

ELLIMAN

REPORT

2Q 2014
MANHATTAN
SALES

Quarterly Survey of Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

5.2%

PACE

Absorption Rate

0.5 mos

SALES

Closed Sales

6.3%

INVENTORY

Total Inventory

18%

MARKETING TIME

Days on Market

82 days

NEGOTIABILITY

Listing Discount

0.1%

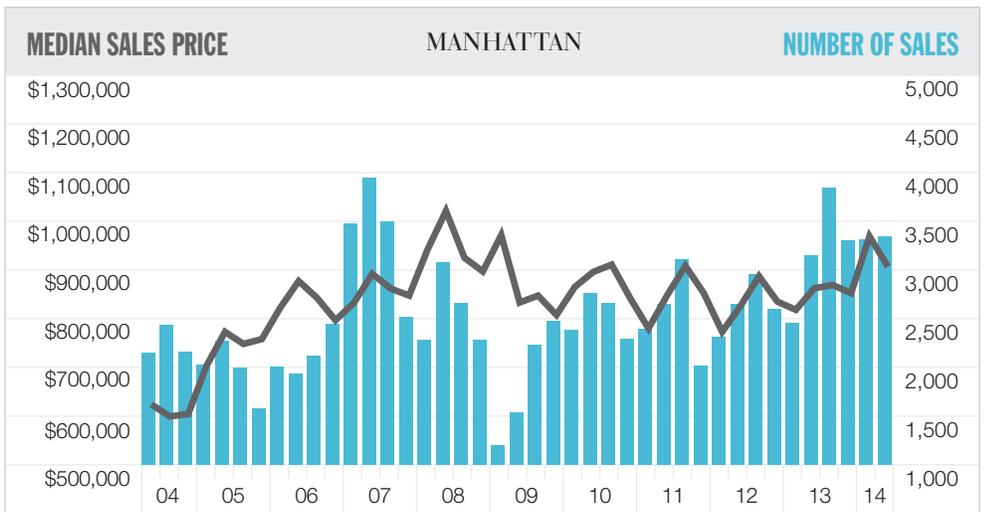
KEY POINTS

- Inventory rise continues, but remains low
- Prices and sales press higher
- Marketing time fell sharply

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	2Q-2014	%Chg (qtr)	1Q-2014	%Chg (yr)	2Q-2013
Average Sales Price	\$1,680,185	-5.3%	\$1,773,523	17.9%	\$1,425,403
Average Price per Sq Ft	\$1,268	-7.0%	\$1,363	10.4%	\$1,149
Median Sales Price	\$910,000	-6.4%	\$972,428	5.2%	\$865,000
New Development	\$1,580,000	-8.7%	\$1,731,025	13.3%	\$1,395,000
Re-sale	\$890,000	-1.1%	\$900,000	6.3%	\$837,500
Number of Sales (Closed)	3,342	1.1%	3,307	6.3%	3,144
Days on Market (From Last List Date)	96	-16.5%	115	-46.1%	178
Listing Discount (From Last List Price)	2.8%		2.6%		2.7%
Listing Inventory (Active)	5,659	13.9%	4,968	18.0%	4,795
Absorption Rate (Months)	5.1	13.3%	4.5	10.9%	4.6
Pending Price Index (1Q 08 = 100)	123.23	18.1%	104.32	20.5%	102.26
Pending Sales Index (1Q 08 = 100)	112.39	6.7%	105.31	-25.9%	151.58
Year-to-Date	2Q-2014	%Chg (qtr)	1Q-2014	%Chg (yr)	2Q-2013
Average Sales Price (YTD)	\$1,726,608	N/A	N/A	23.8%	\$1,394,417
Average Price per Sq Ft (YTD)	\$1,315	N/A	N/A	16.5%	\$1,129
Median Sales Price (YTD)	\$935,750	N/A	N/A	10.6%	\$846,000
Number of Sales (YTD)	6,649	N/A	N/A	18.7%	5,601

*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.

