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New York State Consumer Real Estate Sentiment Scores

2nd Quarter 2012

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For data summary, or charts, visit www.siena.edu/sri

Real Estate Tide is Turning; Overall Market Appraisal Best in 10 Quarters
NYC Leads the Way; City Residents See Real Estate Moving Towards Win-Win
Tough Time to Sell Continues but Buyer Advantage Shrinking

Loudonville, NY -- “Current consumer sentiment towards the real estate market continued to improve statewide this quarter and has reached its highest point over the ten quarters Siena has measured it,” according to Dr. Don Levy, SRI’s Director. “Many New Yorkers have fresh real estate scars but today a third of state residents say things have already improved while another third say the market has stabilized. In New York City, consumer assessments of the overall market, as well as conditions for both buyers and sellers all point towards a thriving market in which everyone feels like a winner at closing for the first time in recent memory. Upstate and the suburbs are slower to the party but they also are trending positively.”

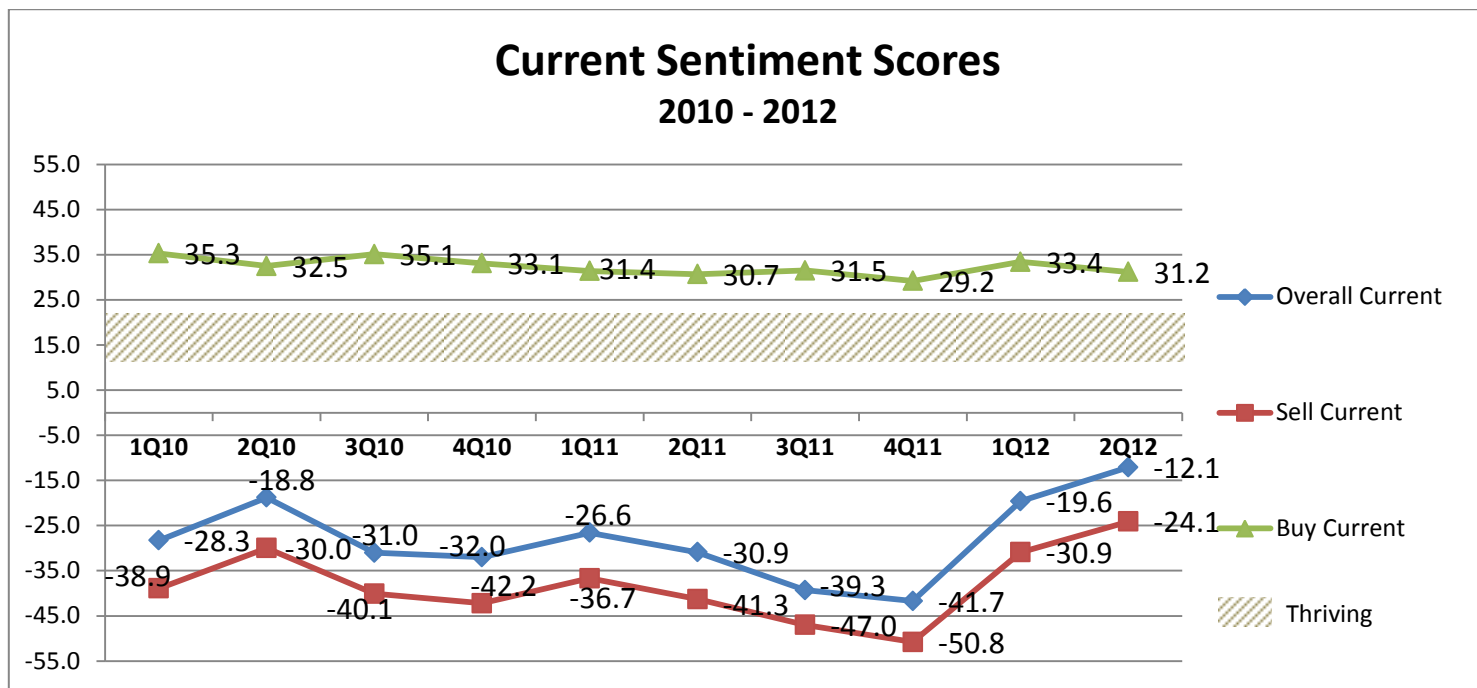
2 nd Quarter 2012 Real Estate Sentiment:	2 nd Quarter 2012	NYC	Suburbs	Upstate
Overall Current	-12.1 (7.5)	-6.9 (9.2)	-22.2 (2.0)	-12.6 (8.4)
Overall Future	23.3 (0.6)	26.2 (-3.2)	24.5 (2.1)	18.7 (4.3)
Sell Current	-24.1 (6.8)	-18.8 (7.4)	-33.5 (3.6)	-24.5 (8.3)
Sell Future	20.9 (-0.2)	29.3 (1.5)	14.0 (-7.4)	14.4 (2.6)
Buy Current	31.2 (-2.2)	29.4 (-3.3)	42.4 (1.4)	26.2 (-3.2)
Buy Future	16.0 (-6.2)	17.3 (-5.8)	19.7 (-4.2)	12.2 (-7.6)

