

Market Watch

2014 YEAR IN REVIEW



William Pitt
Julia B Fee

Sotheby's
INTERNATIONAL REALTY

2014 Year In Review



2014 will best be remembered as the year where we secured the robust gains of 2013 and positioned our market for strong future growth. With the economy strengthening and consumer confidence rising, our metro New York markets including Westchester County and lower Fairfield County, as well as the Connecticut Shoreline, Litchfield County and the Berkshires, concluded 2014 with unit sales very close to the vibrant 2013 sales levels, making this the second best year for home sales in the past seven.

New construction has started to reemerge as the darling of buyers. Builders, keenly aware of current buyer preferences, are building smaller amenity-rich homes at more affordable price points in close-to-town locations, and the buyers are gravitating toward them. In the mid to upper tiers, competition has been fierce this year between new construction and beautiful, traditional older homes. Sellers are having to amend their marketing strategies to address buyer preferences by carefully preparing, and in some cases, updating their homes to successfully compete.

Close-to-town properties are finding particular favor with today's buyer. The concept of being able to walk to town and enjoy sidewalks, convenience to daily activities and neighbors in close proximity is highly desirable and a trend that is being experienced nationwide. We are observing in our local markets that it is the in-town properties that are typically trading the most quickly with the highest dollar per square foot.

The median selling prices have remained relatively stable for all but our most thinly traded sectors. Value remains an over-arching theme. Buyers are very well educated, and the banks, via appraisals, provide an added double check. Any home that is offered for sale at a price that is generally considered below market value is typically quickly sold – often in a bidding contest.

All of the financial indicators are exceptionally robust. When coupled with a slight loosening of credit, these metrics suggest that 2015 will be an excellent year of forward movement for our local housing markets. We are seeing a heightened level of pre-market preparation on the part of both buyers and sellers and expect this to translate to a very positive 2015.

I hope you find our Annual 2014 Market Watch helpful as you evaluate your own personal real estate holdings and plans for the coming year. At William Pitt and Julia B. Fee Sotheby's International Realty, we are committed to providing the highest level of service and expertise to buyers and sellers alike in all price categories. If we can be of service, please don't hesitate to call.

With best regards,

A handwritten signature in black ink that reads "Paul E. Breunich". The signature is fluid and cursive.

Paul E. Breunich
President and Chief Executive Officer
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Connecticut Classic

New Canaan, CT • Web ID: 99060165

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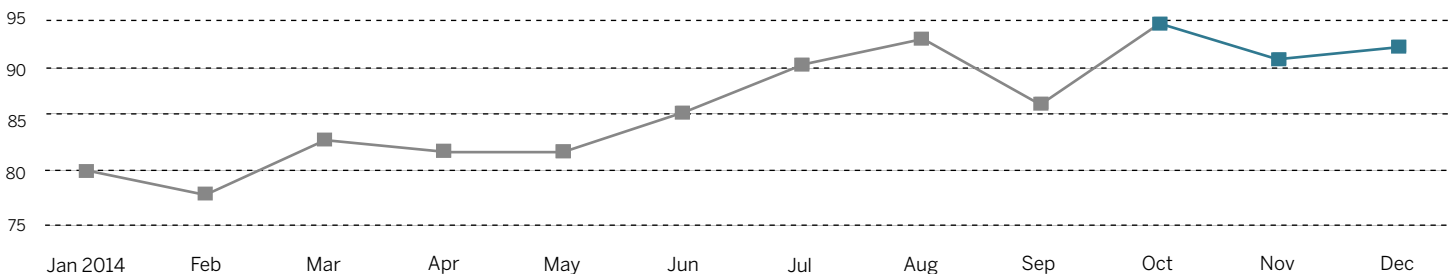
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Key Observations



2014 was the year we secured the robust gains of 2013, positioning us for strong future growth. Our metro New York markets concluded the year with unit sales very close to 2013's vibrant levels, making it the second best year for home sales in the past seven. All indicators point to 2015 being an excellent year of continued forward movement.

Consumer Confidence





Villa Certosa

Market At A Glance

2014 was the second best year since 2007 for the majority of our housing markets. Coming off last year's 20%–25% sales gains, where a lot of pent-up demand had been satisfied, we projected that 2014 would be a year of securing the 2013 volume and building the foundation for forward motion in 2015. That is exactly what happened. Buyers were actively in the market and in higher price points than a year ago, and year-end sales results typically paralleled 2013.

In many markets inventory levels rose quickly in the late spring as a result of the strong first quarter sales results. However, demand in most price points was not quite robust enough to fully support the inventory, resulting in very competitive market conditions that required a home to be priced well and presented in move-in condition in order to consummate a sale. Numerous sellers in this year's competitive market had to re-brand their homes via staging and/or some updating to attract buyers, who are more than ever seeking a finished, like-new product. The buyer pool continues to evolve to comprise more Gen X and Gen Y consumers, who have little interest in or time for renovating a property. Additionally, with the low cost of money, there is a strong incentive to buy finished as opposed to using cash to renovate. These groups of buyers are increasingly important to our marketplace, and as a result, we have to offer products that appeal to them.

Sales for entry-level homes, the segment where we have experienced the greatest growth in recent years, fell off slightly in 2014 due to a combination of factors. Demand remained high, but the product was often not available. In addition, the banks continued with their tight lending standards, which kept some homebuyers out of the market, particularly first-time homebuyers. Finally, because demand was high, there were some attempts to raise prices for this segment or present sub-optimal properties at normalized market prices. In both instances buyers pushed back. We do think that the entry segment will return more broadly in 2015 as lending is loosened.



Kent, CT • Web ID: 99043736

Bidding contests continued to be a market factor for homes representing that magic combination of price, condition and location. Typically they occurred in the lower price points, where demand was strongest. Where there was interest from multiple parties, cash was king, as sellers strongly preferred knowing their deal did not have to go through bank approvals with the tight credit situation.

In many markets it was the mid-tier properties that demonstrated the greatest growth. It was exciting to see this sector, which typically has very broad appeal, come back so strongly and offer further evidence of a strengthening housing market. Consumers in the mid-tier represent a broad cross-section of buyers including trade-up buyers, down-sizers and relocation buyers. These buyers serve as the core of most communities, and the growth in this segment is an important piece of the continued housing resurgence.

After some nice pick-up in 2013 and early 2014, the luxury sector saw less demand as the year progressed with inventory levels increasing substantially. With the exception of Greenwich, CT, an internationally known, sought-after destination that attracts a diverse population, luxury sales were generally even with or slightly lower than 2013 levels. Yet despite the relative softness, the highest sales prices of the past several years were recorded in 2014.

Depending on the individual market, 2014 median selling prices were at parity with or slightly above those of 2013, reflecting the mix of properties sold during the year. Prices are stable for all but our most expensive properties, which remain over-inventoried. Pricing stability has clearly enhanced buyer confidence, yet value remains a key factor for a successful sale. Buyers are exceptionally well educated today and are focusing their interest on properties that meet their value expectations. They do not yet seem ready to accept upward price migration even in the most active segments of the market where demand is outpacing supply.

Westchester County



8 Championship Drive

Mamaroneck, NY • Web ID: 4431454

Westchester County

Building off an explosive 2013, 2014 was a solid year for Westchester County. The year started off very strongly with a 20% increase in both unit and dollar volume. Even if this blistering pace did not keep up, any slowdown in sales midyear was made up for as the year progressed. We ended 2014 with unit volume 1% lower than 2013 and dollar volume 5% higher as the mix of properties sold favored the mid-to upper-mid-tier versus the entry level. 2014 was the second best year for closed single-family home sales since the high watermark mark of 2004 and 2005. In each of those two years approximately 6,100 homes changed hands, while in 2013 and 2014 approximately 5,400 homes were sold – a 11% differential.

