

Pompton Lakes plume hurts property values

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"It is safe to say there is a stigma affecting surrounding properties" when contamination is found, said Richard DelGuercio, president of Appraisal Systems, a North Jersey real estate appraiser. "How much of a stigma, that can be debated, but there is always a stigma."

Attorney Charles Blau of Springfield says he is representing 24 plume-area homeowners in state tax court seeking to lower their property taxes because of the contamination. There have been cases throughout New Jersey where toxic contamination led to reduced property values, he said, adding that he intends to file documentation of those examples as evidence in support of the appeals.

"Could it severely affect the market value of homes? Absolutely," said Blau. "The more publicity a situation gets, the bigger the impact can be."

In the analysis, The Record focused on the neighborhood of Cape Cods, ranches quarter-acre during the first half of

Data obtained from the state and from 2008 to December 2009, prices ranged from \$300,000. In the rest of Pompton Lakes, prices were for less than \$300,000.

That contrasts with the boom years of 2006 and 2007, when prices rose to more than \$300,000.

In another indication that buyers are wary of the plume, Pompton Lakes sales in 2009 were in the low thousands. The 400-plus houses in the borough.

Signs that the trend has continued in the market last month in the plume area, the rest of the borough.

Experiences vary

Amid growing concern about the plume, lines of efforts to sell homes in the area are

... and air tests revealed toxic vapors in the ... on lots of less than a ...
Bernard Kazykalski said he hadn't heard anything about buyers being scared off the door of the yellow, one-story, aluminum-sided ranch on Grant Avenue that he is ...
One broker, Scott Walker of ReMax Real Estate Solutions Plus in Pompton Lakes, said he had a "headache" and estimated that it would hurt values by less than 5 percent. "There he said.

But others cite more significant damage.

"You definitely are seeing an impact in the way things are being priced. Certainly, a house [in the plume area] and put it in another area in Pompton Lakes ... you could price," said Lindsay, the Coldwell Banker agent.

One former resident, Barbara Swan, says she is convinced news about the plume cost her \$60,000. A \$300,000 deal on her white two-story Cape Cod on Lake Avenue fell through. News of the plume surfaced, she said, forcing her to relist the house. It sold 14 months later. Meanwhile, she said, she had to pay taxes on the house, and on the North Carolina house weeks before the first deal collapsed.

"The man said that he didn't want his family to come into the area because of the contamination," a 70-year-old widow recalled. "I was hurt terribly by that, terribly. I'm very unhappy about

Similar price drops have happened near other North Jersey contaminated sites, according to an attorney. In one example he cited, five homeowners in Montvale were bought out in 2007. Their underground tanks at a gas station leaked into the soil and groundwater. When the homes were sold in 2008, they had gained no more than 11 percent in value — well below the 30 percent gains seen elsewhere during the real estate boom.

With the value of Pompton Lakes homes in question, some residents are considering a drop in value or buy their property.