



Westchester-Putnam Multiple Listing Service

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THIRD QUARTER 2003 RESIDENTIAL REAL ESTATE SALES REPORT WESTCHESTER & PUTNAM COUNTIES, NEW YORK

October 27, 2003

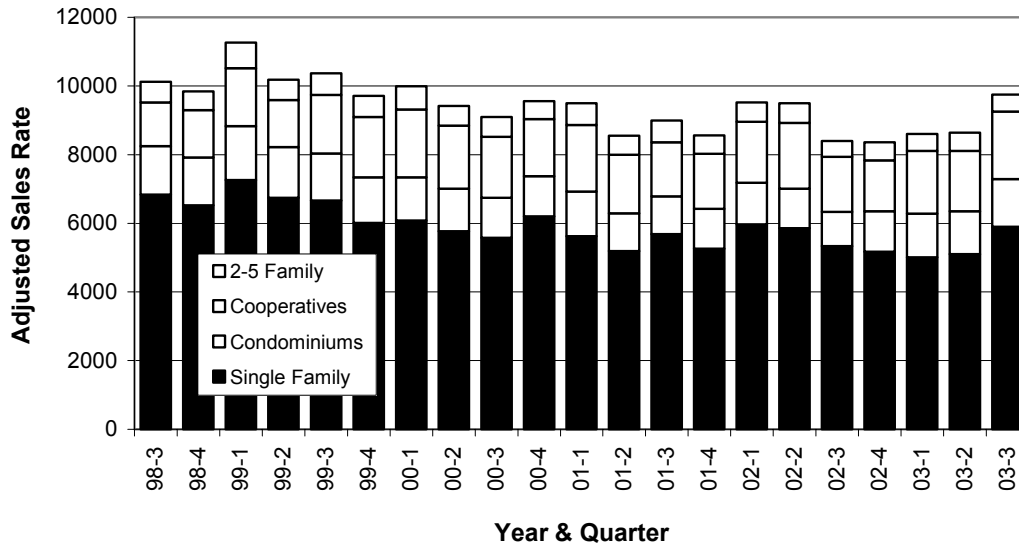
The number of closed residential sales in Westchester and Putnam Counties during the third quarter of 2003 increased sharply from last year's third quarter totals. The closed sales largely were of properties that had been listed and marketed during the period March through June, typically the busiest time of the year for home buying. The real estate environment during those months was characterized by plunging mortgage interest rates, increases in sales-enabling inventory, and fair to good general economic conditions.

Realtor firms participating in the Westchester-Putnam Multiple Listing Service reported 3,086 closings in Westchester County in the third quarter, an increase of 14% from last year's third quarter volume. Putnam County's volume was up 26%.

All four property types tracked by WPMLS (single family houses, condominiums, cooperatives and 2-5 family houses) registered year-to-year increases in sales in Westchester, and only the multi-family house sector posted less than a double-digit percentage increase. There were 1,990 single family house sales in Westchester, up 10% from last year; Putnam County's house sales were up by 29%. Condominium and cooperative apartment sales in Westchester were up by 36% and 21%, respectively, from last year's third quarter sales.

Type of Property	NUMBER OF SALES, 3RD QUARTER			Change 2002-2003	
	2001-3rd	2002-3rd	2003-3rd	Amount	Percent
Westchester County					
Single Family Houses	1,908	1,816	1,990	174	10%
Condominiums	340	306	415	109	36%
Cooperatives	455	451	545	94	21%
2-5 Family	176	130	136	6	5%
Total	2,879	2,703	3,086	383	14%
Putnam County					
Single Family Houses	330	299	387	88	29%
Condos & Co-ops	69	48	49	1	2%
Total	399	347	436	89	26%

