

The Builder



Advocating for our Members

August 2020

New Home Sales at Highest Level Since Great Recession

Sales of newly built, single-family homes rose to their highest level since the Great Recession, up 13.8% to a seasonally adjusted annual rate of 776,000 units in June, according to recently released data from the U.S. Department of Housing and Urban Development and the U.S. Census Bureau. The June rate is 6.9% higher than the June 2019 pace.

Inventory fell to a 4.7 months' supply, with 307,000 new single-family homes for sale, 7% lower than June 2019. The current months' supply is the lowest since 2016. Of the inventory total, just 69,000 are completed, ready to occupy. The median sales price was \$329,200. The median price of a new home sale a year earlier was \$311,800.

Regionally, year-to-date, [new home sales](#) were up in all four regions: 22% in the Northeast, 12.6% in the Midwest, 7.2% in the South, and 3.1% in the West.



Builders are dealing with a number of supply-side concerns such as rising material costs, particularly lumber, which recently surpassed its 2018 price peak. But low inventory levels point to construction gains ahead.

Residential construction remains one of the bright spots amid the current coronavirus-caused downturn. Economic indicators suggest housing is poised to lead the nation's economy back to full strength when the current crisis resolves.

HBACV \$10,000 RAFFLE COMING TO YOU ONLINE SEPT.25

Don't miss out! Less than 100 tickets left to sell

The HBACV \$10,000 Raffle is set for Friday, Sept. 25th and tickets are getting scarce. Less than 100 tickets remain to be sold - at just \$35 a ticket - for you chance to win one of the top four cash prizes and more.

Ticket holders will be able to see the draw down raffle on the device of your choice at 7:30 pm on Sept. 25. Because of COVID restrictions the event is now "Virtual" and the

top four cash prizes are \$3,000, \$2,000, \$1,000 and \$750. These will go to the last four tickets drawn. There are also more than \$2,500 in merchandise prizes which will be drawn throughout the event.

Tickets are available from HBACV members and from the HBACV office (HBACV office: call 841-7588.)

The broadcast of the drawing will be on a social media platform and only ticket holders will be able to view the event. The actual drawing will take place at the HBACV Board room. Ticket holders

will receive the viewing access code the week of the event.

Anyone who had previously purchased a full-price ticket last winter can convert that ticket into three tickets and triple your chances of winning.

The \$10,000 raffle event is our main fundraiser for the HBACV College/Workforce Scholarship program.

The event was originally scheduled for March 27 at the Glass House but was postponed because of the pandemic. COVID safe distancing guidelines made it impossible to hold the event in manner as past years. The event generally draws more than 300 patrons and includes a large buffet, two open bars and a wonderful socializing and networking opportunity.

The committee also wants to extend its "Thank You!" to the event sponsors who are supporting the virtual event. They are: **Assurance Financial, Bank of the James Mortgage, Central Technology Solutions, First National Bank, First Bank & Trust, The Floor Show/Carpet One, Fortress Foundation, John Stewart Walker, Kubota of Lynchburg, Long & Foster, Lynchburg Ready Mix and Select Bank.**

HBACV VIRTUAL RAFFLE

TICKET PRICE: \$35

297TH TICKET WINS \$750

28TH WINS \$1,000

299TH WINS \$2,000

300TH WINS \$3,000



Builder Member of the Month

Russ Burnette

BuildBlock of Central Virginia and C.Russell Burnett Construction have been in business for more than 40 years. BuildBlock is an insulated concrete form (ICF) distributor and installer. An HBACV member starting in 2008, the firm is led by Russ Burnette and provides residential and light commercial construction services start to finish, or any phase in between. Products and services are available through the greater Lynchburg area and at Smith Mountain Lake. The Class A general contractor also has a full line of grading equipment/services from lot clearing to ditching to final grade. Russ is a former HBACV Board of Director. For info: crbconstruction6@gmail.com



