rolling sooner rather than later. Consumer spending growth won't continue as it has in the post war period. Corporate profits will slow, followed by employment, and flat to declining home prices.

All of our listings in Southern Marin this year have received accepted offers within an average of six days from the first open house, and sold for 98% of their listing price. The homes that are selling in today's market are priced accurately, turnkey, without major deferred maintenance, and properly marketed. The typical mistake people make when selling homes is rushing to market before the house is ready and before the marketing plan has had time to work. Selling a home is like launching a business in that you only get one chance to make a first impression.

Mill Valley

2008 Summary and Current Inventory

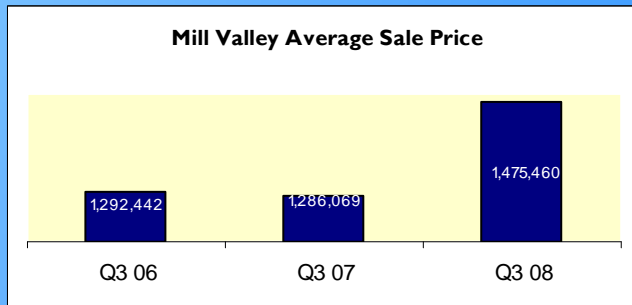
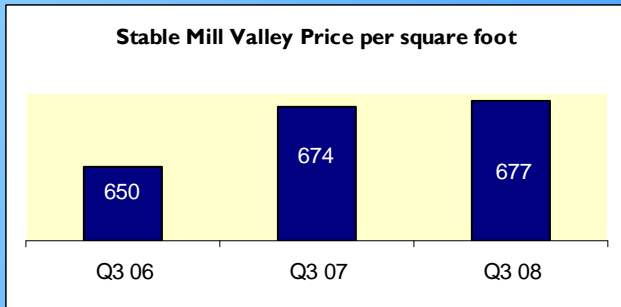
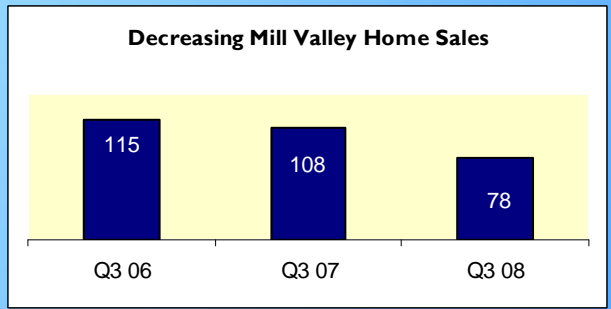
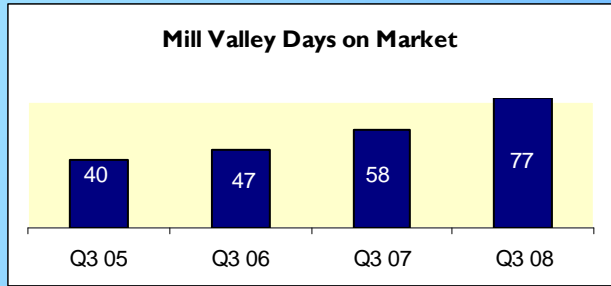
Mill Valley average home prices have increased 2.5% since year end 2007.

The resilience of Mill Valley home prices is extraordinary considering the headwinds.

Storm clouds are brewing as inventory of homes for sale is slowly increasing, and 'days on market' is increasing.

In the \$2.5m—\$4m price range there are 17 homes on the market and only one is in contract.

Year	MV Av. Price
1995	456,926
1996	492,113
1997	524,941
1998	588,613
1999	735,875
2000	918,469
2001	933,087
2002	947,856
2003	992,521
2004	1,096,015
2005	1,245,978
2006	1,317,504
2007	1,400,000
2008	1,434,995

