



# WESTCHESTER REAL ESTATE, INC.

Serving Westchester, Putnam & New York (Manhattan) Counties, NY & Fairfield County, CT

REAL ESTATE

## MARKET REPORT

2ND QUARTER 2014



**Local  
Market Update**



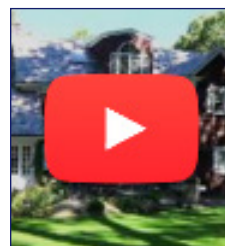
**Town-by-Town Data  
and At-A-Glance**



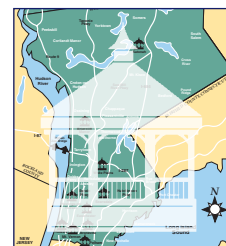
**Real Estate's  
Crystal Ball**



**The Chicken  
or the Egg?**



**Buying a Home in  
Westchester**



**Why  
Us?**

## What You Need to Know About the Local Market.

Words that have been used by various astute market observers to describe our Westchester County real estate market in the 2nd Quarter of 2014 include tenuous, shallow, steady, fragile, sustainable, decelerating, a "marathon rather than a sprint". They all seem to be pointing to a similar message – we are still recovering, gradually. As is always the case, the market's complexion can be very different not just town by town, but even neighborhood by neighborhood! Generalizations are tough to apply.

Our extended winter created a delayed "spring market". In years when the weather cooperates, we have seen the spring market start as early as January. This year, we were waiting well into March and April to see sellers emerge while the buyers lined up waiting. Since closings can easily take 60 – 90 days to complete, we won't see the full picture of our spring market until the 3rd quarter. Our 2nd quarter market statistics are largely a reflection of transactions that were generated while snow and ice still blanketed the region, or early in the thaw.

In many areas, we saw more than one buyer for properties that were well-priced and in good condition. Multiple offers and bidding wars were back! But again...limited to those most desirable "cream puff" properties. One difference we've noted in these 2014 bidding wars versus the days before the bubble burst...buyers showed restraint. They did not go overboard in their pursuit of a particular home, remaining conscious of what they can truly afford and fearful of overpaying.

Inventory levels – the number of properties available for sale – increased over the previous quarter as sellers responded to buyer demand. Where sellers were realistic in their pricing, they were rewarded and are now moving on with their lives. Where sellers overreached with their pricing, the market rejected those properties. They either had to ultimately adjust their price, or they are still sitting on the market. Buyers are not "chasing" these overpriced leftovers from earlier in the spring, but simply waiting it out.

Inventory is still being somewhat constrained by homeowners whose equity in their property remains below their mortgage balance. These potential "short sale" properties are not entering the market due in large part to the expiration at the end of 2013 of the Mortgage Debt Forgiveness Relief Act. Without mortgage debt forgiveness, these potential sellers would be faced with a heavy tax burden on the amount of debt forgiven, something

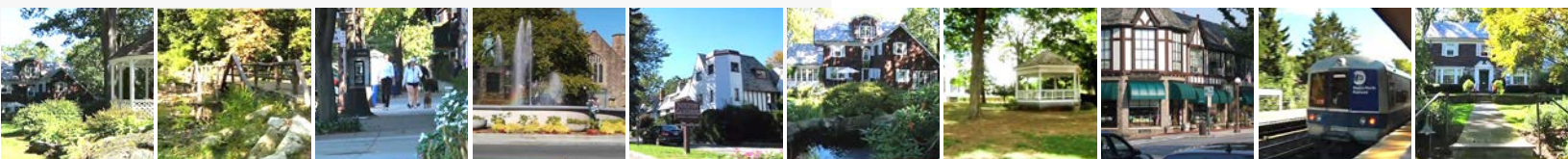
they can ill afford. Realtors have been petitioning their legislators to renew this Act but so far without results.

