Daily Journal • Daily Messenger

Saturday, March 14, 2009

Home sale prices remain stable; few selling

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The number of homes being sold in 2009 is down, but their values are holding firm.

Statistics compiled by the Association of South Carolina Realtors show a significant drop in Oconee and Pickens counties in the tri-county area, as compiled by the Western Upstate Multiple Listing Service (MLS).

There were 50 fewer homes sold in January in 2009 than in 2008, a 28-percent drop. The median price of homes, however, saw a 3.3 percent increase in the area compared to the same time last year, indicating a slight rise in home values.

Fourth-quarter statistics released by the Federal Housing Finance Agency showed the state of South Carolina as middle of the pack in terms of home value appreciation nationwide.

"I've not seen a move either way, honestly," John Powell of Powell Real Estate in Walhalla said. "I really haven't seen a decrease in values. The only thing I'm seeing is sometimes a bank may repossess a house, and then sometimes they're willing to wheel and deal on a price."

The dynamics of the local housing market might be setting up a future boom in house prices, Powell said, as fewer builders are constructing spec homes — ultimately affecting the equation of supply and demand.

"I had a client come in today looking for a house, and honestly we had a hard time finding it. Fewer spec homes are being built," Powell said. "What I'm anticipating and predicting is that we're going to be caught with no houses on the market for clients when the economy picks up, and that is going to cause prices to go up as demand gets higher."

"But right now, from what I've seen, values seem to be holding their own," he added.



Jessica Nelms/Staff

This home in the Waterford community in Seneca is under construction. Home values are seeing little change so far in 2009, which might portend a rise in prices as the economy recovers, some experts say.