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## **Housing bubble hasn't burst in St. Joe County**

### **Broker: South Bend is ripe for ND-related housing.**

MARGARET FOSMOE  
Tribune Staff Writer

Longtime real estate broker Karen Roush thinks the local market is ripe for the many Notre Dame-oriented housing developments that are under way or planned.

The buyers will be there, predicts Roush, a broker for RE/MAX 100 and president of the local Multiple Listing Service of the Greater South Bend-Mishawaka Association of Realtors.

"I don't see it becoming a problem as long as it's a good product being offered," she said of the numerous condominium, townhouse, villa and condo-hotel projects slated for the South Bend area. Many units are being marketed to Notre Dame alumni, employees and fans. Roush has sold homes in the South Bend area for 31 years. Every few years, a new trend develops and she wonders whether there will be enough buyers. There always are.

Roush recalls when the original Knollwood subdivision was being built. She wondered where buyers would come from willing to pay such high prices for new homes. Knollwood led to the vast residential growth that still continues in Granger.

Developers behind the new local housing units are closely watching national trends, such as baby boomers who are now buying second or even third homes, Roush said.

"We say the economy as a whole is hurting. But there is still going to be a segment of the population that can (afford) this," she said.

Another local broker is a bit more cautious.

"Any (development) that comes along soon while the excitement is on the upswing, I think will do well," said Nick Molnar, a Realtor with Re/Max Connection of South Bend. "The last ones finished may have more of a pitched battle to sell units."

The numerous projects have the potential to be a boon to the local economy, said Molnar, who writes a blog, [www.BendAreaBlog.com](http://www.BendAreaBlog.com), which often focuses on real estate news in the South Bend area.

Despite a large drop in home sales nationally, St. Joseph County so far is bucking the trend.

Local home sales rose 4 percent in 2006 over the previous year, according to the Greater South Bend-Mishawaka Association of Realtors. A total of 2,705 houses, condominiums, villas and other residential units were sold in 2006, compared to 4,523 the previous year.

"We have not really been affected like a lot of the markets around the country. I think that has a lot to do with affordability," said Chuck Stultz, the association's executive officer.

Nationally, new home sales plunged 17.3 percent in 2006 over the previous year, according to the U.S. Commerce Department. It was the biggest decline in 16 years.

Homes locally have appreciated by about 2 percent to 6 percent annually in recent years, Stultz said. That compares to "hot" real estate markets, like Las Vegas, where appreciation rates were 40 percent to 50 percent annually in recent years but have fallen dramatically in recent months.

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