

Market Watch

2016 YEAR IN REVIEW



William Pitt
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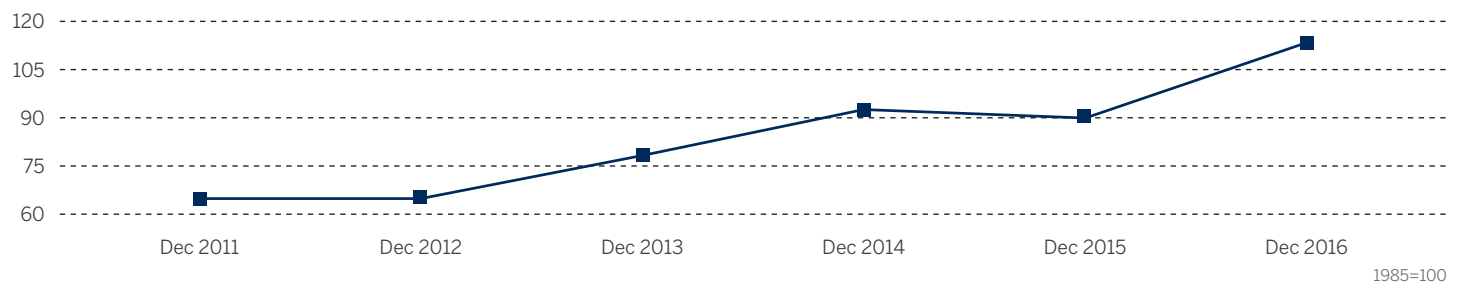
Fourth Quarter In Review



We are excited to announce that 2016 was another exceptional year for real estate in our market areas, and continued the upward trend in sales we have observed each year since the recession began to wane. While our third quarter Market Watch suggested that sales were starting to level off after a strong first half for 2016 in most of our regions, including Westchester County, N.Y., Connecticut and the Berkshires, Mass., we can now look back at that quarter in the context of the entire year and see that it was little more than a brief lull in an otherwise stellar 12-month period. The fourth quarter exceeded all expectations in most areas, not only with closings delivering healthy gains over the prior year, but also with a tremendous upswing in buyer activity. With the exception of a few pockets, most notably the slower moving high end communities of lower Fairfield County, the story we are hearing across all of our markets is the same: Our agents are busy with buyers who are jumping off the sidelines and into the market in droves—so busy that they hardly had time to settle down and enjoy the holidays. As a result, we can't help but feel that 2017 is already off to an excellent start.

Region by region, the majority of our markets were up year over year. In Westchester County, 2016 unit sales were 8% higher and dollar volume 6% higher than the calendar year of 2015, with the sales growth occurring in both the lower and upper counties. Southern Westchester experienced year over year growth in units of 14% and volume growth of 5%, while Northern Westchester had gains of 13% in units and 8% in volume. Our Connecticut Shoreline market also concluded the year ahead of 2015, by 12% in units and 7% in volume. Litchfield County maintained steady sales through year's end, with an 8% increase in units and 9% increase in volume, and a noteworthy uptick in sales between \$1 and \$2 million. The Southern Berkshires ended the year 12% above 2015 in units and 8% in volume, and witnessed a late year burst in sales between \$550,000 and \$750,000, a higher end market for that area. Only Fairfield County's figures were more modest, largely resulting from the slower activity in southern county communities like New Canaan, Darien and Westport. While the county overall was about flat year over year, with a 3% increase in units and 3% decrease in volume, the lower county was softer as compared to the robust marketplace in Northern Fairfield County, where sales were booming at all price points.

Consumer Confidence





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The promising recent sales data in our markets is mirrored on the national scene, as existing home sales in November reached their highest level since February 2007, according to a National Association of Realtors report released in December. What happened during the fall of 2016 to drive this surge? One key piece of course was the Federal Reserve's quarter point December rate hike, only the second in a decade, and an expected move that loomed large on the horizon all season long. The rate increase has caused mortgage rates to begin to rise, and as has been widely reported, three additional increases may be on the way in 2017. If history is any indicator, this will further affect mortgage rates. The hike is a signal of faith in the economy, which grew by a substantial 3.5% in the third quarter of 2016 according to the Commerce Department, and the Fed has projected that the economy will grow by another 2.1% in 2017 and 2% in 2018.

All of this news paints a very positive economic outlook, which is further bolstered by recent government data that the unemployment rate in November fell to its lowest since 2007, that hundreds of thousands of more jobs have been added, and that the election is now settled, which historically gives certainty to the country and brings stability back to the market. In addition, consumer confidence has jumped sharply, standing in December at a pre-recession level of 113.7 (1985=100) according to The Conference Board Consumer Confidence Index®. Consumer confidence is always encouraged by rising interest rates and a booming economy, and it is the leading indicator of a healthy real estate market.

So ultimately we are bullish on where the market is headed in 2017. Short term, purchasers who are concerned they will lose buying power as mortgage rates continue to creep up in the coming year will feel the urgency to become serious participants in the marketplace, even as sellers experience that same urgency and seek to take advantage of the buyer pool before it becomes more impacted by the rate changes. Given the flurry of activity in our markets in late 2016, we are already seeing this phenomenon take hold. It should be noted that some people pay for homes in cash, and they won't be as affected by the mortgage rates. In the long term, a strong economy and strong consumer confidence should continue to support a strong real estate market.

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

1 Southern Westchester County finished the year ahead of 2015 in both dollar volume and units sold.

The real estate market in lower Westchester concluded the year on a positive note, standing 14% ahead of the calendar year of 2015 in unit sales, and 5% in dollar volume. The perennial popular price point is the under \$1.2 million segment, where the only reason we aren't witnessing an even higher increase year over year is that inventory is too low. When those properties do come to market, they sell quickly with multiple offers. But we are also seeing a healthy market up to \$2 or even \$3 million in different towns across the lower county, with sales beginning to taper off after that point, where the air is thinner and buyers scarcer. Higher levels of inventory are associated with the higher price ranges; in Bronxville Village, approximately 50% of all listings are over \$3 million. Pockets of enthusiasm exist for towns such as Larchmont, which kicked off 2016 with a stellar first quarter and maintained strong sales through year's end, as well as Pelham and Rivertowns such as Irvington, which has seen movement across most price ranges as long as the property is not overpriced. Rye and its upper end experienced a sluggish start with the first quarter, but finally caught up with a strong fourth quarter: Rye City ended the year just ahead of last year in unit sales, standing even in dollar volume. Overall, it was another healthy year, and as we explore further below, we are expecting a robust early 2017.

2 Northern Westchester County overall saw an increase in units and volume year over year, with sales holding steady in its core markets.

After a slow start to 2016, a frenzy of early spring activity set the upper county up for a strong second quarter. This back-and-forth between bursts of activity and brief periods of quiet seemed to characterize the region throughout the year, according to Rye agent Joanna Rizoulis, yet sales certainly held their own on a quarterly basis, and for the year, unit sales stood approximately 13% higher than the calendar year of 2015 and dollar volume 8% higher. In key markets such as Bedford, Chappaqua, Armonk and Katonah, the picture is one of almost total consistency, and the median price, too, has hardly budged, declining a mild 3%. As in the southern county, the most popular price point is the under \$1.2 million bracket, with the bulk of the sales occurring between \$1 and \$1.2 million as inventory grows tight lower than that. Notably, the high end \$3+ million segment in Northern Westchester County is starting to see an uptick.

Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	% CHANGE	INVENTORY
	CY 2015	CY 2016	YOY	4Q AVERAGE
\$0 - \$999,999	4,477	4,846	8%	2,820
\$1,000,000 - \$1,999,999	934	1,028	10%	880
\$2,000,000 - \$2,999,999	218	241	11%	319
\$3,000,000 - \$3,999,999	67	58	-13%	151
\$4,000,000 - \$4,999,999	18	22	22%	55
\$5,000,000 - \$9,999,999	27	18	-33%	3
\$10,000,000+	0	1	N/A	0

3 The fourth quarter was unusually busy, setting up a strong pipeline into the first quarter of next year.

Serious buyers, including a significant contingent from Manhattan and Brooklyn, were out in force in the fourth quarter. According to Rye brokerage manager Pati Holmes, a number of post-election factors have spurred these buyers into the marketplace, not the least of which is that interest rates, after a prolonged period of holding at historic lows, have finally begun to rise. The near certainty that interest rates will only continue to go up from here, combined with the healthy stock market and high consumer confidence, has created a mindset that the time to act is now. All of this gives us an excellent springboard into the first quarter of 2017 and beyond.

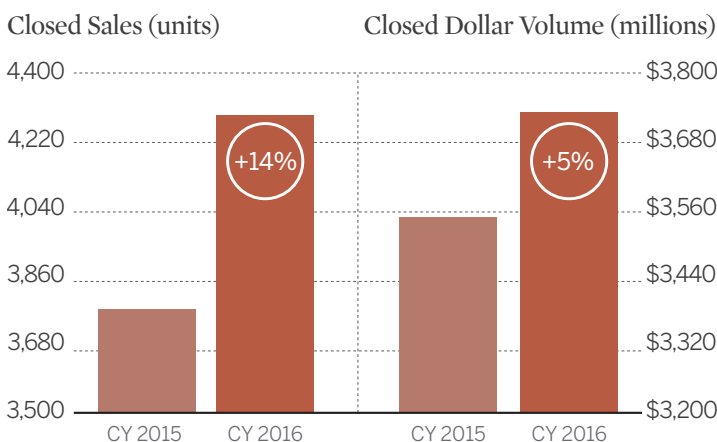
4 Great condition is still critical to many buyers, and new construction has benefited.

