



The **Black & White** Report

Update **8**

A Comprehensive Analysis
of the Manhattan Residential Real
Estate Market from
July - December 2005

**A Semi-Annual Report
8th Edition**

HABITATS
NEW YORK

The Black and White Report

Update 8

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LETTER FROM OUR CHIEF OPERATING OFFICER



On behalf of Citi Habitats, it is my pleasure to present The Black and White Report, our comprehensive look at the economic trends of Manhattan's residential real estate market. This unparalleled, semi-annual report tracks, analyzes, and interprets real data based on thousands of Citi Habitats rentals and sales transactions during the second six months of 2005.

Whether you are a renter, an investor, a buyer, seller, developer or architect, this report contains information that will empower you to make informed real estate decisions—from identifying the average rental price and price per square foot of today's most popular rentals, to identifying the neighborhoods with the most or fewest vacancies, or determining the ideal unit mix of a new development.

For years, The Black and White Report has been the go-to guide for understanding the NYC rental market. To great response, our seventh report included sales data and analysis as well as rental information. This eighth report picks up where Update Seven left off with sales data from the last six months of 2005.

As we continue to grow our sales business—Citi Habitats has experienced a four year trend of doubled year-over-year sales growth—we aim to make The Black and White Report the go-to guide for all of Manhattan residential real estate.

A handwritten signature in black ink, appearing to read "Gary Malin".

Gary Malin
Chief Operating Officer
Citi Habitats

A special note: New York City is constantly changing, especially in regards to the way we look at neighborhoods. For example, emerging neighborhoods such as Morningside Heights and the Lower East Side are increasingly gaining in popularity and blossoming as their own neighborhoods from within the greater neighborhoods of the Upper West Side and the East Village. To reflect these changes, in future reports, we aim to consider these emerging neighborhoods as separate entities. However, please keep in mind that the data compiled in this report considers such emerging areas to be within their greater neighborhoods.

Doorman vs. Non-Doorman Rental Comparison

The following graphs compare the difference between average rental prices in doorman and non-doorman buildings in each of Manhattan's 11 neighborhoods. Each graph illustrates the difference for one of the three unit types analyzed: studios, one bedrooms, and two bedrooms.

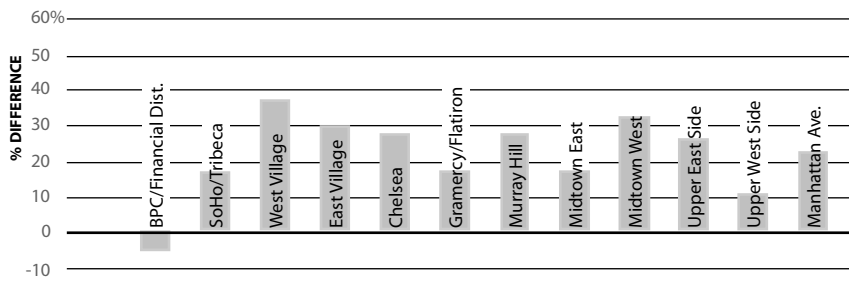
The neighborhoods that have the greatest differential in rental prices for doorman apartments versus non-doorman apartments are those that have either 1) very few doorman buildings, such as the East Village; or 2) have a larger range of building types such as the Upper East Side.

In neighborhoods where doorman buildings are scarce, the scarcity of doorman buildings translates into premium prices for the benefits of doorman security and convenience.

In areas such as Midtown West, the Upper East Side and Chelsea, it isn't scarcity that creates the price difference between doorman and non-doorman buildings, but rather the fact that the areas' range of building types and the amenities offered is large. The disparity between doorman and non-doorman prices in these areas is a result of the fact that there is a much greater range of prices between buildings themselves, i.e. an amenity-filled, luxury high-rise doorman building complete with concierge, gym, and garage will be priced much higher than a neighboring mid-rise doorman building with few, or no amenities.

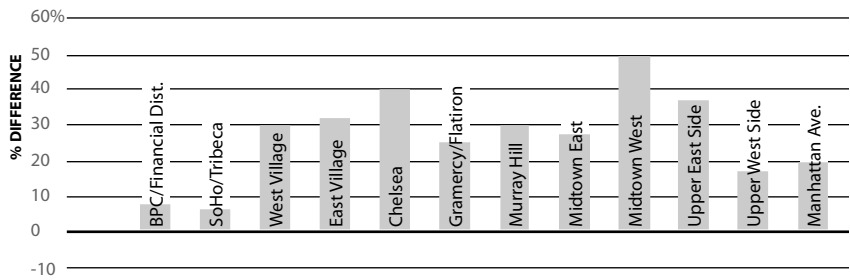
The lowest percentage differences between doorman and non-doorman apartments across nearly all unit types is in BPC/Financial District and in SoHo/TriBeCa. In BPC/Financial District that's because nearly all of the buildings are luxury, high-rise doorman buildings; in SoHo/TriBeCa it's because nearly all of the buildings are non-doorman, typically lofts. In these neighborhoods, where one building type strongly dominates, there isn't enough variety in building types to create strong price differences.

