

Market Watch

2018 YEAR IN REVIEW



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INTERNATIONAL REALTY

2018 Year In Review

2018 began with virtually every market our company serves experiencing sales decreases in single family home sales versus the first quarter the prior year, a notable trend considering it had been several years since we observed a similar phenomenon. Yet the year painted a more positive picture by the time it reached its conclusion. Many of our markets climbed ahead of 2017 by year's end, while others trailed only slightly behind. When declines occurred, they were modest. Our Westchester and Fairfield County markets saw modest decreases in unit sales and dollar volume, while the Connecticut Shoreline saw minimal decreases in unit sales even as dollar volume improved. Litchfield and Berkshire Counties experienced sales growth and the Farmington Valley was flat with steady sales.

There was much speculation in the media throughout the year on the reason for reduced sales levels in certain markets. We often heard that tax reform was the culprit, and while we acknowledge that uncertainty surrounding the tax bill may have played a role, we maintained the position all year long that it was too early to draw conclusions. It's only this year that we may begin to understand the full effect, if any. We will continue to follow this factor closely, but for now, observable economic data continues to support a healthy outlook for real estate.

One interesting recent development is the drop in mortgage rates, which are averaging about 4.51% for 30-year fixed mortgages, down from the highest rates in over seven years reached last fall at almost 5%. According to an article in [The Wall Street Journal on January 7](#), the current rate reduction may be spurring some buyers into the market who see an opportunity. Other economic indicators provide further reason for optimism. The Labor Department jobs report in January pointed to strong job growth with a still low unemployment rate of 3.9%, while Federal Reserve interest rates remain at historic lows despite incremental increases. The stock market has demonstrated some volatility, and the GDP is projected to come in a little lower in the fourth quarter than the prior two at around 2.8%, a slower but still good pace. Yet consumer confidence is still soaring at incredible heights, with the Conference Board Consumer Confidence Index reporting consistently elevated levels every month of the year. In December, consumer confidence stood at 128.1 (1985=100). When consumer confidence is this healthy, we typically see demand in the real estate buyer pool follow suit.

Four Economic Factors

INDICATORS	DATES		
	12/31/17	6/30/18	12/31/18
Stock Market (Dow)	24,824	24,271	23,327
Consumer Confidence	122.1	126.4	128.1
Mortgage Rate*	3.99%	4.55%	4.55%
Unemployment Rate	4.1%	4%	3.90%

GDP

GDP: Q4 2017	2.3%
GDP: Q1 2018	2.2%
GDP: Q2 2018	4.2%
GDP: Q3 2018	3.5%
Estimated GDP: Q4 2018	2.8%

In Westchester County, 2018 was a year of modest declines in single family home sales versus the prior year, a consistent trend seen in each quarter compared to the same quarters in 2017. In the fourth quarter, the county as a whole was down 6% in unit sales compared to the same time last year, and dollar volume decreased by 7%. For the calendar year, sales decreases in units for the county amounted to 5%, while dollar volume was lower by 4% compared to the year before. In the southern county, unit sales and dollar volume for the fourth quarter were each 8% behind the same period last year. For the calendar year, unit sales were lower by 4% and dollar volume by 3% compared to the year 2017. Northern Westchester had its best quarter of the year in the fourth, with unit sales decreasing by 2% and volume 5% versus the fourth quarter of 2017. Those decreases were larger in other quarters, leaving the region for the calendar year 6% behind 2017 in unit sales and 7% behind in dollar volume.

Fairfield County has experienced moderate declines in the real estate market each quarter this year compared to the same quarters of 2017. In the fourth, the market had its best quarter of 2018 in unit sales, with units just 1% lower than the same time last year. Yet dollar volume saw a larger decline at 10%, and the quarterly median selling price also witnessed a drop of 5%. For the year as a whole, unit sales finished up behind the calendar year of 2017 by 2%, while dollar volume was behind by 4%. The Connecticut Shoreline, comprising New Haven, Middlesex and New London counties, pulled back a bit in the fourth quarter after experiencing mid-year gains in the second and third quarters. Unit sales in the fourth quarter of 2018 compared to the same period in 2017 decreased by 3%, while dollar volume decreased by 5%. For the year, the region stood behind the calendar year of 2017 by a modest 2% in units but climbed ahead in dollar volume by 3%, an indication of more movement this year in the upper price tiers, further supported by a 3% rise in the 12-month median selling price.

In Litchfield County, sales activity continued through the end of the year as the county experienced its third straight quarter of sales growth versus the same quarters of 2017. For the year, the county came out ahead of 2017 with unit sales increasing by 6% and dollar volume by 4%. In the fourth quarter of 2018, units stood 8% and volume 3% higher than the same time last year. Over in the Farmington Valley region of Hartford County, comprising Avon, Canton, Farmington, Granby and Simsbury, plus the key additional communities we serve including Burlington, Hartland and West Hartford, the residential real estate market ebbed and flowed throughout 2018: It started slow, caught up to the prior year in the second quarter, pulled back again in the third and climbed forward once more in the fourth. The net result was a market that finished completely flat year over year, with unit sales and dollar volume virtually the same in 2017 and 2018. For the fourth quarter, units increased by 3% and volume by 4% versus the same time last year.

In Berkshire County, after a soft start to the year and then two hot quarters that found the residential real estate market leaping ahead of 2017, the market was more tempered in the fourth quarter. In the end, the year saw unit sales increase ahead of the calendar year of 2017 by 3%, and dollar volume was flat. For the fourth quarter, units were again ahead by 3%, but dollar volume fell behind the same quarter last year by 16% as the median selling price dropped by 19%, and lower priced property sales in the central part of the county took center stage.

I hope you find this report informative on what's happening in your market, and invite you to contact one of our sales associates if we can help you with any of your own real estate needs.



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Westchester County



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1 Westchester County consistently saw modest sales declines throughout most of 2018

In Westchester County, 2018 was a year of modest declines in single family home sales versus the prior year, a consistent trend seen in each quarter compared to the same quarters in 2017. Each of the first three quarters saw unit sales decreases in the 4-6% range, and dollar volume decreases around 3-4%. In the fourth quarter, the county as a whole was down 6% in unit sales compared to the same time last year, and dollar volume decreased by 7%. For the calendar year, sales decreases in units for the county amounted to 5%, while dollar volume was lower by 4% compared to the year before.

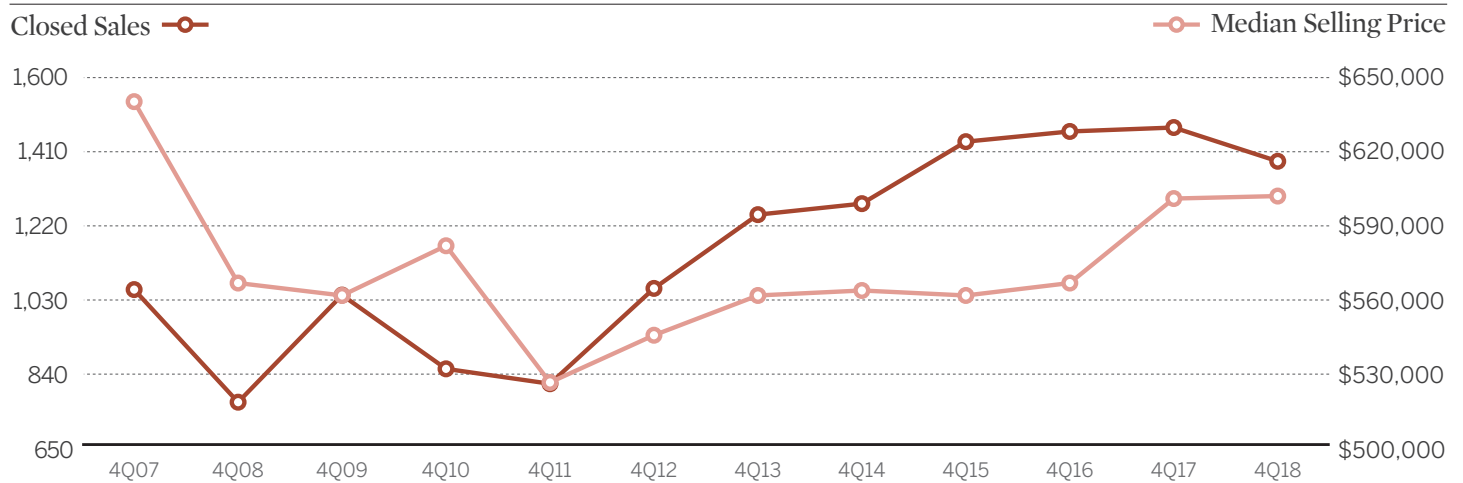
2 In Southern Westchester, unit sales and dollar volume fell slightly behind last year

In Southern Westchester, unit sales and dollar volume for the fourth quarter were each 8% behind the same period last year, while the median selling price increased by 2%. For the calendar year, unit sales were lower by 4% and dollar volume by 3% compared to the year 2017. As we have seen throughout the year, a significant drop in the \$1.5 to \$2 million sector drove much of the decrease in units, with other price ranges experiencing more minimal changes. The attached charts illustrate how different price categories performed county-wide, in the southern and northern counties, and in a few key selected towns.

3 Certain areas experienced a boost at the high end

From \$2 million up to about \$4 million, sales were just a little behind the calendar year 2017 overall but performed well in some areas. They dropped off after that point, but a few very notable transactions at the uppermost end of the market gave that segment a boost in the fourth quarter: Our company participated in the \$16 million record-breaking sale of 116 Premium Point in New Rochelle and the \$10.3 million sale of 203 Hommocks Road in Larchmont, as well as the sale of the Mamaroneck Beach and Yacht Club, last offered at \$10 million. In the Rye City/Rye Neck/Harrison/Blind Brook school district area, healthy sales up to \$4 million may be attributable to a resurgence of consumers interested in older homes with unique character according to Rye brokerage manager Pati Holmes, even if they require work. Harrison witnessed a major uptick all year long, drawing buyers with a value proposition including more house, property and amenities for the money than neighboring areas, says Holmes. In Bronxville, on the other hand, the high end was more sluggish with a surplus of inventory compared to the existing buyer pool, according to Bronxville and Irvington manager Virginia Doetsch, and that market in general grew very quiet at the end of the year. Several of the Rivertowns had good activity, with prospective buyers from the city attracted to the lifestyle they offer as well as the diversity of price points available, says Doetsch. Inventory priced under \$1 million sold well throughout the year.

Single Family Homes 12-Year Fourth Quarter Sales



4 In Northern Westchester, fourth quarter declines were minimal compared to the rest of the year

Northern Westchester had its best quarter of the year in the fourth, with units decreasing by 2% and volume 5% versus the fourth quarter of 2017. Those decreases were larger in other quarters, leaving the region for the calendar year 6% behind 2017 in unit sales and 7% behind in dollar volume. One of the biggest surprises of 2018, says Rye agent and Northern Westchester expert Joanna Rizoulis, was the significant year over year sales decline in Armonk (Byram Hills), an area that was previously very active. Yet the fourth quarter saw some improvement here and the median selling price remains up from the same time last year, while ongoing development in town may help with a resumption in buyer activity. Bedford and Chappaqua were also down for the year, though a number of properties are under contract heading into 2019, and Chappaqua was even in unit sales quarter over quarter. Katonah, with its charming town amenities, availability of housing in multiple price ranges and commutable distance to New York City, exhibited a stronger performance than other areas of the northern county in 2018. Here, unit sales were nearly flat compared to last year, and dollar volume climbed ahead.

