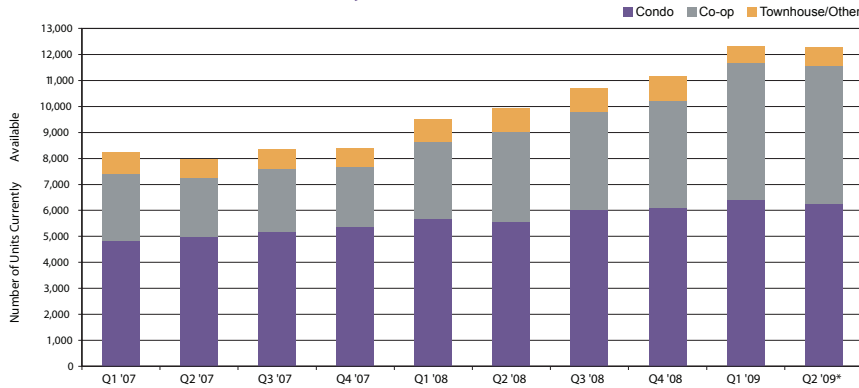


For nearly thirty years, New York residents have relied upon The Corcoran Report to provide them with an accurate picture of Manhattan's residential real estate market. In this snapshot, we surveyed our own signed contracts to build a picture of what is happening in these changing times. Bottom line: the increased inventory and declining prices have created a wonderful opportunity for buyers to get some of the best deals available in many years.

- Pamela Liebman, Chief Executive Officer

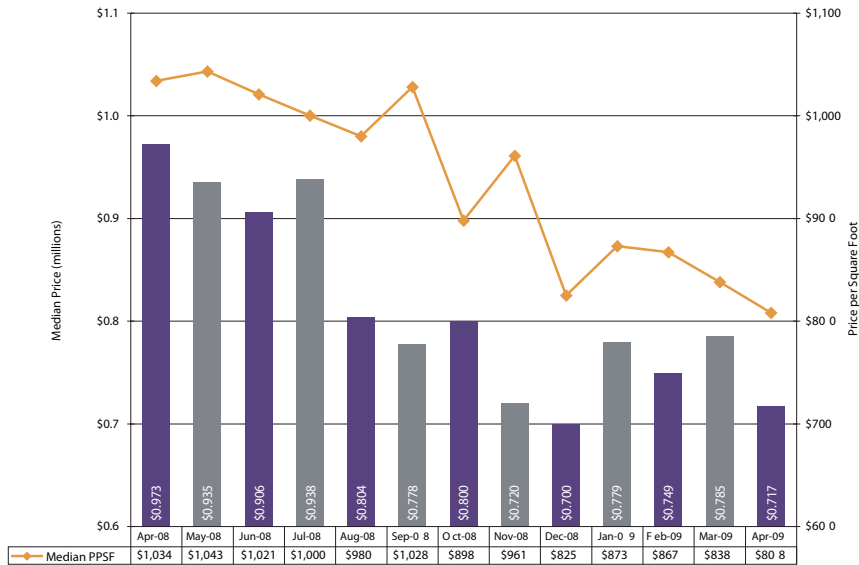
Manhattan Total Inventory



Manhattan listed available inventory decreased slightly from its peak in First Quarter 2009, and is now just below 12,300 units. This number does not include "shadow", or unlisted but unsold, new development units. Available inventory remains at near record highs and has increased 49% since First Quarter 2007. However, an uptick in sales over the last few months, plus a steep drop off in the number of new developments coming to market, may be causing inventory to stabilize.

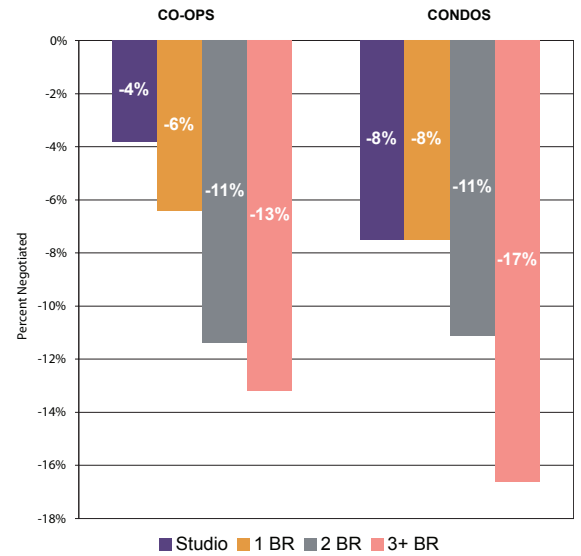
*2Q '09 Inventory as of May 5, 2009

Manhattan Median Price vs. Price per Square Foot



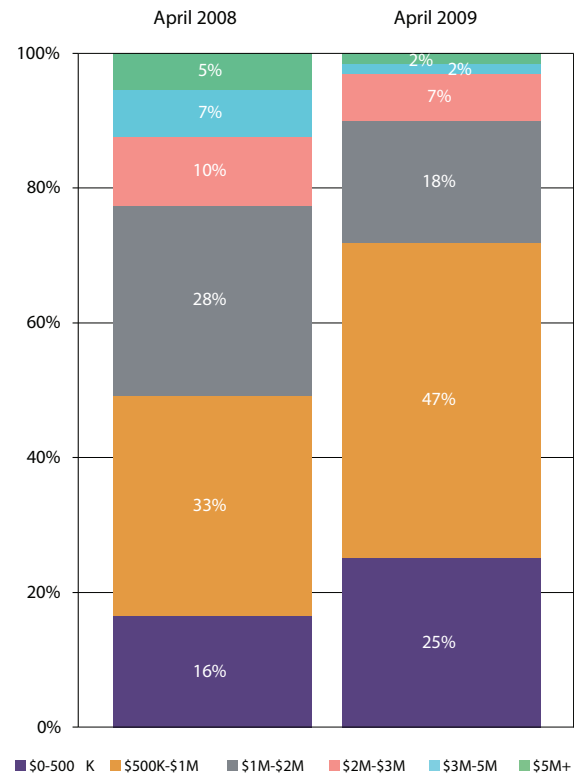
Prices continued to fall in Manhattan. Over the past year, the median price of all properties (condos and co-ops) decreased 26%, from \$972,500 to \$717,000. Half of sales are priced above this value, and half are below. Median price per square foot declined 22% to \$808, from its peak of \$1,043 during May 2008.

Negotiability Factor



Buyers have been able to negotiate substantial price discounts. The largest negotiations are for three bedroom or larger residences, with discounts of 13% for co-ops and 17% for condominiums. Condominium buyers have been able to negotiate larger discounts than co-op buyers. Co-ops generally are less expensive than condos, so they needed less of a discount to sell. Plus, the asking prices of co-ops have already been reduced by their sellers more than the prices of condominiums.

Contracts Signed by Price Category



Properties less than \$1 million now dominate sales. In April 2009, 72% of sales were less than \$1 million, while as recently as a year ago, only 49% of sales were for less \$1 million. Sales over \$3 million fell from 12% to only 4%.

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