



**Northern
Colorado**
Home Builders Association

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July 2022

May New Home Sales up in Advance of Fed's June Rate Hike

After posting four consecutive monthly declines on rising mortgage rates and worsening affordability conditions, [new home sales](#) posted a solid gain in May as some buyers rushed into the market in advance of the Federal Reserve's June interest rate hike.

Sales of newly built, single-family homes in May increased 10.7% to a 696,000 seasonally adjusted annual rate from an upwardly revised reading in April, according to newly released data by HUD and the Census Bureau. New home sales are down 10.6% in 2022 on a year-to-date basis. Though new home sales registered a solid increase in May, we expect sales to decline in June following the Fed's action to significantly raise interest rates in an effort to ease inflation. While sales were up in May, the 696,000 annual pace was 5.9% lower than a year ago.

Existing home inventory remains tight and this supports demand for new construction.



New single-family home inventory remained elevated at a 7.7 months' supply, up 42.6% over last year, with 444,000 available for sale. However, only 8.3% of new home inventory is completed and ready to occupy. The remaining have not started construction (25.9%) or are currently under construction.

Regionally, on a year-to-date basis, new home sales fell in all four regions, down 3.8% in the Northeast, 21.7% in the Midwest, 12.3% in the South and 2.2% in the West.

NAHB Members Trek to Capitol Hill

More than 600 builders, remodelers and associate members visited Capitol Hill on June 15 for NAHB's [2022 Legislative Conference](#) to spotlight the growing housing affordability crisis that threatens to derail the economy.

In more than 200 individual meetings, NAHB members urged their lawmakers to support policies that will ease building material supply bottlenecks and increase the production of quality, affordable housing.

Know the Signs of Heat Stroke

It's the peak of the summer, and that means workers may face high heat conditions. During this dangerous time, the most serious heat illness is heat stroke. Symptoms include: Confusion, slurred speech, disorientation, inability to think clearly, collapsing, unconsciousness or potential seizures, and no sweating. If a worker is experiencing heat stroke, cool them down immediately and call 911. Tips to keep workers safe on the jobsite can be found in the NAHB's [Heat Stress Safety Toolkit](#).

Biden Signs Ocean Shipping Reform Act

President Biden in June signed into law the [Ocean Shipping Reform Act](#). The measure is designed to move ships into and out of ports faster and to address barriers to trade and challenges associated with moving goods to their final destination.

"This legislation will help ease building material supply chain bottlenecks that are raising the cost of housing and allow builders to increase production of badly needed affordable housing," said Jerry Konter, NAHB chairman and a home builder and developer from Savannah, Ga.

Plan to Apply for an NAHB Industry Award

Each year, NAHB recognizes the best of the best in our industry. Our prestigious awards celebrate, honor and recognize excellence. As an award winner, the spotlight shines on your business with year-long promotion.

So, gather your photos and the descriptions of your stellar projects. Shout out your biggest accomplishments and get the recognition you deserve. NAHB's award applications open July 11. [Find the award program](#) that's right for your business and enter.

Thousands Attend Second Housing Showcase

Visitors came to the National Mall in droves June 10-12 to check out the latest [housing innovations](#) and learn more about how they can help address the housing affordability crisis. Building on the first Showcase event in 2019, the 2022 Innovative Housing Showcase featured more than a dozen exhibitors of innovative building technologies — including full-size prototype homes — that address affordability and resiliency and emphasize energy efficiency and sustainability. Exhibitors counted a total of 18,000 visits at the displays. NAHB and the Department of Housing and Urban Development co-hosted the event.

A Message from Our Executive Officer

Welcome to July!

It was great to see so many of you at the Membership Meeting, hosted by Elevations Credit Union, on June 12th. For those of you who were not able to attend, Cassie Prestfeldt, Field Representative for the Colorado Association of Home Builders joined us and gave us an update on how the 2022 Colorado Legislative session ended.

Here are some highlights:

HB22-1362 was successfully amended to address CAHB concerns. The bill would have required all local governments in Colorado to adopt the 2021 International Energy Efficiency Code and impose it on the construction of all new homes by 2025. Further, it sought to require the imposition of a future model code created by the Colorado Energy Office. We were able to significantly amend the bill to create a 21-member code board to develop both Energy and Solar Codes and the Low Energy and Low Carbon codes for adoption by local governments. The board will be made up of diverse stakeholders from the building industry, building trades, environmental representatives, and local governments.

HB22-1363 was postponed indefinitely by the Senate State, Military and Veteran Affairs Committee. The bill would have prohibited developer-held bonded debt to finance infrastructure before a project is ready for public financing, which would require costs to be front loaded into the purchase price of a home. After significant lobbying, CAHB lobbying efforts focused on educating legislators about how metro districts allow for development to pay its way, and without the ability to issue debt, the costs for infrastructure could not be spread over time, putting that burden on buyers at the initial purchase of a home and further exacerbating the housing affordability issue in Colorado.

