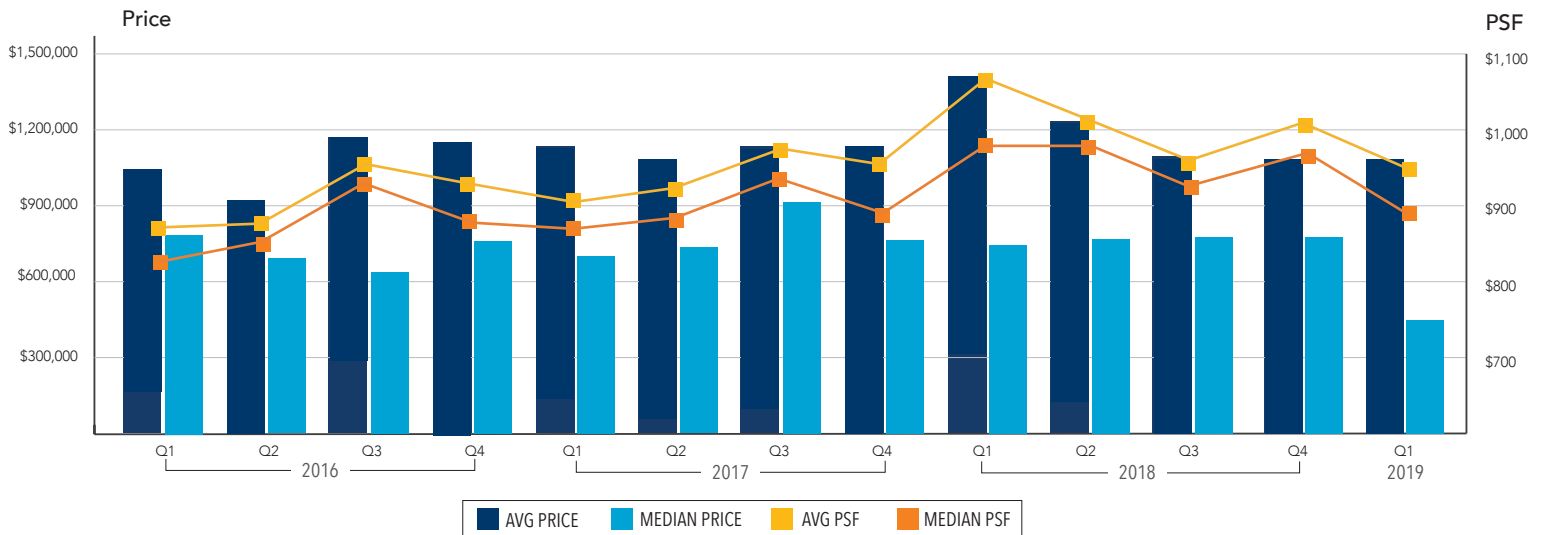


BOSTON MONTHLY CONDO MARKET SNAPSHOT

May 2019



| | 2016 | | | | 2017 | | | | 2018 | | | | 2019 |
|---------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 1Q 2016 | 2Q 2016 | 3Q 2016 | 4Q 2016 | 1Q 2017 | 2Q 2017 | 3Q 2017 | 4Q 2017 | 1Q 2018 | 2Q 2018 | 3Q 2018 | 4Q 2018 | 1Q 2019 |
| Sales | 536 | 906 | 1,263 | 731 | 547 | 904 | 850 | 680 | 618 | 1,074 | 936 | 575 | 472 |
| # Sales QOQ | -35.2% | 69.0% | 39.4% | -42.1% | -25.2% | 65.3% | -6.0% | -20.0% | -9.1% | 73.8% | -12.8% | -38.6% | -17.9% |
| # Sales YOYQ | 8.3% | 1.6% | 26.8% | -11.6% | 2.1% | -0.2% | -32.7% | -7.0% | 13.0% | 18.8% | 10.1% | -15.4% | -23.6% |
| Average Price | \$988,589 | \$1,025,842 | \$1,339,111 | \$1,134,815 | \$1,094,818 | \$1,100,434 | \$1,085,122 | \$1,168,367 | \$1,406,694 | \$1,236,954 | \$1,120,810 | \$1,165,380 | \$1,160,469 |
| Avg Sale QOQ | -14.8% | 3.8% | 30.5% | -15.3% | -3.5% | 0.5% | -1.4% | 7.7% | 20.4% | -12.1% | -9.4% | 4.0% | -0.4% |
| Avg Sale YOYQ | 12.2% | 11.0% | 51.8% | -2.2% | 10.7% | 7.3% | -19.0% | 3.0% | 28.5% | 12.4% | 3.3% | -0.3% | -17.5% |
| Median Price | \$700,000 | \$735,000 | \$913,500 | \$765,000 | \$743,500 | \$770,000 | \$778,000 | \$839,750 | \$949,900 | \$882,500 | \$848,000 | \$850,000 | \$844,450 |
| Median QOQ | -8.2% | 5.0% | 24.3% | -16.3% | -2.8% | 3.6% | 1.0% | 7.9% | 13.1% | -7.1% | -3.9% | 0.2% | -0.7% |
| Median YOYQ | 11.1% | 6.3% | 42.7% | 0.3% | 6.2% | 4.8% | -14.8% | 9.8% | 27.8% | 14.6% | 9.0% | 1.2% | -11.1% |
| Avg PSF | \$813 | \$855 | \$1,026 | \$920 | \$904 | \$915 | \$922 | \$938 | \$1,059 | \$1,025 | \$977 | \$1,012 | \$949 |
| Avg PSF QOQ | -9.9% | 5.2% | 19.9% | -10.3% | -1.7% | 1.2% | 0.8% | 1.7% | 12.9% | -3.2% | -4.7% | 3.6% | -6.2% |
| Avg PSF YOYQ | 10.9% | 7.4% | 31.3% | 2.0% | 11.2% | 7.0% | -10.1% | 1.9% | 17.1% | 12.0% | 6.0% | 7.9% | -10.4% |
| Med PSF | \$753 | \$803 | \$975 | \$864 | \$846 | \$874 | \$877 | \$885 | \$964 | \$982 | \$941 | \$963 | \$893 |
| Med PSF QOQ | -11.3% | 6.6% | 21.4% | -11.4% | -2.0% | 3.3% | 0.4% | 0.9% | 8.9% | 1.9% | -4.2% | 2.3% | -7.3% |
| Med PSF YOYQ | 10.1% | 8.7% | 33.7% | 1.7% | 12.4% | 8.8% | -10.0% | 2.5% | 13.9% | 12.4% | 7.3% | 8.8% | -7.4% |
| Avg DOM | 54 | 43 | 23 | 38 | 52 | 40 | 44 | 40 | 76 | 42 | 57 | 57 | 69 |



With the daily sagas of potential or threatened economic shocks on a summer vacation – the Mexico tariffs, Chinese trade wars, this week’s taxes on digital media in Europe, war with Iran, the outlook for real estate continues to be positive in the near term. Even better, despite an extremely positive jobs report, as well as rumblings of wage (and therefore inflation) growth, the Federal Reserve seems to be indicating a potential interest rate drop this year. Though the explanation for this rate drop is the perception of economic headwinds, the combination of positive employment news and expectations of lower interest rates have helped propel the stock market to new highs, and buoy real estate prices. Meanwhile, the 30-year fixed mortgage rates fell to a national average of 3.99% at the end of May, and have gone down another 6% since then, to 3.75%. The last time mortgage rates were this low was the end of 2017. As a reminder, a 4% 30-year fixed rate is lower than rates had ever been in the United States prior to November 2011. If there is something about those dates that ring a bell, real estate prices (and most asset prices) since that time have been on a path of extraordinary growth.

