



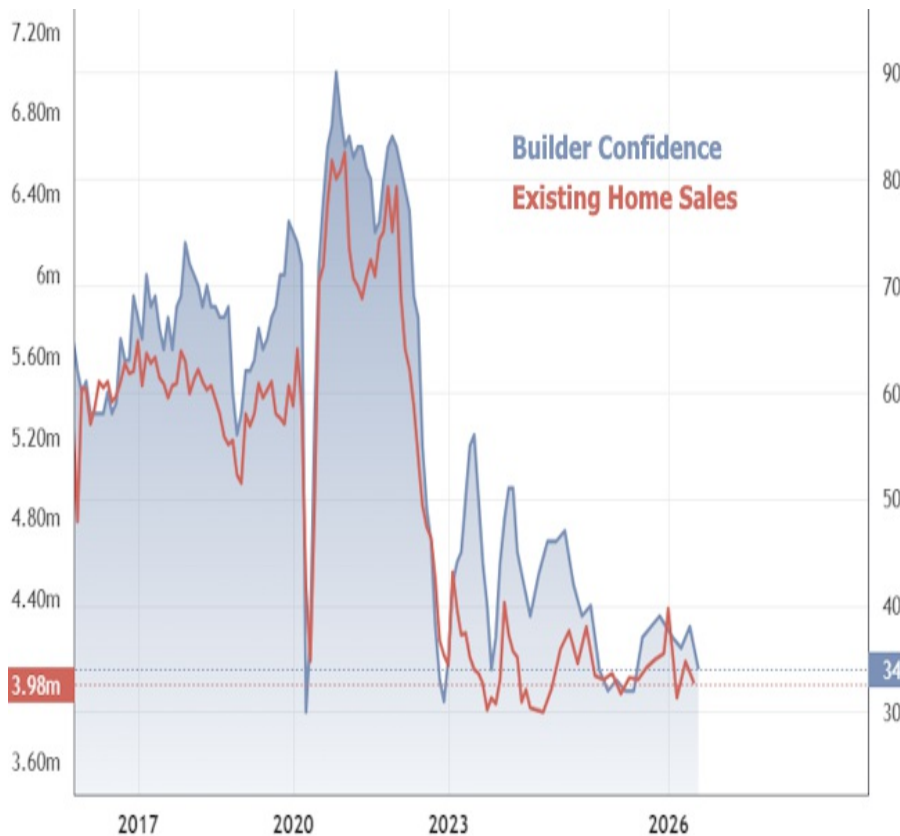
Builder Sentiment Drops to Seven-Month Low in April

Builder confidence fell sharply in April as rising costs and economic uncertainty weighed on sentiment heading into the spring buying season. The National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) dropped four points to **34**, its lowest level since September 2025.

The decline marks a notable setback after modest gains in recent months, with sentiment remaining firmly below the breakeven level of 50 that separates positive from negative market conditions.



Brian Neuwirth
President, Mortgage Pro Home Loans
www.mortgageprohl.com
P: (719) 492-4146
1052 Mill Creek Rd
Bradenton FL 34212
NMLS # 1119474



All three major components of the index moved lower. The gauge of current sales conditions fell four points to **37**, while the index measuring future sales expectations dropped seven points to **42**. The component tracking prospective buyer traffic declined three points to **22**, reflecting continued softness in demand.

“Builder sentiment has fallen back in spring as buyers face ongoing elevated interest rates and growing economic uncertainty,” said NAHB Chairman Bill Owens. He added that geopolitical risks and rising energy costs have further dampened confidence and slowed expected momentum in the housing market.

NAHB Chief Economist Robert Dietz pointed to increasing pressure from higher fuel prices, noting that a majority of builders are seeing rising material costs as a result. He also highlighted that uncertainty around input costs is making it more difficult for builders to price homes, adding another layer of strain on the market.

Pricing trends showed a slight pullback in concessions. In April, **36%** of builders reported cutting prices, down from 37% in March, while the average price reduction eased to **5%**. The use of sales incentives declined to **60%**, though this marks the **13th consecutive month** in which at least 60% of builders have offered incentives.

Regional three-month moving averages were mostly lower. The Northeast fell to 42, and the Midwest slipped to 41. The South held steady at 35, while the West declined to 29. Overall, builder sentiment remains under pressure as affordability challenges and cost volatility continue to shape market conditions.