

TENNESSEE

# HomeBuilder

Sept./Oct. 2009

*Official Magazine of the Home Builders Association of Tennessee*

**THE  
STATE  
OF OUR  
STATE**



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Matt Kisber**

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# TENNESSEE HomeBuilder



September  
October  
2009



## WHO WE ARE

The Home Builders Association of Tennessee (HBAT) is a not-for-profit trade association comprised of professional builders, developers and associated firms engaged directly or indirectly in home building, remodeling and light commercial construction.

## MISSION STATEMENT

The Home Builders Association of Tennessee represents over 5,000 member firms as the Voice of the Housing Industry. We advocate housing affordability and availability through:

- Legislation
- Communication
- Education



*In this edition of the Tennessee Home Builder, learn more about important builder news, economic trends and legislative issues.*

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# TENNESSEE HomeBuilder

## DIRECTORY

TN HomeBuilder is the official publication for the Home Builders Association of Tennessee.

Annual subscription rate for members of the association is included in the association dues.

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POSTMASTER  
Send address changes to:  
HBAT  
213 Fifth Avenue North, St. 200  
Nashville, TN 37219

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(931) 379-0814

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P.O. Box 1916  
Columbia, TN 38402  
[www.tnhomebuilder.com](http://www.tnhomebuilder.com)

TN HomeBuilder is published bi-monthly by Woods & Associates, P.O. Box 1916, Columbia, TN 38402. All rights reserved. All editorial/advertorial submissions are used at the discretion of the publisher and may be edited for purposes of clarity and space. Although all efforts have been made to ensure accuracy of content submitted by advertisers and writers, TN HomeBuilder, its principals and associates are not held liable for errors or omissions. Reproduction in whole or part prohibited without written consent. ©2009 by Woods & Associates.

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2009



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# THE STATE OF OUR INDUSTRY

## President's Perspective

Ed Zarb, HBAT President



Throughout our local communities, state and nation, we find uncertainty about the causes of our current economic challenges and the future course of our recovery. Some economists say we've hit the bottom. Others believe that this is going to be a long, drawn out recovery. But the truth is that speculations and predictions concerning future events are affected by a vast array of unpredictable, external factors. These include everything from personal spending habits, legislative decisions and a mortgage industry that is moving with deliberate caution.

**Being overly optimistic or pessimistic is not the answer to our financial recovery. It will take steady, deliberate actions, patience and courage to overcome the challenges we face.**

During August, the National Association of Home Builders/Wells Fargo Housing Opportunity Index (HOI) reported that housing affordability continued to hover near the highest level in eighteen years. Bolstered by affordable interest rates and low prices, nationwide housing affordability during the second quarter of 2009 continued to create a buyers market. The HOI showed that 72.3 percent of all new and existing homes sold in the second quarter of 2009 were affordable to families earning the national median income of \$64,000, down only slightly from the record-high 72.5 percent during the previous quarter and up from 55.0 percent during the second quarter of 2008.

In Washington, the National Association of Home Builders (NAHB) has been working diligently to provide a continued support system to help create future jobs and set the stage for a strong recovery. At the

end of August, the NAHB called on Congress to extend and enhance the \$8,000 first-time home buyer tax credit due to expire on December 1. Specifically, NAHB is asking Congress to extend the home buyer tax credit program through December 1, 2010, and make it available to all buyers of principal residences. "If Congress acts to extend the tax credit program, it would spur 383,000 additional home sales, including 80,000 housing starts, creating nearly 350,000 jobs over the coming year," said NAHB Chairman Joe Robson, a home builder from Tulsa,

Okla. "That's good for the economy and good for America." Within those 350,000 jobs, 6,923 of them will be created in Tennessee.

NAHB has also responded by urging federal housing regulators to correct the flawed home appraisal process; urged federal banking regulators to improve acquisition, development and construction (AD&C) credit conditions; and co-sponsored net operating loss (NOL) relief bills: S. 823 in the Senate and H.R. 2452 in the House.

Dr. M. Ray Perryman, president of the Perryman Group and distinguished professor of Economic Theory and Method at the International Institute for Advanced Studies, has been working to explain the causes and effects of our current economic crisis.

"The mortgage debacle has put a severe crimp in the strength of the nation's economic recovery. Various efforts to boost the economy have met with differing degrees of success, and

the real effects are only beginning to surface in many cases. Late last year, the nation's two major purchasers of home loans—Fannie Mae and Freddie Mac—halted foreclosures on selected loans under their control. Several large mortgage companies quickly followed suit. These voluntary moratoriums have tapered off, however, and foreclosures are anticipated to become more active...." Perryman goes on to comment on the actions of the Obama administration and their efforts to assist homeowners with the problem of foreclosures. "Whether or not these actions will slow or perhaps reverse the pall that has covered the housing market, and, indeed, the general economy, is not yet known, but they are certainly worthwhile efforts toward achieving the goal of reducing the pain and restoring the confidence needed to turn the economy around. However, any hopes that the recession has already hit bottom may be a little premature."

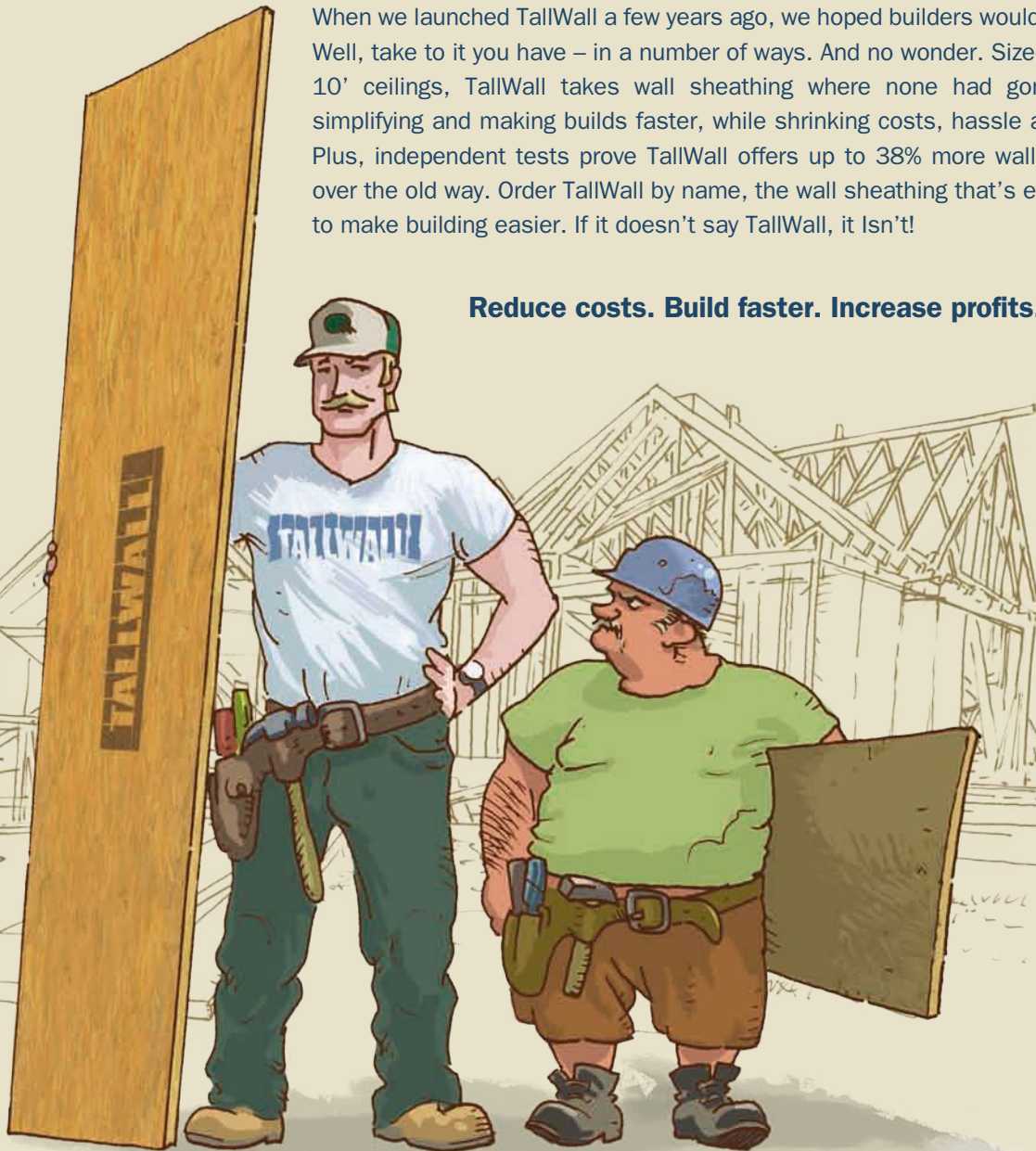
The one thing we can be sure of is this – there is no economic crystal ball. There are no single experts that can accurately predict what our financial future will hold. Our current economic problems will not be easily fixed, and no one should think that there will not be challenges ahead. But, throughout our association, we will meet the challenges; our industry will survive, and we will continue to provide housing for the citizens of Tennessee and the best business and legislative environment possible for our members. Being overly optimistic or pessimistic is not the answer to our financial recovery. It will take steady, deliberate actions, patience and courage to overcome the challenges we face. ❖



