

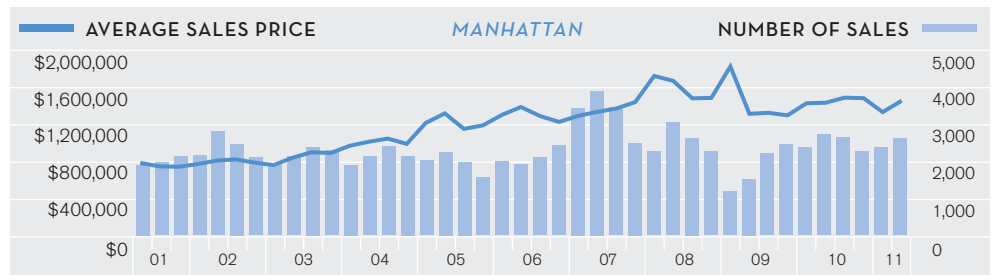
# the DOUGLAS ELLIMAN report



## CO-OPS & CONDOS

- Seasonal rise in sales** There were 2,650 sales in the second quarter, 3.8% less than the federal-tax-credit stimulated, 2,756 sales total of the same period last year and 10.7% more than 2,394, a seasonal uptick from the prior quarter.
- Price indicators were mixed** Median sales price declined 5.5% to \$850,000, the second consecutive year-over-year decline of this metric. Both average sales price and average price per square foot edged 1.6% higher over the same period.
- Active inventory slipped** There were 8,070 listings available at the end of the second quarter, 1.1% less than the 8,157 total in the same period last year, but a 6.1% seasonal increase from the 7,605 listings in the first quarter.

MANHATTAN MARKET MATRIX	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	\$1,455,098	9.3%	\$1,331,306	1.6%	\$1,432,712
Average Price per Sq Ft	\$1,068	4.2%	\$1,025	1.6%	\$1,051
Median Sales Price	\$850,000	8.7%	\$782,071	-5.5%	\$899,000
New Development	\$1,130,000	-15.7%	\$1,340,000	-19.0%	\$1,395,000
Re-sale	\$795,000	9.7%	\$725,000	-0.6%	\$800,000
Number of Sales	2,650	10.7%	2,394	-3.8%	2,756
Days on Market (From Last List Date)	136	7.1%	127	29.5%	105
Listing Discount (From Last List Price)	3.5%		4.5%		9.1%
Listing Inventory (Active)	8,070	6.1%	7,605	-1.1%	8,157
Absorption Rate (Monthly, Active)	9.1	-4.2%	9.5	2.2%	8.9
Pending Price Index (1Q 08 base)	1.04	10.6%	0.94	14.3%	0.91
Pending Sales Index (1Q 08 base)	0.97	2.1%	0.95	-30.7%	1.40



There were 2,650 sales in the second quarter, 4.2% above the 5-year, 2,543 sales and 4.8% above the 10-year, 2,529 sales of the same quarter. The second quarter total of 2,650 was 3.8% less than the 2,756 total in the prior year quarter and 10.7% higher than the 2,394 total in the first quarter. The impact of the federal-homebuyer tax credit expiration in April 2010 can be seen more clearly in the 30.7% year-over-year quarterly decline in signed contracts using the pending sales index—an aggregate of collected contract data presented in index

form. After reaching a 6.5 year low in the first quarter at 14.5%, new development sales as a percentage of total sales increased to 21.8%, consistent with the 20.5% average of the past two years. Market share of new development activity has remained remarkably consistent since the third quarter of 2009, hovering at around 20% of closed sales activity.

Housing prices were mixed in the second quarter. Median sales price fell 5.5% to \$850,000 from \$899,000 in the same period last year,

but increased 8.7% from \$782,071 in the first quarter. The other two price indicators tracked in this report, average sales price and average price per square foot, each showed a 1.6% increase from the same period last year to \$1,455,098 and \$1,068 per square foot respectively. New development sales averaged \$1,160 per square foot in the second quarter compared to \$1,042 per square foot for re-sales.

