

# On The Level

September, 2010 Newsletter of the  
Home Builders Association of Wayne County, Inc .  
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**Meeting Notice** - Mark your calendar now and make plans to attend our Associate Member Appreciation lunch meeting on Tuesday, September 14, 2010 at Wilber's Barbecue on Highway 70 East in Goldsboro at 12:00 Noon. We will celebrate and honor our Associate Members on this special occasion. We want to show our appreciation to ALL our members but particularly our Associate Members during September which is Associate Member Appreciation Month. We'll have a great family style lunch provided by one of our own members - Wilber Shirley - please remember to thank him.

**Be sure to bring your business cards.** We'll have drawings for prizes and plenty of opportunity to network with Builders and others in our association. We want to make this fun and productive. **See you there!**

**It is important that all Board of Directors members be present for the Board Meeting the same day at 11:00 A.M. Please call Dawn at the office if you will not be able to attend.**

**Educational Competitions** will be held in the Educational Showplace at the Wayne Regional Agricultural Fair as follows:

**Thursday, September 30, 5:30 P.M. - Drafting**

**Monday, October 4, 5:30 P.M. - Carpentry**

**Thursday, October 7, 5:30 P.M. - Bricklaying/Blocklaying**

These competitions are open to all high school students in Wayne County and other school systems by invitation. Contestants are selected by their instructors. Cash awards will be given by the Fair and by the Wayne County Home Builders Association. Our association sponsors this event each year with the goal of enforcing training in educational fields that will help us increase our workforce of tomorrow. You are invited to come to any or all of these contests to encourage the students who are competing for these prizes.

**Christmas Party** - The Social Committee has begun making plans for our December 14<sup>th</sup> Christmas party - mark your calendar now and hold that date. Invitations will go out in November. We count on this being our "best ever." Be sure to get your reservation card back to the office as soon as possible to that we will have enough food, etc. for everyone. You may invite guests and/or consider this party your staff party. As long as we know how many people you are bringing, we'll be in good shape. We count on you to help us celebrate.

# Have a safe and fun Labor Day Holiday!

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**2011 Board of Directors** - The Nominating Committee will begin soon on the process of enlisting and electing new board members for 2011. There are officer and director positions available on the Board as well as Committee Chairmen and members.

We are looking for members who are dedicated; have a knowledge of the industry; have a willingness to learn and to make changes; are team players; can provide new ideas and perspectives and are willing to address specific needs in the association; will commit to attend the Board of Directors Meetings and be active and involved in the affairs of the association.

If you would like to be nominated for one of these positions, or if you know someone you know would be willing to serve and would make a good director, just call the office and I'll pass the names of the members on to the Nominating Committee for consideration.

## It's Your Turn to Serve!

**"Impact Wayne" Campaign** - We have paid our fifth and final commitment on the five-year commitment to the Wayne County Economic Development Commission's "Impact Wayne" Campaign. They have made great strides in the past five years with the help of businesses, small and large, in Wayne County. Our community is growing, bringing new industry, new jobs, and new people as well as retention and expansion of existing business and industry. All this growth requires housing and strengthens the economy in the homebuilding industry as well as others.

Impact Wayne Campaign 2011-2015 has begun and has already received pledges for 92% of the \$1,300,000 goal. They have asked our association to pledge to donate \$1,000 per year for the next five years. Your Board of Directors will be discussing and making a decision at the Board meeting in September. You can express your opinion by call the office at 735-1991 or any member of the current Board of Directors.

**Receive a \$25 gift card at the Expo** - Builders and remodelers are invited to take part in an exciting new addition to the **21<sup>st</sup> Century Building Expo & Conference**. The Winner's Circle is your chance to meet one-on-one with 10 participating exhibitors to find out what they can offer you and your business.

In a short, five-minute meeting, you could learn about mortgages, green technology, flooring, kitchen products and more. Exhibitors may be demonstrating products or discussing a new product on the market. You won't have to worry about other people behind you to chat or listening to your conversation...it will be just you and the exhibitor. List of participating exhibitors coming soon!

