

April 21, 2021

Dear Dallas BA Builder Members,

Housing affordability has been a critical issue across the country for years, as factors such as a shortage of lots and labor have led to a limited supply. As lumber and other material prices reach all-time highs amid a supply shortage, this crisis only gets worse. Unfortunately, I continue to receive new reports each week of critical materials on allocation or that are completely unavailable.

Please know that the Dallas Builders Association, along with the Texas Association of Builders and National Association of Home Builders, is doing everything in its power to address this issue. This includes pleading with Congress and the Biden Administration to investigate the cause of these issues and take any legal action necessary to stabilize these critical supply chains.

We recognize that you are doing everything possible to avoid pricing consumers out of homes while still maintaining competitive prices necessary to operate your businesses. Over the next several months, we strongly encourage you to inform your customers that 1) supply chain volatility will continue until, at least, the third quarter of this year; and 2) that these issues will likely have a negative impact on prices and may require substitutions for certain materials as permitted by code requirements.

Additionally, you should advise your customers of any contractual escalation clauses. These are common in fixed-price contracts, including those promulgated by our association, that protect consumers from unconscionable situations.

As always, please keep us apprised of what you are seeing in the market and especially new challenges. We will do the same as we make progress with the regulators and policy makers who can preserve your ability to provide the wealth-creating opportunity of homeownership.

Sincerely,



Phil Crone, Executive Officer

OFFICERS

President

Matt Mitchell, CAPS, CGB, CGP, CSB,
CSP, GMB, MCGP
James Andrews Custom Homes

First Vice President

Andrew Pieper
Hillwood Communities

Vice President/Secretary

John Porizek
M/I Homes of DFW, LLC

Associate Vice President

Phil Smith
FACETS Appliances, Kitchens & Baths

Treasurer

Stephen Puckett
Prosperity Bank

Executive Officer

Phil Crone, CGP, GSP, JD

2021 INDUSTRY INVESTORS

Atmos Energy Corporation
BGE
DuPont
FACETS Appliances, Kitchens & Baths
Fox Energy Specialists
Hotchkiss Insurance Agency
James Hardie Building Products
StrucSure Home Warranty

AFFILIATED WITH:

Texas Association of Builders
National Association of Home Builders

PREFERRED CHARITY:

Operation FINALLY HOME