

the corcoran report

2nd QUARTER 2009

In collaboration with



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A comprehensive analysis
of the residential real estate
market in Manhattan.

Welcome to the Corcoran Report, our quarterly examination of Manhattan's residential real estate market. This report utilizes data based on deals that closed in 2Q 2009 (April 1 through June 30) and compares it to that of 2Q 2008. In that sense, the sales activity charted here trails actual market conditions by about eight to twelve weeks.

It is no secret that, since 3Q 2008, Manhattan's housing market has experienced one of its most challenging periods in twenty years. In the wake of the global financial crisis, home sales in the borough have slowed by half. Total closings decreased by 50-60% over 2008's busy second quarter, but were up by 10-15% over the prior quarter as of this writing and will most likely increase further (based on a reasonable estimate of additional Second Quarter sales reaching the public record at a later date). In addition, trends in recent months have been very encouraging with strong seasonal activity in May and June, particularly in modestly-scaled units.

In terms of reflecting the recession's initial impact, this quarter and the next will be the most telling in terms of establishing a new level of pricing for Manhattan. As reduced demand and intense downward pressure has taken a toll on condominium prices (re-sale condos lost 14% in price per square foot), we have also seen a resurgence of the co-op market as buyers have found their prices more attractive. The Corcoran Report noted relatively stable prices in co-ops versus 1Q 2009 and milder losses in price per square foot versus 2Q 2008 than we saw in condos.

One sector of the market that experienced change this quarter was new development. For the second quarter in a row, new development property sales declined by two-thirds in 2Q 2009 but they also absorbed a degree of price reduction that they had not before. Not only were there fewer super-luxury buildings like The Plaza and 15 Central Park West closing, but developers have responded to their buyers. Price per square foot in new development retreated 14% from 2Q 2008 and by 5% from 1Q 2009. The Corcoran Report examines activity in new development properties in a separate section presented by Corcoran Sunshine Marketing Group.

We hope you will find this edition of the Corcoran Report useful and informative, and we welcome any questions you may have regarding it. View all our current market reports for the most comprehensive analysis of Manhattan, Brooklyn, Long Island's East End and South Florida at www.corcoran.com/thecorcoranreport

Sincerely,

Pamela Liebman

Pamela Liebman
Chief Executive Officer



The following members of the The Corcoran Group made significant contributions to this report:

Bill Begert | Brett Harris | Douglas LaMere | Ryan Schleis | Kirsten Spanjer



Market Trends

During Second Quarter 2009, approximately 50-60% fewer sales traded versus the same quarter a year ago. Due to the economic downturn, lack of consumer confidence, and difficult mortgage market, median price fell by 13% while average price per square foot declined 16%. [Page 4](#)

West Side

Resale co-ops declined 8% in median price and 9% in average price per square foot. [Page 9](#)

Midtown West

New development sales in Midtown West declined 37% in median price, the largest decline of any submarket. The resale market also declined in price. [Page 10](#)

Downtown

Resale condominiums Downtown increased 4% in median price yet decreased 8% in average price per square foot. [Page 11](#)

Uptown

Overall, Uptown experienced a 4% increase in median price while price per square foot decreased 3%, as purchasers sought larger, cheaper residences. [Page 12](#)

New Developments

In featured commentary from Corcoran Sunshine Marketing Group, we examine the activity in Manhattan's most talked about niche market. [Page 6](#)

East Side

East Side new development sales experienced an increase of 54% in median price, aided by closings at The Laurel, a new construction luxury condominium development. The resale market, however, saw large price declines. [Page 7](#)

Midtown East

Resale condominium sales in Midtown East declined 23% in median price and 21% in average price per square foot. New development average price per square foot increased by 2%. [Page 8](#)



Average unit sales per square foot (SF):

- Above \$2,500 SF
- \$2,000 - \$2,500 SF
- \$1,500 - \$2,000 SF
- \$1,250 - \$1,500 SF
- \$1,000 - \$1,250 SF
- \$750 - \$1,000 SF
- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
- 3 to 9 Units
- 1 to 2 Units

PropertyShark.com's map of Manhattan plots sales in the Second Quarter according to their numbers and their prices per square foot.

