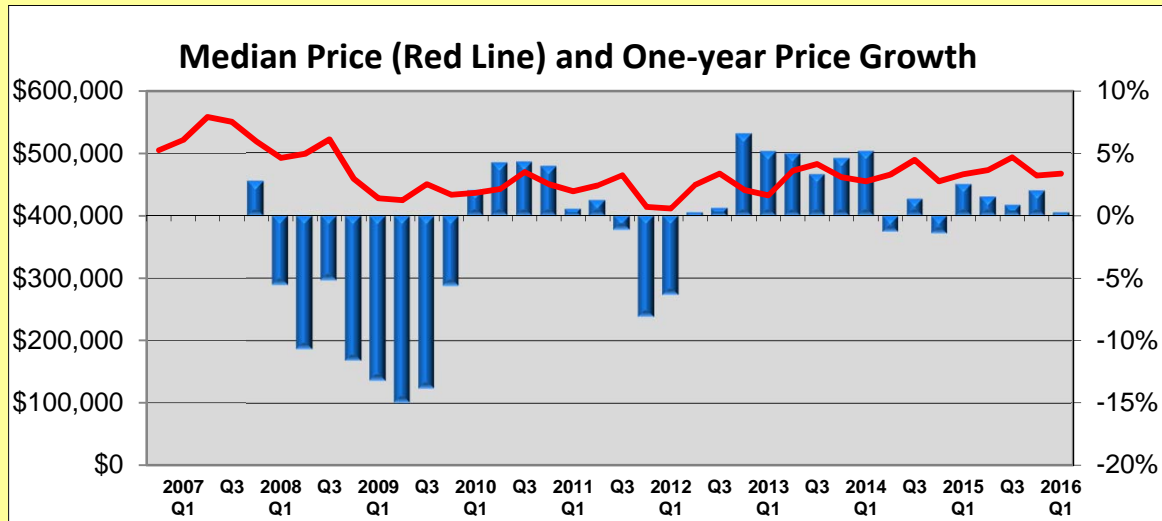


New York-Wayne-White Plains Area Local Market Report, First Quarter 2016

Today's Market...



Local Price Trends			
Price Activity	New York	U.S.	Local Trend
Current Median Home Price (2016 Q1)	\$467,900	\$215,767	Prices are up from a year ago, but price growth is slowing
1-year (4-quarter) Appreciation (2016 Q1)	0.3%	6.1%	
3-year (12-quarter) Appreciation (2016 Q1)	8.1%	22.6%	
3-year (12-quarter) Housing Equity Gain*	\$35,100	\$39,833	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	\$39,800	\$48,200	
9-year (36 quarters) Housing Equity Gain*	-\$53,500	\$1,667	

