

Who Are NAHB's Associate Members?

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Economics and Housing Policy

National Association of Home Builders

Starting in 2008, the National Association of Home Builders (NAHB) has conducted an annual census to collect company and demographic data from its members. Results are subsequently published here in HousingEconomics.com.

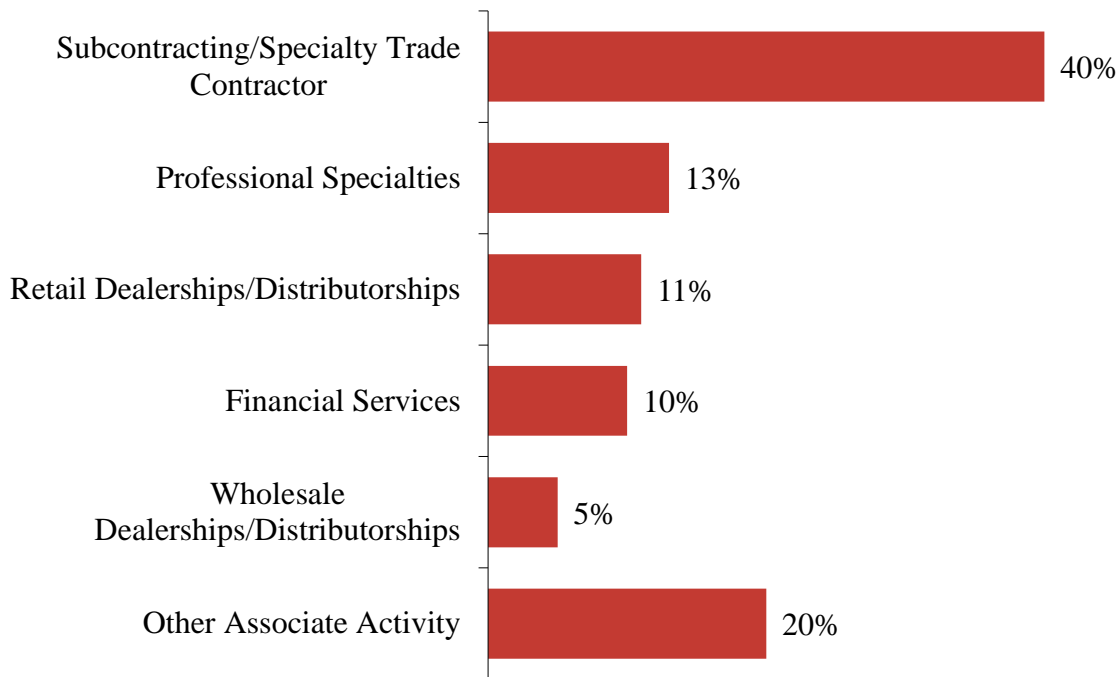
This article updates previous findings with results from the 2018 annual census on the characteristics of NAHB's associate members. Associate members are involved in a wide range of support industries and professions including, among others, trade contractors, manufacturers, retailers/distributors, designers, and architects. 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. At the end of 2018, 79,867 associate members represented 68 percent of the total NAHB membership. Builder members make up the remaining 32 percent and an article highlighting them will be published next month on housingeconomics.com.

40% of Associate Members are Subcontractors/Specialty Trade Contractors

Associate members could self-identify as one of 42 specialties when selecting a primary activity. These activities are grouped into 6 broader categories: 40 percent of associate members are subcontractors/specialty trade contractors, 13 percent have a professional specialty, 11 percent are retail dealers/distributors, 10 percent work in financial services, and 5 percent are wholesale dealers/distributors. Twenty percent of members listed some 'other associate' activity (such as manufacturing or real estate) as their primary business activity (Exhibit 1).

Exhibit 1. Share of Associate Members by Primary Business Activity - 2018

(Percent of Respondents)



The share of associate members involved in any one of the 42 activities did not change significantly from 2017 to 2018 (Exhibit 2). A look back at the history of the series shows that subcontractors have gone from representing 34 percent of all associate members in 2008 to 40 percent in 2018, professional specialties have stayed at 12 or 13 percent for much of the series, retail dealers/distributors at 10 to 13 percent, financial services at 7 to 10 percent, wholesale dealers/distributors at 3 to 6 percent, and associate members in ‘other’ activities have represented 15 to 23 percent of all associate members during this period.

