The Virginia Tech–USDA Forest Service Housing Commentary: Section I
July 2026

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To request the commentary, please email: buehlmann@gmail.com or delton.r.alderman@usda.gov

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Opening Remarks

In this commentary, housing data is for July 2026. Only permit data were positive in July.

The September 16th Atlanta Fed GDPNow™ total residential investment spending forecast is -4.3% for Quarter 2 2026. Quarterly log change for new private permanent site expenditures were projected at -6.8%; the improvement spending forecast was 2.3%; and the manufactured/mobile home expenditures projection was 21.2% (all: quarterly log change and at a seasonally adjusted annual rate).[1]

"The housing market remains difficult for buyers of all types. Mortgage rates are at a one-year high, home prices remain elevated, and inventory constraints in some markets continue to keep prices steady amid flattening demand. In August, First American's Existing-Home Sales Outlook estimates that existing-home sales will remain roughly flat compared to the previous month. For first-time buyers, who generally have less accumulated wealth and no housing equity to roll into a purchase, the affordability hurdle is especially high. … First-time buyers have pulled back, yet they remain a significant presence in the purchase market."[2] – Odeta Kushi, Deputy Chief Economist, First American Financial Corporation

This month's commentary housing market observations. Section I contains relevant data, remodeling, and housing finance commentary. Section II includes regional Federal Reserve analysis, private firm indicators, and demographic/economic information.

Sources: [1] https://www.atlantafed.org/research-and-data/data/gdpnow; 91626
[2] https://blog.firstam.com/economics/dont-believe-the-hype-first-time-buyers-are-down-but-far-from-outx' 9/9/26

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July 2025
Housing Scorecard

	M/M	Y/Y
Housing Starts	▼ 12.4%	▼ 13.5%
Single-Family (SF) Starts	▼ 9.9%	▼ 15.7%
Multi-Family (MF) Starts*	▼ 16.8%	▼ 8.9%
Housing Permits	▲ 4.3%	▲ 5.2%
SF Permits	▲ 2.5%	▲ 2.2%
MF Permits*	▲ 7.4%	▲ 10.7%
Housing Under Construction	▼ 0.2%	▼ 6.0%
SF Under Construction	▼ 1.2%	▼ 7.2%
Housing Completions	▼ 9.1%	▼ 16.8%
SF Completions	▼ 5.8%	▼ 12.8%
New SF House Sales	▼ 10.5%	▼ 6.3%
Private Residential Construction Spending	▼ 1.3%	▼ 7.3%
SF Construction Spending	▼ 3.2%	▼ 6.5%
Existing House Sales[1]	▼ 2.0%	▼ 1.2%

* All multi-family (2 to 4 + ≥ 5-units)

M/M = month-over-month; Y/Y = year-over-year; NC = No change

Sources: U.S. Department of Commerce-Construction; [1] FRED: Federal Reserve Bank of St. Louis

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New Housing Starts

	Total Starts*	SF Starts	MF 2-4 Starts**	MF ≥5 Starts
July	1,239,000	808,000	10,000	421,000
June	1,415,000	897,000	19,000	499,000
2025	1,432,000	959,000	20,000	453,000
M/M change	-12.4%	-9.9%	-47.4%	-15.6%
Y/Y change	-13.5%	-15.7%	-50.0%	-7.1%

* All start data are presented at a seasonally adjusted annual rate (SAAR).
** US DOC does not report 2 to 4 multi-family starts directly; this is an estimation ((Total starts – (SF + 5-unit MF)).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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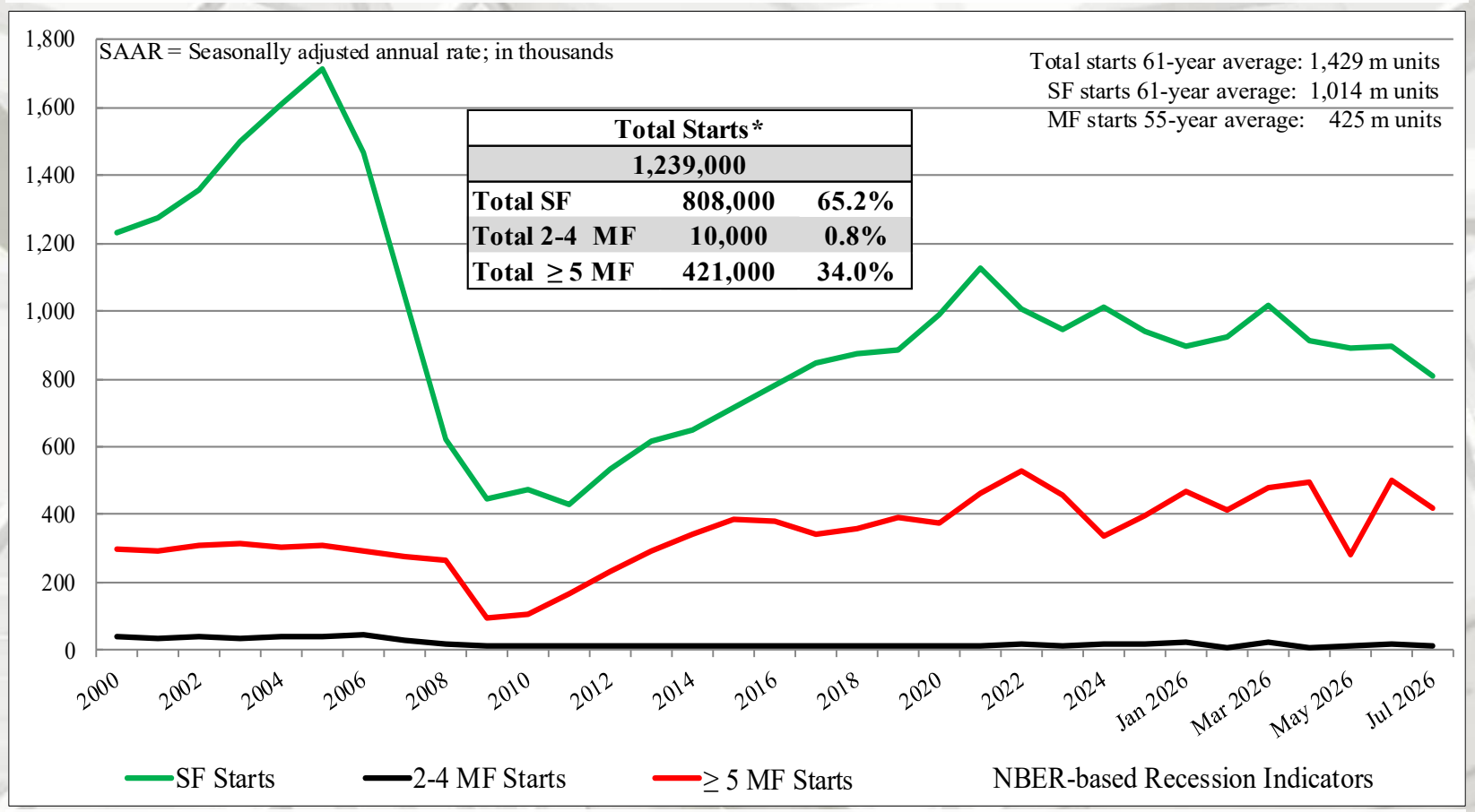
Total Housing Starts



The US DOC does not report 2 to 4 multi-family starts directly; this is an estimation: (Total starts – (SF + 5-unit MF).

* Percentage of total starts.

NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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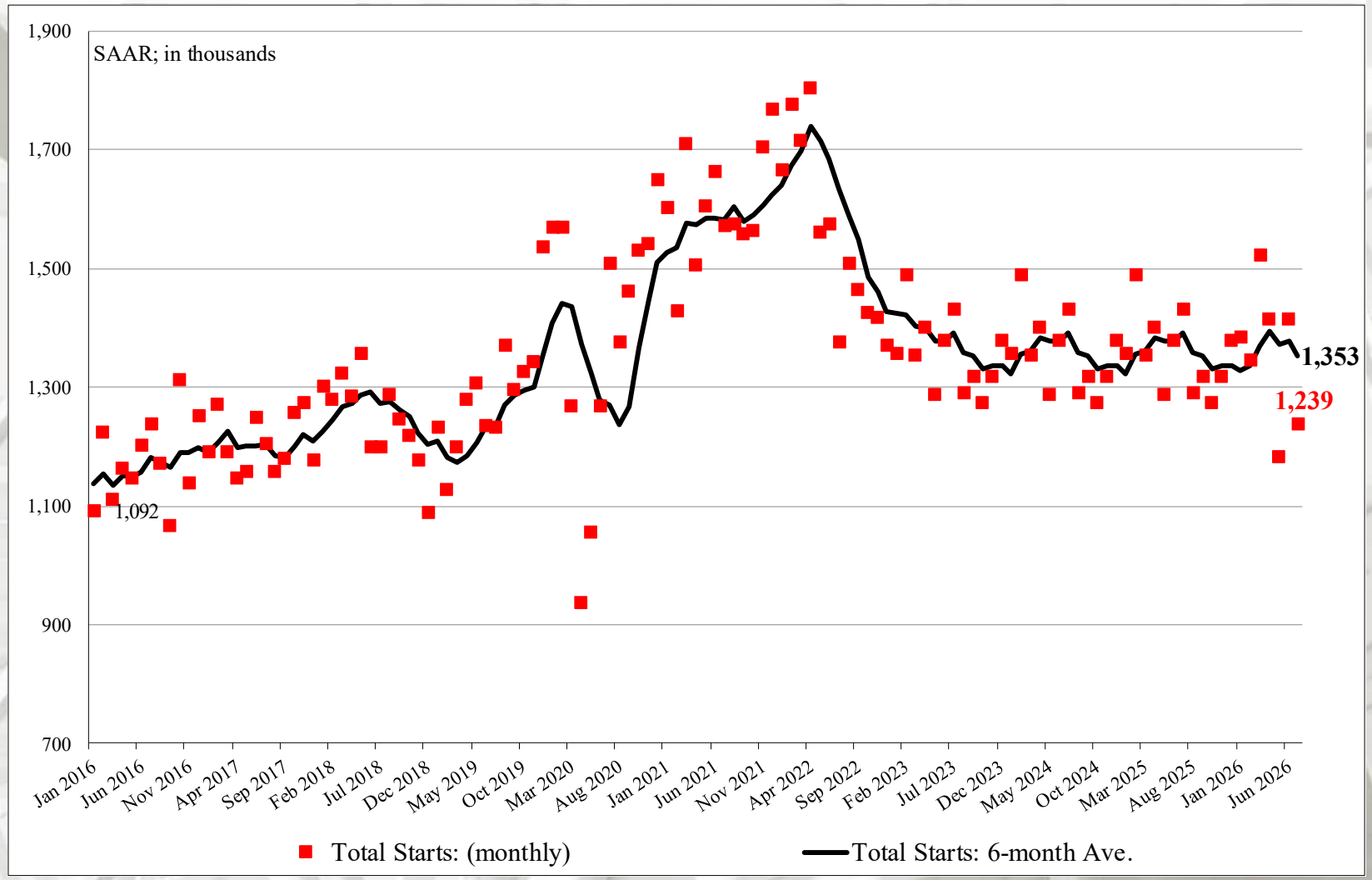
Total Housing Starts: Six-Month Moving Average



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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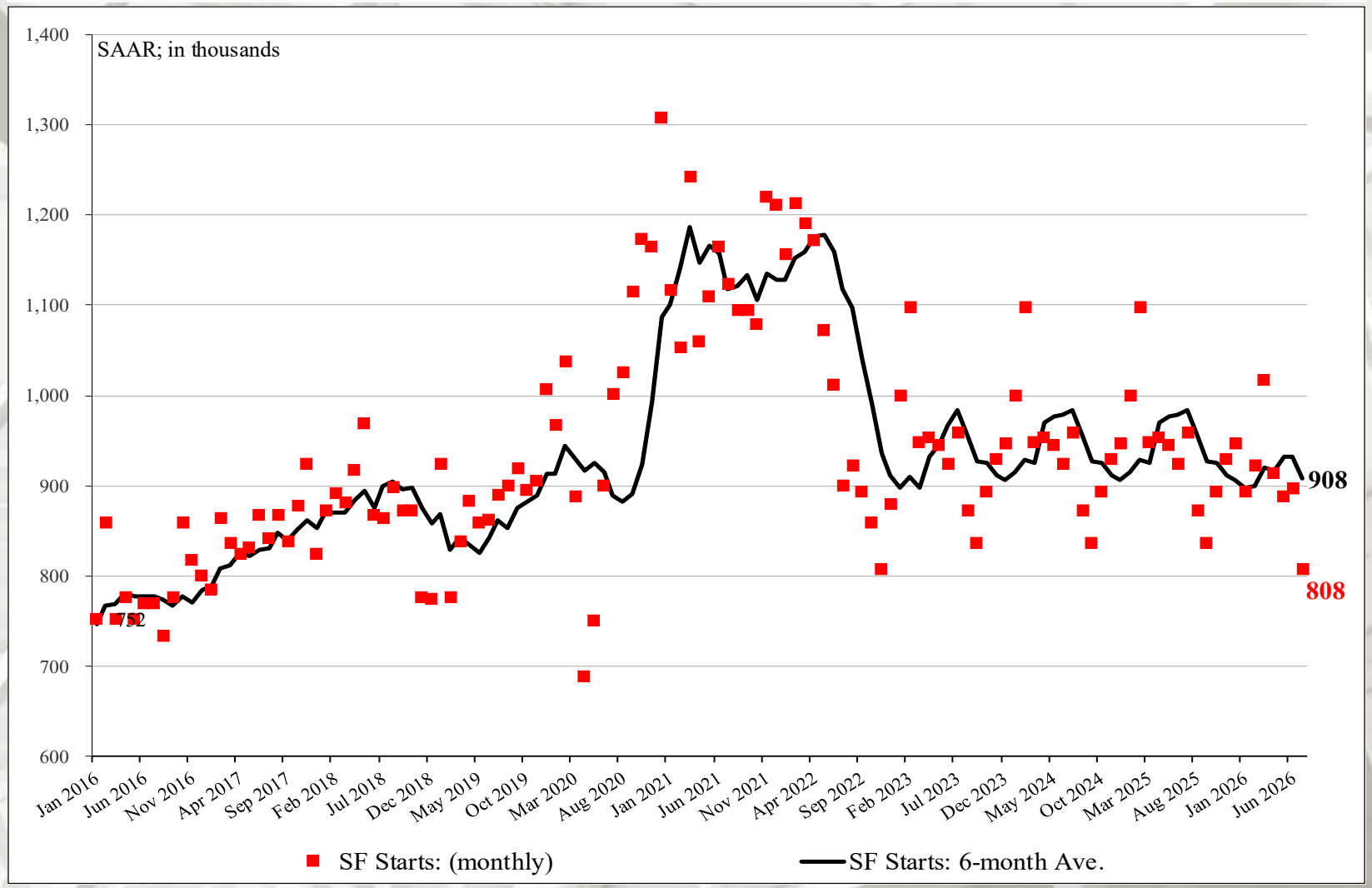
SF Housing Starts: Six-Month Moving Average



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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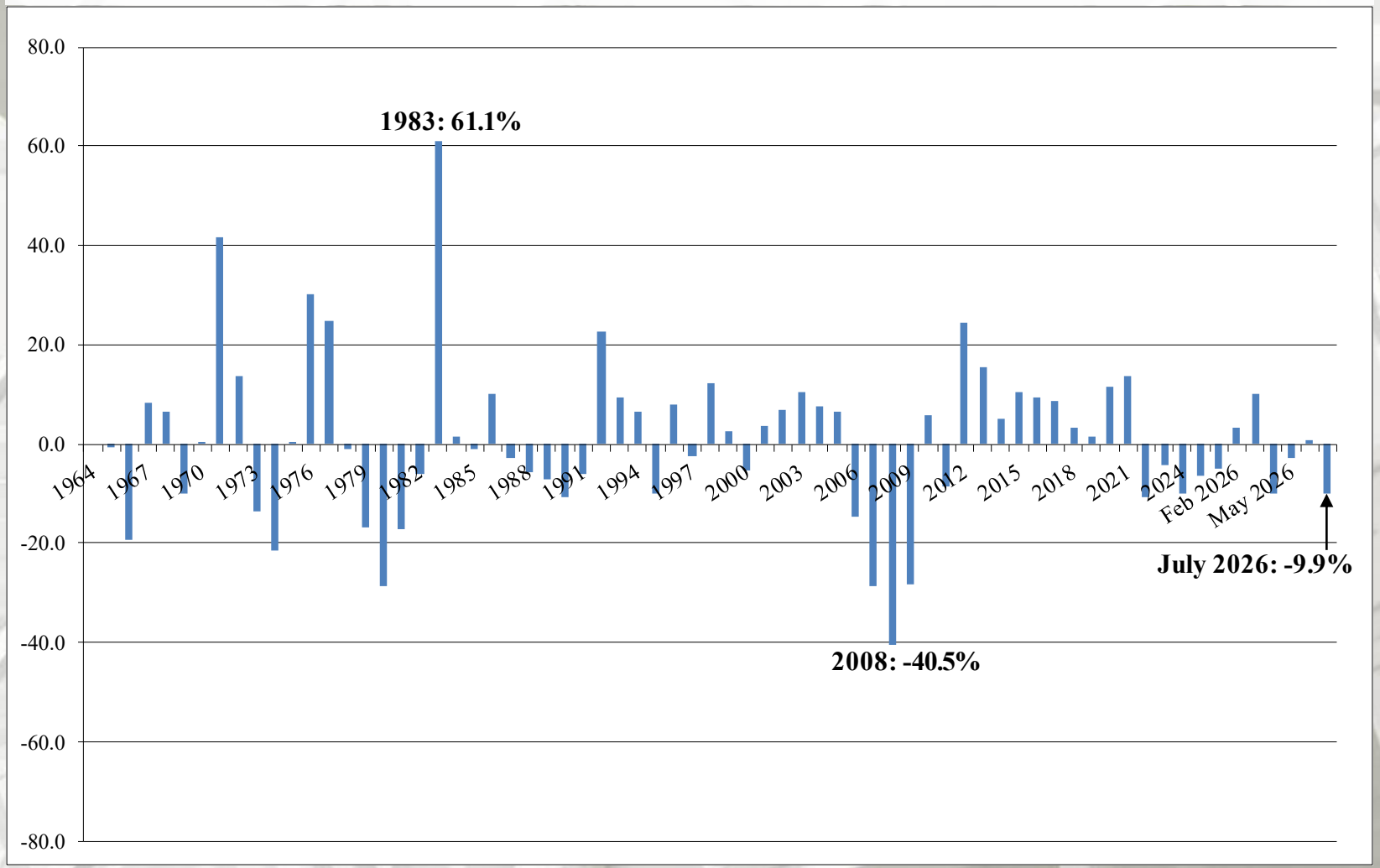
SF Housing Starts: Year-over-Year Change (%)



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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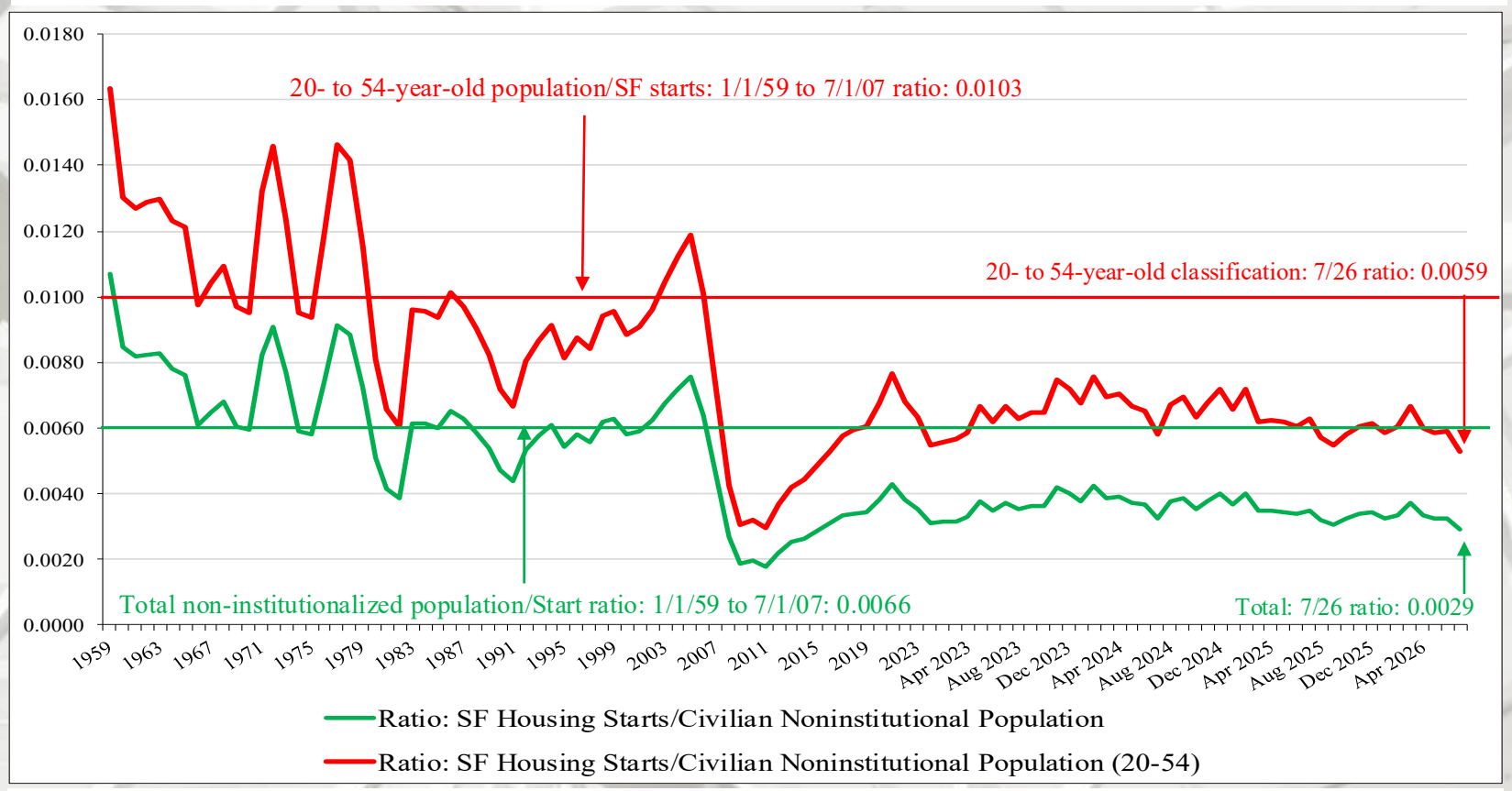
New SF Starts



New SF starts adjusted for the US population

From July 1959 to July 2007, the long-term ratio of new SF starts to the total US non-institutionalized population is 0.0066. In July 2025 it was 0.0029 – a decrease from May (0.0033). The long-term ratio of non-institutionalized population, aged 20 to 54 is 0.0103; in July 2026 it was 0.0053 – less than June (0.0059).. New SF construction in both age categories is less than what is necessary for changes in the population (i.e., under-building).

Note some studies report normalized long-term demand at 900,000 to 1,000,000 new SF house starts per year – beginning in 2025 through 2050.

Sources: http://www.census.gov/construction/nrc/pdf/newresconst.pdff and The Federal Reserve Bank of St. Louis; 8/18/26

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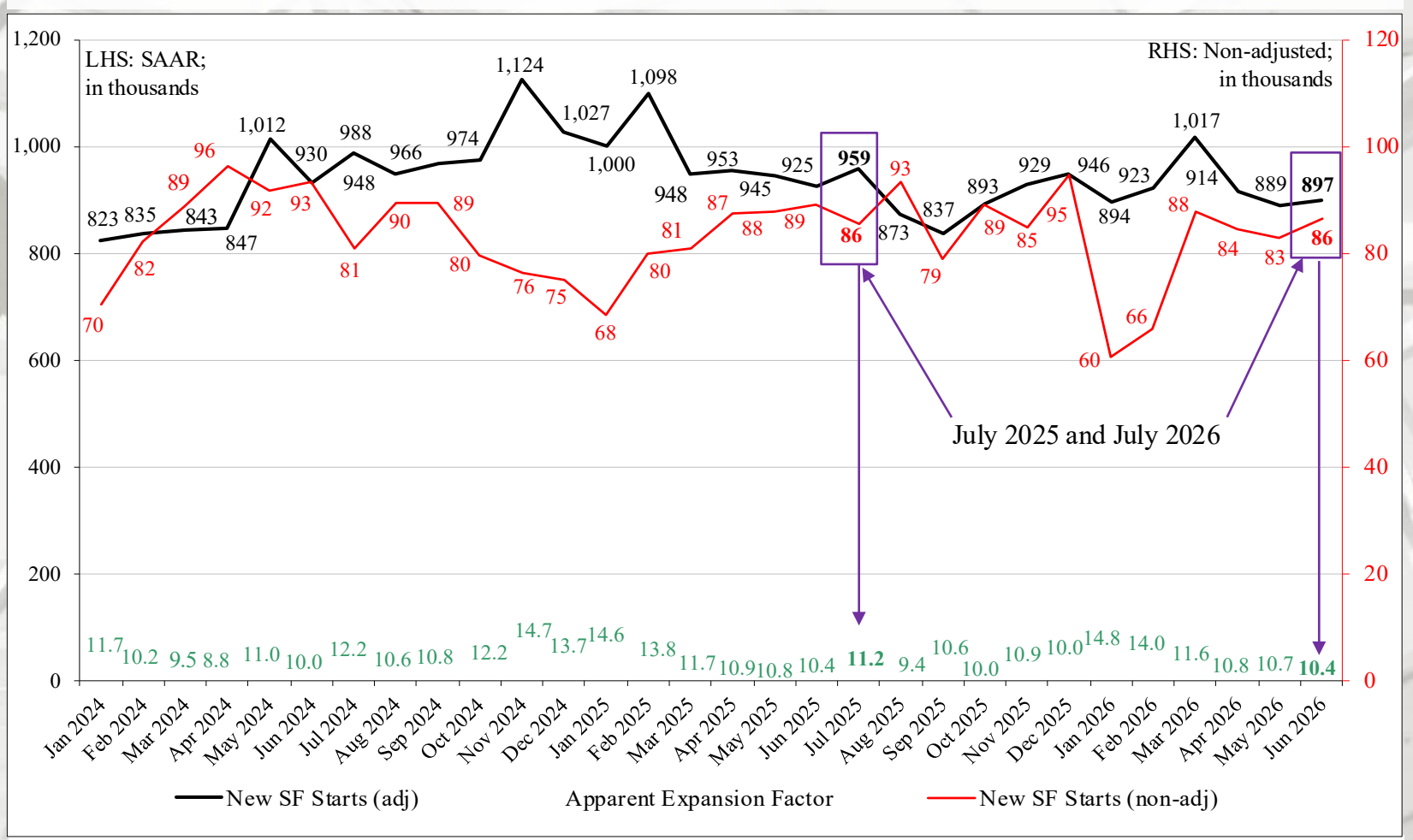
Nominal & SAAR SF Starts



Nominal and Adjusted New SF Monthly Starts

Presented above is nominal (non-adjusted) new SF start data contrasted against SAAR data.

The apparent expansion factor "… is the ratio of the unadjusted number of houses started in the US to the seasonally adjusted number of houses started in the US (i.e., to the sum of the seasonally adjusted values for the four regions)." – U.S. DOC-Construction

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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New Housing Starts by Region

	NE Total	NE SF	NE MF**
July	164,000	43,000	121,000
June	140,000	59,000	81,000
2025	101,000	53,000	48,000
M/M change	17.1%	-27.1%	49.4%
Y/Y change	62.4%	-18.9%	152.1%

	MW Total	MW SF	MW MF
July	173,000	113,000	60,000
June	239,000	119,000	120,000
2025	237,000	118,000	119,000
M/M change	-27.6%	-5.0%	-50.0%
Y/Y change	-27.0%	-4.2%	-49.6%

All data are SAAR; NE = Northeast and MW = Midwest.
** US DOC does not report multi-family starts directly; this is an estimation (Total starts – SF starts).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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New Housing Starts by Region

	S Total	S SF	S MF**
July	645,000	503,000	142,000
June	738,000	529,000	209,000
2025	850,000	600,000	250,000
M/M change	-12.6%	-4.9%	-32.1%
Y/Y change	-24.1%	-16.2%	-43.2%

	W Total	W SF	W MF
July	257,000	149,000	108,000
June	298,000	190,000	108,000
2025	244,000	188,000	56,000
M/M change	-13.8%	-21.6%	0.0%
Y/Y change	5.3%	-20.7%	92.9%

All data are SAAR; S = South and W = West.
** US DOC does not report multi-family starts directly; this is an estimation (Total starts – SF starts).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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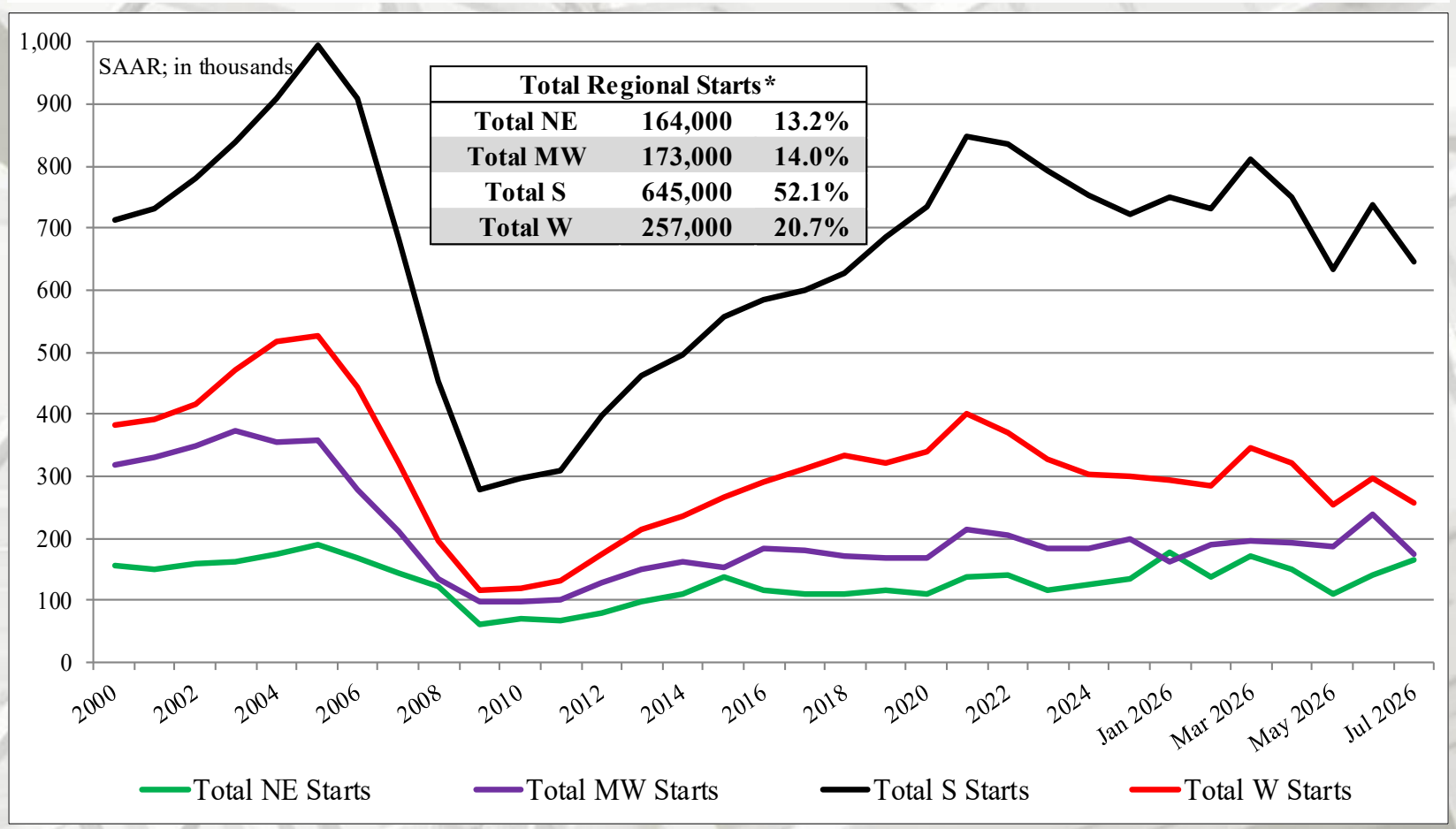
New Housing Starts by Region



Total Regional Starts*		
Total NE	164,000	13.2%
Total MW	173,000	14.0%
Total S	645,000	52.1%
Total W	257,000	20.7%

NE = Northeast, MW = Midwest, S = South, W = West
US DOC does not report 2 to 4 multi-family starts directly; this is an estimation (Total starts – (SF + ≥ 5 MF starts).
* Percentage of total starts.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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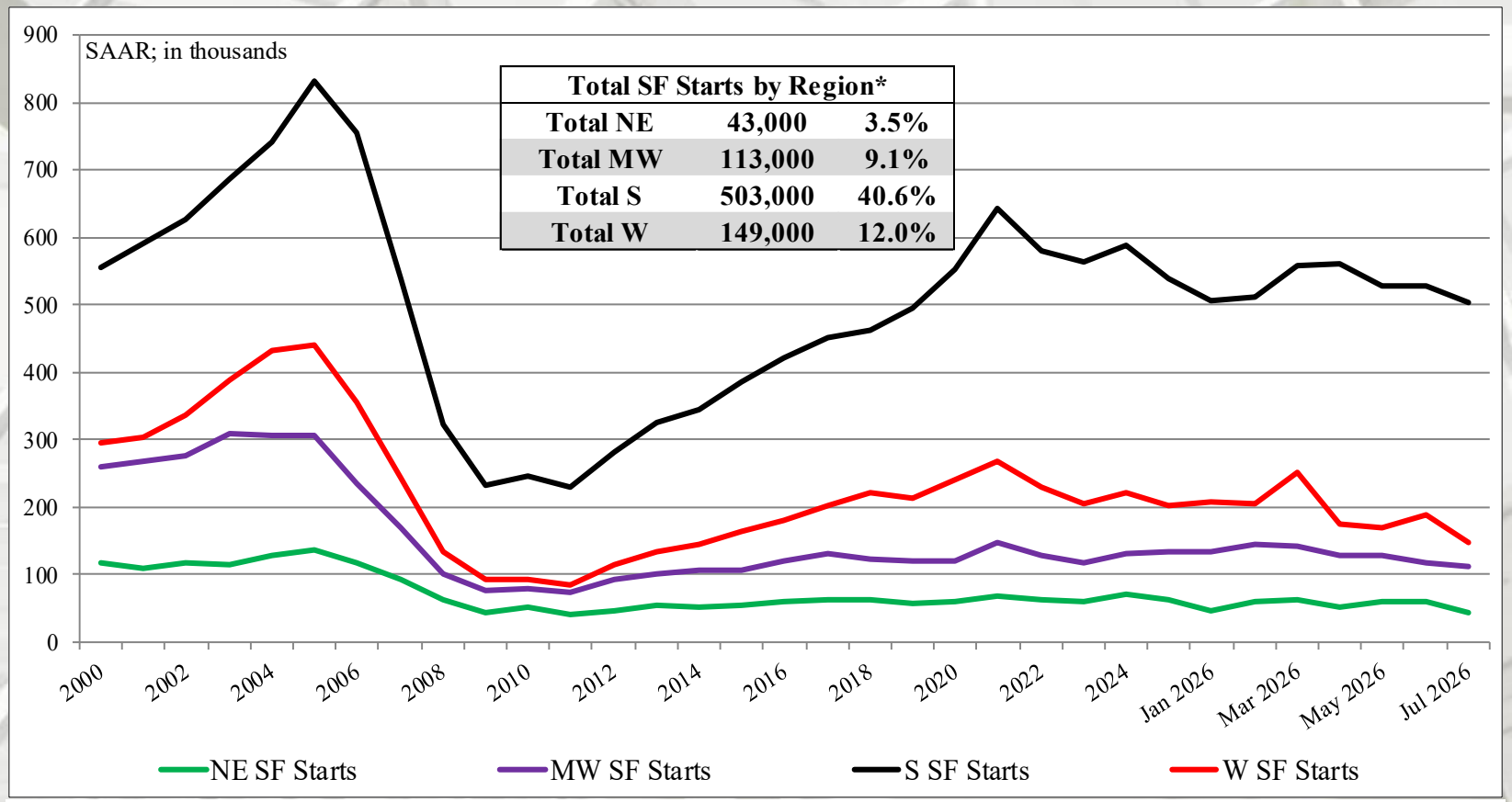
Total SF Housing Starts by Region



Total SF Starts by Region*		
Total NE	43,000	3.5%
Total MW	113,000	9.1%
Total S	503,000	40.6%
Total W	149,000	12.0%

NE = Northeast, MW = Midwest, S = South, W = West

US DOC does not report 2 to 4 multi-family starts directly; this is an estimation (Total starts – (SF + ≥ 5 MF starts).

