

ChicagoBuilder

The Newsletter of the Home Builders Association of Greater Chicago



March 2018

Americans More Open to Tiny Homes

Americans are increasingly open to the idea of living in a tiny home or owning a driverless car, according to results of polling conducted for NAHB in late 2017 by the polling firm Morning Consult.

NAHB asked adults if they would consider buying a [tiny home](#) (less than 600 square feet). A majority (53%) said 'yes' or 'maybe' to the idea.

Looking at the future of [driverless cars](#), questions remain about consumer demand for such cars and how they might affect housing and land use decisions.

Polling found that 59% of adults would at least consider the possibility of buying one of these cars if a safe and reliable model is made available.

NAHB Asks OSHA to Expand Compliance Assistance

NAHB has called on OSHA to expand its compliance assistance to help home builders and other small business owners improve the safety of their operations. J. Gary Hill, a home builder from Greensboro, N.C., and 2018 chairman of NAHB's Construction Safety and Health Committee, made the appeal during a recent House subcommittee hearing on "a more [effective and collaborative OSHA](#)."

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IRS: Home Equity Loans Can Be Tax Deductible

In a victory for NAHB remodelers and their customers, the IRS on Feb. 21 clarified that households that take out a home equity loan or line of credit may [take a tax deduction](#) when these loans are used for home improvements. NAHB has been pushing hard for this outcome since December, when the Tax Cuts and Jobs Act of 2017 was signed into law.

"This is a major victory for remodelers and for home owners who want to enhance and invest in their homes," said NAHB Chairman Randy Noel.

NAHB will continue to work with Congress and the administration as they hammer out the details of the new tax law.

Video Highlights from NAHB Board Meeting

If you missed the NAHB Board of Directors Meeting or the Meeting of the Members, you can still see [video highlights](#) from Builders' Show meetings that took place in Orlando in January.

The site also includes videos from key committee and council meetings.

Please start making plans to attend the [Builders' Show](#) in Las Vegas in 2019.

Find Housing Data by Congressional District

NAHB has teamed up with the survey firm Morning Consult to deliver a website that offers a wide range of housing and polling data specific to congressional districts and major metropolitan areas.

The new **"Housing Portal"** enables builders, developers and their advocates to demonstrate to policymakers the importance of the housing industry.

The user can click on any state on the U.S. map to see a range of housing data specific to that state. The user can then drill down to see housing economics and survey data for congressional districts in that state.

The site also features a "generate report" function that allows the user to produce a report showcasing data from any state or congressional district of

Webinar Explains New Tax Law

To help all NAHB members understand how the recent tax reform law that took effect Jan. 1 could affect their businesses, NAHB recently conducted a members-only webinar, "Tax Reform and Your Bottom Line."

Slides from the webinar are now available at nahb.org/taxreform (NAHB website log-in required).

A replay of the webinar will be posted on the same web page by mid-March.

NAHB Advocacy Delivers Value for Members

Delivering value to members is what NAHB is all about. NAHB economists have crunched the numbers and found that the Association's advocacy victories in 2017,

along with other member benefits, will deliver a value of roughly \$7,500 per housing start in 2018. Visit the valueofnahb website for more information.

FEATURED MEMBERS

Kathryn Kelly
dawsonbuilders.com



Mistura Design, Inc
Melinda Cabanilla
misturainteriordesogn.com

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* Traditions of Olympia Fields

Traditions Drive, Olympia Fields, IL
15 Finished Lots, 12 Finished TH Lots, 10
Finished Duplex Lots and 16 Partial Duplex Lots
Sold in Bulk
Previously Valued Well Above: \$2,750,000
Suggested Opening Bid: \$500,000

* Fairwinds of Sandwich

Fairwind Blvd & North Wind Drive,
Sandwich, IL
76 Improved Home Sites &
23 Acres Sold in Bulk
Previously Valued Well Above: \$3,500,000
Suggested Opening Bid: \$650,000

* Bull Valley Greens

McDonnell Rd & Harrow Gates Drive,
Woodstock, IL
22 Finished TH Sites Sold in Bulk
Previously Valued Well Above: \$1,100,000
Suggested Opening Bid: \$200,000

* Prairie Farms

Fieldstone Drive, Wilmington, IL
43 Improved Home Sites Sold in Bulk
Previously Valued Well Above: \$2,250,000
Suggested Opening Bid: \$450,000

** Copper Leaf

Copper Leaf Drive, Channahon, IL
32 Homesites Sold in Bulk
Previously Valued Well Above: \$2,750,000
Suggested Opening Bid: \$600,000

