

WESTCHESTER-PUTNAM MULTIPLE LISTING SERVICE, INC.



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SECOND QUARTER 1999 RESIDENTIAL REAL ESTATE SALES REPORT Westchester and Putnam Counties, New York

Overview

Although the second quarter performance of the Westchester-Putnam residential real estate market was very strong, signs of a slowdown appeared.

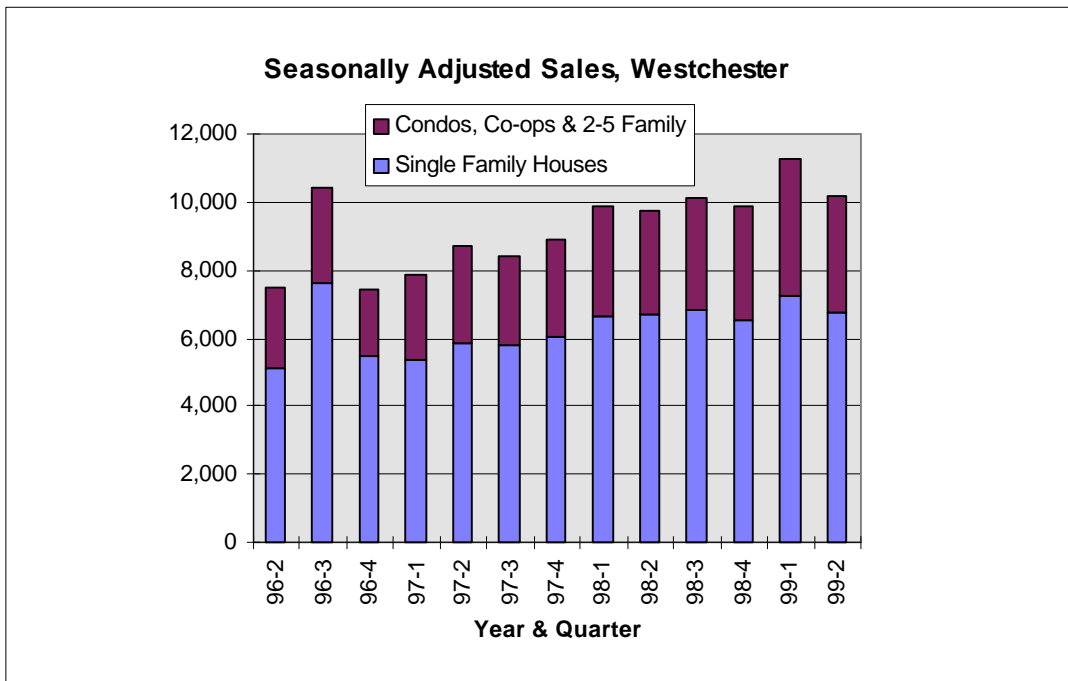
Realtor firms participating in the Westchester-Putnam Multiple Listing Service, Inc.* reported 2,504 closings of residential real estate sales in Westchester County during April, May and June of 1999, a number that was virtually unchanged from the 2,509 closings reported for 1998's second quarter. The dollar volume of the sales was more than \$885 million, an increase of 7% over 1998's second quarter volume. Sales counts and dollar volume increased by more than 20% in Putnam County.

On a seasonally adjusted¹ basis, Westchester's second quarter rate of sales, 10,180 units per year, slowed by 10% from the first quarter's record-setting pace of 11,260 sales per year. The first quarter rate was exceptional and was bound to have been succeeded by less active quarters. At the same time, it appears that tight inventory and rising prices may have started to place some friction into the market.

The closed second quarter sales were largely of units that were listed for sale and marketed during the first three months of the year. In that period, mortgage interest rates for 30-year conventional loans were hovering at just 7% or slightly less. There was some increase toward the end of March but not enough to influence buyers' decisions. Instead, the so-called spring selling season had actually started in January and had brought on an early competitive market with price inflation. The customary period for building up inventory was truncated.

In Westchester there was a significant year-to-year average price increase of 5% among all types of residential units but it was unevenly distributed; single family and multi-family house prices increased by substantial amounts and percentages, 11% and 16%, respectively, whereas condominium and cooperative prices decreased by 5% and 7%, respectively. In Putnam County, house prices were up by 2% and condominium prices by 7%.