Where do we go from here? Quite simply, the spike in interest rates since the end of 2017 (the last time mortgage rates were above 4%) felt like a weight putting downward pressure on prices. Look at the graph above and see what happened to prices after the Q1 2018 closings (half of which likely had been put under agreement prior to 2018) – prices and per square foot prices both fell. The difficult part to put into context is that despite this drop during 2018, median prices, and both average and median price per square foot metric were still higher than any prior year, and significantly so for the median statistics, which tend to do a better job describing the broader market than the averages. Currently, while the stock market performance helps families come up with down payments (or parents provide it for their children), interest rates are low, allowing for relative affordability, and job prospects continue to be strong; the near term outlook for condominiums remains positive for Boston.

Source: LINKBoston. Represents closings of condominiums and coops in Boston, based upon dates of closing.

MARKET SNAPSHOT

The Boston Realty Advisors/Advisors Living dataset utilizes the date when units are placed under agreement, rather than when they close, in an attempt to better track the current state of the market. Though this approach often does not differ much in direction from the traditional method of tracking closing date information, it is more responsive when the market changes direction. The prior section used all condominium closings, while this section is based upon units placed under agreement, above \$700/sf.

| | Trailing 12 | Mar 18/May 18 | Jun 18/Aug 18 | Sep 18/Nov18 | Dec 18/Feb 19 | Mar 19/May 19 | Trailing 3 v SPLY |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| # Closed & UAG - Upscale | 1291 | 462 | 418 | 279 | 232 | 362 | -22% ↓ |
| # Closed & UAG - Luxury | 126 | 48 | 26 | 16 | 26 | 41 | -15% ↓ |
| Total Closed & UAG | 1417 | 510 | 444 | 295 | 258 | 403 | -21% ↓ |
| # Closed - Upscale | 1005 | 448 | 388 | 252 | 172 | 193 | |
| # Closed - Luxury | 67 | 48 | 26 | 16 | 12 | 13 | |
| Total Closed | 1072 | 496 | 414 | 268 | 184 | 206 | |
| Avg Closed Price | \$1,328,160 | \$1,353,637 | \$1,300,242 | \$1,353,052 | \$1,315,260 | \$1,365,069 | 1% ↑ |
| Avg \$/sf Closed & UAG | \$1,091 | \$1,067 | \$1,069 | \$1,120 | \$1,070 | \$1,108 | 4% ↑ |
| Avg \$/sf Closed | \$1,061 | \$1,056 | \$1,052 | \$1,090 | \$1,034 | \$1,063 | 1% ↑ |
| Unit Size | 1,223 | 1,205 | 1,177 | 1,213 | 1,242 | 1,271 | 5% ↑ |

The latest 3 months show a modest upward trend in pricing, if not in sales volumes. The 21% fall in the number of condominium sales compared to the same 3 month period last year fell from the 16% drop from last month. That the number of Luxury sales fell less than the rest of the Upscale market is a bit of a surprise, but a drop of 15% from last year is hardly positive – likely impacted by the shadow inventory and sales in the market. The proportion of Luxury sales to the broader market was higher in the last 6 months (10% of total) compared to the prior 6 months (5%) without too much impact on broader market averages. That said, average pricing does appear to have ticked up slightly in the last 3 months, though only 50% of the units sold have closed. The increase in price per foot fell between 1% and 3% over the same period last year. The downward path of top-line sales prices appears to have stabilized in the mid-\$1.3 million range. Note that this month included sales at Pier 4 for the first time, which increased our reading of historical averages, as we recognize these sales as having taken place when they were put under agreement. Looking at the historical trend, the downward trajectory in prices is not as evident now that Pier 4 sales are included, which suggests that Pier 4, One Dalton, Echelon, and other Luxury products have been absorbing many of the high-end sales in the market. This is consistent with the observation of declining sales volume in our Luxury set – resales are losing out to new construction product.

