

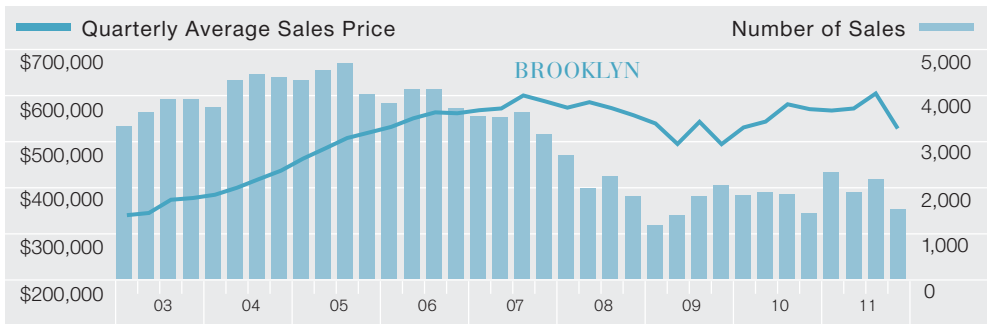


ELLIMAN REPORT

BROOKLYN

- **Number of sales edged higher.** There were 1,558 sales in the fourth quarter, up 6.1% from 1,468 in the same period last year. Gains in market share came from the co-op market, and the south and east regions of the borough.
- **Price indicators slipped.** Median sales price fell 4.3% to \$454,383 from \$475,000 in the same quarter last year. Average sales price followed the same pattern. The shift towards lower priced co-ops pulled the overall price indicators down.
- **Listing inventory and listing discount fell.** The percent difference between the list price at time of sale and the sales price fell to 3.7% from 5.6% in the same quarter last year. This is consistent with the 4.8% decline in listing inventory to 5,908 from 6,203 in the prior year quarter.

Brooklyn Market Matrix	4Q-2011	% Chg (qtr)	3Q-2011	% Chg (yr)	4Q-2010
Average Sales Price	\$529,640	-12.9%	\$607,867	-7.5%	\$572,892
Median Sales Price	\$454,383	-10.9%	\$510,000	-4.3%	\$475,000
New Development	\$499,000	-15.5%	\$590,585	-5.8%	\$530,000
Re-Sale	\$438,000	-12.2%	\$499,000	-5.8%	\$465,000
Number of Sales	1,558	-29.8%	2,219	6.1%	1,468
Days on Market (From Last List Date)	135	-9.4%	149	13.4%	119
Listing Discount (From Last List Price)	3.7%		3.0%		5.6%
Listing Inventory (Active)	5,908	-11.7%	6,688	-4.8%	6,203
Absorption Rate (Monthly, Active)	11.4	26.7%	9.0	-10.2%	12.7



The housing market saw year-over-year gains in sales for the fourth quarter. There were 1,558 sales, 6.1% more than 1,468 in the same quarter last year. The increase in sales was largely due to the increase in market share for co-ops, which comprised 22.5% of all borough sales, up from 18.7% over the same period. The surge in lower priced co-op sales was a result of the sharp decline in mortgage rates during the fall after the S&P downgrade of US debt, which occurred at the end of the summer. Listing inventory declined 4.8% over the same period to 5,908 from 6,203 in the same quarter last year. As a result, the number of months to sell all

inventory at the current pace of sales fell to 11.4 from 12.7 over the same period, but above the 10.4 average of the past three-and-a-half years.

Consistent with the decline in the absorption rate and the decline in listing inventory, the listing discount fell to 3.7% from 5.6% in the same quarter last year. However, days on market, the number of days the property was on the market after its last price change, if any, to the contract date, expanded over the past year. Days on market was 135 days in the fourth quarter, up from 119 days in the same quarter last year. The decline in listing inventory and rise in sales resulted in the absorption of the properties that

had been on the market longer.

