

The background of the cover features a large American flag in the upper left corner, with its stars and stripes clearly visible. Below the flag, the silhouettes of a family—a man, a woman, and a child—are shown against a sunset sky. The man is standing with his arm raised, and the woman and child are standing next to him. In the lower right, the dark silhouette of a house with several windows is visible, with a street lamp nearby. The overall scene is set during the 'golden hour' of sunset, with a warm orange and yellow glow.

# Housing America's Working Families

**By Bobby Rayburn, 2004 President**  
**NATIONAL ASSOCIATION OF HOME BUILDERS**

## 2004 NAHB Senior Officers



Bobby Rayburn  
2004 NAHB President

### President

**Bobby Rayburn**  
Jackson, Miss.

### First Vice President

**Dave Wilson**  
Ketchum, Idaho

### Vice President/Treasurer

**David Pressly, Jr.**  
Statesville, N.C.

### Vice President/Secretary

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### Immediate Past President

**Kent Conine**  
Dallas, Texas

### NAHB Executive Vice President and Chief Executive Officer

**Jerry Howard**  
Washington, D.C.



**NAHB**  
NATIONAL ASSOCIATION  
OF HOME BUILDERS

# Housing America's Working Families

By Bobby Rayburn

2004 President

National Association of Home Builders

**G**ETTING A GOOD EDUCATION, LANDING A JOB IN YOUR CHOSEN PROFESSION, WORKING HARD AND BUYING A HOME—FOR GENERATIONS THAT'S BEEN THE WAY TO GET AHEAD IN AMERICA.

Nowhere has this idea of progress been so clearly demonstrated as in the quality and quantity of U.S. housing built during the past 50 years. Despite intermittent setbacks, the homeownership rate has risen steadily and now stands at a record 68 percent. At the same time, the percentage of Americans living in overcrowded or substandard housing has dropped significantly. By any standard, the United States has become the best-housed nation on earth.

These remarkable achievements that helped define a half-century of American progress, however, do not necessarily guarantee the same measure of success in the future. Dangerous undercurrents are churning in today's housing market. Despite very affordable mortgage interest rates, millions of





working families are finding it increasingly difficult to purchase or rent a decent home in or close to the communities where they work. Many teachers, police officers, firefighters and other moderate-income workers—representing the heartbeat of any community—are working two or three jobs to meet their monthly housing expenses or are looking for housing 50 miles or more from their jobs. In many markets, the gap between those who can afford a home and those who can't is widening at an alarming rate, and affordable rental housing is in short supply.



But the nation's housing industry has been tested before. Time and again, home builders have demonstrated that with the proper tools and policy they can overcome major obstacles and meet the housing needs of the American people. In 2004, the 215,000 members of the National Association of Home Builders will rededicate themselves to this effort and set forth an agenda to draw attention to—and to begin



to reverse—today's growing affordability gap and to open new opportunities for millions of working American families who are unable to purchase or rent a decent home.

# Housing's Vital Role in the Economic Recovery

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**W**HEN IT COMES TO THE HEALTH OF THE HOUSING MARKET, everything begins with sound economic fundamentals. In recent years, the U.S. economy's performance has been inconsistent and lackluster. The one exception has been the housing market, which has been performing remarkably well. Housing has accounted for a disproportionate share of growth in the nation's Gross Domestic Product during the past two years, and housing production and home sales have helped prevent the economy from slipping back into recession. However, housing cannot do it alone indefinitely, and other sectors of the economy will have to rebound in order to sustain a more robust and long-term economic recovery.

The NAHB-supported tax cut and economic stimulus bill adopted by Congress last year provides numerous tax incentives for small businesses and should help trigger a more broad-based economic recovery in 2004. In addition, NAHB will continue to encourage the Federal Reserve Board to pursue the right mix of monetary policies to keep interest rates low and promote long-term economic growth.





## Housing and the National Election

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**C**RITICAL TO HOUSING'S LONG-TERM FUTURE WILL BE THE NATIONAL ELECTIONS in 2004 when the American people will go to the polls to elect the President of the United States, 435 House members and 33 U.S. Senators—in addition to thousands of public officials for local and state positions.

