

HALSTEAD PROPERTY

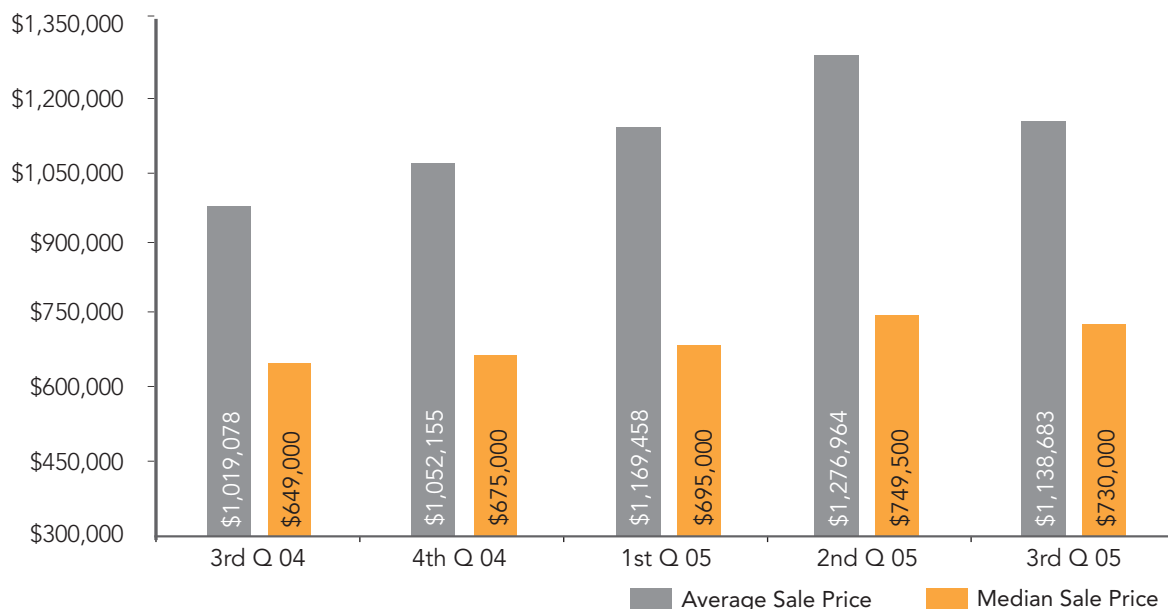
BY THE NUMBERS

MANHATTAN
THIRD QUARTER 2005

Average Sale Price

ALL APARTMENTS

The average price for an apartment in Manhattan was \$1,138,683 in the third quarter, 12% higher than a year ago. The median price also rose 12% over the past twelve months, reaching \$730,000. Although the average price is down sharply from the prior quarter, the median price, a more stable indicator of the market is only down 3% during this time. A decrease in the number of sales at the upper end of the market is the primary reason for this difference.



COOPERATIVES

Cooperative apartment prices averaged \$1,044,318 in the third quarter, 10% higher than a year ago. All sizes of co-ops posted double-digit gains in this statistic from the third quarter of 2004. The average price for three-bedroom and larger co-ops did fall from the prior quarter's record levels, which in turn brought down the overall average price during this time.

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
3rd Quarter 05	\$352,809	\$582,494	\$1,275,852	\$2,899,599	\$5,432,808	\$1,044,318
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

