URBAN COMPASS

2014

MANHATTAN MARKET REPORT

Overview

Q4 2014

Source: Urban Compass Research

CLOSINGS	COUNT	YoY	QoQ	MEDIAN PRICE	YoY	QoQ
OVERALL	*3,175*	*-18.9%*	*-2.7%*	*$885,000*	*7.8%*	*1.1%*
CONDO	*994*	*-14.1%*	*2.5%*	*$1,251,000*	*11.2%*	*3.8%*
CO-OP	*1,803*	*-21.2%*	*-4.9%*	*$680,000*	*4.8%*	*-3.8%*

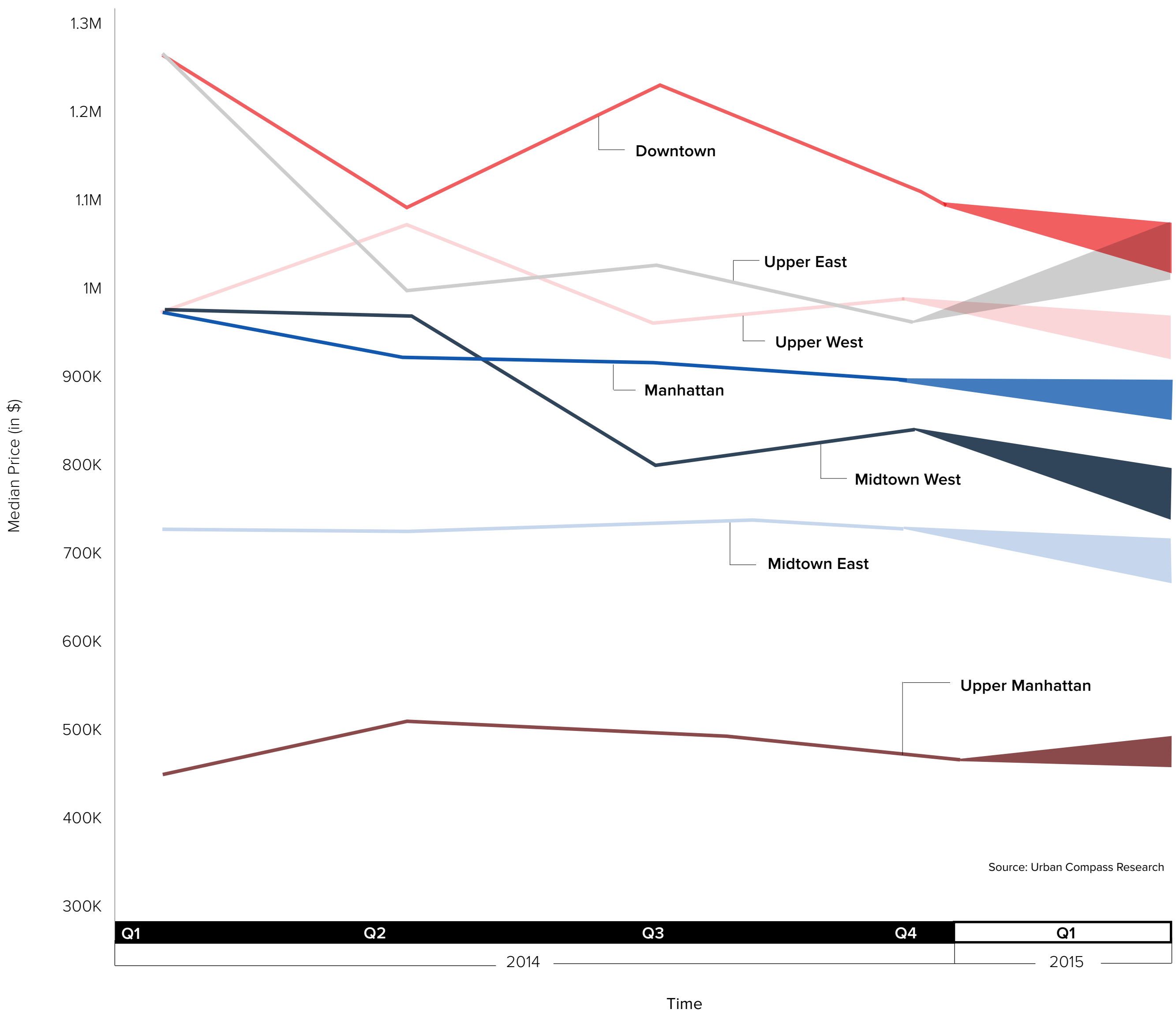
INVENTORY	COUNT	YoY	QoQ	MEDIAN PRICE	YoY	QoQ
OVERALL	*8,342*	*8.2%*	*3.1%*	*$1,495,000*	*24.6%*	*9.5%*
CONDO	*4,196*	*22.1%*	*5.1%*	*$2,350,000*	*24.7%*	*12.2%*
CO-OP	*4,017*	*-0.4%*	*2.4%*	*$829,000*	*12.2%*	*4.3%*

CONTRACTS	COUNT	YoY	QoQ	MEDIAN PRICE	YoY	QoQ
OVERALL	*2,996*	*1.5%*	*7.8%*	*$1,100,000*	*10.6%*	*4.8%*
CONDO	*1,296*	*6.6%*	*-0.2%*	*$1,700,000*	*12.8%*	*4.0%*
CO-OP	*1,685*	*0.1%*	*17.8%*	*$735,000*	*0.0%*	*5.2%*

Beacons

PRICE

The prices seen in 2014 will undeniably go down in history, but Q1 2015 will likely be a different story. Modest reductions in median closing prices are anticipated across several major markets, with a change in overall Manhattan closing price ranging between a 1.6% gain to a 3.7% drop from Q4 2014 levels.



Uncharted waters.

Median closing PPSF[1] for Manhattan has increased for the tenth consecutive quarter to $1,459 PPSF, exceeding the pre-recession peak by 19.1%. Increasing absolute prices for high-profile closings have skewed median PPSF in the overall Manhattan market. However, Q4 2014 may represent the last quarter of consecutive price increases as overall Manhattan median pricing is expected to change either increasing by 1.6% or decreasing as much as 3.7% in Q1 2015, based on our proprietary research.

Points

- **Q4 2014 MEDIAN PPSF EXCEEDING PRE-RECESSION LEVELS**
- **SKYROCKETING PRICES IN NEW DEVELOPMENTS**
- **SIGNIFICANT PRICE GAINS IN 2014, BUT A LIKELY DECLINE IS EXPECTED IN Q1 2015**

[1] PPSF, otherwise known as price per square foot, is measured as the price of a property expressed on a square foot basis.

MEDIAN CLOSING PRICE IN Q4 2014 IS THE HIGHEST MANHATTAN HAS EVER SEEN.

Q4 2014 MEDIAN PPSF EXCEEDING PRE-RECESSION LEVELS

Median closing price per square foot (PPSF) in Q4 2014 is the highest Manhattan has ever seen. Median PPSF in Manhattan rose to $1,459 PPSF, exceeding the Q2 2008 pre-recession peak by 19.1% or $234. Q4 2014 overall median price surpassed the lowest point in the recession - Q2 2009 - by $467 PPSF or 47.1%. The overall median PPSF levels have grown at an average rate of 1.8% each quarter since the bottom of the market in Q2 2009. In 2014 alone, median PPSF values increased quarterly by an average of 3.2%.

In Q4 2014, the median closing price across condos, co-ops, and new developments in Manhattan reached $885,000. Condos achieved a median closing price of $1,251,000 in Q4 2014, 2.5% higher than the median condo price in Q3 2014. On average, median condo price grew 2.7% quarter over quarter in 2014. Year over year (YoY), Manhattan's median condo price grew 23.0% between Q1 2014 and Q1 2013, 5.1% in Q2, 10.9% in Q3, and 11.2% in Q4. For 2014 overall, average YoY growth across all four quarters in median price was 12.6%.

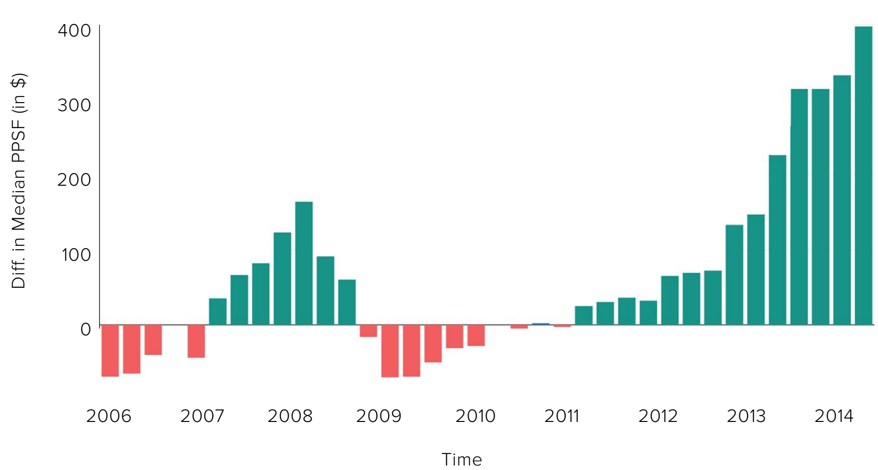
The median co-op price in Manhattan fell 4.9% from its Q3 2014 peak of $715,000 to $680,000 in Q4 2014. However, on both a yearly and quarterly basis, median price for co-ops has increased - prices are 4.1% higher in 2014 than they were in 2013 and grew at an average quarter over quarter rate of 1.3% throughout 2014. Despite these substantial increases in resale condo and co-op median prices, new developments still saw the most significant growth in median price this quarter.

SKYROCKETING PRICES IN NEW DEVELOPMENTS

The median closing price for new developments increased 81.3% across five quarters from $1,020,000 in Q4 2012 to $1,850,000 in Q1 2014 before it declined in the following two quarters leading to a new development median

HISTORIC PPSF TRENDS (BASE QUARTER Q4 2006)

Source: Urban Compass Research



The chart depicts overall median closing PPSF trends from Q1 2006 to Q4 2014 in Manhattan. Q4 of 2006 serves as the base quarter against which subsequent quarters are measured. These figures show that PPSF values have consistently increased for ten consecutive quarters between Q2 2012 to Q4 2014 compared to four quarters of consecutive increases pre-recession between Q2 2007 and Q2 2008. Q4 2014 PPSF exceeds the pre-recession peak PPSF (in Q2 2008) by $234, or 19.1%.

closing price low of $1,560,000 by Q3 2014. This decline in prices comes from the smaller number of new development closings, and the timing of different new development buildings, at different product levels, closing. Since this low point in Q3 2014, median price in new developments has skyrocketed again in Q4 2014, increasing 23.8% from $1,560,000 in Q3 2014 to $1,931,583 in Q4 2014, due in part to several closings in luxury new developments like One57.

Surging prices in new developments appear most drastic when compared to resales in co-ops and condominiums this quarter. In Q4 2014, the new development median price of $1,931,583 exceeded the overall Manhattan median by an astounding 118.3%, or $1,046,583. This median closing price for new developments in Q4 2014 exceeds resale condo median price by $680,583 or 54.4%, and resale co-op median price by $1,251,583 or 184.1%. Increases in new development pricing can be attributed to a number of factors. Recently, high profile, luxury condominium projects have dominated the development landscape in Manhattan with developers offering higher level finishes, brand name architects, designers, and expansive amenities packages. Demand for luxury product of this caliber caused new development prices to swell dramatically. The uptick in luxury condominium development has been impacted by decreasing supply of land and subsequent increase in land prices, forcing developers to build condominium units that will garner higher absolute prices.

Closings at certain high-profile developments like One57 at 157 West 57th Street have skewed median price substantially for Manhattan developments: the top five new development sales in Q4 2014 occurred in the building at an average price.

SIGNIFICANT PRICE GAINS IN 2014, BUT A LIKELY DECLINE IS EXPECTED IN Q1 2015

It is anticipated that the market will likely see a price adjustment in Q1 2015. This forecast comes in the wake of a very successful 2014, where the median closing price for the year reached $921,875 and the median PPSF level reached its peak, recorded at $1,459 in Q4 2014; however, it is exactly this point which prompts a predicted decline in median closing price in Q1 2015.

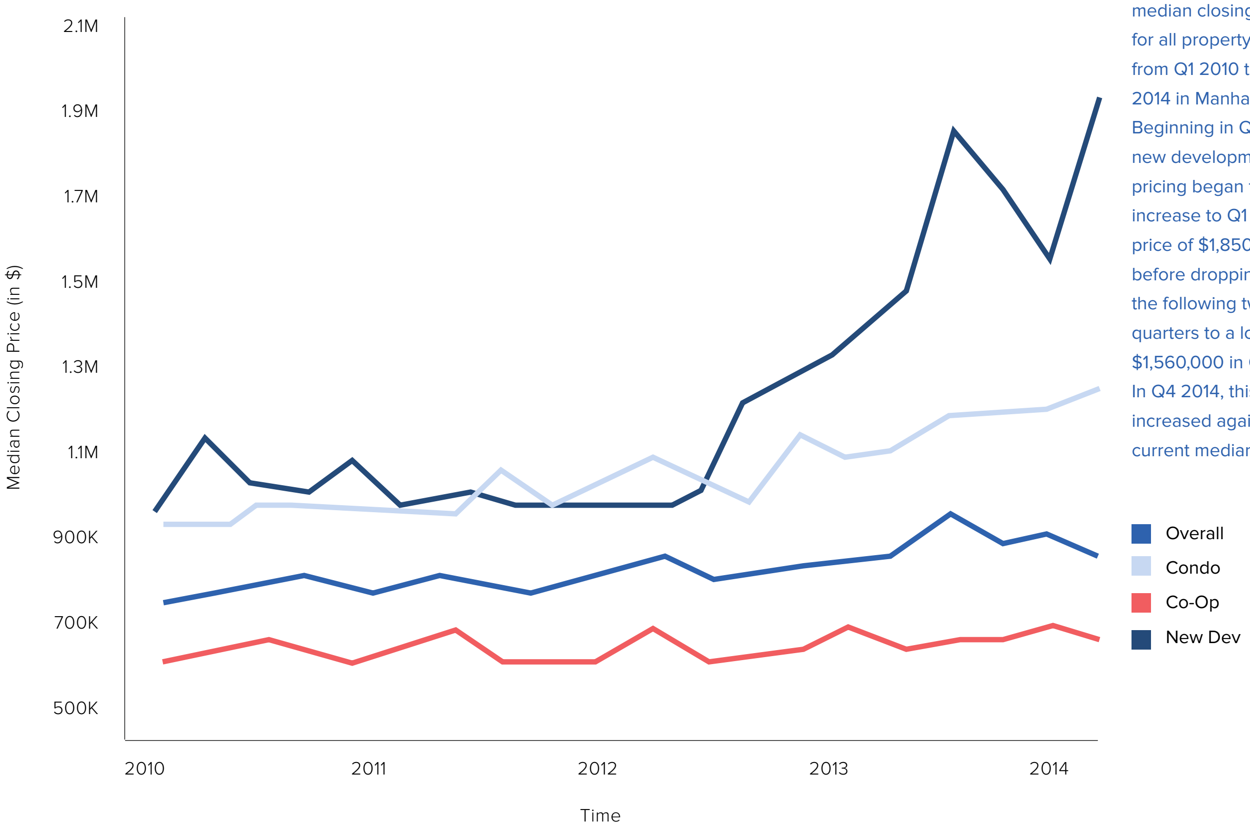
It is expected that median closing price for Manhattan will likely contract by as much as 3.7% from Q4 2014's median closing price. In a best case scenario, median closing price will remain stable with a slight increase of 1.6%. These predicted changes in price are within the range of trends observed between 2006 to 2014, where transitions from Q4 to Q1 were found to have an average growth of 2.4%; however, Manhattan's median price change between the two quarters typically occurs in cyclical biennial trends - increasing one year, followed by a decrease in median price prices the following year. This has been seen previously in the years preceding the 2012-2013 transition, when the trend was bucked by a minor growth of 1.8%, as opposed to a decrease, which was succeeded by another increase in the 2013-2014 transition by 18.7%. However, this type of price growth has not been sustainable in previous years. Following huge gains, price growth has typically witnessed a return to normal growth rates, if not, a price decline.

In addition, Manhattan's annual median price is the highest it has ever been in 2014, at $921,875, which exceeds 2013's median price by 9.8%. In previous years, two of the three occurrences of annualized growth exceeding 5.0% were observed between 2007 and 2008 with a 6.8% growth, and between 2009 and 2010 with a 11.3% growth. This generated a negative Q4 to Q1 transition price change in the following year with a 4.0% decline between Q4 2008 and Q1 2009 and 3.1% decline between Q4 2010 and Q1 2011. The only other instance when an annualized average growth rate exceeded 5.0% was between 2006 and 2007, when quarterly median closing price momentum had been increasing continuously for six quarters since Q1 2007's median price of $717,500 to Q2 2008's price of $919,800, giving it the ability to avoid the drop during the transition. However, this occurrence is not expected for the Q4 to Q1 transition in 2014 and 2015, since median prices have steadily dropped each quarter since Q1 2014, when the highest quarterly median closing price recorded in Manhattan was observed at $975,000. Since that time, quarterly median closing price has decreased 3.2% each quarter until Q4 2014. This decreasing price momentum is expected to continue into 2015 based upon several conditions observed in contracts, available inventory, and sold properties.

The following evidence further suggests that prices will continue to decrease: (1) The share of contracts to inventory has been declining in the second half of 2014 to a level roughly 35.9% in Q4 2014, down from the first half of the year when the average between the two quarters was 38.6%. These losses in contract signings will dampen closings in Q1 2015 until the spring peak season returns in Q2. (2) Inventory is expected to continue to only increase due to new development inventory entering the

MEDIAN CLOSING PRICE ACROSS PROPERTY TYPES

Source: Urban Compass Research



The chart depicts the median closing prices for all property types from Q1 2010 to Q4 2014 in Manhattan. Beginning in Q3 2013, new development pricing began to rapidly increase to Q1 2014's price of $1,850,000 before dropping over the following two quarters to a low of $1,560,000 in Q3 2014. In Q4 2014, this price increased again to its current median closing

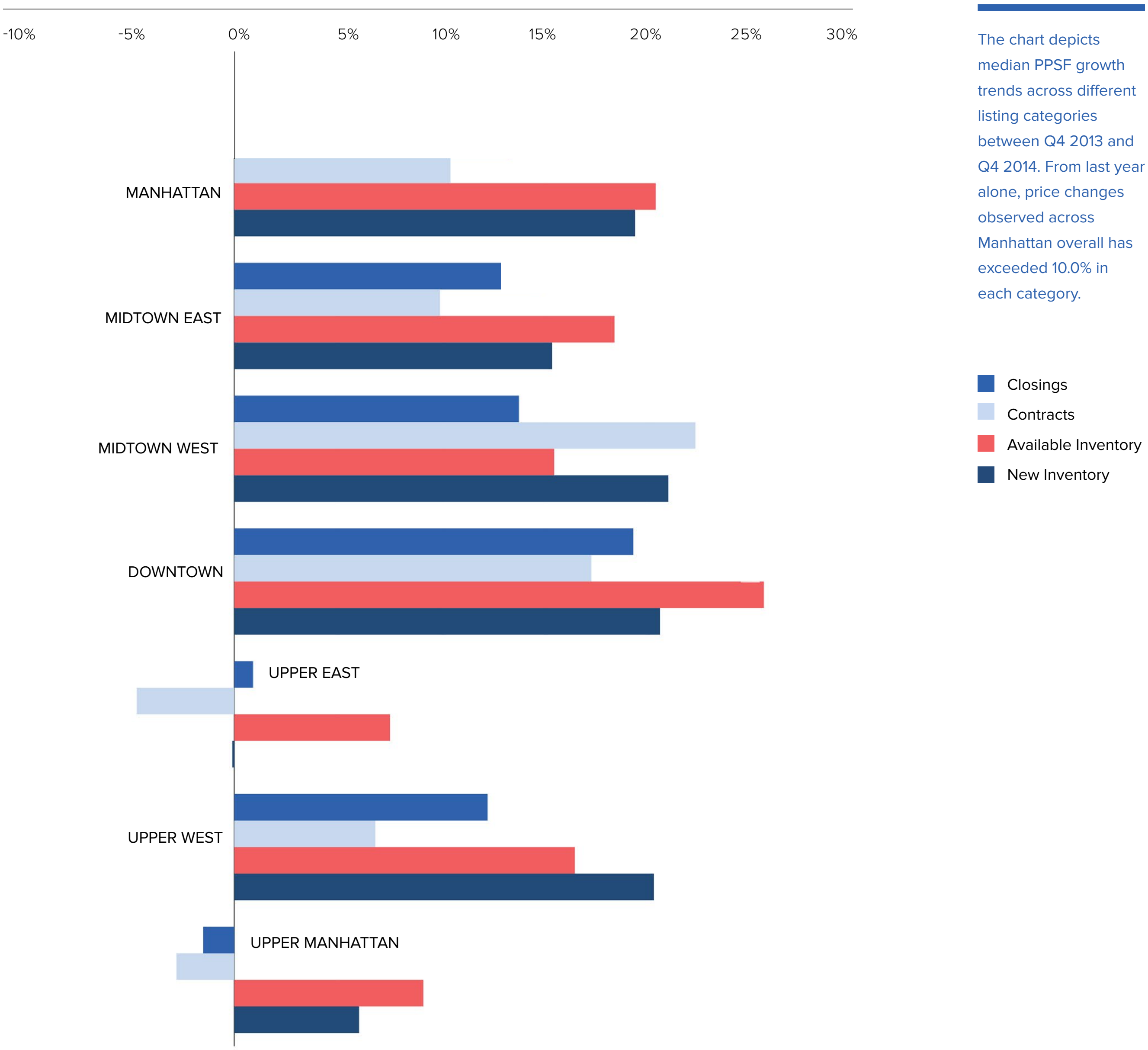
market, diminished contract-to-inventory rates, as well as increasing price levels in the resale condo and new development property types. This will remove the perception of scarcity from potential buyers' minds who would have otherwise rushed into the market to purchase a home. (3) Lastly, rates of absorption are slowing, now at eight months in Q4 2014, a 20.5% slowdown from Q4 2013. Consumption is further decreasing as a result of the high prices in 2014 and investment uncertainty.

In terms of major markets in Manhattan, Upper East and Upper Manhattan are the only two major markets expected to see median closing price gains, with Upper East set to experience increases between 5.0% to 10.4%, and Upper Manhattan between 1.2% to 6.4%. These increases are expected to come as a direct result of depressed prices during the year, with Q4 median prices set at $960,000 and $460,000 respectively - decreases of 23.2% and 9.8% from the highest closing price observed in the markets in 2014. In all other major markets, median price is likely to decrease in Q1 2015, with Midtown West set to witness the largest decline in median closing price, dropping between 5.7% and 10.3% due to fewer closings observed at uber luxury new development buildings - particularly at One57. Lastly, the overall median price Downtown will likely decline between 4.2% and 8.8%, Midtown East is expected to decline between 2.0% and 6.8%, and Upper West Side is predicting between 3.0% and 7.7% due to probable increased levels of new development and resale listing inventory.

Following Q1 2015, median closing price is expected to increase again as the market enters seasonal peak activity, and as several new development projects that were sold out months, even years ago, begin to close in buildings such as 150 Charles Street and 10 Madison West.

