

## Real Estate Outlook

# Construction company president predicts good year for real estate

BY MARK PETERSON  
Times staff writer

A reviving economy, lower interest rates and programs offering down payment assistance combined to make 1996 a record sales year for Armadillo Homes Co. Inc., said Robert P. Gutierrez, company president.

"We closed and delivered more homes than ever before," Gutierrez said, explaining that the company opened the doors of 428 homes to Laredo families in 1996.

Explaining Armadillo's success, Gutierrez said that as the economy improved toward the middle of the year, more people felt secure about purchasing a home.

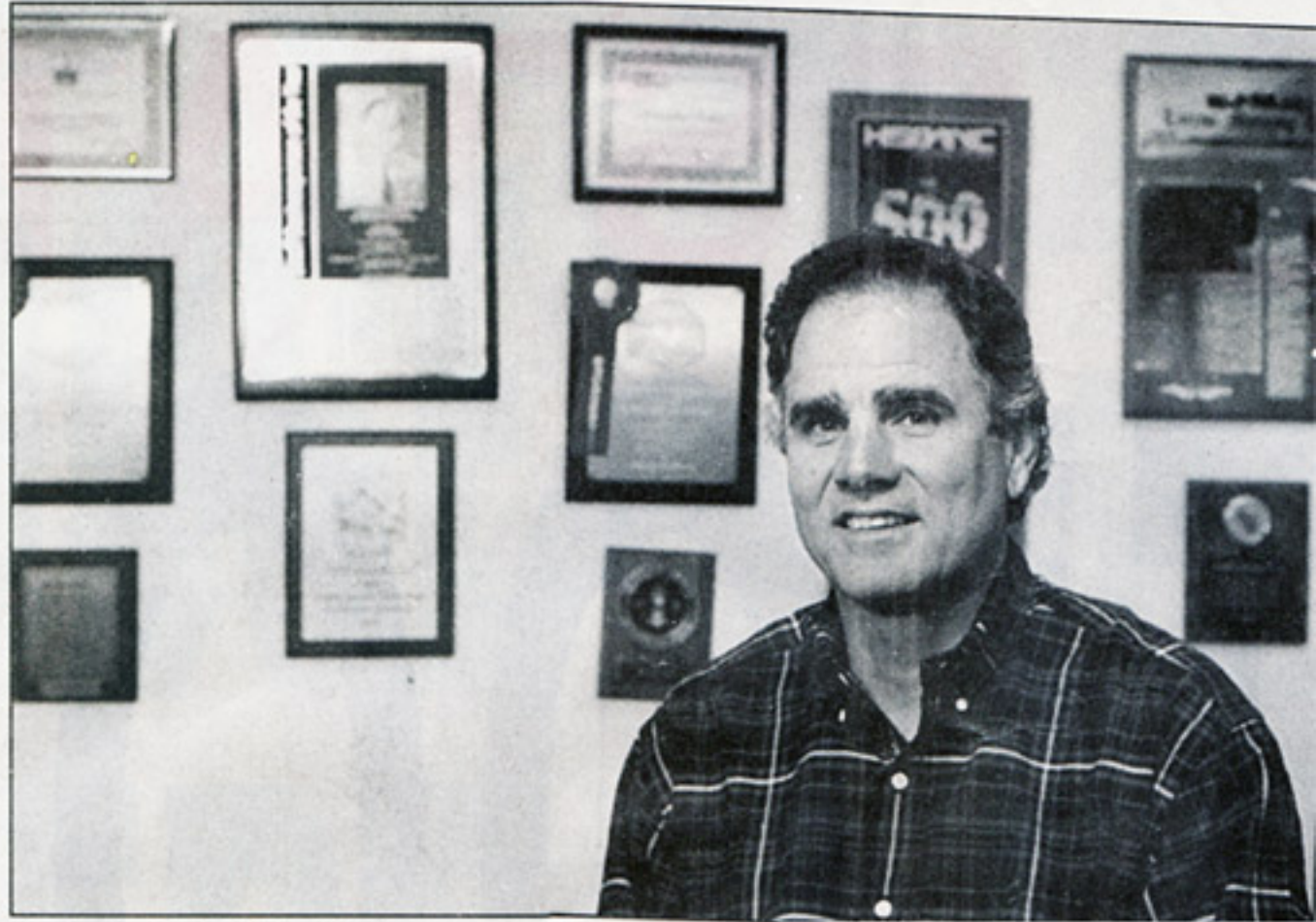
Lower interest rates are also attracting new home buyers, Gutierrez said. Five years ago, interest rates were 9 1/2 to 10 1/2 percent, he said. Present rates range from 6 1/2 to 8 percent, he said.

The lower rate means that home buyers are paying mortgages of about \$100 per month less than they were five years ago, he said.

"It's becoming a lot easier to buy a home than it was five years ago," he said.

Armadillo can find homes for people making as little as \$1,000 per month, Gutierrez said.

"We can get them in with a



*Roberto "Beto" P. Gutierrez, president of Armadillo Homes Company.*

down payment as little as \$1,000," he said.

The average square footage of an Armadillo home ranges from 1,000 to 1,200 square feet, Gutierrez said.

"The average apartment is probably 900 square feet," he said.

Those looking to sell homes in Laredo include many builders and developers, along with existing homeowners, Gutierrez said. Buyers include public employees such as police officers and teachers, along with U.S. Customs and

Department of Public Safety personnel, he said.

Others looking to buy homes include transportation, warehousing, fast food and other service workers, he said.

Gutierrez predicted that 1997 will be a good year for real estate sales in Laredo.

"I think that in 1996 a lot of businesses basically licked their wounds and it was steady as she went," he said. "In 1997, all businesses that (manage) property should run to good profit potential."

An expanding Texas A&M International University and new hospital facilities will create many future building opportunities in Laredo, Gutierrez said.

"I think that any time you have employment, it automatically creates real estate opportunities," he said. "Couple that with low interest rates,...(and) I think things look very, very promising for Laredo in the real estate business."