

**1<sup>ST</sup>**  
**QUARTER**  
**2011**

# THE DANIELS REPORT

VOLUME 12  
Hudson County Edition  
Downtown Jersey City & Hoboken  
Friday April 01, 2011

## Q1 Summary

This is the new normal; Q1 2011 was another good quarter for Hudson County. Prices are increasing moderately and sales volume has been up and down yet overall trending up. Perhaps the most telling sign of our market improvement has been the recent news articles in the New York Times, Wall Street Journal and NJ.com on the strength of our market. As I have stated in previous editions of The Daniels Report, the media is always the late in recognizing trends, we have been in an improving market for over 21 months now.

The Hudson County market, especially Downtown Jersey City, showed significant price increases compared to last quarter and last year. The success in our market coincides with improvements in the stock market as well as growth in the economy overall. The national opinion of the real estate market is still fairly chilly; our market historically is more resilient than the national market. The NYC metro market is always the last to notice a market down turn and the first to experience signs of an inclining market which is what we are in currently.

The reality of our market improving becomes more apparent when you inspect the Jersey City and Hoboken inventory levels; both have been decreasing in each of previous quarters and Q1 2011 as well. We are noticing that quality properties that are priced properly are experiencing noteworthy success throughout our market. It is becoming more common that well priced properties are receiving multiple offers and selling much faster than they have previously.

The market is still very favorable for buyers; we continue to have low interest rates, prices while they are increasing are still low and negotiable. These factors will not continue forever, knowing what you want and being decisive are essential in order to take advantage of the current real estate market climate. As stated previously the better valued properties are selling faster and with multiple offers. Sellers need to be cautious not to be too optimistic about the market improving. Selling a home still requires a great deal of marketing, effort, proper pricing and follow up during the contract period. Pay attention to what the market and your real estate broker are telling you.

## Economic/Real Estate Indicators

- 230,000 Private sector jobs created in March.
- The economy in Q4 2010 grew at a better rate than previously indicated. Growth was estimated at 2.8% it was actually 3.1%.
- Company profits grew 9.7% during the quarter -- about twice what economists had been expecting.
- Unemployment rate decreased for 4th consecutive month to 8.8%.
- Prices Increased in Downtown Jersey City and Hoboken.
- Inventory is decreasing and some properties are receiving multiple offers.

Warm Regards,

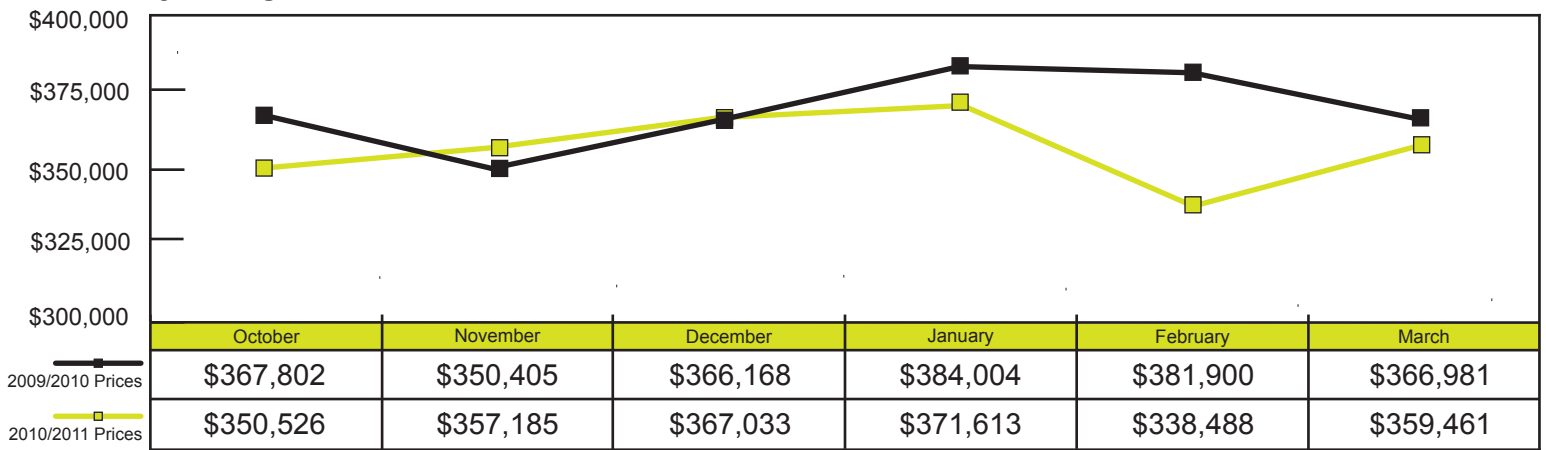
Jamie Daniels  
Senior VP, Sales Associate  
The Daniels Team at Halstead Property



