



Who Are NAHB's Builder Members?

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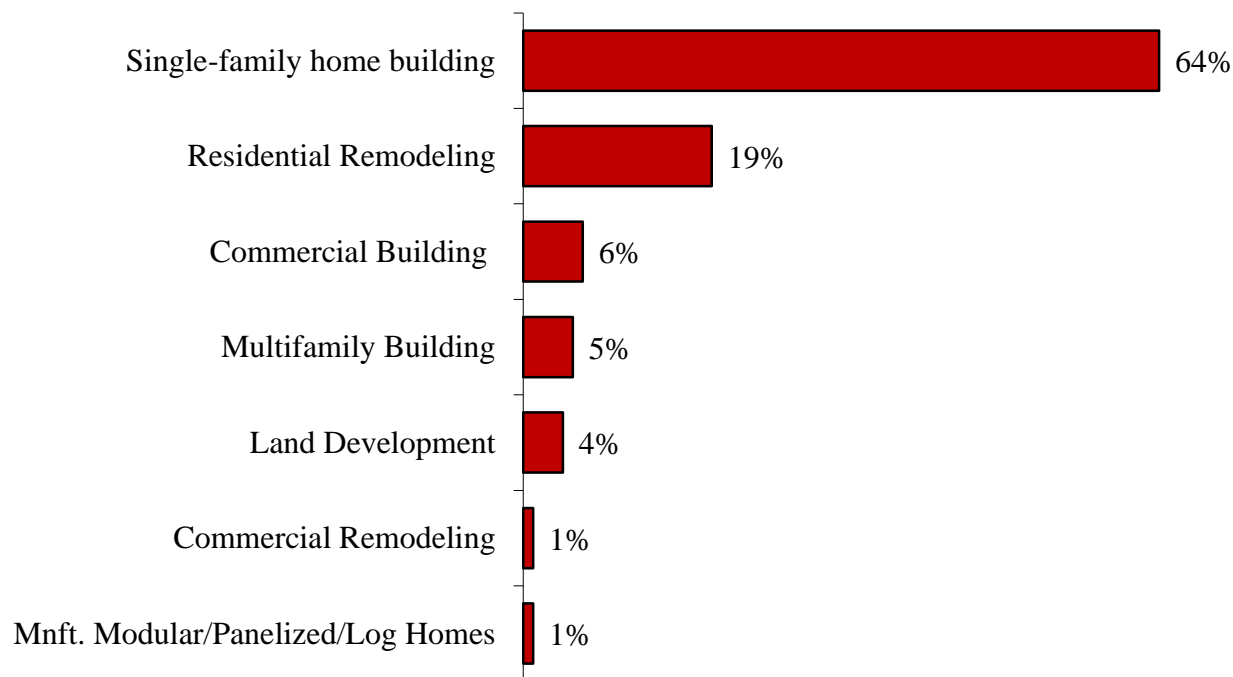
Every year since 2008, the National Association of Home Builders (NAHB) has conducted an annual census that collects company and demographic data from its members. It subsequently publishes these results here in HousingEconomics.com.

This article updates previous studies with results from the 2015 annual census on the characteristics of NAHB's builder members. 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 manufacturing of modular/panelized/log homes. Associate members are involved in a wide range of supportive industries and professions including, among others, trade contractors, manufacturers, retailers/distributors, designers, and architects. Findings from the 2014 [Builder Census](#) and [Associate Census](#) can be found on NAHB's website. At the end of 2015, 39,217 builder members represented 32 percent of the total NAHB membership. Associate members make up the remaining 68 percent and will be highlighted in a future article.

More Than 60 Percent of Builder Members Build Single-Family Homes

Sixty-four percent of NAHB's builder members are primarily single-family builders (spec/tract, custom, or general contracting), 19 percent are residential remodelers, 6 percent commercial builders, 5 percent multifamily builders, and another 4 percent land developers. One percent each are commercial remodelers and manufacturers of modular/panelized/log homes (Exhibit 1).

Exhibit 1. Share of Builder Members by Primary Business Activity - 2015
(Percent of Respondents)



The composition of NAHB’s builder membership changed slightly between 2014 and 2015. The share of builder members primarily involved in single-family home building, for example, rose from 62 percent to 64 percent during this period, while the share who are residential remodelers fell from 22 percent to 19 percent. The latter marks the fourth consecutive decline in the share of residential remodelers, which stood at a high of 28 percent in 2011.

