



HOME BUILDERS ASSOCIATION OF THE ALLEGHENIES

DECEMBER 2011 NEWSLETTER

www.hbaahomes.org www.pabuilders.org
www.nahb.org

NEXT BOARD MEETING

Monday, December 12, 2011: The next Board of Directors meeting will be Monday, December 12, 2011 at Hoss's Restaurant in Richland. The meeting will begin at 6:30PM

NEXT GENERAL MEMBERSHIP MEETING

Monday, February 6, 2012: The next General Membership meeting will be in February, at 6:30 at Hoss's Restaurant in Richland.

** Both the general membership meeting and Board meetings are at Hoss's Restaurant*

GENERAL MEMBERSHIP MEETING:

6:30 PM Cocktails 7:00 Dinner First Monday of the month

December	no meeting
January	no meeting
February	6, 2012
March	5, 2012
April	2, 2012
May	7, 2012
June	4, 2012
July	no meeting
August	no meeting
September	10, 2012
October	1, 2012
November	5, 2012
December	no meeting

BOARD OF DIRECTORS MEETINGS:

6:30PM at / Second Monday of the month

December	12, 2011
January	no meeting
February	13, 2012
March	no meeting
April	9, 2012
May	no meeting
June	11, 2012
July	no meeting
August	13, 2012
September	no meeting
October	8, 2012
November	no meeting
December	10, 2012



**POLITICAL ACTION
COMMITTEE**

*The Allegheny Committee
for Affordable Housing is
a local political action
committee striving to keep
housing affordable in our
local area. Every time
you purchase a 50/50 ticket at our general
membership meeting, the proceeds go to this
committee.*

YOUR ANNUAL DUES AND THE LOBBYING TAX DEDUCTION FOR 2011

Dues payments to The Home Builders Association of the Alleghenies are not deductible as charitable contributions for federal income tax purposes. However, dues payments may be deductible as ordinary and necessary business expenses subject to the exclusion for lobbying activity. Because a portion of your dues is used for lobbying by NAHB and PBA, \$99.31 (\$27.00 + \$72.31) is not deductible for income tax purposes.

At the HBAA November General Membership Meeting we gave away over \$500. WOW.

Joe Carpenter won \$100

Leon Lechene won \$100

Denny Squillario won \$100

Barry Legars won \$100

Jim Bunn won \$100

and KAL Brothers was the 50/50 winner with \$42.

Plus every attendee won a free dinner.



YES, YOU CAN WIN.

All you need to do is attend our HBAA general membership meeting. All attendees win a free dinner and maybe even more.

The HBAA board of directors has voted to give away \$100 at each general membership meeting. No strings attached. No cost to you. Just come to our General Membership Meeting. All our member names will be put in a hat and a name will be drawn. If the member is present they win \$100, If the member is not present, the \$100 is put back in the “pot” for the next General Membership Meeting. The \$100 is a gift to you to spend at any HBAA member’s place of business. You must be present to win. The HBAA membership listing will be available at the meeting and it is also available on our webpage, www.hbaahomes.org

NEW NAHB ECONOMICS STUDY SHEDS LIGHT ON CONSTRUCTION COSTS

Results of NAHB's newest construction cost survey are available free of charge on our HousingEconomics.com website. Below are a few highlights:

1. The cost of construction accounted for nearly 60% of the final sales price of an average home built in 2011, while the cost of the finished lot accounted for 22%. This was similar to results from our last survey in 2009.
2. Financing costs for an average new home built by our survey participants in 2011 accounted for 2.1% of the final sales price.
3. Overhead and general expenses accounted for 5.2% of the final sales price.
4. Expenses related to marketing accounted for 1.5% while the standard sales commission accounted for 3.3%.
5. Profit accounted for an all-time low of just 6.8% of the final sales price in 2011. This is down from 8.9% in 2009 (graphic above right).
6. The average price of new single-family homes in our 2011 survey was \$310,619, down from \$377,624 in 2009.
7. The average construction cost of homes in the survey was \$184,125, which is significantly lower than the 2009 average of \$221,511. This may be a result of the smaller square footage of homes built in 2011 (see #8).
8. The average finished area of a single-family home declined from 2,716 square feet in 2009 to 2,311 square feet in 2011. However, the average price per square foot remained relatively stable at \$80 per square foot.
9. As usual, framing and trusses accounted for the largest share of construction cost in 2011 homes (13.5%). This was followed by excavation, foundation and backfill (9.3%), plumbing (6.0%) and cabinets and countertops (5.6%).
10. HVAC, siding, tiles and carpet, electrical wiring, and drywall each accounted for between 4% and 5% of total construction costs.

