NAHB • AUGUST 2026

ROAD TO HOUSING

EXECUTIVE SUMMARY

A once-in-a-generation housing package — what it does, and what it means for NAHB members.

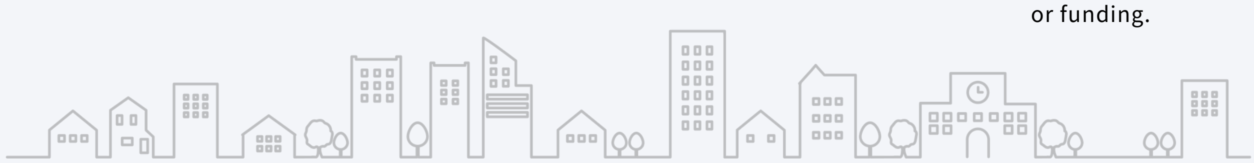
The 21st Century ROAD to Housing Act expands the nation's housing supply by reducing regulatory barriers and encouraging local governments to reform the zoning and land-use policies that have limited home building. NAHB worked with House and Senate lawmakers to pass this package — more than 50 sections covering housing supply, financing, disaster recovery and other priorities — securing provisions that increase single-family and multifamily production and support more remodeling.

Enactment is only the beginning. Federal agencies and state and local governments must now move the law from passage to implementation, and Congress must fund several key initiatives. Over time it will expand opportunities for buyers and renters, strengthen homeownership and help address affordability nationwide.

50+	16	7
sections in the law spanning supply, financing & disaster recovery	key provisions highlighted for our members	focus areas from land use to community banks

FROM PASSAGE TO IMPACT — THE NEXT STEPS

1. Write regulations and issue guidance to carry out the law.
2. Conduct required studies and launch new programs.
3. Identify which provisions take effect quickly and which need further action or funding.



KEY PROVISIONS

NAHB helped secure key provisions to increase single-family and multifamily production and support more remodeling activity. The following seven focus areas, covering 16 sections of importance to members, explain what each section does, why it matters, when it takes effect and how members can help.

LAND USE & ZONING

SECTION 102

Federal Guidelines for Point-Access Buildings

WHAT IT DOES

Directs the Department of Housing and Urban Development (HUD) to develop model code language, best practices, and technical guidance to help states, territories, tribes and local governments facilitate the permitting of point-access (single-stair) residential buildings up to six stories. Authorizes HUD to establish a competitive grant program to support pilot projects evaluating these building designs. HUD is also directed to work with the International Code Council (ICC) to encourage incorporation of point-access building provisions into future editions of the International Building Code.

WHY IT MATTERS TO MEMBERS

Many building codes require two stairwells in mid-rise multifamily buildings, which raises construction costs and limits how many homes can fit on a site. Modernizing these rules can make projects more feasible, increase production and lower costs while maintaining safety.

- 18-MONTH DEADLINE
- PILOT GRANTS
- CODE DEVELOPMENT

TIMELINE

Guidelines due within 18 months of enactment after considering fire safety, housing affordability, international best practices, and stakeholder input. HUD may establish a competitive grant program to support pilot projects evaluating the safety, feasibility, and cost-effectiveness of point-access buildings. Does not preempt state or local building codes.

HOW MEMBERS CAN HELP

Work with state and local officials, building code agencies, and fire officials to support point-access building standards and join HUD's stakeholder process and pilot grants.

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LAND USE & ZONING

SECTION 104

Database of Publicly Owned Land

WHAT IT DOES

Requires Community Development Block Grant (CDBG) grantees to maintain a publicly accessible, searchable database identifying all undeveloped land owned by the grantee. It also makes creating and maintaining the database an eligible use of CDBG funds.

WHY IT MATTERS TO MEMBERS

A public inventory helps builders spot development opportunities, spurs public-private partnerships and brings underused land into productive housing use.

EFF. OCT. 1, 2026

TIMELINE

Takes effect Oct. 1, 2026. Existing CDBG funds may be used to build and maintain the database.

