

An architectural line drawing of a two-story house with a gabled roof, dormer windows, and a central entrance with a small porch. To the left, a rolled-up document, likely a building permit, is shown with a yellow rubber band. The drawing is overlaid with text and a large title.

Housing Permit Data

SEPARATE AND UNEQUAL

and Surprising

UNION Building
BUILDING PERMIT

Since the collapse of the housing-market bubble, pundits have engaged in their fair share of hand-wringing over the construction industry—and rightly so. Here in Utah, we've lost thousands and thousands of construction jobs since the housing market began its long, slow deflation. (However, you might want to keep in mind that the levels of construction employment during the height of the boom were over-inflated due to artificial demand.) But, should the hand-wringing continue? Is building activity still plummeting?

Location, Location, Location

Well, the answer to that question has a lot to do with where in Utah you live. Now keep in mind that 2008 and 2009 were indeed very dismal construction years, but. . . According to construction permit data released by the Utah Bureau of Economic and Business Research, so far this year (January to August), thirteen counties have seen an increase in the number of new home permits issued compared to the same time period in 2009. In Morgan, Tooele, and Sanpete counties, permits have basically doubled or tripled. Of course, that is an improvement from a low level, but improvement nonetheless. In Washing-

ton County (undoubtedly the biggest past participator in housing speculation in Utah), dwelling permits are up 61 percent. And two of the big-four urban counties—Utah and Weber—show more home permits to-date this year than last.

Who is to Blame?

Statewide, the number of permits is down 10 percent. You can mostly blame Salt Lake County with its 40-percent decrease for that state of affairs. However, remember that Salt Lake County was late to the housing boom and late to the housing collapse. Its current poor showing may be just a question of timing. And, as you can see from the chart, urban or nonurban categorization is no predictor of a county's current residential permit situation.

