

BUSINESS 2.0

Top 10 cities: Where to buy now

The real estate slump could get worse before it gets better. But these 10 markets offer great opportunities for those who have the patience to buy and hold.

8. Manchester, NH

35% Projected gain in home prices (5-year)*



Median home price
2006: \$226,000
2011: \$305,000



Population
2006: 404,000
2011: 413,000



Per capita income
2006: \$41,500
2011: \$54,200

*Metro region statistics



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New Hampshire's financial appeal is readily apparent: It has no income or sales tax, and it's within commuting distance of Boston, one of the most expensive housing markets in the country. Manchester, a former textile mill town, is the largest city in northern New England; neighboring Nashua, which twice has won honors as Money Magazine's "best place to live" in America, shares a border with Massachusetts, which has been losing population since 2004.

"The edges of greater Boston are beyond the state boundary," notes geographer Andrew Schiller, founder of NeighborhoodScout. "People know they can move out of Boston, get more house for their dollar, and have a great quality of life."

And now may be a good time to buy, because appreciation rates started dropping in New England several quarters earlier than in the rest of the country. Prices are expected to burst upward again by mid-2007.

CAUTION: It remains to be seen whether southern New Hampshire can buck the larger demographic trend: people leaving New England in droves to seek milder, sunnier climes.