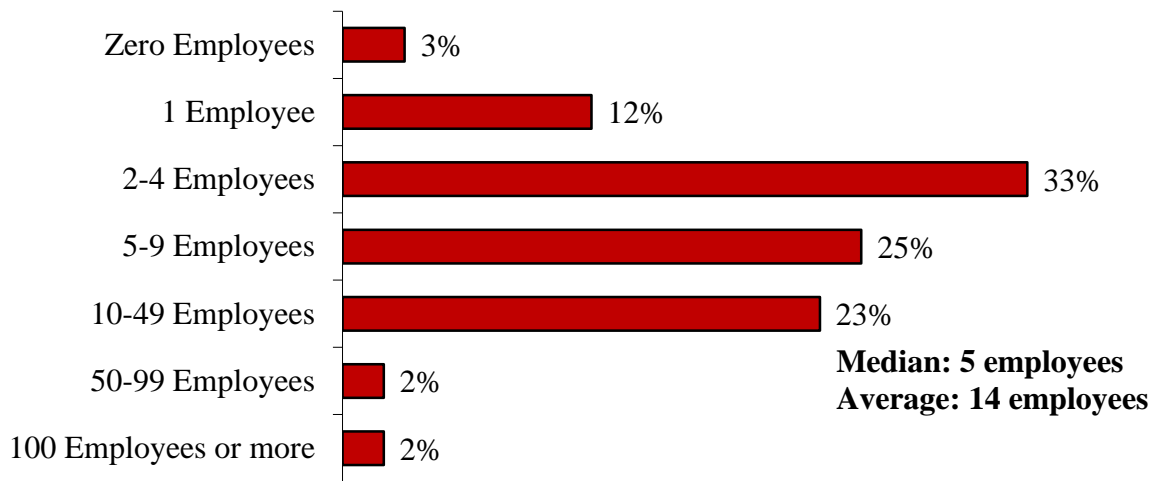
45% of Builders Have Between 1 and 4 Employees

In 2015, builder members had a median¹ of 5 employees on payroll. Twelve percent had 1 employee, 33 percent 2 to 4 employees, 25 percent had 5 to 9, 23 percent had 10 to 49, and 4 percent had 50 or more paid employees. Three percent had no payroll at all (Exhibit 2). The median number of employees had remained unchanged at 4 from 2008 to 2014.

¹ This article will use median values, as averages can be inflated by a few high production builders. 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 builders, not a change in a few large builders.

Exhibit 2. Total Number of Employees on Payroll - 2015

(Percent of Respondents)



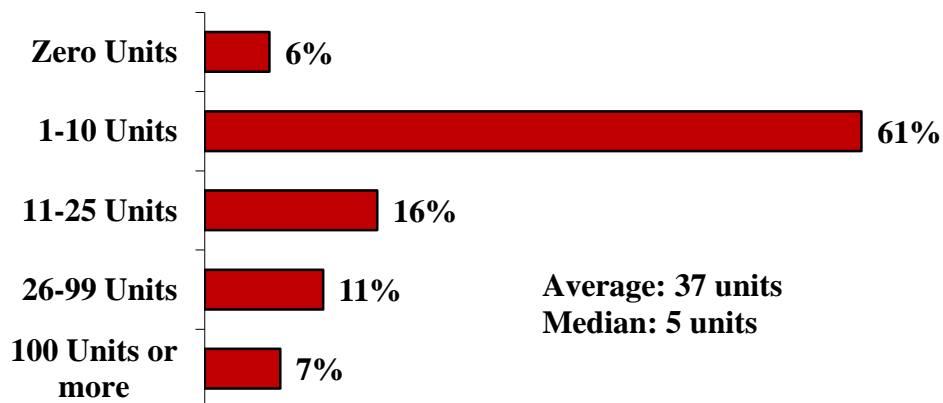
The median number of employees on payroll varies significantly by the company's primary activity. Manufacturers of modular/paneled/log homes, for example, had the largest payrolls, with a median of 12 employees in 2015, followed by multifamily builders, with a median of 11 employees, and commercial builders with a median of 10 employees. In contrast, among single-family builders, residential remodelers, and land developers, the median number of employees was 4.

