



Homebuilding Appears to be on the Rise

By Ken Laughlin, President
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The economy appears to be making a slight comeback. And, according to the University of Hawaii Economic Research Organization's (UHERO) quarterly forecast, there seems to be a positive outlook for the real-estate market. Although buyers and builders remain cautious, they're starting to buy and build new homes and businesses.

Construction growth is most evident on the west side of Oahu, where a multitude of developments is underway. These include Ka Makana in Ewa, Makalae at Sea Country in Waianae and Kahiwelo II in Makakilo. Home building is also taking place at Trades and Sandalwood in Ewa as well as Nohona III and Makalii II in Kapolei.

The increase in the building of new homes and businesses means an increase in not only construction jobs, but also in jobs and sales for many related vendors. I believe homebuilding confidence is indeed gaining momentum, which bodes well for both the real-estate market and the entire economy.

The Commerce Department has reported that in September 2012,

nationwide building permits rose almost 12 percent over August to a seasonally adjusted annual rate of 894,000—a substantial increase over 2011. This was also true for Hawaii; the UHERO

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report shows continued growth of private building permits in Hawaii, increasing for the third consecutive quarter. The last time this happened was in 2006. Residential permits are up 20 percent from 2011, with moderate upward growth for commercial permits. This rise is expected to increase in 2013, indicating that Hawaii may be in the midst of its next major homebuilding cycle.

With the positive tone in the economy, Hawaii may be readying itself for the start of new job creation in the homebuilding market. Stay tuned!

For more information about lumber and the benefits of building with wood, please visit the Hawaii Lumber Products Association at www.HawaiiLumber.com.

Who is HPLA?

Since Hawaii Lumber Products Association (HLPA) began in 2003, it has worked hard to reach its goal to educate and promote the benefits of building with wood.

HLPA is committed to educating the general public, homeowners, commercial builders, designers and architects about the performance quality, environmental advantages, architectural benefits and cost advantages of wood-frame design and construction.

Based on the proven track record of wood and its achievement of long-term performance success in Hawaii's construction industry, lumber products are a preferred building material.

As Hawaii's only devoted lumber association, HPLA has over 35 members, both here and across the Mainland, comprised of professionals representing the development and construction industry. They work hard to make major impacts on the local and Mainland construction industry to increase demand for lumber products and to increase knowledge of the "greenness" of lumber products and their environmental advantages.

