

Who Are NAHB's Builder Members?

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Special Study for Housing Economics

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National Association of Home Builders

Every year, the National Association of Home Builders (NAHB) conducts an annual census of its members and publishes the results in a special study. This study presents results from the latest census of NAHB's builder members, conducted at the end of 2020.

Results show that the typical NAHB builder member was a relatively small business in 2020, with medians of

- \$2.6 million in gross revenue,
- 5 housing starts, and
- 5 payroll employees.

The following sections describe these results in more detail, as well as showing results on builder member demographics and providing background information about the NAHB census. At the end of the exposition, there is a series of profiles showing basic statistics for each of the major categories of NAHB's builder members.

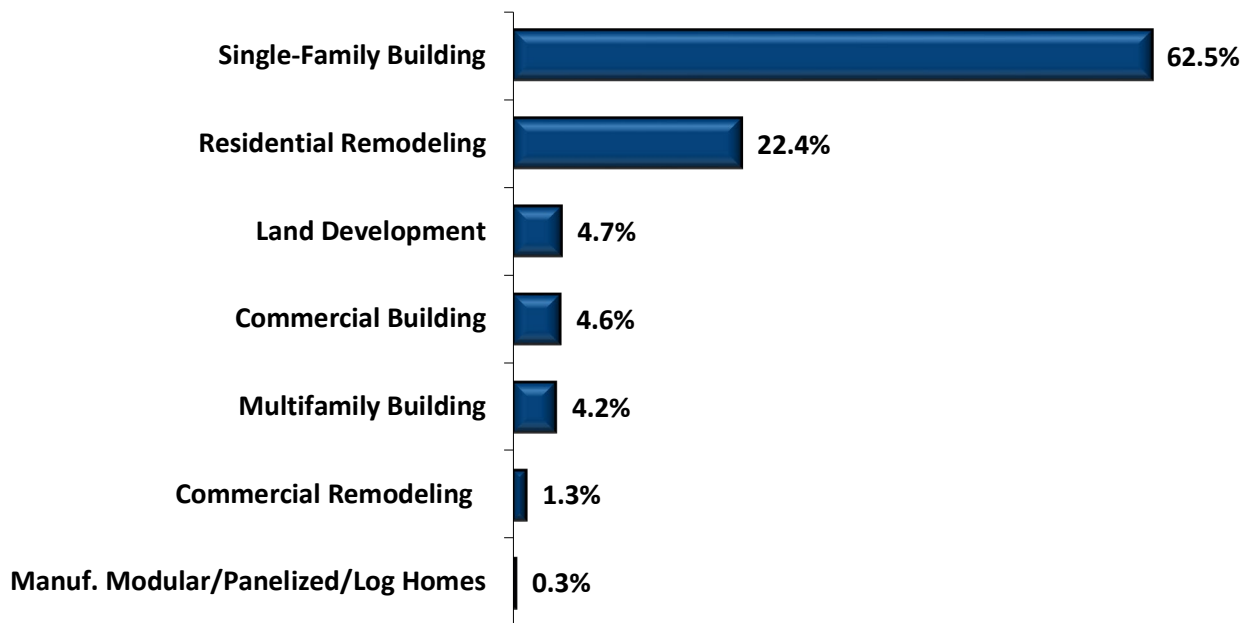
Type of Builder

The NAHB census asks builder members to classify their primary business as one of the following: single-family home building, multifamily building, residential or commercial remodeling, commercial building, land development, or manufacturing of modular/panelized/log homes. NAHB also has associate members who may be involved in any of a wide range of activities that support home building and will be the subject of a forthcoming study.

As of its latest census, NAHB has a total of 37,595 builder members, accounting for roughly one-third of NAHB's total membership of 112,665. Of the builder members, 62.5 percent reported single-family building as their primary activity, 22.4 percent residential remodeling, 4.7 percent land development, 4.6 percent commercial building, and 4.2 percent

multifamily building. Fewer than two percent each reported being primarily involved in commercial remodeling and the manufacturing of modular/panelized/log homes (fig. 1). Excluded from the breakdown shown in Figure 1 are 3 percent of builders who did not report a primary activity in 2020.

**Figure 1. Primary Business Activity During 2020
(Percent of Respondents)***



**Based on respondents who provided information on their primary activity.*

The composition of NAHB's builder membership did not change significantly between 2019 and 2020. The year-to-year shifts in the percentages shown in Figure 1 were all well under two percentage points.

