



The Home Builders Association of Cumberland Co. TN

The Plumbob

The Slow Recovery May Be Leading to Serious Housing Shortages



The road back to normal levels of residential construction will be longer for some states than others. By the end of 2011, the top 20% of the states will see their production levels back to normal. Those states include Montana, Wyoming, North Dakota, New Mexico, Kansas, Oklahoma, Texas, Louisiana, Mississippi and Alabama.

NAHB is forecasting 647,000 total housing starts in 2010 and 991,000 in 2011, an indication of expectations for housing to recover at a relatively slow pace. Curtailed credit to build new housing is a major constraint, and the availability of acquisition, development and construction (AD&C) financing is expected to remain exceptionally tight even during the early phases of the housing upturn.

Special points of interest:

- Slow Recovery Causing Shortage
- State Legislation Heating Up
- HBAT Spring Board Meeting
- Check out the HBAT rebate deadline!
- New members and Renewing Members
- Home Show a few booths left at press time

Even as foreclosures continue to flood some of the worst-hit housing markets in the country, economists are beginning to sound the warning that today's extremely low levels of new residential production could lead to significant housing shortages, especially among market-rate rental apartments, as household formation rates return to normal.

The housing downturn and economic recession have kept household formation rates at below-normal levels for roughly three years, said NAHB Chief Economist David Crowe. As the economy moves to higher ground, the housing market will begin to feel the pressure from new households, he said, and there will be a surge of demand from echo boomers, who comprise an even larger group than their baby-boomer parents.

NAHB economists project that the industry will need to deliver 16 million homes over the next 10 years to keep pace with demand. As the excess inventory is worked off, which is likely by the end of 2012, the long-run demand for new housing — based on population growth, immigration and the replacement of losses from the housing stock — will average approximately 1.5 million single-family and 300,000 multifamily units annually, or about 1.8 to 1.9 million total starts.

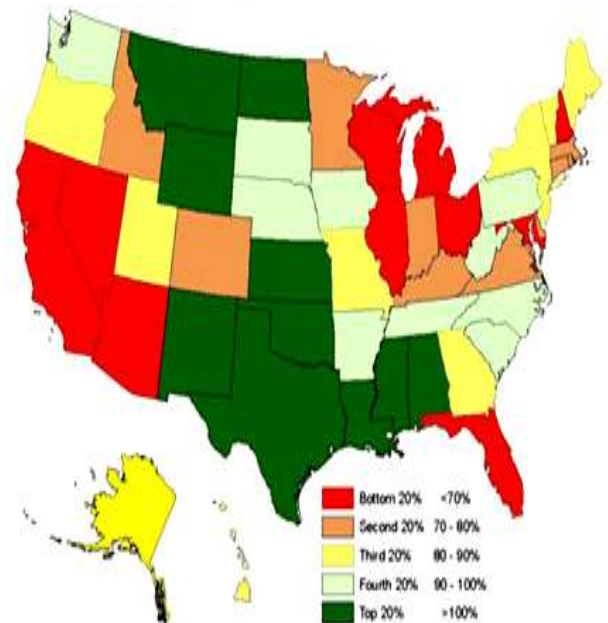
Coming off extremely low levels of construction, starts last month were running at a seasonally adjusted annual rate of 591,000, a level that is far below what will be needed.

When housing starts bottomed out in the first quarter of 2009, they were running at only 27% of average starts during the "normal" production period of 2000 to 2003, according to analysis by NAHB. This year, production is expected to rise to 45% of normal, with a further increase to 67% of normal next year.

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The Long Road Back to Normal



This map shows how the states rank in the return to more normal levels of housing production. By the end of 2011, the top 20% will be back to 100% or more of normal production. The bottom 20% will still be below 70% of normal production.

National Association of Home Builders





LEGISLATIVE UPDATE

The 2nd Session of the 106th General Assembly is now in full swing with committee and sub-committee meetings going on in both houses. We are currently watching more than 200 pieces of legislation that impacts our industry. We will be working with legislators and industry partners on many of these matters to better understand the intent of the legislation and to work for a satisfactory solution for our membership. Here is a brief summary of a number of areas that we are tracking during this session.

