

# G News

April 2015

Issue 1

*Guy Co*

**The Guy Corporation**

*...a refreshing experience in Home Building and Remodeling!*

Five Signs the  
Economy is  
Improving

Optimism in  
the Housing  
Market

Interest Rates

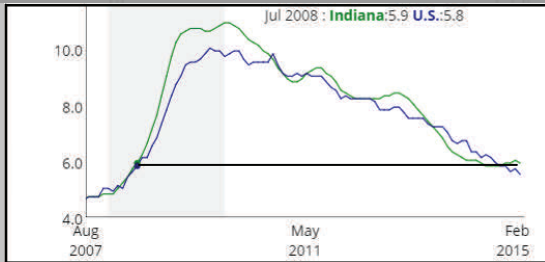
Easter  
Wishes

**STATE  
OF THE  
ECONOMY**

*Honor & Integrity... A Foundation You Can Count On!™*

# Five Signs the Economy is Improving

The Greater Indianapolis Metropolitan Area economy seems to be on the rise.

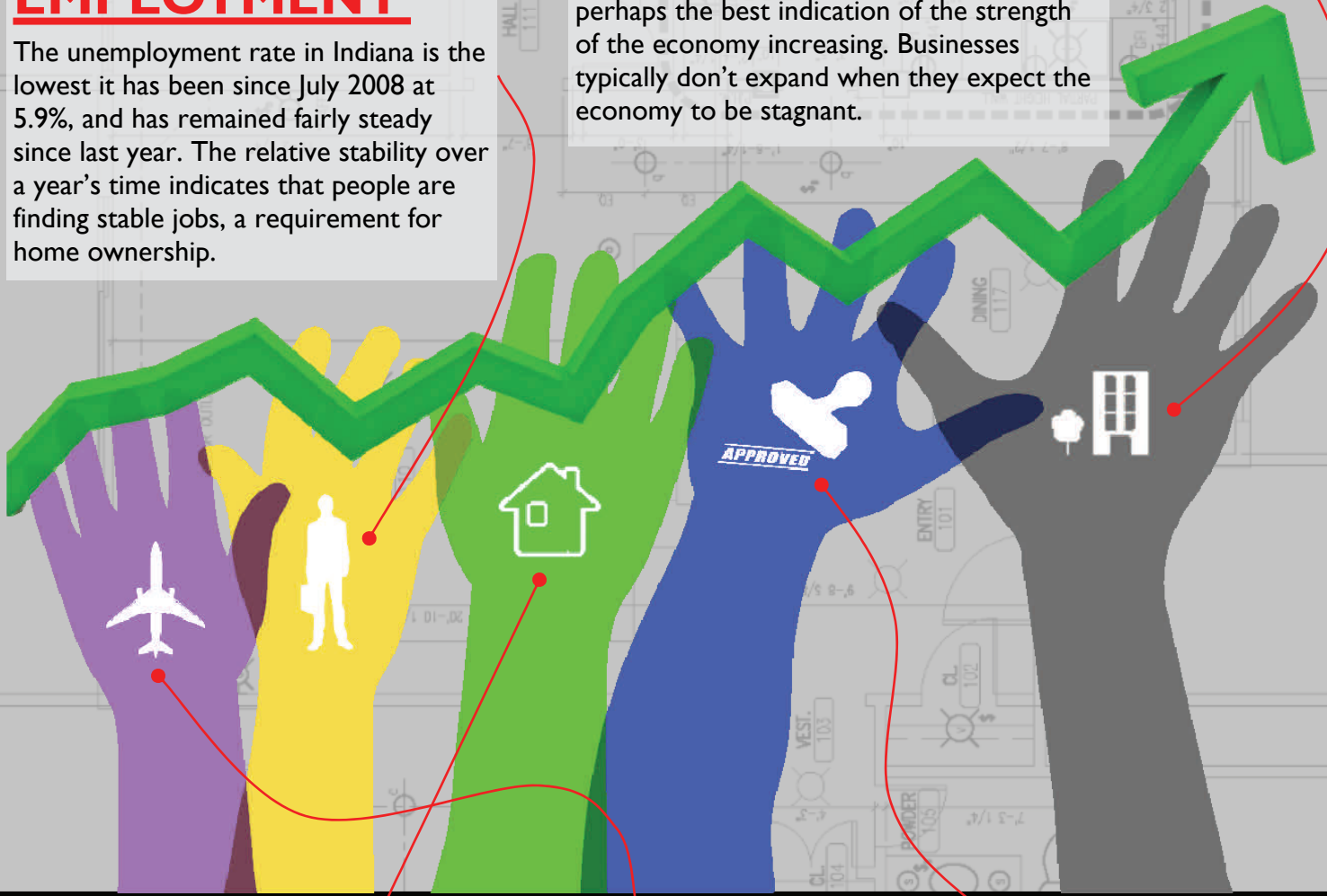


## EMPLOYMENT

The unemployment rate in Indiana is the lowest it has been since July 2008 at 5.9%, and has remained fairly steady since last year. The relative stability over a year's time indicates that people are finding stable jobs, a requirement for home ownership.

## NEW BUSINESSES

If you haven't driven down US 36 through Avon recently, you might not recognize it when you do. There have been a few new restaurants, a new bank, and a large warehouse breaking ground recently. This is perhaps the best indication of the strength of the economy increasing. Businesses typically don't expand when they expect the economy to be stagnant.



## HOUSING SUPPLY

The National Association of Realtors reported that existing home sales in February rose 1.2 percent, which was less than expected. The reason they provided was not the weather, but the lack of supply. The national housing stock is currently low, which usually means higher prices for the homes that are for sale. Perhaps more homes will come on the market as we get further into the prime home buying season to meet demand.

## AIR TRAVEL

Airlines are predicting a large increase in air travel this spring. They are hiring more workers and adding more routes as more people are traveling by air for work or vacation. The airlines project a 2% increase over March and April, resulting in the highest level in seven years.

## NEW HOME PERMITS

According to a recent report from the U.S. Census Bureau, new home sales hit the highest level in 7 years. A March press release from the Builders Association of Greater Indianapolis claims that "Market analysts are predicting a 10 percent increase in permit activity in 2015."



## Remodeling

As the housing market continues to recover, your return on your investment from the work done will increase. Higher property values equal higher value added from remodeling your home. It also means more equity from which to borrow to finance your remodeling dreams, especially combined with the current low interest rates for mortgages.

