



Westchester-Putnam Multiple Listing Service, Inc.

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

October 28, 2004

Realtor firms participating in the Westchester-Putnam Multiple Listing Service reported near record-high sales activity in Westchester as measured by closings of sold properties in the third quarter of the year. The 3,267 reported closings in Westchester were the most for any quarter since the 3,359 closings posted for the third quarter of 1999. Overall, 2004's third quarter volume was 6% more than last year's.

The third quarter closings largely reflected marketing and sales activity that took place in the period April through July, building upon the high performance market that commenced at the very start of the year. However, seasonally adjusted¹ to an equivalent annual rate of 9,340 sales per year, as powerful as it was, Westchester's third quarter rate of sales was 11% slower than the second quarter rate.

The late spring and early summer months provided a good environment for pumping up the local real estate market. Our area continued to experience some amount of job growth and also received several announcements of new corporate relocations. The local unemployment rate remained low as well. Those factors created both the fact and the perception of job stability which is always an important influence on prospective purchasers. In addition, mortgage interest rates remained low. The average rate for a 30-year conventional mortgage was about 6.5% in mid-May and it incrementally decreased to about 6.0% over the subsequent several months.

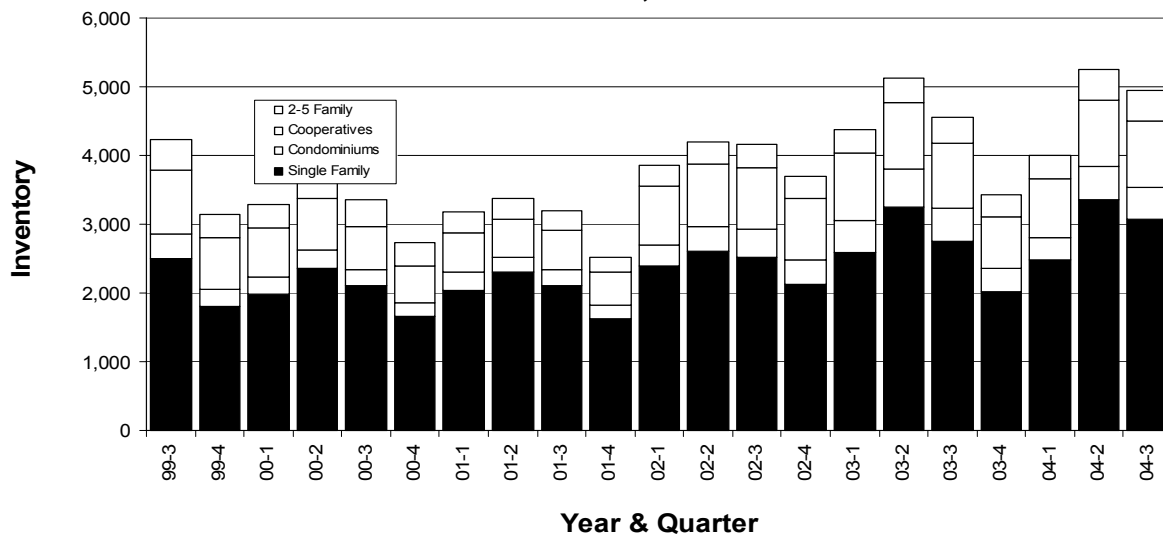
Type Of Property	NUMBER OF SALES				Change 03-04	
	3rd 01	3rd 02	3rd 03	3rd 04	Amount	Percent
Westchester County						
Single Family Houses	1,908	1,816	1,990	2,065	75	3.8%
Condominiums	340	306	415	403	(12)	-2.9%
Cooperatives	455	451	545	606	61	11.2%
2-5 Family Houses	176	130	136	193	57	41.9%
Total	2,879	2,703	3,086	3,267	181	5.9%
Putnam County						
Single Family Houses	330	299	387	333	(54)	-14.0%
Condos & Co-ops	69	48	49	63	14	28.6%
Total	399	347	436	396	(40)	-9.2%

The Putnam County market did not perform as well as Westchester's in the third quarter, however. Putnam County's 396 residential sales were 9% below last year's level. Part of the difference between Westchester and Putnam is that Putnam does not have a significant stock of cooperative units - which in Westchester have been an engine for generating the higher-than-average sales gains. Still, the relatively cooler pace of sales in Putnam County bears watching for another quarter or two to see if it's a mere statistical fluke or a signal of changes to come in the Westchester-Putnam market.

In both counties the end-of-quarter inventory decreased from the second to the third quarters, as it usually does in response to the sustained sales activity of the spring and summer months. In Westchester County the decrease was nearly 6% and in Putnam County it was 4%. However, compared to last year, the 2004 third quarter Westchester and Putnam closing inventories of 4,952 units and 889 units were respectively 9% and 6% higher than last year's levels at this time. The increase resulted from more potential sellers advancing their decisions to sell in response to a perception of favorable conditions in the market.

