



ELLIMANREPORT

[The Hamptons and the North Fork reported separately]

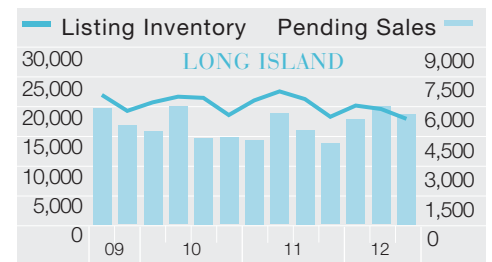
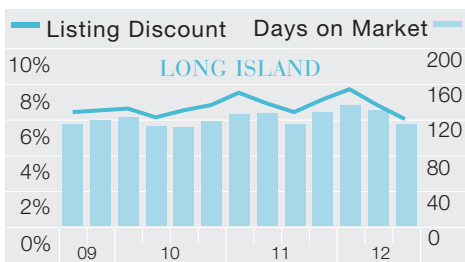
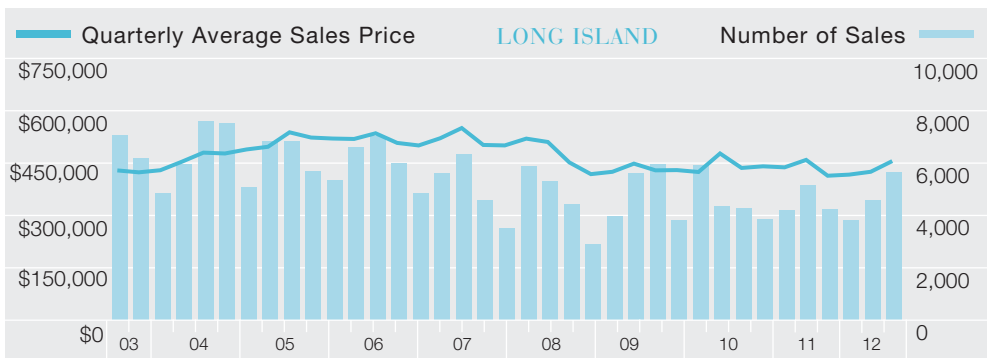
LONG ISLAND

- Price indicators and days on market remained stable** Median sales price was \$365,000, unchanged from the prior year quarter. Average sales price slipped a nominal 0.8% to \$454,037 over the same period. Days on market remained unchanged from the prior year quarter at 116.
- Momentum was on the rise as pending sales outpaced closed sales** The number of closed sales increased 9.7% from prior year levels to 5,638. Over the same period, signed contracts saw a larger 12.9% gain, reaching 5,436. Pending sales were up 13.9% year-over-year.
- Listing inventory fell sharply, while listing discount slipped** There were 18,095 listings at the end of the third quarter, 15.7% fewer than in the prior year quarter. Listing discount trended lower over the same period, slipping from 6.5% to 6.1%.

The pace of the Long Island housing market has been accelerating. The rise in sales and sharp decline in available inventory resulted in the fastest absorption rate in nearly six years. Contract signings rose faster than the pace of closings on both a quarterly and year-to-date basis.

Median sales price was \$365,000, unchanged from the prior year quarter. Average sales price saw a nominal 0.8% slip from \$457,496 to

Long Island Market Matrix	3Q-2012	% Chg (qtr)	2Q-2012	% Chg (yr)	3Q-2011
Average Sales Price	\$454,037	7.2%	\$423,393	-0.8%	\$457,496
Median Sales Price	\$365,000	4.3%	\$350,000	0.0%	\$365,000
Number of Sales	5,638	23.1%	4,581	9.7%	5,141
Days on Market (From Original List Date)	116	-12.1%	132	0.0%	116
Listing Discount (From Original List Price)	6.1%		6.9%		6.5%
Listing Inventory (Active)	18,095	-8.5%	19,769	-15.7%	21,462
Absorption Rate (Monthly, Active)	9.6	-25.6%	12.9	-23.2%	12.5
Pending Sales	5,436	-9.9%	6,032	12.9%	4,813
Year-to-Date	3Q-2012	% Chg (qtr)	2Q-2012	% Chg (yr)	3Q-2011
Average Sales Price	\$433,514	N/A	N/A	-2.7%	\$445,324
Median Sales Price	\$340,000	N/A	N/A	-4.2%	\$355,000
Number of Sales	14,014	N/A	N/A	6.3%	13,187
Pending Sales	16,830	N/A	N/A	13.9%	14,780



The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market in the New York City metropolitan region. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and provide comprehensive analysis of the results.