A complete explanation and full results of NAHB's latest New Construction Cost Breakdown Survey <http://www.nahb.org/generic.aspx?sectionID=734&genericContentID=169974&channelID=311&print=true> are available free of charge on HousingEconomics.com.

**THANK YOU - RECENT GENERAL
MEMBERSHIP MEETING
SPONSORS:**

The Long Barn
(814)472-9122

thelongbarn@comcast.net

Anderson Windows & Doors
(814)934-2625

craig.calvetti@andersencorp.com

Howard Concrete Pumping Co., Inc.
(412)257-1800

www.howardconcretepumping.com

Ebensburg Insurance Agency
(814)472-9557

www.ebensburgins.com

Owens Corning
(419)248-8281

www.ocenergycomplete.com

Warmup Inc.
(860)995-5725

robertheslop@warmup.com

Tyco Rapid Response
(215)412-3846

darren.palmier@tycofp.com

EnGuard GlassFree Insulation Technology
(336)858-0290

www.EnGuardInsulation.com

If you are interested in sponsoring a general
membership meeting, please contact Walt
Freidhoff at (814)535-8371.



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1397 Eisenhower Boulevard
Richland Square III
Suite 202
Johnstown, PA 15904

HBAA SPIKES

-----Spike Candidates-----

George Audey

Walt Brosious

Walter Freidhoff - retired

Louis Mihalko

-----Spike Members-----

James E. Brett

Dennis R. Squillario

-----Life Spikes-----

Patrick Dumm

Chester Fluder

* Leon Lechene

Alan Lieb

Ralph Turner - retired



Carol L. Myers, CWCA CPIA

Regional Office

Ebensburg Insurance Agency
129 East High Street, Ebensburg, PA 15931
814-472-9557 • 800-806-4483 • Fax 814-472-9201
Cell: 814-243-8412
E-Mail: cmyers@ebensburgins.com

**YOUR PA-ONE CALL
BILL IS FREE**

As a member of HBAA your Pa-One-Call is
free. If you received a bill from Pa-One-Call
send it to us at HBAA via e-mail, fax or us
mail. We verify your membership and send
it onto PBA for processing.



DO YOU KNOW THE 2009 CODE?

1. All wood beams, joists, studs and other combustible material shall have a clearance of not less than _____ inches from the front faces and sides of masonry fireplaces.....
2. Combustible material within _____ inches of the fireplace opening shall not project more than 1/8 inch for each 1-inch distance from such opening.
3. Chapter 11 regulates the _____ efficiency for the design and construction of buildings regulated by this code.
4. For mechanical systems, a level working space at least _____ inches deep and _____ inches wide shall be provided in front of the control side to service an *appliance*.
5. When mechanical equipment is located in attics, it shall not be further than _____ feet from the attic access..
6. Attics containing mechanical *appliances* shall be provided with an opening and a clear and unobstructed passage way to allow removal of the _____ *appliance*.

EMPLOYEE COLLECTIVE BARGAINING RIGHTS MUST BE POSTED AS OF JAN. 31, 2012

Beginning on Jan. 31, 2012, all employers with more than \$500,000 in annual gross business volume -- including home builders and remodelers -- will be required to post an official notice <http://www.nlrb.gov/poster> advising employees of their collective bargaining rights under the National Labor Relations Act. The law applies to all companies that meet the gross business volume threshold, including those who have non-union shops or whose business is located in a right-to-work state. According to the National Labor Relations Board <http://www.nlrb.gov/> (NLRB), the notice must be 11 inches by 17 inches and displayed in a conspicuous location where other workplace notices are regularly posted. Companies can download instructions and notification posters, available in more than 20 languages, free of charge from the NLRB website <http://www.nlrb.gov/poster> . A company that does not display the required poster as of Jan. 31, 2012 may be subject to an unfair labor practices complaint. For more information on the requirements, please visit the NLRB website <http://www.nlrb.gov/poster>.