* Percentage of total starts.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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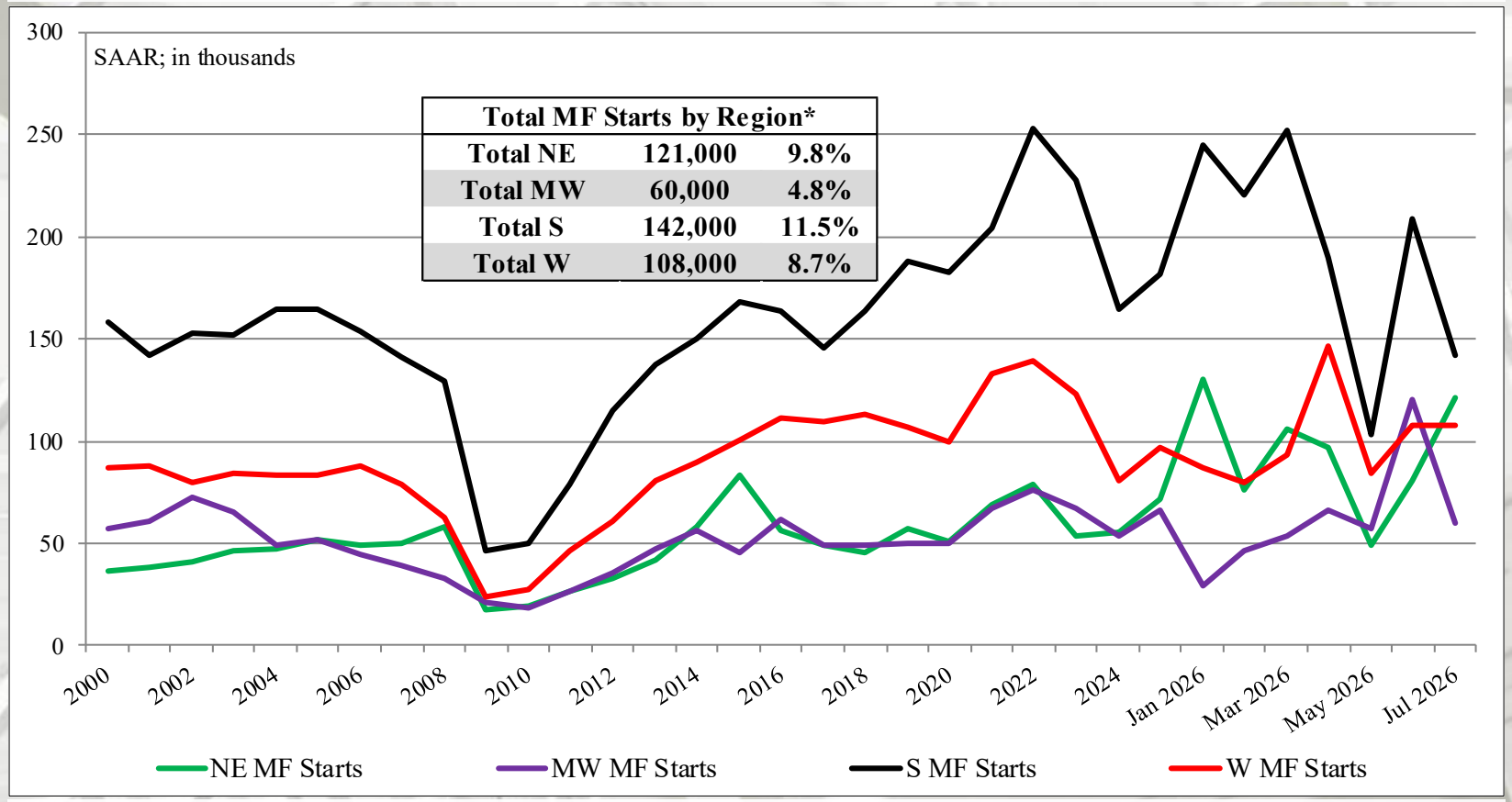
MF Housing Starts by Region



NE = Northeast, MW = Midwest, S = South, W = West
US DOC does not report 2 to 4 multi-family starts directly; this is an estimation (Total starts – (SF + ≥ 5 MF starts).

* Percentage of total starts.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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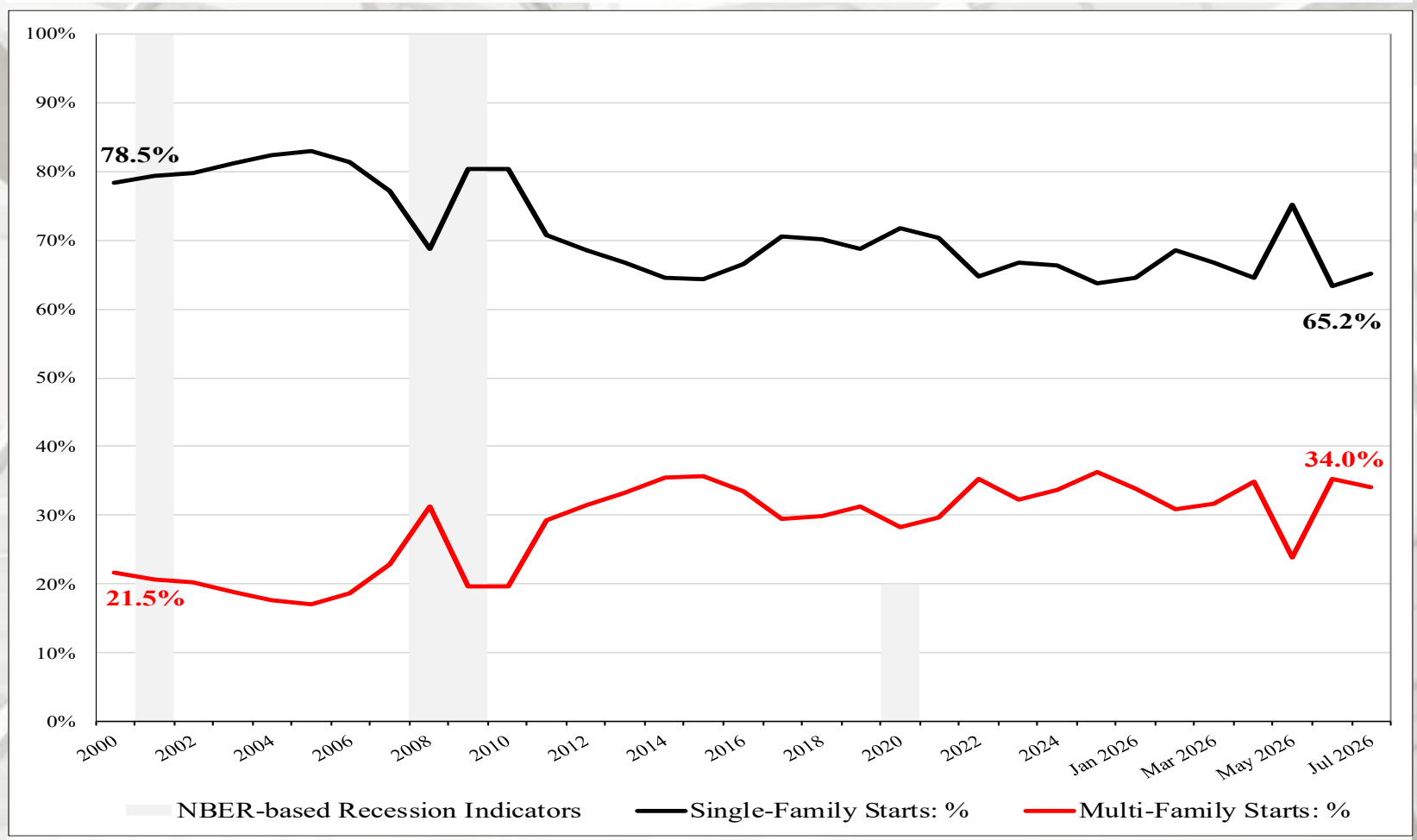
SF vs. MF Housing Starts (%)



NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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New Housing Permits

	Total Permits*	SF Permits	MF 2-4 unit Permits	MF ≥ 5 unit Permits
July	1,433,000	894,000	57,000	482,000
June	1,374,000	872,000	53,000	449,000
2025	1,362,000	875,000	55,000	432,000
M/M change	4.3%	2.5%	7.5%	7.3%
Y/Y change	5.2%	2.2%	3.6%	11.6%

* All permit data are presented at a seasonally adjusted annual rate (SAAR).

Source: https://www.census.gov/construction/bps/; 8/25/26

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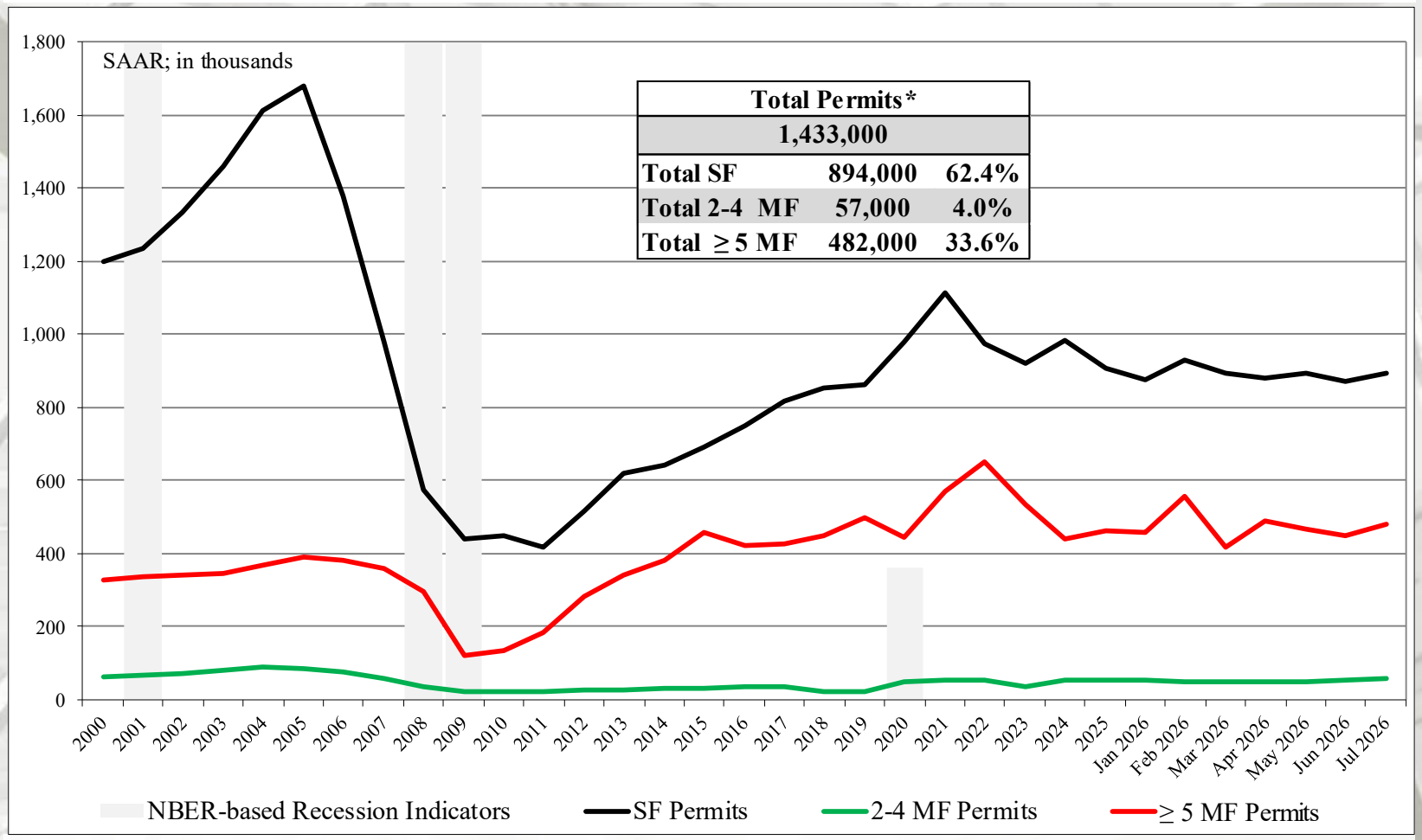
Total New Housing Permits



* Percentage of total permits.

NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; https://www.census.gov/construction/bps/; 8/25/26

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New Housing Permits by Region

	NE Total*	NE SF	NE MF**
July	152,000	56,000	96,000
June	155,000	52,000	103,000
2025	125,000	56,000	69,000
M/M change	-1.9%	7.7%	-6.8%
Y/Y change	21.6%	0.0%	39.1%

	MW Total*	MW SF	MW MF**
July	225,000	130,000	95,000
June	203,000	124,000	79,000
2025	221,000	123,000	98,000
M/M change	10.8%	4.8%	20.3%
Y/Y change	1.8%	5.7%	-3.1%

NE = Northeast; MW = Midwest
* All data are SAAR
** US DOC does not report multi-family permits directly; this is an estimation (Total permits – SF permits).

Source: https://www.census.gov/construction/bps/; 8/25/26

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New Housing Permits by Region

	S Total*	S SF	S MF**
July	748,000	530,000	218,000
June	708,000	515,000	193,000
2025	742,000	521,000	221,000
M/M change	5.6%	2.9%	13.0%
Y/Y change	0.8%	1.7%	-1.4%

	W Total*	W SF	W MF**
July	308,000	178,000	130,000
June	308,000	181,000	127,000
2025	274,000	175,000	99,000
M/M change	0.0%	-1.7%	2.4%
Y/Y change	12.4%	1.7%	31.3%

S = South; W = West
* All data are SAAR
** US DOC does not report multi-family permits directly; this is an estimation (Total permits – SF permits).

Source: https://www.census.gov/construction/bps/; 8/25/26

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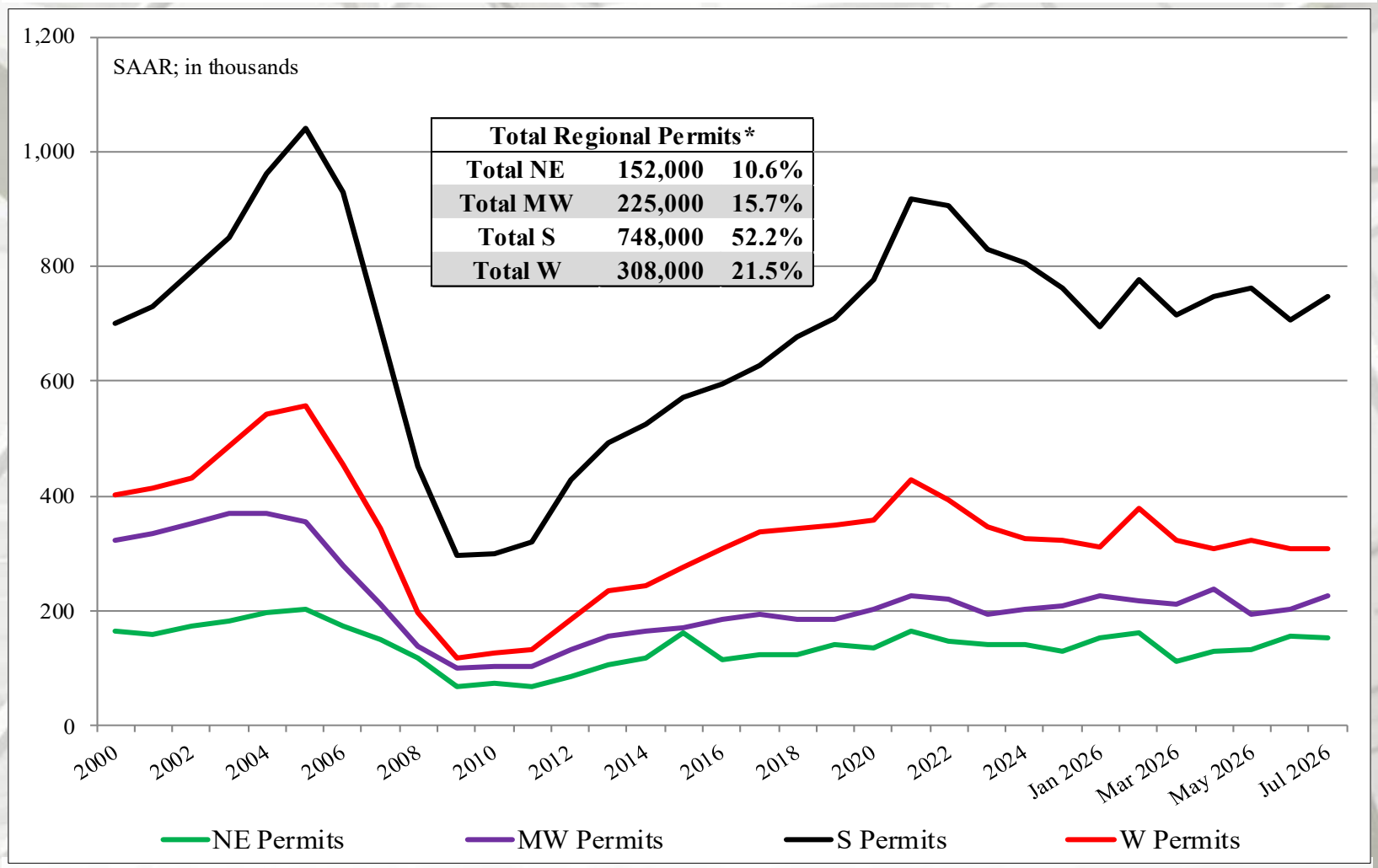
Total Housing Permits by Region



Total Regional Permits*		
Total NE	152,000	10.6%
Total MW	225,000	15.7%
Total S	748,000	52.2%
Total W	308,000	21.5%

NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total permits.

Source: https://www.census.gov/construction/bps/; 8/25/26

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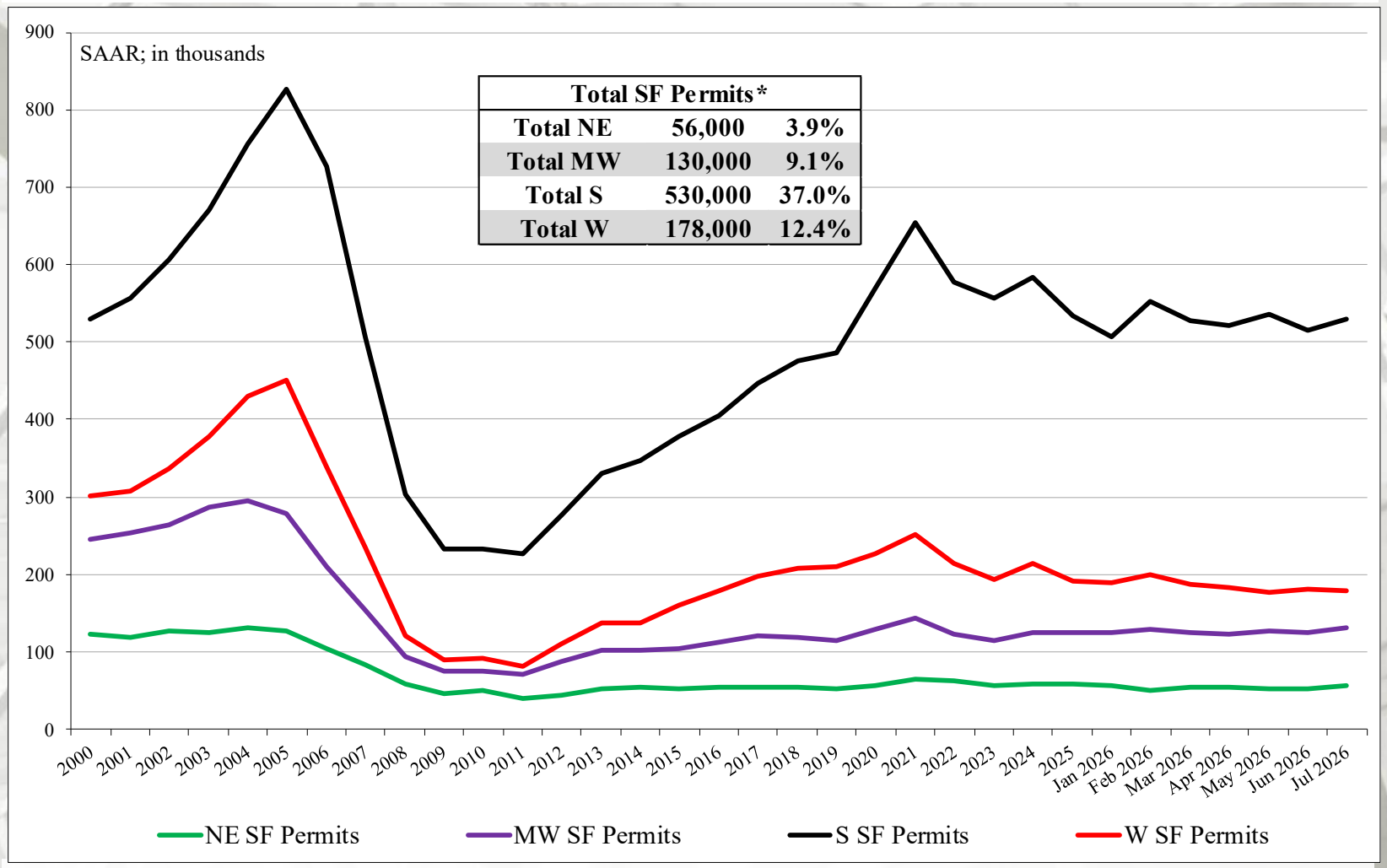
SF Housing Permits by Region



NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total permits.

Source: https://www.census.gov/construction/bps/; 8/25/26

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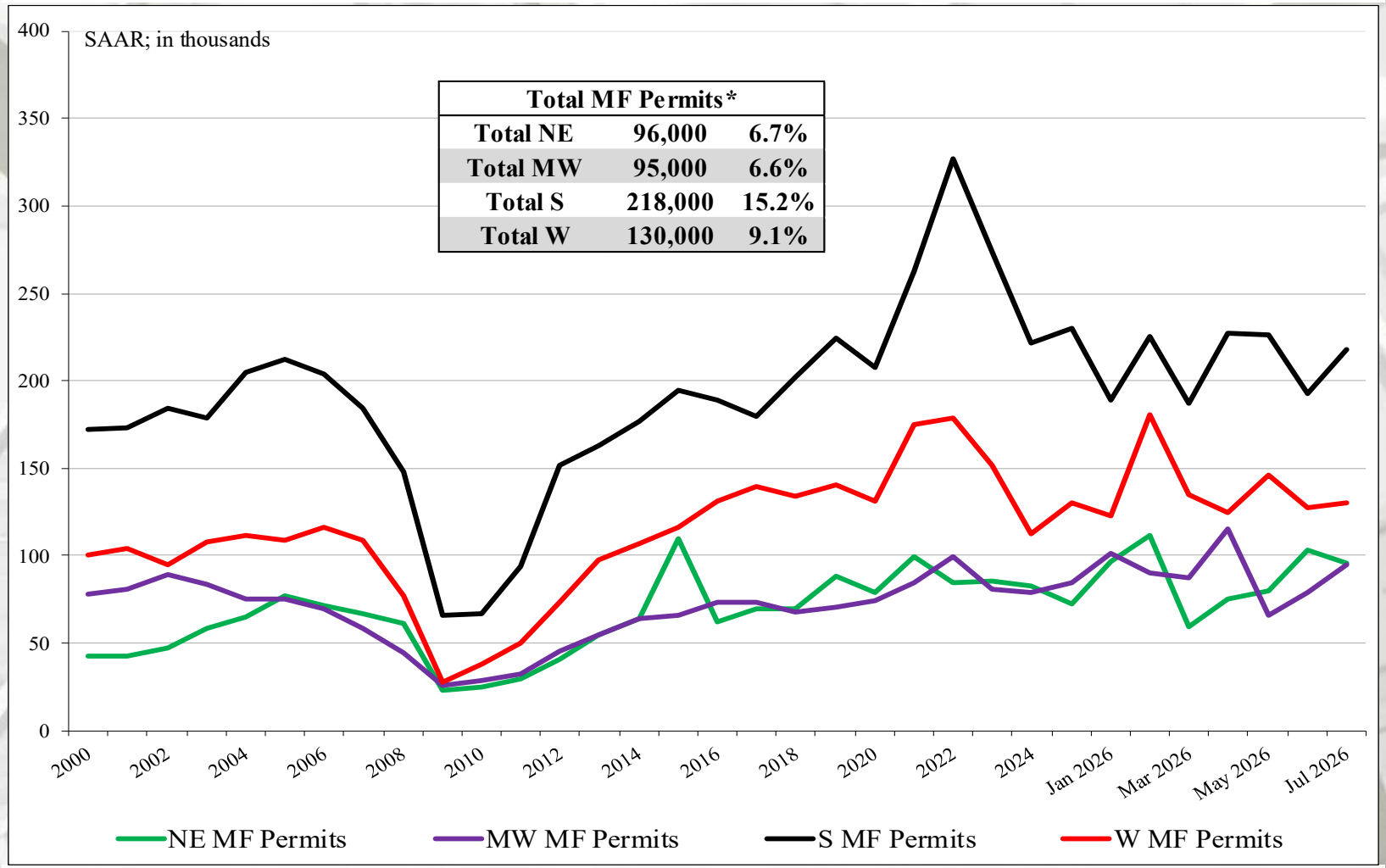
MF Housing Permits by Region



Total MF Permits*		
Total NE	96,000	6.7%
Total MW	95,000	6.6%
Total S	218,000	15.2%
Total W	130,000	9.1%

NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total permits.