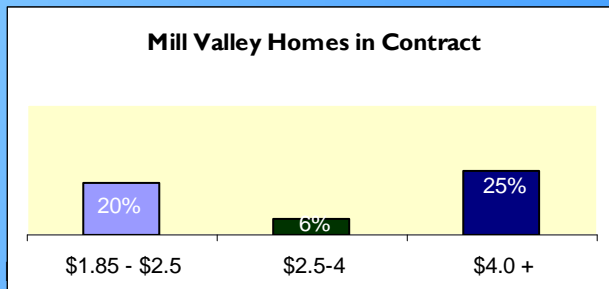


Mill Valley

2008 Sales

2008 Mill Valley Home Sales

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
30 Dell Lane	1,850,000	1838	1,007	17
449 Wellesley Avenue	1,879,000	2393	785	31
361 Cascade Drive	1,885,000	2984	632	56
110 Hazel Avenue	1,925,000	2775	694	10
407 Tennessee Glen Way	1,925,000	3293	585	113
97 Del Casa Drive	1,998,000	2626	761	16
4 Lovell Avenue	2,000,000	1148	800	417
10 Vista Real	2,025,000	2840	713	0
50 Amicita Avenue	2,025,000	2237	905	30
326 Melrose Avenue	2,040,000	2728	748	48
129 Reed Street	2,050,000	3014	680	87
46 Vista Del Sol	2,093,845	3529	593	104
136 Marion Avenue	2,100,000	2753	763	74
45 Laverne Avenue	2,100,000	2973	706	95
72 Cypress Avenue	2,125,000	3309	642	58
122 Ralston Avenue	2,137,500	3100	690	194
246 Molino Avenue	2,145,000	2200	975	58
32 Birch Street	2,150,000	2522	852	18
226 Julia Avenue	2,160,000	3550	608	23
5 Marsh Drive	2,225,000	3700	601	46
422 Vista Linda Drive	2,245,000	2300	976	88
280 Oakdale Avenue	2,295,000	2256	1,017	170
78 Sycamore Avenue	2,350,000	2300	1,022	0
171 Elinor Avenue	2,430,000	2046	1,188	22
264 Manor Drive	2,450,000	2757	889	13
Average	2,104,334	2,687	793	72

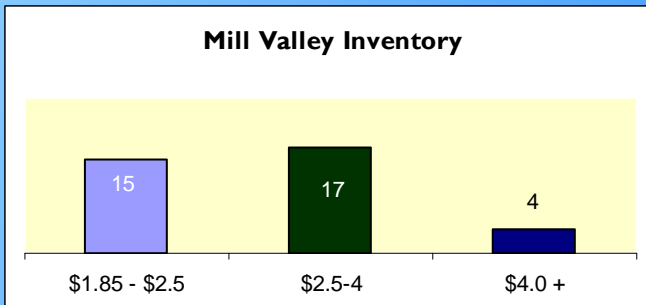


Mill Valley

2008 Sales Continued

2008 Mill Valley Home Sales

Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
6 Tartan Rd	2,520,000	3100	813	0
436 Green Glen Way	2,525,000	4203	601	136
477 Summit Avenue	2,688,650	4210	639	26
110 Kite Hill Lane	2,725,000	4300	634	11
125 Marion Avenue	2,775,000	3559	780	58
16-100 Bolsa/ Elinor Avenue	2,855,000	4200	680	167
37 Bigelow Avenue	2,900,000	2361	1228	80
14 Fern Avenue	3,000,000	2735	1097	7
52 Lovell Avenue	3,200,000	4600	696	128
445 Throckmorton Avenue	3,250,000	3006	1081	15
2 Tamalpais Avenue	3,300,000	2887	1143	104
18 Mirabel Avenue	3,300,000	3300	1000	172
139 Edgewood Avenue	3,350,000	3899	859	151
44 Great Circle Drive	3,750,000	4581	819	38
111 Locust Avenue	3,750,000	2881	1302	25
Average	3,059,243	3,588	891	75
16 Sheridan Ct	4,300,000	5705	754	334
321 Summit Avenue	5,300,000	4595	1153	153
21 Sky Rd	6,350,000	7235	878	83
Average	5,316,667	5,845	928	190



