

NAHB - HMI Key Findings: August 2026

The NAHB/Wells Fargo Housing Market Index (HMI) is designed to gauge and track the pulse of the single-family housing market. The HMI is based on a monthly survey of single-family builders who are asked to rate three specific conditions of the housing market:

- Present sales of new single-family homes
- Expected sales of single-family homes for the next six months
- Traffic of prospective buyers of new single-family homes

Each month, the HMI depicts overall builder sentiment toward housing market conditions on a scale ranging between 0 and 100. A higher reading (>50) is an indication that the majority of builders feel confident about the current and near-term outlook for housing. Lower readings signify less optimism among builders.

HMI Key Findings – August 2026

Builder confidence in the market for newly built single-family homes inched up one point to 35 in August.

Here are the readings for the three HMI indices in August:

- Current sales conditions increased two points to 39.
- Sales expectations in the next six months held steady at 43.
- Traffic of prospective buyers held steady at 23.

Signs of Market Cooling

The latest HMI survey also revealed that 35% of builders cut prices in August, down from 37% in July, and unchanged from June (35%). The average price reduction was 6% in August, the same rate as the previous month. The use of sales incentives was 63% in August, unchanged from the previous month.