2Q-2011

quarterly survey of coastal community sales

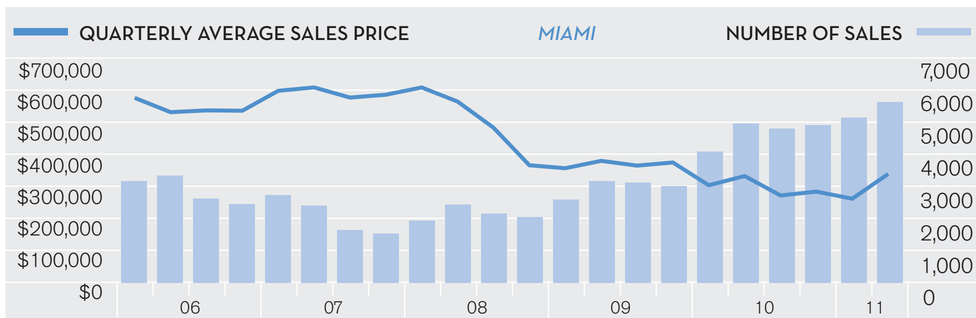
MIAMI FLORIDA

the DOUGLAS ELLIMAN report

MIAMI

- **Most active market in more than 5 years** The number of sales jumped 13.5% to 5,577 from 4,913 sales in the same period last year, the highest level of activity in more than 5 years.
- **Non-distressed sales showed year-over-year gains** The median sales price of a condo and 1 family gained 6% and 9.3% respectively, while their distressed counterparts declined 7.8% and 13.8% respectively over the same period.
- **Nearly 70% of purchases were "all cash"** The market share of sales purchased with cash rose over the past year from 55.8% in the second quarter of 2010 to 68.1% in the second quarter this year.

MIAMI MARKET MATRIX	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$339,261	30%	$260,918	2%	$332,705
Average Price per Sq Ft	$225	21.6%	$185	0%	$225
Median Sales Price	$162,500	16.1%	$140,000	-6.6%	$174,000
Number of Sales (Closed)	5,577	9.3%	5,101	13.5%	4,913
Days on Market (From Last List Date)	68	3%	66	-9.3%	75
Listing Discount (From Last List Price)	9.4%		8.3%		11.4%
Listing Inventory (active)	16,281		12,366		N/A
Absorption Rate (mos)	8.8		7.3		N/A



Overall housing prices were mixed in comparison with the same period last year. Median sales price fell 6.6% to $162,500 from $174,000 in the same period last year. Over the same period average price per square foot showed no change at $225 and average sales price increased 2% to $339,261.

However, the Miami housing market over the past year was best characterized by a widening gap in the performance of non-distressed and distressed sales. The market share of distressed sales, comprised of foreclosures and short sales, rose over the past year reaching 64.7% in the first quarter, but fell to 53.9% in the second quarter as prices weakened. Foreclosure sales across the country temporarily cooled, due to the "robo-signer" servicers scandal last fall, which continues to restrain the release of foreclosed homes to the market. Year-over-year median sales price for distressed condo and 1 family sales fell 7.8% and 13.8% respectively.

In contrast, the non-distressed condo and single family markets experienced an uptick in housing prices, and a corresponding gain in market share compared to the prior quarter. The year-over-year change in non-distressed median sales price was up 6% for condos and up 9.3% for 1 family sales. The relationship between the average size of non-distressed and distressed sales remained consistent over the past year. The average square footage of non-distressed condo and 1 family sales were 34.4% and 36% larger, respectively, than their distressed sale counterparts in the second quarter.

With the increase in sales activity, the average listing discount—the percentage difference between the list price at time of contract and the contract price—was 9.4%, down from 11.4% in the prior year quarter. Days on market showed a similar pattern, declining by one week to 68 days, from 75 days over the same period.

