

WESTCHESTER-PUTNAM MULTIPLE LISTING SERVICE, INC.



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2000 FIRST QUARTER RESIDENTIAL REAL ESTATE SALES REPORT

April 26, 2000

Realtors participating in the Westchester-Putnam Multiple Listing Service reported 1,798 closings of residential transactions in Westchester County, and 252 closings in Putnam County, in the first three months of 2000. Those sales volumes were, respectively, 10% and 15% lower than the volumes reported in the first three months of 1999. The closed transactions largely were on properties that had been listed and marketed in the closing months of 1999, but there were also many from January and even February 2000 as well, reflecting a much faster market pace in recent months.

The entire period from late 1999 to early 2000 was characterized by an increasingly serious shortage of inventory, steep price increases among most property types, and reduced sales volume resulting from the first two factors. The high speed 1999 Westchester-Putnam real estate market ran out of fuel, overheated, and began coasting and cooling as the year ended.

Inventory

The stock of properties for sale varies seasonally and is usually at its lowest level at the end of the year, after which there is a major infusion of new listings as the spring market builds. However, the customary buildup was anemic in the 1999-2000 transition. At 1999 year-end in Westchester there were 3,141 listed properties; by March 31, 2000, there still were only 3,288 listings, a mere 5% increase. Moreover, that level was a significant 32% below 1999's first quarter inventory, and 50% below 1998's level. Putnam County's fall-off was comparable.

END OF QUARTER INVENTORY, 1998-00, WESTCHESTER

TYPE	1998	1998	1998	1998	1999	1999	1999	1999	2000
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr
Single Family	3,945	3,912	3,467	2,604	2,787	2,912	2,501	1,809	1,980
Condominiums	685	717	588	470	499	463	365	250	247
Cooperatives	1,422	1,415	1,250	1,126	1,130	1,099	926	745	724
<u>2-5 Family</u>	<u>546</u>	<u>584</u>	<u>535</u>	<u>434</u>	<u>453</u>	<u>514</u>	<u>435</u>	<u>337</u>	<u>337</u>
TOTAL	6,598	6,628	5,840	4,634	4,869	4,988	4,227	3,141	3,288

**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.*

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Westchester's stock of single family houses, which first dropped below the 2,000 level in the fourth quarter of 1999, failed to recross that threshold with a supply of only 1,980 units by March 31. The end-of-quarter condominium inventory was practically non-existent, just 247 units. Only the cooperative unit sector had an end-of-quarter supply, 724 units, that was still able to reasonably accommodate demand, and even that supply was 36% smaller than 1999's and 49% smaller than 1998's.

