

WESTCHESTER-PUTNAM MULTIPLE LISTING SERVICE, INC.



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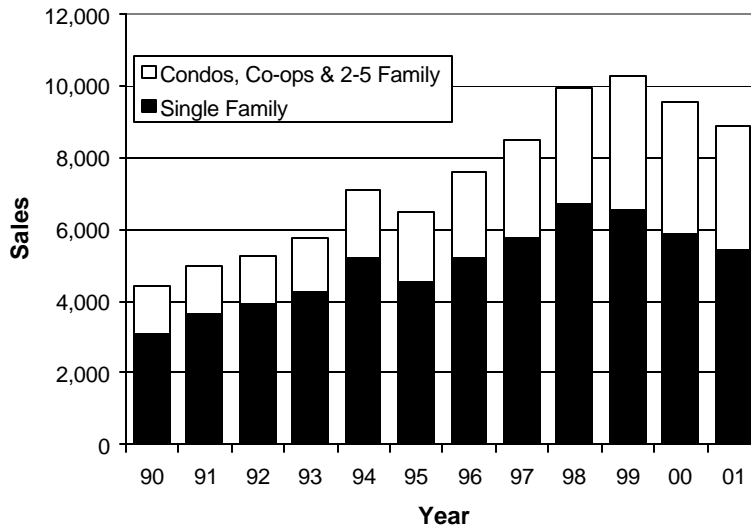
2001 FOURTH QUARTER AND FULL YEAR RESIDENTIAL REAL ESTATE SALES REPORT

January 29, 2002

Realtor firms participating in the Westchester-Putnam Multiple Listing Service, Inc. reported 8,879 closed residential transactions in Westchester in 2001, 6% fewer than in 2000. Putnam County sales were 8% fewer. The year ranked fourth in overall sales volume after 1999, 1998 and 2000.

The downward sales trend of the past several years was punctuated by the fourth quarter sales results which were more than 9% below the prior year's fourth quarter levels in both Westchester and Putnam Counties. Seasonally adjusted¹, Westchester's fourth quarter sales rate fell by 5% from the third quarter, to 8,560 units per year; Putnam's seasonally adjusted rate fell by 6%.

ANNUAL SALES, WESTCHESTER, 1990-2001

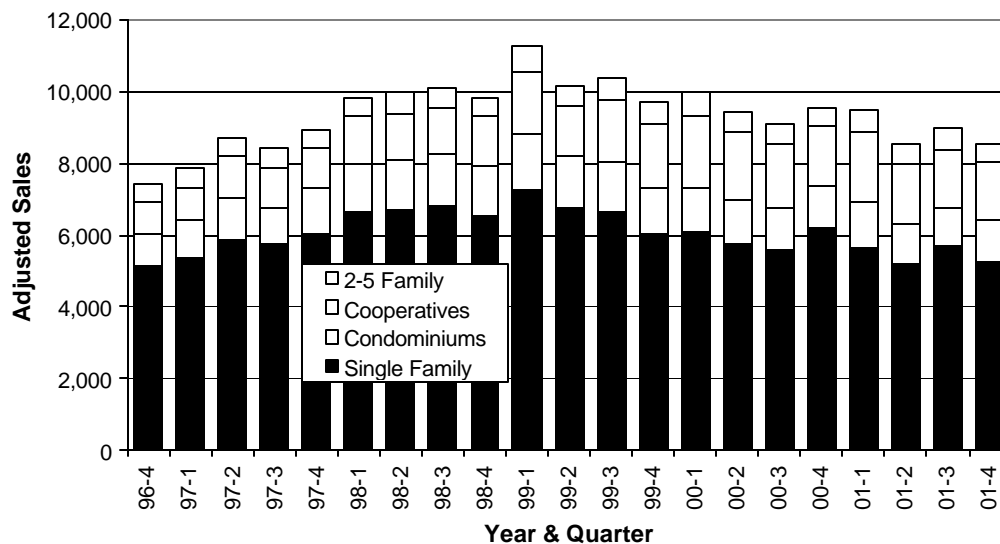


**The Westchester-Putnam Multiple Listing Service, Inc. (WPMLS) is a subsidiary of the Westchester County Board of Realtors, Inc. and the Putnam County Association of Realtors, Inc. WPMLS serves more than 500 real estate offices having listings in Westchester, Putnam and Dutchess Counties. All data tables 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.*

Many factors were at work in the Westchester-Putnam residential real estate market in 2001. Historically low mortgage interest rates propped up demand for home buying, particularly among first-time buyers. General economic conditions were quite favorable through most of the year in Westchester and Putnam Counties and in New York City as well. The latter continued its historical role as the major generator of movement into the suburbs.

