

Member Predictions & Strategies

From feedback received in October of 2008

This summary of Market Predictions & Strategies is a new kind of report for GuildQuality. Our primary focus is customer satisfaction surveying and performance reporting for building and real estate companies. But, as a result of our close relationships with hundreds of the most accomplished professionals in our industry, we are in a unique position to gather and organize their feedback about market conditions, strategies, and emerging trends.

In October of 2008, we asked more than 500 home builders, developers, remodelers, and contractors about their assessment of current market conditions, their predictions for the next six months, the emerging and waning trends in the market, and their strategies for maximizing their likelihood of success. More than 125 Guildmembers replied to the survey with both qualitative and quantitative feedback.

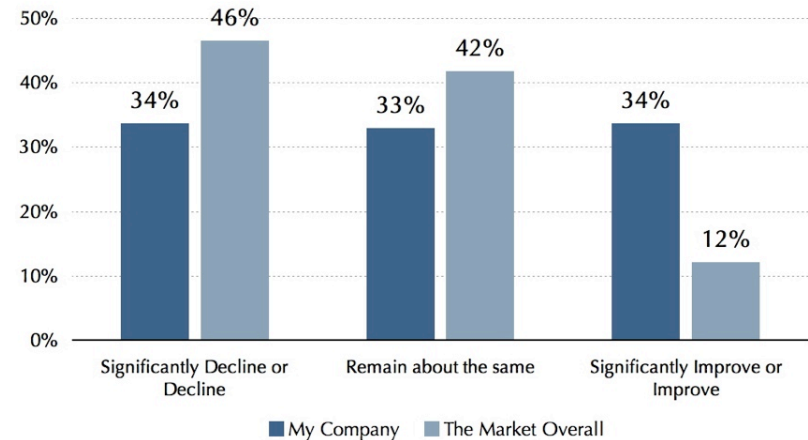
This is the first survey of this kind we have ever conducted, and we expect to continue surveying our members about the state of the market on a quarterly basis. This first report is just that -- a *first* report. As we continue this initiative, we'll refine and improve the summary. I welcome your thoughts and ideas.

Sincerely,

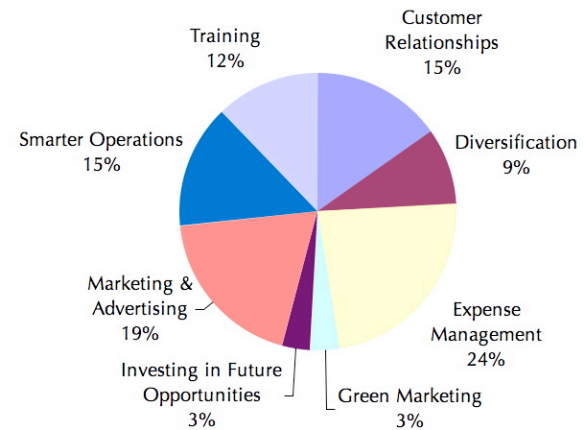
Geoff Graham

Founder & President

Relative to the previous six months, what kind of change do you expect in the next six months?



Long-term Strategies



Comments

Following are all the comments provided by our members, organized by question asked.

Long Term Strategies

“What is your business doing to increase your likelihood of success in the LONG-TERM?”

1. investing in advertising and systems to stay on top of the competition
2. Tightening our belts very tight to hang on to cash. Objective is to catch the next wave on top of our game.
3. Trying to liquidate lot inventory.
4. we are having to shop prices and sub contractors more for price to stay competitive.
5. We launched a special projects division last year to capture more remodel jobs in our area
6. Better technology, more long-term-minded employees, consistent and improved marketing.
7. cross-training among the crew
8. Watching expenses, concentrating even more on customer satisfaction, timeliness
9. not compromising on warranty and service, retaining great people, keeping financing lines of communication open or abreast of status.
10. Energy Star certification
11. Increasing website performance, additional training for entire staff, reevaluating all aspects of operations.
12. We are cutting back on our overhead and trying to unload standing inventory to lower our debt.
13. Looking at design efficiencies as well as getting a grasp on the Finance options . Salespeople need to learn to sell payment again and we are helping out in that arena.
14. Marketing. Marketing. Marketing. And cutting overhead. Lean machine.
15. Scaling back. Decreasing unnecessary or unneeded costs wherever possible.
16. Looking at what the customers will be wanting once this market turns up.
17. Looking at market opportunities
18. Sharpening our systems both sales and production. We are operating on a lean budget hoping for the best but planning for the worst. Offering the highest level of service we can for the money and sometimes a little more.
19. Making sure that we provide the absolute best quality workmanship on every project combined with continued brand building marketing
20. Focusing on delivering superior service to our customers. Also despite the economic downturn continue to advertise and remain positive.
21. Honing our customer service skills.
22. GuildQuality reports, they are a key ingredient to our success.

