



Housing Starts Snap Back as May's Multifamily Drop Proves Short-Lived

Residential construction rebounded in June as housing starts and completions recovered from May's unusually weak levels, though building permits continued to trend lower. The latest Census Bureau data suggests that while builders remain cautious about future projects, construction activity itself regained momentum after last month's sharp pullback.

Privately owned housing starts jumped **19.0%** to a seasonally adjusted annual rate of **1.427 million**, reversing much of May's decline and coming in **3.5%** above the June 2025 pace. The headline increase was driven almost entirely by multifamily construction, with starts for buildings containing five units or more surging to **513k**. Meanwhile, single-family starts were essentially unchanged, slipping just **0.2%** to **895k**.



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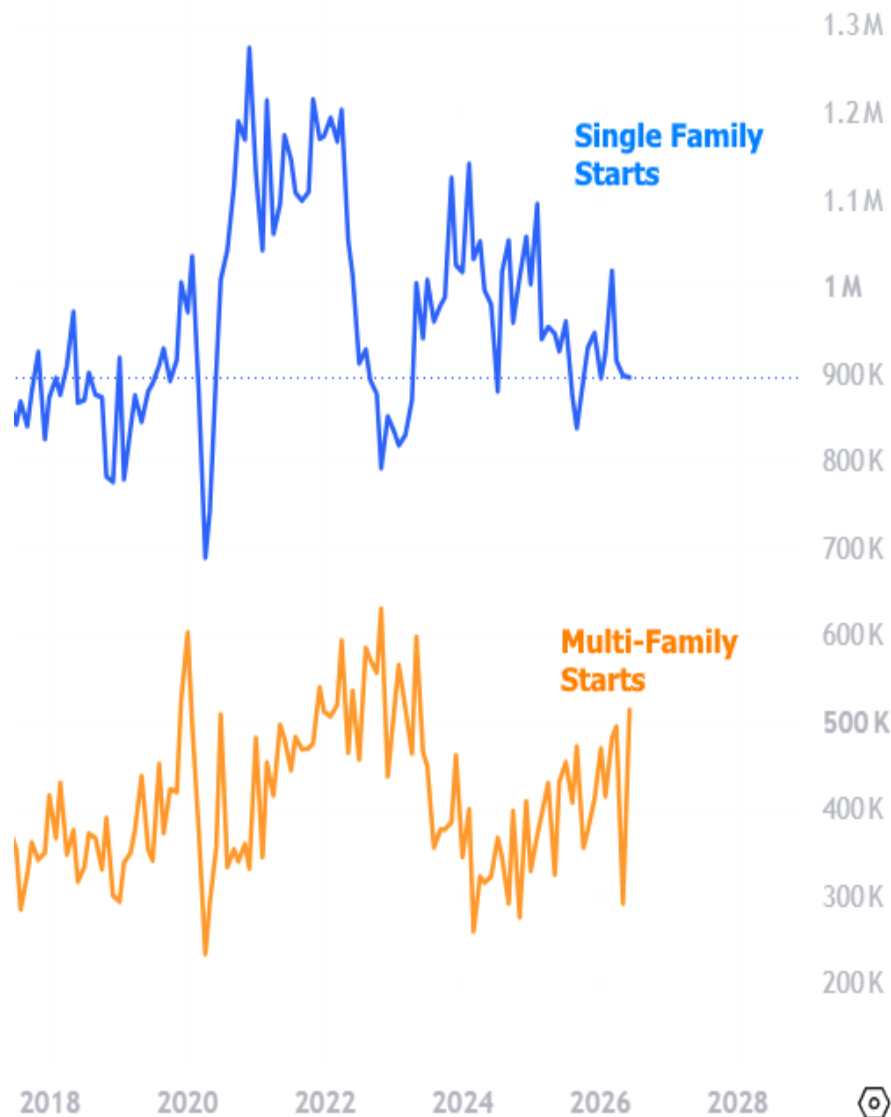
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Building permits, which provide a look at future construction activity, moved in the opposite direction. Total permits declined **3.0%** to an annual rate of **1.367 million**, down **2.3%** from a year earlier. Single-family authorizations fell **2.4%** to **871k**, while multifamily permits were issued at a rate of **445k**.



The sharp rebound in total housing starts also reinforces the notion that May's exceptionally weak reading was largely the result of unusually volatile multifamily data rather than a broad deterioration in residential construction. Single-family activity remained remarkably steady over the two-month period, while multifamily starts swung from one of their weakest readings in years to one of their strongest.



Housing completions also improved in June, rising **3.3%** to a seasonally adjusted annual rate of **1.392 million**, up **1.5%** from a year earlier. Single-family completions increased **6.6%** to **964k**, while completions for buildings with five units or more came in at **413k**.