Exhibit 2. Primary Business Activity – HISTORY

(Percent of Respondents)

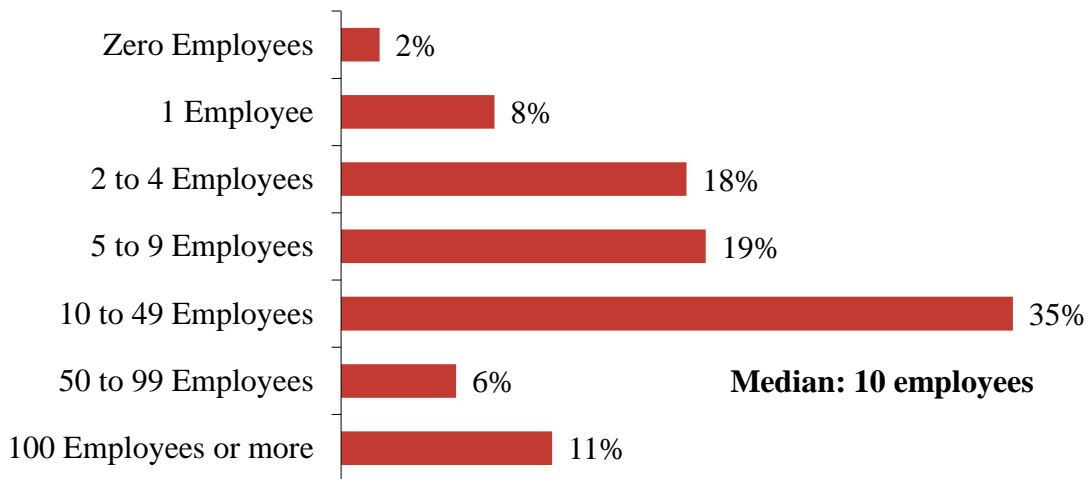
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<i>Subcontracting/Specialty Trade Contractor</i>	34%	39%	43%	39%	40%	39%	36%	40%	41%	41%	40%
Carpentry work	3	3	4	4	4	3	3	4	4	3	4
Electrical work	3	3	4	3	3	3	2	3	3	3	3
Masonry, Stone Work, Tile Setting and Landscaping	3	3	3	3	3	3	2	2	2	3	2
Plumbing, Heating and Air conditioning	2	2	2	2	3	2	2	2	2	3	3
Roofing, Siding and Sheet Metal Work	5	6	7	4	6	7	6	6	7	7	6
Painting and Paper Hanging	2	2	3	3	3	3	2	2	3	3	2
Floor Laying and Other Floor Work	2	1	3	2	2	2	2	2	2	2	2
Concrete Work	1	1	2	2	1	1	1	2	1	1	1
Excavation Work	2	2	3	2	3	2	2	2	3	2	3
Insulation Work	2	1	2	2	2	2	1	2	2	2	2
Drywall Installation	NA	NA	NA	NA	1	1	1	1	1	1	1
Security Systems	NA	NA	NA	NA	1	1	1	1	1	1	1
Home Technology	1	*	1	1	1	1	1	1	1	1	1
Other Subcontracting	NA	NA	NA	NA	NA	NA	NA	1	1	1	1
	10	14	10	12	8	7	8	8	9	8	9
<i>Professional Specialties</i>	12	18	12	12	13	13	13	13	13	12	13
Accounting	1	2	2	1	1	1	1	1	2	1	1
Architecture	2	2	2	1	2	2	2	2	2	2	2
Engineering	3	4	3	1	3	3	3	3	3	3	3
Planning or Designing	2	4	2	4	2	3	3	2	2	2	2
Legal Services	1	2	1	1	1	1	2	1	2	2	1
Computer Products and Services	*	*	*	*	*	*	*	*	*	*	*
Marketing, Advertising or Public Relations	3	4	2	2	2	2	2	2	2	2	2
Land Surveyor	*	1	*	1	1	1	*	*	*	*	*
<i>Retail Dealerships/Distributorships</i>	13	11	11	10	11	11	10	12	11	11	11
Retail Appliances	1	1	1	1	1	1	1	1	1	1	1
Retail Building Materials/Lumber	4	4	5	3	4	4	4	4	4	4	4
Retail Floor Coverings	2	1	2	1	2	2	1	2	2	2	2
Retail Paint/Wall Coverings	1	*	*	1	*	*	*	*	*	*	*
Other Retail Dealership	5	5	4	5	4	4	4	5	4	4	4
<i>Financial Services</i>	8	10	8	7	9	10	10	10	9	9	10
Commercial Banking/Thrift Institution	2	3	2	1	2	2	2	2	2	2	2
Mortgage Banking	2	2	2	2	2	3	3	3	3	3	3
Insurance or Title Company	4	5	5	4	5	5	5	5	4	4	5
<i>Wholesale Dealerships/ Distributorships</i>	3	5	5	5	6	5	6	5	5	5	5
Wholesale Appliances	*	1	1	*	1	*	*	*	*	*	*
Wholesale Building Materials/Lumber	1	2	2	2	2	2	2	2	2	2	1
Wholesale Floor Coverings	*	*	1	1	*	1	1	1	1	1	*
Wholesale Paint/Wall Coverings	*	*	*	*	*	*	*	*	*	*	*
Other Wholesale Dealership	2	2	2	2	2	2	2	2	2	2	2
<i>Other Associate Activity</i>	19	15	19	16	21	22	23	19	20	22	20
Manufacturing	6	3	3	2	4	4	4	3	4	4	4
Property Management	1	1	1	1	1	1	1	1	1	1	1
Real Estate	3	3	3	3	3	3	4	3	3	4	4
Utilities	1	1	2	2	2	2	2	1	1	2	1
Industry Consultant	NA	NA	NA	1	1	1	1	1	1	1	1
Trade Associate/Non-Profit	NA	NA	NA	1	1	1	1	1	1	1	1
Other	7	7	10	7	10	10	11	9	9	9	9
No Primary Activity Listed	NA	NA	NA	10	1	1	1	1	1	1	1

