

May 2011

BLUEPRINTS

A monthly publication of the Asheville Home Builders Association



MAY

AHBA Networking Night

Hosted by

Ferguson Enterprises, Inc.

May 19

5:30 pm - 7:30 pm

Join us for networking, food and beverage at the Brevard Road showroom of Ferguson Enterprises, Inc.!

More details on page 2.

Upcoming Events

May 17

New Member Orientation

AHBA Office

3:30 pm

RSVP to the AHBA Office.

May 24

National Membership Day

June 9

Builder Breakfast

AHBA Office

8:30 am - 9:30 am

Sponsored by 84 Lumber

Details on Page 2.

June 9

Parade of Homes Entries

Early Bird Deadline

AHBA Office*

June 28

Parade of Homes Entries

Main Deadline

AHBA Office*

*Only completed builder packets will be accepted!

2011 Expo a Resounding Success!

The AHBA is very proud of our two day, homebuilding specific Expo. With just over 3500 attendees, the resulting number of quality leads brought the 2011 Home & Garden Expo a new respect as the leading public homebuilding show in western North Carolina! The AHBA Staff and Board of Directors want to extend a huge thank you to our vendors for their quality booths, exciting products and professionalism during the Expo. It is because of your company's participation that we were able to have a quality expo that was especially created for those looking to build, buy or remodel.

The Friday night VIP Builder Preview Event was attended by industry professionals hoping to get a sneak peek at the products and services offered while networking with their peers. Blue Sky catered the 2 hour event, and our celebrity guest- Jason Cameron from the DIY Network - was on hand to meet and greet with our members and their guests. Special thanks to Rodney Smith and his team at Henson Building Materials for sponsoring this special event!

In continuing our partnership with United Way of Asheville & Buncombe County, we presented the Parade of Playhomes kick-off at the Expo. We had a beautiful log playhome donated by AHBA member, Log Homes of the Carolinas, Inc. United Way will be using this playhome until November 1st for raising money for their annual campaign. There are multiple ways for those making a donation to United Way to be entered to win this year's playhome! We appreciate the partnership with United Way and were pleased to showcase this playhome for viewing at our Home & Garden Expo.

We would like to thank the volunteers who worked at the Home & Garden Expo for ensuring a successful 2 day event: Skip & Cheryl Brewer of C. Skip Brewer, AMB, CGP, Custom Builder, James & LeAnn Bound with Greencraft, Inc., Chris Brock with Brock Builders, Derek Weekley NCRE Broker, Steve Royster of Bass & Royster Builders, Inc., Leslie McCormick with Atelier 359, Thomas McClain with Home Sweet Home, Richard & Katherine Soderquist with Soderquist Construction Co., Jennifer Duvall with Asheville Savings Bank, and Greg Wilkie of BB&T.

Lastly, we would like to thank our sponsors, without whom this event would not be possible!



Build it Naturally, Clean Streak, Inc., ProBuild, 84 Lumber, Allied Insulating Co., Asheville Savings Bank, Carpet One Floor & Home, K-Wall Poured Walls, LLC., Ferguson Enterprises, Inc., Flooring America, Inform Systems Data Documents, Inc., Southern Alarm, Tri-County Solutions, and Westall Chandley Building Supplies.

Thank you to all of our membership for your support!

Calendar

Meetings

Professional Women in Building

Tuesday, May 3 @ 8:30 am
AHBA Office

Associates Committee

Wednesday, May 18 @ 1:00 pm
AHBA Office

Board of Directors Meeting

Thursday, May 12 @ 2:30 pm

Parade of Homes Committee

Thursday, May 26 @ 3:30 pm

Events

New Member Orientation

May 17
3:30 pm - 4:30 pm
All new AHBA members are invited to attend! Learn the benefits of being a member and begin networking immediately!

AHBA Networking Night

May 19
5:30 pm - 7:30 pm
Networking, Food & Beverage provided!
*Hosted by Ferguson Enterprises, Inc.
1100 Ridgefield Blvd Ste B

National Membership Day

May 24

PWB Beer Tasting & Silent Auction

June 9
6 pm - 8 pm
*Highlands Brewing Company
Details on tickets to follow!

Education

AHBA Builder Breakfast

June 9 @ 8:30 am - 9:30 am
AHBA Office
BUILDERS ONLY

Topic: Top 10 OSHA Citations for Builders & Safety Plans – All the info you need for protecting yourself and your business!

*sponsored by 84 Lumber, breakfast provided

MAY

NCHBA Legislative Update

NCHBA's proposed \$10,000 tax credit for the purchase of a new home is no longer under active consideration by the General Assembly. A total allocation of \$100 million was sought under this legislation (HB 485, SB 476) to provide 10,000 taxpayers with the opportunity to purchase a new home utilizing this credit. The legislation would have allowed taxpayers to take a maximum credit of \$2,000 per year over the next five years against tax liability owed to the state. To achieve the greatest stimulus effect and create the maximum number of jobs, this tax credit would have been available only for a new home constructed after July 1, 2011, or for a new home construction contract entered into on or after that date.

"The proposal proved to be too expensive in light of the state's record budget shortfall," said Mike Carpenter, NCHBA's Executive Vice President. "We always understood that the enactment of this legislation was a long shot but it was one that we pursued in an effort to help our industry recover by helping to attract buyers back into the market. We were pleased with the bipartisan support the proposal received and the attention it garnered from the legislative leadership."

House Bill 485 was introduced on March 25 by former House Speaker Harold Brubaker (R-Randolph), Principal Chair of the House Appropriations Committee, along with his three committee co-chairs, Rep. Mitch Gillespie (R-McDowell), Rep. Linda Johnson (R-Cabarrus), and Rep. Jeff Barnhart (R-Cabarrus). A total of 43 other House members, 36 Republican and 11 Democrats, co-sponsored the bill in the House. Senate Bill 476 was introduced by Sen. Tom Apodaca (R-Henderson) along with 24 co-sponsors, 18 Republicans and 6 Democrats. "The job creation potential of this proposal made it attractive," Carpenter said. "Dr. Michael Walden, Reynolds Distinguished Professor of Economics at NCSU, estimated that 2,873 new homes would be constructed and sold as a result of the credit that would not **otherwise occur spurring the creation of 16,199 new jobs**. However, those numbers could only be obtained if the tax credit was prospective creating an issue for those builders holding current inventory. This dilemma was resolved in favor of the prospective application of the credit by the NCHBA Board of Directors at its meeting in Pinehurst in February."

