

MANHATTAN  
FIRST QUARTER 2005

# HALSTEAD PROPERTY

by the numbers

HALSTEAD.COM

## BY THE NUMBERS

Over the past few years, price increases in the residential market have been fueled by low interest rates. Now, the shortage of available apartments in Manhattan is playing an increasingly significant role in driving prices up. While demand continues to increase due to rising employment and 2004 bonuses being paid, the supply of available apartments continues to fall.

Highlights from the first quarter include:

- An apartment in Manhattan now costs an average of \$1,169,458; 30% more than a year ago. This figure is 11% higher than the previous quarter alone, as increased sales of both luxury units and new developments have helped escalate prices to new levels. Indicating growth in the overall market, the median price of \$695,000 was 28% higher than 2004's first quarter.
- The average sale price for a cooperative apartment remained over the \$1 million mark for the second straight quarter. At \$1,053,222, this figure was 28% higher than a year ago. The average price increased most for three-bedroom co-ops, up 36% in the last twelve months to \$2,784,150.
- As new developments continue to make up an increasing share of the condo market, their high prices are helping to push the overall average price to new levels. At \$1,387,593, the average condo price is 32% higher than a year ago, and 23% higher than the previous quarter.
- Our analysis of new construction and conversions, which includes apartments added to the market since 2003, shows an average price of \$1,200 per square foot for these units. This figure is 35% higher than the average price per square foot for the entire market. This indicator is down slightly from a year ago, primarily due to the fact that many of the units at the Time Warner Center closed in 2004's first quarter, driving the average price up at that time.
- Loft prices continue to climb steadily, and now average \$887 per square foot. This is a 28% improvement from the first quarter of 2004.
- In the East Side market, the average price for three-bedroom apartments rose 40% over the past year, the largest gain of any size category. This reflects the increased activity in high-end apartments which are making up a larger percentage of sales on the East Side. The median prices for sales on Fifth and Park Avenues also indicate this trend, as these values are up substantially from 2004's first quarter. We should note that since these selected market areas comprise a smaller number of sales, large price changes can occur in a given quarter when such a trend happens. Prices were up in all areas, with the exception of units between Fifth and Lexington Avenues, from 59th to 79th Street. A closer look at this data shows us that although the median price fell slightly, the median price per room for co-ops rose 14%, showing the overall price decrease is not due to any market softening in this market area.
- On the West Side, the average price for two-bedroom apartments rose 23% over the past year, leading all size categories. Only one of the selected market areas did not increase in median price over the past year, the area between Riverside Drive and West End Avenue. However, if we look at the median price per room for co-ops there, which make up a majority of the sales, we see a 12% increase from a year ago. One increase that needs clarification is the doubling of the median price in the area from Columbus Avenue to East of West End Avenue, 87th to 110th Street. This increase is mostly attributable to 15 sales at 2770 Broadway, a luxury building where the median price for sales was \$1,300,000, and thus skewed the figure for the entire market area.
- Sale prices for three-bedroom and larger units Downtown averaged 48% more than during the same period in 2004. All other size categories also rose sharply during this time, as higher priced new developments continue to account for an increasing percentage of total sales. Of the market areas surveyed, the median price increased the most on the Lower East Side. The 71% increase in the median price there is due in part to an increase in the size of units being sold combined with the emergence of this market.
- For lofts Downtown, the median price per square foot rose over 20% for all areas tracked. Although the median price for lofts in Greenwich Village dropped 16%, this is completely due to a decrease in the size of units being sold. The median square footage for sales dropped from 1,432 to 1,235, and the median price per square foot rose 22% in this market.

Prepared by Gregory Heym, Chief Economist  
Halstead Property L.L.C.

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. Data on 1,938 sales was provided for the first quarter of 2005.