Associate Member of the Month

HAJOCA

Hajoca, with its Kohler Kitchen & Bath showroom and parts warehouse on Memorial Avenue in Lynchburg, is the oldest continuous plumbing supplier in America, starting in 1858 in Philadelphia. More than 150 years of service later, that business is known as Hajoca Corporation. Hajoca has a robust history of helping to shape advances in plumbing. It attributes its success to two simple truths - a unique business philosophy and talented people. The local team is led by manager Matt Cheyne and sales manager Keith Whitten. The company has been an active member for more than 15 years. Whitten is a former Board of Director. For info: keith.whitten@hajoca.com ; matthew.cheyne@hajoca.com



Safety Webinar on COVID Regulations available to see

The Home Builders Association of Virginia held a webinar on August 7 to review the **emergency standard regulations, which apply to all employers in Virginia**. Companies have until Sept. 22 to create and implement safety measures to protect people from being infected with the coronavirus at work. If you did not attend this webinar, you should contact the HBACV to get information about it.

For a copy of the webinar materials, presented by David Burton of Williams Mullen, click [here](#). To access a replay of the program, click [here](#) and use this password: **^S4RDpS2** You can also contact HBACV Executive Officer Bob Morgan for additional information on the new regulations. He can be reached by email: bob@hbacv.org or phone: (434) 841-7588.

Companies related to the construction and housing industry, including suppliers and distributors, have been classified as medium risk. The rules will last at least six months and companies could face financial penalties if they are found to have violated the standards.

Select Bank team wins HBACV annual Golf Tournament

Led by a hole-in-one by Mike Forren, the Select Bank team won the 2020 HBACV Scholarship Golf Tournament with an 18-under-par 54 and a three shot victory over runner-up HAJOCA. The August 21st event netted more than \$5,000 for HBACV scholarships and education programs.

"The support of the 26 participating teams and the sponsors made for a great event," said tournament committee chairman Robert O'Brian. Seven teams broke 60 in the Captain's Choice event at London Downs Golf Course.

The main sponsors for the event were Ferguson Enterprises, Movement Mortgage (Tammy Mikkelson) and Pella Window (Josh Vance).

Cash prizes were won by the top two teams in each flight. The Select Bank team consisted of Forren, his son Clayton, Todd Moore and Donnie Toney. Forren recorded his ace on the par-three 15th hole. He won a new set of irons (or cash equivalent) from par-three sponsor BugMan Exterminating/Crawlspace Care.



Above is the Select Bank team. Stephen Lamanna, left, sets to chip close on #18. Below left, Allen Dukes watches as he rolls in a 16-footer on #8. Below, Tammy Mikkelson manned the back-nine beverage cart.



[Click to see more photos on the HBACV Facebook Page.](#)

Contact HBACV to register for September Red Cross OSHA First Aid Class

The HBACV is scheduling an OSHA training for Wednesday, September 25. Look for emails with specific dates and times. The **OSHA First Aid/Safety Card class** will be held "in-person" at either the HBACV office or the local Red Cross office. The six-hour class will be conducted by Dave Johnson with Safety Instructor Group & the Red Cross. There will be a per-person fee, but HBACV members get a 20% discount. **Call 841-7588 for info.**

Products Used in Home Construction

NAHB analysis of government data indicates that new single-family and multifamily construction used about \$94.9 billion [in building products](#) in 2019. The vast majority of that amount was produced domestically, supporting jobs in the U.S. manufacturing sector, but about \$6.1 billion was imported from other countries. Among the major product categories, new residential construction in 2019 used more than \$11 billion each of "cement and concrete products" and "architectural and structural metals." The analysis looked at 51 building materials categories.

HUD Terminates Fair Housing Rule

HUD Secretary Ben Carson recently announced that his agency will terminate the Obama-era Affirmatively Furthering [Fair Housing \(AFFH\) regulation](#) issued in 2015, calling the rule "unworkable."

The Preserving Community and Neighborhood Choice final rule replaces the 2015 AFFH regulation and 1994 Analysis of Impediments (AI) requirements. NAHB is reviewing the final rule.

IRS Extends LIHTC Deadlines

In a victory for NAHB and its members, the Internal Revenue Service recently announced [temporary relief](#) from certain requirements under Section 42 of the IRS code for Low-Income Housing Tax Credit (LIHTC) projects.

