

Who Are NAHB's Associate Members?

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By Carmel Ford

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National Association of Home Builders

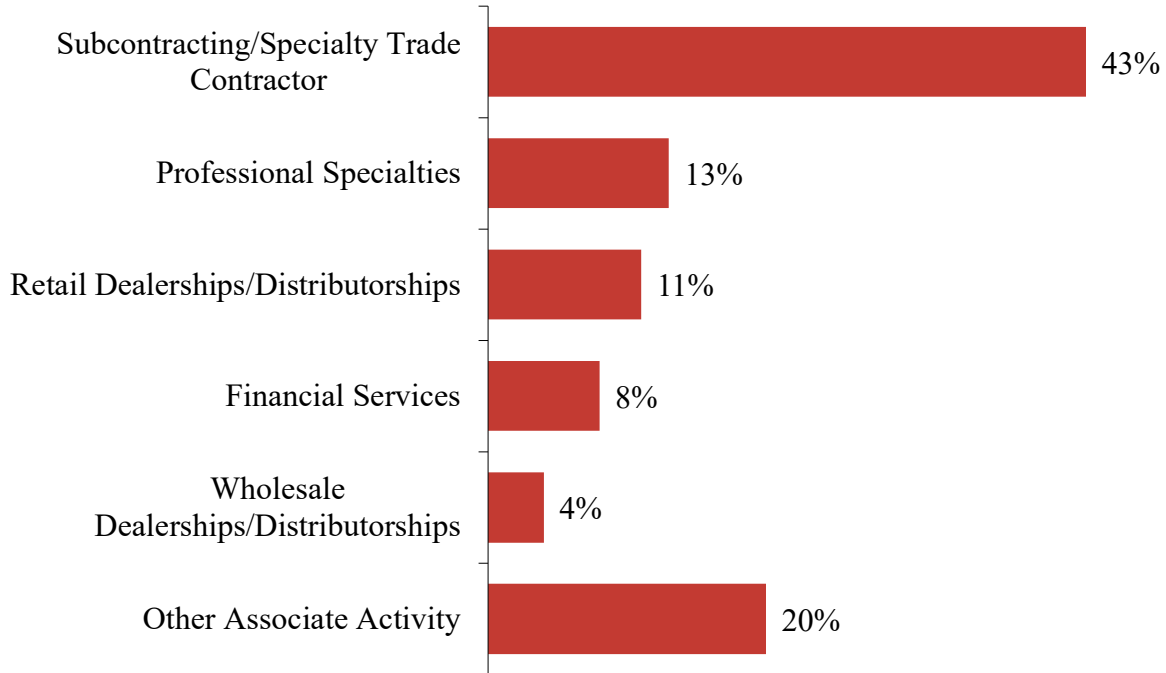
The National Association of Home Builders (NAHB) has conducted an annual census of its members every year since 2008. Data from the census allow NAHB to construct detailed profiles of particular types of members, shedding light on the composition and characteristics of its membership.

This article updates previous studies with results from the 2019 annual census on the characteristics of NAHB's 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. Builder members are defined as those whose primary business is single-family home building, multifamily building, residential or commercial remodeling, commercial building, land development, or the manufacturing of modular/panelized/log homes. At the end of 2019, 80,000 associate members represented 68 percent of the total NAHB membership. Builder members make up the remaining 32 percent and an article highlighting them will be published next month on [housingeconomics.com](https://www.housingeconomics.com).

43% of Associate Members are Subcontractors/Specialty Trade Contractors

Associate members could self-identify as one of 42 specialties when selecting a primary activity. These activities are grouped into 6 broader categories: 43 percent of associate members are subcontractors/specialty trade contractors, 13 percent have a professional specialty, 11 percent are retail dealers/distributors, 8 percent work in financial services, and 4 percent are wholesale dealers/distributors. Twenty percent of members listed some 'other associate' activity as their primary business activity (Exhibit 1).

Exhibit 1. Share of Associate Members by Primary Business Activity - 2019
(Percent of Respondents)



The share of associate members primarily involved in ‘other subcontracting’ grew from 9 percent in 2018 to 11 percent in 2019, while the remaining 41 categories shifted by 1 percentage point or less during the same period (Exhibit 2). Grouping the activities into the broader categories shows that the share primarily involved in subcontracting/specialty trade contracting rose from 40 percent in 2018 to 43 percent in 2019, while the share involved in financial services fell from 10 percent to 8 percent. The remaining broader categories shifted by 1 percentage point or less from 2018 to 2019.

