

Who Are NAHB's Associate Members?

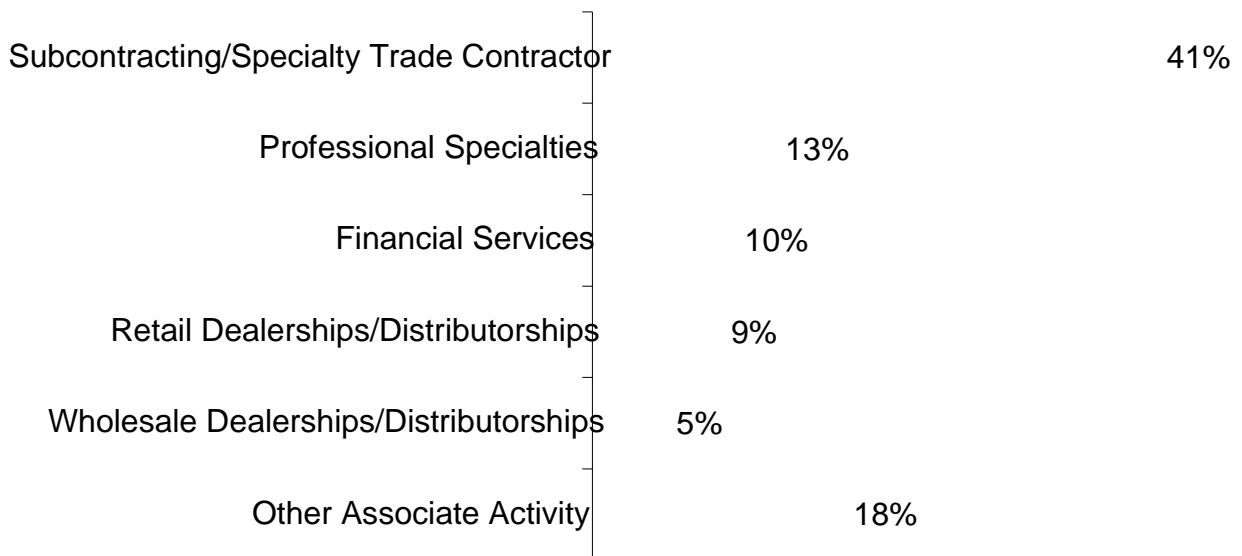
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Special Study for Housing Economics
Eric Lynch
Economics and Housing Policy
National Association of Home Builders

The National Association of Home Builders (NAHB) has conducted an annual census of its members every year since 2008. The census is divided into builder and 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. This article updates an earlier study on associate members with results from the latest NAHB census conducted at the end of 2022. At that time NAHB had roughly 71,000 associate members, accounting for approximately 5% of NAHB's 140,000 members (the remainder being NAHB's

41% of Associate Members are Subcontracting/Specialty Trade Contractors

The NAHB census asks associate members to identify one of 42 specialties as the primary activity of their business. These detailed specialties are grouped into broader categories. Among these broader categories, 41% of associate members identified themselves as subcontractors/specialty trade contractors, 13% have a professional specialty business (architecture, engineering, marketing, accounting, legal, etc.), 10% are financial services providers, 9% are retail dealers/distributors, and 5% are wholesale dealers/distributors. The remaining 18% listed some other associate activity as their primary business (fig 1).

Figure 1. Primary Business Activity During 2022
(Percent of Respondents)



The share of associate members who identified primarily as subcontractors/specialty trade contractors increased from 42% in 2021 to 41% in 2022, while the shares involved with both professional specialties and financial services edged up one percentage point to 13 and 10% respectively. On the other hand, the share of associates primarily involved in retail dealerships/distributorships fell one percentage point to 9%. The associate shares primarily involved in wholesale dealerships/distributorships and other associate activities remained unchanged from 2021 to 2022.

