

INSIDE:	
Member News	2
Education Corner	3
Those 70+ Somethings	4

50+ Housing: Emerging Trends	5
HBA of Connecticut News	6
Building Briefs	7
Calendar of Events	8



## President's Message



Hi Everyone

As this is the month of Valentine's Day when we celebrate those we love and appreciate with heartfelt wishes; it is also the perfect month for me to do what I can to brighten your day with a few kind words and a much deserved "pat you on the back!" My wish for you is that as you're reading this you're all having a truly good day. And, should this message arrive on "one of those days" when things are not going so well; I am hoping that my choice to send you a vote of confidence for your ongoing, conscientious good efforts isn't too long overdue. I hope to lift your spirits and encourage you to give yourself a nod of approval for all your good efforts – for doing your best and accomplishing so much no matter what challenges you're facing.

We've all had a few of "those kind of days" when nothing seems to go right. Let me set the stage: The new cabinet get's nicked by a well meaning individual; on another job, the countertop is cut short by one of your guys – ugh!; and needs to be ordered, and would you believe on another one the promised material just doesn't come in even though it's been promised forever! You've been totally honest with the client doing everything you can to trouble shoot; and, even so, you're finding the delays and mishaps mind boggling. The honest mistakes and delays have been beyond YOUR control.

As a result you find yourself on the front line doing what you can to explain to all of these people, clients and workers alike, "what" is going on. While in your own mind, you too, are finding it hard to rationalize that all these things are happening at one time... And then IT happens - some relief from your stress –You receive an email from a business associate that reads something like this:

"If you are like me you work hard to be a *people pleaser*. When there are so many other people involved and most situations are out of your control, it is next to impossible. Your track record and on-going care and accountability to the client should be enough to re-assure these people that you will get everything taken care of. Having someone like you who cares so much about a job is very hard to find. I agree that the countertop situation on this job was unbelievable. The countertop was in fact delayed beyond anyone's belief for one reason or another. The drawer front, full cabinets are easier to get than parts. ... Hang in there. If I needed a job done I can't think of anyone I would rather have than you." You take a much needed breath. Your only response at that moment is to smile and send a quick "thank-you" email in return.

Just in case you don't get the email...Here's your pep talk from me:

"You are doing a good job! You are still in business; and having FUN doing it, right?! There isn't a client in your world that wouldn't use you again. You have accomplished work that you are really proud of; and, your best clients and jobs are before you! Now be proud, smile! Everything that may be going wrong will turn around and work out. Give yourself a vote of approval for doing your best; and, know that you will continue to do well!"

I had a quote sent to me the other day that said "Worry does not fix tomorrow. It only screws up today". Well it makes sense!!!"

In closing, I want to give a special thank you to All of You who participated in and attended our 10<sup>th</sup> Annual Home Show, you made it a wonderful success!!!

To our great Prosperity,

Denise M. Nott

Nutmeg Building & Remodeling  
BAEC President

THE STRAIGHTEDGE



## New Members Welcome!

### Paul Kezer of Jeremy Hill Builders

99 Jeremy Hill Road  
Stonington, CT 06378  
Ph / Fax 860.535.3552 Cell 860.984.4576  
p5kezer@comcast.net  
Sponsored by **Ev Hyde** of **Shelter LLC**

### Richard Weinrod of Weinrod Properties LLC

25 Knob Hill Road  
Madison, CT 06443  
Ph 203.521.7195 Fax 203.245.3550  
rweinrod@comcast.net  
Sponsored by **Paul Kezer** of **Jeremy Hill Builders**

### John Petrone of Petrone Construction LLC

26 Parkway South  
New London, CT 06320  
Ph / Fax 860-447-3013 Cell 860-857-1773  
J.petrone@sbcglobal.net  
Petroneconstruction.com  
Sponsored by **Ed Windhom Jr.** of **United Builders Supply**



## Members on The Move

**Creative Enclosures LLC** has expanded their administrative offices into their recently purchased offices/warehouse location at 56 Stockhouse Road in Bozrah, CT. As part of the expansion, Creative Enclosures will be combining their Showroom and Design Center at 279 West Main Street in Norwich, CT with Randall Realtors.

