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United States Housing Brief, April 2021

Delton Alderman

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Abstract

The year-over-year housing data for April were all robustly positive. However, month-over-month declines were reported for total and single-family housing starts, total and single-family permits, total housing completions, and new single-family and existing house sales. Total and single-family houses under construction and total and single-family construction spending were positive month-over-month.

Keywords: housing permits, starts, under construction, completions, construction spending, new sales, existing sales, regional housing data, economic indicators

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United States Housing Brief, April 2021

Delton Alderman, Research Forest Products Technologist
USDA Forest Service, Forest Products Laboratory, Madison, Wisconsin

Summary

New single-family construction is the largest value-added wood-products-consuming sector and is a leading coincident economic indicator of the U.S. economy. The aggregate U.S. housing construction markets in April were positive year-over-year and mixed month-over-month.

This housing brief includes housing starts, permits, houses under construction, completions, sales, and construction spending data available from the U.S. Department of Commerce and the National Association of Realtors. The data are compared on month-over-month (M/M) and year-over-year (Y/Y) bases. For more detailed information and commentary, the monthly "Virginia Tech–U.S. Forest Service Housing Commentary" is available at http://woodproducts.sbio.vt.edu/housing-report. Additionally, in-depth semi-annual and annual housing construction research is available via Treesearch (https://www.fs.usda.gov/treesearch/) and inputting "Alderman".

April 2021
Housing Scorecard

Category[a]	Month-over-month change	Year-over-year change
Housing starts (total)	▼ 9.5%	▲ 67.3%
Single-family	▼ 13.4%	▲ 58.7%
Multifamily	▲ 0.8%	▲ 90.5%
Housing permits (total)	▼ 1.3%	▲ 58.4%
Single-family	▼ 3.9%	▲ 70.6%
Multifamily	▲ 4.3%	▲ 39.0%
Housing under construction (total)	▲ 0.6%	▲ 9.9%
Single-family	▲ 0.8%	▲ 24.7%
Multifamily	▲ 0.4%	▼ 1.3%
Housing completions (total)	▼ 4.4%	▲ 21.7%
Single-family	▲ 0.1%	▲ 20.8%
Multifamily	▼ 14.2%	▲ 23.9%
New single-family house sales	▼ 5.9%	▲ 48.3%
Private residential construction spending	▲ 1.0%	▲ 29.7%
Single-family construction spending	▲ 1.3%	▲ 39.6%
Existing house sales[b]	▼ 2.7%	▲ 33.9%

[a] Data from U.S. Census Bureau–Construction.
[b] Data from Federal Reserve Bank of St. Louis. (FRED).

Starts

Total starts in April 2021 were at a seasonally adjusted annual rate (SAAR) of 1,569,000. This was 9.5% less than March and 67.3% greater than April 2020. Single-family (SF) starts were 1,087,000, which was 13.4% less than March. Multifamily (MF) starts of two to four units were 12,000 and five units or more were 470,000 (Census Bureau 2021a) (Fig. 1).

Regionally, the South remained the strongest market, where total starts were 804,000, of which 593,000 were SF and 211,000 were MF. The West followed with total starts of 400,000, of which 265,000 were SF and 135,000 were MF. Total Midwest starts were 193,000, of which 149,000 were SF and 44,000 were MF. The Northeast recorded total starts of 172,000, of which 80,000 were SF and 92,000 were MF (Census Bureau 2021a). Table 1 provides housing start data for each start category for April 2021.

Table 1—National and regional U.S. housing starts for April 2021 in comparison to March and April 2020

	Total starts[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Apr-21	1,569,000	1,087,000	12,000	470,000
Mar-21	1,733,000	1,255,000	26,000	452,000
Apr-20	938,000	685,000	15,000	238,000
Month-over-month change	–9.5%	–13.4%	–53.8%	4.0%
Year-over-year change	67.3%	58.7%	–20.0%	97.5%
	Northeast	Midwest	South	West
Apr-21	172,000	193,000	804,000	400,000
Mar-21	162,000	296,000	908,000	367,000
Apr-20	50,000	137,000	569,000	182,000
Month-over - month change	6.2%	–34.8%	–11.5%	9.0%
Year-over-year change	244.0%	40.9%	41.3%	119.8%

[a] Source: U.S. Department of Commerce–Construction (SAAR).
[b] Multifamily two- to four-unit starts are not reported directly but are an estimation: 2 to 4 starts = (Total starts – (SF starts + MF ≥5 starts)).

Permits

Total building permits issued in April 2021 were at a SAAR of 1,733,000. This was 1.3% less than March and 58.4% greater than April 2020. SF permits were 1,148,000, which was 3.9% less than March. MF permits of two to four units were 50,000 and five units or more were 535,000 (Census Bureau 2021b). Historically, MF permits can be extremely variable, M/M and Y/Y.

