

Your success depends mainly upon what you think of yourself and whether you believe in yourself.

– William Boetcker

May 2010 | Vol. 3, No. 5

Remodeling Pulse

Trends, Forecasts, and Industry Perspectives from The Case Institute of Remodeling

by the numbers



Retail Sales

+1.6% (Mar '10);
up from Feb '10



Manufacturing Index

59.6 (Mar '10);
8th Month of Growth



Job Growth

+162K (Mar '10);
Best Growth in 3 Years



Inflation

2.3% (Mar '10);
Up from Mar '09



30-Year Fixed

5.19% (Apr '10);
up from 5.02% in Mar '10

Sources: money.cnn.com,
HousingEconomics.com.
April 2010.

Remodeling Pulse

For editorial information, content suggestions or other feedback, email info@caseinstituteofremodeling.com or call 240-235-9737.



Building Permits Jump 7.5% in March

Showing another sign of a housing recovery, the number of building permits issued in March jumped 7.5% to an annual adjusted rate of 685,000, the highest rate since October 2008. The March numbers represent an increase of 34.1% over March 2009.

Source: CNNMoney.com

Court Finds For Homeowners In Crucial Chinese Drywall Case

A Federal court has ruled that the Chinese manufacturer of faulty drywall must reimburse homeowners for the removal and replacement of the inferior product. The case, *Germano, et al. v. Taishan Gypsum Co. Ltd., et al.*, awards seven Virginia families a total of \$2,609,129.99 in remediation damages.

The U.S. Consumer Product Safety Commission has recommended the removal and replacement of the drywall from thousands of U.S. homes. The noxious drywall has been shown to contain high levels of hydrogen sulfide, carbonyl sulfide, and carbon disulfide, agents that cause health issues as well as damage to plumbing and electrical systems.

Source: Forbes.com

Lumber Prices Expected To Drop in June

Lumber prices, which have been unusually high lately – as much as \$328 per 1000 board feet – due to lower production levels and inventories, are expected to return to more normal levels, according to HGTVpro.com and the NAHB. Recent prices have been as much as 30% higher than a year ago, but as supply and demand level out builders should see prices drop to more reasonable levels.

Source: HGTVpro.com

Toyota Executive Apologizes for Contractor Commercial

Jim Lentz, President and COO of Toyota Motors Sales USA apologized

to Gerald Howard of the NAHB after Howard wrote to Toyota to protest an ad that portrayed remodeling contractors as inept and bumbling. The spot, titled “Welcome Home”, was designed to highlight Toyota’s reputation for quality and originally aired during last season’s NFL playoffs. Visit HGTVpro.com to read the exchange of letters and see the spot. Source: HGTVpro.com

New EPA Rules for Lead Took Effect April 22

New rules and regulations for the renovation of homes that may contain lead-based paints – those built before 1978 – took effect as scheduled on April 22nd. Under the new rules, contractors involved with projects in affected homes must be certified in the proper lead-handling practices. Visit <http://www.epa.gov/lead/pubs/renovation.htm> to learn more about safe practices and certification programs.

Source: EPA.gov

Builder Confidence Surges in April 2010

Builder confidence, as measured by the National Association of Home Builders/ Wells Fargo Housing Market Index rose 19 points in April, reaching its highest level since September 2009. The increase in optimism was attributed to the typically stronger spring buying season, improving economic conditions and a rush of new homeowners racing to take advantage of soon-to-expire homebuyer tax credits.

Source: NAHB

Remodeling Poised to Grow By 5% in 2010

The Leading Indicator of Remodeling Activity (LIRA) report, released April 15th by the Remodeling Futures Program at the Joint Center for Housing Studies of Harvard University, suggests that remodeling spending will grow by almost 5% in 2010 and continue to grow in 2011. Source: Remodeling Magazine

trends

Real Estate Trends In Today's Wobbly Market

Money Magazine looked at where the real estate roller coaster ride has left today's home market. Here are the top 6 trends they've identified:

#1 Distressed Properties Are Keeping Prices In Check Even with more shoppers buying and selling, foreclosed properties and short sales will keep prices from rising.

#2 Large Homes Hard to Move Tax credits, tighter lending rules and timid buyers make high-end homes hard to move. Inventory of properties in the \$750K to \$1.5M bracket is about 20 months, versus 11 months in the \$100-\$250K range.

#3 Mortgage Rates Will Rise As the government gets out of the assistance business, 30-year fixed rates will edge up toward 6% by year's end.

#4 Condo & Vacation Home Financing Will Be Tougher Burned by speculators and the market crash, lenders will make it much harder for some buyers to get money. Condo loans may require minimum occupancy levels in the building, making things tough for new properties.

#5 Tax Credits Will Spur Spring Activity First time and certain move-up buyers, anxious to make incentive deadlines, will create a flurry of activity in the spring timeframe.

#6 Energy-Efficiency Incentives Will Continue to Motivate Homeowners The current incentive of up to a 30% tax credit will spur upgrades throughout the year, and proposed incentives from the Obama administration may make deals even sweeter.

Source: CNNMoney.com

HGTV Starts 2010 With Highest-Ever Ratings

Interest in home improvements and real estate is as strong as ever, at least if you use HGTV's ratings as a guide. The cable channel dedicated to household projects, landscaping and real estate reported that viewership during January's prime-time period was up 22% over a year earlier (based on ratings from Nielsen Media Research). HGTV is distributed to nearly 100 million U.S. households.

Source: Disney.go.com

The Case Institute Associate Program: Helping You Make Good Decisions

The Case Institute Associate Program was developed in response to the deeper needs of the members of the Case Institute of Remodeling. It's designed to help remodeling companies improve their businesses. The Associate Program is all about "helping you make good decisions". Program benefits include: annual associate member meeting, monthly webinars, business planning tools, quarterly roundtables, and more.

To learn more or to apply for an associate membership, contact Sam Imhof at 800-513-2250 or email simhof@cirmembers.com. New members will receive a free shirt and a membership certificate.

The Case Institute of Remodeling Wraps Up With 4 Dates in May

Join keynote speakers Mark Richardson and Bruce Case from the Case Institute of Remodeling as they share "The Future of Remodeling".



The Pro Expo is a chance to meet and network with many of the industry's top manufacturers and suppliers and attend educational seminars on a variety of topics including marketing, sales, remodeling forecasts, and more. Don't miss your chance to attend these last few events!

DATE	CITY	LOCATION
May 4	Toronto	Rogers Centre
May 6	Detroit	Ford Field
May 11	Seattle	Safeco Field
May 13	Portland, OR	Memorial Coliseum

Visit thePROEXPO.com for more information or to register.

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