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# Unsung Heroes II

*Introducing the Guardians  
of Our Association*

Executive  
Officer  
Outlook

Susan Ritter  
HBAT Executive  
Vice President



Last month I talked about the profession of Association Management throughout the Home Builders Association of Tennessee. Since I hold the position of an Executive Officer, I can tell you that the job presents many challenges but even greater rewards. I believe Executive Officers can be rightly called the *guardians* of the home building industry, and adapt to all types of economic and legislative conditions, personalities and business concerns. They are tasked to make certain members can continue to do what they do best—build homes for Tennesseans. I will continue with our introduction of the EO's that serve their members of their local Home Builder Associations:

**Melanie Chadwell—  
Executive Officer of the Home Builders  
Association of the Upper Cumberland**

Melanie is a new EO and is excited about the opportunities that lie ahead. She is originally from Waverly, Hurricane Mills to be specific. However, has resided in Cookeville for the last 22 years. She is married to Scott Chadwell, a UT AG Extension Agent in Putnam County. The couple has a farm where they raise cattle and hay. Her daughter, Britnie, is a local Realtor. Melanie has just gained the title of “grandparent”

with the arrival of her new grandson, Mason.

When asked about challenges and rewards Melanie stated, “the biggest challenge for me and everyone right now is dealing with the economy; but I am optimistic that 2010 will bring positive changes. I have worked with a variety of events for many years, and it will be rewarding to work with our fine builders and improve the home show.”

**Tony Dement—  
Executive Officer of the Home Builders  
Association of Dyer County**



Tony Dement grew up in Gibson County, Tennessee and attended High School at Spring Hill in Gibson County. He is a 1972 graduate of the University of Tennessee at Martin. Tony's family includes his wife, Kathryn and two children, Langdon and Alex. Alex and his wife Tara recently gave Tony the title of Grandfather with a grandchild named Dalton.

Tony explains that his role as EO is a part-time commitment. His full-time job is serving as the President of Forcum Lannom Materials in Dyersburg, Tn. He is an active Rotarian and sits on the First South Advisory Board. When asked about the rewards

Melanie Chadwell

Tony Dement

Don Glays

Teresa Groves

Jamie Knight

and challenges of being an EO he said, "The most rewarding part of the job is getting to know the members and seeing them pull together in time of need. The most challenging area is striving to keep membership numbers up and keeping everyone informed of changes and requirements."

**Don Glays—  
Executive Officer of the Memphis Area  
Home Builders Association**



Don Glays began his journey as an Executive Officer in 1984 with the Manitoba Home Builders Association. He served as the President of the Canadian HBA EOC in 1990. He explains that a very rewarding part of his past experience was laying the groundwork for many of the green building initiatives of today. For example, Don was involved in integrated technologies such as ground source heat pumps, heat recovery ventilation systems and remote environmental control and monitoring systems to operate the home with substantially reduced energy and resource use costs.

Don stepped out of the HBA stream and managed an electrical association for a while and then an ABC chapter. However, Don realized that being an Executive Officer was the right job for him. He worked in Wisconsin

for eighteen months, and then moved to Memphis in April of 2007. Don says, "I plan to end my career when they carry me out of here in a pine box, or until I win the lottery, whichever comes first."

Explaining the most challenging part of his job, Don says that "...while dealing with the ramifications of political decisions from uninformed individuals, I sometimes struggle to keep from pulling out my hair."

**Teresa Groves—  
Executive Officer of the HBA of  
Southern Tennessee**



Teresa was born and has been a lifetime resident of Chattanooga, Tennessee. She attended Central High School and graduated from UTC with an accounting degree. Teresa has 3 children and stayed at home with them for 12 years. As the children grew, Teresa decided to go back to work fulltime, and the Home Builders Association hired her to do the accounting and help with committees. She explains, "The Executive Officer left a year after I came aboard. The Board hired me to be the Executive Officer, and I stayed for three years. Then a local bank offered me a job as a construction lender and I did AD&C loans for three years. The Executive Officer position then came open again in January

2007, and I came back to work with the Home Builders Association of Southern Tennessee."

In the challenging areas, Teresa talks about the major changes that have occurred over the past two years. "As an Executive Officer you want to do as much as possible for your members during these times. Sometimes, you can only do so much with your resources and time. It is heartbreaking when a member has to pursue another line of work. That is definitely the most challenging aspect of the job."

Teresa says the most rewarding aspects of her job "...are when members call back and say thank you for something you did for them. We have a lot of small builders and dedicated associates. Our members are some of the friendliest and most amazing people you will ever meet. I feel as an EO, it is my job to help them however I can. I hope I make a difference."

**Jamie Knight—  
Executive Director of the South  
Central Home Builders Association**



Jamie is originally from Ashland City, Tennessee. She is another rookie, just recently accepting the job as Executive Director. She is a Realtor with Exit Realty Diversified and a bookkeeper for Sweeton

—Continued on page 28



**Sharon Loomis**

**Frances Manis**

**Carolyn Robertson**

**John Sheley**

# The Solution is Simple—



*Legislative  
Review*

*Davis Lamb III,  
Chair—  
Government Affairs  
Committee*

## Support HIPAC for only 6¢ a day



"If you're not seated at the table, you're probably on the menu."

**F**or those of you that attended the Government Affairs Committee meeting at the Summer Board of Directors meeting, you know that we discussed in great detail what was accomplished during this past legislative session and what we need to pursue during the second session of the 106<sup>th</sup> General Assembly beginning in the middle of January. We had a number of successes this past session (*see the Legislative Review in the July-August issue of the Tennessee HomeBuilder magazine*) but we also have a number of areas that we need to complete next year.

While it is not the direct responsibility of the Government Affairs Committee to be involved in fundraising for our Housing Industry Political Action Committee-HIPAC, I am reminded of the quote I recently heard, *"If you're not seated at the table, you're probably on the menu."* It is the responsibility of all of our members that we do all we can to make sure the Home Builders Association of Tennessee is well represented at the table, especially with those who represent each of us at the legislature.

