BUSINESS

Economy keeps grip on housing

Low interest rates attracting some buyers, official says

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The economy seems to have kept a tight hold on existing home sales in Greater Greenville last month.

Statistics from the Greenville Multiple Listing Service show home sales were down 21.9 percent in September, with 466 housing units sold that month compared to the 597 sold in September 2009.

The September drop represented a small change from the prior month. Sales were down 21.7 percent in August from a year earlier, during which about 480 homes were sold.

Nick Sabatine, chief executive officer of the Greater Greenville Association of Realtors, has attributed the decline in sales to the economy and South Carolina's unemployment rate, which was 11 percent in August.

Walter Molony, spokesman for the National Association of Realtors, said the current level of home sales activity throughout the nation is "depressed" because of the economy.

He said the lack of confidence and jobs seems to be holding people back, although some are responding to the drop in interest rates and good affordability rates.

According to Freddie Mac, the national average commitment rate for a 30-year, conventional fixed-rate mortgage fell to 4.27 percent for the week ending Oct. 7. That's down from the week prior when it averaged 4.32 percent and last year at this time which it averaged 4.87 percent.

Home sales from Jan. 1 though Sept. 30 in Greater Greenville were up 1.7 percent, compared with the first eight months of 2009. The region's sales volume also increased by 4.7 percent, and the median sales price rose 2.1 percent from $140,000 to $143,000.

The September existing home sale statistics for the nation and the state haven't been released.

Sabatine said he doesn't anticipate much change in local home sale statistics for the remainder of the year.

Brad Halter, president of Coldwell Banker Caine, and C. Dan Joyner, president and founder of C. Dan Joyner Realty Co., both said they are looking for improvements in 2011.

Molony said the forecast is "fuzzy," though there is some belief that there will be a slow gradual improvement, but not steady in the next year.