



HBA News

A publication of the
Home Builders Association of West Michigan
March 2009

Advertisers

Adams Heating & Cooling
A. Tanner & Sons Roofing
Easy Living Flooring
MCIM
R. Peter Heyse & Assoc.
Smith & Eddy Insurance
Standard Lumber

HBA Info:

Allison Henley –
Executive Officer
HBA of West Michigan
Post Office Box 66
Shelby, MI 49455
Phone (231) 861-0618
Toll Free (800) 430-5159
Fax (231) 861-7313
hbawest@t-one.net
hba-west-michigan.com

Classes Offered

Looking to take a class and
expand your knowledge?
Check out our website for
dates, times and costs of
classes being offered in our
area.

Meeting Notice

March 5, 2009

Walkers Restaurant in Hart

Board meets at 5:30pm

Social begins at 6:30pm

General Membership meeting at 7pm

List of Upcoming Events

March 20, 21 & 22, 2009

Home Show

WSCC Rec Center

Booths are still available!

*Don't miss out on this tremendous
opportunity to showcase your products
and services to the public!*

Late Summer/Fall 2009

Parade of Homes

Open to Builders & Remodelers

Dates to be announced

Meeting Dates & Locations

March 5th @ Walker in Hart

April 2nd – location TBA

May 7th – location TBA

June 4th – location TBA

2009 Officers

President – Joe Hayes
Maplewood Home Builders
(231) 873-8022

V.President – Dan Gorenflo
Hallack Contracting
(231) 873-5081

Treasurer – Patrick Henley
Henley Builders, Inc.
(231) 861-5480

Board of Directors

Joe Hill (1 yr. term)
Clear H2O
(231) 757-4455

Ken Terry (2 yr. term)
Smith & Eddy Insurance
(231) 723-3500

Scott Stovall (2 year term)
Stovall Construction
(231) 861-2652

Wayne Tanner (2 yr. term)
A. Tanner & Sons Roofing
(231) 873-2716

Clarence Felt (2 yr. term)
KC Felt Construction
(231) 861-5309

Executive Officer
Allison Henley

2009 Home & Garden Show

It's that time of year again!
The 2009 Home and Garden Show will take place on March 20, 21 & 22 at the WSCC Rec Club.

Booths spaces are available in a variety of sizes.

Don't delay! Reserve your booth now. Home Show contracts are available on the website at www.hba-west-michigan.com or by calling the HBA Office at 231.861.0618

The Annual Home & Garden Show is a tremendous opportunity for you to showcase your products and services to the public. This event is highly successful and worth your consideration. Booths are still available, so don't delay – sign up today!

2009 MEMBER COUPON BOOK

The 2009 Membership Coupon Book will be arrived in the mail at the beginning of February 2009. The HBA of West Michigan would like to thank all of our members and non-members who contributed to this Member Benefit this year. Your coupon book includes coupons with a cumulative value of \$1,805!

2009 Parade of Homes

The Board of Directors has decided to move the dates of the Annual Parade of Homes to either the end of summer or beginning of fall this year. This will allow more builders to have a project that may be available for this annual event. The dates are being discussed and will be announced as soon as a decision has been made. This show will be open to both builders and remodelers. In this sluggish economy, it is important to keep your name in the public eye to let potential buyers know that you are still in business and continue to offer your building and remodeling services. The cost for entry has been reduced from \$850 to \$500, to make entry more affordable to our members. Keep checking the newsletter for more information about this event and plan now for a new home or remodel project that you can showcase. For answers to any questions, please contact Allison at the office at (231) 861-0618.

