



the DOUGLAS ELLIMAN report

MIAMI

• Highest level of sales in more than 5 years

There were 25.9% more condo, townhouse and single family sales in 1Q 11 than in the same period last year. Distressed sales, namely short sales and REO, increased 18.2% over the same period. Cash purchases accounted for 65.5% of all sales in the first quarter, a 12% increase over last year.

• Overall price indicators continue to slide, non-distressed prices stable

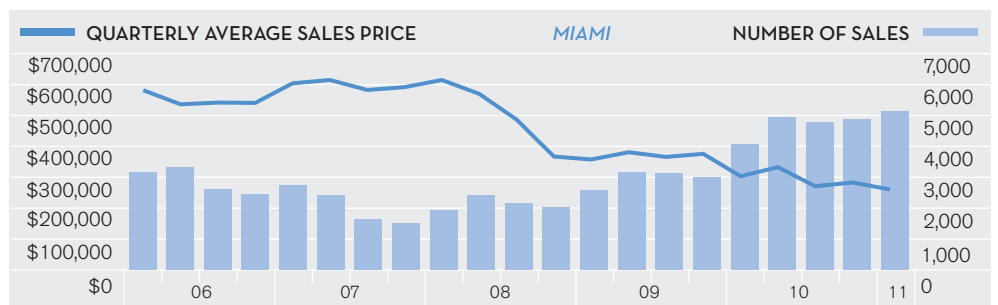
The overall average sales price fell 14% to \$260,918, a 5-year low as the rise in the distressed sale market share skewed price indicators lower. Non-distressed sales increased a nominal 0.4% to \$476,172, from \$474,241 in the same period last year.

• Buyer and sellers grew closer in agreement on price

The difference between list price at time of contract and sales price was 8.3%, down from 11.6% in the same period last year.

Welcome to the preview edition of the Douglas Elliman Report: Miami Sales 1Q 2011, a quarterly analysis of the condo, townhouse and single family sales market covering the coastal communities of Miami. The first detailed market analysis of its kind, the report series content will be expanded in coming quarters.

MIAMI MARKET MATRIX	Current Qtr	% Chg	Prior Qtr	% Chg	Prior Year Qtr
Average Sales Price	\$260,918	-7.9%	\$283,418	-14.0%	\$303,488
Average Price per Sq Ft	\$185	-2.2%	\$189	-7.8%	\$201
Median Sales Price	\$140,000	-6.7%	\$150,000	-15.7%	\$166,000
Number of Sales (Closed)	5,101	4.9%	4,865	25.9%	4,053
Days on Market (From Last List Date)	66	-8.0%	72	-9.3%	73
Listing Discount (From Last List Price)	8.3%		10.1%		11.6%
Listing Inventory (active)	12,366		N/A		N/A
Absorption Rate (mos)	7.3		N/A		N/A
Average Sales Price (Non-distressed only)	\$476,172	-1.4%	\$482,870	0.4%	\$474,241
Number of Sales (Non-distressed only)	1,801	-6.5%	1,926	-1.5%	1,828



There were 5,101 condo, townhouse and single family sales in the first quarter, 25.9% more than the same period last year. Sales activity remained above any prior quarter in the past 5 years. The increase in activity is due to a consistent absorption of distressed sales. The number of short sales expanded 10% over the past year and comprised 20.5% of all sales. REO sales nearly doubled over the same period representing 44.2% of the first quarter market.

Distressed sales accounted for 64.7% of all sales in the first quarter, a 10% gain in market share over the past year. As a result of the rise in distressed sales activity, overall price indicators

showed declines from the same period last year. However non-distressed sales showed a 0.4% increase to \$476,172, from \$474,241 in the same period last year. The first quarter 2011 average sales price of a short sale was \$180,247 and an REO averaged \$126,409.

The average days on market—the number of days between the last list price change and the contract date—was one week faster than last year at this time, averaging 66 days. Active listing inventory, excluding unsold new development units, totaled 12,366 in the first quarter resulting in a 7.3 month absorption rate.

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.



1 FAMILY

Price indicators declined from same period last year

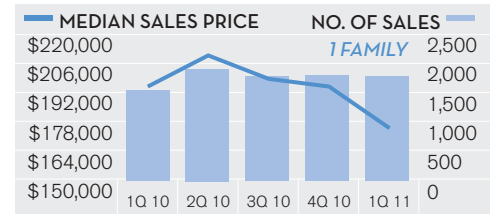
The median sales price of a single family house declined 10.3% to \$175,000. All five quintiles showed consistent declines from the prior year quarter.

Sales up sharply over past year

There were 1,783 sales in the first quarter, 15.3% more than the prior year quarter. The market share for single family distressed sales increased 8.4% to 64.5% of all single family sales.

