

THE HOME BUILDER

DallasBuilders
ASSOCIATION

www.DallasBuilders.com



VOLUME LX

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December 2013

Dallas BA's Industry Investors for 2013



BRIEFLY

New and active designees are invited to attend the Designation Achievement Reception at the 2014 International Builders' Show in Las Vegas. Sponsored by Lowe's ProServices, this popular awards and networking event will take place from 5:30 to 7:30 p.m. Monday, Feb. 3, at the Las Vegas Hotel & Casino (formerly the Las Vegas Hilton), next to the Las Vegas Convention Center. RSVP by Jan. 17 at www.buildersshow.com/register, and add the event to your new or existing IBS registration. Attendance is by invitation-only. For more information, contact Bill Baum by email or 800-368-5242 x8445.

Projects that the Dallas Builders Association is doing with Operation Finally Home to build mortgage-free homes for combat wounded veterans will be part of "Operation Finally Home, a CNN Heroes Special Presentation" that will air on Sunday, Dec. 8 at 7 p.m.

Applications are now being accepted for the Dallas BA Home of the Week in *The Dallas Morning News*. This represents a value of more than \$2,000 in advertising dollars and offers prime exposure. Contact Becky Warner at the Dallas BA at becky.warner@dallasbuilders.com or 214-615-5015 to learn more.

Visit DallasBuilders.com for the most up-to-date version of the 2014 Marketing Guide.

Periodicals Postage Paid at Plano, TX, and Additional Offices

Casino Christmas offers holiday fun on December 12

Casino Christmas is back this year, and it will be bigger and better than ever! We've brought back all your favorite features and added a few new ones.

The event will be held Dec. 12 from 6 to 10 p.m. at Dallas Builders Association offices.

As in past years, members can enjoy the Vegas style casino gaming, a Texas Hold 'Em Tournament, lots of great holiday food, photo flip books, a silent auction, margarita machine and networking!

New this year will be DJ Sneaky, who will keep the party going with a wide variety of music from all genres. A drawing will be held for a large Big Green Egg, courtesy of Factory Builder Stores in Grapevine. And not only will the Builders Progressive Jackpot drawing (typically held only at monthly After Hours) be held, but Texas Door & Trim has announced that they will match the amount, so one lucky builder could walk away with \$1,000 that night (must be present to win).

A great selection of silent auction gift items will allow you to do some holiday shopping at the party. Items are coming in steadily, but at press time, gifts that have been lined up include rounds of golf, dance lessons and tickets to the Mesquite Rodeo and Medieval Times.

Speed Networking coming up Dec. 5

The Association will hold a Speed Networking event on Thursday, Dec. 5, from 11:30 a.m. to 2 p.m.

As an associate member, this unique networking opportunity will give you four minutes of one-on-one and face-to-face time with up to 20 different builders and remodelers. This means you will meet with 20 different potential customers in only two hours.

Builders/remodelers scheduled at press time were Holiday Builders, Greico Modern Homes, Luxury Homes of Texas, MHI, Greenway Renovations & Custom Builders, Elite Remodeling, Tatum Brown Custom Homes and GOLOUDON.

Only two associate industries will be allowed per event (e.g.: two mortgage, two roofing, two brick companies, etc.).

Builders learn about new innovative products, find new deals that could improve or promote their business and win door prizes.

Speed Networking is free for builders and remodelers. The fee for associates is \$250 and allows participation for two representatives of each company.

For complete information, visit the calendar at DallasBuilders.com.

Two special auction items will benefit the Dallas BA's official charity, Operation Finally Home: an AR15 autographed by Ted Nugent and a Texas A&M helmet signed by Johnny Manziel.

Partnership opportunities start at \$500. Partners committed to date are Beverage Partner, ACES Builders Warranty; Photo Partner, EverBank; Table Partners, Chicago Title, DeVance A/V Design, Republic Title, Huffines Commercial Sales, Stewart Title, Outdoor Living Pool & Patio and Starlight A/V.

Visit DallasBuilders.com for partnership details and to make reservations for Casino Christmas.