The combined offices invite homeowners to visit the Design Center for all of their remodeling and real estate needs.

## Your BAEC Membership Dues and the IRS

Dues payments to the Builders Association of Eastern CT are not deductible as charitable contributions for federal income tax purposes. However, dues payments may be deductible as an ordinary and necessary business expense, subject to an exclusion for lobbying activities. Because a portion of your dues is used for lobbying by NAHB and the HBA of CT, \$95.83 is not deductible for income tax purposes in 2009 and \$111.60 will not be deductible in 2010.

## Student Chapter News

### Killingly High School

On Thursday, January 21<sup>st</sup>, our Killingly High School NAHB Student Chapter attended the International Builder Show in Las Vegas, Nevada. The students took part in a National Residential Construction Competition that involved 58 teams from



around the United States. These teams included High Schools, 2- and 4-year Colleges and Universities and included schools like Texas A&M, Purdue University, Penn State, and Fitchburg University. This was the 4<sup>th</sup> year that Killingly had taken part in the competitions. In previous years, Killingly never made the top 3 in any category, although they had gotten closer each year. This year, Killingly was a force to be reckoned with. They took 3rd in the Residential Construction competition and 2nd for Outstanding Chapter, [only losing to Texas A&M]. Devonte Banks received the Outstanding Student Achievement Award and Bonnie Beland received the Outstanding Educator Award. They were up on stage more than any other school in the competition.

### Third Place – Residential Construction Competition



Killingly High School placed third-nationwide in the Residential Construction Competition. Team members from left to right were Tony Fradette, Roger Lefebvre, Louie Bousquet, Quinn Berube, and Devonte Banks. This competition required the development of a full set of working architectural drawings, a construction schedule with

Gantt chart, project pricing, and a twenty-minute presentation to a panel of industry judges.

Bonnie Beland received **Outstanding Educator of the Year**, beating out Texas A&M, Purdue University, Brigham-Young University, and 55 others. This award was based on involvement in the construction industry and education efforts.



### Second Place – Outstanding Student Chapter

Killingly High School's Home Builder Association Student Chapter beat out 56 other teams, including Purdue University, Brigham Young University, Penn State, and Fitchburg University to come in second place for the 2009 Outstanding Student Chapter Award. They were surpassed only by Texas A&M University. This competition was based on community service, green living, and networking with industry professionals.



Devonte Banks, student chapter president, received the **Outstanding Student Achievement Award**. This award was based on academic and chapter involvement and achievements.





## Education Corner

### Get Your EPA Lead Certification Training!

As of April 22, 2010, Firms **MUST** be Certified by the EPA and have one or more Certified Renovators when disturbing lead paint in pre-1978 homes or child-occupied facilities. Firms who knowingly or willingly violate the EPA regulation may also be fined up to an additional \$32,500 per violation and/or face imprisonment.



As a service to our members, BAEC will be offering classes to attain this certification on:

March 4th Location TBD 8am-5pm  
March 11th Willimantic Chronicle 8am-5pm

Each course is offered at \$200 for BAEC members and \$225 for non members.

Payment and registration are due no later than February 26, 2010.

To register, please contact the BAEC office or log onto [www.BAEC.net](http://www.BAEC.net) for more information.

Please be advised there is a nation-wide shortage of certified trainers. If you need this course and cannot attend these offerings, please call the BAEC office at 860.859.3518 to locate other training options.

### DESIGN and TRADES CONFERENCE Sign Up Now!

For the 9th Annual Design & Trades Conference to be held on March 18, 2010 at the Naugatuck Valley Community College in Waterbury, CT. For more information on this code-related educational conference, please call the DPS office at 860.685.8330 or visit them on the web at [www.ct.gov/dps](http://www.ct.gov/dps) under Education & Data Management.

### 2010 Residential New Construction Program Roll-Out

Tuesday, March 2, 2010  
9:00a.m. — Noon

Registration and Breakfast begin at 8:30 a.m.  
Northeast Utilities, Berlin Auditorium  
107 Selden Street, Berlin, CT

#### Registration:

To register for this event, please visit our Seminar and Event Calendar at

<http://www.cl-p.com/Business/SaveEnergy/TechnicalSeminars/Calendar.aspx>



Connecticut's Energy Efficiency Programs are funded by a Charge on Customer energy bills. The Programs are designed to help customers manage their energy usage and cost.

