

CORE Real Time Report

A Monthly Real Time Analysis of the Manhattan Residential Market

The monthly CORE Real Time Report is the first of its kind for the Manhattan residential market. It is an analysis of real-time information that tracks current contract pricing and absorption. This report is different from other published reports in that it reflects existing contract data, not sold and closed data, which often takes months or years to be recorded. When looking for an accurate snapshot of the current market, contract data is the most pertinent information. Sold and closed data reflects historical market information and cannot be accurately attributed to a specific time in the market, due to the nature and length of the transaction process. This is further skewed with new development transactions, which can sometimes reflect a period of more than two years, from signing to closing. As is the case with all residential reports, this report is not 100% accurate; but it is a very reliable snapshot of current market conditions. The information in this report is gathered from numerous sources and includes parameters in Manhattan below 96th Street; it does not include new development data, unless otherwise noted.

February 2010

In general, the month of February is a good indicator of the historically strong spring season that follows, and this February showed a significant increase in volume. February 2010 marked the strongest month to date, in terms of contracts signed, since the slowdown and eventual market crash in mid-2008. While the total number of contracts signed this month increased dramatically, asking prices and contract-signed prices continued to fluctuate minimally, with the greatest increase showing up in the four-bedroom sector. The difference between asking prices and contract-signed prices this month also remained on par with those of the past several months—with the exception of two-bedroom apartments, which had an 18% drop from asking price to contract-signed price. In January, we saw very strong numbers for large apartments, which have since declined 21% but are still hovering above \$10M, on average. This, coupled with the increase in availability and the steady rise in the number of new-development contracts being signed, indicates the start of what could be a very good season.

Contract Data by Month and Unit Size						
Month	Size	# in Contract	Original List Price	Last List Price	CS Price	From List to CS
December	Studio	101	\$493,328.00	\$466,877.00	\$446,567.85	-9.48%
			-12.44%	-11.21%	-10.27%	
January	Studio	93	\$431,963.00	\$414,522.00	\$400,718.42	-7.23%
			7.87%	8.93%	9.13%	
February	Studio	198	\$468,865.00	\$455,171.00	\$440,969.66	-5.95%
Month	Size	# in Contract	Original List Price	Last List Price	CS Price	From List to CS
December	1 BR	295	\$777,219.00	\$732,585.00	\$701,743.17	-9.71%
			-2.20%	-1.55%	-0.61%	
January	1 BR	232	\$794,347.00	\$743,943.00	\$697,446.56	-12.20%
			-0.92%	-0.59%	-0.40%	
February	1 BR	567	\$787,001.00	\$739,538.00	\$694,648.04	-11.73%
Month	Size	# in Contract	Original List Price	Last List Price	CS Price	From List to CS
December	2 BR	226	\$1,849,744.00	\$1,632,722.00	\$1,538,513.94	-16.83%
			-12.60%	-8.70%	-6.77%	
January	2 BR	187	\$1,616,761.00	\$1,490,679.00	\$1,434,331.33	-11.28%
			1.82%	-2.57%	-6.31%	
February	2 BR	451	\$1,646,764.00	\$1,452,419.00	\$1,343,778.06	-18.40%
Month	Size	# in Contract	Original List Price	Last List Price	CS Price	From List to CS
December	3 BR	103	\$3,035,520.00	\$2,784,971.00	\$2,491,435.06	-17.92%
			-2.62%	-1.94%	0.39%	
January	3 BR	72	\$2,956,138.00	\$2,731,037.00	\$2,501,083.68	-15.39%
			7.50%	9.49%	10.18%	
February	3 BR	141	\$3,195,757.00	\$3,017,514.00	\$2,784,501.57	-12.87%
Month	Size	# in Contract	Original List Price	Last List Price	CS Price	From List to CS
December	4 BR	20	\$5,482,578.00	\$4,857,578.00	\$4,404,851.73	-19.66%
			16.28%	16.57%	16.26%	
January	4 BR	24	\$6,548,958.00	\$5,822,291.00	\$5,259,857.69	-19.68%
			7.89%	15.52%	21.11%	
February	4 BR	37	\$7,109,972.00	\$6,892,111.00	\$6,667,428.18	-6.22%
Month	Size	# in Contract	Original List Price	Last List Price	CS Price	From List to CS
December	5/6 BR	3	\$5,230,000.00	\$5,065,000.00	\$4,817,321.50	-7.89%
			67.01%	63.76%	63.92%	
January	5/6 BR	6	\$15,853,333.00	\$13,977,333.00	\$13,351,148.48	-15.78%
			-24.45%	-22.25%	-21.63%	
February	5/6 BR	16	\$11,977,500.00	\$10,867,000.00	\$10,462,747.60	-12.65%