While we've already stated that generalizations are tough to make, there do seem to be some distinct differences between the southern and northern parts of the County. In some of the most high-demand southern Westchester locations where inventory remained tight, homes were selling in the 2nd quarter at over asking price and over assessed value, creating a strong sellers' market. However, in northern Westchester, demand did not seem as robust, even in traditionally desirable areas. We believe that lifestyle changes among many buyers are leading them to choose homes with less maintenance, smaller properties, and closer proximity to both work and community.

We are also seeing a market in 2014 that is poised to react instantly to any number of factors. If news shows that there is a noticeable change in employment statistics, interest rates, global unrest, potential legal or legislative changes – consumers react immediately! That may mean just a brief step back to evaluate the impact, but it's perceptible, and there is still clear caution amongst consumers.

From a finance standpoint, there was good news in the 2nd quarter. Rates have remained low and relatively stable with only minor fluctuations. While it's still a somewhat conservative lending environment, there are glimpses of credit loosening with more home equity lenders offering what are known as "piggyback 2nd home loans". These home equity lines make it possible for buyers to once again finance 90% of their home purchase without having to obtain mortgage insurance (MI). This trend seems steady, and creates more options in our high-end markets. Additionally, many lenders are now offering FHA financing for borrowers with subprime credit scores, though documentation still remains rigid. Cash purchases still represent 32% of transactions nationally, but that is decreasing as investors pull back due to rising property values.

There are still great opportunities for both buyers and sellers as we move into the 2nd half of the year. Expert guidance is essential to making good decisions that will fit your circumstances. Our real estate professionals are hyper-local and highly informed to protect you and your interests.





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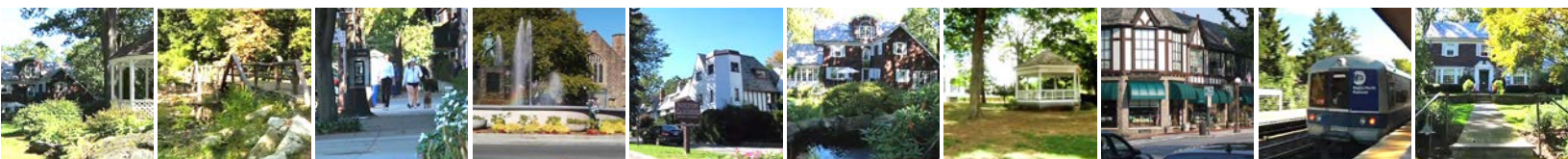
## MARKET REPORT

