

HALSTEAD PROPERTY

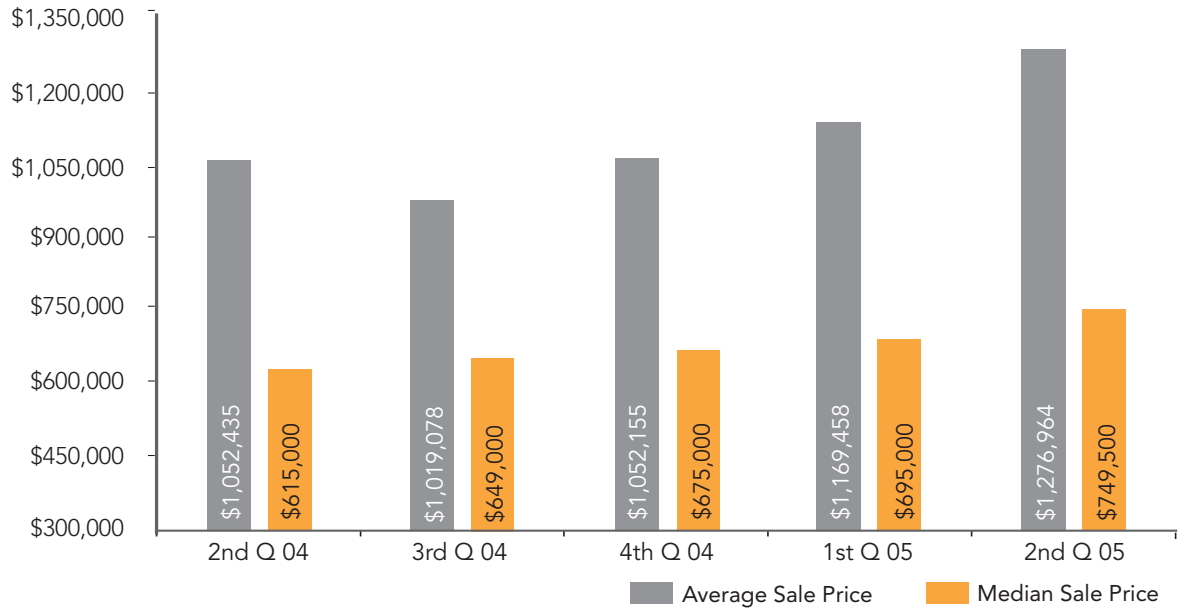
BY THE NUMBERS

MANHATTAN
SECOND QUARTER 2005

Average Sale Price

ALL APARTMENTS

Apartment prices in Manhattan reached a new record in the second quarter, the continued effect of low mortgage rates, a lack of available units and increasing demand. At \$1,276,964 the average price was 21% higher than a year ago, and bettered the prior record set last quarter by 9%. The median price of \$749,500 for the quarter was 22% higher than a year ago, and 8% higher than the prior quarter.



COOPERATIVES

The average cooperative price has risen 11% over just the past three months, and now stands at \$1,170,117. This is the third straight quarter where this statistic has bettered the \$1 million mark. Four-bedroom and larger co-ops sold at an average price of just under \$7.4 million, which was a 36% improvement from 2004's second quarter and the largest increase of any size category during this time.

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
2nd Quarter 05	\$315,508	\$562,270	\$1,274,995	\$3,104,997	\$7,365,740	\$1,170,117
1st Quarter 05	\$299,947	\$528,926	\$1,242,479	\$2,784,150	\$5,027,016	\$1,053,222
4th Quarter 04	\$295,499	\$499,742	\$1,125,514	\$2,507,697	\$4,865,715	\$1,020,202
3rd Quarter 04	\$283,958	\$483,163	\$1,120,269	\$2,272,196	\$4,533,319	\$950,706
2nd Quarter 04	\$263,130	\$468,612	\$1,066,555	\$2,419,584	\$5,400,900	\$983,244

