



Who are NAHB's Builder Members?

June 1, 2014

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Economics and Housing Policy

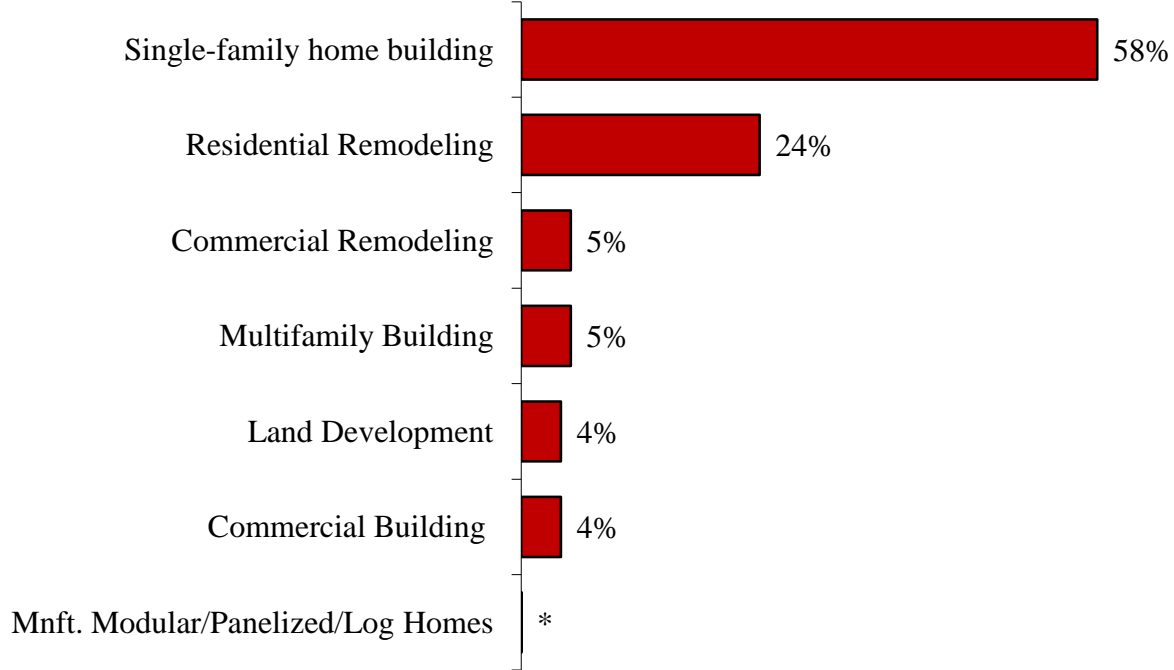
Every year since 2008, the National Association of Home Builders (NAHB) conducts an annual census that collects company and demographic data from its members. It subsequently publishes these results here in HousingEconomics.com.

This article updates previous studies with results from the 2013 annual census on the characteristics of NAHB's builder members. Builder members are defined as those whose primary business is single-family home building, multifamily building, residential or commercial remodeling, commercial building, land development, or manufacturing of modular/panelized/log homes. Associate members include a wide range of supportive industries and professions including, among others, trade contractors, manufacturers, retailers/distributors, designers, and architects. Findings from the 2012 Builder Census can be found [here](#) and Associate Census [here](#). At the end of 2013, 39,817 builder members represented 32 percent of the total NAHB membership. Associate members make up the remaining 68 percent and will be highlighted in a future article.

Over Half of Builder Members Build Single-Family Homes

Fifty-eight percent of NAHB's builder members are primarily single-family builders (spec/tract, custom, or general contracting), 24 percent are residential remodelers, 5 percent commercial remodelers, 5 percent multifamily builders (rental units, condo, or general contracting), 4 percent land developers, 4 percent commercial builders, and less than half a percent manufacturers of modular/panelized/log homes (Exhibit 1).