5 There are positive indicators heading into quarter one

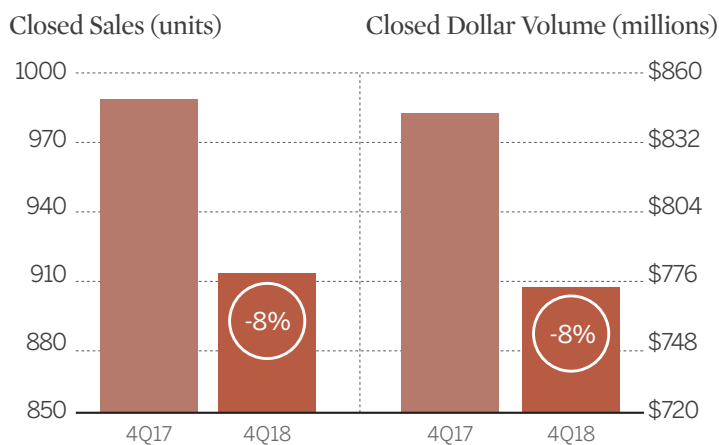
An interesting trend has emerged of buyers searching for very specific criteria not always easily discovered on the market, according to Holmes. She suggests this is a promising sign heading into the first quarter, citing anecdotes of agents fielding these inquiries almost daily and finding matching properties off market: there are interested parties out there, if they can find what they want. Doetsch too says that there are plenty of purchasers ready to jump into the marketplace as soon as new inventory arrives. There should be plenty of that hitting in the first quarter, both managers say. Holmes also reports a steady stream of accepted offers at the end of 2018, and Doetsch speculates that end of year bonuses should bring out an influx of buyers in the early year.

SCHOOL DISTRICTS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME	YTD DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q17	4Q18	4Q17 VS 4Q18	YTD 2017	YTD 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	YTD 17 VS YTD 18	4Q17	4Q18	4Q17 VS 4Q18	4Q17	4Q18	4Q17 VS 4Q18
WESTCHESTER COUNTY	1,459	1,372	-6%	6,220	5,927	-5%	-7%	-4%	\$599,000	\$600,000	0%	\$640,000	\$650,000	2%
Southern Westchester	989	912	-8%	4,229	4,045	-4%	-8%	-3%	\$638,000	\$649,000	2%	\$685,000	\$700,000	2%
Ardsley	20	22	10%	130	122	-6%	13%	-10%	\$598,000	\$671,000	12%	\$703,000	\$699,000	-1%
Blind Brook	16	29	81%	100	105	5%	108%	19%	\$735,000	\$855,000	16%	\$818,000	\$894,000	9%
Briarcliff Manor	8	12	50%	69	69	0%	83%	-6%	\$764,000	\$773,000	1%	\$820,000	\$846,000	3%
Bronxville	10	8	-20%	56	48	-14%	-41%	-21%	\$2,413,000	\$1,650,000	-32%	\$2,238,000	\$1,944,000	-13%
Dobbs Ferry	21	11	-48%	73	66	-10%	-51%	-10%	\$789,000	\$900,000	14%	\$838,000	\$800,000	-5%
Eastchester	33	27	-18%	125	113	-10%	-21%	-6%	\$705,000	\$689,000	-2%	\$735,000	\$711,000	-3%
Edgemont	11	15	36%	87	91	5%	34%	-2%	\$950,000	\$980,000	3%	\$1,202,000	\$1,082,000	-10%
Elmsford	24	16	-33%	81	61	-25%	29%	-17%	\$405,000	\$508,000	25%	\$420,000	\$493,000	17%
Greenburgh	39	51	31%	156	178	14%	53%	24%	\$500,000	\$545,000	9%	\$520,000	\$540,000	4%
Harrison	37	32	-14%	156	170	9%	8%	25%	\$1,055,000	\$1,260,000	19%	\$1,275,000	\$1,395,000	9%
Hartsdale (P.O.)	18	36	100%	99	115	16%	116%	20%	\$554,000	\$583,000	5%	\$629,000	\$620,000	-1%
Hastings	10	13	30%	56	70	25%	29%	30%	\$680,000	\$655,000	-4%	\$809,000	\$891,000	10%
Irvington	23	15	-35%	82	72	-12%	-39%	-10%	\$900,000	\$936,000	4%	\$1,025,000	\$1,055,000	3%
Mamaroneck*	55	48	-13%	254	256	1%	13%	5%	\$1,070,000	\$1,183,000	11%	\$1,200,000	\$1,190,000	-1%
Mount Pleasant	28	21	-25%	106	104	-2%	-24%	7%	\$603,000	\$568,000	-6%	\$606,000	\$582,000	-4%
Mount Vernon	58	45	-22%	214	169	-21%	-12%	-11%	\$400,000	\$460,000	15%	\$391,000	\$435,000	11%
New Rochelle	93	110	18%	366	378	3%	24%	11%	\$651,000	\$653,000	0%	\$679,000	\$685,000	1%
Ossining	51	55	8%	212	216	2%	14%	7%	\$395,000	\$430,000	9%	\$430,000	\$444,000	3%
Pelham	27	22	-19%	145	120	-17%	-12%	-18%	\$768,000	\$843,000	10%	\$930,000	\$906,000	-3%
Pleasantville	13	17	31%	69	78	13%	57%	30%	\$620,000	\$835,000	35%	\$611,000	\$753,000	23%
Pocantico Hills	4	3	-25%	15	12	-20%	90%	352%	\$753,000	\$1,495,000	99%	\$750,000	\$799,000	7%
Port Chester	36	25	-31%	123	100	-19%	-24%	-7%	\$478,000	\$510,000	7%	\$485,000	\$510,000	5%
Purchase (P.O.)	7	9	29%	25	42	68%	104%	87%	\$1,230,000	\$1,550,000	26%	\$1,275,000	\$1,523,000	19%
Rye City	33	21	-36%	172	147	-15%	-32%	-12%	\$1,548,000	\$1,995,000	29%	\$1,851,000	\$1,900,000	3%
Rye Neck	16	23	44%	69	87	26%	91%	48%	\$1,051,000	\$1,155,000	10%	\$1,100,000	\$1,040,000	-5%
Scarsdale	54	33	-39%	253	210	-17%	-52%	-19%	\$1,726,000	\$1,200,000	-30%	\$1,670,000	\$1,508,000	-10%
Tarrytown	11	12	9%	64	62	-3%	32%	-9%	\$580,000	\$809,000	39%	\$695,000	\$703,000	1%
Tuckahoe	14	5	-64%	47	43	-9%	-64%	3%	\$817,000	\$900,000	10%	\$750,000	\$785,000	5%
Valhalla	17	24	41%	85	75	-12%	33%	-12%	\$525,000	\$536,000	2%	\$530,000	\$530,000	0%
White Plains	64	51	-20%	242	247	2%	-19%	16%	\$648,000	\$675,000	4%	\$648,000	\$717,000	11%
Yonkers	163	146	-10%	622	572	-8%	-10%	-1%	\$490,000	\$502,000	2%	\$485,000	\$508,000	5%
CONDOMINIUMS AND COOPERATIVES														
Condominiums	196	200	2%	847	864	2%	7%	4%	\$388,000	\$402,000	4%	\$395,000	\$391,000	-1%
Cooperatives	440	477	8%	1,912	1,859	-3%	19%	8%	\$159,000	\$170,000	7%	\$160,000	\$170,000	6%

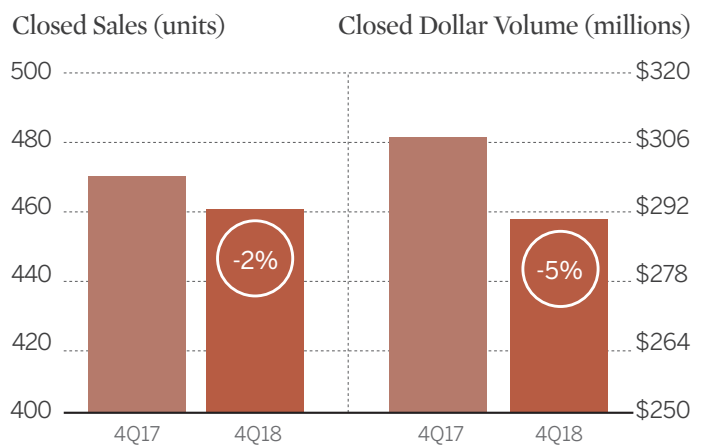
*Mamaroneck School District includes Larchmont P.O.

SCHOOL DISTRICTS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME		YTD DOLLAR VOLUME			QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE			% CHANGE
	4Q17	4Q18	4Q17 VS 4Q18	YTD 2017	YTD 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q17 VS 4Q18	YTD 17 VS YTD 18	4Q17	4Q18	4Q17 VS 4Q18	4Q17	4Q18	4Q17 VS 4Q18	4Q17	4Q18
SINGLE FAMILY																	
WESTCHESTER COUNTY	1,459	1,372	-6%	6,220	5,927	-5%	-7%	-4%	\$599,000	\$600,000	0%	\$640,000	\$650,000	2%			
Northern Westchester	470	460	-2%	1,991	1,866	-6%	-5%	-7%	\$520,000	\$501,000	-4%	\$550,000	\$545,000	-1%			
Bedford	75	52	-31%	273	234	-14%	-34%	-13%	\$750,000	\$705,000	-6%	\$725,000	\$749,000	3%			
Byram Hills	33	37	12%	170	133	-22%	27%	-19%	\$905,000	\$975,000	8%	\$965,000	\$1,025,000	6%			
Chappaqua	30	30	0%	194	182	-6%	-6%	-2%	\$800,000	\$736,000	-8%	\$849,000	\$916,000	8%			
Croton-Harmon	20	23	15%	96	80	-17%	18%	-4%	\$580,000	\$580,000	0%	\$585,000	\$619,000	6%			
Hendrick Hudson	39	42	8%	162	153	-6%	17%	5%	\$495,000	\$490,000	-1%	\$473,000	\$475,000	0%			
Katonah-Lewisboro	44	46	5%	218	215	-1%	-3%	10%	\$624,000	\$616,000	-1%	\$630,000	\$689,000	9%			
Lakeland	93	88	-5%	349	332	-5%	0%	6%	\$375,000	\$404,000	8%	\$365,000	\$391,000	7%			
North Salem	21	21	0%	82	75	-9%	-4%	-14%	\$455,000	\$478,000	5%	\$497,000	\$530,000	7%			
Peekskill	31	33	6%	104	138	33%	12%	57%	\$320,000	\$315,000	-2%	\$274,000	\$318,000	16%			
Somers	34	40	18%	145	160	10%	19%	11%	\$563,000	\$528,000	-6%	\$550,000	\$503,000	-9%			
Yorktown	50	48	-4%	198	164	-17%	7%	-8%	\$446,000	\$461,000	3%	\$487,000	\$473,000	-3%			
CONDOMINIUMS AND COOPERATIVE																	
Condominiums	109	113	4%	485	446	-8%	-2%	-4%	\$380,000	\$337,000	-11%	\$340,000	\$337,000	-1%			
Cooperatives	34	46	35%	125	134	7%	37%	19%	\$101,000	\$105,000	4%	\$97,000	\$105,000	8%			

