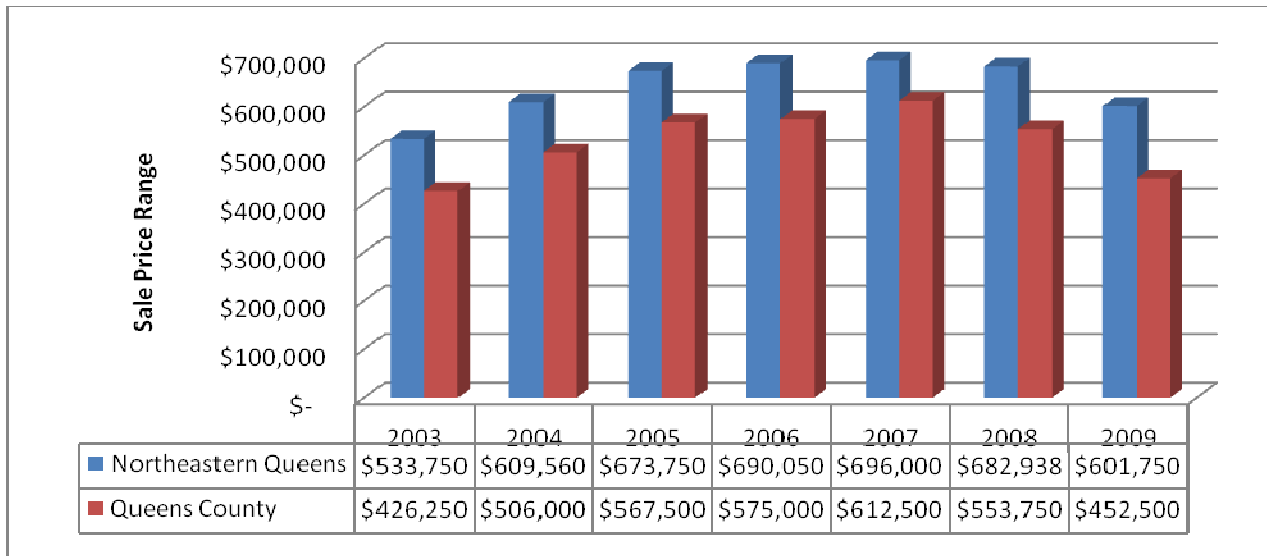




Why Square Footage Matters! Property Values in Northeast Queens Stable for 2009

Single Family sales activity through May 31, 2009 indicates that Northeastern Queens property values are stable across various segments of the market. Covering the areas of Bayside, Beechhurst, College Point, Douglaston, Flushing, Little Neck and Whitestone, 2,750 sales since 2003 that sold for over \$10,000 are included in this analysis compared to 11,724 sales for all of Queens.

MEDIAN SALE PRICE

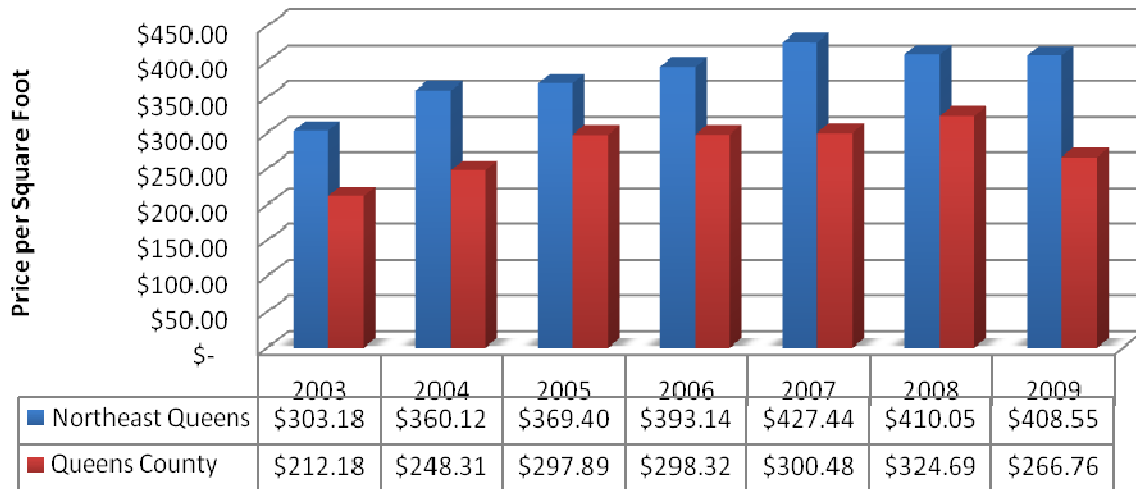


Median Sale Price: Analysis of the Queens County Single Family market indicates property values have declined 18% from 2008 and 21.3% since 2006. The sub-market of Northeast Queens indicates that property values are down 12.8% since 2006, with most of the decline occurring in 2009.

