

# WESTCHESTER-PUTNAM MULTIPLE LISTING SERVICE, INC.



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## 2000 THIRD QUARTER RESIDENTIAL REAL ESTATE SALES REPORT

October 26, 2000

Closings of residential real estate sales in the third quarter (July-August-September) of 2000 closely followed the pattern of the first six months, i.e., fewer sales against a low inventory, and sharply higher prices. The third quarter closings mostly were of properties that were marketed and sold in the late spring and early summer months.

Realtor firms participating in the Westchester-Putnam Multiple Listing Service, Inc.\* reported 2,950 closed sales in Westchester during the third quarter. This number was 12% below last year's third quarter closings, and 9% below 1998's. However, the amount of sales activity varied markedly by property type. For example, single family house and condominium sales both were below last year's levels whereas co-op sales were higher by 6%.

Seasonally adjusted<sup>1</sup>, the third quarter sales represented an annual rate of 9,100 sales, down 3.4% from the prior quarter. That was the lowest seasonally adjusted rate since the fourth quarter of 1997. From January 1 to the close of the third quarter, total year-2000 sales ran 10% and 6% below the comparable periods of 1999 and 1998, respectively.

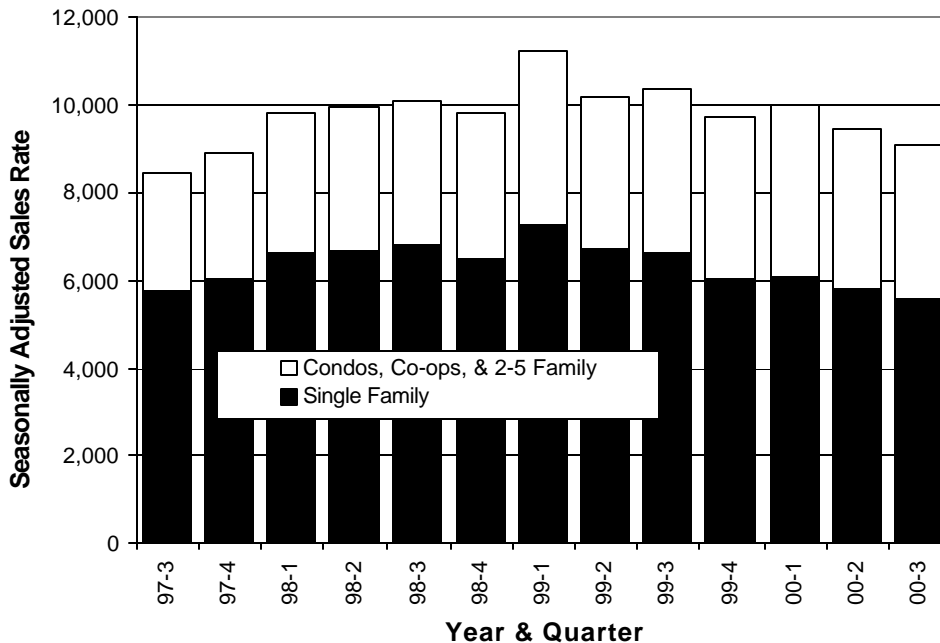
### ACTUAL QUARTERLY SALES, 1998-00, WESTCHESTER

TYPE	1998	1998	1999	1999	1999	1999	2000	2000	2000
	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr
Single Family	2,275	1,539	1,249	1,600	2,256	1,446	1,059	1,447	1,907
Condominiums	452	350	269	376	441	337	220	319	370
Cooperatives	365	384	327	369	486	488	373	442	513
2-5 Family	163	152	157	159	176	172	146	134	160
<b>TOTAL</b>	<b>3,255</b>	<b>2,425</b>	<b>2,002</b>	<b>2,504</b>	<b>3,359</b>	<b>2,443</b>	<b>1,798</b>	<b>2,342</b>	<b>2,950</b>

*\*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 approximately 500 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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### Seasonally Adjusted Quarterly Sales Rates, Westchester