Tiburon

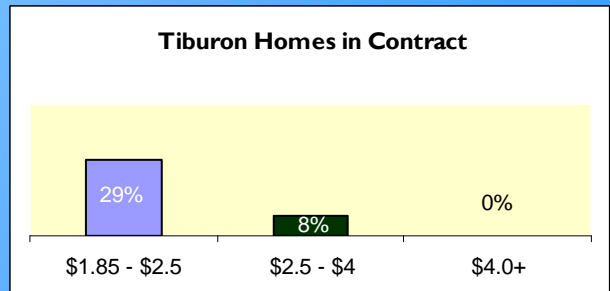
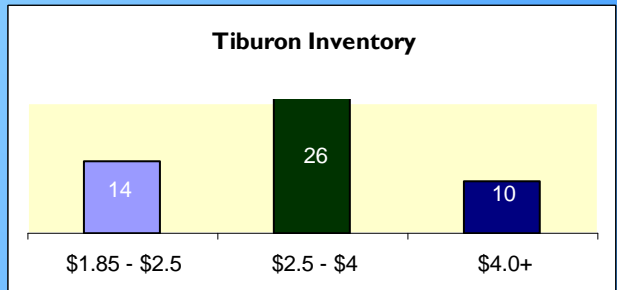
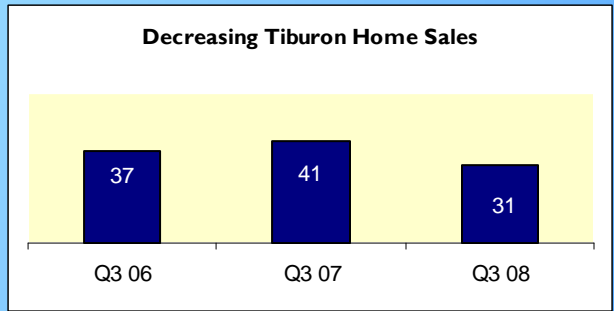
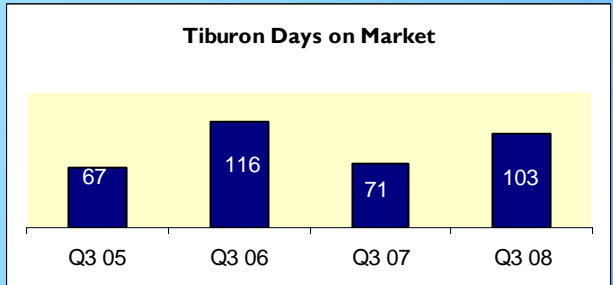
2008 Summary and Current Inventory

Tiburon prices are flat as compared with year end 2007, but down slightly from Q3 '07— a year that saw tremendous high end home sales in both Q3 & Q4.

The price per square foot buyers are willing to pay for Tiburon homes is decreasing.

The real issue in Tiburon is the number of homes selling is decreasing and inventory is increasing. The days on market statistic which shows how long it takes for a home to sell has increased from 71 in Q3 '07 to 103 days Q3 '08.

Year	Tib. Av Prices
1995	685,910
1996	782,958
1997	801,875
1998	904,346
1999	1,201,239
2000	1,600,227
2001	1,564,849
2002	1,440,495
2003	1,500,565
2004	1,669,561
2005	1,990,514
2006	1,976,550
2007	2,194,058
2008	2,193,815



Tiburon

2008 Home Sales & Our Current Listings

2008 Tiburon Home Sales

5 Bayshore Terrace	1,860,000	3735	498	63
140 Rancho Drive	1,865,000	3002	621	43
23 Sutter Court	1,870,000	2299	813	19
107 Paradise Drive	1,965,000	1724	1140	7
2350 Paradise Drive	1,975,000	860	2297	40
229 Martinique Way	1,985,000	3058	649	314
11 Cecilia Court	2,000,000	2595	771	218
270 Blackfield Drive	2,000,000	3443	581	10
305 Paradise Drive	2,058,000	2130	966	0
23 Sonora Court	2,100,000	2641	795	79
3 Seafirth Ln	2,200,000	3834	574	145
12 Tara View Road	2,285,000	2618	873	71
96 Sugarloaf Drive	2,300,000	2796	823	103
6 Wilkins Court	2,300,000	3139	733	17
4975 Paradise Drive	2,315,000	3601	643	55
9 Stevens Court	2,350,000	3454	680	166
Average	2,089,250	2,808	841	84

DuPont Group Current Listings

19 Belvedere Ave, Cover Photo—Renovated Henrik Bull jewel \$2,888,000

20 Marguerite Ave—Classic old-world Mill Valley, historical home \$999,000

28 Vine Ave, San Anselmo—Walking distance to town and schools \$1,325,000

134 W. Blithedale Ave, Mill Valley—Cozy pied-a-terre, walk to town \$935,000

Wolfback Estate, Sausalito—Voted “Best View” in the Bay Area \$18,000,000

Wolfback Ridge parcels, Sausalito—3 stunning city and bay view lots, 3 minutes to Golden Gate bridge prices from \$1,250,000 to \$1,950,000