CONDOMINIUMS

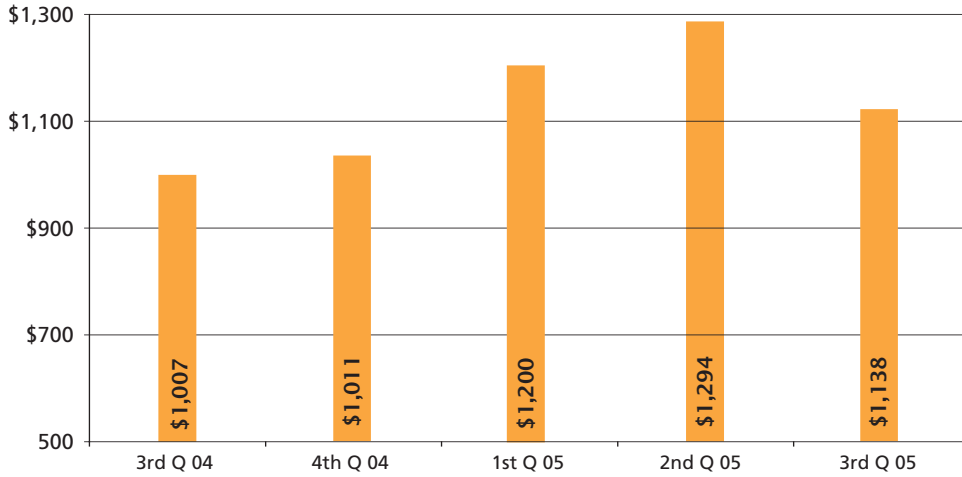
In the condominium market, the average price of \$1,278,297 was 14% higher than 2004's third quarter. Similarly to the co-op market, declines in the average price for larger apartments retreated from the previous quarter's record levels and therefore brought down the overall average price during this time. It is important to note however, that all size categories with the exception of condos with four or more bedrooms, did post substantial gains in average price from the same period in 2004.

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
3rd Quarter 05	\$482,462	\$758,352	\$1,488,602	\$2,804,108	\$5,026,723	\$1,278,297
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

Average Price Per Square Foot

NEW CONSTRUCTION & CONVERSIONS

At \$1,138, the average price per square foot for apartments in newly constructed or converted buildings was 13% higher than 2004's third quarter. This data includes apartments added to the apartment stock since the beginning of 2003.

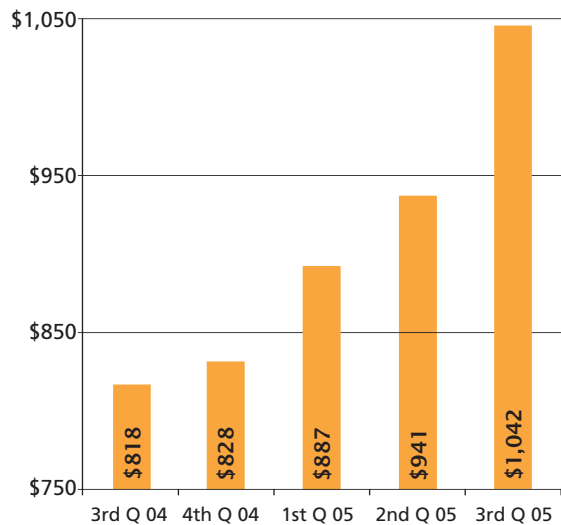


Includes apartments added to the market since the beginning of 2003.

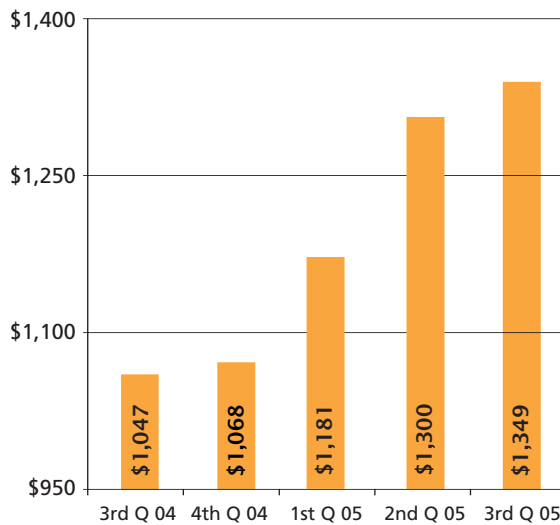
LOFTS & TOWNHOUSES

Loft prices averaged \$1,042 per square foot in the third quarter, 27% higher than a year ago and a new record. This figure is also up 11% from just the prior quarter. Reaching \$1,349 per square foot, the average 1-4 family townhouse price was 29% higher in the third quarter than a year ago.