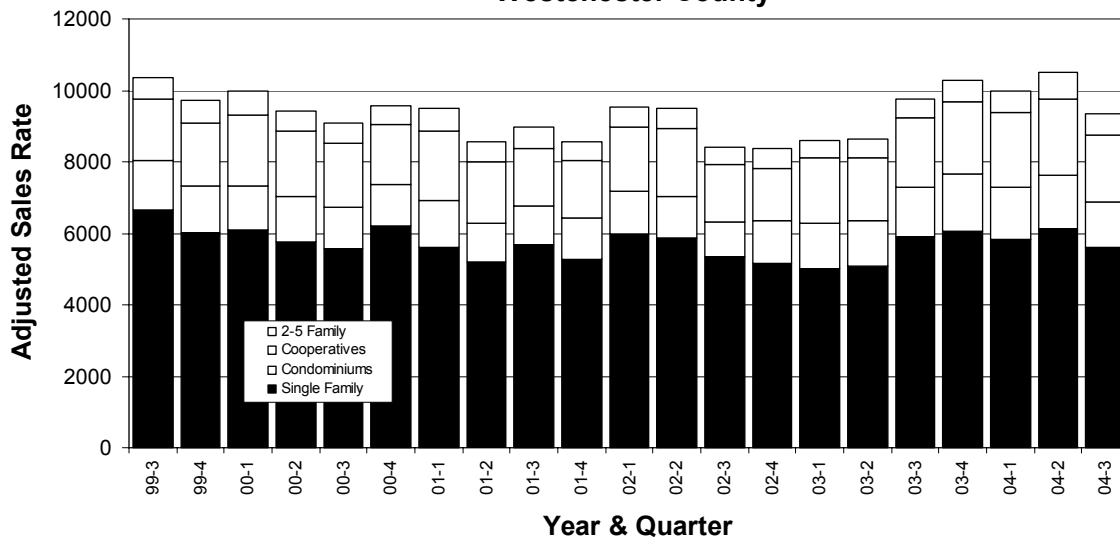
Type Of Property	END OF QUARTER INVENTORY				Change 03-04	
	3rd 01	3rd 02	3rd 03	3rd 04	Amount	Percent
Westchester County						
Single Family Houses	2,099	2,518	2,752	3,068	316	11.5%
Condominiums	239	416	478	473	(5)	-1.0%
Cooperatives	568	894	940	955	15	1.6%
2-5 Family Houses	284	335	376	456	80	21.3%
Total	3,190	4,163	4,546	4,952	406	8.9%
Putnam County						
Single Family Houses	639	753	781	822	41	5.2%
Condos & Co-ops	32	49	62	67	5	8.1%
Total	671	802	843	889	46	5.5%

**END OF QUARTER INVENTORY
Westchester, 1999-2004**



SEASONALLY ADJUSTED QUARTERLY SALES										
Property Type	2002 3rd	2002 4th	2003 1st	2003 2nd	2003 3rd	2003 4th	2004 1st	2004 2nd	2004 3rd	%Change 2004/2nd- 2004/3rd
Westchester County										
Single Family	5,340	5,170	5,010	5,100	5,900	6,040	5,830	6,120	5,620	-8.2%
Condominiums	990	1,180	1,270	1,250	1,390	1,630	1,460	1,490	1,260	-15.4%
Cooperatives	1,610	1,480	1,830	1,760	1,960	2,020	2,100	2,140	1,860	-13.1%
2-5 Family	460	530	490	530	500	600	590	760	600	-21.1%
Total	8,400	8,360	8,600	8,640	9,750	10,290	9,980	10,510	9,340	-11.1%
Putnam County										
Single Family	920	970	1,030	1,010	1,260	1,300	1,080	1,190	1,090	-8.4%
Condos+Co-ops	140	170	130	200	140	220	180	170	190	11.8%
Total	1,060	1,140	1,160	1,210	1,400	1,520	1,260	1,360	1,280	-5.9%

