BUSINESS

Housing shores up Greenville's economy

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Residential real estate is proving to be Greenville's saving grace in the recession, with year-over-year price appreciation here fifth best among the 100 largest metropolitan areas in the country.

Greenville's overall economy ranks in the middle of metro areas in the United States, according to the Brookings Institution's quarterly MetroMonitor, which tracks recent economic performance. Columbia is among the second highest 20 metro areas and Charleston ranks in the middle.

Don Schunk, research economist with Coastal Carolina University, said he's not surprised that South Carolina's metro areas, all strong and diverse economies, fared relatively well.

Being in the middle tends to mean a "fairly stable economy," he said.

Alan Berube, senior fellow with the Brookings Institution and co-author of the report, said the report shows "there's not one national economy. There's not one national recession. The recovery will also be uneven."

Ken Peterson, chair of Furman University's economics department, said, "I'm pretty bullish on the Greenville area. I think we have a lot of components on hand to sustain long-term growth."

The report studied employment, unemployment, gross metropolitan product, average wages, housing prices and real estate-owned properties. Greenville's major strengths were housing prices, up 3.1 percent for the first quarter, and average wages, up 1.1 percent during that period. Dragging the Greenville metro area down are employment, down 2.8 percent for the quarter, and unemployment, up 5.2 percent for the quarter, according to the report.

Looking at the entire report, Peterson said, "This is fairly good news."

The strength in Greenville's housing market is not unexpected, he said.

"We have continued to have population growth into the area," he said, citing attractive natural amenities, a vibrant cultural life, the popularity of downtown and the weather. "That may be helping our real estate market stay strong."