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Housing market can and must meet the needs of both buyers and sellers

-- One of the most cruel and confusing consequences of Hurricane Katrina is the way it has distorted our housing market.

South Mississippi is neither a buyer's nor a seller's market.

It ought to be a seller's market, considering the vast number of working men and women in need of housing. But it isn't a seller's market because incomes that can cover the cost of a reasonable mortgage payment can't be stretched enough to cover the higher insurance premiums that come with home ownership in the coastal counties of Mississippi.

It ought to be a buyer's market, considering that there are an estimated 4,000 houses for sale in Hancock, Harrison and Jackson counties. That represents an estimated 17-month inventory of homes on the market, rather than the normal four- to six-month inventory of housing usually up for sale. But it isn't a buyer's market for the same reason - too many incomes fall short of covering the cost of principal, interest, taxes *and* insurance.

The Renaissance Corp. was created by the Gulf Coast Business Council to fill the gap between incomes and housing costs for working families.

Its goal is to assist in making housing available *and* affordable for the average working family, those earning up to 120 percent of the average median income - too much for any federal programs, but not quite enough for our suddenly higher housing market. Because mixed-income housing is the organization's model, the benefits will touch all income levels.

Anthony Topazi, the president and CEO of Mississippi Power Co., is the chairman of the Renaissance Corp.

For Topazi, housing is a problem for both buyers and sellers and it is a problem that must be solved for both. "It's important that people be able to sell homes as well as buy them," he said. Otherwise, "we risk destroying our existing home market." If South Mississippi were to suddenly be inundated with "all new, heavily subsidized houses," he said, "it would destroy the stagnant, existing home market."

So solutions must be found to put qualified buyers into existing homes as well as create new housing opportunities for buyers - and renters - for whom the existing housing market does not offer a solution.

Topazi is convinced those solutions can be found. Indeed, he says the Renaissance Corp. is anxious to implement some programs he knows will bring relief to both buyers and sellers.

But potential remedies are too often being blocked or ignored by local leaders - and rejected by residents fearful of even more change in their lives.

"Our communities must put forth the energy and effort to make things work," Topazi said. "We just can't say 'no'

" to doing what has to be done - even if that means doing some things differently. "We have the money, the cottages, the tax credits... we've just got to use them. It's about leadership" and having the determination to identify and implement new approaches and programs.

For our part, we remain determined to do all we can to help the cities and counties of South Mississippi remove this obstacle to recovery - and seize the great opportunities that are still available to them. Failure cannot be an option.

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