Since 1923

RoyOMartin®

BOARD BRIEF 2024 Q1

2024 VISION STATEMENT

RoyOMartin is a family-owned, professionally managed company whose stakeholders hold fast to our core values of **R**espect, **I**ntegrity, **C**ommitment, **H**onesty, **E**xcellence, and **S**tewardship.

We excel at growing people, working safely, producing quality wood products, and sustaining natural resources entrusted to us by God.

Home building is a local industry, but with benefits and setbacks stemming from outside variables across different parts of the country. The RoyOMartin Board Brief lays out the stats for our customers in key areas, namely the southwest region, so you can better understand the many factors affecting your local market.

TRENDS WE ARE SEEING NATIONWIDE:

- INFLATION SLOWING
- HOUSING DAYS ON MARKET INCREASING
- FED RESERVE RATE IS STABLE
- HEALTHY HOUSEHOLD BALANCE SHEETS
- BUILDER CONFIDENCE HAS SURPASSED THE BREAK-EVEN POINT OF 50
- BUILDING MATERIALS PRICE DECREASING
- BUILDERS ARE BUILDING SMALLER HOMES TO TRY AND LESSEN AFFORDABILITY CONSTRAINTS

"Recently a committee of stakeholders worked with executive team members, board members and shareholders to develop a new vision statement. The 2024 RoyOMartin Vision Statement, which was unanimously approved by the Board of Managers, looks to the future of RoyOMartin while respecting and honoring the values and principles that have guided us over the last 100 years."

Natalie Martin Monroe,
VP of Environmental Safety & Sustainability Operations

"This committee has done a great job of memorializing the values and vision that has made RoyOMartin last 100 years, and the values and vision we will continue to uphold for the next 100 years. Our future is very bright because our younger shareholders, managers and stakeholders embrace this statement like our current leaders. We are "World Class" in so many areas and strive to continue to be the industry leader in the future."

Roy O. Martin, III

OSB Pricing YOY

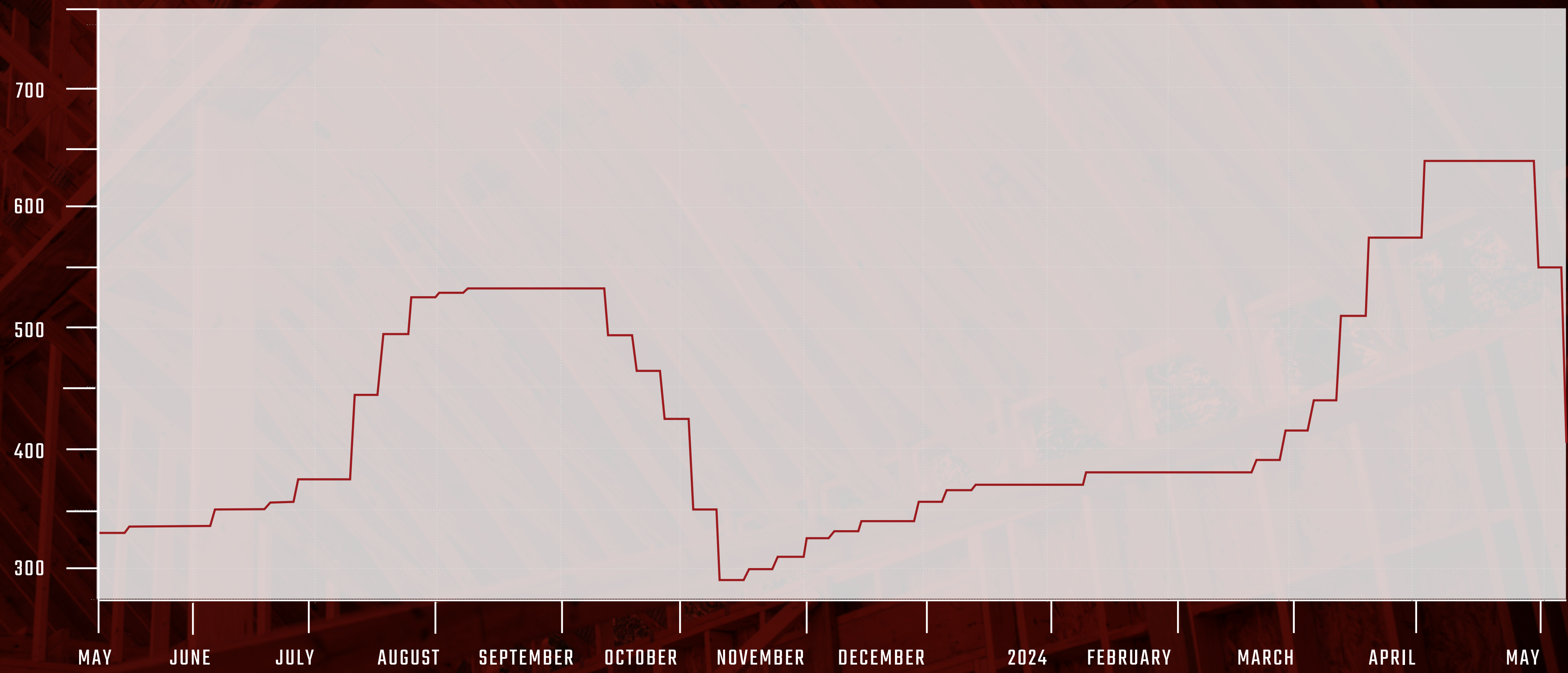
MAY 2023	MAY 2024
$320	$405

*Prices recently cracked under pressure from the secondary market, and buyers are staying on the sidelines sensing mounting downward pressure on prices.

OSB SHEATHING (SOUTHWEST) 7/16" PRICES NET F.O.B. MILL
US Southwest RL End-week

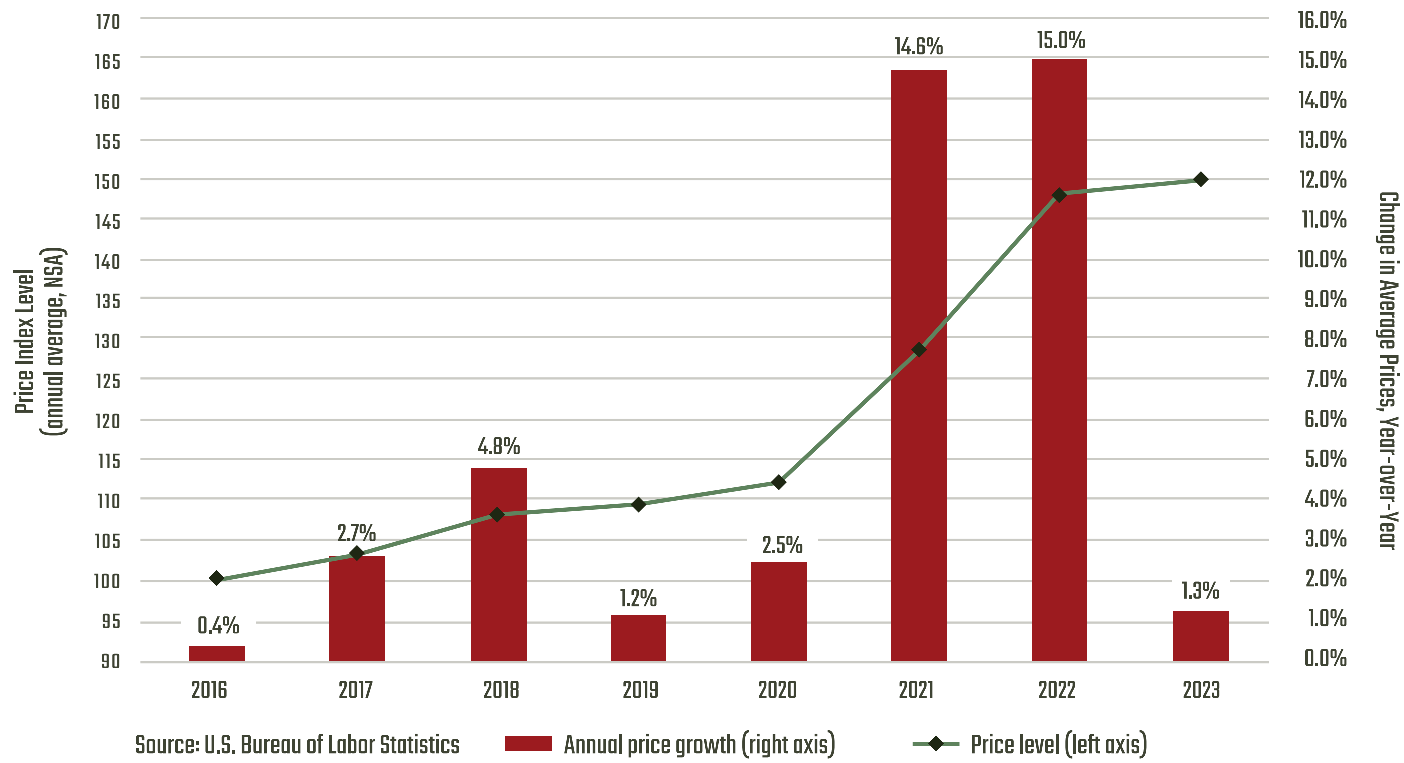
$405

UP $85
(+26.6% YOY)