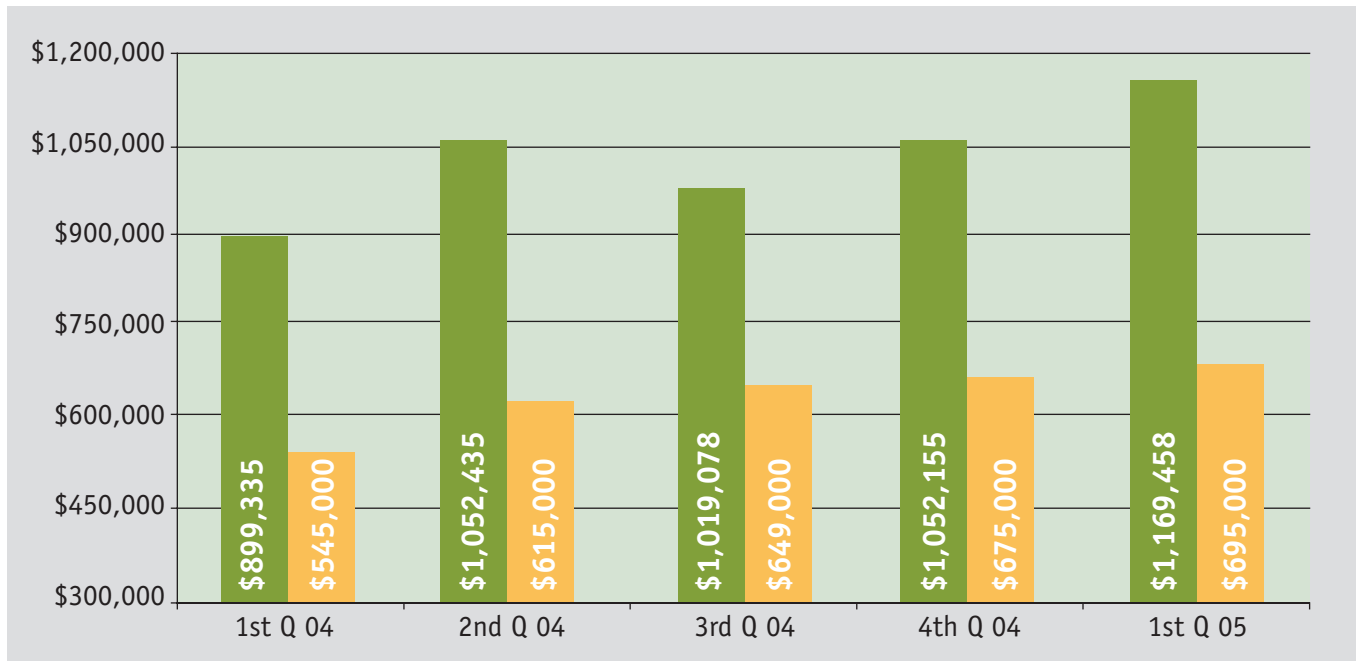
# HALSTEAD PROPERTY

## AVERAGE SALE PRICE

FIRST QUARTER 2005

### ALL APARTMENTS

Average Sale Price Median Sale Price



### COOPERATIVES

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
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
1st Quarter 04	\$236,864	\$438,149	\$969,221	\$2,045,945	\$4,902,273	\$822,785