Sales activity varied markedly by price point. Homes valued under \$1,000,000 were in high demand, but the limited

SINGLE FAMILY HOME CLOSED SALES

SOUTHERN WESTCHESTER COUNTY

	QUARTERLY CLOSED UNITS				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
WESTCHESTER	798	1,045	1,228	1,244	1%	3,844	4,478	5,445	5,399	-1%	5%	5%	111
SO. WESTCHESTER	536	724	848	831	-2%	2,698	3,181	3,793	3,770	-1%	6%	5%	103
Ardasley	14	20	25	16	-36%	63	84	107	110	3%	-53%	6%	114
Blind Brook	17	12	21	23	5%	55	61	101	95	-6%	4%	-2%	138
Briarcliff Manor	10	12	13	15	15%	51	55	81	61	-25%	36%	-15%	71
Bronxville	1	10	12	6	-50%	47	81	83	80	-4%	-45%	1%	88
Dobbs Ferry	6	10	12	13	8%	39	59	61	66	8%	37%	27%	100
Eastchester	19	16	33	34	3%	82	79	120	135	13%	18%	32%	82
Edgemont	10	16	18	23	28%	49	98	92	104	13%	6%	24%	103
Elmsford	15	14	10	16	60%	30	37	46	63	37%	75%	31%	166
Greenburgh	17	27	29	36	24%	92	100	134	126	-6%	26%	4%	91
Harrison	26	33	40	33	-18%	129	131	154	144	-2%	-22%	-7%	117
Hartsdale (P.O.)	12	15	22	24	9%	59	72	98	101	3%	22%	14%	97
Hastings	17	18	13	16	23%	67	59	86	67	-22%	23%	-27%	52
Irvington	9	12	12	18	50%	43	77	75	82	9%	112%	13%	101
Mamaroneck **	20	45	55	50	-11%	213	223	272	287	6%	11%	11%	79
Mount Pleasant	16	20	19	20	5%	71	86	82	95	16%	8%	23%	73
Mount Vernon	18	21	27	27	-4%	88	96	101	124	23%	5%	40%	139
New Rochelle	54	66	79	81	3%	240	262	340	327	-4%	6%	4%	123
Ossining	34	48	41	40	-5%	137	145	159	158	0%	11%	7%	121
Pelham	14	13	35	24	-31%	88	115	144	122	-15%	-23%	-7%	70
Pleasantville	13	17	16	20	25%	47	71	74	77	4%	11%	10%	80
Pocantico Hills	1	2	1	3	200%	8	8	8	11	38%	202%	13%	112
Port Chester	11	19	25	22	-12%	51	80	104	93	-11%	-2%	12%	99
Purchase (P.O.)	8	12	6	7	17%	34	30	39	39	0%	-16%	2%	100
Rye City	19	34	22	21	-5%	132	153	174	140	-20%	-7%	-19%	110
Rye Neck	9	13	17	20	18%	67	49	63	67	6%	49%	11%	100
Scarsdale	32	48	32	43	34%	205	226	237	253	7%	79%	23%	133
Tarrytown	9	10	17	13	-24%	38	52	65	74	14%	-18%	18%	92
Tuckahoe	5	9	10	11	10%	27	36	43	51	21%	-5%	20%	127
Valhalla	7	14	22	19	-14%	39	44	89	65	-27%	-21%	-32%	102
White Plains	32	43	52	46	-12%	155	177	227	215	-5%	-1%	4%	107
Yonkers	81	103	135	122	-10%	337	404	464	468	-1%	-2%	4%	90

*DOM: Twelve-Month Median Days on Market **Mamaroneck School District includes Larchmont P.O.

product in this range together with the continuing tight credit conditions clearly held back sales activity. The slower selling pace for homes under \$1,000,000 was more than made up for by the strength of homes valued between \$1,000,000 and \$5,000,000, which enjoyed strong sales growth as consumer confidence continued to improve and the economy strengthened. Homes priced between \$1,000,000 and \$2,000,000 experienced a 9% improvement in closed units while those in the \$2,000,000 to \$4,000,000 segment rose by 14%, and \$4,000,000 to \$5,000,000 by 25%. The ultra-luxury segment, properties valued over \$5,000,000, remains challenging due to weak demand. There have simply been fewer buyers in this price arena for multiple years, and those that are active are presented with plentiful inventory. As supply outpaces demand, with inventory in this segment running on average 23% higher than 2013, competition is steep among sellers and has resulted in continued downward pricing pressure. Within the over \$5,000,000 sector buyers are concentrating on direct waterfront properties and homes in mint condition. There were three properties that traded well above the highest sale of 2013, including a private lakefront home in Conyers Farm that traded at \$27,500,000.

Buyers continue to exhibit a strong preference for new or like-new homes. For example, in Rye City 26 of the 50 homes sold in the \$2,000,000 to \$4,000,000 range were new construction or properties that were to-be-built. People are buying anything new, with many homes sold during the construction phase. Builders are demonstrating a keen understanding of market conditions, building smaller, beautifully detailed homes in close-to-town locations. They are also controlling their pricing so their product favorably compares to older homes, making the purchase decision easier for the buyer. Interestingly, most new construction is selling at or close to its asking price. Despite constant demand, prices were relatively flat as buyers remain highly value sensitive.

Westchester was particularly vibrant as local demand continued to grow, largely as a result of the vitality of the Manhattan and Brooklyn markets, which caused an increasing number of potential buyers to explore and ultimately purchase in the close-to-Manhattan communities. There was a continuation of demand for close-to-town properties that are in new or like-new condition. According to Pati Holmes, manager of Julia B. Fee Sotheby's International Realty's Rye brokerage, "There is an emerging trend in the Southern Westchester communities of buyers coming from the borough of Brooklyn, where the real estate market is exceptionally strong right now. They are gravitating to communities that offer charm, convenience, local color and flavor, yet are close to Manhattan." These buyers are joined by a growing pool of international buyers as well as local buyers trading up and down. The improving demand is key for continued market growth, and the showing activity for November and December indicates that we will have an early and vibrant spring market.

SINGLE FAMILY HOME CLOSED SALES

NORTHERN WESTCHESTER COUNTY

	QUARTERLY CLOSED UNITS				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
WESTCHESTER	798	1,045	1,228	1,244	1%	3,844	4,478	5,445	5,399	-1%	5%	5%	111
NO. WESTCHESTER	269	322	391	430	10%	1,185	1,363	1,690	1,676	-1%	5%	7%	128
Bedford	32	45	49	45	-8%	185	205	213	240	13%	24%	30%	127
Byram Hills	18	35	27	17	-37%	106	127	153	133	-13%	-25%	24%	110
Chappaqua	26	22	35	36	3%	132	131	218	176	-19%	-5%	-16%	162
Croton-Harmon	15	19	12	13	8%	64	59	75	70	-7%	29%	19%	108
Hendrick Hudson	21	18	22	41	86%	67	80	89	124	39%	126%	47%	123
Katonah-Lewis	30	34	40	48	20%	141	181	191	195	2%	-16%	-1%	137
Lakeland	45	50	85	80	-6%	155	171	211	225	7%	-3%	16%	133
North Salem	8	14	15	21	40%	34	58	60	60	0%	-20%	-21%	134
Peekskill	13	21	21	24	14%	54	60	75	78	4%	8%	8%	130
Somers	31	27	36	43	19%	95	114	146	138	-5%	19%	-7%	128
Yorktown	30	37	49	62	27%	111	134	217	184	-15%	35%	-12%	103