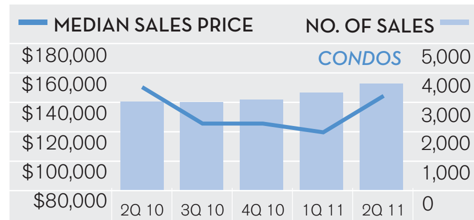
The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and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

CONDOS

- **Sales surged above prior year levels** Condo sales increased 20.5% to 3,618 in the second quarter from 3,003 in the same quarter last year, and was 9% above 3,318 in the prior quarter.
- **Overall price indicators slipped from distressed sale price drag** The median sales price was $144,000, down 4% from $150,000 in the same period last year. Average price per square foot fell 3.1% to $248, and average sales price slipped 1% to $297,600 over the same period.

CONDO MARKET MATRIX	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$297,600	26.7%	$234,944	-1%	$300,574
Average Price per Sq Ft	$248	21%	$205	-3.1%	$256
Median Sales Price	$144,000	21%	$119,000	-4%	$150,000
Number of Sales (Closed)	3,618	9%	3,318	20.5%	3,003
Days on Market (From Last List Date)	68	4.6%	65	-8.1%	74
Listing Discount (From Last List Price)	8.7%		7.5%		11.2%
Listing Inventory (active)	9,981		9,198		N/A
Absorption Rate (mos)	8.3		8.3		N/A

QUINTILES	Med. Sales Price	% Chg (YR)
Studio	$85,000	-11.5%
1-bedroom	$110,000	-6%
2-bedroom	$162,000	-5.3%
3-bedroom	$182,995	-1.1%
4-bedroom	$435,000	-32.3%
5-bedroom	$2,400,000	63.4%

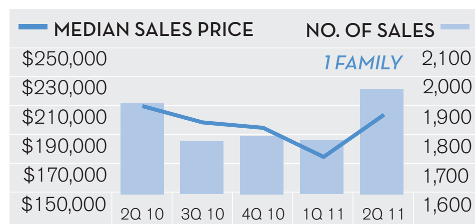


1 FAMILY

- **Number of sales edged above same period last year** There were 1,959 sales, 2.6% more than 1,910 sales in the same quarter last year, and 9.9% more than 1,783 in the first quarter. The increase in sales pressed the listing discount lower to 10.7% from 11.6% in the prior year quarter.
- **Price indicators showed mixed year-over-year results** Median sales price slipped 2.8% over the year to $204,000, while average price per square foot increased 4% to $183, and average sales price increased 8.6% to $416,203.

1 FAMILY MARKET MATRIX	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$416,203	34.6%	$309,252	8.6%	$383,223
Average Price per Sq Ft	$183	23.6%	$148	4%	$176
Median Sales Price	$204,000	16.6%	$175,000	-2.8%	$209,950
Number of Sales (Closed)	1,959	9.9%	1,783	2.6%	1,910
Days on Market (From Last List Date)	69	3%	67	-9.2%	76
Listing Discount (From Last List Price)	10.7%		9.7%		11.6%
Listing Inventory (active)	6,300		3,168		N/A
Absorption Rate (mos)	9.6		5.3		N/A

QUINTILES	Med. Sales Price	% Chg (YR)
1-bedroom	$31,350	-5%
2-bedroom	$79,500	-24.3%
3-bedroom	$160,000	-8.6%
4-bedroom	$250,000	-1.3%
5-bedroom	$715,000	14.9%



LUXURY

- **Condo sales price indicators were mixed** Median sales price increased 4.9% to $1,050,000 over the same quarter last year, as average price per square foot slipped 1.1% to over the same period.
- **All 1 family price indicators showed year-over-year gains as marketing time declined** The median sales price for a 1 family house increased 6.3% to $1,355,000. The average luxury 1 family was sold 13 days faster than the same period last year.

