



**Northern
Colorado**
Home Builders Association

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June 2023

Lack of Resale Inventory Boosts April New Home Sales

Stabilizing mortgage rates and a lack of resale inventory provided a boost for **new home sales** in April, even as builders battle rising costs from shortages of transformers and other building materials and a persistent lack of construction workers.



Sales of newly built, single-family homes in April increased 4.1% to a 683,000 seasonally adjusted annual rate from a downwardly revised reading in March, according to newly released data from HUD and the U.S. Census Bureau. This is the highest level since March 2022.

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 April reading of 683,000 units is the number of homes that would sell if this pace continued for the next 12 months.

New single-family home inventory increased 0.2% in April and remained elevated at a 7.6 months' supply at the current building pace. A measure near a 6 months' supply is considered balanced. However, the lack of existing home inventory for resale means that overall

inventory for the single-family market remains tight.

The median new home sale price fell in April to \$420,800 and was down 8% compared to a year ago. The report showed growth in the lower price ranges, with 9,000 sales in the \$200,000-\$299,999 price range in April 2023, compared to just 4,000 sales a year prior. The \$300,000-\$399,999 price bracket grew by 14,000 sales in that same time frame.

Regionally, on a year-to-date basis, new home sales fell in all regions, down 19.2% in the Northeast, 9.8% in the Midwest, 0.7% in the South and 27.5% in the West.

Big Win in SCOTUS Decision on WOTUS

In a major victory for NAHB, builders, developers and property owners, the Supreme Court on May 25 issued [a unanimous decision](#) in Sackett v. EPA that will force the Biden administration to overhaul its “waters of the U.S.” (WOTUS) rule and ultimately provide builders and developers more certainty in the federal permitting process.

NAHB had filed a friend-of-the-court brief in the Sackett case, arguing that it does not make sense for isolated wetlands, isolated ponds or human-made ditches on private property to be subject to federal jurisdiction.

Concerns about Flood Insurance Prices

More than 50 House lawmakers have sent a letter to Federal Emergency Management Agency (FEMA) Administrator Deanne Criswell about concerns over the [National Flood Insurance Program’s](#) (NFIP’s) new Risk Rating 2.0 mechanism that has pushed up premiums for millions of Americans.

NAHB has been advocating on Capitol Hill about the lack of transparency in setting flood insurance rate increases. Lawmakers have responded, and are sharing these concerns with FEMA.

HUD Proposes Tougher Energy Codes

In a move that will raise housing costs, HUD, FHA and the USDA are proposing to increase the [stringency of energy codes](#) for new construction of HUD- and USDA-insured housing.

The Biden administration is proposing that homes built under some federally financed programs leapfrog several code iterations and adopt the 2021 International Energy Conservation Code (IECC).

Addressing Affordability Through Zoning Reform

Code and zoning reform can help increase the supply of new homes and address the nation’s housing affordability crisis. A [new resource from NAHB](#), the “Model Housing and Land Development Code Guide,” includes information about how updating housing and land development code can have real impacts on the costs and availability of housing. NAHB members in communities considering these changes can share this document with local officials.

FHFA Rescinds Certain Proposed Upfront Fees

In January, the Federal Housing Finance Agency (FHFA) announced a new fee for borrowers with debt-to-income (DTI) ratios at or greater than 40 percent on loans acquired by Fannie Mae and Freddie Mac. The housing industry [strongly opposed this DTI](#) ratio-based fee. The fee would be difficult for lenders to implement and confuse borrowers with potential pricing changes throughout the loan application process. The fee was scheduled to take effect on Aug. 1.

In response to the concerns, FHFA on May 10 announced it rescinded this loan fee on borrowers with a DTI ratio greater than 40 percent.

A note from our Executive Officer, Kelly Schramm

Welcome to June NoCo HBA Members,

In honor of Memorial Day, I want to thank all our members who served in the military! We all owe you a heartfelt thank you and a debt of gratitude! Without you we would not be able to enjoy all the freedoms we have.

Memorial Day is also a sign of warmer weather! On **Monday, June 5th**, we kick off the season with our annual **Summer Golf Classic at Ptarmigan Country Club**. I hope that you were able to register a team and that I will see you there! If not, remember that we have another Golf Tournament coming up on October 2nd at the Greeley Country Club and two Corn Hole Tournaments planned for July 13th and October 12th.

June is also the time for us to start planning for the **2023 Parade of Homes!** This year we need your help if we are going to reach our **goal of 26 homes entries, 6 showroom entries and a great Kickoff Celebration** (with no injuries this year!).

Builders and Associate Members, visit our website or reach out to the office if you have a home or a showroom that you would like to enter in this year's parade.

If you are interested in placing an advertisement or article in the Parade of Homes Magazine, you can do so by visiting our web site or by contacting the office. We will be distributing 10,000 copies to homes throughout Northern Colorado and to many of our member businesses. If you want to help spread the word and hand out copies of the magazine to your customers, let us know.

We are also looking for members to help plan the Kick Off Party, Judging Day, the Golden Key Awards Gala as well as other Parade activities.

