



# RPX MONTHLY MANHATTAN NEIGHBORHOODS REPORT

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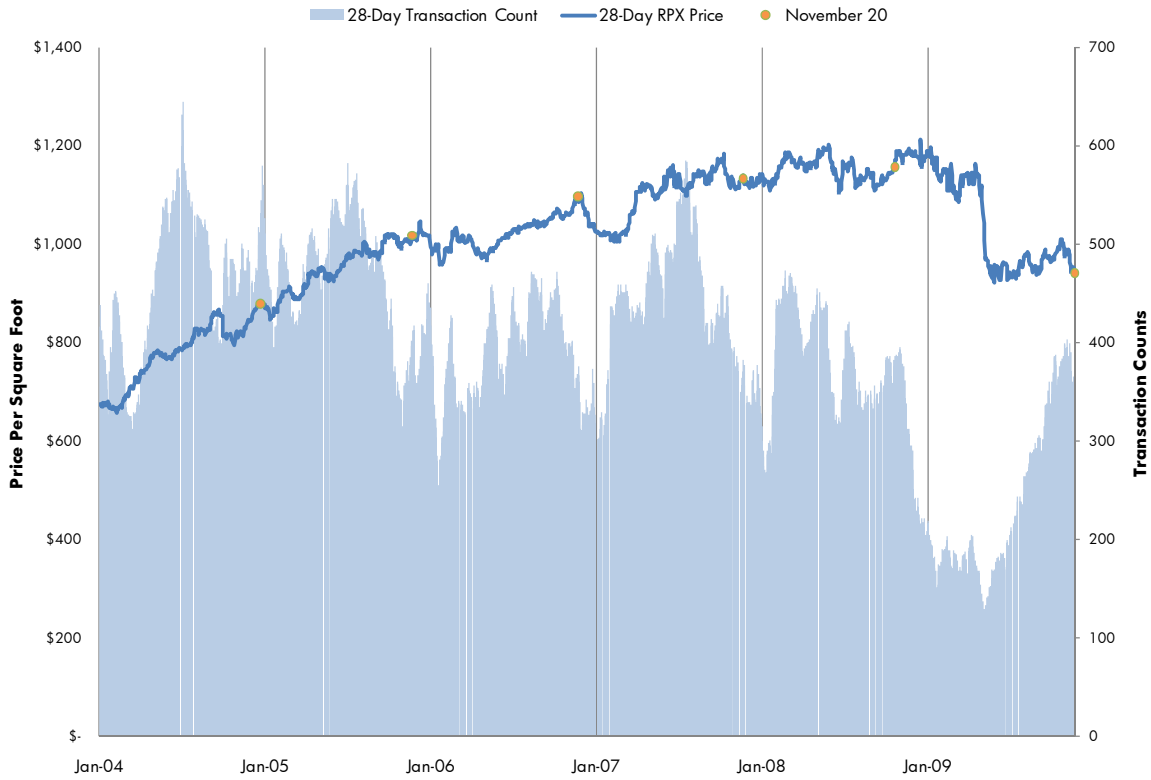
November 2009

