National Alliance to End Homelessness

New Preliminary Estimate Shows Record Reduction in Homelessness in 2026

Executive Summary

To better understand the national landscape and changes in homelessness since 2025, the Alliance has partnered with the University of Southern California to estimate the results of the 2026 Point-in-Time Count.

The findings show a 6.7 percent drop in the nationwide homeless population count compared to the previous year, representing 49,000 people. This marks the second consecutive year of homelessness decreases, and the largest single-year national decrease since 2007. In addition to the overall decrease, there was significant positive movement on unsheltered and veteran homelessness. However, the nation has not yet returned to pre-pandemic levels.

There are likely multiple reasons for these shifts rooted in factors such as calming rental markets and the effectiveness of homeless services. Recent efforts by the Trump Administration threaten this progress.

Reasons for this Project

What Is the Point-In-Time Count?

Each year, communities across the country conduct a homeless Point-in-Time (PIT) count on a single night in January. They count how many people are sleeping in shelters and in unsheltered locations, such as in tents, on sidewalks, or in cars. The PIT count is a useful snapshot of the number of people who are currently homeless, and helps communities, researchers, policymakers, and homelessness service providers track related trends over time. When combined with other data and research, the PIT illustrates the causes and extent of homelessness, its characteristics, and how programs to reduce homelessness are performing.

Why Does This Data Matter?

In July 2025, the White House released an Executive Order outlining its plans on homelessness, which included the gutting of permanent housing programs for this population, criminalization of people living unsheltered and, in some cases, forced institutionalization. These tactics are proven to be both outdated and ineffective; if enacted to their full extent, they will certainly halt any continued progress from recent declines in homelessness.

The Administration has proposed the elimination of the nation's flagship homelessness assistance program — and therefore the vast majority of permanent housing dedicated to this population

— in its last two annual budget proposals to Congress. It also attempted to drastically reduce permanent housing through the annual competitive funding process (changes that have been challenged in court). Although these federal changes have not taken effect, it is clear that the Administration will continue to pursue this path.

The justification provided by the Administration for these draconian changes has been a false claim that increases in homelessness are caused by the homelessness response system, rather than from well-documented external factors like the affordable housing crisis, lack of access to health care, and the skyrocketing cost of living. This new analysis for 2026 challenges the Administration's false claims; it is essential for understanding how the Administration's proposed changes to homelessness policy and programs would adversely impact communities, people experiencing homelessness, and the programs that serve them.

Why Now?

Most communities publicly release their local data during the Spring and Summer months. The national PIT data is most useful for policymakers and stakeholders when it is also released in a timely manner — preferably during the year when the data was actually collected. HUD's reporting of the 2025 PIT Counts occurred nearly six months later than expected, which fits within the pattern identified by the American Statistical Association of widespread delays, suspensions, and cancellations of public-facing data reporting across federal government agencies under the Trump Administration. It is unclear when the results of the 2026 PIT will be released, which informed the Alliance's decision to proceed with this analysis.

Who Conducted this Analysis?

The Alliance partnered with Jared Schachner, Ph.D., a researcher with the University of Southern California Price School of Public Policy and the Homelessness Policy Research Institute (HPRI), to estimate the results of the most recent count.

Estimating the 2026 Point-in-Time Count

The current estimate of the 2026 PIT Count is based on data that was either publicly reported or provided to the Alliance by various Continuums of Care (CoCs) throughout the country. Ultimately, this produced a sample that included data from 261 CoCs, representing 68 percent of all CoCs. In grouping together CoCs with similar characteristics, the researcher created a statistical model to estimate the counts in CoCs for which no data was available. Greater detail about the methodology can be found in *Preliminary 2026 National PIT Estimate*, the report released in conjunction with this publication.

Ultimately, the project estimates that **693,000 people** were experiencing homelessness during the 2026 PIT. This is **49,000 fewer people** than the previous year, representing a **6.7 percent** decrease in homelessness. This represents the largest decline in homelessness in a single year

since regular PIT reporting began in 2007. Because not all CoCs were included in the estimate, the analysis includes a plausible range that indicates that percent decrease in homelessness is highly likely to be between -8.0 and -5.8 percent.

