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# Housing and the **Body Politic**

NAHB Taps Pollsters Who Highlight the Political Peril  
of Housing Policy Reform



Politicians on both sides of the aisle now advocate some type of housing policy reform as a means of cutting federal spending. While this would have been unthinkable in the past, cutting the tax benefits of homeownership appear to them to be one of the least-bad options in today's environment where each piece of spending is under scrutiny. Builders have offered strong opposition to plans to trim or do away with the mortgage-interest deduction as well as efforts to increase required down payments to 20 percent. But now they are really turning up the heat.

Last month, the National Association of Home Builders commissioned a national poll of 2,000 Democratic and Republican voters. The result: Homeownership remains a core value among them, with more than 75 percent agreeing "that owning a home is the best long-term investment they can make and is worth the risk of the ups and downs of the housing market."

Again, this was not a poll of all Americans. Rather, it was a poll of voters conducted by two of the leading Democratic and Republican polling outfits. And it pinpoints, for the first time, the potential perils that politicians face in pursuing this course. Political pundit Charlie Cook put it this way in his column that appears in the National Journal. The poll released by the NAHB, "makes clear the unique position that homeownership holds in Americans' minds and the delicacy required in dealing with the issue."

In coming issues of Professional Builder magazine we will be doing a deeper dive on the results of these polls as we extend our coverage of housing policy. Those details show that voters across a broad spectrum of incomes and current housing situations all support homeownership investment including the 81 percent of respondents who own their home outright, with no possible ongoing benefit from those policies. In addition, 67 percent of renters and 65 percent of those with underwater mortgages voiced support for homeownership.

When asked specifically about continuing government spending to support homeownership, the numbers were only slightly lower. Seventy-three percent of all voters affirmed the question: "Do you think it is appropriate and reasonable for the federal government to provide tax incentives to promote homeownership, or do you think it is not a good idea?" Of those who backed continued tax support, 71 percent were Republicans, 68 percent were independents, 79 percent were Democrats, and 68 percent support the tea party movement.

Cutting spending is necessary but with this type of support for homeownership, politicians would be wise to revisit their calculation that removing or even chipping away at housing tax credits is among the least-bad options.

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# The Power of Quality Management

Last month, the *Professional Builder* editorial team hosted judges for our annual National Housing Quality Awards program, which for the past 18 years has honored the best of the best home builders, remodelers, and trade contractors for their quality management systems and processes. As past NHQA applicants and winners can attest to, this program is not just about winning an award — it's about a journey that involves first self-evaluating your company's management organization (during the application process) and then working hand-in-hand with some of the industry's best minds (the judges, most of whom are past NHQA winners) to assess and improve your organizational management structure. Oftentimes, this process takes months, and many NHQA winners re-apply multiple times until they achieve their goal of building a total quality management system.

Bottom line, the NHQA program is the most cost-effective, holistic management consultation a builder can buy today. Each judge donates more than 100 hours of their time and travels on their own dime. Why? Because they believe in the importance of quality management and they want to give back to the industry.

No statistic is more telling of the power of quality management than the attrition rate among past NHQA winners. Of the 94 companies/divisions that received NHQ Awards since the program's inception in 1993, all but six are still in business — an attrition rate of just 6.38 percent. Compare that to the attrition numbers reported in certain markets and submarkets — I've heard figures as high as 50 percent in some areas — and it's safe to say that quality-driven builders are faring much better than the overall home-building market. Why? There are several reasons, according to NHQA Lead Judge Serge Ogranovitch:

**Quality creates a well-rounded company.** In order to win an NHQ award, builders must demonstrate to their peers that they have a well-rounded organization across eight critical areas: leadership, strategic planning, process management, customer satisfaction, human resources, construction quality, trade relationship, and business results. A well-rounded company is a healthy company.

**Companies can quickly adapt to change.** Having a sound quality management structure improves a company's ability to listen to its customers, understand the market, and quickly and effectively adapt to changes in the marketplace. For example, when the housing market started to turn for the worst, many builders were

overextended on land holdings, and a large number of them were not able to react fast enough to get out from under that burden. However, the majority of NHQA winners were able to quickly react and adjust.

**Quality means continual improvement.** Judges, through personal site visits and a detailed feedback report, assist companies with implementing effective continual-improvement strategies that help the organization grow and, in some cases, reinvent to meet customer needs.

For more on the National Housing Quality Award, visit [www.HousingZone.com/NHQA](http://www.HousingZone.com/NHQA).

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# KB Home unveils LEED Platinum residential development in L.A.

Mary Beth Nevulis, Associate Editor

**KB** Home last month debuted its ultra-green luxury condo complex in west Los Angeles. The 52-unit Primera Terra in Playa Vista development is the production builder's first LEED Platinum-certified project and one of the largest LEED Platinum communities in California.

Primera Terra is located in Playa Vista, an established pedestrian-friendly master-plan community near Marina del Rey and close to retail, restaurants, schools, parks, and beaches.

The condo units, according to KB Home, are designed to save about 40 percent on energy costs when compared to similarly sized homes that meet California's Title 24 standards. As a result, owners can expect to spend as little as \$57 a month on heating and cooling costs.

Each condo comes with KB's new Energy Performance Guide — an energy label that provides an estimate of monthly heating and cooling costs for each unit — as well as an energy monitoring system that will allow homeowners

to track energy usage daily through the Web or a mobile interface. Armed with accurate, real-time data on energy consumption, homeowners may be more inclined to modify their consumption habits to reduce utility costs and their impact on the environment.

Other high-performance features and amenities at Primera Terra include tankless water heaters, low-e windows, Energy Star-rated lighting and appliances, and WaterSense-labeled faucets and toilets. Low-VOC paint and flooring, along with enhanced ventilation and air handling systems, maximize indoor air quality.

Buyers have their choice of six floor plans, ranging in size from 965 to 1,504 square feet, with up to three bedrooms and two baths. Each home has a private patio or balcony, as well as two parking spaces in a below-grade garage equipped with electric-vehicle charging stations.

Another factor in earning the LEED Platinum certification is the community's location. Residents of Playa Vista can walk to a town center with a variety of shops and restaurants. A private community center with a pool and spa are also within walking distance of Primera Terra, and a network of walking and biking trails weaves throughout Playa Vista and its numerous community parks and recreation areas. The master plan community is approximately one mile from the beach. **PB**



RENDERINGS: KB HOME



The 52-unit Primera Terra in Playa Vista condo development in west Los Angeles is KB Home's first LEED Platinum-certified project. High-performance features include tankless water heaters, low-e windows, Energy Star-rated lighting and appliances, and WaterSense-labeled faucets and toilets.

## States with the most LEED Platinum-certified homes

	# OF UNITS
CALIFORNIA	566
WASHINGTON	386
NEW YORK	262
TEXAS	199
NEW JERSEY	181
IDAHO	104
OHIO	103
NEW MEXICO	97
MICHIGAN	88
COLORADO	84

KB Home's Primera Terra development adds to California's long list of LEED Platinum-rated housing projects. In fact, the Golden State leads the nation in number of LEED For Homes Platinum-certified residential units, representing nearly a quarter of the nation's 2,524 LEED-H Platinum homes.

SOURCE: U.S. GREEN BUILDING COUNCIL, APRIL 28, 2011



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# State of the Nation's Housing – Sobering,

**A**fter three consecutive years of record-low construction levels, the vigor of the recovery in housing now hinges on a return of demand. The lingering consequences of the recession and financial crisis, however, are thwarting a broader recovery. That is just one of the conclusions reached in the new report, The State of the Nation's Housing report from the Joint Center for Housing Studies of Harvard University.

"While the sharp declines in both home prices and interest rates have left homes in many places more affordable than they have been in decades," says Eric S. Belsky, Managing Director of the Joint Center for Housing Studies, "stubbornly high unemployment and tightened lending standards have limited the ability of many first-time buyers to capitalize on the situation."

"The state of the nation's housing is sobering," Belsky continues. "Total housing construction over the previous decade now barely exceeds the lowest level of any 10-year period in records dating back to 1974, but vacancies remain elevated because the recession has driven demand down so sharply."

One bright spot is rental housing. "Rental housing markets are tightening and may begin to lead a modest recovery in housing construction this year," says Chris Herbert, Research

Director of the Joint Center for Housing Studies.

The rental vacancy rate fell from 10.6 percent in the first quarter of 2010 to 9.4 percent in the last, the lowest quarterly rate posted since 2003. Just under one-third of the 64 markets surveyed by MPF Research reported vacancy rates below 5 percent at the end of last year, and more than half reported rates under 6 percent. Only a year earlier, vacancy rates in just one-fifth of these markets were below 6 percent.

The report also points out that the market could turn quickly as evidenced by the healthy boost in both home sales and prices brought about by the 2010 homebuyer tax credit. "The ingredients for a sustained recovery may be coming together," Herbert further noted, "but it is still not clear when homebuyers will have the urgency to return to the market in sufficient numbers to lift the market in a meaningful way."

## Other Key Findings

In addition to the sobering overall housing picture as presented in the report there were several key findings beyond the bright spot in rental housing.

**Shifts in Demand.** Demographic trends make some aspects of

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# but 'Coming Together'

the longer-term picture clearer. Aging Baby Boomers will result in a 35 percent increase in the number of homes headed by persons over the age 65 by 2020. This will result in a shift in home design for those wishing to age in place. In addition, the massive Echo Boom generation will come of home buying age offering an important but less predictable impact on housing markets.

With some 42.6 million adults aged 20–29 in 2010, the increase in these shares in the second half of the decade amounts to an additional 1.6 million young adults living at home. If employment grows in that demographic it should boost the homeownership rate.

**Mounting Housing Challenges.** Despite the recent declines in house prices, affordability challenges will mount in the coming years. At last measure, in 2009 19.4 million home owners paid more than half of their incomes for housing. And those cost pressures have moved up the income scale. Another mounting challenge is the ongoing foreclosure crisis and its impact on household wealth and their ability to cash out and move to other housing. Household formation growth will be a key driver of a housing recovery.

To download a copy of the report go to [www.jchs.harvard.edu](http://www.jchs.harvard.edu).



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# Fiber Cement, Brick, Wood Rule Home Exteriors Market

Tried-and-true materials continue to dominate the home exteriors market, but veneer products are gaining in popularity, according to a survey of *Professional Builder* readers.

By David Barista, Editor-in-Chief

**W**hen it comes to specifying materials for the exterior of their new homes, most builders rely on time-tested products — fiber cement, brick, wood, and stone — but newer product additions like stone veneer and brick veneer are gaining in popularity, according to a May 2011 survey of *Professional Builder* readers.

Of the 268 builders that responded to our survey, a whopping 87.2 percent said they use fiber cement siding on at least some of their new homes, while 13.3 percent use it on all the homes they build. Nearly three quarters of respondents said they use wood, brick, or stone on at least some of their homes, while about 16 percent use brick on all the homes they build — the highest among all material choices (Table 1).

Stone veneer continues to grow in popularity as builders and buyers look to spice up their elevations without dramatically impacting overall cost. More than 82 percent of builders said they are using stone veneer on at least some of their projects. Brick veneer is also quite popular, with nearly a quarter of respondents using it on selected projects.

“There’s no doubt that exteriors help sell homes,” said one respondent who recently added stone veneer and enhanced trim packages to his exterior offering. Another builder said: “Both buyers and developers have higher expectations for quality of exterior designs today, therefore, our price point in that area has trended higher.”

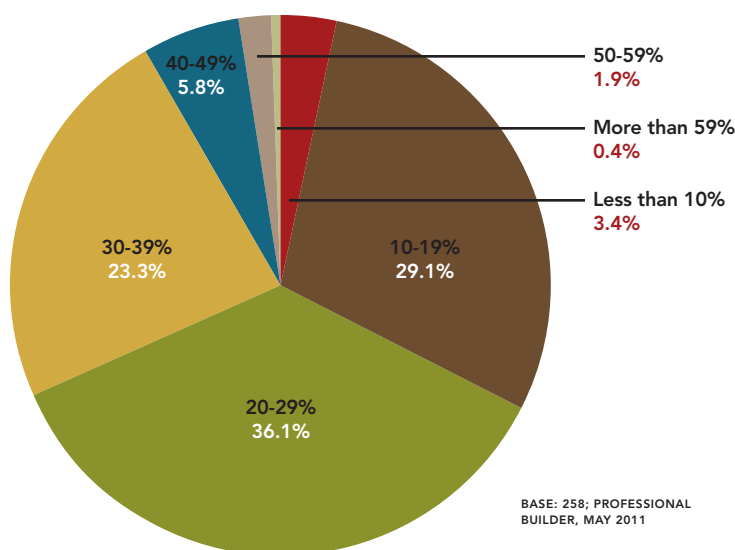
Increased expectations for great exterior design, combined with the rising cost of materials, means that some builders are dedicating a larger portion of their overall budget to the exterior package than in years past. In fact, more than a quarter of builders (26.6 percent) said they are investing more on exterior design and material today versus two years ago, while only 12 percent said they are spending less. For most builders, the home exterior (including labor and material) represents anywhere from 10 percent to 39 percent of the total cost of a new home, but the largest group of respondents falls into the 20-29 percent range (Chart 1).

With regard to selling home exterior upgrades, it’s no surprise that windows are the biggest seller. Slightly more than half of respondents said they have had the most success

selling window upgrades, followed by siding material (42.5 percent), elevation design changes (40.5 percent), and front door style (36.7 percent) (Table 3). These popular enhancements represent what buyers want most in a home exterior — great curb appeal, low maintenance, and energy efficiency. More than two-thirds of respondents said great design/curb appeal is an important issue among their buyers, while more than half said maintenance, energy efficiency, and weather-tight construction are key factors (Table 4).

For more findings from the home exterior survey, visit: [www.HousingZone.com/ExteriorSurvey](http://www.HousingZone.com/ExteriorSurvey). **PB**

**MONEY ALLOCATED FOR HOME EXTERIOR**  
Chart 1. What percent of the total cost of your new homes is spent on the home exterior, including labor and material?



The majority of builders spend between about a quarter and a third of their total budget on the home exterior.



## TOP SIDING AND EXTERIOR MATERIALS

Table 1. What types of siding/exterior material do you specify for your new homes?

	All homes	Most	Some	None
Brick	15.7%	21.1%	37.4%	25.8%
Stone	13.6%	13.0%	45.1%	28.3%
Fiber cement	13.3%	27.6%	46.3%	12.8%
Wood	13.0%	14.3%	47.2%	25.5%
Concrete/concrete block	10.0%	12.7%	24.0%	53.3%
Stone veneer	9.8%	23.0%	49.4%	17.8%
Vinyl siding	9.7%	22.2%	32.4%	35.7%
Brick veneer	9.3%	17.4%	45.3%	28.0%
Stucco/EIFS	9.3%	22.0%	38.5%	30.2%
Composite shake/shingle	2.9%	8.0%	42.8%	46.3%
Aluminum/metal siding	2.3%	4.5%	20.3%	72.9%
Insulated vinyl siding	2.3%	4.5%	21.8%	71.4%
Composite siding	1.0%	7.5%	41.0%	50.5%

BASE: 270; PROFESSIONAL BUILDER, MAY 2011

Brick, stone, fiber cement, and wood dominate the home-building market when it comes to siding and exterior material selection. Fiber cement is the most commonly specified siding material, according to survey respondents. A whopping 87.2 percent of builders said they use fiber cement siding on at least some of their homes.

## SELLING UPGRADES

Table 3. In which areas have you had the most success selling home exterior upgrades?

Windows	51.0%
Siding material (brick, stone, siding, stone veneer, etc.)	42.5%
Elevation change/design upgrade	40.5%
Entry door	36.7%
Enhanced insulation/air-sealing package	23.9%
Roofing material	22.0%
Landscaping	21.6%
Garage door	18.9%
Trim/molding	13.5%
Porch/railing	10.4%
Gutters	6.2%
Security/locks	4.0%
Leaf protection/gutter guard	4.0%
Other	6.2%

BASE: 259; PROFESSIONAL BUILDER, MAY 2011

Windows, siding, and elevation design enhancements are among the biggest sellers when it comes to upgrades. Entry doors are also a fairly common upgrade, according to survey respondents.

## TOP ROOFING MATERIALS

Table 2. What types of roofing material do you specify for your new homes?

	All homes	Most	Some	None
Asphalt shingle	37.9%	43.3%	15.9%	2.9%
Metal	3.7%	5.5%	68.3%	22.5%
Synthetic	2.5%	1.0%	28.8%	67.7%
Wood shake/shingle	1.0%	4.1%	26.4%	68.5%
Concrete/clay tile	8.1%	10.7%	36.2%	45.0%
Slate	1.6%	1.6%	28.8%	68.0%

BASE: 270; PROFESSIONAL BUILDER, MAY 2011

It's no surprise that asphalt shingles are by far the most popular roofing material among home builders. More than a third of respondents (37.9 percent) said they use asphalt on all of their homes, while 97.1 percent said they use the material on at least some of their projects. A growing number of builders are incorporating metal roof systems into their homes, with more than three quarters of respondents indicating that they use metal on at least some of their homes.

## BUYER CONCERNS

Table 4. What are the most important issues among your buyers with regard to the home exterior?

Great design/curb appeal	66.8%
Low maintenance	56.8%
Energy efficiency/ongoing cost savings	51.7%
Weather-tight construction	50.6%
Lowest possible cost	23.9%
Porch space/outdoor living	18.5%
Expansive windows for daylighting/views	17.4%
Architectural accuracy	14.3%
Long-term warranty	10.0%
Color selection	9.0%
Other	2.0%

BASE: 259; PROFESSIONAL BUILDER, MAY 2011

There's no doubt that buyers still want great curb appeal, but low maintenance and energy performance are gaining as key home exterior issues. More than two-thirds of respondents said great design/curb appeal is an important issue among their buyers, while more than half said maintenance and energy efficiency are key factors.



# LIFE IN THE GREAT OUTDOORS

## 2011 HOUSE REVIEW THEMES

**AUGUST** Single-family detached housing

**SEPTEMBER** Green homes

**OCTOBER** Cottage homes

**NOVEMBER** Live/work houses

*Professional Builder's House Review* design team presents five innovative concepts for bringing the inside out.

**By Larry W. Garnett, FAIBD, House Review Lead Designer**

**C**reating an indoor-outdoor relationship is nothing new. But as the home-building industry continues to decrease the size of homes and searches for ways to add value to designs, extending living space outdoors becomes a critical design component.