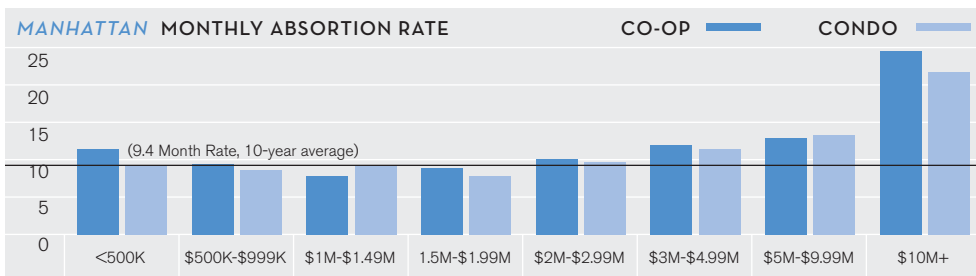
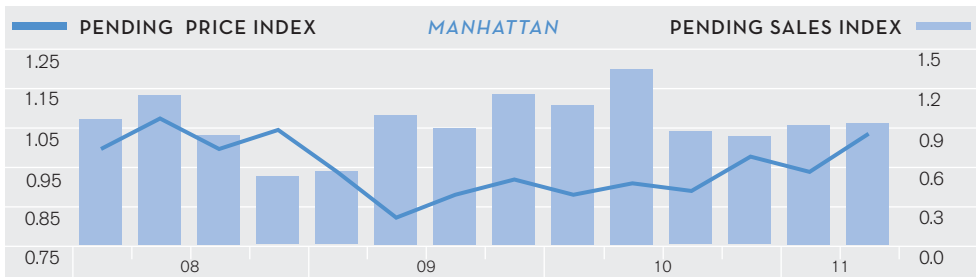
Active inventory slipped 1.1% in the second quarter to 8,070 listings from 8,157 listings in

*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.*



the prior year quarter, but 6.1% more than 7,605 listings in the first quarter. The quarter-over-quarter rise in inventory was consistent with 5% average first-to-second quarter seasonal increase over the past 10 years, as homeowners took advantage of increased activity levels typically seen during second quarter. The break down of active inventory was 53.7% co-ops, 46.3% condos, 79.9% re-sales, and 20.1% new development.

While the regional economy continues to fair better than many US urban markets, the continuing issues of elevated unemployment, a constrained US mortgage lending environment, and the weak dollar against other foreign currencies continue to keep meaningful improvements in the housing market in check.

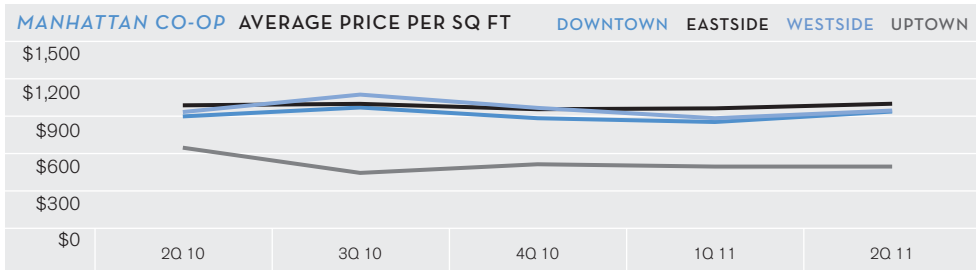


## CO-OPS

- Second highest number of sales in nearly four years** There were 1,366 sales in the second quarter, 13.5% more than the 1,203 sales in the prior year quarter, but 4.5% less than the first quarter total of 1,430. The first quarter total had been at its highest level since mid-2007.
- Price indicators showed increase** The year-over-year change in quarterly median sales price increased 0.4% to \$700,000 from \$697,501 in the prior year quarter and 8.9% above \$642,500 in the first quarter. Average sales price and average price per square foot showed even larger gains.
- Two bedroom market share jumped** The sale of 2-bedroom apartments grew to 34% in the second quarter from 30.4% in the same period last year. Market share of studio and 1-bedroom sales were consistent with the prior year quarter.