Southern Westchester Single Family Homes



Northern Westchester Single Family Homes



Single Family Homes Closed Sales by Price Point Westchester County Overall Q4

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q 2018
ALL PRICE RANGES	1,458	1,372	-86	-6%	3,303
0-\$999,999	1,186	1,136	-50	-4%	1,739
\$1,000,000 - \$1,499,999	134	126	-8	-6%	221
\$1,500,000 - \$1,999,999	62	57	-5	-8%	105
\$2,000,000 - \$2,499,999	28	18	-10	-36%	46
\$2,500,000 - \$2,999,999	21	12	-9	-43%	32
\$3,000,000 - \$3,999,999	11	12	1	9%	29
\$4,000,000 - \$4,999,999	7	5	-2	-29%	15
\$5,000,000 - \$9,999,999	6	0	-6	-100%	15
\$10,000,000+	0	2	2	N/A	4

Single Family Homes Closed Sales by Price Point Westchester County Overall YTD

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	YTD 2017	YTD 2018	YTD 17 VS YTD 18	YTD 17 VS YTD 18	YTD
ALL PRICE RANGES	6,220	5,907	-313	-5%	7,609
0-\$999,999	4,782	4,564	-218	-5%	5,623
\$1,000,000 - \$1,499,999	696	697	1	0%	933
\$1,500,000 - \$1,999,999	368	307	-61	-17%	441
\$2,000,000 - \$2,499,999	148	124	-24	-16%	198
\$2,500,000 - \$2,999,999	98	101	3	3%	162
\$3,000,000 - \$3,999,999	66	59	-7	-11%	120
\$4,000,000 - \$4,999,999	27	17	-10	-37%	42
\$5,000,000 - \$9,999,999	17	12	-5	-29%	47
\$10,000,000+	1	5	4	400%	14

Single Family Homes Closed Sales by Price Point Southern Westchester County Q4

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q 2018
ALL PRICE RANGES	989	912	-77	-8%	1,475
0-\$999,999	773	729	-44	-6%	1,107
\$1,000,000 - \$1,499,999	101	94	-7	-7%	170
\$1,500,000 - \$1,999,999	55	44	-11	-20%	80
\$2,000,000 - \$2,499,999	24	16	-8	-33%	39
\$2,500,000 - \$2,999,999	14	10	-4	-29%	27
\$3,000,000 - \$3,999,999	8	11	3	38%	19
\$4,000,000 - \$4,999,999	7	3	-4	-57%	12
\$5,000,000 - \$9,999,999	5	0	-5	-100%	13
\$10,000,000+	0	2	2	N/A	3

Single Family Homes Closed Sales by Price Point Southern Westchester County YTD

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	YTD 2017	YTD 2018	YTD 17 VS YTD 18	YTD 17 VS YTD 18	YTD
ALL PRICE RANGES	4,229	4,041	-188	-4%	5,131
0-\$999,999	3,074	2,972	-102	-3%	3,606
\$1,000,000 - \$1,499,999	533	536	3	1%	698
\$1,500,000 - \$1,999,999	309	246	-63	-20%	343
\$2,000,000 - \$2,499,999	123	105	-18	-15%	158
\$2,500,000 - \$2,999,999	82	89	7	9%	134
\$3,000,000 - \$3,999,999	59	53	-6	-10%	94
\$4,000,000 - \$4,999,999	22	12	-10	-45%	35
\$5,000,000 - \$9,999,999	13	11	-2	-15%	38
\$10,000,000+	0	4	4	N/A	6

Single Family Homes Closed Sales by Price Point Northern Westchester County Q4

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q 2018
ALL PRICE RANGES	469	460	-9	-2%	737
0-\$999,999	413	407	-6	-1%	632
\$1,000,000 - \$1,499,999	33	32	-1	-3%	51
\$1,500,000 - \$1,999,999	7	13	6	86%	25
\$2,000,000 - \$2,499,999	4	2	-2	-50%	7
\$2,500,000 - \$2,999,999	7	2	-5	-71%	5
\$3,000,000 - \$3,999,999	3	1	-2	-67%	10
\$4,000,000 - \$4,999,999	0	2	2	N/A	3
\$5,000,000 - \$9,999,999	1	0	-1	-100%	2
\$10,000,000+	0	0	0	N/A	1

Single Family Homes Closed Sales by Price Point Northern Westchester County YTD

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	YTD 2017	YTD 2018	YTD 17 VS YTD 18	YTD 17 VS YTD 18	YTD
ALL PRICE RANGES	1,991	1,866	-125	-6%	2,478
0-\$999,999	1,708	1,592	-116	-7%	2,017
\$1,000,000 - \$1,499,999	163	161	-2	-1%	235
\$1,500,000 - \$1,999,999	59	61	2	3%	98
\$2,000,000 - \$2,499,999	25	19	-6	-24%	40
\$2,500,000 - \$2,999,999	16	12	-4	-25%	28
\$3,000,000 - \$3,999,999	7	6	-1	-14%	26
\$4,000,000 - \$4,999,999	5	5	0	0%	7
\$5,000,000 - \$9,999,999	4	1	-3	-75%	9
\$10,000,000+	1	1	0	0%	8

Single Family Homes Closed Sales by Price Point Scarsdale School District Q4

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q 2018
ALL PRICE RANGES	54	33	-21	-39%	71
0-\$999,999	7	10	3	43%	17
\$1,000,000 - \$1,499,999	11	8	-3	-27%	17
\$1,500,000 - \$1,999,999	16	7	-9	-56%	10
\$2,000,000 - \$2,499,999	7	0	-7	-100%	4
\$2,500,000 - \$2,999,999	6	3	-3	-50%	7
\$3,000,000 - \$3,999,999	4	1	-3	-75%	5
\$4,000,000 - \$4,999,999	1	2	1	100%	4
\$5,000,000 - \$9,999,999	2	0	-2	-100%	5
\$10,000,000+	0	0	0	N/A	0

Single Family Homes Closed Sales by Price Point Mamaroneck School District Q4

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q 2018
ALL PRICE RANGES	55	48	-7	-13%	76
0-\$999,999	24	21	-3	-13%	33
\$1,000,000 - \$1,499,999	16	10	-6	-38%	17
\$1,500,000 - \$1,999,999	8	9	1	13%	12
\$2,000,000 - \$2,499,999	5	4	-1	-20%	7
\$2,500,000 - \$2,999,999	0	1	1	N/A	2
\$3,000,000 - \$3,999,999	0	1	1	N/A	2
\$4,000,000 - \$4,999,999	1	0	-1	-100%	0
\$5,000,000 - \$9,999,999	1	0	-1	-100%	1
\$10,000,000+	0	2	2	N/A	2

Single Family Homes Closed Sales by Price Point

Rye City/Rye Neck/Harrison/Blind Brook (Combined) School Districts Q4

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q 2018
ALL PRICE RANGES	102	105	3	3%	185
0-\$999,999	46	43	-3	-7%	69
\$1,000,000 - \$1,499,999	26	28	2	8%	44
\$1,500,000 - \$1,999,999	13	12	-1	-8%	22
\$2,000,000 - \$2,499,999	9	7	-2	-22%	14
\$2,500,000 - \$2,999,999	1	5	4	400%	15
\$3,000,000 - \$3,999,999	2	8	6	300%	10
\$4,000,000 - \$4,999,999	3	1	-2	-67%	5
\$5,000,000 - \$9,999,999	2	0	-2	-100%	5
\$10,000,000+	0	0	0	N/A	0



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Fairfield County

1 Fairfield County closed out the year slightly behind 2017 in unit sales and dollar volume

Fairfield County has experienced moderate declines in the real estate market each quarter this year compared to the same quarters of 2017. In the fourth, the market had its best quarter of 2018 in unit sales, with units just 1% lower than the same time last year. Yet dollar volume saw a larger decline at 10%, and the quarterly median selling price also witnessed a drop of 5%. For the year as a whole, unit sales finished up behind the calendar year of 2017 by 2%, while dollar volume was behind by 4%.

2 The high end market in the lower county remains quiet, with steep price reductions

While year over year unit sales county-wide may be flat, the picture is different in certain key areas of the southern county like Darien, New Canaan, Rowayton and Westport, which remain challenged. Of the higher end communities, only Greenwich saw unit sales gains in 2018. When deals did come together in the upper price ranges, they occurred subsequent to significant price reductions on those properties, according to New Canaan brokerage manager Bill Larkin. Properties that sold in the \$2.5 to \$3.5 million range often started out in the \$3.5 to \$4.5 million range, he says, and he cites one example of a Greenwich property that initially launched for over \$20 million, came down to \$12 million, and finally sold within a week after it was reduced again to just under \$7 million. It's this incredible value proposition that is speaking to buyers, Larkin claims: that luxury properties are attainable at previously unheard-of prices as more sellers become more open to entertaining lower offers. The entry level sub-\$800,000 market performed better county-wide and was the one price range to see an uptick in the fourth quarter versus the same time last year, yet even the entry market in high end areas like New Canaan experienced a slow year overall.

3 The price must be right

An important addendum to the point on the value proposition is that buyers are conservative and absolutely unwilling to overpay. Larkin says that consumers perform extensive research before entering the marketplace, and they come in believing they know what a house is worth. They won't go over that number even if they can afford a higher price, he says. Once a property hits the price point where buyers perceive the value, interest spikes.

4 In the north, the entry and mid markets had a steady year

The markets in the northern county were steady for most of the year, with unit sales and dollar volume only slightly behind 2017. Declines were mostly a result of limited inventory, according to Northern Fairfield County brokerage manager Adele Unger. The entry and mid markets up to about \$750,000 performed well in 2018. The luxury market experienced some movement but was slower overall as buyers set their sights on less spacious properties requiring little maintenance, according to Unger. Condominium sales including new construction condos in the northern county were particularly strong, attracting both downsizers and millennials seeking smaller spaces with more amenities, and often selling within days after multiple bids, says Unger. Those transactions extended across all price categories.

5 Buyers are waiting for new inventory

Both managers report that a significant contingent of purchasers are waiting on the sidelines county-wide, waiting for new inventory to hit the market. Larkin is cautiously optimistic that the expected arrival of fresh choices early in the year will engage these buyers, while Unger feels that inventory will remain tight in the northern county. Yet in that northern region, properties under contract are currently up versus last year across price ranges, pointing to a potentially solid first quarter. In the south, new listings combined with ongoing price reductions, good value and a healthy buyer pool may help spur activity, according to Larkin.