CONDOMINIUMS

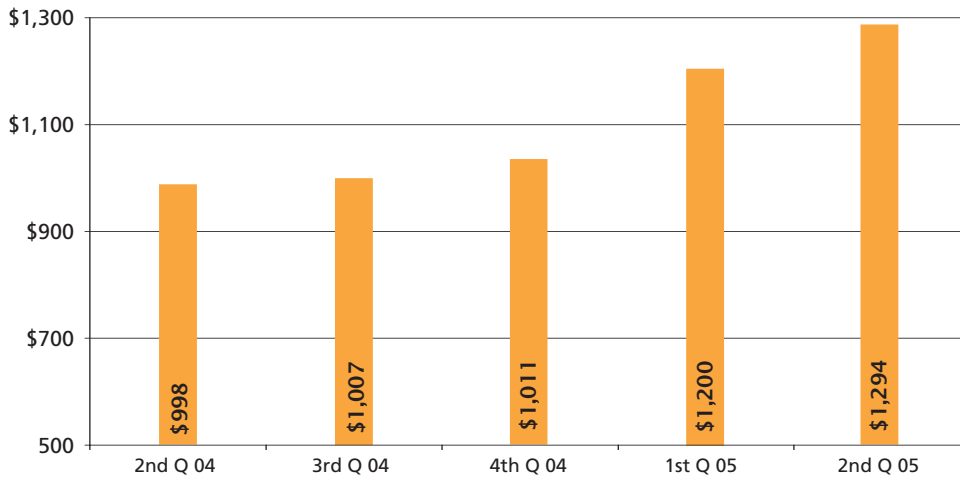
In the condominium market, the average price reached \$1,416,920 in the second quarter - 21% higher than a year ago. Similar to the co-op market, four-bedroom and larger units led pricing increases, as their average price rose 50% over the past year to \$7.1 million.

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
2nd Quarter 05	\$412,872	\$734,381	\$1,570,887	\$2,920,487	\$7,122,163	\$1,416,920
1st Quarter 05	\$406,403	\$673,297	\$1,430,289	\$2,653,699	\$6,960,182	\$1,387,593
4th Quarter 04	\$401,385	\$650,404	\$1,270,479	\$2,684,513	\$4,541,200	\$1,132,703
3rd Quarter 04	\$389,662	\$636,023	\$1,275,785	\$2,402,263	\$5,619,304	\$1,125,474
2nd Quarter 04	\$361,341	\$609,898	\$1,296,831	\$2,421,250	\$4,739,793	\$1,174,948

Average Price Per Square Foot

NEW CONSTRUCTION & CONVERSIONS

Our analysis of new construction and conversions, which includes apartments added to the market since the beginning of 2003, shows the average price per square foot for these apartments as \$1,294 during the second quarter. This figure is up 30% from the second quarter of 2004, and stands 35% higher than the average price per square foot for all apartments in the market.

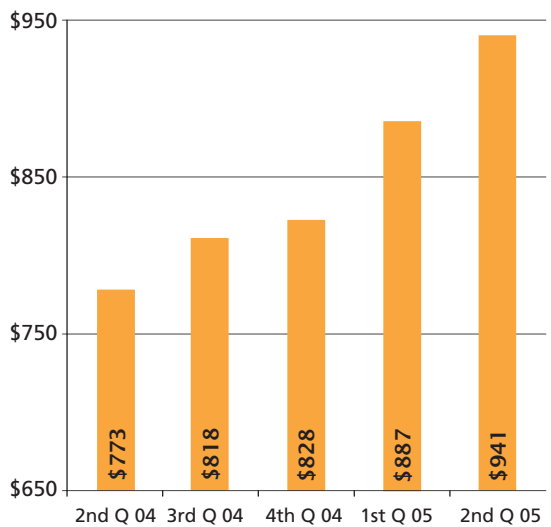


Includes apartments added to the market since the beginning of 2003.

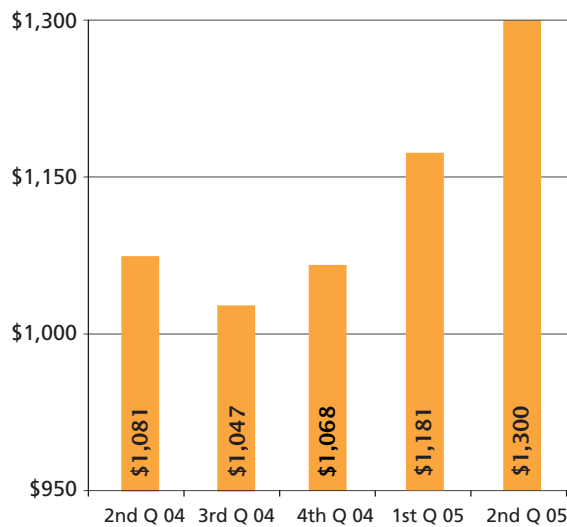
LOFTS & TOWNHOUSES

Loft prices now average \$941 per square foot, 22% more than a year ago and 6% more than just last quarter. Townhouses sold at an average price per square foot of \$1,300 in the second quarter, a 20% improvement from the same period a year ago.