**The Westchester-Putnam Multiple Listing Service, Inc. (WPMLS) is a subsidiary of the Westchester County Board of Realtors, Inc. and the Putnam County Association of Realtors, Inc. WPMLS serves 490 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 the participating offices but they are fairly reflective of general market conditions. WPMLS does not provide data on sub-county geographic areas. Persons desiring small-area data are invited to contact participating real estate offices in the desired area. Any text or data from this report may be reprinted with attribution to Westchester-Putnam Multiple Listing Service, Inc. as the source.*



SEASONALLY ADJUSTED SALES, 1997-99, WESTCHESTER COUNTY

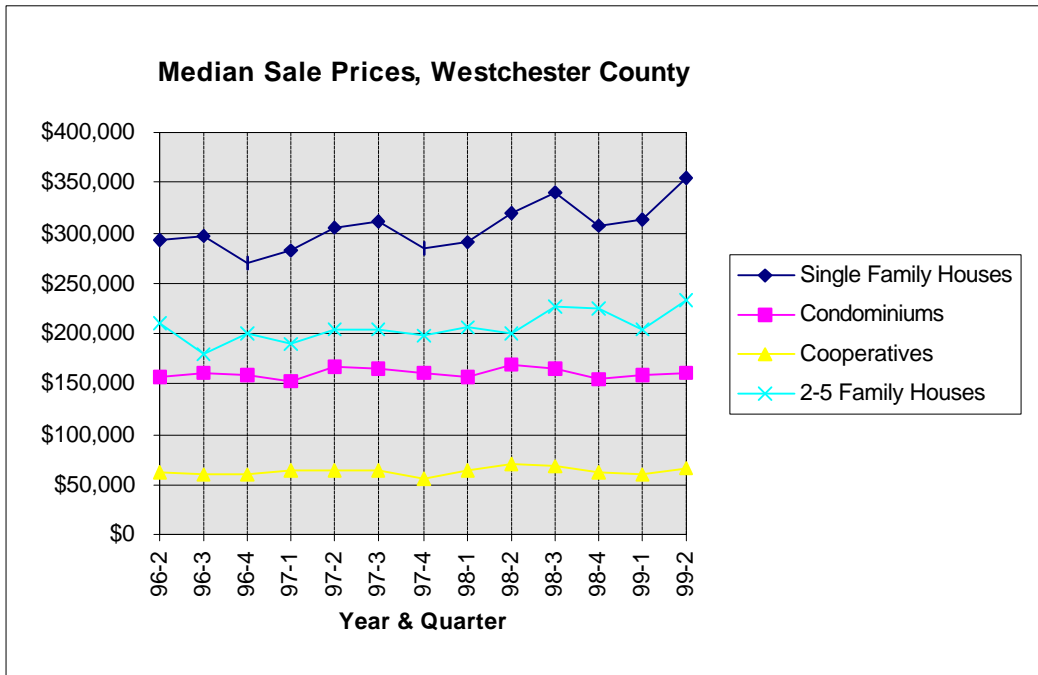
TYPE	1997		1998		1998		1999		
	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
Single Family	5,860	5,760	6,040	6,660	6,710	6,840	6,520	7,260	6,740
Condominiums	1,170	970	1,270	1,310	1,170	1,410	1,400	1,570	1,480
Cooperatives	1,180	1,170	1,110	1,370	1,280	1,270	1,380	1,690	1,370
2-5 Family	500	520	490	500	580	600	540	740	590
TOTAL	8,710	8,420	8,910	9,840	9,740	10,120	9,840	11,260	10,180

ACTUAL QUARTERLY SALES, 1997-99, WESTCHESTER COUNTY

TYPE	1997		1998		1998		1999		
	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
Single Family	1,465	1,918	1,439	1,179	1,708	2,275	1,539	1,249	1,600
Condominiums	291	317	313	231	354	452	350	269	376
Cooperatives	283	334	300	260	313	365	384	327	369
2-5 Family	116	143	137	108	134	163	152	157	159
TOTAL	2,155	2,712	2,189	1,778	2,509	3,255	2,425	2,002	2,504

Homebuyers operated in a Westchester market where the median sale price² of the entire housing

stock - single family houses, condos, co-ops and multi-family houses - was \$265,000, and the mean sale price² was \$353,640. In Putnam County, the median sale price for a house was \$195,000; the mean sale price was \$217,210.