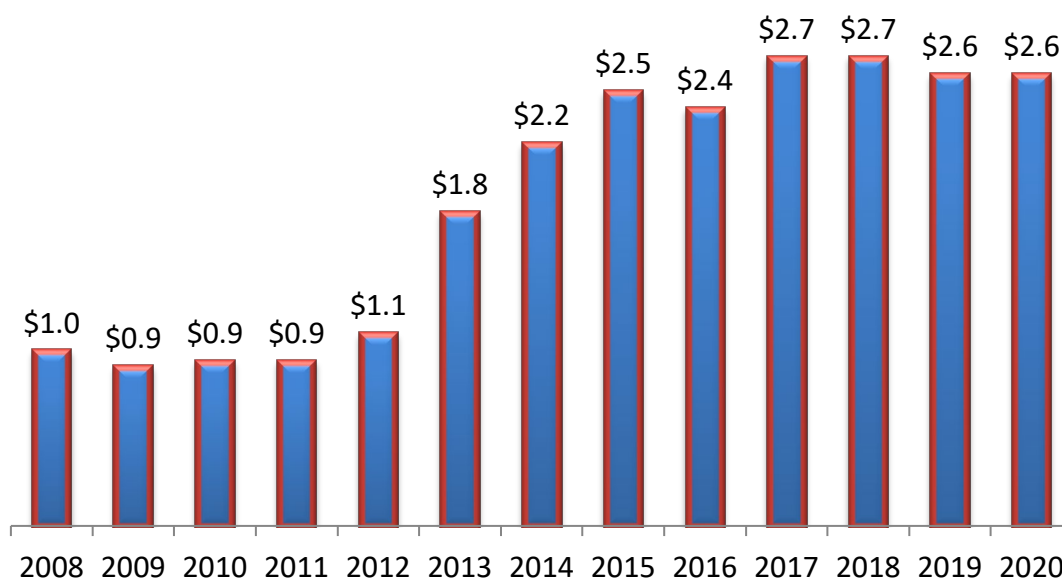
Dollar Volume of Business

Although there are exceptions, NAHB builder members tend to be relatively small businesses. In the 2020 member census, 17 percent of the builder members reported a dollar volume of less than \$500,000, 16 percent reported between \$500,000 and \$999,999, 41 percent between \$1.0 million and \$4.9 million, 11 percent between \$5.0 million and \$9.9 million, 4 percent between \$10.0 million and \$14.9 million, and 9 percent reported their dollar volume at \$15.0 million or more in 2020. One percent of builder members reported no business activity. The median was an annual business volume of \$2.6 million, unchanged from 219. For comparison, the Small

Business Administration’s [size standards](#) classify most types of construction businesses as small if they have average annual receipts of less than \$39.5 million.

After rising steadily following the housing recession, builders’ median revenue has plateaued in the last four years. The median oscillated between \$0.9 million and \$1.1 million from 2008 to 2012, surpassed \$2.0 million for the first time in 2014, then reached \$2.5 million by 2015 and \$2.7 million by 2017. Builders’ annual median revenue has been stagnant since 2017, ranging only from \$2.6 to \$2.7 million (fig. 2).

Figure 2. Median Annual Revenue: HISTORY
(Millions of dollars)



Housing Starts

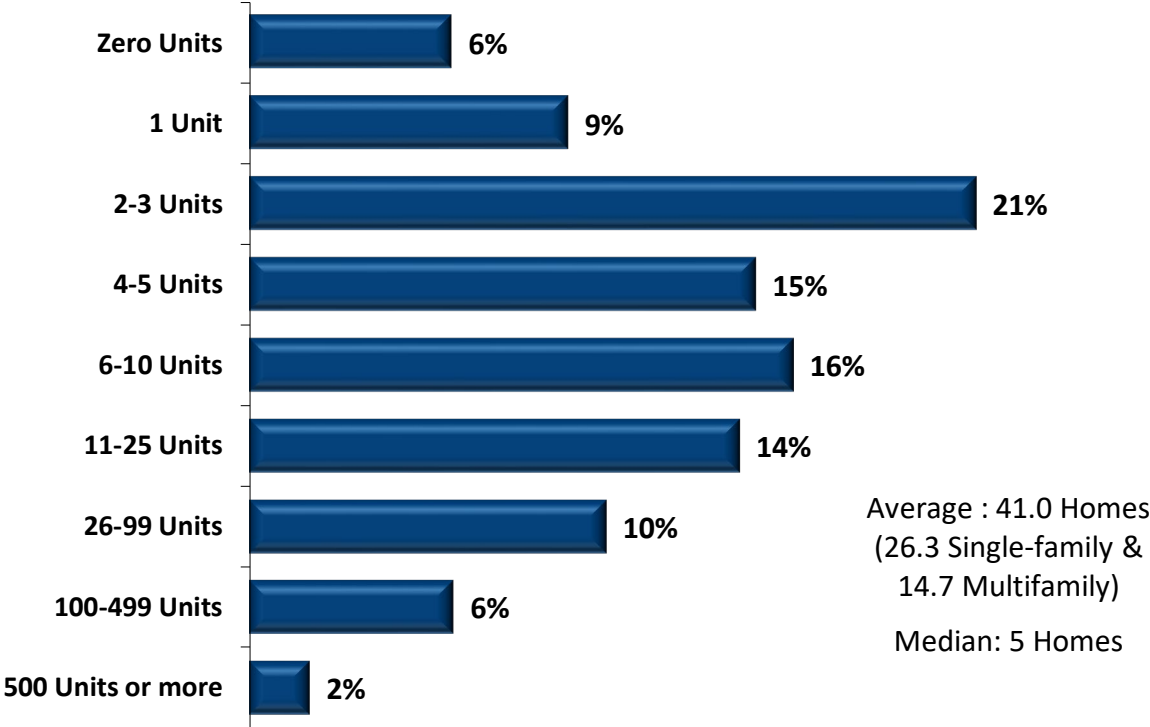
The NAHB census also asks builder members about the number of homes they started¹ in 2020. The plurality—21 percent—started 2 or 3 homes, while 9 percent started one, 15 percent started four or five, 16 percent started six to ten, 14 percent started eleven to twenty-five, 16 percent started 26 to 499, and only 2 percent started 500 homes or more (fig. 3). About 6 percent did not start any in 2020.