# Optimism in the Housing Market

The signs are indicating that the housing market is recovering. Here's what it means for you.

## Buying or Selling a Home or Lot

With the interest rates near all-time lows, you can purchase a larger or newer home with a lower monthly payment. Low interest rates also motivate other buyers, so more people may be interested in your home for sale.

If you are considering building a new home, finding the perfect lot in the best location is essential. The low interest rates allow you to get the lot you want with lower monthly payments until you are ready to build.

Give Melissa Guy, our in-house Realtor, a call and she will help you find the perfect home or lot location, and will help you sell your old home as well. The prime real estate season is upon us.



## Building a Custom Home

If you are considering building a custom home now is a great time to begin. The interest rates are low, housing stock is drying up, and existing home prices are increasing.

The cover photo is of the back porch of a *GuyCo* custom home completed last year.



# Interest Rates

Slightly rising interest rates can be a good sign.

Average mortgage interest rates are starting to trend upward, according to Freddie Mac, due to reports that the labor market is improving. The interest rates are also becoming less stable as the president of the Federal Reserve announced that they are not sure when they will begin to raise interest rates, mildly introducing uncertainty into the market. However, the Federal Reserve has indicated that it does not plan to raise the interest rates it charges to banks until at least June, so overall interest rates should remain below the historical average for the foreseeable future.

Stan Humphries, Chief Economist at Zillow, explained that raising the Federal Reserve interest rate might even be beneficial in that homeowners would look at the true price of housing, and not pay more for a house because they can secure such a low interest rate. He seems to think rising interest rates “might not be all bad for the housing market,” explaining that it might be difficult for current homebuyers to see home price appreciation when they decide to sell.

On the other hand, lower interest rates translate to lower costs throughout the lifetime of a loan, and can also mean lower monthly payments on a loan.

## Easter Wishes

Happy Easter from The Guy Corporation!  
We hope that you are able to spend time with your family over the holiday weekend.

For a list of Easter activities go to  
<http://www.easteregghuntsandevents.org/INcentral.php>  
Have a safe weekend.



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