The decision was made by the HIPAC Trustees at their summer meeting that due to the state of our industry in Tennessee and the effect that it has had on our ability to support HIPAC, there would be no contributions made to our legislators until after the trustees meet again in November. Between now and November, the HIPAC Trustees and the local associations that they represent will be working to raise funds to strengthen HIPAC and to fulfill the commitment to adequately support **our** industry across the state. Your local association, sometime during September or October, will be holding a fundraiser in support of your political action committee. I urge each of you to get actively involved. Our association has over the recent years grown in its visibility and influence on issues facing our industry, and we need to maintain that momentum.

**THE SOLUTION IS SIMPLE.** If each one of our association members gave a minimum of approximately six cents a day—that's \$.06 (about \$22.00 per year)—HIPAC would have more than enough to reach its goals. When you consider that the cup of coffee you get at the drive-thru every morning costs you a minimum of \$1.00, then supporting HIPAC is a bargain. As always, if your business allows you to participate in a more significant way, please do so. The success of our state association's advocacy program depends on participation of each and everyone of our members.

I challenge each of you to get involved; be the first at your local to step up and meet your responsibility. Send a contribution\* today to:

**Housing Industry Political Action Committee (HIPAC)  
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\*All payments must be either a personal, partnership or LLC credit card, check, or cash.

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David Clark, a member of the Memphis Area HBA, recently commented that this program "...completely paid my membership dues for the year." Guess what? The year isn't over, and there is more money coming to those who participate in this easy program! You don't have to change the way you do business! You don't have to save your receipts. Just log onto the HBAT website at [www.hbat.org](http://www.hbat.org) and click on the "Member Rebate" button. Next, click on the "HBAT Member Rebate" button, and you'll have everything you need, including the forms, to get started.

Right now, there are 28 Manufacturers participating in the program. We added five new Manufacturer Brands for the second quarter 2009. The current participating Manufacturers are: Bradford White, Bryant, C.H.I. Overhead Doors, Carrier, Crane Performance Siding, Daltile, Delta, Exterior Portfolio by Crane, Heatilator, Heat & Glo, Honeywell Comfort Solutions, Honeywell Security, Honeywell Structured Wiring, Jacuzzi, Lutron, Mansfield Plumbing, Monarch Paints, Pittsburgh Paints, Porter Paints, Progress Lighting, Therma-Tru, TimberTech Decking, TimberTech FenceScape, Velux, Warmly Yours, and Zurn Pex Plumbing.

You must be a builder member to register for this program. If you can't get to the internet, simply call 1-866-849-8400. Join your fellow members, and start saving today!

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For example, if you are a builder member with at least five lines with \*Verizon Wireless, you are eligible to save up to 22 percent on your Verizon Wireless bill. Just go to the HBAT website, [www.hbat.org](http://www.hbat.org), and then click on the Member Rebate icon that is just above the HBAT logo at the bottom of the page. You will then see an icon for the National Purchasing Partners; click on this icon and you're ready to sign up and start saving.

Once you sign up for the program and are able to enter the website, just click on "View Contracts" for a complete list of participating companies.

Members who are already saving with this program include: Averwater Construction, Bristol Development Company, Crane Builders, Haynes Brothers Lumber, Knoxville Drywall, Southern Land Company, Swanson Developments and Vintage Homes, just to name a few.

If you have questions, please call 1-800-810-3909.

*\*There is also a Verizon Wireless icon at the bottom of our Membership Rebate area. This PDF document can give you valuable information about Verizon discounts through the NPP/HBPP program.*

—Continued on page 19

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# The State of our Economy Tennessee



*The State of Our Economy with comments from Governor Phil Bredesen, Commissioner of Economic and Community Development, Matt Kisber, and Department of Finance and Administration Commissioner, Dave Goetz*

**W**hen the New York Stock Exchange crashed in October 1929, Tennessee's leaders hoped it wouldn't affect their state very much. Through most of 1930 they appeared to be right. But a few days after Governor Henry Horton was re-elected in November 1930, a Nashville financial company called Caldwell & Co. collapsed, starting a chain reaction of business failures unlike anything the South had ever seen. In only six weeks, 120 southern banks closed.

During this devastating time, our citizens lost everything, causing personal bankruptcy, and ruin for thousands of Tennesseans. But out of this financial tragedy grew programs such as the Tennessee Valley Authority (TVA) and the Works Progress Administration (WPA), which built dams, roads, airports and made improvements at places such as the Great Smoky Mountains National Park, and even excavated ancient Indian villages in several parts of the state. With the help and vision of our government, tens of thousands of jobs were created and placed Tennessee on the road to recovery.

In a similar fashion, during our current economic recession, we are fortunate to have competent and visionary leadership within our state. Although most of us are tightening our belts, it is comforting to know that Tennessee is one of the fastest growing states in the nation. The state of our state is in the capable hands of proven leaders, who are working to bring about a swift and stable economic recovery.

In an effort to give our readers a better perspective about our current economic condition, we spoke to three of Tennessee's most important financial decision makers. Here is what they had to say:

## **Governor Phil Bredesen**

### **1 During this recession, how is Tennessee coping with rising costs of operating our state government without placing more burdens on citizens?**

Beginning in January 2008, Tennessee government began taking steps to reduce spending in recognition of declining tax revenues. Those measures included budget cuts within state agencies and across state government, including:

- Implementing a travel and hiring freeze
- Developing the Voluntary Buyout Program, which provided compensation, continued health insurance and higher education incentives to employees who voluntarily left state employment. This reduced the number of state employees by approximately 1,500.
- Asking Executive Branch agencies to reduce spending several times during the budget process as the economic recession has continued.

### **2 What is Tennessee doing to promote green building, and how important will this issue be to the future of our state?**

This year, the Pew Charitable Trusts recognized Tennessee as a leader in the clean energy economy. It's a distinction that will play a pivotal role in our state's future. With the support of the General Assembly and passage of the Tennessee Clean Future Act, we established a limited statewide residential building code. In areas that do not currently have minimum residential building standards, the state department of Commerce and Insurance will establish the International Residential Code (IRC), a commonly accepted code that sets minimum standards for new construction of one- and two-family dwellings as it relates to basic measures like energy efficiency. While local "opt out" is permissible, we anticipate most communities without codes will participate in the program, as building codes have been proven to promote energy savings.

In addition, the state is making a significant effort to retrofit state buildings to be more energy efficient. This effort includes purchasing more energy efficient appliances, making better use of energy efficient lighting and lighting controls, and better insulation and more efficient heating and cooling systems.

We are also able to expand eligibility for federal funds used to "weatherize" existing homes in low-income areas. Under the American

Recovery and Reinvestment Act of 2009, Tennessee is poised to receive approximately \$99 million through the U.S. Department of Energy's Weatherization Assistance Program. The program, administered by the state Department of Human Services (DHS), promotes energy efficiency through the installation of insulation and weather-stripping in low-income homes. DHS will streamline rules to allow for a rapid and responsible distribution of new dollars, including ensuring that contractors doing the work are qualified. Additionally, eligibility for qualifying homeowners will increase from 125 percent to 200 percent of poverty, or \$44,100 for a family of four.

### **3 What do you see as the highest priority for Tennessee government during these hard economic times?**

Our highest priority is to not lose our focus. We must continue to improve the education of our children and create jobs for our citizens despite the economic climate. Families become resourceful during lean times. It's our obligation to do the same and continue to provide the services our citizens need and expect.

### **4 How important do you see the residential housing industry to Tennessee's economic recovery?**

Stable and affordable housing is an important part of achieving safe and prosperous communities across Tennessee. A sound and stable residential housing industry also contributes to the high quality of life we enjoy in Tennessee, which is a key factor in our state's long-term continued economic development.

