

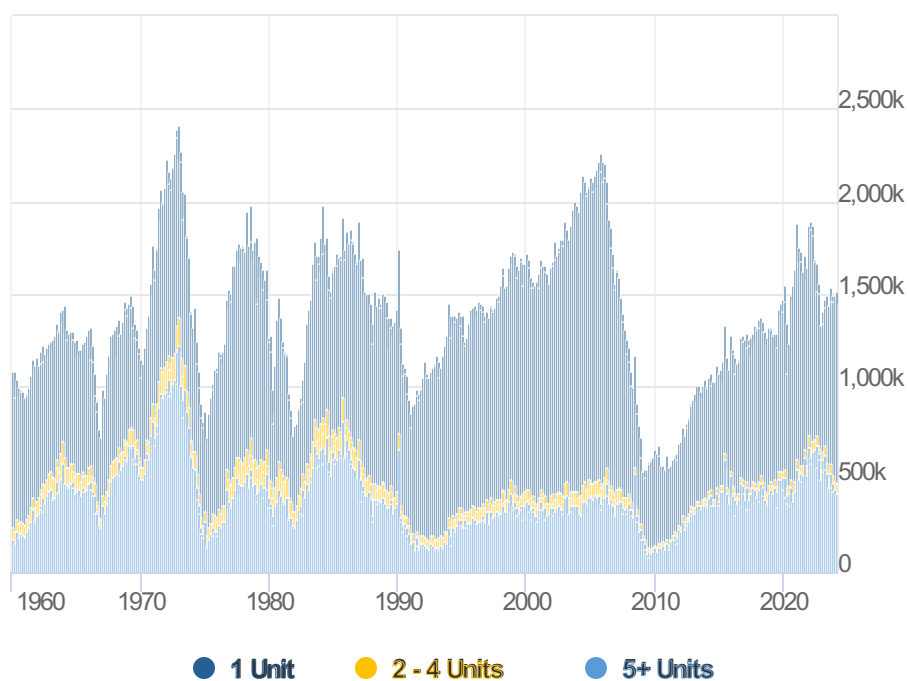


October Housing Stats Show Slight Gains

Both of the key metrics for residential construction, housing permits, and housing starts, beat analysts' expectations in October. The U.S. Census Bureau and Department of Housing and Urban Development said **permits rose 1.1 percent compared to September while housing starts increased by 1.5 percent.**

Permits were issued at a seasonally adjusted annual rate of 1.487 million units compared to 1.471 million units in September. The September estimate was only a slight revision from the 1.473 million originally reported. Analysts polled by Econoday had estimated that permits would come in at 1.463 million units.

Building Permits By Structure



Dan Clifton

NMLS #284174 Managing Member, Mortgage Loan Originator and Mortgage Guru, Clifton Mortgage Services, LLC

CliftonMortgageServices.com

P: (888) 681-0777 x1001

M: (407) 252-3039

dan@cliftonmortgageservices.com

1177 Louisiana Ave
Winter Park FL 32789

NMLS #852745



The permits issued in October 2023 were 4.4 percent fewer than the 1.555 million permits authorized in October 2022.

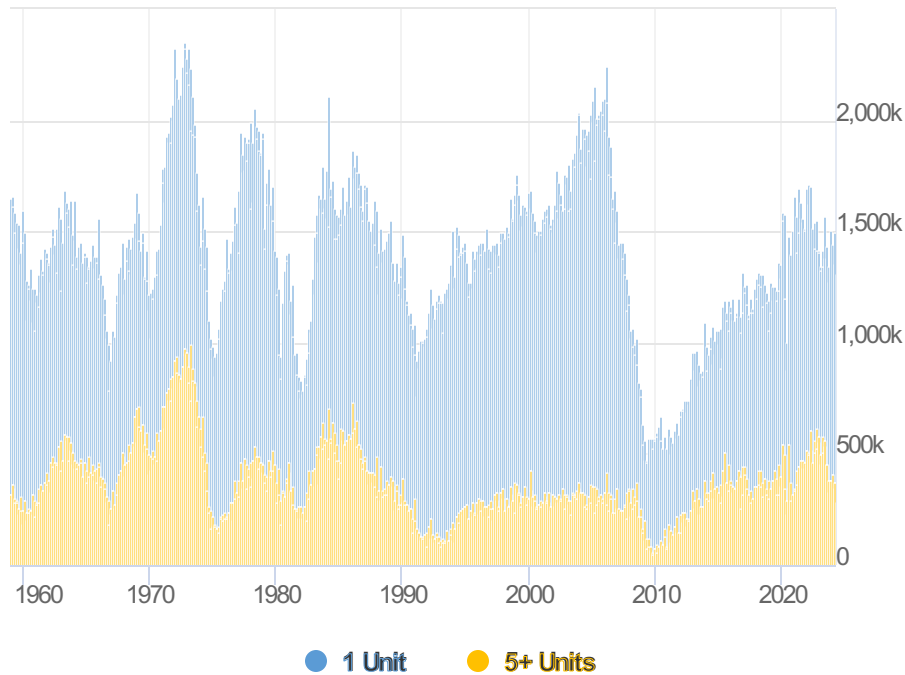
The annual rate of permitting for single-family houses was 968,000 units, 0.5 percent higher than the 963,000 units in September and an improvement of 13.9 percent year-over-year. Multifamily permits increased by 2.2 percent to 469,000 but dropped 27.9 percent compared to October 2022.