*DOM: Twelve-Month Median Days on Market



Fabulous Waterfront Property

Rye, NY • Web ID: 4404182

SINGLE FAMILY HOME MEDIAN SALES PRICE

SOUTHERN WESTCHESTER COUNTY

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
WESTCHESTER	\$525,000	\$545,000	\$560,000	\$568,000	1%	\$600,000	\$586,000	\$610,000	\$635,000	4%
SO. WESTCHESTER	\$542,250	\$560,000	\$580,000	\$599,000	3%	\$600,000	\$586,000	\$610,000	\$635,000	4%
Ardasley	\$481,000	\$510,000	\$655,000	\$627,500	-20%	\$517,000	\$524,000	\$612,000	\$628,000	3%
Blind Brook	\$745,000	\$754,250	\$770,625	\$653,500	-15%	\$779,000	\$763,000	\$768,000	\$815,000	6%
Briarcliff Manor	\$732,000	\$826,000	\$725,000	\$805,000	11%	\$683,000	\$800,000	\$765,000	\$800,000	5%
Bronxville	\$460,000	\$2,335,000	\$1,887,500	\$1,930,000	2%	\$1,860,000	\$1,600,000	\$1,655,000	\$1,800,000	9%
Dobbs Ferry	\$709,000	\$545,000	\$540,000	\$685,000	27%	\$700,000	\$629,000	\$650,000	\$749,000	15%
Eastchester	\$600,000	\$530,000	\$606,000	\$670,000	11%	\$594,000	\$555,000	\$588,000	\$690,000	17%
Edgemont	\$972,000	\$748,000	\$1,085,000	\$1,101,000	2%	\$925,000	\$908,000	\$969,000	\$1,165,000	20%
Elmsford	\$390,000	\$338,000	\$439,000	\$401,000	-9%	\$421,000	\$405,000	\$409,000	\$365,000	-11%
Greenburgh	\$425,000	\$380,000	\$425,000	\$460,000	8%	\$446,000	\$427,000	\$433,000	\$480,000	11%
Harrison	\$1,040,000	\$1,061,500	\$1,449,000	\$1,300,000	-10%	\$1,345,000	\$949,000	\$1,183,000	\$1,300,000	10%
Hartsdale (P.O.)	\$485,000	\$539,000	\$539,000	\$525,000	-3%	\$495,000	\$538,000	\$515,000	\$553,000	7%
Hastings	\$655,000	\$623,000	\$775,000	\$750,000	-3%	\$660,000	\$625,000	\$660,000	\$725,000	10%
Irvington	\$515,000	\$725,000	\$733,000	\$1,138,000	55%	\$810,000	\$740,000	\$949,000	\$992,000	5%
Mamaroneck *	\$827,500	\$901,000	\$980,000	\$924,000	-6%	\$997,000	\$998,000	\$995,000	\$1,035,000	4%
Mount Pleasant	\$532,000	\$521,000	\$530,000	\$526,000	-1%	\$500,000	\$490,000	\$514,000	\$527,000	3%
Mount Vernon	\$333,000	\$270,000	\$390,000	\$433,000	11%	\$350,000	\$317,000	\$370,000	\$390,000	5%
New Rochelle	\$510,000	\$520,000	\$610,000	\$622,000	2%	\$583,000	\$568,000	\$580,000	\$640,000	10%
Ossining	\$380,000	\$328,000	\$368,000	\$399,000	8%	\$385,000	\$355,000	\$376,000	\$390,000	4%
Pelham	\$623,500	\$685,000	\$675,000	\$735,000	9%	\$804,000	\$685,000	\$750,000	\$811,000	8%
Pleasantville	\$525,000	\$560,000	\$558,000	\$495,000	-11%	\$495,000	\$525,000	\$573,000	\$570,000	-1%
Pocantico Hills	\$675,000	\$783,000	\$510,000	\$580,000	14%	\$657,000	\$791,000	\$636,000	\$595,000	-6%
Port Chester	\$392,000	\$452,000	\$395,000	\$439,000	11%	\$425,000	\$406,000	\$400,000	\$433,000	8%
Purchase (P.O.)	\$1,483,000	\$1,415,000	\$2,030,000	\$1,488,000	-27%	\$1,525,000	\$1,415,000	\$1,225,000	\$1,300,000	6%
Rye City	\$2,025,000	\$1,725,000	\$1,450,000	\$1,250,000	-14%	\$1,514,000	\$1,570,000	\$1,487,000	\$1,835,000	23%
Rye Neck	\$755,000	\$615,000	\$758,000	\$714,000	-6%	\$799,000	\$640,000	\$833,000	\$930,000	12%
Scarsdale	\$924,000	\$1,315,000	\$1,107,000	\$1,513,000	37%	\$1,225,000	\$1,325,000	\$1,298,000	\$1,497,000	15%
Tarrytown	\$640,000	\$538,000	\$555,000	\$590,000	6%	\$607,000	\$550,000	\$564,000	\$583,000	3%
Tuckahoe	\$598,000	\$700,000	\$592,500	\$550,000	-7%	\$610,000	\$660,000	\$695,000	\$680,000	-2%
Valhalla	\$380,000	\$472,000	\$540,000	\$465,000	-14%	\$438,000	\$453,000	\$528,000	\$495,000	-6%
White Plains	\$575,000	\$605,000	\$617,000	\$705,000	14%	\$550,000	\$592,000	\$565,000	\$618,000	9%
Yonkers	\$425,000	\$373,000	\$401,000	\$436,000	9%	\$415,000	\$390,000	\$420,000	\$435,000	4%

*Mamaroneck School District includes Larchmont P.O.



Exquisite and Secluded

Bronxville, NY • Web ID: 4413240

SINGLE FAMILY HOME MEDIAN SALES PRICE

NORTHERN WESTCHESTER COUNTY

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
WESTCHESTER	\$525,000	\$545,000	\$560,000	\$568,000	1%	\$600,000	\$586,000	\$610,000	\$635,000	4%
NO. WESTCHESTER	\$478,000	\$488,000	\$495,000	\$496,000	0%	\$518,000	\$497,000	\$523,000	\$535,000	2%
Bedford	\$808,000	\$990,000	\$700,000	\$949,000	36%	\$775,000	\$705,000	\$740,000	\$831,000	12%
Byram Hills	\$848,000	\$805,000	\$999,000	\$1,240,000	24%	\$1,064,000	\$860,000	\$999,000	\$1,056,000	6%
Chappaqua	\$803,000	\$758,000	\$850,000	\$778,000	-9%	\$845,000	\$850,000	\$892,000	\$893,000	0%
Croton-Harmon	\$385,000	\$410,000	\$560,000	\$587,000	5%	\$528,000	\$473,000	\$470,000	\$550,000	17%
Hendrick Hudson	\$300,000	\$303,000	\$305,000	\$419,000	37%	\$355,000	\$349,000	\$398,000	\$420,000	6%
Katonah-Lewis	\$543,000	\$625,000	\$695,000	\$604,000	-13%	\$596,000	\$629,000	\$644,000	\$625,000	-3%
Lakeland	\$320,000	\$331,000	\$318,000	\$334,000	5%	\$325,000	\$322,000	\$320,000	\$338,000	6%
North Salem	\$428,000	\$454,000	\$623,000	\$564,000	-9%	\$508,000	\$454,000	\$490,000	\$528,000	8%
Peekskill	\$180,000	\$240,000	\$230,000	\$221,000	-4%	\$233,000	\$240,000	\$231,000	\$255,000	10%
Somers	\$545,000	\$357,000	\$492,000	\$505,000	3%	\$542,000	\$464,000	\$498,000	\$535,000	7%
Yorktown	\$396,000	\$400,000	\$415,000	\$423,000	2%	\$410,000	\$387,000	\$413,000	\$423,000	2%

Fairfield County



Stone and Shingle New Canaan Estate

New Canaan, CT • Web ID: 99062002

Fairfield County

Similar to other metro New York markets, Fairfield County kicked off the first quarter of 2014 with a robust 25% increase in transactions. While sales did not maintain this same pace for the remainder of the year, 2014 still finished as the second best year since 2006, not far behind the vibrant 2013 sales levels. Fourth quarter unit volume declined by 4%, and for the year, single family home sales declined by 6% compared to the same period of 2013. Dollar volume declined a slight 2%.

The strongest market activity in 2014 was for homes valued between \$2,000,000 and \$3,000,000, which experienced a 9% increase in both unit and dollar volume. In contrast, sales of properties priced below \$1,500,000, typically our strongest segment, were slower than normal for most of the year due to low levels of desirable inventory and the tight credit situation, which forced a number of potential homebuyers to rethink their plans. Homes valued at under \$1,000,000 registered unit sales declines of 7%, while properties in the \$1,000,000 to \$1,500,000 range decreased by 11% year over year. Properties valued between \$1,500,000 and \$2,000,000 tracked approximately the same as 2013 levels. Because demand remains high for properties priced under \$2,000,000, we believe that the recent news about loosening credit in 2015 will have a very positive impact on this segment.

