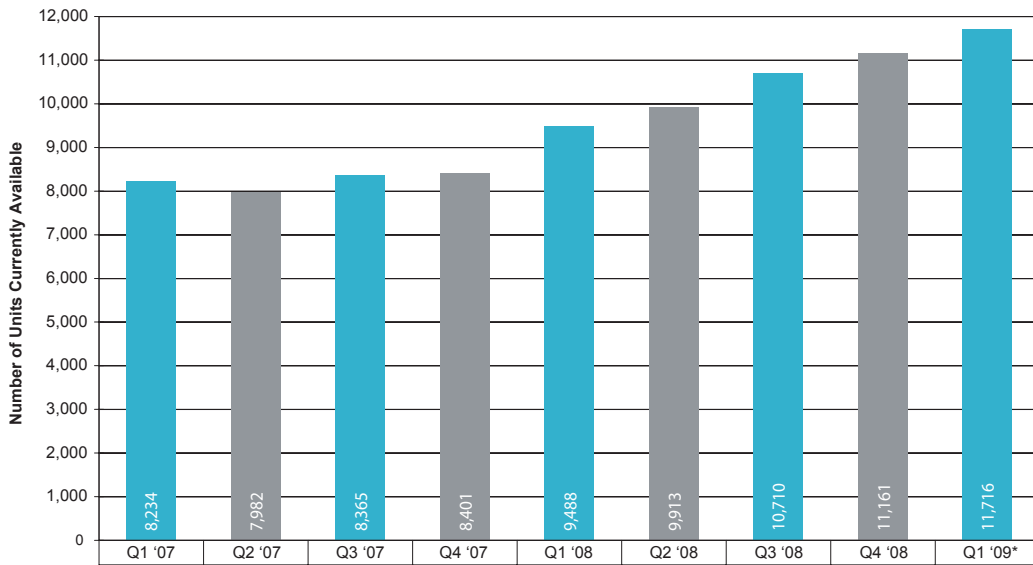


For nearly thirty years, New York residents have relied upon The Corcoran Report to provide them with an accurate picture of Manhattan's residential real estate market. In this snapshot, we surveyed our own signed contracts to build a picture of what is happening in these changing times. Bottom line: 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

