

Low Interest Rates, Affordability Make Now The Time To Buy A House

BY DR. HARRY M. DAVIS, Ph.D.
North Carolina Alliance of Community
Financial Institutions Economist
Appalachian State University

Right now is the time for potential homeowners to consider the purchase of a home. Several factors have come together to give consumers a "window of opportunity" they may not see again for years. Let's examine these factors.

Two important factors largely determine the affordability of a home. The first factor is the mortgage interest rate. Presently, mortgage lending rates are near the lowest level in 18 years. As those rates have risen in recent weeks, potential home buyers have purchased homes in order to lock in low rates now. Rates should remain stable for the next couple of months and then start to rise later in the spring, in terms of the mortgage rates, now is the time to get the lowest rate for the year.

The second important factor is the price of a home. Housing prices have been increasing slower than the rate of inflation for the past two years. In other words, hous-

ing prices have actually been falling for the past two years in real dollars. As home sales increase in the next few months, those prices will start rising. For this reason, now is the time to buy a home in terms of price and availability.

The mortgage rate, price of a home and the average income of families must all be considered when determining the affordability of housing. When all three factors are considered, housing is more affordable now than at any time since 1974. According to the National Association of Realtors, the average family will now pay about 20 percent of its income to cover monthly payments on a median priced house. That figure has fallen since 1985 when it was 26 percent.

Legislation is presently before Congress to give favorable tax treatment to first-time home buyers. The legislation will give first-time home buyers up to a \$5,000 tax credit—half to be taken this year and the other half next year. The credit will probably apply to houses purchased after Feb. 1 of this year. The credit decreases the cost of a home and thus increases the affordability of

housing and the likelihood of rising sales this spring. While the recession hurt housing activity in North Carolina, our state did better than most other parts of the country. For example, single-family housing permits fell about four percent in North Carolina but over 11 percent nationally last year. In the recovery, our housing industry will experience a greater increase in housing activity than the nation.

The North Carolina and national economies will be in recovery this year. Economic growth will increase in each quarter but will not be as strong as in previous post-World War II recovery. Housing activity has already increased and will play its traditional role of leading the recovery. Housing permits should increase 20 percent nationally and 25 percent here in North Carolina. While these figures represent significant increases, they are only about half the level of previous recoveries.

Consumer spending and corporate profits should show significant increases in the second quarter. Mortgage refinancing and lower rates on adjustable-rate mortgages should put about an additional \$20-25 billion

in the hands of consumers this year. Even though savers will receive less interest income, the net effect of the drop in interest rates should be positive for consumers. Corporations will refinance about \$900 billion worth of short-term debt at lower interest rates. By restructuring their debt, corporations will experience an increase in profitability.

For the past two years most financial institutions have instituted more restrictive lending policies in order to strengthen their balance sheets. Now most financial institutions are stronger and more profitable. In the present interest rate environment, community banks will experience one of their most profitable years and institute somewhat less restrictive lending policies.

To conclude, our state economy is in a recovery which will grow stronger each quarter. Interest rates are at historic lows now but will trend upward later this spring. Housing affordability is at a historic high which creates a "window of opportunity" for potential home buyers which may not appear again for years. Now is the time to buy!

Communication Is The Key To Success

BY HOLLY RICHARDS, EXECUTIVE VICE PRESIDENT
South Brunswick Islands Chamber Of Commerce

In addition to my column here in the *Beacon*, many of you know that I have a weekly radio show on Thursday mornings at 8:15. Communication. These formats are public service tools of communication.

The *Beacon* and WCCA give to their community by allowing the chamber a forum for communication at no cost to the chamber. To those who ask "What does the chamber do for me?", read on.

In the last six months our chamber has moved in many different directions. We will always promote tourism, but since I've been executive vice president, we are seeing some other avenues to explore.

Education—What a critical issue for our future. This year for the first time the chamber has a line item for education in its budget. Remember the 20 IBM computers we got for the Shallotte Middle School? Next month the chamber's board will meet at West Brunswick High School for its regular meeting. We're involved in education.

Economic development—We're breaking new ground here (so to speak). The Governor's Economic Development Summit is a prime example. Until now our chamber has never attended conferences on economic development. I also sit on the North Carolina Citizens for Business and Industry's (NCCBI) Economic Development Committee.