The \$3,000,000 and up market continues to slowly improve, but remains challenged by a small buyer pool and an over-supply of homes. In 2014 there was a 13% improvement in home sales in this range. The most active luxury segments were the \$3,000,000 to \$4,000,000 range, which increased by 39%, and the \$10,000,000+ segment, which increased by 87% , equating to 15 units. The vast majority of luxury sales improvement occurred in Greenwich, while upper-end

SINGLE FAMILY HOME CLOSED SALES

FAIRFIELD COUNTY

	QUARTERLY CLOSED UNITS				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
FAIRFIELD COUNTY	1,142	1,528	1,743	1,667	-4%	5,457	6,213	7,474	7,042	-6%	-3%	-2%	113
Bethel	20	35	39	38	-3%	87	125	144	144	0%	-3%	3%	109
Brookfield	29	34	50	36	-28%	114	144	195	169	-13%	-25%	-15%	113
Danbury	73	83	112	101	-10%	309	335	416	397	-5%	-9%	-10%	94
Darien	38	59	54	53	-2%	227	287	288	276	-4%	-3%	-4%	121
Easton	11	17	27	24	-11%	53	78	94	112	19%	-3%	27%	122
Fairfield	99	143	159	120	-25%	525	620	717	642	-10%	-36%	-14%	95
Greenwich	82	144	145	144	-1%	526	581	646	607	-6%	-9%	13%	179
Monroe	34	47	39	28	-28%	141	158	195	159	-18%	-18%	-20%	122
New Canaan	35	51	55	53	-4%	214	223	279	242	-13%	4%	1%	174
New Fairfield	31	41	45	49	9%	123	133	163	173	6%	3%	8%	119
Newtown	69	56	75	77	3%	250	272	297	363	22%	-3%	20%	145
Norwalk	104	129	144	148	3%	439	508	627	596	-5%	13%	-2%	103
Oxford**	17	30	23	25	9%	85	92	121	113	-7%	-12%	-14%	83
Redding	21	25	22	21	-5%	80	87	114	87	-24%	-20%	-20%	148
Ridgefield	30	58	75	61	-19%	239	269	388	331	-15%	-39%	-17%	122
Rowayton	8	13	15	18	20%	49	59	69	76	10%	82%	30%	170
Shelton	62	76	78	90	15%	234	285	315	299	-5%	23%	-10%	111
Sherman	18	11	17	12	-29%	34	42	60	50	-17%	6%	-4%	185
Southbury**	23	35	41	33	-20%	124	127	153	137	-10%	-26%	-17%	139
Stamford	102	136	163	180	10%	527	597	702	642	-9%	6%	-5%	107
Stratford	101	105	107	105	-2%	394	390	460	444	-3%	-5%	0%	101
Trumbull	69	87	110	92	-16%	263	360	417	386	-7%	-21%	-6%	101
Weston	24	40	33	32	-14%	107	135	175	154	-12%	-2%	-8%	150
Westport	58	84	103	94	-9%	344	361	465	384	-17%	-10%	-16%	135
Wilton	36	52	52	48	-8%	178	219	259	229	-12%	-22%	-11%	106

*DOM: Twelve-Month Median Days on Market **New Haven County

sales in the remainder of Fairfield County, except for New Canaan, were generally at or below 2013 levels. Interestingly, although Greenwich experienced a resurgence this year in the luxury sector, its overall unit sales were down by 6%. Consistent with overall preferences, buyers were generally focused on condition rather than location, except when it came to direct Long Island Sound waterfront. Waterfront sales came back strong as flood insurance programs were revised to become more affordable to most buyers.

Inventory levels for the market as a whole were tracking 8% to 10% higher than 2013 until just recently, when we saw a fallback to more normalized levels. Based on the recent heightened level of pre-market preparation we are seeing among sellers, we are anticipating an early spring market with excellent buyer-focused inventory.

Prices remain stable for all but the most thinly traded market segments. The countywide median selling price rose slightly by 4% for the fourth quarter to \$440,000 as a result of the mix of properties being sold. For the year the median selling price remains even with 2013 levels.

Agents are reporting a greater mix of buyers purchasing homes, which is a positive dynamic for our area. Buyers range from local buyers moving up as they are now able to sell their homes, to baby boomers down-sizing, to a slight uptick in people relocating from other areas, to, of course, first-time homebuyers.

In 2015, we expect Fairfield County to benefit from the strengthening economy and enhanced buyer confidence with improving sales across all price points.

SINGLE FAMILY HOME MEDIAN SALES PRICE

FAIRFIELD COUNTY

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
FAIRFIELD COUNTY	\$360,000	\$420,000	\$425,000	\$440,000	4%	\$445,000	\$440,000	\$460,000	\$460,000	0%
Bethel	\$243,000	\$317,000	\$287,000	\$315,000	10%	\$323,000	\$321,000	\$304,000	\$311,000	2%
Brookfield	\$281,000	\$341,000	\$332,000	\$368,000	11%	\$361,000	\$335,000	\$350,000	\$360,000	3%
Danbury	\$226,000	\$255,000	\$237,000	\$255,000	8%	\$260,000	\$248,000	\$260,000	\$261,000	0%
Darien	\$1,435,000	\$1,400,000	\$1,345,000	\$1,598,000	19%	\$1,400,000	\$1,240,000	\$1,350,000	\$1,468,000	9%
Easton	\$580,000	\$500,000	\$550,000	\$583,000	6%	\$665,000	\$568,000	\$559,000	\$596,000	7%
Fairfield	\$443,000	\$526,000	\$559,000	\$545,000	-3%	\$547,000	\$546,000	\$575,000	\$570,000	-1%
Greenwich	\$1,623,000	\$1,700,000	\$1,840,000	\$1,883,000	2%	\$1,650,000	\$1,658,000	\$1,694,000	\$1,882,000	11%
Monroe	\$355,000	\$326,000	\$300,000	\$335,000	12%	\$365,000	\$385,000	\$348,000	\$340,000	-2%
New Canaan	\$1,500,000	\$1,210,000	\$1,500,000	\$1,596,000	6%	\$1,600,000	\$1,385,000	\$1,415,000	\$1,680,000	19%
New Fairfield	\$243,000	\$325,000	\$340,000	\$335,000	-2%	\$328,000	\$315,000	\$320,000	\$324,000	1%
Newtown	\$305,000	\$396,000	\$346,000	\$360,000	4%	\$375,000	\$395,000	\$360,000	\$360,000	0%
Norwalk	\$395,000	\$390,000	\$418,000	\$440,000	5%	\$417,000	\$405,000	\$435,000	\$430,000	-1%
Oxford*	\$300,000	\$320,000	\$350,000	\$295,000	-16%	\$330,000	\$320,000	\$347,000	\$317,000	-9%
Redding	\$538,000	\$445,000	\$626,000	\$547,000	-13%	\$550,000	\$525,000	\$524,000	\$587,000	12%
Ridgefield	\$544,000	\$615,000	\$680,000	\$585,000	-14%	\$668,000	\$625,000	\$650,000	\$662,000	2%
Rowayton	\$610,000	\$935,000	\$878,000	\$1,650,000	88%	\$1,188,000	\$1,010,000	\$878,000	\$980,000	12%
Shelton	\$275,000	\$295,000	\$312,000	\$344,000	10%	\$286,000	\$297,000	\$313,000	\$315,000	0%
Sherman	\$382,000	\$360,000	\$315,000	\$525,000	67%	\$373,000	\$360,000	\$363,000	\$437,000	20%
Southbury*	\$345,000	\$360,000	\$400,000	\$345,000	-14%	\$370,000	\$335,000	\$378,000	\$360,000	-5%
Stamford	\$479,000	\$535,000	\$600,000	\$576,000	-4%	\$535,000	\$546,000	\$570,000	\$610,000	7%
Stratford	\$215,000	\$210,000	\$225,000	\$220,000	-2%	\$220,000	\$210,000	\$224,000	\$228,000	2%
Trumbull	\$340,000	\$317,000	\$355,000	\$330,000	-7%	\$358,000	\$358,000	\$355,000	\$365,000	3%
Weston	\$633,000	\$758,000	\$620,000	\$851,000	37%	\$750,000	\$750,000	\$762,000	\$810,000	6%
Westport	\$1,040,000	\$1,181,000	\$1,200,000	\$1,198,000	0%	\$1,086,000	\$1,210,000	\$1,251,000	\$1,323,000	6%
Wilton	\$834,000	\$670,000	\$748,000	\$812,000	9%	\$825,000	\$723,000	\$795,000	\$815,000	3%

*New Haven County

The Shoreline



Signature Property Reborn

Essex, CT • Web ID: M9146563

The Shoreline

Not unlike other markets, the Shoreline experienced a mid-year slowdown. However, this was more than made up for with a very strong fourth quarter where unit sales increased by 21% versus the fourth quarter of 2013. This vibrant late-year performance contributed to a 5% growth in both units and dollars for 2014. Prices are stable with the 12-month median selling price of \$298,000, a slight 1% increase versus a year ago. A key factor in the sales improvement is the broadening pool of buyers, which includes local buyers as well as relocation and second homebuyers. Sales levels did vary by price point. Homes valued up to \$300,000 enjoyed a 4% increase in unit sales, while those in the \$300,000 to \$500,000 segment experienced a 9% gain in sales. Properties priced from \$500,000 to \$1,000,000 experienced a slight slowdown versus 2013.

