The Virginia Tech–USDA Forest Service Housing Commentary: Section I June 2025

Delton Alderman

Forest Products Laboratory
USDA Forest Service
Madison, WI
608.259.6076

delton.r.alderman@usda.gov

Urs Buehlmann

Department of Sustainable Biomaterials
College of Natural Resources & Environment
Virginia Tech
Blacksburg, VA
540.231.9759
buehlmann@gmail.com

2024 Virginia Polytechnic Institute and State University VCE-ANR

Return TOC

Table of Contents

This report is a free monthly service of Virginia Tech. Past issues are available at: http://woodproducts.sbio.vt.edu/housing-report.

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

Return TOC

Opening Remarks

Housing data month-over-month and year-over-year were primarily negative. On a month-over-month basis total and multi-family starts, multi-family permits, and new single-family house sales were positive. Year-over-year, multi-family starts and permits were positive. The influence of mortgage rates is evident, as aggregate costs have decreased affordability.

The August 15th Atlanta Fed GDPNow™ total residential investment spending forecast is 1.1% for Quarter 3 2025. Quarterly log change for new private permanent site expenditures were projected at -7.3%; the improvement spending forecast was 0.8%; and the manufactured/mobile home expenditures projection was -1.5% (all: quarterly log change and at a seasonally adjusted annual rate).[1]

"Currently, the housing market is gradually rebalancing toward a new, more buyer-friendly real estate cycle. Our outlook for the remainder of the year is based on several key assumptions regarding mortgage rates, house prices, and the overall state of the macroeconomy. Elevated mortgage rates and lingering economic uncertainty continue to frustrate the housing market, but it's rebalancing, not busting, and in doing so setting the stage for a new real estate cycle." – Odeta Kushi, Deputy Chief Economist, First American Financial Corporation

This month's commentary contains 2025 housing forecasts, applicable housing data, remodeling commentary, and United States 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] www.frbatlanta.org/cqer/research/gdpnow.aspx; 8/15/25
[2] https://blog.firstam.com/economics/housing-market-turning-point-setting-the-stage-for-a-new-real-estate-cycle; 8/8/25

Return TOC

June 2025
Housing Scorecard

	M/M		Y/Y	
Housing Starts	▲	4.6%	▼	0.5%
Single-Family (SF) Starts	▼	4.6%	▼	10.0%
Multi-Family (MF) Starts*	▲	30.0%	▲	26.6%
Housing Permits	▼	0.1%	▼	4.7%
SF Permits	▼	3.7%	▼	8.4%
MF Permits*	▲	6.5%	▲	2.1%
Housing Under Construction	▼	0.4%	▼	13.4%
SF Under Construction	▼	0.3%	▼	6.0%
Housing Completions	▼	14.7%	▼	24.1%
SF Completions	▼	12.5%	▼	15.5%
New SF House Sales	▲	0.6%	▼	6.6%
Private Residential Construction Spending	▼	0.7%	▼	6.2%
SF Construction Spending	▼	1.8%	▼	5.3%
Existing House Sales[1]	▼	2.7%	NC	0.0%

* 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

Return TOC

New Housing Starts

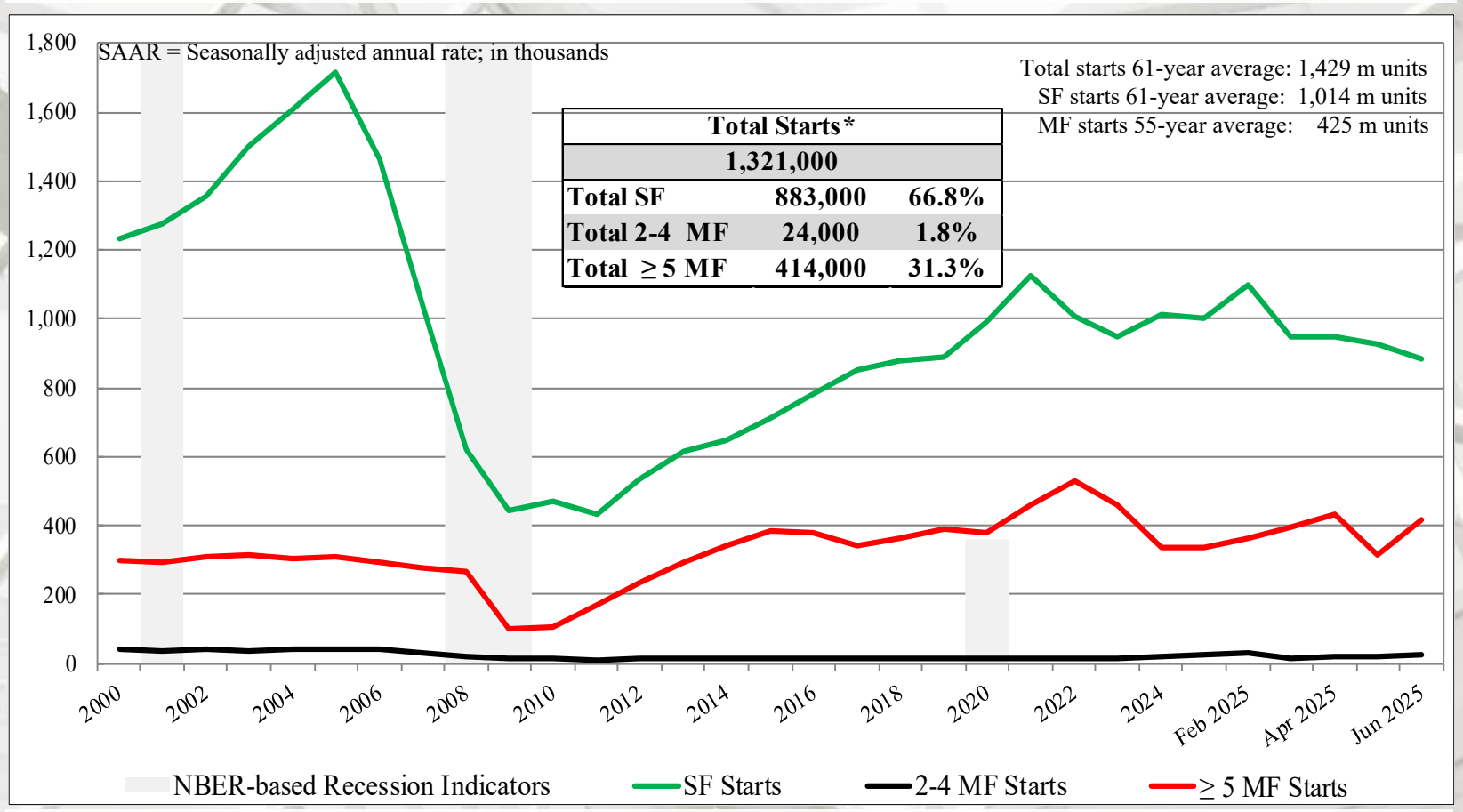
	Total Starts*	SF Starts	MF 2-4 Starts**	MF ≥5 Starts
June	1,321,000	883,000	24,000	414,000
May	1,263,000	926,000	20,000	317,000
2024	1,327,000	981,000	17,000	329,000
M/M change	4.6%	-4.6%	20.0%	30.6%
Y/Y change	-0.5%	-10.0%	41.2%	25.8%

* 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; 7/18/25

Return TOC

Total Housing Starts



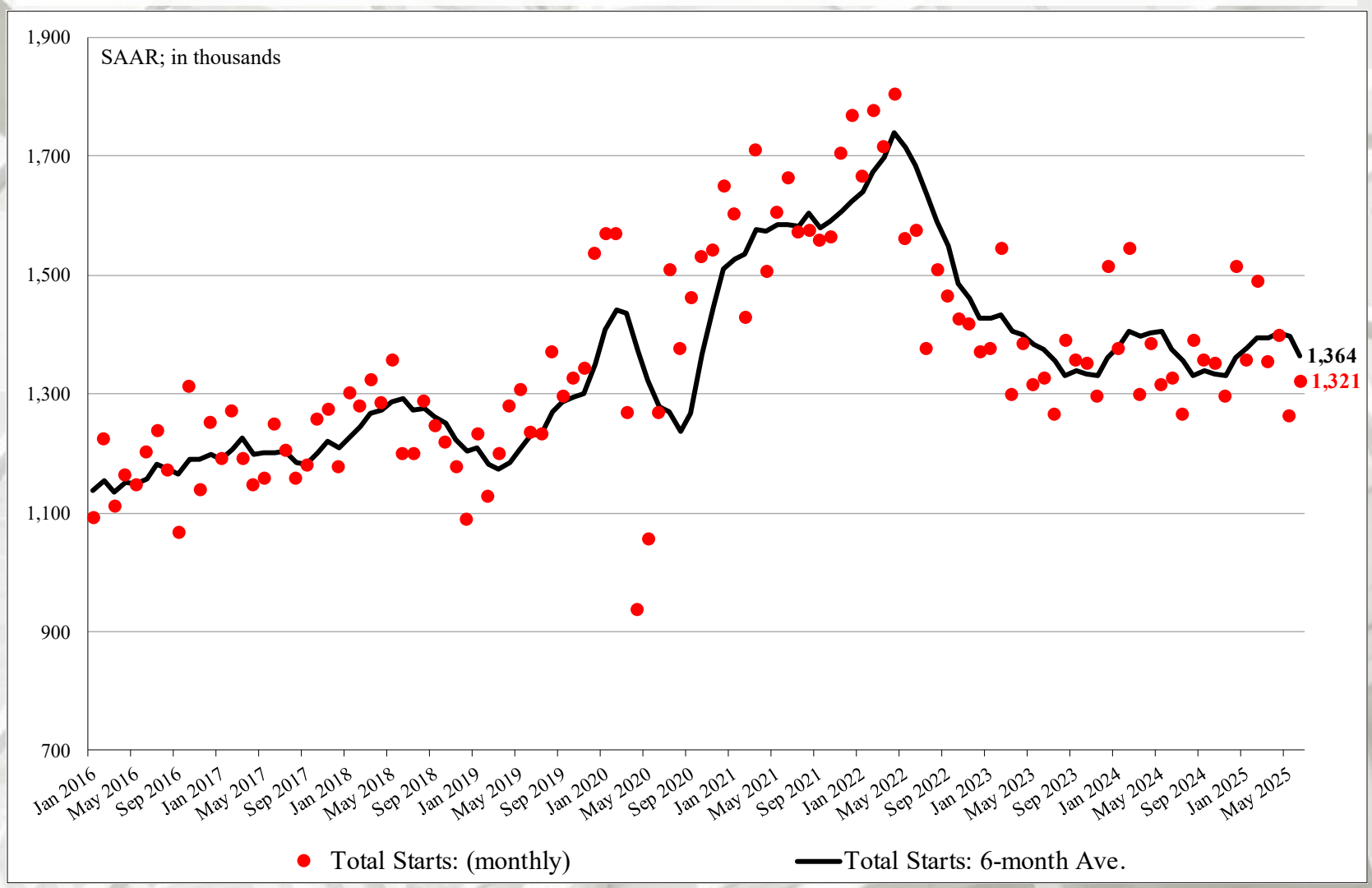
The US DOC does not report 2 to 4 multi-family starts directly; this is an estimation: (Total starts – (SF + 5-unit MF).

* 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; 7/18/25

Return TOC

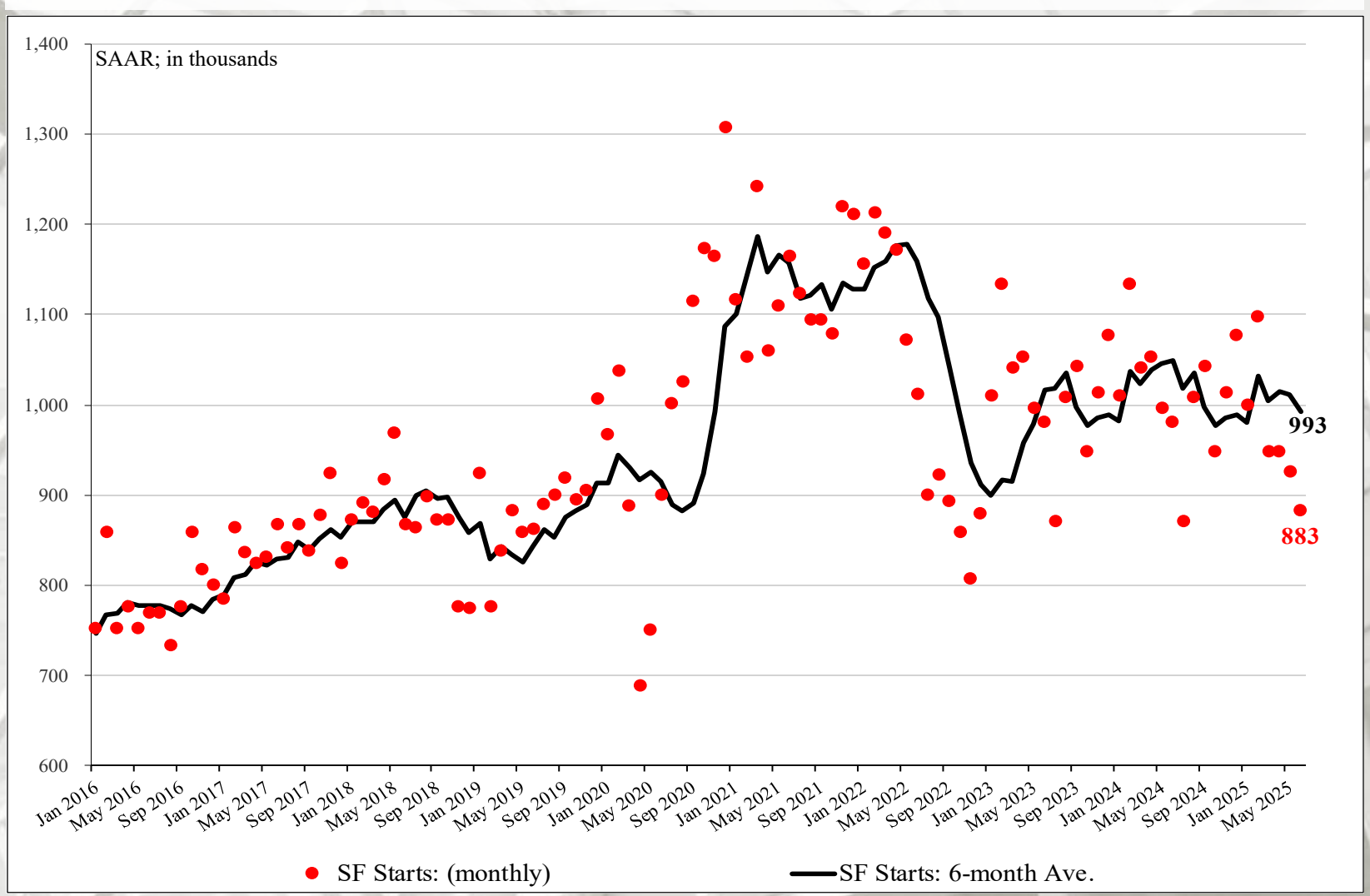
Total Housing Starts: Six-Month Moving Average



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

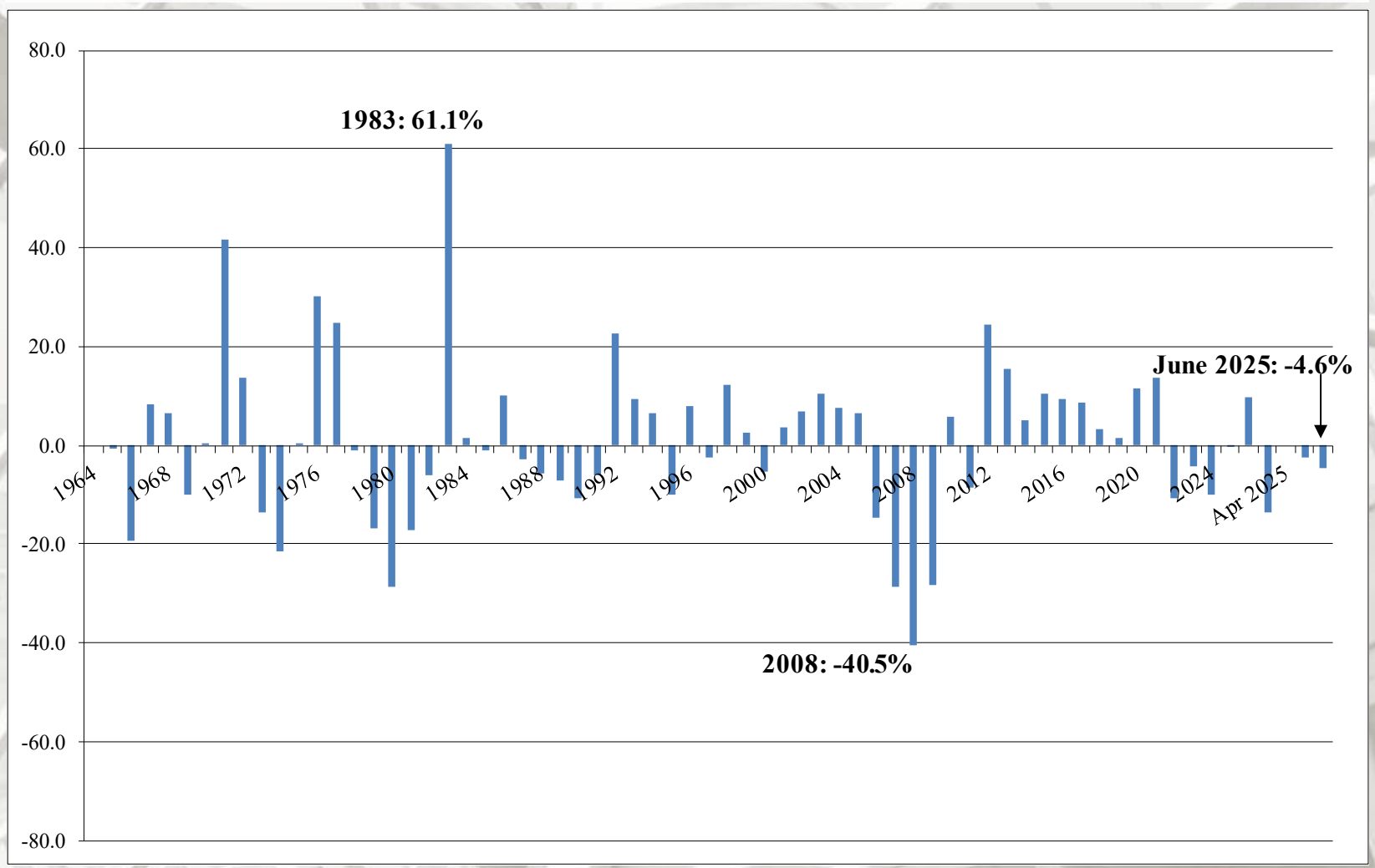
SF Housing Starts: Six-Month Moving Average



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

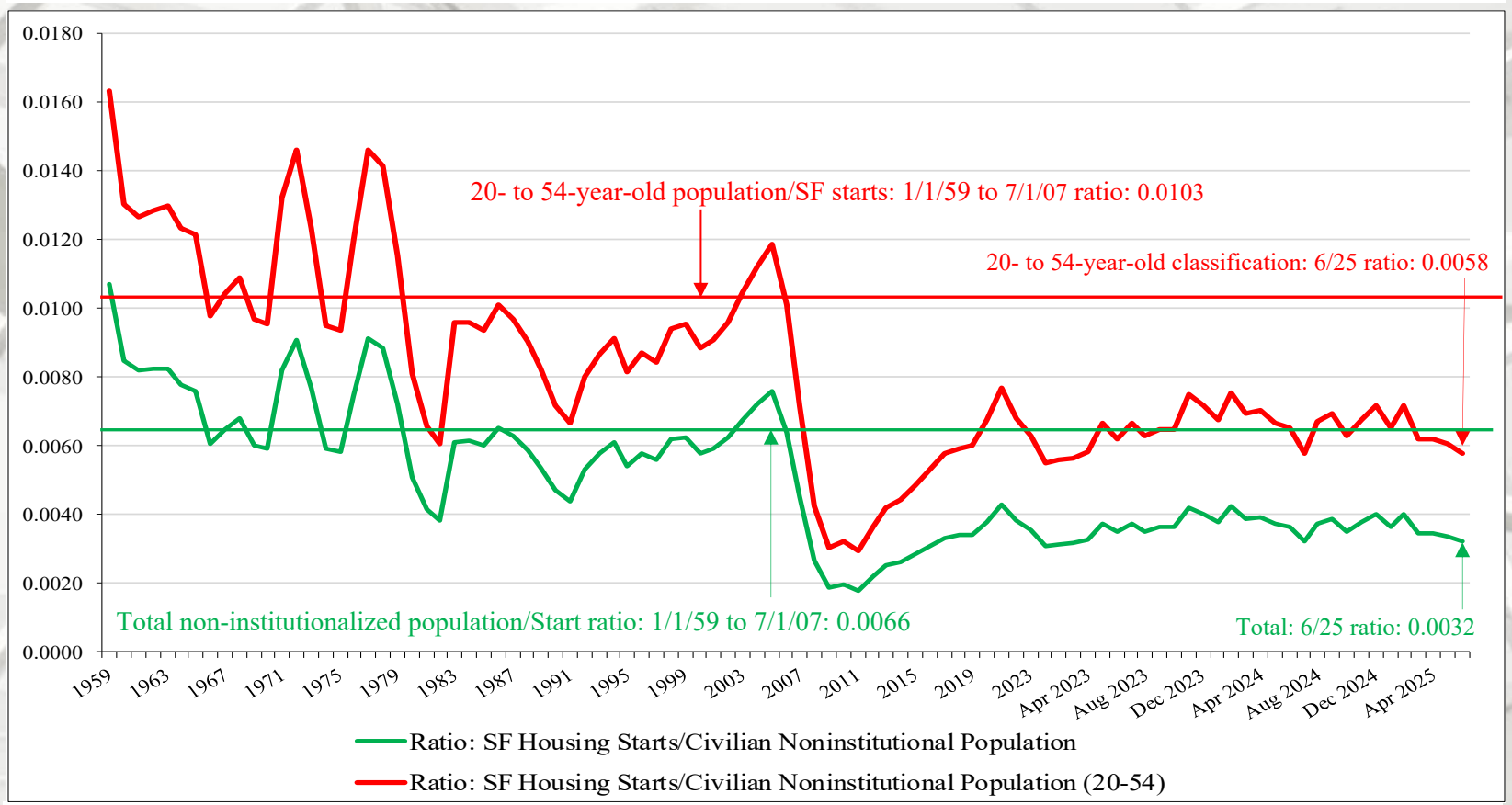
SF Housing Starts: Year-over-Year Change (%)



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

New SF Starts



New SF starts adjusted for the US population

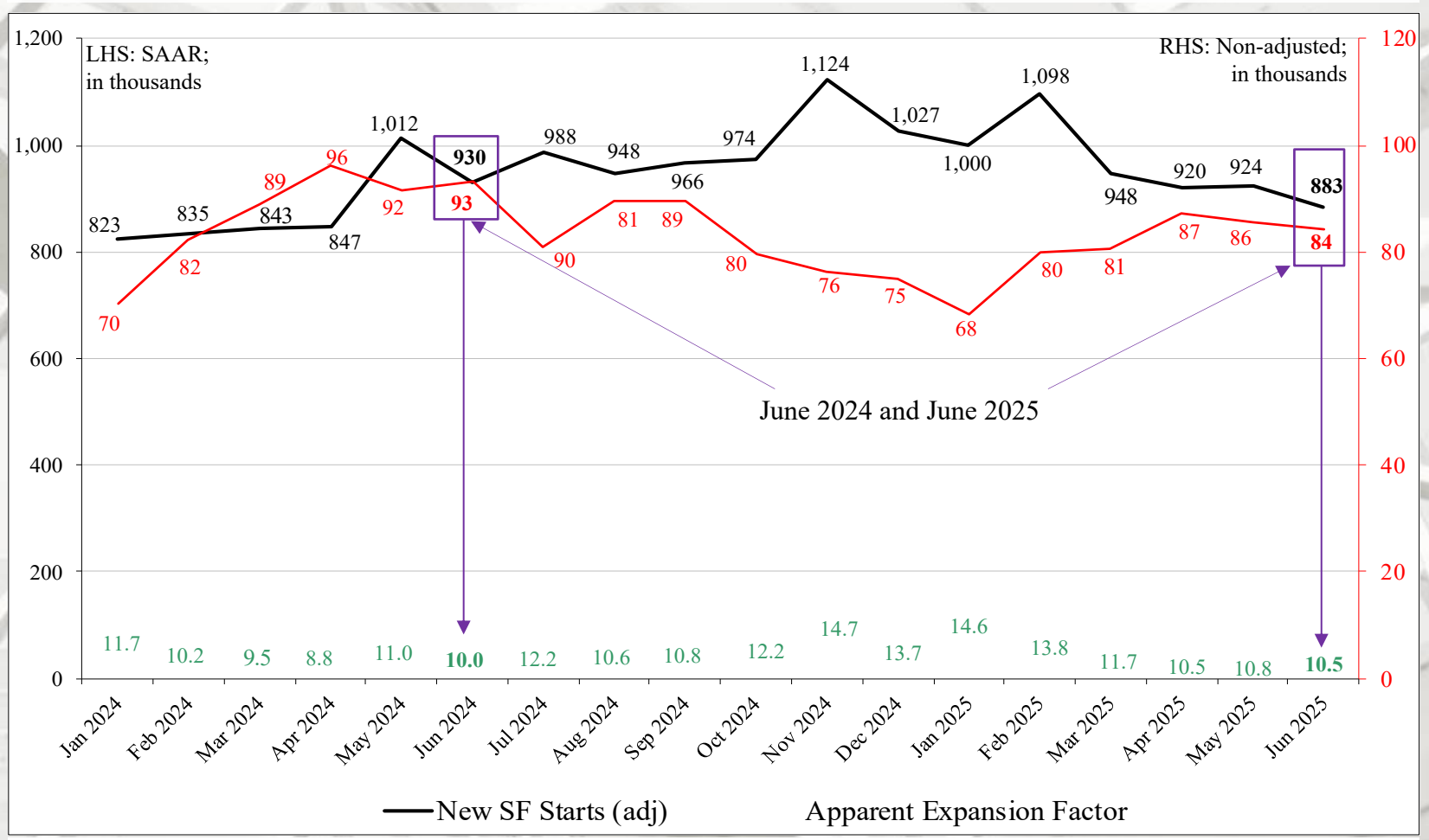
From June 1959 to June 2007, the long-term ratio of new SF starts to the total US non-institutionalized population is 0.0066. In June 2025 it was 0.0032 – decreasing from May (0.0034). The long-term ratio of non-institutionalized population, aged 20 to 54 is 0.0103; in June 2025 it was 0.0058 – also declining from May (0.0061). 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; 7/18/25

Return TOC

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; 7/18/25

Return TOC

New Housing Starts by Region

	NE Total	NE SF	NE MF**
June	182,000	66,000	116,000
May	105,000	68,000	37,000
2024	119,000	70,000	49,000
M/M change	73.3%	-2.9%	213.5%
Y/Y change	52.9%	-5.7%	136.7%

	MW Total	MW SF	MW MF
June	179,000	139,000	40,000
May	189,000	141,000	48,000
2024	176,000	117,000	59,000
M/M change	-5.3%	-1.4%	-16.7%
Y/Y change	1.7%	18.8%	-32.2%

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; 7/18/25

Return TOC

New Housing Starts by Region

	S Total	S SF	S MF**
June	674,000	483,000	191,000
May	679,000	509,000	170,000
2024	741,000	593,000	148,000
M/M change	-0.7%	-5.1%	12.4%
Y/Y change	-9.0%	-18.5%	29.1%