LISTING CATEGORY MEDIAN PPSF YoY% CHANGE

Source: Urban Compass Research



The chart depicts median PPSF growth trends across different listing categories between Q4 2013 and Q4 2014. From last year alone, price changes observed across Manhattan overall has exceeded 10.0% in each category.

Price Breakdown

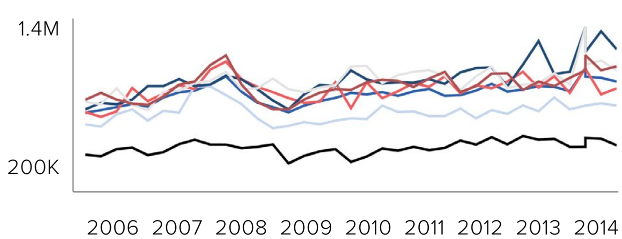
MANHATTAN · MIDTOWN EAST · MIDTOWN WEST · DOWNTOWN · UPPER EAST · UPPER WEST · UPPER MANHATTAN

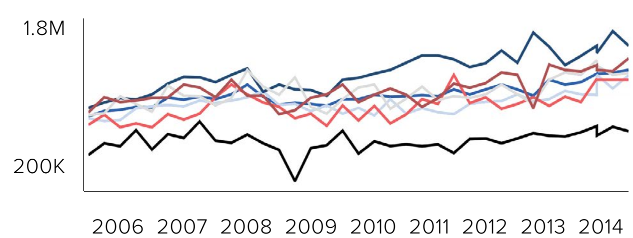
Q4 2014 Source: Urban Compass Research

OVERALL

CONDOS

MEDIAN CLOSING PRICE TRENDS





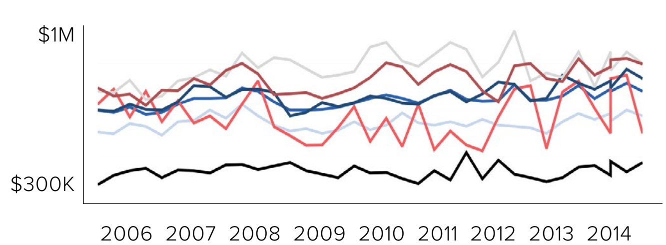
	YoY	QoQ
MANHATTAN	**8.4%**	**3.0%**
MIDTOWN EAST	2.8%	4.1%
MIDTOWN WEST	14.3%	20.0%
DOWNTOWN	10.5%	-4.9%
UPPER EAST	13.5%	-2.5%
UPPER WEST	4.1%	4.1%
UPPER MN	5.0%	-8.7%

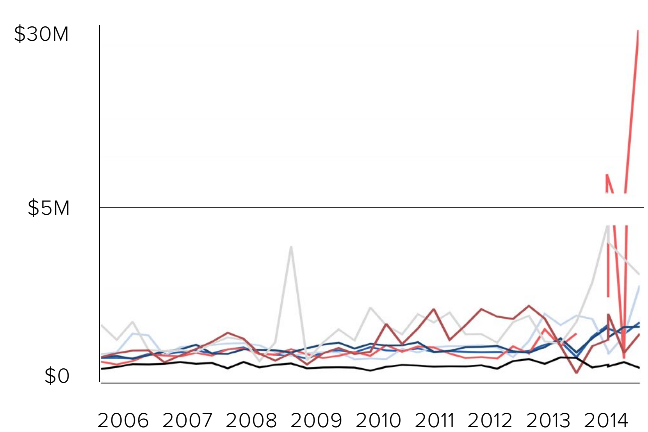
	YoY	QoQ
MANHATTAN	**12.4%**	**3.7%**
MIDTOWN EAST	10.9%	3.6%
MIDTOWN WEST	22.8%	-1.7%
DOWNTOWN	6.5%	-10.0%
UPPER EAST	7.3%	7.3%
UPPER WEST	16.8%	16.8%
UPPER MN	1.8%	-6.8%

CO-OPS

NEW DEVELOPMENTS

MEDIAN CLOSING PRICE TRENDS



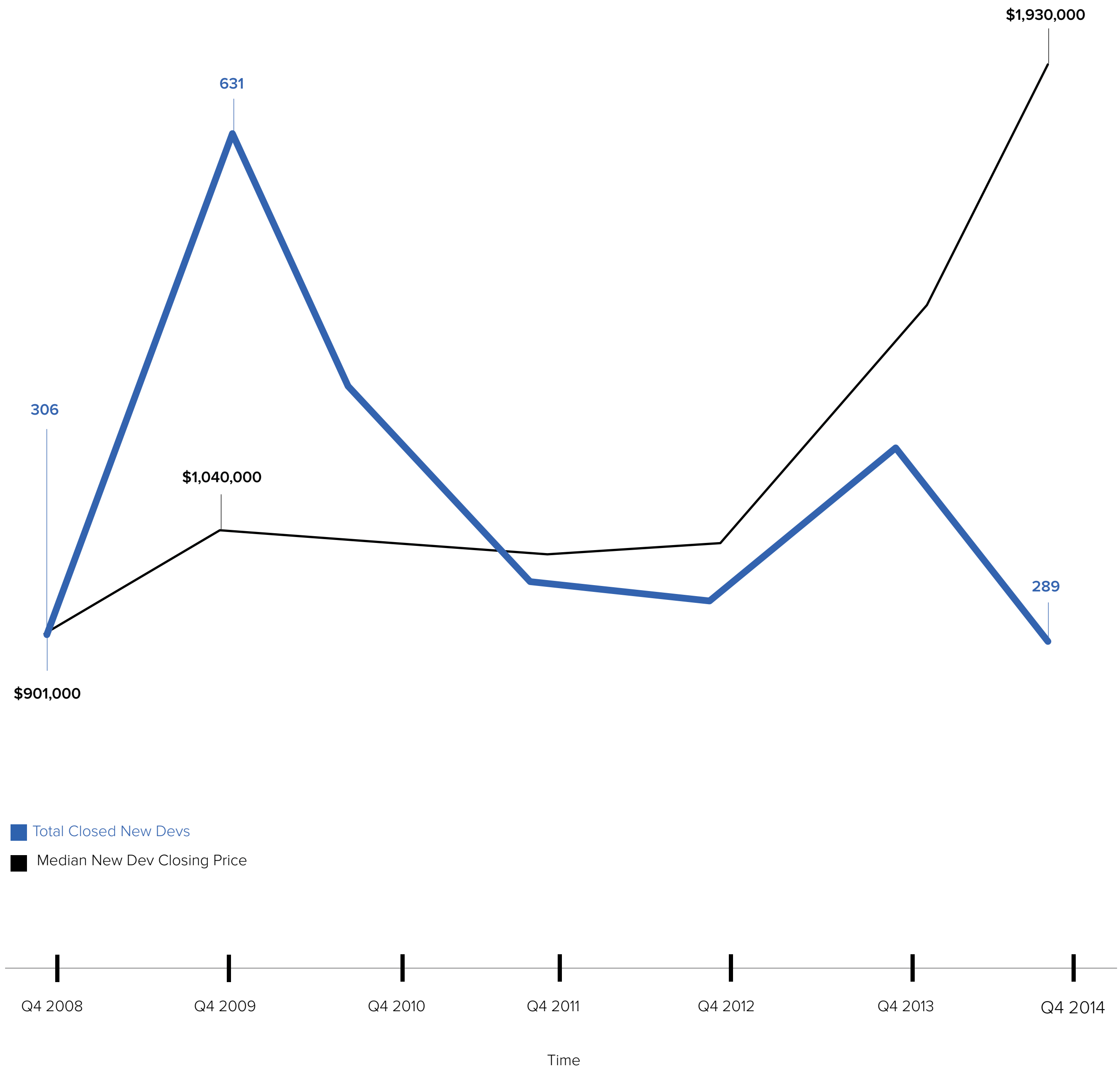


CHANGE %	YoY	QoQ
MANHATTAN	**5.3%**	**-2.1%**
MIDTOWN EAST	6.3%	-0.8%
MIDTOWN WEST	-24.6%	-34.7%
DOWNTOWN	3.8%	-3.6%
UPPER EAST	13.2%	-3.3%
UPPER WEST	2.8%	-3.0%
UPPER MN	8.8%	10.4%

CHANGE %	YoY	QoQ	CHANGE %	YoY	QoQ
MANHATTAN	**26.9%**	**20.1%**	UPPER EAST	41.0%	14.3%
MIDTOWN EAST	52.2%	106.7%	UPPER WEST	51.7%	85.6%
MIDTOWN WEST	0.0%	3382.5%	UPPER MN	-3.1%	-27.7%
DOWNTOWN	19.8%	-4.3%			

CLOSINGS

Although few in number, new developments are increasingly accounting for a larger stake in closing dollar volume on a per unit basis. Compared to historical Q4s, median closing price for new developments has surged to new heights, topping out at over $1.9M.



Less is more.

The market saw another decrease in the rate of absorption in Manhattan, where the marketplace is now left with eight months of supply based on the current rate of absorption. The median closing price of new developments is skyrocketing as Manhattan witnessed approximately $5.4B worth of closed deals this quarter, exceeding the $5B threshold seen in Q4 2013. However, it is unclear whether these closing dollar volume levels will hold as the marketplace continues to shift towards a smaller new development share, which comprise only 9.4% of closings this quarter, as opposed to condo resales, which comprise 32.2% of all closings.

Points

- **RATE OF ABSORPTION IS SLOWING, INCREASING MONTHS OF SUPPLY**
- **CLOSING DOLLAR VOLUME CONTINUING TO EXCEED PRE-RECESSION PEAK LEVELS**
- **APPETITE FOR CONDO RESALES INCREASING RELATIVE TO NEW DEVELOPMENTS**

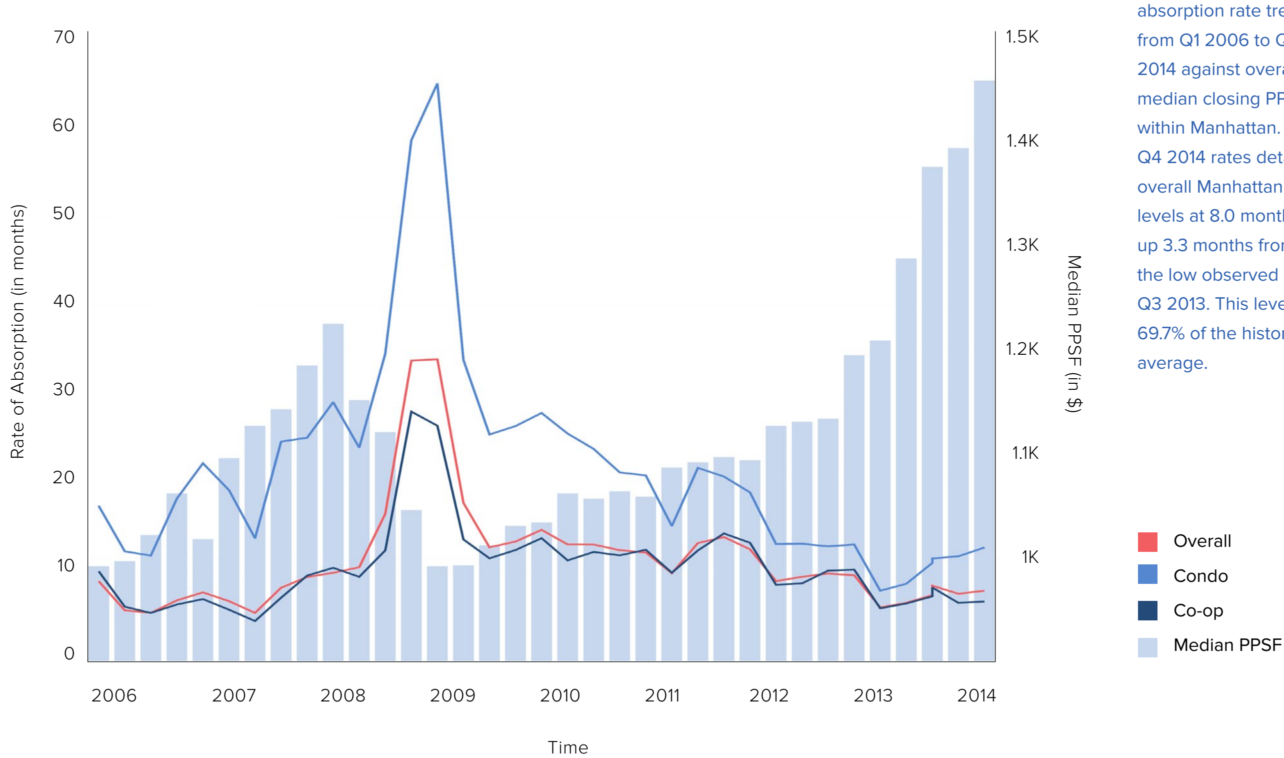
RATE OF ABSORPTION IS SLOWING, INCREASING MONTHS OF SUPPLY

The overall rate of absorption has slowed again in Q4 2014, increasing the months of supply to eight months, the highest level since Q2 2013. This level, an increase of 3.3 months or 72.1% from the observed low in Q3 2013, is still well below the historic average of 8.8 months exhibited from 2006 to 2014. The rate of absorption has consistently decreased each quarter since the high point in Q3 2013, at an average quarterly rate of 12.5%. This is in contrast to the period between Q2 2009 and Q3 2013, in which Manhattan experienced an increase in the rate of absorption at an average quarterly rate of 7.5%. This period was characterized by volatile undulations that, normally being associated with seasonality patterns, were exaggerated by increased consumer confidence returning to the marketplace following the recession. Between Q2 2009 and Q3 2013, the higher rate of absorption was directly attributable to a 9.7% average quarterly increase in the volume of closed sales, which followed an increased rate of contract signings relative to inventory. During this time, inventory began to shrink, which resulted in steadily increasing prices at a quarterly rate of 1.2%.

However, following Q3 2013's low point in supply, prices began to increase an average of 3.9% every quarter. At the same time, inventory levels began to increase by 3.4%, or 274 units total, from Q3 2013 to Q4 2014, while the rate of closings began to slow, which fell by 20.9%, or 838 units total, during the same time period.

HISTORIC ABSORPTION RATES

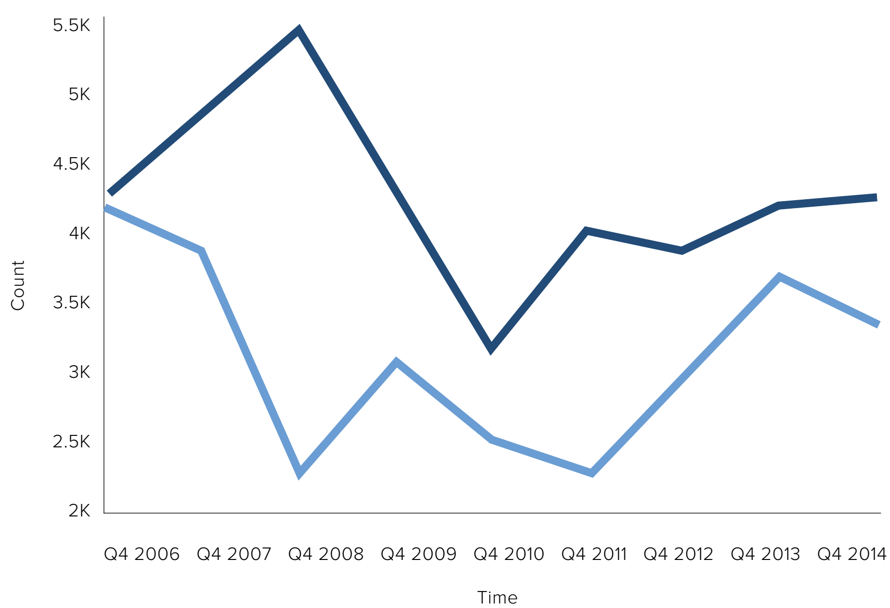
Source: Urban Compass Research



The chart depicts the absorption rate trends from Q1 2006 to Q4 2014 against overall median closing PPSF within Manhattan. Q4 2014 rates detail overall Manhattan levels at 8.0 months, up 3.3 months from the low observed in Q3 2013. This level is 69.7% of the historic average.

Q4 TRENDS IN CLOSINGS AND NEW INVENTORY

Source: Urban Compass Research



The chart depicts historic Q4 trends in both closings and new inventory, inclusive of relistings, in the marketplaces from 2006 to 2014. Following relatively high closing rates in 2013 at an average level of 3,280 with a small gap relative to new inventory it's observed that 2014 closing levels have significantly dropped to 3,175 closings since last year widening this gap to 721.

317 PROPERTIES THAT MAKE UP THE TOP 10% OF THE MARKET IN Q4 2014, COMPRISED 42.3%, OR $2.3B, OF THE TOTAL DOLLAR VOLUME OF CLOSED SALES.

Condos and co-ops both witnessed a similar trend of increasing rates of absorption from the recession into Q3 2013, followed by decreased rates in Q4 2014; however, they have greatly differed from one another in terms of volatility, with condos being the more erratic of the two while co-ops experienced relatively stable absorption in comparison. From Q2 2009 to Q3 2013, condos and co-ops experienced average quarterly increases in rates of absorption of 6.9% and 3.1%, respectively. From Q3 2013 to Q4 2014, both rates of absorption slowed at an average quarterly rate of 10.3% and 3.3%, respectively.

The last time this type of market behavior was apparent was in Q3 2006, when a 5.5 month rate of absorption, aligned with a steady and substantial growth in prices, where, before the economic downturn took place, median closing PPSF levels grew for seven of the next eight quarters at an average quarterly growth of 2.7%.

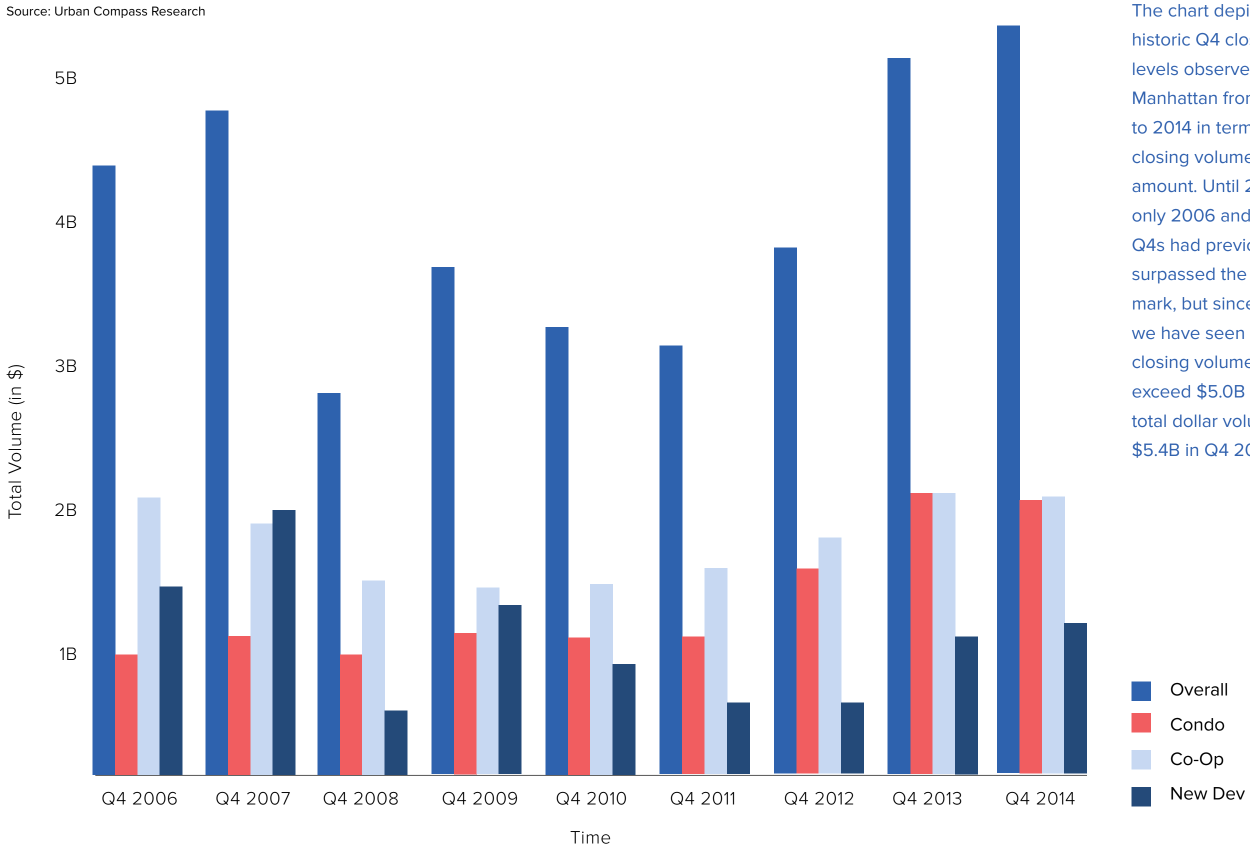
This occurrence details strikingly similar characteristics to what is currently observed in Q4 2014. The market has maintained fast rates of absorption from Q3 2013 to Q3 2014, similar to Q3 2006 to Q3 2007, which immediately followed the fastest rate observed in Q3 2013 with only 6.1 months of supply while Q3 2006 held 5.5 months of supply. Absorption rates became faster despite swelling median PPSF levels which increased at an average quarterly growth of 3.9% from Q3 2013 to present, and 2.7% from Q3 2006 to Q2 2008.

CLOSING DOLLAR VOLUME CONTINUING TO EXCEED PRE-RECESSION PEAK LEVELS

Total closed sales dollar volume for Q4 2014 was approximately $5.4B. This level represents the single largest Q4 total dollar volume ever observed. This also represents the second straight Q4 which has exceeded pre-recession dollar volume levels, topping Q4 2007 by 12.4%, or $596M. This quarter has superseded

HISTORIC Q4 CLOSINGS BY TRANSACTION VOLUME

Source: Urban Compass Research



The chart depicts the historic Q4 closing levels observed in Manhattan from 2006 to 2014 in terms of total closing volume dollar amount. Until 2013, only 2006 and 2007's Q4s had previously surpassed the $4.0B mark, but since 2013 we have seen total closing volumes exceed $5.0B with a total dollar volume of $5.4B in Q4 2014.

TOTAL CLOSING DOLLAR VOLUME THIS QUARTER EXCEEDED THE TOTAL GDP OF THE COUNTRY OF MONTENEGRO BY 22.1%.

Q4 2013, outperforming it in both total dollar volume, by 4.2% or $221M, as well as on a price-per-unit basis, achieving a median closing price 7.8% above Q4 2013. Furthermore, Q4 2014 actually trailed Q4 2013 by 18.9%, or 741 total units, on a closed-sale-transaction basis. This means while there have been fewer closings this quarter compared to a year ago, they have been more expensive closings that have accounted for these heightened total dollar volume levels.

The top 10% of the closed sales based upon closing price, made up of just 317 properties, comprised an astounding 42.3%, or $2.3B, of the total dollar volume of closed sales during the Q4 2014. This level is roughly $219M more than the top 10% of Q3 2014, when the top 10% of closed sales accounted for 39.9%, or approximately $2.1B of total closed volume and had 74 more closed sales. The top five closed sales in Q4 2014 in order included Units 82, 81, 80, 58A and 66A of One57 located at 157 W 57th Street, with an average closing price of $45.6M.

