

HOT SHEET



August 2015
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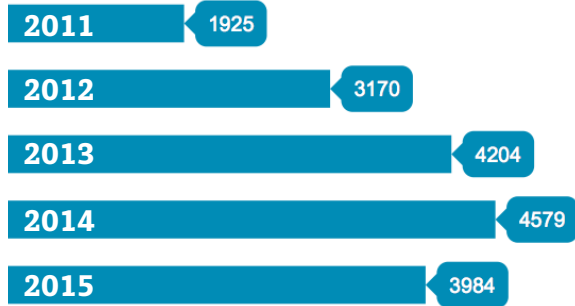
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“While builders are reporting overall confidence in the housing market, they continue to note difficulties accessing land and labor. These headwinds appear to be affecting production gains in the single-family sector.”

NAHB Chief Economist David Crowe.

Twin Cities Building Activity



Units Authorized Year-to-Date June 2011-2015

SOURCE: KEYSTONE REPORT

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[NAHB]

Multifamily Surge Pushes Housing Starts Up 9.8 Percent in June

Led by a steep jump in multifamily production, nationwide housing starts rose 9.8 percent to a seasonally adjusted annual rate of 1.174 million units in June, according to newly released data from the U.S. Department of Housing and Urban Development and the Commerce Department. Multifamily production was up 29.4 percent to a seasonally adjusted annual rate of 489,000 units while single-family starts edged down 0.9 percent to 685,000 units.

“The multifamily gains this month are encouraging and show that the millennial

generation continues to be drawn to the rental market,” said NAHB Chairman Tom Woods, a home builder from Blue Springs, Mo.

“While builders are reporting overall confidence in the housing market, they continue to note difficulties accessing land and labor,” said NAHB Chief Economist David Crowe. “These headwinds appear to be affecting production gains in the single-family sector.”

Regionally in June, combined single- and multifamily starts rose by 35.5 percent in the Northeast and 13.5 percent

“Even with this month’s dip in production, it should be a solid year for home building.”

NAHB Chairman Tom Woods, a home builder from Blue Springs, Mo.

in the South. The Midwest and West posted respective losses of 0.7 percent and 6.0 percent.

Multifamily permits rose 15.3 percent to a rate of 656,000. Single-family permits inched 0.9 percent to 687,000.

All four regions posted permit gains in June. The Northeast, Midwest, South and West posted respective permit gains of 2.8 percent, 2.9 percent, 10.4 percent and 9.5 percent.

[BATC]

Twin Cities See a Boost in Residential Construction in June

After a slow start to the year, Twin Cities residential construction picked up in June. Single-family permits were up 12 percent when compared to June 2014, while multi-family permits were up 55 percent from this time last year.

According to data compiled by the Keystone Report for the Builders Association of the Twin Cities (BATC), there were 476 permits issued for a total of 1,150 units during four comparable weeks in the month of June 2015.

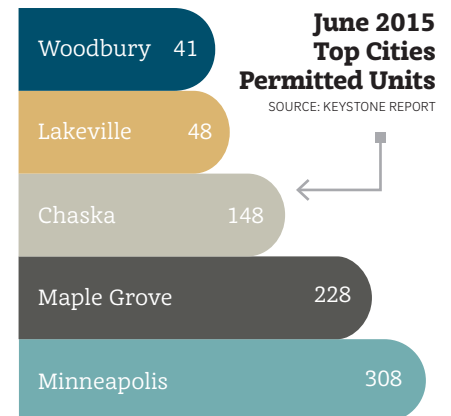
“After several months of disappointing numbers, we’re pleased to see a boost in the market,” said Chris Contreras, 2015 BATC President. “We’re hopeful that this trend will continue, putting the Midwest back on track with the rest of the country for an improving housing market.”

“We remain disappointed in how the local new construction market has lagged both the national numbers and the local resale housing market for the year,” said Contreras.

For the month, Minneapolis issued the most permitted units at 308, followed by Maple Grove with 228, and Chaska was third with a total of 148 units. Rounding out the top five is Lakeville with 48 permitted units and Woodbury with 41 units.

“After several months of disappointing numbers, we’re pleased to see a boost in the market.”

