New housing activity teeters in Oconee, Pickens

Big drop in building permits points to feeble economy

BY CARLOS GALARZA
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SENECA — New home construction in Oconee and Pickens counties took a tumble in the second quarter, erasing gains posted in the beginning of the year and fanning fears that the fragile local economy is losing traction.

A recently issued regional report that tracks residential building permit activity picked up the disheartening trend.

During a three-month period that ended June 30, 36 building permits were pulled in Oconee County, or a 56 percent drop from the 82 permits recorded in the first quarter.

Pickens County recorded 52 permits in the second quarter, or 53 percent less than the 111 permits posted during the first three months of the year.

Russ Price, a spokesman for the Home Builders Association of Oconee, said the dismal performance is a reflection of people's concerns with the economy.

"As far as new construction is concerned, there's not a lot of that going on," Price said. "People are concerned of what the economy is going to do and are holding back."

Price said the one positive sign for the industry is that there is "lots of remodeling going on."

"That's good for our members," he said.

The quarterly report put out by The Market Edge of Knoxville, Tenn., shows that Anderson, Greenville and Spartanburg counties saw double-digit increases in the number of residential building permits recorded.

"We're seeing signs of life in an otherwise bleak housing market," said Dale Akins, president of The Market Edge.

The disappointing results in Oconee and Pickens come after triple-digit gains in the first quarter over the fourth quarter of 2010.

Price said the broader economy depends greatly on a healthy housing market.

"The economy is not going to get better until home building gets better," Price said.

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New home construction such as this project in Seneca is hard to come by in Oconee and Pickens counties, according to a residential building permit report released last week.