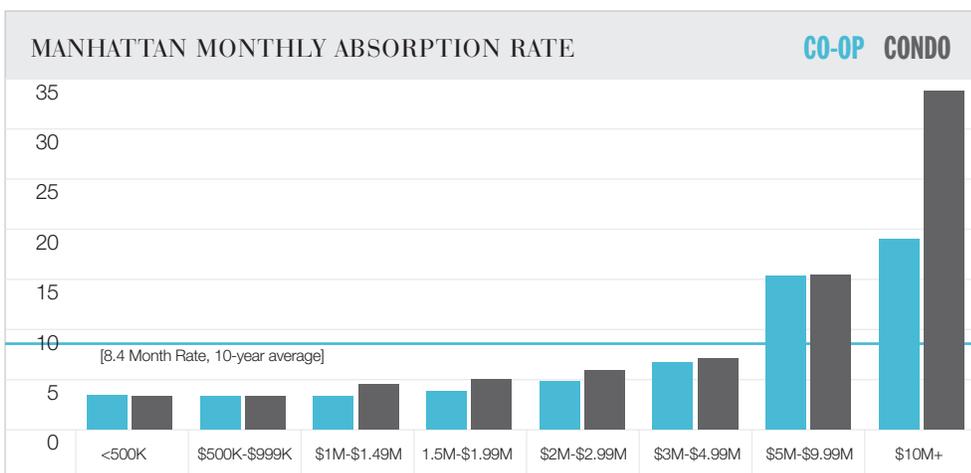
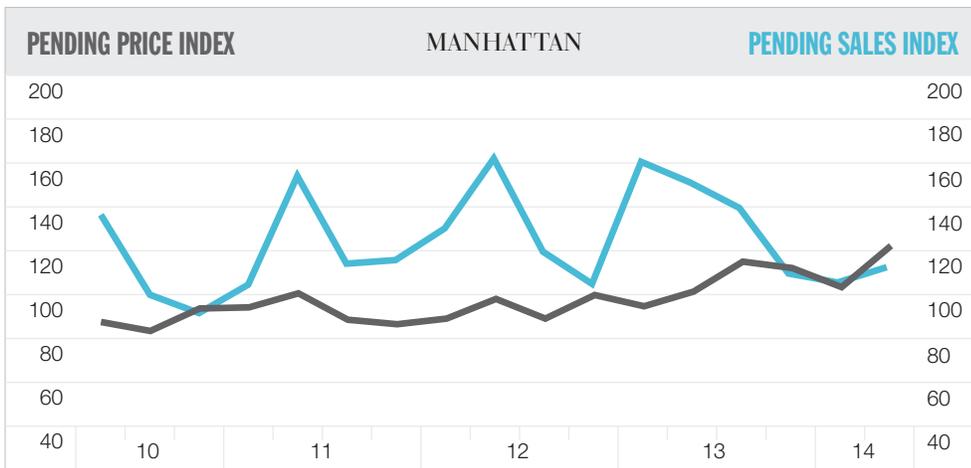


Manhattan housing prices continued to press higher, driven by low inventory and seven consecutive quarters of year-over-year sales growth. Mortgage rates have drifted lower, nearly returning to their prior year levels while the local economy has added jobs and international demand for product has been relentless. The luxury market showed the most price gains as

more new development product has begun to close. Newly built condos remained, for the most part, a subset of the luxury market. After trailing the condo market in terms of sales and price trends, the co-op market has rebounded in the past several quarters as consumers increasingly seek out greater affordability. Manhattan median sales price increased 5.2% to \$910,000 from the

prior year quarter. Much of the gain came from the co-op market, which comprised 59.5% of sales and a 9% rise in median sales price. The median sales price of a condo edged 0.8% higher over the same period. The average sales price and average price per square foot of all Manhattan apartments showed greater gains of 17.9% and 10.4% respectively over the same period. These gains were influenced by increases in the luxury and new development markets as bigger, higher quality product entered the market. The price rise of these indicators was partially attributable to more square footage within the units sold, rather than a shift in the mix to more bedrooms. The 15% market share of 3-bedroom and 4-bedroom sales remained unchanged from the prior year quarter. However, the average square footage of a re-sale increased 6.8% to 1,277, while the average square footage of a new development sale rose 24.9% to 1,853 over the same period.