The big story for 2014 was the reemergence of homes valued at \$1,000,000 and higher. In each of the four quarters of 2014, sales improved at double-digit levels versus the prior quarter, concluding 2014 at levels 28% higher than 2013. The challenge for Shoreline luxury is the waterfront market. While waterfront has experienced a resurgence in lower Fairfield County and Southern Westchester County, it has been slower to come back along the Shoreline since Hurricane Sandy. However, we are optimistic that we are turning the corner. Sales are starting to improve and the modified flood insurance programs that are now in place are anticipated to have a very positive effect on Shoreline waterfront sales.

Inventory levels remain somewhat elevated versus 2013, with an average of 9% more homes on the market at any point during the year. Buyers clearly responded in a positive manner to the excellent selection of homes, but it did put pressure on sellers to present their properties in the most appealing manner and to price aggressively. Condition remains the number one factor in a successful sale, even over location.

According to Kathy Mitchell, manager of William Pitt Sotheby's International Realty's Guilford and Madison brokerages, "The Shoreline has always been a relatively steady market, and we have been the beneficiaries of this dynamic for the last several years. We have seen incremental multi-year growth in both dollar and unit sales, which adds credence to the value of housing in this area. The emerging upper end market is a continuing sign of the appeal of the Shoreline communities and a trend we believe will be even stronger in 2015 as waterfront in our area begins to make a comeback."

SINGLE FAMILY HOME CLOSED SALES

THE SHORELINE

	QUARTERLY CLOSED UNITS				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
THE SHORELINE	454	581	607	733	21%	1,725	2,147	2,630	2,773	5%	12%	5%	98
Branford	31	48	41	55	34%	136	161	192	193	1%	9%	1%	86
Chester	4	10	7	9	29%	29	39	36	48	33%	-13%	18%	85
Ciinton	20	40	30	40	33%	108	147	125	140	12%	14%	2%	82
Deep River	12	10	12	13	8%	38	28	36	46	28%	3%	-14%	119
East Lyme	31	39	59	67	14%	56	75	222	232	5%	4%	1%	94
Essex**	14	8	24	32	33%	69	65	72	104	44%	8%	43%	93
Groton	53	62	63	78	24%	213	268	280	292	4%	46%	14%	82
Guilford	36	51	55	44	-20%	169	229	251	239	-5%	7%	0%	108
Killingworth	11	15	10	23	130%	47	65	60	83	38%	123%	43%	83
Lyme	7	8	6	6	0%	28	31	26	24	-8%	-18%	-1%	212
Madison	39	49	48	49	2%	182	220	251	232	-8%	-4%	-9%	94
New London	34	29	32	30	-6%	109	107	121	111	-8%	7%	2%	109
Old Lyme	20	28	28	36	29%	83	125	101	132	31%	-4%	20%	145
Old Saybrook	30	28	30	41	37%	141	159	136	162	19%	4%	10%	94
Stonington	28	43	45	65	44%	135	181	205	200	-2%	66%	1%	98
Waterford	45	47	49	70	43%	170	211	206	254	23%	8%	29%	94
Westbrook	11	16	16	25	56%	56	76	71	75	6%	39%	1%	98

*DOM: Twelve-Month Median Days on Market **Includes Essex, Ivoryton and Centerbrook



The Pearl of Fence Creek

Madison, CT • Web ID: M9145709

SINGLE FAMILY HOME MEDIAN SALES PRICE

THE SHORELINE

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
THE SHORELINE	\$284,000	\$287,000	\$303,000	\$285,000	-6%	\$309,000	\$300,000	\$295,000	\$298,000	1%
Branford	\$320,000	\$298,000	\$350,000	\$306,000	-13%	\$330,000	\$290,000	\$300,000	\$315,000	5%
Chester	\$259,000	\$358,000	\$383,000	\$235,000	-39%	\$270,000	\$287,000	\$319,000	\$270,000	-15%
Clinton	\$250,000	\$263,000	\$268,000	\$244,000	-9%	\$255,000	\$270,000	\$270,000	\$240,000	-11%
Deep River	\$223,000	\$244,000	\$269,000	\$245,000	-9%	\$242,000	\$293,000	\$262,000	\$238,000	-9%
East Lyme	\$292,000	\$265,000	\$295,000	\$272,000	-8%	\$283,000	\$284,000	\$281,000	\$272,000	-3%
Essex*	\$357,000	\$485,000	\$493,000	\$378,000	-23%	\$375,000	\$363,000	\$437,000	\$393,000	-10%
Groton	\$230,000	\$255,000	\$202,000	\$218,000	8%	\$208,000	\$230,000	\$226,000	\$213,000	-6%
Guilford	\$417,000	\$375,000	\$350,000	\$410,000	17%	\$400,000	\$392,000	\$384,000	\$380,000	-1%
Killingworth	\$349,000	\$271,000	\$288,000	\$340,000	18%	\$342,000	\$310,000	\$326,000	\$351,000	8%
Lyme	\$450,000	\$362,000	\$508,000	\$430,000	-15%	\$627,000	\$330,000	\$538,000	\$716,000	33%
Madison	\$400,000	\$420,000	\$483,000	\$408,000	-15%	\$423,000	\$418,000	\$449,000	\$439,000	-2%
New London	\$147,000	\$125,000	\$127,000	\$149,000	-17%	\$140,000	\$145,000	\$130,000	\$150,000	15%
Old Lyme	\$350,000	\$288,000	\$373,000	\$321,000	-14%	\$345,000	\$313,000	\$360,000	\$331,000	-8%
Old Saybrook	\$349,000	\$357,000	\$285,000	\$327,000	15%	\$370,000	\$358,000	\$336,000	\$338,000	0%
Stonington	\$295,000	\$320,000	\$290,000	\$285,000	-2%	\$272,000	\$315,000	\$284,000	\$275,000	-3%
Waterford	\$205,000	\$205,000	\$225,000	\$189,000	-16%	\$215,000	\$210,000	\$220,000	\$220,000	0%
Westbrook	\$320,000	\$271,000	\$388,000	\$332,000	-14%	\$278,000	\$313,000	\$339,000	\$327,000	-4%

*Includes Essex, Ivoryton and Centerbrook

Litchfield County



Woodridge Lake Waterfront

Goshen, CT • Web ID: L151658

Litchfield County

Litchfield County's single-family home sales saw their second highest year since 2007, with a slight decline of 1% in units transacted and 1% in dollar volume compared to 2013 levels. However, there was wide variability by quarter and by price sector. Sales of homes valued under \$750,000 declined for both the fourth quarter and the year. Properties priced under \$500,000 slowed by 35% versus 2013, while homes between \$500,000 and \$750,000 declined by 14%. The softness of these lower price points contrasted sharply with the relative vitality of homes valued at \$750,000 and higher. On a percentage basis the greatest improvement occurred in the \$750,000 to \$999,000 range, where, after a very soft first quarter, sales rebounded nicely and increased approximately 25% per quarter compared to the same period a year ago. For the year unit sales in this category were 14% higher than 2013. The big story in Litchfield County during 2014 was the continued growth in sales of homes valued at \$1,000,000 and higher. In Litchfield County, the upper end has traditionally defined the vibrancy and confidence in local market conditions. While activity was inconsistent throughout the year in this higher segment, there were major gains in both the first and fourth quarters, resulting in unit sales for the year ending 16% higher than 2013 and 32% higher than 2012. This equates to 71 units sold in 2014. Coinciding with the renewed interest in upper end housing in this area was a surge in new listing activity, particularly during the second and fourth quarters of this year, as sellers sought to take advantage of the better selling environment. New listings increased by 8% this year and translated to inventory exceeding 2013 levels by an average of 6% for the majority of the year.

The highest sale of the year occurred in December with William Pitt Sotheby's International Realty representing the buyer. Closing at \$6,750,000, the property is the ultimate Lake Waramaug compound, sited on 2.47 magnificent waterfront acres on Shore Road in Washington, CT.