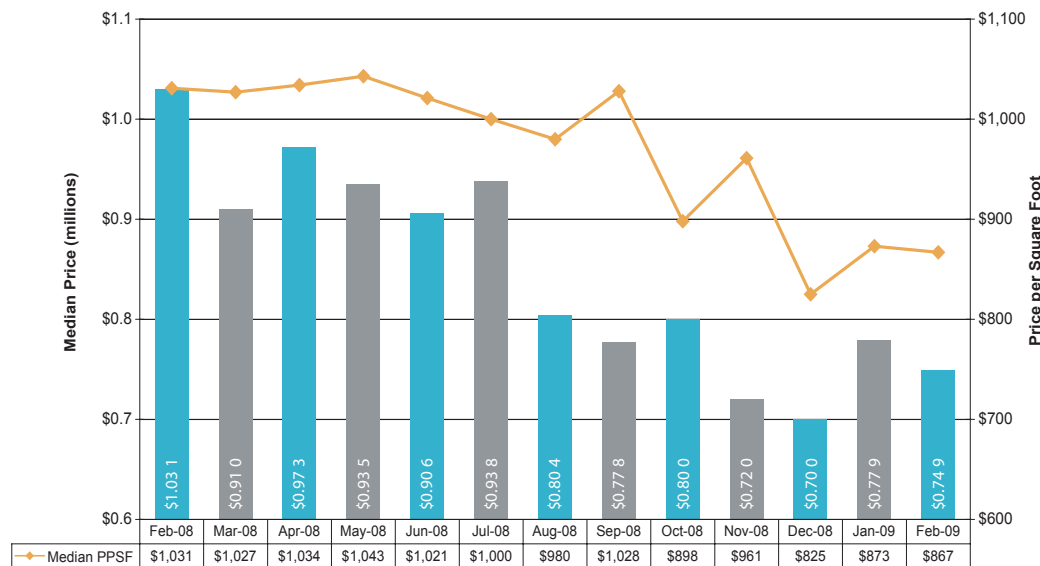
### Manhattan Total Inventory



Listed available inventory in Manhattan rose in First Quarter 2009, reaching just under 12,000 units. This number does not include "shadow", or unlisted but unsold, new development units. Inventory has increased over 47% since Second Quarter 2007, and is now at its highest level since the early 1990s.

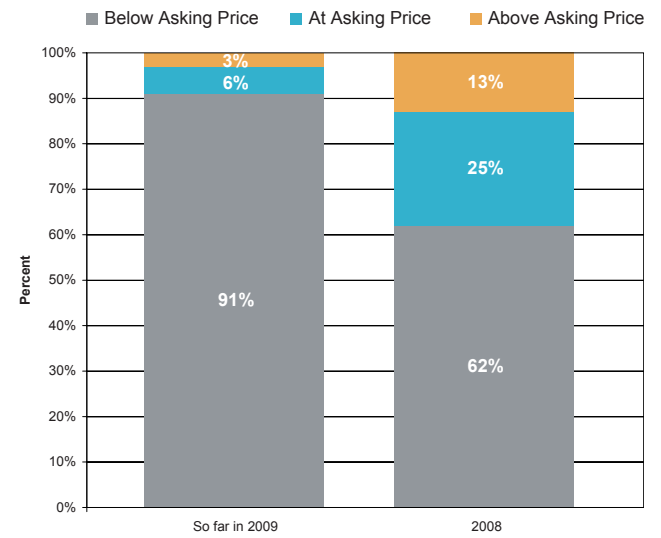
\*Q109 Inventory as of February 1, 2009

### Manhattan Median Price vs. Price per Square Foot



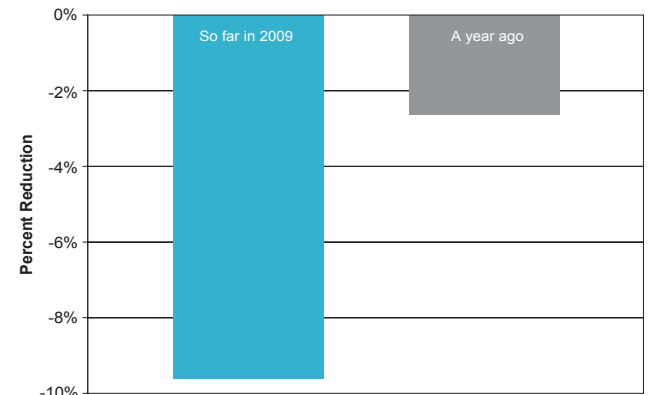
Rising inventory combined with falling demand due to difficult economic conditions and the tightening of the mortgage market has put downward pressure on prices. With sales tilted heavily toward smaller residences, the median price of all properties (condos and co-ops) decreased 27% to \$749,000 from its peak of \$1.031 million in February 2008. Median price per square foot has declined by 17% to \$867 dollars per square foot from its peak of \$1,043 during May 2008.

### Ask vs. Sale Price Comparison



As market conditions changed, buyers gained greater leverage and are now negotiating great deals. In early 2008, 62% of units were sold below their asking prices, but by the beginning of 2009, 91% of units were sold below their last asking price. Many sellers have responded by reducing their asking prices. The price reduction from original to last asking price was approximately 9% in February 2009, compared to just over 2% in February 2008. Then, to make a deal, buyers in February 2009 were able to negotiate an additional 10% off the asking price. In February 2008, the amount of negotiation from last asking to sale price was only 2%.

### Price Reduction from Original to Last Asking Price



### Negotiation from Last Asking Price to Sale Price