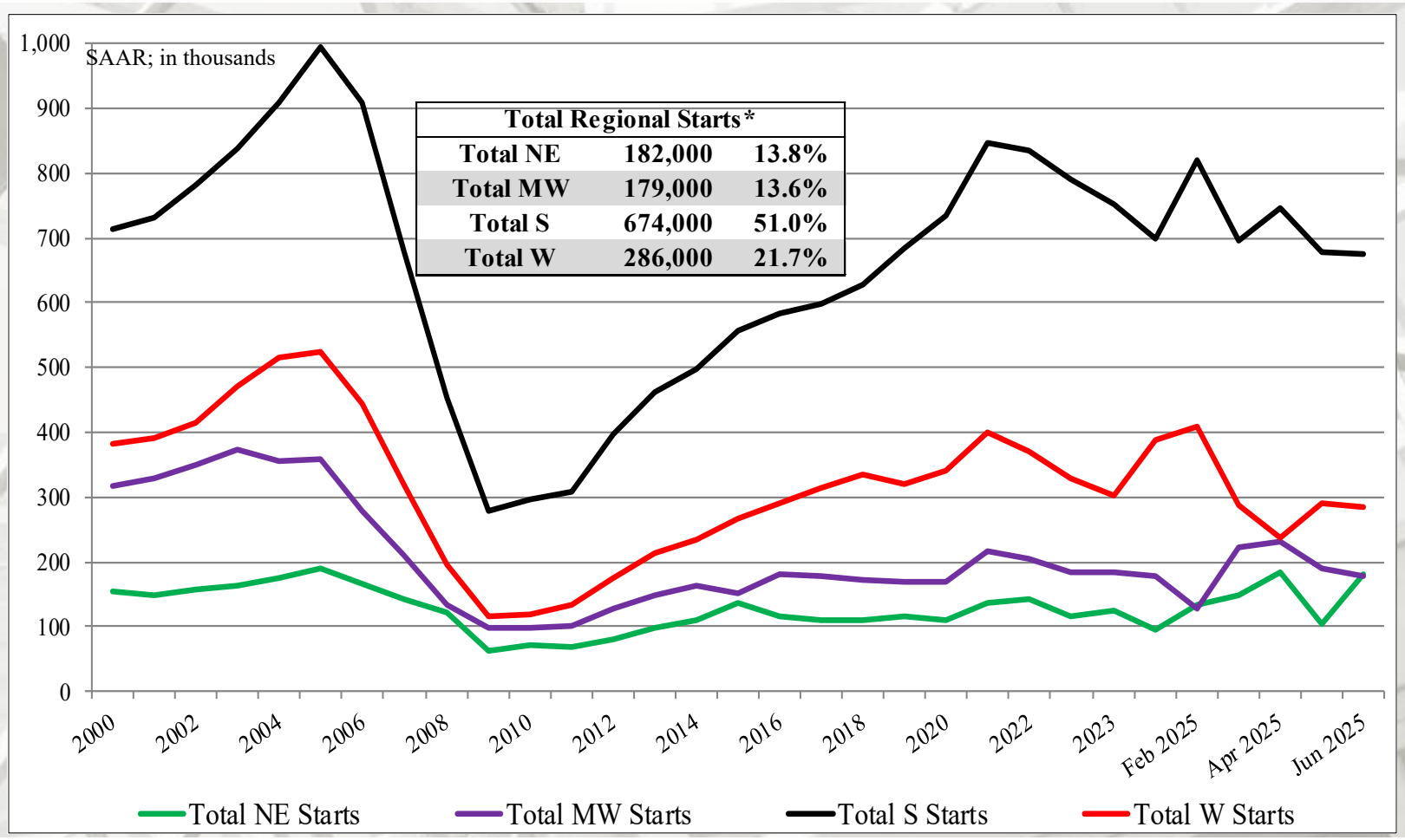
	W Total	W SF	W MF
June	286,000	195,000	91,000
May	290,000	208,000	82,000
2024	291,000	201,000	90,000
M/M change	-1.4%	-6.3%	11.0%
Y/Y change	-1.7%	-3.0%	1.1%

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; 7/18/25

Return TOC

New Housing Starts by Region



Total Regional Starts*		
Total NE	182,000	13.8%
Total MW	179,000	13.6%
Total S	674,000	51.0%
Total W	286,000	21.7%

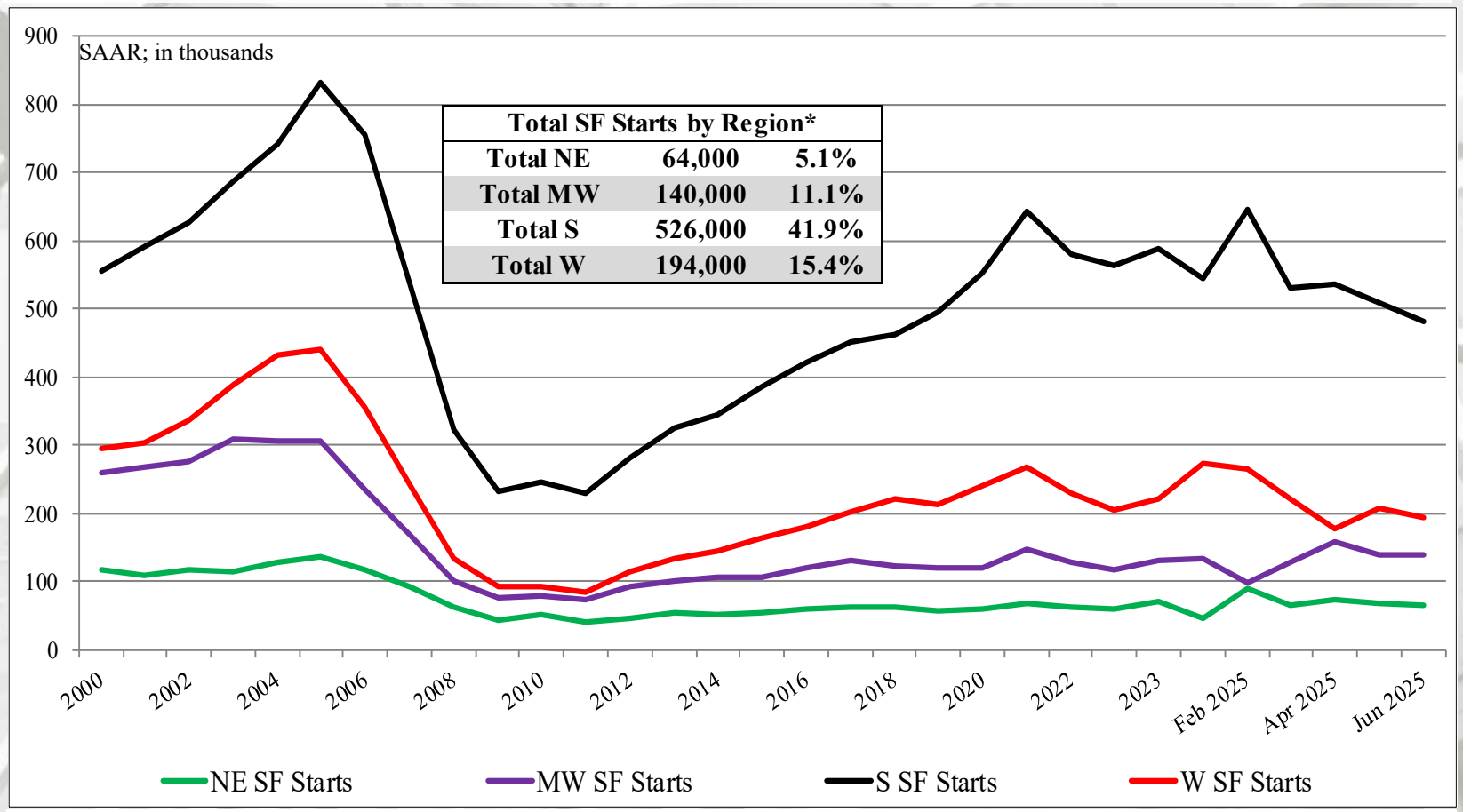
NE = Northeast, MW = Midwest, S = South, W = West
US DOC does not report 2 to 4 multi-family starts directly; this is an estimation (Total starts – (SF + ≥ 5 MF starts).

* Percentage of total starts.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

Total SF Housing Starts by Region



Total SF Starts by Region*		
Total NE	64,000	5.1%
Total MW	140,000	11.1%
Total S	526,000	41.9%
Total W	194,000	15.4%

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

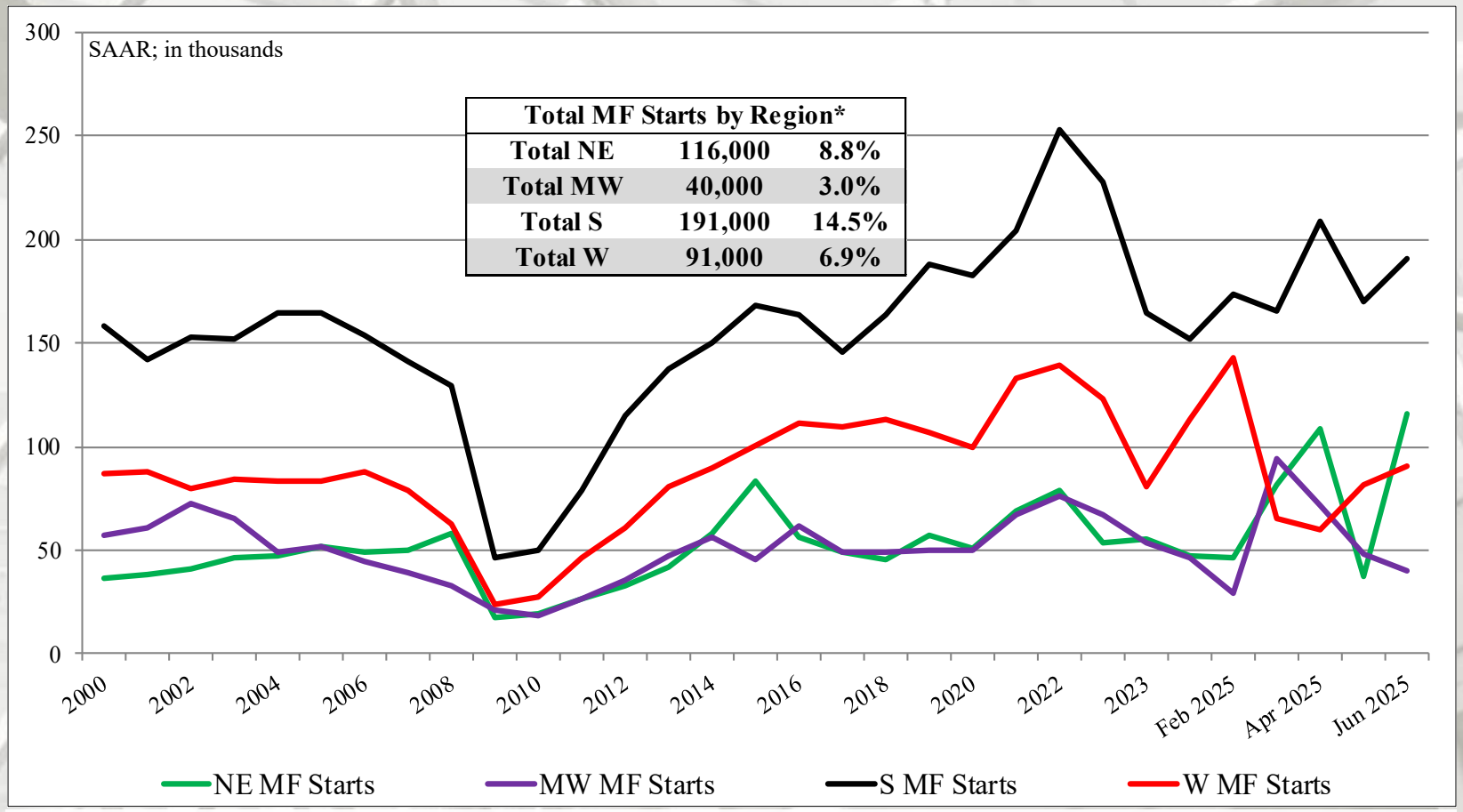
US DOC does not report 2 to 4 multi-family starts directly; this is an estimation (Total starts – (SF + ≥ 5 MF starts).

* Percentage of total starts.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

MF Housing Starts by Region



Total MF Starts by Region*		
Total NE	116,000	8.8%
Total MW	40,000	3.0%
Total S	191,000	14.5%
Total W	91,000	6.9%

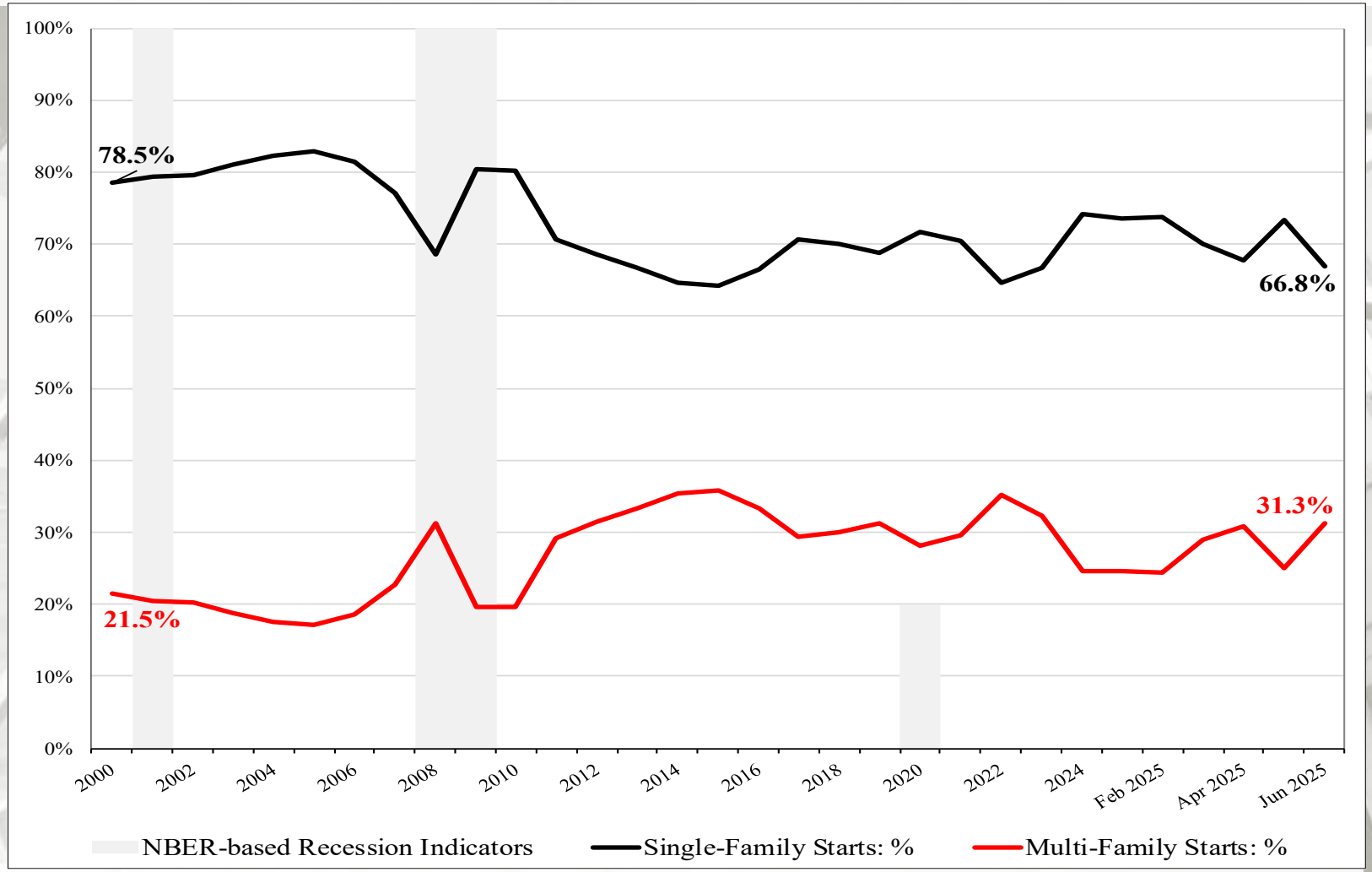
NE = Northeast, MW = Midwest, S = South, W = West
US DOC does not report 2 to 4 multi-family starts directly; this is an estimation (Total starts – (SF + ≥ 5 MF starts).

* Percentage of total starts.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

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; 7/18/25

Return TOC

New Housing Permits

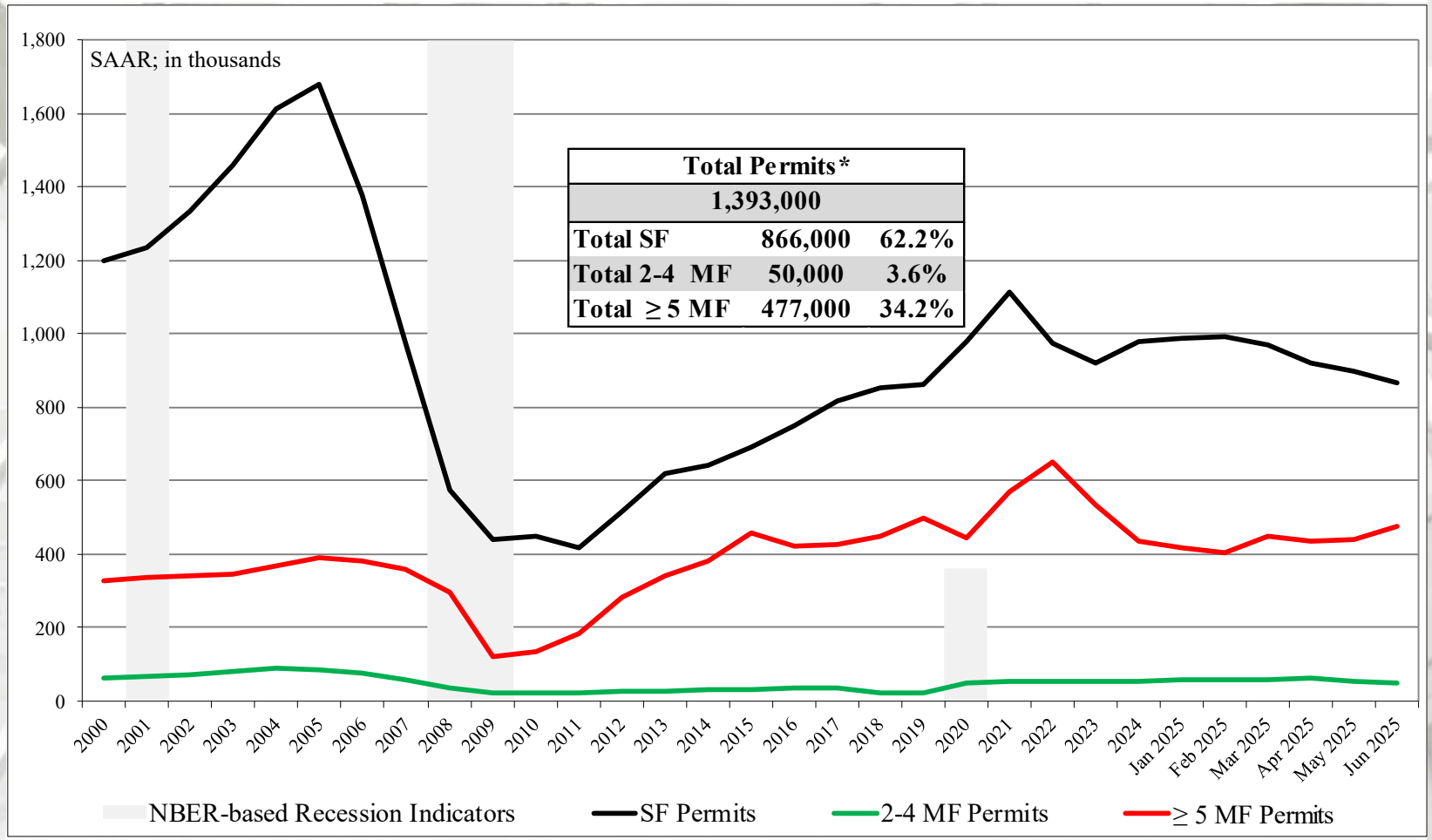
	Total Permits*	SF Permits	MF 2-4 unit Permits	MF ≥ 5 unit Permits
June	1,393,000	866,000	50,000	477,000
May	1,394,000	899,000	53,000	442,000
2024	1,461,000	945,000	48,000	468,000
M/M change	-0.1%	-3.7%	-5.7%	7.9%
Y/Y change	-4.7%	-8.4%	4.2%	1.9%

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

Source: https://www.census.gov/construction/bps/; 6/25/25

Return TOC

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/; 6/25/25

Return TOC

New Housing Permits by Region

	NE Total*	NE SF	NE MF**
June	103,000	55,000	48,000
May	123,000	56,000	67,000
2024	118,000	60,000	58,000
M/M change	-16.3%	-1.8%	-28.4%
Y/Y change	-12.7%	-8.3%	-17.2%

	MW Total*	MW SF	MW MF**
June	218,000	122,000	96,000
May	217,000	126,000	91,000
2024	208,000	122,000	86,000
M/M change	0.5%	-3.2%	5.5%
Y/Y change	4.8%	0.0%	11.6%

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/; 6/25/25

Return TOC

New Housing Permits by Region

	S Total*	S SF	S MF**
June	775,000	517,000	258,000
May	742,000	529,000	213,000
2024	809,000	558,000	251,000
M/M change	4.4%	-2.3%	21.1%
Y/Y change	-4.2%	-7.3%	2.8%

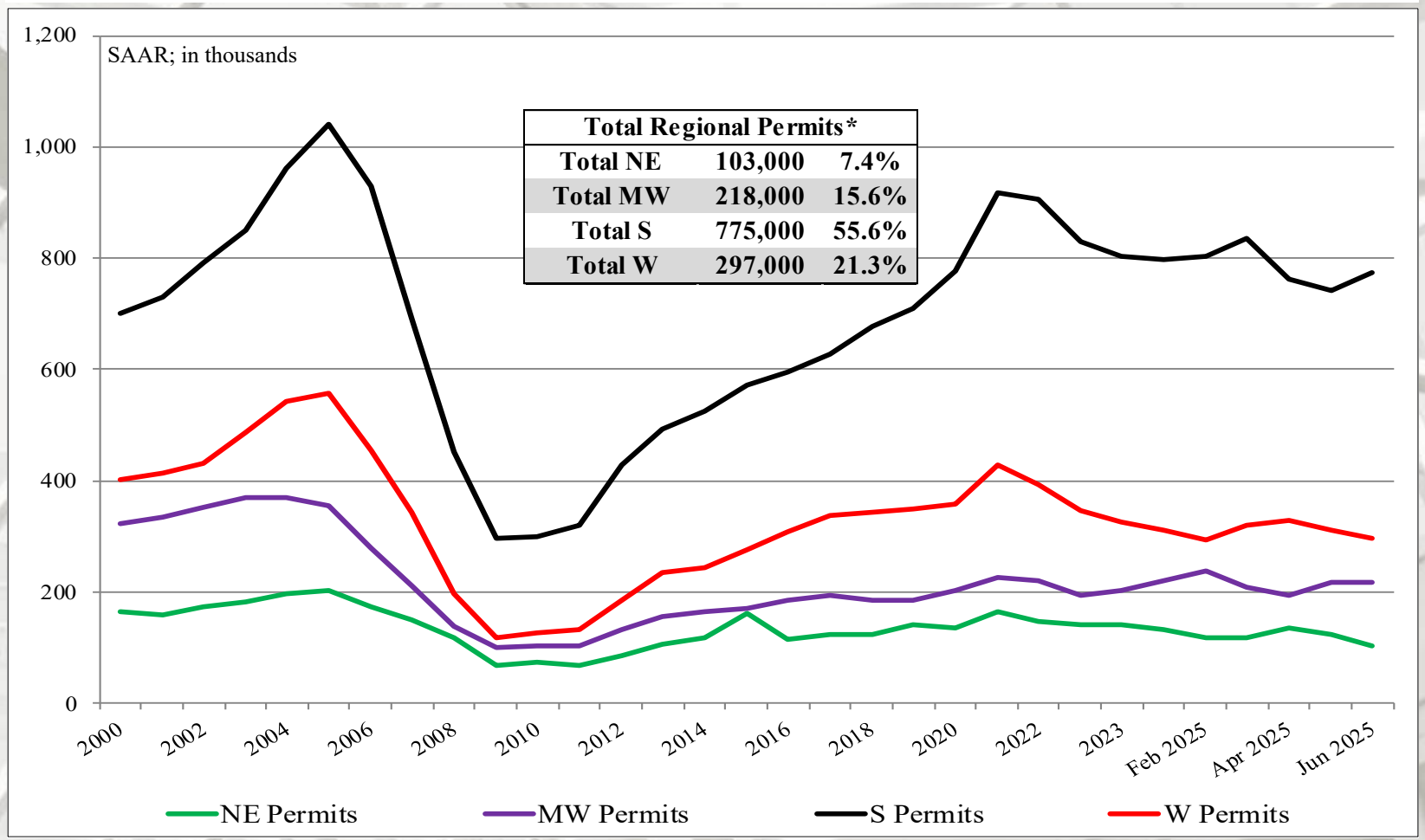
	W Total*	W SF	W MF**
June	297,000	172,000	125,000
May	312,000	188,000	124,000
2024	326,000	205,000	121,000
M/M change	-4.8%	-8.5%	0.8%
Y/Y change	-8.9%	-16.1%	3.3%

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/; 6/25/25

Return TOC

Total Housing Permits by Region



Total Regional Permits*		
Total NE	103,000	7.4%
Total MW	218,000	15.6%
Total S	775,000	55.6%
Total W	297,000	21.3%

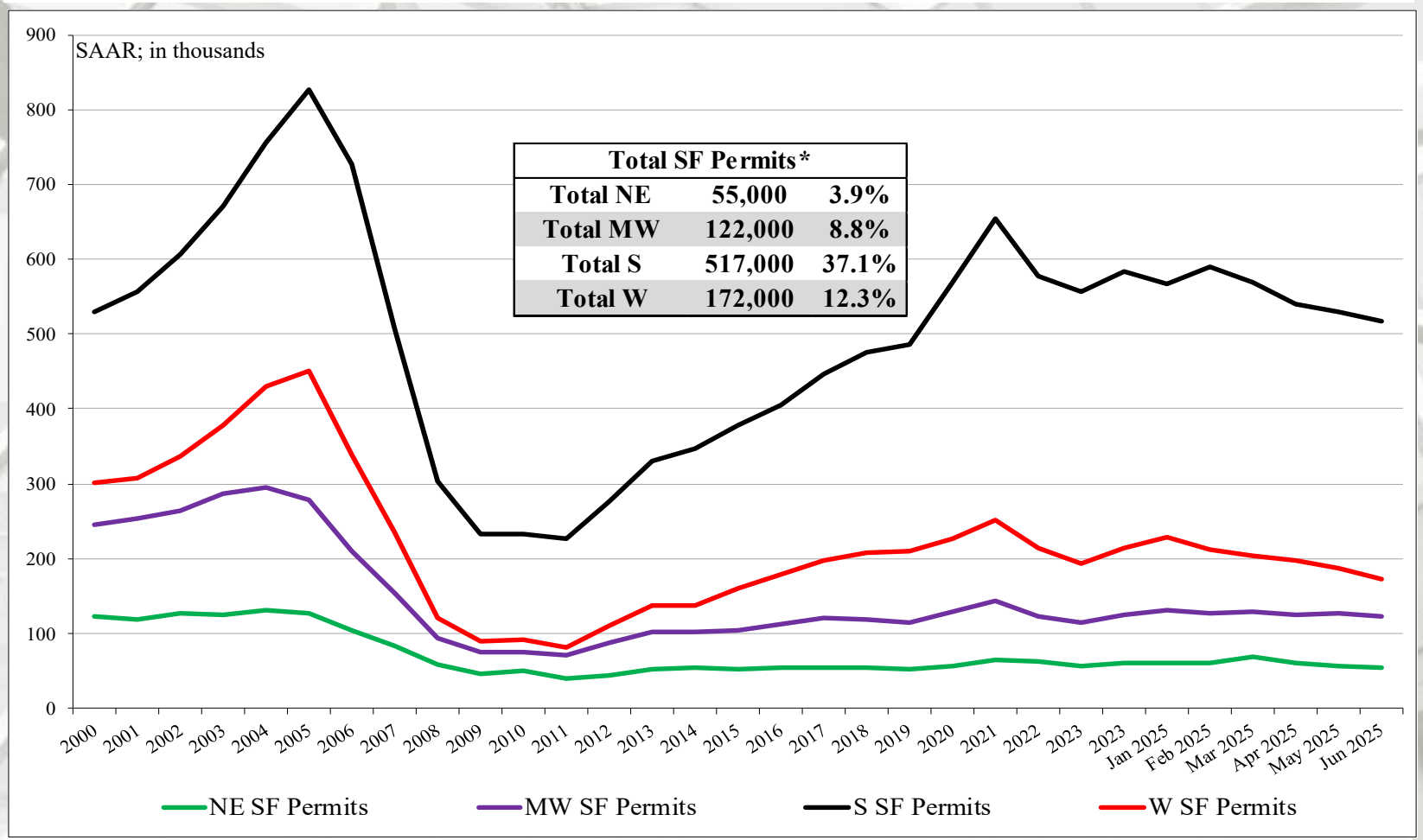
NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total permits.