Year & Quarter	Single Family House	Condo-minium	Co-op	2-5 Family House
96-2	\$292,000	\$157,000	\$61,000	\$211,000
96-3	\$297,000	\$161,000	\$60,000	\$180,000
96-4	\$270,000	\$158,500	\$60,000	\$199,000
97-1	\$282,000	\$153,000	\$64,000	\$190,000
97-2	\$306,000	\$166,500	\$63,000	\$205,000
97-3	\$311,500	\$165,500	\$63,000	\$205,000
97-4	\$284,000	\$160,000	\$56,000	\$197,000
98-1	\$290,000	\$157,000	\$63,000	\$206,000
98-2	\$320,000	\$169,000	\$69,825	\$200,000
98-3	\$340,000	\$165,000	\$69,000	\$227,000
98-4	\$306,500	\$155,000	\$62,000	\$225,000
99-1	\$313,000	\$157,900	\$59,000	\$205,000
99-2	\$355,000	\$161,000	\$65,000	\$232,500

In Westchester, the end-of-quarter inventory of nearly 5,000 units was only very slightly improved - 2.5% - from the first quarter. However, this level of inventory still was far below that of the second quarters of 1998, by 25%, and 1997, by 43%. A second quarter inventory of 9-10,000 units has been the norm over the long term. Putnam County's inventory of 784 houses and 103 condominiums was below normal by similar percentages.

END OF QUARTER INVENTORY, 1997-99, WESTCHESTER COUNTY

<u>TYPE</u>	<u>1997</u> <u>2nd Qtr</u>	<u>1997</u> <u>3rd Qtr</u>	<u>1997</u> <u>4th Qtr</u>	<u>1998</u> <u>1st Qtr</u>	<u>1998</u> <u>2nd Qtr</u>	<u>1998</u> <u>3rd Qtr</u>	<u>1998</u> <u>4th Qtr</u>	<u>1999</u> <u>1st Qtr</u>	<u>1999</u> <u>2nd Qtr</u>
Single Family	5,419	4,805	3,683	3,945	3,912	3,467	2,604	2,787	2,912
Condominiums	976	846	666	685	717	588	470	499	463
Cooperatives	1,661	1,541	1,323	1,422	1,415	1,250	1,126	1,130	1,099
<u>2-5 Family</u>	<u>716</u>	<u>646</u>	<u>531</u>	<u>546</u>	<u>584</u>	<u>535</u>	<u>434</u>	<u>453</u>	<u>514</u>
TOTAL	8,772	7,838	6,203	6,598	6,628	5,840	4,634	4,869	4,988

Single Family Houses, Westchester

Single family house sales dominated Westchester's second quarter real estate market. The reported 1,600 sales were 6% fewer than during the second quarter of 1998 but otherwise exceeded every other prior second quarter. Seasonally adjusted, the closings amounted to a very strong rate of 6,740 sales per year. Sales might have set a record had there been more inventory. The end-of-quarter inventory was down 26% from last year, to 2,912 units.

Price increases were significant, particularly among the more expensive, larger units. The median sale price of all houses was \$355,000, up \$35,000 or 11% from the prior year. The mean sale price was \$466,958, up by \$56,614 or 14% from the prior year, and the increase was concentrated in units with four or more bedrooms where the mean sale price climbed to \$594,425 for the quarter. There were 94 sales in excess of \$1,000,000 whereas the historical average has been 20-30 such sales per quarter.

<u>SINGLE FAMILY HOUSES</u>	<u>2nd Qtr 97</u>	<u>2nd Qtr 98</u>	<u>2nd Qtr 99</u>	<u>% Change</u> <u>98 to 99</u>
Number of Sales	1,465	1,708	1,600	-6%
Seasonally Adjusted	5,860	6,710	6,740	0%
Dollar Volume (\$millions)	\$572.80	\$700.87	\$747.13	7%
Median Sale Price				
All Units	\$306,000	\$320,000	\$355,000	11%
0 - 2 Bedrooms	na	\$176,000	\$178,000	1%
3 Bedrooms	na	\$255,000	\$280,000	10%
4+ Bedrooms	na	\$412,275	\$462,500	12%
Mean Sale Price				
All Units	\$391,013	\$410,344	\$466,958	14%
0-2 Bedrooms	na	\$207,901	\$227,363	9%
3 Bedrooms	na	\$286,739	\$311,922	9%
4+ Bedrooms	na	\$520,979	\$594,425	14%
Inventory @ end of Qtr	5,419	3,912	2,912	-26%

Condominiums and Cooperatives, Westchester

The 376 reported condominium sales were the most for any prior quarter and exceeded 1998's second quarter sales by 6%. Seasonally adjusted, the sales amounted to a very high rate of 1,480 sales per year, but nevertheless this was about a 6% slower rate than in the first quarter.