"While this proposal is no longer on the table, NCHBA will continue to pursue its very ambitious 2011 legislative agenda," Carpenter said. "The legislative leadership has assured us of their interest in helping our industry recover since they understand that the state's economy will not recover until housing recovers."

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Working to Make Your Business Successful

President's Message by C. Skip Brewer, AMB, CGP, Custom Builder

Greetings!! Many thanks to our Staff, Sponsors, Exhibitors and Volunteers for the 2nd Annual AHBA Home & Garden Expo. Your participation and support made this event another AHBA success!!

Traffic was up 30% from last year and as an exhibitor myself, the tenor expressed by attendees in terms of actually purchasing or preparing to purchase our industry's offerings, or to build in the near future seemed to be taking a positive tone, which is welcome news. The exhibitor spaces were again sold out this year!! Additionally, talk among exhibitors indicates that we are all preparing quotes or pricing jobs, and while that can take a lot of effort, the good news is that we are getting more of that opportunity. We all know that if the consuming public isn't asking questions about our products or asking for a price, there isn't a job to be had.

Putting it all into perspective, I had a potential exhibitor basically ask me to promise them they would get enough business from the Expo to pay for the exhibit booth. My reply was, "I can promise that you won't get any business from the Expo if you aren't exhibiting". We both laughed, and an exhibit booth was sold. The exhibitor received over two dozen requests for proposals during the show! To the point above, pricing work takes a lot of effort and time, however, if the request for price isn't there, then there is no opportunity. All this to say, opportunities are like seeds. We have to plant them, water them and care for them. Sometimes the seeds come up, sometimes they don't. Many times when they come up, they bear great fruit, other times they are weeds we have to pull 'em! In any case, one can never be entirely sure where that next Customer or opportunity comes from and I wish all of our Members a successful 2011.

Changing gears, there has been much media talk about a 20% home down payment requirement and the elimination of the mortgage interest deduction. From my perspective, if these two measures are implemented, it will forever alter the course and reach of home ownership for most everyone. Please read your NAHB Monday Morning e-mail Briefings and take action as indicated in the briefing. We need your voice to preserve the very opportunities mentioned in this message.

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[builders tips]

Builders' Tip: How to Fabricate Lightweight, Sturdy, Adjustable Sawhorses

On the job site, I often had a need for adjustable-height sawhorses. But, unable to find a factory-made pair, I designed and built my own a few years ago.

As shown in the accompanying drawing, I made them from scrap pieces of plywood, short lengths of oak that serve as the adjustable posts and 2x4 stock.

These horses are light, sturdy and easy to use, with the adjustable height held in place by 1/2-inch dowel pegs.

I can set up a worktable or support boards quickly at a wide variety of heights. I've also used these horses as out-feed support for my tablesaw and chopsaw.

To make your own version:

I suggest boring the holes in the oak posts on a drill press to eliminate concerns about keeping the holes straight.

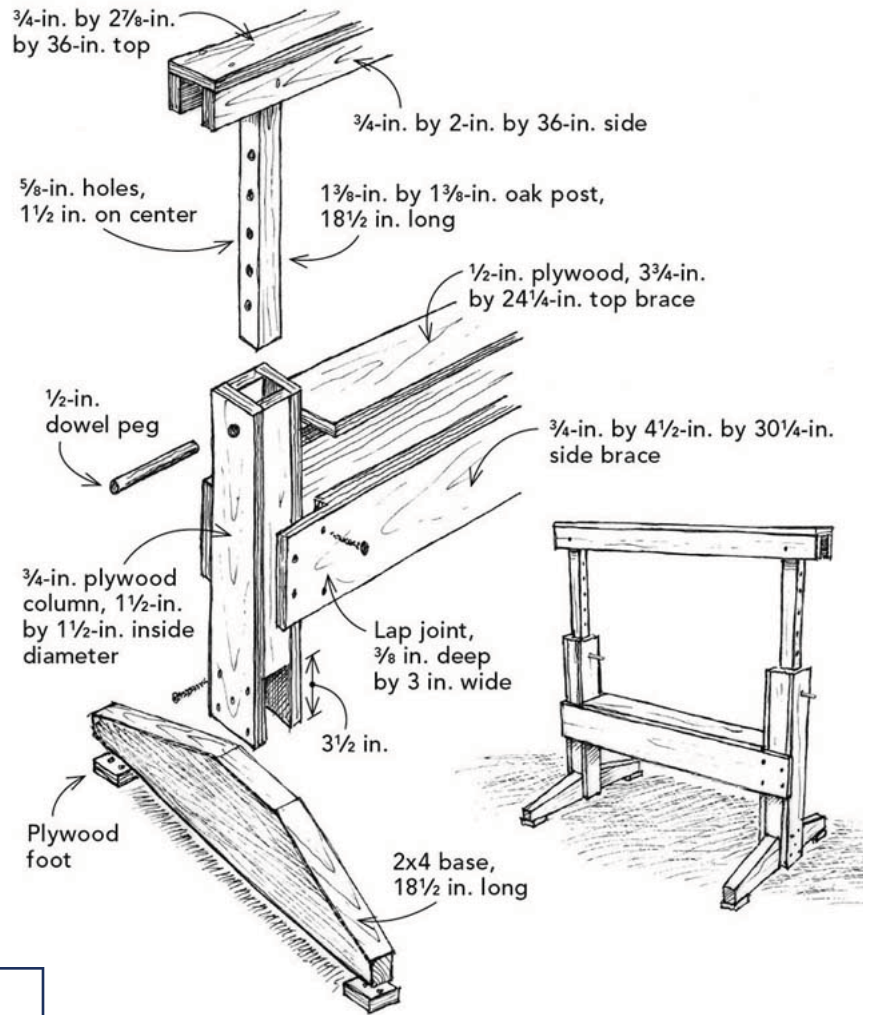
I also used the drill press to bore holes in the column sides — stacking them together to ensure exact alignment.

The inside dimension of the columns should be about 1/16-inch greater than the cross-sectional dimension of the posts.

— Tim Snyder Newtown, Conn.

Tips & Techniques provided by Fine Homebuilding.

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Safety Tips for Balloon-Framed Walls

Workers need to follow specific safe work practices when they are handling balloon-framed walls, which are heavy and require a full team to erect them manually into position.