## **Commissioner Dave Goetz**

### **1 What is the current status of the Tennessee economy at this time, and how does our state plan to recover and move forward?**

In July, state tax revenues continued to decline, making it the first time in Tennessee history the state has experienced a full year of negative growth. Sales tax collections alone have experienced negative growth for 17 out of the past 19 months when compared to the year before.

In short, we are in an economic environment more difficult than any we have been through since the Great Depression. We are faced with an unprecedented downturn in state revenues, presenting challenges in providing services to Tennesseans while managing the state workforce, but also challenges in

creating environments where our community economies can stabilize and grow. Hard times don't last forever, and we will continue to invest in creating jobs so that we are set up to grow and prosper when better times return.

This year, Governor Bredesen and the legislature gave us a four-year budget plan that utilizes nearly \$5 billion in federal stimulus money that will help us navigate the downturn. What the stimulus money buys is time; we're able to make thoughtful, well-planned reductions as opposed to making large quick cuts to the budget that could have unforeseen outcomes. By the last year of our extended budget, we will need to get to a spending level about three-quarters of a billion dollars below the budget that ended June 30. The limited new revenues over this and next year are almost cancelled out by the new costs we have to absorb.

Achieving targeted reductions will mean difficult decisions for every state agency, some more than others. We are committed to preserving education funds, as we continue to maintain BEP funding for K-12 schools. We are also committed to working with our communities as we did in Perry County with a state and local government initiative that has so far employed over 300 workers, using federal dollars provided by the Recovery Act. Before the initiative, Perry County's unemployment rate of 24.6 percent was the fifth highest rate in the nation.

As we move forward, we are committed to balancing the money we spend with the money we have available. We are now preparing to begin the next budget cycle, and will be asking state departments and agencies to map their path to the level of spending we have put forth for them.

### **2 What will be the outcome if sales tax figures continue to be less than projected?**

The state will do what it has done since the economic downturn began: make adjustments to our spending to meet available revenues, while looking ahead at how we maintain the lower spending level.

State government is constitutionally required to balance its budget – unlike the federal government; we can't carry a deficit into a new fiscal year. The administration and the legislature worked together this year to close one budget cycle and begin another while maintaining a balanced budget for both. We'll continue to work together to balance revenues and spending in the months ahead.

### **3 Do you believe that our government better understands the importance of a thriving residential building industry now that we have faced such tough economic hurdles?**

—Continued on page 18



## Remodelers Need Risk Managers, Too

**R**emodelers, isn't it refreshing to read some good news? NAHB released its latest Remodeling Market Index results (for second quarter 2009), and it reveals signs of steady improvement since the close of 2008. First quarter 2009 showed initial improvement over fourth quarter 2008, and second quarter 2009 showed even further progress in remodelers' market perceptions.

How do the latest figures track against the end of 2008? Current Market Conditions increased sharply by 49 percent to 38.1 percent. Even more promising, future expectations—which averages (1) calls for bids, (2) amount of work committed for the next three months, (3) backlog of remodeling jobs, and (4) appointments for proposals—increased a striking 84 percent to 34.2 percent. Projects are in the pipeline! The impressive uptick signals a welcome relief for remodelers.

While you might be chomping at the bit to do the work, your risk management strategy may be far from ready.

### Acknowledge the elephant in the room

The major difference between new construction and a typical remodeling job is the "wildlife." Yes, there's an elephant in the room: the customer. You might say, "But, I don't ignore my customers. I focus on their desire for finely-crafted, functional, and well-designed spaces."

Yet if you remodel occupied homes, your safety program often ignores the risks your work poses to the customer. Don't forget to package your proposals with a proactive consumer-conscious safety strategy.

### Start with a sit-down

Before you begin work, share your commitment to a safe work environment with every customer. You, your subcontractors, and your customers all play a role

in safety. Don't simply work around "the elephant." Set your expectations for what customers should do to steer clear of the hazards. Talk the family through the inherent hazards (electrical, fall, and vehicle, for example) that renovations pose to them and how you plan to mitigate them.

When you communicate respect and a concern for your customers' safety, you build more than a powerful risk management plan. You prime the pump for future referrals. Many risk management methods accomplish both.

What better example than good housekeeping? With an onsite dumpster and mandated daily clean-up, customers and their visitors won't be subjected to the hazards of tools, cords, exposed nails, and scrap—or how unsightly it can be. You show respect for the customers' living spaces and protect them from jobsite hazards simultaneously, with the same risk management technique.

The average customer has no idea of the hazards that fall protection mitigates. Talk through the layers of protection your safety program provides for them. First, always use OSHA-compliant ramps or stairs instead of walkboards or planks for entrance and egress. Inclines greater than 30 inches require handrails as well. While you don't want to encourage unwanted visitors in a construction zone, you want to provide safe entry and exit for customers who occupy their homes during a renovation. Second, install temporary rails on any unprotected openings such as window openings, open-sided stairs, or landings. During the drywall stage, remodelers often overlook this formidable fall exposure. Third, protect any open trenches with orange safety fencing, guardrails, or other barricades. Finally, be vigilant in protecting both workers and customers from falling objects (especially if your project involves scaffolding).

Explain that you will provide signage and fencing or barricades to create a construction perimeter, which keeps unwanted visitors out and construction materials, machinery, and equipment in.

Your hiring practices will also win big points in your customers' eyes. Describe how you and your subs run criminal background checks as part of your pre-employment screening processes so customers feel safe and sound with these employees working in their homes.

Remember to reinforce these messages with your subs, even detailing your expectations in your subcontractor agreements. Again, you, your subs, and your customers share the responsibility for safety on the jobsite.

### Get it in writing

After your chat, document your commitment to your safety program in your formal proposal to your customer. Also include a sample change order, and explain how any requested changes will impact the original quote and timeline. CYA: cover your... "affairs," right? Require signed change orders for any project deviations after the original contract has been signed.

Only surprise your customer with small added touches, such as employees reporting for work in company shirts and keeping their personal business away from the jobsite (i.e. smoking or making calls). This added layer of respect and professionalism will impress customers and encourage them to be forgiving of any unexpected issues that arise.

### Dot each "i" in "Builders Risk Policy"

You need more than a written safety policy. You need a Builders Risk policy; each of your jobs should have this insurance coverage. If you predominantly remodel buildings (constructed in the

—Continued on page 19





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# The State of the State

Continued from page 15—

I think state government has always understood this – and certainly in the middle Tennessee area, each of us understands this better than many others. On the early end of the current downturn, our housing market looked immune to the national homebuilding crisis ... until the Spring of 2008 when new construction permits began to plunge, meaning fewer construction workers, lower building material and home furnishing sales, and further setbacks for the state and local sales tax. However, University of Tennessee economist Bill Fox reported in his annual economic outlook earlier this year, "...when residential construction activity does rebound, it will be building from an extraordinarily low base and will likely generate very strong rates of growth."

## 4 As the Commissioner of Finance, do you see economic indicators that would lead you to believe that we can stabilize the Tennessee economy in the near future?

Most of the state's economists believe we have not yet landed on the bottom of the economic decline. Dr. Fox has predicted that the national economy could see conditions improve in the third quarter of the year. While we've seen a decline in job losses in Tennessee most recently, we've been cautioned against optimism. Real personal income is anticipated to be up only 2.0 percent this year.

Building permit data for Tennessee remained discouraging in the first quarter of 2009; permits were down 62.8 percent in Knox County and down 27.8 percent in Bradley County relative to the first quarter of 2008. (Figures are from the University of Tennessee Center for Business and Economic Research).

National economists point to characteristics which could help the southern homebuilding market recover. In Tennessee, our population continues to grow and businesses continue to move into the region. Pushing against that, however, are foreclosures and job losses, which threaten to stretch into next year.

## Commissioner Matt Kisber

### 1 While the entire country is facing serious economic hardships, how do you feel that Tennessee is doing economically when compared with other areas of the country?