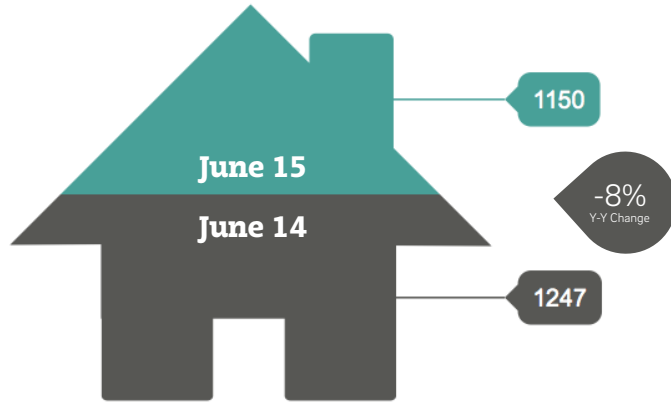
Chris Contreras, 2015 President of the Builders Association of the Twin Cities



Multi-family Permits
↑ **55%**
Compared to June 2014

2015 June Metro Building Activity

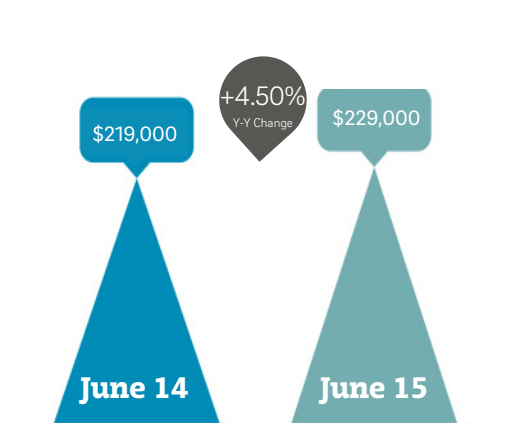
After a slow start to the year, Twin Cities residential construction picked up in June. Single-family permits were up 12 percent when compared to June 2014, while multi-family permits were up 55 percent from this time last year.



