



April 20, 1998

**1998 FIRST QUARTER RESIDENTIAL REAL ESTATE SALES REPORT  
Westchester and Putnam Counties, New York**

The record-setting pace of the Westchester and Putnam County residential real estate market of the past two years continued into the first quarter of 1998 with a closed sales volume that was 23% ahead of 1997's level. Realtor firms participating in the Westchester-Putnam Multiple Listing Service, Inc. (WPMLS) reported 1,778 closings of residential sales during the first three months of 1998 compared to 1,448 in the comparable period of 1997 and 1,277 closings in 1996. The total dollar volume of the closings was more than \$560 million.

Sales are recorded with WPMLS when title passes at the closing. The first quarter closings largely reflected listing and marketing activity that took place during the late autumn and winter months of 1997 which resulted in completed transactions in the opening months of 1998. Typically the winter months are the slowest for real estate on account of weather and holidays. When that fact is taken into account by seasonal adjustments<sup>1</sup>, the 1,448 reported sales were equivalent to a record-high annual sales rate of 9,840 units of all types - single family houses, condominiums, cooperatives, and 2-5 family houses.

The end-of-quarter inventory of 6,598 units was somewhat improved with respect to the 1997 year-end inventory of 6,203 units but was significantly (24%) below last year's first quarter inventory of 8,641 units. Participating Realtors reported difficulties in meeting demand, particularly for the more highly priced single-family houses and condominiums. Since such units are more prevalent in southern Westchester, the reports of shortages were more consistently from that area.

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**Note:** *The Westchester-Putnam Multiple Listing Service, Inc. is a subsidiary of the Westchester County Board of Realtors, Inc. and the Putnam County Association of Realtors, Inc. WPMLS serves 450 real estate offices having listings in Westchester, Putnam and Dutchess Counties. All data tables refer to Westchester County sales unless expressly noted otherwise. The reported transactions do not include all real estate sales in the area nor all sales assisted by participating offices but they are fairly reflective of general market conditions. WPMLS does not at this time provide data on sub-county geographic areas. Persons desiring small area data are invited to contact participating real estate offices in the appropriate areas. Any text or data from this report may be reprinted with attribution to Westchester County Board of Realtors, Inc. as the source.*

**ACTUAL SALES, PRIOR YEAR TO DATE, WESTCHESTER**

<u>TYPE</u>	<u>1996</u> <u>TOTAL</u>	<u>1997</u> <u>1<sup>ST</sup> QTR</u>	<u>1997</u> <u>2<sup>ND</sup> QTR</u>	<u>1997</u> <u>3<sup>RD</sup> QTR</u>	<u>1997</u> <u>4<sup>TH</sup> QTR</u>	<u>1997</u> <u>TOTAL</u>	<u>1998</u> <u>1<sup>ST</sup> QTR</u>
Single Family	<b>5,229</b>	961	1,465	1,918	1,439	<b>5,783</b>	1,179
Condominiums	<b>993</b>	194	291	317	313	<b>1,115</b>	231
Cooperatives	<b>929</b>	185	283	334	300	<b>1,102</b>	260
<u>2-5 Family</u>	<u><b>443</b></u>	<u>108</u>	<u>116</u>	<u>143</u>	<u>137</u>	<u><b>504</b></u>	<u>108</u>
<b>TOTAL</b>	<b>7,594</b>	1,448	2,155	2,712	2,189	<b>8,504</b>	1,778

**INVENTORY, PRIOR YEARS TO DATE, WESTCHESTER**

<u>TYPE</u>	<u>1995</u> <u>1<sup>ST</sup> QTR</u>	<u>1996</u> <u>1<sup>ST</sup> QTR</u>	<u>1997</u> <u>1<sup>ST</sup> QTR</u>	<u>1997</u> <u>2<sup>ND</sup> QTR</u>	<u>1997</u> <u>3<sup>RD</sup> QTR</u>	<u>1997</u> <u>4<sup>TH</sup> QTR</u>	<u>1998</u> <u>1<sup>ST</sup> QTR</u>
Single Family	5,428	5,549	5,171	5,419	4,805	3,683	3,945
Condominiums	985	1,062	978	976	846	666	685
Cooperatives	1,798	1,849	1,790	1,661	1,541	1,323	1,422
<u>2-5 Family</u>	<u>618</u>	<u>663</u>	<u>702</u>	<u>716</u>	<u>646</u>	<u>531</u>	<u>546</u>
<b>TOTAL</b>	<b>8,829</b>	<b>9,123</b>	<b>8,641</b>	<b>8,772</b>	<b>7,838</b>	<b>6,203</b>	<b>6,598</b>

