

ABOUT ME!





LUMBER ONE AVON

- Residential Builder
- Commercial Builder
- Remodeler
- Lumber Yard, Hardware
 Store & Showroom
- Land Developer
- Drafting and Design





HELP MAKE YOUR DREAMS BECOME A REALITY



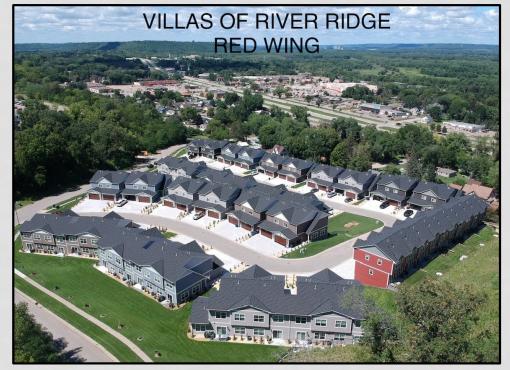




MULTI-FAMILY

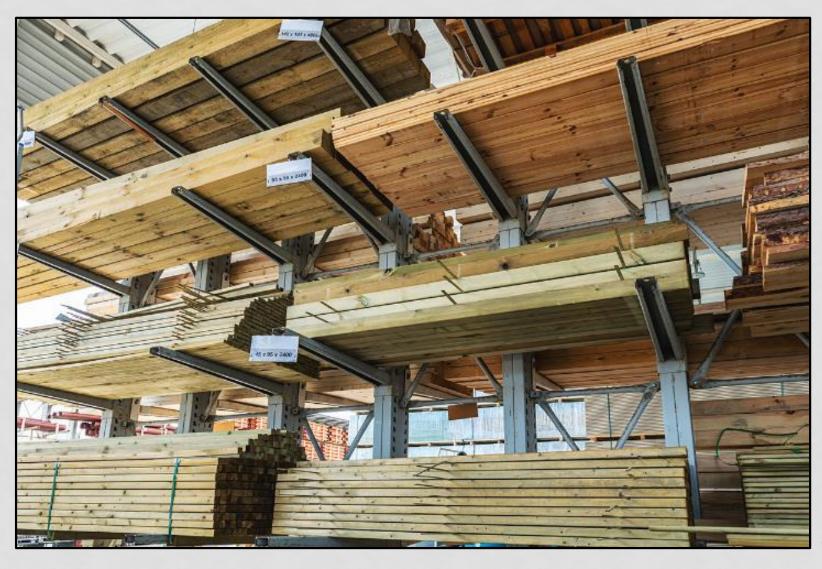








LUMBER YARD

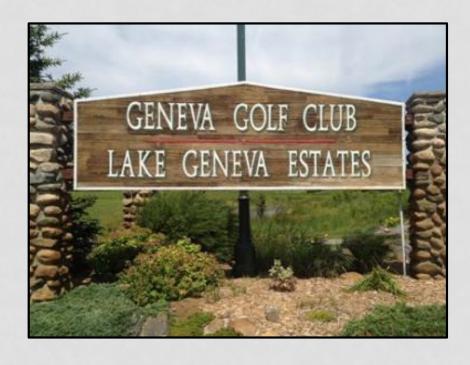




DEVELOPMENTS

<u>Lumber One Developments</u>

About 200 lots in 20 different developments around the state







LETS TALK ABOUT BUILDING **MATERIALS**

Plumbing

\$6,254 per House

Description: Showers, faucets in kitchens & bathrooms and rough plumbing

Primary end-market: Repair & remodel Top 3 market share: 67%

Framing Lumber/EWP

\$15,421 per House

Description: Skeleton of a house used to support walls and roof

Primary end-market: Repair & remodel

Top 3 market share: 36%

Windows & Doors

\$8,528 per House

Description: Exterior/interior entrances and portals for rooms, ventilation, light Primary end-market: New construction

and Repair & remodel Top 3 market share: 46%

\$5,945 per House

Description: Interior storage units in

Top 3 market share: 49%

Wallboard/Drywall

\$3,243 per House

Description: Gypsum panel used to form interior walls

Primary end-market: New construction

and Repair & remodel Top 3 market share: 62%

Architectural Coatings

\$1,891 per House

Description: Aesthetic, protective layer applied to interior/exterior walls Primary end-market: Repair & remodel

