

Macro Roundup Article

Headline: [Home Starts? More like Home Stops](#)

Article Link: <https://www.home-economics.us/p/home-starts-more-like-home-stops>

Author(s)	Aziz Sunderji
Publication	Home Economics
Publication Date	April 17, 2024

Tweet: [. @AzizSunderji argues that US construction starts in March show “a single-family market that is gently falling back to pre-pandemic norms, and a multifamily market that has crashed below 2019 levels and shows no signs of reaccelerating anytime soon.”](#)

Summary: Single family building is less capital intensive, and so less affected by credit cost and availability. Thick margins have allowed them to offer rate buy-downs and other enticements. And there are still not enough existing homes for sale. Still, these tailwinds can only support single family construction for so long, and on the margins, there are rising headwinds. The economists at Wells Fargo agree: “dynamics appear to be shifting slightly...resale supply remains tight, but inventories have risen so far in 2024. What's more, the slower-than-anticipated cooling in inflation has pushed out expectations for rate cuts this year.” Overall, the picture is of a single-family market that is gently falling back to pre-pandemic norms, and a multifamily market that has crashed below 2019 levels and shows no signs of reaccelerating anytime soon. Related: [A Huge Number of Homeowners Have Mortgage Rates Too Good to Give Up](#) and [The Lock-In Effect of Rising Mortgage Rates and Higher For Longer](#) and [The 2024 Housing Outlook](#)

Primary Topic: Housing

Topics: Business Cycle, Housing, Op-Ed/Blog Post

Permalink: <https://www.edwardconard.com/macro-roundup/azizsunderji-argues-that-us-construction-starts-in-march-show-a-single-family-market-that-is-gently-falling-back-to-pre-pandemic-norms-and-a-multifamily-market-that-has-crashed-below-2019?view=detail>

Featured Image

Link: <https://www.edwardconard.com/wp-content/uploads/2024/04/Volatile-Building-Cycle.png>