

SECOND QUARTER 2008



Manhattan apartment prices averaged \$1,663,533 during the second quarter, 36% higher than a year ago but down 2% from the record level set the prior quarter. Closings at 15 Central Park West and The Plaza continued to drive the average price higher, and if excluded from the calculation, would bring it down \$177,749 to \$1,485,784. Pointing to the overall strength of the market was the 23% rise in the median price, which is not as impacted by an increase in high-end sales as the average price.



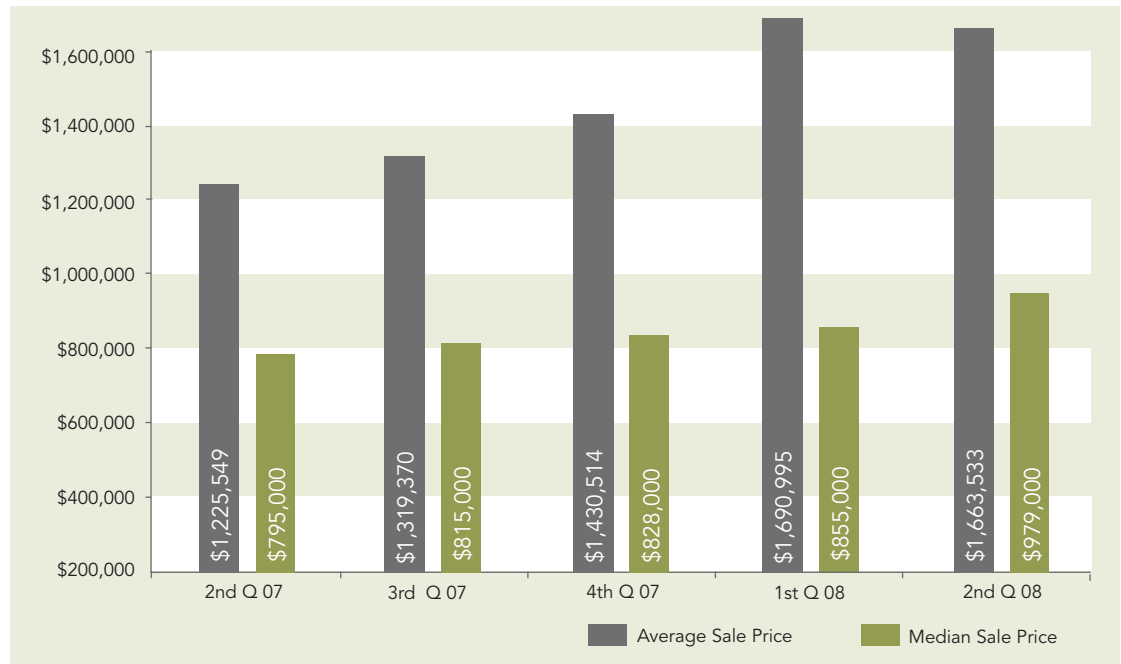
At \$1,292,652, the average co-op price was 22% higher than during the second quarter of 2007. Leading the way were larger apartments, as the average price rose 23% for three-bedroom and 29% for four-bedroom and larger co-ops during this time.



New developments helped bring the average condo price up 38% over the past year to \$1,975,695. Removing closings at 15 Central Park West and The Plaza alone would lower the average condo price \$319,485, but it would still be 16% higher than a year ago.