Exhibit 2. Primary Business Activity – HISTORY
(Percent of Respondents)

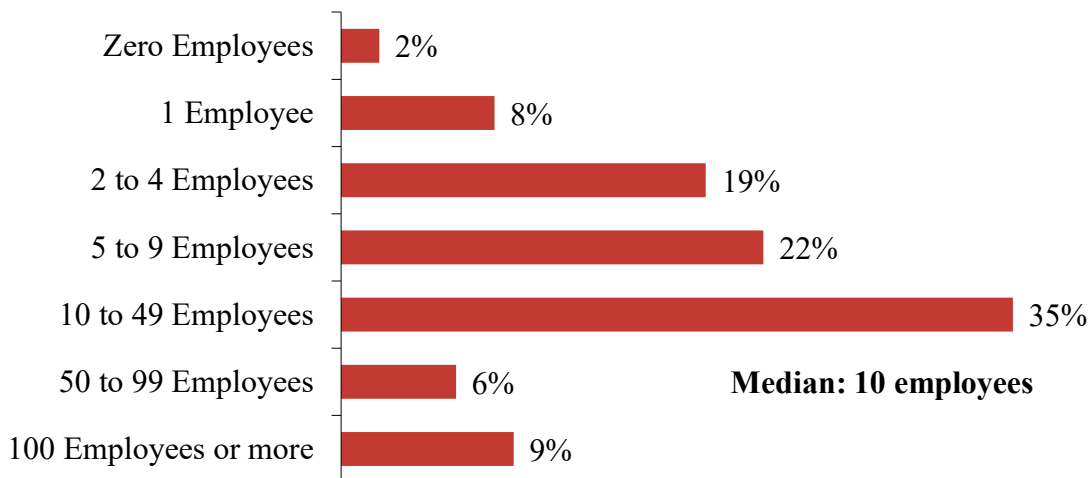
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>Subcontracting/Specialty Trade</i>	34%	39%	43%	39%	40%	39%	36%	40%	41%	41%	40%	43%
Carpentry work	3	3	4	4	4	3	3	4	4	3	4	4
Electrical work	3	3	4	3	3	3	2	3	3	3	3	3
Masonry, Stone Work, Tile Setting and Plastering	3	3	3	3	3	3	2	2	2	3	2	2
Landscaping	2	2	2	2	3	2	2	2	2	3	3	2
Plumbing, Heating and Air conditioning	5	6	7	4	6	7	6	6	7	7	6	7
Roofing, Siding and Sheet Metal Work	2	2	3	3	3	3	2	2	3	3	2	3
Painting and Paper Hanging	2	1	3	2	2	2	2	2	2	2	2	2
Floor Laying and Other Floor Work	1	1	2	2	1	1	1	2	1	1	1	1
Concrete Work	2	2	3	2	3	2	2	2	3	2	3	2
Excavation Work	2	1	2	2	2	2	1	2	2	2	2	2
Insulation Work	NA	NA	NA	NA	1	1	1	1	1	1	1	1
Drywall Installation	NA	NA	NA	NA	1	1	1	1	1	1	1	1
Security Systems	1	*	1	1	1	1	1	1	1	1	1	*
Home Technology	NA	NA	NA	NA	NA	NA	NA	1	1	1	1	1
Other Subcontracting	10	14	10	12	8	7	8	8	9	8	9	11
<i>Professional Specialties</i>	12	18	12	12	13	13	13	13	13	12	13	13
Accounting	1	2	2	1	1	1	1	1	2	1	1	1
Architecture	2	2	2	1	2	2	2	2	2	2	2	3
Engineering	3	4	3	1	3	3	3	3	3	3	3	3
Planning or Designing	2	4	2	4	2	3	3	2	2	2	2	2
Legal Services	1	2	1	1	1	1	2	1	2	2	1	1
Computer Products and Services	*	*	*	*	*	*	*	*	*	*	*	*
Marketing, Advertising or Public Relations	3	4	2	2	2	2	2	2	2	2	2	2
Land Surveyor	*	1	*	1	1	1	*	*	*	*	*	*
<i>Retail Dealerships/Distributorships</i>	13	11	11	10	11	11	10	12	11	11	11	11
Retail Appliances	1	1	1	1	1	1	1	1	1	1	1	1
Retail Building Materials/Lumber	4	4	5	3	4	4	4	4	4	4	4	3
Retail Floor Coverings	2	1	2	1	2	2	1	2	2	2	2	2
Retail Paint/Wall Coverings	1	*	*	1	*	*	*	*	*	*	*	*
Other Retail Dealership	5	5	4	5	4	4	4	5	4	4	4	4
<i>Financial Services</i>	8	10	8	7	9	10	10	10	9	9	10	8
Commercial Banking/Thrift Institution	2	3	2	1	2	2	2	2	2	2	2	1
Mortgage Banking	2	2	2	2	2	3	3	3	3	3	3	2
Insurance or Title Company	4	5	5	4	5	5	5	5	4	4	5	5
<i>Wholesale Dealerships/Distributorships</i>	3	5	5	5	6	5	6	5	5	5	5	4
Wholesale Appliances	*	1	1	*	1	*	*	*	*	*	*	*
Wholesale Building Materials/Lumber	1	2	2	2	2	2	2	2	2	2	1	2
Wholesale Floor Coverings	*	*	1	1	*	1	1	1	1	1	*	*
Wholesale Paint/Wall Coverings	*	*	*	*	*	*	*	*	*	*	*	*
Other Wholesale Dealership	2	2	2	2	2	2	2	2	2	2	2	2
<i>Other Associate Activity</i>	19	15	19	16	21	22	23	19	20	22	20	20
Manufacturing	6	3	3	2	4	4	4	3	4	4	4	4
Property Management	1	1	1	1	1	1	1	1	1	1	1	1
Real Estate	3	3	3	3	3	3	4	3	3	4	4	4
Utilities	1	1	2	2	2	2	2	1	1	2	1	1
Industry Consultant	NA	NA	NA	1	1	1	1	1	1	1	1	1
Trade Associate/Non-Profit	NA	NA	NA	1	1	1	1	1	1	1	1	*
Other	7	7	10	7	10	10	11	9	9	9	9	9
No Primary Activity Listed	NA	NA	NA	10	1	1	1	1	1	1	1	1

