



## Update from Kathy Korte, President & CEO

Greetings! I am pleased, once again, to recognize our company's Top 25 Producers in Sales Volume for 2010—and what a difference a year makes. Overall, the average sale price for this segment increased by 4%, and side volume rose a significant 25%. In combination, these factors generated an impressive 31% increase in total sales volume for this group. Nearly half of these agents—12 of the 25—were represented in this category last year, and we welcomed 13 new entrants in 2010. A few additional trends include:

- 17 agents represented east coast offices, and 8 agents represented west coast offices
- Individual sales volume in this group ranged from just under \$40 million to over \$220 million
- 13 agents closed over \$50 million in 2010 versus 9 agents in 2009
- 3 agents closed over \$100 million in 2010 versus 1 agent in 2009
- 1 agent closed over \$200 million in 2010 versus 1 agent closing \$175 million in 2009, the high for that year

Please join me in thanking and congratulating these 25 agents, who have utilized their expertise, professionalism, market savvy and brand experience to achieve a year of phenomenal growth and success in 2010.

### Top 25 Agents in Sales Volume 2010 (listed alphabetically)

Stephen Archino, *Greenwich*  
Joseph Barbieri, *Greenwich*  
BK Bates, *Greenwich*  
Serena Boardman, *Manhattan*  
Michael Canning, *Carmel*  
Cristina Condon, *Palm Beach*  
Roger Erickson, *Manhattan*  
Jim Ferrer, *Southampton*

Nikki Field, *Manhattan*  
Roberta Golubock, *Manhattan*  
Harald Grant, *Southampton*  
Karen Heyman, *Downtown Manhattan*  
Harry Kolb, *Montecito*  
Brett Matthew Lawyer, *Sunset Strip*  
Gregg Lynn, *San Francisco*  
Janet Milligan, *Greenwich*

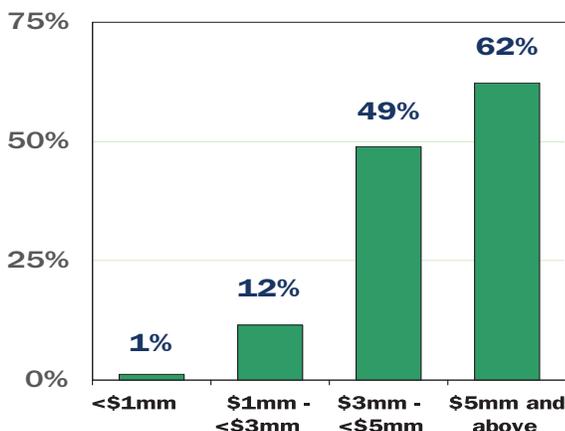
Beate Moore, *Bridgehampton*  
Lois Nasser, *Manhattan*  
Suzanne Perkins, *Montecito*  
Ed Petrie, *East Hampton*  
Robert Radcliffe, *Pacific Palisades*  
Janet Feinberg Schindler, *San Francisco*  
Barry Sloane, *Beverly Hills*  
Robin Stein, *Downtown Manhattan*  
Dana Trotter, *Bridgehampton*

## Market Watch

Our 2010 results showed strength throughout all of the markets that we operate in. Our company's 2010 total closed volume exceeded 2009 by over 29%, as each of our ten markets experienced an increase in closed volume over the prior year. The volume increase was driven by a 9% increase in closed sides and a 19% increase in closed average sales price. All 5 of our eastern region markets, and 3 out of 5 western region markets, closed more sides in 2010 than 2009. The 2010 average sales price increased over 2009 in 4 out of the 5 markets in each region.

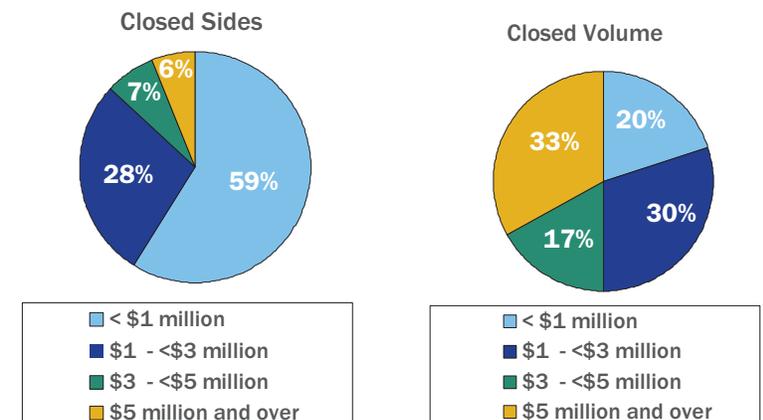
The bar graph below illustrates that 2010's 9% increase in closed sides was driven mostly by increased demand for properties priced at \$3 million and above. In 2010 we closed over 660 sides in this price range, compared with 428 in 2009.