The design of outdoor space is every bit as important as a home's interior layout. Just as walls, ceilings, and flooring define indoor spaces, outdoor living areas also require similar definitions. The use of various surface textures, such as decking, pavers, crushed granite, and concrete, can begin to define outdoor functions. Structures, whether covered or open, create zones for recreation, cooking, and visiting.

As homebuyers are faced with increasing transportation costs, functional and appealing outdoor entertaining areas are moving higher up the request list. The ability for buyers to spend weekends and vacations in their own "mini-resort" adds value to new homes and offers endless possibilities for upgrading existing homes.

The House Review design team has responded this month with outdoor living concepts that include pool houses, outdoor kitchens, and even small vegetable gardens. Each of these designs offers intriguing ways to extend living space into the outdoors.

For previous House Review reports, visit [www.HousingZone.com/HouseReview](http://www.HousingZone.com/HouseReview).





DESIGN NO. 56541



## DESIGNER

Larry W. Garnett, FAIBD  
254.897.3518  
larrygarnett@larrygarnettdesigns.com  
www.smartlivinghomedesigns.com

## PLAN SIZE

### House

Living area: 2,975 sf  
Porches: 617 sf  
Width: 79 feet, 4 inches  
Depth: 111 feet

### Pavilion

Covered area: 335 sf  
Width: 26 feet, 3 inches  
Depth: 19 feet, 7 inches



## DESIGNER'S ESSAY

This courtyard home encourages enjoyment of the outdoor spaces by creating a series of connections between the inside and outside living areas. From the gallery entryway, there is an immediate view toward the covered porches and pool area. Expansive windows offer unobstructed views as people walk through the house. The angled walls throughout the home form an axis that aligns with the pool pavilion.

While this outdoor structure defines the far edge of the courtyard, it also offers additional covered living and dining space. With a kitchen and fireplace, this area is perfect for entertaining. The half-bath and storage area prove to be essential components for the pool house.

The view from the courtyard and pool area back toward the main house reveals large glass panels and multiple French doors that erase the boundaries between indoor and outdoor spaces. From inside the home, these same doors and windows extend the visual dimensions of the rooms and provide a combination of light and shadows that change as the day progresses. The courtyard provides an enormous amount of natural light into the home, while offering a sense of privacy to the outdoor living space.



## THE POOL HOUSE

### ARCHITECT

Dominick Tringali Architects  
jamieq@dtarchitects.com  
248.335.8888  
www.dtarchitects.com/probuilder

### PLAN SIZE

Pool house: 657 sf  
Height: 14 feet  
Width: 59 feet, 8 inches  
Depth: 16 feet, 1 inch



### ARCHITECT'S ESSAY

This pool house design is a unique addition to any outdoor pool area and is designed to give a home its own "resort getaway" space. In this version, two pool houses are connected by an outdoor fireplace and sitting area.

The exterior of the pool houses can be modified to feature the same architectural or masonry details as the main house, including windows.

The first pool house encloses a full-service kitchen for cooking, barbequing, and entertaining. The second unit has a bathroom, shower, and changing room inside.





## house review

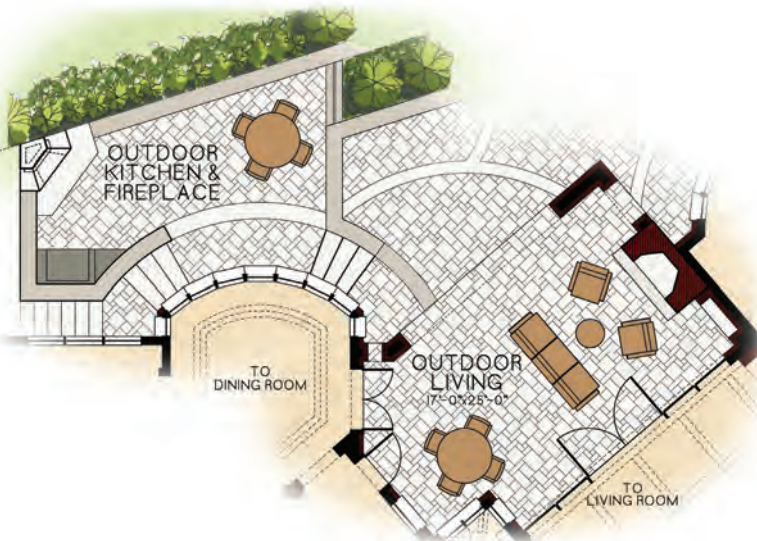
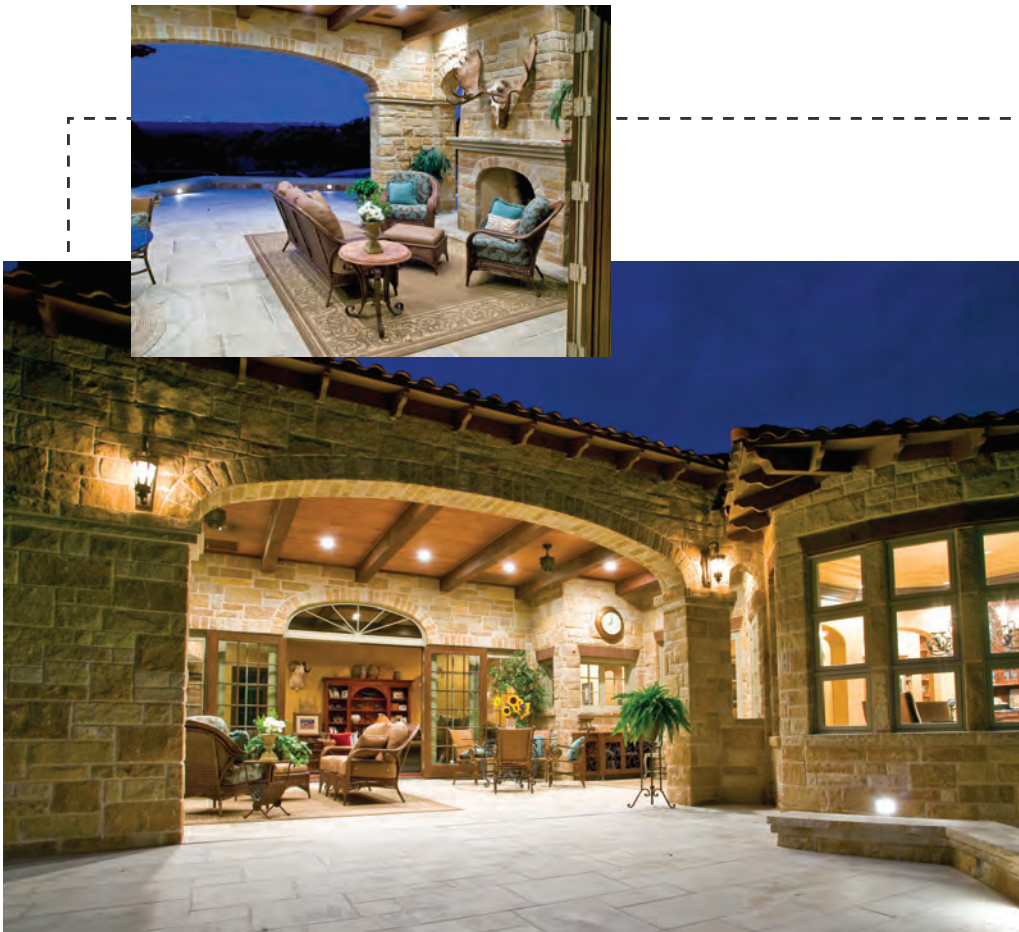
### SHADY OAKS

#### ARCHITECT

RPGA Design Group, Inc.  
Rick Garza  
817.332.9477  
rickgarza@rpgaarchitects.com  
www.rpgaarchitects.com

#### PLAN SIZE

First floor: 3,671 sf  
Second floor: 1,176 sf  
Basement: 220 sf  
Covered porches: 721 sf  
Garage/storage: 1,837 sf  
Terrace: 980 sf  
Width: 75 feet, 7 inches  
Depth: 119 feet, 4 inches



#### ARCHITECT'S ESSAY

Today's "outdoor room" has evolved from the traditional porch, rear terrace, or back-door stoop into a significant space that essentially functions as an outdoor family room, dining room, and sitting area. This whole notion extends the living area of the home and creates nicely articulated, designed spaces for enjoying the outdoors.

In many cases, the outdoor room is sheltered with a roof and provides amenities, such as televisions, fireplaces, and ceiling fans, to make the space feel right at home as if it were indoors. These outdoor rooms are often positioned to capture views while also viewable from key indoor spaces of the home.

One such outdoor room is Shady Oaks. The main living room and outdoor room were positioned to take advantage of the property's downtown view. The outdoor room transitions from the interior of the home to the covered, outdoor

room and beyond with an open-air terrace. The design also accommodates a fireplace, family room area, and dining area, which can be viewed from the interior dining room, family room, and bar area. The space is meticulously designed with smooth-cut Leuders stone flooring, split-face Leuders stone walls, and a wood ceiling.

Measuring approximately 17 feet wide and 25 feet long, the Shady Oaks outdoor room is robust in space and comfort. Additionally, the space flows outward to the open-air terrace and down a few steps to an outdoor kitchen and a freestanding fireplace with a built-in hearth bench for entertaining by the fire.



## OUTDOOR LIVING

LC-33A

### DESIGNER

Eric Moser  
Moser Design Group, Inc.  
info@moserdesigngroup.com  
843.379.5630  
www.moserdesigngroup.com

### DESIGNER'S ESSAY

As our lots and homes continue to trend smaller, there is renewed interest in the art and wonder of gardens and courtyards. Well-crafted outdoor spaces can serve to increase the livable area, enhance quality of experience, and entice natural ventilation — all of which add tremendous value to our homes. Key, however, is considering the scale, proportion, and sequence of these outdoor rooms as carefully as those of the building.

The LC-33A design from our Traditional Neighborhood Home collection orientates to a courtyard, which is defined by a fence and terminated by the master bedroom cottage. This closure allows the courtyard to be refined into a series of outdoor rooms. The entry garden is a gift to the street and the arrival point of the courtyard, with more formal plantings and a sneak view through the center axis for the passerby. Beyond is the entertaining garden. Aligned with the primary living area of the residence, it serves to extend the space, enticing the homeowners to throw open the doors and live in season. The private garden is a quiet place, great for meditating, reading, or enjoying a cup of coffee. This design also incorporates a food-production garden near the rear lane.

Gardens can be funky or refined, edible or ornamental, sculpted or wild. They offer a great way to express who we are and a compelling invitation to smell the roses.





## THE LEXINGTON

### ARCHITECT

Dominick Tringali Architects  
jamieq@dtarchitects.com  
248.335.8888  
www.dtarchitects.com/probuilder

### PLAN SIZE

First floor: 1,551 sf  
Second floor: 1,607 sf  
Height: 30 feet, 2 inches  
Width: 50 feet  
Depth: 75 feet, 10 inches

### ARCHITECT'S ESSAY

The Lexington is a home centered around indoor-outdoor interaction. This plan is designed for families who want to experience outdoor living at its finest. A brick retaining wall circles the right side of the home, with a brick-paver patio covered by a wood trellis. This wall creates a private outdoor courtyard that is accessible from all major living spaces within the home.

The large courtyard patio, adjacent to the kitchen/nook/family room space, features a water fountain built into the retaining wall. The patio wraps around to the rear of the home and surrounds the outdoor loggia, which is designed for outdoor cooking and food preparation, as well as dining and entertaining.

The kitchen and family room open up to the loggia through large door-walls that help blend the indoor and outdoor spaces.







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# 40 UNDER

A former college running back turned green builder, a licensed psychologist who is helping New Orleans rebuild and modernize after Katrina, and a Lean-process guru who is leading one of the nation's fastest-growing home-building companies — these accomplished professionals are among *Professional Builder's* inaugural 40 Under 40 class. The 40 individuals featured on the following pages represent some of the brightest stars in the home-building industry — and they're under the age of 40. We proudly present the home-building industry's next generation of leadership.

**By David Barista, Editor-in-Chief**





## The Honor Roll

**Craig Antonelli**, pg. 34

President  
Antonelli Construction, Antonelli Development, and Antonelli Storage Facility, Fairport, N.Y.

**Brian Baker**, pg. 33

Owner, VP, marketing and design  
Baker Development Group, Studio26 Homes, Renu Building and Energy Solutions, Orefield, Pa.

**Tony Barbee**, pg. 39

President, Indianapolis/  
Cleveland Division  
PulteGroup, Carmel, Ind.

**Jason Barbera**, pg. 35

Owner, general contractor  
Sweetwater Homes and Sweetwater Remodel Group, Culleoka, Tenn.

**Steve Bertasso**, pg. 39

Assistant professor, senior associate  
Middle Tennessee State University, Murfreesboro, Tenn., and TrueNorth Development, Northville, Mich.

**Steve Bontje**, pg. 39

Marketing manager  
Laebon Developments, Red Deer County, Alberta, Canada

**Jesse Boucher**, pg. 36

President  
Kodiak Construction, Saratoga Springs, N.Y.

**Brian Conaway**, pg. 33

President  
Conaway Homes, Whitehouse, Texas

**George Davis**, pg. 35

President  
ProBuilt Homes, Mentor, Ohio

**Abe Degnan**, pg. 32

President  
Degnan Design Builders, DeForest, Wis.

**Eric Drivdahl**, pg. 34

Senior project manager  
Gelotte Hommas Architecture, Bellevue, Wash.

**Michael Fratantoni**, pg. 37

President, co-owner  
Desert Sky Development, Scottsdale, Ariz.

**Jay Gillilan**, pg. 35

President, New Mexico and Colorado divisions  
PulteGroup, Albuquerque, N.M.

**Doug Griffith**, pg. 34

Purchasing manager  
Winchester Homes, Bethesda, Md.

**Jeff Grundahl**, pg. 36

President  
JG Development, Blue Mounds, Wis.

**Rick Hendel**, pg. 38

Owner  
Hendel Homes and Hendel Construction, Wayzata, Minn.

**C.R. Herro**, pg. 33

VP, environmental affairs  
Meritage Homes, Scottsdale, Ariz.

**Matthew Hufft**, pg. 37

Founder, president, creative director  
Hufft Projects, MAKE Studios, Edwin Blue, Kansas City, Mo.

**Douglas Kallfelz**, pg. 34

Principal  
Donald Powers Architects, Providence, R.I.

**John Kirksey, Jr.**, pg. 36

Partner  
ZK Homes and Zieben Kirksey Development, Houston

**Chris Kornman**, pg. 33

President  
Southern Homes, Slidell, La.

**Nicholas Lust**, pg. 38

Director, project management, project engineering  
Custom Builder Systems, Professional Building Systems, Middleburg, Pa.

**Nicole Murray**, pg. 38

VP, community development  
FieldStone Homes, Irvine, Calif.

**Ben Passyn**, pg. 32

Owner  
American Craftsman Construction, Easton, Md.

**Giles Patterson**, pg. 35

Executive VP  
Fischer Homes, Crestview Hills, Ky.

**Joshua Peterson**, pg. 36

CFO, executive VP  
Wathan Castanos Hybrid Homes, Fresno, Calif.

**Brandon Rogalski**, pg. 32

Senior project manager  
Norcon Inc., Chicago

**Nate Schoen**, pg. 38

President  
Custom Builder Management Solutions, Bridgewater Consulting LLC, Beaufort, S.C.

**Saun Sullivan**, pg. 38

Partner  
DSLDC LLC, Denham Springs, La.

**Mark Tangen**, pg. 37

Division president  
Rausch Coleman Homes, Grandview, Mo.

**Nick Thompson**, pg. 39

VP, operations  
Thompson Home Inc., Owensboro, Ky.

**Chad Tschetter**, pg. 33

VP, operations  
Ryland Homes, Houston

**Michael Waldron**, pg. 37

Owner, president  
Waldron Builders and Titan Mechanical Contracting, Saratoga Springs, N.Y.

**Evan Weiss**, pg. 35

Owner, CEO  
Weiss Custom Home Corporation and Carolina Classic Remodeling, Charlotte, N.C.

**Monica Wheaton**, pg. 37

CEO  
Builder Partnerships, Littleton, Colo.

**Brett Whitehead**, pg. 32

President  
Brandywine Homes, Irvine, Calif.

**Dan Whitehurst**, pg. 34

President  
Clark Turner Development, Balcamp, Md.

**Shannon Wilson-Chandler**, pg. 39

New home sales consultant  
Royal Oaks Building Group, Raleigh, N.C.

**Amber Wood**, pg. 32

Manager, energy programs  
NAHB Research Center, Upper Marlboro, Md.