SINGLE FAMILY HOME CLOSED SALES

LITCHFIELD COUNTY

	QUARTERLY CLOSED UNITS				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
LITCHFIELD COUNTY	301	376	422	446	6%	1,215	1,423	1,635	1,622	-1%	21%	1%	107
Barkhamsted	4	9	7	11	57%	18	29	26	37	42%	60%	44%	128
Bethlehem	4	8	10	8	-20%	22	26	30	27	-10%	-27%	-1%	183
Bridgewater	2	3	8	8	0%	11	16	17	21	24%	132%	89%	144
Canaan	6	6	11	11	0%	26	29	43	43	0%	-22%	-19%	88
Colebrook	NO SALES	5	5	3	-40%	9	14	18	12	-33%	-67%	-39%	182
Cornwall**	6	4	5	4	-20%	15	21	16	21	31%	-58%	1%	157
Goshen	13	10	16	17	6%	51	31	55	45	-18%	36%	-4%	141
Harwinton	7	13	15	18	20%	42	51	61	60	-2%	-5%	-4%	79
Kent, South Kent	9	6	7	11	57%	27	24	27	29	7%	-25%	-3%	148
Litchfield, Milton	9	17	25	21	-16%	53	65	86	80	-7%	35%	9%	129
Morris	6	7	5	2	-60%	19	21	18	26	44%	-74%	35%	71
New Hartford	9	10	13	17	31%	48	62	67	68	2%	43%	-13%	92
New Milford	29	34	39	31	-21%	97	120	143	122	-15%	-40%	-25%	90
Norfolk	3	3	2	4	100%	12	13	13	17	31%	22%	7%	29
Plymouth	23	35	35	35	0%	95	109	113	130	15%	-1%	12%	107
Roxbury	4	10	15	8	-47%	18	25	34	33	-3%	-50%	2%	165
Salisbury	14	12	10	15	50%	42	48	54	42	-22%	47%	-47%	108
Sharon	8	7	10	14	40%	22	39	42	46	10%	124%	80%	130
Thomaston	11	18	7	15	50%	49	49	64	57	-11%	87%	-13%	95
Torrington	48	69	74	73	-1%	217	256	301	289	-4%	3%	-4%	69
Warren	2	2	6	8	33%	14	11	19	17	-11%	17%	-25%	189
Washington***	8	11	14	20	43%	32	41	53	46	-13%	331%	12%	82
Winchester	14	17	16	28	75%	63	77	88	98	11%	117%	-1%	99
Woodbury	16	15	19	21	11%	48	76	70	75	7%	10%	25%	145

*DOM: Twelve-Month Median Days on Market **Includes Cornwall, West Cornwall and Cornwall Bridge ***Includes Washington, Washington Depot and New Preston

The twelve-month median selling price for the year mirrored 2013 at \$213,000, further reflecting the improving stability and appeal of this region. Litchfield County continues to represent excellent value for the second homebuyer in comparison to much of its competition, and we believe this will further drive the market's improvement.

Days on Market have averaged 130 days for closed properties for the past two years. Luxury properties continue to take significantly longer to sell, with homes priced at \$1,000,000 and up currently averaging almost double the broader market at 227 days, reflecting the smaller buyer pool.

With greater confidence and stability in the housing market, local buyers began to reemerge and take advantage of the optimal buying conditions including favorable pricing, low interest rates and broad inventory. This was a meaningful and important step in the continued revitalization of the area.

Matthew Day, regional brokerage manager of our Litchfield Hills offices, sums up the year by saying, "Litchfield County recovered nicely from the early weather-related slowdown in the market. As the weather improved, buyers showed renewed interest and the market stabilized. The quality of the lifestyle and the four-season recreation keep buyers coming to the Litchfield Hills. The perceived and real value found here is unmatched, and we look forward to the continued momentum in 2015."

SINGLE FAMILY HOME MEDIAN SALES PRICE

LITCHFIELD COUNTY

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
LITCHFIELD COUNTY	\$210,000	\$206,000	\$217,000	\$215,000	-1%	\$219,000	\$210,000	\$220,000	\$213,000	-3%
Barkhamsted	\$213,000	\$190,000	\$176,000	\$246,000	40%	\$239,000	\$237,000	\$217,000	\$230,000	6%
Bethlehem	\$283,000	\$268,000	\$258,000	\$277,000	7%	\$250,000	\$288,000	\$257,000	\$283,000	10%
Bridgewater	\$888,000	\$825,000	\$324,000	\$820,000	-7%	\$720,000	\$633,000	\$325,000	\$445,000	37%
Canaan	\$145,000	\$230,000	\$160,000	\$152,000	-5%	\$160,000	\$165,000	\$165,000	\$160,000	-3%
Colebrook	No SALES	\$215,000	\$265,000	\$159,000	-40%	\$192,000	\$218,000	\$250,000	\$222,000	-11%
Cornwall*	\$352,000	\$222,000	\$650,000	\$343,000	-47%	\$375,000	\$345,000	\$475,000	\$380,000	-20%
Goshen	\$320,000	\$296,000	\$267,000	\$353,000	32%	\$320,000	\$285,000	\$320,000	\$325,000	2%
Harwinton	\$230,000	\$250,000	\$262,000	\$192,000	-27%	\$210,000	\$249,000	\$220,000	\$221,000	0%
Kent, South Kent	\$254,000	\$506,000	\$435,000	\$373,000	-14%	\$325,000	\$357,000	\$320,000	\$373,000	17%
Litchfield, Milton	\$278,000	\$225,000	\$280,000	\$420,000	50%	\$280,000	\$285,000	\$285,000	\$335,000	18%
Morris	\$202,000	\$310,000	\$255,000	\$217,000	-15%	\$265,000	\$245,000	\$257,000	\$285,000	11%
New Hartford	\$230,000	\$342,000	\$180,000	\$255,000	42%	\$261,000	\$260,000	\$265,000	\$278,000	5%
New Milford	\$253,000	\$293,000	\$260,000	\$260,000	0%	\$280,000	\$270,000	\$270,000	\$263,000	-3%
Norfolk	\$155,000	\$160,000	\$459,000	\$232,000	-49%	\$345,000	\$162,000	\$335,000	\$250,000	-25%
Plymouth	\$139,000	\$155,000	\$160,000	\$154,000	-4%	\$162,000	\$160,000	\$162,000	\$163,000	0%
Roxbury	\$430,000	\$628,000	\$810,000	\$800,000	-1%	\$575,000	\$965,000	\$642,000	\$630,000	-2%
Salisbury	\$287,000	\$421,000	\$453,000	\$375,000	-17%	\$375,000	\$391,000	\$464,000	\$375,000	-19%
Sharon	\$241,000	\$375,000	\$306,000	\$280,000	-9%	\$308,000	\$405,000	\$374,000	\$420,000	12%
Thomaston	\$170,000	\$252,000	\$180,000	\$171,000	-5%	\$185,000	\$210,000	\$172,000	\$186,000	8%
Torrington	\$146,000	\$140,000	\$137,000	\$138,000	0%	\$148,000	\$135,000	\$140,000	\$140,000	0%
Warren	\$328,000	\$338,000	\$608,000	\$688,000	13%	\$503,000	\$320,000	\$335,000	\$525,000	57%
Washington**	\$433,000	\$750,000	\$350,000	\$740,000	111%	\$598,000	\$540,000	\$455,000	\$593,000	30%
Winchester	\$135,000	\$140,000	\$131,000	\$126,000	-4%	\$140,000	\$137,000	\$150,000	\$125,000	-17%
Woodbury	\$354,000	\$306,000	\$445,000	\$311,000	-30%	\$373,000	\$370,000	\$300,000	\$325,000	8%

*Includes Cornwall, West Cornwall and Cornwall Bridge **Includes Washington, Washington Depot and New Preston

Berkshire County



Stylish, Graceful and Quiet Contemporary

Lenox, MA • Web ID: 208779

Berkshire County

The first quarter of 2014 was exceptionally vibrant for the Southern Berkshires, with both dollar and unit volume increasing by 19% versus the same period a year ago. However, this momentum could not be sustained and transactions slowed during both the second and third quarters by 5–7%. Despite a slow fourth quarter ramp-up, reflecting a soft end-of-summer selling season, buyers actively returned in the fall. The resurgence in fall buying activity, influenced by the positive economic news and lovely inventory, resulted in fourth quarter single family home sales that were 4% higher versus year ago and annual sales that were 2% higher than 2013. The Northern Berkshires was quieter, with a 14% decline in fourth quarter unit sales and a 7% drop in annual sales.

Sales performance was inconsistent across price points. Sales in the lower price points did not keep pace with last year’s growth and ended the year down a slight 2% versus 2013. This performance was consistent with other Northeastern markets and was largely due to the combination of tight credit and weak inventory. In 2014, it was the higher price ranges that drove sales. Homes in the \$500,000 to \$750,000 range were 7% higher for the quarter and a robust 28% higher for the year. Homes valued above \$750,000, while slower in the middle part of the year, experienced double digit growth in both the first and fourth quarters. For 2014 as a whole the sale of these upper tier properties increased by a respectable 6% on a unit basis and 7% on a dollar basis, driven in large part by the introduction of exciting new inventory, coupled with the re-pricing of some existing product to a level that was compelling to buyers.