*Less than 0.5%

52% of Associates Have 10 or More Employees

In 2018, associate members had a median¹ of 10 employees on payroll. The median number of employees has varied from 10 to 11 since 2015. Eight percent of associate members had 1 employee, 18 percent had 2 to 4 employees, 19 percent had 5 to 9, 35 percent had 10 to 49, 6 percent had 50 to 99 employees, and 11 percent had 100 or more employees. Two percent had no payroll at all (Exhibit 3).

Exhibit 3. Total Number of Employees on Payroll - 2018
(Percent of Respondents)



The median number of employees on an associate member's payroll varies significantly by the company's primary activity. For example, associates who work in financial services reported a median of 22 paid employees in 2018, compared to a median of 7 employees among those in professional specialties, 10 among subcontractors/specialty trade contractors, and 12 among retail dealers/distributors.

¹ This article will use median values, as averages can be inflated by large companies. 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 associate members, not a change in a few large associate members.

Median Dollar Volume Dips Slightly in 2018

The median dollar volume of associate members was \$2.5 million in 2018, slightly down from a median of \$2.6 million in 2017. Twenty-four percent of associate members reported a 2018 dollar volume of less than \$500,000, 15 percent reported between \$500,000 and \$999,999, 31 percent between \$1.0 million and \$4.9 million, 10 percent between \$5.0 million and \$9.9 million, 4 percent between \$10.0 million and \$14.9 million, and 16 percent reported their dollar volume in 2018 at \$15.0 million or more. One percent of associate members reported no business activity in 2018 (Exhibit 4 & 5).

