COLDWELL BANKER PREVIEWS INTERNATIONAL®

LUXURY MARKET REPORT

FALL 2015

TABLE OF CONTENTS

COLDWELL BANKER PREVIEWS INTERNATIONAL

A comprehensive look at luxury real estate.

FOREWORD

BUDGE HUSKEY
PRESIDENT & CHIEF EXECUTIVE OFFICER
COLDWELL BANKER REAL ESTATE LLC®

The growth of the global economy as well as a rising emphasis on real estate as a wealth asset class have led to an expansion of the high-end real estate marketplace. In our second Luxury Market Report of 2015, we take a look at this expansion, and offer micro and macro analysis as it pertains to:

- America's top cities and ZIP codes for luxury home listings and sales
- Wealth, real estate and the high-net-worth investor
- Market activity in Seattle, New York and Monaco

The list of Top 20 U.S. Cities for Luxury Home Listings and Sales reveals an exciting trend: the emergence of affluent luxury cities such as Houston, Dallas, Atlanta and Seattle due to organic price appreciation. Atlanta, in particular, is one maturing market to watch. The city saw one of the largest annual jumps in $1 million+ sales this quarter — up 70% from the same time a year ago — while active listings rose 57%. Million-dollar sales in Seattle also grew by double digits, which we discuss in more detail in our Domestic Spotlight. In terms of ultra-high-end marketplaces, it always seems to be a tale of two coasts, with California and Florida leading the charge. Naples, Florida, continued its meteoric rise this year as sales of $10 million+ homes doubled, while Delray Beach and Palm Beach appeared on the Top 20 list for sales for the first time.

Why is demand for luxury residential real estate expanding into these new territories? It's a question with no easy answer — but our annual consumer survey may provide insight. This year, we partnered with respected global research firm Ipsos MediaCT to better understand today's high-net-worth individuals (HNWIs) (defined in our survey as those with over $5 million in net worth, although 41% of our respondents reported a net worth over $10 million). Their outlook on residential real estate as a wealth asset class was overwhelmingly positive. On average, they own 2.1 homes for either personal or vacation use, and most of them (94%!) believe the value of their homes will increase over the next five years. For those believing values will rise, the average five-year expected increase was 16%. Another survey trend that could shed light on luxury market growth in second-tier cities and vacation destinations is one that we have highlighted before: an increasing number of HNWIs are truly mobile and seeking primary residential property investments based on lifestyle rather than location.

As always, the Luxury Market Report is intended to provide a comprehensive view of the high-end residential real estate landscape, city by city and demographic by demographic. While it's impossible to fully capture the movements and complex investing habits of the modern-day high-net-worth individual (HNWI), we believe this report highlights the unprecedented maturation of the global luxury real estate market today. It's a development we will continue to watch and report on in the future.

GINETTE WRIGHT
VICE PRESIDENT OF LUXURY MARKETING
COLDWELL BANKER
PREVIEWS INTERNATIONAL®/NRT

WEALTH, REAL ESTATE AND THE HIGH-NET-WORTH INVESTOR

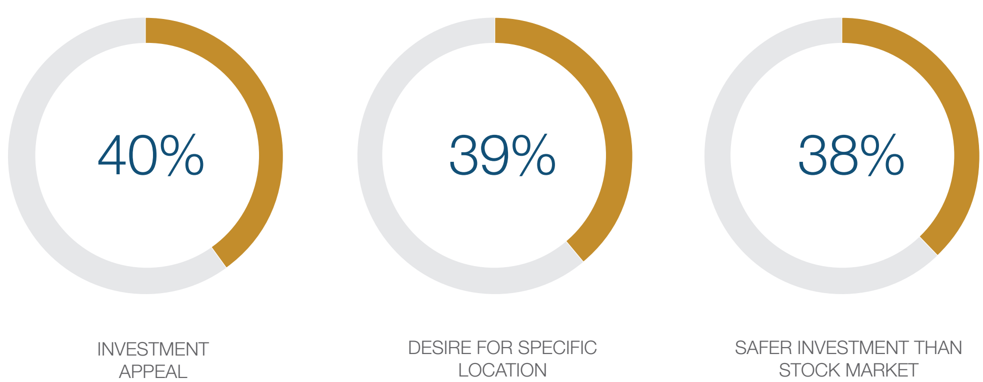
Rising home values are not dampening the interest of high-net-worth individuals (HNWIs) in making residential real estate investments in 2015, according to a survey of the wealthiest 1.5% of the U.S. population by **Coldwell Banker Previews International®** and Ipsos MediaCT. Reporting an average net worth of $8.5 million (42% reported a net worth of over $10 million), HNWIs generally have a positive outlook on real estate. They own an average of two properties, while their real estate holdings account for an average 38% of total net worth.

INVESTMENT INTEREST RISES AS MARKETS SURGE

Rather than discouraging new real estate investments, upward momentum in many high-end markets seems to have reinvigorated interest among the wealthy in real estate as an asset class. A 54% majority of HNWIs say that they anticipate making an investment in real estate this year, up from 48% who indicated interest in 2014.

