

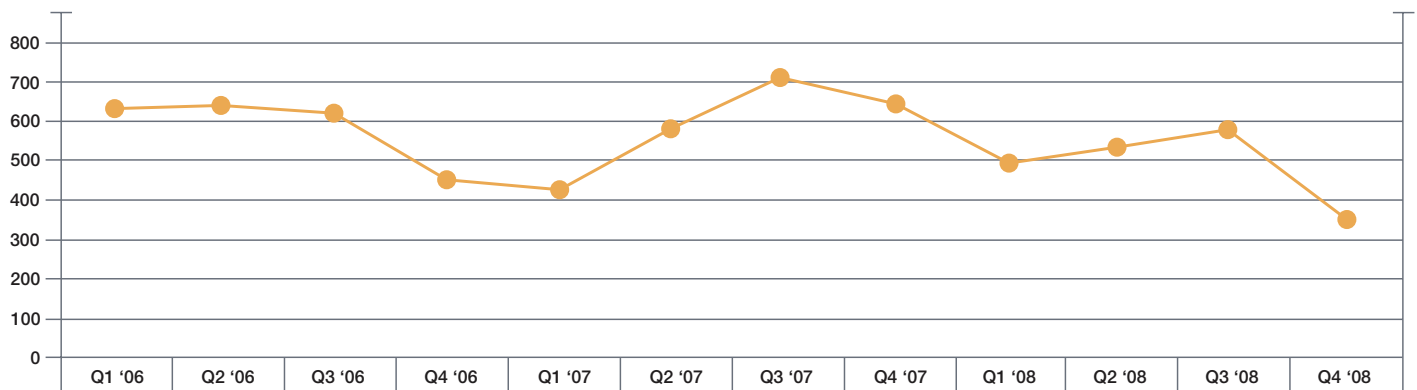
Brooklyn Q4 Report

Brooklyn's residential real estate market has witnessed significant growth in the last few years. However, declining economic conditions are now having an effect on sales, prices and overall market sentiment. Brooklyn's results were mixed during the Fourth Quarter: average price per square foot rose 4% from \$639 to \$662, however, median price decreased slightly by 1% from \$559,100 to \$555,000. Sales were down significantly, and the decline was greater for condos than co-ops. While co-op sales activity fell sharply, the price of co-ops still went up. The median price of a co-op increased 1% from \$395,600 to \$400,000 and average price per square foot rose 7% from \$526 to \$564. Condominiums, however, experienced a 7% decrease in median price from \$692,500 to \$645,000 while average price per square foot remained unchanged.

The shift toward condominium sales in Brooklyn continued to dominate the market due to closings in new developments. There were about 75% more condo sales than co-op sales, but while this differential is large, the gap has closed somewhat over the last quarter. It is likely that co-ops have regained market share as buyers demand more affordable residences.

Townhouses in the borough suffered measurable declines in the median price of both single-family and multifamily homes. The median price for a single-family townhouse declined 24% from \$1,285,000 to \$975,000. While this was the largest median price decline in our study, the number of sales actually increased by over 100%. Multifamily townhouses experienced a 6% decrease in median price from \$1,350,000 to \$1,275,000.

Number of Closed Apartment Sales



Market Wide	Average Sale Price	Median Price	Avg Price per sf	Studio	Median Price		
					1 BR	2 BR	3+ BR
	2008	646K	555K	662	332K	466K	692K
Change	-2%	-1%	+4%	-5%	+3%	+3%	-12%
2007	657K	559K	639	339K	455K	675K	1.100M

Co-ops	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
	2008	400K	564	251K	375K	555K
Change	+1%	+7%	-21%	+8%	+3%	+49%
2007	396K	526	317K	347K	536K	655K

Condos	Median Price	Avg Price per sf	Studio	Median Price		
				1 BR	2 BR	3+ BR
	2008	645K	698	434K	545K	765K
Change	-7%	0%	-9%	-5%	+1%	-27%
2007	693K	697	475K	572K	759K	1.275M

Townhouses	1 Family		2-4 Family	
	Average Price	Median	Average Price	Median
	2008	1.763M	975K	1.397M
Change	+16%	-24%	-23%	-6%
2007	1.516M	1.285M	1.822M	1.350M