

North Central News

The Newsletter of the North Central WV Home Builders Association



March 2020

2020 Morgantown Home Show



MARCH 13-15TH

**HAZEL & JW RUBY COMMUNITY CENTER
MORGANTOWN, WV**

www.ncwvhba.org

FREE ADMISSION to The North Central West Virginia Home Builders Association "Home Show 2020" . Bring your friends and family and meet local contractors. Need a roof ? Windows ? Retaining Wall ? Over 130 Vendors will be present to answer your questions- March 13-15 2020. The hours for the show will be from 12 pm - 7 pm on Friday, 10 am - 7 pm on Saturday and 10 am - 4 pm on Sunday. See you there ! (Also see the Event on our FaceBook page too!)

****Members, we can still use volunteers - if you can help, please contact us****

IRS Clarifies LIHTC Income Limits

The IRS has released revenue ruling 2020-4 instructing taxpayers how to calculate Low-Income Housing Tax Credit (LIHTC) [income limits](#) should they choose to use the income averaging minimum set-aside test to meet LIHTC eligibility and compliance requirements.

This test was created by the Consolidated Appropriations Act of 2018 to complement the existing tests established by the Tax Reform Act of 1986 and allows LIHTC projects to serve households earning as much as 80% of Area Median Gross Income in some circumstances.

Costs Up in Recent Builder Survey

The cost of constructing a typical single-family home has gone up, but builder profits have fallen slightly, according to a [recent survey](#) of home builders. On average, 61.1% of the sales price, goes to construction costs. Add to that finished lot costs (18.5%), overhead (4.9%), sales commissions (3.7%), financing (1.7%), and marketing (1%), and the average builder profit is 9.1%, before taxes. In separate studies, NAHB economists have found that 24.3% of the cost of a typical, new single-family home comes from regulatory compliance.

BUILD-PAC Focused on Election Success

As the 2020 BUILD-PAC chairman, Justin MacDonald has his eyes on the November prize of electing more pro-housing candidates. He knows the best way to get there is to increase the number of members involved [in BUILD-PAC](#), NAHB's political action committee.

With the 2020 elections approaching, MacDonald wants a continued push for pro-housing legislation, including efforts to reduce excessive regulations that stifle growth.

Mortgage Delinquency Rates Hit Record Low

The [delinquency rate](#) for mortgage loans on single-family homes decreased to 3.8% of all loans outstanding in the fourth quarter of 2019, according to the Mortgage Bankers Association's National Delinquency Survey. This is the lowest it has been since the series began in 1979.

Codes Vote Could Affect Affordability

Preliminary results indicate that a number of aggressive energy efficiency proposals were approved during the [online vote](#) on the 2021 cycle of the International Codes Council (ICC). These proposals, known as "zombie proposals," had been defeated at ICC Committee Action Hearings and during the Public Comment Hearings and therefore required a two-thirds vote to pass. No previous proposal had ever met the threshold. But during the ICC's Online Governmental Consensus Vote, held late last year, 20 aggressive International Energy Conservation Codes passed that hurdle.

Labor Shortage Remains Top Concern for Home Builders

The cost and availability of labor continues to stand out as the most significant challenge that builders will face in 2020, according to a [recent survey](#) of members as part of the monthly NAHB/Wells Fargo Housing Market Index (HMI).

Roughly 85% of builders expect to face serious challenges regarding the cost and availability of labor this year.

Building material prices and the cost and availability of lots were tied as the No. 2 problem builders expect to face in 2020, with these issues cited by 66% of the survey respondents.

All three of these supply-side issues have been a growing concern for builders over the past several years. To put it into perspective, in 2011, just 13% of builders cited labor issues as an important concern, with the rate steadily rising over the ensuing years before peaking at 87% last year.

Rounding out the top five concerns for builders in 2020 are impact/hook-up/inspection or other fees (60%) and gridlock/uncertainty in the nation's capital making buyers more cautious (56%).

NCWVHBA Christmas Toy Fund

We're off to a good start for the 2020 fund: February's General membership meeting added about \$180 to our fund! Have YOU accepted the challenge to help us make this year's Christmas special for some lovely child?

*To: North Central Home Builders Association,
Thanks again, for the wonderful
toys for Our Neighbor to provide to
families in Lewis County. The bikes
and other toys were much appreciated.
We provided for the 533 children on our
regular list and we received another
39 before Christmas. Thanks so much.
Sincerely,
Sandy S. King*

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:

Bri-Ton Heating & Cooling
Clear Mountain Bank
Crossroads Property Rescue
Fairmont Federal Credit Union
First Exchange Bank
Groggs Heating & Air Conditioning, Inc
Hardwood Interiors, Inc
KLM Properties, Inc
Mountain State Log Homes
T.J. Contracting & Custom Home

We would also like to welcome our newest members:

New affiliate for Lowes of N. Morgantown
Wildwood Property Management, LLC
New affiliate for Sherwin Williams
Creek Siding & Roofing, Inc

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

March 2020 is National
Designations Month!!

19 Mar 2020: General
Membership Meeting - Via
Veneto, Bridgeport

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

17-18 Apr 2020: HBAWV Spring
Board meeting at the Lakeview
Resort.

23 Apr 2020: General
Membership Meeting - TBD

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