

Shingles prices go through the roof

published May 14, 2009, *Daily Reporter*, <http://dailyreporter.com/>

by Sean Ryan

Contractors are waiting for the cost of shingles to go back down so homeowners stop deferring roof-repair projects.

“It’s causing people to put things off,” said Cory LeFever, owner of LeFever Roofing LLC, Wales. “Normally, we’re in a really good roofing market here, and it’s slow, as slow as I’ve seen in the past 10 years.”

About 100 square feet of shingles — or a square, in roofer lingo — went for about \$58 in early 2008, LeFever said. But last year’s high oil prices jacked up the cost more than 50 percent, and now squares are not selling for less than \$80, he said. The shingle prices are adding about \$1,500 to a job that would have cost \$10,000 before the increases, he said. But with oil prices back down, LeFever said, he wonders when shingle prices also will drop.

Builders Supply of Northeastern Wisconsin is selling squares for between \$90 and \$100 a square, a price that is about 45 percent more than the cost last year, according to the company.

The price of a barrel of oil peaked at \$134.44 in July 2008, according to the U.S. Energy Information Administration. Costs leveled out in September and October 2008, and on May 1, 2009, barrels were selling for \$47.82.

At some point, shingle manufacturers that have built up a surplus will decide to lower their prices to move their inventory, said Scott Cline, president and chief executive of J & B Construction Co. Inc., Germantown. But if hail storms destroy roofs in the Midwest as they did in Minneapolis last year, it will generate enough demand for shingles and could delay price decreases, he said.

Cline said, considering the price of shingles and an overall reluctance on the part of consumers to spend because of the bad economy, J & B is doing OK. Some homeowners who have leaks in their roofs are opting to do smaller repair projects rather than complete re-roofing jobs, he said. Shingles prices do not affect competition between contractors, Cline said. “It’s a cost that gets passed on and, for myself and everyone else in the industry, it’s an even playing field,” he said. LeFever warned there are a lot of contractors trying to break into the roofing business to find work, and some are offering prices that are much too low to cover their actual costs.

“There are good prices,” he said. “There are bargains out there.

“There’s a fair price and there’s too good to be true, and a lot of reputable contractors are at rock-bottom right now.”