We continue to see that turnkey condition plays a major role in a successful sale, along with factors such as staging or whether a home has been renovated. According to Bronxville and Irvington brokerage manager Virginia Doetsch, the key is for a listing to present as the best in its category, both in terms of pricing and condition. Tying into this phenomenon, according to Holmes, new construction has a healthy outlook as it plays to the buyers' desire to be able to move in and enjoy their home right away without having to worry about completing any work first. As a result, new construction sales are strong, especially under \$3 million.

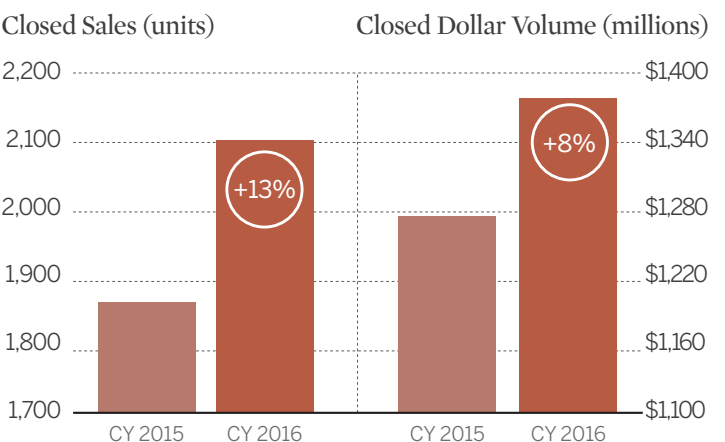
5 Walkability grows ever more essential.

More than ever, buyers are forgoing privacy and more property in favor of homes that are situated right in town, offering easy walkability to amenities and a convenient commute to the city. According to Holmes, a smaller residence can achieve a much higher price based on an in-town location alone.

Southern Westchester Single Family Homes



Northern Westchester Single Family Homes

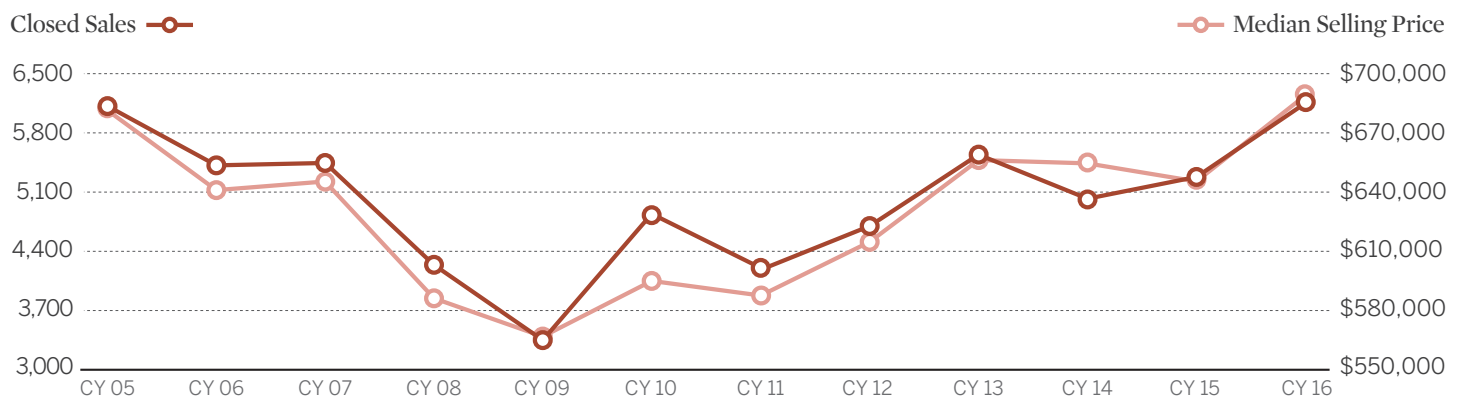


TOWNS	QUARTERLY UNIT SALES			CY UNIT SALES			QUARTERLY DOLLAR VOLUME	CY DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016	4Q15 VS 4Q16	CY 2015 VS CY 2016	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016
WESTCHESTER COUNTY	1,410	1,445	2%	5,757	6,213	8%	5%	6%	\$565,000	\$568,000	1%	\$628,000	\$624,000	-1%
Southern Westchester	937	924	-2%	3,775	4,290	14%	9%	5%	\$590,000	\$625,000	6%	\$670,000	\$675,000	1%
Ardsley	29	22	-24%	108	111	3%	-23%	6%	\$655,000	\$560,000	-15%	\$653,000	\$670,000	3%
Blind Brook	19	29	53%	96	111	16%	106%	40%	\$760,000	\$870,000	14%	\$797,000	\$870,000	9%
Briarcliff Manor	10	23	130%	65	87	34%	122%	47%	\$773,000	\$729,000	-6%	\$795,000	\$800,000	1%
Bronxville	9	6	-33%	62	58	-6%	-42%	-8%	\$2,300,000	\$2,055,000	-11%	\$2,175,000	\$2,193,000	1%
Dobbs Ferry	17	16	-6%	95	79	-17%	45%	-14%	\$677,000	\$836,000	23%	\$722,000	\$755,000	5%
Eastchester	29	25	-14%	117	109	-7%	-5%	-3%	\$670,000	\$690,000	3%	\$719,000	\$745,000	4%
Edgemont	19	24	26%	109	89	-18%	27%	-20%	\$1,000,000	\$1,192,000	19%	\$1,065,000	\$1,100,000	3%
Elmsford	16	14	-13%	57	61	7%	-26%	-15%	\$473,000	\$448,000	-5%	\$470,000	\$409,000	-13%
Greenburgh	40	50	25%	148	164	11%	28%	10%	\$445,000	\$467,000	5%	\$475,000	\$487,000	3%
Harrison	22	35	52%	145	159	10%	53%	16%	\$948,000	\$1,000,000	5%	\$1,040,000	\$1,230,000	18%
Hartsdale (P.O.)	26	20	-23%	103	98	-5%	13%	9%	\$545,000	\$568,000	4%	\$540,000	\$577,000	7%
Hastings	18	16	-6%	83	81	-2%	-18%	-7%	\$805,000	\$736,000	-9%	\$785,000	\$787,000	0%
Irvington	14	15	7%	71	84	18%	-9%	7%	\$948,000	\$950,000	0%	\$925,000	\$950,000	3%
Mamaroneck *	50	48	-4%	267	317	19%	-8%	7%	\$1,073,000	\$1,117,000	4%	\$1,250,000	\$1,105,000	-12%
Mount Pleasant	31	34	10%	103	120	17%	8%	13%	\$508,000	\$522,000	3%	\$555,000	\$545,000	-2%
Mount Vernon	41	33	-21%	133	166	25%	-25%	25%	\$380,000	\$350,000	-8%	\$365,000	\$375,000	3%
New Rochelle	102	77	-24%	371	352	-5%	-19%	-3%	\$647,000	\$641,000	-1%	\$650,000	\$645,000	-1%
Ossining	63	56	-11%	207	228	10%	-5%	11%	\$382,000	\$413,000	8%	\$385,000	\$395,000	3%
Pelham	16	24	50%	145	152	5%	75%	10%	\$587,000	\$693,000	18%	\$860,000	\$850,000	-1%
Pleasantville	24	20	-17%	65	91	40%	-22%	46%	\$590,000	\$653,000	11%	\$615,000	\$660,000	7%
Pocantico Hills	4	4	0	12	10	-17%	-17%	-21%	\$434,000	\$816,000	88%	\$794,000	\$920,000	16%
Port Chester	28	26	-7%	97	114	18%	-8%	1%	\$934,000	\$458,000	-51%	\$465,000	\$465,000	0%
Purchase (P.O.)	3	7	133%	30	28	-7%	262%	-5%	\$925,000	\$1,575,000	70%	\$1,295,000	\$1,525,000	18%
Rye City	22	30	36%	147	152	3%	33%	0%	\$1,593,000	\$1,900,000	19%	\$1,675,000	\$1,813,000	8%
Rye Neck	22	20	-9%	74	66	-11%	-7%	-8%	\$800,000	\$955,000	19%	\$853,000	\$1,119,000	31%
Scarsdale	35	54	54%	231	233	1%	80%	7%	\$1,410,000	\$1,591,000	13%	\$1,450,000	\$1,590,000	10%
Tarrytown	20	16	-20%	88	82	-7%	16%	29%	\$641,000	\$763,000	19%	\$607,000	\$718,000	18%
Tuckahoe	7	10	43%	44	44	0%	34%	4%	\$725,000	\$613,000	-15%	\$698,000	\$720,000	3%
Valhalla	16	18	13%	83	81	-2%	-10%	1%	\$541,000	\$462,000	-15%	\$515,000	\$540,000	5%
White Plains	61	46	-25%	236	217	-8%	-13%	-10%	\$565,000	\$687,000	22%	\$614,000	\$660,000	7%
Yonkers	154	133	-14%	481	546	14%	14%	15%	\$434,000	\$445,000	3%	\$430,000	\$450,000	5%
CONDOMINIUMS AND COOPERATIVES														
Condominiums	357	333	-7%	1,818	1,884	4%	-4%	5%	\$350,000	\$360,000	3%	\$350,000	\$360,000	3%
Cooperatives	500	476	-5%	2,429	2,565	6%	5%	2%	\$147,000	\$155,000	5%	\$150,000	\$155,000	3%

*Mamaroneck School District includes Larchmont P.O.

