Let's Level



The Wausau Area Builders Association chartered in 1967 and affilited with the Wisconsin Builders Association and National Association of Home Builders, is a professional non-profit trade association. Serving the community, we represent the interests and concerns of the customer, building trades, industry suppliers, and all facets of the building industry.

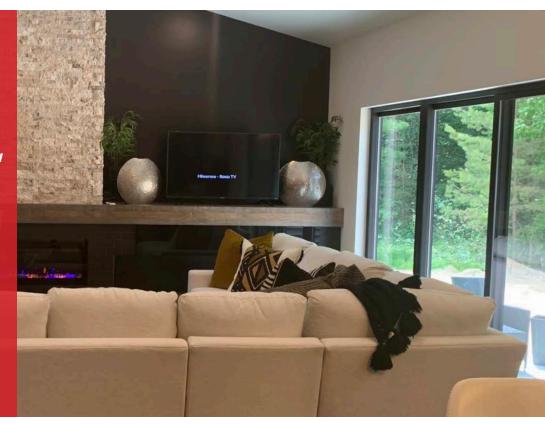
Upcoming WABA Events

October 22-24 *MOVED FROM FEB* Home Show

Oct 22 Networking @ the Home Show

October 28-30 *NEW* Fall Parade of Homes

Nov 17 Membership Dinner Meeting 2022 BOD Elections 2022 Parade of Homes Kick-Off Ferguson's Showroom



Welcome! Renewing Members

BayTherm Insulation Brian Luedtke & Associates Construction LLC Brickner's of Wausau, Inc. Central Door Solutions, LLC Furniture & ApplianceMart Royal Heating & Cooling



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Letter from the President



Greetings Everyone,

Happy October and welcome to a beautiful Wisconsin Autumn! I hope you all are as excited for all of the exciting activities this month as I am.

Next week the Building Youth into Builders Committee will have its first meeting since school has started. If you don't know, this committee collaborates directly with local school districts and trades teachers to discuss what is currently taking place in these classrooms and ways we can assist with the learning experience. They are always looking for additional feedback

from employers or trades people that would enjoy helping to drive more young people into our industry.

I know many of you were bummed when we weren't able to have our annual Home Show in February, but it is back this month! Same event, same venue, different time of year. I know the Home Show committee has been working hard to create a fantastic event that will be of great benefit to the community and your business alike. Something new and fun, this month's dinner meeting will be a networking event held during the typical Ice Breaker Event on the Friday night of the show. All members and guest are welcome to attend the party!

Last, but definitely not least is our completely new event, the Fall Parade of Homes! This event will be a great follow up to our annual spring parade which will feature 6 new homes and 1 remodel. This should be anther fine showcase of what our members have to offer.



Il and can't wait to see you at these events this month.

Take care and God bless!

Alex Forer 2021 WABA President

2021 WABA Board of Directors

Now is a GREAT TIME to start a discussion about joining the WABA Board of Directors in 2022.

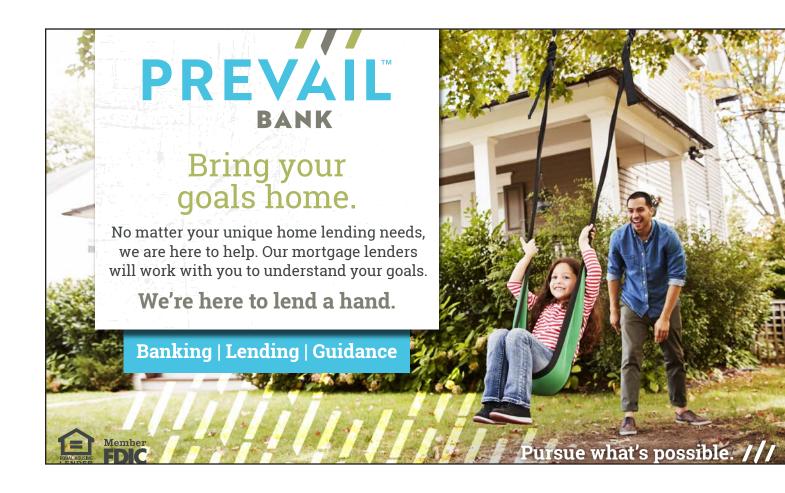
Are YOU interested? Contact Cara in the office of any of the current WABA Board Members to begin

a conversation.



