

17.Mar.2022

### **Housing Starts: Resilient To Rate Rise**

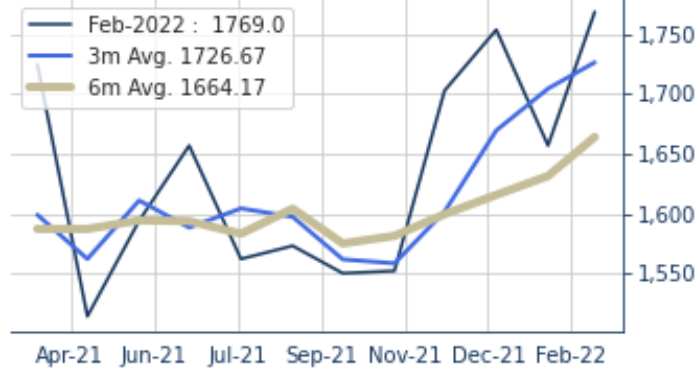
**Bottom Line:** Housing Starts rebounded in February, hitting a new cycle high, as activity proved resilient to higher mortgage rates. The activity was seasonally strong in all but the West, suggesting seasonal factors were somewhat of a factor in the strength. Still, the report showed solid activity across single- and multi-family starts. Building permits were a touch lower, but still at historically robust levels. Overall, homebuilders remain active in a market with tight supply and solid demand, even amid lower affordability due to higher mortgage rates.

**Total US Housing Starts**  
**February: 1.769M +112k**  
**consensus: +1.7M**



**last 12 months**

Contingent Macro Advisors 2022 source: US Census Bureau

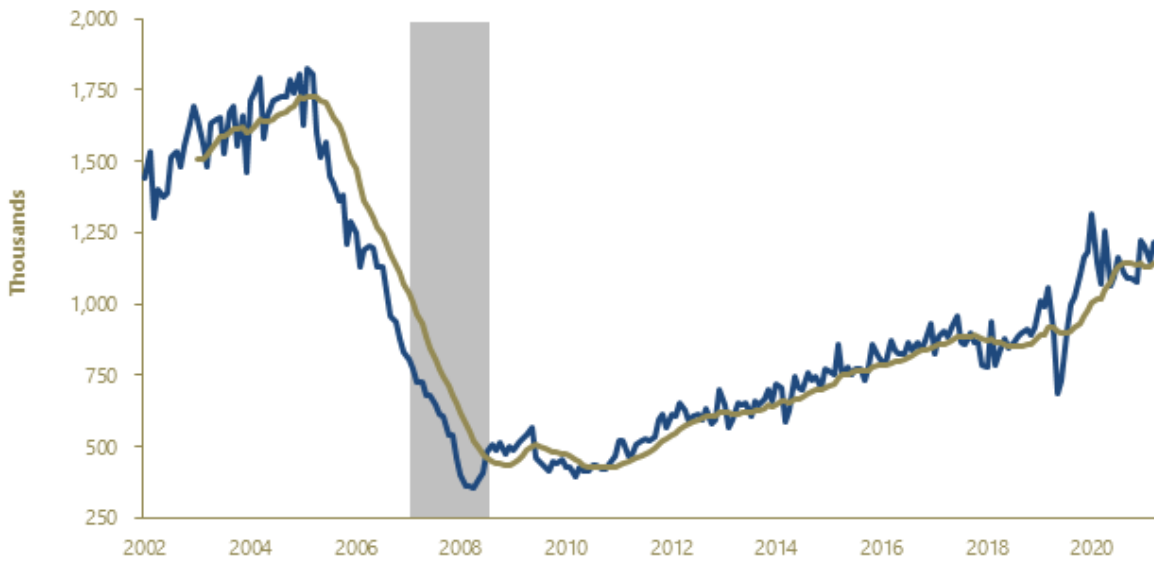


**Housing Starts** ROSE by 6.8% in February to 1769k, compared with market expectations for an increase to 1700k. Meanwhile, the prior month was revised modestly higher from 1,638k to 1,657k. Housing starts are now 22.3% ABOVE their year-ago level. However, they are still a sharp 22.2% BELOW their January 2006 peak.

