

# Existing home sales fall in state

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Unemployment, job insecurity, and the inability to obtain a mortgage are some of the factors that weighed down statewide home sales in May.

Existing home sales statewide dropped 17.2 percent from May 2010 to 2011 and are down 9.3 percent year-to-date, according to state Multiple Listing Service statistics.

Sales in Greater Greenville have been inching up month by month since May of this year, with sales consistently climbing from 339 in January to 572 in May. But Greenville sales from January to May were 12.2 percent below what they were the same period of 2010 down 15 percent last month compared to May 2010.

The National Association of Realtors also reported declines in nationwide home sales last month, with a fall of 3.8 percent from April and 15.3 percent from the May 2010 pace of sales surging to beat the deadline for the home buyer tax credit.

Local real estate professionals say one of the biggest drags on the housing market is unemployment.

South Carolina's unemployment rate rose slightly to 10 percent in May, up from 9.8 percent in April. The U.S. rate also saw a slight increase in May to 9.1 percent from 9 percent.

"We need more jobs. We need free flow of financing

again, and I'm not talking about when banks were giving money to anybody that could fog a mirror. I'm talking about financially, reasonable, sound financing and streamlining the short sale foreclosure process," said Nick Kremydas, chief executive officer of the South Carolina Association of Realtors.

"I think if those three things were to occur, you'd see a pretty robust economic turnaround for our state. Real estate will follow," he said.

Only two of the 15 real estate markets across the state saw year-over-year home sales increases in May, and in four markets, sales were up year-to-date.

Beaufort and Hilton Head saw sales rise 6.3 and 23.1 percent, respectively, from May 2010 to May 2011. Beaufort, Hilton Head, Coastal Carolinas and Columbia were the regions that saw year-to-date sales increases ranging from 0.1 to over 11 percent.

Kremydas said the big jump in sales along the coast is due to condos, which saw some of the biggest price drops, attracting cash buyers.

Much like the national figures, the local statistics are being compared to a time in 2010 when there was an "artificial" increase in sales because of the tax credit, he said.

"A real test for our numbers is going to be in July and August and how we compare to last year and the year before," he said.