Governor Polis vetoed HB22-1218, the EV charging mandate bill. As a reminder, CAHB opposed this bill and requested this veto. The veto letter describes the reasons being cost to housing and the inflexibility in the bill and the fact that HB22-1362, the building code bill, addresses the goals of 1218 in a better way. All points that CAHB made to the Governor's staff and included in our letter. You can find the veto letter [here](#).

Advocacy is a key area of support that the HBA can provide for you and your businesses. While you are focused on day-to-day operations we are working behind the scenes at the local, state, and national levels, making sure that policies, laws and building codes are not impacting your business in negative ways. We are also building important relationships with municipalities, and offering education and informational resources to them, giving them tools they need to make good, informed decisions.

Currently we are focusing on addressing labor shortages, the potential impact of the 2021 Energy Codes and access to land and water. However, for us to stay ahead of the curve, we need for you to continue to share your issues and concerns with us. We will look at those concerns, identify issues-based solutions or compromises that work for the home building industry, and work to implement those solutions.

Attached is a link to the full legislative update article!!! <https://conta.cc/3nm1KVo>

Sincerely,



Kelly D. Schramm
Executive Officer

Take the 'No Shame Pledge' to End Stigma Around Addiction

More than 108,000 Americans died last year from accidental drug overdoses. For people struggling with a substance use disorder, one of the biggest barriers to getting the treatment and support they need is the stigma associated with addiction.

Many people who could benefit from treatment and other resources do not utilize them because of the shame and blame associated with addiction. NAHB continues to work with SAFE Project, a national nonprofit bringing a unified and collaborative approach to the fight to end the addiction fatality epidemic.

Join NAHB in combating the negative public perception and supporting others in speaking up about their own disorders by signing the [No Shame Pledge](#) — SAFE Project's national movement to combat stigma. There's no shame in getting help for addiction and mental health.

The No Shame Pledge

I understand that addiction is a disease, and I pledge to eliminate the stigma for individuals, family members, and friends experiencing it.

I commit to learning more about the disease of addiction and to changing the conversation surrounding it. I support those facing these challenges and want to provide them with a shame-free environment to overcome them.

I will learn more about factors that contribute to addictive behavior — such as mental health challenges and trauma — and encourage individuals to seek the help and treatment needed to address them.

For individuals in recovery, I pledge to support them in their recovery journey by providing supports, not barriers, as they continue their path of leading a self-directed, safe, productive, and successful life.



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Members Save Millions

Start saving at nahb.org/savings

NAHB.

Member Spotlight

American Legend Homes is a family and employee-owned, award-winning organization focused on thoughtful designs, quality craftsmanship and superior customer service. Since 2003 we've built thousands of homes in North Texas and are proud to have expanded into Colorado in 2018.

Drawing upon more than 75 years of combined homebuilding experience, our leadership team strives to ensure that every member of the American Legend family; from construction and sales to our home office staff, understands the critical role they play in building trust and developing long term relationships with each homeowner.

"Built for the way you live" isn't just a tagline; it's an operating mantra that defines who we are and our commitment to provide the absolute best customer experience throughout the homebuilding process.

"We understand that a home is a reflection of what is important to those that live there," said Kevin Egan, President. "We listen closely, pay attention to details and treat every customers as we would want to be treated," he added.

American Legend Homes takes an immense amount of pride in making dream homes a reality, and we are honored to partner with each customer on their homebuilding journey.



AMLEGENDHOMES.COM



NoCo HBA Foundation

NoCo HBA Foundation's

2nd Annual

Build A Bed Project



Join Us!

August 12
2022

Donate! Volunteer!

**NO KID
SLEEPS ON
THE FLOOR IN
OUR TOWN!**



DONATE



NoCo HBA Foundation is teaming with the local chapter of Sleep in Heavenly Peace to build beds for Northern Colorado kids who don't have one to call their own.

Please join our effort to build and deliver 54 beds by donating or conducting a bedding drive...contact us at info@nocohbafoundation.com for information on what items are needed!

More Details:
Each bed is \$400 total to build, complete with mattress, sheets, pillow, and comforter.

Want to help by sponsoring an entire item?
Mattresses - \$5,562
Comforters - \$1,350



CONTACT US
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Welcome New Members

Rachael Bender with Thrive Builders
Janice Ververs with Re/Max Alliance
Melissa Harris with Re/Max Alliance
Jessica Harris with Re/Max Alliance
Prosper Home & Land
Cheryl King with The Group Inc
Building Code Guru
Cindy Wallace with
CrossCountry Mortgage
Dynamic Homes of Colorado
Pacific Supply
Elaine Bradley with
Realty One Fourpoints

Thank you for Renewing

Clayton Properties/Oakwood Homes
Assoc in Bldg & Design - Bob Peterson
Assoc in Bldg & Design - Heather Schreiner
Assoc in Bldg & Design - Alison Johnson
Greeley Tribune
Adams Bank & Trust
Stonefield Homes LLC
Moen
StrucSure Home Warranty LLC
Caliber Home Loans
Group Mortgage, LLC
McWhinney Real Estate Group
American Roofing Supply
Sienna Wood Floors
Wonderland Homes
Weedin Insurance
DA Davidson
John Taylor with Re/Max Alliance
Stephanie Woodard with Re/Max Alliance
Rod Beckwith w/IPS
Lorie DeHoff w/IPS
Tony Creager w/IPS
Catherine Rogers with C3 Real Estate Solutions

Limited-time offer: Maximize your business rewards and **earn up to a \$3,500 cash bonus.**

THIS WILL NOT LAST!!



