

## MONDAY MORNING MEMO

MARCH 14, 2011

### CALENDAR

#### WEEK OF MARCH 14<sup>TH</sup>:

Wed. March 16<sup>th</sup>: Parade of Homes Committee Mtg.  
12:00 p.m. location TBA

#### WEEK OF MARCH 21<sup>ST</sup>:

No meetings scheduled at time of newsletter

### BCASEI NEWS

#### ATTENTION BUILDERS:

#### **\*\*\*\*\*PARADE OF HOMES ENTRY FEE CHANGE\*\*\*\*\***

There have been two changes made to the 2011 Parade of Homes entry fee:

1. The Parade of Homes entry fee is \$2,500. For 2011 ONLY the fee is reduced to \$1950 (a \$550 savings)
2. The entry fee is a one-time fee payable by May 4, 2011 with no performance bond

All other terms of the Parade of Homes contract remain the same

For more information on the 2011 Parade of Homes, please contact our chairman, Al Tetz at 251-0279

#### **CHECK OUT THESE GREAT RESOURCES FOR LOCAL MEETINGS AS WELL AS STATE AND NATIONAL INFORMATION!**

City of Pocatello- [www.pocatello.us](http://www.pocatello.us) City of Chubbuck- [www.ci.chubbuck.id.us](http://www.ci.chubbuck.id.us) Bannock County- [www.co.bannock.id.us](http://www.co.bannock.id.us)

Idaho Building Contractors Association- [www.ibca.org](http://www.ibca.org) National Association of Home Builders- [www.nahb.org](http://www.nahb.org)

#### **Changes coming to BCASEI Office**

We are still in the process of making some significant changes to the office at the BCASEI and ask that you continue to bear with us. The first major change is that I will no longer be the EO of the Association. I have received an offer that I cannot refuse. We are in the process of finding my replacement, which is where your patience will be most appreciated. If you have any questions, please contact the BCASEI Executive Committee members as found in your Membership Directories.

Thank you all for your years of support and membership in the BCASEI. You have certainly made my time as the EO fun, interesting, and unforgettable in the most positive ways.

Sincerely, Randi Thomson

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National Association of Home Builders

### NAHB Chief Economist Testifies on State of the Housing Market

Addressing the state of the nation's housing market in testimony before the Senate Banking Committee this week, **NAHB Chief Economist David Crowe** warned that while an improving job market should help boost home sales and housing production later this year, the ongoing problems that builders are facing in acquiring construction credit threaten to significantly slow the fragile housing recovery. David also told lawmakers that, given housing's ongoing weakness, Congress should proceed cautiously when debating housing finance and budget issues that will impact job creation and future growth. "When you consider the enormity of the total number of jobs attached to housing, a sector that accounts for 15% of our nation's GDP, now is hardly the time to step back from our nation's long-standing commitment to homeownership," he said. In addition to calling for congressional action to help open the flow of credit to home builders, David urged lawmakers to take the following steps to restore the health of the housing industry and to help put Americans back to work:



- 1) Agree to definite solutions regarding the future of government sponsored enterprises (GSEs) Fannie Mae and Freddie Mac that ensure a stable, reliable and affordable supply of credit to home buyers and a liquid secondary mortgage market;
- 2) Preserve the mortgage interest deduction and other housing tax rules, such as the capital gain exclusion, the real estate tax deduction and the Low Income Housing Tax Credit (LIHTC); and
- 3) Call on regulators to enact a broad-based definition of a Qualified Residential Mortgage (QRM) that would be exempt from the risk retention rules under last year's Dodd-Frank financial reform law.

### Housing Market Outlook

David pointed to several indications that conditions in the housing market should show modest improvement in the coming months, including: 1) an improving economy and continued job growth; 2) low mortgage rates that are keeping housing affordable; 3) stabilizing home values and 4) three years of sub-normal household formation rates that have created pent-up demand to help reduce some of the excess housing inventory. NAHB forecasts indicate that new-home sales will rise by a modest 8% to 347,000 units in 2011, followed by a more substantial 49% gain next year to 516,000 units. Single-family housing starts should follow a similar trend, gaining 15% this year and 47% in 2012, which will raise the pace of single-family starts to 900,000 units by the end of next year. While this would amount to a significant boost from today's subdued activity, David noted that it is still 40% below NAHB's estimate of the long-term sustainable trend, based on demographics, replacement needs and second-home demand. Meanwhile, multifamily housing starts, which have experienced great volatility in recent months, are projected to increase 21% in 2011 and 40% in 2012, rising to 210,000 units in the fourth quarter of next year, which is still 38% below NAHB's estimate for long-term sustainable growth. To read our Chief Economist's complete testimony, [click here](#). Contact: [MondayMorningQuestions@nahb.org](mailto:MondayMorningQuestions@nahb.org).

Go to [www.nahb.org/MA](http://www.nahb.org/MA) to learn more about saving money TODAY!



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