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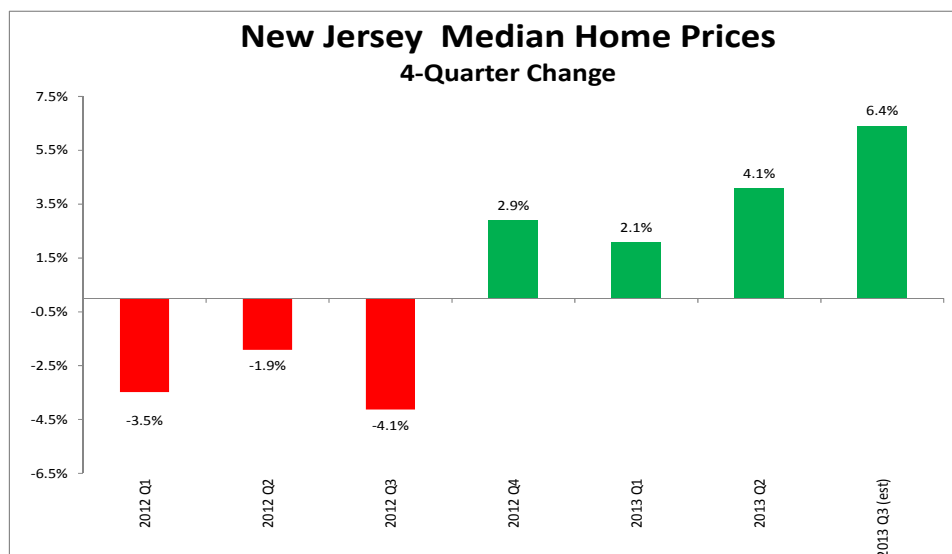
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NJ Home Prices Have Largest Quarterly Price Increase Since the Recovery Began

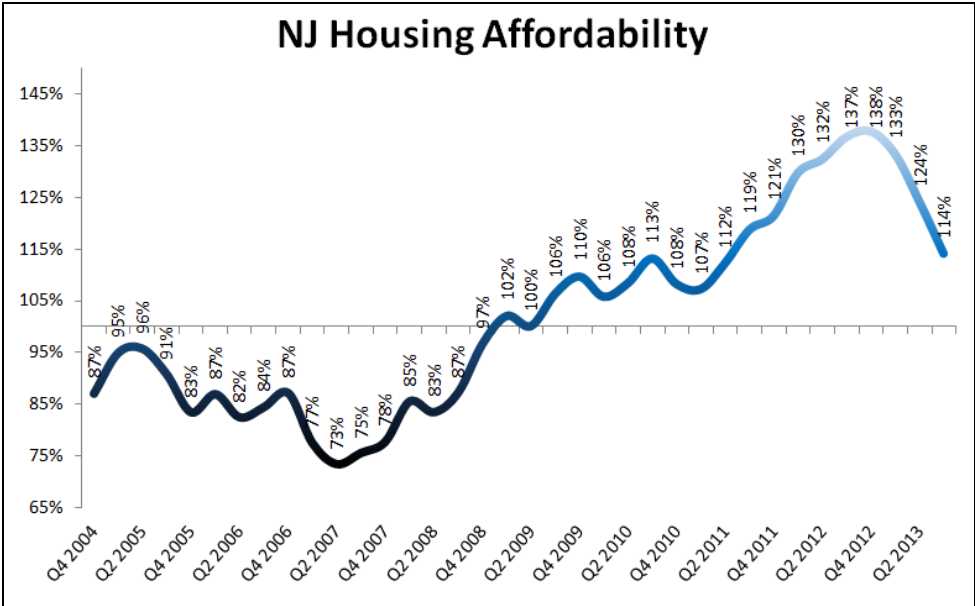
November 8, 2013 – East Brunswick, New Jersey

The combined effects of increased home purchase demand and tight inventory levels is causing continuing home price increases in New Jersey. Median home prices in the state rose by 6.4% in Q3 compared to one year ago. This marks the largest rise since the housing recovery began and is the 4th consecutive quarterly increase. The median home price in New Jersey increased to \$315,693 in Q3 up from \$296,679 one year earlier. At the same time, the available supply of homes being offered for sale remains low with a decline of 5,000 homes (-9%) over the past year and 16,000 (-31%) over the past 2 years.



Source: Otteau Valuation Group

The higher home prices coupled with a rise in mortgage interest rates over the past 6 months has reduced the affordability of home ownership for the 3rd consecutive quarter. The affordability index in New Jersey declined to 114% in Q3, its lowest level since Q2 2011. This means that a home buyer today earning the state’s median income of \$66,692 is able to afford a home that is priced 14% higher than the state’s median home value of \$315,693. Another effect of the higher level of home buying is that the homeownership rate in New Jersey increased slightly to 65.2% in Q3.



Source: Otteau Valuation Group, US Census Bureau, Freddie Mac

JEFFREY G. OTTEAU, President

Otteau Valuation Group provides valuation and advisory services to financial & lending institutions, developers & builders, attorneys, investors, relocation management service companies, governmental agencies, corporations and the public. Included in those services are value diminution and stigma analyses for properties affected by external events such as major storms, flooding and environmental contamination.

As President of Otteau Valuation Group Mr. Otteau has been recognized by NJBIZ as one of the **Most Influential People in the Real Estate Industry** for the past 3 years. He manages all facets of the firm's business including serving as General Manager of www.otteau.com which is an information provider on real estate trends. Mr. Otteau has provided testimony as an expert witness at the municipal, county and state levels, authored several texts on property valuation techniques and has lectured throughout North America. His practice is concentrated in providing valuation and advisory services to financial institutions, governmental entities, developers, and investors. Widely respected for his knowledge and insight into real estate trends, Mr. Otteau is frequently quoted in the Wall Street Journal and New York Times; has made television appearances on CNBC, Bloomberg and NBC;



About Otteau Valuation Group, Inc.

Bringing Clarity to Real Estate - The lightning strike speed of today's information flow has accelerated the pace of change for real estate markets. As a result, trends that previously took years to develop can now unfold in a few short months. Our mission is to assist our clients in keeping pace with that change by providing insightful analysis and cutting edge pricing skills. To accomplish this we have assembled a team of skilled professionals specializing in the complex field of real estate market analysis. With a broad based exposure in real estate valuation and consultation, our firm engages in a diversified practice encompassing all property types. Appraisal and consulting services are provided to financial & lending institutions, developers & builders, attorneys, investors, relocation management service companies, governmental agencies, corporations and the public. Our Consulting Group provides a wide array of services to developers and builders with respect to market analysis, project feasibility, demographic trends, project valuation and municipal project approval proceedings. Litigation support is provided for matters requiring the valuation and corresponding expert testimony for eminent domain proceedings, contractual disputes, bankruptcy, tax appeals, equitable distribution, estate valuation and stigma related issues. For more information visit www.otteau.com.

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