*Less than 0.5%

50% of Associates Have 10 or More Employees

In 2019, associate members had a median¹ of 10 employees on payroll. The median number of employees has been in the territory of 10 or 11 since 2015. Eight percent of associate members had 1 employee, 19 percent had 2 to 4 employees, 22 percent had 5 to 9, 35 percent had 10 to 49, 6 percent had 50 to 99 employees, and 9 percent had 100 or more employees. Two percent had no payroll at all (Exhibit 3).

Exhibit 3. Total Number of Employees on Payroll - 2019
(Percent of Respondents)



The median number of employees on an associate member's payroll varies significantly by the company's primary activity. For example, wholesale dealership/distributorships had a median of 20 paid employees in 2019, compared to a median of 8 employees among those involved in both the professional specialties and other associate activities, 9 among subcontractors/specialty trade contractors, 11 among retail dealership/distributorships, and 19 among those involved in financial services.

¹ This article will use median values, as averages can be inflated by large companies. Medians are largely unaffected by these outliers because it calculates the middle most value, not taking into account how high the highest values are. An increase in a median's value indicates an overall shift of all the associate members, not a change in a few large associate members.

Median Dollar Volume Falls in 2019

The median dollar volume of associate members was \$2.2 million in 2019, down from a median of \$2.5 million in 2018. Twenty-five percent of associate members reported a 2019 dollar volume of less than \$500,000, 15 percent reported between \$500,000 and \$999,999, 32 percent between \$1.0 million and \$4.9 million, 9 percent between \$5.0 million and \$9.9 million, 5 percent between \$10.0 million and \$14.9 million, and 13 percent reported their dollar volume in 2019 at \$15.0 million or more. One percent of associate members reported no business activity in 2019 (Exhibits 4 & 5)

Exhibit 4. Annual Revenue - 2019
(Percent of Respondents)