The Brooklyn market continued to see an increase in sales and stabilized pricing after considering the shift in the mix to more co-op sales. Listing inventory edged lower, and the negotiability between buyer and seller grew closer, as measured by listing discount. The listing discount is the percent difference between the list price at time of sale and the sales price. Along with Manhattan, the Brooklyn housing market continued to be one of the better performing markets in a region characterized by a sluggish economy with elevated unemployment and tight credit.

The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market in the New York City metropolitan region. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and provide comprehensive analysis of the results.



CONDOS

- **Condo sales were unchanged from same period last year.** There were 479 sales in the fourth quarter, essentially the same total as in the prior year quarter.
- **Price indicators fell below last year's levels.** Median sales price was \$476,580, down 7.5% from \$515,000 in the prior year quarter. Average sales price and price per square foot also posted declines over the same period.

Condo Market Matrix	4Q-2011	% Chg (QTR)	3Q-2011	% Chg (YR)	4Q-2010
Average Sales Price	\$563,912	-11.1%	\$634,547	-1.9%	\$575,010
Average Price per Sq Ft	\$536	-23.1%	\$697	-12.3%	\$611
Median Sales Price	\$476,580	-13.3%	\$549,753	-7.5%	\$515,000
Number of Sales (Closed)	479	-42.9%	839	0.2%	478
Days on Market (From Last List Date)	207	30.2%	159	46.8%	141
Listing Discount (From Last List Price)	5.6%		3.8%		4.2%

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$872,500	-2.3%
4/5	\$610,725	-5.3%
3/5	\$450,000	-12.6%
2/5	\$351,500	-10.6%
1/5	\$263,640	-12.0%

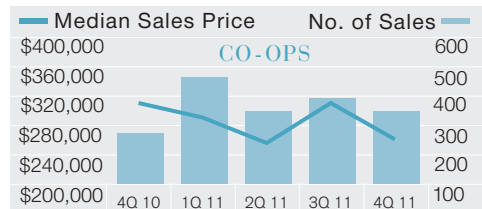


CO-OPS

- **Price indicators posted sharp declines across all markets.** The median sales price was \$265,000, down 15.9% from \$315,000 in the same period last year. All quintiles showed double-digit declines. Average sales price showed a similar decline over the same period.
- **Number of sales surged.** There were 351 sales, up 27.6% from 275 sales in the prior year quarter.

Co-op Market Matrix	4Q-2011	% Chg (QTR)	3Q-2011	% Chg (YR)	4Q-2010
Average Sales Price	\$339,156	-19.9%	\$423,460	-15.4%	\$400,997
Median Sales Price	\$265,000	-15.9%	\$315,000	-15.9%	\$315,000
Number of Sales (Closed)	351	-11.4%	396	27.6%	275
Days on Market (From Last List Date)	131	10.1%	119	63.8%	80
Listing Discount (From Last List Price)	3.7%		3.0%		3.7%

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$635,000	-15.9%
4/5	\$361,500	-15.4%
3/5	\$265,000	-15.9%
2/5	\$186,250	-15.3%
1/5	\$125,000	-10.7%

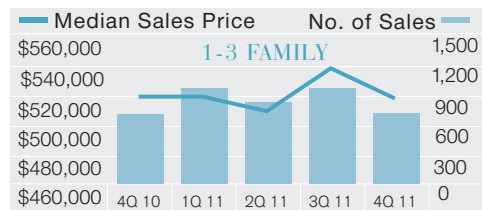


1-3 FAMILY

- **Price indicators slipped.** While the median sales price was \$518,750, essentially unchanged from the prior year quarter, the average sales price and price per square foot fell 6.1% and 8.7% respectively below the prior year results.
- **Number of sales edged higher.** There were 728 sales in the fourth quarter, 1.8% more than 715 sales in the same period last year.