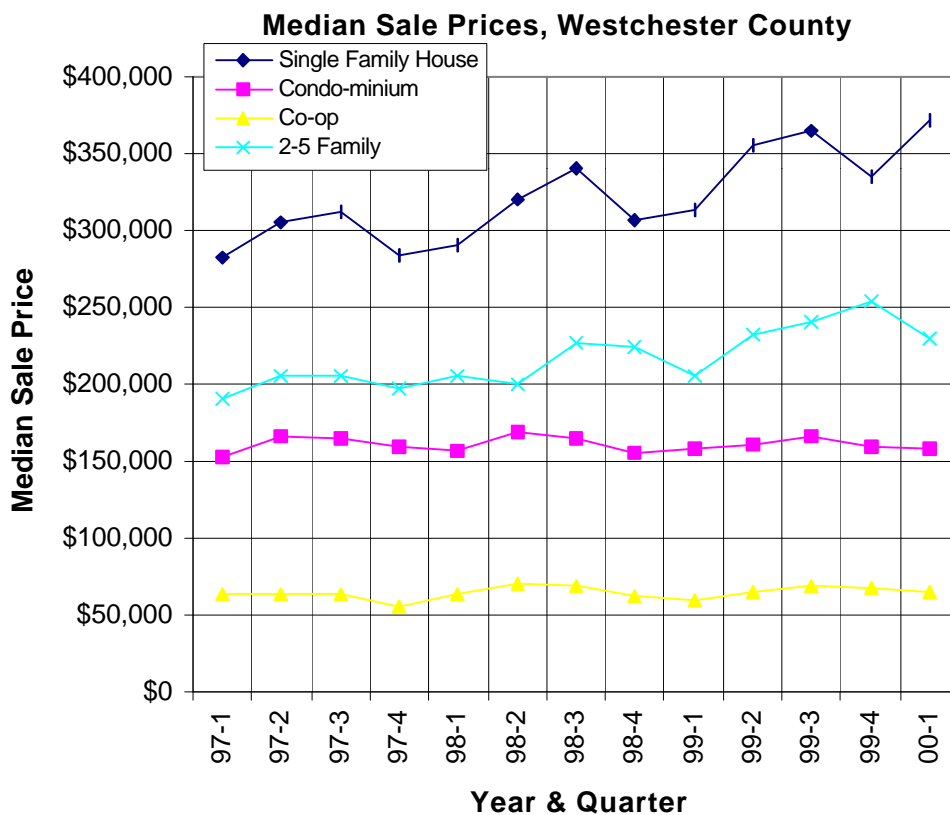
Prices

The drastic reductions in inventory were very simply the result of demand outpacing new supply over the course of the vigorous 1998-99 record-setting markets. The companion result of the demand/supply imbalance was higher prices.

The overall annual price increases from the first quarter of 1999 to the first quarter of 2000 were large. In Westchester there was an average 11% increase in median¹ sales prices across the four property types tracked by the multiple listing service: single family houses, condominiums, cooperatives, and 2-5 family houses. However, there were wide disparities from one sector to another.

The median sale price of a Westchester house jumped by a record-setting 19% or \$59,000 to a new high of \$372,000. Purchase offers at or above the asking price were commonplace according to member Realtors. The strongest price surges were at the high end of the market as so-called luxury houses continued to attract record numbers of buyers. The median sale price of a 4-bedroom house climbed by \$105,000 or 26% to \$510,000. The mean¹ sale price, which reflects the influence of exceptionally high priced sales, was \$654,807 for a 4-bedroom house.

In contrast to single family house prices, condominium prices barely changed at all. The median sale price



of \$158,000 was only \$100 more than in the first quarter of 1999. A few sales of high-end condos brought the mean sale price up by 8% to \$192,380, but for the most part condo prices remained flat because of low sales activity brought on by insufficient inventory.

Westchester's cooperative units remained a bargain in comparison to houses and condominiums, but the co-op sector did experience a significant 9% median price increase from 1999 to 2000. The median sale price of \$64,500 was the highest first quarter price since 1994.

The impact of the significant price increases among houses and cooperatives was that the total first quarter dollar volume of sales in Westchester was \$649.1 million, an increase of \$41.9 million or 7% above 1999's volume, notwithstanding overall decrease in numbers of transactions. In Putnam County the price increases were not enough to compensate for fewer sales, and the total dollar volume of \$55.3 million was down about 4% from the prior year.

Sales Volume

As noted in the opening statement of this report, the 1999-2000 market was in a sense a victim of its own power as the huge demand for Westchester and Putnam housing outstripped supply, drove down inventory, and drove up pricing to a point where many buyers either dropped out of the market or failed to enter the market at all. Mortgage interest rates were not a factor. Although the average rate on a 30-year conventional loan approached 9% for a while during the period covered by this report, buyers were not deterred. Further, mortgage money was abundant and there were plenty of mortgage products offering starting rates well below 8%.