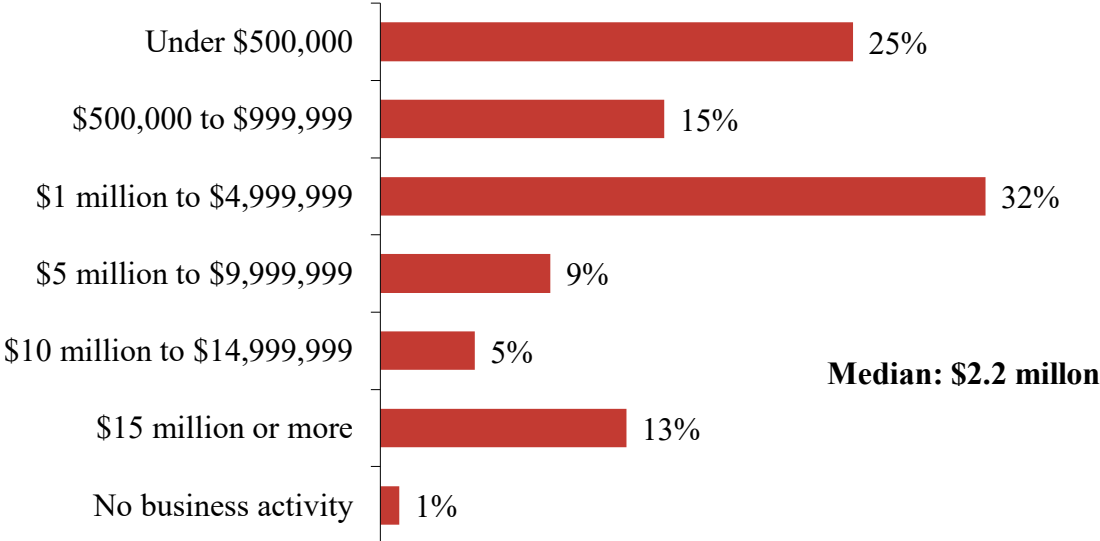
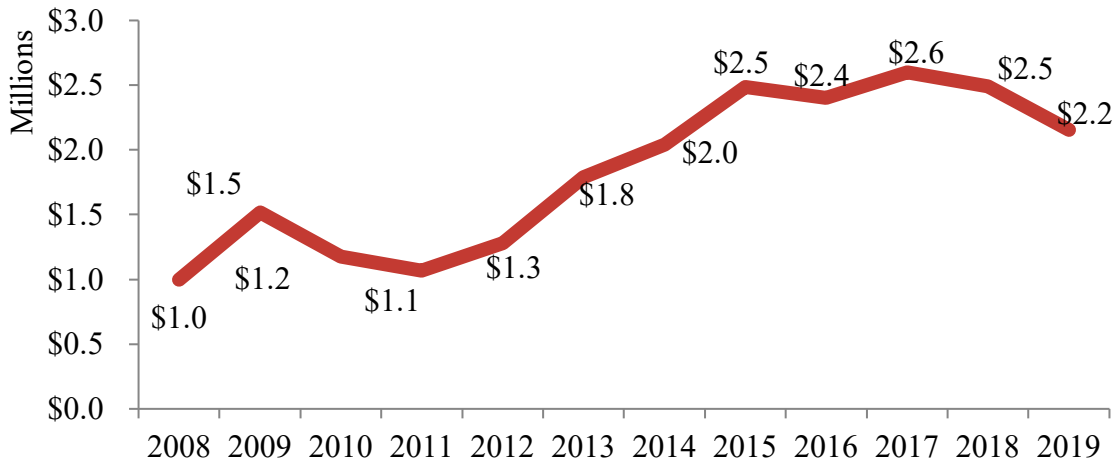


Exhibit 5. Annual Revenue – History
(Median, millions of dollars)



Median dollar volume also varies widely across primary activity categories. For example, financial service members reported a median of \$8.7 million in 2019 dollar volume, compared to \$1.0 million for professional specialty members, \$1.3 million for subcontractor/specialty trade contractor members, \$1.8 million for members involved in some other associate activity, \$3.6 million for retail dealership/distributorship members, and \$8.0 million for wholesale dealerships/distributorships.

Age, Gender, Race and Ethnicity

The median age of NAHB associate members in 2019 was 56 years. Five percent of associate members were less than 35 years old, 16 percent were 35 to 44, 26 percent were 45 to 54, 35 percent were 55 to 64, and 17 percent were 65 or older (Exhibit 6). The median age of associate members has increased over time: it was 50 in 2008, 54 by 2012, and 56 by 2017 (Exhibit 7).

Exhibit 6. Age - 2019
(Percent of Respondents)

