



Long Island, Queens Home Prices Drop on Wall Street Job Cuts

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By Peter S. Green

Jan. 21 (Bloomberg) -- Long Island and Queens, New York, home prices fell in the fourth quarter as **Wall Street firms** cut jobs and banks reduced lending.

On Long Island, in areas excluding the Hamptons resort towns, the median home price fell 10 percent from a year earlier to \$377,000, Prudential Douglas Elliman Real Estate and appraisers Miller Samuel Inc. said in a report today. In Queens, the median fell 11 percent to \$400,001.

"People are not putting their homes on the market unless they have to sell" on Long Island, said **Jonathan Miller**, president of Manhattan-based Miller Samuel.

A year into the U.S. recession, home prices in bedroom communities that draw buyers who work in Manhattan are declining along with the rest of the nation. New York City faces as many as 243,000 job losses by the end of March, according to a forecast by the city's Independent Budget Office.

The median price of one-to-three family homes on Long Island fell 9.3 percent to \$390,000. The median for condominiums fell 8.9 percent to \$255,000 and luxury homes declined 13 percent to \$940,000, the report said. The survey includes all of Nassau County and the western part of Suffolk County.

The average number of days a home sat on the market before sale was unchanged at 117 days, and unsold inventory was little changed from a year earlier, declining 0.3 percent to 20,730 homes.

'Weak Market'

Prices fell the most on the South Shore of Long Island, where the median dropped 11 percent to \$340,000.

"We're likely to be in this type of market for a few years, a relatively weak housing market," Miller said. "The future is predicated on when we start seeing liquidity in financial markets."

In Queens, the declines were driven by a combination of Wall Street layoffs, subprime **mortgages** on homes that borrowers are trying to sell and speculative real estate investors selling properties, Miller said.

The New York City borough, home to communities of immigrants from China, South America, the Caribbean and the former Soviet Union, saw prices of co-operative apartments fall 1 percent from a year earlier, to a median of \$210,000.

Those apartments, in which residents hold shares in a corporation that owns the building, have proven more stable than other housing largely because co-op buyers have to pass a financial check by their would-be neighbors on the co-op board before they can purchase, Miller said in an interview.

Queens Sales Decline

The median price for a condominium in Queens dropped 2.8 percent to \$380,000.

The number of sales in Queens fell 39 percent from a year earlier, to 2,737, Miller said. Median sales

prices have fallen for six consecutive quarters, compared with prices in the same period a year earlier, he said.

In Manhattan, fourth-quarter transactions dropped 9.4 percent to 2,282 units from a year earlier, Miller Samuel and Prudential Douglas Elliman said in a report Jan. 6. The overall median sales price rose 5.9 percent to \$900,000.

The Long Island survey excludes the vacation areas of the Hamptons and the North Fork, where many New York City residents have summer homes. A report on those prices will be released next week, Miller said.

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