1-3 Family Market Matrix	4Q-2011	% Chg (QTR)	3Q-2011	% Chg (YR)	4Q-2010
Average Sales Price	\$598,930	-9.2%	\$659,332	-6.1%	\$637,589
Average Price per Sq Ft	\$252	-8.4%	\$275	-8.7%	\$276
Median Sales Price	\$518,750	-3.8%	\$539,500	-0.2%	\$520,000
Number of Sales (Closed)	728	-26.0%	984	1.8%	715
Days on Market (From Last List Date)	48	-56.8%	111	-59.7%	119
Listing Discount (From Last List Price)	2.8%		6.2%		7.2%

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$980,000	-4.4%
4/5	\$680,000	0.0%
3/5	\$518,750	-0.2%
2/5	\$382,000	-3.5%
1/5	\$227,450	-9.0%

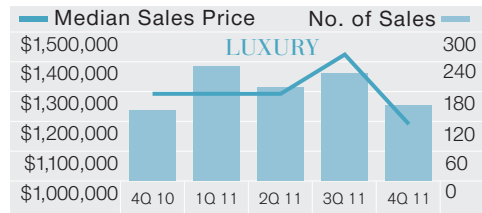


LUXURY

- **Price indicators posted first year-over-year quarterly decline in two years.** The median sales price fell 8% to \$1,195,676 from \$1,300,000 in the prior year quarter. The starting point for the luxury market was \$896,060 in the fourth quarter.
- **Listing discount fell sharply.** The difference between list price at time of sale and sales price fell to 1.3% from 6.8% in the same quarter last year.

Luxury Market Matrix	4Q-2011	% Chg (QTR)	3Q-2011	% Chg (YR)	4Q-2010
Average Sales Price	\$1,372,713	-15.4%	\$1,622,207	-11.1%	\$1,544,932
Median Sales Price	\$1,195,676	-16.7%	\$1,435,025	-8.0%	\$1,300,000
Number of Sales (Closed)	156	-29.7%	222	6.1%	147
Days on Market (From Last List Date)	139	40.4%	99	-2.8%	143
Listing Discount (From Last List Price)	1.3%		3.6%		6.8%

Quintiles	Med. Sales Price	% Change (YR)
5/5	\$2,000,000	-20.0%
4/5	\$1,400,000	-7.4%
3/5	\$1,195,676	-8.0%
2/5	\$995,000	-7.1%
1/5	\$920,000	-4.5%



Note: This sub-category is the analysis of the top ten percent of all sales. The data is also contained within the other markets presented.

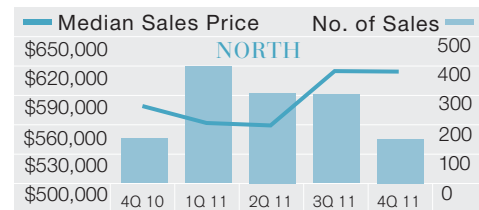
NORTH

- **Number of sales slipped.** There were 152 sales in the fourth quarter, down 1.9% from the prior year quarter. Sales returned to normal levels after 3 consecutive quarters with heavy volumes.
- **Price indicators were mixed.** Median sales price increased 6.1% to \$615,521 from \$580,000 in the prior year quarter. Other price indicators posted declines.
- **Condo market share remained stable.** Condo sale comprised 86.2% of regional sales, consistent with 87.1% in the prior year quarter. The average square footage of a condo sale was 968, down a modest 1.4% from 982 in the prior year quarter.

North Market Matrix	4Q-2011	% Chg (qtr)	3Q-2011	% Chg (yr)	4Q-2010
Average Sales Price	\$668,374	-8.8%	\$732,524	-2.1%	\$682,862
Average Price Per Sq Ft	\$558	-16.2%	\$666	-11.3%	\$629
Median Sales Price	\$615,521	-0.1%	\$616,041	6.1%	\$580,000
Number of Sales	152	-50.5%	307	-1.9%	155

Condo Submarket Matrix	4Q-2011	% Chg (qtr)	3Q-2011	% Chg (yr)	4Q-2010
Average Sales Price	\$650,724	-8.6%	\$712,015	1.8%	\$639,308
Average Price Per Sq Ft	\$672	-17.0%	\$810	3.2%	\$651
Median Sales Price	\$585,493	-3.4%	\$605,858	3.6%	\$565,000