23. Increasing marketing exposure as well as working with other franchise owners to hone our sales skills
24. Leverage the heck out of our existing client base.
25. having crystal clear future throughout the sales process - always knowing what the client expects the next step to be
26. more marketing
27. Mastering these systems. We also are starting a marketing group of like minded people, but different avenues of business.
28. Networking, Networking, Networking...
29. Managing cash flow, backing out of existing land purchase agreements
30. Customer service oriented, quality workmanship, lean business model, manage internal costs, increased marketing and sales efforts.
31. Never stop focusing on the customer first! Quality customer service along with quality product!
32. Selective lay-offs, increased emphasis on customer service.
33. Starting to remodeling, Buying better, Moving homes at reduced prices in order to get ride of land
34. Looking for ways to be more efficient. and marketing.
35. Concentrating our efforts to generate business in segments of our market that where owners are not effected by the credit market.
36. Focus on unique selling proposition to differentiate from competition - buyers will be shopping aggressively on price, we want to give them a reason to choose us.
37. Developing new floor plans that better meet the needs and wants of our customers. Employing a web based management system for every company function (sales CRM, contracts, PO's, construction management and customer service)
38. Scrutinizing every expense, cutting back on employees as necessary
39. Merging with a larger competitor in January 2009
40. Watching spending and strict adherence to budgets. Negotiating long term purchasing agreements to remove some of the price volatility. Paying strict attention to labor budgets vs actual time spend on jobs.
41. Just keeping a steady marketing flow to all clients and supporting local business ventures.
42. Actively Marketing and training everyone in the company to develop a networking plan. We are highlighting our Handyman service.
43. We have been working at tactical methods and now we need to look at developing a strategy involving those techniques.
44. satisfying our customers in the short-term
45. Sales Training, Fine tuning systems, pin point marketing
46. Positioning ourselves for the upturn in 2009 2qtr. New plan development and bargain land positions.

47. Maintaining marketing to past customers and increasing other marketing.
48. Be lean and mean, work smarter than the competition.
49. increase marketing
50. Increasing marketing, having a sales event every six weeks, participate in all available trade/home shows
51. Try to stay out of debt
52. We have opened an on your lot program. We would only build on our lots in the past, now we will build on the customer owned lot. We will now allow a customer to bring a plan with them or we will design a plan with them.
53. Trying to reserve cash to survive and be here long term.
54. Focusing on sales training and techniques. Trying to become a solution oriented company.
55. Staying Lean and doing all we can to sell homes even at cost to help our vendors exist with us.
56. Positioning cash to carry us through this tough time
57. Looking at specializing some of our staff to be experts in Aging in Place, Green and Networking groups.
58. Doing seminars on Green Building
59. increasing our awareness and attention of overhead, more research into competition.
60. Strengthening our balance sheet, building up cash reserves, delaying additional land development until conditions warrant more inventory, but have land use approvals in hand to allow a quicker start up to land development.
61. taking items out of homes to lower cost so we can be competitive change our house types
62. Expanding the area we work in, adding a maintenance division
63. Careful planning, team building, increasing knowledge base about green building
64. Maintaining a disciplined focus on the things that are within our control and maintaining priorities
65. Trying to stay positive. We have stopped building lots of inventory units. We are selling what we have and not creating more until the need arises.
66. We are increasing our marketing in the hopes that there will still be work out there but it will be harder to find.
67. While the Seattle-area seems to be behind the country in the real estate decline, we are "getting real" with ourselves and making sure we are running lean. We are taking the hit now organizationally in order to prevent delaying harder choices later down the line.
68. Building relationships, offering pre-construction services pro-bono.
69. Across the board belt tightening
70. I have started to diversify into remodeling and light commercial. I will also start promoting myself as a pure custom builder in order to be seen as a specialist for the more unusual and unique custom builds.

Hopefully resulting in more specialized new construction, remodeling, and light commercial projects with less competition to bid against. About 90% of the builders in my market build a similar type and size of house.

