

North Central News

The Newsletter of the North Central WV Home Builders Association



August 2023

Higher Mortgage Rates Cool June New Home Sales

Rising mortgage rates and elevated construction costs put a damper on [new home sales](#) in June.

Sales of newly built, single-family homes in June fell 2.5% to 697,000 seasonally adjusted annual rate from a downwardly revised reading in May, according to newly released data by the U.S. Department of Housing and Urban Development and the U.S. Census Bureau. However, new home sales are up 23.8% from a year ago.

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 June reading of 697,000 units is the number of homes that would sell if this pace continued for the next 12 months.



New single-family home inventory in June was 432,000, down 3.6% compared to a year ago. This represents a 7.4 months' supply at the current building pace. A measure near a 6 months' supply is considered balanced. Of that total inventory, 67,000 were completed, ready-to-occupy

homes, up 91.4% from a year ago; however, that inventory type remains just 15% of total inventory.

The median new home sale price in June was \$415,400, down roughly 4% compared to a year ago.

Regionally, on a year-to-date basis, new home sales are up 4.7% in the Northeast and 3.2% in the South. New home sales are down 7.6% in the Midwest and 16.5% in the affordability-challenged West.

Labor Shortage Limits Production

The lack of [skilled construction labor](#) is a key limiting factor to expanding home construction and improving housing inventory and affordability. The latest Construction Labor Market Report from the Home Builders Institute (HBI), provides an outlook for residential construction employment and includes state-level employment data.

The construction industry currently needs approximately 723,000 new construction workers each year to meet demand. Residential construction represents 3.2 million of the construction payroll employment of 7.9 million.

NAHB Pushes Back on 'Junk Fees' Label

The Biden administration announced on July 19 that it is taking on so-called "junk fees" in rental housing in order to lower costs for renters. The administration portrays standard industry fees – such as application fees – as junk fees.

[NAHB disagrees](#) with the administration's approach of broadly characterizing standard industry charges as junk fees. In particular, NAHB has engaged the administration to explain why certain fees, such as application fees, are charged.

Best Practices in Deck Construction

Home Innovation Research Labs and the USDA Forest Service Forest Products Laboratory recently released a guide on design principles and construction practices to improve the moisture performance of wood-framed balconies and decks.

The [Durable Solutions for Balconies and Decks](#) illustrated guide covers all phases of the construction of wood-framed balconies and decks.

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:

Aaron Dickerson, [ALD Enterprises, LLC](#)

Phillip Nuce, [N2 Repairs, LLC](#)

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

Larry Goff, [Trulargo, LLC](#)



Resource Provides Insights On Inclusionary Zoning

NAHB's latest resource on [inclusionary zoning](#) is now available. Prepared by Hinckley, Allen & Snyder LLP, "Policy, Practical, and Legal Challenges to Inclusionary Zoning: A Resource Manual for NAHB Members" provides a list of strategies that NAHB members may adopt when dealing with inclusionary zoning proposals, as well as an accessible guide to state statutory and case law authority for municipal or county governments to enact inclusionary zoning ordinances.

HBAWV holds Summer Board Meeting

The Home Builders Association of West Virginia (HBAWV) held its annual Summer Board Meeting 4-5 August at the Summit Bechtel Reserve, Glen Jean, WV. It was a fantastic turnout with 15 members of NCWVHBA in attendance.

A huge 'Thank You' goes out to Mr. Joe Camp, 84 Lumber for sponsoring the event. We had the pleasure of having NAHB's 1st Vice Chairman, Mr. Carl Harris, in attendance with us. WV Commerce Secretary, Mr. James Bailey, presented the group with a BUILD WV Act update. The Build-PAC event featured a cookout and the Matt Jones and the Road band!



Variation in Homeownership Rates

NAHB's analysis of the 2021 five-year American Community Survey county-level data reveals substantial [variation in homeownership rates](#) across U.S. counties, ranging from less than 25% in urban counties of New York to over 90% in exurban counties of Denver and in the South.

Counties on the top 10 list register homeownership rates in excess of 90%. The list includes four counties in the Mountain division: two in the Denver metro area – Elbert County (92.6%) and Park County (91.1%) – as well as Storey County, Nev. (96.5%), and Meagher County, Mont. (92.1%).

Leadership List

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Calendar of Events

10 Aug 23, Board of Director's Mtg

31 Aug 23, **Deadline** to submit BOWV applications!!

12 Aug 23, Member Appreciation Picnic
Location: Krepps Park, Morgantown

7 Sept 23, Board of Director's Mtg
Location: Morgantown

11-15 Sept, NAHB Professional Women
in Building Week

21 Sept 23, General Membership Mtg
Location: Fairmont

SAVE THE DATE: 17 May 2024, 2nd
Annual Golf Classic, Green Hills Country
Club, Fairmont

Encova new member discount for
policies effective **September 1, 2022**
through **August 31, 2023** will be
6.1%.

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Keep Your Workforce Safe in Record Temperatures

A record heat wave is causing temperatures and heat indices to hit triple digits on many jobsites across the country. Ensuring employees and contractors are hydrated and protected from the sun during hot months is essential to the health and safety of workers.

NAHB's [Heat Stress Safety Toolkit](#) can help members be prepared to take precautions to protect against possible heat related illnesses and/or injuries. The toolkit provides key insights on preventing and identifying heat stress, and includes downloadable resources and videos available in English and Spanish.

Heat stress can be particularly dangerous because most residential construction professionals are used to working in the

heat of summer. But acclimation within a season is crucial to staying safe. If the normal high temperatures in your area are in the high 80s and a heat wave suddenly brings readings in the high 90s, the first few days are going to be the most dangerous because of lack of acclimatization.

Employers and workers should be sure to have plans in place to provide access to plenty of water and take adequate breaks when needed, as well as access to shade or cool-down areas.



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