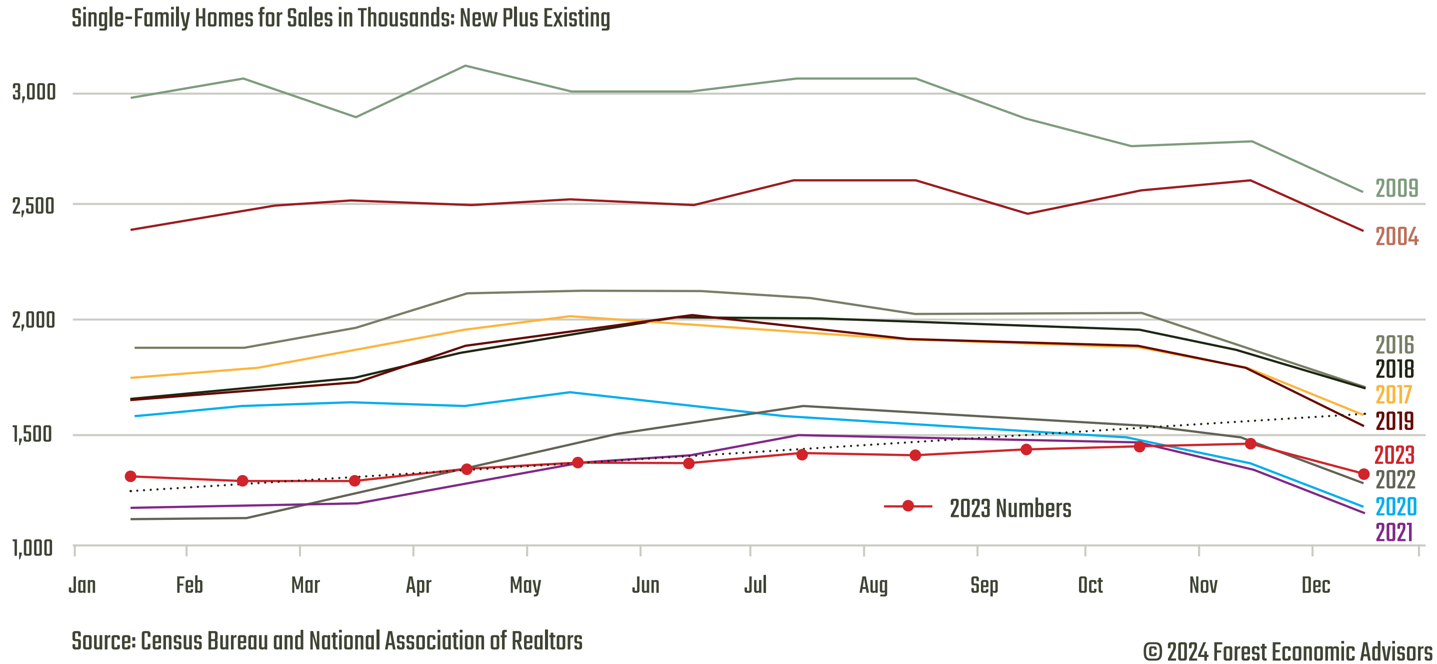


Costs of Construction Dropping

According to the latest Producer Price Index (PPI) report, growth in the average price level of inputs to residential construction less energy (i.e. building materials) fell from 15% in 2022 to 1.3% in 2023 (not seasonally adjusted) (PPI: Inputs to Residential Construction, Goods Less Energy).

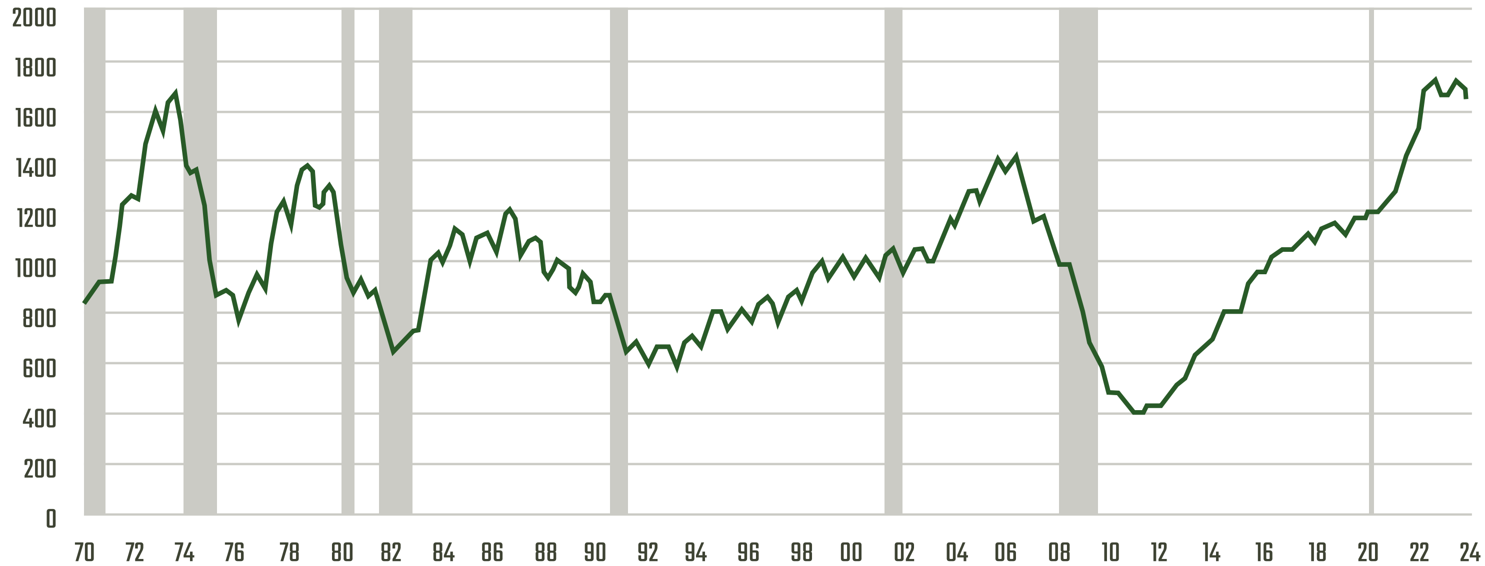


Home Inventory Levels Are Near Historic Lows



Total Housing Units Under Construction Near a Record High

Thousands of Units at Annual Rate, Not Seasonally Adjusted

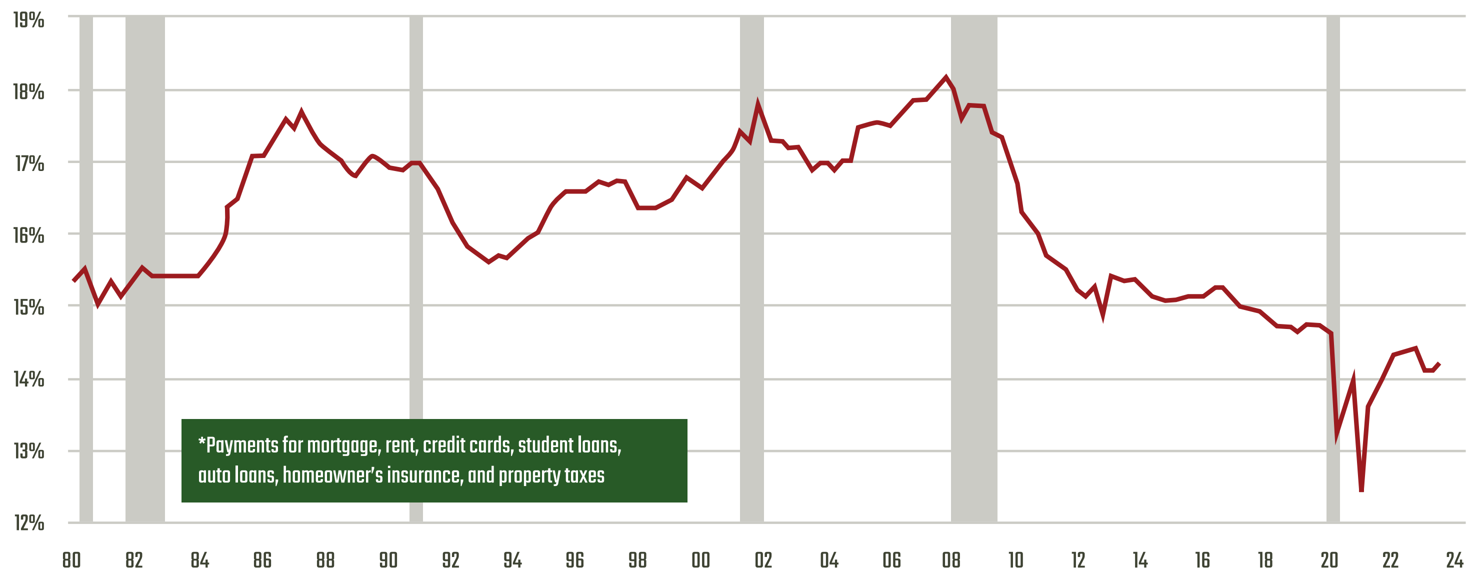


Source: Census Bureau

Household Balance Sheets Are in Great Shape

The healthy state of household balance sheets is a very optimistic signal. According to the Federal Reserve, the household financial obligations ratio is well below the record low in the 40-year history prior to the pandemic.

Household financial obligations* as a percentage of disposable personal income



Source: Federal Reserve

Spring Fever: Homebuyers Continue To Battle Elevated Rates

Even though the spring market is in full swing, buyers are still struggling with elevated mortgage rates, out-of-reach home prices and record-low housing inventory. “The housing market is likely to continue to face the dual affordability constraints of high home prices and elevated interest rates in 2024,” said Doug Duncan, senior vice president and chief economist at Fannie Mae. “Hotter-than-expected inflation data and strong payroll numbers are likely to apply more upward pressure to mortgage rates this year than we’d previously forecast.” Despite ongoing affordability hurdles, Fannie Mae forecasts an increase in home sales transactions compared to last year. A slower rise in home prices this year is also anticipated.

The median home sale price increased or stayed the same in all of the 50 most populous metropolitan areas in the U.S. during the four weeks up to April 28. According to Redfin, the median sale price of a home in the U.S. has risen to a record $383,188, up 4.8% year-over-year.

Federal Reserve Chair Jerome Powell cautioned on April 16, that persistently elevated inflation will likely delay any Fed rate cuts until later this year, opening the door to a period of higher-for-longer interest rates. “Recent data have clearly not given us greater confidence that inflation is coming under control and instead indicate that it’s likely to take longer than expected to achieve that confidence,” Powell said. “If higher inflation does persist,” he said, “we can maintain the current level of (interest rates) for as long as needed.”

The Federal Reserve has emphasized that inflation has remained stubbornly high in recent months and said it doesn’t plan to cut interest rates until it has “greater confidence” that price increases are slowing sustainable to its 2% target. The Fed issues its decision in a statement after its last meeting, at which it kept its key rate at a two-decade high of roughly 5.3%. The Fed’s latest message reflects an abrupt shift in its timetable on interest rates.