71. Marketing in a strategic way
72. We have increased our marketing effort but without much short term success.
73. webpage design and advertising
74. We are committed to continuing to super service our clients and our philosophy is 'clients for life.'
75. networking intensively; focusing our attention on client-first customer service
76. training, becoming more efficient
77. Cutting our overhead, delaying capital expenditures and redirecting our marketing efforts to a higher end customer base.
78. trying to keep our structure in place, staying on top of all warranty, and maintaining our reputation
79. changing marketing to emphasize "downscaled" projects, became cabinet distributor to offer better control and lower cost, continued emphasis on importance of quality work
80. Trying to stay flexible with the market.
81. Staying client focused and looking at our processes for efficiency
82. green building
83. Having a contingency plan. Changing the target audience as well as keeping the company's past in play
84. Developing a plan with timeframes and benchmarks to make additional reductions in overhead and staff.
85. developing financial tools to better predict down turns
86. Partnered with bank for affordable bridge loans and favorable interest rates WITH good credit. Keeping project costs down by sticking to tried and true materials. Eliminating hostesses so a true sales person demonstrates houses to prospects.
87. Building computer processes to become more internet based. Working with banks to reduce their foreclosed homes. Becoming more knowledgeable about the market and the areas which we compete, versus letting the Realtors do it.
88. We are staying fiscally smart and responsible, being good stewards of our finances. We are not carrying any debt, and managing our reserves carefully. We manage by the numbers so to speak--monitoring budgets and updating them accordingly. We also try not to pay attention to mainstream media. We understand things are going to be slower and more challenging--but we work to not let this bring us down. There is work, there is need--we just have to dig a little, and be patient.
89. planning, using the crystal ball, crossing our fingers, not stepping on white lines, improving our marketing, getting better financial reporting, fine tuning our budget, watching our costs
90. Networking and marketing.

91. making good land purchases
92. Marketing and Sales Training are the keys to success in the remodeling business. Also a strong staff organization where effective communication is a committed practice.
93. Looking for cost savings, more focus on marketing
94. Increased marketing, especially to attract kitchen renovation projects and smaller remodeling projects.

Near Term Strategies

“What is your business doing to address your most pressing NEAR-TERM challenges?”

1. diversifying a bit to capture more business
2. Have streamlined our systems, two less employees and working hard to be more productive, thus more efficient for our clients. HAVe diversified into light commercial a bit more.
3. Trying to liquidate lot inventory.
4. re-evaluating how we do business
5. We pride ourselves on our reputation for always staying on budget and delivering a quality product which is very important now more than ever given the current market.
6. diversifying into smaller projects and energy improvements
7. expanding work area and type of work...networking
8. liquidating non-tactical assets, keeping critical personnel, marketing niche products, working to reduce direct cost further.
9. Eliminate any non necessary costs and limit spec production to a replacement basis only
10. Evaluating all aspects of our operation to cut costs where we can.
11. Trying to find Loan programs for our buyers.
12. Looking at Rent to own as well as equity share or one years payment coverage if job loss happens by no fault.
13. Cutting back on overhead. Beating every drum to find work for the winter
14. Increase contacts with architects and designers for opportunities to bid on current and future projects.
15. Continuing to network, talk with realtors, sit homes on weekends and work to get sales!
16. Streamlining operations
17. We are concentrating and marketing to the lower end improvement (bathrooms). We are making very good hamburgers. The steak (kitchens) will come. I feel it is easier to excite activity at a lower price level .
18. More direct marketing
19. Closely monitoring expenses especially marketing so I can target our demographic and remain within budget.

