



ASHTABULA COUNTY BUILDERS ASSOCIATION

" The Voice of the Industry in Ashtabula County"

**BRING A GUEST
 TO THE
 MARCH MEETING
 ON THE BUILDERS!**

MARK YOUR CALENDAR

February 27th	Reverse Raffle 4-H Building/Jefferson
March 11th	BWC Elks
April 8th	General Meeting Elks
May 13th	General Meeting Elks
June 10th	Steak Fry Elks
July 8th	Golf Outing TBA

PRESIDENT'S COMMENTARY

I would like to thank Mr. Bill Romanko for taking care of the January meeting in my absence. I would also like to thank Mr. Doug Hogan of First Energy for addressing our membership and updating them on the changes in the rates and new developments at First Energy. It appears that the year ahead will be another challenging one. Our government officials are telling us things are getting better but we haven't seen much around here as of yet. In the months ahead we hope to address some different topics to assist you in moving forward this year. Most of you know that we are forgoing our regular meeting this month for our First Annual Reverse Raffle to be held in conjunction with the Community Care Committee on February 27th at the Ashtabula County Fairgrounds 4-H building. This looks to be a fun event to give us all a break during this long winter. I hope to see all of you there!

Thanks,
 Rick Miller

Happy hour is 6:00pm - 7:00pm
 Dinner 7:00pm
 RSVP by Monday prior to meeting date and
 if you need to cancel please call by Tuesday evening.

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WE NEED YOUR HELP!

**Please contact Michelle at 997-1866
if you have an item to donate for the reverse raffle.
We need silent auction items and gift certificates.**

2010 ASHTABULA COUNTY BUILDERS ASSOCIATION MEMBERS

A Louis Supply Company
A. G. Edwards & Sons, Inc.
Action Plumbing
Active Plumbing
American Alert
Andover Bank
Apple Heating, Inc.
Arthur Louis Steel Co.
Ashtabula Chamber of Commerce
Ashtabula Concrete and Construction
Ashtabula Concrete, Inc.
Ashtabula County Joint Vocational School
Bogue Construction Co., Inc.
Brobst Maintenance, Inc.
Brobst Tree & Stump Service
Brown Sprinkler Services, Inc.
Building Technicians Corp.
Burdick Plumbing & Heating, Inc.
C.B.C. Construction, Inc.
C.M. Construction L.L.C.
Carpet Mart
Cherrywood Homes
Chicago Title Agency of N.E. Ohio
Conneaut Savings Bank
Crandall & Company Builders
D. S. Theiss Building Contractors
Delta Railroad Construction, Inc.
E&J Glass and Trim
Eastdale Overhead Door, Inc.
Famous Supply Company

Great Lakes Buick
Growth Partnership
Guerriero Memorials
HAVE, Inc.
Housel Construction, Inc.
Hughes-Roller Building Co.
Huntington Bank
Huntington Insurance
Jackson, Dieken & Associates
Joseph Dragon & Sons, Inc.
Kinder Morgan/Pinney Dock & Transport
Kister Construction Company
Knickerbocker Equipment Co.
Koski Construction Co.
L A Renovators
Lowe's Home Improvement
MC 3 Holdings
Nelson Sand and Gravel
Nolan Door & Hardware Co., Inc.
Northeast Fire Protection
Northeast Hydro Action
Notter Electric Company
O & P Oil & Gas, Inc.
Ohio American Water Co., Ashtabula Dist.
Oros Builders
Pete Wing Construction, Inc.
R.W. Sidley, Inc.
Raymond Builder's Supply, Inc.
RD Real Estate Ventures
Roto Rooter

S. & R. Snodgrass, A.C.
S.K. Built
Senita Roofing & Insulation Co.
Simak Trucking, Inc.
Smolen Engineering
Spence Contracting
Star Beacon
TCN Architects
The Blue Rock of Building & Construction
Thomas Fence Company, Inc.
Tim Wing Construction, Inc.
U.I.C. Construction
Valley Building Center, Inc.
W.S.A., Inc.
Wayne Senita, Inc.
Western Reserve Farm Co-Op
Wilkinson Paving & Excavating, Inc.
Witt Enterprises, Inc.
Ziegler H J Heating Co.

BOARD OF TRUSTEES

2009

Officers

Rick Miller, President
Joe Oros, Vice-President
Bill Romanko, Secretary
Rich Vanek, Treasurer
Frank Curtin, Immediate Past President

Trustees

Calvin Brown, Jr.
Bill Claycomb
Doug Spencer
Dan Theiss
Tim Vogel

Director

Michelle Laveck

Ashtabula County Builders
Association Presents:
First Annual Reverse Raffle
February 27, 2010

Grand Prize: \$1500.00

50/50 Raffle - Instant Bingo - Black Jack - Silent Auction

Entertainment Presented By:
Ashtabula's Own - Don Perry

\$50.00 a couple

Includes dinner and open bar

Doors open at 6:00p.m. - Raffle starts at 7:00p.m.