Most Builders Started Between 1 and 10 Units

Six percent of builder members did not start any units in 2015, while 61 percent started between 1 and 10 units, 16 percent started 11 to 25 units, 11 percent 26 to 99 units, and 7 percent 100 or more units (Exhibit 3).

Exhibit 3. Total Number of Housing Starts – 2015

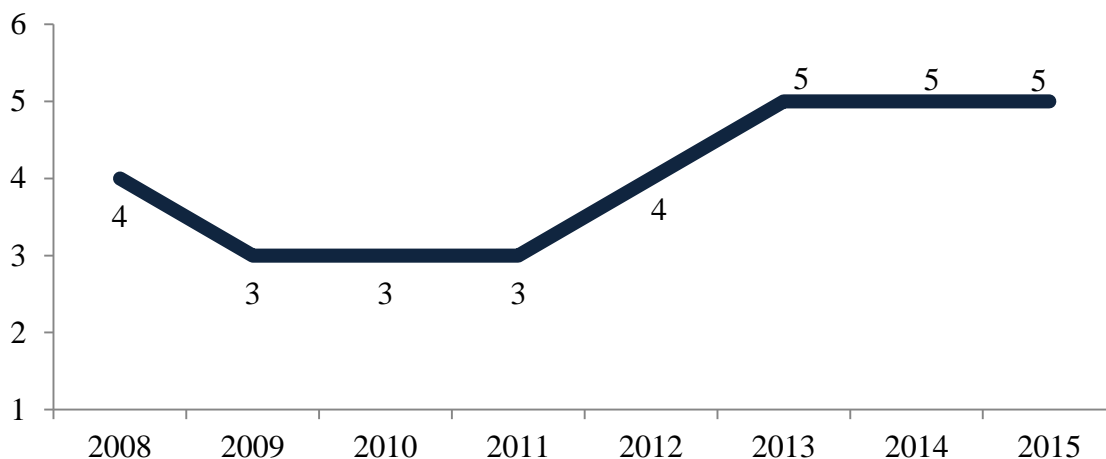
(Percent of Respondents)



The median number of units started in 2015 was 5, unchanged from the 5 started in 2014 and 2013, but higher than the 4 units started in 2012 and the 3 started in 2011 (Exhibit 4).

Exhibit 4. Median Number of Housing Starts – History

(Median)



As expected, the median number of starts varies significantly across different groups of builder members. Single-family builders, for example, started a median of 6 units in 2015, while multifamily builders started a median of 38.

Median Dollar Volume Continued to Climb in 2015

The median dollar volume of builder members in 2015 was \$2,512,938, which is 14 percent higher than the median dollar volume in 2014 (\$2,195,605). The 2015 median is the highest it has been since the membership census was launched in 2008. Seventeen percent of builder members each reported a 2015 dollar volume of less than \$500,000 and between \$500,000 and \$999,999, 40 percent between \$1.0 million and \$4.9 million, 12 percent between \$5.0 million and \$9.9 million, 5 percent between \$10.0 million and \$14.9 million, and 8 percent reported their dollar volume in 2015 at \$15.0 million or more. One percent of builder members reported no business activity in 2015 (Exhibit 5 & 6).

Exhibit 5. Annual Revenue - 2015

(Percent of Respondents)

