

North Central News

The Newsletter of the North Central WV Home Builders Association



May 2022

Worsening Affordability Conditions Dim New Home Sales

Worsening affordability conditions stemming from growing supply chain disruptions and rising mortgage rates pushed [new home sales](#) lower in March.

Sales of newly built, single-family homes in March fell 8.6% to a 763,000 seasonally adjusted annual rate from an upwardly revised reading in February, according to newly released data by the U.S. Department of Housing and Urban Development and the U.S. Census Bureau. New home sales are down 12.6% compared to March 2021.

A new home sale occurs when a sales contract is signed or a deposit is accepted. The home can be in any stage of construction: not yet started, under construction or completed. In addition to adjusting for seasonal effects, the March reading of 763,000 units is the number of homes that would sell if this pace continued for the next 12 months.

New single-family home inventory was up 52.4% over last year, rising to a 6.4 months'



supply, with 407,000 available for sale. However, just 35,000 of those are completed and ready to occupy.

The median sales price rose to \$436,700 in March from \$421,600 in February and is up more than 21% compared to a year ago, due primarily to higher production costs, including materials.

Regionally, on a year-to-date basis, new home sales fell in two regions, down 9.2% in the Midwest and 13.9% in the South. New home sales were up 10.5% in the Northeast and 8.5% in the West.

NAHB Members Send Letter to Biden

More than 10,000 NAHB members from all 50 states, the District of Columbia and Puerto Rico sent a letter to President Biden on April 27 calling on the White House to [take immediate action](#) as the growing housing affordability crisis pushes the housing market to an inflection point that threatens to derail the current housing and economic expansion.

NAHB — through its powerful grassroots — called for meaningful steps to enable builders to increase the supply of affordable single-family and multi-family for-sale and for-rent housing.

Join NAHB's 2022 Legislative Conference

NAHB members will have the opportunity to discuss how the supply chain is impacting their bottom line with their members of Congress during the 2022 Legislative Conference on Wednesday, June 15, in Washington, D.C. The Legislative Conference, NAHB's most important grassroots event of the year, is a day-long event that coincides with NAHB's Spring Leadership Meetings.

Registration for NAHB's Spring Leadership Meetings and the Legislative Conference [is now open](#).

DOL Proposes New Prevailing Wage Rules

The Labor Department has proposed new rules that would change "prevailing wage" standards for federal construction projects. NAHB opposes the changes.

On March 18, the DOL's Wage and Hour Division issued a proposed rule to amend the regulations implementing the Davis-Bacon and Related Acts (DBRA). [The agency proposes](#) to change the definition of "prevailing wage" by returning to the original methodology used to determine Davis-Bacon wage rates.

NCWVHBA Membership Report

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

Bob Dulin, [Action Built, LLC](#)

Ryan Keech, [ALD Enterprises, LLC](#)

Dan Baliker, [Danny's Door Service](#)

Ken Downey, [FD Kitchens & Baths](#)

Cheryl Boling, [HAJOCA](#)

James Metheny, [K&A Contracting, LLC](#)

Chad Kisamore, [Kisamore Enterprises, LLC](#)

Susan Ralich, [Kitchens and Baths By Design](#)

Kathy Martin, [KLM Properties, Inc](#)

Christine Congedo, [Nature's Granite, LLC](#)

Robert Contraguerro, [Panhandle Cleaning & Restoration](#)

[WELCOME](#) to our newest members:

Tim Hillebrand, [Don's Appliances](#)

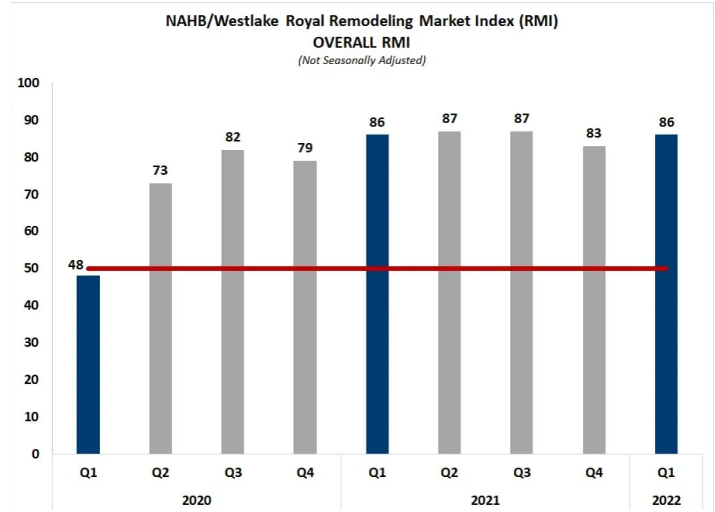
Chadrick Barker, [Pella Windows & Doors](#)

Remodeling Market Index Remains Strong

The NAHB/Westlake Royal Remodeling Market Index (RMI) for the first quarter of 2022 posted a reading of 86, unchanged from the first quarter of 2021. The finding shows residential remodelers' confidence in their markets, for projects of all sizes.