**SEASONALLY ADJUSTED QUARTERLY SALES
Westchester County**



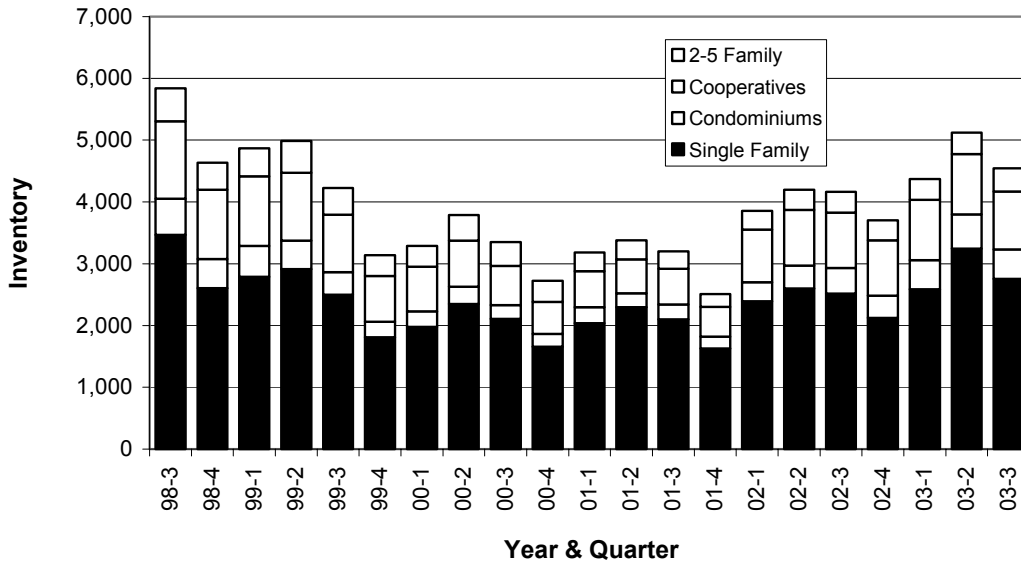
SEASONALLY ADJUSTED QUARTERLY SALES

Property Type	2001	2001	2002	2002	2002	2002	2003	2003	2003	%Change 2003/2nd- 2003/3rd
	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	
Westchester County										
Single Family	5,680	5,260	5,970	5,860	5,340	5,170	5,010	5,100	5,900	15.7%
Condominiums	1,100	1,160	1,210	1,150	990	1,180	1,270	1,250	1,390	11.2%
Cooperatives	1,580	1,600	1,780	1,910	1,610	1,480	1,830	1,760	1,960	11.4%
2-5 Family	630	540	560	580	460	530	490	530	500	-5.7%
Total	8,990	8,560	9,520	9,500	8,400	8,360	8,600	8,640	9,750	12.8%
Putnam County										
Single Family	1,020	1,010	1,210	1,300	920	970	1,030	1,010	1,260	24.8%
Condos+Co-ops	210	150	140	200	140	170	130	200	140	-30.0%
Total	1,230	1,160	1,350	1,500	1,060	1,140	1,160	1,210	1,400	15.7%

On a seasonally adjusted basis¹, the third quarter volume in Westchester was equivalent to 9,750 sales per year, a rate last experienced in this area in 1999 and early 2000. The third quarter rate was nearly 13% higher than the second quarter's.

The higher sales volumes and rates were enabled by the slow but steady increase in inventory that commenced in 2002. The end-of-quarter inventory of 4,546 units in Westchester was 9% higher than it was a year ago. In Putnam County it was 5% higher.

**END OF QUARTER INVENTORY
Westchester County**



Type of Property	END OF QUARTER INVENTORY			Change 2002-2003	
	2001-3rd	2002-3rd	2003-3rd	Amount	Percent
Westchester County					
Single Family Houses	2,099	2,518	2,752	234	9%
Condominiums	239	416	478	62	15%
Cooperatives	568	894	940	46	5%
2-5 Family	284	335	376	41	12%
Total	3,190	4,163	4,546	383	9%
Putnam County					
Single Family Houses	639	753	781	28	4%
Condos & Co-ops	32	49	62	13	27%
Total	671	802	843	41	5%

The area's supply of for-sale housing is about half of its historic average and that deficiency has constituted a serious brake on sales volume since 1999. Insufficient inventory limits choice, drives up prices, and therefore discourages many potential buyers. However, our area has now experienced seven consecutive quarters of year-to-year increases in inventory – and that trend is finally having a positive effect on sales volumes.

