

TheBuilder

HOME BUILDING ASSOCIATION
OF CENTRAL VIRGINIA

November 2019

Builder Confidence Hits 20-Month High

Builder confidence in the market for newly-built single-family homes rose three points to 71 in October, according to the latest NAHB/Wells Fargo [Housing Market Index](#) (HMI) released in mid-October. Sentiment levels are at their highest point since February 2018.



"The second half of 2019 has seen steady gains in single-family construction, and this is mirrored by the gradual uptick in builder sentiment over the past few months," said NAHB Chief Economist Robert Dietz. "However, builders continue to remain cautious due to ongoing supply side constraints and concerns about a slowing economy."

Derived from a monthly survey that NAHB has been conducting for 30 years, the HMI gauges builder perceptions of current single-family home sales and sales expectations for the next six months as "good," "fair" or "poor." The survey also asks builders to rate traffic of prospective buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor.

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NEXT HAMMER TIME
Is Tuesday, Nov. 19th,
at First National Bank's
Odd Fellows Road
location. 5 pm to 7 pm.
Mark your calendar!

Proposed slate of HBACV Officers and Directors for 2020

The HBACV Membership will vote on the slate of officers and directors for 2020 at its Nov. 19 Hammer Time event. This meeting begins at 5 pm at First national Bank (Odd Fellows Road branch location)

Slate proposed by nominating committee

Officers & Executive Committee:

Joe Hepler - President
Jim Minear * - 1st Vice President
Sandy Speck - 2nd Vice President
Chris Hargis - Associates Vice President
Jeff Wieczorek - Secretary/Treasurer
Brent Lilly - Past President

Board of Directors

Tammy Mikkelson - Movement Mortgage
Mike Forren - Select Bank
Allen Dukes - BB&T
Sandy Speck - Assurance Financial
Matt Yeatman - Central VA Construction
Barry Layne - DS Zechini Builders
Gordon Cudd - Jadon Builders
Robert O'Brian - Lyn. Ready-Mix
Matt Holley - AquaBarrier
Terry Morcom - Morcom Builders
Rosalie Richman - BB&T
Rich Edwards - Bank of the James
John Hopkins - Boxley
Laura Borel - Francis Oil

HBAV Legislative Committee:

Chris Hargis, HBACV rep

HBAV Builder Committee:

Joe Hepler, HBACV rep

HBAV Board of Directors:

Sandy Speck

NAHB National Representative:

Terry Morcom

HBACV By-Laws

Article IX (Elections)

Section 1 Nominating Committee shall:

Solicit and consider recommendations of the membership, both Builder and Associate, as to candidates for each office and directorship to be filled.

Prepare and send to all Members, at least four days prior to the annual meeting of the membership, a report recommending at least one nomination for each Office and Directorship to be filled, having previously obtained consent of nominees to become candidates from the Directorship.

Present their Final Report on Nominations of the Directors at the Annual Meeting of the Membership and their Final Report on Nominations of Officers at the Annual Meeting of the Board of Directors.

Section 2 Additional nominations for Directors may be made from the floor upon a motion carried by a majority vote. Otherwise the nominations shall be considered closed. If additional nomination for Directors are made from the floor, a vote shall be taken by either secret ballot or voice vote and the candidate receiving the most votes for Directorship shall be considered elected.

Section 3 Acceptance of the Report of the Nomination Committee by the Builder Membership shall constitute election of the Directors ... and the election of the officers so nominated.

* leave of absence until 10/2020

New Rule Exempts Appraisals on Some Homes

The Federal Deposit Insurance Corp., Office of the Comptroller of the Currency and the Board of Governors of the Federal Reserve have issued a final rule to raise the threshold from \$250,000 to \$400,000 for residential real estate transactions that would [require an appraisal](#).

In a recent press release, the regulators stated that given price appreciation in residential real estate transactions since 1994 (when the appraisal threshold was last increased to \$250,000), "the change will provide burden relief without posing a threat to the safety and soundness of financial institutions."

OSHA Grant to Fund Fall Prevention Training

NAHB, in partnership with the Job-Site Safety Institute (JSI), has received a \$150,000 grant from the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA). The grant will allow NAHB and JSI to continue offering the Fall Prevention in Residential Construction course at no cost to NAHB members across the country.

Because of the grant, the four-hour [fall prevention course](#) is available free of charge to NAHB members. It is typically offered through local home builder associations.

