

ELLI MAN REPORT

2Q 2014

LONG ISLAND SALES

Quarterly Survey of Residential Sales
[The Hamptons and the North Fork reported separately]

CONDOS & SINGLE FAMILY DASHBOARD

year-over-year

PRICES

Median Sales Price

↑ 1.4%

PACE

Absorption Rate

↑ 1.1 mos

SALES

Closed Sales

↓ 6.3%

INVENTORY

Total Inventory

↑ 5.6%

MARKETING TIME

Days on Market

↓ 6 days

NEGOTIABILITY

Listing Discount

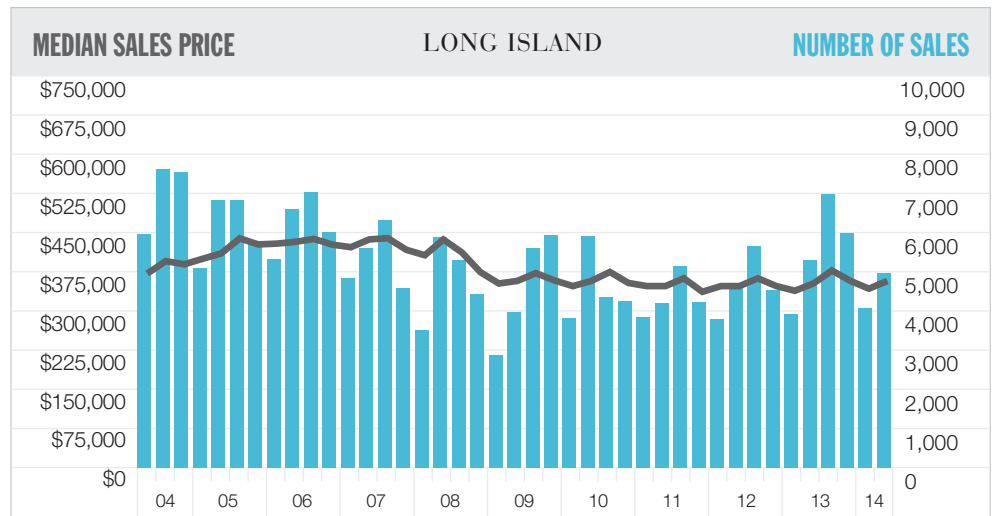
↓ 0.7%

- Housing prices edged higher
- Sales declined as inventory expanded
- Marketing times and negotiability decreased

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.

Long Island Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$440,575	0.2%	\$439,757	0.3%	\$439,116
Median Sales Price	\$360,000	4.3%	\$345,000	1.4%	\$355,000
Number of Sales (Closed)	4,950	21.6%	4,071	-6.3%	5,281
Days on Market (From Original List Date)	117	-4.1%	122	-4.9%	123
Listing Discount (From Original List Price)	5.0%		5.5%		5.7%
Listing Inventory	17,208	14.0%	15,098	5.6%	16,300
Absorption Rate (Months)	10.4	-6.3%	11.1	11.8%	9.3
Total Pending Sales	6,393	24.5%	5,135	-5.6%	6,775
Year-to-Date	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price (YTD)	\$440,206	N/A	N/A	0.6%	\$437,401
Median Sales Price (YTD)	\$350,000	N/A	N/A	0.0%	\$350,000
Number of Sales (YTD)	9,021	N/A	N/A	-1.8%	9,186
Total Pending Sales (YTD)	11,528	N/A	N/A	-8.5%	12,601

*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.



Long Island housing prices had year-over-year increases for the 4th consecutive quarter, although the rate of growth appeared to be cooling. Median sales price edged 1.4% higher to \$360,000 and average sales price saw a nominal 0.3% gain to \$440,575 respectively from the same period last year. Remaining unchanged from the same period last year, the luxury housing market, representing the top 10% of all sales during the period, demonstrated stability with a median sales price of \$999,000. Like most of the region, supply edged higher, while

sales have not kept up with the prior year's rapid pace. After 8 consecutive quarters of rising sales activity, the number of sales decreased 6.3% to 4,950 over the same period. Rising prices have pulled more inventory into the market after 11 consecutive quarters of decreasing supply on a year-over-year basis. Listing inventory expanded 5.6% to 17,208 from the prior year quarter after reaching a 12-year low in the fourth quarter of 2013. The absorption rate, the number of months to sell all listing inventory at the current pace of sales, increased by 1.1 months to 10.4

months, but remains faster than the 12.4 month average of the past decade. Despite the slower market pace, marketing times and negotiability continued to compress. Days on market, the

number of days from the original listing date to the contract date, was 117 days, 6 days faster than the prior year quarter. Listing discount, the percentage difference between the original

