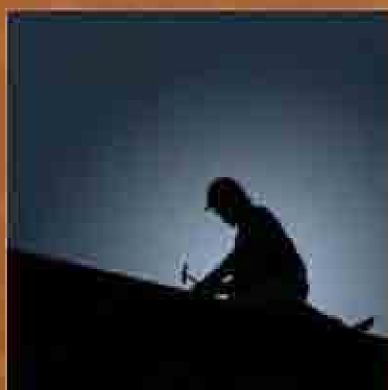

Implications of the Soft Housing Market for Builders, Suppliers and Manufacturers

NAHB Research Center

March 2008

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Summary of Last Year's Soft Market Study

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In January 2007, the NAHB Research Center fielded a survey of U.S. home builders in an effort to gauge the changes that the home building industry had undergone since its downturn beginning in late 2005 and early 2006. An underlying assumption for timing the survey launch was that the new home market was bottoming out, having fallen by more than one-third its volume from a year earlier. However, it was presumed that a slow but steady rebound would soon take place. After all, the market was showing some signs of an upswing with the NAHB/Wells Fargo Housing Market Index signaling improvement in builder expectations, and the gradual rise in housing permits issued.

Survey results indicated that builders clearly saw the housing market as a "buyers' market." Builders responded to the downturn with efforts to increase sales, and improve efficiency and reduce costs. These efforts included launching or improving websites and customer referral programs as well as offering buyer incentives such as free upgrades in order to be as competitive as possible. About half the builders surveyed reported reductions in the prices of their houses.

As a response to less committed customers, builders had begun putting more effort toward educating and developing relationships with people entering their sales offices. Further, builders indicated they were working harder for each sale by allowing more customer-suggested home design changes, using more innovative material selection, and offering home packages they believed would signal the best value to potential homebuyers. To replace revenue losses, production builders were more likely to look for opportunities to diversify within the new home building sector. Custom builders, on the other hand, were more likely to look outward to remodeling and non-residential construction.

Continued Housing Market Slide in 2007

2

Early 2007 brought a different outlook than housing economists had expected, beginning with the sub-prime mortgage market meltdown and the ensuing credit crunch, negative housing appreciation, and falling consumer confidence. Throughout 2007, news on the new home market continued to worsen. Consumers were even more hesitant to buy homes as they were not willing to invest in an asset they believed would decline in value. The sub-prime mortgage market disappeared, leaving potential homebuyers with merely fair credit ratings ineligible for mortgage loans. Many banks, concerned about the value of housing as collateral for mortgage loans, tightened their lending standards—reducing the number of people who could qualify to purchase a new home. Consumer confidence slid monthly through the fall, and by the end of 2007, fears of a recession had begun to creep in and dampen demand for homes even further. By year's end, the number of new housing starts had fallen by another third over January levels.

The continued slide in the housing market meant that builders would need to revisit the first wave of business and operational changes they had undertaken if they wanted to remain profitable in a protracted industry downturn. Talk in the industry indicated that builders began scrambling to further reduce construction costs, inefficiencies, and the expense of carrying unnecessary overhead. This prepared them to survive in a market where revenues had fallen by half and selling prices had been reduced. The NAHB Research Center revised and fielded the Soft Market questionnaire in early 2008 to better understand the impact of this new, less optimistic reality in the housing industry. This report details the results of that study.

The 2008 Soft Housing Market Study

3

The objective of the 2008 Soft Market Study was to document the changes that home builders have undergone since the beginning of the market downturn and to provide these findings to:

- Home builders—to benefit from the successes of other home builders and increase their likelihood of business survival
- Manufacturers and suppliers—to understand how to better meet home builder needs

Survey Methodology

The most recent study began with a review of the 2007 Soft Market Study, which included seven focus group discussions followed by a nationwide survey of builders. Since the completion of the first Soft Market Study in early 2007, however, builders have developed new solutions to improve their sales performance and reduce costs. In order to get a quick update of changing builder practices, the NAHB Research Center conducted a review of recent literature and industry publications. The Research Center then revised the questionnaire and fielded it to its Internet-based survey panel of home builders, receiving 304 completed questionnaires.

When surveying builders, it is important to realize that high-volume home builders tend to have greater purchasing power. Therefore, their decisions tend to impact the industry more than smaller builders. The tabulation methodology employed in this study, except where noted, accounts for this by weighting each response by the number of homes built, making the findings most representative of industry characteristics. Cross-tabulations were also run by home builder production volume, price-point of home (starter, move-up, and luxury), type of home (single- or multifamily), geographic area, and business operation style (production or custom).

Summary of Results

The overall results of the 2008 study show that selling efforts continue to get the most attention by builders regarding improvement and innovation—even to a greater degree than in the previous year. Builders are fine tuning their home offerings to represent the best value to compete most effectively for the existing pool of new-home buyers. Builders also want to stimulate demand through programs that bring buyers into the market that normally would wait for a market rebound. Builders are offering incentives, becoming more flexible to meet customer needs, and reducing the prices of their homes. This requires builders to become more efficient by reducing the cost of labor and materials and eliminating fixed costs such as land and unnecessary employees. Those builders and product suppliers who adapt to this new reality stand to gain the most when housing rebounds.

Business Improvement Efforts 4

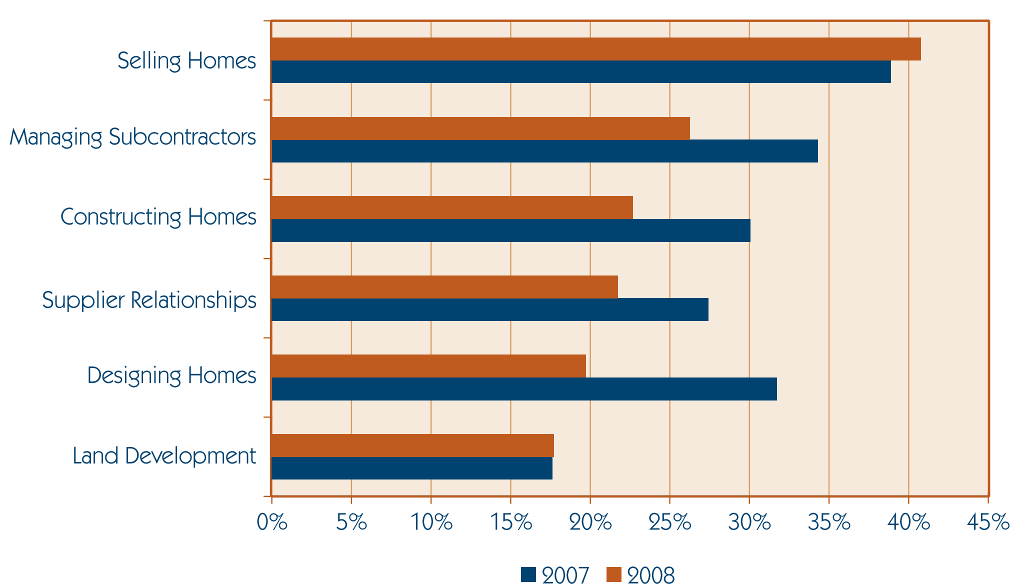
During the first year of the downturn, home builders indicated *Selling Homes* was receiving more improvement efforts than any other aspect of their businesses. During the second year of the downturn, however, builders began to intensify their efforts at improving the sales function. This was at the expense of other business functions.

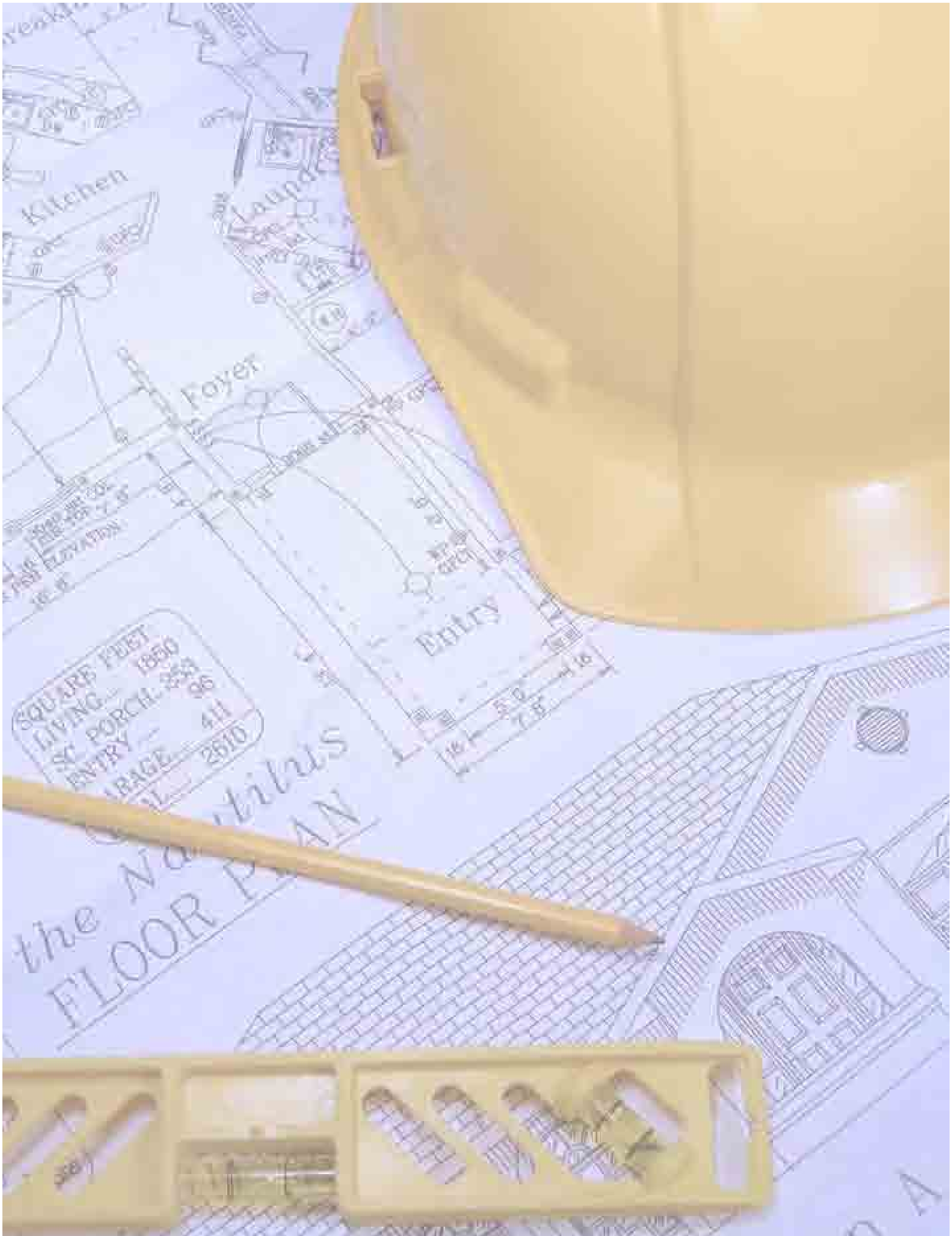
In both the 2007 and 2008 Soft Market Studies, home builders were asked how much more effort they were exerting on a series of business functions since the housing downturn. Participants responded by choosing a point on a scale of one to five—one was "Much Less Effort" and five was "Much More Effort." In 2007, *Selling Homes* received the greatest share of responses of Much More Effort, surpassing the closest category by 5 percentage points. In 2008, respondents rated *Selling Homes* slightly higher than in 2007, however, its lead over other functions grew to nearly 15 percentage points. Thus, home builder efforts at improving the function of *Selling Homes* is receiving disproportionately more emphasis in 2008 than in the previous year when compared to other aspects of business.

A look at how production and custom builders rated their improvement efforts for the six business areas in Figure 1 reveals a major difference. With production builders, *Selling Homes* remained the top choice, surpassing the second choice, *Managing Subcontractors*, by about 20 percentage points. Custom builders, however, chose *Constructing Homes* as their top area of improvement. This category finished slightly ahead of *Selling Homes*.

These results imply that building products and service providers—especially those supplying production builders—can best improve their current market position by helping home builders improve their sales performance in some way. The following sections of this report detail what makes a home easier to sell, and what programs, services, and product offerings suppliers and manufacturers can provide to help builders improve their selling efforts.

Figure 1 – Shares of Builders Reporting "Much More Effort" Toward Business Improvements Since the Market Downturn




Kitchen
Foyer
Entry
SQUARE FEET

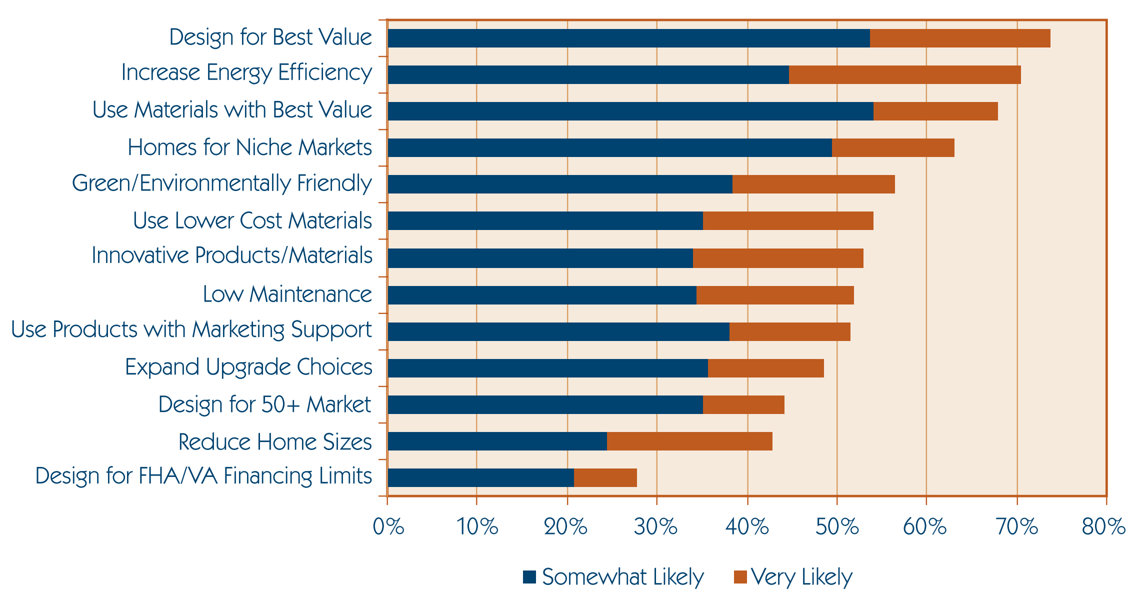
Changes in Home Characteristics 5

Anecdotal evidence has pointed to builders making changes in home design and materials usage since the start of the downturn. Builder participants were asked about specific changes and trends that affect the homes they build. Two of the top three answers relate to providing homebuyers the best value in this highly competitive market. Nearly three-quarters of respondents reported a likelihood of *Designing the Home for the Best Value*, while approximately 68 percent reported a likelihood of *Changing Materials Usage to Provide the Best Value*. These results underscore how much more competitive the market has become since the downturn. They also indicate the urgency with which builders have become flexible in home design and materials usage to optimize their new home offerings.

Rising energy costs, more stringent energy codes, and increasing builder and consumer awareness of the environmental impact of unnecessary energy usage are also playing a major role in the construction of new homes. Overall, *Increase Energy Efficiency* finished second amongst the trends leading to change in new home characteristics. Note, however, that the share of builders responding "Very Likely" (seen in the orange segment of the bar in Figure 2) was highest for *Increase Energy Efficiency* among all categories. This indicates that its second place finish may under-represent its importance. Interestingly, builders indicated that the *Green/Environmentally Friendly* trend had less impact on their construction than did *Increase Energy Efficiency*—a major component of "green" homes—indicating that many builders do not necessarily associate the two.

The fifth place finish of *Green/Environmentally Friendly* may not seem impressive in light of the press that green building has received recently. It is important, however, to note that in the 2007 Soft Market Study, it finished behind the categories of *Low Maintenance* and the

Figure 2 – Likelihood of Builders Making Home Design & Material Changes Since the Housing Downturn



50+ Market for new homes. In the current study, it finished ahead of both. Fifty-six percent of respondents indicated it as a motivating factor in 2008, while only 51 percent did so in 2007. The growth in importance of green building may be an indicator that this trend is finally taking hold, due possibly to the increased availability of green home certification programs over the past year.

These findings imply that, in this competitive market, suppliers and manufacturers that offer the best value, or "the most for the money," are best positioned to gain market share. Many industry professionals have believed that lower cost materials are the best way to increase market share in the current environment, but this does not explain why some high-end products—like granite countertops and hardwood flooring—have gained ground during the housing market decline. Energy prices are continuing to increase in most areas of the country, making energy-efficient construction practices even more relevant in the current market.

Sales & Marketing Strategy Changes

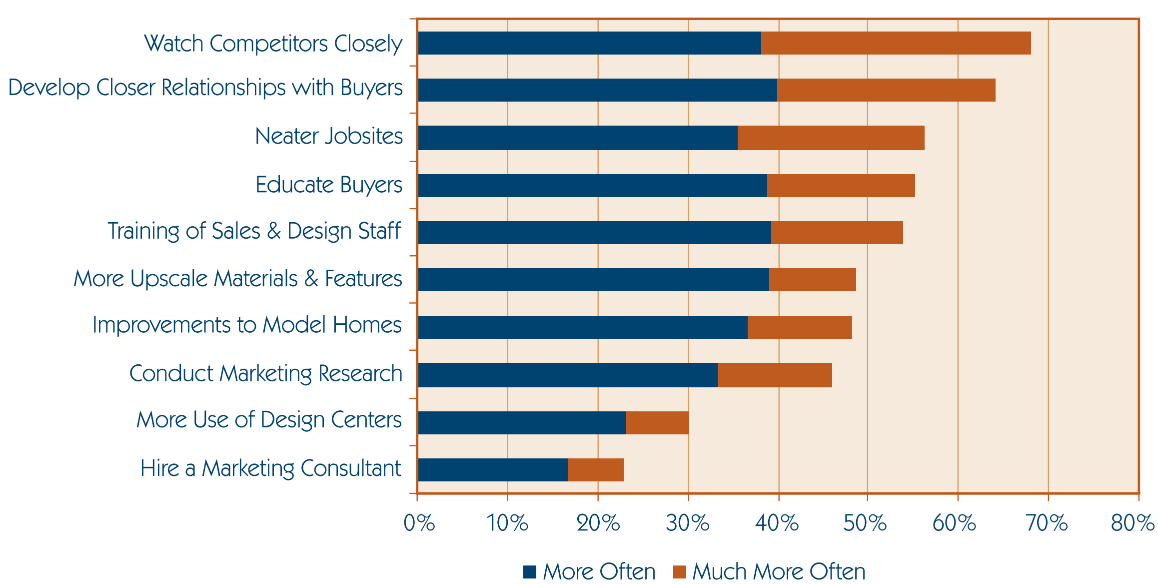
6

In addition to changes in the homes they offer, home builders have also reported numerous changes in sales and marketing strategies. In this study, builders indicated how often they made various sales and marketing attempts as a response to the market downturn. The top answer, *Watch Competitors Closely*, further underscores the highly competitive environment at the present. The number two response, *Develop Closer Relationships with Buyers*, is reflective of reports about buyer traffic remaining strong, but buyer commitment to buying homes declining. *Educate Buyers* finished fourth, with nearly 55 percent of builders doing this more often.

The third most prevalent answer, *Neater Jobsites*, is ironic when considering that *Improvements to Model Homes*, the place where most sales take place, finished at number seven in importance. Anecdotes received by the project team indicate that the more scrutinizing homebuyer is making judgments about builder quality based on a drive-by view of jobsites. This finding presents opportunities for products that look more attractive or professional during the construction process and those that lend to a tidier jobsite.

Not surprisingly, an analysis of production versus custom builders revealed some key distinctions. While *Watch Competitors Closely* came in first with production builders, custom builders picked *Educate Buyers* as their top choice. Finishing in second place for both production and custom builders was *Develop Closer Relationships with Buyers*. High-volume builders (those who built more than 25 homes last year) were more likely to conduct *Training of Sales & Design Staff* and *Improve Model Homes* than any other segment. Regional and national builders were most likely to *Hire a Marketing Consultant* and *Conduct Marketing Research*.

Figure 3 – Frequency of Builder Changes to Marketing and Sales Efforts Since the Housing Downturn



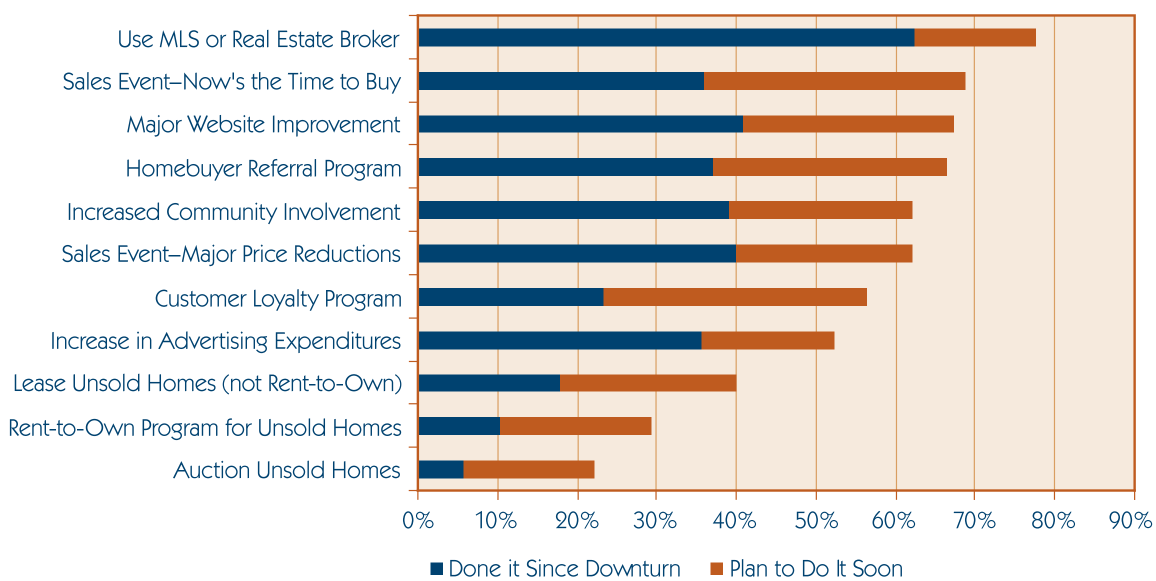
Promotional Responses to Downturn 7

With builder improvement efforts strongest on sales, home builders have revisited some tried-and-true sales and promotional tactics and events and have developed some new ones. When study participants were asked which of the following approaches they had used since the downturn, the most popular answer was *Using a Multiple Listing Service or a Professional Real Estate Broker* to gain a wider audience for potential sales. Note that while the greatest number of builders indicated they had implemented this tactic since the downturn (see Figure 4, blue shaded bars), fewest stated that they plan to adopt this tactic in the near future (orange shaded bar). This high ratio of respondents who "Have Done it Since the Downturn" to those who "Plan to Do it Soon" indicate that this trend is mature. Others options, such as *Rent-to-Own Programs*, with a low ratio of Have Done It to Plan to Do It, possibly indicate an emerging trend.

Also very popular among builders were *Major Sales Events to Draw Traffic to Sales Centers*. Sales events that emphasize either "Now's the Time to Buy" or "Major Price Reductions" have been popular since the downturn—between 35 and 40 percent of builders have sponsored either type of sales event. Looking into the future, however, only about 20 percent of builders state they are planning a sales event accompanied by a "Major Price Reduction," while more than 30 percent are planning events that emphasize "Now's the Time to Buy." This may indicate that home builders have already done as much price cutting as they are able.

Finishing third overall was *Major Website Improvement*, with 40 percent having done it in the past two years and more than 25 percent planning to do it soon. This signals opportunities for companies providing assistance to builders in web development. It may also have implications

Figure 4–Home Builder Promotional Responses to Housing Downturn



for firms selling products and services to builders who wish to provide web content or offer co-branding assistance via the web.

Another trend worth mentioning is the interest in *Customer Loyalty and Homebuyer Referral Programs*. Home builders continue to look to recent homebuyers for repeat purchases as well as referrals. Manufacturers also sponsor programs that supply home builders with referrals of potential homebuyers who have registered at the manufacturer's website. Note that *Homebuyer Referral Programs* have been the more popular of the two since the downturn—about 35 percent of builders have adopted one. Looking into the future, however, it appears that a *Customer Loyalty Program* may enjoy greater popularity.

The bottom three tactics are intended to reduce the carrying cost of excess inventory by leasing or auctioning unsold homes. Relatively few builders have taken these measures. The low number of builders who Have Done it Since the Downturn, compared to those that Plan to Do it Soon, indicates that we may be previewing a new and growing trend.

Regional Variations

Looking at the data regionally, builders in the South reported using an average of 4.1 of these promotional methods per builder, while builders in other regions used 3.0 or fewer. Builders in the West were more likely to use *Customer Loyalty* and *Homebuyer Referral Programs* than those from other regions. Midwest builders were most likely to *Lease or Auction Unsold Homes*.