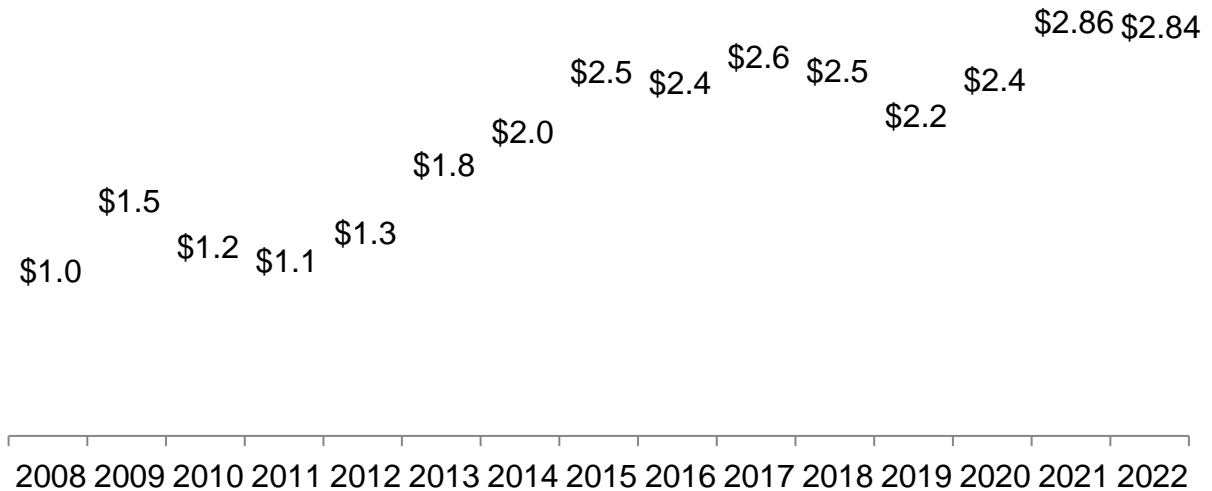
Median Dollar Volume Drops Slightly in 2022

The median dollar volume for associate members increased slightly between 2021 and 2022, from \$2.86 to \$2.84 million. 22% of associate members reported a 2022 dollar volume of less than \$500,000, 31% reported between \$500,000 and \$999,999, 32% between \$1.0 million and \$4.9 million, 11% between \$5.0 million and \$9.9 million, 6% between \$10.0 million and \$14.9 million, and 5% reported their dollar volume in 2020 at \$15.0 million or more (Figure 2). 1% reported no business activity at all in 2022.

Figure 2 Annual Revenue 2022
(Percent of Respondents)

The median dollar volume associates reported for 2021 is a record high (\$2.86 million) in the 14-year history of this series, and there was only a slight decline in 2022 (to \$2.84 million). The median fluctuated between \$1.0 million and \$3.1 million from 2008 to 2013 (the period immediately following the onset of the Great Recession), between \$2.0 million and \$2.6 million from 2014 to 2020, before jumping by 16% to \$2.86 million in 2021. (Table 7 (s) 6.1 (s) 4 (ia) 2)

Figure 3. Median Annual Revenue HISTORY
(Millions of dollars)



Median dollar volume of business varies considerably across primary activities. For example, associates in wholesale dealerships/distributorships reported a median of \$1.0 million in 2022 revenue, compared to \$3.0 million among professional specialty members, \$2.2 million among subcontractor/specialty trade contractors, \$2.5 million among those in 'other' associate activities, \$3 million among retail dealerships/distributorships, and \$6 million among wholesale financial services companies.

Associates Reported a Record High Number of Employees

Associate members reported that their companies carried an average of 11 employees on their payroll in 2022, of which 20.8 were construction employees and 90.3 were non-construction employees. The median number of employees on payroll was 2, which was an all-time high for the survey. While only 2% of associate members reported having no employees on payroll, 7% reported 1 employee, 1% reported 2 to 4 employees, 19% reported 5 to 9 employees, 7% reported 10 to 49, 7% reported 50 to 99, and 12% reported 100 or more employees on their payroll in 2022 (fig. 4).

Figure 4 Number of Employees on Payroll 2022

from 2015 to 2021 before rising to 12 in 2022, indicating that the average is skewed upwards by a relatively small number of associate members with very l

Age, Gender, Race and Ethnicity

The median age of NAHB associate members in 2022 was 56 years. 4% were under 35 years old, 15% were 35 to 44, 26% were 45 to 54, 35% were 55 to 64, and 19% were 65 or older (fig. 7). Although the median age of NAHB's associate members was stable relatively stable over time, it has generally tended to drift upward. The median age was 50 in 2008, 52 or 53 from 2009 to 2011, 54 from 2012 to 2014, 55 or 56 from 2015 to 2019, and 57 from 2020 to 2021 before falling back to 56 in 2022 (fig. 8).

