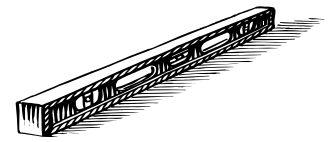


The Straight and Level



An Independent Newsletter from the
Home Builders Association of the Upper Rio Grande

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September 2011



President's Message

by Bob Van Iwaarden

Reorganization Plan

The HBAURG Board of Directors has been struggling with the reality that expenses have outstripped income of the last two years and we are consuming our reserves at an alarming rate.

The fact that our dues are the lowest in the state has attracted builder members from the front range but at our low rate the local organization keeps only \$20 for our operation after national and state take their share. Because of that, we have put on the Spring Home and Garden Show for the past five or six years as the major fund raiser for our association. At first this raised adequate funds to support our association and we could even carry a balance over to the next year. Now our Home and Garden Show does not generate the revenue it did in the past, for various reasons, and we are sadly consuming the surplus that many worked hard to build.

The board has worked through options and are down to three.

1. Shut down the association; everyone loses!
2. Raise dues so we are self supporting; most of you have told us you would drop your membership.
3. Disassociate with NAHB and CAHB and become a stand alone organization still focused on local issues facing the building industry (this idea has received positive feed back). This would keep the group intact for the most part. Old members who have dropped membership have expressed interest in returning. By keeping the whole membership fee in our association, we should be able to survive especially if our Home and Garden Show performs at the same level as last year.

The board is preparing to move with option #3 so we need to hear from all our members.

Whatever your membership renewal date is your membership with NAHB and CAHB will continue for one year. Then we hope to have you join the new association to keep up on local issues and continue the strong networking that we have today.

Bob Van Iwaarden
President

2011 HBAURG Board of Directors

President: Bob Van Iwaarden
 Vice President: Sheldon Lowder
 Secretary: Tony Carinci
 Treasurer: Bryan Malouff
 Directors: Samy Aragon
 Pat Martinez
 Melanie Meyer
 Don Smit
 Brett Zielke

HBAURG Board Meetings are held on the second Tuesday of each month. The Board of Directors welcomes members to attend the Board Meetings. Please call Bee @ (719) 873-5440 for more information.

*** PLEASE NOTE:** As of June 28, 2011, membership dinner meetings are being held every other month - on the last Tuesday of the month.





Notes from Bee

Contact Bee to make dinner reservations, 873-5440 or email at hbaurg@aol.com



There will be No Dinner Meeting for September

The next dinner meeting will be on October 25, 2011. Additional information will be included in the October HBAURG newsletter.

Questions? Feel free to give Bee a call @ (719)-873-5440

Bee's Message

50 Ways to Waste Your Money

By

Jenny Sullivan, John Caulfield, Rich Binsacca & Nigel F. Maynard

37. Pigeon-hole Yourself.

Perhaps you've never built a house under 3,500 square feet or sold anything for less than \$500,000. So? Sticking with that formula could be suicide in an era of tighter lending standards and shrinking household sizes. Rather than digging in your heels, use your good reputation as a point of leverage to offer something scaled to current market conditions. Remember that buyers who were ready and willing to spend \$500,000 three years ago may now set their limit at \$350,000. – J.S.

38. Pretend Construction Defects Don't Affect Your Reputation.

The Internet is a megaphone for anyone with a gripe. And homeowners with complaints about construction defects in their new houses aren't shy about posting grievances online with the hope they'll go viral. Yet many builders still view warranty issues as insurance nuisances rather than potential P.R. nightmares. Why? "Builders still think quality is going to cost them money," observes Stan Luhr, president of the quality assurance firm Quality Built. He suggests that builders could prevent defects in the first place by "standardizing complexity" and "creating redundancies" that curb construction snafus. - J.C.

39. Promote Your Best Carpenter to Superintendent.

He may be a wizard with a hammer, but can your best carpenter make and manage an entire schedule and a legion of subs and suppliers to keep your homes on schedule? That's a different skill, and it might be the guy hauling materials who has it. Identify, test, and train people who have management skills to watch over your jobsites. If your best carpenter really wants a promotion, then have him shadow your best super to see if he has the right stuff. – R.B.

40. Design on Module, No Matter What.

Designing to standard lumber lengths, window sizes, and carpet widths can save money and reduce waste – no doubt – but it can also cost more if you lose sight of the bigger picture. "Don't force the 4-foot module if it doesn't make sense," says Steve Moore, president of BSB Design. "The livability of the house isn't necessar-

ily improved by 2 extra feet, and it might be better to design a 38-foot-wide floor plan instead of the 40-foot deal if that allows you to increase your overall density and end up with an extra unit you can sell." - J.S.

41. Give Your Customers an Invitation to Comparison Shop.

There's a way to be honest about costs without giving away the farm. Specify a standard set of default products and include them in the base price of the home, advises building consultant Chuck Shinn. "You can allow customers to upgrade from there, but if they do, you only need to show the total cost difference between the upgrades they've selected and the standard package. That way they can't comparison shop for individual products, and you are assured of making your margin." – J.S.

42. Put Your Mission in a Drawer.

Google "mission statement builder" and 284,000 results pop up, most of them, with minor variations, saying similar things about pursuing "excellence" through "quality construction," "customer service," and "associate development." But as businesses flourished and then foundered over the past decade, many builders abandoned those basic principles in their frenzied pursuit of growth and then survival. As you get back on your feet, you have a second chance to revisit and revise your mission statement, and to rethink how, in the next crisis, those words can withstand the pressures of expediency. – J.C.

43. Forget About On-Site Safety.

OSHA's latest enforcement tactic targets industries – including residential construction – with histories of violations, repeat offenses, and inherently unsafe working conditions. Of nearly 39,000 inspections conducted annually by the agency, more than 120 resulted in fines of \$100,000-plus. Compare that to the \$41.95 price tag for OSHA Quick Guide for Residential Builders and Contractors, a step-by-step guide to setting up a jobsite safety program. – R.B.

Excerpted from August, 2010 Builder.

To Be Continued...

Where is your Nest Egg... *and is it Safe?*

By Nancy Cutter

Today people are worried about tough economic times in our Country and all over the World.

Recently it was announced that Standard & Poor's downgraded the United States' Financial Strength Rating.

Unemployment is still a major problem, the Housing Market is still in crises, and Banks all over the Country are failing.

People all over the world are watching and waiting to see what's going to happen. The only thing for certain, is that people are afraid of losing their life's savings.

I talk to people every day. My clients work hard to earn a living and provide for their families. And if they have somehow accumulated any amount of wealth, now the Government wants to take it away from them.

Another issue that we must realize is that we are living longer lives than previous generations did - which is good. But, for many as they approach retirement, a new set of worries comes to mind.

What if the Stock Market Crashes? What will happen if I am unable

to continue to work? What will happen if I ever need care in a nursing home?

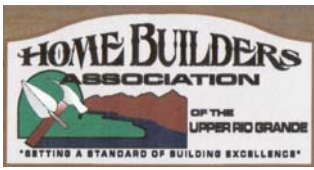
Are you prepared? If you haven't thought about how you would deal with these situations, then you are at great risk of losing everything that you have worked so hard to build.

Fortunately there are solutions for people. At Dell's Insurance Agency, we work with real people (just like you) every day to find Real Solutions to their unique problems.

If you share any of the concerns listed above, please give us a call to see how we can help.

I can be reached at Dell's Insurance Agency, Inc. - 589-3606 or ncutter@dellsinsurance.com.





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South Fork, CO 81154

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*Is it that time of
year already??*