1 FAMILY MARKET MATRIX	Current Qtr	% Chg	Prior Qtr	% Chg	Prior Year Qtr
Average Sales Price	\$309,252	-10.5%	\$345,341	-15.1%	\$364,148
Average Price Per Sq Ft	\$148	-8.0%	\$161	-14.2%	\$172
Median Sales Price	\$175,000	-10.3%	\$195,000	-10.3%	\$195,000
Number of Sales	1,783	-0.9%	1,799	15.3%	1,546
Days on Market (From Last List Date)	67	-9.2%	74	-11.1%	76
Listing Discount (From Last List Price)	9.7%		12.0%		13.7%
Listing Inventory (active)	3,168		N/A		N/A
Absorption Rate (mos)	5.3		N/A		N/A

1 FAMILY MIX	Med. Sales Price	Prior Yr Chg
1-bedroom	\$71,750	-0.3%
2-bedroom	\$75,200	-18.3%
3-bedroom	\$146,000	-14.1%
4-bedroom	\$230,000	-4.2%
5+ bedroom	\$542,500	-15.2%



CONDO/TOWNHOUSE

Sales surged, driven by rise in distressed sales

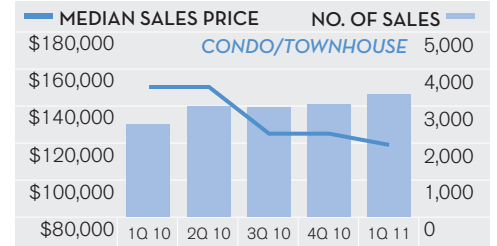
Condo and townhouse sales jumped 32.3% to 3,318 sales in the first quarter, representing 65% of total residential sales. Distressed sales reflected 64.8% of all condo/townhouse sales, 11% more than the prior year quarter.

Price indicators skewed sharply lower by rise in REO sales

The median sales price of a condo/townhouse was \$119,000 in the first quarter, 20.7% below the prior year quarter as lower priced REO sales nearly doubled.

CONDO/TH MARKET MATRIX	Current Qtr	% Chg	Prior Qtr	% Chg	Prior Year Qtr
Average Sales Price	\$234,944	-4.9%	\$247,084	-11.7%	\$266,081
Average Price Per Sq Ft	\$205	-0.5%	\$206	-6.0%	\$218
Median Sales Price	\$119,000	-4.8%	\$125,000	-20.7%	\$150,000
Number of Sales	3,318	8.2%	3,066	32.3%	2,507
Days on Market (From Last List Date)	65	-7.2%	70	-7.9%	71
Listing Discount (From Last List Price)	7.5%		9.0%		10.2%
Listing Inventory (active)	9,198		N/A		N/A
Absorption Rate (mos)	8.3		N/A		N/A

CONDO/TH MIX	Med. Sales Price	Prior Yr Chg
Studio	\$87,450	-10.8%
1-bedroom	\$92,100	-23.3%
2-bedroom	\$123,400	-27.4%
3-bedroom	\$160,000	-11.1%
4-bedroom	\$201,000	-34.1%
5+ bedroom	\$2,650,000	76.7%



LUXURY

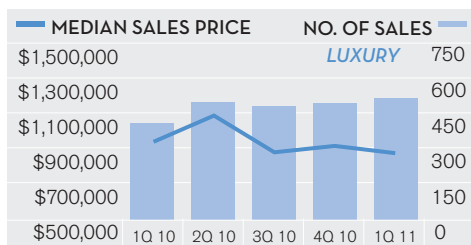
Price indicators declined The luxury market began at \$535,000 in the first quarter. Median sales price declined 6.8% to \$885,000 from the prior year quarter.

Days on market faster for luxury than overall market

The average marketing time from the last time the list price was changed, if ever, to the contract date was 54 days, 12 days faster than the 66 day average in the overall market.

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

LUXURY MARKET MATRIX	Current Qtr	% Chg	Prior Qtr	% Chg	Prior Year Qtr
Average Sales Price	\$1,223,647	-8.3%	\$1,333,691	-11.3%	\$1,380,162
Average Price Per Square Foot	\$408	-2.3%	\$418	-3.2%	\$422
Median Sales Price	\$885,000	-4.5%	\$926,500	-6.8%	\$950,000
Number of Sales	509	4.3%	488	26.0%	404
Days on Market (From Last List Date)	54	-7.0%	58	-4.2%	56
Listing Discount (From Last List Price)	11.4%		14.9%		16.8%
Listing Inventory	1,312		N/A		N/A
Absorption Rate (mos)	7.7		N/A		N/A



EXPANDED REPORT COMING 2Q 2011

For more information or electronic copies of this report please visit ellimanflorida.com. Email report author, Jonathan J. Miller at jmiller@millersamuel.com with questions or comments.

Methodology:

<http://www.millersamuel.com/reports/methodology.php>

THE COASTAL COMMUNITIES OF MIAMI, FLORIDA

MIAMI-DADE Aventura, Bal Harbour, Bay Harbor Islands, Coconut Grove, Coral Gables, Fisher Island, Golden Beach, Indian Creek, Key Biscayne, Miami, Miami Beach, North Bay Village, Palmetto Bay, Pinecrest, South Miami, Sunny Isle and Surfside.