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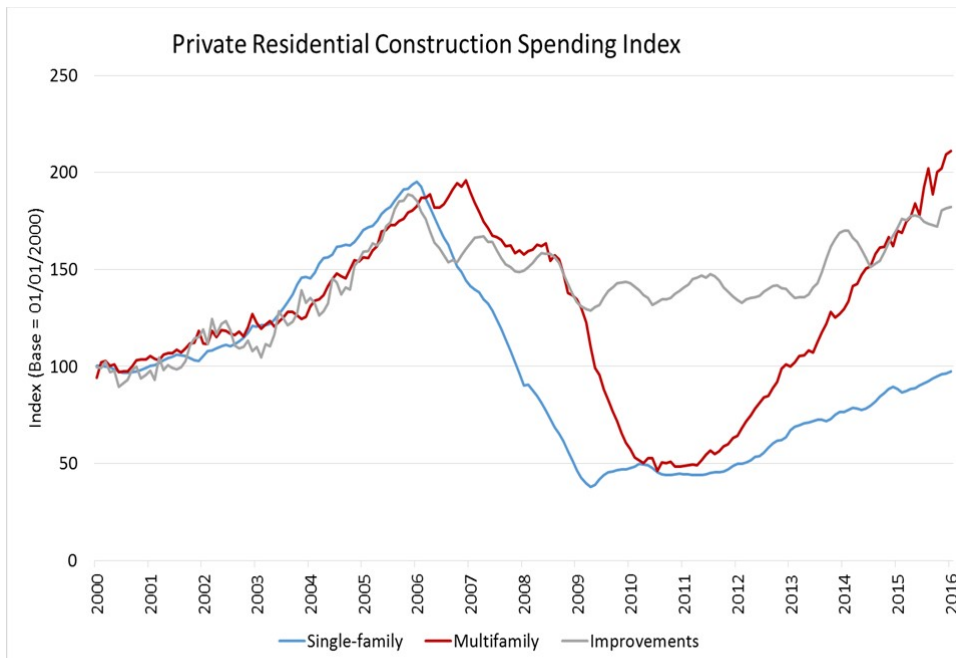
Private Residential Construction Spending Continues Its Steady Growth

BY NA ZHAO ON APRIL 1, 2016 • (0)

Private residential construction spending reached the highest rate since November 2007. NAHB analysis of Census Construction Spending data shows that total private residential construction spending for February increased to a seasonally adjusted annual rate of \$448 billion, up by 0.9% over January’s revised estimate. Meanwhile the nonresidential construction spending slipped 1.4% after a huge increase in January.

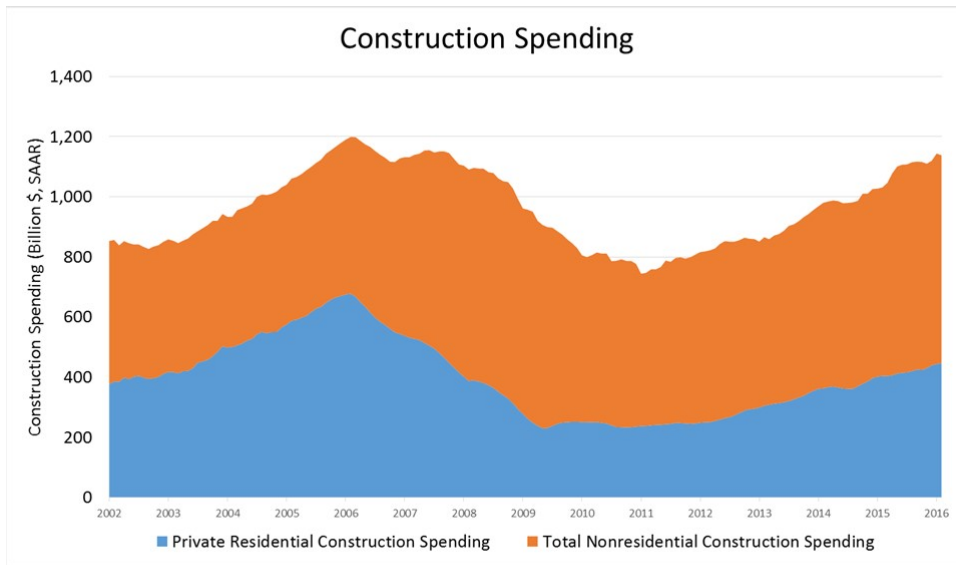
Within the private residential construction spending, single-family spending stood at \$235 billion, up by 1.2% from last January estimate and 10.6% higher annually. Multifamily spending continued its strong growth and reached \$59.7 billion, exceeding the January record of \$59.2 billion. This was a 24.2% increase from the February 2015 estimate. Private construction spending on home improvements rose slightly to a seasonally adjusted annual rate of \$153 billion. Year-over-year, this adds up to a steady 6% increase. (Please see [this analysis](#) of recent data revisions for this series).

The NAHB-constructed spending index, which is shown in the graph below (the base is January 2000), highlights the record breaking gains by multifamily construction and steady growth in single-family construction spending. NAHB anticipates accelerating growth for single-family spending in 2016.



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The pace of total nonresidential construction spending retreated from a huge increase in the January estimate. It slipped down 1.4% on a monthly basis, but was 10% higher than the February 2015 estimate. The largest contribution to this year-over-year nonresidential spending gain was made by the class of lodging (30% increase), followed by office (40% increase) and highway and street (25% increase).



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