TOWNS	QUARTERLY UNIT SALES			CY UNIT SALES			QUARTERLY DOLLAR VOLUME	CY DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016	4Q15 VS 4Q16	CY 2015 VS CY 2016	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016
WESTCHESTER COUNTY	1,410	1,445	2%	5,757	6,213	8%	5%	6%	\$565,000	\$568,000	1%	\$628,000	\$624,000	-1%
Northern Westchester	484	521	8%	1,864	2,102	13%	-5%	8%	\$510,000	\$475,000	-7%	\$540,000	\$525,000	-3%
Bedford	66	66	0%	225	261	16%	-29%	6%	\$740,000	\$649,000	-12%	\$820,000	\$752,000	-8%
Byram Hills	45	33	-25%	151	145	-4%	-13%	-6%	\$870,000	\$885,000	2%	\$999,000	\$1,050,000	5%
Chappaqua	29	45	55%	219	212	-3%	42%	-2%	\$925,000	\$845,000	-9%	\$909,000	\$915,000	1%
Croton-Harmon	27	23	-15%	118	105	-11%	-11%	-8%	\$555,000	\$480,000	-14%	\$554,000	\$555,000	0%
Hendrick Hudson	37	49	32%	122	165	35%	45%	42%	\$360,000	\$425,000	18%	\$413,000	\$415,000	0%
Katonah-Lewisboro	45	56	24%	219	255	16%	-1%	18%	\$560,000	\$518,000	-8%	\$598,000	\$605,000	1%
Lakeland	91	96	4%	322	370	15%	1%	13%	\$360,000	\$344,000	-4%	\$351,000	\$346,000	-1%
North Salem	19	24	26%	68	80	18%	-9%	21%	\$405,000	\$435,000	7%	\$436,000	\$461,000	6%
Peekskill	32	34	6%	85	114	34%	-12%	23%	\$294,000	\$278,000	-5%	\$288,000	\$268,000	-7%
Somers	45	37	-18%	149	165	11%	-23%	13%	\$540,000	\$499,000	-8%	\$525,000	\$515,000	-2%
Yorktown	48	58	21%	183	230	26%	9%	24%	\$439,000	\$429,000	-2%	\$435,000	\$441,000	1%
CONDOMINIUMS AND COOPERATIVES														
Condominiums	126	137	9%	462	529	15%	25%	13%	\$290,000	\$340,000	17%	\$316,000	\$318,000	1%
Cooperatives	28	25	-11%	99	95	-4%	26%	12%	\$70,000	\$115,000	64%	\$75,000	\$105,000	40%

Single Family Homes 11-Year CY Sales



Fairfield County



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Fairfield County

1 Fairfield County held steady against 2015, but market conditions differed from the southern county to the northern.

While Fairfield County as a whole finished the year with sales levels similar to those of the calendar year of 2015, with unit sales a mild 3% higher and dollar volume 3% lower, the southern and northern parts of the county performed very differently. As we discuss in more detail below, a major trend this year in the southern county was softness in the luxury segment with sales trending more evenly under \$2 million, in contrast to the northern county, which has been firing on all cylinders for the past year at every price point.

2 Lower Fairfield County continues to face challenges at the higher end.

The picture was similar from quarter to quarter this year for properties situated at the high end of the market, with sales among properties over \$2 million typically showing year over year declines. The stagnation in the luxury market has created downward pressure in the higher price categories, and according to New Canaan brokerage manager William Larkin, yielded extraordinary buying opportunities. The trend of slower sales among the highest priced properties was consistent in key markets such as New Canaan, Darien, Greenwich and Westport, though Darien's market as a whole rallied a bit more by year's end with a fourth quarter that saw increased unit sales compared to the same period in 2015, and Greenwich ended the year just up in units and only a little behind in dollar volume versus 2015. We expect to continue to witness price reductions in early 2017 as more sellers seek to come into line with buyer expectations, and are cautiously optimistic that we will see a gradual uptick in sales as we move deeper into the year. Overall, sales have been stronger across the lower county below \$2 million, with units and volume only slightly behind last year in the \$1 to \$2 million range, where prices have plateaued and should continue to level off next year, according to Larkin.

3 Upper Fairfield County was full speed ahead in 2016, and shows no signs of stopping.

When we looked at the northern part of Fairfield County last quarter, including Danbury, Bethel, Brookfield, New Fairfield and Newtown, we reported that the region had experienced year over year increases in virtually every price segment—a trend that stayed on pace through the fourth quarter and carried us right over the 2016 finish line. In fact, according to Northern Fairfield County brokerage manager Adele Unger, there hasn't been a lull in the market all year long. The fourth quarter's under-contract figures represent more good news, with every price category experiencing increases, and total deposits 48.4% higher in sales volume and 46.1% in units compared to the fourth quarter of 2015. Notably, these percentages are even higher in the upper price tiers, with properties priced over \$750,000 seeing twice as many listings going into contract than this time last year. These numbers are a sure sign that the northern county's lake properties are finally selling, according to Unger, while also demonstrating that recently repositioned prices in the higher end have helped to spur sales.

4 Inventory becomes more saturated higher up the price ladder.

The abundance of inventory in the higher end communities of the lower county remains a challenge. With such a surplus of listings all in the same price category, sellers are facing the reality that they are less likely to profit from their property sale in the current climate, and according to Larkin, they are encouraged to work with any offers they do receive. Since more inventory in the luxury sector will inevitably come to the market out of many a homeowner's need to sell, we expect the downward pressure on prices to continue well into 2017.

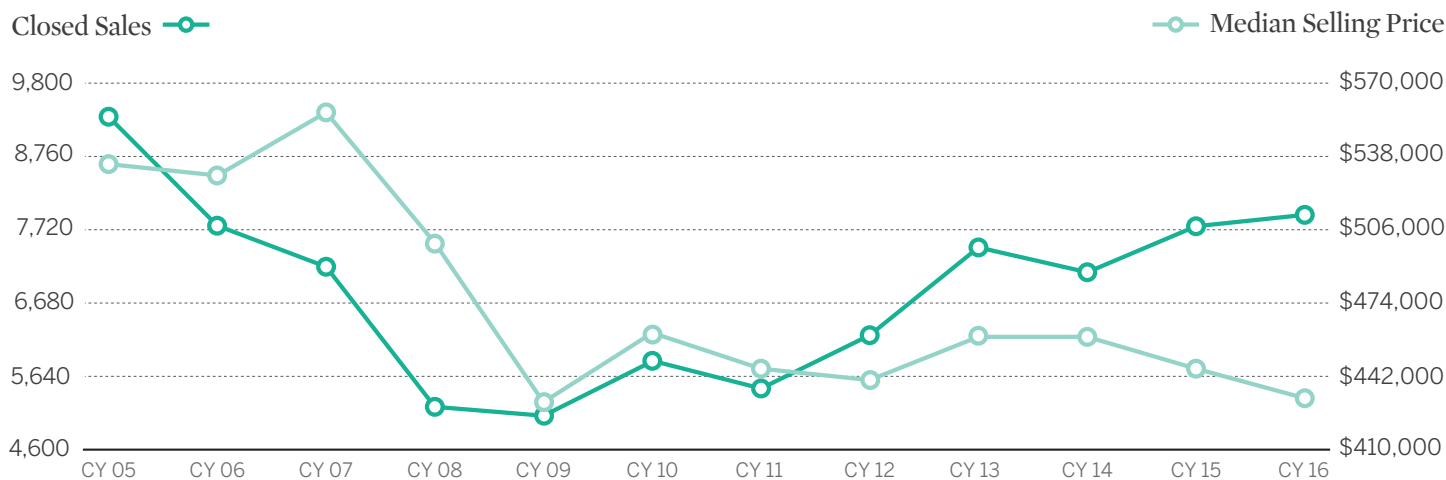
5 Close to town is in high demand, leaving great value opportunities further out.

According to Larkin, one consistent trend is that today's buyer is more focused on lifestyle than ever, and would rather have the walkability to local amenities, schools and the train than an oversized, private piece of property further from town. Smaller in-town homes have found themselves in higher demand not only for their location, but also their manageability compared to larger properties that require more upkeep. As a result, there is often incredible value to be found among those properties further from town.