LOFTS



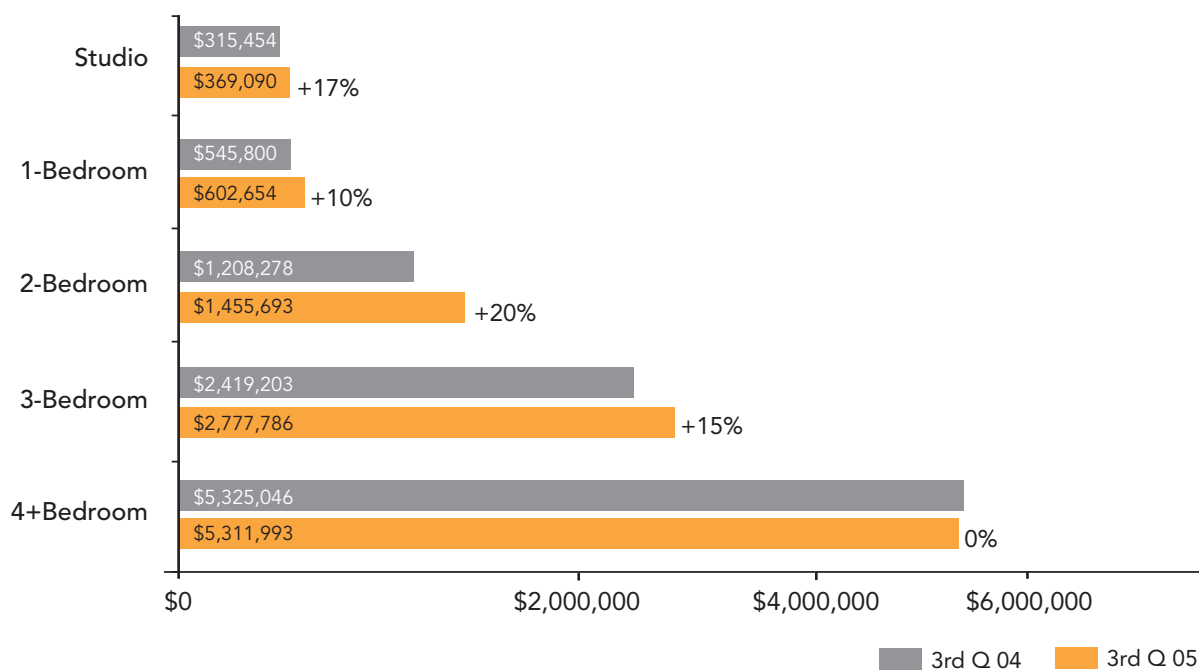
TOWNHOUSES



East Side

Two-bedroom units posted the largest increase in average price in the East Side market over the past year. At \$1,455,693, this figure was 20% higher than the third quarter of 2004. The median price was higher in all reported market areas from a year ago, led by a 43% gain for apartments located between Fifth and Lexington Avenue, from 80th to 96th Street.