Monthly Resale Data

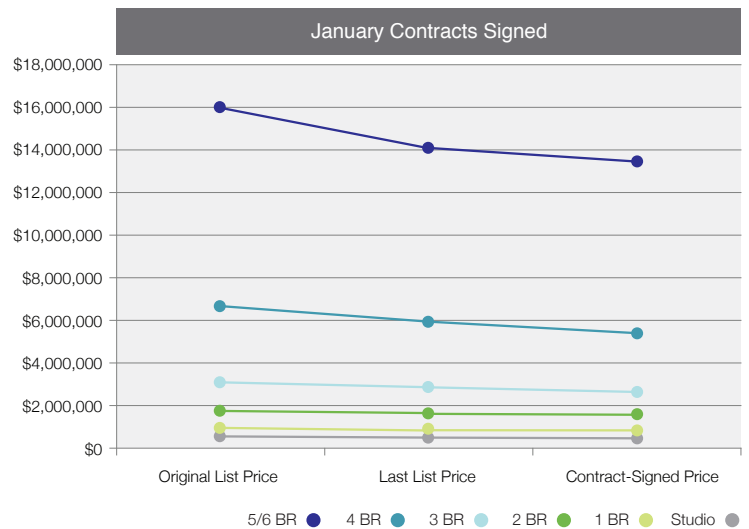
December 2009

In December, asking prices for four-bedroom apartments were higher than that of five/six-bedroom units. This was the case in November as well and is due to the similarity in square footage among units in the four- to six-bedroom range. Additionally, recent evidence shows that a higher bedroom count with the same square footage can generate an overall percentage decline from original asking price to contract-signed price. In Q4 of 2009 we also saw a decline, month to month, in the overall prices for larger units.



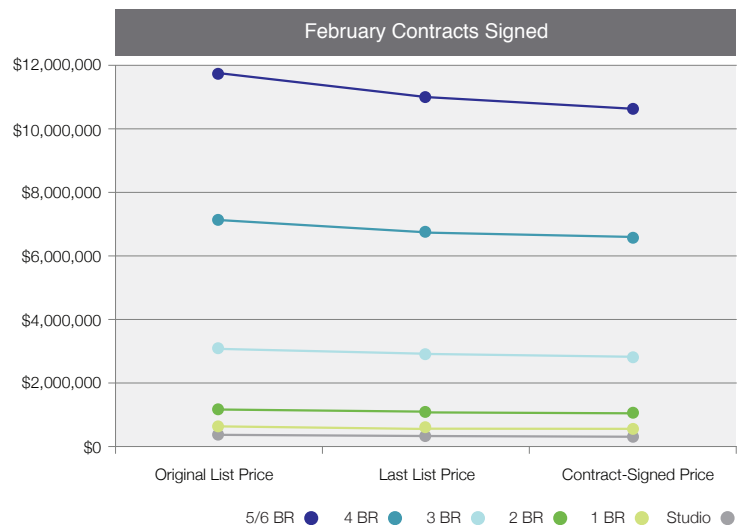
January 2010

Five/six-bedroom apartments saw the greatest price increase, with an average contract-signed price for January of \$13,351,148. This is the highest number we have achieved in the past year and a half; and while absorption for these units is not as great as it has been, the willingness of buyers to purchase these apartments indicates renewed confidence in the market. Studios, one- and two-bedrooms maintained similar numbers to those of the previous six months. The lack of fluctuation marks a strong start to the year. Not to be overlooked are the increased contract-signed prices for four-bedroom apartments and the jump in the five/six-bedroom category.



February 2010

February 2010 marked a drop in asking and contract-signed prices for five/six-bedroom apartments. This decline could be due to the fact that there were more five/six-bedroom apartments contracted in February, causing the average price to drop from that of January. Studios, one-, two-, three- and four-bedroom prices remained fairly consistent, with only marginal changes compared with the previous month. Contract-signed prices continued to drop several percentage points from original-ask to contract-signed. Similar to that of the January market, the larger apartment contract prices moved above the \$10M mark.