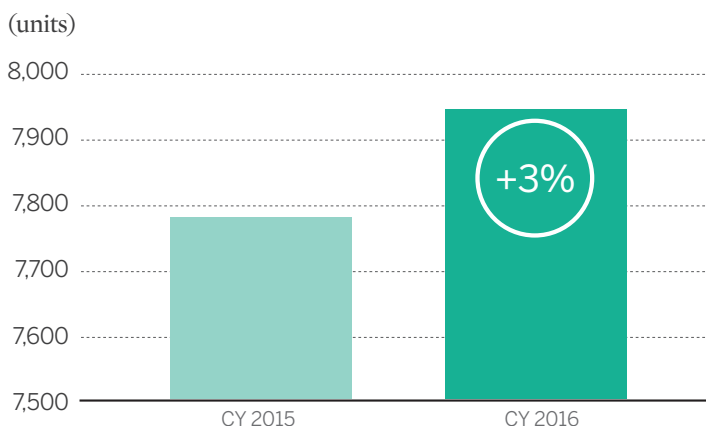
Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	% CHANGE	INVENTORY
	CY 2015	CY 2016	YOY	4Q AVERAGE
\$0 - \$799,999	6,395	5,784	-10%	5,812
\$800,000 - \$1,499,999	932	773	-17%	1,553
\$1,500,000 - \$1,999,999	264	408	55%	520
\$2,000,000 - \$2,999,999	89	163	83%	485
\$3,000,000 - \$4,999,999	53	42	-21%	304
\$5,000,000 - \$9,999,999	59	43	-27%	149
\$10,000,000+	11	9	-18%	43

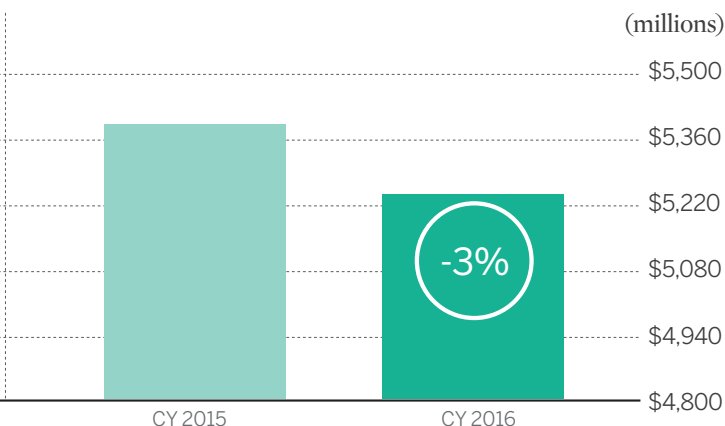
Single Family Homes 11-Year CY Sales



Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



TOWNS	QUARTERLY UNIT SALES			CY UNIT SALES			QUARTERLY DOLLAR VOLUME	CY DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
	4Q15	4Q16	% CHANGE	CY 2015	CY 2016	CY 2015 VS CY 2016	4Q15 VS 4Q16	CY 2015 VS CY 2016	4Q15	4Q16	% CHANGE	CY 2015	CY 2016	CY 2015 VS CY 2016
SINGLE FAMILY														
FAIRFIELD COUNTY	1,755	1,756	0%	7,791	7,999	3%	-4%	-3%	\$440,000	\$410,000	-2%	\$445,000	\$432,000	-3%
Bethel	46	44	-6%	195	189	-3%	-8%	1%	\$294,000	\$282,000	-4%	\$299,000	\$305,000	2%
Brookfield	41	51	24%	178	195	10%	19%	9%	\$395,000	\$385,000	-4%	\$335,000	\$328,000	-2%
Danbury	124	99	-20%	432	435	1%	-19%	5%	\$278,000	\$263,000	-5%	\$250,000	\$245,000	-2%
Darien	53	55	4%	285	249	-13%	-1%	-14%	\$1,325,000	\$1,400,000	6%	\$1,425,000	\$1,364,000	-4%
Easton	24	9	-63%	102	96	-6%	-67%	-1%	\$535,000	\$510,000	-5%	\$590,000	\$600,000	2%
Fairfield	179	134	-25%	787	719	-9%	-23%	-12%	\$548,000	\$572,000	4%	\$553,000	\$575,000	4%
Greenwich	67	69	3%	284	293	3%	2%	-4%	\$1,526,000	\$1,256,000	-18%	\$1,494,000	\$1,243,000	-17%
Monroe	55	49	-11%	208	224	8%	-15%	9%	\$330,000	\$319,000	-3%	\$344,000	\$364,000	6%
New Canaan	46	36	-29%	251	194	-23%	-40%	-23%	\$1,440,000	\$1,310,000	-9%	\$1,518,000	\$1,448,000	-5%
New Fairfield	44	50	14%	169	196	16%	2%	22%	\$322,000	\$315,000	-2%	\$328,000	\$326,000	-1%
Newtown	61	93	53%	356	413	16%	52%	20%	\$355,000	\$372,000	5%	\$366,000	\$380,000	4%
Norwalk	151	172	14%	650	688	6%	27%	12%	\$419,000	\$469,000	12%	\$440,000	\$440,000	0%
Oxford*	29	19	-35%	101	109	8%	-31%	1%	\$310,000	\$340,000	10%	\$345,000	\$350,000	1%
Redding	33	30	-9%	123	122	-1%	-8%	18%	\$530,000	\$545,000	3%	\$527,000	\$541,000	3%
Ridgefield	80	82	3%	322	348	8%	-7%	8%	\$601,000	\$607,000	1%	\$652,000	\$640,000	-2%
Rowayton	18	17	-5%	74	82	11%	-14%	26%	\$1,188,000	\$1,200,000	1%	\$1,188,000	\$1,205,000	1%
Shelton	90	116	29%	352	385	9%	35%	17%	\$311,000	\$332,000	7%	\$300,000	\$325,000	8%
Sherman	14	16	14%	54	56	4%	-17%	-12%	\$451,000	\$360,000	-20%	\$403,000	\$392,000	-3%
Southbury*	31	37	19%	130	156	20%	8%	10%	\$355,000	\$365,000	3%	\$375,000	\$365,000	-3%
Stamford	179	169	-6%	740	715	-3%	-11%	-7%	\$584,000	\$550,000	-6%	\$575,000	\$557,000	-3%
Stratford	154	161	5%	561	644	15%	10%	20%	\$227,000	\$237,000	4%	\$226,000	\$235,000	4%
Trumbull	88	103	17%	396	486	23%	14%	18%	\$356,000	\$359,000	1%	\$360,000	\$362,000	1%
Weston	32	37	16%	156	165	6%	26%	4%	\$863,000	\$790,000	-8%	\$851,000	\$795,000	-7%
Westport	87	74	-15%	383	366	-4%	-16%	-11%	\$1,332,000	\$1,230,000	-8%	\$1,300,000	\$1,282,000	-1%
Wilton	41	51	24%	207	223	8%	58%	6%	\$661,000	\$800,000	21%	\$813,000	\$801,000	-1%
CONDOMINIUMS														
FAIRFIELD COUNTY	578	653	13%	2,513	2,715	8%	9%	7%	\$236,000	\$245,000	4%	\$246,000	\$240,000	-2%

*New Haven County

The Shoreline



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The Shoreline

1 The Connecticut Shoreline finished the year on a high note.

The Connecticut Shoreline market as a whole, including New Haven, Middlesex and New London counties, was up for both the year and the quarter compared to 2015. The region increased by 12% in unit sales and 7% in dollar volume this calendar year versus the last, and the results for just the fourth quarter were very similar, up 15% in units and 11% in volume compared to the same period last year. In all areas the lower price points were the most popular, though sales figures in the higher price ranges were promising as well.

2 New Haven County finished the year ahead of 2015, with fourth quarter sales growth in both the entry and luxury price points.

In New Haven County, dollar volume concluded the year ahead of the 2015 calendar year by 10.5%, and unit sales by 9%. These figures of course vary by town: while key areas such as Branford, Madison, Guilford and Clinton were up year over year, we saw much more substantial increases in other areas such as Killingworth. Towns like Clinton and Killingworth were the beneficiaries of the higher taxes in places like Guilford and Madison, as baby boomers sought to downsize and relocate to a town with lower taxes, according to Guilford and Madison brokerage manager Kathy Mitchell. We have been saying for some time that the entry level is largely driving the sales growth in New Haven County, and this trend was no different in the fourth quarter, with closed sales under \$400,000 increasing by about 7% versus the same period in 2015. Yet we are also seeing some traction in the upper end, especially among properties over \$1 million, which increased about 67% versus the prior year's fourth quarter. The \$700,000 to \$1 million range, where there is still a surplus of inventory, did not perform as well. According to Mitchell, some of the increases in the luxury sector can be attributed to sellers in the upper end becoming more realistic with their pricing, offering a difficult-to-resist value proposition to purchasers.

3 New London and Middlesex Counties demonstrated strong sales activity under \$600,000.

The positive market activity in New London County that we reported on last quarter continued through the end of the year, so that 2016 dollar volume ended up standing 17.7% higher and unit sales 14% higher than the calendar year of 2015. According to Essex and Old Lyme brokerage manager Maureen Swarts, the entry level segment here is key to the health of the market overall, as sales in the lowest price ranges enable those sellers to move up, thus boosting activity in the higher segments. Indeed, the hottest price point for this market remains under \$600,000, and especially the under \$300,000 bracket, which has been generally propelling the market forward this year. Similarly, in Middlesex County, most properties priced under \$600,000 are selling now, a notable change from last quarter's slower sales in the segment, whereas the third quarter surge in the area's \$600,000 to \$1 million sector dropped off this quarter.

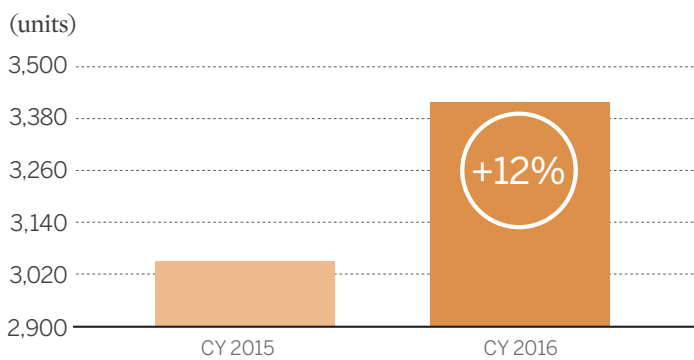
4 The fourth quarter was unusually active this year.

