

Southeast Michigan home, condo sales continue to rise

by Ben Lamothé | Michigan Business Review

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Home sales rose for the fifth consecutive month in May in Southeast Michigan, up 12.7 percent over prior-year periods, according to a report issued Wednesday that tracks monthly residential and condominium sales in the region.

But the report noted that Michigan remains fifth in the nation in the number of foreclosures, keeping home prices often well below appraisals.

The monthly report by Multiple Listing Services and real estate property data service Realcomp II Ltd. of Farmington Hills surveys home and condo sales in five counties and the city of Detroit. It found that sales were up in May in Oakland, Macomb, Livingston and Wayne counties and in the city of Detroit, while dropping in St. Clair County.

The biggest winner was the city of Detroit, where sales rose 34.8 percent with 771 in 2007 and 1,039 in 2008.

Detroit is expected to continue to top housing estimates, with 1,537 units that have sales pending, compared to 1,084 in 2007 - an increase of 41.8 percent.

The situation is less optimistic in St. Clair County, where sales fell 10.9 percent to 115 from 129 in May 2007.

Residential and condo sales in Oakland County between May 2007 and May 2008 rose 9.3 percent, from 1,135 to 1,241. The report said 1,625 sales were pending in the state's second most populous county compared with 1,406 in 2007.

Wayne County saw sales rise 17.3 percent to 2,072 units, from 1,766 during the prior-year period. The number of sales pending also jumped by 31.5 percent.

Meanwhile, sales were up 10.5 percent in both Livingston and Macomb counties, the report found. The report identified key factors for the continued increase in home sales as homes being priced to sell and interest rates remaining at historically low levels.