Builders Breaking Ground at Fastest Pace in 2 Years

Residential construction activity was mixed again in April, as building permits rebounded while housing starts pulled back modestly from March's stronger pace. The latest Census Bureau data continues to reflect a construction sector navigating uneven demand and affordability pressures.

Privately owned housing starts fell **2.8%** to a seasonally adjusted annual rate of **1.465 million**, down from March's revised 1.507 million pace. Despite the monthly decline, starts were still **4.6%** higher than April 2025 levels. Single-family starts dropped **9.0%** to 930k, while multifamily starts (buildings with five units or more) increased to 529k.

On the permitting side, activity recovered after March's sharp decline. Total building permits rose **5.8%** to an annual rate of **1.442 million**, though that was still **0.2%** below year-ago levels. Single-family permits declined **2.6%** to 872k, while multifamily authorizations climbed to 514k.

As is often the case with this data series, month-to-month swings can exaggerate the underlying trend. More broadly, residential construction activity has remained relatively stable over the past year, with builders continuing to balance elevated financing costs, affordability challenges, and uneven buyer demand. In fact, if we smooth the data with a simple 3-month moving average, it's easier to see a decent little rebound from the long term lows last Fall. In this light, housing starts are the strongest they've been since early 2024.

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Housing completions increased **4.8%** in April to a seasonally adjusted annual rate of **1.449 million**. Even with the monthly gain, completions were still **2.0%** lower than the same time last year. Single-family completions slipped 1.0% to 903k, while multifamily completions came in at 529k.

The April report suggests builders remain active, particularly on the multifamily side, even as single-family construction showed some signs of cooling after March's rebound.

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