

Economics Group

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Housing Starts Rise in June

Housing starts rose a solid 4.8 percent in June. Single-family starts rose 4.4 percent and are running 13.2 percent ahead of their year-ago pace through the first six months of 2016. Permits rose 1.5 percent in June.

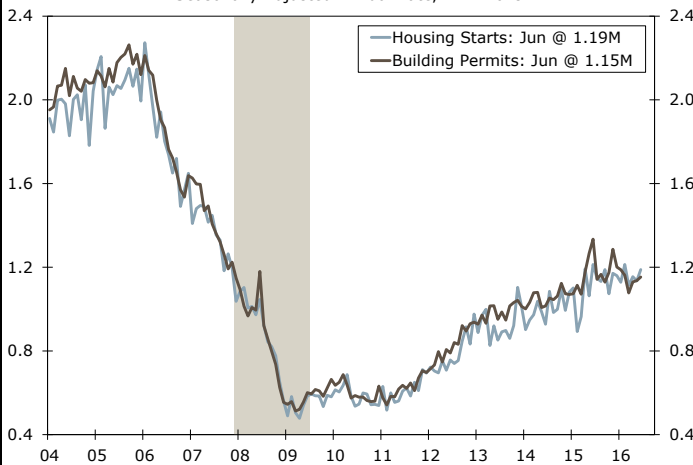
Another Solid Month for Homebuilding

- Housing starts rose a solid 4.8 percent in June, as single-family starts increased 4.4 percent. The rise easily beat market expectations, which were weighed down by softer building permit data from prior months. The earlier weakness in housing permits likely reflects delays in the permitting process.
- Single-family starts rose in all four regions, but were up the most in the Northeast, where they soared 31.6 percent.

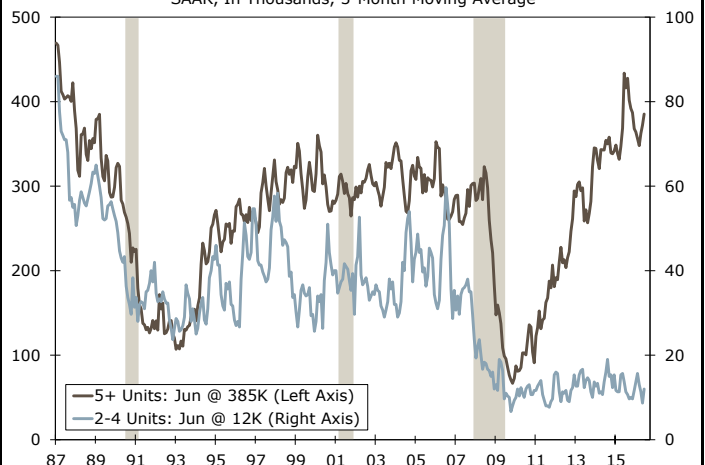
Apartment Construction Shows Signs of Topping Out

- Multifamily starts rose 5.4 percent in June, with huge gains in the West and Northeast. Starts, most of which are apartments, fell in both the South and Midwest. Year-to-date multifamily starts are running 3.9 percent below their year-ago pace.
- Single-family completions have surged 17.9 percent over the past year. The gain should provide a boost to new home sales, which have been held back by a lack of supply.

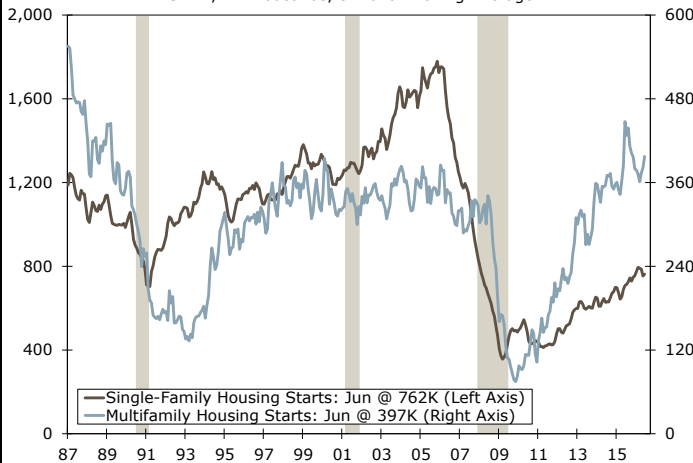
Housing Starts and Building Permits
 Seasonally Adjusted Annual Rate, In Millions



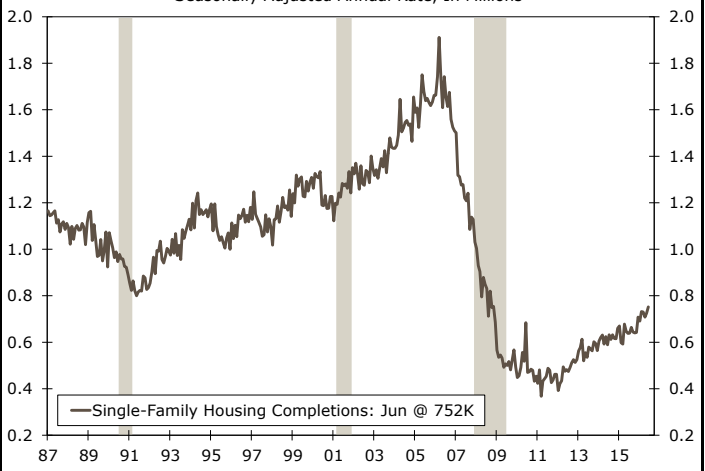
Multifamily Housing Starts
 SAAR, In Thousands, 3-Month Moving Average



Single & Multifamily Housing Starts
 SAAR, In Thousands, 3-Month Moving Average



Single-Family Housing Completions
 Seasonally Adjusted Annual Rate, In Millions



Source: U.S. Department of Commerce and Wells Fargo Securities

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