In general, under IRS Notice 2020-53, deadlines occurring between April 1, 2020, and Dec. 31, 2020, are postponed until Dec. 31, 2020. Agencies are not required to conduct compliance monitoring inspections during this time.

Wade Confirmed as FHA Commissioner

The U.S. Senate voted on July 28 to confirm Dana Wade as the new FHA Commissioner. NAHB Chairman Chuck Fowke lauded Wade's confirmation amid the challenges caused by the COVID-19 pandemic.

"NAHB looks forward to working with the [new FHA commissioner](#) to mitigate the effects of the outbreak on the housing community and to ease regulatory burdens exacerbating the nation's housing affordability crisis," Fowke said.



HBAV Meetings Remain in Virtual Setting for 2020

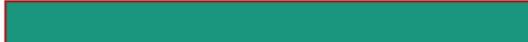
The Home Builders Association of Virginia has opted to continue to not have in-person meetings because of the COVID Pandemic. The HBAV fall board meetings will now be held virtually and is set for Monday, Sept. 28. The agenda will be announced in early September.

HBAV CEO Craig Toalson and association president Dan Sandoval said for safety reason this will be the meeting method for the foreseeable future.

The HBAV previously announced that the 2020 Virginia Builders Summit & Expo scheduled for Sept. 29 at the Greater Richmond Convention Center in Downtown Richmond, has been canceled due to COVID.

The Virginia Builders Summit & Expo is a premier annual event bringing housing industry professionals together from across Virginia for one day. The event will return in 2021.

The HBAV previously canceled the 2020 Annual State Conference, which had been scheduled for June in Virginia Beach.



Land-Use bill passes through GA Senate Committee

In response to the unprecedented economic uncertainty resulting from the COVID-19 pandemic, HBAV helped draft General Assembly legislation extending the validity of local government land-use approvals.

[SB 5106](#) was introduced yesterday by **Senator Lynwood Lewis (D- 6th District)** and passed the Senate Local Government Committee by a [vote of 10 to 1](#). The bill now will go to the full Senate [here](#).

There are several key provisions in the bill:

-- Extend the validity of subdivision plats, recorded plats, and final site plans until July 1, 2022, provided that they were valid and outstanding as of July 1, 2020. Any other plan or permit associated with such plat or site plan extended by this subsection is similarly extended for the same time period.

-- For any valid special exception, special use permit, or conditional use permit, or any modifications thereto, outstanding as of July 1, 2020, any deadline in the exception permit, or in the local zoning ordinance that requires the landowner or developer to commence the project or incur significant expenses related to improvements for the project within a certain time, is extended until July 1, 2022, or such longer period as may be agreed to by the locality.

-- For any rezoning approved pursuant to §15.2-2297, 15.2-2298, or 15.2-2303 and valid and outstanding as of July 1, 2020, any proffered condition that requires the landowner or developer to incur significant expenses upon the occurrence of an event related to a stage or level of development is extended until July 1, 2022, or longer as may be agreed to by the locality.

Please contact HBAV's Vice President of Government Affairs, [Andrew Clark](#), if you have any questions or comments about this bill or the 2020 Special

Subcontractors Largest Share of NAHB's Associate Membership

NAHB's 80,000 [Associate members](#) account for roughly two-thirds (68%) of total membership.

The largest share of Associate members – 43% – are subcontractors or specialty trade contractors, according to the 2019 annual member census conducted by NAHB's economics department.

Roughly 13% of Associate members work in professional specialties such as legal services, accounting, and engineering. About 11% work in retail dealerships. Another 8% are employed in various financial services, including banking,

title companies and insurance, and 4% work in wholesale dealerships or distributorships. Roughly 20% listed "other associate" as their primary activity.

The median annual company revenue among Associate members was \$2.2 million in 2019, down from a median of \$2.5 million in 2018. A quarter of Associates (25%) reported annual revenues under \$500,000. The largest group (32%) reported incomes of \$1 million to \$4.99 million.

