

Greenville-area foreclosure sales surge

Prices falling but loan limits tight

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Foreclosures in the Greenville-Mauldin-Easley area made up 22.38 percent of all residential sales in the region during the second quarter of 2011, up from nearly 16 percent of all sales in the second quarter 2010.

A quarterly trend report released by RealtyTrac, an online market-

place for foreclosure properties, shows that 416 bank-owned homes or homes in some stage of foreclosure in the Greenville metro were sold in the year's second quarter. That's an increase of 3.48 percent from the previous quarter and a drop of 4.81 percent in year-over year unit totals.

Home buyers purchased fewer foreclosures throughout South Carolina between April and June of 2011. Foreclosure sales in the state dropped 7.03 in the second quarter from the previous quarter and

17.33 percent year over year. RealtyTrac said 21.24 percent or 2,433 of all residential sales in South Carolina during the second quarter were foreclosure properties.

Nationwide, foreclosure sales in the year's second quarter were up 6.48 percent from the first quarter and down 11.07 from the previous year. Still, 31 percent of all homes sold in the U.S. in the second quarter were distressed residences.

Lawrence Yun, chief economist of the National Association of Realtors,

said affordability conditions this year have been the most favorable on record dating back to 1970, but many buyers are being held back because banks are offering financing to only the most highly qualified borrowers, ignoring a large share of otherwise creditworthy buyers.

"Those potential buyers represent the difference between an uneven recovery and a much more robust housing market that could stimulate additional economic activity and create jobs," he said.

Nationwide housing af-

fordability data released this month indicated that 72.6 percent of all new and existing homes sold in the second quarter of 2011 were affordable to families earning the national median income of \$64,200, according to National Association of Home Builders/Wells Fargo Housing Opportunity Index (HOI).

In addition to historically low mortgage rates, buyers who purchased a foreclosure home in the Upstate in the year's second quarter were privy to

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huge discounts on sales prices.

Foreclosure properties in Spartanburg had an average discount of 28.37 percent, while homes in Anderson and Greenville-Mauldin-Easley had percentage discounts of sold 32.77 and 33.04, respectively, below the average sales price of non-foreclosure homes.

The average sales price of U.S. properties in some stage of foreclosure — default, scheduled for auction or bank-owned (REO) — was \$168,321, down 1.89 percent from the fourth quarter of 2010 and down 1.46 percent from the first quarter of 2010, RealtyTrac said. The average sales price of foreclosure properties was nearly 27 percent below the average sales price of properties not in foreclosure.

James Saccacio, chief

executive officer of RealtyTrac, said the quarterly report, which shows average prices trending down and average discounts trending up, is good news for well positioned buyers and investors looking for bargain real estate.

"Maybe less evident, however, is the good news in this report for distressed homeowners looking to sell, and even lenders saddled with large portfolios of delinquent loans," he said.