BUSINESS

Buyers take advantage of tax credit

Home sales get boost in April

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The federal homebuyer tax credit and an improved market were the likely reasons more buyers bought homes in April.

The 678 residences sold in Greater Greenville last month reflected a 33 percent year-over-year increase in area home sales, according to Greenville Multiple Listing Service statistics.

Year-to-date sales were up 14 percent, statistics show.

Nick Sabatine, executive director of the Greater Greenville Association of Realtors, said sales in April were better than those in June 2009 – the region's best sales month last year.

While the extended federal homebuyer tax credit helped April sales, both Sabatine and Adair Smith Senn, president of the local trade association, say it wasn't the only catalyst.

Sabatine also believes the increase is due to a "strengthening of the market."

New and repeat home buyers had to either close on a house or have a written binding contract to purchase signed by April 30 to qualify for the extended tax credit. They have until July 1 to close on the home.

Until then, Sabatine said he expects local home sales to reflect that tax credit. July sales, for which statistics will be released in August, will show sales minus federal incentives.

"What I'm hoping is that because it is such a strong buying season from now until September that any loss that we see as a result of the first-time homebuyer money being gone, will be absorbed by the time of the year," he said.

Also in April, the sales volume was up 17.3 percent, the average price rose 2.9 percent, and the median price inched up 1.1 percent.

The credit, Senn said, has been "a great psychological boost" and "a motivator for everybody."

But Senn said her personal listings that are selling are not all first-time buyers and the tax credit has not been the entire push.

"We're seeing a good mix of people. Another positive thing we're seeing too are companies starting to do some hiring, transferring and relocation," she said. "We are steadily seeing things move back to a more normal market."