Source: https://www.census.gov/construction/bps/; 8/25/26

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New Housing Under Construction (HUC)

	Total HUC	SF HUC	MF 2-4 unit** HUC	MF ≥ 5 unit HUC
July	1,262,000	579,000	17,000	666,000
June	1,264,000	586,000	17,000	661,000
2025	1,342,000	624,000	21,000	697,000
M/M change	-0.2%	-1.2%	0.0%	0.8%
Y/Y change	-6.0%	-7.2%	-19.0%	-4.4%

All housing under construction (HUC) data are presented at a seasonally adjusted annual rate (SAAR).
** US DOC does not report 2-4 multi-family units under construction directly; this is an estimation: ((Total under construction – (SF + 5-unit MF)).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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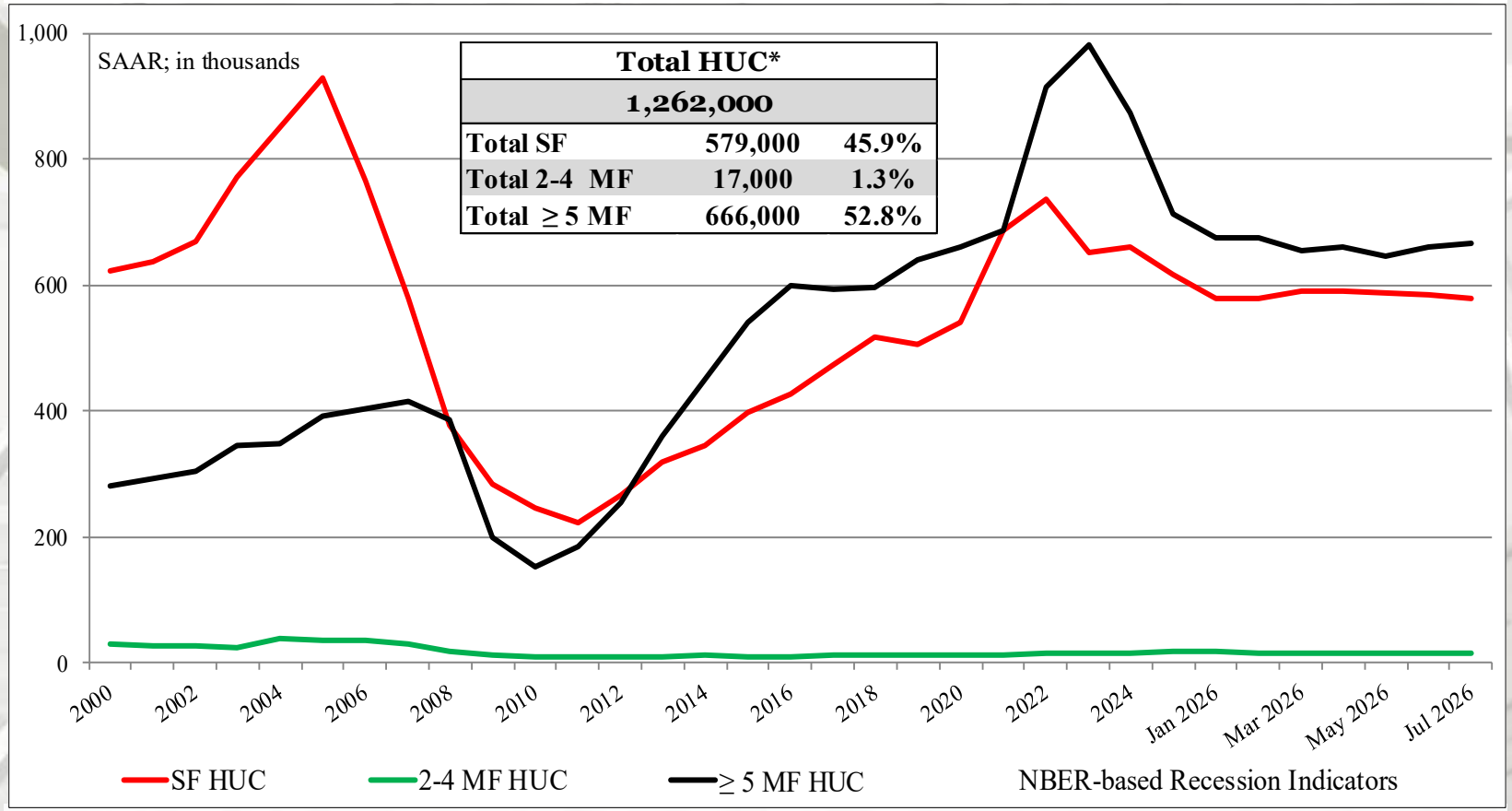
Total Housing Under Construction



US DOC does not report 2 to 4 multi-family under construction directly; this is an estimation (Total under constructions – (SF + 5-unit MF HUC)).

* Percentage of total housing under construction units.

NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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New Housing Under Construction by Region

	NE Total	NE SF	NE MF**
July	195,000	57,000	138,000
June	188,000	58,000	130,000
2025	219,000	64,000	155,000
M/M change	3.7%	-1.7%	6.2%
Y/Y change	-11.0%	-10.9%	-11.0%

	MW Total	MW SF	MW MF
July	178,000	87,000	91,000
June	180,000	87,000	93,000
2025	177,000	91,000	86,000
M/M change	-1.1%	0.0%	-2.2%
Y/Y change	0.6%	-4.4%	5.8%

All data are SAAR; NE = Northeast and MW = Midwest.
** US DOC does not report multi-family units under construction directly; this is an estimation (Total under construction – SF under construction).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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New Housing Under Construction by Region

	S Total	S SF	S MF**
July	560,000	291,000	269,000
June	564,000	293,000	271,000
2025	615,000	317,000	298,000
M/M change	-0.7%	-0.7%	-0.7%
Y/Y change	-8.9%	-8.2%	-9.7%

	W Total	W SF	W MF
July	329,000	144,000	185,000
June	332,000	148,000	184,000
2025	331,000	152,000	179,000
M/M change	-0.9%	-2.7%	0.5%
Y/Y change	-0.6%	-5.3%	3.4%

All data are SAAR; S = South and W = West.
** US DOC does not report multi-family units under construction directly; this is an estimation (Total under construction – SF under construction).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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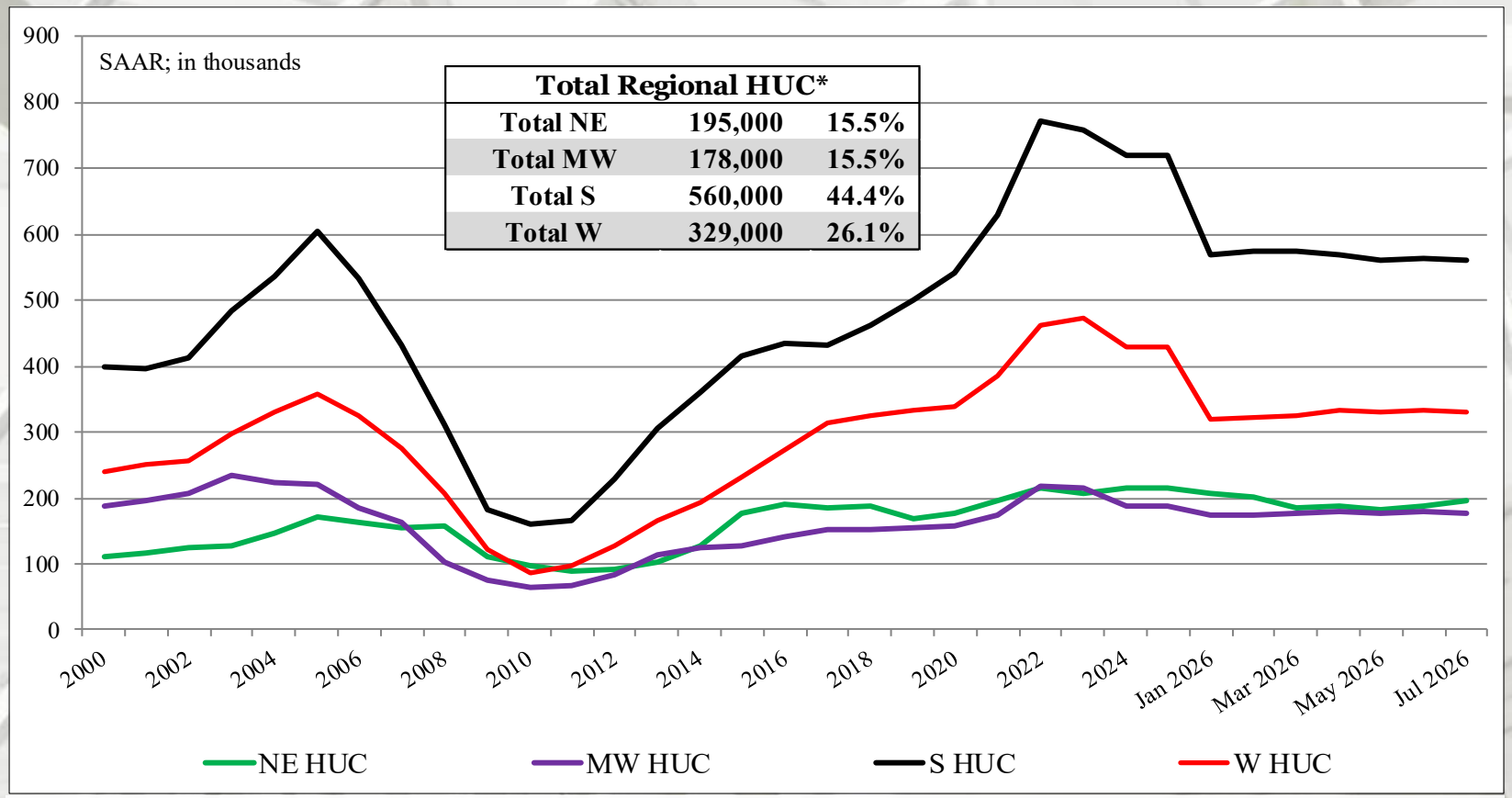
Total Housing Under Construction by Region



Total Regional HUC*		
Total NE	195,000	15.5%
Total MW	178,000	15.5%
Total S	560,000	44.4%
Total W	329,000	26.1%

NE = Northeast, MW = Midwest, S = South, W = West

US DOC does not report 2 to 4 multi-family under construction directly; this is an estimation (Total under construction – (SF + 5-unit MF under construction).

* Percentage of total housing under construction units.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

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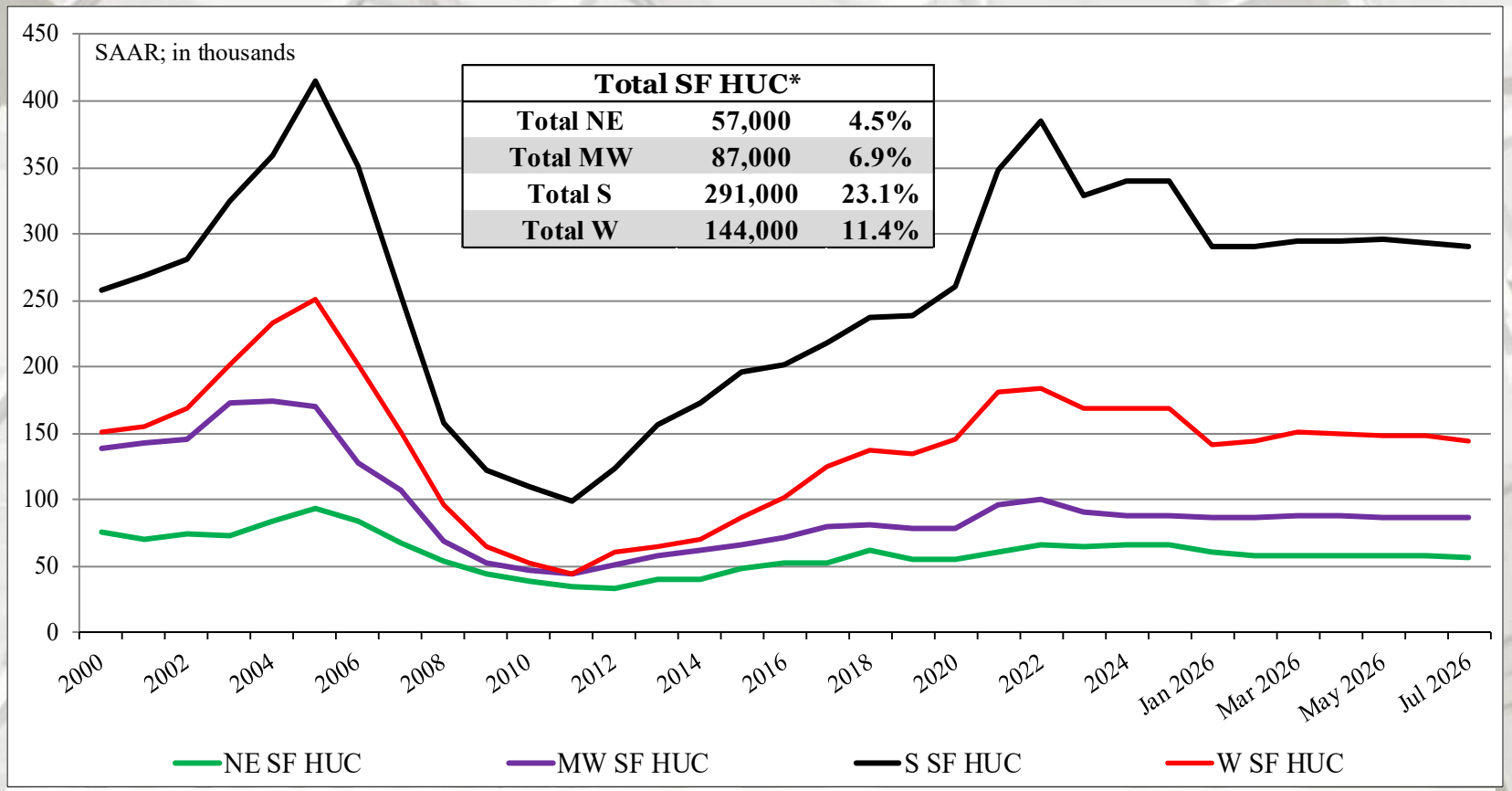
SF Housing Under Construction by Region



Total SF HUC*		
Total NE	57,000	4.5%
Total MW	87,000	6.9%
Total S	291,000	23.1%
Total W	144,000	11.4%

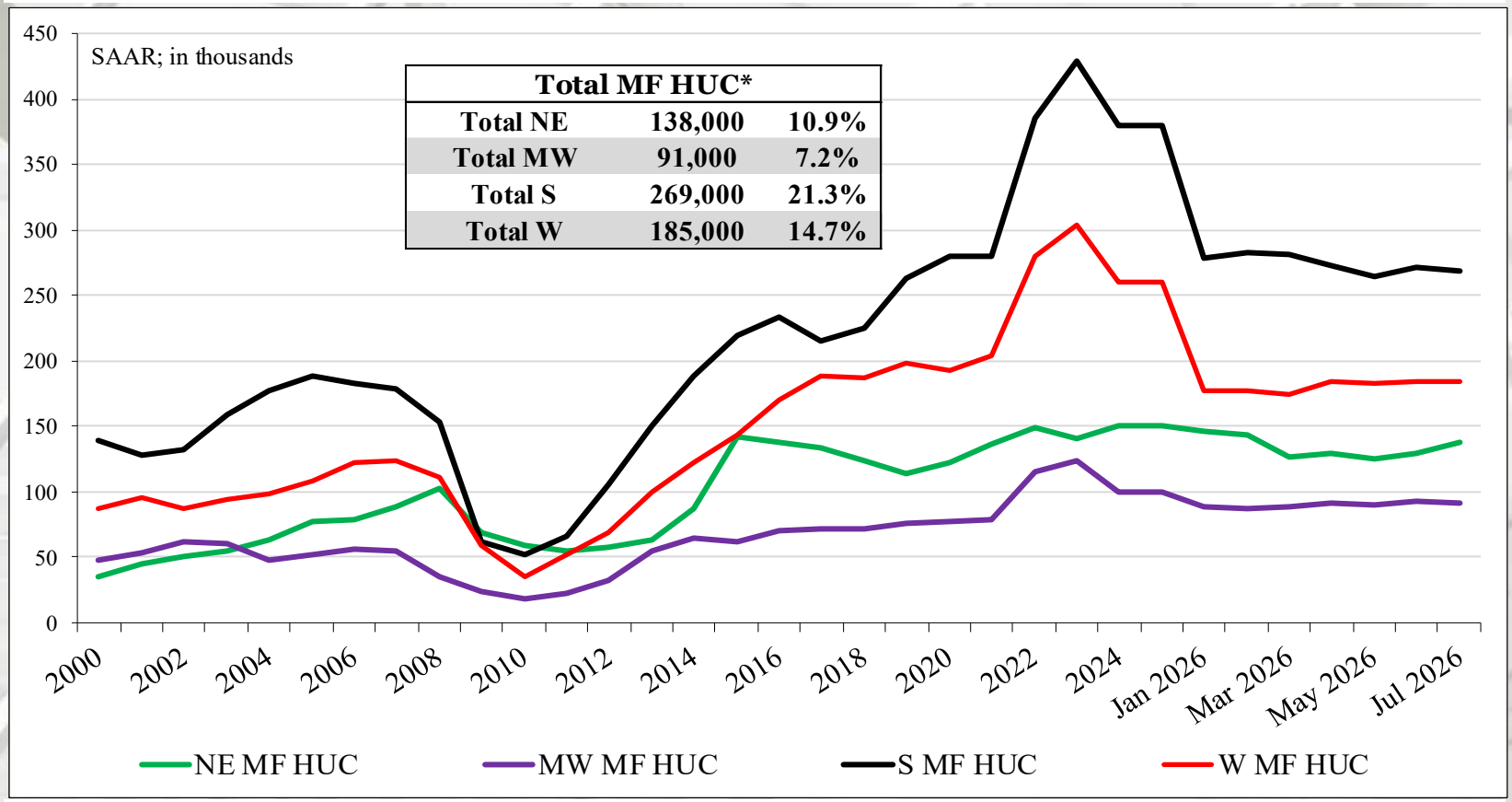
NE = Northeast, MW = Midwest, S = South, W = West.
US DOC does not report 2 to 4 multi-family under construction directly, this is an estimation (Total under construction – (SF + 5-unit MF under construction).

* Percentage of total housing under construction units.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

MF Housing Under Construction by Region



NE = Northeast, MW = Midwest, S = South, W = West

US DOC does not report 2 to 4 multi-family under construction directly; this is an estimation (Total under construction – (SF + 5-unit MF under construction).

* Percentage of total housing under construction units.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

New Housing Completions

	Total Completions*	SF Completions	MF 2-4 unit** Completions	MF ≥ 5 unit Completions
July	1,212,000	878,000	5,000	329,000
June	1,333,000	932,000	15,000	386,000
2025	1,456,000	1,007,000	55,000	442,000
M/M change	-9.1%	-5.8%	-66.7%	-14.8%
Y/Y change	-16.8%	-12.8%	-90.9%	-25.6%

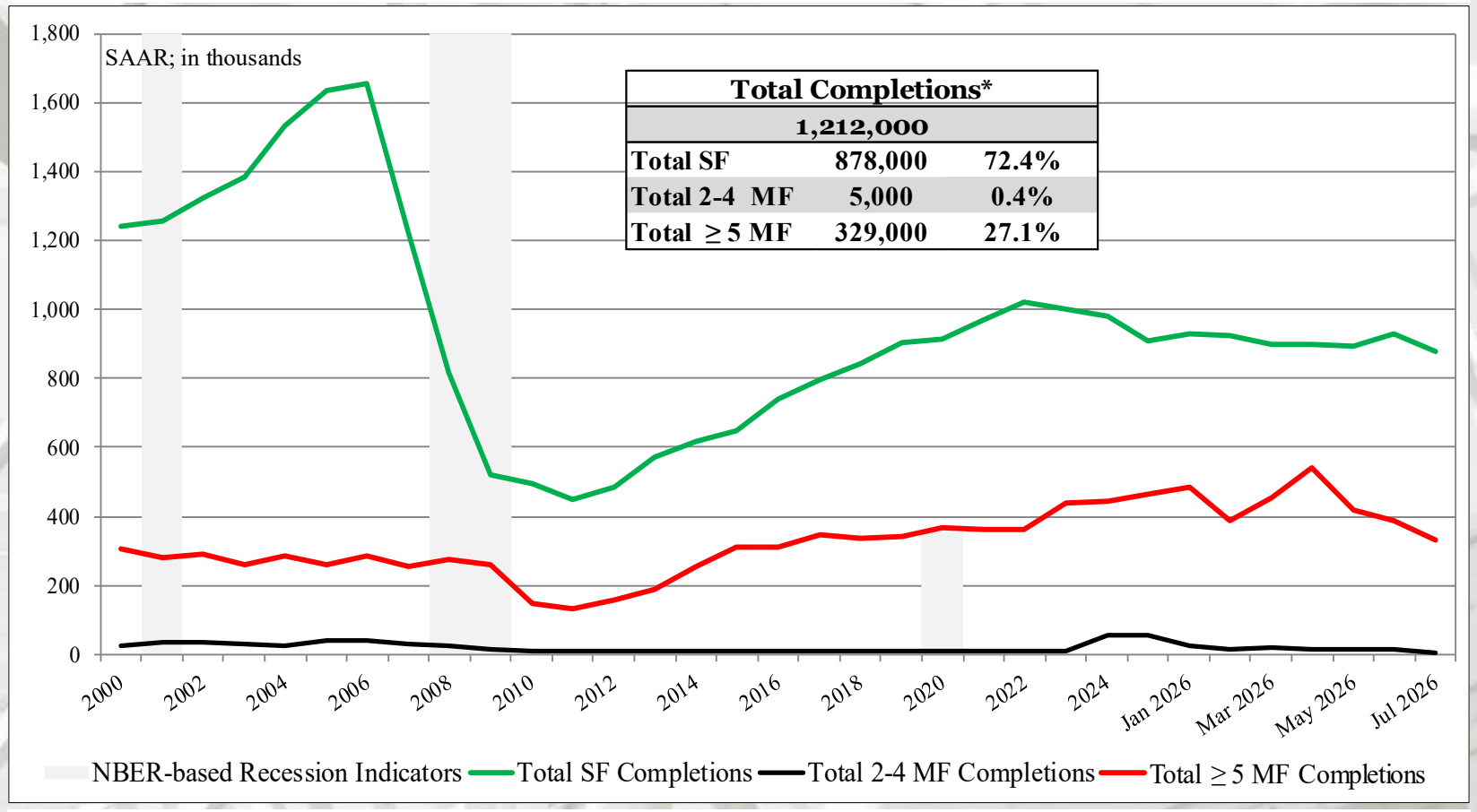
* All completion data are presented at a seasonally adjusted annual rate (SAAR).

** US DOC does not report multi-family completions directly; this is an estimation ((Total completions – (SF + ≥ 5-unit MF)).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

Total Housing Completions



Total Completions*		
1,212,000		
Total SF	878,000	72.4%
Total 2-4 MF	5,000	0.4%
Total ≥ 5 MF	329,000	27.1%

US DOC does not report multifamily completions directly, this is an estimation ((Total completions – (SF + 5-unit MF)).

* Percentage of total housing completions

NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

New Housing Completions by Region

	NE Total	NE SF	NE MF**
July	67,000	39,000	28,000
June	158,000	61,000	97,000
2025	122,000	60,000	62,000
M/M change	-57.6%	-36.1%	-71.1%
Y/Y change	-45.1%	-35.0%	-54.8%

	MW Total	MW SF	MW MF**
July	176,000	110,000	66,000
June	182,000	119,000	63,000
2025	213,000	138,000	75,000
M/M change	-3.3%	-7.6%	4.8%
Y/Y change	-17.4%	-20.3%	-12.0%

NE = Northeast, MW = Midwest, S = South, W = West
**US DOC does not report 2 to 4 multi-family completions directly; this is an estimation (Total completions – SF completions).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

New Housing Completions by Region

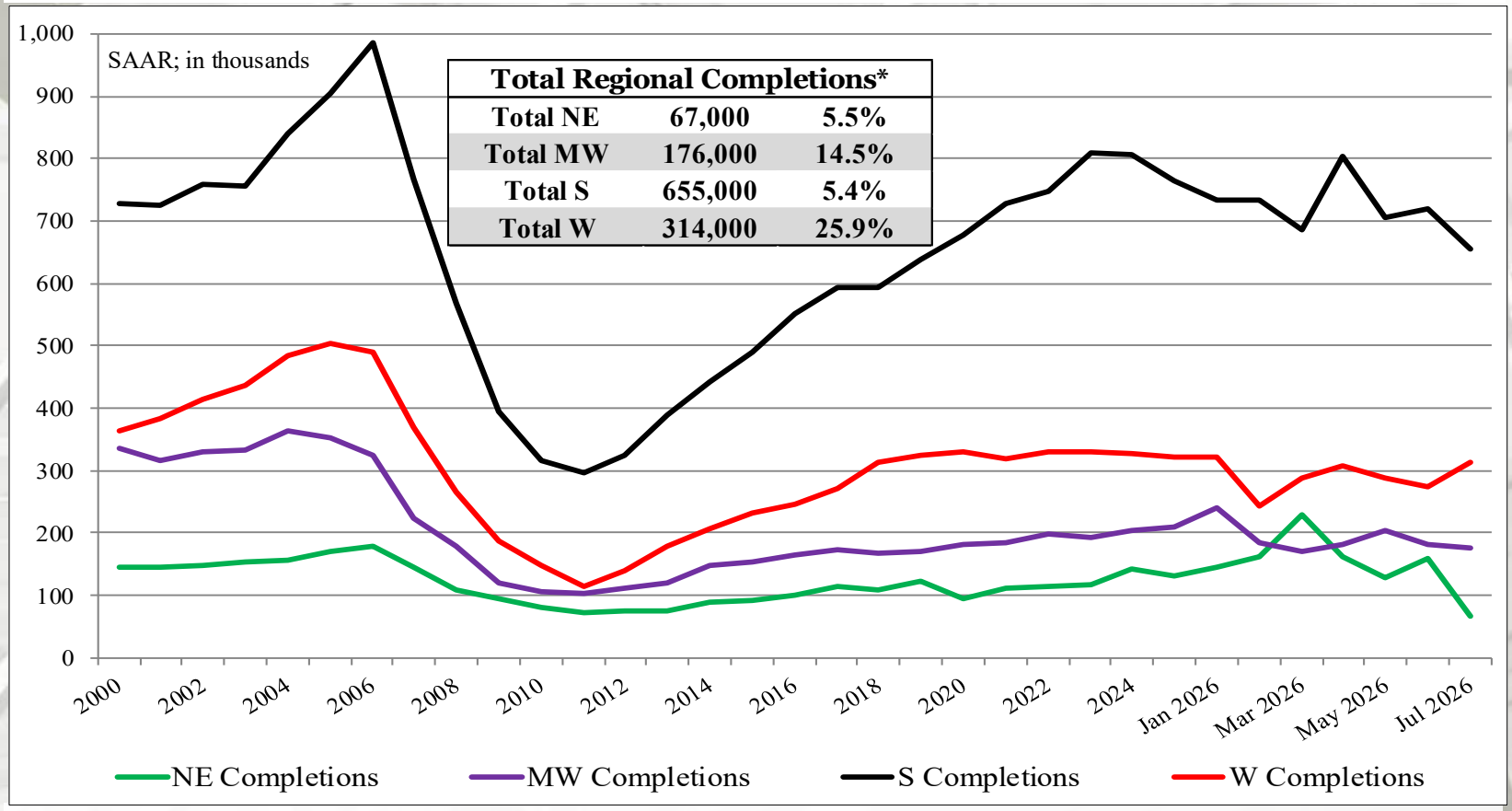
	S Total	S SF	S MF**
July	655,000	522,000	133,000
June	719,000	578,000	141,000
2025	772,000	583,000	189,000
M/M change	-8.9%	-9.7%	-5.7%
Y/Y change	-15.2%	-10.5%	-29.6%
	W Total	**W SF**	**W MF****
July	314,000	207,000	107,000
June	274,000	174,000	100,000
2025	349,000	226,000	123,000
M/M change	14.6%	19.0%	7.0%
Y/Y change	-10.0%	-8.4%	-13.0%

NE = Northeast, MW = Midwest, S = South, W = West
**US DOC does not report 2 to 4 multi-family completions directly; this is an estimation (Total completions – SF completions).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

Total Housing Completions by Region



Total Regional Completions*		
Total NE	67,000	5.5%
Total MW	176,000	14.5%
Total S	655,000	5.4%
Total W	314,000	25.9%

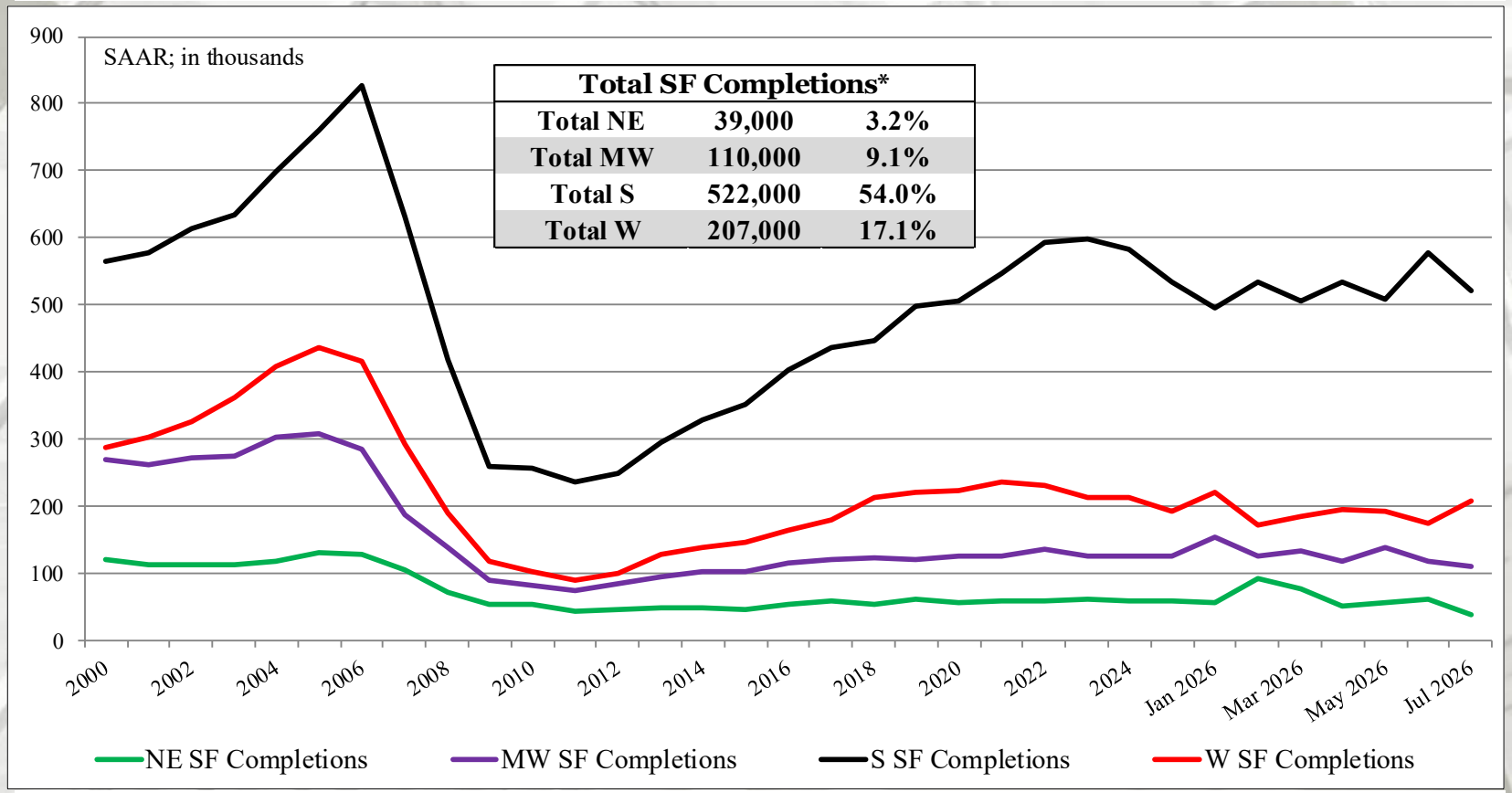
All data are SAAR; NE = Northeast and MW = Midwest; S = South, W = West

* Percentage of total housing completions.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

SF Housing Completions by Region



Total SF Completions*		
Total NE	39,000	3.2%
Total MW	110,000	9.1%
Total S	522,000	54.0%
Total W	207,000	17.1%

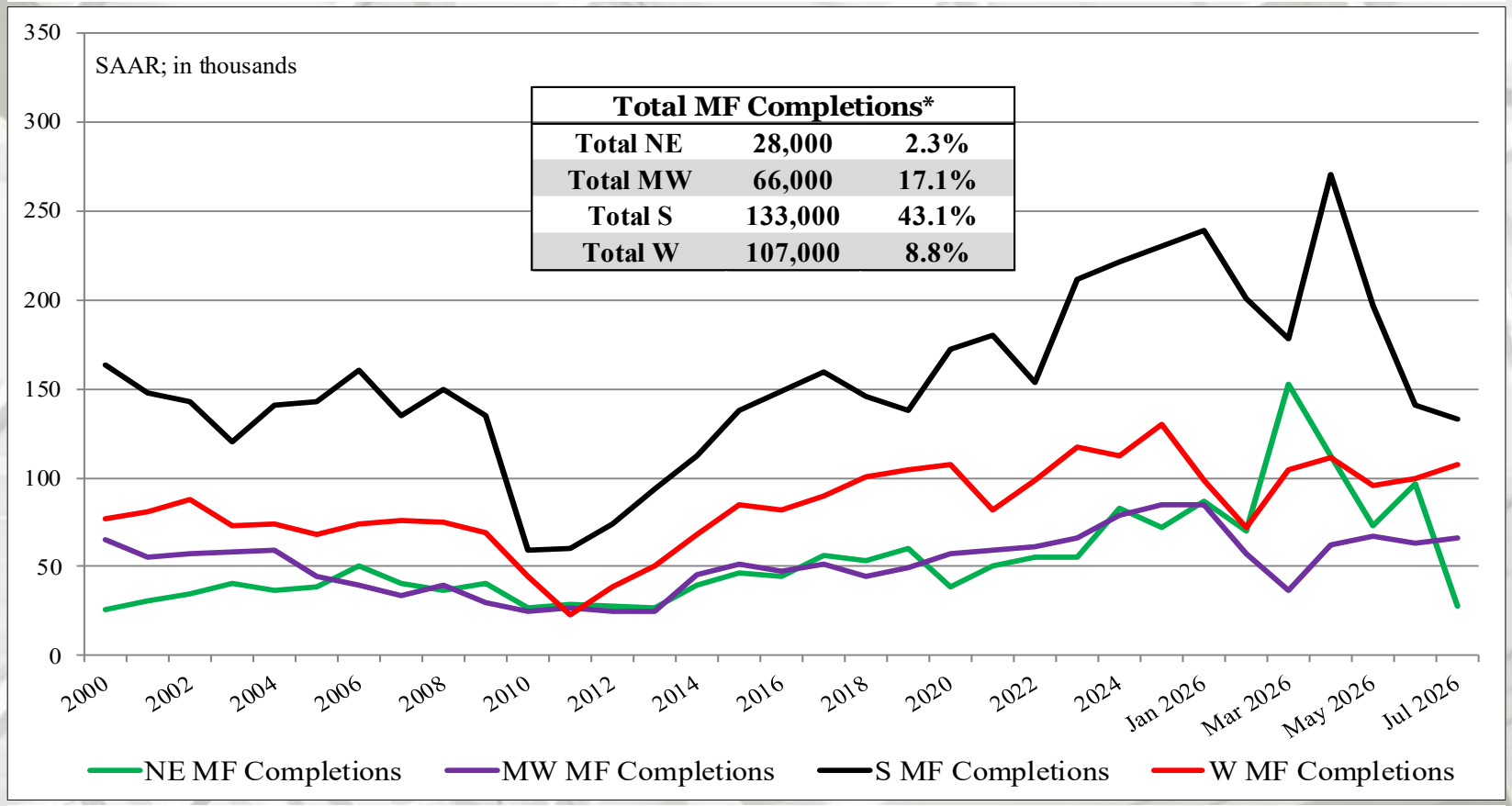
NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total housing completions