UPSCALE & LUXURY

CLOSED & UNDER AGREEMENT

21% ↓ MARCH - MAY
 Year-Over-Year Decrease
 in Upscale and Luxury Sales

AVG \$/SF CLOSED & UNDER AGREEMENT

4% ↑ MARCH - MAY
 Year-Over-Year Increase
 in Upscale and Luxury Sale \$/SF

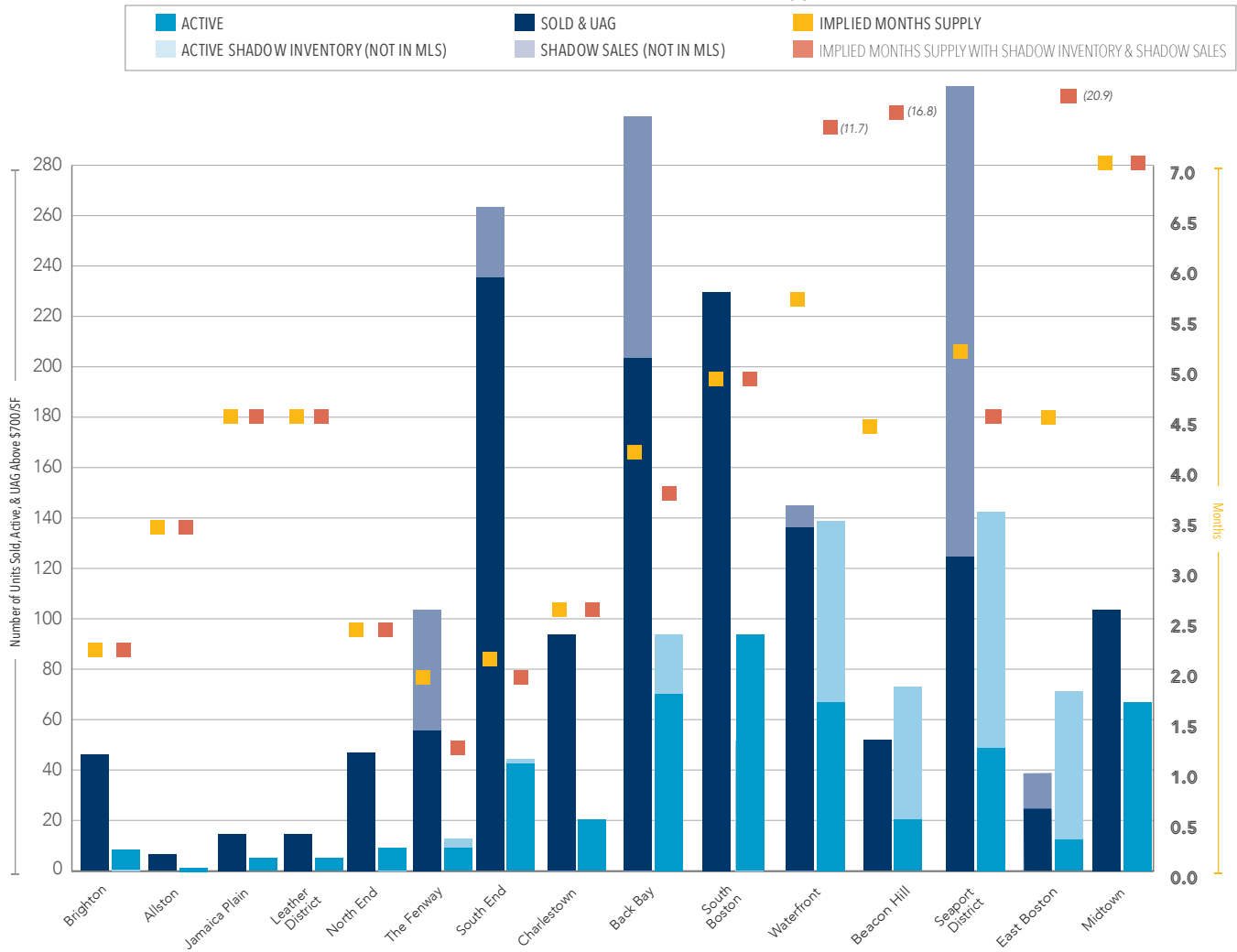
AVG \$/SF CLOSED

1% ↑ MARCH - MAY
 Year-Over-Year Increase
 in Upscale and Luxury Sale SF

The Market Snapshot for the Boston condominium market is identified as those units based on the criteria below in the MLS that closed or were placed under agreement in the last 12 months. The market is defined as those units: 1) Greater than \$700 per square foot; 2) Greater than \$500,000; 3) In buildings with more than 4 units, and excluding brownstones; and 4) Has central air conditioning. A condominium's "off market date" is when that unit is considered either sold or placed under agreement, without regard for when that unit finally closes. This characterization is intentional since it takes into account the market price at that particular moment in time the contract is signed. Source: MLSPin & Link

NEIGHBORHOOD SUPPLY & DEMAND

* Shadow inventory and shadow sales include:
One Dalton (Back Bay), Siena (South End), Liberty, Pierce (Fenway), Pier 4 (Seaport), Echelon (Seaport), The Mark (East Boston), The Archer Residences (Beacon Hill), and Lovejoy Wharf (Waterfront)



The bars above show the number of sales in each neighborhood over the last 12 months, and the corresponding inventory currently available. The new construction projects in the market are described as shadow inventory, and the sales in those buildings not reported in MLS are indicated as shadow sales (when information is available). We describe “months of inventory” as the number of months it would take for the current supply to be absorbed by the current demand observed in the market (assuming no future change in demand, nor change in supply). Anything less than 6 months of supply is traditionally considered supply-constrained.

After a flurry of spring listings and then sales, as well as decent sales volume for the month, it is surprising to see the months of supply increase from 2.7 in April up to 4.0 months in May. This increase appears to be a city-wide phenomenon, with the number of listings in May 45% higher than the number of listings in April. Some of this is attributable to activity in the Seaport and listing on MLS of many Pier 4 and Echelon units, with a similar dynamic in South Boston and the delivery of a number of smaller condominium projects. However, the other neighborhoods experienced a similar effect. The South End, Fenway, North End, and Seaport all doubled their months of supply from last month.

Only Midtown, which is the most over-supplied submarket in the city with 7.2 months of supply experienced a decrease in the number of listings. In the other neighborhoods that experienced extreme increases in the number of listings, it appears to be a late-spring flurry of activity, timed similarly in a way we saw the same pop of new listings that all seemed to come out together in March. The changes in listings put the neighborhoods more into equilibrium with each other – while the South End is still super-constrained with 2.1 Months of Inventory, this is up from only 1 Month in April; Back Bay increased from 2.5 Months of Inventory to 4.2. This movement towards parity between the neighborhoods is significant (for statistics folks, the variance of the months of supply fell from 3.1 last month to 2.1 this month), not just in numbers, but because it may represent a substitution effect where supply and demand are balancing in real time, and buyers are willing to move to (say) the Waterfront, to take advantage of lower prices there. Midtown, the Waterfront, and now the Seaport are closest to “market equilibrium” indicated by 6 months of supply.

The Neighborhood Supply and Demand for the Boston condominium market is identified as those units in the MLS currently listed for sale based on the criteria below, as well as those closed, or placed under agreement in the last 6 months. The market is defined as those units: 1) Greater than \$700 per square foot; 2) Greater than \$500,000; 3) In buildings with more than 4 units, and excluding brownstones; and 4) Has central air conditioning. A condominium’s “off market date” is when that unit is considered either sold or placed under agreement, without regard for when that unit finally closes. This characterization is intentional since it takes into account the market price at that particular moment in time the contract is signed.

The Supply for each neighborhood is based upon the criteria above for those units currently listed for sale. The Demand for each neighborhood is represented by units closed or placed under agreement within the last 6 months, and assumes that the last 6 months of sales represents the current level of demand (and that demand is not increasing nor falling). The implied months of supply is the number of units currently listed for sale divided by the last 6 months of sales, multiplied by 6.

