

Southern Arizona Home Builders Association

# NAHB News



January 2025

## Single-Family Starts Up, Multifamily Down in November

Ongoing lean levels of single-family existing home inventory helped to boost single-family production last month, while overall production fell because of a double-digit percentage drop in multifamily output.



### Overall housing starts

**decreased** 1.8% in November to a seasonally adjusted annual rate of 1.29 million units, according to a report from HUD and the U.S. Census Bureau.

The November reading of 1.29 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts increased 6.4% to a 1.01 million seasonally adjusted annual rate. On a year-to-date basis, single-family construction is up 7.2%. The multifamily sector, which includes apartment buildings and condos, decreased 23.2% to an annualized 278,000 pace.

On a regional and year-to-date basis, combined single-family and multifamily starts are 7.3% higher in the Northeast, 2.4% lower in the Midwest, 5.8% lower in the South and 5.9% lower in the West.

Overall permits increased 6.1% to a 1.51 million unit annualized rate in November. Single-family permits increased 0.1% to a 972,000 unit rate and are up 8.0% on a year-to-date basis. Multifamily permits increased 19.0% to an annualized 533,000 pace.

Looking at regional data on a year-to-date basis, permits are 3.2% higher in the Northeast, 4.8% higher in the Midwest, 2.5% lower in the South and 7.0% lower in the West.

The number of single-family units under construction is down 6.3% from a year ago, declining to 637,000. The number of multifamily units under construction is down 20.5% from a year ago, to 797,000 units.

## Workforce Bill Introduced in House

Reps. Juan Ciscomani (R-Ariz.), Marie Gluesenkamp Perez (D-Wash.), Ryan Zinke (R-Mont.) and Don Davis (D-N.C.) recently introduced [\*\*the CONSTRUCTS Act\*\*](#) in the House. The measure is companion legislation to the Senate bill introduced earlier this year by Sens. Jacky Rosen (D-Nev.) and Marsha Blackburn (R-Tenn.). It would bolster the construction workforce and improve the housing supply. The bipartisan CONSTRUCTS Act would expand opportunities for residential construction training at community colleges and technical schools.

## NAHB Joins Suit Against Gas Ban

NAHB and nine other business and housing groups seeking to overturn a regulation that would ban gas appliances have [\*\*filed a lawsuit\*\*](#) against Southern California air regulators. In their complaint filed in the U.S. District Court for the Central District of California, the groups contended that South Coast Air Quality Management District's (SCAQMD) regulation violates the Energy Policy and Conservation Act (EPCA) of 1975. The lawsuit seeks to void the SCAQMD's rule to ban certain gas appliances because it is pre-empted by EPCA.

## Use the IBS Preshow Planner

The 2025 NAHB International Builders' Show® (IBS) offers so much – learning, networking, discovering – plus great entertainment. From David Spade to Chris Janson, IBS 2025 has it all. Use the [\*\*IBS Preshow Planner\*\*](#) to guide your show experience, including the exhibit floor, the IBS Education Sessions and all the great parties and events. Register for the show at [\*\*BuildersShow.com\*\*](https://BuildersShow.com).

## Visit the Jobsite Safety Zone at IBS

The IBS Jobsite Safety Zone is back and bigger than ever for the 2025 International Builders' Show in Las Vegas, Feb. 25-27. Due to an overwhelming response from 2024 exhibitors, [\*\*the Safety Zone\*\*](#) has expanded its area and exhibitors by 50% in 2025. The Jobsite Safety Zone will be in the South Hall of the Las Vegas Convention Center. Beyond the great products, there will be live demonstrations every day from 9:30 a.m. to 2 p.m. at the Job-Site Safety Institute Training Pavilion. Learn how to use an automated external defibrillator (AED), how to navigate an OSHA inspection and how to properly administer Narcan. Register for the show at [\*\*BuildersShow.com\*\*](https://BuildersShow.com).

## Register Now for NAHB Townhall Meetings

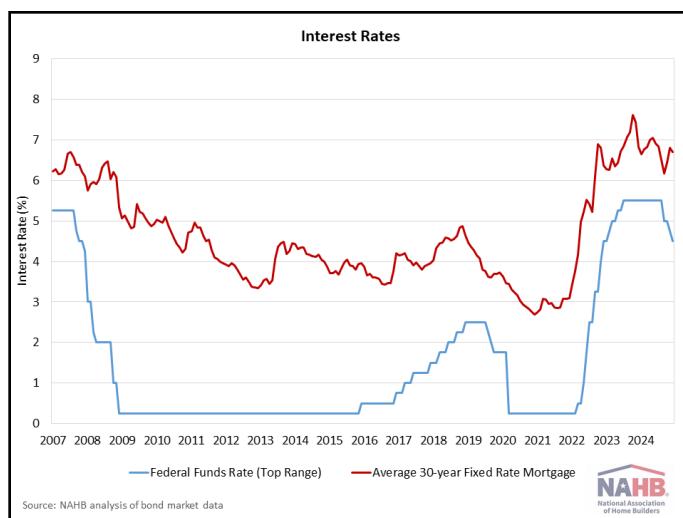
NAHB's Senior Officers will host a series of Virtual Townhall Meetings on Tuesday, Feb. 4, 2025. The meetings are an important opportunity for members and HBA leadership to provide feedback to NAHB leadership on emerging issues in their local communities. These conversations will help shape the agendas for the leadership meetings at the 2025 International Builders' Show. [\*\*Register for the townhall meeting\*\*](#) in your region.