There were 4,332 active co-op listings in the second quarter, 9.7% more than the 3,948 in the prior year quarter, and 8.4% more than the 3,998 in the first quarter. Over the same period, there were 1,366 sales, 13.5% more than the 1,203 sales in the prior year quarter, but 4.5% less than the 1,430 sales in the first quarter. The first quarter total had been the highest sales level since mid-2007. The year-over-year gain in quarterly inventory and sales resulted in a

CO-OP MARKET MATRIX	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	\$1,222,944	17.1%	\$1,044,730	9.9%	\$1,113,173
Average Price Per Sq Ft	\$961	7.3%	\$896	1.9%	\$943
Median Sales Price	\$700,000	8.9%	\$642,500	0.4%	\$697,501
Number of Sales	1,366	-4.5%	1,430	13.5%	1,203
Days on Market (From Last List Date)	119	0.0%	119	29.3%	92
Listing Discount (From Last List Price)	4.6%		2.4%		7.3%
Listing Inventory (Active)	4,332	8.4%	3,998	9.7%	3,948
Absorption Rate (Monthly, Active)	9.5	13.1%	8.4	-3.1%	9.8



QUINTILES	Med. Sales Price	% Chg (YR)
5/5	\$2,300,000	9.5%
4/5	\$999,000	2.5%
3/5	\$675,000	0.0%
2/5	\$475,000	-5.8%
1/5	\$325,000	-3.3%

CO-OP MIX	Sales Share	Med. Sales Price
Studio	16.0%	\$355,000
1 bedroom	40.3%	\$550,000
2 bedroom	34.0%	\$1,160,000
3 bedroom	6.0%	\$3,025,000
4+ bedroom	3.7%	\$6,350,000

nominal decline in the monthly absorption rate. The number of months to sell all active listings at the current pace of sales was 9.5 months in the second quarter, down from 9.8 months in the same quarter last year.

All price indicators moved higher, consistent with seasonal expectations. The median sales

price for the second quarter was \$700,000, up 0.4% from \$697,501 in the same period last year and up 8.9% from \$642,500 in the first quarter. Average sales price and average price per square foot showed similar patterns.

## CONDOS

### • Price indicators showed mixed results

Median sales price slipped 2.7% to \$1,070,000 in the second quarter, from \$1,100,000 in the same period last year.

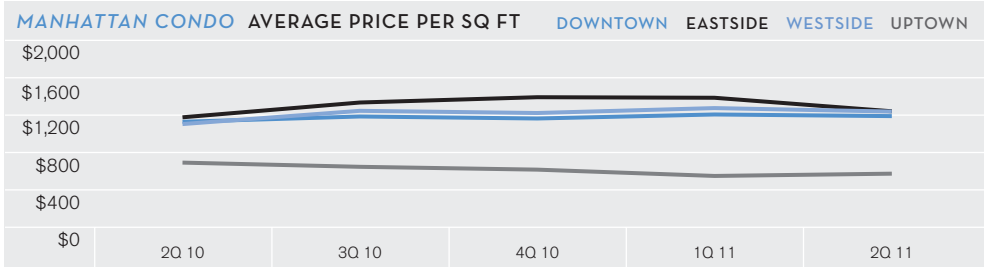
### • Number of sales volatile, below prior year levels due to tax credit surge

Number of sales fell 17.3% to 1,284 in the second quarter from 1,553 last year at this time but jumped 33.2% from 964 in the prior quarter.

### • Two bedroom market share increased to normal levels from last year's dip

Accounted for 41.8% of all condo sales, consistent with the 44.8% ten year average.

CONDO MARKET MATRIX	2Q-2011	% Chg (qtr)	1Q-2011	% Chg (yr)	2Q-2010
Average Sales Price	\$1,702,079	-3.1%	\$1,756,414	1.3%	\$1,680,236
Average Price Per Sq Ft	\$1,182	-2.8%	\$1,216	4.2%	\$1,134
Median Sales Price	\$1,070,000	-7.0%	\$1,150,000	-2.7%	\$1,100,000
Number of Sales	1,284	33.2%	964	-17.3%	1,553
Days on Market (From Last List Date)	155	10.7%	140	34.8%	115
Listing Discount (From Last List Price)	2.3%		7.7%		10.5%
Listing Inventory (Active)	3,738	3.6%	3,607	-11.2%	4,209
Absorption Rate (Monthly, Active)	8.7	-22.3%	11.2	7.4%	8.1



QUINTILES	Med. Sales Price	% Chg (YR)
5/5	\$3,450,000	-4.1%
4/5	\$1,725,000	-2.1%
3/5	\$1,081,381	-2.1%
2/5	\$750,000	1.4%
1/5	\$489,000	3.0%

2.8% from \$1,216 in the first quarter.

