



LONG ISLAND

Quarterly Survey of Residential Sales

3Q-2013

ELLIMANREPORT

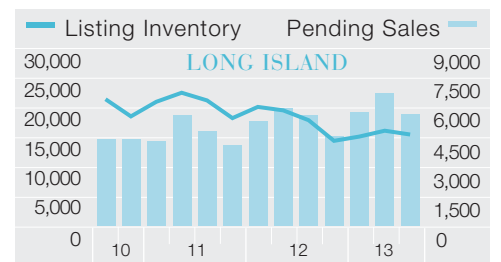
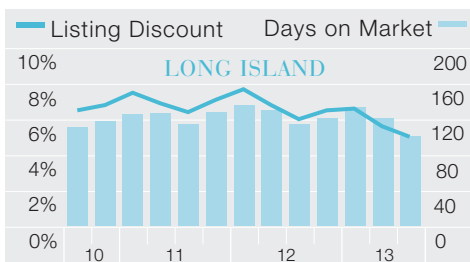
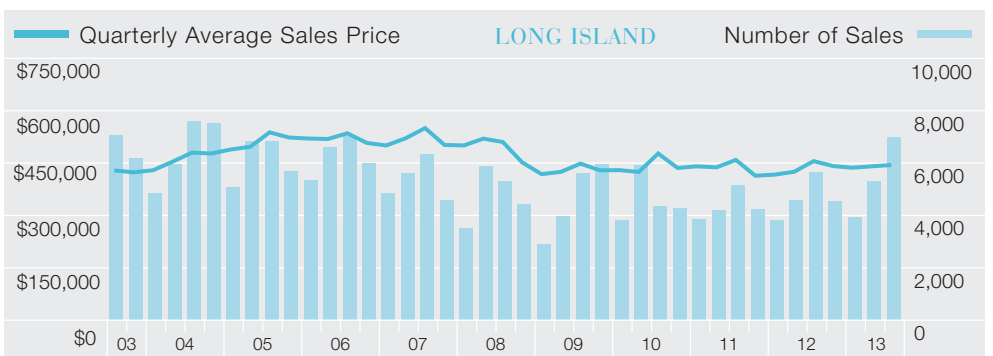
[The Hamptons and the North Fork reported separately]

LONG ISLAND

- Median sales price reached highest level since 2008** Median sales price reached a post-Lehman high of \$380,000, rising 4.1% from the prior year quarter. Median sales price year-to-date increased 6.6% to \$362,500.
- Average marketing time was 2 weeks faster as sales surged to a 7-year record high** The average days on market fell 14 days to 102 days from the prior year quarter. The number of sales jumped 23.7% to 6,977, the highest quarterly sales total since the same period in 2006.
- Total inventory fell from prior year levels although new inventory is rising** There were 15,652 listings at the end of the third quarter, 13.5% below the prior year quarter and the lowest third quarter total in over a decade. New listings added to the market in the third quarter grew 5.5% faster than the same quarter last year.

The Long Island housing market set a number of records in the quarter and continued to be characterized by declining supply, and a faster pace coupled with modest housing price gains. The spike in mortgage rates caused a surge in sales activity as on-the-fence buyers looked to purchase before rates rose further. There were 6,977 sales in the third quarter, 23.7% above the prior year quarter and the highest total reached in 7 years. Listing inventory fell 13.5% to 15,652

Long Island Market Matrix	3Q-2013	%Chg (qtr)	2Q-2013	%Chg (yr)	3Q-2012
Average Sales Price	\$442,835	0.8%	\$439,116	-2.5%	\$454,037
Median Sales Price	\$380,000	7.0%	\$355,000	4.1%	\$365,000
Number of Sales	6,977	32.1%	5,281	23.7%	5,638
Days on Market (From Original List Date)	102	-17.1%	123	-12.1%	116
Listing Discount (From Original List Price)	5.1%		5.7%		6.1%
Listing Inventory (Active)	15,652	-4.0%	16,300	-13.5%	18,095
Absorption Rate (Monthly, Active)	6.7	-28.0%	9.3	-30.2%	9.6
Pending Sales	5,703	-15.8%	6,775	4.9%	5,436
Year-to-Date	3Q-2013	%Chg (qtr)	2Q-2013	%Chg (yr)	3Q-2012
Average Sales Price	\$439,747	N/A	N/A	1.4%	\$433,514
Median Sales Price	\$362,500	N/A	N/A	6.6%	\$340,000
Number of Sales	16,163	N/A	N/A	15.3%	14,014
Pending Sales	18,304	N/A	N/A	8.8%	16,830



