

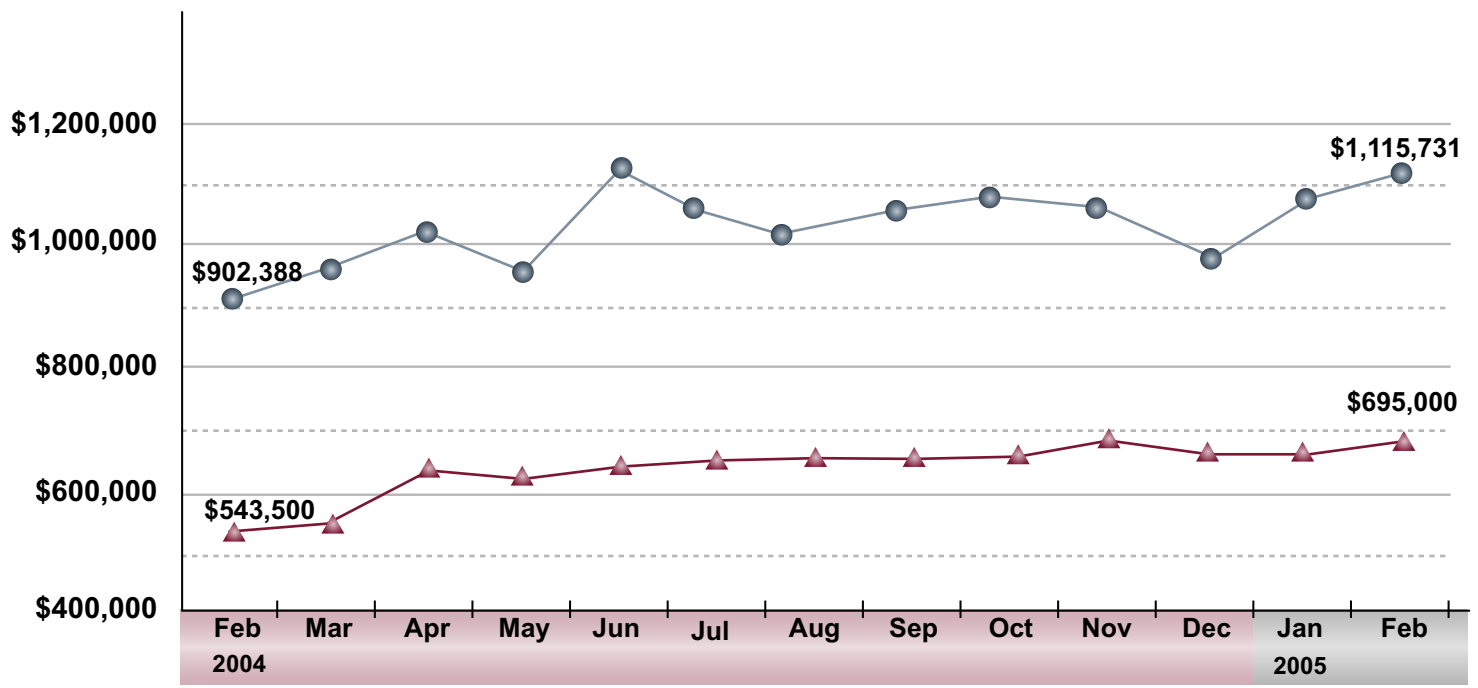
HALSTEAD PROPERTY

Monthly Market Report

FEBRUARY 2005

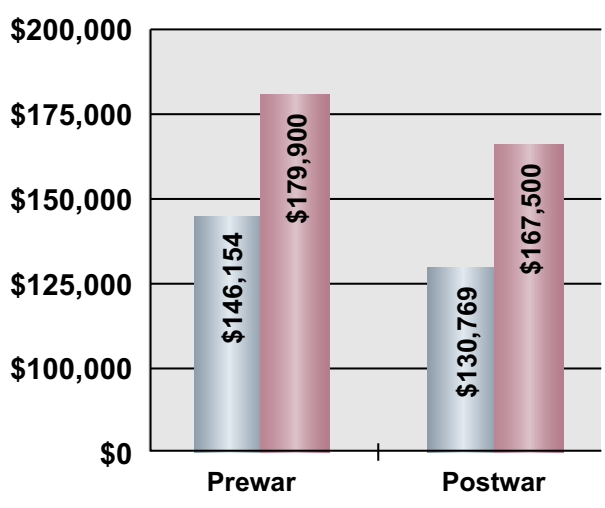
- At \$1,115,731, the average price of a Manhattan apartment during February reached its highest level since June, and improved 24% from a year ago. This is the second straight month of growth after December's modest decline. Continuing another recent trend, the median price for all sales grew at a faster pace over the past year than the average price. This implies that prices have risen for all units instead of just for sales on the high end of the market. At \$695,000, the median price was a 28% improvement from February of 2004.
- The supply of available apartments continues to remain tight. In February, the number of new listings on the West Side fell 24% from a year ago with the biggest declines for units with two bedrooms or more. On the East Side the number was identical to February of 2004, as a jump in new studio listings offset significant declines for three-bedroom and larger apartments. In the Downtown market new developments continue to inflate this statistic, which rose 22% from twelve months ago.
- Cooperative apartments continued to command higher prices in February. The median price per room rose 23% to \$179,900 for prewar and 28% to \$167,500 for postwar units.
- For condominiums, both prewar and postwar units posted median prices better than \$900 per square foot. The prewar median price rose 22% over the past year to \$960 per square foot, and the postwar figure rose 25% since February of 2004 to \$921 per square foot.