Source: https://www.census.gov/construction/bps/; 6/25/25

Return TOC

SF Housing Permits by Region



Total SF Permits*		
Total NE	55,000	3.9%
Total MW	122,000	8.8%
Total S	517,000	37.1%
Total W	172,000	12.3%

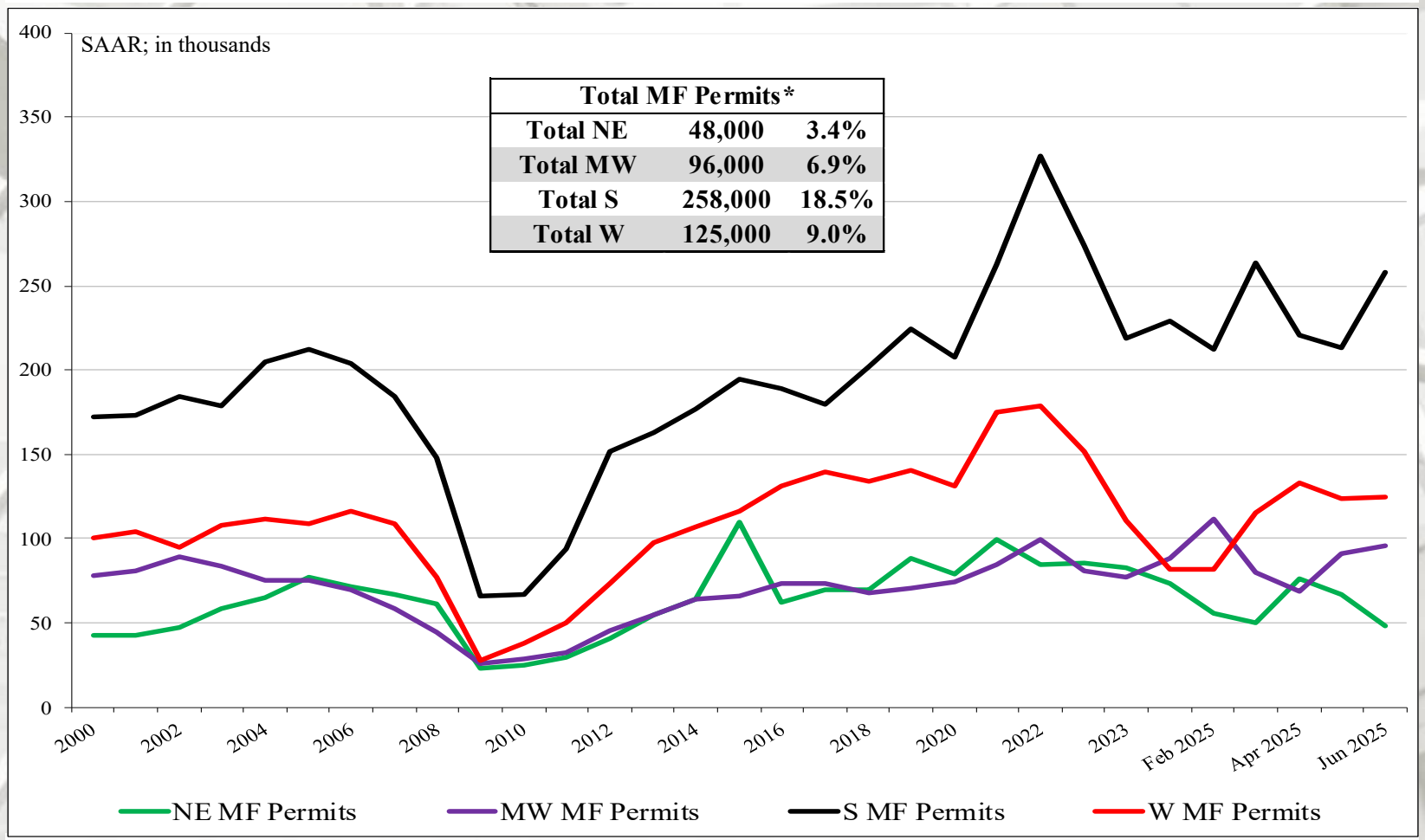
NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total permits.

Source: https://www.census.gov/construction/bps/; 6/25/25

Return TOC

MF Housing Permits by Region



Total MF Permits*		
Total NE	48,000	3.4%
Total MW	96,000	6.9%
Total S	258,000	18.5%
Total W	125,000	9.0%

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

* Percentage of total permits.

Source: https://www.census.gov/construction/bps/; 6/25/25

Return TOC

New Housing Under Construction (HUC)

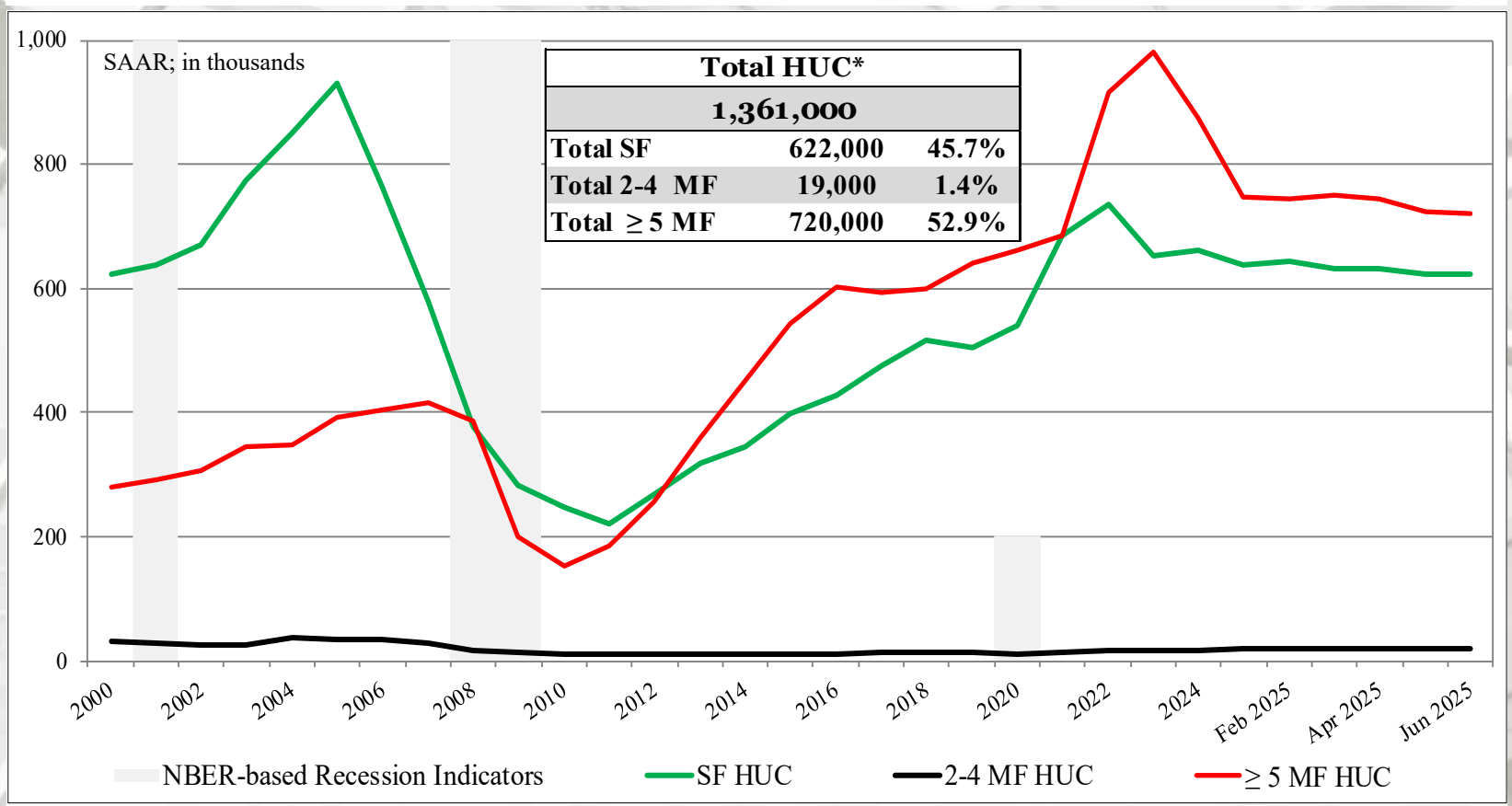
	Total HUC	SF HUC	MF 2-4 unit** HUC	MF ≥ 5 unit HUC
June	1,361,000	622,000	19,000	720,000
May	1,367,000	624,000	19,000	724,000
2024	1,572,000	662,000	15,000	895,000
M/M change	-0.4%	-0.3%	0.0%	-0.6%
Y/Y change	-13.4%	-6.0%	26.7%	-19.6%

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; 7/18/25

Return TOC

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; 7/18/25

Return TOC

New Housing Under Construction by Region

	NE Total	NE SF	NE MF**
June	217,000	65,000	152,000
May	213,000	65,000	148,000
2024	211,000	65,000	146,000
M/M change	1.9%	0.0%	2.7%
Y/Y change	2.8%	0.0%	4.1%
	MW Total	**MW SF**	**MW MF**
June	186,000	90,000	96,000
May	188,000	89,000	99,000
2024	177,000	84,000	93,000
M/M change	-1.1%	1.1%	-3.0%
Y/Y change	5.1%	7.1%	3.2%

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; 7/18/25

Return TOC

New Housing Under Construction by Region

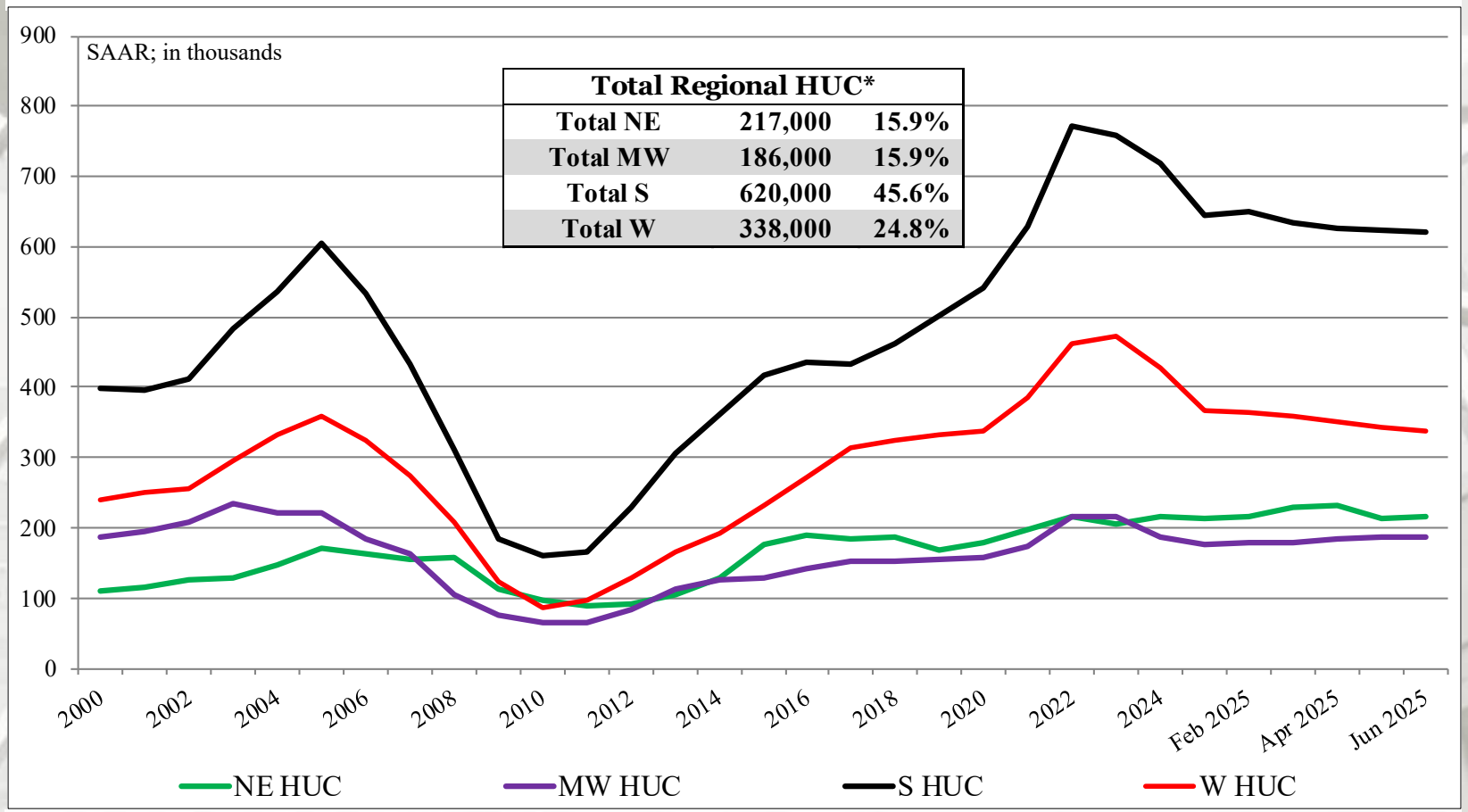
	S Total	S SF	S MF**
June	620,000	312,000	308,000
May	624,000	314,000	310,000
2024	744,000	342,000	402,000
M/M change	-0.6%	-0.6%	-0.6%
Y/Y change	-16.7%	-8.8%	-23.4%
	W Total	**W SF**	**W MF**
June	338,000	155,000	183,000
May	342,000	156,000	186,000
2024	440,000	171,000	269,000
M/M change	-1.2%	-0.6%	-1.6%
Y/Y change	-23.2%	-9.4%	-32.0%

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; 7/18/25

Return TOC

Total Housing Under Construction by Region



Total Regional HUC*		
Total NE	217,000	15.9%
Total MW	186,000	15.9%
Total S	620,000	45.6%
Total W	338,000	24.8%

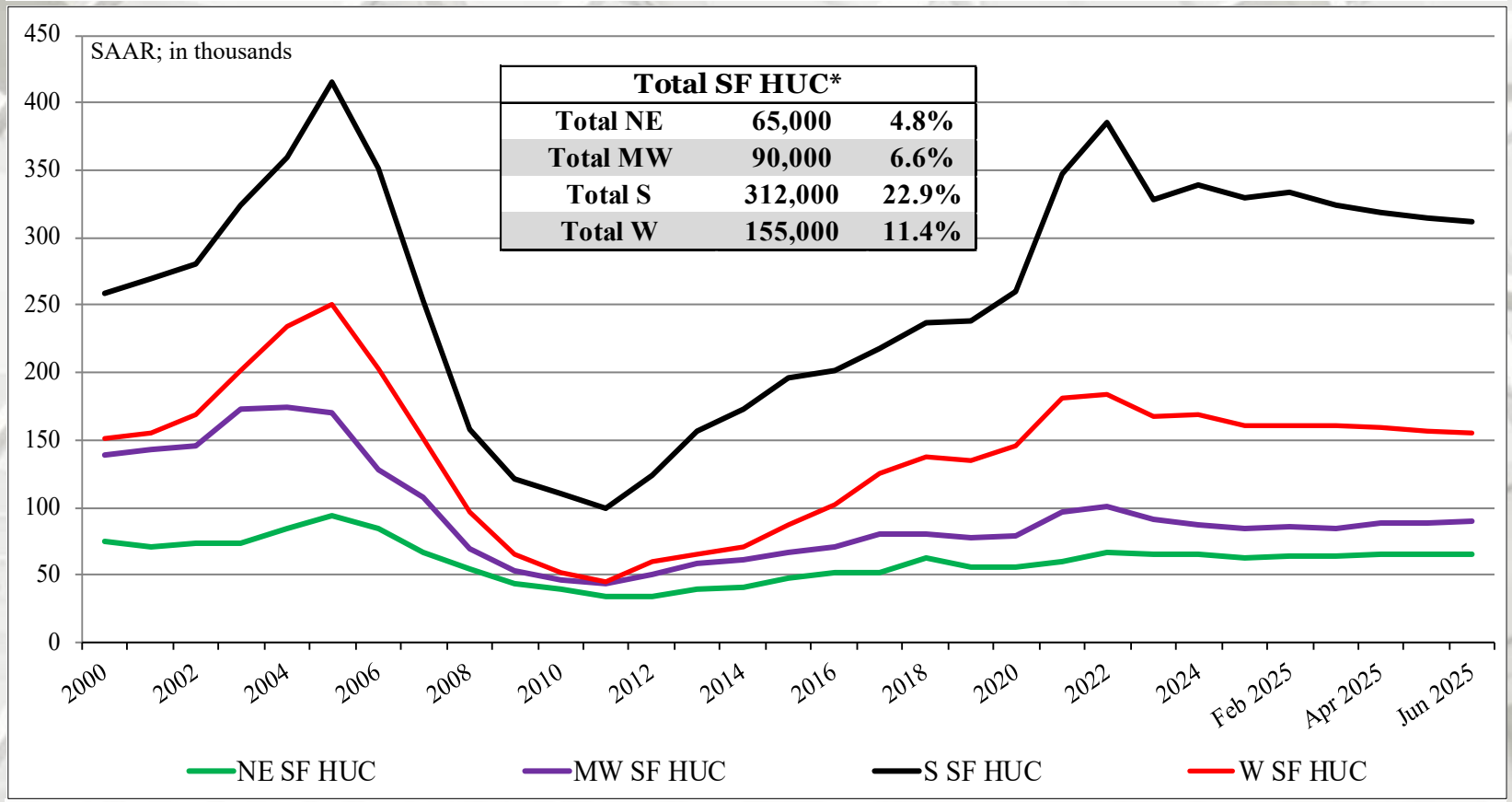
NE = Northeast, MW = Midwest, S = South, W = West
US DOC does not report 2 to 4 multi-family under construction directly; this is an estimation (Total under construction – (SF + 5-unit MF under construction).

* Percentage of total housing under construction units.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

SF Housing Under Construction by Region



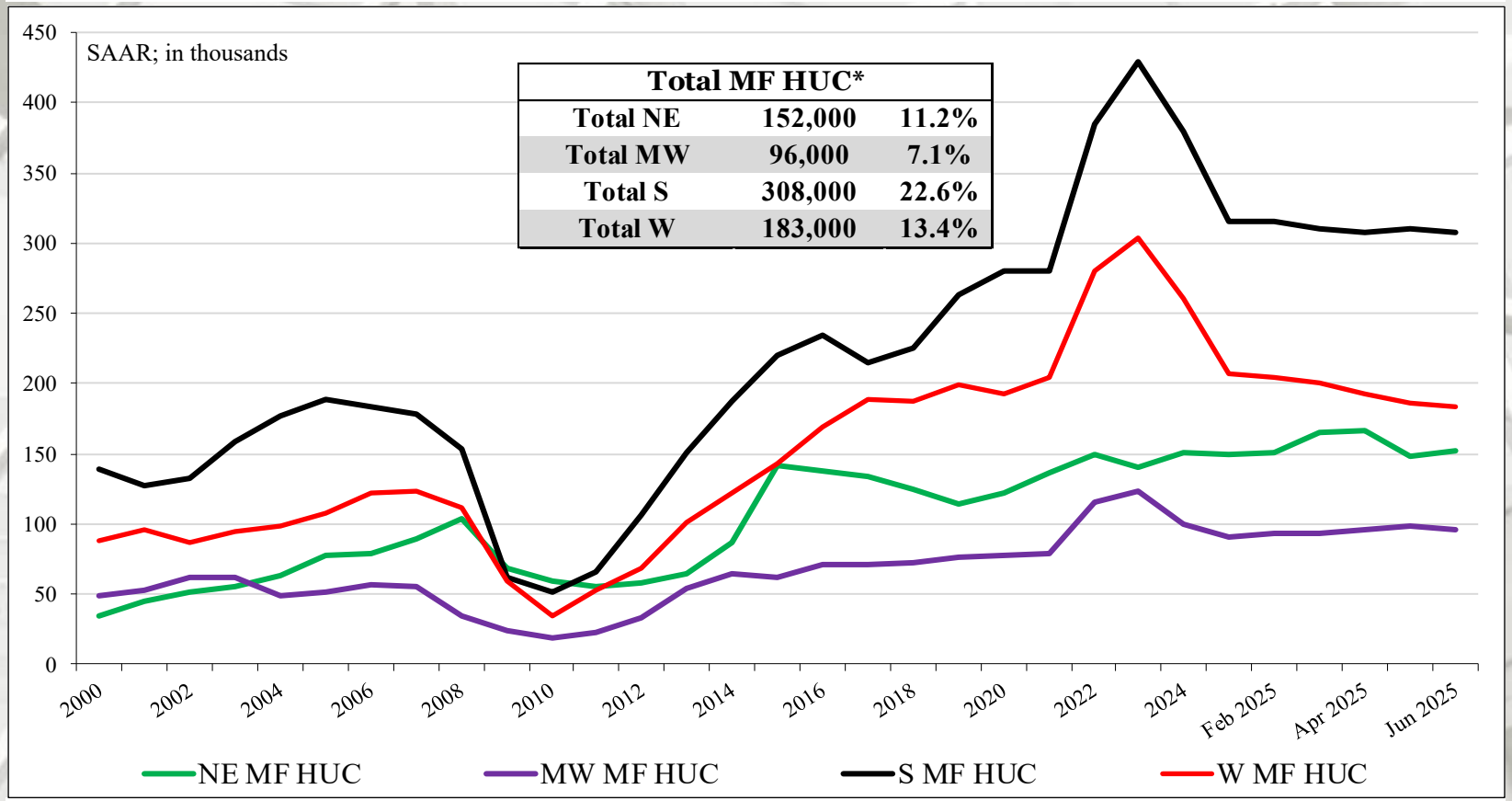
NE = Northeast, MW = Midwest, S = South, W = West.
US DOC does not report 2 to 4 multi-family under construction directly, this is an estimation (Total under construction – (SF + 5-unit MF under construction).

* Percentage of total housing under construction units.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

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; 7/18/25

Return TOC

New Housing Completions

	Total Completions*	SF Completions	MF 2-4 unit** Completions	MF ≥ 5 unit Completions
June	1,314,000	908,000	23,000	383,000
May	1,540,000	1,038,000	17,000	485,000
2024	1,731,000	1,075,000	20,000	636,000
M/M change	-14.7%	-12.5%	35.3%	-21.0%
Y/Y change	-24.1%	-15.5%	15.0%	-39.8%

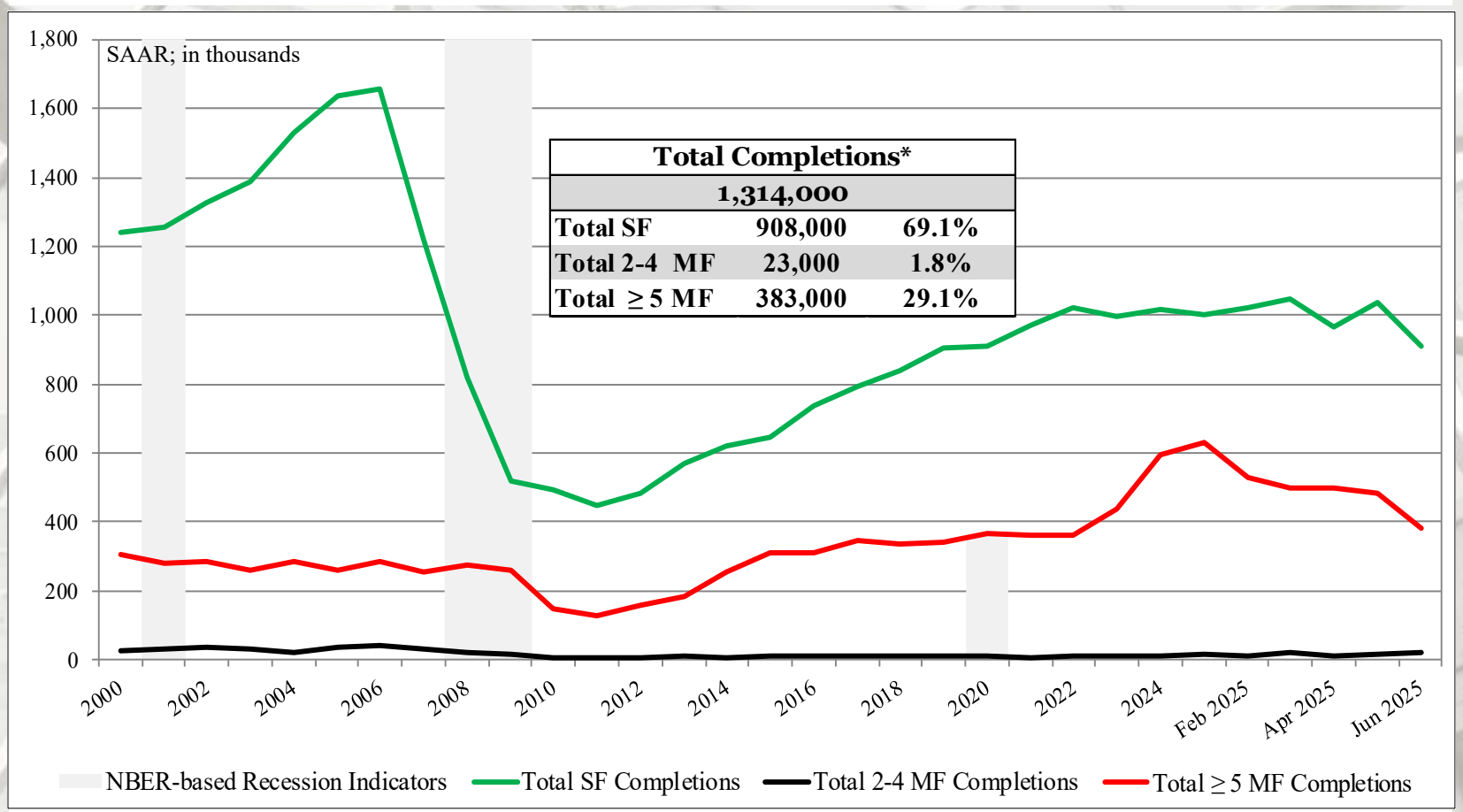
* All completion data are presented at a seasonally adjusted annual rate (SAAR).

** 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; 7/18/25

Return TOC

Total Housing Completions



Total Completions*		
1,314,000		
Total SF	908,000	69.1%
Total 2-4 MF	23,000	1.8%
Total ≥ 5 MF	383,000	29.1%

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; 7/18/25

Return TOC

New Housing Completions by Region

	NE Total	NE SF	NE MF**
June	132,000	71,000	61,000
May	168,000	64,000	104,000
2024	153,000	62,000	91,000
M/M change	-21.4%	10.9%	-41.3%
Y/Y change	-13.7%	14.5%	-33.0%
	MW Total	**MW SF**	**MW MF****
June	199,000	125,000	74,000
May	182,000	135,000	47,000
2024	324,000	157,000	167,000
M/M change	9.3%	-7.4%	57.4%
Y/Y change	-38.6%	-20.4%	-55.7%

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; 7/18/25

Return TOC

New Housing Completions by Region

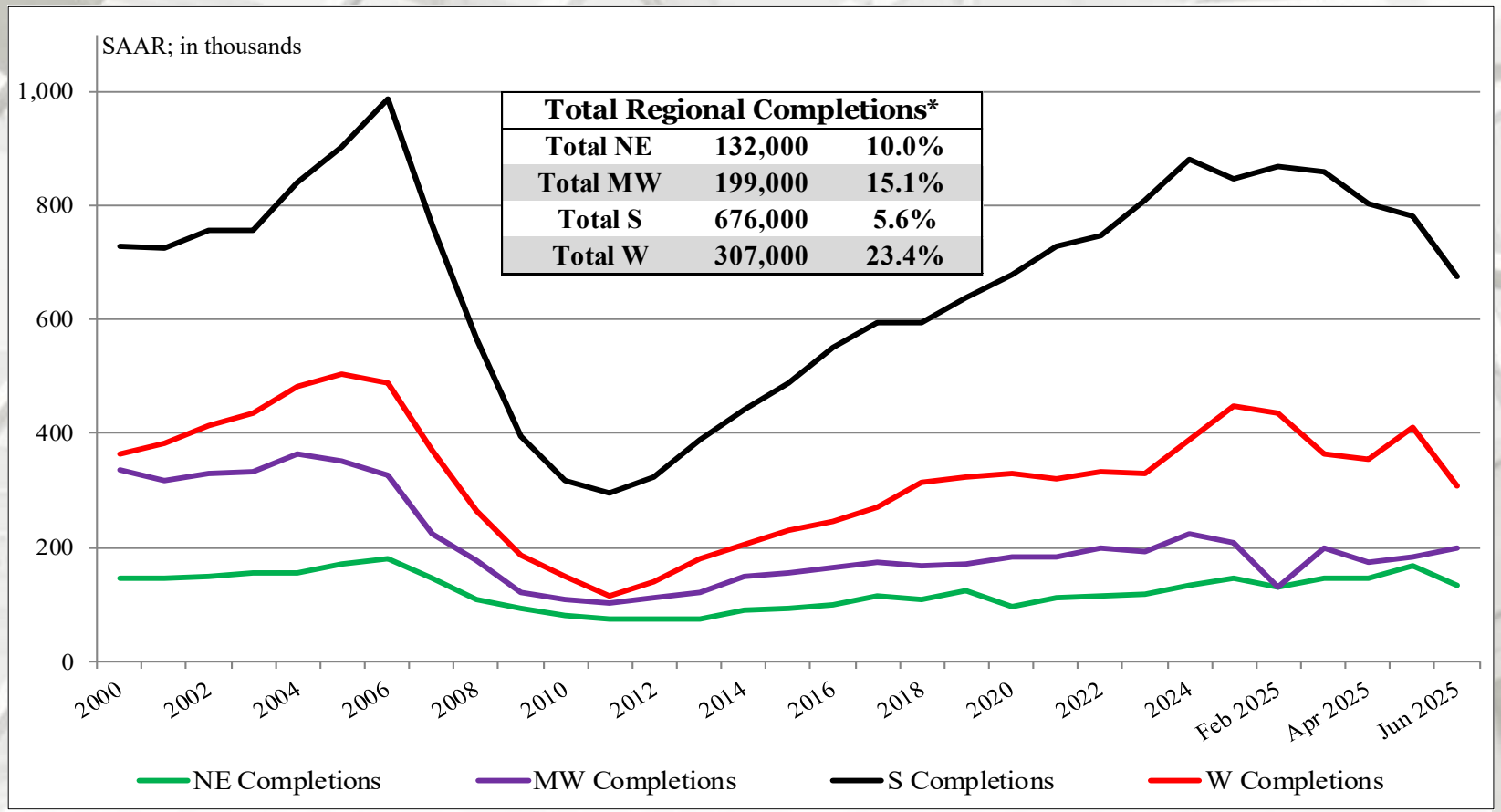
	S Total	S SF	S MF**
June	676,000	501,000	175,000
May	780,000	575,000	205,000
2024	906,000	643,000	263,000
M/M change	-13.3%	-12.9%	-14.6%
Y/Y change	-25.4%	-22.1%	-33.5%
	W Total	**W SF**	**W MF****
June	307,000	211,000	96,000
May	410,000	264,000	146,000
2024	348,000	213,000	135,000
M/M change	-25.1%	-20.1%	-34.2%
Y/Y change	-11.8%	-0.9%	-28.9%

