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Locals snap up Jersey City condos

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Real estate pundits love to highlight New York City's supposed love affair with Jersey City's real estate market, citing the familiar trend of Big Apple residents being seduced across the Hudson River by lower prices and proximity to Manhattan's job market.

But although they may lack the news appeal and marketing value of the mighty New Yorker, Jersey City residents are purchasing homes here in great numbers, an interesting and often overlooked trend in the local housing market.

For example, roughly 53 percent of the first 223 properties sold in the Liberty Harbor North development went to Jersey City residents, according to the project's developer Peter Mocco.

"What it clearly demonstrates is a large number of Jersey City residents who had been renters or temporary residents have made the decision to be permanent homeowners in Jersey City," Mocco said.

"It validates that people are voting with their pocketbook," he added.

No surprise, developers tell me that many of these local buyers are not lifelong residents, but transient people who came to Jersey City for work and decided to stick around.

Many of the buyers have previously purchased property in the area and now want to trade up to some of the city's more luxurious condos, according to developers.

"People are here, and they see home prices rising, and they are buying a home with the confidence that they are going to continue to rise," said Mary Boorman, senior vice president of Pinnacle Properties, which has seen 40 percent of the first 161 units at its Mandalay on the Hudson go to local buyers - compared to 25 percent to New Yorkers.

There are similar trends at The Residences at Dixon Mills, where roughly 50 percent of the first 50 available units went to local buyers, while 22 percent went to New Yorkers.

The media's focus on New Yorkers' affinity for Jersey City is largely due to spin doctors who sell reporters on trends that happen to coincide with a developer's marketing plan.

Local developers have long courted New York buyers for a number of reasons, so stories about people crossing the river for lower prices is not only a good news hook, it's also good for business.