



**Northern
Colorado**
Home Builders Association

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July 2023

New Home Sales See Significant Increase in May

A lack of existing inventory coupled with solid consumer demand helped to boost [new home sales in May](#) to their highest level since February 2022.

Sales of newly built, single-family homes in May increased 12.2% to a 763,000 seasonally adjusted annual rate, according to newly released data by the U.S. Department of Housing and Urban Development and the U.S. Census Bureau.

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 May 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 in May was 428,000, down 2.9% compared to a year ago. This is down to a more balanced 6.7 months' supply at the current building pace, despite tight existing

home supply conditions. A measure near a six months' supply is considered balanced.

The median new home sale price in May was \$416,300, down 7.6% compared to a year ago.

Regionally, on a year-to-date basis, new home sales are up 0.8% in the Northeast and 1.6% in the South. New home sales are down 2.5% in the Midwest and 20.7% in the affordability-challenged West.

Leg Con Brings 700 Members to DC

More than 700 builders, remodelers and associates representing all facets of residential construction visited Capitol Hill in June to [call on Congress](#) to take steps to ease the nation's housing affordability crisis and make housing and homeownership a national priority.

NAHB's 2023 Legislative Conference included more than 250 individual meetings with representatives and senators, during which housing advocates urged lawmakers to act on three issues: transformers, energy codes, and funding for workforce development.

HUD Secretary Fudge Addresses NAHB

"We are all on the same team. We need you now more than ever." That is the message that U.S. Housing and Urban Development [Secretary Marcia Fudge](#) delivered to NAHB members in a special address during NAHB's recent Leadership Meeting in the nation's capital. "Without you, I cannot do my work," said Fudge. Noting an estimated shortage of 3.8 million homes, Fudge said that the entire government has to have a stake in addressing the housing affordability crisis.

Addressing Substance Abuse

Everyone agrees that substance abuse is a safety issue on jobsites. But how should you address an employee you suspect is impaired?

[NAHB has resources](#) that can help identify and address substance abuse issues and create a path for return to work, including resources for tackling Opioids in the Home Building Industry and a video toolbox talk on Substance Misuse.

IRS Issues Guidance on Energy Tax Questions

The [Internal Revenue Service](#) released a draft regulation and a list of frequently asked questions regarding the new election taxpayers may take to [transfer certain energy tax incentives](#) to other parties. For purposes of residential construction, this option generally applies to the Investment Tax Credit (Sections 48 and 48E) and the Production Tax Credit (Sections 45 and 45Y).

Thousands Visit Innovative Housing Showcase

Recent visitors to the National Mall had a unique opportunity to see the latest housing innovations firsthand through the third annual [Innovative Housing Showcase](#), presented by NAHB and HUD, and learn more about how these innovations can support efforts to improve housing affordability and sustainability.

Dozens of exhibitors showcased innovative building technologies — including full-size prototype homes — to address housing affordability and disaster relief challenges, create high-performance, sustainable homes, and provide attainable solutions to new and existing buildings.

A note from our EO, Kelly Schramm

Advocacy Happenings

One of the most important ways the NoCo HBA can support your business is through Advocacy. But what does that look like?

During the first week of June, Colorado HBA Members travelled to Washington D.C. for the NAHB Legislative Conference. We joined more than 700 NAHB members to meet with state representatives and their staff to address issues impacting the Home Building industry. According to a survey of State NAHB Delegates, key issues impacting the industry are growing regulatory requirements (44%), access to skilled labor (39%), electrification policies and initiatives (8%), and access to building materials (6%).

On the local front, Doug Braden, Caleb Sulzen, Janice Ververs, and I completed the 6-month L3 (Leveraging Local Leaders) program. L3 is designed to educate candidates and community leaders on issues affecting life, housing, and business in Northern Colorado. This gives them the knowledge they need to become pragmatic leaders we need, working together on issues and creating solutions that advance pro-business policies. If you'd like to become better informed on northern Colorado's most pressing political issues, and/or if you'd like information about participating in a future class, learn more about L3 at www.leveraginglocalleaders.com.