Regionally, the South remained the strongest market, where total permits issued were 918,000, of which 649,000 were SF and 269,000 were MF. The West followed with total permits of 419,000, of which 264,000 were SF and 155,000 were MF. Midwest total permits were 228,000, of which 159,000 were SF and 69,000 were MF. In the Northeast, total permits were 168,000, of which 76,000 were SF and 92,000 were MF (Census Bureau 2021b). Table 2 provides data by each permit category for April 2021.

Table 2–National and regional U.S. housing permits for April 2021 in comparison to March and April 2020

	Total permits[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Apr-21	1,733,000	1,148,000	50,000	535,000
Mar-21	1,755,000	1,194,000	58,000	503,000
Apr-20	1,094,000	673,000	34,000	387,000
Month-over - month change	–1.3%	–3.9%	–13.8%	6.4%
Year-over-year change	58.4%	70.6%	47.1%	38.2%
	Northeast	Midwest	South	West
Apr-21	168,000	228,000	918,000	419,000
Mar-21	155,000	253,000	908,000	439,000
Apr-20	62,000	146,000	637,000	249,000
Month-over-month change	8.4%	–9.9%	1.1%	–4.6%
Year-over - year change	171.0%	56.2%	44.1%	68.3%

[a] Source: U.S. Census Bureau–Construction (SAAR).
[b] Multifamily two- to four-unit permits are not reported directly but are an estimation: 2 to 4 permits = (Total permits – (SF permits + MF ≥5 permits)).

Housing under Construction

Total housing under construction (HUC) issued in April 2021 was at a SAAR of 1,312,000. This was a 0.6% increase from March and 9.9% greater than April 2020. SF HUC was 642,000, which was 0.8% greater than March. MF HUC of two to four units were 12,000 and five units or more were 658,000 (Census Bureau 2021a).

Regionally, the South remained the strongest market, where total HUC was 588,000, of which 314,000 were SF and 274,000 were MF. The West followed with a total HUC of 369,000 units, of which 175,000 were SF and 194,000 were MF. The Northeast total HUC was 188,000, of which 61,000 were SF and 127,000 were MF. Midwest total HUC was 167,000, of which 92,000 were SF and 75,000 were MF (Census Bureau 2021a). Table 3 provides HUC data for April 2021.

Table 3—National and regional U.S. housing under construction for April 2021 in comparison to March and April 2020

	Total HUC[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Apr-21	1,312,000	642,000	12,000	658,000
Mar-21	1,304,000	637,000	12,000	655,000
Apr-20	1,194,000	515,000	13,000	666,000
Month-over-month change	0.6%	0.8%	0.0%	0.5%
Year-over-year change	9.9%	24.7%	–7.7%	–1.2%

	Northeast	Midwest	South	West
Apr-21	188,000	167,000	588,000	369,000
Mar-21	183,000	167,000	588,000	366,000
Apr-20	178,000	152,000	530,000	334,000
Month-over - month change	2.7%	0.0%	0.0%	0.8%
Year-over-year change	5.6%	9.9%	10.9%	10.5%

[a] Source: U.S. Department of Commerce–Construction (SAAR).
[b] Multifamily two- to four-unit HUC are not reported directly but are an estimation: 2 to 4 HUC = (Total HUC – (SF HUC + MF ≥5 HUC)).

Housing Completions

Total completions in April 2021 were at a SAAR of 1,449,000. This was 4.4% less than March and 21.7% greater than April 2020. SF completions were 1,045,000, which is 0.1% greater than March. MF completions of two to four units were 3,000 and five units or more were 401,000 (Census Bureau 2021a).

The South remained the strongest market, where total completions were 810,000, of which 619,000 were SF and 191,000 were MF. The West followed with total completions of 340,000 units, of which 259,000 were SF and 81,000 were MF. Midwest total completions were 182,000, of which 119,000 were SF and 63,000 were MF. Total Northeast completions were 117,000, of which 48,000 were SF and 69,000 were MF (Census Bureau 2021a). Table 4 provides housing completion data for April 2021.

Table 4—National and regional U.S. housing completions for April 2021 in comparison to March and April 2020

	Total completions[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Apr-21	1,449,000	1,045,000	3,000	401,000
Mar-21	1,515,000	1,044,000	6,000	465,000
Apr-20	1,191,000	865,000	9,000	317,000
Month-over-month change	–4.4%	0.1%	–50.0%	–13.8%
Year-over-year change	21.7%	20.8%	–66.7%	26.5%

	Northeast	Midwest	South	West
Apr-21	117,000	182,000	810,000	340,000
Mar-21	128,000	219,000	824,000	344,000
Apr-20	59,000	169,000	691,000	272,000
Month-over - month change	–8.6%	–16.9%	–1.7%	–1.2%
Year-over-year change	98.3%	7.7%	17.2%	25.0%

[a] Source: U.S. Department of Commerce–Construction (SAAR).
[b] Multifamily two- to four-unit completions are not reported directly but are an estimation: 2 to 4 completions = (Total completions – (SF completions + MF ≥5 completions)).

