Home starts at best level in 4 years

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WASHINGTON — U.S. builders started construction last month on the most homes and apartments since July 2008, more evidence that the housing recovery is gaining momentum.

The Commerce Department said Tuesday that builders broke ground on homes in October at a seasonally adjusted annual rate of 894,000. That's a 3.6 percent gain from September.

Single-family home construction dipped 0.2 percent to an annual rate of 594,000, down from a four-year high in the previous month. Apartment construction, which is more volatile from month to month, rose 10 percent to an annual rate of 285,000.

Applications for building permits fell 2.7 percent to 866,000, after jumping 12 percent in September to a four-year high. Still, permit applications to build single-family homes rose to their highest level since July 2008.

Housing starts are 87 percent above the annual rate of 478,000 in April 2009, the recession low.