Interactive map online at

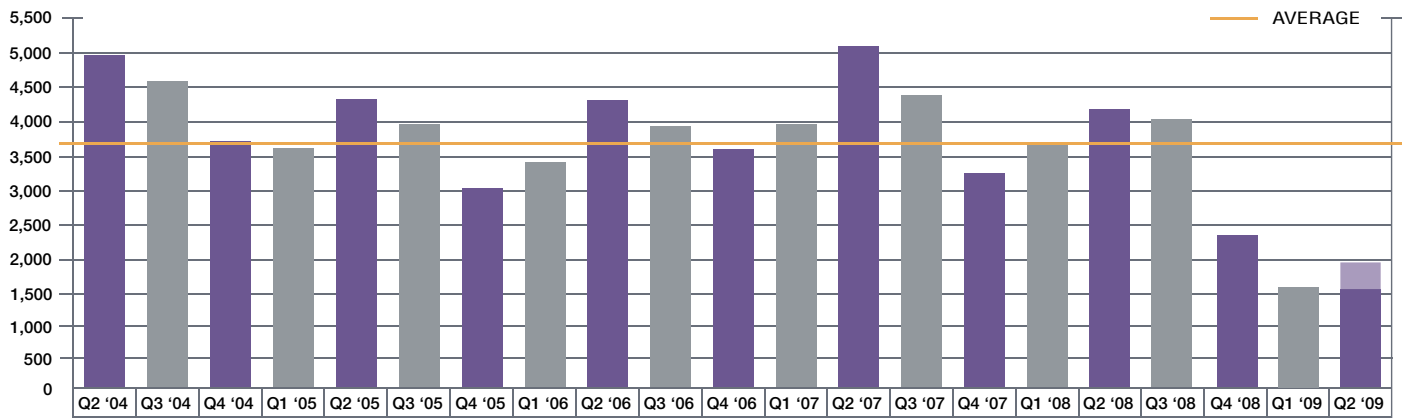


propertyshark.com/maps

Manhattan Market Trends

Second Quarter 2009 saw a rebound in sales activity versus the extremely low number of sales recorded in First Quarter. Due to the seasonality of the market, second quarter typically experiences an increase in sales volume compared to the first quarter. This year, there was a 10-15% increase in the number of sales versus First Quarter 2009. Resale activity improved sharply, with sales up 30-35% versus last quarter. New development sales, however, declined. Compared to a year ago, the number of sales was still significantly lower. We estimate that sales are down approximately 50-60% versus Second Quarter 2008 (based on a reasonable estimate of Second Quarter sales accounting for the typical lag time between a closing and its reporting in public record). Median price fell in every bedroom category, ranging from a 3% decline for three-plus bedroom residences, to a 21% decline for studios.

Five Year Trend of Sales Activity (Number of Sales)



With prolonged troubles in the economy and low sales activity, prices continue to fall in Manhattan. No particular market segment or neighborhood has been immune to the market's decline. Overall, median price declined 13% while average price per square foot declined 16% versus a year ago. Median price fell in every bedroom category, ranging from a 3% decline for three bedroom residences, to a 21% decline for studios.