Use of Tactics for Closing the Sale

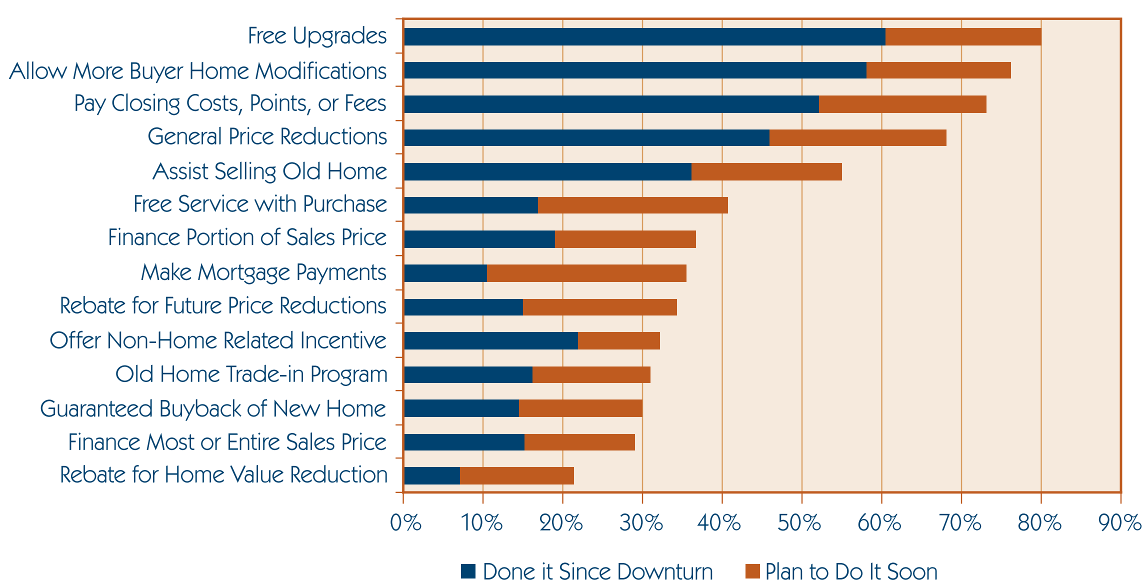
8

Since the beginning of the housing downturn, home builders have worked feverishly to entice buyers into sales offices and get sales contracts signed. Some of their approaches provide incentives to offer a new home that represents a better value than their competitors. Other approaches intend to draw sidelined homebuyers into the market, like those who cannot afford or qualify for a new home, cannot sell their current home, or believe that buying a home at the present is a bad investment. While incentive-type tactics were most frequently used, tactics to draw buyers into the market seem to represent an advancing trend.

Most Popular Incentive-Based Approaches

Free Upgrades and *More Buyer-Specified Home Modifications* led the incentive category of tactics. About 60 percent of home builders reported use of these tactics in the past two years and nearly 20 percent stated that they plan to offer them in the near future. *Free Upgrades* are among the easier incentives to offer—because very few changes in home builder operations need to be made—but they do cut into a builder's margins. Allowing *More Buyer-Specified Modifications*, however, while not always resulting in increased hard costs of a new home, does require additional effort and a reassessment of the home sales, design, and construction processes. The popularity of this incentive option indicates that more personalization of the home is among the most effective ways to increase the value to the buyer. It also reflects that homebuyers are becoming more sophisticated in their understanding of building product and home design alternatives.

Figure 5 – Usage of Programs & Tactics to Close the Sale



Most Popular Stimuli to Enter the Market

Tactics used by builders to encourage new buyers into the market can be placed into three broad categories—those that 1) help sell the potential buyer's old home; 2) provide financing alternatives to answer the current restrictive lending standards; or 3) provide assurance against the value of the new home declining shortly after purchase. The most popular stimulus, *Paying Closing Costs and Fees*, finished third overall and has been offered by more than half of builders surveyed since the downturn. Finishing fourth was *General Price Reductions*, which satisfies both the need to offer a superior value over competitors and to assure buyers that lower home prices reduce the likelihood of the new home value dropping below the selling price. Finishing fifth was *Assist with Selling Old Home* with more than 35 percent of respondents having done it since the downturn and about 20 percent planning to offer this soon.

Looking at future plans of home builders, the greatest number (25%) state they will soon *Make Mortgage Payments* for buyers and offer *Free Service with Purchase* (23%). Finishing third and fourth in builders' planning were *General Price Reductions* and *Paying Closing Costs and Fees*.

Regional Variations

An examination of builder segments and geographic areas reveals some significant differences. Builders in the South, for example, reported using an average of 4.6 methods; Midwest builders used an average of 3.6; Northeast builders used an average of 2.8; and builders in the West used an average of 2.5. The South was more likely to use techniques related to the financial aspects of purchasing a home. Those techniques included *Offering Free Upgrades, Reducing Prices, Paying Closing Costs and Fees, Financing All or Part of a Home*, and *Making Mortgage Payments* for buyers. Midwest builders, on the other hand, led in using programs that ensured the value of the homebuyer investment. This included *Rebates for Price Reductions* or *Reduced Future Home Values* and *Guaranteed Buybacks*. Builders in the West led only in *Offer Non-Home Related Services* after the sale.

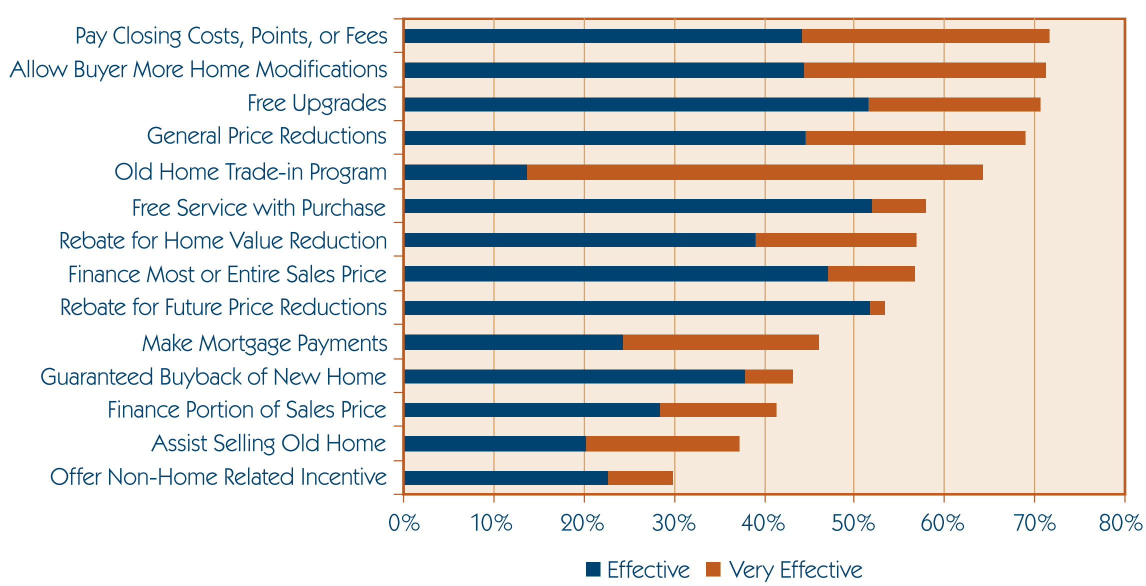
Effectiveness of Tactics for Closing the Sale 9

It is tempting to jump to the conclusion that the most commonly used tactics reported in the previous section are the most effective. This study found, however, that this is not always the case. The questionnaire asked which individual tactics were most effective in increasing sales for home builders. Overall, builders responded that *Paying Closing Costs, Points, or Fees* was more effective than any other tactic. Finishing a close second was *Allow More Buyer-Specified Home Modifications*. *Free Upgrades*, while the most frequently used, scored third in terms of effectiveness and with a noticeably smaller share of "Very Effective" ratings (orange shaded bar) than the first two. This may indicate that *Free Upgrades* have become an expectation of buyers and do not set a home builder apart from its competitors anymore.

On the Horizon

While the *Old Home Trade-in Program* finished fifth in this analysis, that ranking vastly underrates its effectiveness as shown in Figure 6. The vast majority of those using the trade-in program rated it as "Very Effective"—far more than any other program evaluated in this study. Looking back at Figure 5, however, we see that about 15 percent of builders are using this type of program, and about the same number of builders plan to adopt this program soon. Since many potential homebuyers are hesitant to buy a new home for fear that they will not be able to sell their old home, this would seem to be a dramatically underutilized, but potentially highly effective, tactic that builders could employ. If home sales do not rebound soon, we can expect to see more builders adopt home trade-in programs.

Figure 6–Effectiveness of Programs & Techniques Rated by Builders



Variations by Builder Segment

An examination of the various building segments reveals production builders more likely to find financial incentives effective, while custom builders are more likely to find free upgrades and home modifications effective. Interestingly, builders of starter homes were more likely to find programs that helped buyers sell old homes more effective than other categories of builders. This shows that lower-end buyers are more dependent upon favorable housing market conditions for the sale of their old homes. Builders of starter homes indicated *Non-Home Related Incentives*, such as trips or an automobile, were more effective than those builders building other types of homes. Move-up builders were most likely to report successful use of making mortgage payments for a limited period of time. Luxury builders found guarantees against future declines in home values more effective than builders of move-up and starter homes.

Free Upgrades Offered 10

The majority of builders reported offering free upgrades in the 2007 Soft Market Study, and the 2008 Soft Market Study confirms that this is still the case. We asked builders to indicate the free upgrades they were offering buyers from a list of 23 popular product categories. Figure 7 shows the 12 most popular categories indicated by respondents. Several factors influence whether a builder offers a certain product category as a free upgrade. One major factor is that builders believe the free upgrade category provides more value to potential homebuyers than others categories. Other upgrades are very easy, or inexpensive, to offer. Further, manufacturers and distributors of some popular upgrades are influencing the choice of free upgrades through special incentive programs to participating builders.

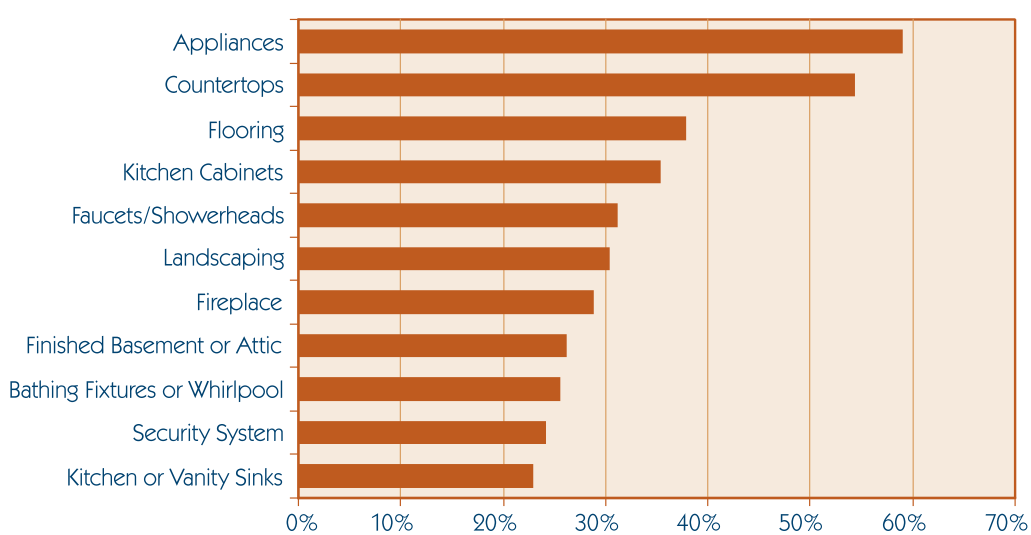
Looking at the results in Figure 7, we observe the majority of builders are offering the top two categories—*Appliances* and *Countertops*. Interestingly, the top three room-specific upgrades, *Appliances*, *Countertops*, and *Kitchen Cabinets*, are found primarily in the kitchen.

The popularity of free kitchen upgrades may be the reason that the share of granite countertops in new home kitchens, according to the 2006 Annual Builder Practices Survey, grew from 31 to 40 percent in the first year of the housing downturn.

Variations by Builder Segment

An analysis of most popular free upgrades by the various home building segments revealed some noteworthy differences. Production builders are more than twice as likely to offer free *Appliances* as custom builders. However, they were equally likely to offer the remaining 11 categories listed in Figure 7. Comparing free upgrades for starter, move-up, and luxury homes revealed some similarities and some significant differences. For example, *Appliances* and *Countertops* were

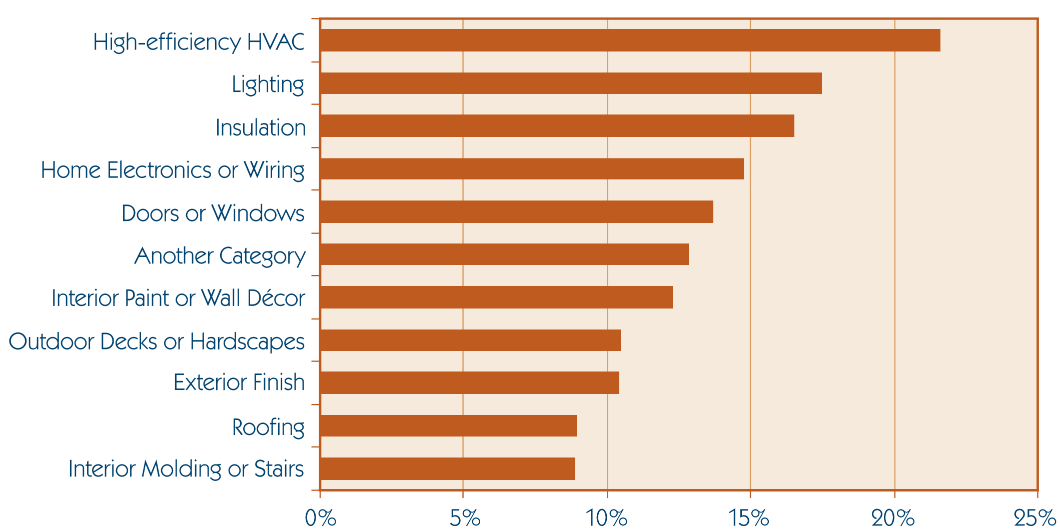
Figure 7 – Shares of Builders Offering Certain Types of Free Home Upgrades



the top two categories for starter, move-up, and luxury homes. However, the third ranked category for each housing type varied—for starter homes it was *Faucets*; for move-up homes it was *Flooring*; and for luxury homes it was *Finished Basement or Attic*.

Figure 8 shows the shares of builders offering free upgrades in the remaining 11 categories. Custom builders were much more likely to offer the lower-tiered free upgrades listed than were production builders.

Figure 8—Shares of Home Builders Offering Upgrades in the Following Categories



Changes in Business Operations & Strategies Since the Downturn

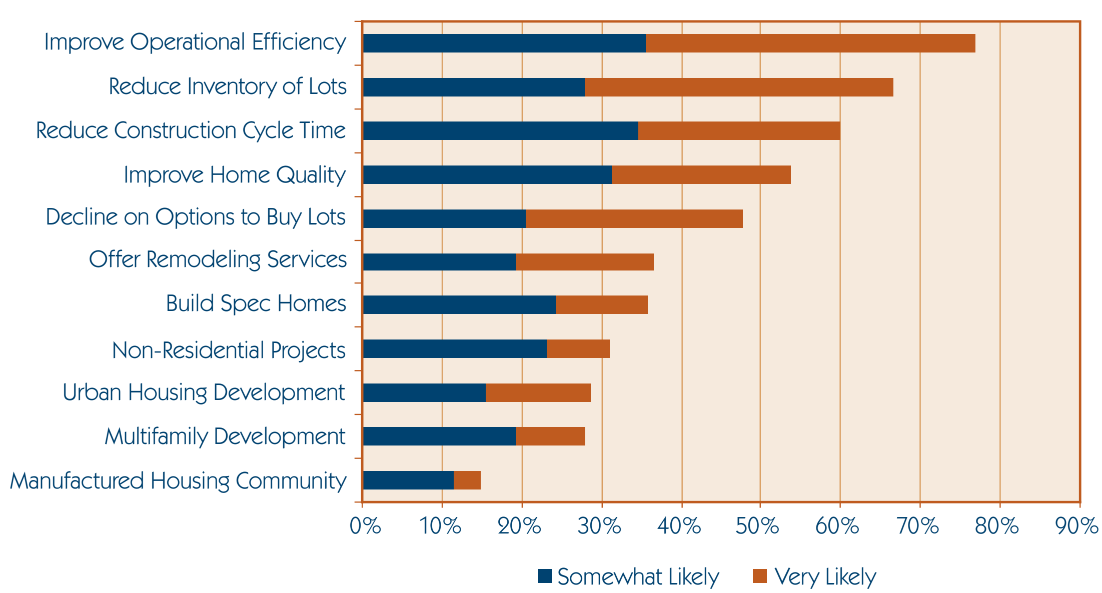
11

The current down market has placed pressure on home builders leading to a widespread reevaluation of business practices and strategies. While previous sections of this report looked at changes in sales and promotional efforts, this section seeks to understand operational changes that specifically respond to the housing market decline.

Home builders were asked about their likelihood of making certain business improvements during the soft market. Nearly 80 percent stated they are more likely to *Improve Operational Efficiency*—more than any other of the listed improvements (see Figure 9). Builders still need to remain profitable in the long-term while seeing a substantial drop in revenues and lower margins due to price reductions. The second most popular choice—*Reduce Inventory of Lots*—reduces the carrying cost of land and benefits the profitability picture. The third most popular response—*Reduce Construction Cycle Time*—also increases efficiency, but it has another important benefit. Builders with shorter delivery times of new homes have a marketing advantage over competitors. Production builders were far more likely to have undertaken the top three business changes than were custom builders.

Assessing the changes in Figure 9 shows that the top six business changes all deal with improvements in efficiency or home quality. This indicates the majority of builders are adjusting their operations to achieve long-term profitability within the core business—single-family construction—instead of looking elsewhere for revenues. Categories that fall outside the scope of single-family new construction were *Offer Remodeling Services*, *Non-Residential Projects*, and *Manufactured Housing Development*. These were only selected by a minority of respondents. Custom builders indicated a greater likelihood of focusing on remodeling and non-residential development than production builders.

Figure 9–Likelihood of Undertaking Business Changes Since Downturn



Like many other conclusions drawn during this study, this analysis leads us to conclude that building materials suppliers who help builders reach their goals of greater efficiency and improved quality, will be favored over those that offer no change. Builders, on the other hand, seem to have positioned themselves to maintain profitability in the long term under the assumption that the market rebound may be more distant than first believed.

Home Builder Relationships with Suppliers

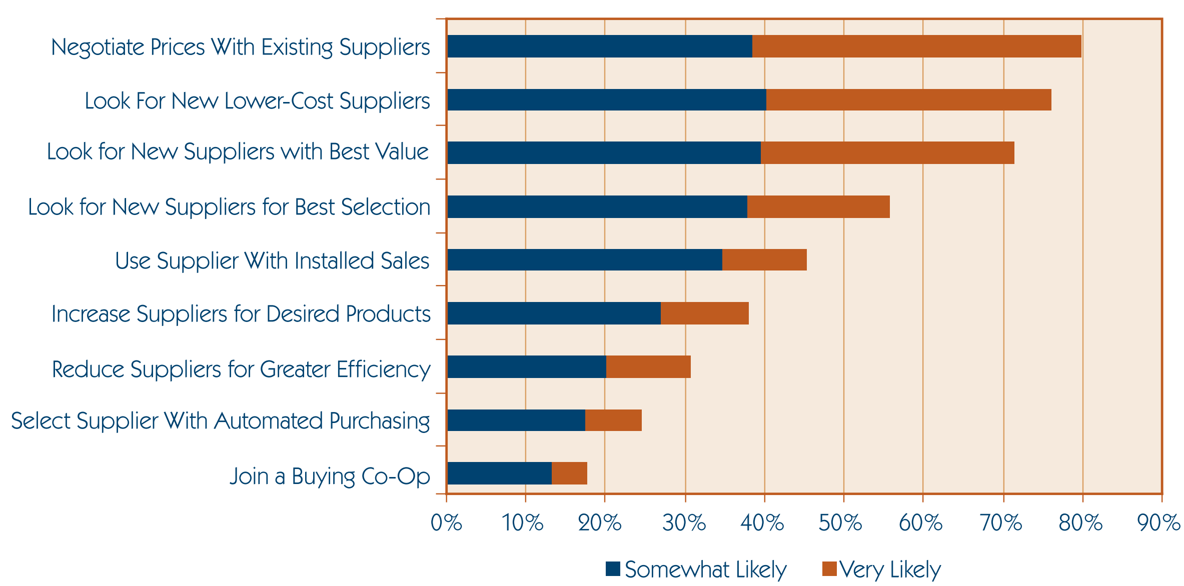
12

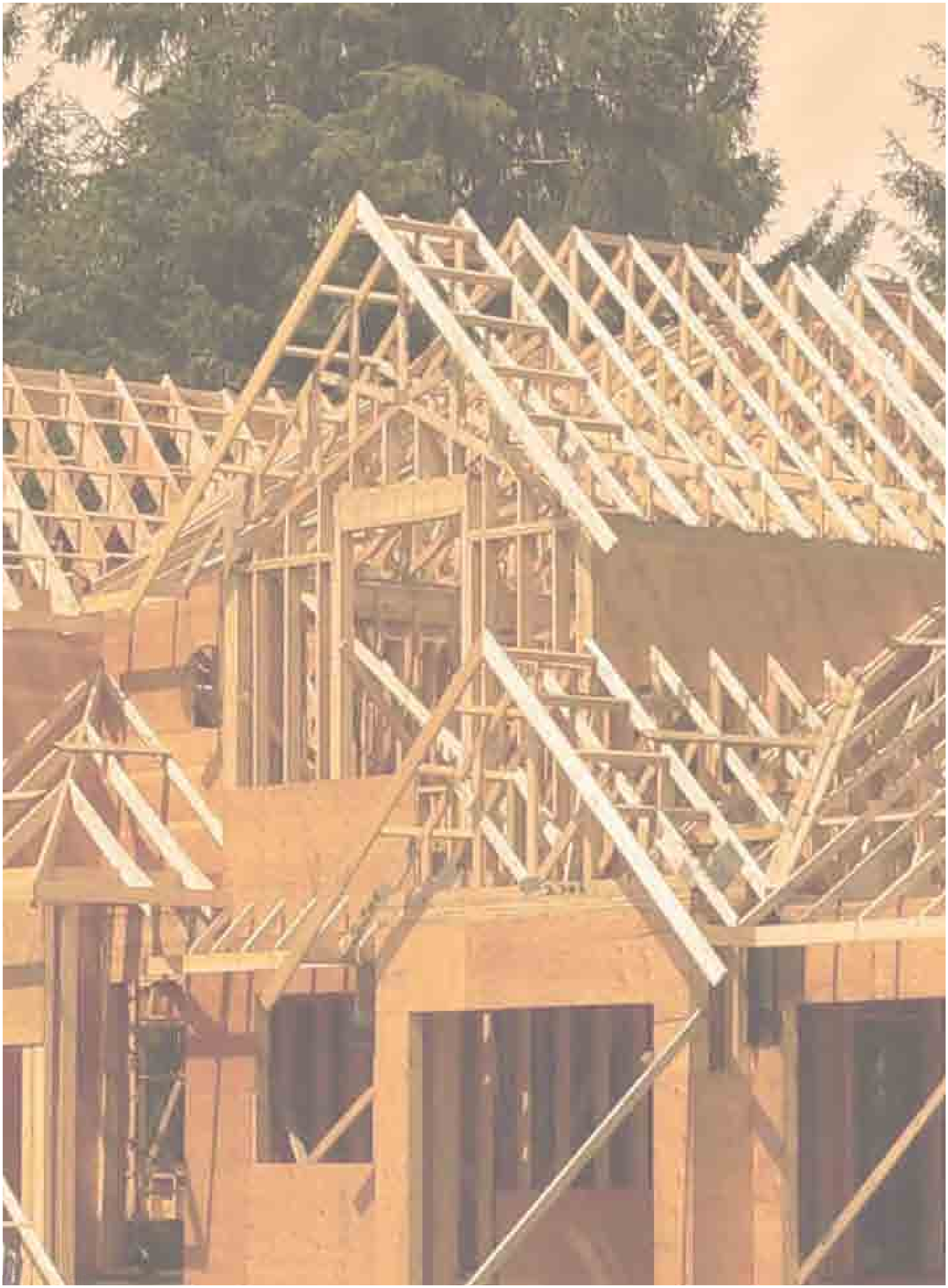
Builders have indicated that they are looking to all aspects of their businesses for cost reduction, improvements in efficiency, and higher quality homes. One aspect gaining consideration is their relationships with suppliers. Builders have indicated that they expect suppliers to share part of the cost reduction efforts required due to falling housing prices. Figure 10 shows the top two responses relate to obtaining lower cost products and materials. Seventy-five percent of respondents are seeking lower-priced products and services from suppliers—first, by negotiating with existing suppliers, and second, by finding a new supplier. The second-, third-, and fourth-place responses indicate that the majority of builders are not loyal to current suppliers, but are looking for new suppliers to reduce costs, supply the best value, and obtain the best selection.

Nearly half of respondents stated they are more likely now than before the downturn to *Use Suppliers with Installed Sales*. The trend toward installed sales has steadily increased, offering both manufacturers and suppliers an opportunity to increase quality installed materials and find another source of revenue through down-stream integration.

Home builders also indicated they are somewhat more likely to *Increase (number of) Suppliers for Desired Products* than to *Reduce Suppliers for Greater Efficiency*. Custom builders indicated they are far more likely to increase the number of suppliers than to decrease them. Production builders, however, were equally likely to increase or decrease the number of suppliers.

