

Homebuilding Industry Update

Presented by Tina Frias, Chief
Executive Officer



— SOUTHERN NEVADA —
HOME BUILDERS
ASSOCIATION

— THOSE WHO BELONG...CARE —

Overview

- Who We Are
- Economic Impact
- Market Update
- Current Industry Challenges

This presentation will provide an overview of the homebuilding industry for 2024.

2024 Executive Board



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Who We Are

SNHBA

In the state of Nevada, SNHBA ranks as the largest and oldest local trade association representing the residential construction industry. The association has more than 500 members working in all facets of the home building industry.



HomeAid Southern Nevada

HomeAid Southern Nevada is a 501c3 arm of SNHBA, which helps those experiencing homelessness through housing development and community engagement.

Professional Women in Building Council (PWB)

SNHBA hosts PWB, a chartered council. This council empowers female leaders within the building industry to advance women's progress by offering scholarships, mentoring, networking opportunities and more, furthering their mission to support women in the field.

Southern Nevada Trades High School

SNHBA builders and subcontractors funded and continue to support the Southern Nevada Trades High School (SNTHS), an independent, tuition-free public charter school open to all students.

Economic Impacts of our Endeavors

\$15 billion

Dollars in Economic Activity

\$5.3 billion

In Wages

78,400

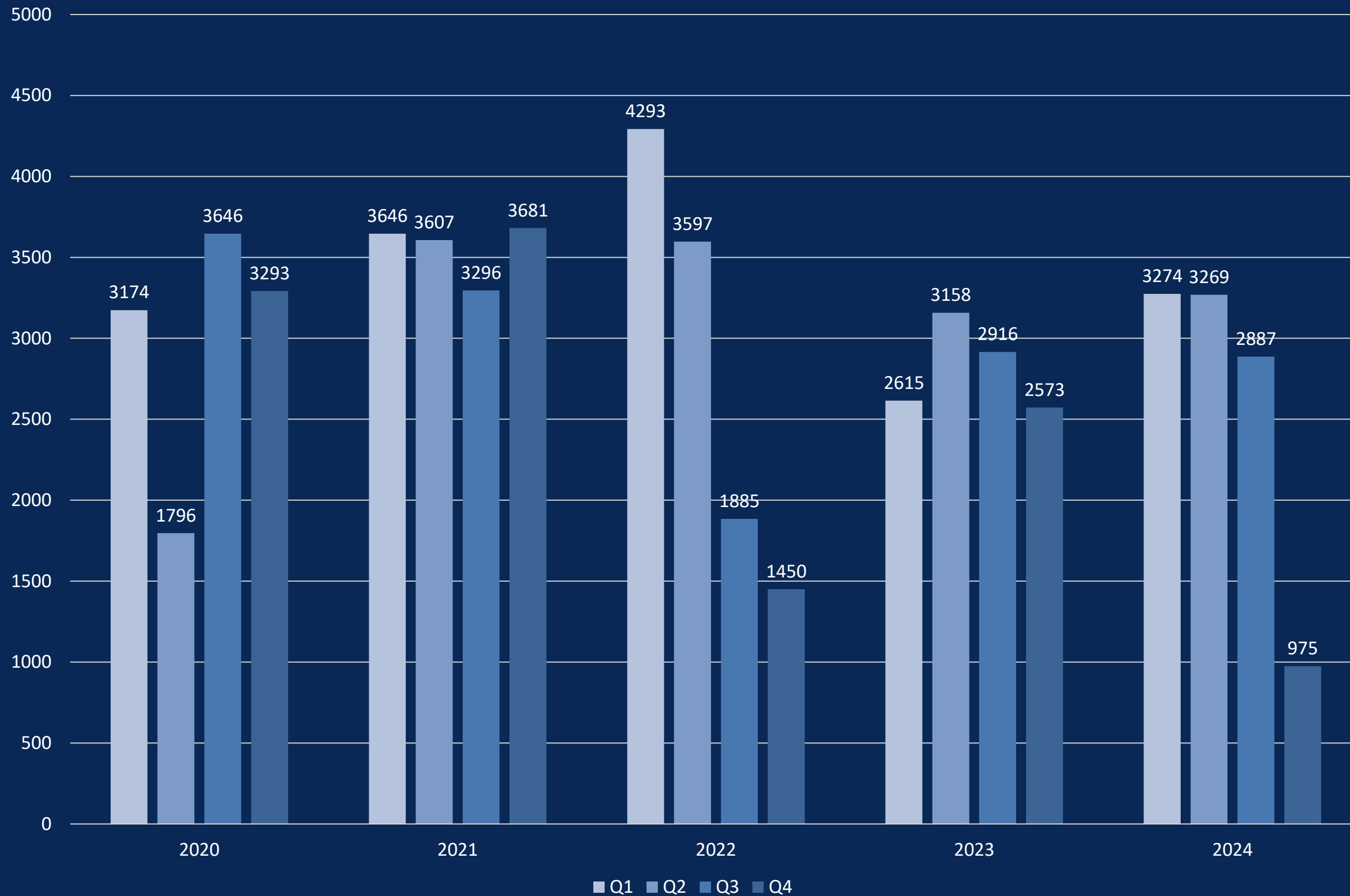
Jobs Created

2.6

Jobs Are supported with each newly built home

Market Update

Permit Assessments Over The Years



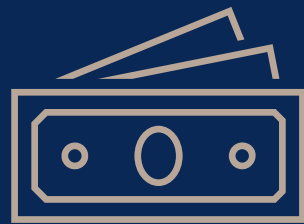
Total Permits
2020: 11,909
2021: 14,230
2022: 11,225
2023: 11,262
2024: 10,405 YTD 12,000
Predicted
2025: 11,500 Projected**

Current Industry Challenges

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- Attainable Housing
 - Land
 - Labor
 - Construction Defect
 - Energy Code Flexibility
 - Utility and Municipal Regulations and Processes
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Attainable Housing

Nevada's Median Household Income



\$70K

Population