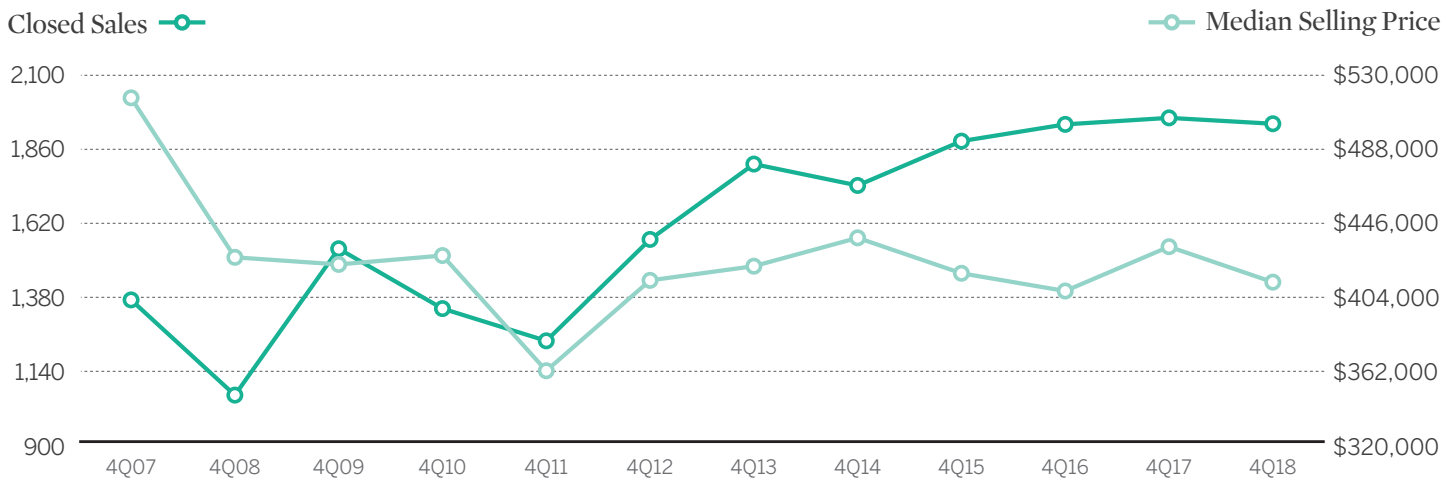


Paradise Point • Westport, CT • MLS: 170152252

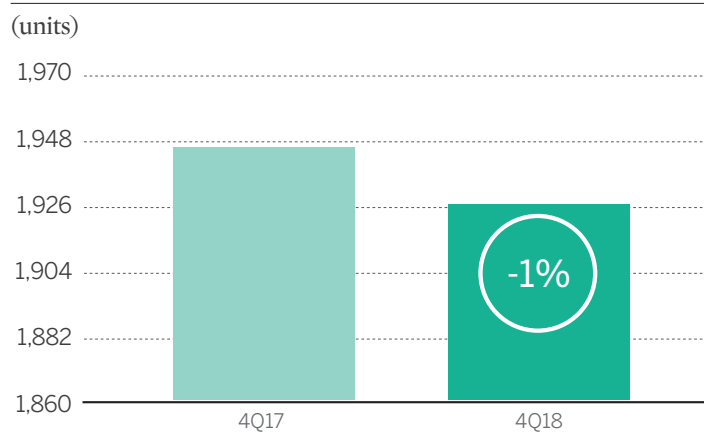
Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q AVERAGE
ALL PRICE RANGES	1,944	1,925	-19	-1%	3,153
0 - \$799,999	1,537	1,573	36	2%	2,360
\$800,000 - \$1,499,999	245	218	-27	-11%	435
\$1,500,000 - \$1,999,999	71	56	-15	-21%	136
\$2,000,000 - \$2,999,999	53	49	-4	-8%	113
\$3,000,000 - \$4,999,999	26	21	-5	-19%	67
\$5,000,000 - \$9,999,999	10	8	-2	-20%	28
\$10,000,000+	2	0	-2	-100%	7

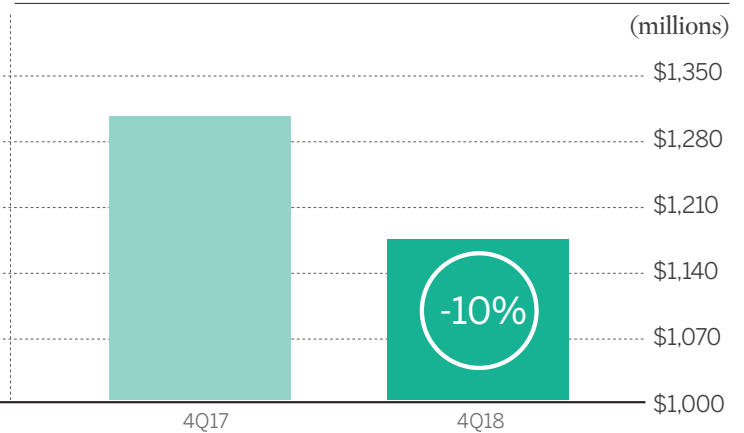
Single Family Homes 12-Year Fourth Quarter Sales



Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



TOWNS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME	YTD DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
	4Q17	4Q18	% CHANGE	YTD 2017	YTD 2018	% CHANGE	% CHANGE	% CHANGE	4Q17	4Q18	% CHANGE	4Q17	4Q18	% CHANGE
			4Q17 VS 4Q18			4Q17 VS 4Q18	4Q17 VS 4Q18	YTD 17 VS YTD 18			4Q17 VS 4Q18			4Q17 VS 4Q18
SINGLE FAMILY														
FAIRFIELD COUNTY	1,944	1,925	-1%	8,505	8,314	-2%	-10%	-4%	\$430,000	\$410,000	-5%	\$450,000	\$455,000	1%
Bethel	49	60	22%	197	228	16%	26%	25%	\$300,000	\$316,000	5%	\$320,000	\$340,000	6%
Brookfield	48	47	-2%	197	205	4%	-2%	5%	\$373,000	\$365,000	-2%	\$365,000	\$381,000	4%
Danbury	138	119	-14%	515	423	-18%	-17%	-16%	\$295,000	\$295,000	0%	\$300,000	\$308,000	3%
Darien	56	54	-4%	305	261	-14%	-19%	-18%	\$1,463,000	\$1,290,000	-12%	\$1,425,000	\$1,350,000	-5%
Easton	35	20	-43%	119	123	3%	-36%	2%	\$550,000	\$605,000	10%	\$600,000	\$595,000	-1%
Fairfield	164	141	-14%	781	730	-7%	-20%	-2%	\$580,000	\$595,000	3%	\$600,000	\$630,000	5%
Greenwich	138	133	-4%	572	593	4%	-21%	-4%	\$1,794,000	\$1,500,000	-16%	\$1,800,000	\$1,765,000	-2%
Monroe	52	67	29%	228	240	5%	30%	2%	\$363,000	\$362,000	0%	\$375,000	\$365,000	-3%
New Canaan	54	49	-9%	256	217	-15%	-25%	-20%	\$1,518,000	\$1,275,000	-16%	\$1,478,000	\$1,342,000	-9%
New Fairfield	46	57	24%	225	184	-18%	27%	-18%	\$309,000	\$320,000	4%	\$327,000	\$331,000	1%
Newtown	88	87	-1%	405	393	-3%	1%	4%	\$368,000	\$370,000	1%	\$380,000	\$385,000	1%
Norwalk	151	161	7%	661	675	2%	-4%	0%	\$450,000	\$445,000	-1%	\$462,000	\$488,000	6%
Redding	26	31	19%	133	130	-2%	21%	14%	\$490,000	\$505,000	3%	\$490,000	\$548,000	12%
Ridgefield	76	68	-11%	370	330	-11%	-9%	-13%	\$649,000	\$646,000	0%	\$643,000	\$641,000	0%
Rowayton	20	13	-35%	87	69	-21%	-41%	-27%	\$1,255,000	\$1,150,000	-8%	\$1,325,000	\$975,000	-26%
Shelton	111	106	-5%	439	417	-5%	-5%	-4%	\$333,000	\$339,000	2%	\$325,000	\$331,000	2%
Sherman	15	18	20%	64	81	27%	-3%	3%	\$431,000	\$428,000	-1%	\$434,000	\$415,000	-4%
Stamford	157	167	6%	725	723	0%	13%	-1%	\$529,000	\$575,000	9%	\$575,000	\$580,000	1%
Stratford	137	191	39%	652	709	9%	36%	15%	\$235,000	\$240,000	2%	\$242,000	\$250,500	4%
Trumbull	100	103	3%	422	463	10%	0%	9%	\$378,000	\$375,000	-1%	\$385,000	\$383,000	-1%
Weston	47	37	-21%	173	167	-3%	-23%	-8%	\$741,000	\$750,000	1%	\$789,000	\$703,000	-11%
Westport	96	78	-19%	433	411	-5%	-18%	-10%	\$1,188,000	\$1,110,000	-7%	\$1,315,000	\$1,220,000	-7%
Wilton	48	41	-15%	229	206	-10%	-12%	-5%	\$636,000	\$705,000	11%	\$730,000	\$785,000	8%
CONDOMINIUMS														
FAIRFIELD COUNTY	675	683	1%	2,827	2,821	0%	5%	0%	\$240,000	\$245,000	2%	\$250,000	\$256,000	2%

The Shoreline



41 Flying Point Road • Branford, CT • MLS: 170106992

1 The Connecticut Shoreline finished the year slightly behind 2017 in unit sales but ahead in dollar volume

After experiencing mid-year gains in the second and third quarters, the Connecticut Shoreline, comprising New Haven, Middlesex and New London counties, pulled back a bit in the fourth quarter. Unit sales in the fourth quarter of 2018 compared to the same period in 2017 decreased by 3%, while dollar volume decreased by 5%. For the year, the region stood behind the calendar year of 2017 by a modest 2% in units but climbed ahead in dollar volume by 3%, an indication of more movement this year in the upper price tiers, further supported by a 3% rise in the 12-month median selling price. Overall, it was a steady and solid year on the Shoreline.

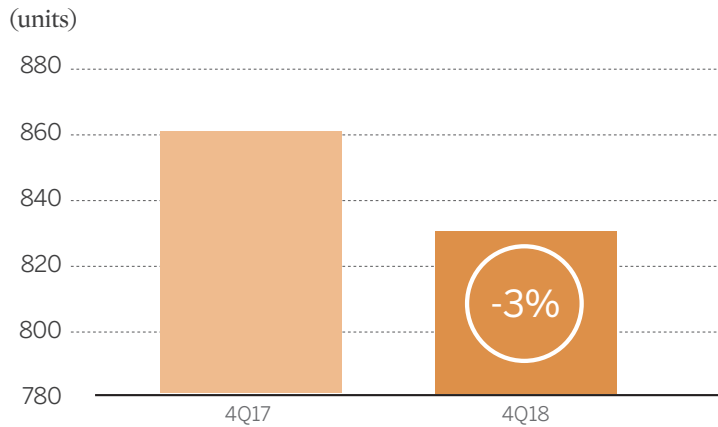
2 2018 saw growth in the high end in New Haven County

If the fourth quarter was not as robust as the prior two in New Haven County, the quieter level of activity is reflective of the time of year, says Madison and Guilford brokerage manager Kathy Mitchell. Overall the area improved in 2018, with key towns like Guilford and Clinton showing double digit percentage point increases year over year in both unit sales and dollar volume, Branford far ahead in volume as units stood flat, Madison also up in volume with units close to flat, and Killingworth showing a decline in unit sales even as volume increased. In all these towns the 12-month median selling price increased as well. One of the bigger stories of 2018 in the county was the resurgence in the high end, with properties priced over \$1 million, some of which have been sitting on the market for some time, finally settling at a price where buyers were enticed by the incredible value offered. A few properties in this category sold quickly after coming straight out of the gates with the right price. Unit sales in the mid market price ranges, from \$600,000 up to \$900,000, improved this year as well, and the entry sub-\$350,000 market was also strong, especially for properties that combined good condition with a prime location.

