



March 2021

Housing Health Report

Housing hot streak continues one year into pandemic

- Single-family housing authorizations, maintenance, and remodeling volumes increased for the eighth consecutive month.
- The U.S. housing market has recovered beyond its pre-pandemic pace since showing first signs of a slowdown this time last year.
- Maintenance and remodeling spends increased a whopping 44.92% and 41.29% year over year, respectively.

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New Housing Supply

Single-family housing authorizations increased 13.52% year over year, with the trailing three-month outlook (January 2021 to March 2021) up 10.83%. New construction activity grew 0.87% from February 2021 to March 2021, remaining relatively flat. This time last year, new construction was beginning to show the first signs of slowing down as shelter-in-place orders, brought on by the COVID-19 outbreak, took effect at the end of March 2020.

Single-Family Housing Authorizations

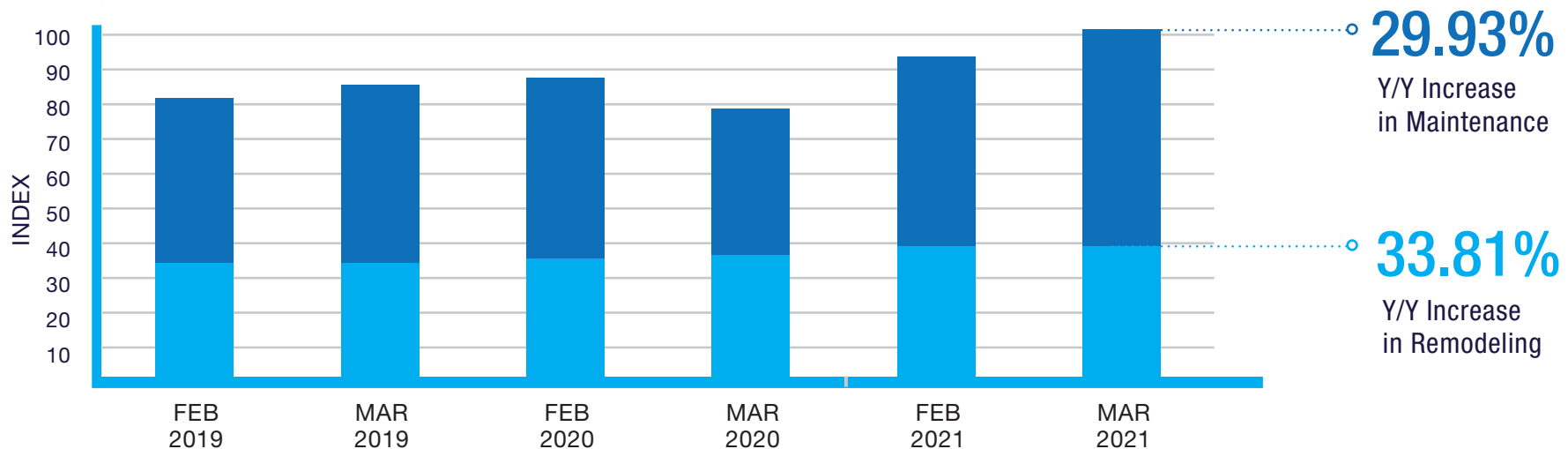


13.52%
Y/Y Increase

Existing Housing Supply

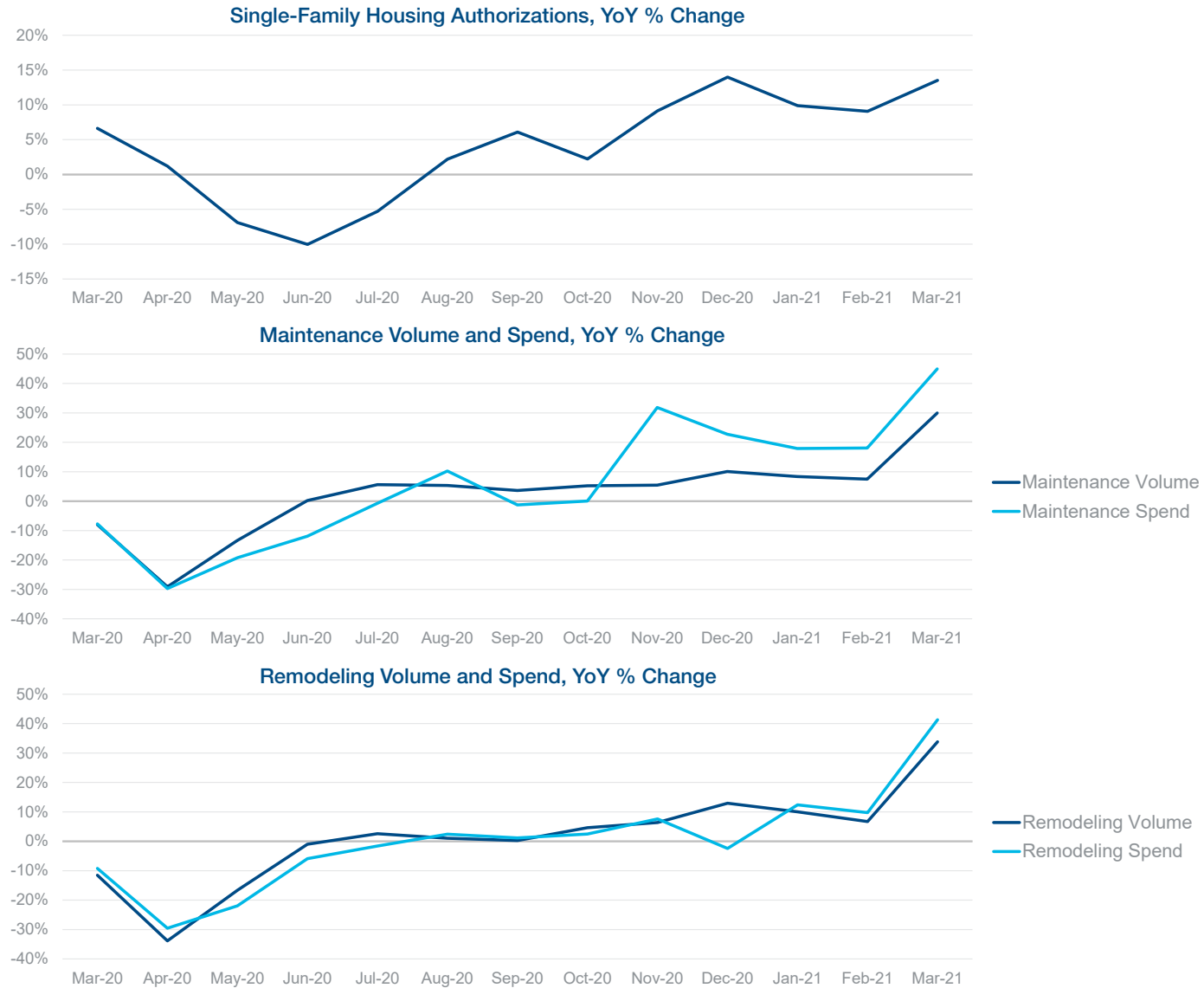
Existing housing maintenance and remodel volumes trended up for the ninth consecutive month in March. Maintenance volume and spend increased 29.93% and 44.92% year over year, respectively. In addition, remodel volume and spend—a subset of maintenance that includes renovations, additions, and alterations—increased year over year 33.81% and 41.29%, respectively. It's important to note these sharp increases are relative to the steep drop in maintenance and remodel activity seen during the onset of the COVID-19 pandemic in March of last year. Although increases appear momentous, growth is likely more steady. For instance, maintenance and remodel volumes increased 3.38% and 5.24%, respectively, month over month from February 2021 to March 2021.

Existing Maintenance and Remodel Volume



One year later: COVID impact on housing

