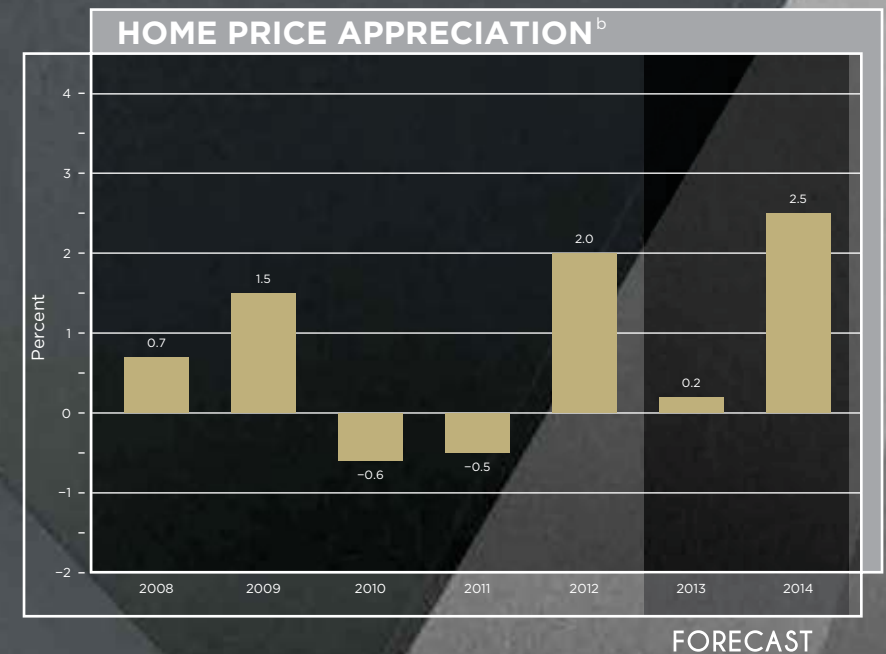
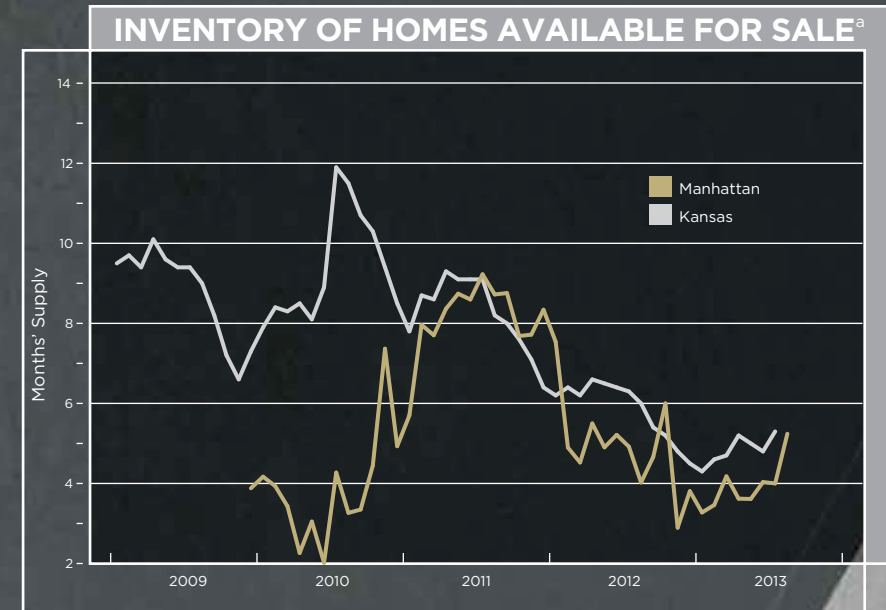


# HOME PRICES

## MANHATTAN HOME VALUES SHOULD RISE BY 2.5 PERCENT IN 2014.

After rising dramatically through the first half of the last decade, Manhattan area home prices were essentially flat between 2007 and 2011 before rising by 2.0 percent last year. Inventories of homes available for sale have remained at around a 4 months' supply through most of the year—a remarkably low level. Nevertheless, the market remains fairly balanced between buyers and sellers.

Because of this, we expect home prices in the Manhattan area will end the year up just slightly, before appreciating by 2.5 percent in 2014. Over the longer term, however, Manhattan appears poised for faster home price appreciation, due to population growth and a limited supply of prime land available for development.



Sources:  
 Federal Housing Finance Agency; Manhattan Association of REALTORS®;  
 National Association of REALTORS®; WSU Center for Real Estate

Notes:  
 a) Ratio of active listings to home sales, seasonally adjusted  
 b) Year-over-year percentage change in the Federal Housing Finance Agency all-transactions housing price index for the Manhattan metropolitan area, as measured using 4th quarter values