One-third (33%) of those planning an imminent purchase are doing so strictly for investment purposes, up from 21% who were motivated by investment appeal to make a purchase last year.

WHY HNWIs ARE CONSIDERING A REAL ESTATE PURCHASE

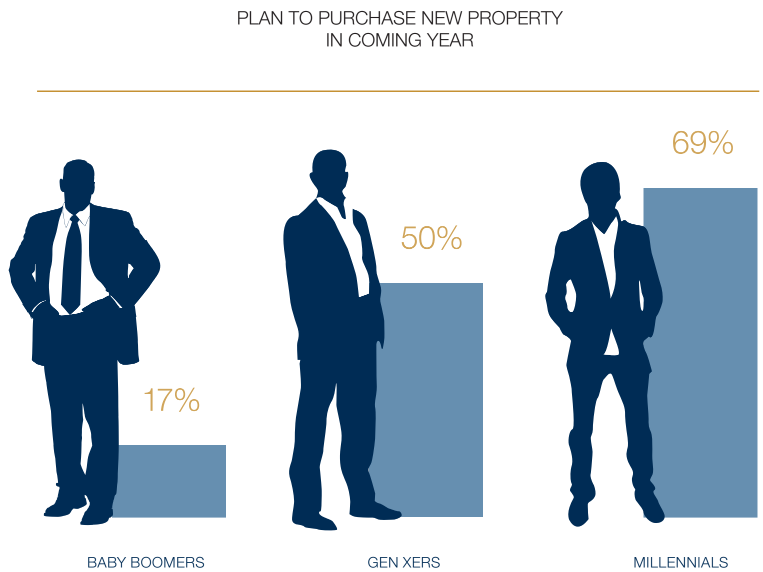


Investment appeal exerts the strongest influence on purchase decisions today, with 40% of the HNWIs citing investment attractiveness as a reason to be in the real estate market. Other top reasons for planning a purchase are the desire for a specific location (39%), seeking a safer investment than the stock market (38%) and taking advantage of low interest rates (31%).

CONTINUED

YOUNGER AFFLUENT ESPECIALLY EAGER TO INVEST

Immediate interest in real estate investing is most widespread among HNW millennials (under the age of 35), 69% of whom plan to purchase a new property in the coming year, compared to 50% of Gen Xers (35-49 years of age). Just 17% of baby boomers (50 and older) expect to purchase new property in the coming year.



Millennials are also leading the movement toward embracing a "live anywhere" lifestyle, a trend spotted in last year's survey. This year, 85% of millennials say they are "free to choose a residence that truly fits my lifestyle and will not limit my search based on location," a statement echoed by 69% of Gen Xers and only 29% of baby boomers.

In addition to being more inclined to invest in real estate, younger wealthy consumers are also purchasing homes at substantially higher price points than are baby boomers. Gen Xers paid an average of $5.24 million for their last home, and millennials spent $4.96 million. Baby boomers, a demographic that tends to be in downsizing mode, reported an average closing price of $1.55 million on their last home purchase. A little more than one-fourth of all HNWIs paid more than $5 million for their most recent home, down from one-third who paid in excess of $5 million last year.

This year, 85% of millennials say they are free to choose a residence that truly fits their lifestyle and will not limit their search based on location.

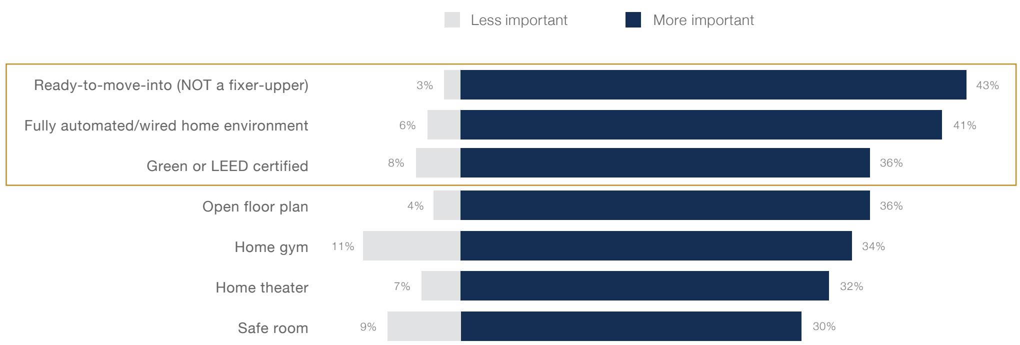
CONTINUED

THE WEALTHY WANT HIGH-TECH HOMES WITH GREEN FEATURES

In addition to gauging market outlook and plans for real estate investing among HNWIs, the survey also ranks the features and amenities they most desire.