On average, the builders started an average of 41.0 housing units in 2020 (26.3 single-family units and 14.7 multifamily units). The median number of starts was 5 (fig. 3). Because the data

¹ In its [Survey of Construction](#), the U.S. Census Bureau considers housing unit started when excavation for the foundation of the structure begins.

on housing starts include a small percentage of very large builders, the average number of starts is much higher than the median, and for many purposes the median number of 5 housing starts is more representative of the typical builder.

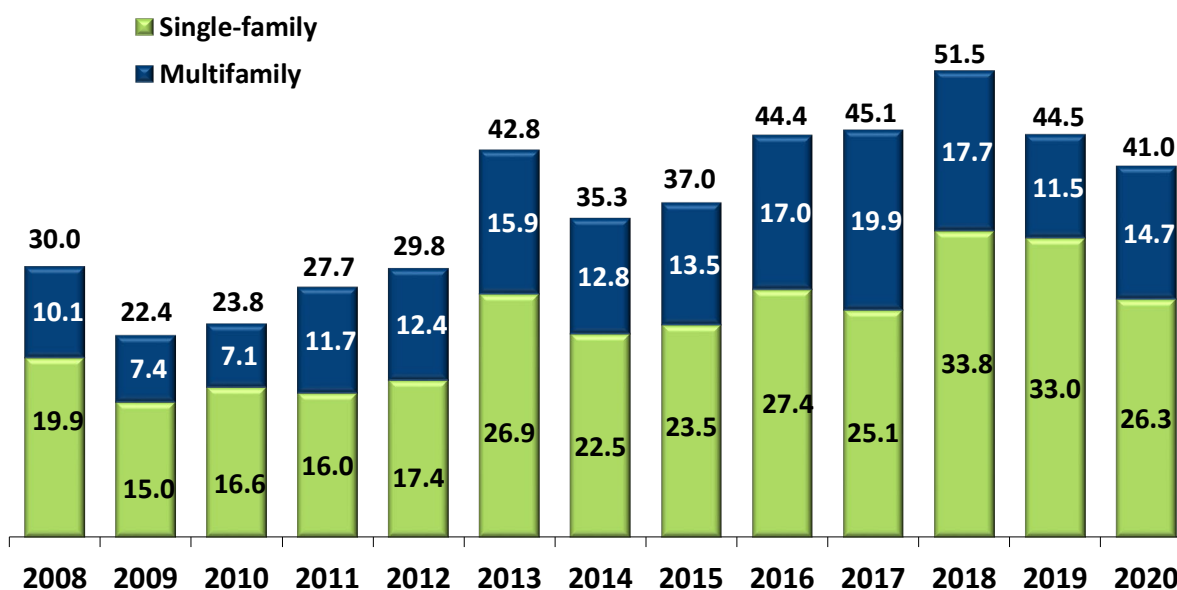
**Figure 3. Number of Housing Starts in 2020
(Percent of Respondents)**



Not surprisingly, the median number of starts varies depending on the type of builder. Single-family builders started a median of 5 housing units in 2020, compared to a median of 52 housing units started for multifamily builders.