Market Wide

All Sales	Average Sale Price	Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
2009	1.141M	849K	1,058	395K	630K	1.285M	2.900M
Change	-14%	-13%	-16%	-21%	-18%	-13%	+22%
2008	1.670M	975K	1,261	499K	769K	1.485M	2.978M

Market Wide Resale

All Resale	Average Sale Price	Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
2009	1.347M	735K	984	380K	600K	1.150M	2.895M
Change	-6%	-10%	-13%	-18%	-14%	-15%	-3%
2008	1.434M	820K	1,134	465K	695K	1.350M	2.999M

Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	625K	871	360K	550K	998K	2.625M
Change	-12%	-11%	-14%	-14%	-16%	-10%
2008	710K	984	417K	640K	1.181M	2.925M

Condos	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	1.050M	1,127	425K	703K	1.350M	2.900M
Change	-6%	-14%	-23%	-17%	-23%	-7%
2008	1.223M	1,316	550K	850K	1.750M	3.106M

Townhouses

In Second Quarter 2009, there were very few townhouse sales, so it is difficult to draw any conclusions about the market because statistics are easily skewed by individual sales. Townhouse sales in every neighborhood were down approximately 40% or more versus last year. Median price declined on the East Side and West Side by 41% and 3%, respectively. While Downtown and Uptown townhouses actually increased in median price by 30% and 49%, respectively, as the average size of the few townhouses sold was much larger than a year ago.

All Sales	East Side		West Side		Downtown		Uptown	
	Average Price	Median	Average Price	Median	Average Price	Median	Average Price	Median
2009	7.967M	4.950M	4.345M	4.500M	7.490M	7.900M	1.412M	1.600M
Change	-10%	-41%	-67%	-3%	+1%	+49%	+14%	+30%
2008	8.890M	8.350M	13.319M	4.650M	7.442M	5.300M	1.234M	1.228M

Lofts

The loft market experienced a 25% decline in median price to \$1.420 million and a 10% decline in average price per square foot to \$1,083. Median price was unchanged for lofts between 2,000 to 2,500 square feet. Lofts over 2,500 square feet experienced the largest median price decline of any loft type, decreasing 20% since last year. Smaller lofts, between 1,000 to 1,500 square feet experienced a 3% decline in median price. Lofts recorded a larger sales decline than the overall market.

All Sales	Average Sale Price	Median Price	Avg Price per sf	1,000-1,500 sf		1,500-2,000 sf		2,000-2,500 sf		2,500+ sf	
				Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price
2009	1.883M	1.420M	1,083	1.331M	1.350M	1.880M	1.797M	2.767M	2.785M	4.334M	3.450M
Change	-19%	-25%	-10%	-8%	-3%	-13%	-14%	-3%	0%	-10%	-20%
2008	2.328M	1.900M	1,208	1.445M	1.395M	2.159M	2.100M	2.865M	2.795M	4.800M	4.288M

Luxury Market

Manhattan's luxury market is defined as the top 10% of all co-op and condominium sales. Luxury resale co-ops fared better than condominiums, decreasing 6% in median price and 6% in average price per square foot. Luxury resale condominiums experienced a 22% decline in median price and a 23% decline in average price per square foot. The luxury new development market saw the largest decrease, falling 27% in median price and 39% in average price per square foot. The luxury market now has an average price per square foot below \$2,000 in all product categories.

All Resale	Average Sale Price	Median Price	Avg Price per sf
	2009	4.981M	4.000M
Change	-24%	-18%	-26%
2008	6.547M	4.876M	2,432

