

ELLI MAN

REPORT

1Q 2017

PALM BEACH SALES

Quarterly Survey of
Palm Beach Residential Sales

DASHBOARD

year-over-year

CONDO & TOWNHOUSE

PRICES

Median Sales Price

13.8%

SALES

Closed Sales

42.2%

INVENTORY

Total Inventory

2.8%

MARKETING TIME

Days on Market

34 days

SINGLE FAMILY

PRICES

Median Sales Price

13.3%

SALES

Closed Sales

8.3%

INVENTORY

Total Inventory

17.2%

MARKETING TIME

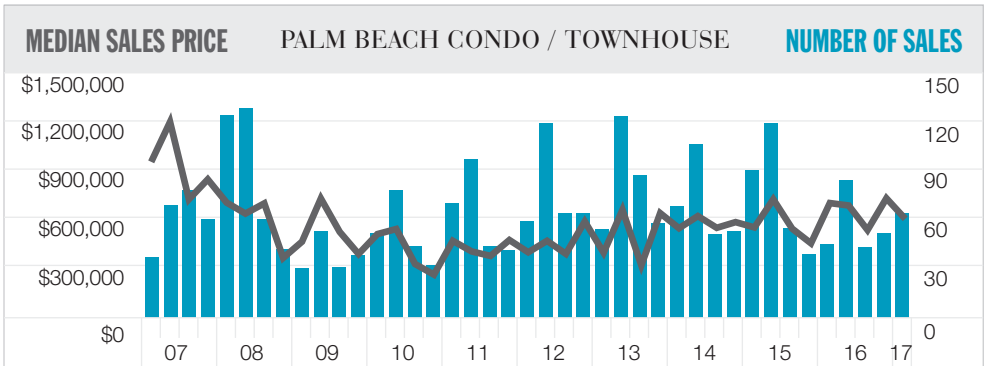
Days on Market

160 days

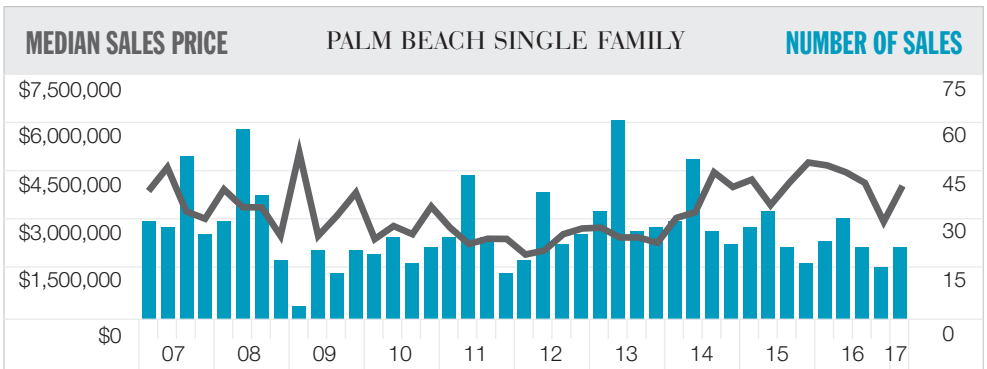
- Price trend indicators were mixed for condos and down for single-family sales
- Surge in the number of condo sales from a release of pent-up demand accumulated last year
- Marketing time was up across the market

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.

Palm Beach Market Matrix (Condos/TH)	1Q-2017	%Δ (QRT)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$1,274,036	18.6%	\$1,074,048	38.1%	\$922,822
Average Price Per Sq Ft	\$814	44.1%	\$565	56.2%	\$521
Median Sales Price	\$605,000	-17.3%	\$731,250	-13.8%	\$702,000
Number of Sales (Closed)	64	23.1%	52	42.2%	45
Days on Market (From Last List Date)	113	-5.8%	120	43.0%	79
Listing Discount (From Last List Price)	6.8%		10.9%		11.3%
Listing Inventory (Active)	329	4.8%	314	2.8%	320
Absorption Period (Months)	15.4	-14.9%	18.1	-27.7%	21.3
Average Square Feet (Closed)	1,758	-2.3%	1,799	-6.7%	1,884



Palm Beach Market Matrix (Single Family)	1Q-2017	%Δ (QRT)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$6,712,108	62.1%	\$4,140,702	-15.3%	\$7,923,021
Average Price Per Sq Ft	\$1,578	37.0%	\$1,152	-0.6%	\$1,588
Median Sales Price	\$4,085,000	37.0%	\$2,982,500	-13.3%	\$4,712,500
Number of Sales (Closed)	22	37.5%	16	-8.3%	24
Days on Market (From Last List Date)	234	26.5%	185	216.2%	74
Listing Discount (From Last List Price)	13.9%		17.3%		12.5%
Listing Inventory (Active)	184	6.4%	173	17.2%	157
Absorption Period (Months)	25.1	-22.5%	32.4	28.1%	19.6
Average Square Feet (Closed)	4,253	27.8%	3,329	-3.8%	4,420



