

Expert sees silver lining in gloomy housing

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SENECA — A state housing industry expert said Wednesday that the bottom fell out of the housing market in the third quarter of what started out as a half-decent 2008.

Commenting on the latest Multiple Listing Service (MLS) report for the state, Nick Kremydas, the chief executive officer (CEO) of the South Carolina Realtors Association, assessed 2008 as a year

to forget as far as home sales are concerned.

There was nothing merry about November's home sale numbers. Real estate professionals closed on 2,452 homes last month or almost half as many as were sold in November 2007.

The Western Upstate MLS that takes in the tri-county area of Anderson, Oconee and Pickens counties mirrored the under-performance statewide. The 135 tri-county homes sold last month was 46.2 per-

cent off the 251 sold in November 2007.

Despite the sagging numbers, Kremydas saw a silver lining.

First and foremost, he said, foreclosures in South Carolina are low compared to what is going on around the country. Kremydas said that has helped to keep large amounts of foreclosed properties from saturating the market and driving down home prices.

Statewide, the median home price slipped 3.2 percent to \$155,000.

report

down from \$160,000 a year ago. In the tri-county area, the median home price dipped 1.5 percent to \$134,000 from last year's \$136,000.

In both cases the median home price drops are miniscule compared to plummeting home prices in certain parts of the country, such as Florida and California, where double-digit drops are common.

Another silver lining spotted by Kremydas is the historically low

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interest mortgage rates available now and in the coming months.

"That'll get more people engaged who are looking to buy a house and get them off the fence," Kremydas said.

Furthermore, Kremydas said, should Congress and the new President get it right with their economic stimulus plans, it is conceivable that home sales could pick up in the second or third quarter of 2009.

Still, there is so much uncertainty with the economy that Kremydas is unwilling to predict a rosy outlook. He said that if predictions of 14 percent unemployment in South Carolina pans out, its ripple effects could bog down everything.

"That could create a foreclosure trend that would be hard to recover from," Kremydas said. "As properties go to foreclosure it has an impact on remaining houses in stock. We've never seen anything like this before."