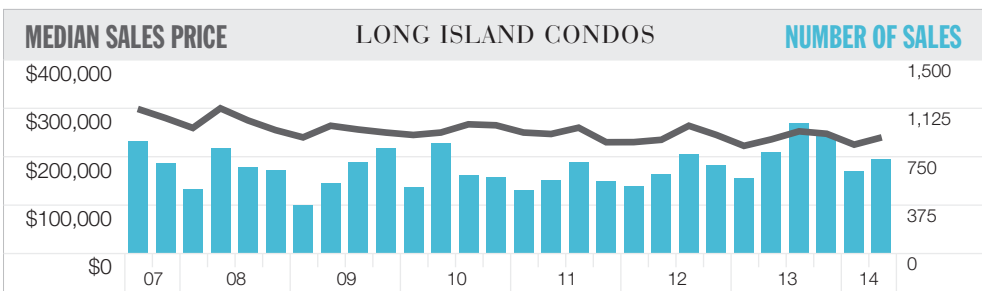
listing price and the sales price, fell by 0.7% to 5%, the lowest level reached in 6 years.

CONDOS

- Both sales and inventory declined from prior year levels
- Price indicators continued to escalate

Condo Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$303,203	9.7%	\$276,465	1.0%	\$300,290
Median Sales Price	\$240,000	6.7%	\$225,000	1.7%	\$236,000
Number of Sales (Closed)	723	14.6%	631	-7.2%	779
Days on Market (From Original List Date)	137	0.7%	136	-2.8%	141
Listing Discount (From Original List Price)	4.8%		5.3%		5.3%
Listing Inventory	2,576	4.9%	2,455	-3.5%	2,669
Absorption Rate (Months)	10.7	-8.5%	11.7	3.9%	10.3
Total Pending Sales	980	34.4%	729	-3.7%	1,018

Condo Quintiles	Median Sales Price	%Change (YEAR)
5/5	\$595,000	2.4%
4/5	\$341,250	-5.2%
3/5	\$240,000	1.7%
2/5	\$175,000	2.9%
1/5	\$97,500	8.3%

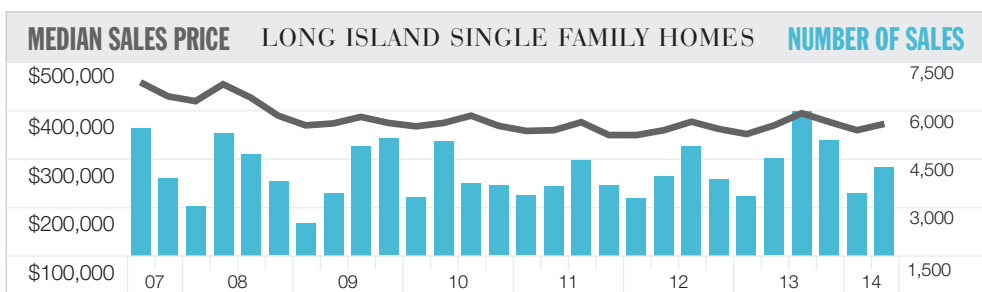


SINGLE FAMILY

- Price indicators increased from same period last year
- Sales declined as listing inventory increased

Single Family Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$468,276	0.3%	\$467,080	1.3%	\$462,124
Median Sales Price	\$373,000	3.6%	\$360,000	0.8%	\$370,000
Number of Sales (Closed)	4,227	22.9%	3,440	-6.1%	4,502
Days on Market (From Original List Date)	113	-5.0%	119	-5.8%	120
Listing Discount (From Original List Price)	5.2%		5.7%		6.0%
Listing Inventory	16,128	15.2%	14,000	6.9%	15,090
Absorption Rate (Months)	11.4	-6.6%	12.2	12.9%	10.1
Total Pending Sales	5,642	21.8%	4,634	-5.4%	5,967

Single Family Quintiles	Median Sales Price	%Change (YEAR)
5/5	\$793,000	1.3%
4/5	\$470,000	1.1%
3/5	\$373,000	0.8%
2/5	\$295,000	0.0%
1/5	\$190,000	0.5%