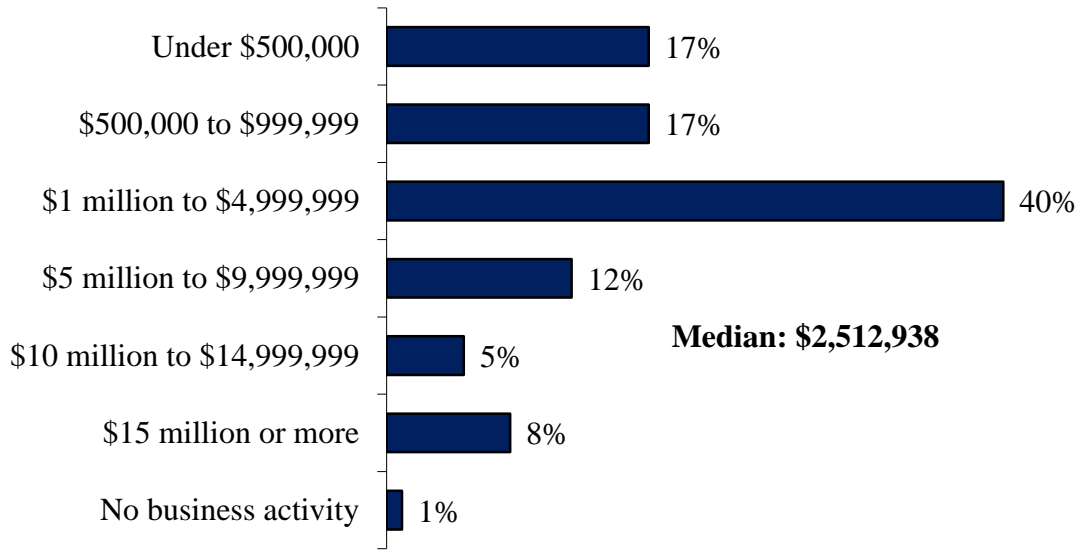
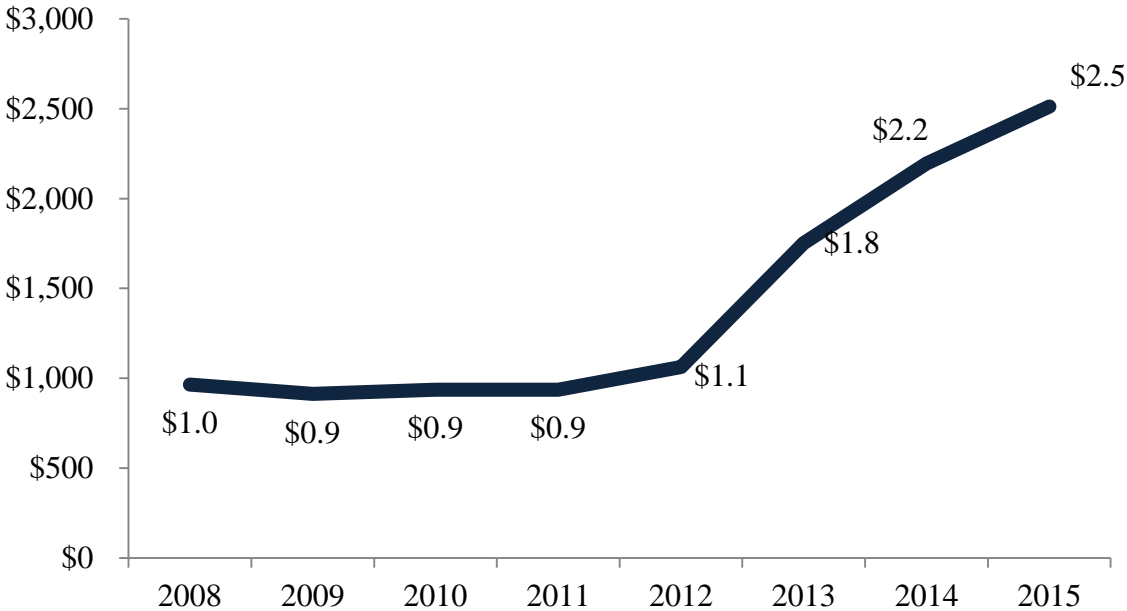


Exhibit 6. Annual Revenue – History

(Median - millions of dollars)

