

Residential Construction Spending Up 7%

By: Jann Swanson | Thu, Oct 1 2020, 11:22 AM

Construction spending expanded again, with residential construction among the healthier sectors. The U.S. Census Bureau put total August public and private construction spending at a seasonally adjusted annual rate of \$1.413 trillion compared to \$1.393 trillion in July. This is a **1.4 percent increase and is 2.5 percent higher than the prior August**.

On a non-adjusted basis, the spending was \$130.183 billion, about \$3 billion more than in July. For the year-to-date (YTD), total expenditures of \$927.705 billion are 4.2 percent above the total during the same period in 2019.

Private sector spending was at a seasonally adjusted rate of \$1.061 trillion, 1.9 percent more than in July and 1.5 percent ahead of spending in August of last year. For the YTD, **private sector spending, at \$696.743 billion is 3.6 percent ahead of last year**.

Residential spending on behalf of the private sector was at a rate of \$589.437 billion in August, 3.7 percent growth from the prior month and a 6.7 percent year-over-year gain. Single-family construction spending was up 5.5 percent for the month at a rate of \$287.884 billion, 2.9 percent more than in August 2019. Multi family spending declined fractionally (-0.1 percent) from July but was 8.9 percent higher for the year at \$85.407 billion.

Monthly spending (non-adjusted) on residential construction was \$54.414 billion, \$26.680 billion for single family and \$7.393 billion for multifamily projects. **YTD residential spending totals \$380.106 billion, a 6.9 percent change**. Single-family spending at \$186.217 billion and multifamily at \$54.508 billion represent increases of 3.1 percent and 0.2 percent over the comparable periods last year.

Public sector construction put in place in August was at an adjusted rate of \$351.392 billion annualized and \$35.258 billion unadjusted. **Public Sector spending YTD is up 3.6 percent to \$696.248 billion**.

Public sector residential spending was down 0.7 percent in August to an annual rate of \$9.119 billion. While the number is still small, it has increased by 37 percent from the previous August. YTD residential spending totals \$5.498 billion, a 36.4 percent improvement over last year.

View this Article: <https://www.mortgagenewsdaily.com/news/10012020-construction-spending>