

NARI learns about golf & business

Golf is a bonding experience and it is an excellent test character. That's why it has become such an integral part of business, according to Ryan Gilley, tournament director for Springboro's Heatherwood Golf Course, the guest speaker at the May Miami Valley NARI lunch meeting.

Ryan pointed out that five hours on the golf course can build business and personal relationships that couldn't be forged over months in the regular business environment. He said that for contractors, entertaining employees, subs, and suppliers is an obvious excuse or a golf outing, but he suggested that inviting customers to join a foursome can be as beneficial for a contractor as for a supplier. It's a good way to keep in contact with satisfied customers who have completed big projects. According to NARI's recent consumer survey such people can bring in four times more business than Yellow Pages advertising.

The May meeting also featured a report on pending contractor registration/licensing legislation by Gary



Ryan Gilley, Heatherwoode Golf Course, discussed the business aspects of golf at the May Miami Valley NARI meeting.

A. Porter, CR, Government Relations chair. Gary explained that there are two bills of interest currently in the legislature, HB 461, which deals specifically with registration of remodeling contractors, and HB 175, which addresses a number of construction-related issues, including building codes and contractor registration. He encouraged all members to read both bills carefully and make their views known to him so he can accurately represent the membership.

Betty Blose, Fund Raising chair, reported on planned activities. Among the projects on the agenda are design and construction of designer doghouses to be raffled at Homeworld 2005.

For the second consecutive month Cindy Bach, McMRF, won but failed to collect the attendance lotto. For the July meeting the lotto jackpot will grow to \$275. Other May winners were Mike Siler, CR, who collected the split-the-pot prize and David Flannery, who won a free meal at a future NARI meeting.

Universal design is a key to addressing the over-60 market

Traditionally marketing experts have salivated over the supposedly lucrative 18-49 age group, but it's becoming increasingly obvious that this isn't where the growth, the money, and the profit is, at least not in the remodeling business.

The fastest-growing segment of the building and remodeling market is also the most affluent segment, a situation that offers great opportunity for contractors who are prepared to meet the demands of this market.

That booming market is, of course, over-60 home owners. These are people, who, thanks to years of investing in IRAs, 401Ks, etc. and financial markets that, in spite of recent setbacks, have produced double-digit returns for nearly two decades, have plenty of financial resources and a willingness to spend on construction projects to make their lives more comfortable and enjoyable.

Understanding and applying the principles of universal design is important to meeting the needs and desires of this market. There are literally hundreds of universal design products and applications available.

A national survey conducted by the Universal Design Alliance, identified the top universal design features for people who are approaching 60 want in their current homes, and features they expect to need or

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June / July Meetings

June

No Meeting

July Dinner Meeting

Date & Time

6:00 pm, Wednesday, July 28

Location

Supplier Night - Tub Masters

Program

Dr. Wayne Essex

Stop Feeding the Tax Man

Cost

Hosted by Tub Masters

People pay big bucks for old wood

Newest isn't always best, at least in the view of some affluent individuals. *The Wall Street Journal* reports that many home owners are shelling out about \$14-\$23 per square foot for reclaimed wood when installing new floors, cabinets and walls — much more than the \$9-\$14 per square foot that is typical for new woods.



Reclaimed or antique wood is salvaged from old barns, factories, railroad tracks and lake bottoms; and many pieces are considered especially precious because they come from old-growth forests where logging is now prohibited. Elm, chestnut, hemlock, walnut, hickory-pecan, redwood,

white pine, Douglas fir and white oak are among the most common types of reclaimed wood.

The trend can be attributed to aesthetics as well as a desire among many home owners to protect the environment. The wood is air- and kiln-dried before the milling process, and much of the steep cost is tied to the removal of old nails and the fact that many pieces are thrown out due to decay.

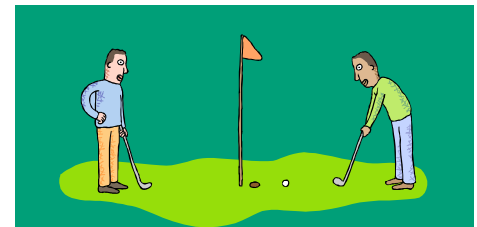
The charm of old wood may come with a price beyond money. Home owners often do not realize that reclaimed wood is prone to stains and scrapes because it lacks a polyurethane coating, and some pieces remain infested with beetles and other pests.