Quintiles	Med. Sales Price	% Change (yr)
5/5	\$1,195,676	16.6%
4/5	\$693,705	-6.2%
3/5	\$585,493	0.3%
2/5	\$463,398	-3.0%
1/5	\$329,550	-4.9%

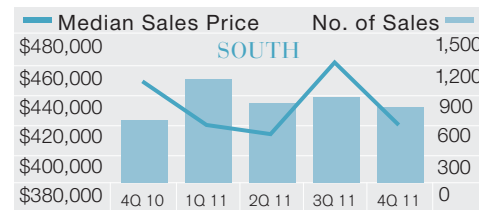


SOUTH

- **Price indicators declined.** Median sales price fell 6.7% to \$420,000 from \$450,000 in the prior year quarter. Co-op prices slipped and condo prices increased, while 1-3 family sales remained unchanged.
- **Number of sales up, as market share reached highest level in nearly two years.** There were 780 sales in the fourth quarter, 20.2% more than the 649 sales in the same quarter last year, as the borough market share reached 51.1%.

South Market Matrix	4Q-2011	% Chg (qtr)	3Q-2011	% Chg (yr)	4Q-2010
Average Sales Price	\$459,671	-9.9%	\$509,955	-10.7%	\$514,844
Median Sales Price	\$420,000	-9.3%	\$463,000	-6.7%	\$450,000
Condo	\$416,247	-2.3%	\$425,880	2.6%	\$405,600
Co-op	\$185,000	-11.2%	\$208,435	-5.6%	\$196,000
1-3 Family	\$550,000	-5.2%	\$580,000	0.0%	\$550,000
Number of Sales	780	-11.5%	881	20.2%	649

Quintiles	Med. Sales Price	% Change (yr)
5/5	\$805,000	-7.4%
4/5	\$562,519	-6.2%
3/5	\$420,000	-6.8%
2/5	\$281,250	-14.8%
1/5	\$160,000	-5.9%

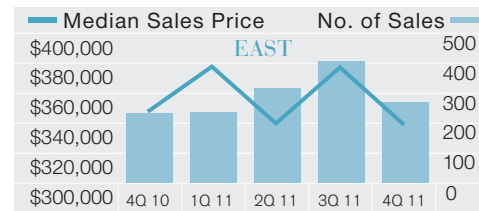


EAST

- **Number of sales were up over the same quarter last year.** There were 277 sales in the fourth quarter, 15.9% more than 239 sales in the same period last year.
- **Price indicators were mixed.** Median sales price slipped 2.6% to \$340,000 from \$349,000 in the prior year quarter. Average sales price increased 3.6% over the same period.

East Market Matrix	4Q-2011	% Chg (qtr)	3Q-2011	% Chg (yr)	4Q-2010
Average Sales Price	\$378,781	-10.5%	\$423,233	3.6%	\$365,722
Median Sales Price	\$340,000	-10.4%	\$379,500	-2.6%	\$349,000
Condo	\$334,620	-17.1%	\$403,848	-2.9%	\$344,760
1-3 Family	\$365,000	-3.9%	\$380,000	4.3%	\$349,900
Number of Sales	277	-34.0%	420	15.9%	239

Quintiles	Med. Sales Price	% Change (yr)
5/5	\$609,782	7.1%
4/5	\$474,202	9.9%
3/5	\$340,000	-2.7%
2/5	\$250,000	-3.8%
1/5	\$180,000	-8.3%

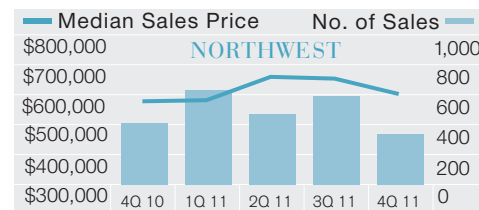


NORTHWEST

- **The number of sales fell sharply.** There were 349 sales in the fourth quarter, 17.9% below 425 sales in the prior year quarter.
- **Price indicators above last year's levels.** Median sales price increased 4.3% to \$610,000 from \$585,000 in the same period last year. Average sales price edged 1% higher over the same period.