THE BIG 9

| | The Clarendon | The Four Seasons | Heritage on the Garden | Mandarin Oriental | The Carlton House | Rowes Wharf | 22 Liberty | Millennium Tower Boston - Grand | 50 Liberty | Total |
|---------------------------------|---------------|------------------|------------------------|---------------------|-------------------|-------------------|-------------|------------------------------------|---------------|-------------|
| | 400 Stuart St | 220 Boylston St | 300 Boylston St | 776-778 Boylston St | 2 Commonwealth | 10-20 Rowes Wharf | 22 Fan Pier | 1 Franklin St | 50 Liberty Dr | |
| Number of Units | 102 | 94 | 86 | 75 | 53 | 98 | 108 | 185 | 120 | 921 |
| Year Constructed | 2009 | 1985 | 1988 | 2008 | 1982 | 1987 | 2015 | 2015 | 2017 | |
| Last 3 Years | | | | | | | | | | |
| # Sales | 14 | 13 | 6 | 12 | 7 | 16 | 21 | 79 | 123 | 291 |
| Avg Sales Price | \$1,929,196 | \$4,192,346 | \$3,825,000 | \$3,372,908 | \$4,788,857 | \$2,091,625 | \$2,399,557 | \$4,401,665 | \$2,993,130 | \$3,361,510 |
| Avg Unit Size (Sold) | 1,209 | 2,011 | 2,062 | 1,884 | 1,916 | 1,402 | 1,407 | 2,254 | 1,665 | 1,808 |
| Avg Sales Price/sf | High \$1,839 | \$2,689 | \$2,120 | \$2,317 | \$3,023 | \$2,379 | \$2,449 | \$2,874 | \$3,095 | |
| | Avg \$1,578 | \$2,011 | \$1,792 | \$1,715 | \$2,562 | \$1,495 | \$1,581 | \$1,899 | \$1,661 | \$1,859 |
| | Low \$1,344 | \$1,500 | \$1,393 | \$1,023 | \$1,629 | \$873 | \$1,169 | \$1,143 | \$862 | |
| YTD | | | | | | | | | | |
| # Sales Since 1/1/18 | 2 | 1 | 2 | | | 1 | 3 | 1 | 2 | 12 |
| Avg Sales Price | \$1,446,000 | \$2,500,000 | \$3,787,500 | | | \$3,875,000 | \$2,731,667 | \$2,275,000 | \$3,504,350 | \$3,432,070 |
| Avg Unit Size (Sold) | 937 | 1,369 | 2,019 | | | 1,629 | 1,535 | 1,423 | 1,667 | 1,827 |
| Avg Sales Price/sf | High \$1,561 | \$1,826 | \$2,108 | | | \$2,379 | \$2,193 | \$1,599 | \$2,325 | |
| | Avg \$1,539 | \$1,826 | \$1,750 | | | \$2,379 | \$1,733 | \$1,599 | \$2,040 | \$1,878 |
| | Low \$1,516 | \$1,826 | \$1,393 | | | \$2,379 | \$1,356 | \$1,599 | \$1,754 | |
| 2018 | | | | | | | | | | |
| # Sales | 1 | 8 | | 3 | 3 | 8 | 11 | 7 | 40 | 81 |
| Avg Sales Price | \$1,845,000 | \$4,430,625 | | \$3,948,333 | \$5,299,000 | \$1,978,750 | \$1,914,382 | \$4,939,571 | \$3,347,440 | \$3,338,207 |
| Avg Unit Size (Sold) | 1,213 | 2,078 | | 2,166 | 2,061 | 1,255 | 1,194 | 2,300 | 1,728 | 1,715 |
| Avg Sales Price/sf | High \$1,521 | \$2,613 | | \$1,928 | \$3,022 | \$2,149 | \$2,400 | \$2,430 | \$3,095 | |
| | Avg \$1,521 | \$2,101 | | \$1,788 | \$2,565 | \$1,538 | \$1,485 | \$2,139 | \$1,758 | \$1,946 |
| | Low \$1,521 | \$1,538 | | \$1,571 | \$2,126 | \$1,238 | \$1,169 | \$1,920 | \$862 | |
| 2017 | | | | | | | | | | |
| # Sales | 9 | 2 | 3 | 4 | 2 | 6 | 6 | 32 | | 64 |
| Avg Sales Price | \$1,927,833 | \$2,485,000 | \$3,625,000 | \$3,825,000 | \$4,437,500 | \$1,879,333 | \$3,242,917 | \$5,022,797 | | \$3,888,023 |
| Avg Unit Size (Sold) | 1,225 | 1,517 | 1,969 | 2,041 | 1,588 | 1,552 | 1,771 | 2,457 | | \$2,029 |
| Avg Sales Price/sf | High \$1,741 | \$1,769 | \$2,120 | \$2,212 | \$2,834 | \$1,612 | \$2,449 | \$2,693 | | |
| | Avg \$1,556 | \$1,659 | \$1,799 | \$1,846 | \$2,794 | \$1,254 | \$1,706 | \$1,981 | | \$1,916 |
| | Low \$1,344 | \$1,550 | \$1,493 | \$1,682 | \$2,755 | \$873 | \$1,295 | \$1,505 | | |
| 2016 | | | | | | | | | | |
| # Sales | 7 | 5 | 6 | 5 | 3 | 3 | 9 | 46 | | 84 |
| Avg Sales Price | \$3,180,179 | \$4,203,500 | \$4,190,833 | \$2,665,980 | \$3,475,000 | \$3,405,000 | \$4,026,121 | \$4,745,652 | | \$4,249,152 |
| Avg Unit Size (Sold) | 1,710 | 1,915 | 2,261 | 1,589 | 1,727 | 1,979 | 2,060 | 2,398 | | 2,179 |
| Avg Sales Price/sf | High \$2,015 | \$2,689 | \$2,201 | \$2,317 | \$3,023 | \$1,764 | \$2,538 | \$2,874 | | |
| | Avg \$1,840 | \$2,068 | \$1,828 | \$1,566 | \$2,047 | \$1,703 | \$1,888 | \$1,853 | | \$1,950 |
| | Low \$1,597 | \$1,500 | \$1,496 | \$1,023 | \$1,489 | \$1,628 | \$1,202 | \$1,143 | | |
| Sold Units Past 4 Months | | | | | | | | | | |
| # Sales/Last 4 Months | 2 | | 2 | | | 1 | 3 | 1 | 2 | 11 |
| Avg Unit Size (Sold) | \$1,446,000 | | \$3,787,500 | | | \$3,875,000 | \$2,731,667 | \$2,275,000 | \$3,504,350 | \$2,892,791 |
| Avg Sales Price | 937 | | 2,019 | | | 1,629 | 1,535 | 1,423 | 1,667 | 1,537 |
| Avg Sales Price/sf | High \$1,561 | | \$2,108 | | | \$2,379 | \$2,193 | \$1,599 | \$2,325 | |
| | Avg \$1,539 | | \$1,750 | | | \$2,379 | \$1,733 | \$1,599 | \$2,040 | \$1,883 |
| | Low \$1,516 | | \$1,393 | | | \$2,379 | \$1,356 | \$1,599 | \$1,754 | |
| Available Units | | | | | | | | | | |
| Units Available | 5 | | 1 | | | 3 | | 10 | | 19 |
| Avg Asking Price | \$3,362,800 | | \$6,575,000 | | | \$7,214,667 | | \$8,675,600 | | \$6,936,263 |
| Avg Asking Price/sf | \$1,993 | | \$2,866 | | | \$1,860 | | \$2,202 | | \$4,513.93 |
| Avg Unit Size (Ask) | 1,554 | | 2,294 | | | 3,535 | | 3,273 | | 1,537 |

NEW DEVELOPMENT SPOTLIGHT

* Includes closed sales only, not those still under agreement.
 ** Grand & PH residences only

| Project | Nhood | Total Units | Est. Sold UAG | MLS Sold UAG | Shadow Sales | MLS Listed | Shadow Inventory | 6 Month Shadow Sales |
|---------------|-----------|-------------|---------------|--------------|--------------|------------|------------------|----------------------|
| Echelon | Seaport | 255 | 160 | 31 | 129 | 15 | 80 | 130 |
| One Dalton | Back Bay | 180 | 160 | 0 | 160 | 0 | 20 | 93 |
| Pierce | Fenway | 109 | 107 | 18 | 89 | 0 | 2 | 47 |
| Siena | South End | 79 | 78 | 38 | 40 | 0 | 1 | 25 |
| Lovejoy Wharf | North End | 156 | 75 | 27 | 48 | 7 | 74 | 6 |

MONTHLY SALES TRENDS

■ UPSCALE ■ LUXURY

| | Nov-18 | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Last 12 Months |
|--|---------|---------|---------|---------|---------|---------|---------|----------------|
| UAG | 18 | 19 | 16 | 39 | 41 | 79 | 77 | 345 |
| Closed | 73 | 34 | 55 | 95 | 95 | 89 | 22 | 1072 |
| # Closed & UAG - Upscale | 84 | 43 | 64 | 125 | 120 | 153 | 89 | 1291 |
| # Closed & UAG - Luxury | 7 | 10 | 7 | 9 | 16 | 15 | 10 | 126 |
| Avg \$/sf (UAG+Closed) | \$1,082 | \$1,104 | \$1,005 | \$1,091 | \$1,109 | \$1,083 | \$1,146 | \$1091 |
| Avg \$/sf (Closed) | \$1,058 | \$1,051 | \$976 | \$1,061 | \$1,046 | \$1,047 | \$1,201 | \$1061 |
| Avg Price (closed sales only) (\$000s) | \$1,325 | \$1,278 | \$1,249 | \$1,367 | \$1,427 | \$1,213 | \$1,713 | \$1328 |

Low sales volume continues to be the headline trend for the Boston condominium market. Only 99 sales were reported in May, though it is likely Echelon and some other undelivered product accounted for additional but unreported sales volume. This 99 units is a drop of 41% from April and a 48% drop from last May. As we saw in the prior section, where months of inventory increased to (an admittedly still low) 4.1 months of supply, we can no longer blame lack of availability for the drop in sales volume, as we have done in the past, as national media has done for the same low sales volume trends at the national level. We expect downward pricing pressure for the rest of the summer as demand indicators (sales volume) continue to stagnate but the inventory builds. As we know however, this could quickly reverse as the market has shown surprising correlation in its introduction of new product, as we saw the flurry of new listings in March, but very few in April, followed again by the new crop in May.

