

ELLI MAN REPORT

1Q 2016

PALM BEACH SALES

Quarterly Survey of
Palm Beach Residential Sales

DASHBOARD

year-over-year

CONDO & TOWNHOUSE

PRICES

Median Sales Price

27.1%

SALES

Closed Sales

50.0%

INVENTORY

Total Inventory

18.5%

MARKETING TIME

Days on Market

55 days

SINGLE FAMILY

PRICES

Median Sales Price

10.2%

SALES

Closed Sales

14.3%

INVENTORY

Total Inventory

31.9%

MARKETING TIME

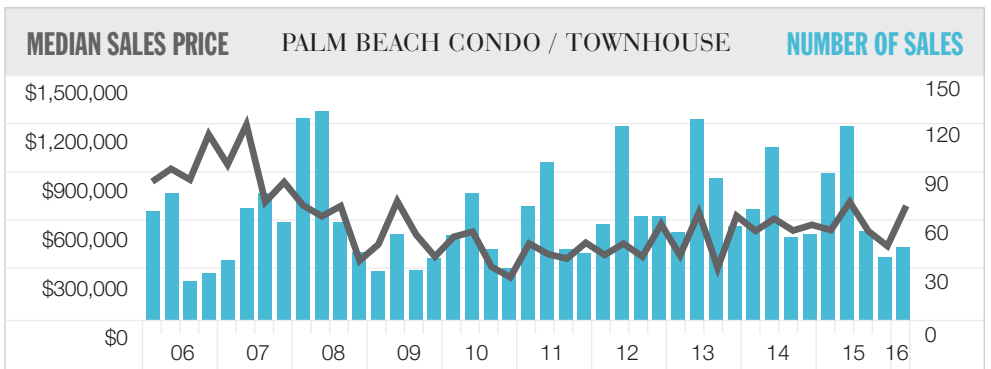
Days on Market

136 days

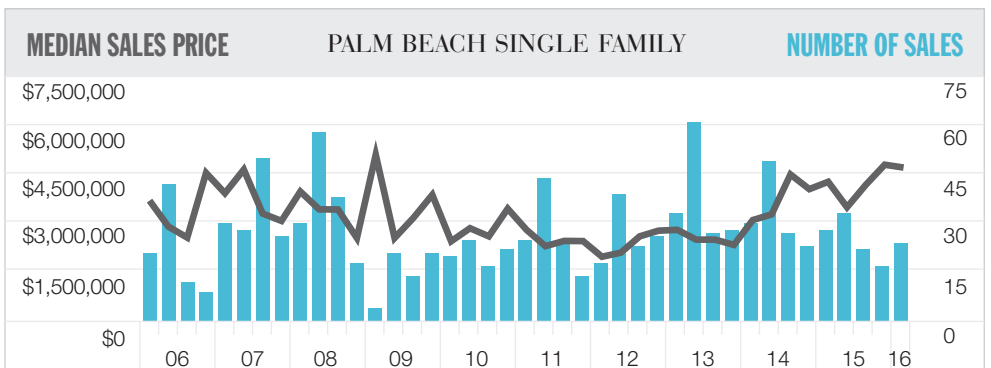
- Single family average sales price and price per square foot set new records
- Median sales price for both property types moved higher from year ago quarter
- Pace of market cooled as sales declined and inventory expanded

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-2016	%Δ (QRT)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$922,822	-17.9%	\$1,124,432	-10.7%	\$1,033,399
Average Price Per Sq Ft	\$521	-26.8%	\$712	-14.7%	\$611
Median Sales Price	\$702,000	54.3%	\$455,000	27.1%	\$552,500
Number of Sales (Closed)	45	15.4%	39	-50.0%	90
Days on Market (From Last List Date)	79	-49.7%	157	-41.0%	134
Listing Discount (From Last List Price)	11.3%		9.1%		9.5%
Listing Inventory (Active)	320	8.1%	296	18.5%	270
Absorption Period (Months)	21.3	-6.6%	22.8	136.7%	9.0



Palm Beach Market Matrix (Single Family)	1Q-2016	%Δ (QRT)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$7,923,021	9.7%	\$7,220,655	70.0%	\$4,661,492
Average Price Per Sq Ft	\$1,588	3.5%	\$1,535	37.1%	\$1,158
Median Sales Price	\$4,712,500	-1.8%	\$4,800,000	10.2%	\$4,275,000
Number of Sales (Closed)	24	41.2%	17	-14.3%	28
Days on Market (From Last List Date)	74	-51.0%	151	-64.8%	210
Listing Discount (From Last List Price)	12.5%		9.8%		8.4%
Listing Inventory (Active)	157	27.6%	123	31.9%	119
Absorption Period (Months)	19.6	-9.7%	21.7	53.1%	12.8