The median age of Associates was 56. More than half of Associate members (53%) have earned a bachelor's degree or higher.

A New Look at Design Standards

Local governments use design regulations to ensure the health, safety and welfare of residents. But excessive regulations that price lower- and moderate-income families out of the market should not be prioritized over the need to address the housing affordability problem.

Examples of highly prescriptive [design standards](#) include prohibiting the use of exterior materials such as vinyl siding, mandating minimum roof pitch, and dictating the amount of surface area that must be dedicated to windows.

A new document from NAHB, "Residential Design Standards: How Stringent Regulations Restrict Affordability and Choice," explains how these standards harm low- and moderate-income families, and suggests policy alternatives.

NAHB, NAR Look at Sustainability

NAHB and the National Association of Realtors® have launched a joint initiative to inform consumers about the high-performance home market.

Through the joint [Home Performance Counts](#) initiative, NAHB and NAR have come together to offer a comprehensive resource that informs consumers about the qualities and benefits of high-performance homes and facilitates communication on home performance between buyers, builders and real estate agents.

Demand for high-performance homes has expanded in recent years, with the number of homes certified to the National Green Building Standard® increasing by more than 57% since 2017. These are homes that prioritize comfort, sustainability, wellness, resource efficiency and affordability.

Home Price Now \$16,000 Higher Due to Lumber

The recent spike in softwood lumber prices has caused the price of an average new single-family home to increase by \$16,148 since April, 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 \$6,107 over the same period due to the surge in lumber prices which topped \$800 per thousand board feet — a 130% increase since mid-April.

NAHB calculated these increases based on the softwood lumber that goes into the average new home. Included is any softwood used in structural framing (including beams, joists, headers, rafters and trusses), sheathing, flooring and underlayment, interior wall and ceiling finishing, cabinets, doors, windows, roofing, siding, soffit and fascia, and exterior features such as garages, porches, decks, railing, fences and landscape walls.

The softwood products various dimensions (including appearance grade or pressure treated for outdoor use), plywood, OSB, particleboard, fiberboard and shingles — in short, any of the products sold by U.S. sawmills and tracked on a weekly basis by Random Lengths.

The increases continue. Random Lengths reported prices on Aug. 21 show the cost to builders had risen to \$30,470 for the softwood lumber products in an average single-family home, and \$11,061 for the products in an average multifamily home. This is a 80% increase respectively, in only four months.

****** HBAV is holding a free webinar on escalating lumber prices on Wednesday, Sept. 9 at 12 noon.** Jim Tobin of NAHB and Conrad LaBossiere of Builders FirstSource will discuss what's causing the lumber shortage and price escalation, how to prepare for future pricing and NAHB's actions to address the issue. [To register for the webinar, click here.](#)



HBACV Leadership

2020 Officers

Joe Hepler - President
Jim Minear * - 1st Vice Pres.
Sandy Speck - 2nd Vice Pres.
Chris Hargis - AV.Pres..
Jeff Wieczorek - Secr./Treas.
Brent Lilly - Past President

2020 Board of Directors

Tammy Mikkelson - Movement Mortgage; **Mike Forren** - Select Bank; **Allen Dukes** - BB&T; **Sandy Speck** - Assurance Financial; **Matt Yeatman** - Central VA Const; **Barry Layne** - DS Zechini Builders; **Gordon Cudd** - Jadon Builders; **Robert O'Brian** - Lynchburg Ready-Mix; **Matt Holley** - AquaBarrier; **Terry Morcom** - Morcom Builders; **Rosalie Richman** - BB&T; **Rich Edwards** - Bank of the James Mortgage; **John Hopkins** - Boxley; **Laura Borel** - Francis Oil

HBACV Executive Officer:

Bob Morgan

HBAV Legislative Committe:

Chris Hargis

HBAV Builder Director:

Joe Hepler, HBACV rep

HBAV Board of Directors:

Sandy Speck

NAHB Representative:

Terry Morcom

* leave of absence until 10/2020

NAHB asks White House for help on Lumber Prices

NAHB sent a letter to President Trump expressing the housing industry's growing concern and seeking prompt action regarding soaring lumber prices and supply shortages that are harming the housing sector and the economy.