When I came to the South Brunswick Islands, I had two main goals in mind. Help improve education and work on Economic Development. I have accomplished several parts of my goals here, but it is an on going process. One I hope to continue.

Communication is a must, please read about or listen to what the chamber is doing for you. This is our means of communicating our message to you.

Thursday night of this week is our Business After Hours at Jones Ford on Highway 17. It's co-sponsored by Cellular One. At our conference on membership last week we learned about the importance of helping our business people network. Please be there and network with your fellow business people.



RICHARDS



PHOTO CONTRIBUTED

Restaurant Helps School

Burger King of Shallotte held a fund-raiser Feb. 11 to benefit West Brunswick High School's student recognition program. Teachers from the high school worked at the restaurant from 5 p.m. to 8 p.m. Burger King Manager Kathy McNeill (right) presents a check representing 20 percent of total sales during the evening to Sandra Robinson, assistant principal and recognition program chairperson. Burger King declined to disclose the sum raised.

Rural Center Seeks Proposals For Research, Demo Projects

The North Carolina Rural Economic Development Center Inc. is seeking proposals for innovative research and demonstration projects that address economic development issues in the state's rural areas.

Director Billy Ray Hall said non-profit organizations, local governments, college and universities are eligible to apply for funding under the Rural Partnership Research and Demonstration Program. The one-time grants typically range from \$10,000 to \$50,000 and are for one-year projects carried out in partnership with the Center.

Awards are competitive, with preference given to proposals that address themes such as these: upgrading the skill level of the work force, stimulating entrepreneurship, creating jobs and improving job quality; modernizing the rural industrial base, improving educational opportunities for rural students, particularly during early childhood, and sustainable growth in natural resources and agriculture.

Priority will also be given to projects that lead to economic improvements in rural areas and ensure poor and low income residents benefit.

Proposals must be postmarked no later than March 20.

More information about the program is available from Mark Mesura, Director of Policy, N.C. Rural Economic Development Center, Four N. Blount St., Raleigh, N.C. 27601, or 919-821-1154.

Tom Monks, director of the Resources Development Commission for Brunswick County is offering that office's assistance to prospective applicants. Monks can be reached at 919-253-4429.

County Records Fewer Deeds

The Brunswick County Register of Deeds office recorded 408 deeds during January for \$3,476 in revenue, according to its monthly report.

The department also recorded 279 deeds of trust, for revenues of \$3,718; 25 plats, \$438; 78 financing statements, \$712; 251 cancellations of deeds of trust, \$1,483; 10 marriage licenses, \$400; excise tax of \$20,517, 292 miscellaneous recordings, \$2,952; and other services, \$2,723.

The office remitted \$10,258.50 to the Department of Revenue as the net proceeds from county real estate excise taxes of \$20,517.

Of the \$400 collected in marriage license fees, \$200 was remitted to the Department of Administration and \$50 to the State Treasurer.

BUSINESS BRIEFS

Contractors' Course Set

A preparatory class for individuals who are interested in obtaining a building contractor's license begins Monday, March 2, at Brunswick Community College's main campus north of Supply.

Offered through the Department of Continuing Education, the class will meet Mondays and Tuesdays from 6:30 p.m. to 10 p.m. through May 28. The class will meet in Room 162 of ALS Building. Sam Carter is the instructor.

A registration fee of \$30 is payable at the first class meeting. Students must also have a copy of the North Carolina Residential Building Codes.

Additional information about this and other continuing education courses is available from BCC at 754-6922, 457-6329 or 343-0203.

Hope Gains Title

The Southport-Oak Island Chamber of Commerce Board of Directors has named Karen S. Hope the chamber's executive vice president.

Ms. Hope has been employed by the chamber since 1988 and has served as acting welcome center manager since July 1991.

Continuing as part-time receptionists are Lillian Sears and Nancy Sphar, a third part-time receptionist will join the staff in March, coming from the intern program at Brunswick Community College.

The three will rotate service throughout the Monday through Saturday hours the welcome center is open on Long Beach Road.

Tax Workshop Set

A free small business tax workshop will be conducted by the Internal Revenue Service Thursday, March 5, from 9 a.m. to 4:30 p.m. at Brunswick Community College north of Supply.

The session is open to those who have small businesses or who may be thinking about going into business, said J.R. Starkey, IRS district director. Participants are asked to bring a pocket calculator.

