United States Department of Agriculture

United States Housing Brief, November 2021

Delton Alderman

Forest Service | Forest Products Laboratory | Research Note FPL–RN–0409 | April 2022

Abstract

November month-over-month and year-over-year housing data were primarily positive. Only single-family housing completions were negative month-over-month. Single-family starts, permits, completions and new sales were negative year-over-year. Single-family permits and starts, total housing completions, and new and existing house sales were negative year-over-year. Existing house sales also were negative year-over-year. Completions continue to be restrained due to the unavailability of building materials and products, combined with other factors. Thus, certain builders may be reluctant to start new projects while waiting to complete units under construction.

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

Contents

April 2022

Alderman, Delton. 2022. United States Housing Brief, November 2021. Research Note FPL-RN-0409. Madison, WI: U.S. Department of Agriculture, Forest Service, Forest Products Laboratory. 6 p.

A limited number of free copies of this publication are available to the public from the Forest Products Laboratory, One Gifford Pinchot Drive, Madison, WI 53726-2398. This publication is also available online at www.fpl.fs.fed.us. Laboratory publications are sent to hundreds of libraries in the United States and elsewhere.

The Forest Products Laboratory is maintained in cooperation with the University of Wisconsin.

United States Housing Brief, November 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. Aggregate U.S. housing construction market data were primarily positive in November. Only single-family housing completions were negative month-over-month. Single-family starts, permits, completions and new sales were negative year-over-year. Single-family permits and starts, total housing completions, and new and existing house sales were negative year-over-year. Existing house sales also were negative year-over-year. Completions continue to be restrained due to the unavailability of building materials and products, combined with other factors. Thus, certain builders may be reluctant to start new projects while waiting to complete units under construction.

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".

November 2021 Housing Scorecard

Category[a]	**Month-over-month change**	**Year-over-year change**
Housing starts (total)	▲ 11.8%	▲ 8.3%
Single-family	▲ 11.3%	▼ 0.8%
Multifamily	▲ 12.9%	▲ 37.1%
Housing permits (total)	▲ 3.9%	▲ 1.2%
Single-family	▲ 3.0%	▼ 4.2%
Multifamily	▲ 5.5%	▲ 12.9%
Housing under construction (total)	▲ 2.0%	▲ 19.2%
Single-family	▲ 2.9%	▲ 28.3%
Multifamily	▲ 1.1%	▲ 11.0%
Housing completions (total)	▲ 4.1%	▲ 3.1%
Single-family	▼ 0.1%	▼ 0.3%
Multifamily	▲ 16.3%	▲ 12.4%
New single-family house sales	▲ 12.4%	▼ 14.0%
Private residential construction spending	▲ 0.9%	▲ 16.3%
Single-family construction spending	▲ 1.2%	▲ 19.4%
Existing house sales[b]	▲ 1.9%	▼ 2.0%

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

Starts

Total starts in November 2021 were at a seasonally adjusted annual rate (SAAR) of 1,679,000. This was 11.8% greater than October and 8.3% greater than November 2020. Single-family (SF) starts were 1,173,000, which was 11.3% greater than November 2020. Multifamily (MF) starts of two to four units were 15,000 and five units or more were 491,000 (Census Bureau 2021a) (Fig. 1).

Regionally, the South remained the strongest market, where total starts were 933,000, of which 701,000 were SF and 232,000 were MF. The West followed with total starts of 412,000, of which 277,000 were SF and 135,000 were MF. Total Midwest starts were 204,000, of which 129,000 were SF and 75,000 were MF. The Northeast recorded total starts of 130,000, of which 66,000 were SF and 64,000 were MF (Census Bureau 2021a). Table 1 provides housing start data for each start category for November 2021.