20. Lowering our expectations on contract amounts. Really listening to customers to hear what their MAIN concerns are and addressing those first.
21. using GuildQuality for any corrections and improvements needed to retain cheer leader clients.
22. Investigating different marketing outlets. Work is still out there, we just need to be sure we find and meet with those that individuals that are proceeding with the work
23. Keeping margins strong, keep overhead low and look at a wider range of projects.
24. focusing on service like we always have
25. Let employees know what is going on in the market cut back on perks be more efficient cut hours
26. Working on systems, that will improve efficiency during this slow period
27. Lowering overhead to get prices down & doing more work in-house rather than subcontracting out.
28. Regular evaluation of cash flow, consideration of deep discounts on home prices
29. Continuing to manage internal costs, continue with our lean business model, increased marketing efforts, increased sales training.
30. looking to take advantage of opportunities.
31. Working harder...while continuing our marketing, our quality service and workmanship! Offering incentives to our clients such as free financing for a year or design discounts. Trying to keep morale up for the whole team with company "high-fives" and chances to win gift cards, grab bag gifts, cash, etc.
32. Increasing marketing efforts. Selective lay-offs.
33. Changing our sales approach with fewer design fees
34. Reducing overhead to be "lean and mean" without sacrificing our standards of quality and efficiency. Diversifying our business mix to include remodeling.
35. Cutting staff, reducing/managing inventory
36. Scaling back - laying off some employees. Analyzing all parts of company to determine inefficiencies Studying competition and market trends closer
37. Contacting past clients to ask about future projects
38. Watching overhead expenses more closely, shopping for more competitive suppliers
39. Our systems are the best value proposition in the market place so we see a potential upturn in business in the coming months
40. tightening cost expenditures, watching purchases and raising prices on mid level jobs.
41. Looking at overhead and getting ready to cut any fat. Trying to repackage the way we design and sell jobs to be more flexible to the client. We have considered letting clients purchase there own appliances for the perception of savings here.
42. We are planning to do more extensive marketing to our past customers
43. Hire full time marketing director.

44. Manage cash flow & inventory. Take care of our customers.
45. Praying
46. Sales Training, develop more products that offer better value in the customers point of view.
47. networking- marketing
48. Trying to help buyers sell their existing homes. Conduct a informational meeting with an auctioneer
49. Diversify into sustainable/ alternative energy
50. We have added a custom home division to our company. In the past we have been a production home builder only.
51. Laying people off to get through the next few years.
52. Creating creative solutions to accommodate financing and value issues. Assisting with the sale of their home.
53. Offering incentives and paying HOA dues
54. More thorough sales efforts.
55. Additional marketing and possible layoffs
56. Concentrating on bathrooms / windows and repairs
57. Cutting prices on lots and existing inventory
58. increasing advertising, opening business to include remodeling.
59. Developing creative ways to inspire lot sales with a combination of below market pricing, incentives to use one of our Guild builders.
60. taking items out of homes to lower cost so we can be competitive
61. Tackling more small jobs to keep workflow going
62. Gorilla marketing
63. Maintaining a disciplined focus on the things that are within our control and maintaining priorities
64. Hanging in there! Doing what we can to address the customer's needs/wants at the best possible price and working harder on good customer service.
65. We have a strong back log until June 2009 after that it is anyones guess.
66. Identifying all different areas at which our company can improve. Execution, organization, people and innovation. We are also trying to keep an open dialogue with employees to make sure problems are addressed head on. Our next quarterly meeting will feature a town-hall type Q&A with our president, rather than a traditional presidential address.
67. Beefing up our direct client interactions, strengthening relationships in general, doing more research to find projects further afield.
68. My near term challenge is survival. I have cut overhead expenses as much as possible. I am not spending on single cent on anything that is not absolutely necessary.
69. Watching our budget to keep expenses in line
70. Liquidating inventory to lower debt.
71. getting out of out lying areas.

72. downsizing
73. Driving sales is the key in the last year-we are contacting our circle of influence 7 times this year and marketing more. We have eliminated our production manger and are closely watching expenses.
74. Layoffs, control overhead, gorilla marketing
75. intensifying person-to-person marketing; laying off staff; slashing overhead
76. Cutting overhead
77. Secured financing is almost impossible to get except for the best customers, so we are focusing on customers who can qualify for unsecured financing. We are also focusing on the lower cost products that customers have less fear of investing in.
78. anything to create cash. all our principals are taking outside jobs to pay the bills, down to 2 part time employees.
79. creating a small projects/repair campaign, focusing on less design oriented work
80. Constantly evaluating our pricing, along with our competition.
81. Focused on staying in front of our clients so when they are ready we are first to mind
82. increased marketing efforts
83. **MARKETING!!!** More marketing!! Changing tracks - as in changing the target client
84. Reconnecting with existing client base and doing more networking. Looking at segments of the market that seem to be less effected by the downturn. Reducing overhead and staff.
85. creative marketing & reducing operating expenses
86. Reduced sales office hours, advertising and construction foreman actually working with tools.
87. Reduce over head at all cost. Skinny up all personnel to nothing. owners start doing field work. At what ever cost, get rid of the interest payment (spec home). There is no profit in the business anymore. It is about surviving to the till the dirt is cheap and the market turns.
88. We see our near term challenge to be smaller demand for our services. This doesn't mean there will be no demand, just less of it. We are doing what we can to pay attention to our grass root marketing efforts. Face to face contact is paramount. While others in our area are complaining of not having any work-- we are finding ourselves able to stay busy, with a steady flow. Albeit--smaller projects sometimes, but that's okay. We have also stayed the course with our traditional marketing--we have not cut this part of our budget. We have been committed to a formal marketing plan for about 2 years. I feel sorry for those just trying to get on board with marketing.
89. being more attentive to sales. Really working hard on our marketing
90. Cutting costs.
91. cutting hard costs