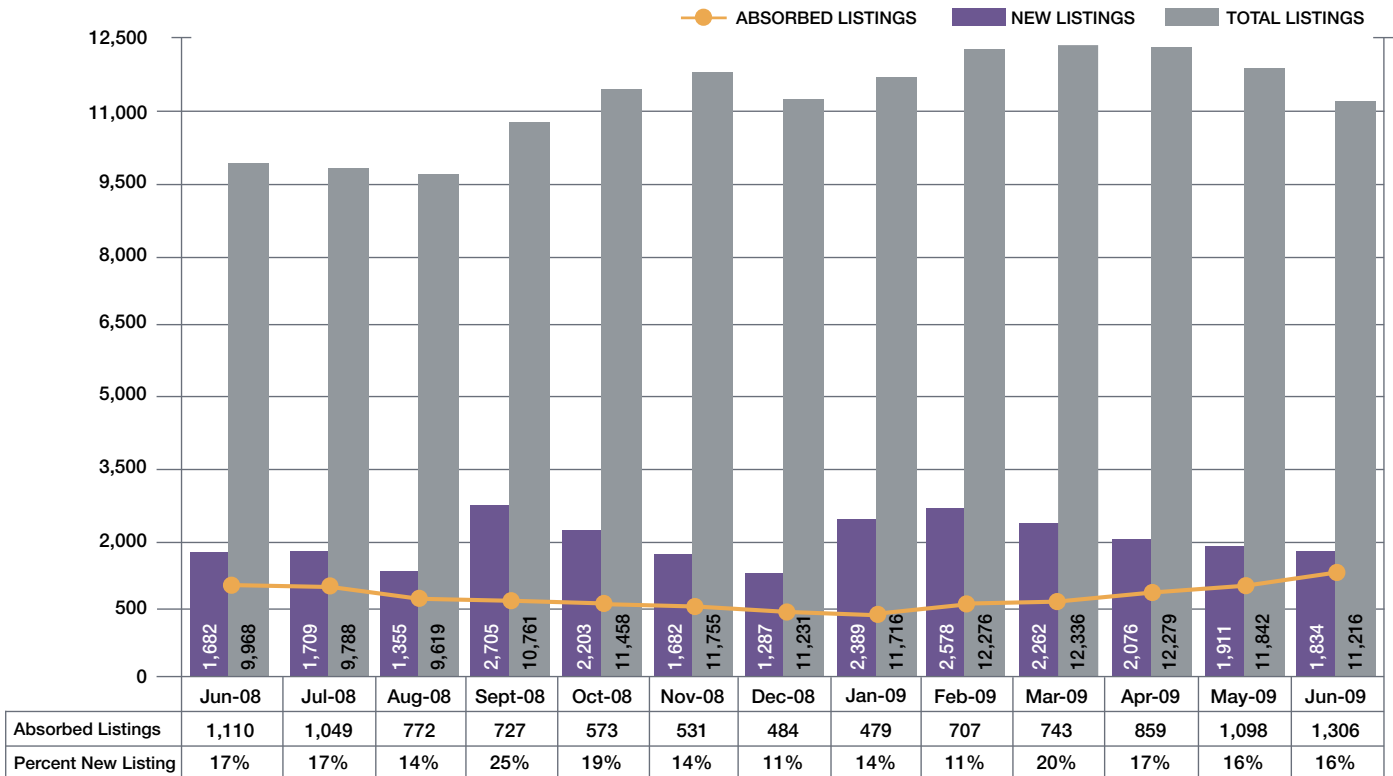
Co-ops	Average Sale Price	Median Price	Avg Price per sf
	2009	5.765M	4.900M
Change	-8%	-2%	-5%
2008	6.240M	5.000M	1,882

New Developments	Average Sale Price	Median Price	Avg Price per sf
	2009	5.268M	4.213M
Change	-34%	-27%	-39%
2008	7.978M	5.806M	2,982

Condos	Average Sale Price	Median Price	Avg Price per sf
	2009	4.544M	3.800M
Change	-32%	-21%	-29%
2008	6.662M	4.838M	2,541

Manhattan Absorption vs. New & Total Listings

While sales activity is still down sharply from last year, many buyers have begun to re-enter the market. Total available inventory appears to have peaked, and is slowly retreating due to the increase in sales in the last few months, the steep drop off in the number of new developments coming to market, listings being taken off the market by non-serious sellers, and units being rented instead of sold. The number of listings absorbed per month has increased 170% since December 2008. June 2009 is the sixth straight month of increased absorption.