Figure 10–Likelihood of Builders to Make Changes Regarding Suppliers





Attractiveness of Manufacturer Offerings 13

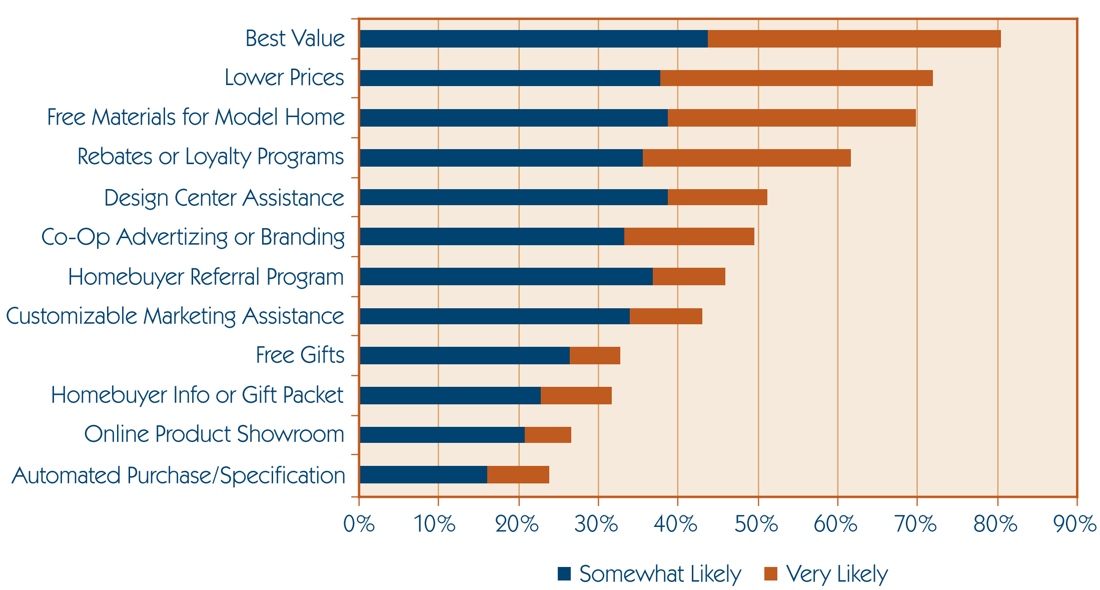
Changes in the home building business have also given rise to changes in what motivates builders to favor one product over another. In this study, builders were asked, when purchasing a new product, which of the several factors provided would influence their desire to purchase a new product. Not surprisingly, the top four factors related to purchase price and financial incentives. *Best Value*, sometimes described as "getting the most for the money," indicates that cost alone is not the primary factor in purchasing a new product. The cost of the product is only relevant in conjunction with the benefits received. *Lower Prices* finished second with a respectable 72 percent, but still 8 percentage points behind the leader. *Free Materials for Model Homes* and *Rebates or Loyalty Programs* also ranked high with 60 to 70 percent of respondents favoring these manufacturer offerings.

The fifth through eighth responses relate to non-financial incentives and are intended primarily to increase home sales performance. More than half of all respondents value *Design Center Assistance* by a manufacturer, and nearly half were more likely to purchase products when *Co-Op Advertising* was offered.

Variations by Builder Segment

A comparison of home builder segments finds that production builders are most likely to respond to the top four cost-related factors. Custom builders were much more likely to appreciate a *Homebuyer Referral Program*. Geographically, builders in the Midwest were most receptive to any manufacturer offerings, but more strongly in the lower-tiered offerings. Northeast builders were most likely to favor *Low-Cost and Free Materials for Model Home*.

Figure 11 – Likelihood of Builders to Purchase Products from Manufacturers Offering Specific Benefits



Builders in the West were most likely to value *Rebates and Loyalty Programs* and *Co-Op Advertising*. Builders in the South were most likely to be motivated by products representing the *Best Value*.

Implications to Manufacturers

Building products manufacturers have attempted to gain favor in the market by offering what they believe to be the greatest value to home builders. Many manufacturer-sponsored programs are popular, but offering the best value and lowest prices still dominate in builder purchase decisions. However, there are numerous opportunities to gain new customers by helping builders improve their business performance. Offering the right programs to the right builder segments can further increase a manufacturer's chance of success in this soft market.

Relationships with Subcontractors 14

The theme of controlling costs and increasing efficiency is also observed in home builders' relationships with subcontractors. More than 80 percent of builders are more likely now, than before the housing market downturn, to *Negotiate with Existing Subcontractors to Reduce Prices*. Almost as many reported an increase in the likelihood of working with subcontractors to *Reduce Waste and Inefficiency*. These cost-saving efforts were more attractive than the alternative tactic to *Find New Subcontractors for Lower Prices*, which was still a possibility among 70 percent of builder respondents.

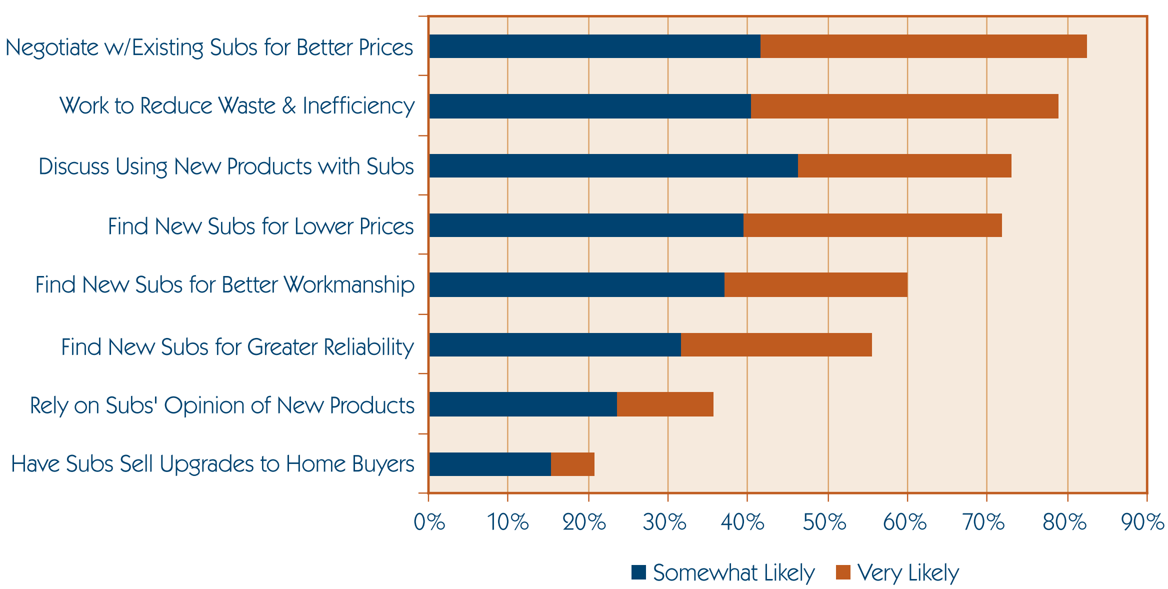
Declining Loyalty to Subcontractors

Home builder loyalty to subcontractors has obviously decreased since the market downturn. At least half of builders were more likely now to look for new subcontractors to get lower prices, better workmanship, and greater reliability. Not surprisingly, the biggest reason builders are willing to seek new subcontractors is to get lower prices. The importance of cost for subcontractors is corroborated by another study—the Annual Builder Practices Survey. In 2007, the share of copper distribution piping in new home installations plummeted from 42 percent to 29 percent in a single year, due largely to the dramatic increase in the cost of copper tubing. Subcontractors who install PEX piping picked up most of copper's loss, growing in market share from 24 percent to 36 percent in that same year.

Variations by Builder Segment

Predictably, after reviewing the results reported earlier in this report, production builders indicated a higher degree of motivation to reduce costs and increase efficiency than any other category of builder. Production builders were also

Figure 12–Likelihood of Builders to Make Changes Regarding Subcontractors



less loyal to subcontractors, indicating a greater likelihood to look for new subcontractors to get better pricing, workmanship, or reliability than other builder segments.

Builder Trust in Subcontractors

Both the 2007 and 2008 Soft Market Studies show that home builders' overall trust in subcontractors continues to be weak. For example, builders were much more than twice as likely to *Discuss New Products with Subcontractors* than they were to *Rely on Subs' Opinion of New Products*. They were also not likely to *Have Subs Sell Upgrades to Homebuyers*. In fact, more builders said they were less likely to do this now than before the housing downturn. On the contrary, custom builders' responses indicated a higher degree of trust in subcontractors in every category.

Implications

The home builder focus on lowering costs does not necessarily mean that successful subcontractors are the lowest bidders or have the thinnest margins. Builders continue to express willingness to work together with subcontractors to increase efficiency and reduce waste. Subcontractors should scrutinize their offerings to home builders to ensure that they are not providing more service than is valued. One alternative approach is to offer tiered pricing—higher prices get more full services—allowing builders to purchase only what they need. It also means that subcontractors should become more flexible and innovative in their service offerings, understanding that builders are more motivated now than before the downturn to switch subcontractors for the best value.

Information Technologies Used by Builders 15

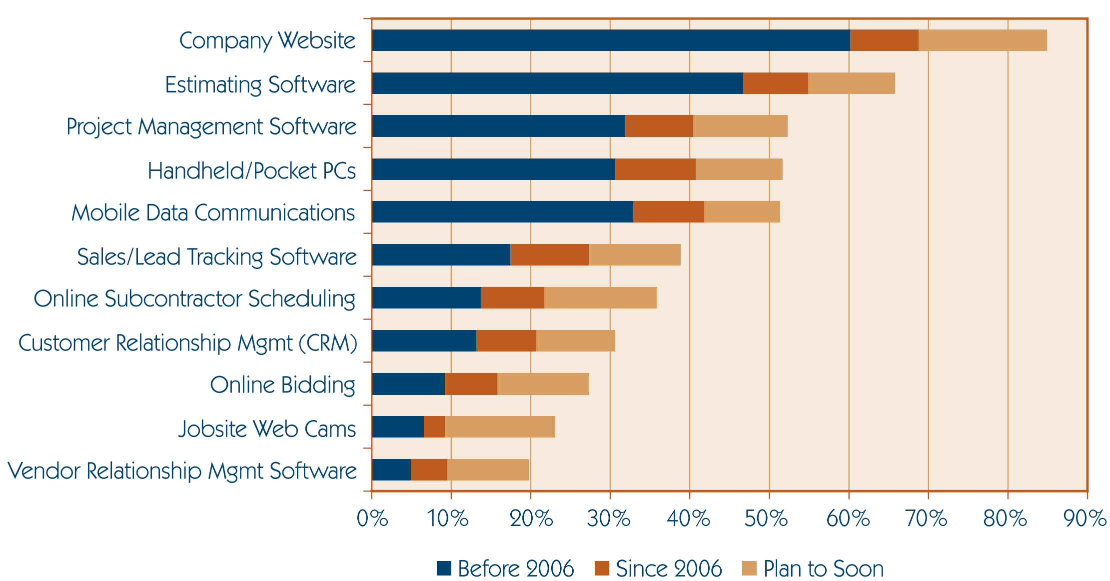
Since the housing downturn, home builders have responded to the need for improved sales and efficiency by adopting more information technologies. Home builders were asked which of a list of software and hardware technologies they 1) had used prior to the downturn; 2) had adopted since the downturn; and 3) were planning to adopt soon. More than 60 percent of builders reported having at least one information technology application prior to the downturn. *Company Website* was by far the most common technology used prior to the downturn. *Estimating Software* finished a distant second with about 46 percent of builders using it before January 2006. The following three technologies—*Project Management Software, Handheld/Pocket PCs,* and *Mobile Data Communications*—were each used by about 30 percent of builders before the downturn.

Overall, production builders indicated a higher current usage rate of the listed technologies than did custom builders for all categories but one, *Jobsite Web Cams*. This technology is commonly used to monitor subcontractors, employees, and site conditions without sending employees to the site. It also provides homebuyers with a view of the progress on their homes.

Technology Responses to the Downturn

The most popular technologies adopted since the downturn tend to increase construction efficiency, improve sales performance, or increase accuracy of cost estimating. Finishing at the top was the *Handheld/Pocket PC*, adopted by a little more than 10 percent of home builders (see Figure 14). *Sales/Lead Tracking Software* followed closely with just less than 10 percent of builders adopting this software since the market downturn. Also popular, each at 9 percent, were *Mobile Data Communications*—typically used

Figure 13–Shares of Builders Having Adopted, or Planning to Adopt Technologies



in conjunction with handheld PCs, *Company Websites*, and *Project Management Software*.

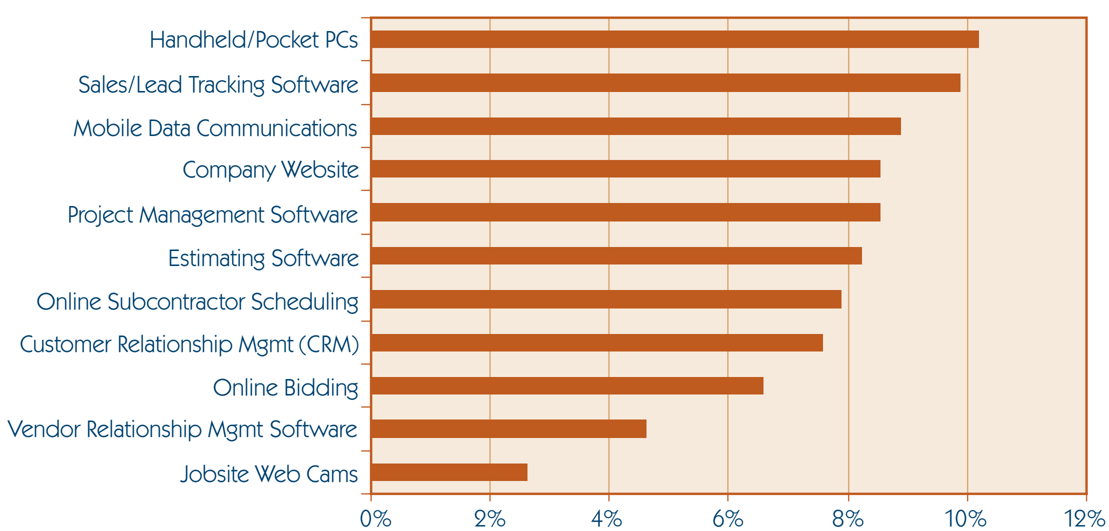
On the Horizon

A brief look at the results shows that popularities of technologies adopted during the past two years may not continue at the same pace. Study participants indicate they are most likely to adopt a *Company Website* in the near future—16 percent—despite being the fourth most popular technology adopted since the downturn. Following with approximately 14 percent of responses were plans to begin using *Jobsite Web Cams* and *Online Subcontractor Scheduling* (see Figure 15). Ironically, *Mobile Data Communications* finished at the bottom of the list for future technology adoption despite being near the top of the list of those applications adopted since the downturn. This may signal a softening of the market for this technology solution.

Implications

Builders' usage of technology may have lagged behind other industries, but the housing downturn is giving impetus to catch up. At the present, about 70 percent of home building companies have their own websites, and they are increasingly using them for sales and subcontractor scheduling. If builders follow through on the plans shown in Figure 15, it will not be long before 85 percent of builders have their own websites. Suppliers and manufacturers can leverage this asset by offering more web content, management tools, links, and co-branding facilitated through websites. Further, the suppliers of technology tools seem to have promising prospects with home builders despite the downturn.

Figure 14 – Shares of Builders Having Adopted Technologies Since the Housing Downturn



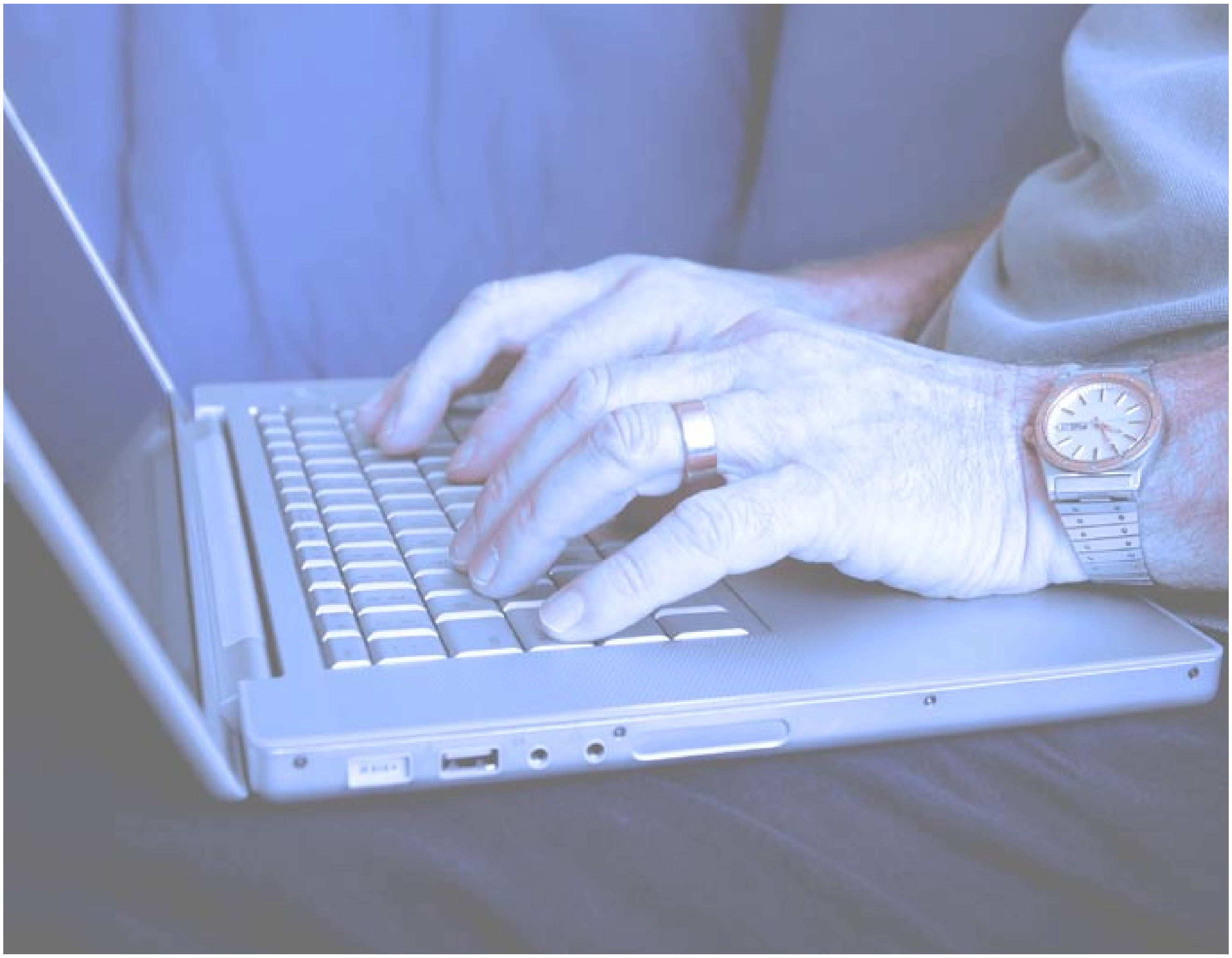
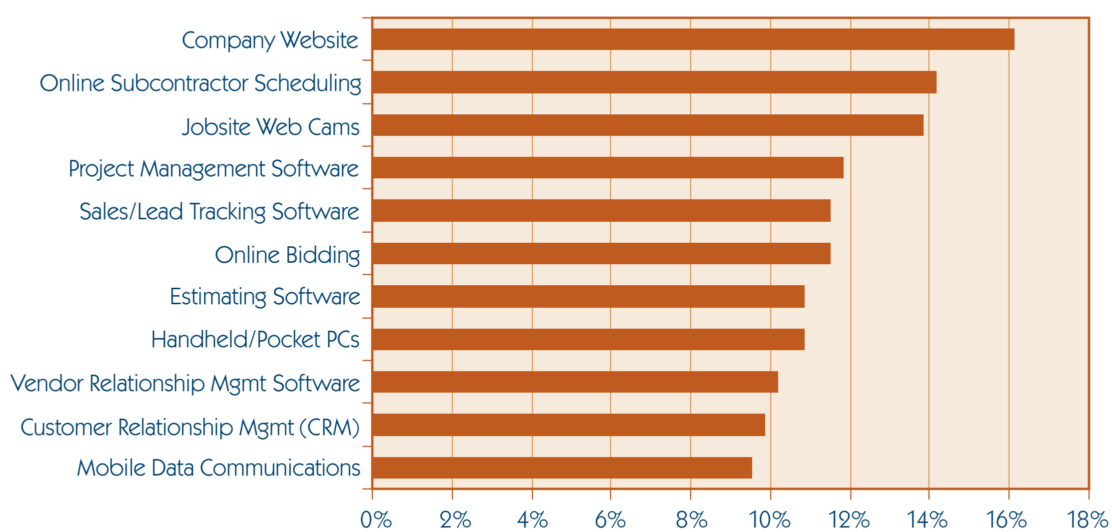


Figure 15 – Shares of Builders Planning to Adopt Technologies Soon



Business Improvement Efforts 16

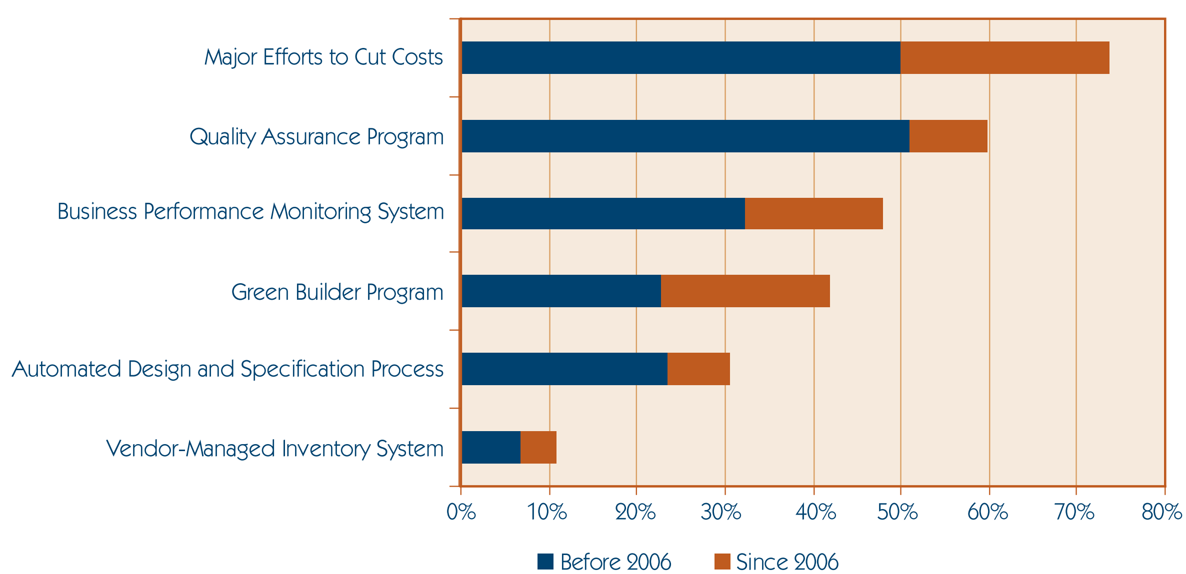
Most home builders have also responded to the downturn by investing much effort into improving business performance. Not only are they making improvements to existing programs, but home builders also are establishing many new programs to enhance their likelihood of surviving, and even prospering, during the downturn.

Home builders were asked to report which of a series of business programs or improvement efforts they had instituted 1) prior to the housing downturn; 2) since the downturn; and 3) those they are planning to undertake soon. Considering the improvement programs builders have made to date, the greatest share of builders report *Major Efforts to Cut Costs.* About half of all builders report having undertaken this improvement prior to the housing downturn, and a quarter having done it since.

While more than half of builders had adopted a *Quality Assurance Program* prior to the downturn, only 9 percent have instituted this type of program since the downturn. This study concluded earlier that cost savings, improvements in sales effectiveness, improved efficiency, and reduced construction cycle time have been the primary motivators for builder business improvement efforts. However, the relatively poor showing for *Quality Assurance Programs* may indicate that builders do not see the connection between these programs and reaching major business objectives.

Participation in a *Green Builder Program* did surprisingly well—41 percent of builders stated they currently participate in such a program. These may include "green" home certification programs through local home builder associations. Or, they may simply include marketing programs that emphasize a builder's environmentally responsible construction practices.

Figure 16–Shares of Builders Adopting Business Improvement Programs



What is most surprising is that nearly as many builders state they have adopted this program since the downturn as had adopted it prior to the downturn, signaling this trend is less mature than, for example, *Quality Assurance Programs*. This portends a healthy future for green building programs.

