



PALM BEACH, FLORIDA

Quarterly Survey of Palm Beach Residential Sales

3Q-2012

ELLIMANREPORT

CONDO/TOWNHOUSE

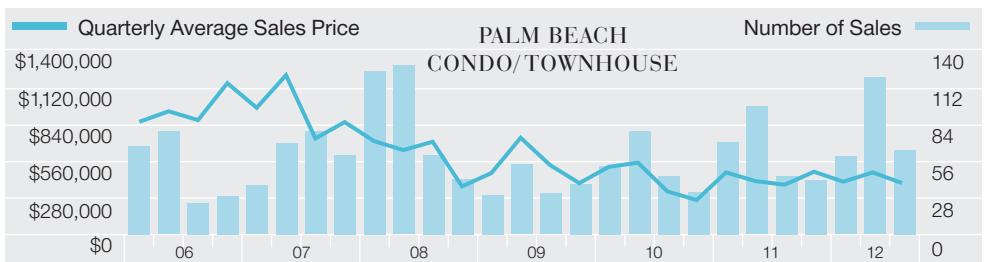
• Price indicators and sales activity

continued to climb The number of sales jumped 45.5% to 64 units in the third quarter, from the prior year quarter. The year-to-date number of sales is at its second highest level in more than six years. Median sales price increased 3.3% to \$390,000 from the prior year quarter, while average sales price and average price per square foot increased 6.5% and 27.7% respectively.

• Sellers and buyers moved closer together on price, as days on market expanded

The listing discount, the percentage difference between the sales price and the list price at time of contract, fell to 16.6% from 21% in the prior year quarter. Days on market expanded to 222 days from 175 days, as older inventory was absorbed and sales expanded.

Palm Beach Market Matrix (Condos/TH)	3Q-2012	% Chg (QRT)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$728,581	-0.6%	\$733,084	6.5%	\$684,295
Average Price per Sq Ft	\$438	13.2%	\$387	27.7%	\$343
Median Sales Price	\$390,000	-17.0%	\$470,000	3.3%	\$377,500
Number of Sales (Closed)	64	-46.2%	119	45.5%	44
Days on Market (From Last List Date)	222	2.8%	216	26.9%	175
Listing Discount (From Last List Price)	16.6%		16.0%		21.0%
Listing Inventory (active)	393	-8.2%	428	N/A	N/A
Absorption Rate (mos)	18.4	70.4%	10.8	N/A	N/A



Note: All condo/townhouse closed sales in Palm Beach within the MLS.

SINGLE FAMILY

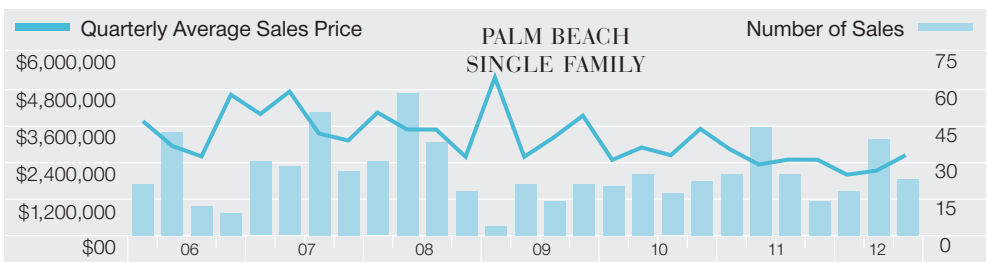
• Price indicators were mixed as sales

slipped Median sales price increased 5.7% to \$2,600,000 from the prior year quarter. Average sales price and average price per square foot dropped 16.4% and 15.1% over the same period. Arguably a small submarket that could be characterized as stable, the number of sales fell to 23 from 25 in the prior year quarter.

• The time to sell a property and negotiability tightened due to prior year conditions

Days on market, number of days from the last price change to the contract date, was 231 days and nearly 2 months faster than in the same period a last year. Listing discount fell to 13.5% from 19.5% over the same period.

Palm Beach Market Matrix (Single Family)	3Q-2012	% Chg (QRT)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$3,509,534	8.8%	\$3,227,006	-16.4%	\$4,200,392
Average Price per Sq Ft	\$799	-7.1%	\$860	-15.1%	\$941
Median Sales Price	\$2,600,000	23.8%	\$2,100,000	5.7%	\$2,460,000
Number of Sales (Closed)	23	-41.0%	39	-8.0%	25
Days on Market (From Last List Date)	231	-7.6%	250	-19.8%	288
Listing Discount (From Last List Price)	13.5%		15.9%		19.5%
Listing Inventory (active)	164	-7.9%	178	N/A	N/A
Absorption Rate (mos)	21.4	56.2%	13.7	N/A	N/A



Note: All single family closed sales in Palm Beach within the MLS.

The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. 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.



LUXURY

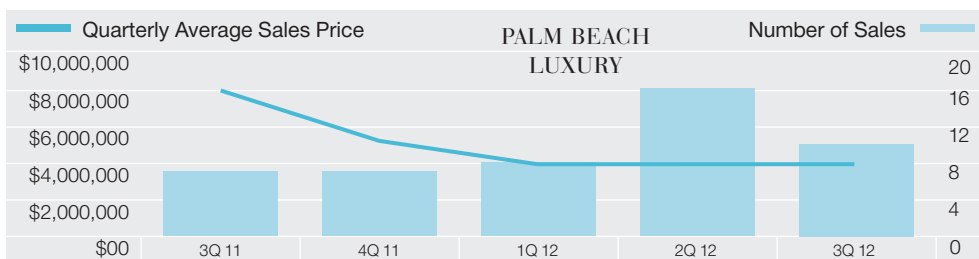
• Price indicators were skewed sharply from prior year results without trophy sales

There were no sales above the \$10,000,000 threshold in the third quarter, while there were 3 in the prior year quarter. With a small data set, the price indicators metrics were particularly volatile this quarter. Median sales price was \$5,775,000, down 26.4% from the same period last year, but 48.2% above the prior quarter.