Northwest Market Matrix	4Q-2011	% Chg (qtr)	3Q-2011	% Chg (yr)	4Q-2010
Average Sales Price	\$745,330	-8.4%	\$813,331	1.0%	\$737,931
Median Sales Price	\$610,000	-8.0%	\$663,000	4.3%	\$585,000
Number of Sales	349	-42.9%	611	-17.9%	425

Quintiles	Med. Sales Price	% Change (yr)
5/5	\$1,380,500	2.3%
4/5	\$772,500	-1.7%
3/5	\$610,000	4.0%
2/5	\$413,849	-1.3%
1/5	\$298,667	-8.1%



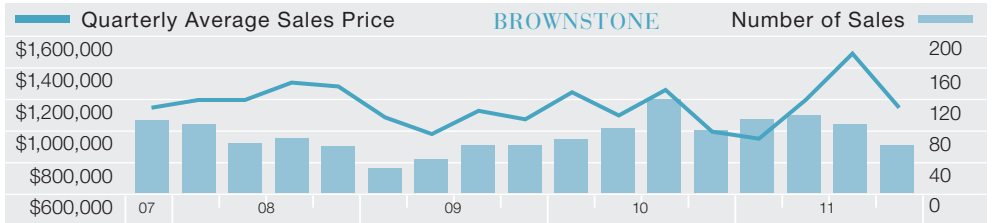
BROWNSTONE

Higher price gains in multi-unit sales.

The median sales price of a 1-family fell 8.6%, while the median sales price of a 2-family and 3-family increased 2.6% and 16.7% respectively.

Number of sales were the lowest in nearly two years. There were 61 sales in the fourth quarter, the lowest total in nearly two years, and 24.7% less than 81 sales in the same quarter last year.

Brownstone Market Matrix	4Q-2011	% Chg (QTR)	3Q-2011	% Chg (YR)	4Q-2010
Average Sales Price	\$1,367,122	-16.3%	\$1,633,998	9.1%	\$1,253,524
Average Price Per Sq Ft	\$503	-16.3%	\$601	8.9%	\$462
Median Sales Price	\$1,150,000	-23.3%	\$1,500,000	15.6%	\$995,000
1-Family	\$855,000	-45.5%	\$1,570,000	-8.6%	\$935,000
2-Family	\$1,200,000	-11.1%	\$1,350,000	2.6%	\$1,170,000
3-Family	\$1,225,000	-21.1%	\$1,553,000	16.7%	\$1,050,000
Number of Sales	61	-30.7%	88	-24.7%	81



NEW DEVELOPMENT

Market share was higher than prior year quarter. New development accounted for 16.5% of all borough sales, higher than the 15.5% share in the prior year quarter, but below the 17.4% share in the prior quarter.

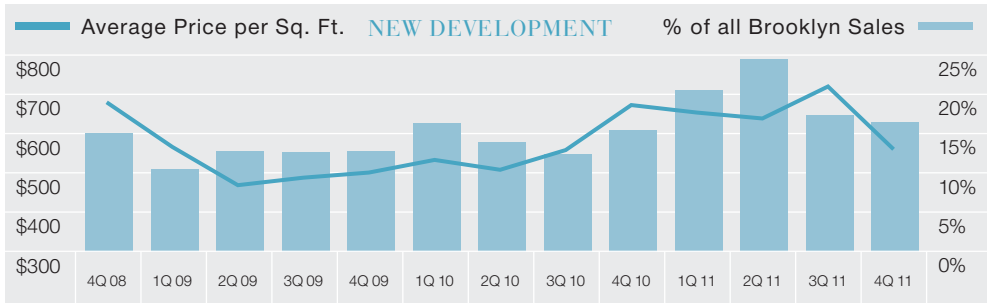
Price indicators showed declines.