The National Association of Realtors (NAR) announced in early March that they reached a $418 million settlement to end the wave of class-action lawsuits targeting its commission structure. This will likely change how the housing industry operates, but to what extent is still unclear. Many have predicted that this will mean lower commissions and fewer total agents. What this means for sure is that a seller’s offer of compensation can no longer be listed in the multi listing service (MLS), and that buyer’s brokers will have to either collect their fees from the buyer themselves or negotiate their fee from the seller and seller’s broker when negotiating the contract. Most of the new rules roll out in July 2024.

Builder sentiment was flat in April as mortgage rates remained close to 7% and inflation data remained slightly elevated in the first quarter of the year. March marked the first time since July 2023 that the index surpassed the break-even point of 50. “April’s flat reading suggests potential for demand growth is there, but buyers are hesitating until they can better gauge where interest rates are headed,” says NAHB chief economist Robert Dietz. “With the markets now adjusting to rates being somewhat higher due to recent inflation readings, we still anticipate the Federal Reserve will announce future rate cuts later this year, and the mortgage rates will moderate in the second half of 2024.”

Builders continue to respond to buyer preferences by constructing smaller homes to place homeownership within reach of families planning to buy a home this year. A National Association of Home Builders (NAHB) analysis found that new homes built in 2023 reached their smallest median size in 13 years. More than a third of builders say they built smaller homes in 2023, and more than a quarter plan to construct even smaller homes this year, according to the NAHB.

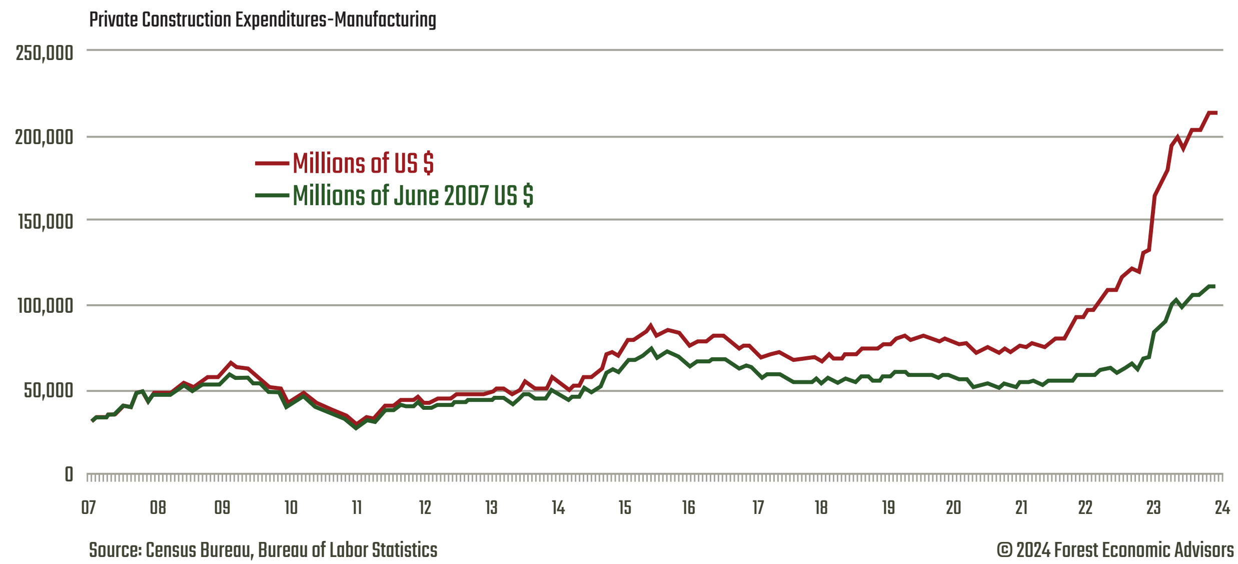
Falling short of economists’ expectations, U.S. economic growth slowed in the first part of the year, The Wall Street Journal reports. Gross domestic product expanded at a 1.6% seasonally-and inflation-adjusted annual rate in the first quarter, and that's a pullback from last year's quick pace. Growth in the first quarter fell more than 2% lower than economists had originally anticipated. Spending on health care, insurance and other services remains heavy, but a slowdown in spending on other goods such as cars and gasoline, as well as in exports and business' inventory investments, weighed down overall growth. Typically, an underwhelming growth figure would boost hopes that the Fed will lower interest rates, but continued price pressures complicate that outlook.

Millennials, born between 1980 and 2000, are a critical demographic for the housing market and wider economy. Millennials have the second-highest after-tax income among generations, and the group represented 28% of home sales in 2023 per the National Association of Realtors (NAR). For both statistics, millennials were second to baby boomers. Two-thirds of millennials surveyed work from home at least a portion of the time. This trend holds particular significance for the home building industry. Instead of being focused on living near employment hubs, many millennials may have opted to reside farther from their employers to capitalize on reduced living expenses and better housing options. One thing to note here is that with the return of student loan payments, prospective home buyers may struggle to save money toward a down payment or meet mortgage qualifications. The end of this forbearance may further delay homeownership dreams and dampen consumer spending for millennials, putting a potential strain not only on home buying activity but also on the overall U.S. economy.

The multi-family sector is softening some as units under construction last year are now being delivered, and the increased supply is putting downward pressure on prices. One thing developers are seeing is a capital crunch. If these multi-family developers don't already have the projects capitalized, they are likely to discover challenges in securing the equity.

Total U.S. starts declined 14.7% in March from February, and were down 4.3% from the year-ago level. While single-family starts dropped 12.4% from the prior month, they remained 21.2% above the March 2023 level.

Manufacturers are Re-Shoring Back to the US

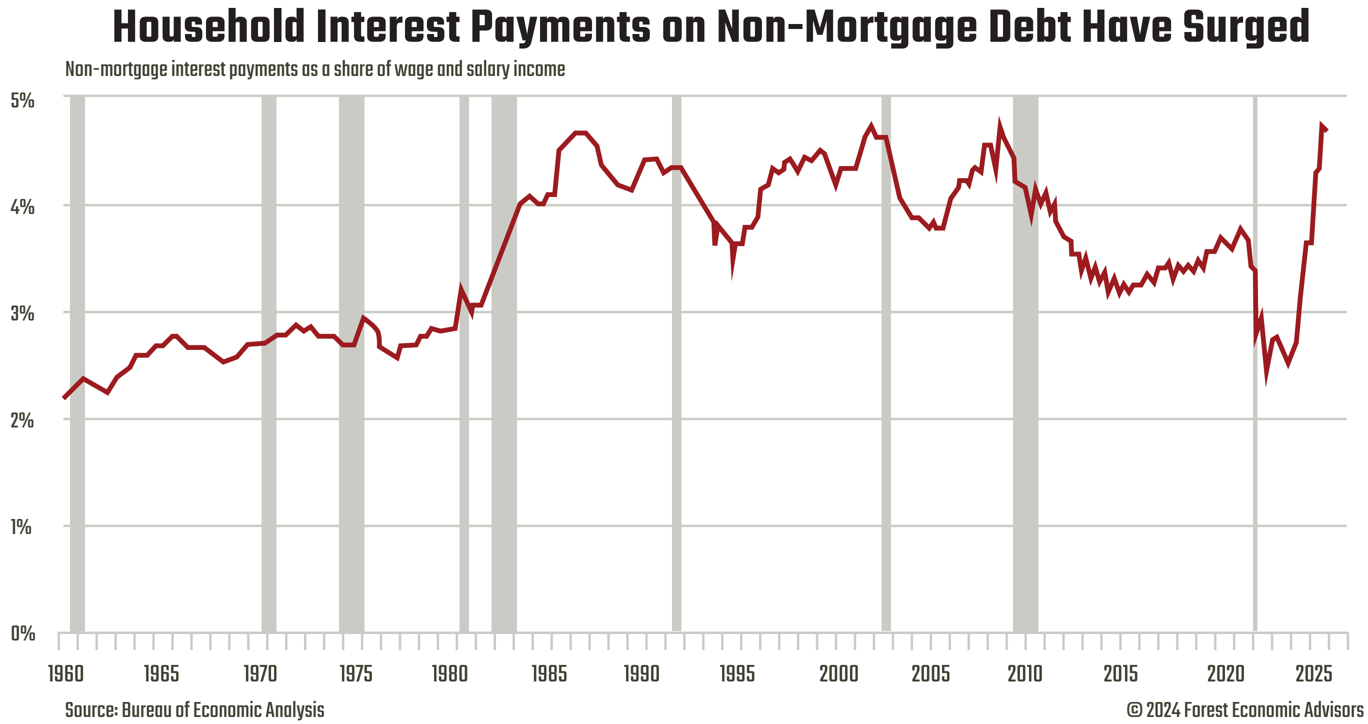


The Forest Economic Advisors have removed a recession from their core forecast for the year, and they show real GDP growth rates of 2.5% for 2023 and 2.3% for 2024. Growth is projected to build to a cyclical peak of 2.8% in 2026 before starting to slow gradually in 2027-2028. Their near time forecast assumes that the Fed will cut rates in 25-basis point increments starting in May 2024, and are expected to come every other Fed meeting through May 2025. If this happens, the T-bill rate will drop to 3.7% from 5.23% by mid-2025.

The manufacturing sector underperformed over the past year due to a combination of a decline in domestic goods demand, a strong dollar, weak overseas growth, and uncertainty concerning a possible recession. However, it is poised for a comeback and expected to outperform the wider economy from 2025 to 2027 as the US continues to bring back life to many strategic industries and reduce its reliance on unreliable supply chains.