Balloon-framed walls run the entire height of the structure — from the sill plate to the top plate.

For the protection of workers, these practices should be followed: Pre-plan the job and evaluate the hazard — including determining the weight of the wall(s).

Use a competent person to determine the best method — crane, fork-lift, wall jack or manual — to lift the balloon-framed wall.

Have the competent person determine the adequate bracing for the wall.

Assess weather conditions — such as high wind — to determine whether lifting the wall is safe.

Establish a controlled access zone equal to the height of the wall plus four feet and running the entire length of the wall.

Do not allow untrained workers to enter the controlled access zone.

When using cranes, forklifts or wall jacks, follow the manufactures' safety procedures.

When manually lifting, ensure that a sufficient number of workers are continually assisting while the wall is being raised to prevent it from falling back onto the workers and to prevent over-exertion.

Additionally, when erecting balloon-framed walls on the second story, there is also a fall hazard that must be addressed prior to erecting the wall.

The fall hazard can be addressed by implementing alternative work practices such as a warning line and safety monitor system.

For more information on erecting balloon-framed walls, visit OSHA's website or visit www.nahb.org/fallprotection.



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MEMBER NEWS

Share your accomplishments, awards, and announcements with fellow members. Send your news to kc@ashevillehba.com and we will be glad to include it in the newsletter!

AHBA Seeks Runners for Chamber Challenge

For the second year, the AHBA will participate in the annual Chamber Challenge- a 5K race organized by the Asheville Chamber of Commerce. The race will be held on June 3, 2011. The team-based, Chamber Challenge 5K run is designed to promote community wellness through friendly competition between businesses. The certified course begins and ends at the Asheville Chamber and winds through the historic Montford neighborhood. If you are interested in participating in this run on behalf of the AHBA, please contact the office at 299-7001 or by email at office@ashevillehba.com

NAHB Seeks Representatives to Serve

NAHB members have an opportunity to participate in the code development process by representing the nation's home builders on the code committees and councils of the International Code Council (ICC).

More than 18 committees and councils will oversee the 2012-15 code development cycle — including six code committees considering changes to the International Residential Code (IRC) and the International Building Code (IBC). NAHB representation on all of these ICC committees and councils is an integral part of the association's overall involvement in the code development process.

NAHB representatives on the committees are required to attend Provisions Oversight Group meetings in Washington, D.C., prior to the hearings to help review proposed changes and develop an NAHB position on them. NAHB covers the travel expense for these meetings.

All code committee members are required to participate in conference calls before the hearings, to review the proposals assigned to them and to attend the code development hearings. Attending the hearings — including travel — takes two to three days, depending upon the committee. The IRC-Building/Energy Code Committee hearings may last as long as five days.

The deadline for applying to become an NAHB representative is Thursday, May 12. Applicants need to complete a background information form, which can be obtained from Steve Orlowski at NAHB.

For more information or to apply, email Orlowski, or call him at 800-368-5242 x8303.

PWB Invites You to the Special May Meeting

The Professional Women in Building Council is extending a special invitation to the SPOUSES of Association members to join the PWB at their May meeting on May 3 at 8:30 am at the AHBA office. Spouses do not need to join the AHBA in order to be a member of this Council. Learn about the history of the PWB while socializing and networking with other PWB members.

NAHB Webinar on Latest Remodeling Outlook

The NAHB Remodelers will be presenting a "Remodeling Outlook" webinar from 2:00-3:00 p.m. EDT on Thursday, May 26.

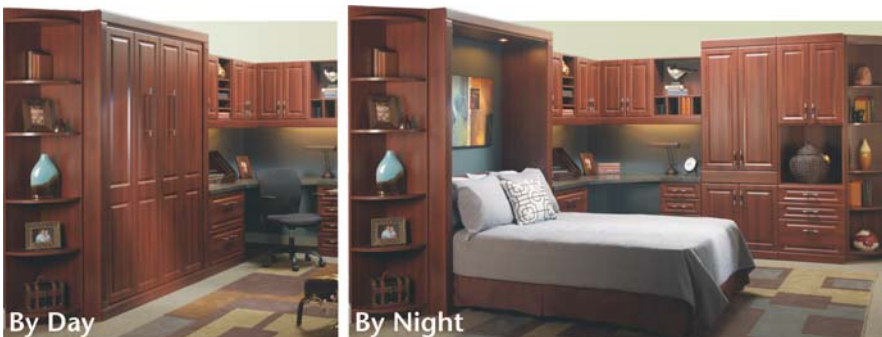
Speakers David Crowe, NAHB chief economist, and Kermit Baker, director of the Remodeling Futures Program at Harvard University's Joint Center for Housing Studies, will present their latest forecasts for the remodeling market and answer questions on how to maximize remodeling opportunities.

The fee is \$19.95 for NAHB Remodelers members, \$24.95 for NAHB Members and \$44.95 for non-members.

Call NAHB's Office of the Registrar at 800-368-5242 x8338, or e-mail registrar@nahb.org to register.

Strive Not to Drive Workplace Challenge

Recruit your colleagues to take the Strive Not To Drive pledge to ride the bus, walk or bike to work during the week of May 16-20. You will join hundreds of others in Asheville doing the same thing. Participating workplaces will compete against offices of a similar size for the most Strive Not To Drive participants and be eligible for great prizes. The registration deadline for workplaces wanting to compete is Friday, May 6. Resources are available to help new bike and bus commuters, including a bike commuting class at REI and a presentation on the transit system at Asheville Green Drinks coming up on Wednesday, May 11. For more information and to take the pledge, go to StriveNotToDrive.com, or contact Ching Fu at cfu@rei.com.



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Facts on the Energy Efficiency Tax Credit

Home owners can access two tax credits for adding energy efficiency improvements to their homes.

The Wind, Solar, Geothermal and Fuel Cell Tax Credit (Tax Code Section 25D):

Tax credits are available at 30 percent of the cost, with no cap through 2016, for existing homes and new construction, for:

- Geothermal Heat Pumps

- Solar Panels

- Solar Water Heaters

- Small Wind Energy Systems

- Fuel Cells (on this item the credit may not exceed \$500 for each 0.5 kilowatt capacity; other limits apply in the case of joint occupancy)

The energy-efficiency home products must be “placed in service” between Jan. 1, 2011 and Dec. 31, 2011. The credits are only valid for improvements made to the taxpayer’s principal residence, except for qualified geothermal, solar, wind property, which can be installed on any home used as a residence by the taxpayer.