Median sales price fell 5.8% to \$499,000 from \$530,000 in the same period last year. Average sales price was stable, while price per square foot fell 16.6% over the same period.

Listing discount fell as developers priced more accurately.

The listing discount was 3% in the fourth quarter, less than 10% in the prior year quarter, and just above 2.8% in the prior quarter.

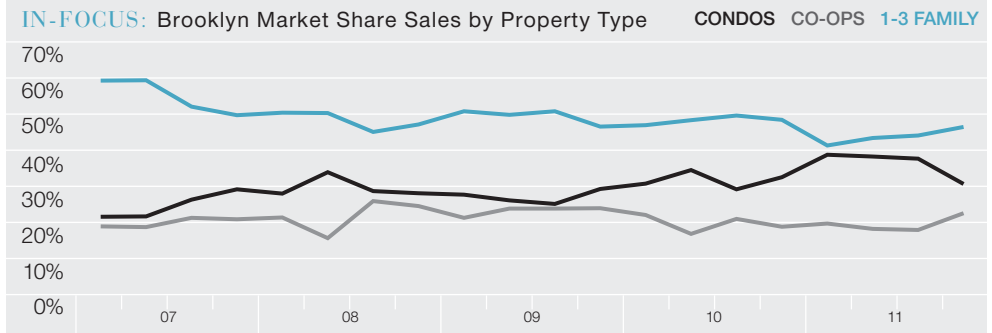
New Development Market Matrix	4Q-2011	% Chg (QTR)	3Q-2011	% Chg (YR)	4Q-2010
Average Sales Price	\$582,606	-13.7%	\$675,065	0.4%	\$580,507
Average Price Per Sq Ft	\$562	-22.1%	\$721	-16.6%	\$674
Median Sales Price	\$499,000	-15.5%	\$590,585	-5.8%	\$530,000
Number of Sales	257	-33.2%	385	13.2%	227
Days on Market (From Last List Date)	235	121.7%	106	38.2%	170
Listing Discount (From Last List Price)	3.0%		2.8%		10.0%



IN-FOCUS

Condo market shares expanded as 1-family fell. Condo market share expanded 10% over the past year, largely due to new development, as brownstone market share fell at about the same pace.

Co-op market share remained consistent. Limited, new, or converted co-op apartments entering the market have kept market share consistent, hovering around 20%.



NEIGHBORHOODS OF BROOKLYN

NORTH BROOKLYN

Greenpoint
Navy Yard
Williamsburg-Central
Williamsburg-East
Williamsburg-North
Williamsburg-South

NORTHWEST BROOKLYN

"Brownstone Brooklyn"
Boerum Hill
Brooklyn Heights
Carroll Gardens
Clinton Hill
Cobble Hill
Cobble Hill-West
Downtown-Fulton Ferry
Downtown-Fulton Mall

Downtown-Metrotech
Fort Greene
Gowanus
Park Slope
Park Slope South
Prospect Heights
Red Hook
Windsor Terrace

SOUTH BROOKLYN

Bath Beach
Bay Ridge
Bensonhurst
Bergen Beach
Borough Park
Brighton Beach
Bush Terminal
Canarsie
Coney Island
Dyker Heights

Flatbush-Central
Flatbush-East
Flatbush-Lefferts
Garden
Flatbush-North
Flatlands
Gerritsen Beach
Gravesend
Kensington
Madison

Manhattan Beach
Marine Park
Midwood
Mill Basin
Ocean Parkway-North
Ocean Parkway-South
Old Mill Basin
Seagate
Sheepshead Bay
Sunset Park

EAST BROOKLYN

Bedford Stuyvesant
Brownsville
Bushwick
Crown Heights
Cypress Hills
East New York
Ocean Hill
Wyckoff Heights

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