**Exhibit 1. Share of Builder Members by Primary Business Activity - 2013
(Percent of Respondents)**



*Less than 0.5%

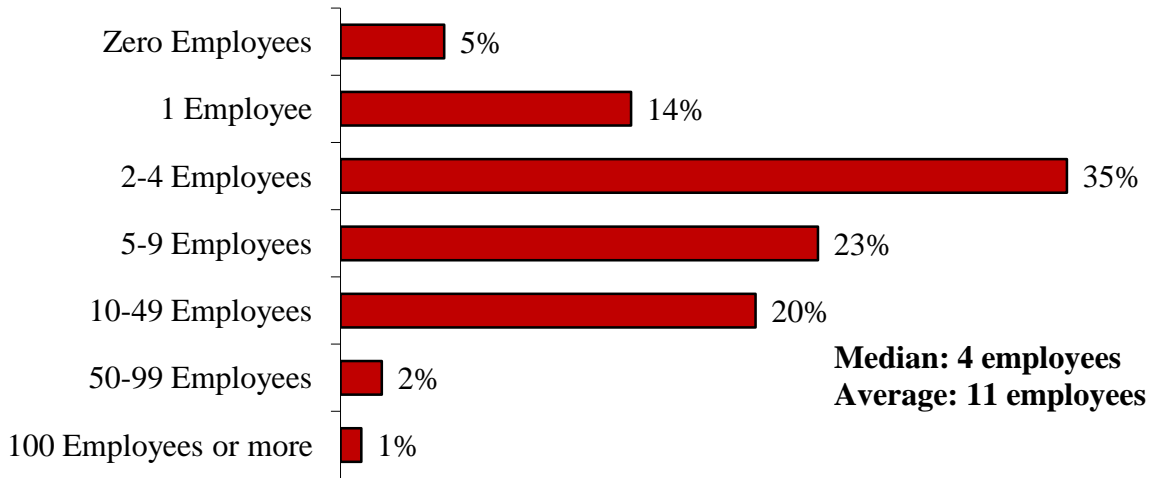
The composition of NAHB's builder membership changed little between 2012 and 2013. The share of builder members reporting residential remodeling as a primary activity has fallen two years in a row, going from 28 percent in 2011, to 26 percent in 2012, and 24 percent in 2013. On the other hand, the share of builder member who are primarily commercial remodelers increased from only 1 percent in 2012, to 5 percent in 2013.

About Half of Builders Have Between 1 and 4 Employees

In 2013, builder members had a median¹ of 4 employees on payroll, 3 construction employees and 1 non-construction employee. Fourteen percent had 1 employee, 35 percent 2 to 4 employees, 23 percent had 5 to 9, 20 percent had 10 to 49, and 3 percent had 50 or more paid employees. Five percent had no payroll at all (Exhibit 2).

¹ This article will use median values, as averages can be inflated by a few high production builders. Medians are largely unaffected by these outliers because it calculates the middle most value, not taking into account how high the highest values are. An increase in a median's value indicates an overall shift of all the builders, not a change in a few large builders.

**Exhibit 2. Total Number of Employees on Payroll - 2013
(Percent of Respondents)**

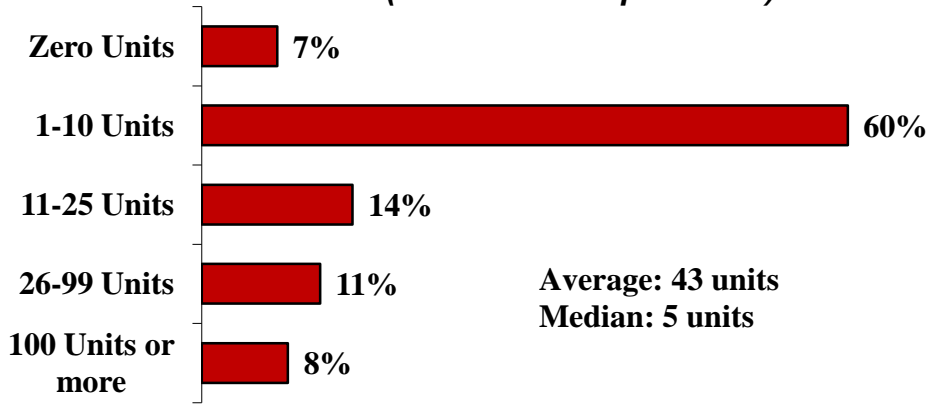


The median number of employees on payroll varies significantly by type of builder member. Manufacturers of modular/panelized/log homes, for example, had the largest payrolls, with a median of 17 employees in 2013, followed by multifamily builders, with a median of 11 employees. In contrast, among land developers and commercial builders, the median number of employees was 7; among commercial remodelers, 5; and among single-family builders and residential remodelers the median number of employees was 4.