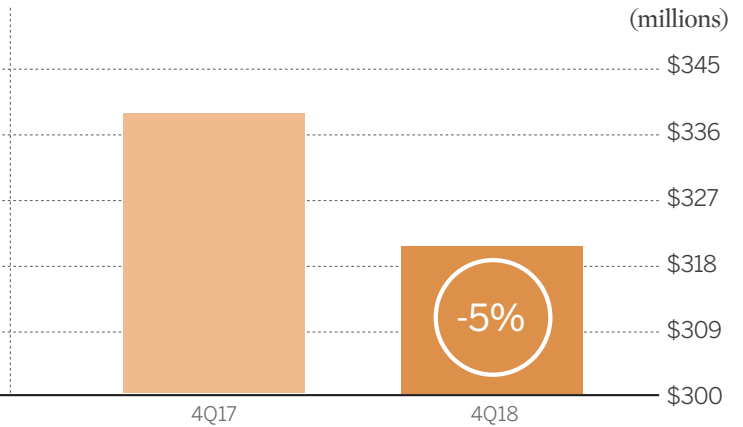
3 In Middlesex County, sales were somewhat lower in 2018 than 2017

While Middlesex County finished the year with reduced sales across price ranges compared to the calendar year 2017, certain towns exhibited a strong performance. Essex and East Haddam experienced increases in unit sales for the year, and Deep River also saw a big surge in dollar volume as more high end properties closed along the Connecticut River. Essex and Old Lyme brokerage manager Maureen Swarts says that some of that high end riverfront activity may now be making its way south to the Long Island Sound, where a number of luxury properties are going into contract. Still, there were fewer \$1 million-plus sales in 2018 than 2017, and prices in this segment came down too. Meanwhile, in the entry sub-\$350,000 market, limited inventory played a role in decreased sales according to Swarts, and prices increased. Unit sales in the mid markets from \$350,000 up to about \$1 million were closer to flat.

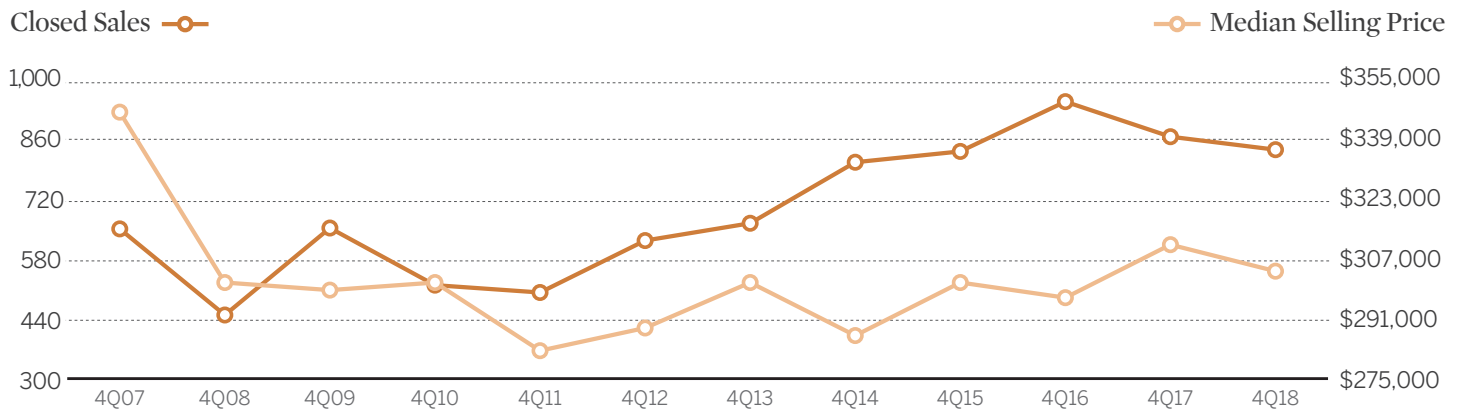
Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



Single Family Homes 12-Year Fourth Quarter Sales



4 New London County has become a seller's market

The market was hot in New London County in 2018, as the ongoing hiring spree at General Dynamics Electric Boat continued to draw buyers, according to Swarts. If there were sales declines in most price ranges year over year, that was due to restricted inventory, she says. In virtually every price range, the median sale price increased this year as sellers benefited from a large buyer pool with limited supply to choose from. Swarts points out that the median price increase in the \$600,000 to \$1 million range is particularly significant and a rare phenomenon in this area. We noted last quarter that sales activity was beginning to spread from the entry market to the upper ranges. Part of what's happening is that each time a seller sells, they are potentially able to move up to the next price tier in their next purchase, creating momentum in every price sector. There is also a value component at play, as price reductions among properties over \$1 million, as well as from \$600,000 to \$1 million, are igniting interest among educated consumers who recognize the value. At the same time, increased demand at the high end has driven up the median price in this segment.

5 The outlook for quarter one is positive

Both managers report that a number of properties at the uppermost end of the market are going to contract, a positive sign as we head into 2019. Mitchell also states that pending sales in New Haven County overall are up versus this time last year, and that an array of new listings is expected to hit the market earlier in the year than is usual.

TOWNS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME	YTD DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q17	4Q18	4Q17 VS 4Q18	YTD 2017	YTD 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	YTD 17 VS YTD 18	4Q17	4Q18	4Q17 VS 4Q18	4Q17	4Q18	4Q17 VS 4Q18
SINGLE FAMILY														
THE SHORELINE	859	829	-3%	3,737	3,663	-2%	-5%	3%	\$310,000	\$303,000	-2%	\$302,000	\$312,000	3%
Branford	63	50	-21%	250	249	0%	-21%	31%	\$315,000	\$290,000	-8%	\$317,000	\$329,000	4%
Chester	10	12	20%	44	43	-2%	4%	-12%	\$278,000	\$331,000	19%	\$303,000	\$312,000	3%
Clinton	41	48	17%	180	200	11%	2%	10%	\$251,000	\$280,000	12%	\$260,000	\$280,000	8%
Deep River	15	10	-33%	45	48	7%	25%	59%	\$225,000	\$258,000	15%	\$250,000	\$264,000	6%
East Haddam	33	44	33%	138	154	12%	17%	0%	\$245,000	\$237,000	-3%	\$238,000	\$235,000	-1%
East Lyme	63	58	-8%	262	257	-2%	-11%	-6%	\$324,000	\$303,000	-6%	\$310,000	\$305,000	-2%
Essex*	30	21	-30%	110	114	4%	-39%	6%	\$401,000	\$325,000	-19%	\$348,000	\$374,000	7%
Groton	77	71	-8%	393	346	-12%	-4%	-9%	\$240,000	\$215,000	-10%	\$225,000	\$230,000	2%
Guilford	60	71	18%	261	319	22%	17%	23%	\$384,000	\$400,000	4%	\$380,000	\$385,000	1%
Haddam	29	28	-3%	123	114	-7%	-14%	-13%	\$275,000	\$268,000	-3%	\$285,000	\$285,000	0%
Killingworth	20	19	-5%	106	96	-9%	18%	3%	\$315,000	\$330,000	5%	\$320,000	\$375,000	17%
Lyme	15	6	-60%	48	40	-17%	-61%	22%	\$390,000	\$450,000	15%	\$390,000	\$445,000	14%
Madison	65	63	-3%	300	298	-1%	-7%	5%	\$418,000	\$385,000	-8%	\$405,000	\$430,000	6%
New London	38	31	-18%	172	161	-6%	2%	5%	\$147,000	\$153,000	4%	\$143,000	\$155,000	8%
North Stonington	15	19	27%	77	71	-8%	65%	20%	\$250,000	\$230,000	-8%	\$260,000	\$265,000	2%
Old Lyme	38	33	-13%	159	153	-4%	-18%	-5%	\$350,000	\$345,000	-1%	\$360,000	\$350,000	-3%
Old Saybrook	46	41	-11%	188	180	-4%	-8%	-19%	\$355,000	\$399,000	12%	\$371,000	\$339,000	-9%
Stonington	57	56	-2%	226	244	8%	-6%	11%	\$392,000	\$294,000	-25%	\$345,000	\$315,000	-9%
Waterford	60	71	18%	293	283	-3%	18%	-2%	\$234,000	\$225,000	-4%	\$233,000	\$242,000	4%
Westbrook	21	23	10%	104	90	-13%	32%	-8%	\$269,000	\$345,000	28%	\$311,000	\$336,000	8%
NEW HAVEN COUNTY														
Middlebury	30	26	-13%	118	96	-19%	-9%	-6%	\$307,000	\$318,000	4%	\$287,000	\$338,000	18%
Oxford	37	24	-35%	150	126	-16%	-29%	-10%	\$287,000	\$337,000	17%	\$320,000	\$350,000	9%
Southbury	63	54	-14%	258	203	-21%	-14%	-16%	\$353,000	\$385,000	9%	\$345,000	\$385,000	12%
CONDOMINIUMS														
THE SHORELINE	234	207	-12%	1,006	937	-7%	-15%	-8%	\$160,000	\$152,000	-5%	\$162,000	\$163,000	1%

Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q AVERAGE
ALL PRICE RANGES	859	829	-30	-3%	1,395
0 - \$399,999	601	592	-9	-1%	887
\$400,000 - \$749,999	197	184	-13	-7%	371
\$750,000 - \$999,999	31	29	-2	-6%	79
\$1,000,000 - \$1,499,999	20	16	-4	-20%	37
\$1,500,000+	16	14	-2	-13%	35

*Includes Essex, Ivoryton and Centerbrook

Litchfield County



Buckingham Estate • New Milford, CT • MLS: X2051171

Litchfield County

1 Litchfield County overall experienced notable gains in unit sales and dollar volume in 2018

In Litchfield County, sales activity continued through the end of the year as the county experienced its third straight quarter of sales growth versus the same quarters of 2017. For the year, the county came out ahead of 2017 with unit sales increasing by 6% and dollar volume by 4%. In the fourth quarter of 2018, units stood 8% and volume 3% higher than the same time last year, with sales among entry level properties priced under \$400,000 largely driving the increase. For both the quarter and the year, the median sale price in the county was up by 5% versus the same times in 2017. Morris, with its offerings on and near Bantam Lake, was a bright spot this year, as was the usually sleepier town of Bethlehem. Litchfield County brokerage manager Kristine Newell suggests the region may remain active in the first quarter of 2019 if the weather stays mild, an important factor in the region's winter marketplace.