2021 Wausau Area Builders Association Board of Directors					
President - Alex Forer, Larry Meyer Construction					
Vice President - Keith Koenig, Kolbe & Kolbe Millwork					
Secretary - Deann Zobrak, Runkel Abstract & Title					
Treasurer - Kyle VanOrder, Woodstock Flooring & Design Center					
Past President - Russ Utech, Russ Utech Insurance					
Directors Thru 2021 - Sam McLellan, Rachelle Cota, Ashley Dupuis-Bohman					
Directors Thru 2022 - Kevin Porter, Jeremy Voigt, Aaron Beyer					
Directors Thru 2023 - Scott Dombeck, Seth Jozwiak, Tara Parks					
State Representative(WBA)- Seth Jozwiak, Jeremy Voigt, Kevin Porter					
National Representative (NAHB) - Alex Forer					

Committee Chairmans:
By-Laws - Sid Sorensen
Events - Ashley Dupuis-Bohman
Finance - Kyle VanOrder
Home Show - Kyle VanOrder / Rachelle Cota
Building Youth into Builders - Roger Lang
Legislative - Cory Sillars
Marketing - Tara Parks
Membership -Kevin Schemenaur
Nominations - Russ Utech
Parade of Homes - Travis Hoerman / Sam McLellen
Personnel - Kyle VanOrder
Scholarship - Cory Sillars
Silent Auction - Amber Gober
Golf - Phil Pesanka
Social - Ashley Dupuis-Bohman





October 22nd - WABA Membership Networking

8pm-10pm Central WI Convention & EXPO Center Parking lot



The WABA Social Committee and the Home Show

Committee would like to invite all of the WABA Members to join them in the parking lot after the first night of the Home Show for networking with food and drinks. Watch your emails for more information and the invitation!

Cocktails & Food 8pm- 10pm Watch your emails for the invitation

Thank You Powerhouse Lawn & Leisure!

We had a great September Membership Dinner Meeting at your new facility! Thank you also to TLD Construction, Mitch King & Sons, and Woodland Trails Winery / Russ Utech for sponsoring the beverages!



2nd Lunch & Learn - Sept. 30th



Membership Committee hosted the 2nd Building Our Businesses; a Lunch & Learn Mini-Series last month

Tricia Nielsen-Zoromski taught us everything we needed to know about Employee Rention Credits. If you have any questions regarding this topic, reach out to your fellow member- Tricia to get them answered!



Do you have a topic that you are willing to present?

Reach out to Ashley Dupuis-Bohman (ashleyd@ intercitystatebank.com), Event Chairman or Cara in the office!



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Inflation forces homebuilders to take it slow, raise prices

Associated Press News

LOS ANGELES (AP) — Even in the hottest U.S. housing market in more than a decade, new home construction has turned into a frustratingly uncertain and costly proposition for many homebuilders.

Rising costs and shortages of building materials and labor are rippling across the homebuilding industry, which accounted for nearly 12% of all U.S. home sales in July. Construction delays are common, prompting many builders to pump the brakes on the number of new homes they put up for sale. As building a new home gets more expensive, some of those costs are passed along to buyers.

Across the economy, prices having spiked this year amid shortages of manufactured goods and components, from cars and computer chips to paint and building materials. The Federal Reserve meets this week and officials' outlook on when they might start raising interest rates could indicate how worried the Fed is about inflation.

The constraints on homebuilders are unwelcome news for homebuyers, already facing historically low levels of resale homes on the market and record prices. Economists worry many first-time homebuyers are getting priced out of the market. The erosion in affordability is one reason the pace of home sales has been easing in recent months.

At Sivage Homes in Albuquerque, N.M., the builder's efforts to keep its construction on schedule are undercut almost daily by delays for everything from plumbing fixtures and windows, to bathtubs and appliances.

"Nowadays, we literally could be sitting waiting 30 days, maybe even 60, for one thing or another," said CEO Mike Sivage. "I've been doing this since 1986 and I have to say I've never seen anything like this before."

The pandemic set the stage for higher prices and shortages of construction products. Factories went idle temporarily and are now trying to catch up on production at the same time that demand has intensified due to an unexpectedly hot housing market and a surge in home remodeling.