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; 7/18/25

Return TOC

Total Housing Completions by Region



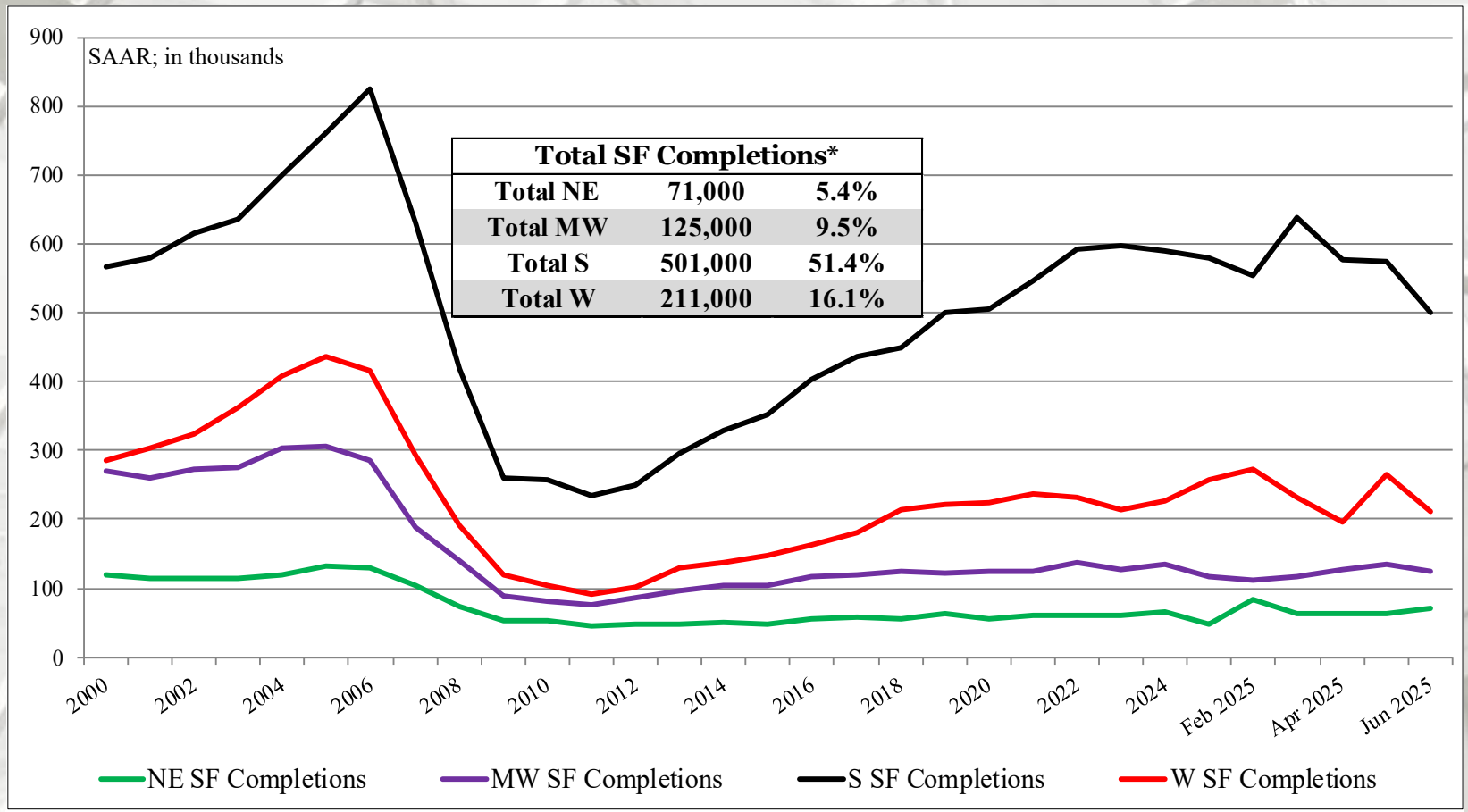
Total Regional Completions*		
Total NE	132,000	10.0%
Total MW	199,000	15.1%
Total S	676,000	5.6%
Total W	307,000	23.4%

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; 7/18/25

Return TOC

SF Housing Completions by Region



Total SF Completions*		
Total NE	71,000	5.4%
Total MW	125,000	9.5%
Total S	501,000	51.4%
Total W	211,000	16.1%

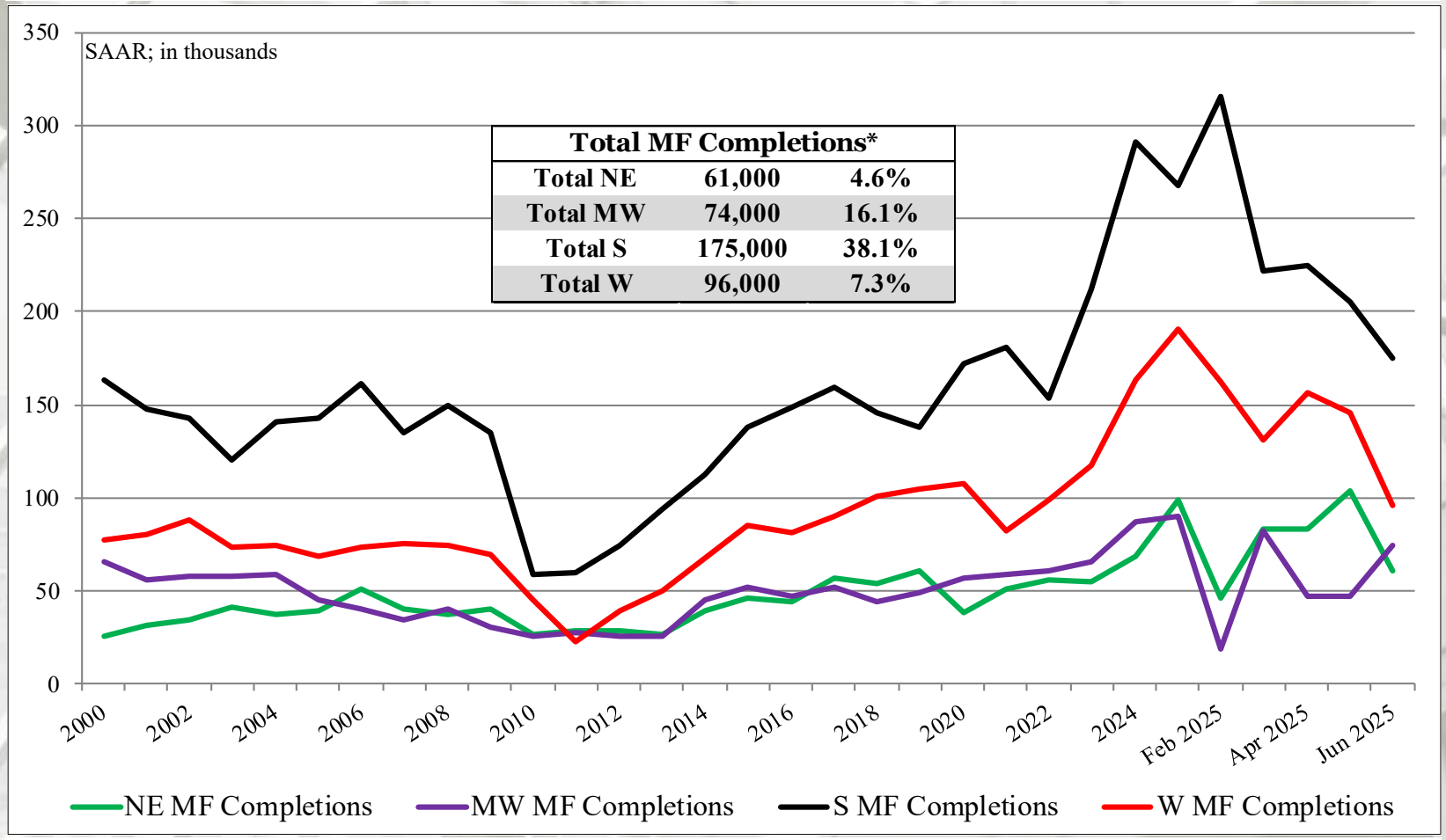
NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total housing completions

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

MF Housing Completions by Region



Total MF Completions*		
Total NE	61,000	4.6%
Total MW	74,000	16.1%
Total S	175,000	38.1%
Total W	96,000	7.3%

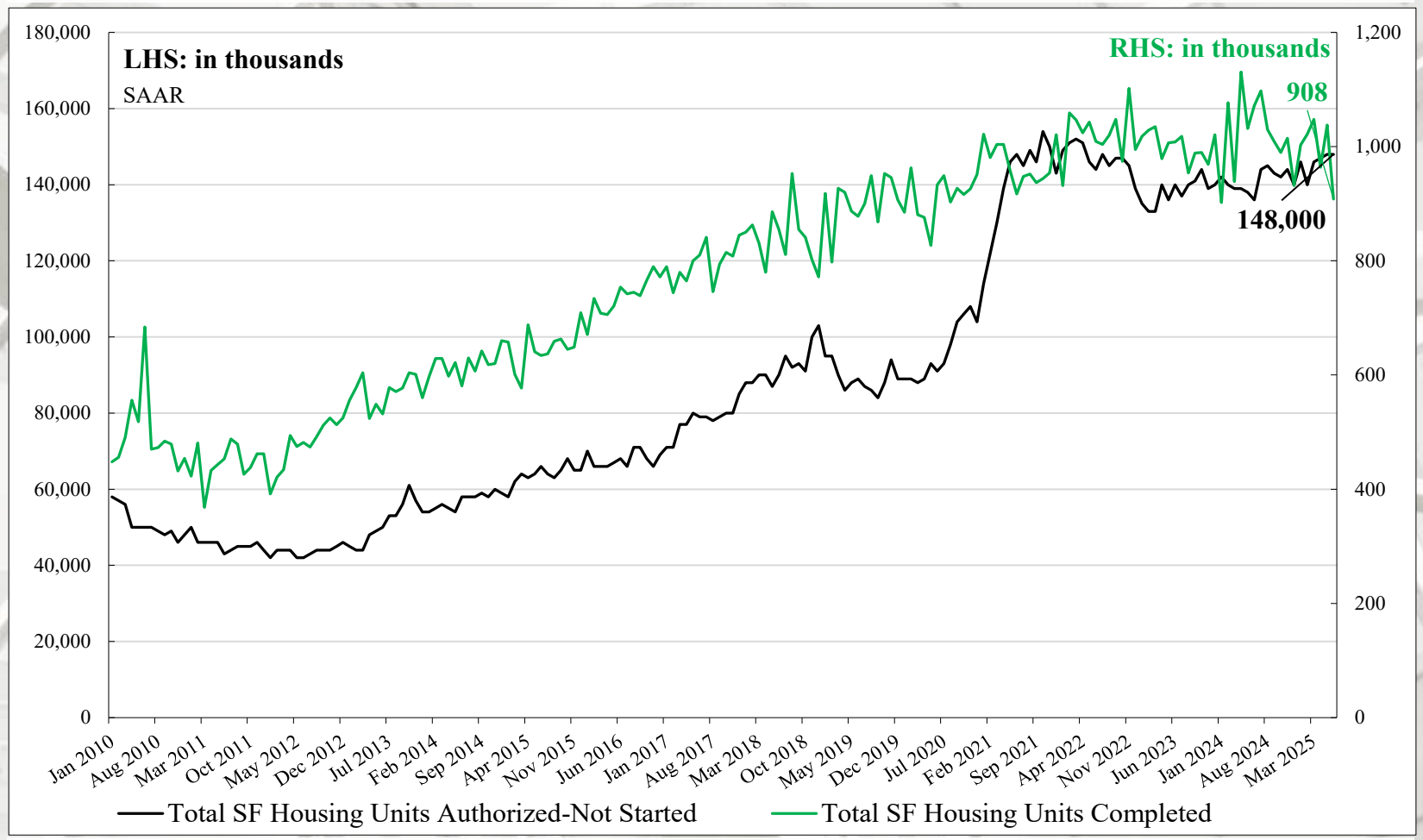
NE = Northeast, MW = Midwest, S = South, W = West

* Percentage of total housing completions

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 7/18/25

Return TOC

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



Authorized, Not Started vs. Housing Completions

Total authorized units "not" started was 283,000 in June, an increase from May (281,000), and SF authorized units "not" started were 148,000 units in June, no change from May. Total completions and SF unit completions decreased 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; 7/18/25

Return TOC

New Single-Family House Sales

	New SF Sales*	Median Price	Mean Price	Month's Supply
June	627,000	$401,800	$501,000	9.8
May	623,000	$422,700	$511,500	9.7
2024	671,000	$414,000	$495,500	8.4
M/M change	0.6%	-4.9%	-2.1%	1.0%
Y/Y change	-6.6%	-2.9%	1.1%	16.7%

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

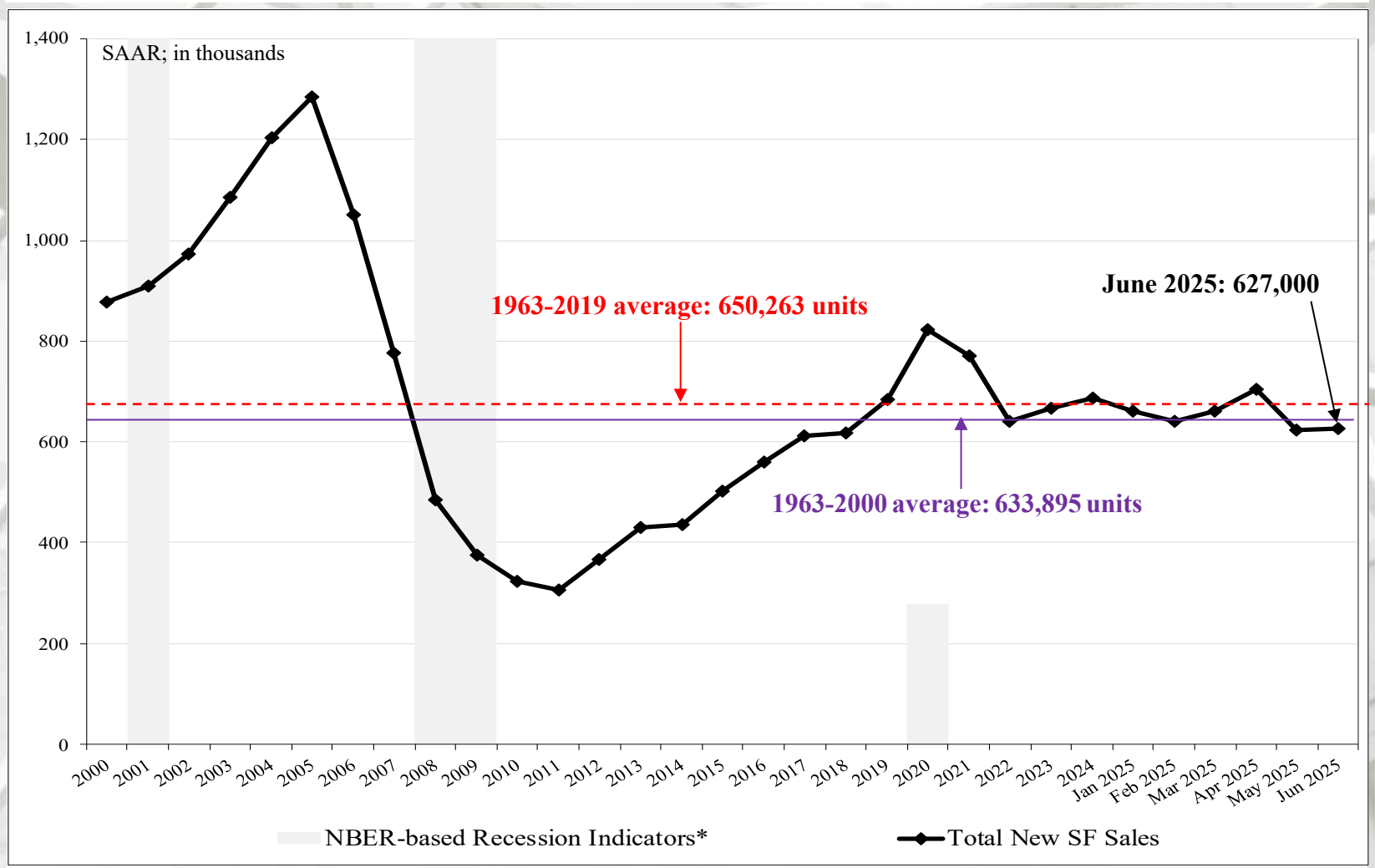
New SF sales were substantially less than the consensus forecast[3] of 680 m. The past three month's new SF sales data also were revised:

March initial: 724 m, revised to 660 m.
April initial: 743 m, revised to 705 m.
May initial: 623 m, revised to 623 m.

Sources: [1] https://www.census.gov/construction/nrs/index.html; 6/24/21; [2] https://www.census.gov/construction/nrs/pdf/newressales.pdf; 7/25/25
[3] http://us.econoday.com; 7/25/25

Return TOC

New SF House Sales

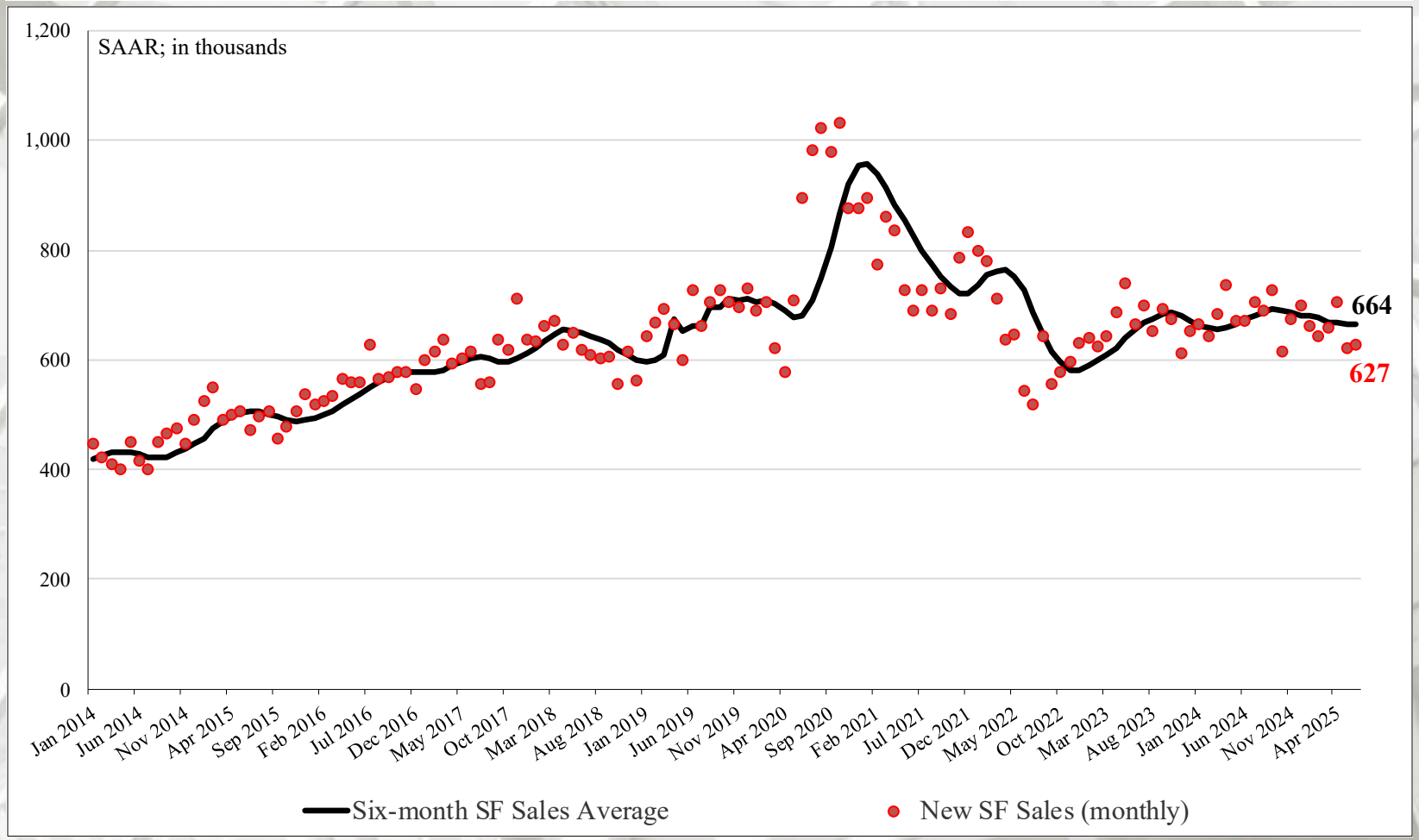


* NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

New SF Housing Sales: Six-month average & monthly



Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

New SF House Sales by Region and Price Category

	NE	MW	S	W
June	21,000	85,000	390,000	131,000
May	29,000	80,000	371,000	143,000
2024	32,000	78,000	408,000	153,000
M/M change	-27.6%	6.3%	5.1%	-8.4%
Y/Y change	-34.4%	9.0%	-4.4%	-14.4%

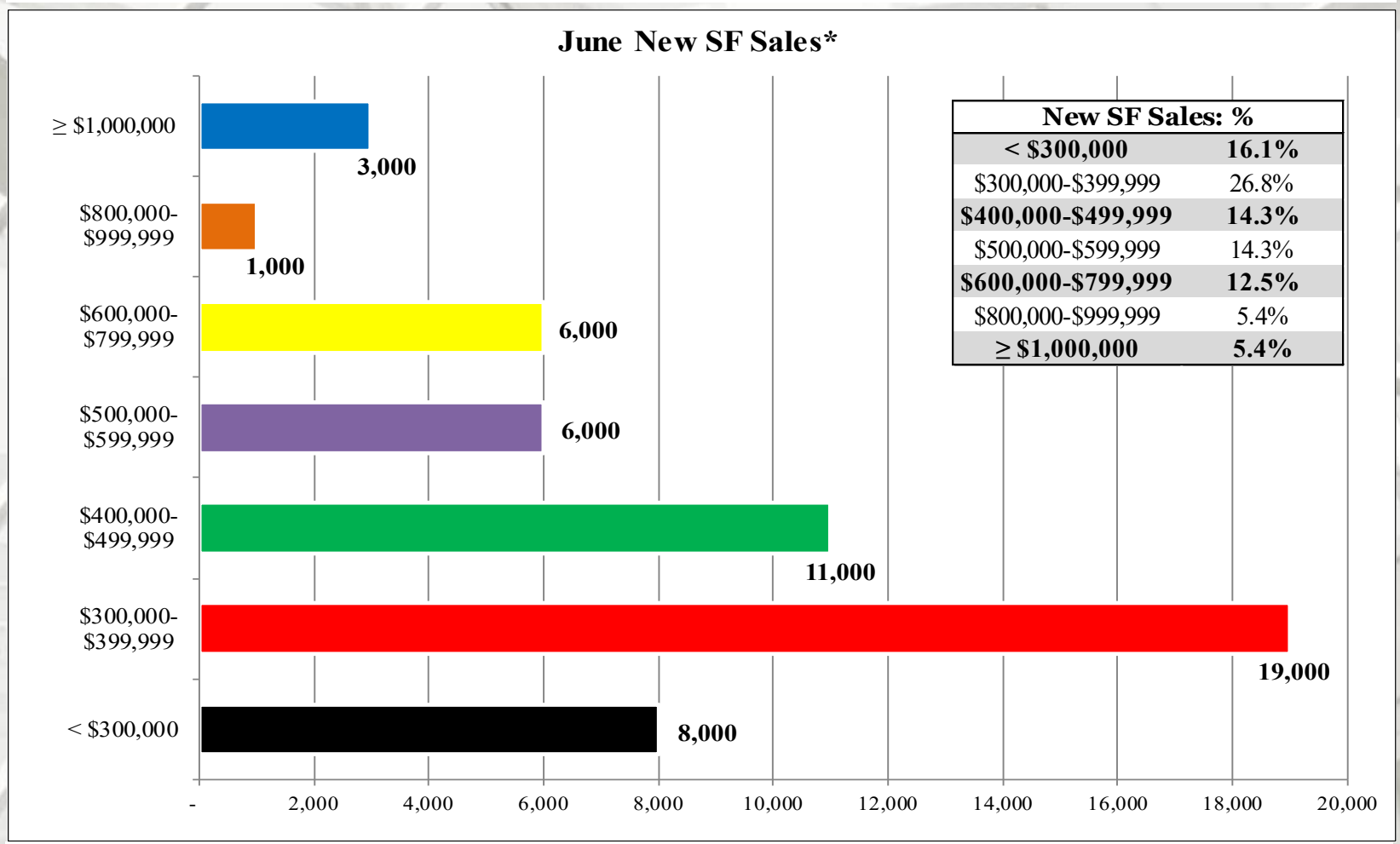
	< $300m	$300m-$399m	$400m-$499m	$500m-$599m	$600m-$799m	$800m-$999m	≥ $1mm
June[1,2,3,4]	8,000	19,000	11,000	6,000	6,000	1,000	3,000
May[1,2,3,4]	11,000	14,000	10,000	7,000	8,000	3,000	3,000
2024	10,000	17,000	7,000	18,000	12,000	13,000	7,000
M/M change	-10.0%	0.0%	57.1%	-46.7%	-22.2%	-78.6%	-25.0%
Y/Y change	12.5%	-11.8%	83.3%	-57.9%	-36.4%	-76.9%	-57.1%
% of New SF sales	16.1%	26.8%	19.6%	14.3%	12.5%	5.4%	5.4%

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 June 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; 6/25/25;
[4]https://www.census.gov/construction/cpi/pdf/descpi_sold.pdf

Return TOC

New SF House Sales



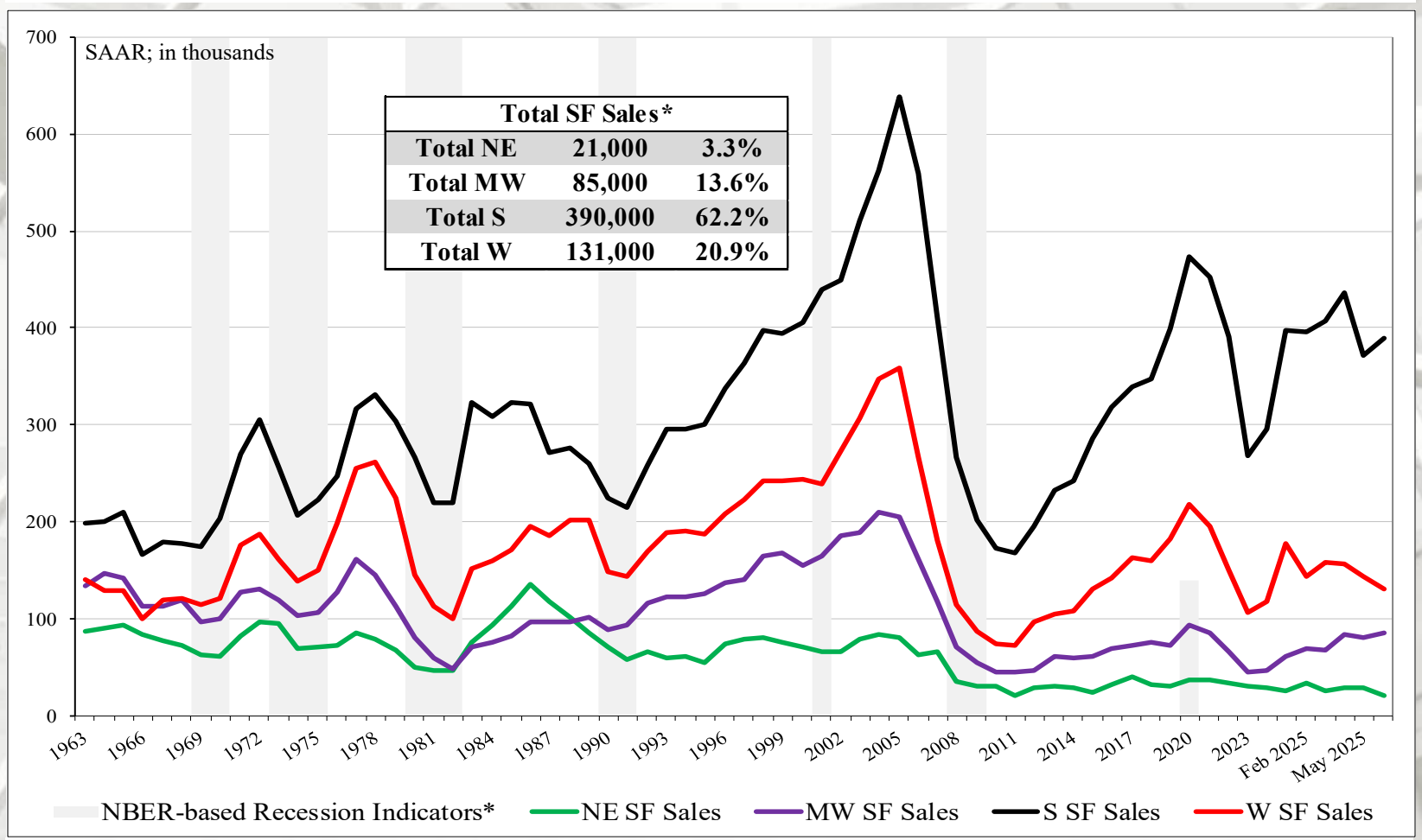
New SF Sales: %	
< $300,000	**16.1%**
$300,000-$399,999	26.8%
$400,000-$499,999	**14.3%**
$500,000-$599,999	14.3%
$600,000-$799,999	**12.5%**
$800,000-$999,999	5.4%
≥ $1,000,000	**5.4%**

* Total new sales by price category and percent.