92. We want to ensure our presence in all forms of marketing, but especially the internet and links to our updated website.
93. Looking for cost savings
94. cutting back on expenses
95. Heavy marketing in the local newspaper, direct mail and radio. We will be reducing overhead costs with minor staff reductions and avoiding unnecessary costs. We will reduce our markup short-term to be more competitive.

Emerging Trends

“What trends do you see emerging among your customer preferences?”

1. more price pressure and funding concerns
2. Customers are strongly moving towards necessary items. The amount of money being spent on luxury items for the middle class has dried up considerably.
3. Want more for less!! Want more perceived and real value.
4. As much as they can get with as cheap as they can
5. Custom, custom, custom. We even had a homeowner design each bedroom and adjoining with a theme. i.e. Classical, modern, art deco, etc.
6. smaller projects; maintenance projects and energy improvements
7. Cost effective, some (not much) green concern, but mainly price conscious
8. amenity lots for some, smaller-more functional designs, security, energy rated
9. looking for the best deal due to the inventory surplus, stainless appliances, granite tops in the high \$200K price range
10. Price driven. wants to know that they are receiving a good deal.
11. Loan qualifications are dictating the price and features that customers can afford or obtain.
12. Customers are expecting substantial discounts, plenty of standard amenities, and the ability to walk away from any deal on a whim.
13. Smaller projects
14. Bottom Line lowest price possible.
15. Rather than move-up they are interested in fix-up. Deciding to commit and invest in their existing homes.
16. Move toward more natural products
17. They want the assurance they're dealing with a reputable contractor. Not someone who will "take the money and run".
18. We are signing smaller dollar contracts.
19. use of credit cards,
20. Some interest in Green Remodeling. Also, they are much more price conscious than previously and they are taking much longer to make a decision

21. Project size seems to be decreasing.
22. Larger projects are opening up
23. Sustainable Building
24. Smaller more affordable homes
25. Smaller budgets/smaller scopes of work.
26. energy-star certification, quality, low maintenance living
27. Clients are more cautious, preferring to really think things through before making any decisions. They seem to be scaling down the scope of their projects with the idea they may or may not move forward with additional work depending on the economy.
28. People are scaling down or putting projects on hold due to the financial environment.
29. They want to do less around the home
30. More paint colors. Upgraded appliances. Sound systems & media rooms.
31. Less luxury and down to basic maintenance and improvements
32. More interested in "green" options that do not add significant cost i.e. open cell foam insulation, on-demand hot water units, geo-thermal systems or high SEER rated heat pumps, etc.
33. Energy efficiency, not just equipment but in the design of the home - lower (not vaulted) ceilings.
34. Desire for more options and custom feel at production prices.
35. More medium sized projects.
36. More requests for green features, more natural stone in lieu of ceramic or porcelain tile
37. Repair / Restore rather than replace
38. Aging in place.
39. Cutting back on their budgets in the design stage. Many clients are asking "how's the economy effecting you?" as we walk in the door. There is a sense that they are expecting better pricing than in a typical market
40. We are finding that they have opinions and we have generally assumed that they have appreciated our services, this has not been true from what we are finding out. We need to work at improving our reputation.
41. more for less
42. Small project \$75,000 - 150,000
43. Value is the cost of entry
44. Better Value
45. They want to downsize and get rid of doing the exterior maintenance
46. Caution
47. Lower price
48. Very few are picking a lot and then having us build them a home. Most are buying our spec inventory.
49. All people are looking for is a good deal and have unrealistic expectations to our cost structures.

