ECONOMIC INDICATOR
2013 webinar SERIES

Call in number 1-800-555-5555
New Residential Construction
and New Residential Sales

The official and most current source for New Residential Housing statistics
Importance of the Numbers

- Factor in the Nation’s Gross Domestic Product (GDP)
- Impact economic and financial policy
- Determine condition of economy
- Develop and evaluate housing programs
- Estimate mortgage demand
Today’s Topics

• Sources of data
• Construction Statistics Produced
• Data Collection Process
• Release formats
• Census Web site
• Additional Resources
Residential Construction Sources

The Census Bureau conducts two surveys to produce the monthly New Residential Construction and New Residential Sales:

1. Building Permits Survey (BPS)
2. Survey of Construction (SOC)

New Residential Construction and New Residential Sales
Construction Statistics We Produce

- Residential building permits
- Housing starts and completions
- New home sales
- Characteristics of new housing
- Construction spending
- Manufactured home placements
- Data on construction establishments from the Economic Census
How is Residential Construction Measured?

**Building Permits Survey (BPS)**
- BPS measures the number of housing units authorized by permits in every permit-issuing jurisdiction in the country.
- Voluntary monthly and annual surveys of the 20,000 local permit-issuing jurisdictions in the U.S.
- Building permit estimates are a component of the Confidence Board’s U.S. Leading Economic Index (www.confidence-board.org)

**Survey of Construction (SOC)**
- SOC follows up a small sample housing units authorized by permits.
- Voluntary monthly telephone/personal interview survey of builders/owners of selected buildings.
- Provides economic indicator data on housing starts, housing completions, and new home sales.
BPS Data Collection

The survey tracks housing units in new privately-owned structures authorized by building or zoning permits.

There are about 40,000 active governments* in the U.S.:
- 7,000 do not require permits
- 12,000 require a permit from another jurisdiction
- 1,000 exist in multiple counties
- 20,000 unique permit offices make up the BPS universe

= 40,000 total governments

About 9,000 jurisdictions are surveyed monthly and 11,000 are surveyed annually.

There are permit coverage changes somewhere every month!
Most respondents receive Form C-404, “Report of Building or Zoning Permits Issued for New Privately-Owned Housing Units”, by mail.

We try to make reporting easy. Unlike many surveys, we will accept data from respondents in almost any form:

• Mailed Form
• Faxed Form
• Paper listings in various formats
• Electronic files – We receive files from some jurisdictions
• Internet reporting
BPS Data

Building permits are public records, so the data are not subject to confidentiality restrictions. Data are imputed for jurisdictions that do not report. After the latest annual survey, about 85% of jurisdictions (representing about 93% of total units) had responded.

Data are released monthly and annually on the number and total valuation of buildings and units authorized, for the U.S. total and:

- The 4 Census Regions
- The 50 States and the District of Columbia
- Metropolitan Areas
- Counties
- Individual jurisdictions

The survey provides a wealth of timely information on local residential construction trends:

- local monthly data are released on the 18th workday of the following month
- annual data for all 20,000 jurisdictions are released each year on May 1st

The data are available on the Internet, and we also fill orders and subscriptions for customers who want to purchase detailed data files and other products.
SOC Data Collection

Collects information not available from the BPS:

- Individual permits for privately-owned housing units (from a sample based on the same universe used for the BPS) are followed through to determine when the buildings are started, completed, and sold, and to collect prices and characteristics such as square footage.

- Individual buildings are followed, unlike most economic surveys where businesses are asked about their overall activity.

- The survey is partially funded by the U.S. Department of Housing and Urban Development (HUD).

- Data are ratio-adjusted to the control totals from the larger BPS sample.

- Information from the SOC is also used to determine the value of new residential construction put in place.
SOC Data Collection

SOC is the only Census Bureau economic survey conducted by the Bureau’s field staff.

- Field representatives use laptop computers to list permits in 900 permit offices each month and to collect data on sampled projects.
- Field representatives also drive roads in 70 land areas to locate new residential construction in areas where permits are not required.

Buildings are followed up from the time they are sampled until they are completed (and sold, if applicable).