- As was the case during the previous few months, larger units led all pricing gains on the East Side. The median price rose 44% in both the two-bedroom and the three-bedroom and larger categories. Studio and one-bedroom units also posted strong pricing gains, as their median prices rose 36% and 16% respectively.
- The median price for one-bedroom apartments on the West Side of \$577,000 was 38% higher than during February of 2004. Three-bedroom and larger units had the next largest increase, as their median price rose 25% to \$2,472,500 during this time. Also during this time the median price rose 12% for two-bedroom units and 10% for studios.
- Aided by the higher prices of new developments, the median price for a one-bedroom apartment Downtown of \$609,000 was 42% higher than a year ago. At \$2,062,500, the median price for units with three or more bedrooms was 27% higher than during February of 2004. For two-bedroom apartments the median price was up 12% from a year ago, while the studio median price rose 11% during this time.
- The median price per square foot for lofts was \$859 in February, up 22% from a year ago.

All Manhattan Apartments

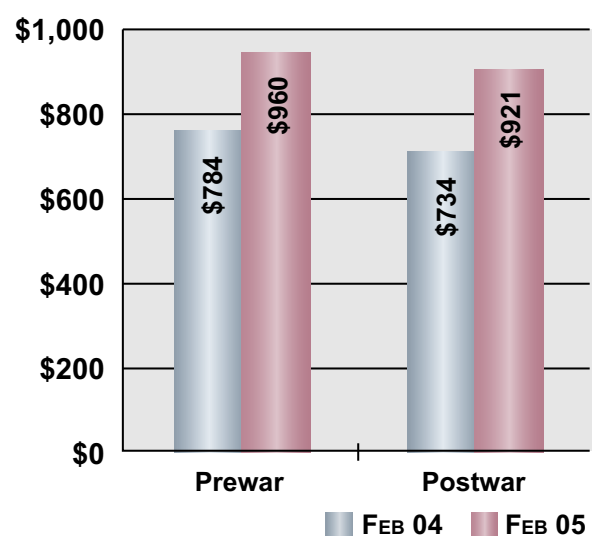


● Average Sales Price
▲ Median Sales Price

COOPERATIVE Median Price Per Room



CONDOMINIUM Median Price Per Square Foot



■ FEB 04 ■ FEB 05

Median Sale Price By Market Area

East Side

	February 2004	February 2005	Change
Studio	\$225,000	\$306,250	36%
One-Bedroom	\$425,000	\$492,500	16%
Two-Bedroom	\$800,000	\$1,150,000	44%
Three-Bedroom & Larger	\$2,082,500	\$2,995,000	44%