*Note: Equity gain reflects price appreciation only

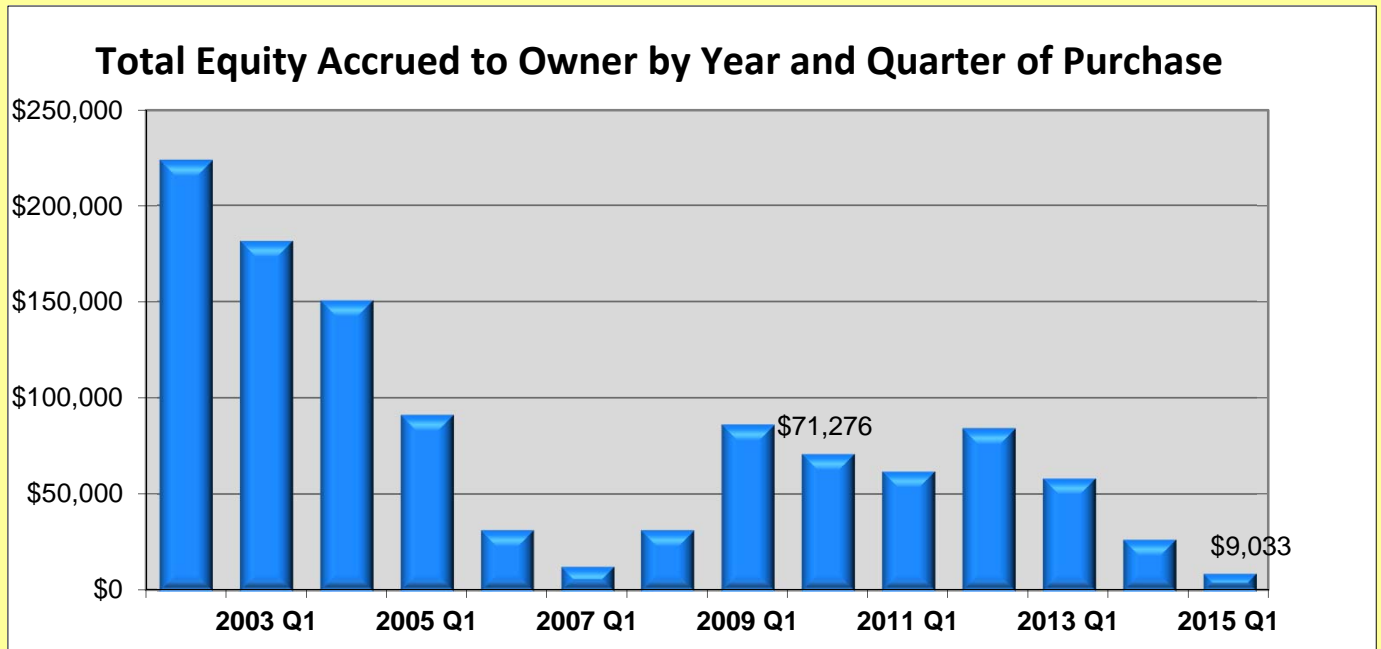
	New York	U.S.	
Conforming Loan Limit**	\$625,500	\$625,500	Most buyers in this market have access to government-backed financing
FHA Loan Limit	\$625,500	\$625,500	
Local Median to Conforming Limit Ratio	75%	not comparable	

Note: limits are current and include the changes made in November of 2012 and extended in November of 2013

Local NAR Leadership

The New York-Wayne-White Plains market is part of region 2 in the NAR governance system, which includes all of New York, New Jersey, and Pennsylvania. The 2016 NAR Regional Vice President representing region 2 is Bette McTamney.