The past 12-18 months have shown Tennessee isn't immune to the national economy. The tightening of credit markets, the housing downturn and industrial retrenchment have all taken their toll. But at the same time, we're seeing tremendous confidence in Tennessee in terms of potential corporate investment. Tennessee's landed three \$1 billion+ investments from Volkswagen, Hemlock Semiconductor

and Wacker Chemical in the past year and a half and those projects have the potential to act as "anchors" to attract additional jobs and investment in the state. We're being buffeted by headwinds from the national economy, but we're still making progress and there are plenty of states that would like to be in Tennessee's position when it comes to economic development.

### 2 With the business climate being what it is at this time, do you feel Tennessee is still a major player when it comes to recruiting new businesses?

Absolutely. Our phones at ECD are ringing from corporate executives and site selection consultants seeking information about potential sites in Tennessee. We're as busy today as we've been at any time since I've been Commissioner of ECD (since 2003). A survey of corporate decision makers by Chief Executive magazine last March put Tennessee among the top five states in the U.S. when it comes to locations considered the best places for corporate expansion. We've got a positive brand in Tennessee; we just need to expand awareness of it.

### 3 How can the residential building industry and the Department of Economic Development work together to create a better and faster economic recovery?

I think it's important for the residential building industry to stay engaged in what we're doing at ECD. The people in the building industry have incredible contacts across the country. A lot of the time, they may find out if a company is thinking about expanding or relocating before we do. They shouldn't be shy about calling us up and sending us leads on prospective companies. Also, we send out an electronic newsletter every week called the Hot Sheet. You can sign up for it at the bottom of our web page, [www.tnecd.gov](http://www.tnecd.gov). It will tell you the latest projects we've landed and list opportunities to engage with economic developers. We also hold a two day conference every fall with economic developers from across the state. Attending the Governor's Conference on Economic and Community Development might be a good opportunity to learn where the growth is taking place across the state. I also think ECD's Energy Division is very open to working with HBAT in developing initiatives, workshops, seminars and other programs aimed at helping builders put strategies in place for more efficient buildings in a cost competitive way.

### 4 How will new energy technologies affect the future of employment in Tennessee?

I think there's a tremendous potential for positive impact. Governor Bredesen says the states that understand how our

# DID YOU KNOW!

Continued from page 13—

energy future is going change will have the greatest chance to attract the new jobs and investment that go along with that. Tennessee also has the highest per capita residential energy consumption rate in the nation. That's a legacy of decades of affordable energy from TVA, but as energy costs rise, so will the demand for more energy efficient housing in Tennessee as well as retrofits of existing housing stock. I think that offers a real strategic opportunity for homebuilders. I believe the HBAT was very forward-thinking and recognized that when they helped shape the parts of the Governor's Energy Bill dealing with residential building codes. Adopting standards will drive innovation, spark new investment and give Tennessee companies who invest in newer, more energy efficient buildings a competitive advantage. Governor Bredesen and the state's homebuilders understand that and I believe those efforts will pay dividends in the near future.

The Tennessee HomeBuilder magazine would like to thank our honored contributors for providing content for this article. Information about the Great Depression in Tennessee was gathered from Nashville author, Bill Carey. ❖



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Yes—believe it or not, we have another way to save you money! It is called “Member Advantage” from the National Association of Home Builders. You will find a link to this program by once again going to the Member Rebate area of the HBAT website. Click on the Member Advantage button and learn how to put more money in your pocket through our national association!

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If you have questions, contact Tiffany Lindsley at 1-800-368-5242, ext. 8273.

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- **Publications** – Are you getting the award-winning Tennessee HomeBuilder magazine and the HBAT E-Newsletter? If not, you are missing out on a wealth of information that affects the homebuilding industry! These publications are provided as a member benefit, so make sure you are on our physical mailing list and email list. If you are not receiving the magazine or E-Newsletter, please call 615-777-1700, and let Brad Cartner know that you want to stay informed!

## Builders Mutual®

Continued from page 16—

last 40-50 years) and specialize in cosmetic upgrades as opposed to structural overhauls, you're a prime candidate for a Builders Mutual Builders Risk policy. On the other hand, if you chiefly provide more extensive renovation work, further underwriting will be necessary.

Are you remodeling something you plan to flip or is your renovation at the homeowner's request? Do you want to require your customers to include coverage for the structure in their homeowners' policies and only include the value of improvements in your Builders Risk policy to save the difference in premium? As a trade contractor doing specialized remodeling work, will you opt for an Installation policy instead? Its coverage, targeting your specialty, offers a lower rate than a true Builders Risk policy (based on installation receipts). Regardless of your business plan, your agent can help you find the right coverage.

Remodeling work means a host of differentiating hazards to consider in your risk management strategy. Go ahead, remodel yours. Let it leave a lasting impression on your customers that will surely translate into future referrals.

Look for “Knowledge Builder,” compliments of Builders Mutual Insurance Company, in each issue of Tennessee HomeBuilder. More risk management resources are available on [www.buildersmutual.com](http://www.buildersmutual.com).

# Members Gather for Business and Fun!

## Home Builders Association of Tennessee 2009 Annual Summer Board Meeting Destin, Florida



**T**aking care of business, delicious food, lots of fun in the sun and a great outdoor movie—it was another outstanding Annual Board of Directors Meeting in Destin, Florida!

This year's Annual Summer Meeting got started on Sunday, July 12. Members registered for the meeting, while Sponsors showcased their products and services.

Committee meetings were held throughout Monday morning. Brad Dozier, a *Certified Financial Planner™ professional (CFP®)* and a *Chartered Financial Consultant (ChFC®)*, presented an education session on Basic Estate Planning and Business Succession. Monday afternoon was left open to let everyone have a chance to enjoy all the many Destin attractions with friends and family.

Tuesday began with another round of morning business and committee meetings. But many members had their minds set on another year of volleyball competition. A debate presented itself on

the location of the volleyball tournament, and once again, the pool was chosen for the event. East, Middle and West Tennessee teams came prepared to walk away as champions. West Tennessee entered two teams, and the final battle for first place actually came down to the Memphis teams. Memphis II won the competition, leaving every participant wondering if the trophy would ever leave West Tennessee? Only time will tell!

The Board of Director's meeting was the last item on this year's agenda. Conducted on Wednesday by President Ed Zarb, members listened to committee reports, conferred about future plans, and the meeting was drawn to a close.

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Sponsors with tabletop displays included: LP, Probuild, Bonded Builder, Wells Fargo Home Mortgage, Bank of America Home Loans, THDA, Metalaire Louver Company, 2-10 Homebuyers Warranty, James

Hardie Siding, and Verizon Wireless.

This year's summer name badge sponsor was Wells Fargo Home Mortgage and the notebook sponsor was Bank of America Home Loans. Also, a very special thanks goes out to 84 Lumber and Acme Brick for stepping up to the plate and assisting with this year's Beach Party Blast.

It should also be noted that the HBAT Self-Insured trust were very generous in sponsoring another summer T-Shirt this year with the theme, "Chart Your Best Course – Do Business With A Member." We sincerely appreciate all of the sponsors who do so much to support our events throughout the year. You can find a complete list of our 2009 sponsors by visiting, [www.hbat.org](http://www.hbat.org).

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*Don't forget; our next Board of Directors meeting will be held at the Westin Beale Street in Memphis. You can register online for the meeting and get updated information by going to [www.hbat.org](http://www.hbat.org).*



# IN THEIR OWN WORDS

Throughout the year, the legislative staff of the Home Builders Association of Tennessee tries to provide legislative perspectives that are of significant interest to the more than 5,000 members of the association. In this issue, we asked Representative Judd Matheny and Senator Tim Barnes the following question:

*What do you see as possible pieces of legislation coming before the Second Session of the 106th General Assembly affecting small businesses and in particular the home building industry?*

## SENATOR TIM BARNES

(D - 22nd District)



**M**y first legislative session was an experience I found to be, at times frustrating, at times exhilarating, very time-consuming, but overall, very rewarding. I consider myself very blessed to have such a wonderful opportunity for public service.

