

ELLI MAN

REPORT

2Q 2014

PALM BEACH SALES

Quarterly Survey of
Palm Beach Residential Sales

DASHBOARD

year-over-year

CONDO & TOWNHOUSE

PRICES

Median Sales Price

5.8%

SALES

Closed Sales

13.8

INVENTORY

Total Inventory

14.5%

MARKETING TIME

Days on Market

25 days

SINGLE FAMILY

PRICES

Median Sales Price

31%

SALES

Closed Sales

19.7 mos

INVENTORY

Total Inventory

7.4%

MARKETING TIME

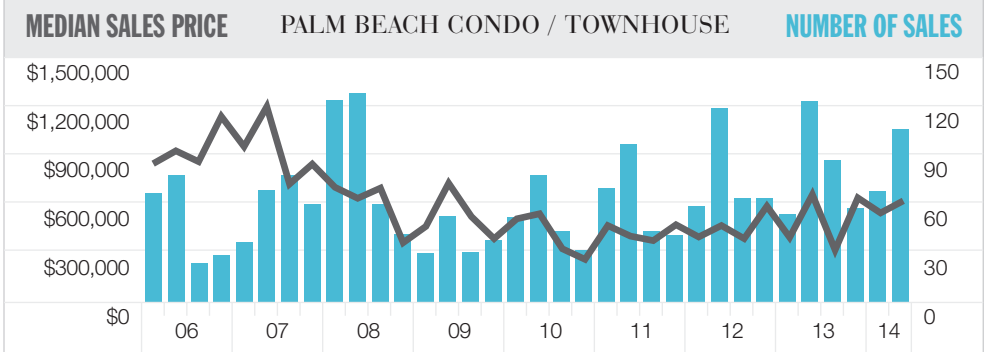
Days on Market

141 days

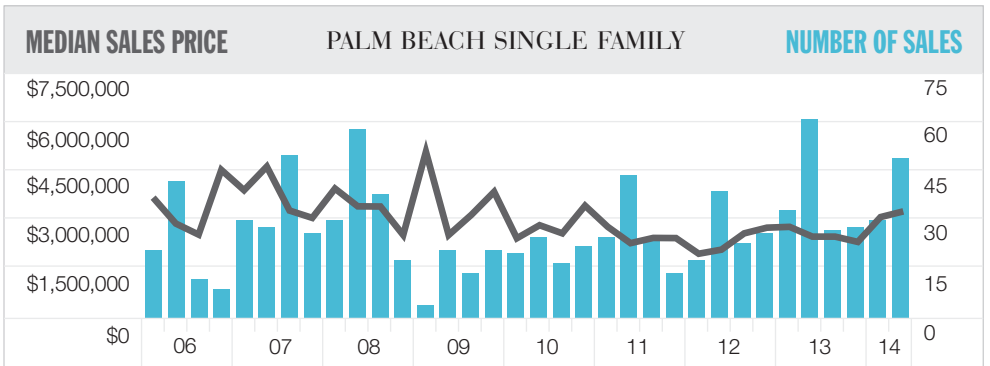
- Condo/townhouse prices were mixed as single family prices increased
- Low inventory continued to restrain sales
- Marketing times were faster as supply declined

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.

Palm Beach Market Matrix (Condos/TH)	2Q-2014	%Chg (QRT)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$948,197	4.6%	\$906,115	1.9%	\$930,790
Average Price Per Sq Ft	\$511	-3.4%	\$529	5.1%	\$486
Median Sales Price	\$622,000	13.6%	\$547,500	-5.8%	\$660,000
Number of Sales (Closed)	106	55.9%	68	-13.8%	123
Days on Market (From Last List Date)	211	15.9%	182	-10.6%	236
Listing Discount (From Last List Price)	10.1%		10.6%		12.0%
Listing Inventory (Active)	282	-21.7%	360	-14.5%	330
Absorption Rate (Months)	8.0	-49.7%	15.9	0.0%	8.0



Palm Beach Market Matrix (Single Family)	2Q-2014	%Chg (QRT)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$5,565,433	-13.7%	\$6,450,093	24.8%	\$4,458,744
Average Price Per Sq Ft	\$1,297	5.8%	\$1,226	24.0%	\$1,046
Median Sales Price	\$3,275,000	5.6%	\$3,100,000	31.0%	\$2,500,000
Number of Sales (Closed)	49	63.3%	30	-19.7%	61
Days on Market (From Last List Date)	137	-27.5%	189	-50.7%	278
Listing Discount (From Last List Price)	12.1%		16.9%		20.8%
Listing Inventory (Active)	100	-23.7%	131	-7.4%	108
Absorption Rate (Months)	6.1	-53.4%	13.1	15.1%	5.3