<b>WESTCHESTER COUNTY</b>					
<b>ALL RESIDENTIAL SALES</b>	<b>1st Qtr 96</b>	<b>1st Qtr 97</b>	<b>1st Qtr 98</b>	<b>Change 97 to 98</b>	<b>% Change 97 to 98</b>
<b>Number of Sales</b>	1,295	1,448	1,778	330	22.79
<b>Seasonally Adjusted</b>	6,820	7,850	9840	1,990	25.35
<b>Dollar Volume (\$millions)</b>	\$365.00	\$434.40	\$560.50	\$126.30	29.07
<b>Median Sale Price</b>					
<b>All Units</b>	\$220,000	\$225,000	\$228,500	\$3,500	1.56
<b>0 - 2 Bedrooms</b>	na	na	\$108,000	na	na
<b>3 Bedrooms</b>	na	na	\$235,000	na	na
<b>4+ Bedrooms</b>	na	na	\$400,000	na	na
<b>Mean Sale Price</b>					
<b>All Units</b>	\$285,769	\$300,007	\$315,335	\$15,328	5.11
<b>0-2 Bedrooms</b>	na	na	\$121,063	na	na
<b>3 Bedrooms</b>	na	na	\$263,581	na	na
<b>4+ Bedrooms</b>	na	na	\$523,026	na	na
<b>Inventory @ end of period</b>	9,123	8,641	6,598	-2,043	-23.64

The high sales activity and relatively low inventory had an uneven effect on prices. The median<sup>2</sup> sales prices of houses and condominiums were just 3% higher than during last year's first quarter, at about the underlying rate of inflation. Co-op prices actually slipped by 2% from a year ago. Thus the market did not change much as to the mix of inexpensive versus expensive sales since last year. However, the more intense competition for the higher priced properties did result in higher year-to-year price increases in that range. Mean<sup>2</sup> sales prices increased 5% overall, with 7% increases for single family houses and condominiums.

There was no change in the factors that have powered the extraordinary sales activity in Westchester and Putnam Counties for the past three years.

First, low mortgage interest rates made the housing stock more affordable. In the period relevant to the reported sales activity, from about October 1997 through January 1998, the average interest rate on a 30-year conventional mortgage decreased from approximately 7.5 percent nearly to 7.0 percent.

Second, low unemployment rates as well as significant new leasing and development activity in Westchester, and the soaring stock market, all contributed to high levels of consumer confidence in the economy which in turn supported homebuying decisions.

Third, New York City's resurgent residential real estate market enabled many co-op owners to sell their units for a move to the suburbs. Also, job growth and job security in the city enabled renters to consider the possibility of commutation from a suburban location. Many Westchester and Putnam County Realtors reported that buyers from New York City were key players in the local markets.

### **Single Family Houses**

Sales of single family houses increased by 23% from the first quarter of 1997 to the first quarter of 1998. On a seasonally adjusted basis, the 1,179 reported first quarter sales were equivalent to an annual sales rate of 6,660 units. That rate, if sustained through all of 1998, would represent a 15% increase over 1997's actual record-setting volume of 5,783 house sales.

The first quarter median sale price of a house was \$290,000, up by just 3% from the prior year, and indicated that there was not much shift in the relative proportions of inexpensive and higher end sales. Within the high end sector, however, there were fairly significant price increases. The mean sale price of a house was \$403,020, an increase of 7% from a year ago. The mean sale price of large units with four or more bedrooms was \$525,934.

The end-of-quarter inventory of houses for sale was 3,945 units, down 1,226 units or 24% from the same time a year ago. By the end of the quarter there was no indication that inventory was being replenished to its former levels.