LOFTS



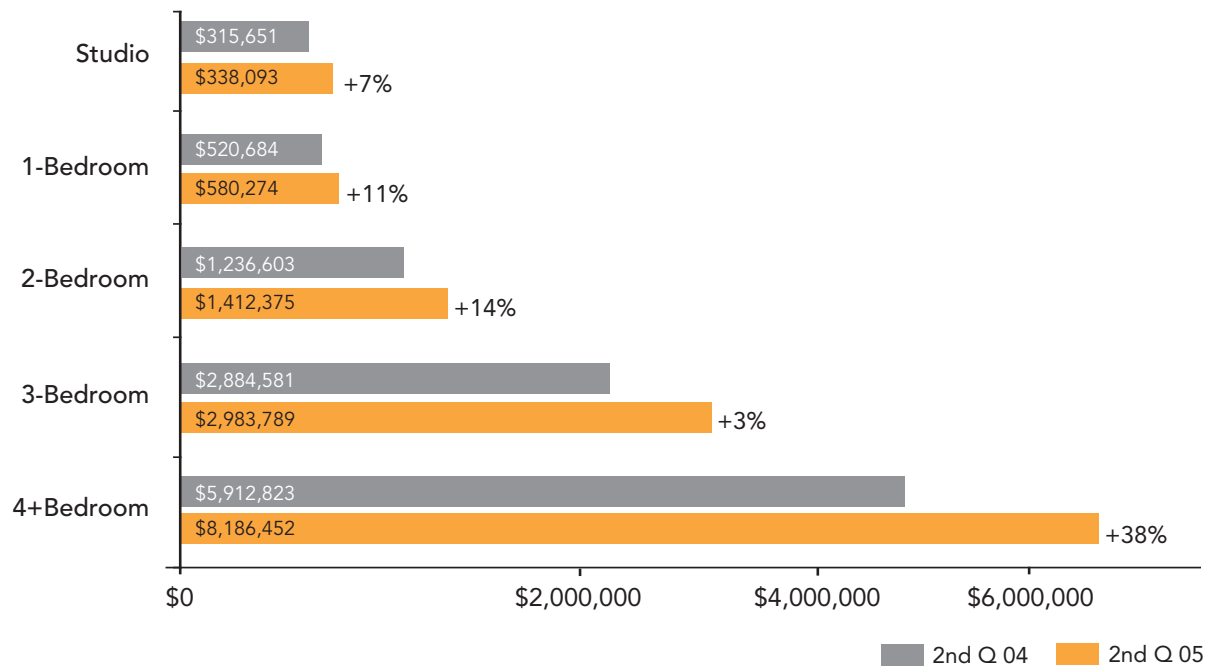
TOWNHOUSES



East Side

Four-bedroom and larger apartments on the East Side averaged just under \$8.2 million in the second quarter, which bettered 2004's comparable period by 38%. On Park Avenue, apartments posted a median price of \$2.75 million, an increase of 25% during this time. Also of interest was the performance of the Midtown East sector, whose 40% increase in median price was due in part to units at One Beacon Court beginning to close. Although minor declines in the median price were seen in two markets over the past year, the median co-op price per room and condo price per square foot were all higher in each area studied.

