

North Central News

The Newsletter of the North Central WV Home Builders Association



January 2020

Happy New Year from the NCWVHBA Board of Directors!

2019 Toy Fund

We would like to extend our appreciation to all who made this year's Toy Fund a success!



2019 Christmas Party

A great time was had by ALL! Thank you to the Erickson Alumni Center and our entertainment, The Knighthawks!



Builder Confidence Reaches 20-Year High

Builder confidence in the market for newly-built single-family homes increased five points to 76 in December off an upwardly revised November reading, according to the latest NAHB/Wells Fargo [Housing Market Index \(HMI\)](#).

“While we are seeing near-term positive market conditions with a 50-year low for the unemployment rate and increased wage growth, we are still underbuilding due to supply-side constraints like labor and land availability,” said NAHB Chief Economist Robert Dietz. “Higher development costs are hurting affordability and dampening more robust construction growth.”

Derived from a monthly survey that NAHB has been conducting for 30 years, the NAHB/Wells Fargo HMI gauges builder perceptions of current single-family home sales and sales expectations for the next six months as “good,” “fair” or “poor.” The

survey also asks builders to rate traffic of prospective buyers as “high to very high,”

“average” or “low to very

low.” Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor.

All three HMI components registered gains in December. The HMI index gauging current sales conditions rose seven points to 84, the component measuring sales expectations in the next six months edged up one point to 79 and the measure charting traffic of prospective buyers increased four points to 58.



Congress Moves on Tax Extenders

Congress has approved a package of tax changes that include a number of provisions sought by NAHB, including provisions known as [“tax extenders.”](#)

The bill extends a number of tax provisions through 2020, including: Section 45L Tax Credit for Energy-Efficient New Homes; Section 25C Tax Credit for Qualified Energy-Efficiency Improvements; Section 179D Energy-Efficient Commercial Buildings Deduction; and a deduction for mortgage insurance (subject to an income cap beginning at \$100,000).

Deal Reached on USMCA Trade Pact

The White House and House Democrats have agreed on a deal to advance the U.S.-Mexico-Canada Agreement (USMCA). The House ratified the trade pact on Dec. 19. The Senate is expected to follow suit soon.

Trade policy affects housing costs and [the USMCA](#) has important implications for the home building industry. The U.S. residential construction and remodeling industries rely on tens of billions of dollars in building materials sourced from Mexico and Canada annually.

Proposal Would Modernize CRA Rules

The FDIC and the Office of the Comptroller of the Currency (OCC) recently announced a proposal to modernize the agencies’ regulations under the [Community Reinvestment Act](#) (CRA) that have not been substantively updated for nearly 25 years.

The proposed rules are intended to address digital banking and to encourage lending to low- and moderate-income borrowers.

Congress Funds NFIP Through September

Congress has approved spending bills that will keep the government running through Sept. 30, 2020, the next fiscal year.

The measure keeps the [National Flood Insurance Program](#) (NFIP) funded through next September. NAHB is working with Congress to achieve a long-term reauthorization of the NFIP that will keep the program fiscally sound and let builders provide safe and affordable housing.

FHA Announces 2020 Loan Limits

The Federal Housing Administration (FHA) has announced its [loan limits](#) for 2020. The nationwide rise in median home prices indicates most buyers across the country will see increases.

The FHA floor will increase from \$314,827 to \$331,760 for single-family home loans.

FHA’s high-cost conforming loan limit and will increase from \$726,525 to \$765,600 for single-family home loans.

MIT Report Suggests Greater Use of Factory-Built Homes

Factory-built houses — i.e., modular, panelized or pre-assembled homes — could help increase affordable housing stock and significantly aid in disaster response and recovery, according to a new study from the MIT Humanitarian Supply Chain Lab. But [factory-built homes](#) comprise just 3% of single-family homes in the United States.

The report, “Disaster Housing Construction Challenges in America,” seeks to inform emergency managers,

state housing agencies, policymakers, community leaders, home builders and other stakeholders about how to make better use of factory-built homes.

The recommendations are intended to better address the challenges faced by disaster housing, leverage the potential of factory-built housing at scale, approach the nation’s affordable housing challenges from a new direction, and produce better disaster recovery outcomes for all Americans.

HBI Opens Fort Campbell Facility

HBI, NAHB’s workforce development arm, has opened another facility dedicated to preparing U.S. service members for careers in residential construction.

The facility, located along the Kentucky-Tennessee border, opened with support from the Home Depot Foundation and Fort Campbell’s Soldier for Life Transition Assistance Program. The program is designed for active duty service members who are nearing separation from the military.

The [Fort Campbell facility](#) uses HBI’s Pre-Apprenticeship Certificate Training (PACT), which combines academic learning and hands-on experience to help graduates emerge highly skilled and certified in brick masonry, carpentry, electrical wiring, HVAC, plumbing, solar installation, or other trades.

NCWVHBA Membership Report

Our renewing members are the backbone of our Association... It is for that reason we would like to thank the following members for renewing:

Beacon Roofing Supply

Ralph Raspa

Franklin Day

Hoy Redi-Mix Company

Lowe’s of North Morgantown

McCutchan Heating & Cooling

Argyle Sheets

Sunset Outdoor Supply

The Hot Tub Store

We would also like to welcome our newest members:

Jonathon Broce

Oliverio Realty

Leadership List

President

Nancy Spiker

1st Vice-President

Chris Bailey

2nd Vice-President

Christine Pauley

Associate Vice-President

Tom Board

Secretary

Terri Boone

Treasurer

Lisa Novak

State Area Vice-President

Steve Spiker

National Director

Aaron Dickerson

Alt. National Director

Steve Spiker

National Director

Kent Pauley

Alt. National Director

Christine Pauley

ncwvhba.org

Calendar of Events

9-11 Jan 2020: Winter Board of Directors Meeting: Bylaw changes and Encova Safety Training. Charleston, WV

16 Jan 2020: General Membership Meeting - The Pines Golf Course, Morgantown sponsored by **Insurance Centers, Inc.**

21-23 Jan 2020: NAHB IBS. Las Vegas, NV

20 Feb 2020: General Membership Meeting - Fairmont Field Club, sponsored by **Luttner Financial Group.**

13-15 Mar 2020: NCWVHBA Home Show. Hazel and J.W. Ruby Community Center at Mylan Park, Morgantown

POC: Terri Boone

(304) 598-0972

ncwvhba@gmail.com