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FOR IMMEDIATE RELEASE

NJMLS October 2008 vs October 2007 Statistics Show Bergen Market Prices Continue Correction Trend

Lowest Mortgage Rates in History May Stimulate Buyers, Refinancing of Existing Mortgages Increasing

WALDWICK, NJ – December 30, 2008 – Recently released statistics from the New Jersey Multiple Listing Service (NJMLS) for October 2008 demonstrate that the Bergen County housing market continues to undergo price corrections when compared to October 2007, although below the Case-Shiller index decline of 7.5% for the New York region. Data indicates that the median county-wide prices for homes sold in the period declined by 6.25%, from \$448,000 in October 2007 to \$420,000 in 2008. Activity also decreased during the period, down 13% with approximately 555 single-family units sold in 2008 when compared to 637 single-family units sold in the same period of 2007. It should be noted, however, that October 2008 represented a period of unprecedented negative economic news, which has impacted consumer purchasing across the board, including real estate.

In a comparison of the two consecutive months, median price remained stable at approximately \$420,000 from September to October, 2008. Overall sales activity decreased 14% from 906 units sold in September to 781 units sold in October, but a decrease in activity is typical for the region during this time of year. Also notable, the number of homes under contract has remained relatively flat, with 885 homes under contract in September and 801 in October.

“Clearly, the deluge of negative economic news has moved potential buyers to the sidelines for now. The year-versus-year data for October demonstrates that the trend in price corrections continued into the fall selling season,” said Bill Gilseman, Director, RealSource Association of Realtors®. “However, the sequential monthly data is showing some positives. Median price is holding steady. And the number of homes under contract is relatively stable. Those facts tell us that properly priced homes are selling, and that buyers are responding to the corrected prices and declining mortgage rates.”

“We will want to carefully review trends through the end of the year when available, regarding how buyers may continue to react to the historic reductions in mortgage rates that we have seen in the closing days of 2008, following the action by the Federal Reserve to lower the prime interest rate. News media reports show that a large number of home-owners have taken advantage of the low rates to refinance, and it will be important to determine if the rate reductions carry through in renewed interest by qualified first-time buyers, or with those who are seeking to trade-up to a new home. As we move into 2009, low interest rates, adjusted sales prices and availability of inventory could provide strong motivation for buyers who may have previously been reluctant to purchase. Ultimately, as the market continues to stabilize, and as mortgage rates remain at historically low levels, we could expect to once again see positive price increases in year-over-year data.”

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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