COMPREHENSIVE HOUSING MARKET ANALYSIS

Greenville-Anderson-Mauldin, South Carolina

U.S. Department of Housing and Urban Development,
Office of Policy Development and Research

As of May 1, 2023

Executive Summary

Housing Market Area Description

The Greenville-Anderson-Mauldin Housing Market Area (hereafter, Greenville HMA) is coterminous with the Greenville-Anderson-Mauldin, SC Metropolitan Statistical Area, which includes Anderson, Greenville, Laurens, and Pickens Counties in the "Upstate" region of South Carolina.

The current population is estimated at 970,300.

The HMA is home to the Swamp Rabbit Trail, a 22-mile walking and bicycling greenway in Greenville County along the Reedy River that opened in 2010. The trail, built in an old railroad corridor, connects the cities of Greenville and Travelers Rest and communities adjacent to the path. The Swamp Rabbit Trail has an average $6.7 million annual economic impact in Greenville County (Furman University).
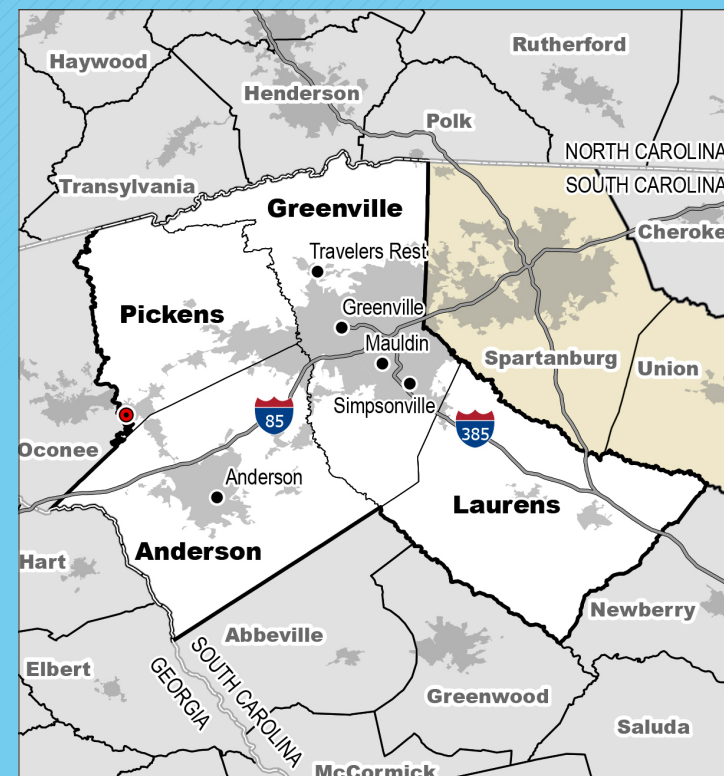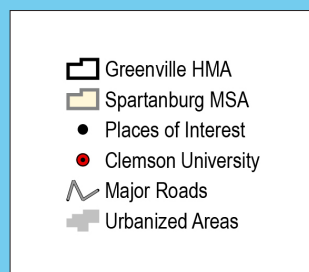
Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R's Market-at-a-Glance tool.
Additional data for the HMA can be found in this report's supplemental tables.
For information on HUD-supported activity in this area, see the Community Assessment Reporting Tool.

Market Qualifiers

Economy

Strong: The leisure and hospitality sector led strong payroll gains and increased by 3,200 jobs, or 7.2 percent, during the 12 months ending April 2023 compared with a gain of 1,900 jobs, or 4.3 percent, during the corresponding period in 2019.

Nonfarm payrolls increased 4.1 percent to 453,100 jobs during the 12 months ending April 2023, following a gain of 5.5 percent to 435,400 jobs during the previous 12 months. During the 12 months ending April 2023, the unemployment rate in the Greenville HMA averaged 2.9 percent, down from 3.2 percent a year earlier. During the 3-year forecast period, nonfarm payrolls are expected to increase an average of 1.2 percent annually, a slower pace compared with the strong job gains during the recovery from the COVID-19-related recession.

Sales Market

Slightly Tight: In April 2023, a 1.5-month supply of homes was available for sale, up from a 1.4-month supply a year earlier when conditions were tight (CoreLogic, Inc.).

Home sales decreased 20 percent during the 12 months ending April 2023 to 20,750 homes, and the average price of a home increased 9 percent to $309,300 compared with the previous 12 months. By comparison, from 2011 through 2020, home sales increased 9 percent a year on average, and prices increased an average of 6 percent a year. During the 3-year forecast period, demand is estimated for 15,000 new homes. The 2,700 homes currently under construction are expected to meet a portion of that demand during the first year of the forecast period.

Rental Market

Slightly Soft: The rental vacancy rate is currently estimated at 9.0 percent, below the 11.4-percent rate in 2010 in the wake of the Great Recession.

Rental housing market conditions in the HMA are slightly soft compared with soft conditions in 2010. The apartment market is also slightly soft, with a vacancy rate of 8.4 percent as of the first quarter of 2023, up from 6.3 percent a year earlier (CoStar Group). The average apartment rent increased 5 percent from a year earlier to $1,322 as of the first quarter of 2023. Apartment construction has increased markedly since 2015, contributing to softer market conditions. During the forecast period, demand is expected for 5,850 rental units. The 1,550 units under construction are expected to satisfy a portion of that demand during the forecast period.

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3-Year Housing Demand Forecast		
	Sales Units	Rental Units
Greenville HMA Total Demand	15,000	5,850
Under Construction	2,700	1,550

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of May 1, 2023. The forecast period is May 1, 2023, to May 1, 2026.
Source: Estimates by the analyst

Economic Conditions

Largest Sector: Professional and Business Services

The wholesale and retail trade sector is the second largest in the Greenville HMA, representing 15 percent of all nonfarm payrolls, or 67,600 jobs.

## Primary Local Economic Factors

The HMA has a rich history in the textile industry, dating back to the 1880s and lasting into the 1980s when it was known as the Textile Center of the World (South Carolina Manufacturing). Since 1990, manufacturing in the HMA has transitioned from textile manufacturing to more advanced manufacturing. With the completion of the Bayerische Motoren Werke AG (BMW) production facility in the neighboring Spartanburg, SC metropolitan area, the HMA has increased automobile parts manufacturing. The presence of the BMW plant contributes $26.7 billion to the South Carolina economy each year, including $3.1 billion in wages and salaries (University of South Carolina, 2022). Since being built in the mid-1990s, the BMW facility has attracted many tier-1 automotive suppliers, those that provide parts directly to Original Equipment Manufacturers. The manufacturing sector includes Michelin North America, Inc. and GE Power, 2 of the 10 largest employers in the HMA (Table 1). With its proximity to automobile manufacturing, the International Center for Automotive Research, fostering collaboration between academia, industry, and government, was created in 2013 to promote innovation in the automotive sector in partnership with Clemson University, which is in the HMA. Michelin North America also has its headquarters in the HMA. The largest employment sector in the HMA is professional and business services, including corporate headquarters, accounting for approximately 17 percent of all nonfarm payroll jobs (Figure 1). A relatively low cost of living and low taxes have helped the HMA attract company headquarters, including Prisma Health; TD SYNNEX Corporation, which provides information technology to businesses; United Community Bank; and Concentrix Corporation, a business services company specializing in customer engagement and business performance.