What they want is a home that's ready to move into, cited by 43% of the wealthy as more important than it was three years ago. They also want homes outfitted with modern appliances and technology, as well as the latest in "green" features. A growing share (41%) of HNW homebuyers say that a fully automated and wired home environment is becoming more important, and 36% say that a LEED-certified green home is a feature that they find more important than they did three years ago.

Open floor plans (36%), home gyms (34%), home theaters (32%) and safe rooms (30%) also figure more prominently among purchase considerations than they did in 2012.



FINAL LOOK

These findings offer insight behind the surging prices of high-end homes in many U.S. real estate markets over the last few years. The increasingly bullish outlook of HNWIs, combined with the interest of the younger generations of HNWIs in making new residential property purchases and their propensity to spend more on their homes, will likely sustain a rebound in property values and transaction volume of homes selling at $1 million and higher in the future.

To download the full survey, visit www.previewsinsideout.com/HNWSurvey2015

LUXURY LISTINGS BY CITY

U.S. CITIES WITH THE HIGHEST NUMBER OF ACTIVE LUXURY HOME LISTINGS[1]

The **Coldwell Banker Previews International®** program presents America's top cities for luxury home listings in three distinct price points: $1,000,000+, $5,000,000+ and $10,000,000+.

$1,000,000+

City	State	Number of Listings
New York	NY	3,334
Atlanta	GA	981
Los Angeles	CA	843
Chicago	IL	842
Park City	UT	838
Naples	FL	792
Miami Beach	FL	785
Scottsdale	AZ	739
Miami	FL	700
Houston	TX	641
Greenwich	CT	603
Dallas	TX	546
Honolulu	HI	531
Austin	TX	511
Boca Raton	FL	485
San Diego	CA	484
Fort Lauderdale	FL	462
Santa Barbara	CA	387
Sarasota	FL	364
Sunny Isles Beach	FL	342

$5,000,000+

City	State	Number of Listings
New York	NY	939
Miami Beach	FL	197
Greenwich	CT	192
Los Angeles	CA	152
Aspen	CO	151
Park City	UT	114
Santa Barbara	CA	96
Malibu	CA	89
Naples	FL	86
Beverly Hills	CA	75
Boca Raton	FL	69
La Jolla	CA	60
Honolulu	HI	60
Fort Lauderdale	FL	60
Vail	CO	58
Laguna Beach	CA	57
Rancho Santa Fe	CA	55
Palm Beach	FL	53
Dallas	TX	52
Miami	FL	49

$10,000,000+

City	State	Number of Listings
New York	NY	367
Miami Beach	FL	79
Aspen	CO	60
Los Angeles	CA	57
Greenwich	CT	52
Beverly Hills	CA	42
Malibu	CA	39
Santa Barbara	CA	39
Laguna Beach	CA	32
Naples	FL	25
Honolulu	HI	22
Key Biscayne	FL	21
Palm Beach	FL	19
Vail	CO	18
Wellington	FL	18
Dallas	TX	17
Boca Raton	FL	17
Park City	UT	17
Fort Lauderdale	FL	16
Newport Coast	CA	15

[1] As of June 2015

LUXURY SALES BY CITY

U.S. CITIES WITH THE HIGHEST NUMBER OF CLOSED LUXURY HOME SALES[1]

The **Coldwell Banker Previews International®** program presents America's top cities for luxury home sales in three distinct price points: $1,000,000+, $5,000,000+ and $10,000,000+.

$1,000,000+

City	State	Number of Sales
New York	NY	6,752
Los Angeles	CA	2,685
San Francisco	CA	2,324
San Jose	CA	1,241
Chicago	IL	1,098
San Diego	CA	1,043
Naples	FL	999
Houston	TX	955
Atlanta	GA	927
Washington	DC	854
Dallas	TX	798
Seattle	WA	774
Newport Beach	CA	655
Santa Barbara	CA	654
Park City	UT	639
Boston	MA	633
Honolulu	HI	598
Scottsdale	AZ	579
Miami	FL	553
Miami Beach	FL	541

$5,000,000+

City	State	Number of Sales
New York	NY	786
Los Angeles	CA	130
Beverly Hills	CA	111
Miami Beach	FL	87
Naples	FL	79
Greenwich	CT	75
San Francisco	CA	74
Aspen	CO	69
Malibu	CA	49
Atherton	CA	47
Pacific Palisades	CA	44
Santa Barbara	CA	39
Newport Beach	CA	37
Palm Beach	FL	36
Newport Coast	CA	35
Palo Alto	CA	33
Boca Raton	FL	32
Park City	UT	26
Laguna Beach	CA	25
La Jolla	CA	25

$10,000,000+

City	State	Number of Sales
New York	NY	217
Beverly Hills	CA	34
Los Angeles	CA	34
Aspen	CO	24
Miami Beach	FL	20
Malibu	CA	15
Naples	FL	12
Atherton	CA	11
San Francisco	CA	11
Pacific Palisades	CA	9
Montecito	CA	8
Laguna Beach	CA	8
Delray Beach	FL	8
Greenwich	CT	8
Santa Barbara	CA	8
Palm Beach	FL	7
Vail	CO	6
Miami	FL	5
Honolulu	HI	5
Incline Village	NV	5

[1] July 1, 2014 - June 30, 2015

LUXURY LISTINGS BY ZIP CODE

U.S. ZIP CODES WITH THE HIGHEST NUMBER OF ACTIVE LUXURY HOME LISTINGS[1]

The **Coldwell Banker Previews International®** program presents America's top ZIP codes for luxury home listings in three distinct price points: $1,000,000+, $5,000,000+ and $10,000,000+.