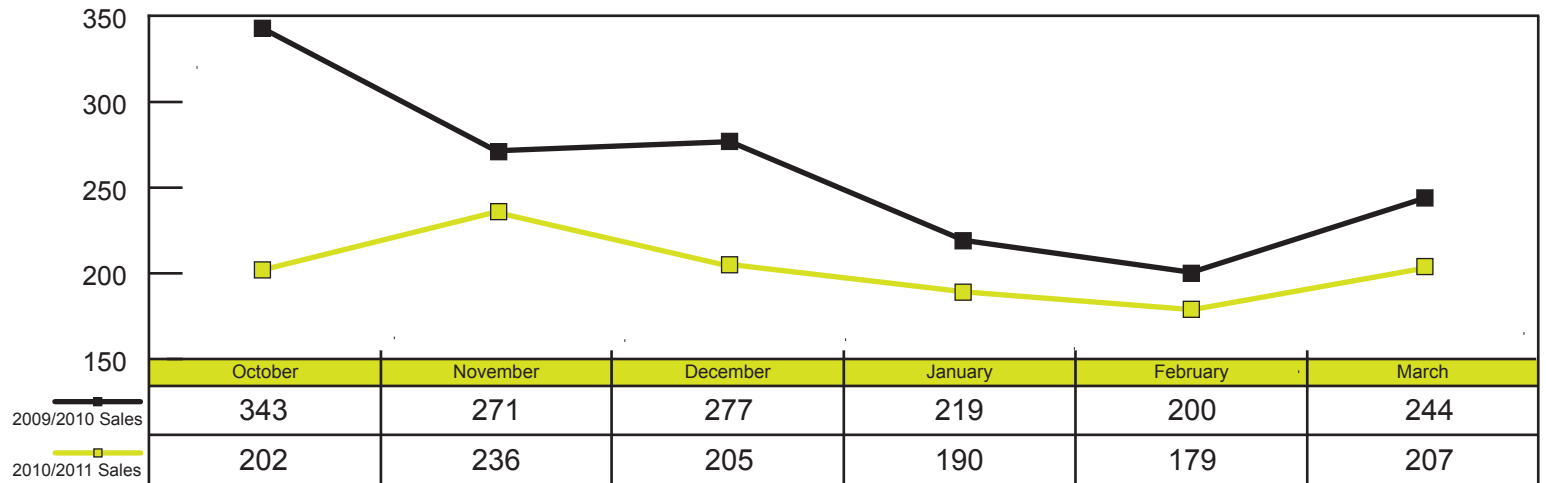
### Hudson County Market Summary

Comparison to Last Quarter				Sales volume had a fairly significant decrease however the other statistics remain relatively positive with only a slight decrease in price compared to Q4 2010. Prices are down only 6% compared to the surprising success this time one year ago.  Red arrows indicates a negative trend regardless of the direction of the arrow	Comparison to Last Year			
	Q4 2010	Q1 2011	Change			Q1 2010	Q1 2011	Change
Average Sold Price	\$358,233	\$356,952	- 0.4% ↓		Average Sold Price	\$377,104	\$356,952	- 5.3% ↓
Number of Sales	643	576	- 10.4% ↓		Number of Sales	663	576	- 13.1% ↓
Days on Market	108	105	-2.8% ↓		Days on Market	110	105	-4.5% ↓
Median Sold Price	\$310,000	\$293,000	- 5.5% ↓		Median Sold Price	\$329,000	\$293,000	- 10.9% ↓
% of Asking Price	92.5%	92.5%	0.0%		% of Asking Price	92.5%	92.5%	0.0%