A more detailed analysis of the median sale price based on the square footage of the residence indicates an entirely different pattern of price value changes. When the sales data is stratified into the calculated rate per square foot based on sale price, the rate of change for Queens County is -10.58% since 2006 versus -21.3% based on the Median Sale Price. For Northeastern Queens the rate of change is -.37% versus -12.8%. The data clearly indicates that building size represents a significant impact relating to the value of the property.

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MEDIAN SALE PRICE PER SQUARE FOOT



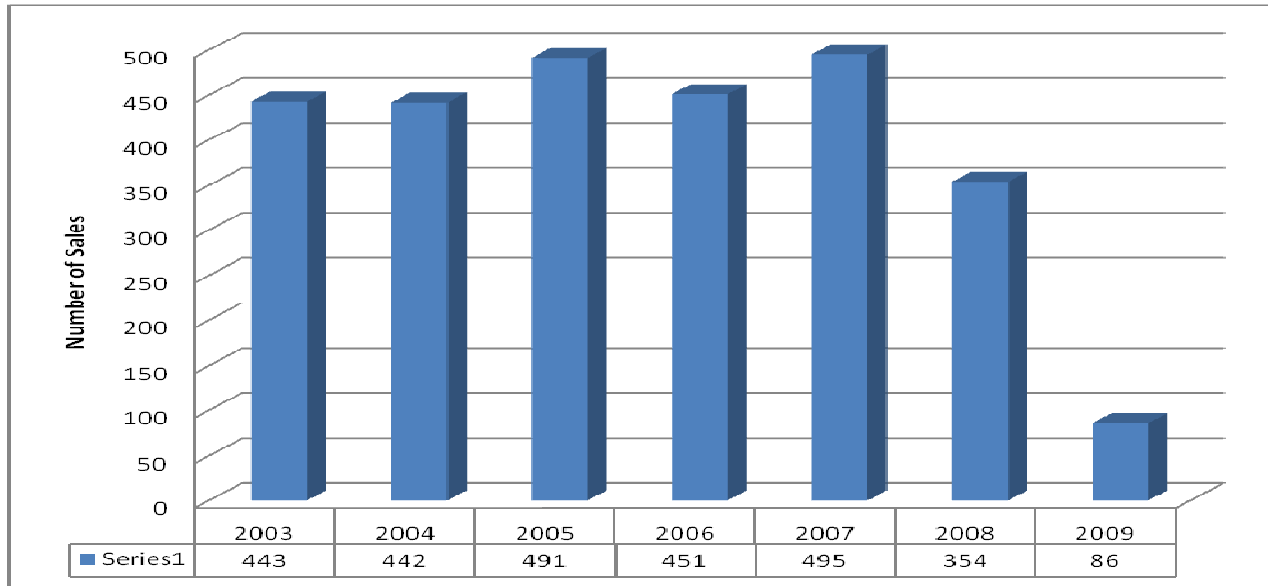
Sales are stratified into 10 Building Size Groups in order to analyze the demand in the local markets. The most common property being sold is under 1,250 square feet representing 911 sales. This group of properties indicates a weaker overall value indicator which is 5% lower than 2008 and 9.9% lower than the peak of 2006.

Conversely, larger homes appear to be in demand and show no significant indication of property value declines. Houses from 1,750 to 2,000 square feet indicate an overall increase of 12.8% since 2006 with 286 sales analyzed. 2,000 to 2,500 square foot homes experienced a 5% overall since 2006 for a total of 374 sales. Both groups of properties indicate an increase in values from 2008 to 2009.

Overall larger homes appear to be holding stable with modest increases over the past three years when analyzed on a price per square foot basis. The greatest weakness in the market is homes under 1,750 square feet which on an overall basis declined by 13% since 2006, most of this occurring in homes under 1,250 square feet. This pattern appears to be consistent with other areas of Queens and New York City.

Property values in Queens County have declined 10.8% since 2006 based on the sales analyzed. Properties purchased in 2006 and 2007 represent a risk for longer recovery given the decline in values since 2006, but this does not apply to all areas of Queens.

SALES ACTIVITY NORTHEAST QUEENS



There is a definitive decline in sales activity since 2008; however as the peak selling season of May and June continues, sales activity is projected to increase and property values are projected to remain stable with modest increases. Northeastern Queens remains a strong area to live and property values are expected to remain stable into 2010.

Reports to be released this week will cover Bronx, Brooklyn and Staten Island markets.

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