### CONDOMINIUMS

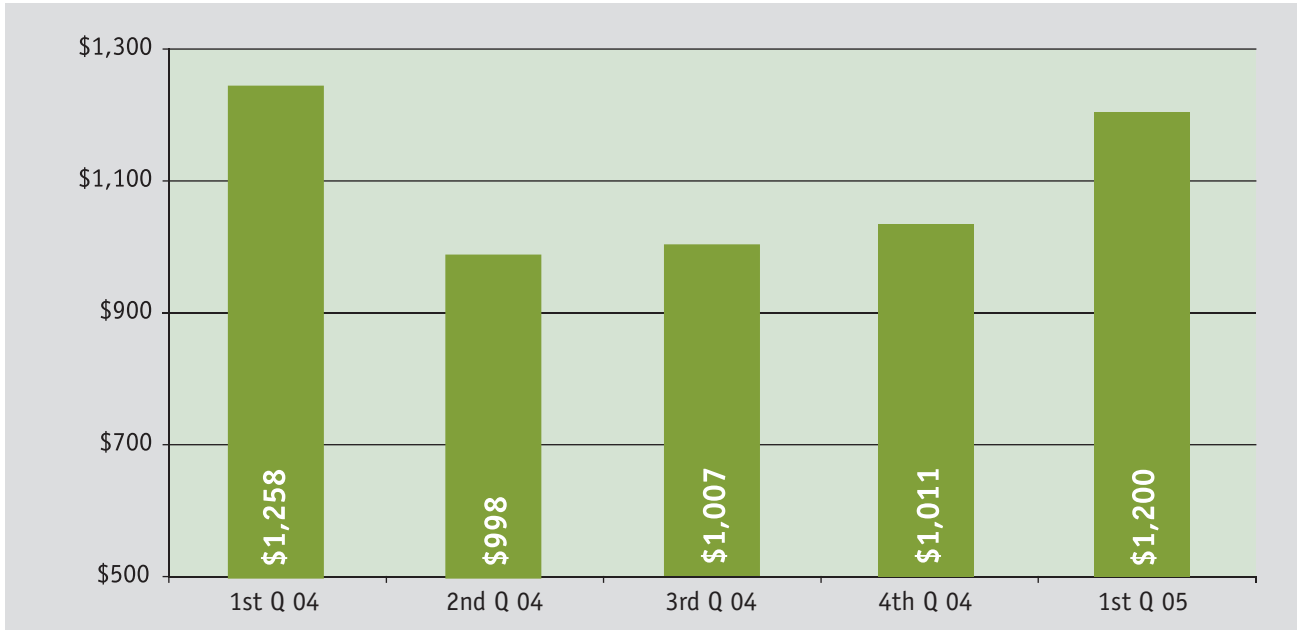
	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedroom	All
1st Quarter 05	\$406,403	\$673,297	\$1,430,289	\$2,653,699	\$6,960,182	\$1,387,593
4th Quarter 04	\$401,385	\$650,404	\$1,270,479	\$2,684,513	\$4,541,200	\$1,132,703
3rd Quarter 04	\$389,662	\$636,023	\$1,275,785	\$2,402,263	\$5,619,304	\$1,125,474
2nd Quarter 04	\$361,341	\$609,898	\$1,296,831	\$2,421,250	\$4,739,793	\$1,174,948
1st Quarter 04	\$336,852	\$544,044	\$1,197,529	\$2,426,436	\$5,643,799	\$1,052,534