HOW MEMBERS CAN HELP

Work with grantees and local officials to build these inventories and flag publicly owned sites suited for housing.

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SECTION 107

Housing Supply Frameworks

WHAT IT DOES

Authorizes HUD to work with builders, developers and other stakeholders to identify best practices and convert them into practical steps for state and local governments.

WHY IT MATTERS TO MEMBERS

Local rules add cost, delay approvals and limit supply. Promoting greater density and developer flexibility could expand supply and lower overall housing costs.

TWO-YEAR CONSULT

ZONING REFORM

TIMELINE

A two-year stakeholder consultation, with best practices published within three years.

HOW MEMBERS CAN HELP

Push local reforms — smaller minimum lot sizes, more ADUs, easier parking and missing-middle homes like townhomes and duplexes — and engage early so builder priorities are reflected.

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LAND USE & ZONING

SECTION 204

Affordable Housing Construction as an Eligible Activity

WHAT IT DOES

Adds new construction of affordable housing as an eligible use of CDBG funds.

WHY IT MATTERS TO MEMBERS

State and local governments receiving CDBG funds can now direct a share of those funds to new affordable housing projects.

- AUTOMATIC
- GRANT PROGRAM
- ZONING REFORM

TIMELINE

Applies automatically to future CDBG appropriations.

HOW MEMBERS CAN HELP

Work with officials to include affordable housing construction in CDBG funding applications.

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SECTION 208

Innovation Fund

WHAT IT DOES

Creates a competitive, flexible funding source (subject to appropriations) for communities increasing housing production — usable for community infrastructure, housing development and water and sewer.

WHY IT MATTERS TO MEMBERS

Rewards localities that cut barriers like restrictive zoning, slow permitting and weak infrastructure. Funds can improve roads, water and sewer systems that often stall new development.

- CONGRESS FUNDS
- ZONING REFORM
- INFRASTRUCTURE

TIMELINE

HUD sets up the program, issues eligibility guidance and defines supply metrics; local governments, counties and tribes then apply by showing measurable production gains.

HOW MEMBERS CAN HELP

Help localities identify reforms; give officials data on permitting delays, infrastructure and demand. Early planning positions communities to compete once HUD opens the program.

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LAND USE & ZONING

SECTION 209

Accelerating Home Building Act — "Pattern Books"

WHAT IT DOES

Establishes a grant program to help local, tribal and municipal governments adopt pre-reviewed designs — "pattern books" — for small-scale, mixed-income housing such as duplexes, fourplexes, ADUs and cottage courts.

WHY IT MATTERS TO MEMBERS

Pre-approved plans help builders secure permits and significantly shorten plan review and permitting for qualifying projects.

NO DEADLINE

GRANT PROGRAM

PERMIT REFORM

TIMELINE

HUD must build the program and Congress must appropriate funds; no statutory deadline. A portion of funding is set aside for rural areas.

HOW MEMBERS CAN HELP

Encourage state and local collaboration with HUD. Applications must show how pattern books support affordable/workforce housing, expand access to high-opportunity areas and align with local transportation planning.

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SECTION 213

Build Now Act

WHAT IT DOES

Creates a pilot that adjusts CDBG grant amounts by each locality's "housing growth improvement rate" — rewarding communities that boost production and reducing funds where growth lags.

WHY IT MATTERS TO MEMBERS

Pushes jurisdictions to adopt zoning and permitting reforms that cut red tape, lower costs and make homes easier to build.

THIRD FISCAL YEAR

GRANT PROGRAM

PERMIT REFORM

ZONING REFORM

TIMELINE

Effective in the third full fiscal year after enactment through FY2043; no new appropriations. Within 60 days HUD notifies each recipient of its rate versus the median, with best-practice guidance.

HOW MEMBERS CAN HELP

Urge officials to modernize zoning, ease permitting and cut upfront costs to spur development and qualify for more CDBG funding.

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LAND USE & ZONING

SECTION 102

Reforming Disaster Recovery Act

WHAT IT DOES

Authorizes the CDBG–Disaster Recovery (CDBG-DR) program for three years and establishes HUD's Office of Disaster Management and Resiliency. HUD must share recovery data across agencies and strengthen grantee oversight.

