

# HBA News

*Updates from the HBA of the Valley*



HOME BUILDERS & REMODELERS  
ASSOCIATION OF THE VALLEY



OHIO HOME BUILDERS ASSOCIATION, INC.



National Association  
of Home Builders

## March 2021

### FHFA Extends Moratorium on Foreclosures, Evictions

The Federal Housing Finance Agency has announced that Fannie Mae and Freddie Mac will extend their moratorium on single-family **foreclosures and evictions** until June 30, 2021. The foreclosure moratorium applies to Fannie Mae and Freddie Mac-backed single-family mortgages only.

The eviction moratorium applies to properties that have been acquired by an Enterprise through foreclosure or deed-in-lieu of foreclosure transactions. The current moratoriums were set to expire on March 31, 2021.

FHFA also announced that borrowers with a mortgage backed by Fannie Mae or Freddie Mac may be eligible for an additional three-month extension of COVID-19 forbearance. This additional three-month extension allows borrowers to be in forbearance for up to 18 months. Eligibility for the extension is limited to borrowers who are in a COVID-19 forbearance plan as of Feb. 28, 2021, and other limits may apply.



Further, COVID-19 Payment Deferral for borrowers with a Fannie Mae or Freddie Mac-backed mortgage can now cover up to 18 months of missed payments. COVID-19 Payment Deferral allows borrowers to repay their missed payments at the time the home is sold, refinanced, or at mortgage maturity.

Home owners and renters can visit **[consumerfinance.gov/housing](https://consumerfinance.gov/housing)** for up-to-date information on their relief options, protections, and key deadlines.

## Lumber Prices Again Hit Record Highs

Lumber prices have skyrocketed more than 180% since last spring, and [this price spike](#) has caused the price of an average new single-family home to increase by \$24,386 since April 17, 2020, according to NAHB standard estimates of lumber used to build the average home. Similarly, the market value of the average new multifamily home has increased by \$8,998 over the same period.

The Random Lengths prices as of mid-February show the price of framing lumber topped \$975 per thousand board feet — a 180% increase since last April when the price was roughly \$350 per thousand board feet.

## New Home Sales Edge Higher in January

After a slight slowing at the end of 2020, new single-family home [sales edged higher](#) in January, increasing 4.3% to a 923,000 seasonally adjusted annual rate, according to estimates from the Census Bureau and HUD. Overall, the January sales rate was 19.3% higher than a year ago, as demand is supported by low interest rates, a renewed focus on the importance of housing, and solid demand in lower-density markets.

## Homeownership Is Top Source of Wealth

The primary residence continued to be [the largest asset](#) on household balance sheets in 2019, according to the 2019 Survey of Consumer Finances. Home owners had a median net worth of \$255,000 — more than 40 times the median net worth of renters (\$6,300), which reflects both the value of homeownership and the difficulty in obtaining it. Primary residence represented about 25% of household assets, surpassing other financial assets (20%), business interests (20%), and retirement accounts (15%).

## Plan to Participate in Bringing Housing Home

NAHB's Bringing Housing Home® is an opportunity for members to conduct [in-district meetings](#) with their representatives and senators. These meetings are key to strengthening relationships with lawmakers and keeping housing a priority in Congress. HBA executive officers are encouraged to schedule meetings with their representatives during the week of May 3-7. NAHB staff can help facilitate these meetings.

## BUILD-PAC Awards Recognize Successes

BUILD-PAC raised more than \$3 million in the 2019-2020 election cycle. The BUILD-PAC Fundraising Awards recognize the states and individuals who helped make the [recent election cycle](#) a success. The state awards included: Top fundraising state – Texas; top fundraising state by membership – Connecticut; raised the most new money at an event – California; biggest increase in participation – Wisconsin; most new donors at a single fundraising event – Georgia; most new donors – Florida.

## NAHB Awarded Grant to Promote Worker Mental Health

The American Society of Association Executives (ASAE) Research Foundation recently announced that [NAHB has been selected](#) as one of three 2021 Innovation Grants Program recipients for its project How Associations Can Promote Worker Wellbeing and Behavioral Health to Their Members.