You will start with one exhibitor and move down the row every five minutes, until you've met with 10 exhibitors in just one hour. **Just for participating, you will receive a \$25 gift card, plus prizes from exhibitors.** To sign up call NCHBA at 800-662-7129 and ask for Tracie Garrett or email her at [tgarett@nchba.org](mailto:tgarett@nchba.org).

**Upcoming Classes & Events** - Looking for **Lead-Based Paint, Repair, Renovation and Painting courses?** The designation will be offered **September 15-17** in Charlotte, NC. ***Green Building for Building Professionals*** and ***Business Management for Building Professionals*** are part of the educational conference at the 21<sup>st</sup> Century Building Expo & Conference. Register at [www.21buildingexpo.com](http://www.21buildingexpo.com).

**Lead-Based Paint, Repair, Renovation and Painting** courses will be offered at Wayne Community College

soon. You will be notified as soon as the date and details have been set. We will let you know as soon as we receive the information.

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### **NAHB PUBLIC AFFAIRS - Key Messages**

1. Short-term outlook: The home buyer tax credit pushed demand forward and helped to reduce excess inventory. When the tax credit expired at the end of April, economic and job growth was insufficient to maintain this momentum
2. Mid-term outlook: A number of factors should help the housing market move forward in the coming month. Over the past couple of years, there has been pent-up demand - people have doubled up and moved in with family and friends during the recession. We anticipate that low mortgage rates, stabilizing home values and these demographic trends should result in more households entering the housing market as the year progresses.
3. Long-term outlook: As household formation rates return to normal, the prospects for housing are much brighter. NAHB economists project that the industry will need to deliver 16 million homes over the next decade just to keep pace with demand.

Main industry challenges: NAHB's top priority is opening up the lines of credit for new housing production; and resolving problems with the appraisal process.

### **Housing in a Holding Pattern**

- NAHB's latest Housing Market Index (HMI), which measures builder confidence in the single-family market, edged down for a third consecutive month in August.
- Builders are expressing the same concerns they are hearing from consumers right now - particularly the sense that the overall economy and job market aren't gaining any traction.
- The lackluster economic recovery has placed housing in a holding pattern.
- Builders are on the sidelines waiting for the consumer and the consumer is on the sidelines waiting for the economy to improve.
- Having said that, there are several signs that the housing market will be stronger in the second half of 2010 compared to earlier this year:
  1. Stabilizing home prices provides a boost to consumer confidence.
  2. Low mortgage interest rates keep housing affordable.
- Three years of sub-normal household formation rates has created pent-up demand that will help small builders.
  3. NAHB continues to fight for the inclusion of construction loans in the Senate bill and to ensure that reduce some of the excess housing inventory.

### **AD&C Legislation Addresses Credit Crisis**

- But we are not out of the woods yet.
- On the housing finance side, NAHB continues to reach out to regulators, banks, Washington policymakers and the media to sound the alarm about the severe lack of credit for viable home building projects.
- On Jun 17, the House passed H.R. 5297, legislation that would provide \$30 billion in capital to community banks to expand small business lending. The bill is now awaiting action in the Senate.
- An NAHB-supported amendment approved just before the legislation was passed by the house allows the fund to be used to help ease the severe shortage of acquisition, development and construction (AD&C loans for small builders.
- A similar bill in the Senate that includes the fund does not allow for construction loans to be made to any final legislative package addresses the housing credit needs of the home building industry.
- While this one measure will not end the construction lending crisis, it is an important step in NAHB's legislative push to address the AD&C credit crunch.
- NAHB is also working to build support in the House for H.R. 5409, legislation that would create a \$15 billion

loan guarantee program for residential AD&C lending under the Treasury Department.

- With lawmakers in their home districts for the August congressional recess, NAHB is urging members to visit their representatives and ask them to co-sponsor H.R. 5409.

