Where to Live *Now*

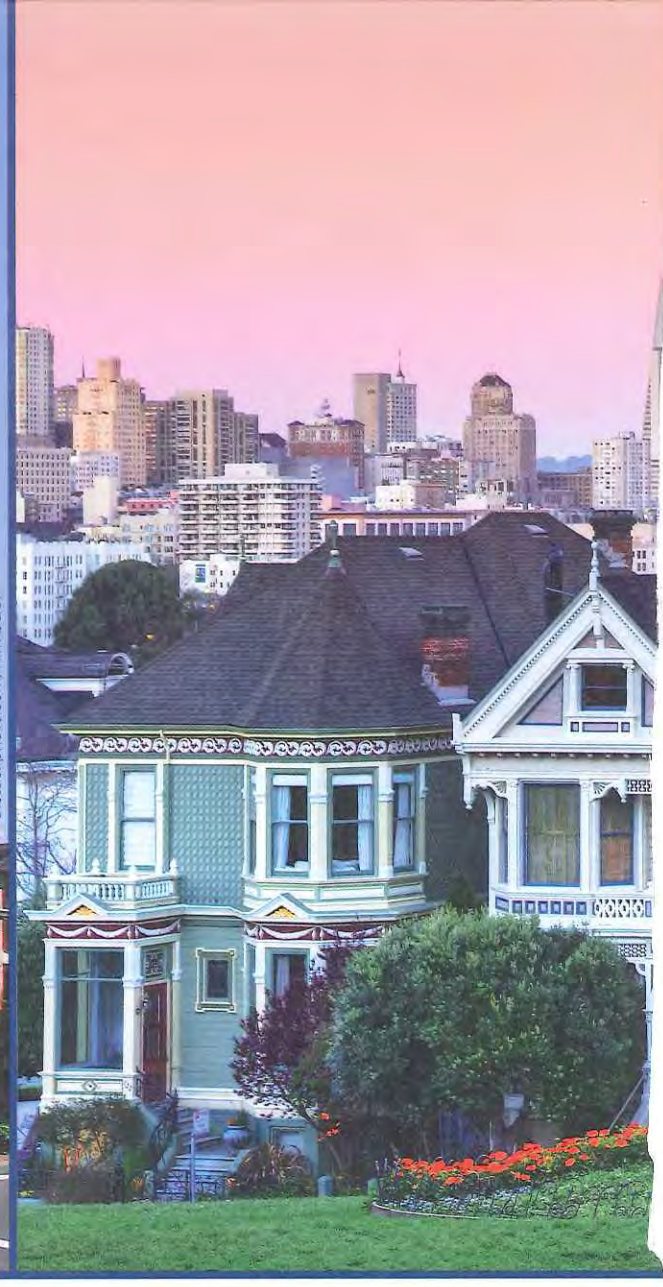
The **REAL ESTATE MARKET** may have been a white-knuckled ride over recent years, but for those ready to plunge in again, **THE TIME IS RIGHT IN THESE U.S. HOT SPOTS.**

by PATTI VERBANAS

"We're very encouraged by the start of this year — more encouraged than we have been in many years," says Philip White, president and COO of Sotheby's International Realty. "In the U.S., we are seeing the most growth in the major coastal markets, mountain resorts and areas in Texas and Georgia, where a stable economy is renewing buyer confidence," observes Jarvis Slade Jr., COO of Christie's International Real Estate. These experts' optimism was echoed by the other top real estate professionals we surveyed to discover the most sought-after areas and get the inside track on the neighborhoods in which to buy. Following are the places driving today's market (and some of this may surprise you).

Talk to anyone in real estate, and they'll tell you the same thing: Miami is hot, hot, hot — fueled, in part, by deep-pocketed South American buyers. "The city has seen dramatic purchasing over the last couple of years," says Paul Boomsma, president of Luxury Portfolio International, who attributes the turnaround to relatively low prices lingering from when the market bottomed out three years ago. White calls Miami's boom surprising. "Two years ago, it was not the real estate to buy," he says. "The rise has been dramatic — far more quickly than people expected." ▷

D.C. Metro Victorian Row Houses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Big Government means big markets; no place is this more fitting than the nation's capital, plus the area from Arlington, Virginia, to Baltimore. "The federal government has grown during the current administration, which has generated job growth and opportunities," says White. Private-sector employment is flourishing, too. Trulia's Chief Economist Jed Kolko ranks Washington, D.C. as the fastest-growing metro area for professional jobs. "Washington continues to see the growth of firms, especially in Northern Virginia, that sell their services to the Department of Defense, as well as the growth of a new medical-technical industry in the northwest corridor in Maryland," says Slade.

