



Westchester-Putnam Multiple Listing Service, Inc.

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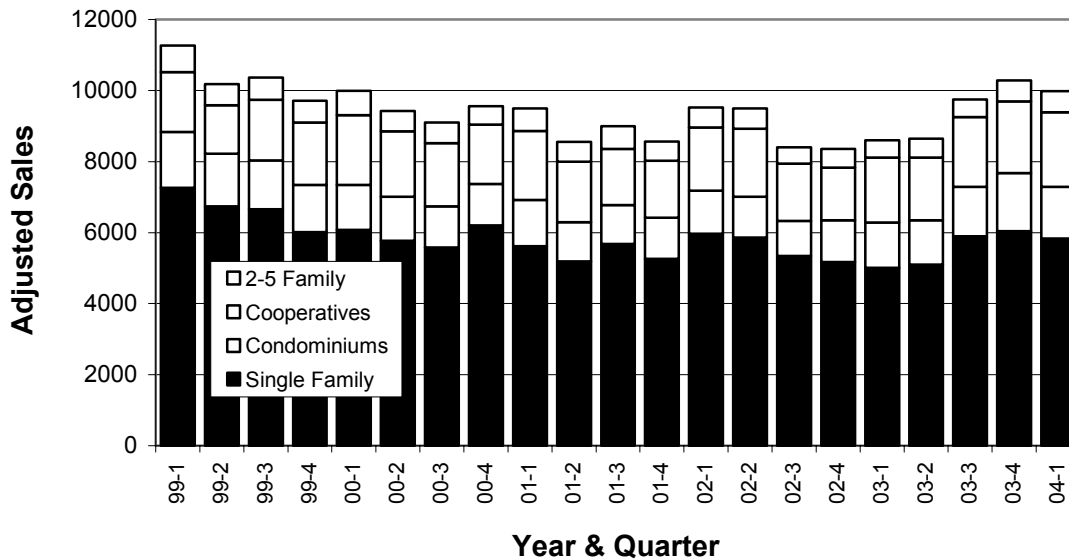
**2004 FIRST QUARTER
 RESIDENTIAL REAL ESTATE SALES REPORT**

April 28, 2004

The number of reported closings of residential real estate sales in Westchester County in the first three months of 2004 was the second highest for a first quarter since the record set in 1999. Realtor firms participating in the Westchester-Putnam Multiple Listing Service, Inc. reported 1,925 closings of residential sales in Westchester County and 231 closings in Putnam County, representing increases of 14% and 4%, respectively, over the first quarter figures of 2003. All of the key property categories - single-family houses, condominiums, cooperatives, and multi-family houses - posted double-digit increases over 2003.

First quarter closings result from marketing and sales activity during the winter months, when the real estate market is most quiet, and therefore typically number the fewest of the year. When seasonally adjusted¹ for this fact, however, the 2004 first quarter sales were equivalent to a very high annualized rate of 9,980 sales, consistent with the uptick in the market that commenced in the second half of 2003. Westchester's first-quarter rate was just 3% off from the prior fourth quarter of 2004.

**SEASONALLY ADJUSTED QUARTERLY SALES
 Westchester, 1999 - 2004**



SEASONALLY ADJUSTED QUARTERLY SALES

Property Type	2002 1st	2002 2nd	2002 3rd	2002 4th	2003 1st	2003 2nd	2003 3rd	2003 4th	2004 1st	%Change 2003/4- 2004/1
Westchester County										
Single Family	5,970	5,860	5,340	5,170	5,010	5,100	5,900	6,040	5,830	-3.5%
Condominiums	1,210	1,150	990	1,180	1,270	1,250	1,390	1,630	1,460	-10.4%
Cooperatives	1,780	1,910	1,610	1,480	1,830	1,760	1,960	2,020	2,100	4.0%
2-5 Family	<u>560</u>	<u>580</u>	<u>460</u>	<u>530</u>	<u>490</u>	<u>530</u>	<u>500</u>	<u>600</u>	590	-1.7%
Total	9,520	9,500	8,400	8,360	9,980	8,640	9,750	10,290	9,980	-3.0%
Putnam County										
Single Family	1,210	1,300	920	970	1,030	1,010	1,260	1,300	1,080	-16.9%
Condos+Co-ops	<u>140</u>	<u>200</u>	<u>140</u>	<u>170</u>	<u>130</u>	<u>200</u>	<u>140</u>	<u>220</u>	180	-18.2%
Total	1,350	1,500	1,060	1,140	1,160	1,210	1,400	1,520	1,260	-17.1%