STUDIOS RENT COMPARISON



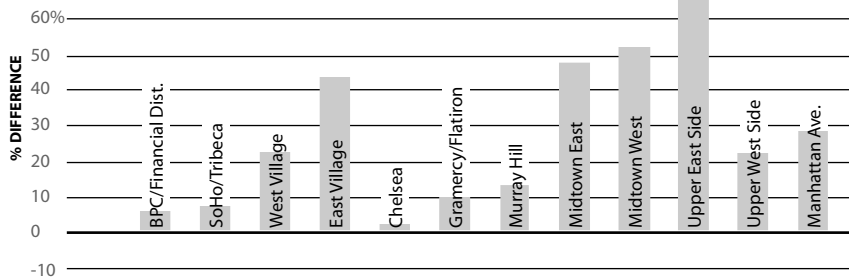
Doorman	\$2,005	2,044	2,435	2,126	2,215	2,073	2,038	1,909	1,979	1,878	1,807	1,990
Non-DM	\$2,118	1,741	1,762	1,638	1,745	1,767	1,601	1,635	1,496	1,487	1,628	1,633
% Difference	-5	17	38	30	27	17	27	17	32	26	11	22

ONE BEDROOMS RENT COMPARISON



Doorman	\$2,645	2,992	3,257	2,920	3,246	2,748	2,877	2,663	2,762	2,529	2,546	2,694
Non-DM	\$2,478	2,836	2,496	2,233	3,211	2,194	2,207	2,099	1,840	1,863	2,175	2,240
% Difference	7	6	30	31	40	25	30	27	50	36	17	20

TWO BEDROOMS RENT COMPARISON



Doorman	\$3,809	4,318	4,339	3,779	4,695	3,409	4,690	4,362	3,914	4,037	3,549	3,933
Non-DM	\$3,643	4,047	3,544	2,649	4,603	3,091	4,163	2,956	2,568	2,409	2,918	3,046
% Difference	5	7	22	43	2	10	13	48	52	68	22	29

Source: All Citi Habitats transactions from July-December 2005. The data represents over 4,000 buildings, including 54 Citi Habitats exclusive buildings and 197 exclusive properties in doorman and non-doorman buildings. Totals over 4,500 rental transactions for the period.

An important consideration for landlords and developers is the minimum number of units a building needs to have in order to justify the expense of employing a full-time union doorman staff. After analyzing our numbers, taking into account the cost of employing a fulltime door staff, measured against the blended annualized premium paid by renters in doorman buildings, we have determined that the minimum number of units to justify the expense of the door staff is 50. This is an important number to keep in mind as doorman buildings—in all neighborhoods—mean an increased perception of value for prospective renters seeking the security and convenience of doorman service.

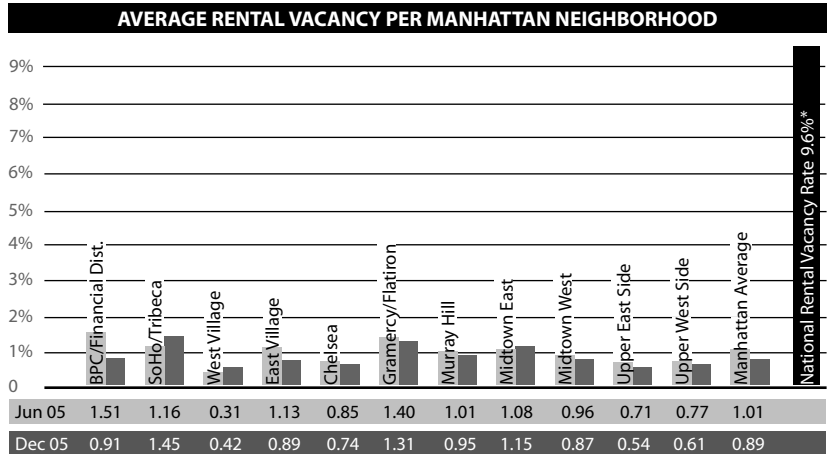
Rental Vacancy Rates

This graph illustrates the average rental vacancy rate in each of Manhattan's 11 neighborhoods compared to the citywide average and the national average vacancy rate. This information is useful in assessing the strength of the rental market for each neighborhood as well as for the whole of Manhattan.

For landlords, developers, renters and investors alike, one of the most frequently asked question in New York City real estate is: What are the vacancy rates in the City's various neighborhoods? For the past five Black and White Reports, the answer to this question has been the same: extremely low in all neighborhoods. This update continues that trend; the Manhattan average rental vacancy is 0.89%, a drop from June's rate of 1.01%.

We currently have the lowest vacancy we've seen in Manhattan in the last three years. In large part, the reason for this extraordinarily low rental vacancy rate is the surge in condo developments throughout Manhattan. Not only is the majority of newly constructed buildings condo rather than rental, but many rental buildings have been converted to condos to take advantage of sales trends. This means fewer and fewer rental apartments for an ever-expanding NYC population. It also means increased rental prices with fewer concessions being offered by landlords. At 0.89%, the current vacancy rate falls well below the 2% mark, the point beneath which rental prices historically rise.

As many people in NYC know, real estate functions quite differently here than in other parts of the United States. This is evident from the Manhattan average rental vacancy rate, 0.89%, compared to the blended national average vacancy which is 9.6%.



Source: A sampling of 8-10 key rental buildings in each Manhattan neighborhood below 100th Street, including doorman and non-dorman buildings.

*National Rental Vacancy Rate, 4th Quarter 2005. United States Department of Commerce, Census Bureau Reports on Residential Vacancies and Homeownership. January 31, 2005.

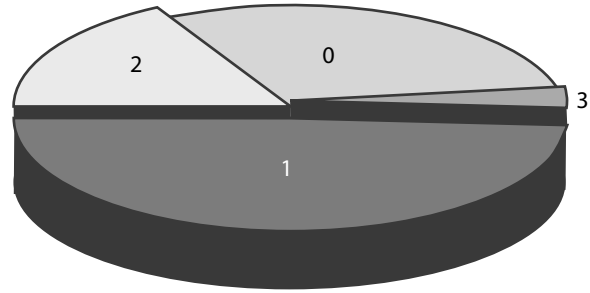
What is Renting?

This chart illustrates the percentage of each unit type: studio, one bedroom, two bedroom and three bedroom apartments rented during the current report period. This information is important in determining and projecting the demand for each unit type in the rental marketplace.

