

## **New Housing Market On the Rebound In The Triangle**

You may not have noticed it, but there are several signs around that buying a new home in the Triangle is on the rebound even as the economy remains sluggish. Among them are the following:

*Builder Magazine* ranked Raleigh sixth among 75 housing markets it surveyed and ranked as among the healthiest housing markets for 2009 (<http://www.builderonline.com/local-markets/the-healthiest-housing-markets-for-2009.aspx?page=10>). It based its numbers according to population trends, job growth, home values and rate building permits. The publication viewed favorably Raleigh's total of 11,386 building permits last year, along with one of the highest rates of population growth among metropolitan areas since 2003, as positive reasons to expect more new home building. It also noted that the recession has not affected this market as much as others, as "Raleigh was still adding jobs at a 2.6 percent rate last year."

Along the same lines, a few local real estate experts recently told TV station NBC17 (<http://wake.mync.com/site/wake/news%7CSports%7CLifestyles/story/29592/realtors-see-positive-signs-in-local-housing-market>) that more federal money to lenders, lower interest rates on mortgages and incentives such as \$8,000 tax credits to first-time home buyers have helped stem a decline in housing sales that been seen over the last few months.

Finally, there is this note from one local real estate investor on the National Association of Real Estate Investment Advisors (NARREIA) Web site ([http://www.narreia.com/newsadvice/news\\_detail.php?blog\\_id=1310](http://www.narreia.com/newsadvice/news_detail.php?blog_id=1310)): "Being located in Raleigh, N.C. has helped us avoid the pitfalls many elsewhere in the nation have experienced. We have a strong jobs base, we're a capital city, and our values NEVER became detached from the income they produced with cap rates never dropping beyond a 6% range even for the nicest of properties."

These are confident indicators that there will be an overall upswing in new home activity for the area for this year, even if it may not reach the levels of a few years ago. But as I have indicated in past blogs, the good thing about the Triangle is that its real estate market never reached the insane levels of prices for new homes that some other areas such as Las Vegas did and are now literally paying the cost for riding that wave. We will come back because of our diversity of opportunities, high standards of education, great location (halfway between the beaches and the mountains, as everyone will tell you!) and many other advantages too numerous to mention in one blog.

So if you are thinking about a new home in the Triangle and have the resources to buy one, by all means do it now. It may be the best deal you will be able to make around here for years to come, given our unique yet promising real estate market.

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