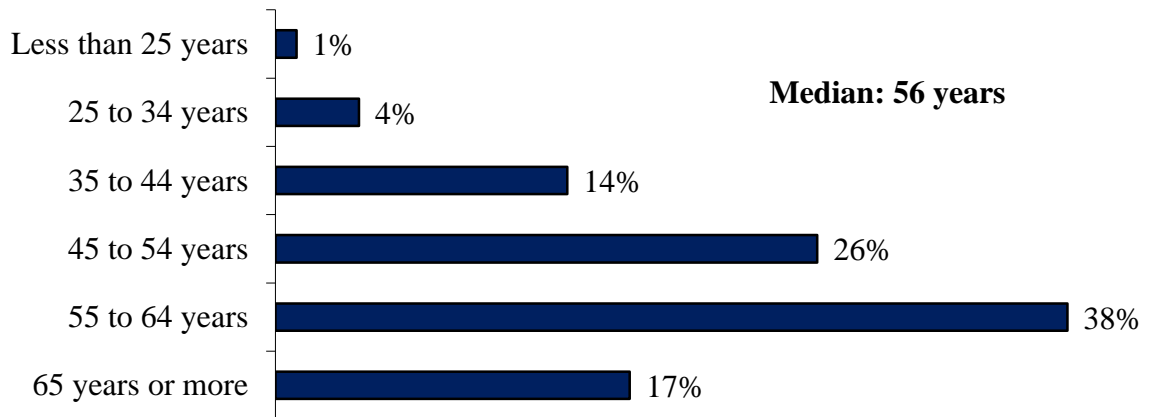


Levels of revenue also vary widely across categories of builder members. Multifamily builders had the highest median revenue in 2015 (\$4.6 million), followed by commercial builders (\$3.8 million), manufacturers of modular/panelized log homes (\$3.5 million), land developers (\$3.4 million), single-family builders (\$2.9 million), commercial remodelers (\$0.9 million), and residential remodelers (\$0.8 million).

Age

The median age of NAHB builder members in 2015 was 56 years. Fifty-five percent of builder members are 55 years of age or older. Of the remaining, 26 percent are 45 to 54 years of age and 19 percent are younger than 45 years of age (Exhibit 7).

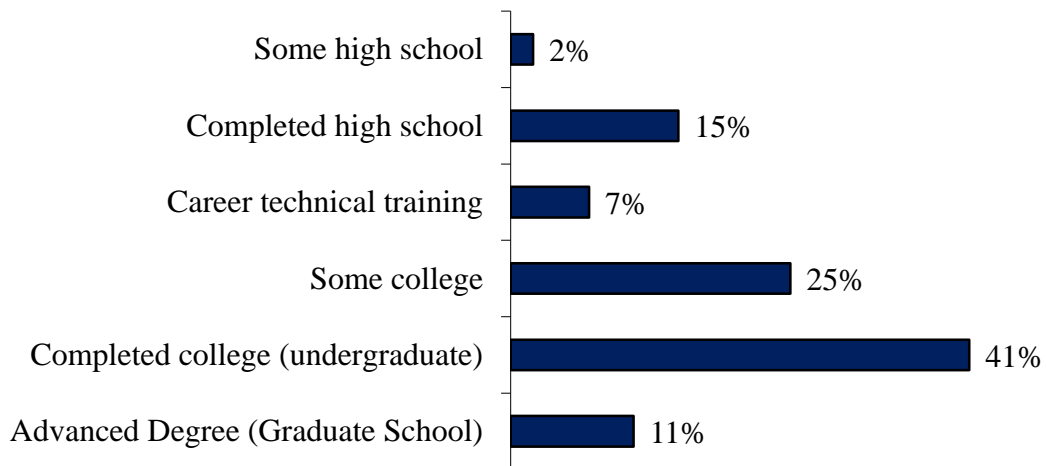
Exhibit 7. Age - 2015
(Percent of Respondents)



Over Half of Builder Members Have a Degree

The share of NAHB builder members with a college or advanced degree has remained above 50 percent every year since 2008. In 2015, 2 percent reported that they did not finish high school, 15 percent completed high school, 7 percent have career technical training, and 25 percent have had some college education. The remaining 52 percent have a college or graduate degree (Exhibit 8).

Exhibit 8. Education - 2015
(Percent of Respondents)