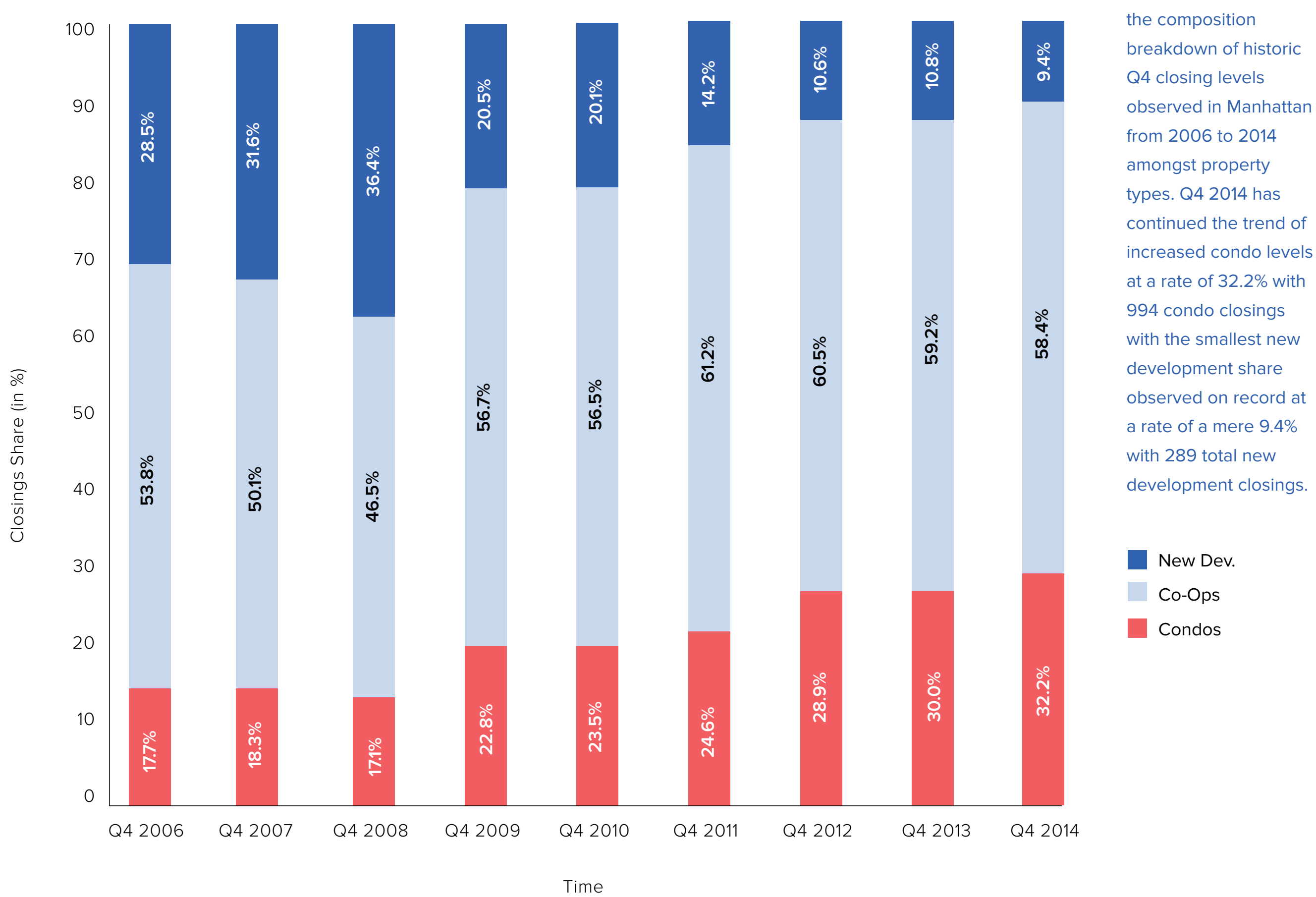
Both the volume of closings and the overall share of closed sales for new developments have been declining. However, despite these decreases, the skyrocketing sale prices of new developments have caused an increasing share of total dollar volume of closed sales. Currently, new developments' share of total closing dollar volume is higher than any other quarter dating back to Q4 2009. New development median closing price reached $1,931,583 this quarter, skewed upward by luxury development closings like One57. From these heightened prices, new developments have grown to 20.3% of the entire dollar volume amongst closed sales, which is up 0.9% from Q4 2013.

APPETITE FOR CONDO RESALES INCREASING RELATIVE TO NEW DEVELOPMENTS

New developments account for an increasingly smaller share of closed sales in Manhattan. In Q4 2014, there have been a total of 289 closed new development sales, a level 30.6%, or 128 units, fewer than last quarter and 80.6%, or 1,199, less than the peak of new development closings in Q2 2008. This fact also translates to a comparable drop in the overall share of new developments relative to condo and co-op closed sales with a current closed sale share level of 9.4%, representing a drop of 1.8% from last year's Q4 2013 level. Condo resales have experienced an increase of 2.2% making up 32.2% of the overall share of closed sales. Co-ops only decreased by 0.8% to 58.4% from Q4 2013's level. This trend sheds significant insight on how a segment of the market has reacted to heightened prices by shifting its preference away from new developments, which have witnessed highly volatile prices since Q4 2012. Instead consumption has shifted to the secondary tier of condo resales, which have seen sizable appreciation rates at a quarterly average growth of 2.4% during the same period since Q4 2012, without the perceived levels of risk; however, throughout this time, co-ops have remained stable.

Q4 CLOSINGS BREAKDOWN

Source: Urban Compass Research



The graph depicts the composition breakdown of historic Q4 closing levels observed in Manhattan from 2006 to 2014 amongst property types. Q4 2014 has continued the trend of increased condo levels at a rate of 32.2% with 994 condo closings with the smallest new development share observed on record at a rate of a mere 9.4% with 289 total new development closings.

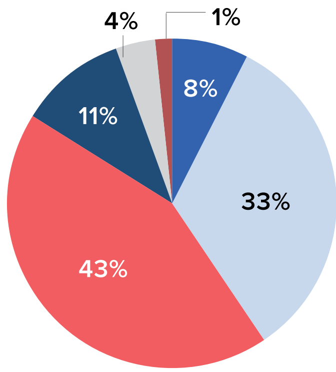
Price Category Breakdown

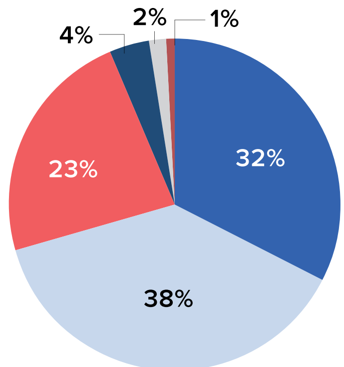
Q4 2014 Source: Urban Compass Research

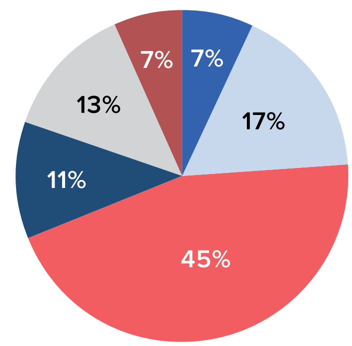
< $500K: $500K-1M: $1M-3M:
$3M-5M: $5M-10M: $10M+:

CONDOS | CO-OPS | NEW DEVELOPMENTS

CLOSINGS BREAKDOWN

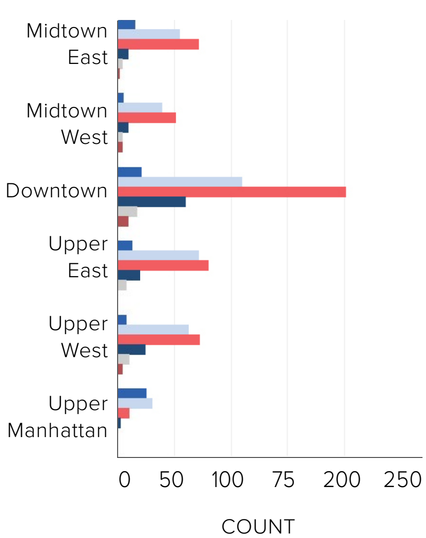


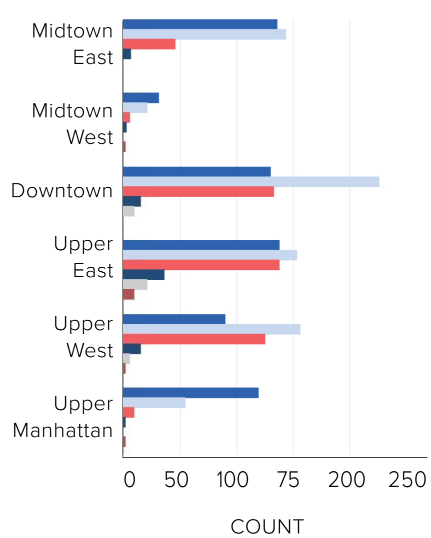


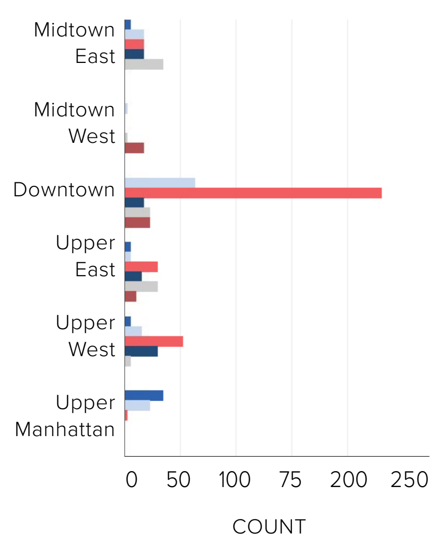


PRICE	YoY	QoQ	PRICE	YoY	QoQ	PRICE	YoY	QoQ
> $500K:	13.3%	53.7%	> $500K:	-19.7%	1.5%	> $500K:	-59.2%	-39.4%
$500K-1M:	-20.9%	3.8%	$500K-1M:	-12.5%	-12.9%	$500K-1M:	-59.1%	-29.0%
$1M-3M:	-6.6%	1.9%	$1M-3M:	-13.7%	-18.9%	$1M-3M:	-9.0%	9.5%
$3M-5M:	40.9%	27.4%	$3M-5M:	-6.1%	-6.1%	$3M-5M:	-32.6%	46.4%
$5M-10M:	6.0%	6.0%	$5M-10M:	-8.1%	-35.3%	$5M-10M:	-3.3%	54.7%
$10M+:	191.1%	94.1%	$10M+:	107.9%	-40.6%	$10M+:	99.6%	-5.0%

BREAKDOWN BY MAJOR MARKET

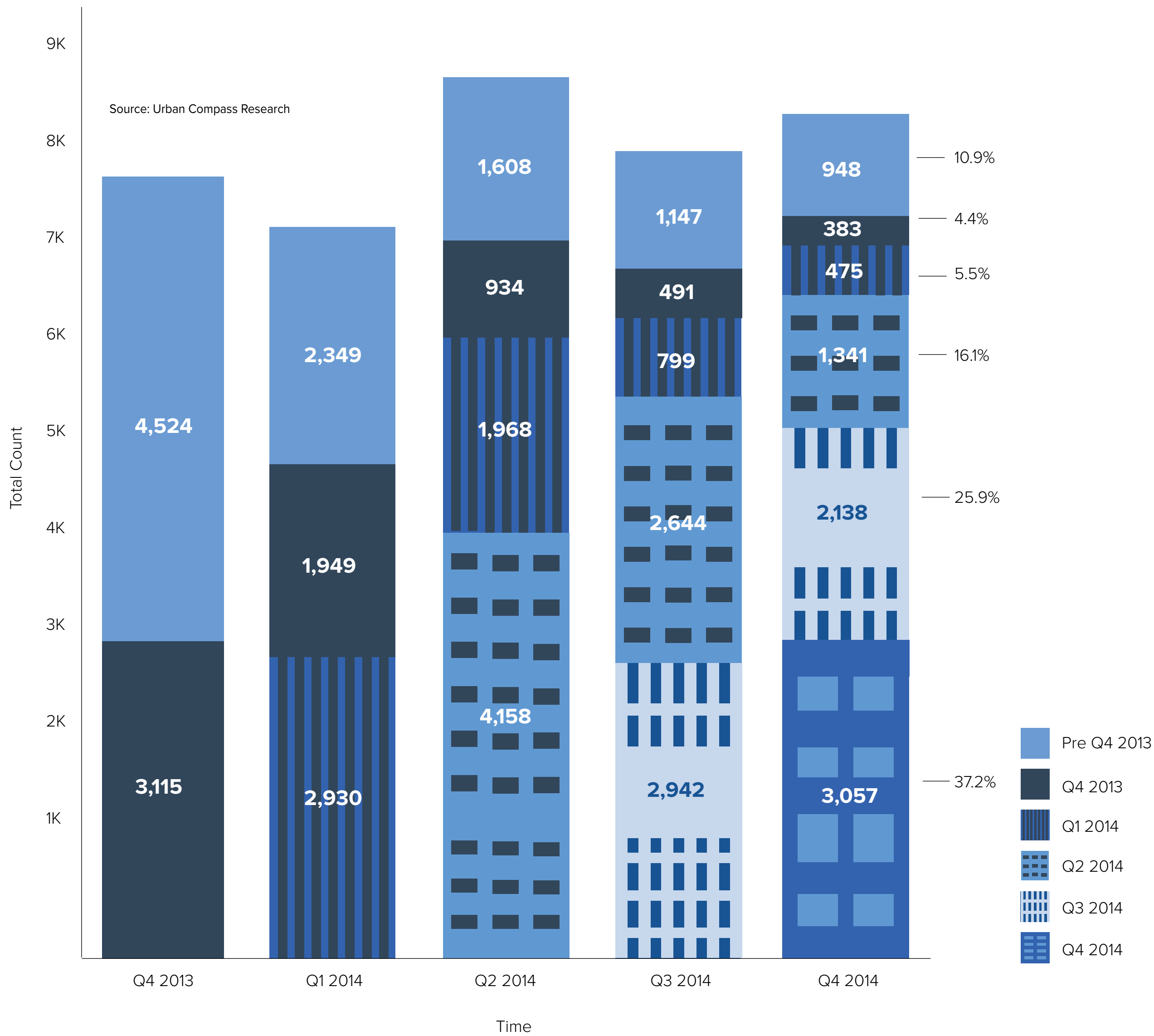






INVENTORY

Inventory carryover, or the leftover product from one quarter to another, is nothing new. However, what is unusual is the consistently increasing median asking price of the carryover inventory across the time period, which has grown by 33.5% between Q3 2013 and Q4 2014.



Getting backed up.

Available inventory levels have been decreasing since 2011, but may finally be changing direction due to increased levels of carryover inventory. In Q4 2014, carryover inventory grew to account for 62.8% of available inventory, and raised the average median asking price for carryover inventory to $1,595,000, which increased 6.0% each quarter since Q3 2013. These increases are due to the continued release of condo inventory, which are historically higher priced than co-ops, into the Manhattan market. Q4 2014 represented the first quarter since the recession that condo units made up the majority of overall inventory.

Points

- **LEVELS OF NEW INVENTORY REMAIN STABLE, BUT CARRYOVER LEVELS ARE INCREASING**
- **HIGH-PRICED LISTINGS HAVE CARRIED OVER FROM PREVIOUS QUARTERS**
- **THERE IS MORE CONDO INVENTORY ON THE MARKET THAN THERE HAS BEEN SINCE BEFORE THE RECESSION**

LEVELS OF NEW INVENTORY REMAIN STABLE, BUT CARRYOVER LEVELS ARE INCREASING

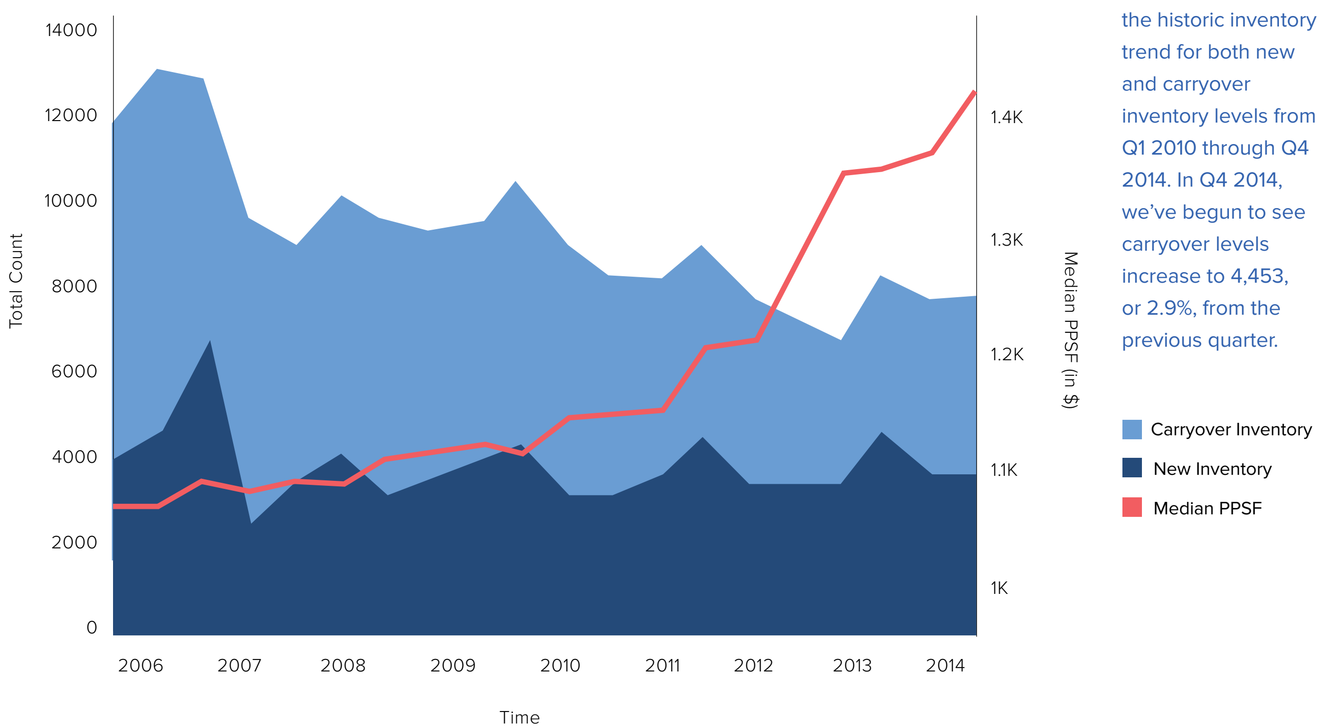
The graphic at the beginning of this section details the breakdown of each quarter's true available inventory dating back to Q4 2013, with each quarter encompassing both new inventory and carryover inventory. In Q4 2014 there were 8,342 total available listings, of which 5,239 (62.8%) were carried over from previous quarters. The other 3,057 (36.6%) listings were new inventory listed for the first time during the quarter.

The lowest period of carryover inventory during the time observed was Q1 2014, likely due to a particularly strong year in 2013, when a large amount of both new and carryover inventory was taken off the market. However, since Q1 2014, carryover inventory has steadily risen on a per unit basis at an average quarterly rate of 7.2%, - 4.9% in Q2, 12.7% in Q3 and 4.0% in Q4. Although current carryover levels are not completely far-fetched on an inventory share basis, they are concerning considering they have risen by 3.6%, from 59.2% in Q4 2013 to 62.8% in Q4 2014, as there is now a growing share of listings sitting on the market.

New inventory levels remained relatively stable, while carryover inventory steadily declined until Q1 2014. Beginning in Q3 2013, inventory levels began to decline despite a heavy increase in new listings in Q2 2013 and in Q2 2014. During the time between Q3 2013 and Q1 2014, available inventory fell by 814 units (10.1%). From this low point in Q1 2014, inventory levels have been steadily rising to the Q4 2014 level of 8,342 units, an increase of 15%. Since Q1 2014, carryover inventory rose by 1,023 units (29.9%) while new inventory remained relatively stable, rising just 65 units (1.7%) during the same time period.

INVENTORY TRENDS

Source: Urban Compass Research



The chart depicts the historic inventory trend for both new and carryover inventory levels from Q1 2010 through Q4 2014. In Q4 2014, we've begun to see carryover levels increase to 4,453, or 2.9%, from the previous quarter.

LISTINGS THAT EXCEED $1M NOW MAKE UP 61.8% OF OVERALL MANHATTAN INVENTORY WITH THE $10M+ SEGMENT HAVING RISEN 50.2% SINCE LAST YEAR

Increasing carryover inventory, particularly in Q3 and Q4 2014, are a direct result of the decreased number of contract signings relative to available inventory. Fewer contracts will likely translate to a similar relationship between closings and inventory, which will, in turn, cause (1) higher levels of carryover to accrue going forward, (2) absorption rates to slow given fewer closings and increased inventory levels, and (3) median time on market to increase given the lack of overall consumption.

Levels of new inventory, which have grown more moderately since 2011, have exhibited an average quarterly growth rate of 2.2% and have not exceeded the 4.2% annual growth level in 2013 in any of the other years during the timespan. This sustained level of listings growth indicates that sellers are still confident in the pricing that they can achieve on the market.

HIGH-PRICED LISTINGS HAVE CARRIED OVER FROM PREVIOUS QUARTERS

The recent growth of carryover inventory has resulted in higher asking prices for available inventory. Listings that exceed $1M now make up 61.8% of overall Manhattan inventory. Many categories within the $1M+ segment have risen significantly since last year, with the $1M-3M segment rising 11.9% since Q4 2013, the $3M-5M segment rising 29.3%, the $5M-10M segment rising 29.5% and the $10M+ segment rising 50.2%.

When analyzing carryover inventory alone, which comprises 62.8% of all inventory on the market, the median asking price was $1,595,000, or 6.7% higher than Q4 2014. Overall, this median asking price of carryover inventory has grown each quarter since Q3 2013, at an average quarterly rate of 6%.

Explanations for listing price increases cannot be found by looking at inventory shared across major markets, as there has not been any significant change observed in individual inventory shares. The largest differences since last year were a 1.6% decrease in the share of inventory in Midtown East and a 1% increase observed in Midtown West. Instead, these recent price increases are more likely attributable to (1) an increase in the number of larger apartments listed on the market, with 24% and 22% increases observed in the 3BR and 4BR+ categories respectively; (2) high closing prices that enable sellers to justify increasingly high listing prices; and (3) a shift in overall inventory mix to a majority of condos, which are traditionally more expensive than co-ops.