The number of sales that closed at or above the list price at time of contract rose to 45.9%, the highest level reached since 51.6% in the third quarter of 2008. Although the number of sales increased 6.3% from the prior year quarter for the seventh consecutive quarter, the increase was well below the 27.6% average growth of the past 4 quarters. The easing rate of sales growth, along with rising prices, has allowed inventory to expand. After reaching a 14-year low of 4,164 listings in the last quarter of 2013 and a likely bottom, listing inventory has expanded for the past two months. With supply rising faster than sales, the overall pace of the market began to stabilize. The monthly absorption rate, the number of months to sell all inventory at the current rate of sales, edged 0.5 months higher from the prior year quarter to 5.1



months, still well below the 8.4 month average of the past decade. Inventory expanded 18% to 5,659 from the prior year quarter with the gain largely attributable to the condo market. Condo inventory jumped 42.9%, largely from the 68.6% rise in new development inventory that was primarily built as condo. Co-op inventory slipped a nominal 0.7%. Luxury inventory increased 20.4%, slightly outpacing non-luxury inventory growth of 17.3% over the same period. Listing

discount, the percentage difference between the list price at time of sale and the sales price was essentially unchanged at 2.8% from the prior year quarter. Days on market, the number of days from the last price change to the contract date, fell by roughly half to 96 days from the prior year quarter as languishing listings were sold off. The monthly carrying charges for co-ops and condos sold was \$1.73 per square foot, the same result as the year ago quarter.

LOFTS

KEY POINTS:

- Prices rose across all indicators
- Sales declined as inventory expanded
- Marketing time decreased

Loft Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$2,626,156	4.6%	\$2,509,619	16.5%	\$2,253,372
Average Price per Sq Ft	\$1,435	-0.8%	\$1,447	15.5%	\$1,242
Median Sales Price	\$1,850,000	-6.0%	\$1,969,015	4.8%	\$1,765,000
Number of Sales (Closed)	216	-9.6%	239	-17.2%	261
Days on Market (From Last List Date)	51	-54.5%	112	-68.7%	163
Listing Discount (From Last List Price)	3.0%		2.5%		3.5%
Listing Inventory (Active)	423	41.9%	298	21.9%	347
Absorption Rate (Months)	5.9	59.5%	3.7	47.5%	4.0

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

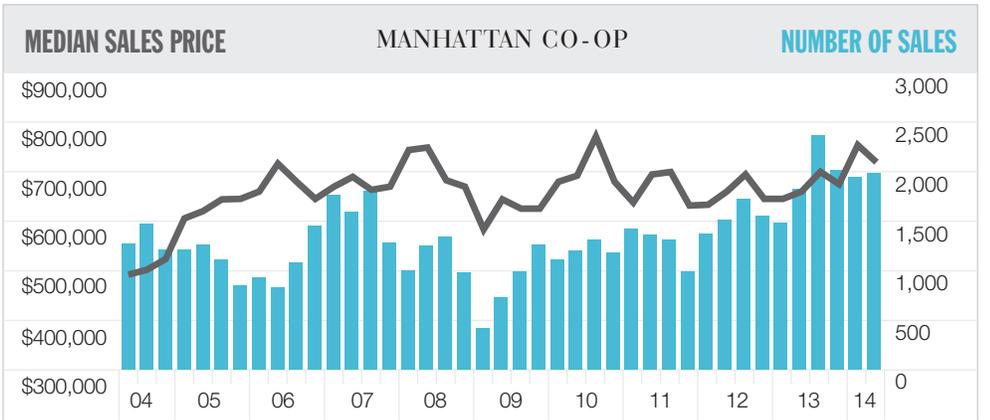
CO-OPS

KEY POINTS:

- All price indicators rose
- Inventory decreased as sales expanded
- Days on market declined

Co-op Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$1,454,193	-2.3%	\$1,488,226	33.5%	\$1,089,269
Average Price Per Sq Ft	\$1,121	-7.0%	\$1,205	14.0%	\$983
Median Sales Price	\$725,000	-4.6%	\$760,000	9.0%	\$665,000
Number of Sales	1,990	1.8%	1,954	8.8%	1,829
Days on Market (From Last List Date)	71	-27.6%	98	-62.2%	188
Listing Discount (From Last List Price)	3.1%		1.7%		2.6%
Listing Inventory (Active)	2,718	8.8%	2,499	-0.7%	2,737
Absorption Rate (Monthly, Active)	4.1	7.9%	3.8	-8.9%	4.5

