

In area, home prices up, sales dip

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In the Philadelphia area, new-home prices continued to rise, but the number of sales fell, in August, the last month for which data were available, said Howard Cooper, executive vice president of the Home Builders Association of Bucks and Montgomery Counties.

Average prices for new homes in Philadelphia, the four suburban Pennsylvania counties, and New Jersey's seven southern counties rose 3.7 percent, to \$369,569, during August, compared with a year earlier. But the number of new-home sales fell to 529, from 592 a year earlier.

"It's a buyer's market," though "the region is doing fairly well" compared with other metro areas that overheated in recent years, Cooper said.

"It's definitely slower if you compare this year with last year. Numbers are off, and prices have stabilized. In some of the markets I'm dealing with in Delaware County, prices have dipped a little bit," said Kevin Kane, Media-based senior vice president for Fox Chase Bank. He said commercial and residential real estate had been affected by the slowdown.

Some lenders are responding by granting more generous loan terms to entice borrowers, but others have tightened up, Kane added. Fewer lenders are doing the two- or three-loan packages that became common on the Main Line and in Chester County in recent years, he said. Such arrangements "are not as simple as they were, but they're still out there."

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