Hudson County - Average Price of Home Sold Per Month



Hudson County - Average Sales Volume Per Month



“When you’re comparing 2010 to 2011, you have to remember that we had a very unusual volume of business last year,” she said, noting that in addition to the tax credit, there was enormous pent-up demand after a very tentative market in 2009. “And now, we’re kind of back into a healthy and normal cycle.” said Diane Ramirez, president of Halstead.

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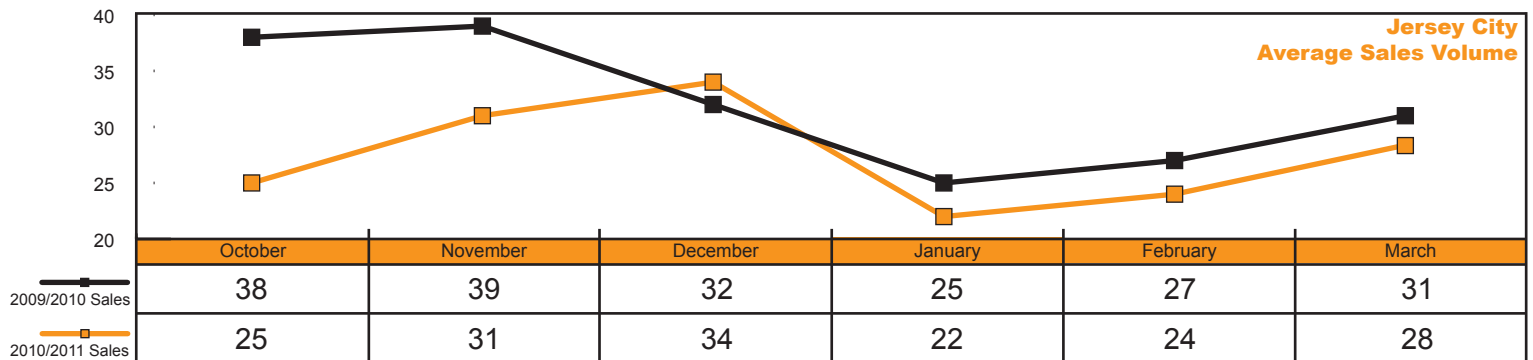
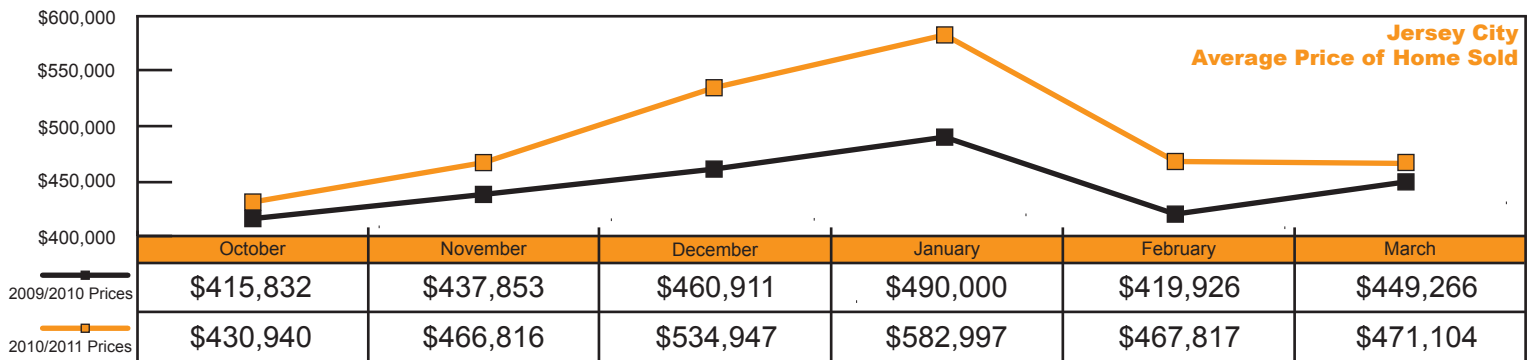
### Downtown Jersey City Market Summary