Top 3 market share: 81%

Asphalt Roofing

\$4,428 per House

Description: Exterior layer on roof providing protection from weather Primary end-market: Repair & remodel

Top 3 market share: 77%

Siding

\$7,087 per House

Description: Exterior cladding of a house for aesthetics and insulation Primary end-market: Repair & remodel

Top 3 market share: 37%

Structural

\$3,277 per

Description: I insulation and Primary end-Top 3 market



Cabinets

kitchens and bathrooms

Primary end-market: Repair & remodel

Flooring

\$3,966 per House

Description: Bottom surface of each level of a house

Primary end-market: Repair & remodel Top 3 market share: 47%

Concrete/Foundation

\$9,978 per House

Description: Structural base upon which the house sits Primary end-market: New construction

Top 3 market share: N/A

Appliances*

\$2,116 per House

Description: Laundry, cooking and refrigeration equipment used in a home Primary end-market: Repair & remodel Top 3 market share: 69%

HVAC

\$5,236 per House

Description: Heating, ventilation & cooling system

Primary end-market: Repair & remodel Top 3 market share: 64%

Fiberglass

Framing

\$1,149 per

Description: I transfer for interio

LUMBER MARKET



MATERIAL % CHANGES FROM JANUARY 2022 TO SEPTEMBER 2022

MATERIALS	% CHANGE FROM 2021
STYROFOAM	+8%
REBAR	+5%
NAILS	+48%
LVL	+21%
LUMBER	-46%
PANELS	-46%
SHINGLES	+15%
LP SIDING	+5%
VINYL SIDING	+10%
STEEL SIDING	+0%

MATERIALS	% CHANGE FROM 2021
STONE	+5%
WINDOWS	+4-8%
SHEETROCK	+11%
MILLWORK	+20%
LOCKS	+8%
DECKING	+5%
ALUM RAILING	+20%
ALUM SOFFIT	+0%
INSULATION	+6%
METALS	+16%

MATERIAL % CHANGES FROM JANUARY 2021 TO SEPTEMBER 2021

MATERIALS	% CHANGE FROM 2020
STYROFOAM	+14%
REBAR	+33%
NAILS	+56%
LVL	+55%
LUMBER	-52%
PANELS	-41%
SHINGLES	+20%
LP SIDING	+10%
VINYL SIDING	+18%
STEEL SIDING	+56%

MATERIALS	% CHANGE FROM 2020
STONE	+5%
WINDOWS	+13%
SHEETROCK	+28%
MILLWORK	+25%
LOCKS	+7%
DECKING	+12%
ALUM RAILING	+18%
ALUM SOFFIT	+28%
INSULATION	+16%
METALS	+49%

LEAD TIMES

- LVL: 5 WEEK LEAD TIME (WAS 8 WEEKS IN SEPT 2021)
- VINYL SIDING: +5 WEEK LEAD TIME
- WINDOWS: 10-12 WEEK LEAD TIME (WAS 8-12 WEEKS IN 2021)
- MILLWORK: 2-8 WEEK LEAD TIME
- LP SIDING: +6 WEEK LEAD TIME (WAS 6 WEEKS IN 2021)
- TRUSSES: 5-6 WEEK LEAD TIME (WAS 8-12 WEEKS IN 2021)