Table 1. Major Employers in the Greenville HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Prisma Health	Education & Health Services	10,000+
Clemson University	Government	5,001–10,000
Michelin North America, Inc.	Manufacturing	5,001–10,000
Bon Secours Health System, Inc.	Education & Health Services	2,501–5,000
Duke Energy Corporation	Transportation & Utilities	2,501–5,000
State of South Carolina	Government	2,501–5,000
GE Power	Manufacturing	1,001–2,000
Fluor Corporation	Mining, Logging, & Construction	1,001–2,001
SYNNEX Corporation	Information	1,001–2,002
TD Bank	Financial Activities	1,001–2,003

Note: Excludes local school districts.
Source: Upstate South Carolina Alliance

Figure 1. Share of Nonfarm Payroll Jobs in the Greenville HMA, by Sector
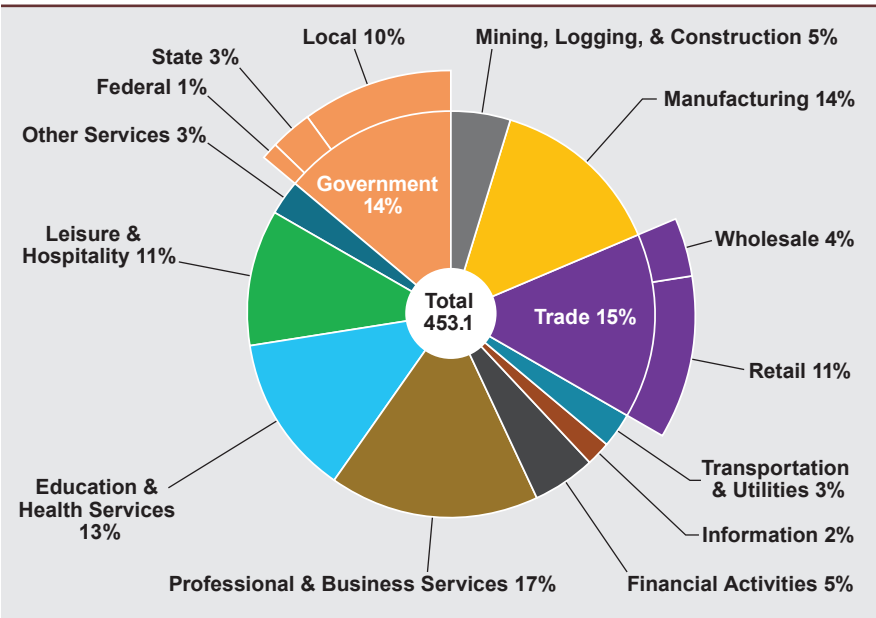

Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Based on 12-month averages through April 2023.
Source: U.S. Bureau of Labor Statistics

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The government sector is the third largest in the HMA, accounting for 14 percent of total nonfarm payrolls during the 12 months ending April 2023. Clemson University, the second largest employer in the HMA, is a public university included in the state government subsector. In 2022, Clemson University had approximately 5,175 employees and an operating budget of $3.2 billion for the 2022–23 academic year. The university is estimated to have a $1.9 billion economic impact on the state of South Carolina (Upstate South Carolina Alliance). The education and health services sector has been the fastest growing sector since 2001 (Figure 2), and it currently accounts for 57,700 jobs, or 13 percent of all nonfarm jobs in the HMA. This sector includes the first and fourth largest employers in the HMA—Prisma Health and Bon Secours Health System, Inc., with more than 10,000 and 2,500 employees, respectively. Prisma Health has an estimated $9.1 billion annual economic impact on the state of South Carolina (Prisma Health).

Current Conditions—Nonfarm Payrolls

Economic conditions in the HMA are strong, and all 11 nonfarm sectors added jobs during the past 12 months. However, job gains slowed slightly from the robust economic recovery from the COVID-19 slowdown during the previous 12 months. The economy of the HMA fully recovered all jobs lost during March and April 2020 by October 2021. During the 12 months ending April 2023, nonfarm payrolls increased by 17,700 jobs, or 4.1 percent, to 453,100 jobs, following a gain of 22,700 jobs, or 5.5 percent, during the 12 months ending April 2022 (Table 2). The leisure and hospitality and the education and health services sectors led job gains during the 12 months ending April 2023, expanding by 3,200 and 3,100 jobs, or 7.2 and 5.7 percent, respectively. The manufacturing and the government sectors each added 2,400 jobs, or 4.1 and 4.0 percent, respectively. Essential Cabinetry Group, a manufacturer of custom cabinets, expanded and added approximately 160 new employees in the fourth quarter of 2022. Job gains were also strong in the wholesale and retail trade sector, which added 2,000 jobs, or 3.0 percent. Ahold Delhaize, an international retail and wholesale company, expanded its facility and added 187 new positions in the first quarter of 2023. The professional and

Figure 2. Sector Growth in the Greenville HMA, 2001 to Current
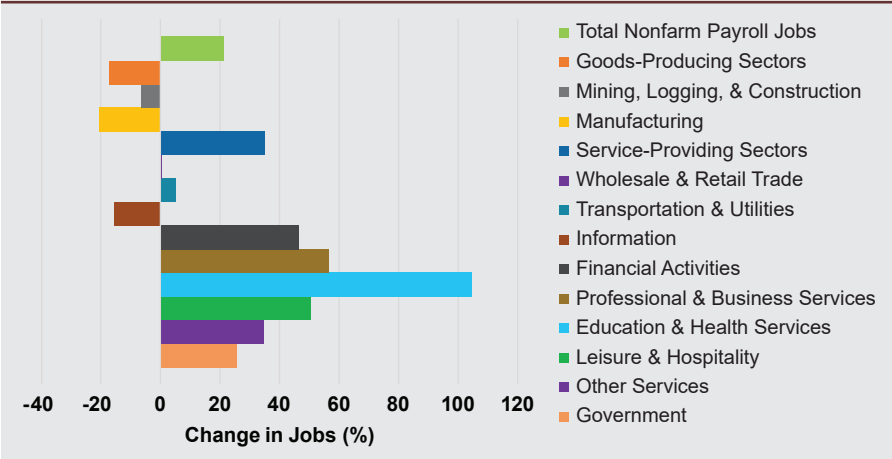
Note: The current date is May 1, 2023.
Source: U.S. Bureau of Labor Statistics

Table 2. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Greenville HMA, by Sector

	12 Months Ending April 2022	12 Months Ending April 2023	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	**435.4**	**453.1**	**17.7**	**4.1**
Goods-Producing Sectors	79.0	82.8	3.8	4.8
Mining, Logging, & Construction	20.2	21.6	1.4	6.9
Manufacturing	58.8	61.2	2.4	4.1
Service-Providing Sectors	356.4	370.2	13.8	3.9
Wholesale & Retail Trade	65.6	67.6	2.0	3.0
Transportation & Utilities	13.9	14.9	1.0	7.2
Information	6.7	7.2	0.5	7.5
Financial Activities	20.8	21.7	0.9	4.3
Professional & Business Services	75.4	75.5	0.1	0.1
Education & Health Services	54.6	57.7	3.1	5.7
Leisure & Hospitality	44.5	47.7	3.2	7.2
Other Services	14.6	15.4	0.8	5.5
Government	60.2	62.6	2.4	4.0

Notes: Based on 12-month averages through April 2022 and April 2023. Numbers may not add to totals due to rounding. Data are in thousands.
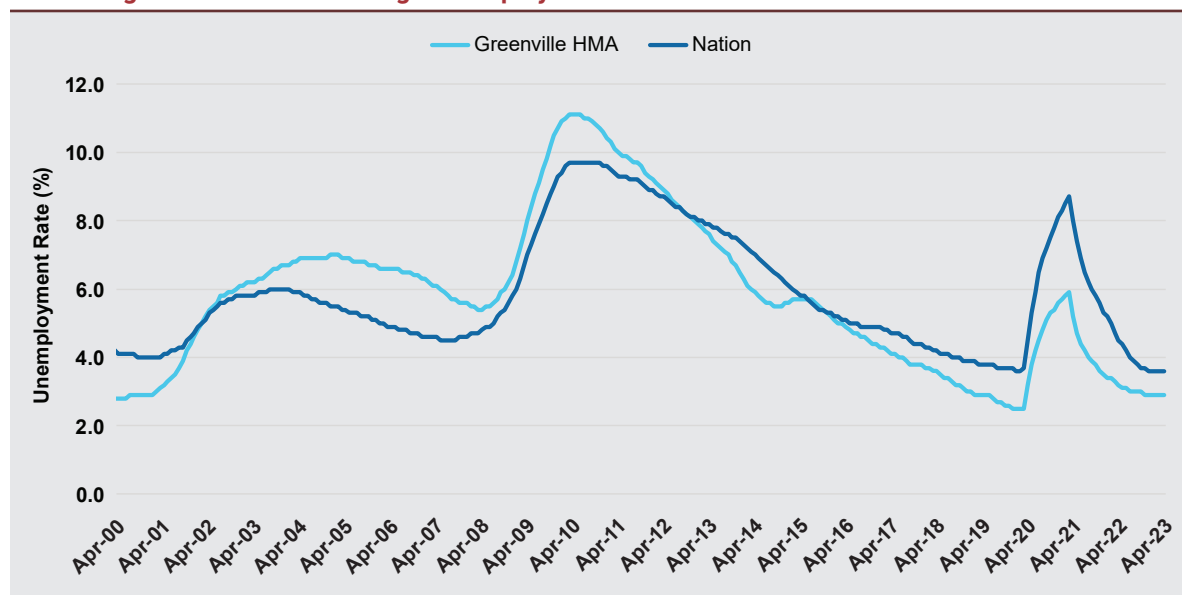Source: U.S. Bureau of Labor Statistics

business services sector added 100 new jobs, or 0.1 percent, compared with a gain of 5,200 jobs, or 7.4 percent, a year ago.

