

This article is courtesy of [The Decatur Daily](#).

3/15/09

## Area builders seeing better days ahead

Showcase home to rise despite sluggish economy

By **Ronnie Thomas**  
Staff Writer

PRICEVILLE — A showcase home will rise again this spring in defiance of a lumbering economy.

The home will be in Cave Spring Cove subdivision. It will be the centerpiece of the Morgan County Homebuilders Association's 2009 Parade of Homes in August.

The house symbolizes the belief in better days ahead and jobs fueled by the Base Realignment and Closure Act, bringing 4,600 military jobs to Redstone Arsenal and an estimated 10,000 support jobs by 2011.

Builder Micheal Grantland, vice president of the association, said the home will be similar to one he built on East Upper River Road. The home is a one-story featuring brick and dry-stacked stone. Grantland owns Architectural Designs.

It will be 2,600 square feet and marketed at between \$280,000 and \$290,000. Mike Price, developer of the 38-lot subdivision, said he sold a house recently that was finished two months ago. The one-story, 2,430-square-foot home sold for \$260,000 or \$107 per square foot.

"It's not as good as it has been, and I don't know if it will ever be back again as good as it was," Grantland said. "But we've got a great group of builders. We build good homes."

Grantland noted the No. 1 ranking Decatur got in housing appreciation from the Office of Fair Housing Enterprise Oversight. In 2008, local home prices rose 6.58 percent, ranking Decatur the best of any metropolitan area in the country.

And in figures *The Daily* announced Tuesday, Decatur received a No. 3 national ranking among comparably sized cities in Site Selection Magazine's 2008 compilation of top industry getters. Decatur had nine qualifying new plants.

So with an eye to the 8 percent unemployment rate in January, homebuilders keep plugging.



*Daily* photo by Brennen Smith  
Morgan County Homebuilders Association Vice President Micheal Grantland outside a home similar to the model home to be built in the Cave Spring Cove subdivision of Priceville. He owns Architectural Designs.

## Framing to begin in April

Grantland expects to begin framing in April. The effort continues the association's tradition of showcase houses for the Parade of Homes that began in 2004 at The Farm, a planned neighborhood in Southwest Decatur.

"Even though it is a sluggish economy, we still have faith in our industry," said Grantland.

"We're not doing great, but compared with the rest of the country, I'm well pleased with how we're doing," he said.

Jeremiah Frost, president of the association, is co-owner of Valley Homes, developer of 55-lot Stone Village subdivision in Trinity. Frost said that besides roofing and concrete, both tied to the petroleum industry, prices of other materials have fallen. He said lumber is at a 25-year low.

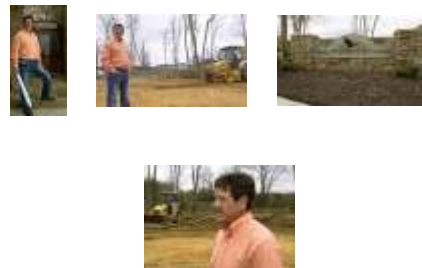
"For example, a 4-foot by 8-foot sheet of sheathing to wrap a house on the exterior walls and for decking, was \$17.50 a sheet about two years ago," he said. "Now, it's \$4.75."

Frost said lower materials costs make it a good time here for builders and for buyers looking for low interest rates.

He said he just finished two more homes in Stone Village in the first full year of development.

"We've got 14 houses up and are about to start another one," he said.

He said he is building in Burningtrees and Moulton.



While remaining positive, Price said he has open houses every weekend and that while he sees people with "a lot of interest, often it's just interest. I think people are a little scared and a little reluctant right now."

He agrees with Frost about interest rates.

"The buyers of the house I just sold got a 4.832 percent for a 30-year-fixed," he said. "You can get a 4 to 4.5 percent rate to 15 years."

Kent Hollingsworth, developer of 44-lot Mountain Cove subdivision in Trinity, said 14 residents have moved in.

He has two houses for sale and has sold four vacant lots, leaving 24 more lots to sell.

"It is time to buy if someone has the money. I believe many are scared, though, that they might lose their jobs and are in a holding pattern."

Price sees other problems with the local market.

"All builders in Decatur have always built a certain amount of speculative houses," he said. "But not many banks are loaning money now to builders on a speculative basis."

And Price said there are a number of houses in the area "that have had birthdays."