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

	Total starts[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Nov-21	1,679,000	1,173,000	15,000	491,000
Oct-21	1,502,000	1,054,000	10,000	438,000
Nov-20	1,551,000	1,182,000	16,000	353,000
Month-over-month change	11.8%	11.3%	50.0%	12.1%
Year-over-year change	8.3%	–0.8%	–6.3%	39.1%
	Northeast	Midwest	South	West
Nov-21	130,000	204,000	933,000	412,000
Oct-21	102,000	220,000	788,000	392,000
Nov-20	143,000	189,000	806,000	413,000
Month-over - month change	27.5%	–7.3%	18.4%	5.1%
Year-over-year change	–9.1%	7.9%	15.8%	–0.2%

[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 November 2021 were at a SAAR of 1,717,000. This was 3.9% greater than October and 1.2% greater than November 2020. SF permits were 1,106,000, which was 3.0% greater than November 2020. MF permits of two to four units were 48,000 and five units or more were 563,000 (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 906,000, of which 647,000 were SF and 259,000 were MF. The West followed with total permits of 449,000, of which 256,000 were SF and 193,000 were MF. Midwest total permits were 219,000, of which 141,000 were SF and 78,000 were MF. In the Northeast, total permits were 143,000, of which 62,000 were SF and 81,000 were MF (Census Bureau 2021b). Table 2 provides data by each permit category for November 2021.

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

	Total permits[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Nov-21	1,717,000	1,106,000	48,000	563,000
Oct-21	1,653,000	1,074,000	51,000	528,000
Nov-20	1,696,000	1,155,000	54,000	487,000
Month-over - month change	3.9%	3.0%	–5.9%	6.6%
Year-over-year change	1.2%	–4.2%	–11.1%	15.6%
	Northeast	Midwest	South	West
Nov-21	143,000	219,000	906,000	449,000
Oct-21	129,000	234,000	859,000	431,000
Nov-20	165,000	233,000	890,000	408,000
Month-over-month change	10.9%	–6.4%	5.5%	4.2%
Year-over - year change	–13.3%	–6.0%	1.8%	10.0%

[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 November 2021 was at a SAAR of 1,486,000. This was a 2.0% increase from October and 19.2% greater than November 2020. SF HUC was 752,000, which was 2.0% greater than October. MF HUC of two to four units was 13,000 and five units or more was 701,000 (Census Bureau 2021a).

Regionally, the South remained the strongest market, where total HUC was 689,000, of which 396,000 were SF and 293,000 were MF. The West followed with a total HUC of 411,000 units, of which 192,000 were SF and 219,000 were MF. The Northeast total HUC was 202,000, of which 64,000 were SF and 138,000 were MF. Midwest total HUC was 184,000, of which 100,000 were SF and 84,000 were MF (Census Bureau 2021a). Table 3 provides HUC data for November 2021.

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

	Total HUC[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Nov-21	1,486,000	752,000	13,000	721,000
Oct-21	1,457,000	731,000	12,000	714,000
Nov-20	1,247,000	586,000	11,000	650,000
Month-over-month change	2.0%	2.9%	8.3%	1.0%
Year-over-year change	19.2%	28.3%	18.2%	10.9%
	Northeast	Midwest	South	West
Nov-21	202,000	184,000	689,000	411,000
Oct-21	201,000	183,000	666,000	407,000
Nov-20	180,000	163,000	564,000	340,000
Month-over - month change	0.5%	0.5%	3.5%	1.0%
Year-over-year change	12.2%	12.9%	22.2%	20.9%

[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 November 2021 were at a SAAR of 1,282,000. This was 4.1% greater than October and 3.1% greater than November 2020. SF completions were 910,000, which is 0.1% less than November 2020. MF completions of two to four units were 8,000 and five units or more were 364,000 (Census Bureau 2021a).

The South remained the strongest market, where total completions were 654,000, of which 492,000 were SF and 162,000 were MF. The West followed with total completions of 318,000 units, of which 227,000 were SF and 91,000 were MF. Midwest total completions were 190,000, of which 138,000 were SF and 52,000 were MF. Total Northeast completions were 120,000, of which 53,000 were SF and 67,000 were MF (Census Bureau 2021a). Table 4 provides housing completion data for November 2021.

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

	Total completions[a]	Single-family	Multi-family (2–4 units)[b]	Multi-family (≥5 units)
Nov-21	1,282,000	910,000	8,000	364,000
Oct-21	1,231,000	911,000	16,000	304,000
Nov-20	1,244,000	913,000	11,000	320,000
Month-over-month change	4.1%	–0.1%	–50.0%	19.7%
Year-over-year change	3.1%	–0.3%	–27.3%	13.8%
	Northeast	Midwest	South	West
Nov-21	120,000	190,000	654,000	318,000
Oct-21	117,000	173,000	631,000	310,000
Nov-20	110,000	168,000	641,000	325,000
Month-over - month change	2.6%	9.8%	3.6%	2.6%
Year-over-year change	9.1%	13.1%	2.0%	–2.2%

[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 November 2021 were estimated at a SAAR of 744,000 units. This was an increase of 12.4% from October and 14.0% less than November 2020. Regionally, the South remained the strongest market with total new SF house sales of 412,000, followed by the West with 242,000. The Midwest recorded 53,000 sales and the Northeast had 37,000 (Census Bureau 2021c).