Palm Beach housing prices set new records in the first quarter of 2016, although the pace of the market cooled as inventory expanded. The average sales price of a single family sale

surged 70% to \$7,923,021 to the highest level in a decade. Average price per square foot of a single family sale showed a similar pattern, rising 37.1% to \$1,588 to set a new record

over the same period. Condo housing price indicators were mixed. The median sales price of a condo sale was up 27.1% to \$702,000 while the average sales price declined 10.7% to \$922,822 respectively over the same period. Rising price indicators over the past year appeared to pull in more inventory across both property types, rising 22.6% to 477 from the year ago quarter. This rise in total inventory did not occur during the first quarter. New listing

inventory that entered the market in the first quarter slipped 0.6% to 172 over the same period last year. This infers a growing number of over priced inventory. Condo sales fell 50% to 45 units and single family sales declined 14.3% to 24 homes respectively from the year ago quarter. Despite the decline in closed sales, there was a 59.1% surge in contracts for both property types over the same period. The luxury market, representing the top 10% of all sales,

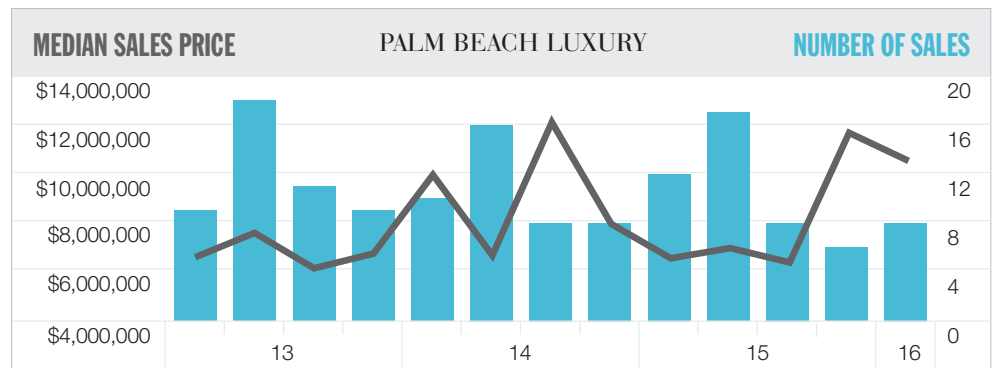
saw a large shift in average sales size and a corresponding surge in price trend indicators. The average size of a luxury sales was 8,285 square feet, up 48.4% from 5,583 in the year ago quarter. As a result, the median sales price surged 60.8% to \$10,545,000 and the average sales price more than doubled to a record \$16,536,875 over the same period.

LUXURY

- Average sales price set new record
- Price indicators surge along with average size of sale
- Pace of market cooled as sales slipped faster than inventory
- Luxury price entry threshold continued to rise

Luxury Market Matrix	1Q-2016	%Δ (QRT)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$16,536,875	14.1%	\$14,489,606	115.3%	\$7,681,688
Average Price Per Sq Ft	\$1,996	-0.8%	\$2,012	45.1%	\$1,376
Median Sales Price	\$10,545,000	-9.8%	\$11,693,819	60.8%	\$6,558,500
Number of Sales (Closed)	8	33.3%	6	-33.3%	12
Days on Market (From Last List Date)	74	-52.3%	155	-69.3%	241
Listing Discount (From Last List Price)	14.4%		11.5%		7.6%
Listing Inventory (Active)	62	6.9%	58	-4.6%	65
Absorption Period (Months)	23.3	-19.7%	29.0	42.9%	16.3
Entry Threshold	\$7,295,000	-18.0%	\$8,900,000	24.7%	\$5,850,000

Luxury Mix	Sales Share	Volume Share
>\$20M (%)	25.0%	57.2%
\$10M - \$20M (%)	25.0%	18.6%
>Min - \$10M (%)	50.0%	24.1%



Palm Beach by LOCATION

- North End price indicators rose sharply as average sales size skew larger
- South End were generally mixed despite surge in median sales price
- Sales in both regions continued to fall short of year ago levels

North End Market Matrix	1Q-2016	%Δ (QRT)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$4,747,664	-1.0%	\$4,793,954	63.5%	\$2,903,455
Average Price per Sq Ft	\$1,421	-7.6%	\$1,538	32.3%	\$1,074
Median Sales Price	\$2,450,000	-7.9%	\$2,660,500	24.1%	\$1,975,000
Number of Sales (Closed)	46	35.3%	34	-24.6%	61

South End Market Matrix	1Q-2016	%Δ (QRT)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$861,232	71.8%	\$501,222	5.8%	\$814,332
Average Price per Sq Ft	\$446	48.2%	\$301	-2.8%	\$459
Median Sales Price	\$602,500	56.5%	\$385,000	56.5%	\$385,000
Number of Sales (Closed)	28	12.0%	25	-50.9%	57

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.

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