Builders Give Back to Their Community

Members of the Dallas Division volunteered at the Stewpot earlier this fall. From left are Tom London, Geanie Vaughan, Michael Turner, Chris Ogden, Marc Kleinmann and Stephen Puckett. The Stewpot offers a safe haven for homeless and at-risk individuals in Dallas, providing resources for basic survival needs as well as opportunities to start a new life. Established by First Presbyterian Church in 1975, it has helped launch several new organizations to meet community needs, including Austin Street Center, Genesis Women's Shelter, Interfaith Housing and The Bridge.

'Business Management' set for Dec. 10

The final designation class of the year, "Business Management for Building Professionals," will be offered Dec. 10 in partnership with StrucSure Home Warranty.

"Learn the management skills that give industry leaders the edge. This course will give you a solid foundation for managing small to medium size building/remodeling and service companies. It explains critical elements from planning to evaluating progress and presents practical tips and tools for managing a business successfully. You'll get a solid grasp of business best practices and practical tools of value whether you are a new or experienced business owner."

Well, this is what the book says that you will get out of the class, and you will. So, you are saying, "I am a business owner, and I have run my business very well; what can this course

teach me?" What I would say to that is that the course is all about, as the title states, the "Building Professional," not just business 101, but the Building Business 101. This course was designed for the person who is in or is getting in the building business to make a living and become more proficient on building business principles exclusively in the building industry. Even if you have a PhD in business, the construction industry can be completely different when it comes to the day-to-day. Come join us and you will see for yourself.

As a graduate of this course, you will be able to:

- Identify common business challenges and ways to overcome them.
- Describe the three basic functional areas of a business.
- Describe how to plan effectively for achieving business success.
- Describe the organization and

Instructor Paul Evans, CGA, CGP, GMB, GSP, BMC



processes that a company needs to have in place to run efficiently.

- Identify methods for recruiting, interviewing, training and retaining quality personnel.
- Identify performance tools to help you achieve success.
- Identify methods for evaluating your progress.

Visit the Calendar at DallasBuilders.com to register for this class. Hours are from 9 a.m. to 5 p.m. Hotchkiss Insurance Agency and Hyphen Solutions are additional partners.

President's Holiday Message

Wow, it is that time of the year again! Yes, it is almost bowl season for us College Football fans, but it is also that time when we all gather to celebrate the Holidays! The turkey plate is barely put away and we are ready to have our annual Christmas Party here at the Dallas BA. It sure has been a joyous year in the Association and for the homebuilding business.

I can remember just over a year ago how slow things were and how our Association's remodelers were competing against "newmodelers" (former new home builders) for the same business since there wasn't enough to go around. Now, just a little over a year later, we seem to all be struggling to keep up, wondering if the slab guy is showing up today and are we gonna get a framer out there on time! That just goes to show you how quickly things change in the wonderful world of Residential Construction.

This year has been one that the Dallas BA can be especially proud of for all our accomplishments: starting up the Volume Builders and Developers Council, surpassing the 1,000 member mark, embracing Operation Finally Home as our Charity of Choice (and starting two homes for our wounded warriors), the addition of a new Government Affairs Director, being the go-to organization for many Cities when it comes to residential construction issues and the knowledge that we have not only survived the worst homebuilding recession since the Great Depression, but are now thriving! This is all because of the great Members, Staff and Board of Directors that I get to work with every day.

Now in my 25th year in this business, it is an honor to be your President and for Ricki, Sami, Emily, Josh and I to wish you the warmest Holiday wishes and a Happy New Year! Wherever you celebrate this Holiday season, may there be Peace and Joy for you and your family.



Warmest wishes,
Jeff Dworkin, President
Dallas Builders Association



Master Certified Green Professional Graduates

Several members earned their Master Certified Green Professional (MCGP) designation after successfully completing the Advanced Green Building class last month. From left are Instructor Barry Hensley, CGP, MCGP, Hensley Premier Builders; John Harmon, CGP, MCGP, Harmon and Holcomb Homes, Inc.; Michael Turner, CGB, CAPS, CGP, MCGP, Classic Urban Homes; Armando Cobo, CGA, CAPS, CGP, MCGP, Armando Cobo, Designer; Jason Duvall, CGP, MCGP, Native, Inc., Austin; Matt Mitchell, CGB, CGP, MCGP, James Andrews Custom Homes.