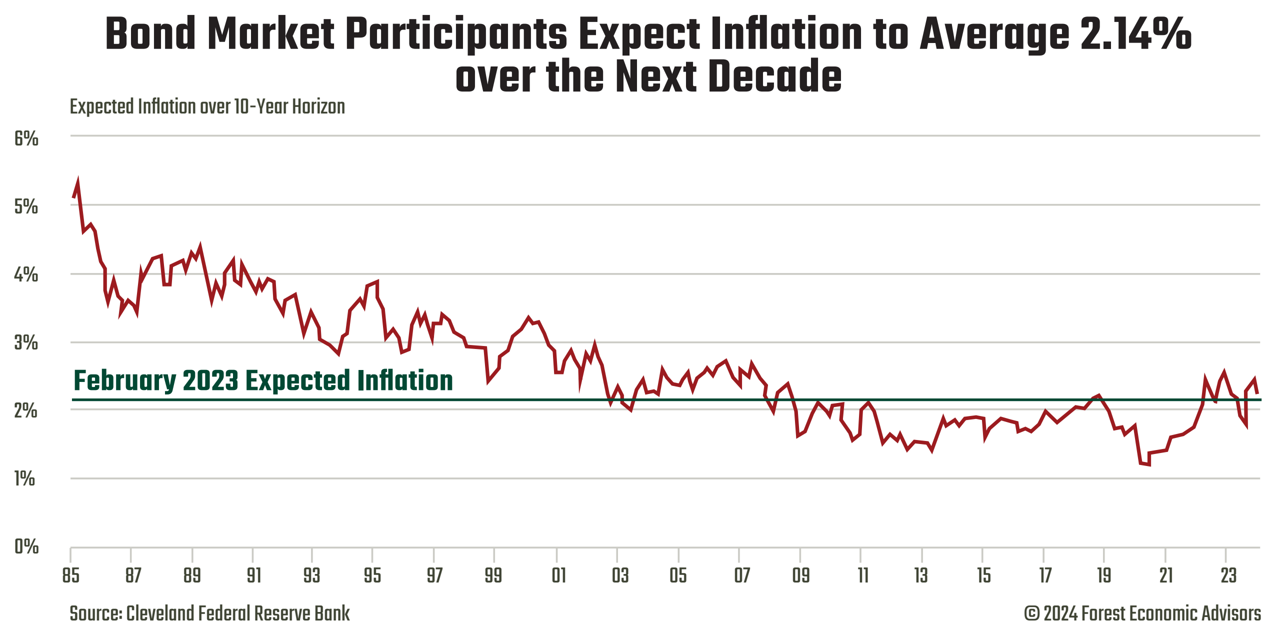
The US employment market remains tight. Though the number of people filing initial claims for unemployment is about 10-15% below pre-pandemic levels, the unemployment rate has remained below 4% for 24 consecutive months. Wage growth is losing momentum, but still outpacing consumer price inflation since late 2022. The FEA forecast assumes the unemployment rate will increase gradually from its current level of 3.8% as the economy softens.

Most homeowners are locked into historically low mortgage rates, but that does not hold for rates on automobiles, home equity lines of credit,



student loans, or government debt. Non-mortgage household debt payments have surged in recent months and will continue to rise quickly now that student loan debt is no longer in forbearance. Higher debt costs will eventually sap purchasing power throughout the economy. In addition, the massive hoard of excess savings that peaked at over $2 trillion in 2021 were less than $200 billion at the end of 2023. The personal savings rate has dipped to just 3.7%, compared to the 6.2% average for the five years prior to the pandemic.

The global economy has slowed markedly. Weak external growth, combined with a dollar that is 14% higher than its 15-year average, is providing a stiff headwind for US exporters. Exports have subtracted modestly from real GDP growth over the last year and will likely continue in the near term.



The Cleveland Fed's model of expected inflation forecasts that CPI inflation will average 2.31% over the next 2 years and 2.14% over the next 10 years.

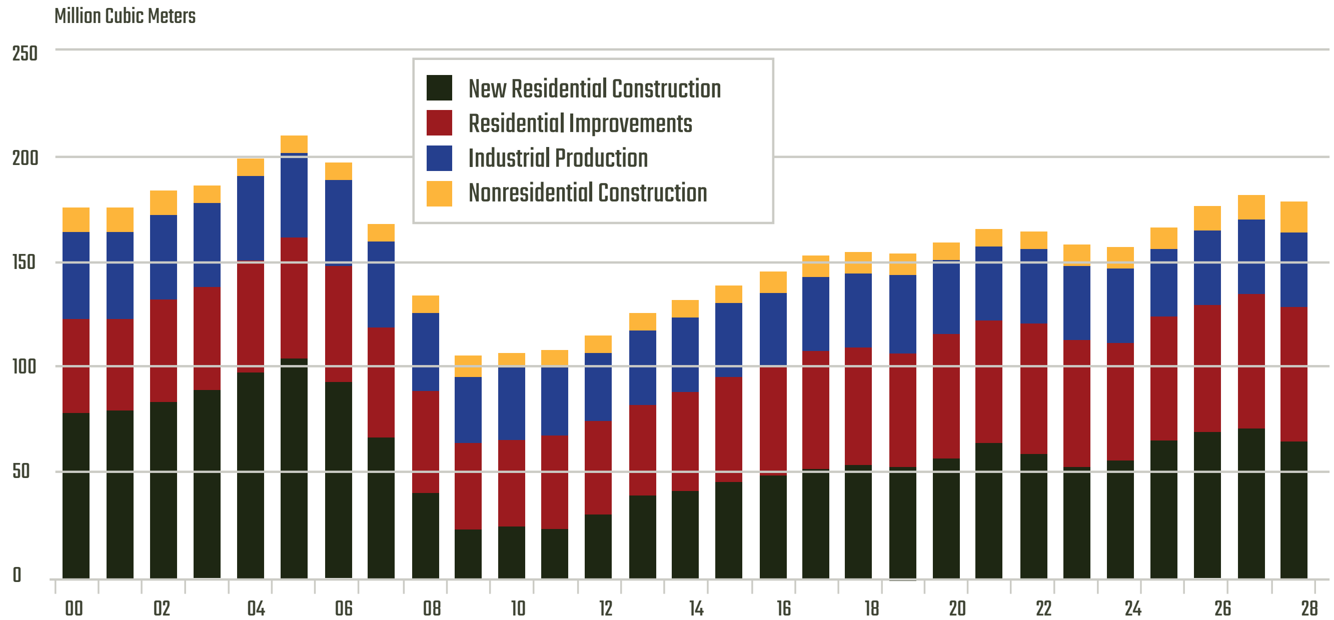
The FEA is more optimistic about the near-term forecast for residential construction than they were at the end of last year. They expect an upturn in home construction to reassert itself in 2025 and build to a cyclical peak in 2027. The forecast shows housing starts increasing to 1.5 million in 2025 and 1.71 million in 2027 before dipping to 1.56 million in 2028. The five-year forecast shows housing starts averaging 1.551 million from 2024 to 2028, and this will barely make a dent in the estimated 4-5 million housing units of under-supply.

The residential-construction sector is by far the most important end-use driver for wood products. During 2000-2019, new residential construction accounted for 37% of US wood-product consumption, and residential improvements accounted for another 32%. Industrial uses will generally account for 25% and nonresidential construction will account for the remaining 5-6%.

HOUSING DEMAND FUNDAMENTALS

- The US housing stock is under-built.
- The housing stock is old.
- The demographic tailwind is strong, and about to get even stronger. There is a huge swell of young adults moving into their early 30s–a time of life when many people buy their first homes.
- Household balance sheets are in great shape.
- The homeowner vacancy rate hit a record low.
- The pandemic–and the societal response to it–will likely result in a lasting desire among Americans to move to a larger home.

US Wood Products Consumption by End-Use Sector



Source: FEA

"The 30-year fixed-rate mortgage increased for the fifth consecutive week as we enter the heart of spring homebuying Season," said Sam Khater, Freddie Mac's chief economist. "On average, more than one-third of home sales for the entire year occur between March and June. With two months left of this historically busy period, potential homebuyers will likely not see relief from rising rates anytime soon. However, many seem to have acclimated to these higher rates, as demonstrated by the recently released pending home sales data coming in at the highest level in a year."

LOUISIANA

TOP MARKETS:

LAFAYETTE

1,820 STARTS
(-12.54% YTD)

552 SINGLE PERMITS
[+20% YTD)

4 MULTI PERMITS
(-98% YTD)

LAKE CHARLES

163 SINGLE PERMITS
(+11% YTD)

116 MULTI PERMITS
(+45% YTD)

NEW ORLEANS/METARIE

593 SINGLE PERMITS
(+24% YTD)

204 MULTI PERMITS
(-47% YTD)

BATON ROUGE

3,074 STARTS
(+1.92% YTD)

827 SINGLE PERMITS
(+33% YTD)

30 MULTI PERMITS

LOUISIANA ECONOMY

- Oil and Gas
- Tourism
- Chemicals
- Commercial Fishing
- Agriculture and Forestry

Lafayette

Lafayette's development code has come under greater scrutiny after a few projects that complied with guidelines were rejected because of opposition by residents. Two residential subdivisions and the redevelopment of a former bank into a gas station were rejected. New home construction is trending lower with permit issuances falling to pre-pandemic levels. While the lack of existing homes for sale has propped up new home demand, job growth has been faltering as of late with the unemployment rate exceeding the national average.

Lake Charles

In March 2024, Lake Charles home prices were up 6.3% compared to last year, selling for a median price of $234,000. Days on market has increased from 71 days last year to 80 days this year.

Southwest Louisiana could become home to the first manufacturing plant in the world to capture and sequester its own CO_2, according to a spokesperson from Lake Charles Methanol II. The $3.2 billion manufacturing plant investment was recently announced, and will be located east of Carlyss on property along the Calcasieu River Ship Channel owned by the Port of Lake Charles. Permitting is expected to be completed in early summer with construction estimated to begin in the fall.

New Orleans

According to Zillow, the average home value in New Orleans stands at $241,369, reflecting a 7.1% decrease over last year, with expected continued declines in value. Compared to the national average, the median sale price in New Orleans is 22% lower, indicating a relatively affordable housing market.

The New Orleans real estate market suffered a brutal 2023, with skyrocketing insurance premiums, inflation and high interest rates and chilling development and slowing home sales, according to local real estate experts who worry that things won't improve until the region's insurance crisis takes a turn. Leaders of some of the city's biggest real estate firms said that there are still bright spots, including in industrial development, and the city's office market that is holding up a bit better than other U.S. cities in a depressed market. Despite all of this, until insurance rates start to come down and stay down, the market will be in a tough spot.

Baton Rouge

Inventory and the number of days on the market increased in March for the third straight month, according to the Greater Baton Rouge Association of Realtors. Inventory climbed 23% YOY, and number of days on market increased 17% while new listings and pending sales both decreased over 13%. Despite a significant shift in the still seller's market, the median sales price rose almost 2% YOY.