## NAHB University of Housing Classes in Our Area

### HBA of New Hampshire:

Business Management March 10  
CAPS I March 11  
CAPS II March 12  
Advanced Green Building Science March 22-23

For education information please visit [www.hbranh.com](http://www.hbranh.com) or call 603.228.0351.

### HBA of Hartford

Green Building for Building Professionals March 25-26  
Financial Management April 15  
Project Management April 29

For education information please visit [www.hbahartford.com](http://www.hbahartford.com) or call 860.563.4212.

### HBA of Fairfield

Advanced Green Building Science April 20-21

For education information please visit [www.fairfieldcountyhba.com](http://www.fairfieldcountyhba.com) or call 203.335.7008.



## 61st Annual Atlantic Builders Convention April 14-16, 2010

Regional Conference to Attract 9,000 Participants, 600 Exhibits to Atlantic City Convention Center

In addition to the trade show, the ABC offers a variety of demonstration clinics, plus informative educational seminars featuring current information about housing market trends, government policies and technical developments, many providing professional education credits. For more information log onto [www.abconvention.com](http://www.abconvention.com) or call 609-587-5577.

## Volunteer Mentors Needed

The following schools and/or programs need your help.

**Parish Hill High School** in Chaplin is becoming an environmental magnet school with courses such as green architecture and sustainable fuel. The assistant principal saw our course offerings in the Three Rivers Community College catalog and contacted me to see if we would help develop their curriculum and consult in designing and building a green addition to the school.

**East Lyme High School** would like us to participate in a career fair on Thursday, April 1 from 12-1:30 pm. Sign up now!!

**EastConn** is looking for green speakers and field trips.

**Camp Wightman** in North Stonington would like our volunteer support for their summer program Tool Time program. The Handyperson Camp will offer youth in K-12 a chance to learn about construction Wednesday, July 21 through Saturday, July 24.

Please call the BAEC office if you would like to work with any of these student groups.



## Those 70+ Somethings...

Because most data talks about the entire 65+ age group, let's start by taking a quick overview.

As a whole, the "65+ Somethings" are a fun-loving, energetic group. Many are experiencing more freedom and leisure than they have known in decades. For the majority, their children are completely on their own and self-sufficient, they no longer have any burdens of caring for their parents, they aren't in the full-time labor pool, and they are in good-to-excellent health.

Some say they experience a sense of freedom like they had when they were teenagers, but now they aren't worried about what others think. Others describe their life at this stage as peaceful, content, and without stress. And another refrain that we've heard from many who have participated in focus groups we have conducted over the years, is that they no longer feel like they have to compete: They don't need to be the best, have the best or take classes to be the best. They are happy to be who they are.

But part of that group of Americans are the 70+ population — and when we look at their demographic data, we find they aren't quite the same as the 65+ group. When data are available specifically for the 70+ group, we'll examine it. At other times we'll look at data for the 65+ sector.

### The Majority of Americans 70+ Rate Their Health as Good or Excellent

These days, if you stereotype anyone, or assume you know what they're like based on their age, you're making a serious error. The 70+ cohort encompasses an incredibly diverse group of people, among whom the majority of those 65+ (74 %) and Americans 85+ years of age (66 %) rate their health as good to excellent.

### The 65+ are More Carefree

On average, someone in the 45-to-54 age group spends 53% more time providing care or helping someone else than the person in the 65-to-74 year age group.

More people in the 65+ age group than those in the 55-to-64 year age group describe their lives as carefree and being able to "do what they want to do when they want to do it." The 65+ age group is more carefree because they are less likely to have children (even adult children) who are still dependent on them and because 78 % of adults between the ages of 65 and 74 years of age — compared to 37% between the ages of 55 and 64 years of age — reported that they do not have a living parent (or, parent-in-law or step-parent).

### The 65+ Group Spends 30 % of Their Day in Leisure and Recreation

In addition to being healthy, many in this 70's age group enjoy a significant amount of recreation and leisure time. The amount of time spent working, and in work-related activities, drops significantly among those 65+ years of age, and the amount of time spent in leisure, sports and any form of recreational activities increases.