Comparison to Last Quarter			
	Q4 2010	Q1 2011	Change
Average Sold Price	\$482,589	\$503,303	4.3% ↑
Number of Sales	90	74	-17.8% ↓
Days on Market	89	82	-7.9% ↓
Median Sold Price	\$455,000	\$467,500	2.7% ↑
% of Asking Price	92.5%	94.6%	2.3% ↑

Downtown Jersey City over the past year has been gaining ground on Hoboken in pricing. Q1 2011 in downtown JC shows really strong statistics compared to last year and the previous quarter. The price per square foot values are also really strong this quarter 1BR & 2BR values are surging going into the spring and summer markets.

Red arrows indicates a negative trend regardless of the direction of the arrow

Comparison to Last Year			
	Q1 2010	Q1 2011	Change
Average Sold Price	\$451,991	\$503,303	11.4% ↑
Number of Sales	83	74	-10.8% ↓
Days on Market	104	82	-21.2% ↓
Median Sold Price	\$415,000	\$467,500	12.7% ↑
% of Asking Price	94.4%	94.6%	0.2% ↑



Downtown Jersey City	Price Per Square Foot	Studios & 1 Bedrooms	2 Bedrooms	3 Bedrooms
	1st Quarter 2011	\$453 Sq/Ft (30 Sales)	\$444 Sq/Ft (23 Sales)	\$362 Sq/Ft (12 Sales)
	4th Quarter 2010	\$453 Sq/Ft (31 Sales)	\$388 Sq/Ft (32 Sales)	\$377 Sq/Ft (11 Sales)
	3rd Quarter 2010	\$422 Sq/Ft (30 Sales)	\$439 Sq/Ft (49 Sales)	\$417 Sq/Ft (6 Sales)
	2nd Quarter 2010	\$438 Sq/Ft (43 Sales)	\$429 Sq/Ft (61 Sales)	\$409 Sq/Ft (11 Sales)

Downtown Jersey City	Property Type Year-to-Year Comparison	Studio/1BR		2BRs		3BRs+		1-Family		2-4 Family	
		Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price
	1st Qtr 2010	\$300,222 (38 Sales)	\$273,250 (38 Sales)	\$496,396 (29 Sales)	\$450,000 (29 Sales)	\$726,400 (5 Sales)	\$765,000 (5 Sales)	\$628,333 (3 Sales)	\$550,000 (3 Sales)	\$714,250 (6 Sales)	\$680,500 (6 Sales)
Change	14.3% ↑	16.9% ↑	12.1% ↑	28.9% ↑	-13.2% ↓	-30.0% ↓	-15.1% ↓	-2.9% ↓	27.1% ↑	21.0% ↑	
1st Qtr 2011	\$343,189 (30 Sales)	\$319,500 (30 Sales)	\$556,266 (23 Sales)	\$580,000 (23 Sales)	\$630,458 (12 Sales)	\$535,500 (12 Sales)	\$533,538 (4 Sales)	\$534,200 (4 Sales)	\$907,500 (4 Sales)	\$822,500 (4 Sales)	