Westchester's and Putnam's longstanding problem with low inventory did not ease during the quarter. 2004 commenced with only 3,436 residential units in Westchester and 603 units in Putnam listed through the Westchester-Putnam MLS. The relatively brisk pace of sales through the 2003-2004 winter did not give inventory much of a chance to rebuild. By the end of the quarter, March 31, Westchester's inventory had increased to only 4,003 units, 8% fewer than last year's at that date. Putnam County's inventory was only 688 units, 10% fewer than last year's.

The condominium sector experienced the most severe year-to-year decrease of inventory -- 34%, to a very low level of 315 units by the end of the quarter. Condominium sales were up by 13% from last year, and that percentage would have been much higher had there been more units available. The brake on sales resulting from low inventory resulted in a seasonally adjusted quarter-to-quarter decrease of 10%, the highest of any of the property categories.

There were significant year-to-year price increases in all residential categories in Westchester, and all prices were a record high for a first quarter. The median² sale price of a single-family house reached \$574,900, a 9% increase over last year's median. Condominiums and cooperatives both posted double-digit increases with median sale prices of \$312,450 and \$135,000, respectively.

Mean² sale prices increased by roughly comparable percentages, indicating that no single price segment, e.g., "high-end" properties, is getting out of balance with price increases among the other segments. There is yet no evidence of a price "bubble" in any particular market segment.

FIRST QUARTER COMPARISONS, 2001 - 2004

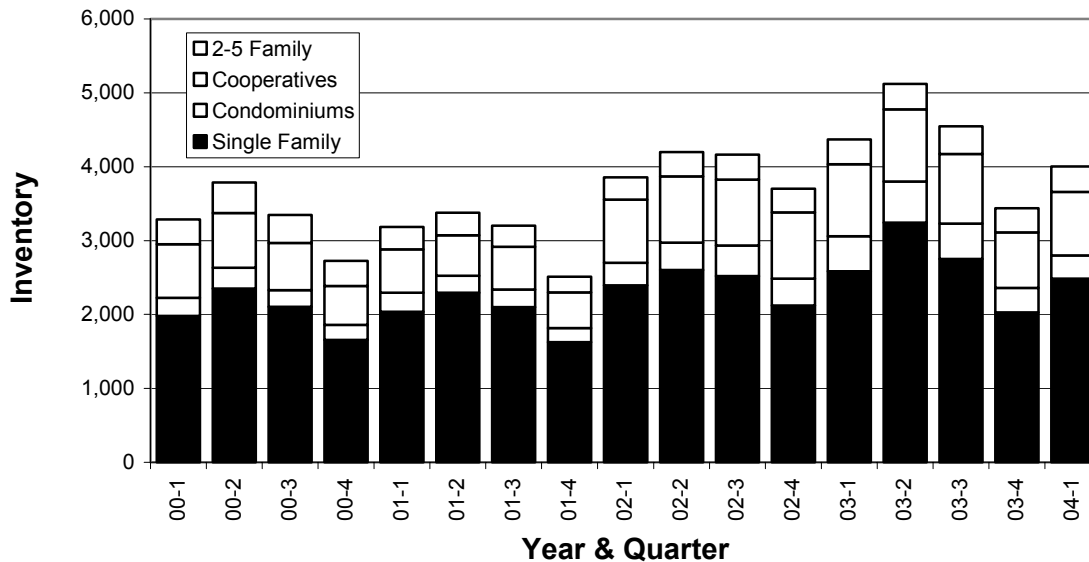
Type Of Property	NUMBER OF SALES				Change 03-04	
	1st 01	1st 02	1st 03	1st 04	Amount	Percent
Westchester County						
Single Family Houses	1,004	1,092	942	1,063	121	12.8%
Condominiums	232	224	246	277	31	12.6%
Cooperatives	378	367	387	442	55	14.2%
2-5 Family Houses	144	130	120	143	23	19.2%
Total	1,758	1,814	1,695	1,925	230	13.6%
Putnam County						
Single Family Houses	189	220	197	199	2	1.0%
Condos & Co-ops	30	28	26	32	6	23.1%
Total	219	248	223	231	8	3.6%