$1,000,000+

ZIP Code	City	State	Number of Listings
84060	Park City	UT	463
33139	Miami Beach	FL	378
84098	Park City	UT	375
33160	Sunny Isles Beach	FL	342
06831	Greenwich	CT	308
06880	Westport	CT	302
06830	Greenwich	CT	295
10019	New York	NY	288
06840	New Canaan	CT	286
30327	Atlanta	GA	284
10022	New York	NY	283
81611	Aspen	CO	279
92037	La Jolla	CA	271
85253	Paradise Valley	AZ	262
85255	Scottsdale	AZ	257
90265	Malibu	CA	236
92651	Laguna Beach	CA	234
32459	Santa Rosa Beach	FL	227
33140	Miami Beach	FL	224
08008	Beach Haven	NJ	219

$5,000,000+

ZIP Code	City	State	Number of Listings
81611	Aspen	CO	151
06831	Greenwich	CT	106
10013	New York	NY	101
33139	Miami Beach	FL	99
84060	Park City	UT	96
90265	Malibu	CA	89
10019	New York	NY	89
06830	Greenwich	CT	86
10022	New York	NY	76
90210	Beverly Hills	CA	75
10011	New York	NY	71
93108	Santa Barbara	CA	69
10023	New York	NY	67
10021	New York	NY	67
10065	New York	NY	60
92037	La Jolla	CA	60
81657	Vail	CO	58
92651	Laguna Beach	CA	57
34102	Naples	FL	56
33480	Palm Beach	FL	53

$10,000,000+

ZIP Code	City	State	Number of Listings
81611	Aspen	CO	60
10019	New York	NY	47
90210	Beverly Hills	CA	42
90265	Malibu	CA	39
33139	Miami Beach	FL	38
10013	New York	NY	35
06831	Greenwich	CT	32
92651	Laguna Beach	CA	32
10022	New York	NY	31
10021	New York	NY	29
10065	New York	NY	28
10023	New York	NY	28
10012	New York	NY	24
33140	Miami Beach	FL	22
93108	Santa Barbara	CA	22
33149	Key Biscayne	FL	21
34102	Naples	FL	21
10011	New York	NY	21
90077	Los Angeles	CA	21
10003	New York	NY	21

[1] As of June 2015

LUXURY SALES BY ZIP CODE

U.S. ZIP CODES WITH THE HIGHEST NUMBER OF CLOSED LUXURY HOME SALES[1]

The **Coldwell Banker Previews International®** program presents America's top ZIP codes for luxury home sales in three distinct price points: $1,000,000+, $5,000,000+ and $10,000,000+.

$1,000,000+

ZIP Code	City	State	Number of Sales
10023	New York	NY	526
10019	New York	NY	454
10011	New York	NY	451
92037	La Jolla	CA	434
94539	Fremont	CA	420
90266	Manhattan Beach	CA	397
10003	New York	NY	390
10021	New York	NY	388
84060	Park City	UT	377
92651	Laguna Beach	CA	366
92660	Newport Beach	CA	365
10016	New York	NY	360
10024	New York	NY	353
10065	New York	NY	351
10022	New York	NY	349
90049	Los Angeles	CA	339
94025	Menlo Park	CA	337
90272	Pacific Palisades	CA	328
06830	Greenwich	CT	323
95070	Saratoga	CA	318

$5,000,000+

ZIP Code	City	State	Number of Sales
90210	Beverly Hills	CA	111
10019	New York	NY	97
10021	New York	NY	89
10065	New York	NY	89
10023	New York	NY	73
81611	Aspen	CO	69
10013	New York	NY	68
06830	Greenwich	CT	58
90265	Malibu	CA	49
34102	Naples	FL	49
94027	Atherton	CA	47
90272	Pacific Palisades	CA	44
10011	New York	NY	41
10024	New York	NY	41
33139	Miami Beach	FL	41
90077	Los Angeles	CA	37
10075	New York	NY	37
10128	New York	NY	37
33480	Palm Beach	FL	36
92657	Newport Coast	CA	35

