



PALM BEACH, FLORIDA

Quarterly Survey of Palm Beach Residential Sales

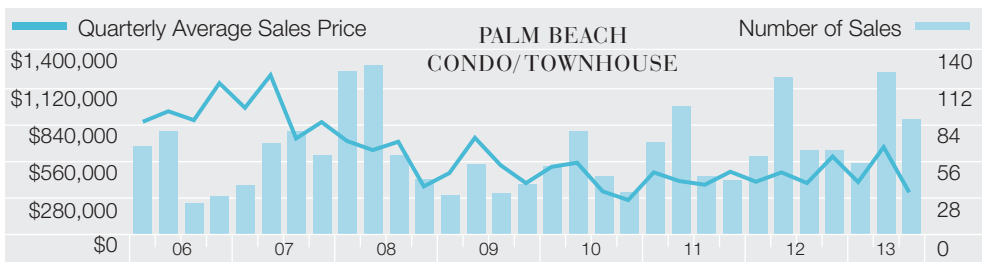
3Q-2013

ELLIMANREPORT

CONDO/TOWNHOUSE

- Growth in sales outpaced the growth in inventory** There were 87 sales in the third quarter, a 35.9% rise above the prior year quarter, outpacing the 11.2% increase in inventory to 437 over the same period. The sharp change in price indicators reflected volatility in a shift toward purchasing lower priced property, not a decline in prices.
- Days on market and listing discount reflected the faster market pace** The average days on market, the number of days from the last price change to the contract date, was 203 days which was 2.7 weeks faster than the prior year quarter. Listing discount, the percentage difference between the list price at time of sale and the sales price, followed the same pattern, falling 7.6% to 9%.

Palm Beach Market Matrix (Condos/TH)	3Q-2013	%Chg (QRT)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$468,480	-49.7%	\$930,790	-35.7%	\$728,581
Average Price per Sq Ft	\$265	-45.5%	\$486	-39.5%	\$438
Median Sales Price	\$320,000	-51.5%	\$660,000	-17.9%	\$390,000
Number of Sales (Closed)	87	-29.3%	123	35.9%	64
Days on Market (From Last List Date)	203	-14.0%	236	-8.6%	222
Listing Discount (From Last List Price)	9.0%		12.0%		16.6%
Listing Inventory (active)	437	32.4%	330	11.2%	393
Absorption Rate (mos)	15.1	88.8%	8.0	-17.9%	18.4

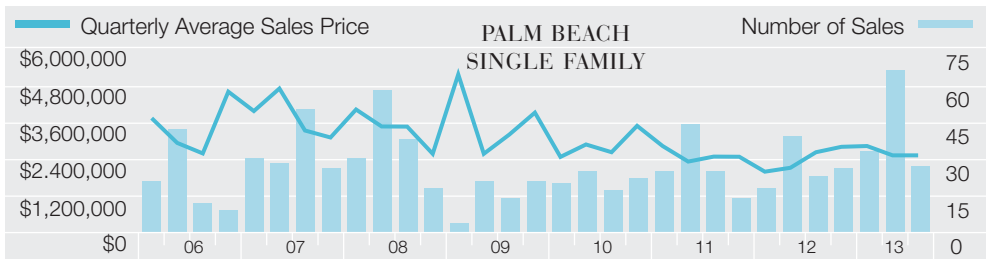


Note: All condo/townhouse closed sales in Palm Beach within the MLS.

SINGLE FAMILY

- Price indicators were mixed** Median sales price slipped 3.8% to \$2,500,000 from the same period last year. Average sales price increased slightly by 0.7% to \$3,533,383 from the same period last year. Average price per square foot fell 12.6% to \$698, consistent with the jump in size. The average square footage of a sale was 5,062, 15.2% larger than 4,392 in the prior year quarter.
- Number of sales expanded as inventory fell sharply** There were 27 sales in the third quarter, a 17.4% gain over prior year levels. This rise in activity was met with a 54.3% drop in supply to 75 listings over the same period, resulting in a more rapid market pace.

Palm Beach Market Matrix (Single Family)	3Q-2013	%Chg (QRT)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$3,533,383	-20.8%	\$4,458,744	0.7%	\$3,509,534
Average Price per Sq Ft	\$698	-33.3%	\$1,046	-12.6%	\$799
Median Sales Price	\$2,500,000	0.0%	\$2,500,000	-3.8%	\$2,600,000
Number of Sales (Closed)	27	-55.7%	61	17.4%	23
Days on Market (From Last List Date)	303	9.0%	278	31.2%	231
Listing Discount (From Last List Price)	11.5%		20.8%		13.5%
Listing Inventory (active)	75	-30.6%	108	-54.3%	164
Absorption Rate (mos)	8.3	56.6%	5.3	-61.2%	21.4



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

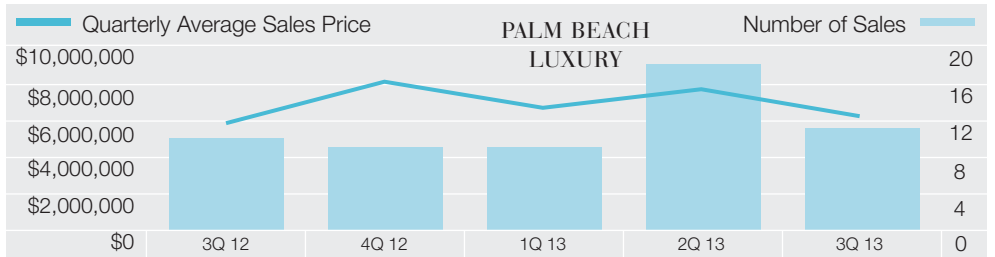
The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and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



LUXURY

- Price indicators trended above prior year levels** The entry threshold for the luxury market began at \$3,400,000 in the third quarter, a 15% decline from \$4,000,000 in the prior year quarter. Median sales price increased 6.5% to \$6,150,000 from the same period last year. Average sales price edged 1.9% higher and average price per square foot fell 9.8% over the same period.
- Both days on market and inventory fell sharply** The average days on market fell to 161 days, less than half the prior year's quarter average of 377 days. This was consistent with the 70.9% drop in luxury inventory to 39 listings over the same period.