Qualified Energy Efficiency Improvements (Tax Code Section 25C):

provides a 10-percent credit for the purchase of qualified energy efficiency improvements to existing homes. The energy-efficiency home products must be “placed in service” between Jan. 1, 2011 and Dec. 31, 2011.

Under section 25C, the maximum credit for a taxpayer for all taxable years is \$500, and no more than \$200 of such credit may be attributable to expenditures on windows.

This rule means that taxpayers who have claimed \$500 or more of this tax credit in prior years, particularly 2009 and 2010, can no longer participate in the program.

Installation costs only count for tax credit for the installation of non-building envelope qualified property.

The credit is nonrefundable and does not have to be repaid to the federal government.

Special proration rules apply in the case of jointly owned property, condominiums, and tenant-stockholders in cooperative housing corporations. If less than 80 percent of the property is used for nonbusiness purposes, only that portion of expenditures that is used for nonbusiness purposes is taken into account. For purposes of determining the amount of expenditures made by any individual with respect to any dwelling unit, expenditures which are made from subsidized energy financing are not taken into account. The term “subsidized energy financing” means financing provided under a Federal, State, or local program a principal purpose of which is to provide subsidized financing for projects designed to conserve or produce energy.

A qualified energy efficiency improvement is any energy efficiency building envelope component:

meets or exceeds the prescriptive criteria for such a component established by the 2009 International Energy Conservation Code as such Code (including supplements) (or, in the case of windows, skylights and doors, and metal roofs with appropriate pigmented coatings or asphalt roofs with appropriate cooling granules, meets the Energy Star program requirements); is installed in or on a dwelling located in the United States and owned and used by the taxpayer as the taxpayer’s principal residence; the original use of which commences with the taxpayer; and that reasonably can be expected to remain in use for at least five years.

Building envelope components (Installation costs not included):

Insulation material or systems (specifically and primarily designed to reduce the heat loss or gain for a dwelling and which meet the prescriptive criteria for such material or system established by the 2009 Interna-

tional Energy Conservation Code)

Exterior window, skylight, door, storm window or storm door

Metal or asphalt roofs (with appropriate pigmented coatings or cooling granules that are specifically and primarily designed to reduce the heat gain for a dwelling).

Additionally, section 25C provides specified credits for the purchase of specific energy efficient property originally placed in service by the taxpayer during the taxable year. The allowable credit for the purchase of certain property is: \$50 for each advanced main air circulating fan, \$150 for each qualified natural gas, propane, or oil furnace or hot water boiler, and \$300 for each item of energy-efficient building property.

An advanced main air circulating fan is a fan used in a natural gas, propane, or oil furnace and which has an annual electricity use of no more than two percent of the total annual energy use of the furnace (as determined in the standard Department of Energy test procedures).

A qualified natural gas, propane, or oil furnace or hot water boiler is a natural gas, propane, or oil furnace or hot water boiler with an annual fuel utilization efficiency rate of at least 95.

Energy-efficient building property (Installation costs may be included): an electric heat pump water heater which yields an energy factor of at least 2.0 in the standard Department of Energy test procedure, an electric heat pump which achieves the highest efficiency tier established by the Consortium for Energy Efficiency, as in effect on January 1, 2009, a central air conditioner which achieves the highest efficiency tier established by the Consortium for Energy Efficiency, as in effect on Jan. 1, 2009, a natural gas, propane, or oil water heater which has an energy factor of at least 0.82 or thermal efficiency of at least 90 percent, and biomass fuel property, which is a stove that burns biomass fuel to heat a dwelling unit located in the United States and used as a principal residence by the taxpayer, or to heat water for such dwelling unit, and that has a thermal efficiency rating of at least 75 percent. Biomass fuel is any plant-derived fuel available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues (including wood pellets), plants (including aquatic plants), grasses, residues, and fibers.

How to Claim the Tax Credits

Home owners can claim the 25C and 25D credits on Form 5695 when they file their income tax returns. Check with your tax professional to ensure correct application of the energy-efficiency tax credit. Retain all receipts as well as records that include:

- Name and address of manufacturer

- Identification of the class of eligible building envelope component

- Make, model number and any other property identifiers

- A statement that the component is eligible for the credit (may include U factor, class of window or door, etc.)

This information comes from ENERGY STAR, for more information visit the ENERGY STAR website at www.energystar.gov/taxcredits.

To learn more about remodeling visit NAHB Remodelers at www.nahb.org/remodel.

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[member news]

50+ Prospects Looking for Value and Good Reasons to Make the Move

Location and value are the top factors influencing 50+ buyers in today's market.

Two national reports — a 2010 study by the American Association of Retirement Communities on destination buyers, and the "Survey of Affluence and Wealth in America" by American Express Publishing and The Harrison Group — showed that while many retirees would prefer to stay where they are, some may be convinced to move to a home with good value in an ideal location with a supportive community.

"While the market pie has shrunk, there are still buyers out there," said Bill Houghton, president of the Landings Company in Savannah, Ga.

During the housing boom, people as young as 40 who were purchasing retirement homes as lifestyle investments became the biggest market for amenitized community developers.

The amenities for these communities included the traditional golf courses and swimming pools but branched out into new territory with beaches, walking and biking trails, fitness centers and even shopping.

Many of those who planned in advance for retirement, however, might have chosen differently had they foreseen the financial turmoil down the road.

When the bubble burst, retirees and potential retirees were the hardest hit. As a result, 60% of boomers now say they will postpone retirement and the purchase of a retirement house, if they move at all.

In an equally difficult position are many of the younger buyers, who took out cash from their current homes for downpayments on the retirement homes. This has left them with less equity to withstand the housing downturn.

In general, those who previously had their eye on retirement now have significantly lower financial assets to make their next move.

And older households also face the same challenges as other home owners in selling their existing homes or avoiding foreclosure.

According to a 2009 AARP study, Americans 50 years and older account for 30% of all delinquencies and foreclosures.

"The prognosis is that the buy-now mindset is history," Houghton said. "They are holding onto their current property if they can."

At the same time, because so many amenitized communities were designed and developed specifically for boomers, the members of this age group who are tentatively in the market have more to choose from and are spending more time looking around for the best price and value.

