← BACK TO REPORTS

DISPATCH REPORT Q3 2026 · DATA THROUGH MAY 2026

The Standing Inventory Report

Why builders are sitting on finished homes — and when that becomes your leverage. Builders don't hand out five-figure closing-cost packages out of generosity; they do it when finished homes sit unsold. Right now, more finished homes are sitting than at any point since the late-2000s.

DOWNLOAD THE REPORT (PDF) ↓

WHY THIS REPORT EXISTS

Standing, finished, unsold homes are the single most important fact behind every incentive flyer in every sales office. This report tracks how many there are, what they cost the builder, and exactly when that cost turns into your negotiating leverage. It's refreshed each edition with the latest federal data.

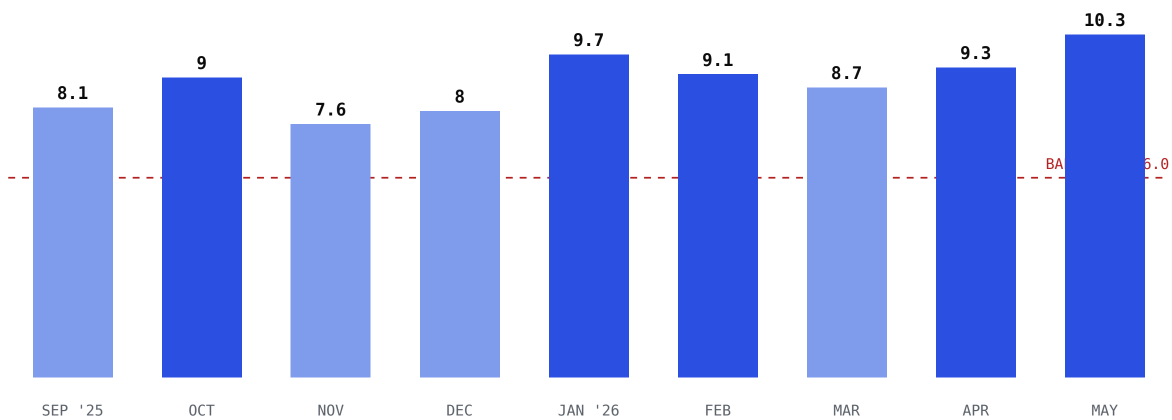
The biggest finished-home glut in over a decade

The national numbers (U.S. Census Bureau / HUD, New Residential Sales):

NEW HOMES FOR SALE · APR 2026	MONTHS' SUPPLY · MAY 2026	MEDIAN NEW-HOME PRICE · MAR 2026
~489k	**10.3**	**$387,400**
Near the highest level since 2007–2008	~6.0 is balanced; above 8 for most of the past year	Down 9.7% from the Dec 2025 peak of $429,100

National months' supply of new homes

Sep 2025 – May 2026 · balanced market ≈ 6.0 months · Source: U.S. Census Bureau & HUD, New Residential Sales

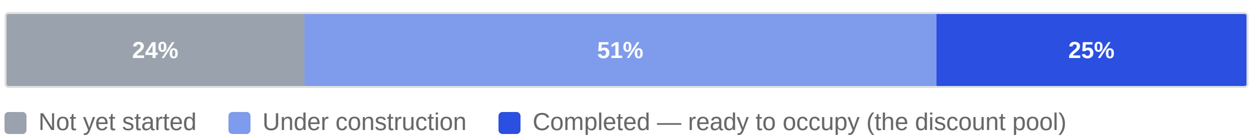


A quarter of that inventory is finished and empty

Inventory isn't one thing. A home "for sale" can be a dirt lot, a frame, or a finished house with the utilities on. Only the last one bleeds money daily — and it's the fastest-growing slice.

