

## IN THE REGION/Westchester

## High-End Sales Canter; Prices Walk

By ELSA BRENNER

**I**N Westchester, well known for its pricey homes and estates in sought-after locales like Bedford and Chappaqua, many buyers and sellers are wondering whether the high-end sector of the real estate market is rebounding — or still mired in the downturn that took hold two years ago and has been slow to let go.

The answer is some of both, market watchers say.

Comparing this April with last, the New York State Association of Realtors reported a 60 percent jump in the number of single-family home sales, to 284, with 18 percent selling for \$1 million or more. That is an improvement, if far under the highs reached in 2005, 2006 and 2007, when sales of a million dollars and over represented more than 30 percent of all single-family transactions, according to the group's statistics. In 2007, 418 single-family homes sold for \$1 million or more. The next year that number was down to 214, and last year it fell to 154.

Also in April, the median sales price of a single-family home in the county finally reversed its free fall and rose to \$590,000, according to the real estate group. That compares with \$532,000 in the first quarter of 2009 and \$635,000 for the first quarter of 2007. The increase in the median — the number at the middle, with half of sales higher and half lower — is a direct reflection of more sales at the high end, the association said.

One factor contributing to the uptick is a more-vigorous market for co-ops and condominiums in Manhattan, which in turn is “stirring the luxury market here,” said P. Gilbert Mercurio, the chief executive of the Westchester-Putnam Association of Realtors and the Westchester-Putnam Multiple Listing Service. Buyers relocating from New York City generally make up about a quarter of Westchester's sales activity, he said.

In the current market, well-heeled bargain-hunters are focusing on properties that languished last year and as a result have undergone significant price cuts, said Robert Kesten, a sales agent with Vincent & Whittemore Real Estate in Bedford. At the



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**WATER, WATER**  
55 Major Lockwood Lane, Bedford, is listed at \$3.625 million. Two years ago the tag might have read \$5 million.

same time, because competition among sellers is stiff and because there is an excess of inventory, even upscale houses that are new to the market are priced far lower than they would have been several years ago.

As an example, Mr. Kesten cited a Bedford contemporary with four bedrooms and four-and-a-half baths on six acres, with a pool, a tennis court and a private lake, listed for \$3.625 million. “Two years ago,” he said, “that property would have been

listed for \$5 million, easily.”

These days, there is a contingent of buyers, financial types among them, who are able to pay cash and thus are relatively immune to the vagaries of the market, Mr. Kesten said, adding, “Those are the ones who can seriously close a deal.”

But even with reduced prices and an infusion of new buyers, many houses remain unsold for a long time, which is why an argument can be made that the recession still has a firm grip on

the market. The 6,568 units for sale at the end of the first quarter was 4 percent greater than last year at that time, and 11 percent greater than in 2008, according to the Westchester-Putnam Realtors' association.

Some of the increase in inventory is caused by homeowners who perceive conditions to be improving. Other sellers, feeling the persistent pain of a slow economy, sell because they can no longer afford to maintain an expensive property.

The inventory glut has prompted the expansion of a previously Manhattan-centric auction company called Bid on the City, which is seeking to siphon off the excess in Westchester and the Hamptons as well.

Vlad Sapozhnikov, one of the service's founders, said that from his perspective, the housing market “remains under massive stress.” He describes Bid on the City as “the new eBay for real estate.”

Anxious owners sometimes list their house with an agency and also put it up for bid with Mr. Sapozhnikov's company.

Live bidding takes place in Bid on the City's 4,000-square-foot headquarters on Fifth Avenue. Bids can also be made online with video and audio streamed in real time.

In Scarsdale, Ed Ferguson, a senior vice president for Westchester of Julia B. Fee Sotheby's International Realty, said he was skeptical of Bid on the City. “We're watching to see if it works,” he said, citing his concern that the bidding service could force prices to drop even further.

In the words of Mark J. Seiden, a broker-owner in Briarcliff Manor, a “market valuation crush” at the top end is compressing prices all down the line. For example, what used to be a \$1.2 million house in Chappaqua can now be had for \$899,000.

Left to the effects of supply and demand, Mr. Ferguson predicted, the market will recover, albeit “ever so slowly.”

“The numbers indicate that buyer demand is improving, that the market is coming back,” he added. “But the recovery is still in the early stages and therefore still vulnerable.”