We all joined the L3 class for different reasons. Caleb owns Building Code Guru and is the Chair for the NoCo HBA Government Affairs Committee. Doug, with Success Mortgage Partners, is on both the State and Local Government Affairs Committees and has been involved with the Association for years. Janice is a Realtor with the ReMax Alliance and wants to make a difference, returning civility and productivity to Loveland Politics. With her slogan, "Together We're Better," Janice officially announced her bid for Loveland Mayor. We will be interviewing Janice in the next few months as a candidate, but if you want to learn more about her and her campaign now, visit: <https://janiceverversformayor.com>.

Another NoCo HBA member running for office is Bob Peterson. Bob, a longtime HBA member and founder of Associates in Building + Design, is running for 3rd Vice Chair with the National Association of Home Builders. If elected, he will be the first Member from Colorado to hold this leadership position with the Federation. You can view Bob's address to Delegates at the 2023 Spring Leadership Meeting here: <https://youtu.be/RnI3oTs7tjM>.

So how can you get involved? If you have time and interest, you can volunteer for the Government Affairs Committee at either the State or local level. You can also join the Builders' Council or one of our other Committees or Councils. Or, you can simply call the office and let us know what is going on. No matter what you choose, we will be here to carry your message and fight for the industry.

Sincerely,

Kelly D. Schramm

Executive Officer



OSHA Offers Enforcement Update During NAHB Meeting

In September 2022, OSHA broadened the scope of its Severe Violators Enforcement Program (SVEP) and expanded its criteria for placement in the program, resulting in more employers being placed on the SVEP list.

Scott Ketcham, director of OSHA's Office of the Directorate of Construction, visited the recent spring meeting of NAHB's Construction Safety and Health Committee in Washington, D.C., to [provide more detail](#) about the SVEP update and discuss his office's other safety initiatives.

Among the changes: the SVEP was expanded to include all OSHA standards and will be applied for all types of hazards. The update also lowered the bar for an

employer to be placed in the SVEP to just two willful or repeated violations or failure-to-abate notices based on serious violations. As before, the SVEP carries elevated penalties and stricter inspection requirements for employers placed in the program.

SVEP focuses on "recalcitrant employers who demonstrate indifference to the health and safety of their employees through willful, repeated, or failure-to-abate violations."



Housing Hall of Fame Inductees

The National Housing Center Board of Governors recently inducted [five honorees](#) into the National Housing Hall of Fame. The five were: 2016 NAHB Chairman Ed Brady, Stillman Knight, a long-time NAHB member and former Assistant Secretary of HUD for Multifamily Housing Programs, 2017 NAHB Chairman Granger MacDonald, Dwight Schar, founder of NVHomes, and 2015 NAHB Chairman Tom Woods.

The National Housing Center Board of Governors also recently voted to induct former NAHB President and CEO Jerry Howard into the National Housing Hall of Fame during a special ceremony at the 2024 IBS.

Focus on Trench Safety

Trenching accidents almost always involve an unthinkable event that can lead to injury or death: Being buried alive. But every trench failure is avoidable with proper planning, training and safety measures. To prevent cave-ins, jobsites should use OSHA's "[Slope It, Shore It, Shield It](#)" method:

SLOPE or bench trench walls,
SHORE trench walls with supports, or
SHIELD trench walls with trench boxes.

NAHB has a video toolbox talk that builders can use to present to their workers and subcontractors, and additional resources in the NAHB Trenching and Excavation Toolkit.

Welcome New Members

Modern Flooring Interiors
Safeguard Business Solutions

Redeeming Your 2023 BPA Is Easy

CLICK HERE TO REDEEM INCLUDED 100% WITH YOUR CAHB MEMBER BENEFITS

- MARKETING - LEAD FLOW
- SALES - SALES PROCESS
- MARGINS - PROFITABILITY
- TEAM, HIRING - COMMUNICATION
- PROCESS - SYSTEMS
- SUCCESSION PLANNING

What is a Business Plan of Action?

