

Doug Carr

From: Doug Carr & GLHB&RA [lacey@glhba.ccsend.com] on behalf of Doug Carr & GLHB&RA [doug@glhba.org]
Sent: Monday, May 03, 2010 8:30 AM
To: Doug Carr
Subject: Tax Credit Ends--What Next?

Having trouble viewing this email? www.glhba.org/toolbox

The Tool Box

A Weekly Publication for Members & Friends
 May 3, 2010

**In This Issue**

Continuing
Competency For
Builders

Upcoming Events

Low Interest
Remodeling Loans
From MSHDA

Marketing Tips For
Builders & Remodelers

May Is Membership
Month

Lead Rules Change

Rebates for Builders!

Spaghetti Fundraiser
Dinner

Quick Links

[Remodelers Council](#)
[Spike Status](#)
[Board Directory](#)
[Membership Info](#)
[Housing Starts](#)

Dear Doug,**With The Tax Credits Ending...
What's Next?**

The Federal Tax credits expires on April 30th. The big question: what next? There are two ways to look at this. The first is on a micro-street level. The National Association of Home Builders (NAHB) reported 10 million visits to their housing tax credit website in the first three months of 2010. Here in the Lansing region permits surged some 300% over the same time period in 2009. There's no question that the tax credits had a positive effect on sales, especially for builders that market to first-time buyers. With no buyer credits in place, sales in that market segment will probably slow up.



On a macro-national level, Congress is just beginning to focus on the restructuring of Government Sponsored Enterprises (GSE's) in other words Fannie, Freddie, Ginnie, FHA, and the Federal Home Loan Banking System. The Fed has made it clear that they are done buying buying mortgages from the GSE's. And further, Congress has declared that there will be no more tax credit extensions. So, at the national level talks are just officially starting on how to restructure the whole financial backstop for home mortgages in America. Because of the size and complexity of the issues this could take years. Bank lending standards will likely continue to be more restrictive rather than less for awhile. (Think of how long the federal government has been discussing

**Monthly Meeting
May 12th**

"Getting the Most From Your Web Site!"



**Rycus
Flooring
5:30 - 7PM
\$5**

healthcare!)

Your National Association of Home Builders (NAHB) is right there in Washington DC providing input and advising Congress to proceed with caution. NAHB is telling Congress some government support is needed for the market to have stability and liquidity. But, the government should not be in the business of providing support directly to private companies, only guarantees in the event of catastrophic circumstance.

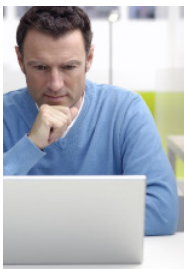
As we look at things closer to home here in Michigan any significant support from state government for housing issues is not likely soon. However, the MSHDA \$7,500 down payment assistance program for low to moderate income families on homes priced less than \$224,500 is still in place. That helps. But there is so much focus on the state budget cuts and possible statewide tax restructuring that housing will undoubtedly continue to be pushed down the list of legislative priorities. Even though banks have considerably tightened their lending standards there is still tremendous housing affordability for those with resources and those who can afford 20% or better down payments. Conclusion: continue to remain cautious during the back half of 2010!

Feel free to e-mail your comments to: doug@glhba.org.

Doug

CEO, GLHB&RA
Doug@glhba.org

Continuing Competency For Builders: Update



EPA-approved lead classes offered by an EPA-approved instructor taken after January 1, 2009 will count toward meeting the Continuing Competency safety

Upcoming Events:

(Click on the links below to RSVP!)

May 12 Monthly Meeting: Rycus Flooring: Getting the Most from Your Web Site [RSVP Here](#)

May 21 How to Hire A Builder(Open to the Public) MSU FCU

May 26 Parade Builder Pick Up Day, MSU FCU 11 AM-1PM

June 15 Lugnuts Outing [RSVP Here](#)

Building & Remodeling Expo Draws Many New Builder Member Prospects!

Over 100 people attended the Building & Remodeling Expo on April 22nd. Dozens of door prizes were given away, as well as a \$300 cash prize that went to member-prospect Bob Kelley of Kelley Construction. The evening activity was summed up in the words of member Larry Sernick with Certainteed Roofing Products: "It was an awesome event!"



Bob Kelley Wins \$300 Drawing!

requirements for renewal in 2012, regardless of the provider.

Golfers:
Save The
Date!!
July 13th



Hawk Hollow

**Reserve Your
Group!**

**Be A
Sponsor!**

**Call GLHB&RA
For More
Information**

517-323-3254

**Save 22%
With Verizon
Wireless!!**



One



**"At MSU-FCU, We love
Construction Loans"**
says Mortgage Manager, Bill McLeod!

Attention Remodelers: Low Interest Loans Help Fund Property Improvements!