The average condominium sale for this month will be at least \$1.5 million, \$200,000 higher than the average of the last 12 months, without much explanation. Though not enough to make up for a \$200,000 delta, there was significant discounting from September 2018 through February 2019, averaging 3.8% off original list prices which lessened by 100 bps in March and April, while May is too early to tell. We look at these discounts to list prices (and original list prices) as an indicator of real-time pricing pressure that is not reflected in the averages. Not coincidentally, the period of discounting matched the timeframe when mortgage rates were increasing. Now that mortgage rates have come down, we would not expect the need for further discounts. However, home prices are described as "downwardly sticky" so that it is actually rare for homes to sell for less than their prior selling price (though there is no such rule for averages, of course). If discounting does pick up, and preliminary May numbers suggest it has, we would interpret the dynamic as a bid-ask spread between buyers and sellers, and explain some of the low sales volume.

UNIT TYPE PERFORMANCE

| Bedrooms | # For Sale | # Sold & UAG (Last 6 Months) | Implied Months Inventory | Avg Asking Price | Avg Sale Price | Avg Ask \$/sf | Avg \$/sf (Sold & UAG) | Avg DOM (so far) | Avg DOM (Sold & UAG) |
|-------------|------------|------------------------------|--------------------------|------------------|----------------|---------------|------------------------|------------------|----------------------|
| Studio | 5 | 17 | 1.8 | \$635,260 | \$567,250 | \$1,245 | \$1,075 | 72 | 44 |
| 1 | 115 | 159 | 4.3 | \$885,426 | \$898,645 | \$1,049 | \$1,054 | 58 | 50 |
| 2 | 235 | 397 | 3.6 | \$1,601,484 | \$1,306,132 | \$1,131 | \$1,055 | 67 | 61 |
| 3 | 114 | 77 | 8.9 | \$3,353,901 | \$2,584,555 | \$1,446 | \$1,296 | 80 | 74 |
| 4 | 14 | 9 | 9.3 | \$5,855,214 | \$1,656,667 | \$1,576 | \$1,627 | 103 | 46 |
| Grand Total | 483 | 659 | 4.4 | \$1,957,902 | \$1,323,810 | \$1,200 | \$1,092 | 69 | 59 |

Unit Type Performance Trend identifies which unit types have sold over the last 6 months, and which unit types are currently available in the Boston luxury condominium market, and their respective pricing. This section does the best job of describing the micro-markets for each unit type – each month seems to provide visible evidence of the market's reaction to availability and recent pricing.

As indicated in the discussion of May, sale prices increased from April, which is reflected in the 6-month analysis shown above. The biggest difference from last month was in 2-bedroom units, for which average sale prices increased \$62,000, and 3-bedroom units, which increased by \$182,000. However, 2-bedroom unit prices per square foot did not change, so it was purely that larger units happened to be sold; though 2-bedroom unit prices per square foot increased \$14, which is only a 1% change.

The biggest story is the increase in supply, which increased 47% from last month. The biggest change was a 67% increase in 1-bedroom units for sale, resulting in 4.3 Months of Supply. 3-bedroom listings changed the least, only 34%, but the result is now 8.9 Months of Supply. 2-bedroom unit listing increased 49%, but are still relatively scarce with 3.6 Months of Supply. The market has adjusted according to the new supply, with asking prices on average \$28,000 lower for 1-bedrooms this month, and \$134,000 lower for 2-bedroom. While there is no longer any per square foot premium between 1 and 2 bedroom condos (\$1,055/sf average over the last 6 months of sales), there is a sizeable (\$82/sf) difference in asking prices per foot, with 2-bedroom sellers asking for a premium. In fact, 2-bedroom sellers are asking for prices that would be a 6% premium over the average \$/sf of sales in the last 6 months. This bid-ask spread may be the genesis of some of the discounting observed in the last few months. We would expect some discounting of 2-beds as we do not expect the market to achieve the asking prices, and we expect downward pressure on the 3-bedroom units as they are clearly oversupplied.

The data underlying the Monthly Sales Trends and Unit Type Performance for the Boston condominium market is identified as those units in the MLS or LINK Boston closed, or placed under agreement in the last 12 months, or 6 months, respectively with the following criteria: Those units: 1) Greater than \$700 per square foot; 2) Greater than \$500,000; 3) In buildings with more than 4 units, and excluding brownstones; and 4) Has central air conditioning. A condominium's "off market date" is when that unit is considered either sold or placed under agreement, without regard for when that unit finally closes. This characterization is intentional since it takes into account the market price at that particular moment in time the contract is signed, and is more representative than at the time of closing.

TRENDS BY UNIT SIZE

| <700 SF | | | | | | | | | | | | | | | |
|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
| Sales | 245 | 165 | 113 | 189 | 213 | 181 | 118 | 215 | 199 | 139 | 114 | 222 | 207 | 130 | 95 |
| Avg Sale Price | \$453,438 | \$473,896 | \$449,739 | \$489,732 | \$492,586 | \$483,876 | \$513,540 | \$521,620 | \$538,298 | \$548,444 | \$584,126 | \$570,070 | \$553,670 | \$579,436 | \$516,861 |
| Median Sale Price | \$435,000 | \$450,000 | \$425,000 | \$470,000 | \$499,000 | \$476,000 | \$514,578 | \$508,000 | \$520,000 | \$535,000 | \$560,000 | \$550,000 | \$550,000 | \$554,500 | \$489,000 |
| Avg PSF | \$742 | \$838 | \$841 | \$881 | \$906 | \$891 | \$926 | \$943 | \$994 | \$980 | \$1,050 | \$1,039 | \$1,047 | \$1,063 | \$958 |
| Median PSF | \$828 | \$840 | \$808 | \$892 | \$915 | \$899 | \$942 | \$943 | \$986 | \$983 | \$1,007 | \$1,040 | \$1,036 | \$1,036 | \$924 |
| Avg DOM | 30 | 34 | 42 | 29 | 22 | 17 | 24 | 20 | 24 | 18 | 48 | 31 | 25 | 42 | 51 |

| 701-1,000 SF | | | | | | | | | | | | | | | |
|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
| Sales | 277 | 192 | 143 | 235 | 370 | 173 | 152 | 239 | 223 | 186 | 150 | 281 | 261 | 152 | 122 |
| Avg Sale Price | \$615,092 | \$642,940 | \$603,801 | \$656,504 | \$808,544 | \$700,170 | \$685,108 | \$707,839 | \$704,521 | \$722,187 | \$808,603 | \$792,340 | \$761,754 | \$777,226 | \$724,531 |
| Median Sale Price | \$590,000 | \$611,000 | \$570,000 | \$640,000 | \$798,950 | \$690,000 | \$623,500 | \$675,000 | \$690,000 | \$676,500 | \$738,250 | \$750,000 | \$725,000 | \$730,000 | \$676,500 |
| Avg PSF | \$729 | \$769 | \$739 | \$788 | \$962 | \$844 | \$813 | \$843 | \$845 | \$845 | \$975 | \$944 | \$906 | \$925 | \$885 |
| Median PSF | \$828 | \$749 | \$717 | \$767 | \$954 | \$844 | \$764 | \$817 | \$808 | \$808 | \$900 | \$888 | \$905 | \$881 | \$835 |
| Avg DOM | 30 | 40 | 55 | 26 | 14 | 24 | 43 | 31 | 27 | 27 | 53 | 29 | 42 | 47 | 40 |