Increase in Number of Units Started

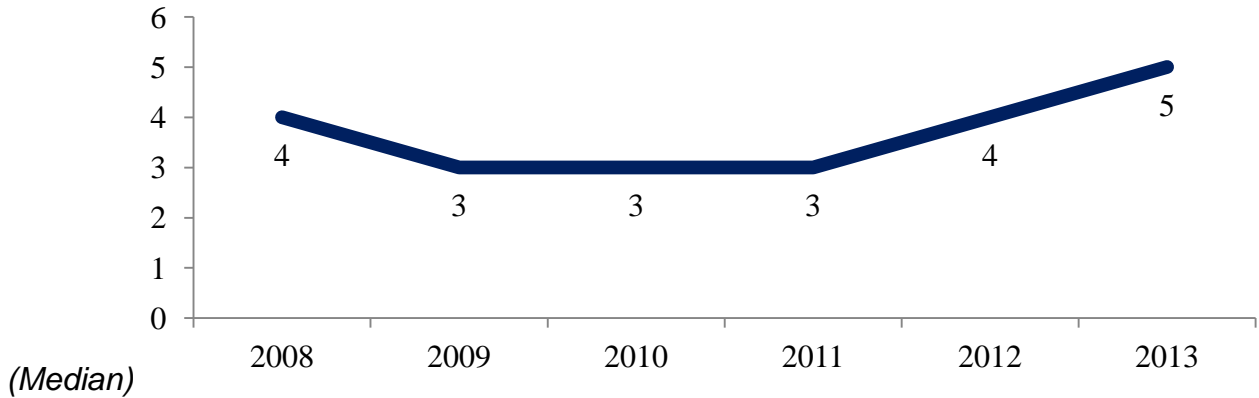
Seven percent of builder members did not start any units in 2013, while 60 percent of builder members started between 1 and 10 units in 2013, 14 percent started 11 to 25 units, 11 percent 26 to 99 units, and 8 percent 100 or more units (Exhibit 3).

**Exhibit 3. Total Number of Housing Starts – 2013
(Percent of Respondents)**



There has been a steady increase in the number of units started over the past few years. In 2009, 2010, and 2011, builders started a median of 3 units, in 2012, 4 units, and in 2013 builder members started a median of 5 units (Exhibit 4).

Exhibit 4. Median Number of Housing Starts – History



As expected, the median number of starts varies significantly across different groups of builder members. Single-family builders, for example, started a median of 5 units in 2013, compared to 24 units among multifamily builders.

Highest Median Dollar Volume Since 2008

The median dollar volume of builder members in 2013 was \$1,752,324, an over half a million dollar increase from 2012 and the highest it has been since the membership census was launched in 2008. Twenty-four percent of builder members reported a 2013 dollar volume of less than \$500,000, 19 percent reported between \$500,000 and \$999,999, 36 percent between \$1.0 million and \$4.9 million, 9 percent between \$5.0 million and \$9.9 million, 4 percent between \$10.0 million and \$14.9 million, and 7 percent reported their dollar volume in 2013 at \$15.0 million or more. One percent of builder members reported no construction activity in 2013 (Exhibit 5 & 6).