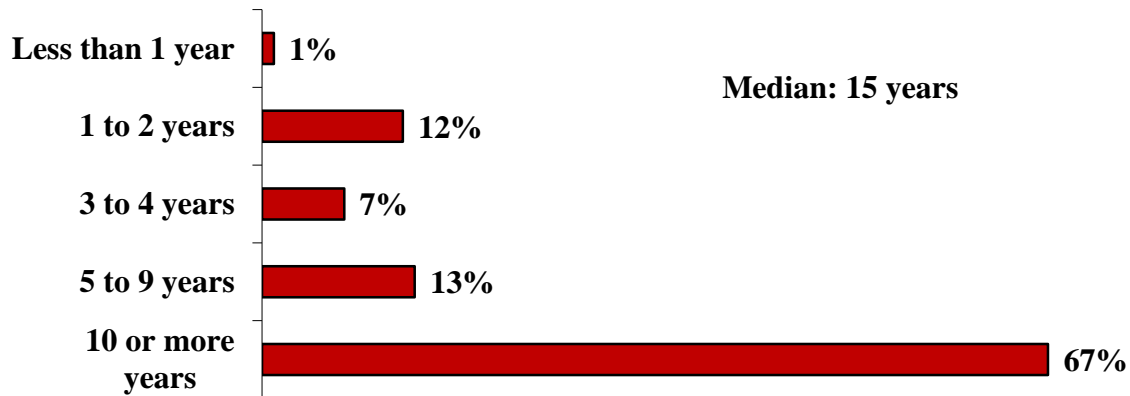


The share of builder members with a degree (either undergraduate or graduate) differs across builder categories. For example, seventy-four percent of land developers have a degree, compared to only twenty-nine percent of commercial remodelers.

Almost Two-Thirds Have Been Members for a Decade or More

The median NAHB membership tenure among builders is 15 years, with 67 percent of builder members having more than a decade of membership. Thirteen percent have been members 5 to 9 years, and 20 percent have been members for 4 years or less (Exhibit 9).

Exhibit 9. Tenure as NAHB Member - 2015
(Percent of Respondents)



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

PROFILES BY BUILDER MEMBER TYPE

Single Family Builder in 2015

	2008	2009	2010	2011	2012	2013 ⁴	2014	2015
Number of Single-family builders	45,198	31,630	27,512	24,159	23,520	18,973	24,289	24,463

Company Profile

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

Construction Employees	5.5
Non-construction Employees	4.4
Total	9.9

(Two percent of single family builders have 50-99 employees and another 1 percent have 100 employees or more.)

2. No. of units Started (<i>Average</i>):	Single Family	26.3
	Multifamily	2.7
	Total	29.0

(Four percent of single family builders started 100 to 499 units and 1 percent started 500 units or more.)

3. Dollar volume of company's business activity (<i>Median</i>):	\$2,949,523
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(Nine percent of the single family builders had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+:	18%
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Member Profile

- 1. No. of years as a member of NAHB (*Average*):** 17 years
- 2. Age (*Median*):** 56 years
- 3. Gender:** Male: 92%
Female: 8%
- 4. Race/Ethnicity:** White: 97%
Hispanic: 2%
- 5. Education** 53 percent of the single family builders responding have completed college or have an advanced degree and 24 percent 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.

Residential Remodeler in 2015

	2008	2009	2010	2011	2012	2013 ⁵	2014	2015
Number of Residential Remodelers	12,885	13,645	11,484	11,986	10,364	8,078	8,546	7,427

Company Profile

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

Construction Employees	5.2
Non-construction Employees	3.5
Total	8.6

(Two percent of residential remodelers have 50 or more employees.)

2. No. of units Started (Average):

Single Family	8.3
Multifamily	1.0
Total	9.3

(Three percent of residential remodelers started 26 to 99 units, and two percent started 100 to 499 units.)

3. Dollar volume of company's construction (Median): \$812,231

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

4. Build Age-Restricted Housing for People Age 55+: 13%

Member Profile

1. No. of years as a member of NAHB (Average): 15 years
2. Age (Median) 57 years
3. Gender: Male: 92%
Female: 8%
4. Race/Ethnicity: White: 95%
Hispanic: 2%
5. Education 47 percent of remodelers have completed college or have an advanced degree and another 27 percent 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.

Commercial Builder in 2015

	2008	2009	2010	2011	2012	2013 ⁶	2014	2015
Number of Commercial Builders	3,177	2,491	2,603	2,347	2,028	1,487	1,611	2,516

Company Profile

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

Construction Employees	13.6
Non-construction Employees	7.5
Total	21.1

(Five percent of commercial builders have 50 or more employees.)

2. No. of units Started (Average):

Single Family	2.4
Multifamily	47.8
Total	50.1

(One percent of commercial builders started 500 units or more.)

3. Dollar volume of company's revenue (Median): \$3,751,423

(Thirteen percent of commercial builders had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: 20%

Member Profile

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

2. Age (Median) 58 years

3. Gender: Male: 89%
Female: 11%

4. Race/Ethnicity: White: 96%
Hispanic: 2%

5. Education 52 percent of commercial builders have completed college or have an advanced degree and another 23 percent 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.

