

Westchester for the Win

With convenient access to Manhattan and abundant amenities, this county is a no-brainer for real estate

by Kelly Bryant

If you ask Debbie Doern, senior vice president of sales with Houlihan Lawrence, there's never a bad time to buy in New York's Westchester County.

"It's such a desirable county," Doern says. "There have been very few times over the years when Westchester has actually been a buyer's market. In fact, we're in an extreme seller's market right now, and as long as sellers price their houses judiciously, without reaching for the stars too much, they are in control."

Inventory in the area remains tight, even with the pandemic homebuying frenzy in the rearview mirror. It's tying up prospective sellers because they themselves are unsure where they'll land if they list their current property.

However, Doern sees some flickers of hope that the Westchester market will return to a slightly more balanced state, even if it continues to favor the seller. In part because she's seeing seasonality play out again, something that was missing in 2021 and 2022 with the pandemic surge.

"Summer is a slower time in real estate for a variety of reasons," Doern says. "Kids are off from school, people are taking vacations. And then, after Labor Day, we tend to see an uptick in inventory from anyone who may have waited to list over the summer."

LIMITING FACTORS

In Westchester's coastal city of Rye, roughly 25 miles from Manhattan, Christy Murphy shares a similar view of the market. A real estate broker with Julia B. Fee Sotheby's International Realty, the only thing hindering Murphy's ability to sell more homes is that there simply isn't enough supply.

Not even those rising interest rates are abating the demand for Westchester real estate. However, they are making sellers a bit wary of listing, another factor contributing to low inventory.

"For sellers, staging, painting and prepping homes are all still necessary to get top price. This is critical at any price range. Sellers have been married to their interest rates and don't want to give up the low rates they obtained in the last couple of years," Murphy says. "But we do encourage them to look beyond the rates because the house is actually the more important consideration. Mortgages can be refinanced. We like to say, 'You marry the house, you date the interest rate.' The thought is to get buyers and sellers to see the bigger picture."

In addition to those interest rate ties, there's very little unused land in Westchester County, particularly in the southern region. As a result, there's no place to create more inventory.

"Most of our builders are looking for a property with a tear down to build something new," Murphy says. "So then we have three groups of buyers vying for those same entry-level sort of properties: builders, first-time homebuyers and empty nesters. It's a competitive market and builders have to pay up to get those properties. In turn, the house they build will be a more expensive home, which can be out of reach for a first-time buyer."

CREATING SPACE

Despite Westchester's inventory hurdles, both Doern and Murphy maintain an optimistic outlook on their market.

For the buyers who are still paying above listing price for a home, Murphy feels certain the investment will pay off in the long run. "I always say you really want a location that will hold its value, and you'll find that here," she shares. "We do find some buyers have had to pay more than they would have historically. But if they buy for a location and invest in that location, they are more likely to recoup their purchase price and the improvements they make on that home."

Sellers on the fence about listing may need a little reassurance they will have a place to live if their home sells in a flash. Doern points to the many rental buildings available for the interim in Westchester. While the idea of moving twice may not be ideal, she says that's the purpose of these properties.

"They may not want to be in a rental long term, but these buildings work particularly well as a transition period for a downsizer," Doern says. "If there's any time to sell a property, it doesn't get any better than right now. There's so much demand and so little inventory. If a seller puts a property on at a fair price, they will realize a really nice return. And that may be worth living in a rental until they find a more permanent home."

But in the end, she thinks Westchester is worth the obstacles. Because while their market has ups and downs like any other, from Doern's 30-plus year career experience, their ups are often higher while their downs less unfavorable.

"We tend to recover better, sooner because of our desirability and proximity to the city," Doern states. "Westchester is a unique market in that way."



PHOTO COURTESY OF HOULIHAN LAWRENCE

In Rye, a 3,981-square-foot colonial home sits pristinely in the town's Indian Village community at 60 Mendota Avenue. The five-bedroom, five-bath property is zoned for highly rated public schools, another Westchester County draw. It's listed at \$2.53 million.



PHOTO COURTESY OF CHRISTY MURPHY/JULIA B. FEE SOTHEBY'S INTERNATIONAL REALTY

In a post-pandemic market, amenities like pools, guest houses and ample outdoor space are still in demand. Buyers want the ability to enjoy indoor-outdoor living while the weather permits.



PHOTO COURTESY OF CHRISTY MURPHY/JULIA B. FEE SOTHEBY'S INTERNATIONAL REALTY

While Westchester's real estate market experiences highs and lows as others do, agents and brokers agree it is quicker to recover when the industry takes a dip. Why? With the area's stellar schools and proximity to Manhattan, Westchester is nearly always a seller's market.



PHOTO COURTESY OF CHRISTY MURPHY/JULIA B. FEE SOTHEBY'S INTERNATIONAL REALTY

Home inventory is still limited, in part because there is little-to-no land left in Westchester for a new build. Instead, developers must compete with homebuyers for properties they can tear down to then create something new.

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