NAHB is urging the White House to play a constructive role to alleviate this growing threat to housing and the economy by calling on domestic lumber producers to ramp up production to ease growing shortages and making it a priority to work with Canada on a new softwood lumber agreement that would end tariffs averaging more than 20% on Canadian lumber shipments into the United States.

As the nation fights to rebound from the effects of the COVID-19 pandemic, housing has been a bright spot for the U.S. economy, particularly single-family construction, with permits running 3.4% higher during the first half of 2020 compared to the first half of 2019.

However, builders are seeing shortages of lumber resulting in an 80% increase in lumber prices since mid-April. Framing lumber prices reached a record high in late July, while oriented strand board prices have increased 138% over the past year. These sharp increases are unsustainable.

NAHB's letter to the White House stressed that housing can do its part to create jobs and lead the economy forward; but in order to do so, we need to address skyrocketing lumber prices and chronic shortages. NAHB recently sent a similar message to Commerce Secretary Wilbur Ross, and U.S. Trade Representative Robert Lighthizer .

HBACV MEMBERS ARE HIRING

LG FLINT GENERAL CONTRACTORS is seeking a **Lead Carpenter**. Description includes:

Lead Carpenter provide guidance, supervision, and execution residential and commercial projects, working directly with project managers, superintendents, subcontractors, and other PARTIAL RESPONSIBILITIES LIST: Assign and explain field tasks to the project team; Execute field tasks; Inspect and maintain quality of job-specific tasks; Provide takeoff quantities and order materials needed for projects; Supervise carpenters, laborers, and subcontractors on assigned projects. Perform carpentry duties as required.

REQUIREMENTS: Valid driver's license, Reliable transportation, Own tools, Available to work Monday through Friday (7:00 AM - 3:30 PM), Proven experience in remodeling and new construction, Sound knowledge of safety standards and procedures and current building codes and standards. Pay: \$18-\$30 per hour. Send resume to info@lgflint.com

FOSTER FUELS: Propane **Service Technician** for the Charlottesville/Lovingston/Madison areas. Basic Duties: Is to be responsible for the following activities; deliver, set and install propane tanks, inside and outside lines, conduct system test and purge cylinders and tanks consistent with company standards and maintaining related documentation. Propane service technician will also be responsible for installation and service of propane appliances and heating systems. Extended and on-call hours are required. **Basic Requirements:** Must currently hold a CDL of Class B or higher with HazMat and Tanker endorsements, or achieve it within 6 months.

Info:hr@fosterfuels.com or 434-376-2232; Website link:<https://fosterfuels.com/about-us/careers/>

FRANCIS OIL & PROPANE is seeking a **Service Technician**.

- Installing propane appliances and servicing appliances
 - Delivery, installation, service of above and below ground tanks, cylinders, and parts
 - Running gas lines on the interior and exterior of residential / commercial locations
 - Meeting with customers to provide estimates, perform system checks
- Candidate must have a clean driving history with a CDL B classification and experience in HVAC, electrical /mechanical field. Knowledge of gas fitting preferred, but not required. Required to lift up to 50 pounds, push, pull, squat, crawl, and climb in tight or small spaces indoors and outdoors. Contact: lfborel@franisoil.com.

CONTACT THE HBACV TO INCLUDE YOUR HIRING NEEDS IN THE MONTHLY NEWSLETTER

Membership was never more than right now

Because of HBACV's efforts to keep your business going since March (*while many others were shut down!*), a strong association is more important now than ever. Every company that renews their HBACV membership, along with companies joining for the first time, support the ongoing effort to ensure a healthy business environment.

Please remember to do business with a fellow member (you can visit HBACV's online [Member Directory](#) to find one). And if you're doing business with a non-member, encourage them to join! Our members receive cost-saving benefits, professional credibility and advocacy for your company on the local, state and national levels.