New homes for sale, by stage of construction — March 2026

Not seasonally adjusted · completed ≈ 119,000 homes, up 5.3% YoY · Source: Census/HUD via NAHB



What a standing finished home costs its builder

- **Financing interest** — most builders build on borrowed money. Every month a finished home sits, interest accrues on the full construction cost.
- **Property taxes, insurance, HOA dues, utilities, maintenance** — all carried by the builder from completion to closing.
- **Appraisal and comp pressure** — cutting the sticker price resets comps for the whole community and threatens appraisals on homes already under contract. This is why builders prefer incentives over price cuts: a $25,000 closing-cost-and-buydown package doesn't show up in the recorded sale price the way a $25,000 price cut does.

- **Balance-sheet optics** — public builders report inventory and margins to Wall Street every quarter. Aged finished specs are exactly what analysts ask about.

> THE TAKEAWAY
>
> A finished home that has sat for 60–90+ days is a problem the builder is paying to keep — and problems the builder is paying for are where buyer leverage lives.

The incentive calendar — why "year-end" isn't December for everyone

Incentive budgets loosen at month-end, more at quarter-end, and most at fiscal year-end, when sales teams are closing the numbers Wall Street will see. The detail almost no buyer knows: the big public builders don't share a fiscal calendar.

BUILDER	FISCAL YEAR ENDS	PEAK-PRESSURE QUARTER CLOSES
D.R. Horton	September 30	Dec · Mar · Jun · Sep
Toll Brothers	October 31	Jan · Apr · Jul · Oct
Lennar	November 30	Feb · May · Aug · Nov
KB Home	November 30	Feb · May · Aug · Nov
Pulte, Meritage, Taylor Morrison, Tri Pointe, M/I, Century, LGI	December 31	Mar · Jun · Sep · Dec

> THE PRACTICAL READ
>
> September through December is a rolling, industry-wide incentive season. A buyer shopping aged inventory in that window — and timing a written offer to the specific builder's own quarter — is negotiating against a deadline the sales office cares about far more than the buyer does. Private Central Texas builders (Highland, Perry, David Weekley) don't report to Wall Street, but month-end and quarter-end sales goals are standard there too.

What builders actually offer on aged inventory

- **Closing costs and prepaids covered** — up to the concession cap for your loan type, usually tied to the affiliated lender.
- **Permanent rate buydowns** — builders buy blocks of below-market rate from lenders and advertise them on inventory homes; often worth more than any flat credit.
- **Temporary 2-1 buydowns** — cheaper for the builder; underwrite yourself at the year-three payment.
- **Price cuts on aged specs** — the last resort, most common on homes that have sat longest.
- **Lease buyouts** — builders paying off the months remaining on a renter's lease to unlock a buyer who's "stuck until spring." If a lease is your obstacle, ask directly.
- **Extras** — blinds, appliances, garage-door openers, a year of HOA dues. Nice on top of the items above, not instead of them.

How to verify a home is truly standing inventory

- [ ] Ask directly: "When was this home completed, and how long has it been finished?"
- [ ] Check the listing history — days on market, price changes, whether it's fallen out of contract before.
- [ ] Pull the permit and certificate-of-occupancy dates from county records (links on the Resource Desk).
- [ ] Ask how many completed, unsold homes the builder has in this community — the answer calibrates your leverage.

Turn this into your deal

Aged inventory + the builder's own quarter-end + the Rate Test is the strongest position a new-construction buyer can occupy.

THE ZERO-OUT-OF-POCKET PLAYBOOK →

LIVE INCENTIVES THIS WEEK →

Sources: U.S. Census Bureau & HUD, New Residential Sales (through May 2026, released June 24, 2026); NAHB Eye On Housing; builder investor filings. Figures reflect the latest revisions available at publication and are refreshed each edition. Fiscal calendars per each builder's public filings — verify against current filings before relying on them. New Home Dispatch is independent and receives no compensation from builders or lenders. Companion reading: The Zero-Out-of-Pocket Playbook · Understanding Builder Incentives.

Report a correction