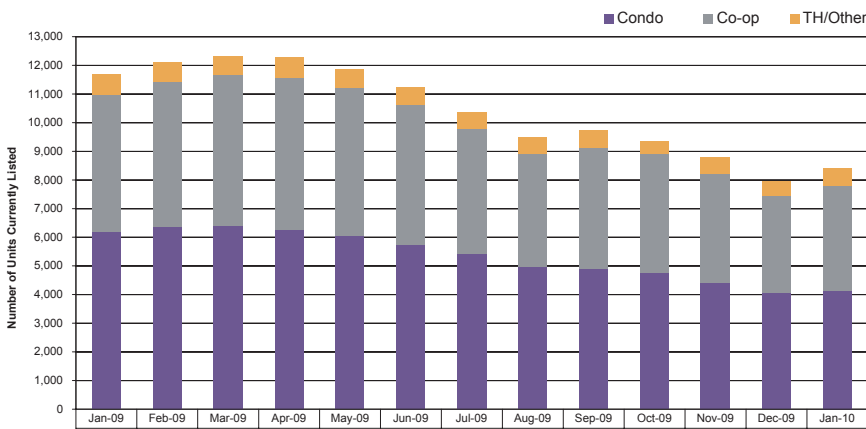


Dear Friends,

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: lower prices and pent-up demand have brought many buyers back into the market with renewed vigor.

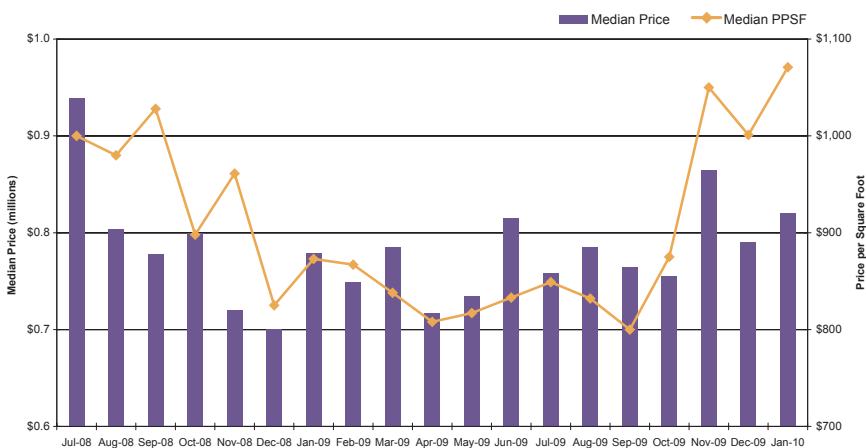
- Pamela Liebman, Chief Executive Officer

Manhattan Total Inventory



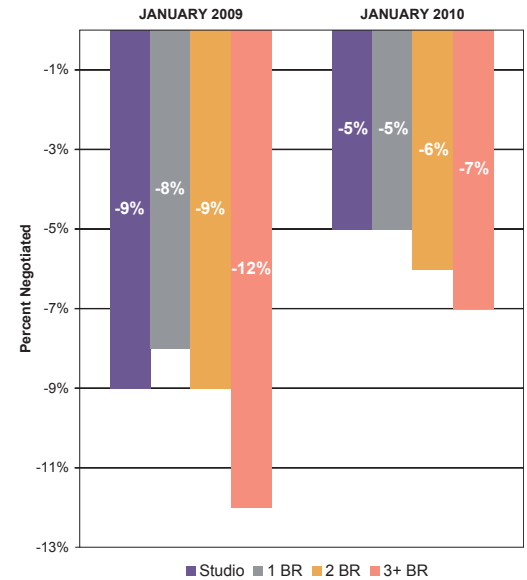
Manhattan listed available inventory is still 32% below its peak during March 2009, and now totals almost 8,400 units. Available inventory increased 6% from December 2009 as sellers relist their residences in hopes of striking a deal after the New Year. This number does not include "shadow", or unlisted and unsold new development units.

Manhattan Median Price vs. Price Per Square Foot



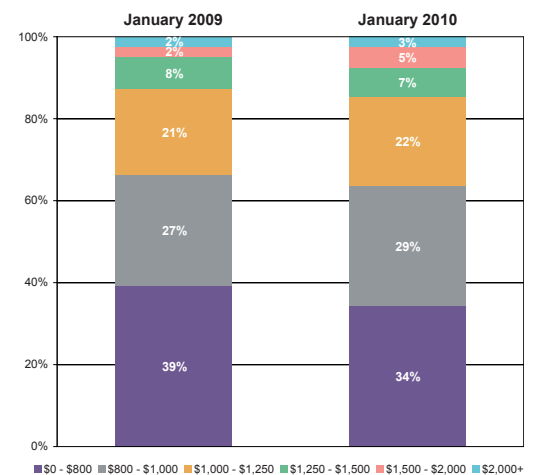
Prices appear to be stabilizing as the economy continues to strengthen and inventory declines. From its trough in December 2008 to January 2010, the median price of all properties (condos and co-ops) increased 17% from \$700,000 to \$820,000. Since September 2009, median price per square foot has increased 34% from \$800 to \$1,071. Median price per square foot is now at the same level it was two years ago. The rebound in prices is partly due to increasing sales of large luxury and new development residences.

Negotiability Factor



Continuing the trend from the end of last year, pricing expectations between buyers and sellers continued to close. In January, buyers were able to negotiate discounts from the last asking price to sale price ranging from 5% to 7%. Discounts tend to be greater for larger properties. The largest negotiations were for three bedroom or larger residences, with discounts of 7% in January, down from 12% a year ago.

Contracts Signed By Price Per Square Foot Category



In January 2009, 39% of Corcoran signed contracts were below \$800 per square foot. In January 2010, only 34% of sales were below \$800 per square foot. Sales over \$1,500 per square foot totaled 8% of sales in January, compared to January 2009 when the categories combined for only 4% of sales.