Location: Ashtabula County Fairgrounds
4-H Building

All Proceeds will Benefit:

**Community Care Committee &
The Ashtabula County Builders Association**

For more information or tickets contact:

997-1866 or ashtabulacountybuilders@windstream.net

Builders Need to Act Fast on Home Buyer Tax Credit

In order to make the most of the home buyer tax credit, which was extended and expanded by Congress toward the end of last year, builders need to act fast and get the word out to their prospective customers, according to panelists at the recent [International Builders' Show](#) in Las Vegas.

“Many buyers still don’t understand the tax credit or realize it is available to them,” said Michael Sivage, a home builder with businesses in Albuquerque, N.M. and San Antonio. “In all our advertisements and marketing materials, we reference the tax credit. We have a link on our Web site to the ["Opportunity Knocks"](#) home brochure site at NAHB.org and the NAHB consumer Web site at www.federalhousingtaxcredit.com. We also educate our sales office team so that they fully understand how the tax credit works and can explain it to our customers.”

On Nov. 6, Congress moved to extend the \$8,000 first-time home buyer tax credit, which was due to expire on Dec. 1, and expand its eligibility to more buyers to help boost the fledgling housing recovery.

Buyers now have until April 30 to sign a sales contract and they must close on the home by June 30 in order to qualify. In addition, move-up buyers, move-down buyers and others who have previously owned a home are able to claim a \$6,500 credit as well, as long as they have lived in their primary residence for at least five consecutive years out of the past eight.

The income limits for all buyers are \$125,000 for singles and \$225,000 for couples.

Scott Jagoe, co-owner of [Jagoe Homes Inc.](#) in Owensboro, Ky., uses a multi-pronged approach to get the word out to consumers. The tax credit is in all of his advertisements and prominently displayed on the company’s Web site. Jagoe’s sales team also utilizes Facebook pages that cite the tax credit and has developed a campaign with flyers targeted to renters and existing home owners. The company also sends out e-mail blasts with tax credit banners. “We even tell our Realtors® to stress the tax credit as a sales tool, even though they already know about it,” said Jagoe.

With the April 30 sales contract deadline rapidly approaching, builders need to move quickly to ensure their homes are ready.

“You need to look at all your cycle times — how long it takes for the pre-construction schedule, how long it takes to build and how long it takes to get to the closing table,” said Jagoe.

“We won’t accept pre-sales after March 15,” said Sivage. “That gives us a couple of weeks to get approved by the lender and then we have 70 days to build. Our goal is to have all the houses completed by mid-June to have the last two weeks ready to close.”

NATION'S BUILDING NEWS

The Official Online Weekly Newspaper of NAHB

Sponsored by McGraw-Hill Construction and Freddie Mae

Anticipating a pick-up in consumer demand as the tax credit deadline nears, Sivage said he plans to start construction on a limited number of spec homes as late as April 1 in an effort to get signed sales contracts on the unfinished homes by the end of the month so that buyers can still take advantage of the tax credit.

“There’s not a lot of time,” said Jagoe. “Any marketing program must get going now. Key on these dates and get your information out there.” The two builders said that this sense of urgency must also be conveyed to buyers, who still are not fully aware of the sales and closing deadlines.

“Buyers need to understand if they have the opportunity to buy, now is the time to do it,” said Sivage. “Tell your customers they can’t take the chance of waiting because Congress has made it clear that this credit will not be extended again.” Builders are also encouraged to help their buyers navigate the lending process to ensure that mortgage companies will approve contracts by the June 30 closing deadline.

“Stress to your customers that it is their responsibility to provide information to their lender in a quick and complete manner. Any delay and they can lose the tax credit,” said Sivage.

“There is a longer period of time in the mortgage process,” said Jagoe. “Make sure your customers go to lenders who will expedite the process.”

Rob Dietz, NAHB’s assistant staff vice president for tax policy, also urged builders to investigate whether their state housing finance agencies are operating programs that will allow buyers to access the tax credit in advance to use it for downpayment and closing costs. He said that 18 states currently have some type of program and that a complete list can be found at the [Web site](#) of the National Council of State Housing Agencies.

Builders who plan to market the home buyer tax credit to their customers must also prepare for a drop-off in sales after the April 30 deadline passes.

“We believe sales will fall off after the credit expires,” said Sivage, adding that buyers have been conditioned to expect an incentive, whether it’s a tax credit, price break or granite countertops.

“When the credit runs out, we need something in place for buyers,” he added. “You lost the credit, but we’ll give you this.”

Dietz said that NAHB is forecasting that the home buyer tax credit will pull demand forward and that home sales will fall between 10% and 15% in the quarter after it expires. He suggested one method to retain sales would be to market price reductions of \$8,000 for first-time buyers or \$6,500 for move-up buyers. Nonetheless, Dietz reported that NAHB estimates that the latest version of the tax credit will spur approximately 180,000 additional home sales, producing more than 211,000 jobs.

“We’ll consider that if sales fall off dramatically,” said Jagoe. “As a builder, you need to know where your break-even number is.”