#### SEASONALLY ADJUSTED SALES RATES, 1998-00, WESTCHESTER COUNTY

<u>TYPE</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>	<u>1999</u> <u>3rd Qtr</u>	<u>1999</u> <u>4th Qtr</u>	<u>2000</u> <u>1st Qtr</u>	<u>2000</u> <u>2nd Qtr</u>	<u>2000</u> <u>3rd Qtr</u>
<b>Single Family</b>	<b>6,840</b>	6,520	7,260	6,740	<b>6,660</b>	6,010	6,080	5,770	<b>5,580</b>
<b>Condominiums</b>	<b>1,410</b>	1,400	1,570	1,480	<b>1,370</b>	1,330	1,260	1,240	<b>1,160</b>
<b>Cooperatives</b>	<b>1,270</b>	1,380	1,690	1,370	<b>1,710</b>	1,760	1,970	1,840	<b>1,780</b>
<b>2-5 Family</b>	<b>600</b>	<u>540</u>	<u>740</u>	<u>590</u>	<b>630</b>	<u>610</u>	<u>680</u>	<u>570</u>	<b>580</b>
<b>TOTAL</b>	<b>10,120</b>	9,840	11,260	10,180	<b>10,310</b>	9,710	9,990	9,420	<b>9,100</b>

Seasonally adjusted rates in Westchester have steadily decreased since the first quarter of 1999, largely in response to the shortage of inventory. Although demand has been strong, the relative absence of choice coupled with steadily increasing prices has put a brake on the number of sales that would otherwise have occurred.

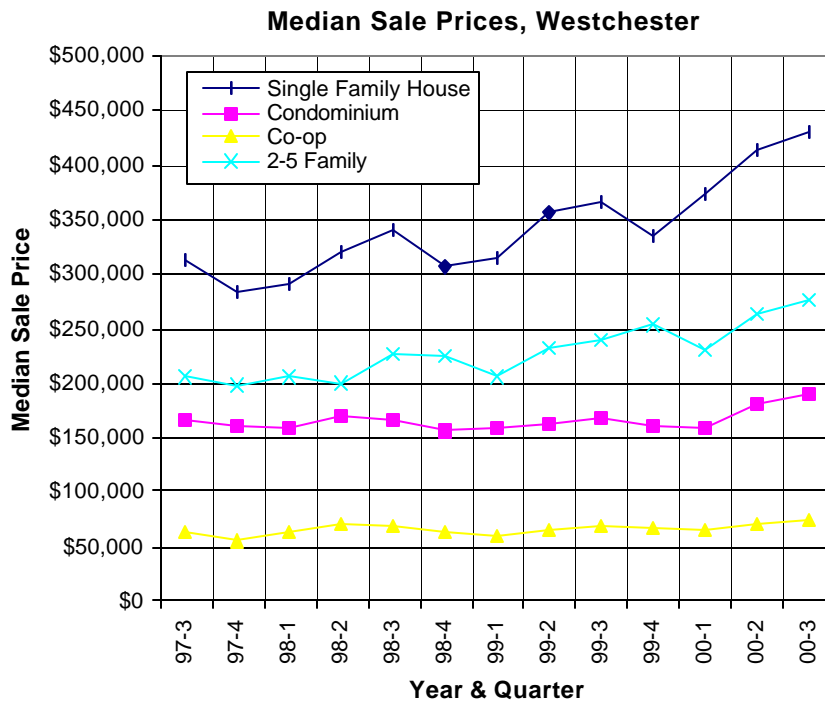
Mortgage interest rates have not had much influence on market activity, even when the average rate on a 30-year conventional loan in the New York area briefly flirted with the 9% threshold earlier in the year. For the most part, rates on conventional mortgages have fluctuated around 8% and have not influenced consumer homebuying decisions one way or the other.

The end-of-quarter residential inventory in Westchester was at a very low level of only 3,349 units in all categories, and was 21% below last year's third quarter inventory. However, when adjustments are made for the seasonal variations in inventory it appears that the rate of decline may have begun to bottom out. In the all-important single family house sector, the end of quarter inventory was 16% below last year's level whereas the 1998-99 decrease was n

**END OF QUARTER INVENTORY, 1998-00, WESTCHESTER**

TYPE	1998	1998	1999	1999	1999	1999	2000	2000	2000
	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr
Single Family	3,467	2,604	2,787	2,912	2,501	1,809	1,980	2,351	2,107
Condominiums	588	470	499	463	365	250	247	280	224
Cooperatives	1,250	1,126	1,130	1,099	926	745	724	742	637
2-5 Family	535	434	453	514	435	337	337	415	381
<b>TOTAL</b>	<b>5,840</b>	<b>4,634</b>	<b>4,869</b>	<b>4,988</b>	<b>4,227</b>	<b>3,141</b>	<b>3,288</b>	<b>3,788</b>	<b>3,349</b>

The total dollar volume of third quarter sales was \$1.271 billion, down only 2% from last year's third quarter because much higher prices offset the decline in numbers of sales. When all property types are taken together (single family houses, condominiums, cooperatives and 2-5 family houses) the year-2000 third quarter median<sup>2</sup> sale price of a Westchester residential property was \$322,500, up by \$40,500 or 14% from last year's third quarter median of \$282,000.