Current Conditions— Unemployment

The unemployment rate fell during the past 2 years as economic conditions improved from the COVID-19 recession. During the 12 months ending April 2023, the unemployment rate in the HMA averaged 2.9 percent, below the national average of 3.6 percent and down from 3.2 percent in the 12 months ending April 2022. The unemployment rate has been below the national rate since the mid-2010s. The recent peak was 5.9 percent during the 12 months ending March 2021, while the unemployment rate for the nation peaked at 8.7 percent during the same period. Figure 3 shows the 12-month average unemployment rate in the HMA and the nation since April 2000.

Figure 3. 12-Month Average Unemployment Rate in the Greenville HMA and the Nation

Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance

2001 Through 2003

During most of the early 2000s, the economy in the HMA was weak, in large part because of the lingering effects of the national recession in 2001. From 2001 through 2003, nonfarm payrolls decreased by an average of 6,200 jobs, or 1.7 percent, annually to 355,600 (Figure 4). During this period, 5 of 11 sectors lost jobs. Most job losses occurred in the manufacturing and the wholesale and retail trade sectors, which fell by respective averages of 5,100 and 3,300 jobs, or 7.1 and 5.1 percent, annually. Losses in the manufacturing sector were partially due to textile production moving overseas. Gains in the education and health services sector—which increased by an average of 2,100 jobs, or 7.0 percent, annually—partly offset losses during the period.

2004 Through 2007

Nonfarm payrolls in the HMA increased each year from 2004 through 2007. During the period, payrolls increased by an average of 6,000 jobs, or 1.6 percent, annually. Gains were largest in the professional and business services, the wholesale and retail trade, and the leisure and hospitality sectors, which increased by averages of 2,500, 1,800, and 1,000 jobs, or 4.7, 2.9, and 3.0 percent, annually, respectively. In 2007, Sealed Air Corporation, a packaging company, added 100 jobs in a new call center in Anderson County, contributing to gains in the professional and

Figure 4. 12-Month Average Nonfarm Payrolls in the Greenville HMA
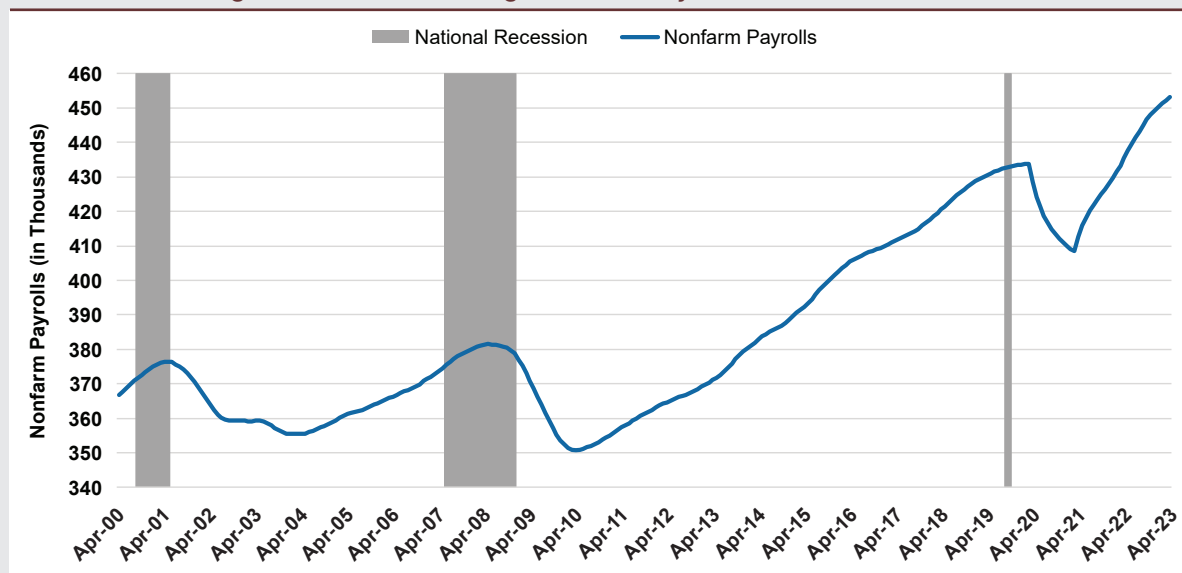
Note: 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

business services sector. Losses in the manufacturing, the information, and the transportation and utilities sectors—which declined annually by averages of 1,800, 100, and 100 jobs, or 3.0, 1.4, and 0.4 percent, respectively—partially offset nonfarm payroll gains.

2008 Through 2009

During 2008 and 2009, the economy of the HMA contracted because of the housing crisis and national recession that began in late 2007. Nonfarm payrolls declined by an average of 13,000 jobs, or 3.5 percent, annually. Most of those losses occurred in 2009 when nonfarm payrolls fell by 25,100 jobs, or 6.6 percent. Within the HMA, losses were largest in the wholesale and retail trade, the professional and business services, and the mining, logging, and construction sectors, which declined by averages of 3,900, 3,800, and 3,000 jobs, respectively, or 6.2, 6.7, and 14.4 percent, annually during 2008 and 2009. Grammer Industries, a manufacturer of automobile seats, cut 60 jobs in 2009. During this period, sales and rental housing permitting annual decreases averaged 43 and 48 percent, respectively, contributing to the decline in the construction subsector. The government and the education and health services sectors increased

by respective averages of 800 and 600 jobs, or 1.4 and 1.7 percent, annually, partially offsetting the job losses.

2010 Through 2019

The 2010s were a period of economic recovery and expansion, and gains in the HMA outpaced those of the nation. Nonfarm payrolls increased by an average of 8,000 jobs, or 2.1 percent, annually. By comparison, nonfarm payrolls were up an average of 1.3 percent annually nationwide. Within the HMA, the professional and business services sector led job growth, with an average increase of 2,400 jobs, or 4.0 percent, annually, and all but 1 of 11 nonfarm sectors added jobs. In 2016, Techtronic Industries Co. Ltd. moved its U.S. headquarters to Anderson County, adding 250 jobs in the professional and business services sector. During this period, the education and health services and the manufacturing sectors increased respectively by 1,300 and 800 jobs, or 2.9 and 1.5 percent, annually. Providence Home Health, a professional skilled nursing care provider, added 167 positions in the HMA in 2014. In 2012, Michelin North America opened a new production facility in Anderson County that added 300 positions.

2020

Measures enacted to limit the spread of COVID-19 in early 2020 weakened economic conditions in the HMA. Some businesses temporarily closed, and social distancing greatly reduced in-person interactions. During March and April 2020, nonfarm payrolls declined by 58,200 jobs from the 431,000 nonfarm jobs in February 2020 (monthly data, not seasonally adjusted). As restrictions eased, the HMA regained some of the jobs lost by the end of the year. During 2020, payrolls in the HMA declined by a net 22,500 jobs, or 5.2 percent, compared with a decline of 5.8 percent in the nation. Losses occurred in 9 of 11 nonfarm sectors, with the greatest losses in the leisure and hospitality, the professional and business services, and the manufacturing sectors, which declined by 7,500, 6,100, and 3,200 jobs, or 16.0, 8.1, and 5.5 percent, respectively. The only sectors to grow during this period were the financial activities and the mining, logging, and construction sectors, which increased by 300 and 100 jobs, or 1.5 and 0.5 percent, respectively. In February 2020, Bon Secours Health System, Inc. broke ground on a $41 million expansion to the St. Francis Downtown hospital emergency room, contributing to the increase in construction subsector jobs in 2020.

Employment Forecast

During the 3-year forecast period, the HMA economy is expected to expand, with nonfarm payrolls increasing an average of 1.2 percent annually. Both the goods-producing and service-providing sectors are expected to contribute to payroll growth, with the greatest job growth expected during the first year of the forecast period. Job gains are expected to be strong in the professional and business services sector, partly because Lima One Capital, a nationwide lender for real estate investors, announced a $51 million expansion to its headquarters in Greenville that is anticipated to create 300 jobs. The manufacturing and the education and health services sectors are also expected to continue adding jobs. EPC Power, a manufacturer of power conversion products for utilities, announced a new $5 million facility that is expected to create 150 positions by the end of 2023. Bon Secours Health System, Inc. is currently building a new ambulatory surgical center with six operating rooms and two procedure rooms. The facility is approximately 20,000 square feet and is expected to open in 2024. Clemson University is building a multi-sports complex to provide a dedicated facility for gymnastics and lacrosse teams, which is expected to create jobs in the construction and the state government subsectors.