AVERAGE AND MEDIAN SALE PRICE*

All Apartments



AVERAGE SALE PRICE*

Cooperatives

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
2nd Q 08	\$428,123	\$653,319	\$1,465,315	\$3,436,665	\$8,258,341	\$1,292,652
1st Q 08	\$414,074	\$683,698	\$1,511,340	\$3,587,305	\$12,947,751	\$1,333,431
4th Q 07	\$394,539	\$659,875	\$1,315,614	\$3,016,364	\$8,543,583	\$1,074,369
3rd Q 07	\$387,901	\$621,613	\$1,284,901	\$2,673,848	\$5,931,672	\$1,055,753
2nd Q 07	\$373,410	\$627,393	\$1,319,818	\$2,786,473	\$6,390,034	\$1,059,060

Condominiums

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
2nd Q 08	\$633,862	\$934,321	\$2,004,123	\$3,786,189	\$7,452,156	\$1,975,695
1st Q 08	\$596,730	\$917,691	\$1,935,538	\$4,428,083	\$8,889,694	\$1,997,108
4th Q 07	\$538,400	\$930,186	\$2,111,210	\$3,794,892	\$6,139,071	\$1,851,709
3rd Q 07	\$571,771	\$924,492	\$1,611,105	\$3,102,457	\$7,232,735	\$1,606,219
2nd Q 07	\$562,182	\$886,277	\$1,627,830	\$2,769,561	\$6,744,122	\$1,429,750

* We are pleased to announce that beginning with the 2007 Third Quarter Manhattan Market Report, we are now including data from Northern Manhattan. This report's comparative figures from previous quarters have also been adjusted to reflect the inclusion of Northern Manhattan data, however prior reports have not been adjusted and will not be comparable.

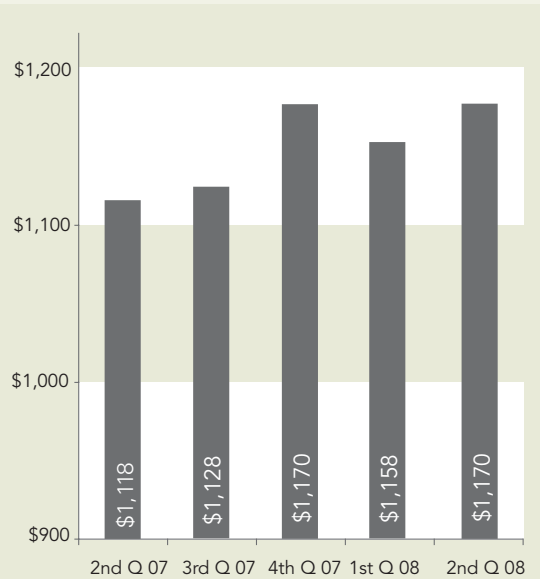
AVERAGE PRICE PER SQUARE FOOT*

New Construction and Conversions



Includes apartments added to the market since the beginning of 2006.

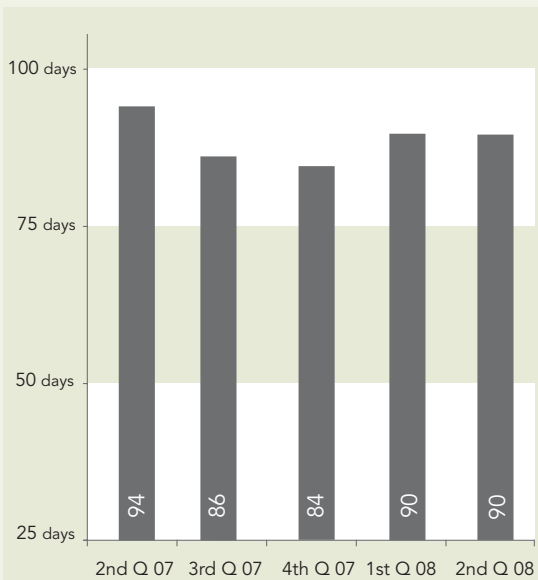
Lofts



Closings in new developments accounted for over one-third of all sales during the second quarter and posted an average price of \$1,421 per square foot, 17% more than during the second quarter of 2007. Lofts fetched an average price of \$1,170 per square foot, 5% more than the same period in 2007.

