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Three States Drive Over 20% of Remodeling Activity, NAHB Research Finds

WASHINGTON, Aug. 10 – California, Texas and Florida continue to account for the largest shares of remodeling activity nationwide, according to first quarter results from the National Association of Home Builders' (NAHB) State Projections of Remodeling (SPR). The SPR offers a quarterly state-by-state analysis of remodeling activity based on total dollar volume, market share and changes in remodeling spending.

"The latest SPR results reflect the most recent GDP report, which showed cyclical weakness in remodeling spending," said NAHB Chief Economist Robert Dietz. "According to the SPR, the number of states with negative growth rates on a four-quarter moving average rose from five in the fourth quarter of 2025 to 10 in the first quarter of 2026. Still, inflation-adjusted remodeling spending increased more than 10% from 2023 to 2025, supported by an aging housing stock and record-high home equity gains for existing home owners."

In another sign of steady remodeling activity, NAHB's Remodeling Market Index (RMI), which measures confidence in the remodeling sector, has remained above 60 for the past year.

Developed from a proprietary NAHB model, the SPR provides quarterly state-level estimates of remodeling market share and total spending. The statistical model uses national quarterly improvement spending data and estimates remodeling market share by state using multiple indicators and NAHB's annual state remodeling forecast.

"The SPR is a valuable analytical resource for the home improvement sector, offering state-level insights as the market works through rising costs, elevated interest rates and economic uncertainty, while still showing strong long-term growth potential," said NAHB Remodelers Chairman Elliott Pike, a remodeler from Homewood, Ala. "Many of the leading states for remodeling growth are in the Midwest and Mid-Atlantic, where aging housing stocks and rising home equity are supporting growth."

The SPR shows California led the nation in remodeling activity in the first quarter of 2026, with 8% of the market. The top five states by market share and dollar volume were:

1. California: 8.0%, or $22.2 billion
2. Texas: 7.3%, or $20.2 billion
3. Florida: 5.5%, or $15.4 billion
4. New York: 4.0%, or $11.2 billion
5. North Carolina: 3.0%, or $8.4 billion

For market growth, the SPR identified these five states as having the largest increases in remodeling spending in the first quarter:

1. Michigan: up $637.6 million (+10.1%)
2. Virginia: up $421.9 million (+6.2%)
3. North Carolina: up $323.6 million (+4.0%)

4. Alabama: up $311.9 million (+8.2%)
5. Washington: up $269.1 million (+3.5%)

NAHB projects remodeling growth in the years ahead as rising home equity enables more home owners to fund projects that meet their needs, including aging-in-place upgrades. The remodeling sector also continues to claim a larger share of the residential construction market, particularly by number of firms and total construction spending. At the start of 2025, there were 128,000 remodeling firms, up from 69,000 in 2000.

View each state's total remodeling dollar volume, market share and spending change at nahb.org/SPR.

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