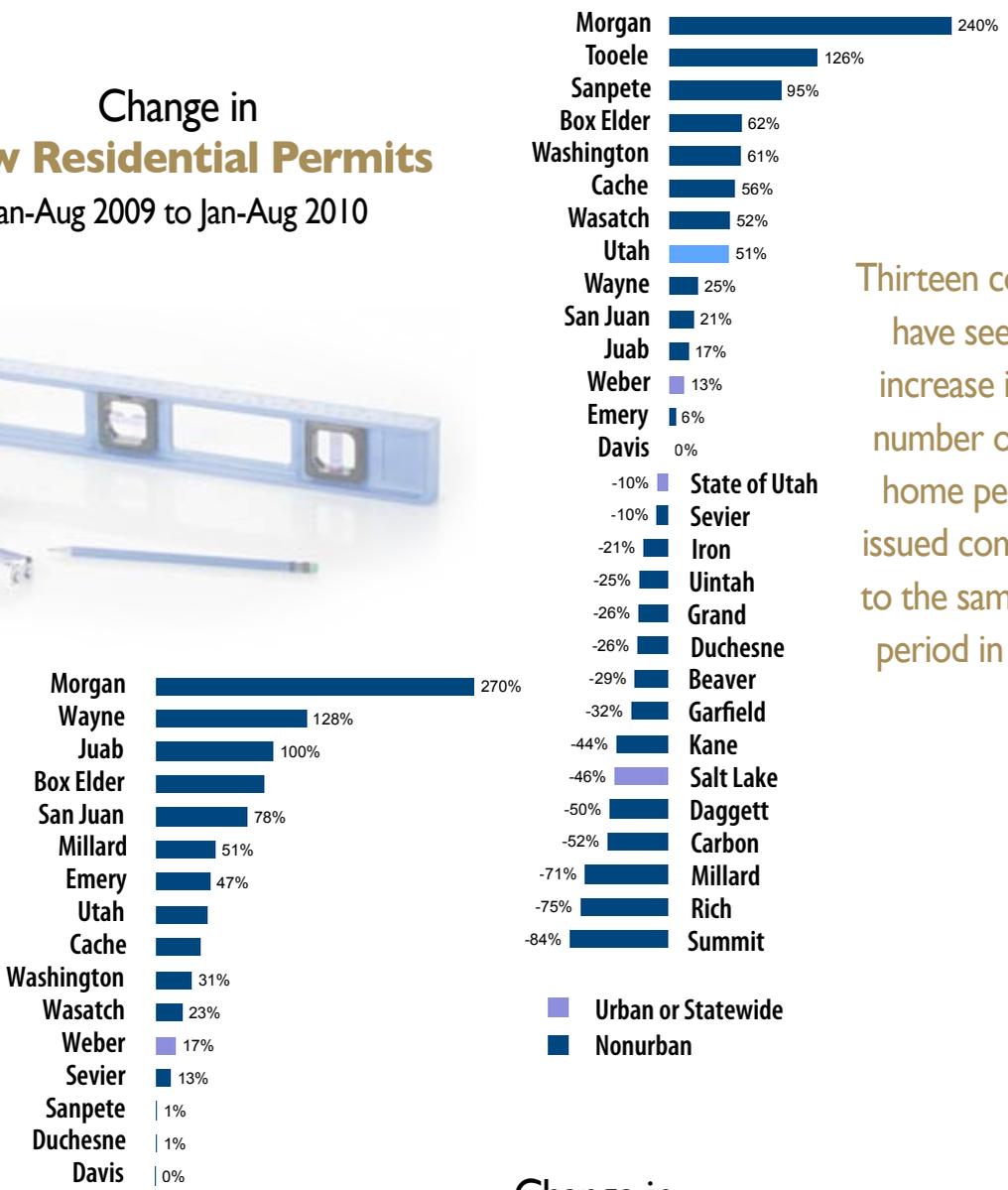
Residential Dominates

For most counties, residential building does seem to dominate their performance when it comes to the total value of permitted construction. (Remember that most public projects are not permitted.) A good ranking in residential permitting in 2010 typically translates into a good position for overall permit values. ●

*For more information on construction permit data,
go to: <http://www.bibr.utah.edu/CIDB.html>*

Change in New Residential Permits

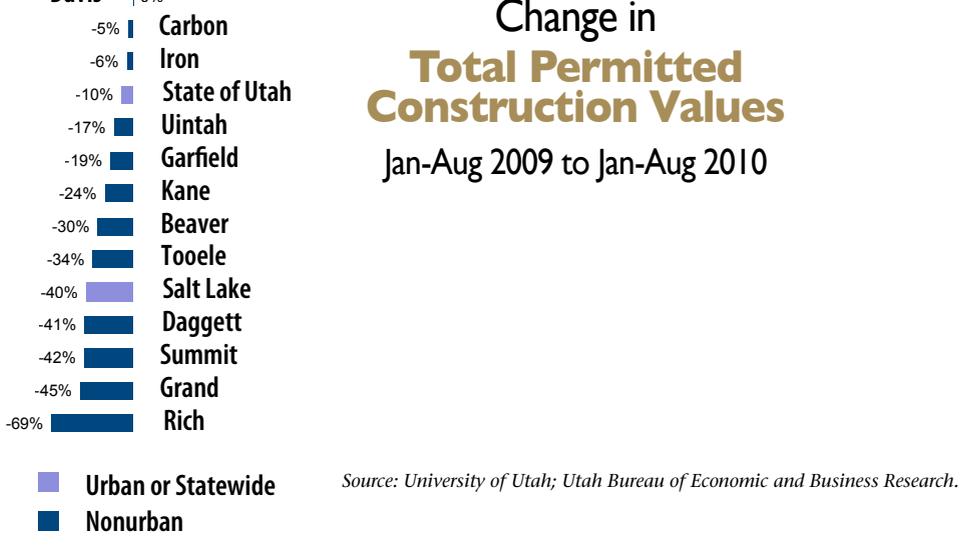
Jan-Aug 2009 to Jan-Aug 2010



Thirteen counties have seen an increase in the number of new home permits issued compared to the same time period in 2009.

Change in Total Permitted Construction Values

Jan-Aug 2009 to Jan-Aug 2010



Source: University of Utah; Utah Bureau of Economic and Business Research.