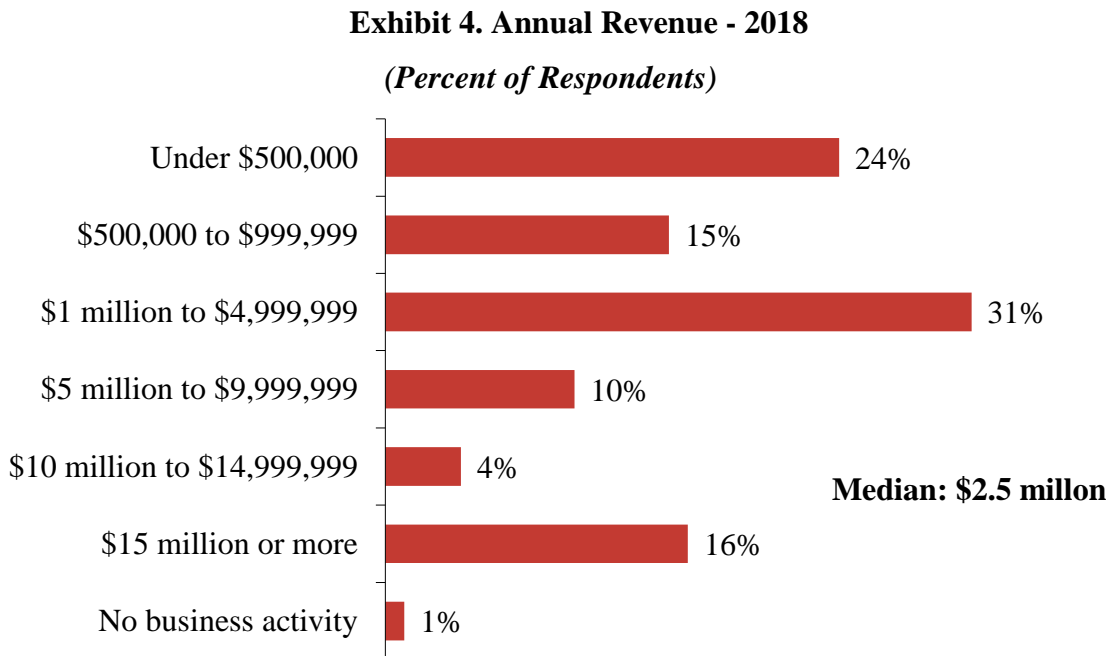
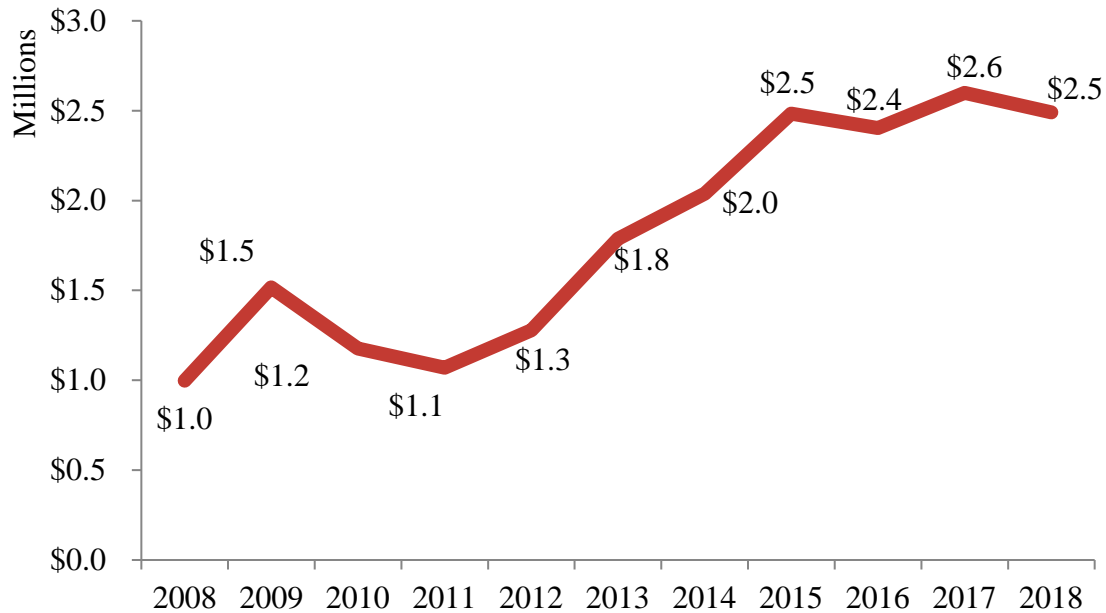


Exhibit 5. Annual Revenue – HISTORY

(Median, millions of dollars)



Levels of revenue also vary widely across primary activity categories. For example, financial service members reported a median of \$11.6 million in 2018 revenue, compared to \$1.0 million for professional specialty members, \$1.4 million for subcontractor/specialty trade contractor members, \$2.6 million for members involved in some other associate activity, \$4.0 million for retail dealership/distributor members, and \$9.8 million for wholesale dealerships/distributorships.

Age, Race and Ethnicity

The median age of NAHB associate members in 2018 was 55 years. Six percent of associate members were less than 35 years old, 15 percent were 35 to 44, 27 percent were 45 to 54, 36 percent were 55 to 64, and 16 percent were 65 or older (Exhibit 6). The typical associate member was slightly younger in 2018 than in 2017 (55 vs. 56 years old), the first-time associates' median age has fallen since the inception of the series in 2008 (Exhibit 7).