There were signs of recession, nationally, early in 2001, and technically the country did in fact enter recession later in the year. Apart from the tragic human dimension of the September 11 terror attacks, it brought the underlying recessionary trend into sharp, quick focus. At the same time, an objective look at the local Westchester-Putnam economy shows that the factors that most adversely affect homebuying decisions - job losses and unemployment - were restrained in our area. In fact, the counties experienced small net job growth during 2001, and their unemployment rates, while somewhat increasing during the year, remained below 4% at year-end.

SEASONALLY ADJUSTED QUARTERLY SALES Westchester County



SEASONALLY ADJUSTED QUARTERLY SALES

Property Type	1999 4th	2000 1st	2000 2nd	2000 3rd	2000 4th	2001 1st	2001 2nd	2001 3rd	2001 4th	%Change 2001/3-2001/4
Westchester County										
Single Family	6,010	6,080	5,770	5,580	6,200	5,620	5,190	5,680	5,260	-7.4%
Condominiums	1,330	1,260	1,240	1,160	1,170	1,300	1,100	1,100	1,160	5.5%
Cooperatives	1,760	1,970	1,840	1,780	1,670	1,940	1,710	1,580	1,600	1.3%
2-5 Family	610	680	570	580	520	640	550	630	540	-14.3%
Total	9,710	9,990	9,420	9,100	9,560	9,500	8,550	8,990	8,560	-4.8%
Putnam County										
Single Family	1,160	1,220	1,090	970	1,330	1,050	1,040	1,020	1,010	-1.0%
Condos+Co-ops	210	240	200	190	170	160	170	210	150	-28.6%
Total	1,370	1,460	1,290	1,160	1,500	1,210	1,210	1,230	1,160	-5.7%

ANNUAL COMPARISONS, 1998- 2001

Type Of Property	NUMBER OF SALES				Change, 00-01	
	1998	1999	2000	2001	Amount	Percent
Westchester County						
Single Family Houses	6,701	6,551	5,857	5,447	(410)	-7.0%
Condominiums	1,387	1,423	1,198	1,152	(46)	-3.8%
Cooperatives	1,322	1,670	1,797	1,689	(108)	-6.0%
<u>2-5 Family Houses</u>	<u>557</u>	<u>664</u>	<u>581</u>	<u>591</u>	<u>10</u>	<u>1.7%</u>
Total	9,967	10,308	9,433	8,879	(554)	-5.9%
Putnam County						
Single Family Houses	1,107	1,229	1,124	1,039	(85)	-7.6%
<u>Condos & Co-ops</u>	<u>185</u>	<u>247</u>	<u>200</u>	<u>175</u>	<u>(25)</u>	<u>-12.5%</u>
Total	1,292	1,476	1,324	1,214	(110)	-8.3%

Type Of Property	DOLLAR VOLUME OF SALES (\$Millions)				Change, 00-01	
	1998	1999	2000	2001	Amount	Percent
Westchester County						
Single Family Houses	\$ 2,804.1	\$ 3,060.0	\$ 3,234.0	\$ 3,207.5	\$ (26.5)	-0.8%
Condominiums	\$ 258.4	\$ 270.0	\$ 254.0	\$ 291.1	\$ 37.1	14.6%
Cooperatives	\$ 105.4	\$ 132.0	\$ 162.0	\$ 172.2	\$ 10.2	6.3%
<u>2-5 Family Houses</u>	<u>\$ 124.0</u>	<u>\$ 159.0</u>	<u>\$ 159.0</u>	<u>\$ 182.7</u>	<u>\$ 23.7</u>	<u>14.9%</u>
Total	\$ 3,291.9	\$ 3,621.0	\$ 3,809.0	\$ 3,853.6	\$ 44.6	1.2%
Putnam County						
Single Family Houses	\$ 234.0	\$ 267.5	\$ 287.5	\$ 290.6	\$ 3.1	1.1%
<u>Condos & Co-ops</u>	<u>\$ 23.1</u>	<u>\$ 33.4</u>	<u>\$ 28.6</u>	<u>\$ 27.8</u>	<u>\$ (0.8)</u>	<u>-2.8%</u>
Total	\$ 257.1	\$ 300.9	\$ 316.1	\$ 318.4	\$ 2.3	0.7%