THERE IS MORE CONDO INVENTORY ON THE MARKET THAN THERE HAS BEEN SINCE BEFORE THE RECESSION

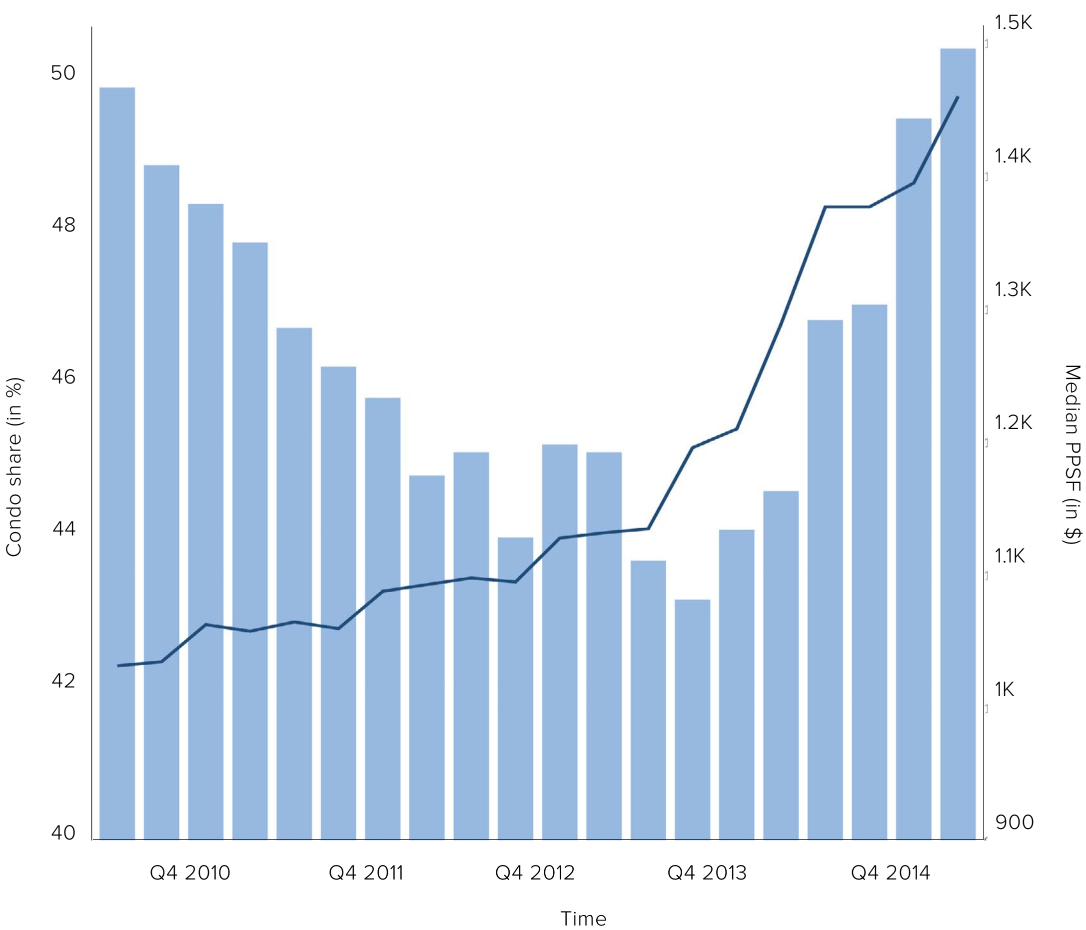
Q4 2014 represents the first quarter since the recession in which the majority of available inventory has been comprised of condos with a level of 50.3%, or 4,196 units total. Although this rate has not yet returned to the pre-recession peak of 58.2% established in Q4 2007, condos have slowly ascended in terms of relative overall inventory share at an average quarterly rate of 2.1% since Q1 2010.

The increase in condos relative to co-ops has also been coupled with rising median closing price. Condos are historically more expensive than co-ops - in Q4 2014 the median condo closings price was $1,251,000 while median co-op closing price was $680,000. The shift toward a majority share of condos is a key contributing factor to the steady increase in price from an overall median PPSF of $1,057 in Q4 2010 to it's current all-time high of $1,459.

The increasing share of condo inventory helps to explain why carryover median asking prices have increased. In Q4 2014, 51.4% of all carryover inventory was comprised of condos and 46.7% was co-ops. Although this is only a slight difference from what is currently observed for overall available inventory in Manhattan, these levels represent a 7.3% increase and 5.1% decrease in condo and co-op carryover inventory shares, respectively, from Q4 2013. Condos have become backlogged on the marketplace, causing carryover inventory to increase. As a result of this increased condo inventory, condo rates of absorption will continue to slow in response.

CONDO SHARE V. MEDIAN PPSF TRENDS

Source: Urban Compass Research



The chart depicts the relationship between the share of condos as a part of inventory and the PPSF trend that is observed on a quarterly basis from Q1 2010 through Q4 2014. Condo shares share a close relationship with median PPSF totals as of late with condo shares increasing by an average of 2.1% each quarter since Q2 2013, in which the lowest condo share level was observed at a level of 43.1% to the current level of 50.2% in Q4 2014 - surpassing a majority share for the first time since the recession.

[1] Undulations detailed beginning in Q1 and peaking in Q2 throughout the entire time series detail typical listing timing behaviors.

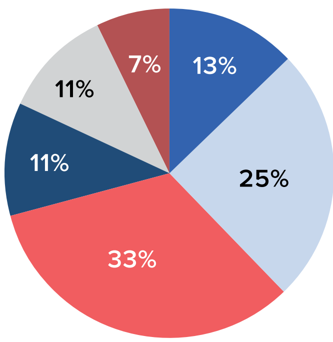
Price Breakdown

Q4 2014 Source: Urban Compass Research

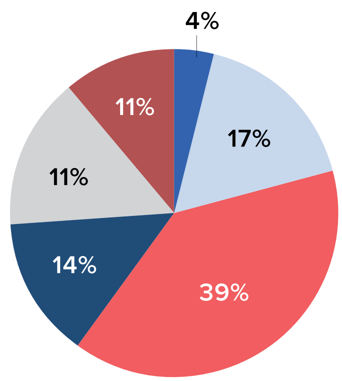
< $500K: $500K-1M: $1M-3M:
$3M-5M: $5M-10M: $10M+:

INVENTORY BREAKDOWN

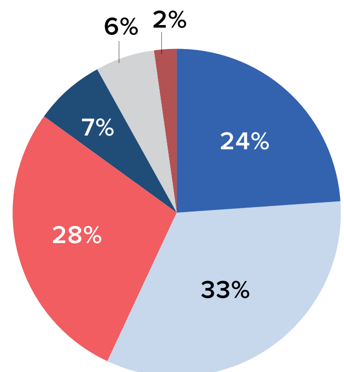
OVERALL



CONDOS



CO-OPS



OVERALL

PRICE	YoY	QoQ
> $500K:	-15.5%	-4.3%
$500K-1M:	-4.0%	-3.5%
$1M-3M:	11.9%	3.9%
$3M-5M:	29.3%	13.3%
$5M-10M:	29.5%	14.5%
$10M+:	50.2%	10.3%

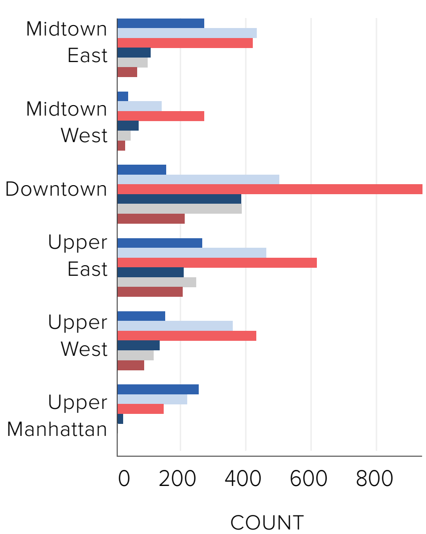
CONDOS

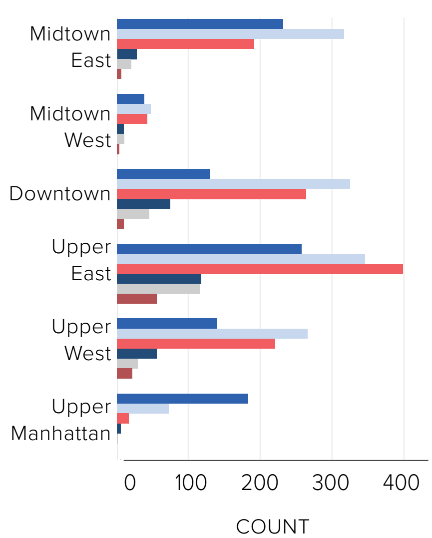
PRICE	YoY	QoQ
> $500K:	-9.8%	-13.8%
$500K-1M:	-1.1%	-7.8%
$1M-3M:	14.4%	2.3%
$3M-5M:	37.1%	11.2%
$5M-10M:	45.1%	24.4%
$10M+:	86.9%	15.2%

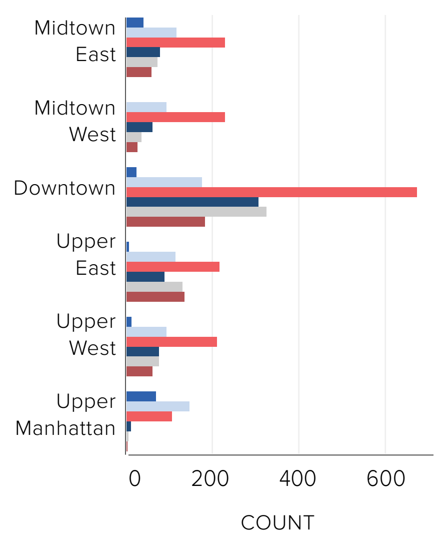
CO-OPS

PRICE	YoY	QoQ
> $500K:	-16.0%	-2.3%
$500K-1M:	-4.9%	-0.7%
$1M-3M:	11.5%	7.1%
$3M-5M:	21.6%	20.1%
$5M-10M:	28.4%	6.1%
$10M+:	16.5%	7.6%

BREAKDOWN BY MAJOR MARKET







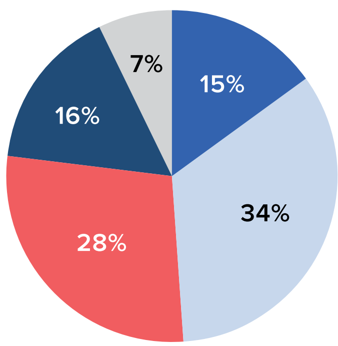
STUDIO: ■ 1BR: ■ 2BR: ■ 3BR: ■ 4BR+: ■

Bedroom Breakdown

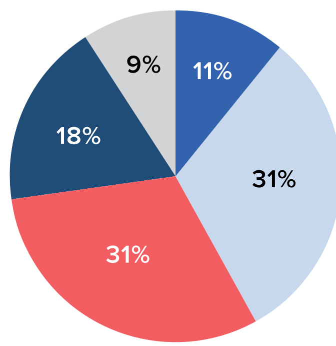
Q4 2014 Source: Urban Compass Research

INVENTORY BREAKDOWN

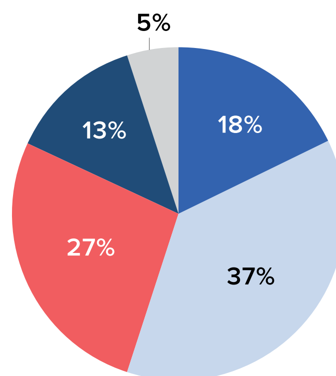
OVERALL



CONDOS



CO-OPS



OVERALL

SIZE	YoY	QoQ
STUDIO:	0.3%	-2.3%
1BR:	2.8%	1.4%
2BR:	5.0%	0.0%
3BR:	24.0%	12.4%
4BR+:	22.0%	13.9%

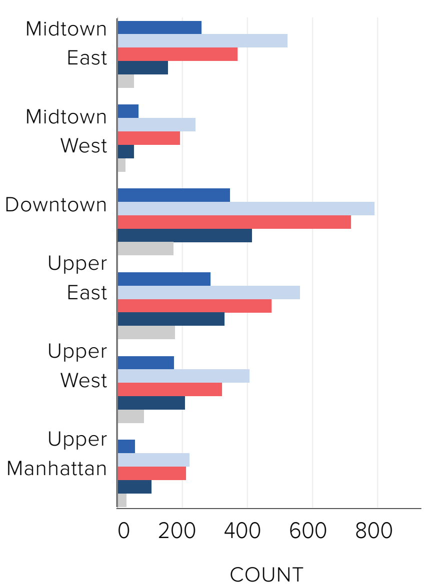
CONDOS

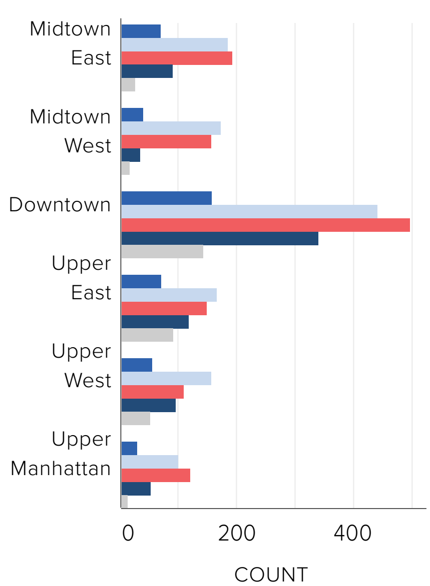
SIZE	YoY	QoQ
STUDIO:	18.7%	2.4%
1BR:	20.4%	2.7%
2BR:	13.6%	-0.8%
3BR:	25.3%	11.4%
4BR+:	37.5%	22.3%

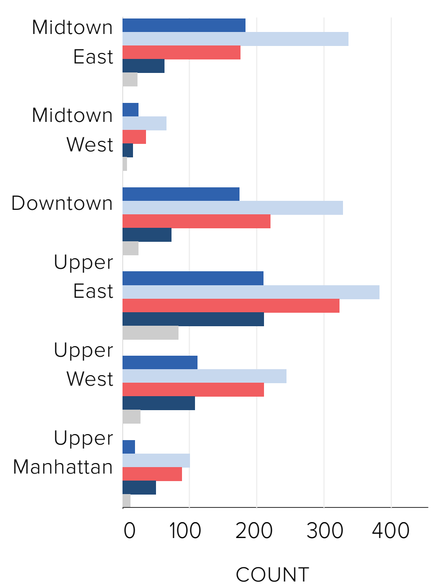
CO-OPS

SIZE	YoY	QoQ
STUDIO:	-2.2%	-3.0%
1BR:	-6.3%	1.5%
2BR:	-2.6%	1.2%
3BR:	22.6%	14.3%
4BR+:	4.1%	3.5%

BREAKDOWN BY MAJOR MARKET

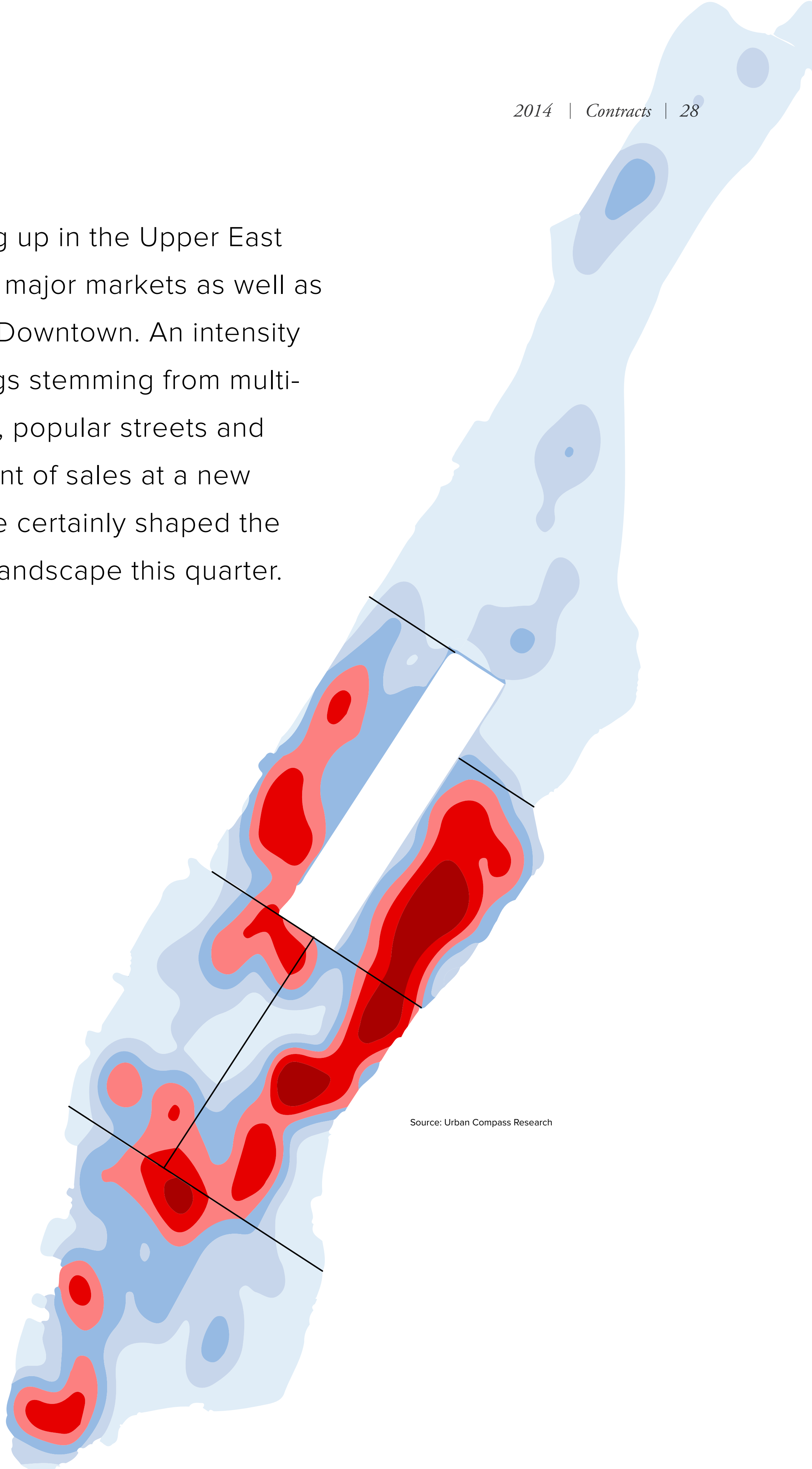






CONTRACTS

Things are heating up in the Upper East and Midtown East major markets as well as a small portion in Downtown. An intensity of contract signings stemming from multi-contract buildings, popular streets and the commencement of sales at a new development have certainly shaped the signed contracts landscape this quarter.



Get them while they're hot.

Downtown is still seeing the majority of contract activity with 944 units entering into contract this quarter; however, the Upper East Side witnessed the second largest share with 619 contract signings, particularly, between Lenox Hill and Sutton Place. On a percentage share basis, Studios and 1BRs entered into contract in high share numbers in Midtown East, while $1-3M listings in Midtown West were a mixed bag, with both high rates of contracts and high levels of leftover inventory. Lastly, contracts relative to inventory increased slightly this quarter to 35.9%, but are still lower than previously observed levels.

Points

- **MAJORITY OF CONTRACTS STILL HELD IN DOWNTOWN, BUT THINGS ARE HOT IN UPPER EAST SIDE AND MIDTOWN EAST**
- **HOT - STUDIOS & 1BRS IN MIDTOWN EAST**
  NOT - $1M-3M LISTINGS IN MIDTOWN WEST
- **CONTRACT-TO-INVENTORY SHARE LEVEL IS STILL DEPRESSED**

MIDTOWN EAST'S $500K-1M PRICE CATEGORY HAD 40.2% OF ITS INVENTORY ENTER INTO CONTRACT THIS QUARTER.

MAJORITY OF CONTRACTS STILL HELD IN DOWNTOWN, BUT THINGS ARE HOT IN UPPER EAST SIDE AND MIDTOWN EAST

Downtown held the highest number of contract signings in Q4 2014 with a total of 944 contracts, or 31.5% market share of Manhattan contract signings amongst major markets this quarter. This level represented 325 more contract signings than the next most popular major market, the Upper East Side, which had 619 contracts signed and held a 20.7% market share this quarter. In a year-over-year analysis of contracts signed, Midtown West (18.6% increase), and Upper Manhattan (16.3% increase), followed by Downtown (6.2% increase) were the major markets with the greatest growth.

The Upper East Side and Midtown East experienced large hotbeds of intense contract signings this quarter. Referring to the heat map at the beginning of this section, there was a high degree of contracts signed stretching throughout the southern portion of the Upper East Side, Lenox Hill, and Sutton Place, largely along 2nd Avenue. A high number of multi-contract signings within buildings occurred throughout this area. Notable buildings included The Impala (located at 404 E 76th Street), which had eight units enter contract this quarter; 301 E 63rd Street, which had seven units enter contract; and 205 E 63rd Street and 315 E 72nd Street, which both of which had six contracts this quarter. This type of behavior was also found in the northern portion of the Midtown East market, with multi-contract signings in buildings that included The Brevard (located at 245 E 54th Street), with eight contract signings this quarter, and 301 E 50 (located at 301 E 50th Street), with seven contract signings.

Other pockets of high volume contracts occurred in Midtown East, in Murray Hill, and Downtown in Greenwich Village, just west of Broadway. In Murray Hill, the luxury new development 325 Lex (located at 325 Lexington Avenue), which commenced sales this quarter, captured a total of 41 contract signings as well as nearby 25 Tudor City Place which captured 11 contract signings. In the Downtown major market, the identified hot pocket is roughly bound between 9th and 13th Streets along 5th Avenue and is attributable to a high intensity of small numbers of contract signings throughout many buildings in the area. For example, there were eight units that entered contract on 13th Street between 5th and 7th Avenue.

HOT - STUDIO & 1BR IN MIDTOWN EAST | NOT - $1M-3M LISTINGS IN MIDTOWN WEST

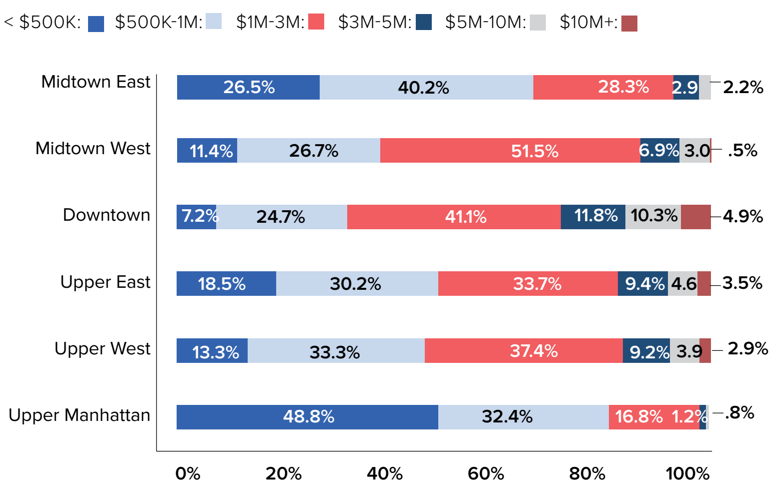
Price categories unveiled some unique characteristics this quarter, particularly within the Midtown East, Upper East, and Upper Manhattan major markets. Midtown West's contract signings are notable in the $1-3M price category, which was determined to be the single most popular price category for the major market, with 51.5% or 105 of the area's contracts, while remaining the category with the highest inventory, with 44.3% or 168 listings that did not enter contract and will now transition into carryover inventory for Q1 2015. This is due to most of the major market's listings falling within the $1-3M price category overall.