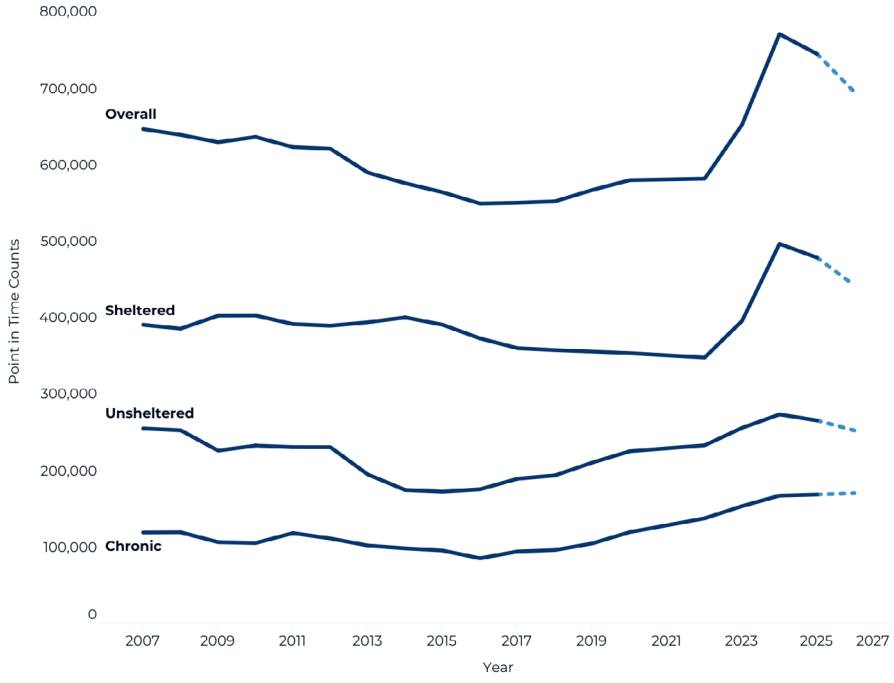
Beyond overall homelessness, the analysis estimates significant progress among other important subgroups, with unsheltered, sheltered, and veteran homelessness all showing declines. Chronic homelessness remained relatively flat, suggesting a need for more Permanent Supportive Housing (PSH), which is permanent housing plus supportive services for people with disabilities.

Group	Estimated Population Change Between 2025 and 2026	Plausible Range
Unsheltered	-4.9%	-6.1% to -3.3%
Sheltered	-7.6%	-9.0% to -7.0%
Veterans	-7.8%	−8.9% to −6.6%
Chronic	1.0%	−0.7% to +3.5%
Overall	-6.7%	-8.0% to -5.8%

Although there was not enough local data available at the time of publication to produce a reliable statistical estimate for families experiencing homelessness, all indications are that homelessness among families will also show a significant decrease.

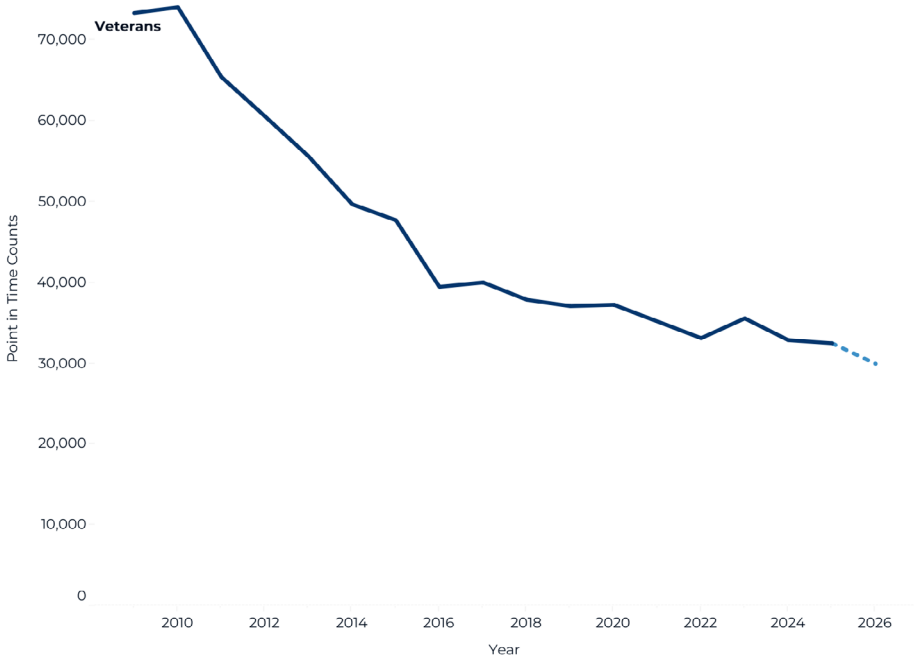
Homelessness Trends Over Time

POINT IN TIME COUNTS, 2007-2025 (ACTUAL) AND 2026 (ESTIMATED)



