Southern Arizona Home Builders Association

NAHBNews

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NAHB National Association of Home Builders

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May Starts Fall as Multifamily Construction Slows

Housing starts fell sharply in May, driven by a steep drop in multifamily construction, while single-family building also slipped amid high interest rates, rising construction costs and persistent labor shortages.

Overall housing starts decreased 15.4% in May to a seasonally adjusted annual rate of 1.18 million units, according to a report from HUD and the U.S. Census Bureau.

The May reading of 1.18 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts decreased 1.9% to an 882,000 seasonally adjusted annual rate and are down 6.7% compared to May 2025. The multifamily sector, which includes apartment buildings and condos, decreased 40.2% to an annualized 295,000 pace and are down 14.2% compared to May 2025.

On a regional and year-to-date basis, combined single-family and multifamily starts were 17.5% higher in the Northeast, 4.1% lower in the Midwest, 1.6% lower in the South and 4.9% lower in the West.

Overall permits decreased 0.7% to a 1.41-million-unit annualized rate in May. Single-family permits increased 0.6% to an 886,000-unit rate and are down 1.8% compared to May 2025. Multifamily permits decreased 2.8% to an annualized 527,000 pace and are up 2.5% compared to May 2025.

The number of single-family homes under construction is at 587,000 units—5.9% lower than a year ago.

NAHB Update on Road to Housing Act

NAHB Chairman Bill Owens issued the following statement after President Trump canceled plans to sign **landmark housing legislation** on June 24:

"Voters are demanding action on housing supply and affordability, and Congress has delivered a historic bill to address their concerns. Although there was no bill signing today, we are confident the 21st Century Road to Housing Act will eventually become law."

Cabinet-Level Officials Talk Reform

HUD Secretary Scott Turner, SBA Administrator Kelly Loeffler, and FHFA Director William Pulte participated in a **forum on housing and small business regulatory issues** moderated by NAHB Chairman Bill Owens during NAHB's Spring Leadership Meeting.

Earlier that same day, EPA Administrator Lee Zeldin told NAHB members that the agency is pursuing deregulation and wants to be "an ally of NAHB." He added that EPA is developing a simpler, clearer definition of waters of the United States (WOTUS) under the Clean Water Act.

1,100 Members Take Part in LegCon

More than 1,100 builders, remodelers and other housing industry professionals **went to Capitol Hill** in June to call for congressional action to improve affordability and help builders to increase the production of affordable, attainable homes.

In more than 300 meetings with lawmakers, housing advocates focused on four NAHB priorities aimed at improving affordability and increasing supply: Landmark housing legislation, workforce development and immigration, permitting obstacles, and natural gas bans.

NAHB Awards Program Accepting Applications

Applications for NAHB's Awards are now open. **The award programs** include: The Best in American Living™ Awards, sponsored by SMEG; the Associates of Excellence Awards; the Custom Home Builder of the Year Award; the Leading Suppliers Council Spark Award; the Professional Women in Building (PWB) Awards; the NAHB/Builders Mutual Safety Award for Excellence (SAFE) Awards; the Nationals℠ Awards, NAHB's largest awards competition; and the Young Professional Awards. The deadline **for applications** is Sept. 21 (unless otherwise noted).

