Construction and Housing

New Construction

Juneau New Housing Permits

In 2017, the volume of multifamily housing construction permitted was back to levels last seen in 2012. Only 30 multifamily units were permitted compared to 178 in the previous year. Single family housing permits and accessory unit permits were also down, for a total of only 82 units permitted.

The first half of 2018 has improved over the same period last year for both single family units and multifamily units. Like previous years, there are more permits for single family and accessory construction than multifamily units. This trend did not follow in 2016 due to multiple permits for special purpose housing developments.

Figure 44: New Residential Housing Permits Issued 2010 to 2017

![Graph showing new residential housing permits issued from 2010 to 2017]

Source: City & Borough of Juneau Permit Center reports. Note: Multi-family includes properties with two or more dwellings.

Figure 45: New Housing Units Permitted to be Built, January – June 2015 to 2018

![Graph showing new housing units permitted from 2015 to 2018]

Source: City & Borough of Juneau Permit Center reports. Note: Multi-family includes properties with two or more dwellings.
Southeast Alaska New Housing Construction

Juneau’s housing stock increase in 2017 of 68 units fell substantially short of the 241 units built in 2016. This was largely due to the return of annual multifamily unit construction to more typical levels, after inflating in 2016 due to the concentration of special purpose housing developments. New single-family homes built decreased for a second straight year. Other communities in Southeast also experienced declines in the number of units built from 2016 to 2017.

Figure 46: New Housing Units Built by Type of Structure, Select Communities 2015 – 2017

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Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section and Alaska Housing Finance Corporation, Alaska Housing Market Indicators, “Quarterly Survey of Lenders” Dataset. Note: Single Family includes attached units; multi-family includes properties with two or more dwellings.

Juneau Home Sales and Prices

Juneau’s home sale market was robust for a second year in 2017, with total transactions reaching a new high for the decade. With more inventory, multifamily home sales were leading the increase, while single family home sales held steady.

Figure 47: Sales Volume of Single Family, Attached Homes and Condominiums

The median transaction price of single family homes increased by 1.4 percent from 2016 to 2017, and prices increased again in the first half of 2018 for all categories of housing. The rapid turnover for single family homes, less than 30 days, is an indication of a tight housing market in Juneau. In 2017 the average days on market for all homes was 26 days, and in the first half of 2018 this number fell to 22 days.
Monthly Rental Costs (Adjusted Rates) and Vacancy Rates

Every March, the Alaska Department of Labor and Workforce Development surveys Alaska’s landlords for residential rental unit information for the Alaska Housing Finance Corporation. In March 2018, the median rental price for all units in Juneau continued to rise, compensating for the slight dip in 2017, when new inventory came on the market. The vacancy rate was down to 4.2 percent from the more comfortable level of 5.7 percent in 2017.

As vacancy rates in Alaska continue to rise (currently 7.9%), Juneau’s vacancy rate remains well below the state average. According to the Alaska Department of Labor and Workforce Development, the ideal vacancy rate for a community is between 6 and 7 percent\(^1\), because with more vacancies, renters have some choice in where to live, putting pressure on landlords to keep units in good repair and keep prices competitive.

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