## WESTCHESTER COUNTY

<u>ALL RESIDENTIAL* SALES</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
<b>Number of Sales</b>	3,255	3,359	<b>2,950</b>	-12%
<b>Seasonally Adjusted</b>	10,120	10,310	<b>9,100</b>	-12%
<b>Dollar Volume (\$millions)</b>	\$1,152.83	\$1,291.80	<b>\$1,270.81</b>	-2%
<b>Median Sale Price</b>				
<b>All Units</b>	\$275,000	\$282,000	<b>\$322,500</b>	14%
<b>0 - 2 Bedrooms</b>	\$122,000	\$117,500	<b>\$122,000</b>	4%
<b>3 Bedrooms</b>	\$265,000	\$283,000	<b>\$337,500</b>	19%
<b>4+ Bedrooms</b>	\$428,000	\$500,000	<b>\$569,000</b>	14%
<b>Mean Sale Price</b>				
<b>All Units</b>	\$354,239	\$384,578	<b>\$430,784</b>	12%
<b>0-2 Bedrooms</b>	\$139,427	\$133,752	<b>\$147,579</b>	10%
<b>3 Bedrooms</b>	\$284,414	\$314,851	<b>\$371,568</b>	18%
<b>4+ Bedrooms</b>	\$539,096	\$638,834	<b>\$727,522</b>	14%
<b>Inventory @ end of Qtr</b>	5,840	4,227	<b>3,349</b>	-21%

*\*Single family houses, condominiums, cooperatives, 2-5 family houses*

### SINGLE FAMILY HOUSES AND CONDOMINIUMS

The 1,907 sales of single family houses were 15% fewer than last year's. The seasonally adjusted sales rate was 16% below last year's level although only 3% below the second quarter rate. Inventory was down by 16% from last year's level.

Houses experienced large price increases in all price categories. The median sale price of \$430,000 was an all time high and was \$65,000 or 18% above last year's third quarter median. The mean<sup>2</sup> or average sale price was \$575,075 or 16% higher than last year's. Still, the percentage increases were not as pronounced among the larger, most expensive properties, suggesting that there was the beginning of just the slightest easing of price growth in that sector.

The third quarter performance of the condominium market was roughly parallel to that of single family houses. The sales volume of 370 units was 16% lower than last year's volume, and on a seasonally adjusted basis it was 6% lower than the second quarter rate. Still, the condo inventory was not well replenished during the quarter, and by September 30 it stood at only 224 units, 39% below last year's end-of-quarter count.

Many prospective homebuyers regard condominiums as lower-priced alternatives to a single family houses. The interest in the slight available stock drove large price increases. The third quarter median sale price of \$190,000 was a record and was \$23,300 or 14% higher than last year's median. The mean sale price of \$224,957 was 15% higher.

**WESTCHESTER COUNTY**

<u>SINGLE FAMILY HOUSES</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
Number of Sales	2,275	2,256	<b>1,907</b>	-15%
Seasonally Adjusted	6,840	6,660	<b>5,580</b>	-16%
Dollar Volume (\$millions)	\$998.68	\$1,122.12	<b>\$1,096.00</b>	-2%
<b>Median Sale Price</b>				
All Units	\$340,000	\$365,000	<b>\$430,000</b>	18%
0 - 2 Bedrooms	\$191,000	\$190,000	<b>\$220,000</b>	16%
3 Bedrooms	\$270,000	\$289,000	<b>\$345,000</b>	19%
4+ Bedrooms	\$429,000	\$500,000	<b>\$575,000</b>	15%
<b>Mean Sale Price</b>				
All Units	\$438,981	\$497,392	<b>\$575,075</b>	16%
0-2 Bedrooms	\$253,266	\$219,606	<b>\$271,734</b>	24%
3 Bedrooms	\$290,235	\$324,325	<b>\$382,594</b>	18%
4+ Bedrooms	\$541,021	\$641,224	<b>\$729,488</b>	14%
Inventory @ end of Qtr	3,467	2,501	<b>2,107</b>	-16%