In the first year of the current incarnation of NAHB’s member census, 2008, builders reported starting an average of 30.0 housing units. That number shrank to 22.4 in 2009, then rose slowly until it reached an average of 51.5 starts in 2018 (fig. 4). Supply-side constraints, such as surging lumber prices and shortages of developed lots and labor, have subsequently contributed to a decline in the average number of starts reported by NAHB builder members in 2019 (44.5) and 2020 (41.0).

Figure 4. Average Number of Housing Starts: HISTORY



Employees

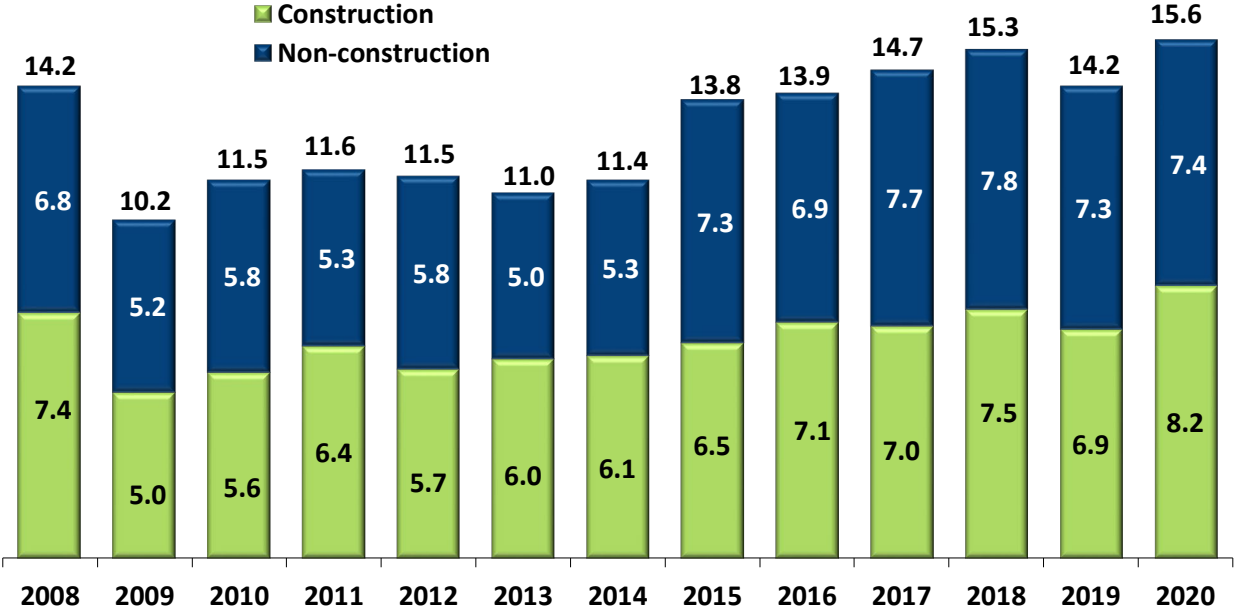
Due to their status as small businesses and frequent reliance on [subcontractors](#), many builders carry relatively few employees on their payrolls. In NAHB’s 2020 member census, the builder members reported a median of 5 employees (including employees in both construction and non-construction jobs). The median varies by the company’s primary activity. Among manufacturers of modular/panelized/log homes, the median number of paid employees in 2020 was 20, compared to 3 among land developers, 4 among single-family builders, 4 among residential remodelers, 7 among commercial remodelers, and 10 among multifamily builders and commercial builders.

Skewed by a small number of very large builders, the average was a considerably higher 15.6 employees (8.2 construction, 7.4 non-construction workers). Although the median often better represents the experience of a typical builder, it tends to be relatively stable over time. The median number of payroll employees for NAHB builder members remained stable at 4 from 2008 through 2014, then edged up to 5 where it has stayed since 2015.

The average 15.6 employees on builders’ payrolls in 2020 marks the highest point in this series since its inception in 2008 – when the average was 14.2 employees. Between 2009 and 2014,

the average hovered around 10 or 11 employees, before rising to just shy of 14 in 2015 and 2016. On average, builders have employed over 14 people every year since 2017, surpassing the 15-employee threshold in 2018 and 2020 (fig. 5).