Stucco and Vinyl Most Common Exteriors

The most common exterior wall materials on homes started in 2018 were vinyl siding and stucco, according to data from the Census Bureau's Survey of Construction (SOC). Vinyl siding (26%) and stucco (26%) were the most commonly used [exterior materials](#) on new homes started in 2018, followed closely by brick or brick veneer at 21% and fiber cement siding (such as Hardiplank or Hardiboard) at 20%.

Smaller shares of single-family homes started last year had wood or wood products (5%) or stone or rock (1%) as the principal exterior wall material.

Website Explains Opportunity Zones

The White House has released a new website that will serve as an information hub for the [Opportunity Zones](#) initiative established as part of the Tax Cuts and Jobs Act of 2017.

Opportunity Zones provide tax incentives for investors with capital gains to invest in and provide an economic boost to under-served communities.

VA Accepts NAHB's Radon Revisions

In a victory for NAHB, the U.S. Department of Veterans Affairs (VA) has accepted our suggested revisions and clarifications regarding requirements for [radon gas mitigation](#) on properties located in Zone 1 counties, which have the highest potential radon levels.

Earlier this year, VA revisions to its Lenders Handbook (VA Pamphlet 26-7) caused confusion regarding builder requirements for radon gas mitigation. As a result of an NAHB letter, the VA clarified that radon mitigation is necessary only on properties built in Zone 1.

October Membership Drive Brings in 23 New Members

HBACV was part of a statewide membership campaign in the month of October and we added 23 new members thanks to the effort of our six drive teams.

Leading the effort were Tammy Mikkelsen and Matt Yeatman. The team brought in 11 new members. Yeatman, owner of Central VA Construction, led all individual recruiters with eight new members. This team will split the cash incentive prizes. We are expecting another six new members to join in November.

Our other team captains were Mike Forren with Select Bank; Brent Lilly with Lilly Construction; Robert O'Brian with Lynchburg Ready Mix; Joe Hepler with Craftsman Custom Home Builders and Cheryl Daffier with Long & Foster.

New builder members include H&S Improvements (Southern VA Construction); Remodel USA; NuCom Builders, MVP Electric; Ferguson Construction; DavisBuilt, Inc; BuildBlock of Central VA; Builders & Home Marketing and Barney & Sons. New Associate members include All-American Masonry; Aqua Pros; John Stewart Walker; Burnopp Metal LLC; Central Virginia Flooring; Chris Gentry Real Estate; DuHart Company; Finch Landscaping; Dalton & Company Realtors; Leesville Landscape Supplies; Lumos; Sunbelt Rentals; Vinyl Porch Rail Company and William M. Bird flooring.

We missed our goal of 27 news members for the October Drive, but surpassed our annual goal of a 25% increase for all of 2019. In the state competition, we finished in the top half. Fredericksburg, Tidewater, Richmond, New River Valley and Roanoke each brought in more members. HBACV surpassed Northern Virginia, Charlottesville, Winchester, Augusta, Shenandoah, Southside, Piedmont, Peninsula and Rappahannock. In total the drive brought in 295 new members statewide.

Readers Name HBACV Members Readers' Top Choice

Several members of the Home Builders Association of Central Virginia were selected as winners in the News & Advance 2019 Readers Choice Awards.



Congratulations to the HBACV members who won 41 citations in the annual contest. Here's a listing of the HBACV winners: Foster Fuels; Watts Petroleum; Francis Oil and Propane; RM Gantt Construction; Custom Structures;

All-American Masonry; Boxley Hardscapes; Dodson Pest Control; Aqua Pros Pools & Spas; Perimeter Roofing; Shackleford & Werthman; Bank of the James; Member One FCU; Select Bank; Wells Fargo; Century 21 All-Service; BHHS/Dawson Ford Garbee; Creative Edge Design; Divine Fog Real Estate; Fortress Foundations; Wooldridge Heating Air & Electrical; Floor Show/Carpet One; Piedmont Floor Design; Central Virginia Flooring; and Spectrum Stone Design

Membership gives you access to SBGP

Did you know your HBACV membership gives you access to a free analysis of your business through the HBAV's exclusive, private partner, Small Business Growth Partners (SBGP).

Through the partnership with the Home Building Association of Virginia any HBACV member can improve business growth through this one of a kind Business Diagnostic & Plan of Action process. And it is free. As an exclusive HBACV/HBAV member benefit, your Business Diagnostic & Plan of Action opportunity is included 100% with your HBACV/HBAV Member Benefits (This is a \$2,200 value).

ARE YOU AWARE OF THIS HBAV BENEFIT?

The BPA from Small Business Growth Partners



footprint" review of your company. The program has been refined for over 10 years of working exclusively with Builders, Remodelers & HBA Associate Members.