LUXURY

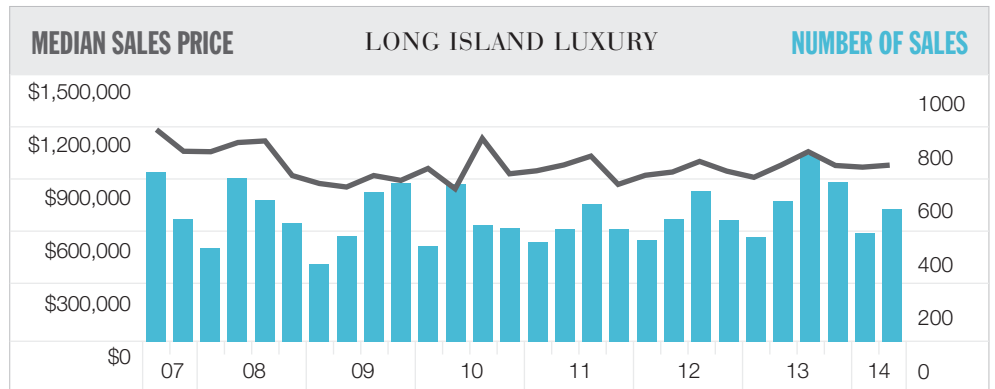
- Price indicators increased at a similar rate to overall market
- Entry threshold remained unchanged from the prior year quarter

Luxury Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$1,285,104	-3.6%	\$1,333,003	2.2%	\$1,257,758
Median Sales Price	\$999,000	1.2%	\$987,500	0.0%	\$999,000
Number of Sales (Closed)	494	21.7%	406	-6.3%	527
Days on Market (From Original List Date)	116	-16.5%	139	-7.2%	125
Listing Discount (From Original List Price)	7.1%		7.8%		8.2%
Listing Inventory	3,728	15.5%	3,227	10.9%	3,363
Absorption Rate (Months)	22.6	-5.0%	23.8	18.3%	19.1
Total Pending Sales	808	26.1%	641	-3.8%	840
Entry Threshold	\$760,000	1.3%	\$750,000	0.0%	\$760,000

LUXURY *continued*

Luxury Quintiles	Median Sales Price	%Change (YEAR)
5/5	\$1,899,000	2.6%
4/5	\$1,338,000	6.2%
3/5	\$999,000	0.0%
2/5	\$895,000	3.5%
1/5	\$798,000	1.1%

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.

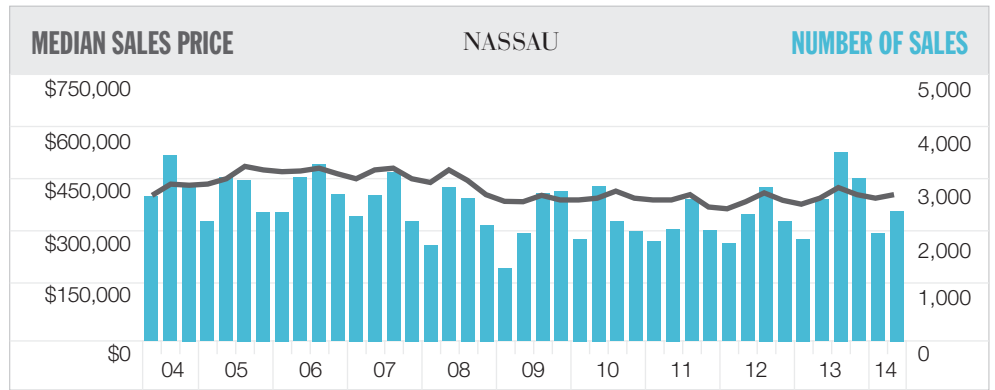


NASSAU

- Price indicators continued to rise
- Both closed sales and pending sales declined from the prior year quarter
- Marketing time and negotiability drifted lower as inventory edged higher

Nassau Quintiles	Median Sales Price	%Change (YEAR)
5/5	\$930,000	3.6%
4/5	\$549,950	3.0%
3/5	\$415,000	2.5%
2/5	\$340,000	4.1%
1/5	\$220,000	3.8%

Nassau Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$543,775	-0.4%	\$546,140	3.8%	\$523,736
Median Sales Price	\$415,000	2.5%	\$405,000	2.5%	\$405,000
Number of Sales (Closed)	2,431	20.8%	2,012	-8.4%	2,653
Days on Market (From Original List Date)	111	-5.1%	117	-1.8%	113
Listing Discount (From Original List Price)	5.7%		6.3%		6.6%
Listing Inventory	7,686	14.1%	6,735	3.7%	7,414
Absorption Rate (Months)	9.5	-5.0%	10.0	13.1%	8.4
Total Pending Sales	3,206	26.0%	2,545	-8.9%	3,520



NASSAU - NORTH SHORE

- Housing prices increased from same period last year
- The decline in sales outpaced decline in inventory