NEW DEVELOPMENTS



corcoran sunshine

Overall, median price declined 4% to \$1.275 million and average price per square foot declined 14% to \$1,252. The price declines were somewhat expected this quarter, as closings at luxury developments such as 15 Central Park West and The Plaza skewed price metrics upwards a year ago. Studio and one bedroom residences declined in median price, while two bedroom and larger residences still increased in median price. Median price of three-plus bedroom residences experienced a 17% increase, due to a small number of closings at luxury new developments such as Soho Mews and 15 Madison Square North. New developments experienced a significant 67% decline in the number of sales year-over-year, and a 26% decline since last quarter. The decline in sales year-over-year is an estimate due to the lag time between a closing and its reporting in public records.

Market Wide	Average Sale Price	Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
2009	1.751M	1.275M	1,252	560K	850K	1.750M	3.413M
Change	-18%	-4%	-14%	-14%	-7%	+5%	+17%
2008	2.146M	1.332M	1,448	649K	911K	1.674M	2.925M

Resale

East Side

East side co-op median price fell 20% this quarter, while average price per square foot fell 11% and dropped below \$1,000 per square foot. Two- and three-plus bedroom co-ops had the largest median price declines, falling 15% and 22%, respectively. The East Side resale condominium market experienced a 4% decline in median price and a 17% decline in average price per square foot; price declines were also most pronounced in large residences.

Co-ops		Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
2009		758K	933	354K	613K	1.100M	3.100M
Change		-20%	-11%	-7%	-4%	-15%	-22%
2008		945K	1,047	383K	635K	1.300M	3.973M

Condos		Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
2009		1.220M	1,197	465K	643K	1.325M	2.900M
Change		-4%	-17%	-15%	-14%	-21%	-32%
2008		1.270M	1,436	550K	750K	1.681M	4.238M

Average unit sales per square foot (SF):

- Above \$2,500 SF
- \$2,000 - \$2,500 SF
- \$1,500 - \$2,000 SF
- \$1,250 - \$1,500 SF
- \$1,000 - \$1,250 SF
- \$750 - \$1,000 SF
- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
- 3 to 9 Units
- 1 to 2 Units



Interactive map online at PropertyShark.com/maps



NEW DEVELOPMENTS

EAST SIDE

The East Side experienced the largest price increase of any Manhattan submarket, increasing 54% in median price. The increase was due to many closings in new construction condominium developments. Overall, East Side average price per square foot was unchanged year-over-year. Two bedroom residences experienced an increase of 103% in median price, fueled by closings at The Laurel and The Brompton.

East Side		Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
2009		1.580M	1,478	370K	658K	2.018M	3.950M
Change		+54%	0%	-10%	-12%	+103%	+20%
2008		1.025M	1,481	409K	745K	992K	3.300M

Resale

Midtown East

Co-op sales in Midtown East experienced a 27% decrease in median price in the Second Quarter, while average price per square foot decreased 5%. One bedroom co-ops experienced the largest median price decline in the submarket, at 19%. Resale condominiums decreased 23% in median price and 21% in average price per square foot. One bedroom condominiums experienced the steepest median price decline of 32%, but lower prices helped the bedroom type decline less in sales.

Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
	2009	2008	2009	1 BR	2 BR	3+ BR
2009	508K	793	330K	499K	1.100M	2.250M
Change	-27%	-5%	-13%	-19%	-2%	+7%
2008	695K	839	381K	615K	1.120M	2.113M

Condos	Median Price	Avg Price per sf	Studio	Median Price		
	2009	2008	2009	1 BR	2 BR	3+ BR
2009	690K	1,036	390K	650K	1.480M	3.375M
Change	-23%	-21%	-27%	-32%	-26%	-8%
2008	899K	1,310	535K	950K	2.000M	3.650M

Average unit sales per square foot (SF):

- Above \$2,500 SF
- \$2,000 - \$2,500 SF
- \$1,500 - \$2,000 SF
- \$1,250 - \$1,500 SF
- \$1,000 - \$1,250 SF
- \$750 - \$1,000 SF
- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
- 3 to 9 Units
- 1 to 2 Units



Interactive map online at PropertyShark.com/maps



NEW DEVELOPMENTS

MIDTOWN EAST

Midtown East experienced mixed results this quarter, increasing 2% in median price while decreasing 14% in average price per square foot. Midtown East has a limited number of new developments so prices were easily swayed by several rental-to-condominium conversions particularly 212 East 47th Street, which recorded over 75% of the neighborhood's sales. The number of sales by bedroom category was too low to draw any significant conclusions.