SBGP also analyzes your marketing, sales and sales process, your team communication structure, hiring process & talent acquisition strategies, your financials and financial tracking processes and strategic planning to create a customized plan to grow your business.

The deliverable is an extremely accurate and personalized 40+ page, step-by-step and time-based plan for you and your business.

"The results and feedback from our current members who have taken advantage of this offer have been incredible," said HBACV CEO Craig Toalson. "These BPA's are in limited supply, so if you would like more information on how to participate, please reach out to me directly (ctoalson@hbav.com) or simply go to [this link](#) to start your BPA process."

2020 EVENTS

LIST

WINTER / SPRING 2020

January 21 (Tues.) Board of Directors retreat.

February 18 (Tues.)
*Hammer Time. At Floor Show/Carpet One

February 20 (Thurs)
Spring Rebates and Discount Seminar.

March 17 (Tues.)
*Hammer Time: At BB&T

March 20 Spring Education Class No. 1

March 26 HBAV Spring Meetings in Richmond

March 27 (Fri.) (Tentative date) HBACV \$10,000 Casino Night & Raffle.

April 16 (Thurs.)
Workplace and worker safety Class

April 21: (Tues.)

*Hammer Time: At Assurance Financial

May 19: (Tues.)
*Hammer Time: At Ferguson

June 18-20: HBAV State Convention in Virginia Beach

June 23: (Tues.)

*Hammer Time: Host Needed

No Dates Yet:

May - Spring Golf Tournament

Report Cites Growing Housing Inequality Among Older Adults

Housing inequality is becoming more pronounced among older Americans as the number of **older households** continues to rise at unprecedented levels, according to a new report, Housing America's Older Adults 2019, released recently by the Harvard Joint Center for Housing Studies.

Between 2012 and 2017, the number of households headed by someone 65 or older jumped from 27 million to 31 million and will continue to grow. At the same time, the

number of older adults facing housing cost burdens reached an all-time high of 10 million. Meanwhile, homeownership rates are lower and debt rates are higher for those 50 to 64, as compared to earlier generations.

The report shows that between 2012 to 2017, household incomes among the top 10% of wage earners age 65 and over increased by 22% while incomes of those in the bottom 10% fell by 4%.

Millennials Want Bigger Homes

When it comes to the size of a home sought by buyers, age matters.

The median square footage millennials (those born in 1980 or after) want in a home is 2,407 square feet, slightly higher than the Gen X generation (2,280 sq. ft.), and significantly more than baby boomers (1,913 sq. ft.) and seniors (1,869 sq. ft.).

Millennials are most likely looking for larger spaces because they are at the age most associated with starting a family.

Boomers and seniors, on the other hand, are much more likely to be empty nesters or retirees, so they are more likely to be looking to downsize.

These are among the findings in the latest NAHB report, What Home Buyers Really Want (2019 edition).

The report is based on a survey of prospective and recent home buyers that asks them about the features they want in a home and a community.

How to Value Energy Efficiency

A study from Freddie Mac offers insight regarding how lenders may be able to factor energy-efficiency rating systems into the mortgage underwriting process.

The study, "Energy Efficiency: Value Added to Properties & Loan Performance," tracked property sale prices and loan default rates to explore if **energy-efficient features** could increase home value and provide less financial stress to owners based on decreased utility costs.

The study focused on homes that utilized two different energy-efficiency rating systems: the Home Energy Rating System (HERS) Index by the Residential Energy Services Network (RESNET), and the Home Energy Score (HES) by the U.S. Department of Energy (DOE).

The HERS-rated homes represented primarily new construction, while the HES-rated homes were more likely existing homes. The homes in the Freddie Mac study were rated between 2013 and 2017.

Reserve Your HBACV Christmas Gala Tickets

Sellout Expected for Friday, Dec. 6 Event at City Views downtown

Reserve your tickets for the annual HBACV Christmas Gala Event before it is sold out.

We are expecting our third sellout in a row so don't delay. The event will be held on Friday, Dec. 6 from 6:45 pm until 11 pm. The Gala also includes the Installation of Officers and Directors for 2020 .

We'll again be at City Views by the James in downtown Lynchburg. This is an evening of good food, good drink, music and dancing.

Tickets are \$40 per person. The event committee is chaired by Tammy Mikkelson, with Movement Mortgage.

The evening begins with the Installation of 2020 Officers and Directors, which will be conducted by HBAV CEO Craig Toalson, at 6:45. This is followed by cocktails and light fare, followed by heavy hors d'oeuvres with dancing commencing around 8 pm.