Type Of Property	MEDIAN SALE PRICE				Change, 00-01	
	1998	1999	2000	2001	Amount	Percent
Westchester County						
Single Family Houses	\$320,000	\$345,000	\$407,000	\$ 449,900	\$42,900	10.5%
Condominiums	\$162,500	\$162,000	\$183,000	\$ 220,500	\$37,500	20.5%
Cooperatives	\$ 65,000	\$ 66,000	\$ 72,500	\$ 80,000	\$ 7,500	10.3%
2-5 Family Houses	\$215,000	\$235,000	\$265,000	\$ 295,000	\$30,000	11.3%
All	\$250,000	\$260,000	\$295,000	\$ 333,000	\$38,000	12.9%
Putnam County						
Single Family Houses	\$190,000	\$200,000	\$237,000	\$ 251,750	\$14,750	6.2%
Condos & Co-ops	\$126,000	\$137,500	\$145,745	\$ 161,000	\$15,255	10.5%

Type Of Property	MEAN SALE PRICE				Change, 00-01	
	1998	1999	2000	2001	Amount	Percent
Westchester County						
Single Family Houses	\$418,460	\$467,106	\$552,300	\$ 588,860	\$36,560	6.6%
Condominiums	\$187,291	\$189,995	\$212,732	\$ 253,218	\$40,486	19.0%
Cooperatives	\$ 79,698	\$ 79,070	\$ 90,070	\$ 101,969	\$11,899	13.2%
2-5 Family Houses	\$222,552	\$240,425	\$273,922	\$ 309,201	\$35,279	12.9%
All	\$330,270	\$351,386	\$403,795	\$ 434,013	\$30,218	7.5%
Putnam County						
Single Family Houses	\$211,343	\$218,665	\$255,753	\$ 281,776	\$26,023	10.2%
Condos & Co-ops	\$124,615	\$135,369	\$143,639	\$ 158,738	\$15,099	10.5%

FOURTH QUARTER COMPARISONS, 1998 - 2001

Type Of Property	NUMBER OF SALES				Change, 00-01	
	4th 1998	4th 1999	4th 2000	4th 2001	Amount	Percent
Westchester County						
Single Family Houses	1,539	1,446	1,444	1,239	(205)	-14.2%
Condominiums	350	337	289	293	4	1.4%
Cooperatives	384	488	469	447	(22)	-4.7%
2-5 Family Houses	<u>152</u>	<u>172</u>	<u>141</u>	<u>141</u>	-	0.0%
Total	2,425	2,443	2,343	2,120	(223)	-9.5%
Putnam County						
Single Family Houses	373	279	311	280	(31)	-10.0%
Condos & Co-ops	<u>59</u>	<u>54</u>	<u>43</u>	<u>39</u>	(4)	-9.3%
Total	432	333	354	319	(35)	-9.9%

Type Of Property	DOLLAR VOLUME OF SALES (\$Millions)				Change, 00-01	
	4th 1998	4th 1999	4th 2000	4th 2001	Amount	Percent
Westchester County						
Single Family Houses	\$ 629.2	\$ 691.0	\$ 758.6	\$ 666.4	\$ (92.2)	-12.2%
Condominiums	\$ 62.4	\$ 64.1	\$ 63.1	\$ 74.9	\$ 11.8	18.6%
Cooperatives	\$ 28.9	\$ 38.0	\$ 47.3	\$ 49.6	\$ 2.2	4.7%
2-5 Family Houses	<u>\$ 34.1</u>	<u>\$ 44.0</u>	<u>\$ 41.0</u>	<u>\$ 47.1</u>	<u>\$ 6.1</u>	14.8%
Total	\$ 754.6	\$ 837.1	\$ 910.6	\$ 839.7	\$ (70.9)	-7.8%
Putnam County						
Single Family Houses	\$ 67.5	\$ 61.2	\$ 83.2	\$ 85.2	\$ 2.0	2.4%
Condos & Co-ops	<u>\$ 7.1</u>	<u>\$ 7.4</u>	<u>\$ 6.4</u>	<u>\$ 5.6</u>	<u>\$ (0.8)</u>	-12.6%
Total	\$ 74.6	\$ 68.6	\$ 89.6	\$ 90.8	\$ 1.2	1.3%

