


A construction crew works at a new home being built in Chicago. NAM Y. HUH/AP

# Home building booms in February

## Housing starts 27.7 percent over 2012

**By Doug Carroll**
USA Today

Housing starts in February rose 0.8 percent from January, to a seasonally adjusted annual rate of 917,000, the Census Bureau said Tuesday.

The rate is 27.7 percent above February 2012. Single-family starts were running at a 618,000 annual rate, up 0.5 percent from January.

In addition, building permits for future construction were running at a seasonally adjusted annual rate of 946,000, up 4.6 percent from January and 33.8 percent above February 2012. Single-family permits were issued at a 600,000 annual rate, up 2.7 percent from January.

The National Association of Home Builders reported Monday that confidence among homebuilders fell this month because of concerns that increased demand for new homes is exceeding supplies of ready-to-build land, building materials and workers.

Those constraints could slow sales in the short term. But builders' outlook for sales over the next six months is stronger than it's been in more than six years.

The NAHB/Wells Fargo builder sentiment index released Monday fell to 44 from 46 in February. It was the second decline since January, which was preceded by eight straight monthly gains. A measure of current sales conditions declined from February's reading.

Readings below 50 suggest negative sentiment about the housing market. The last time the index was at 50 or higher was in April 2006.

The National Association of Realtors will report Thursday on existing home sales for last month.

Economists' consensus forecast is for an annual sales rate of 5 million compared with 4.92 million in January.