Four companies - Central Technology Solution, Assurance Financial, Bug Man and First National Bank have signed on as sponsors but four more sponsors are needed to make this a financial success. Sponsorships are available at all three levels. This is a great event to get your name and services before a large crowd. Contact EO Bob Morgan if you would like to join our list of sponsors or to reserve tickets.

Platinum Event Title Sponsor: \$995

Platinum Level: Your business is the event NAME sponsor and your logo and name are highlighted on all event materials. Name and logo appear in color on the front of event ticket. You also receive premium banner signage (company provided) at the event, signage on all tables, pre-event and post-event social media mentions, name and logo presence on the HBACV home page. Podium and DJ mention throughout the night and a feature story in the HBACV November Newsletter. **Sponsorship includes 7 event tickets.** (*Tickets alone are a \$320 value*).

Gold Level Sponsor: \$595 (one available)

Gold Level: One is listed as the food sponsor and one as the music sponsor. You receive banner (company provided) signage at the event and shared table signage. You also receive pre-event and post-event social media mention, company logo and mention on the HBACV home page and newsletter and a podium and DJ thank you during the event. **Sponsorship includes 5 tickets to the event.** (*Tickets alone are a \$240 value*).

Silver Level Sponsor: \$395 (three available)

Silver Level: You receive banner (company provided) signage at the event and shared table signage. You also receive a pre-event social media thank you, company logo and mention on the HBACV home page and in the December newsletter and a podium and DJ thank you during the event. The sponsorship also includes **3 tickets to the event.** (*Tickets alone are a \$120 value*).

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HBACV Member Rebates Session

Free Lunch & Learn Program on Builder Rebates

The first "Lunch and Learn" session on using the HBACV/HBAV Builder & Remodeler rebates program is set for Tuesday, Dec. 10 at noon at the HBACV office.

Membership in the Home Builders Association of Central Virginia provides builders and remodelers with a chance to save and earn hundreds of dollars each year in rebates and discounts for products you are often already using. This hand-on session will show members how to apply and receive these benefits. The process is simpler and easier than most builder believe.

The session would be for either builders or the office staff who handle billing. Attendees will see that the process takes less than 30 minutes per quarter.

Click here to see the [HBAV Member Rebate Program](#) which incorporates the products most builders and remodelers already use. The process is simple and each time you complete a home or remodel project, you'll be putting money back in your pocket. When you participate in the HBAV Member Rebate Program, every project you build can earn you rebate checks! Remember, both Builders AND Remodelers qualify for the HBAV Member Rebate Program.

Session includes a free lunch and "how-to handouts" which will allow you to immediately use these programs and apply to get your 2019 Rebate Check.

Get your message in front of hundreds and also support the HBACV

How?

Advertise in The Builder

The Builder is the official publication of the Home Builders Association of Central Virginia and is delivered monthly to current and past members of the association as well as targeted non-members in the local building industry. The newsletter is delivered via email, web and social media placement and as a print product upon request. This allows you to get your message consistently before the most influential decision-making professionals in the building, remodeling and housing industry in Central Virginia.

The Builder: produced monthly and includes 12 to 16 pages per issue.

The Builder's rates provide prices significantly lower than any other marketing avenue available to you in the greater Lynchburg area.

Get a great deal

Newsletter Sponsorship - two available. This provides a full-page ad in each issue and banner mention on the front page. Cost is \$1,250 a year.

Sponsors also receives a monthly post on the HBACV Facebook Page.

Newsletter ads (sizes and rates).

- **Full Page** - \$125 per issue. (8 x 10.5 inches)
- **Half Page** - \$75 per issue. (4 x 10.5 inches or 8 x 5.25 inches)
- **Quarter Page** - \$50 per issue. (4 x 5.25 or 2.5 x 10.5 inches)
- **Eighth of a Page** - \$25 per issue (2.5 x 2.5 inches)

All ads are discounted 10% when purchasing three months or more in a single buy.

The Small Print

Ads need to be provided to the HBACV in a digital format (300 dpi) in either PDF or JPEG format. Ads can be color or black and white. Ad deadline is the first day of each month. (Example: An ad in the Feb. 12th newsletter is due no later than Feb. 1). Ads that are an incorrect size will be adjusted to fit the purchased space. Advertising charge will be invoiced and payment must be made within 30 days.

NOTE: Get a 15% discount if you purchase ad/sponsorship in both the newsletter and the new HBACV website.

JOIN THE HBACV AND REAP THE BENEFITS

The HBACV is a vibrant, growing organization which brings together builders, remodelers, suppliers, trades, lenders, Realtors and many more to build networking, product promotion, industry lobbying and business relationships which enhance each of our businesses.