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

New SF House Sales by Region



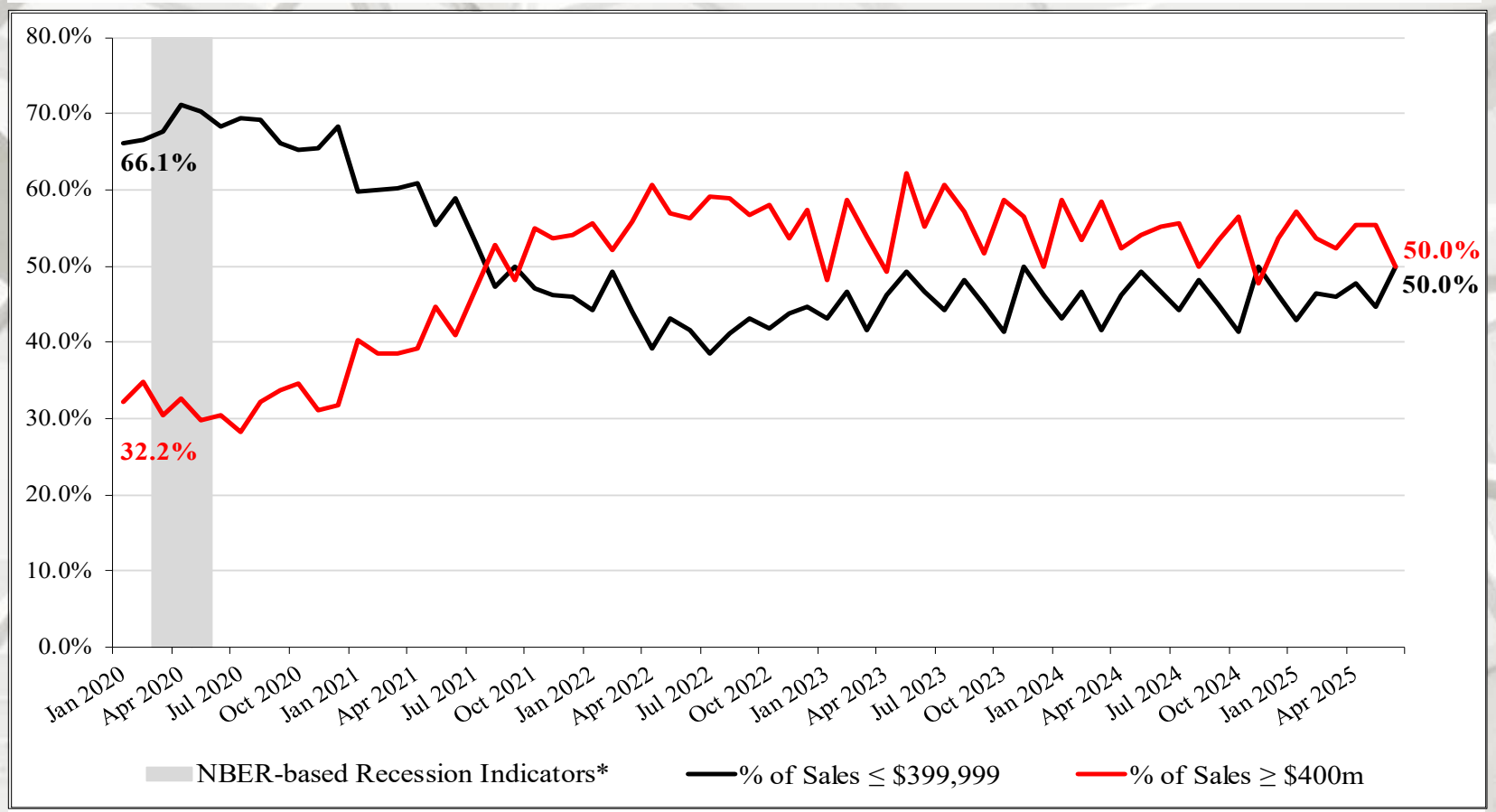
NE = Northeast; MW = Midwest; S = South; W = West
* Percentage of total new sales.

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; 6/25/25

Return TOC

New SF House Sales



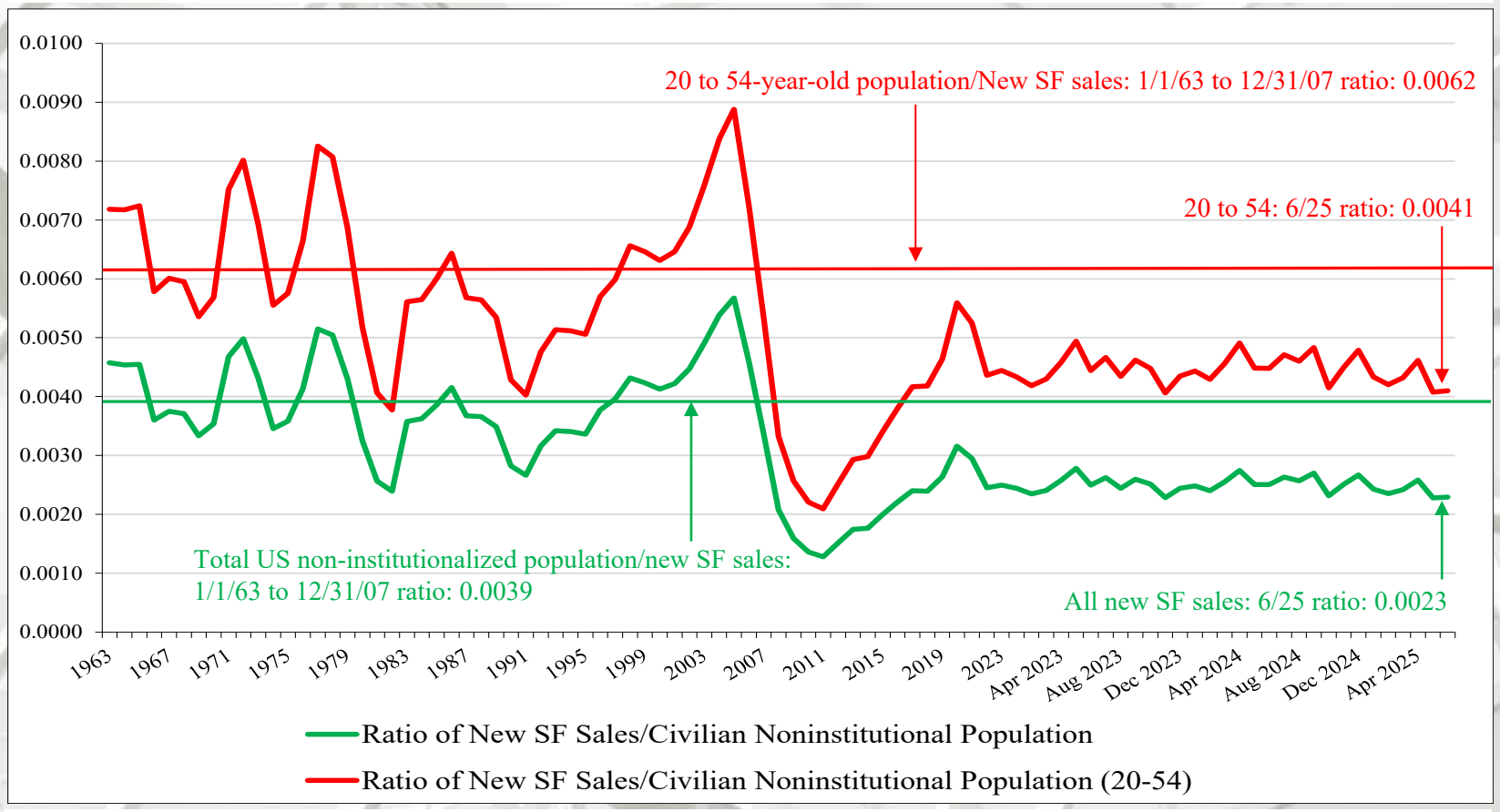
New SF Sales: < $399.9 m and > $400 m: 2020 – June 2024

The sales share of $400 thousand plus SF houses is presented above[1, 2]. Since the beginning of 2012, the upper priced houses have and are garnering 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 6/25/25

Return TOC

New SF House Sales



New SF sales adjusted for the US population

From June 1963 to June 2007, the long-term ratio of new house sales to the total US non-institutionalized population was 0.0039; in June 2025 it was 0.0023 – no change from May. The non-institutionalized population, aged 20 to 54 long-term ratio is 0.0062; in June 2025 it was 0.0041 – no change from May. 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; 6/25/25

Return TOC

New SF House Sales

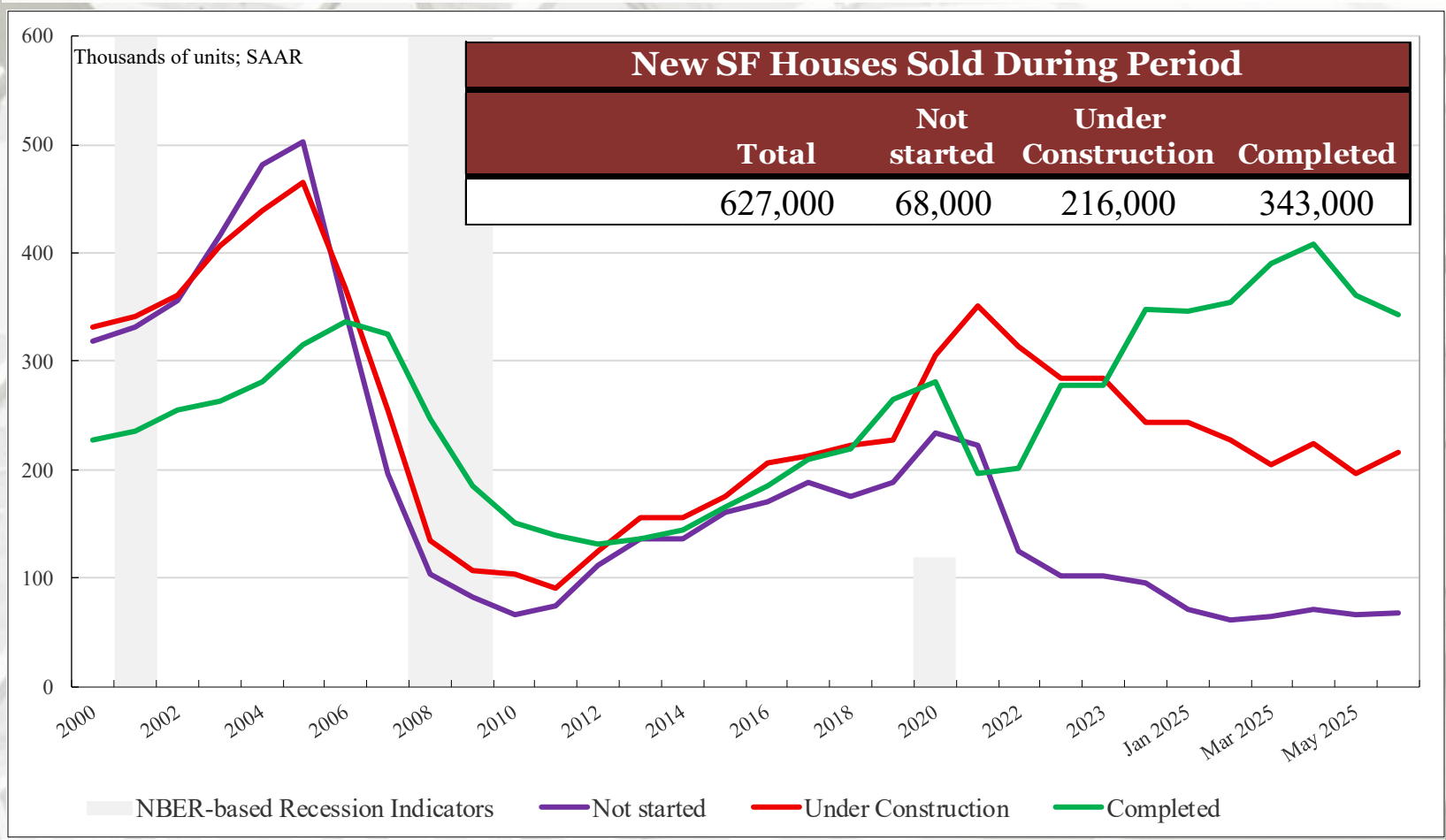
New SF Houses Sold During Period				
	Total	Not started	Under Construction	Completed
June	627,000	68,000	216,000	343,000
May	623,000	66,000	196,000	361,000
2024	471,000	88,000	284,000	99,000
M/M change	0.6%	3.0%	10.2%	-5.0%
Y/Y change	33.1%	-22.7%	-23.9%	246.5%
Total percentage		10.8%	34.4%	54.7%

All data is SAAR

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

New SF House Sales: Sold During Period



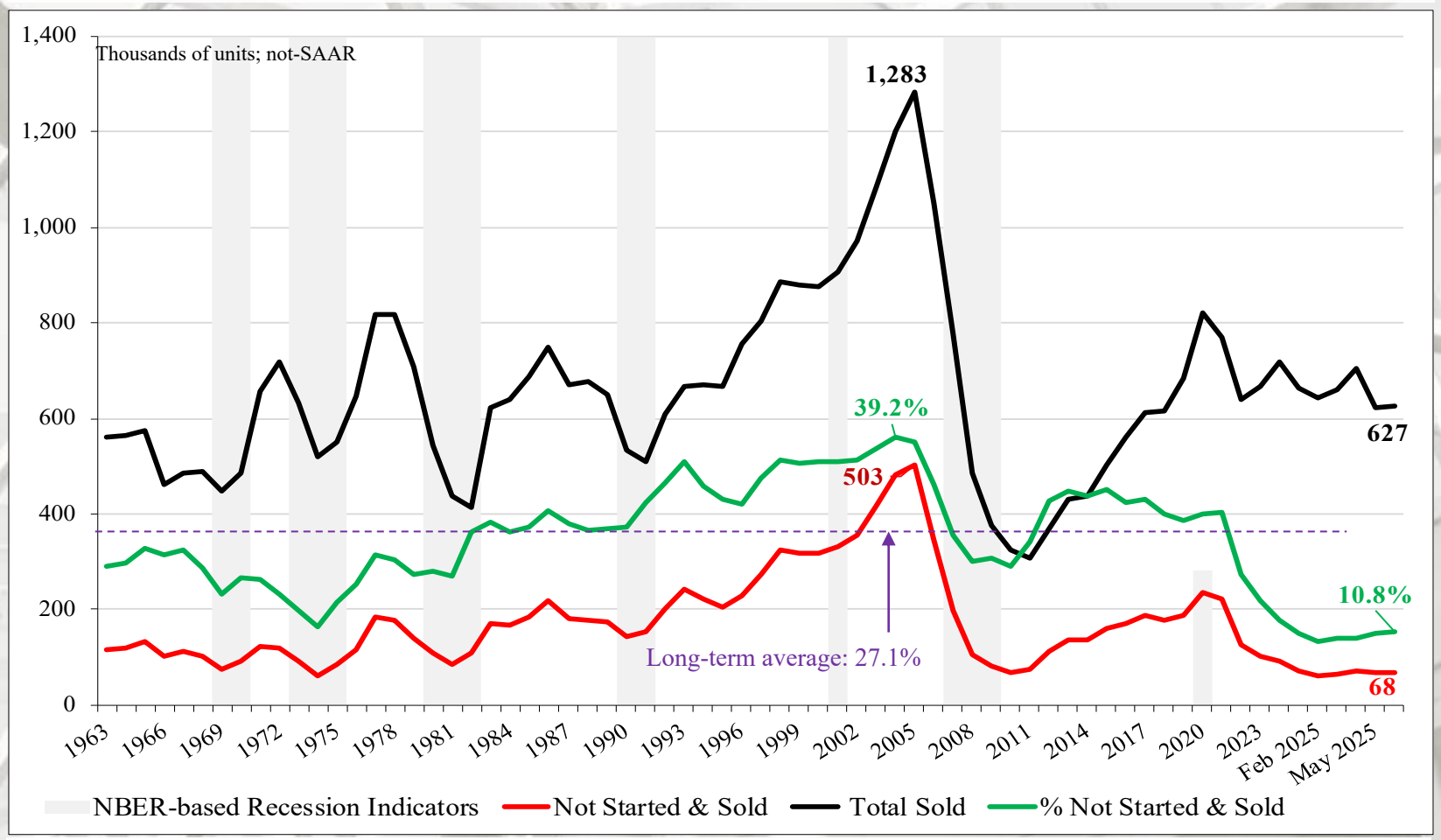
New SF Houses Sold During Period			
Total	Not started	Under Construction	Completed
627,000	68,000	216,000	343,000

* 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; 6/25/25

Return TOC

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



Of the new houses sold in June (627 m), 10.8% (68 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; 6/25/25

Return TOC

New SF Houses for Sale

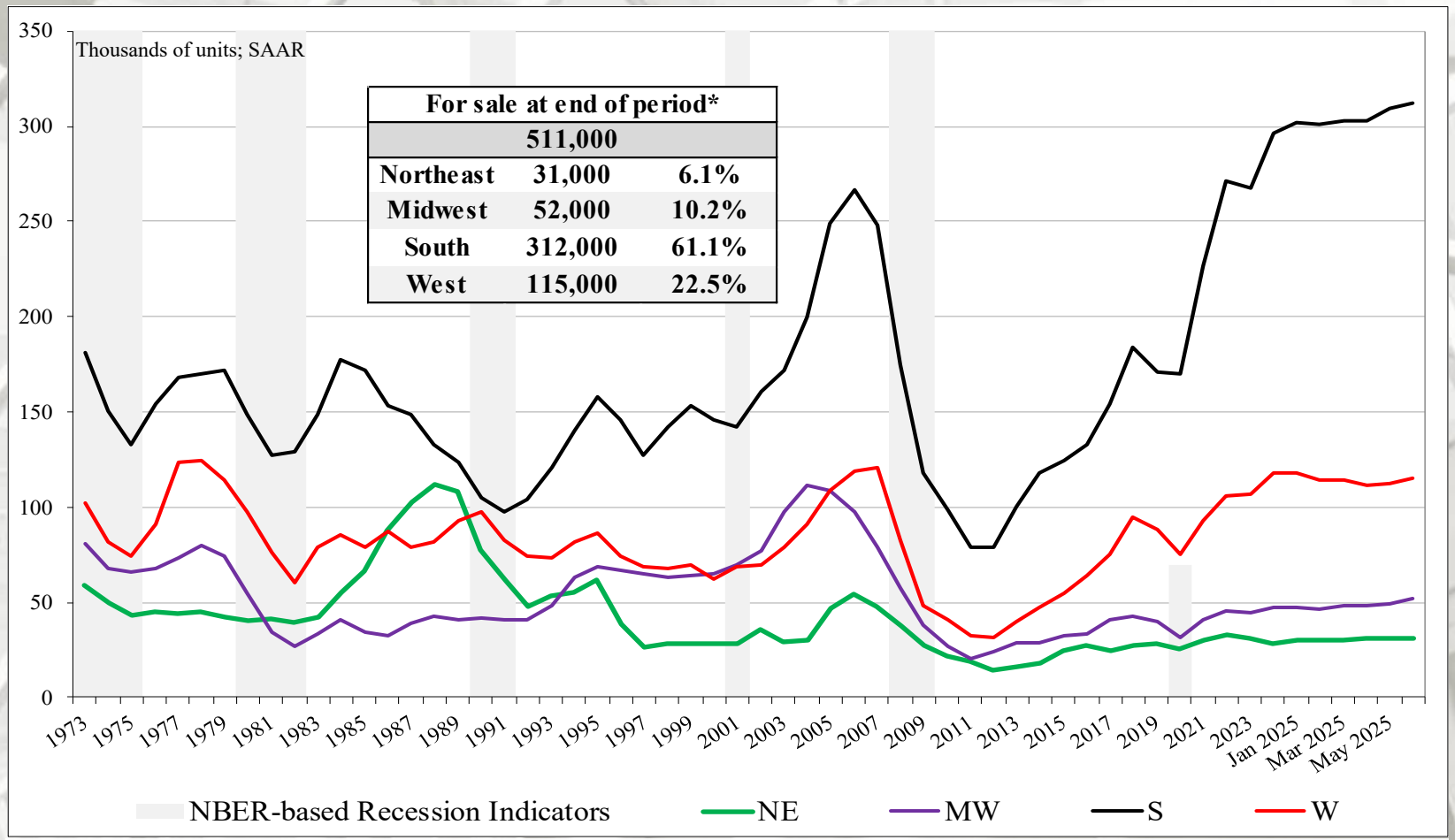
New SF Houses for Sale at the end of the Period by Region*					
	Total	NE	MW	S	W
June	511,000	31,000	52,000	312,000	115,000
May	501,000	31,000	49,000	309,000	112,000
2024	468,000	25,000	41,000	293,000	108,000
M/M change	2.0%	0.0%	6.1%	1.0%	2.7%
Y/Y change	9.2%	24.0%	26.8%	6.5%	6.5%

* Not SAAR

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

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).

* 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; 6/25/25

Return TOC

New SF House Sales

New SF Houses Sold During Period				
	Total	Not started	Under Construction	Completed
June	627,000	68,000	216,000	343,000
May	623,000	66,000	196,000	361,000
2024	471,000	88,000	284,000	99,000
M/M change	0.6%	3.0%	10.2%	-5.0%
Y/Y change	33.1%	-22.7%	-23.9%	246.5%
Total percentage		10.8%	34.4%	54.7%

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

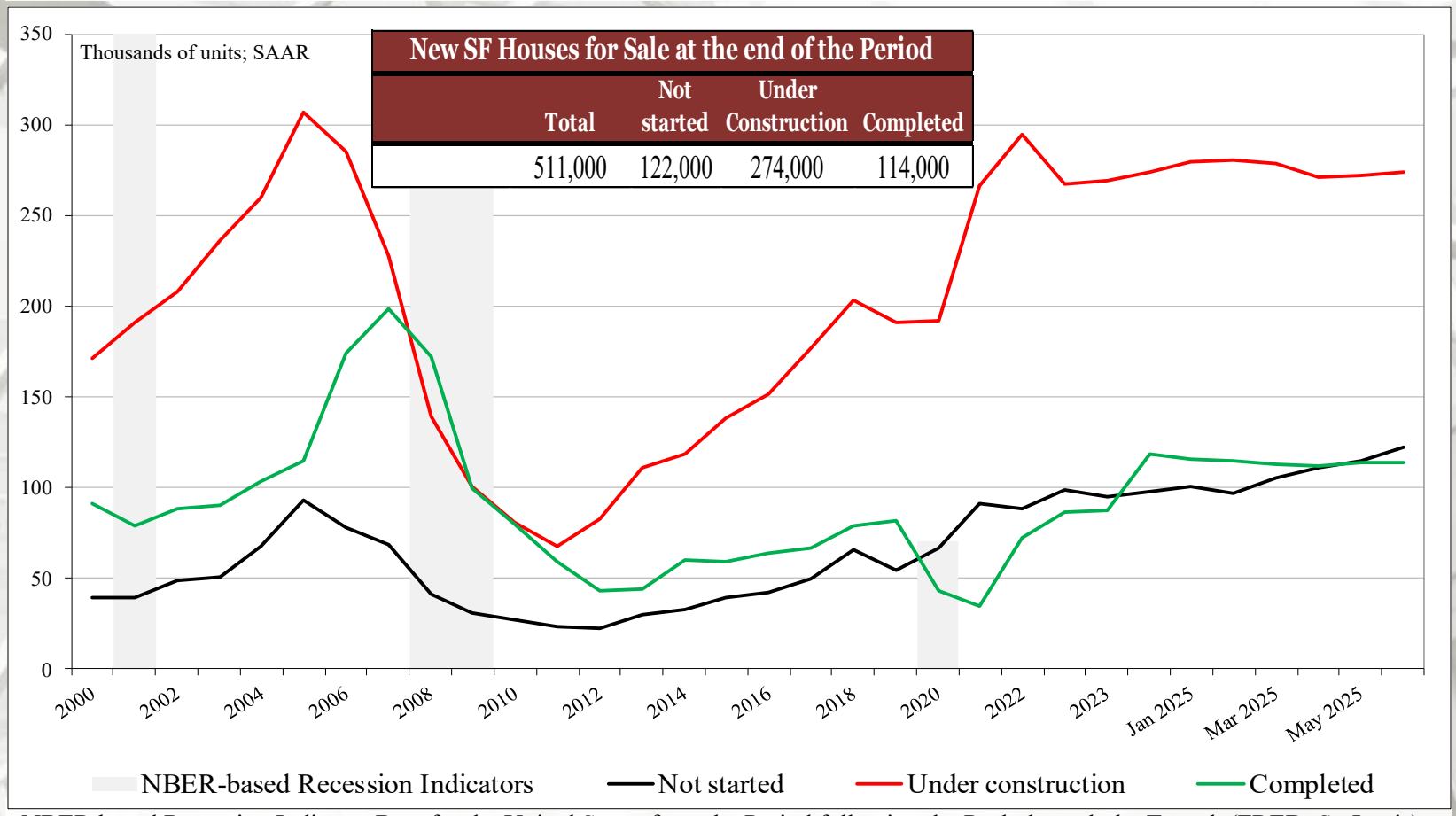
New SF House Sales

New SF Houses for Sale at the end of the Period				
	Total	Not started	Under Construction	Completed
June	511,000	122,000	274,000	114,000
May	501,000	115,000	272,000	114,000
2024	471,000	88,000	284,000	99,000
M/M change	2.0%	6.1%	0.7%	0.0%
Y/Y change	8.5%	38.6%	-3.5%	15.2%
Total percentage		23.9%	53.6%	22.3%

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

New SF House Sales: For Sale at End of Period

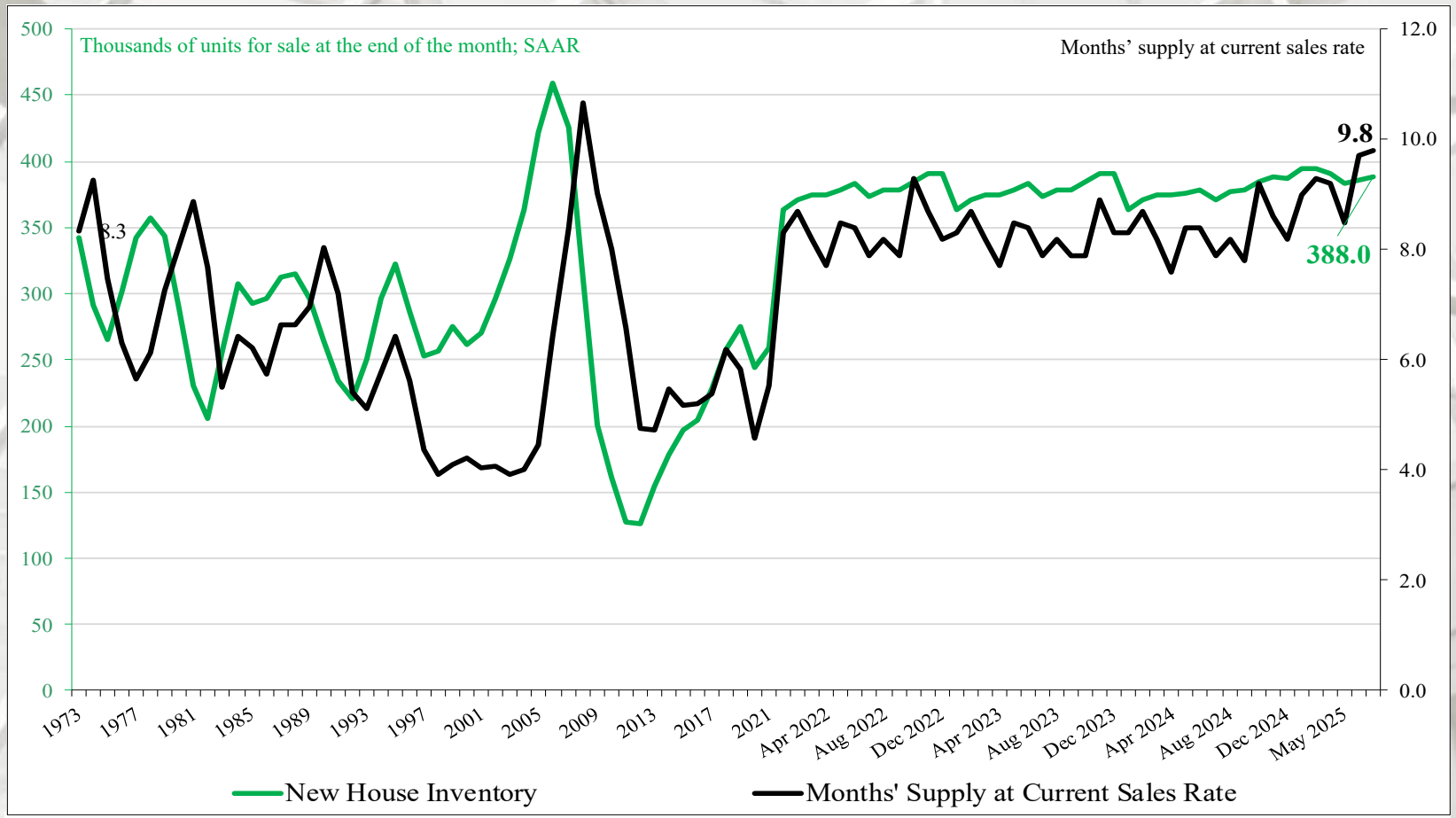


NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

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

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 June was 9.8, greater than the historically preferred number of five- to six-months (SAAR).