Variations by Builder Segment

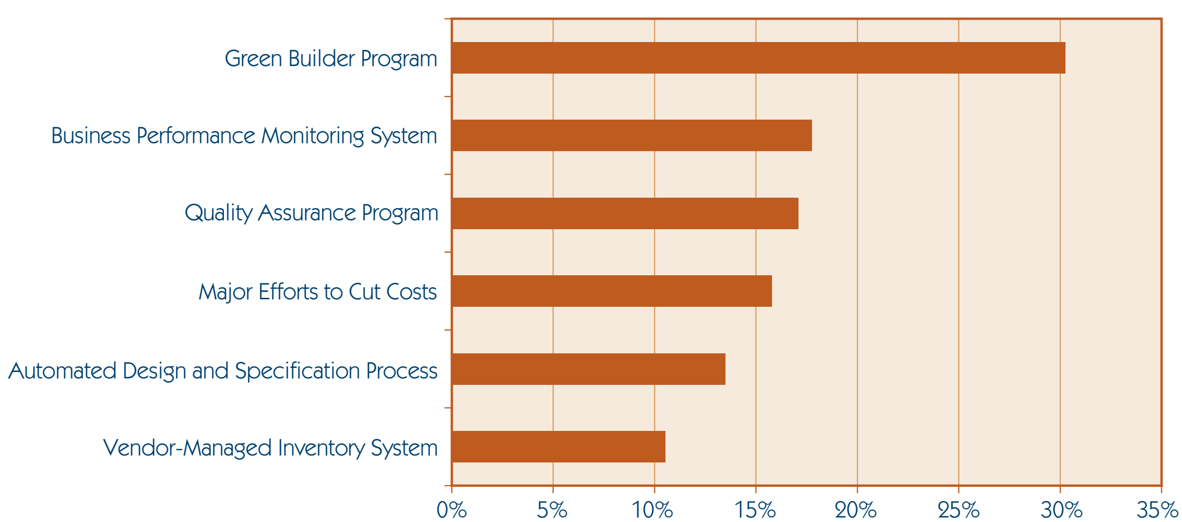
Reflecting the general findings throughout this study, production builders were much more likely than custom builders to have undertaken *Major Efforts to Cut Costs*—82 percent compared to 65 percent, respectively. Production builders, for that matter, were more likely to have undertaken any of the listed improvement efforts except *Green Builder Program*, where 46 percent of custom builders and 36 percent of production builders reported adopting such a program.

On the Horizon

The results of this study indicate that the future is indeed bright for *Green Builder Programs*. A full 30 percent of builders state they plan to adopt a *Green Builder Program* soon, much higher than the other listed business improvements or programs. Finishing a distant second and third were *Business Performance Monitoring System* and *Quality Assurance Program*, with 18 and 17 percent of builders, respectively. The fourth place finish of *Major Efforts to Cut Costs* indicates the maturity of this trend, and that cost cutting to adjust to the housing downturn has nearly run its course.

Another important finding is that efforts to improve business performance will continue—through better performance monitoring and quality assurance programs—albeit

Figure 17 – Shares of Builders Planning to Adopt Programs



at a slower pace than the adoption of *Green Builder Programs*. Figures 16 and 17, when taken together, show that major efforts to cut costs have slowed, and will continue to slow, significantly.

Implications

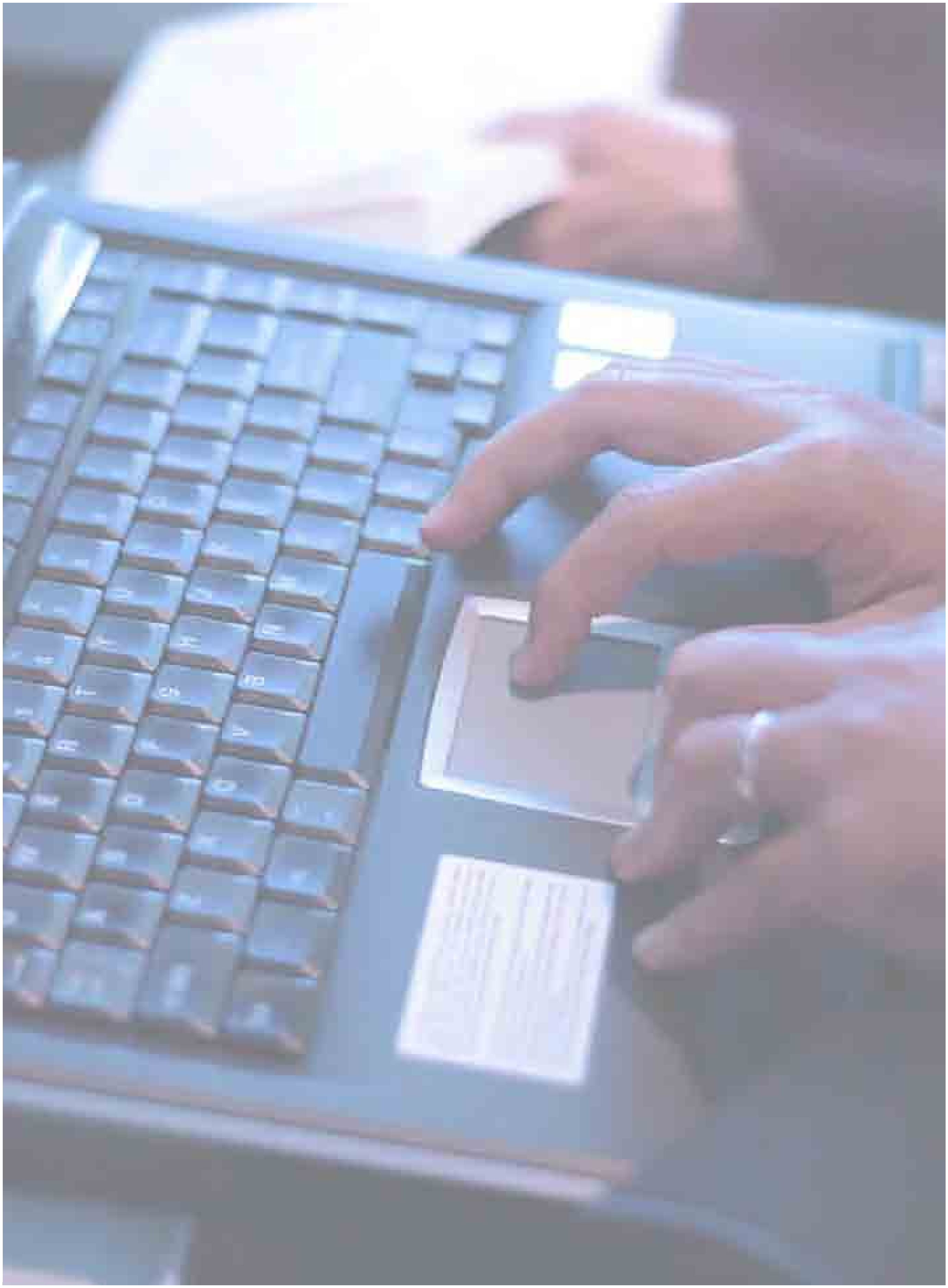
Manufacturers and suppliers are well advised to keep *Green Builder Programs* in mind when developing and marketing their products. Products that increase the rating of a home with respect to “green” home certification will be highly favored in the future. Further, organizations promoting quality assurance programs need to better communicate or demonstrate to home builders that quality programs are an excellent means for achieving their other business objectives, such as increased sales and improved efficiency.

Excelling in the New Industry Environment 17

Since the beginning of the housing downturn, economists have failed to accurately predict the bottoming-out of the market. The closing of 2006 and early 2007 brought a false start for the market rebound just as the sub-prime mortgage market collapsed with its ensuing credit crunch. The home building industry now has to face a new reality—the downturn is more than just a short-term blip. We need to do more than “hunker down” and weather the storm as we await a return to prosperous times. The reality is that the downturn, now in its third year, may resemble the future a little more than we would like. Home builders who have come to this realization have put forth a monumental effort to adjust to the new industry environment. This new environment would encompass lower housing prices and competitive markets—not just to minimize damage, but to maximize profits. This study has attempted to characterize the home building company in this new environment.

This survey, fielded in early January 2008, has been very timely in capturing the attitudes of home builders in the new industry environment. Despite the overall decline in building materials purchased, the downturn has created opportunities for builders who successfully transform to excel in the new environment. Additionally, there are opportunities for manufacturers and suppliers that are attuned to current builder needs.

Overall, the changes that builders have undertaken can be lumped into two general categories: 1) become more efficient in operations and 2) become more competitive in selling new homes. Some important details include the importance of homes representing the best value to potential homebuyers, tactics to stimulate homebuyer demand, increased efficiency through technological and non-technological means, and a pending surge in the importance of green building. Opportunities exist for the supply-side of the building products industry to refine its offerings—building upon the needs of the new industry environment.



Detailed Tabulations 18

This chapter contains detailed tabulations for the 2008 Soft Market Study. In addition to providing U.S. totals, tabulations are also offered for many market and geographic segments. The table below is a summary of the segment titles and descriptions.

Segment Title	Description
SFD	Reported building single-family detached homes
Northeast	Builders located in the Northeast Census Region
Midwest	Builders located in the Midwest Census Region
South	Builders located in the South Census Region
West	Builders located in the West Census Region
Local Builders	Reported operating in only one market area
Regional / National Builders	Reported operating regionally or nationally
Custom Builders	Reported building custom homes
Production Builders	Reported building production homes
Starter Builders	Reported building starter homes
Move-Up Builders	Reported building move-up homes
Luxury Builders	Reported building luxury homes
Multifamily Builders	Reported building apartments, condominiums, or townhouses
Large Builders	Reported building more than 25 homes in 2007
Small Builders	Reported building fewer than 25 homes in 2007

For more information on this document and/or the 2007 and 2008 Soft Market Studies, contact the NAHB Research Center at **(800)638-8556**, or visit our website at **www.nahbrc.org**.

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?					
AVERAGE SCORE					
1=Much Less Effort; 3=About The Same; 5=Much More Effort					
Designing homes	3.7	3.9	3.6	3.9	3.2
Managing subcontractors	3.9	3.9	3.8	3.9	3.9
Selling homes	4.2	4.1	4.2	4.3	3.9
Land development and community planning	3.4	3.3	3.5	3.4	3.1
Constructing homes	3.7	3.9	3.8	3.7	3.8
Purchasing products and supplier relationships	3.9	3.9	3.8	4.0	3.6
Selecting or specifying the best building products and materials	3.8	3.8	3.9	3.7	3.8
Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?					
DESIGNING HOMES					
Percent					
1 = Much Less Effort	2%	1%	2%	0%	11%
2	5%	0%	11%	2%	0%
3 = About The Same	32%	20%	33%	29%	49%
4	41%	63%	28%	48%	36%
5 = Much More Effort	20%	16%	26%	21%	4%
TOTAL	100%	100%	100%	100%	100%
Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?					
MANAGING SUBCONTRACTORS					
Percent					
1 = Much Less Effort	0%	0%	0%	0%	0%
2	2%	0%	6%	0%	0%
3 = About The Same	34%	39%	36%	33%	24%
4	38%	27%	29%	40%	60%
5 = Much More Effort	26%	34%	29%	26%	16%
TOTAL	100%	100%	100%	100%	100%
Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?					
SELLING HOMES					
Percent					
1 = Much Less Effort	0%	0%	0%	0%	0%
2	3%	9%	6%	0%	1%
3 = About The Same	17%	8%	21%	12%	25%
4	39%	50%	23%	45%	53%
5 = Much More Effort	41%	33%	50%	42%	20%
TOTAL	100%	100%	100%	100%	100%
Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?					
LAND DEVELOPMENT AND COMMUNITY PLANNING					
Percent					
1 = Much Less Effort	8%	2%	8%	7%	15%
2	8%	31%	5%	7%	4%
3 = About The Same	39%	31%	41%	39%	40%
4	27%	11%	22%	31%	39%
5 = Much More Effort	18%	26%	24%	16%	3%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3.7	3.7	3.7	3.7	3.8	3.6	3.9	3.7	3.5	3.7	3.9
3.9	3.5	3.8	3.9	3.9	3.8	3.9	3.9	3.9	3.9	3.9
4.1	4.3	3.9	4.2	4.2	4.2	4.2	4.0	4.2	4.2	4.1
3.4	3.5	3.4	3.3	3.4	3.4	3.5	3.2	3.3	3.4	3.1
3.8	3.4	3.9	3.7	3.8	3.7	3.8	3.8	3.6	3.7	3.8
3.8	3.8	3.7	3.9	3.9	3.9	3.9	3.8	3.7	3.9	3.7
3.7	3.7	3.9	3.7	3.8	3.8	3.9	3.8	3.6	3.8	3.8
3%	0%	1%	3%	2%	4%	1%	1%	5%	3%	2%
2%	4%	4%	5%	5%	7%	5%	4%	2%	5%	5%
35%	33%	40%	31%	29%	27%	26%	39%	40%	33%	26%
41%	54%	32%	42%	41%	48%	39%	36%	41%	41%	42%
19%	8%	23%	18%	23%	14%	30%	21%	11%	19%	25%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	3%	0%	2%	2%	1%	1%	3%	3%	2%	2%
34%	56%	46%	30%	34%	43%	28%	32%	32%	34%	32%
39%	29%	26%	42%	38%	30%	46%	35%	38%	37%	44%
27%	11%	27%	26%	26%	25%	25%	30%	26%	27%	22%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
2%	1%	3%	4%	4%	3%	5%	4%	0%	3%	2%
22%	13%	40%	11%	15%	17%	7%	28%	21%	15%	26%
39%	40%	18%	43%	39%	32%	49%	32%	41%	41%	31%
37%	46%	38%	43%	42%	48%	40%	35%	38%	41%	40%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
6%	14%	10%	8%	7%	10%	6%	6%	10%	7%	13%
7%	2%	6%	9%	7%	5%	5%	13%	11%	8%	10%
43%	28%	43%	39%	41%	37%	40%	46%	34%	38%	43%
23%	38%	19%	29%	26%	24%	29%	25%	30%	29%	18%
20%	19%	22%	16%	18%	23%	20%	10%	16%	18%	16%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?

CONSTRUCTING HOMES	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Percent					
1 = Much Less Effort	0%	0%	0%	0%	0%
2	4%	12%	9%	0%	0%
3 = About The Same	40%	22%	41%	44%	37%
4	33%	30%	15%	44%	42%
5 = Much More Effort	23%	34%	35%	12%	20%
TOTAL	100%	100%	100%	100%	100%

Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?

PURCHASING PRODUCTS AND SUPPLIER RELATIONSHIPS	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Percent					
1 = Much Less Effort	0%	0%	0%	0%	0%
2	3%	12%	4%	0%	3%
3 = About The Same	29%	21%	32%	27%	36%
4	46%	29%	45%	45%	60%
5 = Much More Effort	22%	38%	18%	28%	1%
TOTAL	100%	100%	100%	100%	100%

Over the past two years, how much effort has your company put forth in improving each of the following business aspects when compared to previous years?

SELECTING OR SPECIFYING THE BEST BUILDING PRODUCTS AND MATERIALS	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Percent					
1 = Much Less Effort	0%	0%	0%	0%	0%
2	1%	0%	0%	2%	0%
3 = About The Same	35%	39%	34%	37%	29%
4	49%	40%	44%	50%	62%
5 = Much More Effort	15%	20%	22%	12%	9%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

AVERAGE SCORE	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1=Much Less Likely, 3=No Change, 5=Much More Likely					
Expand number of upgrade choices for home buyers	3.5	3.7	3.8	3.3	3.2
Reduce the size of homes offered	3.5	3.5	3.8	3.3	3.2
Use new products/materials that are more innovative	3.7	4.0	3.8	3.6	3.5
Make home design changes to attract niche buyers	3.7	3.8	3.9	3.6	3.3
Use new products/materials that represent a superior value	3.8	3.8	3.9	3.7	3.9
Make use of manufacturer promotions or marketing assistance	3.6	3.4	3.9	3.5	3.4
Offer homes whose price is at the top end of FHA/VA financing limits	3.2	3.0	3.6	3.1	3.0
Make home design changes to offer the best value	3.9	3.9	3.9	4.0	3.8
Use lower cost products/materials	3.5	2.7	3.7	3.5	3.6
Make our homes more energy efficient	3.9	3.9	4.1	3.8	3.7
Change home designs to accommodate older buyers, the 50+ market	3.5	3.6	3.6	3.4	3.2
Use more designs and products/materials for low maintenance homes	3.7	3.9	3.8	3.6	3.4
Design homes and developments to be more Green or environmentally friendly	3.6	3.6	3.7	3.6	3.6
Allow home buyers more modifications of floor plans or home designs	3.5	4.0	3.6	3.4	3.3

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%
4%	12%	6%	4%	3%	5%	2%	3%	8%	4%	2%
37%	44%	33%	42%	37%	41%	33%	39%	48%	41%	35%
37%	30%	26%	35%	36%	28%	42%	35%	24%	32%	37%
22%	14%	35%	19%	24%	26%	22%	23%	20%	22%	24%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	1%	0%	0%	0%	0%	1%	0%	0%	1%
2%	0%	1%	4%	2%	3%	2%	2%	6%	3%	3%
33%	37%	42%	27%	27%	26%	24%	34%	37%	29%	35%
41%	46%	38%	48%	48%	45%	55%	40%	37%	46%	42%
23%	17%	19%	22%	22%	25%	20%	24%	19%	22%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
1%	0%	1%	1%	0%	0%	0%	1%	2%	1%	1%
38%	43%	29%	37%	32%	42%	27%	27%	44%	35%	34%
47%	48%	46%	50%	51%	41%	55%	59%	42%	49%	48%
14%	9%	25%	12%	16%	17%	17%	14%	12%	15%	16%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3.5	3.4	3.7	3.4	3.5	3.4	3.5	3.4	3.6	3.5	3.5
3.3	3.7	3.5	3.4	3.5	3.7	3.3	3.4	3.5	3.5	3.3
3.7	3.4	3.7	3.7	3.6	3.7	3.6	3.6	3.9	3.7	3.8
3.7	3.6	3.7	3.7	3.7	3.7	3.7	3.7	3.6	3.7	3.8
3.8	3.9	3.9	3.8	3.8	3.8	3.8	3.8	3.7	3.8	3.9
3.6	3.5	3.5	3.6	3.6	3.7	3.5	3.5	3.7	3.6	3.7
3.1	3.2	3.0	3.2	3.2	3.3	3.1	3.2	3.2	3.3	2.9
4.0	3.8	3.8	3.9	3.9	4.0	3.8	3.8	4.0	3.9	3.9
3.3	3.7	3.2	3.6	3.5	3.8	3.3	3.4	3.6	3.6	3.0
3.8	4.0	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	4.0
3.5	3.3	3.7	3.4	3.5	3.5	3.5	3.6	3.3	3.4	3.6
3.7	3.3	3.6	3.7	3.7	3.8	3.7	3.6	3.6	3.7	3.7
3.6	3.7	3.6	3.6	3.6	3.6	3.4	3.7	3.9	3.6	3.8
3.5	3.7	3.5	3.5	3.5	3.7	3.6	3.4	3.5	3.5	3.6

2008 SOFT HOUSING MARKET

Since the recent housing market downturn, how likely is your company to do the following?

EXPAND NUMBER OF UPGRADE CHOICES FOR HOME BUYERS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	0%	2%	5%	4%
2	5%	8%	1%	6%	8%
3 = No Change	44%	41%	31%	50%	53%
4	36%	22%	45%	33%	33%
5 = Much More Likely	13%	29%	21%	7%	2%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

REDUCE THE SIZE OF HOMES OFFERED

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	4%	1%	3%	7%
2	9%	17%	9%	9%	7%
3 = No Change	45%	28%	28%	59%	48%
4	24%	35%	31%	15%	34%
5 = Much More Likely	18%	17%	32%	14%	3%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

USE NEW PRODUCTS/MATERIALS THAT ARE MORE INNOVATIVE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	0%	1%	0%	0%
2	2%	0%	1%	3%	0%
3 = No Change	45%	34%	43%	47%	53%
4	34%	34%	27%	36%	44%
5 = Much More Likely	19%	32%	29%	14%	3%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

MAKE HOME DESIGN CHANGES TO ATTRACT NICHE BUYERS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	0%	1%	2%	0%
2	5%	0%	2%	5%	14%
3 = No Change	31%	42%	20%	33%	44%
4	50%	37%	59%	48%	39%
5 = Much More Likely	14%	21%	17%	13%	3%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

USE NEW PRODUCTS/MATERIALS THAT REPRESENT A SUPERIOR VALUE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	0%	0%	0%	0%
2	1%	12%	0%	0%	0%
3 = No Change	31%	22%	31%	36%	20%
4	54%	39%	51%	54%	73%
5 = Much More Likely	14%	28%	18%	10%	8%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

MAKE USE OF MANUFACTURER PROMOTIONS OR MARKETING ASSISTANCE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	9%	0%	0%	4%
2	1%	4%	2%	1%	0%
3 = No Change	46%	44%	25%	58%	55%
4	38%	27%	55%	29%	32%
5 = Much More Likely	14%	16%	18%	11%	8%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
2%	11%	0%	5%	3%	8%	0%	1%	5%	4%	1%
7%	2%	8%	4%	5%	2%	6%	5%	5%	5%	4%
45%	39%	41%	46%	44%	39%	42%	56%	41%	42%	52%
34%	30%	27%	36%	39%	39%	45%	29%	26%	37%	29%
12%	18%	24%	10%	9%	12%	7%	9%	24%	12%	15%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	1%	2%	4%	2%	1%	4%	2%	5%	3%	3%
13%	6%	11%	9%	9%	4%	11%	13%	9%	9%	9%
53%	35%	44%	46%	46%	40%	51%	44%	41%	44%	53%
20%	39%	20%	25%	25%	33%	20%	23%	23%	24%	26%
12%	19%	23%	16%	17%	22%	14%	18%	22%	20%	9%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%
3%	0%	1%	2%	2%	2%	2%	2%	0%	2%	1%
44%	68%	50%	46%	47%	46%	48%	49%	38%	48%	28%
37%	25%	29%	36%	35%	34%	36%	33%	32%	30%	56%
16%	6%	19%	16%	15%	19%	13%	15%	29%	20%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	0%	0%	1%	1%	1%	1%	1%	2%	1%	1%
5%	11%	0%	6%	5%	8%	6%	1%	4%	5%	1%
26%	25%	44%	28%	32%	23%	34%	39%	28%	31%	32%
53%	59%	44%	50%	46%	55%	42%	41%	60%	50%	44%
15%	5%	12%	13%	16%	14%	17%	18%	6%	12%	22%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2%	0%	0%	1%	0%	0%	0%	0%	4%	1%	1%
31%	25%	36%	30%	31%	32%	30%	32%	31%	33%	21%
57%	57%	41%	56%	54%	53%	58%	50%	53%	53%	62%
10%	18%	23%	12%	14%	15%	12%	17%	12%	13%	16%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	1%	2%	1%	2%	2%	2%	0%	1%	1%	1%
1%	4%	3%	1%	1%	1%	1%	2%	2%	1%	4%
46%	45%	43%	48%	48%	36%	53%	54%	38%	47%	38%
41%	47%	45%	35%	35%	43%	30%	34%	46%	37%	43%
11%	4%	8%	15%	14%	18%	14%	9%	13%	13%	14%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

Since the recent housing market downturn, how likely is your company to do the following?

OFFER HOMES WHOSE PRICE IS AT TOP END OF FHA/VA FINANCING LIMITS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	5%	17%	3%	4%	4%
2	4%	10%	5%	4%	1%
3 = No Change	63%	44%	38%	77%	91%
4	21%	18%	41%	12%	3%
5 = Much More Likely	7%	11%	14%	3%	1%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

MAKE HOME DESIGN CHANGES TO OFFER THE BEST VALUE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	0%	0%	0%	0%
2	2%	0%	0%	4%	0%
3 = No Change	24%	32%	31%	16%	30%
4	54%	48%	48%	57%	61%
5 = Much More Likely	20%	20%	21%	23%	9%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

USE LOWER COST PRODUCTS/MATERIALS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	8%	22%	4%	10%	6%
2	3%	15%	3%	1%	2%
3 = No Change	34%	32%	26%	39%	41%
4	35%	30%	56%	22%	32%
5 = Much More Likely	19%	2%	12%	28%	19%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

MAKE OUR HOMES MORE ENERGY EFFICIENT

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	0%	0%	6%	0%
2	1%	4%	0%	0%	0%
3 = No Change	26%	38%	18%	27%	34%
4	45%	24%	52%	37%	64%
5 = Much More Likely	26%	34%	29%	29%	2%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

CHANGE HOME DESIGNS TO ACCOMMODATE OLDER BUYERS: 50+ MARKET

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	0%	0%	0%	4%
2	7%	12%	2%	10%	2%
3 = No Change	49%	34%	41%	51%	68%
4	35%	37%	51%	29%	18%
5 = Much More Likely	9%	17%	7%	9%	8%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following?

