

ELLIMAN

REPORT

3Q 2014
MANHATTAN SALES

Quarterly Survey of Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

4.2

PACE

Absorption Rate

1.7 mos

SALES

Closed Sales

13.3

INVENTORY

Total Inventory

27.6%

MARKETING TIME

Days on Market

4 days

NEGOTIABILITY

Listing Discount

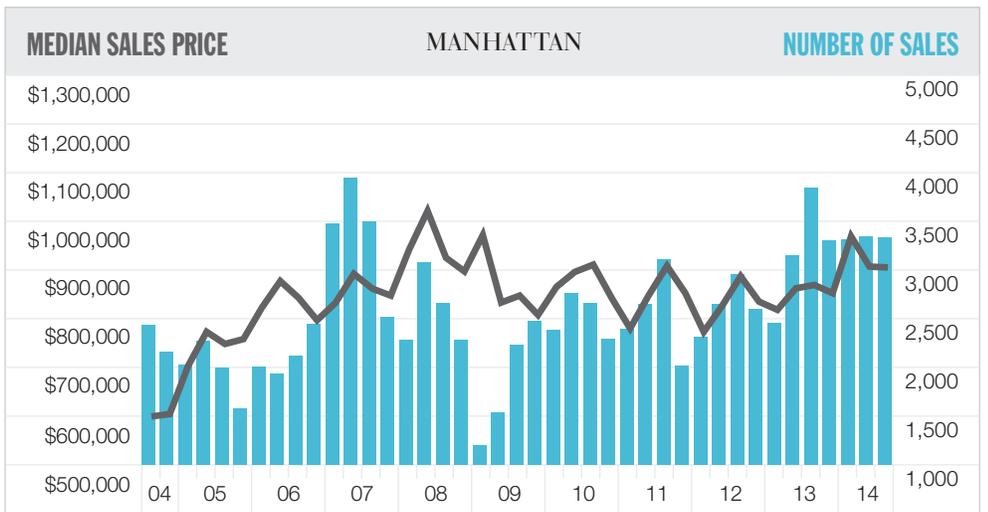
0.9%

- Prices rise for the fourth consecutive quarter
- Sales fell short of prior year record volume
- Listing inventory continued to increase

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.

Manhattan Market Matrix	3Q-2014	%Chg (qtr)	2Q-2014	%Chg (yr)	3Q-2013
Average Sales Price	\$1,684,729	0.3%	\$1,680,185	17.4%	\$1,434,614
Average Price per Sq Ft	\$1,270	0.2%	\$1,268	11.7%	\$1,137
Median Sales Price	\$908,242	-0.2%	\$910,000	4.2%	\$872,000
New Development	\$1,629,200	3.1%	\$1,580,000	14.2%	\$1,426,250
Re-sale	\$876,000	-1.6%	\$890,000	2.5%	\$855,000
Number of Sales (Closed)	3,328	-0.4%	3,342	-13.3%	3,837
Days on Market (From Last List Date)	92	-4.2%	96	4.5%	88
Listing Discount (From Last List Price)	1.1%		2.8%		2.0%
Listing Inventory (Active)	5,828	3.0%	5,659	27.6%	4,567
Absorption Rate (Months)	5.3	3.9%	5.1	47.2%	3.6
Pending Price Index (1Q 08 = 100)	116.39	-5.6%	123.23	0.4%	115.98
Pending Sales Index (1Q 08 = 100)	125.92	12.0%	112.39	-9.9%	139.82
Year-to-Date	3Q-2014	%Chg (qtr)	2Q-2014	%Chg (yr)	3Q-2013
Average Sales Price (YTD)	\$1,682,452	N/A	N/A	19.3%	\$1,410,759
Average Price per Sq Ft (YTD)	\$1,269	N/A	N/A	12.1%	\$1,132
Median Sales Price (YTD)	\$935,751	N/A	N/A	9.5%	\$854,500
Number of Sales (YTD)	6,670	N/A	N/A	-29.3%	9,438

*The pending sale and pending price indices are based on contract data collected during the normal course of business by Miller Samuel and Douglas Elliman.