- We look at the "big picture" of your business. We identify what is working, what isn't, and document everything we uncover in an outlined format.
- We conduct an analysis of your team and team acquisition system, including full DISC/Motivator assessments for key team members. The results of the assessments, including a team personality mapping grid, will also be included in your final plan. (value of \$ per BPA).
- We create time-based and client-driven plans, broken down to the 8 critical components of the industry.
- We provide unique ideas and strategies for your sales process and system marketing, internal processes, cash flow tracking, and more. At the end of your session, you'll receive an accurate, personalized, step-by-step plan that's tailored to your needs.

COLORADO HOME BUILDERS Trusted By The CAHB

Small Business Growth Partner's services are not available to the general public. Eligibility is reserved solely for active CAHB members — for no additional cost. Developed through focusing on the needs of small business builders, remodelers, and trade companies, your BPA will include a detailed and comprehensive analysis of your business.

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NAHB Member SAVINGS

Put your membership to work.

Exclusive discounts that benefit you, your business and your family
nahb.org/Savings



Thank you for Renewing

Element Mortgage
Adams Bank & Trust
Kamtz Cabinets
Granite Imports Inc
Land Title Guarantee Company
Clayton Properties II
Baessler Homes
FNBO Mortgage
Alpine Lumber Co
Alliance Insurance & Bonds
Crown Construction
All Terrain Landscaping
RMG
David Weekly Homes
Jeanice Prohs with Glen Homes
Ryan Barnes with Baessler Homes
Jay Gardner with Baessler Homes
Steve Bricker with Baessler Homes
Pella Windows and Doors of Colorado Inc
StrucSure Home Warranty

Housing Markets Cool, But Affordability Remains Elusive

The annual [State of the Nation's Housing](#) report from the Harvard Joint Center for Housing Studies (JCHS) highlights the growing housing affordability crisis, despite a slowdown in housing prices.

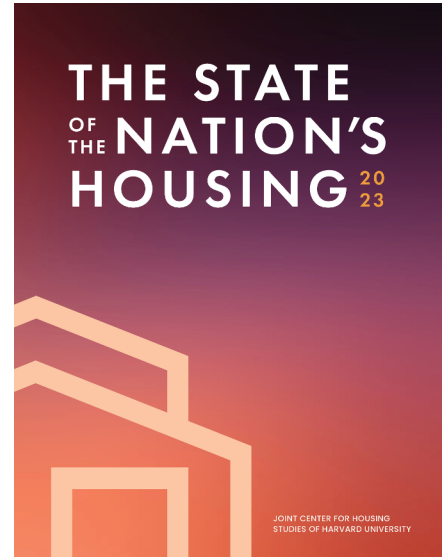
“Rent growth slowed over the past year, and home prices declined in a number of areas,” said Daniel McCue, a JCHS senior research associate, in a press release. “Nonetheless, housing costs remain well above pre-pandemic levels thanks to the substantial increases over the last few years.”

Higher interest rates have also eroded housing affordability in the past year, with payments on the median-priced home increasing from \$2,500 to \$3,000. As a result, mortgages originated to first-time home buyers dropped 22% in 2022,

including a 40% year-over-year drop in the fourth quarter.

Inventory has also had an impact on home prices, as single-family housing starts dropped 10.8% last year.

Although multifamily construction has remained strong, the JCHS report indicates that rising vacancy rates, along with higher interest rates and tighter lending standards, suggest a forthcoming slowdown in multifamily construction.



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Start saving at nahb.org/savings



A note from our chair, Mike Welty

The Northern Colorado H.B.A. is built on the founding principles of supporting our small and large business within Northern Colorado and the Homebuilding community. Our small business owners and trades within the homebuilding industry are especially important as they are the backbone of how builders operate their day-to-day business.

That's why I'm excited to announce that at our next quarterly membership meeting on July 27th, our keynote speaker will be Shelby Ashley, founder, and CEO of Optimized Financial Solutions. Shelby's presentation, "How to have a growing and more profitable business" will focus on the four steps that small business can take to boost profits this quarter.