ACTUAL QUARTERLY SALES, 1998-00, WESTCHESTER

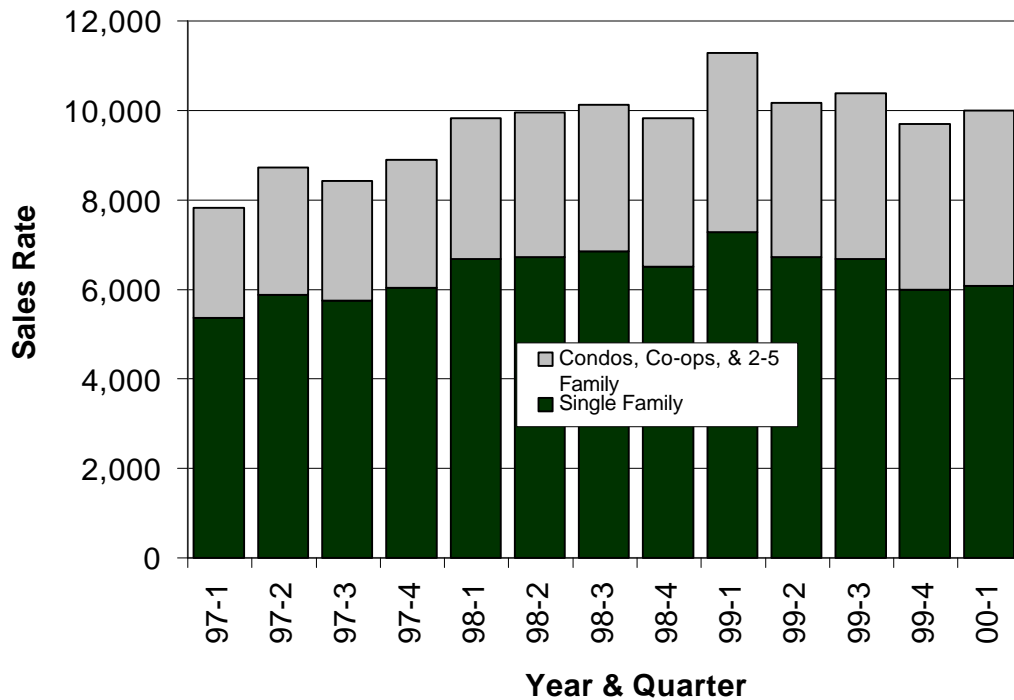
TYPE	1998	1998	1998	1998	1999	1999	1999	1999	2000
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr
Single Family	1,179	1,708	2,275	1,539	1,249	1,600	2,256	1,446	1,059
Condominiums	231	354	452	350	269	376	441	337	220
Cooperatives	260	313	365	384	327	369	486	488	373
2-5 Family	108	134	163	152	157	159	176	172	146
TOTAL	1,778	2,509	3,255	2,425	2,002	2,504	3,359	2,443	1,798

ACTUAL QUARTERLY SALES, 1998-00, PUTNAM COUNTY

TYPE	1998	1998	1998	1998	1999	1999	1999	1999	2000
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr
Single Family	178	240	373	373	242	292	416	279	208
Condominiums	29	37	60	59	54	46	93	54	44

Westchester's single family house and condominium sectors were hardest hit by decreasing sales. The 1,059 single family house sales were 15% fewer than in 1999's first quarter; the 220 condo sales were 18% fewer. Seasonally adjusted², the first quarter house sales were equivalent to an annual sales rate of 6,080 units - hardly changed from the prior quarter's rate of 6,010 units - and 16% below that of the first quarter of 1999. The seasonally adjusted rate for condominiums, 1,260 sales, was 5% below the fourth quarter rate and 20% below last year's first quarter rate.

Seasonally Adjusted Quarterly Sales, Westchester



With its relatively high level of inventory, the co-op sector was still able to accommodate record-high sales activity. The 373 reported sales were 14% above last year's level. The seasonally adjusted rate was 1,970 units, up 12% from the fourth quarter, and up 17% from the first quarter of 1999.

A Look Ahead

As the first quarter of 2000 came to a close there was nothing to indicate that the supply of residential listings in Westchester and Putnam counties was rebuilding enough to support 1999's level of sales activity or even the significantly lower level of the opening months of 2000. Thus a continuation of lower volume on a year-to-year basis can be expected at least for the next two quarters. At the same time there remains an extraordinarily high active and latent demand for housing in New York's northern suburbs, and the pressure on housing prices will remain intense. However, the recent volatility in the stock market as well as governmental interventions to contain inflation with higher interest rates, may give pause to some prospective homebuyers to ease off on their purchase offers. Thus year-to-year price increases might not be as dramatic as the 18-20% increases encountered during the first quarter of this year.

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¹ 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.

² 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.