3.2 Million



15% over the last 10 years



74% Migration

Home Prices



\$478,000 Median Home Price

Mortgage Rates



5.5%–7.0% over 30 years

Land

Urban Valley 1984



Urban Valley 2024



Southern Nevada Public Land Management Act (SNPLMA) Disposal Boundary

26,000 Acres
of BLM Property
within current
disposal boundary

Lack of Land

Restraints on Available Land

We are averaging about \$1 million per acre across the valley.

This per acre figure is critical in bringing down the average cost of land and the overall housing market pricing.

Support Legislative Resolutions

SNHBA is in support of the federal lands bill that Senator Cortez-Masto has introduced.

We are projected to run out of land for new home development in 8 years or less in Southern Nevada.

Other General Challenges

We are continuing to experience shortfalls in labor. We must support policy that would provide support to careers in the trades.

Generational gaps with less young people working in many of our trades have begun to appear. The Southern Nevada Trades High School, along with our Professional Women in Building Council, encourage young people to pursue careers in the industry.

Construction Defect

The industry will always be vigilant of any changes to Nevada Revised Statutes (NRS) concerning Construction Defect, as this could detrimentally impact our industry.

Energy Code Flexibility

Creating flexibility with energy codes to allow builders to explore more creative energy efficiency measures while balancing with cost.

This can be achieved through the HERS Index model that moves away from prescriptive energy code requirements and allows builders to ultimately look at the overall efficiency of the home rather than inflexible requirements.

Utility and Municipal Regulations and Processes.

Costly regulations and process delays ultimately result in more cost to the builders.

Summary

A quick recap of the presentation.

01 Who SNHBA is.

04 Current Industry Challenges

02 Economic Impact

03 Market Update

Thank you!

Feel free to reach out to us if you have any questions.



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