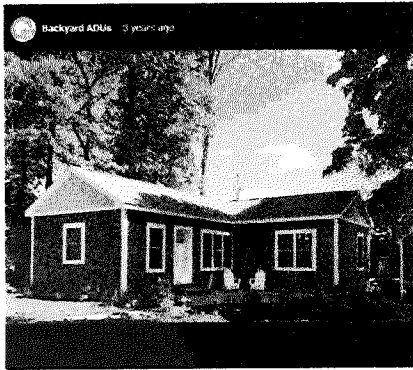




Supporting LD 1912

\$500,000 to licensure training and workforce development
Out of \$30 million to advanced offsite construction technologies



18 Homes
Constructed with
Modular Units
Manufactured by
Maine-based KBS
Builders in
Madison, Maine

*Nearly 75% of U.S. Households
Cannot Afford a Median-Priced New
Home in 2025....*

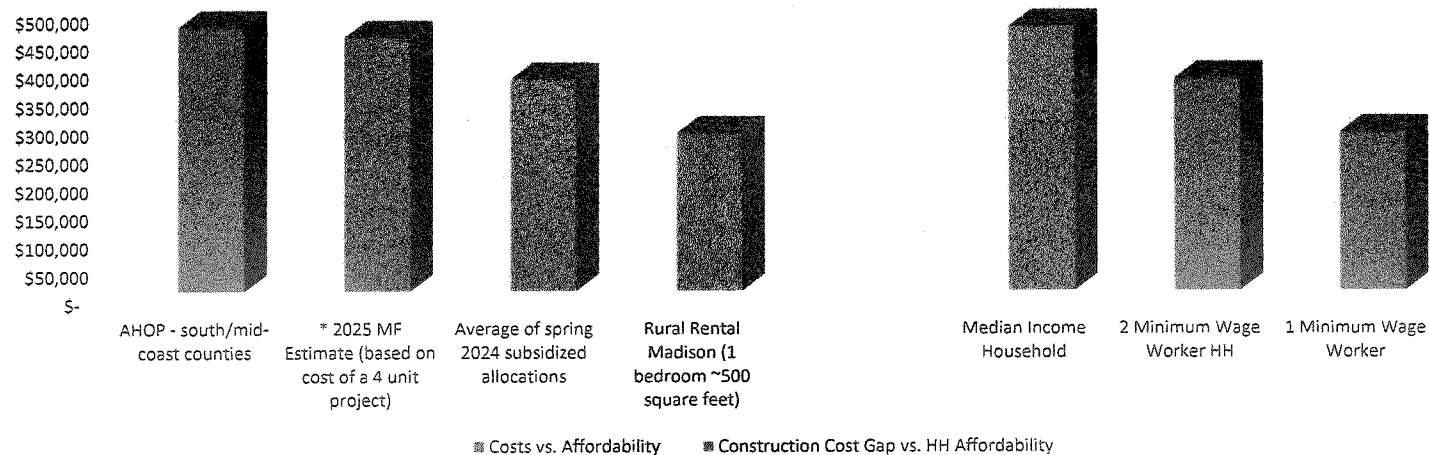
*A \$1,000 increase in the median price
of new homes would price an
additional **115,593 households out
of the market***

NAHB 2025 – NATIONAL NUMBERS (WITH EMPHASIS ADDED)

MAINE'S CHALLENGES FOLLOW NATIONAL TRENDS

The affordability gap for Maine HHs is huge – and growing

Construction Costs are \$100-200,000 too high
(orange gap analysis are 2024 #'s matching HH/unit size; with * estimate of 2025)



Can greater adoption of factory technology improve affordability?