• Days on market expanded, while listing discount fell sharply

The average days on market for a property that closed in the third quarter expanded to 377 days from 248 days in the prior year quarter, as older housing stock was absorbed. Listing discount saw a pronounced drop to 11.4% from 21.1% in the same period last year.

Luxury Market Matrix	3Q-2012	% Chg (QRT)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$6,053,950	2.6%	\$5,902,781	-39.2%	\$9,950,201
Average Price per Sq Ft	\$928	-24.2%	\$1,225	-30.0%	\$1,325
Median Sales Price	\$5,775,000	48.2%	\$3,897,870	-26.4%	\$7,850,000
Number of Sales (Closed)	10	-37.5%	16	42.9%	7
Days on Market (From Last List Date)	377	57.1%	240	52.0%	248
Listing Discount (From Last List Price)	11.4%		17.3%		21.1%
Listing Inventory (active)	134	8.1%	124	N/A	N/A
Absorption Rate (mos)	40.2	72.5%	23.3	N/A	N/A



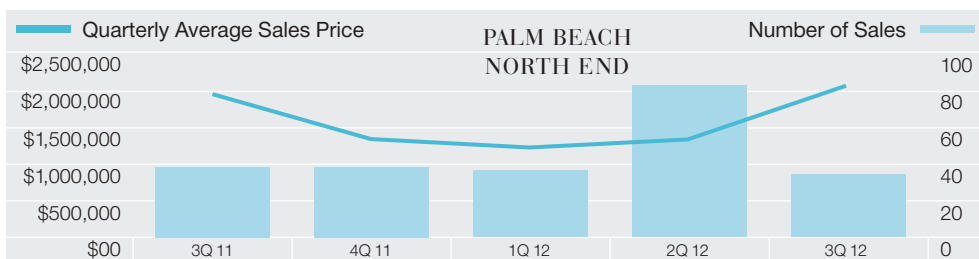
Note: This sub-category is the analysis of the top ten percent of all sales in Palm Beach within the MLS. The data is also contained within the other markets presented.

NORTH END

• Price indicators were mixed Median sales price was \$2,037,500 in the third quarter, 5.8% above \$1,925,000 in the same period last year. Average price per square foot also showed a gain, rising 1% to \$795, while average sales price fell 10.7% to \$2,754,464 over the same period.

• Sales activity decreased from prior year levels There were 34 sales in the North End of Palm Beach, 4 sales or 10.5% less than the same period a year ago. The area accounted for 39.1% of all Palm Beach sales in the third quarter, well below the 55.1% market share of the prior year quarter.

North End Market Matrix	3Q-2012	% Chg (QRT)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$2,754,464	26.6%	\$2,176,277	-10.7%	\$3,084,854
Average Price per Sq Ft	\$795	9.5%	\$726	1.0%	\$787
Median Sales Price	\$2,037,500	54.6%	\$1,317,500	5.8%	\$1,925,000
Number of Sales (Closed)	34	-58.5%	82	-10.5%	38



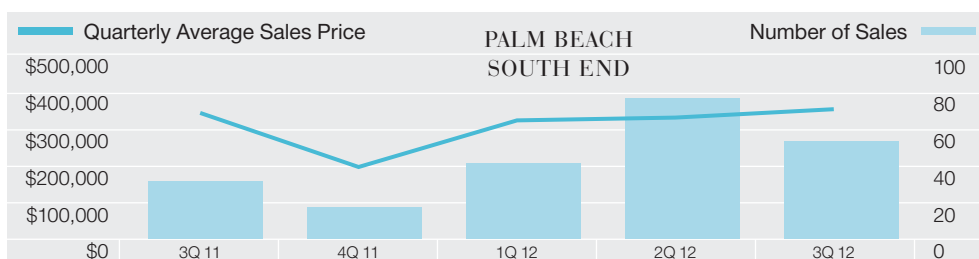
Note: This sub-category is the analysis of Palm Beach single family and condo/townhouse sales within the MLS. They are located north of Southern Boulevard (Florida State Road 80). The data is also contained within the other markets presented.

SOUTH END

• Price indicators above prior year levels Median sales price edged 2.9% higher to \$350,000 from the prior year quarter. Average sales price increased 10.1% to \$635,786 over the same period and average price per square foot increased 23.1% to \$346 over the same period.

• Number of sales up sharply from prior year levels The South End of Palm Beach continued to see gains in sales from the same period last year. There were 53 sales in the third quarter, 71% more than the 31 sale total in the prior year quarter.

South End Market Matrix	3Q-2012	% Chg (QRT)	2Q-2012	% Chg (YR)	3Q-2011
Average Sales Price	\$635,786	39.5%	\$455,730	10.1%	\$577,237
Average Price per Sq Ft	\$346	39.0%	\$249	23.1%	\$281
Median Sales Price	\$350,000	6.9%	\$327,500	2.9%	\$340,000
Number of Sales (Closed)	53	-30.3%	76	71.0%	31



Note: This sub-category is the analysis of Palm Beach single family and condo/townhouse sales within the MLS. They are located south of Southern Boulevard (Florida State Road 80). The data is also contained within the other markets presented.

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