Population and Households

Current Population: 970,300

> The Greenville metropolitan area has the largest population among the metropolitan areas entirely within the state of South Carolina.

Population Trends

The Greenville HMA population is currently estimated at 970,300, representing an average increase of 11,150, or 1.3 percent, annually since 2010 (Table 3). Approximately 57 percent of the HMA population lives in Greenville County, almost 22 percent reside in Anderson County, and the remaining population is split between Pickens and Laurens Counties (U.S. Census Bureau decennial census counts and population estimates as of July 1). From 2000 to 2005, the population of the HMA increased by an average of 7,125, or 1.0 percent, a year (Figure 5). During this period, net in-migration averaged 4,050 people a year, accounting for 57 percent of the population growth, whereas net natural change accounted for the remaining average increase of 3,075 people annually. Population growth accelerated from 2005 to 2008 despite the onset of the Great Recession at the end of the period, averaging 15,250 people, or 2.0 percent, annually. Relatively affordable housing in the HMA compared with the Charleston and Atlanta metropolitan areas

Table 3. Greenville HMA Population and Household Quick Facts

		2010	Current	Forecast
Population Quick Facts	**Population**	824,112	970,300	1,006,000
	Average Annual Change	9,850	11,150	11,900
	Percentage Change	1.3	1.3	1.2
		2010	**Current**	**Forecast**
Household Quick Facts	**Households**	321,113	389,600	405,500
	Average Annual Change	3,825	5,225	5,300
	Percentage Change	1.3	1.5	1.3

Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is the current date (May 1, 2023) to May 1, 2026.
Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

Figure 5. Components of Population Change in the Greenville HMA, 2000 Through the Forecast
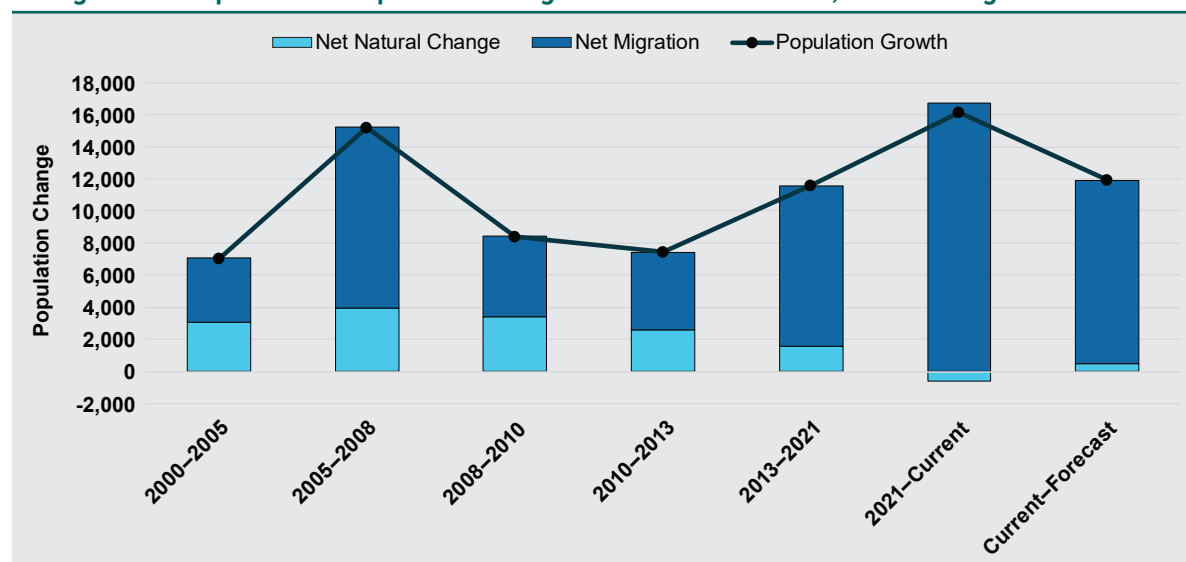
Notes: Data displayed are average annual totals. The forecast period is the current date (May 1, 2023) to May 1, 2026.
Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

supported net in-migration, which averaged 11,300 people and accounted for 74 percent of the population growth, and net natural change averaged 3,950 people annually. Population growth slowed during and after the Great Recession to an average of 8,775 people, or 1.1 percent, annually from 2008 to 2010. Net in-migration slowed to an average of 5,425 people a year, accounting for 61 percent of the population

growth, and net natural change decreased to 3,350 people a year. From 2010 to 2013, population growth slowed further to an average of 7,350 people, or 0.9 percent, annually. Net in-migration decreased to 4,675 people, or 64 percent of the growth, and net natural change decreased to an average of 2,675 people annually. From 2013 to 2020, economic conditions mostly strengthened in the HMA, and the population grew 1.3 percent annually, or by an average of 11,900 a year. Net natural change continued to slow, averaging 2,025 people annually, but net in-migration increased to an average of 9,875 people a year, representing 83 percent of the growth. Since 2020, population growth has continued to strengthen, with increases averaging 13,650 people, or 1.4 percent, a year. Net in-migration increased to an average of 14,300 people annually, but net natural change was negative, with decreases averaging 650 people annually, partly a result of COVID-19 deaths.

Age Cohort Trends

The population in the HMA is aging, contributing to declining resident births, increasing resident deaths, and smaller average household sizes because the proportion of families with children is declining. The median age in the HMA was 38.9 years in 2021 compared with 37.1 years in 2010. The largest cohort in the HMA in 2021 was residents aged 20 to 39, representing approximately 26 percent of the total population, the same percent as in 2010 (American Community Survey [ACS] 1-year data). The age cohorts of 19 and younger and 40 to 59 fell from 27 and 28 percent of the total population, respectively, in 2010 to 25 percent each in 2021. The age cohort of 40 to 59 had the largest percentage-point decline of any age cohort from 2010 through 2021. The age cohort of 60 years and older was the only one that increased as a share of the population, accounting for 24 percent of the HMA population in 2021, up from 19 percent in 2010 (Figure 6). Nationally, people aged 60 and older accounted for 23 percent of the total population in 2021 compared with 19 percent in 2010. The availability of relatively affordable housing and the proximity of healthcare providers make the HMA attractive to retirees who move to the area and for elderly residents to age in place.

Figure 6. Population by Age Range in the Greenville HMA
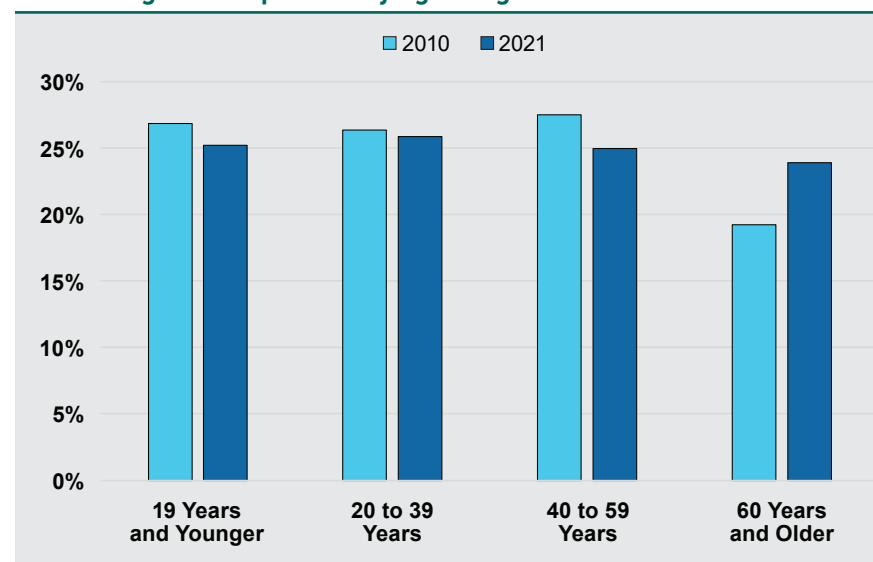
Source: 2010 Census and 2021 American Community Survey 1-year data

Household Growth Trends

An estimated 389,600 households currently reside in the HMA, representing an average increase of 5,225, or 1.5 percent, annually since April 2010, faster than the average increase of 3,825, or 1.3 percent, annually from 2000 to 2010. Since 2000, the homeownership rate has been declining in the HMA. From 2000 to 2010, the homeownership rate decreased from 71.7 to 69.0 percent (Figure 7), largely because of the economic downturn in the latter part of the decade. The homeownership rate since 2010 has continued to decrease and is currently estimated at 67.8 percent. Although owner households have accounted for 62 percent of the total household increase since 2010, partly because of the affordability of sales housing in the HMA, the 1.3-percent annual growth in owner households lagged behind the 1.8-percent growth in renter households.