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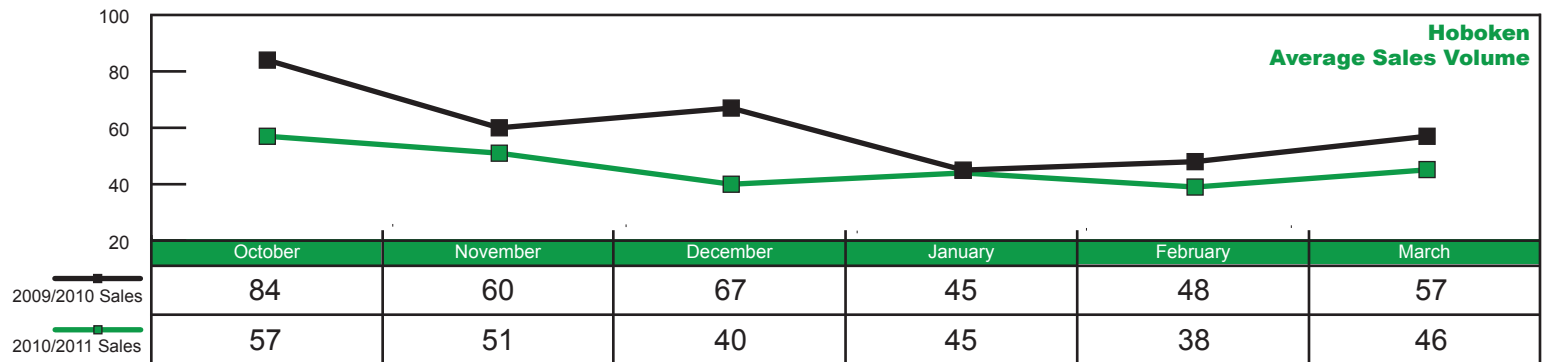
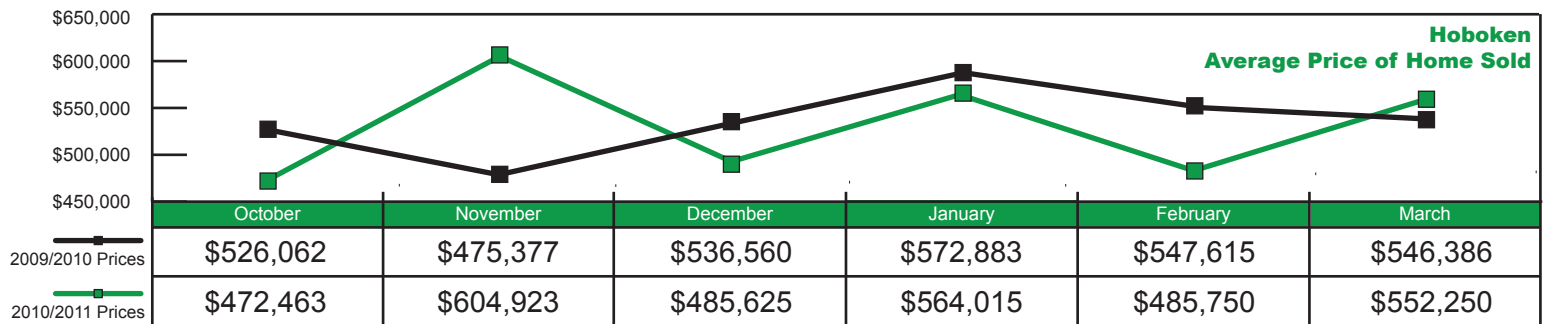
## Hoboken City Market Summary

Comparison to Last Quarter			
	Q4 2010	Q1 2011	Change
Average Sold Price	\$521,665	\$536,951	2.9% ↑
Number of Sales	148	129	-12.8% ↓
Days on Market	85	77	-9.4% ↓
Median Sold Price	\$457,495	\$487,000	6.4% ↑
% of Asking Price	95.7%	95.6%	-0.1% ↓

Prices improved compared to the last quarter, the only statistic that regressed was sales volume which was down throughout the Hudson County market. The statistics being relatively close to last years 1st Quarter is good news as previously stated Q1 2010 was an extremely strong quarter it bodes well for Hoboken to be close to those numbers.

Red arrows indicates a negative trend regardless of the direction of the arrow

Comparison to Last Year			
	Q1 2010	Q1 2011	Change
Average Sold Price	\$554,728	\$536,951	-3.2% ↓
Number of Sales	150	129	-14.0% ↓
Days on Market	92	77	-16.3% ↓
Median Sold Price	\$486,000	\$487,000	0.2% ↑
% of Asking Price	94.8%	95.6%	0.8% ↑