Source: http://www.census.gov/construction/nrc/pdf/newresconst.pdf; 6/25/25

Return TOC

June 2025
Construction Spending

	Total Private Residential*	SF*	MF*	Improvement**
June	$883,089	$412,944	$114,471	$355,674
May	$889,101	$420,624	$114,442	$354,035
2024	$941,441	$436,223	$126,506	$378,712
M/M change	-0.7%	-1.8%	0.0%	0.5%
Y/Y change	-6.2%	-5.3%	-9.5%	-6.1%

* 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.

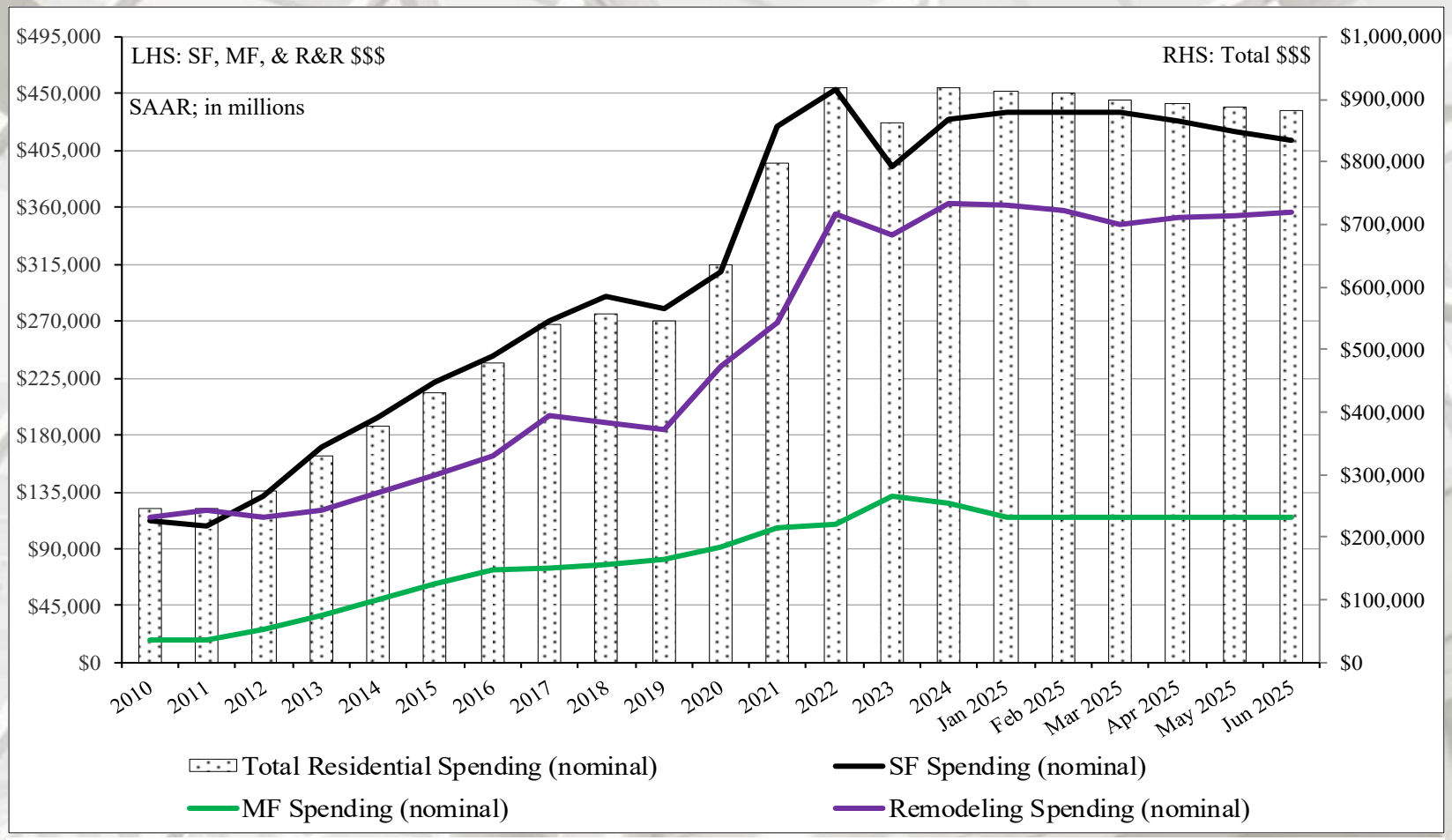
New multi-family includes new apartments and condominiums. The classification excludes residential units in buildings that are primarily nonresidential.

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; 8/1/25

Return TOC

Total Construction Spending (nominal): 2000 – June 2025



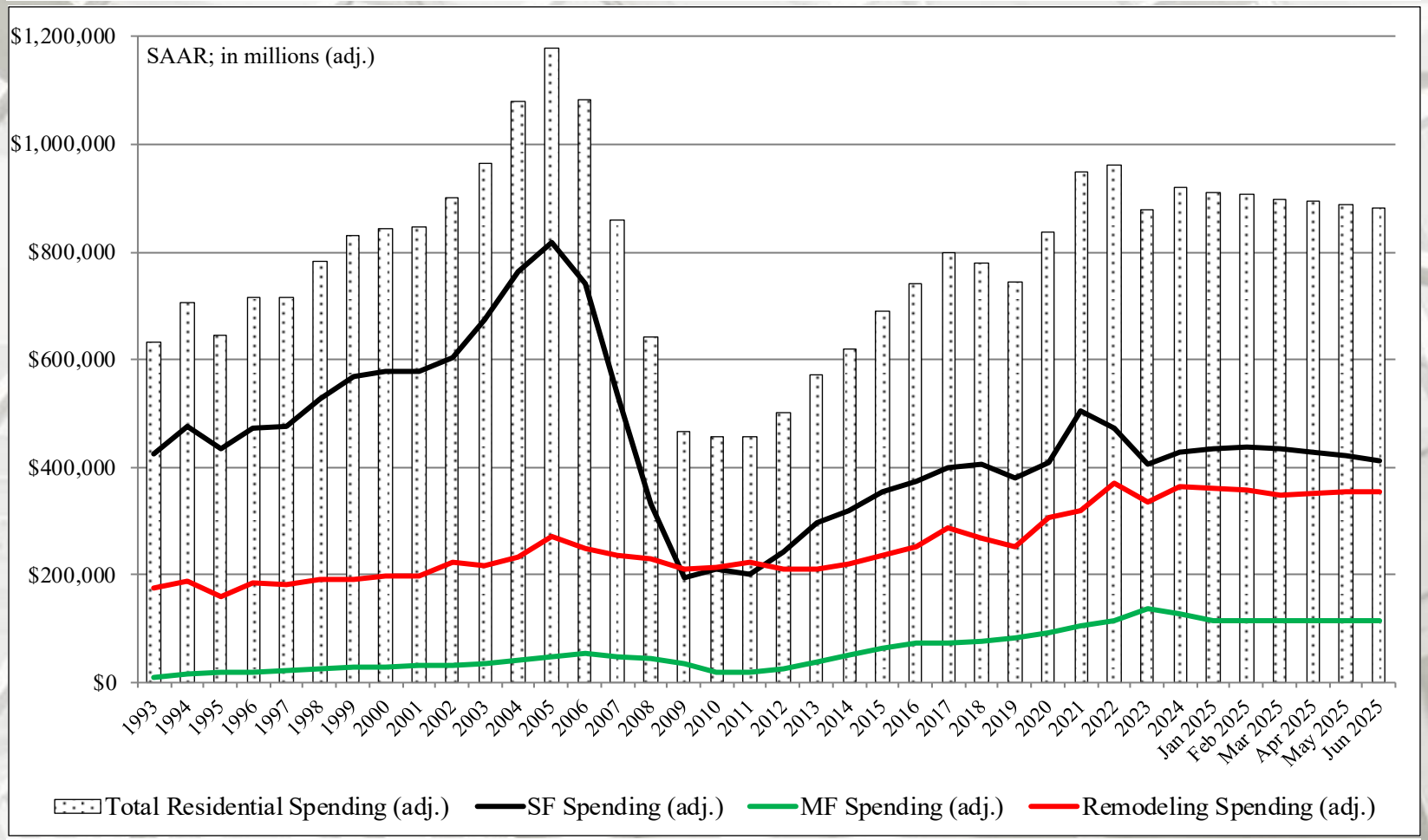
Reported in nominal US$.

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; 8/1/25

Return TOC

Total Construction Spending (adjusted): 1993 – June 2025

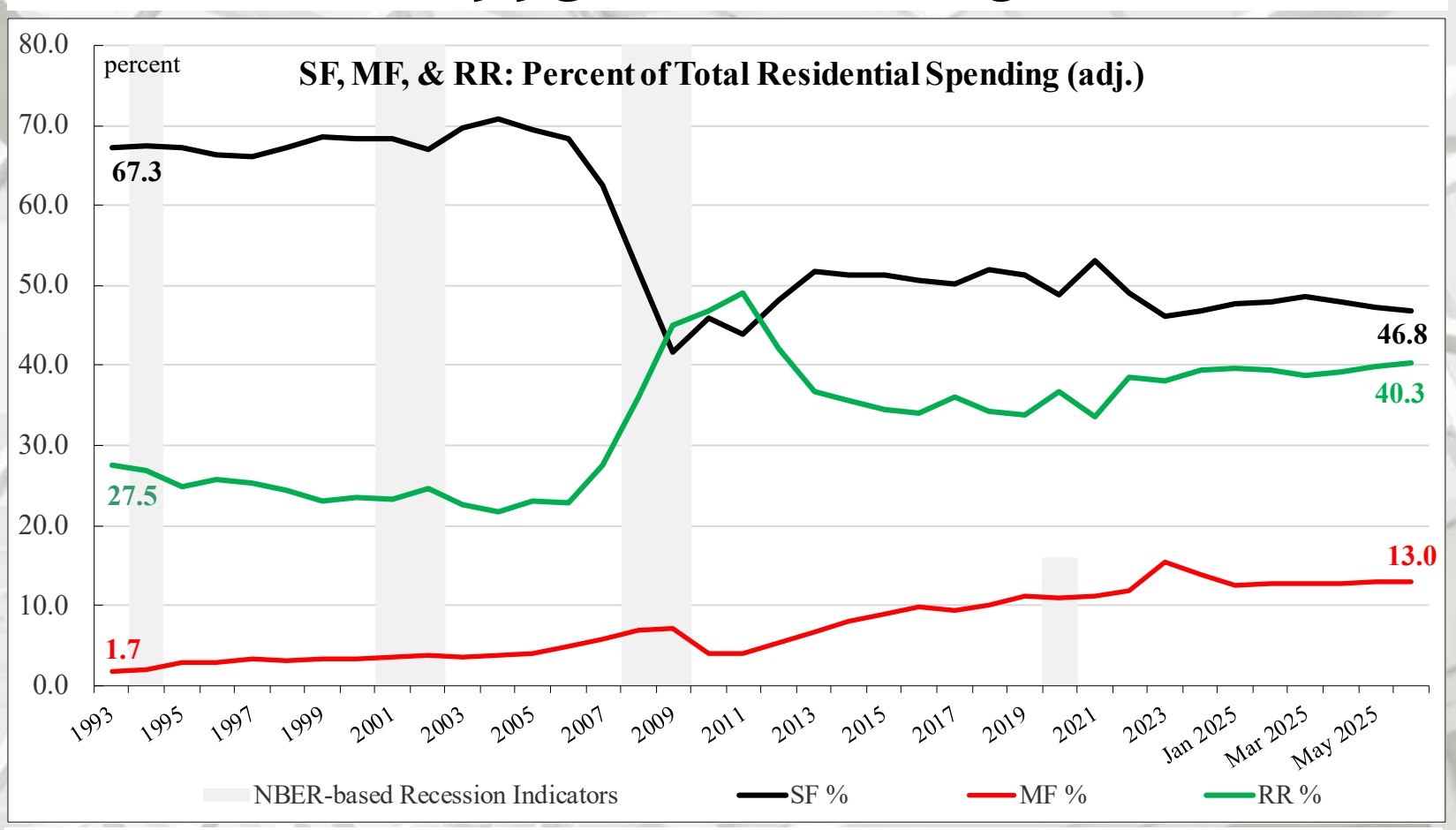


Reported in adjusted $US: 1993 – 2024 (adjusted for inflation, BEA Table 1.1.9); June 2025 reported in nominal US$.

Sources: * http://www.bea.gov/iTable/iTable.cfm; 1/2/25; http://www.census.gov/construction/c30/pdf/privsa.pdf; 8/1/25

Return TOC

Construction Spending Shares: 1993 – June 2025

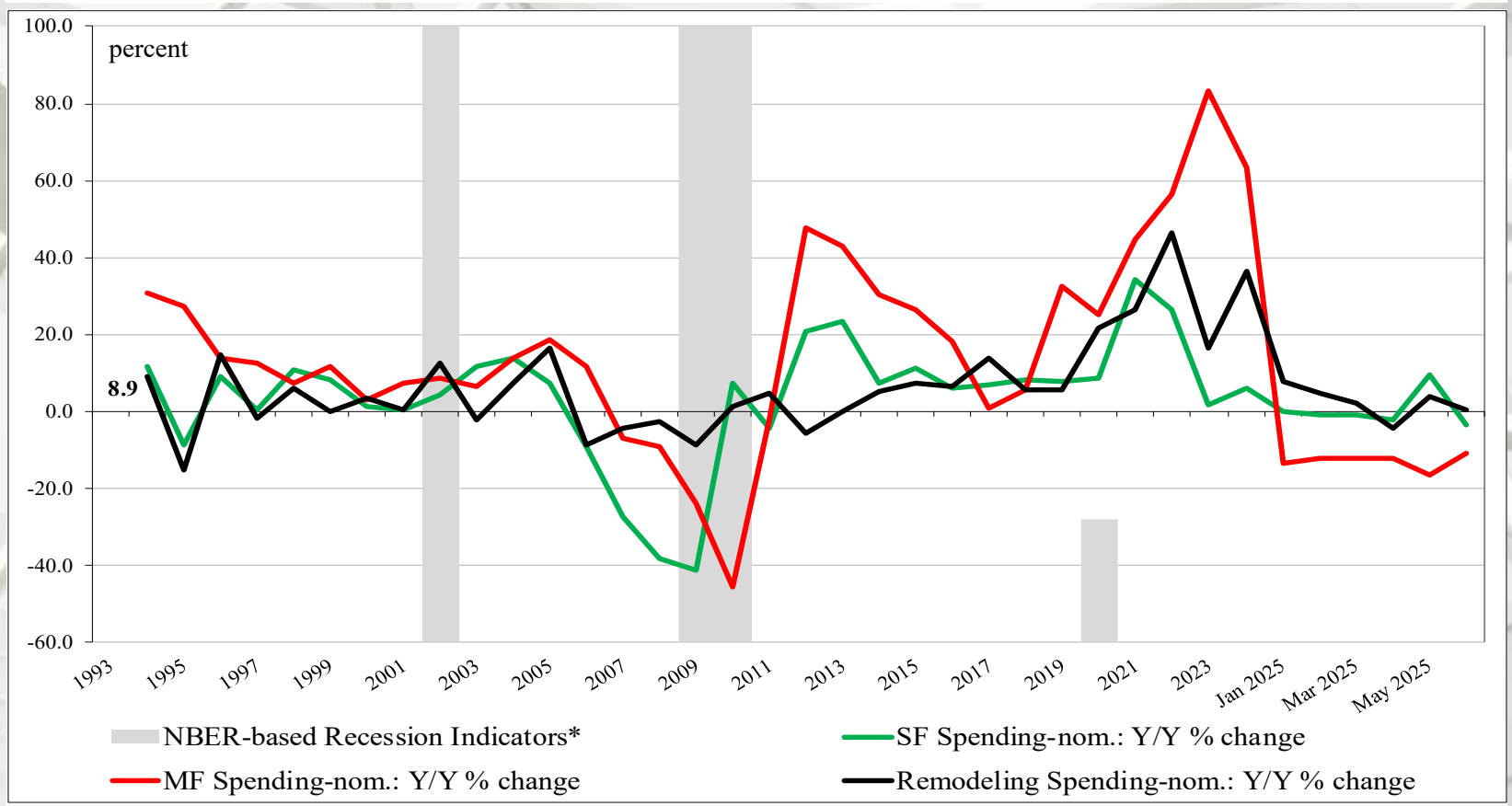


* NBER based Recession Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Sources: *https://fred.stlouisfed.org/series/USREC, 6/21/21; http://www.census.gov/construction/c30/pdf/privsa.pdf; 8/1/25 and http://www.bea.gov/iTable/iTable.cfm; 9/3/24

Return TOC

Construction Spending: Y/Y Percentage Change



Nominal Residential Construction Spending:
Y/Y percentage change, 1993 to June 2024

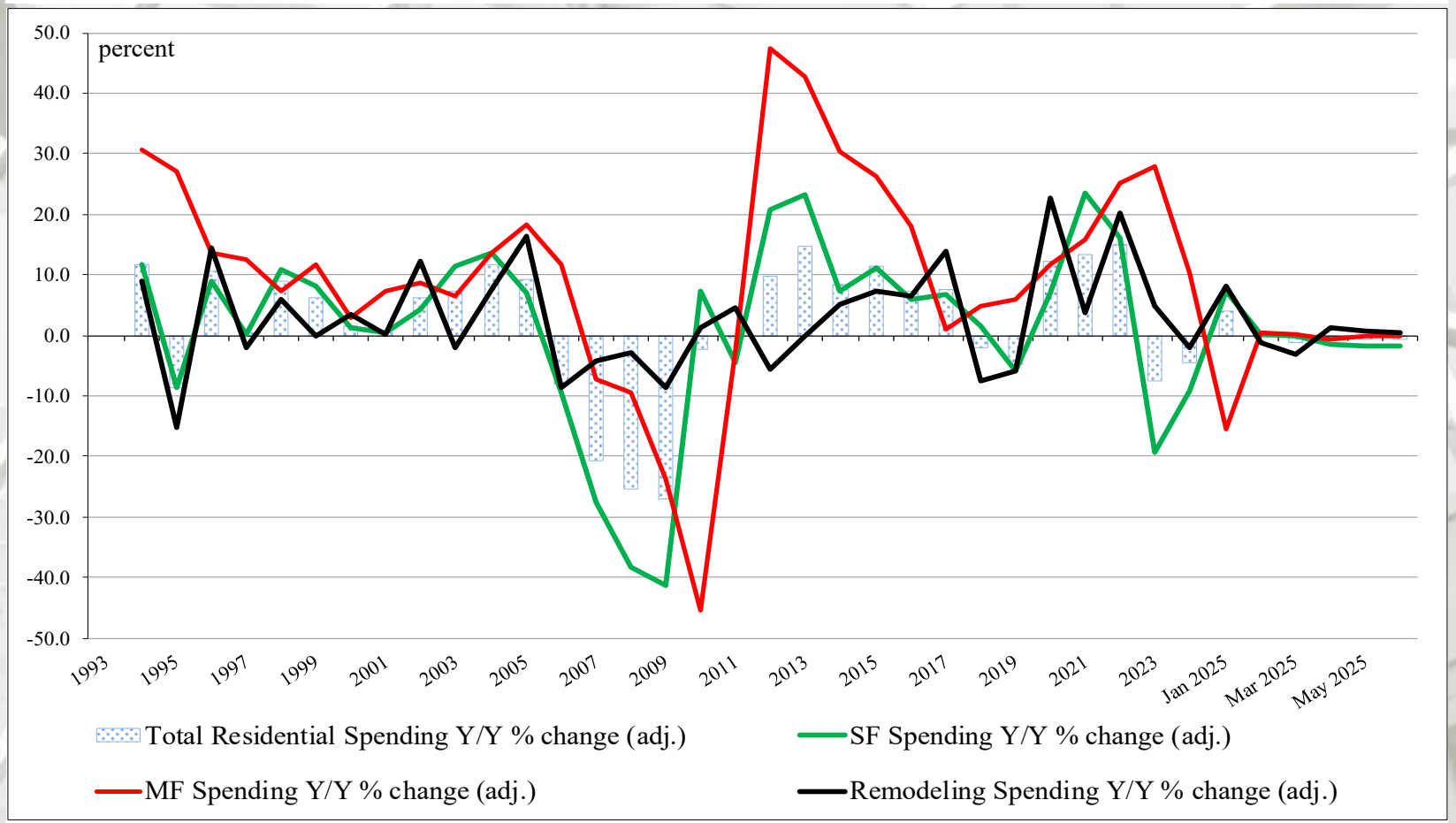
Presented above is the percentage change of Y/Y construction spending. RR expenditures were positive on a percentage basis, year-over-year (June 2025) data reported in nominal dollars) and SF and MF were negative.

* 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; 8/1/25 and http://www.bea.gov/iTable/iTable.cfm; 9/3/24

Return TOC

Adjusted Construction Spending, Y/Y Percentage Change: 1993 to June 2025



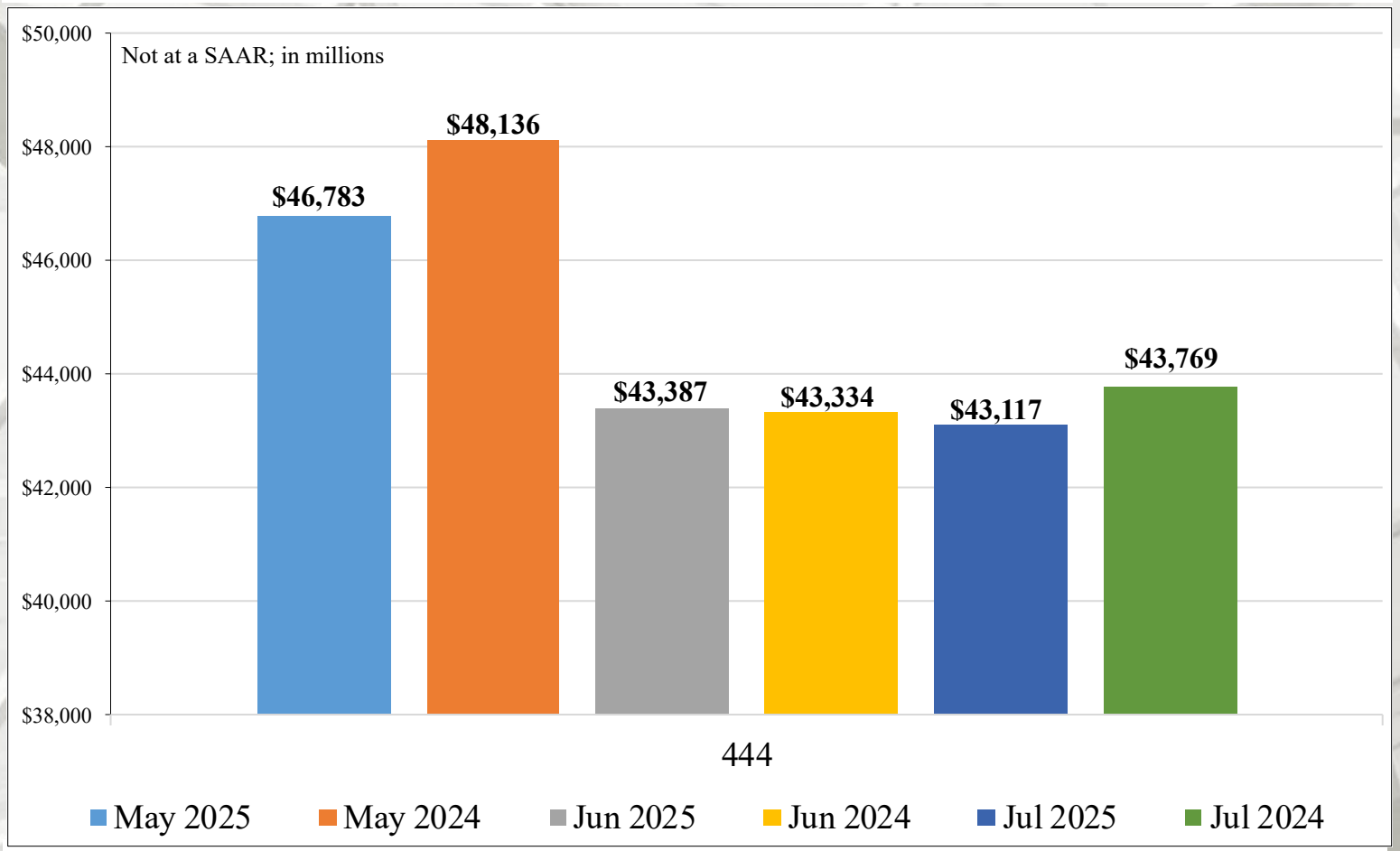
Adjusted Residential Construction Spending: Y/Y percentage change, 1993 to June 2025

Sources: http://www.census.gov/construction/c30/pdf/privsa.pdf; 8/1/25 and http://www.bea.gov/iTable/iTable.cfm; 9/3/24

Return TOC

Remodeling

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



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

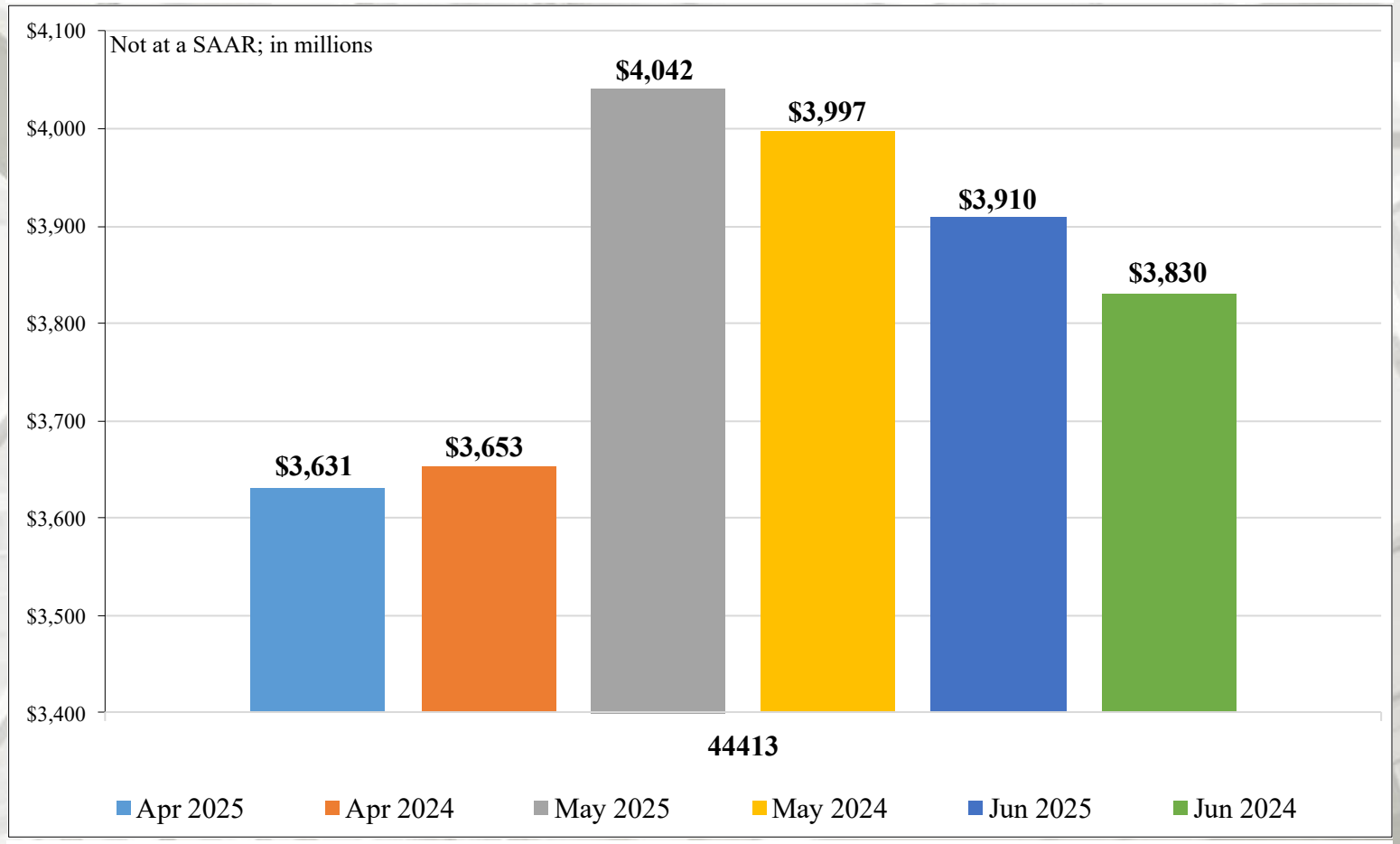
NAICS 444 retail sales decreased 0.6% in July 2025 from June 2025 and declined 1.5% Y/Y (nominal basis).