## Key Characteristics

- Manhattan condominium transactions decreased slightly in November after increasing for four consecutive months. The Manhattan Condo RPX transaction count decreased 7% in November after increasing 13% in October and 18% in September, on a month-over-month basis. November 2009 transaction count levels were more than 19% higher than they were in November 2008, which marks the first month that 2009 transaction levels surpassed 2008 levels on a year-over-year basis.<sup>1</sup>
- The Manhattan Condo RPX transaction count staged a dramatic recovery after hitting its historic low in May, and has returned to roughly normal levels. As of November 20, the 28-day transaction count was nearly three times its level on May 6, 2009, and just 4% off its 10-year average. It remained 39% below its peak on July 16, 2007.
- The transaction count is moving counter to historic patterns. As can be seen in Exhibit 1, the transaction count typically declines during the latter months of the year. In contrast, 2009 transactions have remained flat.
- In absolute terms, the Upper West Side and Upper East Side posted the largest year-over-year gains in transaction counts. There were 66 transactions on the Upper West Side in the 28 days ending November 20, 2009, versus 42 transactions during the prior year period. There were 59 transactions on the Upper East Side versus 43 transactions during the prior year period.
- The 28-day RPX Manhattan Condo price has remained more or less stable since its dramatic 18% decline from April to May. It dropped 7% in November after rising 1% in October, largely due to a greater percentage of transactions taking place at lower prices per square foot (PPSF) and the PPSF distribution shifting left. Year over year, the Manhattan Condo RPX is down 21%.
- In November, new-unit transactions increased as a percentage of total transactions, but a larger portion of new-unit sales took place at lower PPSF than in the past. New-unit transactions increased to 20.4% of total transactions from 19.6% in October. Whereas the majority of new-unit transactions were above the median PPSF in October, new-unit transactions in November were distributed relatively evenly in terms of PPSF, as can be seen in Exhibit 2.
- Over the years, Wall Street bonuses have been a strong source of demand for condos in Manhattan. As a result, the condo market can be heavily influenced by bonus season, and low payouts may precede years with low transactions. Transaction counts in the Manhattan condo market did not seriously deteriorate until 2008, when a lackluster bonus season meant that demand would be constricted. This may again be the case in 2010. Although large bonuses will be paid out this year, much of the bonus pools will be comprised of stock options and other deferred compensation, which means less cash payouts and possibly constricted demand relative to peak years.

<sup>1</sup> Transaction counts represent the transactions included in the calculation of the Radar Logic Daily Prices and may not reflect transaction volume in the market.