50. Cheaper more affordable homes, more storage, more garage, assistance with sale of their home.
51. Quick closes. Negotiating HOA dues
52. Smaller projects.
53. Price shopping more. Looking for "the deal".
54. Smaller jobs that are more repair oriented than wish oriented. People investing more in homes close to the city center than homes in the outer suburbs and bedroom communities.
55. They are not able to sell their homes to purchase a new home
56. more options to be included in base prices. more up front questions concerning customer service down the road.
57. Our customers are builders or buyers that want one of our builders to build their new home. Most of our sales of late have predominantly been the later. These buyers want a custom designed home to specifically meet their needs. Very little spec building in this market.
58. what can they get for free
59. Less large projects and additions, more small jobs and maintenance related issues. Green technology.
60. Smaller projects, putting projects off
61. Much higher bargain shopping
62. Less luxury - more needs
63. More a focus on Value and less on just get me what I want.
64. It is a buyer's market, so we are definitely working to be more flexible in accommodating requests. On the positive side, our willingness to refer has continued to rise, and while the overall number of customers is down, each individual buyer seems to have a higher average rating of satisfaction with their home and service from our team.
65. Energy efficient, sustainable building is (finally!) catching on and something that's in most conversations in some way, shape or form.
66. Here in Ohio we are slow to follow national trends. Craftsman designs are very popular right now and seem to be getting more popular. Energy efficiency and green building are becoming ever more important to my customers.
67. Small repair type projects
68. We are unable to determine this because of the instability in the market.
69. Very demanding....I think it is mostly derived from insecurity about either their or their spouse's job situations. The have lost their nest egg of equity that they were banking on having, and their personal debt is hanging them. We are their easiest target at this time. Our "value" number is suffering, but i had one homeowner actually say,"how can I say I received a good value, when I lost all of my equity."
70. The trend towards scaling back their projects to better fit their budget and more function over form.

71. Finally paying more attention to energy efficiency.
72. smaller, more practical kinds of projects; price conscious- shopping; slow to commit
73. how job size has gone down, I expect it to stay down
74. There are fewer people in the market who are willing to spend money with the condition of the economy, especially on Want products vs. Need products. Higher ticket items, such as sunrooms, have experienced a huge decline in customer responses and are having difficulty getting these projects financed. Need products such as energy efficient replacement windows and baths are holding up substantially better and are a lower cost product.
75. not enough traffic to discern any trends other than price just bargain hunters looking now
76. Smaller, necessity based projects , more function driven projects
77. Focus on price, bedroom count. Smaller sizes of homes within FHA guidelines.
78. More value oriented design
79. green building, value driven choices
80. Value driven decisions as well as environmentally sound decisions
81. Value and price are more important than ever.
82. small jobs
83. More colorful interiors and lots of 4 season rooms.
84. Big square footage for rock bottom pricing. Give the options away, and the buyer will still expect more...
85. older couples, empty nesters, double income, paying cash. Not sure that I provided the answer you are looking for. Customers are putting more effort into fixing up their kitchens and baths- not full blown renovations necessarily, but making the spaces look nice so they will be ready when it is time to sell
86. Wanting professional design and remodeling.
87. outdoor living/ green building
88. Because we work mostly close to downtown, there continues to be a shift of people who are tired of living in suburbs and want to be closer to their work and other amenities that the closer in areas provide. Most of these homes require updating and remodeling or are in such bad shape that they need to be torn down and a custom home built on the lot. Kitchen and bathroom are still the top remodeling projects.
89. Customers want everything their way (very picky)
90. cost effectiveness
91. Being thrifty. Less likely to take on big renovations.

Waning Trends

“What trends are becoming less and less important to your customers?”

1. fast turnaround on jobs
2. Don't know if there are any trends becoming less important. Green is big in the media, but the public

seems somewhat less excited about the fast running train to Green. They still want their granite Countertops in lieu of closed cell insulation.

3. Quality
4. We have not seen a change in trends within our area.
5. large additions
6. Large housing
7. larger french-country
8. None come to mind. they want more not less.
9. Customers are going back to basics. Not upgrading or overloading the homes with extravagant features.
10. Fireplaces, Expensive upgrades, commuting,
11. Luxuries.
12. High end, high price "gadgets"
13. Upscale amenities
14. The need to increase space. It seems my customers are willing to work within the envelope of their existing home and utilize space more effectively.
15. Less frills, more usage/flow designs.
16. people are indeed more educated in their approach to projects, quick guess work answers are on the way out
17. folks seem more concerned with quality and having someone they can trust do the work, not so price dependent
18. High end products
19. Size of Home
20. Green living, yard space
21. size of homes
22. Big yards
23. Design services...
24. Gadgets and electronics
25. Whirlpool tubs
26. No noticeable change. Jobs seem to be smaller or less ambitious.
27. They are seeing that we are interested in their opinions and that interests us.
28. over-the-top high tech kitchens
29. Whole house remodels
30. Bells & Whistles
31. High End products
32. Excess
33. I don't see anything becoming less important about buying a home but our customers are looking for the best deal, not so much what they really want in the home.
34. Quality
35. Selection of options. Value other than cost per sqft.
36. People are sticking to their budgets. No change orders