Midtown East	Median Price	Avg Price per sf	Studio	Median Price		
	2009	2008	2009	1 BR	2 BR	3+ BR
2009	745K	1,144	N/A	738K	1.200M	1.433M
Change	-14%	+2%	N/A	+9%	-19%	-46%
2008	862K	1,121	439K	676K	1.473M	2.647M

Resale

West Side

West Side co-op median price fell by 8% this quarter, while average price per square foot declined 9%. Three-plus bedroom median price actually increased 32% as many sales were on Central Park West this quarter. Resale condominiums on the West Side declined 22% in median price and 25% in average price per square foot. Two bedroom condominiums experienced the steepest median price decline of 39%.



Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	700K	916	37K0	557K	1,000M	2,898M
Change	-8%	-9%	-6%	-13%	-12%	+32%
2008	765K	1,011	392K	640K	1,143M	2,198M

Condos	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	893K	1,119	453K	775K	1,075M	3,200M
Change	-22%	-25%	-13%	-10%	-39%	-7%
2008	1,150M	1,484	568K	863K	1,750M	3,425M

Average unit sales per square foot (SF):

- Above \$2,500 SF
- \$2,000 - \$2,500 SF
- \$1,500 - \$2,000 SF
- \$1,250 - \$1,500 SF
- \$1,000 - \$1,250 SF
- \$750 - \$1,000 SF
- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
- 3 to 9 Units
- 1 to 2 Units

Interactive map online at PropertyShark.com/maps



NEW DEVELOPMENTS

WEST SIDE

The West Side experienced declines in median price and average price per square foot, falling 24% and 25%, respectively. Closings at new developments such as The Plaza and 15 Central Park West were inflating the West Side average over the last year. Sales in this neighborhood were down approximately 50% compared to last year, when the aforementioned buildings were undergoing closings. The only unit type to experience an increase in median price was three-plus bedroom residences, which was due to closings in this category at The Rushmore.

West Side	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	1,344M	1,338	557K	975K	1,613M	3,500M
Change	-24%	-25%	-30%	-1%	-10%	+6%
2008	1,763M	1,779	798K	985K	1,800M	3,295M

Resale

Midtown West

Co-op sales in Midtown West declined 23% in median price and 9% in average price per square foot. One bedroom median price declined the largest percentage, falling 38%. Resale condominiums decreased 21% and 27% in median price and average price per square foot, respectively. Two bedroom condominiums had a median price decrease of 48% as the majority of sales this quarter were in older buildings compared to a year ago when recently sold out new developments, such as The Orion, had a large percentage of sales.



Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	418K	817	299K	400K	N/A	N/A
Change	-23%	-9%	-11%	-38%	N/A	N/A
2008	540K	900	335K	650K	1.013M	N/A

Condos	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	808K	1,016	630K	747K	1.125M	N/A
Change	-21%	-27%	+18%	-16%	-48%	N/A
2008	1.024M	1,399	535K	885K	2.150M	4.300M

Average unit sales per square foot (SF):

- Above \$2,500 SF
- \$2,000 - \$2,500 SF
- \$1,500 - \$2,000 SF
- \$1,250 - \$1,500 SF
- \$1,000 - \$1,250 SF
- \$750 - \$1,000 SF
- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
- 3 to 9 Units
- 1 to 2 Units

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NEW DEVELOPMENTS

MIDTOWN WEST

The median price for Midtown West new developments was \$815,000, a 37% decrease from last year. Average price per square foot also fell by 8%. The number of sales was too low to draw any significant conclusions by bedroom category.

