



# CRAVER'S COMMENTS

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by TONY CRAVER EXIT REALTY SOUTHPOINT

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## CONTACT US—NEW!

OFFICE: 919-806-4250 CELL: 919-604-5289

EMAIL: [TONY.CRAVER@VERIZON.NET](mailto:TONY.CRAVER@VERIZON.NET) OR  
[TONY.CRAVER@EXITRS.NET](mailto:TONY.CRAVER@EXITRS.NET)

WEBSITES: [EXITREALTYSOUTHPOINT.COM](http://EXITREALTYSOUTHPOINT.COM)

READ BACK ISSUES ON: [TONYCRAVER.COM](http://TONYCRAVER.COM)

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## THINGS TO BE PROUD OF

THE COLLEGIATE POWER RANKINGS FOR THE YEAR HAVE COME OUT FOR DIVISION I SCHOOLS. THIS NIFTY LITTLE POLL COMBINES THREE RANKINGS: *US NEWS AND WORLD REPORT'S* ACADEMIC RANKINGS, THE US SPORTS ACADEMY DIRECTORS' CUP RANKINGS, AND THE STUDENT ATHLETE GRADUATION RATE. STANFORD FINISHED FIRST AS THEY SEEM TO DO NO MATTER HOW YOU ARRANGE THE DATA. SECOND WAS PRINCETON AND DUKE WAS THIRD. UNC CAME IN 24<sup>TH</sup>.

## DID YOU KNOW?

I HAVE KNOWN SINCE I MET HER THAT MY WIFE IS SMARTER THAN I AM. WHAT DISTURBS ME THE MOST IS THAT IT SEEMS LIKE MANY OF YOU OUT THERE ARE AS WELL. A MAJOR NEWS AND OPINION WEB SITE, THE DAILY BEAST, HAS COME UP WITH A LIST OF AMERICA'S SMARTEST CITIES. WHAT THEY REALLY RANKED WAS MAJOR METROPOLITAN AREAS. RALEIGH/DURHAM WAS RANKED NUMBER ONE. THE BEST NEW YORK CITY COULD MUSTER WAS NUMBER 13. TWO OTHER NORTH CAROLINA METRO AREAS FARED WELL: CHARLOTTE WAS NUMBER 16 AND GREENSBORO (THE TRIAD) WAS NUMBER 37.

## NEW DIGS

As of December 1<sup>st</sup>, we have moved our offices to the Meridian Office Park. After spending three years being one exit west of The Streets at Southpoint, we are now one exit east of the famous mall complex. The key word here is "Exit". Our new address is 2530 Meridian Parkway, Suite 300. We are very easy to find. Take the NC 55 exit off of I-40 and go north (toward

Durham) to the first light past the interstate ramp. Turn left onto Meridian Parkway. We are in the fourth building on the right. Our new phone number is 919-806-4250.

If you are receiving this newsletter by mail, there will be an attached flyer. If you are on our email list, please open the attachment to see the flyer about our new offices.

Why move you ask? Few professions are evolving as fast as the real estate business. In the last five years the industry has gone from offices lined with agents huddled near their computers and land lines just waiting for you to read their newspaper ads and come looking for them, to a much more sophisticated environment. Today's agents are high tech just like their clients who use the internet to shop 97% of the time. Today's agents are also very mobile with their laptops and cell phones that give them email and internet as well as where to locate the nearest pizza. As the office owners, we want to provide the agents with the best facilities when they need them, and we want to provide our client with the finest of surroundings and customer service. I think we have achieved this goal at our new facility. I want to personally invite you to come visit us. Don't be overwhelmed by the marble elevator entry or the gracious lobby and staff on the third floor that will cater to your every need. We are still the same down to earth folks just trying to make your real estate experience the best it can possibly be!

