BUSINESS

Foreclosures rise across

Columbia hit hard with 53 percent first-half increase compared to 2009

By Kristy Eppley Rupon
THE STATE
krupon@thestate.com

Homeowners in South Carolina are entering foreclosure at a faster rate than last year — and Columbia is faring worst out of all the major metropolitan areas, a new report says.

The number of homes that received a foreclosure notice in the state during the first six months of the year jumped 34 percent from the same period in 2009, the report from RealtyTrac says, and most metro area saw an increase.

Foreclosure filings rose 53 percent in the first half of the year, but held steady compared with the second half of 2009.

"I'm shocked. I didn't think it would be that high," said Columbia real estate agent Jay Graham.

"This is a sign of the times we're in."

The real estate and foreclosure crisis hit South Carolina's coast much earlier and harder than other metro areas. Investors in places like Myrtle Beach sent home prices skyrocketing during the real estate boom in 2005. But the area saw sharp drops in home sales and prices earlier than cities.

But the problem in the Midlands has prompted real estate companies to start training many of their agents in recent months in how to deal with foreclosure properties. Real estate experts say foreclosure sales are going to be a significant part of the market at least for the next couple of years.

In the Myrtle Beach area, foreclosures held steady from the first half of last year and decreased 15 percent from the second half of 2009. Greenville and Charleston both saw 17 percent increases from the same period last year.

Near-record unemployment and reduced wages for those who still have a job also are major factors, Graham said.

An increasing number of foreclosures is going to cause home prices to take a hit, Graham said.

Nationally, foreclosure filings rose 8 percent.

Still, S.C. ranked only 20th in the nation in foreclosures, the report said. And among homes sold in the state, one in five was in some stage of foreclosure, compared with one in three nationally, according to a report released earlier this month from the California-based foreclosure tracking group.

More foreclosures are likely to flood the market as banks become more adept at handling defaulting homeowners, said Mike Dodds, managing director of the S.C. division of Integra Realty Resources, an appraisal group.

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FILINGS UP

Increase in foreclosures in first half of 2010 compared with 2009

Columbia	+53%
Greenville	+17%
Charleston	+17%
Myrtle Beach	+.6%
S.C.	+34%
U.S.	+8%

SOURCE: RealtyTrac