2ND QUARTER 2014

### Single Family Homes Under Contract and Closed Sales\*

SCHOOL DISTRICT	HOMES UNDER CONTRACT 2nd qtr 2014	HOMES UNDER CONTRACT Previous qtr	HOMES SOLD 2nd qtr 2014	HOMES SOLD 2nd qtr 2013	MEDIAN SALE PRICE 2nd qtr 2014	MEDIAN SALE PRICE 2nd qtr 2013	ACTIVE LISTINGS 2nd qtr 2014	MEDIAN PRICE OF ACTIVE LISTINGS 2nd qtr 2014
Ardsley	31	16	27	21	\$607,500	\$610,000	37	\$699,000
Bedford	52	45	67	64	\$975,000	\$762,500	129	\$1,275,000
Blind Brook	32	15	19	32	\$1,050,000	\$845,000	42	\$829,000
Briarcliff Manor	26	4	14	21	\$700,000	\$765,000	35	\$899,000
Bronxville	26	18	24	31	\$1,820,000	\$1,660,000	18	\$2,395,000
Byram Hills	36	21	35	32	\$1,050,000	\$967,500	99	\$1,299,500
Chappaqua	60	34	41	74	\$995,000	\$887,500	103	\$899,000
Croton-Harmon	18	12	19	18	\$570,000	\$455,000	43	\$599,901
Dobbs Ferry	19	2	13	15	\$630,000	\$600,000	25	\$769,000
Eastchester	33	21	28	25	\$701,000	\$620,000	43	\$700,000
Edgemont	27	20	20	25	\$1,311,750	\$989,000	40	\$1,093,250
Elmsford	14	11	18	8	\$327,375	\$414,375	25	\$479,000
Greenburgh	20	29	33	27	\$504,250	\$455,000	47	\$498,000
Hartsdale (P.O.)	21	25	29	16	\$540,000	\$464,000	37	\$565,000
Harrison	27	28	42	47	\$1,300,000	\$1,500,000	89	\$2,090,000
Hastings	13	8	18	24	\$677,750	\$606,000	21	\$889,000
Hendrick Hudson	33	17	21	19	\$353,000	\$450,000	76	\$514,450
Irvington	24	7	14	25	\$1,247,500	\$1,225,000	32	\$912,000
Katonah-Lewisboro	40	33	51	54	\$630,000	\$640,750	144	\$749,500
Lakeland	54	41	51	43	\$343,000	\$330,000	123	\$375,000
Mamaroneck**	90	43	68	76	\$1,011,500	\$993,056	80	\$999,400
Mount Pleasant	18	17	31	24	\$482,500	\$494,500	42	\$582,500
Mount Vernon	31	23	32	24	\$367,000	\$332,500	65	\$429,021
New Rochelle	89	56	71	89	\$615,000	\$582,500	150	\$699,000
North Salem	13	10	16	17	\$501,000	\$460,000	42	\$573,250
Ossining	37	17	34	41	\$385,000	\$364,000	89	\$439,222
Peekskill	20	7	17	19	\$235,500	\$220,000	29	\$269,500
Pelham	37	28	34	51	\$862,950	\$791,000	39	\$999,500
Pleasantville	17	13	20	21	\$763,000	\$540,000	34	\$639,500
Pocantico Hills	3	2	1	0	\$450,000	-----	6	\$1,044,611
Port Chester	22	17	23	24	\$433,000	\$454,500	46	\$454,000
Purchase (P.O.)	5	8	11	9	\$1,365,000	\$1,500,000	22	\$2,610,000
Rye City	40	29	29	55	\$1,600,000	\$1,425,000	48	\$2,145,000
Rye Neck	19	5	10	17	\$952,500	\$1,289,000	35	\$1,144,000
Scarsdale	76	64	67	76	\$1,450,000	\$1,300,000	73	\$1,850,000
Somers	27	20	32	36	\$552,500	\$426,250	88	\$559,000
Tarrytown	12	14	25	15	\$615,000	\$661,000	26	\$757,500
Tuckahoe	6	8	16	17	\$707,000	\$680,000	22	\$862,000
Valhalla	22	4	10	20	\$518,750	\$495,500	27	\$490,000
White Plains	55	25	44	58	\$635,000	\$527,500	75	\$745,000
Yonkers	108	74	91	109	\$439,000	\$446,000	194	\$499,000
Yorktown	38	21	31	41	\$475,000	\$400,000	102	\$496,500

\* Data sourced from Hudson Gateway Multiple Listing Service and sorted by school district unless otherwise noted. \*\*Includes Larchmont P.O.







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2ND QUARTER 2014

### Quarterly Home Sales Report - At a Glance.\*

#### How was the Westchester Market in the 2nd Quarter 2014?



#### Overall Sales Down 12%

Total sales are 12% lower in 2014 than the sales level was in the same quarter of 2013. Single-family sales were down 13.5%, condominium sales were down 10.1%, 2-4 family home sales were down 35.4%, while co-op sales were essentially flat, for a total of 1,959 sales in 2014's second quarter, versus 2,225 in 2013.



#### Prices Up Less Than 1% Year-Over-Year

The median single-family home price was \$651,500 in 2014, up just 0.2% (\$1250) from the same quarter last year. This relatively flat price reflects activity that mostly took place earlier in the year. It remains to be seen whether this is a temporary blip or an indicator of a pullback in the market after strong price increases in the first quarter.

