



Highest Building Permits Since February Despite Slower Housing Starts

The Census Bureau releases its report on New Residential Construction each month which offers 3 key metrics: building permits, housing starts, and housing completions. Of those, the first two are most closely watched.

There is typically a solid buffer between permits and starts. After all, housing construction cannot "start" unless it is "permitted." Oftentimes, there's a divergence between housing starts and building permits on any given month. This is one of them.



Padraic Robertson
President, Coastal Custom Mortgage, Inc

www.coastalcustommortgage.com

P: (912) 777-7050

M: (912) 659-9401

340 Eisenhower Dr Suite 220
Savannah GA 31406

NMLS: 904786

Mortgage Licensee Georgia, South Carolina, North C



Coastal
Custom Mortgage Inc

This data series has been fairly unremarkable recently. Construction continues running above pre-pandemic levels, but new homes have been started at a slower and slower pace. That might sound problematic until one considers that 2024 has seen the highest pace of completions since 2006.



Bottom line, housing definitely surged in 2021 and early 2022, and it has definitely cooled off since then, but the cooling has been very orderly compared to some past episodes.

One last nuance to consider in today's data (and in general, for this data series) is the divergence between single and multifamily housing starts. Single fam has been doing much better recently--still easily holding above pre-pandemic levels. Multifamily starts, however, are near their lowest levels in a decade.

