

# The Columbus Dispatch

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## Central Ohio builders were busier in 2013

By Jim Weiker

THE COLUMBUS DISPATCH

Central Ohio home construction jumped 17 percent in 2013, led by Dominion Homes, which leapt past M/I Homes to become central Ohio's biggest builder.

Nearly 3,000 building permits were issued in central Ohio's seven counties last year, up from 2,556 in 2012, according to the Binns Report, which tracks the local building industry.

Although that's a long way from the frenzied pace of 2002 and 2003, when more than 10,000 homes a year were built in central Ohio, it was the busiest year since 2007 for an industry still recovering from the recession.

"As long as we continue to see steady, positive growth, that's all we can ask for," said Jim Hilz, executive director of the Building Industry Association of Central Ohio.

Home construction has benefited from improvements in the job market and the overall housing market. Homeowners are finding it easier to sell their homes to buy new ones. In addition, homebuilders are being helped by an extraordinarily low number of existing homes for sale, which reduces competition.

"The demand is there at every price point," said Jon Jasper, president of Fischer Homes' Columbus division. "There's pent-up demand all the way up, from first-time buyers to empty nesters."

Leading last year's growth was Dominion Homes, which sold 664 houses in central Ohio, overtaking former No. 1 builder M/I Homes, which sold 483 houses, Binns reports.

While M/I saw its central Ohio sales drop 10 percent last year, Dominion's sales jumped more than 40 percent.

Keith Tomlinson, president and CEO of Dominion Homes, attributed the increase to central Ohio's employment growth and the company's construction strategies.

"We've updated our website and spent a lot of time on elevations and the streetscape," Tomlinson said. "We added more detail in finish levels on the exteriors, interiors, cabinets and appliances, and added more flex space in the homes."

Dominion also was helped by an average sales price of \$200,474, the second-lowest of the builders tracked by Binns. Only Maronda Homes was lower, with an average sales price of \$183,410.

M/I Home's average central Ohio sales price of \$286,800 allowed it to maintain a slight edge in total home-sales dollar volume in central Ohio.

M/I's central Ohio president was not available for comment, but spokesman Bill McDonough noted that the company's overall sales were up 25 percent last year. Much of the gain came in markets outside Ohio, including Chicago, Washington, D.C., and several cities in Texas and North Carolina.

Builders say customers continue to be drawn by features that have driven the industry for several years, such as open floor plans, kitchen pantries, high ceilings, large master suites, mudrooms, finished or finishable lower levels and energy-efficient construction.

The biggest challenge for local builders is a lack of building lots, especially in southern Delaware County, the industry's busiest area.



Jerome Village, located in southeastern Union County, is one of central Ohio's largest homebuilding sites.

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“In the areas we saw the strongest growth, north of I-270, lot availability has become a problem,” said Robert Yoakam, president of Rockford Homes, a land developer as well as a homebuilder.

“For a while, all of us were afraid to break ground. Now, we’ve absorbed all those lots, so there’s a push to buy that next piece of land. You’ll see a lot of activity this summer along those lines, but until the fall, there will be a lot shortage in the north end.”

Developers are scrambling to open subdivisions before lots are gone in existing communities.

Rockford just sold the last lot in its 99-home Olentangy Falls community on Hyatts Road and plans to develop three smaller subdivisions nearby this year.

Dominion expects to open five subdivisions this year, including more than 300 lots in Dublin, Jerome Township, Berlin Township, Pickerington and the Olentangy area, Tomlinson said.

Fischer is about to open Heritage Preserve off Alton and Darby Creek Road in Hilliard, which will have 687 residences, 405 of which will be single-family homes.

Otherwise, the biggest homebuilding sites will be found in Jerome Village in southeastern Union County, in Northstar Communities near Sunbury and possibly at the Riviera Golf Club in Dublin if that proposed redevelopment moves forward.

Although builders are encouraged by last year’s growth, they realize that the 3,000 permits issued are only about half the number issued in a normal year.

“If you look at the data—all the demographic factors in central Ohio—6,000 permits a year really feels right,” Jasper said. “Our forecast says 2018 is where we get to that point.” ■

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