

## Developer finds gold in hills of Tennessee.

*by Staff of The Johnson City Press*

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What would send a developer over the mountains from one of the Southeast's hottest markets to test the waters in the upper reaches of the Tennessee Valley?

For Cory Lewis, who's carved out a successful career in the Asheville market, the answer was simple:

"Really its supply and demand," Lewis says of his decision to enter the market here about a year ago.

"We had so many clients that figured out the same natural features are offered here for half the price of that Asheville address just 45 minutes away."

Lewis owns and operates T. C. Lewis & Co. Properties, a full-service real estate, development, excavation, construction and property management company.

When an area sees a sustained period of price appreciation and growth like Asheville has, there comes a time to look around the region and see if a similar quality of life, job market and cost of living can be found but with lower home prices.

Lewis looked north and saw unlimited potential. His four years in Western North Carolina have been in the midst of Asheville being one of the top markets nationally for growth in home prices and pace of building.

"It rivaled anybody in the country," Lewis says. "The market's pretty well saturated now, but it's still on a little bit of an upward climb."

On the other hand, he sees Johnson City's market as far from saturated, and says that even the slowdown of the past year hasn't been felt here even if people's perceptions indicate a troubled market.

"Our studies show the absorption rate of homes being listed and sold has kept the same course as it had over the past few years."

And with the base price being so low relative to the rest of the country, growth in the economic base and plenty of beautiful areas still available for development, Lewis says he expects the type of growth locally that will generate both major rewards and some risks.

"People are going crazy for this area," Lewis says. "They see the growth of ETSU and other parts of the region. I'm still small potatoes in this stuff, but there are a lot of big-time developers that are taking notice of this place."

With big things coming, Lewis says, the risk lies in an approach to growth on the part of local governments and leaders that fail to realize how many cards they are holding.

"So many people who are from here just don't see what they have here," he says. "They have no idea what a diamond in the rough we have."

And keeping that diamond from losing its shine will require smart growth policies, including not taking every big development offer that comes along.

In Asheville, Wal-Mart recently built a new store, but not until a 17-year battle with local residents who, in the end, won a lot of concessions. The site has a park that Wal-Mart built, a creek through the property, and lots of other community benefits that Wal-Mart would never have volunteered to do at the outset.

Clearly, Lewis says, Wal-Mart wanted to come badly enough that Asheville was holding the cards, and so is Johnson City – whether we know it or not.

"This growth is going to happen, and we just have to figure out what we need to do and what not to do. We don't need to just welcome with open arms every chain that comes knocking on Johnson City's door."

How local officials pursue urban planning will play into the ultimate success of growth here, Lewis says. Encouraging downtown revitalization, making redevelopment of brownfields and blighted areas easier, and preserving the outlying areas' beauty are all crucial.

"The people with deep pockets who want to come in here, we can negotiate with them – we hold the cards, because they see the potential and they want to be a part of it, but they're not going to come in here and give you their best offer right off the bat."