HOME SALES IN GREATER GREENVILLE ROSE 31 PERCENT YEAR-OVER-YEAR IN JUNE AND 13.5 PERCENT STATEWIDE LAST MONTH.



Construction continues at Highland Homes' Buist at North Main in Greenville Monday. HEIDI HEILBRUNN/STAFF

RESIDENTIAL MARKET HEATS UP

By Angelia Davis
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The 27 percent jump in Upstate residential building permits the first six months this year is something that Doug Oles can both see and feel.

Oles, a Greenville-based homebuilder, said his list of new projects is up about 50 percent from this time last year.

"I can't keep up right now it's so busy. We're in the process of hiring new project managers, just trying to keep the current projects going," said Oles, who is seeing "a ton" of renovation work and new home construction in the Augusta Road, downtown, Eastside and other areas.

Rick Quinn, president of the Home Builders Association of Greenville, said the housing market now is dynamic and fun because "we're back to working hard, breaking a sweat, doing all the things that I liked about the business in 1983 when I got in it.

"The last four years, I managed to stay busy and make a living. We were fortunate but it was definitely

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Contractors for Evergreen Custom Construction work on finishing a home on Waccamaw Avenue in Greenville on Monday. HEIDI HEILBRUNN/STAFF

and plunged into a ravine, overnight, and state radio largely agricultural area it was not immediately porter for Naples Daily

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depressing," Quinn said. "It's good to be back a little bit, or a lot, depending on how you want to look at it."

The return to strong construction activity here is part of the strong housing recovery that saw home sales in Greater Greenville rise 31 percent year-over-year in June and 13.5 percent statewide last month.

Building permits in the Upstate — defined by The Market Edge as Abbeville, Anderson, Greenville, Greenwood, Laurens, Oconee, Pickens, and Spartanburg counties — also have been increasing.

It's being driven by strong demand, economic development and job creation, said Michael Dey, executive vice president of the local home builders' group.

In 2011, the Upstate issued 2,643 permits and 3,491 in 2012. From January to June of this year, 2,235 permits have been issued, compared with 1,760 the same period of 2012, according to The Market Edge.

"This is the housing market. The building permits total show you what's really happening," said Dale Akins, president of The Market Edge. "From what I see, employment and the job growth, the numbers are certainly warranted. They're there. They're sustainable."

Oles also sees banks lending more and a return of market confidence to the area "where the economy has kind of stabilized slightly."

"So people are more willing to spend a little bit of their money," he said. "They know that the values here didn't see that big of a hit as the rest of the country when the economy went down."

Clemson University economist Bruce Yandle said housing investment — which includes construction, renovation and repair — accounts for about 5 percent of the nation's gross domestic product (GDP). Housing consumption — rent, purchase, equipping — amounts to another 12 to 13 percent, according to the National Home Builders Association.

"Put them together and you have as much as 18 percent of GDP. Most likely, the level of activity is normally higher in the Greenville MSA and in South Carolina generally," Yandle said. "We live in a growing region with a slightly higher pulse beat than the nation's when it comes to construction activity."

But, Yandle said, in this particular post-recession period, there is unusually high unemployment among workers with lower educational attainment, as measured by years completed in traditional schools. Many of them are construction workers, who have high levels of specialized skills but low participation outside construction.

"The housing recovery means improving employment, reductions in welfare spending, and brighter days for lots of people who have been struggling," he said.

"Finally, a strong housing pulse beat is an indicator that people are voting with their feet to come to our region. When more come than leave, we have an endorsement of regional attractiveness."

David Crowe, chief economist for the National Association of Home