\$454,037 over the same period. The second, third, and fourth quintiles saw no or nominal changes in median sales price compared to the prior year quarter, while the first and fifth quintiles declined 2.2% and 2.9% respectively over the same period. There were 5,638 sales in the third quarter, 9.7% above 5,141 sales in the same period last year. Pending sales saw a larger gain over the same period, rising 12.9% to 5,436 from 4,813. Year-to-date, these

metrics showed a similar pattern, reflecting the expanding activity levels later in the year. Closed sales were up 6.3% from the prior year quarter, while pending sales increased 13.9% over the same period. Listing inventory fell 15.7% from 21,462 in the same period last year to 18,095, its lowest level since the fourth quarter of 2005. As a result, the pace of the market quickened. The monthly absorption rate, or number of months to sell all active listings at the current pace of sales,

fell from 12.5 months in the prior year quarter to 9.6 months. Listing discount, the percent difference between the original list price and the sales price, slipped from 6.5% to 6.1% over the same period as inventory declined. Days on market, the number of days from the original listing date to the contract date, remained unchanged at 116 days.

CONDOS

• Pending sales surged as listings

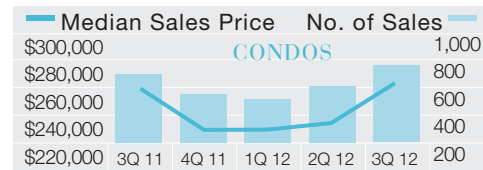
declined Signed contracts jumped 33.7% year-over-year to 834, as listing inventory declined 8.1% to 3,106. This resulted in a 15.6% drop in absorption rate to 11.9 months.

• Price indicators were mixed

Median sales price edged 1.5% higher to \$264,000, while average sales price declined 3% to \$324,094 from the prior year quarter.

Condos Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$324,094	11.9%	\$289,626	-3.0%	\$334,199
Median Sales Price	\$264,000	12.3%	\$235,000	1.5%	\$260,000
Number of Sales	760	24.4%	611	9.0%	697
Days on Market (From Original List Date)	136	-6.2%	145	-8.1%	148
Listing Discount (From Original List Price)	6.3%		6.3%		6.8%
Listing Inventory (Active)	3,016	-9.7%	3,341	-8.1%	3,281
Absorption Rate (Monthly, Active)	11.9	-27.4%	16.4	-15.6%	14.1
Pending Sales	834	4.4%	799	33.7%	624

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$636,250	6.9%
4/5	\$369,000	-1.6%
3/5	\$264,000	1.5%
2/5	\$186,500	-2.2%
1/5	\$97,500	-14.5%



1-3 FAMILY

• Price indicators continued to show stability

Median sales price and average sales price both remained essentially unchanged from year ago levels.

• Inventory fell sharply as sales expanded

Accounting for 86.5% of all sales, this segment saw a 16.7% drop in listing inventory, a 9.8% increase in closed sales, and a 14.5% increase in pending sales.

1-3 Family Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$474,283	6.8%	\$443,981	-0.5%	\$476,833
Median Sales Price	\$377,500	4.9%	\$360,000	0.3%	\$376,500
Number of Sales	4,878	22.9%	3,970	9.8%	4,444
Days on Market (From Original List Date)	113	-13.1%	130	1.8%	111
Listing Discount (From Original List Price)	6.2%		7.3%		6.7%
Listing Inventory (Active)	16,542	-8.0%	17,977	-16.7%	19,866
Absorption Rate (Monthly, Active)	10.2	-25.0%	13.6	-23.9%	13.4
Pending Sales	4,795	-11.2%	5,402	14.5%	4,189

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$795,000	-3.0%
4/5	\$482,500	-0.5%
3/5	\$377,500	0.3%
2/5	\$300,000	0.0%
1/5	\$200,000	0.0%



LUXURY

• Price indicators edged lower

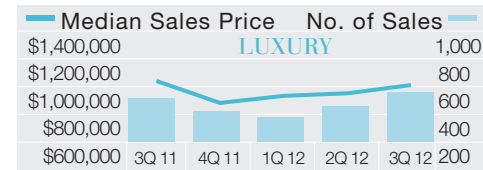
Median sales price and average sales price slipped 2.9% and 1.3% respectively from year ago levels. This quarter, the luxury threshold began at \$780,000.

• Listing inventory fell sharply as listing discount slipped

Available inventory fell 14.2% from the prior year quarter. Listing discount slipped to 8.9% from 9.5% over the same period.