WESTCHESTER COUNTY

					%
SINGLE FAMILY HOUSES	1st Qtr 98	1st Qtr 99	1st Qtr 00	Change 99 to 00	Change 99 to 00
Number of Sales	1,179	1,249	1,059	-190	-15%
Seasonally Adjusted	6,660	7,260	6,080	-1,180	-16%
Dollar Volume (\$millions)	\$475.20	\$499.30	\$542.3	\$43.0	9%
Median Sale Price					
All Units	\$290,000	\$313,000	\$372,000	\$59,000	19%
0 - 2 Bedrooms	\$165,000	\$175,000	\$224,000	\$49,000	28%
3 Bedrooms	\$237,000	\$243,000	\$300,000	\$57,000	23%
4+ Bedrooms	\$410,000	\$405,000	\$510,000	\$105,000	26%
Mean Sale Price					
All Units	\$403,020	\$399,760	\$512,133	\$112,373	28%
0-2 Bedrooms	\$193,637	\$214,994	\$228,904	\$13,910	6%
3 Bedrooms	\$268,158	\$271,654	\$338,835	\$67,181	25%
4+ Bedrooms	\$525,934	\$501,056	\$654,807	\$153,751	31%
Inventory @ end of period	3,945	2,787	1,980	-807	-29%

WESTCHESTER COUNTY

					%
CONDOMINIUMS	1st Qtr 98	1st Qtr 99	1st Qtr 00	Change 99 to 00	Change 99 to 00
Number of Sales	231	269	220	-49	-18%
Seasonally Adjusted	1,310	1,570	1,260	-310	-20%
Dollar Volume (\$millions)	\$42.50	\$47.98	\$42.3	-\$5.7	-12%
Median Sale Price					
All Units	\$157,000	\$157,900	\$158,000	\$100	0%
0 - 2 Bedrooms	\$145,000	\$149,500	\$148,000	-\$1,500	-1%
3 Bedrooms	\$265,000	\$238,500	\$227,460	-\$11,040	-5%
4+ Bedrooms	\$182,500	\$113,500	\$166,500	\$53,000	47%
Mean Sale Price					
All Units	\$185,063	\$178,367	\$192,380	\$14,013	8%
0-2 Bedrooms	\$155,055	\$160,827	\$171,880	\$11,053	7%
3 Bedrooms	\$274,130	\$251,392	\$271,865	\$20,473	8%
4+ Bedrooms	\$294,785	\$253,180	\$374,000	\$120,820	48%
Inventory @ end of period	685	499	247	-252	-51%

WESTCHESTER COUNTY

	1st Qtr 98	1st Qtr 99	1st Qtr 00	Change 99 to 00	% Change 99 to 00
COOPERATIVES					
Number of Sales	260	327	373	46	14%
Seasonally Adjusted	1,370	1,690	1,970	280	17%
Dollar Volume (\$millions)	\$19.60	\$24.98	\$29.1	\$4.1	16%
Median Sale Price					
All Units	\$63,000	\$59,000	\$64,500	\$5,500	9%
0 - 2 Bedrooms	\$58,000	\$57,000	\$62,825	\$5,825	10%
3 Bedrooms	\$115,000	\$106,000	\$129,900	\$23,900	23%
4+ Bedrooms	\$248,000	\$120,000	none		
Mean Sale Price					
All Units	\$75,380	\$76,394	\$77,980	\$1,586	2%
0-2 Bedrooms	\$67,094	\$66,063	\$72,784	\$6,721	10%
3 Bedrooms	\$152,891	\$174,470	\$169,700	-\$4,770	-3%
4+ Bedrooms	\$248,000	\$206,000	none		
Inventory @ end of period	1,422	1,130	724	-406	-36%

WESTCHESTER COUNTY

	1st Qtr 98	1st Qtr 99	1st Qtr 00	Change 99 to 00	% Change 99 to 00
2-5 FAMILY HOUSES					
Number of Sales	108	157	146	-11	-7%
Seasonally Adjusted	500	740	680	-60	-8%
Dollar Volume (\$millions)	\$23.20	\$34.97	\$35.3	\$0.3	1%
Median Sale Price					
All Units	\$206,000	\$205,000	\$230,000	\$25,000	12%
0 - 2 Bedrooms	na				
3 Bedrooms	na				
4+ Bedrooms	na				
Mean Sale Price					
All Units	\$214,415	\$222,726	\$241,798	\$19,072	9%
0-2 Bedrooms	na				
3 Bedrooms	na				
4+ Bedrooms	na				
Inventory @ end of period	546	453	337	-116	-26%