$10,000,000+

ZIP Code	City	State	Number of Sales
10019	New York	NY	44
90210	Beverly Hills	CA	34
10023	New York	NY	26
81611	Aspen	CO	24
10021	New York	NY	24
10065	New York	NY	23
90265	Malibu	CA	15
90077	Los Angeles	CA	15
10012	New York	NY	13
10010	New York	NY	12
94027	Atherton	CA	11
34102	Naples	FL	11
10024	New York	NY	10
10075	New York	NY	10
90049	Los Angeles	CA	9
90272	Pacific Palisades	CA	9
33140	Miami Beach	FL	8
93108	Montecito	CA	8
33483	Delray Beach	FL	8
92651	Laguna Beach	CA	8

[1] July 1, 2014 - June 30, 2015

DOMESTIC OVERVIEW: SEATTLE

Seattle has been the scene of a gold rush before, and the city is in the midst of boom times once again. Back in 1897, the seafaring town bustled as a gateway to Alaska and Canada's Yukon Territory as steamships ferried prospectors up the coasts, and merchants sprang up to sell transient miners all the gear they needed to grab their stake of Klondike gold.

BOOMING LOCAL ECONOMY BOOSTS HOME SALES

Subsequent booms in Seattle, like the one now underway, have been based more on the prodigious amounts of wealth created by top area employers like Boeing, Microsoft and Amazon.com, as well as Silicon Valley tech firms expanding into the comparatively less expensive area. The spectacular business success and stock market performance of these companies over the past several years, along with an influx of well-heeled Asian buyers, have produced a buoyant effect on residential real estate.

"Amazon cannot hire people fast enough, plus Facebook and Google have offices here, and you've also got all of these startup companies," says Bill Riss, owner and CEO of CB Bain|Seal, one of the largest single-owner real estate companies in the Pacific Northwest. "The houses people buy for $1 million and tear down here would be starter homes in Silicon Valley."

PACE OF SALES PICKS UP STEAM

The Seattle luxury home market has seen a sharp rise in homes sold since 2013, accompanied by a sharp uptick in prices. The number of units sold at prices $1 million and higher in 34 upper-end Seattle region markets during the most recent April–June period were up 49% from the same period in 2014, and up 75% from the second quarter of 2013, according to CB Bain|Seal.

"The market started turning around in 2012, and it really got going in the last two years," says Riss. "We've been going at a furious pace for three years now."

CONTINUED

POTENT MIX OF HOMEGROWN AND OVERSEAS WEALTH

Limited supply and strong demand support the strong market. The inventory of million-dollar homes in many eastside communities turns over in less than one month, snapped up by a steady stream of eager buyers that includes highly paid software engineers at companies like Amazon.com and Microsoft, as well as wealthy families relocating from China seeking safe haven for their assets in U.S. real estate.

"The typical Chinese buyer is an all-cash buyer," says Riss. "We have a group of 16 families and 15 business people from China coming over in two weeks, and they're looking for single-family homes above $1 million," he adds. "I see a number of buyers from India, too, since Microsoft hires a lot of highly paid Indian nationals."

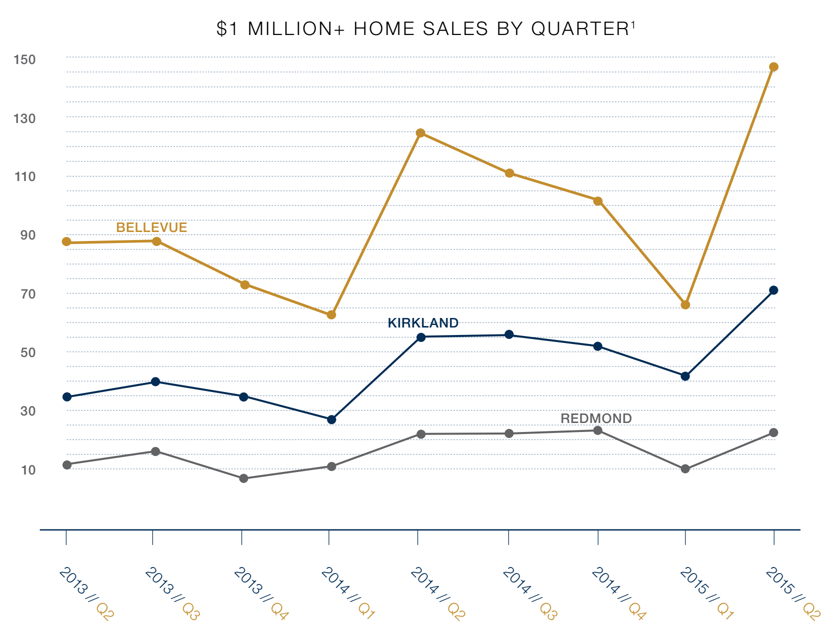
FLURRY OF ACTIVITY DOWNTOWN AND IN THE SUBURBS

Seattle is bounded by Puget Sound to the west and Lake Washington to the east. Many of the strongest housing markets are in Seattle's eastern suburbs, including Redmond, where 40,000 employees work at Microsoft headquarters, and where the pace of million-dollar sales in the second quarter of 2015 jumped 109% over the past two years. Riss also notes that nearby eastside communities in Kirkland and Bellevue have experienced feverish buying, with million-dollar sales in the second quarter of 2015 up 103% and 67%, respectively, since the second quarter of 2013.