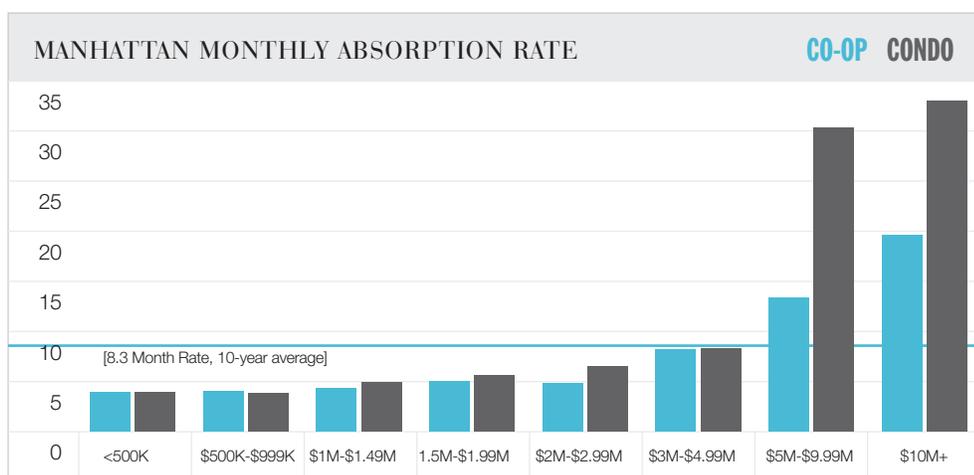
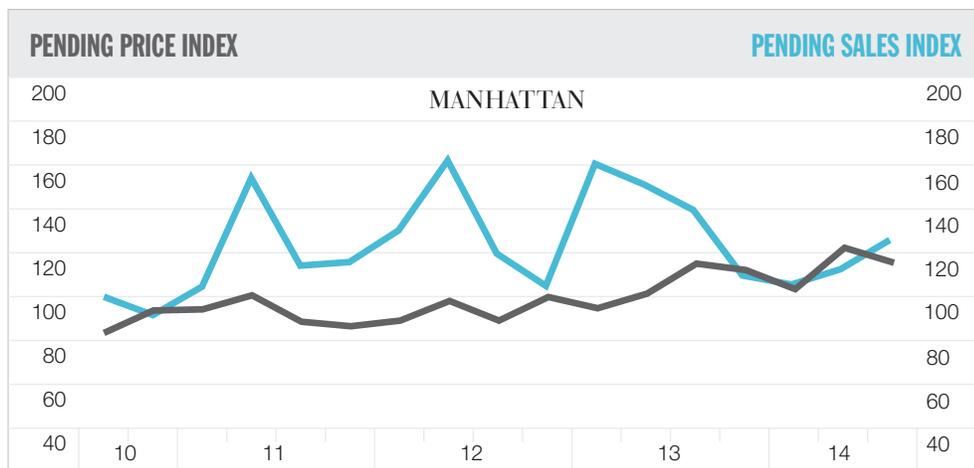
Manhattan housing prices continued to rise as additional supply remained inadequate to meet demand. Bidding wars and a shift toward larger units applied additional upward pressure to rising price trends. Sharp gains in New York City employment, the continued influx of international investors and low mortgage rates have kept the market tight. A product of five years of pent-up

demand and the fear of rising mortgage rates, sales volume fell short of prior year records. Marketing times and negotiability eased, as the market downshifted from last year's frenetic pace. Luxury market price growth exceeded the overall market, while new development product targeted at the luxury segment continued to enter the market. Despite the third consecutive quarter

with a year-over-year rise in listing inventory, supply remains 16.1% below the 14-year third quarter average of 6,957. Listing inventory increased 27.6% to 5,828 from the prior year quarter with much a larger increase seen with condos than co-ops. Although co-ops represented 63% of total sales, they only comprised 48.7% of total listings. Listing inventory from new development nearly doubled over the past year, reaching 25.3% of total inventory. While sales fell 13.3% to 3,328 over the same period, new development sales increased 2.5% and re-sales fell 14.3%. New development sales were 7.3% of total closed sales, but accounted for 14% of total dollar volume reflecting their higher price point. The median sales price for a new development sale was \$1,629,000, up 14.2% while the median sales price of a re-sale was \$876,000, up 2.5%, respectively from the year ago quarter.

As a result the net decline in total sales and rise in inventory, the monthly absorption rate increased to 5.3 months from the year ago record low of 3.6 months. The monthly absorption rate averaged 8.3 months over the past 15-years, 56.6% slower than the current 5.3 monthly rate. As a result of limited supply and fast market pace, 49.2% of all transactions were sold at or above list price at time of sale.