I approached my first year as a State Senator with the resolve to help people, not only in my district, but across the state. In speaking with people in my district, I became aware of the adverse affects that Public Chapter 1041 would have on the construction industry. Public Chapter 1041 was passed in 2008 and requires all owners, sole proprietors and LLCs to carry worker's compensation for every employee. Although I believe workers' compensation is critical to have in this industry, the 2008 law places a burden on the small business owner and worker. In many instances, the insurance payment would become too burdensome to continue regular business operations, causing bankruptcy or a rise in prices. An increase in overhead for construction companies, both large and small, would mean an increase in the cost of a new home or any repair work. While our economy continues to improve, I believe that it is important to support industries like construction and real estate.

With support from the Homebuilder's Association, NFIB, and fellow legislators, a compromise was reached to offer relief to a portion of people who would be affected by Public Chapter 1041. The Department of Commerce and Insurance has agreed to create a new insurance classification code that will offer lower premiums to sole proprietors and LLCs who work in an administrative role and do not perform work on a job site. This new code is currently in the process of being drafted and will be available this fall.

Although this new code does not help all of those who will be affected by Public Chapter 1041, I will continue to work on this problem next session. I look forward to the opportunity to work with people across the state in correcting this and other problems our state may face.

*After graduating from Harding University in 1981 with a Bachelor of Arts degree in History, Senator Tim Barnes earned his Juris Doctor degree at the University of Arkansas Law School in 1985. Tim moved to Clarksville, Tennessee with his wife Linda in 1987. He and Linda have three children: Patrick; Molly; and Fergus. Also, Tim actively supports, and serves on the Board of, the American Red Cross, Montgomery County Chapter. Tim has been practicing law for 23 years and maintains an office in historic downtown Clarksville.*

## REPRESENTATIVE JUDD MATHENY

(R - 47th District)



**T**he second half of the 106<sup>th</sup> General Assembly promises to be eventful-but perhaps not in a way most of us are accustomed. Much like last year, we will be facing the unpleasant task of budget cutting. Due to lower reserve funds and revenue projections, some cuts are likely to be substantial. 2010 needs to be a year of minimal legislative

meddling. It is probable we will have some legislators introduce bills with hefty price tags but unlikely many can be taken seriously. Look for pieces that will cover issues such as tort reform, environmental concerns, workers' compensation and taxation/fee increases. These may receive some considerable debate but most major changes will be tabled barring any additional unforeseen federal intervention in Tennessee's affairs.

There are some positives, however. New construction projects, especially in the transportation sector, are beginning to emerge. Our unemployment figures seem to be stabilizing and even improving in many counties. Several billion in investments from domestic and international companies are beginning to create actual jobs in durable goods manufacturing. Each direct job created will create at least another in service and construction. Many small businesses are beginning to rethink their dormancy, and we will see positive impacts from the larger entities that will have footprints of 100+ miles in diameter. Many smaller communities are hosting new businesses that support anchors not just in the automotive industry.

Hopefully these positives, coupled with a new bipartisan House that has worked out a lot of kinks, will mean a brief and concise session. We need a budget early in the year and we need to be out of Nashville sometime in April. With the common enemies of prolonged lower than expected revenues and the general anxiety associated with cutting existing programs, perhaps we will all work together to make an early dismissal a reality.

*Representative Judd Matheny graduated with a Bachelor of Science degree from Excelsior College in 2000. His majors were in Criminal Justice Administration and Political Science. From 1987-1995 he was a member of the Tennessee Army National Guard in Winchester, TN. In addition to his many legislative duties, Judd is a part-time legal/law instructor and also has an 80 acre farm in Normandy, Tennessee. Representative Matheny has many years of distinguished service as a law enforcement officer, and he and his wife Christy have a daughter, Abigail, and a son, Aulden.*

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# The State of Your Company - Asset Protection

By S. Brad Dozier, JD, CFP®, ChFC®

**F**or most business owners, their companies make up the biggest portion of their net worth. Unfortunately, this asset also subjects them to the biggest liability risks. As litigious of a society as we have become and given the current economic downturn we have seen, more and more business owners are looking to protecting their assets.

Many strategies exist that can legitimately shield your assets, but the overriding concern with any plan must first take a look at restrictions on transfers. Some basic concerns deal with the taxation of transfers and any look back provisions addressed in the current laws. One of the major restrictions on these transfers in Tennessee is the Fraudulent Transfer Act (T.C.A. 66-3-305). The overarching theme of this code section says that transfers made, “with actual intent to hinder, delay, or defraud any creditor of the debtor. . .” will be deemed fraudulent and therefore voidable for asset protection purposes. This basically says if someone is attempting to transfer assets once they already know (or should have known) there are potential problems, then the transfer will no longer be deemed legitimate. Any potential strategies should be reviewed and possible restrictions should be considered before making any transfers.

There are many asset protection strategies available. The options range from simply the choice of your business’ entity structure to advanced estate planning documents. This review will briefly look at three common asset protection strategies. Specifically, Beneficiary Controlled Trust provisions in your estate plan, Asset Protection Trusts and Special Rules for Life Insurance. As mentioned already, it will be important to consider your particular situation and any restrictions on your transfers before deciding on what strategy will work in your situation.

## Beneficiary Controlled Trust Provisions

For most individuals with children, their estate plans include a provision to protect those children from “themselves” financially by placing the assets in trust. For years attorneys have drafted documents with additional language that

“sprinkles” the principal of the trust over several payments so the beneficiary has an opportunity to learn how to deal with the new found wealth before having access to the entire amount at once. For instance, the terms of the trust may say, “Keep the assets in trust for the benefit of my children to provide for their health, education, maintenance and support. Payout one-third of the principal balance of the trust when the youngest reaches age 35, half of the remaining balance paid at age 40 and the final payment to made at age 45.” With the proper spendthrift language included as well, these provisions are fantastic to allow for the protection of those assets while they remain in trust. Unfortunately, once the principal payment is made, the assets are now subject to the creditors of the beneficiaries. With an update to the existing language, it is possible to extend the time before the principal payments are made and even allow a financially matured beneficiary to become a trustee while protecting the assets from future creditors including bankruptcy and divorce. As long as the assets remain in trust, then beneficiary could receive the economic benefit, but those assets will be protected from attack by outside parties.

## Asset Protection Trusts

Generally speaking, trusts set up by someone other than a beneficiary of the trust (3rd Party Trusts) are not accessible to creditors, but a trust set up by the actual beneficiary (Self-settled Trusts) are usually accessible by creditors. Since July of 2007, however, Tennessee has joined states such as Alaska, Delaware and Nevada and several others in allowing the establishment of Domestic Asset Protection Trusts. The full discussion of how to set these documents up goes beyond the scope of this brief overview, but they do allow self-settled trusts to be protected from most creditors. They further allow the individual who establishes the trust to retain several rights such as how to invest the assets, ability to remove/replace trustees, and even live in a home owned by the trust. To receive this protection there are several items required such as spendthrift provision, language specifying

the trust is irrevocable, qualified trustees and affidavits supporting there are no outstanding or potential creditor claims. Again, there are many additional details that need to be explored before choosing this strategy, but it does have many useful applications in the protection of assets.