<u>CONDOMINIUMS</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
Number of Sales	452	441	<b>370</b>	-16%
Seasonally Adjusted	1,410	1,370	<b>1,160</b>	-15%
Dollar Volume (\$millions)	\$84.49	\$85.92	<b>\$83.23</b>	-3%
<b>Median Sale Price</b>				
All Units	\$165,000	\$166,700	<b>\$190,000</b>	14%
0 - 2 Bedrooms	\$153,500	\$155,000	<b>\$180,000</b>	16%
3 Bedrooms	\$228,799	\$255,000	<b>\$311,000</b>	22%
4+ Bedrooms	\$299,500	\$435,000	<b>\$453,000</b>	4%
<b>Mean Sale Price</b>				
All Units	\$188,767	\$194,839	<b>\$224,957</b>	15%
0-2 Bedrooms	\$163,788	\$172,825	<b>\$196,281</b>	14%
3 Bedrooms	\$271,959	\$282,435	<b>\$335,758</b>	19%
4+ Bedrooms	\$308,500	\$417,636	<b>\$453,666</b>	9%
Inventory @ end of Qtr	588	365	<b>224</b>	-39%

<u>2-5 FAMILY HOUSES</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
Number of Sales	163	176	<b>160</b>	-9%
Seasonally Adjusted	600	630	<b>580</b>	-8%
Dollar Volume (\$millions)	\$38.64	\$43.69	<b>\$44.69</b>	2%
Median Sale Price	\$227,000	\$240,000	<b>\$275,000</b>	15%
Mean Sale Price	\$237,076	\$248,261	<b>\$279,318</b>	13%
Inventory @ end of Qtr	535	435	<b>381</b>	-12%

## COOPERATIVES

Westchester's third quarter sales volume of 513 co-ops was the most for any quarter recorded by WPMLS and was 6% larger than that of last year's third quarter. This was the only housing sector to post a sales gain. Seasonally adjusted, the quarter's sales were equivalent to a fairly high annual rate of 1,780 units. Still, the seasonally adjusted rate was about 3% and 10% less than the second and first quarter rates, respectively, indicating that third quarter sales were not as high as they could have been in relation to the first half of the year.

End-of-quarter inventory fell to 637 units, 31% below last year's level and about half of what was available in 1998.

The \$75,000 median sale price of a co-op was \$6,000 or 9% higher than a year ago. There was increasing activity in the high-end market; 24 units sold for in excess of \$200,000, and 4 of those sold for more than \$400,000.

WESTCHESTER COUNTY				
<u>COOPERATIVES</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
<b>Number of Sales</b>	365	486	<b>513</b>	6%
<b>Seasonally Adjusted</b>	1,270	1,710	<b>1,780</b>	4%
<b>Dollar Volume (\$millions)</b>	\$30.19	\$40.06	<b>\$46.22</b>	15%
<b>Median Sale Price</b>				
<b>All Units</b>	\$69,000	\$69,000	<b>\$75,000</b>	9%
<b>0 - 2 Bedrooms</b>	\$65,000	\$65,000	<b>\$73,000</b>	12%
<b>3 Bedrooms</b>	\$127,000	\$117,500	<b>\$124,900</b>	6%
<b>4+ Bedrooms</b>	\$215,000	\$200,000	<b>\$450,000</b>	125%
<b>Mean Sale Price</b>				
<b>All Units</b>	\$83,290	\$82,435	<b>\$90,096</b>	9%
<b>0-2 Bedrooms</b>	\$75,312	\$75,509	<b>\$84,019</b>	11%
<b>3 Bedrooms</b>	\$167,730	\$163,247	<b>\$174,425</b>	7%
<b>4+ Bedrooms</b>	\$215,000	\$200,000	<b>\$467,500</b>	134%
<b>Inventory @ end of Qtr</b>	1,250	926	<b>637</b>	-31%

## PUTNAM COUNTY

As Westchester's market contracted, so did Putnam County's, and at a faster rate. The 332 third-quarter single family house sales were 20% fewer than last year's; the 61 condominium sales were 34% fewer. Putnam's end-of-quarter inventory also fell from last year, by 13% to 639 units in the instance of single family houses, and by 32% to 49 units for condominiums. Again, like Westchester, Putnam's prices set records. The \$242,500 median sale price of a house was \$42,500 or 21% higher than last year's; the \$145,000 median sale price of a condominium was \$13,000 or 10% higher.

