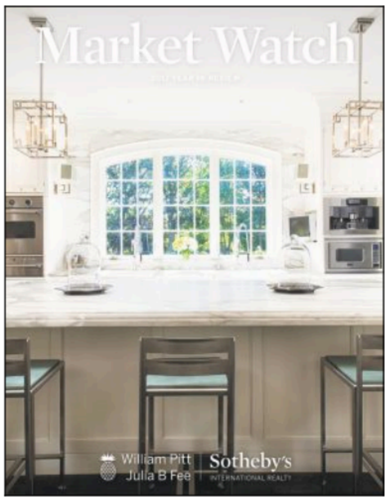
REAL ESTATE NEWS

William Pitt, Julia B. Fee Sotheby's announces 2017 market report

A report detailing annual 2017 market results in Fairfield and Litchfield Counties and the Shoreline in Connecticut, the Berkshires in Massachusetts, and Westchester County, N.Y., has recently been released by William Pitt and Julia B. Fee Sotheby's International Realty.

The report found virtually all markets the company serves finishing the year with dollar volume and unit sales either even with or ahead of 2016, itself a healthy year in real estate sales that observed significant increases over the year prior. The Market Watch also noted an uptick in sales in the higher price ranges in many areas with the luxury sector proving a standout story in some regions.

Concurrent with the release of the report, Paul Breunich, President and CEO of William Pitt and Julia B. Fee Sotheby's International Realty, issued a statement addressing the recent passage of the tax bill:



"In our industry, the question on everyone's minds today surrounds the impact the new tax bill may have on the real estate market. Many prominent voices in real estate, including those in the areas we serve, have recently made their own predictions in the media. From my point of view, however, it would be irresponsible to draw a firm conclusion on how the tax reform could shape the market for the simple reason that at this early stage, it is impossible to know.

Historically, the key leverage point in determining the outlook on real estate is consumer confidence. This, in turn, is largely driven by four important economic factors: the stock market, the GDP, interest rates and unemployment. Each of these factors currently stands at either a historic high or a historic low, a rare and significantly favorable phenomenon to a strong economy. These positives perfectly correlate with soaring levels of consumer confidence, with the Conference Board Consumer Confidence Index's reading in December yielding a strong index of 122.1, just under the 17-year high mark reached in November. When consumer confidence is healthy, demand in the real estate buyer pool typically follows suit.

The newly introduced cap on property tax deductions is a negative for the market, yet property taxes represent just one consideration that must go into the purchaser's decision process. In addition, the property tax aspect is just one piece of a far more intricate tax law. On one side we have the complexity of the bill, and on the other, the high rate of consumer confidence, consumer demand and a booming economy, all coming together to create a confluence of variables that leave the future unknown. Despite this, the tried and true economic indicators that have always served as our compass are still going strong, and I remain bullish on the market looking ahead to 2018."

In Westchester County, 2017 concluded with unit sales about flat with the calendar year 2016, seeing a 1 percent decrease, and dollar volume up by 3 percent, while comparing each year's fourth quarter revealed that units in 2017 were flat and volume was higher by 6 percent. Broken out by region, unit sales and dollar volume in Southern Westchester increased by 1 percent and 4 percent, respectively, year over year, and 6 percent and 7 percent quarter over quarter. Northern Westchester was the slower of the two regions in 2017 but largely caught up to 2016 by year's end. The market was about flat with the prior year, exhibiting a 5 percent year-over-year decrease in unit sales and sales volume exactly even, while quarter over quarter, unit sales declined by 10 percent and volume increased by 3 percent.

In Connecticut, Fairfield County witnessed solid growth in 2017, with unit sales ahead of the calendar year 2016 by 4 percent and dollar volume up by 10 percent, while quarter over quarter, units were flat and volume increased by 10 percent. In the Shoreline region, including the counties of