AVERAGE SALE PRICE



SELECTED MARKET AREAS

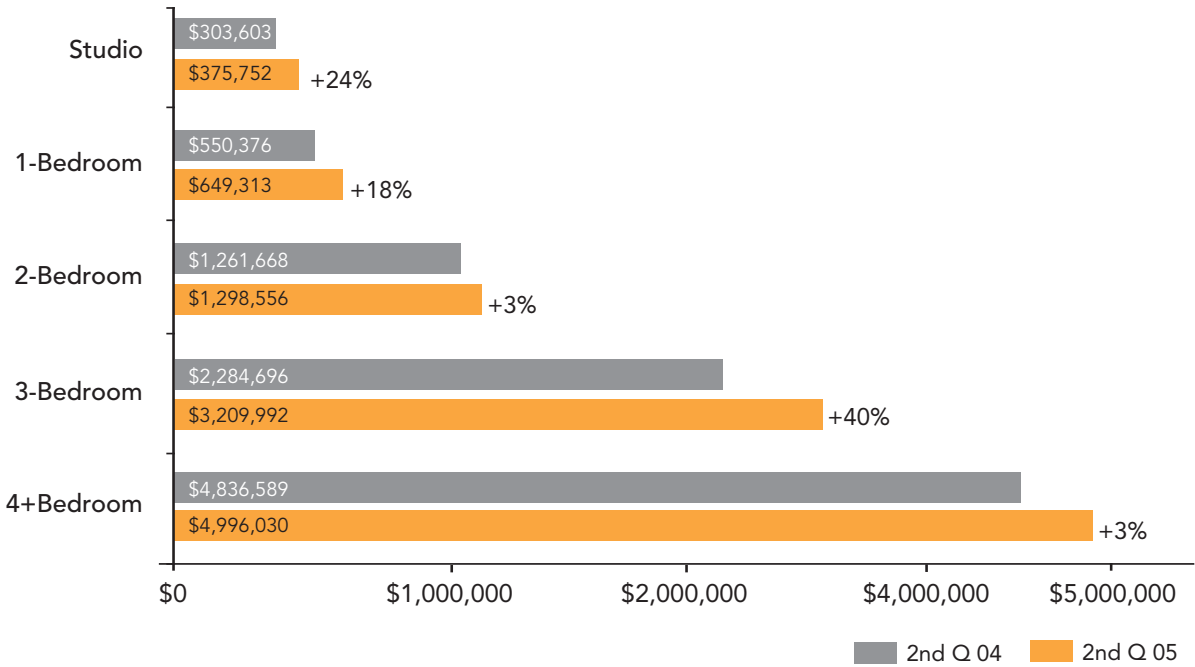
	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2Q '04	2Q '05	2Q '04	2Q '05	2Q '04	2Q '05
Fifth Avenue, 59th-96th St.	\$3,000,000	\$2,995,000	\$487,500	\$535,714		
Park Avenue, 59th-96th St.	\$2,200,000	\$2,750,000	\$362,500	\$408,333		
Between Fifth & Lexington Ave., 59th-79th St.	\$1,250,000	\$1,550,000	\$229,167	\$291,667		
80th-96th St.	\$1,045,000	\$999,000	\$218,400	\$220,000		
Lexington Ave. to the East River, 59th-79th St.	\$595,000	\$720,000	\$144,643	\$176,635	\$826	\$1,024
80th-96th St.	\$574,500	\$599,000	\$119,722	\$142,119	\$781	\$822
Midtown East, 34th-58th St.	\$565,000	\$789,000	\$137,500	\$166,458	\$743	\$1,007

West Side



On the West Side, the average price for three-bedroom units rose 40% from 2004's second quarter and now stands at \$3.2 million. For apartments on West End Avenue, the median price rose 67% during this time to \$918,000. Some of this increase must be attributed to an increase in the size of the apartments being sold, which pushed this figure higher. Providing such evidence is the co-op median price per room, which is up only 35% in the area during this time.