NAHB will leave no stone unturned in its efforts to elevate housing as a top national priority and to drive home the importance of providing affordable housing for working Americans. Among other things, NAHB will:

- Support pro-housing candidates in the race for 435 House and 33 U.S. Senate seats.
- Launch an aggressive voter mobilization effort to support pro-housing candidates in key races across the country.
- Raise a record \$2.8 million dollars for distribution to pro-housing candidates through NAHB's political action committee—BUILD-PAC.
- Enhance NAHB's presence at the Republican and Democratic nominating conventions and work aggressively to include housing in both party platforms.
- Host a national symposium on "Housing America's Working Families" to raise awareness and focus national political attention on the names and faces behind the statistics of those living at the edge of affordability—teachers, firefighters, police officers and other critical community service providers who are priced out of the housing market or forced to commute 50 miles or more to work.
- Coordinate the development and release of a comprehensive white paper on housing policy for the signature of the five major housing and housing-finance organizations - NAHB, the National Association of Realtors, the Mortgage Bankers Association, the American Bankers Association and America's Community Bankers.

# Maintaining a Healthy Secondary Mortgage Market

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**M**UCH OF THE CREDIT FOR THE NATION'S REMARKABLE INCREASE IN HOMEOWNERSHIP and steadily rising housing standards during the past 50 years must go to the development of its world-class and highly efficient housing finance system. Central to today's highly effective secondary mortgage market has been the development of programs by Fannie Mae and Freddie Mac to lower the cost of home mortgage credit, finance affordable rental housing and assure an ample supply of mortgage credit through a broad range of mortgage instruments tailored to the diverse needs of American households. Today, about two of every three mortgages flow through these two Government Sponsored Enterprises (GSEs).

Unfortunately, accounting and management issues at Freddie Mac have triggered an opportunistic onslaught that could reverse decades of progress. The Administration proposed moving almost all of the key regulatory oversight responsibilities for the housing GSEs from the Department of Housing and Urban Development (HUD) to the Treasury Department, which historically has displayed an anti-housing bias. Administration officials have also welcomed discussions on diminishing or eliminating Fannie Mae and Freddie Mac's government-sponsored status.

The issue is now before Congress, and the stakes involved in how this issue is ultimately resolved are huge. Cutting GSE lines of credit to the Treasury—as one top Treasury official has suggested—would raise the cost of home mortgage credit, reverse upward trends in homeownership and undermine housing's support to the economy and the job market. Even the Administration's official proposal to move program and mission authority from HUD to the Treasury Department would be extremely damaging to the nation's efforts to fulfill the goal of providing “a decent home in a suitable living environment for every American family,” which was adopted by Congress and signed by President Truman in 1949. Ironically, it also would impede efforts to achieve President Bush's goal of increasing minority homeownership by 5.5 million.

In light of these developments, NAHB supports the following proposals for regulating the housing GSEs:

- Mission oversight must reside within an agency that has a housing focus.

- Mission oversight should include responsibility for approving new programs and establishing annual goals for affordable housing. These functions form an interrelated core of mission oversight and should not be separated.
- Mission oversight should be conducted by establishing a dedicated office whose operations are independently funded by periodic assessments from Fannie Mae and Freddie Mac.
- Safety and soundness oversight of Fannie Mae and Freddie Mac should be transferred from OFHEO, an independent agency within HUD, to a new independent agency with sufficient status and expertise to regulate these housing entities and to garner the confidence of investors and taxpayers.
- Safety and soundness oversight functions include enforcement of capital standards and examination of risk management practices. The safety and soundness regulator should also have a consultative role in program oversight.
- The safety and soundness regulator must be completely independent and statutorily protected from political influences, the same as other financial institution regulatory agencies.

## A Strong National Policy Agenda for Housing

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**A**T THE FEDERAL LEVEL, NAHB WILL PURSUE AN AGGRESSIVE LEGISLATIVE, REGULATORY AND LEGAL AGENDA that will, among other things, improve the functioning of the nation's market delivery system, enhance the housing finance system and lend a helping hand to working Americans living at the edge of affordability in urban and rural America. Specifically, NAHB will:

- Support congressional enactment of the Homeownership Tax Credit, which will result in the construction or rehabilitation of 50,000 affordable housing units for working Americans each year.
- Promote legislation to modernize FHA in order to bring down the costs of homeownership for first-time and moderate-income home buyers.
- Promote the development of a secondary market for land acquisition, development and construction loans in an effort to reduce housing production



costs and prevent costly credit crunches such as those that have plagued the industry in the past.