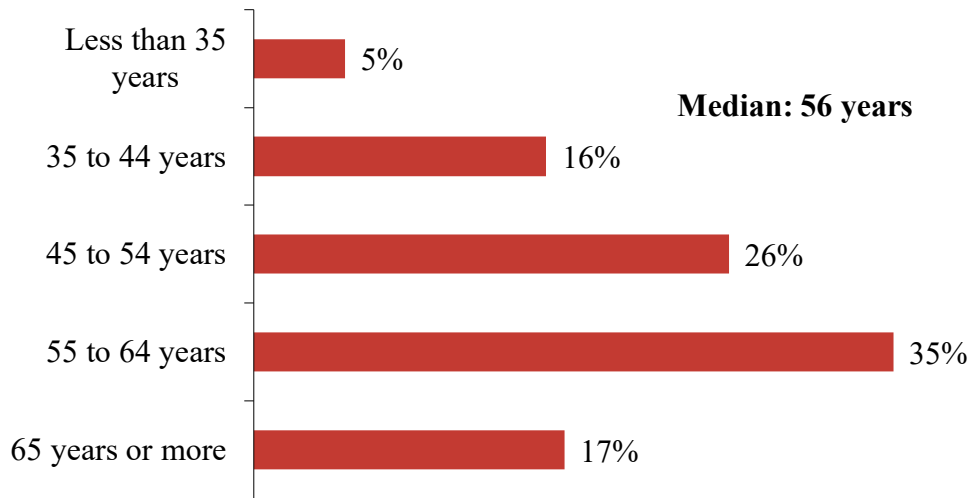
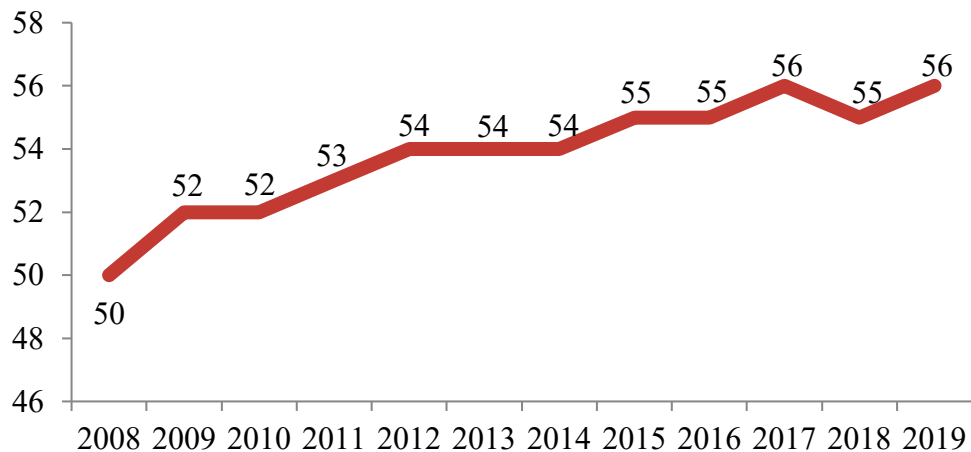
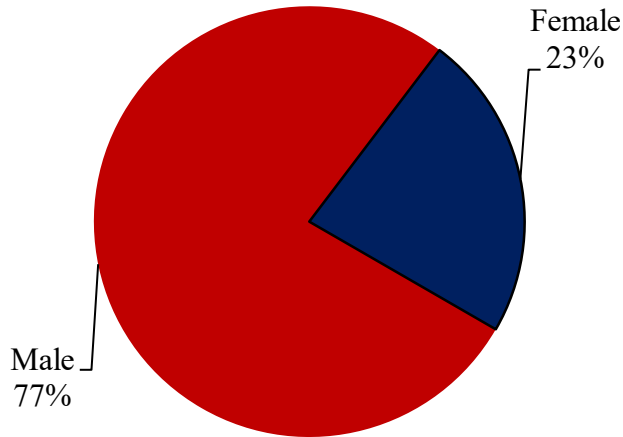


Exhibit 7. Median Age - HISTORY
(Percent of Respondents)