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.



from the prior year quarter to the lowest third quarter inventory total in more than a decade. The result of rising sales and falling supply created the fastest market pace in more than 8 years. The market pace or absorption rate, the number of months to sell all inventory at the current rate of sales, fell to 6.7 months, nearly 3 months faster than the prior year quarter. The rapid market pace resulted in faster marketing

times and less negotiability between buyers and sellers. The average days on market, the number of days from the original listing date to contract date, fell to 102 days, 14 days faster than the prior year quarter, the lowest average in nearly 7 years. Listing discount, the percentage difference between the original list price and the sales price, fell to 5.1% from 6.1% over the same period. This proved to be

the lowest listing discount in 5 years. Price indicators were generally higher across most markets with lower inventory levels and elevated sales activity. Median sales price increased 4.1% from the prior year quarter to a 5-year high of \$380,000. Although average sales price slipped 2.5% to \$442,835, median sales price by quintile showed consistent single digit percentage gains across all segments.

CONDOS

• Sales surged to 6-year high

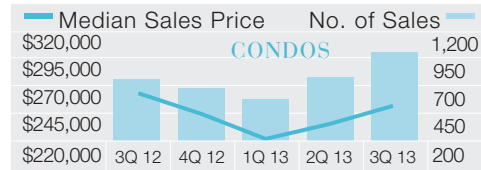
The number of sales jumped 31.8% to 1,002 from the same period last year, the highest total since the metric was tracked beginning in the same quarter 6 years ago.

• Price indicators fell from prior

year levels Median sales price declined 4.4% to \$252,500 from the same period last year. Average sales price slipped 1.2% to \$320,227 over the same period.

Condos Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$320,227	6.6%	\$300,290	-1.2%	\$324,094
Median Sales Price	\$252,500	7.0%	\$236,000	-4.4%	\$264,000
Number of Sales	1,002	28.6%	779	31.8%	760
Days on Market (From Original List Date)	118	-16.3%	141	-13.2%	136
Listing Discount (From Original List Price)	4.6%		5.3%		6.3%
Listing Inventory (Active)	2,446	-8.4%	2,669	-18.9%	3,016
Absorption Rate (Monthly, Active)	7.3	-29.1%	10.3	-38.7%	11.9
Pending Sales	865	-15.0%	1,018	3.7%	834

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$608,400	-4.4%
4/5	\$365,000	-1.1%
3/5	\$252,500	-4.4%
2/5	\$187,500	0.5%
1/5	\$110,425	13.3%



1-3 FAMILY

• Pace of market accelerated as sales surged and inventory fell

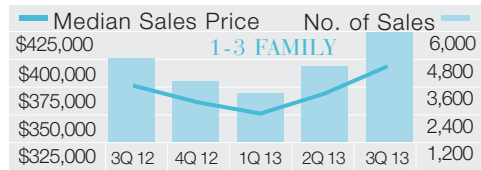
The number of sales jumped 22.5% to 5,975 and inventory dropped 11.5% to 14,642 from the same period last year.

• Price indicators moved to

highest levels in 5 years Median sales price rose 4.6% to \$395,000 from the prior year quarter, the highest level since the third quarter of 2008.