- Ensure that housing programs are adequately funded and that housing gets its fair share of dollars as the appropriations bills move through Congress in 2004.
- Support the adoption of improvements in the Low-Income Housing Tax Credit program, which is one of the few federal programs available to stimulate construction or rehabilitation of rental housing for low- and moderate-income households.
- Improve the availability of housing credit in rural and other underserved areas through changes to Community Reinvestment Act (CRA) regulations and housing program innovations.
- Work directly with top officials at EPA, the Fish and Wildlife Service and other environmental agencies to encourage a more balanced environmental agenda that supports the twin goals of providing for a clean and healthy environment and meeting the nation's housing needs.
- Pursue an aggressive litigation strategy to support court cases with critical national implications for the housing industry.

# Promoting Smart Growth and Removing Regulatory Barriers

**T**O INCREASE HOUSING OPPORTUNITIES FOR WORKING AMERICANS OVER THE LONG TERM, three things must happen.

The overall economy needs to grow at an adequate pace while maintaining low interest rates. This will raise real incomes, create new jobs and increase the purchasing power of working Americans so they can afford to rent and buy decent shelter. Second, the federal government needs to lend a helping hand to assist those Americans living at the edge of affordability. Third, local and state governments need to reform and streamline the zoning and regulatory process to meet a community's housing needs and to allow for construction of a mix of different types of housing in various price ranges.



Cumbersome regulations, excessive fees and exactions, unrelenting public sentiment against higher-density zoning and growth, and resistance to smart growth planning and zoning policies have all contributed significantly to the nationwide shortage of affordable housing. In some areas, regulatory delays and excesses have added as much as 20 percent to the cost of building housing.

To support regulatory reform at the local and state levels, NAHB will:

- Work with HUD, the National League of Cities and the National Association of Counties to identify and reward communities for taking positive steps in eliminating regulatory barriers that unnecessarily increase the cost of housing.
- Continue to support local and state adoption of “smart growth” planning policies that accommodate the demand for new housing and encourage higher density zoning and infill development while protecting environmentally sensitive areas.
- Provide support to local and state HBAs that are aggressively fighting anti-affordability/NIMBY land use policies at the state or local level and are exploring

alternatives to the impact fees that all too often are assessed on new homes and developments, forcing new home buyers to pay for the entire cost of infrastructure development (roads, schools, water and sewer treatment facilities, etc.) even though those facilities serve and benefit the entire community.

- Continue to support the enactment of “notice and opportunity to repair” legislation at the state level. Once enacted, this legislation will increase the availability and lower the cost of general liability insurance by reducing the incidence of costly construction defect litigation.
- Promote partnerships involving home builders, community groups and local governments to enhance affordability and increase production of affordable housing.

## Tapping the Political Clout of Grassroots Members

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**T**O IMPLEMENT THIS HIGHLY AMBITIOUS AGENDA FOR 2004, NAHB will work in partnership with the leadership of its 800 local and state associations to utilize and take full advantage of the energy, resources and political clout of its 215,000 grassroots members.

Among other things, NAHB will provide regular updates and status reports on progress being made on its “Housing America’s Working Families” agenda for 2004. NAHB will also make information on the many NAHB products, services and tools readily accessible throughout the federation and will develop a “new member orientation” program and other tools necessary to reinforce the value of membership in NAHB.

This partnership between NAHB and its local and state associations will be periodically reviewed and updated throughout the year, with both NAHB leaders and executive officers of local and state associations devoting whatever time is necessary at appropriate meetings to brief members on progress to date and challenges still unmet in “housing America’s working families.”

Working with the enthusiastic and energetic support of the leaders of state and local associations and its grassroots members, NAHB will move forward aggressively in expanding housing opportunities for America’s working families in the year ahead.



# NAHB

NATIONAL ASSOCIATION  
OF HOME BUILDERS

## 2004 National Vice Presidents

### AREA 1

*Conn., Maine, Mass., N.H., R.I.,  
Vt.*

**Richard Kelley**

South Windsor, Conn.

### AREA 2

*N.J., N.Y.*

**Bruce Boncke**

Fairport, N.Y.

### AREA 3

*Del., Md., Pa., Va.*

**Frank Thompson**

New Brighton, Pa.

### AREA 4

*Ga., N.C., S.C.*

**Jonathan Elliot**

Fayetteville, N.C.

### AREA 5

*Fla., Puerto Rico*

**Barbara Revels**

Flagler, Fla.