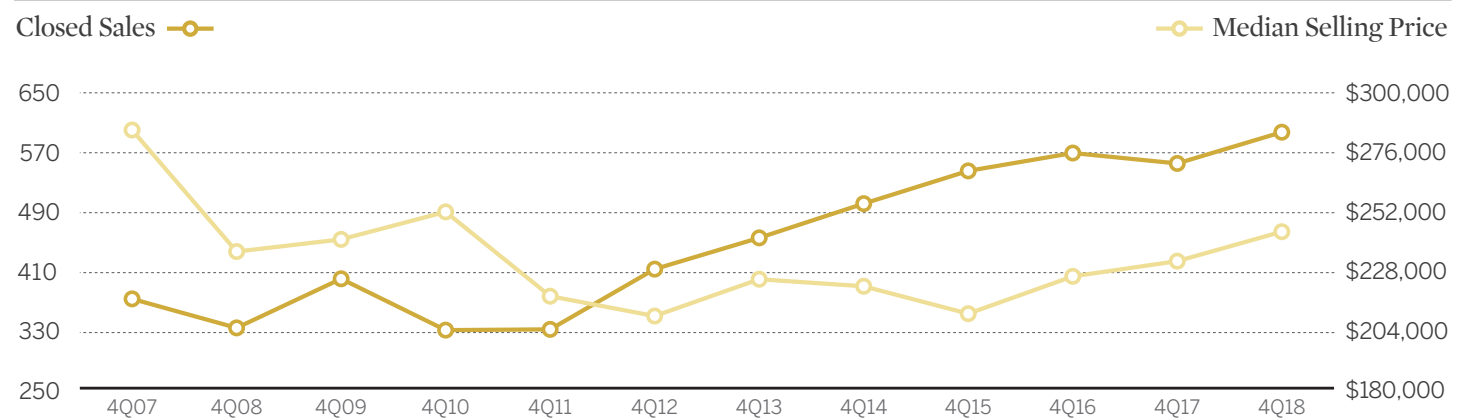
2 Residential sales were robust under \$1 million

As noted, the county's sub-\$400,000 market saw the lion's share of the unit sales in 2018, though the market was healthy all the way up to the \$1 million mark. Unit sales increased in the \$400,000 to \$750,000 range, and from \$750,000 to \$1 million they held absolutely steady year over year.

3 The high end started to decline after a sustained period of growth

Coming off several consecutive quarters of growth, Litchfield County saw its \$1 to 2 million luxury market start to falter in the third quarter, a slowdown that carried into the fourth and left the region behind for the year in this segment. It is important to take into consideration that this year over year decline occurred in relation to an exceptionally strong time for the upper end. There were some sales above \$2 million, so the higher range of the luxury market saw a small uptick. Yet the uppermost tier of \$3 million-plus, where an excess of inventory exists, was quiet. Our company's \$3.1 million sale of a brick Georgian manor in Watertown was one of the more notable high end transactions in the fourth quarter.

Single Family Homes 12-Year Fourth Quarter Sales



4 Fresh inventory remains limited

Last quarter we reported that fresh listings were starting to hit the market, but in the fourth quarter that surge began to slow, leaving the region's inventory levels tighter than ever. In the hot sub-\$1 million sector, this has been translating into sales and sometimes even multiple bids when properties are new to market, and priced and staged well. At the higher price ranges, however, product levels are high compared to the demand for them.

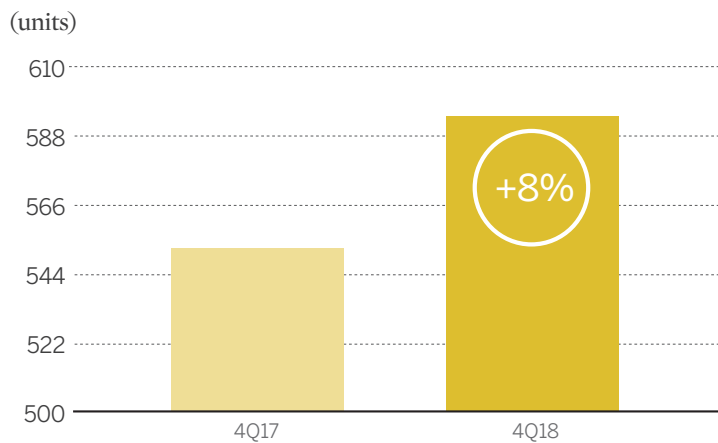
5 The Hills represent the perfect escape

In 2019, our Litchfield County brokerages will continue with the company's popular "Escape to the Hills" print, digital and social media marketing campaign, which has helped to introduce many new buyers to this unique region. Weekend home seekers have long flocked to the Litchfield Hills, choosing the area over other destinations like the Hamptons for its easy two-hour commuting distance from New York City as well as its cultural offerings, pastoral setting and relaxed lifestyle.

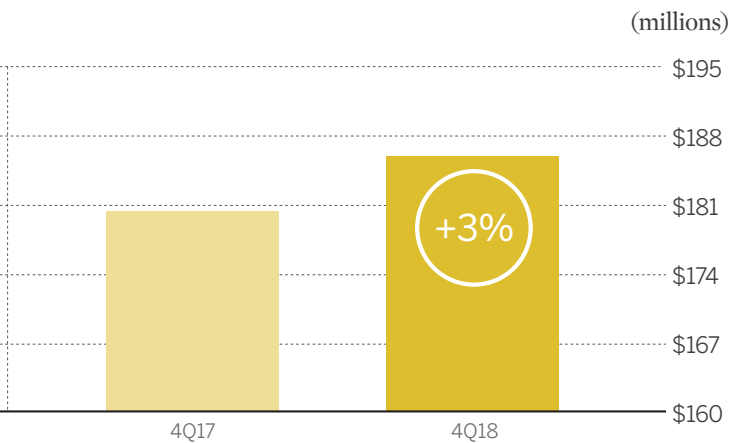
Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q AVERAGE
ALL PRICE RANGES	552	594	42	8%	1,517
0 - \$399,999	446	488	42	9%	862
\$400,000 - \$749,999	72	76	4	6%	325
\$750,000 - \$999,999	10	12	2	20%	110
\$1,000,000 - \$1,999,999	18	12	-6	-33%	133
\$2,000,000 - \$3,999,999	4	6	2	50%	59
\$4,000,000+	2	0	-2	0%	27

Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



TOWNS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME	YTD DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q17	4Q18	4Q17 VS 4Q18	YTD 2017	YTD 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	YTD 17 VS YTD 18	4Q17	4Q18	4Q17 VS 4Q18	4Q17	4Q18	4Q17 VS 4Q18
SINGLE FAMILY														
LITCHFIELD COUNTY	552	594	8%	2,251	2,386	6%	3%	4%	\$231,125	\$243,000	5%	\$226,750	\$237,500	5%
Barkhamsted	13	11	-15%	42	46	10%	-20%	10%	\$244,000	\$247,000	1%	\$257,000	\$255,000	-1%
Bethlehem	10	5	-50%	30	38	27%	-61%	48%	\$267,500	\$205,000	-23%	\$250,000	\$285,500	14%
Bridgewater	6	5	-17%	24	21	-13%	-40%	-15%	\$872,500	\$722,500	-17%	\$467,500	\$535,000	14%
Canaan*	12	11	-8%	47	40	-15%	1%	-17%	\$157,750	\$170,250	8%	\$160,000	\$172,125	8%
Colebrook	4	3	-25%	20	13	-35%	-18%	28%	\$210,000	\$197,000	-6%	\$211,000	\$286,000	36%
Cornwall**	5	5	0%	25	20	-20%	6%	-37%	\$225,000	\$280,000	24%	\$230,000	\$322,500	40%
Goshen	11	10	-9%	50	49	-2%	-4%	-9%	\$320,000	\$327,500	2%	\$322,500	\$330,000	2%
Harwinton	9	10	11%	55	57	4%	7%	1%	\$227,000	\$238,200	5%	\$249,900	\$239,900	-4%
Kent, South Kent	15	9	-40%	34	37	9%	-63%	20%	\$500,000	\$380,000	-24%	\$437,500	\$425,000	-3%
Litchfield	21	36	71%	99	109	10%	128%	-10%	\$255,000	\$335,000	31%	\$289,000	\$290,000	0%
Morris	6	12	100%	21	34	62%	50%	49%	\$465,500	\$354,850	-24%	\$361,000	\$334,450	-7%
New Hartford	27	20	-26%	93	74	-20%	-23%	-24%	\$264,000	\$249,950	-5%	\$267,500	\$237,750	-11%
New Milford	76	96	26%	322	376	17%	29%	25%	\$287,500	\$297,500	3%	\$280,000	\$299,800	7%
Norfolk	9	5	-44%	25	23	-8%	-56%	-18%	\$350,000	\$325,000	-7%	\$365,000	\$325,000	-11%
Plymouth	36	40	11%	182	176	-3%	52%	8%	\$141,400	\$185,000	31%	\$158,450	\$172,000	9%
Roxbury	10	9	-10%	34	41	21%	-13%	13%	\$725,000	\$659,500	-9%	\$600,000	\$500,000	-17%
Salisbury	21	12	-43%	71	58	-18%	-55%	-26%	\$500,000	\$418,750	-16%	\$475,000	\$502,250	6%
Sharon	15	13	-13%	47	46	-2%	-1%	26%	\$275,000	\$305,000	11%	\$355,000	\$360,250	1%
Thomaston	17	17	0%	79	80	1%	5%	6%	\$205,000	\$196,000	-4%	\$186,000	\$182,500	-2%
Torrington	90	106	18%	388	440	13%	7%	18%	\$146,500	\$128,950	-12%	\$135,000	\$142,000	5%
Warren	3	4	33%	16	20	25%	25%	101%	\$500,000	\$526,500	5%	\$345,000	\$325,000	-6%
Washington***	15	13	-13%	57	55	-4%	8%	-31%	\$460,000	\$775,000	68%	\$460,000	\$399,000	-13%
Watertown	63	75	19%	261	296	13%	49%	19%	\$210,000	\$225,000	7%	\$215,000	\$218,750	2%
Winchester	33	32	-3%	124	125	1%	7%	0%	\$189,900	\$163,500	-14%	\$170,000	\$147,000	-14%
Woodbury	25	35	40%	105	112	7%	11%	0%	\$375,000	\$302,000	-19%	\$349,900	\$327,625	-6%
CONDOMINIUMS														
LITCHFIELD COUNTY	77	105	36%	338	356	5%	33%	7%	\$115,000	\$120,000	4%	\$109,950	\$117,750	7%

*Includes Canaan, North Canaan and Falls Villages **Cornwall, West Cornwall and Cornwall Bridge ***Includes Washington, Washington Depot and New Preston

Farmington Valley



20 North Canton Road • Simsbury, CT • MLS: 170105818

Farmington Valley

1 The Farmington Valley region of Hartford County finished the year flat with 2017

The residential real estate market in the Farmington Valley ebbed and flowed throughout 2018: It started slow, caught up to the prior year in the second quarter, pulled back again in the third and climbed forward once more in the fourth. The net result was a market that finished completely flat year over year, with unit sales and dollar volume virtually the same in 2017 and 2018. For the fourth quarter in this region comprising Avon, Canton, Farmington, Granby and Simsbury, plus the key additional communities we serve including Burlington, Hartland and West Hartford, units increased by 3% and volume by 4% versus the same time last year. Hartford County regional brokerage manager Alex Ohlandt reports that in the fourth quarter agents were far busier than they normally are at the end of a year, an indication of a healthy buyer pool and good momentum heading into 2019. He suggests that factors including the slow rise in interest rates, the tremendous value found in the area, and the region's highly ranked schools are all drawing buyers into the marketplace.

