

Queens home sales & property values keep sliding at faster rate than rest of city

The volume of home sales in the borough fell by 9% in the third quarter

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Pearl Gabel for New York Daily News
Homes for sale on 147th St. in Jamaica, Queens. The borough saw a 9% drop in home sales last quarter.

Queens homeowners are feeling the pain of the housing slump.

The volume of home sales in the borough fell by 9% in the third quarter, compared with the same period last year, according to a report from NYU's Furman Center for Real Estate and Urban Policy.

The decline exceeded the drop in home sales citywide, which measured 4%.

Queens also stood out when it came to declining property values. Prices in the borough have depreciated 30% from their peak levels, which were reached in the fourth quarter of 2006.

In contrast, Manhattan is the only borough where properties have appreciated in price over last year. Home values in Manhattan are now only 7% off from their peak, which was reached in the second quarter of 2008.

"Sales volume continued to lag in the third quarter of 2011, showing little change since last quarter and remaining well below the sales volumes we've seen in the city in the past decade," said Ingrid Gould Ellen, faculty co-director of NYU's Furman Center for Real Estate and Urban Policy.

"Sales volume this quarter was nearly 30% lower than the average quarterly sales volume we have recorded since 2005."

On a positive note, foreclosures continued to slow citywide, with 32% fewer foreclosure notices issued in the third quarter of 2011 compared with the same quarter last year.

Only the Bronx saw an increase in foreclosure rates over the second quarter of 2011, although 73% of all foreclosure notices were issued in either Brooklyn or Queens.

While throughout the economic downturn the majority of households living in homes facing foreclosures have been renters, households receiving foreclosure notices in the last two quarters are more evenly split between homeowners and tenants, the report said.

"Given persistent unemployment and delinquency rates nationally, it remains unclear whether the past four quarters of reductions in foreclosure notices is the result of the slow pace of foreclosure proceedings, or a promising sign that more homeowners are now able to meet their mortgage obligations," said Vicki Been, faculty director of the Furman Center.

On the national front, Americans bought slightly more new homes in October. But the median sales price fell to its lowest level of the year and the overall sales pace is trailing last year's — the worst in half a century.

The report suggests housing continues to drag on the U.S. economy and is a long way from recovering.

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