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### **AD&C Outreach Ongoing**

- In addition, NAHB continues to meet with federal banking regulators to reduce regulatory restrictions on AD&C credit and rein in overzealous bank examiners.
- This spring, NAHB Senior Officers met with Federal Reserve Chairman Ben Bernanke and other Fed governors, FDIC Chairman Sheila Bair and Comptroller of the Currency.
- Working with banking groups - including the Independent Community Bankers of America, Financial Services Roundtable and American Bankers Association - NAHB is seeking regulatory and legislative solutions to the AD&C mess.
- To resolve the credit crisis, we are urging regulators to issue more flexible guidelines that will encourage banks to maintain funding for AD&C loans in goof standing that fall below their underlying value.
- Going forward, we will continue to reach out to every possible bank regulator, lender and policymaker who has the ability to help restore the flow of credit to our industry.

### **Assisting Members with Credit Problems**

- Further, NAHB has developed reference materials to assist members in dealing with problems with new and outstanding loans. These materials are available in the Housing topics section of [nabh.org](http://nabh.org) at [www.nabh.org/adcreources](http://www.nabh.org/adcreources).
- NAHB also continues to compile case studies of builder and developer financing problems. They have been extremely valuable in illustrating the specific types of regulatory problems that builders are facing.
- Builders interested in sharing their financing experiences are encouraged to log on to [www.nabh.org/adccasestudy](http://www.nabh.org/adccasestudy).
- Rest assured, NAHB will not share any of the case data without obtaining prior permission from every builder who participates.

### **Appraisals**

- Meanwhile, inaccurate appraisals are a major concern for our industry. Foreclosed and distressed home sales continue to kill new home values and sales in many markets.
- Too Often, due to faulty appraisal practices, a new home with sparkling appliances gets compared to a distressed property that has been sitting vacant and in disrepair.
- The result, in many cases, has been that the builder's house gets appraised at less than the cost of construction.

### **Fannie Mae Issues New Appraisal Guidelines**

- In a positive development on the appraisal front, Fannie Mae on June 30 released new appraisal policies and guidelines that address many of NAHB's concerns.
- The new policy from Fannie Mae requires the lender to only use appraisers who have the appropriate knowledge and experience for an appraisal assignment, including an understanding of the specific geographic market.
- Appraisers must consider a property's condition when choosing to use foreclosure sales or short sales as comps.
- Other changes allow for authorized third parties, including builders, to provide additional information about the basis for a valuation of a newly built home.
- NAHB continues to work with all stakeholders involved in this issue to enact concrete reforms to ensure that appraisals accurately reflect true market values.

### **Housing Market Snapshot**

Housing Starts* (July 2010)	Total	546,000	Single	432,000	Multi	114,000
Home Sales* (June 2010)	New	330,000	Existing	5.37 million		
Median Home Prices (June 2010)	New	\$213,400	Existing	\$184,200		

\*Seasonally Adjusted Annual Rate

NAHB/Wells Fargo Housing Market Index - The Index, which measures builder confidence in the market for newly-built single-family homes, declined for a third consecutive month in August, down one point to 13. Any number under 60 indicates that more builders view sales conditions as poor than good.

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### **NAHB Chief Economist David Crow's Analysis**

"This month's lower HMI reading reflects single-family home builders' concerns about the increasing hesitancy they are seeing among potential home buyers who are worried about the job market."

"Meanwhile, many builders continue to report that problems with inaccurate appraisals, competition from the large number of distressed properties on the market, and tight consumer lending conditions are causing them to lose potential sales."

"Even so, NAHB continues to project that modest job gains, historically low mortgage rates and pent-up demand will ensure a better housing market in the second half of 2010 than in the first half."

### **EDUCATIONAL OPPORTUNITIES AT 21CBEC**

The housing market is showing signs of a much-needed recovery. Are you ready? Have you kept up with the latest in green technology or what older adults are looking for in a new home? Do you need new ideas for marketing your homes in the new economy that is very different from that of three years ago. The **21<sup>st</sup> Century Building Expo & Conference** to be held in **Charlotte September 15-17** offers a line-up of more than 50 continuing education courses and seminars to ensure your professional growth and business success. The three day educational conference offers courses and seminars for everyone in the home building industry - builders, remodelers, new home sales agents, marketing professionals, contractors, site superintendents and more. Take advantage of this opportunity to learn from nationally renowned faculty who are experts in their fields. Go to [www.21buildingexpo.com](http://www.21buildingexpo.com) and click on "Attendees" or call the HBA office at 735-1991 for a list of North Carolina Builder Institute Courses, NAHB Courses, and General Sessions.