### Exhibit 1: Manhattan Condo RPX Prices and Transaction Counts, 2004-2009



### Exhibit 2: Mix of New and Existing Unit Sales in Manhattan Condominium Market, 28 Days Ending November 20, 2009

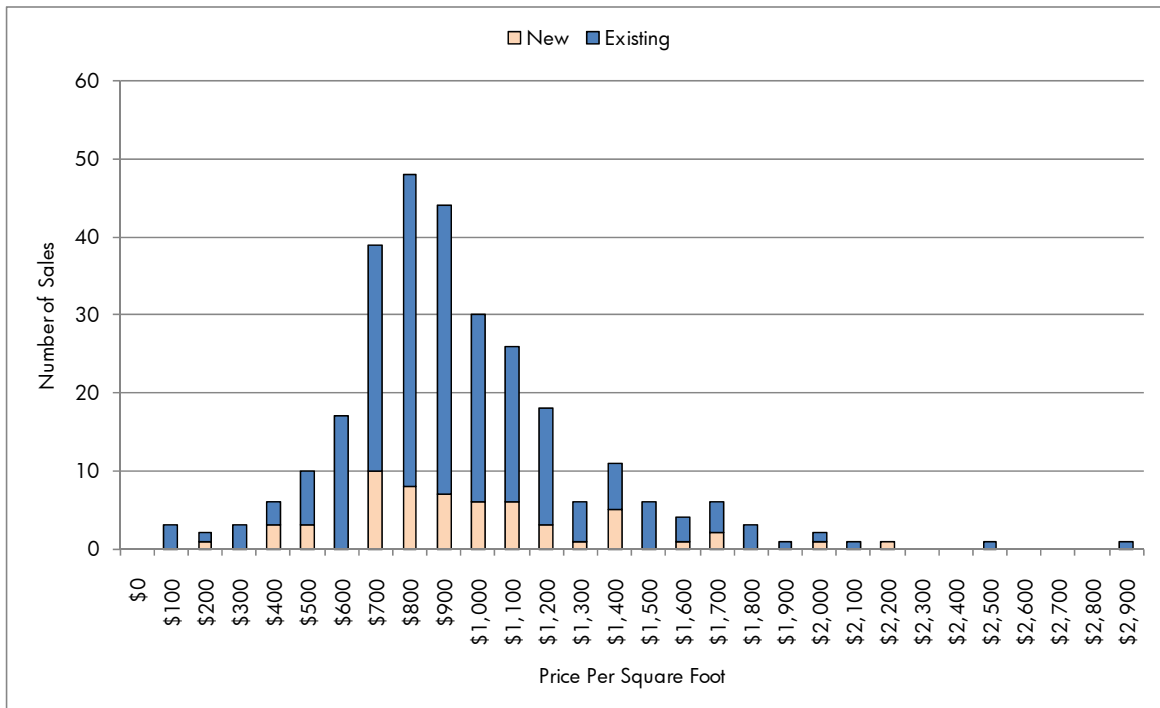
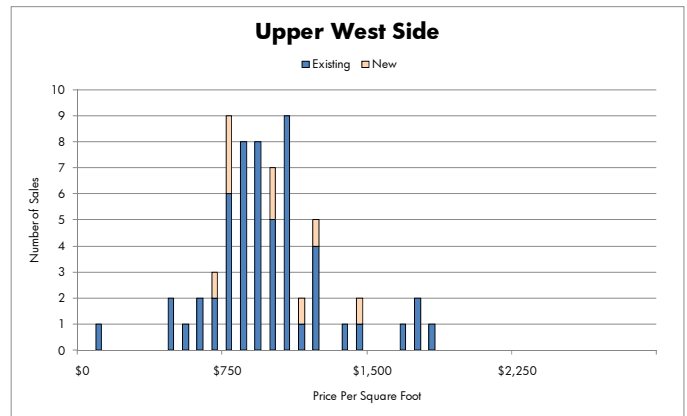