LUXURY MARKET MATRIX - *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$1,466,605	33.3%	$1,100,477	0.7%	$1,456,083
Average Price per Sq Ft	$606	20.2%	$504	-1.1%	$613
Median Sales Price	$1,050,000	28.3%	$818,600	4.9%	$1,000,500
Number of Sales (Closed)	361	8.7%	332	20.3%	300
Days on Market (From Last List Date)	53	3.9%	51	-3.6%	55
Listing Discount (From Last List Price)	11.2%		9.7%		15.1%

LUXURY MARKET MATRIX - *1 FAMILY*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$2,091,313	45.5%	$1,437,562	12.6%	$1,856,909
Average Price per Sq Ft	$437	29.3%	$338	7.9%	$405
Median Sales Price	$1,355,000	31.6%	$1,030,000	6.3%	$1,275,000
Number of Sales (Closed)	196	10.1%	178	2.6%	191
Days on Market (From Last List Date)	58	0%	58	-18.3%	71
Listing Discount (From Last List Price)	14.8%		13.8%		15.7%

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

- **Condo sales rose, prices mixed** Number of sales jumped 33.4% to 818, and median sales price rose 3.3% to $206,550 from the same period last year.
- **The 1 family market showed price skew** Sales represent 5% of regional activity as price indicators showed volatility in this high-end housing market.

NORTH MARKET MATRIX - *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$357,886	5%	$340,776	-3.4%	$370,451
Average Price per Sq Ft	$253	2.8%	$246	-3.4%	$262
Median Sales Price	$206,550	11.6%	$185,000	3.3%	$200,000
Number of Sales (Closed)	818	26%	649	33.4%	613
NORTH MARKET MATRIX - *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$862,246	-21.4%	$1,096,754	24.3%	$693,748
Average Price per Sq Ft	$317	-11.9%	$360	12%	$283
Median Sales Price	$425,000	-22.8%	$550,800	-4.9%	$447,000
Number of Sales (Closed)	41	78.3%	23	17.1%	35

Note: This region includes Aventura, Bal Harbour, Bay Harbor Islands, Golden Beach, Indian Creek, North Bay Village, Sunny Isles and Surfside. The data is also contained within the other markets presented.

MIAMI BEACH

- **Condo prices decreased, sales jumped** Price per square foot declined 14.6% year-over-year to $369, as sales surged 25.3%.
- **1 family prices declined, sales edged higher** Median sales price declined 15.9% year-over-year to $925,000. Number of sales increased 6.6% to 65 units, which is about 14% of regional sales.

MIAMI BEACH MARKET MATRIX - *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$441,807	16.9%	$377,843	-21.1%	$559,801
Average Price per Sq Ft	$369	15%	$321	-14.6%	$432
Median Sales Price	$249,000	14.2%	$218,000	-16.3%	$297,500
Number of Sales (Closed)	396	17.5%	337	25.3%	316
MIAMI BEACH MARKET MATRIX - *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$1,587,620	18.9%	$1,335,397	-20%	$1,985,333
Average Price per Sq Ft	$533	19%	$448	-1.8%	$543
Median Sales Price	$925,000	7.6%	$860,000	-15.9%	$1,100,000
Number of Sales (Closed)	65	3.2%	63	6.6%	61

Note: This region includes Miami Beach, Fisher Island and Key Biscayne. The data is also contained within the other markets presented.

SOUTH BEACH

- **Condo price indicators posted gains** Median sales price increased 13.4% from the same period last year to $250,000, as sales jumped 21.5%
- **High end home sales defined market** All price indicators jumped in this small submarket from the skew of several sales on Star Island.

SOUTH BEACH MARKET MATRIX - *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$606,761	46.4%	$414,464	12.4%	$539,864
Average Price per Sq Ft	$559	27%	$440	5.5%	$530
Median Sales Price	$250,000	28.2%	$195,000	13.4%	$220,404
Number of Sales (Closed)	430	22.9%	350	21.5%	354
SOUTH BEACH MARKET MATRIX - *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$4,386,334	161.2%	$1,679,471	124.1%	$1,957,662
Average Price per Sq Ft	$801	90.7%	$420	45.6%	$550
Median Sales Price	$3,025,000	101.7%	$1,500,000	218.4%	$950,000
Number of Sales (Closed)	19	11.8%	17	11.8%	17

Note: This region includes area within the 33139 zip code and the 33140 zip code with northern boundary of 30th Street. The data is also contained within the other markets presented.