**WESTCHESTER COUNTY**

<b>SINGLE FAMILY HOUSES</b>	<b>1st Qtr 96</b>	<b>1st Qtr 97</b>	<b>1st Qtr 98</b>	<b>Change 97 to 98</b>	<b>% Change 97 to 98</b>
<b>Number of Sales</b>	853	961	1,179	218	22.68
<b>Seasonally Adjusted</b>	4,600	5,360	6660	1,300	24.25
<b>Dollar Volume (\$millions)</b>	\$305.40	\$363.30	\$475.20	\$111.90	30.80
<b>Median Sale Price</b>					
<b>All Units</b>	\$275,000	\$282,000	\$290,000	\$8,000	2.84
<b>0 - 2 Bedrooms</b>	na	na	\$165,000	na	na
<b>3 Bedrooms</b>	na	na	\$237,000	na	na
<b>4+ Bedrooms</b>	na	na	\$410,000	na	na
<b>Mean Sale Price</b>					
<b>All Units</b>	\$365,703	\$378,093	\$403,020	\$24,927	6.59
<b>0-2 Bedrooms</b>	na	na	\$193,637	na	na
<b>3 Bedrooms</b>	na	na	\$268,158	na	na
<b>4+ Bedrooms</b>	na	na	\$525,934	na	na
<b>Inventory @ end of period</b>	5,549	5,171	3,945	-1,226	-23.71

**WESTCHESTER COUNTY**

<b>CONDOMINIUMS</b>	<b>1st Qtr 96</b>	<b>1st Qtr 97</b>	<b>1st Qtr 98</b>	<b>Change 97 to 98</b>	<b>% Change 97 to 98</b>
<b>Number of Sales</b>	168	194	231	37	19.07
<b>Seasonally Adjusted</b>	910	1,090	1310	220	20.18
<b>Dollar Volume (\$millions)</b>	\$28.60	\$33.60	\$42.50	\$8.90	26.49
<b>Median Sale Price</b>					
<b>All Units</b>	\$154,500	\$153,000	\$157,000	\$4,000	2.61
<b>0 - 2 Bedrooms</b>	na	na	\$145,000	na	na
<b>3 Bedrooms</b>	na	na	\$265,000	na	na
<b>4+ Bedrooms</b>	na	na	\$182,500	na	na
<b>Mean Sale Price</b>					
<b>All Units</b>	\$170,316	\$173,015	\$185,063	\$12,048	6.96
<b>0-2 Bedrooms</b>	na	na	\$155,055	na	na
<b>3 Bedrooms</b>	na	na	\$274,130	na	na
<b>4+ Bedrooms</b>	na	na	\$294,785	na	na
<b>Inventory @ end of period</b>	985	1,062	685	-377	-35.50

**WESTCHESTER COUNTY**

	1st Qtr 96	1st Qtr 97	1st Qtr 98	Change 97 to 98	% Change 97 to 98
<b>COOPERATIVES</b>					
Number of Sales	179	185	260	75	40.54
Seasonally Adjusted	870	890	1370	480	53.93
<b>Dollar Volume</b> (\$millions)	\$11.60	\$14.70	\$19.60	\$4.90	33.33
<b>Median Sale Price</b>					
All Units	\$59,000	\$64,000	\$63,000	\$(1,000)	-1.56
0 - 2 Bedrooms	na	na	\$58,000	na	na
3 Bedrooms	na	na	\$115,000	na	na
4+ Bedrooms	na	na	\$248,000	na	na
<b>Mean Sale Price</b>					
All Units	\$64,737	\$79,267	\$75,380	\$(3,887)	-4.90
0-2 Bedrooms	na	na	\$67,094	na	na
3 Bedrooms	na	na	\$152,891	na	na
4+ Bedrooms	na	na	\$248,000	na	na
<b>Inventory @ end of period</b>	1,849	1,790	1,422	-368	-20.56