WHY IT MATTERS TO MEMBERS

Should speed financial help to disaster-hit communities while requiring more transparency and data on how funds are used.

- 1 YEAR
- GRANT PROGRAM
- DISASTER RELIEF

TIMELINE

HUD must finalize regulations within one year.

HOW MEMBERS CAN HELP

After a natural disaster, work with state and local officials to ensure housing support is built into recovery plans.

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ENVIRONMENTAL REVIEWS

SECTION 206

Unlocking Housing Supply Through Streamlined & Modernized Reviews Act

WHAT IT DOES

For projects using federal assistance, streamlines environmental reviews. NAHB also secured language simplifying National Environmental Policy Act (NEPA) reviews for small and infill projects by removing duplicative reviews and expanding the use of "categorical exclusions."

WHY IT MATTERS TO MEMBERS

NEPA reviews have grown cumbersome and can stall housing without meaningful safeguards. These reforms remove burdens for infill and mid-sized construction and eliminate duplicative, time-consuming reviews — so projects move faster and cost less.

NO DEADLINE

REGULATORY REFORM

TIMELINE

HUD must complete the rulemaking process; no specific deadline.

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AGING HOUSING STOCK

SECTION 202

Whole-Home Repairs Act

WHAT IT DOES

Creates a HUD pilot providing grants to state and local governments to help eligible landlords and low- to moderate-income homeowners make repairs and upgrades that improve accessibility, habitability and energy efficiency.

WHY IT MATTERS TO MEMBERS

Should speed financial help to disaster-hit communities while requiring more transparency and data on how funds are used.

1 YEAR

GRANT PROGRAM

DISASTER RELIEF

TIMELINE

HUD must finalize regulations within one year.

HOW MEMBERS CAN HELP

After a natural disaster, work with state and local officials to ensure housing support is built into recovery plans.

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MULTIFAMILY FINANCING TOOLS

SECTION 211

Housing Affordability Act

WHAT IT DOES

Requires the Federal Housing Administration (FHA) to increase multifamily loan limits and index them to inflation.

WHY IT MATTERS TO MEMBERS

ANNUAL INCREASE

FHA multifamily loan limits haven't risen in more than 23 years, limiting the program for developers. Raising and indexing them aligns financing with construction costs, expands FHA financing to more projects and markets, and supports new apartment development — developers can now qualify for higher loan amounts.

TIMELINE

HUD calculates and publishes annual adjustments, so limits rise automatically each year.

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MULTIFAMILY FINANCING TOOLS

SECTION 501

HOME Investment Partnerships Reauthorization & Reform Act

WHAT IT DOES

Reforms and reauthorizes the HOME Investment Partnerships Program to improve administration and support the construction of more affordable housing.

WHY IT MATTERS TO MEMBERS

REAUTHORIZATION

LIHTC

HOME is a key tool paired with the Low-Income Housing Tax Credit (LIHTC), but old rules discouraged use. Reforms expand access for working families, exempt 1–4 unit projects from strict federal environmental review, and give cities flexibility to use HOME funds for basic housing infrastructure.

TIMELINE

Full implementation may take months to years; some changes are immediate, including reauthorization and raising homeownership eligibility to full area median income.

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SECTION 203

Community Investment and Prosperity Act

WHAT IT DOES

Raises the Public Welfare Investment (PWI) cap. PWI governs banks' ability to invest in projects that support low- and moderate-income communities, including LIHTC-financed affordable housing.

WHY IT MATTERS TO MEMBERS

IMMEDIATE

PWI

Lifting the cap increases national banks' capacity to invest in LIHTC — the tool multifamily members use for affordable rentals — expanding private capital and easing the equity shortages that have slowed development.

TIMELINE

Effective immediately. The OCC and Federal Reserve should issue guidance and, within two years, report to Congress on public welfare investments.