Luxury Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$1,287,123	8.5%	\$1,185,917	-1.3%	\$1,304,163
Median Sales Price	\$1,020,000	6.3%	\$960,000	-2.9%	\$1,050,000
Number of Sales	563	22.9%	458	9.5%	514
Days on Market (From Original List Date)	120	-13.0%	138	1.7%	118
Listing Discount (From Original List Price)	8.9%		10.2%		9.5%
Listing Inventory (Active)	3,148	-19.3%	3,903	-14.2%	3,669
Absorption Rate (Monthly, Active)	16.8	-34.4%	25.6	-21.5%	21.4
Pending Sales	488	-31.9%	717	16.2%	420

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$2,040,000	-0.5%
4/5	\$1,312,500	4.2%
3/5	\$1,020,000	-2.9%
2/5	\$900,000	-2.2%
1/5	\$807,500	-2.8%



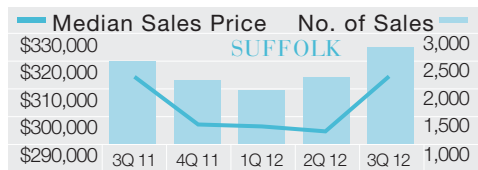
Note: This sub-category is the analysis of the top ten percent of all sales. The data is also contained within the other markets presented.

SUFFOLK

- **Price indicators remained stable as sales rose** Median sales price was \$315,000 and average sales price was \$358,656, essentially unchanged from the same quarter last year. Number of sales increased 10.3% over the same period.
- **Listing inventory fell** There were 9,782 listings at the end of the third quarter, 14.3% fewer than 11,410 in the same period last year.

Suffolk Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$358,656	6.7%	\$336,187	-0.3%	\$359,753
Median Sales Price	\$315,000	6.8%	\$295,000	0.0%	\$314,850
Number of Sales	2,755	24.3%	2,217	10.3%	2,497
Days on Market (From Original List Date)	122	-10.9%	137	0.8%	121
Listing Discount (From Original List Price)	5.4%		5.8%		5.5%
Listing Inventory (Active)	9,782	-6.8%	10,500	-14.3%	11,410
Absorption Rate (Monthly, Active)	10.7	-24.6%	14.2	-21.9%	13.7
Pending Sales	2,723	-7.3%	2,938	9.8%	2,479

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$609,900	0.0%
4/5	\$399,000	-0.3%
3/5	\$315,000	0.0%
2/5	\$242,000	0.8%
1/5	\$140,000	-6.7%



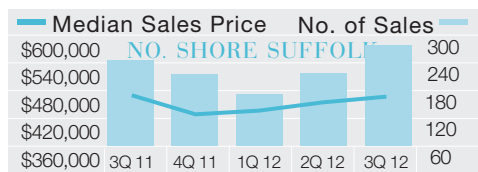
Note: Sales for the county do not include Hamptons and North Fork data analyzed in a separate report.

NORTH SHORE SUFFOLK

- **Number of sales continued to rise as price indicators were mixed** Number of sales jumped 12.5% from the prior year quarter to 279. Median sales price slipped 0.6% and average sales price increased 4.1% over the same period.
- **Listing inventory dropped, yet days on market expanded** Days on market expanded by 3 weeks from the prior year quarter as listing inventory dropped 20.7% over the same period.

North Shore Suffolk Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$580,853	1.6%	\$571,876	4.1%	\$557,829
Median Sales Price	\$469,500	2.7%	\$457,000	-0.6%	\$472,500
Number of Sales	279	27.4%	219	12.5%	248
Days on Market (From Original List Date)	121	-4.0%	126	21.0%	100
Listing Discount (From Original List Price)	5.7%		5.6%		5.3%
Listing Inventory (Active)	798	-11.4%	901	-20.7%	1,006
Absorption Rate (Monthly, Active)	8.6	-28.3%	12	-28.3%	12
Pending Sales	215	-10.8%	241	14.4%	188

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$990,000	10.0%
4/5	\$641,250	1.0%
3/5	\$469,500	-0.6%
2/5	\$375,000	5.0%
1/5	\$262,500	2.9%



SOUTH SHORE SUFFOLK

- **Price indicators fell as pending sales jumped** Median sales price declined 3.4% to \$285,000 from the prior year quarter. However, pending sales surged 16.3% to 792 over the same period.
- **Listing inventory declined as days on market edged higher** The number of listings on the market was 2,951, 11.1% fewer than in the prior year quarter. Days on market expanded by 4 days to 130 over the same period.