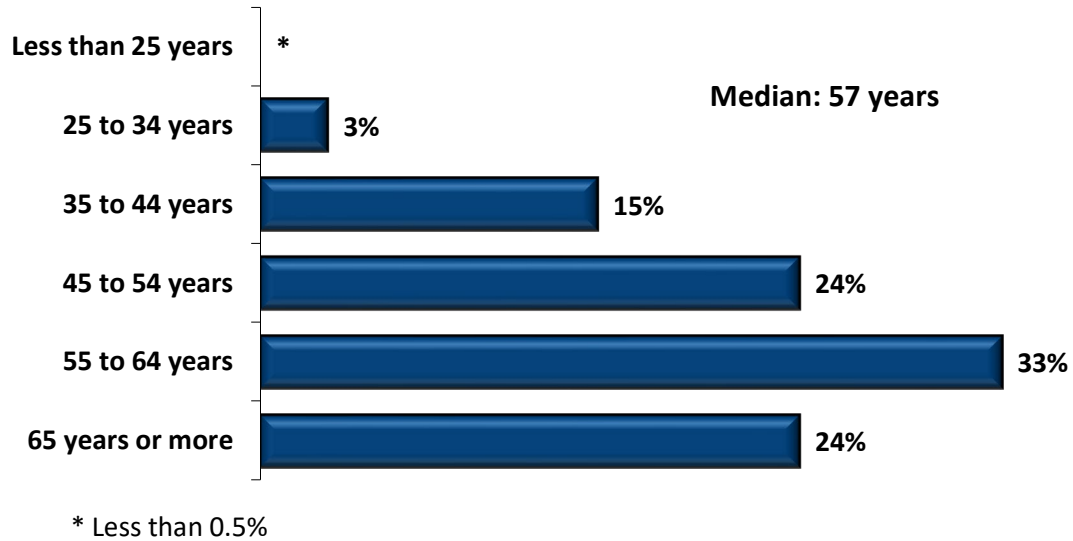
Figure 5. Average Number of Employees on Payroll: HISTORY



Age, Gender, Race and Ethnicity

In 2020, only 3 percent of builder members were less than 35 years old, 15 percent were 35 to 44, 24 percent were 45 to 54, 33 percent were 55 to 64, and 24 percent were 65 years or older. The median age of builder members in 2020 was 57 years (fig. 6).

**Figure 6. Age
(Percent of Respondents)**

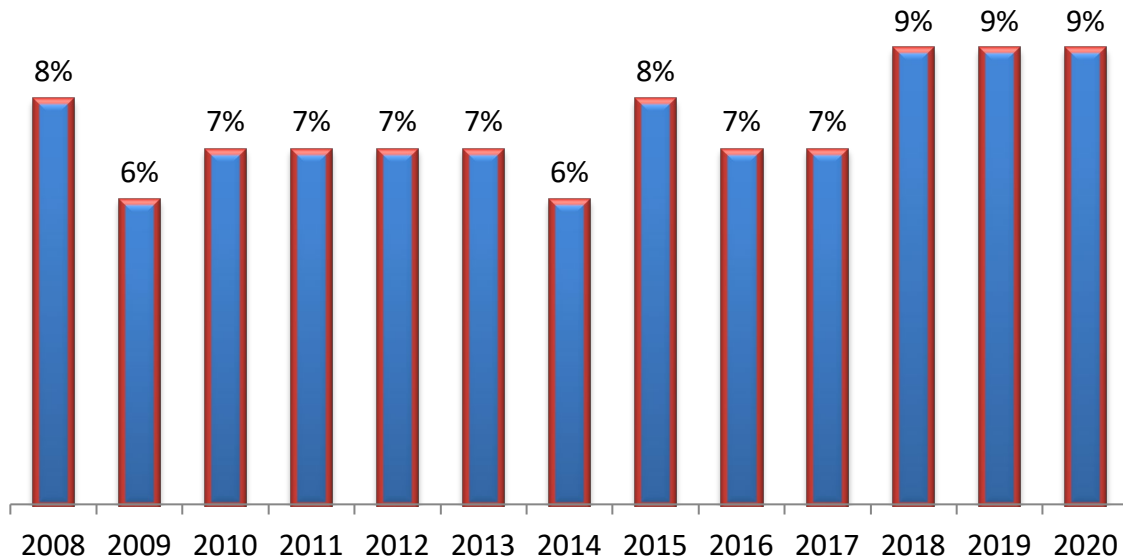


The median age has been rising gradually since the inception of the member census: from 52 in 2008, to 53 in 2009 and 2010, 54 in 2011, 56 from 2012 to 2016, and to 57 since 2017.

Builders' median age shows some variation across primary activities. Land developers, commercial remodelers, and commercial builders are slightly older (all have a median age of 60) than manufacturers of modular/panelized/log homes (55) and single-family builders (56).

In 2020, for the third year in a row, 9 percent of NAHB builder members were women—the highest the share has been since the inception of the member census in 2008. This is roughly proportional to the share of women in the [construction industry overall](#). From 2008 until 2017, the female share of NAHB's builder members fluctuated in a narrow range between 6 and 8 percent (fig. 7).