### **\*\*\*12 Tips to Network Your Way to Success\*\*\*** By Beth Tabak, Business & Life Coach, columnist, speaker.

Lots of people network but few reap the rewards of zeroing in on their potential when it comes to networking. Here are some tips to help fill the gap between where you are now and where you can be.

1. **Be Generous.** Give without expectations and you will be surprised at how it returns to you. It may not come from the same source but a new client, referral, or opportunity will show up because of your efforts.
2. **Be Consistent.** As in marketing, the more consistent your networking efforts, the more productive they become. Jay Conrad Levinson of Guerilla Marketing stated, "I hate to admit this, but mediocre marketing with commitment works better than brilliant marketing without commitment."
3. **Know and Clarify "What's In It For Them."** When creating your introduction, clarify who your target market is and "what's in it for them." Sell benefits. Verizon sells wireless phone service but sells it when you believe they never stop working to fill your phone service needs. "Can you hear me now?"
4. **Get involved.** Getting involved puts you in a consistent position of visibility.
5. **Be a Powerful Resource and Advocate for Others.** Expand your network and be an advocate for others. Use your networking resources to hook up people you know with others. What goes around, comes around.
6. **Learn the Needs of Others, Then Help Fill Those Needs.** Can your business fill their need? Who do you know who can? Either way you have a win/win situation.
7. **Build the Know-Like-Trust Factor.** Building relationships is more important than collecting lots of leads. Think quality vs. quantity. Connect deeper vs. on the surface.
8. **It's More Important to Receive Business Cards Than Hand Them Out.** This puts you in a position to be able to follow up.
9. **Consistently Follow Up.** It's not enough to have a network. Follow up and continue developing your relationships and network. Have a good reason to follow up or ask, "how can I help you?"
10. **Develop Advocates.** Build relationships with Center of Influence who connect with your ideal client or customer. Offer incentives for referrals or provide great benefits.
11. **Be Curious.** The Six Degrees of Separation Theory states that we are only six people away from finding out anything we need to know. Be curious and you will be surprised at what people, resources, and information are at your fingertips.
12. **Develop You.** You can grow your business as big as you can grow yourself. Start there!

To shift into action choose one tip to focus on for a week and see what new results come your way. Then try another and so on. Before you know it, your networking efforts will be paving your way to success. Starting Now!

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**The following article was furnished by NAHB Public Affairs on August 27, 2010:**

### **Time Magazine Cover Story Attacks Homeownership**

In its September 6 cover story, Time magazine launches an assault on homeownership, claiming that it "may have triggered the financial crisis," "contributed to the hollowing out of cities" and "fed America's overuse of energy and oil." The Case Against Homeownership appears only in excerpted form on the magazine's website today, but already began hitting subscriber mailboxes this week.

NAHB responded to this inaccurate and misleading story with a blistering letter to the editor from Chairman Bob Jones that defends homeownership as the largest creator of wealth for American families and a critical source of stability for both home owners and the surrounding community.

NAHB continues to aggressively challenge this anti-homeownership message, which has already generated similar stories in other national and local media outlets. We are coordinating with the National Association of Realtors, which also reacted immediately with its own response to the Time story. We urge you to join this effort by conducting media outreach in your community using the talking points below to highlight the many benefits of homeownership for families across America.

In addition, NAHB Public Affairs has developed numerous reports, articles and studies on the benefits of homeownership that are available to you in the homeownership resources section of [www.NAHB.org](http://www.NAHB.org). The Opportunity Knocks brochure also provides excellent arguments to help you deliver the message that homeownership is still a great choice for many Americans.

If you have any questions about local outreach or need additional information, contact Brooke Fishes in NAHB Public Affairs at 800-368-5242, ext. 8061.

Thank you for taking action on this damaging attack on the American Dream.