If November and December are typically a quieter time of year in the real estate market, no one told the Connecticut Shoreline. Both Mitchell and Swarts report that activity at the end of the year was substantially higher than most years, even in the weeks leading up to the election, which counters the trend often seen during election years. Swarts suggests that prior to the election, buyers were active as they anticipated a positive change on the horizon for the marketplace, and post election they remained active due to the strength in the stock market as well as the rise in interest rates. This factor in particular is spurring first time buyers to make a purchase before the rates get too high. The flurry of activity has left us feeling optimistic that we will have a strong first quarter in 2017.

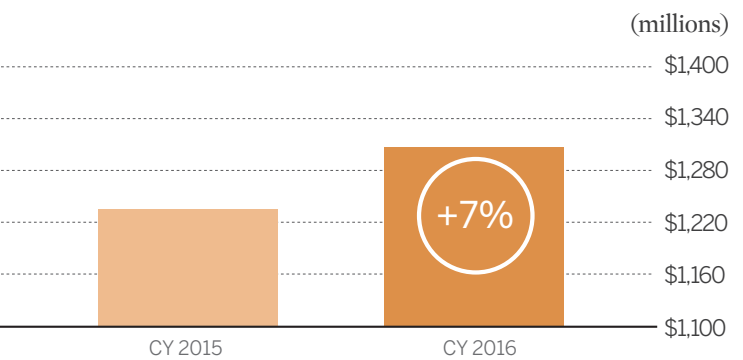
5 The high end is making a gradual comeback.

In June, our company represented the buyer in a \$5.2 million waterfront sale in Guilford, the highest transaction that town had seen in several years. In October, our company represented all parties in a \$2.7 million sale of three lots in the Thimble Islands, the highest sale in the Thimbles since 2007 and the largest combined parcel sold in the archipelago since the record-breaking Rogers Island sale in 2003. These are just two examples of how the high end is starting to come back this year, especially among waterfront and water-oriented properties—a trend that Mitchell expects to continue into 2017. We have also observed increased showings and offers among higher end properties in sought-after destinations such as Essex’s Fenwick area, with many of these properties having been on the market for some time. Part of this phenomenon is almost certainly due to more sellers becoming more open-minded about their pricing.

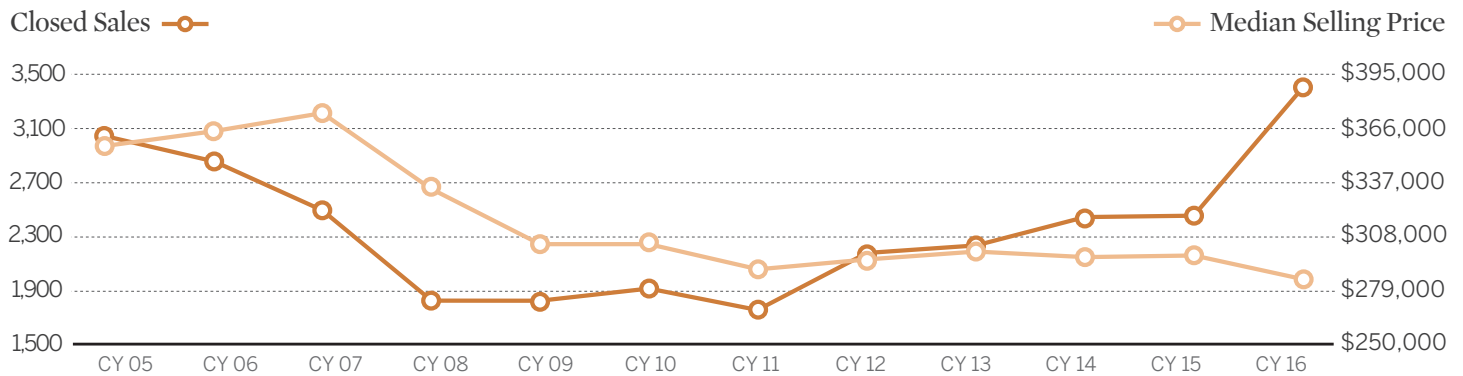
Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



Single Family Homes 11-Year CY Sales



Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	% CHANGE	INVENTORY
	CY 2015	CY 2016	YOY	4Q AVERAGE
\$0 - \$399,999	2,139	2,570	20%	1,826
\$400,000 - \$749,999	698	679	-3%	957
\$750,000 - \$999,999	115	101	-12%	274
\$1,000,000 - \$1,499,999	53	59	11%	146
\$1,500,000+	41	36	-12%	24

TOWNS	QUARTERLY UNIT SALES			CY UNIT SALES			QUARTERLY DOLLAR VOLUME	CY DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016	4Q15 VS 4Q16	CY 2015 VS CY 2016	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016
SINGLE FAMILY														
THE SHORELINE	750	865	15%	3,048	3,413	12%	11%	7%	\$300,000	\$290,000	-3%	\$299,000	\$285,000	-5%
Branford	54	54	0%	224	239	7%	2%	4%	\$318,000	\$347,000	9%	\$329,000	\$315,000	-4%
Chester	11	9	-18%	43	49	14%	-3%	2%	\$259,000	\$250,000	-3%	\$311,000	\$269,000	-14%
Clinton	46	44	-4%	182	193	6%	-25%	4%	\$283,000	\$235,000	-17%	\$255,000	\$260,000	2%
Deep River	13	7	-46%	45	56	24%	-58%	22%	\$249,000	\$236,000	-5%	\$229,000	\$234,000	2%
East Haddam	31	43	39%	123	169	37%	46%	53%	\$245,000	\$239,000	-2%	\$215,000	\$236,000	10%
East Lyme	54	60	11%	200	223	12%	1%	6%	\$299,000	\$275,000	-8%	\$215,000	\$280,000	30%
Essex*	27	38	41%	97	112	15%	53%	22%	\$365,000	\$340,000	-7%	\$382,000	\$399,000	4%
Groton	73	91	25%	285	384	35%	29%	45%	\$219,000	\$235,000	7%	\$225,000	\$226,000	0%
Guilford	76	92	21%	293	317	8%	20%	7%	\$367,000	\$365,000	-1%	\$360,000	\$350,000	-3%
Haddam	25	36	44%	94	130	38%	50%	43%	\$257,000	\$300,000	17%	\$256,000	\$264,000	3%
Killingworth	15	26	73%	69	107	55%	56%	26%	\$300,000	\$282,000	-6%	\$350,000	\$310,000	-11%
Lyme	11	14	27%	30	50	67%	-5%	12%	\$365,000	\$425,000	16%	\$485,000	\$438,000	-10%
Madison	57	68	19%	275	287	4%	37%	6%	\$385,000	\$369,000	-4%	\$403,000	\$403,000	0%
New London	38	43	13%	154	150	-3%	48%	5%	\$133,000	\$142,000	7%	\$134,000	\$139,000	4%
North Stonington	19	23	21%	81	81	0%	31%	7%	\$230,000	\$243,000	6%	\$233,000	\$230,000	-1%
Old Lyme	33	30	-9%	120	131	9%	-20%	-8%	\$370,000	\$350,000	-5%	\$215,000	\$340,000	58%
Old Saybrook	48	43	-10%	188	143	-24%	-7%	-31%	\$327,000	\$360,000	10%	\$355,000	\$360,000	1%
Stonington	51	50	-2%	236	206	-13%	8%	-11%	\$310,000	\$300,000	-3%	\$308,000	\$300,000	-3%
Waterford	59	65	10%	257	299	16%	36%	18%	\$205,000	\$220,000	7%	\$215,000	\$216,000	0%
Westbrook	30	29	-3%	95	87	-8%	-37%	-20%	\$340,000	\$254,000	-25%	\$311,000	\$275,000	-12%
CONDOMINIUMS														
THE SHORELINE	143	156	9%	634	626	-1%	17%	-2%	\$155,000	\$163,000	5%	\$165,000	\$164,000	-1%

*Includes Essex, Ivoryton and Centerbrook

Litchfield County



Historic Village Carriage House • Litchfield, CT • MLS: LI0188339

Litchfield County

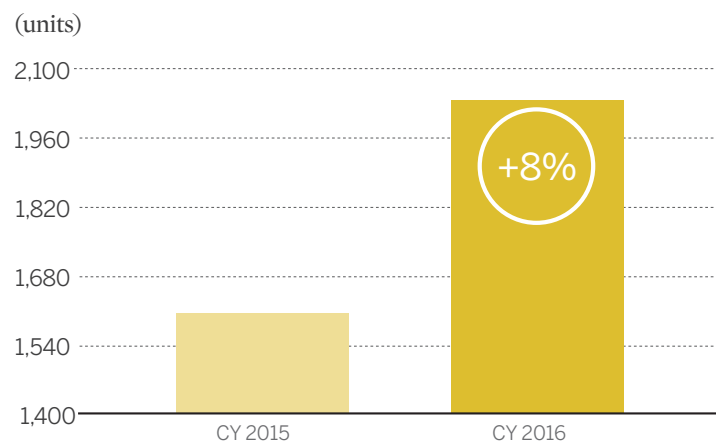
1 Litchfield County maintained a strong and steady pace through year's end.

