BUSINESS

Realtors expect 2010 rebound

Greenville-area slowdown less severe last year than in 2008

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The decline in Greenville area homes sales was less last year than in 2008, a sign to some that recovery is on its way.

The total number of residential units sold in 2009 was down 15.4 percent. That's about five percent less than what it was in 2008, said Nick Sabatine, chief executive officer of the Greater Greenville Association of Realtors.

"It's saying we have flattened out, and we're beginning an increase," he said.

Sabatine said the local housing market is like a U, with a peak in 2006 when sales were at 10,388.

"We've flattened out so we're at the bottom of that U. We will begin a recovery probably mid-2010," he said.

There were 6,785 residential units sold in Greater Greenville, which includes Pickens and Laurens counties, in 2009 and 8,021 in 2008, according to statistics supplied by the Multiple Listing Service.

There were 495 residential units sold in December of last year and 491 in December 2008. The number of homes sold in December was 86 units less than those sold in November.

Existing home sales rose 7.4 percent nationwide in November. They were up 40.3 percent in Greenville from Nov. 2008 to November 2009, and up 62.9 percent statewide.

Lawrence Yun, chief economist of the National Association of Realtors, credits the increase to "a rush of first-time buyers not wanting to miss out on the tax credit."

Sabatine said the slight increase in December year-over-year sales was due to the time of year. December and January are traditionally slow months for home sales, he said.

Like Sabatine, Yun is expecting activity to increase again in the spring "when buyers take advantage of the expanded tax credit.

Fiserv, which provides information management systems for the financial services industry, is forecasting a two percent drop in housing prices in Greenville from the third quarter of last year to the third quarter of this year.

The median sales price was up from $139,000 in December 2008 to $140,000 last month, according to the MLS.

David Stiff, Fiserv's chief economist, said housing demand is weak in Greenville because of the soft job market.

"Although Greenville didn't get caught up in the housing bubble, it did suffer because of the recession, and that's undercut housing," he said.

Sabatine said as long as unemployment remains high, the recovery of the housing market will be slow, but he sees prices.

"The trend has been in the last 10 years for the Greenville market to hold steady. I certainly don't see a big spike in the prices, but I do see them holding steady," he said.