Population and Household Forecast

During the next 3 years, the population and number of households are expected to increase by annual averages of 11,900 and 5,300, or 1.2 and 1.3 percent, respectively. The continued increase in older residents as a share of the population is expected to lead to continued low birth rates and slowing net natural change. Net in-migration is projected to continue but at a slightly slower pace as the job growth rate slows. Based on anticipated economic and migration trends, the population and number of households are estimated to reach nearly 1.01 million and 405,500, respectively, by May 1, 2026.

Figure 7. Households by Tenure and Homeownership Rate in the Greenville HMA
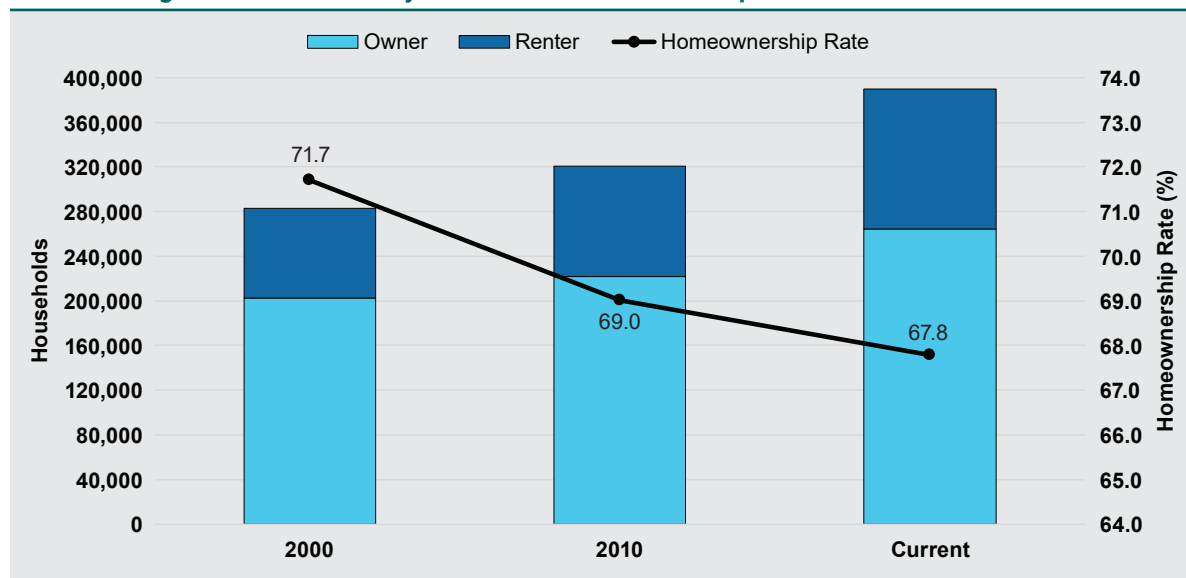
Note: The current date is May 1, 2023.
Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst

Home Sales Market

Market Conditions: Slightly Tight

> Despite a 20-percent decline in new and existing home sales during the past 12 months, the average home sales price rose approximately 9 percent (CoreLogic, Inc., with adjustments by the analyst).

Current Conditions

The sales housing market in the Greenville HMA is currently slightly tight, with an estimated vacancy rate of 1.7 percent (Table 4), down from 2.9 percent in April 2010 when conditions were soft. The for-sale inventory of homes in the HMA represented a 1.5-month supply in April 2023, up slightly from a 1.4-month supply in April 2022 and well below the most recent peak of a 9.1-month supply in April 2014 (CoreLogic, Inc.). During the 12 months ending April 2023, new and existing home sales in the HMA decreased 20 percent to 20,750 compared with a year ago, when sales increased 5 percent from the previous year to 25,950 homes sold. Despite declining sales in the HMA, the average home sales price increased 9 percent to $309,300 during the 12 months ending April 2023, following an increase of 18 percent to $282,900 during the same period a year earlier.

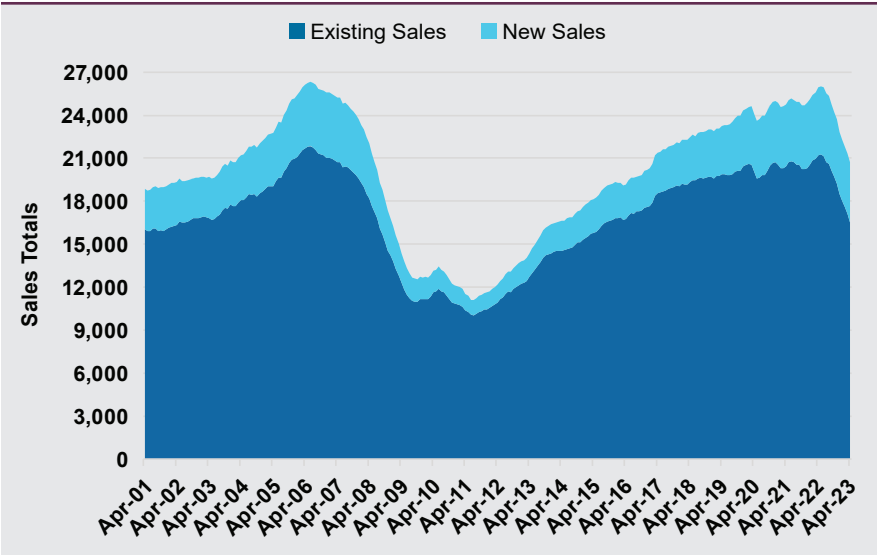### Table 4. Home Sales Quick Facts in the Greenville HMA

		Greenville HMA	Nation
Home Sales Quick Facts	Vacancy Rate	1.7%	NA
	Months of Inventory	1.5	2.3
	Total Home Sales	20,750	5,718,000
	1-Year Change	-20%	-25%
	New Home Sales Price	$355,500	$496,000
	1-Year Change	15%	11%
	Existing Home Sales Price	$296,700	$391,000
	1-Year Change	7%	2%
	Mortgage Delinquency Rate	0.9%	1.1%

NA = data not available.
Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending April 2023; and months of inventory and mortgage delinquency data are as of April 2023. The current date is May 1, 2023.
Sources: Vacancy rate—estimates by the analyst; months of inventory, mortgage delinquency rate, home sales, and prices—CoreLogic, Inc.

New Home Sales and Sales Prices

New home sales and prices have generally reflected economic trends in the HMA. From 2003 through 2006, new home sales increased an average of 13 percent annually to a high of 4,525 homes in 2006 (CoreLogic, Inc., with adjustments by the analyst), partly because of strong economic conditions beginning in 2004 (Figure 8). The number of new home sales subsequently declined by an average of 670 homes, or 24 percent, annually during the next 5 years, a period including the Great Recession and the expiration of the first-time homebuyer tax credit in 2010. As economic conditions strengthened and mortgage interest rates remained low, new home sales increased an average of 16 percent annually from 1,550 homes in 2012 to 3,900 homes in 2019. New home sales continued to increase an average of 8 percent annually during 2020 and 2021 to 4,525 homes sold in 2021. That increase was partly due to low interest rates and the onset of the COVID-19 pandemic in 2020, which led to an increase in people working from home and the subsequent increased demand among homebuyers. Approximately 4,225 new homes sold in the HMA during the 12 months ending April 2023, down 11 percent from the 4,725 homes sold during the previous 12 months.

Figure 8. 12-Month Sales Totals by Type in the Greenville HMA

Source: CoreLogic, Inc., with adjustments by the analyst

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Since the onset of the pandemic, low for-sale inventory levels and rising construction costs have increased new home sales prices in the HMA. The average sales price for a new home during the 12 months ending April 2023 was $355,500, reflecting an increase of 15 percent from a year ago and following an increase of 16 percent during the previous 12 months (Figure 9). New home sales prices also increased because of rising demand among homebuyers that resulted from an improving economy. From 2003 through 2008, a period of mostly strong job gains in the HMA, the average sales price for a new home rose by an average of $14,700, or 8 percent, annually to $245,800 in 2008. By contrast, from 2009 through 2011 a lower demand for homes because of weaker economic conditions caused new home prices to decrease an average of 6 percent a year, reaching a low of $201,200 in 2011. From 2012 through 2016, the average price of a new home rose an average of 5 percent annually to $251,800 in 2016 as economic conditions in the HMA strengthened. From 2017 through 2021, new home sales prices continued to rise, albeit at a slower rate, averaging 3 percent annually to $290,500 in 2021. Figure 10 shows the share of home sales by price range during the 12 months ending April 2023.