**Lee Zieben**, pg. 36

Partner  
ZK Homes and Zieben Kirksey Development, Houston



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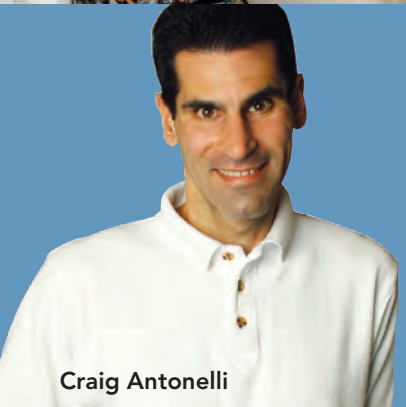
Brandon Rogalski



Chris Kornman



C.R. Herro



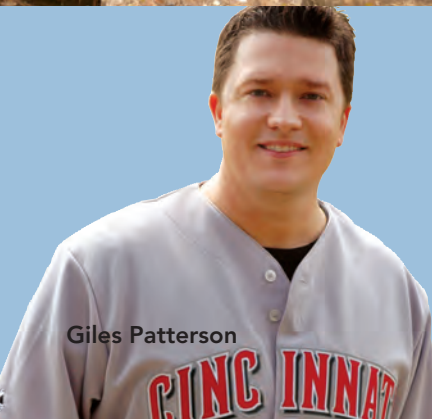
Craig Antonelli



Dan Whitehurst



George Davis



Giles Patterson



Jason Barbera



Jay Gillilan



Lee Zieben



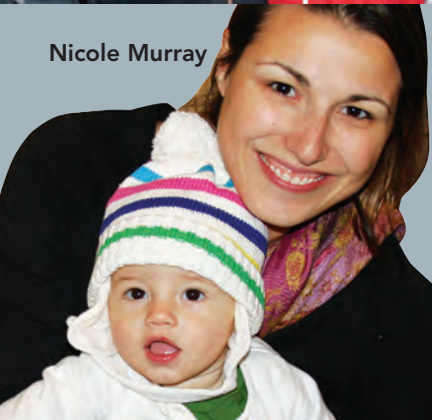
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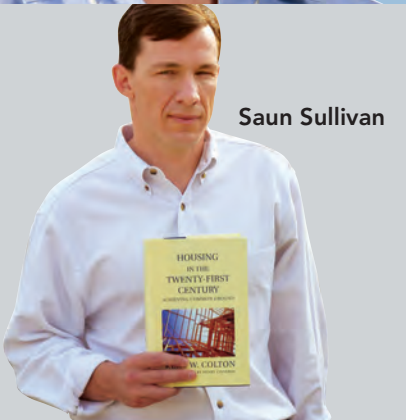
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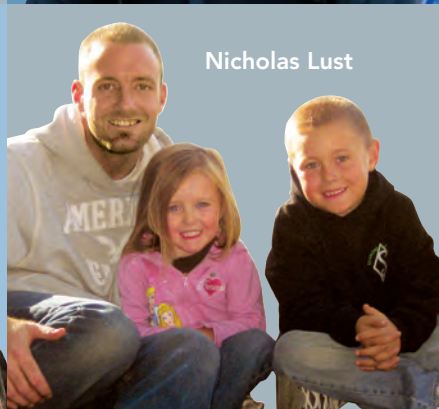
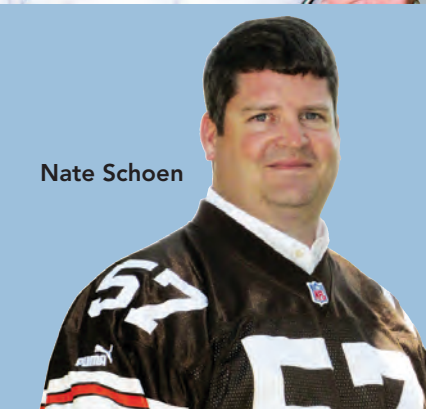
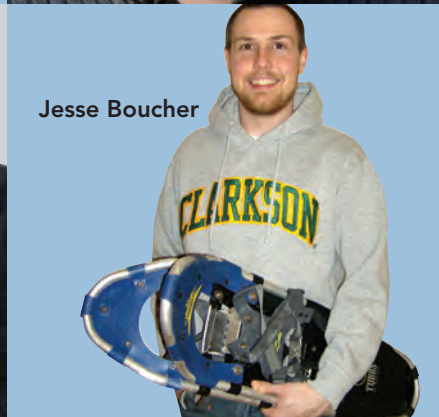
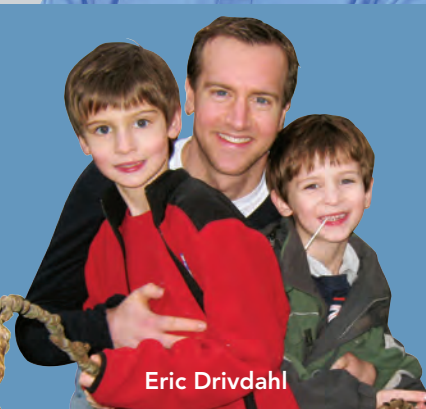


Saun Sullivan



Shannon  
Wilson-Chandler





Brett Whitehead

Brian Baker

Brian Conaway

Chad Tschetter

Doug Griffith

Douglas Kallfelz

Eric Drivdahl

Evan Weiss

Jeff Grundahl

Jesse Boucher

John Kirksey, Jr.

Joshua Peterson

Michael Waldron

Monica Wheaton

Nate Schoen

Nicholas Lust

Steve Bertasso

Steve Bontje

Tony Barbee

Nick Thompson





## Abe Degnan, 35

**PRESIDENT, DEGNAN DESIGN BUILDERS, DEFOREST, WIS.**

### EDUCATION

BArch, University of Wisconsin-Milwaukee

### PROFESSIONAL CREDENTIALS

Certified Graduate Remodeler, Certified Graduate Builder, Certified Aging-in-Place Specialist

### ACCOMPLISHMENTS

2010 Builder of the Year, Madison Area Builders Association

Co-owner of family home-building and remodeling business since age 25; transitioning company to become sole owner  
Member of the Year, Wisconsin Builders Association's Remodelers Council

### EXTRACURRICULAR

Past president, Madison Area Builders Association  
Instrumental in creating MABA's Green Built Home Makeover (now in its fourth year)

Chairman, Wisconsin Builders Association's Remodelers Council

### OFF THE CLOCK

Competes in duathlons and sprint triathlons  
Hobbies include anything on snow or water, particularly wakeboarding and downhill skiing  
A trade-magazine junkie. Favorites include *Dwell* for modern inspiration, *Fine Homebuilding* for construction details and tips, and *Professional Builder* (of course!) for business acumen



## Amber Wood, 32

**MANAGER, ENERGY PROGRAMS, NAHB RESEARCH CENTER, UPPER MARLBORO, MD.**

### EDUCATION

BS, Civil and Mechanical Engineering, MS, Engineering Systems, Colorado School of Mines

### ACCOMPLISHMENTS

Manages research programs focused on energy performance of residential construction  
Led team that was selected as DOE Building America research team  
Oversees NAHB Research Center's Energy Value Housing Awards program

### EXTRACURRICULAR

Staff liaison for energy efficiency task group that developed (and is now updating) the ANSI ICC-700 National Green Building Standard  
Worked with DOE to develop option for builders to have homes dual-certified through both Builders Challenge and NGBS

### OFF THE CLOCK

Relaxes by reading, cooking, and playing "vintage" video games with her husband

(current challenge: "Legend of Zelda 3")

Fave food: Dark chocolate and stinky cheese ("It's an amazing combination, but not in the same bite")  
On the nightstand: "Crocodile on the Sandbank," "A Calculated Risk," and "Life Expectancy"

### SECRET LIFE

Rescued her dog, an Alaskan Malamute named Maverick, by feeding him beer (As a stray, he was fed by local college students, so what do you expect he'd like?)



## Ben Passyn, 36

**OWNER, AMERICAN CRAFTSMAN CONSTRUCTION, EASTON, MD.**

### EDUCATION

BS, Mechanical Engineering, Tulane University

### ACCOMPLISHMENTS

Launched custom home-building business in 2007; averaging one sale per month  
Managed to stay profitable through the market downturn, booking more than \$4 million in new-home sales the last two years

### EXTRACURRICULAR

Member, International Code Council

### OFF THE CLOCK

Loves to barbeque on his Big Green Egg  
Can't live without Netflix ("I don't have, nor do I ever want, cable TV")  
Hobbies include pretty much anything outdoors, especially duck hunting

Getaway spot: any remote cay in the Bahamas to fish with family

### SECRET LIFE

One of 10 children; married to an only child  
Served as an AH-1W Cobra helicopter pilot in the Marine Corps



## Brandon Rogalski, 36

**SENIOR PROJECT MANAGER, NORCON INC., CHICAGO**

### EDUCATION

BS, Civil Engineering, University of Illinois

### PROFESSIONAL CREDENTIALS

LEED AP

### ACCOMPLISHMENTS

Managed design and construction for numerous award-winning residential and commercial projects throughout Chicagoland area, including the Museum of Science and Industry's Smart

Home demonstration home  
AIA Distinguished Builder Award and Devine Detail Award winner for 14,000-square-foot Lincoln Park residence  
Responsibilities expanded to include management of company's IT department and staff mentoring and recruitment efforts

### OFF THE CLOCK

Collects street-artist paintings ("They're my favorite souvenir when I travel")

Getaway spot: Colorado Rocky Mountains  
Hobbies include skiing (water or snow), boating (sail and power), biking, and hiking  
Fave flick: any James Bond movie, especially "Casino Royale"

### SECRET LIFE

Competed in (and completed) 50-mile extreme biking race that took 14 hours  
Appeared on "Extreme Makeover: Home Edition" where he helped build a home in five days



## Brett Whitehead, 39

**PRESIDENT, BRANDYWINE HOMES, IRVINE, CALIF.**

### EDUCATION

BS, Finance, Loyola Marymount University; MS, Finance, Pepperdine University

### ACCOMPLISHMENTS

Oversees major facets of 15-year-old, mid-sized home-building company, including land acquisition, entitlements, strategic planning, and finance  
Under his watch, company acquired and planned more than 25 developments and 800

residential units  
Forged strong relationships with lenders and equity partners, which helped the company acquire land and open new communities during the downturn

### EXTRACURRICULAR

Board member, BIA Orange County Chapter  
Assists City of Stanton, Calif., with land and community planning

### OFF THE CLOCK

Hobbies include fishing, skiing, and snowboarding  
Getaway spot: Cayman Islands  
On the nightstand: "The Art of War" and "Monday Morning Leadership"

### SECRET LIFE

Planned to work on Wall Street after graduate school but fell in love with real estate  
Stepfather was one of the first developers in Anaheim Hills, Calif.





## Brian Baker, 34

**OWNER, VP OF MARKETING AND DESIGN, BAKER DEVELOPMENT GROUP, STUDIO26 HOMES, RENU BUILDING AND ENERGY SOLUTIONS, OREFIELD, PA.**

### EDUCATION

BA, Lehigh University; MArch, University of Maryland

### PROFESSIONAL CREDENTIALS

LEED AP, Certified Green Professional, Certified Building Analyst, Certified Energy Rater

### ACCOMPLISHMENTS

Co-founded green, high-performance custom-home design-build firm and green remodeling

and energy auditing company at age 28  
Built first LEED For Homes Silver-certified home in Pennsylvania and one of the first NAHB National Green Building Program-certified homes  
Two-time Green Built Home Award winner (2009, 2010), Lehigh Valley Builders Association Building Innovation Award, Pennsylvania Builders Association (2007)

### OFF THE CLOCK

Fave dish: lobster macaroni and cheese at

Ocean in Easton, Pa.  
Hobbies include traveling (Hawaii tops destination list), golf, and fantasy sports

### SECRET LIFE

Rushed for over 1,000 yards as a sophomore at Lehigh University  
Starred as an extra in the Chris Rock/Bernie Mac movie, "Head of State"  
Father helped design line-pipe steel for the Alaskan Pipeline



## Brian Conaway, 37

**PRESIDENT, CONAWAY HOMES, WHITEHOUSE, TEXAS**

### PROFESSIONAL CREDENTIALS

Graduate Master Builder

### ACCOMPLISHMENTS

Expanded family-owned custom home-building company's reach into new markets in east Texas and grew revenue 75 percent  
Established trade council to strengthen trade partner relationships  
Designed and developed fully automated workflow and process management system

Builder of the Year, Tyler Area Builders Association (2004)

### EXTRACURRICULAR

Director, past president, Tyler Area Builders Association  
Member, past board member, Texas Association of Builders and NAHB

### OFF THE CLOCK

Hobbies include flying (licensed rotorcraft and

single- and multi-engine pilot), fireworks (holds a class B pyrotechnic license), snow skiing, and racing

### SECRET LIFE

Organized and chaired HBA committee that set world record for fastest home construction from ground up (2,300-square-foot home in 2:52:29), known as the 2 Hour House  
Assisted with fireworks show at grand opening of Dallas Cowboys Stadium



## Chad Tschetter, 37

**VP, OPERATIONS, RYLAND HOMES, HOUSTON**

### EDUCATION

BS, Economics and Political Science, University of South Dakota; MBA, University of Texas-Arlington

### ACCOMPLISHMENTS

Oversees purchasing, estimating, permitting, architectural, design center, construction, and customer service functions for Houston Division  
Established quality control and benchmarking

system that helped reduce warranty costs and production time and improved customer service and staff development

As purchasing manager, implemented Lean building measures, reducing direct costs by 7.5 percent and saving more than \$4 million  
As superintendent, reduced production time by 41 days

### OFF THE CLOCK

Getaway spot: Black Hills or Badlands, S.D.

Hobbies include mountain biking, camping, and baseball (plays for and manages an amateur baseball team)

Fave foods: pizza and cheeseburgers  
On the nightstand: "Undaunted Courage" and "The Fountainhead"

### SECRET LIFE

Is a reality TV junkie



## Chris Kornman, 39

**PRESIDENT, SOUTHERN HOMES, SLIDELL, LA.**

### EDUCATION

BA, Psychology, Emory University; PhD, Psychology, Georgia State University

### PROFESSIONAL CREDENTIALS

Certified Green Professional, licensed real estate broker

### ACCOMPLISHMENTS

Launched renovation division in the wake of Hurricane Katrina to help repair flood-

damaged homes; unit now specializes in high-performance, green remodeling projects  
Built one of the first homes certified under NAHB Green Building Guidelines Program  
Improved all key customer satisfaction metrics, including willingness to refer (from 71 percent to 94 percent)

### EXTRACURRICULAR

Member, HBA of Greater New Orleans, NAHB, and National Association of Realtors

### OFF THE CLOCK

Makes a mean Sazerac — a local New Orleans bourbon-based drink  
Fave foods: shrimp po-boy from R&O's and wife's sugar cookies  
Addicted to reality TV, including "Jersey Shore"

### SECRET LIFE

He's a licensed psychologist ("When people find out they get worried that I'm psychoanalyzing them while we talk")



## C.R. Herro, 40\*

**VP, ENVIRONMENTAL AFFAIRS, MERITAGE HOMES, SCOTTSDALE, ARIZ.**

### EDUCATION

BS, Physical and Life Science, Arizona State University; MS, Environmental Policy, Governors State University; PhD, Environmental Engineering, Illinois Institute of Technology

### ACCOMPLISHMENTS

Leads firm's Energy Efficiency and Sustainability program, which aims to advance energy-efficiency benchmarks for production home building  
Established Meritage Green program to improve

function, operating efficiency, health, and safety of homes at no added cost to consumers  
Helped launch multiple communities that exceed Energy Star and Building America energy-efficiency goals

### EXTRACURRICULAR

RESNET Strategic Positioning Task Force Board member, Energy and Environmental Building Alliance  
Technical committee, Leading Builders of America, Best Practices Research Alliance

### OFF THE CLOCK

Biggest food craving: Tom Yum Gai  
Hobbies include sailing (grandfather taught him on 16-foot catamaran)  
On the nightstand: "Jonathan Livingston Seagull"

### SECRET LIFE

Once caused a rush-hour traffic jam on I-25 in Denver while saving a stray Chihuahua

\* WAS UNDER THE AGE OF 40 AT TIME OF APPLICATION



## Craig Antonelli, 39

**PRESIDENT, ANTONELLI CONSTRUCTION, ANTONELLI DEVELOPMENT, ANTONELLI STORAGE FACILITY, FAIRPORT, N.Y.**

### EDUCATION

BS, Construction Management and Structural Engineering, Purdue University; MBA, University of Rochester

### PROFESSIONAL CREDENTIALS

Certified Graduate Builder, Certified Green Professional, Engineer in Training Registration

### ACCOMPLISHMENTS

Founded land development, home-building,

and remodeling company at age 27

Averaged 12 percent revenue growth seven straight years

Received multiple national excellence awards for design (2004, 2005, 2009)

### EXTRACURRICULAR

Chairman, Rochester Home Builders Association

Board member, NARI Rochester Chapter  
Treasurer, board member, Pathstone

Development (low-income housing non-profit)  
Planning board member, Town of Perinton, N.Y.

### OFF THE CLOCK

Hobbies include golfing, working out, and taking in Purdue football and basketball games  
On the nightstand: "Too Big to Fail," "Bringing Down the House," and "Ugly Americans"  
Fave foods: all types of pasta and M&M's  
All-time flicks: "My Cousin Vinny," "Fletch," "The Godfather," and "Gladiator"



## Dan Whitehurst, 27

**PRESIDENT, CLARK TURNER DEVELOPMENT, BALCAMP, MD.**

### EDUCATION

BS, Business, Mount St. Mary's University; MS, Real Estate, Edward St. John Real Estate Program, Johns Hopkins University

### ACCOMPLISHMENTS

Spearheaded, as the developer, the first TIF bond in Harford County, Md., for his firm's 768-lot development; the \$14 million bond closed March 2011

Oversees a team of six people and manages

more than a dozen projects with gross sales exceeding \$250 million and some 2,900 residential lots

With investment partners, purchased bank notes at a total discount exceeding \$23 million

### EXTRACURRICULAR

President, HBA of Maryland, Chesapeake Chapter

Rezoning committee member, Cecil County (Md.) Planning Department

Broker, Millennium Brokers, Balcamp, Md.