For more than four Black and White Reports (a period of two and a half years), the percentage of each unit type rented during the respective reporting periods hasn't shifted more than a few percentage points. This is because many existing and newly constructed rental buildings, albeit few in this condo-centric market, follow a roughly 30% studio, 50% one bedroom, 20% two bedroom, and a nominal amount of three or more bedroom unit mix.

The reason that studios and one bedroom apartments comprise more than 75% of the rental market is because renters typically fall into one of two categories which lend themselves to smaller unit types. Renters are usually a) living in a temporary situation; or b) not yet married, or not yet married with children. Studio and one bedroom renters are the largest segment of new tenants to enter our market on a yearly basis, and apartments are being built to meet those demands.

Larger rental apartments, which are fewer in number, are typically inhabited by shares, or families in a transitional period who may be considering buying a home.



Dec 05: Studios **31%**

Jun 05: 29.5%
Dec 04: 29.5%

0

Dec 05: Two Bedrooms **17%**

Jun 05: 19%
Dec 04: 19.5%

2

Dec 05: One Bedrooms **49%**

Jun 05: 46.5%
Dec 04: 46.5%

1

Dec 05: Three+ Bedrooms **3%**

Jun 05: 5%
Dec 04: 4.5%

3

Source: All Citi Habitats transactions from July-December 2005 versus stated time periods. The data represents over 4,000 buildings, including 54 Citi Habitats exclusive buildings and 197 exclusive properties in doorman and non-doorman buildings. Totals over 4,500 rental transactions for the period.

Profile of Manhattan Renters

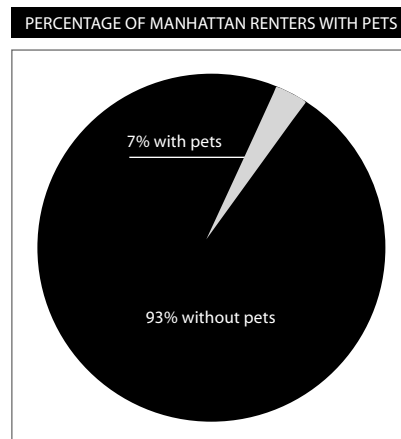
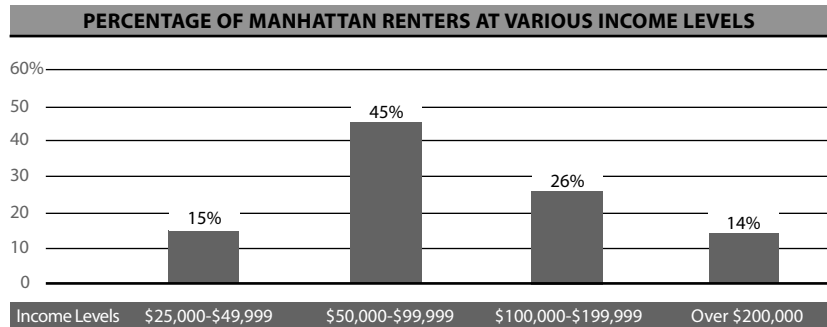
Real estate is fundamentally a customer service industry. As such, we include demographic information to get a glimpse at the people served by real estate and real estate services. This is a useful tool for understanding the types of renters seeking apartments in NYC.

Discussion:

According to our data, nearly 75% of renters fall in the middle of the income spectrum. This is not surprising as the majority of landlords require that tenants earn a yearly income that is 40 times their monthly rent. (Guarantors can often help those who fall below this criterion.) People with incomes over \$200,000 a year often decide to purchase an apartment in Manhattan, or a home outside the City, rather than rent one.

Another aspect of the renter profile that comes as little surprise is the fact that the median renter age is 28; the average is 30. According to our data, this is a citywide trend; there aren't significant differences in median or average ages between neighborhoods. The age data is an indication that the typical Manhattan renter is a number of years out of college, and/or has spent a number of years in the workforce. This observation is supported by the average income level of Manhattan renters discussed above. Also noted here is the ratio of males to females renting. Only slightly fewer females rented in the last six month period than males.

An additional demographic factor of interest is that of renters with pets and those without. Our data indicates that a pet-friendly apartment is a draw for 7% of renters, while 93% of renters aren't looking for pet-friendly buildings. This is a slight shift from the previous report which found that 11% of renters were seeking pet-friendly apartments and 89% weren't. A likely reason for this is the increasingly low vacancy rate which forces renters to compromise on certain things, such as pet-friendliness, on-site washer/dryer, etc. in order to secure an apartment. Landlords are also less likely to accept pets when the market is tight.



AVERAGE AGE OF RENTER: 30
MEDIAN AGE OF RENTER: 28
NUMBER OF FEMALE RENTERS: 1921
NUMBER OF MALE RENTERS: 1968

Source: Of Citi Habitats' 4,500 transactions from June – December 2005, these are the percentages of people who provided responses to the demographic categories presented in this section: income: 6%; age: 89%; gender: 90%; pets: 90%.

Where are People Renting?

This table illustrates the percentage of renters found in each one of Manhattan's 11 neighborhoods for each of the different size units studied: studios, one bedrooms, two bedrooms and three bedrooms. The data is helpful in determining and projecting the rental demand for each neighborhood.

With a few exceptions, there haven't been notable shifts in where people rented during the first half of 2005 versus the second half. The two areas that did see an increased number of renters in the second half of 2005 were the East Village and Murray Hill.

The East Village, which saw an increase in three of its four unit types, continues to grow in popularity while at the same time, renters perceive that the area's rental prices are lower than comparably attractive neighborhoods. This combined with the fact that the neighborhood has few doorman buildings and many walk-up buildings—which means that there is some validity to the perception that the area has lower rents—makes it an attractive place for renters seeking lower prices. The area has also seen its image grow as a hip place to be.

Murray Hill saw an increase in renters in all four of its categories. Like the East Village, Murray Hill is an attractive place for renters seeking value and convenience. Murray Hill has become a popular place for young renters in need of studio and shareable apartments who feel they may be priced out of apartments below 23rd Street.

