

**On stable ground**

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Area Realtors, lenders and homebuilders have a message for those considering buying or selling a home:

It's different here.

Trying to combat the barrage of discouraging national news about the housing market, the three groups are planning to launch a local campaign to educate prospective buyers and sellers spooked by news of the slump.

They want people to know the local housing market is bucking national trends and is good for buyers and sellers.

But getting that message out is easier said than done.

Take, for instance, one of the big national stories Thursday announcing that construction of new homes in 2007 fell by the largest amount in 27 years, with the expectation that the downturn could worsen.

The U.S. Commerce Department reported that construction was started on 1.35 million new homes and apartments last year, down 25 percent from 2006.

That was the second-biggest decline ever, trailing only the 26 percent plunge in 1980.

But metro-area home building remains strong, though down from the record 2005 pace, said Bryce Johnson, executive director of the Home Builders Association of Fargo-Moorhead, which plans to release its analysis of 2007 metro construction today.

The local association, citing a report by the National Association of Home Builders, expects the metro construction pace to pick up this year.

Sales of pre-owned existing single-family homes in the Fargo-Moorhead metro area increased 4.1 percent last year, from 2,600 homes sold in 2006 to 2,707 sold in 2007, according to the F-M Area Association of Realtors.

"Anytime you have an increase from year to year like that, it's a good year," said Brenda Martinson, association president and managing broker with Remax Realty 1.

Local homebuilders, lenders and Realtors met earlier this week to develop a plan to reassure what they say is a jittery public.

A campaign slogan could be ready in the next few weeks, said Kris Sheridan, president of Fargo's Park Co. Realtors.

The coalition, which Johnson announced Thursday, will have its members emphasize publicly that the local housing market is doing well, and that could include media advertising, she said.

Sheridan said local housing industry officials say they regularly encounter public misperceptions.

"I've had people ask me, 'How's business?' I tell them, 'It's just fine.' Then they look at me as if I'm crazy or don't know what I'm talking about," she said.

Blasé Johnson, director of lending for Fargo-based Gate City Bank, said both the metro economy and housing market are thriving.

"People don't always understand that. It's good to get the (accurate) word out," he said.

One family's story

Lori Koenig didn't find a dismal housing market when her family relocated from North Carolina to Moorhead in July. She and her husband, Hardy, listed their home in Greensboro on Feb. 28. By March 1, they had a full-price offer.

"It sold so fast, we had to move in with mom before we could move up here," she said.

They moved to Moorhead and planned to wait on buying a house, but quickly grew tired of rental housing. When they went house shopping, they found a lot of homes that had been on the market for months, she said.

"My impression was that it was pretty much a buyer's market here. We had a lot of people courting us," she said.

The couple eventually bought a house near Gooseberry Park in Moorhead that had been on the market for only a week. They closed in November.

"What was so interesting was whatever the news was saying was not what we were experiencing," she said.

Another family's story

Aaron Gunderson said he noticed media coverage about the national housing crisis picked up right after he and his wife, Sarah, listed their south Fargo home in August, four days after buying a house in Fargo's Harwood Groves development.

Negative news about the national housing market made the MeritCare pediatrician a little nervous, he said.

"Some of the homes in our cul-de-sac were (selling) within two, three days of being listed," he said. "It took us a bit longer."

"Quite a few" people looked at the house, he said, and the couple got a solid offer after six weeks on the market. They closed two weeks later.

While shopping for a five-bedroom house for them and their four children, Gunderson said he found most homes were priced higher than they should have been.

"The ones that were priced in the mid-six-figures were the ones that had been sitting for quite a while," he said.

More homes for sale

Besides the increase in the number of metro homes sold in 2007, the volume of home sales also jumped 7.5 percent, from \$377.7 million to

\$406 million, which Realtor association president Martinson attributed to higher home prices.

Martinson said she wasn't surprised by the housing market's strong showing in 2007 because of the area's healthy economy.

"Locally, we are so diversified in our economy," she said. "We're not like the Michigans of the world where you have that job loss because of the industry."

The number of listings for existing homes also increased by about 1.2 percent, from 4,382 in 2006 to 4,443 in 2007.

Existing homes were listed on the market for an average of 84 days in 2007, which is consistent with the national average, Martinson said.

The North Dakota Housing Finance Agency also reported this week that a record number of first-time homebuyers bought a home last year using its FirstHome program, which offers reduced interest rate mortgages to low- to moderate-income first-time buyers.

The agency bought mortgages of 1,733 first-time homebuyers last year, an increase of 28 percent over 2006.

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