Members should think about the colleagues and customers they come into contact as part of their regular business. Are these builders members? Are these contractors members? Are these trades members? Have you spoken to them about the value of HBACV membership?

Successful recruiting is simply starting the conversation and following through. EO Bob Morgan is ready to help. If you have a new-member lead let him know so he can assist in the follow up conversations.

■ **Interested in Joining the HBACV?** Contact a member, or go to our web site www.hbacv.org or contact executive director Bob Morgan at 385-6018 or bob@hbacv.org.

■ **Membership growth** - especially builders and trades - is the life-blood of our association. Take a moment and jot down the names of anyone who you see as a potential member. Then work with us and other HBACV members so we can bring them on board.

2019 Renewals & New Members

Thank You for your ongoing support of the HBACV (*indicates new 2019 member)

ABC Supply	Designer Solutions	Morcom Building
All-American Masonry*	DeWitt Real Estate	MidState Insurance
Affordable Portables	DuHart Company*	MVP Electric*
AmeriGas	English Home Center	Nelligan Insulation
Aquabarrier	Finly Corporation	NuCom Builders*
Aqua Pros *	First Action Systems	Overhead Door Co.*
Atlantic Union Bank	First Bank & Trust	Piedmont Floor Designs
Balzer & Associates	First National Bank	Prosperity Mortgage*
Barney & Sons Builders*	First Piedmont	Perimeter Roofing*
Barnyard Slavage*	Ferguson Construction*	Perry & Mays Insurance
Bath Planet*	Ferguson Enterprises	Pinnacle Cabinetry
Bays Trash Removal*	F&S Building Innovations	ReModel USA*
Bank of The James Mortg.	Financial Designs*	RM Gantt
BB&T	Finch Landscape Designs*	R. Moorefiled Construction
Better Baths & Kitchens*	Fisher Drafting & Design	Rempfer Construction
Blue Eagle Credit Union*	Floor Show/Carpet One	Toler Insulating
Boxley Block	Foster Fuels	Taylor Brothers
Bugman Exterminating	Foxcrest Developers	Select Bank
Build Block of Central VA*	Francis Oil & Propane	Sellari Enterprises
Builders/New Home Mkt*	Frank Good Construction	Shackleford & Werthman*
Burnopp Metal LLC*	Greystone Builders LLC*	Skinner Construction
Capital One*	Hajoca	Southern TimberCraft
Carpetland	Hawkins - Graves	Sunbelt Rentals*
Central VA Construction	H&S Improvements*	Sunburst Vinyl Supply
Central Virginia Flooring*	Jadon LLC *	Vinyl Porch Rail Company*
Central Tech. Solutions	JCL Inc.	Wall Construction
Century 21 - All Service	KU Forming	Watts Petroleum
Chris Gentry Real Estate*	Kubota of Lynchburg*	William M Bird*
Construction Marketing*	LeafFilter of NC*	Wooldridge H.A.E.
Columbia Gas	Leesville Landscape Supply*	Water By Design*
Coulson Builders	Lilly Construction	84 Lumber
Countryside Land Co.*	LG Flint	Yates Homes
County Waste*	Lynchburg Ready-Mix	<u>Affiliates</u>
Craftsman Custom Home	Long & Foster	Ann Parker / Dewitt
Custom Structures	Long Meadows Builders	Ann Parnell / Dewitt
Dalton & Company*	Lowes*	Anne Coleman / Long & Foster*
DavisBuilt Inc.*	Lumos*	Christine Avery/Long & Foster*
Davis Heating & Air	Meadowlands Restoration*	Cheryl Daffner/Long & Foster*
D.S. Zechini Const.	Member One FCU	

HBACV Membership Includes Discount, Rebate programs

Your HBACV Membership gives you discounts and rebates worth hundreds through our national and state affiliations. Got questions? Contact EO Bob Morgan.

1. The National Home Builders Association Member Advantage plan offers discounts on purchases and services. Among the services / retailers are UPS, General Motors, Nissan, Chrysler/Dodge/Ram/Jeep, Dell, Hertz, Avis, Lowe's, Office Depot, Amazon, Capital One, GEICO and more. Direct cash discounts or percentage discount up to 24%

2. The Home Builders Association of Virginia Member ReBate Program which provides rebates paid directly to builders for 50+ different product lines including roofing, gutter, siding, plumbing, floor coverings, paint, electronics, lighting, HVAC, metal insulation and many more - product lines from AZEK and Delta to VELUX and ZURI.