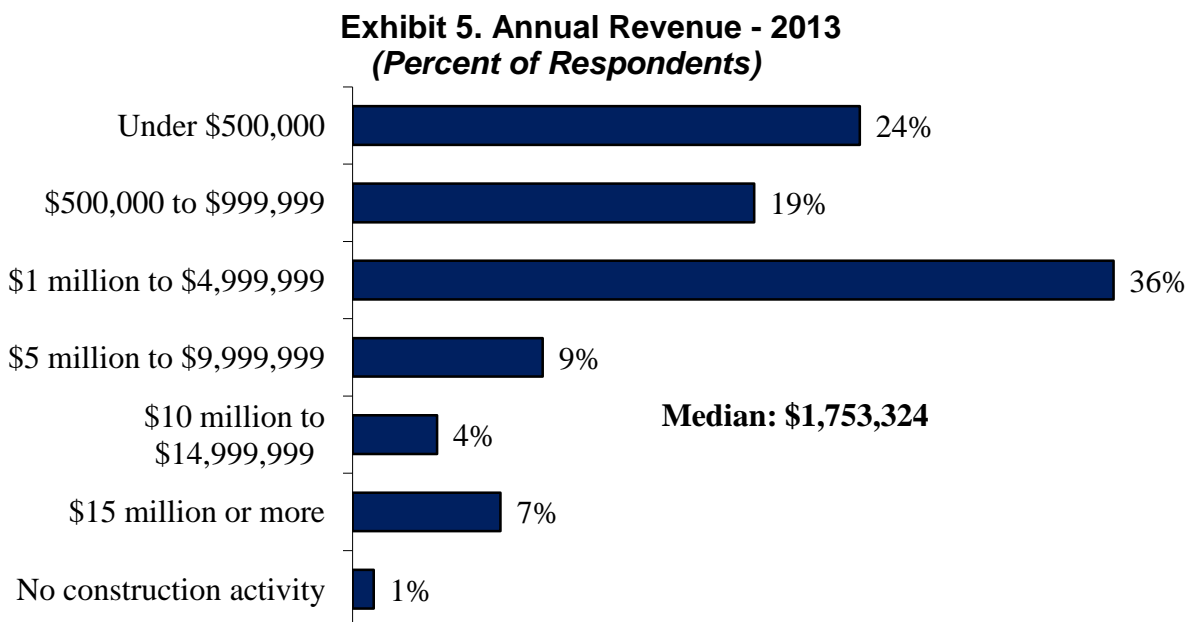
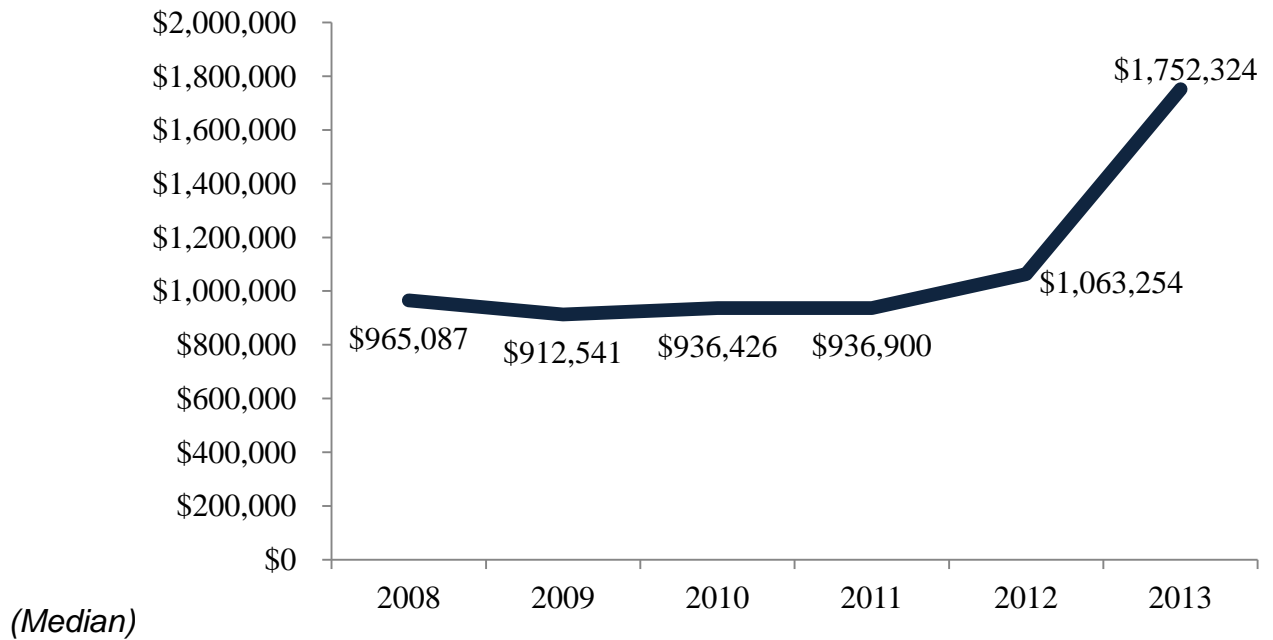