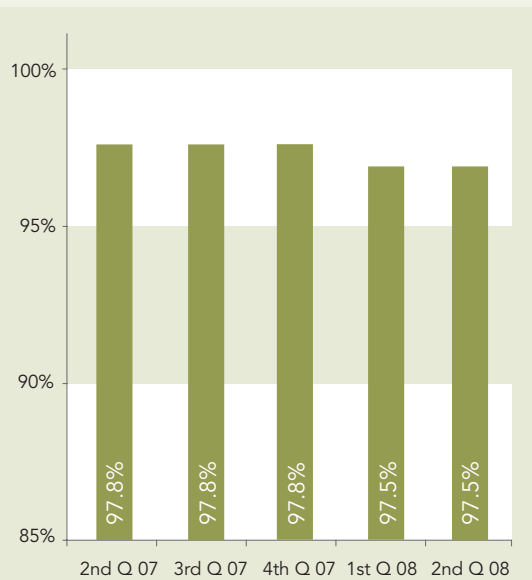


TIME ON THE MARKET



Excludes new developments and units listed over nine months.

ASKING VS. SELLING PRICE



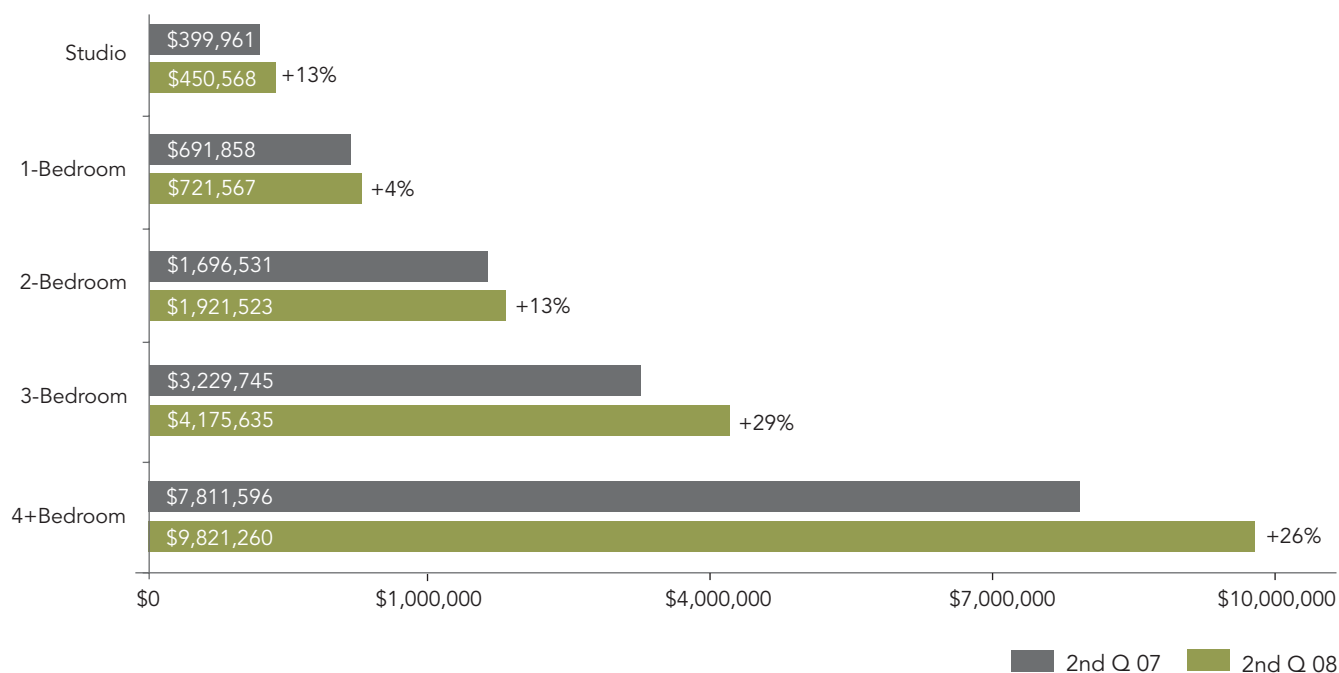
Excludes new developments.