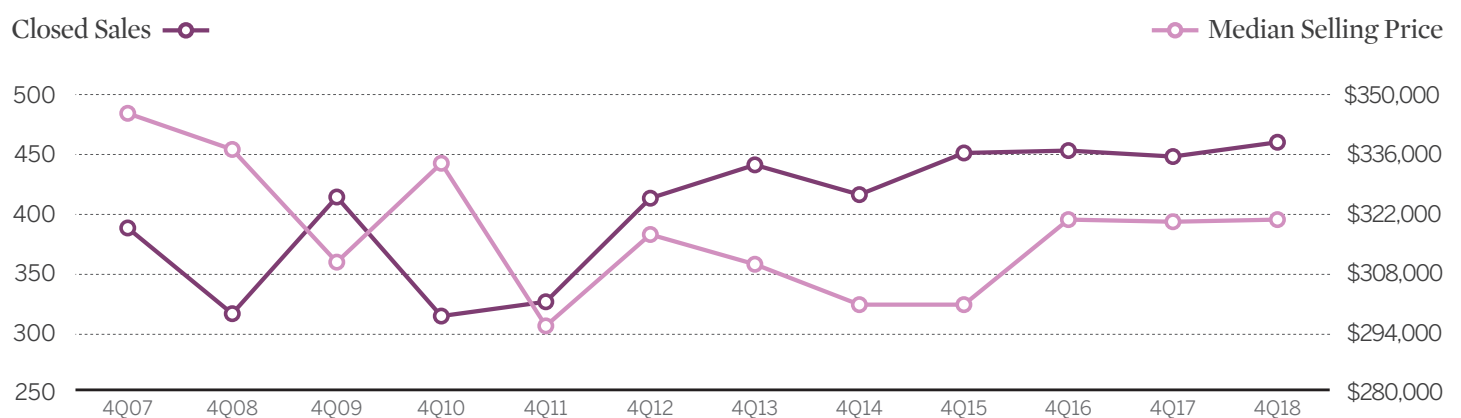
2 Development is driving growth

Burlington experienced an unusually strong year in sales in 2018, a phenomenon Ohlandt attributes to the new construction occurring in that market. Farmington too is seeing more condo developments, and new commercial development in Avon may be playing a role in driving recent sales growth in that town. West Hartford, while often seen as the Farmington Valley's hot spot with its cultural offerings and nightlife, witnessed sales declines in 2018.

3 The high end is challenged but shows glimmers of positivity

While the \$300,000 to \$400,000 range represents the sweet spot in the Farmington Valley, where the median sale price hovers around \$320,000, the upper end \$1 million-plus sector has been struggling to gather strength for some time now. Yet Ohlandt points to a couple of sales over \$1 million in November, as well as anecdotes of bids on other properties in this range, as signs of potentially renewed interest in the luxury market. Price adjustments in this sector have led to a tremendous value proposition, says Ohlandt.

Single Family Homes 12-Year Fourth Quarter Sales



4 Prices are holding steady

Within the past three years, prices in the Farmington Valley have largely stabilized, after a period of instability during the downturn that began 10 years ago. They haven't fluctuated much in the years since. The median price in the fourth quarter in fact was almost exactly the same as it was a year ago. Properties that are priced appropriately to the market stand the best chance of selling the fastest and for the best price, says Ohlandt.

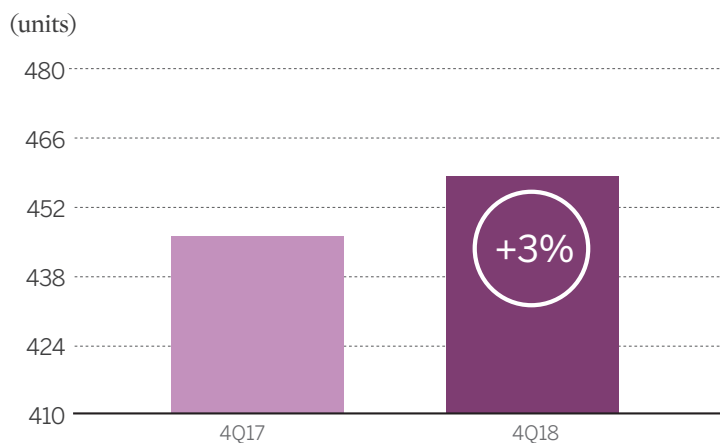
5 The market needs fresh inventory

Although there were plenty of options for buyers to choose from in 2018, inventory lately has declined in many parts of the region, and fresh offerings have been slow to arrive. The market right now may be saturated with high end listings as well as properties that need work, according to Ohlandt, while properties that arrive priced to the market's sweet spot tend to sell quickly.

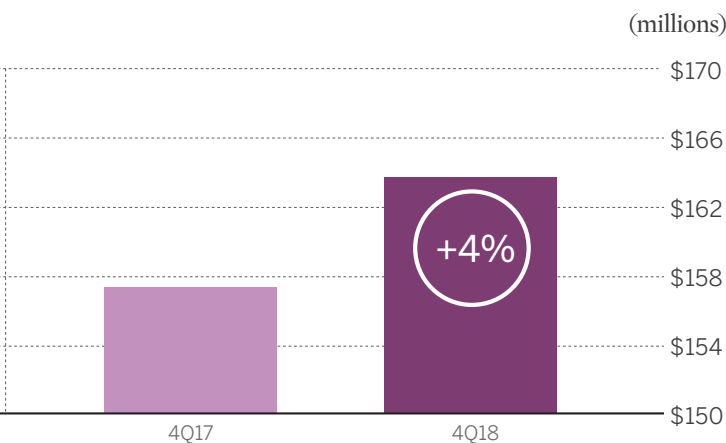
Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q AVERAGE
ALL PRICE RANGES	446	458	3%	12	796
0 - \$399,999	314	331	5%	17	435
\$400,000 - \$749,999	119	110	-8%	-9	274
\$750,000 - \$999,999	11	14	27%	3	42
\$1,000,000 - \$1,999,999	2	2	0%	0	31
\$2,000,000 +	0	1	N/A	1	15

Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



TOWNS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME	YTD DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q17	4Q18	4Q17 VS 4Q18	YTD 2017	YTD 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	YTD 17 VS YTD 18	4Q17	4Q18	4Q17 VS 4Q18	4Q17	4Q18	4Q17 VS 4Q18
SINGLE FAMILY														
FARMINGTON VALLEY	446	458	3%	2,082	2,075	0%	4%	0%	\$319,500	\$320,000	0%	\$328,000	\$334,000	2%
Avon	43	54	26%	244	261	7%	25%	5%	\$417,200	\$405,500	-3%	\$433,000	\$424,900	-2%
Burlington	22	32	45%	126	160	27%	37%	30%	\$363,700	\$349,200	-4%	\$349,950	\$344,200	-2%
Canton	30	45	50%	139	141	1%	35%	1%	\$311,500	\$295,000	-5%	\$312,500	\$325,000	4%
Farmington	62	59	-5%	245	267	9%	22%	11%	\$321,000	\$365,975	14%	\$365,000	\$374,900	3%
Granby	28	35	25%	154	160	4%	32%	9%	\$254,950	\$284,500	12%	\$279,450	\$294,750	5%
Hartland	1	4	300%	11	21	91%	232%	67%	\$345,000	\$282,000	-18%	\$265,000	\$249,000	-6%
Simsbury	82	61	-26%	346	311	-10%	-25%	-8%	\$339,500	\$320,000	-6%	\$327,250	\$334,000	2%
West Hartford	178	168	-6%	817	754	-8%	-10%	-9%	\$293,000	\$294,000	0%	\$314,000	\$318,500	1%
CONDOMINIUMS														
FARMINGTON VALLEY	130	118	-9%	545	521	-4%	-6%	-1%	\$183,250	\$182,000	-1%	\$185,000	\$189,900	3%



Stunning Contemporary • Harwinton, CT • MLS: L10053126

Berkshire County



Elegant Berkshire Cottage • Stockbridge, MA • MLS: 225549

1 The county overall experienced a solid year in sales, with quieter and more active periods

After a soft start to the year and then two hot quarters that found the residential real estate market in Berkshire County leaping ahead of 2017, the market was more tempered in the fourth quarter. The end result was a year where unit sales stood ahead of the calendar year of 2017 by 3%, and dollar volume was flat. For the fourth quarter, units were again ahead by 3%, but dollar volume fell behind the same quarter last year by 16% as the median selling price dropped by 19%, and lower priced property sales in the central part of the county took center stage.

2 Central county was the star of the fourth quarter

Central Berkshire County, encompassing the area around Pittsfield, was the one region of the Berkshires to experience a surge in the fourth quarter. Pittsfield itself, where the median selling price is \$169,000, was ahead by 21% in unit sales versus the fourth quarter last year, and the median price increased here and throughout the neighboring region as well. Meanwhile, the long-booming northern county took a breather this quarter, as did the more affluent southern county. These factors combined with a significant increase in the central county's sub-\$350,000 market area helped to drive down county-wide dollar volume and the median selling price versus the same time in 2017. Looking ahead, there is reason to believe this momentum in the central county will continue into 2019, and that activity will resume in the north: pending sales are up over last year by 26% in the central area and 30% in the north county. In the quieter south, pending sales are down by 14%. Berkshires brokerage manager Tim Donnelly suggests that limited inventory may be playing a role in the southern county's currently sluggish state.

3 The high end, though slow in the last quarter, performed well in 2018

We reported last quarter that the \$350,000 to \$550,000 price range was a very active segment, and that remained true in the fourth quarter as well. Sales from \$550,000 to \$750,000 held steady as well, and the market from \$750,000 up to \$1 million was even with last year. The Berkshires continues to prove itself a price driven marketplace with properties closing at 94% of their asking price. Above \$1 million, the luxury market fell off substantially in the fourth quarter. Yet looking back at the full calendar year, the million dollar market was strong in Berkshire County, with sales in this sector increasing year over year. The \$1 million-plus sales during the year largely occurred in the southern county, and on four of them, William Pitt Sotheby's International Realty handled all eight sides of the deals.