Also during the spring months that generated the third quarter closings, mortgage interest rates fell to record lows. The average rate on a 30-year conventional mortgage ranged from about 6 percent in April to as low as 5.3% by mid-June, climbing to 6% again in mid-July.

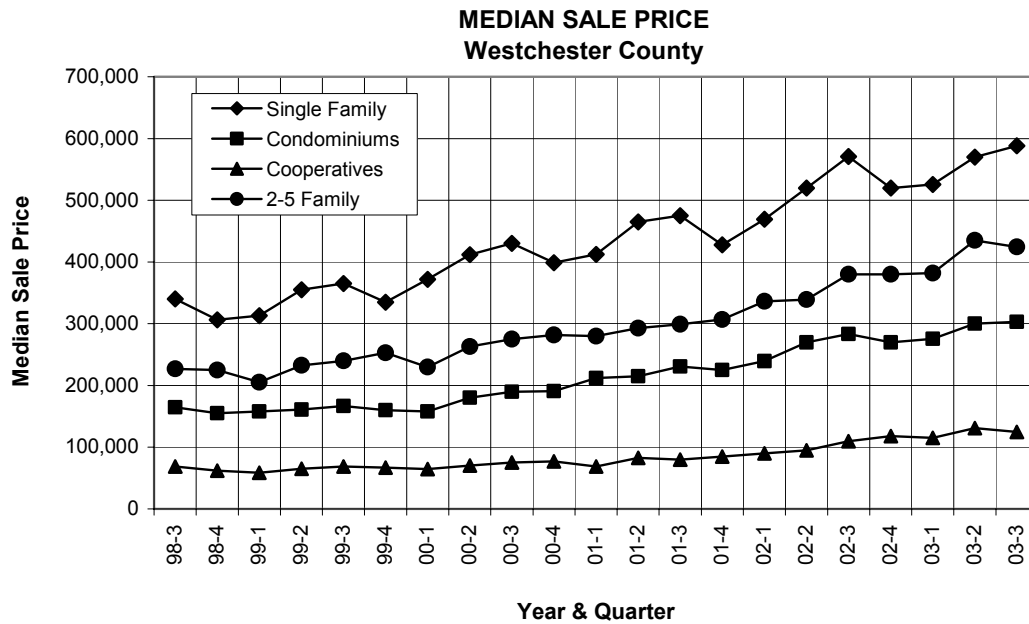
Type of Property	MEDIAN SALE PRICE, 3RD QUARTER			Change 2002-2003	
	2001-3rd	2002-3rd	2003-3rd	Amount	Percent
Westchester County					
Single Family Houses	\$ 475,000	\$ 570,750	\$ 588,250	\$ 17,500	3%
Condominiums	\$ 231,000	\$ 283,500	\$ 303,000	\$ 19,500	7%
Cooperatives	\$ 80,000	\$ 110,000	\$ 125,000	\$ 15,000	14%
2-5 Family	\$ 299,000	\$ 380,000	\$ 424,500	\$ 44,500	12%
Putnam County					
Single Family Houses	\$ 259,900	\$ 315,000	\$ 365,000	\$ 50,000	16%
Condos & Co-ops	\$ 167,500	\$ 202,500	\$ 228,000	\$ 25,500	13%