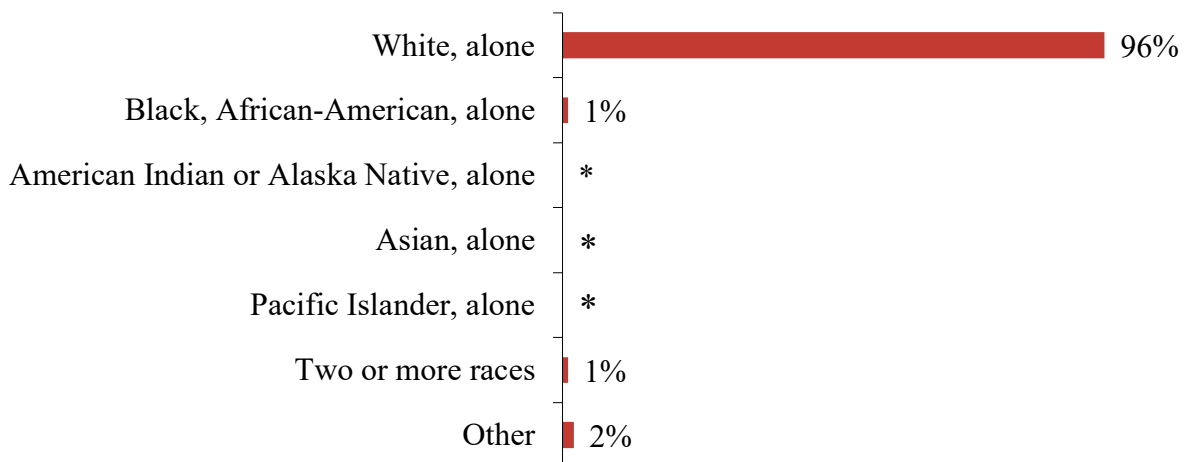
Twenty-three percent of NAHB's associate members are women, the highest percentage since the inception of the Member Census in 2008 (Exhibit 8). The female share stood at 18 percent every year from 2009 through 2012, then increased to 19 percent in 2013, to 20 percent between 2014 and 2016, followed by consecutive increases in each of the past three years: 21 percent in 2017, 22 percent in 2018, and 23 percent in 2019.

Exhibit 8. Gender - 2019
(Percent of Respondents)



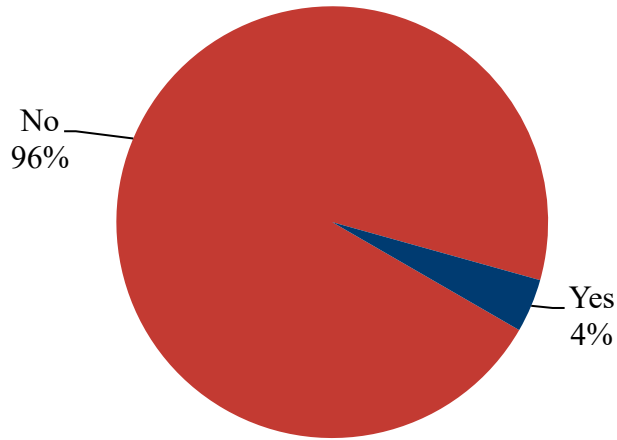
The vast majority of NAHB’s associate members are White. In fact, 96 percent of associate members identified themselves as White, alone; while only 1 percent identified themselves as Black or African-American, alone; and less than a half of a percent each identified themselves as American Indian or Alaska Native, alone; Asian, alone; and Pacific Islander, alone. One percent of associates identified themselves as having two or more races and 2 percent identified themselves as belonging to some ‘other race’ (Exhibit 9). In terms of ethnicity, only 4 percent of associates are of Hispanic, Latino, or Spanish origin (Exhibit 10).

Exhibit 9. Race
(Percent of Respondents)



**Less than 0.5 percent reported being either American Indian or Alaska Native, alone; Asian, alone; and Pacific Islander, alone.*

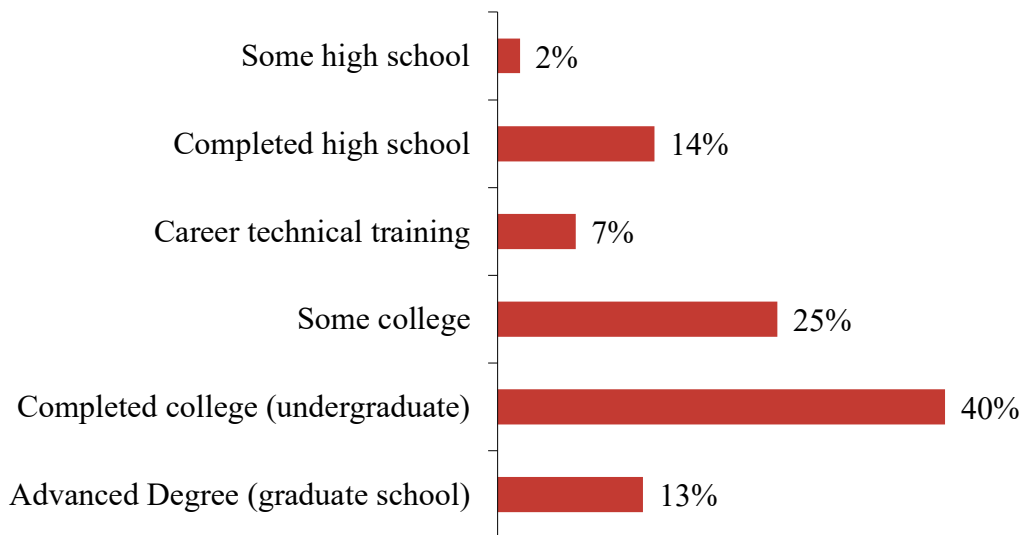
Exhibit 10. Ethnicity: Are you of Hispanic, Latino, or Spanish origin?
(Percent of Respondents)