AVERAGE SALE PRICE



SELECTED MARKET AREAS

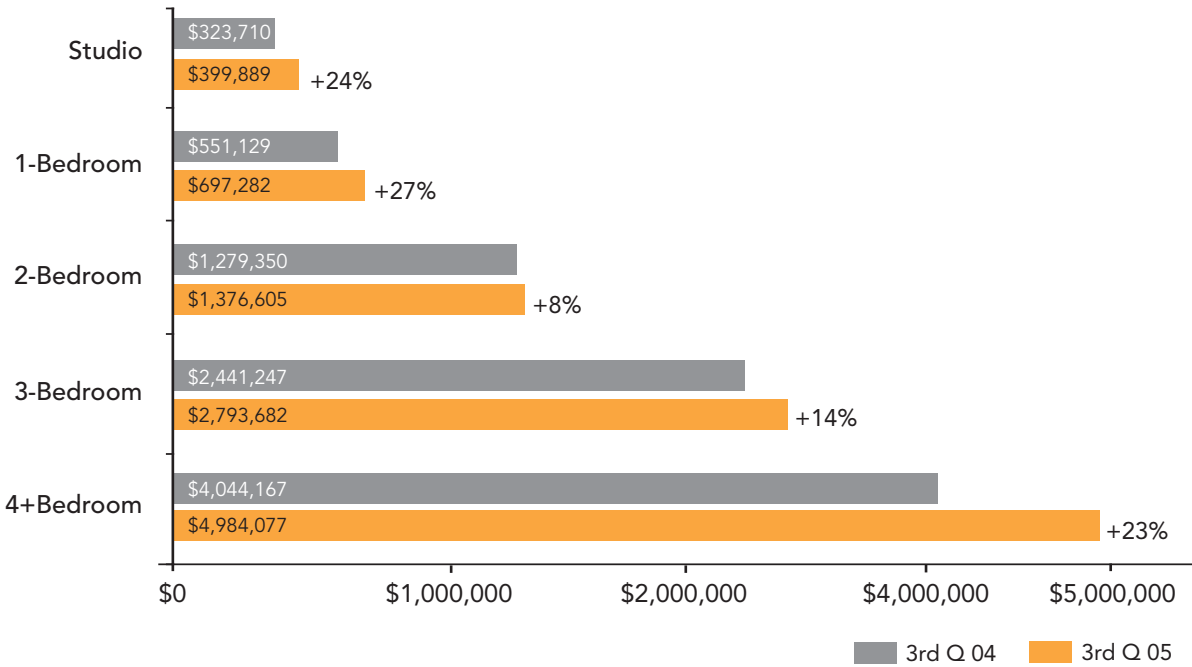
	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	3Q '04	3Q '05	3Q '04	3Q '05	3Q '04	3Q '05
Fifth Avenue, 59th-96th St.	\$2,150,000	\$2,495,000	\$414,167	\$499,000		
Park Avenue, 59th-96th St.	\$2,495,000	\$3,322,500	\$370,000	\$449,900		
Between Fifth & Lexington Ave, 59th-79th St.	\$1,425,000	\$1,552,500	\$279,583	\$332,273		
80th-96th St.	\$975,000	\$1,395,000	\$199,778	\$245,455		
Lexington Ave. to the East River, 59th-79th St.	\$590,000	\$699,000	\$149,036	\$179,500	\$865	\$1,131
80th-96th St.	\$526,000	\$650,000	\$137,500	\$158,333	\$732	\$892
Midtown East, 34th-58th St.*	\$599,000	\$680,000	\$149,500	\$170,792	\$810	\$1,025

* Not included in overall East Side data.

West Side

Over the past year the average price for a one-bedroom apartment rose 27% on the West Side, the largest increase of any size category. Apartments located in the area from Columbus Avenue to East of West End Avenue rose sharply in median price over the past year. The increase was 25% for apartments between 87th and 110th Street, and 23% for apartments between 59th and 86th Street.