Baton Rouge is one of only three Louisiana metros that has added jobs over the last year. Although Baton Rouge experienced only a slight increase in population, expansion of its labor force in 2023 was remarkable: the count of individuals either employed or actively looking for work surged at nearly 6 times the rate of population growth. This means that the area is inundated with new workers from other locations, and they are re-engaging existing residents into the labor market, according to the Greater Baton Rouge Business Report.

Heading into spring, median selling price, number of homes sold, and available inventory were all up YOY.

A new city is coming to Baton Rouge, or rather is coming out of it, and it is poised to be one of the largest in the state. St. George's new population will be around 86,000 residents, and encompasses a wealthy portion of southeast East Baton Rouge Parish. Efforts to reach this point were initiated over a decade ago following two failed attempts by the community to form its own breakaway school district. There is still much work to be done to make the city complete, but leaders have a plan, and many of the amenities are already covered by property taxes.

All market indicators point to a slowing residential real estate market, largely driven by high interest rates and a lack of population growth. Looking forward, market conditions are unlikely to change much in 2024, as interest rates are unlikely to fall as previously expected.

TEXAS

TOP MARKETS:

AUSTIN/ROUND ROCK/GEORGETOWN

17,589 STARTS
(-6% YTD)

16,918 NEW HOME SALES
(+2.3% LAST 12 MONTHS)

4,564 SINGLE PERMITS
(+33% YTD)

3,347 MULTI PERMITS
(-25% YTD)

UNDER CONSTRUCTION MOS **6.1**

DALLAS/FORT WORTH/ARLINGTON

45,798 STARTS
(+12.9% YTD)

39,730 NEW HOME SALES
(+2.3% LAST 12 MONTHS)

11,681 SINGLE PERMITS
(+51% YTD)

5,404 MULTI PERMITS
(-19% YTD)

UNDER CONSTRUCTION MOS **5**

HOUSTON/THE WOODLANDS/SUGAR LAND

38,331 STARTS
(+14.8% YTD)

35,062 NEW HOME SALES
(+2.2% LAST 12 MONTHS)

13,314 SINGLE PERMITS
[+21% YTD)

3,375 MULTI PERMITS
(-46% YTD)

UNDER CONSTRUCTION MOS **5.3**

SAN ANTONIO/NEW BRAUNFELS

16,239 STARTS
(+1.9% YTD)

15,568 NEW HOME SALES
(+2.5% LAST 12 MONTHS)

2,748 SINGLE PERMITS
(+58% YTD)

543 MULTI PERMITS
(-78% YTD)

UNDER CONSTRUCTION MOS **4.7**

TEXAS ECONOMY

- Finance
- Tech
- Healthcare
- Air and Space
- Energy
- Manufacturing
- Agriculture

Texas apartment development has plummeted. Halfway through 2023, starts plunged nearly 75% from the average. It'll take about 18 more months for the projects already under construction to actually be completed, but once they're done, there will be little new supply for years. High rates, expensive debt, slowed rent growth and an unprecedented supply surge have developers pushing hard on the brakes. If developers are willing to play the long game and can find the financing, they can stand to gain big since there are so few in the pipeline and there will be little competition.

The U.S. government recently announced a $6.4 billion subsidy for South Korean tech giant Samsung to build advanced computer chip manufacturing facilities in the Austin area, the latest move for the government to bring more chip-making production to the U.S. As part of the deal, Samsung is to invest $40 billion of its own money to upgrade a chip factory that's already under construction in Taylor, Texas, in addition to building a second factory by the end of the decade and adding a new research and development center. The deal includes about $40 million for job training, and the government expects the project to create over 17,000 construction jobs and 4,500 manufacturing positions in the next five years, according to a press release from the Commerce Department.

The state's population has increased 15.1% (3.9 million people) from 2012 to 2022, and the Alamo region's (San Antonio-New Braunfels and Victoria) population increased by 16.8% in the same time period. Comal county had the highest rise in population, reporting a 60.7% increase in the number of residents. Employment in the Alamo region rose by over 22% from 2012-2022, almost keeping pace with the statewide 23.5% increase.

Austin

For new homes in Austin, demand remains strongest at price points between $200-399K, where the highest average monthly sales rates are occurring. Across all price ranges, only the $250-299K and $300-349K segments have seen YOY gains in annual starts, up 56% and 40%, respectively. Despite the remaining hurdle of mortgage rates, most Texas builders believe starts and home prices will rise in 2024. In Austin, starts should transition from a sizable decline in 2023 to a double-digit increase in 2024. New land positions remain a key focal point, as vacant developed lot (VDL) supply and lot deliveries are barely keeping up with the demand.

In 2023, 79 companies announced expansions or moves to the metro, for 18,362 new jobs, mostly in Austin, Georgetown, and Pflugerville. Austin ranks #5 in the US on U-Haul's 2023 Growth Index, which measures net gain of one-way movers, the highest rank of all TX markets. However, Tesla is cutting 2,688 jobs in Austin, as the layoffs are part of a wider restructuring the EV maker recently announced.

Homebuyers in the Austin area have more options as new home listings, housing inventory and closed sales have all risen steadily in the metro, amid higher interest rates that have kept median sales prices relatively flat. Home inventory is now at nearly four months.

A real estate developer has secured approval to build a 272-acre master-planned community near Elgin called Triaga, East of Austin, potentially bringing 875 homes to the area as well as a park and sports complex. Construction on the project is expected to begin this fall, with lots available in the summer of 2025 and the first homes delivered by the end of the same year.

March 2024 Market Snapshot

Austin - Round Rock - Georgetown MSA

THESE STATISTICS ARE FOR SINGLE-FAMILY HOMES, CONDOS AND TOWNHOMES, COMPARED YEAR-OVER-YEAR.

MEDIAN SALES PRICE $450,000 → 0%

CLOSED SALES 2,563 ↓ <1%

SALES DOLLAR VOLUME 1.48 BILLION ↑ 2.1%

MONTHS OF INVENTORY 3.8 MO. ↑ .7 MO.

NEW LISTINGS 4,714 ↑ 10.2%

ACTIVE LISTINGS 9,478 ↑ 7.6%

PENDING SALES 3,116 ↑ 9.4%

AVG. DAYS ON MARKET 80 DAYS → 0 DAYS

AVG. CLOSE TO LIST PRICE 94.8% COMPARED TO 90.3% MARCH 2023

Dallas

According to the latest Milken Institute report, Dallas was ranked eighth in the nation among best-performing large cities and second only to Austin in the state. Since November 2023, the average new home sales rate has been on the rise, surpassing the 12-month average. Construction activity is expected to fall slightly compared to last year, but a sizable percentage will be claimed by build-to-rent communities. The Zonda Build-to-Rent Project Index shows close to 19,000 units under construction or in the pipeline. Due to declining affordability, smaller lot sizes have seen an increase.

Job creation and workforce development are among the biggest challenges facing the Metroplex, according to the panelists at the 2024 Economic Outlook event held by Dallas Business Journal. DFW led the nation through the first 11 months of last year with the addition of 139,700 jobs, according to data from the Bureau of Labor Statistics. That equaled 3.3% year-over-year growth. But many business leaders remain concerned about finding the right talent to be successful. Sentiments in the Dallas area have stayed relatively the same in the past year, with 30% stating they had significant difficulty retaining and finding workers in 2023 compared with 28% in 2022. Nearly 60% of the 800 or so business owners surveyed in Texas Capital's study expect to increase their workforce over the next 12 months while three out of 10 plan to keep the same number of workers.

Houston

The Greater Houston Partnership forecasts the Houston economy to transition to a more sustainable growth pace in 2024 after a post-pandemic surge. Job loss is expected in the finance and insurance, information, construction, and real estate industries, all sectors impacted by higher interest rates, tighter lending standards, and labor deficits. Even though it may be at a slower pace, the job market is expected to continue to grow this year.

Houston is the second-largest new home production market in the US. 62% of Houston's new home projects have at least one floor plan under $400K. It also ranks No. 6 in the US on the National Association of Realtors' list of markets with the most pent-up housing demand for 2024. Flat to negative YOY job growth is being observed in several employment sectors.

Houston City Council unanimously approved 17 affordable housing proposals. Developers sought the city's endorsement to proceed with applications for the competitive Low Income Housing Tax Credit, known as 9 percent, a program that is managed by the state but needs local support. Sixteen of the projects are in Houston proper, and one is in Kingwood. The proposals include 1,560 new affordable housing units and 209 existing units that need renovations, according to the Houston Housing and Community Development Department.

San Antonio

San Antonio and the other three large Texas markets are seeing new home starts move higher once again. The momentum comes as the San Antonio Business Journal reported in early April that builders are seeing signs of a healthy spring buying season, with a marked increase in buyer traffic, more qualified and motivated buyers, and sales that have been encouraging. Builders are still relying heavily on incentives to get sales, and this is likely to continue as interest rates remain elevated. The Texas market is beginning to stabilize, and that's a welcome sign after the last several years.

Builders have told the San Antonio Business Journal that the next set of lots are getting more expensive because land costs are soaring. In March, Realtor.com ranked San Antonio 5th in the U.S. for largest share of inventory (21.8%) with a price reduction.

A developer is breaking ground on its second Boerne-area community, set to deliver 800 1-acre home lots in the burgeoning Hill Country. The 1,100 acre community is being named George's Ranch, and the first phase of lots is expected to be delivered at the end of the year.

A UK company plans to build its largest North American manufacturing plant in San Antonio, creating over 1,500 jobs. JCB is a privately owned maker of construction and agricultural equipment, and plans to build on a 400-acre site on the city's South Side. This project is expected to generate an economic impact in the area approaching $30 billion. The plant investment alone is more than $265 million, according to state officials.

> “Homeownership remains a goal for families who are eager to put down roots and have a place to call their own,” said NAHB Chairman Carl Harris, a custom home builder from Wichita, Kan. “Our nation’s builders are meeting the moment by finding solutions in home construction to allow for more individuals to purchase a home.”