Luxury Market Matrix	3Q-2013	%Chg (QRT)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$6,170,650	-39.1%	\$10,135,967	1.9%	\$6,053,950
Average Price per Sq Ft	\$837	-43.1%	\$1,471	-9.8%	\$928
Median Sales Price	\$6,150,000	-19.0%	\$7,596,200	6.5%	\$5,775,000
Number of Sales (Closed)	11	-38.9%	18	10.0%	10
Days on Market (From Last List Date)	161	-53.9%	349	-57.3%	377
Listing Discount (From Last List Price)	11.1%		24.5%		11.4%
Listing Inventory (active)	39	-15.2%	46	-70.9%	134
Absorption Rate (mos)	10.6	37.7%	7.7	-73.6%	40.2

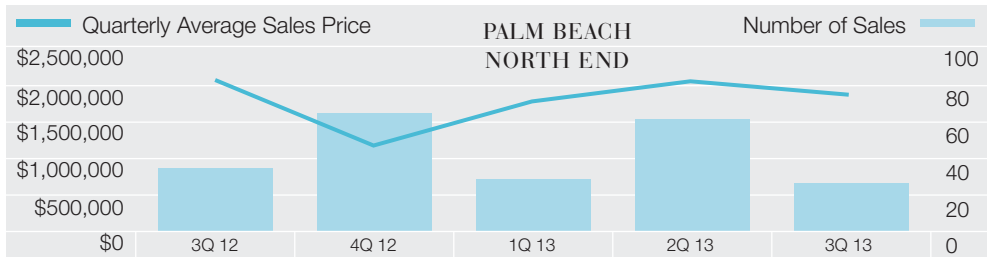


Note: This sub-category is the analysis of the top ten percent of all sales in Palm Beach within the MLS. The data is also contained within the other markets presented.

NORTH END

- Price indicators fell from the prior year quarter** Despite the 13.8% increase to 3,941 square feet in average sales size, all price indicators posted year-over-year declines. Median sales price declined 9.7% to \$1,840,000 from the same period last year. Average sales price slipped 1.7% to \$2,707,788 and average price per square foot fell 13.6% to \$687 over the same period.
- The number of sales fell sharply** There were 26 sales in the quarter, a 23.5% decline from the prior year quarter and a 16.3% drop in market share to 22.8% of all Palm Beach sales.

North End Market Matrix	3Q-2013	%Chg (QRT)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$2,707,788	2.6%	\$2,638,821	-1.7%	\$2,754,464
Average Price per Sq Ft	\$687	-19.1%	\$849	-13.6%	\$795
Median Sales Price	\$1,840,000	-8.9%	\$2,020,000	-9.7%	\$2,037,500
Number of Sales (Closed)	26	-57.4%	61	-23.5%	34

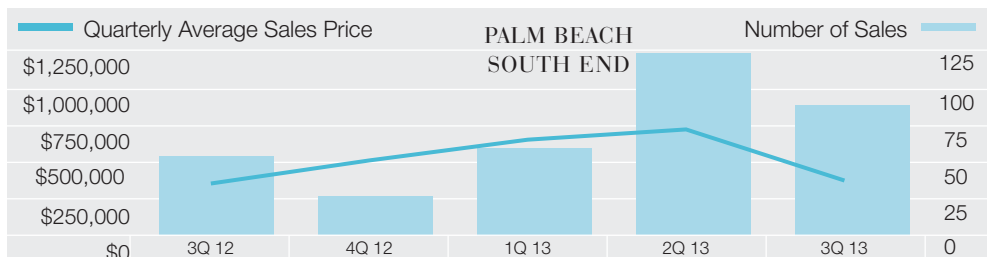


Note: This sub-category is the analysis of Palm Beach single-family and condo/townhouse sales within the MLS. They are located north of Southern Boulevard (Florida State Road 80). The data is also contained within the other markets presented.

SOUTH END

- Price indicators showed year-over-year gains** Median sales price rose 5.7% to \$370,000 and average price per square foot edged 1.2% higher to \$350, both from the same period last year. Average sales price showed a much larger gain, rising 17.5% to \$747,235 over the same period, as the average sales size jumped 16.2% to 2,135 square feet over the same period.
- The number of sales rose sharply** There were 88 sales in the quarter, 66% more than in the same period last year and the second highest total in more than two years. Market share expanded 16.3% to 77.2% of all Palm Beach sales.

South End Market Matrix	3Q-2013	%Chg (QRT)	2Q-2013	%Chg (YR)	3Q-2012
Average Sales Price	\$747,235	-59.2%	\$1,833,353	17.5%	\$635,786
Average Price per Sq Ft	\$350	-51.2%	\$717	1.2%	\$346
Median Sales Price	\$370,000	-48.1%	\$712,500	5.7%	\$350,000
Number of Sales (Closed)	88	-28.5%	123	66.0%	53



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.

Douglas Elliman Real Estate
 340 Royal Poinciana Way, Suite 318
 Palm Beach, FL 33480
 561.655.8600 / elliman.com

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

©2013 Douglas Elliman LLC and Miller Samuel Inc. All worldwide rights reserved.

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