

Local housing market shows stability

By Ginger Livingston, *The Daily Reflector*

Greenville's real estate market isn't breaking any records, but 2002 saw purchases and prices rise slightly.

Home sales broke national records in the last year, a trend that continued into January, The Associated Press reported last month.

Sales of previously owned homes reached 6.09 million in January, according to the National Association of Realtors. New home construction in January also reached a 16-year high.

Pitt County's 2002 sales and new home construction were higher than previous years, but local real estate agents stop short of calling it a record.

"I don't know about record sales, but we do have very healthy sales in Pitt County," Deborah Randolph, owner of Keller Williams Realty, said.

In 2002, 1,688 homes were sold in Pitt County, 2.6 percent more than the previous year based on figures from the Multiple Listing Service of the Greenville-Pitt Association of Realtors. The numbers reflect single-home, townhouse and condominium sales, said Richard Lane, broker-in-charge at Prudential Prime Properties.

While housing analysts predict a national drop in housing sales, other economists believe low mortgage rates will continue fueling housing purchases, The Associated Press reports.

Locally, January's existing home sales were down from December but higher than last January's sales, according to the N.C. Association of Realtors. Local real estate agents say this is normally a down time because families do not want to take children out of school once a new semester begins. The agents believe local sales will continue to hold.

"What lower interest rates do is make it easier for consumers to buy what they already want to buy. It also allows them to buy more," Lane said.

It's a trend Randolph has noticed. Many first-time buyers are younger people purchasing larger homes that are more expensive than the traditional first-time buyer, she said.

Other homeowners are going in the opposite direction, using low interest rates to cut costs. Shawn and Jessica Knopp used that strategy in their move to Greenville.

Knopp, recently hired at DSM Pharmaceuticals, has a 2-year-old son and also a baby on the way.

The family has a contract pending on a four-bedroom, traditional brick home in the Cherry Oaks North subdivision.

"We've been thinking about how we can reduce our expenses, because we're getting where we need to save for our children's education, our retirement," Knopp said.

The lower cost of living in Greenville lets them get more house for their money than in their previous hometown of Boston.

The couple searched more than two months, looking at 50 homes before making their offer, Knopp said. When they bought their first home in Boston four years ago, it only took them a week.

"Before, it was a starter home with a three- or four-year commitment. Now we know we wanted to be somewhere longer term," Knopp said.

The family's parameters for their dream home — the square footage, floor plan, yard size and type of neighborhood — were narrowed.

"When you put all those things together, it takes longer to find a home," he said.

Last year, Greenville homes were on the market 118 days before selling, the higher end of the 90-120 days Lane calls a "respectable time" for selling a property.

"Anything you see in Greenville is competing with new construction," Lane said.

A check of building permits for single-family homes issued by the Greenville and Winterville building departments show new construction has risen during the last five years.

In 1998, Winterville's planning department issued 122 single-family home building permits. The numbers dropped in 1999 and 2000 to 96 and 106 permits, respectively, but started trending up with 155 permits issued in 2001 and 181 permits issued in 2002.

New home construction in Greenville has been more of a roller coaster. The city issued 284 single-family home construction permits in 1998. The number dropped to 222 in 1999, went up to 312 in 2000, dropped to 277 in 2001 and increased to 338 in 2002.

"We have a very professional clientele in Greenville who sometimes take the path of least resistance," Lane said. They want homes that have new appliances, modern heating and air conditioning and don't want the expense and time of personalizing a home, he said.

When people look around and see so many new apartment complexes and townhouse developments going up, it can appear that the market is oversaturated. However, the units continue to rent and sell, said Pat Taylor, owner of Remax Preferred Realty.

The sale price of houses is another sign the local market is healthy, Lane said.

Last year, the average listing price for a home was \$127,390; the average selling price was \$125,024 — 98 percent of the list price.

"What that tells me is our overall market is healthy; we are not seeing dramatic shifts in prices," he said. "What you would see if the market is distressed is the list prices would go down and the list-to-sell ratio would go down."

Greenville's housing market is drawing builders from outside the immediate community. Those builders wouldn't invest in the community if they did not think the property would sell, Randolph said.

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