The typical buyer will now look at dozens of alternatives, consider between six to 10 communities and visit an average of three before making a purchase. For that reason, it is important to "reach pros-

pects before they get to your area and sales and welcome center," said Dave Robertson, president of RPI Media.

And the average age of buyers in these communities has been on the rise.

The average age of buyers at two golf communities in Georgia, for example, rose from 52 to 58 between 2006 and 2010 .

Also, 46% of prospective 50+ buyers prefer to stay in the same state — 44% in the same community.

Fifty-five percent ranked the home's value as a top priority.

Incentives for moving have also shifted and reshaped what's desirable in a community. Walking and swimming are now more popular than golf, requiring communities to ensure they provide these amenities.

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Activities Committee

Nathan Lawrence

This year we will be promoting the Summer Picnic and Golf Tournament and also our Holiday Social in December. The picnic at Camp Rockmont is always a great time to get out with the family and enjoy many activities at the lake. With just one golf tournament this year, teams and sponsorships are sure to fill up fast, so make sure to contact the AHBA office if you would like to participate.

Associates Committee

Renee Maxwell

The Home & Garden Expo was an outstanding success! We were pleased to have over 3500 attendees at the Expo, over 100 exhibitors and over 20 sponsors! The AHBA would like to thank the volunteers who worked at the event- ensuring a smooth flow of traffic for an enthusiastic crowd! Special thanks also to our committee members who worked hard to make this Expo a thriving success! We will begin planning for the 2012 Expo soon- so be prepared to get your returning booth space at great pricing!

Legislative Committee

Thomas McClain

The Legislative Committee held an Ipad 2 Raffle for Build Pac at the 2nd Annual Home & Garden Expo. We are pleased to report that we raised just over \$1600 and had 43 contributors during the raffle! Thanks to all who participated – look below for a listing of all of our 2011 Build Pac Contributors. The Legislative Committee will be meeting this month to discuss plans for future elections including a policy on endorsement of candidates. If you are interested in serving please contact the AHBA Office!

Build PAC Contribution for May NL

To date, \$1,620 in contributions have been made:

Amanda Ballew, More Space Place
 Chris Brock, Brock Builders, Inc.
 Chris Carson, AVL Associates
 Chris Craddock, Carolina Drywall Contracting, Inc.
 Chris Ramsey, Brand Vaughan Lumber of Asheville
 Christopher Fox, Christopher Fox Builders
 Curt White, Carolina Craftsmen
 Derek Weekley, Derek Weekley NCRE Broker
 Dwayne Brome, Labor Finders of Asheville
 Erin Spicher, Solid Surface Specialists
 Greg Spicer, MATH Insurance
 Hilary Paradise, Labor Finders of Asheville
 Howard Ferree, Ferree Construction Inc.
 James Bound, Greencraft, Inc.
 Jenny Brunet, Cool Mountain Construction
 Jeremiah Hughes, Allied Insulating Co.
 Josh Abrams, More Space Place
 Josh McGee, Westall Chandley Building Supplies
 Judy Dinelle, 84 Lumber
 Katherine Soderquist, Soderquist Construction
 Kristine Freeman, Herbert C. Freeman CPA, PC
 Laura K. Williams, Carpet One Floor & Home
 LeAnn Bound, Greencraft, Inc.
 Maria Aponte, Salon Blue Ridge
 Matt Sutton, Tucker Materials, Inc.
 Renee Maxwell, Progress Energy
 Scott Lewis, ProBuild
 Skip Brewer, C. Skip Brewer AMB, CGP, Custom Builder
 Terry Ferree, Ferree Construction Inc.
 Thomas McClain, Home Sweet Home Land Management

Parade of Homes Committee

Jason Weil

If you have any opinions on these ideas or any others to make the Parade of Homes more successful, we welcome your thoughts, just contact any Parade of Homes Committee member.

We have released the advertising and sponsor packages for Parade of Homes and the accompanying magazine. The rates have stayed the same as last year. Now is a great time to get a Parade of Homes Sponsor Package, we have a package to fit every budget. Contact the office for more information on advertising in the Parade Magazine and Parade of Homes Sponsorship Packages.

Membership Minute

Christi Stokes

In recognition of National Membership Day in the month of May, the AHBA's Membership Committee will be hosting a mini-membership drive from May 12-19th with a focus on recruiting Affiliate Members.

One of the many ways to increase your company's competitive edge and involvement in the AHBA is by adding your employees and co-workers as Affiliate Members. An Affiliate Member receives the same benefits of membership at the local, state and national level at just a quarter of the price of your company's primary membership. Multiple memberships within the AHBA offer a great networking tool by having more than one company representative at AHBA networking events. In addition, your company will also be represented in multiple categories in the online member directory since each member may be listed in up to two business categories.

Affiliate membership dues are \$100 per person plus a one-time \$25 application fee which includes all member benefits as a primary membership at the local, state and national level. If your company joins more than one Affiliate Member during this time, the \$25 application fee will be waived! Refer to the Affiliate Membership Application found in this Newsletter on page 16. New Affiliate members will be invited to attend the AHBA Networking Night on May 19th.

The lucky winner of the April drawing is Matthew Dean of Dean Contracting! If your membership is up for renewal and your payment is received by the AHBA office prior to your expiration date, you will automatically be entered in the monthly drawing!

Professional Women in Building Council

Kate Duinkerken

The PWB would like to welcome April's new member: Vicki Schomer with Green Built Environments and thank Sara Sheppard with Brock Insurance Agency for giving a great educational piece on contractor's insurance at the last meeting. For more information on how Sara with Brock Insurance can save you or your company money, call her at 828-226-2715. Mark your calendars: We are excited to announce that our second annual PWB Scholarship Fundraiser, which will be held on June 9th from 6-9. We are starting to accept silent auction and raffle items and would appreciate any and all donations!! Please email Maria Aponte maponte@salonblueridge.com with your ideas. We would like to invite you to our May 3rd meeting being held at 8:30am at the AHBA. This is an open meeting to all Region X HBA members and their spouses. The meeting is going to discuss the history of our PWB, our goals for this year, and what we as a group hope to achieve in the future. In order to properly prepare for the meeting, we ask that attendees please RSVP to the AHBA office by Monday, May 2nd by calling 828-299-7001. Please feel free to email me at dhomes@charter.net with any further questions you may have. Further Out: Katherine Morris with Stone Gallery Granite and Marble will be hosting the June 7th lunch meeting.