Lumber futures jumped to an all-time high \$1,670 per thousand board feet in May. They've since dropped to \$634, about 10% higher than a year ago. Still, wholesale prices for a category of homebuilding components that includes windows, roofing tiles, doors and steel, increased 22% over the last 12 months, according to an analysis of Labor Department data conducted by the National Association of Home Builders. Before 2020, it was typical for such aggregate prices to rise a little over 1% annually.

Those conditions are likely to persist. Robert Dietz, chief economist at the NAHB, said he's heard from builders that "there are ongoing challenges, and in some cases growing challenges, with flooring, other kinds of building materials."

Meanwhile, any savings on lumber have yet to filter down to many builders, including Thomas James Homes, which operates in California, Washington state and Colorado.

"The price we're paying for lumber today is the same price we were paying 90 or 120 ago," said Jon Tattersall, the builder's president, who noted his company's overall building costs have increased about 30% since November.

Homebuyers shouldn't expect to see any discounts from falling lumber prices, either, because builders set their prices based largely on overall demand in the housing market.

A signed contract for a home yet to be built typically includes an allowance for unexpected construction

costs, but generally builders will have to eat big increases and then pass them on to the next buyer.

"On our future ones, those are the ones we're having to raise the costs on," Tattersall said.

Higher building materials prices aren't the only factor driving up builders' costs. A chronic shortage of skilled construction workers has worsened during the pandemic, forcing builders to factor in higher labor costs.

Inflation is being felt across the economy. Consumer prices rose 5.3% in August from the same month a year ago. At the producer level, inflation jumped an even steeper 8.3%, the biggest annual gain on record.

The Federal Reserve has said it believes the surge in inflation will be temporary. For

now, though, the rise in building materials costs and the lingering supply crunch are making everything from houses and apartments to commercial buildings more expensive.

To manage, many builders are slowing the rollout of new homes. Zonda Economics, a real estate data tracker, estimates some 85% of builders are intentionally limiting their sales.

"They're trying to make sure they have the land ready, the workers ready and the materials ready to be able to actually delver the homes that they've sold," said Ali Wolf, Zonda's chief economist.

Even with inflation, builders are benefiting from the hottest housing market in years. Demand for new homes has strengthened, while the number of previously occupied U.S. homes up for sale has fallen to historic lows, pushing prices higher.

The median price of a new home sold in July climbed 18.4% from a year earlier to \$390,500, an all-time high, according to the Commerce Department. For existing homes, the median price jumped 17.8% in July to \$359,900, according to the National Association of Realtors.

Builders typically hire contractors who handle framing, electrical, plumbing and other facets of construction. As these firms have faced higher costs to secure skilled labor or source the materials they need to do their job, they've had to pass those increases onto builders.

Tri Pointe Homes, which builds homes in 10 states, including California, Texas and Maryland, has faced higher labor costs. It's been working through those increases, at times moving beyond its core group of contractors, said CEO Doug Bauer.

One way Tri Pointe and other builders are dealing with product delays is to ask contractors to install temporary fixtures and appliances, for example, so that buyers can move in as quickly as possible.

"Then, as soon as the original item becomes available, we are returning to install it," Bauer said.

To stay ahead of rising costs, Tri Pointe has raised its home prices and reduced buyer incentives when necessary. Even so, the builder has raised its guidance on the number of homes it expects to deliver this year from 6,000 to 6,300.

While the big, publicly traded builders have the means to buy building materials and warehouse them until needed, smaller builders that make up the majority of the industry are at the mercy of suppliers.

Sivage, whose company builds homes priced from \$250,000 to \$1 million, used to be able to lock in the price of lumber with suppliers a year in advance. That changed in recent years as demand for lumber increased. Now, Sivage doesn't know what it will cost him until it's ready for delivery.

"We've had to grin and bear it," he said.



Advocacy Digest

A monthly digest of top stories from The Blueprint, a Wisconsin Builders Association (WBA) publication.

 WBA advocates the interests of 4,000 home building industry members at the state legislative level, resulting in improved laws and regulations that keep housing affordable for Wisconsin families.