Midtown West	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	815K	1,219	N/A	858K	2.719M	N/A
Change	-37%	-8%	N/A	-2%	+94%	N/A
2008	1.293M	1,319	853K	875K	1.400M	2.150M

Resale

Downtown co-op sales witnessed a 12% decline in median price and a 16% decline in average price per square foot. Three-plus bedroom co-ops decreased the most in median price by 34%. In contrast, resale condominiums increased 4% in median price yet still declined 8% in average price per square foot, as a larger proportion of sales this quarter were for two and larger residences.

Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
	2009	595K	850	415K	583K	993K
Change	-12%	-16%	-15%	-12%	-12%	-34%
2008	675K	1,008	486K	665K	1.128M	3.050M

Condos	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
	2009	1.420M	1,157	315K	875K	1.648M
Change	+4%	-8%	-55%	+2%	-8%	-1%
2008	1.360M	1,252	700K	860K	1.800M	2.856M

Average unit sales per square foot (SF):

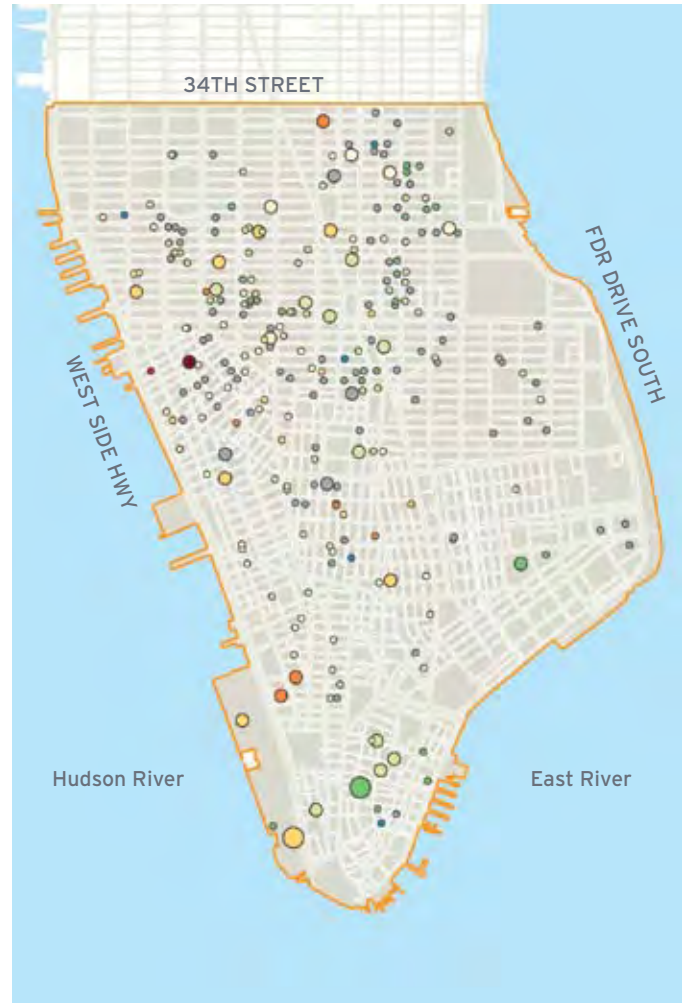
- Above \$2,500 SF
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- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
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- 1 to 2 Units

Interactive map online at PropertyShark.com/maps

Downtown



NEW DEVELOPMENTS

DOWNTOWN

Downtown Manhattan, located below 34th Street, accounted for over half of new development sales in the Second Quarter. Overall, median price increased 1% but average price per square foot declined 7%. Due to closings at several luxury developments such as 15 Madison Square North and Riverhouse, three-plus bedrooms were the only bedroom type to experience an increase in median price, rising 28% year-over-year.