## Special Rules for Life Insurance

Tennessee is one of many states that allows for special protection of life insurance contracts. The Tennessee Code says that the “net amount payable” under any life insurance or annuity contract is protected from creditors (T.C.A. 56-7-203). These contracts can and must be for the benefit of the spouse or children of the insured, but can also include dependent relatives. Tennessee case law has also allowed this special protection to exempt cash surrender values for permanent insurance policies (In Re Olien, 2000, 256 B.R. 280). This planning tool is especially effective because so many individuals use insurance as part of their financial planning strategies and it is much easier to set than some of the more complicated estate planning techniques.

Overall there are many ways for business owners to protect their assets. The main planning consideration is to prepare for and plan these strategies well before there are any potential problems. It is also important to keep in mind that a good strategy does not have to be complicated or confusing to be effective. Please be sure to seek the advice of a competent advisor before deciding on any strategies or before making any asset transfers.

## About the Author



S. Brad Dozier has worked with the owners and employees of family-owned and closely-held businesses for more than a decade in the areas of estate, insurance, investment and retirement planning. Brad has earned the Certified Financial Planner™ professional (CFP®) and a Chartered Financial Consultant (ChFC®) advanced designations. He is also a licensed attorney working primarily in the areas of estate, probate and business succession planning. He can be reached by e-mail at [bdozier@dozierlaw.net](mailto:bdozier@dozierlaw.net).





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# Local, State, and National HAPPENINGS

## Ocoee Region Builders Association Present Scholarships to Students

The Ocoee Region Builders Association recently presented scholarships to three students in their area. These scholarships support the future of homebuilding by preparing the leaders of tomorrow.



*Pictured are scholarship recipients with Ocoee leadership: Back row from left to right: Dennis Epperson, John Proffit, Jason Cole, and Sherri Blakely Front row: Vance Fontenot, Parker Beaty, and Mark Straussberger*

## Johnson City and Kingsport Members Meet with Congressman Phil Roe

Over 25 Johnson City Area and Greater Kingsport HBA leaders joined together to talk with Congressman Phil Roe to ask for his support to extend the tax credit program, restore the flow of AD&C lending to creditworthy borrowers, adopt concise regulatory guidance for the appraisal process and support NOL relief.



*Left to right: Larry Kerns, President Kingsport HBA, Congressman Phil Roe, & Bob Garrett, Johnson City Area HBA*

## Home Builders Association of Southern Tennessee Meet with Congressman Bob Corker

The Chattanooga Association of Realtors and the Home Builders Association of Southern Tennessee recently gathered for a joint meeting and discussed their thoughts with Senator Bob Corker. The

meeting was a great success and Senator Corker was able to get a well rounded perspective of the current challenges of both building and selling homes.



*Teresa Groves, Executive Officer of Home Builders of Southern Tennessee, Senator Bob Corker, Tim McClure, President of the Home Builders Association of Southern Tennessee, and Cary Bohannon, Secretary of the Home Builders Association of Southern Tennessee. Picture by Ellis Photography, Chattanooga, Tennessee, Eric Ellis 423.718.6088*

## Home Builders Association of Tennessee Wins Association Excellence Award

The Home Builders Association of Tennessee recently received an Award of Excellence in the area of "Best Communications to Members/Update Communications" during the Executive Officers Council (EOC) of the National Association of Home Builders. Awards were presented during the annual 2009 EOC Seminar held in Louisville, Kentucky. The winning entries will become part of the Executive Officers Council's Idea Loan File in an effort to help other executives and associations across the country provide better service to members and their community.



*HBAT Director of Communications and Education, Brad Cartner, is shown holding the Association Excellence award.*

## BUILDING PERMITS

Total building permits, as reported by Market Graphics, have been totaled through the month of July for 2009.

### Nashville Eleven

The Nashville Eleven County Building Permit Summary includes the counties of Davidson, Sumner, Williamson, Wilson, Rutherford, Cheatham, Robertson, Dickson, Maury, Marshall and Bedford. Year-to-date permits for these counties total 2,782.

### The Memphis Metro Area

Memphis Metro Area includes Crittenden, DeSoto, Fayette, Shelby and Tipton counties. Year-to-date permits for these counties total 718.

### Knoxville Six

The Knoxville Six-County Building Permit Summary includes the counties of Loudon, Roane, Anderson, Knox, Sevier and Blount. Year-to-date permits for these counties total 1076.

### The Chattanooga Region

The Nine County Building Permit Summary includes the counties of Bledsoe, Bradley, Catoosa, Hamilton, Marion, Murray, Sequatchie, Walker and Whitfield. Year to date permits for these counties total 710.

The overall total building permits reported through July 2009 including all four of these regions are 5,286.

# MARK YOUR CALENDARS FOR 2010 HOME SHOWS

*Supporting Local Home Shows by Local Associations  
Supports the Tennessee Home Building Industry –  
Beware of Cheap Imitations!*

## January 29-31

### Maryville/Alcoa Home Builders Association

*Location: Foothills Mall in Maryville*  
(865) 984-1247

## February 5-7

### Sevier County Home Builders Association

*Location: Sevierville Events Center at Bridgemont*  
(865) 453-4712

## February 19-21

### Home Builders Association of Middle Tennessee

*Location: Tennessee State Fairgrounds*  
(615) 377-1055

## February 20-21

### Johnson City Home Builders Association

*Location: Freedom Hall Civic Center*  
(423) 282-2561

## February 26-28

### Home Builders Association of Southern Tennessee

*Location: Chattanooga Trade and Convention Center*  
(423) 624-9992

## March 4-7

### Home Builders Association of Greater Knoxville

*Location: Knoxville Expo Center*  
(865) 546-4665

## March 5-7

### Memphis Area Home Builders Association

*Location: Agricultural Center*  
(901) 756-4500

## March 5-7

### Home Builders Association of Greater Kingsport

*Location: Meadow View Convention Center*  
(423) 378-5501

## March 5-7

### Home Builders Association of the Upper Cumberland

(931) 528-1711

## March 12-14

### Cumberland County Home Builders Association

*Location: Crossville Community Complex*  
(931) 484-9097

# PAST PRESIDENTS HOME BUILDERS ASSOCIATION OF TENNESSEE

Carl Grant.....	Memphis .....	1960
Albert Morris .....	Nashville .....	1961
Bill Close .....	Chattanooga .....	1962
Jack Renshaw.....	Memphis .....	1963
Howard Cockrum.....	Knoxville.....	1964
A.H. Johnson, Sr. ....	Nashville .....	1965
Morris Mills .....	Memphis .....	1966
Jerry Wood .....	Knoxville.....	1967
Louis Close .....	Chattanooga .....	1968
Frank Stratton.....	Nashville .....	1969
Snowden Boyle, Jr. ....	Memphis .....	1970
Rufus Smith, Jr.....	Knoxville.....	1971
Calvin Payne .....	Chattanooga .....	1972
A.B. Ivey.....	Nashville .....	1973
Richard Bauman.....	Memphis .....	1974
J.R. Keys .....	Knoxville.....	1975
Coolidge Johnson.....	Johnson City .....	1976
Jack Ralston .....	Chattanooga .....	1977
Jim Fischer .....	Nashville .....	1978
H.B. McAdams .....	Memphis .....	1979
Fred Osborne.....	Chattanooga .....	1980
David Burleson .....	Knoxville.....	1981
Auston Stevison .....	Cleveland .....	1982
Gary Skidmore .....	Johnson City .....	1983
Jim Ford .....	Nashville .....	1984
Curtis Pinegar.....	Chattanooga .....	1985
Earl Sharp.....	Knoxville.....	1986
Jim Eldredge .....	Cleveland .....	1987
McNeill Ayres .....	Memphis .....	1988
Jackson Downey .....	Nashville .....	1989
Bobby Hicks.....	Johnson City .....	1990
Gary Cobble.....	Knoxville.....	1991
Gary Taylor .....	Jackson .....	1992
Freddie Snell.....	Murfreesboro.....	1993
Richard Graf.....	Knoxville.....	1994
Brad Rainey .....	Memphis .....	1995
Jim Fischer .....	Nashville .....	1996
Bill Monaghan .....	Cleveland .....	1997
Ricky Williams.....	Humboldt .....	1998
Michael Apple.....	Nashville .....	1999
Mike Carlton .....	Knoxville.....	2000
Ronnie Tickle.....	Memphis .....	2001
Dino Roberts .....	Nashville .....	2002
Keith Whittington .....	Johnson City .....	2003
Charles Morgan.....	Memphis .....	2004
James Carbine .....	Nashville .....	2005
Tim Neal .....	Knoxville.....	2006
David Parsons .....	Memphis .....	2007
Denzel Carbine.....	Nashville .....	2008
Edward Zarb.....	Knoxville.....	2009

# Celebrating the Unsung Hero II

Executive Officer Outlook  
Susan Ritter, HBAT EVP

*Continued from page 11—*

Home Restoration. She was employed at John Greeter Building Center in Monteagle when she decided to obtain her Real Estate License.