ARIZONA

TOP MARKETS:

PHOENIX/MESA/CHANDLER

19,619 STARTS
(+1.7% YTD)

20,310 NEW HOME SALES
(+3.3% LAST 12 MONTHS)

8,337 SINGLE PERMITS
[+72% YTD)

4,517 MULTI PERMITS
(-22% YTD)

BUNDER CONSTRUCTION MOS **5.4**

TUCSON

3,165 STARTS
(-13.9% YTD)

2,920 NEW HOME SALES
(+2.5% LAST 12 MONTHS)

1,155 SINGLE PERMITS
(+57% YTD)

190 MULTI PERMITS
(-72% YTD)

UNDER CONSTRUCTION MOS **9**

ARIZONA ECONOMY

- Tourism
- Services Industry
- Semiconductors
- Agriculture
- Manufacturing
- Mining

Arizona’s industrial market, particularly in the Phoenix metro, has been inundated with historic levels of supply, most of which are being built on a speculative basis. In the latter half of 2023 alone, developers delivered over 23 million square feet of new space, surpassing the completion totals from 2017 to 2019 combined. This has caused the vacancy rate to surge from 4% to over 9% as of Q1 2024. Arizona continues to lure tenants with its strong labor force, strategic location, and positive long-term outlooks. Industries such as logistics, manufacturing, semiconductors, construction as well as food and beverage remain the driving forces behind the absorption of space.

Phoenix

The Phoenix housing market is showing some mixed signals. While the job market is strong, the growth of high-paying jobs has lagged. This, combined with still-high mortgage rates, means that new home sales haven’t quite recovered to levels a year ago. The lack of existing homes for sale is propping up demand for new construction. However, rents in Phoenix are dropping, so a shift might be imminent. This is concerning given the explosive growth of the build-to-rent market that we reported on in our last brief. If mortgage rates stay high or home prices rise further due to low inventory, the gap between renting and buying could widen. Rents will continue to experience downward pressure as apartment completions soar to a high of nearly 16,000 units with an additional 7,500 build-to-rent homes last year.

The unemployment rate in Phoenix has been moving higher, and Lucid, a major employer, announced layoffs affecting as many as 968 workers. Home prices are ticking back up in metro Phoenix and across the country, according to the S&P CoreLogic Case-Shiller

Indices released April 30. Home price growth in the Phoenix area is up almost 5% year-over-year.

Tucson

Tucson has been increasingly drawing investor attention for build-to-rent (BTR) communities. By 2025, the number of BTR units will jump 363% to 2,200 homes in the latest Zonda Rental Housing Outlook. Existing home closings over the past 12 months contracted 31% while new home closings fell 6.2%. The new home market has served as an alternative source of housing since the supply of existing homes has been impacted by high mortgage rates. With the increase in the household growth rate, competition for homes will likely remain strong.

According to Redfin, Tucson is the top place to live in Arizona in 2024. Tucson tops the list due to its gorgeous weather, a world-renowned cycling race, and it's surrounded by four mountain ranges providing endless vistas and hiking trails. It is not only an outdoor haven, but it also has a big culinary scene and is a city of Gastronomy.

OKLAHOMA

TOP MARKETS:

OKLAHOMA CITY

3,726 STARTS
(-241.5% YTD)

3,553 NEW HOME SALES
(+1.4% LAST 12 MONTHS)

1,304 SINGLE PERMITS
(+17% YTD)

413 MULTI PERMITS
(+359% YTD)

UNDER CONSTRUCTION MOS **6.6**

TULSA

1,054 STARTS
(+2.8% YTD)

1,742 NEW HOME SALES
(+1.7% LAST 12 MONTHS)

962 SINGLE PERMITS
[+23% YTD)

275 MULTI PERMITS
(+374% YTD)

UNDER CONSTRUCTION MOS **11**

OKLAHOMA ECONOMY

- Energy
- Natural Resources
- Manufacturing
- Agriculture and Forestry
- Transportation and Logistics

A "green" company based in Singapore has opened in southeast Oklahoma what it says is North America's first commercial-scale lithium-ion battery recycling plant with no need to export depleted material to China or elsewhere overseas for processing first. The company said the plant in Atoka is expected to produce recycled material equal to 72,000 smartphone batteries per day, and to quadruple production within a year. Green Li-ion will create 17 jobs and is poised for rapid growth.

Oklahoma needs more than 77,000 affordable units to meet the demand of low- and extremely low-income residents, those Oklahomans who earn as little as 30% of the area median income. To afford a market-value two-bedroom rental in Oklahoma, without being cost-burdened, a household needs to earn $37,436 per year or $18 per hour. Property managers and mortgage brokers consider individuals to be cost-burdened if they spend more than 30% of their incomes on housing costs. Zoning policies are a significant contributor to the problem, said Sabine Brown, senior policy analyst of infrastructure and access to Oklahoma Policy Institute. Residential land is disproportionately skewed toward single-family zoning, particularly Norman, Oklahoma City and Tulsa, three of the largest cities in the state. Oklahoma City is the sixth-fastest-growing city in the country, according to the 2023 Census, and it is the 20th-most populous city in the United States. The state has about 42 affordable options for every 100 extremely low-income families. Several proposals are in the works to rezone areas to allow for more multi-family units and accessory dwelling units. Oklahomans need homes of nearly all sizes for purchase and for rent, but particularly dwellings priced between $50,000 and $300,000.

Oklahoma City

Home prices in Oklahoma City have risen almost 50% over the last five years. However, household incomes have not kept the same pace, only growing by 22% over the same period. The disparity between these two, in addition to elevated mortgage rates, are likely contributing factors to weakening price appreciation. The Oklahoma City housing market is also expected to see a slowdown in new construction in 2024.

Tulsa

The Tulsa housing market has transitioned to a more balanced state after the pandemic, although home values have surged significantly. This price increase has fueled rental demand from prospective buyers needing more time to save. The area continues to attract buyers from all markets, especially coastal, due to the area's quality of life, amenities, infrastructure, and continued revitalization efforts. For homebuilders, this presents opportunities in both the for-sale and rental segments. The metro actually has a housing shortage due to fewer homes being built during the pandemic and a high share of investor activity.

ARKANSAS

TOP MARKETS:

LITTLE ROCK/NORTH LITTLE ROCK/CONWAY

1,613 STARTS
(+1.07% YTD)

493 SINGLE PERMITS
(+30% YTD)

245 MULTI PERMITS
(+513% YTD)

FAYETTEVILLE/SPRINGDALE/ROGERS

5,338 STARTS
(-2.57% YTD)

1,497 SINGLE PERMITS
(+37% YTD)

252 MULTI PERMITS
(-54% YTD)

ARKANSAS ECONOMY

- Healthcare
- Agriculture
- Energy
- Forestry and Timber
- Freight and Transportation

Real estate development and investment management firm Berkshire Lane Development Partners of Dallas announced it has acquired 47 acres in Johnson, a town adjacent to Springdale and Fayetteville, for a rental housing project. Johnson rezoned the property for up to 2,600 units before the sale closed. The company hopes to begin construction in 2025 with an apartment development and possibly a collection of single-family rental homes. The proprietor would be developed over the next decade to meet housing demand in the area.

Little Rock

New home construction has contracted rapidly, and there is a shortage of existing homes for sale. The addition of 1,700 apartments in 2023 has done little to curb housing costs. Due to higher mortgage rates the pool of move-up buyers has dried up along with first-time buyers unable to afford record-high new home prices.

Elopak, a Norway-based company, broke ground at the Port of Little Rock for a new $70 million food packaging facility, producing sustainable cartons for milk, eggs, and juices. Planned to be operational by early 2025, it'll create 100 jobs.

Fayetteville

New home construction in Fayetteville continues to slow after peaking during the pandemic. Total permit issuance remains close to its current peak and comparable to levels experienced during the last housing boom in the early 2000s. Although elevated mortgage rates have slowed home sales, the lack of existing home supply has propped up demand for new homes.

There are efforts to transform Fayetteville's downtown area along College Avenue, encompassing 600 acres with $22 million in transportation projects.

According to the latest Census estimate, Fayetteville became the 100th largest metropolitan area. The area has been consistently recognized as one of the best places to live by U.S. News & World Report and one of the best-performing cities by the Milken Institute.

> "Currently, one-third of housing inventory is new construction, compared to historical norms of a little more than 10%," said NAHB Chief Economist Robert Dietz. "More buyers looking at new homes, along with the use of sales incentives, have supported new home sales since the start of 2023. And while AD&C loan conditions are tight, there is not significant evidence thus far that pressure on the regional bank system has made this lending environment for builders and land developers worse."

“Builders are grappling on several fronts as the inflation fight continues.” Carl Harris, chairman of the National Association of Home Builders

NEW MEXICO

TOP MARKETS:

ALBUQUERQUE

1,721 STARTS
(+4.2% YTD)

1,527 NEW HOME SALES
(+2.3% LAST 12 MONTHS)

553 SINGLE PERMITS
(+29% YTD)

240 MULTI PERMITS
(-40% YTD)

UNDER CONSTRUCTION MOS **4.6**

NEW MEXICO ECONOMY

- Aerospace and Defense
- Energy
- Accommodation and Food Services
- Distribution, Logistics, and Transportation
- Public Administration and Federal Government

Despite higher rankings for fiscal stability, natural environment and opportunity, New Mexico continues to rank near the bottom of US News and World Report’s 2024 Best States compilation. New Mexico ranked No. 49 in the annual report, only beating out Louisiana. The report’s authors take into consideration eight categories–health care, education, economy, infrastructure, opportunity, fiscal stability, crime and corrections and the natural environment. According to the report, New Mexico’s lowest ranking was in education. New Mexico’s highest ranking was in natural environment and opportunity.

Albuquerque

As mortgage rates have retreated from last year’s high of almost 8%, Albuquerque’s new home market is seeing steady improvements. The average new home sales rate is currently much higher than what it was compared to most of 2022 despite generally higher mortgage rates, indicating that buyers have accepted the new normal. Due to the lack of available homes in the resale market and builder paid incentives, new homes remain competitive. The majority of new home starts are in the $300-400K price range to try and fight lack of affordability.