Multifamily Builder in 2015

	2008	2009	2010	2011	2012	2013	2014	2015
Number of Multifamily builders	3,006	2,633	1,702	1,445	1,423	1,853	1,568	1,639

Company Profile

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

Construction Employees	10.3
Non-construction Employees	40.7
Total	51.0

(Nine percent of multifamily builders have 50 to 99 employees and nine percent have 100 employees or more.)

2. No. of units Started (Average):

Single Family	6.0
Multifamily	175.6
Total	181.6

(Eighteen percent of the multifamily builders started 100 to 499 units while 16 percent started 500 or more units.)

3. Dollar volume of company's construction (Median): **\$4,645,241**

(Twenty-three percent of the multifamily builders had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: **27%**

Member Profile

1. No. of years as a member of NAHB (Average): **18 years**

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

3. Gender: **Male: 95%**
Female: 5%

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

5. Education **66 percent of multifamily builders responding have completed college or have an advanced degree and another 22 percent have some college education.**

Land Developer in 2015

	2008	2009	2010	2011	2012	2013 ⁷	2014	2015
Number of Land Developers	2,972	2,709	1,928	1,630	1,588	1,346	2,022	1,450

Company Profile

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

Construction Employees	3.0
Non-construction Employees	21.8
Total	24.8

(Four percent of land developers have 50-99 employees and 2 percent have 100 or more employees.)

2. No. of units Started (Average):

Single Family	51.5
Multifamily	50.8
Total	102.2

(Twenty-one percent of land developers started 100-499 units and three percent built 500 units or more.)

3. Dollar volume of company's revenue (Median): **\$3,366,452**

(Thirteen percent of land developers had \$15 million or more in business activity.)

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

Member Profile

1. No. of years as a member of NAHB (Average): **22 years**

2. Age (Median) **62 years**

3. Gender:
Male: 93%
Female: 7%

4. Race/Ethnicity:
White: 99%
Hispanic: 0%

5. Education **74 percent of land developers have completed college or have an advanced degree and another 18 percent have some college education.**

⁷ Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.

Commercial Remodeler in 2015

	2008	2009	2010	2011	2012	2013	2014	2015
Number of Commercial Remodelers	661	973	714	700	573	1,625	680	536

Company Profile

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

Construction Employees **14.7**

Non-construction Employees **8.3**

Total **23.0**

(Three percent of the commercial remodelers have 50 to 99 employees and eight percent have 100 or more employees.)

2. No. of units Started (Average):

Single Family **4.8**

Multifamily **73.7**

Total **78.5**

(Twelve percent of commercial remodelers started 500 units or more.)

3. Dollar volume of company's construction (Median): **\$907,279**

(Five percent of commercial remodelers had \$15 million or more in business activity.)

4. Build Age-Restricted Housing for People Age 55+: **12%**

Member Profile

1. No. of years as a member of NAHB (Average): **18 years**

2. Age (Median) **58 years**

3. Gender: **Male: 98%**
Female: 2%

4. Race/Ethnicity: **White: 98%**
Hispanic: 2%

5. Education **29 percent of commercial remodelers responding have completed college or have an advanced degree and another 25 percent have some college education.**

Manufacturers of Modular/Panelized/Log Homes in 2015

	2008	2009	2010	2011	2012	2013 ⁸	2014	2015
Number of Manufacturers of Modular/Panelized/Log Homes	273	431	278	177	244	93	260	274

Company Profile

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

Construction Employees	11.4
Non-construction Employees	11.5
Total	22.9

(Nine percent of the manufacturers of modular/panelized/log homes have 50 to 99 employees and 4 percent have 100 or more employees.)

2. No. of units Started (Average):

Single Family	61.8
Multifamily	112.0
Total	173.8

(Fourteen percent of the manufacturers of modular/panelized/log homes started 500 units or more.)

3. Dollar volume of company's revenue (Median): \$3,457,532

(Nine percent of the manufacturers of modular/panelized/log homes had \$15 million or more in business activity)

4. Build Age-Restricted Housing for People Age 55+: 27%

Member Profile

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

2. Age (Median) 54 years

3. Gender: Male: 96%

Female: 4%

4. Race/Ethnicity: White: 100%

Hispanic: 10%

5. Education 35 of manufacturers of modular/panelized/ log homes have completed college and another 41 percent have some college education.

⁸ Count for 2013 is skewed down by the anomalous large share of respondents who failed to provide a primary activity that year.