Source: U.S. Department of Housing & Urban Development, *2025 Annual Homelessness Assessment Report (AHAR) to Congress, Part 1 Point-in-Time Count Estimates* (Accessed November 2026), https://www.huduser.gov/portal/datasets/ahar/2025-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html; 2026 Estimates by Dr. Jared Schachner (USC Price School of Public Policy).
Note: 2021 is not included due to interruptions in data collection caused by the COVID-19 pandemic.

VETERAN POINT IN TIME COUNTS, 2007-2025 (ACTUAL) AND 2026 (ESTIMATED)



Source: U.S. Department of Housing & Urban Development, *2025 Annual Homelessness Assessment Report (AHAR) to Congress, Part 1 Point-in-Time Count Estimates* (Accessed November 2026), https://www.huduser.gov/portal/datasets/ahar/2025-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html; 2026 Estimates by Dr. Jared Schachner (USC Price School of Public Policy).
Note: 2021 is not included due to interruptions in data collection caused by the COVID-19 pandemic.

Historically, the most prolonged trend in homelessness was a consistent (but modest) series of annual decreases in the homeless population, which lasted between 2007 and 2016. Thereafter, counts began to slowly increase.

In 2023, a very large year-over-year homelessness increase of 12 percent was reported, followed by an 18 percent increase in 2024.

The expiration of Congressional investments in Covid-19 relief likely contributed to these dramatic spikes in homelessness, because pandemic-era dollars increased the availability of permanent housing and boosted income for vulnerable populations. The winding down of these resources continues to contribute to funding uncertainties within homeless services. For example, Rapid Re-Housing resources reported by communities peaked in 2022 and have since declined.

But the story of the 2023 and 2024 population increases extends beyond the expiration of Covid relief funds. Data from the U.S. Department of Housing and Urban Development (HUD) summarized multiple and layered reasons for these shifts:

> *Several factors likely contributed to this historically high [2024 count]. Our worsening national affordable housing crisis, rising inflation, stagnating wages among middle- and lower-income households, and the persisting effects of systemic racism have stretched homelessness services systems to their limits. Additional public health crises, natural disasters that displaced people from their homes, rising numbers of people immigrating to the U.S., and the end to homelessness prevention programs put in place during the COVID-19 pandemic, including the end of the expanded child tax credit, have exacerbated this already stressed system.*

Other HUD data supported these conclusions, with HUD showing an explosion of people newly experiencing homelessness beginning in FY 2022 leading into the 2023 PIT Count. HUD's data show that more than 25 percent more people became newly homeless in FY 2022 and another 9 percent increase in FY 2023. Despite these challenges, homeless counts declined by **three percent** in 2025. The current analysis indicates that this positive movement continued in 2026, decreasing by **6.7 percent**.

Reasons for Recent Decreases

The reasons for 2023 and 2024 homelessness increases are multiple and layered. The same is likely true for the currently occurring decreases that began in 2025 and continued into 2026. In the months and years to come, researchers will work to quantify the impacts of particular factors. There are several areas that will likely be explored.

Affordable Housing and the Economy. People enter or exit homelessness due to economic and policy factors that operate outside of the world of homeless services. Researchers will likely explore the softening of certain conditions that tend to increase homelessness or make it difficult to exit. Examples include:

- *Slowed Rental Cost Growth.* While rents remain unaffordable throughout the country, a softening of rental markets began in 2023 that likely helped some renters. Essentially, after historically high rents during the pandemic, rental prices have grown more modestly.
- *Pandemic-Related Economic Bounce Back.* Unemployment spiked during the pandemic, but then plummeted while wages grew (including for workers of color). Many workers benefited from a strong economic recovery.
- *Recovery from Natural Disasters.* Natural disasters cause homelessness to spike, and recoveries cause population numbers to go down. For example, between 2023 and 2024, Hawaii had massive fires that added 5,000 people to Maui's shelters. As the emergency circumstances subsided, those numbers plummeted.