Figure 7. Age of Associate Members 2022
(Percent of Respondents)

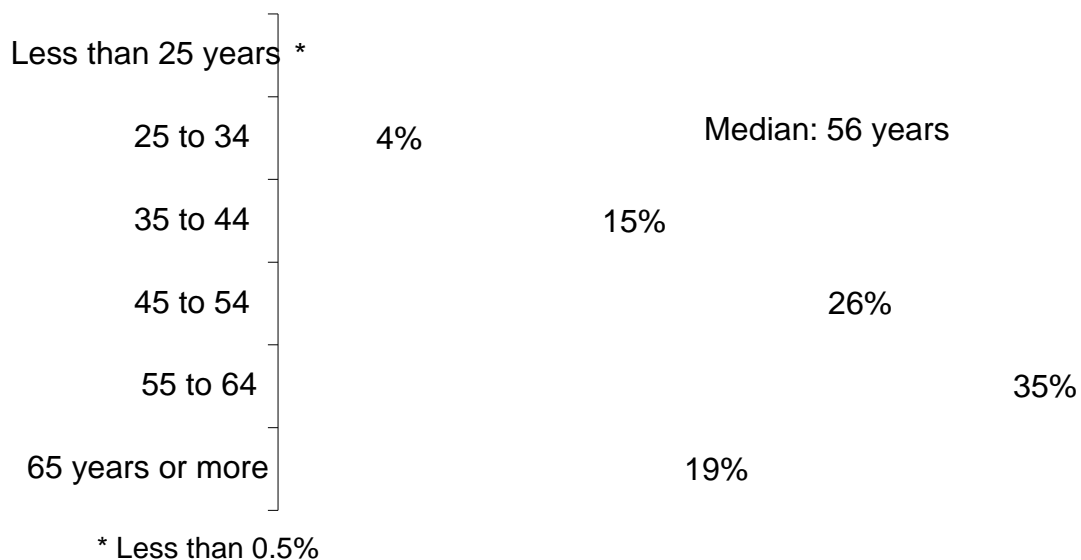
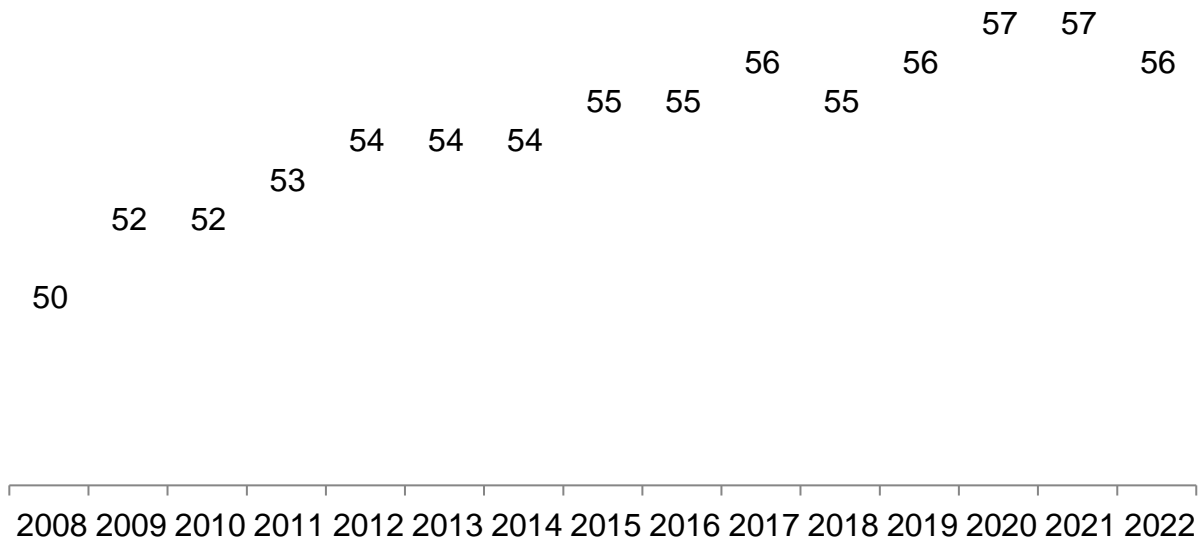
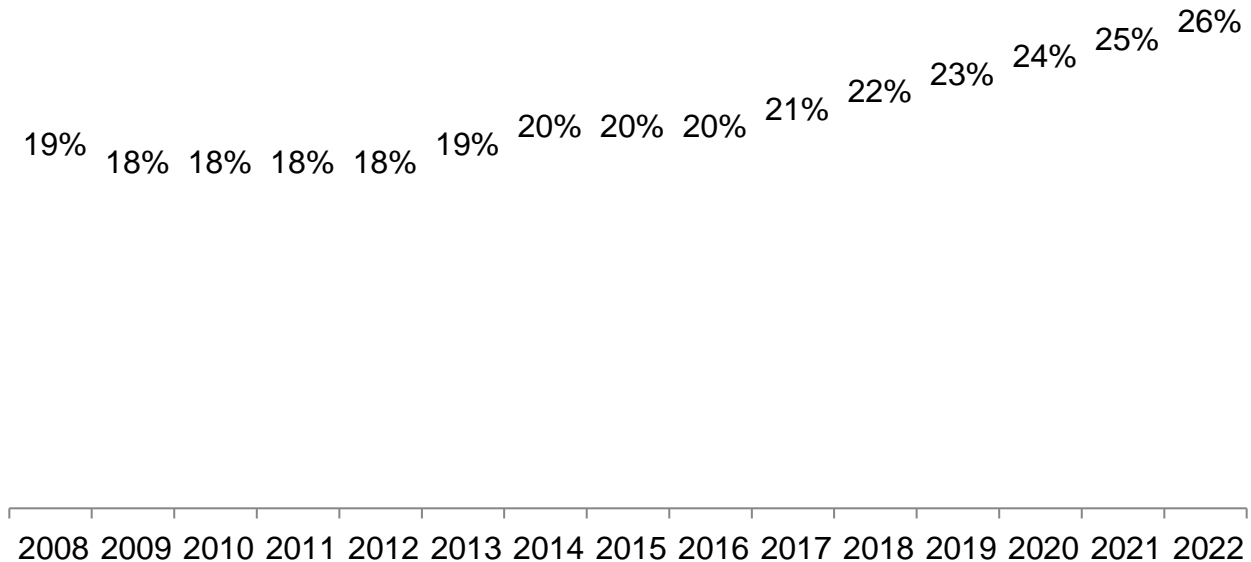