NEVADA

TOP MARKETS:

LAS VEGAS/HENDERSON/PARADISE

10,979 STARTS
(+17.8% YTD)

11,486 NEW HOME SALES
(+4.2% LAST 12 MONTHS)

3,146 SINGLE PERMITS
(+42% YTD)

535 MULTI PERMITS
(-30% YTD)

UNDER CONSTRUCTION MOS **5**

RENO

1,324 STARTS
(-14.5% YTD)

1,396 NEW HOME SALES
(+2.6% LAST 12 MONTHS)

551 SINGLE PERMITS
(+35% YTD)

420 MULTI PERMITS
(-29% YTD)

UNDER CONSTRUCTION MOS **8.2**

NEVADA ECONOMY

- Tourism
- Gaming
- Mining
- Agriculture
- Manufacturing

Home inventory in Nevada is still at record lows. So low that over 17% of homes sold above the list price. There were only 12,630 homes for sale in the state in March, which is a 9.2% decrease compared to the previous year. The median home sale price rose 6.1% year-over-year from $408,000 to $432,900 in January. Home values in Nevada rose by 43.1% in the last 5 years. Nevada's housing market is strong, if not bullish.

Las Vegas

Despite a spike in mortgage rates at the end of 2023, the Las Vegas new home market remains resilient. In the January Zonda Market Ranking (ZMR), the metro area was significantly over-performing compared to its long-term historical average. Homebuilders are ramping up new construction and starts activity has improved over the past six months. Stabilizing construction costs and improving supply chains have been positive factors. Although improved since 2022, the lack of skilled workers continues to be a hurdle. Tight existing home supply continues to drive greater demand for new homes, accounting for 25% of total closings.

Reno

Housing affordability continues to be one of the biggest issues negatively affecting Reno's new home market. According to the latest Zonda Market Ranking, Reno is significantly under-performing. New home starts rose quarter to quarter for the first time since 2021 and may signal a bottom as total new home inventory remains low.

In 2023, Northern Nevada had a total of 21 companies that relocated or expanded their workforce, creating 1,288 new jobs according to the Economic Development Authority. Tesla remains committed to invest $3.6 billion to produce semi-trucks. Remote work allowed Reno to attract workers from high-priced metros but the near-term employment outlook is souring and more employers are calling workers back to the office.

UTAH

TOP MARKETS:

SALT LAKE CITY

3,421 STARTS
(+22.3% YTD)

2,816 NEW HOME SALES
(+1.6% LAST 12 MONTHS)

868 SINGLE PERMITS
(+36% YTD)

619 MULTI PERMITS
(-68% YTD)

UNDER CONSTRUCTION MOS **7.3**

PROVO/OREM

5,149 STARTS
(+2.8% YTD)

4,302 NEW HOME SALES
(+2.2% LAST 12 MONTHS)

1,304 SINGLE PERMITS
(+72% YTD)

181 MULTI PERMITS
(-68% YTD)

UNDER CONSTRUCTION MOS **4.4**

OGDEN/CLEARFIELD

1,512 STARTS
(-23.3% YTD)

1,509 NEW HOME SALES
(+1.7% LAST 12 MONTHS)

646 SINGLE PERMITS
(+70% YTD)

429 MULTI PERMITS
(+42% YTD)

UNDER CONSTRUCTION MOS **4.5**

UTAH ECONOMY

- Aerospace
- Advanced Composites
- Tech
- Distribution

Utah recognizes it has a housing shortage. Officials are making housing a priority while taking steps to ensure that more affordable and attainable options are available to keep residents in the state.

"Utah is one of the fastest-growing states in the country, if not [the fastest-growing state], and it has been for many years," says Chris Gamvroulas, president of Ivory Development, the land acquisition and development affiliate for Salt Lake City-based Ivory Homes. "The cumulative effect of that over the past 10 or 15 years has exacerbated the housing shortage in Utah. That's one of the reasons we're one of the least affordable states for housing."

In response to Utah's housing shortage, Utah Gov. Spencer Cox and Lt. Gov. Deidre Henderson shared their goal of building 35,000 new starter homes by 2028. To help achieve this goal, Gov. Cox appointed Steve Waldrip as his senior adviser for housing strategy and innovation. According to Waldrip, housing production in Utah has been declining for years. In 2021, the state had 37,000 housing starts; that number dropped to 19,000 in 2023, and the early estimates for 2024 are 15,000 housing starts in Utah. A bill has been introduced that would allow the state to invest in low-cost loans that developers would use to build homes priced at attainable levels, ideally around $350,000.

Salt Lake City

According to the latest Zonda Market Ranking (ZMR), the Salt Lake City metro area was significantly under-performing at the end of January. Housing affordability has been a key hurdle and builders have been offering incentives and mortgage rate buydowns to attract buyers. They have also been adjusting their product mix to cater to entry-level buyers with the greatest number of under-construction inventory priced below $350,000. As a result, the median new home closing price has been under pressure, falling sharply over the past year and is similar to existing homes.

Provo-Orem

In the Provo housing market, annual starts showed a quarter-over-quarter increase, reaching their highest level in the past year. However, closings experienced a decrease of 4% quarter-over-quarter, and dropped to their lowest point during the past 12 months. Both new home closings and starts have now surpassed pre-pandemic levels. The months of under-construction inventory rose quarter-over-quarter to 4.7 months but remained below the three-year average. The months of finished vacant inventory decreased quarter-over-quarter and remained below its 10-year average.

Ogden-Clearfield

Ogden's new home market has bounced back as mortgage rates retreated following a spike in the final months of 2023. The metro area continues to see strong demand for housing, spurred by strong population and household growth. Although still a relatively recent phenomenon, high home prices, traffic congestion, and declining quality of life in neighboring Salt Lake City are driving people further up I-55. New home inventory has been trending higher during 2023 resulting in few permits being pulled in 2024. The WonderBlock development is finally underway and bringing 354 apartments, office and retail space, a grocery store, and a hotel.

CALIFORNIA

TOP MARKETS:

LOS ANGELES/LONG BEACH/ANAHEIM

6,378 STARTS
(+13.4% YTD)

5,952 NEW HOME SALES
(+3% LAST 12 MONTHS)

2,638 SINGLE PERMITS
(-6% YTD)

3,378 MULTI PERMITS
(-11% YTD)

UNDER CONSTRUCTION MOS **11.3**

SAN FRANCISCO/OAKLAND/BERKELEY

2,353 STARTS
(-2.8% YTD)

2,715 NEW HOME SALES
(+2.6% LAST 12 MONTHS)

669 SINGLE PERMITS
(+/- 0% YTD)

489 MULTI PERMITS
(-45% YTD)

UNDER CONSTRUCTION MOS **9.3**

SAN DIEGO/CARLSBAD

2,577 STARTS
(-8.2% YTD)

2,203 NEW HOME SALES
(+3.5% LAST 12 MONTHS)

854 SINGLE PERMITS
[+72% YTD)

1,802 MULTI PERMITS
(+65% YTD)

UNDER CONSTRUCTION MOS **5.3**

SACRAMENTO/ROSEVILLE/FOLSOM

6,912 STARTS
(+15.5% YTD)

7,108 NEW HOME SALES
(+3.3% LAST 12 MONTHS)

2,087 SINGLE PERMITS
(+49% YTD)

970 MULTI PERMITS
(-36% YTD)

UNDER CONSTRUCTION MOS **5.5**

CALIFORNIA ECONOMY

- Tourism
- Entertainment
- Tech
- Maritime
- Agriculture
- Military

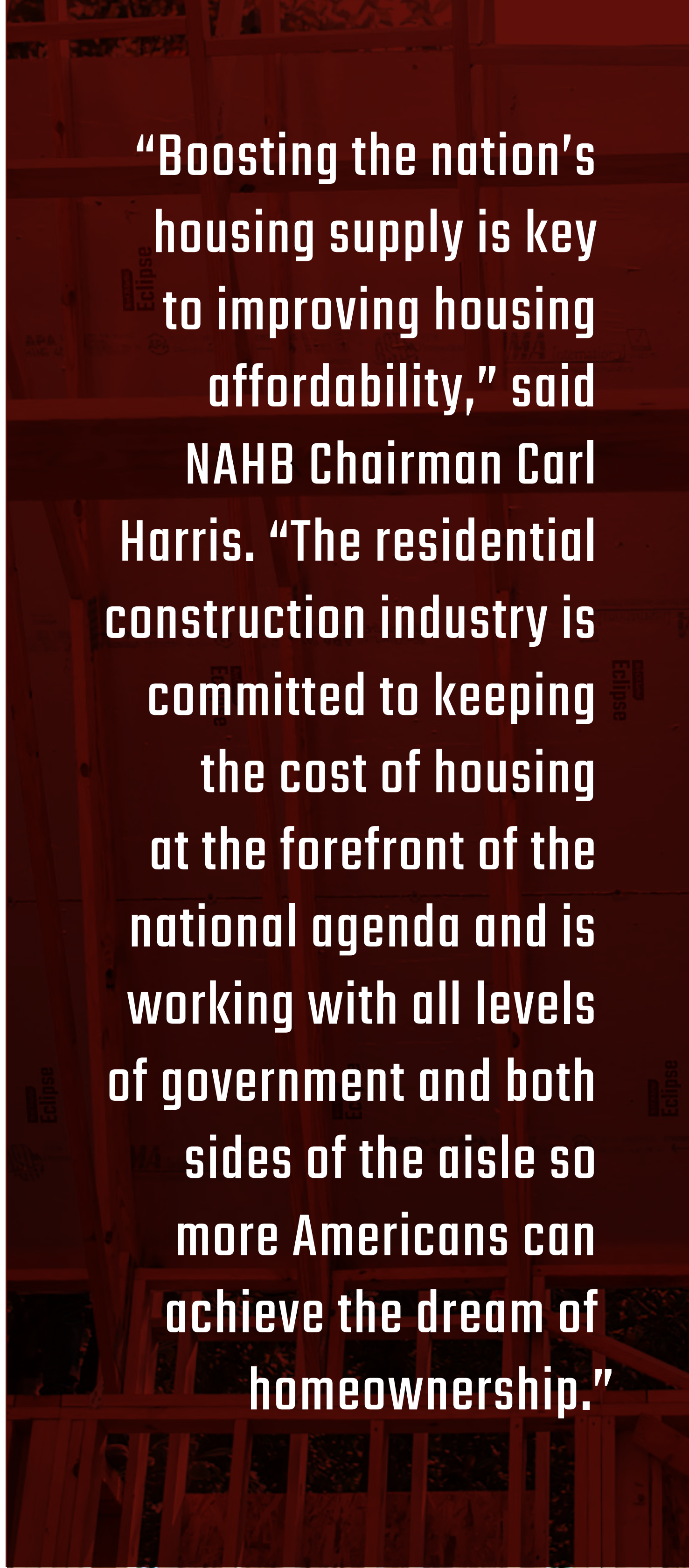
California ranked last place for job growth in 2023 and had the US's highest unemployment rate as of February data. Southern California's unemployment rate was 5.3% as the year began, the highest in two years. In Los Angeles County, the unemployment rate increased to 5.4% at the start of 2024, also a two-year high. According to the Los Angeles Times, LA's entertainment industry took one year to recover from the 2007-08 strike, and this time, it may take even longer as studios face weak growth in streaming services and as TV production had peaked before 2023's strikes.