Apartments transferred in the second quarter spent an average of 90 days on the market, 4% less time than a year ago. Sellers received 97.5% of their asking price, down slightly from 97.8% a year ago.

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Prices for apartments on the Eastside were up from the second quarter of 2007 for all size categories, led by a 29% gain in the average price for three-bedrooms. While there was a substantial increase in the median price for apartments between Fifth and Lexington Avenues, from 59th to 79th Street, part of this is due to a 19% increase in the size of apartments sold in that area.

AVERAGE SALE PRICE



MEDIAN PRICE

SELECTED MARKET AREAS	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08
Fifth Ave., 59th-96th St.	\$2,950,000	\$3,650,000	\$522,222	\$700,000	*	*
Park Ave., 59th-96th St.	\$3,005,000	\$4,700,000	\$469,444	\$635,714	*	*
Between Fifth and Lexington Ave., 59th-79th St.	\$1,359,000	\$2,532,500	\$278,750	\$460,000	*	*
80th-96th St.	\$1,482,500	\$1,465,000	\$322,222	\$310,794	*	*
Lexington Ave. to the East River, 59th-79th St.	\$699,500	\$850,000	\$193,875	\$217,000	\$1,163	\$1,257
80th-96th St.	\$717,500	\$722,250	\$169,417	\$178,333	\$1,020	\$1,118
Midtown East**	\$710,000	\$875,000	\$184,750	\$207,143	\$1,064	\$1,152

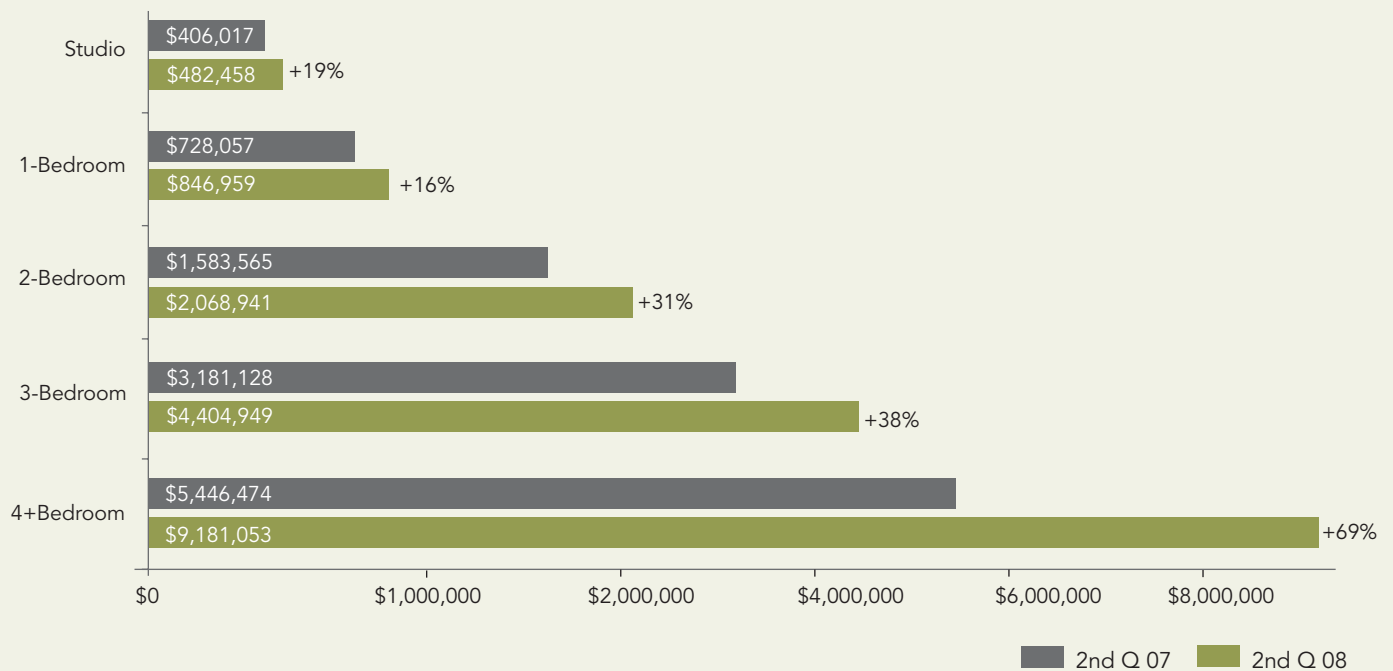
*There were not enough sales for a valid comparison.

