



PALM BEACH, FLORIDA

Quarterly Survey of Palm Beach Residential Sales

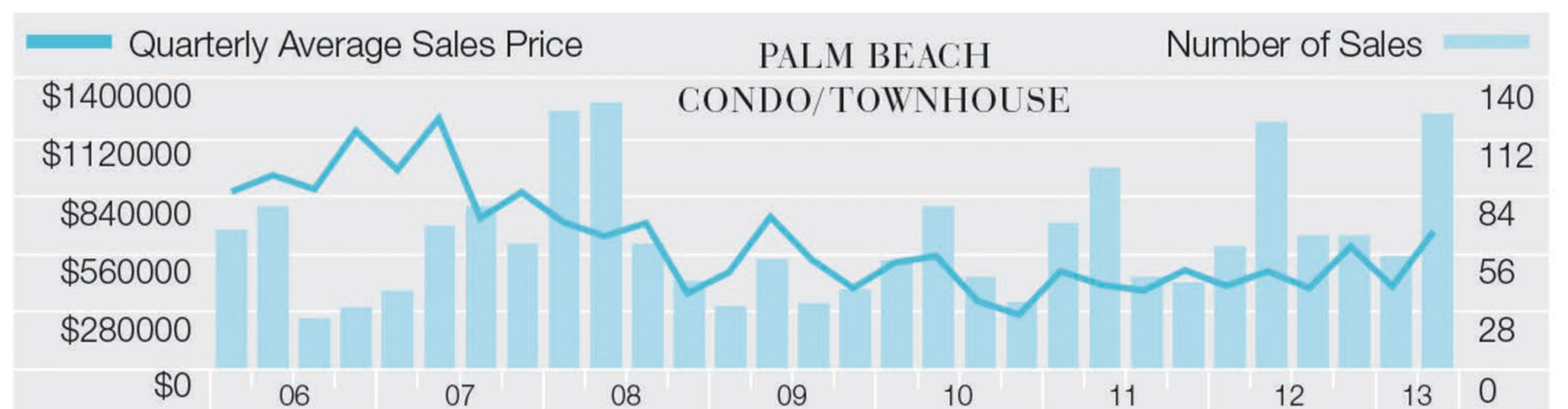
2Q-2013

ELLIMANREPORT

CONDO/TOWNHOUSE

- **Price indicators surges as average size showed little change** Median sales price jumped by 40.4% to \$660,000 from the prior year quarter. Average sales price increased 27% to \$930,790 and average price per square foot rose 25.6% to \$486 over the same period. However, the average size of a sale showed only a slight 1.1% increase to 1,915 square feet over the same period.
- **Number of sales saw modest gain as inventory fell sharply** There were 123 sales, up 3.4% from the prior year quarter, yet inventory fell by 22.9% to 330 units over the same period. Consistent with the faster market pace was the decline in negotiability between buyer and seller. Listing discount fell to 12% from 16% in the prior year quarter.

Palm Beach Market Matrix (Condos/TH)	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$930,790	60.4%	\$580,386	27.0%	\$733,084
Average Price per Sq Ft	\$486	30.3%	\$373	25.6%	\$387
Median Sales Price	\$660,000	66.0%	\$397,500	40.4%	\$470,000
Number of Sales (Closed)	123	127.8%	54	3.4%	119
Days on Market (From Last List Date)	236	22.9%	192	9.3%	216
Listing Discount (From Last List Price)	12.0%		11.8%		16.0%
Listing Inventory (active)	330	-23.8%	433	-22.9%	428
Absorption Rate (mos)	8.0	-66.8%	24.1	-25.9%	10.8