New Single-Family House Sales

Total new house sales in April 2021 were estimated at a SAAR of 863,000 units. This was a decrease of 5.9% from March and 48.3% greater than April 2020. Regionally, the South remained the strongest market with total new SF house sales of 545,000, followed by the West with 164,000. The Midwest recorded 110,000 sales and the Northeast had 44,000 (Census Bureau 2021c).

The median sales price of new houses sold in April 2021 was $372,400, and the mean sales price was $435,400 (Census Bureau 2021c). Table 5 provides new SF sales data for April 2021.

Table 5—National and regional new U.S. housing sales for April 2021 in comparison to March and April 2020

	New SF sales[a]	Median price	Mean price	Month's supply
Apr-21	863,000	$372,400	$435,400	4.4
Mar-21	917,000	$334,200	$400,500	4.0
Apr-20	582,000	$310,100	$360,300	6.6
Month-over-month change	–5.9%	11.4%	8.7%	10.0%
Year-over-year change	48.3%	20.1%	20.8%	–33.3%

	Northeast	Midwest	South	West
Apr-21	44,000	110,000	545,000	164,000
Mar-21	51,000	120,000	594,000	152,000
Apr-20	22,000	75,000	338,000	147,000
Month-over - month change	–13.7%	–8.3%	–8.2%	7.9%
Year-over-year change	100.0%	46.7%	61.2%	11.6%

[a] Source: U.S. Department of Commerce–Construction (SAAR).

Private Residential Construction Spending

New SF starts and sales are vital to the wood products industry because new units consume more value-added products than any other wood-consuming sector. Total private residential construction spending for April 2021 was $729,2381 million, a 1.0% increase from March and a 29.7% improvement from April 2020. SF construction spending was $396,316 million and MF construction spending was $98,460 million. Improvement, or remodeling, spending was $234,462 million (Census Bureau 2021d). Table 6 provides data for each construction spending category for April 2021.

Table 6—National U.S. housing construction spending for April 2021 in comparison to March and April 2020

	Total private residential construction spending[a, b]	Single-family	Multi-family	Improvement[c]
Apr-21	$729,238	$396,316	$98,460	$234,462
Mar-21	$721,751	$391,214	$96,667	$233,870
Apr-20	$562,339	$283,910	$77,443	$200,986
Month-over-month change	1.0%	1.3%	1.9%	0.3%
Year-over-year change	29.7%	39.6%	27.1%	16.7%

[a] Reported in nominal U.S. dollars, millions of dollars, and SAAR.
[b] Source: U.S. Census Bureau–Construction.
[c] The U.S. DOC Census Bureau does not report improvement spending directly. This is a monthly estimation: Improvement spending = (Total private spending – (SF spending + MF spending)).

Existing House Sales

Existing house sales in April 2021 were at a SAAR of 5,850,000 units. This is a 2.7% decrease from March and a 33.9% improvement from April 2020. Regionally, the South remained the strongest market, with total existing house sales of 2,600,000 units, followed by the Midwest at 1,290,000 units. The West had total existing sales of 1,230,000 units, and the Northeast had 730,000 units (FRED 2021a). Table 7 provides existing house sales data for April 2021.

Table 7—National and regional U.S. existing housing sales for April 2021 in comparison to March and April 2020

	Existing sales[a]	Median price	Mean price	Month's supply
Apr-21	5,850,000	$341,600	$364,800	2.4
Mar-21	6,010,000	$326,300	$353,100	2.1
Apr-20	4,370,000	$286,800	$321,100	4.0
Month-over-month change	–2.7%	4.7%	3.3%	14.3%
Year-over-year change	33.9%	19.1%	13.6%	–40.0%

	Northeast	Midwest	South	West
Apr-21	730,000	1,290,000	2,600,000	1,230,000
Mar-21	760,000	1,280,000	2,700,000	1,270,000
Apr-20	560,000	1,140,000	1,870,000	800,000
Month-over - month change	–3.9%	0.8%	–3.7%	–3.1%
Year-over-year change	30.4%	13.2%	39.0%	53.8%

[a] Source: Federal Reserve Bank of St. Louis (FRED).

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Glossary

Housing completions—A house is defined as completed when all finished flooring has been installed (or carpeting if used in place of finished flooring). If the building is occupied before all construction is finished, it is classified as completed at the time of occupancy. In privately owned buildings with two or more housing units, all the units in the buildings are counted as completed when 50% or more of the units are occupied or available for occupancy. Housing completions are estimated for all areas of the United States, regardless of whether permits are required.