- **Workers Compensation:** The effort to correct some of the concerns of our industry with PC1041 (requirement for all people working in construction to carry workers compensation insurance) is picking up steam. A taskforce made up of legislators and other interested entities will be meeting [this Wednesday](#) to begin working through this situation. We are consulting with our membership to provide this taskforce with the concerns and possible solutions to this matter.
- **Carbon Monoxide Detectors:** Legislation has been introduced that would require each new home to be equipped with carbon monoxide detectors in addition to the currently required smoke detectors. The proposed bill goes beyond what is currently required by most codes across the state. We are opposed to this legislation as we believe it is a codes issue, not legislative.
- **Homebuyer Grants:** This legislation, that was brought to the legislature by HBAT, would provide for a Tennessee specific grant for new homebuyers much like the New Home Credit program currently in effect on the federal level. If funds are available, it would be funded with American Recovery and Reinvestment Act dollars and is viewed as a job stimulus program for our industry.
- **Deficiency Judgments:** The intent of this proposed legislation is to provide a uniform standard and to help eliminate the potential windfall by the creditor by allowing the debtor to request Fair-Market-Value of foreclosed property be used in determining the amount of the deficiency.

REGULATORY UPDATE

LEAD PAINT RENOVATION, REMODELING AND PAINTING (RRP).

Based upon concerns of some of our members we have been working the Tennessee Department of Environment & Conservation (TDEC) on the matter of certification of remodelers who work on homes built prior to 1978. TDEC is currently drafting rules dealing with this matter and are working to address our concerns over reciprocity with states bordering Tennessee and with possible dual certification by both EPA and TDEC which is required by [April 22, 2010](#).

On the RADAR

Member Rebate Program – The Member Rebate Program has been very successful for the Builder and Remodeler members that have taken advantage of the program. We would like to have more of the membership participate in this great program and to accomplish this, we have negotiated with the program administrators to provide the following: Effective [February 1, 2010](#), for all Builders and Remodelers that have not previously participated (claimed) in the Member Rebate Program, the Local Associations will receive a royalty of 2.5% of those new Builder and Remodeler participants! That payment will not affect the amount of money the Builder and Remodeler receives. Payments to the Local Associations will be sent in the month following the payment to all Builder and Remodeler members.

NOTICE: Any Builder or Remodeler that registers into the HBAT Member Rebate Program can claim for all homes, remodeling projects, or multi-family units completed from July 1st – December 31st, 2009. Builders and/or Remodeler Members will need to submit information no later than this Friday, February 26th, 2010.

This free member benefit provides HBAT Builder Members a rebate regardless of your volume. The average rebate per Builder participating in the HBAT Rebate Program is **\$1,044.42!** If there are any questions, please call toll-free at: [866-849-8400](tel:866-849-8400) or via email at: info@hbarebates.com.

2010 Legislative Conference and Spring Board of Directors Meeting The Spring Legislative Conference in Nashville is just around the corner – March 7-9, 2010. There is now an updated agenda online for the meeting. Remember that this is one of the most important meetings of the year since it gives you the opportunity visit with your legislators and express your concerns. All attendees are invited to the Legislative Reception on Monday evening at the offices of the Home Builders Association of Tennessee. If you have questions, please call [615-777-1700](tel:615-777-1700).

2010 HBAT Membership Drive

The 2010 HBAT Membership Drive will be held on May 19-20, with National Membership Day held on May 25. The HBAT staff is working with the Oliver Group to provide training in Nashville and Knoxville, April 14-15. Watch the HOT TOPICS section of the HBAT website for confirmation of these training dates.

Membership Pays

Don't forget to make your membership investment a profit center! You're only a click away from discounts with companies like Verizon Wireless, FEDEX, GM, Office Depot and many others. Just visit to www.hbat.org to find out more.