Jamie is a service minded individual with a touch of adventure in her blood. She explained, "I recently obtained my Motor Cycle Operators License and enjoy riding with my husband, Kenneth. Kenneth races dirt track, and I share his passion of this sport. We have been married for 27 years (to each other, lol) and have two sons. I am a founding board member of a small dog rescue group and have been actively involved in rescue for 10+ years. We have 4 Yorkshire Terriers that we rescued from puppy mills. I enjoy traveling and cruises, helping others and I collect light houses. I get satisfaction in making others smile. Life is short so we must live every minute of it. Life is Good!"

When asked about the challenges of her new job, she stated, "Keeping up to date on all the issues is difficult. What may seem like a small issue to me can be huge for a member. It is important that we manage the line of communications. I have many ideas and need to get organized and start implementing them. I am also looking forward to the challenge of signing up new members."

Explaining the rewards of her new job Jamie said, "I recently had my first meeting as EO. I received so many compliments on the small changes that I have implemented. People like change when it includes them. I intend to see that we make adjustments that benefit all our local members. I like to brainstorm with others to bring new ideas to the table. I enjoy working with contractors and sharing the dream of homeowners."

## **Sharon Loomis— Executive Officer of the Sevier County Home Builders Association**



Sharon is one of our newest Executive Officers. She is originally from Toledo, Ohio via Florida. Sharon and her husband have lived in Sevier County for 21 years. She explains, "Most of my work experience has been related to the construction industry. For several years I worked for a large electrical subcontractor in Florida. My husband is a general contractor, and I have been his gal-Friday since moving to Tennessee. He is a member of the SCHBA here. I feel this position is a perfect fit for me. I am looking

forward to learning and expanding my horizons with this organization."

Since Sharon has recently filled the vacancy for Executive Officer in Sevier County, she says she is unable to say what the most challenging and rewarding aspects of this job are at this time. But she adds, "I am excited to dive in and get busy."

## **Frances Manis— Executive Officer of the Maryville/ Alcoa Home Builders Association**



Frances Manis was born and raised in Sevierville, TN. She moved to Maryville in 1974 with her husband and two daughters. The family has grown, and Francis now has five grandchildren. Before becoming an Executive Officer in 1984, she was a stay-at-home mom, involved in volunteering at school and church.

Francis has been on the job for 25 years and says one of the most rewarding parts of her job is her experience working with great people and seeing firsthand their willingness to help the association in any way they can with issues relating to the housing industry and also helping fellow members.

She explains, "...the most challenging part of my job is not being able to help the people in the community who have been taken advantage of by people who claim to be legitimate contractors and subcontractors."

**Carolyn Robertson—  
Executive Officer of the Home Builders  
Association of Great Kingsport**



Carolyn proudly states that she was born and raised in Kingsport and only briefly left the area for a few years. Prior to working at the HBA of Greater Kingsport, she was in the banking industry. She left the business world to be a stay-at-home mom, and then began working for the Home Builders Association of Greater Kingsport in 1986. The former EO had left, and Carolyn was faced with learning the job on her own. Carolyn remembers, "That was challenging! I knew absolutely nothing about the building industry."

When asked about the challenges of her job, she explained that it is hard to be an EO at the present time. She states, "...the housing market has dropped, unemployment is high and this is a difficult economy. I've seen the very best housing market, and now I've seen the worst. It has taken some creativity, and I have developed a different way of doing things. But I know we will overcome because our members are tough - tough times bring out the best in all of us."

Carolyn explains the most rewarding part of her job are the friendships she made over the years. "I enjoy helping our members any way that I can," Carolyn says. "Anytime they call the office whether they need a telephone number for another member or information from the state or national associations, I try to provide them with that service. Needless to say, I have vastly increased my knowledge of the building industry since I began *as a mere child* 23 years ago. I want to thank my members for their encouragement and help over the years; without them I couldn't do my job. They help make life easier, and I am sure our members are the best!"

**John Sheley—  
Executive Vice President of the  
Home Builders Association of Middle  
Tennessee**



John Sheley has been a home building industry representative for more than 20 years. Starting in 1988 as an Assistant Executive Officer in Cleveland, OH, John moved to North Carolina to serve four years as the Director of Field Services and Public Affairs for the North Carolina Home Builders Association. In 1993, John accepted the position of Executive Vice President for the Home Builders Association of Middle Tennessee (HBAMT).

John is a 1985 graduate of the Ohio State University with a BA degree in Journalism. John and his wife, Ashley, have a seven year old son and a four year old daughter. They live in Hendersonville, Tennessee.

John explains that defending private property rights is the most rewarding part of his job. He says the most challenging aspect is the constant and recurring onslaught of laws and regulations (even in slow times) aimed at the home building industry.

When it comes to association management an organization's Executive Officer must create a team atmosphere where members pull together, network and promote the benefits of their association to their peers. It is the Executive Officer's responsibility to guide the strategic direction of an association which includes helping their leadership plan, set goals and provide guidance to members and staff.

Executive Officers are expected to have the business savvy of a Wall Street executive, the tenacious abilities of a drill instructor, the nurturing traits of a family counselor, the motivational skills of an NFL head coach and the legislative knowledge of a seasoned, Washington lobbyist. To add the "Coup de grace," each EO should be able to quote verbatim, and without hesitation, any bill (local, state or federal), regulatory proposal and/or current building permit information covering at least a three state region. Our Executive Officers are truly "Unsung Heroes." ❖



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## FUTURE HBAT MEETINGS

**2009 —**

### FALL MEETING

**November 12-14**  
Westin Memphis Beale St.  
Memphis, Tennessee



**2010 —**

### SPRING MEETING

**February 28–March 2**  
Hilton Suites Downtown  
Nashville, Tennessee



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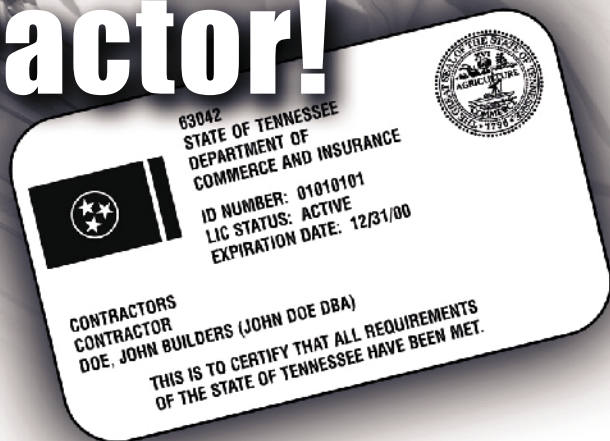


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