### OFF THE CLOCK

Hobbies include golf, snowboarding, and work (yes, he said work)  
Fave dish: Maryland blue crab with buttered corn  
All-time read: "The Lone Survivor"

### SECRET LIFE

Played in 2003 NCAA Men's Division I Lacrosse Tournament as a freshman goalie



## Doug Griffith, 33

**PURCHASING MANAGER, WINCHESTER HOMES, BETHESDA, MD.**

### EDUCATION

BS, Interdisciplinary Studies, Radford University; NVR Production Training Program

### ACCOMPLISHMENTS

Created field-operations purchasing position to minimize confusion between purchasing, production, and sales, which helped generate over \$1 million in cost reductions in six years  
Has managed 26 community openings and 21 model openings since 2004

Executed comprehensive cost-reduction initiative, eliminating non-performing contractors and cutting costs by up to 25 percent

Two-time Purchasing Manager of the Year, Maryland-National Capital BIA

### OFF THE CLOCK

Addicted to reality TV, including "Amazing Race," "Biggest Loser," "Deadliest Catch," "Ultimate Fighter," and "Survivor"

Hobbies include riding his 2004 Harley-Davidson Springer Softail  
Can't live without coffee (with two sugars and splash of half and half)

### SECRET LIFE

Mother's bloodline includes Dr. Benjamin Rush, who was a signatory of the Declaration of Independence and acclaimed for his bloodletting and calomel therapy that helped cure Philadelphia's yellow fever epidemic in 1793



## Douglas Kallfelz, 39

**PRINCIPAL, DONALD POWERS ARCHITECTS, PROVIDENCE, R.I.**

### EDUCATION

BArch, Syracuse University; MA, Design Studies, Harvard University

### PROFESSIONAL CREDENTIALS

LEED AP, AIA

### ACCOMPLISHMENTS

Led design of multiple award-winning residential, mixed-use, and commercial urban design projects, including the 100-unit, LEED-certified

San Juan Passage coastal community in Anacortes, Wash., and the Warwick Grove mixed-use traditional neighborhood in Warwick, N.Y.  
Designing Rhode Island's first LEED Gold-certified library (in Tiverton)  
Managed design studio to an average annual profit of 12-16 percent and zero staff layoffs during the downturn

### EXTRACURRICULAR

VP, incoming president, AIA Rhode Island

chapter  
Elected to the 2011 Leadership Rhode Island class, a yearlong program that convenes 50 community leaders to explore issues facing the state  
Member, Congress for the New Urbanism

### OFF THE CLOCK

Accomplished competitive sailor who crewed the prestigious Newport-Bermuda Sailing Race three times, and won first in class in 2008



## Eric Drivdahl, 39

**SENIOR PROJECT MANAGER, GELOTTE HOMMAS ARCHITECTURE, BELLEVUE, WASH.**

### EDUCATION

BA, Architectural Studies, BArch, Washington State University

### ACCOMPLISHMENTS

Developed and leads firm's in-house professional development program, which trains staff on design, project management, architectural science, professionalism, and sales and marketing  
Heads design teams on highly sophisticated

luxury home projects with one-of-a-kind features like a "bat cave" garage entrance, complete with a hinged wall and sliding planter box

### EXTRACURRICULAR

Active in Seattle AIA's Custom Residential Architect Network and Master Builder Association's Design Professionals Council and Built Green Program  
Regularly hosts office tours with high school students interested in architecture

### OFF THE CLOCK

Sponsors impoverished children from five different continents via World Vision  
Starts every morning with a Tully's Grande Mocha, extra hot, with whip  
Hobbies include kayaking, cycling, and triathlons

### SECRET LIFE

Self-proclaimed rubber-band sharpshooter.  
Favorite target: flies in mid-flight ("A sitting target is just too easy")





## Evan Weiss, 34

**OWNER, CEO, WEISS CUSTOM HOME CORPORATION,  
CAROLINA CLASSIC REMODELING, CHARLOTTE, N.C.**

### EDUCATION

BS, Business Management, University of Florida

Client list has grown by more than 400 percent in four years

### ACCOMPLISHMENTS

Launched custom home-building and remodeling firms at age 30  
Received multiple employee awards while working as project manager for NVR/Ryan Homes, including Distinguished Builder, Quality Recognition, and Rookie of the Year

### EXTRACURRICULAR

Member, U.S. Green Building Council and HBA of Charlotte  
Participant, Mecklenburg County Code Consistency Task Force

### OFF THE CLOCK

Fave food: any ethnic food, especially Thai  
Hobbies include golf and watching Florida Gators sporting events  
Getaway spot: Bora Bora, Tahiti  
All-time flick: "Good Will Hunting"



## George Davis, 38

**PRESIDENT, PROBUILT HOMES, MENTOR, OHIO**

### EDUCATION

BS, Management Science, Case Western Reserve University

design and customer service excellence

### ACCOMPLISHMENTS

Founded home-building company at age 31  
Expanded business and grew sales 37 percent through the market downturn  
Named 2009 Best of the Best Home Builder by local newspaper  
Winner of 13 Cleveland Choice Awards for

### EXTRACURRICULAR

Three-time builder of the Lake County (Ohio) YMCA Dream House  
Trustee, HBA of Greater Cleveland  
Builder participant, Habitat for Humanity Home Builders Blitz (2008)

diving, and traveling

All-time flick: "Risky Business" ("After watching it as a teenager I knew I wanted to be an entrepreneur")

Fave food: Charleston Chew candy  
On the nightstand: "Confessions of an Economic Hitman" and GQ magazine

### OFF THE CLOCK

Hobbies include saltwater fishing, soccer, scuba

### SECRET LIFE

Once had a job promoting professional ATV races throughout the country



## Giles Patterson, 36

**EXECUTIVE VP, FISCHER HOMES, CRESTVIEW HILLS, KY.**

### EDUCATION

BS, Accounting, University of Kentucky; MS, Real Estate, Cornell University

While with Toll Brothers, was promoted four times (from project manager in training to assistant VP) in just 22 months

### ACCOMPLISHMENTS

Manages day-to-day operations for large, regional home-building company (ranked No. 49 on *Professional Builder's* 2011 Housing Giants list)  
Previously led firm's single-family detached and attached divisions

### EXTRACURRICULAR

Board member, HBA of Greater Cincinnati  
Supports St. Jude Charity through home giveaway events

stock trading, and fantasy football

Getaway spot: Rodanthe, Outer Banks, N.C.  
All-time reads: "The 48 Laws of Power," "Den of Thieves," and "The Art of War"  
Fave dish: fajitas

### OFF THE CLOCK

Hobbies include baseball, golf, Texas hold'em,

### SECRET LIFE

Tutored members of the University of Kentucky basketball team in return for great seats  
Grandmother was the first female to graduate from Ohio State Medical School



## Jason Barbera, 35

**OWNER, GENERAL CONTRACTOR, SWEETWATER HOMES,  
SWEETWATER REMODEL GROUP, CULLEOKA, TENN.**

### ACCOMPLISHMENTS

Founded home-building company at age 31 and remodeling division at 34  
Purchased and developed 114 acres of farmland into 60-lot community (25 percent built-out as of May 2011)

home-building and remodeling program that airs in 28 states

### EXTRACURRICULAR

Creator, host, Remodel America Home Improvement Show, a Fox News Radio

### OFF THE CLOCK

Fave vacation spot: Ireland, from where his wife hails  
Can't live without filet mignon  
Assists with wife's Irish dance production, Tir Na Nog

### SECRET LIFE

Former child actor whose roles included a comatose patient on "Days of Our Lives" and a kid in a 7UP commercial  
Has an identical twin who once secretly filled in on "Days of Our Lives" so he could audition for another role



## Jay Gillilan, 39

**PRESIDENT, NEW MEXICO AND COLORADO DIVISIONS,  
PULTEGROUP, ALBUQUERQUE, N.M.**

### EDUCATION

BS, Industrial Engineering, Purdue University; MBA, Indiana University

to Del Webb brand  
Among national leaders in cycle time, profitability, and customer satisfaction

### ACCOMPLISHMENTS

Oversees profitable division with more than 60 employees and multiple sub-markets and product mixes  
Successfully integrated Centex and Pulte systems and processes at the division level  
Repositioned existing active-adult community

### EXTRACURRICULAR

Member, New Mexico HBA, Santa Fe Area HBA, HBA of Central New Mexico, and National Association of Office and Industrial Properties

deep dish to New York thin crust

All-time flick: "Shawshank Redemption"  
Getaway spot: Breckenridge, Colo.  
On the nightstand: anything on military history  
Hobbies include swimming, golf, and riding his Harley-Davidson Road King

### OFF THE CLOCK

Fave food: all types of pizza, from Chicago

### SECRET LIFE

Played varsity tennis at Purdue  
Aspiring chef who plans to attend culinary school with his wife after retirement



## Jeff Grundahl, 39

**PRESIDENT, JG DEVELOPMENT, BLUE MOUNDS, WIS.**

### EDUCATION

Welding degree, Madison Area Technical College

### PROFESSIONAL CREDENTIALS

NARI Certified Remodeler

### ACCOMPLISHMENTS

Founded custom home-building and design-build remodeling firm at age 19  
Has ownership stake in six different companies, including National Construction Inc., a

commercial design-build general contractor  
Developed proprietary estimating and budget-analysis system

### EXTRACURRICULAR

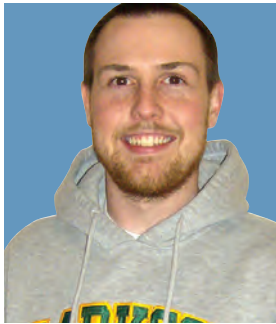
Provides scholarship money to local students interested in construction  
Donates labor for Habitat for Humanity projects  
Board member, NARI Madison  
Member, NAHB, Wisconsin Builders Association, and Madison Area Builders Association

### OFF THE CLOCK

An avid pilot who volunteers (via the Angel Flight organization) to transport non-emergency medical patients for out-of-state treatments  
Hobbies include big-game bow hunting (elk), flying, skiing (water and snow), and hiking  
Fave dish: seared Ahi tuna  
Getaway spot: Big Horn Mountains, Wyo.

### SECRET LIFE

Can water ski barefoot



## Jesse Boucher, 29

**PRESIDENT, KODIAK CONSTRUCTION, SARATOGA SPRINGS, N.Y.**

### EDUCATION

BS, Civil Engineering, Clarkson University

### PROFESSIONAL CREDENTIALS

Certified Green Builder, Certified Green Professional

### ACCOMPLISHMENTS

Co-founded custom home-building and remodeling firm at age 21  
Doubled revenue annually since 2004

Achieves high customer satisfaction ratings: 80 percent of customers are repeat clients

### EXTRACURRICULAR

Board member, past president, Builders and Remodelers Association of Northern New York  
Board member, volunteer, Rebuilding Together, Saratoga County

### OFF THE CLOCK

Fave dish: steak with gorgonzola cheese

crumble at Olde Bryan Inn, Saratoga  
Hobbies include hiking, snowshoeing, and kayaking through the Adirondacks  
Getaway spot: Lake Placid, N.Y. (weekend retreats) and St. Thomas and Curacao (vacation)  
Current-events junky who can't get enough news on government, finance, travel, and nature

### SECRET LIFE

Great grandfather helped with shipments between Canada and U.S. during prohibition



## John Kirksey, Jr., 35

**PARTNER, ZK HOMES, ZIEBEN KIRKSEY DEVELOPMENT, HOUSTON**

### PROFESSIONAL CREDENTIALS

Certified Green Professional

### ACCOMPLISHMENTS

Co-founder of award-winning, green home-building and land development company  
Helped launch multiple residential communities with a cumulative value of \$95 million  
2010 Green Advocate of the Year, Texas Association of Builders  
Constructed first LEED for Homes-certified

project in Sugar Land, Texas

### EXTRACURRICULAR

Board member, Trees For Houston, which has planted more than 350,000 trees throughout Greater Houston  
Founder, Redbuds, an organization for young professionals dedicated to urban reforestation  
Board member, Fort Bend Education Foundation, which assists young teachers in creating productive educational environments

### OFF THE CLOCK

Hobbies include saltwater fly fishing, bow hunting, and golf  
Fave food: Thai, or anything Asian

### SECRET LIFE

Commemorated a near-death experience (car collision with a bull moose) with a moose-head tattoo  
Once took on a 72-oz. steak-eating challenge (like a true Texan, he won!)



## Joshua Peterson, 33

**CFO, EXECUTIVE VP, WATHAN CASTANOS HYBRID HOMES, FRESNO, CALIF.**

### EDUCATION

BS, Accounting, California State University-Fresno

### ACCOMPLISHMENTS

Oversees land acquisition, banking, cash flow, entitlements, and planning, and assists with project and product design  
Orchestrated acquisition of 200-lot REO project in Dinuba, Calif., that netted more than 100 sales and 80 closings in 2010, with

double-digital profit  
When company's primary lender failed, coordinated \$20 million loan transfer with another lender within a month to continue operations

### EXTRACURRICULAR

Director, Building Industry Association of Fresno/Madera Counties

### OFF THE CLOCK

Hobbies include lifting weights, snowboarding, and hiking  
Fave flicks: anything with Chevy Chase or Steve Martin  
Getaway spot: Monterey, Calif.

### SECRET LIFE

Served in the Marine Corps as a machine gunner  
Once drove cross-country alone in less than three days (without getting a speeding ticket!)



## Lee Zieben, 35

**PARTNER, ZK HOMES, ZIEBEN KIRKSEY DEVELOPMENT, HOUSTON**

### EDUCATION

BS, Communications, University of Texas

### ACCOMPLISHMENTS

Co-founder of award-winning, green home-building and land development company  
Helped launch multiple residential communities with a cumulative value of \$95 million  
2010 Green Advocate of the Year, Texas Association of Builders  
Constructed first LEED for Homes-certified

project in Sugar Land, Texas

### EXTRACURRICULAR

Past board member, Texas Interfaith Housing Corporation  
Co-founder, Greater Houston Partnership's Emerging Business Council  
Board member, officer, C Club of Houston

### OFF THE CLOCK

Hobbies include skiing (water and snow),

traveling, and working out  
Getaway spot: Vail, Colo.  
Relaxes by watching action movies with his dog, Ruby, and reading Vince Flynn or Dan Brown novels

### SECRET LIFE

Was one of the youngest gubernatorial appointees in Texas history at age 26  
Father once co-owned a restaurant with Sonny and Cher in Houston





## Mark Tangen, 37

**DIVISION PRESIDENT, RAUSCH COLEMAN HOMES, GRANDVIEW, MO.**

### EDUCATION

BS, Housing and Urban Development, University of Minnesota; Certificate of Business Management, Drake University

### PROFESSIONAL CREDENTIALS

Certified Green Professional

### ACCOMPLISHMENTS

Directs and oversees all division management functions for major regional builder (ranked

No. 77 on *Professional Builder's* 2011 Housing Giants list)

Former VP of operations and production manager with Rottlund Homes where he was named Superintendent of the Year three times and increased market share from 4 percent to 17 percent during his tenure

### OFF THE CLOCK

Hobbies include golf, pheasant and duck hunting, and concerts

WWII enthusiast who can't get enough of "Saving Private Ryan"  
Fave food: Seafood, particularly shrimp and scallops

### SECRET LIFE

Former starting tight end for the University of Minnesota Golden Gophers (1999-2001); named to the Academic All-Big Ten team  
Can do the worm break-dance move, despite his 6-foot, 8-inch frame



## Matthew Hufft, 34

**FOUNDER, PRESIDENT, CREATIVE DIRECTOR, HUFFT PROJECTS, MAKE STUDIOS, EDWIN BLUE, KANSAS CITY, MO.**

### EDUCATION

BArch, University of Kansas; MArch, Columbia University

### PROFESSIONAL CREDENTIALS

AIA, NCARB, LEED AP

### ACCOMPLISHMENTS

Founded Hufft Projects (with wife Jesse as business partner) in 2005 at age 29; 11-person firm focuses on residential and commercial

projects with a modern and sustainable bent  
Founded eight-person MAKE Studios in 2008 to facilitate custom fabrication for projects  
Started Edwin Blue in 2009, a firm that designs and sells high-end indoor and outdoor furniture  
Previous experience: RoTo Architects; Tigerman McCurry Architects; Bernard Tschumi Architects

### EXTRACURRICULAR

Earned Skidmore, Owings, and Merrill Traveling Fellowship Award while attending Univ. of Kansas

Member, Urban Core Group of Kansas City  
Taught architecture at Pratt Institute

### OFF THE CLOCK

Relaxes by chopping wood  
Fave read: "Zen and the Art of Motorcycle Maintenance"

### SECRET LIFE

Loves his slippers, they're on the minute he gets home



## Michael Fratantoni, 39

**PRESIDENT, CO-OWNER, DESERT SKY DEVELOPMENT, SCOTTSDALE, ARIZ.**

### ACCOMPLISHMENTS

Co-founded custom home-building and commercial construction firm at age 19 with his brother (was youngest state-licensed contractor at the time)  
Launched luxury cabin construction division in 2008  
Named top-10 custom builder three years running by *Ranking Arizona* magazine  
Named two-time Custom Homebuilder of the Year by local publication

### EXTRACURRICULAR

Member, Home Builders Association of Central Arizona and Scottsdale Area Association of Realtors  
Participant, Scottsdale Green Building Program

### OFF THE CLOCK

Getaway spot: La Jolla or Coronado Island, Calif.  
Is a fantasy baseball fanatic ("It's a great way to stay connected with old friends")

Hobbies include mountain biking, Arizona Diamondbacks games, and "desert picnics" with the family  
Fave food: mother's authentic Italian cooking  
Coaches youth baseball

### SECRET LIFE

Was scouted by the Chicago Cubs as a high-school baseball player  
Grandfather was building supervisor for road construction in Sicily in the 1930s



## Michael Waldron, 35

**OWNER, PRESIDENT, WALDRON BUILDERS AND TITAN MECHANICAL CONTRACTING, SARATOGA SPRINGS, N.Y.**

### EDUCATION

Sports Medicine, West Virginia University

### ACCOMPLISHMENTS

Launched custom home-building firm at age 32  
Founded mechanical contracting firm (HVAC, electrical, plumbing) at age 23  
Multiple first-place awards in Parade of Homes and Showcase of Homes competitions, including honors for workmanship, interior decorating, and master bedroom suite (2009, 2010)

All homes are 100-percent Energy Star-rated

### EXTRACURRICULAR

Board member, Capital Region Builders and Remodelers Association  
Member, Saratoga Builders Association

### OFF THE CLOCK

Hobbies include football, snowmobiling, and watching his daughters play sports  
All-time flick: "Gladiator"

Fave dish: wife's pork tenderloin  
Getaway spot: Disney with the family  
On the nightstand: technical manuals ("I know, boring, right? I like to stay on top of the mechanical side of the business.")

### SECRET LIFE

Played professional arena football after college  
Father is a retired builder and firefighter who received the Maltese Cross for rescuing a child from a burning building



## Monica Wheaton, 36

**CEO, BUILDER PARTNERSHIPS, LITTLETON, COLO.**

### EDUCATION

BS, Psychology, Colorado State University; MIM, Thunderbird School of Global Management; MBA, University of Colorado

### ACCOMPLISHMENTS

Helped create and launch builder-manufacturer networking and partnership group  
Grew organization from 30 builder and five manufacturer members in 2006 to more than 500 builders and over 75 manufacturers and

service providers in 2011

Managed the development of transactional Web site and database that serve as hub for organization  
Organizes and hosts more than 40 educational webinars annually

### OFF THE CLOCK

Hobbies include running (completed seven marathons, including Boston), traveling, and new adventures, such as hot-air ballooning

and paragliding  
On the nightstand: "Water for Elephants" and "The Girl with the Dragon Tattoo"  
Fave food: sushi

### SECRET LIFE

Related to a pirate, Renato Beluche, who was instrumental in defeating the English at the Battle of New Orleans  
Lived in Prishtina, Kosovo for three years while working on a USAID project



## Nate Schoen, 37

**PRESIDENT, CUSTOM BUILDER MANAGEMENT SOLUTIONS AND BRIDGEWATER CONSULTING LLC, BEAUFORT, S.C.**

### EDUCATION

BA, History, John Carroll University

### ACCOMPLISHMENTS

Co-authored with his father (a former home builder) a computerized operational management system for custom-home builders: Custom Builder Management Solutions Doubled sales of CBMS in 2009 and 2010; on pace to increase sales in 2011

Consultant and business coach for nearly 300 home builders in 39 states and five Canadian provinces

Designed more than 25 custom homes while working for his father's residential design-build company

### OFF THE CLOCK

Accomplished childhood dream of serving as a Marine Corps Officer

Can't live without Cleveland Browns football Avid golfer with two holes in one on his resume Fave flicks: "The Usual Suspects" and "The Guns of Navarone"

### SECRET LIFE

Closet computer geek who is building a souped-up computer from scratch



## Nicholas Lust, 31

**DIRECTOR, PROJECT MANAGEMENT, PROJECT ENGINEERING, CUSTOM BUILDER SYSTEMS, PROFESSIONAL BUILDING SYSTEMS, MIDDLEBURG, PA.**

### PROFESSIONAL CREDENTIALS

Certified PFS Inspector, Certified Electrical Inspector

### ACCOMPLISHMENTS

Lead project manager and engineer for modular-home manufacturer Projects include 400-home senior-living community and 128-unit townhouse development, both in Philadelphia

### EXTRACURRICULAR

In the wake of Hurricane Katrina, assisted with development of Mississippi's current system and codes for deploying modular homes as part of disaster-relief efforts

### OFF THE CLOCK

Hobbies include drag racing, customizing cars and trucks, and showing off his one-of-a-kind Honda Civic Si Self-proclaimed "extreme" Philadelphia Eagles fan

Coached son's flag football team, comprised of 5-7 year olds, to back-to-back undefeated seasons (eat your heart out Andy Reid!) Fave vacation spot: Chincoteague Island, Va.

