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Twin Cities Residential Construction Permits Continue to Remain Stable

Roseville, MN (December 1, 2009) – Building permit activity in the region remained on pace with the past several months, continuing to suggest that the market has stabilized. Residential permits issued last month climbed 28 percent over November 2008 while permitted units were 37 percent higher.

According to statistics compiled by the Keystone Report for the Builders Association of the Twin Cities (BATC), there were 263 permits for a total of 574 units permitted during the month of November 2009, and a total of 3,982 units have been permitted year-to-date in 2009.

November marked the highest number of units permitted for any month in the past year, while total permits were third highest this year (20 percent behind October 2009 and one permit less than August, 2009).

“What this means for Twin Cities families is that now is the time to make a move,” explained Builders Association of the Twin Cities President, Mike Swanson. “Sales are up, inventory is shrinking, and home prices are on the rise — the Minneapolis market has been leading the nation in price increases according to the Case Shiller Index. It definitely a good time to buy.

“Add in the recent extension and expansion of the Federal tax stimulus credits of up to \$8,000 for first time home buyers and up to \$6,500 for existing home owners, and there are plenty of reasons to seriously consider that home purchase,” Swanson said.

Minneapolis led the metro in building activity for the month with 218 units (one was a 175 unit building) permitted. Lakeville followed with 45 units, Blaine was next with 41, followed by Savage with 29 and Maple Grove with 28.

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November 2009 Building Activity

Past Twelve Months

	Permits	Permitted Units	Permit Value
November 2008	206	420	84,035,773
December 2008	158	223	53,916,054
January 2009	127	340	57,966,957
February 2009	107	118	34,803,836
March 2009	113	143	38,660,696
April 2009	118	419	53,563,471
May 2009	187	233	54,132,420
June 2009	238	332	77,741,321
July 2009	238	269	60,752,708
August 2009	264	542	93,071,986
September 2009	235	437	49,788,000
October 2009	326	401	92,684,459
November 2009	263	574	95,322,365

Five-Year Comparisons

	Permits	Permitted Units	Permit Value
November 2005	793	1,432	298,980,509
November 2006	492	866	178,135,497
November 2007	380	615	150,337,378
November 2008	206	420	84,035,773
November 2009	263	574	95,322,365

	Permits	Permitted Units	Permit Value
YTD 2005	9,301	16,132	3,009,608,234
YTD 2006	6,918	11,991	2,422,635,022
YTD 2007	4,613	8,384	1,698,095,061
YTD 2008	2,642	5,175	1,059,751,664
YTD 2009	2,339	3,982	777,534,203

Multifamily Construction as a Percentage of Total Activity

Dec - 08	Jan - 09	Feb - 09	Mar - 09	Apr - 09	May - 09	Jun - 09	Jul - 09	Aug - 09	Sep - 09	Oct - 09	Nov - 09	YTD - 09
36	63	14	24	24	22	33	21	53	49	29	59	45

Top Cities for Building Activity

November				2009 Year-to-Date			
Permits		Permitted Units		Permits		Permitted Units	
Maple Grove	27	Minneapolis	218	Shakopee	282	Shakopee	306
Blaine	24	Lakeville	45	Blaine	183	Blaine	253
Shakopee	18	Blaine	41	Maple Grove	171	Minneapolis	241
Woodbury	17	Savage	29	Woodbury	160	Woodbury	224
Lakeville	13	Maple Grove	28	Lakeville	122	Maple Grove	191

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 permit is issued per building which may include more than one housing unit). Permit value does not include the land/lot costs.