USE MORE DESIGNS & PRODUCTS/MATERIALS FOR LOW MAINTENANCE HOMES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	4%	0%	0%	0%
2	1%	0%	3%	0%	0%
3 = No Change	47%	18%	46%	49%	61%
4	34%	52%	22%	39%	38%
5 = Much More Likely	17%	26%	29%	12%	2%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
5%	6%	9%	3%	6%	4%	4%	7%	4%	3%	14%
7%	3%	5%	4%	4%	5%	5%	4%	4%	4%	8%
65%	65%	70%	65%	62%	55%	69%	59%	68%	65%	56%
21%	14%	10%	22%	21%	27%	17%	22%	19%	21%	17%
3%	12%	6%	7%	8%	10%	5%	9%	5%	7%	5%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3%	0%	0%	3%	3%	0%	6%	0%	0%	2%	0%
22%	28%	45%	18%	25%	18%	22%	37%	23%	23%	30%
51%	62%	27%	61%	53%	63%	53%	41%	56%	54%	53%
24%	10%	28%	18%	20%	19%	19%	22%	21%	20%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
8%	3%	10%	7%	9%	6%	12%	8%	7%	8%	13%
5%	1%	4%	3%	2%	1%	3%	3%	5%	2%	11%
42%	39%	44%	31%	36%	28%	39%	42%	30%	32%	50%
35%	34%	40%	34%	35%	36%	33%	36%	36%	38%	19%
9%	23%	2%	24%	18%	29%	13%	11%	23%	21%	7%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	0%	0%	4%	2%	3%	2%	0%	5%	3%	0%
0%	1%	2%	0%	1%	1%	1%	0%	0%	0%	2%
31%	21%	29%	27%	29%	21%	36%	28%	18%	27%	23%
38%	59%	43%	44%	42%	51%	30%	50%	53%	44%	49%
26%	19%	26%	24%	27%	24%	31%	22%	23%	26%	26%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	1%	1%	2%	0%	0%	0%	1%	1%
10%	3%	0%	9%	4%	1%	8%	1%	14%	7%	3%
38%	65%	41%	51%	50%	48%	48%	55%	46%	50%	40%
40%	27%	42%	32%	37%	45%	34%	30%	31%	33%	46%
12%	5%	16%	8%	9%	4%	10%	14%	9%	9%	11%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	1%	0%	0%	0%	0%	1%	0%	0%	0%
0%	1%	4%	0%	1%	1%	1%	2%	0%	1%	1%
41%	70%	47%	48%	46%	41%	46%	51%	50%	47%	47%
47%	22%	31%	36%	33%	37%	33%	26%	39%	34%	35%
12%	7%	17%	17%	20%	20%	20%	19%	11%	18%	17%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Since the recent housing market downturn, how likely is your company to do the following?					
DESIGN HOMES AND DEVELOPMENTS TO BE MORE GREEN OR ENVIRONMENTALLY FRIENDLY					
Percent					
1 = Much Less Likely	2%	10%	0%	2%	0%
2	8%	9%	15%	5%	0%
3 = No Change	34%	20%	18%	46%	42%
4	38%	28%	46%	29%	56%
5 = Much More Likely	18%	32%	21%	18%	2%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following?					
ALLOW HOME BUYERS MORE MODIFICATIONS OF FLOOR PLANS OR HOME DESIGNS					
Percent					
1 = Much Less Likely	1%	0%	0%	0%	3%
2	6%	1%	9%	6%	0%
3 = No Change	48%	41%	40%	52%	58%
4	30%	17%	28%	31%	37%
5 = Much More Likely	16%	41%	23%	10%	2%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn , how often does your company do the following?					
AVERAGE SCORE					
1=Much Less Often; 3=No Change; 5=Much More Often					
Watch competitors' closely	4.0	3.9	3.9	4.1	3.6
Use design centers more in the sales process	3.3	3.3	3.5	3.2	3.2
Hold more rigorous, or more frequent training of sales and/or design staff	3.6	3.5	3.7	3.8	3.1
Include more upscale, upgraded materials in new homes to be more competitive	3.5	3.8	3.5	3.5	3.4
Develop close relationships with potential buyers to increase chance of closing sale	3.8	4.0	3.9	3.9	3.6
Hire a marketing consultant	3.0	3.0	3.2	2.9	2.9
Conduct marketing research	3.5	3.3	3.5	3.6	3.4
Educate potential buyers on materials, products, and designs	3.7	3.9	3.8	3.6	3.7
Make active jobsites look cleaner and neater	3.7	3.8	3.8	3.7	3.4
Make improvements to model homes	3.5	3.7	3.8	3.4	3.1
Since the recent housing market downturn , how often does your company do the following?					
WATCH COMPETITORS' CLOSELY					
Percent					
1 = Much Less Often	1%	0%	0%	0%	3%
2	0%	0%	0%	1%	0%
3 = No Change	31%	35%	37%	23%	38%
4	38%	35%	36%	36%	51%
5 = Much More Often	30%	29%	26%	40%	7%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn , how often does your company do the following?					
USE DESIGN CENTERS MORE IN THE SALES PROCESS					
Percent					
1 = Much Less Often	1%	1%	0%	1%	5%
2	3%	0%	8%	1%	0%
3 = No Change	66%	74%	44%	80%	68%
4	23%	13%	34%	16%	27%
5 = Much More Often	7%	12%	14%	3%	0%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3%	1%	2%	2%	2%	1%	3%	1%	3%	2%	2%
6%	2%	6%	8%	8%	11%	7%	5%	9%	9%	1%
34%	46%	40%	33%	39%	34%	48%	30%	18%	34%	35%
43%	33%	36%	38%	38%	40%	31%	46%	41%	38%	41%
14%	18%	15%	18%	14%	15%	12%	18%	30%	18%	20%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	1%	1%	2%	0%	0%	0%	1%	1%
4%	1%	4%	7%	6%	6%	7%	5%	4%	6%	2%
49%	52%	54%	46%	47%	35%	45%	64%	52%	48%	51%
37%	19%	27%	31%	30%	36%	32%	18%	29%	30%	30%
10%	27%	15%	16%	16%	20%	15%	13%	15%	16%	16%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3.9	3.8	3.7	4.0	4.0	4.0	4.1	3.8	3.9	4.0	3.8
3.2	3.6	3.5	3.3	3.3	3.3	3.3	3.3	3.4	3.3	3.1
3.5	3.5	3.5	3.7	3.7	3.7	3.7	3.6	3.6	3.7	3.3
3.5	3.5	3.5	3.5	3.5	3.4	3.6	3.5	3.6	3.5	3.6
3.8	4.0	3.9	3.8	3.8	3.9	3.9	3.7	3.9	3.9	3.8
2.8	3.3	3.2	2.9	3.0	3.1	2.9	3.0	3.0	3.0	2.8
3.4	3.5	3.5	3.5	3.6	3.6	3.7	3.3	3.4	3.5	3.5
3.7	3.6	3.9	3.6	3.7	3.7	3.7	3.6	3.7	3.7	3.8
3.7	3.4	3.6	3.7	3.7	3.7	3.7	3.6	3.8	3.7	3.8
3.4	3.6	3.6	3.5	3.5	3.6	3.6	3.4	3.5	3.6	3.3
0%	0%	0%	1%	1%	2%	0%	0%	0%	1%	2%
1%	0%	1%	0%	0%	1%	0%	0%	0%	0%	3%
35%	35%	43%	29%	30%	26%	26%	42%	33%	31%	29%
36%	48%	40%	37%	37%	42%	35%	35%	41%	37%	43%
27%	17%	16%	33%	31%	29%	38%	23%	26%	31%	24%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	1%	1%	2%	4%	0%	1%	0%	1%	6%
2%	0%	1%	3%	3%	2%	3%	3%	4%	3%	4%
74%	53%	54%	70%	67%	65%	71%	64%	61%	66%	66%
19%	34%	36%	20%	22%	20%	20%	26%	27%	24%	19%
4%	13%	8%	5%	7%	9%	5%	6%	7%	7%	6%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

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Since the recent housing market downturn , how often does your company do the following?

HOLD MORE RIGOROUS, OR MORE FREQUENT TRAINING OF SALES AND/OR DESIGN STAFF

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Often	0%	0%	0%	0%	0%
2	4%	12%	0%	1%	18%
3 = No Change	42%	33%	41%	40%	54%
4	39%	53%	44%	37%	26%
5 = Much More Often	15%	3%	15%	21%	2%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn , how often does your company do the following?

INCLUDE MORE UPSCALE, UPGRADED MATERIALS IN NEW HOMES TO BE MORE COMPETITIVE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Often	1%	4%	3%	0%	0%
2	5%	0%	6%	2%	12%
3 = No Change	46%	36%	47%	48%	42%
4	39%	31%	27%	48%	44%
5 = Much More Often	10%	30%	17%	3%	2%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn , how often does your company do the following?

DEVELOP CLOSE RELATIONSHIPS WITH POTENTIAL BUYERS TO INCREASE CHANCE OF CLOSING SALE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Often	0%	0%	0%	0%	0%
2	4%	0%	4%	5%	3%
3 = No Change	32%	26%	38%	27%	40%
4	40%	46%	27%	43%	56%
5 = Much More Often	24%	27%	32%	25%	1%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn , how often does your company do the following?

HIRE A MARKETING CONSULTANT

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Often	9%	13%	7%	9%	15%
2	10%	5%	10%	13%	2%
3 = No Change	58%	62%	51%	62%	59%
4	17%	11%	19%	14%	23%
5 = Much More Often	6%	9%	13%	2%	1%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn , how often does your company do the following?

CONDUCT MARKETING RESEARCH

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Often	2%	9%	0%	1%	4%
2	2%	17%	1%	1%	0%
3 = No Change	50%	33%	52%	50%	53%
4	33%	17%	36%	34%	35%
5 = Much More Often	13%	23%	10%	14%	9%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn , how often does your company do the following?

EDUCATE POTENTIAL BUYERS ON MATERIALS, PRODUCTS, AND DESIGNS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Often	0%	0%	0%	0%	3%
2	0%	0%	0%	1%	0%
3 = No Change	44%	43%	42%	48%	39%
4	39%	28%	40%	39%	42%
5 = Much More Often	16%	29%	18%	13%	16%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
0%	0%	1%	0%	0%	0%	0%	1%	0%	0%	2%
3%	11%	1%	6%	4%	7%	4%	1%	5%	4%	5%
53%	29%	50%	39%	40%	31%	39%	53%	47%	39%	59%
29%	60%	48%	37%	40%	50%	41%	27%	36%	41%	27%
14%	0%	1%	18%	15%	12%	16%	18%	12%	16%	7%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	0%	0%	2%	1%	2%	1%	1%	1%	1%	1%
3%	2%	6%	5%	5%	7%	5%	6%	2%	4%	7%
44%	49%	45%	47%	45%	51%	38%	49%	47%	47%	39%
45%	46%	39%	38%	40%	32%	50%	33%	36%	39%	38%
6%	3%	10%	9%	8%	8%	7%	11%	14%	9%	15%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4%	0%	0%	5%	4%	3%	7%	2%	3%	4%	1%
36%	23%	39%	31%	32%	28%	29%	44%	31%	31%	37%
40%	58%	35%	41%	38%	45%	36%	34%	44%	39%	46%
21%	19%	26%	24%	25%	24%	29%	20%	22%	25%	17%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
14%	5%	6%	11%	9%	6%	12%	7%	11%	9%	11%
13%	2%	5%	10%	10%	10%	10%	10%	9%	9%	13%
58%	62%	62%	59%	60%	63%	57%	60%	53%	58%	61%
13%	19%	21%	16%	15%	12%	14%	19%	24%	18%	11%
3%	13%	6%	4%	7%	9%	7%	4%	3%	6%	4%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	2%	2%	2%	2%	0%	3%	3%	2%	3%
3%	1%	2%	2%	1%	1%	1%	1%	5%	2%	4%
54%	48%	43%	52%	51%	46%	48%	62%	48%	50%	50%
31%	48%	44%	30%	33%	36%	32%	28%	35%	34%	30%
9%	3%	9%	14%	14%	15%	18%	7%	9%	13%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	1%	1%	2%	0%	0%	0%	1%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%
45%	54%	31%	49%	43%	39%	41%	51%	48%	46%	32%
40%	27%	44%	37%	40%	40%	44%	33%	35%	37%	50%
15%	18%	25%	13%	16%	19%	15%	16%	17%	16%	16%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Since the recent housing market downturn , how often does your company do the following?					
MAKE ACTIVE JOBSITES LOOK CLEANER AND NEATER					
Percent					
1 = Much Less Often	0%	0%	0%	0%	3%
2	4%	0%	9%	0%	7%
3 = No Change	39%	46%	21%	52%	39%
4	36%	29%	51%	23%	42%
5 = Much More Often	21%	25%	19%	25%	8%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn , how often does your company do the following?					
MAKE IMPROVEMENTS TO MODEL HOMES					
Percent					
1 = Much Less Often	2%	0%	1%	1%	11%
2	2%	0%	1%	3%	2%
3 = No Change	48%	48%	28%	60%	53%
4	37%	31%	55%	25%	35%
5 = Much More Often	12%	21%	15%	11%	0%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
HOLD SALES EVENTS EMPHASIZING THAT NOW IS THE BEST TIME TO BUY					
Percent					
Done It Since Downturn	36%	36%	23%	44%	41%
Plan To Do It Soon	33%	26%	48%	29%	14%
No Plans To Do It Soon	31%	38%	29%	27%	45%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
HOLD SALES EVENTS WITH MAJOR PRICE REDUCTIONS OR OTHER INCENTIVES AVAILABLE ONLY FOR LIMITED TIME					
Percent					
Done It Since Downturn	40%	16%	29%	55%	33%
Plan To Do It Soon	22%	29%	39%	11%	12%
No Plans To Do It Soon	38%	55%	32%	33%	55%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
USE MULTIPLE LISTING SERVICE, OR REAL ESTATE BROKERAGES TO SELL HOMES					
Percent					
Done It Since Downturn	63%	57%	54%	78%	38%
Plan To Do It Soon	15%	15%	27%	8%	9%
No Plans To Do It Soon	22%	28%	19%	14%	53%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
BEGIN, OR SUBSTANTIALLY IMPROVE A HOME BUYER REFERRAL PROGRAM					
Percent					
Done It Since Downturn	37%	38%	22%	45%	48%
Plan To Do It Soon	29%	24%	52%	17%	17%
No Plans To Do It Soon	34%	37%	26%	38%	34%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
0%	0%	0%	1%	1%	2%	0%	0%	0%	1%	0%
2%	15%	14%	2%	4%	4%	2%	7%	4%	5%	1%
45%	38%	38%	41%	40%	33%	45%	39%	37%	40%	36%
32%	40%	24%	37%	36%	39%	32%	40%	33%	33%	50%
20%	8%	24%	20%	19%	22%	21%	13%	25%	22%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	0%	1%	3%	1%	2%	1%	1%	4%	2%	4%
3%	0%	1%	2%	2%	3%	2%	2%	1%	2%	3%
57%	42%	56%	48%	49%	43%	48%	57%	45%	46%	59%
28%	53%	26%	37%	35%	42%	31%	33%	41%	38%	26%
8%	5%	17%	10%	12%	10%	18%	7%	10%	12%	8%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35%	41%	14%	40%	34%	34%	37%	30%	41%	38%	25%
31%	33%	36%	33%	35%	45%	33%	26%	26%	35%	19%
34%	27%	51%	27%	31%	21%	30%	45%	33%	27%	56%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
37%	39%	14%	47%	41%	42%	47%	31%	36%	43%	21%
14%	29%	21%	20%	22%	31%	14%	22%	23%	24%	13%
49%	32%	66%	33%	37%	27%	39%	47%	41%	33%	66%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
68%	57%	41%	67%	65%	55%	74%	61%	55%	63%	58%
11%	9%	18%	14%	17%	27%	11%	14%	9%	16%	10%
22%	34%	41%	18%	18%	18%	14%	24%	36%	21%	32%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
37%	47%	13%	43%	38%	36%	49%	22%	34%	38%	28%
22%	37%	45%	23%	29%	42%	22%	25%	30%	29%	29%
40%	16%	42%	34%	33%	22%	29%	53%	36%	32%	42%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
INCREASED COMMUNITY INVOLVEMENT AND/OR LAUNCH PROGRAMS TO GENERATE GOOD WILL IN THE COMMUNITY					
Percent					
Done It Since Downturn	39%	26%	28%	49%	42%
Plan To Do It Soon	23%	19%	42%	16%	5%
No Plans To Do It Soon	38%	55%	30%	36%	53%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
BEGIN, OR SUBSTANTIALLY IMPROVE A CUSTOMER LOYALTY PROGRAM					
Percent					
Done It Since Downturn	23%	7%	25%	23%	27%
Plan To Do It Soon	33%	34%	50%	27%	14%
No Plans To Do It Soon	44%	59%	24%	50%	59%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
GENERAL INCREASE IN ADVERTISING EXPENDITURES					
Percent					
Done It Since Downturn	36%	41%	32%	36%	40%
Plan To Do It Soon	17%	24%	27%	9%	12%
No Plans To Do It Soon	48%	36%	41%	55%	48%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
MAJOR IMPROVEMENT TO WEB SITE TO ATTRACT MORE POTENTIAL BUYERS					
Percent					
Done It Since Downturn	41%	29%	34%	51%	32%
Plan To Do It Soon	26%	30%	43%	15%	22%
No Plans To Do It Soon	33%	42%	23%	34%	46%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
RENT-TO-OWN PROGRAM FOR UNSOLD HOMES					
Percent					
Done It Since Downturn	10%	12%	11%	9%	11%
Plan To Do It Soon	19%	17%	32%	11%	17%
No Plans To Do It Soon	71%	72%	57%	80%	73%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
LEASE UNSOLD HOMES (NOT RENT-TO-OWN)					
Percent					
Done It Since Downturn	18%	18%	28%	16%	0%
Plan To Do It Soon	22%	18%	24%	17%	35%
No Plans To Do It Soon	60%	65%	48%	67%	65%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
AUCTION UNSOLD HOMES					
Percent					
Done It Since Downturn	6%	0%	14%	2%	0%
Plan To Do It Soon	16%	27%	29%	5%	16%
No Plans To Do It Soon	78%	73%	56%	93%	84%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
37%	37%	18%	44%	38%	36%	42%	34%	42%	42%	23%
23%	23%	36%	19%	24%	31%	21%	22%	19%	23%	24%
40%	40%	46%	38%	38%	34%	37%	44%	38%	35%	53%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
25%	17%	21%	24%	23%	21%	22%	24%	25%	23%	21%
32%	47%	32%	32%	35%	42%	34%	28%	29%	34%	31%
43%	36%	47%	44%	43%	37%	44%	47%	46%	43%	48%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28%	40%	28%	36%	33%	40%	30%	30%	43%	37%	27%
17%	24%	31%	13%	17%	25%	12%	18%	15%	15%	29%
55%	36%	40%	51%	49%	36%	58%	52%	42%	48%	44%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
44%	18%	17%	47%	44%	44%	46%	40%	32%	42%	37%
25%	36%	38%	21%	26%	30%	22%	28%	27%	25%	37%
31%	46%	45%	32%	30%	26%	32%	32%	41%	34%	27%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
6%	2%	8%	11%	12%	15%	10%	9%	7%	11%	8%
15%	25%	12%	19%	21%	26%	21%	14%	14%	20%	14%
78%	73%	81%	69%	68%	59%	69%	77%	79%	69%	79%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
17%	0%	1%	21%	18%	17%	17%	19%	19%	20%	7%
22%	17%	20%	21%	22%	30%	19%	18%	22%	23%	18%
61%	83%	79%	57%	60%	53%	64%	63%	59%	58%	76%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	13%	6%	5%	5%	5%	3%	7%	9%	6%	3%
11%	25%	13%	16%	17%	28%	13%	12%	13%	18%	5%
87%	62%	81%	79%	78%	67%	84%	81%	77%	75%	92%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

GENERAL, OR ACROSS-THE-BOARD HOME PRICE REDUCTIONS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	46%	46%	34%	57%	40%
Plan To Do It Soon	22%	5%	45%	11%	16%
No Plans To Do It Soon	32%	49%	21%	33%	44%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

OFFERING FREE UPGRADES WITH THE PURCHASE OF A NEW HOME

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	61%	56%	43%	81%	42%
Plan To Do It Soon	20%	19%	45%	3%	13%
No Plans To Do It Soon	20%	25%	12%	16%	45%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

ALLOW MORE MODIFICATIONS TO FLOOR PLANS AT BUYER'S REQUEST

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	58%	55%	64%	64%	26%
Plan To Do It Soon	18%	30%	24%	7%	32%
No Plans To Do It Soon	24%	15%	12%	29%	42%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

PAY FOR SOME OR ALL OF MORTGAGE CLOSING COSTS, POINTS, OR FEES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	52%	12%	35%	76%	45%
Plan To Do It Soon	21%	26%	41%	4%	22%
No Plans To Do It Soon	27%	62%	24%	20%	32%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

FOR BUYERS NOT QUALIFIED FOR TRADITIONAL MORTGAGE FINANCING, PROVIDE FINANCING FOR MOST OR ALL OF ENTIRE SELLING PRICE OF HOME

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	15%	1%	17%	21%	1%
Plan To Do It Soon	14%	25%	30%	2%	7%
No Plans To Do It Soon	71%	74%	53%	77%	92%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

FOR BUYERS WITH INSUFFICIENT DOWN PAYMENT, FINANCE A PORTION OF THE CONTRACT AMOUNT

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	19%	21%	19%	22%	9%
Plan To Do It Soon	18%	28%	38%	4%	6%
No Plans To Do It Soon	63%	52%	43%	74%	86%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, which of the following actions has your company taken to increase sales?

OFFER NON-HOME RELATED INCENTIVES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Done It Since Downturn	22%	7%	27%	25%	8%
Plan To Do It Soon	10%	13%	26%	1%	0%
No Plans To Do It Soon	68%	80%	47%	74%	91%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
43%	52%	21%	51%	45%	40%	47%	46%	50%	48%	32%
18%	23%	33%	18%	22%	31%	15%	23%	23%	23%	16%
39%	25%	46%	31%	33%	29%	38%	31%	27%	29%	52%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
68%	47%	32%	69%	60%	53%	69%	53%	62%	65%	36%
12%	30%	28%	15%	22%	31%	16%	21%	12%	20%	15%
20%	23%	39%	16%	18%	16%	15%	26%	26%	15%	49%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
53%	60%	42%	62%	61%	57%	66%	56%	51%	61%	39%
18%	19%	27%	14%	18%	23%	12%	22%	17%	17%	23%
29%	22%	31%	24%	21%	20%	22%	22%	32%	21%	38%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
51%	51%	17%	61%	53%	52%	60%	43%	49%	56%	30%
17%	30%	26%	19%	22%	32%	17%	17%	17%	22%	16%
31%	18%	57%	20%	25%	16%	22%	40%	34%	23%	54%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9%	2%	2%	17%	17%	20%	12%	19%	11%	17%	4%
10%	18%	23%	10%	15%	24%	10%	14%	9%	15%	6%
81%	80%	76%	73%	68%	57%	78%	66%	80%	68%	90%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
17%	5%	11%	21%	21%	22%	25%	15%	12%	21%	8%
12%	28%	22%	15%	18%	29%	13%	15%	15%	18%	18%
71%	67%	67%	64%	60%	49%	63%	70%	73%	62%	75%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
10%	25%	11%	23%	22%	25%	22%	16%	23%	24%	7%
7%	15%	15%	9%	12%	19%	7%	12%	6%	11%	8%
83%	60%	74%	68%	67%	56%	71%	73%	72%	65%	85%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
OLD HOME TRADE-IN PROGRAM, OR OPTION-TO-BUY OLD HOME IF IT DOESN'T SELL					
Percent					
Done It Since Downturn	16%	9%	18%	19%	8%
Plan To Do It Soon	15%	13%	30%	6%	8%
No Plans To Do It Soon	69%	78%	53%	75%	84%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
OFFERING ASSISTANCE TO HOME BUYERS FOR SELLING THEIR OLD HOMES					
Percent					
Done It Since Downturn	36%	30%	29%	46%	25%
Plan To Do It Soon	19%	23%	36%	2%	30%
No Plans To Do It Soon	45%	47%	35%	52%	45%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
GUARANTEED BUY-BACK OF THE NEW HOME AT THE ORIGINAL SALES PRICE WITHIN A LIMITED TIME PERIOD					
Percent					
Done It Since Downturn	15%	8%	24%	13%	0%
Plan To Do It Soon	16%	14%	37%	2%	7%
No Plans To Do It Soon	70%	78%	39%	84%	92%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
GIVE REBATE TO BUYER IF BUILDER LOWERS THE FUTURE PRICE OF THE SAME HOME					
Percent					
Done It Since Downturn	15%	10%	28%	6%	15%
Plan To Do It Soon	19%	33%	31%	7%	23%
No Plans To Do It Soon	66%	57%	41%	87%	62%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
GIVE REBATE TO BUYER IF NEW HOME APPRAISES LOWER THAN SELLING PRICE AFTER A SPECIFIED TIME PERIOD					
Percent					
Done It Since Downturn	7%	0%	16%	4%	0%
Plan To Do It Soon	14%	16%	31%	1%	16%
No Plans To Do It Soon	79%	84%	53%	95%	84%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
OFFER FREE SERVICES FOR LIMITED TIME PERIOD AFTER HOME PURCHASE					
Percent					
Done It Since Downturn	17%	17%	13%	18%	23%
Plan To Do It Soon	24%	15%	52%	5%	23%
No Plans To Do It Soon	59%	68%	35%	77%	54%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, which of the following actions has your company taken to increase sales?					
MAKE A HOME BUYER'S MORTGAGE PAYMENTS FOR A LIMITED TIME PERIOD					
Percent					
Done It Since Downturn	11%	4%	5%	17%	8%
Plan To Do It Soon	25%	15%	49%	7%	32%
No Plans To Do It Soon	64%	81%	46%	76%	60%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
17%	15%	13%	18%	19%	15%	27%	11%	7%	17%	13%
12%	20%	21%	12%	17%	23%	12%	18%	8%	16%	11%
71%	66%	67%	70%	64%	62%	61%	71%	85%	68%	77%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
38%	27%	10%	42%	35%	32%	37%	34%	40%	38%	22%
12%	41%	32%	14%	21%	27%	17%	21%	12%	20%	15%
49%	32%	58%	44%	44%	40%	46%	45%	48%	42%	63%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
12%	27%	20%	13%	16%	19%	14%	15%	11%	16%	5%
9%	17%	20%	13%	16%	22%	10%	18%	14%	17%	5%
80%	56%	60%	75%	68%	59%	76%	67%	75%	67%	90%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7%	36%	14%	13%	14%	15%	10%	21%	17%	16%	5%
15%	28%	22%	17%	17%	29%	9%	13%	27%	21%	7%
78%	36%	63%	70%	69%	55%	81%	66%	56%	62%	87%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	13%	8%	5%	8%	9%	7%	8%	5%	8%	2%
6%	14%	10%	13%	16%	22%	11%	16%	10%	15%	7%
91%	73%	82%	82%	76%	68%	82%	76%	86%	77%	91%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
13%	26%	6%	18%	16%	21%	12%	15%	21%	18%	12%
14%	43%	38%	17%	24%	34%	16%	23%	24%	26%	13%
74%	31%	55%	64%	61%	48%	71%	61%	55%	57%	75%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
15%	6%	10%	11%	11%	12%	12%	7%	10%	11%	9%
12%	49%	23%	22%	25%	34%	18%	25%	24%	27%	15%
73%	45%	67%	67%	64%	53%	70%	68%	66%	63%	75%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

AVERAGE SCORE
1=Not Effective At All; 5=Very Effective

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
General, or across-the-board home price reductions	3.9	4.3	3.2	4.1	3.8
Offering free upgrades with the purchase of a new home	3.8	3.7	3.4	3.9	4.1
Allow more modifications to floor plans at buyer's request	3.9	4.2	3.8	3.9	3.9
Pay for some or all of the mortgage closing costs, points, or fees	3.9	4.9	2.9	4.3	3.8
For buyers not qualified for traditional mortgage financing, provide financing for most or all of the entire selling price of the home	3.5	3.0	3.8	3.4	3.0
For buyers with insufficient down payment, finance a portion of the contract amount	3.3	2.3	2.8	3.8	3.0
Offer non-home related incentives	3.1	3.1	3.2	3.3	1.1
Old home trade-in program, or option-to-buy old home if it doesn't sell	3.8	4.6	3.6	3.9	2.9
Offering assistance to home buyers for selling their old homes	3.3	3.8	3.0	3.4	3.0
Guaranteed buy-back of the new home at the original sales price within a limited time period	2.8	4.5	3.4	1.7	3.0
Give rebate to buyer if builder lowers the future price of the same home	3.3	3.0	3.2	3.8	3.0
Give rebate to buyer if new home appraises lower than selling price after a specified time period	3.3	-	3.4	3.1	-
Offer free services for a limited time period after the home purchase	3.5	2.5	2.9	3.7	4.3
Make a home buyer's mortgage payments for a limited time period	3.4	3.3	2.8	3.8	2.1

How effective have each of the following been in increasing your company's home sales?