Nassau-North Shore Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$969,000	-2.2%	\$990,712	8.5%	\$893,363
Median Sales Price	\$770,000	10.3%	\$697,944	7.7%	\$715,000
Number of Sales (Closed)	513	16.1%	442	-13.6%	594
Days on Market (From Original List Date)	114	-9.5%	126	-0.9%	115
Listing Discount (From Original List Price)	7.1%		7.8%		8.4%
Listing Inventory	1,845	22.8%	1,503	-1.1%	1,865
Absorption Rate (Months)	10.8	5.9%	10.2	14.9%	9.4
Total Pending Sales	664	24.1%	535	-15.7%	788

NASSAU - SHORE SHORE

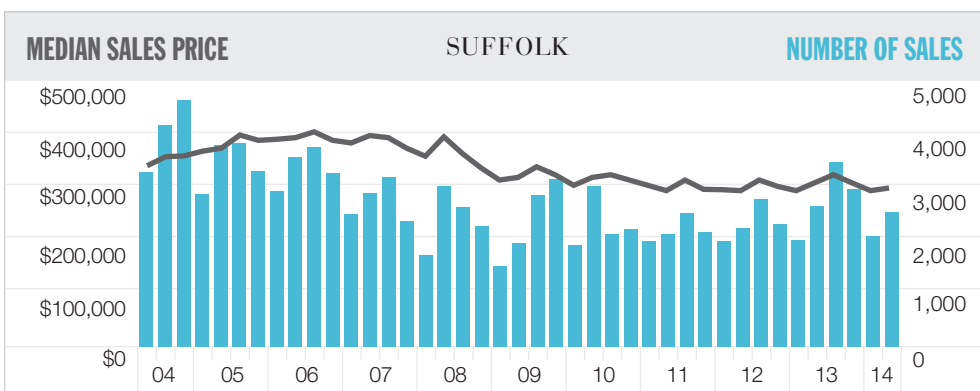
- Price indicators exceeded prior year levels
- Closed sales edged higher as pending sales surged

Nassau-South Shore Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$417,414	4.5%	\$399,501	2.6%	\$406,884
Median Sales Price	\$390,000	4.8%	\$372,000	4.0%	\$375,000
Number of Sales (Closed)	732	28.2%	571	1.9%	718
Days on Market (From Original List Date)	121	-11.0%	136	-1.6%	123
Listing Discount (From Original List Price)	5.9%		6.7%		7.0%
Listing Inventory	2,686	12.8%	2,381	26.6%	2,122
Absorption Rate (Months)	11.0	-12.0%	12.5	23.6%	8.9
Total Pending Sales	885	23.1%	719	10.8%	799

SUFFOLK

- Price indicators declined from same period last year
- Listing inventory increased as sales declined
- Despite rising inventory, days on market declined from the prior year quarter

Suffolk Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$348,035	5.0%	\$331,408	-1.1%	\$351,956
Median Sales Price	\$300,000	1.7%	\$295,000	-3.2%	\$310,000
Number of Sales (Closed)	2,519	22.3%	2,059	-4.1%	2,628
Days on Market (From Original List Date)	122	-3.9%	127	-8.3%	133
Listing Discount (From Original List Price)	4.4%		4.7%		4.8%
Listing Inventory	9,522	13.9%	8,363	7.2%	8,886
Absorption Rate (Months)	11.3	-7.4%	12.2	11.9%	10.1
Total Pending Sales	3,187	23.1%	2,590	-2.1%	3,255



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

Suffolk-North Shore Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$622,280	14.0%	\$545,694	-7.3%	\$671,454
Median Sales Price	\$491,000	12.2%	\$437,500	-0.3%	\$492,500
Number of Sales (Closed)	244	17.3%	208	-11.6%	276
Days on Market (From Original List Date)	108	2.9%	105	-16.3%	129
Listing Discount (From Original List Price)	4.2%		5.4%		4.1%
Listing Inventory	911	19.4%	763	21.5%	750
Absorption Rate (Months)	11.2	1.8%	11.0	36.6%	8.2
Total Pending Sales	294	46.3%	201	-9.5%	325

SUFFOLK - NORTH SHORE

- Housing prices edged lower than last year's results
- Sales declined as listing inventory increased

SUFFOLK - SHORE SHORE

- Price indicators and sales volume increased
- Listing inventory rose sharply as marketing time slipped

Suffolk-South Shore Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$299,215	8.2%	\$276,647	4.4%	\$286,575
Median Sales Price	\$280,500	4.3%	\$269,000	2.0%	\$275,000
Number of Sales (Closed)	805	33.1%	605	11.3%	723
Days on Market (From Original List Date)	137	-2.1%	140	-4.2%	143
Listing Discount (From Original List Price)	5.3%		4.5%		6.0%
Listing Inventory	3,194	12.1%	2,848	14.7%	2,784
Absorption Rate (Months)	11.9	-15.6%	14.1	2.6%	11.6
Total Pending Sales	996	15.3%	864	13.8%	875

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