3. HBAV National Purchasing Partners network. It is simple and direct and can be used by the member business and its employees. Among the services and retailers are Verizon, Best Buy, Office Depot/Staples, Sherwin Williams, AirGas, Skechers and more.



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Example Savings Below

WHEN YOU SPEND	WHEN YOU BUY 5% SAVINGS	WHEN YOU PAY 2% SAVINGS	TOTAL SAVINGS
\$5,000	\$250	\$95	\$345
\$10,000	\$500	\$190	\$690
\$20,000	\$1,000	\$380	\$1,380
\$50,000	\$2,500	\$950	\$3,450

Alliance's Legislative Outlook Event

The HBACV is promoting the Lynchburg Regional Business Alliance's Pancakes and Politics Legislative Outlook Breakfast scheduled for **December 3, 7:30 - 9:00 a.m.** This is a chance to hear Central Virginia Legislators share how the 2020 General Assembly Session will affect local businesses. It is also a chance to ask about position on key housing and building issues.

With the shift from a Republican majority in both General Assembly chambers to a minority, it is important to hear how our local delegation plans to improve the Region's business climate, and explore what creative ideas may come from current challenges and election results.

This is an opportunity to be heard prior to the 2020 General Assembly session and participate in a time of Q&A with your elected officials.

Cost is \$20 members; \$30 general admission. Reservations are required and should be made by **November 26, 2019** by calling the Alliance at 434-845-5966, emailing info@lynchburgregion.org or registering online.

International Builders Show Discount Deals End November 15

The early-bird deals for HBACV Members to attend the International Builders' Show® will end next week. **To get these deals which can save you up to \$450 you must register on or before Nov. 15.**

The building industry's biggest event - In Las Vegas Jan. 21-23 - is the best opportunity for HBACV members to access the hottest new products, learn from industry's experts and connect with thousands of their peers. [Learn More or register click here.](#)

CALENDAR OF EVENTS

- **November 19 (Tuesday.) *Hammer Time/Full**
Membership meeting: Sponsor First National Bank; nomination and selection of 2020 officers; annual review. (HOSTED BY FIRST NATIONAL at its Odd Fellows Road location.)
- **December 6 (Fri.) Christmas / Installation Gala:** (At City Views in Downtown Lynchburg) Annual Holiday Gala with installation of 2020 officers and board of directors. A ticketed and catered event. Sponsorship Opportunities Available. 6:45 pm until 11 pm.
- **December 10 (Tues.) *BUILDER REBATES CLASS.**
Session to show builders/remodelers how to get back \$\$\$ from HBAV Program . Noon to 1:15 pm. At HBACV Office , 20334 Timberlake Rd
- **February 18 (Tues.) *Hammer Time/Full**
Membership meeting: HOSTED By THE FLOOR SHOW/CARPET ONE - 2019 Builder, Associate and New Member of Year awards. Casino Night Kickoff. 5 pm - 7 pm.

General Assembly Will Have A New Look

Republicans lose majority in both House and Senate

Democrats will head into the 2020 Session with a majority in both the House and the Senate following the Nov. 5th election. Democrats will have 55 members in the House of Delegates to 45 Republicans members. Democrats will have 21 members to 19 for the Republicans.

What does this mean for the housing industry?

Housing is not a partisan issue – the growing demand for new single-family and multi-family housing stock at all price points has a significant impact on economic development, community redevelopment, health outcomes, education outcomes, workforce development, transportation, and various other policy priorities in the Commonwealth.

As the Home Building Association of Virginia stated this summer our Commonwealth needs to re-think its approach to local zoning and land-use, incentivize the production of new and affordable single-family and multi-family housing stock, and work in partnership with local government, state government, and other stakeholders to identify and eliminate impediments to housing production and affordable housing.

Legislators on both sides of aisle have been strong supporters of our industry -



we look forward to working with our new Delegates and Senators, as well as the legislators that will be returning to the General Assembly, on the key housing issues that our Commonwealth is facing.

The most significant gains for Democrats came in the more populous areas. In Central Virginia and Lynchburg all local Republican incumbents won. The election was also impacted by a U.S. Supreme Court earlier this year which found the House of Delegates district lines had been racially gerrymandered. The new districts better reflected the overall demographic makeup of the area.

KEY SENATE OUTCOMES:

7th Senate District (Virginia Beach, Norfolk): Jennifer Kiggans (R) narrowly defeated Cheryl Turpin (D) 50.3%-49.4% for the open seat formerly held by Senator Frank Wagner (R). This district has been held by a Republican since 1996.