### AREA 6

*Ky., Ohio, W. Va.*

**Fred Tobin**

North Canton, Ohio

### AREA 7

*Ala., Tenn.*

**Mike Carlton**

Brentwood, Tenn.

### AREA 8

*Ark., La., Miss.*

**Ray Kothe**

Baton Rouge, La.

### AREA 9

*Ill., Ind., Mich.*

**Marsha Elliott**

Hinsdale, Ill.

### AREA 10

*Iowa, Minn., N.D., S.D., Wis.*

**Michael Check**

Manitowoc, Wis.

### AREA 11

*Kan., Mo., Neb., Okla.*

**Joe Robson**

Broken Arrow, Okla.

### AREA 12

*Texas*

**Doug Gilliland**

North Richland Hills, Texas

### AREA 13

*Ariz., Col., Nev., N.M., Utah*

**Ray Pezonella**

Reno, Nev.

### AREA 14

*Calif., Hawaii*

**Michael Pattinson**

Carlsbad, Calif.

### AREA 15

*Alaska, Idaho, Mont., Ore.*

**Dale Deharpport**

Beaverton, Ore.

**Associate National  
Vice President**

**Ralph Kennedy**

Appleton, Wis.

## 2004 NAHB State Representatives

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Alabama <b>Dwight Richardson</b>	Indiana <b>Thomas Mullen</b>	Nebraska <b>Fred Hoppe</b>	South Carolina <b>Dan Rawls</b>
Alaska <b>Robin Ward</b>	Iowa <b>Donald Beal</b>	Nevada <b>Dennis Johnson</b>	South Dakota <b>David Asbridge</b>
Arizona <b>Bob Hubbard</b>	Kansas <b>Elton Parsons</b>	New Hampshire <b>Everett Louder</b>	Tennessee <b>Keith Whittington</b>
Arkansas <b>Bill Bosley</b>	Kentucky <b>Joedy Sharpe</b>	New Jersey <b>Dean Mon</b>	Texas <b>Jerry Carter</b>
California <b>Ray Fernandez</b>	Louisiana <b>Mike DuPont</b>	New Mexico <b>Lonny Rutherford</b>	Utah <b>Wayne Knight</b>
Colorado <b>Skip Howes</b>	Maine <b>Roger Rossignol</b>	New York <b>Michael McGowan</b>	Vermont <b>William Hauke</b>
Connecticut <b>Robert Hanbury</b>	Maryland <b>L. Earl Armiger</b>	North Carolina <b>Greg Isenhour</b>	Virginia <b>Mak Koebig</b>
Delaware <b>Alvin Schwartz</b>	Massachusetts <b>Andrew Chaban</b>	North Dakota <b>Gerald Eid</b>	Washington <b>Robert Camp</b>
Florida <b>Barry Rutenberg</b>	Michigan <b>Loren Swanson</b>	Ohio <b>Donald Barr</b>	West Virginia <b>Joel Stout</b>
Georgia <b>Gene Barber</b>	Minnesota <b>Anthony Goulet</b>	Oklahoma <b>Randy Badger</b>	Wisconsin <b>Neil Haselwander</b>
Hawaii <b>Kenneth Choate</b>	Mississippi <b>Wade Quin</b>	Oregon <b>Barry Larson</b>	Wyoming <b>To be announced</b>
Idaho <b>Ted Martinez</b>	Missouri <b>Pat Kelley</b>	Pennsylvania <b>Michael Schultz</b>	
Illinois <b>Chester Moskal</b>	Montana <b>Gene Graf</b>	Rhode Island <b>Antonio Giordano</b>	

## 2004 NAHB Committee Leadership

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### Associate Members

#### **Jeff Bernatz**

San Diego, Calif.

#### Association Planning

#### **Bob Nielsen**

Reno, Nev.

#### Budget & Finance

(Vice Chairman)

#### **Allan Brandt**

Edgewood, Colo.

#### Building Product Issues

#### **Joe Landers**

Claremont, N.H.

### Business Management & Information Technology

#### **Antonio A. Giordano**

Providence, R.I.

### Construction, Codes & Standards

#### **Andy Anderson**

Pinopolis, S.C.

### Construction Safety & Health

#### **Dave Knipe**

Furlong, Pa.

### Conventions & Meetings

#### **John Cowart**

Norcross, Ga.

### Custom Home Builders

#### **Rich Morin**

Saunders Town, Vt.