Midtown East's $500K-1M price category showed sizable contract movement with 40.2% or 183 contracts signed in this category for the area. The $5-10M category in the Upper East saw very little movement in the category with only 4.6% or 21 contracts signed. The last market of note is Upper Manhattan, where 125 signed contracts for listings under $500K made up 48.8% of contracts in the major market. The $1-3M price category did not perform as well in Upper Manhattan, where 26.5% of inventory in the market, or 103 total listings, did not enter contract.

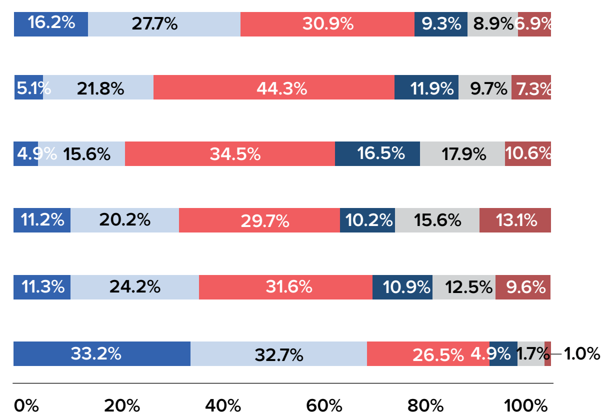
Contracts by bedroom type provided separate insights. Studio and 1BRs comprised the majority of all contracts signed in Midtown East this quarter, with a combined share of 71.7% or 326 of the area's contracts. In the Upper West major market, 2BRs accounted for 33.3% or 173 contract signings, and are now just 21.0% of the remaining inventory left to be carried over to the next quarter. This was not the case for 4BR+ in the Upper West major market, where 15.8% of this type was leftover and only 3.4% entered contract.

WHAT'S HOT (PRICE CATEGORY)

Source: Urban Compass Research

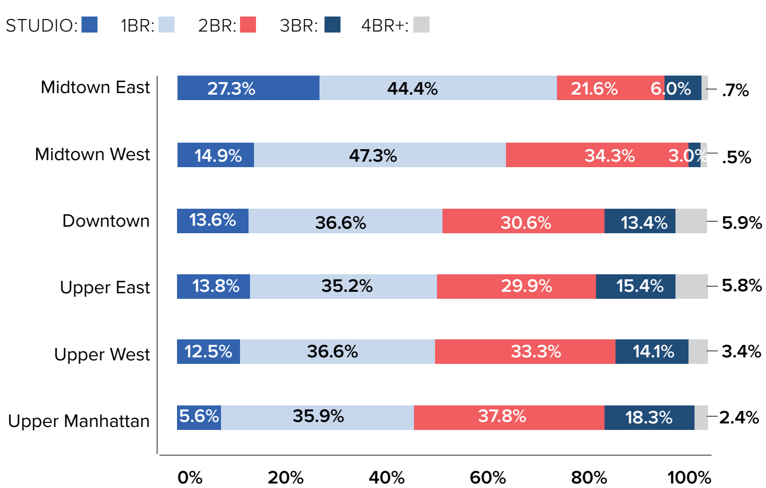


WHAT'S NOT (PRICE CATEGORY)

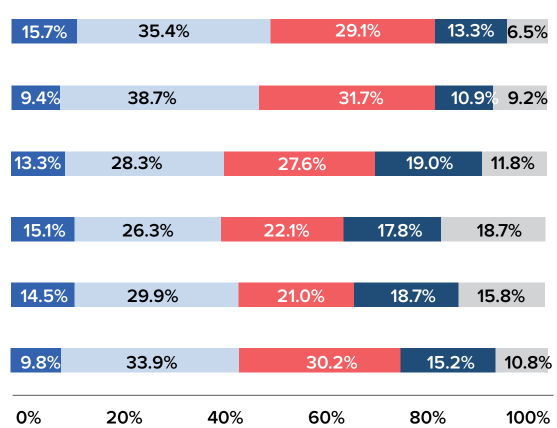


WHAT'S HOT (BEDROOM)

Source: Urban Compass Research



WHAT'S NOT (BEDROOM)



The adjacent charts depict the composition of properties that have entered into contract in Q4 2014 as well as the available inventory still remaining on the market, What's Hot are those listings that entered into contract this quarter while What's Not is the remaining available inventory balance.

MOST POPULAR UNIT TO ENTER INTO CONTRACT THIS QUARTER WAS A $1M-3M 1BR CONDO IN DOWNTOWN.

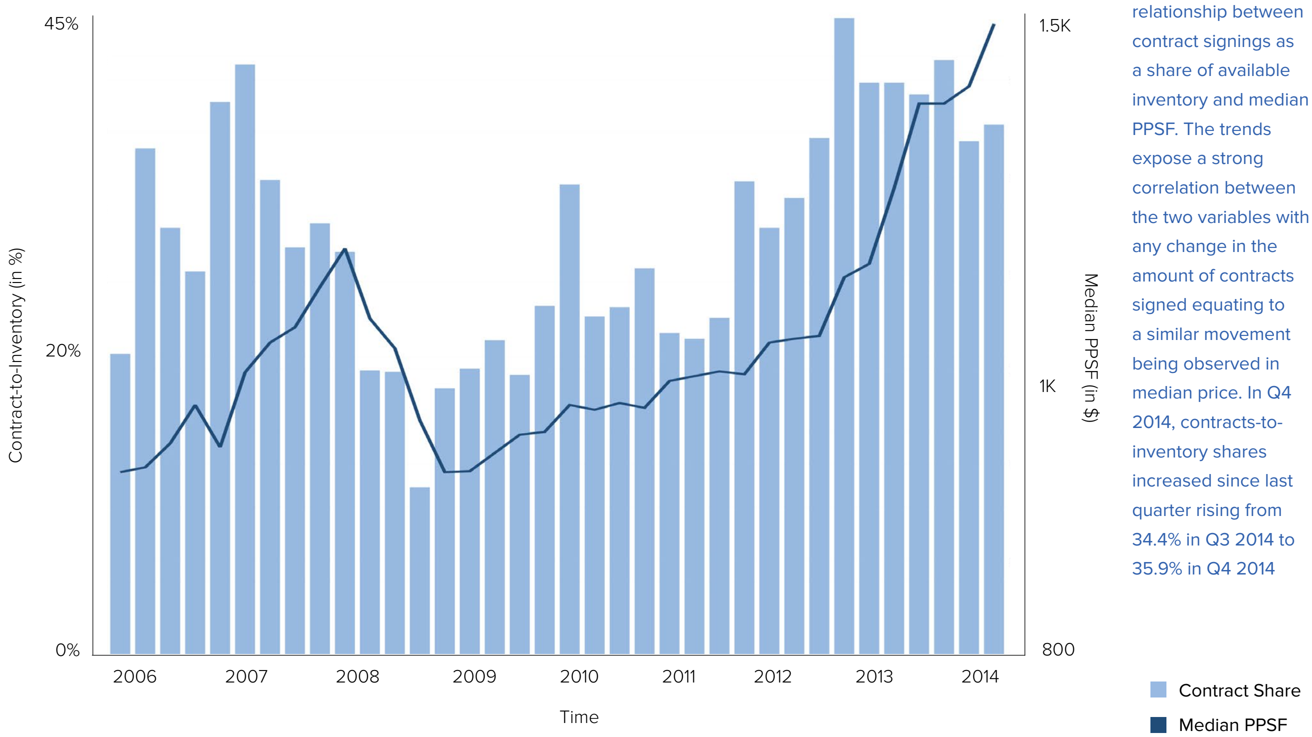
CONTRACT-TO-INVENTORY SHARE LEVEL IS STILL DEPRESSED

The share of contract activity relative to inventory steadily rose between Q4 2011 and Q2 2013, which marked the highest contract-to-inventory share at 42.6%. From this point the share diminished at what appeared to be a stabilized level over the course of the following four quarters until Q3 2014, when it dropped below the 35.0% threshold, to a rate of 34.5% before slightly increasing to 35.9% in Q4 2014. This drop in contracts-to-inventory share in Q3 2013, and again in Q3 2014, translated to a rise in carryover inventory[1] and, subsequently, to the steadily slowing absorption rates that have been observed in the quarters following Q3 2013.[2]

A lower share of contracts relative to available inventory will result in increased levels of carryover inventory into the following quarter. Additionally, increased carryover inventory will result in the continued slowing of absorption rates in Q1 2015, as fewer contracts begin to close in the upcoming quarters.[3] The delay between a contract signed date and a closing date foreshadows the decreasing absorption rates and gives insight on how prices will react in time. If the contracts-to-inventory share continues to drop entering 2015, which is expected, then absorption rates will continue to slow, and prices, which have not yet dropped, will subsequently begin to fall in reaction to increased inventory levels on the market.

CONTRACTS-TO-INVENTORY SHARE V. MEDIAN PPSF

Source: Urban Compass Research



The chart depicts the relationship between contract signings as a share of available inventory and median PPSF. The trends expose a strong correlation between the two variables with any change in the amount of contracts signed equating to a similar movement being observed in median price. In Q4 2014, contracts-to-inventory shares increased since last quarter rising from 34.4% in Q3 2014 to 35.9% in Q4 2014

[1] Refer to Inventory section.

[2] Refer to Closings section.

[3] As the end of Q4 2014, of contracts signed in Q2 2014 81.5% contracts signed during the quarter have closed, 67.2% of Q3 2014 contracts have closed and 19.2% of Q4 2014 contracts have closed.

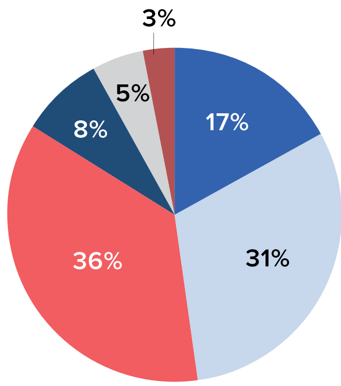
Price Breakdown

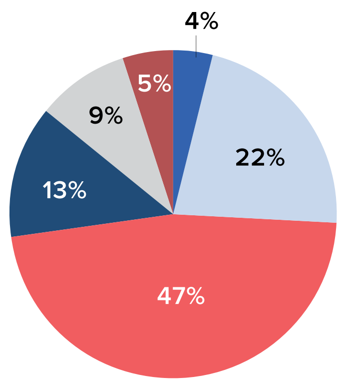
< $500K: $500K-1M: $1M-3M:
$3M-5M: $5M-10M: $10M+:

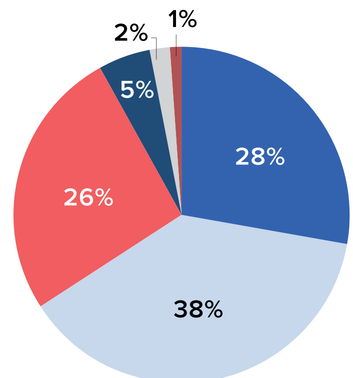
Q4 2014 Source: Urban Compass Research

OVERALL | CONDOS | CO-OPS

CONTRACTS BREAKDOWN

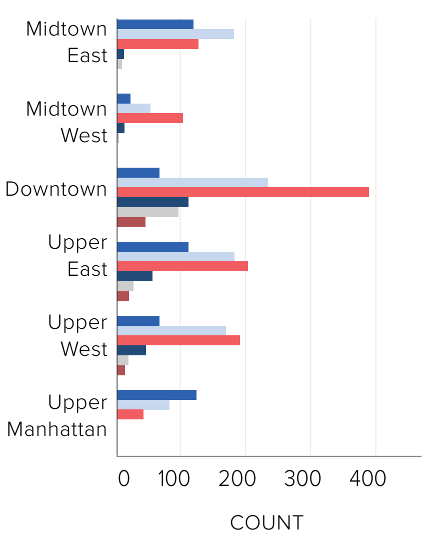


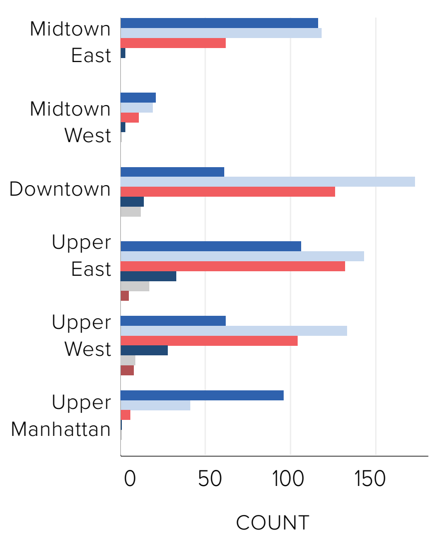


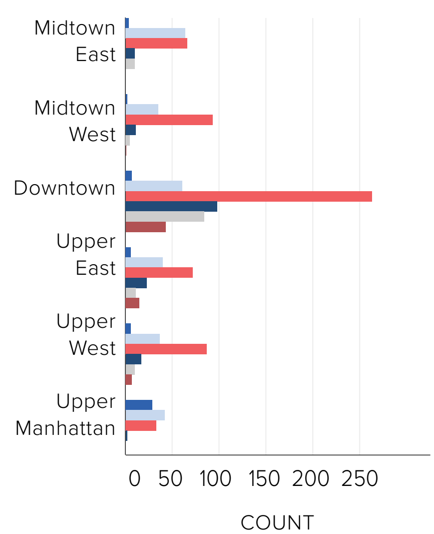


PRICE	YoY	QoQ	PRICE	YoY	QoQ	PRICE	YoY	QoQ
> $500K:	-5.0%	-0.2%	> $500K:	-10.0%	-33.3%	> $500K:	-4.1%	6.2%
$500K-1M:	-8.4%	5.1%	$500K-1M:	-20.7%	-11.7%	$500K-1M:	-0.5%	15.5%
$1M-3M:	6.6%	6.5%	$1M-3M:	14.7%	1.3%	$1M-3M:	-1.8%	15.7%
$3M-5M:	8.4%	4.7%	$3M-5M:	17.5%	-11.5%	$3M-5M:	2.5%	70.8%
$5M-10M:	-0.6%	6.5%	$5M-10M:	9.1%	20.0%	$5M-10M:	5.3%	37.9%
$10M+:	56.6%	84.4%	$10M+:	100.0%	100.0%	$10M+:	18.2%	550.0%

BREAKDOWN BY MAJOR MARKET







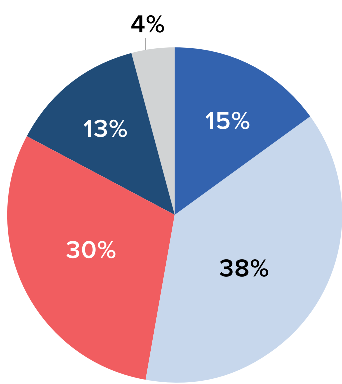
Bedroom Breakdown

STUDIO: ■ 1BR: ■ 2BR: ■ 3BR: ■ 4BR+: ■

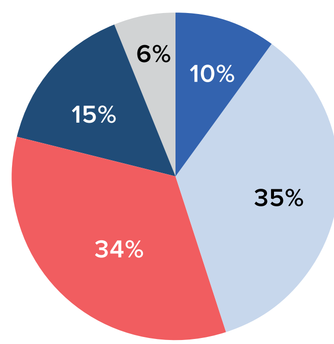
Q4 2014 Source: Urban Compass Research

CONTRACTS BREAKDOWN

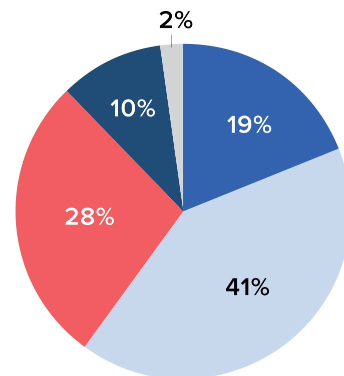
OVERALL



CONDOS

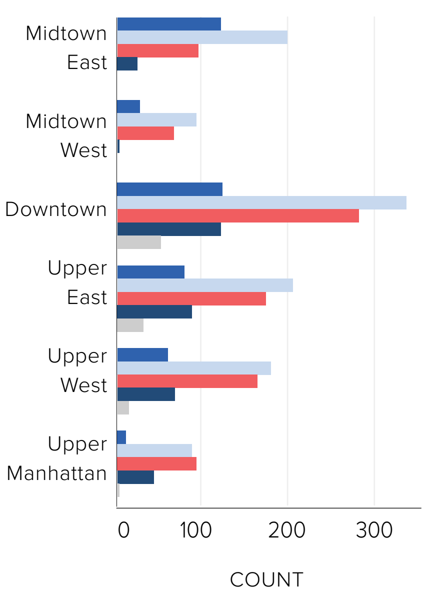


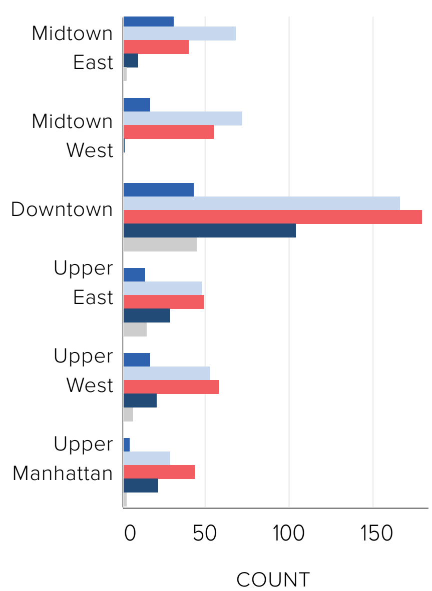
CO-OPS

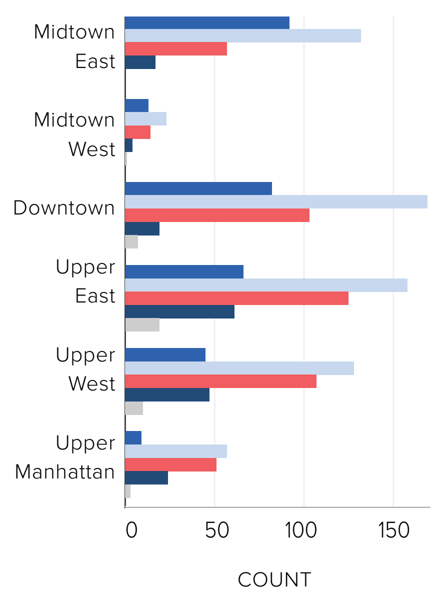


SIZE	YoY	QoQ	SIZE	YoY	QoQ	SIZE	YoY	QoQ
STUDIO:	1.9%	0.7%	STUDIO:	1.6%	0.0%	STUDIO:	6.6%	4.8%
1BR:	-1.8%	4.7%	1BR:	3.6%	-2.7%	1BR:	-2.6%	13.2%
2BR:	-5.9%	2.8%	2BR:	0.5%	-10.0%	2BR:	-10.6%	18.4%
3BR:	13.1%	13.1%	3BR:	8.0%	-3.1%	3BR:	18.6%	39.8%
4BR+:	16.2%	45.6%	4BR+:	30.4%	82.5%	4BR+:	-2.4%	14.3%

BREAKDOWN BY MAJOR MARKET

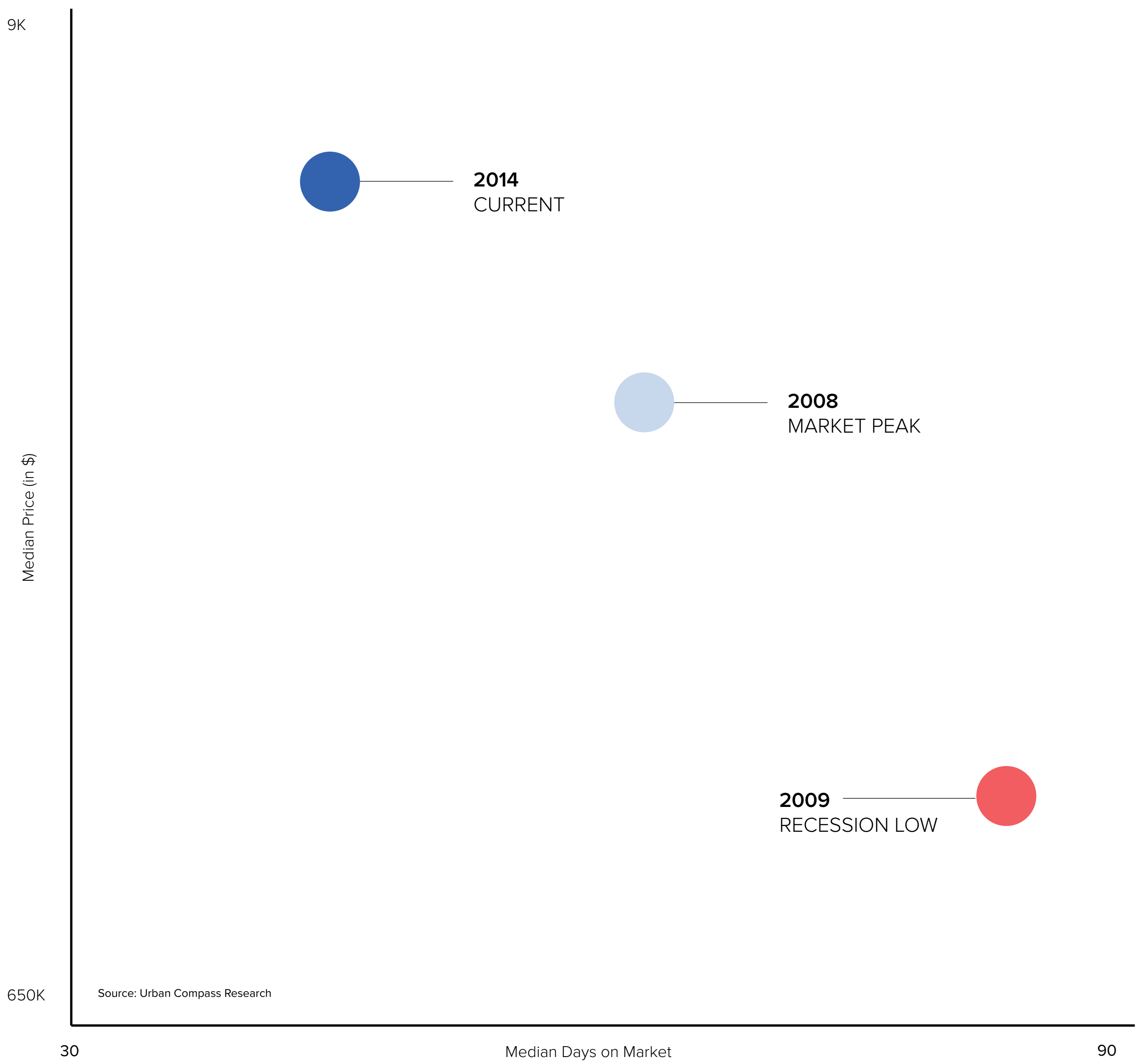






TIME ON MARKET

Of all the years observed since 2006, 2014 is the year that boasts a combination of the highest priced and fastest moving properties ever.



Quick, and bigger, buck.