1-3 Family Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$500,569	8.3%	\$462,124	5.5%	\$474,283
Median Sales Price	\$395,000	6.8%	\$370,000	4.6%	\$377,500
Number of Sales	5,975	32.7%	4,502	22.5%	4,878
Days on Market (From Original List Date)	100	-16.7%	120	-11.5%	113
Listing Discount (From Original List Price)	5.3%		6.0%		6.2%
Listing Inventory (Active)	14,642	-3.0%	15,090	-11.5%	16,542
Absorption Rate (Monthly, Active)	7.4	-26.7%	10.1	-27.5%	10.2
Pending Sales	5,090	-14.7%	5,967	6.2%	4,795

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$860,000	8.2%
4/5	\$515,000	6.7%
3/5	\$395,000	4.6%
2/5	\$318,000	6.0%
1/5	\$215,000	7.5%



LUXURY

• Price indicators and threshold higher than prior year levels

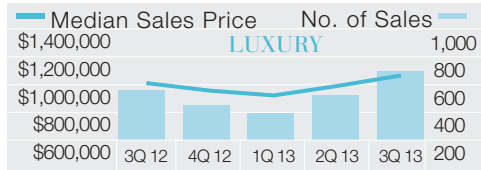
Median sales price increased 5.4% to \$1,075,000 from the same period last year, which was the highest level in three years. The entry level for the luxury market rose 6.8% to \$833,000 from the prior year quarter.

• Marketing time and inventory

fell Days on market was 103 days, an average of 17 days faster than the prior year quarter. Listing inventory fell 10.9% to 2,806 over the same period.

Luxury Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$1,340,998	6.6%	\$1,257,758	4.2%	\$1,287,123
Median Sales Price	\$1,075,000	7.6%	\$999,000	5.4%	\$1,020,000
Number of Sales	697	32.3%	527	23.8%	563
Days on Market (From Original List Date)	103	-17.6%	125	-14.2%	120
Listing Discount (From Original List Price)	8.0%		8.2%		8.9%
Listing Inventory (Active)	2,806	-16.6%	3,363	-10.9%	3,148
Absorption Rate (Monthly, Active)	12.1	-36.6%	19.1	-28.0%	16.8
Pending Sales	518	-38.3%	840	6.1%	488

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$2,165,000	6.1%
4/5	\$1,350,000	2.9%
3/5	\$1,075,000	5.4%
2/5	\$949,500	5.5%
1/5	\$865,000	7.1%



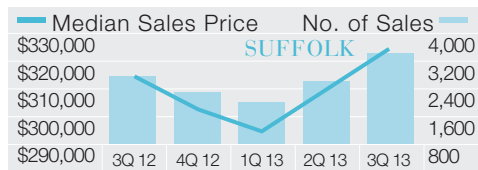
Note: This sub-category is the analysis of the top ten percent of all sales. The data is also contained within the other markets presented.

SUFFOLK

- **The number of sales surged as listing inventory declined** Listing inventory fell 11.1% to 8,701, while the number of sales surged 24.8% to 3,439 from the same period last year.
- **Priced indicators rose above prior year levels** Median sales price increased 3.2% to \$325,000 from the same period last year. Listing discount fell to 4.3% from 5.4% over the same period.

Suffolk Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$380,324	8.1%	\$351,956	6.0%	\$358,656
Median Sales Price	\$325,000	4.8%	\$310,000	3.2%	\$315,000
Number of Sales	3,439	30.9%	2,628	24.8%	2,755
Days on Market (From Original List Date)	111	-16.5%	133	-9.0%	122
Listing Discount (From Original List Price)	4.3%		4.8%		5.4%
Listing Inventory (Active)	8,701	-2.1%	8,886	-11.1%	9,782
Absorption Rate (Monthly, Active)	7.6	-24.8%	10.1	-29.0%	10.7
Pending Sales	2,790	-14.3%	3,255	2.5%	2,723

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$635,000	4.1%
4/5	\$419,915	5.2%
3/5	\$325,000	3.2%
2/5	\$252,000	4.1%
1/5	\$155,000	10.7%



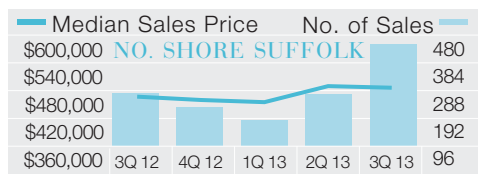
Note: Sales for the county do not include Hamptons and North Fork data analyzed in a separate report.

NORTH SHORE SUFFOLK

- **Number of sales surged as inventory fell** There were 451 sales, 61.6% more than the same period last year. Listing inventory fell 8.8% to 728 over the same period.
- **Price indicators expanded as days on market dropped** Median sales price rose 4.2% to \$489,000 and marketing time was more than a month faster, compared to the prior year period.