### 70+ Somethings by the Numbers

Today there are roughly 28 million Americans who are 70+ years of age. By 2035, the number of 70+ people will more than double to close to 58 million. (United States Census Bureau 2007)

As you would expect, the increase is a result of the Baby Boomer bulge working its way through the 70+ age group. Between 2016 and 2034, the Boomers will cycle through their 70th birthday parties.

But don't expect sedentary parties with a bite of birthday cake and a martini for every celebration. At the age of 69, Gary Flannery of Prescott, Ariz., decided he wanted to cycle a 2,476-mile solo trek to south Florida for his 70th birthday. Even for a long-time bicyclist who had been taking long rides for years, this was still a demanding trip. He averaged 112 miles a day on his bicycle, and cycled all but six days during the month-long trip, arriving in Naples, Fla., on November 20th, 2009. (Cook 2010)

### Life Expectancy

On average, someone who turned 65 in the year 2005 could expect to live another 18.7 years. Calculating 18.7 years, out of a total life span of 83.7 years, reveals that the 65 year old has 22.3% of his/her life left to live. Similarly, someone 75 years of age in 2005 has an average of 12 years life expectancy, or 13.5% of his/her life left to live.

As we live longer, the odds are that we acquire what is referred to as a chronic limitation — a condition for which there isn't a cure, but is something that we learn to live with, such as hypertension or arthritis. One-fifth of the age group between 55 and 64, 25% between 65 and 74, and 42% who are 75+ say they are limited in some way (physically, mentally or emotionally) because of a chronic condition.

### 70+ Households

Today there are roughly 17.5 million households whose residents are 70+ years of age, with a median annual income of \$29,329.

Fifty-seven percent of the 65-to-74 households and 70% of the 75+ have annual incomes of less than \$50,000; 27% of the 65-to-74 and 20% of the 75+ have incomes between \$50,000 and \$99,999; and 16% of the 65-to-74 and 10% of the 75+ have incomes of \$100,000+.

### Household Expenditures

The total average annual expenditures for the 65+ and 75+ consumer units (households) in 2008 were \$38,690 and \$32,785, respectively. Among the 65+ households, 33.5% of their annual expenditures were for their housing. For the 75+ households, it was 36.7%. These expenditures included basically everything to live in and maintain the household, including payment for the shelter, utilities, maintenance, household operations, supplies, and furnishings and equipment.

*Margaret A. Wylde, Ph.D., heads ProMatura Group LLC, an international research firm headquartered in Oxford, Miss. Dr. Wylde has conducted research about home preferences and purchase decisions for more than 20 years.*

# 50+ Housing: Emerging Trends

by Mike Kephart

As part of our research for our upcoming book, “Building for Boomers” Judy Schriener and I have been examining industry trends. Since we began our research in 2007, much has happened. To quote ourselves from the book, “It isn’t the big change each year that is the most profound, but the one that continues to grow in importance over the years.”

The recession was big news during the past couple of years, and still is. One could stretch and call it a trend, but the events of the past two years weren’t the trend — it was what was done over the previous decades that finally surfaced.

The following are a few of the trends that we have identified in our book.

## • Homes Are Getting Smaller

The American Institute of Architects reported in their Home Design Trends Survey for the first quarter of 2009 — and the U.S. Census Bureau agrees — that homes newly under construction are, on average, 300 square feet smaller than those of the previous quarter. The current market conditions, the concern for the environment, and the impact of older singles and couples entering the market as they age all contribute to the attraction of smaller homes.

## • Three-Generation Families — a Rapidly Growing Segment of the Market

USA Today’s Sharon Jason wrote in December, 2008, that this market segment grew by 38% in the 1990s. Jack Cross, president of Home Instead Senior Care, wrote in his June 4, 2009, column that the number of three-generation households grew 57% between 2000 and 2007. In 2000, according to the U.S. Census Bureau, multigenerational households totaled 4.2 million homes. A 57% growth would have brought that total up to 6.5 million in 2007, and the recession has encouraged even more families to move in together to share one home.