Benefits of Ownership: Total Equity Appreciation



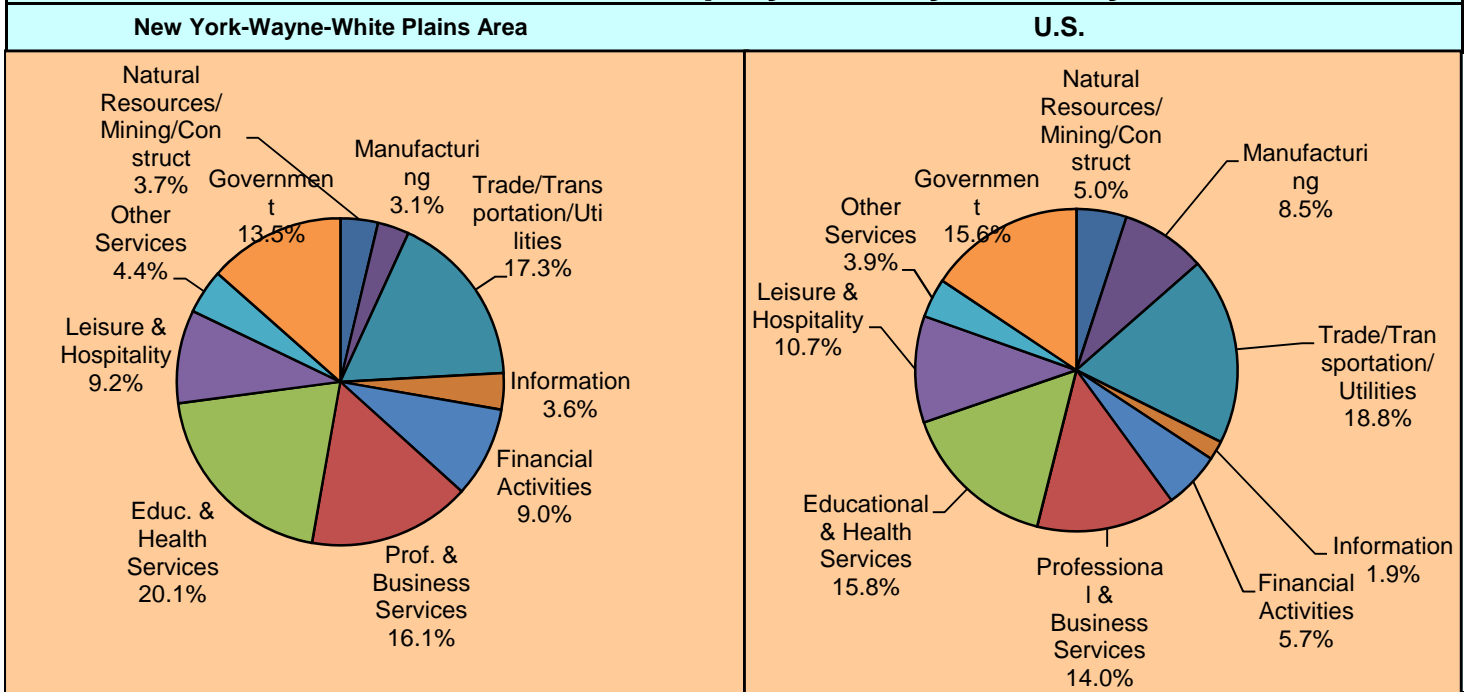
Total Equity Gained** through 2016 Q1 from quarter in which home was of purchased			
Price Activity	NewYorkWp	U.S.	Local Trend
1-year (4-quarter)	\$9,033	\$15,781	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$58,526	\$49,356	
5-year (20-quarter)*	\$62,238	\$68,727	
7-year (28 quarters)*	\$86,596	\$59,758	
9-year (36 quarters)*	\$12,681	\$16,435	
If purchase in 2005, the national price peak	\$91,485	\$30,059	

*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

Drivers of Local Supply and Demand...

Local Economic Outlook	New York	U.S.	
12-month Job Change (Mar)	159,800	Not Comparable	Employment has held up and is on an upward trend
12-month Job Change (Feb)	149,800	Not Comparable	
36-month Job Change (Mar)	479,800	Not Comparable	New York's unemployment rate lags the national average, but has improved relative to the same period last year
Current Unemployment Rate (Mar)	5.3%	5.0%	
Year-ago Unemployment Rate	5.9%	5.5%	Local employment growth is strong compared to other markets
1-year (12 month) Job Growth Rate	2.4%	2.0%	

Share of Total Employment by Industry



12-month Employment Change by Industry in the New York-Wayne-White Plains Area (Mar - 2016)

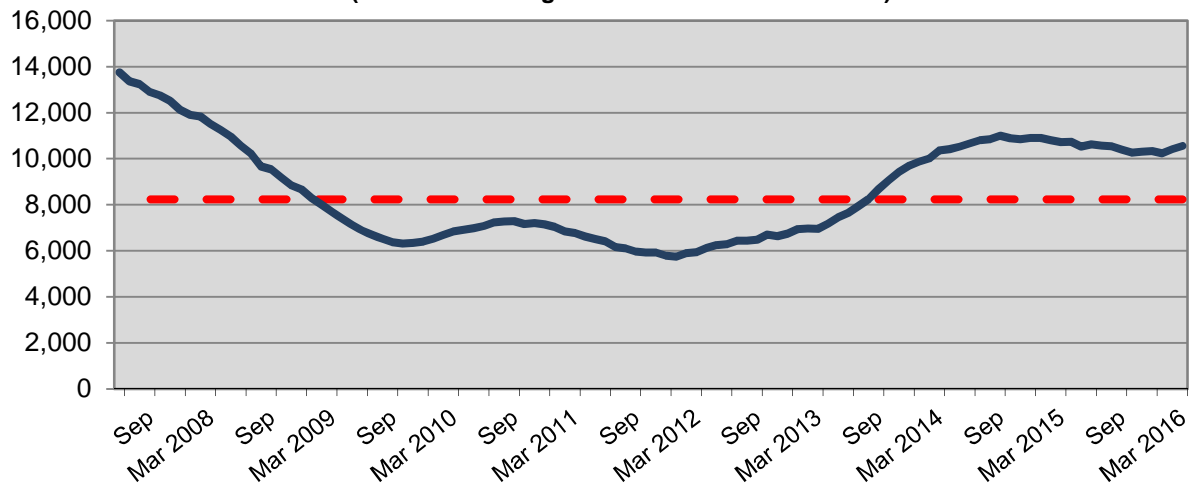
Goods Producing	NA	Information	5,100
Natural Resources/Mining/Construction	23,100	Financial Activities	8,300
Natural Resources and Mining	NA	Prof. & Business Services	33,800
Construction	NA	Educ. & Health Services	45,800
Manufacturing	1,300	Leisure & Hospitality	11,800
Service Providing Excluding Government	NA	Other Services	9,300
Trade/Transportation/Utilities	10,100	Government	11,200

