

Newsletter of the Home Builders Association of Central Missouri

HBANews



January Membership Meeting Cancelled

January 2021

Thank You Chris Collier Happy Retirement

Dear WHBA Members

After over 20 years as your EO, I have retired as of December 31, 2020. We have been through a lot of peaks and valleys together. Whether working with local governments on issues such as Impact Fees, Zoning Issues or Building Codes to personal time while performing DET testing, Membership Meetings and Golf Tournaments, I have not had another job that I enjoyed more or found more satisfying than that of your EO. Friendships that I have formed will remain in my heart for the rest of my life.

Going forward I hope each of you will support Greg and Denene Wallace as your new EO Team as you have me for the past 20 years. I see WHBA's future, after the merger with Paulding and Pope Counties, as a period of new growth. I am sorry I will not be with you to experience it.

Chris Collier



**January Board Meeting - Tuesday 1/12/2021 at Douglas County Chamber of Commerce from 11am to 12:30pm - Pizza will be served
RSVP to Denene @ 678-300-6060**

Demonstrations are one of the highlights at the International Builders' Show (IBS) each year. The new **IBSx Virtual Experience** on Feb. 9-12, 2021, will bring these demonstrations online with not one, but two exciting opportunities for attendees to learn more about various building practices.



High Performance Building Zone

The popular High Performance Building Zone returns with a number of online demonstrations, led by top builder demands.

Home Tech Zone

The IBSx Virtual Experience will also feature a new Home Tech Zone. In addition to highlighting the industry's latest tech product innovations, these demos will highlight the importance of preparing the infrastructure and design of your projects to ensure tech adaptability.

You'll learn how to showcase real building projects and featuring the latest innovative techniques for improving efficiency in all areas of the home. Segments will focus on key aspects of building performance, such as proper insulation and sealing techniques to maximize the energy efficiency of a home, air sealing and venting options to ensure a tight building envelope that works with other elements in the home, and indoor air quality upgrades and enhancements for new and existing homes. Want to keep up on the latest in high-performance building?

Check out "New Products in High Performance Building: Part 1 and Part 2," which identify some of the most promising new products on the market, especially in the wake of the COVID-19 pandemic to meet new custom-compatible home tech strategy, gain the installation expertise to select and work with the right contractors and integrators, and access the product insights to promote and sell to your clients.

Key topic areas include home automation, smart home technology and healthy home technology, as well as security products both for the home and the jobsite.

How-to videos will be broadcast at specific times during IBSx and will run approximately 15 to 30 minutes long. Videos will be available on demand until March 31, 2021, following the event.

Stay tuned to [BuildersShow.com](https://www.buildersshow.com) for more details.

CFPB Issues Final Qualified Mortgage Rules

The Consumer Financial Protection Bureau has issued two final rules related to qualified mortgage (QM) loans. The [General QM Final Rule](#) replaces the current requirement for General QM loans that the consumer's debt-to-income ratio (DTI) not exceed 43%, with a limit based on the loan's pricing. The second rule creates a new category for QMs – Seasoned QMs.

In adopting a price-based approach to replace the specific DTI limit for General QM loans, the CFPB determined that a loan's price is a strong indicator of a consumer's ability to repay and is a more holistic measure of a consumer's ability to repay than DTI alone.

U.S. Lowers Duties on Canadian Lumber

A final determination of the first administrative review by the U.S. Commerce Department [will reduce duties](#) on shipments of Canadian softwood lumber into the United States from 20% to 9%. This is a step in the right direction for the lumber market, which has seen significant price volatility over the last year.

NAHB encourages U.S. trade officials to work with Canada to end the tariffs and achieve a long-term, stable solution in lumber trade.

Average New Home Uses 24 Subcontractors

Roughly 69% of home builders use between 11 and 30 subcontractors to build the typical single-family home. The average is 24 different [subcontractors per home](#), according to responses to a set of special questions in a recent survey conducted as part of the monthly NAHB/Wells Fargo Housing Market Index.

At least 95 percent of builders said they always subcontracted five different jobs: HVAC (97 percent), electrical wiring and plumbing (96 percent each), and carpeting and security systems (95 percent each).

Do Business With an NAHB Member

NAHB has begun a broad campaign to encourage everyone in the federation to ["Do Business with an NAHB Member."](#) The effort seeks to foster cross-functional relationships among Builder, Associate and Affiliate members. More members working together means more opportunities across the home building industry and the NAHB Federation. NAHB has developed logos and banner ads that members and HBAs can use on their websites and in social media.