Effective Homeless Services. While external factors drive entries *into* homelessness, the primary role of the homelessness assistance system is to help people *exit* sheltered or unsheltered homelessness. Therefore, the work of providers throughout the country impacts population counts. Relevant factors worthy of further study include:

- *Expanding Reach*. Homeless services providers consistently operate with a shortage of resources. Despite this significant limitation, leaders within the field consistently manage to increase the number of people they are able to serve. For example, between 2024 and 2025, the nation's inventory of permanent housing beds increased by **five percent**.
- *Federal Investments in Unsheltered Homelessness.* In 2023, HUD announced new investments in community efforts to reduce unsheltered homelessness. Thirty-two communities across the country received grants, allowed them to serve more people and provide better services.
- *State and Local Investments.* States and communities have also been responding to the crisis, investing their own resources in ending homelessness. For example, post-pandemic, California created a program that temporary made $1 billion per year investments in homelessness between 2021 and 2025. The state realized a nine percent reduction in homelessness, but investments must be long-term to realize long-term results. The impacts of collective state and local efforts across the country are a part of the story, including efforts to retain them over time.
- *Asylum Seekers and New Arrivals*. Several communities implemented heroic efforts to shelter new arrivals in challenging circumstances. Although a portion of the decrease in the number of people in shelters in specific areas of the country (especially those places that received busses of new arrivals from other states) can be attributed to fewer asylum seekers in the homeless system, the overall decrease in 2026 is not substantially explained by this factor. For example, decreases reported in California and many other states, and among veterans, are not linked to asylum seekers or new arrivals, or to mass deportation efforts.

Federal Policy. The Trump Administration has pushed policy changes that would end housing assistance for tens of thousands of people and shift those funds to temporary interventions. Not only would these ideas reduce the number of avenues for exiting homelessness, but they would endanger the current housing of formerly homeless people. For example, one of the Administration's policy proposals threatened the housing of 97,000 formerly homeless people. Federal courts have found these policy changes unlawful, and combined with Congressional pushback, have blocked the Administration's policies. As such, the effects of these policies are not reflected in these estimates. Had they taken effect, this progress would likely not have happened; if they eventually go into effect, future progress will certainly be at risk.

Building Upon Existing Progress

Two years of substantial declines in homelessness are a welcome development. These results and two decades of evidence on reducing homelessness point to the following steps needed to continue this momentum:

- *Reduce Shortages of Housing, Shelter, and Supportive Services.* Communities have historically tried to address homelessness without enough resources. For example, they had enough permanent housing for **nine percent** of people experiencing homelessness on the day of the 2025 PIT.
- *Strengthen Implementation of Permanent Housing and Other Evidence Based Practices.* A central component of the Trump Administration's homelessness plan is to shift resources away from permanent housing and toward temporary options. Despite decades of research supporting the effectiveness of Housing First and supportive housing, the Administration incorrectly maintains that permanent housing fails to end homelessness. Their policy ideas would cause large numbers of formerly homeless people to lose housing and leave far more people without pathways to exit homelessness. As this analysis shows, where communities invest in permanent housing strategies – as has been done for homeless veterans – they are able to consistently and significantly reduce homelessness.
- *End Administration Attacks on Successful Homeless Assistance Programs.* Within a recent Alliance Pulse Check survey, **47 percent** of CoC leaders said current federal funding uncertainties had caused organizations in their area to reduce or eliminate core services. They further indicated that the uncertainties were rooted in factors such as HUD delays in the delivery of grant funds, changes in funding priorities (i.e., the shift away from permanent housing and toward temporary housing), and cuts to other federal programs like Medicaid.
- *Strengthening the Safety Net.* Factors outside of homelessness services impact population counts. Adequately addressing issues such as the shortage of affordable housing for low-income people and the need for access to health insurance (Medicaid and private health plans) for physical and behavioral health needs are critical components of the equation to end homelessness.

Conclusion

The analysis shows that overall homelessness decreased by an estimated 6.7 percent, which follows a reduction of 3 percent in 2025. These findings add to a mountain of evidence against Trump Administration policies while underscoring the value of efforts to permanently house people experiencing homelessness nationwide.

While there are many reasons for these decreases, one factor is abundantly clear: homeless services systems and providers nationwide are successfully using their limited resources to reach people in need. Moving forward it is essential that elected officials at all levels recognize that this workforce is essential to the well-being of their communities, and that they deserve the

appropriate investment to allow them to do what they do best: get people off the streets and back into permanent housing. Supporting those efforts will require investments not only in homeless services, but in the broader unmet needs for affordable housing and healthcare for all Americans.

This is how we sustain our current momentum as a nation and ultimately meet the goal of ending homelessness in the United States.