

Warren Buffett places fresh wager on the housing market!

Lance Lambert August 14, 2025

Back in August 2023, Warren Buffett's Berkshire Hathaway [disclosed](#) that in Q2 2023 the company made a bet on U.S. homebuilders and bought 5,969,714 shares of D.R. Horton, 152,572 shares of Lennar, and 11,112 shares of NVR.

Only a few months later in February 2024, Berkshire Hathaway [disclosed](#) that in Q4 2023 that the company had sold off 5,969,714 shares of D.R. Horton—the vast majority of Buffett's big homebuilder bet he made early in 2023.

That abrupt buy-and-sell raised eyebrows, especially considering [Buffett famously wrote in his 1996 letter to shareholders](#): “If you aren't willing to own a stock for ten years, don't even think about owning it for ten minutes.”

Later in 2024, homebuilder stocks did experience a fairly significant pullback as Wall Street analysts began to price in additional margin compression. That [additional margin compression](#) did materialize this year, as accelerated housing market [softening in the Sun Belt](#) prompted many large public homebuilders to make larger affordability adjustments to prevent a sharper decline in new home sales.

The big question moving forward is how long it will take for homebuilders to navigate through these choppy waters?

Buffett, who will step down as Berkshire Hathaway's CEO at the end of 2025, seems to think homebuilders have neared an inflection point—or at least that their stocks have. On Thursday, Berkshire Hathaway [disclosed](#) that during Q2 2025 (the three months ending June 30), the company made a bet on U.S. homebuilders by purchasing 1,485,350 shares of D.R. Horton (valued at around \$191.5 million) and increasing its Lennar holdings (around \$800 million).

We should note that we don't know Buffett's exact strategy—he hasn't explicitly said. But reading between the lines, while his quick exit from D.R. Horton in early 2024 raised questions about his homebuilder conviction, his reentry into the sector suggests he views the recent homebuilder stock weakness as a buying opportunity rather than a fundamental red flag.