# HALSTEAD PROPERTY

## AVERAGE PRICE PER SQ. FT.

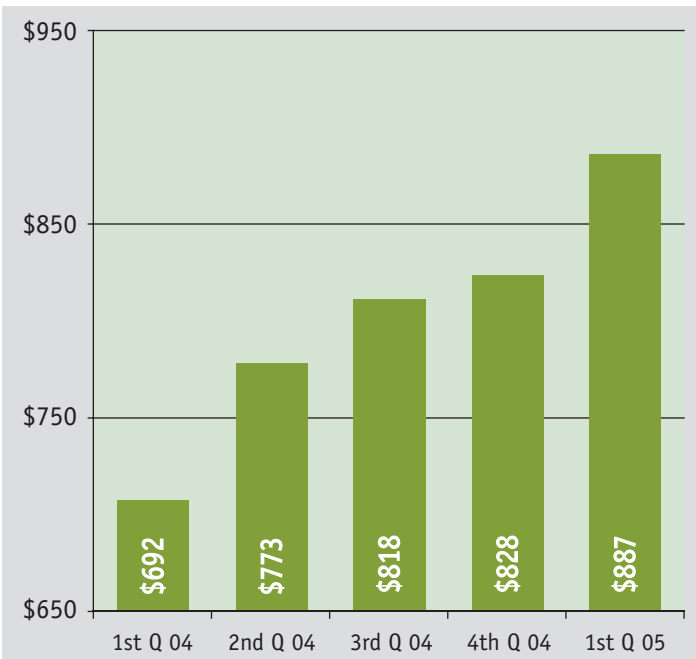
FIRST QUARTER 2005

### NEW CONSTRUCTION & CONVERSIONS

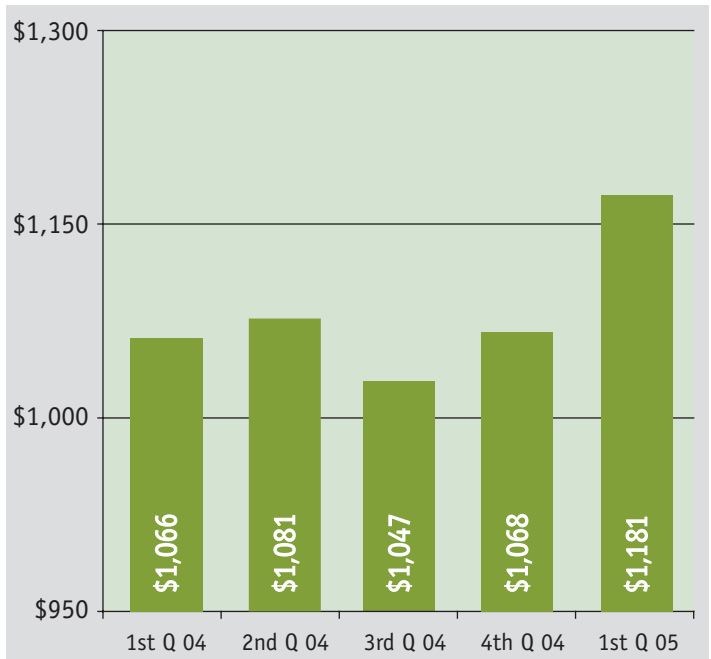


Includes apartments added to the market since the beginning of 2003.