** Not included in overall Eastside data.

WESTSIDE

The average price for large apartments on the Westside surged over the past year, led by closings at 15 Central Park West. From 2007's second quarter, the average price rose 69% for four-bedroom and larger, and 38% for three-bedroom units. Closings at the Ariel West continued to push up the median price for sales from Columbus Avenue to east of West End Avenue, from 87th to 110th Street, over the past year.

AVERAGE SALE PRICE



MEDIAN PRICE

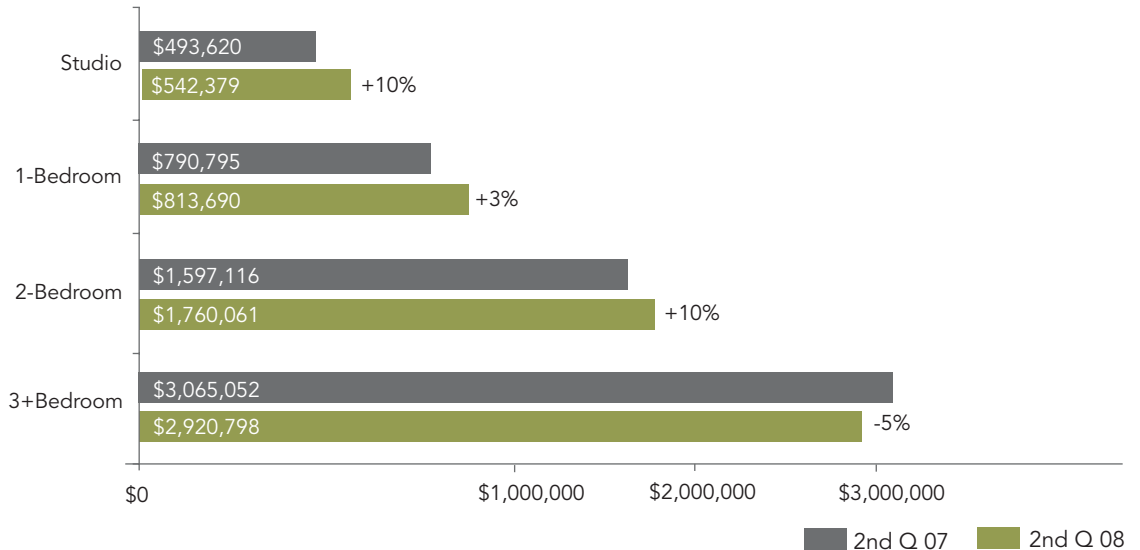
SELECTED MARKET AREAS	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08
Riverside Drive/Boulevard, 59th-116th St.	\$937,000	\$1,375,000	\$251,222	\$239,688	\$1,093	\$1,321
West End Ave., 59th-105th St.	\$700,000	\$1,075,000	\$193,708	\$225,000	*	*
Between CPW and Columbus Ave., 59th-110th St.	\$860,000	\$985,000	\$221,889	\$220,000	\$1,242	\$1,395
Columbus Ave. to East of WEA, 59th-86th St.	\$944,000	\$1,024,000	\$195,833	\$201,429	\$1,374	\$1,330
87th-110th St.	\$700,000	\$1,200,000	\$191,500	\$188,286	\$963	\$1,177
Between Riverside Drive and WEA, 59th-110th St.	\$750,000	\$689,000	\$193,095	\$184,875	*	*
Midtown West**	\$835,000	\$1,150,000	\$175,833	\$205,000	\$1,169	\$1,323

*There were not enough sales for a valid comparison.