North Shore Suffolk Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$587,778	-12.5%	\$671,454	1.2%	\$580,853
Median Sales Price	\$489,000	-0.7%	\$492,500	4.2%	\$469,500
Number of Sales	451	63.4%	276	61.6%	279
Days on Market (From Original List Date)	89	-31.0%	129	-26.4%	121
Listing Discount (From Original List Price)	3.7%		4.1%		5.7%
Listing Inventory (Active)	728	-2.9%	750	-8.8%	798
Absorption Rate (Monthly, Active)	4.8	-41.5%	8.2	-44.2%	8.6
Pending Sales	234	-28.0%	325	8.8%	215

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$957,500	-3.3%
4/5	\$599,000	-6.6%
3/5	\$489,000	4.2%
2/5	\$383,750	2.3%
1/5	\$274,500	4.6%

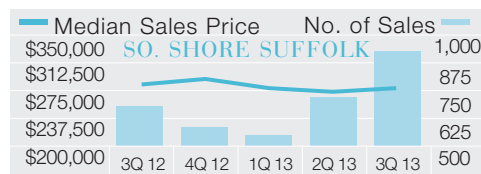


SOUTH SHORE SUFFOLK

- **The number of sales surged to a three year high** There 929 sales in the third quarter, 36.2% more than the same period last year and well above the 599 quarterly 3-year average.
- **Despite inventory decline, price indicators slipped** Listing inventory fell 7% to 2,745 as median sales price drifted 1.8% lower to \$280,000 from the prior year quarter.

South Shore Suffolk Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$294,885	2.9%	\$286,575	-4.2%	\$307,766
Median Sales Price	\$280,000	1.8%	\$275,000	-1.8%	\$285,000
Number of Sales	929	28.5%	723	36.2%	682
Days on Market (From Original List Date)	132	-7.7%	143	1.5%	130
Listing Discount (From Original List Price)	4.9%		6.0%		5.5%
Listing Inventory (Active)	2,745	-1.4%	2,784	-7.0%	2,951
Absorption Rate (Monthly, Active)	8.9	-23.3%	11.6	-31.5%	13.0
Pending Sales	815	-6.9%	875	2.9%	792

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$453,250	-10.2%
4/5	\$340,000	-2.9%
3/5	\$280,000	-1.8%
2/5	\$222,498	-1.1%
1/5	\$128,850	9.7%

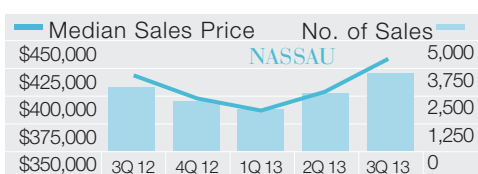


NASSAU

- **Inventory and days on market fell sharply** There were 6,951 listings at the end of the period, down 16.4% from the prior year quarter. The number of days a property was on the market was 17 days faster over the same period.
- **Price indicators moved higher as negotiability fell** Median sales price increased 3.6% to \$435,000 from the prior year quarter. Listing discount fell to 5.9% from 6.8% over the same period.

Nassau Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$566,374	8.1%	\$523,736	3.9%	\$545,184
Median Sales Price	\$435,000	7.4%	\$405,000	3.6%	\$420,000
Number of Sales	3,538	33.4%	2,653	22.7%	2,883
Days on Market (From Original List Date)	94	-16.8%	113	-15.3%	111
Listing Discount (From Original List Price)	5.9%		6.6%		6.8%
Listing Inventory (Active)	6,951	-6.2%	7,414	-16.4%	8,313
Absorption Rate (Monthly, Active)	5.9	-29.8%	8.4	-32.2%	8.7
Pending Sales	2,913	-17.2%	3,520	7.4%	2,713

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$975,000	2.7%
4/5	\$585,000	4.7%
3/5	\$435,000	3.6%
2/5	\$350,000	4.5%
1/5	\$233,200	-0.8%



NORTH SHORE NASSAU

• Surge in sales as inventory slipped

The number of sales jumped 32.5% to 865 sales from the same period last year, as inventory declined 11.6% to 1,725 over the same period.