Exhibit 6. Annual Revenue – History

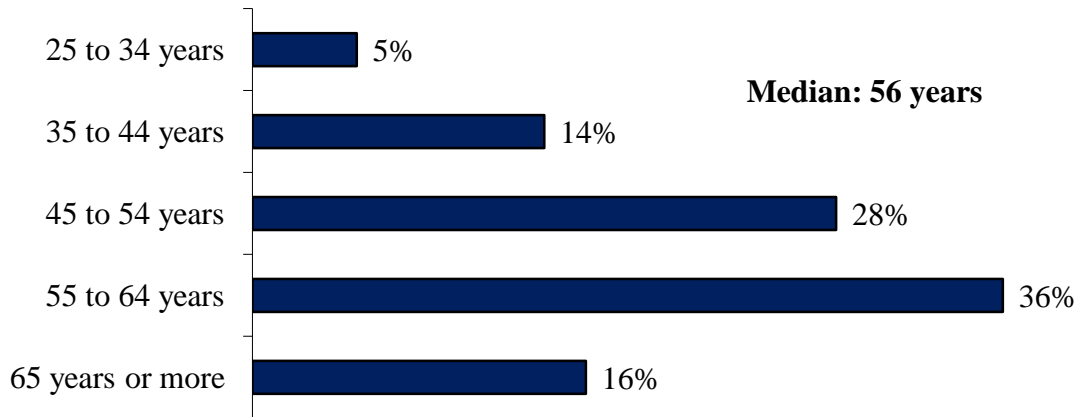


Levels of revenue also vary widely across categories of builder members. Land developers had the highest median revenue in 2013 (\$5.1 million), followed by multifamily builders (\$4.8 million), commercial builders (\$3.2 million), manufacturers of modular/panelized/log homes (\$2.7 million), single-family builders (\$2.4 million), residential remodelers (\$0.9 million), and commercial remodelers (\$0.8 million).

Builder Age, Ethnicity, and Gender

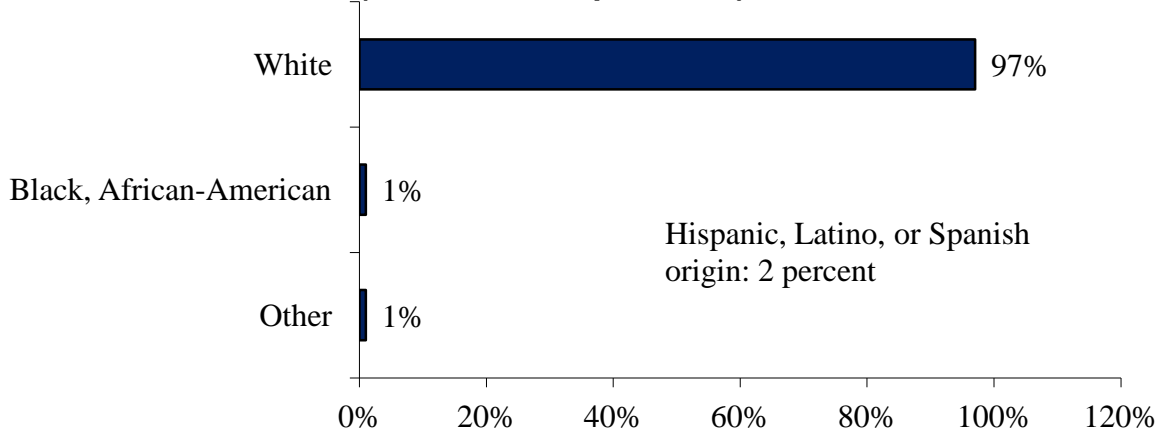
The median age of NAHB builder members in 2013 was 56 years. Just over half of builder members are 55 years of age or older. Of the remaining half, 28 percent are 45 to 54 years of age and 19 percent are younger than 45 years of age (Exhibit 7).

**Exhibit 7. Age - 2013
(Percent of Respondents)**



Ninety-seven percent of members identified themselves as white, alone; 1 percent Black or African-American, alone; and 1 percent some other race. Less than half a percent of builder members selected more than one race on the NAHB census. Two percent of builder members are of Hispanic, Latino, or Spanish origin (Exhibit 8).

