

Southern Arizona Home Builders Association

NAHBNews



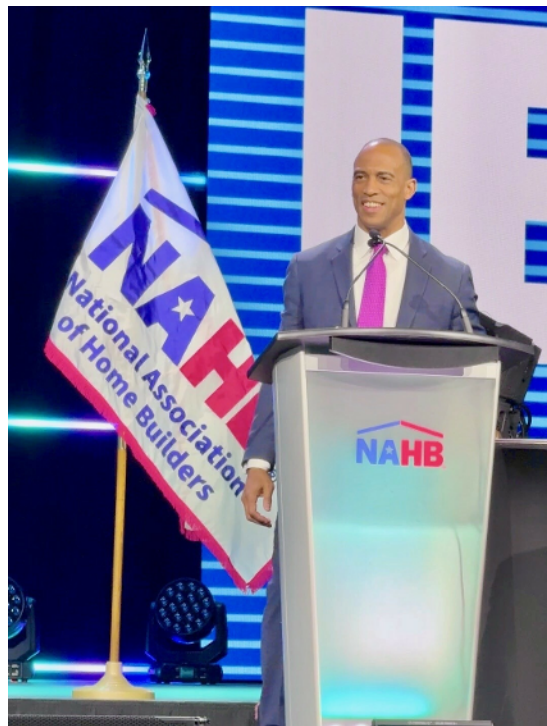
March 2025

HUD Secretary Turner Addresses NAHB Leadership Council

In one of his first official speaking engagements since taking office in early February, Department of Housing and Urban Development (HUD) [Secretary Scott Turner](#) addressed the National Association of Home Builders' (NAHB) Leadership Council. The association's leadership body met Feb. 27 in Las Vegas in conjunction with the 2025 International Builders' Show (IBS).

"A home is more than four walls. It's the foundation of a thriving community," said Turner. "To decrease the cost and increase the supply of affordable housing, we will terminate these unnecessary, ineffective and costly regulations."

Turner, a former NFL football player, pledged to work with home builders and



all interested stakeholders to find long-term solutions that make homes more affordable, spur business creation and create economic opportunity for all Americans.

"It's time we unleash the power of the private sector and the free market to build our way out of the housing affordability crisis," said Turner. "We are going back to the drawing board to restore efficiency at HUD."

The HUD secretary further emphasized that as part of this process, "the foundation of a stable fiscal house is regulatory reform. At HUD, we are taking inventory and terminating all cumbersome regulations that make it harder for individuals and families to realize the American Dream of homeownership."

NAHB Initiates Fall Safety Program

NAHB recently conducted its first in-person fall prevention training class as part of a new pilot program. In partnership with the National Housing Endowment (NHE) and the Job-Site Safety Institute (JSI), [NAHB's pilot program](#) is focused on providing comprehensive fall safety training at no cost to NAHB's state and local home builders associations. The first training was held at the Build Smart Institute in Roanoke, Va., for the Roanoke Regional HBA. Approximately 45 registrants attended the class, which included builders, contractors and remodelers.

DOE Postpones Efficiency Mandates

In a move supported by NAHB, the Department of Energy (DOE) has announced it will [postpone the implementation](#) of the latest round of restrictive energy efficiency mandates on key home energy appliances, including gas powered instantaneous, (tankless) water heaters.

The decision applies to many other home appliances, including central air conditioners, clothes washers and dryers, general service lamps, and air compressors, among others.

Tariffs on Steel and Aluminium

In a move widely expected to raise residential construction costs, the White House has announced that 25% tariffs on all imported steel and aluminum products will take effect in March.

The [new tariffs on steel and aluminum](#) products are projected to raise the cost of imported steel and aluminum products by several billion dollars, adding layered costs that could substantially impact builders' ability to deliver new single-family and multifamily projects.

NAHB's Builders' Show Largest in 17 years

More than 81,000 builders, remodelers, developers and other home building professionals filled the exhibit halls of the Las Vegas Convention Center for the 81st NAHB International Builders' Show® (IBS), the largest annual light construction show in the world, Feb. 25-27. This marks [the largest show in 17 years](#).

Attendees visited more than 1,800 exhibitors over 728,000 net square feet, exploring innovative building products and technology to advance the industry and enhance new homes.