#### How much negotiating room was there?



#### Inventory Up 3%

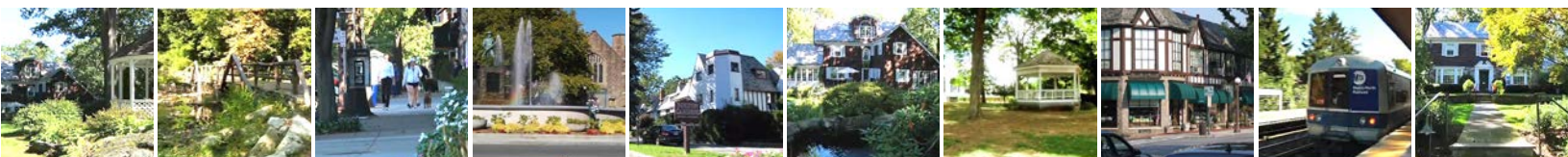
Overall inventory is 3% higher than one year ago, representing a 9.7 month supply in all property types. Inventory of single-family homes is up 5.7% and represents a 9.5 month supply.



#### % of List Price Received

Single-family homes sold for 97.6% of list price in the second quarter of 2014 vs. 96.7% in 2013 and 96.8% in the first quarter of 2014. This indicates that sellers whose homes are priced properly will sell at very close to asking price, with minimal negotiating room.

\* Per data provided by the Hudson Gateway Association of Realtors





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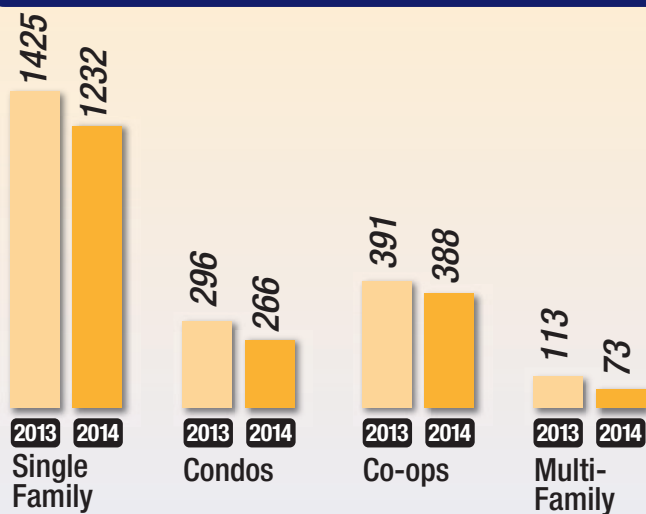


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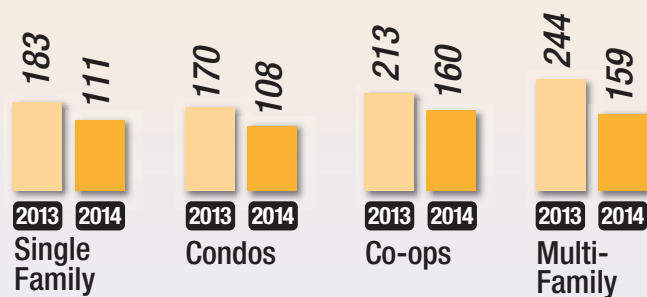
## MARKET REPORT