Attendees will learn:

- The 5 biggest challenges facing 90% of all small businesses.
- Why profit is more important than revenue and why cash is more important than profit.
- 4 key steps to go from feeling overwhelmed, stressed about cash, wondering "*where'd all the money go*" to feeling confident, knowing that you're running your business like a CEO, with the numbers driving your decision making.



Attendees can register on the NoCo HBA [website](#) and our membership meeting is free to all active HBA members. The event will be held at:

CB and Potts

1441 E Horsetooth Rd

Fort Collins, CO 80525

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. We have 4 spots left to play. Visit our [website](#) for registration.

Come cheer on your fellow HBA Members and enjoy the scenery of The Rock Garden.

See you there!

2023 Parade of Homes

The 2023 NoCo HBA Parade of Homes has arrived. We are scheduled to have this event September 8-10 & 15-17. We want to showcase your model homes, showrooms and available lots. Please contact the HBA office if you have questions or visit our [website](#) for registration.

We will be kicking off our Parade of Homes with our annual Kickoff party scheduled for September 7th. Details still to come.

Our Awards Gala is scheduled for September 28. Details still to come.

SAVE THE DATE!

Sales & Marketing Council Real Estate Bus Tour

Tuesday, August 8, 2023

Details coming soon

A poster for the 'Build A Bed Project' by the NoCo HBA Foundation's 3rd Annual event. The poster features a central graphic of a bed with a blue headboard and red footboard. To the right, there are four small photos showing people working on building beds. Text on the poster includes: 'NoCo HBA Foundation's 3rd Annual', 'Build A Bed Project', 'NO KID SLEEPS ON THE FLOOR IN OUR TOWN!', 'SAVE THE DATE! August 25th, 2023 Build Day', and contact information for Casey Kiser at CASEY.KISER@ELEVATIONSCU.COM, 708.704.9416. There is also a QR code and a 'DONATE' button.



The **NoCo HBA Summer Golf Tournament** has been rescheduled to Monday, July 31st at Ptarmigan Country Club. At this time we have room in our PM shotgun starting at 1:30PM if you are interested in playing. Please complete our [online registration](#) form by clicking here. Registration closes July 21st.

Item Description	Starting Bid	Min. Bid	Max. Bid	Assess/ Fee	Buyer's Premium	Unit
Master Builder	\$1,500	Yes	14	1	10%	1
Craftsman	\$1,500	Yes	12	1	10%	1
Emerging Builder	\$1,000	No	10	1	10%	1
Assistant Trainer	\$500	No	10	1	10%	1
2-Couple Package	\$250	No	2	1	10%	1
Couples Package	\$100	No	2	1	10%	1

July 20 - **Workforce Development/Careers in Construction** meeting at Laxy Dog Bar and Grill. This event is free and open to all HBA members.

July 20 - **Pre-CAHB State-Meeting Reception** at Lazy Dog Bar and Grill. This event is free and open to all HBA members. No registration required.

July 21 Colorado Association of Home Builders will be holding the **Quarterly Political Action Committee, Government Affairs Committee** and Board meeting at the Sweetheart Winery in Loveland from 9am to Noon. These meetings are free and open to all HBA meetings.

Friday July 21st- 3:00pm - 7:00pm.NAHB Build PAC fund raiser and auction at the Sweetheart Winery. Enjoy an exciting evening celebrating the home building industry next to the Big Thompson River. Not only will you be supporting the NAHB Political Action Committee, you will get to enjoy great food (including the incredible Renegade Ranch Roll, made up of premium cuts from a half a beef), entertainment (provided by our own Doug Braden and the Whiskey Pickles), classic cars, whiskey tasting, and silent and live auctions.**This event is limited to 125 people! NOTE: We are also accepting donations of silent auction items, typically gift baskets, but feel free to be creative! Contact Kelly Schramm for details or if you are interested in donating.**

Registration is Required to attend. Click [here](#) to Register.