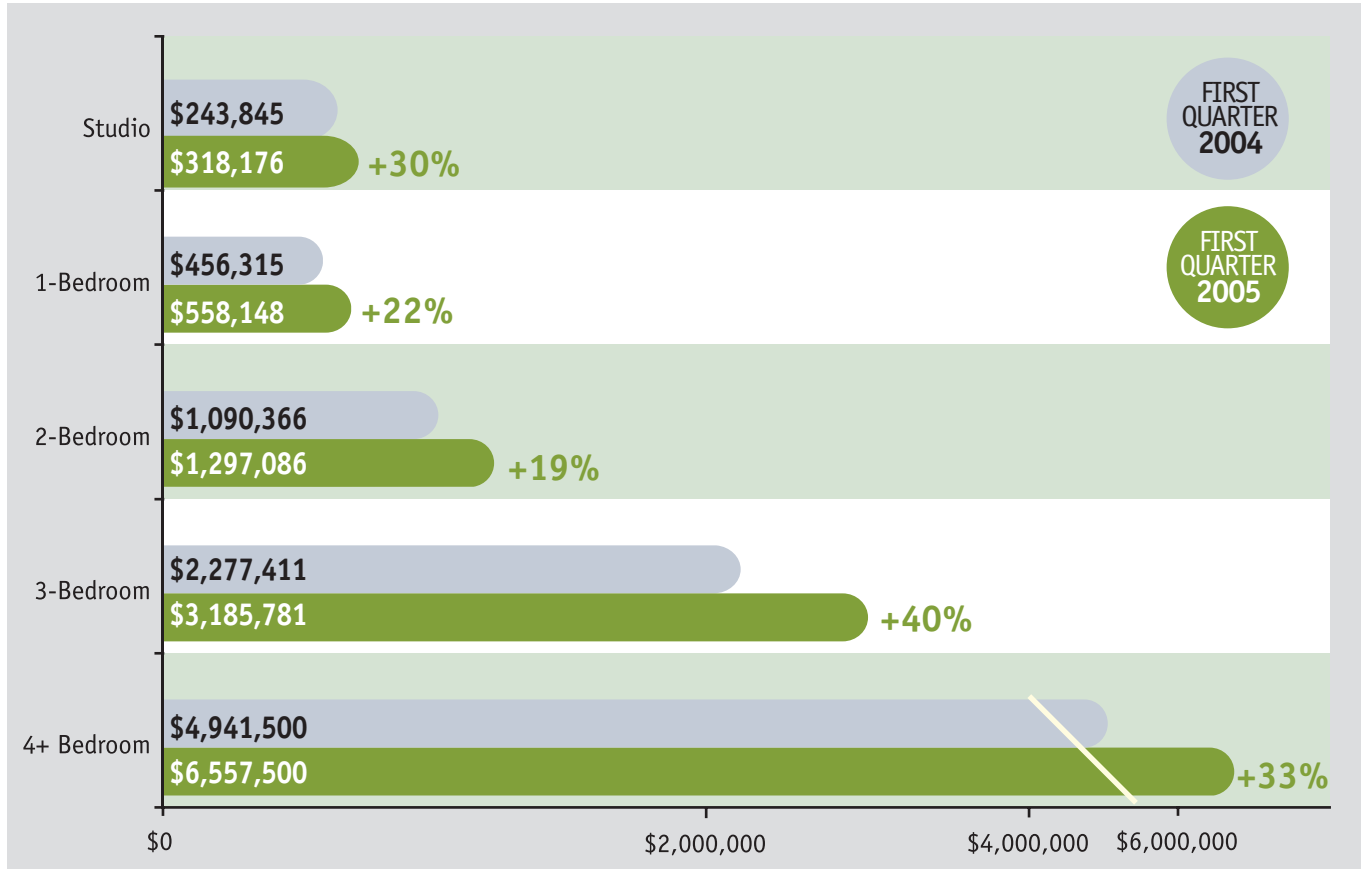
### LOFTS



### TOWNHOUSES

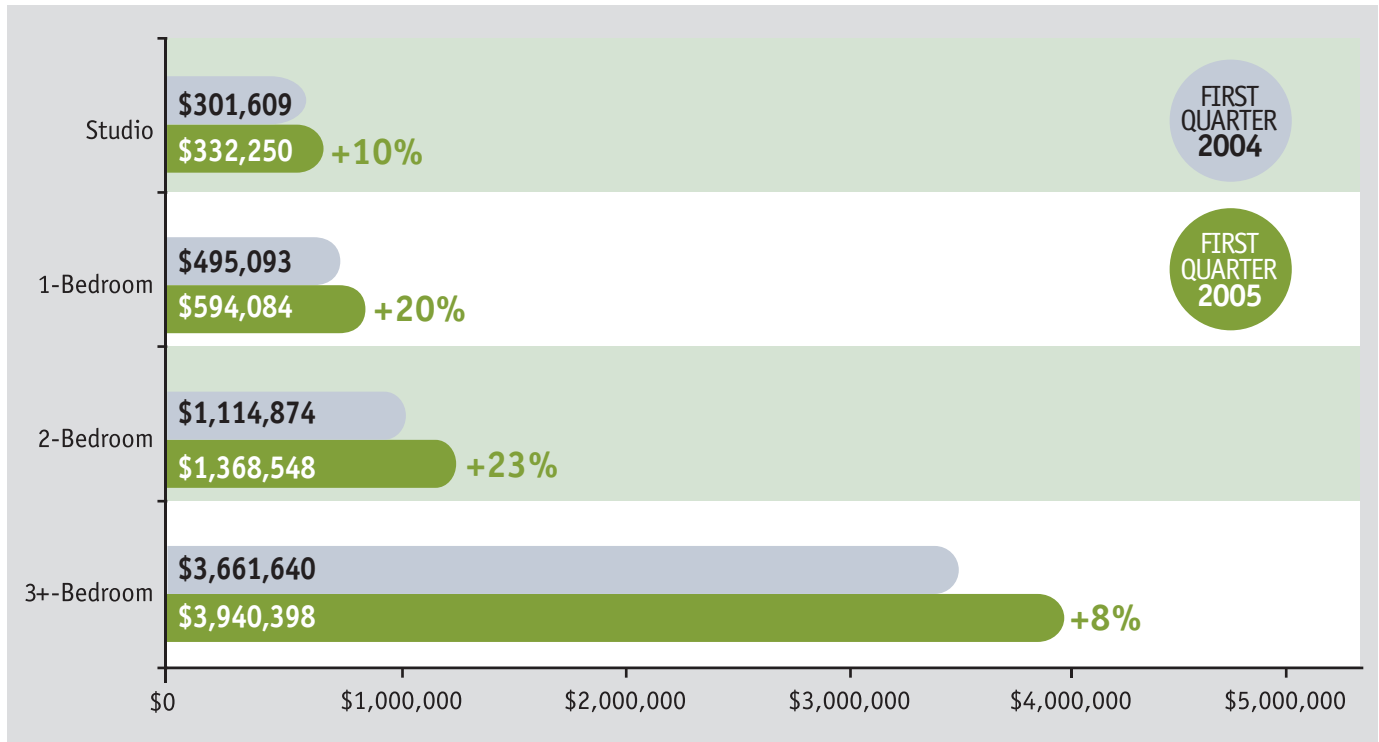


### Average Sale Price



### Selected Market Areas

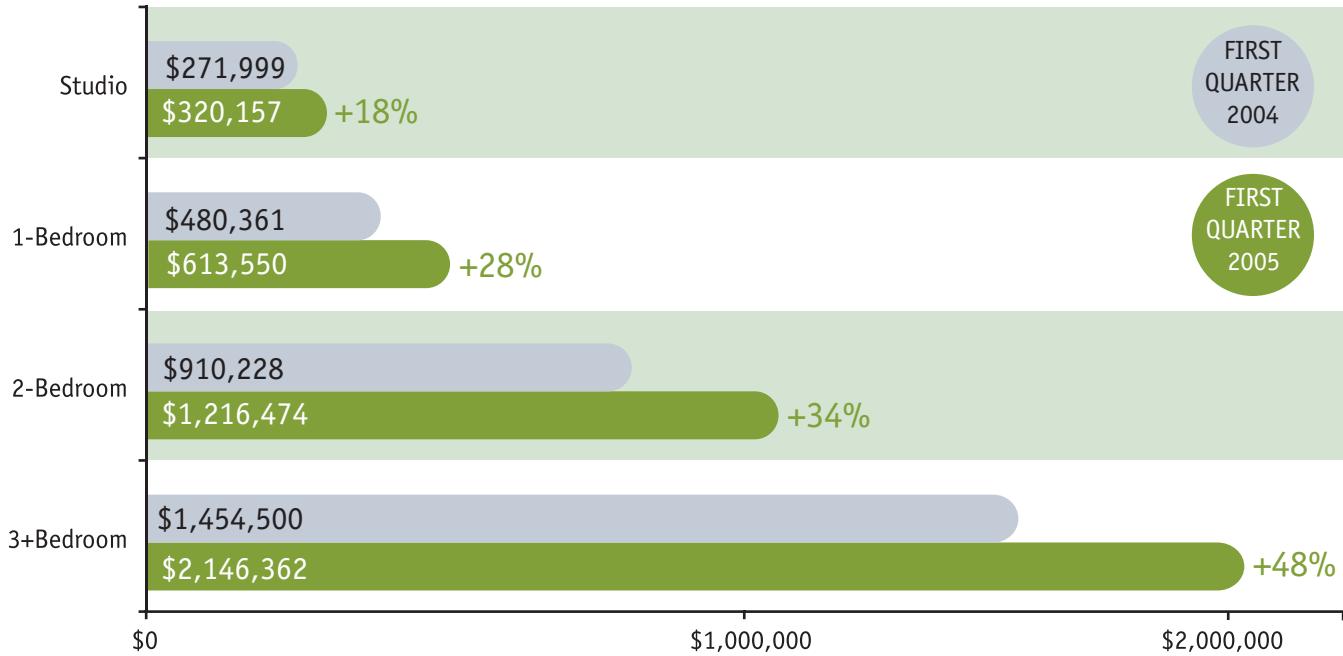
	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	1Q '04	1Q '05	1Q '04	1Q '05	1Q '04	1Q '05
Fifth Avenue, 59th-96th Street	\$1,795,000	\$3,080,000	\$303,000	\$471,808		
Park Avenue, 59th-96th Street	\$1,785,000	\$3,000,000	\$292,143	\$446,875		
Between Fifth & Lexington Ave. 59th-79th Street	\$1,245,000	\$1,175,000	\$220,833	\$252,222		
	\$952,000	\$1,222,500	\$192,857	\$208,333		
Lexington Ave. to the East River 59th-79th Street	\$500,000	\$676,250	\$134,000	\$164,857	\$786	\$944
	\$420,000	\$550,000	\$107,857	\$145,000	\$608	\$812
Midtown East, 34th-58th Street	\$435,000	\$647,000	\$121,250	\$152,500	\$645	\$914