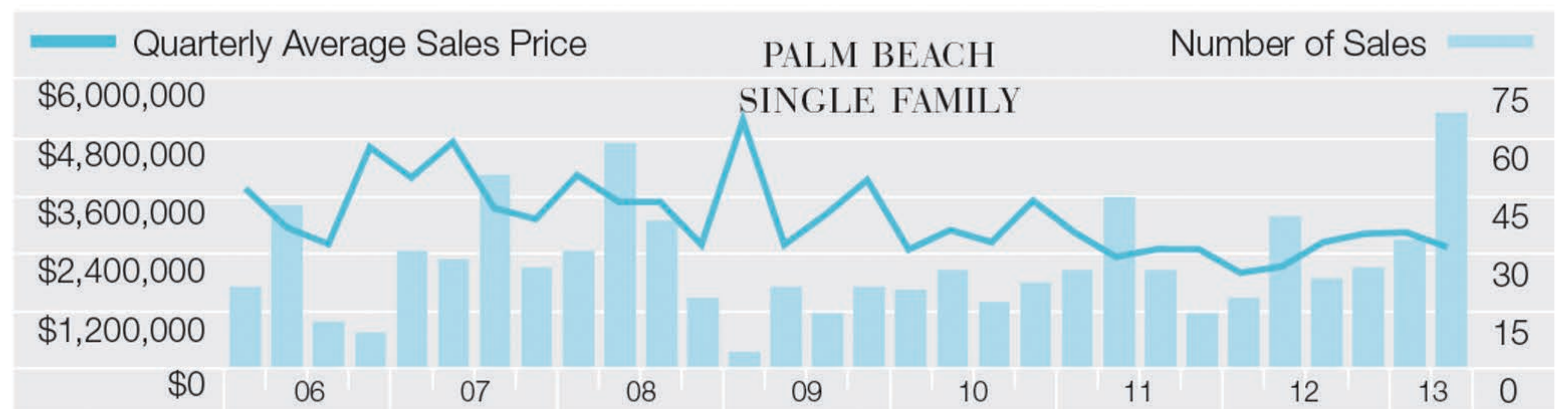


Note: All condo/townhouse closed sales in Palm Beach within the MLS.

SINGLE FAMILY

- **Number of sales surged as inventory saw large drop** Listing inventory fell 39.3% to 108 listings as the number of sales surged by 56.4% to 61 over the same period. The faster market pace was in sharp contrast to market and negotiability trends. Days on market expanded by 38 days and listing discount rose to 20.8% from 15.9% over the same period.
- **All price indicators showed double-digit gains, fueled by jump in average size of home** The average square footage of a home sale was 4,263, 13.6% larger than the same period last year. Consistent with the gain in size, all price indicators jumped over the same period. Median sales price rose 19% to \$2,500,000 from the prior year quarter.

Palm Beach Market Matrix (Single Family)	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$4,458,744	8.3%	\$4,115,974	38.2%	\$3,227,006
Average Price per Sq Ft	\$1,046	10.6%	\$946	21.6%	\$860
Median Sales Price	\$2,500,000	-10.7%	\$2,800,000	19.0%	\$2,100,000
Number of Sales (Closed)	61	84.8%	33	56.4%	39
Days on Market (From Last List Date)	278	-10.6%	311	11.2%	250
Listing Discount (From Last List Price)	20.8%		13.5%		15.9%
Listing Inventory (active)	108	-30.3%	155	-39.3%	178
Absorption Rate (mos)	5.3	-62.4%	14.1	-61.3%	13.7



Note: All single-family closed sales in Palm Beach within the MLS.

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.



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LUXURY

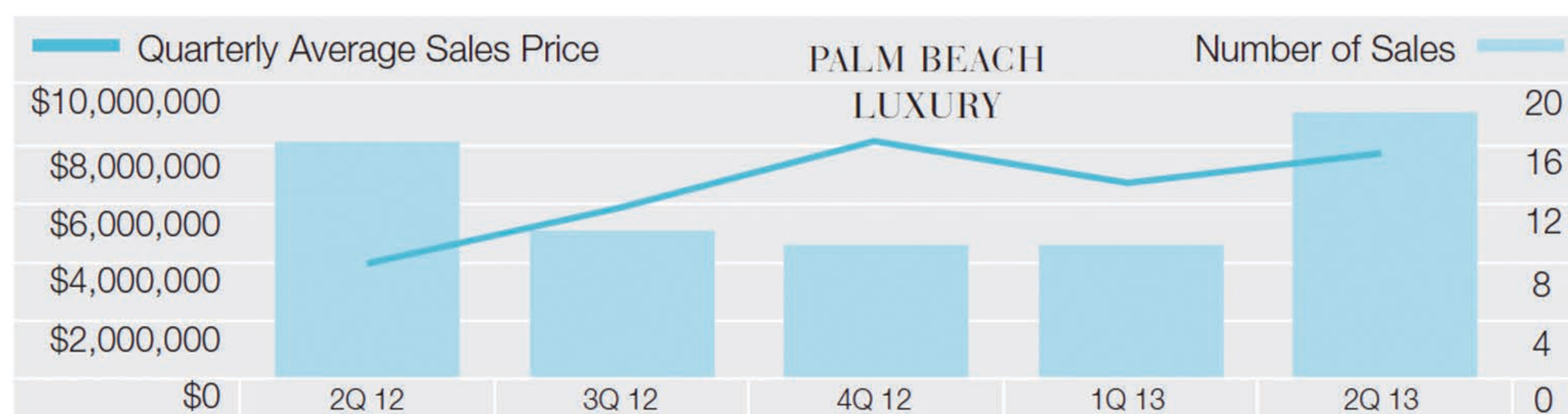
• The jump in the average size of homes sold skewed price indicators higher