Subjects to be covered include: recordkeeping, types of business organizations, Schedule C, Form 940 and 941 and employment taxes. Partnership and corporation income tax forms will not be covered.

No pre-registration is required. The workshop will be held in the teaching auditorium in the ALS Building.

Joins Law Firm

James P. St. Clair of Norfolk, Va., has been named a partner in the law firm of Anderson, Norris & Geroy, P.C., of Virginia Beach, Va.

St. Clair joined the firm in 1987, concentrating in civil litigation with an emphasis on insurance claims

and personal injury. He earned both a bachelor of science in business administration and a juris doctorate from Creighton University, Omaha, Neb. He authored "Copyright Infringement—The Betamax Controversy: Universal City Studios, Inc., v. Sony Corporation of America," in *17 Creighton Law Review* 993, 1983.

From 1984 to 1985, he served as law clerk to the Honorable J. Calvitt Clarke Jr., U. S. District Judge, Eastern District of Virginia.

St. Clair is the son of Mr. and Mrs. Duncan R. St. Clair II of Holden Beach.

Six Advisors Named

Six area residents have been appointed to serve on the advisory board to the Shallotte Branch of the State Employees Credit Union, Mary Potts, senior member service representative/loan processor, announced last week.

They are Harry Yoder, chairperson, N.C. Department of Corrections; Velda Jenkins, Brunswick Community College; Milton Coleman, N.C. Cooperative Extension Service; Steve Skillman, Brunswick County Board of Education; Jim Cook, N.C. Department of Transportation; and Clara Carter, retired, Brunswick County Board of Education.

Yoder, Cook and Jenkins were reappointed, the others are new appointees. Members of the board serve staggered terms.

Meeting Date Changes

The Greater Holden Beach Merchants Association is changing the date it meets to the first Tuesday of the month, starting in April, President Jim Lowell announced last week.

The March meeting will be held under the old schedule, on March 17, at 7 p.m. at the Quarterdeck Restaurant, where the association plans to continue meeting.

The next meeting will be held Tuesday, April 7.

Two On Interim Board

Sabrina Hodges of Southport, director of the Southeastern Welcome Center Inc. at Shallotte, and Annette Odom of Sunset Beach represent Brunswick County on the interim board of directors for the newly formed I-40 Association.

Newly-elected associational officers are Linwood Parker of Johnston County and Woody Brinson of Duplin County, co-chairmen, and Tony Rivenbark of New Hanover County, treasurer.

The group was created following a two-year study of Interstate 40 by the I-40 Economic Impact Steering Committee.

Legal Notices

ESTATE NOTICE

The undersigned, having qualified as Executor of the Estate of Esther Mae Clemmons, deceased, late of Brunswick County, this is to notify all persons having claims against said estate to present them to the undersigned on or before the 27th day of May, 1992, or this notice will be pleaded in bar of their recovery. All persons indebted to said estate will please make immediate payment to the undersigned.

This the 18th day of February, 1992.

Sylvia Clemmons Wisnowski
Executor of the Estate of
Esther Mae Clemmons
Rt. 3, Box 139
Supply, N.C. 28462
Mar. 19 pd.

NOTICE TO CREDITORS AND DEBTORS OF ROBERT JAMES DABBS

Louise S. Dabbs, having qualified as Executor of the Estate of Robert James Dabbs, late of 109 Marlin Drive, Holden Beach, Brunswick County, North Carolina, the undersigned does hereby notify all persons, firms and corporations having claims against said estate of said decedent to exhibit them to the undersigned at 109 Marlin Drive, Holden Beach, N. C. 28462, on or before the 15th day of May, 1992, or this notice will be pleaded in bar of their recovery. All persons, firms and corporations indebted to the said estate will please make immediate payment to the undersigned.

This the 13th day of February, 1992.

Louise S. Dabbs, Executor of the Estate of
Robert James Dabbs
BAXLEY and TREST
Attorneys for the Executor
P. O. Box 36
Shallotte, N. C. 28459
Telephone (919) 754-6582
Mar. 5

NOTICE TO CREDITORS AND DEBTORS OF GERALD K. EBEBSEN

Ruth M. Trask Ebbesen, having qualified as Executrix of the Estate of Gerald K. Ebbesen, late of P.O. Box 4545, Calabash, N.C., Brunswick County, North Carolina, the undersigned does hereby notify all persons, firms and corporations having claims against said estate of said decedent to exhibit them to the undersigned at P. O. Box 4545, Calabash, N.C. 28459 on or before the 29th day of May, 1992, or this notice will be pleaded in bar of their recovery. All persons, firms and corporations indebted to the said estate will please make immediate payment to the undersigned.