2009 CODE ANSWERS

1. 2in. *...and not less than 4 inches from the back if masibry fireplaces. Review the 4 exceptions in this Section..* 2009 IRC Section R1001.11 Fireplace clearance..
2. 12 in 2009 IRC Section R1001.11 Fireplace clearance. Exception 4.
3. Energy *This chapter has been changed almost completely..* 2009 IRC Section N1101.1 Scope.
4. 30 in. By 30 in. *Room heaters shall be permitted to be installed with at least an 18 inch working space.* 2009 IRC Section M1305.1 Appliance access for inspection service,
5. 20 ft. *Measured along the centerline of the passageway from the opening to the appliance. Review the changes in this section.* 2009 IRC Section M1305.1.3 Appliances in attics..
6. Largest *The passageway shall be not less than 30 in. High by 22 in. Wide and not more than 20 ft. long measured along the centerline of the passageway from the opening to the appliance. Read this section for more requirements and exceptions.* 2009 IRC M1305.1.3 Appliances in attics..

UPCOMING WEBINARS TO FOCUS ON NETWORKING, LEAD PAINT RULE

Click on the links below for more information about each of our upcoming educational webinars:

Nov. 30: Learn to Create Expensive Looking Details Within an Affordable Budget

<http://www.nbnnews.com/NBN/issues/2011-11-14/Upcoming+Webinars/3.html>

Dec. 7: Webinar to Teach How to Make Networking Fun, Productive, Less Stressful

<http://www.nbnnews.com/NBN/issues/2011-11-14/Upcoming+Webinars/4.html>

Dec. 14: Get Latest Information on EPA Lead Paint Rule Enforcement and Compliance

<http://www.nbnnews.com/NBN/issues/2011-11-14/Upcoming+Webinars/5.html>

CONGRESS RESTORES HIGHER LIMITS FOR FHA-BACKED MORTGAGES

Home builders and buyers won an important victory this week when Congress approved a much-debated deal to restore higher loan limits through 2013 for mortgages backed by the Federal Housing Administration.

When Congress allowed conforming loan limits to revert to their lower levels and reapplied a more restrictive formula for determining loan ceilings in local markets this October, thousands of potential home sales were put in jeopardy -- and not just in high-cost areas. NAHB and our industry allies fought vigorously for an extension of the higher limits, and achieved a preliminary victory when the Senate approved a measure aimed at accomplishing that goal some two weeks ago. However, our cause faced intense opposition from conservative forces in the House of Representatives who refused to support any measure that could be perceived as increasing the federal government's role in housing; in fact, many industry insiders strongly doubted that any such measure could be passed in the current climate. But we waged that uphill battle nonetheless, and thanks to aggressive lobbying on the part of NAHB and our grassroots members, earlier this week we were able to push through an agreement among lawmakers on both sides of the aisle that would for the next two years reinstate higher limits for mortgages insured by the Federal Housing Administration. This measure was approved by the House late on Nov. 17 and immediately taken up and passed by the more willing Senate. Not only will it re-establish FHA's national ceiling for mortgages to \$729,750 from the \$625,500 to which it had fallen, but it will restore the formula for determining local FHA loan ceilings to 125% of the area median home price from the 115% currently in place -- something that should help put a floor under falling home values in markets nationwide.