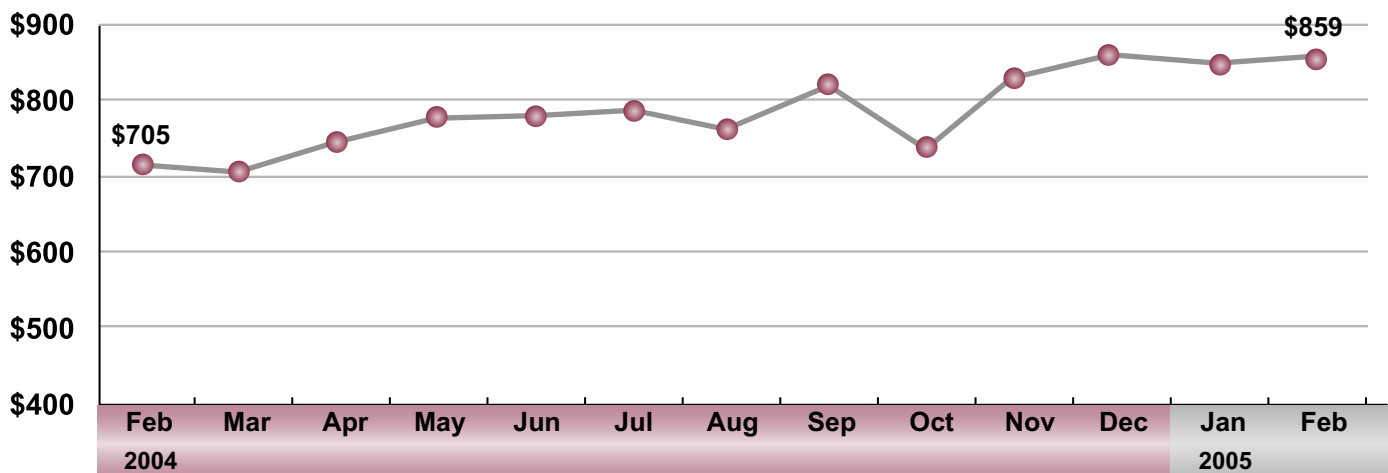
West Side

	February 2004	February 2005	Change
Studio	\$280,000	\$309,000	10%
One-Bedroom	\$418,500	\$577,000	38%
Two-Bedroom	\$980,000	\$1,100,000	12%
Three-Bedroom & Larger	\$1,982,500	\$2,472,500	25%

Downtown

	February 2004	February 2005	Change
Studio	\$289,000	\$322,000	11%
One-Bedroom	\$429,000	\$609,000	42%
Two-Bedroom	\$829,500	\$925,000	12%
Three-Bedroom & Larger	\$1,630,000	\$2,062,500	27%

Manhattan Lofts - Median Price per Square Foot



Inventory Report - Number of New Listings

East Side

	February 2004	January 2005	February 2005	12-mon. Change
Studio	32	32	40	25%
One-Bedroom	122	106	119	-2%
Two-Bedroom	96	110	98	2%
Three-Bedroom	50	41	45	-10%
Four-Bedroom & Larger	21	24	19	-10%

West Side

	February 2004	January 2005	February 2005	12-mon. Change
Studio	41	34	35	-15%
One-Bedroom	106	91	86	-19%
Two-Bedroom	118	77	81	-31%
Three-Bedroom	46	32	36	-22%
Four-Bedroom & Larger	20	9	13	-35%

Downtown

	February 2004	January 2005	February 2005	12-mon. Change
Studio	39	68	56	44%
One-Bedroom	94	114	109	16%
Two-Bedroom	64	76	69	8%
Three-Bedroom	12	18	24	100%
Four-Bedroom & Larger	7	5	6	-14%
Lofts	139	107	140	1%

PREPARED BY **Gregory Heym, CHIEF ECONOMIST**
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Data is provided by ValuExchange, a proprietary database that contains the transactions of all Terra Holdings companies and is the largest known survey of the Manhattan residential real estate market.