### SECRET LIFE

Holds numerous food-eating distinctions at East Coast restaurants for winning oversized-meal challenges (despite his 175-pound, 6-foot, 3-inch frame) Has an identical twin



## Nicole Murray, 31

**VP, COMMUNITY DEVELOPMENT, FIELDSTONE HOMES, IRVINE, CALIF.**

### EDUCATION

BA, Communications Studies, MBA, University of San Diego

### PROFESSIONAL CREDENTIALS

Licensed real estate broker

### ACCOMPLISHMENTS

Manages profits and losses and sales and marketing for residential projects; projected 2011 revenue for Southern California: \$24 million

Works with financial institutions for project debt and equity requirements Implemented company's green-building initiative; all FieldStone homes in California are Energy Star-rated and 15 percent above Title 24 standards

### EXTRACURRICULAR

Member, Orange County Association of Realtors Member, President's Leadership Academy of BIA Orange County

### OFF THE CLOCK

Can't live without her daily task list and Starbucks Hobbies include remodeling and decorating her home and exploring California's wine regions ("I seem to drink more wine than I collect") Fave food: Mexican

### SECRET LIFE

Lived in West Germany when the Berlin Wall came down



## Rick Hendel, 36

**OWNER, HENDEL HOMES, HENDEL CONSTRUCTION, WAYZATA, MINN.**

### EDUCATION

BS, Biology, Bethel University

### ACCOMPLISHMENTS

Launched custom home-building and remodeling firm at age 22 Won numerous awards for home design and construction excellence, including the 2004 and 2009 Dream Home award from the Builders Association of the Twin Cities

### EXTRACURRICULAR

Helped raise nearly \$50,000 for building schools and providing supplies for a mission project in Rwanda

### OFF THE CLOCK

Hobbies include hunting, hockey, golf, and snowmobiling Unusual talent: he has been told he's a good arm wrestler

Fave dish: barbeque ribs from Famous Dave's BBQ Getaway spot: anywhere with great architecture

### SECRET LIFE

Worked as a tissue-harvester for the Red Cross Wife's grandfather was one of Darby's Rangers in the 1st Ranger Battalion during WWII



## Saun Sullivan, 39

**PARTNER, DSLD LLC, DENHAM SPRINGS, LA.**

### EDUCATION

BA, Philosophy, University of Colorado; MBA, Tulane University

### ACCOMPLISHMENTS

Launched (and co-owns) home-building company in 2008 Grew sales from 51 homes in first year to 363 in 2010 Implemented even-flow construction and Lean

practices to minimize waste, improve quality, and increase profit Previously co-owned PCC Homes, which was sold to D.R. Horton in 2006

### EXTRACURRICULAR

Member, benchmark group

### OFF THE CLOCK

Getaway spot: Little Palm Island Resort and

Spa, Key West, Fla.

Fave flick: "Shawshank Redemption" ("It's the only movie that's better than the book") On the nightstand: anything about history

### SECRET LIFE

May be the only home builder in the U.S. with a philosophy degree





## Shannon Wilson-Chandler, 35

**NEW-HOME SALES CONSULTANT, ROYAL OAKS BUILDING GROUP, RALEIGH, N.C.**

### PROFESSIONAL CREDENTIALS

Licensed Realtor/Broker, Certified New Home Sales Professional

### ACCOMPLISHMENTS

Booked more than \$60 million in new-home sales  
Created company's highly successful "Here's the Scoop" marketing campaign to better position its homes against the competition  
Silver Award for Sales Team of the Year in 2010, NAHB National Sales and Marketing Council

Triangle's Best Sales Team in 2009, Triangle Sales and Marketing Council  
Million Dollar Circle member 10 years running

### EXTRACURRICULAR

Involved in Operation: Coming Home to build and donate homes for injured soldiers  
Committee member, Triangle Sales and Marketing Council  
Member, NAHB, North Carolina HBA, and HBA of Raleigh-Wake County

### OFF THE CLOCK

Can't live without sweets, especially chocolate  
Hobbies include shopping, family time, bike riding at the beach, and fishing  
All-time flick: "Grease"  
Getaway spot: Emerald Isle, N.C.  
On the nightstand: sales and marketing books

### SECRET LIFE

Grandfather was involved in first underwater nuclear bomb testing at Bikini Atoll in 1946



## Steve Bertasso, 36

**ASSISTANT PROFESSOR, SENIOR ASSOCIATE, MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENN.; TRUENORTH DEVELOPMENT, NORTHVILLE, MICH.**

### EDUCATION

BS, Construction Management, Brigham Young University; MBA-Sustainability, Lipscomb University

### PROFESSIONAL CREDENTIALS

Certified Green Professional

### ACCOMPLISHMENTS

Instructs and mentors undergraduates within Engineering Technology Department

Consults builders on waste reduction, cost controls, green building, and marketing  
Directed value-engineering processes for two major national builders (D.R. Horton and Centex)  
Developed companywide, third-party-verified green-building program for The Jones Co.

### OFF THE CLOCK

Loves to sing, but not karaoke, rather at church in small groups or solo  
An Apple fanatic with the latest iPhone,

MacBook, and iPad  
Hobbies include golf, when time permits ("I'm truly terrible, but knowing that means I can just enjoy the time outside")  
All-time read: "Pillars of the Earth"  
Fave food: popcorn popped on a stove top, not in a microwave, with a dash of sea salt

### SECRET LIFE

Was a member of the renowned BYU Men's Chorus



## Steve Bontje, 25

**MARKETING MANAGER, LAEBON DEVELOPMENTS, RED DEER COUNTY, ALBERTA, CANADA**

### EDUCATION

BA, Urban Studies, University of Calgary

### PROFESSIONAL CREDENTIALS

PHBIA Accredited Master Home Builder

### ACCOMPLISHMENTS

Heads marketing, land development, and customer satisfaction for 34-year-old family-owned home-building and land development company (275 homes, \$95 million in average

annual sales)  
Directs planning and land development for 15 communities across central Alberta  
Spearheaded company's Lean initiative and establishment of a trade council  
Executed companywide re-branding program to revitalize Laebon name

### EXTRACURRICULAR

Board member, CHBA of Central Alberta (youngest in organization's history)

### OFF THE CLOCK

Has a knack for memorizing song lyrics; does rousing rendition of "Dust on the Bottle"  
Fave food: steak ("You can't beat Alberta beef")  
Hobbies include wakeboarding, wakesurfing, skiing, snowmobiling, and golf  
Fave read: "Good to Great"

### SECRET LIFE

Got a hole in one at age 12, which started his golf addiction



## Tony Barbee, 40\*

**PRESIDENT, INDIANAPOLIS AND CLEVELAND DIVISIONS, PULTEGROUP, CARMEL, IND.**

### EDUCATION

BS, Business Administration and Accounting, Wayne State University

### PROFESSIONAL CREDENTIALS

CPA

### ACCOMPLISHMENTS

Oversees profitable operation with more than 100 employees and multiple sub-markets and product mixes

Led Pulte in 2010 to position as top builder in Indianapolis for first time in company history  
Grew Cleveland business 30 percent in 2010  
Improved profitability, cycle time, and customer satisfaction ratings; divisions rank among company's best in all three areas

### EXTRACURRICULAR

Member, Builders Association of Greater Indianapolis and Ohio Homebuilders Association

### OFF THE CLOCK

Hobbies include golf, exercise, reading, and trying new wines (he has a knack for finding great varieties under \$15)  
Getaway spot: Napa Valley  
Fave food: anything Italian  
On the nightstand: "Winning" and "The Leader Who Had No Title"

### SECRET LIFE

Uncle started Motown Records with Berry Gordy  
\* WAS UNDER THE AGE OF 40 AT TIME OF APPLICATION



## Nick Thompson, 32

**VP, OPERATIONS, THOMPSON HOME INC., OWENSBORO, KY.**

### EDUCATION

BS, Economics, University of Kentucky

### PROFESSIONAL CREDENTIALS

Certified Graduate Builder, Certified Energy Star Builder

### ACCOMPLISHMENTS

Under his leadership, firm's customer satisfaction ratings improved dramatically; willingness-to-refer rate increased from 86

percent to 97 percent and referral sales increased to nearly 60 percent  
Implemented company's first Energy Star-certified home  
Increased firm's average margin by almost 7 percent while decreasing variances to an average of 2 percent  
Worked for two large national builders (Beazer Homes as construction manager and Centex as project manager) before joining his father's company

### EXTRACURRICULAR

Board member, VP, Home Builders Association of Owensboro  
Chair, 2011 Parade of Homes, Home Builders Association of Owensboro

### OFF THE CLOCK

Hobbies include traveling, reading, snow skiing, and cheering on his Kentucky Wildcats  
Fave food: barbeque from his hometown

# WHAT

# 10,000



Contrary to popular belief, consumers are in the market for their next home. But what they desire in a new home is much more than the lowest price and a great location.

By Mollie Carmichael, principal, John Burns Real Estate Consulting

Owning real estate today offers its challenges, whether you are a home builder, developer, consumer, investor, or even the bank. Are we at the bottom yet? One thing is for sure — we have entered new waters and there is no looking back. Understanding market dynamics, the competitive environment, and what consumers want for both their community and their home is a must for survival today.

John Burns Real Estate Consulting recently partnered with 30 home builders across the country on a consumer survey on the new-home market, entitled “What Do You Call Home?” Nearly 10,000 people completed the survey,

which was designed to help understand consumer sentiment today and what will motivate consumers’ purchase behavior in the future.

The survey results were impressive. Responses came from the majority of new-home locations across the country, and the sample was well diversified among life stages, age groups, incomes, and price ranges. It’s important to note that the survey audience was experienced: The majority of consumers who completed the survey were either visitors shopping for a new home or those who had recently purchased a new home.

Clearly, these consumers want to be heard when it comes to their next home purchase — why else would nearly 10,000 of them spend 20 to 30 minutes

taking this 54-question survey? And, more than just being heard, they want a say in these issues. The survey results further validate that consumers continue to be emotionally invested in future homeownership and the choices associated with buying a new home.

The survey results were broken down in three ways: nationally, by region, and by local market. While many of the results vary by region and market, there were some overarching themes that can help builders plan for the future:

**1. Consumers understand that it’s a good time to buy a home.** Eighty-eight percent of respondents believe today is a good time to buy a home. The results for this question do not vary considerably by consumer group or region. From Generation Y to the Silent



# CONSUMERS SAY ABOUT HOMEOWNERSHIP

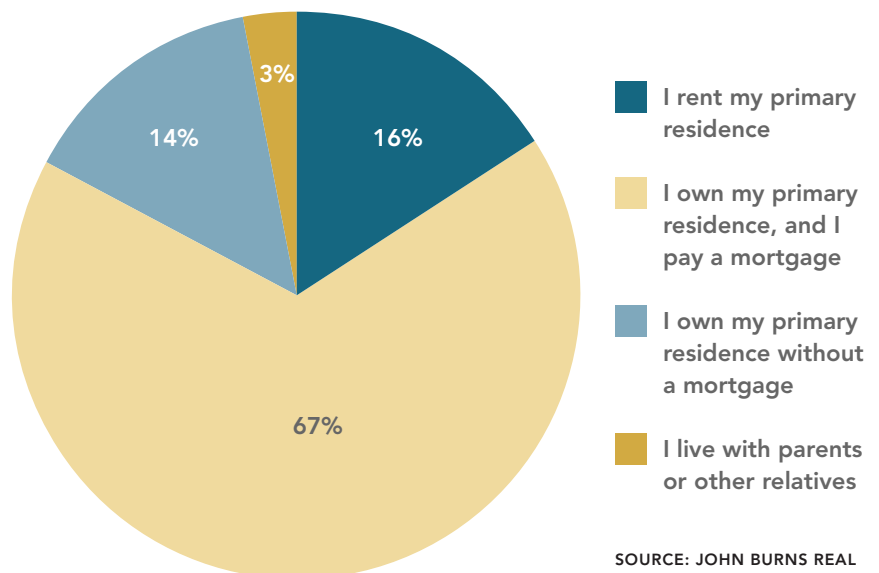


Generation and from the Northeast to the Southwest, the great majority of consumers were in agreement.

**2. Generation X and the Baby Boomers are the largest buyer segments and are actively shopping today.** The sample response is a solid indicator of who is shopping for a home, given the size of the survey response. The survey showed that more than 80 percent of respondents sourced by new-home builders across the nation were either Generation X or Baby Boomers, while only 8 percent of respondents represented in the survey were Generation Y.

**3. Generation Y is coming down the pike.** Have Millennials rejected homeownership in light of what they have witnessed in the current real estate cycle? Are they all living with their

## Do you own or rent your current home?



Boomer parents? Are they choosing to rent forever? The answer is no. The majority of Generation Y is not old enough to buy a home, if you consider that age 25 begins the phase of life when young adults have settled into careers, making homeownership more attainable.

Today, Generation Y represents more than 30 percent of the total population. However, only one-third are 25 or older, representing just 10 percent of the overall adult population. The remaining two-thirds of the Generation Y population is between the ages of 12 and 24. As a result, Millennials are less prevalent in the buying population today, but their numbers will be substantial in the coming years.

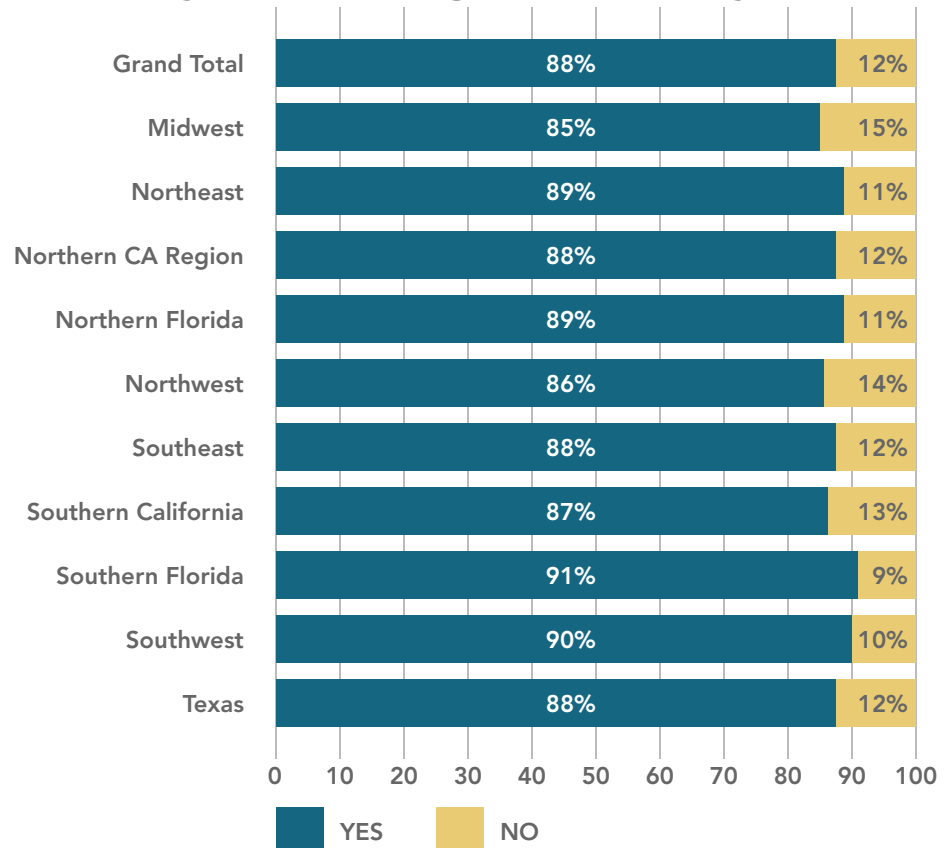
Generation Y represents 8 percent of the total survey response, which ties closely to their share of the adult population. Only 11 percent of the survey response for Generation Y are living with mom and dad, and only 30 percent are renting. This response does vary somewhat by region and MSA.

In summary, Generation Y will continue to grow over the next decade, but they are currently the minority of the buying population. In the meantime, focus on Generation X and Boomers, as they represent more than 80 percent of your interested buyers.

**4. Homeownership and the desire for ownership remain high among home shoppers.** There was no evidence in the survey sample of a significant shift toward renting and away from homeownership. In fact, the results showed strong ownership across all generations, age groups, and income ranges. As expected, the highest percentage of renters was among the youngest profiles, while ownership increased with age (and probably accumulated wealth).

Nationally, only 16 percent of respondents rent their primary residence today. A higher percentage of renters were found in the more expensive markets

## Do you think it's a good time to buy a home?



SOURCE: JOHN BURNS REAL ESTATE CONSULTING

like Southern California, which showed a 22 percent rental rate — the highest among the regions.

Americans still want to own their homes. Among the important reasons to buy, 83 percent call homeownership a personal value. There is little distinction among the generation groups on this point.

**5. Consumers say they will move today for the right opportunity, but why aren't they buying?** The survey asked consumers how satisfied they were with their current homes and whether they would be willing to move. Only 29 percent of respondents were so happy with their current home that they had no desire to move. Another 1 percent said that, while they were not

completely satisfied with their current home, they had no desire to move, preferring to renovate their home instead. The most interesting response was that the remaining 70 percent said they would move today for the right opportunity. That's a big number. Given this information, the big question is: What will it take to get home shoppers off the fence and buying in the near future?