Certified Green Professional Graduates

Four members recently achieved the CGP designation. From left are Scott Roberts, CGA, CGP, Creative Architects; Instructor Barry Hensley, CGP, MCGP, Hensley Premier Builders; Sam Chapman, CGP, Chapman Custom Homes; Gregory Loudon, CAPS, GSP, CGP, MCGP, GOLOUDON; Frank Murphy, CPA, CGP, Wynne/Jackson Inc.

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BARCIE VILCHES, Editor

EyeSite Surveillance hosts After Hours



Dean Olson, EyeSite Surveillance, Inc., presents a \$500 credit to EyeSite to door prize winner Gregory Loudon, GOLOUDON.



Tony Hill, The Single Source Group/SSG Security, wins a pass for two to Elm Fork Skeet.



Lori Doherty of Gehan Homes wins a gift card during the Oct. 14 After Hours.



Lori Criss, Chicago Title, was the winner of the cash door prize.



Dallas BA's Membership Committee Chairman Joe Chamberlain with After Hours hosts Dean and Doug Olson of EyeSite Surveillance, Inc.



Dallas BA President Jeff Dworkin presents Builders Jackpot winner George Davis, George Davis & Associates, with his \$800 prize.

The Dallas Builders Association presents

Casino Christmas

Enjoy the casino, silent auction, food and networking with fellow Dallas BA members!

- ◆ Thursday, December 12
- ◆ 6-10 p.m. at Dallas BA Offices
- ◆ Photo Booth – customized flip book
- ◆ Early holiday shopping at the silent auction
- ◆ Texas Hold'em Tournament
- ◆ Margaritas, beer & wine
- ◆ Heavy hors d'oeuvres
- ◆ DJ Sneaky
- ◆ Tickets are \$25 in advance (\$35 at door) includes dinner, 2 drink tickets & \$1,000 casino "cash"
- ◆ Only a few partnership opportunities remain

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Construction Monitor The Ultimate Lead Source				Dallas Metro Single Family Builders Year-to-Date 11/02/2013		
Dallas Metro Building Permit Summary Year-to-Date 11/02/2013				Builder	Homes	Value
Residential	Permits	Value	Units	1 First Texas Homes	812	\$217,758,805
Single Family Homes	14,710	\$4,002,781,979	14710	2 DR Horton	1006	\$213,485,843
Duplexes & Twin Homes	89	\$19,850,349	173	3 K Hovnanian Homes	420	\$152,947,532
Apartments & Condos	235	\$730,708,722	5614	4 Highland Homes	477	\$149,624,027
Cabins	2	\$100,000	0	5 DR Horton	858	\$130,643,550
Other Residential Structures	283	\$24,670,919	0	6 Standard Pacific	383	\$125,653,180
Swimming Pools & Spas	3,134	\$110,275,051	0	7 Lennar Homes	477	\$122,661,085
Alternative Residential Energy	61	\$1,037,420	0	8 Pulte Homes	522	\$116,979,920
Garages & Carports	180	\$9,371,460	0	9 Darling Homes of	339	\$108,808,996
Res Rmdl, Addn, Int Fin	2,779	\$205,243,780	0	10 American Legend	298	\$107,646,638
Reroof Residential	477	\$21,246,829	0	11 Beazer Homes	412	\$106,738,314
Total Residential Const	21,850	\$5,125,286,400	20,497	12 Meritage Homes	292	\$95,147,401
Dallas Metro Building Permit Summary Week 44 - 10/24/13 to 10/30/13 (permits over \$20,000)				13 David Weekley	289	\$91,329,526
Residential	Permits	Value	Units	14 Grand Homes	273	\$91,317,633
Single Family Homes	347	\$103,289,796	347	15 Toll Dallas Tx Lic	207	\$91,168,665
Demolition	16	\$8,425	0	16 Landon Homes	272	\$87,825,744
Grading & Dust	2	\$160,000	0	17 Bloomfield Homes	304	\$87,379,107
Footings & Foundation	66	\$347,940	0	18 Megatec Homes Inc	258	\$85,525,298
Apartments & Condos	33	\$55,287,424	634	19 MHI Partnership	281	\$82,288,849
Other Residential Structures	11	\$410,822	0	20 Drees Custom Homes	183	\$60,959,219
Swimming Pools & Spas	40	\$1,545,480	0	21 History Maker Homes	309	\$59,695,574
Alternative Residential Energy	2	\$24,100	0	22 Gehan Homes	230	\$56,386,765
Garages & Carports	5	\$461,282	0	23 Sumner Homes	216	\$51,614,908
Res Rmdl, Addn, Int Fin	69	\$5,003,156	0	24 Ashton Woods Homes	175	\$44,137,720
Reroof Residential	5	\$145,062	0	25 Lionsgate Homes	157	\$42,827,925
Total Residential Const	596	\$166,683,472	981	26 Dunhill Homes	140	\$42,757,882
				27 Gallery Custom	88	\$36,247,219
				28 Paul Taylor Homes	81	\$35,960,700
				29 Huntington Homes	66	\$33,894,085
				30 Shaddock Homes	81	\$28,693,628
				31 Chelidan Homes	162	\$26,958,350
				32 M Christopher	55	\$25,594,114

