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Contact: Ross Woodstock
Kolt Communications, Inc.
517-706-0001/517-410-7636
Ross@Koltpr.com

Housing Permits in Michigan Jump 40% Percent in June from the Previous Year

(Lansing, MI) – The number of housing permits issued for single-family construction in Michigan increased 40 percent in June 2013 over levels of one year ago, according to U.S. Census Bureau data. Year-to-date, single-family permits are running ahead of 2012 levels 29 percent.

Here are the number of single-family permits issued in Michigan:

<u>June 2013</u>	<u>June 2012</u>	<u>Percent Increase</u>
1,333	952	40%
<u>YTD 2013</u>	<u>YTD 2012</u>	<u>Percent Increase</u>
6,045	4,696	29%

“With shrinking inventories of existing homes for sale and improving local economies, we’re seeing more consumers decide that now is the time to consider new construction,” noted Robert Filka, CEO of HBA Michigan. “The rise of new home construction in June combined with a low supply of existing homes on the market is causing pressure in the marketplace that we haven’t seen in quite some time. This is good news for the existing homeowner who might be selling or seeing their home value’s rise. However, buyer options are becoming more and more limited, so new construction will continue to grow.”

Some national housing analysts have feared that the prospect of increased mortgage interest rates could hinder the momentum of the housing market. However, HBA of Michigan contends that Michigan’s marketplace won’t be as adversely impacted as other parts of the country.

“In general terms, virtually no newly constructed homes were being built in Michigan in the past 6 years,” noted Filka. “Home prices remain low in the state compared to many other parts of the country. Combine this with the lack of quality housing supply we have and modest upticks in interest rates shouldn’t slow things down. June figures reflect that our housing recovery is solidly on track. We fully anticipate further, though more incremental, gains in sales throughout the rest of the year.”

The Home Builders Association of Michigan is a professional trade association comprised of 26 local homebuilder associations around the state and their builder, subcontractor and supplier members. HBA of Michigan works to positively promote the building industry and impact legislative, regulatory and legal issues affecting housing affordability.

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