



CONTEMPORARY TRENDS IN THE REMODELING INDUSTRY

FINISHING A BASEMENT? READ ON...

Home construction is regulated by a number of national and international code authorities. For example electrical wiring is regulated by the National Electrical Code while plumbing is regulated by the National Plumbing Code. These codes are generally updated every two or three years.

More to the point, general construction of one and two family homes is regulated by one or more principal code authorities. Your community will rely on of these authorities including CABO (Council of American Building Officials), BOCA (Building Officials Code Administrators), the Uniform Building Code (International Conference of Building Officials) or the IRC (International Residence Code for one and two family dwellings). Increasingly, communities are adopting the IRC as the guiding regulatory authority.

In the 2000 issue of the IRC, only a bedroom in a finished basement was required to have an emergency escape and rescue opening. That is, one could finish a basement for additional household living space and rely solely upon the basement stairs as a source of ingress or egress. If one planned a bedroom for that finished basement space, however, a second egress was required. Now, with the 2003 IRC, that has changed.

Now, any new finished basement space (creating habitable living space where it did not previously exist) will require an Emergency Escape and Rescue Opening (IRC Section R310). In short, this absolute new requirement typically means an additional cost of at least several thousand dollars to the cost of finishing an unfinished basement. The new IRC code requirement is quite specific about minimum window height and width and the size and security of windows wells. The code also stipulates the requirements for ladders, steps, bulkhead enclosures and various exterior security devices (bars, grills covers and screens). In summary, the cost of any basement finishing project just went up by \$2,000 to \$5,000! The actual cost will be determined by basement depth, site conditions, existing window size, wall construction, exterior requirements and other factors.

PLANNING A DECK? PLAN ON HIGHER PRICES. HERE'S SOME HELPFUL INFORMATION...

Wood used in ground contact and exterior applications will require a preservative to insure a long life against the ravages of moisture and the elements. For many years, wood for these applications was treated with CCA (copper chromated arsenate). However, effective on December 30, 2003, the federal government outlawed the use of CCA largely for consumer health reasons. CCA products cannot be used after this date for projects intended for most residential settings, including play structures, decks, picnic tables, landscaping timbers, residential fencing, patios and walkways/boardwalks except wood that is used in permanent wood foundations. Essentially, these CCA products contain arsenic which, in quantity, is a known health risk especially for young children.

So, there are basically two principle alternatives. Most commonly found as a wood preservative for residential applications (ignoring railroad and utility pole applications) is ACQ (or Alkaline Copper Quaternary) or Copper Azole. To make the new preservatives effective, their copper content has been boosted substantially -- from around 18% to 96% in some cases. Because ACQ and Copper Azole contain so much more copper, one can now expect to pay from 15% to 35% more than was paid for CCA lumber. The cost varies because the amount of chemical treatment varies. CCA wasn't that expensive, so most CCA lumber was given a maximum dose of preservatives and rated for ground contact.



But now, and under the new regulations, boosting the copper content in lumber not only makes the new pressure-treated wood more expensive than the old, but it also makes the new stuff significantly more corrosive...five times more corrosive to common steel, according to the American Wood Preservers Association (AWPA) test results. Hopefully consumers who are building their own decks already know that they should use corrosion-resistant nails, screws, and connectors when they're building with pressure-treated wood. But now the stakes are higher. Due to the high risk of galvanic reaction between the copper-impregnated wood and any dissimilar metals, fasteners and flashings should be stainless steel and copper whenever possible. At the very least, better grades...meaning higher corrosion resistance...of galvanized fasteners must be used.

The bottom line is that constructing decks today requires the use of fasteners (screws, nails and assembly hardware) that are highly resistant to corrosion when used with either the ACQ or Copper Azole products. This typically calls for stainless steel nails or screws or fasteners specifically rated for contract with the high-copper content products. A box of standard deck screws for use with CCA materials typically carried a cost of about \$30.00 while a comparable stainless steel product is about \$115.00!

WHY DOES THE PROJECT COST MORE THAN I THOUGHT IT WOULD? RISING PRICES IN LUMBER AND STEEL PRODUCTS...

Due in part to the war in Iraq, in part to the recent torrent of hurricanes, in part to the rise in new building structures and in part to the shift by manufacturers from plywood to oriented strand board (OSB), the price of plywood and OSB has risen dramatically. Not long ago, in mid 2003, a 4x8 sheet of 1/2" OSB from the lumber yard cost \$8.73. Today, that cost is \$17.80: a price increase of a whopping 103.9 percent. Similarly, a 4x8 sheet of 1/2" plywood sold last year for \$20.89. Today that cost is \$35.99: an increase of 72.2 percent! While we are seeing some leveling of the rate of increase, we should continue to expect the costs for these raw building materials to increase the cost of construction. These costs materially impact the cost of construction for homes, roofing, and garages and other building uses requiring large quantities of sheathing.

Steel is a similar horror story. Unfortunately, since steel is embedded in so many products, the impact is more universal. Every month, we receive notices from suppliers indicating another round of price increases due to the rising price of steel. Global dynamics are the principle cause. It is a classic case of supply and demand and the demand is outstripping the supply at present.

China is a leading consumer of both raw and finished steel. By the numbers, the United States produces about 90 million tons of steel and consumes about 110 million tons so we are a net importer. By contrast, China produces about 227 million tons and consumes about 290 million tons: they have a voracious appetite for steel of all kinds. The cost of carbon steel has risen about 200 percent since January, 2004. Carbon steel can be found in a host of products including sheet (that means big increases in heating and ventilating duct costs), structural steel and mechanical tubing. It looks as though we can expect these prices to continue their escalation for the forthcoming year.