South Shore Suffolk Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$307,766	2.9%	\$299,046	-1.6%	\$312,814
Median Sales Price	\$285,000	3.6%	\$275,000	-3.4%	\$295,000
Number of Sales	682	6.1%	643	-4.7%	716
Days on Market (From Original List Date)	130	-7.1%	140	3.2%	126
Listing Discount (From Original List Price)	5.5%		6.6%		5.7%
Listing Inventory (Active)	2,951	-6.6%	3,159	-11.1%	3,318
Absorption Rate (Monthly, Active)	13.0	-11.6%	14.7	-7.1%	14
Pending Sales	792	-10.8%	888	16.3%	681

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$505,000	-1.0%
4/5	\$350,000	-1.4%
3/5	\$285,000	-3.4%
2/5	\$225,000	-2.2%
1/5	\$117,500	-15.5%

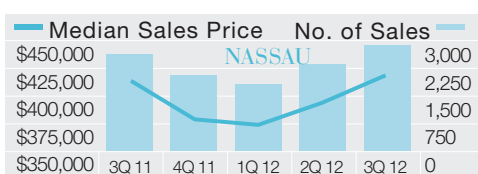


NASSAU

- **Price indicators were mixed, as days on market remained flat** Median sales price was \$420,000, up 1.2% from the same period a year ago.
- **Pace of monthly absorption quickened** The absorption rate was 8.7 months, faster than 11.4 months in the same period last year. The quicker pace was attributable to a 9% increase in closed sales and a 17.3% decline in inventory.

Nassau Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$545,184	7.9%	\$505,176	-0.8%	\$549,804
Median Sales Price	\$420,000	6.3%	\$395,000	1.2%	\$415,000
Number of Sales	2,883	22.0%	2,364	9.0%	2,644
Days on Market (From Original List Date)	111	-12.6%	127	0.0%	111
Listing Discount (From Original List Price)	6.8%		8.0%		7.5%
Listing Inventory (Active)	8,313	-10.3%	9,269	-17.3%	10,052
Absorption Rate (Monthly, Active)	8.7	-26.3%	11.8	-23.7%	11.4
Pending Sales	2,713	-12.3%	3,094	16.2%	2,334

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$949,000	-0.1%
4/5	\$559,000	1.2%
3/5	\$420,000	1.2%
2/5	\$335,000	0.0%
1/5	\$235,000	2.2%



NORTH SHORE NASSAU

- **Inventory fell sharply as price indicators slipped** Year-over-year, median sales price declined 2% to \$740,000 and average sales price slipped 1.5% to \$923,283. Listing inventory fell 17.3% to 1,952 over the same period.
- **Larger gain in pending sales than closed sales** Contract signings jumped 22.6% as closed sales increased 4.6% from the prior year quarter.

North Shore Nassau Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$923,283	9.6%	\$842,368	-1.5%	\$937,638
Median Sales Price	\$740,000	10.1%	\$671,900	-2.0%	\$755,000
Number of Sales	653	26.8%	515	4.6%	624
Days on Market (From Original List Date)	112	-15.2%	132	3.7%	108
Listing Discount (From Original List Price)	8.6%		10.5%		9.2%
Listing Inventory (Active)	1,952	-11.3%	2,200	-17.3%	2,359
Absorption Rate (Monthly, Active)	9.0	-29.7%	12.8	-20.4%	11.3
Pending Sales	516	-19.1%	638	22.6%	421

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$1,650,000	-1.5%
4/5	\$990,000	-0.5%
3/5	\$740,000	-2.0%
2/5	\$530,500	-1.8%
1/5	\$295,000	-2.3%



SOUTH SHORE NASSAU

- **Pending and closed sales rose** Signed contracts were up 13.8% to 255, while closed sales were up 5.5% to 210 over the prior year quarter.
- **Inventory fell as price indicators were mixed** Listing inventory fell 16.1% to 1,030 from year ago levels. Median sales price edged up 0.7% to \$372,500 while average sales price slipped 1.3% to \$439,935 over the same period.