Many of the market metrics for the Southern Berkshires remained stable in 2014, boosting buyer confidence in area housing. Inventory levels hovered in the range of 980 units. New listing activity averaged 98 units per quarter, and the 12-month median selling price hovered in the range of \$275,000. Together these factors created a stable market in which to invest and a very positive environment for 2015.

The Berkshires, particularly the Southern Berkshires, is heavily skewed to the second home market. It is also a region characterized by specific buyer preferences for style and location. As the economy strengthened this year, confidence in the second home market improved and buyers became more engaged in the region. Matthew Day, regional brokerage manager of the William Pitt Sotheby’s International Realty Berkshires office, has a very positive outlook on the activity in this market. “The inventory levels in Berkshire County allow for buyers at every price level to find a home in this idyllic area where culture meets nature. With homes moving at various price points and buyers showing their appreciation for all that this county offers, the year has ended on a positive note. 2015 looks equally as good.”

SINGLE FAMILY HOME CLOSED SALES

SOUTHERN BERKSHIRE COUNTY

	QUARTERLY CLOSED UNITS				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
BERKSHIRE COUNTY	216	301	280	285	2%	828	1,024	1,083	1,062	-2%	-3%	0%	144
SO. BERKSHIRES	84	106	113	118	4%	298	368	393	400	2%	-9%	3%	210
Alford	3	3	2	1	-50%	6	6	11	8	-27%	-7%	8%	102
Becket	13	14	7	16	129%	30	46	36	52	44%	135%	80%	162
Egremont	6	8	6	8	33%	18	17	18	24	33%	75%	14%	355
Great Barrington	13	17	25	18	-28%	59	59	74	60	-19%	-25%	-26%	111
Lee	11	12	10	13	30%	28	37	39	46	18%	31%	20-%	242
Lenox	3	10	14	12	-14%	29	41	47	44	-6%	-14%	10%	102
Monterey	2	2	4	6	50%	10	9	16	19	19%	28%	4%	138
Mount Washington	NO SALES	1	1	NO SALES	N/A	0	4	1	1	0%	NO SALES	232%	N/A
New Marlborough	6	7	4	3	-25%	19	25	17	16	-6%	79%	-21%	104
Otis	3	5	6	11	83%	24	31	21	32	52%	129%	61%	396
Richmond	1	3	6	6	0%	4	16	19	19	0%	-29%	2%	79
Sandisfield	1	6	2	6	200%	7	15	14	15	7%	196%	120%	256
Sheffield	12	4	14	7	-50%	33	30	36	27	-25%	13%	11%	467
Stockbridge	5	9	10	9	-10%	16	32	43	38	-12%	-62%	-31%	290
Tyringham	1	1	2	1	-50%	3	3	3	1	-67%	-74%	-80%	42
West Stockbridge	4	5	4	4	0%	16	13	17	16	-6%	-17%	2%	102

*DOM: Twelve-Month Median Days on Market

SINGLE FAMILY HOME CLOSED SALES

NORTHERN BERKSHIRE COUNTY

	QUARTERLY CLOSED SALES				YOY CHANGE	ANNUAL CLOSED UNITS				YOY CHANGE	CLOSED DOLLAR VOLUME		DOM*
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q14 VS 4Q13	CY 2014 VS CY 2013	4Q14
BERKSHIRE COUNTY	216	301	280	285	2%	828	1024	1,083	1,062	-2%	-3%	0%	144
NO. BERKSHIRES	42	63	50	43	-14%	160	207	190	177	-7%	-23%	-13%	106
Adams	16	21	15	15	0%	51	61	54	56	4%	8%	8%	76
Cheshire	6	9	5	3	-40%	18	19	26	14	-46%	-44%	-39%	100
Clarksburg	2	5	6	2	-67%	4	14	13	10	-23%	-81%	-31%	125
Dalton	12	15	14	12	-14%	49	54	55	54	-2%	-25%	-4%	71
Florida	1	2	1	2	100%	2	5	3	3	0%	137%	40%	208
Hancock	1	1	1	2	100%	5	4	5	3	67%	86%	10%	159
Hinsdale	5	5	4	5	25%	19	12	13	17	31%	-43%	-9%	106
Lanesboro	5	11	8	7	-13%	19	26	25	31	24%	-1%	46%	64
New Ashford	1	NO SALES	1	NO SALES	N/A	3	0	1	1	0%	N/A	5%	N/A
North Adams	13	20	13	14	8%	61	73	62	69	11%	-6%	10%	162
Peru	3	2	5	2	-60%	8	6	10	7	-30%	-66%	-27%	108
Pittsfield	58	84	71	85	20%	241	300	335	321	-4%	46%	4%	91
Savoy	1	1	1	2	100%	2	3	6	2	-67%	85%	-76%	20
Williamstown	8	14	13	8	-39%	37	51	51	36	-29%	-35%	-28%	207
Windsor	NO SALES	3	6	5	-17%	5	9	9	11	22%	-17%	11%	173

*DOM: Twelve-Month Median Days on Market

SINGLE FAMILY HOME MEDIAN SALES PRICE

SOUTHERN BERKSHIRE COUNTY

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
BERKSHIRE COUNTY	\$166,000	\$190,000	\$180,000	\$194,000	8%	\$180,000	\$180,000	\$183,000	\$185,000	1%
SO. BERKSHIRES	\$273,000	\$265,000	\$325,000	\$271,000	-17%	\$295,000	\$273,000	\$293,000	\$274,000	-6%
Alford	\$493,000	\$660,000	\$513,000	\$299,000	-42%	\$457,000	\$505,000	\$650,000	\$407,000	-37%
Becket	\$229,000	\$184,000	\$235,000	\$197,000	-16%	\$223,000	\$150,000	\$183,000	\$198,000	8%
Egremont	\$420,000	\$405,000	\$378,000	\$440,000	17%	\$389,000	\$380,000	\$367,000	\$445,000	21%
Great Barrington	\$215,000	\$375,000	\$285,000	\$255,000	-11%	\$313,000	\$275,000	\$317,000	\$262,000	-17%
Lee	\$208,000	\$207,000	\$275,000	\$285,000	4%	\$225,000	\$190,000	\$212,000	\$234,000	10%
Lenox	\$387,000	\$261,000	\$377,000	\$304,000	-19%	\$390,000	\$261,000	\$322,000	\$304,000	-6%
Monterey	\$625,000	\$613,000	\$413,000	\$286,000	-31%	\$433,000	\$310,000	\$428,000	\$399,000	-7%
Mount Washington	NO SALES	\$190,000	\$98,000	NO SALES	N/A	no sales	\$358,000	\$98,000	\$325,000	232%
New Marlborough	\$335,000	\$265,000	\$220,000	\$587,000	167%	\$310,000	\$330,000	\$320,000	\$408,000	27%
Otis	\$190,000	\$318,000	\$199,000	\$250,000	26%	\$220,000	\$366,000	\$235,000	\$255,000	9%
Richmond	\$252,000	\$800,000	\$327,000	\$290,000	-11%	\$359,000	\$315,000	\$365,000	\$340,000	-7%
Sandisfield	\$325,000	\$293,000	\$354,000	\$311,000	-12%	\$275,000	\$285,000	\$205,000	\$280,000	36%
Sheffield	\$239,000	\$560,000	\$296,000	\$350,000	18%	\$240,000	\$276,000	\$272,000	\$255,000	-6%
Stockbridge	\$450,000	\$430,000	\$635,000	\$260,000	-59%	\$445,000	\$363,000	\$325,000	\$322,000	-1%
Tyringham	\$550,000	\$1,295,000	\$628,000	\$333,000	-47%	\$550,000	\$300,000	\$425,000	\$333,000	-22%
West Stockbridge	\$266,000	\$275,000	\$449,000	\$438,000	-3%	\$275,000	\$290,000	\$332,000	\$481,000	45%