Figure 7. Female Share of Builder Members: HISTORY

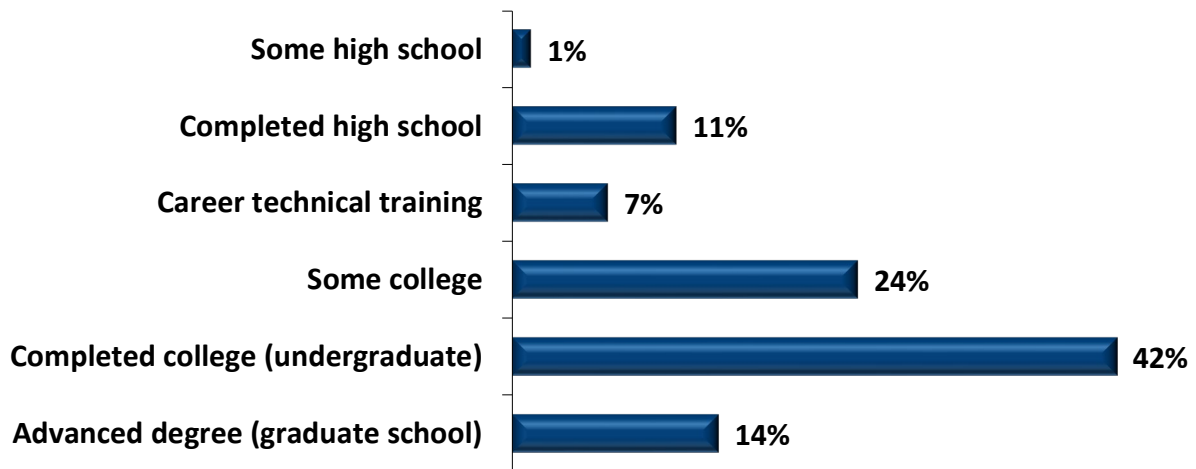


The vast majority of NAHB’s builder members are white. In fact, 97 percent of builders identified themselves as White, alone, while one percent identified as Black, African-American, alone; and less than half of one percent identified as either American Indian or Alaska Native, alone; Asian, alone; or Pacific Islander, alone. One percent of builder members are of some other race and one percent are of two or more races). In terms of ethnicity, only 3 percent of builder members report being of Hispanic, Latino, or Spanish origin.

Education

Fifty-six percent of NAHB’s builder members either completed college or have an advanced graduate degree, 24 percent have some college education, 7 percent have career technical training, 11 percent completed high school, and 1 percent only have some high school education (fig. 8). The share of builder members with a college and/or advanced degree has remained consistently above 50 percent since the inception of this census in 2008.

**Figure 8. Education
(Percent of Respondents)**



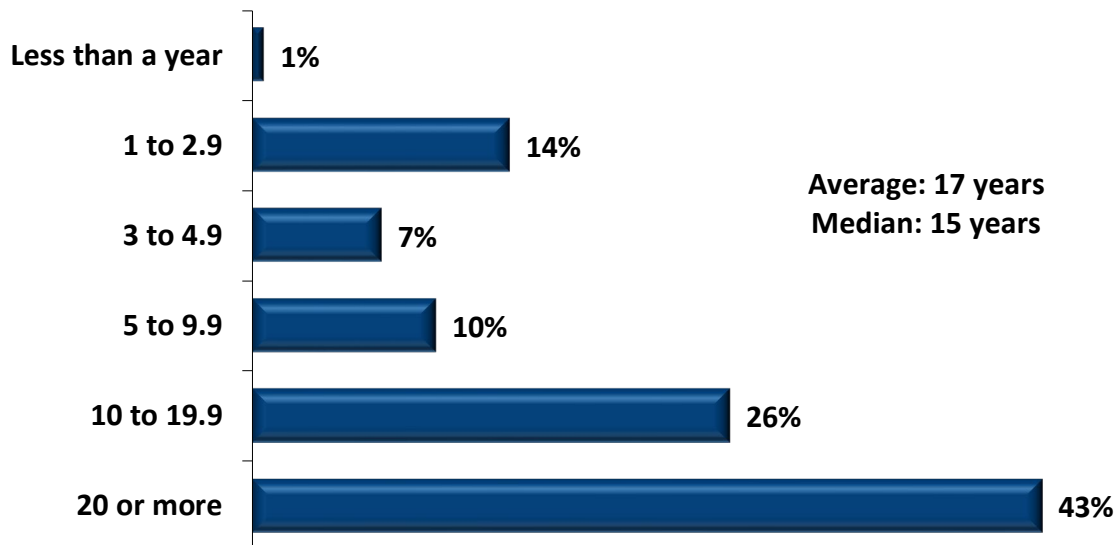
The share of builder members with a college or graduate degree varies significantly across companies' primary activities. For example, 75 percent of land developers have a degree, as do 73 percent of multifamily builders, compared to 45 percent of commercial builders and 48 percent of residential remodelers.