WESTCHESTER COUNTY

				Change	%
ALL RESIDENTIAL SALES	1st Qtr 98	1st Qtr 99	1st Qtr 00	99 to 00	Change 99 to 00
Number of Sales	1,778	2,002	1,798	-204	-10%
Seasonally Adjusted	9,840	11,260	9,990	-1,270	-11%
Dollar Volume (\$millions)	\$560.70	\$607.23	\$649.1	\$41.9	7%
Median Sale Price					
All Units	\$228,500	\$235,000	\$260,000	\$25,000	11%
0 - 2 Bedrooms	\$108,000	\$105,000	\$94,000	-\$11,000	-10%
3 Bedrooms	\$235,000	\$240,000	\$298,400	\$58,400	24%
4+ Bedrooms	\$400,000	\$403,500	\$510,000	\$106,500	26%
Mean Sale Price					
All Units	\$315,335	\$303,312	\$360,991	\$57,679	19%
0-2 Bedrooms	\$121,063	\$120,581	\$122,430	\$1,849	2%
3 Bedrooms	\$263,581	\$265,040	\$325,329	\$60,289	23%
4+ Bedrooms	\$523,026	\$497,723	\$652,521	\$154,798	31%
Inventory @ end of period	6,598	4,869	3,288	-1,581	-32%

PUTNAM COUNTY

				Change	%
SINGLE FAMILY HOUSES	1st Qtr 98	1st Qtr 99	1st Qtr 00	99 to 00	Change 99 to 00
Number of Sales	178	242	208	-34	-14%
Seasonally Adjusted	1,000	1,410	1,220	-190	-13%
Dollar Volume (\$millions)	\$35.60	\$50.30	\$49.3	-\$1.0	-2%
Median Sale Price					
All Units	\$185,000	\$200,000	\$227,500	\$27,500	14%
0 - 2 Bedrooms	\$106,500	\$114,000	\$133,000	\$19,000	17%
3 Bedrooms	\$186,000	\$199,900	\$212,765	\$12,865	6%
4+ Bedrooms	\$250,000	\$255,000	\$316,000	\$61,000	24%
Mean Sale Price					
All Units	\$200,884	\$207,861	\$236,949	\$29,088	14%
0-2 Bedrooms	\$120,553	\$121,109	\$140,637	\$19,528	16%
3 Bedrooms	\$195,071	\$196,319	\$215,564	\$19,245	10%
4+ Bedrooms	\$258,666	\$275,066	\$323,464	\$48,398	18%
Inventory @ end of period	947	758	550	-208	-27%

PUTNAM COUNTY

				Change	%
CONDOMINIUMS	1st Qtr 98	1st Qtr 99	1st Qtr 00	99 to 00	Change
					99 to 00
Number of Sales	29	54	44	-10	-19%
Seasonally Adjusted	170	310	240	-70	-23%
Dollar Volume (\$millions)	\$3.30	\$7.16	\$6.0	-\$1.2	-16%
Median Sale Price					
All Units	\$114,000	\$135,000	\$150,000	\$15,000	11%
0 - 2 Bedrooms	\$113,000	\$135,000	\$149,000	\$14,000	10%
3 Bedrooms	\$119,000	\$131,000	\$145,000	\$14,000	11%
4+ Bedrooms	none	none	\$260,000		
Mean Sale Price					
All Units	\$115,459	\$132,636	\$136,727	\$4,091	3%
0-2 Bedrooms	\$113,831	\$132,197	\$132,780	\$583	0%
3 Bedrooms	\$129,566	\$138,125	\$156,000	\$17,875	13%
4+ Bedrooms	none	none	\$260,000		
Inventory @ end of period	149	108	54	-54	-50%