Summer is the typical peak season for real estate in Litchfield County, and that was true in 2016, yet this year the summer never seemed to end. After a slower start to the year, sales picked up significantly in the late spring and then simply continued right on through the end of the year. Overall, the county finished 2016 approximately 8% higher than the calendar year of 2015 in unit sales, and 9% higher in dollar volume. We are also heading into 2017 with a significant contingent of pending sales under our belts, which should translate into a healthy first quarter in closings. The median sale price county-wide is a bit ahead of that of 2015, though this figure varies greatly from town to town. One place it is up dramatically is Warren, correlating with that town's tremendous year-over-year surge in dollar volume of 233%.

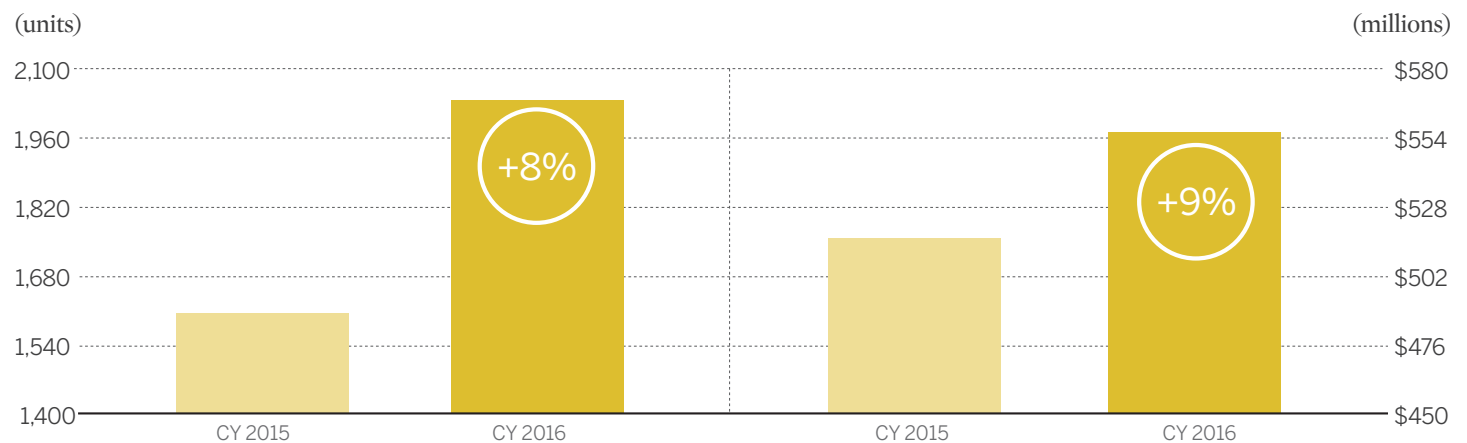
2 The \$1 to \$2 million price segment was on fire in 2016.

Analyzing the market by price segment, we see that the entry level \$400,000 and under sector continues to prove a highly desirable price range, and property sales from \$400,000 to \$1 million were also plenty consistent year over year. The real story is in the \$1 to \$2 million bracket, which experienced tremendous growth during the second half of the year. Closings in this category were 19% higher for the year than the calendar year of 2015. Nearly every town in the county had at least one sale of \$1 million or over, and Washington had 15, while Salisbury saw 14. These transactions included a number of land sales including one parcel that represents the highest land sale in six years in Lakeville and surrounding towns—an interesting recent trend suggesting that more buyers have become keen on building new rather than purchase an existing high end residence, according to Litchfield County brokerage manager Kristine Newell. And yet speaking of the high end, while sales above \$2 million were relatively quiet in 2016, even here we have observed several promising signs. According to Newell, our own company's pending sales above \$2 million in the fourth quarter were higher than they'd been all year, including a property designed by a major architect under contract for over \$3 million, a potentially record-breaking lakefront sale also north of \$3 million and a historic residence under contract for more than \$5 million. We are excited about this fascinating recent thawing in the high end, and what these sales portend for 2017.

Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



3 Inventory has tightened, reversing the recent norm.

We have become so accustomed to the surplus of inventory in Litchfield County that it comes as a welcome surprise that December's inventory decreased from the same time last year, dropping from approximately 2,000 residential listings to a little over 1,800. Inventory remains tight even with new listings entering the market, including several well-priced properties that have become available for the first time in many years and are drawing immediate interest. According to Newell, the decrease in inventory signals that properties that have been sitting on the market for a lengthy period are finally going into contract, an especially positive sign in the higher end.

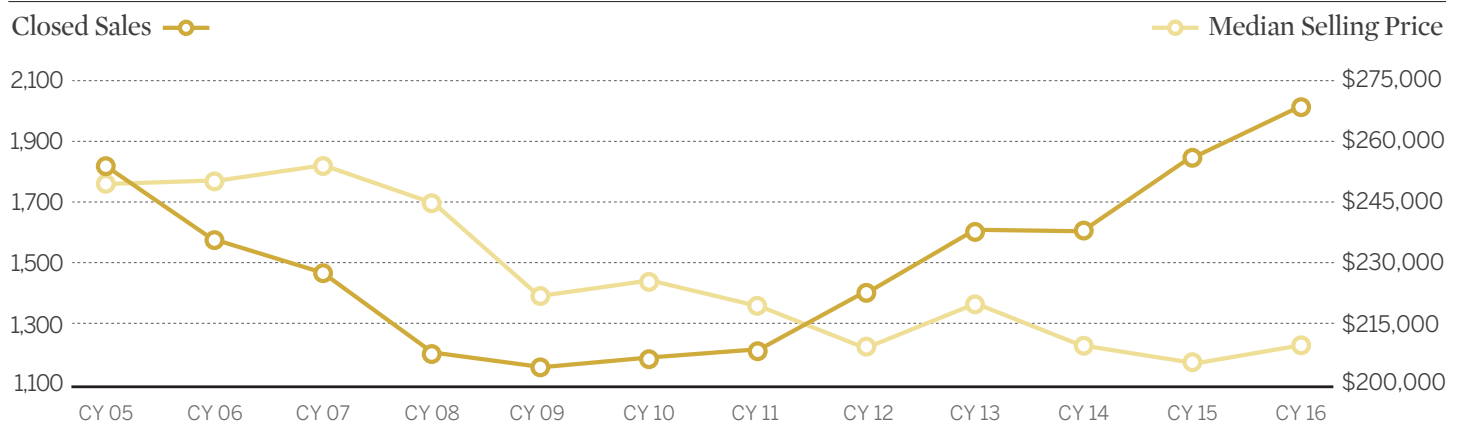
4 The properties presented in the best condition sell the fastest.

Most buyers don't want to have to complete any work before they move into their new home. As a result, the turnkey properties offered in mint condition are the most enticing, moving faster than the rest and often receiving multiple offers.

5 More New Yorkers are seeking to escape to the hills.

As we have been reporting all year, we have witnessed an influx of New Yorkers seeking out the unique lifestyle and value found in the Litchfield Hills, whether for a second or a primary residence. According to Newell, many of these purchasers, including a number of millennials, are choosing Litchfield County over other destinations such as the Hamptons due to its convenient travel distance from the city combined with its more relaxed atmosphere and cultural offerings. Newell's "Escape to the Hills" print, online and social media marketing campaign continues to target these buyers and invite them to discover the many special attributes of Litchfield County.

Single Family Homes 11-Year CY Sales



Single Family Homes Closed Sales by Price Point

PRICE POINT	CLOSED SALES	CLOSED SALES	% CHANGE	INVENTORY
	CY 2015	CY 2016	YOY	4Q AVERAGE
\$0 - \$399,999	1,590	1,736	9%	1,370
\$400,000 - \$749,999	202	193	-4%	415
\$750,000 - \$999,999	33	35	6%	140
\$1,000,000 - \$1,999,999	54	64	19%	43
\$2,000,000 - \$4,999,999	21	14	-33%	12
\$5,000,000+	0	1	N/A	0

