



For Immediate Release

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Wake County NC heading into possibility of lower price point housing shortage

Home buying value remains strong in the Raleigh, NC region, as a sellers market continues to out-pace other areas of the country.

Holly Springs, NC, Dec 4, 2007 – With over 18,000 families migrating to the Triangle each year, it is possible there may be a housing shortage in price points under \$400K in the coming months, as the supply of homes is at or below ideal. Spring home buyers should be prepared to bid quickly, particularly on custom homes in desirable areas, as pent-up demand is predicted to peak after the slower late Fall market.

Year after year, the Research Park Triangle region continues to be rated as a top place to live, work, and play. As a much-sought after destination for people yearning for a balanced lifestyle rich in diverse opportunities, it remains one of the nation's most affordable - and stable - home buying markets.

Top tier national publications keep interest high through articles that consistently tout the advantages of the region. Most recently, Money magazine rated Raleigh and Durham as the #4 place to live in the country based on housing, education, quality of life, leisure, weather, and education. Sperling's Best Places ranked Raleigh/Durham/Chapel Hill as the #9 least stressful large metropolitan area, the #3 most romantic place for baby boomers, and #17 overall best place to live. Numbers like these drive continual migration to the areas surrounding the so-called "Silicon Valley of the East" - at a fraction of the cost and crowding of its intellectual counterpart on the California coastline.

This oft-described, "gold-fever rush" to the region also benefits real estate values as compared to other parts of the nation - in **an area that remains much more of a sellers market than most of the country.**

An ideal housing supply (the amount of time it takes to sell out every home available at a given moment in time, assuming no new homes are started or added in the range) is 5-6 months.

As of October 2007, the supply of homes on the national market is at 10.8 months.

According to the California Association of Realtors, California has a 16.3 month supply.

As of September 30 - the latest available stats - **Wake County is well under that average, with only a 4 month supply.**

Much of the Wake County inventory carries a price tag of more than \$400K.

Across Apex, Cary, Raleigh, Garner, Wake Forest and the rest of Wake County, the **available housing in the \$200-299K ranges from 4 months to as little as 2 months!**

Builders that have slowed their inventory based on national needs and averages may be scrambling in the Spring - and buyers could find much less to choose from, as there could well be a shortage - especially in the under \$300K price range.

Already, buyers are looking in bordering counties, where home values are even more enticing when a nicer home may be available on larger plots of land.

Chatham County, bordering Wake County from just west of Apex and Orange County from just south of Chapel Hill, is an especially popular destination for home buyers looking for more than a city-sized lot. Most homes in Chatham County are priced higher than \$400K. Golf course developments such as Governor's Club and the Reserve at Jordan Lake offer homes in the \$600-\$900K range, and custom estate homes can be found in the multi-million range.

Even with these higher price tags, the average supply is 9 months. And the \$200-399K range has only a 6 month supply - an ideal, well-balanced supply for both buyers and sellers.

This ideal market can be found within several developments in Chatham County offering single family homes in the \$250-\$399K price range: Cattail Creek, Bobcat Point, Chatham Forest, Potterstone Village, and Fearington. Both Cattail Creek and Bobcat Point offer homes on lots larger than 1 acre.

Price per square foot is another common statistic used when comparing home prices. Most home price comparisons (including comps) do not take amount of land into consideration. Typical city lots range from .10 to .25 acres, which makes a short commute into neighboring counties even more desirable to buyers who value additional personal space.

Housing overall in the Triangle area continues to appreciate slowly and steadily, at about 4-7% a year - in an upward trend that is both healthy and predictable. It is not hampered by the explosive price growth that are now plaguing places such as California and Florida. According to the Triangle Area Residential Realty report, Wake County Edition 3rd Quarter

2007, housing appreciation is currently at 7.19% - on track with appreciation over the past 5 years.

This continues to be good news for the Triangle area, which has never seen the double-digit appreciation now hurting other markets, and is in a huge growth-mode, with current and onward propensity for migration to this increasingly popular region.

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