The survey asked consumers to rank the most important factors of their next home-buying decision. There were three rivals that consistently surfaced to the top of rankings — no matter the life stage or geographic region. Price and location are the obvious first two rivals, as consumers continue to emphasize the importance of "location,



location, location.” In today’s economy, it seems much more like “price, price, price.” Surprisingly, the third rival was “home design.” It was not “size,” “out-door yard space,” “master plan,” or one of the many other choices that were presented in the survey.

While these three together seem to be logical top choices, consider what has been happening in the market: Builders have been forced to address the first two priorities that consumers want today — affordable pricing and desirable locations. Monthly payments are more affordable than they have been in more than 20 years. Price has been driven down dramatically across the nation, and affordability levels are at their all-time best. In addition, consumers know that today is a good time to buy a home, as pointed out earlier. As for location, the survey showed that more than 80 percent of respondents said they could find new homes in the locations they wanted to live in.

The missing piece of the puzzle is the third rival: design. Can consumers find better design today in locations they want and at the price they can afford? This is the most significant opportunity missing in the market today. As the market forced prices down, many builders shifted their strategies — primarily focusing on price — by either stripping out many of the design elements and innovations found in new housing or reducing the size of their homes.

This is not true for all builders, of course. There are new strategies entering the market focused on smart technologies and green-sensitive designs geared to compete with the resale market, where these features are expensive to add.

While price is one strategy builders can take, design is a strong alternative that does not always need to cost more to produce. The key is spending the time up front and understanding what consumers are looking for.

The big conclusion of the study is that design matters more today than it ever has — no matter the geography or consumer group.

Consider another industry that could benefit from these findings. The auto industry has suffered dramatically over the last several years amid challenging market conditions. Moreover, the U.S. auto manufacturers fell behind in design. What are the solutions? They have two choices to consider: They can strip all of the extra features out of their cars and chase price down to the bottom, or they can re-innovate their designs and give consumers a reason to purchase despite a down economy. Only one of the two choices will give the company a fighting chance. The other will end with disappointing financial results over the long term and destroy their brand over the same period.

The best companies that are thriving today — despite turbulent market conditions — have mastered the best form and function with an attainable consumer price. Many of these great companies do not represent the lowest price in their class. Apple is a model example of mastering this strategy. The company has flourished in a down economy, not by offering cheaper products, but by offering design and innovation that cannot be found elsewhere.

The same solutions apply for the housing industry. Give consumers a compelling reason to buy that is design-driven and builds your brand and profitability at the same time. Do not hold onto yesterday’s design favorites. Do not stop innovating new-home solutions. Good design does not have to cost more. Focus on providing the best form, function, and price. Offer design that consumers cannot find elsewhere.

Home design consistently ranked among consumers’ top priorities for their next home purchase. The design that wins is the one that reflects their personal style; this is more important

to them than the lowest possible price. In fact, only 17 percent of the survey respondents ranked “price” as their top priority. What they are willing to pay more for are the features that they select themselves. Furthermore, 89 percent of respondents told us that the ability to customize the home they live in is an important reason to own a home. Consumers will resist a “one-size-fits-all” approach and reward those builders that recognize that, even above a financial investment, a home is a personal and emotional investment.

The survey does not suggest that design is the only answer. However, it does suggest that there is a better way than simply price. Long gone are the days of, “If you build it, they will come.” Consumers are far more discretionary today and are more hesitant to buy without the emotional power of the design they want or the personalization they’re looking for in their next home. Builders must take time to understand what consumers want as part of their planning efforts in order to truly understand the consumer’s mindset and what will motivate them to buy. The survey results underscore that understanding and delivering the right design is as important as establishing the right price in the market. In order to be successful, you cannot afford to miss this important step.

For more details on the survey results, email Mollie Carmichael at [mcarmichael@realestateconsulting.com](mailto:mcarmichael@realestateconsulting.com). **PB**

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# ELEMENTS OF THE TOTAL COST MODEL

By Scott Sedam, Contributing Editor

Last month, I made what some would consider a radical statement: “The only thing that purchasing on low bid price alone guarantees is that you will never operate by lowest total cost.” I told the story of Ryan, a purchasing director from a national firm who had to not only give up his ideals, but also set aside his knowledge of the facts of purchasing in order to keep his job. He forged ahead with the low-bid-only corporate directive, allowing the company’s senior management to continue deceiving themselves, which, in the process, cost millions. (*Professional Builder*, May 2011, page 46.)

There is nothing radical whatsoever about the above statement. We are continually confronted by examples of myopic, low-bid tactics (they do not warrant the label “strategies”) that result in greater total cost. The impact is occasionally dramatic and obvious, but more often subtle and may not reveal itself without some passage of time. You see it in everyday life. Years ago, I was struck that I could not find a single pothole or section of bad pavement anywhere during a week driving around Switzerland, a climate every bit as harsh as my home state of Michigan. Swiss topography is even worse, making road-building a terrific challenge. I was sufficiently intrigued and researched the phenomenon when I came home. I learned that there is little difference between U.S. and Swiss paving materials, but there is a huge difference in the engineering and preparation of the sub-base, where the Swiss spend twice as much time and money as we typically do. More than anything else, it is the quality of the sub-base, especially moisture-control, which determines how long the pavement lasts. Don’t U.S. road engineers understand this? Of course they do, but they are handcuffed by local, state, and federal agencies bound by low-bid mentality. The net result is higher total cost due to premature failure leading to continual repair and rebuilding.

Home building examples are legion. One national builder wrote a low-bid contract with a major supplier to direct-ship plumbing fixtures to job sites. The national purchasing staff got a big bonus that year based, in large part, on the money saved through this deal — on paper. Of course, the field was left to cope with persistent delivery problems, theft of material, wasted trips by plumbers, VPOs for emergency orders, and compounding schedule delays. Many of their best plumbers left when purchasing’s edict to keep labor rates the same — even after giving up their fixture margin — eroded their profits. The inexperienced replacements, desperately trying to “buy the business,” further compromised the builder’s schedule. On top of that, salespeople were unhappy with the fixture selection. All of this blew up

when an internal audit identified the high cost for renting storage trailers parked out behind the field construction offices to inventory plumbing fixtures. The only way the field could manage the UPS deliveries of fixtures was to hold them at the site and have the plumbers pick up what was needed for each job. UPS, tired of wandering job sites in search of nonexistent street names and missing lot numbers, was only too happy to oblige. Bottom line? This low-bid deal increased costs significantly in the field, a net-loss for the company. By the time management figured this out, the bonus money was long since spent.

There are innumerable examples:

- A national drywall deal neglected to include stocking of the board in the houses. That had to be purchased independently. The outcome was damage and delays that exceeded the savings on the material.
- A regional insulation contract came with the lowest price, but material shortages forced local superintendents to rent trucks and drive long distances to Lowe’s or Home Depot in other cities just to get the material needed to stay on schedule. A net loss.
- A cabinet company won the bid with a local builder to do their own installation. Within a month, it was clear that the new “captive” crews could not maintain the schedule the way the trim carpenters had. Yet another net loss.

Despite such losses, it’s not unusual for arrangements like this to continue for years because the builder either does not know how to measure total cost or their employees who do are afraid to bring it up, and for good reason. Those who created these agreements are typically displeased when the folly of them comes to light.

I also stated in part 1 of this article series that if you know how to measure total cost, there is no such thing as a “commodity buy.” Whether purchasing plywood, shower bases, trim carpentry, or cleaning services, “all else being equal” does not exist in the real world. There are always differentiating factors, and to pretend they don’t exist is delusional, financially irresponsible, and just plain lazy.

Each home builder must develop its own total-cost model for both purchasing and operations because it saves money. What should be in your model? Here are 10 elements to get you started. Whether you employ all of them, half of them, or make up your own set is up to you, but simply using no other criteria beyond initial price is an unaffordable proposition.

**1 BID PRICE.** Putting bid price first is not just homage to tradition. On a practical basis, bid price serves as the anchor



Home builders that adopt the total cost model to purchasing and operations are guaranteed to save in the long run. Here's a roadmap for getting started.

against which the value of all other elements is added or subtracted. But here's the big problem that builders rarely confront. Bid prices between multiple suppliers or trades are virtually never apples to apples — unless you expand the criteria. We hear it from suppliers and trades all the time — they are never sure what each home builder values, and what they do not. Hence, they are guessing. Guessing is not a reliable route to lowest total cost. So start with bid price, but remember, it is only the start.

**2 CAPABILITY AND CAPACITY.** It is difficult to find a builder of any size that has not been burned by giving too much work to a supplier or trade — even an otherwise good one — and discovering too late they cannot handle it. In the same vein, we've all seen cases where a supplier or trade touted a new capability, such as a drywall firm adding painting to their repertoire, then finding out that they simply didn't have the new skill-set. Showing loyalty by giving more business to a preferred vendor is a good practice, provided they have both capacity and capability. Adding work adds complexity to a business, and complexity tends to grow exponentially. You have to know the capacity and capability of each supplier and trade, otherwise you are rolling the dice with your own business, along with theirs.

**3 SCHEDULE AND DELIVERY.** In my recent article on 25 essential scheduling practices ("The Gospel of Schedule," *Professional Builder*, March 2011, page 34), I stated, "The best builders are the best schedulers." It is also true that the best schedulers are the best builders. A tight schedule is the single greatest thing a builder can do to bring order and predictability to a naturally chaotic business. Thus, it goes without saying that having trades that stay on schedule is critical. "Synergistic" is a desperately overused word, but the mutual cooperation required among builders, suppliers, and trades to keep a schedule on track cannot be underestimated. Even the best vendors cannot compensate for a lack of scheduling prowess by the builder. Similarly, no amount of hands-on management or outright cajoling can make up for suppliers or trades that cannot deliver both product and labor on time and complete jobs on schedule. The discipline of schedule drives excellence in virtually every other part of the business. Presuming you want to build a great product at a considerable profit, there is nothing more important.

**4 SAFETY.** If you don't know the state worker's compensation modification factor for every trade working on your projects, you are costing yourself money and putting your company at risk. You will find with better than 90 percent correlation that your safest trades are your best trades. They hire better people.

They train them. They keep them around longer. They provide good supervision. Is it any coincidence that those who care about safety also care about quality, delivery, schedule, and warranty?

You'll have to ask your trades for this information because the state will not give it to you directly. It may scare them at first, and it is up to you to convince them that you are trying to help them become better, not find an excuse to fire them. If you have a trade with a factor over 1.0, your job is to work with them to help them get better. Having said that, if the initial bid price of two trades is very close, but one has a 0.8 mod factor (meaning he is paying 80 percent of premium) and the other has a 1.2, (paying 20 percent over), pick the trade with the lower mod factor every time. Be careful though — use a three-year rolling average, as anyone can have bad luck — or good — in a single-year period.

**5 COMMUNICATION.** Whether you use the latest Web portal, a fax machine, or smoke signals, how well do your suppliers and trades communicate with both the office and the field? Presuming you are holding up your end of the deal, suppliers and trades who engage in frequent and timely two-way communication can help you avoid a ton of mistakes, rework, extra purchase orders, wasted materials, and warranty cost. So solicit input from field management, warranty service, purchasing, estimating, and accounting, then develop some measurements and track them.

**6 PARTICIPATION IN PRODUCT DEVELOPMENT.** If you fail to involve your key suppliers and trades upstream in product and plan development, as well as ongoing continuous improvement, you are missing some of the greatest cost savings available anywhere. Some suppliers and trades are far more adept at this

## 10 KEY ELEMENTS OF THE TOTAL COST MODEL

1. BID PRICE
2. CAPABILITY AND CAPACITY
3. SCHEDULE AND DELIVERY
4. SAFETY
5. COMMUNICATION
6. PARTICIPATION IN PRODUCT DEVELOPMENT
7. PROCESS INTEGRATION
8. QUALITY
9. PRE-CLOSE REWORK
10. POST-CLOSE WARRANTY

than others, and this has to be a differentiating factor in your purchasing decisions. I have been amazed by the variation in performance by like suppliers and trades in our 70 Lean implementations during the past five years, and I've watched builders shift business from one to another as a result. Last month, I wrote about two lumberyard managers — one who saw the big picture and helped the builder eliminate unnecessary material to get more total business, even though it cost him in gross dollars initially, and another who was stymied by his fear. The former is getting all the business now, while the latter wonders what happened. In the past year, I have seen the same scenario played out between rival flooring companies, electricians, framers, and a host of others. The consequences for both the builder and the supplier/trade are profound.

**7 PROCESS INTEGRATION.** Over the years, I have helped several builders identify all the processes used to run the business, whether or not they had names, as a precursor to a continual-improvement campaign. The number is always surprising and typically exceeds 150 identifiable processes. Whether it is your PO or invoicing process, scheduling system, scopes of work, quality checklists, warranty report form, or a myriad of others, how well a supplier or trade integrates with your systems can be an important factor in managing cost and is frequently a source of hidden cost. First, are they willing? Now, are they capable? If you don't know or aren't factoring this in, you are missing a subtle but substantial consideration.

**8 QUALITY.** If you are keeping score at home, I relocated “quality” from last month's preliminary list to go with elements No. 9 and No. 10 here, because they are so closely related. Quality seems obvious, but it is a rare builder who factors it in beyond some global, fuzzy notion of how good a supplier or trade is. When judging quality of work, we tend to either informally judge some “degree of goodness,” which is often hard to put your finger on, or we measure “things gone wrong” through checklists. There is a certain, “I know it when I see it” element, but quantitative measurements are required if you want to help suppliers and trades improve. Output from checklists, job ready, job complete, homeowner walks, and factors No. 9 and No. 10 below are all fair game. Develop a quality measurement system from the best data you have available, begin tracking by supplier and trade, and stick with it.

**9 PRE-CLOSE REWORK.** Almost no one measures this, and it is an expensive oversight. Most of this cost is never billed, and although that might feel good in the short term, it covers up what is going on out there. The advent of J.D. Power customer satisfaction scores during better times produced two changes in home building. First, knowing they were being measured and compared, builders became more sensitive to customer needs and gave up a lot of the “finish it after they move in” mentality. Second, to get the homes completed to a higher standard, many builders added one or more weeks to the schedule to allow for repairs and rework prior to closing. Sure, it's better to catch

the problems pre-close rather than wait until after closing, but it is a very expensive approach. The genuine, low-cost answer is to build it right the first time. You cannot do this by memo, and it takes time to make the transition. It requires knowledge of how, where, and why the pre-close rework occurs, and it is by no means an easy element to track or measure. But you have figure it out because the old adage still applies, “What gets measured gets managed.”

**10 POST-CLOSE WARRANTY.** I have never found a builder who has used each of the elements above, but tracking warranty incidence and cost in detail and using that information in purchasing decisions is imperative. It is fairly common to see measurements of incidence — “things gone wrong” — such as nail pops, bowed studs, bad carpet seams, wavy siding, scaling of concrete, etc. That must be tracked by trade, and even better, by crew leader. It is every bit as important, though, to measure dollar value. Trade A with only half the number of quality problems but three times the average dollar value as Trade B impacts both your bottom line and customer perception far more. One water leak in the second floor master bath, for example, counts for more than 100 paint touch-ups. So track both, for each supplier and trade, and use the data in your supplier-trade selections and ongoing management.

Many builders report that they use considerations beyond initial bid price in the selection of suppliers and trades, but it often sounds anecdotal. If I challenged you to produce evidence, whether in the form of a printout, marked-up whiteboard, or scribbling on the back of a packing slip, could you? These criteria cannot be “notional” — things you “kinda sorta do.” They have to be systemized and regular, and there has to be a paper trail. It sounds like a lot of work, but once set up it is not a burden. This information allows you to pick great suppliers and trades with confidence and keep them great over time, enabling you to reduce your number of labor and material sources in the not-too-long run. The time saved here more than makes up for the time spent on your expanded total cost selection criteria. This expanded view is one more critical element in the implementation of Lean process and completely destroys the notion that housing components can be purchased intelligently and economically on a pure commodity basis. You have only two choices: choose your suppliers and trades by total cost or stick with the low-bid tactic and leave considerable profit behind. It's up to you. **PB**

*Editor's note: Part one and part two of this editorial series are available as an expanded white paper. For an electronic copy, email [scott@truen.com](mailto:scott@truen.com) and indicate “commodity white paper” in the subject line.*

*Scott Sedam, a former home-building executive, well-known writer, and frequent speaker, is president and founder of TrueNorth Development. He and his seven TrueNorth colleagues focus on the adoption of Lean operating principles into the home-building industry, serving more than 200 builder and supplier clients in the U.S., Canada, and Australia. Sedam welcomes your feedback at [scott@truen.com](mailto:scott@truen.com).*



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# how to sell to the generations

Understanding generational influences could be the difference between closing the sale and having potential buyers walk away.

By Pat Curry, Contributing Editor

a 40-year-old couple picks out a home site and a floor plan. They're pre-qualified for a loan. As the sales agent explains the option-selection process, the husband has a question. He doesn't understand why he can't break option packages and pick items individually, or why the color choices are all various shades of brown.

"That's our policy," the sales agent says with a smile and a shrug. "It's just the way we do things."

The next thing the agent knows, the couple is saying they need to think it over. Follow-up phone calls, e-mails, and letters are unreturned. The agent doesn't know what went wrong.

What went wrong was that the agent tried to act corporate with a Gen X'er. These were the latchkey kids who raised themselves. They have no patience with what to them appear to be nonsensical policies. Telling them, "That's just the way we do things" is like saying to a cop, "What's the big deal?" It's not going to get a sales agent anywhere.

Or try out this scenario: First-time buyers in their late 20s come into the sales office. They've done their homework online and they know they want this community. The sales agent encourages them to sign a contract that day to hold their home site. They say they need to talk to their parents first.

"I know it's a big step, but you're the home buyer," the sales agent says. "This is your decision and no one else's."

Big mistake. Tampa, Fla.-based new-home sales trainer Kimberly Mackey always tells sales agents that when they're

dealing with Gen Y buyers, ask them this question: Who else is involved in the purchasing decision?

"Usually, it's one parent, and sometimes both sets of parents," Mackey says. "Gen Y has a very different relationship with their parents than Gen X."

Most sales agents have gotten at least some training on negotiating with different personality types, and it's certainly important to understand those. But beyond recognizing personality types and ethnic sensibilities, sales agents would do well to take into account a buyer's generation when choosing a closing strategy.