Type of Property	MEAN SALE PRICE, 3RD QUARTER			Change 2002-2003	
	2001-3rd	2002-3rd	2003-3rd	Amount	Percent
Westchester County					
Single Family Houses	\$ 621,572	\$ 739,311	\$ 776,299	\$ 36,988	5%
Condominiums	\$ 269,691	\$ 316,984	\$ 340,295	\$ 23,311	7%
Cooperatives	\$ 99,658	\$ 139,245	\$ 153,145	\$ 13,900	10%
2-5 Family	\$ 316,834	\$ 401,247	\$ 438,547	\$ 37,300	9%
Putnam County					
Single Family Houses	\$ 288,296	\$ 353,146	\$ 402,441	\$ 49,295	14%
Condos & Co-ops	\$ 167,682	\$ 195,774	\$ 215,698	\$ 19,924	10%

Type of Property	DOLLAR VALUE OF SALES, 3RD QTR			Change 2002-2003	
	2001-3rd	2002-3rd	2003-3rd	Amount	Percent
Westchester County					
Single Family Houses	\$ 1,185.96	\$ 1,342.59	\$ 1,544.84	\$ 202.25	15%
Condominiums	\$ 91.69	\$ 97.00	\$ 141.22	\$ 44.22	46%
Cooperatives	\$ 45.34	\$ 62.80	\$ 83.46	\$ 20.66	33%
2-5 Family	\$ 55.76	\$ 52.16	\$ 59.64	\$ 7.48	14%
Total	\$ 1,378.76	\$ 1,554.55	\$ 1,829.17	\$ 274.62	18%
Putnam County					
Single Family Houses	\$ 95.14	\$ 105.59	\$ 155.75	\$ 50.16	47%
Condos & Co-ops	\$ 11.57	\$ 9.40	\$ 10.57	\$ 1.17	12%
Total	\$ 106.71	\$ 114.99	\$ 166.31	\$ 51.32	45%

Mortgage interest rates to and through the third quarter have been stable at fairly low levels for so long that they are no longer a major stimulant for new sales that otherwise would not have occurred. However, the low rates, by reducing monthly amortization, have facilitated the affordability of large-mortgage transactions that are often necessary in this area's costly real estate market.

Year to year prices did climb again in the third quarter, but by percentages that were not as severe as those of recent prior quarters. The median² sale price of a single family house in Westchester reached a new record of \$588,250, but this was only \$17,500 or 3% higher than last year's third quarter median. In Putnam County the median price increased by 16% to \$365,000.



The median for a Westchester condominium reached \$303,000, up \$19,500 or 7% from last year. Westchester co-ops had the largest percentage increase, 14%, to reach a median of \$125,000.

Mean² sales prices, which are responsive to the sales of very expensive or unusually inexpensive properties, generally tracked the changes in median sales prices. That pattern evidenced a balanced market in which properties in all price ranges were appreciating or depreciating at more or less the same rate, and it tends to support the contention that there was and is no price “bubble” in the high end of the Westchester-Putnam real estate market.

Besides the boosts from more inventory and stable, low, mortgage interest rates, the area’s real estate market also benefited from the absence of any seriously bad news affecting the local labor force or job market. The unemployment rate of Westchester-Putnam residents has hovered in the 3.5-4.0% range for more than a year, significantly lower than that of New York City, New York State, and the nation as a whole. Job growth in our area has been anemic, but at least the direction has been positive.

The circumstance that could most disturb the local real estate market in the coming months would be a very sharp increase in mortgage interest rates to 8% or higher. Few analysts predict that much of an increase; most discussions seem to contemplate a slight increase over an extended period of time as the economy emerges from recession. Some buyers might be driven out of the Westchester-Putnam market on account of mortgage interest rates, but not so many as to bring prices down. Instead, the likely scenario would be for prices to continue to increase but at moderate, single-digit percentages.

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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 640 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 or 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 sub-County data are invited to contact participating real estate offices in the desired areas. Any text or data from this report may be reprinted with attribution to Westchester-Putnam Multiple Listing Service, Inc. as the source.

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.*