

State of the Bergen County real estate market

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(Photo: Courtesy/Special Properties Real Estate Services)

It is the end of the summer and we are entering the final quarter of 2017. Thus far, 2017 has been a good year for the real estate industry in our area. We have a strong, stable market.

Year-to-date, as of August 31st, total sales in Bergen County are up 2.6 percent from the previous year to 6,974 units and the absorption rate, i.e. months of inventory, is four months. The high-end market has had a slower recovery but the mainstream market has an optimistic outlook.

Technology-driven changes are affecting the industry with dizzying speed. We are surrounded with Zillow, Trulia, Realtor.com, Rezora, ListHub, RedFin and hundreds of internet startups that are trying to produce leads to connect potential sellers and buyers. More than 90 percent of future sellers and buyers are exposing their first intentions on the internet, which is being captured by new and sophisticated software programs.

It is becoming more and more difficult for Realtors® and some companies to follow these changes because the necessary investments in technology and related know-how represent substantial costs. As it happened in the stock market, bigger, global systems have a definite edge in creating the critical mass of technology necessary to help customers benefit from this emerging technology.

It is interesting that after the initial internet search, most customers are selecting their real estate agent based on the customer's social network. With potential, unlimited lead-generation engines, it is more important than ever that a real estate agent be able to convert those leads into successful deals and deliver the ultimate customer experience. For real estate sellers and buyers to enjoy the full benefit of these changes, they need agents who are trained to navigate and convert from the technology to the personal touch and skills needed to close the best deal.

The major factors that may affect our local real estate market through the end of the year are possible changes in Federal income taxes and New Jersey's real estate taxes.

We believe that all positive trends will continue through the end of 2017.

Ilija Pavlovic is president and chief executive officer of Special Properties Real Estate Services, an Exclusive Affiliate of Christie's International Real Estate.