Last, but not least, we have many opportunities for you to get involved as a sponsor of a multitude of events and activities that will be happening on **September 8-10, September 15-17 and on October 19th, 2023**. Take a moment to review our 2023 Marketing Tool Kit (Pages 17-22).

<https://www.nocohba.com/marketingtoolkit>.

Here's to a great summer! See you at Ptarmigan or one of our other upcoming events!

Sincerely,



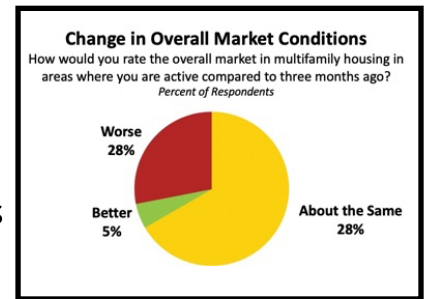
Kelly D. Schramm

NAHB Introduces New Index for Multifamily Activity

The National Association of Home Builders (NAHB) redesigned its [Multifamily Market Survey](#) (MMS) in the first quarter of 2023 to make it easier to interpret and more similar to the NAHB/Wells Fargo Housing Market Index for single-family housing. The MMS produces two separate indices: the Multifamily Production Index (MPI) and the Multifamily Occupancy Index (MOI). In the first quarter of 2023, the MPI had a reading of 50 while the MOI reading was 82.

The MPI measures builder and developer sentiment about current production conditions in the apartment and condo market on a scale of 0 to 100. The index and all its components are scaled so that a

number above 50 indicates that more respondents report conditions are good than report conditions are poor.



The MOI measures the multifamily housing industry's perception of occupancies in existing apartments on a scale of 0 to 100. The index and all its components are also scaled so that a number above 50 indicates more respondents report that occupancy is good than report it is poor.

Use Updated Contracts from NAHB

To help business owners protect their organizations, NAHB offers 27 contracts written specifically for home builders and remodelers that cover a wide range of construction industry activities.

[NAHB Contracts](#) has long been a go-to resource for home builders looking to save time and money in the development of their critical contracts. Nearly all the contracts have been significantly modified to expressly address the potential impacts from pandemics and epidemics. New language also gives contract parties the flexibility to amend the time for performance due to labor and material shortages.

Highest Paid Occupations

Half of payroll workers in construction earn more than \$54,540 and the top 25% make at least \$77,030, according to NAHB analysis of the latest data from BLS's [Occupational Employment and Wage Statistics](#) (OEWS). The OEWS publishes wages for more than 406 occupations in construction. Out of these, only 58 are construction trades.

Among construction trades, elevator installers and repairers top the median wages list, with half of them earning more than \$100,480 a year and the top 25% making at least \$123,020. Rock splitters/quarry are next on the list, followed by first-line supervisors.



Welcome New Members

CARE Restortion

Greg Musto with Centennial Leasing & Sales

**Kenda Vandervelde with Centennial Leasing
and Sales**

Tim Goeden with Centennial Leasing & Sales

Renewal by Anderson

Quinn Custom Homes

GLH Construction, LLC

South Valley Drywall

Wingfoot Water Resources



Thank you for Renewing

The Light Center

BBB

Enchanted Exteriors

Savant Homes Inc

Northern Colorado Air, Inc

Kahar Plumbing

Academy Mortgage

Sears Trostel Lumber Co

Moen

Energy Logic Inc

DA Davidson

Cornerstone Home Lending Inc

Elevations Credit Union

L & L Insulations, LLC

Greeley-Weld Habitat for Humanity

Dale's Carpet One Floor & Home

American Roofing Supply

Comcast

Re/Max Alliance

The Group Inc

Bob Peterson with ABD

Heather Schreiner with ABD

Alison Johnson with ABD

Tony Creager with IPS

Jeff Englebrecht with Cent. Leasing & Sales

Josh Woolley with Cent. Leasing & Sales

Jordan Rodriguez with Cent. Leasing & Sales

Jen Ammerman with FNBO

Catherine Rodgers with C3 Real Estate

Tobin Takes the Helm as New CEO of NAHB

NAHB has named Jim Tobin as the association's new president and chief executive officer. Tobin, executive vice president and chief lobbyist at NAHB, will succeed outgoing-CEO Jerry Howard, who is leaving NAHB after more than 30 years.

Tobin assumed the post effective June 1.

Tobin joined NAHB in 1998. In his role as EVP, government affairs and chief lobbyist he directed the federal, state and local lobbying, as well as political activities for NAHB. He also guided the activities of the association's political action committee, BUILD-PAC, and grassroots network. Before becoming NAHB's chief lobbyist, Tobin was NAHB's vice president for federal relations. Prior to NAHB, he was senior legislative assistant to former U.S. Representative

Frank Riggs (Calif.) and former U.S. Representative Gary Franks (Conn.).

Tobin will be based at NAHB's headquarters in Washington,

D.C., where he will lead NAHB's more than 200 staff. The CEO is also part of NAHB's national leadership team, which includes the Senior Officers of the Board, who are elected annually by the Leadership Council.