GENERAL, OR ACROSS-THE-BOARD HOME PRICE REDUCTIONS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	0%	0%	0%	0%	1%
2	6%	0%	16%	5%	0%
3	24%	22%	56%	11%	21%
4	45%	29%	23%	50%	75%
5 = Very Effective	24%	49%	5%	34%	4%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

OFFERING FREE UPGRADES WITH THE PURCHASE OF A NEW HOME

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	2%	1%	9%	0%	1%
2	6%	1%	12%	4%	3%
3	22%	41%	16%	24%	3%
4	52%	37%	51%	51%	71%
5 = Very Effective	19%	20%	12%	21%	22%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

ALLOW MORE MODIFICATIONS TO FLOOR PLANS AT BUYER'S REQUEST

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	1%	0%	2%	0%	1%
2	8%	0%	3%	13%	0%
3	20%	26%	23%	18%	14%
4	44%	30%	59%	31%	83%
5 = Very Effective	27%	44%	13%	37%	2%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3.8	3.4	3.3	4.0	3.9	3.9	4.1	3.7	3.7	3.9	3.8
3.9	3.8	3.8	3.8	3.7	3.7	3.9	3.5	4.0	3.8	3.6
4.0	3.8	3.7	3.9	3.9	3.9	4.0	3.7	3.7	3.9	3.7
4.1	3.3	3.1	4.0	3.9	3.9	4.1	3.6	3.9	4.0	3.5
3.2	3.7	3.1	3.6	3.5	3.4	3.6	3.6	3.5	3.5	2.8
3.6	2.8	2.5	3.4	3.4	3.6	3.5	3.1	2.5	3.3	3.7
2.9	3.1	3.2	3.1	3.1	3.3	3.0	3.0	3.2	3.1	3.5
4.4	2.3	3.1	3.8	3.9	4.4	3.8	3.6	2.6	3.8	3.6
3.2	3.0	3.7	3.2	3.3	3.6	3.5	2.8	3.1	3.3	3.4
2.8	2.0	3.2	2.6	2.7	2.7	3.0	2.5	2.8	2.8	2.7
2.3	3.7	3.8	3.0	3.3	3.8	3.5	2.6	3.3	3.3	3.2
3.4	2.0	2.1	3.9	3.2	3.0	3.0	3.6	4.2	3.4	1.8
3.3	3.5	2.5	3.6	3.4	3.6	3.3	3.1	3.8	3.6	2.8
3.5	2.2	2.7	3.6	3.6	3.9	3.6	2.5	2.9	3.4	3.0
1%	0%	1%	0%	0%	0%	0%	1%	0%	0%	3%
5%	4%	13%	5%	5%	4%	5%	7%	9%	6%	5%
21%	52%	52%	21%	22%	28%	13%	31%	31%	25%	23%
58%	38%	23%	47%	44%	43%	48%	40%	45%	45%	44%
16%	5%	11%	28%	28%	25%	34%	20%	15%	24%	25%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	2%	8%	2%	3%	4%	2%	2%	2%	2%	5%
4%	5%	1%	5%	6%	4%	6%	9%	4%	5%	10%
18%	7%	23%	23%	23%	22%	17%	39%	16%	21%	26%
51%	77%	42%	51%	51%	61%	53%	35%	52%	53%	34%
23%	8%	26%	19%	16%	8%	21%	15%	27%	18%	25%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	2%	6%	0%	1%	1%	1%	1%	0%	1%	2%
6%	1%	4%	9%	7%	1%	8%	13%	9%	8%	7%
18%	20%	13%	24%	20%	23%	14%	26%	23%	19%	33%
43%	72%	68%	37%	41%	56%	37%	31%	56%	45%	35%
31%	5%	9%	30%	31%	19%	39%	29%	13%	27%	22%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

How effective have each of the following been in increasing your company's home sales?

PAY FOR SOME OR ALL OF MORTGAGE CLOSING COSTS, POINTS, OR FEES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	2%	0%	4%	0%	6%
2	4%	0%	13%	1%	1%
3	23%	3%	71%	10%	6%
4	44%	3%	11%	48%	87%
5 = Very Effective	28%	94%	0%	40%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

FOR BUYERS NOT QUALIFIED FOR TRADITIONAL MORTGAGE FINANCING, PROVIDE FINANCING FOR MOST/ALL OF ENTIRE SELLING PRICE OF HOME

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	1%	0%	0%	2%	0%
2	12%	0%	0%	19%	0%
3	31%	100%	24%	33%	100%
4	47%	0%	76%	30%	0%
5 = Very Effective	9%	0%	0%	15%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

FOR BUYERS WITH INSUFFICIENT DOWN PAYMENT, FINANCE A PORTION OF THE CONTRACT AMOUNT

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	5%	44%	0%	1%	0%
2	16%	0%	39%	5%	0%
3	38%	42%	46%	26%	96%
4	28%	10%	15%	43%	4%
5 = Very Effective	13%	4%	0%	24%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

OFFER NON-HOME RELATED INCENTIVES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	11%	0%	0%	12%	87%
2	2%	47%	0%	0%	13%
3	57%	0%	84%	45%	0%
4	23%	53%	14%	30%	0%
5 = Very Effective	7%	0%	2%	13%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

OLD HOME TRADE-IN PROGRAM, OR OPTION TO BUY OLD HOME IF IT DOESN'T SELL

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	13%	0%	0%	24%	0%
2	14%	0%	35%	1%	11%
3	9%	18%	4%	1%	89%
4	14%	0%	25%	9%	0%
5 = Very Effective	50%	82%	35%	65%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

OFFERING ASSISTANCE TO HOME BUYERS FOR SELLING THEIR OLD HOMES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	7%	0%	1%	11%	1%
2	13%	0%	28%	10%	0%
3	43%	59%	41%	33%	92%
4	20%	0%	26%	23%	6%
5 = Very Effective	17%	41%	4%	23%	0%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
2%	6%	15%	1%	2%	1%	3%	4%	0%	1%	12%
5%	2%	6%	4%	3%	4%	3%	2%	5%	4%	5%
11%	51%	49%	19%	22%	24%	14%	39%	26%	23%	24%
40%	37%	17%	47%	43%	45%	41%	44%	48%	45%	37%
41%	4%	13%	30%	29%	26%	39%	12%	21%	28%	21%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	13%	40%	0%	1%	0%	0%	4%	0%	0%	29%
35%	0%	0%	9%	12%	16%	10%	10%	9%	12%	0%
24%	3%	8%	33%	31%	42%	33%	15%	27%	30%	48%
15%	71%	10%	48%	44%	24%	48%	66%	63%	49%	5%
23%	14%	42%	9%	11%	18%	9%	6%	0%	9%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9%	8%	24%	3%	1%	0%	0%	4%	27%	4%	11%
5%	6%	18%	17%	18%	11%	21%	21%	3%	16%	10%
23%	83%	46%	34%	34%	39%	28%	42%	62%	40%	14%
39%	2%	7%	30%	32%	29%	35%	30%	7%	29%	25%
24%	1%	5%	16%	15%	21%	16%	3%	0%	11%	40%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
39%	0%	0%	13%	7%	5%	9%	10%	20%	11%	0%
8%	0%	0%	2%	3%	1%	4%	3%	0%	1%	14%
9%	93%	80%	53%	62%	54%	69%	64%	43%	58%	53%
18%	5%	17%	23%	26%	40%	16%	21%	13%	24%	3%
26%	1%	3%	9%	1%	0%	2%	1%	25%	6%	30%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	16%	14%	0%	24%	0%	0%	14%	1%
2%	83%	46%	9%	11%	14%	3%	34%	39%	14%	13%
15%	2%	5%	10%	3%	2%	3%	4%	60%	7%	27%
20%	14%	43%	7%	15%	11%	14%	30%	1%	10%	41%
62%	2%	6%	57%	57%	72%	57%	32%	0%	55%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
11%	3%	10%	7%	9%	1%	9%	19%	0%	6%	12%
12%	31%	1%	15%	12%	14%	4%	26%	17%	14%	7%
38%	37%	21%	43%	35%	37%	41%	22%	63%	44%	32%
21%	23%	50%	17%	23%	25%	22%	23%	12%	19%	29%
18%	6%	19%	18%	20%	23%	24%	10%	9%	17%	21%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

GUARANTEED BUY-BACK OF THE NEW HOME AT THE ORIGINAL SALES PRICE WITHIN A LIMITED TIME PERIOD

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	29%	0%	0%	72%	0%
2	15%	3%	26%	2%	0%
3	13%	21%	8%	18%	100%
4	38%	4%	67%	3%	0%
5 = Very Effective	5%	72%	0%	5%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

GIVE REBATE TO BUYER IF BUILDER LOWERS THE FUTURE PRICE OF THE SAME HOME

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	14%	0%	21%	0%	2%
2	1%	0%	2%	2%	0%
3	32%	100%	14%	17%	98%
4	52%	0%	61%	81%	0%
5 = Very Effective	1%	0%	2%	0%	0%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

GIVE REBATE TO BUYER IF NEW HOME APPRAISES LOWER THAN SELLING PRICE AFTER A SPECIFIED TIME PERIOD

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	3%	0%	0%	12%	0%
2	35%	0%	38%	24%	0%
3	5%	0%	7%	2%	0%
4	39%	0%	32%	60%	0%
5 = Very Effective	18%	0%	23%	2%	0%
TOTAL	100%	0%	100%	100%	0%

How effective have each of the following been in increasing your company's home sales?

OFFER FREE SERVICES FOR LIMITED TIME PERIOD AFTER HOME PURCHASE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	2%	0%	2%	3%	0%
2	9%	53%	15%	2%	0%
3	31%	47%	70%	18%	5%
4	52%	0%	13%	77%	63%
5 = Very Effective	6%	0%	0%	0%	32%
TOTAL	100%	100%	100%	100%	100%

How effective have each of the following been in increasing your company's home sales?

MAKE A HOME BUYER'S MORTGAGE PAYMENTS FOR A LIMITED TIME PERIOD

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Not Effective At All	2%	0%	5%	1%	0%
2	25%	0%	30%	15%	87%
3	28%	69%	61%	20%	13%
4	24%	31%	3%	33%	0%
5 = Very Effective	22%	0%	0%	31%	0%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
32%	35%	3%	45%	27%	23%	23%	39%	38%	29%	23%
2%	45%	35%	0%	18%	25%	16%	12%	0%	15%	19%
27%	1%	3%	14%	14%	17%	13%	11%	8%	12%	26%
32%	18%	56%	33%	34%	33%	36%	34%	54%	38%	32%
7%	1%	3%	7%	6%	2%	13%	3%	0%	6%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
46%	0%	1%	22%	16%	0%	7%	39%	7%	14%	7%
4%	0%	1%	1%	2%	0%	1%	4%	0%	0%	25%
25%	26%	14%	34%	23%	21%	34%	18%	54%	32%	39%
25%	73%	84%	41%	57%	77%	56%	37%	39%	55%	0%
0%	0%	0%	2%	2%	2%	3%	1%	0%	0%	29%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
12%	2%	8%	2%	4%	1%	3%	8%	0%	0%	75%
0%	94%	81%	12%	39%	50%	47%	15%	9%	36%	0%
22%	1%	2%	7%	6%	10%	5%	3%	0%	5%	11%
65%	3%	9%	54%	37%	29%	34%	52%	51%	41%	4%
2%	0%	0%	26%	14%	10%	12%	22%	40%	18%	11%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	4%	13%	1%	3%	1%	2%	6%	0%	0%	19%
20%	14%	44%	6%	11%	7%	12%	17%	4%	9%	9%
32%	8%	26%	28%	33%	20%	42%	42%	28%	30%	45%
30%	73%	16%	57%	53%	71%	44%	35%	48%	55%	27%
14%	0%	0%	8%	0%	0%	0%	0%	20%	7%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	3%	1%	2%	1%	2%	4%	0%	0%	13%
19%	87%	59%	14%	19%	5%	17%	60%	43%	26%	12%
27%	4%	14%	31%	27%	28%	28%	22%	30%	27%	32%
29%	6%	17%	27%	23%	27%	26%	6%	27%	22%	43%
23%	2%	7%	27%	28%	38%	28%	8%	0%	25%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Which of the following categories of upgrades does your company offer, or has recently offered, for free or substantially discounted?					
Percent					
Countertops	54%	43%	60%	53%	50%
Landscaping	30%	9%	45%	30%	6%
Finished basement, attic or other space	26%	29%	36%	24%	8%
Appliances	59%	51%	40%	80%	42%
High-efficiency HVAC systems	22%	8%	25%	19%	31%
Doors & windows	14%	22%	10%	10%	29%
Flooring	38%	45%	26%	48%	28%
Bathing fixtures, whirlpool bath	26%	33%	30%	22%	22%
Security system	24%	23%	28%	23%	18%
Home electronics or structured wiring	15%	15%	10%	19%	12%
Exterior finish	10%	6%	20%	3%	15%
Roofing	9%	11%	21%	2%	0%
Kitchen or vanity sinks	23%	32%	15%	23%	36%
Faucets/showerheads	31%	26%	28%	33%	37%
Insulation	17%	15%	22%	17%	1%
Interior paint or wall decorations	12%	19%	12%	10%	19%
Interior molding or stairs	9%	6%	9%	12%	2%
Kitchen cabinets	35%	17%	38%	36%	38%
Outdoor products, decks, or hardscapes	10%	5%	12%	13%	3%
Fireplace	29%	52%	38%	14%	39%
Lighting	17%	21%	11%	20%	22%
None of the above	13%	13%	4%	10%	43%
Since the recent housing market downturn, how likely is your company to do the following:					
AVERAGE SCORE					
1=Much Less Likely, 5=Much More Likely					
Build spec homes	3.0	3.1	3.1	2.8	3.2
Offer remodeling services	3.0	3.6	3.4	2.5	3.3
Investigate condo/apartment development	2.9	3.1	3.4	2.4	3.0
Reduce inventory of lots	4.0	3.2	4.1	4.1	3.6
Decline on options to buy lots	3.6	3.2	3.6	3.6	3.8
Build non-residential projects	2.9	3.3	3.3	2.5	3.2
Make business operations more efficient	4.1	3.9	3.9	4.4	3.9
Make efforts to reduce construction cycle time	3.8	3.5	3.9	3.9	3.4
Investigate urban developments	3.1	3.3	3.3	3.0	3.1
Improve the quality of your homes	3.6	3.6	3.7	3.6	3.4
Investigate developing a manufactured housing community	2.5	2.5	3.0	2.1	2.3
Since the recent housing market downturn, how likely is your company to do the following:					
BUILD SPEC HOMES					
Percent					
1 = Much Less Likely	20%	17%	18%	26%	5%
2	12%	6%	8%	13%	19%
3 = Neither More Nor Less Likely	32%	46%	32%	30%	31%
4	24%	15%	32%	15%	44%
5 = Much More Likely	12%	16%	11%	15%	1%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following:					
OFFER REMODELING SERVICES					
Percent					
1 = Much Less Likely	23%	11%	16%	32%	18%
2	7%	3%	0%	13%	8%
3 = Neither More Nor Less Likely	33%	34%	32%	36%	25%
4	19%	14%	31%	10%	26%
5 = Much More Likely	17%	38%	21%	9%	23%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
48%	59%	49%	55%	50%	47%	57%	44%	67%	56%	43%
25%	37%	35%	29%	32%	32%	33%	28%	27%	31%	25%
19%	18%	14%	29%	24%	21%	22%	29%	34%	28%	18%
60%	41%	20%	69%	57%	65%	64%	33%	66%	62%	39%
15%	51%	28%	19%	20%	19%	18%	23%	28%	21%	26%
7%	24%	11%	13%	11%	9%	8%	18%	22%	13%	16%
42%	32%	30%	40%	35%	31%	41%	28%	48%	39%	33%
22%	38%	19%	25%	26%	25%	27%	24%	25%	27%	16%
20%	31%	19%	23%	22%	26%	18%	24%	31%	25%	21%
14%	15%	5%	18%	11%	10%	11%	14%	26%	15%	12%
4%	26%	10%	7%	11%	11%	10%	12%	9%	9%	17%
3%	14%	11%	7%	9%	8%	6%	13%	10%	9%	9%
21%	34%	8%	24%	19%	21%	18%	18%	36%	24%	17%
34%	37%	19%	33%	29%	32%	30%	24%	38%	33%	19%
11%	26%	15%	16%	17%	14%	17%	19%	16%	16%	19%
13%	14%	10%	11%	12%	10%	12%	15%	12%	11%	18%
9%	3%	5%	10%	7%	5%	7%	7%	16%	8%	14%
28%	60%	21%	37%	33%	31%	38%	26%	42%	38%	21%
11%	4%	6%	12%	12%	9%	15%	9%	7%	9%	17%
19%	50%	20%	28%	26%	28%	23%	28%	38%	30%	22%
17%	37%	16%	15%	18%	22%	17%	14%	17%	17%	21%
13%	22%	35%	8%	13%	13%	9%	21%	12%	10%	28%
2.8	2.7	2.8	3.0	3.0	3.0	3.0	2.9	2.8	3.1	2.3
2.9	3.1	3.2	2.9	2.9	2.8	2.8	3.3	3.2	2.9	3.7
2.8	3.0	3.2	2.8	2.8	2.9	2.6	3.0	3.1	2.9	2.7
3.9	3.8	3.7	4.1	3.9	3.9	4.0	3.9	4.0	4.0	3.6
3.7	3.4	3.4	3.7	3.6	3.5	3.6	3.9	3.6	3.6	3.6
2.8	3.2	3.2	2.8	2.9	2.8	2.7	3.3	3.0	2.8	3.3
4.2	4.0	3.8	4.2	4.1	4.1	4.1	4.0	4.3	4.1	4.0
3.8	3.3	3.6	3.9	3.7	3.7	3.7	3.8	3.9	3.8	3.8
3.1	3.0	2.9	3.2	3.1	3.1	3.0	3.4	3.1	3.1	3.0
3.7	3.3	3.7	3.6	3.6	3.5	3.7	3.6	3.6	3.6	3.5
2.3	2.6	2.4	2.4	2.5	2.6	2.3	2.7	2.5	2.5	2.2
22%	31%	25%	19%	19%	21%	17%	20%	24%	18%	32%
14%	17%	10%	13%	11%	9%	14%	9%	13%	9%	27%
36%	10%	30%	34%	32%	29%	31%	40%	31%	33%	26%
21%	40%	29%	21%	25%	31%	24%	20%	21%	27%	9%
6%	2%	5%	13%	12%	10%	14%	11%	10%	13%	6%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
24%	29%	18%	25%	26%	31%	29%	12%	16%	26%	8%
11%	3%	8%	7%	7%	7%	8%	7%	5%	7%	5%
33%	22%	32%	36%	31%	31%	25%	39%	41%	34%	27%
18%	17%	21%	17%	21%	15%	24%	23%	15%	18%	29%
14%	29%	21%	15%	16%	16%	13%	19%	23%	15%	30%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Since the recent housing market downturn, how likely is your company to do the following:					
INVESTIGATE CONDO/APARTMENT DEVELOPMENT					
Percent					
1 = Much Less Likely	21%	13%	7%	34%	15%
2	7%	2%	8%	8%	3%
3 = Neither More Nor Less Likely	44%	56%	45%	39%	50%
4	19%	20%	23%	13%	28%
5 = Much More Likely	9%	9%	17%	4%	4%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following:					
REDUCE INVENTORY OF LOTS					
Percent					
1 = Much Less Likely	2%	9%	0%	2%	3%
2	5%	4%	6%	4%	7%
3 = Neither More Nor Less Likely	26%	60%	19%	19%	40%
4	28%	14%	31%	29%	25%
5 = Much More Likely	39%	13%	42%	45%	24%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following:					
DECLINE ON OPTIONS TO BUY LOTS					
Percent					
1 = Much Less Likely	2%	9%	1%	2%	0%
2	9%	7%	16%	7%	2%
3 = Neither More Nor Less Likely	40%	54%	32%	44%	41%
4	21%	18%	23%	17%	27%
5 = Much More Likely	27%	13%	27%	29%	30%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following:					
BUILD NON-RESIDENTIAL PROJECTS					
Percent					
1 = Much Less Likely	21%	13%	10%	32%	17%
2	5%	2%	4%	8%	2%
3 = Neither More Nor Less Likely	43%	45%	49%	42%	30%
4	23%	27%	27%	12%	49%
5 = Much More Likely	8%	13%	11%	6%	2%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following:					
MAKE BUSINESS OPERATIONS MORE EFFICIENT					
Percent					
1 = Much Less Likely	3%	6%	6%	0%	3%
2	1%	0%	3%	0%	2%
3 = Neither More Nor Less Likely	19%	30%	25%	12%	20%
4	36%	25%	30%	37%	50%
5 = Much More Likely	41%	39%	36%	51%	25%
TOTAL	100%	100%	100%	100%	100%
Since the recent housing market downturn, how likely is your company to do the following:					
MAKE EFFORTS TO REDUCE CONSTRUCTION CYCLE TIME					
Percent					
1 = Much Less Likely	1%	6%	0%	0%	3%
2	5%	1%	8%	4%	0%
3 = Neither More Nor Less Likely	34%	56%	28%	29%	51%
4	35%	9%	32%	39%	42%
5 = Much More Likely	25%	28%	31%	27%	3%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
21%	17%	9%	25%	24%	22%	29%	19%	11%	19%	28%
9%	14%	11%	5%	9%	7%	12%	6%	1%	7%	9%
44%	35%	44%	45%	39%	40%	35%	42%	61%	46%	32%
21%	20%	25%	16%	20%	21%	16%	24%	18%	18%	24%
5%	14%	12%	9%	9%	9%	8%	9%	9%	9%	7%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	0%	1%	3%	3%	3%	3%	1%	1%	1%	9%
6%	15%	13%	2%	6%	9%	5%	6%	2%	6%	4%
25%	21%	36%	24%	23%	22%	21%	28%	34%	24%	35%
28%	29%	17%	30%	30%	25%	34%	30%	22%	28%	25%
39%	34%	33%	42%	38%	41%	37%	35%	41%	41%	27%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	1%	3%	2%	2%	1%	4%	2%	2%	1%	7%
7%	16%	12%	8%	10%	12%	10%	9%	7%	9%	9%
37%	48%	51%	39%	38%	43%	37%	32%	49%	42%	34%
24%	14%	12%	21%	21%	25%	22%	16%	18%	21%	21%
29%	22%	22%	30%	28%	19%	27%	42%	24%	27%	30%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
22%	19%	13%	25%	22%	23%	29%	11%	17%	22%	15%
9%	1%	2%	6%	4%	7%	4%	2%	8%	5%	4%
39%	37%	51%	41%	44%	43%	43%	46%	40%	45%	31%
22%	27%	17%	22%	22%	19%	18%	32%	26%	22%	33%
8%	16%	17%	6%	8%	8%	6%	9%	8%	6%	17%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	0%	4%	4%	4%	5%	3%	0%	3%	1%
0%	2%	4%	0%	2%	1%	1%	2%	0%	1%	2%
21%	24%	41%	12%	19%	21%	15%	24%	17%	18%	23%
37%	41%	30%	36%	35%	31%	41%	30%	37%	34%	44%
41%	33%	25%	48%	40%	42%	38%	40%	46%	43%	30%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	1%	1%	1%	2%	2%	1%	0%	1%	1%
3%	15%	7%	3%	6%	7%	6%	4%	2%	5%	3%
35%	46%	43%	32%	36%	38%	35%	35%	29%	35%	29%
34%	31%	30%	36%	32%	30%	31%	35%	43%	32%	49%
27%	8%	20%	28%	25%	23%	26%	26%	27%	27%	17%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
INVESTIGATE URBAN DEVELOPMENTS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	9%	17%	3%	16%	1%
2	11%	9%	20%	4%	9%
3 = Neither More Nor Less Likely	51%	35%	37%	58%	74%
4	16%	7%	29%	9%	11%
5 = Much More Likely	13%	32%	11%	14%	5%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
IMPROVE THE QUALITY OF YOUR HOMES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	6%	15%	6%	5%	3%
2	5%	2%	7%	5%	0%
3 = Neither More Nor Less Likely	36%	25%	28%	40%	46%
4	31%	25%	27%	30%	49%
5 = Much More Likely	22%	33%	31%	20%	1%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
INVESTIGATE DEVELOPING A MANUFACTURED HOUSING COMMUNITY