Call Dave for more details 415-867-6611

Tiburon

2008 Home Sales

2008 Tiburon Home Sales				
Street Address	Selling Price	Sq Ft	\$ / SqFt	Days on Mkt
30 Rowley Cir	2,500,000	3104	\$ 805	21
105 Rock Hill Drive	2,500,000	2211	\$ 1,131	36
9 Wilkins Court	2,510,000	3604	\$ 696	115
10 Shepherd Way	2,625,000	3669	\$ 715	19
334 Blackfield Drive	2,675,000	3975	\$ 673	13
181 Avenida Miraflores	2,675,000	3800	\$ 704	9
236 Trinidad Drive	2,870,000	2626	\$ 1,093	9
27 Venado Drive	2,885,000	4088	\$ 706	46
1825 Mountain View Drive	3,050,000	3673	\$ 830	176
342 Blackfield Drive	3,100,000	4552	\$ 681	1
17 Acela Drive	3,100,000	2306	\$ 1,344	65
19 Cecilia Court	3,167,235	4017	\$ 788	14
42 Meadow Hill Drive	3,250,000	3399	\$ 956	43
201 Taylor Road	3,600,000	4800	\$ 750	70
206 Taylor Road	3,750,000	4858	\$ 772	216
85 Spring Ln	3,890,000	7100	\$ 548	21
Averages	3,009,202	3,861	825	55
90 Gilmartin Drive	4,000,000	5360	\$ 746	287
45 Spring Ln	4,300,000	4872	\$ 883	98
141 Taylor Road	4,350,000	5913	\$ 736	24
31 Gilmartin Drive	4,750,000	5122	\$ 927	430
143 Gilmartin Drive	4,800,000	4335	\$ 1,107	0
3636 Paradise Drive	5,975,000	5604	\$ 1,066	106
19 Place Moulin	6,100,000	5080	\$ 1,201	187
106 Mount Tiburon Road	10,500,000	8000	\$ 1,313	23
1960 Straits View Drive	12,518,000	8623	\$ 1,452	244
Averages	6,365,889	5,879	1,048	155

Sausalito

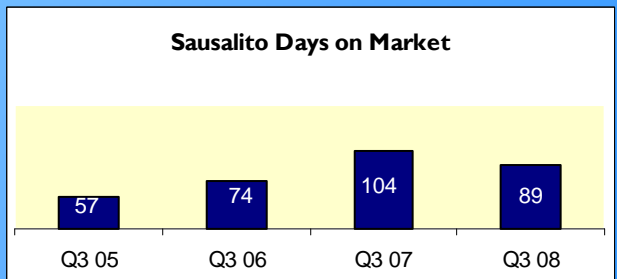
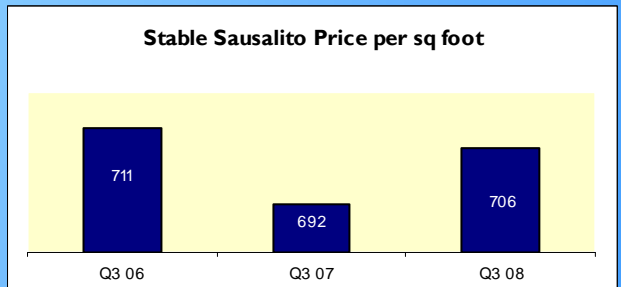
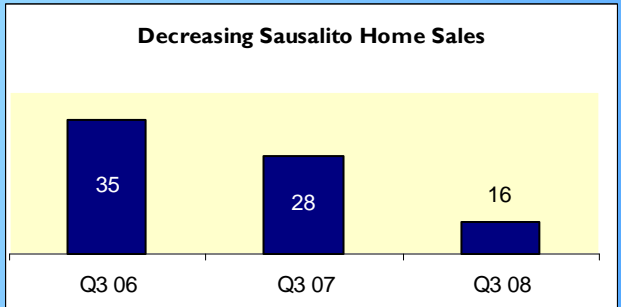
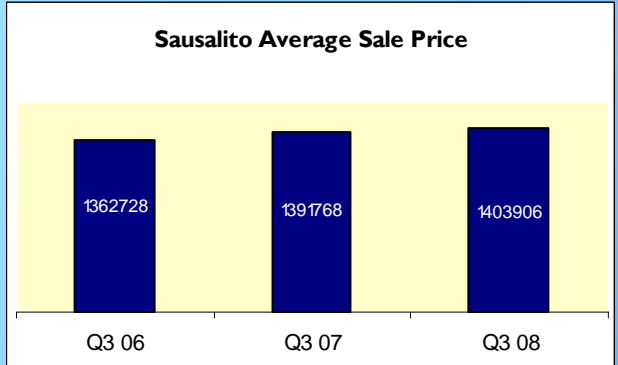
2008 Summary and Current Inventory

Sausalito is showing remarkable stability this year, and is leading Southern Marin in price appreciation since 2007—prices are up 3.7% this year.