Figure 8. Median Age of Associate Members HISTORY
(Percent of Respondents)



Twenty-six of NAHB's associate members in the 2022 Member Census are women, the highest the female percentage has been since the revival of the Census in 2008. The female share stayed constant at 18% from 2009 through 2012, edged up to 19% in 2013, then to 20% from 2014 through 2016. It has since increased by one percentage point a year for six consecutive years (fig. 9).

Figure 9. Female Share of Associate Members
(Percent of Respondents)



As has been true in the past, a majority of NAHB's associate members identify themselves as white. 94% of associates indicated they were white, alone, compared to 1% each for Asian, alone; an Black or African American, alone. There was less than 0.5% each for American Indian or Alaska Native, alone, and Pacific Islander, alone. 2% of associates are of some other race and 1% are of two or more races. These racial categories follow the classification scheme implemented by the U.S. Census Bureau in the 2000 Census (after process of soliciting input from stakeholders). In terms of ethnicity, only 1% of associates identified themselves as being of Hispanic, Latino, or Spanish origin.

53% of Associate Members Have a Higher Education Degree

14% of NAHB's associate members have an advanced degree (graduate school), while 39% have completed college, 62% have some college education, 7% have career technical

training, 12% have completed high school, and 2% only have some high school education (Figure 10).

Figure 10. Education Level of Associate Members: 2020
(Percent of Respondents)

The educational background of NAHB associate members has not changed significantly over time. Since the inception of the Census in 2008, half or more of associate members have reported having a higher

PROFILES BY MAJOR ASSOCIATE MEMBER TYPE

Subcontracting/Specialty Trade Contractors in 2022

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of members	49,382	44,351	42,070	34,574	30,974	32,160	28,802	32,441	33,795	31,639
	2018	2019	2020	2021	2022					

Professional Specialty Members in 202

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of members	18,242	19,609	12,652	10,789	10,754	10,502	10,744	10,265	10,261	9,512
	2018	2019	2020	2021	2022					

Financial Services Members in 202

Number of members	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	11,974	11,197	8,340	6,492	7,508	8,426	8,710	8,492	7,714	7,180
	2018	2019	2020	2021	2022					
	7,941	6,402	5,887	6,475	6,751					

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 (*Median*)

Construction Employees: 0

Non-construction Employees: 28

Total: 30

(9% have 50 to 99 employees and 38% have 100 employees or more.)

3. Dollar volume of company's business activity (*Median*): \$6.9 million
(46% had \$15 million or more in business activity.)

4. Share of dollar volume derived from residential construction (*Median*): NA

5. Contribute to the development of green/sustainable homes 20%

Member Profile

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

2. Age (*Median*): 56 years

3. Gender: Male: 64% Female: 3%

4. Race/Ethnicity: White: 96% Hispanic: 5%

5. Education: 71% have college/advanced degree
24% have some college education

Retail Dealership/Distributors in 2022

Number of members	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	18,776	13,009	11,014	9,182	8,939	9,090	8,719	9,782	8,790	8,308
	2018	2019	2020	2021	2022					
	8,721	8,485	8,160	7,092	6,706					

Company Profile

1. Primary business activities covered are: Retail Appliances, Retail Building Mater Retail Bu183-edttgp

Other Associate Activity Members in 2022

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of members	40,153	16,980	18,353	14,410	17,240	18,011	19,054	15,591	16,115	16,295
	2018	2019	2020	2021	2022					