Exhibit 6. Age - 2018
(Percent of Respondents)

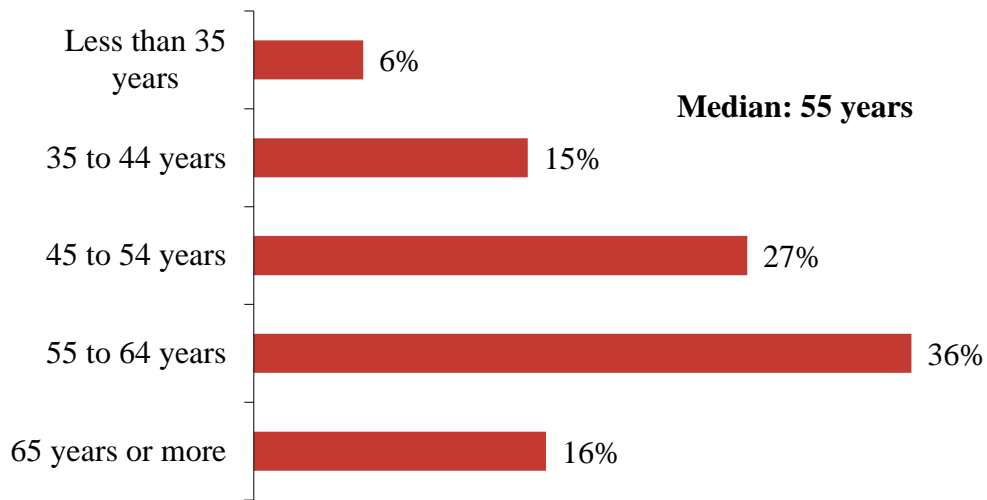
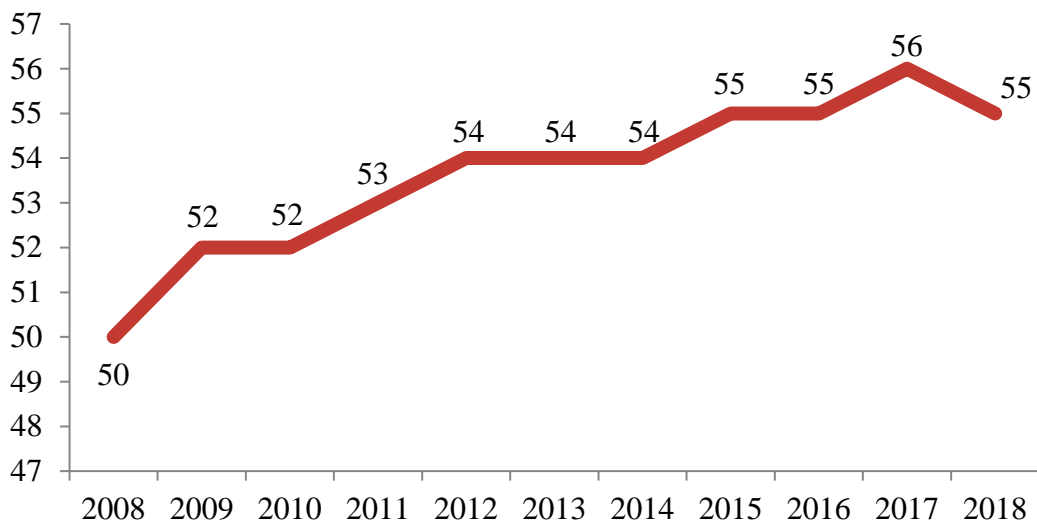


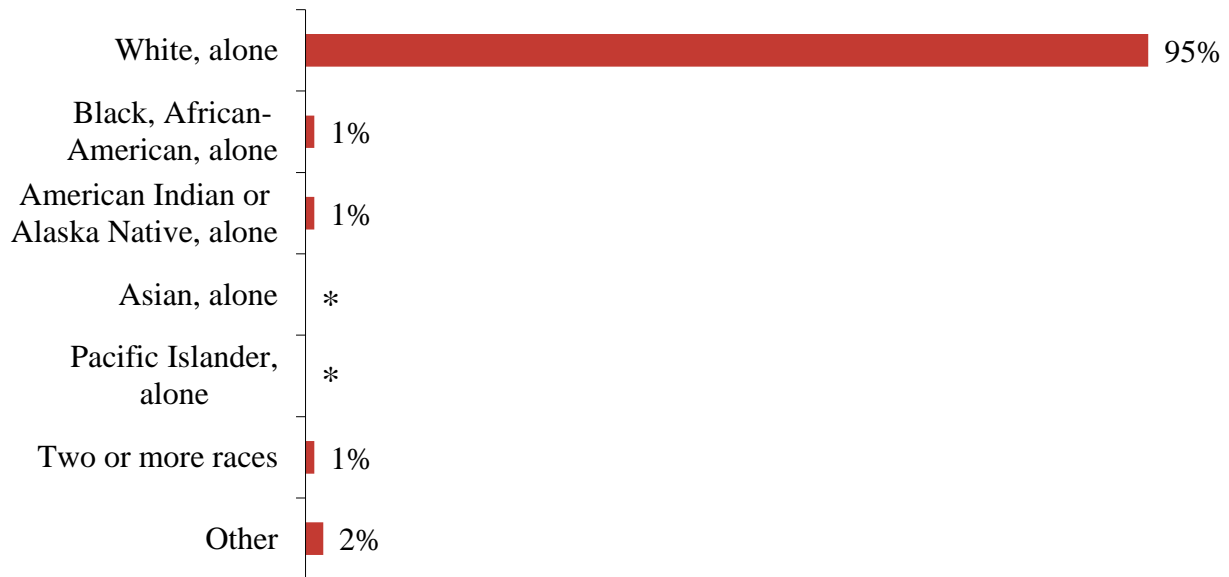
Exhibit 7. Median Age - HISTORY
(Percent of Respondents)