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

MF Housing Completions by Region



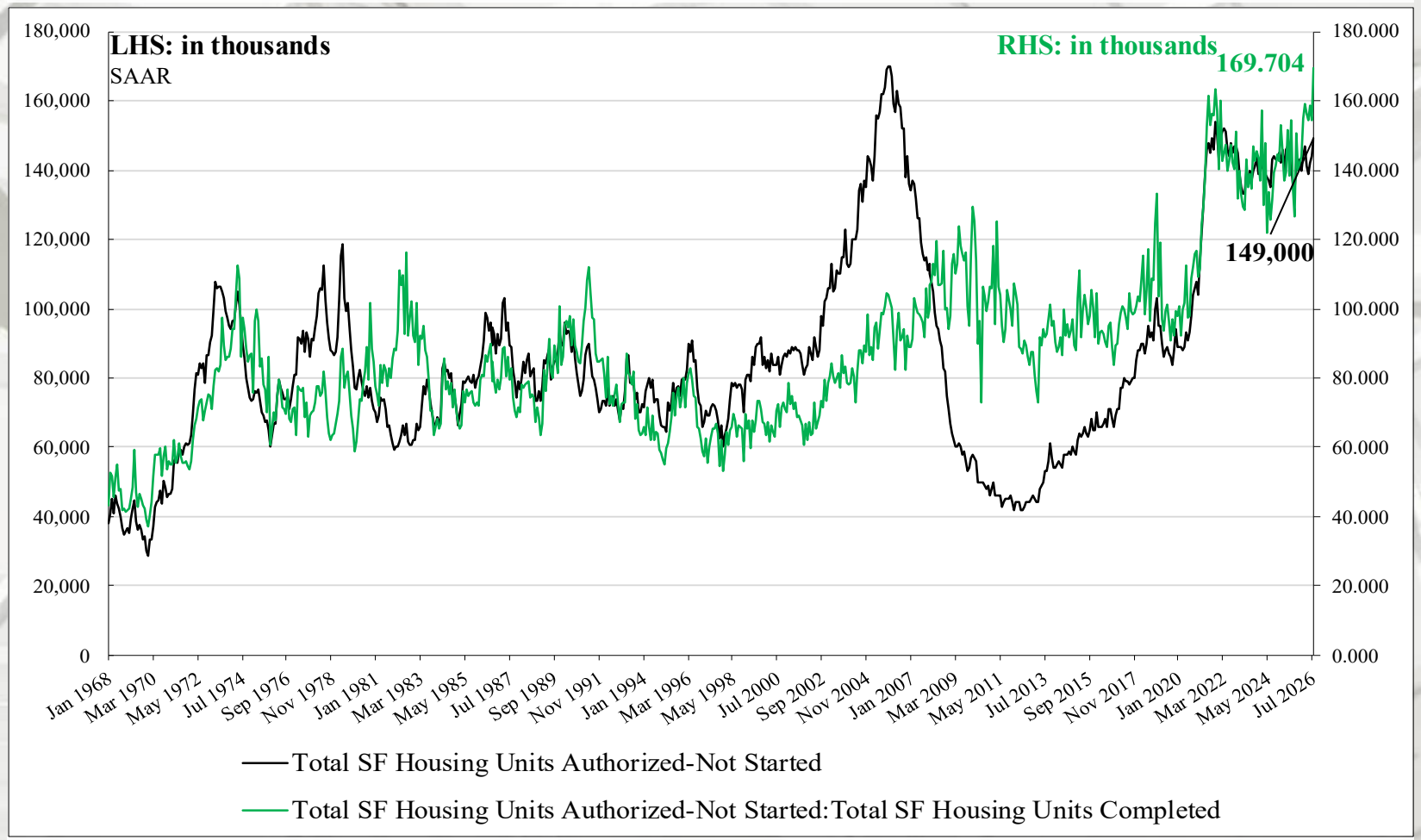
NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total housing completions

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

Comparison of SF Units Authorized & Not Started to SF Housing Units Completed



Authorized, Not Started vs. Housing Completions

SF authorized units "not" started was 169,704 in July, an increase from May (154,506). Total completions decreased and SF unit completions increased M/M.

The primary reason currently is reduced demand, and in combination with lingering manufacturing supply chain disruptions –ranging from appliances to windows; labor, logistics, and local building regulations – and elevated interest rates.

Sources: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/18/26

Return TOC

New Single-Family House Sales

	New SF Sales*	Median Price	Mean Price	Month's Supply
July	607,000	$393,800	$508,800	9.6
June	678,000	$403,100	$488,900	8.5
2025	648,000	$397,300	$482,800	9.2
M/M change	-10.5%	-2.3%	4.1%	12.9%
Y/Y change	-6.3%	-0.9%	5.4%	4.3%

* All new sales data are presented at a seasonally adjusted annual rate (SAAR)[1] and housing prices are adjusted at irregular intervals[2].

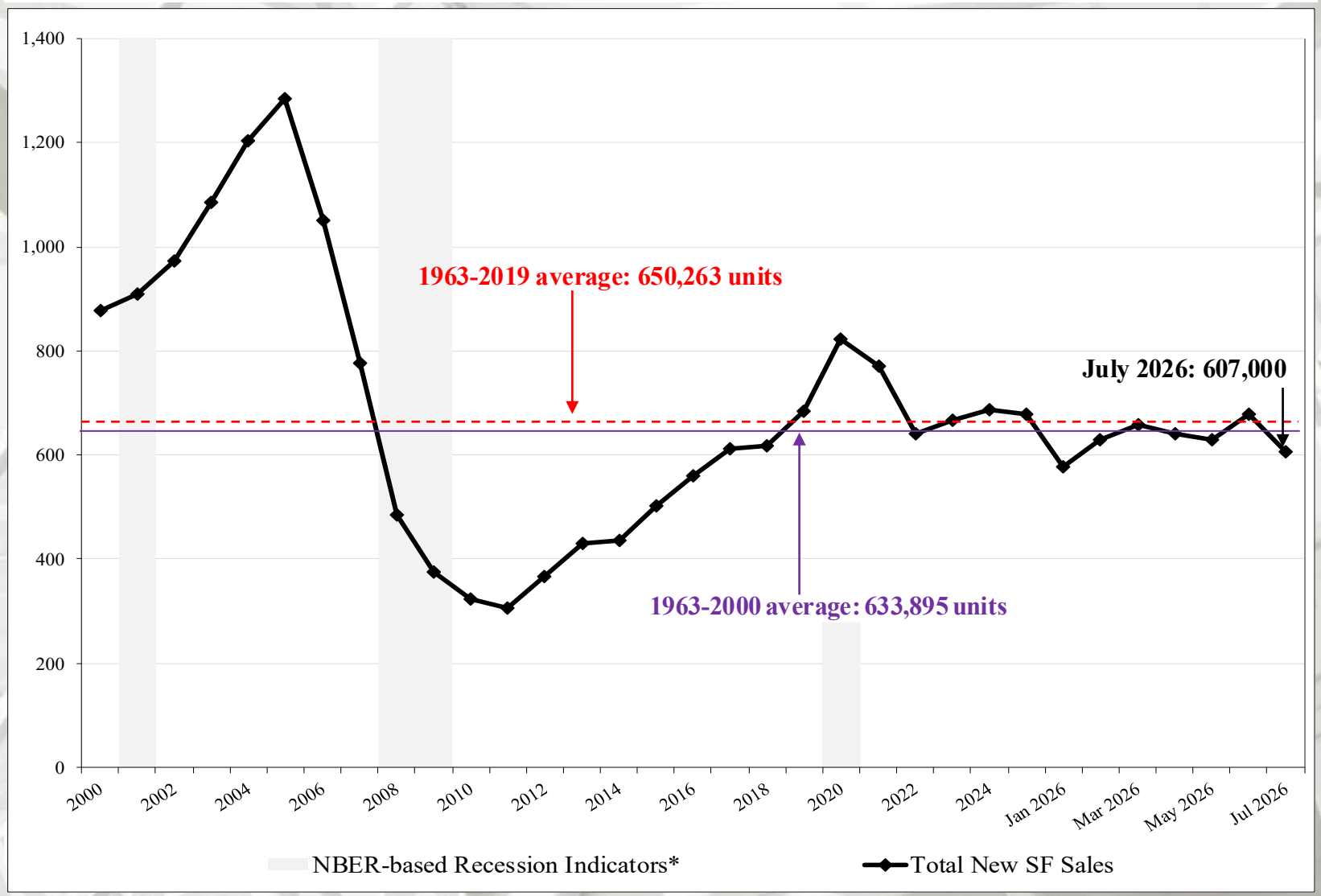
New SF sales were less than the consensus forecast[3] of 620 m; range 606 m to 647 m. The past three month's new SF sales data also were revised:

April initial: 622 m, revised to 641 m.
May initial: 580 m, revised to 630 m.
June initial: 628 m, revised to 678 m.

Sources: [1] https://www.census.gov/construction/nrs/index.html; 6/24/21; [2] https://www.census.gov/construction/nrs/pdf/newressales.pdf; 8/25/26
[3] http://us.econoday.com; 8/25/26

Return TOC

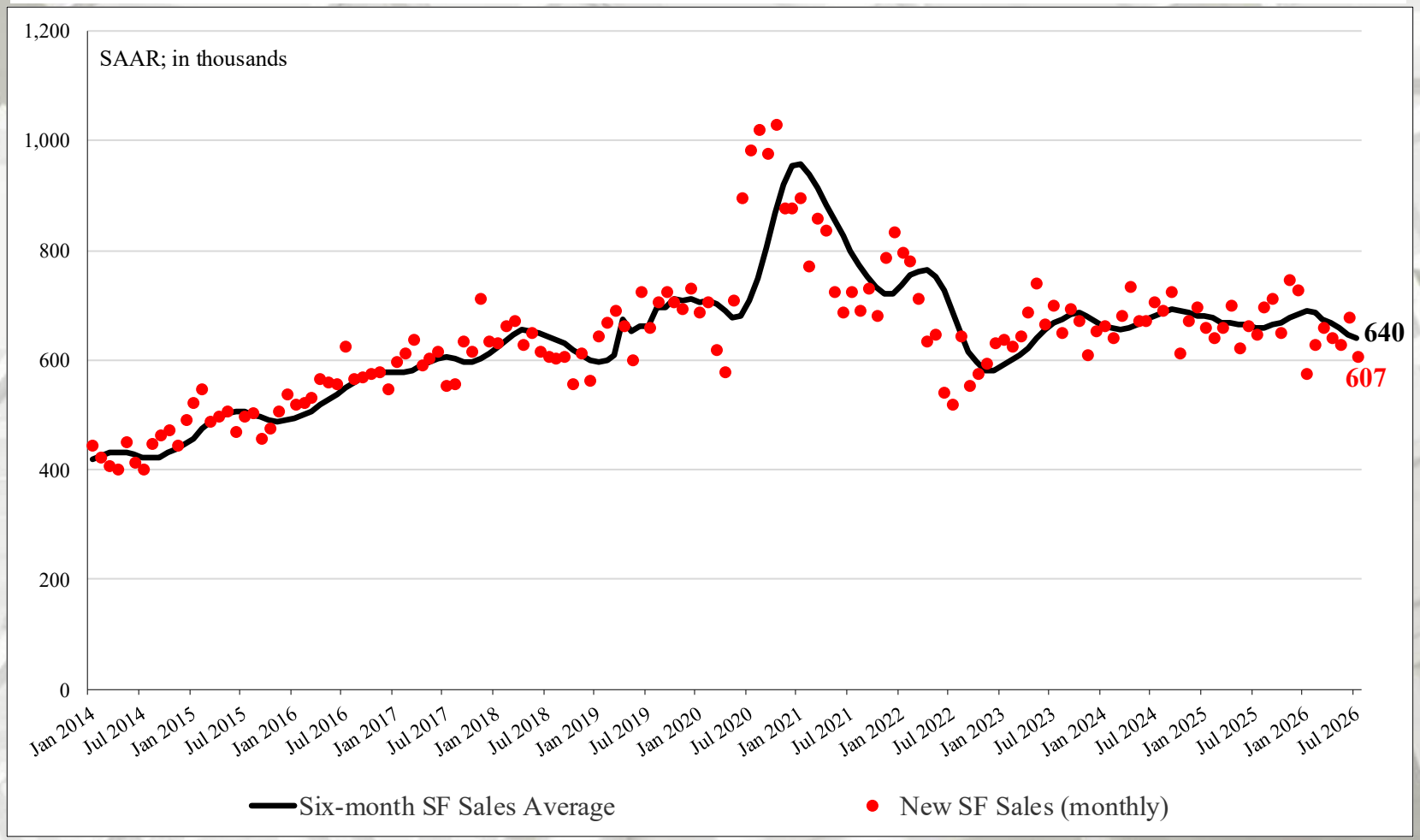
New SF House Sales



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF Housing Sales: Six-month average & monthly



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales by Region and Price Category

	NE	MW	S	W
July	43,000	43,000	383,000	138,000
June	33,000	75,000	440,000	130,000
2025	22,000	87,000	404,000	135,000
M/M change	30.3%	-42.7%	-13.0%	6.2%
Y/Y change	95.5%	-50.6%	-5.2%	2.2%

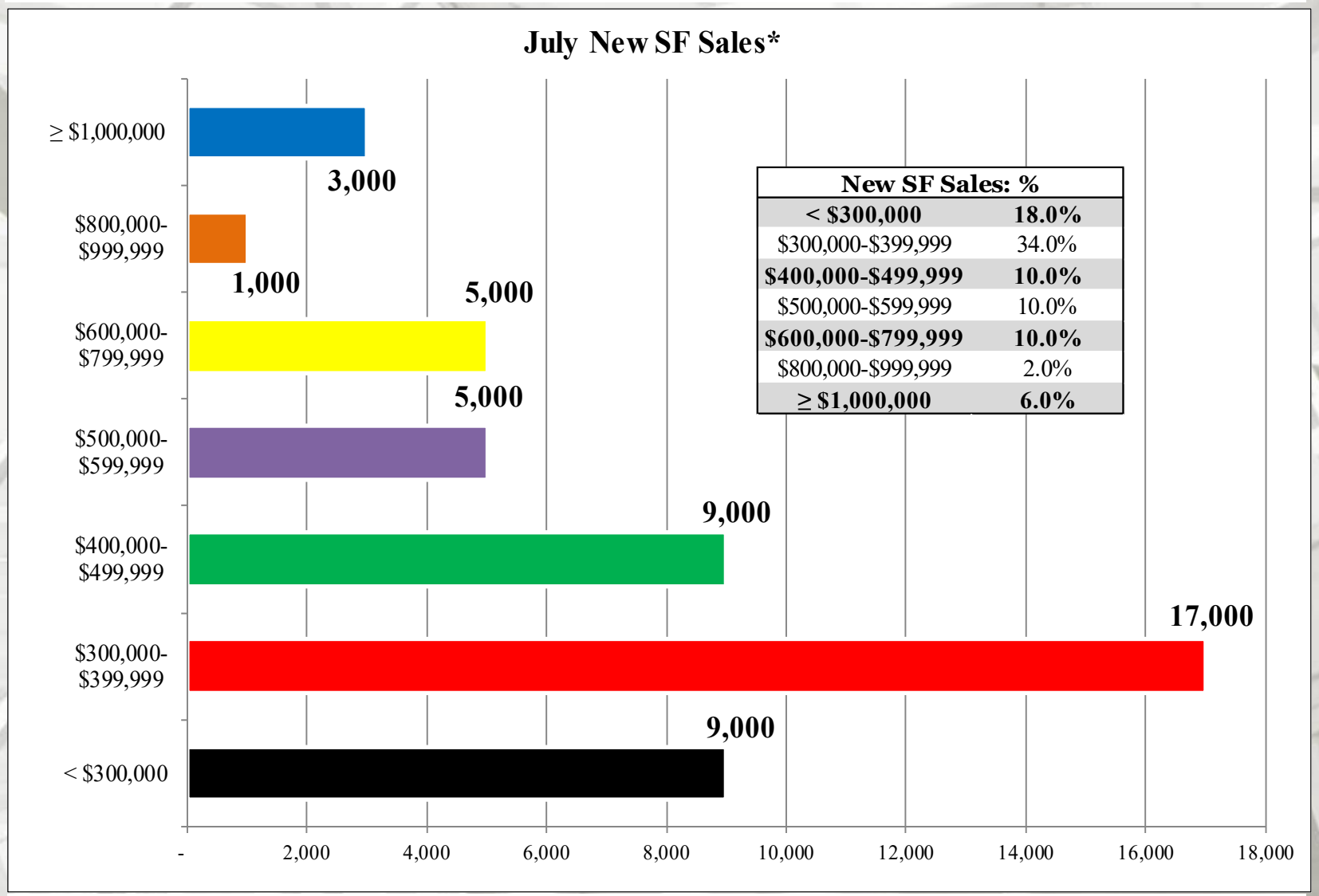
	< $300m	$300m-$399m	$400m-$499m	$500m-$599m	$600m-$799m	$800m-$999m	≥ $1mm
July[1,2,3,4]	9,000	17,000	9,000	5,000	5,000	1,000	3,000
June[1,2,3,4]	12,000	17,000	11,000	8,000	6,000	2,000	3,000
2025	9,000	18,000	10,000	6,000	7,000	1,000	2,000
M/M change	-25.0%	0.0%	-18.2%	-37.5%	-16.7%	-50.0%	0.0%
Y/Y change	0.0%	-5.6%	-10.0%	-16.7%	-28.6%	0.0%	50.0%
% of New SF sales	18.0%	34.0%	18.0%	10.0%	10.0%	2.0%	6.0%

NE = Northeast; MW = Midwest; S = South; W = West
[1] All data are SAAR
[2] Houses for which sales price were not reported have been distributed proportionally to those for which sales price was reported;
[3] Detail July not add to total because of rounding.
[4] Housing prices are adjusted at irregular intervals.
[5] Z = Less than 500 units or less than 0.5 percent

Sources: [1,2,3] https://www.census.gov/construction/nrs/index.html; 8/25/26;
[4]https://www.census.gov/construction/cpi/pdf/descpi_sold.pdf

Return TOC

New SF House Sales

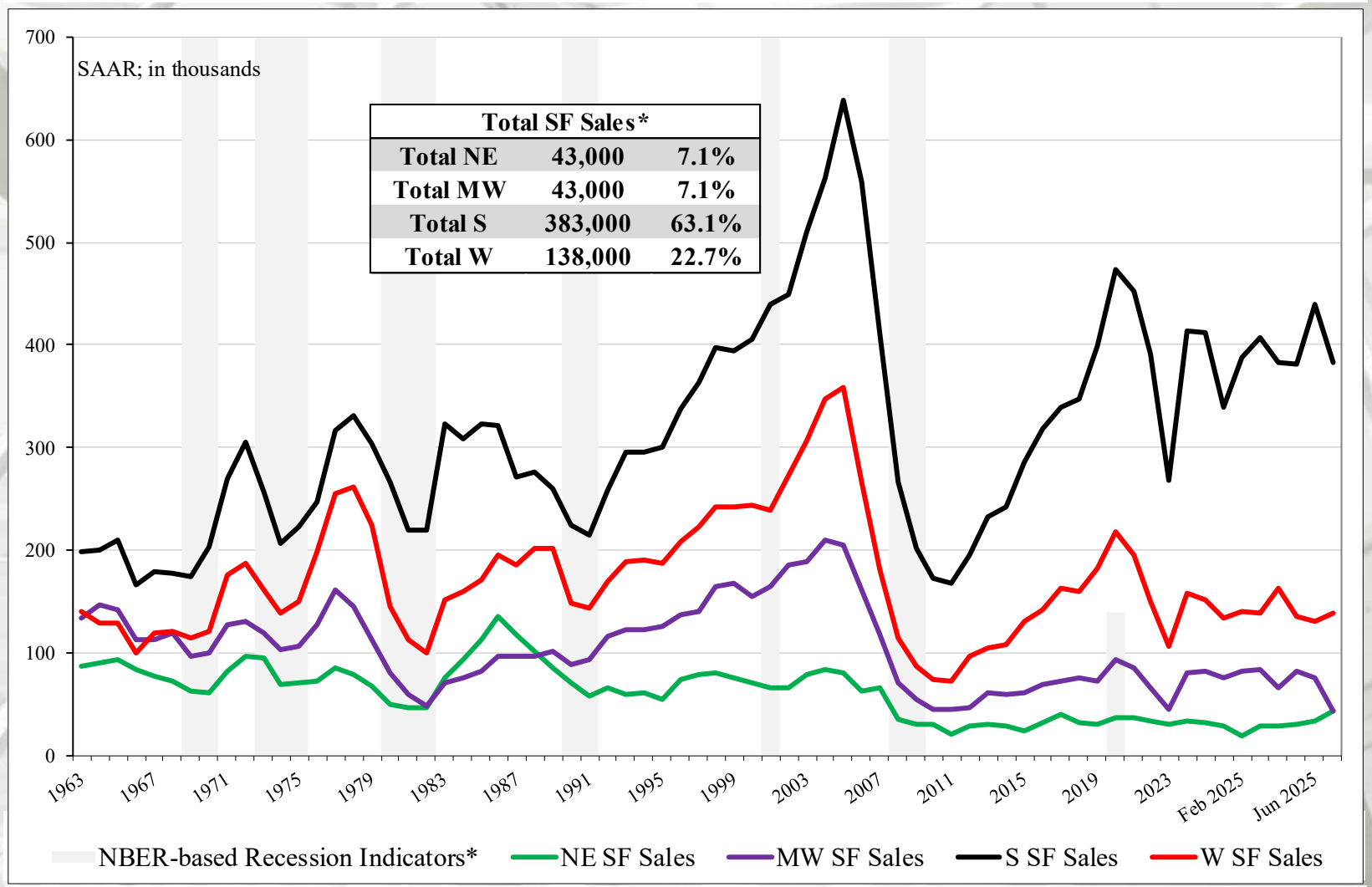


* Total new sales by price category and percent.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales by Region

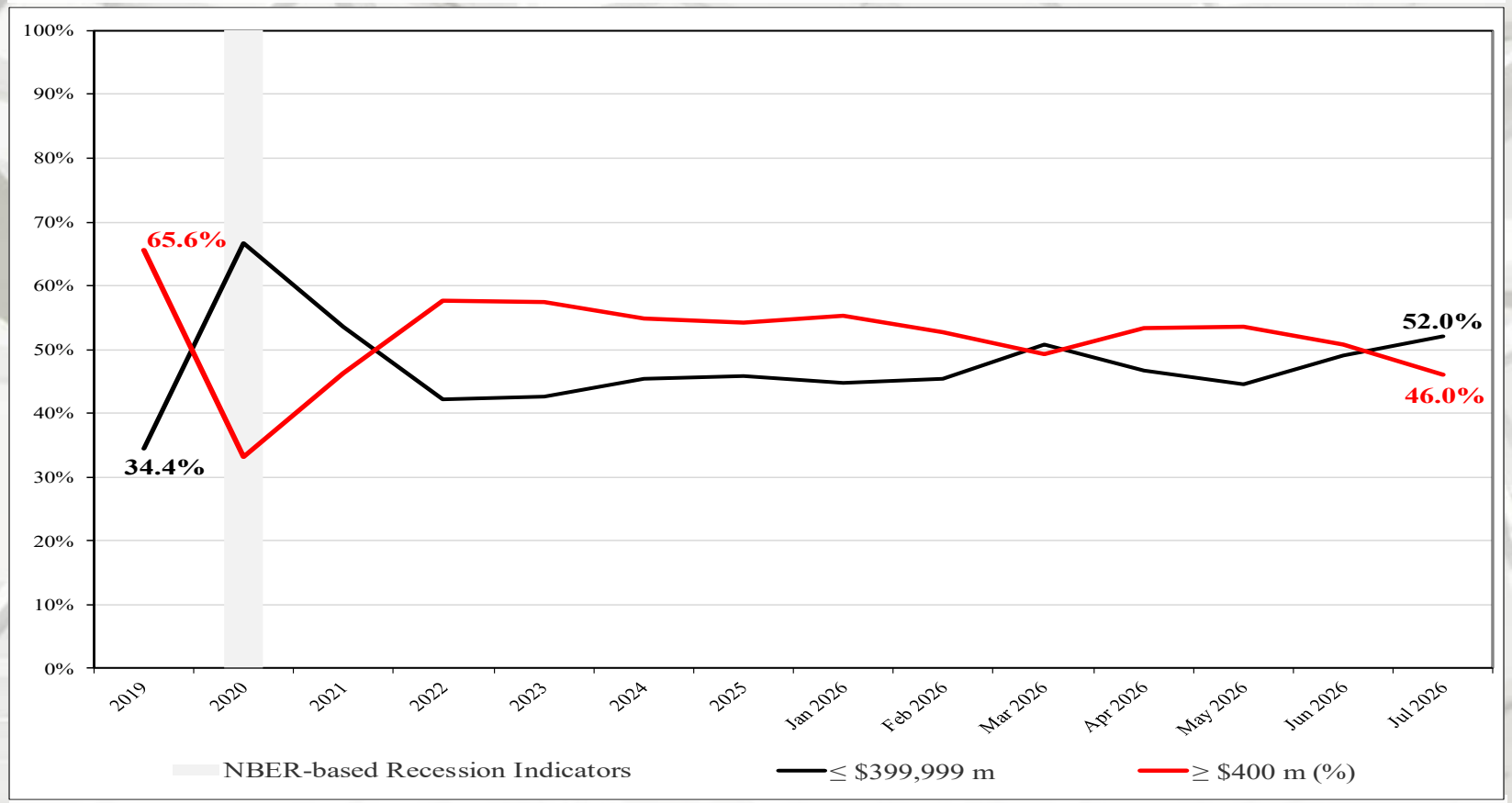


NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf, 8/25/26

Return TOC

New SF House Sales



* NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

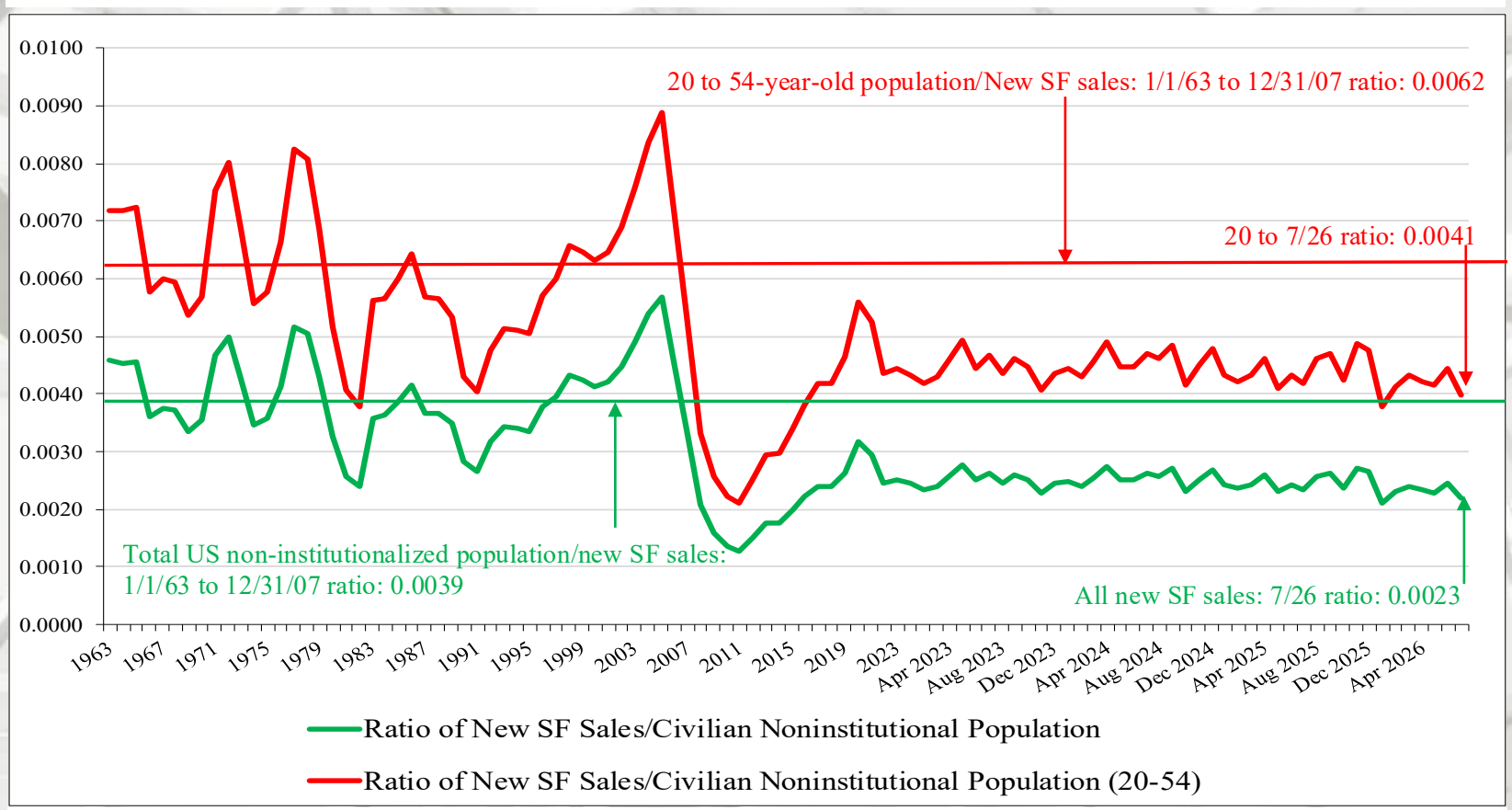
New SF Sales: < $399.9 m and > $400 m: 2020 – July 2026

The sales share of $400 thousand plus SF houses is presented above[1, 2]. Since the beginning of 2012, the upper priced houses have garnered a greater percentage of sales. A decreasing spread indicates that more high-end luxury homes are being sold. Several reasons are offered by industry analysts; 1) builders can realize a profit on higher priced houses; 2) historically low interest rates have indirectly resulted in increasing house prices; and 3) purchasers of upper end houses fared better financially coming out of the Great Recession.

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; [1] https://www.census.gov/construction/nrs/index.html; [2] https://www.census.gov/construction/cpi/pdf/descpi_sold.pdf 8/25/26

Return TOC

New SF House Sales



New SF sales adjusted for the US population

From July 1963 to July 2007, the long-term ratio of new house sales to the total US non-institutionalized population was 0.0039; in July 2026 it was 0.0022 – decreasing from June (0.0025). The non-institutionalized population, aged 20 to 54 long-term ratio is 0.0062; in July 2026 it was 0.0046 – a decrease from June (0.0045). All are non-adjusted data. From a non-institutionalized population world view, new sales remain less than the long-term average.

