

RECORD OFFERING: 90 HOUSES ON DISPLAY



JOURNAL PHOTOS BY DAVID ROLFE

Richard Alexander Custom Homes will be showing the house in the Montrachet community in Lewisville.

House Calls

Builders expecting lots of visitors during annual Parade of Homes

By Fran Daniel
JOURNAL REPORTER

Despite a slowing housing market, local home builders expect a good turnout at the annual Parade of Homes.

The Parade, which will start Saturday, has 90 houses, a record number for the marketing program sponsored by the Homes Builders Association of Winston-Salem.

"We all expected that the number would be down a little bit," said Richard Alexander, the president of the association, "but the parade at its heart is a marketing event and when things are a little bit slower, that's when marketing is more important."

The parade is all about showcasing home builder's houses and their companies, Alexander said, and builders understand the importance of marketing.

He said that the local housing market remains steady, so rather than a downturn, the market is simply leveling off from its upward growth in recent years.

"Anytime you have that, people are going to be cautious-builders and consumers," said Alexander, who is also the president of Richard Alexander Custom Homes.

Shugart Enterprises LLC is showcasing eight houses across the area in the parade.

Grover Shugart, the company's chief executive, said that his company saw its first slowdown in business about four weeks ago but it has since picked up.

"We've had some sales since the middle of last week, and we had a good weekend, and good traffic and sales the first of this week."

He said that the retail market is off somewhat, affecting sales of new houses.

"The bottom line is a lot of people are going to sell something before they buy a new house," Shugart said.

According to a recent housing report compiled by Don Jud for Triad MLS Inc., 862 existing, single family houses were sold in Forsyth County in the third quarter, down 6.3 percent from the second quarter and down nearly 10 percent from the third quarter in 2006.

At the end of the third Quarter, 2,943 houses were on the market, or 3.3 times the number of houses sold in the same quarter. At the current sales pace, it will take 9.9 months to exhaust the existing inventory. The number of house for sale was up 11.4 percent in the third quarter compared to the same period last year.

The average price of a house sold during the third quarter was \$200,717, up slightly at 0.1 percent from the previous quarter and up 2.5 percent from the third quarter last year.

The average time on the market for existing houses sold was 100.6 days, down 3.7 percent from the average in the second quarter. The sales-list price spread, which shows the ratio of selling to listing price, was unchanged at 94.0 percent, indicating no change in the level of discounting in the market.

In the Triad, 2,636 existing were sold in the third quarter, down 6 percent from the second quarter and down 8.3 percent from the third quarter in 2006. The inventory of house on



The backsplash in the kitchen of the Richard Alexander house in Lewisville.

About Parade Of Homes

- **SPONSOR:** Home Builders Association of Winston-Salem
- **YEAR STARTED:** 1962
- **NUMBER OF HOMES:** the 2007 Parade of Homes features 90 homes, compared with just 13 in 1962.
- **PRICES:** Homes this year are \$1000,000 to \$1.3 million. the prices for homes in the 1962 parade are not available, but the prices for the 1963 parade were \$17,000 to \$40,000.

- **COUNTIES:** Davidson, Davie, Forsyth and Stokes.
- **DATES:** Saturday and Sunday, and Oct. 20 and 21. Homes will be open from 1 until 5 p.m.
- **ADMISSION:** Free.
- **MORE INFORMATION:** A tabloid with directions and descriptions of each home will be available in the *Winston-Salem Journal* on Friday and Oct. 19. Information is also available at www.hbaws.org.

the market was 8,921, or 3.1 times the number of houses sold in the third quarter.

Glenn Cobb, the executive vice president of Winston-Salem Regional Association of Realtors, said that the local housing industry has already seen a correction in the supply of new-home starts and the report reflects a slight adjustment of the breakneck pace that the market saw the last two or three years.

"We're expecting to have a good upturn in the spring," Cobb said.

Shugart said that people like to look while they are waiting to sell their houses, and he expects some of them to attend the Parade of Homes to get ideas for when they sell their houses.

He said that the Parade of Homes always generates a lot of interest and traffic. "We're able to show what we're doing," He said. "I don't think we would ever consider not being involved. It's a real plus, I think, for all the builders.

Chipman Homes Inc. has one house in the parade in Brookberry Farm in western Winston-Salem.

Tommy Chipman, the company's president, has already sold the \$795,000 house but expects it to attract visitors.

"I think that there are still a good number of people either custom building or wanting to custom build and they will be out looking for ideas and floor plans and paint colors and things of that nature," he said.

People who attend the Parade of Homes will find some houses furnished and others empty.

Alexander, who is showing a \$559,900 house this year in the Montrachet community in Lewisville, does not furnish his houses in the parades but expects more builders to start.

Shugart, who typically furnishes his model homes, has furniture in five of his parade homes.



JOURNAL PHOTOS BY DAVID ROLFE

Richard Alexander, a custom-home builder, looks over the \$599,900 house that he will be displaying on the Tour of Homes.

He said that furnished homes help in the marketing of a home, but he thinks that people ultimately want to look at floor plans.

More builders are staging their homes in the parades.

"They'll go in the kitchen or maybe the bathroom and put towels and stuff like that, but not furniture," Shugart said.

Chipman's home in the parade is partially furnished with accents like coffee tables and a few chairs.

"It truly helps people visualize the potential of each room and the ultimate color scheme of what the decorator was shooting for," he said.

The downside to furnishing homes, he said, is when people put too much furniture in a house, causing it to look small or when people remember the furniture not the house.

Jonathon Lee, president of Homes by Jonathon Lee Inc., is just accessorizing his \$940,000 home in Brookberry Farm, but, in the 2006 parade, he completely furnished a house through a partnership with Boyles Furniture.

"The public response was overwhelming," he said. "I think that it was a really nice show house. It was the most well-attended parade of homes I've ever had."