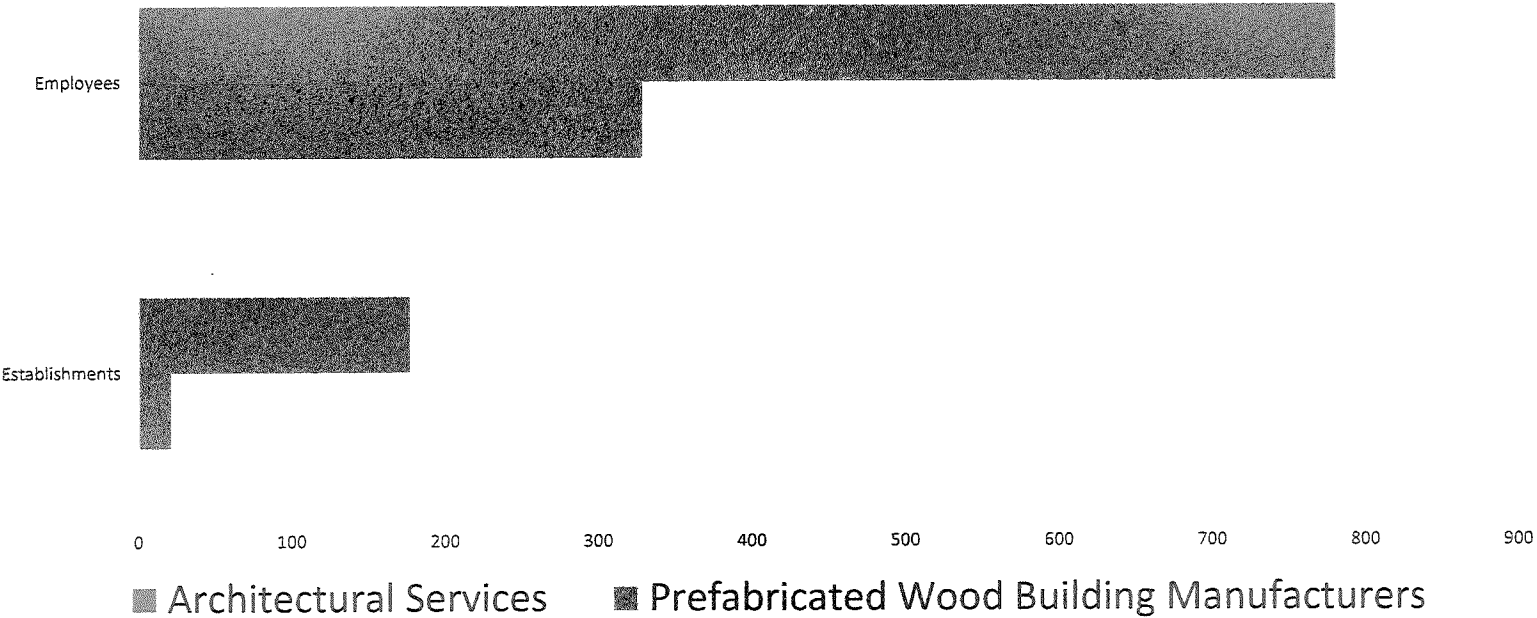
Type and utilization

- **Uninsulated panels** (framing + sheathing)
– widely used but doesn't save much as it's only partially replacing 1 specialty (framing)
- **Insulated Panels** -> savings 15+/- % of total costs (source: CertainTeed); Category often used; opportunity exists for expansion to other projects and uses (floors/walls/ceilings)
- **Modular** → 10-35% +/- of total savings from faster = lower development/soft cost + faster occupancy (Harvard JCHS); not widely used; rural rental projects just starting to utilize for multi-family

Opportunity to “bend the cost curve”

- Widely used and savings already built in.
- Opportunity exists to extend already wide-spread usage – industry knowledge is erratic
- Greatest opportunity – especially if Maine could remove barriers, develop the workforce, grow the number of licensed installers and achieve some level of standardization

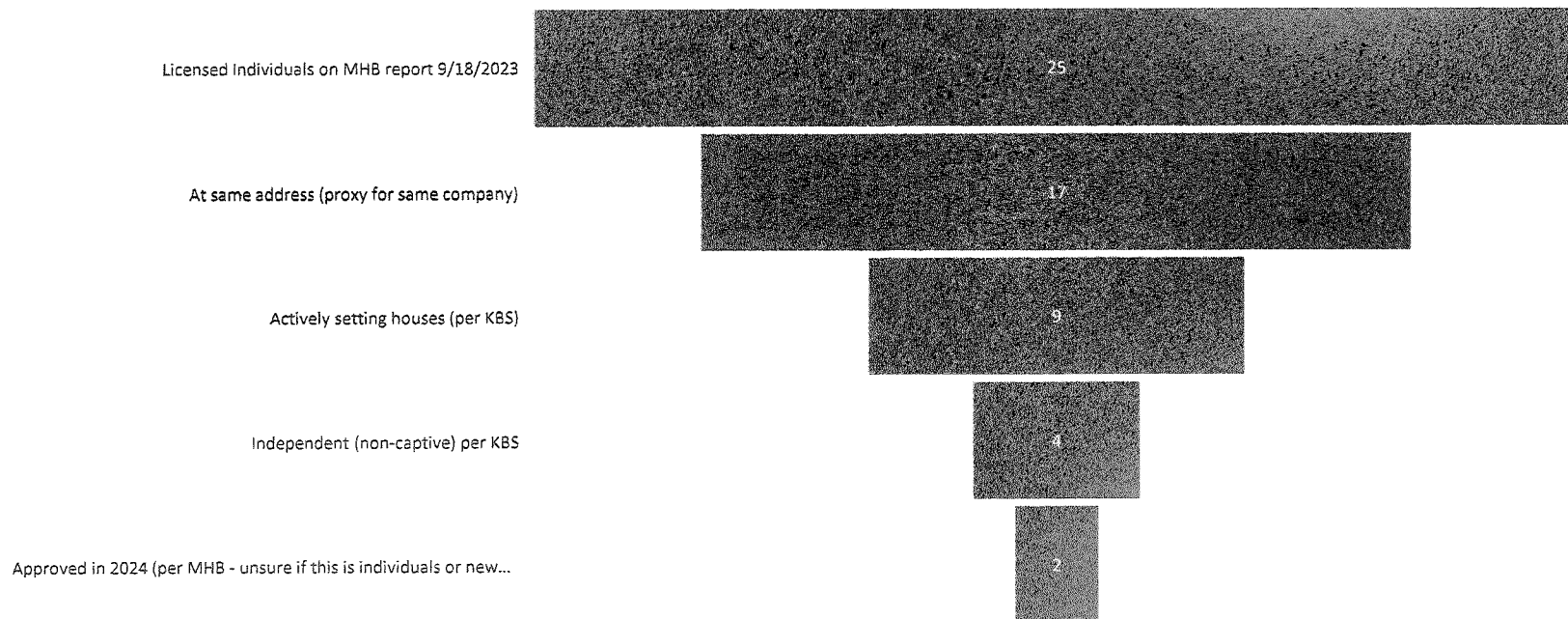
Maine has 8x more companies and 2.4x more workers in architecture vs modular manufacturing



Census data Q3 2024

The Biggest Bottleneck is the Labor Shortage and Lack of Licensed Installers after the home leaves the factory door

Lack of Training = Lack of Licensure = Huge Bottleneck in Adoption



Why support LD 1912?

Construction costs are \$100-200,000 too high vs. affordability and modular is our best hope for lowering costs. However, we need:

- Licensure programming (e.g. 12-hour online training for experienced site-builders)
- Workforce Development & Training
- Outreach to AGC/MEREDA level builders
... to engage mainstream builders/developers and reach Maine's housing production goals cost-effectively