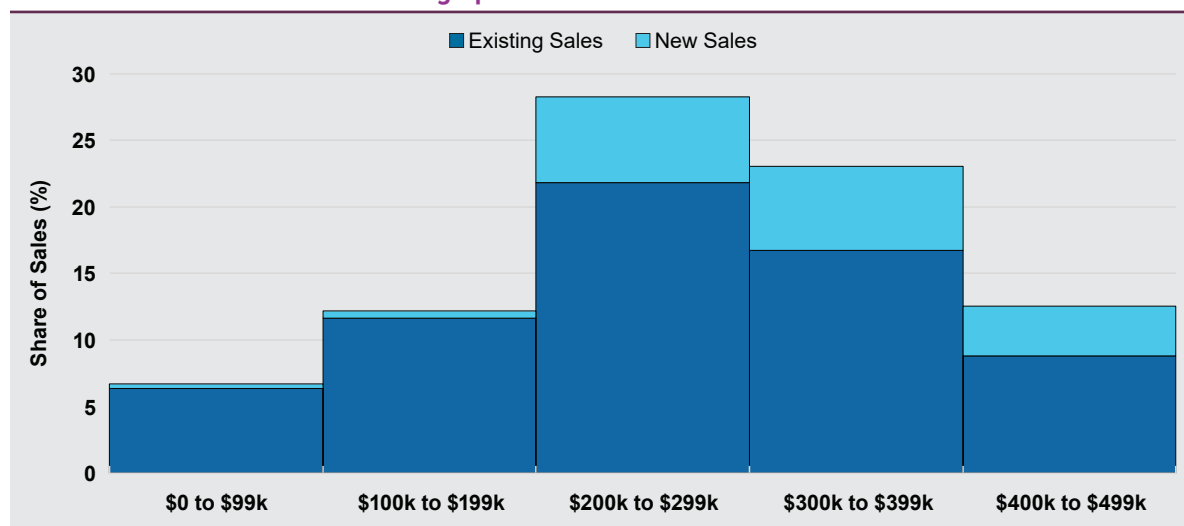## Existing Home Sales and Prices

The number of existing sales in the HMA declined during the past year, coinciding with increasing mortgage interest rates and rising home sales

Figure 9. 12-Month Average Sales Price by Type in the Greenville HMA
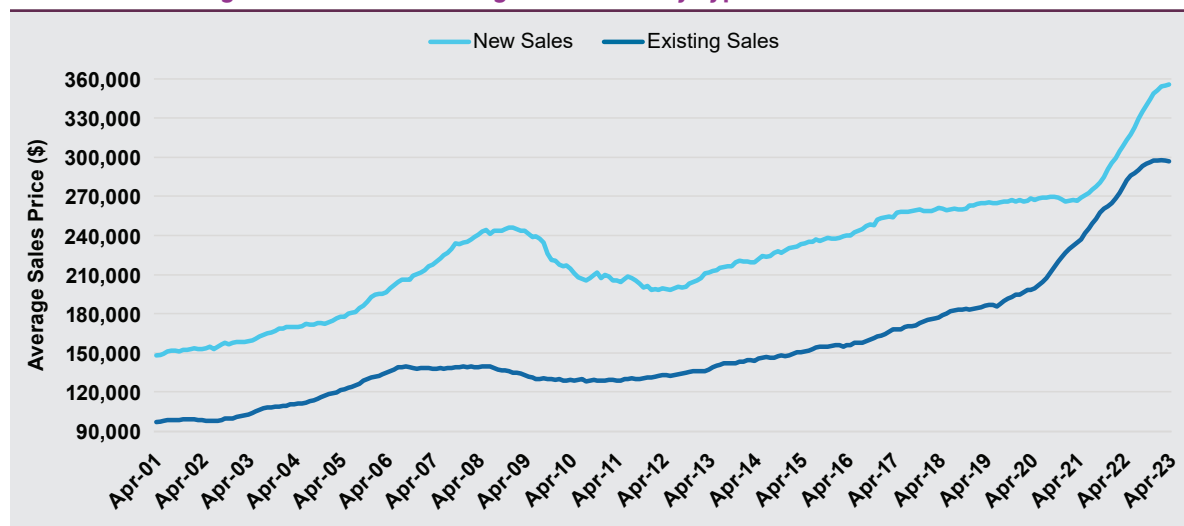
Source: CoreLogic, Inc., with adjustments by the analyst

Figure 10. Share of Overall Sales by Price Range During the 12 Months Ending April 2023 in the Greenville HMA

Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda

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prices. During the 12 months ending April 2023, the number of existing home sales totaled 16,550, representing a decrease of 22 percent from the 21,250 homes sold during the previous 12 months. Distressed sales accounted for approximately 1 percent of existing home sales during the 12 months ending April 2023, unchanged from the previous year. Existing home sales in the HMA increased sharply during the early to mid-2000s. From 2002 through 2006, a period with strong population growth, existing home sales increased by an average of 1,000, or 6 percent, each year, reaching a high of 21,050 homes in 2006 before the housing market crisis. From 2007 through 2011, the number of existing home sales declined by an average of 2,125, or 13 percent, annually to 10,450 homes in 2011, and distressed sales increased an average of 12 percent annually, peaking at more than 2,650, or 25 percent of existing home sales in 2011. In response to improving economic conditions and strong population growth, existing home sales mostly increased from 2012 through 2015. During that period, existing home sales increased by an average of 1,600, or 13 percent, annually to 16,850 in 2015. Distressed sales decreased an average of 10 percent a year, accounting for slightly more than 10 percent of existing home sales in 2015, or 1,750 sales. From 2016 through 2021, existing home sales increased at a slower pace, rising by an average of 580, or 3 percent, annually to 20,300 homes sold, partly because the number of distressed sales declined an average of 30 percent annually, accounting for only 1 percent of existing sales in 2021.

Despite the decline in existing home sales during the past year, sales prices for existing homes continued to increase. The average sales price of an existing home in the HMA increased 7 percent during the 12 months ending April 2023 to $296,700, following an 18-percent increase during the 12 months ending April 2022, because the recent increases in mortgage rates reduced the demand for homebuying. From 2002 through 2006, existing home prices increased an average of 7 percent annually to $137,900 in 2006. From 2007 through 2010, the average existing home price declined an average of 2 percent annually to a low of $128,700 in 2010, partly because

demand for existing homes declined as a result of the Great Recession. An increase in distressed home sales, which sold at a discount compared with the prices of regular resale homes, contributed to the declining average sales price of existing homes. The average price of a distressed home was $101,300 in 2010 compared with $138,300 for a resale home. Prices for existing homes increased an average of 4 percent annually from 2011 through 2015, because economic conditions improved, and the inventory of distressed homes was absorbed. Existing sales price growth accelerated to an average gain of 9 percent annually from 2016 through 2021 to reach an average price of $262,600 in 2021. The largest concentration of existing home sales during the past 12 months was for homes priced from $200,000 to $299,999, which accounted for approximately 27 percent of existing sales (Zonda).

Seriously Delinquent Mortgages and Real Estate Owned Properties

In April 2023, 0.9 percent of home loans in the HMA were seriously delinquent or had transitioned into real estate owned (REO) status, down from 1.3 percent a year earlier and well below the 6.3-percent high in February 2010 (CoreLogic, Inc.). The percentage of seriously delinquent mortgages and REO properties increased during the early stages of the COVID-19 pandemic because weak economic conditions made it difficult for many homeowners to stay current on their mortgage payments. By October 2020, the percentage of seriously delinquent mortgages and REO properties reached a recent high of 3.6 percent. The increase was due entirely to delinquent mortgages, and many homeowners were able to avoid foreclosure because of mortgage forbearance.

Sales Construction Activity

Home sales construction activity, as measured by the number of units permitted (see building permits) for sales housing—including single-family homes, townhomes, and condominiums—was strong in the HMA from 2001 through 2005, when homebuilding increased an average of 7 percent annually, peaking

at 6,550 homes permitted in 2005 (Figure 11). Strong home sales demand, stemming from relaxed mortgage lending standards and relatively affordable home prices, combined with job and population growth were the primary reasons for increased homebuilding. From 2006 through 2010, homes permitted fell by 960 homes, or 23 percent, each year to 1,750 homes permitted in 2010, partly because of decreasing net in-migration and a contracting local economy. Increased home sales demand, stemming from job growth that began in 2010, contributed to homebuilding increasing an average of 13 percent annually from 2011 through 2019 to 5,400 homes permitted in 2019. During 2020 and 2021, homebuilding accelerated strongly, increasing an average of 29 percent annually to 8,925 homes permitted in 2021. Rising interest rates led to recent declines in home construction. During the 12 months ending April 2023, approximately 6,175 homes were permitted, reflecting a 22-percent decrease from nearly 7,900 homes permitted during the previous 12 months (preliminary data, with adjustments by the analyst).