This year, properties have spent less time on market than previous years. However, the median time on market this year was 46 days compared to the 49 days in Q4 alone. This shift toward slower absorption and higher prices comes in the wake of a changing buyer composition in Manhattan, as more investors entered the market relative to buyers seeking primary residences. Condominiums in Manhattan have become increasingly expensive, due in part to increased demand but also the much more expensive new development product entering the market. However, much of the most expensive product is taking longer to sell - nearly 11.0% of condominium listings have taken longer than 180 days to enter contract in Q4 2014.

Points

- **TIME ON MARKET IS SHORTER IN 2014 WHEN COMPARED TO 2009, AND EVEN PRE-RECESSION 2008**
- **Q4 IS SEEING LONGER TIME ON MARKET PERIODS AND LOWER CLOSING PRICES THAN THE PRECEDING QUARTERS IN 2014**
- **CONDOS THAT SAT ON THE MARKET FOR LONGER THAN 180 DAYS HAVE SEEN LARGE PRICE GAINS**

HISTORICALLY, MEDIAN DAYS ON MARKET FOR A MANHATTAN PROPERTY = 68. FOR Q4 2014, 49 DAYS.

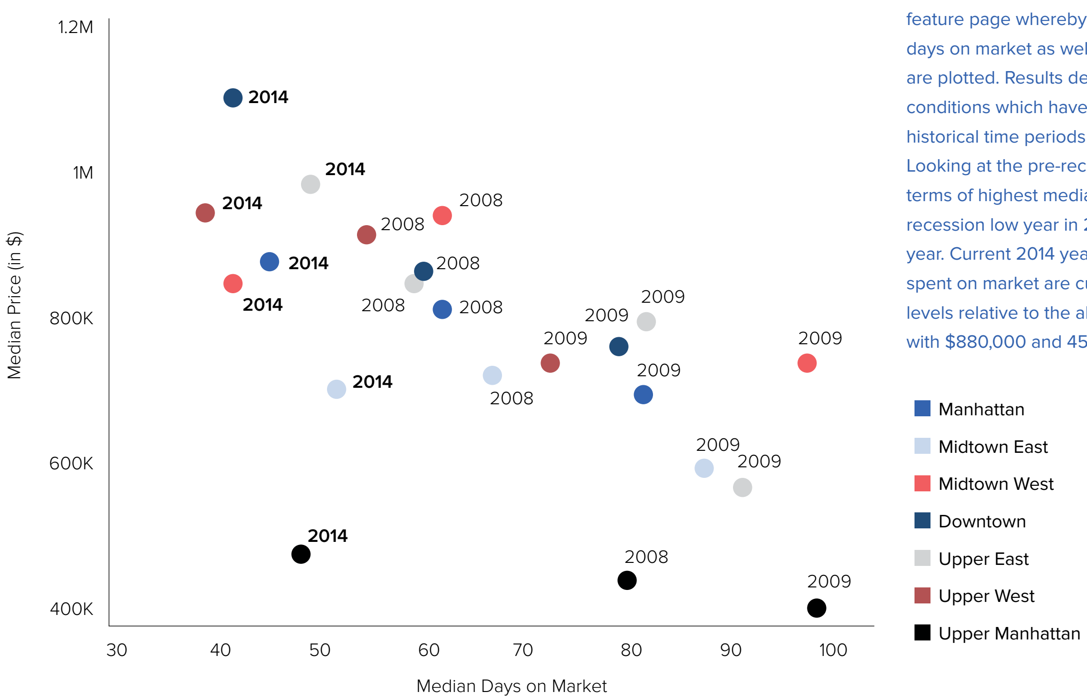
TIME ON MARKET IS SHORTER IN 2014 WHEN COMPARED TO 2009, AND EVEN PRE-RECESSION 2008

Marketplace conditions undoubtedly impact time on market, defined as the period between initial listing date and contract signed date. This year the median days on market was 46 days -- the shortest time since 2006. During the recession, as demand slackened, prices decreased and properties stayed on the market longer. In 2009, median time on market was 85 days and median overall closing price was as low as $715,000. Median time on market and closing prices have exhibited dramatic changes since the beginning of the recession. When comparing 2014 to peak market activity in 2008, median time on market for Manhattan overall has shortened considerably by 28.1%, from 64 days in 2008 to 46 days in 2014. This decrease in time on market is accompanied by increased median closing prices by roughly 8.0%, from $815,000 in 2008 to $885,000 in Q4 2014. The decrease in time on market is more dramatic between 2009 and 2014, decreasing 45.9% from 85 days in 2009 to 46 days in 2014, coupled with a significant 25.7% increase in the median price level from $700,000 in 2009 to $885,000 in Q4 2014.

In 2014, several macro level factors influenced the decline in time on market observed, including: (1) Consumers have been more strategic and efficient in their search, as many buyers are purchasing property as an investment rather than for their primary residence. (2) Average US household net worth has steadily increased since the recession at a rate of 1.8% per quarter, a trend that has increased consumer confidence as well as consumers' ability to diversify investments to include real estate. (3) High profile luxury developments which have attracted international investors to purchase

TIME ON MARKET SHIFTS ACROSS TIME PERIODS

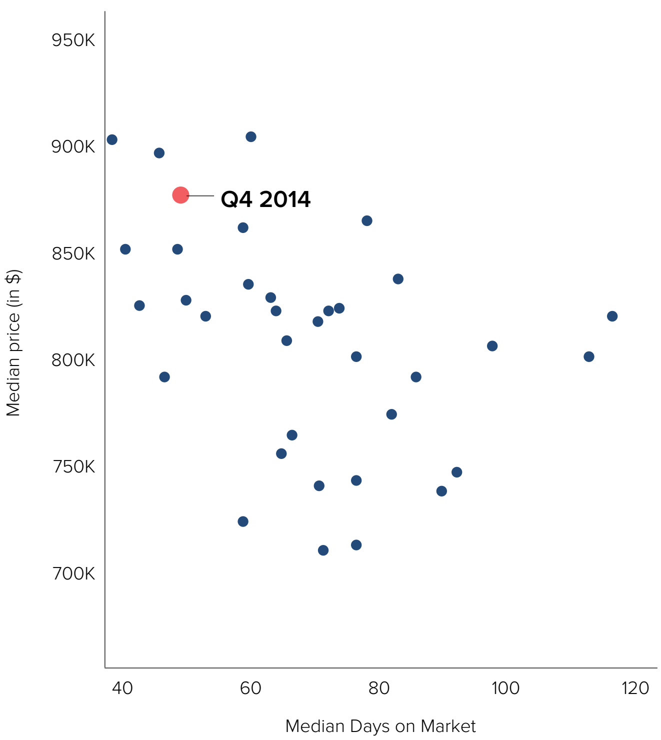
Source: Urban Compass Research



The graph is an expanded version of this section's feature page whereby all major markets' median days on market as well as median closing prices are plotted. Results detail the marketplace conditions which have existed during recent historical time periods for Manhattan real estate. Looking at the pre-recession peak year 2008 (in terms of highest median closing prices observed), recession low year in 2009 and the current 2014 year. Current 2014 year prices and length of time spent on market are currently at their highest levels relative to the alternative years observed with $880,000 and 45 days respectively.

QUARTERLY TIME ON MARKET COMPARISON

Source: Urban Compass Research



The chart depicts median contract days on market and median closing prices for all quarters between Q1 2006 and Q4 2014. It details how Q4 2014 is situated amongst all other quarters in relative performance. This quarter has outperformed all but four quarters on a median price standpoint with a level of $885,000. However, the quarter has achieved one of the fastest time on market performances on record with a mere 49 days.

a haven for their wealth.

Shorter time on market in 2014, however, stems from the fast rate of absorption in 2013, when the rate of absorption rose to its fastest point at 6.1 months. Higher rates of closings relative to inventory acted as the catalyst for 2014's overall success due to (1) listings on the market for extended periods began to be removed from the market at a rapid pace beginning in Q2 2013, with 41 median days on market, which dropped from 61 days in Q1 2013, and until Q1 2014 when available inventory levels hit bottom with 7,254 listings; (2) 5,063 fresh, new listings entered the marketplace in Q2 2014. At this time, there were only 3,653 units of carryover inventory listed or 1,410 fewer than new inventory. This combination of factors decreased overall median time on market since newly listed inventory was entering into contract in greater numbers than carryover inventory, causing median time on market in 2014 to be shorter.

Q4 IS SEEING LONGER TIME ON MARKET PERIODS AND LOWER CLOSING PRICES THAN THE PRECEDING QUARTERS IN 2014

Q4 outperformed nearly every quarter since Q1 2006 by median closing price, with a level of $885,000, and also achieved one of the fastest time on market performances with a median of 49 days on market - the sixth quarter with the fewest median days on market since Q1 2006. When compared to the preceding quarters in 2014, the fourth quarter had both the lowest median closing price and the longest time on market period.

Q1 2014 which was the low-point in inventory with 7,254 available listings, where a large amount of long standing carryover inventory was absorbed. Following this low-point, available inventory increased to 8,342 listings coupled with higher-priced carryover inventory. The median time on market level started to increase more as buyers began to exit the market or withhold from purchasing due to rising prices, causing more inventory to remain on the market for longer. Carryover inventory has grown and now exceeds new inventory listings in Q4 2014 by 2,228 listings thereby increasing time on market as they enter into contract. This has been evident in each quarter in 2014 following the clearing of inventory observed in Q1 with Q2 having a median days on market level of 39, Q3 having 46 and Q4 having 49.

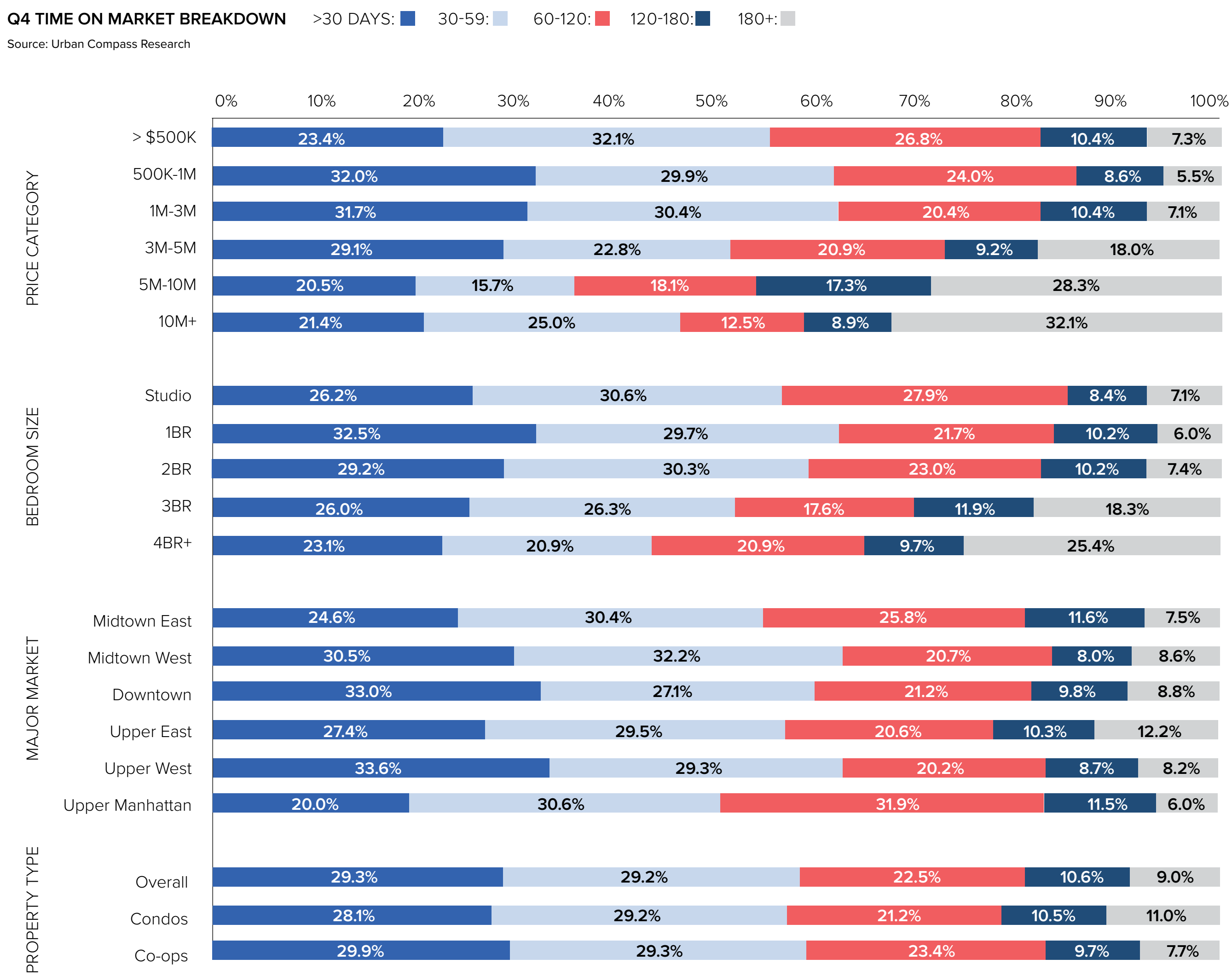
Looking to 2015, it is expected that these increasing days on market trends will continue to increase due to (1) rising prices which will deter segments of buyers from entering the market; and (2) increasing carryover inventory levels relative to new inventory causing the median days on market level to be dragged up as a greater number of carryover inventory enter contract with longer days on market in lieu of new inventory.

CONDOS THAT SAT ON THE MARKET FOR LONGER THAN 180 DAYS HAVE SEEN LARGE PRICE GAINS

As condominium prices increase, it is expected that days on market will likely increase. In Q4 2014, the condo properties that entered into contract after a period of 180 days had a median contract price of $3,275,000, 109.5% greater than the median contract price for condos in Q4 2014 listed for less than 180 days ($1,711,875). This fact illustrates the correlation between high prices and high number of days on market. This has become more apparent in Q4 2014 than in previous periods with 11.0% of all condo contract signings occurring more than 180 days after the listing date, a 26.9% increase since Q4 2013 and a 38.8% increase from Q3 2014 when there were fewer units on the market for over 180 days.

It is important to point out condos traditionally trade at higher price points than co-ops. In Q4 2014, the median closing price for Manhattan condos was $1,251,000 with median time on market at 51 days; co-ops achieved a median price of $680,000 with median time on market at 48 days. This represents an 59.1% difference in prices and a three-day, or 6.1%, difference in days on market for the two product types. Median price for contracted listings of Manhattan condos increased 45.6% from Q3 2014 to Q4 2014, and median prices increased 97.3% between Q4 2013 to Q4 2014, for listings exceeding 180 days prior to contract signing. This is very different from co-ops during the same period, which only witnessed median days on market and price increases of 29.9% and 5.3%, respectively. During the same period, only 7.7% of co-op contracts were listed for longer than 180 days, and only 0.8% of co-op contracts exceeded $10M.

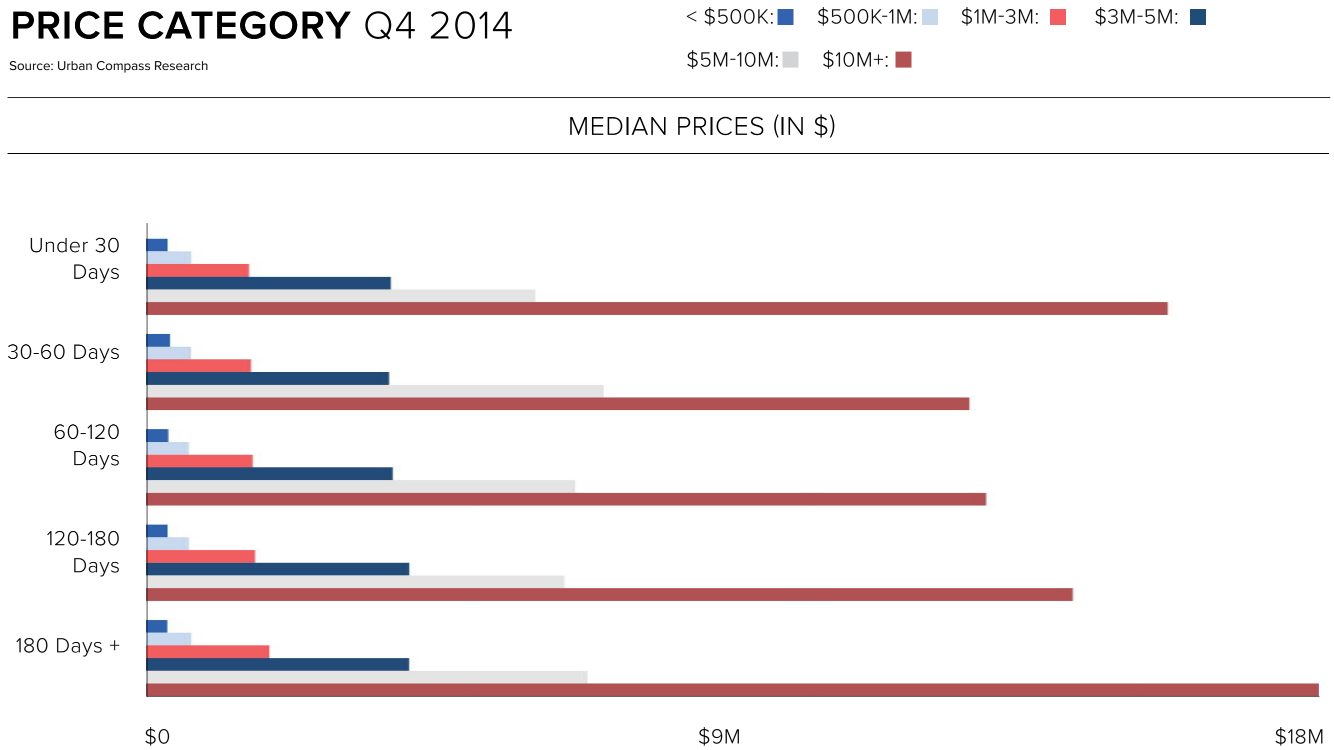
As condo prices continue to increase across Manhattan, condos will likely stay on the market for protracted periods of time. Given the increasing share of high-priced condos on the market, and subsequent increases in days on market, absorption rates for condos will likely follow suit and slow as fewer properties enter into contract per month.



PRICE CATEGORY Q4 2014

Source: Urban Compass Research

MEDIAN PRICES (IN $)



COUNT CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
> $500K:	8.5%	-6.5%	6.5%	-3.8%	-26.5%
$500K-1M:	-16.9%	-7.5%	12.5%	10.4%	-11.3%
$1M-3M:	-5.7%	4.4%	2.1%	14.0%	0.0%
$3M-5M:	-13.0%	27.0%	7.5%	-5.0%	32.1%
$5M-10M:	-13.3%	0.0%	21.1%	29.4%	28.6%
$10M+:	20.0%	75.0%	75.0%	25.0%	100.0%

COUNT CHANGE % QoQ

	> 30 Days	30-60	60-120	120-180	180 +
> $500K:	-8.7%	1.3%	-3.6%	21.4%	33.3%
$500K-1M:	2.2%	-3.0%	11.9%	45.1%	17.5%
$1M-3M:	16.9%	13.5%	-10.3%	30.7%	42.6%
$3M-5M:	22.4%	27.0%	-12.2%	-20.8%	54.2%
$5M-10M:	-25.7%	-23.1%	-8.0%	-12.0%	176.9%
$10M+:	100.0%	250.0%	-22.2%	25.0%	100.0%

PRICE CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
> $500K:	-4.9%	2.8%	-4.9%	-3.6%	5.9%
$500K-1M:	-1.3%	3.9%	-4.6%	3.6%	5.2%
$1M-3M:	-4.8%	0.5%	-0.8%	-3.7%	6.1%
$3M-5M:	-3.3%	-7.5%	-6.1%	13.5%	1.5%
$5M-10M:	-5.7%	9.1%	-3.8%	-9.5%	-4.6%
$10M+:	26.8%	-19.5%	-25.6%	-37.9%	26.1%

PRICE CHANGE % QoQ

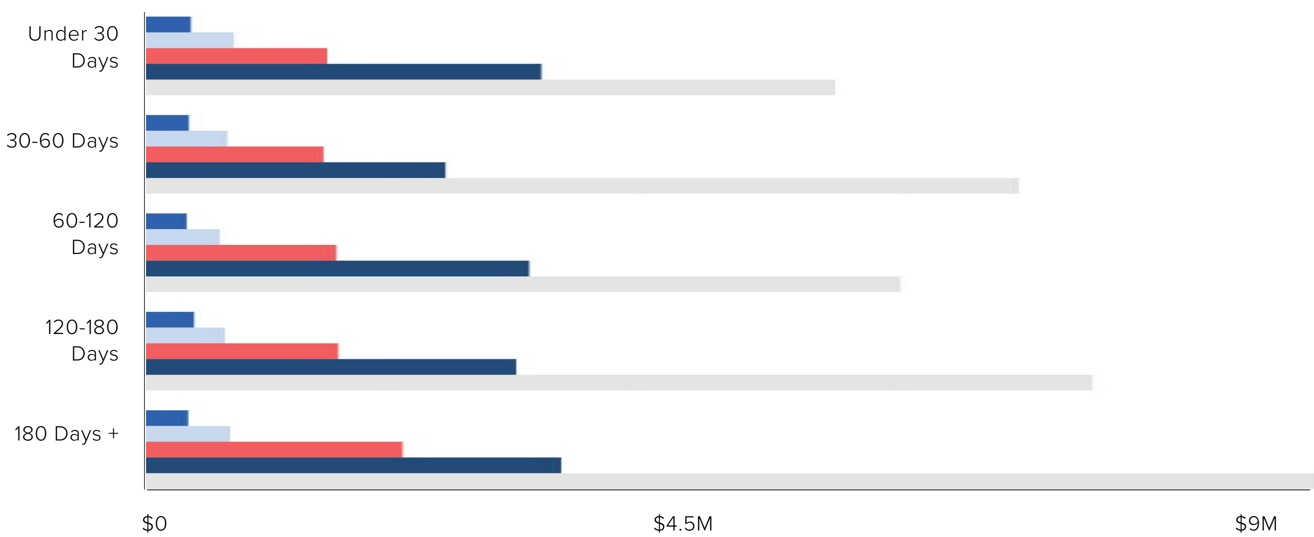
	> 30 Days	30-60	60-120	120-180	180 +
> $500K:	-6.0%	-1.2%	-3.6%	-4.9%	-11.6%
$500K-1M:	0.3%	4.0%	0.0%	3.6%	5.2%
$1M-3M:	0.0%	1.6%	0.0%	-10.1%	-4.9%
$3M-5M:	-6.9%	5.6%	0.0%	-0.4%	2.4%
$5M-10M:	-5.7%	7.4%	-0.1%	5.6%	4.1%
$10M+:	-6.1%	4.0%	-15.7%	-12.1%	-1.9%

BEDROOM Q4 2014

Source: Urban Compass Research

STUDIO: 1BR: 2BR: 3BR: 4BR+:

MEDIAN PRICES (IN $)



COUNT CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
STUDIO	-13.0%	10.6%	35.7%	-23.3%	-25.6%
1BR	11.0%	-17.4%	-3.9%	40.5%	-14.1%
2BR	-26.8%	10.9%	16.4%	-4.7%	-11.8%
3BR	-8.0%	39.0%	-12.7%	19.4%	54.1%
4BR+	0.0%	3.7%	27.3%	0.0%	78.9%

