BUSINESS

Upstate called real estate buy

Group says stability of market makes it good for 'conservative investors'

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The Upstate is one of the best markets in the country to invest in real estate.

That's according to an Investment Suitability Ratings recently compiled by Cary, N.C.-based Local Market Monitor.

The rating ranks the Greenville-Mauldin-Easley metropolitan area as ninth in its top 10 list of markets deemed "suitable for conservative investors."

Markets chosen are those where real estate investment is considered "not likely to create losses in coming years, and should produce steady, if unspectacular, returns in the future," the company said.

Bruce Bachtel, a local real estate investor and past president of the Upstate Carolina Real Estate Investors Association, agrees with the findings.

He said while the economy slowed some people down in investing locally in real estate, others are buying more than ever.

"Greenville attracts investors from all over the country because our market remains so steady and people feel like it's a good market to invest in because we did not have the large run up in pricing so we didn't have the large drop," said Bachtel, who has a real estate marketing and investing group in Greenville.

He said a lot of people are interested now in using their IRA funds to invest in real estate because they get a tax-free return on their investment.

Carolyn Beggs, spokeswoman for Local Market Monitor, which provides home price forecasts for banks, mortgage insurers, real estate investors and homebuilders, said the company used a combination of proprietary data elements as well as publicly available factors like population, job growth, unemployment and job concentration to develop its list.

According to Local Market Monitor's home price forecast, the Greenville-Mauldin-Easley market will be relatively flat as far as home price appreciation over the next couple of years.

"When you look at that on a relative basis, that is good because a lot of markets are still seeing declines," Beggs said.

The company also looked at a measurement of risks in the market calculated using a model called the equilibrium home price, Beggs said.

According to that model, the local market will be in balance in the next couple of years, meaning there will be no significant risks of additional home value declines, Beggs said.

This is the first year Local Market Monitor has compiled an Investment Suitability Ratings.

Myrtle Beach, the only other local market in the state to make the report, made the "best list for speculative investors," Beggs said.