2ND QUARTER 2014

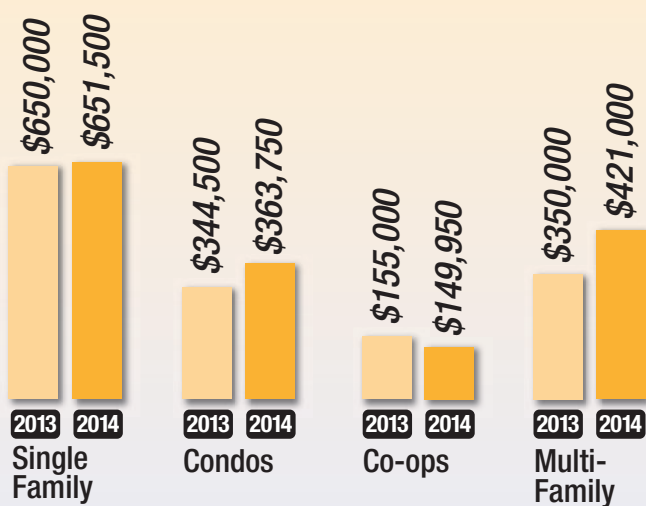
### CLOSED SALES



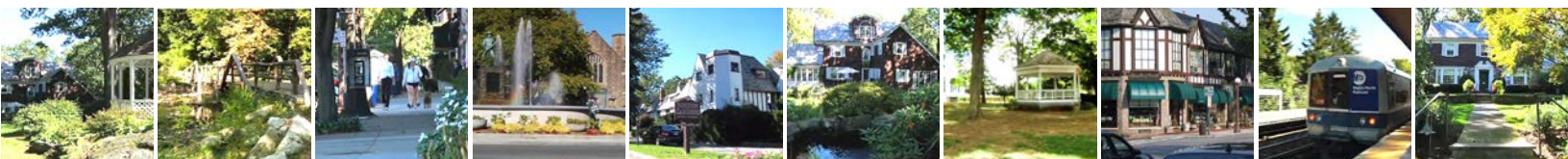
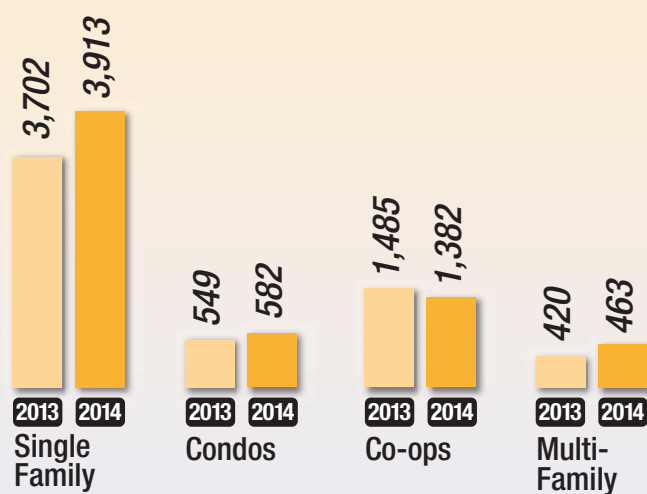
### AVERAGE DAYS ON MARKET



### MEDIAN SALE PRICE



### INVENTORY OF HOMES FOR SALE







## REAL ESTATE

# MARKET REPORT

2ND QUARTER 2014

## *Real Estate's Crystal Ball*

I used to be guilty of saying, "If only I had a crystal ball, I'd be rich." As Realtors, we may not have a true crystal ball, however, I've realized that we do have the closest thing to it in real estate terms...the statistics showing the number of homes in contract

In contrast to the number of homes sold which is a look into the past, the number of contracts or pending sales is a look into the future. Sold homes data is a reflection of market activity that took place approximately 2 – 6 months prior, since it can typically take that long from the time a prospective buyer is out looking at a home until the time it closes. Pending sales data is much more real-time. This tells us what is happening right now and is a predictor of what homes-sold data will look like going forward for the next several months.

Another key piece of data to help predict future activity is the number of active listings on the market. When inventory of homes for sale is low, it will naturally limit the number of homes that can sell in the near future. The amount of active inventory as compared with the appetite for homes by home buyers (supply & demand) is also a predictor of where home prices are headed. Low inventory and strong demand equals rising prices. High inventory and weak demand predicts falling prices.

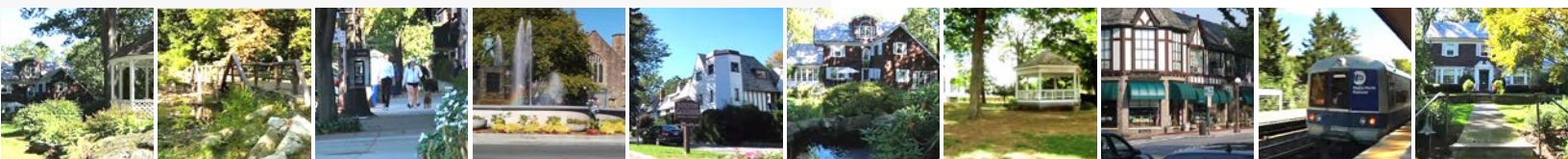
So when you look at all these market reports that

are issued monthly or quarterly by various real estate entities and organizations, and you are considering whether to put your home on the market, or whether to buy now or wait,

don't focus on what homes have sold for in a particular area. That's history! Instead, see if pending sales are increasing or decreasing, and what the current active inventory of available homes is. Those pieces of information together can give you the clearest look into real estate's crystal ball.