This the 27th day of February, 1992.

Ruth M. Trask Ebbesen, Executrix of the Estate of
Gerald K. Ebbesen
BAXLEY and TREST
Attorneys for the Executrix
P. O. Box 36
Shallotte, N. C. 28459
Telephone (919) 754-6582
Mar. 19

CAMA PERMIT NOTICE

Pursuant to NCGS 113A-119(b), the municipality of Holden Beach, a locality authorized to issue CAMA permits in the areas of environmental concern, hereby gives NOTICE that on Feb. 24, 1992, applicants Elbert and Iris Haywood applied for a CAMA minor development permit to grade and fill at lots 7 & 8, Robinson Beach Eastern Extension, 537 Ocean View Blvd. West.

The application may be inspected at the below address. Public comments received by March 5, 1992, will be considered. Later comments will be accepted and considered up to the time of permit decision. Project modifications may occur based on further review and comments. Notice of the permit decision in this matter will be provided upon written request.

D.E. Carroll
Local CAMA Permit Officer
110 Rothschild Street
Holden Beach, NC 28462
(919)842-6080/842-6488
Feb. 27

STATE OF NORTH CAROLINA COUNTY OF BRUNSWICK 9K-VI1259

FIRST UNION NATIONAL BANK VS. OLAF DALE VARNUM NOTICE OF SALE

Under and by virtue of an execution directed to the undersigned by the Clerk of Superior Court of Brunswick County in the above entitled civil action, I will on the 28th day of February, 1992 at 12:00 Noon at the door of the Brunswick County Courthouse, Bolivia, N.C., offer for sale to the highest bidder for title and interest of the Defendant in the following described real property, said real property lying in Brunswick County and described as follows:

This property being all of the rights and titles of Olaf Dale Varnum being in Lockwood Folly Township more particularly described in Book 829 Page 212 being Track # 1, and Book 657 Page 889 being Track # 2, in the Register of Deeds of Brunswick County.

This execution sale is being made subject to all prior recorded liens, encumbrances, outstanding taxes, and special assessments, if any. The purchaser will be required to make a deposit in the amount of 10 percent of the first \$1,000.00 of the bid and 5 percent of the remainder. Said deposit to be in cash or certified funds.

This the 28th day of January, 1992
SHERIFF OF BRUNSWICK COUNTY
BY: LISTON HAWES, Lt. CIVIL DIV.
Feb. 27

DIEBOLD INSURANCE AGENCY
Independent Agent
Representing many fine companies

Because of the changes in Medicare at the beginning of 1992, only ten different policies have been approved for North Carolina and of these, no two contain the same benefits.

As a result, some insurance companies have chosen not to provide their clients with all of the available benefits.

HOW DO YOU KNOW WHO IS OFFERING YOU THE BEST COVERAGE AT THE MOST REASONABLE PRICE?

Diebold Insurance Agency has Medicare Supplements that provide you with a wide range of benefits—with very affordable rates.

FOR THE FACTS CONCERNING MEDICARE SUPPLEMENT COVERAGE, SIMPLY FILL OUT AND MAIL THIS COUPON TO:

John Diebold at P.O. Box 3688, Cherry Grove, SC 29582

NAME _____

ADDRESS _____

CITY _____ STATE _____

ZIP CODE _____ PHONE _____

©1992 THE BRUNSWICK BEACON

J&P Development, Inc.

"Your Professional Full Service Construction Company"

Sewage Disposal & Water

- Consulting/Permit Application•
- Designs/Plans/Installation•
- Conventional Septic Tanks/LPP Systems•
- Drainage Plans/Fill Dirt Plans•
- Maintenance Agreements•
- Water Line Installations•

Site Preparation & Paving

- Clearing•
- Chipping•
- Fill Dirt•
- Grading•
- Sock Tile Installation•
- Minor Paving•
- Home Driveways•
- Parking Lots•

Ricky Parker — Owner

842-4003 Monday-Friday 9-5, Saturday by appointment only
Hwy. 130, Holden Beach Rd., 1/2 miles from Shallotte

NFB MEMBER