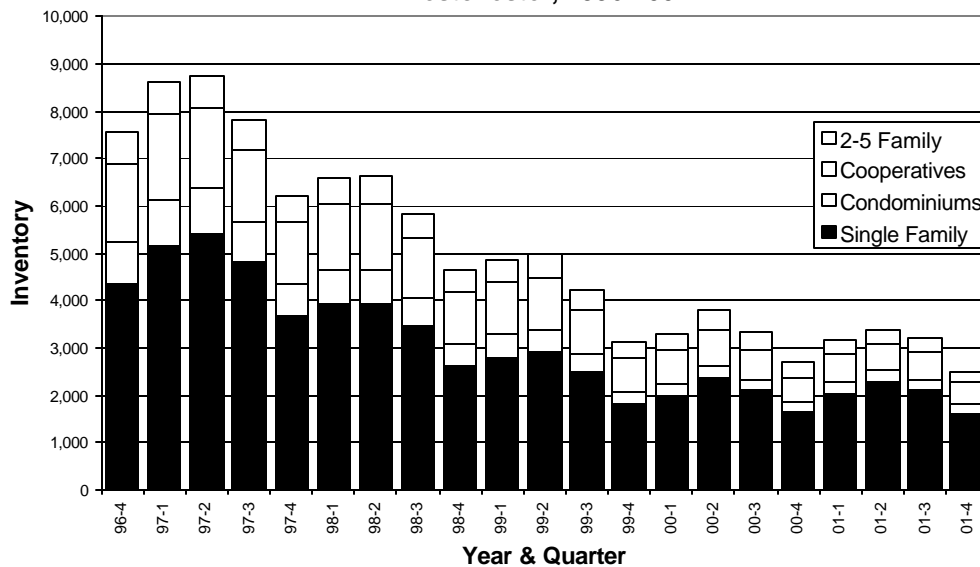
Type Of Property	MEDIAN SALE PRICE				Change, 00-01	
	4th 1998	4th 1999	4th 2000	4th 2001	Amount	Percent
Westchester County						
Single Family Houses	306,500	335,000	399,000	428,000	29,000	7.3%
Condominiums	155,000	160,000	191,000	225,000	34,000	17.8%
Cooperatives	62,000	67,000	77,000	85,000	8,000	10.4%
2-5 Family Houses	225,000	253,500	281,950	307,000	25,050	8.9%
All	235,000	250,000	295,000	319,000	24,000	8.1%
Putnam County						
Single Family Houses	188,000	197,000	239,900	263,000	23,100	9.6%
Condos & Co-ops	118,000	140,000	149,900	145,000	(4,900)	-3.3%

Type Of Property	MEAN SALE PRICE				Change, 00-01	
	4th 1998	4th 1999	4th 2000	4th 2001	Amount	Percent
Westchester County						
Single Family Houses	\$420,997	\$477,844	\$525,696	\$539,270	\$13,574	2.6%
Condominiums	\$178,309	\$190,157	\$218,391	\$255,591	\$37,200	17.0%
Cooperatives	\$ 75,721	\$ 77,801	\$100,939	\$110,845	\$ 9,906	9.8%
2-5 Family Houses	\$224,264	\$255,859	\$290,902	\$333,904	\$43,002	14.8%
All	\$311,254	\$342,620	\$388,638	\$396,072	\$ 7,434	1.9%
Putnam County						
Single Family Houses	\$217,058	\$223,570	\$267,481	\$304,147	\$36,666	13.7%
Condos & Co-ops	\$119,740	\$137,881	\$153,021	\$144,176	\$ (8,845)	-5.8%

September 11 brought a pause to real estate activity for a month or two, and the tenuous economy may have brought about some slackening of demand for Westchester - Putnam housing, but the main brake on the area's housing market has been for several years, was in 2001, and continues to be in 2002, the extraordinarily low levels of inventory in all categories of housing. Year-end Westchester inventory posted with the Multiple Listing Service was 2,510 units in all categories, a decrease of 8% from the year-end of 2000. Putnam County posted an insignificantly small increase in inventory since 2000.

In the early 1990's MLS inventory customarily was in the 910,000 unit range, and annual sales volume was around 5,000 units yearly. However, sales volume began to rapidly increase in 1996 and crossed the 10,000 unit level in 1999. The result was that inventory was drawn down sharply and has not been able to rebuild in sufficient quantity to sustain higher sales rates.