Some of the biggest two-year increases in sales have occurred in the city of Seattle itself, where both new luxury condos and renovations of century-old homes have been in strong demand. For the first six months of 2015, the Ballard and Greenlake neighborhoods north of downtown have seen million-dollar sales increase by 200% since 2013, driven by proximity to downtown Seattle and the presence of big tech employers like Adobe Systems and Tableau Software, according to Riss.

As prices have escalated, several buyers have opted to live farther from central Seattle. Million-dollar sales in the sailing community of Gig Harbor, one hour south of downtown, have increased 89% since 2013 and surged 467% in the past year.

"With the hiring by all of the technology and services firms in the area and the influx of overseas buyers, the market remains tight," says Riss. "Sales seem to be constrained only by available supply."



[1]Data provided by Real Data Strategies, Inc.

DOMESTIC OVERVIEW: NEW YORK

NEW YORK KEEPS ROLLING HIGHER AS NEW DEVELOPMENT MEETS RISING DEMAND

New York City remains the scene of feverish construction. Seemingly insatiable demand for luxury residences at ever-higher prices has encouraged developers to launch new projects on a massive scale. Examples can be found across the city, from ultra-luxury skyscrapers rising just south of Central Park to large-scale developments along the Hudson riverfront, and even across the East River into Brooklyn, where prices are rising even faster than they are in Manhattan.

The strong market keeps inventory flowing. The same number of newly built units came to market in the first six months of 2015 as did in all of 2014. Rather than flooding the market and depressing prices, the wave of new development seems to have been no match for eager demand from wealthy buyers all over the world.

“Based on the first six months of 2015, sales at prices above $10 million are on pace to hit a new record this year,” says Ryan Schleis, vice president of research and analytics at Corcoran Sunshine in New York.

Prices continue to rise at moderate rates in Manhattan, where median prices of all closed transactions rose 4% year-over-year to $960,000 in the second quarter of 2015, and condominium sales averaged $1,934 per square foot, up 2% year-over-year and up 48% from 2010. Brooklyn has seen more dramatic gains, with prime condo sales during 2015 averaging $1,582 per square foot, up 9% year-over-year and 100% higher than in 2010.

SQUARE FOOTAGE COSTS IN MANHATTAN AND BROOKLYN*

*based on average price per square foot

BUILD IT AND THEY KEEP ON COMING

Still a comparative value to Manhattan, Brooklyn is no longer an overlooked market. New luxury developments have sprouted up in Brooklyn Heights along the East River, south into Cobble Hill and up to Williamsburg.

CONTINUED

One of the biggest new developments to break ground in Brooklyn is Pacific Park in Prospect Heights, adjacent to the Barclays Center. International investment interest has been strong in the past year, as downtown Brooklyn transformed into a hospitality, retail and entertainment destination. The first condominium there will be 550 Vanderbilt, with 278 residences priced from $600,000 studios to five-bedroom penthouses for more than $7 million. Ultimately, Pacific Park will encompass 1,030 condominiums and 5,400 luxury rentals.

LUXURY RISES ALONG THE RIVERFRONT

On September 13, 2015, passengers at 34th Street and 11th Avenue began boarding trains from platforms of the first newly built subway station in New York City since 1989. The bright and spotless 34th Street-Hudson Yards station is a westward extension from Times Square of the Metropolitan Transit Authority's 7 Line, which continues to Grand Central Terminal and ultimately to Citi Field and the U.S Tennis Center at the train's eastern terminus in Queens.

The MTA expects the Hudson Yards station to be the single busiest in New York City, and for good reason. The brand-new subway stop is right next to the largest active construction project in the United States on Manhattan's far West Side between 30th and 34th streets, stretching from 10th Avenue to the West Side Highway along the Hudson River. Up until recently, the far West Side was a sparsely populated area adjoining Penn Station's railroad yards just south of the Jacob Javits Convention Center.

Nearly 20 million square feet of residential and commercial space are being built almost entirely above active railroad yards, just beyond the end of the popular High Line, where luxury developments have flourished in the past five years. When complete, the 28-acre elevated Hudson Yards will be an urban oasis with five skyscrapers, 5,000 total housing units and a luxury shopping center anchored by Neiman Marcus.

Riverside Center is another grand-scale luxury concept community taking shape 30 blocks north of Hudson Yards between the West Side Highway and West End Avenue. The complex will have 2,150 luxury units once its five towers are completed, along with several parks, playgrounds and its own public school. Architects for three of the five towers are SLCE, Pelli Clarke Pelli and Kohn Pedersen Fox.

