

A LEVEL NEVER SEEN BEFORE

--Clark Willis, Regional Sales Manager

As many of you already know, the lumber market continues to rise at an unprecedented level. A level never seen before...

On May 3, 2021, the price of lumber per thousand board feet jumped over \$1,500, according to Random Lengths. **That is an all-time high.** That price jump is unlikely to be the last. Lumber prices seem to set a record almost daily, now up 67% this year and up 340% from a year ago, according to Random Lengths, a wood products industry tracking firm.

The surge in lumber prices in the past year has added \$35,872 to the price of an average new single-family home and \$12,966 to the market value of an average new multifamily home, according to the NAHB.

Due to the enormous impact the COVID-19 pandemic is having throughout the country, the building supply industry continues to experience soaring prices. From the onset, the pandemic was a perfect storm for surging lumber prices. While sawmills were limiting production during the early months of the crisis, the pandemic was spurring a do-it-yourself boom among Americans stuck at home. That supply and demand mismatch was made worse by record low interest rates and a historically tight existing housing inventory which caused buyers to rush to new construction.

Adding to the constraints, the impact of tariffs on wood from Canadian mills continues to cause elevated prices for American construction firms. Along with Covid, weather (Texas Freeze) and tariff concerns, the nation is also struggling with an abundant labor shortage...specifically truck drivers.

Logistics, especially the trucking portion, are facing serious shortages. There are just not enough carriers available. Kimal is working extremely hard each day to ensure that we are staying on top of our inventory levels to fulfil our customer's needs.

Kimal is doing everything we can to communicate and work with you during this situation. Our alliance with you is built on shared transparency and trust. Should you have any questions regarding current market pricing or product availability, please contact your Kimal sales representative, or feel free to call me directly at 941-786-3025. My team and I are certainly here to help and support you. Thank you for your continued business and support as we work together to steer through these unanticipated challenges.