New Construction Properties

Recent home construction is concentrated along Interstates 85 and 385, the latter connecting the cities of Greenville, Mauldin, and Simpsonville in Greenville County. Fox Tail Cottages, a new community in the city of Simpsonville, has 15 single-family homes under construction of the nearly 25 lots available, with starting prices for three- and four-bedroom homes ranging from

Figure 11. Annual Sales Permitting Activity in the Greenville HMA
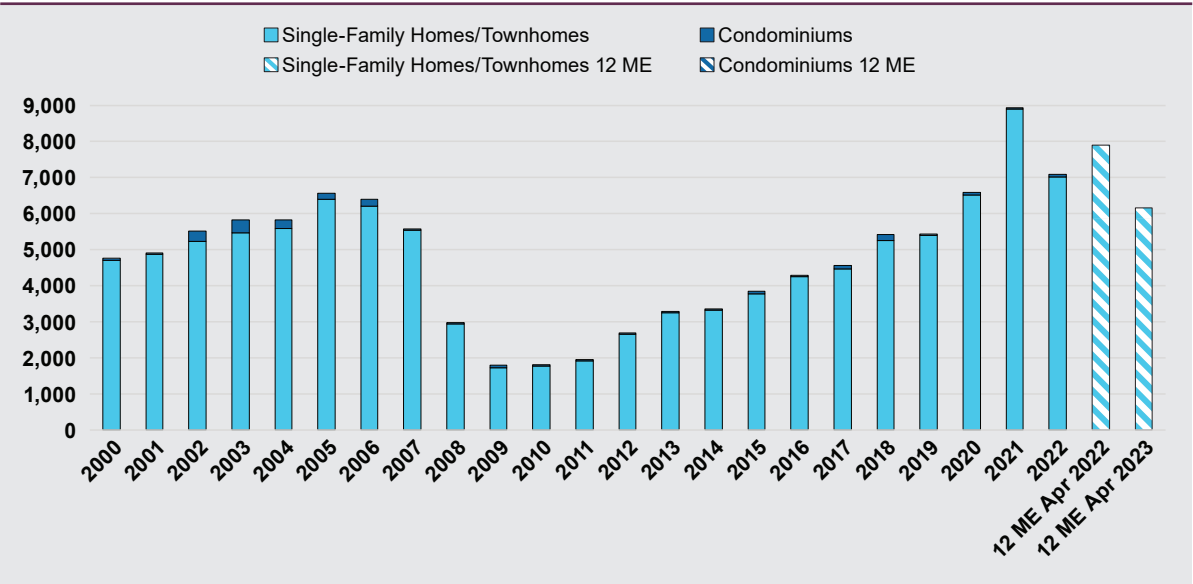
12 ME = 12 months ending.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–22—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

$303,900 to $368,900. The Hickory Heights community west of the Swamp Rabbit Trail in the city of Greenville is planned to have 120 townhomes at buildout. Currently, 10 townhomes are complete, with an additional 5 homes under construction, with starting prices ranging from $243,900 to $272,900.

Forecast

During the next 3 years, demand is estimated for 15,000 new homes (Table 5). New home sales demand is expected to slow each year of the 3-year forecast period, partly because of slowing employment and population growth. The 2,700 homes currently under construction are expected to meet a portion of the demand during the first year of the forecast period.

Table 5. Demand for New Sales Units in the Greenville HMA During the Forecast Period

	Sales Units
Demand	15,000 Units
Under Construction	2,700 Units

Note: The forecast period is May 1, 2023, to May 1, 2026.
Source: Estimates by the analyst

Rental Market

Market Conditions: Slightly Soft

> During the first quarter of 2023, the average apartment rent increased 5 percent from a year earlier to $1,322, down from a 12-percent increase the previous year.

Current Conditions and Recent Trends

Overall rental market conditions in the Greenville HMA are currently slightly soft, with the vacancy rate for all rental units, including renter-occupied single-family homes, townhomes, condominiums, and mobile homes estimated at 9.0 percent, down from 11.4 percent in 2010, when the market was soft after the Great Recession (Table 6). Improved economic conditions and increased renter household growth contributed to a decline in the vacancy rate in the early to mid-2010s. Strong apartment construction since 2015 has put upward pressure on the vacancy rate because new units that entered the market were absorbed slowly. Buildings with five or more units, typically apartments, have increased as a portion of the rental inventory in the HMA. In 2010, 39 percent of renter households lived in structures with five or more units, and 33 percent lived in single-family homes (ACS 1-year estimates). The remaining 28 percent lived in smaller multifamily buildings with two to four units and in other housing units such as mobile homes. By 2021, the share of renter households in structures

Table 6. Rental and Apartment Market Quick Facts in the Greenville HMA

|		2010 (%)	Current (%)
Rental Market Quick Facts	**Rental Vacancy Rate**	11.4	9.0
		2010 (%)	**2021 (%)**
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	33	34
	Multifamily (2–4 Units)	13	11
	Multifamily (5+ Units)	39	41
	Other (Including Mobile Homes)	15	14

Notes: The current date is May 1, 2023. Percentages may not add to 100 due to rounding.
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2021 American Community Survey

with five or more units increased to 41 percent, and those living in single-family homes rose to 34 percent. The portion of renter households living in the remaining units decreased to 25 percent in 2021. In contrast to the overall rental market, the market for single-family rental homes is tight. Vacancy rates for professionally managed single-family rental homes during April 2023 averaged 2.3 percent, down from 2.4 percent a year ago (CoreLogic, Inc.).

Apartment Market Conditions

Apartment market conditions in the HMA are currently slightly soft. As of the first quarter of 2023, the apartment vacancy rate was estimated at 8.4 percent, up from 6.3 percent in the first quarter of 2022 and below the previous high of 9.3 percent as of the first quarter of 2008 (CoStar Group). The 6.3-percent vacancy rate as of the first quarter of 2022 was the lowest rate for any first quarter since 2015 when the rate was 5.4 percent (Figure 12).

Figure 12. Apartment Rents and Vacancy Rates in the Greenville HMA
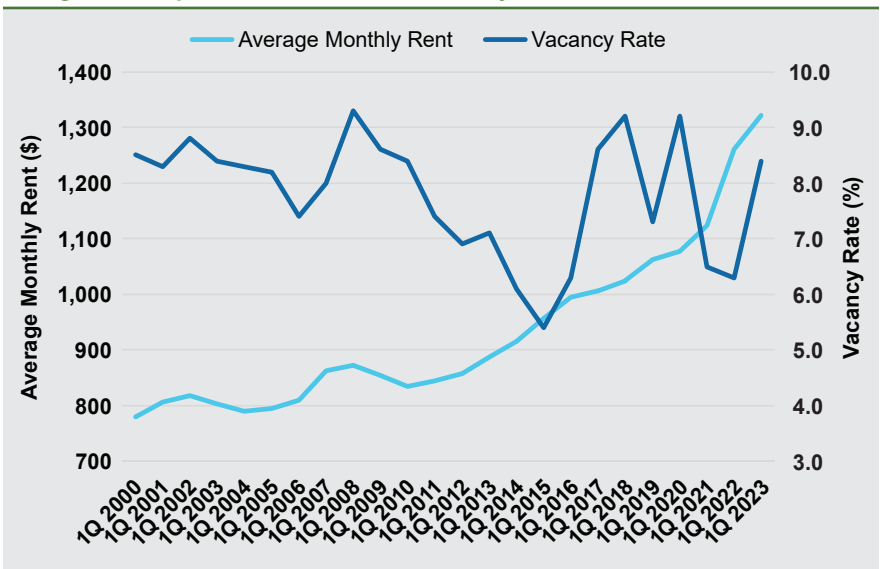
1Q = first quarter.
Source: CoStar Group

Between the first quarters of 2022 and 2023, the average apartment rent rose 5 percent to $1,322 compared with a 12-percent increase between the first quarters of 2021 and 2022.