Prices are also stable as measured against Q3 06 and Q3 07.

The number of homes for sale in Sausalito is fairly typical and the days on market statistics are not alarming.

The price buyers are willing to pay per square foot is also stable in Sausalito.

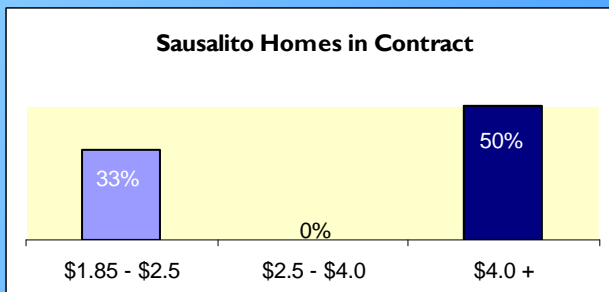
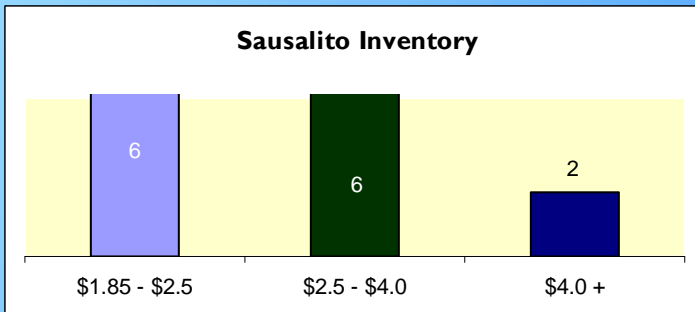


Year	Saus. Av. Price
1995	456,060
1996	393,746
1997	453,109
1998	559,679
1999	617,890
2000	914,696
2001	789,802
2002	785,032
2003	894,696
2004	959,299
2005	1,035,793
2006	1,249,454
2007	1,286,774
2008	1,334,953

Sausalito

2008 Home Sales

2008 Sausalito Home Sales				
306 4th Street	1,850,000	2316	\$ 799	112
5 Sunshine Avenue	2,075,000	1700	\$ 1,221	30
56 Sunshine Avenue	2,095,000	2346	\$ 893	14
46 Gordon Street	2,235,000	2500	\$ 894	24
Average	2,063,750	2,216	952	45
83 Woodward Avenue	2,516,700	3823	\$ 658	116
32 Sunshine Avenue	2,600,000	2766	\$ 940	20
79 Harrison Avenue	2,653,000	2653	\$ 1,000	185
68 Prospect Avenue	3,100,000	3004	\$ 1,032	63
94 Cloud View Road	3,390,000	4481	\$ 757	86
16 Bulkley Avenue	3,400,000	3300	\$ 1,030	65
Average	2,943,283	3,338	903	89
100 Spencer Avenue	6,250,000	6,321	989	26