Housing permits—The approval given by a local jurisdiction to proceed on a construction project. Not all areas of the country require a permit for construction.

Housing starts—Start of construction occurs when excavation begins for the footings or foundation of a building. All housing units in a multifamily building are defined as being started when this excavation begins. Beginning with data for April 1992, estimates of housing starts include units in structures being totally rebuilt on an existing foundation.

Housing under construction—Estimates of housing units started, but not yet completed, are estimated for all areas of the United States, whether or not permits are required.

Regions—Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont. Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Seasonally adjusted annual rate—Seasonal adjustment is the process of estimating and removing seasonal effects from a time series to better reveal certain non-seasonal features such as underlying trends and business cycles. Seasonal adjustment procedures estimate effects that occur in the same calendar month with similar magnitude and direction from year to year. In series whose seasonal effects come primarily from weather, the seasonal factors are estimates of average weather effects for each month.

Single-family housing—Dwellings that include fully detached, semi-detached (semi-attached, side-by-side), row houses, and townhouses.

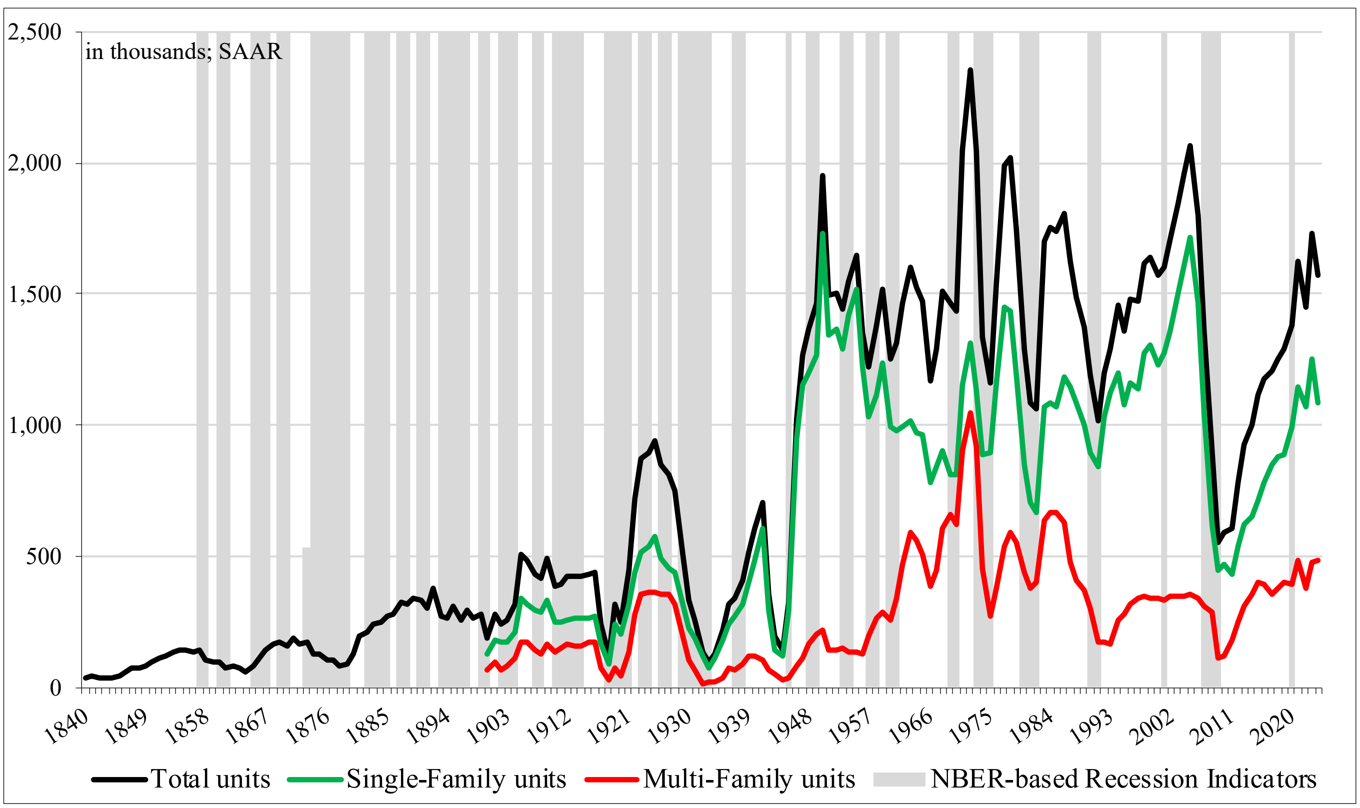

Figure 1. U.S. housing units and starts: 1840 to April 2021. Sources: Carliner (2010), FRED (2021b), Gottlieb (1964), and Census Bureau (2021a).