Sales activity continues to remain volatile, largely caused by last year's federal-tax-credit-related stimulus. There were 1,284 sales in the second quarter, 17.3% below the 1,553 sales

CONDO MIX	Sales Share	Med. Sales Price
Studio	10.9%	\$491,790
1 bedroom	31.3%	\$747,000
2 bedroom	41.8%	\$1,475,000
3 bedroom	11.5%	\$3,125,000
4+ bedroom	4.4%	\$5,247,900

during the same period last year, which was the highest quarterly sales total in three years. The number of sales jumped 33.2% from 964 in the first quarter, a larger-than-seasonal increase likely caused by the post-tax-credit sales lull, prompted by a release in pent-up demand.

The year-over-year and quarter-over-quarter results for the three price indicators used in this report showed mixed results. Median sales price was \$1,070,000 in the second quarter, 2.7% below \$1,100,000 in the prior year quarter and 7% below \$1,150,000 in the first quarter. Average sales price showed a modest 1.3% increase to \$1,702,079 in the second quarter from \$1,680,236 in the same period last year, but slipped 3.1% from \$1,756,414 in the first quarter. Average price per square foot showed the same pattern, rising 4.2% to \$1,182 from \$1,134 in the prior year quarter, but declined

## LOFTS

### • Second highest number of sales since credit crunch began

There were 206 sales in the second quarter, 21.4% below last year's post-credit-crunch high of 262 sales but 9% above 189 in first quarter.

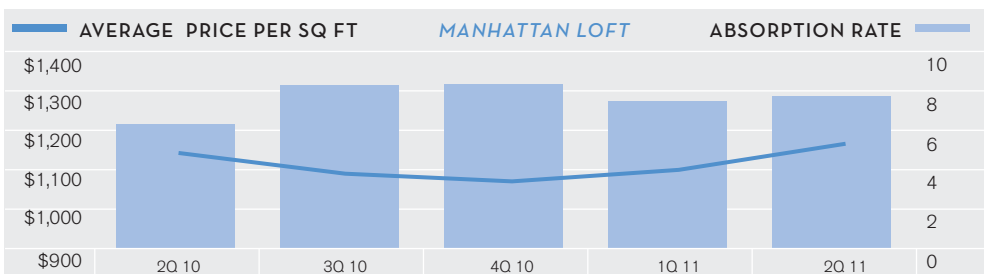
### • All price indicators trended higher

Median sales price increased 6.7% to \$1,675,000 from the \$1,570,000 last year and 11.7% above the \$1,500,000 in the first quarter.

### • Listing inventory and listing discount declined

Active inventory fell 3.5% from 548 last year, to 529 in the second quarter this year. The listing discount fell to 1.9% from 5.4% over the same period.

LOFT MARKET MATRIX	2Q-2011	% Chg (qtr)	1Q-2011	% Chg (yr)	2Q-2010
Average Sales Price	\$2,225,812	17.8%	\$1,889,996	8.2%	\$2,057,776
Average Price Per Sq Ft	\$1,169	6.2%	\$1,101	2.1%	\$1,145
Median Sales Price	\$1,675,000	11.7%	\$1,500,000	6.7%	\$1,570,000
Number of Sales	206	9.0%	189	-21.4%	262
Days on Market (From Last List Date)	110	-16.0%	131	37.5%	80
Listing Discount (From Last List Price)	1.9%		5.3%		5.4%
Listing Inventory (Active)	529	12.8%	469	-3.5%	548
Absorption Rate (Monthly, Active)	7.7	4.1%	7.4	22.2%	6.3

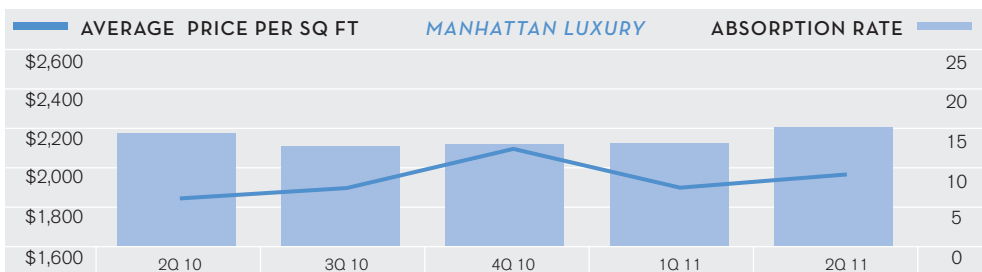


Note: This sub-category analyzes all co-op & condo loft sales available. The data is also contained within the co-op & condo markets presented.