**Exhibit 8. Race/Ethnicity
(Percent of Respondents)**

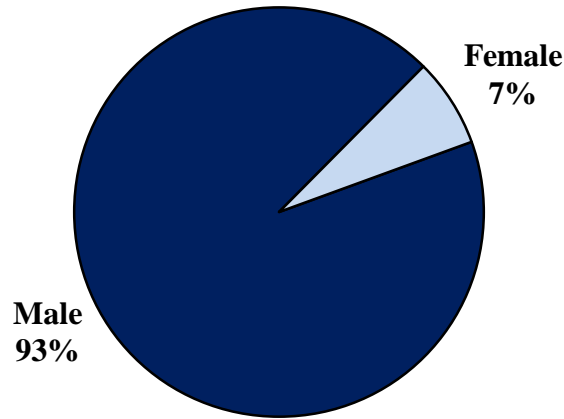


Note: Less than 0.5% reported being Asian; Pacific Islander; or American Indian or Alaska Native

Regardless of the type of company, the share of builder members who identify themselves as white, alone never drops below 93 percent, and the share of those with a Hispanic, Latino, or Spanish origin never rises above 5 percent.

The share of female builder members has been 7 percent since 2010 (Exhibit 9). The share of women varies significantly by the type of activity the company is primarily involved with. Fifty-nine percent of manufacturers of modular/panelized/log homes are female, compared to 15 percent of land developers, 10 percent of multifamily builders, 8 percent of commercial builders, 7 percent of residential remodelers, 6 percent of single-family builders, and only 5 percent of commercial remodelers.

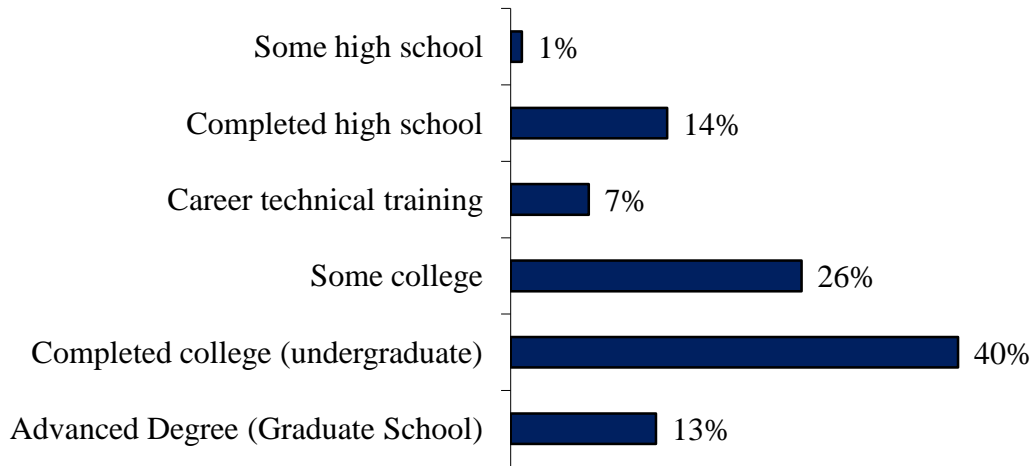
Exhibit 9. Gender - 2013
(Percent of Respondents)



Over Half of Builder Members Have a Degree

Since 2008, the share of NAHB builder members with a college or advanced degree has remained just above 50 percent. In 2013, only 1 percent did not finish high school. Fourteen percent completed high school, 7 percent have career technical training, and 26 percent have had some college education (Exhibit 10).

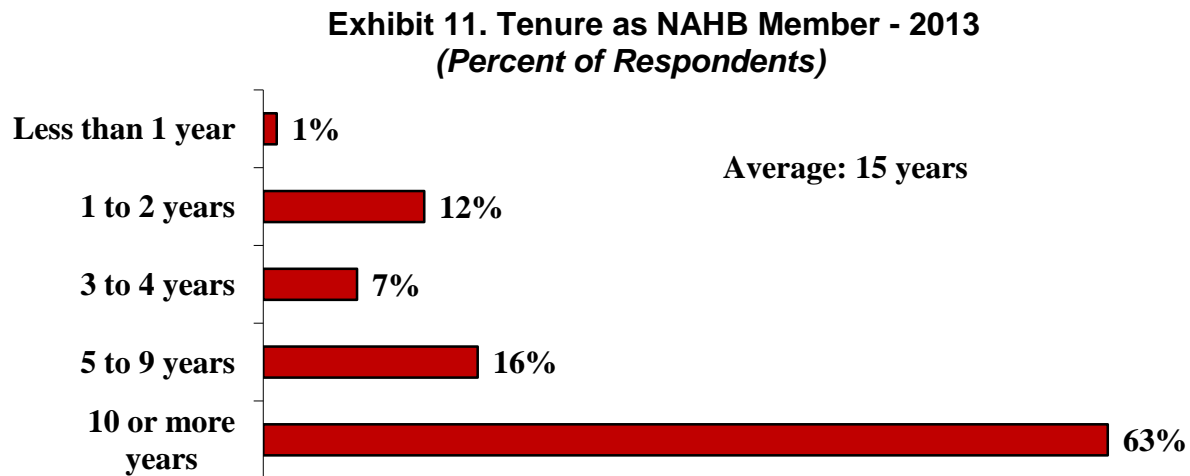
Exhibit 10. Education - 2013
(Percent of Respondents)