Co-op Mix	Sales Share	Median Sales Price
Studio	15.6%	\$385,000
1 bedroom	41.9%	\$600,000
2 bedroom	29.7%	\$1,300,700
3 bedroom	9.9%	\$2,650,000
4+ bedroom	2.8%	\$6,058,587



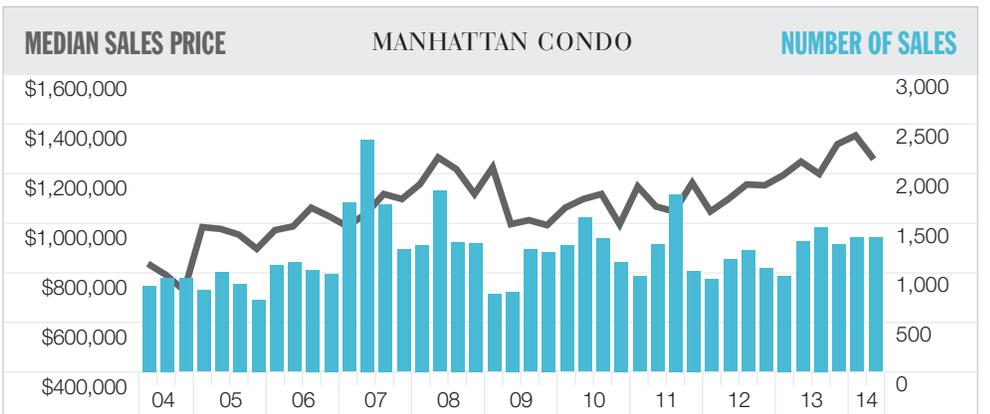
CONDOS

KEY POINTS:

- Modest price growth
- Inventory rose as sales edged up
- Marketing time contracted

Condo Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$2,012,820	-7.9%	\$2,185,548	6.3%	\$1,892,924
Average Price Per Sq Ft	\$1,484	-6.7%	\$1,591	7.5%	\$1,381
Median Sales Price	\$1,260,000	-7.0%	\$1,355,000	0.8%	\$1,250,000
Number of Sales	1,352	-0.1%	1,353	2.8%	1,315
Days on Market (From Last List Date)	133	-5.0%	140	-18.4%	163
Listing Discount (From Last List Price)	2.4%		4.0%		2.8%
Listing Inventory (Active)	2,941	19.1%	2,469	42.9%	2,058
Absorption Rate (Monthly, Active)	6.5	18.2%	5.5	38.3%	4.7

Condo Mix	Sales Share	Median Sales Price
Studio	11.9%	\$605,000
1 bedroom	36.5%	\$930,000
2 bedroom	33.4%	\$1,740,000
3 bedroom	14.8%	\$2,995,000
4+ bedroom	3.4%	\$7,000,000



LUXURY

KEY POINTS:

- Strong double-digit price increase
- Marketing time decreased
- Entry threshold moves higher

Luxury Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$7,254,472	-1.8%	\$7,390,037	38.3%	\$5,246,773
Average Price per Sq Ft	\$2,735	1.1%	\$2,706	36.3%	\$2,006
Median Sales Price	\$4,973,306	-13.6%	\$5,753,112	18.4%	\$4,200,000
Number of Sales (Closed)	334	0.9%	331	6.4%	314
Days on Market (From Last List Date)	137	4.6%	131	-25.5%	184
Listing Discount (From Last List Price)	3.7%		0.9%		3.9%
Listing Inventory (Active)	1,393	0.9%	1,380	20.4%	1,157
Absorption Rate (Months)	12.5	0.0%	12.5	12.6%	11.1
Entry Threshold	\$3,250,000	-12.5%	\$3,715,000	10.2%	\$2,950,000