MATERIAL LISTS

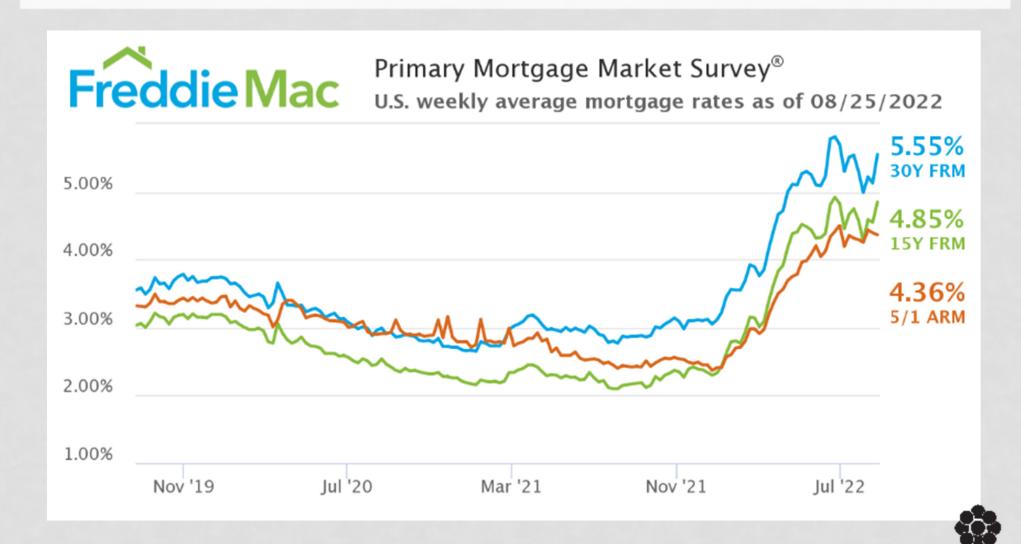
EXAMPLE:\$100,000 MATERIAL LIST TODAY, WHAT WOULD THAT LOOK LIKE IN PAST YEARS

COMBINED MATERIAL LIST	MATERIAL LIST % CHANGE	MATERIAL LIST COST
% CHANGE FROM 3 YEAR AGO (2019)	43.7%	\$69,590
% CHANGE FROM 2 YEARS AGO (2020)	15.7%	\$86,950
% CHANGE FROM 1 YEARS AGO (2021)	1.7%	\$98,040

BUILDING PERMIT REPORT

CITY	JAN- JUN 2017	JAN- JUN 2018	JAN- JUN 2019	JAN- JUN 2020	JAN- JUN 2021	JAN-JUL 2022	JULY 2021	JULY 2022
COLD SPRING	12	15	6	8	4	7	2	3
FOLEY	5	4	1	1	0	0	0	0
ST AUGUSTA	8	6	6	10	13	20	0	4
ST CLOUD	58	39	42	53	45	57	13	5
ST JOSEPH	6	13	5	4	7	6	0	0
SARTELL	32	29	23	16	58	19	13	0
SAUK RAPIDS	12	18	11	8	9	8	2	1
WAITE PARK	0	3	2	3	3	2	1	0
RICE	2	7	7	15	19	6	2	0
ROCKVILLE	3	4	1	3	6	7	0	0
TOTAL	138	138	104	121	164	132	33	13

MORTGAGE RATES



MORTGAGE PAYMENT

YEAR	TOAL COST OF HOME	LOAN AMOUNT (ASSUME 20% DOWN)	INTEREST RATE ON 30 YEAR FIXED	PRINC. + INTEREST PER MONTH
2019	\$312,500	\$250,000	3.58%	\$1,134.00
2020	\$328,125	\$262,500	2.91%	\$1,094.00
2021	\$360,937	\$288,750	2.87%	\$1,197.00
2022	\$415,077	\$332,062	5.55%	\$1,895.00

*2019-2020: 5% price increase in new home costs

*2020-2021: 10% increase in new home costs *2021-2022: 15% increase in new home costs



SO IS NOW A BAD TIME TO BUY?





THE ANSWER: NO

- Even though new construction has increased +30% in last 3 years, existing houses have also increased nearly 25%
 - The \$312,500 house in 2019 would now be worth \$390,625.
 - This amounts to +\$78,125 in additional profit or equity
- Watch for time to refinance.
 - That same \$415,077 home with a 4.5% interest = \$1,682 princ + interest
 - That same \$415,077 home with a 4% interest= \$1,585 princ + interest
- We are also seeing more and more cash buyers
- Multi-family projects, multiple single-family homes and townhomes are becoming more advantageous. Power in buying!

WHY LUMBER ONE AVON

- Lumber One Avon has been building homes in Central Minnesota for over 60 years now
- Our full-service building center includes: retail lumber yard, interior design services, drafting expertise, retail store & showroom
- We specialize in residential building (single family homes), multi-family, commercial, remodeling, and even agriculture
- No matter what the project is, we strive to bring honesty and integrity to all our interactions with customers, suppliers, and co-workers



