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As home sales continue decline, homeowners choose renovation

Furnishers, contractors see uptick in business

Pittsburgh Business Times - by [Tim Schooley](#)



Joe Wojcik

Nancy Reader, owner of Hearth & Home Furnishings, says business is up because more customers are looking to renovate their homes rather than move.

Nancy Reader can roughly gauge how the residential real estate market is slumping by the surge in sales of rattan furniture, outdoor kitchens, decorative fire places and other goods at her [Hearth & Home Furnishings](#) store, a 25-year-old retail business in Zelienople.

While home sales in the Pittsburgh region have seen monthly declines for seven straight months, Reader sees plenty of customers who, instead of trading up to a larger home, are looking to renovate and expand the ones they own.

“Our business is up,” Reader said, estimating that overall sales have increased 20 percent this year. “It’s because of the customer staying in their house.”

Reader’s business is also seeing a surge from customers buying heating equipment, such as wood-burning stoves, to prepare for a winter of rising natural gas prices.

The residential real estate bust nationwide may be bad news for the overall economy. But Reader’s business and others are seeing strong demand from restless homeowners wary of selling in a down market but still itching to invest in what they already have.

Lewko Korzeniwsy, a principal with the Shadyside-based architecture firm Korzeniwsy Cullen, which specializes mostly in residential work, has experienced the trend before.

“I would say that nothing is recession proof,” he said. “But I would say what we have found is people will stay put and throw some money into their house that requires some design assistance when the economy is not looking real rosy.”

He said his firm has never had a slump in work when the economy was bad.

John McCloskey, president of North Side-based [J. Francis Company](#), a general contracting firm that specializes in residential & commercial work, wasn't expecting to see a strong uptick in business from homeowners seeking to upgrade their living space.

Working entirely on a referral basis, J. Francis has seen its business grow by more than 30 percent this year from residential projects, including opening up kitchens and dining rooms into a single larger space, outfitting basements and building additions.

He even sees the demand for home renovation in his own Mt. Lebanon neighborhood.

“It blows my mind how many projects are going on, on my street,” he said. “It kind of looks like a war zone.”

McCloskey contrasted the relatively stable housing market in the Pittsburgh area with the recent havoc occurring on Wall Street and wondered if it wasn't a better idea to invest more into his own home rather than a mutual fund vulnerable in a down market.

“I don't think people are worried about sticking their money into real estate in Pittsburgh,” he said. “Maybe our home is our safest place to put our money.”