Education Available in March 2009

March 3, 2009	Sales & Marketing <i>(qualifies for 6 hours Marketing & Sales and 1 hour Electives for the 60 hour prelicensure required courses for licensing in the State of Michigan)</i>	<u>HBA of Greater Grand Rapids</u>
March 6, 2009	Builders Assessment Review – BAR: Your First Step to CGB (Certified Graduate Builder)	<u>Building Industry Association of Southeastern Michigan (BIA)</u>
March 6, 2009	Professional Remodeler Experience Profile – PREP: Your First Step to CGR (Certified Graduate Remodeler)	<u>Building Industry Association of Southeastern Michigan (BIA)</u>
March 6, 2009	CAPS I – Marketing & Communication Strategies for Aging & Accessibility <i>(qualifies for 6 hours Marketing & Sales and 1 hour Electives for the 60 hour prelicensure required courses for licensing in the State of Michigan)</i>	<u>HBA of the Grand Traverse Area</u>
March 7, 2009	CAPS II – Design/Build Solutions for Aging & Accessibility <i>(qualifies for 6 hours Design & Building Science and 1 hour Electives for the 60 hour prelicensure required courses for licensing in the State of Michigan)</i>	<u>HBA of the Grand Traverse Area</u>
March 9,10,11,12,14,16, 17,18,19,21,24,25,28, 2009	Comprehensive 60-Hour Prelicensing Program for Residential Builders <i>(qualifies under Public Act 157 of 2007 for all competencies of prelicensing coursework required for builders and maintenance and alteration contractors licensing in the State of Michigan. Participants are required to attend all sessions)</i>	<u>Mid Michigan Community College M-TEC Mt. Pleasant</u>

New Tax Credit Gives Consumers 8,000 Reasons to Buy a Home

NAHB Resources Help You Promote the Credit

The new economic stimulus legislation signed into law by President Obama on Feb. 17 contains several provisions that will be beneficial for many NAHB members – and help stimulate demand for housing.

NAHB Chairman Joe Robson, a home builder from Tulsa, Okla., said, “We are certainly hopeful that the newly passed economic stimulus bill, which includes some favorable elements for first-time home buyers and small businesses, will have a positive impact that will help get housing and the economy back on track.”

The legislation created a bigger and better home buyer tax credit than the one that was enacted in July last year. A key difference is that the previous tax credit was an interest-free loan and had to be repaid over 15 years, while the new credit is a true tax credit and does not have to be repaid.

The new tax credit:

- Is equal to 10 percent of the home’s purchase price up to a maximum of \$8,000.
- Is available for homes purchased between Jan. 1 and Nov. 30, 2009.
- Does not have to be repaid, unless the home is sold within three years.
- Has income limits of \$75,000 for single taxpayers and \$150,000 for married couples.

The consumer Web site NAHB created, www.federalhousingtaxcredit.com, which features content in English and Spanish, has been updated with the new information. The site includes basic information about the tax credit and a detailed question and answer section. It also describes other housing-related and small business measures in the legislation and a number of home-buying resources for consumers.

NAHB also updated the set of online resources at www.nahb.org/taxcreditmaterials that are designed to help members understand the credit and promote it to consumers. They include talking points, a fact sheet, radio spot scripts and a consumer handout that includes the credit in the “top reasons you shouldn’t wait to buy a new home.”

New resources, including print and Web site banner ads, will be added over the next few weeks as well.

“The new tax credit provides a great opportunity for first-time home buyers,” said Robson. “Combined with today’s near record low interest rates, the large selection of homes on the market, and very competitive pricing, the tax credit should be the extra incentive needed to get prospective buyers who have been sitting on the fence into the market.”

To learn more about how the legislation will help the home building industry, read the Feb. 17 issue of Nation’s Building News at to www.nahb.org/nbn.

The Tax Advantages of Homeownership

Owning your own home can be a very rewarding experience — especially when tax time rolls around. Three tax items in particular — the mortgage interest deduction, the property tax deduction and the capital gains exclusion — can provide significant financial benefits to home owners when the time comes to settle up with Uncle Sam.

Mortgage Interest Deduction

The interest you pay as part of your mortgage payment is deductible on your federal tax return and may also be on your state income tax return depending on where you live.

This deduction applies to first and second mortgages, up \$1 million of mortgage debt. Your lender should provide you with one or more IRS Form 1098s, which will provide the amount you may claim on your tax return. To benefit from this deduction you must itemize your deductions using a Schedule A Form.

You may also deduct the interest on money you borrow against your home to finance housing or non housing-related expenses. An example is a home equity loan, which many home owners use to remodel their home, pay off credit card bills, buy a car, finance a vacation or pay for educational expenses.

Property Tax Deduction

State and local taxes paid on the assessed value of the home are also deductible on your federal return. Like the mortgage interest deduction, itemizing is necessary if you wish to deduct property tax payments.

