

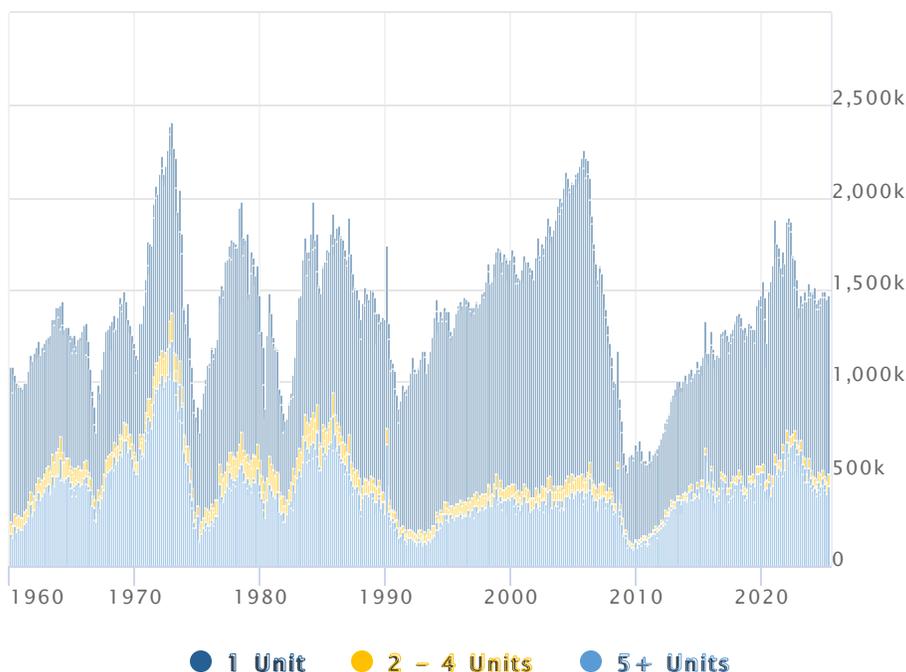


Housing Permits and Starts Show no Signs of Slowing Down

While housing completions were down, **residential construction improved again in November**. Permitting was especially strong with a 6.2 percent month-over-month increase. The U.S. Census Bureau and Department of Housing and Urban Development reported that permits were issued at a seasonally adjusted annual rate of 1,639,000 during the month. This was 8.5 percent higher than the permitting level in November 2019. The earlier October estimate was revised down by 1,000 units to 1,544,000.

Analysts polled by *Econoday* had predicted that permits would be in a range of 1,480,000 to 1,580,000 with a consensus of 1,553,000. The forecast from *Trading Economics* was 1,550,000.

Building Permits By Structure



Permits for single-family construction rose 1.3 percent from the previous month's rate of 1,128,000, (revised from 1,120,000.) November's annual rate of 1,143,000 was 22.2 percent higher than a year earlier. Permits for units in building with five or more were up 22.8 percent from October to 441,000 annual units but have fallen behind last year's by 17.4 percent.

On a non-adjusted basis there were 120,200 permits issued in November, 80,000 of which were for single family homes. The October numbers were 132,900 and 95,300, respectively.



