

Home builders hopeful at West Coast conference

By Sanford Nax, Sacramento Business Journal

The mood at the Pacific Coast Builder's Conference was the most upbeat in five years, according to industry types who attended.

Builders are reporting more traffic at subdivisions, and sales are picking up. Nationwide, lumber shipments are up, and residential construction activity is increasing significantly.

Builder Magazine just reported the following, which is based on U.S. Census data: Private residential construction spending in May totaled \$261 billion, a 3 percent gain over and an almost 7.5 percent gain from May 2011. The biggest boost was in apartment construction, which posted a "jaw-dropping" 50 percent increase, although single-family increased 15 percent from May 2011.

Locally, John Orr, CEO of the North State Building Industry Association in Sacramento, said new home sales totaled 149 through the first three weeks of June, which tops the 130 in all of June 2011. Through May, new home sales in the region totaled 1,052 versus 611 during the same five months in 2011.

The big question, of course, concerns sustainability. Is this a temporary boost or the real thing?

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