

FOR IMMEDIATE RELEASE

Contact:

Nate Duoss
Public Affairs Messaging & Research Coordinator
651.697.7577
nate@batc.org

Homebuilders Keep Activity Cool to Start 2008

Roseville, MN (February 7, 2008) – Icy winter winds kept the weather chilled all over the Twin Cities during January and, similarly, the region's homebuilders kept their activity cool through the month.

According to statistics compiled by the Keystone Report for the Builders Association of the Twin Cities (BATC), there were 364 units permitted during the month of January 2008, down from 557 units permitted in December 2007. Activity is down compared through the same month a year ago as well, when there were 896 units permitted in January 2007.

After a challenging year in 2007, most builders are looking for opportunities to improve their business in 2008. In a challenging market, builders must take advantage of every opportunity for them to stay in the game says 2008 BATC President KC Chermak.

“The start of 2008 brings new chances to builders seeking positives for their business,” says Chermak. “In this market more than ever, our industry needs to take advantage of those opportunities to adapt, plan, and be successful.”

One of those advantages is the upcoming 2008 Parade of Homes Spring PreviewSM. This year's event – and 60th anniversary – begins February 9th with over 740 new-homes across the metro and includes the first-ever Green Building Mini Tour. Chermak says that these events provide a unique marketing opportunity for builders during a challenging market. Further, it is an opportunity to highlight many of the positive aspects of the industry.

“There is a tremendous amount of good things going on in our industry, even in a down market,” says Chermak. “From the new Minnesota GreenStar program or the Builders Outreach Foundation's work to remodel the home of a wounded War Veteran, this is work that we are proud of and excited to show in this year's Parade of HomesSM.”

Minneapolis led the metro in building activity with 56 units permitted in January 2008. Brooklyn Park ranks second with 23, followed by Woodbury with 20, Hastings with 19, and Blaine with 17.

MORE

January 2008 Building Activity

Past 12 Months

	Permits	Permitted Units	Permit Value
February 2007	305	580	119,839,736
March 2007	330	443	122,163,105
April 2007	486	895	188,770,051
May 2007	534	753	172,815,704
June 2007	592	773	174,981,932
July 2007	440	974	160,329,637
August 2007	434	911	157,413,714
September 2007	298	433	117,717,331
October 2007	299	619	122,686,830
November 2007	380	615	150,337,378
December 2007	275	557	112,192,768
January 2008	235	364	92,261,940

5-Year Comparisons

	Permits	Permitted Units	Permit Value
Jan 2004	788	1,505	243,292,382
Jan 2005	610	943	191,982,228
Jan 2006	613	1,000	203,036,739
Jan 2007	379	896	167,615,138
Jan 2008	235	364	92,261,940

Multifamily Construction as a Percentage of Total Activity

Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
51	33	52	36	31	60	58	64	59	46	55	43

January

Permits		Units	
Maple Grove	16	Minneapolis	56
Shakopee	15	Brooklyn Park	23
Blaine	14	Woodbury	20
Woodbury	13	Hastings	19
Brooklyn Park	12	Blaine	17

The Builders Association of the Twin Cities has contracted with Keystone Report, a local research firm, to maintain a database with information about new residential construction permits around the metropolitan area. After a builder has picked up the permit from a city, Keystone Report compiles and updates weekly residential housing permits by city for 70 percent of the metropolitan-area municipalities in the greater 13-county region. Planned units are the total number of housing units planned to be built under the permits issued (one permit is issued per building which may include more than one housing unit). Permit value does not include the land/lot costs.