TOWNS	QUARTERLY UNIT SALES			CY UNIT SALES			QUARTERLY DOLLAR VOLUME	CY DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
			% CHANGE			% CHANGE	% CHANGE	% CHANGE			% CHANGE			% CHANGE
	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016	4Q15 VS 4Q16	CY 2015 VS CY 2016	4Q15	4Q16	4Q15 VS 4Q16	CY 2015	CY 2016	CY 2015 VS CY 2016
SINGLE FAMILY														
LITCHFIELD COUNTY	506	503	-1%	1,884	2,035	8%	1%	9%	\$204,000	\$215,000	5%	\$208,000	\$213,000	2%
Barkhamsted	13	11	-16%	44	38	-14%	24%	-3%	\$199,000	\$258,000	30%	\$221,000	\$253,000	15%
Bethlehem	3	9	200%	32	37	16%	133%	11%	\$315,000	\$275,000	-13%	\$254,000	\$220,000	-13%
Bridgewater	8	6	-25%	22	22	0%	-33%	-10%	\$884,000	\$513,000	-42%	\$512,000	\$501,000	-2%
Canaan	8	5	-38%	27	23	-15%	-71%	-48%	\$190,000	\$170,000	-10%	\$140,000	\$128,000	-9%
Colebrook	7	5	-29%	17	23	35%	-39%	22%	\$244,000	\$241,000	-1%	\$216,000	\$206,000	-5%
Cornwall*	5	5	0%	17	25	47%	44%	16%	\$220,000	\$225,000	2%	\$165,000	\$298,000	81%
Goshen	14	16	14%	60	63	5%	49%	19%	\$333,000	\$346,000	4%	\$315,000	\$300,000	-5%
Harwinton	13	12	-7%	64	75	17%	-13%	18%	\$261,000	\$280,000	7%	\$219,000	\$250,000	14%
Kent, South Kent	10	9	10%	42	46	10%	-20%	25%	\$383,000	\$438,000	14%	\$286,000	\$333,000	16%
Litchfield, Milton	16	24	50%	84	92	10%	16%	9%	\$283,000	\$277,000	-2%	\$290,000	\$286,000	-1%
Morris	14	10	-29%	42	28	-33%	-31%	-12%	\$288,000	\$224,000	-22%	\$263,000	\$280,000	6%
New Hartford	29	16	-45%	89	62	-30%	-30%	-25%	\$223,000	\$281,000	26%	\$239,000	\$220,000	-8%
New Milford	44	45	2%	154	182	18%	2%	18%	\$318,000	\$303,000	-5%	\$280,000	\$256,000	-9%
Norfolk	8	8	0%	23	27	17%	25%	17%	\$265,000	\$338,000	28%	\$233,000	\$166,000	-29%
Plymouth	29	43	48%	113	144	27%	99%	30%	\$129,000	\$160,000	24%	\$159,000	\$148,000	-7%
Roxbury	14	10	-29%	40	29	-28%	-12%	-21%	\$540,000	\$511,000	-5%	\$585,000	\$484,000	-17%
Salisbury	13	13	0%	43	63	47%	-33%	10%	\$424,000	\$390,000	-8%	\$550,000	\$400,000	-27%
Sharon	13	19	46%	50	55	10%	32%	-11%	\$290,000	\$320,000	10%	\$284,000	\$331,000	17%
Thomaston	25	18	-28%	77	66	-14%	-17%	-7%	\$188,000	\$212,000	13%	\$166,000	\$171,000	3%
Torrington	90	97	8%	338	384	14%	2%	17%	\$135,000	\$129,000	-5%	\$123,000	\$111,000	-10%
Warren	6	7	17%	17	26	53%	118%	233%	\$300,000	\$525,000	75%	\$275,000	\$340,000	24%
Washington**	16	9	-44%	51	49	-4%	36%	17%	\$363,000	\$632,000	74%	\$459,000	\$440,000	-4%
Watertown	55	49	-11%	234	236	1%	-2%	2%	\$182,000	\$180,000	-1%	\$191,000	\$192,000	1%
Winchester	23	27	17%	104	121	16%	10%	15%	\$140,000	\$155,000	11%	\$132,000	\$135,000	2%
Woodbury	30	30	0%	100	119	19%	-16%	12%	\$317,000	\$302,000	-5%	\$306,000	\$276,000	-10%
CONDOMINIUMS														
LITCHFIELD COUNTY	72	71	-1%	265	292	10%	4%	9%	\$102,000	\$97,000	-5%	\$100,000	\$101,000	1%

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

Southern Berkshire County



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Southern Berkshire County

1 It was a fantastic year for real estate in the Southern Berkshires.

Southern Berkshire County experienced an outstanding year in sales, opening 2016 with a tremendous first quarter before settling into a healthy market that consistently saw gains each quarter over the prior year's same period. By the end of the year the market stood 12% higher than the calendar year of 2015 in unit sales, and 8% higher in volume. Property sales under \$550,000, a segment that includes mainly primary rather than second homes, were the main market driver, representing approximately 83% of all closed sales for the entire year. By the end of the year we also witnessed the twelve-month median sale price decline, a difference from what we saw in the third quarter, where it was up compared to the same time in 2015. We additionally reported last quarter that property sales in the Southern Berkshires typically achieve around 90% of their list price, an indicator of a highly price-driven market that held true in the fourth quarter as well.

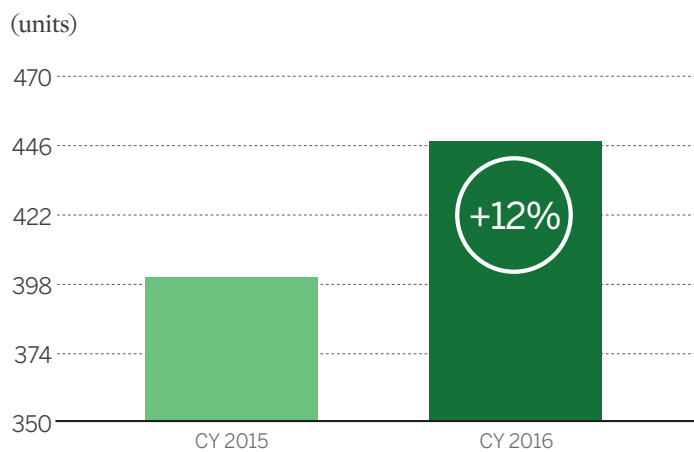
2 The fourth quarter saw a huge surge in the \$550,000 to \$750,000 range.

If the hottest price segment in 2016 was under \$550,000, the most popular sector suddenly shifted at the end of the year. The next price level up, \$550,000 to \$750,000, previously a relatively quiet market, absolutely surged in the fourth quarter. According to Great Barrington assistant brokerage manager Timothy Donnelly, this particular price range currently offers the best value to be found in the Berkshires as many of these properties initially were listed for much higher, but after sitting on the market for an extended period have finally come down to a more appropriate price point. Buyers are snapping these homes off the shelves now, often as a direct result of their significant price reductions.

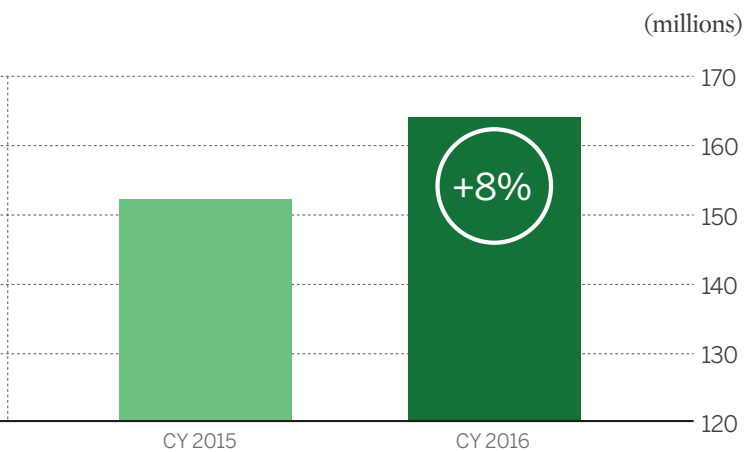
3 There is renewed activity in the upper end.

Those higher price segments over the \$750,000 mark did not experience the same gains in 2016 as the lower segments, and yet at the tail end of the year our Berkshires agents started to report rising interest in the high end. Although all price segments over \$750,000 appear to remain challenged on paper, increased inquiries on these properties is an enormously positive sign that the recently dormant luxury market may begin to stir in 2017.

Single Family Homes Closed Sales



Single Family Homes Closed Dollar Volume



4 Pending sales are up since last year, indicating a strong quarter one for 2017.

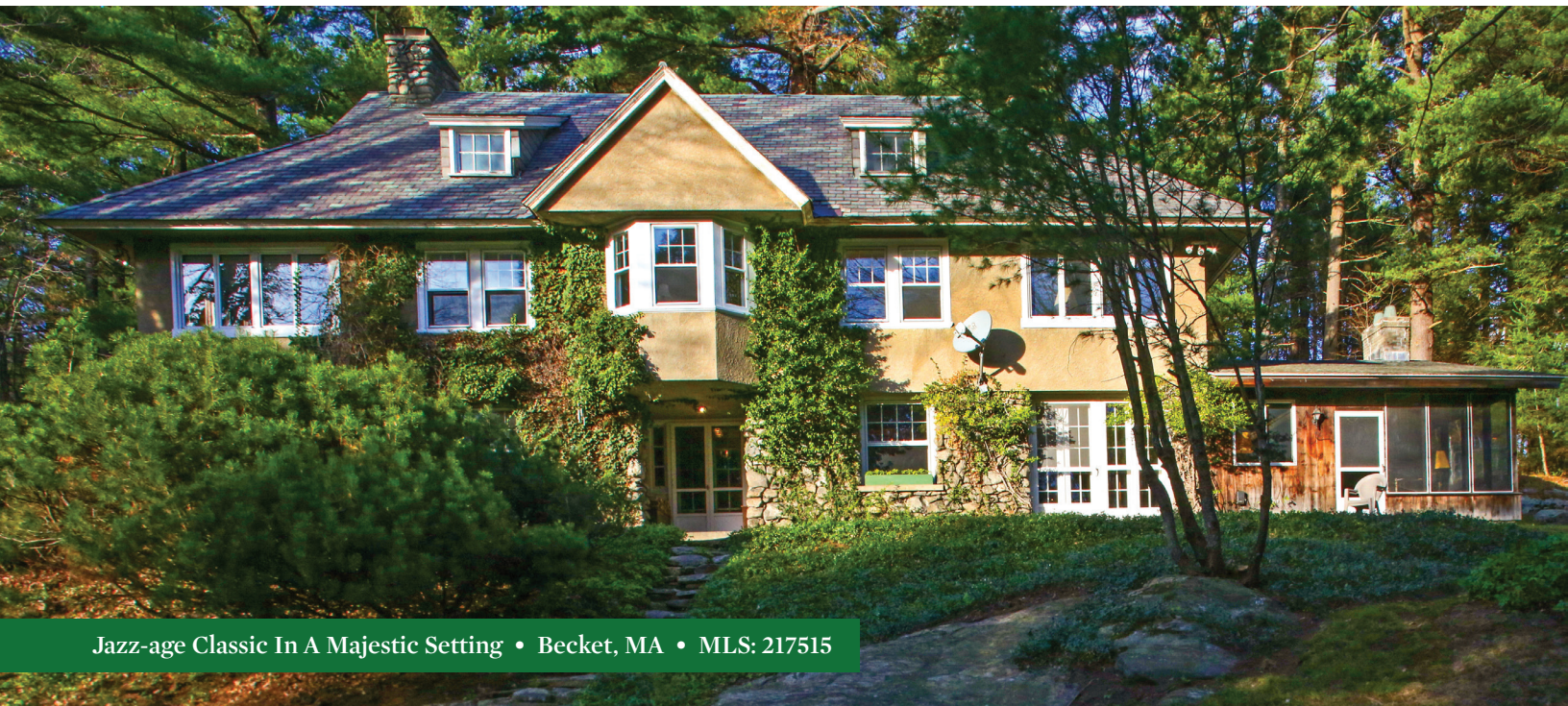
Looking ahead, we are optimistic that the booming sales activity in the Berkshires will continue well into next year. The number of properties currently under contract represents a 16% increase over the fourth quarter of 2015—and considering the substantial first quarter we had in 2016, this growth in pending sales points to a robust first quarter for 2017 indeed. And with new inventory expected to come to the market around March, the usual early spring listing season, we see no reason the momentum will slow anytime soon.