Brad Boyks, Executive Director (608) 242-5151 ext. 16 bboycks@wisbuild.org

WBA News

- Thursday, October 7- 8:30am-3:30pm Membership Meeting Day @ Virtual
- •January 22nd- WBA 2022 Installation in WAUSAU!!!

-Cory Sillars being installed as 2022 WBA President at Stoney Creek

Thirdy on Thursdays

Now - Thu, Dec 16, 2021 10:30 AM

Please join us for our web series, Thirdy On Thursdays where our guests will range from affinity partners to business executives to government leaders.

WisBuild.Org



Sept. 24, 2021

Kleefisch Announces Bid for Governor Recently, former Wisconsin Lt. Governor Rebecca Kleefisch announced her candidacy to be the republican nominee in 2022 to take on Governor Tony Evers. Kleefisch announced her candidacy in a video that can be viewed here.

Another possible candidate recently announced he would not be running for governor, current lobbyist, and former Secretary of Commerce under Governor Thompson Bill McCoshen,

Other rumored to be looking at a run for governor are State Representative John Macco, and two former candidates for U.S. Senate, Eric Hovde and Kevin Nicholson.

LeMahieu Targets Workforce Housing

During a recent government affairs conference panel, State Senate Majority Leader Devin LeMahieu stated one of the topics he would like to address prior to the end of this legislative session is providing more workforce housing options. WBA had met with both LeMahieu and Assembly Speaker Robin Vos earlier this spring to talk about workforce housing and provide some options to be considered.

One obstacle to addressing this issue is the fact that both have stated that no new dollars will be allocated by either the assembly or senate to close out the legislative session.

The concept of a workforce housing TIF would not cost the state any dollars but has several state senators who have worked again this concept in the past.

Trends in Housing Conference to Be Held November 9 in Fond du Lac The second annual Trends in Housing Conference will be held on November 9 at Hotel Retlaw in Fond du Lac.

The event schedule is: 8:00AM - 8:40AM: Registration/Continental Breakfast

Welcome Address

8:45AM - 9:45AM: Future of Trades in Wisconsin Dr. Morna Foy, Wisconsin Technical College System President

9:50AM - 10:50AM: Wisconsin's Current Real Estate & Housing Conditions Mark Eppli, Director of Graaskamp Center for Real Estate; UW-Madison

10:55AM - 11:55AM: Housing Forecasting & Analysis Danushka Nanayakkara-Skillington; NAHB Assistant Vice President

Lunch

1:15PM - 2:15PM: Panel Discussion - Building/Development, Code Issues, Assessments Developer/Realtor: Pat Kaster Builder: David Belman Appraiser: TBD Inspector: Scott Satula

Cost to attend is only \$75 per member. Click here for more information and to register.

FROM NAHB: What Does the Recent WOTUS Rule Change Mean for Your Projects?

As NAHBNow previously reported, the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (the agencies) recently halted implementation of the "waters of the U.S." (WOTUS) regulatory definition as finalized under the Trump administration's Navigable Waters Protection Rule (NWPR), reverting back to a pre-2015 WOTUS regulatory definition.

The Sept. 3 announcement was an abrupt reversal because the agencies had previously committed to a series of public hearings, followed by a two-step federal rulemaking process, during which time the WOTUS regulatory definition as finalized under the NWPR was to remain in effect nationwide.

To help builders and developers understand how to move forward with ongoing or planned projects, NAHB developed FAQs to provide interim (unofficial) guidance based upon the Clean Water Act (CWA) statute, existing regulatory guidance documents, and past practices by the agencies during previous instances of changing interpretations of the WOTUS regulatory definition.

NAHB will continue to press the agencies for additional guidance concerning the status of the ruling by the U.S. District Court for the District of Arizona to vacate the NWPR, timing of expected field hearings by the agencies on a new WOTUS definition, and a timeframe for when the Biden administration will propose a new WOTUS regulatory definition under the CWA.

You can access the WOTUS FAQs on nahb.org. For more information, contact Mike Mittelholzer.







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NAHB Legal Win Means All PPP Loans to Members Can be Forgiven

Article from NAHB.org

In a case brought by NAHB and Michigan builders, a federal court ruled that all NAHB members who received Paycheck Protection Program (PPP) loans can have their loans forgiven regardless of whether the loans were made in contravention of the Small Business Administration's (SBA) eligibility rules. The court's opinion also provides several important procedural wins that will benefit NAHB in a wide range of cases.