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SECTION 704

Appraisal Modernization Act

WHAT IT DOES

Requires FHA, FHFA, USDA and VA to implement and maintain procedures for consumer-initiated reconsiderations of value (ROV) — subsequent appraisals — for federally backed mortgage loans. ROV is now mandated by federal law.

WHY IT MATTERS TO MEMBERS

FHA once adopted an ROV policy, then rescinded it. This ends that confusion: A standardized ROV process is now mandatory and appraisers must have a clear, documented approach — giving members clear expectations when disputing a low appraisal.

NO DEADLINE

STANDARDIZATION

TIMELINE

Agencies must establish a permanent, compliant ROV policy; no specific deadline.

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COMMUNITY BANKS

SECTIONS 901-909

Strengthening Community Banks' Role in Housing

WHAT IT DOES

Nine provisions strengthen small financial institutions — regulatory relief, lower funding costs and encouragement of new bank formation — plus a two-year pilot to support new community banks, particularly in rural areas.

WHY IT MATTERS TO MEMBERS

BY JULY 11, 2027

2-YR PILOT PROGRAM

Most U.S. homes are built by small builders who rely on community banks for construction loans. Bank numbers fall each year as few new ones form; strengthening them expands builders' access to credit and makes it easier for banks to finance housing.

TIMELINE

Federal banking agencies implement via regulation and supervision; agencies and the NCUA will study rural depositories. Most provisions require agency action within 1 year of enactment — by July 11, 2027.

HOW MEMBERS CAN HELP

Encourage officials and regulators to move quickly on rules that support new bank formation and rural depositories.

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INSTITUTIONAL INVESTORS & BTR

SECTION 1001

Homes Are for People, Not Corporations

WHAT IT DOES

Bars large institutional investors that own 350 or more single-family rentals from buying more single-family homes, with certain exemptions. Single-family build-to-rent (BTR) communities are mostly exempt. NAHB worked to remove a burdensome mandate that would have forced investors to sell BTR homes within seven years.

EFF. JAN. 7, 2027

BTR EXEMPTION

WHY IT MATTERS TO MEMBERS

BTR is a meaningful share of single-family starts and meets real renter demand. NAHB and Urban Institute estimated the sales mandate could have cut single-family rental investment and production by 40,000–72,000 homes a year, worsening affordability. Removing it is a major win for the industry.

TIMELINE

Treasury must finalize a rule clarifying exemptions and definitions; effective Jan. 7, 2027.

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KEY IMPLEMENTATION DEADLINES

When key provisions take effect. Several others advance through agency rulemaking with no set deadline.

EFFECTIVE IMMEDIATELY

Community Investment and Prosperity Act (203)

Raises the Public Welfare Investment (PWI) cap.

HOME Investment Partnerships Reauthorization & Reform Act (501)

reauthorizes the HOME Investment Partnerships Program and raises homeownership eligibility to full area median income

OCT. 1, 2026

Public-Land Database (104)

CDBG grantees must publish a searchable inventory of undeveloped public land.

Affordable Housing as CDBG Use (204)

Applies to future CDBG appropriations for new affordable housing.

~18 MONTHS

Point-Access Guidelines (102)

HUD issues model code for single-stair buildings up to six stories.

JAN 7, 2027

Institutional Investor Cap (1001)

Bar on large investors takes effect once Treasury finalizes the rule.

JULY 11, 2027

Community Bank Provisions (901–909)

Most provisions require agency action within one year of enactment.

3RD FISCAL YR → FY2043

Build Now Act (213)

CDBG grants adjust by each locality's housing-growth rate, then sunset in FY2043.

THROUGH OCT 1, 2031

Whole-Home Repairs Pilot (202)

Repair-and-modernize grant pilot runs through this date.

RULEMAKING PENDING — NO SET DEADLINE

- Housing Supply Frameworks (107) — best practices within 3 yrs
- Disaster Recovery (504) — rules within 1 yr
- Innovation Fund (208) — after appropriations
- Pattern Books (209) — after appropriations
- Environmental Reviews (206)
- Appraisal ROV process (704)