

JANUARY HOME BUILDING EXCEEDS EXPECTATIONS

WASHINGTON ([Associated Press](#)) – Construction of new homes and apartments in January rose 2.8 percent to 591,000 units at a seasonally adjusted annual rate, surpassing economists' expectations of 580,000 units, according to the Commerce Department.

Construction of single-family homes increased 1.5 percent to a seasonally adjusted rate of 484,000 units. Multi-family construction reported a 9.2 percent increase to an annual rate of 107,000 units.

Construction rose 1 percent in the South and 3.2 percent in the Midwest. The majority of last month's improved construction rates were due to the 10 percent jump in activity in the Northeast and the 8.9 percent increase in the West.

January's numbers represented a 21.1 percent increase from January 2009 and the fastest building rate since July.

Additionally, December's construction rates were revised by the Commerce Department from 557,000 units to 575,000 units. However, even with the revision, activity fell 0.7 percent in the last month of 2009. This dip was attributed to severe weather in many parts of the country.

Applications for building permits, considered a good measure of future activity, fell 4.9 percent last month to a rate of 621,000 after two months of significant increases.

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**Real Estate Center Online News
February 19, 2010**