The vast majority of NAHB's associate members are White. Ninety-five percent of associate members identified themselves as White, alone; while only 1 percent each identified themselves as Black or African-American, alone; and American Indian or Alaska Native, alone. Less than half a percent identified as Asian, alone; and Pacific Islander, alone. Another 1 percent identified themselves as having two or more races. Two percent of associate members identified

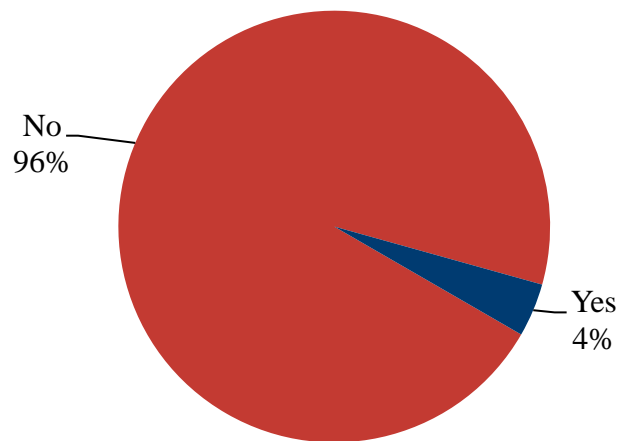
as belonging to some 'other race' (Exhibit 8). In terms of ethnicity, only 4 percent of associates are of Hispanic, Latino, or Spanish origin (Exhibit 9).

Exhibit 8. Race - 2018
(Percent of Respondents)



**Less than 0.5 percent reported being either Asian, alone; and Pacific Islander, alone.*

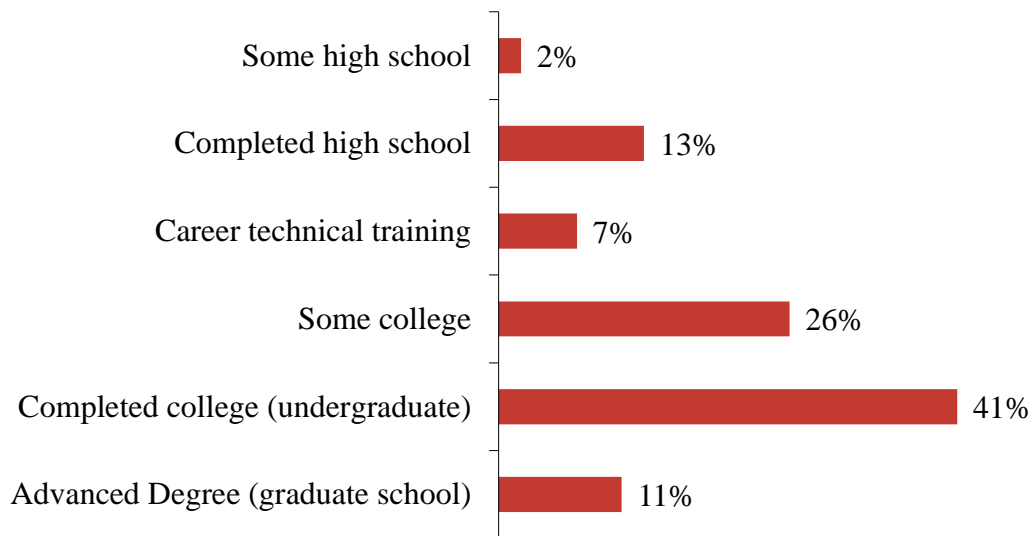
Exhibit 9. Ethnicity: Are you of Hispanic, Latino, or Spanish Origin? - 2018
(Percent of Respondents)



52% of Associate Members Have a Bachelor's Degree or Higher

Since 2008, the share of NAHB associate members with a college or advanced degree has been at or above 50 percent. In 2018, 2 percent reported that they did not finish high school. Thirteen percent completed high school, 7 percent have career technical training, 26 percent have had some college education, 41 percent finished college, and 11 percent have an advanced/graduate degree (Exhibit 10).