In addition, the company's dollar volume and the likelihood its builder member has a college/advanced degree are directly related. On one end, 44 percent of builder members at companies with revenue under \$500,000 have such a degree, and at the other, the share is 77 percent at companies with revenue of \$15 million or more.

Tenure as an NAHB Member

Builder members have been NAHB members for an average of 17 years. The median years of membership is 15. Fifteen percent have been members for less than 3 years, 17 percent have been members for 3 to 9 years, 26 percent for 10 to 19 years, and the remaining 43 percent have been associated with NAHB for 20 or more years (fig. 9).

**Figure 9. Number of Years as a Member of NAHB
(Percent of Respondents)**



The average tenure of NAHB builder members was 14 or 15 years from 2009 through 2013. It edged up to 16 for five consecutive years (2014 to 2018), and reached 17 years for the first time in 2019 (where it stayed in 2020). The median tenure has remained unchanged at 15 since 2015.

With an average tenure of 22 and 21 years, respectively, land developers and multifamily builders have been NAHB members the longest, compared to 12 years among commercial remodelers, 15 years among residential remodelers, 16 years among both commercial builders and manufacturers of modular/panelized/log homes, and 17 years among single-family builders.

Following are a set of profiles for each of the major categories of NAHB's builder members.

PROFILES BY BUILDER MEMBER TYPE

Single Family Builder in 2020

Member Count	2008	2009	2010	2011	2012	2013 ²	2014	2015	2016	2017
	45,198	31,630	27,512	24,159	23,520	18,973	24,289	24,463	22,908	22,708
	2018	2019	2020							
22,996	23,733	22,891								

Company Profile

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

Construction Employees	3
Non-construction Employees	1
Total	4

(Two percent have 50-99 employees and two percent have 100 or more.)

2. No. of units Started (Median):	Single Family	5
	Multifamily	0
	Total	5

(Five percent started 100-499 units and one percent started 500 units or more.)

3. Dollar volume of company's business activity (Median):	\$3,236,171
<i>(Ten percent had \$15 million or more in business activity.)</i>	

4. Build Age-Restricted Housing for People Age 55+:	17%
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5. Incorporate Green/Sustainable Features into Homes:	69%
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Member Profile

- 1. No. of years as a member of NAHB (Median):** 15 years
- 2. Age (Median)** 56 years
- 3. Gender:** Male: 91% Female: 9%
- 4. Race/Ethnicity:** White: 97% Hispanic: 3%
- 5. Education** 59% of the single-family builders responding have completed college or have an advanced degree and 23% have some college education.

² Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.

Residential Remodeler in 2020

Member Count	2008	2009	2010	2011	2012	2013 ³	2014	2015	2016	2017
	12,885	13,645	11,484	11,986	10,364	8,078	8,546	7,427	8,602	7,638
	2018	2019	2020							
	8,291	7,891	8,191							

Company Profile

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

Construction Employees	3
Non-construction Employees	1
Total	4

(One percent have 50-99 employees and one percent have 100 or more.)

2. No. of units started (*Median*):

Single Family	1
Multifamily	0
Total	2

(Among residential remodelers who also build new housing units, none started 100 units or more.)

3. Dollar volume of company's construction (*Median*): **\$867,727**

(One percent had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: **15%**

5. Incorporate Green/Sustainable Features into Homes: **57%**

Member Profile

1. No. of years as a member of NAHB (*Median*): **15 years**
2. Age (*Median*): **58 years**
3. Gender: **Male: 90% Female: 10%**
4. Race/Ethnicity: **White: 96% Hispanic: 2%**
5. Education: **48% of residential remodelers have completed college or have an advanced degree and another 29% have some college education.**

³ Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.

Land Developer in 2020

Member Count	2008	2009	2010	2011	2012	2013 ⁴	2014	2015	2016	2017
	2,972	2,709	1,928	1,630	1,588	1,346	2,022	1,450	1,641	1,695
	2018	2019	2020							
	1,624	1,489	1,732							

Company Profile

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

Construction Employees	1
Non-construction Employees	2
Total	3

(Two percent have 50-99 employees and four percent have 100 or more.)

2. No. of units Started (Median):

Single Family	4
Multifamily	0
Total	8

(Among land developers who also build new housing units, five percent started 100 to 499 units.)