The HomeFront

-Gov't Affairs News and Info

Relying on Impact Fees Should Be the Road Less Traveled

David Lehde
Director of
Government
Affairs



One thousand dollars. That's all it takes to price tens of thousands of Texas families out of a home. The NAHB estimates that nationally, a \$1,000 increase in the home price leads to pricing out of over 230 thousand households out of the market for a median-priced new home. Unfortunately, the fact that regulatory requirements at all levels of government add to home construction costs is not a short talking point that fits on society's bumper sticker conversation.

larger tax base, increased employment opportunities, increased disposable income, increased sales and other tax revenues.

If you are keeping score, we ran out of bumper sticker space several paragraphs ago.

One such cost that happens to come at the municipal level is impact fees. Charges assessed to developers or homebuilders as a way to pay for the cost of new infrastructure and/or public services related to growth, impact fees are an economically sensitive financing tool. Many communities simply lack the funds, or think they lack the funds to finance infrastructure improvements and expand services. Often the lack of financing is political in nature. Voter resistance. As their community grows, municipal leaders find themselves in an infrastructure pinch.

The Dallas Builders Association is currently monitoring municipalities who are reviewing impact fees, including Denton and McKinney. McKinney has actually proposed lowering their water and waste water impact fees. While their increases in roadway impact fees will still see increases in eight service zones. The Association is taking every opportunity to offer input and advocate that those fees either be lowered or remain at previous levels.

Home Builders recognize the purpose of municipal impact fees. However, that does not change the fact that impact fees are a cost of construction, just like bricks and lumber. When you consider the many other regulatory related costs, it adds up. Because the end user absorbs these costs, it is the home buyer who pays for those fees. This can have a contradicting effect on the very purpose of why the impact fees were imposed. Revenues generated through impact fees may fluctuate greatly during the highs and lows of the economic cycle. Because that cycle can have a direct impact on housing construction, fiscal planning based on impact fees can prove unpredictable. If impact fees and other regulatory cost increases get too high, due to stricter lending rules, many home buyers can find themselves priced out. If the cost for new homes is more expensive than existing homes, the demand will rise for existing homes. This, of course, impacts the affordability of housing. In some regions of the country, impact fees have placed a disproportionate burden of lower-income households.

It is important to note that this is not necessarily the fault of the municipalities. They often have their hand forced due to infrastructure not being addressed at higher levels of government. An example would be the pressure cities feel to impose roadway impact fees.

However, it is more important to note that home building plays a key factor in the revival of our economy. This is why the Association will continue to monitor area impact fees, as well as other regulatory costs being proposed. Our advocacy to local government officials is key in our effort to advise them on housing related issues.

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Spikes honored at Nov. 14 After Hours hosted by Atmos Energy



Membership Drive recruiters are recognized during Spike Night. From left are: Tom London, Thomas Signature Homes, Donnie Evans, Onyx Homes, L.P., John Bynum, Clyde Anderson, Homes for Hope, TW Bailey, Bailey Family Builders, Beverly Smirnis, The Savvy People, Michael Land, Plans by Land, and Jeff Dworkin, JLD Custom Homes. Recruiters Michael Land, Frank Murphy Jeff Dworkin, Michael Turner, Tim Jackson and Bill Deal donated their cash prizes to Operation Finally Home - \$250 total.