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Thank you to our Home Show Sponsors



a HUGE THANK YOU to our Home Show Volunteers:

Caleb Sulzen with Building Code Guru

Tanya Smith with Baessler Homes

Mike Welty with Hartford Homes

Krista Roberts with FNBO

Dan Ormesher with IPS

Marina Lewellan with Re/Max Alliance

Donny Kozak with FNBO

Jessica Harris with Re/Max Alliance

Torrie Barr with Academy Mortgage

Cassy Kamtz with Kamtz Cabinets

Melissa Harris with Re/Max Alliance

A note from our Chair, Mike Welty

As we head into the summer season, I wanted to take a moment to shine the spotlight on our Workforce Development Committee and all the wonderful things they are doing for the HBA.

Over the last couple of years, Ian Simkiss (the current W.F.D. Chair) and his team have been hard at work “establishing and maintaining partnerships with educational entities and other organizations to promote and support” the homebuilding industry.

As most of you within the industry are aware, the construction profession has faced a shortage of workers and trades for many years. To tackle this massive industry wide problem, the Workforce Development's main goal over the last couple of years has been to create pathways and partnerships with students in high school and beyond who want to enter the construction workforce.

The fact of the matter is that not all kids in high school have the means or desire to attend college, therefore it's important as an organization and as industry leaders that we help our kids create a future within the new home construction industry.

Below is a quick overview of all the exciting events and happenings within the W.F.D. committee over the last thirty days:

1. **May 3, 2023- Workforce Development held a Townhall meeting** at the LINC in Greeley: The event was a great opportunity for local business leaders and commercial business owners to get involved with workforce development. There was a great showing of support and there were a lot of new volunteers who signed up.
2. **May 4, 2023- Work-based Learning outing with Hartford Homes** in Timnath: Thirty-four students from Thompson Career Campus were in attendance and all the students had the opportunity to tour an active new construction site, learn best practices during various stages of construction and ask questions to onsite professionals. Huge thanks to Jon Tschetter of Hartford Homes for setting up the event and Alpine Lumber for providing the food and drinks for all the kids.



3. **Roosevelt High School update:** The program is moving into a new building right now which will double their floor space for the construction program and will add an additional 41 students.
4. **Thompson Career Campus update:** Students completed 85 C.D.I.P. eligible certificates via the Careers in Construction program. That enabled T.C.C. to lead the district in CDIP eligible certificates, earning \$37,000 for their school district.
5. **Additional schools:** The W.F.D. has secured MOUs and is awaiting board approval from Resurrection Christian School (A brand new program consisting of twenty students with a large growth potential and High Plains Library District the 23-24 & 24-25 school years).
6. **WBLIP Grant:** Lastly, the W.F.D. would like to make sure that our members are aware of the [Work-Based Learning Incentive Program grant](#) available through Fort Collins Chamber of Commerce to any business in Colorado offering a W.F.D. hiring students from programs like ours as interns or employees. The award is up to \$10,000, and the grant officer who spoke at CSP was absolutely begging businesses to apply.

If you or anyone you know would like to help support the workforce development team, please reach out to ismkiss@centleasing.com.

Upcoming HBA Events



The **NoCo HBA 2nd Annual Cornhole Tournament** is taking place on July 13th at The Rock Garden located at 167 Spaulding Lane, Fort Collins. Team registration is now open and space is limited. Cost to play is \$50/team. To enter your team, please click [here](#).

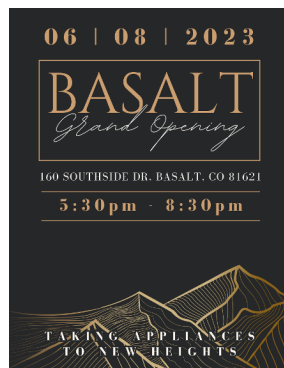
There is also an opportunity to sponsor a cornhole board. Cost of this sponsorship is \$350. This is a great way to get board exposure for your company and after the tournament the board is yours to keep. Please email Dulce if you are interested in this sponsorship.

Real Estate Bus Tour - July 11th

Details on this event coming soon

HBA Quarterly Membership Meeting - July 27

Details on this event coming soon



Join us for a Grand Opening celebration at Specialty Appliance's newest showroom in Basalt! We welcome you to tour our brand-new, expanded luxury space to explore the wide selection of products showcased. Delicious bites and cocktails will be provided throughout the evening. We look forward to celebrating with you!

Click [here](#) for Registration Link

The poster is for the 'NoCo HBA Foundation's 3rd Annual Build A Bed Project'. It features a central image of a bed with a blue headboard and red frame. To the right is a collage of photos showing people working on beds. Text includes 'NO KID SLEEPS ON THE FLOOR IN OUR TOWN!', 'SAVE THE DATE!', and 'August 25th, 2023 Build Day'. At the bottom, it provides contact information for Casey Kiser at CASEY.KISER@ELEVATIONSCU.COM and 708.704.9416. Logos for SHP and NoCo HBA Foundation are also present.