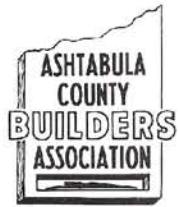


INTEGRITY



BUILDERS PLAN

SEPTEMBER 2011

P.O. Box 745

Ashtabula, Ohio 44005-0745

Telephone/Fax (440) 997-1866

ashtabulacountybuilders@windstream.net

www.ashtabulacountybuildersassociation.org

ASHTABULA COUNTY BUILDERS ASSOCIATION

" The Voice of the Industry in Ashtabula County"

COMMENTARY

BOARD OF TRUSTEES

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Calvin Brown Jr., Vice-President

Rick Miller, Immediate Past President,

Rich Vanek, Treasurer

Bill Romanko, Secretary

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Doug Andes

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Hello Members,

Well finally, a few days that are actually enjoyable and not so hot. Let me first say what a joy it was to see all the members at the Summer Social. Thanks for coming! I thought the whole night was a great success. The band was good and the food was excellent. Everyone who was a part of the Summer Social was given an opportunity to tour the new Aquatic building. The facility is absolutely phenomenal! Once again, it is another Class A building offering an endless amount of opportunity for our county. I am very excited about all of the upcoming events taking place at SPIRE.

The Builders Annual Clam Bake will be taking place Thursday, September 8th. It will be at the Elk's Lake Front Lodge. Once again we will be served delicious food made by Drew Thomas. This is a wonderful opportunity to bring a guest and enjoy great food and company. Please call for reservations, 440-997-1866.

This past Thursday, the Board Members were presented a plaque for appreciation from Myra Brown and Joy White of Community Care. Community Care is a non-profit organization that helps families in need. We work together with them raising money from the Reverse Raffle that is held in February. We look forward to continuing this relationship with their organization. Thanks to Community Care for the plaque and your support with making the Reverse Raffle a success!

Summer is coming to an end and before we know it the fall season will begin. Hopefully business is getting better for all around the county. Remember, your Builders Association is always here for you.

Your President,

Joe Oros

MARK YOUR CALENDAR

September 8th	Clam Bake Elks
October 13th	Candidate's Night
November 10th	Annual Meeting
January 12th	General Meeting
February 25th	Tentative Reverse Raffle
March 8th	General Meeting

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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ASHTABULA COUNTY BUILDERS ASSOCIATION

ANNUAL CLAM BAKE



Thursday, September 8, 2011

at

Elks Lake Front Lodge

3115 Lake Road West

Ashtabula, Ohio

\$50.00 per person

6:00p.m. Happy Hour and Clam Chowder

7:00p.m. Dinner-One Dozen Clams

Your Choice of Prime Rib or 1/2 Chicken

Baked Potato - Fresh Ohio Sweet Corn

Salad - Fresh Bread - Dessert



OPEN BAR 6:00p.m. - 10:00p.m.



A GREAT TIME TO BRING A GUEST

For reservations please call (440) 997-1866 or
e-mail ashtabulacountybuilders@windstream.net

by Friday, September 2nd

If you have any questions concerning the Clam Bake, call Drew Thomas at (440)998-4747

MEETING DAY SURVEY

Below is a quick survey. We are gathering information about when is the best time for our monthly meeting, since the second Thursday seems to be problematic for some members.

Please put a NO next to nights when you know you cannot meet.

Please put the word PREFERRED next to the nights that would be best for you.

Days left blank I will assume that you could meet then but it is not as ideal as your "preferred" nights.

The meeting time will not change. 6:00-7:00pm Social Hour, 7:00pm Dinner with presentation to follow.

First Monday	_____
Second Monday	_____
Third Monday	_____
Fourth Monday	_____
First Tuesday	_____
Second Tuesday	_____
Third Tuesday	_____
Fourth Tuesday	_____
First Wednesday	_____
Second Wednesday	_____
Third Wednesday	_____
Fourth Wednesday	_____
First Thursday	_____
Second Thursday	_____
Third Thursday	_____
Fourth Thursday	_____
First Friday	_____
Second Friday	_____
Third Friday	_____
Fourth Friday	_____

Please return this survey to ACBA, P.O. Box 745, Ashtabula, Ohio 44004 or e mail your results to Ashtabulacountybuilders@windstream.net.

If you have any questions please call myself or any of the board members.

Thank you,
Michelle

Recent Economic News Points to Slower Housing Recovery

The unsettling economic news of recent weeks is unlikely to result in a double-dip recession, but it portends an anemic recovery taking some of the wind out of already feeble growth in housing activity and creating more uncertainty over all-important prospects for jobs and the restoration of consumer confidence, according to participants in [an NAHB webinar on Aug. 16](#) (members-only link).

