



## April is National New Homes Month

### *The Many Social and Economic Benefits of Buying a New Home*

April is National New Homes Month and the construction of a new home is an important element of GDP growth for Ohio with permit value totaling 2.8 billion in the state last year.

“There is a direct connection between housing and the economic vitality of state, local government and neighborhoods”, said Al Scott, President of the Ohio Home Builders Association (OHBA). Every home that is built has a direct and indirect impact on our economy.

Direct impact includes jobs such as construction workers, office workers, estimators, accountants, supervisors, etc. Indirect impact includes the ripple effect of suppliers, architects, engineers, truckers, workers spending money in the local community at the grocery store, shops, restaurants, medical providers, etc. For every dollar spent directly on a house, there is a \$ 0.48 of additional impact known as the local multiplier effect. Each job created to build a house leads to 0.52 ripple effect jobs in the community where it’s built.

Jobs, spending and tax revenue contribute to a vibrant local economy during and after construction. According to the National Association of Home Builders (NAHB), an average price house of \$321,000 generates a one year impact of \$211,000 in local income, \$22,000 in taxes and fees revenue for the local government and 3.24 full time local jobs. NAHB also estimates that on a permanent basis, the new resident contributes direct and indirect trickle down of \$31,000 in local income spent, \$7,430 in local taxes and .5 local jobs.

According to Dave Novak, President of HBA of the Valley, “There is a broad misperception that new housing is a drag on local budgets and education. When you consider direct and indirect impacts, housing positively contributes to the local economy”.

The number of jobs involved in building one single 1200 square foot home in your local neighborhood is estimated at more than 250 – all jobs in your community. In most cases, a home is the single largest investment a family makes. “It is not just a monetary investment, but a social investment in families”, said Novak.

Members of our local homebuilders associations are acutely aware of the emotional and social investments in the clients’ new homes. “Public health research has proven how people live has a profound effect on their health and well-being”, says Novak. Scott, OHBA President, encourages people building new homes to work with members of their local builders association who are familiar with the latest technology and building techniques in home construction.

***For a full listing of HBA Builders & Contractors visit [www.MyHBAworks.org](http://www.MyHBAworks.org) or call the Home Builder and Remodelers Association of the Valley office @ 330.965.9779. We're your HBA....working for you!***