

The Froth is off The Market

Average Sale Price Declines—Sharp Drop in Sales Volume Index

3rd Quarter Price Down 3.9% - The average sale price declined for the first time in 10 consecutive quarters, down 3.9% to close at \$1,089,628 compared \$1,134,037 in the 2nd quarter 2005. Year-over-year, the quarter finished 21% above the 2nd quarter 2004 average of \$896,685. The MMJ Sales Volume Index declined 27% from 1470 to 1068 and was 30% lower than 1533 recorded in Q3 2004.

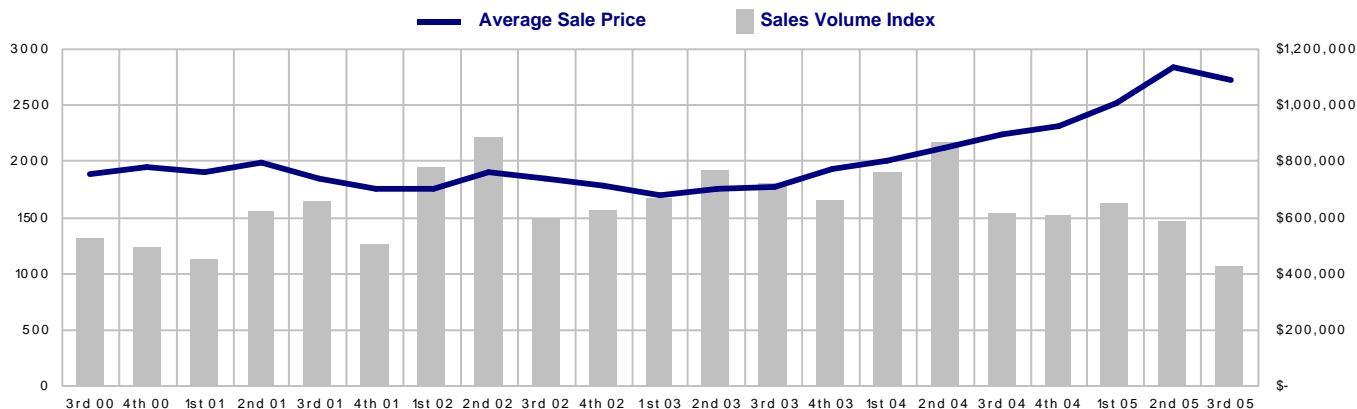
Sale Prices By Neighborhood Level Off

Strong Loft Market Boosts Downtown - The average sale price by neighborhood showed very little change with the exception of the West side which declined 9% to \$1,385,000 yet remained 26% above last year. The Downtown average sale price managed a 0.4% rise to finish at \$1,124,000 largely on the strength of higher average loft prices that rose by 6% to close at \$1,735,326.

Sales From \$500K/ \$1M Remain Strong—Larger Apartment Prices Drop

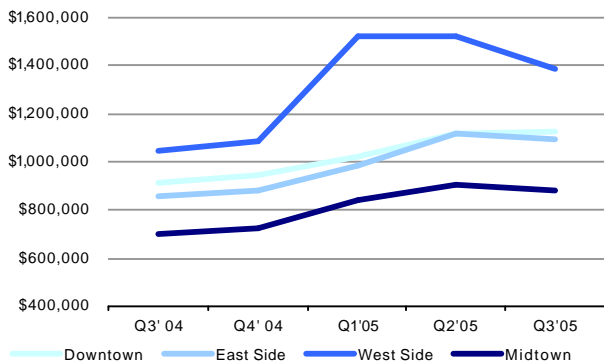
Million Dollar Sales Slow - Properties trading between \$500,000 to \$1M represented 46% of all sales, up from 42% in the previous quarter while sales over \$1M declined to 30% from 31%. The average sale price for apartments with 3 or more bedrooms declined for the second straight quarter, yet remained well above the same quarter one year ago. Only 1-bedrooms and lofts exhibited any real price gains.

5 Year Average Sale Price & Volume Index

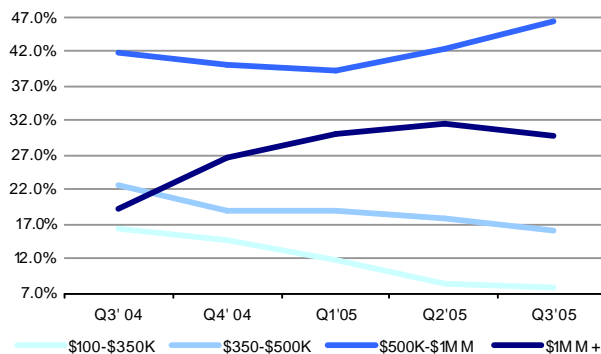


Sales By Neighborhood & Price Range

Sales Prices By Neighborhood: Downtown +0.4% to \$1.124M; East Side -2% to \$1.093M; West Side -9% to \$1.385M; Midtown -3% to \$885K.



Sales By Price Range: \$100K-\$350K down from 8.5% to 7.7%; \$350K-\$500K down from 18% to 16%; \$500K-\$1MM up from 4% to 46%; \$1MM+ down from 31% to 30%. (As a percentage of all sales).