Additionally, Realtors are the first to sense a change in the market. They can tell if the market is heating up or cooling down, and whether the change is a normal seasonal adjustment or due to other factors. They gauge this by attendance at weekend open houses, showings of actively listed homes, and real-time consumer sentiment. This information is not quantifiable but it is quite valid, and not something that a statistician or appraiser would be aware of.

For help interpreting current market data as it pertains to your particular situation, seek out the expertise of a reputable, knowledgeable LOCAL Realtor. I encourage you to contact the real estate professional who sent this report to you, or contact me for assistance: Gail Fattizzi, Executive Director, NYS Licensed Real Estate Broker, Westchester Real Estate, Inc., Tel: 914-961-5510, email: Info@HomesNY.com.





## REAL ESTATE

# MARKET REPORT

2ND QUARTER 2014

## *The Chicken Or The Egg?*

This is the eternal “which came first?” debate. In real estate, we have a somewhat different but equally perplexing debate: when selling one home and buying another, which should you do first? Realtors are asked to counsel their clients on this all the time and we have become experts in sorting through the possibilities.

In the buy-or-sell-first debate, there are many factors that come into play. In no specific order, here are many of the considerations you should evaluate when determining what is best in your particular circumstance.

**Financial:** Do you have enough assets to make a down payment on a new home before selling your current one? Will you qualify for a mortgage on the new home? And can you afford to carry both mortgages for a time if you haven't sold your current home by the time you close on the new one?

**The Market:** Is it a buyer's market or a seller's market where you live now? What about where you're going? This can make a big difference in your decision. If homes are selling rapidly where you live now and you price your home to the market, you can potentially achieve a quick sale. If the same is true where you're moving to, and there aren't a lot of homes available, you could find yourself without a place to move to. On the contrary, if homes are staying on the market a long time with lots of competition where you currently live, you may not want to chance committing to a new home until you have secured

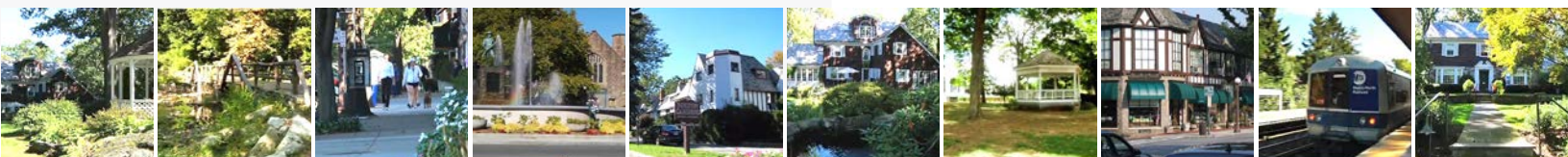
a sale on your existing home.

**Timing:** Are you starting a new job, or have your children enrolled in school, and need to be in your new home by a specific date? If so, you may have less flexibility to wait out the sale of your current home.

**Options:** Do you have family that you can stay with, or a second home you can move into if you sell your current home but haven't yet found a new place to live? Is renting for a period of time something you'd consider? Having a fallback plan in case the timing doesn't match up can make the choice less critical.

**Alternatives:** If you should you find a buyer for your current home but don't have a new home secured yet, you may be able to negotiate a delayed closing date, or even a rent-back option that allows you to rent your home back from the new owners for a period of time. On the other hand, if you find a new home to purchase but haven't sold your current one, perhaps renting out your first home may be a short- or long-term solution that works for you.