On a non-adjusted basis, there were 124,000 permits issued last month, 79,700 of which were for single-family houses, an improvement on the relative numbers in September of 116,700 and 76,500. Permits for the first nine months of 2023 total 1.252 million, down 13.8 percent from the same period last year. The 773,600 permits for single-family houses are a reduction of 10.6 percent from the same period last year and the 432,300 multifamily represent a decrease of 20.1 percent.

Privately-owned **housing starts** were at a seasonally adjusted annual rate of 1.372 million units compared to 1.346 million units in September, a downward revision from the 1.358 million units reported in October. Starts remained lower on an annual basis, in this case by 4.2 percent. Analysts had estimated that housing starts would be at a 1.350 million annual rate.

Single-family construction starts were at an annualized rate of 970,000 units, annualized, compared to 968,000 units in September and 858,000 units in October 2022, gains of 0.2 and 13.1 percent, respectively. Multifamily starts increased by 4.9 percent compared to September but were 31.8 percent lower year-over-year.

Housing Starts By Structure



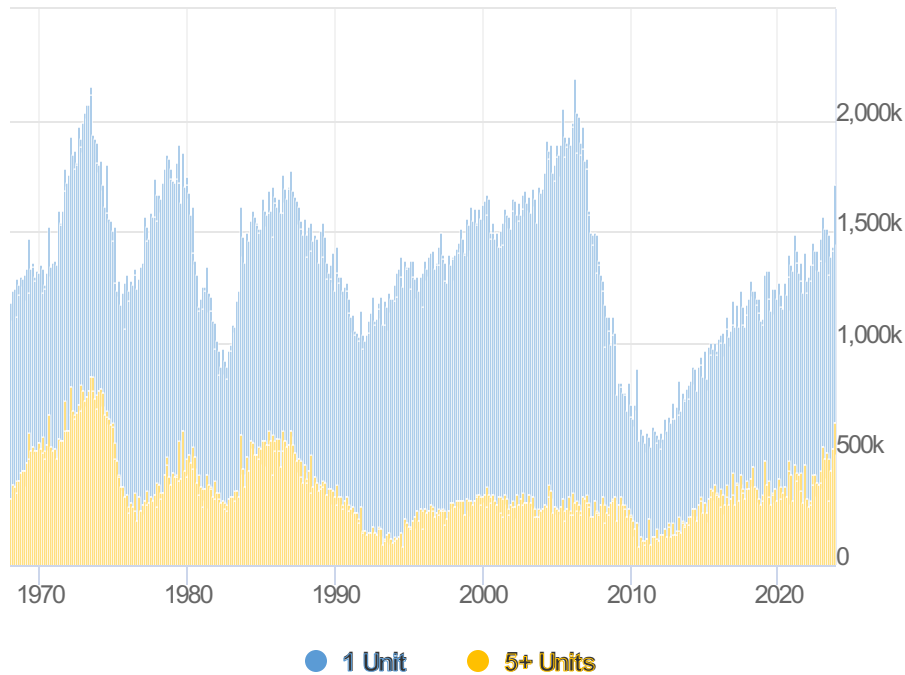
There were 115,400 residential construction starts in October, units 900 fewer than in September. Single-family starts were flat at 81,400.

Thus far in 2023, there have been 1.194 million residential units started, 11.3 percent fewer than by the end of October 2022. Single-family starts have declined from 884,200 to 790,600 and multifamily starts at 392,00 are down 12.4 percent.

Robert Dietz, chief economist of the National Association of Home Builders (NAHB) commented on the Census Bureau report. “Despite higher interest rates in October, the lack of existing home inventory supported demand for new construction in the fall. NAHB is forecasting improving conditions for single-family home building, as the 10-year Treasury rate has returned to near 4.5 percent, with an outright gain for single-family starts in 2024.” NAHB, however, is **forecasting a decline for multifamily construction in 2024.**

There were 122,200 **homes completed** in October, including 85,400 single-family houses and 36,000 multifamily units. Completions for the year-to-date total 1.190 million units, a 5.0 percent annual increase. Single-family completions are down 1.7 percent to 819,600 units but 361,000 multifamily units have come online, a 23.6 percent increase.

Housing Completions By Structure



At the end of October, there were 1.674 million residential units under construction, 669,000 of which were single-family houses. There were an additional 281,000 permits outstanding, exactly half of which were for single-family units.

In the Northeast region, permits were 15.6 percent higher than in September and 12.5 percent above the October 2022 rate. Starts dropped by 14.5 percent from the previous month and 24.5 percent compared to a year earlier. Completions were 1.0 percent higher than the prior October.

The Midwest saw a decline in permits of 10.6 percent for the month and 21.8 percent year-over-year. Starts were 28.4 percent and 5.2 percent higher than the two earlier periods. Nine percent fewer units came online than in October 2022.

Permitting rose in the South by 3.1 percent but lagged the prior October rate by 5.3 percent. Construction starts fell 6.8 percent and 8.1 percent. Completions were down 1.7 percent on an annual basis.

There was a 1.7 percent dip in permitting in the West, but the rate rose 3.6 percent on an annual basis. Starts grew 12.5 percent from the prior month's level and were 4.7 percent higher than in October 2022. Completions dropped 16.6 percent year-over-year.