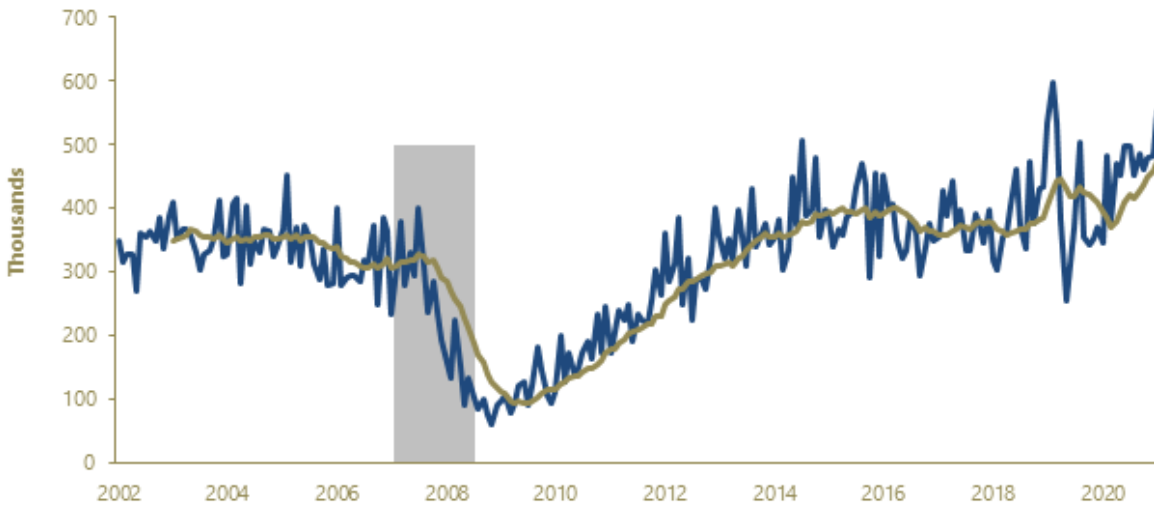
**Single-Family Housing Starts** ROSE by 5.7% to 1215k. Single-family housing starts are 13.7% ABOVE their year-ago level but still 33.4% BELOW their January 2006 peak.