Unlikely many neighborhoods, the East Village and Murray Hill have remained untouched by the luxury condo developments that have increased the actual and the perceived rents of most Manhattan neighborhoods.

PERCENTAGE OF RENTERS IN EACH NEIGHBORHOOD					
	All Units	Studios	1 Bedrooms	2 Bedrooms	3 Bedrooms
BPC/FINANCIAL DIST.					
Dec 05	11%	13%	12%	7%	5%
Jun 05	15%	22%	14%	10%	7%
SOHO/TRIBECA					
Dec 05	3%	2%	2%	5%	2%
Jun 05	4%	2%	4%	4%	4%
WEST VILLAGE					
Dec 05	7%	7%	8%	7%	5%
Jun 05	7%	6%	7%	7%	5%
EAST VILLAGE					
Dec 05	10%	9%	10%	11%	19%
Jun 05	9%	7%	8%	12%	10%
CHELSEA					
Dec 05	5%	5%	4%	4%	5%
Jun 05	4%	4%	5%	4%	4%
GRAMERCY/FLATIRON					
Dec 05	5%	6%	5%	5%	6%
Jun 05	5%	5%	5%	4%	8%
MURRAY HILL					
Dec 05	8%	8%	9%	7%	6%
Jun 05	6%	7%	5%	6%	3%
MIDTOWN EAST					
Dec 05	5%	7%	4%	3%	2%
Jun 05	5%	7%	4%	4%	2%
MIDTOWN WEST					
Dec 05	7%	6%	7%	7%	4%
Jun 05	6%	7%	7%	6%	5%
UPPER EAST SIDE					
Dec 05	22%	24%	20%	23%	26%
Jun 05	21%	19%	21%	23%	30%
UPPER WEST SIDE					
Dec 05	18%	13%	19%	20%	20%
June 05	18%	14%	20%	20%	22%

Source: All Citi Habitats' transactions from July-December 2005. The data represents over 4,000 buildings, including 54 Citi Habitats exclusive buildings and 197 exclusive properties in both doorman and non-doorman buildings, totals over 4,500 rental transactions for the period.

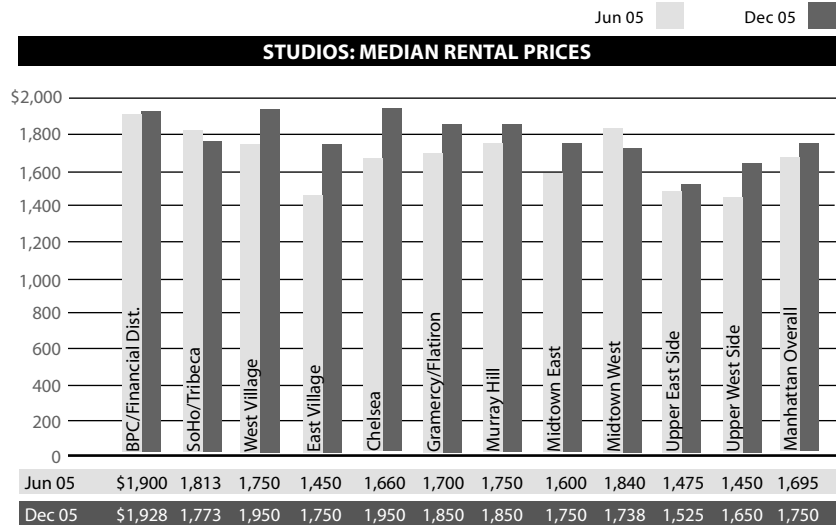
Rental Prices

The following graphs illustrate the median rents for studio, one bedroom, two bedroom, and three bedroom apartments in Manhattan's 11 different neighborhoods. Beneath each graph, the average rental price and average rental price per square foot for all neighborhoods is indicated.

Except for a few neighborhoods, studio and one bedroom apartments saw price increases city-wide. The most pronounced of which occurred in the East Village studio category and Murray Hill one bedrooms. As noted in "Where Are They Renting," both of these neighborhoods have experienced increased renter volume. This allows them to command higher prices.

Chelsea also saw a notable increase in studio prices. This is due to the fact that during the second half of 2005, the demand caught up to the inventory in the area which has over the past couple of years experienced many new, luxury condominium developments.

Overall, the rental price of a Manhattan apartment didn't increase significantly, but it did increase more in the second half than in the first. There was a solid 6% price increase for the year. This coupled with a tremendously low vacancy rate indicates a robust rental market.