On a long-term basis, some studies peg normalized long-term demand at 900,000 to 1,000,000 new SF house sales per year beginning in 2025 through 2050.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales

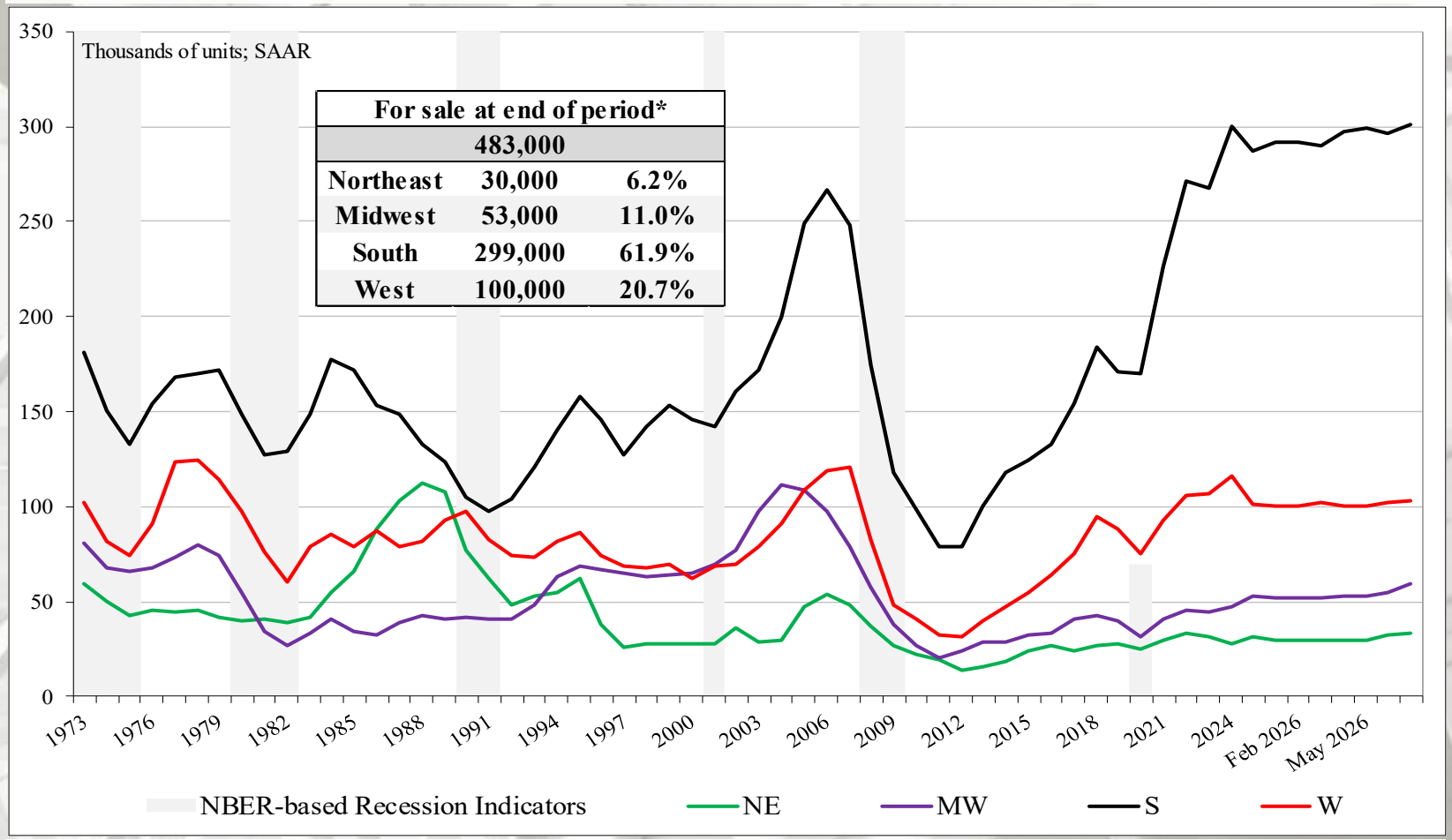
New SF Houses Sold During Period				
	Total	Not started	Under Construction	Completed
July	607,000	71,000	193,000	343,000
June	678,000	86,000	201,000	391,000
2025	496,000	96,000	280,000	120,000
M/M change	-10.5%	-17.4%	-4.0%	-12.3%
Y/Y change	22.4%	-26.0%	-31.1%	185.8%
Total percentage		11.7%	31.8%	56.5%

All data is SAAR

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales: Sold During Period



* NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

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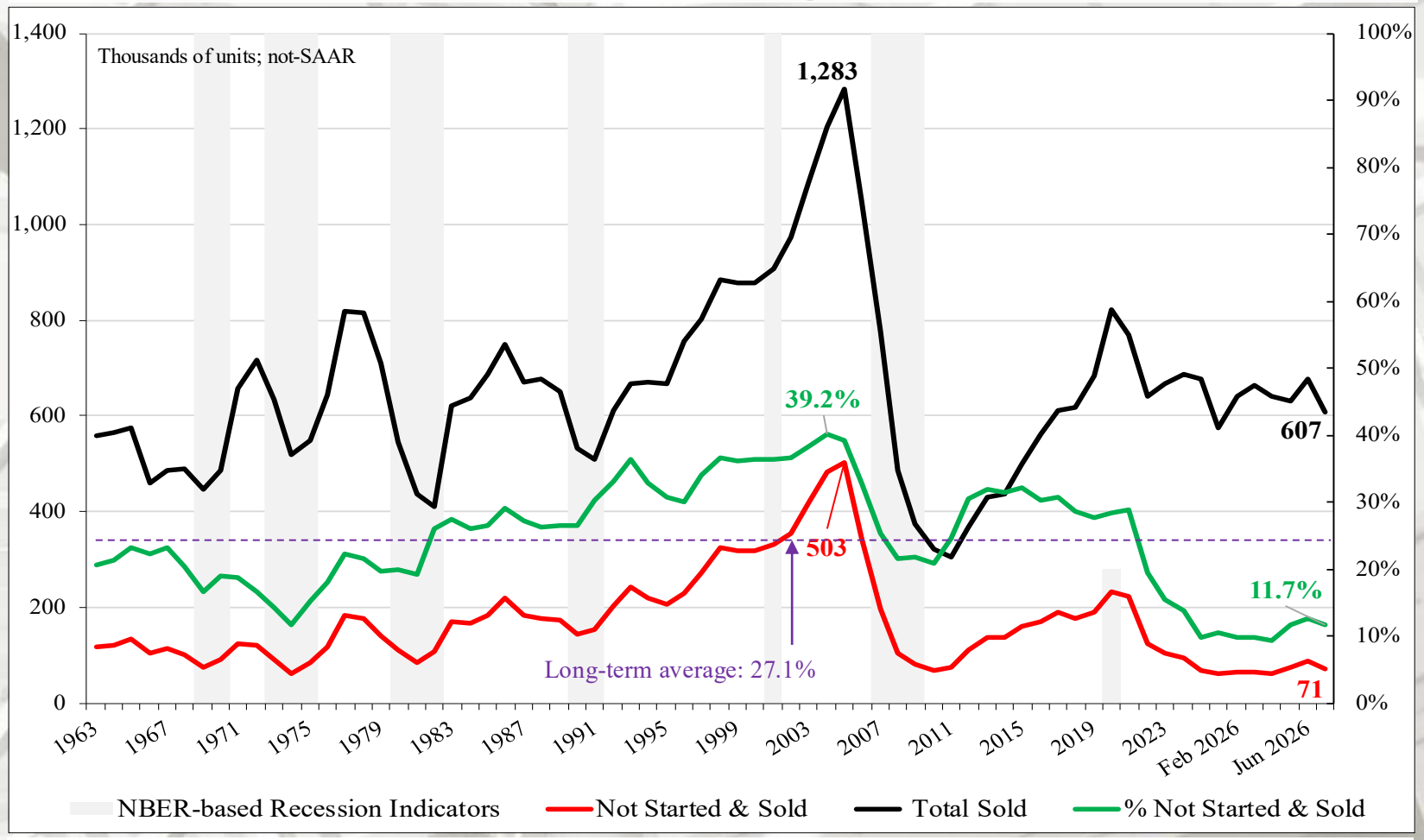
New SF House Sales:
Percentage Not Started & Sold During Period



Of the new houses sold in July (607 m), 11.7% (71 m) had not been started and sold. The long-term average is 27.1%.

* NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF Houses for Sale

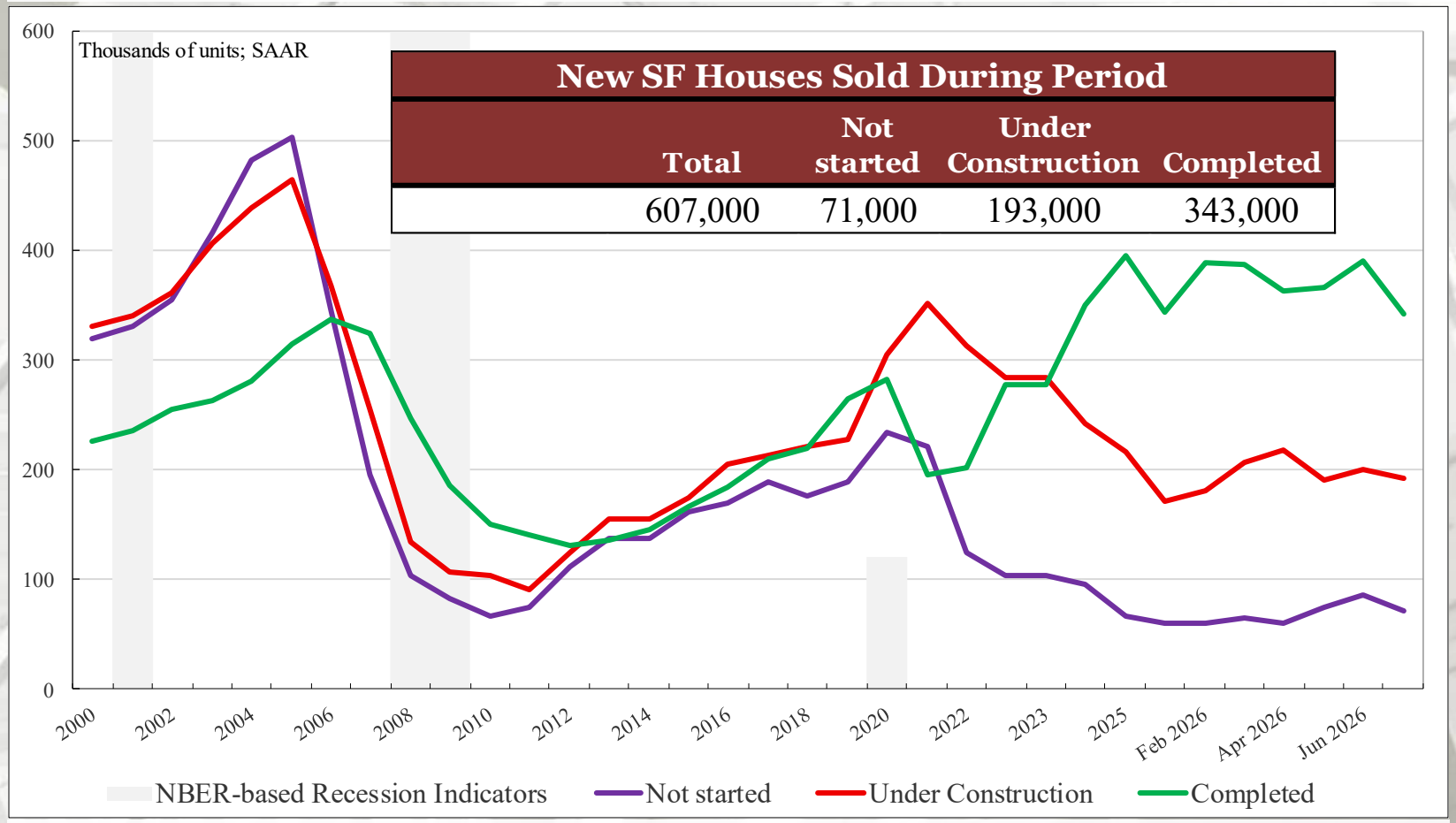
New SF Houses Sold During Period				
	Total	Not started	Under Construction	Completed
July	607,000	71,000	193,000	343,000
June	678,000	86,000	201,000	391,000
2025	496,000	96,000	280,000	120,000
M/M change	-10.5%	-17.4%	-4.0%	-12.3%
Y/Y change	22.4%	-26.0%	-31.1%	185.8%
Total percentage		11.7%	31.8%	56.5%

* Not SAAR

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales:
For Sale at End of Period



New SF Houses Sold During Period			
Total	Not started	Under Construction	Completed
607,000	71,000	193,000	343,000

NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

* Percentage of total for sale at end of period.

Sources: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales

New SF Houses for Sale at the end of the Period				
	Total	Not started	Under Construction	Completed
July	488,000	115,000	256,000	117,000
June	479,000	106,000	259,000	114,000
2025	496,000	96,000	280,000	120,000
M/M change	1.9%	8.5%	-1.2%	2.6%
Y/Y change	-1.6%	19.8%	-8.6%	-2.5%
Total percentage		23.6%	52.5%	24.0%

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

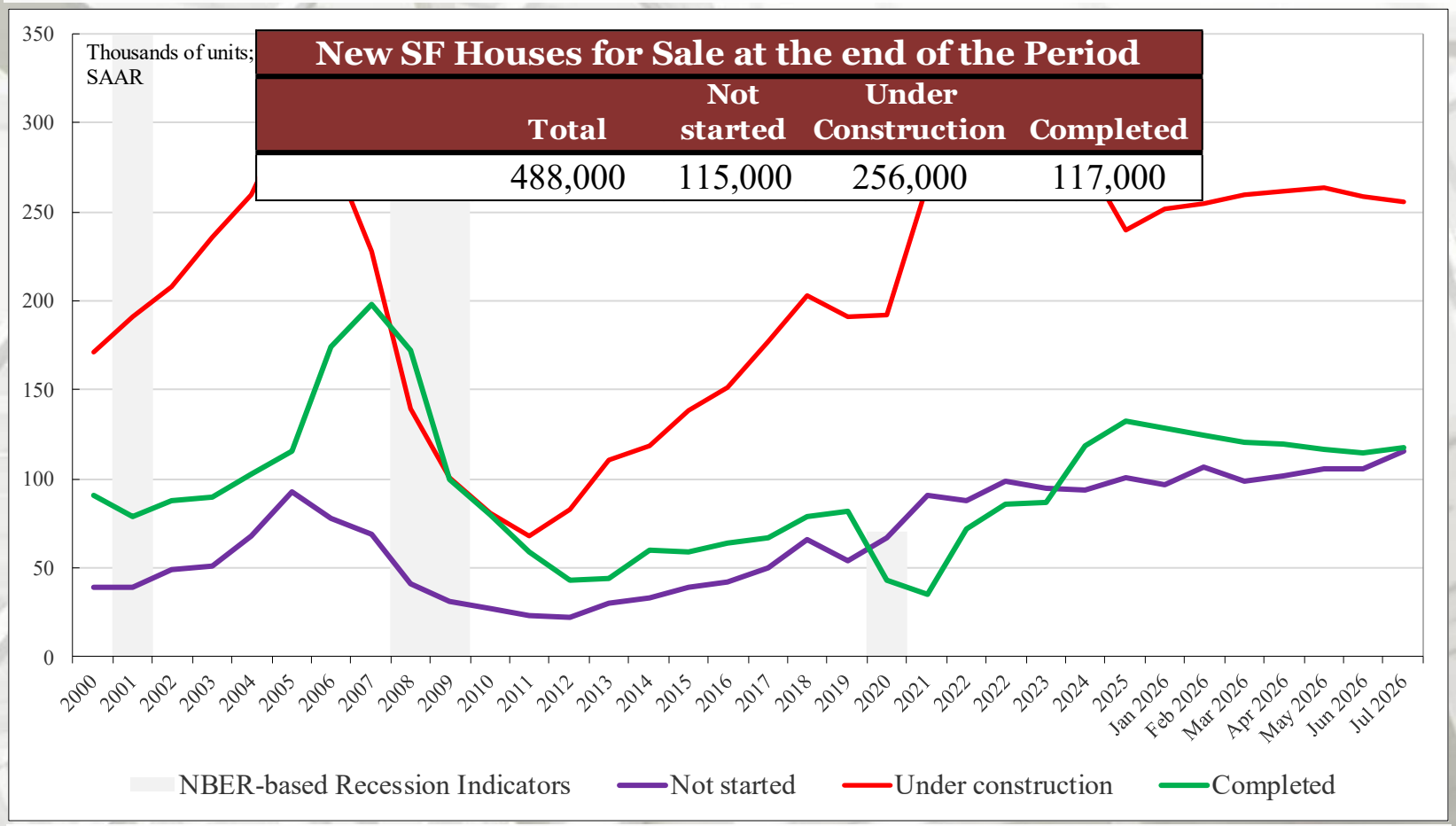
New SF House Sales

New SF Houses for Sale at the end of the Period				
	Total	Not started	Under Construction	Completed
July	488,000	115,000	256,000	117,000
June	479,000	106,000	259,000	114,000
2025	496,000	96,000	280,000	120,000
M/M change	1.9%	8.5%	-1.2%	2.6%
Y/Y change	-1.6%	19.8%	-8.6%	-2.5%
Total percentage		23.6%	52.5%	24.0%

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

New SF House Sales: For sale at end of period by Region

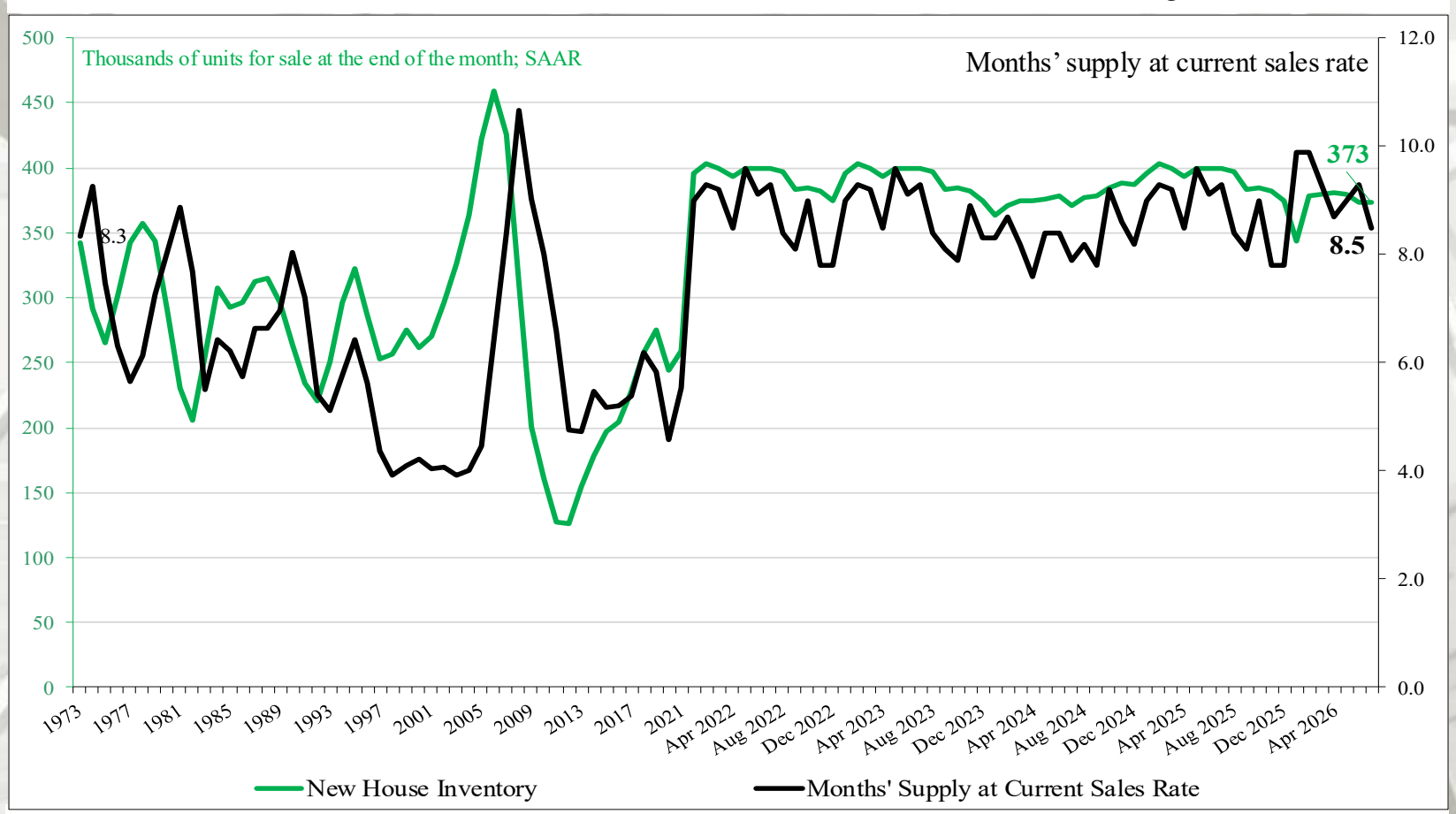


NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Source: https://fred.stlouisfed.org/series/USREC, 6/1/21; http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

Months' Supply and New House Inventory[a]



[a] New HUC + New House Completions (sales data only)

The months' supply of new houses at current sales rate at the end of July was 8..5, greater than the historically preferred number of five- to six-months (SAAR).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 8/25/26

Return TOC

July 2026
Construction Spending

	Total Private Residential*	SF*	MF*	Improvement**
July	$859,002	$395,236	$115,114	$348,652
June	$870,574	$408,167	$114,840	$347,567
2025	$927,091	$422,771	$116,167	$388,153
M/M change	-1.3%	-3.2%	0.2%	0.3%
Y/Y change	-7.3%	-6.5%	-0.9%	-10.2%

* Millions of dollars.
** The US DOC does not report improvement spending directly, this is a monthly estimation: ((Total Private Spending – (SF spending + MF spending)).
All data are SAARs and reported in nominal US$.

Total private residential construction spending includes new single-family, new multi-family, and improvement (AKA repair and remodeling) expenditures.

New single-family: new houses and town houses built to be sold or rented and units built by the owner or for the owner on contract. The classification excludes residential units in buildings that are primarily nonresidential. It also excludes manufactured housing and houseboats.

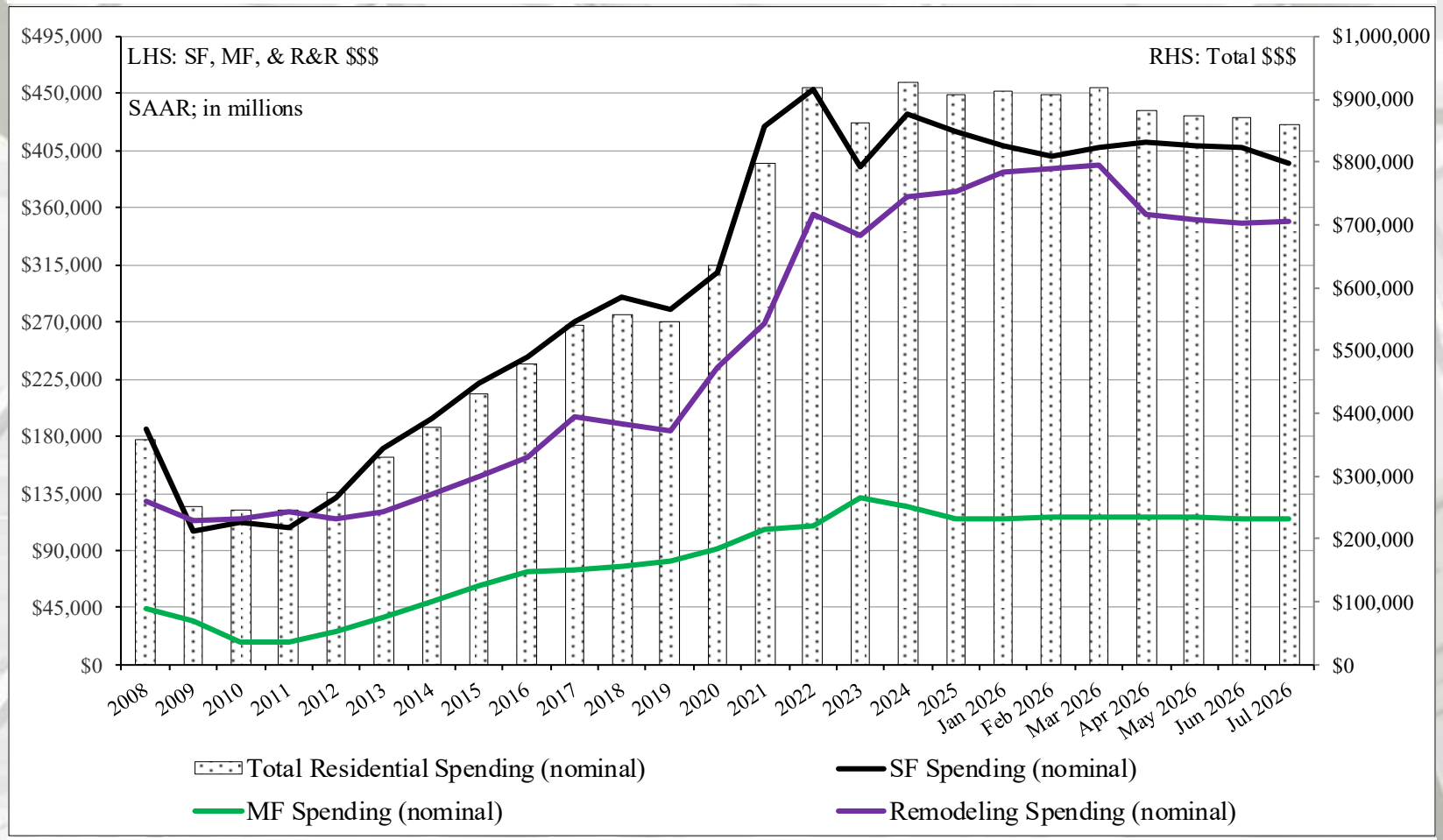
New multi-family includes new apartments and condominiums. The classification excludes residential units in buildings that are primarily nonresidential.

Improvements: Includes remodeling, additions, and major replacements to owner occupied properties subsequent to completion of original building. It includes construction of additional housing units in existing residential structures, finishing of basements and attics, modernization of kitchens, bathrooms, etc. Also included are improvements outside of residential structures, such as the addition of swimming pools and garages, and replacement of major equipment items such as water heaters, furnaces and central air-conditioners. Maintenance and repair work is not included.

Source: http://www.census.gov/construction/c30/pdf/privsa.pdf; 9/1/26

Return TOC

Total Construction Spending (nominal): 2000 – July 2026



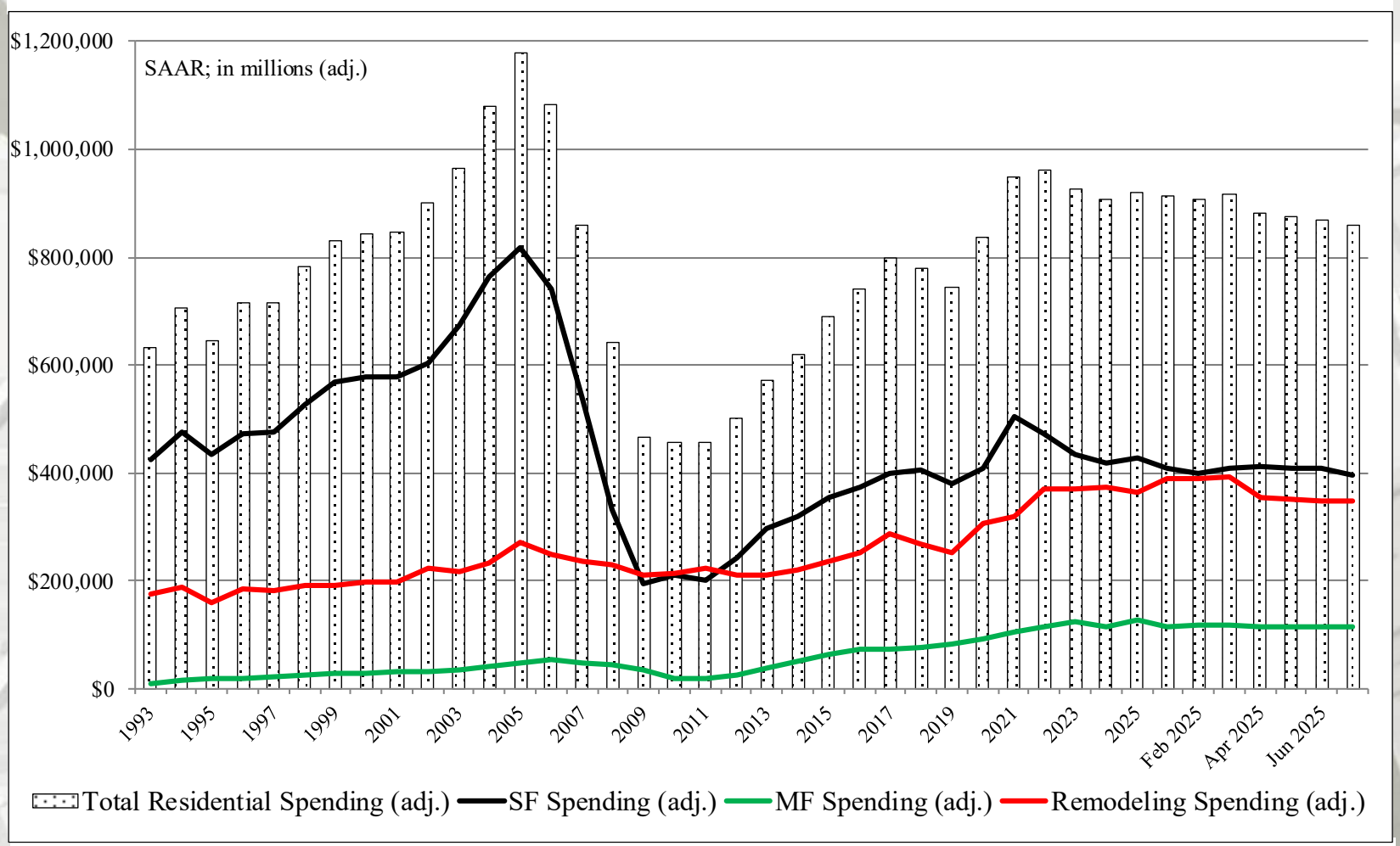
Reported in nominal US$.

The US DOC does not report improvement spending directly, this is a monthly estimation for 2025.