8th Senate District (Virginia Beach): Senator Bill DeSteph (R) defeated Missy **CONTINUED ON NEXT PAGE**

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Cotter Smasal (D) 52%-47.5%. Senator DeSteph has been a vocal supporter of the housing industry during his tenure in the General Assembly.

10th Senate District (Chesterfield, Richmond, Powhatan): Ghazali Hashmi (D) defeated Senator Glen Sturtevant (R) by 55%-45%. Senator Sturtevant was first elected to this seat in 2015 after the retirement of longtime Senator John Watkins.

11th Senate District (Chesterfield, Colonial Heights, Amelia): Senator Amanda Chase (R) defeated Amanda Pohl (D) by 55%-44% in this suburban Richmond district.

12th Senate District (Henrico, Hanover): Senator Siobhan Dunnivant (R) defeated Democrat Debra Rodman 50.88%- 48.95% in this suburban Henrico County-based district. This seat was heavily targeted by the Democrats and there was much speculation that they would be able to flip the seat. Senator Dunnivant was first elected in 2015.

13th Senate District (Loudoun, Prince William): Former Delegate John Bell (D) defeated Loudoun County Board of Supervisor member Geary Higgans (R) by 54%- 45%. During his time in the House, Bell has been a strong supporter of the housing industry and was instrumental in helping HBAV find consensus during the 2019 Proffer Legislation discussions. HBAV endorsed and supported John Bell's 2019 Senate campaign given his proven General Assembly track-record of supporting legislation that promotes economic development, housing, and affordable housing.

Key House of Delegates Races:

10th House District (Loudoun, Frederick, Clarke): Incumbent Delegate Wendy Gooditis (D) defeated Randy Minchew (R) 52%-47%. Del. Gooditis first won in 2017 when she defeated then-Delegate Minchew. Minchew has been an avid supporter of the housing industry during his tenure in the House of Delegates and professionally. Gooditis currently works as a Realtor at RE/MAX.

28th House of Delegates District (Stafford, Fredericksburg): Josh Cole (D) defeated Paul Milde (R) by a vote of 51.8%-47.8%. Milde, a former member of the Stafford County Board of Supervisors, became the Republican nominee after defeating former Delegate Bob Thomas in the Republican Primary.

40th House of Delegates District (Fairfax, Prince William): Dan Helmer (D) defeated incumbent Tim Hugo (R) 53.5%-46.4%. Delegate Hugo had served as the House Republican Caucus Chairman for several years. The contest in the 40th was one of the most expensive House of Delegates races in history, with over \$3 million spent/. Helmer is a West Point graduate, Rhodes Scholar, a veteran, and a Lt. Colonel is the US Army Reserves. Helmer is a small business owner in the veterans' healthcare field.

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62nd House of Delegates District (Chesterfield, Hopewell, Prince George): Carrie Coyner (R) defeated Lindsey Dougherty (D) 55% to 44%. The 62nd District became an open seat after the retirement Delegate Riley Ingram (R). Coyner, a small business owner, manages a law firm in Chesterfield County whose practice focuses on land-use, zoning and permitting, family law, and economic development.

66th House of Delegates District (Chesterfield, Colonial Heights, Richmond): Current Speaker of the House, Kirk Cox (R) defeated Delegate Sheila Bynum-Coleman (D). The 66th District was one of the House districts that was re-drawn as part of court-ordered redistricting. This district shifted nearly thirty-two points from a 60% GOP district to a 46% Democratic district. Nevertheless, the Speaker's high name identification, long-time involvement in the community, and background as a public educator help him withstand a challenge even in this new district. Ultimately, Speaker Cox defeated Bynum- Coleman by 51.5%-47.2%. With the shift in the balance of power in the House of Delegates, Cox will no longer serve as Speaker of the House and has also announced that he will not seek the position of Minority Leader for the House Republicans during the 2020 Session.

72nd House of Delegates District (Henrico): Incumbent Delegate Schuyler VanValkenburg (D) defeated GayDonna Vandergriff (R) 53.2%- 46.7%. VanValkenburg held onto the seat first won in 2017. It has previously held by a Republican since 1990.

73rd House of Delegates District (Henrico, Richmond): Rodney Willett (D) defeated Mary Margaret Kastelberg (R) 52% to 47%. This became an open seat when first-term Democrat Delegate Debra Rodman announced her campaign to run for the 12th Senate District against Republican Senator Siobhan Dunnavant. The 73rd District was flipped from red to blue in 2017. when Rodman defeated longtime Republican Delegate John O'Bannon. Willett is a twenty-year resident of Henrico County and is as an attorney. Like the 72nd District, this House District was represented by Republicans since 1990.