Attention Remodelers: The Michigan State Housing Development Authority (MSHDA) will help your customers finance their remodeling projects! This program is for families with household incomes up to \$65k or \$74,750, or landlords renting to low to moderate income families. Homeowners can borrow up to \$50,000 at rates as low as 4%. Here are a few of the improvements that qualify: HVAC, plumbing, electrical, roof, doors, windows, siding, insulation, additions, painting, floors, decks, and more. Interested homeowners can get more information from MSHDA's participating lenders on the michigan.gov/mshda website.



Marketing Tips for Builders & Remodelers: The Problem with "Quality"

Round up any 10 remodelers & builders and ask them: "why should I buy from you?" Most will say: because we build quality. Then ask "how many of you do not build quality?" No one will raise their hand! This is the problem with using quality as a marketing strategy. If everyone says they do it then it just becomes one more unproven claim. Your goal is to distinguish yourself from the pack. How do you do that?



Quality is what's called in the marketing world a threshold issue.

Everyone has a certain level of expectation of quality. This means you have to find that threshold with your customer and then cross it. Once you do, only then do you begin to compete with others who have crossed the threshold. At that point your selling is not complete. Rather it has only just begun.

Once you're in the game it's important to sell benefits! If the quality that you sell means that the customer has a greater benefit, then you should say so. And, be specific about it. Tell them what the quality is and the benefit they receive. For example, if your quality means that you build with 6" of insulation in your walls for greater comfort and energy efficiency then this should be spelled out. The 6" wall is the quality and the comfort

Very Good Reason

**to Be A Member of
GLHB&RA!**

**Call
Corey Fulton:
517-927-0500**

[Click Here for
Details!](#)

**Members
Save
5 Cents
Per Gallon
At Speedway!**



**With Their
Superfleet
Card!**



**Call Tom
Farnham 989-
615-2736**

**Use Your Member
Card this Month
And Save!**

meijer

and efficiency are the benefit.

Whatever specific quality/benefit you use should become your competitive advantage. Your role is to find that, define it and then sell it. If it puts your competitor below the quality threshold then you are competing with fewer builders. When everyone is claiming quality that's how you set yourself apart!

May is National Membership Month!

You Can HELP GLHB&RA Now! May 25th is national Membership Day for the National Association of Home Builders. Anyone you recruit this month will get you double spike points. You can win valuable prizes like this Ipod sound blaster. Call Cindy for details: 323-3254!



Win Prizes!!

EPA Changes Lead Renovation Rules: Opt-Out Provision Revoked

The National Association of Home Builders reported that on April 23 the Environmental Protection Agency announced the release of an amendment that removes the opt-out provision for non-pregnant women or residences without children under six years of age. The Lead Renovation, Repair and Paint rule went into effect on April 22nd. It requires remodelers that disturb surfaces painted prior to 1978 to attend training on proper guidelines for renovation. The amendment will be enforceable 60 days from its publication in the Federal Register. The exact date is expected to be sometime in July of 2010.

**MAHB Member Rebate Program Adds Four New Manufacturers**

The MAHB Member Rebate program has added four new manufacturers: Boise Cascade, Closet Maid, HB&G Porch Columns and Sears Commercial Marketplace. GLHB&RA members can get rebates from numerous companies when they purchase their products. Average rebates last year were \$860.54 per member!! It's easy to file for a rebate. It's easy to file [these claim forms](#). All details are explained on [this special MAHB website](#). If you're a builder, don't leave money on the table!

**Friends of Patti (Aldrich) Hurni Hosting Spaghetti Dinner Fundraiser On May 7th**

GLHB&RA friends of Patti Hurni are hosting a spaghetti fundraiser

**Spend \$25
Or More
On General
Merchandise
And
Get \$5 Off!**

dinner on May 7th. She is battling breast cancer, caused by a positive genetic mutation called BRCA1. This mutation can be passed down from generations. She has lost her sister and mother to cancer. She also lost her husband to cancer in 2004. The dinner will be held from 5-8 PM at Haslett Middle School. Tickets are \$7 adults and \$4 children. Donated items will also be raffled. For more information and to donate raffle items, call George Hunt at Forsberg Real Estate 517-349-9330 x 226.



[Forward email](#)

 **SafeUnsubscribe®**

This email was sent to doug@glhba.org by doug@glhba.org.

[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Email Marketing by



Greater Lansing Home Builders & Remodelers Association | 2937 Atrium Drive Suite 201 | Okemos | MI | 48864