53% of Associate Members Have a Bachelor’s Degree or Higher

Since 2008, the share of NAHB associate members with a college or advanced degree has been at or above 50 percent. In 2019, 2 percent reported that they did not finish high school. Fourteen percent completed high school, 7 percent have career technical training, 25 percent have had some college education, 40 percent finished college, and 13 percent have an advanced/graduate degree (Exhibit 11).

Exhibit 11. Education - 2019
(Percent of Respondents)

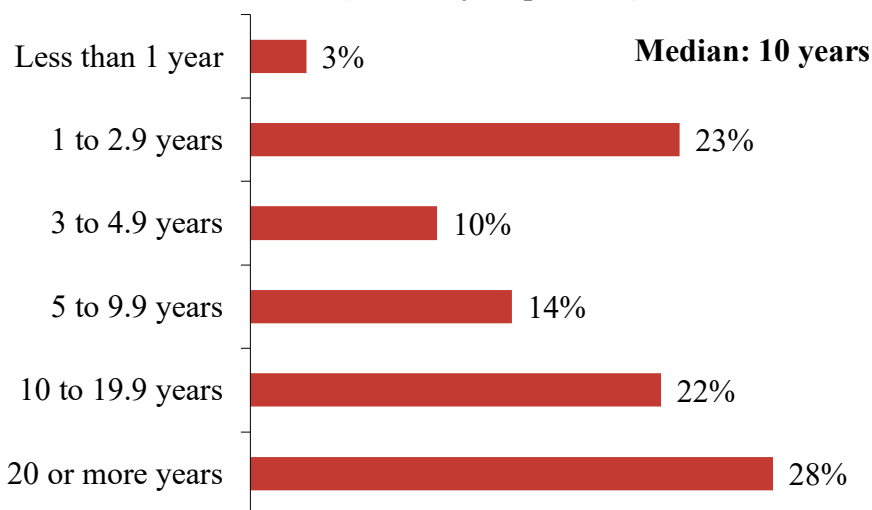


The share of associate members with a college or graduate degree varies across companies' primary activities. Eighty-two percent of professional specialty members have a degree, compared to 36 percent of subcontractor/specialty trade contractors, 46 percent of retail dealership/distributorship members, 60 percent of members involved in some other associate activity, 61 percent of wholesale dealership/distributorship members, and 74 percent of members in financial services.

Half Have Been Members for a Decade or More

In 2019, associate members reported belonging to NAHB for a median of 10 years, unchanged since 2015. Twenty-six percent have been members for less than 3 years, 24 percent for 3 to 9 years, 22 percent for 10 to 19 years, and 28 percent for 20 years or more (Exhibit 12).

Exhibit 12. Tenure as NAHB Member - 2019
(Percent of Respondents)



Members primarily involved in financial services, retail dealerships/distributorships, and wholesale dealerships/distributorships have been NAHB members the longest, with a median tenure of 10 years, compared to a median of 7 years among members involved in other associate activities, 8 years among professional specialty members, and 9 years among subcontractors/specialty trade contractors.

A profile for each category of associate member is available in the “Additional Resources” box at the top of this article.

PROFILES BY ASSOCIATE MEMBER CATEGORY
Subcontracting/Specialty Trade Contractors in 2019

Number of members	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	49,382	44,351	42,070	34,574	30,974	32,160	28,802	32,441	33,795	31,639
	2018	2019								
	32,148	34,293								

Company Profile

1. Primary business activities covered are: Carpentry work, Electrical work, Masonry, Stone work, Tile setting and Plastering, Landscaping, Plumbing, Heating and Air Conditioning, Roofing, Siding and Sheet Metal Work, Painting and Paper Hanging, Floor laying and other Floor work, Concrete work, Excavation work, Insulation work, Drywall Installation, Security Systems, Home Technology, and Other Subcontracting.