The Not-So-Obvious Benefits of Buying New

Prospective home buyers have the choice of two types of houses on the market: resale or new.

Home buyers planning to buy a brand-new house or condominium often cite energy-efficiency, open layout, a warranty, and being able to select appliances, flooring, paint colors and other design elements as factors driving their choice.

But builders say that buyers can be drawn to a new house for reasons that aren't so obvious. Below are a few more benefits of a brand-new home that you may not see in the sales brochure.

Building a Community Together

A brand-new community is one of the built-in benefits of many new homes. When families move in to a subdivision at the same time, often lasting bonds of friendship and neighborliness are formed right away. Nobody is the "new kid on the block," and many home builders host community block parties in new developments to help owners meet and connect. Popular amenities like pools, walking trails and courts for tennis and basketball offer additional opportunities for interaction among neighbors of all ages. Often new communities are comprised of home owners in the same stage of life, such as young families or active retirees, so neighbors can get to know each other through car-pools, PTA meetings, tennis matches or golf games.

Entertaining

Throwing a party in an older home can be a challenge because smaller, distinct rooms make it difficult to entertain guests in one large space. Builders are responding to today's home buyer preferences with layouts featuring more open spaces and rooms that flow into each other more easily, like the popular great room. While you are in the kitchen preparing dinner, you can still interact with guests enjoying conversation in the family room without feeling closed off. The feeling of spaciousness in today's new-home layouts often is enhanced the higher ceilings and additional windows that bringing in more light than you would find in an older home.

A Clean Slate

For some buyers, parking the car in a sparkling-clean garage or being the first to cook a dinner in a brand-new kitchen is part of the appeal of new construction. In addition, you won't have to spend time stripping dated wallpaper or repainting to suit your own sense of style. You can create your own home décor from the get-go!

The advantages of being the first owner of a home extend to the outdoors. Instead of inheriting inconveniently or precariously placed trees, or having to tear up overgrown shrubs, you can design and plant the lawn and garden you want.

Outlets, Outlets Everywhere!

Homes built in the 1960's and earlier were wired much differently than houses today. Builders had no way of anticipating the invention of high-definition televisions, DVRs and computers that we enjoy today — and the very different electrical requirements they would introduce. New homes can accommodate advanced technologies like structured wiring, security systems and sophisticated lighting plans, and can be tailored to meet the individual home owner's needs.

Anyone who has ever lived in an older home can also attest to the fact that there are never enough outlets, inside or out! New-home builders plan for the increased number and type of electronics and appliances used by today's families, so you can safely operate a wine cooler, Christmas lights or your computer.

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Merchandise Green to Fortify Appeal to Eco-Conscious Buyers

These days, housing professionals in almost every segment of the industry — builders, remodelers, designers, architects, merchandisers, salespeople, etc. — are turning all hues of green as they work to become experts in the growing green trend in home design and building.

With today's new-home buyers caring more about better health and low-impact living, many of us are pretty much on board with the green movement.

To hone their expertise, builders and other professionals are attending annual conferences, such as the upcoming National Green Building Conference & Expo in Salt Lake City on May 1-3, to learn more about sustainable construction and the value of green buildings.

Vendors are expanding their green product lines by innovating and offering new eco-friendly products, and nearly 5,500 home building professionals have earned NAHB's Certified Green Professional educational designation.

As an interior merchandiser and Master in Residential Marketing, the fact is that appearing green is just as important as being green when you want to appeal to eco-conscious home buyers. Yes, they crave all the energy-efficient features and options, but their initial impression will be drawn from the style and presentation of eco-eye candy.

We all know the basics about the most popular, practical green home features. No- or low-VOC paints reduce residents' exposure to chemical off-gassing over the first years they live in their new home. Energy Star appliances can lessen energy consumption and help them save on their electric and water bills. Recycle bins and a compost chute in the kitchen enable them to minimize the waste they send to the landfill.

Using recycled glass countertops can make consumers feel like all their recycling really did help a little, and using locally manufactured materials permits them to give themselves a pat on the back for preventing unnecessary freight pollution.

While these eco-friendly features are foundational, a model home's interior merchandising must demonstrate an eco-conscious lifestyle to convey a consistent and memorable message to home buyers.

Showcase Eco-friendly Features

Here are some ideas that can convey your message of eco-consciousness to prospective home buyers:

Mix materials in the kitchen. Incorporate renewable resource cabinets with stainless steel appliances and recycled glass countertops. Complement these cornerstones with accessories such as bamboo serving utensils, natural-ingredient dish soaps and unrefined scented candles.

Use paint colors that occur naturally — sage green, sunset orange and browns.

Furnish your model with clean-line furnishings that demonstrate a clutter-free lifestyle and soft-contemporary style. The green movement is all about eliminating and minimizing waste — including having too much

stuff. So rather than accessorize shelves with too many small items, display fewer, but larger pieces.

Forget wallpaper. Instead, substitute simple faux paintings that mimic popular applied floral decals. I suggest this technique simply for style, but it is cool and reflects a more minimalist approach to wall coverings. If you do choose to use wallpaper, be sure it's made from recycled materials applied with toxin-free glue.

Stock the pantry and fridge with food containers and fake produce that portray a healthy lifestyle — fruits and vegetables in the produce bowls, soy milk in the fridge, granola boxes in the pantry and green tea on the countertops.

Merchandise your home with lifestyles that reflect eco-conscious consumers. Plant a container vegetable garden — carrots, lettuce, mint and other aromatic herbs — for display on the back porch or deck. (Use fake plants if your salesperson doesn't have a green thumb.)

Merchandise a child's room to reflect participation in a local non-profit, such as a sea turtle conservation organization. Showcase a bonus room as a Zen space with a water feature, perfect for yoga and meditation. It's not only ethical, it's also trendy to right-size our impact on the environment.

Eco-merchandise to Your Targeted Market

Keep in mind, however, that the ideas and goals of "green living" vary among the different demographics of home buyers.

For instance, eco-conscious 50+ home buyers generally want green features and options in their homes — such as energy-efficient appliances and low-e windows — that can help them save money. Their younger counterparts just entering the housing market generally have a stronger philanthropic urge to preserve the environment through recycling and buying locally.