<b>HOBOKEN</b>	Price Per Square Foot	Studios & 1 Bedrooms	2 Bedrooms	3 Bedrooms
	1st Quarter 2011	\$436 Sq/Ft (39 Sales)	\$437 Sq/Ft (62 Sales)	\$477 Sq/Ft (15 Sales)
	4th Quarter 2010	\$474 Sq/Ft (52 Sales)	\$467 Sq/Ft (66 Sales)	\$385 Sq/Ft (17 Sales)
	3rd Quarter 2010	\$485 Sq/Ft (44 Sales)	\$431 Sq/Ft (90 Sales)	\$462 Sq/Ft (20 Sales)
	2nd Quarter 2010	\$497 Sq/Ft (87 Sales)	\$449 Sq/Ft (141 Sales)	\$478 Sq/Ft (28 Sales)

<b>HOBOKEN</b>	Property Type Year-to-Year Comparison	Studio/1BR		2BRs		3BRs+		1-Family		2-4 Family	
		Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price
	1st Qtr 2010	\$377,356 (40 Sales)	\$352,500 (40 Sales)	\$573,373 (79 Sales)	\$500,000 (79 Sales)	\$733,750 (18 Sales)	\$693,500 (18 Sales)	\$931,667 (6 Sales)	\$1,002,500 (6 Sales)	\$980,714 (7 Sales)	\$855,000 (7 Sales)
	Change	-11.5% ↓	-9.2% ↓	-12.4% ↓	-0.3% ↓	8.3% ↑	3.5% ↑	26.4% ↑	19.7% ↑	1.7% ↑	33.3% ↑
1st Qtr 2011	\$333,936 (39 Sales)	\$320,000 (39 Sales)	\$502,470 (62 Sales)	\$498,750 (62 Sales)	\$795,000 (16 Sales)	\$717,500 (16 Sales)	\$1,178,000 (5 Sales)	\$1,200,000 (5 Sales)	\$996,667 (6 Sales)	\$1,140,000 (6 Sales)	

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## Supporting Statistics

### Absorption and Inventory Levels

The inventory levels were much lower than previous quarters also the number of sales also decreased during Q1 2011. The absorption rate and inventory levels regressed slightly. New listings entering the market declined also. The great news in this chart is the spike in pending sales per month in Q1 2011. Pending sales monthly average for Q1 2011 is almost twice as much as the previous two quarters.

1st Quarter 2011	Current Inventory	New Listings/Month	Pending Sales/Month	Homes Sold/Month	Absorption Rate	Months of Inventory
Downtown Jersey City	361	103	41	25	6.9%	14 Months
Hoboken	417	138	67	43	10.3%	10 Months
Hudson County	3,926	894	308	192	4.8%	20 Months

### What type of property Sells Most and What Price Range Sells Best?

This chart shows the percentage of the different types of properties that were sold during the 1st Quarter 2011.

1st Quarter 2011	Condo Sales % of Total Sales	1 Family % of Total Sales	Multi Family % of Total Sales	Other % of Total Sales
Downtown Jersey City	87.8%	5.4%	5.4%	1.4%
Hoboken	90.6%	3.9%	4.6%	0.9%
Hudson County	53%	13.9%	29%	4.1%

The Charts below show the distribution of Sales within specific price ranges. This shows which price points have highest volume and which sell fastest. (% Sales: is the percentage of total sales in that price range; DOM = days on market, how long this price range on average takes to sell.)

HUDSON COUNTY	price band	% Sales	DOM
	\$0 -\$200K	24%	117
	\$201K -\$400K	45.7%	104
	\$401K -\$600K	19.5%	97
	\$601K -\$800K	6.1%	97
	\$800K -\$999K	2.3%	146
	\$1M+	2.4%	65

(575 total Sales in Q1 2011)

DT JERSEY CITY	price band	% Sales	DOM
	\$0 -\$200K	-%	-
	\$201K -\$400K	37.8%	64
	\$401K -\$600K	36.5%	97
	\$601K -\$800K	16.2%	85
	\$800K -\$999K	5.4%	95
	\$1M+	4.1%	91

(74 total Sales in Q1 2011)