Thanks to a recent U.S. Supreme Court ruling on excessive and often arbitrary local fees, reform may be on the way that could help ease California's worsening housing crisis. The case stems from a homeowner who had to pay $23,420 in county fees to mitigate the transportation impact from a single home he proposed to build himself. Fees on housing in California are the highest in the country and have been for decades, largely because Proposition 13 took away large amounts of money from old, single-family housing that subsidized local governments. Sunnyvale, for example, charges a park fee of $108,000 per home! There is little argument that onerous fees like these are a major contributor to California's housing shortage and affordability crisis. There are obvious benefits to the fees that make critical services to the communities better and safer. The Bay Area Council suggested that the Supreme Court take a "middle-road" approach to the ruling. That's what they did, and the case establishes unequivocally that housing developers can challenge unfair fees in court, but that's all that was established. How they go about it is still left unanswered. Nonetheless, if implemented correctly, this Supreme Court ruling could present the biggest opportunity the state has had in many years to eliminate a significant barrier to affordable housing in California.

Los Angeles

Between LA-OC and Riverside-San Bernardino, Orange County had the lowest unemployment rate to start the year, at 4.2%. LA-OC's annualized new home sales are higher YOY, surprising given the affordability challenge. The LA area is one of about a half-dozen large US markets where active project count is more than 40% below 2019 levels.

Gov. Gavin Newsom announced earlier this month that he is accelerating the development of a $2 billion, 10-building housing project in downtown L.A., aiding in the city's residential growth. The project, Fourth and Central, is a mixed-use residential project. The adaptive reuse project, still yet to be approved, will replace a cold-storage facility. A community plan to increase downtown's growth, the DTLA 2040 Community Plan, was approved by the Los Angeles City Council last year, setting up a strategy to increase downtown's population to almost 250,000 by adding up to 100,000 housing units. Fourth and Central marks the third project and the first housing project to be streamlined by the governor since signing a package of bills to accelerate critical infrastructure projects last year. If approved, the eight-acre project by Denver-based Continuum Partners will bring more than 1,500 residences downtown, plus office and retail space, and is anticipated to add $2 billion to the California economy while creating up to 10,000 union construction jobs.



San Francisco

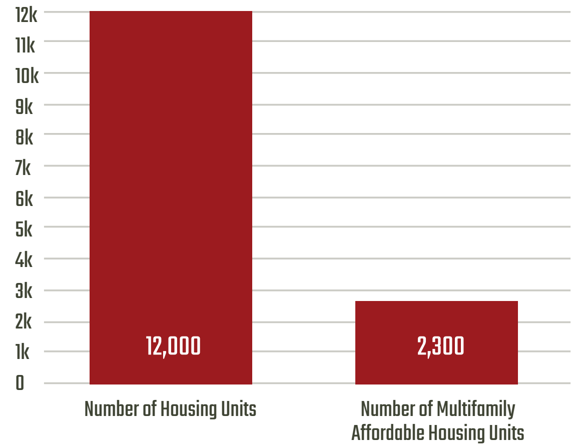
The post pandemic chill experienced by San Francisco's residential real estate market may now be entering a thaw period. Absorption rates–which measure buyer demand compared to the supply of listings on the market–have recently seen jumps for both houses and condos and have arrived at their highest points in years, according to Compass Chief Market Analyst Patrick Carlisle. Regionally, the number of listings going into contract in March is up almost 12% year over year. Carlisle said Bay Area markets continued to heat up through the end of the first quarter, and the second quarter is now expected to feature home price appreciation. As a result, most Bay Area residential markets are poised to see their strongest market dynamics since the pandemic boom ended in spring 2022. The condo market in San Francisco is also actively rebounding after hitting bottom in 2023.

The tech investors and executives that relocated during the pandemic are now returning to the city as the Bay Area has become the new epicenter of artificial intelligence. Tech leaders are re-engaging in local politics to enhance safety, while investors are urging startups to return to San Francisco and force employees back into the office.

Despite the buzz around artificial intelligence(AI), AI startups are only creating a small number of jobs so far. Tech layoffs remain elevated this year, and over-hiring during the pandemic is still being cited as a key reason.

The city of Santa Clara, south of San Francisco, issued about 1,000 residential permits and nearly 900,000 feet of new non-residential development in 2023, which is a significant increase from 2022.

Housing Units in Santa Clara, under review or in construction



San Diego

San Diego's economy has slowed with job growth slipping below 1% and the unemployment rate approaching 5%. The new home market conditions remain steady despite recent spikes in mortgage rates.

America's Finest City is just a hair away from having the hottest real estate market in the nation. Home prices in the San Diego metropolitan area were up 24.7% in a year as of May, the S&P CoreLogic Case-Shiller Indices recently reported. Phoenix was the only metro to have a faster gain. Experts continue to point to a perfect storm of reasons for the increases: National housing inventories not keeping up with demand, increasing fortunes of stay-at-home workers, millennials aging into homeownership and record low mortgage rates. San Diego's 24.7% increase marks the 22nd month as California's top market of the fastest home appreciation. In May, prices increased 18.2% annually in San Francisco and 17% in Los Angeles.

Sacramento

A recent spike in mortgage rates had a cooling effect on Sacramento's new home sales and the pending sales index fell 13% month over month, but demand remains and was 38% higher than last January. New home sales remain relatively strong and during the past 12 months, its market share rose to 21% and in the final months of 2023, neared 30%. The average quick move-in project has fallen to its lowest level in more than 19 months.

An investment company has bought land in the Panhandle area of Natomas that's planned to be the site of 810 homes. The undeveloped land, northwest of where Del Paso Road meets Sorento Road, would also have a school site, public park site, six open space lots, three unspecified "amenity" lots, 41 landscape lots and 39 private driveway and roadway lots.

A New York-based investment company has bought land in the Panhandle area of Natomas in Sacramento that's planned for more than 800 single-family homes.

Courtesy: The Hodgson Co.

"I don't expect to see a meaningful increase in the supply of existing homes for sale until mortgage rates are back down in the low 5% range, so probably not in 2024," says Rick Sharga, founder and CEO of CJ Patrick Company, a market intelligence and business advisory firm.

LETTER FROM PAUL

The first quarter of 2024 was nothing short of a roller coaster ride for those of us in the structural panel business. As the RoyOMartin team entered the New Year, we were in a state of flux with our team at Corrigan OSB working tirelessly to get the mill back online with consistent production following the fire event in early December. The team in Oakdale did a world-class job of taking on additional contract loads week to week as the repairs in Corrigan progressed. By mid-February, the market had been stagnant for almost 2 months straight… and then it took off in runaway fashion.

Market pricing reached the 2nd all-time high in mid-April, which capped off a $260/m run to the top. This pricing environment forced many buyers to make some difficult decisions around purchases. There simply was not enough wood to go around, which created frustrating times for many. A few of the factors influencing this were:

- Inconsistent output from several manufacturers
- Big Box retailers with a robust appetite for OSB
- Single family starts were up double digit percentages vs 2023, despite no reduction in lending rates
- Extremely lean existing home inventory for sale

As I write this letter, the volatility in the OSB market has continued. Most felt a price correction on the horizon, and we saw it come all at once with a single week decrease of $175/m. However, in only a few short weeks the market has once again shown us its resiliency with prices slowly beginning to creep up. While there are many uncertainties on the economic front, the country is far underbuilt with a generation of new home buyers that want a home of their own.

Our second production line in Corrigan is coming along very well, and we are excited to bring additional production to the market very soon. We are committed to providing you the same world-class service and quality American made products that you have come to expect from RoyOMartin. From my team to yours, a sincere thank you for your business and partnership.

Paul Pfingsten
OSB Sales Manager

LETTER FROM LORI

The past quarter saw stability in furniture markets, as well as treaters diligently building inventory levels for the upcoming spring sales at box stores. While sales remained steady across distribution and retail channels, we observed no significant fluctuations, indicative of a consistent market.

In terms of materials, the OSB market experienced notable strength in pricing during the first quarter, whereas plywood maintained a relatively stable trajectory and ended the quarter close to where it began. However, as we transition into the second quarter of 2024, geopolitical tensions, particularly the ongoing conflict in Ukraine and unrest in the Middle East, have cast a shadow over the European markets, impacting global economic dynamics. Consequently, South American imports into those countries face constraints, further emphasizing the importance of the USA market.

Looking ahead, the second quarter typically unfolds with a more subdued pace, lower prices and a continued focus on managing inventory levels. As the season progresses into summer vacations and the holiday period, considerations such as weather patterns and hurricane season come into play, influencing market dynamics.

In conclusion, we remain committed to providing you with the highest quality products and service, navigating the evolving market conditions with resilience, adaptability, and innovation. We appreciate your continued partnership and look forward to supporting your business endeavors in the months ahead.

Lori Byrd
Director of Plywood and Solid Wood Sales

THE BOARD BRIEF IS BROUGHT TO OUR CUSTOMERS BY THE ROYOMARTIN SALES TEAM

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SOURCES

HOME SALES AND STARTS: U.S. Census Bureau, National Association of Homebuilders, Zonda

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ECONOMIC DATA AND INDICATORS: American Press, The Real Deal, Business Journals, National Association of Home Builders, Forest Economic Advisors, The Wall Street Journal, The Business Report, Zonda, Norada, Redfin, The Advocate, Nola.com, msn.com, tucsonfoodie.com, Houzeo.com, The San Diego Union Tribune

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