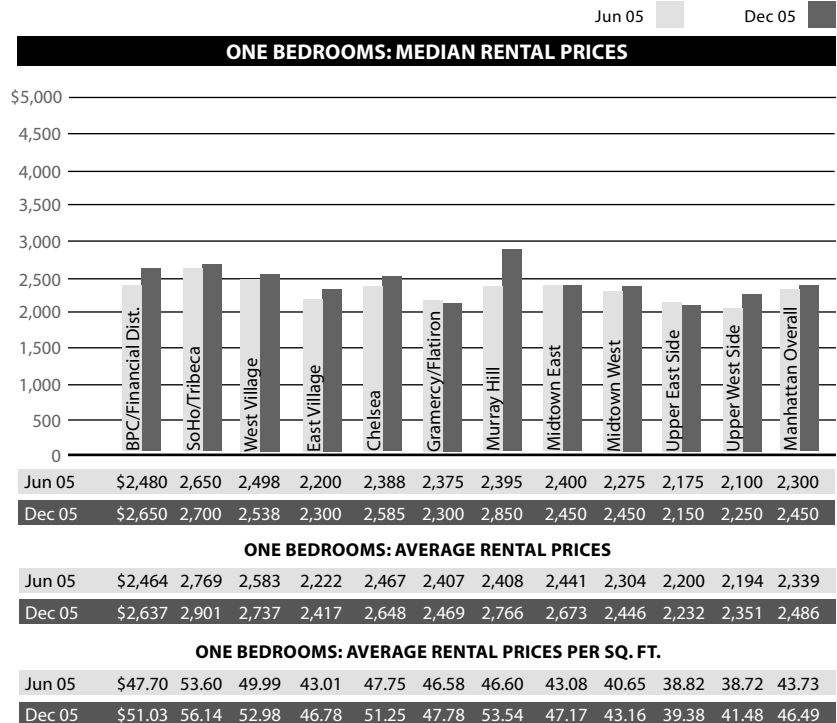


STUDIOS: AVERAGE RENTAL PRICES

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$1,920	\$2,008
SoHo/Tribeca	1,837	1,796
West Village	1,839	2,081
East Village	1,619	1,823
Chelsea	1,740	1,986
Gramercy/Flatiron	1,767	1,930
Murray Hill	1,771	1,932
Midtown East	1,663	1,839
Midtown West	1,793	1,785
Upper East Side	1,559	1,632
Upper West Side	1,499	1,728
Manhattan Overall	1,712	1,830

STUDIOS: AVERAGE RENTAL PRICES PER SQ. FT.

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$46.08	\$48.20
SoHo/Tribeca	49.00	47.90
West Village	49.04	55.49
East Village	43.18	48.60
Chelsea	46.40	52.97
Gramercy/Flatiron	47.13	51.48
Murray Hill	47.23	51.52
Midtown East	39.91	44.13
Midtown West	43.04	42.84
Upper East Side	37.42	39.17
Upper West Side	39.96	46.07
Manhattan Overall	43.89	46.90



ONE BEDROOMS: AVERAGE RENTAL PRICES

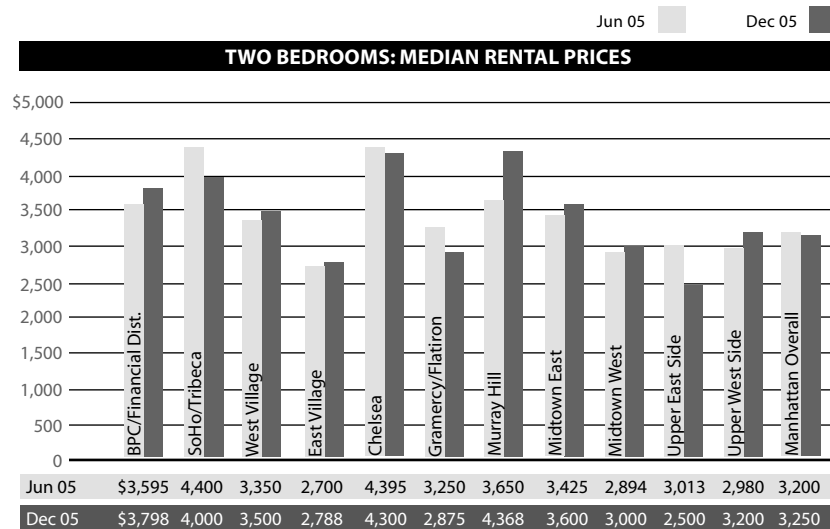
Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$2,464	\$2,637
SoHo/Tribeca	2,769	2,901
West Village	2,583	2,737
East Village	2,222	2,417
Chelsea	2,467	2,648
Gramercy/Flatiron	2,407	2,469
Murray Hill	2,408	2,766
Midtown East	2,441	2,673
Midtown West	2,304	2,446
Upper East Side	2,200	2,232
Upper West Side	2,194	2,351
Manhattan Overall	2,339	2,486

ONE BEDROOMS: AVERAGE RENTAL PRICES PER SQ. FT.

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$47.70	\$51.03
SoHo/Tribeca	53.60	56.14
West Village	49.99	52.98
East Village	43.01	46.78
Chelsea	47.75	51.25
Gramercy/Flatiron	46.58	47.78
Murray Hill	46.60	53.54
Midtown East	43.08	47.17
Midtown West	40.65	43.16
Upper East Side	38.82	39.38
Upper West Side	38.72	41.48
Manhattan Overall	43.73	46.49

Source: All Citi Habitats' transactions from July 2005 vs. December 2005. The data represents over 4,000 buildings, including 54 Citi Habitats exclusive buildings and 197 exclusive properties in both doorman and non-doorman buildings. Totals over 4,500 rental transactions for the period.

Rental Prices (cont.)