The end-of-quarter condo inventory fell to an exceedingly low 463 units, 35% below 1998's second quarter level. While low inventory often spurs competitive price increases, at a certain point scant inventory can fail to offer enough choices to meet buyers' interests, and prices may fall -- which is what appears to have happened in the second quarter condo market. The median sale price of \$161,000 was \$8,000 or 5% below last year's level. The mean sale price of \$192,489 was 2% below last year's level.

Cooperatives also experienced a pattern of high sales, low inventory, and slacking prices. The 369 co-op sales were 19% more than 1998's second quarter sales, but, seasonally adjusted to 1,370 units per year, their sales rate was 18% slower than in the first quarter. Inventory fell to 1,099 units, down 22% from the prior year and down 34% from 1997. The \$65,000 median sale price was \$4,825 or 7% below last year's second quarter median. The mean sale price of \$78,682 was 6% less than last year's.

<u>CONDOMINIUMS</u>	<u>2nd Qtr 97</u>	<u>2nd Qtr 98</u>	<u>2nd Qtr 99</u>	<u>% Change 98 to 99</u>
Number of Sales	291	354	376	6%
Seasonally Adjusted	1,170	1,170	1,480	26%
Dollar Volume (\$millions)	\$57.30	\$69.31	\$71.47	3%
Median Sale Price				
All Units	\$166,500	\$169,000	\$161,000	-5%
0 - 2 Bedrooms	na	\$156,000	\$145,000	-7%
3 Bedrooms	na	\$265,000	\$250,000	-6%
4+ Bedrooms	na	\$399,000	\$225,000	-44%
Mean Sale Price				
All Units	\$196,746	\$195,795	\$192,489	-2%
0-2 Bedrooms	na	\$165,960	\$168,129	1%
3 Bedrooms	na	\$266,924	\$265,806	0%
4+ Bedrooms	na	\$437,727	\$350,166	-20%
Inventory @ end of Qtr	976	717	463	-35%

<u>COOPERATIVES</u>	<u>2nd Qtr 97</u>	<u>2nd Qtr 98</u>	<u>2nd Qtr 99</u>	<u>% Change 98 to 99</u>
Number of Sales	283	313	369	18%
Seasonally Adjusted	1,180	1,280	1,370	7%

Dollar Volume (\$millions)	\$22.40	\$26.30	\$29.03	10%
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Median Sale Price

All Units	\$63,000	\$69,825	\$65,000	-7%
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0 - 2 Bedrooms	na	\$65,000	\$62,500	-4%
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3 Bedrooms	na	\$110,000	\$112,000	2%
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4+ Bedrooms	na	\$255,000	\$85,000	-67%
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Mean Sale Price

All Units	\$78,983	\$84,015	\$78,682	-6%
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0-2 Bedrooms	na	\$76,448	\$72,715	-5%
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3 Bedrooms	na	\$154,010	\$158,610	3%
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4+ Bedrooms	na	\$330,000	\$100,000	-70%
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Inventory @ end of Qtr	1,661	1,415	1,099	-22%
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**2-5 FAMILY HOUSES 2nd Qtr 97 2nd Qtr 98 2nd Qtr 99 % Change
98 to 99**

Number of Sales	116	134	159	19%
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Seasonally Adjusted	500	580	590	2%
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Dollar Volume (\$millions)	\$24.80	\$28.07	\$36.97	32%
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Median Sale Price	\$205,000	\$200,000	\$232,500	16%
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Mean Sale Price	\$214,041	\$209,502	\$232,533	11%
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Inventory @ end of Qtr	716	584	514	-12%
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**ALL RESIDENTIAL* SALES 2nd Qtr 97 2nd Qtr 98 2nd Qtr 99 % Change
98 to 99**