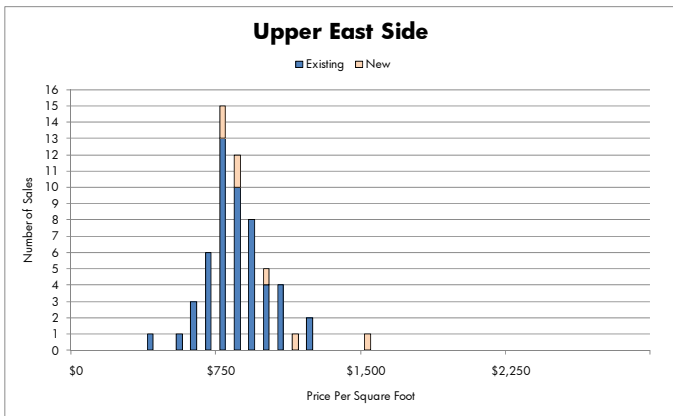
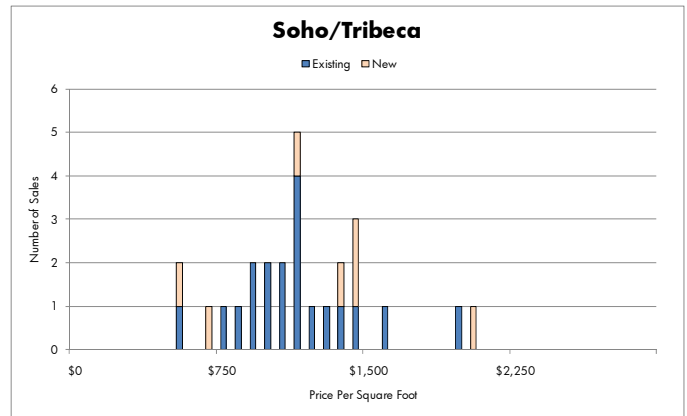
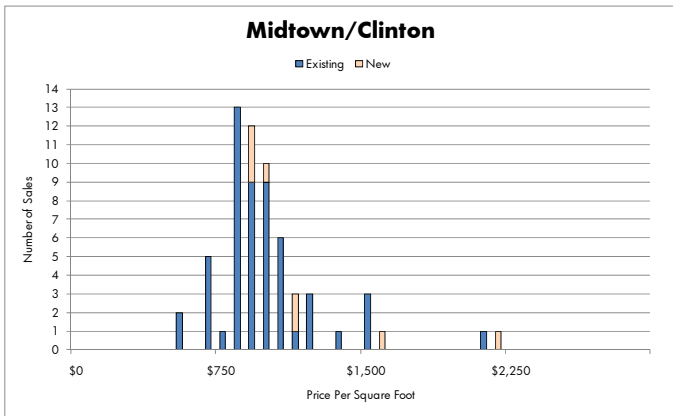
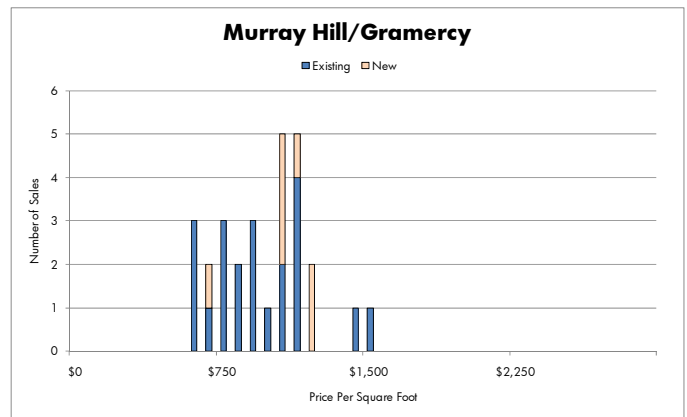
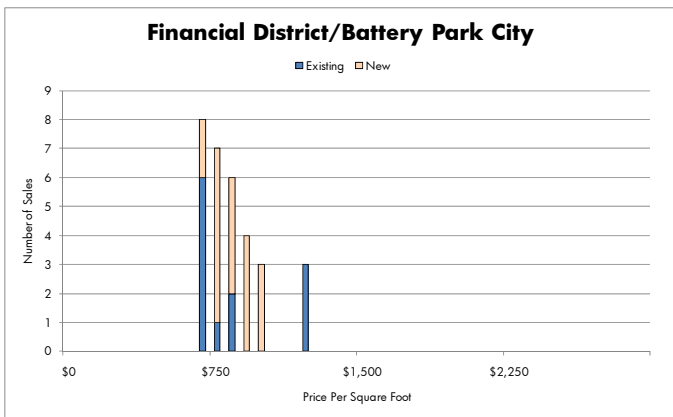
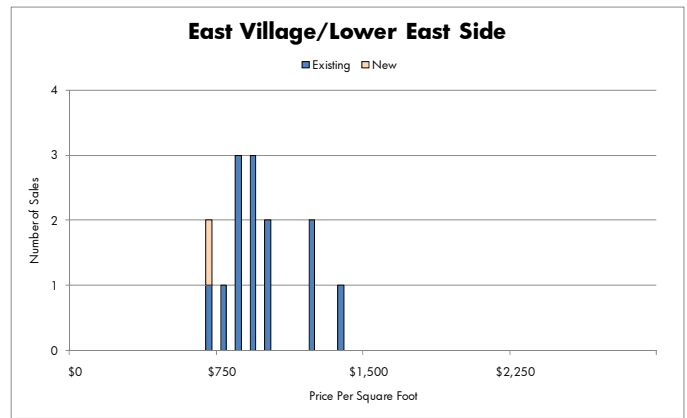
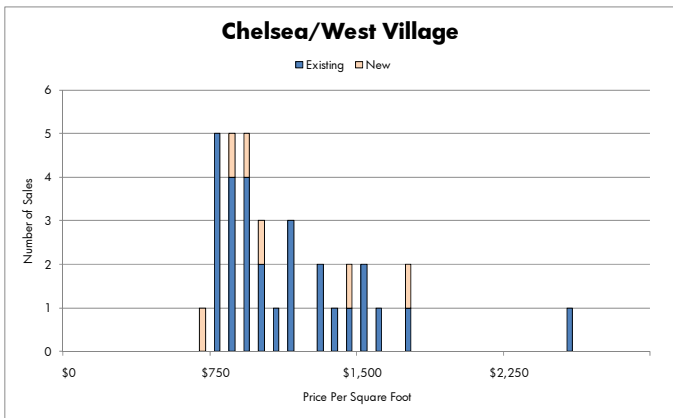