Unfortunately, due to extreme opposition in the House, this legislation does NOT restore the higher loan ceilings for Fannie Mae and Freddie Mac, which together provide funding for about half of all U.S. mortgages. But it is nevertheless a tremendous accomplishment in light of the current political climate, the fact that far more counties (620) were affected by the reduced limits on FHA loans than were impacted by the reduction in GSE loan limits (204), and the realization that FHA mortgages are currently the only game in town for first-time buyers who do not have a hefty downpayment. Beyond this, for builders, no matter what price point you build to, the bottom line is that many more home sales (including those by your potential clients who need to sell an existing home) will be facilitated by the higher FHA ceilings, which in turn should help get the overall housing market and economy moving again.

NATIONAL FLOOD INSURANCE PROGRAM GETS SHORT-TERM EXTENSION

Of special note to many of our members, the same legislation that Congress just passed to restore higher loan ceilings for the Federal Housing Administration (see story above) also includes a provision that allows for a short-term extension of the National Flood Insurance Program (NFIP) through Dec. 16. NAHB will work with lawmakers in the coming weeks toward passing a five-year reauthorization of the program in order to ensure that the nation's real estate markets operate smoothly and allow home builders to continue to provide safe, decent and affordable housing to consumers.

NAHB MEMBERS INVITED TO PARTICIPATE IN GINGRICH TELEFORUM, DEC. 2

NAHB is cosponsoring a series of virtual town hall events, called "teleforums," with the presidential candidates as part of our efforts to elevate housing issues in the 2012 elections. Successful teleforums have already taken place with Rep. Ron Paul, Rep. Michele Bachmann, and Senator Rick Perry. (To listen to a recording of any of these previously conducted events, click here <http://www.nahb.org/generic.aspx?genericContentID=170195>). We are now pleased to report that former Speaker of the House Newt Gingrich has confirmed his participation in our fourth teleforum on Friday, Dec. 2, at approximately 3:30 p.m ET. If you would like to register for this event, you can do so here. <http://www.nahb.org/form.aspx?formID=8950> If you've previously signed up to be contacted when this teleforum is to begin, there's no need to do anything else as long as the phone number you originally gave us is the one you'd like us to call when the Gingrich event takes place. To provide a different phone number, you can simply revisit the registration link <http://www.nahb.org/form.aspx?formID=8950> . Going forward, we expect more of the candidates to soon confirm times in which they can participate in a teleforum event. We'll notify you of each subsequently scheduled teleforum as quickly as that information is available. Contact: Nick Gentile ngentile@nahb.org (800-368-5242, x8542) Notice: Per official NAHB policy, our association does not endorse any presidential candidate. These events are being scheduled specifically to give our members the opportunity to spotlight housing issues in discussions with each of the candidates.

NAHB ARGUES FOR REINSTATEMENT OF LRRP OPT-OUT PROVISION IN COURT



The Washington, D.C. Circuit Court heard oral arguments from NAHB and the Environmental Protection Agency on Nov. 1 concerning EPA's removal of the opt-out provision from its Lead: Renovation, Repair and Painting (LRRP) rule, and while a final decision will be some time in coming, the argument gave some idea as to the judges' thinking in this case. As our remodeler readers are well aware, the "opt-out" provision in the LRRP once allowed remodelers working in a home built prior to 1978 to forego more expensive work practices according to the owner's wish if no children or pregnant women resided there. The first issue discussed in court revolved around whether a government agency can change its mind and issue a new regulation based on the same record on which it had previously made a different decision. Did the agency contradict itself in doing so? At least one judge on the panel did not seem to think so, deeming the EPA's decision to remove the opt-out provision not a reversal but a way of making the existing regulation "safer, more effective and more reliable." The positive take from this, however, is that, following the judge's logic, if the EPA under the Bush Administration thought that the rule needed the opt-out provision and then under the Obama Administration the opt-out could be removed, a future Administration may change its mind yet again, and be able to reinstate the provision. Going forward, the court will discuss the briefs and oral arguments in the case and present its decision at a later date. We'll let you know when that happens.

BUILDER CONFIDENCE CONTINUES TO IMPROVE IN NOVEMBER



Though still largely subdued, builder confidence in the market for newly built, single-family homes has now posted two consecutive months of three-point gains on the NAHB/Wells Fargo Housing Market Index.

