**Homeownership is at Risk with Record-High Lumber Prices**

By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Fueled by low interest rates and overall demand, many Americans are eager to buy a new home this year. In addition to consumer demand, lumber prices are also skyrocketing, which places housing affordability at risk. Unless lumber and other supply chain issues are addressed immediately, the American dream of homeownership is put on hold for millions of families across the country.

Soaring lumber prices — which have tripled in the past year — have caused the price of an average new single-family home to increase by nearly $36,000, according to [a new analysis](https://nahbnow.com/2021/04/skyrocketing-lumber-prices-add-nearly-36000-to-the-price-of-a-new-home/) by the National Association of Home Builders (NAHB). The calculations are based on the amount of interior and exterior softwood lumber that is typically used in building a new home, which not only includes the framing but also the roofing, cabinets, doors and more. Further adding to affordability woes, building material prices, such as ready-mix concrete, have by and large been steadily rising since mid-2020.

There are a number of factors behind the increase in lumber prices. When stay-at-home orders and social distancing measures were enacted by state and local governments, most lumber mills reduced production. During the pandemic, housing weathered the storm much better than predicted and demand remained strong. However, lumber mills did not ramp up production accordingly. Moreover, producers did not anticipate the surge in demand for lumber from do-it-yourselfers and big box retailers during the pandemic.

There are several actions that can be taken by the federal government to keep homeownership affordable and within reach for families in our community. NAHB has reached out to the Biden administration and Congress to urge domestic lumber producers to ramp up production to ease shortages, and return to the table and negotiate a new softwood lumber agreement with Canada.

**[Insert local HBA name]** is dedicated to providing quality, affordable homes to enrich our community. To help keep homes at prices within reach for families in our community, contact your Congressional representatives and ask them to take action to address the unsustainable costs of lumber. For more information on lumber prices visit [nahb.org/lumber](https://www.nahb.org/advocacy/top-priorities/material-costs/solving-the-lumber-crisis) or to learn more about home building in our area contact **[insert local HBA contact information]**.