Number of Sales	2,155	2,509	2,504	0%
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Seasonally Adjusted	8,710	9,740	10,180	5%
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Dollar Volume (\$millions)	\$677.30	\$824.55	\$885.52	7%
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Median Sale Price

All Units	\$250,000	\$252,000	\$265,000	5%
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0 - 2 Bedrooms	na	\$117,000	\$115,500	
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3 Bedrooms	na	\$254,000	\$275,000	
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4+ Bedrooms	na	\$412,275	\$460,000	
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Mean Sale Price

All Units	\$314,218	\$328,636	\$353,640	8%
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0-2 Bedrooms	na	\$135,141	\$132,932	
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3 Bedrooms	na	\$280,493	\$301,079	
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4+ Bedrooms	na	\$519,619	\$590,968	
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Inventory @ end of Qtr	8,772	6,628	4,988	-25%
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**Single family houses, condominiums, cooperatives, 2-5 family houses*

Putnam County

Putnam County outperformed Westchester in terms of percentage sales increases in houses and condominiums, and also in percentage price increases in the condo sector. Putnam lagged Westchester only in percentage price increases for single family houses.

The 292 house sales were 22% more than last year's second quarter sales, and seasonally adjusted, 38% more. Like Westchester's, Putnam's end-of-quarter inventory dropped precipitously, by 24%, to 784 units. However, the low inventory did not stimulate significant price increases. The second quarter median sale price of \$195,000 was just \$3,000 or 2% higher than that of a year ago. The mean sale price of \$217,210 was 2% lower than last year's.

Putnam County's condo sales were few in number, 46, but they were 24% more than in 1998's second quarter. The median sale price of a condo was \$136,500, up \$8,600 or 7% from last year. The mean sale price was \$133,693, up 5% from last year.

Putnam's second quarter house and condo sales together amounted to \$69.6 million, a 20% increase over last year's second quarter volume.

PUTNAM COUNTY				
<u>SINGLE FAMILY HOUSES</u>	<u>2nd Qtr 97</u>	<u>2nd Qtr 98</u>	<u>2nd Qtr 99</u>	<u>% Change 98 to 99</u>
-				
Number of Sales	186	240	292	22%
Seasonally Adjusted	744	940	1,300	38%
Dollar Volume (\$millions)	\$36.00	\$53.33	\$63.43	19%
Median Sale Price				
All Units	\$172,500	\$192,000	\$195,000	2%
0 - 2 Bedrooms	na	\$119,900	\$116,000	-3%
3 Bedrooms	na	\$185,000	\$190,000	3%
4+ Bedrooms	na	\$254,500	\$299,900	18%
Mean Sale Price				
All Units	\$193,720	\$222,188	\$217,210	-2%
0-2 Bedrooms	na	\$138,284	\$129,675	-6%
3 Bedrooms	na	\$193,514	\$200,595	4%
4+ Bedrooms	na	\$290,223	\$313,230	8%
Inventory @ end of Qtr	1,195	1,027	784	-24%

PUTNAM COUNTY				
<u>CONDOMINIUMS</u>	<u>2nd Qtr 97</u>	<u>2nd Qtr 98</u>	<u>2nd Qtr 99</u>	<u>% Change 98 to 99</u>
Number of Sales	31	37	46	24%
Seasonally Adjusted	120	150	200	33%

Dollar Volume (\$millions)	\$3.40	\$4.73	\$6.15	30%
Median Sale Price				
All Units	\$111,000	\$127,900	\$136,500	7%
0 - 2 Bedrooms	na	\$127,900	\$135,000	6%
3 Bedrooms	na	\$126,000	\$158,500	26%
4+ Bedrooms	na	na	na	na
Mean Sale Price				
All Units	\$109,932	\$127,783	\$133,693	5%
0-2 Bedrooms	na	\$125,073	\$133,142	6%
3 Bedrooms	na	\$158,500	\$158,500	0%
4+ Bedrooms	na	na	na	
Inventory @ end of Qtr	153	158	103	-35%

¹ The seasonally adjusted rate is an estimate of what the full year's sales would be if, based on past experience, the customary sales share of the current quarter were projected to a full twelve months. The adjusted rate permits comparisons of seasonally unequal periods by converting each period to its equivalent annual rate.

² The median sale price is the mid-point of all reported sales, i.e., half of the sales were for more than the median price and half were for less. The median is not affected by unusually low or high sale prices. 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 very low or very high sale prices.