COUNT CHANGE % QoQ

	> 30 Days	30-60	60-120	120-180	180 +
STUDIO	-2.7%	-3.1%	1.8%	-2.9%	11.5%
1BR	8.1%	-4.7%	3.7%	44.4%	24.5%
2BR	5.9%	19.0%	-9.8%	15.5%	25.0%
3BR	5.2%	12.3%	-14.1%	37.0%	119.2%
4BR+	29.2%	86.7%	16.7%	-23.5%	209.1%

PRICE CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
STUDIO	-6.1%	4.7%	-1.2%	26.0%	4.5%
1BR	1.8%	7.0%	-1.6%	12.5%	0.9%
2BR	0.0%	-0.2%	-0.3%	-3.7%	12.1%
3BR	7.5%	6.4%	6.9%	-4.8%	-14.1%
4BR+	-17.4%	20.4%	12.2%	3.4%	23.4%

PRICE CHANGE % QoQ

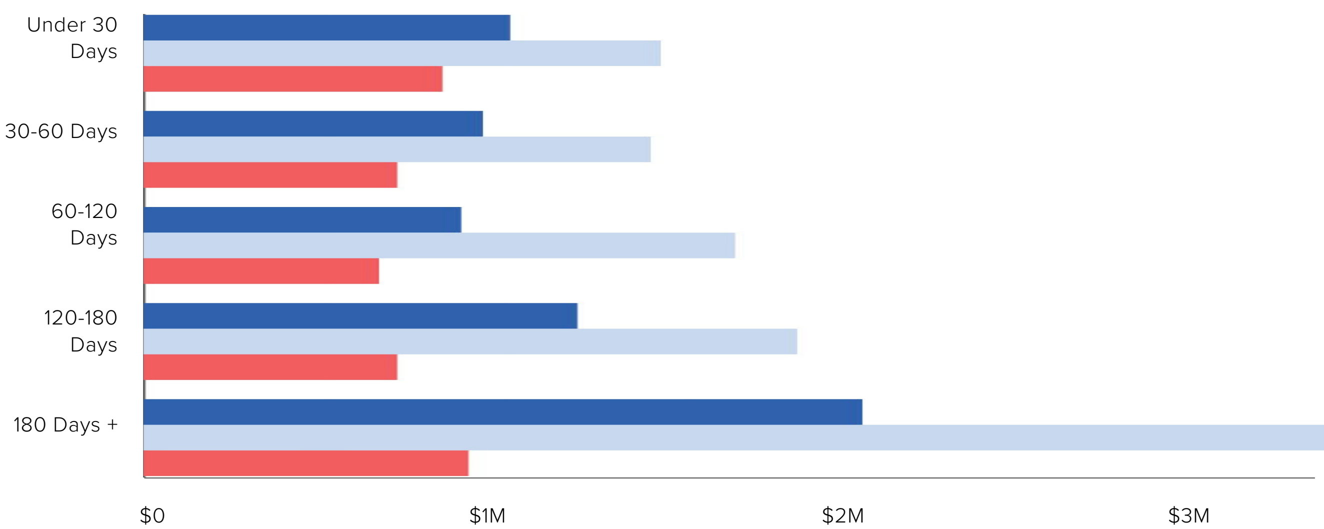
	> 30 Days	30-60	60-120	120-180	180 +
STUDIO	-1.1%	-4.3%	-1.2%	21.6%	-28.6%
1BR	1.8%	0.0%	-6.8%	6.2%	9.7%
2BR	-4.1%	-6.3%	6.7%	-15.0%	-0.9%
3BR	23.1%	-9.3%	-5.2%	-24.9%	-9.5%
4BR+	10.0%	53.9%	11.4%	20.0%	74.5%

PROPERTY TYPE Q4 2014

OVERALL: ■ CONDOS: ■ CO-OPS: ■

Source: Urban Compass Research

MEDIAN PRICES (IN $)



COUNT CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
OVERALL	-8.8%	-0.5%	8.1%	8.9%	3.0%
CONDO	-16.6%	17.7%	1.3%	14.3%	26.9%
CO-OP	-2.2%	-8.4%	15.7%	7.6%	-6.1%

COUNT CHANGE % QoQ

	> 30 Days	30-60	60-120	120-180	180 +
OVERALL	6.2%	5.7%	-2.4%	21.7%	50.6%
CONDO	-5.9%	6.1%	-10.3%	12.0%	38.8%
CO-OP	17.6%	7.0%	5.9%	38.1%	73.2%

PRICE CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
OVERALL	-8.8%	-0.5%	8.1%	8.9%	3.0%
CONDO	-16.6%	17.7%	1.3%	14.3%	26.9%
CO-OP	-2.2%	-8.4%	15.7%	7.6%	-6.1%

PRICE CHANGE % QoQ

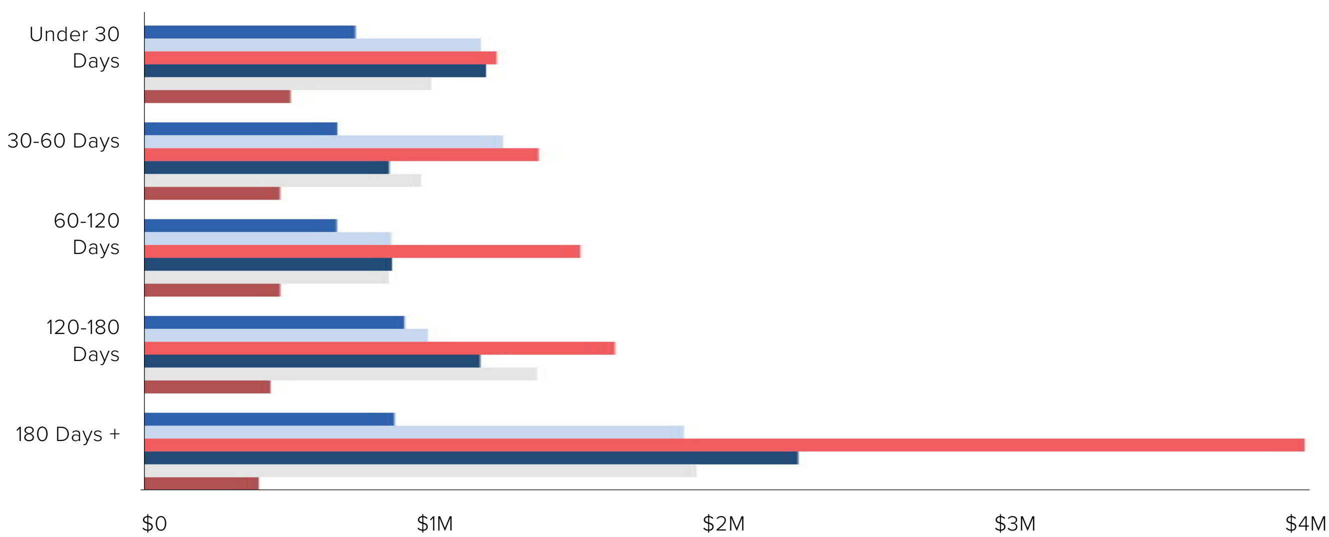
	> 30 Days	30-60	60-120	120-180	180 +
OVERALL	6.3%	4.5%	-9.7%	-15.5%	8.6%
CONDO	5.6%	7.7%	9.0%	-20.8%	45.6%
CO-OP	9.8%	0.6%	-1.6%	7.5%	29.9%

MAJOR MARKET Q4 2014

Source: Urban Compass Research

MANHATTAN MIDTOWN EAST MIDTOWN WEST DOWNTOWN
UPPER EAST UPPER WEST UPPER MANHATTAN

MEDIAN PRICES (IN $)



COUNT CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
MIDTOWN E	-29.7%	-3.1%	5.9%	9.1%	-35.4%
MIDTOWN W	-10.2%	40.0%	5.9%	0.0%	-6.3%
DOWNTOWN	7.8%	-8.5%	1.8%	0.0%	-1.4%
UPPER EAST	-16.7%	-6.0%	2.6%	-3.2%	26.8%
UPPER WEST	-5.8%	-6.0%	5.4%	35.5%	53.8%
UPPER MN	-7.8%	50.0%	53.1%	50.0%	-17.6%

COUNT CHANGE % QoQ

	> 30 Days	30-60	60-120	120-180	180 +
MIDTOWN E	5.2%	13.5%	-8.5%	33.3%	0.0%
MIDTOWN W	82.8%	80.6%	9.1%	7.7%	114.3%
DOWNTOWN	1.2%	-10.4%	12.0%	34.5%	42.9%
UPPER EAST	18.5%	11.7%	-17.2%	1.7%	163.0%
UPPER WEST	4.5%	6.8%	-14.0%	7.7%	37.9%
UPPER MN	-27.7%	0.0%	25.0%	68.8%	-17.6%

PRICE CHANGE % YoY

	> 30 Days	30-60	60-120	120-180	180 +
MIDTOWN E	-2.6%	-3.1%	-7.2%	24.1%	-2.1%
MIDTOWN W	27.8%	40.0%	-11.2%	35.1%	91.8%
DOWNTOWN	8.8%	-8.5%	34.0%	-12.1%	117.2%
UPPER EAST	-4.0%	-6.0%	-0.9%	4.1%	-23.1%
UPPER WEST	-19.3%	-6.0%	-16.7%	61.8%	75.2%
UPPER MN	-17.6%	50.0%	3.1%	-3.9%	-22.6%

PRICE CHANGE % QoQ

	> 30 Days	30-60	60-120	120-180	180 +
MIDTOWN E	17.1%	-12.3%	-7.2%	30.1%	-0.3%
MIDTOWN W	91.2%	15.6%	-13.2%	-17.3%	99.9%
DOWNTOWN	-9.1%	21.3%	8.9%	-20.0%	80.1%
UPPER EAST	1.0%	4.8%	-24.5%	-31.5%	4.6%
UPPER WEST	9.1%	-1.0%	-20.6%	26.4%	-6.9%
UPPER MN	-7.0%	11.5%	0.8%	-9.1%	-5.3%

BIG PICTURE

CAUTIOUS OPTIMISM IN THE STOCK MARKET

The stock market witnessed widespread gains in the first half of 2014, but began to see mixed results in the third quarter. While large cap stocks saw modest gains, small cap stocks underperformed. The healthcare and technology sectors have outperformed 2014 estimates, while plummeting oil prices have begun to weigh on several sectors of the market, such as energy.

This year, the stock market is up 11% compared to a year ago, and is up just over 200% since bottoming out back in March 2009. However, as Europe, China and Japan face stagnant or slowing growth, analysts are cautiously optimistic for what is to come in 2015, predicting stock market gains ranging from a modest 1.8% to 4.2%.

OIL PRICES FALLING

One of the biggest stories this year has been falling crude oil prices. Oil prices have fallen from $108 a barrel in June to just $58 recently, its lowest level since 2009. The velocity of this drop, much of which has happened within the last quarter, has many analysts concerned that the global economy is entering into a recession. With slowing growth in many economies across the world, like China (the world's largest importer of oil), the demand for oil has dropped and is expected to continue to decline, resulting in prices falling even further.

In the past, falling oil prices had consumers rejoicing as it meant increased purchasing power from lower prices at the gas station, lower utility bills, lower airfares, and lower production and import costs. However, this sharp drop in oil prices parallels trends at the end of 2008, when oil prices dropped to just below $40 a barrel as the US and Europe entered into a recession. Low prices have detrimental impacts to our own energy sector, which has been the country's fastest growing industry and biggest job producer with 2 million jobs at stake.

STEADILY INCREASING HOUSEHOLD NET WORTH

In the second quarter of this year, Americans' total household net worth reached its highest level ever at $81.5 trillion due to a high-performing stock market and rising home prices. While household net worth declined slightly in the third quarter of 2014 to $81.35 trillion, as the values of stocks and mutual funds declined, US household net worth is up 20% from the pre-recession peak of $67.9 trillion in the second quarter of 2007.

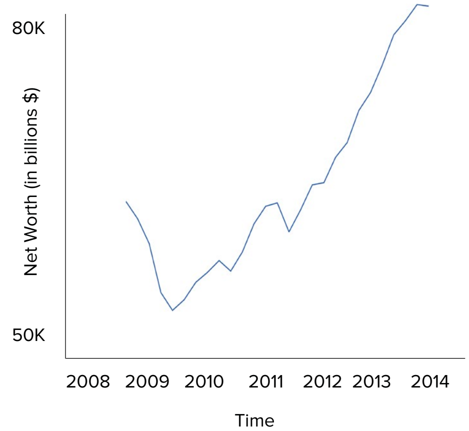
Increased household net worth will encourage consumers to spend more in 2015. So far, household borrowing increased by 2.7% year over year. The Federal Reserve most recently reported that mortgage borrowing had a weak increase of 0.7%, but consumer credit continued to grow steadily, by 6.4%, and business borrowing grew by 5.2% year over year.

MORTGAGE INTEREST RATES

At the end of the fourth quarter of 2014, the average 30-year fixed rate mortgage fell to 4%. According to the Mortgage Bankers Association, this is the lowest rate in the last 18 months. In October, the Federal Reserve ended its quantitative easing program, which aimed to keep long-term rates low. Though rates were expected to rise, plummeting oil prices

US HOUSEHOLD NET WORTH

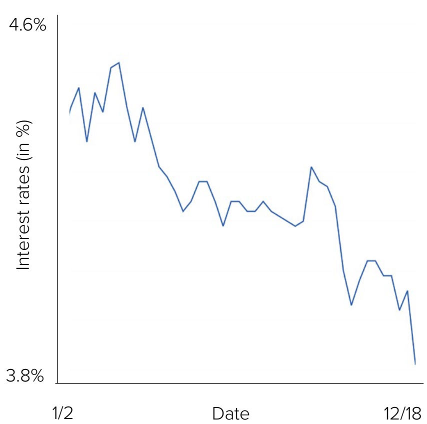
Source: Board of Governors of the Federal Reserve System (US)



This chart depicts the steadily rising household net worth throughout the United States based upon the Federal Reserve System data. Since the recession, household net worth has been steadily on the upswing which translates to increased investor confidence; however, when coupled with observed volatile stock markets the savvy investor will have to choose a more stable channel in which to invest - say real estate.

WEEKLY 30-YR FRM RATES IN NORTHEAST

Source: Freddie Mac Primary Mortgage Market Survey (PMMS)



The chart depicts the steadily decreasing weekly mortgage rates provided by Freddie Mac's Primary Mortgage Market Survey (PMMS) throughout 2014. Analysts have observed that mortgage rates fell to their lowest levels during the week of December 18th, at 3.81%

have been a key driver to low mortgage rates as concerns over economic slowdowns in Europe, China, and Japan have increased the demand for government bonds. The instability occurring overseas and falling oil prices will likely force the Federal Reserve to keep interest rates low.

JOBS AND WAGES INCREASING

In December, the government announced that the US economy created 321,000 new jobs in November, the highest level per month in three years. This increase puts 2014 on track to see the strongest annual job growth since the late 1990s. To date, over 2.65 million jobs have been created this year, with 10 consecutive months of growth over 200,000 jobs. The unemployment rate has remained constant at 5.8%, the lowest level since the recession.

Along with improving employment statistics, wages have also started to rise. Average hourly wages have increased 2.1% year over year, the most growth in wages since June 2013. Yet at this rate, this increase in average wages will not be enough to keep up with inflation.

STRENGTHENING OF THE DOLLAR

Compared to other major currencies, the value of the US dollar rose by 12% this year, and by as much as 60% compared to currencies in emerging markets. Several factors contributed to this increased US dollar value:

- The Federal Reserve's announcement in October to end quantitative easing to lower interest rates contributed to a weaker dollar exchange rate--as a result, foreign imports became more expensive than American exports
- The weakening of currencies by other countries to boost their own exports
- A stronger US economy
- Political and economic volatility across the world, such as Russia and the Ukraine, thereby increasing demand for the relatively stable US dollar

During the Federal Reserve's quantitative easing program, the dollar weakened, making it very attractive for emerging market companies to borrow $9.3 trillion. As the dollar has strengthened, it is now much more expensive for these emerging markets to repay their loans, and may cause them either to refinance or default on these loans. Historically, periods where the US dollar strengthened caused emerging market financial crises, particularly in the 1980s and 1990s.

CHINA'S SLOWDOWN

The world's second largest economy's growth has been slowing down to below 7% for the last several months, a sharp drop from when the country's annual growth was in the double digits, and the lowest rate of growth in the last five years. This slowdown has impacted the global economy, particularly in Latin America, Australia and Germany, as demand for commodities worldwide has slackened. Since September 2013, China has been the world's largest importer of oil. However, diminishing growth has decreased China's demand for oil, greatly impacting the fall of oil prices.

Though China's economic growth is slowing, it is still the world's second largest economy and the fastest growing major economy, and will continue to outpace emerging markets around the world.

RUSSIA'S WOES

The Russian ruble has fallen 50% against the dollar since the start of 2014, with particularly sharp drops in mid-December, sending the Russian economy into crisis. In an effort to keep investors from pulling their money out of the country, Russia's central bank raised interest rates from 10.5% to 17%, the biggest rate hike since the country defaulted on its debt in 1998. Continued western sanctions against Russia over the crisis in the Ukraine have greatly impacted the nation's economy. Further, China's economic slowdown and subsequent slackening demand for oil had a devastating impact on Russia's economy, as nearly half of the nation's revenue comes from oil and gas exports. If oil prices continue to fall, Russia's GDP is expected to fall by 5% next year. Meanwhile, food prices along with everything else have been climbing as inflation in Russia has reached 9.4% this year.

Imports to Russia have become more expensive as Russian purchasing power, along with the currency, has declined dramatically. The nation's financial institutions that have borrowed in dollars or euros are now at a much higher risk of defaulting, given the increased expense of loan repayment. Currently, the Russian government holds $678 billion in foreign debt, $30 billion of which is due in December and another $150 billion due next

PUTTING IT ALL TOGETHER

GLOBAL GLOOM OFTEN LEADS TO DOMESTIC BLOOM.

The US economy is currently enjoying the positive signs of growth, with a strengthening dollar, diminishing unemployment, falling energy costs, low interest rates and rising household net worth. These signs faintly echo the late 1990s when oil prices plummeted, Asia was going through a financial crisis, the dollar gained strength, and the American economy and its stock prices grew.

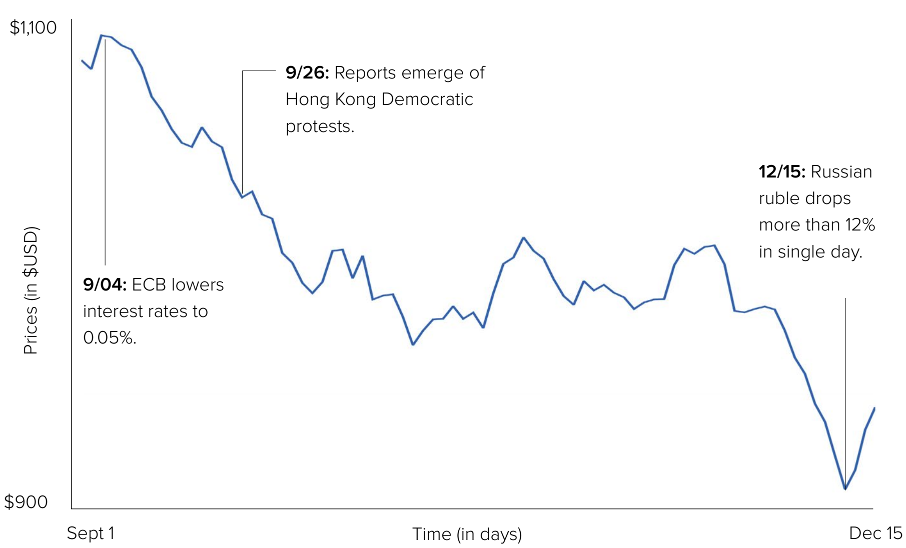
Weak global growth and a strengthening dollar makes US exports more expensive, resulting in falling commodity prices worldwide as demand for them tapers. This then slows down domestic inflation - foreign imports are now cheaper and American companies will lower prices in order to compete - and makes the Federal Reserve less likely to raise interest rates.

A strong dollar and low interest rates not only attract foreign investors, but lead to increased consumer spending as well as appreciation in US stocks and real estate, raising the net household worth of Americans.

Q1 2015 may see a dip in prices in some market segments due to seasonality of the market and increased supply. As consumer confidence increases despite exogenous geo-economic and geo-political uncertainty, the Manhattan residential market is poised to strengthen in 2015.

INVESTMENT RETURNS IN EMERGING FOREIGN MARKETS

Source: Urban Compass Research; MSCI Emerging Markets Index*



The chart depicts the disinvestment in foreign markets throughout Q4 2014. Using the MSCI Index for Emerging Markets which closely follows 23 emerging markets across the globe, we see that in early September there began a steady decline in the MSCI Index from a high of $1,101. However, after several decline runs leading to the lowest point observed on December 16th when the Russian Central Bank interceded to raise interest rates to 17% there appeared to be some rebound.

