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### **Buying Conditions Remain Strong Entering Spring**

Roseville, MN (April 10, 2007) – Builders continue to hold back new activity to focus on selling as the housing market enters warmer months. Recent data shows increases in both traffic and contracts among some of the region’s largest builders.

According to statistics compiled by the Keystone Report for the Builders Association of the Twin Cities (BATC), there were a total of 443 permitted units in March 2007, down from 955 permitted units in the same month a year ago. Year-to-date activity continues to lag last year, with a total of 1,988 permitted units thus far, down from 3,070 permitted units through the same month in 2006.

The new-home buying environment continues to be strong in the Twin Cities according to a survey completed by Metrostudy – Twin Cities. Results from a survey of some of the largest builders in the region shows new home contracts in March 2007 increased 13.4 percent from February 2007, while buyer traffic is up 15 percent over the same month.

Residential construction remains tempered but shoppers are taking advantage of a great opportunity to buy a new-home says Division President of Toll Brothers and 2007 BATC President, Michael Noonan.

“Certainly, this is a market that is in the buyer’s advantage,” says Noonan. “New home buyers are in the market at the right time. The Twin Cities is an outstanding community that offers an excellent opportunity to purchase a new home at a reasonable price in a rapidly growing metropolitan region.”

It is encouraging that buyers are no longer hesitating in turning interest into action. Noonan cautions against betting against the buyer’s market and missing one of the best times to buy a home in at least the past decade.

“The residential construction industry continues to adjust,” says Noonan. “As long as this state remains a business-friendly environment, the local economy will be just too strong to keep the market performing at this level for long.”

Minneapolis leads the metro area in construction for the year with 323 permitted units. St. Paul ranks second with 144 permitted units, followed by Chaska with 139, Woodbury with 135, and Blaine and Lakeville both with 64.

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# March 2007 Building Activity

	Permits	Permitted Units	Permit Value
January	379	896	167,615,138
February	305	580	119,839,736
March	330	443	122,163,105

## 5-Year Comparisons

	Permits	Permitted Units	Permit Value
Mar 2003	658	1,140	192,186,427
Mar 2004	690	1,052	195,555,955
Mar 2005	627	1,208	219,854,269
Mar 2006	619	955	196,851,667
Mar 2007	330	443	122,163,105

	Permits	Permitted Units	Permit Value
YTD 2003	2,167	3,861	605,980,488
YTD 2004	2,231	3,689	658,430,768
YTD 2005	1,822	3,042	600,884,784
YTD 2006	1,865	3,070	633,287,383
YTD 2007	1,066	1,988	426,496,789

## Multifamily Construction as a Percentage of Total Activity

Jan	Feb	Mar	YTD
62	51	33	51

March				Year-to-Date			
Permits		Units		Permits		Units	
Woodbury	46	Woodbury	68	Woodbury	95	Minneapolis	323
Lakeville	29	Lakeville	40	Blaine	53	St. Paul	144
Blaine	27	Blaine	38	Lakeville	51	Chaska	139
Maple Grove	14	Ramsey	26	Maple Grove	47	Woodbury	135
Shakopee	14	Andover	17	Shakopee	36	Blaine	64
						Lakeville	64

The Builders Association of the Twin Cities has contracted with Keystone Report, a local research firm, to maintain a database with information about new residential construction permits around the metropolitan area. After a builder has picked up the permit from a city, Keystone Report compiles and updates weekly residential housing permits by city for 70 percent of the metropolitan-area municipalities in the greater 13-county region. Planned units are the total number of housing units planned to be built under the permits issued (one permits is issued per building which may include more than one housing unit). Permit value does not include the land/lot costs.

*\*The reporting period for each month compares statistics over four weeks, while year-to-date statistics cover the first 13 weeks of the year 2007*