76th House of Delegates District (Suffolk, Chesapeake): Clint Jenkins (D) defeated long-time incumbent Republican Chris Jones 56.3% to 43.5%. Jones has served in the House of Delegates since 1997 and was Chairman House Appropriations Committee. Jenkins was raised in the district, served in the US Army, worked at BAE Systems Shipyard and currently manages a local real estate company with his daughter.

80th House of Delegates District (Portsmouth): Don Scott (D) defeated Jim Evans (R) 66% to 23%. Scott is a former US Naval Officer and is a lawyer.

83rd House of Delegates District (Virginia Beach, Norfolk): Nancy Guy (D) has appeared to have defeated incumbent Republican Delegate Chris Stolle 49.9% to 49.87% - only 18 votes separate the two candidates. It is likely this race will head to a recount.

Be prepared to make your business a success

New construction firms often underestimate what it takes to scale and succeed. In fact, reports show that only 47% are still operating after four years. One reason is being susceptible to upward and downward changes in the housing markets.

Here is what challenges the construction industry stability?

1. Lack of Capital: You need the cash flow to cover daily expenses and fund projects as progress payments are obtained. Make a thorough estimate of cost centers. Don't dig into personal bank account to meet your company's financial requirements.

2. Lack of Planning: Prepare for potential scenarios, regardless of how unlikely some might seem. Map out project details of each stage, anticipating future challenges. With a strategy in place, it's easier to plan the use of resources – time, financial, and workforce – and to reduce waste.

3. Premature Scaling: Overnight growth sounds excellent. It's not. If you grow too quickly, you may over look capabilities and take on projects and responsibilities requiring more resources than you have. You may find yourself delivering lower-quality services and completing projects with delays which damages your reputation. Make sure you have the staff to scale up.

4. Failing to Adapt: Flexibility is key to surviving. Review plans regularly and compare it to market trends and changes. Note what works and what doesn't. Then adjust. Admit mistakes and learn from them.

5. Advertise: Regardless of how good your products or services are, if prospects don't know about them, you will have little chance of effectively scaling. Focus on digital advertising, SEO, and content marketing. Design a website and update it regularly. Connect on social media. Build an online presence if you want your business to succeed in the digital age.

6. Follow the Competition: Know what your competitors are doing and how they are doing it. Identify what they do right and what they do wrong.

7. Be Different: Find and showcase the things that make you different. Determine a unique value proposition that addresses the needs, wants, and concerns of your target audience and let them know about it.

Look to volunteer and join an HBACV committee in 2020

The HBACV has 10 standing committees and task forces to organize and conduct the association's annual events and programs. Contact EO Bob Morgan to join a committee.

Membership Development: To guide and develop ongoing membership initiatives.

Program/Events Committee: To develop the plans for event calendar and programs.

Finance: Provide direction and oversight to the financial activities of the association.

Nominating: Solicit and develop a slate of candidates annually for leadership roles in the association.

Parade of Homes Task Force: Develop strategy and tactics to plan and put on this event in the fall.

Casino Night & Raffle: Plan and conduct annual spring fund-raising event coming in March.

Scholarship: Evaluate applications and select scholarship winners.

Golf: Plan and conduct annual fund-raising/social event coming in early spring.

Touch A Truck: Plan and conduct annual fall fund-raising event coming on Sept. 12.

Christmas Gala: Plan and conduct annual winter gathering and installation of officers.

Thank You To Our Fall and Winter Event Sponsors



Doing Business with a Member Creates a Stronger Association

The HBACV provides full contact information to members to other members through our [website](#) and through our office (385-6018). Building your HBACV network allows you to provide members and customers with service and resource information aligned with their needs and your products. In addition, because you are a member of the local, state and national associations, you can get access to membership lists in adjacent territories. Do business with a member and support those businesses that support the HBACV. Get the most from NAHB Membership Discounts: Click to learn more. nahb.org/ma.

A graphic featuring a dark blue and light blue shield-shaped background. On the left, white text reads "Members Save Millions" with a "Put Your NAHB Membership to Work Now." subtitle. A blue bracket points from this text to a white icon of a monitor and a stack of papers. On the right, a large white circle contains a white icon of a monitor and a stack of papers. Below the circle, the word "SAVINGS" is written in large white capital letters. At the bottom, a row of company logos includes GMC, UPS, DELL, GEICO Member Discount, Kabbage, houzz, Lowe's ProServices, AmazonBusiness, RAM, Hertz, TICKET MONSTER, NISSAN, Office DEPOT, YRC, ZLD Worldwide, AVIS, TSYS, Budget, BF Goodrich, and NAHB.