Notably, for many home owners the combined deductions for mortgage interest and property taxes exceed the standard deduction — currently between \$5,450 and \$10,900, depending on filing status. When this is the case, home owners are able to deduct or “write-off” many other items including charitable contributions, state income or sales taxes, medical and dental expenses, tax preparation fees and other miscellaneous allowable deductions, which collectively can reduce your federal and state income tax liabilities dramatically. Research by economists at the National Association of Home Builders indicates that for the typical home owner, these savings can exceed \$8,000 in the first year of homeownership.

Capital Gains Exclusion

Perhaps the biggest advantage to owning a home is the ability to avoid paying capital gains when it is sold. Under current law, married home owners filing jointly may exclude up to \$500,000 of capital gains and single tax filers may exclude \$250,000 from taxation. This exclusion applies only if you have lived in your primary residence for two years or more. But the exemption may be used repeatedly as long as the residency rules are met.

The tax benefits conferred on home owners by the federal government are substantial. Annual benefits, such as the mortgage interest deduction and the property tax deduction, along with the less frequently used benefit of the capital gains exclusion, make homeownership more tax advantageous than almost any other investment. Take advantage of it!

Be sure to consult your tax advisor about the deductions you may be eligible to claim.

Enjoying the Log Home Lifestyle

You don't have to live in the mountains of Montana to enjoy log home living. You can find them in cities and towns across America; they include amazing amenities and options not found in the log cabins of yesteryear.

Initially, people are often drawn to log homes because of the unique architectural qualities of the home, but they soon realize log homes have the same lifestyle amenities found in today's traditional homes. There are open floor plans, multi-media rooms, master suites, garages and so many other desired features. Log homes can be built to specifically meet the home owner's style and preference.

As an added benefit, log homes are both environmentally- and energy-friendly. They are constructed from natural and renewable materials as opposed to the processed lumber used in traditional stick-built homes.

Planning and building a log home is a unique opportunity to create your dream home, but it's important to do some research first. The Log Homes Council (LHC) of the National Association of Home Builders is a great place to start. All LHC members follow specific standards and a uniform code of ethics, and each member stays abreast of new technology with the end goal of ensuring customer satisfaction and a quality product.

It is a great time to consider building a log home. The LHC recommends the following steps to make sure you are asking the right questions in today's buying process:

- Make sure the company you are dealing with is financially stable. Before you fork over a large down payment, ask them what will happen if they are unable to finish the project. Knowing what will happen to you and your money in a worst case scenario will give you peace of mind that you know what to expect from your log home manufacturer in all cases.
- Ask for the manufacturer's references. These references will provide you with valuable feedback on how the company operates throughout the building process. You can also research the company by contacting the local Better Business Bureau at www.bbb.com. Here you will find out if the company has had any complaints filed against it and if they have been resolved in a satisfactory manner.
- Often, with log home manufacturing, the company that sells you the log package will not be the same company that builds it. Be certain to do the same research on the builder or contractor that you have done on the manufacturer. Ask if they have experience building a log home versus a stick-built home.

The LHC offers consumers a wealth of resources through its consumer Web site, www.loghomes.org.

Safety Has Its Rewards

...and those Rewards are being paid back.

The MCIM *Safety Rewards* program is paying policy-holders back a portion of their annual premiums for working safely. If you qualify, you get money back. Find out today how it's possible to receive a return of up to 20% of your annual premium.



**Visit www.mcim.com or call
800.262.4743 for more details.**



www.standardkitchens.com

The Quality Products and Great Service You Deserve!

- Four top cabinet brands for greater selection
- Top brand appliances
- Special order Dept.
- Field measuring/customer service
- Special "project pricing benefits"

Montague

9760 N. U.S. 31 • 893-8503 • 1-800-838-4352

Ludington

5151 W. US 10-31 • 843-3395 • 1-800-474-2483

Serving West Michigan for nearly 100 years!



Standard Kitchens

HBA OF WEST MICHIGAN, INC.

Post Office Box 66

Shelby, Michigan 49455

www.hba-west-michigan.com

Return Service Requested

The next General Membership Meeting is March 5th at Walkers Restaurant in Hart. We hope to see you all there! There is no need to RSVP, just show up!