State Economic Activity Index	New York	U.S.	
12-month change (2016 - Mar)	3.5%	3.1%	New York's economy is stronger than the nation's, but slowed from last month's 3.70% change
36-month change (2016 - Mar)	12.8%	10.5%	

New Housing Construction

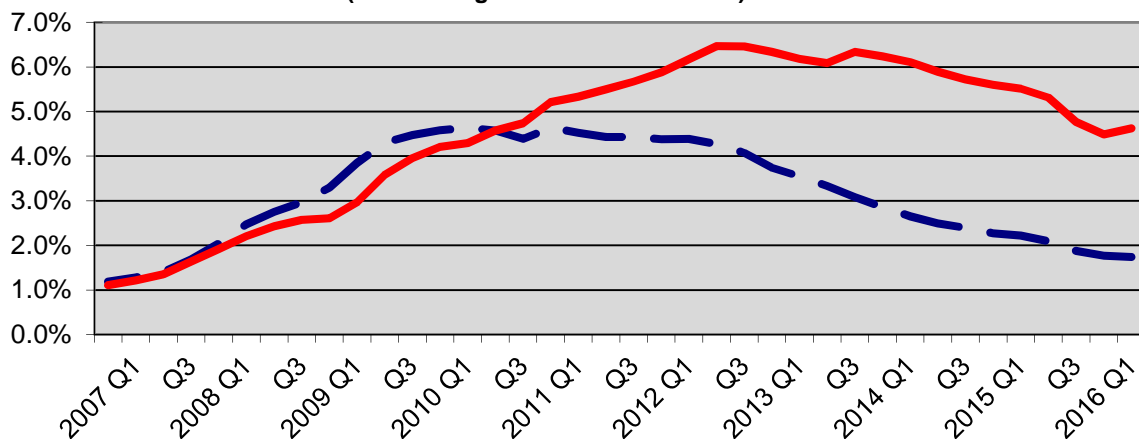
Local Fundamentals	New York	U.S.	
12-month Sum of 1-unit Building Permits through Mar 2016	10,548	not comparable	The current level of construction is 28.1% above the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	8,231	not comparable	Production above trend for an extended period of time could cause prices to moderate as inventory is built
Single-Family Housing Permits (Mar 2016) 12-month sum vs. a year ago	-1.7%	11.3%	Construction is down from last year, but appears to have bottomed.

Construction: 12-month Sum of Local Housing Permits
(Historical Average Shown in Red Dashed Line)



