

Published: Aug 05, 2008 12:30 AM

Modified: Aug 05, 2008 05:04 AM

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Commuters longing to live near work

Far-flung communities losing favor as fuel bills burn holes in pockets

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When gas prices jump, people change their habits. They car pool more, dine out less. They might take the bus.

When the prices don't come down, they change their lives.

Renters in far-flung bedroom communities are seeking apartments closer to work. Homeowners are inviting rent-paying strangers into their homes. Families have been split.

"Nothing changes people's behaviors as quickly as high prices," said Bert Sperling, founder of Sperling's Best Places of Portland, Ore., which ranks qualities of cities based on market research. It regularly lists the Triangle as among the regions hardest hit by rising gas prices.

The area's suburban landscape has expanded away from city centers under a basic economic principle: If you can't afford a home in a close-in neighborhood, then just drive farther out of town, where land is cheaper.

Now anecdotal evidence and home data suggest that many are moving back -- a migration that could reverse the character of towns that thrive from residential construction and it could dash the fortunes of suburban homeowners and landlords.

In the spring, Diane Ruddiman moved from Cary to Fuquay-Varina to pay less rent. "Gas was not even an issue," said Ruddiman, 24, a social worker at a North Raleigh group home.

When gas prices hit records last month, she was on pace to spend about \$350 a month in rent and almost \$440 in gas. She has been running up her credit card. A second job as a waitress doesn't help much because people are tipping less.

So she's moving back to Cary. She'll pay \$450 in rent, but only about \$150 a month in gas.

"It can't affect me nearly as much as people who have children and families to support," she said. "If I'm struggling, they must be struggling 100 times worse."

Dan Kester, a 39-year-old single father, knows this well. He drives two hours a day from his Fuquay-Varina home to a company in West Raleigh, where he tests water.

Last year he traded his Ford F-150 for a gas-sipping Toyota Corolla. It wasn't enough. In June, he started looking for a home in Raleigh. He's willing to pay almost twice the rent he pays now.

'Spots of corrosion'



Vernon Williams explores an apartment in Apex. He rents in Raeford, but finds the commute to his new job in Raleigh an unexpected expense. He stays in a hotel room now, and is looking for housing closer to Raleigh.

Staff Photos by Ethan Hyman

As more people move to be nearer their work, home values could decline further in far-out, "drive-until-you-qualify" communities, said Christopher B. Leinberger, who studies growth issues at the Brookings Institution, a Washington think tank.

As values fall, so can quality of life. Cities rely on housing starts and rising home values for revenue. When revenue falls, taxes could go up or money for services such as police and fire protection could be cut. "You begin to see spots of corrosion in these 'Ozzie and Harriet' neighborhoods," Leinberger said.

The Triangle has largely avoided the malaise of many other regions. While home sales and construction have slowed in the region, home values have held up. But there are signs that the edges might be softening.

Of the 30 top-selling residential communities in June, six experienced both a drop in average price per square foot and a widening gap between asking price and closing price from a year ago, data from the Triangle Multiple Listing Service show. Those losing ground were in Holly Springs, Apex, Wake Forest and far northeast Raleigh -- communities away from the region's biggest employment hubs.

Developers have long expected higher gas prices to drive demand toward more urban centers. Their bets stoked centers such as North Hills in Raleigh, which combines homes, shops and offices and touts walkability. It was a welcome concept after hurricanes Katrina and Rita spiked fuel costs in 2005. But that surge wasn't high enough -- or prolonged enough -- to spur serious residential shifts.

Pitches to "move here, save gas" are more penetrating now.

At Hue, a condo project being built in downtown Raleigh, about 18 units have gone under contract since March. When gas peaked in July, five condos sold, said John Floyd, a York Simpson Underwood broker.

Steven J. Seagle, manager of Go Pack Travel on Fayetteville Street, was among the takers, reserving a one-bedroom condo last month. His mortgage will be \$200 more than that on his current two-bedroom house in Cary. But instead of a 24-mile drive to his office -- which runs him about \$240 a month these days -- he'll have a five minute walk.

Of course, not everyone can move. For those people there are other solutions.

Taking in boarders

Troy McClure of Union County, just south of Charlotte, decided to rent out the extra bedroom in his home after the cost of filling his Jeep doubled. He posted an ad seeking "a nice person to share our home with and cut our living expenses with gas prices going through the roof."

A student from Florida will soon join McClure and his 8-year-old daughter, paying \$450 in rent.

Vernon Williams' solution -- though temporary, he hopes -- is a North Raleigh hotel.

Williams, who rents in Raeford, southwest of Fayetteville, took a computer technician job at CarQuest in Raleigh last month.

When he started his Triangle job hunt, moving here wasn't a consideration. His salary would have been enough to cover his commute, rent and some of his daughter's college tuition. "I would have been a king," Williams said.

By the time he started his job, the cost of driving his Dodge Caravan to and from Raeford had jumped to \$640 a month -- almost as much as his rent.

So two weeks ago, Williams, 47, got a hotel room. On weekends, he sees his wife. After work, he looks for apartments, works the phones and checks out floor plans on the Internet.

"The job is treating me lovely," he said. "It's the housing situation that has become a little

stressful."

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