



## Big Drop in Building Permits, But Construction Pace is Still Fairly Steady

The Census Bureau's latest Residential Construction report showed a mixed picture for August, highlighted by a sharp drop in building permits. Total housing starts (the groundbreaking phase of construction) fell 2.3% to a 1.398 million annual rate, led by a 3.4% decline in single-family starts to 906k. Multifamily activity eased 1.5% to 464k but continues to trend higher over the past several months, signaling sustained demand for apartments and other multi-unit projects.



The standout shift came on the permitting side. Total permits dropped 6.8% to a 1.264 million annual pace—one of the steepest monthly declines in years. Single-family permits slid 5.1% to 827k and multifamily permits fell 9.3% to 437k.



**Joshua Champneys**

Loan Officer, Empire Home Loans

[www.MortgageDad.com](http://www.MortgageDad.com)

P: (406) 616-3233

M: (630) 991-3340

Serving MT, ID, WA, OR, CA, AZ, CO, TN, TX, IL, IN, MN, OH, FL, SC, NC +

Fair Oaks CA 95628  
1156263





Importantly, though, permits had been running well above starts for much of the year. This latest pullback brings the two measures into closer alignment, suggesting a more balanced pipeline. Note the broadly flat pace of housing starts. This suggests a fairly steady pace of construction for now.