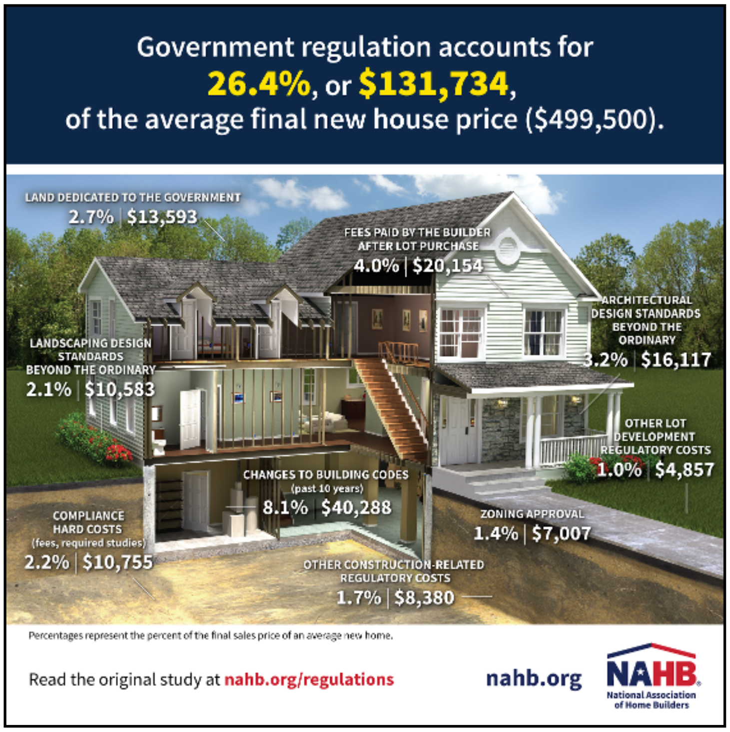
Watch Video Highlights From NAHB Spring Meeting

NAHB members who were unable to join us in Washington, D.C., for the 2026 Spring Leadership Meetings can watch some of the highlights on nahb.org, including:

- Remarks from EPA Administrator Lee Zeldin.
- Remarks from HUD Secretary Scott Turner, SBA Administrator Kelly Loeffler and FHFA Director Bill Pulte.
- NAHB Chief Economist Dr. Robert Dietz provides an industry economic outlook.

View all the videos here. (You must log in for access.)

Regulatory Costs Add $131,734 to New Home Price



A new study by the National Association of Home Builders (NAHB) finds that regulations at the federal, state and local levels add $131,734 to the cost of a new single-family home—26.4% of the average sales price of $499,500 as of January 2026.

Breaking down the total regulatory costs further, the study revealed that $84,939 of the final house price is the result of costs incurred by the builder due to regulation during the construction phase of the home while $46,795 is attributable to regulation during land development.

Based on U.S. Census home price data, regulatory costs for the average new home increased from $93,870 in 2021 to $131,734 in 2026—an increase of more than 40% in about five years. **View the full study** on the cost of regulation.

NAHB Honors Industry Leaders

Several industry leaders were honored for their contributions to the housing industry during the **National Housing Center Awards Ceremony** in June.

The ceremony recognized Thomas Bozzuto, founder and chairman of the Bozzuto Group, and Laurie Goodman, founder of the Housing Finance Policy Center at the Urban Institute, as the 2026 inductees to the National Housing Hall of Fame. Marvin “Jerry” Carter, Jr., founder of Jerry Carter Homes, and Edward “Eddie” Martin, Jr., president and CEO of Tilson Custom Home Builders, were recognized as the 2026 recipients of the Exemplary Service to Home Building Award.

High Prices Drag Down Demand

While supply concerns are still weighing on housing affordability, a combination of soaring prices and economic uncertainty is dragging on housing demand, according to the annual **State of Nation’s Housing** report from the Harvard Joint Center for Housing Studies (JCHS).

Despite the slowing demand, the report notes that housing supply issues are still a major concern. The JCHS report notes that single-family home starts fell 7% in 2025. The report also details how growing numbers of state and local governments are relaxing local zoning and land-use regulations.

Read the **full JCHS report** here.

NAHB Members Feature Prominently Among Top 200 Builders

The May/June 2026 issue of Pro Builder unveiled its annual [Top 200 report](), which ranks the leading home builders in the United States by 2025 revenue. Ninety percent of the builders featured are NAHB members.

The Top 200 report includes exclusive rankings of builders by region and state, the Top 25 built-to-rent and multifamily builders. Key insights include:

The Top 200 builders closed or completed more than 500,000 housing units in 2025.

Nearly 95% of units were built for sale, while the share of built-for-rent units dipped to 5.4%, down more than 10% from the year before.

Nearly one-third of builders (31%) reported government regulations as a top business challenge for 2026, up from just 10.5% in 2025.

Almost 85% of units constructed by the Top 200 builders were built in suburban areas.