## LUXURY

- **All price indicators edged higher and unit size expanded** Median sales price increased 11.2% to \$4,550,000 from \$4,093,365 in the prior year quarter, as average square footage expanded 4.6% to 2,935.
- **Listing inventory expanded** Active inventory edged 0.6% to 1,312 from 1,304 in the prior year quarter, but jumped 28% from 1,025 in the prior quarter.
- **Discounts and marketing times declined** Listing discount fell to 2.3% from 6.4% in the same period last year, as days on market declined by 8 days to 138 over the same period.

LUXURY MARKET MATRIX	2Q-2011	% Chg (qtr)	1Q-2011	% Chg (yr)	2Q-2010
Average Sales Price	\$5,776,825	12.9%	\$5,114,866	11.8%	\$5,169,161
Average Price Per Sq Ft	\$1,968	3.6%	\$1,899	6.8%	\$1,843
Median Sales Price	\$4,550,000	15.2%	\$3,950,000	11.2%	\$4,093,365
Number of Sales	265	10.9%	239	-4.0%	276
Days on Market (From Last List Date)	138	7.8%	128	-5.5%	146
Listing Discount (From Last List Price)	2.3%		5.6%		6.4%
Listing Inventory (Active)	1,312	28.0%	1,025	0.6%	1,304
Absorption Rate (Monthly, Active)	14.9	15.5%	12.9	4.9%	14.2



Note: This sub-category analyzes the top 10% of all co-op & condo sales. Data is also contained within the co-op and condo markets presented.

## NEW DEVELOPMENT

- **Market share continued to hover around 20%** New development sales accounted for 21.8% of all sales, expanded from a nearly seven year low of 14.5%, returning to a level consistent with the 20.5% average market share over the past 2 years.
- **Price indicators fell with shift to smaller units** Median sales price fell 19% to \$1,130,000 from \$1,395,000 in the same quarter last year, as the average square footage of a sale fell 14.6% over the same period to 1,408 square feet.
- **Active inventory declined** Inventory formally listed for sale fell 21.3% to 1,626 listings.

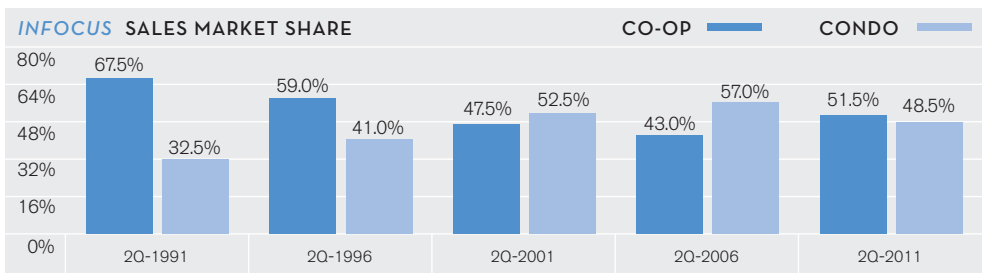
NEW DEVELOPMENT MARKET MATRIX	2Q-2011	% Chg (qtr)	1Q-2011	% Chg (yr)	2Q-2010
Average Sales Price	\$1,633,367	-13.6%	\$1,889,455	-16.0%	\$1,944,712
Average Price Per Sq Ft	\$1,160	-7.2%	\$1,250	-1.7%	\$1,180
Median Sales Price	\$1,130,000	-15.7%	\$1,340,000	-19.0%	\$1,395,000
Number of Sales	577	66.3%	347	-7.2%	622
Days on Market (From Last List Date)	199	18.5%	168	19.2%	167
Listing Discount (From Last List Price)	6.2%		9.8%		19.1%
Listing Inventory (Active)	1,626	-4.0%	1,694	-21.3%	2,067
Absorption Rate (Monthly, Active)	8.5	-41.8%	14.6	-15.0%	10.0



Note: This sub-category analyzes new development co-op & condo sales. Data is also contained within the co-op and condo markets presented.

## IN-FOCUS

- **Market share of co-op sales above condos after boom** Co-ops now account for more than 50% of all sales.
- **Development boom caused condo share to rise** In two decades, co-op share fell from 2/3 of sales to half of all sales.



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