Half-baths may boost home value, salability

Home owners who lack a first-floor bathroom could boost the salability of their residence by carving out a powder room in a closet, under stairs or in another existing space, according to Alan J. Heavens, a home section columnist for the *Philadelphia Inquirer*.

Writing in the April 2 edition of the *Inquirer*, Heavens said that powder rooms, also known as half-baths, are generally four feet by five feet and have to hire a professional to design the powder room — especially since plumbing fixtures, heating systems and building codes must be considered.

Depending on the location of the room, the work necessary to revamp the space, lighting, wainscoting and fixtures, among other things, home owners could spend as much as \$10,000 or more. Heavens suggested that home owners can minimize costs by taking care of debris disposal, painting and decorating themselves.



The Miami Valley NARI Golf Classic is September 21 at Beaver Creek Golf Club. Put this date in your PDA now!

Miami Valley REMODELER

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The mission of MVNARI is:

- 1 To establish and maintain the association's firm commitment to developing and sustaining programs that expand and unite the remodeling industry, as well as ensure the industry's growth and security.*
- 2 To encourage ethical conduct, sound business practices, and professionalism in the remodeling industry.*
- 3 To present NARI as the recognized authority in the remodeling industry.*

This mission is carried out by:

- 1 Promoting the common business interests of those engaged in the industry.*
- 2 Sponsoring educational programs and activities for members.*
- 3 Enlightening consumers to the needs and advantages of home remodeling and maintenance, thereby improving the nation's housing inventory.*
- 4 Recommending legislative and regulatory action which safeguards and preserves the remodeling industry and stimulates the marketplace.*

Home sales are at near record level

NARI planning doghouse raffle

Earlier this year the National Association of Realtors reversed an earlier pessimistic prediction and projected a continued strong housing market. It looks more and more like the switch from pessimism to optimism was the right choice. The U.S. housing market continues to boom.



Sales of existing single-family homes rose for the third consecutive month in April

to the second highest pace ever recorded, the NAR reported. Much of the growth was centered in the Midwest.

Home resales climbed 2.5% in April to a seasonally adjusted annual rate of 6.64 million. That was 15.1% higher than a year earlier and just 0.6% shy of an all-time high of 6.68 million units last September. Existing home sales in April rose 4.4% in the Midwest, 3.5% in the South, 1.4% in the Northeast and 0.5% in the West.

David Lereah, the NAR chief economist, said that a strong sales number for April had been expected and May should be another big month for housing sales.

“Part of what we’re seeing now is fence jumping from people wanting to buy a home before interest rates move higher,” said Lereah. “Even with an additional rise in recent weeks, the good news is that mortgage interest rates now appear to be leveling out in the 6.3% range.”

A large majority of buyers of existing homes start a remodeling project within six months of moving into their new home, so existing home sales are a reliable leading indicator of the remodeling market.

Kettering did it with cars. Young’s Dairy did it with cows. Now Miami Valley NARI will do it with doghouses. As a fund raising and publicity program MVNARI members will have the opportunity to design and build designer doghouses to be displayed and raffled off at Homeworld 2005.

The doghouse project will combine creativity, fund raising, support of charities, and publicity in one high profile fun project. Contractors contribute their design and building expertise. Supplier members are invited to team with one or more contractors to supply materials for the doghouses.

Doghouse designer-builders will choose a charity to share in the proceeds from the sale of raffle tickets, which will be priced at \$2 each. The doghouses will be on display at Homeworld 2005 and at appropriate

public locations prior to the show.

At Homeworld there will be a raffle ticket sale table with individual drop boxes for each doghouse. Show visitors can see the doghouses on the show floor, then decide which house, or houses, they want to win.

There will be a preshow publicity campaign featuring the doghouses and their designer-builders.

All contractor members are invited and encouraged to participate in this fun and very beneficial project. The deadline for commitment to contribute a doghouse is the September 22 dinner meeting.