## • Outdoor “Rooms”

These “new” rooms are growing in popularity as home sizes decrease. It only makes sense that architects and designers would begin to utilize the outdoors as an integral part of the living space. The trick is to switch the thinking to “outdoor rooms.”

## • Green is Here to Stay

This may be stating the obvious, but it is clearly one of the major trends of this and the last decade. As stated earlier, cities, counties, and state governments are racing to legislate green practices in spite of a healthy volunteer program instituted by the National Association of Home Builders in 2004, and the culmination of NAHB’s efforts for approval of the National Green Building Standard by ANSI in 2009. There are naysayers, however — those who claim that, for all our volunteer “token” greening, we are getting nowhere and need to pass serious legislation to mandate more effective measures to reduce greenhouse gases.

## • Boomers Are Coming Up with New Ways of Using Their Homes

It used to be that people lived in their homes, rented them, or left them empty while they went on vacation — those were

the options. Then time-shares came along, giving people the opportunity to have a more home-like atmosphere and pay less when they went on vacation to a nice place.

But Boomers don’t like being tied down to a certain week each year, or even a certain place. Ideas that play to boomers’ penchant for changing their lives every few years, flowing through life phases, and keeping their options open will meet with more success.

## • The Lines Are Blurring between Product and Service Sectors

It used to be that active adult communities had no use for affiliations with healthcare facilities, let alone continuing care retirement centers (CCRCs). We used to think that the active adults didn’t want to see old, frail, sick people, or be reminded that it could be them one day.

CCRCs had their territory, active adult communities theirs. Now, however, we’re starting to see CCRCs expanding their offerings to include larger, more apartment-like units for their residents who need assisted living services.

Some CCRCs are not only doubling the number of independent living units they offer, they’re also doubling the size.

University Place, which is affiliated with Purdue University in Indiana, was built in 2003 but already is expanding to respond to updated demands for more units and more space. Independent living apartments that started out in 2003 to be a minimum of 600 square feet are doubling in size to a minimum of 1,200 square feet.

## • Who Knows?

One of the biggest trends in the next five years may be something we don’t yet know anything about. Something that has the biggest impact on the way we live probably will happen in the next five years, and we are clueless as to what that might be.

Of course, any reporting as to where the business of building for boomers is going in the year ahead is going to be short on facts and long on conjecture, speculation, and pure guesswork. And, as in any down market, some things are still working well in some parts of the country.

As far as the general direction the recovery will take, we can only observe the visible forces of change: our aging population; immigration; and the dispersal of wealth, to name a few.

Our best chance to see the future of the 50+ housing industry is to rely on our ability to notice the subtle things, the changes in employment, in preferred neighborhoods, in the shift between staying near home and moving away, and all the other small changes in client preferences. Doing that — and sharing those insights with our peers — gives us our best chance at getting an early look at larger shifts in the market and a glimpse of the next “big thing.”



## HBA of Connecticut News

### HBACT's Member Rebate Program *Same Program - New Deal*

The Member Rebate Program has been very successful for the Builder and Remodeler members that have taken advantage of the program. We would like to have more of the membership participate in this great program and to accomplish this, we have negotiated with the program administrators to provide the following:

Effective February 1, 2010, for all Builders and Remodelers that have not previously participated (claimed) in the Member Rebate Program, the Local Association will receive a royalty of 2 ½% of those new Builder and Remodeler participants! That payment will not affect the amount of money the Builder and Remodeler receives. Payments to the Local Associations will be sent in the month following the payment to all Builder and Remodeler members.

Not only are you going to receive this excellent source of non-dues income, the program administrators have developed a continually updated website for our program. You

can put a link to this site on your website to make marketing the program easy. The address is:  
<http://www.hbarebates.com/hbact.html>

This site has the information on the Member Rebate Program, current newsletter, both online and fax registration, the current rebate claim forms, and a calendar with important deadline information.

All of your Builder and Remodeler members can claim for all homes, remodeling projects, or multi-family units completed from July 1, 2009 - December 31, 2009 and the deadline for submission is February 26, 2010. This is an excellent opportunity for you and your members to take advantage of a proven program that works as a great tool for recruitment and retention.

For additional information or questions please call 866-849-8400 or via email at: [info@hbarebates.com](mailto:info@hbarebates.com).