Political skirmishing over deficit reduction, which is likely to be intense this fall and winter and continue up through next year's elections, will only add to concerns over the state of a fragile U.S. economy, they said.

A convergence of worrisome developments has set back the outlook for housing and the economy, noted NAHB Chief Economist David Crowe, starting with significantly weaker than expected growth in the gross domestic product during the first half of this year.

The [Bureau of Economic Analysis](#) on July 29 lowered its earlier estimate of 1.8% growth in the first quarter to a "very poor" 0.4%, Crowe said, and announced an initial estimate of 1.3% growth in the second quarter, which is also likely to be reduced in later estimates.

"The bottom line is that we've had some new news about the growth of the economy showing it is even slower than we thought," he said. "The message is that things aren't going as well as we thought they were."

The employment picture has been especially unnerving for consumers, he said, with a "very bad and unexpected" dip in job growth below the 100,000 level in both May and June. While July rebounded to 145,000 new jobs, that is still considerably below the 200,000 to 250,000 monthly level "we have to have to nibble away at unemployment," he said.

Crowe added that the exports that have been a "golden" part of the U.S. economy, boosted by a weak dollar and strong growth overseas, have now started to soften in response to a slowdown in the GDP growth of such major trading partners as Canada, China and Brazil.

Debt Ceiling Fight

This discouraging batch of information arrived just as "we were having a terrific fight in Washington over the debt ceiling," he said.

The increase in the debt ceiling approved by the Congress is sufficient to carry the federal government past the presidential election, he said, but the deficit cutting in the agreement won't help the current situation because "cutbacks in government spending mean less money revolving and moving in the U.S. economy."

While \$1 trillion in cuts have been imposed over 10 years, the deficit reductions have been concentrated in the out-years, he said, with a relatively small trim of \$21 billion in spending next year.

However, the economy faces sharper fiscal constraints if the 12-member "super-committee" delegated to find another \$1.5 trillion in cuts over the coming 10 years fails to complete its mission.

In that case, automatic cuts of \$1.2 trillion would go into effect, and those would be spread out evenly over the period, reducing GDP growth by another 0.5%, he estimated. (If the committee comes up with a smaller amount of cuts than required, that amount would be subtracted from the \$1.2 trillion in automatic cuts.) Crowe was less concerned about the decision by [Standard & Poor's](#) to lower the triple-A credit rating of the U.S. for long-term borrowing to AA+.

The U.S. has maintained the top rating with the two other major bond rating houses — [Moody's](#) and [Fitch](#) — and in the aftermath of the S&P downgrade, U.S. borrowing rates actually went down instead of up. “The world did not pay much attention to it,” he said.

The S&P decision was “heavily about politics and policy,” said Crowe, and not so much about the actual dollar amounts in the package. The concern of S&P, he said, is that “the Congress and Administration can't get along and can't continue the process of cutting the deficit.”

Trouble in Europe

More worrisome for the U.S. economy, Crowe indicated, is turmoil in Europe over the indebtedness of Portugal, Ireland, Italy, Greece and Spain — and perhaps even France. With the economies of Germany and France — the two biggest euro-zone nations — now at a standstill, the financial markets are asking, “Can the people who have some money in Europe continue to bail out the countries that don't have any money?” While this has created uncertainty about what will happen next, Crowe said, there is a “general consensus that bond holders in countries in the European union will come forward and supply sufficient liquidity.”

In the meantime, the stock markets at home and abroad have lost ground and have experienced rapid gyrations.

On top of everything else, [an Aug. 9 statement](#) by the [Federal Reserve](#) that it would keep short-term interest rates low through mid-2013 confirmed downside risks for the economy and pointed to a slower growth path.

Crowe calculated that the probability of a double-dip recession has climbed from 20% in the spring to about 35% now. “There are too many uncertainties out there not to acknowledge that a double dip is possible,” he said.

Comparing the economy to a very slow bicycle, “the slower and slower we get, the easier it is for the bicycle to tip over,” he said. “Something could come from left field” to precipitate another downturn.

Lower Growth Forecasts

Weighing the implications of recent economic developments, Crowe said he has lowered his forecast for GDP growth to 1.6% for 2011 and 2.3% for 2012, down from 2.7% and 3.4%, respectively, in May.

Crowe said he was also lowering his forecast of average mortgage interest rates from 5.0% to 4.5% for 2011 and from 5.7% to 4.9% for 2012.

This summer's economic tribulations also point to slower levels of housing production, with 580,000 housing starts forecast for this year, down 6% from 615,000 in the spring, and 700,000 in 2012, down 20% from the an earlier forecast of 873,000.

“We have to get the overall economy and employment market working before people will have confidence to go out and buy houses,” he said.