### **Time Magazine - Case Against Homeownership - Talking Points**

- There's a reason homeownership is called the American Dream.
- Owning a home has long-standing government support in this country because homeownership benefits individuals and families, strengthens our communities, and is integral to our nation's economy.
- Research shows that homeownership strengthens communities. Homeowners are more likely to be involved and engaged in local issues and move less frequently than renters. This helps prevent crime, improve childhood education and support neighborhood upkeep.
- Owning a home is one of the best ways to build long-term wealth, providing both equity accumulation and tax benefits over time.
- Homeownership didn't create the foreclosure crisis - Wall Street greed and irresponsible lending practices did.
- The real issue facing the nation's economy right now is that many Americans can't find meaningful work to support their families.
- Housing cannot recover until jobs return to the economy.
- We need to ensure public policies that promote responsible, sustainable homeownership.
- Owning a home isn't for everyone, but anyone who is able and willing to assume the responsibilities of owning a home should have the opportunity to pursue that dream.

- Rental housing plays an important role in providing choices for people for whom homeownership is not the right choice. This article is more of an indictment on the value of homeownership than anything else. We need to support the wide variety of housing choices, including homeownership, both nationally and locally. To post a comment, visit [www.time.com/time/business/article/0,8599,2013684,00.html](http://www.time.com/time/business/article/0,8599,2013684,00.html).

## *President's Letter...*

Hey everyone, it's time for another Home Builders Association of Wayne County newsletter. Again, we've got a lot going on so be sure to read the entire newsletter!

Our next meeting is Tuesday, September 14<sup>th</sup> at Wilber's Barbecue. Be sure to come out for a free lunch and a great chance to network with others in the home building industry. September is Associate Member Appreciation Month, so come out and help us show our associate members how much we appreciate their support in our home building efforts. Bring your business cards - we'll have special drawings!!!

We're still short of our Build-PAC goal. Contributing to Build-PAC is by far the most important thing we can do to promote legislation that is favorable to the building and real estate industry in general. We all know that politics plays a huge role in success or failure of our industry. If everyone only made a small donation it would make a huge difference overall.

The 21<sup>st</sup> Century Building Expo will be held in Charlotte on September 15<sup>th</sup> through the 17<sup>th</sup>. This is a great opportunity to learn about new products, marketing strategies, design trends and more. Remember that only one good idea can easily pay for the cost of the convention many times over and that the cost of attending the convention is tax deductible.

Pay special attention to the article enclosed Time Magazine cover story attacking homeownership. It is critical that we challenge this anti-homeownership message, which has already generated similar stories in other national and local media outlets. Please read the talking points and help us get the word out that homeownership is still a great choice. If you would like to post a comment to Time Magazine, visit [www.time.com/time/business/article/0,8599,2013684,00.html](http://www.time.com/time/business/article/0,8599,2013684,00.html).

Finally, try to encourage other members you know to come to the meetings and to get involved in our association and encourage anyone else you know who is not already a member to consider joining our association. Let's all work together to make our association great!

Hope to see you all at the meeting on the 14<sup>th</sup>. It's going to be fun and exciting as we celebrate and honor our Associate Members for all they do in our association as well as for you on your jobs in providing products and/or services.

Bryan Vanderpool, President

**HOME BUILDERS ASSOCIATION  
OF WAYNE COUNTY  
P.O. BOX 1961  
GOLDSBORO, NC 27533**

**Associate Member Appreciation  
and Membership Meeting  
Tuesday, Sept. 14,  
Wilber's Barbecue  
12:00 Noon.  
Board of Directors  
meets at 11:00 A.M.**

## **21<sup>st</sup> Century Building Expo & Conference**

**Look** at all the exciting products and services, - *One new idea can make the difference!*

**Listen** to seminars and classes taught by leading industry experts. - *One new insight can transform your company!*

**Learn** from the experts and your peers as you network at the Expo. - *One new contact is often all it takes!*

**Exhibits: September 16-17, 2010**

**Conference: September 15-17, 2010  
Charlotte Convention Center, Charlotte, NC**

**Door Prizes**

**Grand Prize  
STARS Awards Gala**

**Golf Tournament  
Builder Blast**

**Information and Registration:**      [www.21BuildingExpo.com](http://www.21BuildingExpo.com)      **1-800-662-7129**  
**Presented by the North Carolina Home Builders Association**