### Home Building Industry Day at the Capitol

Home Building Industry Day at the Capitol is YOUR day to meet with legislators and let them know how their actions in Hartford affect YOUR business. This is one of the most important HBA events days of the year and a good turn out makes a difference!

Members from across the state are invited to come to the Capitol for breakfast and a briefing on the issues from Bill Ethier, CEO and chief lobbyist of HBACT. After breakfast, members will meet in groups with their legislators to talk about specific bills of concern to the industry.

Please contact the HBA of CT office, 860-521-1905 or BAEC's Government Affairs Co-Chairs – Ev Hyde and Nort Wheeler (??) to let them know if you have a connection to any CT

legislator. The HBACT office will help you set up a meeting with that legislator during Home Building Industry Day and will schedule members who are familiar with the issues to attend the meeting with you.

**Registration forms will be available soon, so save the date and plan to attend.**

If you don't already know your state representative and your state senator, now is the time to find out their names and contact them. Go to [www.hbact.org](http://www.hbact.org), click "Government Affairs" at the top of the page, then scroll down to "Find your Legislators." This will take you to the legislature's site where you can type in your street address to find your legislators. The site will provide an e-mail address and link to your legislator's web site and contact information.

### New! PROs ONLY Exclusive One Day Preview for the Trade

NEW! PROs ONLY, a one day preview, exclusively for the trade at the 63<sup>rd</sup> Annual CT Home & Remodeling Show at the CT Convention Center in Hartford.

Join us Friday, March 5, from noon to 5 for a day dedicated to our industry. The event will include:

- Builder & Remodeler Economic Update with Builder & Remodeler Economic Update with **David Crowe**, NAHB's Chief Economist and **Peter Gioia**, CBIA Economist
- Discount coupon book with great offers from exhibitors
- Product demonstrations from vendors
- Prize drawings

Bring your employees, subcontractors and industry colleagues to this new statewide event to network and find out what's happening in the industry!"

Register in advance at [www.CThomeShow.com](http://www.CThomeShow.com), click on PROS ONLY. Tickets are \$10 on line and \$15 at the door. When you register on line, your name will go into a drawing for a Stanley Tool set. Questions? Call the HBA of Hartford County office, 860-563-4212.



Visit [www.HBACT.org](http://www.HBACT.org)

*for up-to-the minute Information on what's happening at the state and local level!*

## BUILDING BRIEFS

### Connecticut's Housing Snapshot

DECD has released permit numbers: December 09 was 251, up vs. 153 in Dec. 08. Total for the year 3,136 (for the 128 towns reporting), which is down 36% vs. 2008.

More towns had permits in the double digits: Bridgeport, East Windsor, Ellington, Milford, Norwalk & Wallingford; rather than one town with 150 permits and others at 1 or 2. Permits will remain low as long as AD&C financing is difficult to obtain. Even the president made note in the state of the union address that small businesses were hurting due to lack of financing.

February's Commerce Report showed national new-home sales down 7% , HOWEVER, it also included stats that new-home sales in the Northeast were up 42%.

The Warren Group numbers also show that sales continue to improve: Statewide sales were up 34.79% in December, and median prices rose slightly, 3.59%, in December.

Prudential CT's Market Report is posted at [www.hbact.org](http://www.hbact.org). It has a great summary and statewide stats.

### Important IRS updates on claiming the home buyer tax credit

have recently been announced, and you may want to alert your potential customers. The agency has published an updated version of Form 5405 as well as instructions for home buyers using it to claim the \$8,000 first-time buyer credit as well as repeat buyers seeking to claim the \$6,500 credit. Updates to the form include the extended purchase date window (tax credit-qualified homes must be under contract prior to May 1 and close before July 1). And yes, even though the revised Form 5405 still references the "First-Time Homebuyer Tax Credit," it is also intended to be used by repeat home buyers, who must have lived in a single principal residence for five of the last eight years prior to purchasing their new home for which they plan to claim the tax credit.