The HBAT Health Insurance program is now available! You can request information online, or you [may](#) call James Taylor at [1-800-266-8663](tel:1-800-266-8663) ext. 700. Those who [may](#) take advantage of the program include: Members, Immediate Family, Employees of Members and Staff.

Please note that you must sign up for the Members Only area to request an online quote. If you have questions about this, call Brad Cartner at [\(615\) 777-1700](tel:615-777-1700).

The Home Builders Association of Tennessee
213 5th Avenue North, Suite 200
Nashville, Tennessee 37219
[\(615\) 777-1700](tel:615-777-1700)

Home Show 2010

As we go to print today, we have over 70 Exhibitors.

This Year's show will have many familiar faces and a few newcomers. There are still a few good booth spaces available in the side room of building one and 2 spaces available in building two.

As a homebuilder association member a 10x10 booth is \$325.00. Our paid attendance last year was over 2300.

We will have two live remote radio broadcast and with membership and booth rental you can promote your business on the radio broadcasts.

Please support your fellow members and the home building industry by attending the show. Show hours are:

Friday March 12—4:00 pm to 8:00 pm

Saturday—March 13—9:00 am to 7:00 pm

Sunday- March 14- 11:00am to 4:00 pm

The Cumberland County Rescue Squad receives 100% of the gate/admission donation of \$1..00.

If you are interested in promoting your business, please contact

K.Gay Reeves-Stewart, Executive Director of HBACC at 931-484-9097,

email : homebuilderscumberlandco@yahoo.com

April 29th Crossville Sustainability Fair

We need volunteers to design and build our hands on exhibit for the Sustainability Fair. Last year Zurich Homes, Action Heating and Cooling, J& M Insulation participated in preparing the booth. Our booth is to show "Zero Energy Building Practices" geared to 5 Th grade students.

Your Association will be represented at this growing event. Contact any of the Officers/Board Members listed here

The 2010 Officer and Board of Directors are:

President: Tracy Melton, Melton Enterprises

931-456-0440

tracymelton@volfirst.net

Vice President: James Wattenbarger

J&M Insulation

931-456-7625

jminsulation@citilink.net

Secretary: Paul Perry , Certified Inspections

913-707-7708

askpaul@frontiernet.net

Treasurer: Gordon Wheeler, Christmas Lumber Co.

865-719-8106

hondoglw@yahoo.com

Board Member: Harry McCulley,

McCulley Siding & Windows

931-484-6601

hharrymac@aol.com

Board Member Frank Miller of Cumberland Home Improvement

931-707-7372

lfrankm777@yahoo.com

Past President-Board Member, Sarah Derrick of Creative Compassion

931-456-6654

K.Gay Reeves-Stewart, Executive Director

931-484-9097

Cell: 865-679-6164

Renewals and New Members

Roark Construction—Danny Roark—Renewal

Zurich Homes- Stan Zuercher- Renewal

Crossville Flooring Center- Amy Smith -New Member

Distinctly Yours- Gregory A Nicely- New Member

Michael Phetteplace- New Member

Tennessee Technology Ctr Crossville- Steve Lane- New Member

Tubular Sky Lights-Conrad Miller—New Member

Thank you for being part of our Association

Your support of your industry is paramount to our future success

Please keep Gordon Wheeler of Christmas Lumber Co. In your thoughts and prayers as he undergoes cancer treatments. Thank you

Home Builders of Tennessee Spring Board Mtg Trip.

March 9 , 2010 leaving @ 6:30am

Several members of the Board of Directors/Officers will be traveling to Nashville to attend the HBAT board of Directors meeting.. After the board meetings we will meet with Senator Charlotte Burks and Representative Eric Swafford. We will be discussing proposed legislation affecting housing. If you would like to attend please contact K. Gay Reeves-Stewart, Executive Director .