Downtown	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
	2009	1.350M	1,260	620K	973K	1.850M
Change	+1%	-7%	-4%	0%	+4%	+28%
2008	1.334M	1,360	643K	970K	1.775M	2.850M



Resale

Uptown

Co-op sales Uptown experienced a 2% decrease in median price and a 5% decrease in average price per square foot. One and two bedroom residences actually increased 10% and 47% in median price respectively, largely due to closings near Riverside Park and the Hudson River.

Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	464K	612	N/A	379K	750K	1,140M
Change	-2%	-5%	N/A	+10%	+47%	-1%
2008	475K	645	289K	345K	510K	1,150M

Condos	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	745K	337	N/A	N/A	N/A	N/A
Change	+31%	-41%	N/A	N/A	N/A	N/A
2008	569K	573	282K	548K	620K	858K

Average unit sales per square foot (SF):

- Above \$2,500 SF
- \$2,000 - \$2,500 SF
- \$1,500 - \$2,000 SF
- \$1,250 - \$1,500 SF
- \$1,000 - \$1,250 SF
- \$750 - \$1,000 SF
- \$500 - \$750 SF
- Below \$500 SF
- No SF Available

Number of unit sales per building:

- Above 20 Units
- 10 to 20 Units
- 3 to 9 Units
- 1 to 2 Units

Interactive map online at PropertyShark.com/maps



NEW DEVELOPMENTS

UPTOWN

This quarter, Uptown new development median price increased 39% while average price per square foot decreased 5%. The large increase in median price was due to closings at developments such as the Kalahari with large unit sizes. One- and two-bedrooms experienced median price declines of 11% and 7%, respectively, while three-plus bedroom median price remained unchanged.

Uptown	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
2009	725K	625	N/A	400K	667K	980K
Change	+39%	-5%	N/A	-11%	-7%	0%
2008	520K	656	N/A	450K	715K	980K

As always, this report covers sales that closed during the last quarter. Continuing the trend from Q1 2009, prices and transaction counts are down in almost all categories. Yet in contrast to press reports of an across-the-board drop of 30%, the price decreases reported here seem quite modest.



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When compared to the same quarter last year, Q2 2009 shows a drop in median sale price of just 10% for re-sales and 4% for new developments. A few areas, such as uptown Manhattan, even showed gains.

News articles describing more aggressive reductions have been based on reports from brokers about contracts that have been signed recently or that currently are being negotiated. As they wend their way toward closing over the next three-to-six months, these transactions will not show up in any reports until they close. The Corcoran Report focuses on closed sales, and the data presented here represent contracts negotiated and signed at least three months ago, typically more. Only in exceptional cases do these data represent contracts signed during the last quarter. In the case of new development sales, the contracts may have been signed a year or more ago.

So this report is not a good basis from which to predict what will happen next in the market. Nevertheless, conventional wisdom in real estate says to watch the transaction counts. As the number of sales dwindled, weak demand forced prices downward. Likewise, we assume that prices will have reached the bottom when transaction counts start to rise since this will mark the point of equilibrium in which buyers implicitly agree with sellers on asking prices.

There are signs that equilibrium has been reached. Brokers are reporting more traffic at open houses and more contracts being signed. Unfortunately it will be another six months before this report can substantiate the evidence that is now only anecdotal.

For the last decade, prices have moved only a few percentage points each quarter, generally upwards. During that time, this report represented a valuable tool for sellers in setting an asking price. Rarely were current sale prices substantially different from six months before. Now, a seller who wants to set an asking price realistic for today's market (instead of for the market six months ago) will need to rely more so than usual on the advice of a broker. Brokers are members of a community which is actively observing, discussing and negotiating prices every day. Their consensus feeling based on what they are hearing on the street is the best measure of today's market and where it is going in the near future.

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