Beyond these updates, the IRS is also requiring additional documentation for home buyers who claim the credit for purchases after Nov. 6, 2009. Buyers must now provide a copy of the HUD-1 form or, in cases where that form is not used, a certificate of occupancy for a newly constructed home. For purchases taking place after April 30, a copy of

the signed sales contract must also be supplied. Meanwhile, in order to claim the \$6,500 repeat buyer tax credit, home buyers must attach one of the following for five consecutive years of the last eight to demonstrate that they meet the repeat buyer qualifications: a Form 1098 reporting mortgage interest; a property tax statement; or home insurance records.

Tax credit buyers should also know that, due to the new documentation requirements, those claiming either the \$8,000 first-time home buyer credit or the \$6,500 repeat-buyer credit cannot e-file. As a result, taxpayers should be prepared to wait at least 12 to 16 weeks to receive their refunds. On a final note, NAHB has recommended options to Treasury and IRS officials for homebuyers who do not use a HUD-1 form and whose local jurisdiction does not issue a certificate of occupancy. Get more information on NAHB's consumer tax credit Web site at: [www.federalhousingtaxcredit.com](http://www.federalhousingtaxcredit.com).



### Residential remodeling is poised for a recovery

starting after this year's first quarter, according to economists speaking at last month's International Builders' Show in Las Vegas. While remodelers will still encounter some reluctance from their prospective customers who have been rattled by financial losses in the stock market and home equity, the experts said, the industry will derive some strength from the slowly improving housing market, though the weak job market continues to be a challenge. Noting that many home builders have sought refuge from the steep downturn in the new-homes market by diversifying their operations into remodeling, the economists observed that this particular segment of the construction industry has held up better than others. And even though remodeling suffered its own hit in the latest recession, it has moved ahead of the new-home market in dollar volume, a trend that could continue for some time yet. Renowned expert Kermit Baker of Harvard University's

Joint Center for Housing Studies said that spending on remodeling fell to an estimated \$246 billion last year, down about 35% from its cyclical high of \$326 billion, but still ahead of what was spent on new-home purchases in that period.

Harvard's quarterly Leading Indicator of Remodeling Activity, released on Jan. 21, provided an encouraging signal that home owners are in fact starting to plan more improvement projects as they look forward to a national economic recovery. In nominal dollars, the yearly rate of home owner improvements is projected by the indicator to total just under \$104 billion during the current quarter, which is 12% lower than the same quarter last year. The indicator shows improvements rising to \$110.9 billion by the third quarter, only 3.1% below the year-ago rate.





**WE'RE ON THE WEB!**  
**WWW.BAEC.NET**



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BAEC@aol.com

**Bulk Mail**  
**Permit No. 9**  
**Bozrah, CT**

In the long run, the pessimist may be proved to be right, but the optimist has a better time on the trip.

*-Daniel L. Reardon*

 **Copies PLUS...more**  
has brought color to the BAEC world of news!

*BAEC is the recognized source of quality building services and information.  
We build neighborhoods and improve the communities in which we live and work.*

## Business After Hours

**WAYS TO SAVE MONEY  
ON YOUR INSURANCE  
PREMIUMS WITHOUT  
SACRIFICING COVERAGE**

*Hosted By*



**Wednesday, February 24, 2010**  
**Smith Insurance Inc.**  
**15 Liberty Way,**  
**Niantic, CT 06357**  
**5:30 PM**

**Call 860.859.3518 for  
more information or to register!**

## Calendar of Events

### February 2010

Fri	19th	7:45 AM	Business Breakfast Regional Construction Forecast, Holiday Inn, Norwich, CT
Wed	24th	5:30 PM	BAEC Business After Hours Smith Insurance Inc. 15 Liberty Way, Niantic

### March 2010

Tue	2nd	6:00 PM	BAEC Board Meeting
Thurs	4th	6:00 PM	HBA Developers Council Mtg.
Thurs	4th	9AM—5PM	Lead Certification Training TBD
Wed	10th	12 PM	Home Show Comm. Mtg.
Thur	11th	9AM—5PM	Lead Certification Training Willimantic Chronicle
Thur	18th	7AM— 1PM	Design & Trades Conference Naugatuck Valley Comm Col. Waterbury, CT
Wed	24th	5:30 PM	BAEC Business After Hours Harvey Building Products Rte 85, Waterford, CT

**For more information visit our  
calendar at [www.BAEC.net](http://www.BAEC.net)**