### Design

#### **Ken Jones**

Saint Francisville, La.

### Education

#### **Tom Woods**

Blue Springs, Mo.

## 2004 NAHB Committee Leadership, CONTINUED

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### Environmental Issues

**Greg Schwinn**

Lincoln, Neb.

### Federal Governmental Affairs

**Dave Asbridge**

Rapid City, S.D.

### Housing Finance

**Fred Griffin**

Madison, Miss.

### Information Systems

**Ken Simons**

Somerset, N.J.

### Land Development

**Elton Parsons**

Wichita, Kan.

### Legal Action

**R. Randy Lee**

Staten Island, N.Y.

### Membership

**Duane Bickett**

Sioux Falls, S.D.

### National Housing Center Board of Governors

**John Koelemij**

Tallahassee, Fla.

### Nominations

**Kent Conine**

Dallas, Texas

### Past Presidents Council

**Kent Conine**

Dallas, Texas

### Public Affairs

**Marsha Elliott**

Hinsdale, Ill.

### Research

**John Piazza**

Mount Vernon, Wash.

### Resolutions

**Sandy Dunn**

Point Pleasant, W.Va.

### Single Family Production

**Vince Napolitano**

Virginia Beach, Va.

### Single Family Small Volume

**John Moffitt**

Overland Park, Kan.

### State & Local Government Affairs

**Duane Willenbring**

Saint Cloud, Minn.

## 2004 Council Leadership

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### Joint Council

**Paul Mashburn**

Winter Park, Fla.

### Building Systems Council

**Gary Grossman**

Selinsgrove, Pa.

### Commercial Builders

**Earl Sharp**

Knoxville, Tenn.

### Multifamily

**Granger MacDonald**

Kerrville, Texas

### National Council of the Housing Industry (Co-Chairs)

**Connie Edwards**

Winchester, Va.

**Robert R. Jones**

Bloomfield Hills, Mich.

### Remodelers

**Doug Sutton**

Springfield, Ill.

### Sales & Marketing

**Mike Sivage**

Albuquerque, N.M.

### Seniors Housing

**Bonnie Solomon**

Town & Country, Mo.

## 2004 Subsidiaries/Affiliates

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### BUILD-PAC

**Barbara Wickman-Byrd**

Omaha, Neb.

### Executive Officers Council

**J. Mark Harrison**

Springfield, Ill.

### Home Builders Institute

**Jim Sattler**

Cedar Rapids, Iowa

### National Housing Endowment

**Dale Stuard**

Newport Beach, Calif.

### NAHB Research Center, Inc.

**Bob Arquilla**

Hazel Crest, Ill.

### Women's Council

**Joanne Theunissen**

Mt. Pleasant, Mich.

2004

# Calendar of Events and Key Dates

**January 19-22**

**International Builders' Show**

Las Vegas, Nev.

**March 14-16**

**National Green Building Conference**

Austin, Texas

**March 17-19**

**Atlantic Builders Convention**

Atlantic City, N.J.

**March 28-30**

**NAHB Multifamily Pillars of the Industry Conference & Awards Gala**

Palm Springs, Calif.

**April 14-16**

**Seniors Housing Symposium**

Chicago, Ill.

**April 21**

**Construction Forecast Conference**

Washington, D.C.

**April 26**

**National Membership Day**

Washington, D.C.

**April 28**

**NAHB Legislative Conference**

Washington, D.C.

**April 28-May 2**

**Spring Board of Directors Meeting**

Washington, D.C.

**June 15-18**

**PCBC 2004**

San Francisco, Calif.

**August 5-7**

**Southeast Building Conference**

Orlando, Fla.

**August 25-28**

**Executive Officers Council Seminar**

Destin, Fla.

**September 29-October 3**

**Fall Board of Directors Meeting**

Columbus, Ohio

**October 6-9**

**Remodelers' Show**

Chicago, Ill.

**October 27**

**Construction Forecast Conference**

Washington, D.C.

**October 31-November 3**

**Building Systems Councils Showcase**

Austin, Texas

**November 4-6**

**State & Local Government Affairs Conference**

Biloxi, Miss.

**November 12-14**

**Custom Builder Symposium**

Indian Wells, Calif.

**January 13-16, 2005**

**International Builders' Show**

Orlando, Fla.



**National Association of Home Builders**  
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**Washington, D.C. 20005**  
**NAHB.org**