

Friday, February 6, 2009

Baby boomer communities lead best-sellers

Atlanta Business Chronicle - by Lisa R. Schoolcraft Staff Writer

Joann Vitelli

Booming business: Stonehaven Point in Forsyth County is a big draw for empty nesters.

In an otherwise dismal year for housing, communities that cater to aging baby boomers were top sellers.

Village at Deaton Creek in Gainesville and Sun City Peachtree in Griffin, both of which target adults 55 and over, were among the three top-selling subdivisions in metro Atlanta, according to Metrostudy Inc.

Village at Deaton Creek topped the list with 153 closed sales in 2008. Sun City Peachtree was third with 131. Both are being built by Pulte Homes Inc. (NYSE: PHM).

Still, it was a tough year. The top communities for 2008 sold about 45 percent fewer homes than 2007's top-selling subdivisions, the report indicated.

Nearly all of the top-selling new home projects are master planned communities with lots of amenities, like tennis courts, a pool, and the like.

"The trend is pretty clear, the reason people are buying [in the top-selling communities] is for lifestyle reasons," said Bob Romano, senior vice president for Coldwell Banker NRT Development Advisors' new home division. "That lifestyle for an empty nester may be in an active adult community, or some other community where amenities are 100 percent complete."

Baby boomers, those born between 1946 and 1964, are a growing segment in metro Atlanta, said Alicia MacPhee, president of Pulte Homes' Georgia division. Nearly 530,000 baby boomer households are in metro Atlanta now, and that number is growing as more people relocate to the area, she said.

One reason baby boomers are so active in the market is they still tend to have money, said Jim Alexander, president of the Atlanta Board of Realtors. "Maybe not the money they had in 2005, but they still look at real estate as a good investment."

Price is an important issue for all buyers, Romano said, and many of the communities that are top sellers have entry-level-priced homes.

In fact, average home prices have moved down 13 percent in the top communities compared with 2007, Metrostudy reported, which mirrors the same price decline in Atlanta's overall housing market.

People are buying less home than they were three years ago, because they have fewer resources, said Dan Forsman, CEO of Prudential Georgia Realty, but they see and enjoy the value of the overall package at the top communities.

The entry-level buyer in Village at Deaton Creek gets to enjoy the same pool and tennis courts as the \$400,000 home buyer, he said.

Even communities that don't target older home buyers specifically, like Village at Deaton Creek and Sun City Peachtree do, are seeing the rise of baby boomer buyers.

About 25 percent of buyers at Sterling on the Lake in Hall County, No. 25 on the top-sellers list, are empty nesters, said Jennifer Landers, regional marketing director for Newland Communities LLC, the community's developer.

Sterling on the Lake has a new section expected to open later this year specifically for active adults, she said.

"They are a very large piece of our buying demographic," Landers said.

Other top 10 communities include second place Harmony on the Lakes, Rivers Station, Thornwood, James Creek, Stonehaven Pointe, Centennial Lake, Princeton Lakes and Nichols Landing.

Reach Schoolcraft at lschoolcraft@bizjournals.com.

All contents of this site © American City Business Journals Inc. All rights reserved.