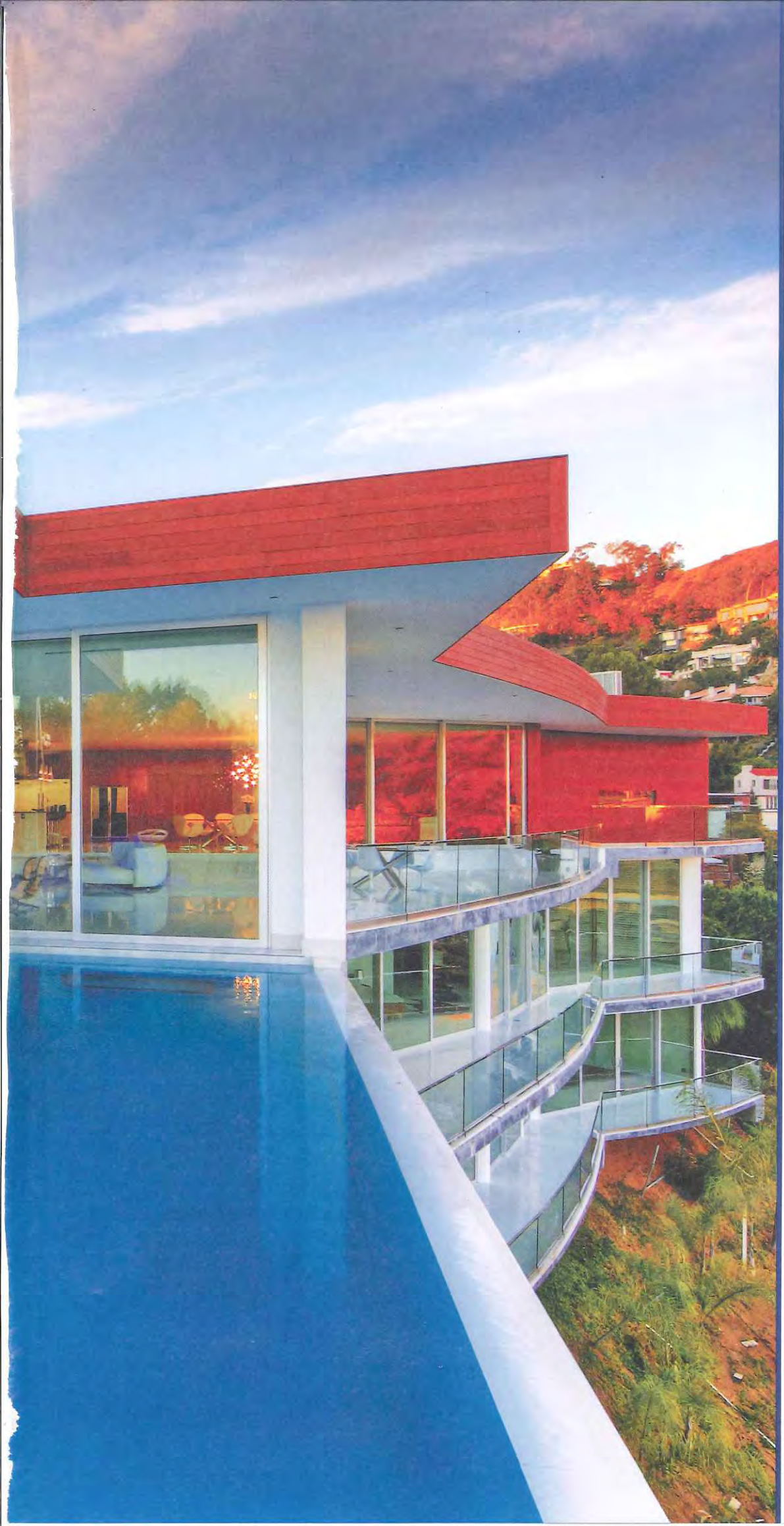
San Francisco Victorian Row Houses

SAN FRANCISCO

"San Francisco is one of those cities that has always been desirable — great location, great lifestyle," says Laurie Moore-Moore, CEO of the Institute for Luxury Home Marketing, of this perennial market darling. Though the shortage of inventory downtown — expect vying against multiple offers in Pacific Heights — means that properties are snatched up quickly, the opportunities broaden as you move toward the East Bay. "San Francisco is one of those markets that is so popular because of its lifestyle; it is a no-brainer that it will continue to be attractive," says Moore-Moore. ▷

LOS ANGELES

The volume of property searches is showing that people love L.A. Fueled primarily by the entertainment economy, Los Angeles' allure sparkles beyond Tinseltown. "Besides being the entertainment capital of the country that draws people in the industry, L.A. also attracts the international market," says White, who cites Beverly Hills as a desired section. "There's a limited number of top estate properties in Beverly Hills, but there is new construction, like the Residences at Montage Beverly Hills, condominiums located on top of the luxury Spanish Colonial Revival-style hotel that bears the same name."



ATLANTA

Hot-lanta is certainly living up to its name. Ranking as the No. 1 most-sought-after real estate market at Luxury Portfolio International, Georgia's state capital and its ever-expanding suburbs continue to rise in popularity. "Atlanta is our most searched-for destination and yet when we look at where people are searching from, Atlanta is not on the list, which means residents are staying put," says Boomsma.