As you can see, there is no one-size-fits-all answer to this dilemma. Each situation is unique and the best answer will depend on a bevy of factors. To help sort it all out, consult with a trusted local Realtor, along with a mortgage lender, accountant, and real estate attorney who can help you make the most prudent, informed decision for you and your family.







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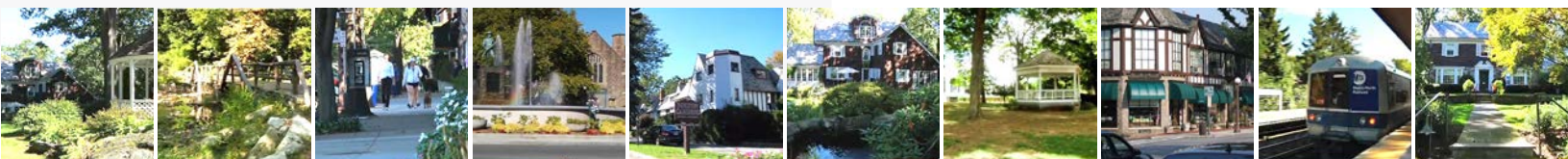
# MARKET REPORT

2ND QUARTER 2014

*Buying a Home in Westchester –  
What You Need to Know.*



<http://www.homesny.com/site/286051>





## REAL ESTATE

# MARKET REPORT

2ND QUARTER 2014

## Why Us?

It is our sincere belief that we are only as good as how we represent each and every client and community that we serve. Our reputation is made and tested on a daily basis. It is with this keen awareness that we strive for success in the eyes of those we serve.

Westchester Real Estate, Inc. is a truly unique affiliation of premier real estate companies serving the markets of Westchester & Putnam Counties as well as NYC. Our companies have conscientiously and diligently created their stellar reputations and success over years and sometimes decades. Our achievements are evidenced by the 20,000+ buyers, sellers, tenants & landlords who have chosen to work with us over the past 10 years, and by our consistent ranking among the top five companies in our marketplace.

We pride ourselves in being:

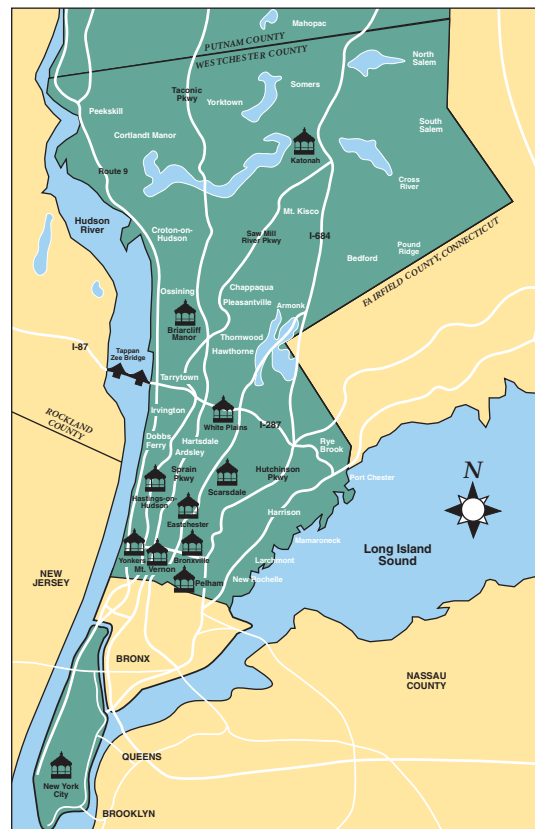
- Highly informed about the market
- Entrenched in our various communities
- Students of real estate who are always learning and teaching others
- Staunch protectors of the "American dream" and laws that protect that
- Among the most professional and ethical practitioners in our industry.

What we take pride in are the things that benefit and make a world of difference to our clients.

Our value proposition is different. Our caring and concern are genuine. The delivery and quality of our services are unmistakable. If you haven't already, we hope you will choose to experience all this for yourself so we can show you what we mean. If you are one of our loyal clients, we thank you for your patronage and trust.

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