Neil Howe, a generational researcher who helped coin the term "Millennials," notes that each generation has its own place in history and a certain collective self-identity.

"Each of these generations has some kind of life agenda shaped by their childhood and coming of age," says Howe. "It influences everything in their lives."

That includes the way they perceive negotiation and conflict, says Meagan Johnson, who with her father, Larry, wrote "Generations Inc.: From Boomers to Linksters — Managing the Friction Between Generations at Work."

"Each generation has points of no turning back, points where the way the previous generation did things doesn't make sense," Meagan Johnson says. "For Gen Y, it's the rapid deployment of digital information."

Here are some things you should know about how various generations make purchasing decisions, and negotiating strategies that could backfire on you.



## 5 generations of buyers

In their efforts to help businesses integrate workers of various ages, father-daughter researchers Larry and Meagan Johnson have compiled this set of generational traits. (This overview includes additional insights from generational researcher Neil Howe and a few of our own observations.)

### traditionals born: before 1945

#### Nicknames:

Depression Babies,  
Silent Generation

#### Generational influences:

The Great Depression,  
World War II, Korean War,  
and the Cold War

#### Key traits:

Loyal; respectful of  
authority; masterful;  
experienced; high  
commitment to  
quality; and stubbornly  
independent

### baby boomers born: 1946-1964

#### Nickname:

Woodstock Generation

#### Generational influences:

The Vietnam War, the Sixties, the civil rights  
movement, post-war social change, feminism,  
Roe v. Wade, and Watergate

#### Key traits:

Interested in spirituality and making a  
difference; pioneers of anti-discrimination  
policies; well educated and culturally literate;  
questioners of authority; seekers of financial  
prosperity; and not in a rush to retire early

## traditionals

Traditionals were born before 1945. The category sales associates are most likely to see are from the Silent Generation, people born between 1925 and 1945.

Jane Marie O'Connor, lead author of "Selling to the Active Adult," notes that the qualities this generation is known for are commitment, conformity, and responsibility. The first generation to be born largely in hospitals, they are the younger siblings and the children of the GIs who fought in WWII. "They were not expected to do anything better than the GIs," says O'Connor. "They were expected to adapt to what the GIs did."

This generation is generally conservative and private about what they have. They've learned to save for a rainy day. "How that translates into sales is that you can't sell them something they don't want," O'Connor says. "They're looking at properties 10 to 12 times. There's no sense of urgency."

O'Connor's recommendation for negotiating with them is to go back to the old process of making a chart of the pros and cons of the community and the house they've selected.

## baby boomers

The generation born between 1946 and 1964, Baby Boomers basically rejected everything about their parents' love of conformity. This was the generation that went through the civil rights movement, the Vietnam War, the hippie movement of the 1960s, and Watergate.

What boomers want in a house is individuality, O'Connor says. "They don't want to drive down the street and say, 'Mine is the third green house on the left,'" she says. "Leading-edge builders are starting to get it. They're going back to traditional neighborhoods where there are differences between the houses."

What they want from the buying experience is a sense of connection.

"Baby Boomers want to feel right about the whole thing," says generational researcher Neil Howe. "It has to be a meaningful decision. They need an emotional bonding."

Instead of taking the rational approach of crunching numbers and making a chart, help boomers see themselves enjoying life with their children and grandchildren, and improving themselves.

"You can sell boomers just about anything they think will enhance their lives," O'Connor says.

## generation x born: 1965-1980

### Nickname:

Latchkey Generation

### Generational influences:

Divorce, pop culture, MTV, fall of the Berlin Wall, dot-com era, end of the Soviet Union, and the Cold War

### Key traits:

Highly independent; entrepreneurial; survivalists; tenacious; resilient; responsible; family-focused; comfortable with unstructured, outside-the-box choices; always want options and choices; little respect for title, rank, or position; little patience for nonsensical policies

## generation x

Born between 1965 and 1980, Generation X was the first generation to grow up with predominantly working mothers. They came from school to empty houses and fended for themselves. They have a sense of survivalism, tenacity, and resiliency that has been widely noted.

They're very comfortable with risk, they think outside the box, and they're savvy negotiators who are prepared to walk away from deals, Howe says.

They're conscious about value and price, and they like the idea of getting rid of the middleman to cut costs.

"This is the generation that wiped out the travel agent," Howe notes.

They're suspicious of statistics and will question them, so don't throw out numbers you can't back up. Even better, be pre-emptive and tell them where your numbers come from before they ask.

The easiest way to blow a sale with a Gen X'er, generational researcher Larry Johnson says, is to push him hard to make a decision right now. "As independent buyers, they're probably going to resent and resist direct pressure," he says. "Lay the information out there and let them make their decision. Gen X'ers will make decisions quickly because growing up, they had to."

### Nickname:

Millennials, Entitled Generation

### Generational influences:

Technology, doting parents, globalism, terrorism, economic boom and bust

### Key traits:

Into friends and socializing; racially color-blind; at ease with technology and multi-tasking; want work-life balance; accustomed to hovering, involved authorities; value social responsibility; expect praise and notice

## generation y born: 1981-1995

### Nickname:

Facebook Crowd

### Generational influences:

A chaotic, media-saturated world

### Key traits:

Best friends with their parents; live and breathe technology; tolerant of alternative lifestyles; involved in green causes and social activism; tuned in to pop music and TV culture

## linksters

(your next generation of customers)

## born: after 1995

## generation y

Born between 1981 and 1995, Gen Y'ers were raised by Baby Boomers and they're exceptionally close to their parents. In school, they were taught to work in groups and their after-school lives were highly scheduled, often with team activities. The worst thing you can do is push them to make a decision without input from their parents and peers. This will be a group activity.

What they want from you is authenticity and transparency. They want to be able to trust you to be honest with them and guide them through the process.

"They've grown up at a time when our trust in institutions, government, the church, school, everything, is much lower," says Kit Yarrow, chair of the Department of Psychology at Golden Gate University in San Francisco and author of the book "Gen Buy." "I've seen them pay more for a product — Zappos is a great example — because Zappos is personified as a trustworthy friend," says Yarrow.

As a home builder, you actually have an advantage with Generation Y, Yarrow says.

"This generation grew up understanding that new is better in a way that other generations haven't," she says. "The older generations put a lot of value in tried and true. This generation thinks tried is tired."

As long as you objectively demonstrate why you meet their needs (third-party certifications carry a lot of weight), they aren't inclined to haggle about the price.

"Gen Y thinks if someone has a great product at a great price, then why do we have to do this dance?," Yarrow says. "Authenticity has a way of proving that you have something great at a good price." **PB**





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# Reexamining the Role

**P**rocuring cause — for generations it has been the mantra used for articulating the role of co-op Realtors in new-home sales. Builders have historically viewed the primary role of a co-op Realtor as locating the builder's home for their client and then introducing them to the community. Procuring cause was viewed as both the primary service of a co-op Realtor and the basis on which they should be paid.

But as any top-performing Realtor today will tell you, the Internet has profoundly altered their role with their clients. While Realtors used to “locate” homes for their clients, today their primary role is to “validate” the home selected by the customer and “negotiate” on their behalf. Research shows that in 72 percent of new-home closings in which a co-op Realtor was paid, the customer (not the Realtor) initially found the home, typically via the Internet, and then engaged their Realtor as an expert third party to validate the price, location, builder, quality, etc.

“Realtors are very important to us today. But it's a very different role from 10 years ago,” says Brenda Kunkel, president of New Home Builder Services, a Florida-based consulting

firm. “When Realtors were the ones who matched homes with clients, they would walk in as our biggest fans. We had their endorsement by virtue of having them bring their customer to our community. That's not necessarily the case today. With customers finding their home via the Internet and then engaging the Realtor, the Realtor often sees their role as a third-party expert who should raise issues such as short sales and REO properties that can get in the way of a sale that would have otherwise occurred if not for their opinion and advice.”

## The new reality for Realtors

So if today's Realtor is typically tasked to validate and negotiate rather than locate, does it make sense to pay them their full commission for simply walking into your sales office with a customer who becomes a homeowner? I think the answer is no. But before you cancel your current Realtor commission policy, you want to walk gingerly into this brave new world.

First, remember that while nearly three-quarters of customers found the new home on their own, 28 percent of co-op homeowners truly found their home based on the recommendation of the Realtor. The last thing builders want is to discourage Realtors from recommending their community.

Second, even though the Realtor may not have found your home, that doesn't mean they're not involved in getting the deal completed. Talk of a builder not paying a co-op Realtor commission to a Realtor who brings them a buyer would travel faster than an F35 fighter jet on patrol over Afghanistan.

Builders would be better advised to continue to offer the co-op commissions to all Realtors based on a first-visit registration. However, given the new reality of today's Realtor duties, some builders are offering a bonus of 1-2 percent to Realtors who complete a training course on the builder's business, including construction quality, customer satisfaction ratings, warranty coverage, professionalism of the sales team, and fair pricing practices.

These “VIP Realtors” receive a certificate upon the completion of the course work (a one-hour class) and are given a

## 4 Tips for Maximizing Realtor Relationships

- 1 Keep in mind that customers no longer rely on Realtors to find their home** — Most homeowners who used a Realtor reported finding their home on their own.
- 2 Focus on earning their endorsement** — Good quality, great value, and trust are what Realtors look for when recommending builders and communities.
- 3 Educate them on negotiation** — Realtors' role now places more emphasis on negotiation. Use your relationship to set the expectations and minimize unreasonable offers.
- 4 Ditch the spam emails** — Awareness is essential, but too many meaningless e-blasts shows a lack of respect for their time and will delegate you to their junk e-mail basket.



# of Realtors

The Internet has revolutionized the way customers work with Realtors. Yet most builders have yet to alter their Realtor programs.

By John Rymer,  
Contributing Editor



credit card that they can use when they register a prospect, which would automatically entitle them to the added commission. The classes are offered to individual Realtors or (preferably) to entire realty office whose associates can become a preferred office. The math makes sense to the participants: an hour of your time for thousands in added commissions.

To be clear, the goal of this program is not to overpay co-op Realtors, but rather to educate them so they will enthusiastically endorse both the builder and their pricing. "Our emphasis today is to find ways to earn the Realtor's endorsement of our community," says Rick Vale of Daniel Island Development, a master-planned community in Charleston, S.C. "While we used to focus primarily on showing off our home inventory to Realtors, we now turn more attention to making Realtors ambassadors of our community, our quality, and our trust. The customers can find our homes on the Internet. We need the Realtor's stamp of approval to reinforce their client's decision."

## Strategies for reaching Realtors

Communication is the second part of this new Realtor reality. Realtors are inundated with builder promotions, so how do top builders stand apart from the pack?

Melissa Morman, VP of Builder Homesite Inc., Austin, Texas, offers the three most important aspects of a successful e-mail campaign:

- **Begin with an enticing subject line in the e-mail.** "A complimentary dinner for you and your client" or "Free upgrade kitchens with 10 homes in March" or "10 homes paying 100 percent of commission up front" will get opened far more frequently than "News from Trace Terraces Builders."

- **Have a clear call to action above the fold.** The most pertinent information should be shown in the top 25 percent of the e-mail. Remember, an e-mail is not an electronic version of a print advertisement. Users need to see and understand the offer in just a few seconds or they will eliminate you.

- **Have a concise, honest message.** More Realtor e-campaigns fail for trying to say too much rather than too little, says Morman. No need for tricks, just the facts, please. And keep it simple. Too many qualifications on a promotion will put both you and your company in the permanent junk e-mail folder.

It's easy to get carried away with Realtor e-blasts, particularly by well-intended new-home sales professionals who are looking for more traffic or who have a high-pressure boss breathing down their neck. Don't fall victim and become a spam spreader. Utilize the "Goldilocks" approach with your Realtors — not too often, not too seldom, just right. Research shows that you need to communicate with a Realtor once every 16 days or you'll begin to lose awareness. What's less easy to quantify is that the quality of your message is far more important than the frequency of your connection (see sidebar on top e-marketing Realtor turn-offs).

## Top E-marketing Turn-Offs for Realtors

- **Out-of-date prices/spec home listings on your website** — Nothing frustrates a Realtor more than driving to a new-home subdivision with their hot prospect only to discover that the home listed on the Web site that met the price and delivery date of their client is no longer available.
- **Builder ad masquerading as e-mail offer** — Realtors are not interested in seeing pretty pictures of one of your kitchens filled with happy people. In today's competitive environment, just provide the facts, please.
- **E-mail attachments** — Attaching a public relations story or copy of a print ad only wastes the Realtor's time. If you have something truly worth seeing, include it in the main body of the e-mail.
- **E-mail distribution list that is visible to everyone on the list** — Privacy counts. Don't abuse the trust of a Realtor by showing the rest of the world their e-mail address.

## Price negotiations

The final piece of the new Realtor reality is setting appropriate expectations on price negotiations. In a buyer's market, it is certainly true that many customers and their Realtors will play hardball during negotiations to get the best deal possible.

"We understand that everyone is looking for a deal," says Gus Sankers, president of Group IV Properties, Jacksonville, Fla. "What we attempt to do with Realtors is educate them early in the process on where our negotiation boundaries lie. It's a lose-lose scenario when the Realtor gives the buyer an impression that we will discount our homes far more than is possible. Not only do we lose the deal, but it frustrates the buyer and the builder, and the Realtor doesn't earn a commission."

This doesn't mean that the builder can stand on an "it's our price or the highway" strategy, says Sankers, only that Realtor negotiations are based on a fair price. "If a Realtor comes in and shows me a new home down the street that's truly a better value, then, yes, we will look hard at our price," he says. "But just saying that every builder in our market is discounting their prices by a certain percentage, so we should, too, is never going to arrive at a fair price."

Few would disagree with the notion that the role Realtors play in home sales has fundamentally changed during the past decade. The question is which builders are going to adjust their Realtor programs to embrace this new reality and win the battle for meaningful relationships with the Realtor community. **PB**

*John Rymer is president of Rymer Strategies Inc., a Tampa, Fla.-based real estate marketing and sales consulting firm. He can be reached at [john@rymerstrategies.com](mailto:john@rymerstrategies.com).*



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2012 Outlook and Forecast

# Professional Builder



## STAFFING AND ACTIVITY MANAGEMENT FOR OPTIMUM SALES PERFORMANCE

Too often, new-home salespeople focus on low-impact activities such as paperwork, which leads to lost sales. Here are ways to keep your sales team's eye on the prize.

By Bob Schultz, Contributing Editor

**W**ith far fewer potential customers showing up at new-home sales centers today, it's more critical than ever not to miss sales opportunities and have salespeople consistently engaging in high-ROI activities.

New-home sales is a retail business, and as Sam Walton said, "To be successful in retail, you must be open for the convenience of the customer, not the convenience of the company."

Historically, 50 to 60 percent of the people looking at new homes show up on the weekends. Home sales office hours on weekends should match that of automobile dealerships and other retail establishments in your area, with closing hours compatible with daylight hours.

Beyond constantly practicing and developing their communication and sales skills, new-home salespeople should engage in the following activities to maximize the ROI of their time and the builder's investment in marketing expenditures:

**1. Make an interactive presentation to someone who walks through the door of the sales center or contacts you via the Internet, e-mail, or phone.** This is the best use of a salesperson's time and resources. The salesperson must have a proven, repeatable process for each presentation.

**2. Follow through with a person who has visited once to get them back face-to-face.** If a sale is not obtained on the first visit, the probability of generating a sale increases dramatically on the second visit. This activity is accomplished with personal contact via phone or e-mail and can be enhanced with well-thought-through social networking activities.

**3. Obtain referrals from Realtors and buyers.**

**4. Talk with mortgage companies and appraisers, complete paperwork, help customers who have already purchased a new home, etc.** While these are very important activities, they take away from the high-impact potential of the first three activities.

I've asked virtually thousands of new-home salespeople this question: Except for busy weekends or open houses, which of the four activities do you think salespeople spend the most time doing? Without exception, the unanimous answer is activity four.

Unfortunately, rather than focusing on the high-impact activities (No. 1-3), most salespeople stay busy with activity four. And when their sales manager asks how they're doing on their follow-through activities, they'll say they're too busy.

A good sales assistant can be trained to accomplish 90 percent of that busywork — tracking mortgages, filing paperwork, dealing with customers who already bought but have not closed. In fact, a well-trained sales assistant is the best answer to losing fewer sales. One good new-home salesperson teamed with a motivated, well-trained assistant will almost always outsell two salespeople in the same location without an assistant. With the assistant handling the busywork, the salesperson can focus on the key activities that make sales: presentations, follow through, and generating referrals.

Statistically, sales increase in direct proportion to the number of interested people that a salesperson takes to a home site or a completed home. However, most salespeople working alone on a weekend are reluctant to take an interested person to a home site for fear they'll miss the next potential sale. A properly trained sales assistant can either take people to a home site or stay in the office to greet the next customer — either way, the team won't miss a beat.

Sales assistants also permit seven-day model and sales office coverage. They can be in the sales office on days when the salesperson isn't and they can arrive earlier or stay later so the model will be open longer (certain states require someone engaged in these kinds of activities to be licensed). And, as they develop their sales skills, you are building bench strength for your sales operation. **PB**

*Bob Schultz is president and CEO of Bob Schultz & The New Home Sales Specialists, a management consulting and sales company based in Boca Raton, Fla. Schultz is the author of two best-selling books, The Official Handbook for New Home Salespeople and Smart Selling Techniques, and was named a Legend of Residential Marketing by NAHB in Jan. 2010. He can be reached at bob@newhomespecialist.com.*

**Free resources:** For downloadable sales tools and resources on this topic from Bob Schultz, visit <http://nhs.builder1440.com/professional-builder>.



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3. Which of the following best describes your company's primary business? (Check one box only.)