4 Inventory is still reduced but catching up

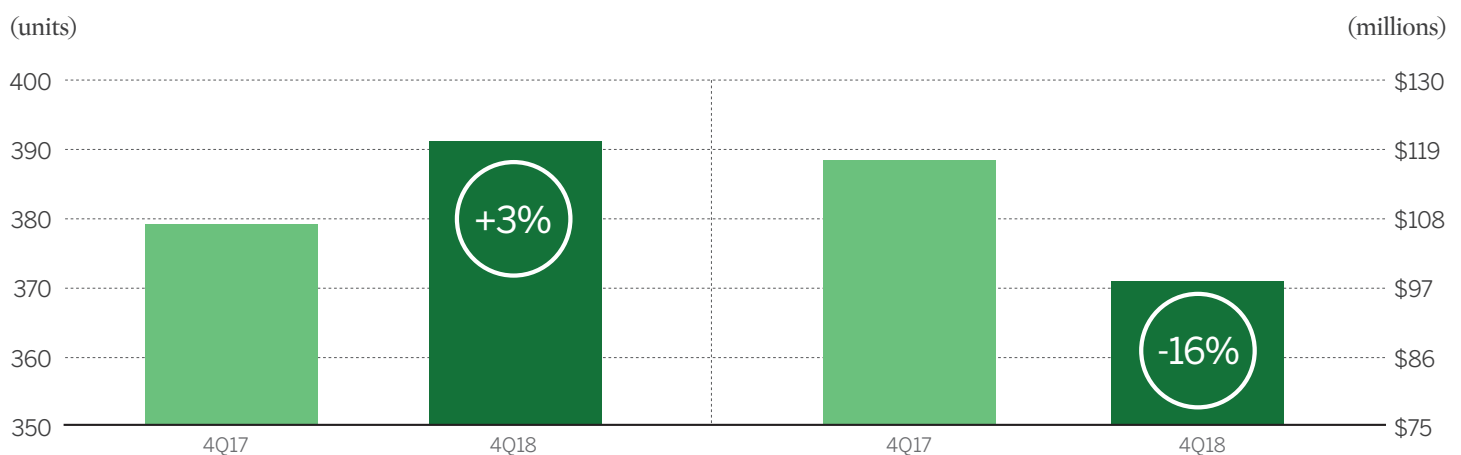
While total active inventory across Berkshire County has been down for some time now, we reported last quarter that the trend appeared to be reversing course. The fourth quarter saw inventory continuing to close the gap and catch up to 2017. New to market listings were lower in both the north and south counties, but increased year over year in the central county. Donnelly feels that if inventory picks up more in the south county, where it was down all year long, the region will gather some steam. The buyers are there just waiting for the opportunity to jump into the market, he says.

Single Family Homes Closed Sales by Price Point

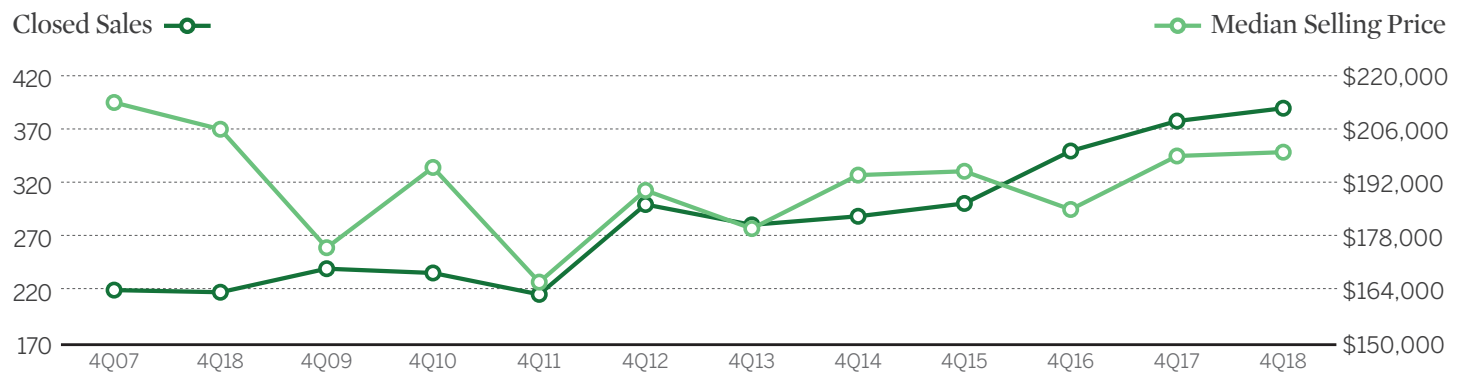
PRICE POINT	CLOSED SALES	CLOSED SALES	DIFFERENCE IN UNITS	% CHANGE	INVENTORY
	4Q 2017	4Q 2018	4Q17 VS 4Q18	4Q17 VS 4Q18	4Q AVERAGE
ALL PRICE RANGES	379	391	12	3%	578
0 - \$399,999	318	333	15	5%	497
\$400,000 - \$749,999	43	53	10	23%	73
\$750,000 - \$999,999	6	6	0	0%	7
\$1,000,000 - \$1,499,999	8	1	-7	-88%	2
\$1,500,000 +	7	0	-7	-100%	1

Single Family Homes Closed Sales

Single Family Homes Closed Dollar Volume



Single Family Homes 12-Year Fourth Quarter Sales



TOWNS	QUARTERLY UNIT SALES			YTD UNIT SALES			QUARTERLY DOLLAR VOLUME	YTD DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
	4Q17	4Q18	% CHANGE	YTD 2017	YTD 2018	% CHANGE	% CHANGE	% CHANGE	4Q17	4Q18	% CHANGE	4Q17	4Q18	% CHANGE
			4Q17 VS 4Q18			YTD 17 VS YTD 18	4Q17 VS 4Q18	YTD 17 VS YTD 18			4Q17 VS 4Q18			4Q17 VS 4Q18
SINGLE FAMILY														
BERKSHIRE COUNTY	379	391	3%	1,374	1,410	3%	-16%	0%	\$309,000	\$250,000	-19%	\$200,000	\$210,000	5%
Adams	16	22	38%	64	77	20%	67%	28%	\$112,000	\$140,000	25%	\$129,000	\$135,000	5%
Alford	4	1	-75%	9	6	-33%	-94%	-61%	\$1,093,521	\$290,000	-73%	\$637,000	\$451,000	-29%
Becket	25	18	-28%	61	58	-5%	-16%	4%	\$162,000	\$216,000	33%	\$200,000	\$196,000	-2%
Cheshire	5	8	60%	28	27	-4%	61%	7%	\$190,000	\$149,000	-22%	\$191,000	\$190,000	-1%
Clarksburg	8	6	-25%	19	14	-26%	-32%	-19%	\$180,000	\$159,000	-12%	\$145,000	\$134,000	-8%
Dalton	22	9	-59%	74	68	-8%	-7%	-2%	\$201,000	\$185,000	-8%	\$190,000	\$182,000	-4%
Egremont	9	11	22%	35	29	-17%	-39%	-33%	\$405,000	\$360,000	-11%	\$415,000	\$455,000	10%
Florida	2	3	50%	4	5	25%	-56%	-43%	\$208,000	\$50,000	-76%	\$171,000	\$95,000	-44%
Gt. Barrington	20	11	-45%	74	74	0%	-31%	24%	\$343,000	\$450,000	31%	\$324,000	\$374,000	15%
Hancock	1	4	300%	10	10	0%	751%	49%	\$165,000	\$361,000	119%	\$228,000	\$450,000	97%
Hinsdale	7	5	-29%	20	24	20%	-6%	9%	\$208,000	\$310,000	49%	\$218,000	\$205,000	-6%
Lanesborough	10	8	-20%	41	39	-5%	-28%	8%	\$200,000	\$175,000	-13%	\$199,000	\$220,000	11%
Lee	17	18	6%	57	53	-7%	-32%	-16%	\$250,000	\$256,000	2%	\$240,000	\$260,000	8%
Lenox	16	13	-19%	67	35	-48%	-42%	-56%	\$379,000	\$318,000	-16%	\$375,000	\$318,000	-15%
Monterey	7	1	-86%	16	20	25%	-90%	14%	\$483,000	\$406,000	-16%	\$504,000	\$378,000	-25%
Mt. Washington	1	0	-100%	3	3	0%	N/A	3%	\$990,000	\$0	-100%	\$868,000	\$600,000	-31%
New Ashford	1	0	-100%	2	1	-50%	N/A	-31%	\$348,000	\$0	-100%	\$249,000	\$340,000	37%
New Marlborough	5	7	40%	22	29	32%	-29%	53%	\$479,000	\$165,000	-66%	\$285,000	\$349,000	22%
North Adams	28	18	-36%	87	98	13%	-53%	29%	\$146,000	\$107,000	-27%	\$120,000	\$135,000	13%
Otis	6	14	133%	35	39	11%	85%	47%	\$333,000	\$271,000	-19%	\$262,000	\$312,000	19%
Peru	5	3	-40%	6	12	100%	-30%	133%	\$138,000	\$230,000	67%	\$148,000	\$211,000	43%
Pittsfield	111	134	21%	420	447	6%	25%	12%	\$165,000	\$169,000	2%	\$161,000	\$170,000	6%
Richmond	3	11	267%	20	28	40%	196%	67%	\$256,000	\$435,000	70%	\$334,000	\$451,000	35%
Sandisfield	1	5	400%	13	14	8%	1,075%	-29%	\$137,000	\$280,000	104%	\$265,000	\$265,000	0%
Savoy	2	2	0%	6	11	83%	264%	260%	\$64,000	\$235,000	267%	\$106,000	\$200,000	89%
Sheffield	11	8	-27%	58	40	-31%	-24%	-27%	\$410,000	\$426,000	4%	\$295,000	\$315,000	7%
Stockbridge	5	7	40%	22	37	68%	-54%	7%	\$1,666,000	\$545,000	-67%	\$370,000	\$370,000	0%
Tyringham	1	4	300%	6	8	33%	360%	-31%	\$330,000	\$380,000	15%	\$740,000	\$452,000	-39%
Washington	2	2	0%	5	6	20%	-5%	37%	\$268,000	\$252,000	-6%	\$241,000	\$287,000	19%
West Stockbridge	6	7	17%	26	21	-19%	-36%	-28%	\$813,000	\$443,000	-46%	\$390,000	\$505,000	29%
Williamstown	20	20	0%	59	69	17%	-19%	22%	\$352,000	\$283,000	-20%	\$270,000	\$308,000	14%
Windsor	2	1	-50%	5	8	60%	-11%	136%	\$198,000	\$349,000	76%	\$190,000	\$229,000	21%
CONDOMINIUMS														
BERKSHIRE COUNTY	36	39	8%	131	148	13%	59%	64%	\$209,000	\$225,000	8%	\$220,000	\$231,000	5%

Where We Are Headed



12 Windsor Court • Purchase, NY • MLS: 4853163

Key economic indicators including consumer confidence, interest rates, unemployment, the GDP and even the recently volatile stock market all remain favorable to a strong economy. Taken together, these factors lay a stable foundation for a healthy real estate market. They are the tried and true economic indicators that have always served as our compass, and they leave us feeling bullish on the market as we enter the new year.

In addition, there are a number of evergreen aspects to our marketplaces that ensure they always retain their desirability, including our highly rated schools, outstanding cultural offerings, beautiful surroundings, sought-after suburban lifestyle and above all, our incredibly convenient proximity to New York City. These elements place us in an enviable position in the real estate industry, while also providing us with firm footing in times of flux.

We at William Pitt-Julia B. Fee Sotheby's International Realty hope you find the insights provided in this report to be of value, and we always welcome the opportunity to serve you.

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.