Builder confidence in the market for newly built, single-family homes rose by three points to 20 on the NAHB/Wells Fargo Housing Market Index http://www.nahb.org/news_details.aspx?newsID=14026 (HMI) for November, released this past week. The gain builds on a revised three-point increase in October, and brings the confidence gauge to its highest level since May of 2010. All three of the HMI's component indexes posted measurable gains this time, including a three-point increase in the component gauging current sales conditions (to 20), a two-point gain (to 25) in the component gauging future sales expectations and a one-point gain (to 15) in the component gauging traffic of prospective buyers. Likewise, three out of four regions posted stronger builder confidence in November, with a three-point gain to 17 in the Northeast, an eight-point gain to 23 in the Midwest and a two-point gain to 21 in the South. The West, which had posted a big increase in October, returned to trend this month with a six-point decline to 15. According to NAHB Chief Economist David Crowe, the rising HMI is evidence that well-qualified buyers in select areas are being tempted back into the market by today's extremely favorable mortgage rates and prices. Going forward, he said, we are anticipating further, gradual gains in the builder confidence gauge heading into 2012 due to these pockets of improving conditions that are slowly spreading." That said, home building continues to face numerous challenges, including the high number of foreclosures, difficulties in obtaining construction financing and accurate appraisals, and a restrictive lending environment that is discouraging potential buyers, said NAHB Chairman Bob Nielsen, and these problems must be addressed so that housing can contribute to economic and job growth the way it has in the past. See NAHB's press release http://www.nahb.org/news_details.aspx?newsID=14026 or view the HMI tables <http://www.nahb.org/hmi> for yourself online.





NEWSLETTER ADVERTISING

Home Builders Association of the Alleghenies

Richland Square III, 1397 Eisenhower Blvd.,
 Johnstown, PA 15904
 Phone: (814)269-9268 Fax: (814)269-1429
 Newsletter Advertising Contract

NAME OF COMPANY: _____
 REPRESENTATIVE: _____
 MAILING ADDRESS: _____
 CITY/STATE/ZIP: _____
 PHONE: _____
 FAX: _____
 E-MAIL: _____

Member of the Home Builders Association of the Alleghenies?

Yes No

Order for advertising within our monthly Newsletter:

- All ad copy and artwork must accompany this contract.
- All advertising artwork must be photocopy ready. (B&W only)
- All advertising contracts are for a minimum of 3 months.

Business Card (3 1/2 x 2")	\$10.00 x _____ months = \$ _____
1/8 page (5" x 2")	\$15.00 x _____ months = \$ _____
1/4 page (5" x 4")	\$25.00 x _____ months = \$ _____
1/2 page (5" x 8")	\$45.00 x _____ months = \$ _____
Full page (8 1/2" x 11")	\$90.00 x _____ months = \$ _____

Order for a flyer attached to inside of our monthly Newsletter:

- The flyer must be of size 8 1/2 by 11, on standard weight paper.
 - All the flyers are to be created by the advertiser and given to H.B.A.A. (Please call HBAA for an estimate of the number of flyers required)
- \$75.00 x _____ sheets x _____ months = \$ _____

Circle month you are requesting your ad period to start:

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

- All advertising contracts must be prepaid, please attach check payable to the H.B.A.A.
- All advertising must be supplied to the H.B.A.A. office a minimum of 2 weeks prior to the advertising month.

The HBAA does not discriminate against any person or company in accepting paid advertising in its newsletter. Acceptance of advertising does not constitute an endorsement of the advertiser, its products, services or claims. The HBAA shall be held harmless in the event that a newsletter is not published or distributed as planned, or in the event that an ad is omitted or incorrectly displayed.

Advertiser _____ Date _____

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FLUDDER'S CORNER



Home Builders Association
Timothy C. Leventry
Suite 202, Richland Square III
1397 Eisenhower Blvd.
Johnstown, PA 15904

Return Service Requested



HOME BUILDERS ASSOCIATION OF THE ALLEGHENIES
NEWSLETTER

DECEMBER 2011

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**WISHING YOU AND
YOUR FAMILY A
HAPPY HOLIDAY!**