| 1,001-1,500 SF | | | | | | | | | | | | | | | |
|-------------------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
| Sales | 294 | 279 | 172 | 297 | 397 | 238 | 159 | 290 | 259 | 201 | 178 | 350 | 299 | 195 | 161 |
| Avg Sale Price | \$861,155 | \$949,499 | \$946,468 | \$966,452 | \$1,243,931 | \$1,053,607 | \$1,032,994 | \$1,025,962 | \$1,056,651 | \$1,066,461 | \$1,158,930 | \$1,204,325 | \$1,092,277 | \$1,227,562 | \$1,103,470 |
| Median Sale Price | \$752,750 | \$885,000 | \$833,000 | \$875,000 | \$1,100,000 | \$899,500 | \$915,500 | \$930,000 | \$929,000 | \$959,000 | \$1,000,016 | \$1,077,500 | \$1,050,000 | \$1,100,000 | \$99,500 |
| Avg PSF | \$707 | \$784 | \$768 | \$793 | \$972 | \$861 | \$850 | \$841 | \$865 | \$874 | \$940 | \$970 | \$897 | \$985 | \$910 |
| Median PSF | \$697 | \$732 | \$692 | \$751 | \$899 | \$748 | \$747 | \$781 | \$788 | \$803 | \$804 | \$913 | \$895 | \$928 | \$854 |
| Avg DOM | 31 | 41 | 52 | 41 | 19 | 36 | 59 | 35 | 37 | 48 | 66 | 37 | 60 | \$57 | 77 |

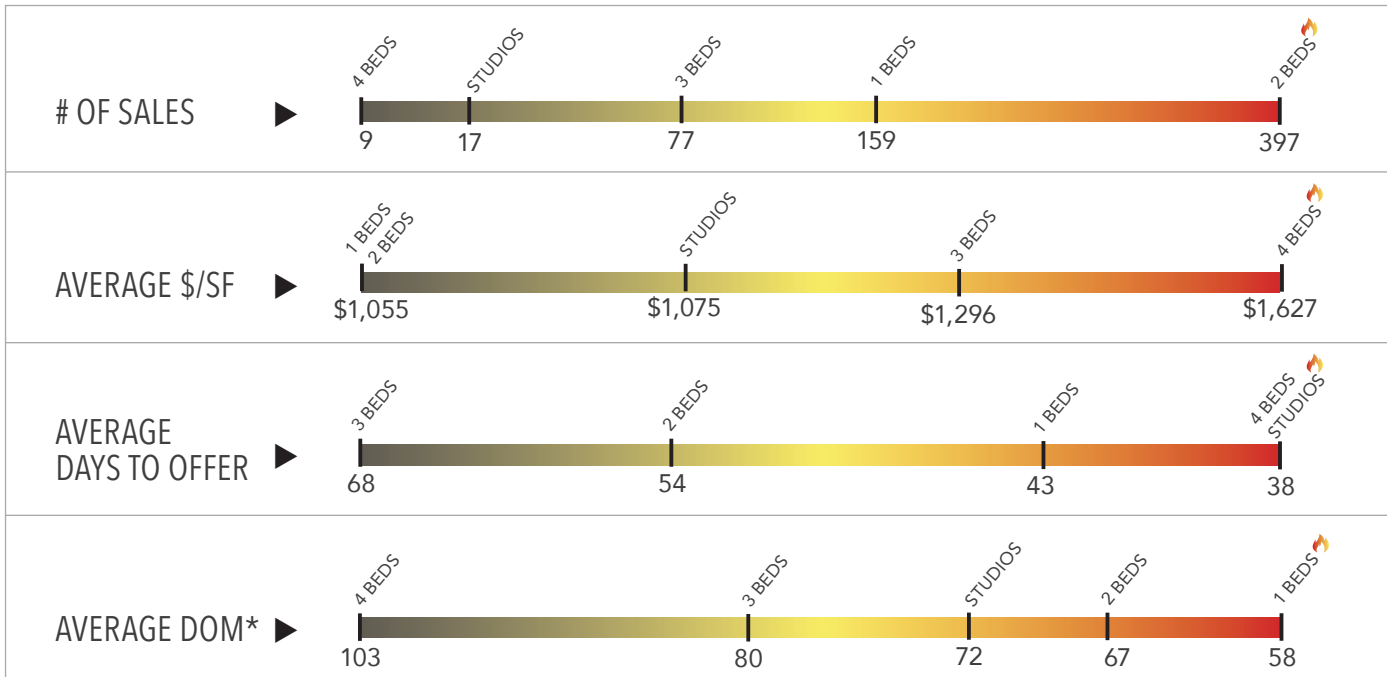
| 1,501-1,800 SF | | | | | | | | | | | | | | | |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
| Sales | 79 | 80 | 42 | 73 | 146 | 55 | 56 | 51 | 59 | 65 | 63 | 87 | 81 | 38 | 34 |
| Avg Sale Price | \$1,373,107 | \$2,009,315 | \$1,387,619 | \$1,480,329 | \$2,022,701 | \$1,661,983 | \$1,576,207 | \$1,552,804 | \$1,528,498 | \$1,545,323 | \$1,834,858 | \$1,736,896 | \$1,694,853 | \$1,565,413 | \$1,469,144 |
| Median Sale Price | \$1,318,600 | \$1,875,000 | \$1,300,000 | \$1,405,000 | \$2,012,500 | \$1,665,000 | \$1,544,000 | \$1,479,000 | \$1,402,000 | \$1,495,000 | \$1,700,000 | \$1,700,000 | \$1,550,000 | \$1,312,000 | \$1,415,000 |
| Avg PSF | \$837 | \$1,202 | \$845 | \$899 | \$1,218 | \$1,016 | \$955 | \$946 | \$924 | \$948 | \$1,130 | \$1,083 | \$1,031 | \$960 | \$907 |
| Median PSF | \$800 | \$1,130 | \$764 | \$803 | \$1,237 | \$1,071 | \$964 | \$954 | \$846 | \$921 | \$1,044 | \$1,074 | \$940 | \$851 | \$878 |
| Avg DOM | 46 | 53 | 34 | 58 | 17 | 42 | 75 | 63 | 45 | 54 | 94 | 45 | 56 | 61 | 96 |

| 1,801-2,400 SF | | | | | | | | | | | | | | | |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
| Sales | 67 | 85 | 45 | 84 | 84 | 54 | 40 | 65 | 73 | 50 | 82 | 101 | 54 | 42 | 37 |
| Avg Sale Price | \$1,883,654 | \$2,471,455 | \$2,145,381 | \$2,135,510 | \$2,508,018 | \$2,081,792 | \$2,231,896 | \$1,989,411 | \$2,043,733 | \$2,116,420 | \$2,732,357 | \$2,451,158 | \$2,321,716 | \$2,328,263 | \$1,983,823 |
| Median Sale Price | \$1,865,000 | \$2,400,000 | \$1,930,000 | \$1,947,500 | \$2,187,500 | \$1,927,000 | \$2,255,000 | \$2,150,000 | \$2,075,000 | \$1,902,500 | \$2,707,500 | \$2,475,000 | \$1,945,000 | \$2,417,500 | \$1,750,000 |
| Avg PSF | \$920 | \$1,218 | \$1,049 | \$1,040 | \$1,203 | \$1,000 | \$1,088 | \$985 | \$1,000 | \$1,026 | \$1,337 | \$1,191 | \$1,119 | \$1,121 | \$992 |
| Median PSF | \$907 | \$1,160 | \$1,003 | \$969 | \$1,101 | \$942 | \$1,085 | \$1,046 | \$1,032 | \$943 | \$1,308 | \$1,170 | \$1,012 | \$1,108 | \$884 |
| Avg DOM | 54 | 79 | 61 | 54 | 38 | 88 | 48 | 79 | 97 | 66 | 95 | 66 | 60 | 112 | 54 |