**Price Segments - Increase**  
2010 vs. 2009



Despite the stronger recovery in high-end sales, the under \$1 million segment made up 59% of 2010 closed sides. At the same time, closed sides priced at \$5 million and above generated 33% of our closed volume. As the Closed Volume pie chart illustrates, this segment generated more sales volume in 2010 than any other price range.

**2010 Closings by Price Point**





## News from the Network

Since the third quarter of 2010, the Sotheby's International Realty® network has expanded in several new and existing markets nationally and internationally. In the United States, new members of the network are serving Dallas, Texas; Louisville, Kentucky; San Diego County, Palm Springs, and greater Coachella Valley, California; New Jersey's Basking Ridge, Bernardsville, Mendham, New Vernon, Bedminster, Far Hills and Peapack Gladstone markets; and the Michigan markets of Bay Harbor, Petoskey, Harbor Springs, Walloon Lake, Lake Charlevoix and Charlevoix. In addition, Jameson Sotheby's International Realty will replace Sudler Sotheby's International Realty and join Southport Sotheby's International Realty as an affiliate serving the greater Chicago market.

Internationally, the network grew with new affiliates Berlin Sotheby's International Realty serving Berlin and Turkey Sotheby's International Realty, serving the Istanbul market. The brand started 2011 strong, announcing Moscow Sotheby's International Realty, serving clients in the Moscow and Moscow City regions. The Sotheby's International Realty® network currently has more than 11,000 sales associates located in approximately 500 offices in 43 countries and territories worldwide.



### Top 5 Donating Agents 2010

1. Suzanne Perkins, *Montecito, Coast Village Road*
2. Mark Ogden, *Pasadena*
3. Richard Klug, *Beverly Hills*
4. Dan Johnson, *Montecito, Upper Village*
5. Michael John Calcagno, *Santa Barbara*

participated in this initiative to date. I'd also like to highlight our top 5 donating agents for 2010, and thank them for their role in this important achievement.

Conservation International continues to make progress and important discoveries around the world. Thanks in part to their field work and research on the myriad threats posed by deforestation, the United Nations declared 2011 the "International Year of Forests" to call more attention to the issue.

CI has announced two high profile fund raising events so far this year and our company will be represented at both of them:

**San Francisco Dinner** – March 3, Four Seasons Hotel San Francisco: Featured speakers will be Harrison Ford and former California Governor Arnold Schwarzenegger

**New York Dinner** – June 27, Museum of Natural History: Featured speaker will be former U.K. Prime Minister Tony Blair

If you are interested in more information about these events, click on the CI banner on the home page of our intranet, or go to *Networking>Events* in the *Pitching and Engaging Clients* section.

I am very pleased and proud to report that our company achieved a new milestone at year-end of 2010. Our donations to Conservation International have helped to protect over 25 square miles of endangered forest around the world—28.5 square miles to be exact! That is larger than the island of St. John, and probably just as beautiful. I would like to congratulate all of our agents and staff who have

## Conservation International



## E-Marketing

Our world-recognized brand continues to offer us tremendous visibility in the on-line space. It's an advantage that your competitors simply can't match. Early this year, Sotheby's International Realty® launched a new banner advertising campaign encompassing the world's most respected Web sites:

- NYTimes.com
- Tmagazine.com
- WSJ.com
- BBC.com
- SCMP.com (South China Morning Post)
- Telegraph.Co.Uk (London's Daily Telegraph)
- IHT.com (International Herald Tribune)
- FinancialTimes.com
- Sothebys.com
- PropGOLuxury.com

Branding banner on the home page of the Asian-based website PropGOLuxury.com (below) and two branding banners on the FinancialTimes.com that link to one of our listings in Santa Fe (right).



In addition, we distribute our listings to over 14 prominent Web sites, which can be seen on the intranet under *Marketing Active Listings>Web site & Online>Listing Distribution*. In March, your marketing coordinators will introduce you to our new "Online Showing Report," a tool for showing sellers how much traffic these distribution partners direct to their listing on sothebshomes.com.