Type Of Property	DOLLAR VOLUME OF SALES (\$Millions)				Change 03-04	
	1st 01	1st 02	1st 03	1st 04	Amount	Percent
Westchester County						
Single Family Houses	565.7	678.5	650.2	789.1	138.9	21.4%
Condominiums	53.2	63.3	77.2	97.6	20.4	32.3%
Cooperatives	34.4	41.8	53.6	66.9	13.3	31.8%
2-5 Family Houses	41.6	45.9	48.7	65.7	17.0	37.0%
Total	694.9	829.5	829.9	1,019.3	189.4	22.8%
Putnam County						
Single Family Houses	45.2	70.6	73.5	77.2	3.7	5.2%
Condos & Co-ops	4.4	5.0	5.2	6.8	1.6	32.0%
Total	49.6	75.6	78.7	84.0	5.3	7.0%

Type Of Property	MEDIAN SALE PRICE				Change 03-04	
	1st 01	1st 02	1st 03	1st 04	Amount	Percent
Westchester County						
Single Family Houses	412,500	469,100	525,500	574,900	49,400	9.4%
Condominiums	212,000	239,500	275,500	312,450	36,950	13.4%
Cooperatives	69,000	90,000	115,000	135,000	20,000	17.4%
2-5 Family Houses	280,000	336,500	382,550	437,000	54,450	14.2%
Putnam County						
Single Family Houses	223,500	285,000	340,000	340,000	-	0.0%
Condos & Co-ops	150,000	183,750	212,750	209,950	(2,800)	-1.3%

Type Of Property	MEAN SALE PRICE				Change 03-04	
	1st 01	1st 02	1st 03	1st 04	Amount	Percent
Westchester County						
Single Family Houses	563,435	621,323	690,211	742,302	52,091	7.5%
Condominiums	229,382	282,375	313,676	352,326	38,650	12.3%
Cooperatives	91,015	113,905	138,393	151,372	12,979	9.4%
2-5 Family Houses	289,057	353,364	405,705	459,242	53,537	13.2%
Putnam County						
Single Family Houses	247,611	320,967	372,952	387,919	14,967	4.0%
Condos & Co-ops	145,825	178,692	199,826	214,057	14,231	7.1%