YTD: 3,984
Multi-Family 61%
of Twin Cities Housing Units Authorized

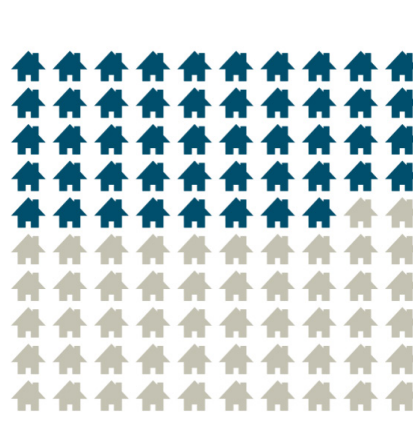
Twin Cities Housing Units Authorized

SOURCE: KEYSTONE REPORT



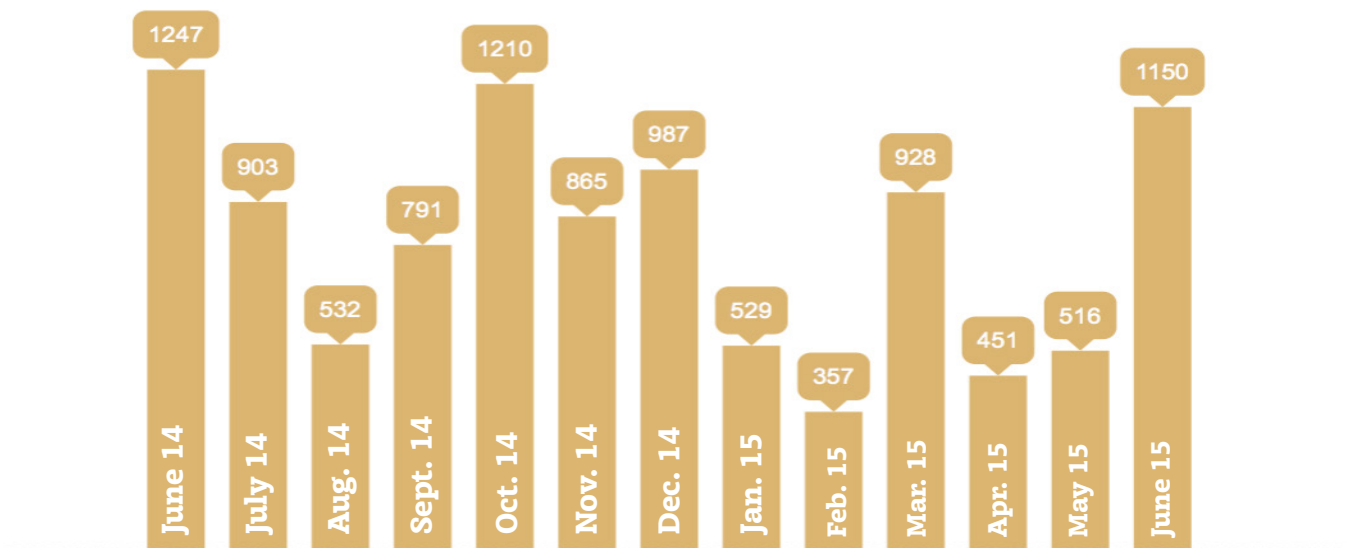
Twin Cities Median Home Price

SOURCE: MPLS REALTORS



Twin Cities Total Active Listings

SOURCE: MPLS REALTORS

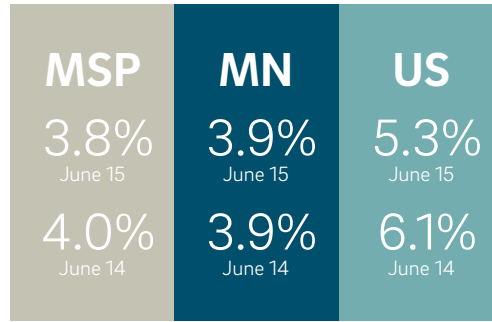


Metro Building Units - Past 12 Months

SOURCE: KEYSTONE REPORT

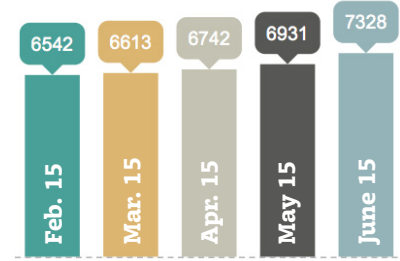
Employment

Minnesota's seasonally adjusted unemployment rate bumped up to 3.9 percent in June even as 2,900 jobs were added. Once again construction showed strong gains with 2,600 new jobs, bringing the industry to 110,000 total jobs the highest it's been since 2008.