AVERAGE SALE PRICE



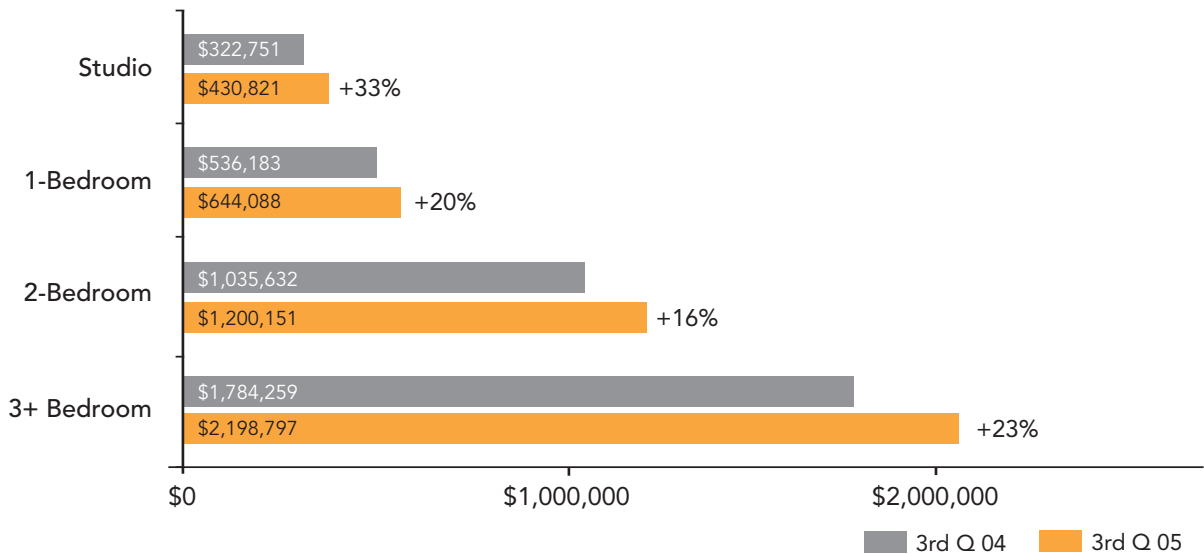
SELECTED MARKET AREAS

	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	3Q '04	3Q '05	3Q '04	3Q '05	3Q '04	3Q '05
Central Park West, 59th-110th St.	\$1,250,000	\$1,447,000	\$279,083	\$420,000	\$905	\$1,115
Riverside Drive/Boulevard, 59th-116th St.	\$907,500	\$995,500	\$185,714	\$213,250	\$976	\$1,078
West End Ave, 59th-105th St.	\$736,000	\$775,000	\$175,000	\$198,889		
Between CPW & Columbus Ave, 59th-110th St.	\$639,000	\$714,500	\$173,333	\$217,476	\$924	\$921
Columbus Avenue to East of WEA, 59th-86th St.	\$689,000	\$850,000	\$158,333	\$193,667	\$1,020	\$1,122
87th-110th St.	\$649,000	\$812,500	\$173,486	\$178,278	\$803	\$996
Between Riverside Drive and WEA, 59th-110th St.	\$592,000	\$699,000	\$156,875	\$181,443		

Downtown

In the Downtown market, the average price for studios rose 33% from the third quarter of 2004 to \$430,821. All size categories saw their average price rise substantially during this period. Also of note in this market was the performance of apartments located in Battery Park City, which rose 41% in median price over the past year.

AVERAGE SALE PRICE



SELECTED MARKET AREAS

	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	3Q '04	3Q '05	3Q '04	3Q '05	3Q '04	3Q '05
Chelsea/Flatiron	\$619,500	\$747,000	\$147,500	\$199,125	\$965	\$1,069
Gramercy Park	\$467,500	\$562,000	\$149,667	\$174,375		
Greenwich Village	\$650,000	\$649,000	\$185,167	\$200,000	\$978	\$993
Lower East Side	\$507,500	\$560,000	\$147,917	\$196,417	\$1,001	\$1,304
Battery Park City	\$410,000	\$579,000			\$637	\$730

LOFTS

Lofts located in the Chelsea/Flatiron area fetched a median price of \$1,772,500 in the third quarter, a 61% improvement from a year ago. Some of this increase is attributable to an increase in size of lofts sold, as the median price per square foot was up 42% during this time. The median price per square foot was up for all surveyed areas from 2004's third quarter.

	LOFT			
	Median Sale Price		Median Price per Sq. Ft.	
	3Q '04	3Q '05	3Q '04	3Q '05
Chelsea/Flatiron	\$1,100,000	\$1,772,500	\$747	\$1,059
Greenwich Village	\$975,000	\$899,000	\$901	\$997
Noho/Soho	\$1,700,000	\$1,912,000	\$885	\$972
Tribeca	\$1,666,250	\$2,093,706	\$849	\$1,036

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 2,380 sales.

Gregory Heym is the Chief Economist for Halstead Property and serves on New York City's Economic Advisory Panel. For the past 10 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 LLC. His academic background includes a B.S. in Economics from St. John's University and an M.B.A. from Hofstra University.



PREPARED BY
Gregory Heym
CHIEF ECONOMIST, Halstead Property, LLC



PROPERTY

HALSTEAD.COM



HALSTEAD PROPERTY

East Side Office

1356 Third Avenue
New York, NY 10021
(212) 734-0010

West Side Office

408 Columbus Avenue
New York, NY 10024
(212) 769-3000

Midtown Office

770 Lexington Avenue
New York, NY 10021
(212) 317-7800

Village Office

784 Broadway
New York, NY 10003
(212) 253-9300

SoHo Office

451 West Broadway
New York, NY 10012
(212) 475-4200

Relocation Office

770 Lexington Avenue
New York, NY 10021
(212) 381-6595

Brooklyn Heights Office

156 Montague Street
Brooklyn, NY 11201
(718) 613-2000

Cobble Hill Office

162 Court Street
Brooklyn, NY 11201
(718) 613-2020

Riverdale Office

3531 Johnson Avenue
Riverdale, NY 10463
(718) 878-1720

Hudson Valley Office

433 Warren Street
Hudson, NY 12534
(518) 828-0181