DOWNTOWN

- **Condo sales rose sharply, prices slid** Condo sales were up 15.7% from the same quarter last year, as price per square foot fell 3.9% to $147.
- **Number of 1 family sales slipped** The number of sales in the largest regional market slipped 1% to 1,522 from the same quarter last year.

DOWNTOWN MARKET MATRIX - *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$165,150	18.7%	$139,129	0.4%	$164,485
Average Price per Sq Ft	$147	15.7%	$127	-3.9%	$153
Median Sales Price	$92,700	15.9%	$80,000	-11.7%	$105,000
Number of Sales (Closed)	1,840	-2%	1,878	15.7%	1,591
DOWNTOWN MARKET MATRIX - *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$218,200	18.5%	$184,179	-4.5%	$228,409
Average Price per Sq Ft	$109	12.4%	$97	-6.8%	$117
Median Sales Price	$163,000	8.7%	$150,000	-9.4%	$180,000
Number of Sales (Closed)	1,522	3%	1,477	-1%	1,538

SOUTH

- **Condo sales edged higher, price indicators slipped** The number of sales edged 3.9% higher, as all three price indicators showed year-over-year declines.
- **Sales of 1 family homes jumped, while prices rose** The number of sales increased 20.5%, and median sales price increased 7.1% from same quarter last year.

SOUTH MARKET MATRIX - *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$330,064	39%	$237,502	-7.1%	$355,297
Average Price per Sq Ft	$240	20%	$200	-7.3%	$259
Median Sales Price	$200,000	21.2%	$165,000	-23.1%	$260,000
Number of Sales (Closed)	134	28.8%	104	3.9%	129
SOUTH MARKET MATRIX - *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$837,671	20.2%	$696,832	7.4%	$779,906
Average Price per Sq Ft	$258	12.7%	$229	0%	$258
Median Sales Price	$552,500	17.2%	$471,500	7.1%	$516,000
Number of Sales (Closed)	312	53.7%	203	20.5%	259

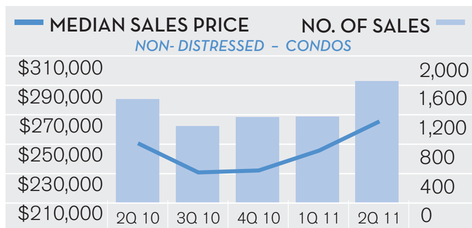
Note: This region includes Coconut Grove, Coral Gables, Palmetto Bay, Pinecrest and South Miami. The data is also contained within the other markets presented.

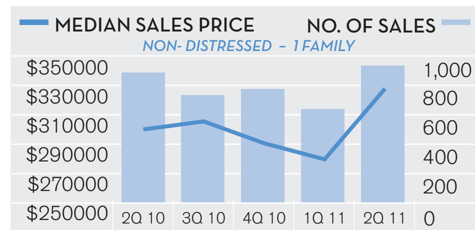
NON-DISTRESSED

- **Sales and all price indicators for condos rose** Median sales price increased 6% to $265,000 compared to the same quarter last year, and increased 8.2% from the first quarter. Consistent with the rise in the price indicators, there were 17% more sales with 8 less days on market in the same quarter last year.

- **The 1 family market posted price and sales gains** The median sales price increased 9.3% to $327,500 in the same quarter last year, and increased 17.4% from the first quarter. The number of sales edged 5.6% higher than during the same quarter last year.