SEASONALLY ADJUSTED QUARTERLY SALES Westchester County

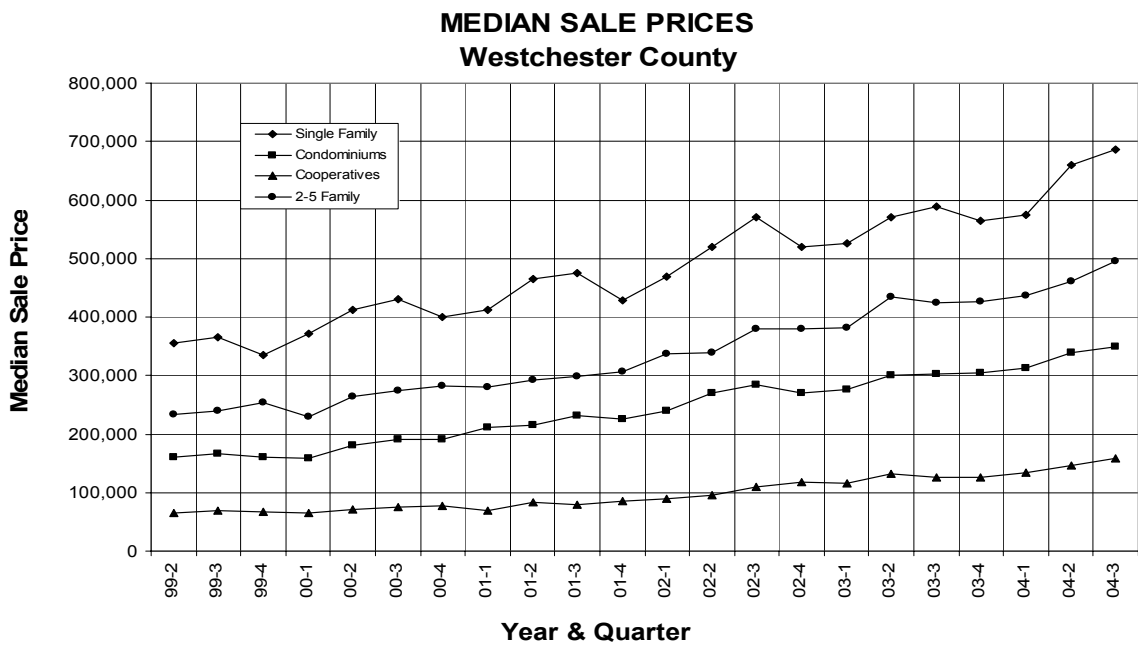


Average Westchester sales prices were higher by double digit percentages from a year ago in all four categories tracked by the Multiple Listing Service, and all four categories posted record highs. Typically, average prices reach a maximum among the third quarter closings, then subside in the fourth quarter².

The median³ sale price of a single family Westchester house reached \$686,000 representing a very large increase of \$97,750 or nearly 17% from a year ago. In Putnam County the increase was a more restrained 7% to a new high of \$389,000. The largest percentage increase, 27%, occurred in Westchester's co-op sector where the median price climbed by \$34,000 from a year ago to a new high of \$159,000.

Mean³ sales prices increased in the same general ranges, suggesting that the price increases represented market appreciation across the board rather than a shift in the composition of the market. The shift to high-end properties, particularly in the single family house sector, already took place in the first and second quarters of the year and has been noted in these quarterly reports. 25% of Westchester’s single family sales were for \$1,000,000 or more in the third quarter compared to 22% in the second quarter. There was no quarter-to-quarter change in the 18% of houses selling between \$750,000 and \$1,000,000.

Type Of Property	MEDIAN SALE PRICE				Change 03-04	
	3rd 01	3rd 02	3rd 03	3rd 04	Amount	Percent
Westchester County						
Single Family Houses	475,000	570,750	588,250	686,000	97,750	16.6%
Condominiums	231,000	283,500	303,000	349,000	46,000	15.2%
Cooperatives	80,000	110,000	125,000	159,000	34,000	27.2%
2-5 Family Houses	299,000	380,000	424,500	495,000	70,500	16.6%
Putnam County						
Single Family Houses	259,900	315,000	365,000	389,000	24,000	6.6%
Condos & Co-ops	167,500	202,500	228,000	253,000	25,000	11.0%
MEAN SALE PRICE						
Type Of Property	3rd 01	3rd 02	3rd 03	3rd 04	Change 03-04	
Westchester County						
Single Family Houses	621,572	739,311	776,299	884,209	107,910	13.9%
Condominiums	269,691	316,984	340,295	378,090	37,795	11.1%
Cooperatives	99,658	139,245	153,145	186,538	33,393	21.8%
2-5 Family Houses	316,834	401,247	438,547	517,141	78,594	17.9%
Putnam County						
Single Family Houses	288,296	353,146	402,441	438,298	35,857	8.9%
Condos & Co-ops	167,682	195,774	215,698	240,995	25,297	11.7%



Due to the combination of high volume and high prices, the total dollar volume of MLS-posted residential sales in Westchester and Putnam Counties in the third quarter reached a record-shattering 2.35 billion dollars.

