

'Tis the season for drop in home sales

Greenville's dip last month reflects traditional slow buying time

By **Angella Davis**
STAFF WRITER
adavis@greenvillenews.com

The traditional slow buying season can be credited for last month's drop in Greater Greenville home sales.

There were 423 existing homes sold last month in Greater Greenville, compared to 502 in October.

"I expected a decrease from October because of the time of the year so that's not unusual," said Nick Sabatine, chief executive officer of the Greater Greenville Association of Realtors.

Greenville Multiple Listing Service statistics for November show a 27.2 percent drop in existing homes sold compared with figures from a year ago.

Year-to-date, home sales are down 2.8 percent. That is the bigger picture, Sabatine said.

"That tells me that the market from year-to-year, from 2009 to 2010, has been basically steady," he said. "It's not real discouraging because of the market conditions across the United States. There are certainly areas a lot worse off than the Upstate."

He added that local market conditions have to be looked at as a slight downturn from 2009 with the

hope that 2011 will be better.

Lawrence Yun, chief economist for the National Association of Realtors, said that the housing market overall "clearly is in a recovery phase and will be uneven at times."

He said the improving job market and consequential boost to household formation will help the recovery process going into 2011.

Higher interest rates and changes to the mortgage interest deduction could hurt that recovery in the coming year.

"If that's taken away, that will make a tremendous change not to people buying and selling houses, but to people that have owned houses over the years," Sabatine said.

Preliminary results of a new survey show nearly three out of four home owners and two out of three renters consider the mortgage interest deduction to be extremely or very important to them, Yun said.

"Homeowners already pay between 80 and 90 percent of all federal income taxes and an additional tax burden would hurt them and the economic recovery," Yun said. "So we have a reasonable hope that it will not be changed."