

HOBOKEN REAL ESTATE BASICS

There are about 50,000 people living in 20,000 residential units in the City of Hoboken. The total number of residential units includes condos, rental buildings, and government housing. Based on the current number of new construction projects either approved or in progress, Hobo-

Market Statistics
 30 Year Fixed Interest Rate: 6.4%
 Hoboken Condos for Sale: 400
 Supply: Stable
 Sales Pace: Better than 1 year ago

ken stands to increase the total number of residential units by 20% in the next few years. There are currently 400 condos on the market. This figure excludes any piece of new construction being sold directly by the developer (e.g. Hudson Tea, Maxwell Place, etc). Based on a 10% down payment and an interest rate of 6.4%, the cheapest

Active Sales
 Total Condos for Sale: 400
 Studios: 17 (\$209 - \$859K)
 1BRs: 121 (\$239 - \$979K)
 2BRs: 223 (\$334K - \$2.3MM)
 3BRs: 39 (\$425K - \$2.4MM)

condos in Hoboken (about \$350,000) can be owned for \$2,400/month (inclusive of taxes, mortgage, and HOA fee).

Historical Sales Data for Hoboken

# of Sold Condos	January	February	March	April	May	June	July	August	September	October	November	December
2006	39	33	65	67	110	101	83	110	63	67	49	79
2007	64	62	106	100	108	84	81	79				

* Figures based on MLS data



Robert Kohrs
 Broker of Record
 201-653-3335 (Office)
 Robert@GSRG.com

THE HEALTH OF REAL ESTATE IN HOBOKEN

The Hoboken market remains healthy. Relative to the larger NJ market, Hoboken has rebounded from a correction that took place in 2006. Demand for condos has remained steady. Despite the popular media's perspective that there is a lot on the market, Hoboken has a tight inventory. Based on the rate of sales last month, we have a 5 month supply of condos for sale. See the chart for the number of sales reported to the MLS. Interest rates remain near historical lows which promote home buying. While the "Days on Market", or the time it takes to sell a property has lengthened to about 75 days, it is necessary to consider each sale individually. A well priced condo that "shows well" can still sell within a matter of days. Units that are either overpriced, walk-ups, have inferior locations, or have odd floor plans, can languish on the market.

• • • • • • •

SKY CLUB SALES

Among all the buildings in Hoboken, the sales atmosphere at the Sky Club has been one of the most dramatic in town. Taking into account the sum of all the opinions of my clients that have considered purchasing in the Sky Club, there seems to be a "Love/Hate Relationship" with the building. More than one of my clients have moved within the building to larger units. Other clients will not even consider the building for a variety of reasons (aversion to high rise buildings or its location as far back as you can get). Objectively speaking, Sky Club is one of the only high rise buildings in Hoboken which can offer the opportunity to buy a wonderful view of Manhattan. It is one of less than 10 buildings in the city with both a doorman and shuttle to the Path. The pool at the Sky Club gym ranks as one of the six in our Mile Square.

Pre-construction sales on the east building started in September 2003. Its first residents would not move in until over a year later. The west building already slated as rentals, would eventually be sold as condos around the time the Toll Brothers bought the project from the local developer that started it. Both buildings experienced rapid appreciation until the market slowdown arrived in Fall 2005. Take a look at some of the peak prices achieved in the Spring 2005.

UNIT	# BRs	S.F.	DAYS ON MARKET	SALE PRICE
11J	2 BR	1331	50	\$629,000
13K	2 BR	1207	1	\$629,000
10Q	3 BR	1273	55	\$603,000
4A	2 BR	1225	39	\$625,000
15G	2 BR	1227	58	\$639,000
10J	2 BR	1331	102	\$690,000

As the local real estate market cooled, buyer demand tapered resulting in higher inventories. At one point in the spring of 2006, Sky Club had approximately 10% of the building listed for resale. By the end of 2006, units started to sell again. At present time, there are 15 units listed for sale. Several units came on the market once the flood insurance issue was nearing resolution.