- 10 ☐ Builder, Developer, General Contractor  
20 ☐ Architectural Firm, Engineering Firm,  
Architectural/Engineering Firm, Designer of Homes  
30 ☐ Manufactured or Modular Home Builder  
40 ☐ Remodeler working in building activities  
90 ☐ Other (please specify) \_\_\_\_\_

4. Which category best describes your job title? (Check one box only.)

- 10 ☐ Owner, Partner, Corporate Executive, Director, General Manager  
20 ☐ Architect, Designer, Engineer  
30 ☐ Construction Manager, Superintendent, Purchasing Agent, Buyer  
40 ☐ Other Management personnel  
50 ☐ Sales or Marketing Manager  
90 ☐ Other (specify): \_\_\_\_\_

5. What type of construction is your firm involved in? (Check ALL that apply.)

- A ☐ Single Family – Custom      D ☐ Remodeling  
B ☐ Single Family      E ☐ Light Commercial  
C ☐ Multi-Family      F ☐ Other (specify): \_\_\_\_\_

6. How many homes does your firm build per year? (Check one box only.)

- A ☐ Over 500 units      D ☐ 11 – 25 units  
B ☐ 101 – 500 units      E ☐ 1 – 10 units  
C ☐ 26 – 100 units      F ☐ 0 units ☐

7. What is your firm's annual revenue? (Check one box only.)

- A ☐ More than \$10 million      D ☐ \$1 to \$999,999  
B ☐ \$5 million to \$10 million  
C ☐ \$1 million to \$4,999,999  
E ☐ \$0 ☐

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8. Which of the following building materials, products or equipment do you buy, specify or influence the selection of? (Check ALL that apply.)

- 01 ☐ Appliances  
02 ☐ Cabinets and Countertop Materials  
03 ☐ Caulks and Sealants  
04 ☐ Central Vacuum Systems  
05 ☐ Computer Hardware and Software  
06 ☐ Construction Equipment  
07 ☐ Decking / Fence Materials  
08 ☐ Doors  
09 ☐ Engineered Wood Products  
10 ☐ Fireplaces and Accessories  
11 ☐ Flooring and Floor Coverings  
12 ☐ Garage Doors  
13 ☐ Green Building Products  
14 ☐ Hand and Power Tools  
15 ☐ Home Automation Systems  
16 ☐ HVAC and Environmental Controls  
17 ☐ Insulation and Related Products  
18 ☐ Lighting Fixtures  
19 ☐ Locksets and Hardware  
20 ☐ Paint, Stains and Finishes  
21 ☐ Plumbing Fixtures / Faucets  
22 ☐ Roofing Materials  
23 ☐ Siding  
24 ☐ Sound and Security Systems  
25 ☐ Tile  
26 ☐ Trucks  
27 ☐ Windows  
99 ☐ None of the above ☐

9. Which of the following publications do you receive personally addressed to you? (Check ALL that apply.)

- A ☐ *Builder*  
B ☐ *Custom Home*  
C ☐ Neither of the above

10. Excluding land, please indicate the cost per square foot of the homes your company builds. (Check ALL that apply.)

- A ☐ \$251/sq ft or more  
B ☐ \$201-\$250/sq ft  
C ☐ \$151-\$200/sq ft  
D ☐ \$121-\$150/sq ft  
E ☐ \$101-\$120/sq ft  
F ☐ \$100 sq ft or less

11. Please indicate your primary supplier for each category:

- | Windows                              | Siding                                   | Faucets                                |
|--------------------------------------|--|--|
| 01 <input type="checkbox"/> Andersen | 06 <input type="checkbox"/> CertainTeed  | 11 <input type="checkbox"/> Kohler     |
| 02 <input type="checkbox"/> Pella    | 07 <input type="checkbox"/> James Hardie | 12 <input type="checkbox"/> Moen       |
| 03 <input type="checkbox"/> Marvin   | 08 <input type="checkbox"/> Ply Gem      | 13 <input type="checkbox"/> Delta      |
| 04 <input type="checkbox"/> Jeld-Wen | 09 <input type="checkbox"/> LP           | 14 <input type="checkbox"/> Amer. Std. |
| 05 <input type="checkbox"/> Milgard  | 10 <input type="checkbox"/> TAPCO        | 15 <input type="checkbox"/> Elkay      |

# KBIS RECAP



## Merillat Masterpiece

Merillat has expanded its line of Masterpiece semi-custom cabinetry with new door styles, finishes, and hardware. Among the additions is the Masterpiece Garrison transitional door, which complements a variety of styles, including weekend cottage, coastal, and country décor. The line has a full-overlay design and a five-piece drawer front, and is available in maple and cherry wood species in all finishes and glazes. **For more information, circle no. 823**



## Porcher Marquee Collection

The new Marquee Collection of undercounter lavatories from Porcher is available in three sizes, four shapes, and six surfaces. With 96 choices in all with the various options, there's a model that's perfect for almost any style bathroom. The EverClean permanent glaze, which inhibits the growth of stains, mold, and mildew, is available on all fully glazed models. All the basins in the Marquee Collection are ADA-compliant. **For more information, circle no. 800**



## Kohler Numi

Kohler has introduced the Numi toilet with bidet functionality. The Numi includes several luxury features: an interactive LCD touch-screen interface, built-in personalized bidet functionality and deodorizer, dual-flush technology with 0.6 and 1.28 gallons per flush, intuitive auto-open and -close lid, built-in music system, and heated seat and foot warmer. Its design reflects a furniture aesthetic, creating an original toilet profile. **For more information, circle no. 802**



## LG Hausys Viatera

Viatera by LG Hausys introduces 15 sophisticated colors to its popular collection of quartz surfaces. These color additions expand the company's robust palette and were inspired by emerging fashion and color trends. Viatera combines natural quartz with advanced polymers to create a non-porous countertop material that is stain-resistant and hygienic. The Viatera collection expands from 30 colors to 45, all backed by a 15-year transferable warranty. **For more information, circle no. 801**



## Panasonic WhisperControl Condensation Sensor

The new WhisperControl Condensation Sensor from **Panasonic** is a wall-mounted humidity and temperature sensor designed to anticipate condensation and automatically turn on Panasonic ventilation fans to remove humid air. Panasonic WhisperControl sensors operate by detecting hot air and humidity based on dew point, the temperature at which the water vapor in the air condenses into liquid. By accurately recognizing dew point, the sensor turns on the ventilation fans when necessary, allowing for energy-efficient function in all seasons for all climate zones.

**For more information, circle no. 803**



## Moen Flushmount body sprays

New Flushmount body sprays from **Moen** have an adjustable spray face that allows users to pivot the water up to 20 degrees in any direction. An adjustable mounting bracket helps ensure quick and easy alignment with adjacent body sprays and fits within a standard 2 x 4-foot wall. Flushmount body sprays can also be more easily serviced from in front of the wall. The units are available in either round or square trim shapes. **For more information, circle no. 804**



## QualityCabinets finishes

To meet increased demand for bold, contrasting colors in the kitchen, **QualityCabinets** has introduced two finishes — one light and one dark. Starlight (pictured) provides a fresh, white finish option, while Twilight possesses deep, rich brown hues with black overtones. The company also recently added Cinnamon finish to its line up, which offers a rich, reddish look. **For more information, circle no. 805**



## Delta Trinsic collection

The **Delta** Trinsic collection strikes a balance between form and function, offering sleek styles consistent with popular urban and Euro design trends. The collection includes pull-down faucets with a two-function wand and deck-mount models. Trinsic pull-down kitchen and bar/prep faucets will also be available with optional Touch2O Technology, an intuitive technology that allows the homeowner to start and stop the flow of water with a simple tap anywhere on the faucet spout or handle. **For more information, circle no. 806**

# NEW PRODUCT SPOTLIGHT



## Pro-Tect Decking

The strong, rigid core of Pro-Tect Decking from **Fiberon** is encased on three sides in a patent-pending, non-organic surface material that is extremely resistant to staining, fading, scratches, and mold. Pro-Tect Decking is available in two colors: Harbor Gray (pictured) and Canyon Brown. Pro-Tect deck boards are available as grooved in 0.935-inch x 5.4-inch x 12 feet (as well as 16 and 20 feet), and square edge in 20-foot boards. **For more information, circle no. 807**



## AuraLast Wood Exterior Trim Boards

Made from solid pine, **Jeld-Wen** AuraLast Wood Exterior Trim Boards are the newest addition to Jeld-Wen's family of AuraLast Wood products, which include wood windows, exterior wood doors, patio doors, and door frames. With the ability to resist wood rot, termites, and water saturation, AuraLast boards offer a limited lifetime warranty. Boards are available in three thicknesses and two profile styles, including smooth and rough sawn, for a traditional or more rustic look. **For more information, circle no. 810**



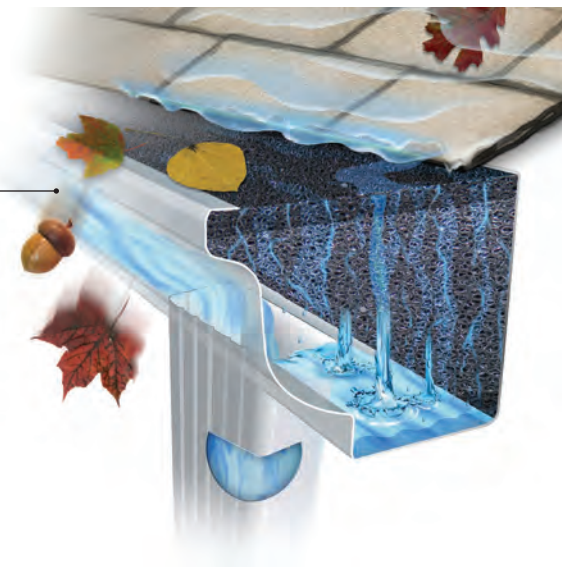
## Architect Series patio doors

New doorframe and panel designs in **Pella's** Architect Series in-swing, out-swing, and commercial-hinged doors enhance the product's overall energy performance and functionality. The Architect Series in-swing hinged door features the company's patent-pending PerformaSeal Design, which combines enhanced air and water performance with a low sill height. The weathertight seal helps block out the damaging effects of harsh weather. **For more information, circle no. 808**

## Leaf Defier

The Leaf Defier family of gutter filtration products from **FXI Building Products Corp.** provides the ability to improve stormwater management, enhance building durability, and help prevent pest infestations by allowing water and fine particulates to flow freely through the gutter system while keeping leaves and other debris out. Designed with high-performance urethane polymers, Leaf Defier is inserted into gutters to ensure leaves, twigs, pine needles, and other possible obstructions are kept from clogging gutters.

**For more information, circle no. 809**







## Nu Travertine

The Nu Travertine Series from **Arizona Tile** is a color body porcelain that is produced to emulate travertine stone. Because this material is a porcelain product, minimal maintenance is required. Nu is available in three sizes and natural hues: Walnut (pictured), Cream, and Silver. **For more information, circle no. 811**

## Versatex Trimboard

**Versatex Trimboard** has expanded its line of Edge and Center Bead Products to include a thicker, 1 x 6-inch profile. The thicker profile is available in standard 18-foot lengths as either an edge-and-center bead or edge-bead-only profile. It is also designed for 16-inch-on-center fastening. To simplify and streamline installation, the board can be reversed to accommodate the requirements of a variety of applications, such as soffits, porch ceilings, inset architectural trim features, and wainscots.

**For more information, circle no. 814**



## Ultrabond ECO 985

Ultrabond ECO 985 is **Mapei's** premium single component, hybrid-polymer-based wood flooring adhesive that is 100 percent solids, isocyanate-free, and easy to clean up. Ultrabond ECO 985 provides a strong bond and excellent sound reduction properties while protecting wood flooring from moisture vapor emissions coming through concrete slabs. **For more information, circle no. 812**

## Cherry Contour Plank

**Centiva** now features Aged Cherry and Atlantic Cherry in the Contour Plank Series. Aged Cherry (shown) features a linear plank design in a cool, gray coloration while Atlantic Cherry has a rich charcoal color. These products are available in a variety of standard sizes and custom sizes up to 7.2 x 48 inches. **For more information, circle no. 813**



# NEW PRODUCT SPOTLIGHT

## CraftMaster Conmore

CMI's new CraftMaster Conmore molded, flat-panel interior door combines classic panel design with a smooth surface. Available in 6-foot, 8-inch and 7-foot passage and bi-fold sizes, Conmore features five horizontal panels and can be specified with either finger joint or MDF stiles and rails. With its solid-core construction, the new flat-panel door provides enhanced dimensional stability, durability, and excellent sound-insulating properties. **For more information, circle no. 815**



## ecoSmart

Great Lakes Window introduces ecoSmart windows and patio doors, a line developed to provide customers with a superior choice that comes standard with advanced insulating technologies. The new vinyl series is the most energy-efficient option that Great Lakes Window offers, with center-of-glass U-factors as low as 0.11 (R 9.1) in all product styles and total unit U-factors as low as 0.14 (R 7.1) in fixed units or 0.16 (R 6.3) in double-hung units. **For more information, circle no. 816**



## Energy Audit IR Thermometer/Scanner

The new Energy Audit IR Thermometer/Scanner with Star Burst Laser Targeting from **General Tools & Instruments** is ideal for conducting energy audits. It can perform a progressive scan over a predetermined area and check for temperature differentials. It has a rugged, ergonomic design, features a large backlit LCD display, and is powered by a single 9-volt battery (included). **For more information, circle no. 818**



## Vroom

Vroom central vacuum accessory from **H-P Products** is the solution for everyday cleanups in high-traffic areas, storing up to 24 feet of hose in a 3-inch space-saving box design. Vroom is the perfect quick-cleaning tool for kitchens, bathrooms, laundry rooms, mudrooms, garages, and other high-traffic areas of the home. Vroom is easily installed in standard cabinets or mounted overhead for garage applications. **For more information, circle no. 817**





## Walk Maker Building Forms

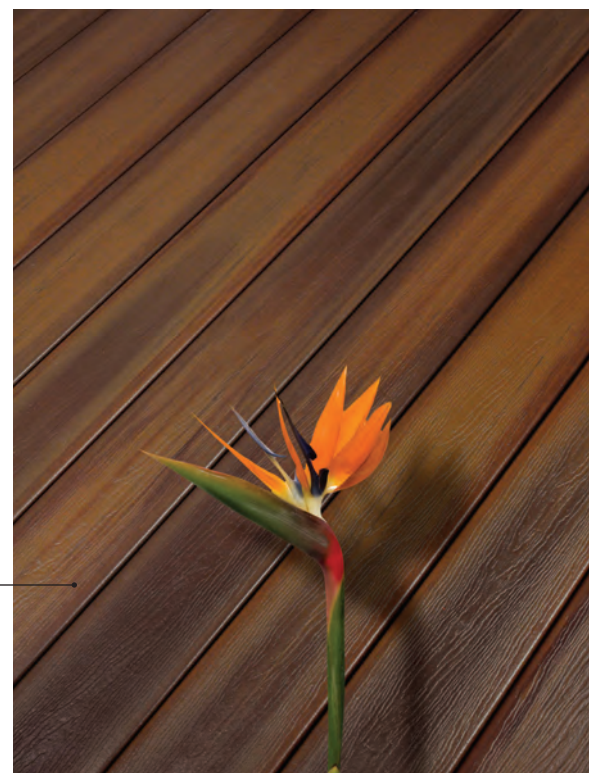
**Quikrete** Walk Maker Building Forms are reusable plastic molds used for forming concrete pathways and patios. Molds are available in Country Stone, Running Bond Brick, European Block, and Basket Weave Brick patterns. One 80-pound bag of concrete will fill one mold. Walks and patios can be customized with Quikrete Liquid Cement Colors. **For more information, circle no. 819**



## Self-adhesive membranes

**MP Global Products** has introduced two high-performing, time- and labor-saving self-adhesive membranes for floor and wall tiling. Made primarily of recycled textile and carpet fibers diverted from landfills, UltraLayer Peel & Stick is a self-adhesive acoustic and protective membrane for use under ceramic tile, porcelain tile, and natural stone. TileQuick is a self-adhesive roll-out backing for wall tile. With adhesive on both sides, it rolls out ready for cutting with a utility knife.

**For more information, circle no. 822**



## Siesta Hardwood Collection

The **GAF DuraLife** Siesta Hardwood Collection offers the beauty of a finished premium hardwood deck in four natural and easy-to-maintain earth tones, including Brazilian Cherry (pictured), Garapa Gray, Tropical Walnut, and Golden Teak. The ColorLock Multi-Layered Finishing System helps resist fading over time. The Siesta collection is also highly resistant to stains, allowing for quick and easy clean up with just soap and water.

**For more information, circle no. 821**



## Elevations steel deck framing

**Trex Elevations** is manufactured of dual-coated, galvanized steel, which offers superior aesthetics, durability, longevity, and stability when compared to traditional wood substructures. In addition, the product will not warp, twist, split or decay, allowing contractors to benefit from reduced callbacks and increased homeowner satisfaction. **For more information, circle no. 820**

5

The expected percent rise in home sales (new and existing) in 2011, according to Freddie Mac's U.S. Economic and Housing Market Outlook for May. The report also predicts that the rate of seriously delinquent mortgages (8.6 percent average) will likely trend lower during 2011.

25,000

The maximum amount (in dollars) that homeowners will be eligible for in loans for making energy-saving improvements to their homes, such as insulation, duct sealing, and replacement doors and windows, as part of the FHA's new PowerSaver program.



2011

The first year since 2006 that **total hires in the construction sector are expected to exceed total separations** (the sum of layoffs, quits, and other departures), according to the Bureau of Labor Statistics' Job Openings and Labor Turnover Survey. Residential construction is still off about 1.4 million jobs since the peak of employment.



219,258

The total **number of foreclosure filings in April, down 9 percent from March 2011 and 34 percent from April 2010**, according to RealtyTrac's latest U.S. Foreclosure Market Report. Foreclosure filings, which include default notices, scheduled auctions, and bank repossessions, were at the lowest level in more than three years.



700

The number of projects across the nation backed by the U.S. Department of Housing and Urban Development that have been idling for years, according to a yearlong investigation by the *Washington Post*. The report alleges that the **federal government's largest housing construction program for the poor has wasted hundreds of millions of dollars** on delayed or discarded projects.

44

NAHB's Housing Market Index for 55+ multi-family rental units in the first quarter of 2011, **up 10 points from a year earlier**. The index for 55+ single-family units and condos, on the other hand, declined 2 and 3 points to 17 and 8, respectively, according to NAHB.

15,200,000

The current **number of multi-family rental units in the U.S.** — well short of the amount needed to meet the growing demand for multi-family housing, especially affordable rental housing, according to a new Fannie Mae report, "Fannie Mae and Workforce Rental Housing." From 1997 to 2007, the number of affordable rental units available to households earning a full-time minimum wage has dropped 15.6 percent.



6,549

The total **number of homes that D.R. Horton closed in Texas in 2010**, according to *Professional Builder's* annual Housing Giants report published last month. The Fort Worth, Texas-based firm topped our list of the largest builders in Texas. PulteGroup (3,556), Lennar (2,739), KB Home (2,351), and Meritage Homes (2,035) round out the top five.






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