HOUSING CONNECTION

Mortgage and Real Estate News That Matters



The rate of both construction permitting and residential construction starts fell in May, with permitting losing ground for the third straight month. The U.S. Census Bureau and the Department of Housing and Urban Development report that residential authorizations were issued at a seasonally adjusted annual rate of 1.386 million. This is a decline of 3.8 percent from the 1.440 million units estimated for April and 9.5 percent off the pace of the prior May.

Permits for single-family construction were issued at the annual rate of 949,000 and multifamily approvals came in at 382,000. These were decreases of 2.9 percent and 6.1 percent, respectively. Thus, single-family permits increased year-over-year by 3.5 percent, but multifamily permits were 31.4 percent lower.



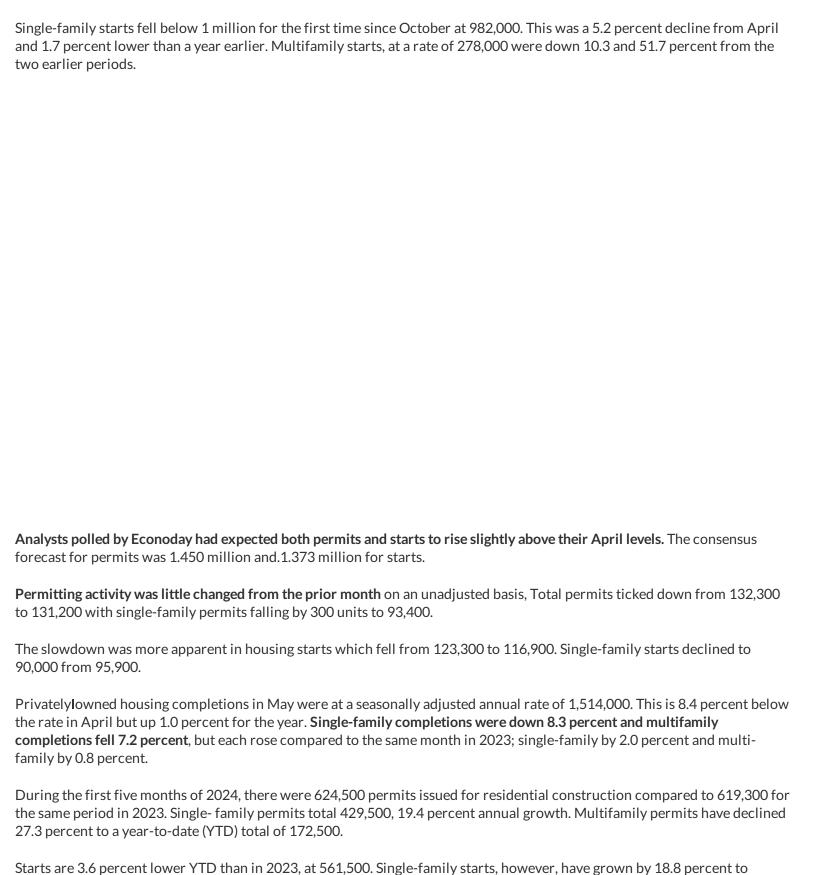
Sarah Maloney Senior Vice President, Guaranteed Rate Affinity

www.grarate.com/.../sarah-malone y-1036901 M: (973) 715-6446 Sarah.Maloney@grarate.com 209 Central Ave. Westfield New Jersey 07090 1036901



Positively Different™

Housing starts fell from 1.352 million in April to 1,277 million, a loss of 5.5 percent. Starts declined 19.3 percent compared to the prior May.



percent compared to the first five months of 2023. The 207,300 multifamily units brought online is 20.5 percent fewer than last year.

There have been 612,000 homes completed YTD, 398,500 of them single-family homes. These are gains of 6.6 percent and 0.4

At the end of May, there were 1,593 million housing units under construction including 679,000 single families. Builders had a backlog of 275,000 permits, 140,000 of which were for single-family homes.

427,100 while multifamily starts declined by 40.6 percent to 129,200.

In the **Northeast**, the rate of permitting dropped 22.4 percent from April and 25.3 percent from the prior May. Starts were down .5 percent and 19.8 percent, respectively and completions by 46.2 and 28.2 percent.

The **Midwest** managed a gain in permitting in May, rising 8.4 percent. The rate was still 7.2 percent lower than a year earlier. The results for starts were not nearly as good. They dove 19.0 percent below April's level and 43.1 percent compared to May 2023. The region had 4.9 percent fewer homes completed during the year and 10.8 percent fewer than last May.

The **South's** permitting was down 6.6 percent from both April and May 2023. Starts declined 8.5 percent for the month and 16.1 percent on an annual basis. Completions slowed by 8.7 percent for the month and 2.7 percent year-over-year..

The **West** posted a 7.1 percent gain from the previous month but was still 10.5 percent lower year-over-year. Starts also increased, up by 10.4 percent. They were 9.4 percent lower than the previous May. Completions rose 7.1 percent compared to April and 15.2 percent for the year.

Housing Starts By Structure

