



Housing Trends

Single Family

Yorktown Residential real estate has experienced some extremely long cycles in recent history. June 2006 was the absolute high point in both sold prices and number of sales. After that time there was a very long, if somewhat irregular, plunge in both of those indexes with short spurts of activity and price levels. In addition to the uncertain market, the market has also experienced the normal seasonal ups and downs. Since 2011, looking at the median sales price, there is a range in January of each year from 345,000 in 2011, to a high of \$421,000 in 2013, to a low the following year, 2014, of \$290,000 and 2015 saw a jump to \$369,000. Some of this fluctuation is caused by winter weather and its severity.

In addition to seasonal fluctuations, housing stock inventory plays a significant role. In January 2014 and 2015 the housing stock is at the lowest point since before 2010. During a similar period, the economy also played a role. We can see from the data that the heaviest concentration of homes that were sold were under \$450,000. When looking at the absorption rate, (months of housing supply), for the prior 4-6 months, there is a 4.26 months of housing supply. Current date to 3 months back, there is a 10 month supply. This is due in part to the advent of the Spring Market. If we adjust statistics to account for seasonal variations, the market appears to be stabilizing in both inventory and pricing.

I believe the most interesting aspect of the single family market in Yorktown is the diversity of options for potential buyers with a concentration of activity between \$250,000 and \$450,000. Conventional wisdom tells us that new or recently constructed homes traditionally sell better than older dwellings. This can be attributed to the changing tastes of potential buyers preferring more recent styles and layouts, i.e. open floor plans, larger rooms, more and larger windows, as well as a desire to avoid major home repairs that might be required in older homes.

In conclusion, identifiable market trends indicate newly constructed homes in the \$250,000-\$450,000 range will sell best. Since a good percentage of the Crompond Terraces project contains homes in this price range, they should sell well in the current market.

Condominiums

The number of sales of condos peaked in February of this year over all years, back to 2009. The numbers of sales should level out during late Spring and into Summer. In March of this year, the median sales price for Condos peaked at \$341,250 which is significantly higher than any time since before 2011. I believe this is due, in part, to the economy. You can buy a condo for generally less than a house, and taxes and utilities will cost you less as well. Overall savings could be significant. However, the absorption rate, similar to single family homes, has increased from a 5.88 month supply to 9.29 months of housing supply.

This data would seem to indicate that of the two types of home ownership, condominium currently seems more desirable.

Commercial

Let me first qualify my remarks by saying that many, many commercial properties are not listed in the Multiple Listing Service (MLS). However, the information contained here is based solely on the MLS data. There are so few units listed that it is difficult to identify trends. But, some basic conclusions can be drawn.

From 2010 to the present, we show a reasonably stable commercial market, with active listings ranging from 15 -23 properties in 2014, 10-18 properties in 2013, 16-24 properties in 2012. Each year averages 6-7 actual sales.

Anecdotally, most of the vacant store fronts visible in town, are for rent, not “for sale” properties. Conventional wisdom about the preference of new versus existing construction holds in the commercial market as well.

All of this data seems to indicate that additional, newly constructed commercial property, would sell quite well. Therefore the Crompond Terraces commercial units, which will be offered as condominium units, should sell quite well.

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