OFFER NOT AVAILABLE IF YOU GO ONLINE AND APPLY... MUST APPLY THROUGH ME

Call/Text me for an application or more information: [Lindsey Givin \(720\) 793-3683](tel:7207933683)

 Limited-time \$3,500 bonus* Earn up to a \$3,500 cash bonus for a limited time: \$500 once you spend \$5,000 in the first 3 months, and \$3,000 once you spend \$50,000 in the first 6 months.	 Unlimited 2% rewards Earn unlimited 2% cash back for your business on every purchase, everywhere, no limits or category restrictions.
 No preset spending limit* Enjoy purchasing power that adapts to your spending behavior, payment history and credit profile.	 Annual spending bonus Earn an annual \$200 cash bonus every year you spend \$200,000 or more.

This offer is available for a limited time only so contact your Relationship Manager to learn more.

LINDSEY GIVIN Vice President
Denver | Boulder | Fort Collins | 720-793-3683 | Email: Lindsey.givin@capitalone.com

*This bonus may not be available for existing or previous Spark cardholders. These spend bonuses may be earned independently, meaning you may earn one or both.
**No preset spending limit does not mean unlimited spending. The amount you can spend can change over time based on your spending behavior, payment history, credit profile and other factors. ©2018-2019

Upcoming NoCo Events

Real Estate Round Up: How to Partner with New Home Construction and online Sales Counselor Role

If you're a realtor in Northern Colorado, then you already know that our dynamic real estate market is changing daily. One of the ways to get a leg up in today's market, is to partner with New Home Construction and the Online Sales Counselor. Register today for this event.

Date: July 14: 9am to Noon

Fee: \$25 - open to HBA and Non-HBA members

Location: Windsong Estate Event Center

Registration: [Click Here](#)

Parade of Homes

September 9-11 & 16-18, 10am-5pm

FREE and open to the public

The Northern Colorado Parade of Homes is the premiere new construction open house event. This is a great opportunity for everyone to see the latest trends and innovations in new construction. If you are interested in participating in this years' event, registration is now [open](#).

If you have any questions, please contact the HBA office at (970) 686-2798.

SAVE THE DATE:

Foundation Build-A-Bed

August 12

Construction Connection with TruMark Homes

August 24

NoCo HBA Cornhole Tournament – August 25

Registration now open

Builders this is your opportunity to showcase your model homes. Please enter your homes by August 4 by visiting our [website](#).

Do you have an exquisite **showroom** you would like to show-off ? This is your opportunity to do so. [Click here](#) to complete the online registration form.

Would you like to **advertise** in our Parade of Homes Magazine. Contact Dulce at the HBA office for information and an ad reservation TODAY!

Or maybe your company would like to **sponsor** for one of the Parade of Homes event. These are great ways to get exposure and have FUN! Visit our [website](#) for more information.

What Does the Fed's Rate Hike Mean for Housing?

At the conclusion of its June meeting, the Federal Reserve surpassed prior expectations and raised the federal funds target rate by 75 basis points. It was the largest increase for the funds rate since 1994 and a clear response to elevated inflation data from May.

Mortgage interest rates are closing in on 6% and will continue to climb as further tightening is expected throughout the year.

Given signs of slowing economic activity, including six straight months of declines for home builder sentiment, [a clear risk](#) is that by falling behind the curve, the Fed will overshoot on tightening and bring on a recession.



There continues to be a housing deficit in the United States. The nation's aging housing stock will further support demand for remodeling activity. And as mortgage interest rates rise, the demand for rental multifamily and single-family housing will remain solid.

Regs Are 40% of Multifamily Costs

A recent study by NAHB and the National Multifamily Housing Council found that regulation imposed by all levels of government account for an average of 40.6% of [multifamily development costs](#).

Excessive regulations and conflicting requirements can cause delays, increase costs and make it difficult to build new housing that working families can afford.

To help builders expand multifamily housing production, NAHB is calling on local, state and federal officials to roll back costly impact fees, inefficient zoning rules, and density and growth restrictions that derail efficient land use and drive up housing costs.

Home Buyers Spend More

NAHB analysis of Consumer Expenditure Survey (CES) data from the Bureau of Labor Statistics shows that in the first year after closing on a home sale, buyers of new homes [spend four times as much](#) as non-moving owners and twice as much as buyers of existing homes.

Top Expenditures

Alterations and repairs:

New home buyers - \$11,930
Buyers of existing homes - \$5,761
Non-moving owners - \$2,966

Furnishings:

New home buyers - \$5,122
Buyers of existing homes - \$2,665
Non-moving owners - \$904