THE DETAILS

Q4 2014

Source: Urban Compass Research

MAJOR MARKET	NEIGHBORHOOD	ABSORPTION RATE[1]	PRICE				CLOSINGS			INVENTORY			CONTRACTS			TIME	
			Median Price	YoY Chg %	Median PPSF	YoY Chg %	Count	YoY Chg %	% Hsg Stock[2]	Count	YoY Chg %	% Hsg Stock	Count	YoY Chg %	% Hsg Stock	Median Days on Mkt	YoY Chg %
MANHATTAN	Overall	8.0	$885,000	7.8%	$1,459	13.3%	3175	-18.9%	0.4%	8342	8.2%	0.9%	2996	1.5%	0.3%	49	11.4%
	Condo	12.8	$1,251,000	11.2%	$1,393	9.2%	994	-14.1%	0.1%	4196	22.1%	0.5%	1296	6.6%	0.1%	51	18.6%
	Co-op	6.8	$680,000	4.8%			1803	-21.2%	0.2%	4017	-0.4%	0.4%	1685	0.1%	0.2%	48	11.5%
	New Dev		$1,931,583	30.8%	$1,854	39.6%	289	-30.6%	0.0%								
MIDTOWN EAST	Overall	8.6	$725,000	3.6%	$1,383	12.0%	488	-25.1%	0.6%	1375	-1.3%	1.6%	456	-10.9%	0.5%	53	10.4%
	Condo	12.1	$1,195,000	19.6%	$1,290	6.9%	145	-25.5%	0.2%	578	7.8%	0.7%	156	-17.5%	0.2%	55	17.0%
	Co-op	7.8	$575,000	2.7%			307	-25.5%	0.4%	789	-6.3%	0.9%	300	-6.3%	0.3%	53	8.2%
	New Dev		$3,100,000	52.2%	$2,895	98.0%	34	-16.8%	0.0%								
	Midtown East	9.6	$762,000	4.5%	$1,480	17.5%	289	-19.6%	0.7%	912	0.4%	2.2%	259	-13.4%	0.6%	59	20.4%
	Condo	16.3	$1,338,888	35.2%	$1,409	11.9%	72	-33.8%	0.2%	382	4.1%	0.9%	78	-30.4%	0.2%	67	36.6%
	Co-op	8.5	$580,000	-4.8%			188	-22.0%	0.5%	525	-1.9%	1.3%	181	-2.7%	0.4%	56	14.2%
	New Dev		$3,600,000	20.0%	$3,223	72.2%	29	308.6%	0.1%								
	Murray Hill	7.1	$695,000	1.8%	$1,254	5.0%	202	-31.9%	0.4%	471	-4.1%	1.0%	200	-6.5%	0.4%	49	8.9%
	Condo	8.1	$1,080,000	5.4%	$1,231	6.5%	74	-15.3%	0.2%	196	16.0%	0.4%	78	1.3%	0.2%	42	-4.5%
	Co-op	6.8	$549,000	12.0%			122	-30.6%	0.3%	272	-13.1%	0.6%	122	-9.6%	0.3%	49	0.1%
	New Dev		$801,000	-60.7%	$1,279	-12.0%	6	-83.8%	0.0%								
MIDTOWN WEST	Overall	9.4	$840,000	3.8%	$1,540	15.1%	190	-14.3%	0.3%	585	26.6%	1.0%	204	18.6%	0.3%	46	9.6%
	Condo	12.2	$1,150,000	25.0%	$1,475	10.2%	109	-21.7%	0.2%	436	35.4%	0.7%	148	18.4%	0.2%	38	5.4%
	Co-op	8.2	$499,000	-17.9%			55	-33.7%	0.1%	149	9.6%	0.2%	56	21.7%	0.1%	60	-6.2%
	New Dev		$27,127,160	-	$6,588	-	12	-	0.0%								
	Fashion District	12.4	$959,000	3.7%	$1,446	4.3%	9	-53.7%	0.3%	36	-5.3%	1.2%	12	-25.0%	0.4%	50	43.0%
	Condo	10.7	$959,000	3.7%	$1,446	4.3%	9	-48.2%	0.3%	31	-3.1%	1.1%	9	-40.0%	0.3%	43	23.0%
	Co-op	-	-	-100.0%			0	-100.0%	0.0%	5	-16.7%	0.2%	3	200.0%	0.1%	50	85.3%
	New Dev		-	-	-	-	0	-	0.0%								
	Hell's Kitchen	7.8	$665,000	-11.3%	$1,367	10.5%	121	-4.0%	0.3%	311	16.9%	0.7%	120	-4.0%	0.3%	36	-9.9%
	Condo	11.3	$1,100,000	25.7%	$1,367	10.5%	64	-19.2%	0.1%	238	22.1%	0.5%	85	-7.6%	0.2%	35	16.7%
	Co-op	5.3	$430,000	-11.3%			42	-11.1%	0.1%	73	5.8%	0.2%	35	6.1%	0.1%	48	-24.9%
	New Dev		-	-	-	-	0	-	0.0%								
	Theater District	12.0	$2,000,000	112.8%	$1,950	37.1%	61	-21.4%	0.5%	238	50.6%	2.0%	72	132.3%	0.6%	53	-25.3%
	Condo	14.0	$1,790,000	57.7%	$1,761	23.8%	36	-15.6%	0.3%	167	75.8%	1.4%	54	200.0%	0.4%	46	-35.2%
	Co-op	16.4	$717,000	-22.5%			13	-61.2%	0.1%	71	16.4%	0.6%	18	50.0%	0.1%	96	17.1%
	New Dev		$27,127,160	-	$6,588	-	11	-	0.1%								
DOWNTOWN	Overall	8.1	$1,100,000	15.8%	$1,620	18.3%	954	-17.5%	0.4%	2526	8.5%	1.0%	944	6.2%	0.4%	47	6.7%
	Condo	15.0	$1,500,000	7.5%	$1,499	9.5%	336	-22.7%	0.1%	1652	18.7%	0.7%	555	17.6%	0.2%	52	4.0%
	Co-op	5.4	$735,000	6.7%			463	-15.5%	0.2%	828	-4.5%	0.3%	386	-3.0%	0.2%	41	2.6%
	New Dev		$1,792,109	25.7%	$1,854	30.7%	134	-21.1%	0.1%								
	Battery Park City	12.8	$885,000	13.7%	$1,273	25.2%	23	-56.4%	0.3%	97	12.8%	1.1%	22	-26.7%	0.3%	54	-6.9%
	Condo	13.3	$885,000	-5.8%	$1,273	15.6%	22	-51.1%	0.3%	96	14.3%	1.1%	21	-30.0%	0.2%	54	-6.9%
	Co-op	-	-	-			0	-	0.0%	1		0.0%	1	-	0.0%	353	-
	New Dev	-	-	-	-	-	0	-	0.0%								

[1] Absorption Rate: The rate at which the market absorbs available listings. The measurement is calculated via total closings and total available inventory.

[2] Housing Stock: Housing stock is the total number of residential housing units found within the defined area, per NYC PLUTO data. The percentage (%) of housing stock is each category's total count of occurrences as a percentage share of the total housing stock of the defined area. This figure represents a proportional rate of traffic within areas of differing size.

MAJOR MARKET	NEIGHBORHOOD	ABSORPTION RATE[1]	PRICE				CLOSINGS			INVENTORY			CONTRACTS			TIME	
			Median Price	YoY Chg %	Median PPSF	YoY Chg %	Count	YoY Chg %	% Hsg Stock[2]	Count	YoY Chg %	% Hsg Stock	Count	YoY Chg %	% Hsg Stock	Median Days on Mkt	YoY Chg %
DOWNTOWN	Chelsea	7.5	$930,000	-11.4%	$1,614	1.2%	149	-33.7%	0.4%	367	-2.9%	0.9%	160	-13.5%	0.4%	53	29.1%
	Condo	12.3	$1,632,500	-6.2%	$1,599	2.8%	57	-35.7%	0.1%	231	15.5%	0.6%	101	14.8%	0.3%	64	56.1%
	Co-op	4.9	$545,000	4.8%			79	-26.0%	0.2%	127	-27.0%	0.3%	59	-37.9%	0.1%	38	-9.6%
	New Dev		$4,073,000	20.7%	$3,004	30.4%	7	-76.4%	0.0%								
	Chinatown	4.5	$835,000	3.8%	$1,128	-8.4%	9	25.7%	0.2%	13	62.5%	0.2%	1	-66.7%	0.0%	20	-67.2%
	Condo	5.5	$600,000	-32.2%	$1,128	12.1%	7	230.0%	0.1%	12	50.0%	0.2%	1	-66.7%	0.0%	20	-67.2%
	Co-op	-	-	-			0	-	0.0%	0	-	0.0%	0	-	0.0%	0	-
	New Dev		$2,300,000	222.7%	$1,082	-16.2%	2	-56.0%	0.0%								
	East Village	4.8	$999,950	28.2%	$1,559	10.1%	77	26.2%	0.2%	121	6.1%	0.3%	46	4.5%	0.1%	45	-10.1%
	Condo	7.7	$1,429,000	13.4%	$1,563	7.3%	22	0.0%	0.1%	56	21.7%	0.2%	20	33.3%	0.1%	34	-47.6%
	Co-op	5.6	$475,000	-17.7%			32	-11.4%	0.1%	59	-4.8%	0.2%	25	-3.8%	0.1%	53	5.9%
	New Dev		$1,743,843	69.8%	$1,559	25.9%	21	596.7%	0.1%								
	Financial District	13.3	$1,080,000	17.4%	$1,188	15.0%	81	-29.2%	0.4%	356	9.5%	1.9%	127	67.1%	0.7%	55	-46.0%
	Condo	17.0	$1,135,000	31.2%	$1,178	15.2%	62	-12.0%	0.3%	345	13.5%	1.9%	126	85.3%	0.7%	55	-47.6%
	Co-op	5.1	$490,000	-24.0%			7	-17.5%	0.0%	11	-35.3%	0.1%	1	-85.7%	0.0%	26	-61.2%
	New Dev		$1,110,815	4.0%	$1,854	70.5%	13	-64.3%	0.1%								
	Flatiron	6.8	$1,883,762	63.8%	$1,983	21.7%	61	-9.7%	0.9%	136	-12.8%	1.9%	49	-10.9%	0.7%	44	10.0%
	Condo	12.6	$2,282,000	20.1%	$1,845	12.3%	20	-26.7%	0.3%	82	-15.5%	1.2%	26	4.0%	0.4%	52	-46.4%
	Co-op	6.7	$1,225,000	56.1%			24	-26.7%	0.3%	53	-3.6%	0.8%	23	-20.7%	0.3%	40	14.4%
	New Dev		$3,309,312	279.3%	$2,326	79.8%	17	135.7%	0.2%								
	Gramercy	4.0	$1,120,075	55.6%	$1,818	23.5%	132	43.5%	0.5%	173	-8.5%	0.7%	78	9.9%	0.3%	46	9.6%
	Condo	19.9	$1,360,000	42.0%	$1,544	9.7%	11	-8.3%	0.0%	72	-4.0%	0.3%	25	25.0%	0.1%	60	5.3%
	Co-op	5.3	$695,000	6.9%			58	-19.0%	0.2%	101	-9.0%	0.4%	53	6.0%	0.2%	43	13.3%
	New Dev		$1,680,112	-87.7%	$1,911	-41.3%	63	683.8%	0.2%								
	Greenwich Village	7.2	$950,000	9.2%	$1,781	31.4%	108	-15.8%	0.5%	255	9.0%	1.2%	101	4.1%	0.5%	40	-2.4%
	Condo	14.7	$2,525,000	53.0%	$1,781	25.2%	13	-12.0%	0.1%	64	28.0%	0.3%	12	-25.0%	0.1%	55	-16.7%
	Co-op	6.4	$781,750	-5.2%			89	-19.7%	0.4%	187	6.9%	0.9%	89	14.1%	0.4%	40	8.2%
	New Dev		$3,750,000	223.0%	$2,361	89.5%	1	-45.0%	0.0%								
	Little Italy	47.0	$1,720,000	-0.3%	$1,640	78.3%	1	-84.3%	0.1%	17	21.4%	0.8%	9	800.0%	0.4%	32	28.2%
	Condo	44.2	$1,720,000	115.0%	$1,640	78.3%	1	-63.3%	0.1%	16	128.6%	0.8%	9	-	0.4%	32	-
	Co-op	-		-100.0%			0	-100.0%	0.0%	1	-83.3%	0.0%	0	-100.0%	0.0%	0	-100.0%
	New Dev		-	-	-	-	0	-	0.0%								
	Lower East Side	4.7	$642,500	7.1%	$890	-11.8%	63	-10.4%	0.2%	97	7.8%	0.3%	49	44.1%	0.1%	37	-15.9%
	Condo	10.1	$600,000	-41.3%	$890	-23.1%	10	-38.1%	0.0%	33	-10.8%	0.1%	10	0.0%	0.0%	35	-72.0%
	Co-op	3.5	$645,000	22.9%			52	20.2%	0.1%	60	17.6%	0.2%	39	62.5%	0.1%	37	-5.1%
	New Dev		$1,311,862	101.9%	$1,020	17.8%	1	-100.0%	0.0%								
	Noho	7.7	$3,150,000	5.2%	$2,235	30.8%	15	18.5%	0.8%	39	11.4%	2.0%	13	-13.3%	0.7%	151	259.6%
	Condo	13.1	$4,850,000	61.9%	$2,235	30.8%	4	-45.0%	0.2%	19	-13.6%	1.0%	7	-22.2%	0.4%	60	53.7%
	Co-op	5.5	$2,895,000	1.6%			11	120.0%	0.6%	20	53.8%	1.0%	6	0.0%	0.3%	184	217.2%
	New Dev		-	-	-	-	0	-	0.0%								

[1] Absorption Rate: The rate at which the market absorbs available listings. The measurement is calculated via total closings and total available inventory.

[2] Housing Stock: Housing stock is the total number of residential housing units found within the defined area, per NYC PLUTO data. The percentage (%) of housing stock is each category's total count of occurrences as a percentage share of the total housing stock of the defined area. This figure represents a proportional rate of traffic within areas of differing size.

Source: Urban Compass Research

MAJOR MARKET	NEIGHBORHOOD	ABSORPTION RATE[1]	PRICE				CLOSINGS			INVENTORY			CONTRACTS			TIME	
			Median Price	YoY Chg %	Median PPSF	YoY Chg %	Count	YoY Chg %	% Hsg Stock[2]	Count	YoY Chg %	% Hsg Stock	Count	YoY Chg %	% Hsg Stock	Median Days on Mkt	YoY Chg %
DOWNTOWN	Nolita	69.1	$390,000	-74.4%	$679	-66.5%	1	-78.0%	0.0%	25	177.8%	0.7%	9	200.0%	0.2%	57	-41.8%
	Condo	60.8	$390,000	-83.4%	$679	-67.1%	1	-72.5%	0.0%	22	175.0%	0.6%	8	300.0%	0.2%	54	38.3%
	Co-op	-	-	-			0	-	0.0%	2	100.0%	0.1%	1	0.0%	0.0%	161	64.2%
	New Dev		-	-100.0%	-	-	0	-100.0%	0.0%								
	Nomad	8.4	$2,340,000	17.9%	$1,913	7.3%	23	-60.8%	0.5%	64	18.5%	1.4%	22	-15.4%	0.5%	48	-15.8%
	Condo	10.1	$1,940,000	12.1%	$1,799	7.0%	15	2.7%	0.3%	51	27.5%	1.1%	16	-20.0%	0.3%	48	-18.7%
	Co-op	6.0	$2,350,000	51.6%			7	32.0%	0.1%	13	-7.1%	0.3%	6	0.0%	0.1%	91	74.9%
	New Dev		$19,800,000	701.9%	$3,028	67.0%	1	-97.2%	0.0%								
	Soho	14.7	$2,600,000	10.6%	$1,784	-0.2%	44	-8.3%	0.6%	212	24.7%	2.8%	52	33.3%	0.7%	68	65.8%
	Condo	23.6	$3,750,000	-5.1%	$1,723	-3.7%	21	39.3%	0.3%	162	36.1%	2.2%	36	44.0%	0.5%	63	65.6%
	Co-op	7.4	$789,000	-48.3%			20	-29.3%	0.3%	48	2.1%	0.6%	16	14.3%	0.2%	140	154.4%
	New Dev		$6,000,000	102.4%	$2,165	27.5%	2	-56.0%	0.0%								
	Tribeca	16.0	$2,675,000	14.8%	$1,866	19.2%	57	-23.7%	0.5%	300	31.6%	2.5%	102	8.5%	0.9%	47	-19.0%
	Condo	20.5	$3,199,000	25.5%	$1,866	15.5%	39	-3.8%	0.3%	260	45.3%	2.2%	89	21.9%	0.8%	49	-7.5%
	Co-op	7.4	$1,500,000	5.6%			14	-28.5%	0.1%	35	-20.5%	0.3%	13	-27.8%	0.1%	33	-15.4%
	New Dev		$6,124,774	137.9%	$2,297	61.8%	4	-70.7%	0.0%								
	West Village	7.1	$920,000	0.2%	$2,168	18.5%	110	-16.7%	0.5%	255	7.1%	1.0%	104	-10.3%	0.4%	50	24.9%
	Condo	12.9	$1,550,000	-1.8%	$2,136	18.5%	31	-39.6%	0.1%	131	12.9%	0.5%	48	-29.4%	0.2%	51	27.5%
	Co-op	4.8	$750,000	20.0%			70	-7.4%	0.3%	110	15.8%	0.5%	54	25.6%	0.2%	51	38.0%
	New Dev		$14,127,750	137.4%	$2,904	15.4%	2	10.0%	0.0%								
UPPER EAST	Overall	8.8	$960,000	11.0%	$1,384	1.6%	673	-22.8%	0.5%	1958	7.6%	1.4%	619	-4.9%	0.4%	49	6.5%
	Condo	11.9	$1,220,000	1.7%	$1,266	4.0%	174	11.4%	0.1%	679	28.6%	0.5%	169	7.6%	0.1%	57	26.8%
	Co-op	8.6	$800,000	14.3%			444	-29.2%	0.3%	1257	1.4%	0.9%	448	-8.0%	0.3%	48	4.3%
	New Dev		$3,430,000	7.4%	$2,188	24.5%	44	-48.2%	0.0%								
	Upper East Side	8.8	$960,000	11.0%	$1,384	1.6%	673	-22.8%	0.5%	1958	7.6%	1.4%	619	-4.9%	0.4%	49	6.5%
	Condo	11.9	$1,220,000	1.7%	$1,266	4.0%	174	11.4%	0.1%	679	28.6%	0.5%	169	7.6%	0.1%	57	26.8%
	Co-op	8.6	$800,000	14.3%			444	-29.2%	0.3%	1257	1.4%	0.9%	448	-8.0%	0.3%	48	4.3%
	New Dev		$3,430,000	7.4%	$2,188	24.5%	44	-48.2%	0.0%								
UPPER WEST	Overall	6.5	$986,500	8.4%	$1,471	12.3%	590	-14.7%	0.4%	1259	9.2%	0.9%	520	0.6%	0.4%	46	17.8%
	Condo	9.2	$1,370,000	10.9%	$1,437	8.7%	173	-1.3%	0.1%	521	20.3%	0.4%	167	-7.7%	0.1%	54	54.1%
	Co-op	6.0	$797,000	6.3%			365	-19.6%	0.2%	719	4.4%	0.5%	348	5.8%	0.2%	41	2.6%
	New Dev		$1,568,105	33.5%	$1,562	22.5%	43	-24.7%	0.0%								
	Morningside Heights	5.3	$505,000	3.1%	$1,149	-6.7%	26	-42.6%	0.1%	46	12.2%	0.2%	18	-21.7%	0.1%	32	-30.5%
	Condo	11.1	$1,655,000	100.6%	$1,149	-6.7%	1	10.0%	0.0%	4	100.0%	0.0%	2	-	0.0%	139	-
	Co-op	5.4	$505,000	3.1%			23	-47.5%	0.1%	41	5.1%	0.2%	16	-30.4%	0.1%	31	-32.6%
	New Dev		-	-	-	-	0	-	0.0%								
	Upper West Side	6.6	$999,000	5.7%	$1,471	12.3%	563	-12.7%	0.4%	1213	9.1%	1.0%	502	1.6%	0.4%	47	20.5%
	Condo	9.2	$1,370,000	10.9%	$1,438	8.7%	172	-1.4%	0.1%	517	20.0%	0.4%	165	-8.8%	0.1%	54	54.1%
	Co-op	6.0	$820,000	4.5%			342	-16.6%	0.3%	678	4.3%	0.5%	332	8.5%	0.3%	42	7.7%
	New Dev		$1,568,105	33.5%	$1,562	22.5%	43	-24.7%	0.0%								

[1] Absorption Rate: The rate at which the market absorbs available listings. The measurement is calculated via total closings and total available inventory.

[2] Housing Stock: Housing stock is the total number of residential housing units found within the defined area, per NYC PLUTO data. The percentage (%) of housing stock is each category's total count of occurrences as a percentage share of the total housing stock of the defined area. This figure represents a proportional rate of traffic within areas of differing size.

MAJOR MARKET	NEIGHBORHOOD	ABSORPTION RATE[1]	PRICE				CLOSINGS			INVENTORY			CONTRACTS			TIME	
			Median Price	YoY Chg %	Median PPSF	YoY Chg %	Count	YoY Chg %	% Hsg Stock[2]	Count	YoY Chg %	% Hsg Stock	Count	YoY Chg %	% Hsg Stock	Median Days on Mkt	YoY Chg %
UPPER MANHATTAN	Overall	7.0	$460,000	2.2%	$660	-2.0%	283	-12.7%	0.1%	646	14.5%	0.3%	257	16.3%	0.1%	59	9.2%
	Condo	16.6	$620,000	1.8%	$721	-3.0%	62	2.7%	0.0%	337	42.2%	0.2%	105	4.0%	0.0%	45	-6.2%
	Co-op	5.0	$375,000	3.6%			168	3.3%	0.1%	275	6.2%	0.1%	147	41.3%	0.1%	66	22.1%
	New Dev		$483,765	-3.1%	$628	2.8%	22	-65.6%	0.0%								
	East Harlem	8.2	$687,443	11.2%	$731	-16.0%	45	-34.6%	0.1%	121	-11.0%	0.2%	44	12.8%	0.1%	70	0.0%
	Condo	14.5	$795,000	55.9%	$766	-0.9%	14	30.0%	0.0%	68	11.5%	0.1%	21	23.5%	0.0%	75	-23.4%
	Co-op	5.8	$715,000	-7.1%			23	-11.2%	0.0%	44	-18.5%	0.1%	22	37.5%	0.0%	70	0.0%
	New Dev		$610,000	-27.2%	$633	-43.4%	2	-90.0%	0.0%								
	Hamilton Heights	4.7	$435,006	20.8%	$670	31.4%	47	27.8%	0.2%	73	9.0%	0.3%	28	55.6%	0.1%	54	-11.5%
	Condo	9.5	$439,000	14.0%	$675	32.4%	8	92.5%	0.0%	24	60.0%	0.1%	8	166.7%	0.0%	30	-81.3%
	Co-op	5.9	$360,000	20.0%			22	-4.3%	0.1%	43	10.3%	0.2%	19	35.7%	0.1%	79	49.0%
	New Dev		$446,160	-22.4%	$667	1.3%	8	92.5%	0.0%								
	Harlem	9.4	$599,000	20.0%	$734	17.0%	70	-33.6%	0.1%	218	17.2%	0.4%	82	-10.9%	0.1%	54	42.2%
	Condo	15.7	$810,000	4.0%	$811	7.3%	31	-21.0%	0.1%	159	31.4%	0.3%	55	-20.3%	0.1%	48	37.0%
	Co-op	6.4	$360,000	12.9%			21	39.3%	0.0%	44	25.7%	0.1%	24	60.0%	0.0%	67	-14.0%
	New Dev		$540,000	42.1%	$628	7.5%	10	-72.5%	0.0%								
	Inwood	4.3	$267,000	-16.3%	$251	15.5%	31	14.1%	0.2%	44	7.3%	0.2%	20	-4.8%	0.1%	74	29.8%
	Condo	5.5	$195,000	-17.0%	$251	15.5%	3	230.0%	0.0%	6	200.0%	0.0%	2	-	0.0%	41	-
	Co-op	4.3	$275,000	-13.8%			26	5.6%	0.1%	37	-5.1%	0.2%	18	-14.3%	0.1%	78	36.9%
	New Dev		-	-	-	-	0	-	0.0%								
	Washington Heights	6.5	$430,000	7.8%	$496	-6.4%	89	4.8%	0.1%	190	41.8%	0.3%	83	62.7%	0.1%	59	15.6%
	Condo	44.2	$430,000	-19.6%	$468	-13.6%	6	10.0%	0.0%	80	110.5%	0.1%	19	58.3%	0.0%	43	-31.7%
	Co-op	4.3	$405,000	4.5%			76	2.6%	0.1%	107	16.3%	0.2%	64	68.4%	0.1%	60	25.1%
	New Dev		$995,000	4.3%	$582	9.7%	2	10.0%	0.0%								

[1] Absorption Rate: The rate at which the market absorbs available listings. The measurement is calculated via total closings and total available inventory.

[2] Housing Stock: Housing stock is the total number of residential housing units found within the defined area, per NYC PLUTO data. The percentage (%) of housing stock is each category's total count of occurrences as a percentage share of the total housing stock of the defined area. This figure represents a proportional rate of traffic within areas of differing size.