The U.S. District Court for the Eastern District of Michigan ruled on Sept. 28 that the SBA wrongly applied eligibility criteria to the PPP, which prevented certain NAHB members from accessing these much-needed funds.

NAHB, along with the HBA of Michigan and HBA of Southeastern Michigan filed the lawsuit at the height of the pandemic-induced economic downturn so that all NAHB members could access PPP funds to help keep their businesses afloat.

While Congress was clear in its intent to offer PPP protection to a wide range of the U.S. economy, Treasury and SBA nonetheless applied pre-existing regulations that essentially shut out a broad swath of the residential construction industry. Specifically, SBA imposed a pre-existing regulation and guidance document



that limited eligibility for certain businesses, including "passive businesses owned by developers and landlords that do not actively use or occupy the assets acquired or improved with the loan proceeds," and "speculative businesses" that include "building homes for future sale."

Legal Win Accomplishes Two Key Objectives

The victory in this case accomplishes two main goals. First, it ensures that NAHB members who received PPP loans will have their loans forgiven. The judge agreed with NAHB's position that the plain language of the statute creating the PPP prevented SBA from applying eligibility regulations that sought to exclude NAHB members who build homes "on spec," multifamily property owners, and land developers from receiving PPP loans and loan forgiveness during the height of the pandemic.

While PPP funding is no longer available, the forgiveness process is ongoing, and the court's opinion will have a direct and tangible benefit for builders, developers, and property owners who are awaiting loan forgiveness.

Second, the court's opinion provides important procedural wins. These include the court's ruling that it will not defer to an agency's interpretation of a statute unless the statute is truly ambiguous. This will limit the ability of federal agencies to offer new, expansive interpretations of existing statutes.

The judge also ruled against the government's procedural claims that NAHB lacked "standing" – the individual interest necessary to have a complaint heard in federal court – and that the case was moot because the PPP is no longer an active program.

The decision is a victory on the substantive points NAHB raised against the imposition of SBA's eligibility rules, providing NAHB members with certainty that their loans will be forgiven, as well as establishing favorable case law on procedural issues that the government and others often use to try and keep NAHB and its members out of court.

For more information, contact Amy Chai.



Did you know?



You can access health insurance with your WBA Membership?

WBA is proud to announce the new WBA Association Health Plan in conjunction with The Insurance Center of Wisconsin and underwritten by WPS Health Insurance. WBA membership is required of the business owner, there is health underwriting, and health insurance must be offered to all your employees.

VISIT WisBuild.Org FOR MORE **INFORMATION**

Tr <u>₩</u> K.



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2021 WABA OCTOBER Parade of Homes

Help us spread the word about the new, Fall Parade of Homes! This event will be featuring homes from; Robert Ross Construction, Woodbury Custom Homes, Jeremy Voigt Construction, Timber River Custom Homos Blenker Construction.



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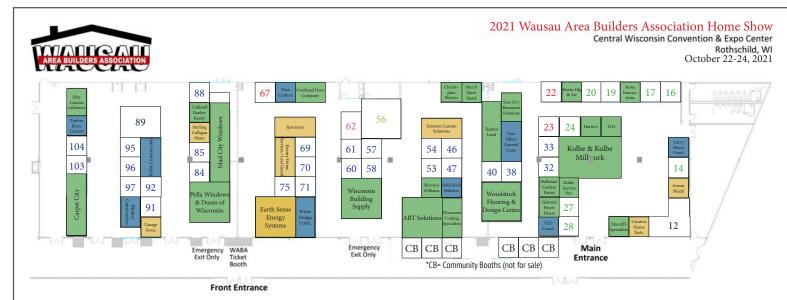
Do you want to be an Exhibitor at the 2021 WABA Home Show?