The share of builder members with a degree (either undergraduate or graduate) differs across builder categories. Less than 50 percent of remodelers, both commercial (49 percent) and residential (45 percent), have a degree, while, in contrast, two-thirds of both land developers and multifamily builders have a degree.

Almost Two-Thirds Have Been Members for a Decade or More

Sixty-three percent of builder members have been NAHB members for more than a decade. Sixteen percent have been members 5 to 9 years, and 20 percent have been members for 4 years or less (Exhibit 11).



A profile for each category of builder member is available in the “Additional Resources” box at the top of this article.

PROFILES BY BUILDER MEMBER TYPE

Single Family Builder in 2013

	2008	2009	2010	2011	2012	2013
Number of Single-family builders	45,198	31,630	27,512	24,159	23,520	18,973

Company Profile

1. No. of employees on payroll (*Average*):

Construction Employees	5.7
Non-construction Employees	4.3
Total	10.0

(Two percent of single family builders have 50-99 employees and 1 percent have 100 employees or more.)

2. No. of units Started (<i>Average</i>):	Single Family	27.0
	Multifamily	4.8
	Total	31.8

(Five percent of single family builders started 100 to 499 units and 1 percent started 500 units or more.)

3. Dollar volume of company's business activity (<i>Median</i>):	\$2,403,988
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(Eight percent of the single family builders had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+:	18%
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Member Profile

- No. of years as a member of NAHB (*Average*): 15 years
- Age (*Median*): 54 years
- Sex: Male: 94%
Female: 6%
- Race/Ethnicity: White: 97%
Hispanic: 3%
- Education: 54 percent of the single family builders responding have completed college or have an advanced degree and 24 percent have some college education.

Residential Remodeler in 2013

	2008	2009	2010	2011	2012	2013
Number of Residential Remodelers	12,885	13,645	11,484	11,986	10,364	8,078

Company Profile

1. No. of employees on payroll (Average):

Construction Employees	4.3
Non-construction Employees	3.4
Total	7.7

(One percent of residential remodelers have 50 or more employees.)

2. No. of units Started (Average):

Single Family	4.1
Multifamily	0.0
Total	4.2

(Three percent of residential remodelers started 26 to 99 units, and none started more than 99 units.)

3. Dollar volume of company's construction (Median): \$906,773

(One percent of residential remodelers had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: 15%

Member Profile

1. No. of years as a member of NAHB (Average): 15 years

2. Age (Median) 56 years

3. Sex: Male: 93%
Female: 7%

4. Race/Ethnicity: White: 98%
Hispanic: 1%

5. Education 45 percent of remodelers have completed college or have an advanced degree and another 29 percent have some college education

Commercial Builder in 2013

	2008	2009	2010	2011	2012	2013
Number of Commercial Builders	3,177	2,491	2,603	2,347	2,028	1,487

Company Profile

1. No. of employees on payroll (Average):

Construction Employees	13.1
Non-construction Employees	5.6
Total	18.7

(Five percent of commercial builders have 50 to 99 employees and 3 percent have 100 or more employees.)

2. No. of units Started (Average):

Single Family	4.7
Multifamily	53.3
Total	58.0

(Five percent of commercial builders started 500 units or more.)