Source: https://www.census.gov/retail/index.html; 8/15/25

Return TOC

Remodeling

Retail Sales: Hardware Stores



Hardware Stores: NAICS 44413

NAICS 4443 sales decreased 3.3% in June 2025 from June 2025 and improved 2.1% Y/Y (nominal basis).

Source: https://www.census.gov/retail/index.html; 8/15/25

Return TOC

Existing House Sales

National Association of Realtors®

	Existing Sales	Median Price	Month's Supply
June	3,930,000	$435,300	4.7
May	4,040,000	$423,700	4.6
2024	3,930,000	$426,900	4.0
M/M change	-2.7%	2.7%	2.2%
Y/Y change	0.0%	2.0%	17.5%

All sales data: SAAR

Source: https://fred.stlouisfed.org/series/EXHOSLUSM495S; 7/23/25

Return TOC

Existing House Sales

	NE	MW	S	W
June	460,000	950,000	1,810,000	710,000
May	500,000	990,000	1,840,000	700,000
2024	480,000	930,000	1,780,000	740,000
M/M change	-8.0%	-4.0%	-1.6%	1.4%
Y/Y change	-4.2%	2.2%	1.7%	-4.1%

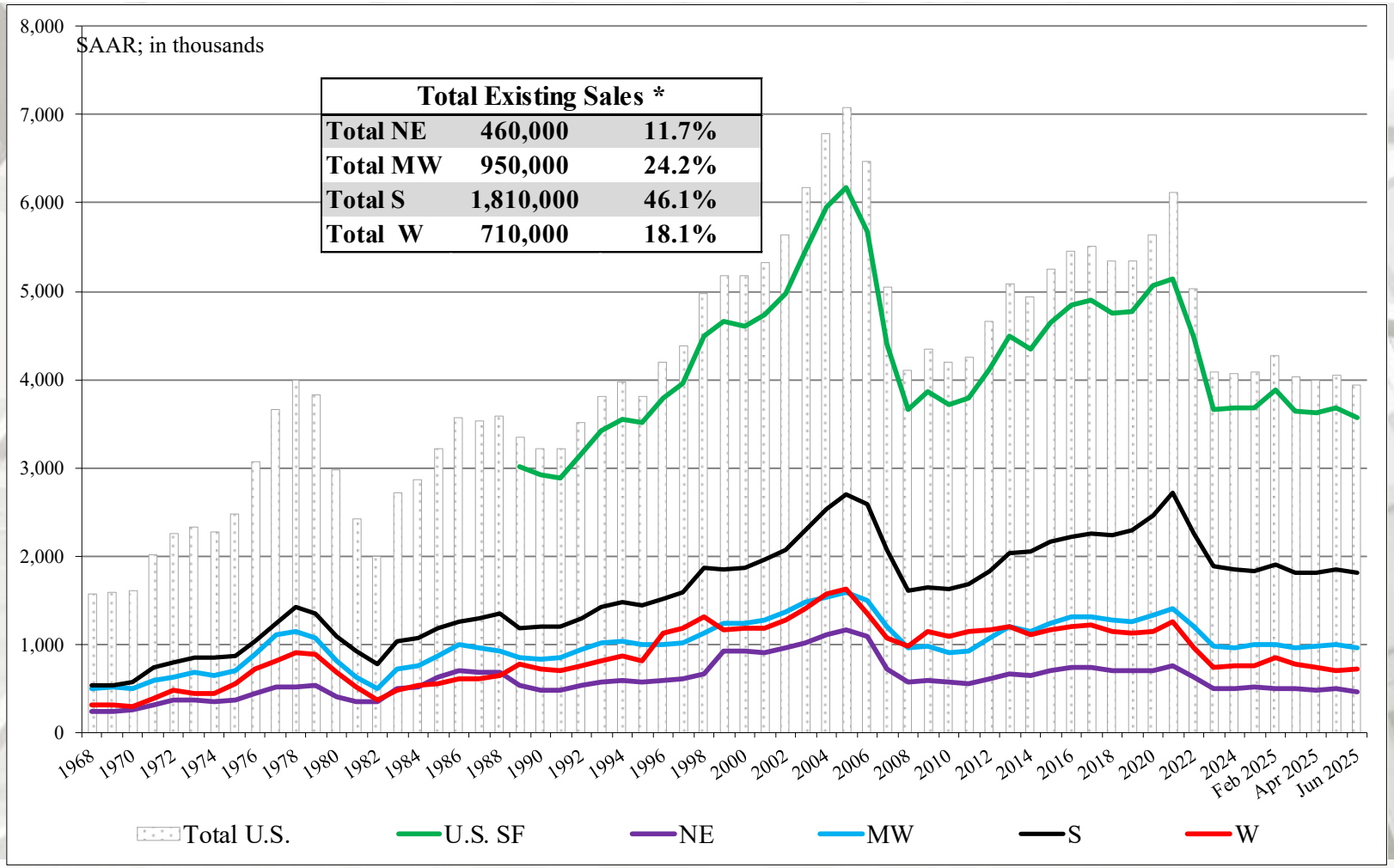
	Existing SF Sales	SF Median Price
June	3,570,000	$441,500
May	3,680,000	$428,800
2024	3,550,000	$432,900
M/M change	-3.0%	2.7%
Y/Y change	0.6%	2.0%

All sales data: SAAR.

Source: https://fred.stlouisfed.org/series/EXHOSLUSM495S; 7/23/25

Return TOC

Existing House Sales



Total Existing Sales *		
Total NE	460,000	11.7%
Total MW	950,000	24.2%
Total S	1,810,000	46.1%
Total W	710,000	18.1%

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

* Percentage of total existing sales.

Source: https://fred.stlouisfed.org/series/EXHOSLUSM495S; 7/23/25

Return TOC

U.S. Housing Prices

Federal Housing Finance Agency

FHFA House Price Index® Down 0.2 Percent in May; Up 2.8 Percent from Last Year

Significant Findings

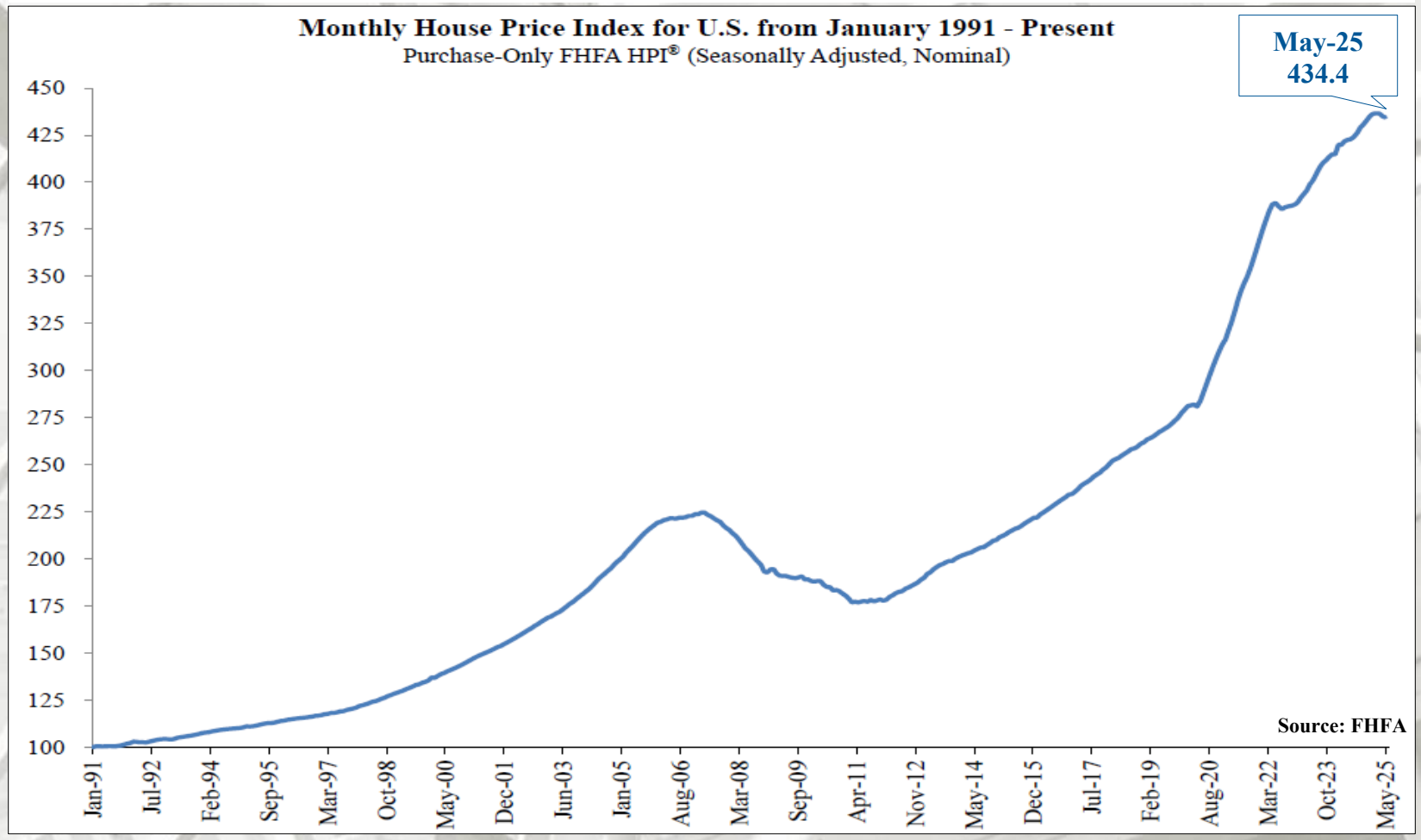
"U.S. house prices fell **0.2 percent** in May, according to the U.S. Federal Housing (FHFA) seasonally adjusted monthly House Price Index (FHFA HPI®). House prices rose **2.8 percent** from May 2024 to May 2025. The previously reported 0.4 percent price decline in April was revised to a 0.3 percent decline.

For the nine census divisions, seasonally adjusted monthly home price changes ranged from **-0.8 percent** in the Middle Atlantic division to **+0.3 percent** in the West South Central and New England divisions. The 12-month changes were all positive, ranging from **+0.6 percent** in the Pacific division to **+5.9 percent** in the Middle Atlantic division." – Adam Russell, FHFA

Source: https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx; 7/29/25

Return to TOC

U.S. Housing Prices



Source: https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx; 7/29/25

Return to TOC

U.S. Housing Prices

S&P CoreLogic Case-Shiller Index Records 2.3% Annual Gain in May 2025

"S&P Dow Jones Indices (S&P DJI) released the May 2025 results for the S&P CoreLogic Case-Shiller Indices. The leading measure of U.S. home prices recorded a 2.3% annual gain in May 2025, a slight decrease from the previous reading in April 2025. More than 27 years of history are available for the data series and can be accessed in full by going to www.spglobal.com/spdji/en/index-family/indicators/sp-corelogic-case-shiller.

Year-Over-Year

The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 2.3% annual return for May, down from a 2.7% annual gain in the previous month. The 10-City Composite saw an annual increase of 3.4%, down from a 4.1% annual increase in the previous month. The 20-City Composite posted a year-over-year increase of 2.8%, down from a 3.4% increase in the previous month. New York again reported the highest annual gain among the 20 cities with a 7.4% increase in May, followed by Chicago and Detroit with annual increases of 6.1% and 4.9%, respectively. Tampa posted the lowest return, falling 2.4%.

Month-Over-Month

The pre-seasonally adjusted U.S. National Index saw slight upward trends in May, posting gains of 0.4%. The 10-City Composite and 20-City Composite Indices both reported gains of 0.4%. After seasonal adjustment, the U.S. National Index posted a decrease of -0.3%. Both the 10-City Composite and the 20-City Composite Indices saw a -0.3% decrease, as well." – 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-corelogic-case-shiller-index-records-23-annual-gain-in-may-2025/; 7/29/25

Return to TOC

U.S. Housing Prices

S&P CoreLogic Case-Shiller Index

Analysis

"May's data continued the year's slow unwind of price momentum, with annual gains narrowing for a fourth consecutive month. National home prices were just 2.3% higher than a year ago, the smallest increase since July 2023, and nearly all of that gain occurred in the most recent six months. The spring market lifted prices modestly, but not enough to suggest sustained acceleration.

The National Composite Index rose 2.3% year-over-year in May, down from 2.7% in April. The 20-City Composite gained 2.8%, while the 10-City rose 3.4%, both down from the prior month.

Regional results reflected the same narrowing pattern, but with stark geographic divergence. New York retained the top spot with a 7.4% annual gain, followed by Chicago (6.1%) and Detroit (4.9%), continuing the Midwest and Northeast leadership that has defined 2025. At the other end of the spectrum, Tampa declined 2.4% year over year, marking its seventh consecutive month of annual declines. Several Western markets posted minimal or negative gains: Los Angeles rose just 1.1%, San Diego 0.4%, Phoenix 0.9%, and San Francisco turned negative at -0.6%, reflecting persistent weakness in markets that experienced the sharpest pandemic-era run-ups." – 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-corelogic-case-shiller-index-records-23-annual-gain-in-may-2025/; 7/29/25

Return to TOC

U.S. Housing Prices

S&P CoreLogic Case-Shiller Index

Analysis

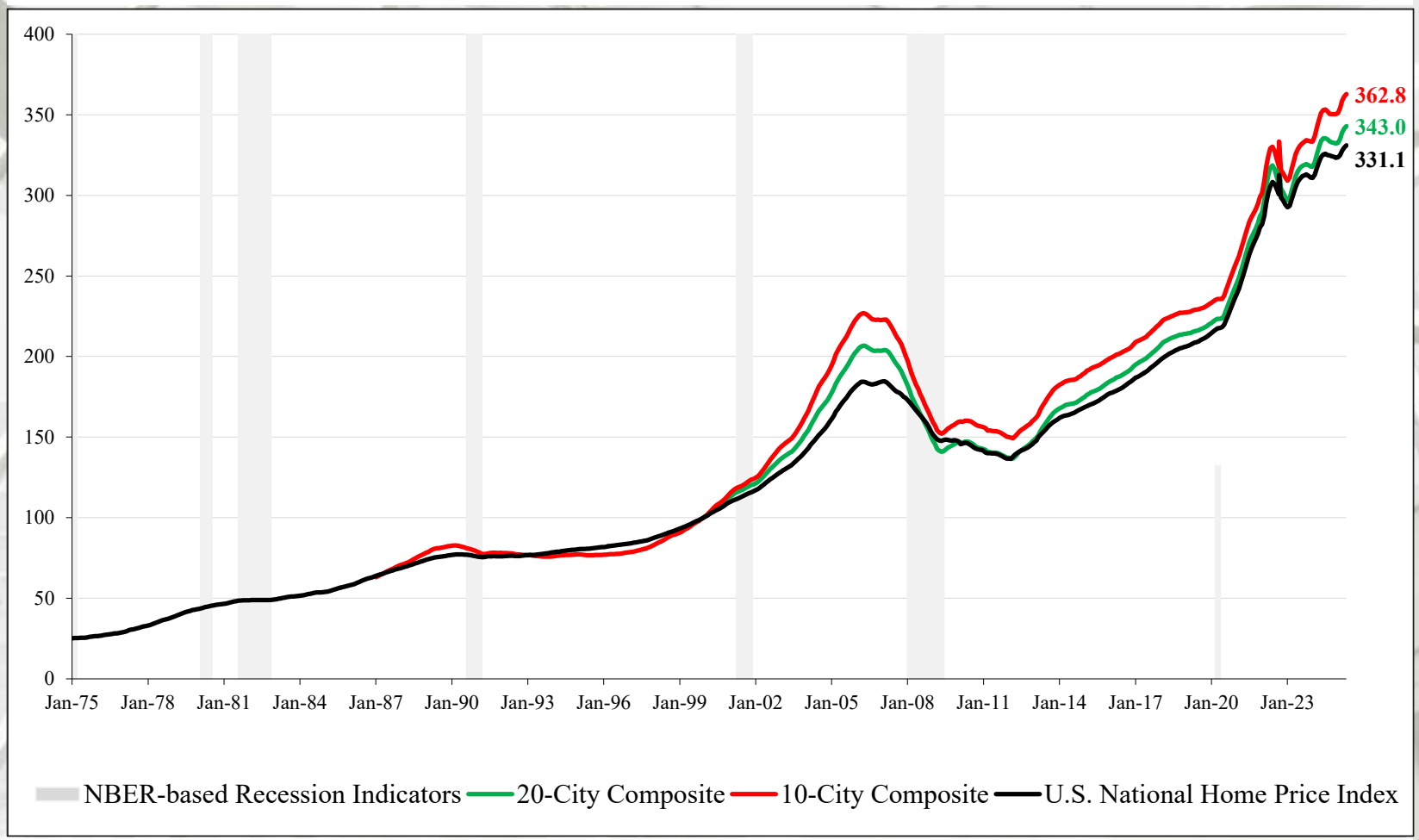
"Monthly trends also signaled broad-based fatigue. All three headline indices rose just 0.4% on a non-seasonally adjusted basis, the slowest monthly gain since January. After seasonal adjustment, each declined 0.3%, marking the third consecutive month of seasonally adjusted declines for the National Composite. Only four cities – Cleveland, Minneapolis, Charlotte, and Tampa – showed month-over-month acceleration, pointing to waning momentum breadth even as most cities still registered nominal gains.

Seasonal momentum is proving weaker than usual, and the slowdown is now more than just a story of higher mortgage rates. It reflects a market recalibrating around tighter financial conditions, subdued transaction volumes, and increasingly local dynamics. With affordability still stretched and inventory constrained, national home prices are holding steady, but barely."" – 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-corelogic-case-shiller-index-records-23-annual-gain-in-may-2025/; 7/29/25

Return to TOC

S&P/Case-Shiller Home Price Indices

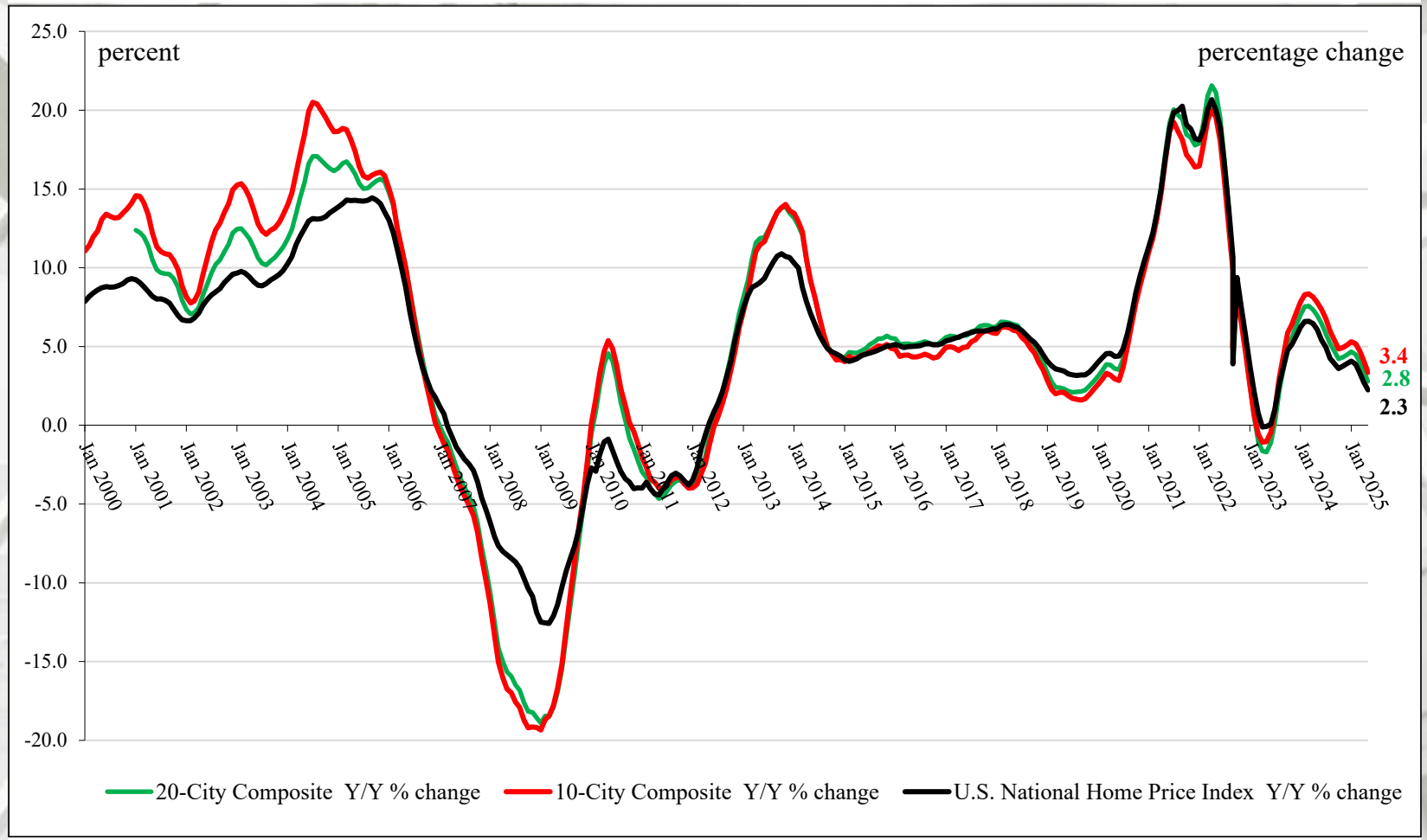


* NBER based Recession Indicator Bars for the United States from the Period following the Peak through the Trough (FRED, St. Louis).

Source: https://www.spglobal.com/spdji/en/index-announcements/article/sp-corelogic-case-shiller-index-records-23-annual-gain-in-may-2025/; 7/29/25

Return to TOC

S&P/Case-Shiller Home Price Indices



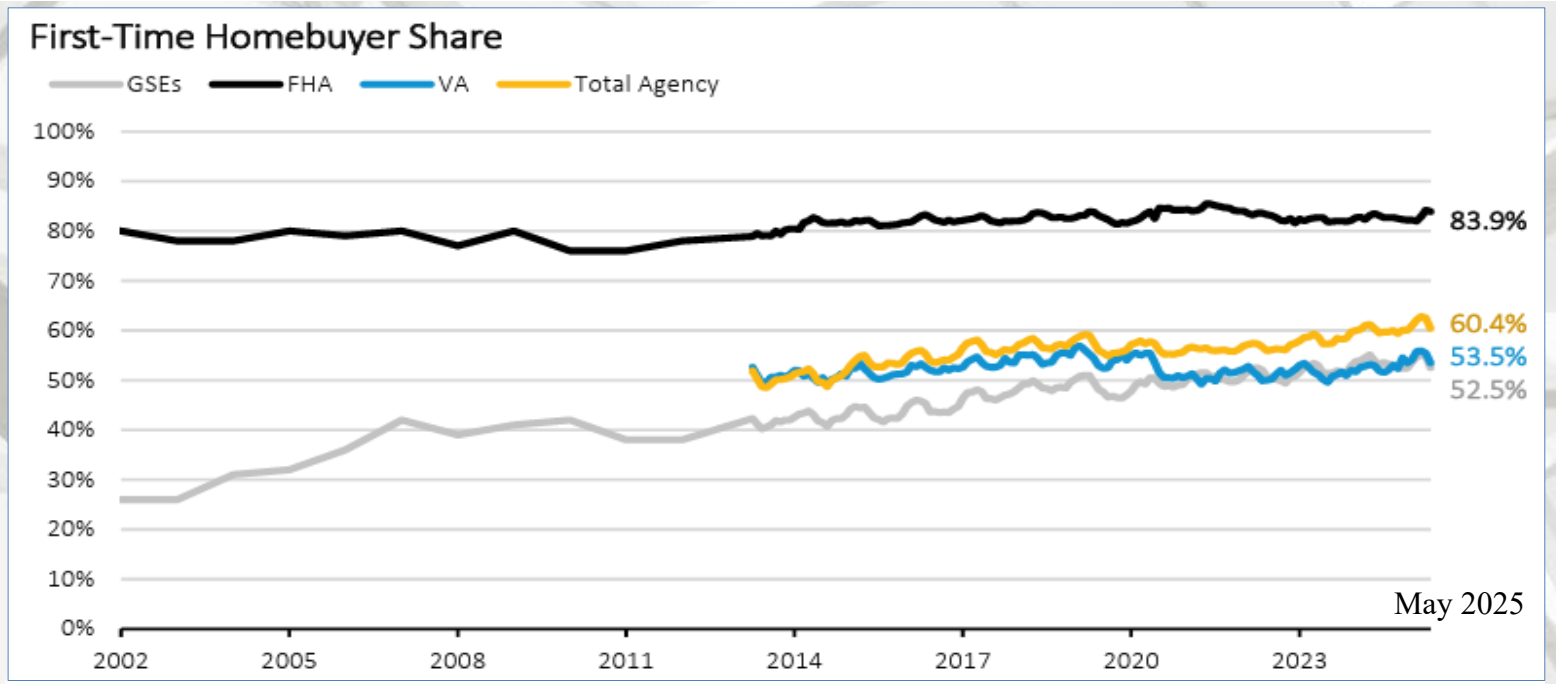
Y/Y Price Change

From May 2024 to May 2025, the National Index indicated a 2.3% increase; the Ten-City increased by 3.4%, and the Twenty-City rose by 2.8%.

Source: https://www.spglobal.com/spdji/en/index-announcements/article/sp-corelogic-case-shiller-index-records-23-annual-gain-in-may-2025/; 7/29/25

Return to TOC

U.S. First-Time House Buyers



Sources: eMBS, Federal Housing Administration (FHA), and Urban Institute.
Note: All series measure the first-time home buyer share of purchase loans for principal residences. FHA's FTHB share previously reflected the FHA's latest Production Report, however this report is currently lagging by two month. Current FHA FTHB uses the eMBS FTHB share for the month of March and April 2025.

