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SECTION

Phoenix becomes top U.S. home builder

By Catherine Reagor
And Glen Creno
The Arizona Republic

A spurt of buying this year has made metropolitan Phoenix and the nation's top home building market for the first time.

The Valley eked past Atlanta for building permits for the first eight months of 2004. Georgia's capital city has led the country for housing construction since 1990.

Capturing the tip spot for home building will draw the attention of even more investors, builders and buyers.

Through August, 39,210 new homes were permitted across the greater Phoenix, according to the National Association of Home Builders. In Atlanta, 39,100 single-family housing permits were issued.

"This housing market unquestionably ranks at the top of the pile," housing analyst R.L. Brown said.

Despite a run-up in prices, Phoenix is still one of the most affordable housing areas. Both Phoenix and Atlanta have vast tracts of cheap land ripe for new homes. However, Atlanta's job market has slowed significantly. Atlanta gained only 3,700 jobs during the past 12 months, while the Valley added about 40,000.