** Not included in overall Westside data.

AVERAGE SALE PRICE

In the Downtown market, the average price rose 10% for both studio and two-bedroom apartments from the second quarter of 2007. Three-bedroom and larger units were the only size category to post a decline, as their average price fell 5% to \$2,920,798. New development closings, particularly several at 240 Park Avenue South, brought the median price in the Chelsea/Flatiron area up 69% over the past year to \$1,222,500. The median price for Battery Park City continued to remain below 2007's level, which was inflated at the time due to sales at 30 West Street. This building's prices were much higher than the typical sale in the neighborhood.



MEDIAN PRICE

SELECTED MARKET AREAS	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08
Chelsea/Flatiron	\$725,250	\$1,222,500	\$199,800	\$221,000	\$1,172	\$1,245
Gramercy Park	\$651,000	\$694,000	\$200,000	\$208,629	*	*
Greenwich/East Village	\$659,450	\$825,000	\$238,057	\$237,143	\$1,090	\$1,322
West Village	\$685,000	\$700,000	\$215,500	\$218,333	\$1,344	\$1,578
Battery Park City	\$1,438,000	\$780,500	*	*	\$1,063	\$1,103

*There were not enough sales for a valid comparison.

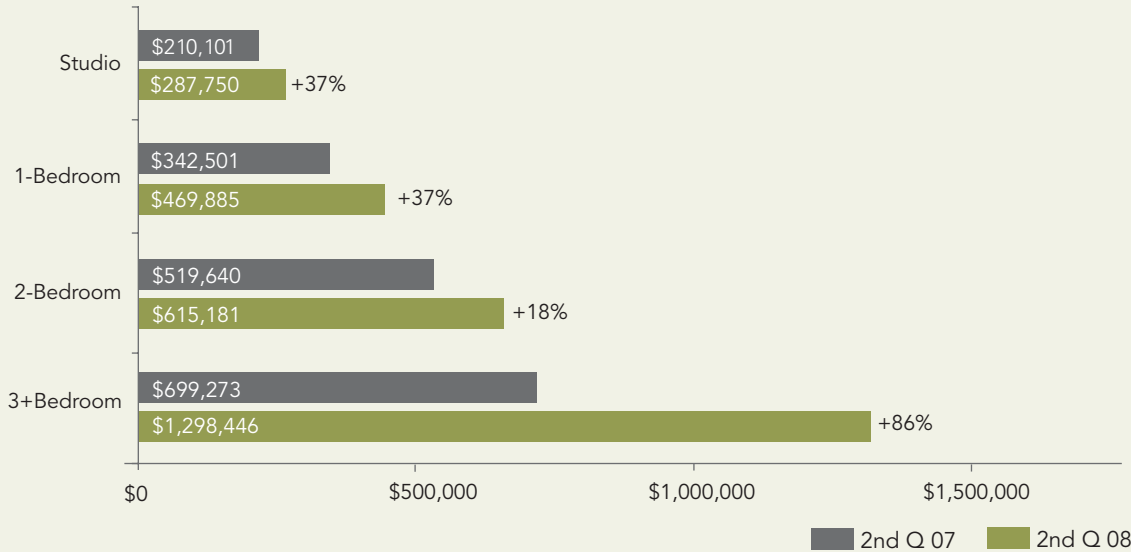
Although the median price for lofts in the Village area rose 63% over the past year, this is due mainly to an abnormally low figure in the second quarter of 2007. While the median price for lofts in Tribeca fell 25% from an exceptionally high level during 2007's second quarter, the median price per square foot was down a more modest 5%.