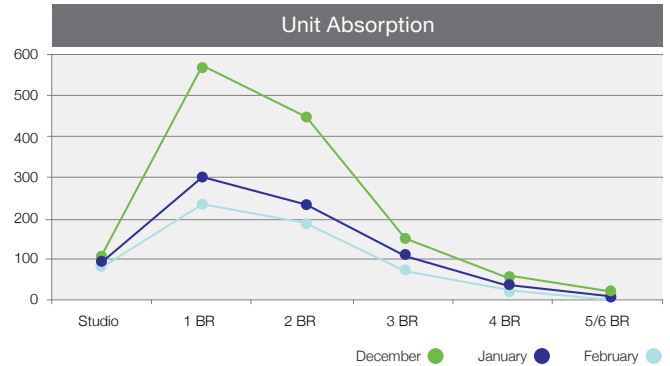
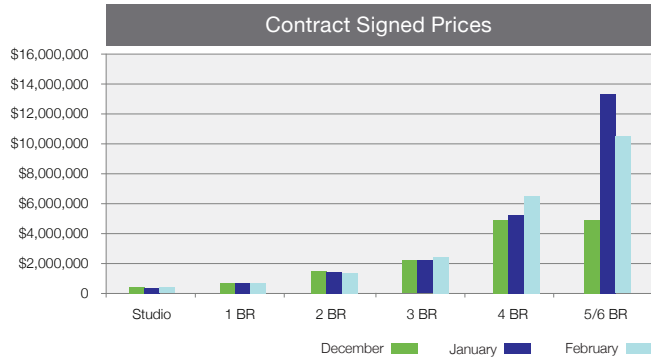
Neighborhood Data – February 2010

February was a strong month for all neighborhoods in Manhattan. Tribeca was the only neighborhood without a studio contract signed, whereas every neighborhood had sales in the one-, two- and three-bedroom categories and many had four-bedroom apartment sales for the first time in several months—notably, the East Village and Flatiron/Gramercy. The Upper East Side sold several large apartments at very high prices, averaging close to \$18M. Remarkably, Midtown East recorded a lower average contract-signed price for five/six-bedrooms this month than it did for four-bedrooms.

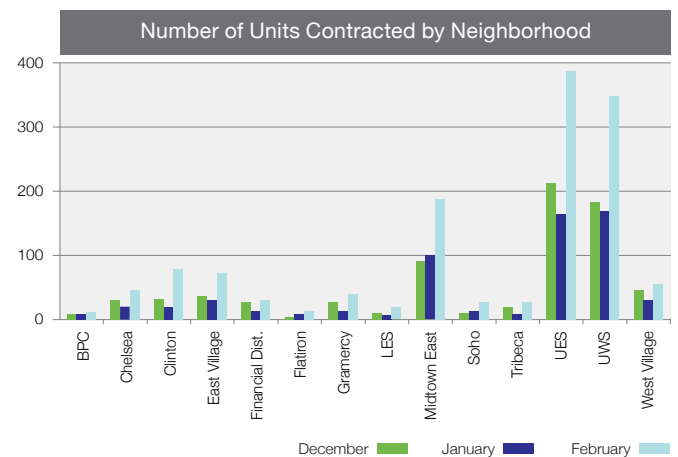
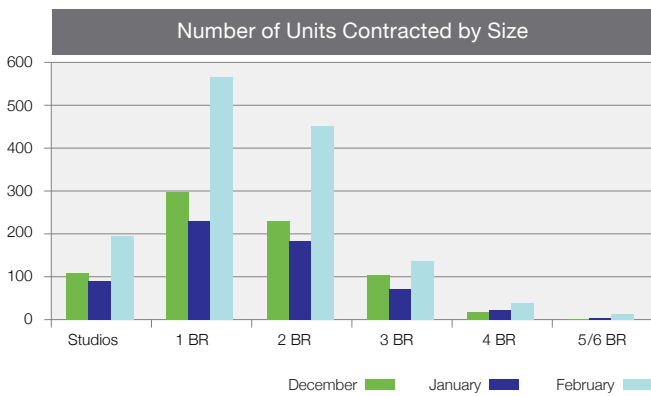


Three-Month Comparison

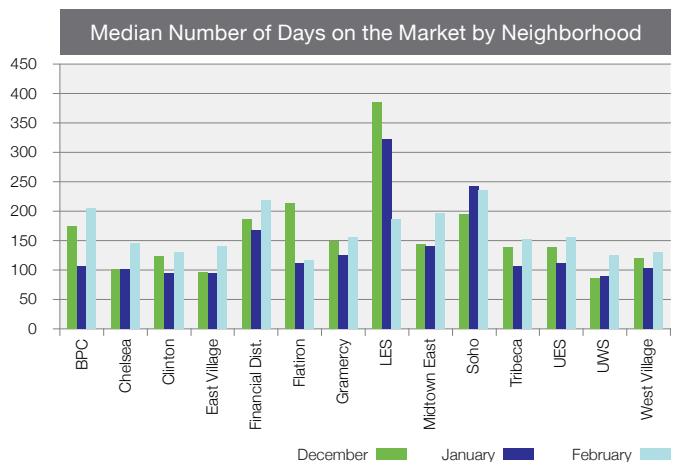
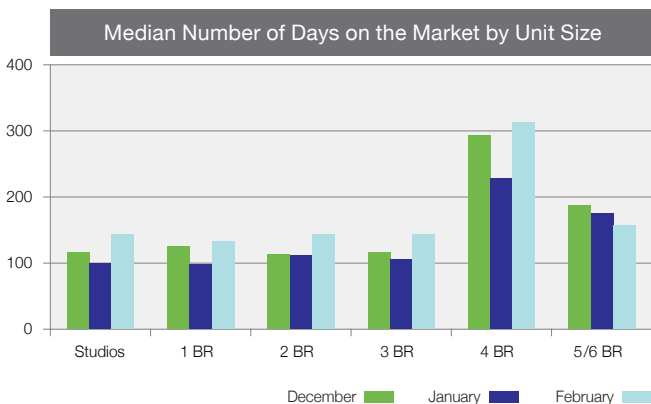
On average, contract prices remained steady in Manhattan's studio, one-, two- and three-bedroom categories in February. Studios and three-bedroom apartment contract-signed prices showed a slight improvement from January—with an increase of roughly 10%—while one- and two-bedroom apartments showed a minor decrease from the previous month. Four-bedroom apartments had the largest increase in average contract-signed price, with 21%. At the same time, five/six-bedroom apartments saw a 21% decrease in contract-signed price compared with January.