**WESTCHESTER COUNTY**

	1st Qtr 96	1st Qtr 97	1st Qtr 98	Change 97 to 98	% Change 97 to 98
<b>2-5 FAMILY HOUSES</b>					
Number of Sales	95	108	108	0	0.00
Seasonally Adjusted	440	510	500	-10	-1.96
<b>Dollar Volume</b> (\$millions)	\$19.40	\$22.80	\$23.20	\$0.40	1.75
<b>Median Sale Price</b>					
All Units	\$192,500	\$190,000	\$206,000	\$16,000	8.42
0 - 2 Bedrooms	na	na	na	na	na
3 Bedrooms	na	na	na	na	na
4+ Bedrooms	na	na	na	na	na
<b>Mean Sale Price</b>					
All Units	\$203,835	\$210,876	\$214,415	\$3,539	1.68
0-2 Bedrooms	na	na	na	na	na
3 Bedrooms	na	na	na	na	na
4+ Bedrooms	na	na	na	na	na
<b>Inventory @ end of period</b>	663	702	546	-156	-22.22

## **Condominiums**

The condominium sector of the market closely paralleled the single family market. The first quarter sales volume of 231 units was 19% ahead of last year's. Seasonally adjusted, that sales volume was equivalent to an annual sales rate of 1,310 units, about 3% higher than the prior quarter's rate, and 20% better than 1997's first quarter rate.

The 1997 first quarter median sale price of a condominium was \$157,000 or 3% more than 1997's price. Like single family houses, however, the higher end condos experienced greater price increases. The mean sale price of \$185,063 was 7% more than the 1997 first quarter mean of \$173,015.

On a year to year basis, the end-of-quarter condo inventory fell the most - by 35% - of the four housing categories tracked by WPMLS. Nevertheless, because demand for condos was much less than for single family houses, there were fewer reports of shortages in that sector.

## **Cooperatives**

Westchester's co-op market experienced a huge 41% year-to-year increase in first quarter sales. Seasonally adjusted, the 260 reported sales were equivalent to an annual rate of 1,370 sales. Such a rate, were it to be sustained through 1998, would result in 1998 year-end totals that would be 24% more than the prior record set in 1997.

The end-of-quarter co-op inventory of 1,422 units was 21% below last year's level. Notwithstanding the high sales volume and reduced inventory, co-op prices actually decreased from those of a year ago. The first quarter median sale of \$63,000 was \$1,000 or 2% below last year's level; the mean sale price of \$75,380 was \$3,887 or 5% less than last year's. Typically only about 20% of co-ops sell for more than \$100,000, hence the presence or absence of just a few sales in the higher price ranges noticeably affect the countywide averages.

## **PUTNAM COUNTY**

Putnam County experienced even greater increases in sales volume than did Westchester. The 178 reported sales of single family houses were 26% more than last year's, and the 29 condo sales were up by 61%. (It should be noted, however, that the small statistical base for condos yields much more variability on a percentage basis.) Seasonally adjusted, Putnam County's first quarter house sales were equivalent to an annual rate of 1,000 sales compared to the actual total of 817 sales in 1997.

The first quarter median sale price of a house was \$185,000, up 7% from a year ago. The mean sale price was \$200,884, up by 2% from a year ago. (There is not as great a range in sales prices in Putnam as there is in Westchester.) Putnam County's end-of-quarter house inventory of 947 units was only 8% below last year's level.





**PUTNAM COUNTY**

<b>SINGLE FAMILY HOUSES</b>	<b>1st Qtr 96</b>	<b>1st Qtr 97</b>	<b>1st Qtr 98</b>	<b>Change 97 to 98</b>	<b>% Change 97 to 98</b>
<b>Number of Sales</b>	83	141	178	37	26.24
<b>Seasonally Adjusted</b>	na	790	1000	210	26.58
<b>Dollar Volume (\$millions)</b>	\$16.00	\$27.80	\$35.60	\$7.80	28.06
<b>Median Sale Price</b>					
<b>All Units</b>	\$180,000	\$173,000	\$185,000	\$12,000	6.94
<b>0 - 2 Bedrooms</b>	na	na	\$106,500	na	na
<b>3 Bedrooms</b>	na	na	\$186,000	na	na
<b>4+ Bedrooms</b>	na	na	\$250,000	na	na
<b>Mean Sale Price</b>					
<b>All Units</b>	\$193,158	\$196,937	\$200,884	\$3,947	2.00
<b>0-2 Bedrooms</b>	na	na	\$120,553	na	na
<b>3 Bedrooms</b>	na	na	\$195,071	na	na
<b>4+ Bedrooms</b>	na	na	\$258,666	na	na
<b>Inventory @ end of period</b>	920	1,029	947	-82	-7.97

