



For Immediate Release

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Looking for a new home under \$400K in the Triangle?

Holding out for a bargain may leave buyers with an empty bag

Holly Springs, NC, Dec 7 2007 – Far from the “slump” apparent in other areas of the country, The Triangle housing market remains strong – especially in new homes under \$400K.

Home prices are still appreciating at a slow, steady pace – the average sales price in October was 5.6% higher than a year ago – and homes are selling at 97% of list price – a home in the Triangle remains a safe, sound investment.

“While changing standards for jumbo loans have slowed the pace of steadily climbing gains for homes priced above \$400K, inventory of lower priced homes is still moving well and is actually in short supply,” said Stan Williams, CEO of Stanton Homes.

“While it’s true that there’s been some adjustment from the extremely brisk sales of 2006 and 2005, it’s obvious that this region continues to be a huge draw for buyers,” said Williams. “Buyers expecting prices to drop in the \$200-\$400K supply may be in for a surprise. These homes continue to sell at 97 percent of value or better – as they always have. We’re building as fast as we can but we’re anticipating that by Spring, there won’t be enough new homes available in that price point to meet demand.”

Although the past two years showed higher overall totals, Williams said that this year’s trends – even in higher priced homes – remain solidly aligned with big picture averages.

The first three quarters of 2007 saw 6444 closings in Wake County. This is down compared to the record 2006 and 2005 years, but up 18% from 2004’s 5455 closings, up 37% from 2003’s 4702 closings, up 91% from 2002’s 3382 closings, and up 100% from 2001’s 3226 closings, in first three quarter comparisons according to public records.

“Clearly, the overall trend reflects a much healthier direction than many areas of the country,” said Williams.

The overall Triangle market has a 5 month supply of homes – squarely in the middle of the five-to-six month supply that the industry considers to be the best balance for buyers and sellers, according to the TARR Report (Cary/Apex/Morrisville Markets.)

According to the various recent TARR reports, the overall Wake and Chatham County supply of new homes in the \$200K - \$400K price range varies from 6 to 2 months, with the lowest inventory in the most desirable areas and the most desired price point of \$200-299K.

Total jobs in the area have increased 2.3% in the past year. 21,000 new potential home owners are moving into the area. Those already living here will continue to trade up or trade down as their family needs change.

“The Triangle market is exceptionally well balanced right now for both buyers and sellers,” said Williams. “It’s an exciting time.”

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