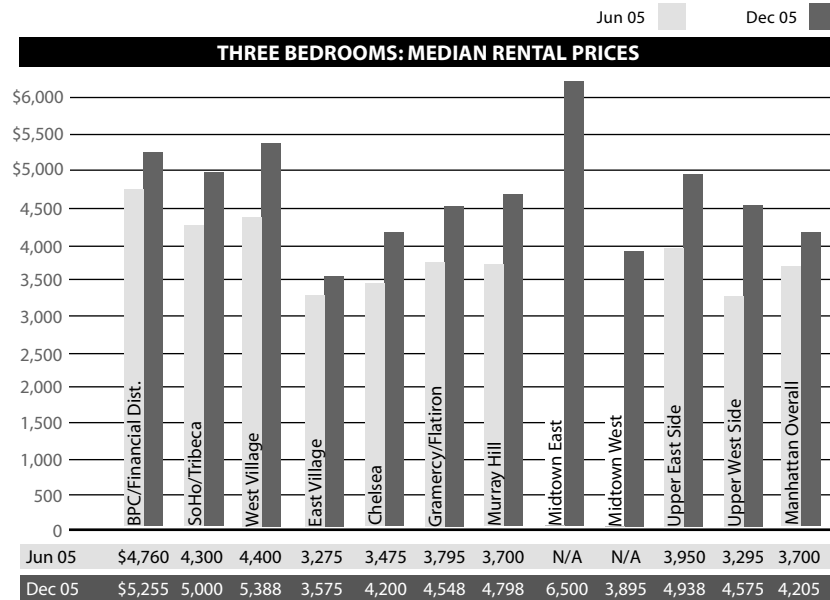


TWO BEDROOMS: AVERAGE RENTAL PRICES

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$3,559	\$3,786
SoHo/Tribeca	4,536	4,165
West Village	3,381	3,682
East Village	2,920	2,885
Chelsea	4,115	4,638
Gramercy/Flatiron	3,482	3,224
Murray Hill	3,647	4,267
Midtown East	3,508	3,759
Midtown West	3,018	3,326
Upper East Side	3,295	3,256
Upper West Side	3,179	3,217
Manhattan Overall	3,365	3,461

TWO BEDROOMS: AVERAGE RENTAL PRICES PER SQ. FT.

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$40.67	\$43.27
SoHo/Tribeca	51.84	47.60
West Village	38.64	42.08
East Village	35.65	32.97
Chelsea	47.03	53.00
Gramercy/Flatiron	39.80	36.84
Murray Hill	41.67	48.77
Midtown East	40.09	42.96
Midtown West	36.96	38.01
Upper East Side	37.65	37.21
Upper West Side	36.33	36.76
Manhattan Overall	38.96	39.55



THREE BEDROOMS: AVERAGE RENTAL PRICES

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$4,812	\$5,058
SoHo/Tribeca	4,721	9,150
West Village	5,085	5,528
East Village	3,457	3,783
Chelsea	3,525	4,471
Gramercy/Flatiron	4,364	4,342
Murray Hill	3,740	4,668
Midtown East	4,923	6,517
Midtown West	3,749	3,960
Upper East Side	5,196	5,308
Upper West Side	3,408	4,711
Manhattan Overall	4,324	4,793

THREE BEDROOMS: AVERAGE RENTAL PRICES PER SQ. FT.

Neighborhood	Jun 05	Dec 05
BPC/Financial Dist.	\$45.47	\$47.79
SoHo/Tribeca	44.61	86.46
West Village	48.05	52.24
East Village	32.66	35.75
Chelsea	29.94	42.25
Gramercy/Flatiron	41.23	41.03
Murray Hill	35.34	44.11
Midtown East	46.51	61.57
Midtown West	35.42	37.42
Upper East Side	49.10	50.15
Upper West Side	32.20	44.51
Manhattan Overall	40.86	45.29

Source: All Citi Habitats' transactions from July 2005 vs. December 2005. The data represents over 4,000 buildings, including 54 Citi Habitats exclusive buildings and 197 exclusive properties in both doorman and non-doorman buildings. Totals over 4,500 rental transactions for the period.

Rental Internet Search Data

The two charts below represent the tremendous power of the Internet to capture data about prospective renters. The top chart shows the difference between what renters expect to pay versus what they will pay. The bottom chart shows the percentage of rental leads from the Citi Habitats web site by neighborhood.

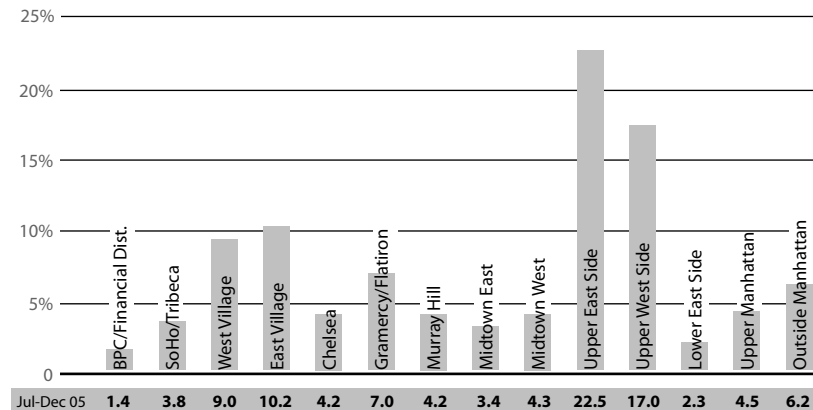
Citi Habitats has one of the most heavily trafficked web sites in the industry, making the charts below indicative of perceptions and behaviors of real estate customers in Manhattan and beyond.

WEB SITE VISITORS' RENT EXPECTATIONS VS. ACTUAL MANHATTAN RENTS

	Studios	One Bedrooms	Two Bedrooms	Three Bedrooms
Expected Rent	\$1,540	\$2,080	\$2,732	\$3,789
Median Rent	\$1,750	\$2,450	\$3,250	\$4,205
Average Rent	\$1,830	\$2,486	\$3,461	\$4,793

Source: Citi Habitats' web site visitors at www.citihabitats.com from July 2005 through December 2005.

PERCENTAGE OF RENTAL LEADS FROM WEB SITE BY MANHATTAN NEIGHBORHOOD



Source: Citi Habitats' web searches for rentals from July 2005 through December 2005.

Sales Prices

The following tables illustrate the median and average prices for studio, one bedroom, two bedroom, and three bedroom apartments in both cooperative and condominium buildings throughout Manhattan.

Discussion:

This reporting period was filled with talk about the possibility, or to some, the inevitability of a bursting real estate bubble. While there's a slightly cooler feel to the price changes during the two quarters covered in this report compared to those of previous years, it's notable that city-wide, across all unit types, the median price of condos increased. This was the case citywide for studio and one bedroom co-ops as well. All of these factors indicate the ongoing health of the sales market.

Further indication of a healthy sales market is the fact that the average price per square foot in both condos and co-ops increased citywide, 10.2% and 6% respectively.