Type Of Property	DOLLAR VOLUME OF SALES (\$Millions)				Change 03-04	
	3rd 01	3rd 02	3rd 03	3rd 04	Amount	Percent
Westchester County						
Single Family Houses	1,186.0	1,342.6	1,544.8	1,825.9	281.1	18.2%
Condominiums	91.7	97.0	141.2	152.4	11.2	7.9%
Cooperatives	45.3	62.8	83.5	113.0	29.5	35.4%
2-5 Family Houses	55.8	52.2	59.6	99.8	40.2	67.3%
Total	1,378.8	1,554.6	1,829.2	2,191.1	361.9	19.8%
Putnam County						
Single Family Houses	95.1	105.6	155.7	146.0	(9.7)	-6.3%
Condos & Co-ops	11.6	9.4	10.6	15.2	4.6	43.8%
Total	106.7	115.0	166.3	161.2	(5.1)	-3.1%

A Look Ahead

Based on the vigorous performance of our market thus far, there is no doubt that 2004 will be a close contender with 1999 for the highest volume year ever recorded by the Westchester-Putnam Multiple Listing Service. The current 7,723 year-to-date sales posted in Westchester are just 142 fewer than those of the equivalent period in 1999. There is no sign that prices are weakening in excess of the normal retrenchment that takes place in the latter months of each year.

Property Type	YEAR TO DATE SALES (Jan - Sep)					% 03-04
	2001	2002	2003	2004		
Westchester County						
Single Family	4,208	4,352	4,227	4,586		8.5%
Condominiums	859	828	1,002	1,051		4.9%
Cooperatives	1,242	1,271	1,438	1,575		9.5%
2-5 Family	1,098	1,151	389	511		31.4%
Total	7,407	7,602	7,056	7,723		9.5%
Putnam County						
Single Family	759	821	821	815		-0.7%
Condos+Co-ops	136	120	122	139		13.9%
Total	895	941	943	954		1.2%

At publication of this report it has been announced that the County's unemployment rate has dropped below the 4% level. The average 30-year mortgage interest rate stands at 5.84% in our region⁴ and rates have not yet embarked on the climb that was anticipated to commence nearly a year ago. There are just no dark clouds on the local real estate horizon for the balance of 2004.

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 770 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 Second Quarter 2004 Residential Real Estate Report of this organization contained a misstatement that average prices normally decrease from the second to the third quarter. In this area, the average prices of closed properties normally increase from the first through the third quarters, and then decrease in the fourth quarter. However, it is important to note that closed prices usually reflect negotiations and contracts that occurred three to four months prior to closing.*

³ *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.*

⁴ *Source: HSH Associates, Financial Publishers. www.hshassociates.com*

As of January 2005

2004 PRIOR QUARTER ADJUSTED SALES DATA				
<i>Reflecting late-reported sales by MLS Participants</i>				
	NUMBER OF SALES			
Type Of Property	1st 04	2nd 04	3rd 04	4th 04
Westchester County				
Single Family Houses	1,089	1,530	2,108	1,430
Condominiums	281	382	414	361
Cooperatives	456	561	624	562
2-5 Family Houses	148	186	201	184
Total	1,974	2,659	3,347	2,537
Putnam County				
Single Family Houses	203	290	343	303
Condos & Co-ops	32	46	64	49
Total	235	336	407	352
DOLLAR VOLUME OF SALES (\$Millions)				
Type Of Property	1st 04	2nd 04	3rd 04	4th 04
Westchester County				
Single Family Houses	807.5	1,307.0	1,863.9	1,124.8
Condominiums	99.2	143.3	155.9	136.0
Cooperatives	69.5	93.7	117.0	96.5
2-5 Family Houses	67.5	90.2	103.8	100.2
Total	1,043.7	1,634.2	2,240.6	1,457.5
Putnam County				
Single Family Houses	78.6	122.6	149.1	131.2
Condos & Co-ops	6.8	10.7	15.6	12.2
Total	85.4	133.3	164.7	143.4
MEDIAN SALE PRICE				
Type Of Property	1st 04	2nd 04	3rd 04	4th 04
Westchester County				
Single Family Houses	570,000	658,250	685,000	615,000
Condominiums	312,450	340,000	348,250	350,000
Cooperatives	135,500	148,500	159,250	148,750
2-5 Family Houses	435,000	460,000	490,000	518,250
Putnam County				
Single Family Houses	340,000	399,950	385,000	390,000
Condos & Co-ops	209,950	237,750	255,000	257,500
MEAN SALE PRICE				
Type Of Property	1st 04	2nd 04	3rd 04	4th 04
Westchester County				
Single Family Houses	741,499	854,280	884,108	786,583
Condominiums	353,136	375,205	376,598	376,639
Cooperatives	152,364	166,955	187,517	171,791
2-5 Family Houses	456,315	485,060	516,328	544,684
Putnam County				
Single Family Houses	387,011	422,929	434,824	433,110
Condos & Co-ops	214,057	232,373	243,314	249,147