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RIBA president: We've begun the process of recovery

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As the recession passes through the third quarter of 2009, we continue to see signs that the housing market is starting its long climb out of the abyss. Even our friend Dr. Leonard Lardaro, the University of Rhode Island economist who doesn't mince words when it comes to bad news, agrees that "we've begun the process of recovery."

According to the National Association of Home Builders (NAHB), nationwide housing starts and building permits posted substantial gains in June as builders saw better market conditions and buyers rushed to take advantage of the first-time home buyer tax credit before it expires on December 1st.

NAHB is working hard to get Congress to extend this tax credit, and you can help by contacting our congressional delegation.

On the broader housing front, the U.S. Commerce Dept. reported a 3.6% gain in overall housing starts in June, to a seasonally adjusted annual rate of 582,000 units, and an 8.7% gain in building permits to 563,000 units.

Regionally, housing starts were mixed in June. We posted a 28.6% gain here in the Northeast, with a 5.4% gain in building permits.

According to the Rhode Island Association of Realtors (RIAR), single-family home sales in Rhode Island rose 6.1% in the second quarter compared with a year earlier, but the median price of those sales fell 23%. There were 2,004 sales in the quarter that ended June 30th, up from 1,889 during the same period in 2008, according to RIAR.

The median price of those sales dropped to \$192,500 from \$250,000 a year earlier, RIAR said. "Distressed" sales played a large part in both volume and price statistics.

All things considered, however, housing is looking up. And so should you. This is not the time to lose heart or to go it alone. Stick with the Rhode Island Builders Association and use your many membership benefits to strengthen your business and your future.

The more we work together, the faster things will improve for all of us.

Taking care of our future workforce

When it comes to looking ahead, our local school administrators need to do the same. I'm thinking of current attempts to close the Newport Area Career and Technical Center (NACTC) and consolidate it within Rogers High School. I understand the need to conserve resources and use faculty and facilities to the fullest in a time of economic uncertainty.

However, limiting educational resources and cutting back on facilities for student job training at a time like this is tantamount to shooting ourselves in the foot. It's important to the residential construction industry, to the Rhode Island economy, and especially to the students of our state, that NACTC, and schools like it around the state, stay open!

Michael Artesani is the president of the RI Builders Assn., East Providence and is president of W.

Artesani & Sons, Cranston.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540