

NMHC Pulse Survey: Analyzing the Impact of Building Codes on Rental Housing Development & Affordability

The NMHC Pulse Survey on Building Codes and Standards was conducted from March 5 -19, 2024, and received 41 responses from multifamily builders, developers and operators across the United States. All data are available in a downloadable spreadsheet.

Of the projects you're involved with, roughly what percentage fall within each property type?		
	Average Share	Median Share
High-Rise	10%	0%
Mid-Rise	34%	33%
Townhouse/Garden Style	55%	60%

Ensuring compliance with codes and standards related to the following topics causes significant challenges for our business:						
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	N/A
Mechanical/Electrical codes	2%	12%	17%	32%	37%	0%
Energy Performance and Efficiency	2%	10%	22%	34%	32%	0%
Electrification/Net-zero Emissions	2%	7%	22%	24%	39%	5%
Fire Protection	5%	12%	22%	34%	27%	0%
Sustainability/Green Building	2%	10%	34%	39%	15%	0%
Accessibility	2%	12%	34%	29%	22%	0%
Structural Codes	2%	22%	27%	37%	12%	0%
Existing Buildings	2%	7%	37%	27%	10%	17%
Resiliency	2%	7%	63%	10%	7%	10%

Challenges in complying with codes/standards can be attributed to the following factors: <i>(Only asked to those who selected 'Agree' or 'Strongly Agree' for at least one topic in question #2.)</i>						
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	N/A
Variation in Code Requirements/Interpretation Between Jurisdictions	0%	0%	8%	39%	53%	0%
Construction Costs	0%	5%	5%	29%	61%	0%
Interpretability (i.e., Difficult To Interpret/Understand What Is Required)	0%	0%	18%	42%	39%	0%

Design Issues	0%	0%	18%	63%	18%	0%
Material Selection and Availability	0%	3%	18%	45%	34%	0%
Enforcement and Inspection	0%	3%	18%	42%	37%	0%
Workforce Availability and Training	0%	18%	29%	39%	11%	3%
Resident Preferences and Marketability	0%	26%	37%	32%	5%	0%

Do code related challenges and/or the factors contributing to those challenges vary by jurisdiction? <i>(Only asked to those who selected 'Agree' or 'Strongly Agree' for at least one topic in question #2.)</i>	
	% of Respondents
Yes	92%
No	8%

Building code requirements impact the cost and viability of construction projects.	
Strongly Disagree	Disagree
92%	8%

Issues related to the following code/standard requirements are a significant concern for our business:						
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	N/A
Electric Vehicle Requirements	3%	5%	19%	41%	30%	3%
Conflicting or Uncertain Accessibility Requirements	3%	8%	19%	43%	27%	0%
Net-zero Emissions Requirements/ Building Performance standards	3%	3%	24%	41%	24%	5%
Fire Code Height and Area Limitations	3%	14%	24%	41%	19%	0%
Use of Uncertain or Unavailable Products and Technologies	3%	11%	24%	51%	8%	3%
Significant Insulation Requirements	3%	8%	30%	41%	16%	3%
On-site Renewable Energy Requirements	3%	16%	24%	30%	24%	3%

Fire Code Egress Requirements	3%	16%	27%	24%	30%	0%
Fire Code Sprinkler Requirements	3%	14%	32%	32%	19%	0%
Life Cycle Operations and Maintenance Concerns	3%	8%	41%	38%	8%	3%

Building code requirements impact our decision of where to develop, build or invest in projects.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	N/A
5%	14%	27%	27%	22%	5%

Our business would be less likely to develop, build or invest in a project where the latest energy code edition was required.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	N/A
3%	22%	22%	41%	8%	5%