**PUTNAM COUNTY**

<u>SINGLE FAMILY HOUSES</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
Number of Sales	373	416	<b>332</b>	-20%
Seasonally Adjusted	1,120	1,240	<b>970</b>	-22%
Dollar Volume (\$millions)	\$76.67	\$92.64	<b>\$87.32</b>	-6%
<b>Median Sale Price</b>				
All Units	\$197,500	\$200,000	<b>\$242,500</b>	21%
0 - 2 Bedrooms	\$112,000	\$137,000	<b>\$139,000</b>	1%
3 Bedrooms	\$188,000	\$198,000	<b>\$239,900</b>	21%
4+ Bedrooms	\$250,000	\$285,000	<b>\$327,777</b>	15%
<b>Mean Sale Price</b>				
All Units	\$205,547	\$222,683	<b>\$263,017</b>	18%
0-2 Bedrooms	\$119,412	\$139,888	<b>\$149,479</b>	7%
3 Bedrooms	\$191,597	\$211,589	<b>\$248,926</b>	18%
4+ Bedrooms	\$273,980	\$300,039	<b>\$352,165</b>	17%
Inventory @ end of Qtr	939	736	<b>639</b>	-13%

<u>CONDOMINIUMS</u>	<u>3rd Qtr 98</u>	<u>3rd Qtr 99</u>	<u>3rd Qtr 00</u>	<u>% Change 99 to 00</u>
Number of Sales	60	93	<b>61</b>	-34%
Seasonally Adjusted	190	280	<b>190</b>	-32%
Dollar Volume (\$millions)	\$7.91	\$12.68	<b>\$9.14</b>	-28%
<b>Median Sale Price</b>				
All Units	\$130,000	\$132,000	<b>\$145,000</b>	10%
0 - 2 Bedrooms	\$130,000	\$130,000	<b>\$145,000</b>	12%
3 Bedrooms	\$128,500	\$155,000	<b>\$145,000</b>	-6%
4+ Bedrooms	none	\$230,000	<b>none</b>	na
<b>Mean Sale Price</b>				
All Units	\$131,882	\$136,327	<b>\$149,774</b>	10%
0-2 Bedrooms	\$131,093	\$134,148	<b>\$149,607</b>	12%
3 Bedrooms	\$154,750	\$155,500	<b>\$154,700</b>	-1%
4+ Bedrooms	none	\$230,000	<b>none</b>	na
Inventory @ end of Qtr	129	72	<b>49</b>	-32%

**ACTUAL QUARTERLY SALES, 1998-00, PUTNAM COUNTY**

<u>TYPE</u>	<u>1998 3rd Qtr</u>	<u>1998 4th Qtr</u>	<u>1999 1st Qtr</u>	<u>1999 2nd Qtr</u>	<u>1999 3rd Qtr</u>	<u>1999 4th Qtr</u>	<u>2000 1st Qtr</u>	<u>2000 2nd Qtr</u>	<u>2000 3rd Qtr</u>
Single Family	<b>373</b>	373	242	292	<b>416</b>	279	208	273	<b>332</b>
Condominiums	<b>60</b>	59	54	46	<b>93</b>	54	44	52	<b>61</b>

## A LOOK AHEAD

Looking at both the actual and the seasonally adjusted sales rates for the first nine months of the year, it appears that 2000 is shaping up to be the third highest volume year after 1999 and 1998, rather than the second highest after 1999. The slippage is not due to declining market demand. To the contrary, demand for housing in all price ranges and among all types in Westchester and Putnam Counties has rarely been stronger. The main brake on sales activity is the continuing, severe shortage of inventory.

There were some faint signals in the data that the inventory situation may be bottoming out and that there will be small quarter-to-quarter gains as new properties are listed. However, those signals could just as easily have been artifacts of the overall reduced sales activity, having no particular significance for future trends. In any case, there is no prospect that inventory will increase quickly enough in the coming several months to boost sales rates or to mitigate the pressure on prices. Thus, barring shocks from outside such as higher mortgage interest rates or an economic downturn, the outlook for the next quarter or two is more of the same - slower sales rates and high prices.

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<sup>1</sup> *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.*

<sup>2</sup> *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.*