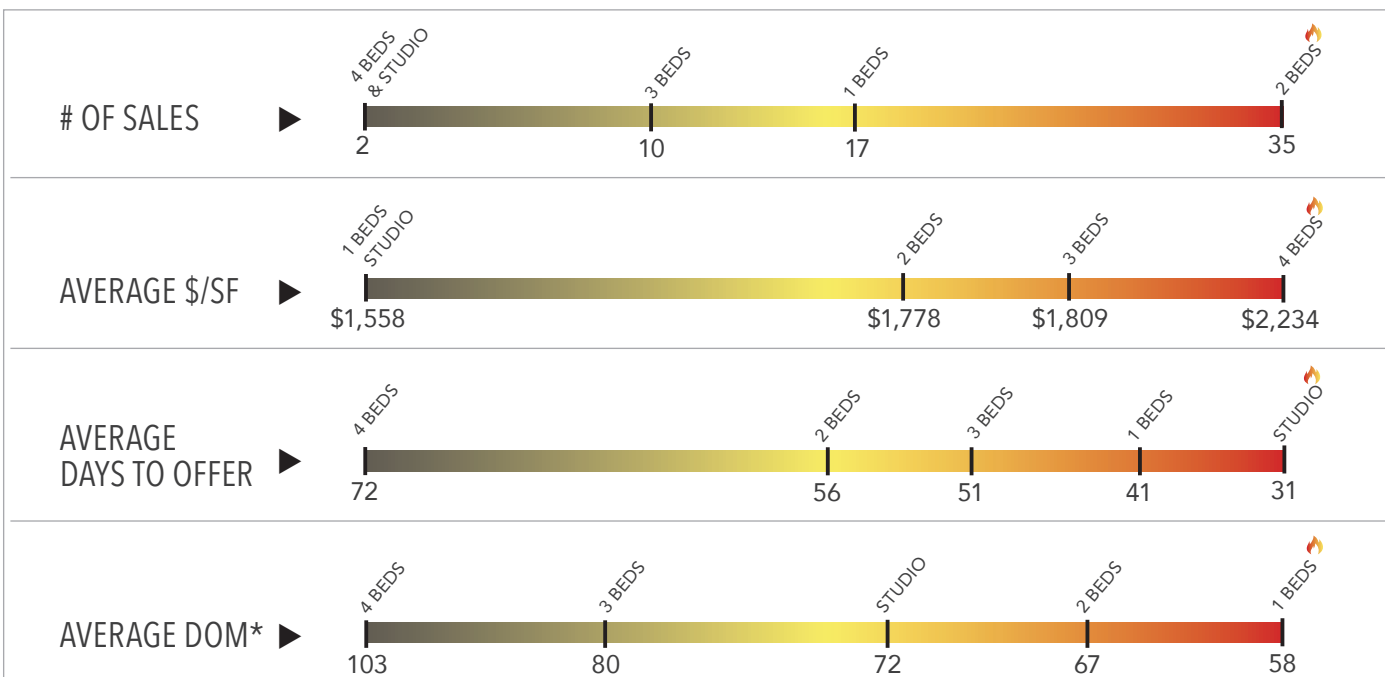
| >2,400 SF | | | | | | | | | | | | | | | |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
| Sales | 31 | 26 | 21 | 28 | 52 | 28 | 22 | 43 | 35 | 39 | 31 | 33 | 33 | 18 | 23 |
| Avg Sale Price | \$3,498,765 | \$4,689,831 | \$3,607,374 | \$3,860,415 | \$5,495,888 | \$5,880,518 | \$4,197,345 | \$4,800,282 | \$4,020,923 | \$4,187,256 | \$4,371,532 | \$4,821,049 | \$4,409,970 | \$4,443,389 | \$4,749,384 |
| Median Sale Price | \$2,925,000 | \$4,468,431 | \$3,485,000 | \$3,268,750 | \$4,982,500 | \$5,347,500 | \$3,750,000 | \$4,300,000 | \$3,737,000 | \$3,372,500 | \$3,225,000 | \$4,695,000 | \$4,050,000 | \$3,850,000 | \$3,775,000 |
| Avg PSF | \$1,125 | \$1,600 | \$1,235 | \$1,228 | \$1,551 | \$1,744 | \$1,351 | \$1,528 | \$1,254 | \$1,338 | \$1,300 | \$1,541 | \$1,473 | \$1,523 | \$1,505 |
| Median PSF | \$1,109 | \$1,601 | \$1,107 | \$1,217 | \$1,673 | \$1,833 | \$1,262 | \$1,441 | \$1,131 | \$1,262 | \$1,159 | \$1,557 | \$1,413 | \$1,572 | \$1,332 |
| Avg DOM | 83 | 60 | 132 | 124 | 99 | 65 | 86 | 65 | 106 | 28 | 143 | 152 | 185 | 67 | 177 |

WHAT'S HOT? (December 2018 - May 2019)

ALL SALES FOR LAST 6 MONTHS (UPSCALE AND LUXURY)



LUXURY SALES FOR LAST 6 MONTHS



* Includes sales and active listings.

CONDO DEVELOPMENT PIPELINE

MARKET-WIDE (20+ UNITS)▼

2019

| Building | Neighborhood | Units | Developer | Status | Other |
|------------------------------------|---------------|-------|-----------------------------|---------------------|--------------------------|
| Lovejoy Wharf | West End | 156 | Related Beal | 50% Sold | Relaunching Q3 2019 |
| 14 West Broadway | South Boston | 47 | CPC Cornerstone Development | 87% Sold | Delivered, still selling |
| Forecaster Building | West End | 81 | Pizzuti Development | 90% Sold | Delivered, still selling |
| One Dalton Four Seasons Residences | Back Bay | 180 | Carpenter & Co | 83% Reserved | Delivering early Q2 2019 |
| Pier 4 | Seaport | 106 | Tishman Speyer | Sales Not Disclosed | Currently Delivering |
| Tempo | Jamaica Plain | 39 | City Realty | Under Construction | Delivers Q1 2020 |
| 88 Wareham | South End | 27 | Cresset Group | Under Construction | Delivers Q3 2019 |
| 45 On Burnett | Jamaica Plain | 44 | New Boston Ventures | 40% Sold | Delivers October 2019 |
| VITA | Jamaica Plain | 82 | Back Bay Development Group | 60% Sold | Delivers September 2019 |