Across all unit types, East Side co-ops and condos saw sizable price increases. The median price for co-op studios increased by 20% and by 9.5% for one bedrooms. East Side studios and one bedrooms saw healthy gains too at 16% and 9.6% respectively.

For condos, the other standout gains were seen by Downtown one bedrooms which rose 24% from a median price of \$588k in the previous reporting period to \$720k in this reporting period.

The most significant conclusion to be drawn from our data in relation to the "bubble buzz" is that while there's a definite cooling in the market, it's not hampering continued growth. Additionally, it's important to keep in mind the height at which prices got to before they started to plateau, dip, and in many cases, simply grow at a slower rate. At record setting heights, it's healthy to have price fluctuations open up the market again for a wider range of players.

CO-OPS CITYWIDE					
Jul - Dec 05	Overall	Studios	1 BRs	2 BRs	3 BRs
AVERAGE PRICE	\$499k	\$347k	\$505k	\$757k	\$1.193m
MEDIAN PRICE	\$449k	\$340k	\$485k	\$769k	\$930k
AVERAGE PRICE PER Sq. Ft. = \$765					
Jan - Jun 05					
AVERAGE PRICE	\$528k	\$319k	\$500k	\$936k	\$1.308m
MEDIAN PRICE	\$427k	\$323k	\$480k	\$830k	\$1.065m
AVERAGE PRICE PER Sq. Ft. = \$722					

CONDOS CITYWIDE					
Jul - Dec 05	Overall	Studios	1 BRs	2 BRs	Lofts
AVERAGE PRICE	\$869k	\$441k	\$734k	\$1.266m	\$1.731m
MEDIAN PRICE	\$705k	\$436k	\$692k	\$1.240m	\$1.950m
AVERAGE PRICE PER Sq. Ft. = \$996					
Jan - Jun 05					
AVERAGE PRICE	\$826k	\$421k	\$669k	\$1.205m	\$1.746m
MEDIAN PRICE	\$635k	\$430k	\$625k	\$1.100m	\$1.610m
AVERAGE PRICE PER Sq. Ft. = \$904					

STUDIOS - CO-OPS					
Jul - Dec 05	Downtown	East Side	West Side	Mtwn West	Mtwn East
AVERAGE PRICE	\$366k	\$321k	\$320k	NA	\$319k
MEDIAN PRICE	\$350k	\$307k	\$300k	NA	\$330k
Jan - Jun 05					
AVERAGE PRICE	\$354k	\$269k	\$337k	NA	\$255k
MEDIAN PRICE	\$356k	\$255k	\$324k	NA	\$235k

STUDIOS - CONDOS					
Jul - Dec 05	Downtown	East Side	West Side	Mtwn West	Mtwn East
AVERAGE PRICE	\$448k	\$469k	NA	NA	\$404k
MEDIAN PRICE	\$437k	\$470k	NA	NA	\$405k
Jan - Jun 05					
AVERAGE PRICE	\$418k	\$406k	\$509k	NA	\$398k
MEDIAN PRICE	\$427k	\$405k	\$469k	NA	\$398k

Source: All Citi Habitats sales transactions July-December 2005 vs. January-June 2005. Totals nearly 1000 closed sales.

Sales Prices (cont.)

ONE BEDROOMS - CO-OPS

Jul - Dec 05	Downtown	East Side	West Side	Mtwn West	Mtwn East
AVERAGE PRICE	\$521k	\$481k	\$496k	\$530k	\$484k
MEDIAN PRICE	\$491k	\$427k	\$469k	\$525k	\$483k
Jan - Jun 05					
AVERAGE PRICE	\$554k	\$435k	\$531k	NA	\$456k
MEDIAN PRICE	\$530k	\$390k	\$525k	NA	\$423k

ONE BEDROOMS - CONDOS

Jul - Dec 05	Downtown	East Side	West Side	Mtwn West	Mtwn East
AVERAGE PRICE	\$756k	\$685k	\$770k	\$806k	\$627k
MEDIAN PRICE	\$720k	\$698k	\$658k	\$850k	\$675k
Jan - Jun 05					
AVERAGE PRICE	\$652k	\$658k	\$650k	NA	\$840k
MEDIAN PRICE	\$580k	\$637k	\$638k	NA	\$700k

TWO BEDROOMS - CO-OPS

Jul - Dec 05	Downtown	East Side	West Side	Mtwn West	Mtwn East
AVERAGE PRICE	\$739k	\$694k	\$1.016m	NA	NA
MEDIAN PRICE	\$720k	\$706k	\$916k	NA	NA
Jan - Jun 05					
AVERAGE PRICE	\$982k	\$757k	\$1.071m	NA	NA
MEDIAN PRICE	\$770k	\$725k	\$969k	NA	NA

TWO BEDROOMS - CONDOS

Jul - Dec 05	Downtown	East Side	West Side	Mtwn West	Mtwn East
AVERAGE PRICE	\$1.276m	\$1.464m	\$1.276m	NA	\$895k
MEDIAN PRICE	\$1.250m	\$1.495m	\$1.288m	NA	\$956k
Jan - Jun 05					
AVERAGE PRICE	\$1.257m	\$692k	\$1.275m	NA	\$1.755m
MEDIAN PRICE	\$1.290m	\$630k	\$1.275m	NA	\$1.390m

Source: All Citi Habitats sales transactions July-December 2005 vs. January-June 2005. Totals nearly 1000 closed sales.

Sales Internet Search Data

The two charts below represent the tremendous power of the Internet to capture data about prospective buyers. The top chart shows the difference between what buyers expect to pay versus what they will pay. The bottom chart shows the percentage of sales leads from the Citi Habitats web site by neighborhood.

