**October 9, 2014**

**2014 THIRD QUARTER RESIDENTIAL REAL ESTATE SALES REPORT**

**Westchester, Putnam, Rockland and Orange Counties, New York**

The pace of real estate sales in the third quarter of 2014 was just a shade slower than it was in 2013 when there was a very strong post-recession recovery under way. The 2014 total of all sales in all categories of housing in all four counties serviced by the Hudson Gateway Multiple Listing Service was 4,545 units, just 90 units or 1.9% fewer than in 2013.

Westchester, the largest county in the MLS region, posted a sales decrease of 2.7%, to 2,863 units. Rockland followed closely with a 2.4% decrease. In Orange County there was barely any change at all, a decrease of only 0.3%. Putnam’s sales actually increased by 3.1%, although that was measured against a small base of a few hundred units

Generally, this slightly diminished but still very strong level of closed real estate transactions followed upon listing and marketing activity that took place during the spring and early summer months. The external conditions for real estate were good then. For example, mortgage interest rates remained consistently low and affordable; the average rate for a 30-year conventional loan ranged mostly between 4.4% and 4.2% throughout the period.

Unemployment - a low rate of which is a confidence builder, especially for first-time buyers – continued its downward path in the lower Hudson region, with all four counties lower by nearly a percentage point or more from 2013. Rockland and Putnam, with August unemployment rates of 5.1% and 4.8% respectively, are at a level that many economists deem to be full employment. The performance of the stock market is another contributor to buyer confidence, even if the buyers are not invested in same. During the spring and summer months the Dow Jones Industrial Average steadliy increased from 16,000 to 17,000.

Year to date (Jan.-Sep.) sales in all categories amounted to 10,180 units, a decrease of 3.5% from the same period in 2013. If fourth quarter activity mirrors the prior three quarters, 2014 sales will amount to about 13,300 units and rank 2014 as the second best year since 2008.

Prices are pulling out of recession, too, with three of the four counties posting increases in most categories. For the third quarter, the median1 sale price of a single family house in Westchester was $682,500, up by 4.7% over 2013. The median for condominiums, $375,000, was 5.5% higher. In Rockland, the median house was $415,000, up by 2.0%, whereas condominium prices decreased by11.8% to a $222,500 median; the decrease was against a small base of 127 sales, however.





Orange County, which was and still is dealing with an overhang of problem properties, posted a slight increase of $1,000 or 0.4% to reach a median of $241,000. In its condominium sector, there was an increase of 3.1% to $165,000. Putnam County was the only area to post a decrease in its single family house median which was $320,000 – down 3.8% from last year.

At the end of the quarter there was an MLS inventory of 12,359 units in all categories and throughout the region, an increase of 9.5% over the same point last year. As has been covered in prior reports from time to time, an increased level of inventory may actually reflect consumer confidence in the real estate market by previously reticent potential sellers who, observing a healthy market around them, become motivated to list their property. Thus inventory may climb even as sales volumes increase. Ample but not excessive inventory, steady but bubble-free price increases, low mortgage interest rates, and overall improving economic conditions powered the third quarter market and hopefully will do the same for subsequent quarters.

**Four tables follow.**

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*The Hudson Gateway Multiple Listing Service, Inc. (HGMLS) is a subsidiary of the Hudson Gateway Association of Realtors, Inc. (HGAR). The MLS’s principal service territory consists of Westchester, Putnam, Rockland and Orange Counties. It also provides services to Realtors operating in Bronx, Dutchess, Sullivan and Ulster Counties. 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. HGMLS 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 Hudson Gateway Multiple Listing Service, Inc. as the source. Prior reports dating back to 1981 are available on the Realtor Association’s website,* [*www.hgar.com*](http://www.hgar.com)*; click on Market Statistics. A membership directory searchable by municipality is also available on that site.*

*1 The median sale price is the mid-point of all reported sales, i.e., half of the properties sold for more than the median price and half for less. The median is relatively unaffected 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 unusually low or high prices.*

*Changes to the Report*

*Starting with the first quarter 2014 report the Hudson Gateway Multiple Listing Service has added new features to its quarterly market presentation and may add more as the year progresses. In 2012 and 2013 the MLS reports were compiled from two different databases, one serving Westchester and Putnam and one serving Rockland and Orange. In March of 2014, those databases were merged and are now supported by a new computer system serving all four counties uniformly. The new system and database have facilitated the following changes:*

*1) Condominiums and cooperatives are tracked as separate property types in all four core counties served by HGMLS. Westchester had always done this but Putnam, Rockland and Orange had compiled condominiums and cooperatives as one single property type, largely because there are so few co-ops in those counties. Counting co-ops separately may result in small numbers that sometimes generate large swings in percentage calculations, but that minor issue will be countered by improved accuracy in the important condominium sector in the region, and by uniformity of content across all four counties.*

*2) The Westchester section of the market report has long included 2-4 family houses, but the other three counties have not. Starting with this report, 2-4 family house sales and price data will be presented for all four counties retroactively to 2011. However, end-of-quarter inventory is not available retroactively to 2011 in Putnam, Rockland and Orange, thus this particular data series starts cold with the 2014 first quarter report.*

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