Exhibit 10. Education - 2018



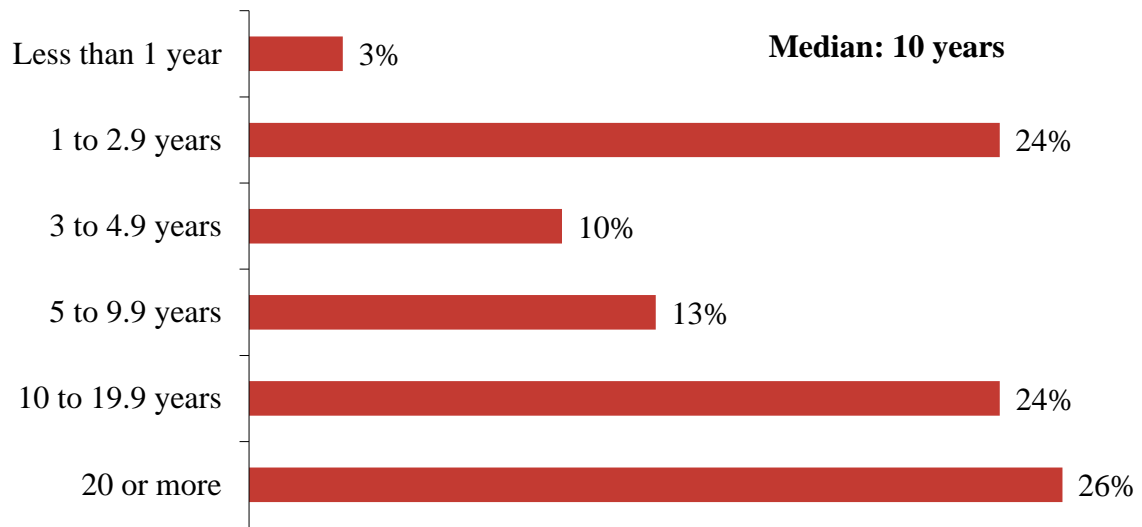
(Percent of Respondents)

The share of associate members with a college or graduate degree varies across companies' primary activities. Seventy-nine percent of professional specialty members have a degree, compared to 35 percent of subcontractor/specialty trade contractors, 47 percent of retail dealership/distributorship members, 54 percent of wholesale dealership/distributorship members, 61 percent of members in some other associate activity, and 71 percent of members in financial services.

Half Have Been Members for a Decade or More

In 2018, associate members reported belonging to NAHB for a median of 10 years, unchanged since 2015. Twenty-seven percent have been members for less than 3 years, 23 percent for 3 to 9 years, 24 percent for 10 to 19 years, and 26 percent for 20 years or more (Exhibit 11).

Exhibit 11. Tenure as NAHB Member - 2018
(Percent of Respondents)



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

PROFILES BY ASSOCIATE MEMBER CATEGORY

Subcontracting/Specialty Trade Contractors in 2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of members	49,382	44,351	42,070	34,574	30,974	32,160	28,802	32,441	33,795	31,639	32,148

Company Profile

1. Primary business activities covered are: Carpentry work, Electrical work, Masonry, Stone work, Tile setting and Plastering, Landscaping, Plumbing, Heating and Air Conditioning, Roofing, Siding and Sheet Metal Work, Painting and Paper Hanging, Floor laying and other Floor work, Concrete work, Excavation work, Insulation work, Drywall Installation, Security Systems, Home Technology, and Other Subcontracting.

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

Construction Employees:	29.6
Non-construction Employees:	13.8
Total:	43.4

(Five percent of the subcontracting/specialty trade contractors have 50 to 99 employees and 6 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$1,360,943**

(Seven percent of the subcontracting/specialty trade contractors had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Average): **12 years**

2. Age (Median): **54 years**

3. Gender: **Male: 84%**
Female: 16%

4. Race/Ethnicity: **White: 94%**
Hispanic: 5%

5. Education: **35 percent of subcontracting/special trade contractors have completed college or have an advanced degree and 29 percent have some college education.**

Professional Specialty Members in 2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of members	18,242	19,609	12,652	10,789	10,754	10,502	10,744	10,265	10,261	9,512	10,286

Company Profile

1. Primary business activities covered are: Accounting, Architecture, Engineering, Planning or Designing, Legal Services, Computer Products and Services, Marketing, Advertising or Public Relations, and Land Surveyor.

