

INDIANA BUILDERS ASSOCIATION

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NEWS

ZIONSVILLE IMPACT FEE INVALIDATED

For the first time in Indiana, Boone Superior Special Judge Rebecca McClure recently ruled that the town of Zionsville's 2005 ordinance establishing a park impact fee doesn't comply with the impact-fee statute requirements. The Builders Association of Greater Indianapolis filed a motion for summary judgment in March for the case that was filed in October 2006.

LAND USE CONSORTIUM TO HOST COMMUNITIES AT THE CROSSROADS XI

The Indiana Land Use Consortium will host its annual Communities at the Crossroads on Thursday, October 31 from 8:30 a.m.-4:45 p.m. at the Indiana Conference Center in the Indiana Government Center (402 W. Washington Street, Indianapolis) IBA's CEO Rick Wajda will participate on a panel regarding the state of the housing market from 9:45-10:45 a.m. Registration is required and can be completed by visiting http://www.indianalanduse.org/public_html/conference.html.

BERNANKE SUPPORTS ADDITIONAL GOVERNMENT STIMULUS

Federal Reserve Chairman Ben Bernanke recently told Congress that he supports an additional government stimulus because there's a risk the country's economic weakness could last for some time. Bernanke suggested that Congress design the stimulus package so it will be timely, well targeted and would limit the longer-term affects on the government's budget deficit, which hit a record high in the recently ended budget year. Bernanke also said the package should include provision that would help break through the stubborn credit clog that is playing a major role in the economy's slowdown.

HOUSING STARTS DECLINE AGAIN IN SEPTEMBER

In an ongoing effort to pare down inventories of unsold homes, the nation's builders further reduced new housing production in September, according to numbers reported by the U.S. Commerce Department. Commerce indicated that nationwide housing starts declined 6.3 percent to a seasonally adjusted annual rate of 817,000 units, the slowest building pace since early 1991.

BUILDER SENTIMENT RETREATS IN OCTOBER

Builder confidence in the market for new single-family homes receded to a new record low this month. The National Association of Home Builders/Wells Fargo Housing Market Index (HMI) declined three points to 14 in October after having edged up slightly in the previous month.

MORTGAGE MARKET REMAINS INTACT

While housing starts are down, there is no shortage of money available for home mortgages because the American mortgage market effectively has been federalized, at least for the time being. More than 90% of new loans are now being made through FHA insurance program, plus Fannie Mae and Freddie Mac. Loan terms and credit underwriting standards have been toughened up, but you can still put down 3% (3.5% after Jan. 1) on an FHA-insured mortgage and 5% on certain Fannie Mae and Freddie Mac loan programs with private mortgage insurance.

STATE JOBLESS RATE AT 6.2 PERCENT IN SEPTEMBER

Indiana's unemployment rate stood at 6.2 percent last month, according to the Department of Workforce Development. That is down slightly from 6.4 percent in August but significantly higher than the 4.5 percent rate reported in the same month last year.

SBA ANNOUNCES NEW LOAN GUARANTY PROGRAM

The U.S. Small Business Administration (SBA) introduced a new loan guaranty program, called Small/Rural Lender Advantage, for credit worthy small business borrowers by allowing capital of up to \$350,000 for their business. The program has streamlined applications and processing time by permitting small/rural lenders to use reduced paperwork and a special credit scoring model. SBA is hosting informational sessions to provide additional details, eligibility, how the money can be used and how to apply for the loans. Information sessions are via conference call at the following dates and times: at 7:30 a.m. (ET) October 28 and November 6 as well as 10 a.m. on October 30 and November 13. Interested parties should dial (866) 740-1260 and dial access code 3056201# when prompted. There are power point slides available for viewing during the call which can be accessed by visiting <http://www.readytalk.com> with access code 3056201#.

LEGISLATIVE

ELECTION APPROACHES, VOTING OPTIONS AVAILABLE

With just 11 days until the election, options are currently available to registered voters unable to vote at designated polls on Election Day, November 4th. All registered voters are currently eligible to vote absentee-in-person at the county election board office. If you have a specific reason for being unable to vote at your designated poll on Election Day, you may also request an absentee ballot by mail by submitting the required form which can be found at http://www.in.gov/sos/pdfs/abs-1_092308.pdf. Applications for an absentee ballot must be received by October 27th.

BUILDERS CAN REHAB FORECLOSED HOMES FOR HUD PROGRAM

Under the Neighborhood Stabilization Program (NSP) included in the Housing and Economic Recovery Act passed this summer, members may find opportunities to rehabilitate or redevelop homes that have been foreclosed upon or abandoned. The U.S. Department of Housing and Urban Development distributed more than \$83 million to Indiana for help in removing properties from the market in a process aimed at stabilizing neighborhoods that have been hard hit by the current housing crisis. The State received \$84 million with a number of localities receiving additional allocations. State and local governments are currently determining their plans to distribute the money.

NAHB

DAVID CROWE TO REPLACE DAVID SEIDERS AS NAHB'S CHIEF ECONOMIST

NAHB recently announced that David Crowe, who has been the Senior Staff Vice President for Regulatory and Housing Policy since 2002, has been named the association's Chief Economist, effective November 17. Crowe replaces David Seiders, who recently announced his retirement after serving as NAHB's Chief Economist for more than 20 years.

TAX CREDIT ENACTED FOR ENERGY-EFFICIENT HOME IMPROVEMENTS

A tax credit which expired at the end of 2007 has been reinstated for all of 2009 as part of the financial rescue package President Bush recently signed into law. Home owners can take advantage of it by having energy-efficient windows, doors, roofing and insulation installed as well as energy-efficient furnaces, air conditioners and heat pumps. Details on qualifying improvements can be found at the IRS website.

HELPING REAL ESTATE APPRAISERS EVALUATE GREEN BUILDINGS

The Appraisal Institute has announced a new course to facilitate recognition that energy, water and resource efficient homes can command higher prices than traditionally built ones. NAHB's Green Building Subcommittee and staff are providing technical assistance to the Institute as it designs the content of the class. The content includes information on the NAHB National Green Building Program, including the National Green Building Certification administered by the NAHB Research Center.