

# NAWLA PROFESSIONALISM•INTEGRITY•HONESTY•INNOVATION

The need for action is right now!

NAWLA seldom gets directly get involved in political issues nor or asks our members to act politically. However, the NAWLA leadership believes that the current state of affairs of our industry calls for action.

The NAWLA Board of Directors authorized NAWLA to join a coalition of companies and organizations calling on their members to contact their congressional contacts to support a plan for housing stimulus. The coalition is Fix Housing First. Review the information below or visit [www.fixhousingfirst.com](http://www.fixhousingfirst.com) for more information.

We urge you to contact your Federal representative's A.S.A.P. Urge them to support legislative action to provide short-term, targeted incentives that will encourage consumers to buy homes again. This will help to end the dangerous downward housing market spiral that has now taken hold of the entire U.S. economy.

You may contact your congressional representatives directly from the Fix Housing First website if you wish at [www.fixhousingfirst.com](http://www.fixhousingfirst.com). All representatives are listed on the website by inputting your zip code.

We're all in this together, so let's act together. Collectively, we are strong!

Thank you.

## **Fix Housing First Information**

The Fix Housing First Coalition is a diverse group of housing stakeholders – including homeowner and community groups, home builders and manufacturers – dedicated to addressing the root cause of our economic troubles. The coalition is advocating for a short-term incentive for qualified home buyers that would stop the fall in home values, restore consumer confidence, create jobs and lift our entire economy. There is no cost to NAWLA to join the coalition. For more information, visit [www.fixhousingfirst.com](http://www.fixhousingfirst.com).

## **Falling home values are at the core of the current economic crisis**

Our nation's economic downturn began with the collapse of Fannie Mae and Freddie Mac in mid-2008. From there, the ensuing bank failures were largely driven

by failing mortgages and ensuing foreclosures at rates never seen before. These conditions spawned an unprecedented cascade within the housing market...

- Home prices and property values dramatically declined (and continue to decline) across the country;
- Americans are now hesitant to buy homes because they fear prices will not stabilize anytime soon;
- Net sales have fallen 72% from January 2006 to September 2008;
- Existing home inventory is nearing an all-time high and increasing as foreclosures flood the market;
- Falling home values translate into less tax revenue for local and state governments, placing a severe crunch on budget for essential services;
- Thousands (soon to be millions) of jobs across all industries have been lost as a result of the housing crisis; and
- All sectors of the economy are affected because housing is so central to our daily lives.

### **Short-term, targeted incentives will encourage Americans to buy homes again**

Earlier in 2008, Congress took initial steps to stimulate the housing market. Specifically, Congress adopted a measure providing first-time home buyers with a tax credit of up to \$7,500.

Despite best intentions, the legislation failed to either stimulate or stabilize the market. The measure's failure can be attributed to three core factors:

1. The tax credit was really a loan — recipients are required to pay back the entire amount through \$500/year payments.
2. The tax credit was only available to first-time home buyers, who represent only 30% of all buyers
3. \$7,500 was not enough to entice those considering whether to buy.

### **Reviving demand will positively affect the global economy**

While housing is at the root of our economic crisis, it can also be the spark that turns the economy around.

Despite best intentions, the legislation failed to either stimulate or stabilize the market. The measure's failure can be attributed to three core factors:

A short-term, meaningful tax credit coupled with a below-market mortgage will get homebuyers back in the market quickly. With market activity, housing inventory will drop, stabilizing both home prices and home values. In turn, delinquent mortgages and foreclosures will markedly decline, shoring up financial institutions.

Importantly, a housing stimulus goes well beyond homebuyers. Increased property values positively affect all home owners, restoring consumer confidence to resume normal spending.

In addition, a stable housing market creates millions of jobs across the country in every sector – raw material suppliers, contractors, trades, furniture makers, and much more.

And it will not take long. A short-term housing stimulus will immediately motivate homebuyers and, thus, raise property values and home prices, shore up our financial systems, restore consumer confidence and create job opportunities.

### **Current Coalition Supporters:**

- 84 Lumber Company
- Affordable Housing Corporation (Fall River, MA)
- Air-Conditioning, Heating, and Refrigeration Institute
- American Architectural Manufacturers Association
- American Forest & Paper Association
- American Forest Resource Council
- Andersen Corporation (Andersen, Silver Line, Eagle)
- Association of Home Appliance Manufacturers
- Beazer Homes
- Boral Industries Inc.
- Bruno Homes, Inc
- Builders FirstSource
- Building Materials Holding Corporation
- Business Roundtable
- California Manufacturers & Technology Association
- Centex Corporation
- Columbus Wood Products
- Community Associations Institute
- Cresleigh Homes Corporation (San Francisco, CA)
- David Weekley Homes
- Department of Community Development, City of Shreveport
- DR Horton
- Eclipse Partners LLC (Boston, MA)
- Fortune Brands, Inc.
- Generation Brands
- Hardy Frames, Inc.
- Harr Family Homes, Inc.
- Homebuilders Association of Western Massachusetts
- Home Builders Association of Metro Denver
- Husky Foundations, Inc.
- Illinois Lumber and Materials Dealers Association
- K. Hovnanian Homes
- KB Home
- Kensington Custom Homes
- Kimball Hill Homes
- Kitchen Cabinet Manufacturers Association
- Lake Norman Home Builders Association
- Lennar Corporation

- Louisiana-Pacific Corporation
- M/I Homes
- Manufactured Housing Institute
- Mark Ciommo, Boston City Councilor (District 9)
- Masco Corporation
- MDC Holdings
- Meridian Homes USA, Inc.
- Meritage Homes Corporation
- Metalaire Louver Company
- Mike Johnson Custom Homes, Inc.
- Mohawk Industries [Mohawk/Daltile/Congoleum]
- MonierLifetile LLC
- Montgomery Housing Partnership (Silver Spring, MD)
- National Association of Home Builders
- National Association of Manufacturers
- National Lumber & Building Material Dealers Association
- Nevada Manufacturers Association
- North American Insulation Manufacturers Association
- North Star Housing and Development Corporation (Rochester, NY)
- Oak Ridge Management (Rochester, NY)
- Overhead Door Corporation
- Owens Corning
- Pactiv Building Products
- Plastic Pipe and Fittings Association
- Plumbing Manufacturing Institute
- ProBuild Holdings, Inc
- Pulte Homes
- Realogy
- Reno Sparks Chamber of Commerce
- Revolutionary Home Design, Inc
- Rochester Housing Authority
- Ryland Homes
- San Francisco Chamber of Commerce
- San Francisco Housing Development Corporation
- Shea Homes
- Shoffner Construction & Development, Inc
- Shore Builders Association of Central New Jersey
- Sierra Building Company, Inc.
- Simpson Strong-Tie Company, Inc.
- Society of the Plastics Industry
- Schneider Electric
- Standard Pacific Corp.
- Stock Building Supply Holdings, Inc.
- Stratland Homes
- Strunk Architecture
- Taylor Morrison
- The Builder Marketing Society
- The Carpet and Rug Institute
- The Drees Companies

- The Latino Coalition
- The Nolde Company
- The Sherwin-Williams Company
- The Urban Development Group
- Toll Brothers
- Tri County Floor Covering
- Uponor Corporation (formerly Wirsbo)
- Weyerhaeuser Real Estate Company
- Westin Homes of Mississippi LLC
- Wood Machinery Manufacturers of America

Mp/fix housing first