Luxury Mix	Sales Share	Median Sales Price
Co-ops	34.7%	\$4,687,304
Condos	65.3%	\$5,000,000
New Dev.	6.9%	\$17,000,000
Re-sales	93.1%	\$4,495,000



NEW DEVELOPMENT

KEY POINTS:

- Prices post large gains
- Inventory rose sharply
- Larger unit sales begin to close

New Development Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$3,520,735	24.3%	\$2,832,812	66.3%	\$2,116,759
Average Price per Sq Ft	\$1,900	3.6%	\$1,834	33.1%	\$1,427
Median Sales Price	\$1,580,000	-8.7%	\$1,731,025	13.3%	\$1,395,000
Number of Sales (Closed)	231	-37.1%	367	-40.6%	389
Days on Market (From Last List Date)	117	2.6%	114	-30.4%	168
Listing Discount (From Last List Price)	3.2%		13.4%		2.9%
Listing Inventory (Active)	1,396	26.7%	1,102	68.6%	828
Absorption Rate (Months)	18.1	101.1%	9.0	182.8%	6.4
Sales Share of Overall Market	6.9%		16.1%		12.4%

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	34.6%	\$551,279
\$1M - \$3M	39.4%	\$1,742,399
> \$3M	26.0%	\$6,838,800



© 2014 DOUGLAS ELLIMAN REAL ESTATE. EQUAL HOUSING OPPORTUNITY.

Douglas Elliman
Real Estate
575 Madison Avenue
New York, NY 10022
212.891.7000
elliman.com

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

EASTSIDE 980 Madison Avenue 212.650.4800 • 575 Madison Avenue 212.891.7000 **MIDTOWN** 425 East 58th Street 212.832.1666 • 205 East 42nd Street 212.692.6111 • 485 Madison Avenue 212.350.8500 **WESTSIDE** 1995 Broadway 212.362.9600 • 2142 Broadway 212.769.2004 • 2112 Frederick Douglass Blvd. 212.865.1100 **DOWNTOWN** 90 Hudson Street 212.965.6000 • 26 West 17th Street 212.645.4040 • 137 Waverly Place 212.206.2800 • 51 East 10th Street 212.995.5357 • 690 Washington Street 212.352.3400 • 675 Third Avenue 212.370.9200 **BROOKLYN** 490 Driggs Avenue 718.486.4400 • 325 Court Street 718.522.2929 • 156 Montague Street 718.780.8100 • 154 Seventh Avenue 718.840.2000 • 664 Fulton Street 718.715.7000 **QUEENS** 209-18 Northern Blvd. 718.631.8900 • 47-37 Vernon Blvd. 646.299.2096 **RIVERDALE** 3265 Johnson Avenue 718.884.5815 • 6048 Riverdale Avenue 718.601.6100

575 MADISON AVENUE, NY, NY 10022. 212.891.7000 | © 2014 DOUGLAS ELLIMAN REAL ESTATE. ALL MATERIAL PRESENTED HEREIN IS INTENDED FOR INFORMATION PURPOSES ONLY. WHILE THIS INFORMATION IS BELIEVED TO BE CORRECT, IT IS REPRESENTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OR WITHDRAWAL WITHOUT NOTICE. ALL PROPERTY INFORMATION, INCLUDING, BUT NOT LIMITED TO SQUARE FOOTAGE, ROOM COUNT, NUMBER OF BEDROOMS AND THE SCHOOL DISTRICT IN PROPERTY LISTINGS ARE DEEMED RELIABLE, BUT SHOULD BE VERIFIED BY YOUR OWN ATTORNEY, ARCHITECT OR ZONING EXPERT. IF YOUR PROPERTY IS CURRENTLY LISTED WITH ANOTHER REAL ESTATE BROKER, PLEASE DISREGARD THIS OFFER. IT IS NOT OUR INTENTION TO SOLICIT THE OFFERINGS OF OTHER REAL ESTATE BROKERS. WE COOPERATE WITH THEM FULLY. EQUAL HOUSING OPPORTUNITY.

For more information or electronic copies of this report please visit elliman.com/marketreports. Email report author Jonathan Miller at jmiller@millersamuel.com with questions or comments.

Report Methodology:

<http://www.millersamuel.com/research-reports/methodology>