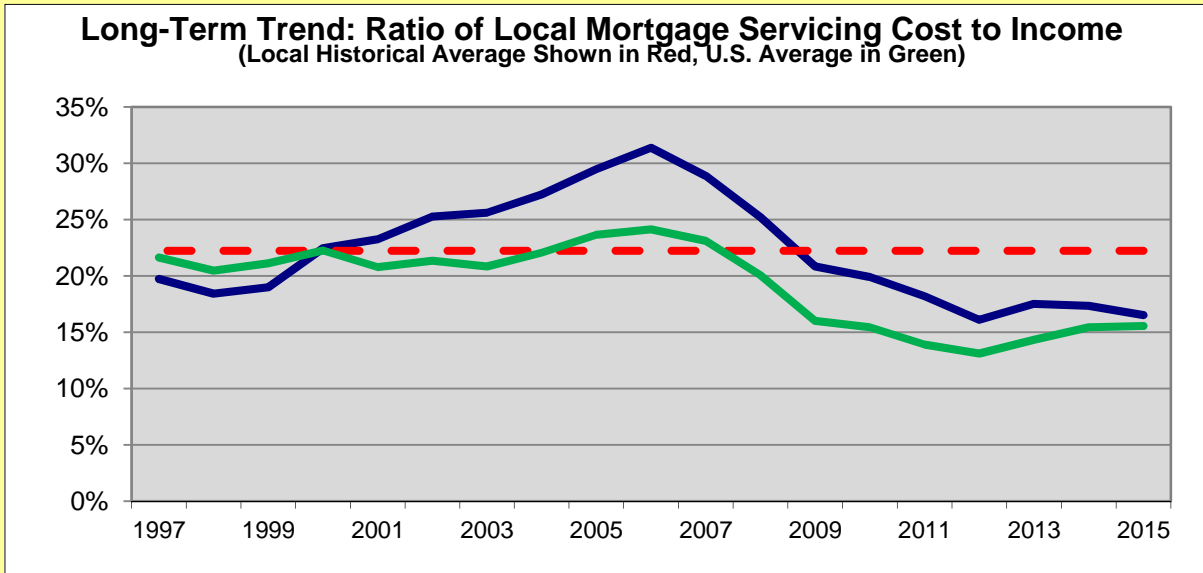
While new construction is the traditional driver of supply in real estate, foreclosures and short-sales now have a strong impact on inventories, particularly at the local level. Rising inventories, through construction or distressed sales, place downward pressure on the median home prices.

State Total Foreclosure Rate vs. U.S. Average
(U.S. Average in Blue Dashed Line)