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

Construction Employees:	20.0
Non-construction Employees:	60.7
Total:	80.8

(Six percent of the professional specialty members have 50 to 99 employees and 11 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$976,171**

(Eleven percent of the professional specialty members had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Average): **12 years**

2. Age (Median): **56 years**

3. Gender: **Male: 72%**
Female: 28%

4. Race/Ethnicity: **White: 95%**
Hispanic: 3%

5. Education: **79 percent of professional specialty members have completed college or have an advanced degree and 15 percent have some college education.**

Retail Dealership/Distributors in 2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of members	18,776	13,009	11,014	9,182	8,939	9,090	8,719	9,782	8,790	8,308	8,721

Company Profile

1. Primary business activities covered are: Retail Appliances, Retail Building Materials/Lumber, Retail Floor Coverings, Retail Paint/Wall Coverings and Other Retail Dealerships.

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

Construction Employees:	9.6
Non-construction Employees:	48.4
Total:	58.0

(Eight percent of the retail dealerships/distributors have 50 to 99 employees and 9 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$4,016,180**

(Twenty-one percent of retail dealerships/distributors had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Average): **14 years**

2. Age (Median): **56 years**

3. Gender: **Male: 77%**
Female: 23%

4. Race/Ethnicity: **White: 97%**
Hispanic: 2%

5. Education: **47 percent of retail dealerships/distributors have completed college or have an advanced degree and 33 percent have some college education.**

Financial Services Members in 2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of members	11,974	11,197	8,340	6,492	7,508	8,426	8,710	8,492	7,714	7,180	7,941

Company Profile

1. Primary business activities covered are: Commercial Banking/Thrift Institution, Mortgage Banking and Insurance or Title Company.

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

Construction Employees:	20.2
Non-construction Employees:	347.6
Total:	367.8

(Seven percent of financial services members have 50 to 99 employees and 31 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$11,618,928**

(Forty-six percent of financial services members had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Average): **13 years**

2. Age (Median): **56 years**

3. Gender: **Male: 67%**
Female: 33%

4. Race/Ethnicity: **White: 96%**
Hispanic: 3%

5. Education: **71 percent of financial services members have completed college or have an advanced degree and 20 percent have some college education.**

Wholesale Dealerships/Distributors in 2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of members	5,676	6,734	5,453	4,300	4,759	4,384	4,644	4,466	3,889	3,685	3,828

Company Profile

1. Primary business activities covered are: Wholesale Appliances, Wholesale Building Materials/Lumber, Wholesale Floor Coverings, Wholesale Paint/Wall Coverings and Other Wholesale Dealerships.

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

Construction Employees:	69.1
Non-construction Employees:	90.0
Total:	159.1

(Twelve percent of the wholesale dealerships/distributors have 50 to 99 employees and 20 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$9,750,643**

(Thirty-six percent of wholesale dealerships/distributors had \$15 million or more in business activity.)

Member Profile

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

2. Age (Median): **55 years**

3. Gender: **Male: 82%**
Female: 18%

4. Race/Ethnicity: **White: 96%**
Hispanic: 3%

5. Education: **54 percent of wholesale dealerships/distributors have completed college or have an advanced degree and 31 percent have some college education.**

Other Associate Activity Members in 2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of members	40,153	16,980	18,353	14,410	17,240	18,011	19,054	15,591	16,115	16,295	16,146

Company Profile

1. Primary business activities covered are: Manufacturing, Property Management, Real Estate, Utilities, Industry Consultant, Trade Association/Non-Profit, and Other Associate Activities

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

Construction Employees:	20.5
Non-construction Employees:	147.4
Total:	167.9

(Eight percent of other associate members have 50 to 99 employees and 14 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$2,612,322**

(Nineteen percent of other associate members had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Average): **13 years**

2. Age (Median): **57 years**

3. Gender: **Male: 73%**
Female: 27%

4. Race/Ethnicity: **White: 96%**
Hispanic: 3%

5. Education: **61 percent of other associate members have completed college or have an advanced degree and 25 percent have some college education.**