

SOUND OFF

Industry insiders weigh in on the residential market's prospects.

1. Has the residential market bottomed out yet?
2. When do you anticipate we will again see price growth?
3. Over the last several weeks, inventory in metro Atlanta has fallen from about 103,000 to 93,000. What do you attribute the increasing buying activity to?



Mike Hampton

Principal in charge,
Bovis Lend Lease

Market: We believe it has in terms of no new construction starting until the backlog of existing units is sold. There are some terrific new projects waiting for the demand to catch up with the supply.

Price: Our best guess is somewhere in the 24- to 30-month range.

Inventory: I am personally one of the 93,000, so I've been watching it closely. I believe there are some folks who can no longer carry the burden of multiple mortgages and have reduced prices so low that the market has responded. I do not see this as a permanent fix, though.



Neal Creech

President, Creech Custom Builders/Greater Atlanta Home Builders Association Inner Atlanta Chapter

Market: The residential housing market is really close to bottoming out. I mainly build in Buckhead, where the land values have stayed strong, but the market for new homes has decreased due to savvy buyers and tighter credit.

Price: There are different pockets and price points throughout the city and some of them will start to rise now that inventories are going down.

Inventory: You still have people moving from other cities, growing families and high gas prices. All of these factors have contributed.



Harry Conley

President, Fifth Street Management Company LLC

Market: I keep hearing people talk about a residential bottom being months away, but in our high-end residential condo market, we are seeing increased activity in the past few weeks and are beginning to think the bottom for this segment is now behind us.

Price: Clearly we have not seen price growth, but now is the perfect time to grab the value opportunities that are out there.

Inventory: Atlanta is still enjoying a great influx of new residents in addition to those that are downsizing or moving into the city from the suburbs. So there is some built-in demand due to the health of our economy.



Les Stumpff

Vice president and division manager, Ryland Homes Atlanta Division

Market: For new single-family homes, yes. Most builders that are still in business have stopped discounting except for their remaining inventory homes.

Price: It may well be 2011 or later for the Atlanta market as a whole, but it will occur sooner in some market segments.

Inventory: It is hard to say because that number can be driven by listing decisions in addition to changes in sales activity. I do believe that many individuals recognize that home prices are at or near the bottom of this housing cycle and are grabbing the best deals.