**PUTNAM COUNTY**

<b>CONDOMINIUMS</b>	<b>1st Qtr 96</b>	<b>1st Qtr 97</b>	<b>1st Qtr 98</b>	<b>Change 97 to 98</b>	<b>% Change 97 to 98</b>
<b>Number of Sales</b>	17	18	29	11	61.11
<b>Seasonally Adjusted</b>	na	100	170	70	70.00
<b>Dollar Volume (\$millions)</b>	\$2.00	\$2.30	\$3.30	\$1.00	43.48
<b>Median Sale Price</b>					
<b>All Units</b>	\$110,500	\$130,000	\$114,000	\$(16,000)	-12.31
<b>0 - 2 Bedrooms</b>	na	na	\$113,000	na	na
<b>3 Bedrooms</b>	na	na	\$119,000	na	na
<b>4+ Bedrooms</b>	na	na	\$0	na	na
<b>Mean Sale Price</b>					
<b>All Units</b>	\$115,726	\$127,994	\$115,459	\$(12,535)	-9.79
<b>0-2 Bedrooms</b>	na	na	\$113,831	na	na
<b>3 Bedrooms</b>	na	na	\$129,566	na	na
<b>4+ Bedrooms</b>	na	na	\$0	na	na
<b>Inventory @ end of period</b>	132	123	149	26	21.14

**SEASONALLY ADJUSTED SALES RATES, 2 YEARS, WESTCHESTER COUNTY**

<b><u>TYPE</u></b>	<b><u>1996</u></b> <b><u>1<sup>ST</sup> QTR</u></b>	<b><u>1996</u></b> <b><u>2<sup>ND</sup> QTR</u></b>	<b><u>1996</u></b> <b><u>3<sup>RD</sup> QTR</u></b>	<b><u>1996</u></b> <b><u>4<sup>TH</sup> QTR</u></b>	<b><u>1997</u></b> <b><u>1<sup>ST</sup> QTR</u></b>	<b><u>1997</u></b> <b><u>2<sup>ND</sup> QTR</u></b>	<b><u>1997</u></b> <b><u>3<sup>RD</sup> QTR</u></b>	<b><u>1997</u></b> <b><u>4<sup>TH</sup> QTR</u></b>	<b><u>1998</u></b> <b><u>1<sup>ST</sup> QTR</u></b>
<b>Single Family</b>	4,600	5,130	7,610	5,150	5,360	5,860	5,760	6,040	6,660
<b>Condominiums</b>	910	960	1,390	860	1,090	1,170	970	1,270	1,310
<b>Cooperatives</b>	870	1,020	960	930	890	1,180	1,170	1,110	1,370
<b><u>2-5 Family</u></b>	<u>440</u>	<u>380</u>	<u>440</u>	<u>500</u>	<u>510</u>	<u>500</u>	<u>520</u>	<u>490</u>	<u>500</u>
<b>TOTAL</b>	<b>6,820</b>	<b>7,490</b>	<b>10,400</b>	<b>7,440</b>	<b>7,850</b>	<b>8,710</b>	<b>8,420</b>	<b>8,910</b>	<b>9,840</b>

1. The seasonally adjusted rate is an estimate of what the full year's sales would be if, based on past experience, the sales pace of the current quarter were applicable to all four quarters of the year. The adjusted rate permits comparisons of seasonally unequal quarterly activity by converting it to an annual rate.

2. The median sale price is the mid-point price of all reported sales, i.e., half of the sales were for more than the median and half were for less. The median is not affected by unusually high or low price sales. The mean sale price is the arithmetic average, i.e., the sum of all sales prices divided by the number of sales. The mean does reflect the influence of high or low price sales.