

Housing forecast on shaky ground

By **CARLOS GALARZA**
carlos@dailyjm.com

SENECA — Oconee, Pickens and Anderson counties recorded 183 home sales in December, an increase of 36 percent from the previous month, but not enough to make South Carolina's top Realtor optimistic.

Unlike previous start-of-the-year housing forecasts brimming with hope, the 2009 outlook by South Carolina Realtors' chief

executive officer is guarded and somber. Nick Kremydas is uncharacteristically restrained from making any bubbly assessments regarding this year.

According to recently released statewide housing statistics on 2008 sales, last year saw another sharp decline in the number of closings. Across the state, a total of 46,914 homes switched ownership last year, a drop of 24 percent from the 61,741 homes sold in 2007.

Home-sale volume totaled 3,052 in the Western Upstate MLS reporting area consisting of Oconee, Pickens and Anderson counties, or a decline of 21.6 percent compared to 2007 home sales of 3,891.

Though the tri-county area did register 48 more home sales in December than November, those numbers were still off by 21.5 percent when compared to December 2007.

Consequently, with foreclo-

sures adding to an already large inventory and homes sitting on the market for longer stretches before they sell, median home prices also are receding.

Kremydas is being cautious in his 2009 forecast.

"We have heard about a rise in inquiries at real estate agents' offices since the fall in mortgage rates," he said in a statement.

See **HOUSING**, Page 7A

HOUSING

Continued from Page 1A

"But the actual contract signings to buy a home have not yet come forth.

"Jobs are hard to come by. The unemployment rate will be rising to over 8 percent within six months, maybe higher. Employment stabilization signs will only occur after the Congressional stimulus package filters into the system by late this year."

Furthermore, Kremydas said any improvement to the housing

market would come, unfortunately, at the expense of home-builders.

"As builders cut back in the short term, though very painful for the home building industry, the housing market will improve," Kremydas said. "We have a higher than usual inventory of homes on the market that first needs to be worked off before builders can introduce new inventory."

The sharp decline in building

activity in 2008, as evidenced by the residential building permit report prepared by The Market Edge, is a reflection on the anemic economy.

The report shows that 391 building permits were pulled in Oconee County in 2008, 40.3 percent less than the 655 permits filed in 2007. Pickens County had 422 building permits on file in 2008, a drop of 21.3 percent from the 536 on record in 2007.