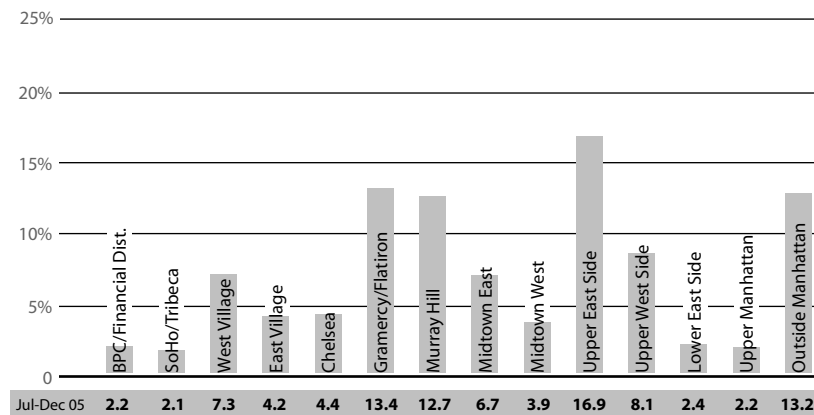
Citi Habitats has one of the most heavily trafficked web sites in the industry, making the charts below indicative of perceptions and behaviors of real estate customers in Manhattan and beyond.

WEB SITE VISITORS' SALE PRICE EXPECTATIONS VS. ACTUAL MANHATTAN PRICES

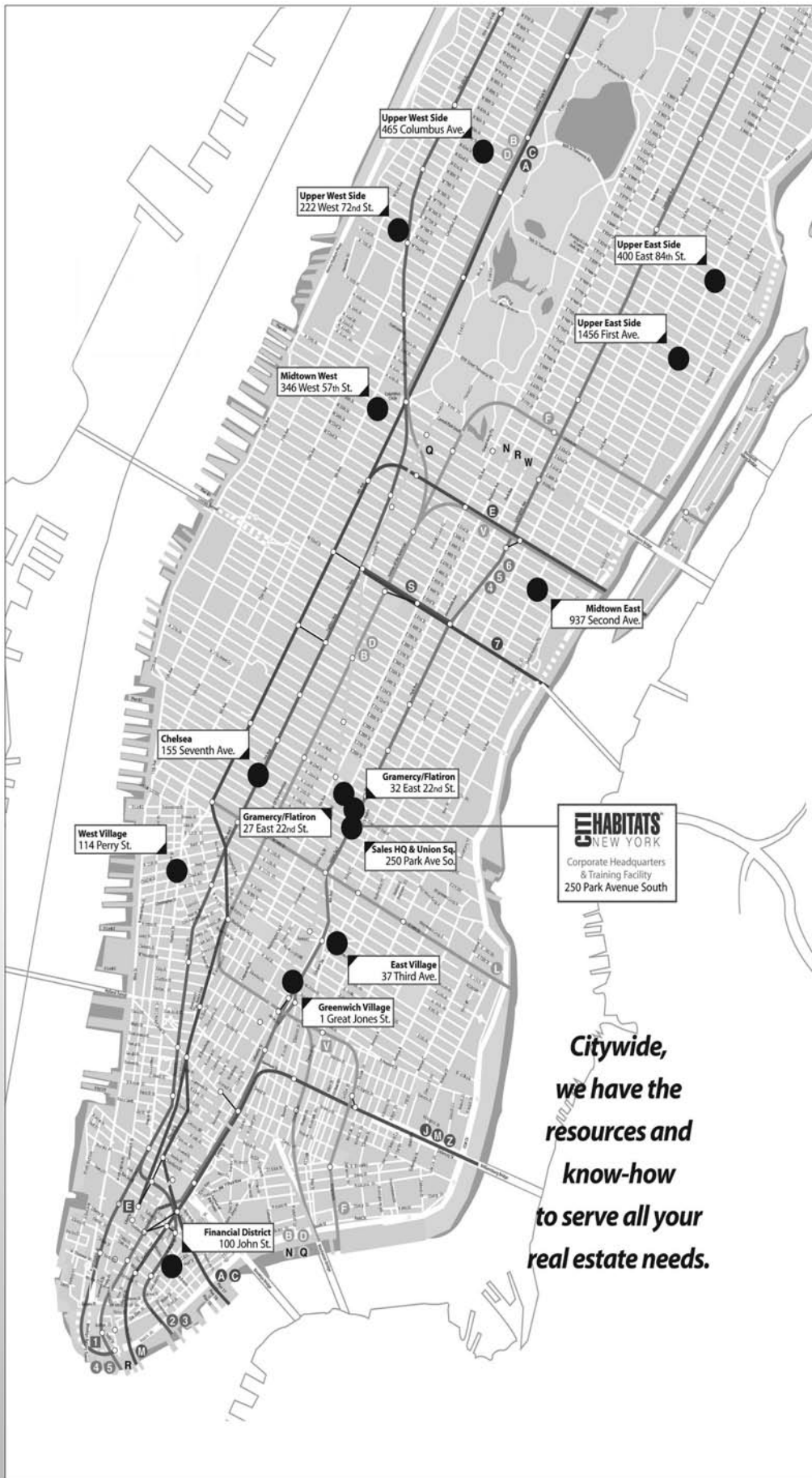
	Studios	1 BRs	2 BRs	3 BRs
Expected Price	\$320k	\$443k	\$912k	\$1.498m
Co-op Average	\$347k	\$505k	\$757k	\$1.193m
Co-op Median	\$340k	\$485k	\$769k	\$930k
Condo Average	\$441k	\$734k	\$1.266m	\$1.731m
Condo Median	\$436k	\$692k	\$1.240m	\$1.950m

Source: Citi Habitats' web site visitors at www.citihabitats.com from July 2005 through December 2005.

PERCENTAGE OF SALES LEADS FROM WEB SITE BY MANHATTAN NEIGHBORHOOD



Source: Citi Habitats' web searches for sales from July 2005 through December 2005.



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