The average size of a luxury home sale was 6,891 square feet, 43% larger than the prior year quarter. As a result, median sales price nearly doubled to \$7,596,200 over the same period. Average sales price and average price per square foot rose 71.7% and 20.1% respectively over the same period.

• Listing inventory fell sharply as the price entry threshold spiked

There were 46 luxury properties listed for sale in the second quarter, 62.9% less than in the prior year quarter. However, days on market rose by 109 days to 349 and listing discount increased by 7.2% to 24.5% over the same period. The entry price threshold for the Palm Beach luxury market was \$5,350,000, up 78.3% from the same period last year.

Luxury Market Matrix	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$10,135,967	18.4%	\$8,561,219	71.7%	\$5,902,781
Average Price per Sq Ft	\$1,471	5.8%	\$1,390	20.1%	\$1,225
Median Sales Price	\$7,596,200	15.1%	\$6,600,000	94.9%	\$3,897,870
Number of Sales (Closed)	18	100.0%	9	12.5%	16
Days on Market (From Last List Date)	349	1.5%	344	45.4%	240
Listing Discount (From Last List Price)	24.5%		11.6%		17.3%
Listing Inventory (active)	46	-54.5%	101	-62.9%	124
Absorption Rate (mos)	7.7	-77.2%	33.7	-67.0%	23.3



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

NORTH END

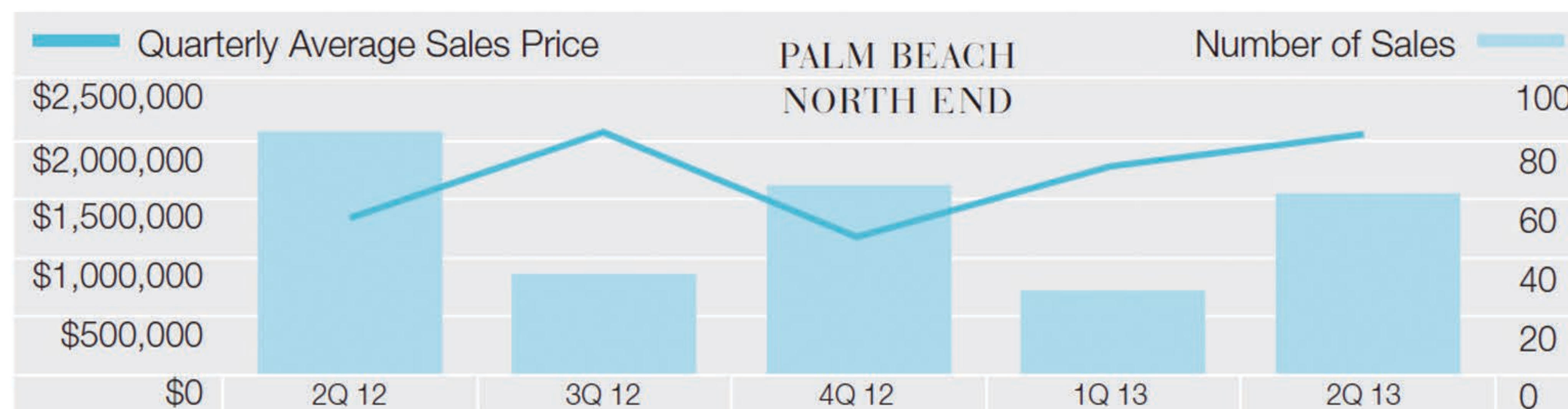
• Price indicators jumped as number of sales continued to slip

There were 61 sales in the region, 25.6% below prior year levels as price indicators surged. Median sales price rose 53.3% to \$2,020,000 from prior year levels although the average square footage only increased by a modest 3.7% to 3,106 square feet over the same period.