Certainly, your buyers all have their individual notions about green living, but a general awareness of your targeted prospects' interests can help guide you in determining what eco-friendly features to showcase in your home.

When positioning a model home to convey eco-friendliness, complement your sustainable construction features and building green practices with interior spaces, furnishings, accessories and merchandising that speak to their earth-conscious prospects emotionally.

Essentially, send them a consistent and powerful message about your commitment to green building — and give them the green light to buy.

Kay Green, MIRM, of Kay Green Design, Inc., based in Orlando, is a nationally recognized leader in the field of model home and sales center merchandising. For more information, visit the Kay Green Design website at <http://kaygreendesign.com>; or e-mail Green, or call her at 800-226-5186. This article was reprinted with permission from NAHB. For similar articles please visit www.nahb.org.



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French Broad Lawn & Landscaping, Inc.

Jeffrey Young
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Enka, NC 28728
(828) 230-2987
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Hendersonville, NC 28792
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Asheville, NC 28806-8563
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Michelle Snowden
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- New Members -

To educate and engage new members within the association, AHBA Members are required to attend the one hour New Member Orientation as the final step in the application process.

***Pending New Member Orientation
Champion Window Company of
Asheville**

Duane Luther
55 Shiloh Rd. #3
Asheville, NC 28803
828-771-0278
Windows
Siding Contractors
SPIKE: Steve Wallin

***Pending New Member Orientation
Digital Home Solutions**

Adam Eberhardt
PO Box 1740
Weaverville, NC 28787
828-768-2671
Home Automation
Home Theater
SPIKE: Sean Sullivan

***Pending New Member Orientation
Green Built Environments**

Victoria Schomer
25 St. Dunstons Circle
Asheville, NC 28803
828-505-0309
Decorating & Interior Design
SPIKE: Talli Roberts

***Pending New Member Orientation
HomeTrust Bank**

Franci Gasperson
PO Box 847
Skyland, NC 28776
828-654-6048
Banking
SPIKE: Donna Reeves

M&M Kitchens and Baths

Keith Schroeder
329 Emma Rd.
Asheville, NC 28806
828-551-2427
Kitchen & Bath
Marble, Stone, Granite & Tile
SPIKE: Robi Eckley

***Pending New Member Orientation
United Federal Credit Union**

Linda Norton
4006 Hendersonville Road
Fletcher, NC 28732
269-982-4788
Banking Services
Mortgages
SPIKE: Jennifer Duvall

- Pending Members -

Henson Building Materials

Dylan Kilby/Affiliate Member
139 Broadway
Black Mountain, NC 28711
828-989-8999
Building Materials: Home Center
Building Materials: Wholesale
SPIKE: Jeff Manning

John Deere Landscapes

Lucas Anders
44 Buck Shoals Rd. G6
Arden, NC 28704
423-791-1056
Landscape Materials
Landscape, Lawn & Garden
SPIKE: Thomas McClain

Pebble Dash Builders

Brian Monroe
PO Box 999
Enka, NC 28728
828-215-3905
Builder
General Contractor
SPIKE: Dave Rath

Service One, Inc.

Hugh Clark
PO Box 940
Fletcher, NC 28732
828-684-5860
General Contractor
Roofing Contractors
SPIKE: Charles Parrish

Specialty Cabinet Finishes

Chris Voedisch
282 Ferguson Dr.
Asheville, NC 28806
828-450-0010
Cabinets
Aging in Place Specialist
SPIKE: Shawn Silliman

- Sorry to See You Go -

The AHBA is sorry to see the companies below drop their AHBA memberships. If you know these past members or do business with them give them a call and help us get them back to the AHBA. And remember, always strive to do business with members!

**Air Craftsman Heating & Cooling
Associate**

**Allora, LLC
Builder**

**Cashin Construction Co.
Builder**

**Dwell/EcoHouse Realty
Associate**

**House to Home
Installed Solutions
Associate**

**McDowell Doric Vault Co.
Associate**

**R&J Woodwork
Associate**

**WNC Health Insurance
Associate**

PLEASE READ

In compliance with our Bylaws and the policies which have been put in place by our Board of Directors and the Membership Committee, Association procedure is to have new member applications approved by the Board of Directors and by the General Membership. Please look at the lists of all Members. If you know of any compelling reason that any applicant should not be considered for membership, please contact any AHBA staff member at 828-299-7001 or email your comments to the AHBA at info@ashevillehba.com. **All information given to the AHBA is held strictly confidential.**

Rustic Residences Provide a Lucrative Market for Log and Timber Homes

Builders seeking to expand the types of homes they build should consider adding artistic and profitable log and timber homes to their catalogs.

The good news is that there are far more interested buyers for these homes than there are contractors to build them — even in the current economy.

The downside is that building log and timber homes is not a get-rich-quick niche by any means. Prospects usually take between two and five years to pull the trigger on a log or timber home purchase, but builders willing to invest the time and energy in this market won't be disappointed.

The Builder's Role

When it comes to log homes, a home builder's role can be quite diverse — providing levels of service that fall under one or a combination of the following scenarios:

Dealers/Sales Representatives — Builders work on a commission basis as an independent representative of a log home manufacturer. Leads are generated through local advertising efforts, as well as through the manufacturer's marketing initiatives.

Builder or Contractor — A more traditional scenario for builders, in this role they provide contracting services to construct the home through the log home manufacturer or sales representative selling the home package. The builder may or may not serve as the general contractor, and construction can range from a shell-in/weather-tight-only build to a full turnkey project.

General Contractor — Acting as the turnkey builder in charge of every aspect of the construction process — from site prep to final inspection and move-in — the home builder handles all subcontractors and works directly with both the log home sales representative and the home owner throughout the duration of the project.

A Variety of Log Home Styles: 4 General Categories

From the shape and style of the log, to the type of corner system used, to the way the home is fastened and sealed — builders can choose from a variety of log and timber building systems.

However, log home manufacturers generally fall into four categories: **Manufactured:** Logs are milled to a specific profile (D-log, round log, etc.) and precut to fit a particular home design. With this process, logs are identified by the uniform diameters on the corner profiles. These manufacturers make up about 90% of the log home market.

Handcrafted: Typically working with large logs of varying diameters and a hand-hewn appearance, handcrafters pre-construct the entire shell of a home in their log yard to ensure an accurate fit and then re-erect the home in two or three days on the owner's site. Handcrafters comprise approximately 10% of the market.