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	30%	26%	13%	45%	25%
2	10%	5%	6%	11%	18%
3 = Neither More Nor Less Likely	46%	63%	50%	36%	56%
4	12%	6%	26%	5%	1%
5 = Much More Likely	3%	0%	5%	4%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
AVERAGE SCORE

1=Much Less Likely;5=Much More Likely	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Negotiate with existing suppliers for lower prices or bigger discounts	4.2	4.4	4.0	4.3	3.9
Look for new suppliers to obtain lower prices	4.1	4.2	4.0	4.1	3.9
Select a supplier who can help automate your purchasing process	3.1	3.3	3.4	2.9	2.9
Join a buying co-op to get lower prices or better terms	2.9	3.1	3.2	2.8	2.7
Look for new suppliers that offer a superior product selection	3.7	3.7	3.8	3.7	3.5
Look for new suppliers that offer the best value to you and your home buyers	4.0	4.0	3.9	4.2	3.8
Reduce the number of suppliers to make purchasing more efficient	3.3	3.2	3.4	3.3	2.7
Increase the number of suppliers you use to get the products you prefer	3.3	3.2	3.6	3.1	3.2
Seek help, training, or support from suppliers or manufacturers about solving or preventing performance problems	3.5	3.2	3.8	3.4	3.5
Seek help, training, or support from suppliers or manufacturers about solving installation problems	3.4	3.5	3.5	3.3	3.4
Seek help, training, or support from suppliers or manufacturers to assist your company in selling their products or materials	3.4	3.0	3.7	3.3	3.3
Seek help, training, or support from suppliers or manufacturers that offer free home design or engineering assistance for their products	3.3	3.0	3.5	3.2	3.3
Use a supplier/manufacturer who installs the products or materials they sell i.e. turnkey sales & installation	3.4	3.7	3.7	3.2	3.2

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
12%	3%	8%	10%	10%	6%	16%	6%	6%	8%	16%
11%	19%	26%	6%	12%	14%	11%	11%	7%	10%	12%
51%	58%	39%	56%	47%	55%	46%	40%	65%	54%	38%
8%	18%	20%	12%	17%	16%	14%	23%	11%	14%	24%
17%	2%	6%	15%	14%	10%	13%	21%	11%	14%	10%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	12%	3%	8%	6%	8%	5%	4%	7%	7%	2%
1%	13%	8%	3%	5%	5%	3%	8%	4%	5%	4%
45%	25%	35%	37%	38%	39%	37%	37%	29%	33%	50%
28%	31%	29%	29%	30%	27%	32%	31%	35%	32%	29%
23%	19%	26%	23%	22%	21%	23%	20%	24%	24%	15%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36%	23%	27%	34%	32%	29%	41%	20%	24%	28%	43%
15%	7%	20%	7%	9%	4%	11%	12%	12%	9%	15%
40%	56%	42%	45%	42%	48%	34%	49%	55%	48%	30%
6%	13%	7%	12%	13%	15%	11%	14%	6%	12%	7%
3%	1%	4%	3%	4%	3%	3%	4%	3%	3%	6%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4.1	4.0	3.6	4.3	4.1	4.1	4.2	4.0	4.3	4.2	4.0
4.0	4.0	3.7	4.2	4.0	3.9	4.2	3.9	4.2	4.1	3.9
3.0	3.0	3.2	3.1	3.1	3.2	3.0	3.3	3.1	3.1	3.3
2.8	3.0	3.1	2.9	2.9	2.9	2.8	2.9	3.1	2.9	3.1
3.7	3.3	3.6	3.7	3.6	3.5	3.7	3.7	3.8	3.7	3.8
4.1	3.9	3.8	4.1	4.0	3.9	4.0	3.9	4.2	4.0	4.1
3.2	2.9	3.1	3.3	3.3	3.2	3.2	3.4	3.3	3.3	3.2
3.1	3.6	3.5	3.2	3.3	3.2	3.3	3.2	3.3	3.3	3.2
3.4	3.4	3.5	3.5	3.6	3.5	3.6	3.6	3.3	3.5	3.5
3.4	3.2	3.4	3.4	3.4	3.3	3.4	3.4	3.5	3.4	3.6
3.3	3.3	3.3	3.4	3.4	3.4	3.5	3.5	3.3	3.4	3.5
3.3	3.1	3.3	3.3	3.3	3.2	3.2	3.4	3.4	3.3	3.5
3.3	3.4	3.3	3.4	3.4	3.5	3.4	3.3	3.5	3.4	3.4

Since the recent housing market downturn, how likely is your company to do the following:
NEGOTIATE WITH EXISTING SUPPLIERS FOR LOWER PRICES OR BIGGER DISCOUNTS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	0%	0%	0%	3%
2	4%	1%	10%	0%	0%
3 = Neither More Nor Less Likely	16%	22%	12%	15%	23%
4	38%	16%	45%	34%	50%
5 = Much More Likely	41%	60%	33%	50%	23%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
LOOK FOR NEW SUPPLIERS TO OBTAIN LOWER PRICES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	0%	0%	0%	4%
2	4%	0%	11%	0%	1%
3 = Neither More Nor Less Likely	19%	28%	13%	21%	22%
4	40%	27%	38%	42%	49%
5 = Much More Likely	36%	44%	37%	37%	25%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
SELECT A SUPPLIER WHO CAN HELP AUTOMATE YOUR PURCHASING PROCESS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	5%	10%	2%	7%	6%
2	9%	1%	7%	12%	7%
3 = Neither More Nor Less Likely	61%	50%	52%	66%	76%
4	17%	26%	25%	13%	10%
5 = Much More Likely	7%	13%	14%	3%	1%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
JOIN A BUYING CO-OP TO GET LOWER PRICES OR BETTER TERMS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	8%	9%	1%	13%	6%
2	14%	5%	20%	9%	22%
3 = Neither More Nor Less Likely	61%	62%	47%	68%	68%
4	13%	14%	25%	7%	4%
5 = Much More Likely	4%	10%	7%	3%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
LOOK FOR NEW SUPPLIERS THAT OFFER A SUPERIOR PRODUCT SELECTION

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	15%	0%	0%	3%
2	2%	0%	6%	0%	0%
3 = Neither More Nor Less Likely	40%	20%	38%	45%	44%
4	38%	31%	28%	43%	48%
5 = Much More Likely	18%	34%	27%	12%	5%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
LOOK FOR NEW SUPPLIERS THAT OFFER THE BEST VALUE TO YOU AND YOUR HOME BUYERS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	6%	0%	0%	3%
2	0%	0%	0%	0%	0%
3 = Neither More Nor Less Likely	27%	26%	39%	19%	25%
4	39%	23%	32%	41%	62%
5 = Much More Likely	32%	45%	28%	39%	10%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
0%	0%	0%	1%	1%	2%	0%	0%	0%	1%	1%
1%	15%	12%	0%	5%	7%	4%	4%	0%	4%	2%
22%	10%	32%	12%	17%	18%	14%	23%	11%	15%	20%
41%	34%	34%	38%	37%	29%	39%	43%	43%	37%	45%
36%	41%	22%	49%	40%	45%	43%	29%	46%	43%	32%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	1%	1%	1%	2%	0%	1%	0%	1%	2%
1%	13%	8%	1%	4%	6%	4%	4%	2%	4%	4%
23%	13%	32%	16%	20%	27%	12%	25%	17%	19%	22%
47%	32%	34%	42%	40%	28%	47%	44%	41%	39%	47%
29%	41%	25%	40%	35%	37%	38%	27%	39%	38%	25%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	4%	3%	6%	5%	2%	8%	2%	7%	6%	2%
11%	15%	13%	7%	9%	10%	10%	7%	7%	9%	9%
66%	58%	50%	66%	63%	65%	62%	62%	58%	62%	60%
16%	23%	31%	14%	16%	15%	12%	22%	23%	17%	19%
3%	1%	3%	7%	8%	8%	8%	7%	5%	7%	11%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
12%	1%	4%	9%	9%	7%	9%	10%	5%	8%	8%
11%	17%	12%	15%	17%	19%	17%	15%	5%	14%	15%
65%	62%	59%	61%	58%	58%	59%	55%	70%	64%	43%
9%	18%	19%	11%	13%	11%	12%	17%	15%	11%	27%
4%	2%	5%	4%	4%	5%	3%	4%	6%	4%	7%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	2%	2%	1%	2%	2%	0%	3%	2%	1%
0%	13%	6%	0%	3%	5%	2%	1%	0%	2%	0%
39%	49%	42%	41%	42%	49%	36%	43%	35%	41%	37%
44%	30%	30%	39%	37%	28%	41%	43%	40%	37%	41%
15%	8%	19%	17%	16%	17%	18%	13%	22%	17%	21%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	0%	1%	1%	2%	2%	0%	0%	1%	1%
1%	0%	1%	0%	0%	0%	0%	1%	0%	0%	2%
23%	26%	45%	21%	29%	37%	21%	34%	20%	29%	16%
42%	52%	28%	43%	39%	27%	47%	41%	41%	37%	52%
33%	20%	26%	35%	30%	33%	30%	24%	39%	32%	29%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

Since the recent housing market downturn, how likely is your company to do the following:
REDUCE NUMBER OF SUPPLIERS TO MAKE PURCHASING MORE EFFICIENT

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	15%	1%	0%	4%
2	10%	1%	3%	12%	29%
3 = Neither More Nor Less Likely	57%	39%	55%	60%	62%
4	20%	40%	33%	11%	6%
5 = Much More Likely	11%	4%	9%	17%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
INCREASE NUMBER OF SUPPLIERS YOU USE TO GET PRODUCTS YOU PREFER

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	6%	7%	1%	11%	4%
2	9%	21%	5%	13%	1%
3 = Neither More Nor Less Likely	46%	33%	43%	44%	69%
4	27%	22%	38%	20%	26%
5 = Much More Likely	11%	17%	13%	12%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
SEEK HELP, TRAINING, OR SUPPORT FROM SUPPLIERS OR MANUFACTURERS ABOUT SOLVING OR PREVENTING PERFORMANCE PROBLEMS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	15%	0%	0%	3%
2	2%	1%	2%	3%	0%
3 = Neither More Nor Less Likely	51%	50%	35%	65%	47%
4	33%	20%	49%	22%	41%
5 = Much More Likely	11%	15%	14%	10%	8%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
SEEK HELP, TRAINING, OR SUPPORT FROM SUPPLIERS OR MANUFACTURERS ABOUT SOLVING INSTALLATION PROBLEMS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	6%	0%	0%	4%
2	4%	1%	8%	1%	7%
3 = Neither More Nor Less Likely	59%	50%	46%	74%	48%
4	24%	25%	30%	17%	33%
5 = Much More Likely	12%	18%	16%	8%	9%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
SEEK HELP, TRAINING, OR SUPPORT FROM SUPPLIERS OR MANUFACTURERS TO ASSIST YOUR COMPANY IN SELLING THEIR PRODUCTS OR MATERIALS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	16%	0%	0%	6%
2	2%	0%	2%	4%	0%
3 = Neither More Nor Less Likely	57%	55%	44%	67%	61%
4	28%	27%	38%	21%	25%
5 = Much More Likely	10%	2%	15%	9%	8%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3%	2%	3%	2%	2%	2%	3%	2%	3%	2%	3%
8%	24%	4%	11%	11%	12%	13%	8%	7%	10%	12%
63%	58%	77%	54%	56%	60%	58%	47%	59%	57%	55%
19%	15%	14%	20%	20%	12%	19%	32%	21%	20%	21%
7%	0%	1%	13%	11%	13%	8%	12%	10%	11%	9%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	1%	2%	8%	7%	8%	5%	8%	5%	7%	5%
13%	1%	2%	12%	8%	7%	10%	4%	14%	9%	11%
56%	50%	50%	48%	48%	48%	45%	52%	43%	46%	49%
23%	34%	38%	21%	27%	26%	29%	26%	25%	27%	24%
4%	15%	9%	11%	11%	10%	12%	9%	13%	11%	11%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	2%	2%	1%	2%	2%	0%	3%	2%	1%
3%	3%	0%	3%	1%	0%	2%	1%	5%	2%	3%
54%	56%	45%	55%	50%	53%	49%	47%	57%	52%	47%
33%	39%	49%	27%	36%	38%	30%	42%	26%	32%	40%
9%	1%	3%	14%	12%	7%	17%	9%	10%	12%	9%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	1%	1%	1%	2%	2%	0%	0%	1%	1%
2%	5%	6%	4%	5%	3%	5%	6%	2%	4%	4%
61%	70%	51%	62%	58%	62%	58%	55%	61%	62%	40%
28%	24%	37%	20%	25%	26%	21%	29%	23%	21%	42%
8%	2%	6%	12%	11%	8%	15%	9%	14%	11%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	0%	0%	3%	2%	3%	2%	1%	3%	2%	1%
3%	3%	1%	2%	1%	0%	1%	2%	5%	2%	4%
65%	64%	68%	56%	57%	58%	58%	56%	58%	59%	50%
24%	32%	27%	28%	29%	33%	23%	33%	24%	27%	32%
7%	1%	3%	11%	11%	6%	16%	8%	9%	10%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
SEEK HELP, TRAINING, OR SUPPORT FROM SUPPLIERS OR MANUFACTURERS THAT OFFER FREE HOME DESIGN OR ENGINEERING ASSISTANCE FOR THEIR PRODUCTS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	5%	25%	2%	5%	3%
2	6%	1%	9%	5%	2%
3 = Neither More Nor Less Likely	55%	36%	48%	62%	60%
4	21%	18%	22%	17%	34%
5 = Much More Likely	13%	19%	18%	11%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company to do the following:
USE A SUPPLIER/MANUFACTURER WHO INSTALLS THE PRODUCTS OR MATERIALS THEY SELL (I.E. TURNKEY SALES & INSTALLATION)

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	6%	0%	5%	3%
2	6%	4%	5%	7%	8%
3 = Neither More Nor Less Likely	45%	24%	34%	54%	58%
4	35%	40%	45%	27%	29%
5 = Much More Likely	11%	26%	16%	7%	2%
TOTAL	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?
AVERAGE SCORE

1=Much Less Likely;5=Much More Likely	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Lower prices than competitors	4.0	4.3	3.8	4.1	3.9
Automated purchasing or specification process	3.2	2.7	3.4	3.2	3.1
The best value to you and your home buyers	4.1	3.6	4.0	4.4	3.8
Rebates or loyalty programs	3.8	3.3	3.7	3.8	4.0
Home buyer referral program, or links to your site from the manufacturer's web site	3.5	3.4	3.6	3.4	3.4
Attractive home buyer packet or gifts to home buyer	3.3	3.7	3.3	3.2	3.2
Discounted, free, or rebates on materials/products for your model homes	4.0	4.1	3.9	4.0	3.8
Literature, software, displays, or other assistance for design centers, or to make home buyer selection of options quicker or enhance the likelihood of purchasing upgrades	3.6	3.7	3.9	3.4	3.4
Cooperative advertising or co-branding opportunities	3.5	2.6	3.7	3.5	3.6
Free gifts such as tools, vacations, or others	3.1	2.7	3.3	3.0	3.3
Customizable product displays, sell sheets and other literatures for your business	3.4	3.0	3.7	3.4	3.4
Online showroom to help home buyers specify products	3.2	3.3	3.4	3.0	3.2

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?
LOWER PRICES THAN COMPETITORS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	0%	0%	0%	0%
2	7%	0%	6%	9%	8%
3 = Neither More Nor Less Likely	21%	17%	30%	15%	20%
4	38%	36%	42%	31%	49%
5 = Much More Likely	34%	47%	21%	44%	24%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3%	4%	3%	6%	5%	3%	9%	2%	6%	6%	2%
6%	13%	7%	5%	5%	8%	4%	6%	7%	6%	6%
58%	60%	57%	57%	56%	60%	53%	56%	52%	56%	47%
23%	22%	28%	19%	23%	20%	24%	24%	16%	19%	33%
11%	2%	6%	13%	10%	9%	10%	12%	19%	13%	12%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
5%	0%	1%	5%	3%	5%	4%	1%	4%	3%	3%
4%	6%	11%	5%	6%	3%	4%	13%	6%	6%	9%
54%	49%	52%	45%	49%	48%	50%	48%	35%	45%	44%
27%	43%	31%	35%	31%	30%	32%	29%	47%	35%	31%
10%	2%	6%	11%	11%	15%	10%	9%	8%	10%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3.9	3.7	3.4	4.2	3.9	4.0	4.0	3.6	4.1	4.0	3.9
3.1	3.1	3.2	3.1	3.2	3.2	3.2	3.4	3.1	3.2	3.2
4.1	3.9	3.7	4.2	4.1	4.0	4.2	4.0	4.1	4.1	4.3
3.8	4.1	3.6	3.8	3.8	3.9	3.7	3.6	3.8	3.8	3.7
3.4	3.7	3.6	3.4	3.5	3.5	3.4	3.5	3.5	3.5	3.6
3.3	3.0	3.2	3.3	3.3	3.2	3.3	3.4	3.4	3.3	3.5
3.9	3.9	3.6	4.1	4.0	4.0	4.1	3.7	4.0	4.0	3.8
3.6	3.4	3.7	3.5	3.6	3.5	3.5	3.7	3.6	3.6	3.7
3.3	3.7	3.2	3.5	3.6	3.6	3.5	3.5	3.3	3.5	3.7
3.1	3.3	3.2	3.1	3.1	3.1	3.1	3.2	3.1	3.1	3.3
3.3	3.5	3.2	3.5	3.5	3.5	3.5	3.5	3.2	3.4	3.5
3.1	3.3	3.3	3.1	3.2	3.2	3.2	3.3	3.1	3.2	3.5
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
9%	15%	12%	5%	8%	8%	7%	12%	3%	8%	2%
18%	25%	44%	16%	21%	18%	15%	34%	21%	20%	27%
42%	35%	35%	38%	39%	34%	45%	35%	34%	37%	44%
31%	25%	9%	41%	32%	40%	33%	19%	41%	35%	25%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?

AUTOMATED PURCHASING OR SPECIFICATION PROCESS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	25%	0%	0%	3%
2	7%	1%	7%	11%	1%
3	66%	56%	63%	65%	81%
4	16%	18%	12%	19%	15%
5 = Much More Likely	8%	0%	18%	4%	0%
TOTAL	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?

THE BEST VALUE TO YOU AND YOUR HOME BUYERS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	15%	0%	0%	3%
2	3%	0%	7%	0%	7%
3 = Neither More Nor Less Likely	15%	25%	18%	11%	12%
4	44%	26%	45%	39%	66%
5 = Much More Likely	37%	34%	31%	50%	12%
TOTAL	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?

REBATES OR LOYALTY PROGRAMS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	20%	0%	0%	3%
2	6%	2%	10%	6%	2%
3 = Neither More Nor Less Likely	30%	19%	27%	38%	18%
4	36%	47%	43%	25%	44%
5 = Much More Likely	26%	12%	21%	31%	32%
TOTAL	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?

HOME BUYER REFERRAL PROGRAM, OR LINKS TO YOUR SITE FROM THE MANUFACTURER'S WEB SITE

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	15%	0%	0%	3%
2	3%	1%	1%	3%	7%
3 = Neither More Nor Less Likely	49%	28%	50%	58%	32%
4	37%	40%	38%	30%	57%
5 = Much More Likely	9%	16%	11%	9%	0%
TOTAL	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?

ATTRACTIVE HOME BUYER PACKET OR GIFTS TO HOME BUYER

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	6%	3%	1%	6%
2	7%	1%	15%	4%	0%
3 = Neither More Nor Less Likely	59%	31%	46%	75%	61%
4	23%	36%	29%	13%	32%
5 = Much More Likely	9%	26%	8%	6%	1%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3%	1%	2%	3%	2%	4%	2%	1%	5%	3%	2%
9%	1%	2%	10%	8%	9%	11%	2%	5%	8%	6%
68%	89%	70%	65%	64%	63%	64%	65%	71%	66%	63%
16%	8%	20%	14%	16%	15%	13%	22%	16%	15%	22%
4%	2%	5%	8%	9%	9%	9%	10%	3%	8%	7%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	2%	2%	1%	2%	2%	0%	3%	2%	1%
2%	3%	9%	1%	3%	3%	2%	6%	3%	4%	0%
16%	22%	29%	10%	16%	21%	9%	22%	10%	15%	11%
43%	53%	33%	46%	43%	39%	48%	40%	46%	43%	48%
38%	21%	27%	41%	36%	35%	40%	32%	39%	36%	40%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	3%	2%	2%	3%	1%	1%	5%	2%	3%
5%	1%	4%	6%	6%	7%	6%	7%	5%	7%	3%
28%	24%	43%	26%	31%	19%	36%	38%	26%	29%	35%
40%	36%	32%	36%	35%	31%	35%	39%	38%	35%	41%
24%	37%	17%	29%	26%	39%	23%	15%	26%	27%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	1%	2%	2%	2%	2%	2%	0%	3%	2%	2%
5%	2%	6%	2%	3%	2%	3%	5%	3%	3%	4%
49%	33%	30%	55%	50%	50%	55%	43%	48%	52%	36%
36%	51%	54%	32%	37%	34%	34%	46%	37%	35%	47%
7%	13%	7%	9%	8%	12%	7%	6%	11%	8%	12%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	1%	2%	3%	3%	4%	2%	1%	2%	2%	3%
5%	19%	18%	3%	7%	9%	7%	4%	6%	7%	6%
60%	58%	45%	67%	60%	62%	58%	59%	59%	62%	43%
22%	21%	30%	18%	24%	17%	25%	31%	20%	21%	36%
10%	2%	5%	9%	7%	9%	8%	6%	13%	8%	11%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?					
DISCOUNTED, FREE, OR REBATES ON MATERIALS/PRODUCTS FOR YOUR MODEL HOMES					
Percent					
1 = Much Less Likely	1%	1%	0%	0%	4%
2	2%	1%	1%	5%	0%
3 = Neither More Nor Less Likely	27%	15%	30%	25%	34%
4	39%	58%	45%	31%	37%
5 = Much More Likely	31%	26%	24%	39%	26%
TOTAL	100%	100%	100%	100%	100%
When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?					
LITERATURE, SOFTWARE, DISPLAYS, OR OTHER ASSISTANCE FOR DESIGN CENTERS, OR TO MAKE HOME BUYER SELECTION OF OPTIONS QUICKER OR ENHANCE THE LIKELIHOOD OF PURCHASING UPGRADES					
Percent					
1 = Much Less Likely	1%	6%	0%	0%	3%
2	3%	1%	6%	3%	0%
3 = Neither More Nor Less Likely	44%	27%	27%	59%	51%
4	39%	50%	39%	34%	44%
5 = Much More Likely	12%	16%	28%	4%	1%
TOTAL	100%	100%	100%	100%	100%
When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?					
COOPERATIVE ADVERTISING OR CO-BRANDING OPPORTUNITIES					
Percent					
1 = Much Less Likely	3%	28%	0%	0%	0%
2	10%	13%	12%	9%	7%
3 = Neither More Nor Less Likely	37%	34%	24%	47%	42%
4	33%	22%	43%	27%	35%
5 = Much More Likely	16%	3%	20%	16%	16%
TOTAL	100%	100%	100%	100%	100%
When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?					
FREE GIFTS SUCH AS TOOLS, VACATIONS, OR OTHERS					
Percent					
1 = Much Less Likely	10%	25%	9%	9%	2%
2	8%	6%	9%	9%	0%
3 = Neither More Nor Less Likely	50%	49%	34%	56%	70%
4	26%	7%	40%	21%	24%
5 = Much More Likely	6%	12%	9%	4%	3%
TOTAL	100%	100%	100%	100%	100%
When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?					
CUSTOMIZABLE PRODUCT DISPLAYS, SELL SHEETS AND OTHER LITERATURES FOR YOUR BUSINESS					
Percent					
1 = Much Less Likely	2%	15%	0%	0%	4%
2	4%	12%	6%	2%	2%
3 = Neither More Nor Less Likely	51%	33%	42%	62%	48%
4	34%	39%	32%	31%	46%
5 = Much More Likely	9%	1%	20%	5%	0%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
0%	0%	1%	1%	1%	2%	0%	1%	0%	1%	2%
4%	0%	1%	2%	3%	4%	2%	3%	1%	2%	4%
33%	36%	49%	22%	26%	29%	19%	34%	31%	27%	31%
33%	36%	36%	39%	40%	22%	48%	48%	36%	39%	39%
30%	27%	13%	37%	31%	44%	31%	14%	31%	32%	24%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	0%	1%	1%	2%	2%	0%	0%	1%	1%
2%	13%	7%	2%	3%	5%	2%	1%	5%	4%	1%
47%	47%	38%	47%	45%	43%	49%	39%	43%	45%	38%
40%	23%	34%	41%	39%	35%	38%	46%	37%	38%	46%
10%	17%	21%	9%	12%	14%	9%	13%	14%	12%	14%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3%	1%	3%	3%	2%	1%	2%	1%	6%	3%	2%
14%	5%	17%	9%	9%	10%	8%	10%	14%	11%	4%
42%	33%	39%	40%	38%	36%	42%	35%	35%	38%	33%
32%	48%	36%	32%	33%	28%	33%	42%	32%	31%	46%
9%	12%	5%	17%	17%	25%	15%	12%	13%	17%	15%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
8%	1%	4%	12%	10%	10%	14%	5%	7%	10%	5%
10%	8%	11%	6%	8%	8%	9%	6%	7%	8%	8%
54%	48%	51%	53%	47%	50%	39%	57%	58%	49%	53%
22%	42%	31%	23%	29%	26%	32%	27%	19%	27%	21%
7%	1%	2%	7%	6%	6%	6%	5%	8%	5%	12%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	2%	2%	2%	2%	2%	0%	3%	2%	1%
7%	4%	11%	3%	2%	3%	2%	1%	11%	4%	2%
55%	41%	53%	51%	52%	55%	51%	51%	47%	52%	47%
29%	54%	30%	35%	34%	25%	36%	41%	35%	33%	42%
6%	1%	3%	10%	11%	15%	10%	7%	3%	9%	8%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

When investigating new products, how likely is your company to purchase new products made by manufacturers who offer the following?