The supply and demand imbalance has begun to push housing prices higher. Median sales price rose 4.2% to \$908,242 from the same period last year. As a result of the shift towards more 3-bedroom and 4-bedroom sales, the overall average sales price jumped 17.4% to \$1,684,729 from the prior year quarter. Average price per square foot followed the same pattern, rising 11.7% to \$1,270 per square foot over the same period. The luxury market, defined as



the top 10% of all sales, had price gains that outpaced the overall market. The median sales price of a luxury property was \$5,000,000, up 22% from the same period last year. The luxury entry threshold was \$3,250,000, up 10% from the same period last year. Days on market, the average number of days to sell all apartments that closed during the quarter, expanded by 4 days to 92 days, marking the second fastest

marketing time in 15 years. Listing discount, the average percentage difference between the listing price at time of sale and the sales price, fell to 1.1% from 2% in the year ago quarter. The monthly carrying charges for co-ops and condos sold slipped 2.4% to \$1.66 per square foot from the prior year quarter. Approximately 39% of co-op sales and 50% of condo purchases during the quarter did not use financing.

LOFTS

- Prices increased across all indicators
- Marketing time and negotiability increased
- Absorption rate slowed

Loft Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$2,415,605	-8.0%	\$2,626,156	2.4%	\$2,358,641
Average Price per Sq Ft	\$1,407	-2.0%	\$1,435	5.3%	\$1,336
Median Sales Price	\$2,147,500	16.1%	\$1,850,000	10.1%	\$1,950,000
Number of Sales (Closed)	197	-8.8%	216	-32.3%	291
Days on Market (From Last List Date)	121	137.3%	51	26.0%	96
Listing Discount (From Last List Price)	3.2%		3.0%		0.0%
Listing Inventory (Active)	434	2.6%	423	42.3%	305
Absorption Rate (Months)	6.6	11.9%	5.9	112.9%	3.1

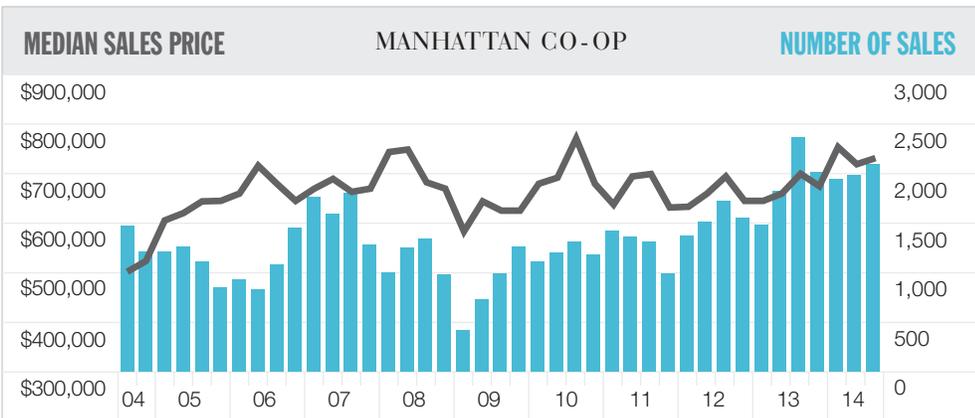
Note: This sub-category analyzes all co-op & condo loft sales available. The data is also contained within the co-op & condo markets presented.

CO-OPS

- Sales declined as inventory increased
- Prices were up, greater gains in larger apartments
- Marketing time decreased

Co-op Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$1,509,233	3.8%	\$1,454,193	28.1%	\$1,177,952
Average Price Per Sq Ft	\$1,142	1.9%	\$1,121	15.6%	\$988
Median Sales Price	\$737,500	1.7%	\$725,000	4.6%	\$705,325
Number of Sales	2,098	5.4%	1,990	-11.8%	2,378
Days on Market (From Last List Date)	91	28.2%	71	-4.2%	95
Listing Discount (From Last List Price)	0.5%		3.1%		2.0%
Listing Inventory (Active)	2,841	4.5%	2,718	8.9%	2,608
Absorption Rate (Monthly, Active)	4.1	0.0%	4.1	24.2%	3.3

Co-op Mix	Sales Share	Median Sales Price
Studio	16.7%	\$390,000
1 bedroom	40.1%	\$630,000
2 bedroom	26.8%	\$1,185,000
3 bedroom	12.5%	\$2,499,000
4+ bedroom	3.8%	\$5,100,000

