

South Jersey towns see more than 16 percent increase in vacant homes

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Housing Vacancies

A house on Hollywood Dr. in Northfield is part of increased numbers of vacant houses in South Jersey. In its vacancy, gutters are falling, pool has not been drained and old papers pile up on the porch.

Thursday, January 2012. College, says the gloomy trend may not have reached its end point. "It's going to get a little bit better before it gets better," he said.

New Jersey's numbers are just as striking — an increase in housing of more than 7 percent while the number of vacant units increased by more than 38 percent. One Essex County town, Belleville, for example, saw the number of vacant housing units jump 134 percent as the number of overall units went up just 1 percent.

Locally, 14 of 23 Atlantic County municipalities have seen the number of vacant housing units increase by 16 percent or more from 2000 to 2010. In addition, 11 of 16 towns in Cape May County and 10 of 14 towns in Cumberland County have seen a similar jump.

"People are becoming frustrated by the system, and a lot of them are walking away from properties," said James Schroeder, an attorney and real estate agent with Keller Williams in Northfield. He cited statistics from the New Jersey Law Review stating that there were 1.5 million homes nationwide in foreclosure and ready for sale, another 3.5 million to 4 million within three to six months of being sold.

In the end, he said, his company believes that it will be another five to seven years before the traditional housing market picks up again.

For Gary Goldfluss, a Realtor at Century 21 Cataneo & Associates in Holmdel who has dealt with the Ocean County market, the situation can be boiled down to two words: "consumer confidence."

"That's the real problem," Goldfluss said. "That's why rentals are big right now. People don't know if they're going to have a job tomorrow."

Disturbing numbers

Vacancy numbers are complicated by several factors — most of all by the fact that many homes listed

that are “for sale” only — but then the numbers are even starker.

Cape May County saw an overall increase in vacant units for sale, not seasonal, of 75 percent compared with just an 8 percent increase in total units.

Upper Township saw an increase of 232 percent (83 vacant units for sale in 2010 compared with 25 in 2000), while Cape May saw a 245 percent increase (38 compared to 11), Wildwood Crest a 442 percent increase (130 compared to 24) and Cape May Point a whopping 650 percent increase (15 compared to 2).

Nine Atlantic County towns have seen increases in vacant units for sale of 75 percent or more, including increases of 100 percent in Longport and Estell Manor, 111 percent in Buena Vista Township, 126 percent in Linwood and 204 percent in Somers Point — which saw the number of homes vacant and for sale almost triple, going from 24 in 2000 to 73 in 2010.

Nine other towns in the county have a double-digit increase in the percentage of vacant units for sale, leading to a 32 percent increase overall — in a county that saw just an 11 percent increase in total units.

In Ocean County, the number of homes vacant and for sale in Barnegat Township more than doubled (76 to 172). In Stafford Township, that figure jumped from 151 to 272.

Within those larger townships, several 55-and-older communities have seen huge disparities in vacant housing compared to new housing. In Holiday City-Berkeley, the number of units stayed practically the same while the number of vacant units for sale rose by 52 percent. The same trends could be seen

convinced housing prices have stabilized.”

For example, he said, homes that may have been selling for \$300,000 four to five years ago, before the crash, may be selling for \$200,000 following foreclosure.

“The last thing they want to do is pay \$200,000 this year when they could get it for \$180,000 next year,” Busler said.

For his part, Schroeder said owners would be better off working out a deal with lenders to stay in the homes while working out some agreement, either to reduce payments, short-sell the home — selling the home to another homeowner at below market value — or work out a deed-in-lieu-of-foreclosure sale, in which the lender pays a fee of about \$3,000 to sign over the deed instead of going through the foreclosure process.

“Most lenders say, ‘Please, stay in the house,’ but people have their head in the sand,” Schroeder said.