AVERAGE SALE PRICE



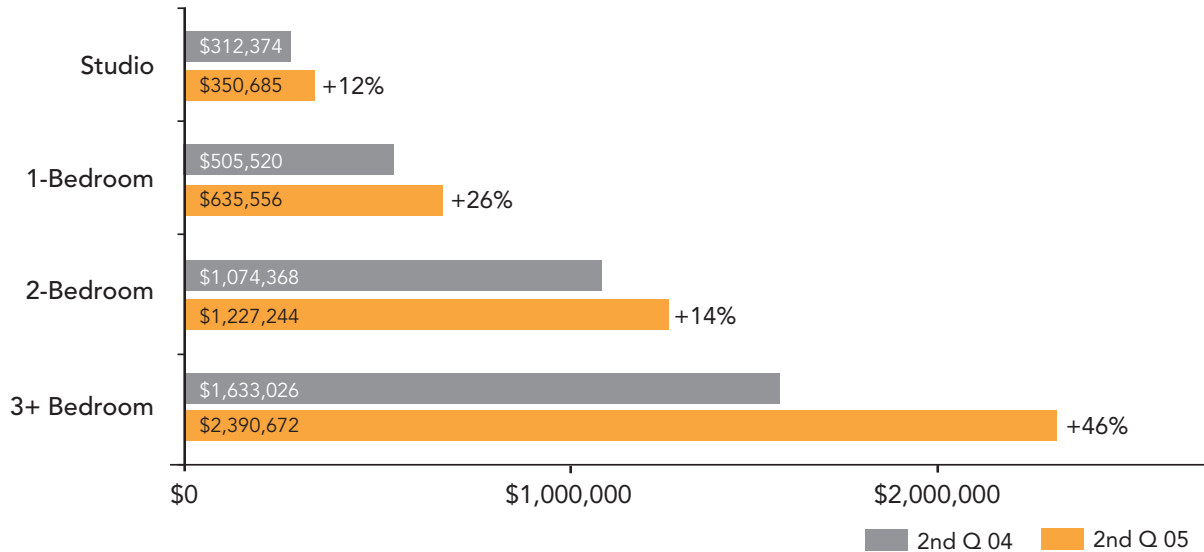
SELECTED MARKET AREAS

	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2Q '04	2Q '05	2Q '04	2Q '05	2Q '04	2Q '05
Central Park West, 59th-110th Street	\$1,230,000	\$1,325,000	\$271,964	\$399,615	\$897	\$877
Riverside Drive/Boulevard, 59th-116th Street	\$825,000	\$1,002,000	\$184,833	\$207,411	\$947	\$1,196
West End Avenue, 59th-105th Street	\$549,000	\$918,000	\$154,167	\$208,712		
Between CPW and Columbus Avenue, 59th-110th Street	\$780,000	\$799,000	\$164,292	\$210,333	\$1,498	\$1,903
Columbus Avenue to West End Ave, 59th-86th Street	\$623,500	\$785,000	\$147,600	\$177,500	\$955	\$1,039
87th-110th Street	\$599,000	\$688,034	\$145,667	\$164,375	\$790	\$981
Between Riverside Drive and West End Ave, 59th-110th	\$558,750	\$599,000	\$146,333	\$147,714		

Downtown

New developments Downtown continued to drive prices higher, especially for larger apartments. Three-bedroom and larger prices averaged just under \$2.4 million, which was 46% higher than the second quarter of 2004. The Lower East Side remained hot as the median price for apartments there reached \$625,000, which is 47% higher than a year ago. Also impressive was the performance of condos in Greenwich Village, as their median price per square foot of \$1,223 was 47% higher than the second quarter of 2004.

AVERAGE SALE PRICE



SELECTED MARKET AREAS

	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2Q '04	2Q '05	2Q '04	2Q '05	2Q '04	2Q '05
Chelsea/Flatiron	\$577,500	\$728,000	\$144,500	\$204,000	\$899	\$877
Gramercy Park	\$399,000	\$509,500	\$131,000	\$167,750		
Greenwich Village	\$550,000	\$650,000	\$159,900	\$199,086	\$834	\$1,223
Lower East Side	\$425,000	\$625,000	\$137,750	\$146,250	\$583	\$816
Battery Park City	\$570,000	\$525,000			\$648	\$714

LOFTS

Loft apartments in the Chelsea/Flatiron area reached a median price of \$1.66 million in the second quarter, 44% higher than a year ago. The median price per square foot rose 22% for Greenwich Village and 19% for Noho/Soho lofts during this time, despite declines in the median price for both areas. A decrease in the average size of the lofts sold in these areas from a year ago explains why the median price declined while the per square foot price rose.

	LOFT			
	Median Sale Price		Median Price per Room	
	2Q '04	2Q '05	2Q '04	2Q '05
Chelsea/Flatiron	\$1,150,000	\$1,660,000	\$640	\$907
Greenwich Village	\$1,085,000	\$849,500	\$815	\$998
Noho/Soho	\$2,175,000	\$1,895,000	\$860	\$1,027
Tribeca	\$1,665,000	\$1,925,778	\$852	\$930

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. This report is based on 2,570 sales.

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