

Southern Arizona Home Builders Association

# NAHBNews



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## Overall Housing Starts Inch Slightly Lower in 2025

**Total housing starts** for 2025 were 1.36 million, down 0.6% from the 1.37 million total in 2024.

Single-family starts in 2025 totaled 943,000, down 6.9% from the previous year.

Multifamily starts ended the year up 17.4% from 2024.

“Single-family home building dipped in 2025 because of ongoing affordability challenges, fueled by high housing price-to-income ratios and elevated financing and construction costs,” said Buddy Hughes, a home builder and developer from Lexington, N.C. “NAHB expects single-family starts will move slightly higher this year, as mortgage rates are expected to moderate.”

“Multifamily construction was down in high-density markets but up in the low-rise sector,” said Jing Fu, NAHB senior director of forecasting and analysis. “Multifamily starts are anticipated to fall 5% in 2026 to



an annual pace of 392,000 units and decline an additional 6% in 2027 to a 367,000 rate, leveling off near pre-pandemic levels.”

Looking at regional housing starts for 2025, combined single-family and multifamily starts were 8.7% higher in the Northeast, 7.2% higher in the Midwest,

4% lower in the South and 0.8% lower in the West.

Total permits for 2025 were 1.43 million, a 3.6% decline from the 1.48 million total from 2024. Single-family permits in 2025 totaled 909,600, down 7.4% from the previous year.

Looking at regional permit data for 2025, total permits were 7.7% lower in the Northeast, 3.0% higher in the Midwest, 5.2% lower in the South and 1.9% lower in the West.