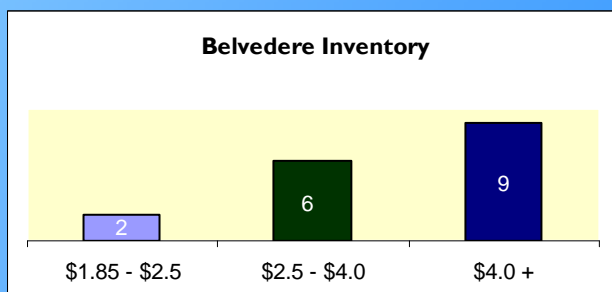
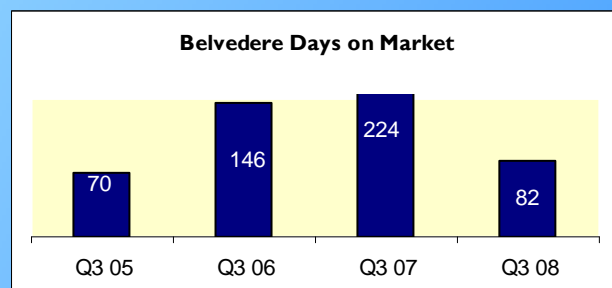
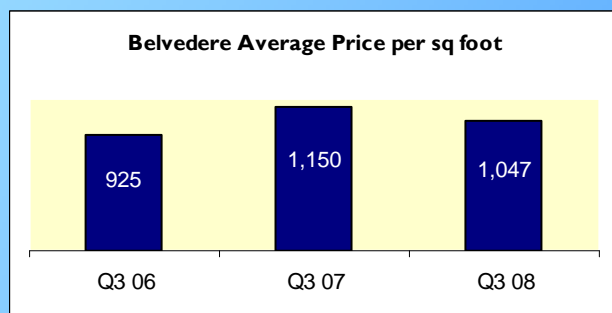
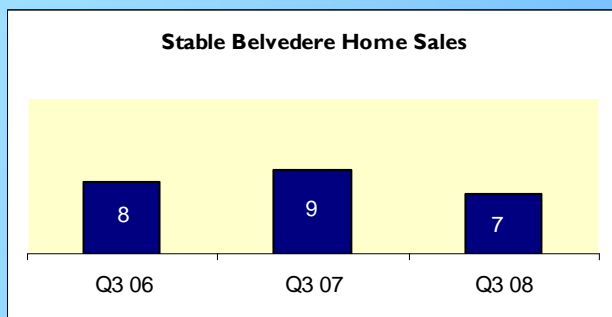
Belvedere

2008 Summary and Current Inventory

Belvedere real estate is in a league of its own. It is a tight knit community of successful individuals and families and is still highly desirable, and that won't change quickly. The current statistics reflect this although there are 9 high end homes priced above \$4m and none are in contract.

There are 17 homes on the market in Belvedere and only 3 are currently in contract.

The time it takes for a home to sell in Belvedere has decreased to 82 days.

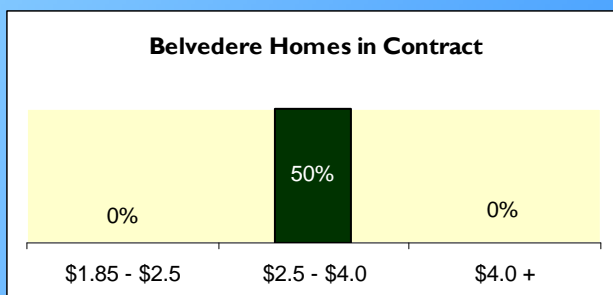


Year	Bel Av. Price
1995	870,303
1996	1,005,001
1997	1,248,804
1998	1,409,154
1999	2,008,519
2000	2,668,704
2001	2,548,183
2002	2,271,727
2003	2,039,471
2004	2,702,455
2005	2,806,076
2006	3,082,290
2007	3,782,429
2008	3,713,708

Belvedere

2008 Home Sales

2008 Belvedere Home Sales				
142 Bella Vista Avenue	2,050,000	3229	635	89
189 Beach Road	2,059,000	2021	1019	23
3 Edgewater Road	2,100,000	2380	882	94
236 Bella Vista Avenue	2,290,000	5500	416	313
Average		3,283	738	130
28 Windward Road	2,500,000	1703	1468	216
66 Peninsula Road	2,550,000	2264	1126	64
322 Beach Road	2,600,000	3781	688	0
14 Peninsula Road	2,742,500	2396	1145	31
39 Belvedere Avenue	2,800,000	2356	1188	59
21 Windward Road	2,900,000	2801	1035	20
20 Cove Road	3,300,000	3871	852	12
11 Windward Road	3,300,000	2873	1149	54
111 Bayview Avenue	3,578,950	4682	764	465
86 Lagoon Road	3,705,000	5135	722	111
Average		3,186	1,014	103
20 Windward Road	4,250,000	3217	1321	60
276 Beach Road	4,600,000	3590	1281	26
135 Belvedere Avenue	6,485,000	1500	4323	84
37 W Shore Road	7,000,000	3923	1784	142
210 Beach Road	9,750,000	7075	1378	214
Average		3,861	2,018	105



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“Dave had a level of professionalism and intellect that was by far the best I have encountered in a real estate transaction. We always knew Dave was our advocate and had a commitment to finding us the right home.”