• Price indicators were mixed

Median sales price edged up 1.4% to \$750,000, as average sales price was essentially unchanged at \$920,723 from the prior year period.

North Shore Nassau Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$920,723	3.1%	\$893,363	-0.3%	\$923,283
Median Sales Price	\$750,000	4.9%	\$715,000	1.4%	\$740,000
Number of Sales	865	45.6%	594	32.5%	653
Days on Market (From Original List Date)	97	-15.7%	115	-13.4%	112
Listing Discount (From Original List Price)	7.8%		8.4%		8.6%
Listing Inventory (Active)	1,725	-7.5%	1,865	-11.6%	1,952
Absorption Rate (Monthly, Active)	6.0	-36.2%	9.4	-33.3%	9.0
Pending Sales	587	-25.5%	788	13.8%	516

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$1,650,000	0.0%
4/5	\$975,000	-1.5%
3/5	\$750,000	1.4%
2/5	\$549,000	3.5%
1/5	\$275,000	-6.8%



SOUTH SHORE NASSAU

• Inventory fell faster than pending sales

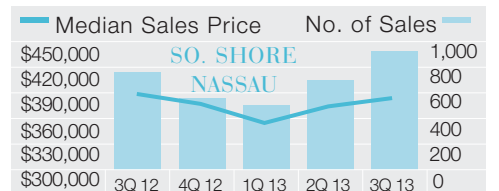
The number of listings fell 10.4% to 2,386 from the prior year quarter as pending sales slipped 4.7% over the same period.

• Price indicators slipped from prior year levels

Median sales price declined 1.3% to \$385,000 from the prior year quarter.

South Shore Nassau Market Matrix	3Q-2013	%Chg (QTR)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$406,183	-0.2%	\$406,884	-6.0%	\$432,285
Median Sales Price	\$385,000	2.7%	\$375,000	-1.3%	\$390,000
Number of Sales	944	31.5%	718	22.0%	774
Days on Market (From Original List Date)	106	-13.8%	123	-10.9%	119
Listing Discount (From Original List Price)	5.6%		7.0%		6.5%
Listing Inventory (Active)	2,386	12.4%	2,122	-10.4%	2,663
Absorption Rate (Monthly, Active)	7.6	-15.6%	9.0	-26.2%	10.3
Pending Sales	807	1.0%	799	-4.7%	847

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$615,000	-5.7%
4/5	\$455,000	-3.2%
3/5	\$385,000	-1.3%
2/5	\$320,000	-3.0%
1/5	\$195,000	-13.3%



IN-FOCUS

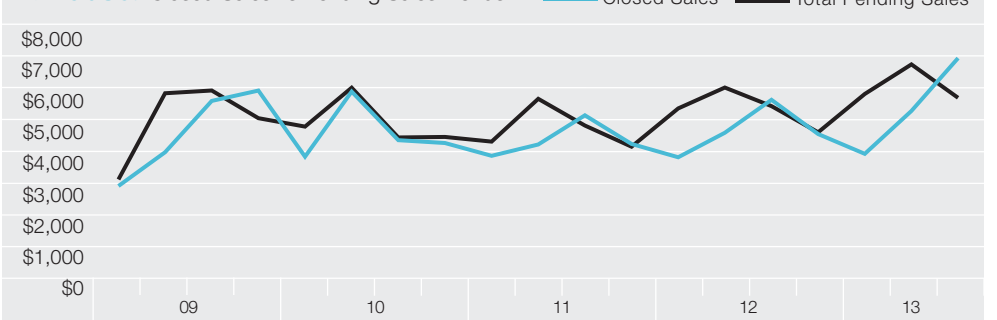
• The mortgage rate spike in the second quarter of 2013 caused pending sales and closed sales to jump

The surge in closed sales in 3Q-13 outpaced prior quarter pending sales despite an increase in activity as borrowers rushed to close.

• Roughly nine of every 100 pending sales did not close

For the past 3 years, using the difference between pending sales and subsequent closed sales, 9% of pending sales did not close.

IN-FOCUS: Closed Sales vs Pending Sales Trends



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