Urban Institute

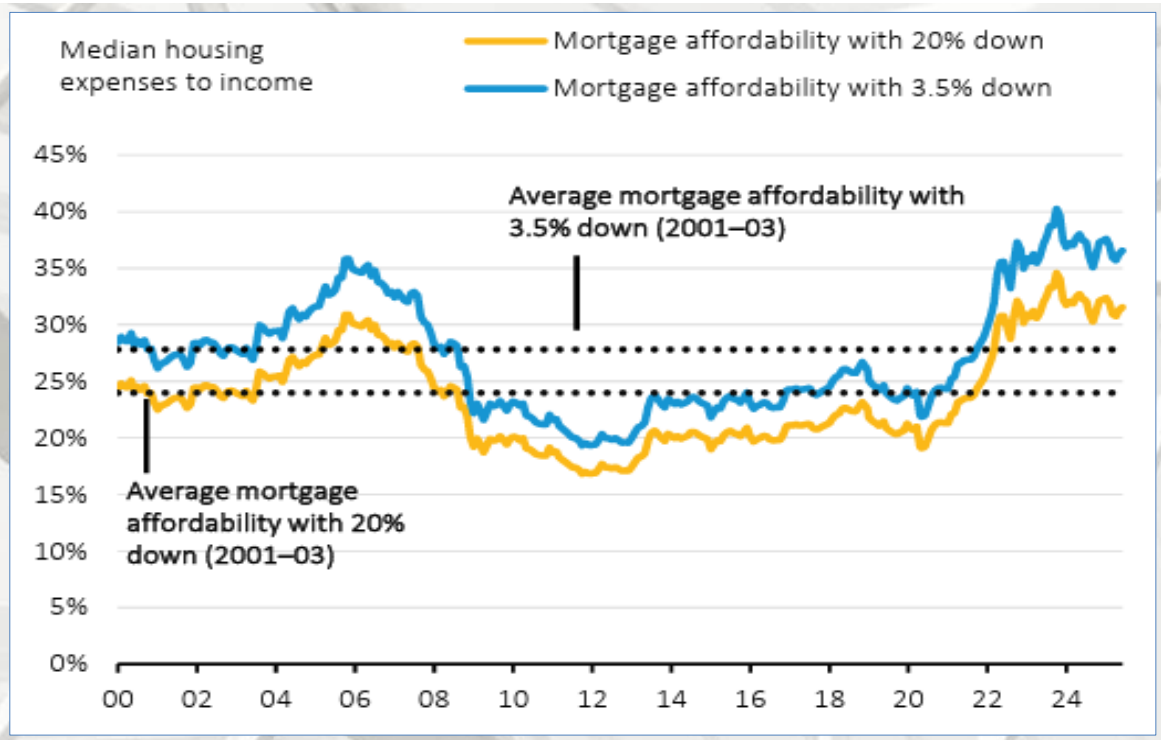
First-time House Buyer Share

"Although the homeownership rate, which compares homeowners and renters has declined modestly (page 27), the first-time homebuyer share, which compares first-time homebuyers with repeat buyers has increased. The increase in the first time homebuyer share reflects the fact that, in today's relatively high interest rate environment, repeat homebuyers are "locked into" their home through a low rate mortgage. This impact is much stronger than impact of higher rates on first time homebuyers, reducing homebuying affordability and thereby slowing the shift from renting to homeownership. First time homebuyers are traditionally more concentrated among FHA (80.9 percent). However, in April 2025, more than half of GSE and VA purchase originations are made to first-time homebuyers as well (52.5 percent and 53.5 percent, respectively)." – Laurie Goodman *et. al*, Vice President, Urban Institute

Source: https://www.urban.org/research/publication/housing-finance-glance-monthly-chartbook-july-2025/; 7/31/25

Return TOC

U.S. Housing Affordability



Urban Institute

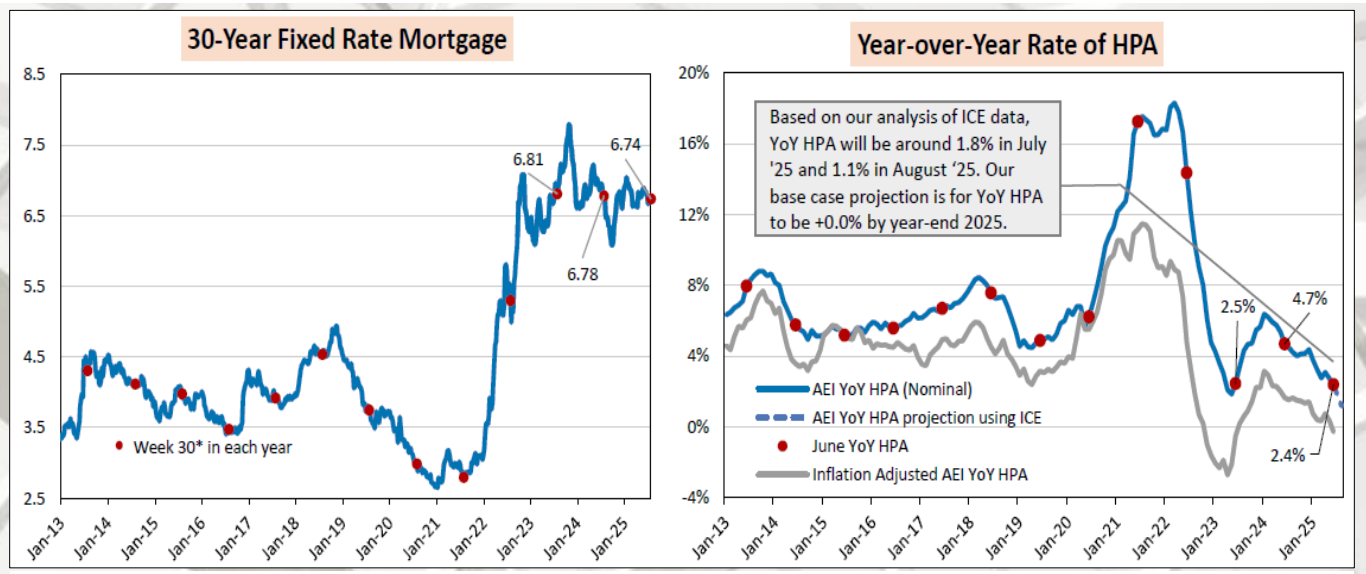
National Mortgage Affordability Over Time

"Consistent with high, but stable mortgage rates and home values high with little to no appreciation, mortgage affordability remains close to the worst level since the inception of this series in 2000 but has shown signs of improvement in recent months. As of June 2025, with a 20 percent down payment, the share of median income needed for the median monthly mortgage payment was 31.5 percent, slightly above the peak of the housing bubble in November 2005; and with 3.5 percent down, the housing cost burden is 36.5 percent, also just above the 35.8 percent peak in November 2005. Active listings have broadly increased since 2022 but remain lower than prepandemic levels. And the distribution of housing inventory has become increasingly unaffordable." – Laurie Goodman *et. al*, Vice President, Urban Institute

Source: https://www.urban.org/research/publication/housing-finance-glance-monthly-chartbook-july-2025/; 7/31/25

Return TOC

U.S. Housing Affordability



Note: Data are for 30-year fixed rate prime conventional conforming. Home purchase mortgages with a loan to value of 80 percent.
* Week 30, 2025 refers to the week ending July 24th, 2025.

Note: Data are for the entire country; June 2025 data are preliminary.
Sources: AEI Housing Center, www.AEI.org/housing, Freddie Mac

AEI Housing Center

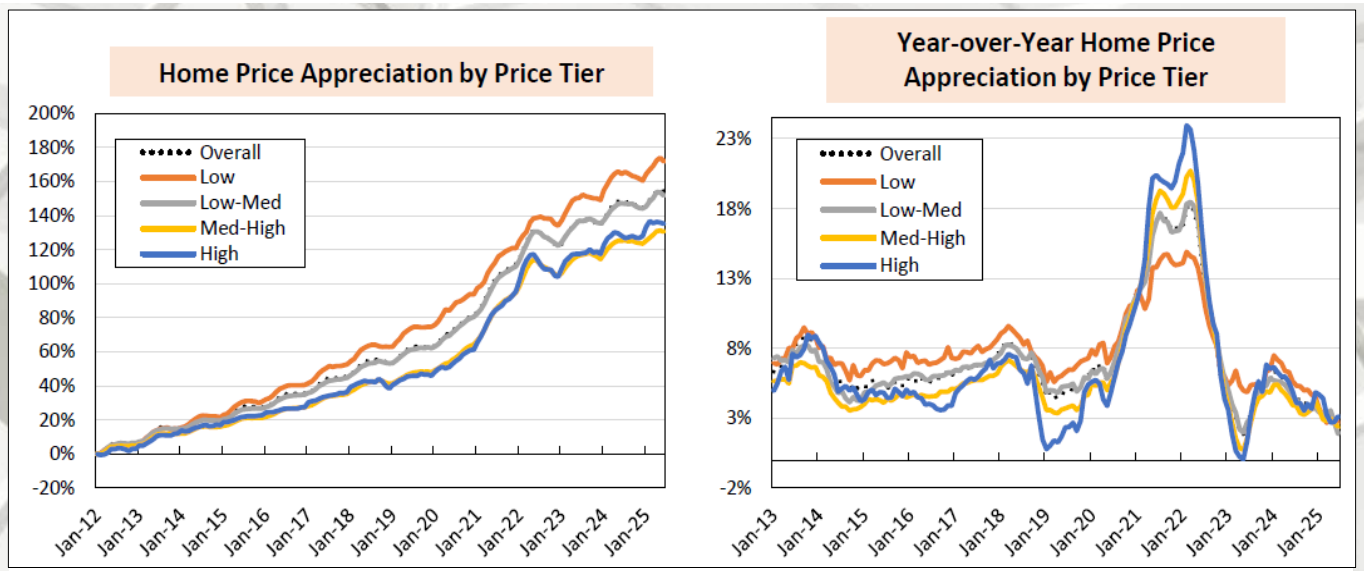
June 2025's preliminary YoY HPA was 2.4%, the lowest June level of the series, down from 2.7% a month ago and 4.7% in June 2024.

- "Higher interest rates since 2022 and a diminishing pool of qualified entry-level buyers is fueling a reversion to the mean in many areas.
- June 2025's preliminary MoM HPA was -0.4%.
- YoY HPA is projected to decrease to 1.8% in July and 1.1% through the first 3 weeks of August.
- We expect this weakening trend to continue at least through the end of the year.
- 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-2025; 8/1/25

Return TOC

Home Price Appreciation by Price Tier



Note: Data are for the entire country. Data for June 2025 are preliminary.
Source: AEI Housing Center, www.AEI.org/housing

AEI Housing Center

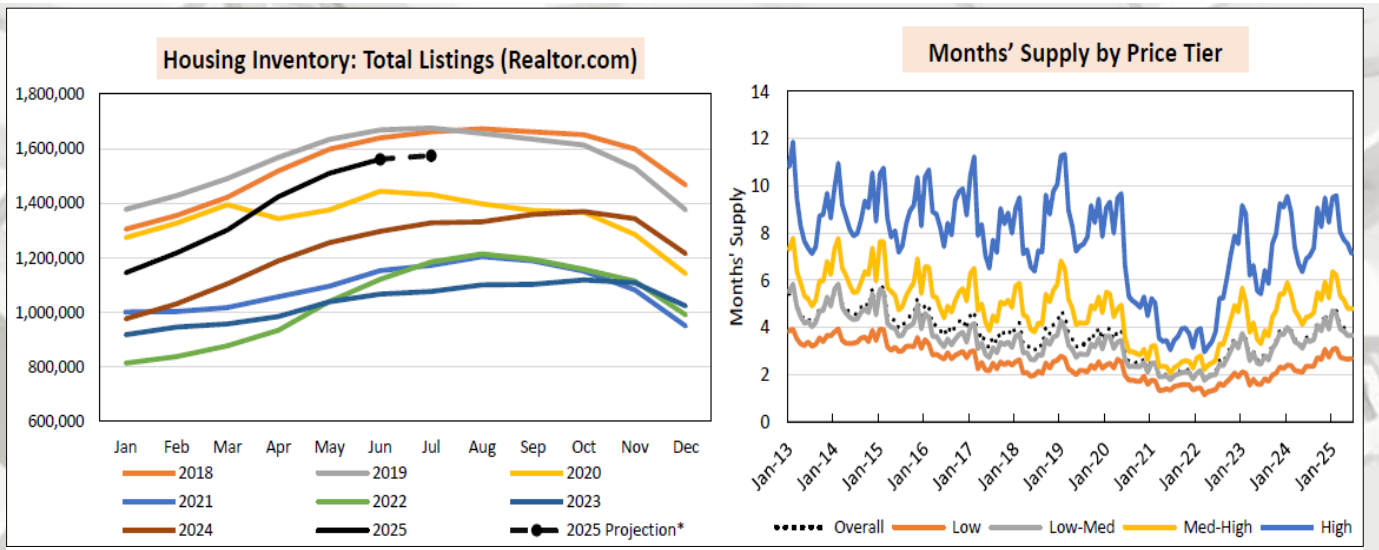
"**Since 2012, a large gap in HPA has developed between the lower and upper end of the market (left panel).**

- 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.
- However, recent trends indicate that HPA differences by price tier have narrowed, as overall HPA has slowed.
- Preliminary HPA for June 2025, while subdued, indicate that the high price tier now leads the way, growing by 3.1%, while the low, med-high, and low-med followed at 2.7%, 2.4%, and 1.9%, respectively.
    - The high price tier has much less reliance on the leverage punchbowl combined with the ability to move down the price ladder, while lower tiers are more constrained, particularly the low tier.
- While relatively high mortgage rates, growing supply, and declining affordability are having a growing impact on HPA, the high price tier, which is less reliant on the leverage punchbowl, leads in HPA, while the other tiers lag." – 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-2025; 8/1/25

Return TOC

AEI Housing Center: Housing Inventory and Months' Supply



*Projected total listings are based on average Altos weekly listings through the week ending July 24th, 2025..
Source: Realtor.com, Zillow, and AEI Housing Center, www.AEI.org/housing

"The relatively strong seller's market continued in June 2025, the relatively strong seller's market continued in June 2025, with months' remaining supply staying unchanged from May 2025 at 3.9 months (not seasonally-adjusted) and up from 3.6 months a year ago. Month's supply is just above pre-pandemic levels (months' remaining supply in June 2019 was 3.3 months). Inventory continues to grow faster than seasonal trends.

- Although inventory was up 20.4% from June 2024, it is still 6.4% below June 2019, the "last normal" prepandemic June reading (left panel). Compared to May 2025, June inventory increased by 3.4%.
    - The projection for July 2025 suggests that inventory is expected to increase by 0.9% over the prior month. This would place July 2025 inventory 6.0% below July 2019.*
- Months' supply stood at 3.9 months in June 2025, up from 3.3 mos. in June 2019 (right panel). Meanwhile, YoY HPA was 2.4% in June 2025, compared to 4.9% in June 2019.
- Based on an analysis of historical data, a 6-8 mos.' supply (nationally) is a nominal price equilibrium or neutral point and would need to increase to 8-9 mos. to trigger a national YoY decline in home price appreciation." – 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-june-2025; 8/1/25

Return TOC

U.S. Housing Finance

Mortgage Bankers Association

Mortgage Credit Availability Increased in July

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

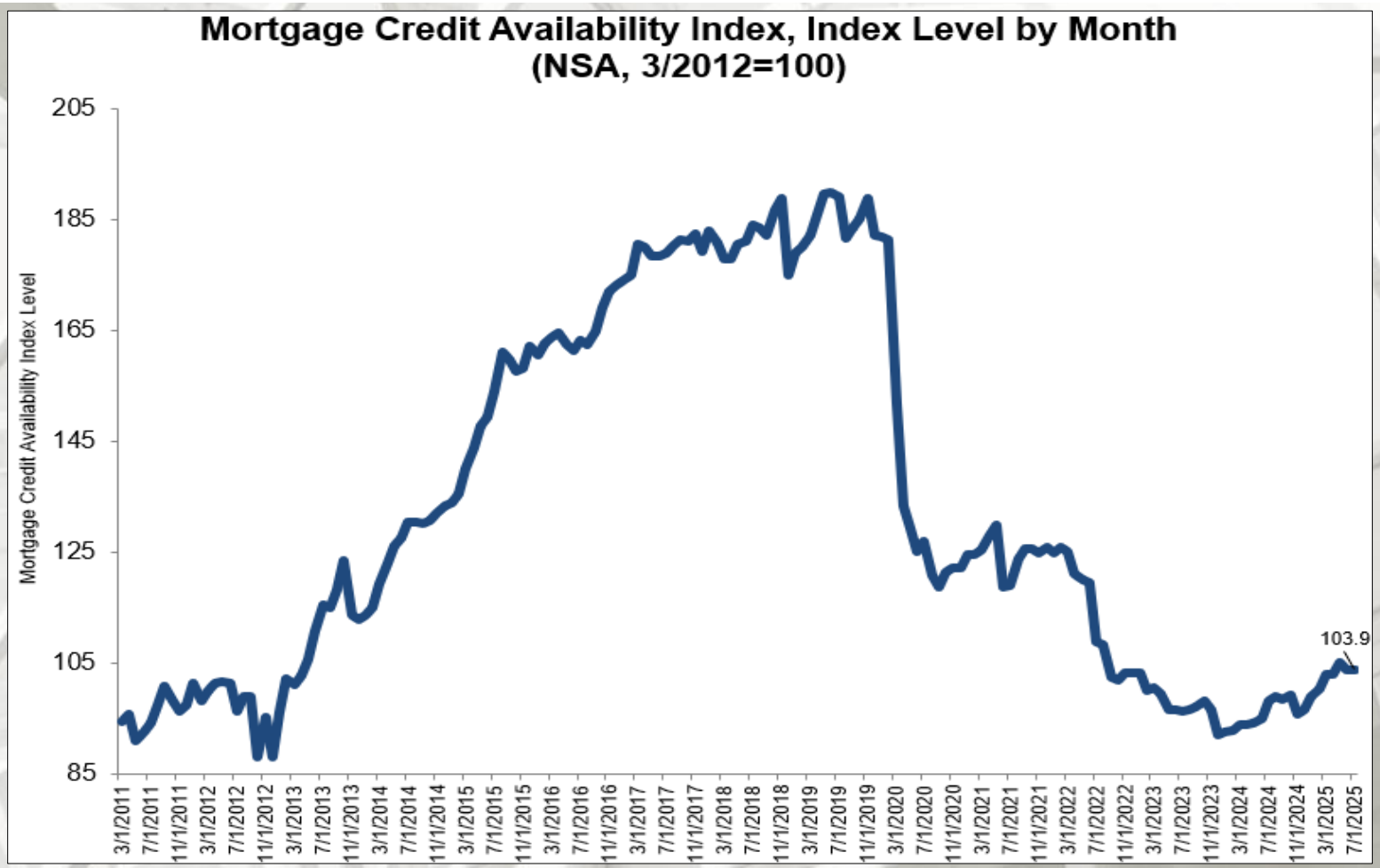
The MCAI rose by 0.2 percent to 103.9 in July. A decline in the MCAI indicates that lending standards are tightening, while increases in the index are indicative of loosening credit. The index was benchmarked to 100 in March 2012. The Conventional MCAI increased 0.5 percent, while the Government MCAI decreased by 0.2 percent. Of the component indices of the Conventional MCAI, the Jumbo MCAI increased by 0.9 percent, and the Conforming MCAI fell by 0.5 percent.

"Credit availability edged slightly higher in July, driven by increased availability of ARM loans. This development was consistent with a steeper yield curve and the jumbo-conforming spread back in negative territory. The average jumbo rate was around 8 basis points lower than the average conforming rate in July. Additionally, data from a separate survey showed that ARMs loan applications have picked up in recent months, although activity is still muted compared to historical averages. Credit availability of conforming loans declined slightly over the month, mostly due to a pullback in renovation loans." – Joel Kan, Associate Vice President of Economic and Industry Forecasting; MBA

Source: https://www.mba.org/news-and-research/newsroom/news/2025/08/12/mortgage-credit-availability-increased-in-july; 8/12/25

Return TOC

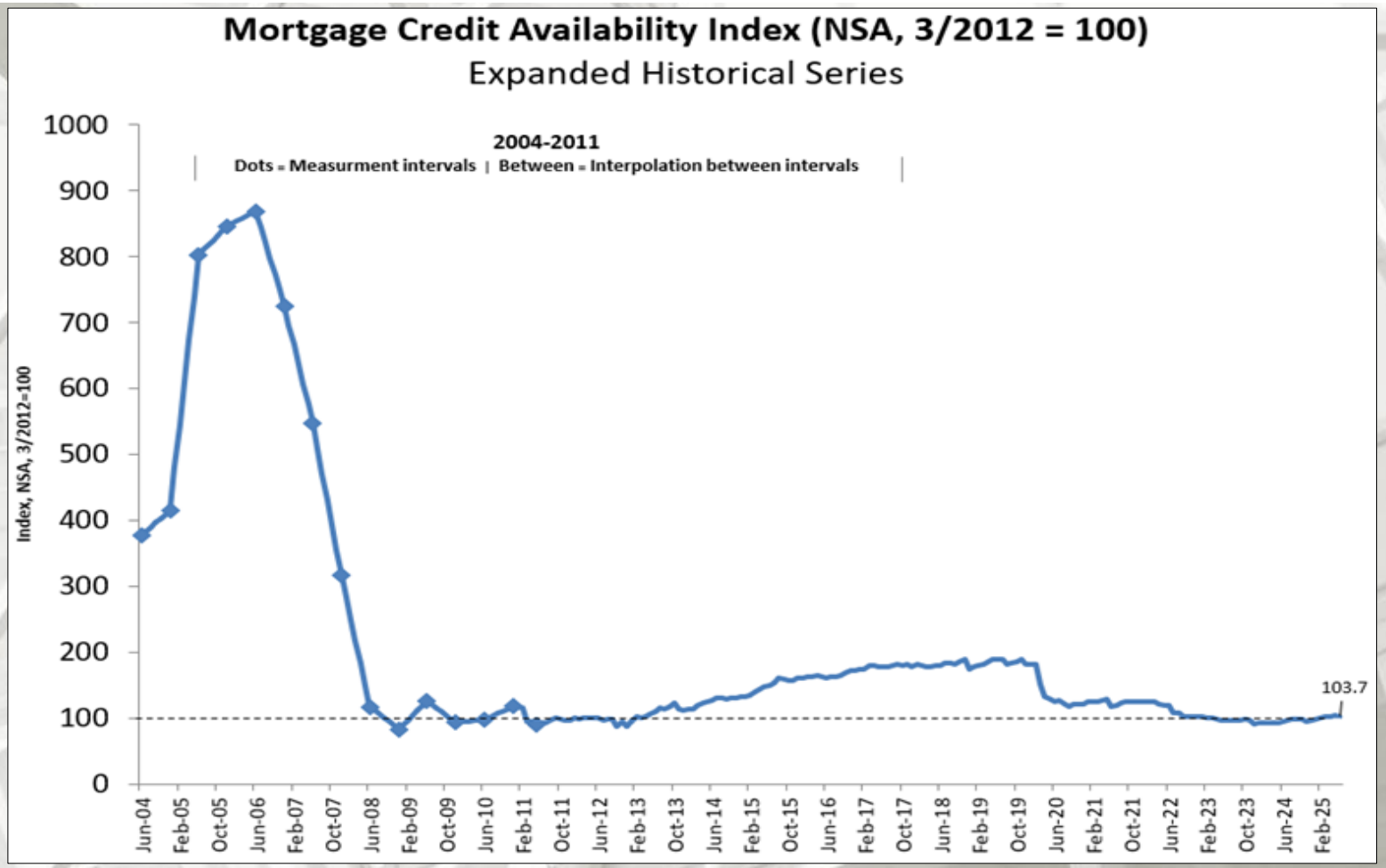
U.S. Housing Finance
Mortgage Credit Availability (MBA)



Source: https://www.mba.org/news-and-research/newsroom/news/2025/08/12/mortgage-credit-availability-increased-in-july; 8/12/25

Return TOC

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



Source: https://www.mba.org/news-and-research/newsroom/news/2025/08/12/mortgage-credit-availability-increased-in-july; 8/12/25

Return TOC

MBA Mortgage Finance Forecast

MBA Mortgage Finance Forecast

July 17, 2025

	2024				2025				2026							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026	2027
Housing Measures																
Housing Starts (SAAR, Thous)	1,407	1,340	1,332	1,387	1,401	1,322	1,346	1,348	1,338	1,338	1,338	1,338	1,367	1,354	1,338	1,335
Single-Family	1,062	1,004	971	1,013	1,015	927	941	967	974	982	992	998	1,013	963	987	1,013
Two or More	345	336	361	374	386	395	405	381	364	356	346	340	354	392	351	323
Home Sales (SAAR, Thous)																
Total Existing Homes	4,200	4,050	3,890	4,163	4,127	4,037	4,158	4,301	4,365	4,403	4,479	4,518	4,076	4,156	4,441	4,628
New Homes	663	693	712	671	654	660	696	726	747	767	764	767	685	683	761	777
FHFA US House Price Index (YOY % Change)	6.8	5.9	4.6	4.5	3.4	2.9	2.0	1.3	0.8	0.5	0.4	0.3	4.5	1.3	0.3	0.3
Median Price of Total Existing Homes (Thous $)	385.1	416.9	414.1	405.0	397.8	417.2	412.0	414.5	411.6	412.7	410.7	409.5	405	410	411	408
Median Price of New Homes (Thous $)	429.2	414.5	418.6	415.6	416.1	414.6	419.5	420.2	417.1	418.0	417.0	417.4	419	418	417	419
Interest Rates																
30-Year Fixed Rate Mortgage (%)	6.7	7.0	6.5	6.6	6.8	6.8	6.8	6.7	6.6	6.6	6.5	6.4	6.6	6.7	6.4	6.3
10-Year Treasury Yield (%)	4.2	4.4	3.9	4.3	4.5	4.4	4.4	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
Mortgage Originations																
Total 1- to 4-Family ($B $)	377	429	479	494	384	549	554	534	541	584	581	536	1,779	2,021	2,242	2,287
Purchase	291	336	357	304	272	367	371	347	342	383	391	345	1,288	1,357	1,461	1,513
Refinance	86	93	122	190	112	182	183	187	199	201	190	191	491	664	781	774
Refinance Share (%)	23	22	25	38	29	33	33	35	37	34	33	36	28	33	35	34
FHA Originations ($B $)													204	206	229	211
Total 1- to 4-Family (000s loans)	1,076	1,203	1,343	1,427	1,068	1,533	1,546	1,499	1,499	1,611	1,592	1,466	5,050	5,646	6,168	6,309
Purchase	773	880	924	780	690	924	936	878	853	959	964	841	3,356	3,428	3,617	3,756
Refinance	303	323	419	647	378	609	610	621	646	652	628	625	1,693	2,218	2,551	2,553
Refinance Share (%)	28	27	31	45	35	40	39	41	43	40	39	43	34	39	41	40
Mortgage Debt Outstanding																
1- to 4-Family ($T $)	13.997	14.105	14.216	14.322	14.406	14.498	14.590	14.680	14.766	14.865	14.961	15.050	14.322	14.680	15.050	15.399

Notes:

As of the August 2024 forecast, 2023 origination volume was revised based on the 2023 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.

MBA

MORTGAGE BANKERS ASSOCIATION

Source: https://www.mba.org/news-and-research/forecasts-and-commentary/; 7/18/25

Return TOC

MBA Economic Forecast

MBA Economic Forecast

July 17, 2025

	2024				2025				2026							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026	2027
Percent Change, SAAR																
Real Gross Domestic Product	1.6	3.0	3.1	2.4	-0.5	1.5	0.7	0.4	1.2	1.4	1.8	1.8	2.5	0.5	1.5	1.9
Personal Consumption Expenditures	1.9	2.8	3.7	4.0	0.5	1.8	0.0	-0.6	1.1	0.9	1.7	2.3	3.1	0.4	1.5	2.8
Business Fixed Investment	4.5	3.9	4.0	-3.0	10.3	-0.9	-5.3	-3.7	-3.0	-0.2	-0.1	0.1	2.4	0.1	-0.8	0.6
Residential Investment	13.7	-2.8	-4.3	5.5	-1.3	-5.1	-6.5	3.7	2.3	1.3	2.0	2.8	3.0	-2.3	2.1	1.9
Govt. Consumption & Investment	1.8	3.1	5.1	3.1	-0.6	-0.1	-0.5	-1.0	0.0	0.1	0.0	-0.1	3.2	-0.5	0.0	-0.2
Net Exports (Bil. Chain 2012$)	-977.0	-1035.7	-1069.2	-1052.7	-1359.0	-1081.1	-1081.0	-1013.9	-953.3	-916.0	-888.3	-884.8	-1033.6	-1133.7	-910.6	-916.4
Inventory Investment (Bil. Chain 2012$)	17.7	71.7	57.9	8.9	160.5	-42.8	61.2	79.1	71.1	80.4	85.2	86.8	39.0	64.5	80.9	92.2
Consumer Prices (YOY)	3.2	3.2	2.7	2.7	2.7	2.5	3.0	3.2	3.2	3.4	3.0	2.6	2.7	3.2	2.6	2.2
Percent																
Unemployment Rate	3.8	4.0	4.2	4.2	4.1	4.2	4.4	4.6	4.7	4.8	4.7	4.6	4.0	4.3	4.7	4.4
Federal Funds Rate	5.375	5.375	4.875	4.375	4.375	4.375	4.125	3.875	3.875	3.625	3.625	3.625	4.375	3.875	3.625	3.625
10-Year Treasury Yield	4.2	4.4	3.9	4.3	4.5	4.4	4.4	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3

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

MBa
MORTGAGE BANKERS ASSOCIATION

Source: https://www.mba.org/news-and-research/forecasts-and-commentary/; 7/18/25

Return TOC

Summary

In conclusion:

Housing data month-over-month and year-over-year were primarily negative. On a month-over-month basis total and multi-family starts, multi-family permits, and new single-family house sales were positive. Year-over-year, multi-family starts and permits were positive. The influence of mortgage rates is evident, as aggregate costs have decreased affordability. The influence of mortgage rates is evident, as aggregate costs have decreased affordability.

Pros:

1) The desire to own a house remains positive.

Cons:

1) Mortgage interest rates and affordability;
2) Economic concerns and inflation;
3) The war in Ukraine and the Israel-Palestinian conflict, 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.

Return TOC

Virginia Tech Disclaimer

Disclaimer of Non-endorsement

Reference herein to any specific commercial products, process, or service by trade name, trademark, manufacturer, or otherwise, does not constitute or imply its endorsement, recommendation, or favoring by Virginia Tech. The views and opinions of authors expressed herein do not necessarily state or reflect those of Virginia Tech, and shall not be used for advertising or product endorsement purposes.

Disclaimer of Liability

With respect to documents sent out or made available from this server, neither Virginia Tech nor any of its employees, makes any warranty, expressed or implied, including the warranties of merchantability and fitness for a particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights.

Disclaimer for External Links

The appearance of external hyperlinks does not constitute endorsement by Virginia Tech of the linked web sites, or the information, products or services contained therein. Unless otherwise specified, Virginia Tech does not exercise any editorial control over the information you June find at these locations. All links are provided with the intent of meeting the mission of Virginia Tech's web site. Please let us know about existing external links you believe are inappropriate and about specific additional external links you believe ought to be included.

Nondiscrimination Notice

Virginia Tech prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the author. Virginia Tech is an equal opportunity provider and employer.

Return TOC

U.S. Department of Agriculture Disclaimer

Disclaimer of Non-endorsement

Reference herein to any specific commercial products, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government, and shall not be used for advertising or product endorsement purposes.

Disclaimer of Liability

With respect to documents available from this server, neither the United States Government nor any of its employees, makes any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights.

Disclaimer for External Links

The appearance of external hyperlinks does not constitute endorsement by the U.S. Department of Agriculture of the linked web sites, or the information, products or services contained therein. Unless otherwise specified, the Department does not exercise any editorial control over the information you June find at these locations. All links are provided with the intent of meeting the mission of the Department and the Forest Service web site. Please let us know about existing external links you believe are inappropriate and about specific additional external links you believe ought to be included.

Nondiscrimination Notice

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202.720.2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call 800.795.3272 (voice) or 202.720.6382 (TDD). The USDA is an equal opportunity provider and employer.

Return TOC