Lofts

SELECTED MARKET AREAS	LOFTS			
	Median Sale Price		Median Price per Sq. Ft.	
	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08
Chelsea/Flatiron	\$1,530,000	\$1,621,250	\$1,233	\$1,151
Greenwich/East/West Village	\$745,000	\$1,212,500	\$1,037	\$1,352
Noho/Soho	\$1,800,000	\$2,400,000	\$1,083	\$1,275
Tribeca	\$2,650,000	\$1,975,000	\$1,222	\$1,161

NORTHERN MANHATTAN

AVERAGE SALE PRICE



In Northern Manhattan, the average price rose for every size category over the past year led by an 86% jump in three-bedroom and larger apartments. This number should be viewed with caution however, as a few exceptionally high sales occurred, including an \$8 million sale at 111 Central Park North.

MEDIAN PRICE

SELECTED MARKET AREAS	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08	2nd Q 07	2nd Q 08
Harlem	\$530,000	\$665,000	\$108,333	\$112,500	\$614	\$591
Hudson Heights	\$403,000	\$475,000	\$120,804	\$130,274	*	*
Inwood	\$330,000	\$331,215	\$94,000	\$97,917	*	*

*There were not enough sales for a valid comparison.

Data is provided by ValuExchange, a proprietary database containing the largest known survey of the Manhattan residential market. This report is based on 2,988 reported Manhattan apartment sales.

Gregory Heym is the Chief Economist for Halstead Property, LLC, and serves on New York City's Economic Advisory Panel. For the past 13 years, he has covered the residential real estate market. Mr. Heym was the author of the Real Estate Board of New York's Cooperative and Condominium Sales Reports prior to joining Halstead Property. His academic background includes a B.S. in Economics from St. John's University and an M.B.A. from Hofstra University.



PREPARED BY

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CHIEF ECONOMIST, Halstead Property, LLC

MANHATTAN INVENTORY REPORT

Number of New Listings

EASTSIDE	2nd Q 07	1st Q 08	2nd Q 08	12-month Change
Studio	106	100	102	-4%
One-Bedroom	317	340	378	19%
Two-Bedroom	277	343	306	10%
Three-Bedroom	142	185	163	15%
Four-Bedroom & Larger	86	66	78	-9%
WESTSIDE	2nd Q 07	1st Q 08	2nd Q 08	12-month Change
Studio	100	84	110	10%
One-Bedroom	308	335	295	-4%
Two-Bedroom	285	298	318	12%
Three-Bedroom	119	120	139	17%
Four-Bedroom & Larger	37	53	73	97%
DOWNTOWN	2nd Q 07	1st Q 08	2nd Q 08	12-month Change
Studio	320	257	240	-25%
One-Bedroom	687	527	631	-8%
Two-Bedroom	543	395	486	-10%
Three-Bedroom	144	156	190	32%
Four-Bedroom & Larger	20	25	38	90%
Lofts	249	286	277	11%
NORTHERN MANHATTAN	2nd Q 07	1st Q 08	2nd Q 08	12-month Change
Studio	21	17	12	-43%
One-Bedroom	145	103	69	-52%
Two-Bedroom	160	141	100	-38%
Three-Bedroom	35	45	48	37%
Four-Bedroom & Larger	7	9	4	-43%

There were 11% more apartments placed on the Eastside market than during the second quarter of 2007, led by a 19% increase in one-bedrooms.



On the Westside, a 97% jump in four-bedroom and larger apartments entering the market helped bring overall new listings up 10% from the second quarter of 2007.



Downtown saw 5% fewer apartments added to the market than a year ago, as a 25% drop in studios offset a sharp gain in four-bedroom and larger listings.



Three-bedrooms were the only size category in Northern Manhattan to add more apartments than during 2007's second quarter.

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SoHo
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212.475.4200

Midtown
770 Lexington Avenue
212.317.7800

Harlem
175 Lenox Avenue
212.381.2570

Brooklyn Heights
150 Montague Street
718.613.2000

Cobble Hill
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718.613.2020

Riverdale
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