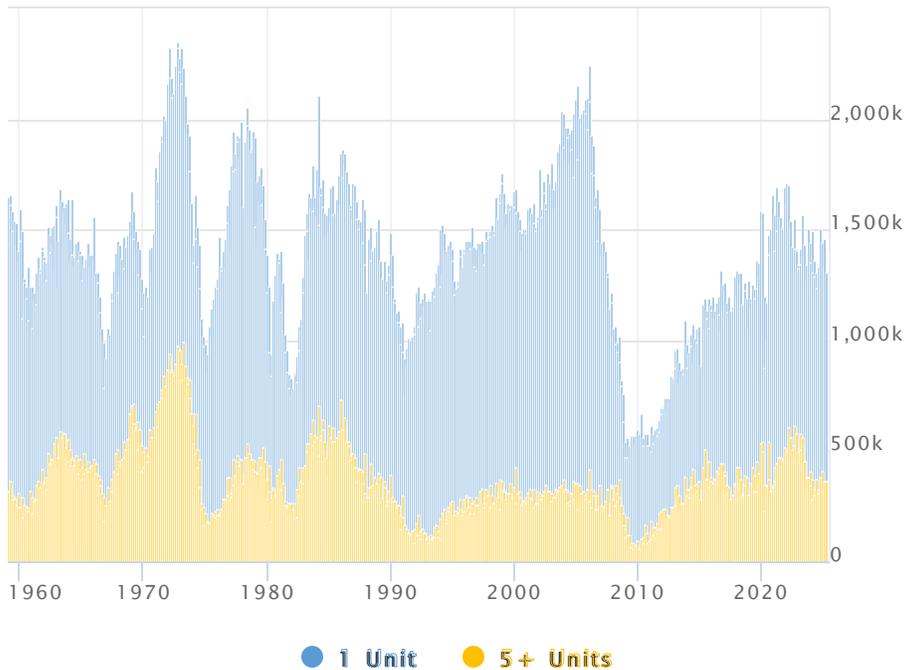
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Year-to-date (YTD) there have been 1,313,600 residential construction permits issued compared with 1,262,200 in 2019, an increase of 4.1 percent. Single-family permits for the first 11 months of the year were up 12.2 percent to 888,300 but multifamily permits have fallen 11.2 percent to a total of 383,300.

Housing Starts By Structure



Housing starts were at a seasonally adjusted annual rate of 1,547,000 units, a **1.2 percent increase** from the revised (from 1,530,000) estimate of 1,528,000 units. Starts are now 12.8 percent above their rate in November 2019.

Both *Econoday* and *Trading Economics* had expected there would be no change in November from the original October starts number. Each had a November consensus of 1,530,000 starts.

Single-family starts rose 0.4 percent to 1,186,000 units, a 27.1 percent year-over-year change. Multifamily starts rose 8.0 percent to 352,000 units but are down 16.0 percent year-over-year.

Starts numbered 117,500 in November before adjustment, down from 131,400 in October. Single-family starts were 87,800 and 100,800 for the two periods.

YTD starts total 1,264,400 compared to 1,181,600 during the same period last year, a 7.0 percent gain. Single family starts are up 10.1 percent to 901,700 units and multifamily starts at 351,200, are essentially unchanged from 2019.

Completions were down 12.1 percent from October and 4.8 percent from the prior November at 1,163,000 units. Single-family completions were also down, 0.6 percent and 4.5 percent respectively to 874,000 and multifamily completions plunged 34.5 percent to 280,000 units, 5.7 percent lower on an annual basis.

There were **95,300 units completed in November, down from 119,300** the prior month. Single-family completions were 74,100 and 80,500 for November and October, respectively.

There have been 1,150,000 residential units completed through the end of November, up 1.6 percent from the comparable period in 2019. Single family completions rose 0.3 percent to 818,000 and multifamily units total 323,200, 4.9 percent annual growth.

At the end of November there were 1,254,000 units under construction, 589,000 of which were single family. The backlog of permits totals 187,000 and 107,000, respectively.

Permits were 12.9 percent higher than the previous month in the **Northeast** but down 13.4 percent year-over-year. Starts increased by 58.8 percent and 27.4 percent from the two earlier periods. Completions were 4.3 percent higher for the month but down 17.1 percent year-over-year.

The **Midwest** had 3.8 percent more permits issued in November than in October and 5.3 percent more than a year earlier. Starts fell 4.9 percent from October but remain 15.3 percent ahead of the November 2019 pace. Units were completed at a rate that was 17.4 percent lower than the previous month and unchanged from a year earlier.

Permitting rose 4.7 percent in the **South** compared to October and was up 14.4 percent on an annual basis. Starts declined 6.0 percent while keeping a 9.0 percent year-over-year edge. Completions fell by 12.8 percent from October and 6.3 percent annually.

In the **West**, the number of permits rose 8.3 percent for the month and 8.6 percent compared to November 2019. Starts were up 8.2 percent and 15.3 percent from the two previous benchmarks. The number of completions fell by 12.2 percent for the month but eked out an 0.7 percent gain for the year.