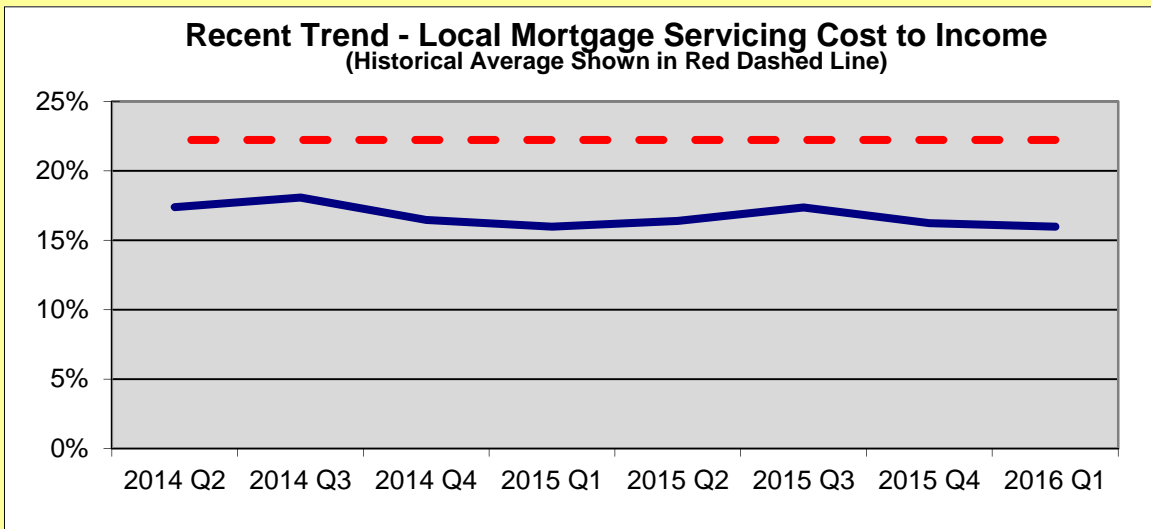


Source: Mortgage Bankers' Association

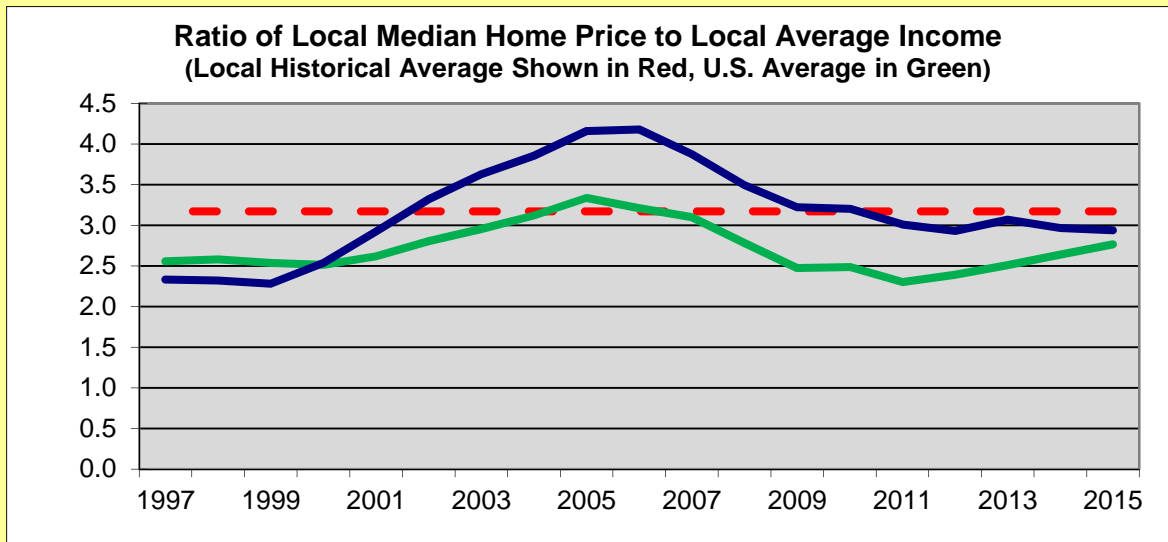
Affordability



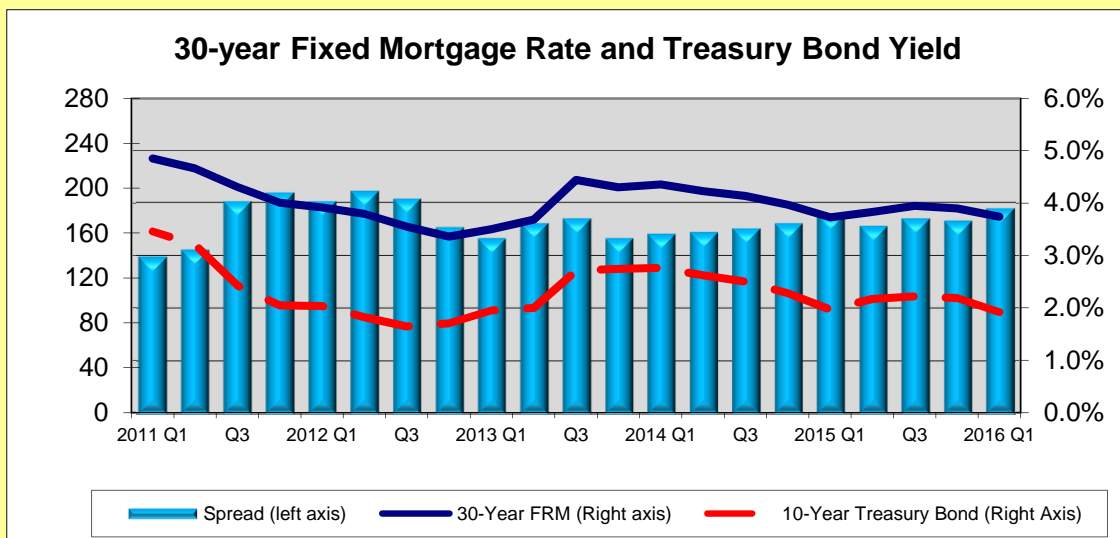
Monthly Mortgage Payment to Income	New York	U.S.	
Ratio for 2015	16.5%	15.6%	Historically strong and an improvement over the fourth quarter of 2015
Ratio for 2016 Q1	16.0%	14.5%	
Historical Average	22.2%	19.5%	Weaker affordability than most markets