37. People willing to use materials that are more value oriented such as p-lam tops instead of granite or cedar decking instead of high end materials.
38. integrated structured wiring.
39. Very large homes
40. luxury additions - they are more price conscious
41. Unfortunately energy efficiency seems to have taken a back seat to cost containment.
42. I can't think of trends that are less important, but rather that we are considering diversifying our product to meet the needs and desires of a broader range of customer and capture more sales.
43. Formal home design and living.
44. Larger projects at this time
45. Same answer as above.
46. Quality vs. travel time
47. Green remodeling because of the associated additional costs.
48. "trophy" features- custom cabinets, high end appliances
49. none, except smaller projects
50. Adding square footage to their house that would increase their taxes and make their homes higher priced than other comps in their neighborhood.
51. "Bells and whistles", over sized rooms (particularly kitchens and baths)
52. Options and upgrades less important.
53. The over the top design projects, more focused on the needs and not the wants
54. luxury decisions, whirlpool tubs
55. 'Dream' projects
56. high-end expensive work
57. Huge kitchens and cold tile floors.
58. The market is in the buyer's hand. They can get what ever they get. There is nothing less important, b/c they're getting it all...
59. I haven't seen an easily identifiable difference. Remodeling your home is a big deal. I don't think people who make the choice to do projects now are going to significantly alter their plans too much. Either they are going to do it or not. To scale down a project to save \$\$\$ could be short sighted. Folks might choose to watch their budget on some selection items, but overall people we meet are either in it or not.
60. large renovations
61. Rushing into projects. Their taking more time to think and plan.
62. There is a decline in the fancier and more costly projects such as wine rooms, media rooms, outdoor kitchens, etc. These are always the first to go when the economy shifts downward.
63. upgrade finishes

General Comments

1. We have incorporated GuidQuality into our whole approach to doing business, production reviews, management reviews, sales reviews, and client input. we think this is a key component.
2. we are actually seeing quite a bit of work loosen up
3. The DC area is not recession proof, but it will fair better than other areas. There still is a projected housing shortage here. Competition is tough but we expect to see the less than professional contractors dropping out. At the same time smart people in related fields or areas of the market that are harder hit may try to get into the business.
4. We are hoping the politicians will be resourceful and come up with some viable solutions. Let's get past this election and work toward putting the economy and people back to work!
5. Hopefully after the elections when the economy and how the government is addressing it is no longer under a microscope that things will turn-around, though I do not expect to see much improvement until spring.
6. In the 35 years I have been in this industry, we have been through three other recessions, and historically the remodeling business has thrived. This is due to the fact that customers are staying longer in the home they currently live in and decide to improve it. The difference in the recession we are about to enter is that the banking crisis has driven many of the lenders out of the business of lending on home equity and home improvement loans. Between this and the contraction of the equity markets creating a sense of uncertainty has driven many home owners to delay spending money on anything but the necessities of life.
7. we've only pulled 5 permits this year vs. 79 in 2005. we are as unsure about the next 6 months as our potential customers are
8. The challenging economic market is forcing companies to move outside their comfort zone. Those that respond quickly and efficiently will be better positioned once recovery begins. This response must include educating the customer base (marketing) to bring in these new types of jobs.
9. I think consumers should pay particular attention, more so than ever, to the company they hire. This is market can create an atmosphere where company's make the desperate move of lowering their prices in order to entice, while COGS doesn't change much. They can quickly find themselves working for wages, rather than operating their companies as a business--strangling their cash flow. When cash flow is a problem--a company might bring on more work--another deposit, to finance a project already in process--rob Peter to pay Paul. This is more scary to me than the market slowing. I worry about homeowners getting hurt as a result. Now more than ever, homeowners need to ask--why is this guy so cheap? Perhaps this is prudent even in better times.
10. it is a wild ride right now
11. We are in a healthy market in Raleigh where people are still spending.