South Shore Nassau Market Matrix	3Q-2012	% Chg (QTR)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$439,935	-2.0%	\$448,762	-1.3%	\$445,875
Median Sales Price	\$372,500	1.4%	\$367,500	0.7%	\$370,000
Number of Sales	210	0.0%	210	5.5%	199
Days on Market (From Original List Date)	134	-21.2%	170	-10.1%	149
Listing Discount (From Original List Price)	8.6%		9.1%		7.3%
Listing Inventory (Active)	1,030	-9.1%	1,133	-16.1%	1,228
Absorption Rate (Monthly, Active)	14.7	-8.1%	16	-22.6%	19
Pending Sales	255	-2.7%	262	13.8%	224

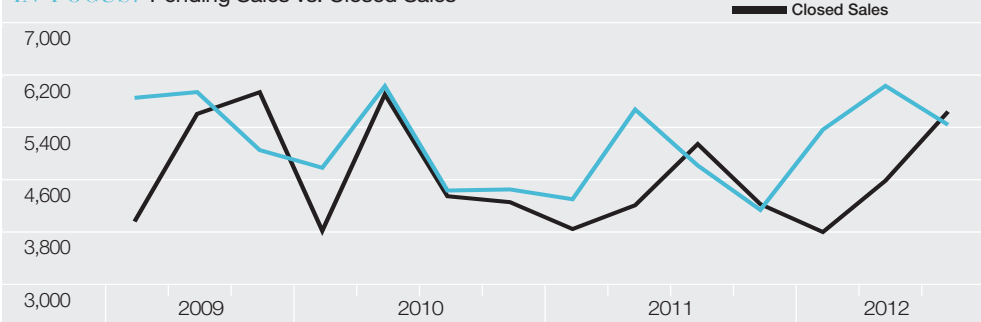
Quintiles	Med. Sales Price	% Change (YR)
5/5	\$775,000	0.9%
4/5	\$482,500	0.4%
3/5	\$372,500	0.7%
2/5	\$277,625	2.8%
1/5	\$181,000	6.5%



IN-FOCUS

- **Contract activity peaks and troughs followed closings by 1 quarter** After the federal homeowner's tax credit era from mid-2009 to mid-2010, contracts resumed their seasonal pattern ahead of closed sales.
- **Approximately 1 in 5 sales didn't close** Over the last 5 quarters, there were at least 21% more pending sales than closed sales.

IN-FOCUS: Pending Sales vs. Closed Sales



©2012 Prudential Douglas Elliman and Miller Samuel Inc. All worldwide rights reserved.

Prudential Douglas Elliman
Real Estate
110 Walt Whitman Road
Huntington Sta., NY 11746
631.549.7401
elliman.com

Miller Samuel Inc.
Real Estate Appraisers
21 West 38th Street
New York, NY 10018
212.768.8100
millersamuel.com

For more information or electronic copies of this report please visit elliman.com/marketreports. Email report author Jonathan Miller at jmiller@millersamuel.com with questions or comments. Report methodology: www.millersamuel.com/research-reports/methodology

Long Island Offices: **BABYLON** 124 East Main St. 631.422.7510 **CENTRAL NASSAU** 998A Old Country Rd. 516.681.2600 **CENTRAL SUFFOLK** 2410 N Ocean Ave, Farmingville 631.758.2552 / 631.585.8500 **CHERRY GROVE / FIRE ISLAND** Ocean/Bay Walk 631.597.3100 **DIX HILLS** 1772 East Jericho Tnpk. 631.499.9191 **EAST ISLIP** 100 West Main St. 631.581.8855 **EAST MEADOW** 2373 Hempstead Tnpk. 516.796.4000 **EAST NORWICH** 6326 Northern Blvd. 516.624.9000 **FRANKLIN SQUARE** 390 Franklin Ave. 516.354.6500 **GARDEN CITY** 753 Franklin Ave 516.307.9406 **GREAT NECK** 11 Bond St. 516.466.2100 **HUNTINGTON** 156 East Main St. 631.549.4400 **LOCUST VALLEY** 71 Forest Ave. 516.759.0400 **LONG BEACH** 30A West Park Ave. 516.432.3400 **MANHASSET** 154 Plandome Rd. 516.627.2800 **MASSAPEQUA PARK** 5066 Sunrise Hwy. 516.795.3456 **MASSAPEQUA SOUTH** 4804 Merrick Rd. 516.798.1353 **MERRICK** 2300 Merrick Rd. 516.623.4500 **MILLER PLACE** 275-23 Route 25A 631.474.4242 **NORTHPORT** 700 Fort Salonga Rd. 631.261.6800 **PORT WASHINGTON** 475 Port Washington Blvd. 516.883.5200 **ROSLYN** 1528 Old Northern Blvd. 516.621.3555 **SAYVILLE** 150 Main St. 631.589.8500 **EAST SETAUKET** 750 Route 25A 631.751.6000 **SMITHTOWN** 996 Jericho Tnpk. 631.543.9400 **SYOSSET** 317 Jackson Ave. 516.921.2262 **WILLISTON PARK** 192 Hillside Ave. 516.746.0654