**Multifamily Housing Starts** ROSE by 9.3% to 554k. Multifamily starts are now 46.6% ABOVE their year-ago level.

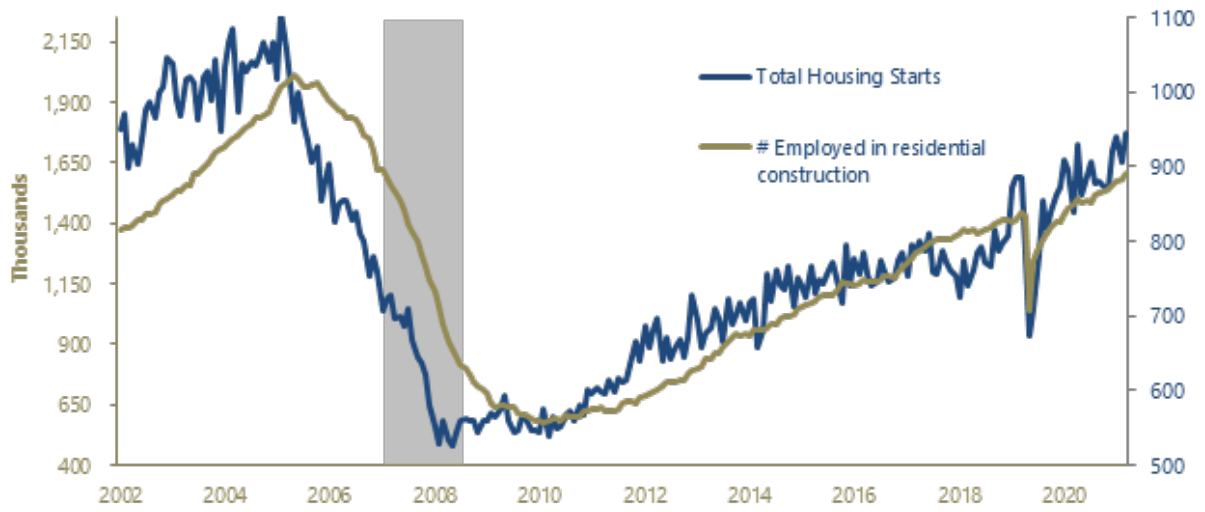
### Single Family Housing Starts



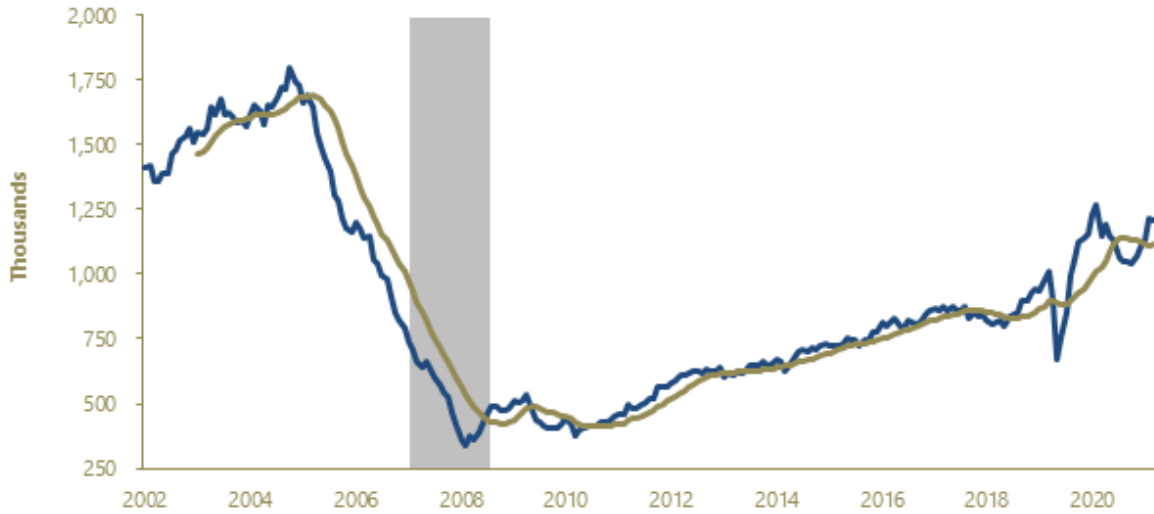
### Multifamily Housing Starts



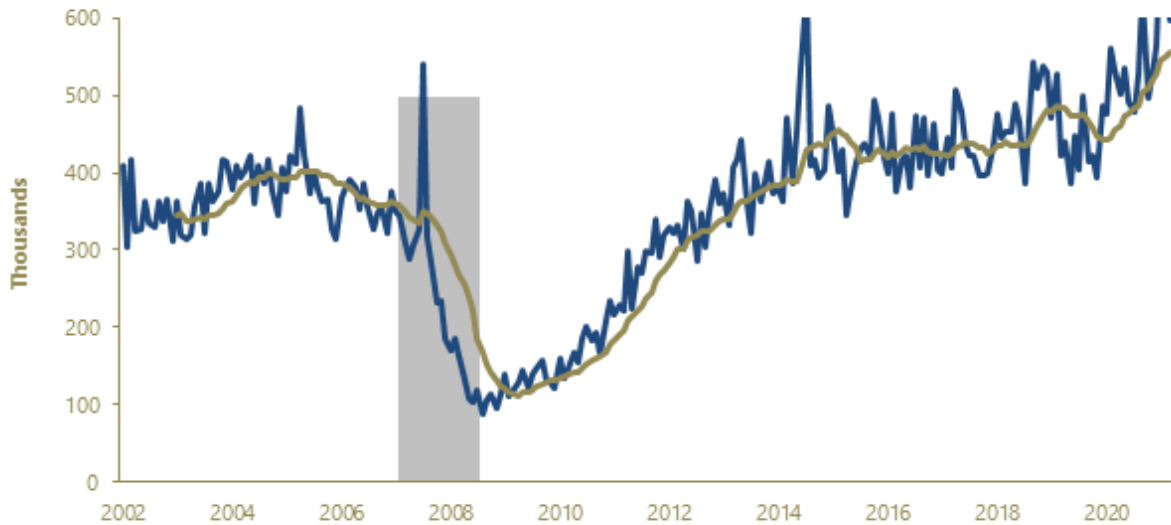
## Housing Starts vs Residential Construction Workers



## Single Family Housing Permits



## Multifamily Housing Permits



	Thousands of Units (Annualized)										
	Monthly				Average for						
	Feb-22	Jan-22	Dec-21	Nov-21	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
<b>Housing Starts</b>	1,769	1,657	1,754	1,703	1,727	1,664	1,634	1,661	1,547	1,347	1,163
(percent change)	6.8	-5.5	3.0	9.7				7.4	41.3		
<b>Single Family</b>	1,215	1,150	1,203	1,222	1,189	1,159	1,144	1,004	889	880	735
(percent change)	5.7	-4.4	-1.6	13.8			14.0%	12.9	2.1		
<b>Multifamily</b>	554	507	551	481	537	505	490	393	403	384	340
(percent change)	9.3	-8.0	14.6	0.6			24.8%	-2.5	7.2		
<b>Northeast</b>	130	101	140	113	124	121	131	113	115	113	106
<b>Midwest</b>	226	196	324	216	249	230	224	193	169	180	159
<b>South</b>	1017	913	900	945	943	899	878	743	687	649	547
<b>West</b>	396	447	390	429	411	415	402	347	321	322	263
<b>Housing Permits</b>	1,859	1,895	1,885	1,717	1,880	1,766	1,726	1,479	1,385	1,337	1,135
(percent change)	-1.9	0.5	9.8	3.9				6.8	4.3		
<b>Single Family Permits</b>	1,207	1,213	1,128	1,106	1,183	1,128	1,117	988	864	856	717
(percent change)	-0.5	7.5	2.0	3.0				14.4	1.1		
<b>Multifamily Permits</b>	652	682	757	611	697	638	609	491	522	481	418
(percent change)	-4.4	-9.9	23.9	5.5				-5.9	9.8		

Source: Bureau of the Census, Department of Commerce via Bloomberg. Our calculations.

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