February 2010 proved to be the strongest month for absorption since the market crash in September 2008, with slightly more than 1,400 total apartments going into contract; as such, there was a substantial increase in the volume of sales for each apartment size. Every neighborhood category also showed increased numbers compared with those of January.

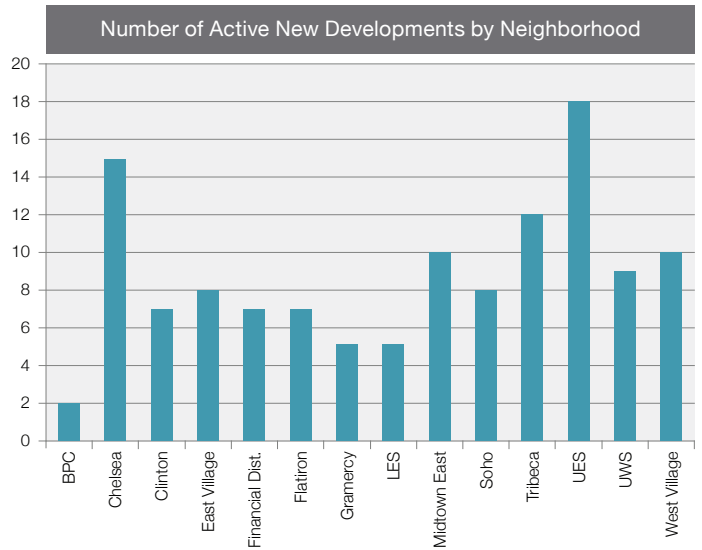
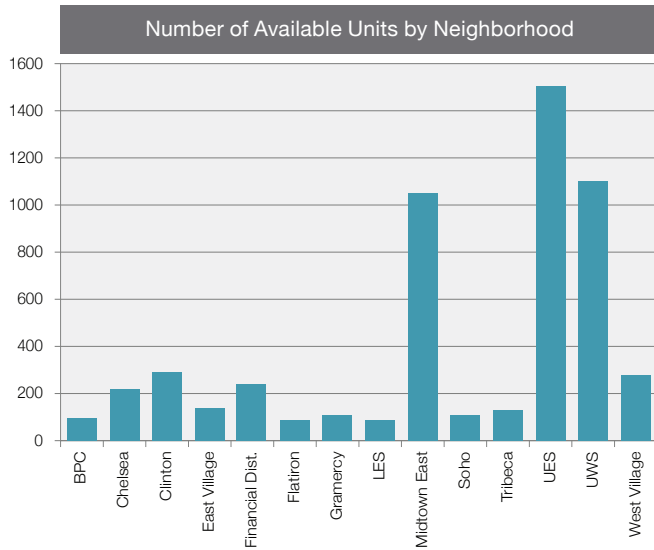


The median number of days that apartments were on the market in February increased in each of the bedroom categories—except for the five/six-bedroom sector, which has decreased steadily over the past 90 days. In fact every neighborhood, with the exception of Soho and the Lower East Side, showed an increase in the number of median days on the market.



February 2010 Inventory

Resale availability increased in February, reaching its highest number since December 2008. The Upper East Side, Upper West Side, and Midtown East remained the leaders in inventory, while Battery Park City consistently has the fewest. The number of active new developments rose in February as well, with several new-development properties coming onto the market and several older new developments coming back after a hiatus. Chelsea and the Upper East Side recorded the most new developments on the market this month.



New-development contract signings remained steady in February, with only a slight increase from the previous month. Several neighborhoods had nearly 20 contracts signed this month. The neighborhood leaders for new-development contract signings were the Financial District, Tribeca, the Upper East Side and the Upper West Side. This gradual increase from month to month may be a good indicator for the future of new developments as we start seeing more consistent pricing in this sector.