5 With sales on the rise, inventory continues its downward trend.

Across the northern and southern counties alike, inventory continues to decrease, with total active listings in the Southern Berkshires for the fourth quarter approximately 19% lower than the same period of 2015. New listings, too, are below what they were at this time last year, perhaps due to hesitancy on the part of some sellers to list in such a price-driven market, suggests Donnelly.

Single Family Homes Closed Sales by Price Point

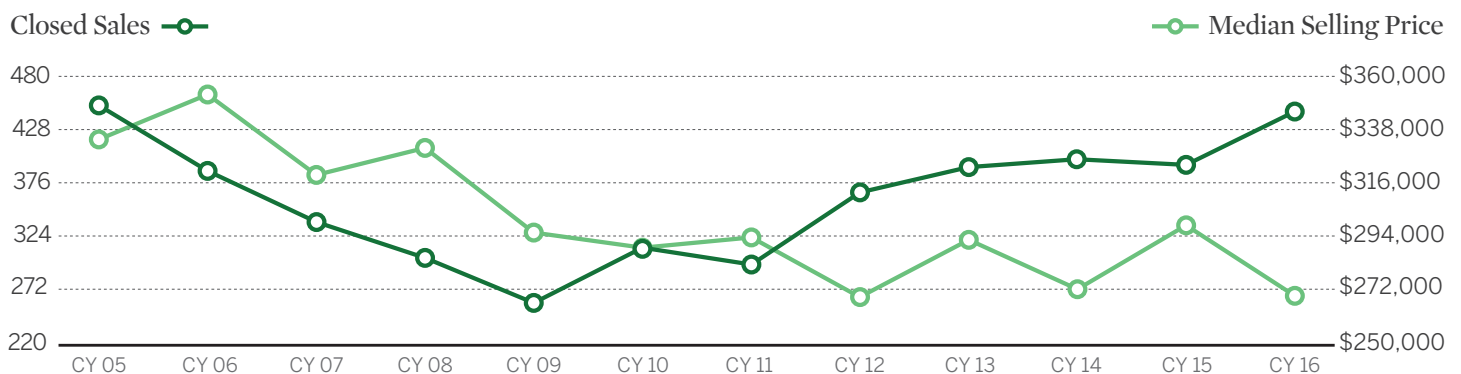
PRICE POINT	CLOSED SALES	CLOSED SALES	% CHANGE	INVENTORY
	CY 2015	CY 2016	YOY	4Q AVERAGE
\$0 - \$399,999	267	320	20%	394
\$400,000 - \$749,999	90	100	11%	207
\$750,000 - \$999,999	18	21	17%	61
\$1,000,000 - \$1,499,999	13	13	0%	40
\$1,500,000+	12	7	-42%	8



Jazz-age Classic In A Majestic Setting • Becket, MA • MLS: 217515

TOWNS	QUARTERLY UNIT SALES			CY UNIT SALES			QUARTERLY DOLLAR VOLUME	CY DOLLAR VOLUME	QUARTERLY MEDIAN SELLING PRICE			TWELVE MONTH MEDIAN SELLING PRICE		
	4Q15	4Q16	% CHANGE	CY 2015	CY 2016	CY 2015 VS CY 2016	% CHANGE	CY 2015 VS CY 2016	4Q15	4Q16	% CHANGE	CY 2015	CY 2016	CY 2015 VS CY 2016
			4Q15 VS 4Q16				% CHANGE				4Q15 VS 4Q16			
SINGLE FAMILY														
SOUTHERN BERKSHIRE COUNTY	106	120	13%	400	447	12%	-5%	8%	\$395,000	\$398,000	1%	\$299,000	\$270,000	-10%
Alford	4	3	-25%	11	8	-27%	1%	-45%	\$695,000	\$796,000	15%	\$584,000	\$612,000	5%
Becket	18	18	0%	53	56	6%	-20%	15%	\$270,000	\$255,000	-6%	\$170,000	\$241,000	42%
Egremont	6	4	-33%	21	28	33%	-7%	62%	\$595,000	\$4,950,000	-17%	\$348,000	\$445,000	28%
Gt. Barrington	10	10	0%	59	71	20%	-39%	-3%	\$437,000	\$449,000	3%	\$294,000	\$307,000	4%
Lee	8	11	38%	39	45	15%	12%	10%	\$263,000	\$292,000	11%	\$212,000	\$215,000	1%
Lenox	11	16	46%	44	42	-5%	-3%	-14%	\$512,000	\$475,000	-7%	\$375,000	\$313,000	-17%
Monterey	7	3	-57%	17	23	35%	-87%	16%	\$413,000	\$240,000	-42%	\$370,000	\$470,000	27%
Mt. Washington	1	1	0%	4	7	75%	-21%	145%	\$650,000	\$590,000	-9%	\$193,000	\$295,000	53%
New Marlborough	4	10	150%	25	26	4%	44%	-20%	\$400,000	\$575,000	44%	\$335,000	\$255,000	-24%
Otis	12	10	-17%	31	32	3%	4%	-6%	\$279,000	\$295,000	6%	\$299,000	\$225,000	-25%
Richmond	8	11	38%	22	33	50%	17%	46%	\$298,000	\$285,000	-4%	\$330,000	\$282,000	-15%
Sandisfield	5	8	60%	17	23	35%	238%	98%	\$196,000	\$248,000	26%	\$245,000	\$274,000	12%
Sheffield	6	6	0%	34	31	-9%	-45%	-18%	\$247,000	\$258,000	4%	\$276,000	\$260,000	-6%
Stockbridge	7	7	0%	28	28	0%	-49%	11%	\$400,000	\$325,000	-19%	\$400,000	\$387,000	-3%
Tyringham	1	2	100%	5	5	0%	100%	-41%	\$315,000	\$315,000	0%	\$460,000	\$270,000	-41%
West Stockbridge	5	7	40%	13	22	69%	198%	134%	\$495,000	\$499,000	1%	\$302,000	\$423,000	40%
CONDOMINIUMS														
SOUTHERN BERKSHIRE COUNTY	19	13	-32%	130	110	-15%	-38%	-37%	\$335,000	\$233,000	-30%	\$325,000	\$309,000	-5%

Single Family Homes 11-Year CY Sales



Where We Are Headed



Four Stone Chimney's Of Edgehill Farm • Roxbury, CT • MLS: L10167292

A sound economy brings with it more jobs, lower unemployment, stable income and above all for real estate, high consumer confidence. The late 2016 rate hike imposed by the Federal Reserve, the expectation that as many as three more increases may occur next year, the recent economic growth and the currently soaring levels of consumer confidence are all signs that our economy is in excellent shape, and this is the foundation for a healthy real estate market.

We are in an excellent position to take full advantage of the current climate given our unique market location. The communities we service are among the most sought after anywhere in the country, offering close proximity to New York City as well as a desirable suburban lifestyle with highly rated public schools, outstanding cultural amenities and beautiful rural environs. These aspects are not likely to ever change.

There are a few points to keep in mind as we move forward. Homes that are presented in turnkey, move-in ready condition and are priced well are still the ones that sell the fastest, a trend that has held true for some time now and will almost certainly continue. In certain markets, other factors such as walkability and close to town are also key to a property's salability. In addition, today's buyer is an educated buyer, with virtually unlimited resources at their fingertips, and they come into the marketplace as knowledgeable as possible. With this in mind, it is important to realize that buyers will only pay what they perceive to represent the fair market value of a property. More and more, we are seeing sellers in the higher price ranges recognize this reality and come into line with buyer expectations, often prompting a successful sale.

Overall it was a fantastic year for our markets, and we are feeling highly optimistic as we embark on a new year. We at William Pitt and 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.