Source: http://www.census.gov/construction/c30/pdf/privsa.pdf; 9/1/26

Return TOC

Total Construction Spending (adjusted): 1993 – July 2026

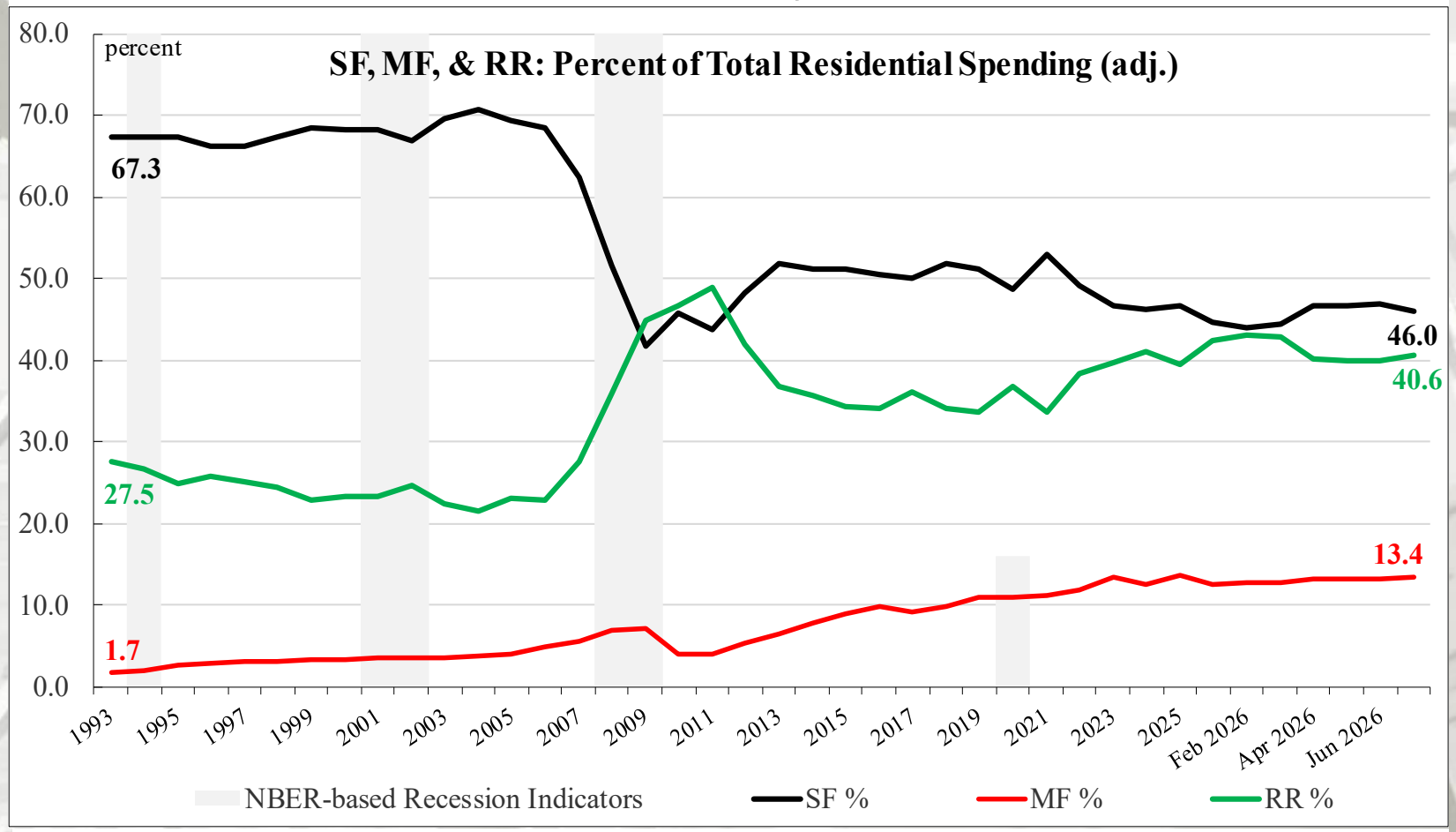


Reported in adjusted $US: 1993 – 2024 (adjusted for inflation, BEA Table 1.1.9); July 2025 reported in nominal US$.

Source: http://www.census.gov/construction/c30/pdf/privsa.pdf; 9/1/26

Return TOC

Construction Spending Shares: 1993 – July 2026



* NBER based Recession Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: *https://fred.stlouisfed.org/series/USREC, 6/21/21; http://www.census.gov/construction/c30/pdf/privsa.pdf; 9/1/26 and http://www.bea.gov/iTable/iTable.cfm; 9/3/24

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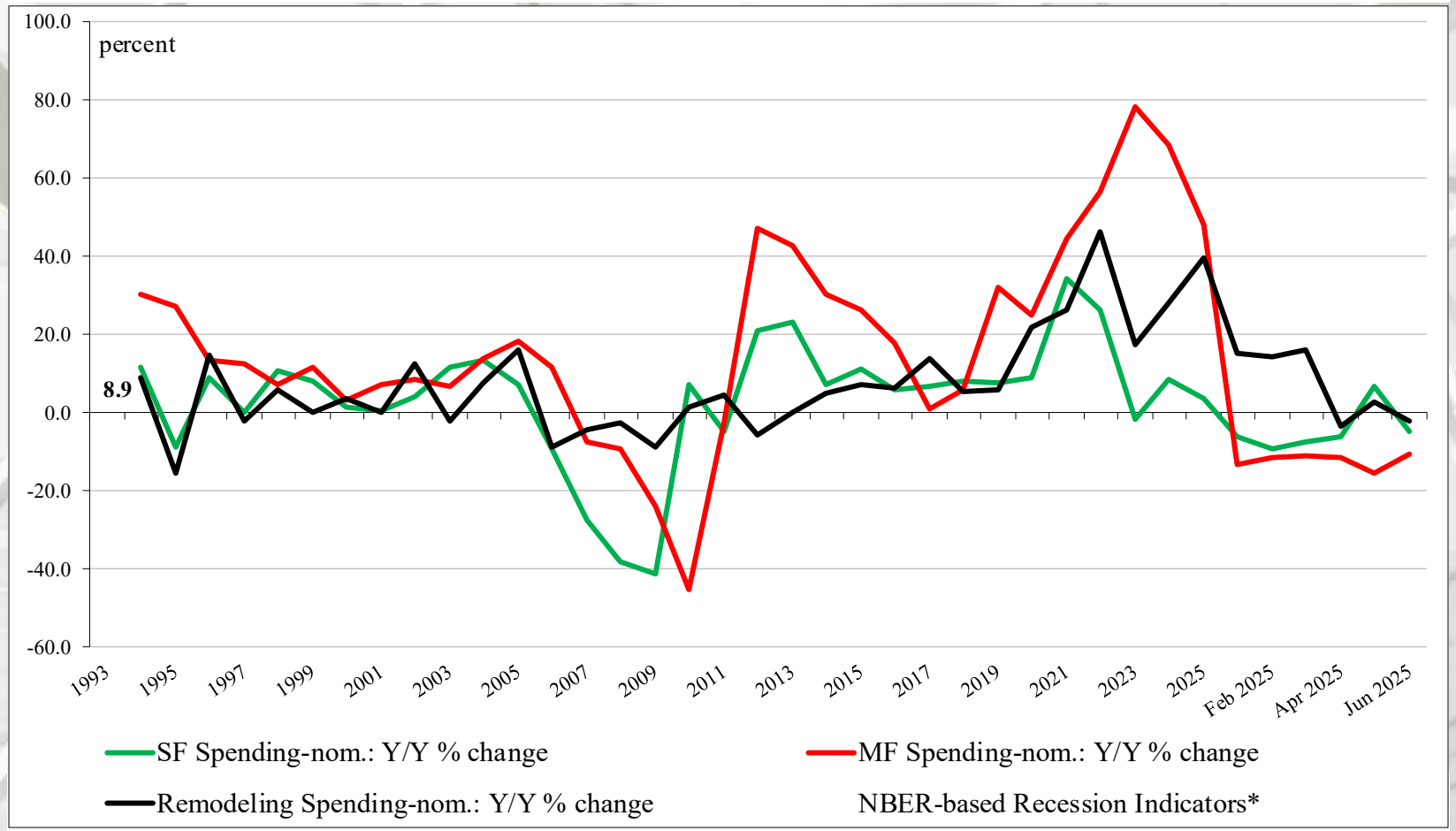
Construction Spending: Y/Y Percentage Change



Y/Y percentage change, 1993 to July 2026

Presented above is the percentage change of Y/Y construction spending. All expenditure catagories were negative year-over-year (data reported in nominal dollars).

* NBER based Recession Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: *https://fred.stlouisfed.org/series/USREC, 6/21/21; http://www.census.gov/construction/c30/pdf/privsa.pdf; 9/1/26 and http://www.bea.gov/iTable/iTable.cfm; 9/3/24

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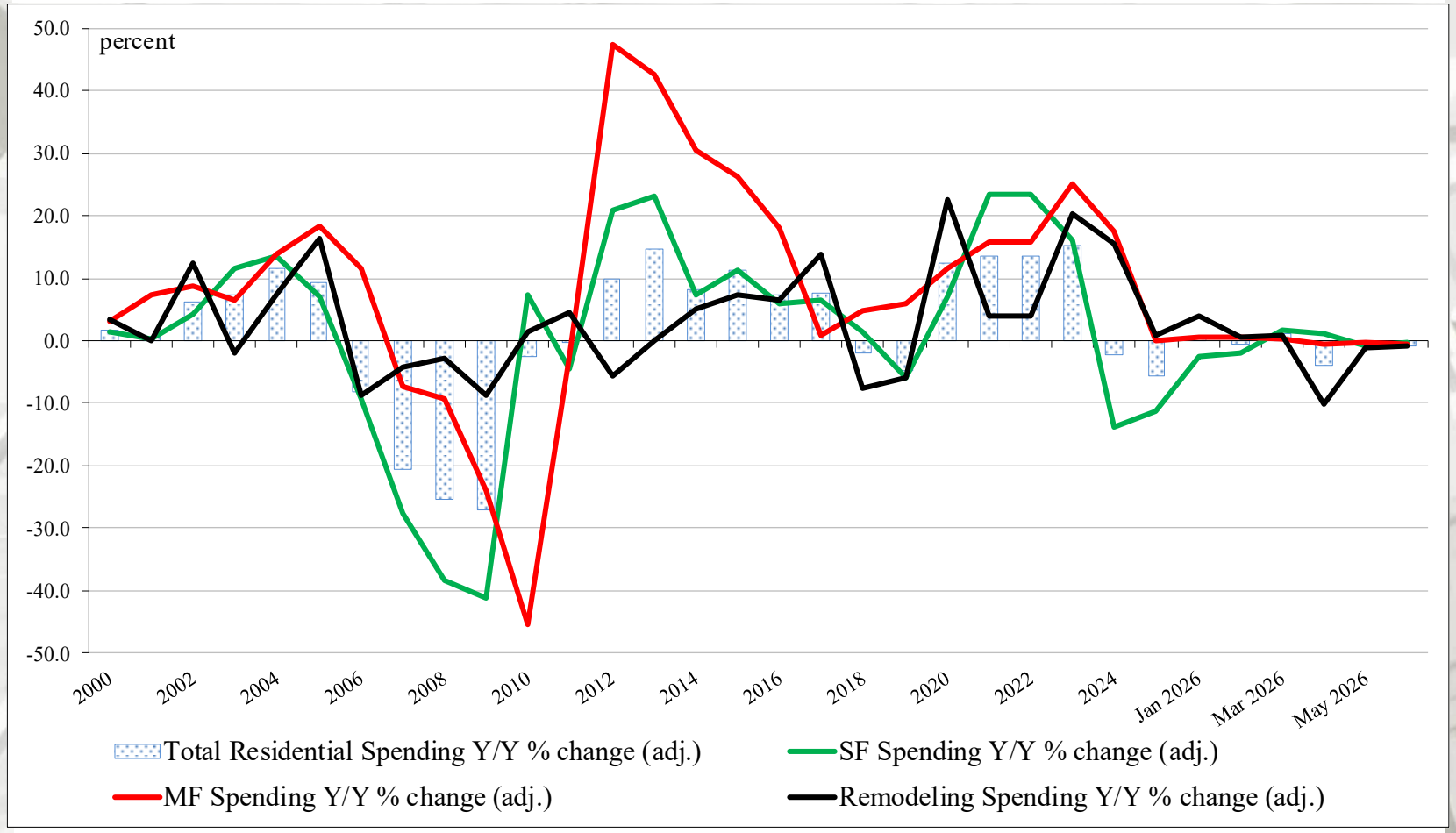
Adjusted Construction Spending, Y/Y Percentage Change: 1993 to July 2026



Adjusted Residential Construction Spending: Y/Y percentage change, 1993 to July 2026

Sources: http://www.census.gov/construction/c30/pdf/privsa.pdf; 9/1/26 and http://www.bea.gov/iTable/iTable.cfm; 9/3/24

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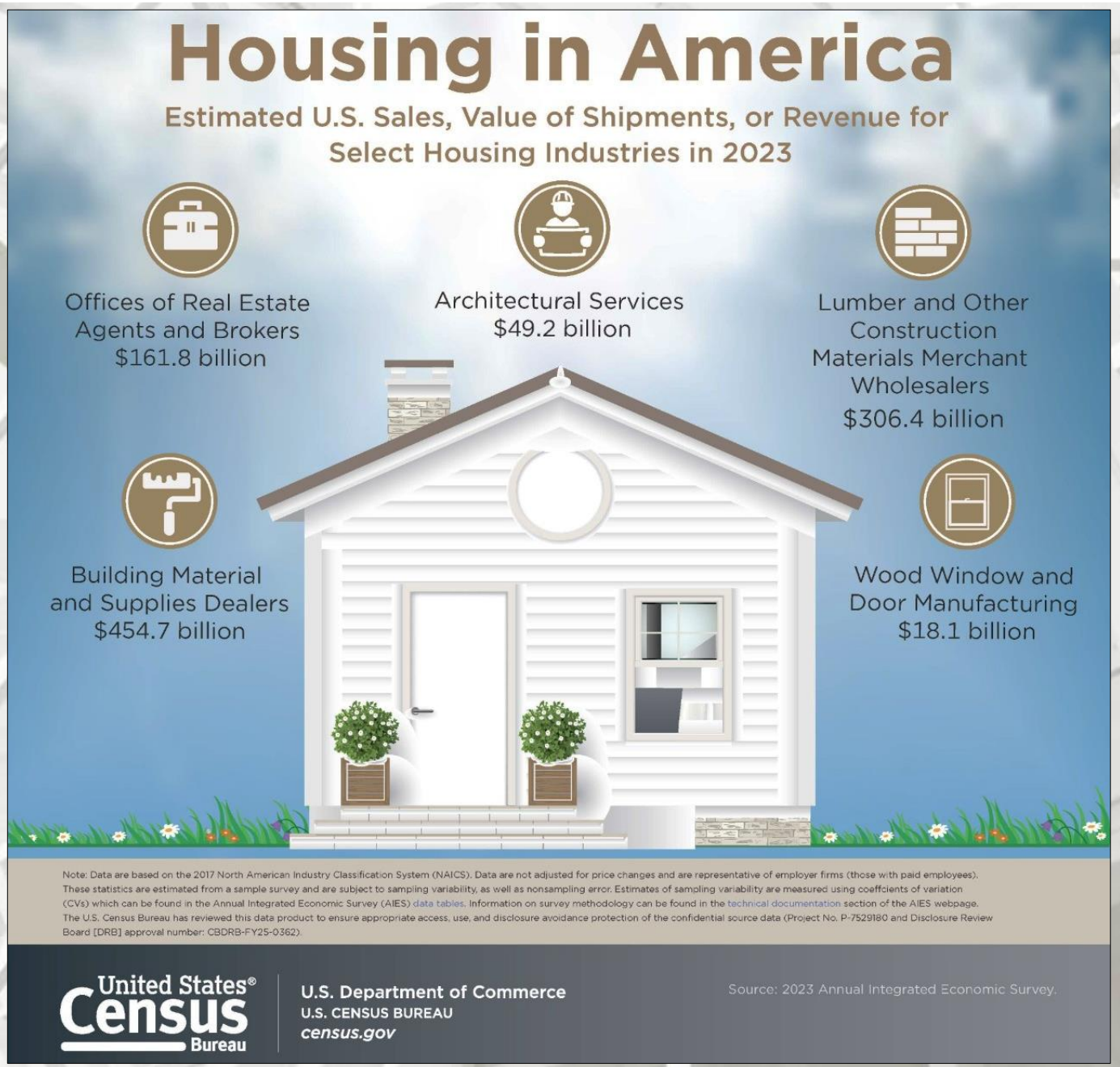
U.S. Construction Spending



Source: https://www.census.gov/library/visualizations/2026/econ/housing-revenue.html; 7/13/26

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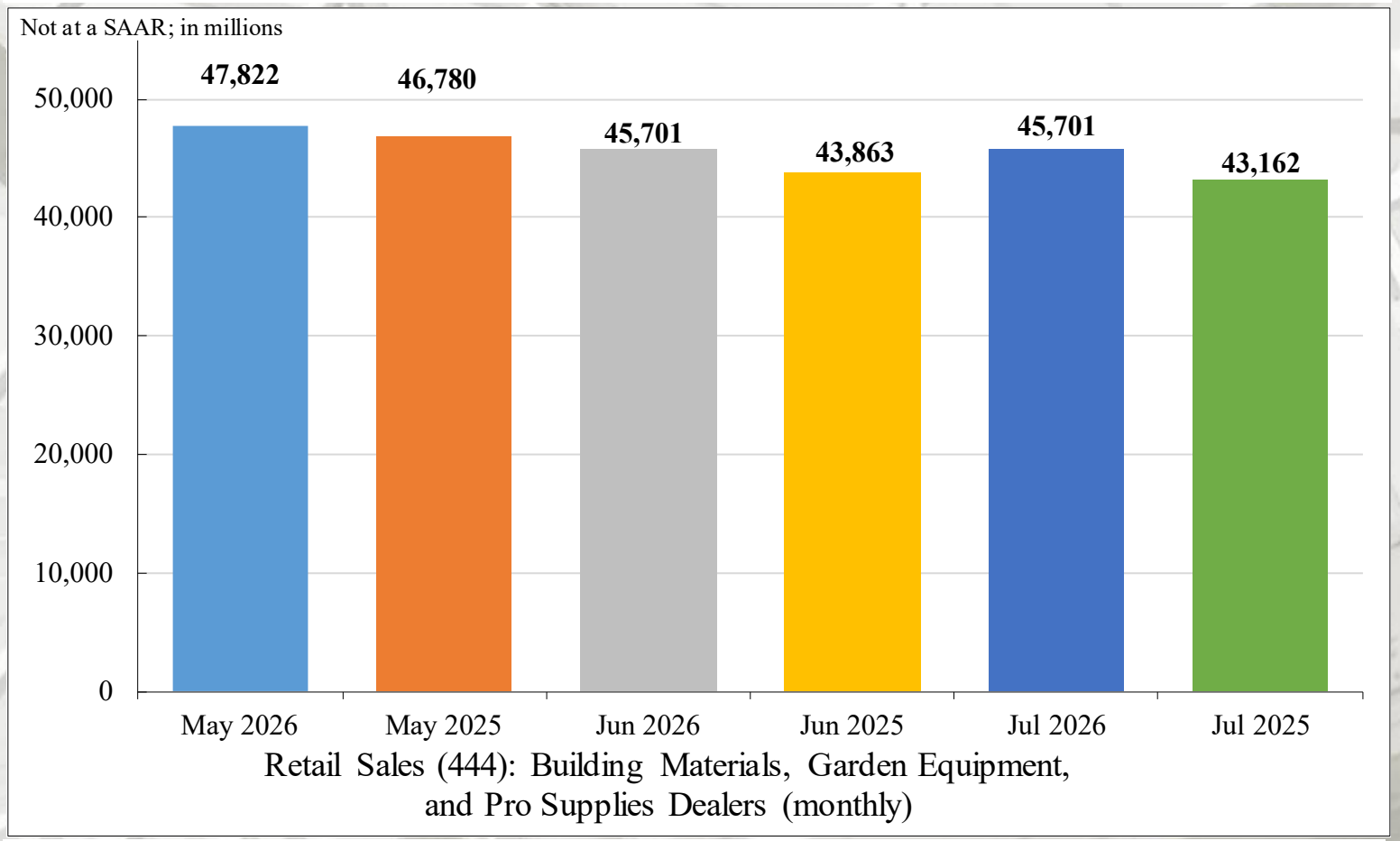
Remodeling

Retail Sales: Building materials, Garden Equipment, & PRO Supply Dealers



Building materials, Garden Equipment, & PRO Supply Dealers: NAICS 444

NAICS 444 retail sales indicated no change in July 2026 from June 2026 and decreased 11.2% Y/Y (nominal basis).

Source: https://www.census.gov/retail/index.html; 8/16/26

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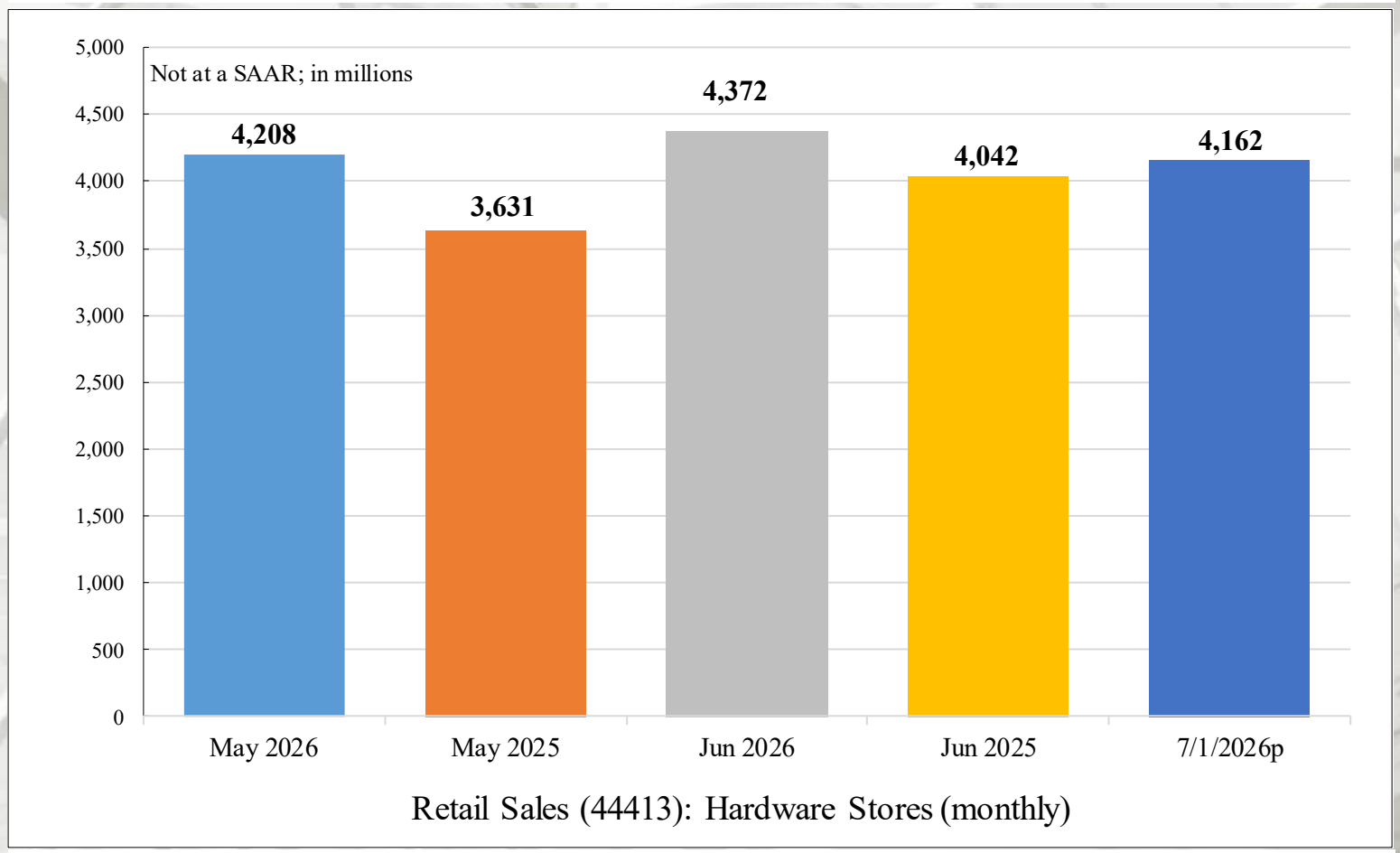
Remodeling

Retail Sales: Hardware Stores



Hardware Stores: NAICS 44413

NAICS 4443 sales decreased 4.8% in July 2026 from June 2026 and improved 11.6% Y/Y (nominal basis). P = preliminary.

Source: https://www.census.gov/retail/index.html; 8/16/26

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Remodeling

Harvard Joint Center for Housing Studies

Bigger Market, More Players: What 20 Years of Data Reveal About the Remodeling Industry

"The remodeling industry grew significantly in the decade following the Great Recession. A surge in activity drove the creation of tens of thousands of new remodeling contractor establishments and doubled their receipts between 2012 and 2022. This growth reversed a prior trend towards greater consolidation in the industry, while also diversifying its ownership and broadening its geographic coverage

As mentioned in our 2025 *Improving America's Housing* report, US remodeling activity increased dramatically during the Covid-19 pandemic. In 2023, property owners spent over $600 billion annually making improvements, replacing broken systems, repairing damage, or conducting routine maintenance on their properties, up from just $400 billion in 2019. The remodeling industry itself has likewise expanded, with many new firms established to meet this surge in demand while shifting the composition of the industry." – Rachel Bogardus Drew, Director, Remodeling Futures Program, Harvard Joint Center for Housing Studies

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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Remodeling

Harvard Joint Center for Housing Studies

Bigger Market, More Players: What 20 Years of Data Reveal About the Remodeling Industry

"New Census Bureau data offers a fresh look at this evolution. The data come from a survey of payroll-reporting businesses conducted every five years, with consistent data going back to 2002. The latest data, collected in 2022 and released last year, offers the first glimpse of the pandemic's impact on the remodeling industry, capturing a pivotal moment while extending our understanding of longer-term trends in remodeling companies and their composition.

Growth in the Number and Size of Remodeling Contractor Firms

The number of residential remodeling contractor establishments grew by a quarter between 2017 and 2022, reaching over 128,000 businesses (**Figure 1**). This followed a nearly one-third increase from 2012–2017, as the industry recovered from the housing bust of the early 2010s. That recovery reversed an earlier decline, when the 2000s building boom decreased the number of firms by 10 percent between 2002 and 2007." – Rachel Bogardus Drew, Director, Remodeling Futures Program, Harvard Joint Center for Housing Studies

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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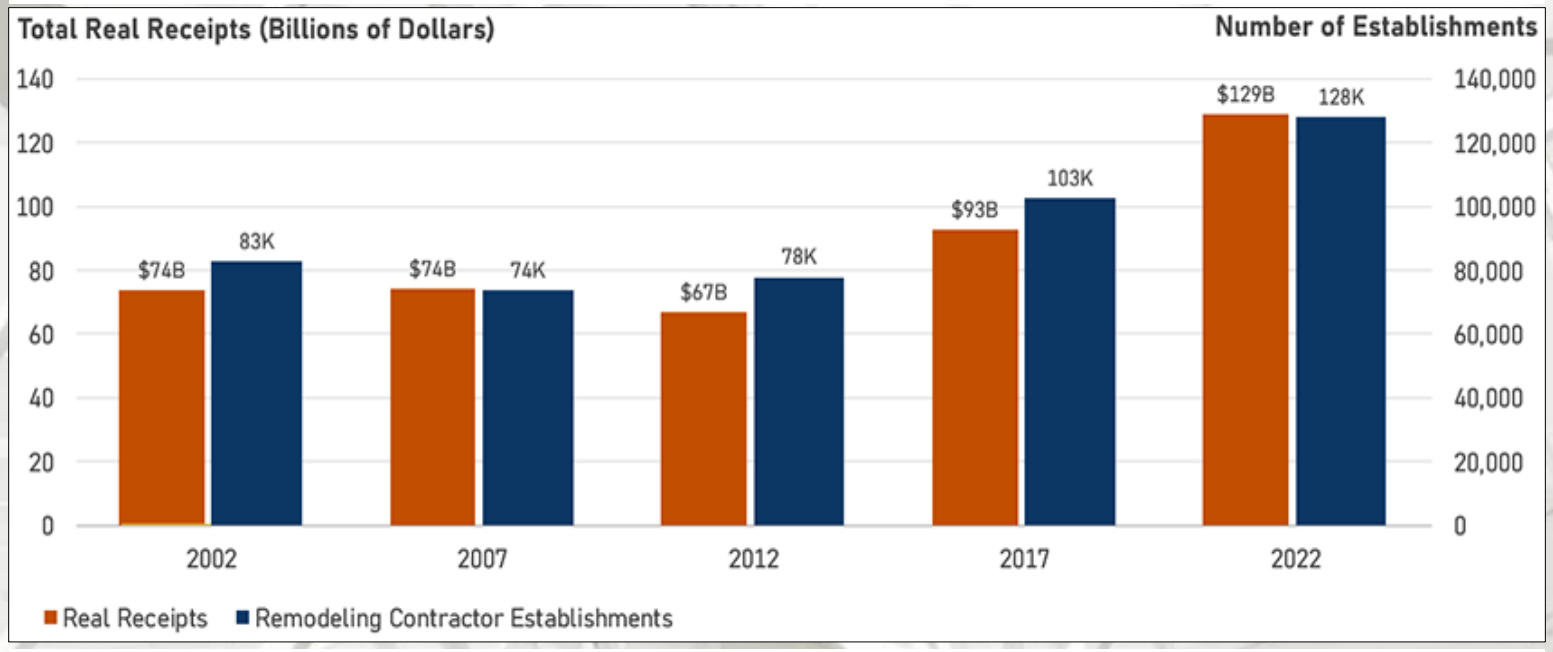
Remodeling

Harvard Joint Center for Housing Studies



Notes: Receipts adjusted for inflation using the CPI-UX for All Items. Remodeling contractor establishments have remodeling as their primary business line and report payrolls, and do not include self-employed, non-primary, or specialty trade contractors that also operate in the remodeling industry.

Source: US Census Bureau, Economic Census and the Bureau of Labor Statistics.

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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Remodeling

Harvard Joint Center for Housing Studies

Bigger Market, More Players: What 20 Years of Data Reveal About the Remodeling Industry

"The robust growth in the number of remodeling establishments from 2012–2022 pales in comparison to growth in the value of receipts, which nearly doubled in real terms over this period, from $67 billion to $129 billion. Average receipts per establishment expanded by 20 percent in real terms, topping $1 million annually by 2022. However, costs for remodelers were also rising during this time, including for materials, equipment, labor, and fuel, which cut into bottom lines for many.

Reduced Concentration Within Remodeling Industry

Expansion in the number of remodeling firms between 2012 and 2022 has meant more companies sharing in the receipts earned. This reverses the trend of increasing concentration of receipts among the largest firms observed in the decade prior, when the share earned by the top four firms rose from 1.4 percent to 3.3 percent, and among the top 8 firms from 2.1 to 4.4 percent. Those shares are now down to 1.9 and 2.7 percent, respectively (**Figure 2**). Similar trends are visible among the top 20 and top 50 firms in the industry." – Rachel Bogardus Drew, Director, Remodeling Futures Program, Harvard Joint Center for Housing Studies

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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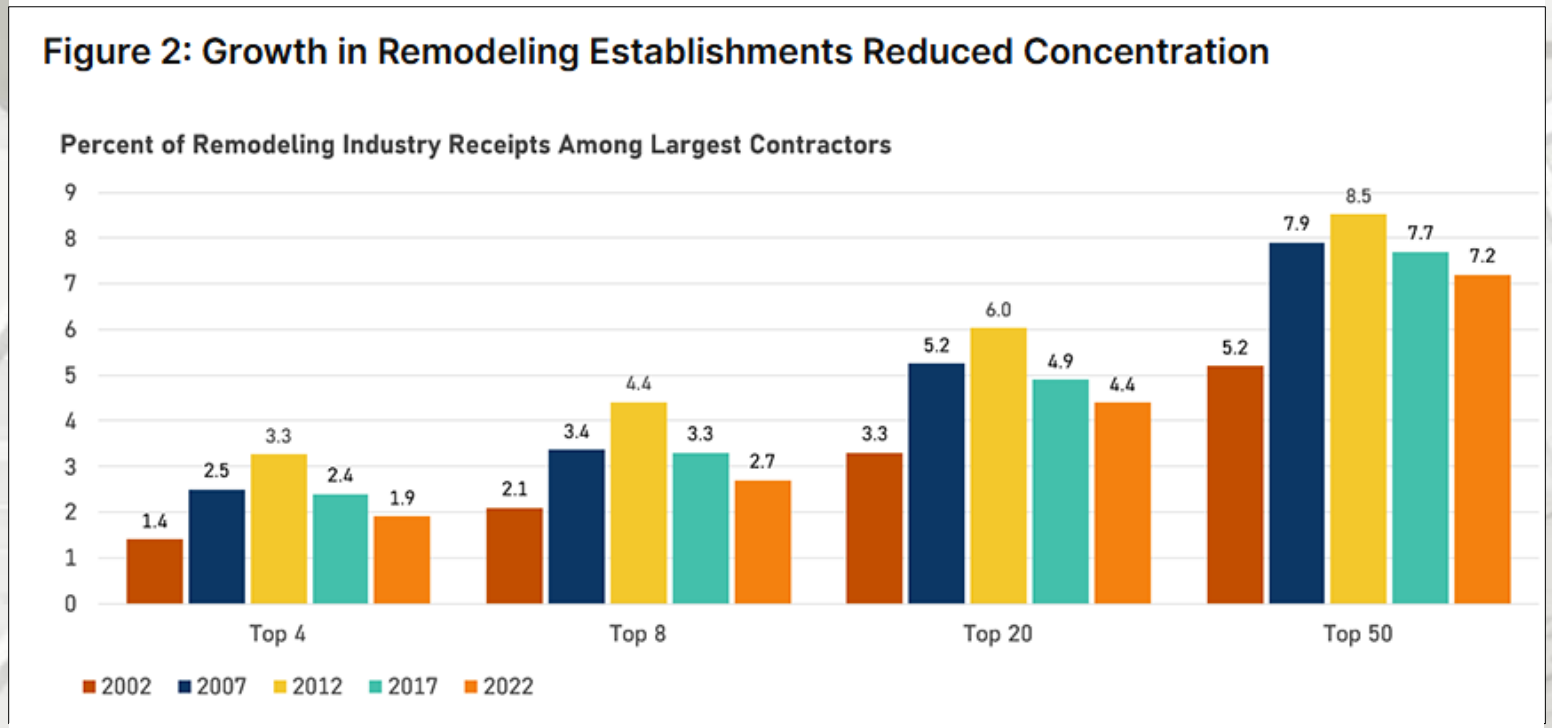
Remodeling

Harvard Joint Center for Housing Studies



Source: US Census Bureau, Economic Census and the Bureau of Labor Statistics.