The median sales price of new houses sold in November 2021 was $416,900, and the mean sales price was $481,700 (Census Bureau 2021c). Table 5 provides new SF sales data for November 2021.

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

	New SF sales[a]	Median price	Mean price	Month's supply
Nov-21	744,000	$416,900	$481,700	6.5
Oct-21	662,000	$408,700	$478,200	7.1
Nov-20	865,000	$350,800	$396,100	4.0
Month-over-month change	12.4%	2.0%	0.7%	–8.5%
Year-over-year change	–14.0%	18.8%	21.6%	62.5%

	Northeast	Midwest	South	West
Nov-21	37,000	53,000	412,000	242,000
Oct-21	32,000	71,000	401,000	158,000
Nov-20	34,000	96,000	523,000	212,000
Month-over - month change	15.6%	–25.4%	2.7%	53.2%
Year-over-year change	8.8%	–44.8%	–21.2%	14.2%

[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 November 2021 was $796,308 million, a 0.9% increase from October and a 16.3% improvement from November 2020. SF construction spending was $421,048 million and MF construction spending was $99,999 million. Improvement, or remodeling, spending was $275,261 million (Census Bureau 2021d). Table 6 provides data for each construction spending category for November 2021.

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

	Total private residential construction spending[a, b]	Single-family	Multi-family	Improve-ment[c]
Nov-21	$796,308	$421,048	$99,999	$275,261
Oct-21	$789,144	$416,001	$100,340	$272,803
Nov-20	$684,497	$352,676	$91,228	$240,593
Month-over-month change	0.9%	1.2%	–0.3%	0.9%
Year-over-year change	16.3%	19.4%	9.6%	14.4%

[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 November 2021 were at a SAAR of 6,460,000 units. This is a 1.9% increase from October and a 2.2% decrease from November 2020. Regionally, the South remained the strongest market, with total existing house sales of 2,850,000 units, followed by the Midwest at 1,520,000 units. The West had total existing sales of 1,330,000 units and the Northeast had 760,000 units (FRED 2021a). Table 7 provides existing house sales data for November 2021.

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

	Existing sales[a]	Median price	Mean price	Month's supply
Nov-21	6,460,000	$353,900	$372,400	2.1
Oct-21	6,340,000	$352,700	$372,200	2.3
Nov-20	6,590,000	$310,800	$342,800	2.3
Month-over-month change	1.9%	0.3%	0.1%	–8.7%
Year-over-year change	–2.0%	13.9%	8.6%	–8.7%
	Northeast	Midwest	South	West
Nov-21	760,000	1,520,000	2,850,000	1,330,000
Oct-21	760,000	1,510,000	2,770,000	1,300,000
Nov-20	860,000	1,530,000	2,820,000	1,380,000
Month-over - month change	0.0%	0.7%	2.9%	2.3%
Year-over-year change	–11.6%	–0.7%	1.1%	–3.6%

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

Literature Cited

Carliner, M. 2010. Census bureau housing and demographic data. Available at http://www.michaelcarliner.com/index.html. (Accessed March 15, 2018.)

Census Bureau. 2021a. New residential construction. Washington, DC: U.S. Department of Commerce, Census Bureau. Available at https://www.census.gov/construction/nrc/index.html. (Accessed December 16, 2021.)

Census Bureau. 2021b. Building permits survey. Washington, DC: U.S. Department of Commerce, Census Bureau. Available at https://www.census.gov/construction/bps/. (Accessed December 23, 2021.)

Census Bureau. 2021c. New residential sales. Washington, DC: U.S. Department of Commerce, Census Bureau. Available at https://www.census.gov/construction/nrs/index.html. (Accessed December 23, 2021.)

Census Bureau. 2022d. Value of construction put in place at a glance. Washington, DC: U.S. Department of Commerce, Census Bureau. Available at https://www.census.gov/construction/c30/c30index.html. (Accessed January 3, 2022.)