ONLINE SHOWROOM TO HELP HOME BUYERS SPECIFY PRODUCTS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	15%	1%	1%	3%
2	7%	1%	0%	15%	2%
3 = Neither More Nor Less Likely	64%	34%	67%	66%	67%
4	21%	39%	22%	14%	28%
5 = Much More Likely	6%	11%	10%	4%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?

AVERAGE SCORE

1=Much Less Likely,5=Much More Likely	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Work with subcontractors to reduce waste and inefficiencies	4.2	4.4	3.9	4.4	4.0
Look for new subcontractors for lower prices	4.0	4.1	4.0	4.0	3.8
Negotiate with existing subcontractors for better pricing	4.2	4.4	4.2	4.3	4.0
Look for new subcontractors for greater reliability	3.7	3.5	3.8	3.8	3.7
Look for new subcontractors for higher quality workmanship	3.8	4.0	3.9	3.8	3.7
Have subcontractors meet with home buyers to sell upgrades	2.9	2.7	3.1	2.8	2.9
Discuss using new products or materials with subcontractors	4.0	3.8	4.0	4.1	3.6
Rely on subcontractor's recommendations for deciding whether to use a new product or material	3.4	3.3	3.7	3.3	3.1

Since the recent housing market downturn, how likely is your company do the following?

WORK WITH SUBCONTRACTORS TO REDUCE WASTE AND INEFFICIENCIES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	0%	0%	0%	0%
2	1%	8%	0%	0%	0%
3 = Neither More Nor Less Likely	20%	11%	36%	12%	17%
4	40%	19%	34%	40%	71%
5 = Much More Likely	39%	62%	30%	49%	13%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?

LOOK FOR NEW SUBCONTRACTORS FOR LOWER PRICES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	3%	0%	6%	1%	0%
2	3%	9%	1%	1%	7%
3 = Neither More Nor Less Likely	23%	20%	10%	34%	20%
4	40%	24%	56%	24%	58%
5 = Much More Likely	32%	46%	26%	40%	15%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?

NEGOTIATE WITH EXISTING SUBCONTRACTORS FOR BETTER PRICING

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	0%	0%	0%	0%	0%
2	0%	0%	0%	1%	0%
3 = Neither More Nor Less Likely	17%	12%	22%	14%	18%
4	42%	37%	34%	42%	62%
5 = Much More Likely	41%	51%	44%	43%	20%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
3%	1%	3%	3%	2%	2%	2%	1%	3%	2%	5%
12%	0%	1%	9%	6%	9%	5%	5%	10%	7%	6%
61%	65%	65%	67%	65%	62%	67%	64%	61%	68%	37%
17%	32%	27%	17%	19%	17%	18%	24%	25%	17%	41%
6%	1%	3%	6%	8%	8%	8%	6%	0%	5%	11%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4.3	3.9	4.0	4.3	4.1	4.1	4.2	4.1	4.2	4.2	4.2
3.7	4.1	3.4	4.1	3.9	3.9	4.0	4.0	4.0	4.0	3.7
4.1	4.5	4.0	4.3	4.2	4.2	4.2	4.2	4.3	4.3	4.1
3.7	3.7	3.5	3.8	3.7	3.6	3.7	3.7	3.9	3.7	3.8
3.8	3.7	3.6	3.8	3.8	3.7	3.9	3.8	3.9	3.8	3.8
2.7	3.0	2.9	2.8	3.0	2.8	2.9	3.2	2.6	2.9	3.0
4.0	3.9	4.0	3.9	4.0	3.9	4.0	4.0	3.9	4.0	4.0
3.3	3.4	3.4	3.4	3.4	3.4	3.4	3.5	3.3	3.4	3.4
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	1%	1%	0%	1%	1%	0%	1%	0%
16%	34%	32%	16%	20%	26%	17%	19%	20%	21%	13%
43%	45%	39%	40%	42%	35%	44%	49%	35%	39%	49%
41%	21%	28%	43%	37%	39%	38%	32%	45%	39%	37%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
5%	4%	11%	1%	2%	3%	1%	1%	6%	3%	2%
4%	2%	7%	1%	3%	2%	4%	4%	1%	2%	5%
30%	8%	26%	24%	26%	32%	26%	19%	13%	22%	29%
36%	48%	42%	36%	37%	32%	33%	50%	48%	38%	47%
25%	38%	15%	38%	32%	31%	37%	26%	32%	35%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
1%	0%	1%	0%	1%	1%	1%	0%	0%	0%	2%
16%	7%	22%	16%	19%	21%	17%	20%	12%	17%	19%
53%	37%	47%	40%	39%	36%	39%	43%	48%	40%	48%
30%	56%	30%	44%	41%	42%	43%	36%	40%	43%	31%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

Since the recent housing market downturn, how likely is your company do the following?
LOOK FOR NEW SUBCONTRACTORS FOR GREATER RELIABILITY

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	2%	16%	0%	2%	0%
2	4%	0%	9%	1%	0%
3 = Neither More Nor Less Likely	39%	27%	36%	41%	47%
4	32%	34%	24%	34%	40%
5 = Much More Likely	24%	23%	31%	23%	13%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?
LOOK FOR NEW SUBCONTRACTORS FOR HIGHER QUALITY WORKMANSHIP

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	6%	1%	0%	0%
2	1%	0%	0%	2%	0%
3 = Neither More Nor Less Likely	38%	25%	33%	42%	45%
4	37%	31%	43%	32%	44%
5 = Much More Likely	23%	38%	23%	23%	11%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?
HAVE SUBCONTRACTORS MEET WITH HOME BUYERS TO SELL UPGRADES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	12%	17%	11%	17%	0%
2	13%	16%	18%	6%	18%
3 = Neither More Nor Less Likely	54%	48%	34%	63%	77%
4	15%	18%	24%	12%	5%
5 = Much More Likely	6%	2%	14%	2%	0%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?
DISCUSS USING NEW PRODUCTS OR MATERIALS WITH SUBCONTRACTORS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	15%	0%	0%	0%
2	0%	0%	1%	0%	0%
3 = Neither More Nor Less Likely	25%	14%	25%	21%	49%
4	46%	37%	47%	49%	40%
5 = Much More Likely	27%	35%	27%	30%	11%
TOTAL	100%	100%	100%	100%	100%

Since the recent housing market downturn, how likely is your company do the following?
RELY ON SUBCONTRACTOR'S RECOMMENDATIONS FOR DECIDING WHETHER TO USE A NEW PRODUCT OR MATERIAL

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
1 = Much Less Likely	1%	6%	1%	0%	0%
2	6%	2%	1%	10%	10%
3 = Neither More Nor Less Likely	57%	65%	50%	59%	67%
4	24%	14%	30%	21%	22%
5 = Much More Likely	12%	14%	19%	10%	1%
TOTAL	100%	100%	100%	100%	100%

When did your company begin using the following:
HANDHELD/POCKET PCS

Percent (unweighted)	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Before January 2006	31%	30%	27%	35%	25%
Since January 2006	10%	15%	9%	9%	11%
Plan To Use It Soon	11%	11%	15%	7%	14%
No Plans To Use It Soon	48%	45%	49%	49%	50%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
2%	0%	1%	2%	2%	2%	2%	1%	4%	2%	2%
4%	5%	15%	1%	3%	5%	2%	3%	4%	4%	3%
40%	38%	43%	39%	43%	46%	42%	40%	27%	39%	35%
31%	39%	20%	34%	31%	30%	29%	35%	34%	31%	38%
23%	19%	21%	25%	21%	17%	24%	22%	31%	24%	23%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	0%	0%	1%	1%	0%	2%	0%	0%	1%	3%
2%	0%	1%	1%	1%	0%	1%	1%	2%	1%	2%
36%	38%	45%	37%	40%	48%	34%	39%	33%	39%	32%
39%	57%	43%	34%	35%	34%	34%	40%	42%	36%	44%
22%	5%	11%	27%	23%	18%	29%	20%	23%	23%	20%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
18%	5%	19%	12%	10%	15%	10%	4%	19%	12%	13%
13%	17%	3%	16%	13%	12%	16%	12%	11%	13%	12%
54%	49%	54%	54%	52%	52%	49%	55%	60%	55%	48%
13%	28%	21%	13%	18%	14%	20%	20%	7%	15%	18%
2%	1%	2%	5%	6%	6%	5%	8%	3%	5%	8%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2%	1%	2%	1%	1%	0%	2%	0%	3%	1%	1%
0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	2%
20%	29%	19%	27%	25%	35%	20%	20%	27%	27%	18%
49%	51%	52%	45%	46%	40%	47%	54%	46%	44%	58%
28%	19%	26%	26%	27%	25%	30%	25%	24%	28%	21%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1%	0%	1%	1%	1%	0%	2%	1%	0%	1%	3%
7%	3%	8%	5%	6%	2%	4%	12%	7%	6%	4%
57%	63%	54%	58%	55%	64%	55%	43%	64%	59%	49%
27%	21%	28%	22%	25%	25%	24%	28%	18%	21%	37%
7%	13%	9%	13%	13%	9%	15%	16%	10%	13%	8%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
30%	33%	32%	31%	32%	33%	32%	37%	31%	28%	31%
9%	11%	10%	10%	10%	17%	11%	11%	11%	14%	9%
11%	19%	12%	11%	11%	12%	10%	13%	15%	10%	11%
51%	38%	46%	47%	47%	38%	47%	39%	44%	48%	48%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2008 SOFT HOUSING MARKET

	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
When did your company begin using the following:					
MOBILE DATA COMMUNICATIONS					
Percent (unweighted)					
Before January 2006	33%	32%	29%	35%	34%
Since January 2006	9%	13%	13%	6%	7%
Plan To Use It Soon	10%	9%	15%	5%	14%
No Plans To Use It Soon	49%	47%	43%	54%	45%
TOTAL	100%	100%	100%	100%	100%
When did your company begin using the following:					
ESTIMATING SOFTWARE					
Percent (unweighted)					
Before January 2006	48%	53%	37%	56%	43%
Since January 2006	9%	9%	13%	7%	7%
Plan To Use It Soon	9%	9%	6%	10%	9%
No Plans To Use It Soon	34%	30%	44%	27%	41%
TOTAL	100%	100%	100%	100%	100%
When did your company begin using the following:					
SALES/LEAD TRACKING SOFTWARE					
Percent (unweighted)					
Before January 2006	17%	11%	16%	21%	16%
Since January 2006	10%	6%	13%	10%	7%
Plan To Use It Soon	12%	21%	14%	6%	11%
No Plans To Use It Soon	61%	62%	57%	62%	66%
TOTAL	100%	100%	100%	100%	100%
When did your company begin using the following:					
PROJECT MANAGEMENT SOFTWARE					
Percent (unweighted)					
Before January 2006	32%	34%	31%	31%	34%
Since January 2006	9%	11%	10%	9%	2%
Plan To Use It Soon	12%	19%	10%	11%	9%
No Plans To Use It Soon	48%	36%	48%	50%	55%
TOTAL	100%	100%	100%	100%	100%
When did your company begin using the following:					
ONLINE SUBCONTRACTOR SCHEDULING					
Percent (unweighted)					
Before January 2006	14%	9%	15%	12%	23%
Since January 2006	8%	9%	12%	6%	7%
Plan To Use It Soon	14%	15%	16%	13%	11%
No Plans To Use It Soon	64%	68%	57%	69%	59%
TOTAL	100%	100%	100%	100%	100%
When did your company begin using the following:					
CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SOFTWARE					
Percent (unweighted)					
Before January 2006	13%	13%	14%	12%	16%
Since January 2006	8%	6%	7%	9%	7%
Plan To Use It Soon	10%	15%	9%	9%	9%
No Plans To Use It Soon	69%	66%	70%	71%	68%
TOTAL	100%	100%	100%	100%	100%
When did your company begin using the following:					
ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE					
Percent (unweighted)					
Before January 2006	7%	6%	8%	4%	14%
Since January 2006	2%	11%	1%	1%	0%
Plan To Use It Soon	9%	11%	9%	7%	11%
No Plans To Use It Soon	82%	72%	81%	88%	75%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
33%	40%	30%	37%	33%	36%	34%	35%	39%	41%	30%
8%	17%	5%	11%	9%	15%	10%	10%	12%	14%	7%
8%	18%	10%	11%	9%	12%	11%	11%	15%	7%	10%
51%	25%	54%	41%	49%	36%	45%	45%	35%	38%	52%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
49%	59%	43%	53%	48%	49%	50%	49%	49%	54%	46%
8%	2%	6%	13%	9%	15%	13%	10%	15%	15%	7%
8%	11%	11%	6%	9%	11%	8%	9%	4%	6%	9%
35%	28%	39%	28%	34%	25%	29%	31%	32%	25%	38%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
15%	41%	11%	22%	17%	21%	18%	18%	27%	31%	13%
8%	3%	8%	12%	10%	17%	13%	11%	16%	20%	6%
10%	18%	10%	15%	12%	15%	14%	14%	16%	10%	12%
67%	38%	70%	50%	62%	46%	55%	57%	41%	40%	69%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
31%	48%	31%	33%	32%	34%	34%	37%	29%	37%	30%
7%	3%	8%	10%	8%	15%	10%	8%	11%	12%	7%
12%	19%	11%	15%	12%	12%	13%	13%	17%	9%	13%
50%	31%	50%	43%	48%	39%	42%	43%	43%	42%	50%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
10%	34%	11%	17%	14%	19%	16%	17%	19%	27%	9%
7%	17%	7%	8%	8%	15%	9%	8%	7%	11%	7%
13%	12%	14%	15%	14%	17%	16%	14%	21%	10%	16%
70%	37%	67%	59%	64%	48%	59%	61%	53%	52%	69%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
11%	33%	8%	18%	13%	21%	16%	15%	20%	27%	8%
7%	17%	6%	9%	8%	15%	10%	9%	11%	11%	6%
9%	3%	10%	12%	10%	13%	12%	12%	13%	11%	9%
73%	47%	76%	60%	69%	52%	62%	64%	56%	51%	76%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	24%	3%	10%	7%	15%	10%	9%	13%	17%	3%
2%	1%	2%	2%	2%	6%	3%	4%	3%	2%	2%
7%	18%	10%	11%	9%	17%	13%	11%	12%	10%	9%
87%	57%	85%	76%	81%	61%	74%	77%	72%	70%	86%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

When did your company begin using the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
ONLINE BIDDING					
Percent (unweighted)					
Before January 2006	9%	11%	2%	13%	9%
Since January 2006	7%	11%	8%	3%	9%
Plan To Use It Soon	12%	11%	16%	10%	7%
No Plans To Use It Soon	73%	68%	73%	73%	75%
TOTAL	100%	100%	100%	100%	100%

When did your company begin using the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
ONLINE PURCHASING					
Percent (unweighted)					
Before January 2006	37%	47%	38%	33%	36%
Since January 2006	8%	11%	12%	3%	9%
Plan To Use It Soon	12%	13%	12%	10%	14%
No Plans To Use It Soon	44%	30%	38%	54%	41%
TOTAL	100%	100%	100%	100%	100%

When did your company begin using the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
ESTIMATING SOFTWARE					
Percent (unweighted)					
Before January 2006	47%	51%	40%	50%	45%
Since January 2006	8%	15%	9%	8%	0%
Plan To Use It Soon	11%	2%	10%	13%	14%
No Plans To Use It Soon	34%	32%	41%	28%	41%
TOTAL	100%	100%	100%	100%	100%

When did your company begin using the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
COMPANY WEBSITE					
Percent (unweighted)					
Before January 2006	60%	36%	70%	61%	64%
Since January 2006	9%	15%	8%	7%	7%
Plan To Use It Soon	16%	23%	16%	15%	11%
No Plans To Use It Soon	15%	26%	6%	17%	18%
TOTAL	100%	100%	100%	100%	100%

When did your company begin using the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
VENDOR RELATIONSHIP MANAGEMENT (VRM) SOFTWARE					
Percent (unweighted)					
Before January 2006	5%	11%	2%	4%	7%
Since January 2006	5%	9%	7%	2%	2%
Plan To Use It Soon	10%	11%	14%	8%	9%
No Plans To Use It Soon	80%	70%	77%	86%	82%
TOTAL	100%	100%	100%	100%	100%

When did your company begin using the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
JOB-SITE WEB CAMS					
Percent (unweighted)					
Before January 2006	7%	4%	8%	6%	9%
Since January 2006	3%	4%	3%	2%	2%
Plan To Use It Soon	14%	26%	17%	9%	9%
No Plans To Use It Soon	77%	66%	71%	84%	80%
TOTAL	100%	100%	100%	100%	100%

When did your company adopt the following:	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
QUALITY ASSURANCE PROGRAM					
Percent					
Before January 2006	55%	42%	39%	65%	66%
Since January 2006	14%	14%	28%	8%	1%
Plan To Adopt It Soon	12%	39%	15%	5%	9%
No Plans To Adopt It Soon	20%	4%	18%	22%	23%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
9%	3%	8%	11%	9%	13%	9%	13%	15%	11%	9%
6%	16%	4%	9%	6%	15%	9%	5%	11%	15%	4%
9%	26%	9%	14%	12%	18%	14%	14%	17%	16%	10%
76%	55%	78%	65%	73%	55%	68%	69%	57%	58%	78%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
37%	27%	39%	35%	38%	40%	35%	43%	33%	37%	37%
7%	17%	6%	9%	7%	14%	9%	9%	11%	12%	6%
11%	27%	12%	13%	12%	13%	12%	12%	9%	9%	13%
45%	29%	43%	43%	43%	34%	44%	36%	47%	42%	44%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
46%	67%	43%	51%	47%	46%	50%	48%	52%	53%	44%
7%	2%	5%	10%	8%	15%	10%	9%	12%	12%	7%
11%	12%	15%	8%	11%	14%	10%	12%	5%	6%	13%
35%	19%	37%	30%	34%	25%	30%	31%	31%	28%	36%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
61%	79%	57%	62%	60%	57%	64%	57%	60%	75%	55%
8%	10%	7%	11%	8%	12%	10%	9%	12%	7%	9%
16%	6%	18%	16%	17%	19%	15%	18%	19%	11%	18%
16%	6%	18%	11%	15%	12%	11%	15%	9%	6%	18%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	1%	3%	7%	5%	10%	7%	6%	9%	11%	3%
4%	9%	3%	6%	5%	11%	6%	5%	8%	12%	2%
9%	18%	10%	14%	10%	16%	11%	13%	16%	12%	9%
84%	72%	84%	73%	80%	63%	75%	76%	67%	64%	86%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4%	25%	7%	6%	7%	6%	5%	9%	9%	11%	5%
2%	1%	2%	3%	3%	7%	3%	3%	5%	7%	1%
14%	20%	14%	15%	14%	17%	17%	14%	20%	9%	16%
80%	55%	77%	75%	77%	69%	75%	74%	65%	73%	78%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
57%	58%	37%	60%	51%	50%	52%	51%	66%	55%	53%
7%	16%	15%	12%	17%	22%	15%	12%	7%	15%	9%
13%	5%	17%	9%	11%	11%	11%	13%	12%	10%	19%
22%	20%	31%	18%	21%	18%	22%	24%	14%	20%	19%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

When did your company adopt the following:
AUTOMATED DESIGN AND SPECIFICATION PROCESS FOR INDIVIDUAL HOMES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Before January 2006	23%	7%	25%	28%	16%
Since January 2006	12%	32%	10%	11%	7%
Plan To Adopt It Soon	16%	14%	35%	2%	19%
No Plans To Adopt It Soon	48%	48%	30%	59%	57%
TOTAL	100%	100%	100%	100%	100%

When did your company adopt the following:
VENDOR-MANAGED INVENTORY SYSTEMS

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Before January 2006	10%	6%	16%	10%	0%
Since January 2006	9%	19%	21%	1%	1%
Plan To Adopt It Soon	15%	10%	20%	5%	38%
No Plans To Adopt It Soon	66%	65%	43%	84%	61%
TOTAL	100%	100%	100%	100%	100%

When did your company adopt the following:
IMPROVED MONITORING SYSTEM OF COMPANY PERFORMANCE FOR SPECIFIC FUNCTIONS (E.G. SALES, CONSTRUCTION, ETC.)

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Before January 2006	41%	31%	21%	55%	54%
Since January 2006	19%	9%	35%	11%	11%
Plan To Adopt It Soon	13%	29%	20%	7%	7%
No Plans To Adopt It Soon	27%	30%	25%	26%	28%
TOTAL	100%	100%	100%	100%	100%

When did your company adopt the following:
MAJOR EFFORTS TO CUT CONSTRUCTION COSTS OR REDUCE OVERHEAD EXPENSES

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Before January 2006	48%	44%	40%	52%	55%
Since January 2006	35%	15%	52%	30%	22%
Plan To Adopt It Soon	12%	27%	7%	12%	11%
No Plans To Adopt It Soon	6%	13%	0%	6%	13%
TOTAL	100%	100%	100%	100%	100%

When did your company adopt the following:
GREEN BUILDER PROGRAM

Percent	U.S. TOTAL	NORTHEAST	MIDWEST	SOUTH	WEST
Before January 2006	14%	6%	7%	12%	44%
Since January 2006	28%	34%	40%	18%	25%
Plan To Adopt It Soon	29%	28%	33%	32%	11%
No Plans To Adopt It Soon	29%	32%	20%	38%	20%
TOTAL	100%	100%	100%	100%	100%

LOCAL BUILDERS	REGIONAL / NATIONAL BUILDERS	CUSTOM BUILDERS	PRODUCTION BUILDERS	SFD BUILDERS	STARTER BUILDERS	MOVE-UP BUILDERS	LUXURY BUILDERS	MULTIFAMILY BUILDERS	LARGE BUILDERS (25+)	SMALL BUILDERS (1-24)
22%	20%	20%	24%	24%	17%	30%	24%	21%	23%	27%
18%	2%	8%	13%	11%	16%	7%	9%	17%	13%	6%
5%	41%	26%	11%	17%	21%	13%	20%	13%	16%	16%
54%	36%	47%	52%	48%	46%	50%	47%	49%	48%	51%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
12%	6%	14%	8%	10%	10%	11%	7%	12%	11%	7%
6%	13%	8%	9%	9%	16%	4%	9%	9%	10%	2%
7%	40%	23%	9%	16%	20%	12%	17%	12%	15%	13%
76%	41%	54%	74%	65%	54%	73%	66%	67%	64%	78%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
45%	30%	25%	46%	35%	34%	39%	31%	59%	43%	31%
22%	21%	33%	14%	22%	27%	18%	22%	9%	19%	20%
12%	6%	14%	12%	15%	15%	15%	15%	9%	12%	23%
21%	43%	28%	28%	28%	24%	28%	32%	23%	27%	26%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
52%	44%	36%	52%	44%	43%	47%	41%	58%	47%	51%
26%	43%	34%	34%	38%	44%	35%	36%	25%	37%	23%
16%	9%	19%	9%	13%	8%	16%	15%	8%	11%	19%
6%	4%	12%	5%	5%	5%	2%	8%	10%	6%	7%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
15%	16%	18%	12%	13%	12%	11%	18%	19%	13%	20%
27%	30%	30%	24%	27%	27%	23%	32%	31%	29%	20%
33%	25%	33%	29%	30%	26%	29%	35%	27%	29%	33%
25%	29%	19%	34%	31%	35%	38%	15%	23%	29%	27%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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