SO FAR, NO SLOWDOWN

The rapid absorption of new inventory by an increasingly international clientele of buyers is one factor driving the current market, but it is unclear what the impact of recent financial market turmoil in China may be on future demand. One possibility is that it could accelerate a drive by wealthy Chinese investors to park their assets in the safety of U.S. real estate.

CONTINUED

Nonetheless, no slowdown has materialized. Buyers are still willing to pay top dollar to be in the latest and hottest properties, particularly in Midtown and on Central Park. Demand has been strong for new projects like 220 Central Park South and star architect Jean Nouvel's "MoMA Tower" at 53 West 53rd St., a 1,050-foot gleaming skyscraper rising above the Museum of Modern Art.

"Overwhelming excitement and sales of ultra-luxury developments like 220 Central Park South, with average pricing over $8,000 per square foot, have dispelled concern over pushing the envelope," says Corcoran's Schleis. "Demand remains extremely robust."

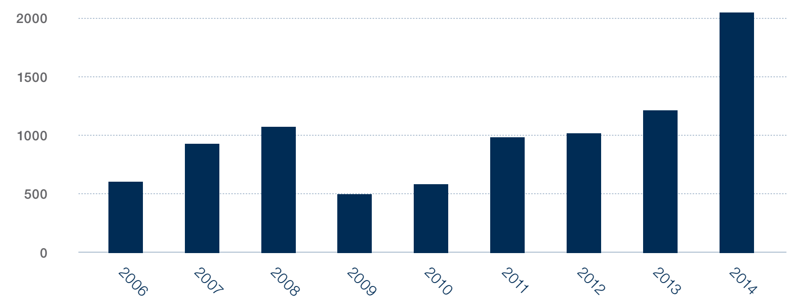
53 West 53rd Street
Represented by: Corcoran Sunshine

INTERNATIONAL SPOTLIGHT: MONACO

If there was ever a question about Monaco's position in the race to become one of the world's most sought-after luxury addresses, the real estate numbers from 2014 have all but driven it out. From 2010 to 2014, the total number of real estate transactions increased by more than 69%. Residential sales soared to 555 in 2014 — a year that already went down in history as the tiny principality's best year on record. The market exceeded the 2 billion euro benchmark for real estate transactions for the first time.

"In 2014 alone, total sales increased by 37% from 2013," says Laurent Demeure, CEO of Coldwell Banker France and Monaco. "It was a record year with a lot of interest coming from Russia. This year, we are seeing a little bit of a shift because of Russia's challenging economic conditions. There is more demand from other areas of the world. A weakened euro has made it particularly attractive to investors who are paying in U.S. dollars, British pounds or Swiss francs."

TOTAL SALES VOLUME*[1]



*in millions of euros

The declining euro has not exactly lowered prices, however. Because inventory remains tight and land is so scarce, prices for apartments and houses are rising, says Demeure. Prices have increased about 20% over the past three years, he notes. In fact, the average Monaco property now costs 9,000 euros per square foot — 21% more than in 2007, before the economic downturn. This kind of price appreciation, along with headline-making properties — like the nearly $400 million Sky Penthouse in the new Tour Odéon building announced last year — have helped Monaco zoom past cities like London and Paris as one of the most expensive housing markets in the world.

"If Monaco has lost its position to Hong Kong as the world's most expensive housing market, this is only due to the exchange rate effect," says Demeure. "And Monaco is more than twice as expensive as London and three times as expensive as Paris."

A PLAYGROUND FOR THE WORLD'S WEALTHIEST

Tucked in a tiny pocket less than one square mile along the French Riviera, Monaco is the most densely populated country in the world and has the highest density of millionaires in the world. About one in three residents in the city-state is a millionaire. They are likely drawn to Monaco's yacht-lined shores, glitzy casinos and the elite Grand Prix motor race each year. But the real draw is the principality's tax benefits. Monaco has been a zero-income tax haven since 1869.

"The prospect of keeping most of their wealth has been the main attraction," says Demeure. "Of course, a Monaco residency offers many other benefits, too. Monaco is strategically placed in Western Europe,

CONTINUED

with easy access to Nice airport, and is just two hours from most European business centers. It also has strong capital appreciation prospects and political stability."

All of these factors combined have helped drive the wealthiest individuals from over 100 nations to set up residence in Monaco. As a result, Monaco is much more diverse than it ever has been, notes Demeure.

"We are seeing wealthy buyers from Italy, Eastern Europe, Britain, South Africa, Australia, Scandinavia, Switzerland, the Middle East and Asia," he says. "Many of them own homes in more than one country, and many have begun to see Monaco as not just a place to vacation, but as a place to conduct their business."