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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Remodeling

Harvard Joint Center for Housing Studies

Growing Geographic and Demographic Diversity

"The geographic distribution of remodeling establishments has also increased, with the largest growth happening in states that had the fewest to begin with. The number of remodeling establishments per 100,000 people more than doubled between 2012 and 2022 in Louisiana, Kansas, Texas, and Hawaii, while increasing by 25 percent or less in Maryland, Virginia, Missouri, and West Virginia (Figure 3). Nationally, the number of remodeling establishments per 100,000 people grew from 25 in 2012 to 39 in 2022, an increase of 55 percent. Average receipts per establishment, meanwhile, more than doubled in nominal terms in Delaware, Arizona, New Hampshire, and Mississippi.

Finally, the racial and ethnic makeup of remodeling contractor firms has changed dramatically in recent years. The share of firms owned by people of color increased from 10 percent in 2012 to 18 percent in 2022. Most of this increase was due to growth in Hispanic-owned firms, which rose from 5 to 12 percent of all remodeling contractors with payrolls, over this period." – Rachel Bogardus Drew, Director, Remodeling Futures Program, Harvard Joint Center for Housing Studies

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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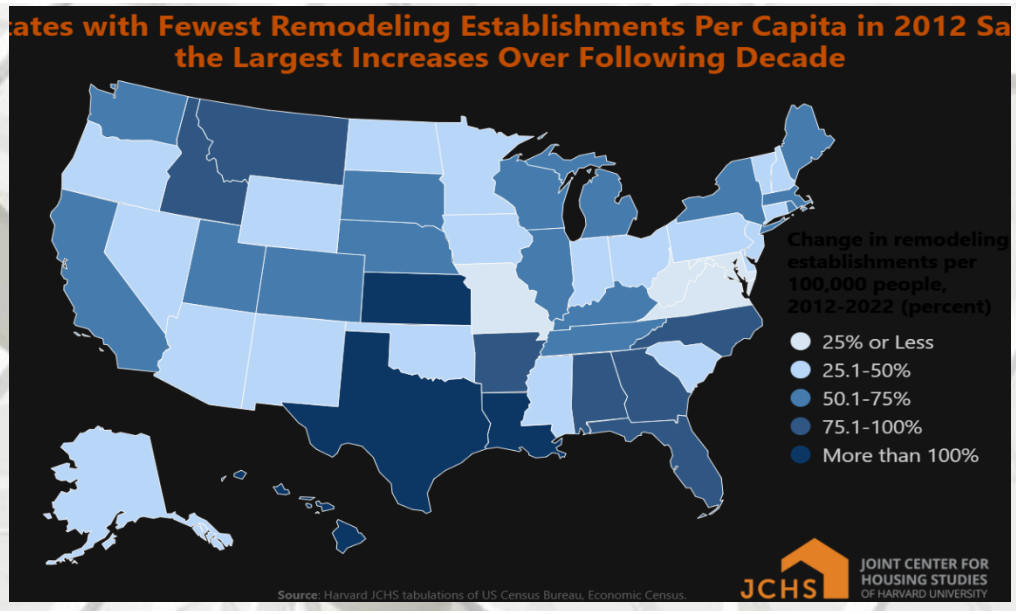
Remodeling

Harvard Joint Center for Housing Studies

Figure 3: States with Fewest Remodeling Establishments Per Capita in 2012 Saw the Largest Increases Over Following Decade



"These data reflect general contractor companies primarily engaged in remodeling activity that report a payroll, and do not capture firms that may conduct remodeling as a secondary line of business (e.g., home builders who also work on major home renovations) nor single-operator businesses without employees (e.g., a local handyman). They also do not include specialty contractors, such as plumbers, electricians, or landscapers, who may work on a wide range of residential (including new construction) and commercial property types. Still, they reveal important findings about the evolution of the residential remodeling industry during a period of considerable activity and change in the sector." – Rachel Bogardus Drew, Director, Remodeling Futures Program, Harvard Joint Center for Housing Studies

Source: https://www.jchs.harvard.edu/blog/bigger-market-more-players-what-20-years-data-reveal-about-remodeling-industry; 8/20/26

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Existing House Sales

National Association of Realtors®

	Existing Sales	Median Price	Month's Supply
August	3,980,000	$429,100	4.9
July	4,060,000	$436,400	4.6
2025	4,030,000	$422,400	4.6
M/M change	-2.0%	-1.7%	6.5%
Y/Y change	-1.2%	1.6%	6.5%

All sales data: SAAR

Source: https://fred.stlouisfed.org/series/EXHOSLUSM495S; 9/10/26

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Existing House Sales

	NE	MW	S	W
August	400,000	890,000	1,680,000	650,000
July	420,000	920,000	1,700,000	650,000
2025	490,000	960,000	1,840,000	740,000
M/M change	-4.8%	-3.3%	-1.2%	0.0%
Y/Y change	-18.4%	-7.3%	-8.7%	-12.2%

	Existing SF Sales	SF Median Price
August	3,620,000	$434,800
July	3,690,000	$442,500
2025	3,630,000	$427,700
M/M change	-1.9%	-1.7%
Y/Y change	-0.3%	1.7%

All sales data: SAAR.

Source: https://fred.stlouisfed.org/series/EXHOSLUSM495S; 9/10/26

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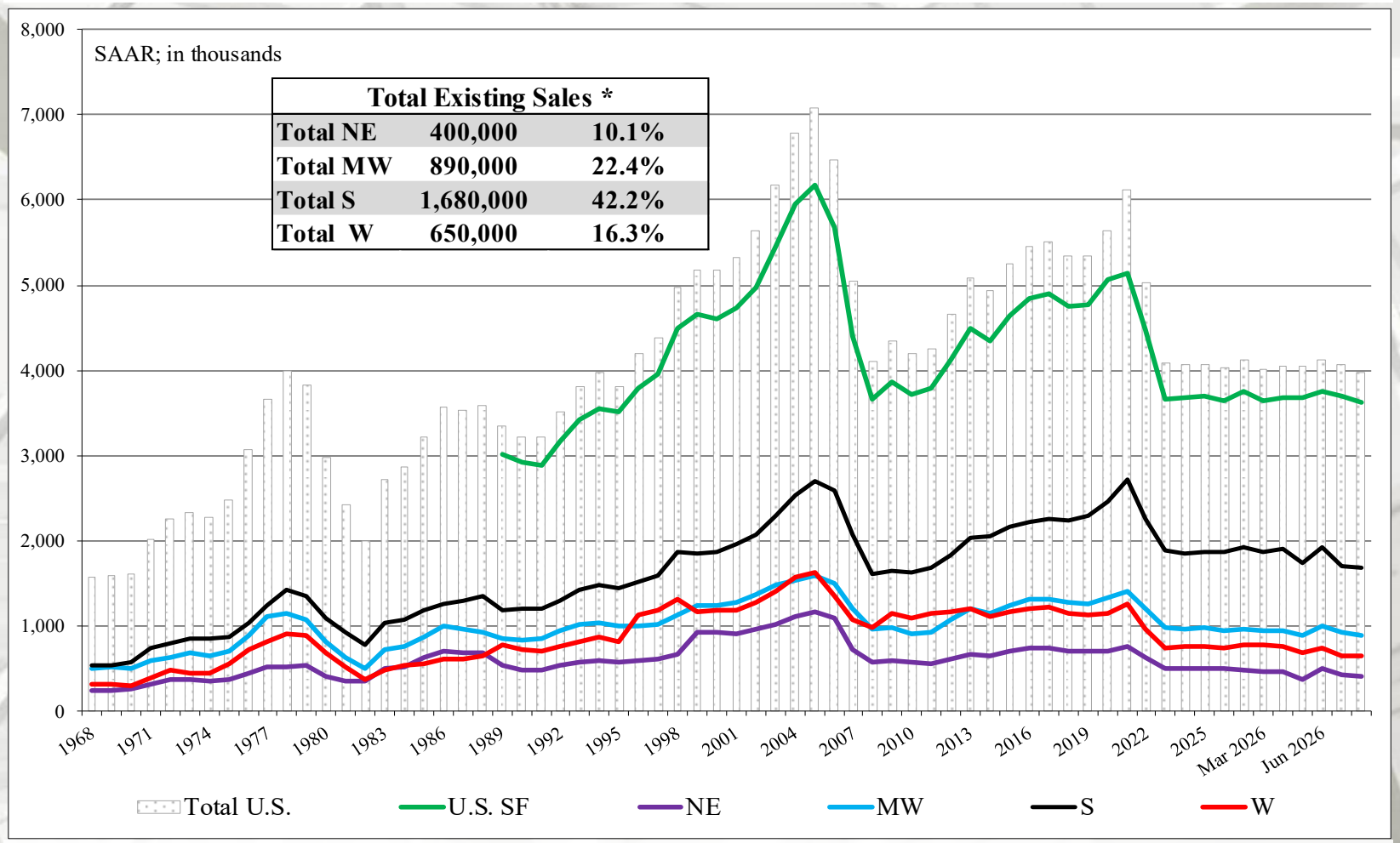
Existing House Sales



NE = Northeast; MW = Midwest; S = South; W = West

* Percentage of total existing sales.

Source: https://fred.stlouisfed.org/series/EXHOSLUSM495S; 9/10/26

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U.S. Housing Prices

Federal Housing Finance Agency

U.S. House Prices Rise 2.1 Percent Year over Year; Up 0.3 percent Quarter over Quarter

Significant Findings

"U.S. house rose **2.1 percent** between the second quarter of 2025 and the second quarter of 2026, according to the U.S. Federal Housing (FHFA) seasonally adjusted monthly House Price Index (FHFA HPI®). House prices for the second quarter of 2026 rose **0.3 percent** compared to the first quarter of 2026. FHFA's seasonally adjusted monthly index for June remained unchanged from May.

- Nationally, the U.S. housing market has experienced positive annual appreciation each quarter since the start of 2012.
- House prices rose in 46 states and the District of Columbia between the second quarter of 2025 and the second quarter of 2026. The five states with the highest annual appreciation were 1) Alaska, **8.3 percent**; 2) Vermont, **7.3 percent**; 3) Hawaii, **5.8 percent**; 4) Illinois, **5.6 percent**; and 5) West Virginia, **5.6 percent**.
- House prices were down in four states. New Mexico experienced the most significant price decline at **1.2 percent**.
- House prices rose in 76 of the 100 largest metropolitan areas over the previous four quarters. The annual price increase was the greatest in Elgin, IL at **7.7 percent**. The metropolitan area that experienced the most significant price decline was Everett, WA at **3.7 percent**.
- All nine census divisions had positive house price changes year-over-year. The East North Central division recorded the strongest appreciation, posting a **4.5 percent** increase from the second quarter of 2025 to the second quarter of 2026. The Pacific division recorded the slowest appreciation slightly above **0.0 percent**." – Adam Russell, FHFA

Source: https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx; 8/25/26

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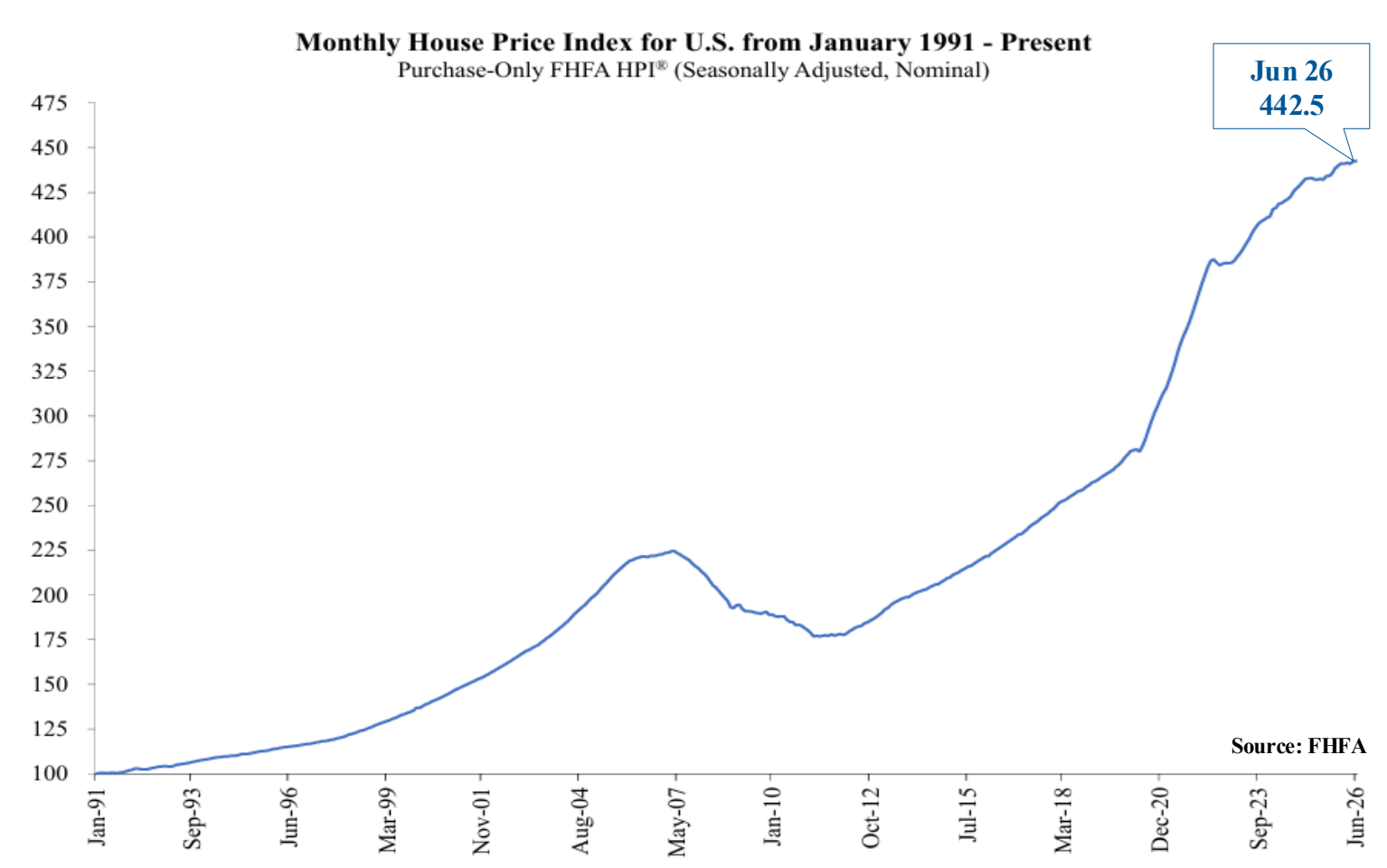
U.S. Housing Prices



Trends in the Top 100 Metropolitan Statistical Areas are available in our interactive dashboard: https://www.fhfa.gov/data/dashboard/fhfa-hpi-top-100-metro-area-rankings. The first tab displays rankings, and the second tab offers charts.

Source: https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx; 8/25/26

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U.S. Housing Prices

S&P Cotality Case-Shiller Index Reports Annual Gain in June 2026

"S&P Dow Jones Indices (S&P DJI) released the June 2026 results for the S&P Cotality Case-Shiller Indices, formerly known as the S&P CoreLogic Case-Shiller Indices. More than 27 years of history are available for the data series and can be accessed in full by going to **https://www.spglobal.com/spdji/en/index-family/indicators/sp-cotality-case-shiller/**.

Year-Over-Year

The S&P Cotality Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 1.5% annual gain for June. The 10-City Composite saw an annual increase of 2.9%, up from a 2.4% increase in the previous month. The 20-City Composite posted a year-over-year increase of 2.1%, up from a 1.6% rise in the previous month.

Chicago reported the highest annual gain among the 20 cities with a 6.9% increase in June, followed by New York and Cleveland with annual increases of 4.8% and 4.1%, respectively. Seattle posted the lowest return in June, falling 2.0%. The chart below compares year-over-year returns for different housing price ranges (tiers) in Chicago.

Month-Over-Month

The pre-seasonally adjusted U.S. National, 10-City Composite, and 20-City Composite Indices monthly gains of 0.4%, while the 10-City Composite Index posted a 0.5% gain.

After seasonal adjustment, the U.S. National, 10-City, and 20-City Composite Indices posted 0.1%, 0.3%, and 0.2% gains, respectively." – Nicholas Godec, CFA, CAIA, CIPM, Head of Fixed Income Tradables & Commodities, S&P DJI

Source: https://www.spglobal.com/spdji/en/index-announcements/article/sp-cotality-case-shiller-index-reports-annual-gain-in-may-2026//; 8/25/26

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U.S. Housing Prices

S&P Cotality Case-Shiller Index

Analysis

"Homeowners and renters alike breathed a sigh of relief in June as inflation cooled to 3.5%, while the S&P Cotality Case-Shiller National Home Price Index posted a 1.5% annual gain, up from a 1.2% annual gain in May. While home prices continue to decline in real terms, lower inflation and firmer nominal home price growth in June helped slow that pace of erosion.

For the fourth consecutive month, Chicago led all metros with a 6.9% annual increase in June, followed by New York (4.8%) and Cleveland (4.1%). Meanwhile, Seattle recorded the largest annual decline at 2.0%, followed by Las Vegas (-1.9%) and Denver (-1.2%). This geographic divide reflects a years-long trend, with housing markets in the Northeast and Midwest regaining strength while many Western and Sunbelt markets soften.

Seasonal factors continue to support monthly price growth. On a non-seasonally adjusted basis, both the U.S. National Index and the 20-City Composite gained 0.4% month over month in June. After seasonal adjustment, the U.S. National Index and the 20-City Composite gained 0.1% and 0.3% month over month in June, respectively. Because June typically falls near the peak of the home buying season, price appreciation often moderates and market activity cools in the months ahead.

The housing market remains under pressure, with 30-year mortgage rates holding near 6.5% in June. As financing costs are kept high for prospective buyers, current home owners remain reluctant to give up the low mortgage rates secured in prior years." – Rebecca Kaufman, Associate Director of Commodities, S&P Dow Jones Indices

Source: https://www.spglobal.com/spdji/en/index-announcements/article/sp-cotality-case-shiller-index-reports-annual-gain-in-may-2026//; 8/25/26

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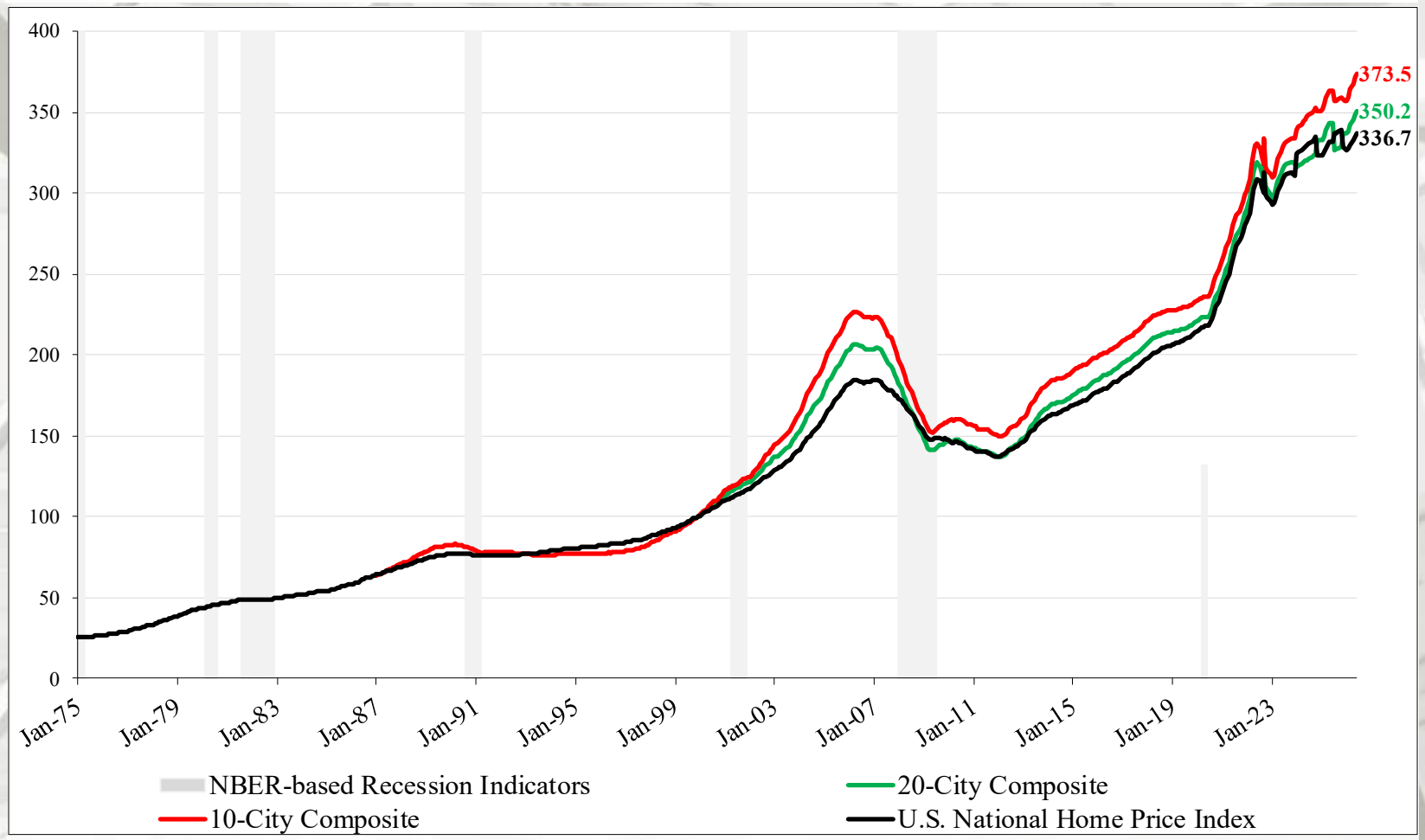
S&P Cotality Case-Shiller Index



* NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Source: https://www.spglobal.com/spdji/en/index-announcements/article/sp-cotality-case-shiller-index-reports-annual-gain-in-june-2026/; 8/25/26

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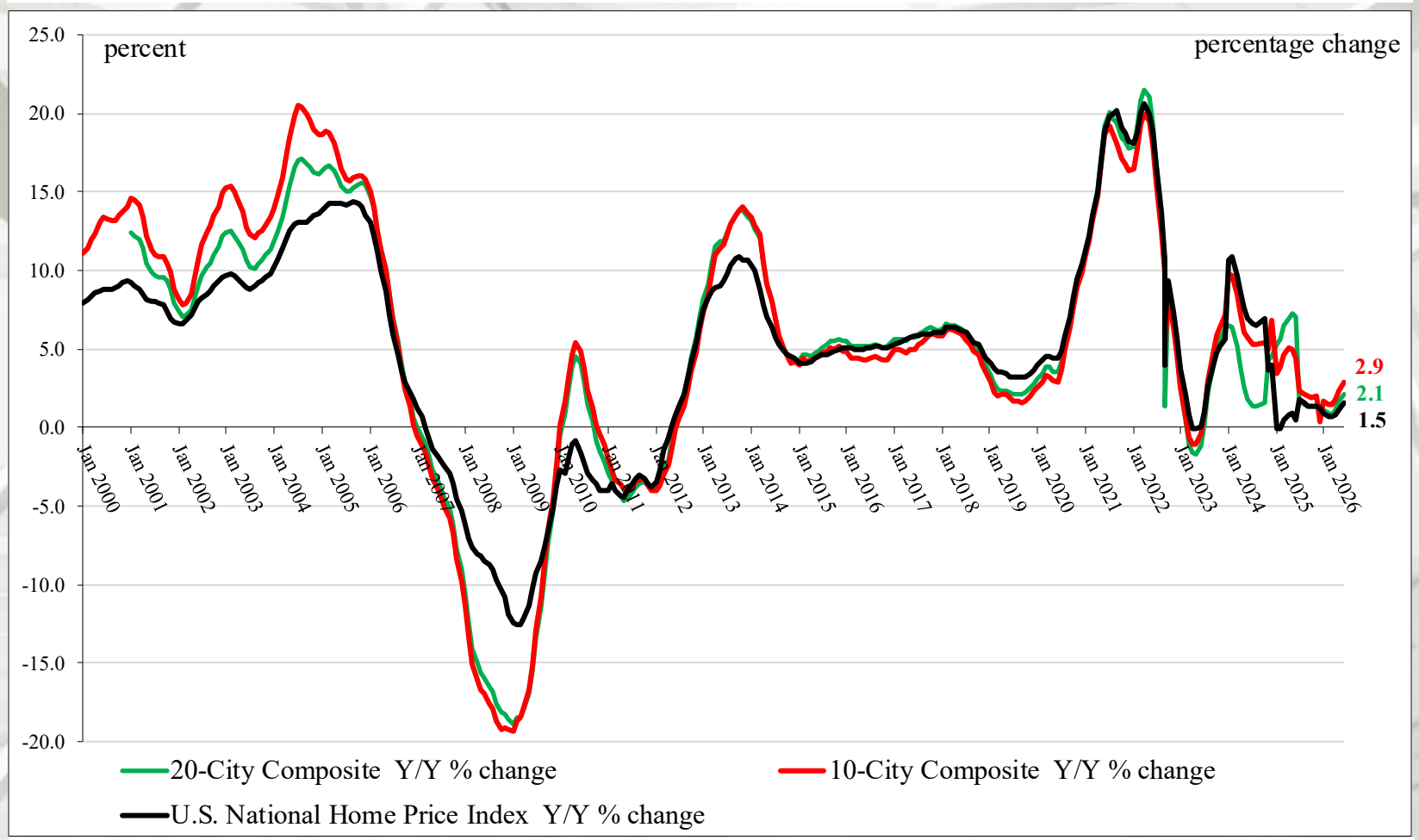

Y/Y Price Change

From June 2025 to June 2026, the National Index indicated a 1.5% increase; the Ten-City increased by 2.9%, and the Twenty-City rose by 2.1%.

Source: https://www.spglobal.com/spdji/en/index-announcements/article/sp-cotality-case-shiller-index-reports-annual-gain-in-june-2026/; 8/25/26

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U.S. Housing Supply

Sources: National Association of Realtors and the Urban Institute.
Note: Data as of July 2026.

Urban Institute

Month's Supply

"Despite higher rates, major industry forecasters do not expect sales to decline in 2026 from 2025. Fannie Mae largely expects home sales to remain flat over the year while both the MBA and the NAHB expect sales to increase. Although the inventory, measured as months supply, of existing homes has risen from 2022 lows to a level more aligned with the pre-Great Recession era, new residential construction (housing starts) are projected to be flat over 2026." – Laurie Goodman *et. al*, Vice President, Urban Institute

Source: https://www.urban.org/research/publication/housing-finance-glance-monthly-chartbook-july-2026; 8/31/26

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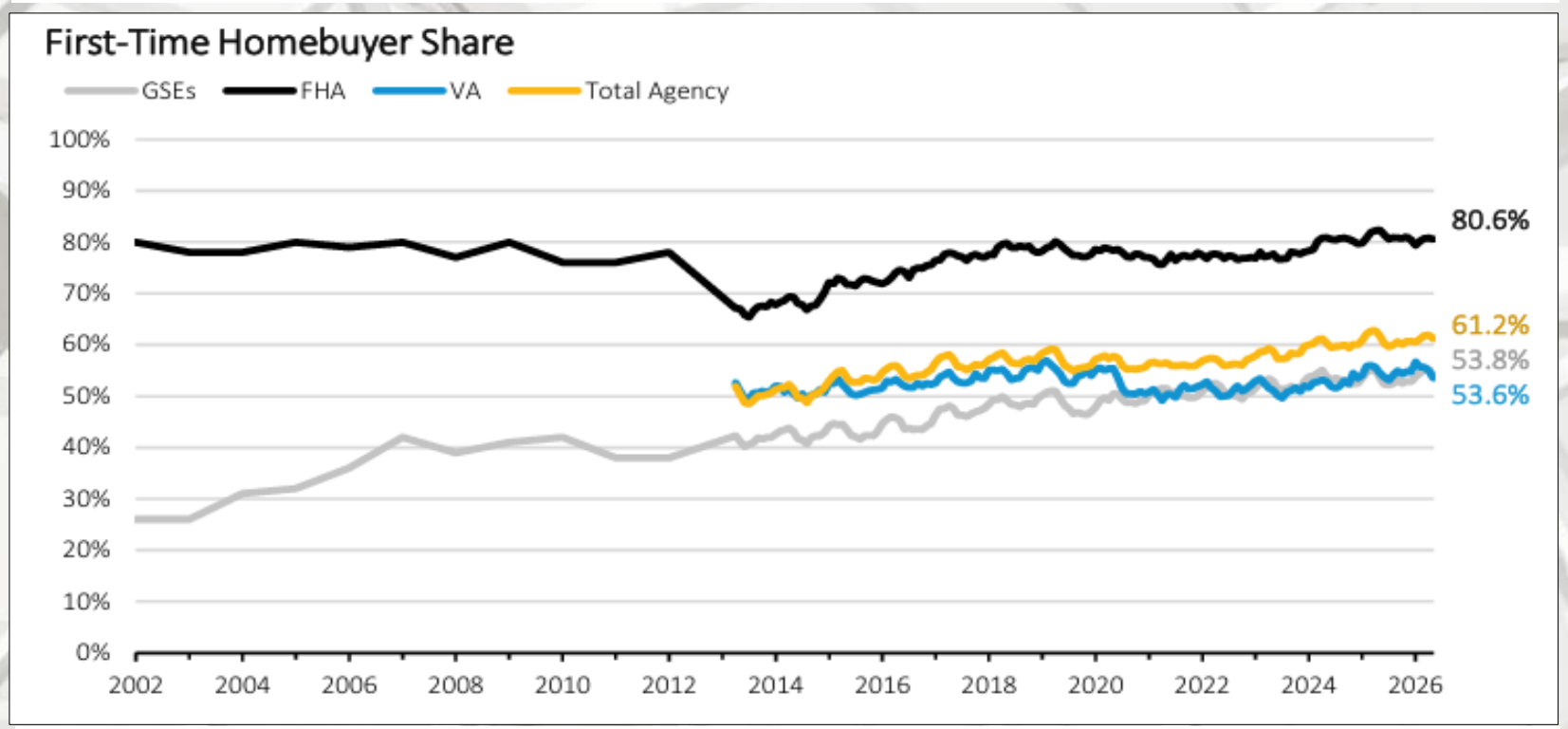
U.S. First-Time House Buyers



Sources: eMBS, the Federal Housing Administration, and the Urban Institute. Data as of May 2026.
Note: All series measure the first-time homebuyer share of purchase loans for principal residences. In January 2026, we changed the source of our FHA FTHB share from FHA's Production Report to eMBS.