The housing market has been drastically transformed by various impacts of the COVID-19 pandemic, including heightened unemployment levels, record-low mortgage rates, and more time spent at home. Housing trends over the past 13 months demonstrate how COVID-19 has reshaped the housing market.



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One year since the World Health Organization declared the novel coronavirus a global pandemic, the housing market continues to be shaped by the evolving challenges brought on by COVID-19. At this point, upward trends across new and existing housing activity reinforce that the U.S. housing market has recovered beyond its January 2020 pace. However, despite remarkable growth over the past several months, the market is still digging its way out of a historic housing supply shortage as concerns over housing affordability rise and home sales fall. The urgent pressure to rebuild the housing stock remains—will the widespread deployment of COVID-19 vaccinations finally help rebuild supply and shake up the market once again?”

Jonathan Kanarek, Managing Director, BuildFax

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About BuildFax

BuildFax, a Verisk business, is a leading provider of property condition and history data for insurance and financial institutions. With the only database of its kind, encompassing more than 84 billion data points on commercial and residential structures, BuildFax delivers detailed data on remodeling, solar installations, new construction, roof age, major systems, maintenance history, and more. To learn more about BuildFax, visit www.buildfax.com.

Methodology

BuildFax conducted this study by examining properties in the United States between the years 2013 and 2021. Except as otherwise noted, the statistics in this report are calculated using sampled data from across the country. All data is seasonally adjusted and imputed to reflect numbers representative of the entire country. Due to historical revisions made by permitting authorities, the data is subject to change. Estimates are as of April 8, 2021.