**END OF QUARTER INVENTORY
Westchester, 2000-2004**

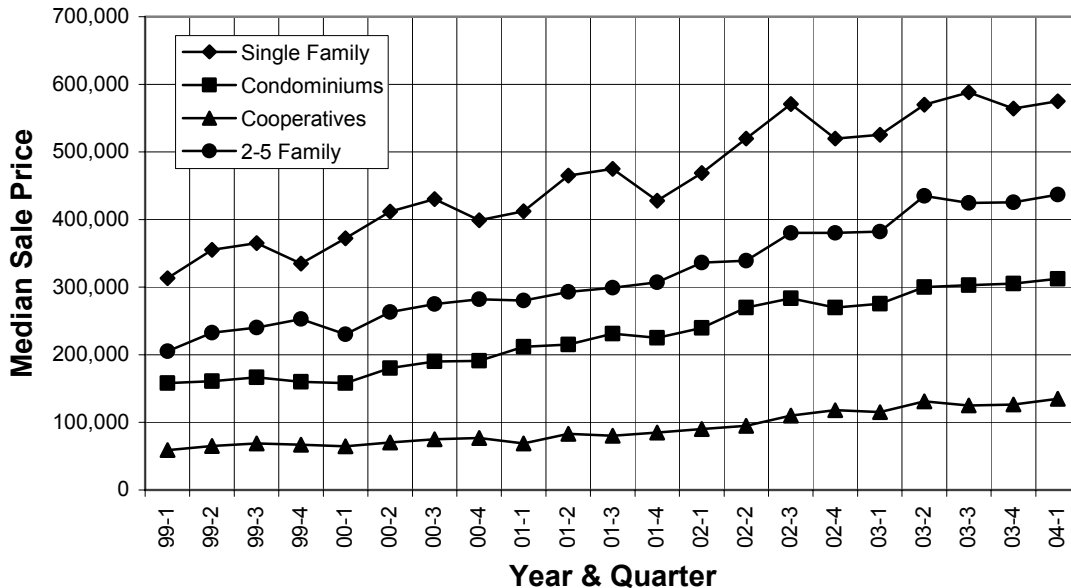


Type Of Property	END OF QUARTER INVENTORY				Change 03-04	
	1st 01	1st 02	1st 03	1st 04	Amount	Percent
Westchester County						
Single Family Houses	2,036	2,392	2,583	2,483	(100)	-3.9%
Condominiums	259	309	474	315	(159)	-33.5%
Cooperatives	586	852	978	859	(119)	-12.2%
<u>2-5 Family Houses</u>	<u>303</u>	<u>303</u>	<u>334</u>	<u>346</u>	<u>12</u>	<u>3.6%</u>
Total	3,184	3,856	4,369	4,003	(366)	-8.4%
Putnam County						
Single Family Houses	522	630	706	635	(71)	-10.1%
<u>Condos & Co-ops</u>	<u>32</u>	<u>61</u>	<u>61</u>	<u>53</u>	<u>(8)</u>	<u>-13.1%</u>
Total	554	691	767	688	(79)	-10.3%

The conditions driving demand for housing locally and nationally did not change very much during the quarter. Mortgage interest rates were very low and in fact were decreasing during the winter months and into the first quarter. By early March, 30-year fixed rate mortgages averaged as low as 5.5%. The increases that occurred later in March would have had no material effect on first quarter sales.

Jobs in the region experienced the usual seasonal decrease after the holiday period hirings, but the amount was not out of the ordinary. Westchester's unemployment rate dropped below 4.0% in December but rose to 4.6% in January and February. Many analysts regard the increase as a positive factor to the extent that it may reflect more job applicants having confidence in the economy. In any case, there was nothing about Westchester's employment data in this period that could be regarded as discouraging for prospective homebuyers.

**MEDIAN SALE PRICE
Westchester, 1999 - 2004**



The next several quarters could see some retrenchment of the Westchester-Putnam real estate market, however. First, we are already into the busy spring selling period with very low levels of inventory. It is well documented that low inventory puts a brake on sales volumes because prospective purchasers will not purchase just any property at any price. Rather, when they are too limited in choice by too little stock, many will postpone their decisions.

An additional constraint may be the widely forecast increase in mortgage interest rates over the balance of the year. Even small increases will be injurious to first-time buyers in our region who even now are barely coping with the Westchester-Putnam price structure. Single-family houses are practically out of reach for them, and the much more affordable condominiums and cooperatives are increasingly in short supply as a result.

While the middle to high end of our local market can sustain itself for a time on trade-ups both within and from outside our two counties - and there is no price bubble in that regard - in the end the market has to be replenished from starter purchases. Therefore, if mortgage interest rates cool the first-time buyers market too much, overall prices may level off and even decrease in the coming months.

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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 660 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, but not altered, 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 sales at very low or very high prices.*