And why wouldn't they, with real estate in this relatively temperate climate that would cost double or triple elsewhere in the nation? This young-at-heart city that burst onto the global stage after the 1996 Olympic Games attracts international business and plays host to many national company headquarters. "Atlanta continues to attract new businesses, particularly in technology, banking and financing and healthcare," Slade notes. "Opportunities for career growth and a vibrant nightlife is the reason Atlanta consistently appears on the list of best cities for singles to relocate." What's prized: the hip, upscale Buckhead section and the northern suburbs of Roswell and Alpharetta. And there's more healthy growth ahead. According to The Federal Reserve's Beige Book, a report of regional economies, Atlanta's economy is expanding faster than other areas in the country. ▷

"Dallas did not participate in the boom, and as a result, it has not participated in the bust," says Moore-Moore. "This market tends to click along at a constant rate, and the job market has stayed healthy." Adding to the attraction is Dallas' climate and the fact that there's no state income tax. She pinpoints two areas that are giving the city a young, fresh face. "The Uptown area has experienced multi-use development with residences set above retail stores and surrounded by restaurants and entertainment venues. It's a popular area with a lot going on 24/7. And Oak Cliff — a fun, funky area where the cool new restaurants are emerging — is one of the hottest neighborhoods. It was kind of forgotten, but now developers are buying it like crazy."

DALLAS

Stewart Charles Cohen/Getty Images

Andrew C. Mace/Getty Images

NEW YORK CITY METRO

A lot of people want to wake up in the city that never sleeps — or in the various bedroom communities that surround it. "They are not singing the blues in Manhattan," says Boomsma. "The tri-state area is one of the healthier markets, especially on Long Island." High-end areas of Long Island, such as the Hamptons and specifically Sag Harbor, have seen the biggest increase in closings. "In New York City, we're now seeing new construction, particularly high-end condominium projects," says White, who cites the heralded One57, a luxury high rise on Central Park where condos are selling for close to $10,000 a square-foot. But, he's quick to note, such prices are "rarified." Doug Perlson, CEO of NYC real estate firm RealDirect, points to the Yorkville area of Manhattan as one of New York's next hot neighborhoods, with a "great housing stock" and an easy commute. ▷

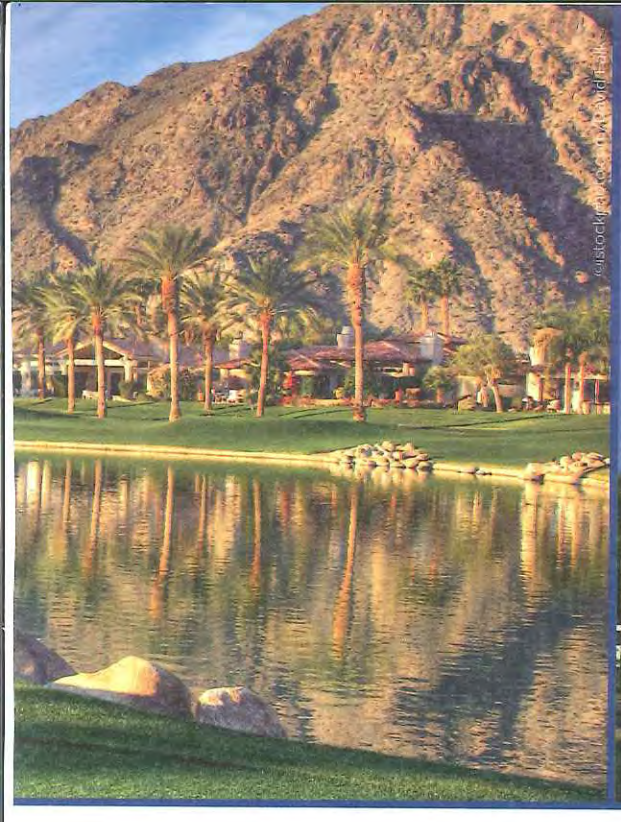
HOT MARKETS FOR SECOND HOMES

Palm Springs, California

The second home market is on the upswing, reports White. Whether you're seeking a great getaway or a solid investment with future retirement in mind, certain Sun Belt and resort regions are ripe for discovering exciting properties in desirable locations — at a value.

"My favorite second-home market is the **Palm Springs, Palm Desert** area, down to Coachella in California," says Boomsma.

Newport Beach, California



Sarasota, Florida

"It's a hot spot flush with lots of attractive available inventory. For a resort location, Palm Springs is my bet. You can pick up beautiful golf course villas in the $250,000 to $350,000 range, as well as luxury properties from $750,000 into the millions."

"Florida, particularly its **West Coast cities of Sarasota and Naples,** has seen an uptick in sales, driven by prices that have fallen as much as 50 percent from their unsustainable highs of the past five years," says White. The resulting influx of buyers means if you see a property you want — act. Homes are contracted quickly, and multiple offers are rife. **Florida's East Coast** also boasts one of the nation's hottest markets in **Boca Raton,** which shares its high rankings with its waterfront kin on the West Coast, **Newport Beach, California.**

Beyond the Sun Belt, **Aspen, Colorado,** is attracting buyers seeking a sophisticated mountain getaway. Christie's International Real Estate reports this town known for its breathtaking beauty has been experiencing "great activity last year into 2012," continuing a trend of steady sales over the past two years. ◆