

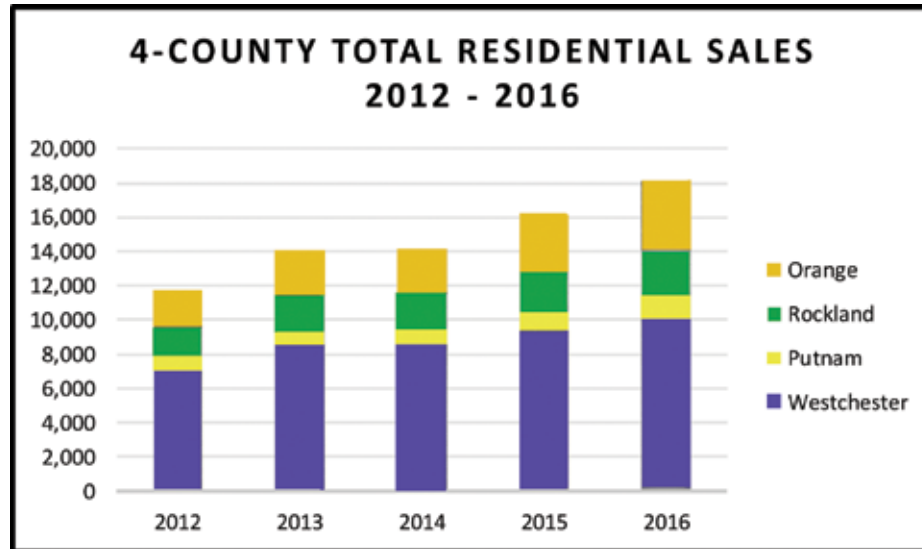
HUDSON VALLEY REAL ESTATE REPORT

Hudson Valley Posts Strongest Home Sales Since Recession

WHITE PLAINS—2016 posted the region's best real estate sales results since the post-recession recovery period that commenced in 2011. Realtors participating in the four-county Hudson Gateway Multiple Listing Service, Inc., a subsidiary of the Hudson Gateway Association of Realtors, Inc., reported 18,145 closings of residential transactions comprising single-family houses, condominiums, cooperatives, and 2-4 family houses. This was a significant 12.5% increase over 2015's total of 16,126 sales.

It was noted in the MLS's prior third quarter report that the pace of sales slowed moderately at that time in comparison to the first half of the year, but these current fourth quarter results show a speedy bounce-back. The fourth quarter closings largely resulted from marketing activity and contracts that took place in the late summer and autumn months.

The most impressive gains on both a percentage and volume basis were those posted for Orange County. There were 4,083 sales, most of them (3,479) single-family houses, representing a 24.3% increase over 2015. Looking at just the fourth quarter, sales in Orange County exceeded 2015's fourth quarter sales by 18.8%. For the past several years the Orange County real estate market has been powered by sales of



single-family houses in a rather narrow median price range, about \$225,000 to \$235,000, but prices have been creeping up. The 12-month median sale price of an Orange County house was \$229,000, an increase of 1.8% over last year. For the fourth quarter the median was \$235,000, an increase of 3.5% over last year.

Orange County—and the other three counties as well—have been confronting an ever-tightening inventory situation. Inventory is not yet so low as to stall the market but is low enough to create pressure for speedier decision-making

by prospective buyers. Orange's year-end supply of listings was 2,190 units in all residential categories, a decrease of 20.8% from last year. Westchester posted a 21.2% decrease, Putnam 31.2%, and Rockland 16.1%.

Notwithstanding the high rate of sales and the low levels of inventory, prices throughout the region have not been pressured upwards very much. Westchester County actually experienced a small downward tick in its 12-month median for a single-family house: from \$628,875 in 2015 to 624,000 in 2016. Westchester's mean

or average price also decreased, and by a larger amount. When this happens it usually means that the high-end market was squeezed by sales inactivity and/or by price reduction; MLS Realtors have in fact reported difficulty in the high-end segment of the market.

The Putnam and Rockland County markets performed fairly well in 2016. Putnam's \$325,000 median sale price of a house was 4.8% above last year's although its condominium and cooperative sectors posted price decreases. (It is always noted in these reports that Putnam's data, especially its percentages, are subject to large swings because Putnam's sale base is small.)

Rockland's median house price of \$425,000 was 2.4% higher than last year. Rockland also performed well especially in its condominium sector with a 19.0% year-to-year increase in sales volume.

2016 was a good year for the real estate market in the four-county service territory of the Hudson Gateway MLS. Buyers and sellers were able to work the market on a level playing field, notwithstanding the fairly low levels of inventory. Unemployment rates decreased through the year and they show no signs of increasing again soon. The Federal Reserve's small, incremental rate hikes appear not to be harming the

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