NAHB Calls for COVID Safety Stand Down

NAHB encourages members and all other residential construction companies to halt work for at least 10 minutes the week of Jan. 11-15, for a COVID-19 Jobsite [Safety Stand Down](#) to remind workers what they should do to keep themselves safe from coronavirus and to help reduce its spread. Precautions include wearing face coverings, maintaining a distance of at least six feet, and cleaning and sanitizing frequently used tools and surfaces.

Take Advantage of IBSx Education Sessions

Dynamic, in-depth education sessions – a hallmark of the traditional International Builders' Show – will continue during the IBSx Virtual Experience, Feb. 9-12, 2021. From the convenience of your computer, you can expect to learn about best practices and solutions and hear insights from some of home building's top experts.

With more than 100 education sessions in nine industry tracks, you'll access fresh strategies, trends and solutions for beginners and experienced professionals. [Education sessions](#) are accessible when you purchase an All Access pass.

Housing Starts Flat in November

Single-family starts flattened in November as builders struggled to meet demand, while overall housing starts increased 1.2% to a seasonally adjusted annual rate of 1.55 million units, according to a report from HUD and the U.S. Census Bureau.

[The November reading](#) of 1.55 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts increased 0.4% to a 1.19 million seasonally adjusted annual rate. The multifamily sector, which includes apartments and condos, increased 4.0% to a 361,000 pace.

On a year-to-date basis, combined single-family and multifamily starts are 14.4% higher in the Midwest, 7.6% higher in the South, 5.4% higher in the West and 3.3% lower in the Northeast.

The industry tracks include: Architecture & Design; Building Techniques & Strategies; Business Management; Custom Building & Remodeling; Land Development & Community Design; Multifamily Housing; Project Management; Research & Trends; and Sales & Marketing;

Education content will be available in live and semi-live sessions, as well as on demand. The on-demand content will be available for viewing during the four-day show through March 31, 2021.

Learn more IBSx education sessions and register at BuilderShow.com.

State of the Nation's Housing

Although housing has generally been a bright spot in the midst of the pandemic, the Harvard University's Joint Center for Housing Studies recent report, ["The State of the Nation's Housing 2020,"](#) shines a spotlight on key areas for improvement, especially the lack of an adequate supply of new housing.

The report noted that the supply of existing homes was at its lowest level since 1982. Tightened supply and strong demand has led to increased home prices, with prices rising 5.7% year over year in September.

The greater impact on low-income households is also reflected in the rental market. According to the report, 37.1 million households, or 30%, were cost burdened in 2019, with 17.6 million (14%) identified as severely cost burdened (spending more than 50% of their incomes on housing).

Latest Stimulus Package Contains Key Provisions for Housing

A \$900 billion economic relief package approved by the House and Senate on Dec. 21 includes key provisions that NAHB championed. President Trump signed the measure into law six days later on Sunday, Dec. 27.

NAHB worked closely with Democratic and Republican congressional leaders to ensure the recovery legislation addresses three major builder concerns:

- Provides relief for small businesses from burdensome loan forgiveness requirements.
- Helps struggling renters and landlords with dedicated rental assistance.
- Assists HBAs that have largely been excluded from previous relief measures.

The final package covers these three areas and contains several other policy objectives that NAHB has championed, including a permanent minimum 4% credit floor on low-income housing tax credits that will allow multifamily developers to finance thousands of additional affordable rental units and an extension of temporary tax provisions for newly-built energy-efficient homes and for home owners who engage in remodeling activities.

The legislation also includes other important provisions that:

- Extend all pandemic unemployment



benefits expiring at the end of December through March 14, 2021.

- Extend weekly enhanced federal unemployment payments (paid out on top of regular UI benefits) of \$300 per week through March 14, 2021.
- Provide a direct payment of \$600 to most Americans.

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NAHB
MEMBER.

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Start saving at nahb.org/savings

NAHB.

Fine Forecast

Elliott Eisenberg Blog

Despite job growth stalling, household spending sliding, and Covid-19 spreading, economically speaking 2021 is shaping up well. Exceptionally expansive fiscal policy is/will be critical, as will the unprecedented promise of low rates for much longer from the Fed, which should really boost growth once Sars-Cov-2 is defeated. Moreover, firms are adopting new technologies en masse, which will boost productivity, keeping inflation away, while unemployment should end 2021 at about 5%.