

## High-end U.S. homes defy market downturn

SAN DIEGO – July 11, 2007 – While the subprime U.S. real estate market is in the dirt, high-end U.S. homes are in clover, an analysis of nationwide home sales published Wednesday showed.

The national trend has gone largely unnoticed because Washington and the National Association of Realtors – the main sources of housing data – don't report statistics for different price segments, The New York Times said.

The newspaper and DataQuick Information Systems, which monitors real estate activity nationwide, found sales of homes in the top 5 percent of the market have been rising in many cities – often selling at above-asking prices – while sales have fallen in the market's middle and bottom sectors.

Why is this so?

Affluent families are getting richer and are spending their money, DataQuick analyst Andrew LePage told the Times. In addition, well-off foreign investors taking advantage of a weakening U.S. dollar are buying big U.S. homes, the newspaper said.

Affluent buyers aren't particularly affected by rising interest rates and mortgage-market problems, unlike low-income or middle-class ones, the newspaper said.

"The low end is getting creamed. The middle is struggling. The high end is running on its own dynamic," Moody's Economy.com Chief Economist Mark Zandi told the Times.

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