Relay For Life May 7, 2010

The Home Builders Association of Cumberland County is one of many sponsors of the Relay for Life Here in Cumberland County. We have also been asked to serve on the Corporation Sponsorship Committee. The Relay benefits the American Cancer Society and 88% of donations from the Relay stay here in Cumberland County. If you or your business is interested in fighting cancer, plus promoting your business please view this page and the next page for information .

Thank you, K. Gay Reeves-Stewart, Executive Director of HBA of Cumberland County

2010 Relay for Life Sponsorship Levels

Platinum Level - \$5,000

Customized business building activity at Relay for Life – examples include:
Company furnished displays, spokespeople, and promotional materials may be set up in Relay sponsored tent at Relay For Life event
Company provided incentives to all attendees at Relay for Life (for example, 10% off next purchase at store or Free dessert with next purchase of a meal)
All Gold Level activities

Gold Level- \$3,000

Corporate logo on all Relay For Life t-shirts
Corporate logo to appear in all promotions in community
Corporate logo in all event related material: posters, flyers, three panel brochures
Two company furnished banner may be displayed at Relay For Life event
Special recognition given during opening and closing ceremonies
Recognition in Relay For Life event program

Luminary Sponsor-\$1,500

Recognition as a Relay For Life Luminary Sponsor
Company name printed on Luminary forms
Company banner at Luminary sales site at event
Company recognition during Luminary Ceremony
Company name in event program

Bronze Level-\$500

Name mentioned during opening ceremonies
One hourly “Cancer Fact” sponsor (announced at top of hour)
Name in Relay For Life event program
Plain lettered sign on track with business name

Brass Level-\$250

Name mentioned during opening ceremonies
One hourly “Cancer Fact” sponsor (announced at top of hour)
Plain lettered sign on track with business name

Copper Level-\$100

One hourly “Cancer Fact” sponsor (announced at top of hour)
Plain lettered sign on track with business name

_____ Yes our business would like to be involved to help fight cancer! We are interested in sponsoring at the following level:

**Please make check payable to: American Cancer Society. Please mail the form and check to :
Cumberland County Relay for Life
1096 WEST AVE
CROSSVILLE, TN. 38555**

_____ **Platinum Level - \$5,000**
_____ **Gold Level - \$3,000**
_____ **Silver Level - \$1,500**

_____ **Bronze Level - \$500**
_____ **Brass Level - \$250**
_____ **Copper Level - \$100**

2010 Relay for Life Sponsorship

Company name _____

Address _____

City _____

Zip code _____

Phone # _____

Contact person _____

____ Yes our business would like to be involved to help fight cancer! We are interested in sponsoring at the following level:

____ Platinum Level - \$5,000

____ Bronze Level - \$500

____ Gold Level - \$3,000

____ Brass Level - \$250

____ Silver Level - \$1,500

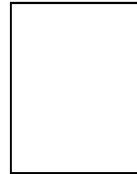
____ Copper Level - \$100

Please make check payable to: **American Cancer Society.**

Signature _____

Check # _____

Amount paid _____



The Home Builders Association of Cumberland Co.

P.O. Box 507
 Crossville, TN 385572

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 Mobile: 865.679.6164
 Fax: 931.484.9097
 E-mail:
 homebuilderscumberlandco@yahoo.com

Mailing Address Line 1
 Mailing Address Line 2
 Mailing Address Line 3
 Mailing Address Line 4
 Mailing Address Line 5

We are on the web:
www.cumberlandcountyhomebuilders.com

Remember To Do Business With A Member!.

March 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Peanut Butter Lover's Day	2	3	4	5	6
7 HBAT Spring Boad Mtg	8 HBAT Spring Board Mtg	9 HBAT Spring Board Mtg and Hill Visits	10	11 Setup Home Show 9:00	12 Home Show 2010 4-8:00	13 Home Show 2010 9-7:00
14 Home Show 2010 11-4 Daylight Savings Begins	15	16	17 St Patricks Day	18	19	20
21 First Day of Spring	22	23	24	25	26 Make Up Your Own Holiday Day	27
28 Passover Begins	29	30	31			