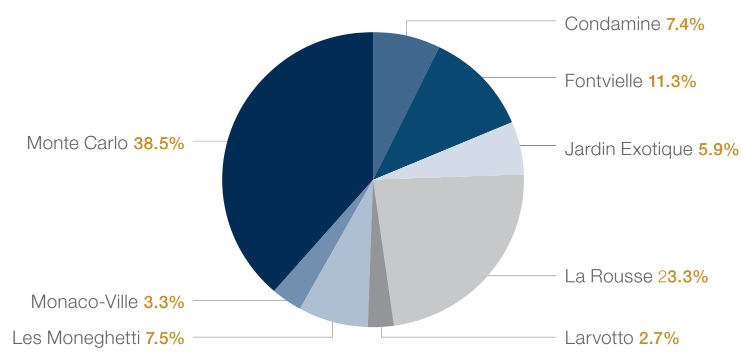
LOW SUPPLY FUELS ULTRA LUXURY BOOM

Unprecedented global growth has helped fuel demand in the most prestigious parts of the city-state, putting upward pressure on supply and prices. For instance, in the neighborhood of Monte Carlo — which accounted for 41% of the total real estate transactions in Monaco in 2014 — studios without a sea view start at 1 million euros, or about $1.12 million USD; with a view, the price can go as high as 3 million euros, or about $3.4 million USD. Larger apartments — at three bedrooms — sell from 9 million to 20 million euros, or about $10 million to $23 million USD, "depending on the size of the unit and the quality of the view," says Demeure. The highly coveted Carré d'Or, or Golden Square district, near the Casino Gardens and in the heart of Monte Carlo's high-end shopping district, commands the highest prices in Monaco. A penthouse here can cost as much as 30 million to 45 million euros, or about $34 million to $51 million, driven up most by high demand and lack of supply.

New residential buildings, like Tour Odéon — Monaco's first skyscraper since the 1980s — have also begun revving up investor interest by shifting away from the traditional pied à terre market, says Demeure. Tour Odéon, for example, offers larger units more suitable for families and amenities such as multiple swimming pools, private cinema, in-house caterer, private chauffeur and other hotel-style perks that the global affluent would find desirable. In fact, large five-bedroom units accounted for nearly 36% of all sales.

"Newer buildings like Tour Odéon have elevated luxury real estate in Monaco to the highest level ever," says Laurent Demeure. "They have definitely helped place Monaco among the top spots for luxury real estate in the world."

TOTAL AMOUNT OF TRANSACTIONS SINCE 2006[1]



STRONG FUNDAMENTALS DRIVE MARKET

What Monaco lacks in space, it more than makes up for in luxury real estate market power. Between its regional stability, tax advantages, lifestyle opportunities and new developments, Monaco continues to offer a strong value proposition for the world's wealthiest investors.

[1]IMSEE Monaco

PREVIEWS® BY THE NUMBERS

Coldwell Banker Previews International® has been a leader in fine home marketing since 1933. Today, our elite luxury specialists continue to lead by example, as demonstrated by a powerful legacy of outstanding sales performance.

Our achievements include:

- **Previews®** Property Specialists participated in more than 21,000 transaction sides of homes priced at $1 million or more.
- On average, Previews Property Specialists handle $106 million in luxury home sales every day.[1]
- In 2014, Previews Property Specialists listed over 5,000 homes valued at more than $3 million and over 2,100 valued at more than $5 million.
- The 2015 Wall Street Journal/REAL Trends “The Thousand” included 136 Coldwell Banker agents and teams who have made the Coldwell Banker® brand No. 1 again by generating $8.8 billion in total sales volume — 40% more than the next higher ranking brand.[2]

Coral Gables, Florida
$67,000,000

Represented by: Jill Hertzberg and Jill Eber

Coldwell Banker Residential Real Estate, Miami Beach

[1]Data based on closed and recorded transaction sides of homes sold for $1 million or more as reported by the U.S. Coldwell Banker® franchise system for the calendar year 2014. USD$;
[2]REAL Trends/The Wall Street Journal – June 2015.

DISCLAIMERS

Manhattan area active and sold listing data has been gathered from the Real Estate Board of New York (REBNY) and select cooperating brokerage firms, which have agreed to share their listing inventory and comparable sales data with one another for marketing and property valuation purposes. Not all Manhattan area real estate brokerage firms make information about their property listings or closed sales available to any cooperative resource, including REBNY, or the compilation from which this information has been sourced. All other data has been gathered from the Multiple Listing Service (MLS) databases known or believed to be the primary real estate broker cooperative resources for each market referenced in the report. All closed sales activity reported is for the annual period July 1, 2014, through June 30, 2015. Closed sales reported to the MLS significantly later than this analysis period will not be included. All active status listing records were downloaded and processed to the same standards, and on various dates, during the months of July and August 2015. Property-specific listing and sales records were standardized to USPS address city and ZIP Code, inaccurate list and sale prices were corrected when necessary, and all duplicate records were manually excluded. As a result, statistics available via the source data providers may not correlate to this analysis. While all results are believed to be highly accurate, MLS systems do not report all real estate activity in their primary marketplace, and there may have been property transfers not included in this analysis. Copyright © 2015, Real Data Strategies, Inc. All rights reserved. Licensed for the exclusive use of Coldwell Banker Real Estate LLC .