Urban Institute

First-time House Buyer Share

"The first-time homebuyer share, which compares first-time home buyers with repeat buyers has increased over the past decade. In recent years, however, the home ownership rate has remained largely static and the first-time home buyer share among agency loans has largely steadied around 60 percent. First-time homebuyers are traditionally more concentrated among FHA borrowers. However, in May 2026, more than half of GSE and VA purchase originations were made to first-time homebuyers (53.8 percent and 53.6 percent, respectively).. …" – Laurie Goodman *et. al*, Vice President, Urban Institute

Source: https://www.urban.org/research/publication/housing-finance-glance-monthly-chartbook-july-2026; 7/31/26

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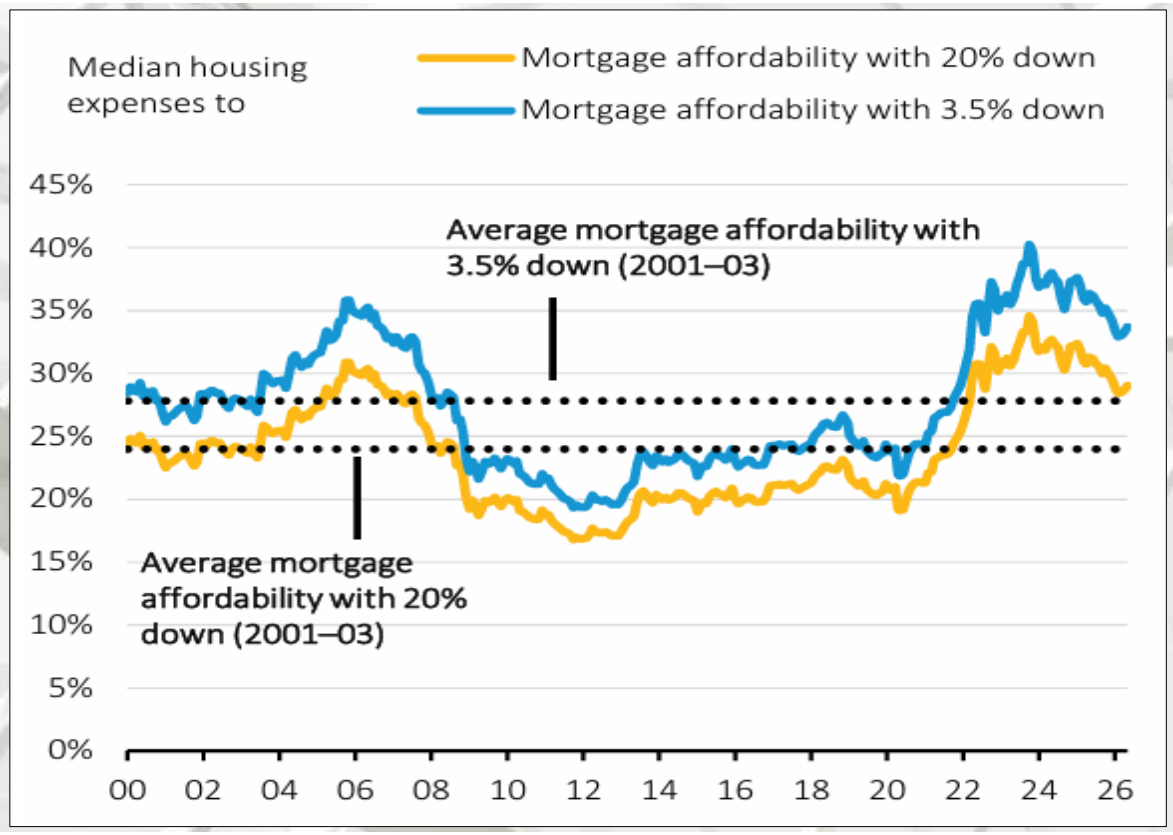
U.S. Housing Affordability



Urban Institute

National Mortgage Affordability Over Time

"Mortgage affordability has improved significantly since November 2023. Flat house prices nationwide and falling mortgage rates have contributed to the improvement in mortgage affordability. As of May 2026, with a 20 percent down payment, the share of median income needed for the median monthly mortgage payment was 29.1 percent, below the peak during the housing bubble in November 2005; and with 3.5 percent down, the housing cost burden is 33.7 percent, also just below the 35.8 percent peak in November 2005. However, affordability remains worse compared to its average over the 2001-2003 period. …" – Laurie Goodman *et. al*, Vice President, UI.

Source: https://www.urban.org/research/publication/housing-finance-glance-monthly-chartbook-july-2026; 7/31/26

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U.S. Housing Affordability

AEI Housing Center

Year-over-Year (YoY) HPA was 1.6%, down from 1.7% (revised) in May 2026 and 2.1% in July 2025.

- With wages now generally growing faster than HPA, housing affordability is slowly improving.
- July 2026's preliminary MoM HPA was -0.4%.
- This trend of slow HPA disinflation is expected to turn into weak price deflation for YoY 2026, 2027, and 2028 (more on next slide).
- Constant-quality HPA controls for mix shifts in home quality, which otherwise may skew MoM or YoY changes.– Edward Pinto, Senior Fellow and Director and Tobias Peter, Research Fellow and Assistant Director, AEI Housing Center

Source: https://www.aei.org/research-products/report/aei-housing-market-indicators-July-2026/; 8/25/26

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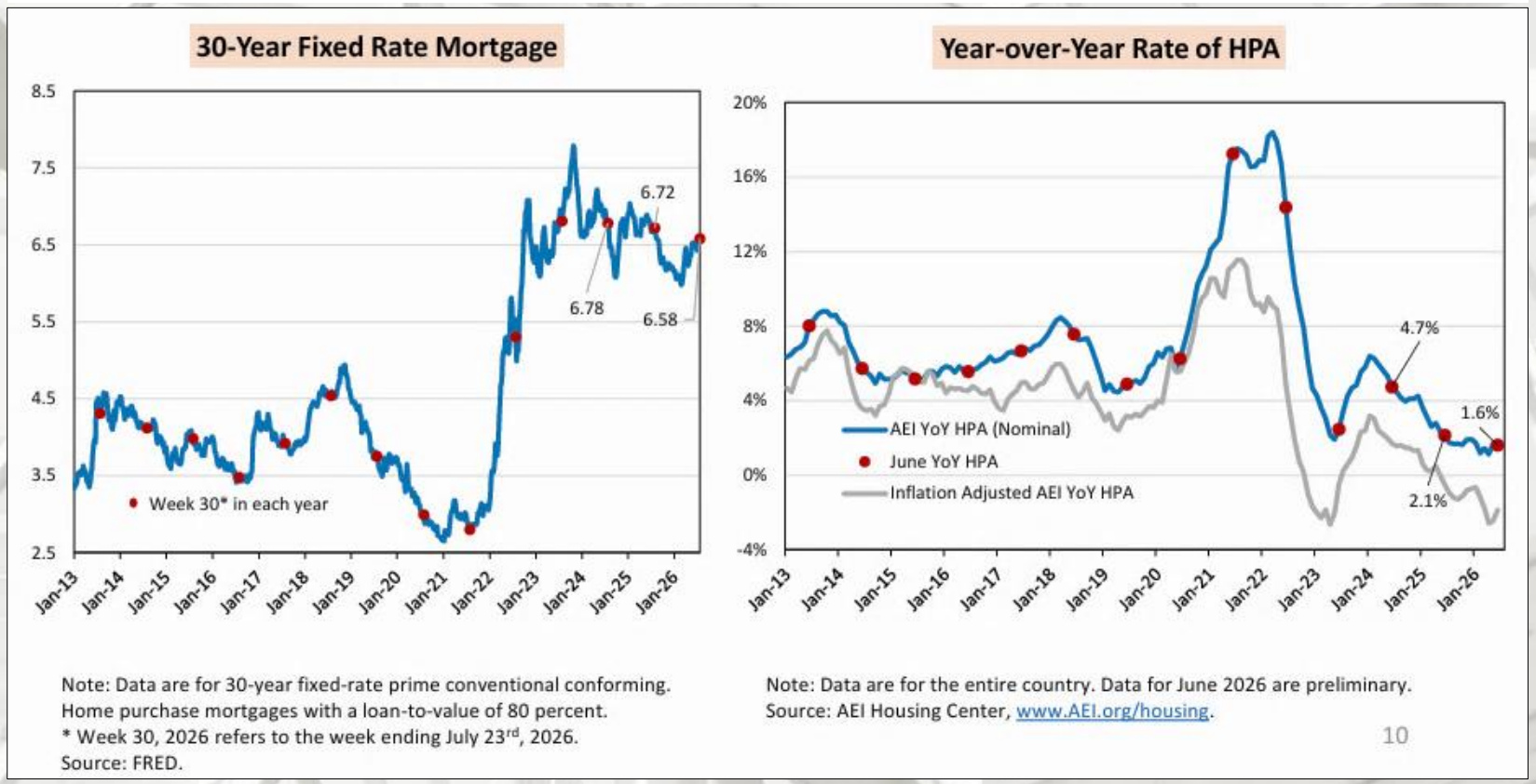
U.S. Housing Affordability



Source: https://www.aei.org/research-products/report/aei-housing-market-indicators-July-2026/; 8/25/26

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Home Price Appreciation by Price Tier

AEI Housing Center

"**The large gap in HPA between the lower and upper end of the market that has developed since 2012 continues (left panel).**

- The med-high and high price tiers are generally not eligible for federal first-time buyer assistance (the leverage punchbowl), leaving them more dependent on the Fed's monetary punchbowl.
- With both mortgage rates and home prices elevated, borrowers in all price tiers have seen a slow-down in HPA except for the high price tier. The recent decline is particularly noticeable in the lower price tiers.
- From May to July 2026, the low tier fell from 1.3% to 0.5% while the high tier jumped from 3.4% to 5.2% (which may be due to a base effect a year ago).
    - For the lower price tiers, housing affordability is slowly improving as wages are increasing faster than HPA.
    - The high price tier has much less reliance on the leverage punchbowl and is more able to move down the price ladder, while lower tiers are more constrained, particularly the low tier. – Edward Pinto, Senior Fellow and Director and Tobias Peter, Research Fellow and Assistant Director, AEI Housing Center

Source: https://www.aei.org/research-products/report/aei-housing-market-indicators-July-2026/; 8/25/26

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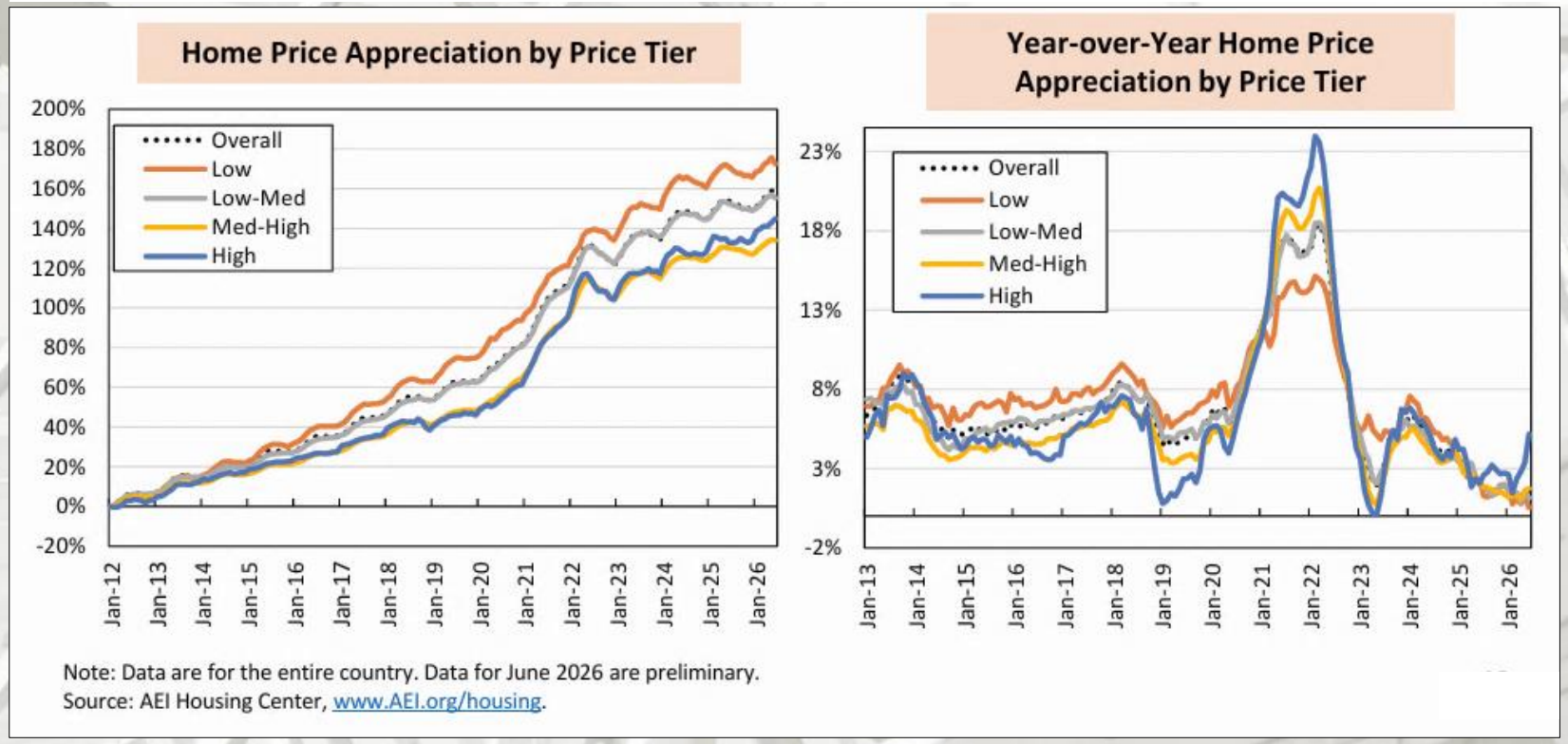
Home Price Appreciation by Price Tier



Source: https://www.aei.org/research-products/report/aei-housing-market-indicators-July-2026/; 8/25/26

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U.S. Housing

Mortgage Bankers Association

Current Chart of the Week: July 24

"In 2024, the Research Institute for Housing America (RIHA) published **data** which found that older Americans are remaining in their homes longer. Over the past decade, the homeownership rate among adults aged 70 and older has increased substantially. According to the 2024 American Community Survey, homeowners aged 55 and older owned 55 percent of all owner-occupied homes in the United States, with more than one-third owned by households headed by someone age 65 or older.

Coupled with this aging-in-place trend, 14 years of sustained house price appreciation have driven homeowners' equity to record levels. According to the **Federal Reserve's Financial Accounts**, homeowners' equity has climbed to nearly $35 trillion, roughly four times its level in the aftermath of the Great Financial Crisis.

Seniors have several options for accessing this housing wealth while continuing to age in place. MBA's upcoming ***HELOC and Home Equity Lending in Workshop*** will explore two of these approaches. This week's *MBA Chart of the Week* focuses on another option, reverse mortgages, and examines annual reverse mortgage originations from 2018 through 2025 using data from the Home Mortgage Disclosure Act (HMDA).

HMDA data allows us to examine origination trends for both the Federal Housing Administration's Home Equity Conversion Mortgage (HECM) program and proprietary reverse mortgage products offered by private lenders. – Edward Seiler, Ph.D., Associate Vice President for Housing Economics and Jon Penniman, Director, Systems and Analytics; MBA

Source: https://www.mba.org/news-and-research/research-and-economics/chart-of-the-week; 8/25/26

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U.S. Housing

Mortgage Bankers Association

Current Chart of the Week: July 24

"HMDA data allows us to examine origination trends for both the Federal Housing Administration's Home Equity Conversion Mortgage (HECM) program and proprietary reverse mortgage products offered by private lenders.

After averaging about 59,000 originations in both 2021 and 2022, reverse mortgage volume fell sharply by 57 percent to 25,312 loans in 2023. Of these, 23,538 (93.0 percent) were HECMs, and 1,774 (7.0 percent) were proprietary reverse mortgages.

While HECM originations increased modestly by 4.7 percent in 2024 and 0.7 percent in 2025, proprietary reverse mortgage originations grew much more rapidly, rising 81 percent and 118 percent over the same period. As a result, proprietary products accounted for 22 percent of all reverse mortgage originations in 2025, more than triple their 7 percent share in 2023 and well above the 14 percent share recorded in 2022, when 8,359 proprietary reverse mortgages were originated. Moreover, because proprietary reverse mortgages typically have larger loan balances, they accounted for nearly 40 percent of total reverse mortgage origination volume by dollar amount in 2025. **" – Edward Seiler, Ph.D., Associate Vice President for Housing Economics and Jon Penniman, Director, Systems and Analytics; MBA

** HMDA data show $5.8 billion of originations for HECM in 2025. HMBS securitization data show about $4.0 billion in 2025. The difference is that HMDA reports the initial principal limit and HMBS is based on actual balances.

Source: https://www.mba.org/news-and-research/research-and-economics/chart-of-the-week; 8/25/26

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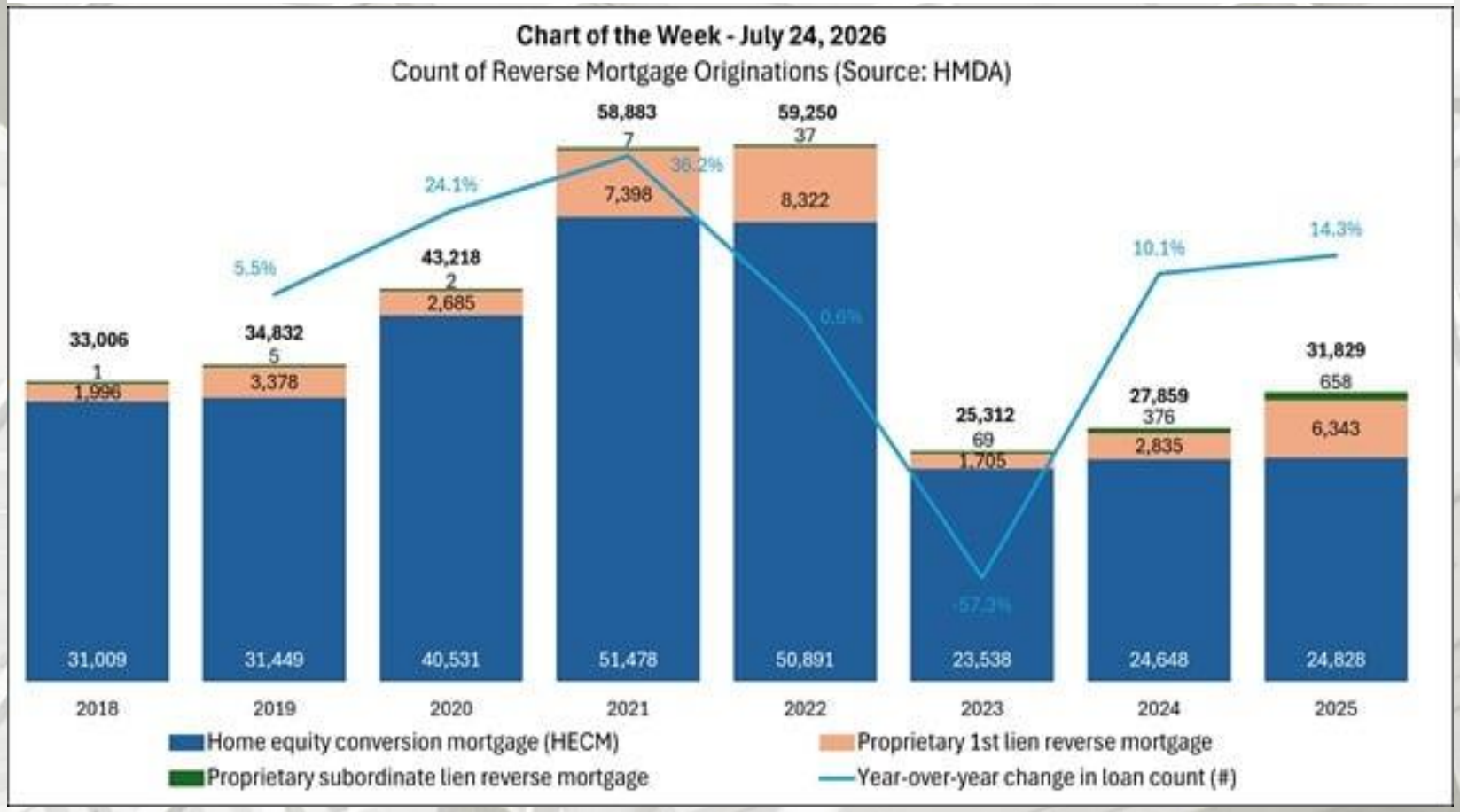
U.S. Housing

Mortgage Bankers Association



Source: https://www.mba.org/news-and-research/research-and-economics/chart-of-the-week; 8/25/26

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U.S. Housing Finance

Mortgage Bankers Association

Mortgage Credit Availability Decreased in August

"Mortgage credit availability decreased in August according to the Mortgage Credit Availability Index (MCAI), a report from the Mortgage Bankers Association (MBA) that analyzes data from ICE Mortgage Technology.

fell by 1.0 percent to 107.3 in August. A decline in the MCAI indicates that lending standards are tightening, while increases in the index are indicative of loosening credit. The index was benchmarked to 100 in March 2012. The Conventional MCAI decreased 1.8 percent, while the Government MCAI remained unchanged. Of the component indices of the Conventional MCAI, the Jumbo MCAI decreased by 2.5 percent, and the Conforming MCAI remained unchanged.

"Credit availability decreased in August, as lenders reduced their offerings of loan programs that require flexible documentation, along with cash-out refinance loans. Many of these loan programs had jumbo features, which contributed to the decline in jumbo credit availability. The conforming index was unchanged and remained in a narrow range as conforming lending standards and loan offerings continue to be conservative, even as mortgage rates are at their highest levels in more than a year." – Joel Kan, Vice President and Deputy Chief Economist; MBA

Source: https://www.mba.org/news-and-research/newsroom/news/2026/09/10/mortgage-credit-availability-decreased-in-august; 9/10/26

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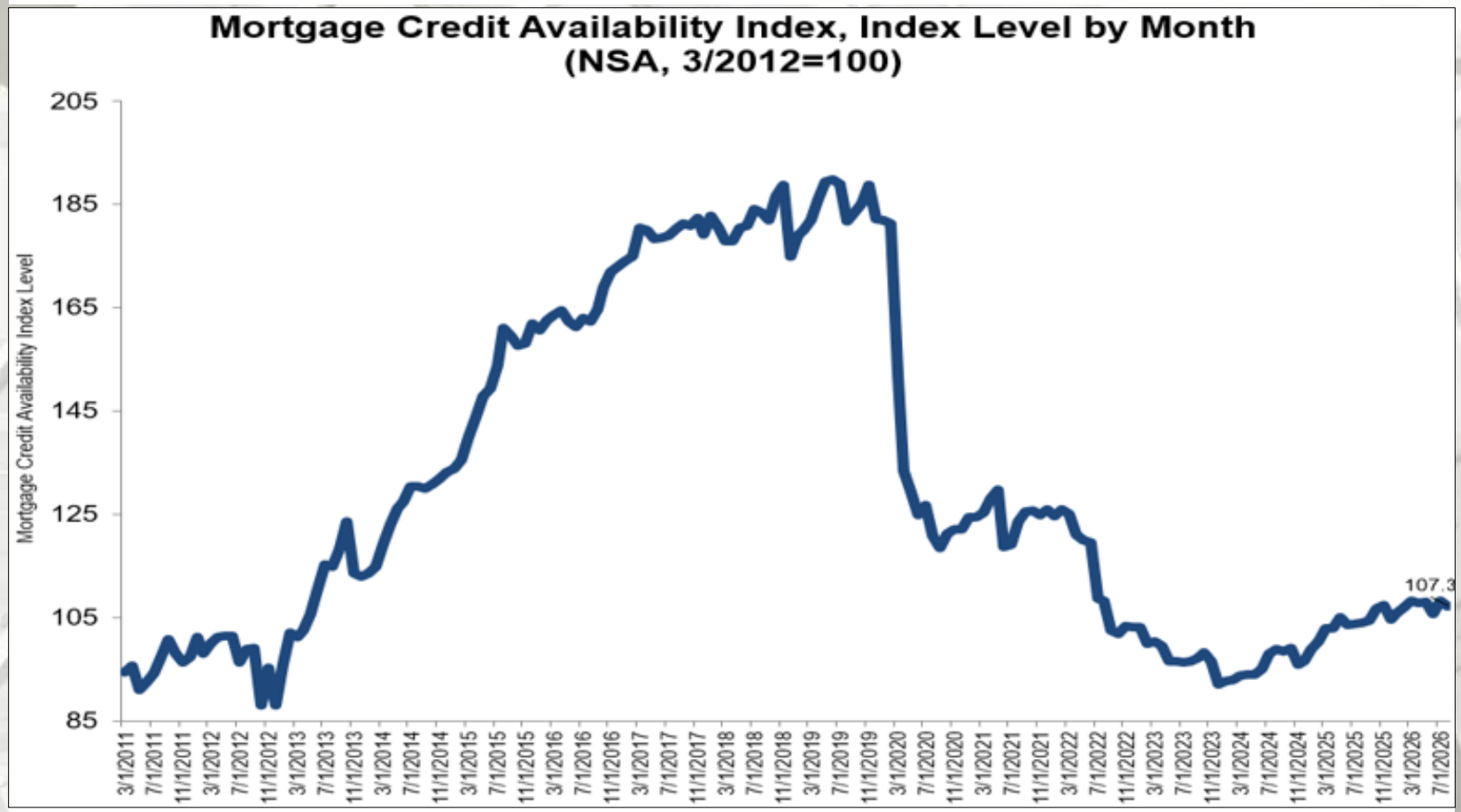
U.S. Housing Finance
Mortgage Credit Availability (MBA)



Source: *Mortgage Bankers Association; Powered by ICE Mortgage Technology*

Source: https://www.mba.org/news-and-research/newsroom/news/2026/09/10/mortgage-credit-availability-decreased-in-august; 9/10/26

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MBA Mortgage Finance Forecast

MBA Mortgage Finance Forecast

August 20, 2026

	2025				2026				2027							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2025	2026	2027	2028
Housing Measures																
Housing Starts (SAAR, Thous)	1,397	1,356	1,347	1,323	1,418	1,347	1,297	1,316	1,300	1,283	1,284	1,275	1,356	1,344	1,286	1,263
Single-Family	1,012	937	890	923	945	902	864	904	912	909	916	918	940	904	914	912
Two or More	385	409	458	401	473	445	433	412	388	374	368	357	413	441	372	351
Home Sales (SAAR, Thous)																
Total Existing Homes	4,087	4,013	4,047	4,157	4,053	4,120	4,204	4,357	4,354	4,317	4,339	4,371	4,076	4,183	4,345	4,416
New Homes	655	664	688	709	622	631	671	710	716	715	717	721	679	659	717	727
FHFA US House Price Index (YOY % Change)	4.3	3.1	2.4	1.8	1.7	1.5	0.8	0.3	0.3	0.3	0.2	0.4	1.8	0.3	0.4	1.2
Median Price of Total Existing Homes (Thous $)	397.8	423.5	420.1	410.0	400.7	430.5	421.4	410.4	403.7	409.5	411.3	404.6	413	416	407	416
Median Price of New Homes (Thous $)	419.2	415.9	410.7	409.3	409.0	408.7	408.7	400.3	412.8	415.0	412.1	411.2	414	407	413	414
Interest Rates																
30-Year Fixed Rate Mortgage (%)	6.8	6.8	6.6	6.2	6.1	6.4	6.6	6.7	6.7	6.7	6.7	6.7	6.2	6.7	6.7	6.7
10-Year Treasury Yield (%)	4.5	4.4	4.3	4.1	4.2	4.4	4.6	4.7	4.7	4.7	4.7	4.7	4.1	4.7	4.7	4.7
Mortgage Originations																
Total 1- to 4-Family ($Bil $)	370	497	540	546	551	567	532	497	495	552	574	523	1,953	2,147	2,144	2,184
Purchase	282	380	392	352	332	360	386	356	341	394	402	352	1,406	1,434	1,489	1,512
Refinance	88	117	147	195	219	207	146	141	154	158	172	171	547	713	655	672
Refinance Share (%)	24	23	27	36	40	37	27	28	31	29	30	33	28	33	31	31
FHA Originations ($Bil $)													199	219	219	214
Total 1- to 4-Family (000s loans)	965	1,285	1,387	1,405	1,460	1,490	1,378	1,288	1,287	1,429	1,488	1,359	5,042	5,616	5,563	5,636
Purchase	727	973	996	890	833	899	962	887	849	980	1,000	874	3,586	3,581	3,703	3,739
Refinance	238	312	391	515	627	590	416	401	438	449	488	485	1,456	2,034	1,860	1,897
Refinance Share (%)	25	24	28	37	43	40	30	31	34	31	33	36	29	36	33	34
Mortgage Debt Outstanding																
1- to 4-Family ($Bil $)	14,419	14,544	14,669	14,775	14,818	14,920	15,017	15,101	15,180	15,265	15,346	15,408	14,775	15,101	15,605	15,663

Notes:

As of the August 2026 forecast, 2025 origination volume was revised based on the 2025 Home Mortgage Disclosure Act data.

Total 1-to-4-family originations and refinance share are MBA estimates. These exclude second mortgages and home equity loans.

Mortgage rate forecast is based on Freddie Mac's 30-Yr fixed rate which is based on predominantly home purchase transactions.

The 10-Year Treasury Yield and 30-Yr mortgage rate are the average for the quarter, but annual columns show Q4 values.

The FHFA US House Price Index is the forecasted year over year percent change of the FHFA Purchase-Only House Price Index.

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MORTGAGE BANKERS ASSOCIATION

Source: https://www.mba.org/news-and-research/forecasts-and-commentary/; 8/20/26

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MBA Economic Forecast

MBA Economic Forecast

August 20, 2026

	2025				2026				2027							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2025	2026	2027	2028
Percent Change, SAAR																
Real Gross Domestic Product	-0.6	3.8	4.4	0.5	2.1	1.5	1.9	1.7	1.6	1.6	1.7	1.9	2.0	1.8	1.7	1.8
Personal Consumption Expenditures	0.6	2.5	3.5	1.9	0.5	3.2	1.8	2.0	1.1	0.9	1.4	1.9	2.1	1.9	1.3	2.2
Business Fixed Investment	9.5	7.3	3.2	2.4	10.6	8.4	3.6	4.1	3.1	2.5	2.1	1.9	5.6	6.7	2.4	1.6
Residential Investment	-1.0	-5.1	-7.1	-1.7	-7.8	1.5	-3.7	-1.4	5.1	3.0	2.4	2.2	-3.7	-2.9	3.2	1.2
Govt. Consumption & Investment	-1.0	-0.1	2.2	-5.6	4.4	-0.8	2.3	1.8	1.1	0.5	0.4	0.0	-1.1	1.9	0.5	-0.2
Net Exports (Bil. Chain 2012$)	-1380.7	-1058.0	-955.5	-968.7	-1001.8	-1074.7	-1109.3	-1155.9	-1190.4	-1204.1	-1208.8	-1211.9	-1090.7	-1085.4	-1203.8	-1222.0
Inventory Investment (Bil. Chain 2012$)	172.0	-18.3	-23.9	-15.6	-16.7	-50.8	-23.5	-14.7	15.7	53.6	73.8	91.4	28.5	-26.4	58.6	114.4
Consumer Prices (YOY)	2.7	2.5	2.9	2.7	2.7	3.8	3.7	3.8	3.7	3.2	3.0	2.7	2.7	3.8	2.7	2.4
Percent																
Unemployment Rate	4.1	4.2	4.3	4.5	4.3	4.3	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
Federal Funds Rate	4.375	4.375	4.125	3.625	3.625	3.625	3.625	3.625	3.875	3.875	4.125	4.125	3.625	3.625	4.125	4.125
10-Year Treasury Yield	4.5	4.4	4.3	4.1	4.2	4.4	4.6	4.7	4.7	4.7	4.7	4.7	4.1	4.7	4.7	4.7

Notes:
The Fed Funds Rate forecast is shown as the mid point of the Fed Funds range at the end of the period.
All data except interest rates are seasonally adjusted
The 10-Year Treasury Yield is the average for the quarter, while the annual value is the Q4 value
Forecast produced with the assistance of the S&P ECONOSIM model
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Source: https://www.mba.org/news-and-research/forecasts-and-commentary/; 8/20/26

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Summary

In conclusion:

In this commentary, housing data is for July 2026. Only permit data were positive in July.

Pros:

1) The desire to own a house remains positive.

Cons:

1) Mortgage interest rates and affordability;
2) Economic concerns and inflation;
3) The wars in Ukraine, Israel-Palestinian conflict, and Iran, and other international concerns;
4) Lot availability and building regulations (according to several sources);
5) Labor shortages in many sectors;
6) Household formations still lag historical averages;
7) Job creation is improving and consistent, but some economists question the quantity and types of jobs being created;
8) Increasing debt: Corporate, personal, government – United States and globally;
9) Other global uncertainties.

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