3. Dollar volume of company's revenue (Median): \$2,856,174

(Twenty percent had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: 9%

5. Incorporate Green/Sustainable Features into Homes: 37%

Member Profile

1. No. of years as a member of NAHB (Median): **20 years**
2. Age (Median) **60 years**
3. Gender: **Male: 87% Female: 13%**
4. Race/Ethnicity: **White: 98% Hispanic: 2%**
5. Education **75% of land developers have completed college or have an advanced degree and another 11% have some college education.**

⁴ Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.

Commercial Builder in 2020

Member Count	2008	2009	2010	2011	2012	2013 ⁵	2014	2015	2016	2017
	3,177	2,491	2,603	2,347	2,028	1,487	1,611	2,516	2,399	2,028
	2018	2019	2020							
	1,964	2,151	1,692							

Company Profile

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

Construction Employees	8
Non-construction Employees	2
Total	10

(Five percent have 50-99 employees and four percent have 100 or more.)

2. No. of units Started (Median):

Single Family	2
Multifamily	0
Total	4

(Among commercial builders who also build new housing units, 9 percent started 100-499 units and two percent started 500+ units.)

3. Dollar volume of company's revenue (Median): **\$3,154,857**

(Eleven percent had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: **17%**

5. Incorporate Green/Sustainable Features into Homes: **39%**

Member Profile

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

2. Age (Median) **60 years**

3. Gender: **Male: 90% Female: 10%**

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

5. Education **45% of commercial builders have completed college or have an advanced degree and another 29% have some college education**

⁵ Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.

Multifamily Builder in 2020

Member Count	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	3,006	2,633	1,702	1,445	1,423	1,853	1,568	1,639	1,773	1,637
	2018	2019	2020							
	1,817	1,566	1,532							

Company Profile

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

Construction Employees	4
Non-construction Employees	4
Total	10

(Nine percent have 50-99 employees and eight percent have 100 or more.)

2. No. of units Started (*Median*):

Single Family	0
Multifamily	35
Total	52

(Twenty-three percent started 100-499 units and 13 percent started 500 or more.)

3. Dollar volume of company's construction (*Median*): **\$7,082,432**

(Thirty-seven percent had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: **38%**

5. Incorporate Green/Sustainable Features into Homes: **67%**

Member Profile

1. No. of years as a member of NAHB (*Median*): **20 years**
2. Age (*Median*) **59 years**
3. Gender: **Male: 91% Female: 9%**
4. Race/Ethnicity: **White: 96% Hispanic: 6%**
5. Education **73% of multifamily builders responding have completed college or have an advanced degree and another 16% have some college education.**

Commercial Remodeler in 2020

Member Count	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	661	973	714	700	573	1,625	680	536	405	520
	2018	2019	2020							
	542	573	471							

Company Profile

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

Construction Employees	7
Non-construction Employees	2
Total	7

(Five percent have 50-99 employees and three percent have 100 or more.)

2. No. of units Started (Median):

Single Family	2
Multifamily	5
Total	7

(Among commercial remodelers who also build new housing units, none started more than 25 units.)

3. Dollar volume of company's construction (Median): \$968,905

(None had dollar volume above \$10 million.)

4. Build Age-Restricted Housing for People Age 55+: 6%

5. Incorporate Green/Sustainable Features into Homes: 40%

Member Profile

1. No. of years as a member of NAHB (Median): 5 years

2. Age (Median) 60 years

3. Gender: Male: 91% Female: 9%

4. Race/Ethnicity: White: 93% Hispanic: 10%

5. Education 50% of commercial remodelers responding have completed college or have an advanced degree and another 28% have some college education.

Manufacturers of Modular/Panelized/Log Homes in 2020

Member Count	2008	2009	2010	2011	2012	2013 ⁶	2014	2015	2016	2017
	273	431	278	177	244	93	260	274	244	156
	2018	2019	2020							
	217	223	102							

Company Profile

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

Construction Employees	5
Non-construction Employees	20
Total	20

(Thirty percent have 50-99 employees and 15 percent have 100 or more.)

2. No. of units Started (*Median*):

Single Family	N/A
Multifamily	N/A
Total	N/A

3. Dollar volume of company's revenue (*Median*):

\$6,774,091

(Thirty percent had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: 42%

5. Incorporate Green/Sustainable Features into Homes: 100%

Member Profile

1. No. of years as a member of NAHB (*Median*): 16 years

2. Age (*Median*): 55 years

3. Gender: Male: 86% Female: 14%

4. Race/Ethnicity: White: 100% Hispanic: 0%

5. Education
58% of manufacturers of modular/panelized/ log homes have completed college or have an advanced degree and another 14% have some college education.

⁶ Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.