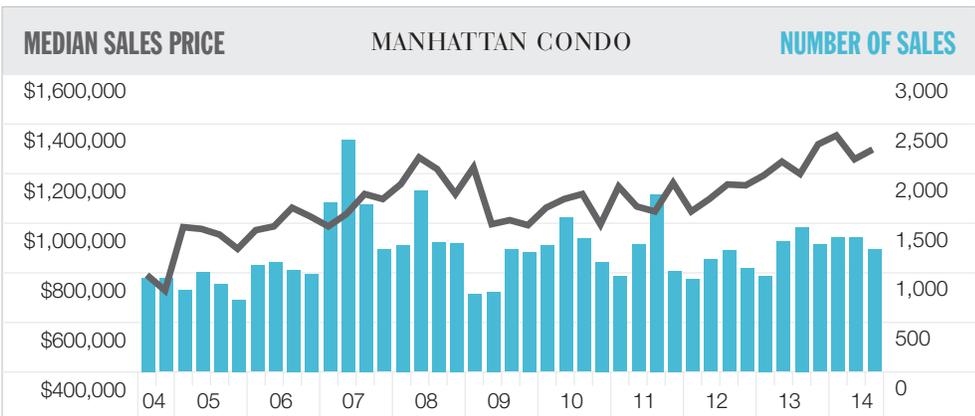


CONDOS

- Prices up across all indicators
- Inventory increased sharply as sales declined
- Largest price gains in the middle of market

Condo Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$1,984,070	-1.4%	\$2,012,820	7.1%	\$1,852,943
Average Price Per Sq Ft	\$1,487	0.2%	\$1,484	7.8%	\$1,379
Median Sales Price	\$1,299,000	3.1%	\$1,260,000	8.2%	\$1,201,000
Number of Sales	1,230	-9.0%	1,352	-15.7%	1,459
Days on Market (From Last List Date)	95	-28.6%	133	23.4%	77
Listing Discount (From Last List Price)	2.2%		2.4%		2.0%
Listing Inventory (Active)	2,987	1.6%	2,941	52.5%	1,959
Absorption Rate (Monthly, Active)	7.3	12.3%	6.5	82.5%	4.0

Condo Mix	Sales Share	Median Sales Price
Studio	9.1%	\$610,000
1 bedroom	37.9%	\$940,000
2 bedroom	34.1%	\$1,800,000
3 bedroom	13.7%	\$3,000,000
4+ bedroom	5.2%	\$5,625,000



LUXURY

- Double-digit price growth continued
- Absorption rate slowed sharply
- Surge in \$10M+ sales

Luxury Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$7,252,739	0.0%	\$7,254,472	34.2%	\$5,405,610
Average Price per Sq Ft	\$2,617	-4.3%	\$2,735	27.3%	\$2,055
Median Sales Price	\$5,000,000	0.5%	\$4,973,306	22.0%	\$4,100,000
Number of Sales (Closed)	333	-0.3%	334	-13.1%	383
Days on Market (From Last List Date)	112	-18.2%	137	5.7%	106
Listing Discount (From Last List Price)	5.3%		3.7%		3.0%
Listing Inventory (Active)	1,627	16.8%	1,393	47.0%	1,107
Absorption Rate (Months)	14.7	17.6%	12.5	69.0%	8.7
Entry Threshold	\$3,250,000	0.0%	\$3,250,000	10.2%	\$2,950,000

Luxury Mix	Sales Share	Median Sales Price
Co-ops	39.3%	\$5,200,000
Condos	60.7%	\$4,825,000
New Dev.	7.2%	\$13,500,000
Re-sales	92.8%	\$4,500,000



NEW DEVELOPMENT

- Prices surged as shift in mix to larger units continued
- Listing inventory nearly doubled
- Negotiability expanded as marketing time slowed

New Development Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$3,235,848	-8.1%	\$3,520,735	47.6%	\$2,192,640
Average Price per Sq Ft	\$1,807	-4.9%	\$1,900	28.9%	\$1,402
Median Sales Price	\$1,629,200	3.1%	\$1,580,000	14.2%	\$1,426,250
Number of Sales (Closed)	242	4.8%	231	2.5%	236
Days on Market (From Last List Date)	88	-24.8%	117	8.6%	81
Listing Discount (From Last List Price)	4.9%		3.2%		1.9%
Listing Inventory (Active)	1,473	5.5%	1,396	98.5%	742
Absorption Rate (Months)	18.3	1.1%	18.1	94.7%	9.4
Sales Share of Overall Market	7.3%		6.9%		6.2%

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	31.8%	\$641,778
\$1M - \$3M	43.0%	\$1,797,500
> \$3M	25.2%	\$6,015,000



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