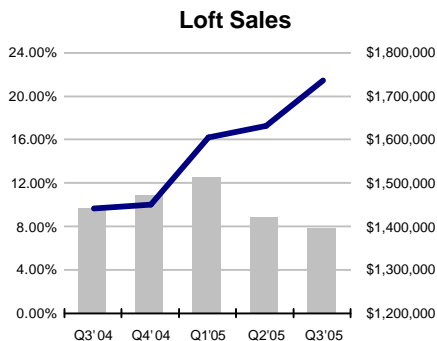


About MMJ & Market Measure – MMJ is independently owned and operated. As the largest residential real estate appraisal company in the Tri-State area, MMJ is the foremost source for market analysis, forecasts and related data. We compile and analyze sales data covering the widest spectrum of the market. Data contained in this report is drawn from closed sales records of residential cooperatives and condominiums located south of 96th Street in Manhattan. Geographic areas are defined as follows: East & West Side: from 59th to 96th Street; Midtown: from 59th to 23rd Street, Downtown: south of 23rd Street. Average sale prices are corrected for changes in average square footage to more accurately reflect changes in value. For additional information call 212-319-7300 or visit mmja.com

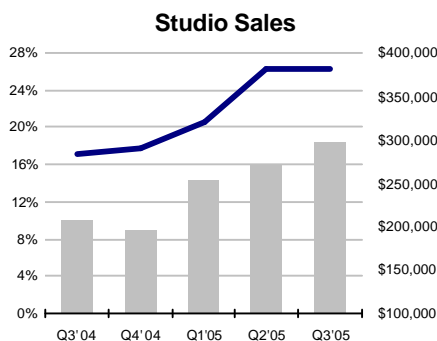
3rd Quarter 2005 Sales by Size

Prices of Larger Apartment Decline -Sale prices of apartments with 4 or more bedrooms spiked in the 1Q05 to an average of \$7,000,000 representing a 66% increase from 4Q04 to 1Q05. The declines in 2Q05 and 3Q05 given back earlier returns in this segment as the average price was down 15% from 2Q05 and 24% lower than 1Q05's high, yet still up 33% from a year ago. Studios and 2-bedrooms remained flat, while Lofts and one bedrooms showed similar gains. The following charts show average sale price and sales volume by apartment size. Sales volume is shown as percentage of all sales to best illustrate trends.

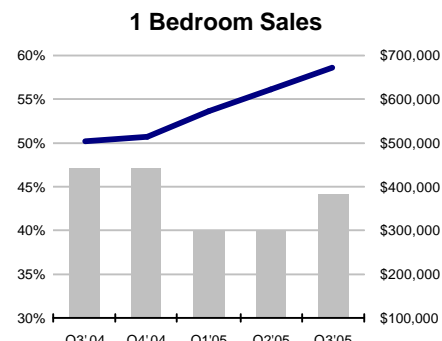
Blue Line= Average Sale Price Grey Bar = Percentage Of All Sales



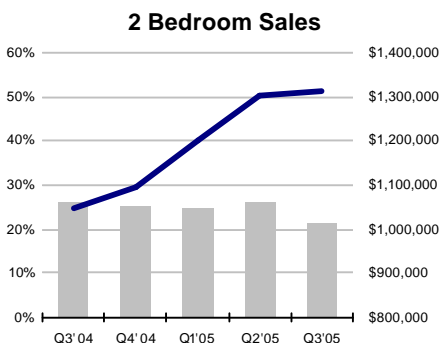
Loft sale prices rose to an average of **\$1,735,326** up **6%** from the previous quarter and **21%** higher than the same quarter last year. **Sales Volume** decreased from **9% to 8%**.



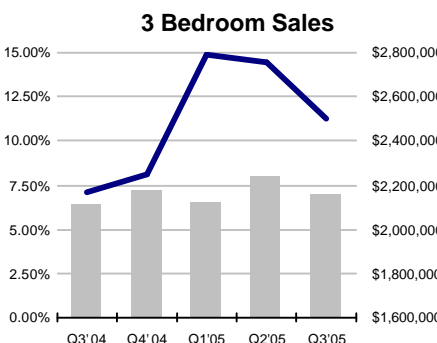
Studio sale prices declined to an average of **\$380,786** off **0.2%** over the previous quarter and **34%** higher than the same quarter last year. **Sales Volume** increased from **16% to 18%**.



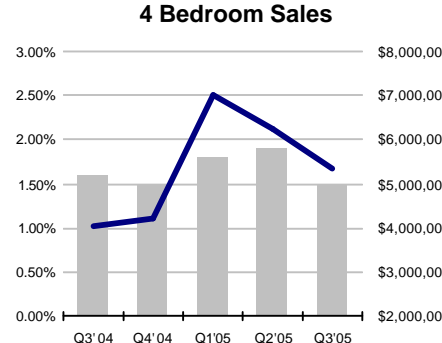
One Bedroom sale prices averaged **\$671,600** up **8%** from the previous quarter and **33%** higher than the same quarter last year. **Sales Volume** rose from **40% to 44%**.



Two Bedroom sale prices rose to an average of **\$1,310,386** up **0.7%** from the previous quarter and **25%** higher than the same quarter last year. **Sales Volume** decreased from **26% to 21%**



Three Bedroom sale prices declined to an average of **\$2,504,774** down **9%** from the previous quarter and **15%** higher than the same quarter last year. **Sales Volume** decreased from **8% to 7%**.



Four+ Bedroom sale prices declined to an average of **\$5,328,555** down **15%** from the previous quarter and **33%** higher than the same quarter last year. **Sales Volume** decreased from **1.9% to 1.5%**.

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MMJ provides real estate consulting and appraisal services to the legal and banking communities, as well as relocation companies and private homeowners. MMJ is headquartered in Manhattan and services the Tri-State area from Hartford to the Hamptons. The eleven appraisal divisions of MMJ evaluate more than \$3 billion worth of real estate annually. In conjunction with its affiliate, Cooperative Data Corp., MMJ maintains the most comprehensive database in the industry.

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