The doghouse raffle is one of two high profile publicity and fund raising projects MVNARI is planning for 2005. Work is underway on a NARI Garage Sale to be held in May at Cross Pointe Center in conjunction with the Centerville Community Garage Sale.

Customer relations guide is on sale

Our friends at the home builders association do have a few things going for them, and one of the best is the excellent selection of literature available through their on line bookstore, BuilderBooks.com. Right now one especially useful item, *Customer Relations Handbook for Builders* by Carol Smith is on sale at a bargain price.

The handbook is a two-binder compendium of useful information on such matters as company philosophy, staffing, service procedures and reports, quality management, buyer expectations, product presentation, use of a homeowner manual, financing, selections, change orders, site visits, homeowner orientation, warranty service, trade contractor service, communication skills, and customer feedback, and several other topics. The set has over 450 pages

of invaluable information you can put to use immediately.

In addition, more than 100 forms, checklists, and figures drawn from both handbook volumes are provided on diskette in MS Word 6 format. Using the diskette you can customize and apply materials from the handbook to your business.

The handbook has been priced at \$150, but it is now available to NAHB members for \$36, and to non-members for \$40. Go to BuilderBooks.com to buy or learn more about the *Customer Relations Handbook for Builders*. Click on the “Great Sale Items” line near the top of the page. Carol Smith is also the author of a 116 page customer relations book available from the bookstore. You might also want to check out this item, but it’s the handbook that’s currently on sale.

NARI announces medical insurance program

At last! The National Association of the Remodeling Industry has a health insurance program that's worth the attention of members.

Thanks to recent federal legislation, and months of discussion between NARI's national office and JLBG/Fortis, a leading provider of national association benefit programs, NARI is able to provide members with access to a group health insurance program that provides comprehensive coverage, is affordable, and makes sense for employers and employees alike.

The program combines high deductible group health insurance with individual Health Savings Accounts (HSAs) that cover part or all of the deductible with pretax funds. The HSA is similar to sheltering health expense funds in a cafeteria plan, with at least one important difference—you don't lose your money if you don't spend it all in a given year. It accumulates, with interest, year after year. When you pay medi-

cal expenses with HSA funds you don't pay a cent of federal income tax. After a certain age you can use your HSA funds for any purpose and only pay income tax on amounts spent for non-medical items.

NARI members can access the program through a secure website. Self service modules on the site allow you to complete the following tasks at your convenience:

- Request group proposals and individual proposals
- Initiate personal benefit consultations
- Answer benefit questions & concerns
- Search for doctors & hospitals
- Ask NARI Health Benefits for any request online
- Follow benefit provider links
- View health insurance news and benefit enhancements

You can learn more about the program and request a proposal for your company through the program's web site. You can go directly to www.narihealth.org, or there is a clickable link from the NARI site www.nari.org.

Over-60 market

(Continued from page 1)

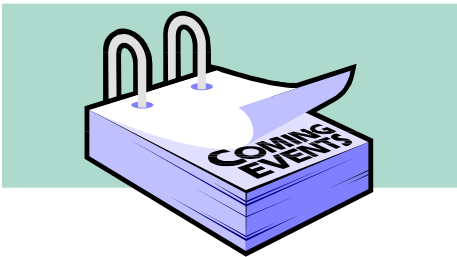
want in the future. The wants/needs list for current homes includes:

- Lever controls on faucets
- Light switches 36 to 48 inches above the floor
- The microwave at counter height
- 34-inch or wider interior doors
- Adjustable shelves in wall cabinets

What they want in their future homes are:

- One full bedroom and bath on the main floor
- Adjustable shelves in wall cabinets
- Under-cabinet task lighting
- Base cabinets with pull-out shelves
- Adjustable closet rods and shelves

Cost estimates for retrofitting universal design features in existing homes run as high as 25%-27% of the market value of a home. Although many projects carry a high price tag, there's no shortage of home owners with the finances to afford the improvements and the willingness to spend to get what they want.



June

No meeting

July Dinner Meeting

Supplier Night - Tub Masters
July 28

August Lunch Meeting

"Tricks of the Trade" Roundtables
August 25
Neil's Heritage House

MVNARI Golf Classic

September 21
Beavercreek City G.C.

September Dinner Meeting

Supplier Night
September 22

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