2020

| Building | Neighborhood | Units | Developer | Status | Other |
|-----------------------------------|--------------|-------|---|----------------------|--|
| Boston Garden | Downtown | 440 | Boston Properties | Under Construction | Mix TBD |
| 150 Seaport Boulevard - St. Regis | Seaport | 124 | Cronin Holdings LLC | Under Construction | |
| The Archer Residences | Beacon Hill | 75 | Center Court Partners | Sales Not Disclosed | |
| The Mark at DeNormandie Wharf | East Boston | 100 | The Davis Companies | Sales Not Disclosed | |
| Echelon | Seaport | 255 | Cottonwood Management | Sales Not Disclosed | 63% Sold |
| The Quinn | South End | 101 | Related Beal | Delivers Q1 2020 | Under Construction |
| 100 Shawmut | South End | 138 | The Davis Companies | Launching Q2 2019 | |
| Slip45 | East Boston | 80 | Winn | Launching March 2019 | Delivering Q3 2019 |
| The Mezz | South Boston | 42 | Boston Property Ventures | Under Construction | Launching Q3 2019 |
| 159-201 Washington Street | Brighton | 105 | Cabot Cabot & Forbes | Under Construction | 555 rental units |
| 212-214 Market St | Brighton | 29 | City Realty Group | Under Construction | 29 Condos, rest are rentals |
| 187-191 & 211 Condor St | East Boston | 23 | Boston Real Estate Capital | Under Construction | 3 income restricted-units |
| 151 Liverpool St | East Boston | 36 | City Point Development | Under Construction | 5 income-restricted units |
| 340 West Second St | South Boston | 29 | RMC Development | Under Construction | 20 condos, 9 units TBD |
| 46 Hichborn St | Brighton | 46 | Hichborn Partners | Under Construction | |
| 610 Rutheford Ave | Charlestown | 22 | Gary Mac Properties | Board Approved | |
| 50 Symphony Road | Fenway | 20 | GFC Development Inc. & Urbanica Development | Under Construction | 20 Residential Condo Units |
| 392-398 Cambridge Street | Allston | 32 | Legend Development Group | Under Construction | 32 Condo Units, Unit mix of 2BR and 4BR |
| 776 Summer Street | South Boston | 1,344 | HRP Summer Street, LLC | Under Review | 1,344 Residential Units--344 Hotel Rooms |

CONDO DEVELOPMENT PIPELINE CONTD.

MARKET-WIDE (20+ UNITS)▼

2021+

| Building | Neighborhood | Units | Developer | Status | Other |
|--|--------------------|-------|--|-------------------------|--|
| 115 Winthrop Square | Financial District | 150 | Steven Belkin | Board Approved | |
| Harbor Garage Project | Waterfront | 120 | Chiofaro Company | Planning Phase | |
| Government Center Development | Financial District | 771 | Hym Investments | Under Construction | Breakout between apartment and condo not available |
| Raffles Hotel | Back Bay | 146 | Saunders Hotel Group | Presale begins May 2019 | |
| 301-303 Border Street | East Boston | 64 | City Realty | Board Approved | |
| 1000 Boylston St | Back Bay | 108 | Weiner Ventures | Board Approved | |
| 139-149 Washington St | Brighton | 48 | Avalon Bay Communities | Board Approved | 180 Rentals, 1, 2, 3BR units |
| 256 Dorchester St | South Boston | 32 | Rashide LLC | Board Approved | |
| 30 Penniman Rd | Allston | 46 | Jumbo Capital Management LLC | Board Approved | 6 income-restricted units |
| 114 Orleans St | East Boston | 23 | CRM Realty | Board Approved | 11 one bedroms, 12 two bedrooms |
| 135 Breman St | East Boston | 94 | Joseph Ricupero and Michael Merullo(135 Breman, LLC) | Board Approved | Condo/Rental Mix TBD |
| 11-19 Walley Street | East Boston | 38 | MG2 Group | Board Approved | 1, 2, 3, and 4 BR units |
| 1181 Bennington St | East Boston | 44 | Velkor Realty Trust | Board Approved | Condo/Rental Mix TBD |
| 144 Addison St | East Boston | 230 | Gate Residential | Board Approved | Condo/Rental Mix TBD |
| 152 Liverpool St | East Boston | 23 | MG2 Group | Board Approved | 23 condos, 1 commercial unit |
| 287 Maverick St | East Boston | 37 | MG2 Group | Board Approved | |
| 235 Old Colony Ave | South Boston | 656 | Samuels Associates & DJ Properties | Board Approved | Condo/Rental Mix TBD |
| 544 Washington St | Brighton | 37 | Encore Properties | Under Review | |
| 765 East Third Street | South Boston | 25 | Richard & Joy Cox | Under Review | 3 income restricted-units |
| 334 Cambridge St | Allston | 334 | City Realty | Under Review | Condo/Rental Mix TBD |
| 60 Everett(Allston Yard) | Allston | 1050 | New England Development, Southside Investment Partners, The Bozzuto Group, Stop & Shop | Under Review | Condo/Rental Mix TBD |
| 20 Clinton Street (Dock Square Garage) | Downtown | 195 | Fortis Property Group | Under Review | |
| 70 Leo M Birmingham Parkway | Brighton | 79 | Residences at Birmingham Condominium LLC | Board Approved | |
| 50-56 Leo Birmingham Parkway | Brighton | 53 | City Realty Group, LLC | Under Review | |
| 60 Kilmarnock | Fenway | 173 | Cabot, Cabot, & Forbes Condominium LLC | Board Approved | 262 Rentals |
| 159-201 Washington Street | Brighton | 105 | Cabot & Forbes | Under Construction | 105 Condominium Units 2020 |

CONDO DEVELOPMENT PIPELINE CONTD.

MARKET-WIDE (20+ UNITS)▼

2021+ contd.

| Building | Neighborhood | Units | Developer | Status | Other |
|---------------------------|---------------|-------|--|----------------|--|
| 425 Washington Street | Brighton | 54 | Legend Group | Board Approved | 54 Residential Units |
| 457-469A West Broadway | South Boston | 44 | 463 West Broadway LLC | Board Approved | 44 Condo Units |
| 400 W Broadway | South Boston | 36 | Boston Property Ventures | Board Approved | 36 Residential Units |
| 197-201 Green Street | Jamaica Plain | 23 | City Realty | Board Approved | 23 Residential Units & 1 Retail Space |
| 458-460 Washington Street | Brighton | 24 | First Cambridge Capital | Board Approved | 28 Residential Units |
| 50 Stedman Street | Jamaica Plain | 21 | Helm Investments | Board Approved | 21 Units Residential Building |
| 205 Maverick Street | East Boston | 49 | Kyle Zick Landscape Architecture, Inc. | Board Approved | 49 Residential Units including 7 Income Restricted Units |
| 270 Dorchester Ave | South Boston | 114 | Navem Partners | Board Approved | 114 residential Condo Units |
| 20 West Fifth Street | South Boston | 54 | R & B Investments | Board Approved | 54 Residential Units |
| 28-30 Geneva Street | East Boston | 26 | Joel DeLuca | Board Approved | 26 Condo Units |
| 44 North Beacon Street | Allston | 54 | 44 North Beacon, LLC | Board Approved | 30/54 will be Rental Units |
| 87-93 West Broadway | South Boston | 65 | Broadway & A Street, LLC | Board Approved | 65 Residential Units |
| 55 India Street | Waterfront | 44 | Boston Residential Development LLC | Board Approved | 44 residential Units |
| 280 Western Ave | Allston | 40 | King Street Properties | Under Review | 40 residential Units |

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CARMELA LAURELLA

President

617.797.2538

carmela.laurella@clproperties.com

VITO ASCOLILLO

Managing Director

617.645.3865

vito.ascolillo@clproperties.com

DAVID COSTELLO

Broker, Senior Vice President

617.905.7996

dave.costello@clproperties.com

TRAVIS SACHS

Executive Vice President

617.549.0020

travis.sachs@clproperties.com

SCOTT ACCORSINI

Vice President | Certified Appraiser

617.259.1442

scott.accorsini@clproperties.com

MICHAEL KELLEHER

Office Manager

774.266.6588

michael.kelleher@clproperties.com



CL Properties

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