() reflects change from previous quarter

The overall current Real Estate Sentiment score among New Yorkers in the second quarter of 2012 is -12.1, below the point where equal percentages of citizens feel optimistic and pessimistic about the housing market and it is up 7.5 points from last quarter. Looking forward, the overall future Real Estate Sentiment score is 23.3 (up from 22.7 last quarter) indicating that New Yorkers expect the overall real estate market and the value of property to increase over the next year. Consumers see now as a poor time to sell with a score significantly below breakeven at -24.1, but as a very good time to buy with a high positive score of 31.2.

	Overall Current	Overall Future	Sell Current	Sell Future	Buy Current	Buy Future
NEW YORK STATE	-12.1	23.3	-24.1	20.9	31.2	16.0
NYC	-6.9	26.2	-18.8	29.3	29.4	17.3
Suburbs	-22.2	24.5	-33.5	14.0	42.4	19.7
Upstate	-12.6	18.7	-24.5	14.4	26.2	12.2
Male	-8.8	20.2	-22.8	18.8	35.8	16.5
Female	-14.4	25.7	-25.0	22.7	27.4	15.6
Less than \$50,000	-22.1	16.6	-32.2	12.2	21.1	9.7
\$50,000-\$100,000	-14.5	24.5	-26.2	22.9	38.3	23.0
\$100,000 or more	7.7	31.4	-6.0	31.4	42.1	13.8
Homeowner	-9.5	27.4	-23.1	20.6	37.5	17.7
Renter	-14.9	20.8	-21.5	21.2	20.7	14.4

“The real estate market remains tough according to many New Yorkers we surveyed, but the lopsided closing table is starting to level out. Residents say the advantage buyers have enjoyed over sellers is lessening and they predict continuing improvement in the overall market, in property values as well as in the prospects for sellers. Among New York’s highest earners, the assessment of the overall market has already swung from negative to positive with additional increases on the horizon. We may not be completely recovered by any means, but the mood of New Yorkers is that real estate is on the rebound.”



“Every current indicator – overall market values and prospects for both buyers and sellers – are weaker in the suburbs and upstate compared to New York City. Still, in every area of the state, residents expect property values to increase over the coming twelve months and sellers to have a better time marketing their properties. It will remain a good time to buy, but in every area residents see the window of the buyer advantage closing ever so slowly,” Dr. Levy said.

Each Real Estate Sentiment score is derived through statistical diffusion weighted to consider response intensity. A sentiment score of zero (0) in any category, reflects a breakeven point at which equal levels of optimism and pessimism among the population have been measured relative to the overall market, or buying or selling real estate. Scores can range from an absolute low of -100 to a high of 100 but scores below -50 or above +50 are both rare and extreme. If 100 percent of people describe the overall market or either buying or selling as greatly improved the sentiment score would equal 100. Conversely, universal extreme pessimism would score -100. Scores measure and reflect the collective sentiment of residents of New York State.

Current scores report recent change in consumer sentiment while future scores measure consumers’ projected change in sentiment as they approach the coming year. In reviewing the Sentiment Scores look first at the relationship within each category – Overall, Sell, and Buy – between current and future. Current scores measures sentiment towards the present relative to the recent past while future projects change in sentiment from the current to one year from now. An increase from a current score to a future score denotes a positive change in sentiment relative to the present. In every case when considering any of the six sentiment scores, a net positive number indicates that the collective sentiment is such that people sense improvement while a negative net score predicts or measures a collective recognition of worsening. Today’s six scores including both negative current sentiment in two cases and positive future scores is indicative of a changing market.

The SRI survey of Consumer Real Estate Sentiment was conducted throughout April, May and June 2012 by random telephone calls to 2,414 New York State residents age 18 or older. As the sentiment scores are developed through a series of calculations, “margin of error” does not apply. For more information or comments, please call Dr. Don Levy at 518.783.2901. Data and charts can be found at www.siena.edu/sri/. SRI is an independent, non-partisan research institute. SRI subscribes to the American Association of Public Opinion Research (AAPOR) Code of Professional Ethics and Practices.