The Palm Beach market continued to show a shift to smaller sized sales across all segments in the report but was more pronounced in the luxury market. As a result, housing price trends

showed mixed results but after considering the volatility in sales size, stability was evident. The median sales price of a condo fell 13.8% to \$605,000 and the average sales price surged 38.1% to \$1,274,036 respectively from the year ago period. Single-family price trend indicators all moved lower from the prior year quarter. Single-family median sales price declined 13.3% to \$4,085,000 and average sales price fell 15.3% to \$6,712,108 respectively from the prior year quarter. In the luxury market however, that

represents the top 10% of all sales, the average size of a sale dropped 14.4% to 6,147 from the year ago quarter. With the 29.1% decline in luxury median sales price and the 9.7% rise in luxury average price per square foot, pricing at the high-end market could be characterized as stable. With the 42.2% surge in condo sales and the 2.8% rise in listing inventory, the pace of the market was faster. The condo absorption rate, the number of months to sell all listings at the current rate of sales, was 27.7% faster than

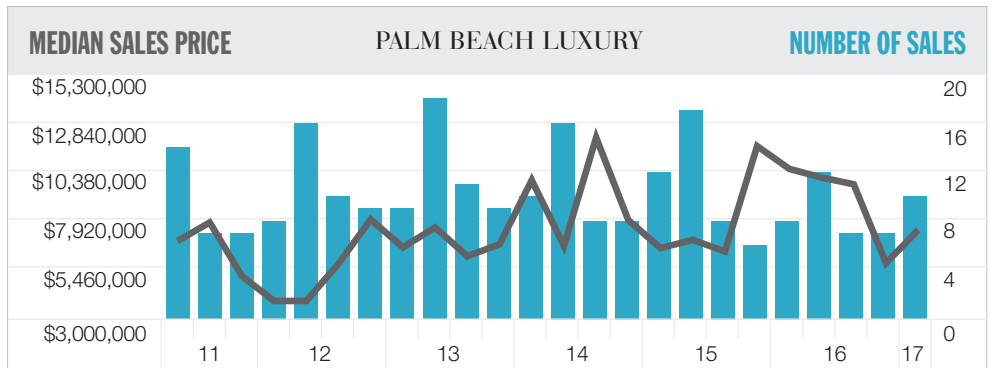
the prior year quarter, falling to 15.4 months. In contrast, the single-family market moved more slowly with an 8.3% decline in sales and 17.2% rise in inventory. As a result the absorption rate was 28.1% slower than the prior year quarter, rising to 25.1 months. Days on market, the average number of days between the date of the last price change to the contract date, was 34 days slower for condos and over 5 months slower for single families respectively from the prior year quarter.

LUXURY

- Average square footage of a sale continued to drop, skewing prices lower
- Large increase in listing inventory and marketing time
- Listing discount slipped despite increase in supply
- Entry threshold fell sharply as the luxury market shifted to smaller sized sales

Luxury Mix	Sales Share	Volume Share
>\$20M (%)	10.0%	38.7%
\$10M - \$20M (%)	30.0%	31.8%
>Min - \$10M (%)	60.0%	29.5%

Luxury Market Matrix	1Q-2017	%Δ (QRT)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$12,675,000	76.2%	\$7,192,750	-23.4%	\$16,536,875
Average Price Per Sq Ft	\$2,189	46.6%	\$1,493	9.7%	\$1,996
Median Sales Price	\$7,475,000	28.9%	\$5,800,000	-29.1%	\$10,545,000
Number of Sales (Closed)	10	42.9%	7	25.0%	8
Days on Market (From Last List Date)	239	27.8%	187	223.0%	74
Listing Discount (From Last List Price)	13.2%		19.0%		14.4%
Listing Inventory (Active)	86	-40.3%	144	38.7%	62
Absorption Period (Months)	25.8	-58.2%	61.7	10.7%	23.3
Entry Threshold	\$5,400,000	31.9%	\$4,093,000	-26.0%	\$7,295,000
Average Square Feet (Closed)	6,147	22.3%	5,025	-14.4%	7,179



Palm Beach by LOCATION

- North End sales surged as average sales size declined
- South End price trend indicators skewed lower as sales size dropped
- After considering the shift towards smaller sales, North End median price trend was out performed by the South End

Note: This sub-category is the analysis of Palm Beach single family and condo/townhouse sales within the MLS. The data is also contained within the other markets presented.

North End Market Matrix	1Q-2017	%Δ (QRT)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$3,596,715	80.1%	\$1,996,963	-24.2%	\$4,747,664
Average Price per Sq Ft	\$1,517	66.5%	\$911	6.8%	\$1,421
Median Sales Price	\$2,050,000	81.8%	\$1,127,500	-16.3%	\$2,450,000
Number of Sales (Closed)	57	18.8%	48	23.9%	46
Average Square Feet (Closed)	3,028	32.5%	2,285	-11.0%	3,403

South End Market Matrix	1Q-2017	%Δ (QRT)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$834,206	-36.4%	\$1,312,375	-3.1%	\$861,232
Average Price per Sq Ft	\$389	-17.6%	\$472	-12.8%	\$446
Median Sales Price	\$540,000	-26.2%	\$731,250	-10.4%	\$602,500
Number of Sales (Closed)	29	45.0%	20	3.6%	28
Average Square Feet (Closed)	1,825	-7.7%	1,978	-17.3%	2,207

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