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New York State Consumer Real Estate Sentiment Scores

4th Quarter 2012

For Immediate Release: Thursday, January 24, 2013

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

NY'ers' View on Real Estate Market Turns Positive for First Time in 3 Years

All Regions, All Groups See Improvement in Housing Values, Market Condition

Gap Between Buyers and Sellers Shrinks; Moving towards Thriving Market

Loudonville, NY -- "New Yorkers feel better about the real estate market than they have in at least three years," according to Dr. Don Levy, SRI's Director. "For the first time in this study's history, dating back to the first quarter of 2010, New Yorkers as a whole and in every area of the state say that the market has turned and that values over the last year have improved. They believe that positive trend will continue. Where a year ago they said the market was in decline and that the only potential winners were cash rich buyers who took advantage of desperate sellers, today, New Yorkers see a growing real estate market in which buyers have a small but shrinking advantage over sellers whose position continues to improve. This study shows that New York right now is headed towards a thriving real estate market."

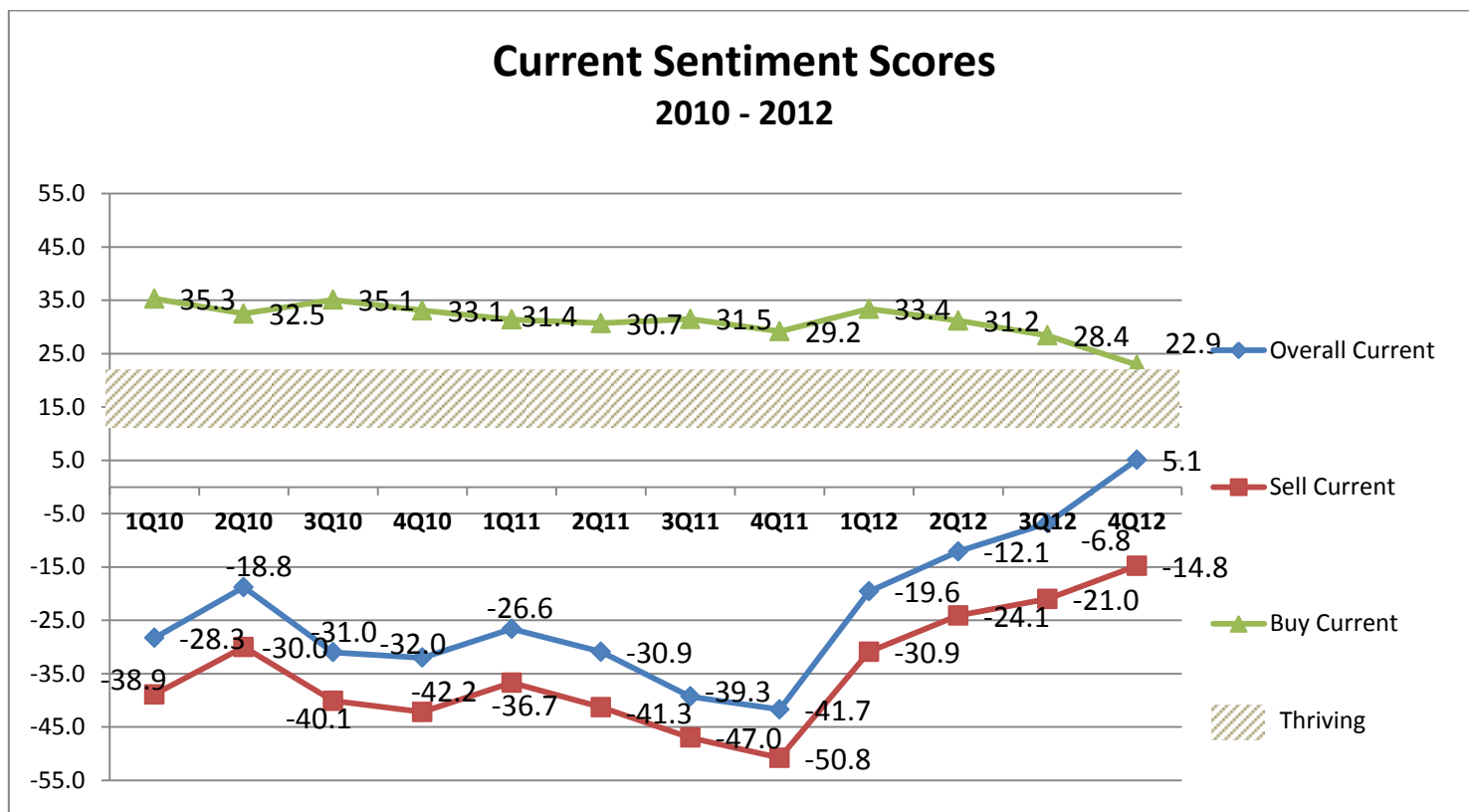
4 th Quarter 2012 Real Estate Sentiment:	4 th Quarter 2012	NYC	Suburbs	Upstate
Overall Current	5.1 (11.9)	5.2 (10.0)	1.1 (7.4)	7.4 (16.9)
Overall Future	27.9 (1.2)	31.2 (1.6)	29.2 (1.0)	22.9 (1.5)
Sell Current	-14.8 (6.2)	-8.1 (8.5)	-23.2 (-2.3)	-17.7 (8.7)
Sell Future	27.9 (5.0)	32.7 (5.1)	31.5 (4.8)	18.5 (5.1)
Buy Current	22.9 (-5.5)	18.7 (-4.4)	28.8 (-14.4)	24.1 (-1.9)
Buy Future	19.8 (5.0)	25.4 (9.5)	16.5 (-3.2)	14.5 (4.1)

() reflects change from previous quarter

The overall current Real Estate Sentiment score among New Yorkers in the fourth quarter of 2012 is 5.1, above the point where equal percentages of citizens feel optimistic and pessimistic about the housing market and it is up 11.9 points from last quarter. Looking forward, the overall future Real Estate Sentiment score is 27.9 (up from 26.7 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 below breakeven at -14.8 (up 6.2 from last quarter), but as a very good time to buy with a high positive score of 22.9.

	Overall Current	Overall Future	Sell Current	Sell Future	Buy Current	Buy Future
NEW YORK STATE	5.1	27.9	-14.8	27.9	22.9	19.8
NYC	5.2	31.2	-8.1	32.7	18.7	25.4
Suburbs	1.1	29.2	-23.2	31.5	28.8	16.5
Upstate	7.4	22.9	-17.7	18.5	24.1	14.5
Male	9.6	29.5	-8.9	25.9	25.7	17.4
Female	1.5	26.6	-19.4	29.7	20.6	22.0
Less than \$50,000	-9.0	20.2	-32.4	19.4	12.9	19.8
\$50,000-\$100,000	7.9	30.7	-15.9	32.1	30.0	26.5
\$100,000 or more	23.6	37.7	8.2	36.2	33.1	14.4
Homeowner	9.1	31.1	-11.6	31.3	30.5	18.0
Renter	-2.8	24.9	-20.6	22.5	10.3	24.2

“Upstaters saw the greatest increase in the assessment of the market’s vibrancy while New York City residents expect the most improvement in 2013. For residents making over \$100,000 real estate is back. For those earning less, the recovery in housing is not complete but they see growth in values, and opportunities ahead for owners, sellers and buyers. This study of real estate sentiment is one of the most positive economic indicators we’ve seen for some time among New York’s citizens.”



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 measure 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 October, November and December 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.