"Business remains strong for most remodelers at the beginning of 2022," said NAHB Remodelers Chair Kurt Clason, a remodeler from Ossipee, N.H. "However, a few are starting to report that customers are reluctant to move forward on projects due to the delays and higher costs caused by supply chain problems."

[The RMI survey](#) asks remodelers to rate five components of the remodeling market



as "good," "fair" or "poor." Each question is measured on a scale from 0 to 100, where an index number above 50 indicates that a higher share view conditions as good than poor.

Builder Confidence Falls

Rising interest rates, ongoing home price increases and higher construction costs continue to take a toll on builder confidence and housing affordability.

[Builder confidence](#) in the market for newly built single-family homes moved two points lower to 77 in April, according to the National Association of Home Builders/Wells Fargo Housing Market Index (HMI) released in late April. This is the fourth straight month that builder sentiment has declined.

The decline is driven in part by rising mortgage interest rates, which have jumped more than 1.9% since the start of the year and currently stand at 5%, the highest level in more than a decade.

Introducing Girls to Construction

Girl Scouts across the country can now participate in an exciting new patch program, The House That She Built, designed to empower girls to think about STEAM and construction by meeting real professional women in building.

This program is inspired by the team of women from NAHB's Utah Chapter of Professional Women in Building Council who came together to build a one-of-a-kind home in Utah: The House That SHE Built.

The intent of [this patch program](#) is to build self-esteem and develop skills through curiosity and hands-on activities. The patch program, hosted by the Girl Scouts of California's Central Coast, is available to all Girl Scouts across the country.

Leadership List

President
Chris Bailey

1st Vice-President
William Burdett

2nd Vice-President
Ken Downey

Associate Vice-President
Tom Board

Secretary
Terri Boone

Treasurer
Lisa Novak

State Area Vice-President
William Burdett

National Delegate
Kent Pauley

Alt. National Delegate
Chris Bailey

ncwvhba.org

POC: Terri Boone (304) 599-0880
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Calendar of Events

5 May 22, Board of Directors Meeting, Morgantown

19 May 22, General Membership Meeting
Location: Monongalia County, TBD

2 June 22, Board of Directors Meeting

11 June 22, **HBAWV Annual Auction**
Location: Mylan Park, Morgantown

13 June 22, NAHB Legislative Conference, Capital Hill, Washington, DC

16 June 22, General Membership Meeting, Marion County, TBD

Christmas Toy Fund:
Walmart Registry for Good

Members Save Millions
Start saving at nahb.org/savings

NAHB.

Highest Paid Occupations in Construction

Half of payroll workers in construction earn more than \$49,070, and the top 25% make at least \$75,820, according to the latest May 2021 Bureau of Labor Statistics (BLS) [Occupational Employment and Wage Statistics](#) (OEWS) and NAHB analysis. In comparison, the U.S. median wage is \$45,760, with the top quartile (top 25%) making at least \$68,590.

The top two highest paid occupations in construction are CEOs and lawyers, making more than \$162,390 and \$152,650 per year, respectively. Out of the next 13 highest paid trades in construction, 12 are various managers. The highest paid managers in construction are architectural and engineering managers, with half of them making more than \$135,900 annually.

Among construction trades, elevator installers and repairers top the median wages list, with half of them earning more than \$98,600 a year and the highest paid 25% making at least \$120,950. First-line supervisors of construction trades are third on the list, with median wages of \$72,600 and the top 25% highest paid supervisors earning in excess of \$91,310.

In general, construction trades that require more years of formal education, specialized training or licensing tend to

offer higher annual wages. Median wages of construction and building inspectors are \$61,360, and the wages in the top quartile of the pay scale exceed \$78,940. Half of plumbers in construction earn more than \$59,810, with the top quartile making more than \$78,190. Electricians' wages are similarly high.

Carpenters are one of the most prevalent construction crafts in the industry. Although the trade requires less formal education, the median wages of carpenters working in construction exceed the national median. Half of these craftsmen earn more than \$48,420, and the highest paid 25% make at least \$62,370.

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