Waterfront on Appletree Point

Pittsfield, MA • Web ID: 208961

SINGLE FAMILY HOME MEDIAN SALES PRICE

NORTHERN BERKSHIRE COUNTY

	QUARTERLY MEDIAN SALES PRICE					TWELVE-MONTH MEDIAN SALES PRICE				
	4Q11	4Q12	4Q13	4Q14	4Q14 VS 4Q13	CY 2011	CY 2012	CY 2013	CY 2014	CY 2014 VS CY 2013
BERKSHIRE COUNTY	\$166,000	\$190,000	\$180,000	\$194,000	8%	\$180,000	\$180,000	\$183,000	\$185,000	1%
NO. BERKSHIRES	\$119,000	\$131,000	\$135,000	\$135,000	0%	\$135,000	\$131,000	\$142,000	\$135,000	-4%
Adams	\$113,000	\$120,000	\$107,000	\$138,000	29%	\$129,000	\$123,000	\$120,000	\$126,000	4%
Cheshire	\$164,000	\$125,000	\$150,000	\$128,000	-15%	\$173,000	\$151,000	\$149,000	\$169,000	13%
Clarksburg	\$103,000	\$167,000	\$68,000	\$60,000	-12%	\$138,000	\$145,000	\$115,000	\$111,000	-3%
Dalton	\$162,000	\$148,000	\$171,000	\$157,000	-8%	\$170,000	\$153,000	\$163,000	\$169,000	3%
Florida	\$18,000	\$144,000	\$124,000	\$147,000	19%	\$104,000	\$157,000	\$124,000	\$151,000	22%
Hancock	\$151,000	\$220,000	\$115,000	\$107,000	-7%	\$285,000	\$191,000	\$250,000	\$210,000	-16%
Hinsdale	\$159,000	\$242,000	\$275,000	\$219,000	-20%	\$171,000	\$202,000	\$215,000	\$154,000	-28%
Lanesboro	\$390,000	\$200,000	\$146,000	\$155,000	6%	\$172,000	\$180,000	\$163,000	\$213,000	31%
New Ashford	\$150,000	NO SALES	\$335,000	NO SALES	N/A	\$155,000	NO SALES	\$335,000	\$350,000	4%
North Adams	\$110,000	\$120,000	\$94,000	\$69,000	-26%	\$118,000	\$106,000	\$125,000	\$122,000	-3%
Peru	\$150,000	\$259,000	\$150,000	\$123,000	-18%	\$146,000	\$177,000	\$145,000	\$160,000	10%
Pittsfield	\$149,000	\$159,000	\$145,000	\$140,000	-3%	\$150,000	\$150,000	\$146,000	\$150,000	2%
Savoy	\$180,000	\$50,000	\$140,000	\$129,000	-8%	\$198,000	\$154,000	\$190,000	\$129,000	-32%
Williamstown	\$246,000	\$230,000	\$332,000	\$280,000	-16%	\$283,000	\$289,000	\$330,000	\$263,000	-20%
Windsor	NO SALES	\$265,000	\$240,000	\$235,000	-2%	\$175,000	\$205,000	\$240,000	\$169,000	-30%

Condominiums and Cooperatives



Spectacular Dream Apartment

Bronxville, NY • Web ID: 4430434

Condominiums and Cooperatives

The fourth quarter was an excellent one for both the condominium and co-op markets in Westchester County, with each sector achieving double-digit sales growth compared to the same period a year ago. Co-op sales were particularly strong with a 24% increase in fourth quarter unit sales versus the same period of 2013, and an 11% year over year increase. Northern Westchester County drove much of this increase with a 91% rise in unit sales and a 94% increase in dollar volume for the year. Consistent with the relative strength of the co-op market, Westchester County 2014 inventory levels were 13% lower than a year ago and new listings were 9% lower. The 12-month average median selling price remained unchanged from a year ago at \$147,000.

After a positive first half of the year, Fairfield County condominium sales slipped in the last two quarters to end the year with unit sales a slight 2% ahead of 2013 and dollar volume 8% higher, reflecting a sales mix that favored more expensive properties. Prices were stable as supply and demand was relatively consistent. There was a 6% increase in new listings in 2014 as sellers saw the improving market conditions as an opportunity to move on. The market seemed easily able to accommodate the rise in new listing activity. With the hyper local nature of condominium sales, it should be noted that in contrast to the broader market some towns such as New Canaan had sales that far outpaced single-family home sales.

The Shoreline condominium market continues to improve with both unit and dollar volume increasing for the fourth quarter as well as the year. Days on Market are also decreasing, indicating a faster moving market.

Litchfield County condominium sales were solid in 2014, seeing a 3% unit sales improvement and 13% dollar growth as buyers concentrated on the higher price points. If activity levels had not slipped in the second half of the year, sales growth would have been substantially more pronounced. In neighboring Berkshires, unit sales declined by 25%.

CONDOMINIUM AND COOPERATIVE CLOSED SALES AND MEDIAN SALES PRICE

	QUARTERLY CLOSED SALES			YEAR-TO-DATE CLOSED SALES			QUARTERLY MEDIAN SALES PRICE			INVENTORY	DOM*
	4Q13	4Q14	4Q14 VS 4Q13	CY 2013	CY 2014	CY 2014 VS CY 2013	4Q13	4Q14	CY 4Q14 VS CY 4Q13	4Q14 VS 4Q13	4Q14
So. Westchester Condos	181	193	7%	181	193	7%	\$355,000	\$357,000	1%	-5%	94
So. Westchester Coops	368	447	22%	368	447	22%	\$150,000	\$150,000	0%	-11%	129
No. Westchester Condos	89	114	28%	391	398	-2%	\$290,000	\$315,000	9%	6%	79
No. Westchester Coops	17	34	100%	59	111	88%	\$76,000	\$100,000	33%	-5%	133
Fairfield County	1,743	1,680	-4%	2,392	2,467	3%	\$425,000	\$440,000	4%	7%	108
The Shoreline	190	194	2%	709	731	3%	\$139,000	\$148,000	7%	3%	98
Litchfield County	60	59	-2%	220	230	13%	\$104,000	\$103,000	0%	10%	100
Berkshire County	31	24	-23%	85	110	-23%	\$215,000	\$205,000	-5%	0%	223

*DOM: Twelve-Month Median Days on Market



Stepping Stones Condo

New Canaan, CT • Web ID: 99070224



Magnificent Brick Colonial

Rye, NY • Web ID: 4415425

Where We Are Headed

As a firm we are very bullish about the prospects for 2015. We are in an enviable position with new Wall Street highs, a bright employment picture, no wars to distract our attention and good weather with no destructive storm activity. Additionally, credit is expected to loosen in the coming year with slightly more flexibility on down payment requirements, debt-to-income ratios and credit scores. This is anticipated to bring more first-time homebuyers into the market, which is a critical stimulus for housing as a whole. Supporting the economic factors is rising consumer confidence, which currently stands at its highest level in five years. All of these elements are projected to positively impact residential real estate in the coming year.

To successfully navigate the 2015 real estate market, there are several trends that should be noted. First, the buyer continues to demonstrate a strong preference for new or like-new construction. While good condition has always been important, today it is paramount to achieving a successful sale. Buyers are simply not interested in buying a home for its potential – they want to buy it done. Sellers appear to have gotten this message, and we are seeing an increased level and depth of pre-market preparation to ensure properties meet buyer expectations and sell in a reasonable amount of time at a strong price.

Second, the seasonality that has typically been associated with selling homes appears to be flattening. Recently we have been experiencing a fairly evenly distributed sales pattern. Buyers have been positioned throughout the year to buy and are making their purchase decisions once the right product for them comes on the market.

Third, for highly desirable properties with “sweet spot” pricing, we are experiencing a growing number of competitive bid situations. To achieve a competitive advantage, more and more buyers are submitting cash offers and then putting a mortgage on the property after closing. Sellers are positively influenced by this situation as it allows for a much smoother closing process and the fast removal of all contingencies.

While the highest price points remain slow to come back, there are positive signs of increased buyer interest, particularly in the direct waterfront market. In our metro New York areas, which are so heavily influenced by Wall Street, the generally good bonus season and unlocking of some deferred compensation is anticipated to bring more buyers into the marketplace.

Overall, we are experiencing strong spring market pre-preparation as sellers get ready to enter the market and potential buyers have been doing their homework through showings this fall. We think the improving economy and red-hot New York City market will propel a contingent of buyers into our metro New York market in 2015, and that sellers will be ready for them.

Information Sources: Case-Schiller reports, Various MLS services, National Association of Realtors, Connecticut Economic Digest, local mortgage brokers, Realty Trac., HGMLS, CMLS, CT-MLS, NCMLS, DARMLS, Greenwich MLS, BCBOR. While information is believed true, no guarantee is made for accuracy.