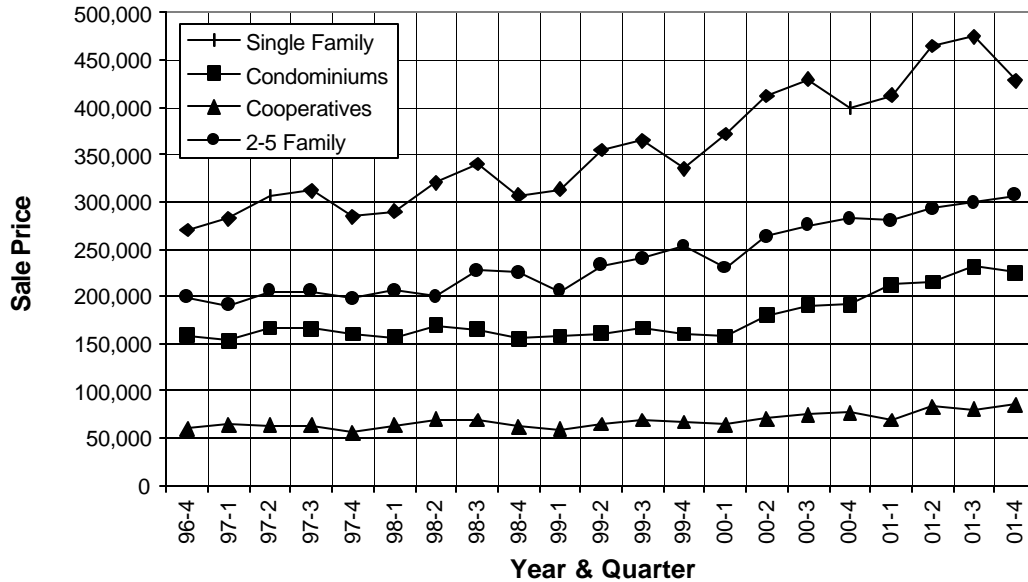
**END OF QUARTER INVENTORY
Westchester, 1996-2001**



**INVENTORY AT END OF
YEAR/QUARTER**

Type Of Property	INVENTORY AT END OF YEAR/QUARTER				Change, 00-01	
	1998	1999	2000	2001	Amount	Percent
Westchester County						
Single Family Houses	2,604	1,809	1,655	1,625	(30)	-1.8%
Condominiums	470	250	206	193	(13)	-6.3%
Cooperatives	1,126	745	523	481	(42)	-8.0%
2-5 Family Houses	434	337	340	211	(129)	-37.9%
Total	4,634	3,141	2,724	2,510	(214)	-7.9%
Putnam County						
Single Family Houses	734	541	505	508	3	0.6%
Condos & Co-ops	96	47	27	40	13	48.1%
Total	830	588	532	548	16	3.0%

MEDIAN SALE PRICES Westchester County



The high demand - low supply equation yielded record-high price levels in 2001. Fourth quarter median² sale prices were on average about 8% higher than in the fourth quarter of 2000. On a 12-month basis, Westchester's year to year prices increased by more than 10%. The full-year median sale price of a single family house reached \$449,900, an increase of 10.5% or \$42,900 over the year 2000 median. In Putnam County the median sale price of a house increased by 6.2% to \$251,750.

Mean² sale prices also increased but by lesser amounts than the medians, suggesting that price appreciation was uniform across all price categories and not totally driven by a concentration of activity in the high-end market. The full-year mean sale price of a Westchester single family house reached \$588,860, a 6.6% increase from the prior year. On a fourth quarter basis the mean sale price of a Westchester house increased by only 2.6%, again confirming that the high-end market was not as much of a factor as it was in 2000.

On September 11, and a look ahead

The September 11 tragedy per se cannot be said to have had a lasting effect on homebuying activity in Westchester and Putnam Counties. Some closings were cancelled or postponed, but not enough to depress either the fourth quarter or full-year sales results. Consumers withdrew from the homebuying market in the days and weeks immediately after the event, but surveys by the National Association of Realtors indicate that business was back to 95% of normal within eight to ten weeks afterwards.

The main impact of September 11 was to spotlight troubling aspects of the national economy that had already been developing since mid-year, and to tip the scales in favor of official recession. Still, the worst effects of recession, job losses and unemployment, have not yet seriously impacted Westchester and Putnam Counties.

If trouble for the local real estate market develops, it will most likely first come in the form of reduced migration from New York City. However, there is no sign of such a fall-off as yet. To the contrary, there is every evidence of continued strong demand for housing both from New York City and Westchester-Putnam's own populations which would result in much higher sales volume, and lower prices, if only there were sufficient inventory to satisfy the demand. There is not much prospect for a large growth of inventory in 2002, hence the outlook is for sales to fall within a percentage point or two of 2001's levels, and for prices to remain high across the board.

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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.*