### Selected Market Areas

	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	1Q '04	1Q '05	1Q '04	1Q '05	1Q '04	1Q '05
Central Park West, 59th-110th St.	\$995,000	\$1,150,000	\$221,111	\$412,946	\$893	\$920
Riverside Drive/Boulevard, 59th-116th St.	\$865,000	\$1,024,500	\$170,000	\$218,625	\$956	\$1,036
West End Avenue, 59th-105th Street	\$552,500	\$580,500	\$147,800	\$164,964		
Between CPW & Columbus Ave., 59th-110th St.	\$772,500	\$925,000	\$153,000	\$225,292	\$1,571	\$1,317
Columbus Ave. to East of West End Ave. 59th-86th St.	\$560,000	\$599,000	\$139,714	\$161,250	\$842	\$981
87th-110th St.	\$452,000	\$925,000	\$121,714	\$174,250	\$710	\$915
Between Riverside Drive & West End Ave., 59th-110th St.	\$535,000	\$532,500	\$134,732	\$151,429		

### Average Sale Price



### Selected Market Areas

	ALL APARTMENTS		COOPERATIVE		CONDOMINIUM	
	Median Sale Price		Median Price per Room		Median Price per Sq. Ft.	
	1Q '04	1Q '05	1Q '04	1Q '05	1Q '04	1Q '05
Chelsea/Flatiron	\$487,500	\$675,000	\$141,500	\$178,583	\$773	\$988
Gramercy Park	\$395,000	\$470,000	\$125,417	\$156,667		
Greenwich Village	\$510,000	\$671,023	\$154,095	\$184,500	\$842	\$929
Lower East Side	\$310,000	\$529,000	\$97,333	\$144,523		
Battery Park City	\$424,900	\$580,000			\$591	\$732
Loft Apartments	LOFT		LOFT			
	Median Sale Price		Median Price per Sq. Ft.			
	1Q '04	1Q '05	1Q '04	1Q '05		
Chelsea/Flatiron	\$1,165,000	\$1,600,000	\$704	\$857		
Greenwich Village	\$1,000,000	\$840,000	\$780	\$950		
Noho/Soho	\$1,625,000	\$1,625,000	\$730	\$908		
Tribeca	\$1,267,500	\$1,995,000	\$671	\$860		

# HALSTEAD PROPERTY

## **East Side Office**

1356 Third Avenue  
New York, NY 10021

## **West Side Office**

408 Columbus Avenue  
New York, NY 10024

## **Midtown Office**

770 Lexington Avenue  
New York, NY 10021

## **Village Office**

784 Broadway  
New York, NY 10003

## **SoHo Office**

451 West Broadway  
New York, NY 10012

## **Relocation Office**

770 Lexington Avenue  
New York, NY 10021

## **Brooklyn Heights Office**

156 Montague Street  
Brooklyn, NY 11201

## **Cobble Hill Office**

162 Court Street  
Brooklyn, NY 11201

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