

New Homes Benefit More Than Just Buyers & Builder

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The only people who benefit when a house is built are the family members who get to live there, and the builder who constructed and sold the home, right?

Wrong. The positive impact of new residential construction is far-reaching, bringing benefits to families, businesses and services throughout a community immediately, as well as for years to come.

According to economists at the National Association of Home Builders (NAHB), the one-year estimated local impacts of building 100 single-family homes in a typical metro area include \$21.1 million in local income, \$2.2 million in taxes and other local government revenue, and 324 local jobs.

But what does that economic impact mean in the real, day-to-day lives of community residents?

Just think about it. When a family moves to a community and buys a new house, they will likely shop at local stores to buy furniture and accessories to decorate the home. They will fill their car's gas tank at local gas stations so they can get to the stores, have local mechanics work on the car when it breaks down or needs the oil changed, or buy a new car at a local dealer when it's time to replace the old one. The family may need to hire local companies for regular services to maintain their home, such as landscaping, house cleaning, pet sitters or pool upkeep.

The children will enroll in local schools. This increases enrollment, meaning more teachers, janitors, cafeteria workers and other school support staff will need to be hired. Those kids will also join sports leagues and other activities, buy equipment and pay registration fees that provide stipends for referees and coaches.

All of this economic activity puts income into the pockets of local business owners and their families, who can then afford to go out and spend money themselves, which recycles even more money into the community's economy.

The new family also pays local and state taxes. These tax revenues help pay for a wide range of government services, including school teachers, police departments, refuse collection, parks maintenance and road repairs.

Over the long term, as the families who move into new homes become part of the community, their positive impact continues. NAHB estimates that those 100 new homes also provide the community with additional, annually-recurring impacts of \$3.1 million in local income, \$743,000 in taxes and other revenue for local governments, and 53 local jobs.

Families who buy a newly built home enjoy benefits including safety, amenities, energy efficiency and floor plans to fit a modern lifestyle. But the advantages of new homes extend far beyond the buyers and the builders—residential construction has a positive, direct impact on the local community for years.

To learn more about the home-buying process, go to www.nahb.org.