Data collection is expensive so the sample size is small (about 1 in 50 new single-family homes). Estimates are tabulated by region but not more locally than that.
SOC Data

New Residential Construction

- Building Permits (from BPS)
- Authorized, but not started
- Starts
- Under Construction
- Completed

New Residential Sales

Built for Sale
65-80%

Not Built for Sale
20-35%

Sold or For Sale

Contractor Built
Owner Built
Built For Rent

SINGLE-FAMILY

All Data are for the U.S. and the 4 Census Regions

Other Data Products

- Quarterly Price Indexes
- Characteristics of new housing: 300+ annual tables released each year on June 1st
- Public use microdata file for single-family cases by Census Division released each year on June 1st
New Residential Construction Press Release: Layout

- Table 1: New Privately-Owned Housing Units Authorized in Permit-Issuing Places (Seasonally Adjusted/ Not Seasonally Adjusted)
- Table 2: New Privately-Owned Housing Units Authorized, but Not Started, at End of Period (Not Seasonally Adjusted)
- Table 3: New Privately-Owned Housing Units Started (Seasonally Adjusted/ Not Seasonally Adjusted)
- Table 4: New Privately-Owned Housing Units Under Construction at End of Period (Seasonally Adjusted/ Not Seasonally Adjusted)
- Table 5: New Privately-Owned Housing Units Completed (Seasonally Adjusted/ Not Seasonally Adjusted)
Seasonally Adjusted Data

Single-family and Multifamily Housing Starts

Thousands of Housing Units, Seasonally Adjusted Annual Rate

- Single-family
- Multifamily

Recession
Seasonally Adjusted Data

Comparison of Seasonally Adjusted Annual Rates: Permits, Starts and Lagged Completions (6 mo.)
Additional Data Sources

Single-Family Starts vs. Housing Market Index

Sources: New Home Starts - Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development; Housing Market Index- National Association of Homebuilders
Construction Inventories

Units in Pipeline
(Unadjusted Authorized Not Started + Seasonally Adjusted Under Construction)
New Residential Sales: Layout

- **Table 1**: New Houses Sold and For Sale (Seasonally Adjusted/Not Seasonally Adjusted) (also includes Months’ Supply and Median/Average Sales Prices)
- **Table 2**: New Houses Sold, by Sales Price (Not Seasonally Adjusted)
- **Table 3**: New Houses Sold and For Sale by Stage of Construction and Median Number of Months on Sales Market (Not Seasonally Adjusted)
New Residential Sales: New Homes Sales and Months’ Supply

![Graph showing thousands of housing units, new home sales, and months' supply over time with recession periods shaded in grey.](image-url)

Annual Data, Current Dollars


$500,000 $450,000 $400,000 $350,000 $300,000 $250,000 $200,000 $150,000 $100,000 $50,000 $0

United States

Northeast

West

Midwest

South

Recession
Additional data sources

New Home Sales vs. Existing Home Sales

Sources: New Home Sales - Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development; Existing Home Sales - National Association of Realtors
America’s Economy: Mobile App

Indicators Available:

- Advance Monthly Retail Sales
- Advance Report Durable Goods
- Business Inventories
- Construction Spending
- Consumer Price Index *
- Homeownership Rate
- International Trade
- Manufacturers’ Goods
- Monthly Wholesale
- New Residential Construction
- New Residential Sales
- Nonfarm Payroll *
- Personal Income
- Producer Price Index *
- QFR—Manufacturing
- QFR—Retail Trade
- Quarterly Services Survey
- Real Gross Domestic Product
- Unemployment Rate

*Newly Added July 16, 2013

www.census.gov/mobile
Available for iPhone, iPad, and Android devices
For More Information

- Residential Construction Branch
  - Phone (301) 763-5160
  - Fax (301) 763-8587

- Fax: 301-763-8835

- E-mail: mcd.rcb.customer.service@census.gov
- Websites: www.census.gov/nrs
  www.census.gov/nrc
Upcoming Webinars

Advance Report on Durable Goods Manufacturers’ Shipments, Inventories, and Orders (AdvM3) & Manufacturers’ Shipments, Inventories, and Orders (M3)


October 16, 2013 @ 1:00 PM EDT

Housing Vacancies and Homeownership (HVS)

The Housing Vacancies and Homeownership quarterly release provides data on rental and homeowner vacancy rates and homeownership rates for the United States, regions, states, and for the 75 largest Metropolitan Statistical Areas, including estimates of the total housing inventory, characteristics of units available for occupancy, and percent distributions of vacant for-rent and for-sale units for the U.S. and regions.

October 30, 2013 @ 1:00 PM EDT

Visit www.census.gov/econ/webinar for a complete list of upcoming webinars