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FOR IMMEDIATE RELEASE

NJMLS Statistics Show Bergen Real Estate Market Holding its Own

County-wide Average Sold Price Up 4.1 Percent; No Change in Median Sold Price

WALDWICK, NJ – April 25, 2008 – Recently released statistics from the New Jersey Multiple Listing Service (NJMLS) demonstrate that the Bergen County real estate market is stable. In a comparison of 1Q08 vs. 4Q07 data, statistics indicate that average sold prices county-wide have risen 4.1 percent, from \$571,762 in 2007 to \$595,466 in 2008. Further, median sold price has remained steady at \$450,000. Number of solds, a statistic used to determine market activity, has declined 25 percent – a factor local Realtors® attribute to eroded consumer confidence resulting from stories about tightening credit, economic forces and other related economic news coverage. That is why comparing year-over-year statistics does not give as accurate a snapshot of the market as a comparison of sequential quarterly data.

“We don’t deny that the local market is not performing at the same level as it did from 2004 to 2006,” said John Falcone, GRI, President, RealSource Association of Realtors®. “During those years, there was fast, unprecedented and unsustainable activity. However, today’s prices have largely corrected, meaning sellers who based their pricing model on 2004 to 2006 dynamics have adjusted their prices to more realistic levels for this market.”

“Our region’s market continues to perform above national averages, insulated by its proximity to New York City, a shortage of buildable land, healthy economy, diverse housing choices and desirable communities,” continued Falcone. “Mortgage money is readily available to qualified buyers and rates remain at historical lows. Buyers are finding good buys and sellers are able to realize a gain on investment. And most important, real estate remains a good, long-term investment that generally returns a healthy gain over time, regardless of whether the market is up or down at any particular moment. Remember, real estate is not like stock. You can’t day trade properties.”

Average Sold Prices Rise in 27 Bergen Towns

In an analysis of all the towns in Bergen County (1Q08 vs. 4Q07), the NJMLS statistics demonstrate that 27 Bergen County towns experienced a rise in average sold prices. Towns representing various geographic locations, economic levels and price points experienced this trend. Some examples include: Oakland (54.1 percent increase), Harrington Park (17.1 percent increase), North Arlington (1.7 percent increase), East Rutherford (7.8 percent increase), Teaneck (5.2 percent increase) and Montvale (20.5 percent increase).

In the remaining towns outside those 27 experiencing increases, prices were steady or experienced decreases over the period.

“It’s not abnormal for real estate markets to experience price fluctuations, especially given how localized individual markets are,” explained Falcone. “Even during the 2004 to 2006 period, we saw individual towns increasing by double-digit rates, while others increased only by the low single-digits. However, because the market performance was unprecedented, that’s what the

headlines chose to spotlight. Unfortunately, today's media has really taken to spotlighting the negatives, while the positives are going largely unnoticed – except by buyers and sellers who are in the market.”

Median Price for County Holds Steady

Median price, the value at which half the homes sold for more and half the homes sold for less, is frequently used to evaluate whether market price trends point up or down. Because each transaction can affect the median price, it is generally not a good indicator of short-term market performance. However, the fact that the county-wide median price remained unchanged at \$450,000 from 4Q07 to 1Q08, is evidence of a stabilizing pricing trend in our region.

Mortgage Qualification Criteria Tightened; Loans Available to Those Who Qualify

While there was a recent period of predatory lending practices that caused some buyers to get in over their heads, the mortgage industry has taken positive steps to correct itself. Despite the headlines, mortgage money is available to qualified buyers at attractive interest rates. In fact, according to Freddie Mac, the national average commitment rate for a 30-year, conventional, fixed-rate mortgage rose to 5.97 percent in March from 5.92 percent in February.

“When it comes to securing a mortgage, today's buyers should be aware that lenders are being more diligent in their review of applicants' qualifications,” continued Falcone. “They're placing more emphasis on credit scores, income verifications and bank balances. Buyers seeking a mortgage should review their credit history before visiting a lender. But if their credit is good and finances in order, mortgage money is pretty widely available.”

About RealSource

RealSource Association of Realtors® is a not-for-profit organization dedicated to serving the professional needs of its more than 3,500 REALTOR® Members by disseminating, among its members and the public, information on local real estate trends, consumer education initiatives and industry advances.

The Association recently launched www.itsagoodtime.com, in response to the flood of negative press about the state of the local real estate market. The consumer-focused site provides real facts about the local real estate market, information about the transaction process and tips on how to best work with a Realtor®.

RealSource is a member of the NATIONAL ASSOCIATION OF REALTORS® (NAR) – the largest trade association in America. For more information about RealSource, visit njrealtor.com or call 201-444-3100.

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