

## **NAHB Pursues Housing Crisis Solutions**

*By Barry Rutenberg*

Your National Association of Home Builders (NAHB) is doing everything it can to help you and its more than 250,000 members across America to survive the housing slowdown.

Coming out of the Fall Board of Directors meeting held in Seattle in early September, NAHB is taking an aggressive approach with the Bush Administration, Congress and regulatory bodies to return more stability to the nation's mortgage market.

Specifically, NAHB is pushing a 10-point plan that includes urging the Federal Reserve Board to cut its federal funds rate by at least 25 basis points when it meets on Tuesday, asking regulators to lift portfolio limits on loans sold to Fannie Mae and Freddie Mac, and giving HUD the flexibility it needs to work with borrowers who may fall behind in mortgage payments on FHA-guaranteed loans.

For information on individual actions builders can take in this challenging marketplace, go to [www.nahb.org/toolkit](http://www.nahb.org/toolkit). Ideas presented at a special forum in Seattle included increasing communications with your suppliers and lenders; staying in closer contact with your lenders and buyers, particularly with respect to the closing ability of those buyers under contract; and keeping your sales force positive and upbeat.

Florida Home Builders Association President John Wiseman of Sarasota and NAHB State Representative Chuck Fowke of Tampa led the Florida delegation to the Seattle meeting, the highlights of which included:

- Investing \$2.6 million from net assets to study whether changes in NAHB's logo, brand and visual identity would enhance how the national association is perceived by members, lawmakers and the general public. The funds include \$900,000 for implementation if the changes are adopted.
- NAHB's efforts to preserve cost-effective, market-driven green building guidelines in the face of national initiatives that could include mandatory standards. Some states and local governments already require such standards.
- Continuing diligence to assure that sprinklers do not become required in single-family, residential construction. In that regard, all members are urged to join a grassroots campaign to lobby the issue before the International Code Congress. For more information and how you can help, go to [www.nahb.org/sprinklers](http://www.nahb.org/sprinklers).
- Celebrating a huge NAHB victory in the U.S. Supreme Court which decided that the Endangered Species Act should not prohibit the U.S. Department of Environmental Protection from transferring permitting authority to states under

the Clean Water Act.

- Development of a compliance checklist for our members to use to protecting themselves when they receive a "no-match letter" (indicating possible illegal immigration issues) from the Department of Homeland Security about one of their employees. The list is available at [www.nahb.org](http://www.nahb.org).
- A resolution urging Congress to augment the National Flood Insurance Program with voluntary coverage for wind-related damage. If adopted, the expanded program would serve an important risk-management function in coastal areas.

NAHB's next major conference is the International Builders Show (IBS) set for February 13-16, 2008 at the Orange County Convention Center in Orlando. Show information is available at [www.buildersshow.com](http://www.buildersshow.com).

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### **Fed Rate Cut Good for Buyers**

The decisive action by the Federal Reserve to ease its monetary policies is good news for the economy and prospective home buyers seeking a piece of the American dream. "By cutting the federal funds and discount rate each by a half a percentage point, the Fed has sent a strong signal to financial markets and American consumers that it intends to ensure that the economy keeps moving ahead and the housing market regains its strength," said NAHB President Brian Catalde, a home builder from El Segundo, Calif. In an economy that continues to grow, create jobs and increase household income, the Federal Reserve's move to lower borrowing costs is just one more reason to consider buying a home in the current economic climate. "In today's buyer's market, there is an abundance of new and existing homes on the market, creating a wider variety of choice for home shoppers, said Catalde."As a result, builders are offering a range of concessions, from discounted financing packages to value-added incentives."