## PROFESSOR TALK

The Legislative Committee (yours truly, Chairman) of the Durham Regional Association of Realtors, in an effort to provide our members with some first-class education from some of the region's top movers and shakers, started a speaker series this fall. Our first two speakers came to us with top notch resumes.

John Hood of the John Locke Foundation spoke about taxes, referring to a recent study the group had done. He talked about why state legislators preferred to raise one tax in lieu of another. Legislators do not like to pass a tax where you get a bill. They would rather raise something like a sales tax that just blends in with your purchases. Of course the biggest tax scam ever played on the American people was the introduction of the withholding tax. Can you imagine the quarterly marches on Washington that would occur if you got four bills a year for your income taxes. Instead, most of us celebrate every spring when the government sends us a refund for withholding too much money from our paychecks. Another interesting point involved transportation taxes. In a discussion of a special tax to support a light rail system, Mr. Hood pointed out that with light rail the government builds the

the track, buys the trains, and supplies the fuel. Even though areas around the stations tend to grow and prosper, other far out areas remain unaffected. He said that the best example of a public/private partnership is the highway system where the government builds the roads, and you and I buy the cars and the fuel. Interesting practical example of tax policy at work.

At the local government level, one facet of municipal tax structures is the ratio of city employees to the population. An interesting point is the fact that smaller cities have a higher ratio of city employees to the population than do larger cities. That is because it takes a basic number of folks to run the system, and, as the population grows, the ratio declines. Durham, as you have often read in this newsletter, leads the state in a lot of categories. Unfortunately, Durham wins this one too, having the highest ratio of city employees of any of the major cities in the state. I think there is probably a direct correlation with your property tax rate.

Our most recent speaker was Dr. Michael Walden, renowned Professor of Economics at N. C. State University. He addressed the economy, the recession, and the chance for recovery. Needless to say we were all ears. As for what caused the sharp economic downturn, he says there were lots of theories, but the best explanation is the convergence of all of those theories at the same time. Those of us present at the talk were more interested in the future, using the theory that if we were at the meeting, we had survived the real estate part of the recession.

Dr. Walden said that most major national authorities seemed to believe that we have started the recovery. That is the good news. There are some basic realities that we still have to deal with, however. First, even though the real estate numbers are starting to improve, that improvement is starting at the bottom of the cycle and has a way to go to get on the top side ([see the graph in the April 2009 issue](#)). Secondly, unemployment may still have to bottom out before turning upward. Thirdly, this recovery will be longer and slower than the typical recession. We have accumulated so much debt that

this years growth will be only in the 2 ½% range. He said it takes at least a 4% GNP growth rate to reduce unemployment.

More good news is that home mortgage rates are at historic lows, and house prices across the country have shrunk to the point that individuals and investors are buying again. He also said that we are living in the best place in the entire country economically. On the other hand, he said that the government needed to spend less, stop printing money at a record rate, and stick to doing what government is supposed to do and not what private business is supposed to do. He foresees some inflation coming in the future as a result of the excessive government spending. This expectation is another reason to invest in a house now so you can ride the wave upward. The great advantage to this speakers series is the knowledge we Realtors gain and pass on to our clients.

## THE HOLIDAYS

I always look forward to the holiday season. The weather has finally cooled enough that I don't sweat so much and I get to stop mowing my grass. It also means that basketball season is in full swing and I realize how grateful I am that I have a DVR on my TV.

Mainly I am grateful that it is a time for family gatherings. In our case that means the assembling of a rather large group. The food, fellowship and the joy of watching "the cousins" (all 10 of them!) play with each other produces lasting memories.

The politically correct crowd wants to hide the phrase Merry Christmas in lieu of happy holidays. Personally, I just want each of you, regardless of your religious persuasion, to enjoy the season to the fullest. Please understand that it comes from the heart when my family wishes your family a Merry Christmas and a very Happy New Year.

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EXIT REALTY SOUTHPOINT

2530 MERIDIAN PKWY, STE 300

DURHAM, NC 27713