3. Dollar volume of company's revenue (Median): **\$3,209,695**

(Eleven percent of commercial builders had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: **15%**

Member Profile

1. No. of years as a member of NAHB (Average): **15 years**
2. Age (Median) **57 years**
3. Sex: **Male: 92%**
Female: 8%
4. Race/Ethnicity: **White: 93%**
Hispanic: 1%
5. Education **59 percent of commercial builders have completed college or have an advanced degree and another 24 percent have some college education**

Land Developer in 2013

	2008	2009	2010	2011	2012	2013
Number of Land Developers	2,972	2,709	1,928	1,630	1,588	1,346

Company Profile

1. No. of employees on payroll (Average):

Construction Employees	9.6
Non-construction Employees	8.9
Total	18.4

(Five percent of land developers have 50-99 employees and another 4 percent have 100 or more employees.)

2. No. of units Started (Average):

Single Family	27.0
Multifamily	16.9
Total	43.8

(Eleven percent of land developers started 100-499 units and none built more than 499 units.)

3. Dollar volume of company's revenue (Median): **\$5,115,389**

(Thirty percent of land developers had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: **10%**

Member Profile

1. No. of years as a member of NAHB **19 years** (Average):

2. Age (Median) **58 years**

3. Sex: **Male: 85%** **Female: 15%**

4. Race/Ethnicity: **White: 98%** **Hispanic: 0%**

5. Education **66 percent of land developers have completed college or have an advanced degree and another 22 percent have some college education**

Multifamily Builder in 2013

	2008	2009	2010	2011	2012	2013
Number of Multifamily builders	3,006	2,633	1,702	1,445	1,423	1,853

Company Profile

1. No. of employees on payroll (Average):

Construction Employees	12.7
Non-construction Employees	16.6
Total	29.2

(Ten percent of multifamily builders have 50 to 99 employees and 5 percent have 100 employees or more.)

2. No. of units Started (Average):

Single Family	41.1
Multifamily	137.4
Total	178.5

(Twenty-two percent of the multifamily builders started 100 to 499 units while 12 percent started 500 or more units)

3. Dollar volume of company's construction (Median): \$4,817,690

(Twenty-seven percent of the multifamily builders had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: 35%

Member Profile

1. No. of years as a member of NAHB (Average): 16 years

2. Age (Median) 56 years

3. Sex: Male: 90%
Female: 10%

4. Race/Ethnicity: White: 97%
Hispanic: 3%

5. Education 66 percent of multifamily builders responding have completed college or have an advanced degree and another 27 percent have some college education.

Commercial Remodeler in 2013

	2008	2009	2010	2011	2012	2013
Number of Commercial Remodelers	661	973	714	700	573	1,625

Company Profile

1. No. of employees on payroll (Average):

Construction Employees	7.4
Non-construction Employees	3.5
Total	10.9

(One percent of the commercial remodelers have 50 to 99 employees and 2 percent have 100 or more employees.)

2. No. of units Started (Average):

Single Family	8.9
Multifamily	0.4
Total	9.3

(None of the commercial remodelers started more than 10 units)

3. Dollar volume of company's construction (Median): \$846,693

(Six percent of commercial remodelers had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: 9%

Member Profile

1. No. of years as a member of NAHB (Average): 17 years

2. Age (Median) 58 years

3. Sex: Male: 95%
Female: 5%

4. Race/Ethnicity: White: 98%
Hispanic: 5%

5. Education 49 percent of commercial remodelers responding have completed college or have an advanced degree and another 25 percent have some college education.

Manufacturers of Modular/Panelized/Log Homes in 2013

	2008	2009	2010	2011	2012	2013
Number of Manufacturers of Modular/Panelized/Log Homes	273	431	278	177	244	93

Company Profile

1. No. of employees on payroll (Average):

Construction Employees	6.6
Non-construction Employees	11.5
Total	18.1

(None of the manufacturers of modular/panelized/log homes have 50 or more employees.)

2. No. of units Started (Average):

Single Family	17.6
Multifamily	0.0
Total	17.6

(None of the manufacturers of modular/panelized/log homes started 100 units or more.)

3. Dollar volume of company's revenue (Median): **\$2,724,518**

(None of the manufacturers of modular/panelized/log homes had \$5 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: **24%**

Member Profile

1. No. of years as a member of NAHB (Average): **19 years**

2. Age (Median) **60 years**

3. Sex: **Male: 41%**
Female: 59%

4. Race/Ethnicity: **White: 100%**
Hispanic: 0%

5. Education **59 percent of manufacturers of modular/panelized/log homes have completed college and another 28 percent have some college education**