Registration is OPEN!

visit wausauareabuilders.com or

Contact Cara at 715-842-9510 or Cara@WausauAreaBuilders.com







	EARLY BIRD REGISTRATION Pricing until April 1, 2021	REGULAR REGISTRATION Pricing valid April 2-Sept 1, 2021	LATE REGISTRATION Pricing after Sept 1st
Front Room 10' x 10 Booth (11, 13, 14, 16, 17, 18, 19, 20,	\$425 21, 24, 24A, 26, 27)	\$550	\$600
Front Room 10' x 10' End Cap (10, 15, 24B)	\$500	\$600	\$650
10' x 10' Booth (29-33, 36-38, 40-44, 46- 50, 1	\$375 52-54, 57, 58, 60, 61, 66, 69-73, 7	\$500 75- 77, 80-82, 84- 86, 88, 90- 94, 95-97, 1	\$550 100-105)
10' x 10' End Cap = (22, 23, 44A, 45, 55, 67)	\$450	\$575	\$625
10' x 15' Booth = (35, 62, 65, 79, 98, 106)	\$565	\$775	\$825
10' x 20' End Cap = (68)	\$900	\$1150	\$1200
15' x 20' End Cap = (89)	\$1,275	\$1650	\$1700
20' x 20' Booth = (51, 56, 74)	\$1,425	\$1925	\$2025
20' x 20' End Cap = (39, 59, 83)	\$1,650	\$2150	\$2250

CAN YOU HELP WABA??

Do you want to get more out of your membership? Do you want to meet more members? We NEED YOU!! Here are the current ways we could use your help.

*Volunteers for the Home Show. We need helpers for checking in the vendors and during the event for ticket sales.

*Helping hands prepping for the Parade of Homes. Could you help distribute signage or tickets to sponsors?

*Committee Members- Home Show, Parade of Homes, Silent Auction, Membership, Marketing, & Website Sub-Committee would all love to have a few more members.

**Board Members!! Elections are in November, we'd love to add your name to the ballot!!





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rends in Housing Conference

November 9, 2021 Hotel Retlaw | Fond du Lac 8:00am – 2:30pm

Join us for our second annual Trends in Housing Conference packed with speakers who will discuss important trends and outlooks as it pertains to the housing industry.

FHLBank Chicago Event sponsored by: Member Price: \$75 | Non-Member Price: \$95 • Registration Closes October 27

Visit **wisbuild.org/wba-events/2021/housing** to register!

AGENDA

8:00AM - 8:40AM: Registration/Continental Breakfast

Welcome Address

8:45AM – 9:45AM: Future of Trades in Wisconsin Dr. Morna Foy; Wisconsin Technical College System President

9:50AM - 10:50AM: Wisconsin's Current Real Estate & Housing Conditions Mark Eppli; Director of Graaskamp Center for Real Estate; UW-Madison

10:55AM – 11:55AM: Housing Forecasting & Analysis Danushka Nanayakkara-Skillington; NAHB Assistant Vice President

Lunch

1:15PM – 2:15PM: Panel Discussion **Building Development, Code Issues,** Assessments Developer/Realtor: Pat Kaster Builder: David Belman Inspector: Scott Satula Appraiser: TBD

-- Meet Our Speakers --



Dr. Morna K. Foy is president of the Wisconsin Technical College System. President Foy believes in the power of technical education to enrich lives and strength Wisconsin's economy.

The result is a sharp focus on the innovation necessary to deliver relevant, valuable learning opportunities for students at every stage of their lives and careers, and a reliable talent pipeline for employers in every sector and region of the state.

Mark Eppli: Widely published in commercial real estate finance, development and valuation, Mr. Eppli's research has been published in dozens of top-respected real estate journals. Coauthor of two books: Real estate

Development – Principles and Process of Valuing the New Urbanism, both published by Urban land Institute, Eppli is the immediate past president of the nonprofit Real Estate Research Institute. He currently serves as the Director of the James A. Graaskamp Center for Real Estate at UW-Madison.

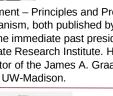


Danushka Nanayakkara-Skillington: As the NAHB Assistant Vice President for Forecasting and Analysis, Ms. Nanayakkara

-Skillington oversees the activities for the economic group including housing market analysis, industry surveys, developing and maintaining national, regional, longterm, and remodeling expenditures forecasts.

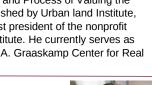
MEET THE PANEL

Our panel discussion will include a developer/builder, realtor, inspector, and appraiser who will discuss the building and buying markets, how they're impacting home appraisals, and common code issues and solutions.



Pat Kaster

Developer/Realtor



David Belman

Builder



Scott Satula Inspector



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