Median Home Price to Income	New York	U.S.	
Ratio for 2015	2.9	2.8	The price-to-income ratio rose, but is better than the historic average
Ratio for 2016 Q1	2.9	2.6	
Historical Average	3.2	2.7	Less affordable than most markets

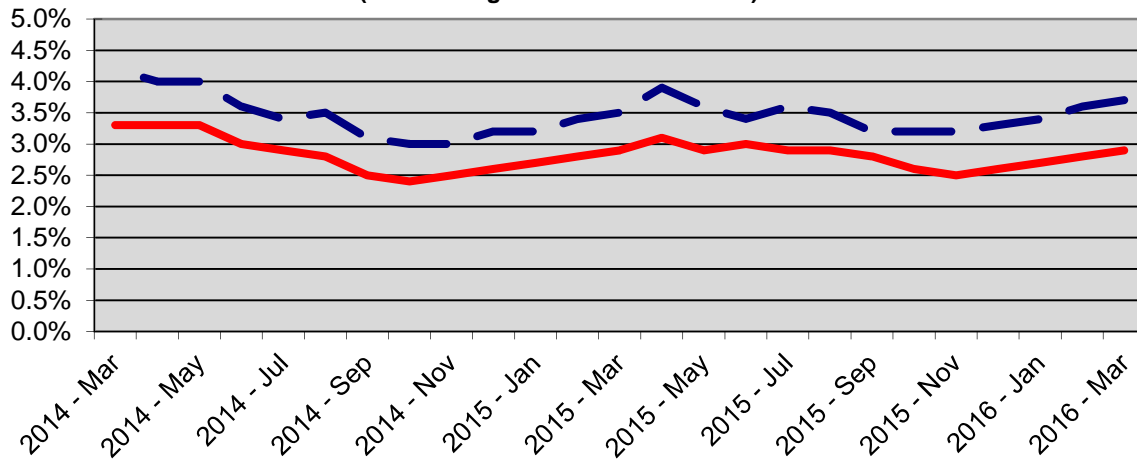


The Mortgage Market



The first quarter of 2016 was marked by paroxysms in financial, energy, and commodity markets. The uncertainty in China and the emerging-market economies, the gathering doubt about the sustainability of the modern European project, and weakness in domestic growth were the issues of the early days of 2016. With regard to the mortgage market, the year began after the FED started its tightening cycle with the first rate hike this past December. However, since the start of the year mortgage rates have dropped as the FED held off on expected rate hikes. The 30-year fixed-rate mortgages eased from 3.9 percent in the 4th quarter of 2015 to 3.7 percent in the first quarter of 2016. The 10-year Treasury fell to 1.92 percent which is the lowest rate after Q4 2012. Rates are likely to remain low through the spring as the market deals with international instability and mixed signals for the domestic economy. NAR is now forecasting fewer rate hikes by the FED in 2016 and as a result the 30-year fixed rate mortgage is now expected to average just 4.3 percent for 2016."

REALTOR® Price Expectations for the Next 12 Months (U.S. Average in Blue Dashed Line)



Source: NAR

REALTOR® Price Expectations	New York	U.S.	
2016 - Apr	3.1%	3.8%	REALTORS® expect weaker price growth in New York than in the U.S. in the next 12 months. Their price expectations for the local market remained at the same level as a year ago.
Prior 12 months	3.1%	3.9%	



Geographic Coverage for this Report

The New York area referred to in this report covers the geographic area of the New York-Wayne-White Plains metro area as officially defined by the Office of Management and Budget of the U.S. Government. The official coverage area includes the following counties:

Bergen County, Hudson County, Passaic County, Bronx County, Kings County, New York County, Putnam County, Queens County, Richmond County, Rockland County, and Westchester County

More information on the OMB's geographic definitions can be found at http://www.whitehouse.gov/omb/inforeg_statpolicy/