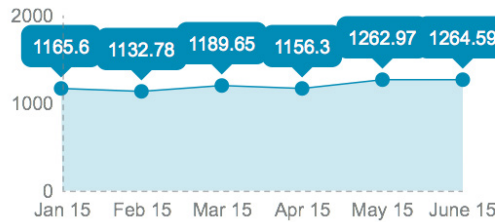
Unemployment Rate Snapshot

SOURCE: DEED-MN



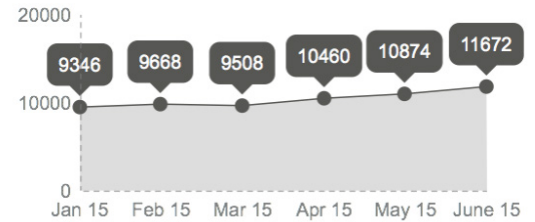
Twin Cities Construction Employment

SOURCE: DEED-MN



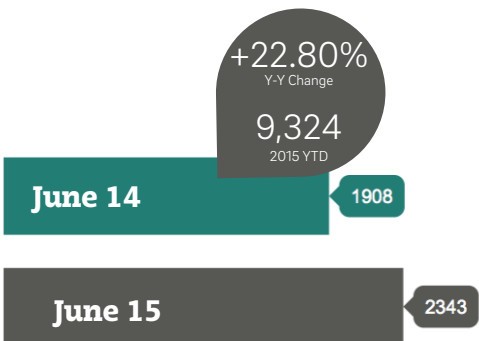
Twin Cities Construction Weekly Wage

SOURCE: DEED-MN



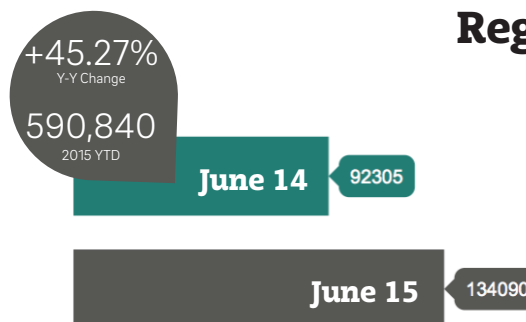
MN Construction Employment

SOURCE: DEED-MN



MN Housing Units Authorized

SOURCE: US CENSUS

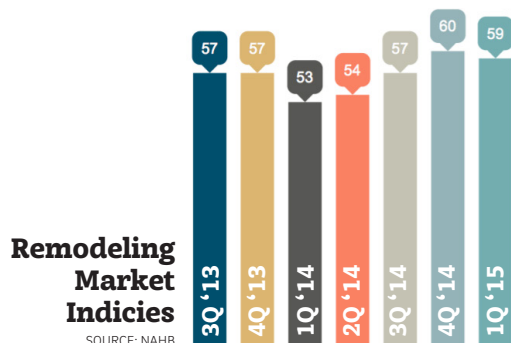


US Housing Units Authorized

SOURCE: US CENSUS

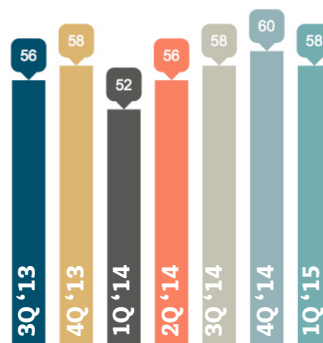
Regional/National Statistics

Led by a steep jump in multifamily production, nationwide housing starts rose 9.8 percent to a seasonally adjusted annual rate of 1.174 million units in June. Minnesota saw a strong increase of 22 percent in permitted units.



Remodeling Market Indices

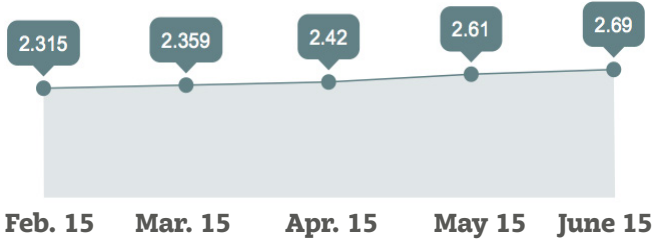
SOURCE: NAHB



Futures

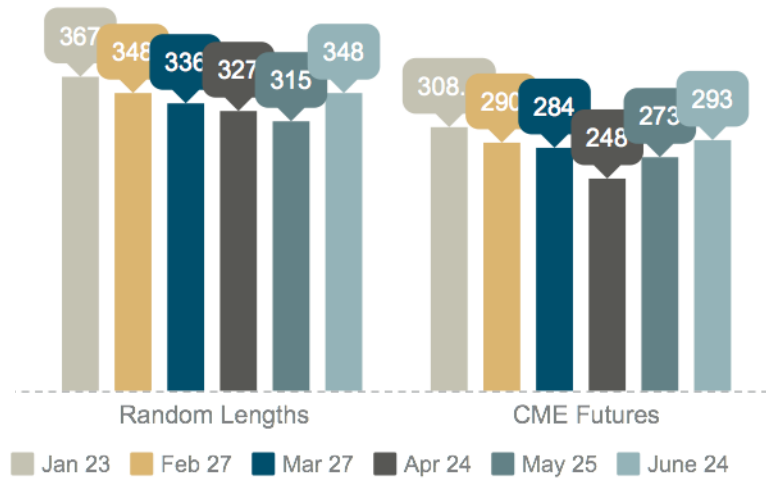
Key Indicators

Gas prices have inched back up, but are still lower than last years average. Framing lumber prices increased by 10 percent in the random lengths and by 7 percent percent in CME futures indices.



MN Monthly Retail Gasoline Prices

SOURCE: ENERGY INFORMATION ADMIN



Framing Lumber

SOURCE: NAHB

Mortgage Rates

FROM JUNE 25, 2015
SOURCE: WELLS FARGO

30 Year	4.125%
30 Year Fixed FHA	4.0%
15 Year	3.375%
5 Year ARM	3.375%
30 Year Jumbo	3.875%

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