FRED. 2021a. Existing home sales. Federal Reserve Bank of St. Louis. Available at https://fred.stlouisfed.org/series/EXHOSLUSM495S. (Accessed December 22, 2021.)

FRED. 2021b. NBER based recession indicators for the U.S., 1855 to October 2021. Available at https://fred.stlouisfed.org/series/USREC. (Accessed October 8, 2021.)

Gottlieb, M. 1964. Estimates of residential building, US, 1840-1939. Available at https://www.nber.org/books-and-chapters/estimates-residential-building-united-states-1840-1939. (Accessed April 27, 2022.)

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 November 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.

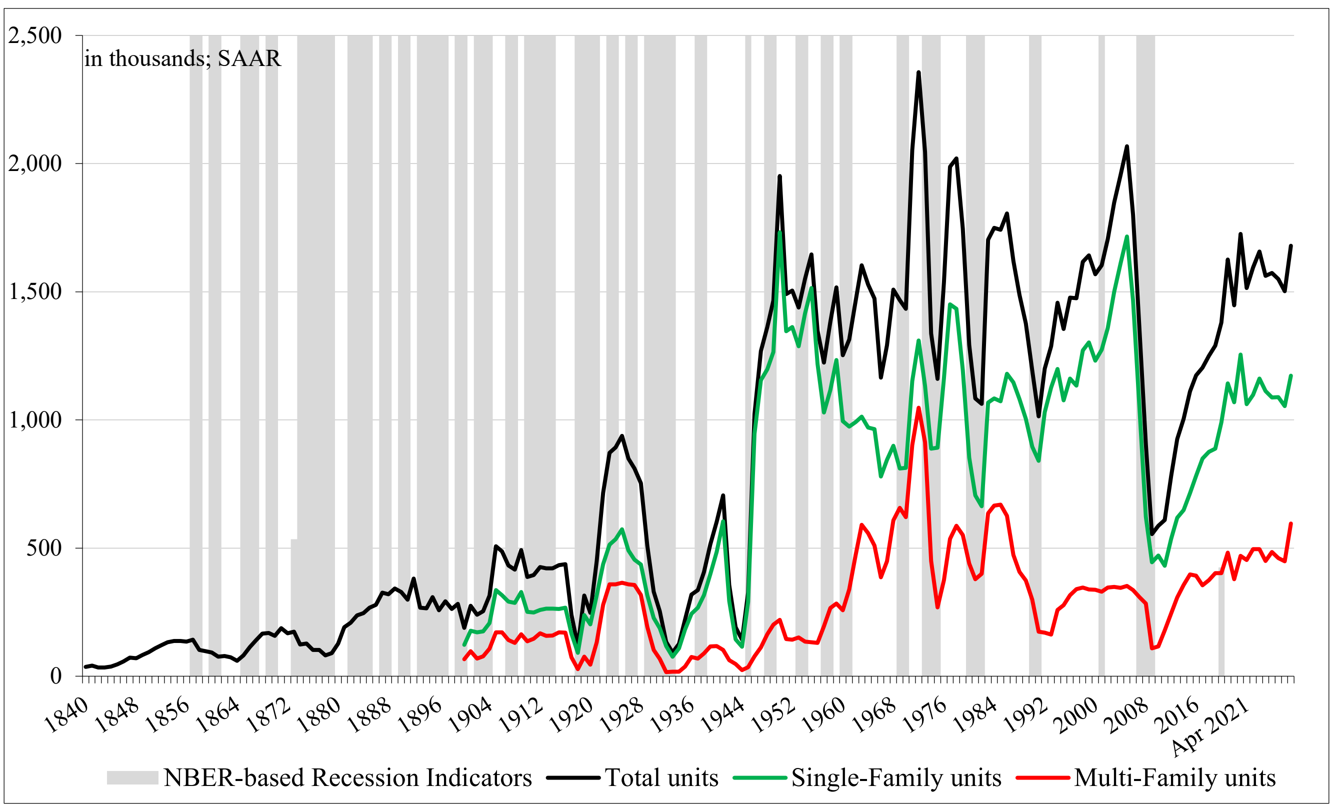

Figure 1. U.S. housing units and starts: 1840 to November 2021. Sources: Carliner (2010), FRED (2021b), Gottlieb (1964), and Census Bureau (2021a).