The Palm Beach housing market remained challenged by low inventory that has continued to limit sales. The decline in total listing inventory from last year was seen in both

major property types. Listing inventory for the condo/townhouse and single family markets fell 14.5% and 7.4% respectively from the prior year quarter. The number of townhouse/condo and

single family sales followed the same pattern declining 13.8% and 19.7% respectively. Overall housing price indicators were mixed, but showed more increases than declines from the prior year period. The median sales price of the condo market fell 5.8% to \$622,000, while the single family median sales price jumped 31% to \$3,275,000. Average sales price and average price per square foot for both housing types

were above prior year levels. Price indicators in the luxury market, the top 10% of all sales, were mixed. Luxury median sales price fell 12.1% to \$6,675,000, while the luxury average sales price increased 12.6% to \$11,412,230. The entry threshold for the luxury market began at \$5,615,000, up 5% from the prior year period, the highest level in the 3 years this metric has been tracked. Listing discount in the luxury

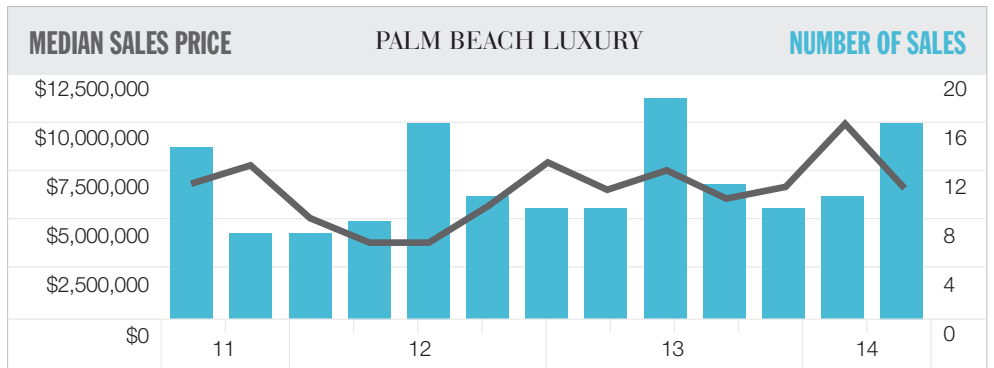
market, the percentage difference between the list price at time of sale and the sales price, was 13.8% decreased sharply from 24.5% in the prior year quarter, as languishing listings were sold off. Days on market in the luxury market, the number of days from the last price change to contract date, fell by roughly half to 149 days from the prior year quarter reflecting the lack of inventory in the market.

LUXURY

- Marketing times and negotiability declined
- Pace of market slowed as inventory expanded and sales declined
- Price indicators were mixed
- Entry threshold highest in three years

Luxury Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$11,412,230	-21.7%	\$14,578,295	12.6%	\$10,135,967
Average Price Per Sq Ft	\$1,865	19.2%	\$1,565	26.8%	\$1,471
Median Sales Price	\$6,675,000	-33.1%	\$9,975,000	-12.1%	\$7,596,200
Number of Sales (Closed)	16	60.0%	10	-11.1%	18
Days on Market (From Last List Date)	149	-15.3%	176	-57.3%	349
Listing Discount (From Last List Price)	13.8%		18.7%		24.5%
Listing Inventory (Active)	62	-24.4%	82	34.8%	46
Absorption Rate (Months)	11.6	-52.8%	24.6	50.6%	7.7
Entry Threshold	\$5,615,000	12.9%	\$4,975,000	5.0%	\$5,350,000

Luxury Mix	Sales Share	Volume Share
>\$20M (%)	12.5%	36.1%
>\$10M - \$20M (%)	18.8%	24.3%
>Entry - \$10M (%)	68.8%	39.5%



Palm Beach by LOCATION

- North End sees double-digit price growth
- Number of sales fall in both markets
- Marketing time and negotiability fell

North End Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$3,692,699	25.0%	\$2,953,264	36.8%	\$2,699,496
Average Price per Sq Ft	\$1,141	16.5%	\$979	30.1%	\$877
Median Sales Price	\$2,425,000	34.7%	\$1,800,000	34.7%	\$1,800,000
Number of Sales (Closed)	88	49.2%	59	-20.0%	110

South End Market Matrix	2Q-2014	%Chg (QTR)	1Q-2014	%Chg (YR)	2Q-2013
Average Sales Price	\$720,263	-65.3%	\$2,073,744	-40.5%	\$1,209,810
Average Price per Sq Ft	\$368	-53.6%	\$793	-29.5%	\$522
Median Sales Price	\$425,000	34.9%	\$315,000	-17.8%	\$517,250
Number of Sales (Closed)	67	71.8%	39	-9.5%	74

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.

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