NON-DISTRESSED – *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$496,996	13.3%	$438,500	5%	$473,164
Average Price Per Sq Ft	$356	11.6%	$319	2.3%	$348
Median Sales Price	$265,000	8.2%	$245,000	6%	$250,000
Number of Sales	1,647	40.9%	1,169	17%	1,408
Days on Market (From Last List Date)	49	4.3%	47	-14%	57
Listing Discount (From Last List Price)	10.5%		11.3%		13.3%
NON-DISTRESSED – *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$660,118	21.1%	$545,263	9.8%	$600,952
Average Price Per Sq Ft	$250	13.6%	$220	3.3%	$242
Median Sales Price	$327,500	17.4%	$279,000	9.3%	$299,500
Number of Sales	931	47.1%	633	5.6%	882
Days on Market (From Last List Date)	53	1.9%	52	-14.5%	62
Listing Discount (From Last List Price)	12.5%		12.2%		14.1%





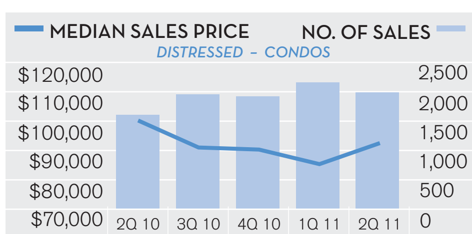
Note: This category excludes all foreclosure and short sales. The data is also contained within the other markets presented.

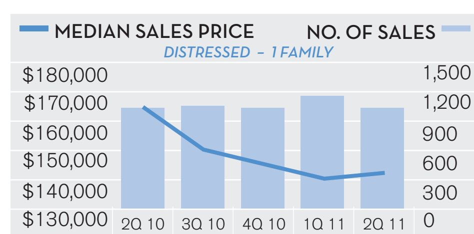
DISTRESSED

- **All condo price indicators fell below prior year levels, as sales jumped** There were 1,977 sales, 23.9% more than the 1,595 sales in the same quarter last year. All three price indicators declined over the same period. Median sales price slipped 7.8% from $100,000 in the same quarter last year to $92,230.

- **1 family sales were unchanged from prior year, as price indicators dropped** The median sales price of a distressed 1 family property was $142,000, 13.8% less than the same quarter last year. Sales activity was unchanged over the same period.

DISTRESSED – *CONDOS*	2Q-2011	% Chg (QTR)	1Q-2011	% Chg (YR)	2Q-2010
Average Sales Price	$130,883	5.4%	$124,215	-11.7%	$148,219
Average Price Per Sq Ft	$126	4.1%	$121	-13.7%	$146
Median Sales Price	$92,230	8.5%	$85,000	-7.8%	$100,000
Number of Sales	1,977	-8%	2,149	23.9%	1,595
Days on Market (From Last List Date)	83	12.2%	74	-4.6%	87
Listing Discount (From Last List Price)	2.9%		0.3%		5.2%
DISTRESSED – *1 FAMILY*	**2Q-2011**	**% Chg (QTR)**	**1Q-2011**	**% Chg (YR)**	**2Q-2010**
Average Sales Price	$195,304	8.9%	$179,343	-0.6%	$196,416
Average Price Per Sq Ft	$101	6.3%	$95	-1.9%	$103
Median Sales Price	$142,000	1.4%	$140,000	-13.8%	$164,650
Number of Sales	1,028	-10.6%	1,150	0%	1,028
Days on Market (From Last List Date)	83	10.7%	75	-4.6%	87
Listing Discount (From Last List Price)	4.7%		5.6%		5.2%





Note: This category is comprised of foreclosure and short sales. The data is also contained within the other markets presented.

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THE COASTAL COMMUNITIES OF MIAMI, FLORIDA

MIAMI-DADE Aventura, Bal Harbour, Bay Harbor Islands, Coconut Grove, Coral Gables, Downtown, Fisher Island, Golden Beach, Indian Creek, Key Biscayne, Miami Beach, North Bay Village, Palmetto Bay, Pinecrest, South Beach, South Miami, Sunny Isles and Surfside.