# Fed Signals Possibility of Fewer Rate Cuts in 2025

In a widely anticipated move, the Federal Reserve's Federal Open Market Committee (FOMC) reduced the short-term federal funds rate by an additional 25 basis points at the conclusion of its December meeting.

This reduces the top target rate to 4.5%.

However, the Fed's newly published forward-looking projections also [noted a reduction](#) in the number of federal funds rate cuts expected in 2025, from four in its



last projection to just two 25 basis point reductions.

For home builders and other residential construction market stakeholders, the new projections suggest an improved economic growth environment, one in which there is a smaller amount of

monetary policy easing, leading to higher than previously expected interest rates for acquisition, development and construction (AD&C) loans. Thus, more economic growth but higher interest rates.

## New PPE Rule from OSHA

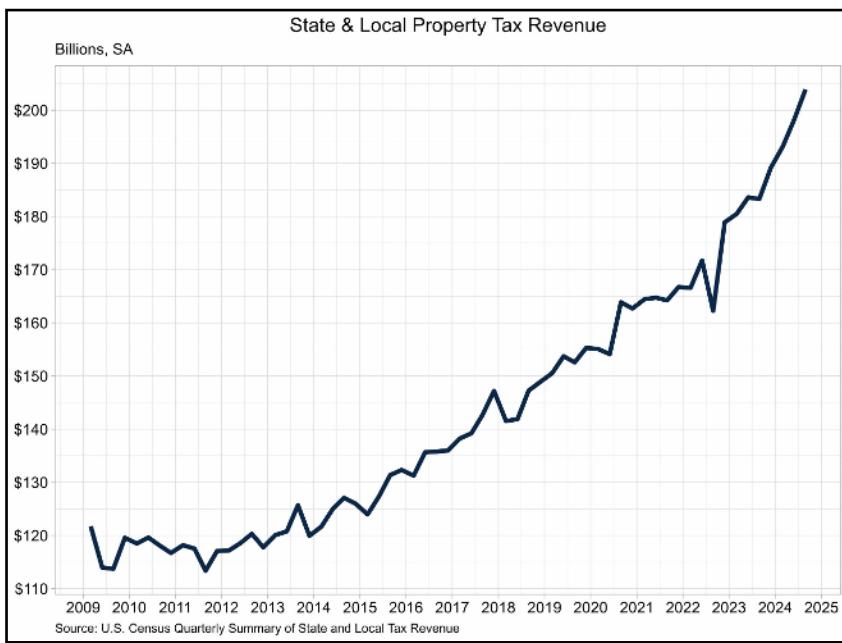
The Occupational Safety and Health Administration (OSHA) recently published a [final rule](#) revising its personal protective equipment (PPE) fit requirements for the construction industry. The revised standard will go into effect on Monday, Jan. 13, 2025. The Department of Labor says the revision to the standard adds specific language requiring that employers provide PPE that "properly fits" construction industry workers, and the change aligns the construction industry standard with the standard already in place for general industry. DOL is concerned that improperly sized PPE may be ineffective in protecting workers.

## Read Building Women Magazine

The latest edition of Building Women Magazine, available now to NAHB members, introduces 2024 Professional Women in Building (PWB) Chair Luellen Smith. The annual magazine features Smith's mantra of "Building the Future with PWB" where she discusses prioritizing mentorship and growth including ramping up efforts for local council support and encouraging more women to engage in mentorship. It also spotlights how Smith's early life on a farm helped her succeed in business, her dedication to volunteering, and how she built her career as an entrepreneur. Read the magazine and learn about the benefits of PWB membership at [nahb.org/womeninbuilding](http://nahb.org/womeninbuilding).

# Property Tax Revenues Exceed \$200 Billion in Q3 2024

State & local tax revenue from [property taxes paid](#) reached \$203.9 billion in the third quarter of 2024 (seasonally adjusted), according to the Census Bureau's quarterly summary of state & local tax



revenue. This marks a 2.8% increase from the revised \$198.3 billion in the second quarter of 2024 and also marks the first quarter where property tax revenue topped \$200 billion for state & local governments.

YTD, total state & local tax revenue was \$1.56 trillion. This was 5.4% higher than the \$1.48 trillion through the first three quarters of 2023.

The 2.8% quarterly increase in the property tax revenue was up

from the previous quarter of 2.6%. Property tax revenues have grown at an average rate of 0.87% from 2009 to 2024. This quarter marks the fourth consecutive quarter of above average growth.



DO  
**BUSINESS**  
WITH AN  
NAHB  
MEMBER.

## Members Save Millions

Start saving at [nahb.org/savings](http://nahb.org/savings)

