



## Home building at solid pace in county

By Stuart Korfhage

May 15, 2019

In what has been the most productive market in Northeast Florida for home building, St. Johns County was a little off when it comes to new home permits last month.

That's no sign the market is suddenly falling, though.

After a hot start to the year, permits for single-family homes were 281 in April. That's a solid number but down by more than 100 from the previous month. It's also a far cry from April 2018 when there were a county-record 522 residential permits issued. It's the lowest total in April since 2015 when 177 homes were permitted.

Local builder Chris Shee of MasterCraft Builder Group said it's important to look at the larger time period to evaluate what he thinks is a sound market.

The first four months in 2019 have produced nearly the same number of new homes (1,496) as the same period in 2018 (1,532).

"Overall, activitywise, we're still seeing a very healthy market right now," Shee said. "Nothing is on fire but nothing is on ice, either."

For the region, the numbers are also up for the first quarter of this year compared to 2018. Duval County in particular is off to a faster pace than last year, nearly matching St. Johns County at 1,271 permits, according to the Northeast Florida Builders Association.

At the national level, the National Association of Home Builders released a report Tuesday that said the total number of single-family permits issued year-to-date nationwide reached 185,336. That was a 7.3-percent decline over the March 2018 level of 199,861.

Between March 2018 year to date and March 2019 year to date, Florida was one of only 13 states and the District of Columbia that saw growth in single-family permits issued.

Shee said there is some misconception about the real estate market here because this county is growing so quickly. Unlike some market cycles, the current one seems to be sustainable.

For the current fiscal year, which started in October 2018, the rate of new home permitting on a year-to-date basis is almost identical to last year — 2,531 this year compared to 2,546 in fiscal year 2018.

“I think it’s important (to realize) that a lot of folks think that the real estate market is on fire right now and builders and anyone related to real estate is just making money hand over fist,” Shee said. “That’s really not the case. It’s a healthy market right now.

“The level and the pace that we’re running right now is actually a very healthy pace.”