Over the last eight years, the ASAE Research Foundation has received more than 300 applications and awarded a total of 34 innovation grants to organizations of varied types, sizes, locations and industries.

“The awardees selected this year reflected creativity and commitment to an innovation process with projects aligned to our theme of workforce development,” the ASAE Research Foundation said in a press release. The \$10,000 grant will be used to develop resources as part of [NAHB’s ongoing initiative](#) on member mental health and wellbeing.



## Remodeling Sector Looks Strong

Spending on residential improvements will [continue to grow](#) at a healthy pace over the next two years, according to experts speaking at an online press conference hosted by NAHB Remodelers during the 2021 IBSx.

After a significant decline in March and April 2020 at the onset of COVID-19, the remodeling market has since made more than a full recovery. NAHB economists predict that remodeling spending for owner-occupied single-family homes will increase 4% in 2021 and increase 2% in 2022.

“The biggest factors prohibiting stronger growth are mainly the volatile material prices and labor shortages” said Paul Emrath Ph.D., NAHB’s Assistant Vice President for Surveys and Housing Policy Research.

## COVID Affects Buyer Preferences

The COVID-19 pandemic is affecting the [preferences of many home-buyer households](#), according to recent polling conducted by the National Association of Home Builders.

NAHB asked recent and prospective home buyers how COVID-19 may have impacted their housing preferences. While 67% said the pandemic has not impacted their housing preferences in any way, one-quarter of respondents said the pandemic did have an impact, with households that have at least one teleworker and one virtual student being the most likely to feel such an impact.

The biggest effect? A growing number of home buyers want a larger home, and they are more likely to want that home to be in the suburbs or the exurbs.

## **2021 Leadership List**

### **Executive Officer**

Karen Caruso

### **HBA President**

Steve Brewer

Foundation Building  
Materials Plus

### **Vice President**

Mark Ramunno

Custom Homes by Mark  
Ramunno

### **Secretary/Treasurer**

Andy Profanchik

APCO Construction

### **Additional Executive Committee Member**

Dave Novak

D & R Garage Doors Plus

## **UPCOMING EVENTS**

### ***Mark your calendars!***

**Mixers are on the comeback  
for 2021!!!**

**Tuesday May 18th**

**6:00 PM**

**Sponsored by On Demand  
Occupational Medicine**

**Details will soon be  
released!**

***Please let us know if your  
HBA business is interested  
in sponsoring a mixer!***

**Available Dates are:**

**Tuesday, June 15th**

**Tuesday, July 20th**

**Tuesday, August 17th**

**Tuesday, September 21st**

**Mark your calendars for**

**Friday August 6th**

**2021 HBA Golf Outing**

**Trumbull Country Club**

**More details to follow soon**

## What You Should Know about Appraisals and Lumber Prices

Lumber prices continue to rise, with pricing as of mid-February reaching new record highs. Other materials, such as gypsum and ready-mix concrete, are also experiencing price volatility. In addition, components such as interior doors, shingles, and cabinets are experiencing significant delays in delivery that make it more challenging for builders to construct homes efficiently and on time.

As builders struggle with these front-end issues, they are also experiencing additional challenges on the backend, as [appraisal standards](#) make it difficult to recognize the full impact of sharp increases in the cost of building materials. In addition, appraisers often have limited

access to information to accurately assess the value of a home.

In order to best address these significant increases in the price of materials, it is important to understand that appraisers can incorporate three approaches to determine the value of a property: sales comparison, cost and income methods. Under the cost approach, the appraiser estimates what it would cost to rebuild or construct an equivalent structure. Because this component of property valuation considers the costs of materials used to construct the property, it is often very helpful in analyzing the value of a newly constructed home.

## OSHA Issues New COVID-19 Guidance

OSHA has issued stronger safety guidance on preventing the spread of COVID-19 in the workplace. [This guidance includes](#) a recommendation for a workplace COVID-19 prevention program, which NAHB has made available to members since March 2020.

The new OSHA guidance indicates that the agency might be working on an emergency temporary standard (ETS) on COVID-19 that would be enforceable by OSHA inspectors, with potential fines for non-compliance. NAHB has expressed the concerns of home builders about dealing with a potential ETS.

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