Post & Beam: Also known as timber frame, this style consists of large horizontal beams and vertical posts that are exposed in the home's

interior. The timbers can either be handcrafted or milled. Often, post & beam homes employ a point-load-bearing system and are enclosed with structural insulated panels.

Hybrids: To address the requests of just about any customer, many of NAHB's Log Homes Council (LHC) members specialize in more than one of the above systems and can incorporate multiple styles in one project.

Going Green — Less Waste, Less Energy to Build

Log and timber homes are environmentally sound. Not only is timber a highly renewable resource, the modern manufacturing process utilizes every portion of the log. Plus, because the wood used is close to its natural state, less energy is required to process it.

The pre-cut packages also result in less waste on the job site and a reduced environmental impact.

What Sets LHC Members Apart?

Although there are hundreds of log home providers throughout the United States and Canada, only a select group belongs to the LHC.

These companies are set apart by council membership requirements that offer peace of mind to builders and buyers alike. Members must comply with the following requirements:

Certified Log Grading Program: The LHC's independent third-party grading policy ensures that builders and buyers are getting quality logs and timbers.

Code of Ethics: The council's rigid code was adopted to ensure that the industry produces well-constructed, building code-compliant structures and engages in fair business practices.

Accurate Information: Council members agree to provide buyers and builders with truthful, accurate information and educational materials about log home building systems.

Construction Manuals: All LHC members must provide detailed construction manuals to ensure that the homes are built according to their particular building systems and state and local codes.

Scientific Research: Members are committed to raising log home industry standards and regularly sponsor scientific studies that advance log building technologies.

Depending on its size, a log home often can be erected and ready for dry-in in just a few days.

The Log Homes Council (LHC), part of the NAHB's Building Systems Councils (BSC), is America's premier resource for log home construction information. The council connects manufacturers, builders and customers and educates them on the advantages of building with logs. For more information, visit www.nahb.org/LogHomes; or the council's consumer site, www.LogHomes.org. This article was reprinted with permission from NAHB. For similar articles, please visit www.nahb.org.



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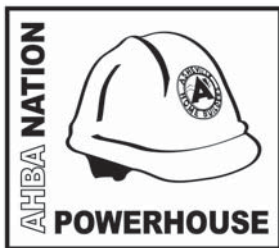
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Repealing the Mortgage Interest Deduction? Hold the Applause!

By John C. Weicher This article is an excerpt reprinted from www.FreedomPolitics.com.

President Obama's bipartisan National Commission on Fiscal Responsibility and Reform has called for terminating the mortgage interest deduction for home owners, and a bipartisan "Gang of Six" senators, four of them members of the Deficit Commission, is now developing a budget plan that is likely to include that recommendation. The deduction is the second largest "tax expenditure" in the entire federal budget; repealing it would bring the federal government more than \$100 billion annually. Although this commission proposal has been applauded by commentators across the political spectrum, it is bad economic policy.

Part of the rationale for the commission's recommendation is its desire to have a tax system that is as economically neutral as possible, a tax system that doesn't push people to do something just for the tax advantage. This is a laudable objective and one that nearly every economist favors. Terminating the mortgage interest deduction, however, doesn't help achieve that goal. Instead, it would create a new bias in the tax code, favoring renting rather than owning your own home.

Your house is an asset, an investment, as well as a place to live. A home owner is both an investor and a consumer, both a landlord and a tenant — someone who owns a house and is renting it to himself or herself. Like any other business person, a landlord can deduct business expenses. For rental housing, these include interest on the mortgage, property taxes, maintenance expenditures and depreciation on the property. At the same time, the landlord has to pay tax on the rent he or she receives, after deducting these business expenses. A home owner/investor has the same business expenses, but can't deduct all of them. The home owner can deduct mortgage interest and property taxes, but not maintenance or depreciation. The home owner also doesn't have to pay taxes on the rental value of the home.

So home owners have a tax advantage over landlords because owners don't pay taxes on the rental value of their home; and landlords have tax advantages over home owners because they can deduct maintenance and depreciation, and home owners can't. But home owners and landlords are treated equally with respect to mortgage interest and property taxes. Both can deduct these expenses. The recommendation of the commission takes away the deduction for home owners, but leaves it in place for landlords.

The President's budget for 2012 proposes to take a small but significant step in the same direction. The value of the deduction would be reduced for families with incomes above \$250,000. These are the same taxpayers for whom Mr. Obama wanted to raise taxes back in December — "the rich."

But the deduction isn't a particular benefit for rich people. Taxpayers with incomes above \$200,000 are about 5% of all households who pay income taxes — "the richest 5%." They pay over half of all income taxes. But they only account for about 20% of all mortgage interest reported on tax returns, according to the IRS. That is much less than their share of other major deductions; they account for more than half of state and local income taxes, and almost half of charitable contributions.

Most of the benefit of the mortgage interest deduction goes to households who are not "rich," households with incomes between \$75,000 and \$200,000. These are middle-class families, reasonably well off, but working, and working hard.

Terminating the mortgage interest deduction has other consequences. Homeownership has traditionally been an indicator of middle-class status and a path to financial security. For young families, their first two assets typically are a checking account and a car. Their next two are a home and a 401(k). Those are likely to be their most important assets over the rest of their working lives — particularly their home. For most middle-class families, the equity that they build up in their home is more important than all their financial assets combined. That's also true for lower-income families. Not all of them are home owners, but about half are, and for them their home is by far their most important asset. Financial assets — such as stocks, bonds or mutual funds — are concentrated among the wealthiest part of the population. Homeownership and home equity are much more important for the middle class than they are for the rich.

Repealing the mortgage interest deduction will make it harder for young families to become home owners. Repealing the capital gains exclusion, another commission recommendation, will make it harder for older families, when they want to move to a retirement home or move to be near their children and grandchildren.

Profiting when you sell your home may seem like a distant dream right now, when foreclosures are rampant and the homeownership rate is declining. Most of the time, however, families that have bought homes have gained financially when they decided to sell. That is the normal experience. Surveys show that families want to be home owners, even in today's economy, and they are right. Homeownership has traditionally been an indicator of middle-class status and a path to financial security, and it still is.

John C. Weicher is director of the Center for Housing and Financial Markets at the Hudson Institute. From 2001-2005 he was assistant secretary for housing and federal housing commissioner at the U.S. Department of Housing and Urban Development.



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