President Jeff Dworkin presents Riina Comfort, Comfort Saver Foam Insulation, with a \$50 gift card.



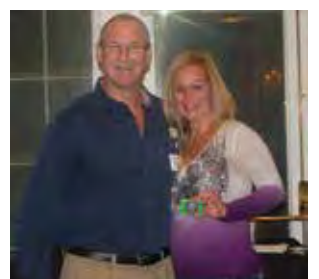
Barry Hensley, Hensley Premier Builders, receives a Flip video camera.



Tom London, Thomas Signature Homes, wins a Lowe's gift card provided by The Thompson Group.



Jeff Dworkin presents Terry Collins, ABACI Energy Efficiency, with a Lowe's gift card provided by The Thompson Group

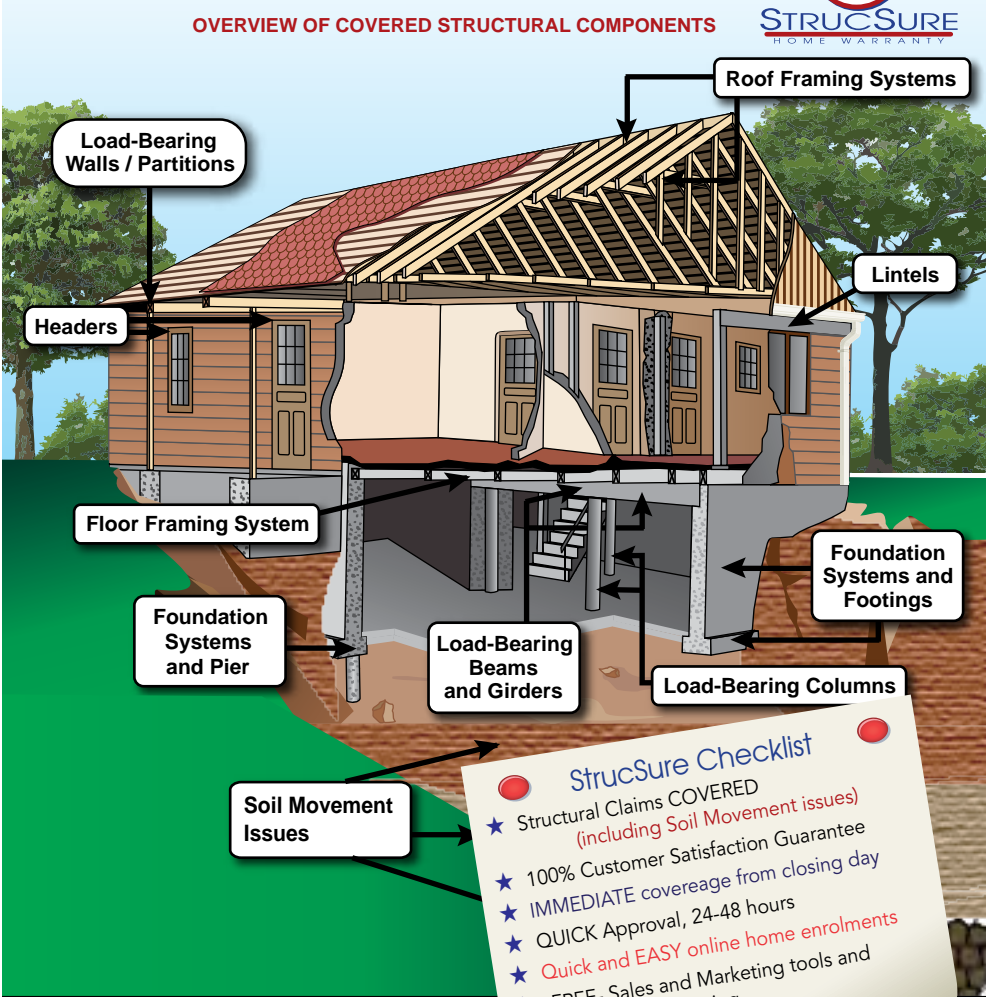


Lori Claborn, J. Hilburn, wins an iTunes gift card during door prize drawings at Spike Night Nov. 14.



Jeff Dworkin presents Aaron Wagon, Bailey Family Builders, with his winnings during the cash prize drawing.

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