HOBOKEN	price band	% Sales	DOM
	\$0 -\$200K	1.6%	42
	\$201K -\$400K	33.6%	66
	\$401K -\$600K	41.4%	81
	\$601K -\$800K	10.9%	84
	\$800K -\$999K	4.7%	140
	\$1M+	7.8%	63

(128 total Sales in Q1 2011)

### Q1 2011 Highest Residential Sales in Hudson County

Type	Location	Sold Price	Date Closed	Size (Sq/Ft or Lot)
Studio Condo	The Skyline - Hoboken	\$270,000	Jan. 27, 2011	880 Sq./Ft.
1 BR Condo	Maxwell Place - Hoboken	\$808,995	Jan. 28, 2011	1,464 Sq./Ft.
2 BR Condo	The Cast Iron - Hoboken	\$885,000	Jan. 14, 2011	1,874 Sq./Ft.
3 BR Condo	Maxwell Place - Hoboken	\$1,600,000	Jan. 28, 2011	2,006 Sq./Ft.
4 BR Condo	Wells Fargo Lofts - Jersey City	\$1,140,000	Jan. 31, 2011	4,000 Sq./Ft.
Townhouse Condo	Henley on the Hudson - Weehawken	\$940,000	Jan. 14, 2011	2,121 Sq./Ft.
1 Family	Bloomfield Street - Hoboken	\$1,255,000	Mar. 1, 2011	20 Ft. x 100 Ft.
2 Family	8th Street - Downtown Jersey City	\$1,370,000	Jan. 18, 2011	25 Ft. x 100 Ft.
3 Family	Garden Street - Hoboken	\$690,000	Mar. 25, 2011	25 Ft. x 56.47 Ft.
4 Family	Washington Street - Hoboken	\$1,235,000	Feb. 3, 2011	25 Ft. x 100 Ft.

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## Average(Mean) vs. Median

### THE REPORT:

We try to cover a lot of data in our report, with the market changing we felt this is a good time to explain in more detail the difference between Average(Mean) and Median as it relates to prices.

### DEFINITIONS:

**Average (Mean) Price** is calculated by adding up all the prices of homes in a subject location and then dividing the sum of those home prices by the total number of homes contained in that list.

**Median Price** is calculated by taking all of the prices of the subject location, sort those prices in ascending order, then find the middle value or averaging the two middle values (in the case of an even number of homes in the data set).

### EXAMPLES:

The definitions may sound very different. Many real estate statistic services and other reports that cover large areas (the entire country) or smaller areas that have an extremely small data sets rely more on the Median. The reason for that is that the median can account for extreme data in either direction. For example lets look at the three sets of data below:

Example 1	
Average and Median both give an accurate indication of values.	\$510,000
	\$525,900
	\$550,000
	\$575,000
	\$580,000
	\$610,000
	\$615,000
<b>Average(Mean) \$566,557</b>	
<b>Median \$575,000</b>	

Example 2	
Average is not the most accurate representation of the data. there is only one value that is equal to or higher than the average. In this instance the Median is better.	\$510,000
	\$525,900
	\$550,000
	\$575,000
	\$580,000
	\$610,000
	\$1,200,000
<b>Average(Mean) \$650,129</b>	
<b>Median \$575,000</b>	

Example 3	
Again the average does not represent the data very well, for the same reason as example #2.	\$210,000
	\$510,000
	\$525,900
	\$550,000
	\$575,000
	\$580,000
	\$610,000
<b>Average(Mean) \$508,700</b>	
<b>Median \$575,000</b>	

### SUMMARY:

As the Examples show the Average(mean) does not always give the most accurate representation of the data. This is especially true with small sets of data like those shown above. Hoboken and Downtown Jersey City over the past 3 - 4 years have had smaller number of sales than we are used to having and our prices on the higher end can skew the average if we do not have a large amount of sales, similar to Example 2. The median price value has been very helpful during this period. Having both values gives you the most accurate picture of your local market. Enabling buyer and sellers to make educated decisions.



There is a correction to Q4 2010 page 6 The absorption rate for Hudson County in the printed copies it shows the "Months of Inventory" as 10 Months it should be 19 months and shows the "Absorption rate" as 10.5% that value should read 5.3%.

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