2. No. of employees on payroll (Median):

Construction Employees:	6
Non-construction Employees:	2
Total:	9

(Five percent of the subcontracting/specialty trade contractors have 50 to 99 employees and 4 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$1,265,185**

(Five percent of the subcontracting/specialty trade contractors had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Median): **9 years**

2. Age (Median): **54 years**

3. Gender: **Male: 84%**
Female: 16%

4. Race/Ethnicity: **White: 95%**
Hispanic: 6%

5. Education: **36 percent of subcontracting/special trade contractors have completed college or have an advanced degree and 28 percent have some college education.**

Professional Specialty Members in 2019

	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								
	10,286	10,212								

Company Profile

1. Primary business activities covered are: Accounting, Architecture, Engineering, Planning or Designing, Legal Services, Computer Products and Services, Marketing, Advertising or Public Relations, and Land Surveyor.

2. No. of employees on payroll (Median):

Construction Employees:	<1
Non-construction Employees:	6
Total:	8

(Seven percent of the professional specialty members have 50 to 99 employees and 8 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$983,256**

(Nine percent of the professional specialty members had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Median): **8 years**

2. Age (Median): **56 years**

3. Gender: **Male: 68%**
Female: 32%

4. Race/Ethnicity: **White: 95%**
Hispanic: 4%

5. Education: **82 percent of professional specialty members have completed college or have an advanced degree and 14 percent have some college education.**

Retail Dealership/Distributors in 2019

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

Company Profile

1. Primary business activities covered are: Retail Appliances, Retail Building Materials/Lumber, Retail Floor Coverings, Retail Paint/Wall Coverings and Other Retail Dealerships.

2. No. of employees on payroll (Median):

Construction Employees:	<1
Non-construction Employees:	7
Total:	11

(Eight percent of the retail dealerships/distributors have 50 to 99 employees and 9 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$3,561,678**

(Sixteen percent of retail dealerships/distributors had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Median): **10 years**

2. Age (Median): **57 years**

3. Gender:
Male: 78%
Female: 22%

4. Race/Ethnicity:
White: 97%
Hispanic: 2%

5. Education: **46 percent of retail dealerships/distributors have completed college or have an advanced degree and 34 percent have some college education.**

Financial Services Members in 2019

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

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:	<1
Non-construction Employees:	18
Total:	19

(Seven percent of financial services members have 50 to 99 employees and 27 percent have 100 employees or more.)

3. Dollar volume of company's business activity (*Median*): **\$8,742,593**

(Thirty-nine percent of financial services members had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (*Median*): **10 years**

2. Age (*Median*): **56 years**

3. Gender: **Male: 71%**
Female: 29%

4. Race/Ethnicity: **White: 98%**
Hispanic: 1%

5. Education: **74 percent of financial services members have completed college or have an advanced degree and 20 percent have some college education.**

Wholesale Dealerships/Distributors in 2019

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of members	5,676	6,734	5,453	4,300	4,759	4,384	4,644	4,466	3,889	3,685
	2018	2019								
	3,828	3,467								

Company Profile

1. Primary business activities covered are: Wholesale Appliances, Wholesale Building Materials/Lumber, Wholesale Floor Coverings, Wholesale Paint/Wall Coverings and Other Wholesale Dealerships.

2. No. of employees on payroll (Median):

Construction Employees:	<1
Non-construction Employees:	14
Total:	20

(Eleven percent of the wholesale dealerships/distributors have 50 to 99 employees and 14 percent have 100 employees or more.)

3. Dollar volume of company's business activity (Median): **\$7,999,890**

(Thirty-three percent of wholesale dealerships/distributors had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (Median): **10 years**

2. Age (Median): **55 years**

3. Gender: **Male: 87%**
Female: 13%

4. Race/Ethnicity: **White: 96%**
Hispanic: 1%

5. Education: **61 percent of wholesale dealerships/distributors have completed college or have an advanced degree and 22 percent have some college education.**

Other Associate Activity Members in 2019

	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								
	16,146	16,290								

Company Profile

1. Primary business activities covered are: Manufacturing, Property Management, Real Estate, Utilities, Industry Consultant, Trade Association/Non-Profit, and Other Associate Activities

2. No. of employees on payroll (*Median*):

Construction Employees:	<1
Non-construction Employees:	4
Total:	8

(Seven percent of other associate members have 50 to 99 employees and 11 percent have 100 employees or more.)

3. Dollar volume of company's business activity (*Median*): **\$1,818,611**

(Eighteen percent of other associate members had \$15 million or more in business activity.)

Member Profile

1. No. of years as a member of NAHB (*Median*): **7 years**

2. Age (*Median*): **56 years**

3. Gender: **Male: 68%**
Female: 32%

4. Race/Ethnicity: **White: 95%**
Hispanic: 3%

5. Education: **60 percent of other associate members have completed college or have an advanced degree and 25 percent have some college education.**