



## Dan Clifton

Principal Broker and Mortgage Guru, Clifton Mortgage Services, LLC

NMLS # 284174

670 N Orlando Ave Suite 101 Maitland, FL 32751

Office: 888-681-0777 x1001

Mobile: 407-252-3039

Fax: 866-512-0169

[dan@cliftonmortgageservices.com](mailto:dan@cliftonmortgageservices.com)

[View My Website](#)

## Construction Spending Rises Less Than Expected

Construction spending scrambled **back into positive territory** by a tiny bit in December, gaining 0.1 percent from November's level to an estimated seasonally adjusted annual rate of \$1,116.6 billion. The gain came even as the November estimate was revised down even further from a 0.4 percent loss to a negative 0.6 percent at \$1.116.0 billion. The December figure was still well above the spending pace in December 2014 of \$1,031.6 billion, an increase of 8.2 percent.

The December numbers, released Monday by the U.S. Census Bureau, were **significantly lower** than analysts had predicted, a range, according to *Econoday* and *Bloomberg* of 0.3 percent to 1.3 percent with a consensus of 0.6 percent.

On an **unadjusted** basis there was an estimated \$86,903 billion spent during the month compared to \$93,377 billion in November and \$79,535 billion in December 2014. Spending on construction for the entire year is estimated to be up 10.5 percent from 2014.

Spending on **private construction** was at a seasonally adjusted annual rate of \$824.0 billion, down 0.6 percent from the revised November pace of \$828.8 billion but 9.9 percent higher than a year earlier. On non-adjusted basis overall privately funded construction rose 12.8 percent for the year to date through December compared to the same period in 2014.

Private spending on **residential** construction was significantly healthier than construction overall. December expenditures were estimated at a seasonally adjusted rate of \$429,606 compared to \$425,785, an increase of 0.9 percent and 8.1 percent higher than the previous December. Single family construction rose a percentage point from November at \$231,316 billion, an annual increase of 8.7 percent. Multi-family fared even better with a month-over-month gain of 2.7 percent to \$52,806 billion, a 12.0 percent increase year-over-year.

Expenditures on privately funded residential construction were estimated at \$31,624 on a non-seasonally adjusted basis and year to date was up 12.6 percent from the same period in 2014. Single-family construction rose 12.9 percent year-to-date and multifamily was 22.2 percent higher.

While the numbers are still very small, publicly-funded residential construction did rise in 2014, finishing the year at a total of \$6,428 billion, an

## National Average Mortgage Rates



	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	6.43%	<b>+0.02</b>	0.00
15 Yr. Fixed	5.95%	<b>0.00</b>	0.00
30 Yr. FHA	5.82%	<b>+0.02</b>	0.00
30 Yr. Jumbo	6.62%	<b>0.00</b>	0.00
5/1 ARM	6.28%	<b>-0.01</b>	0.00

### Freddie Mac

30 Yr. Fixed	6.35%	<b>-0.51</b>	0.00
15 Yr. Fixed	5.51%	<b>-0.65</b>	0.00

### Mortgage Bankers Assoc.

30 Yr. Fixed	6.44%	<b>-0.06</b>	0.54
15 Yr. Fixed	5.88%	<b>-0.16</b>	0.68
30 Yr. FHA	6.36%	<b>-0.06</b>	0.85
30 Yr. Jumbo	6.75%	<b>+0.07</b>	0.39
5/1 ARM	5.98%	<b>-0.27</b>	0.65

Rates as of: 8/30

## Recent Housing Data

		Value	Change
Mortgage Apps	Aug 28	226.9	+0.49%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%

# Housing News Update

increase of 27.2 percent from the end of December 2014.

		Value	Change
Builder Confidence	Mar	51	+6.25%