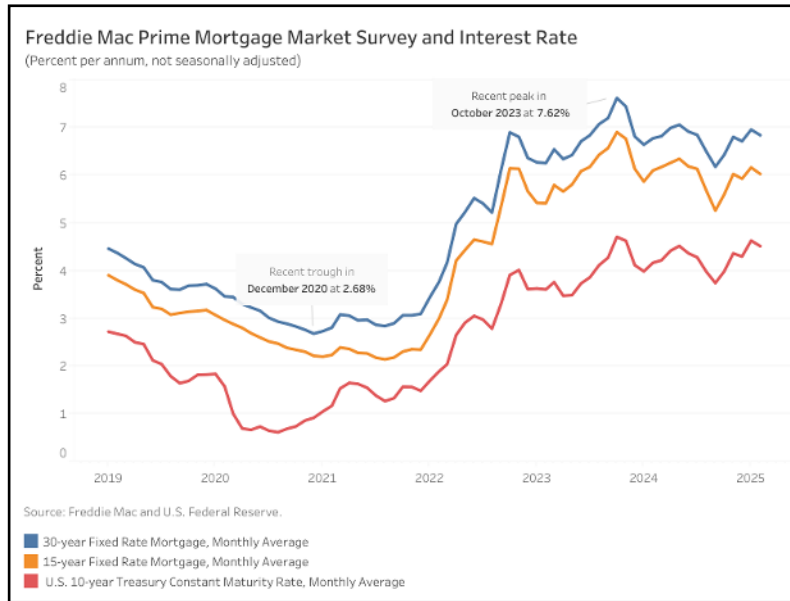
Beneficial Ownership Info Now Due by March 21

As a result of a recent federal court ruling, many small businesses [will need to comply](#) with the Corporate Transparency Act (CTA) and report beneficial ownership information (BOI) by March 21, 2025, to the Financial Crimes Enforcement Network (FinCEN).

On Feb. 19, 2025, FinCEN released new guidance stating that as a result of a Texas federal judge lifting a nationwide injunction in the case of Smith v. United States Department of the Treasury, BOI reporting requirements under the CTA are now back in effect. Note: **The March deadline does not apply to all entities.**

Economists Predict Uptick in Single-Family Production

Single-family housing production should [register a slight uptick in 2025](#) as builders contend with conflicting market conditions – policy moves expected to aid the business climate in the areas of regulatory reform and extension of the 2017 tax cuts coupled with tariff and immigration actions that could have an adverse impact on housing costs and supply.



And while economists speaking at NAHB's recent International Builders' Show in Las Vegas cited those economic factors, other developments, such as stubbornly high shelter inflation, will continue to weigh on the housing

market in 2025.

NAHB forecasts that mortgage rates will trend toward 6% by the end of 2026.

Solid Remodeling Demand in 2025

An aging housing stock, record levels of home equity and favorable demographics will create positive growth prospects [for the remodeling sector](#) in 2025, according to industry experts at a panel hosted by the (NAHB) during IBS in Las Vegas.

The outlook bodes well for the remodeling sector. Consumer inflation remains a concern as shelter costs continue to be sticky despite tightening measures by the Federal Reserve. And while lower mortgage rates may be on the horizon, long-term interest rates could remain flat or even increase with larger fiscal deficits. Ongoing housing affordability challenges signal that demand for remodeling will remain solid in 2025.

Multifamily Soft Before Rebound

Supply-chain problems and high interest rates are expected to [impede the multifamily sector](#) in the first half of 2025 before the market stabilizes later this year as more deals pencil out, according to economists speaking at the NAHB International Builders' Show in Las Vegas.

In 2024, multifamily construction saw a significant decline as starts fell 25% to a rate of 355,000. NAHB is expecting multifamily starts to fall 11% this year to a rate of 317,000 before increasing 6% in 2026 to 336,000.

The industry is buoyed by a low unemployment rate and a potential influx of young adults entering the housing market.

2024 IECC Offers More Paths to Compliance

The 2024 International Energy Conservation Code (IECC) offers home builders [more compliance paths](#) and lower building costs compared to the 2021 IECC, according to a cost analysis by Home Innovation Research Labs.

The 2024 IECC provides for increased design flexibility and improved compliance options, and it is also better in terms of energy conservation. NAHB staff and members served on the 2024 IECC Residential consensus committee to ensure that



builder's interests were well represented, and affordable home-ownership was at the forefront of committee deliberations.

Some states may start reviewing the 2024 IECC and consider adoption. NAHB developed a code adoption kit for home builder associations (HBAs) in states

evaluating the 2024 IECC. The kit includes recommended amendments, a cost analysis of code changes and other resources.



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