• Days on market edged higher as negotiability compressed

Despite rising prices, the average time it took to market a property was 265 days, 3 weeks longer than prior year levels. Listing discount fell by 3.1% to 13% over the same period.

North End Market Matrix	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$2,638,821	31.5%	\$2,006,911	21.3%	\$2,176,277
Average Price per Sq Ft	\$849	18.9%	\$714	16.9%	\$726
Median Sales Price	\$2,020,000	15.4%	\$1,750,000	53.3%	\$1,317,500
Number of Sales (Closed)	61	117.9%	28	-25.6%	82



Note: This sub-category is the analysis of Palm Beach single-family and condo/townhouse sales within the MLS. They are located north of Southern Boulevard (Florida State Road 80). The data is also contained within the other markets presented.

SOUTH END

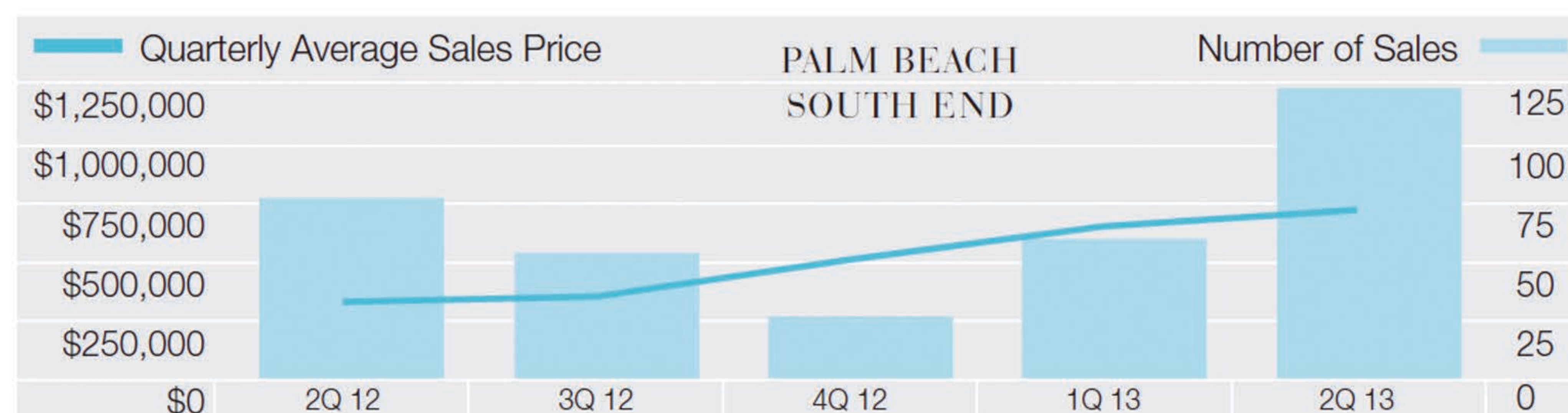
• Larger sized sales continued to redefine the market, reflected in price indicators

The average size of a sale in the second quarter was 2,558 square feet, 39.6% larger than in the prior year quarter. This has severely skewed regional price indicators upward. Median sales price was at \$712,500, more than double in comparison with the prior year result.

• Sales surged despite longer marketing times

There were 123 sales in the quarter, 61.8% more than in the prior year quarter. Although there was a sharp rise in activity, average days on market expanded by more than a month over the same period.

South End Market Matrix	2Q-2013	%Chg (QRT)	1Q-2013	%Chg (YR)	2Q-2012
Average Sales Price	\$1,833,353	-2.5%	\$1,880,924	302.3%	\$455,730
Average Price per Sq Ft	\$717	-1.6%	\$729	188.0%	\$249
Median Sales Price	\$712,500	10.7%	\$643,750	117.6%	\$327,500
Number of Sales (Closed)	123	108.5%	59	61.8%	76



Note: This sub-category is the analysis of Palm Beach single-family and condo/townhouse sales within the MLS. They are located south of Southern Boulevard (Florida State Road 80). The data is also contained within the other markets presented.

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