

Builder permits, confidence growing

Upstate reports increase in 2011

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Upstate residential building permits ended 2011 on a positive note, after four consecutive years of decreases.

The permit totals for 2011 were 5.8 percent above 2010, according to a fourth quarter report released by The Market Edge of Knoxville.

Dale Akins, president of The Market Edge, told GreenvilleOnline.com that the increase is "obviously, positive news." And, it's news that comes as builder confidence in newly built, single family houses is reportedly at its highest level since June 2007.

The National Association of Home Builders/Wells Fargo Housing Market Index said Wednesday builder confidence has risen four points to 25.

"Builders are seeing greater interest among potential buyers as employment and consumer confidence slowly improve in a growing number of markets, and this has helped to move the confidence gauge up from near-historic lows in the first half of 2011," said NAHB Chief Economist David Crowe.

Greenville is among the markets where builders are seeing an increase in business. Building permits in Greenville were up eight percent from 2010 to 2011.

"I'm hearing a lot more positive comments about the marketplace, and the builders are a lot more optimistic about the industry now than they were a few months ago," said Micheal Dey, executive vice president of the Home Builders Association of Greenville.

Employment may be the reason for the uptick in the Upstate's annual residential building permit to-

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tal.

"We've kind of felt like our market was really benefiting from the economic development efforts, job creations, happening here. Plus, we just didn't have the level of speculative building happening in this market that happened in quite a few of the others. So we had less inventory that we had to absorb," Dey

said.

Upstate building permits were down 43.5 percent in 2008-2009 and down 5.8 percent in 2009-2010. The 5.8 increase in 2011 could simply be a move back into the right direction, Akins said.

The Market Edge defines the Upstate as Abbe-

ville, Anderson, Greenville, Greenwood, Laurens, Oconee, Pickens and Spartanburg counties. Building permits totals for this region were 9,705 in 2005; 9,467 in 2006; 8,023 in 2007; 4,643 in 2008; 2,623 in 2009; 2,472 in 2010, and 2616 in 2011.

Akins said the totals in

2005 and 2006 were "not healthy levels of construction." They were driven by false demand, he said.

So, Akins said, "I don't look at the building permits now and say, 'Woo-hoo. We're killing it.' I look at that and say you've reached what the true need really is."