Exhibit 4: Mix of New and Existing Unit Sales in RPX Manhattan Neighborhoods, 28 Days Ending November 20, 2009



## Exhibit 5: Manhattan Neighborhoods Ranked by 1-Year % Change<sup>2</sup>

Nov 2009 Rank	Oct 2009 Rank	Neighborhood	PPSF on Nov 20, 2009	Nov 2009 vs. Nov 2008	Nov 2008 vs. Nov 2007	Nov 2009 vs. Oct 2009	Nov 2008 vs. Oct 2008
1	8	East Village/Lower East Side	\$905.73	3.3%	-8.2%	1.9%	-28.1%
2	2	Murray Hill/Gramercy	\$1,051.07	-8.5%	0.9%	8.6%	8.6%
3	5	Upper West Side	\$946.83	-11.9%	-14.5%	-3.4%	-7.0%
4	3	Soho/Tribeca	\$1,167.36	-15.7%	6.2%	-2.7%	4.8%
5	1	Financial District	\$826.77	-20.2%	-3.4%	-8.2%	14.2%
6	6	Chelsea/West Village	\$1,030.14	-20.4%	-3.2%	2.3%	6.1%
7	4	Midtown/Clinton	\$967.74	-25.2%	7.1%	-12.4%	4.7%
8	7	Upper East Side	\$853.02	-28.5%	5.0%	-10.5%	-0.3%
		Manhattan Condominium	\$942.52	-21.1%	5.45%	-6.76%	3.19%

Manhattan Condominium and Manhattan Neighborhoods are subsets of the New York MSA

■ = positive ■ = neutral ■ = negative

## Exhibit 6: Transaction Counts<sup>3</sup>

	Nov 2008	Oct 2009	Nov 2009
Chelsea/West Village	24	32	35
East Village/Lower East Side	8	18	14
Financial District	19	31	31
Murray Hill/Gramercy	28	38	29
Midtown/Clinton	66	64	63
Soho/Tribeca	23	20	26
Upper East Side	43	80	59
Upper West Side	42	67	66

## Exhibit 7: Transaction Counts % Change<sup>3</sup>

	Nov 2009 vs. Nov 2008	Nov 2009 vs. Oct 2009
East Village/Lower East Side	75.0%	-22.2%
Financial District	63.2%	0.0%
Upper West Side	57.1%	-1.5%
Chelsea/West Village	45.8%	9.4%
Upper East Side	37.2%	-26.3%
Soho/Tribeca	13.0%	30.0%
Murray Hill/Gramercy	3.6%	-23.7%
Midtown/Clinton	-4.6%	-1.6%
Manhattan Condominium	19.19%	-7.09%

<sup>2</sup> Source: 28-Day RPX value for the Manhattan Condominium market and each Manhattan Neighborhood as of 11/20/2009. Please refer to [www.radarlogic.com/disclosure\\_disclaimer.html](http://www.radarlogic.com/disclosure_disclaimer.html) for more information.

<sup>3</sup> Transaction counts represent the transactions included in the calculation of the Radar Logic Daily Prices and may not reflect transaction volume in the market.

## **About Radar Logic**

Radar Logic Incorporated, a real estate data and analytics company, calculates and publishes the Radar Logic Daily™ Prices. The prices track housing values for major U.S. metropolitan areas and are the basis of the Residential Property Index™ (RPX™), a market that enables real estate to be traded as a liquid asset, via property derivatives marketed by major financial institutions.

RPX allows real estate and financial professionals to manage opportunity and risk, invest in real estate values without owning physical assets and effectively analyze markets using a consistent metric: price per square foot. Data in the RPX Monthly Manhattan Neighborhoods Report reflect the 28-day aggregated value of Radar Logic Daily Prices. The price per square foot metric used significantly reduces the influence of property sizes on overall housing price trends, which can skew results.

The Daily Prices are not adjusted for seasonal variations. In some cases, Daily Prices may vary based on reporting characteristics within individual markets.

## **RPX Analytics & Research**

Radar Logic offers specialized analytic services which allow real estate and financial professionals to view current and historical price per square foot and transaction count trends for all markets and sub-markets we track. MSAs and neighborhoods can be segmented by location (zip code and county), property type (single family, multi-family and condo), property size, date range, and sale price. The database is derived from our neutral, public source records.

Our web-based tools provide a means for all entities associated with or affected by housing prices to maintain market data streams on a constant, neutral and daily updated basis.

For additional insight on this report or for inquiries about research or analytic products, please contact:

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