There is no better example of the value of membership than what has taken place during this COVID-19 emergency. Without our efforts, the construction industry in Virginia would have been shut down like it was in so many other states. Not only have you received valuable information on how to navigate the new rules for our new normal, your trade association has worked hard to keep the construction industry moving forward. There's strength in numbers and it's important to keep our industry strong. If you do business with companies that aren't part of the housing federation, please encourage them to join. It's more important now than ever!

Visit www.nahb.org, or www.hbav.com or www.hbacv.org to learn more about your trade organization.

Housing Authorities gets new grant funding

WASHINGTON, D.C. - In June \$8,978,420 in federal funding was granted to help Virginians access affordable housing across the Commonwealth. The Lynchburg Redevelopment & Housing Authority received \$102,166.

The funding is made available through the Housing Choice Voucher Program and authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

"As housing insecurity continues to rise for many Virginians, now more than ever, Congress needs to offer critical assistance to those in need," a joint press release from Virginia Senators Mark Warner and Tim Kaine said. "We're pleased to announce these federal funds that will go directly towards supporting some of the most vulnerable communities right now."

Other nearby state agencies receiving grants were:

- Roanoke Redevelopment & Housing Authority
\$250,704
- Danville Redevelopment & Housing Authority
\$202,837
- Albemarle County/Office of Housing
\$68,308
- Charlottesville Development & Housing Authority
\$60,969

2020 Renewals & New Members*

Thank You for your ongoing support of the Home Building Association of Central Virginia

84 Lumber
Affordable Portables
AquaBarrier
Assurance Financial
Atlantic Union Bank
Balzer & Associates
Bk of the James Mortgage
Bays Trash Removal
Blossman Gas
Bug Man Exterminating
Builders FirstSource
Boxley Block Company
Burton & Company*
Carpetland USA
Central VA. Construction
Century 21 All Service
Colonial Farm Credit
Columbia Gas of VA
Commonwealth Building
Materials *
County Waste
Cheryl Daffner - L&F
Dawson Ford Garbee
BHHS
Disc.Portable Restrooms
D.S. Zechini Builders

Equity Enterprises LLC*
English's Complete Home
Ferguson Enterprises
Foster Fuels
F&S Building Renovations
First Action Systems
First Bank & Trust
First National Bank
First Piedmont
Foxcrest Developers
Francis Oil & Propane
Greystone Builders
Hajoca
Hawkins-Graves
JADON Builders
JCL, Inc.
John Stewart Walker*
Kubota of Lynchburg
Lilly Construction
Lynchburg Ready Mix
Lynchburg Garage Door
Pella Window
Skinner Construction
TCM Construction LLC*
Member One FCU
Meadowlands

Perry & Mays Insurance
Restoration
Morcom Building
Movement Mortgage
RightWay Framing*
RM Gantt Constructions
Overhead Door Company
Perry & Mays Insurance
Prosperity Mortgage
Piedmont Floor Design
Real Property Manag.*
Fortress Foundation
Nelligan Insulation
Budget Blinds*
Select Bank
Sellari Enterprises
Sherwin-Williams*
Shackleford & Werthman
Sunburst Vinyl Supply
Toler Insulating
Yates Homes
Lonnie Maines - DFG*
LeAnn Brown - L&F*
Anne Coleman - L&F
Ann Parker - DeWitt



FOLLOW HBACV ON FACEBOOK

Follow us and be social! Make sure you share your company's posts and sponsored ads with HBACV so we can help your social reach.

Thank You To Our Generous Sponsors for our Fall Event



Member to Member Business Creates a Stronger Association

The HBACV provides complete contact information to members through our [website](#) and through our office (434-841-7588). Developing an HBACV network allows you to provide members with service and resource information aligned with their needs and your products. In addition, because you are a member of the local, state and national associations, you can get access to membership lists in adjacent territories. Do business with a member and support the businesses that support the HBACV. Get the most from NAHB Discounts: Click to learn more. nahb.org/ma.

Members Save Millions
Put Your NAHB Membership to Work Now.

Money saving discounts that benefit you, your business and your family

nahb.org/Savings

SAVINGS