The apartment vacancy rate generally declined from 8.5 percent in the first quarter of 2000 to 7.4 percent in the first quarter of 2006, and the average rent rose 1 percent annually to $810 in response to population growth. When the economy weakened, the apartment vacancy rate rose to 9.3 percent as of the first quarter of 2008, but apartment rents increased nearly 4 percent annually to $872. By the first quarter of 2010, vacancies declined to 8.4 percent, but the average apartment rent fell 1 percent annually to $834 as of the first quarter of 2010, partly because of new units entering the market, with many properties offering concessions. From the first quarter of 2011 to the first quarter of 2015, the vacancy rate mostly trended downward, decreasing from 7.4 to 5.4 percent. The average apartment rent increased by an average of $28, or 3 percent, annually during the period. By the first quarter of 2016, the vacancy rate increased to 6.3 percent as new apartment units entered the market. For the remainder of the decade, the vacancy rate mostly increased and reached 9.2 percent in the first quarter of 2020. From the first quarter of 2016 to the first quarter of 2020, apartment rents increased an average of 2 percent, or by $21, annually to $1,077.

Student Rental Housing

Among the approximately 28,450 students enrolled at Clemson University during the 2022–23 academic year, an estimated 13,100 lived off campus (Clemson University). The university requires all incoming freshmen to live on campus. Off-campus college student apartments have accounted for 22 percent of all rental units built in the HMA since 2010, most of which are in the western part of the HMA. The vacancy rate among college student apartments was 3.0 percent as of the first quarter of 2023, down from 3.6 percent a year earlier. The average asking rent increased approximately 10 percent from a year earlier to $790 per bed (CoStar Group).

Apartment Market Conditions by Geography

Market conditions across the 16 CoStar Group-defined market areas ranged from tight in the Laurens County market area to very soft in the Southwest Greenville market area, with average vacancy rates for stabilized properties of 2.7 and 29.0 percent, respectively, as of the first quarter of 2023. The number of rental units in Laurens County has increased by 160 units, or 25 percent, in the past 7 years, but the vacancy rate remains low in this rural county. The average apartment rent for the first quarter of 2023 was $750, up from $740 the year before. Despite strong population growth in Greenville County, the Southwest Greenville market area has softened partly because of the addition of 600 new units during the past 3 years. The Downtown Greenville market area had the highest average rent during the first quarter of 2023 at $1,839, rising more than 5 percent from a year ago. The vacancy rate for this market area was 12.1 percent in the first quarter of 2023, up from 8.0 percent a year earlier. In the first quarter of 2023, rents were lowest in the Pendleton market area, adjacent to the Pickens County border and south of Clemson in Anderson County. The average rent in this market area in the first quarter of 2023 was $550, up 3 percent from a year ago. The vacancy rate for the Pendleton market area in the first quarter of 2023 was 3.3 percent compared with 2.1 percent a year earlier. The Southwest Pickens market area, the location of Clemson University, had a vacancy rate of 6.6 percent for market-rate apartments in the first quarter of 2023 compared with 5.1 percent a year earlier. The average rent in the market was $1,012, up 7 percent from a year earlier.

Rental Permit Activity

Rental construction activity in the HMA was moderate from 2000 through 2014 but has strengthened since 2015, coinciding with increased economic growth and net in-migration. During the 12 months ending April 2023, the number of rental units permitted was approximately 1,175, down from 2,400 units permitted during the 12 months ending April 2022 (Figure 13). From 2003 through 2007, rental permitting mostly trended upward, increasing by an average of 320 units, or 41 percent, annually, peaking at 1,925 units in

2007. Units permitted fell by an average of 560, or 50 percent, annually from 2008 through 2010, a period including the housing crisis and weak economic conditions resulting from the Great Recession. With the economic recovery from the Great Recession, rental construction activity increased but remained moderate, because the vacancy rate continued to increase during the early to mid-2010s. The number of rental units permitted increased to an average of 1,100 units annually from 2011 through 2014. A decline in apartment vacancy rates in the mid-2010s, accompanied by higher rents, caused developers to increase apartment construction from 2015 through 2021, and the number of rental units permitted averaged 3,000 a year, surpassing the level of the early 2000s.

Recently Completed and Under Construction Rental Properties

Some recently completed developments include the Tribute Verdae apartment community in the city of Greenville. This 268-unit development opened in 2022 and has one-, two-, and three-bedroom units, with rents starting at $1,354, $1,689, and $1,939, respectively. District Midtown is a 293-unit apartment development completed in January 2023 in downtown Greenville that offers one-, two-, and three-bedroom units, with rents starting at $1,344, $1,762, and $2,098, respectively. Recent construction activity has also included developments for the aging population,

Figure 13. Annual Rental Permitting Activity in the Greenville HMA
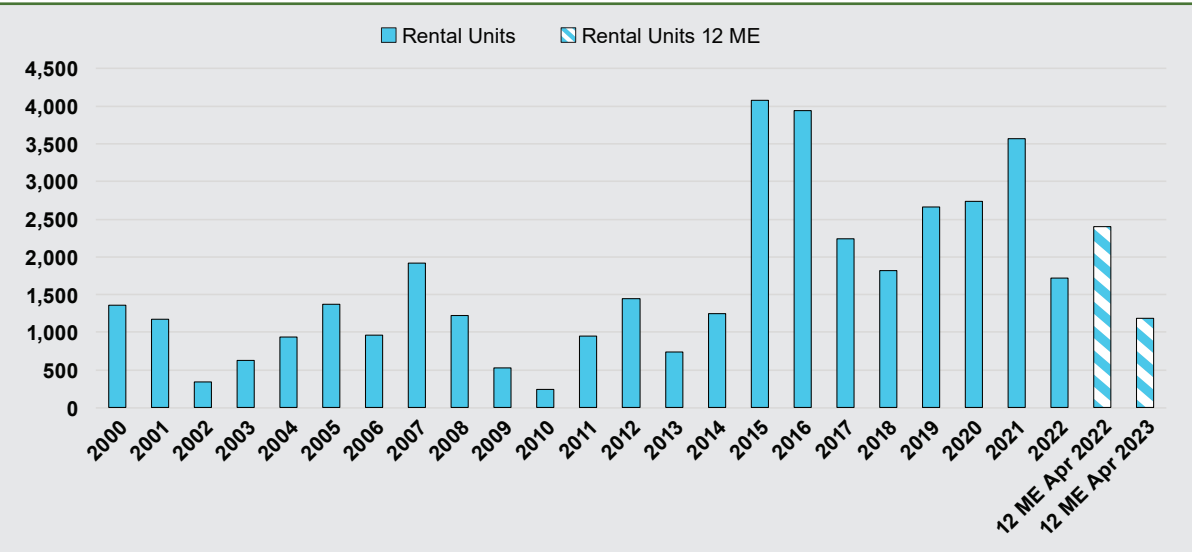
12 ME = 12 months ending.
Note: Includes apartments and units intended for rental occupancy.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–22—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

such as The Claiborne at Simpsonville, a 110-unit community in the city of Simpsonville in Greenville County. This development for seniors is currently under construction and is expected to open in early 2024.

Forecast

During the 3-year forecast period, demand is expected for an additional 5,850 rental units in the HMA (Table 7). Demand is expected to be evenly distributed during the 3 years of the forecast period. The 1,550 units under construction will meet a portion of the demand.

Table 7. Demand for New Rental Units in the Greenville HMA During the Forecast Period

Rental Units	
Demand	5,850 Units
Under Construction	1,550 Units

Note: The forecast period is May 1, 2023, to May 1, 2026.
Source: Estimates by the analyst

Terminology Definitions and Notes

A.   Definitions

Building Permits	Building permits do not necessarily reflect all residential building activity that occurs in a housing market area. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
College Student Apartments	Apartment style housing units where each resident has a separate lease, typically for a bedroom, and they share the common areas of the unit with other tenants.
Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Distressed Sales	Short sales and real estate owned (REO) sales.
Existing Home Sales	Includes resales, short sales, and REO sales.
Forecast Period	5/1/2023–5/1/2026—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.

Net Natural Change	**Resident births minus resident deaths.**
Rental Market/ Rental Vacancy Rate	**Includes apartments and other rental units such as single-family, multifamily, and mobile homes.**
Seriously Delinquent Mortgages	**Mortgages 90 or more days delinquent or in foreclosure.**

B.   Notes on Geography

1.	**The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.**
2.	**Urbanized areas are defined using the U.S. Census Bureau 2010 Census Urban and Rural Classification and the Urban Area Criteria.**

C.   Additional Notes

1.	**This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.**
2.	**The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.**

D.   Photo/Map Credits

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