* Regents Pointe

Route 30 & Ridgeland Avenue, Matteson, IL
40 Finished TH Lots Sold in Bulk
Previously Valued Well Above: \$1,200,000
Suggested Opening Bid: \$200,000

* Highland Terrace

Regency Court & N Old Rand Road,
Wauconda, IL
51 Finished TH Lots Sold in Bulk
Previously Valued Well Above: \$3,000,000
Suggested Opening Bid: \$650,000

* Cedar Creek-The Reserve

Millsdale & Bridge Road, Joliet, IL
21 Homesites Sold in Bulk
Previously Valued: \$1,000,000
Suggested Opening Bid: \$200,000

* Cedar Creek- The Estates

Millsdale & Bridge Road, Joliet, IL
26 Improved Homesites Sold in Bulk
Previously Valued: \$1,300,000
Suggested Opening Bid: \$250,000

* Cedar Creek- The Villas

Bridge Road & Millsdale, Joliet, IL
46 Finished TH Lots Sold in Bulk
Previously Valued: \$1,400,000
Suggested Opening Bid: \$300,000

* Shepherds Point, Liberty Lane, Zion, IL

189 Partial Lots & 10 Partially Completed TH
Sold in Bulk
Previously Valued: \$3,000,000
Suggested Opening Bid: \$400,000
On-site Inspections:
Noon to 2pm April 25 & May 10

* Cypress Park, Grace Avenue, Zion, IL

18 Improved homesites sold in bulk
Previously Valued Well Above: \$900,000
Suggested Opening Bid: \$175,000

*** 120 Improved Acres in LaPorte, IN

N.W. Intersection of U.S. 80/90 Exit for IN-39
Zoned for residential and commercial
Previously Valued: \$3,500,000
Suggested Opening Bid: \$500,000

651 Lakehurst Rd Waukegan, IL

Between Lake Forest and Gurnee
18,972 sq. ft High Ceiling Commercial Building
Currently operated as a well – known
banquet facility with large parking lot in the
Fountain Square area with positive cash flow
Previously Valued Over \$4,000,000
Suggested Opening Bid: \$1,000,000
On-site Inspections:
Noon to 2pm April 24 & May 9

AUCTION DEADLINE

MAY 16, 2018

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ReVisionsWindow.com

**Searls Windows
and Doors, Inc.**
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Chicago, IL
815-436-3196
SearlsWindows.com

**Woodland
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Tax Credit Extensions Included in Budget Accord

Congress retroactively extended a number of expired energy and home owner tax provisions as part of the Bipartisan Budget Act of 2018. [The following tax credits](#) were reinstated on a retroactive basis for 2017 only:

Mortgage insurance premiums: Subject to income phase outs, consumers who file their taxes can deduct premiums paid for private mortgage insurance in 2017.

Mortgage forgiveness tax relief: The budget accord eliminates any taxes home owners might face due to renegotiating the terms of a home loan, which result in forgiving or canceling a portion of the outstanding mortgage, particularly in connection with a short sale. This pertains to debt discharged in

2017, but not in 2018.

Section 45L Credit for Energy-efficient New Homes: Provides a \$2,000 tax credit for the construction of homes exceeding heating and cooling energy standards by 50%. The base energy code is the 2006 International Energy Conservation Code plus supplements. Builders must have a tax basis in the home to claim the credit.

Other tax credits included in the final bill are the Section 179D Energy Efficient Commercial Buildings Deduction and the Section 25C Tax Credit for Qualified Energy Efficiency Improvements.

The Trump Administration noted that these extensions do not indicate that comparable extensions will occur in the future.

Disaster Recovery Funds Allocated

The Department of Housing and Urban Development has released its policies regarding how it will allocate \$7.39 billion in Community Development Block Grant disaster recovery (CDBG-DR) funds provided by the 2017 Supplemental Appropriations for [Disaster Relief](#).

The policies apply specifically to CDBG-DR funds used for disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization.

Importantly, CDBG-DR supplements other federal programs to address unmet recovery needs.

HUD allocated \$5 billion for Texas, \$616 million for Florida, \$1.5 billion for Puerto Rico and \$243 million for the U.S. Virgin Islands.

Lumber Exports Are on the Rise

Even as punitive duties averaging more than 20% were imposed on Canadian softwood lumber imports in 2017, domestic producers were shipping record amounts of lumber overseas.

[U.S. exports overseas](#) climbed 9% in 2017, compared to a modest 1% increase in 2016 and a sharp 16% drop in 2015. Exports to China, the largest U.S. offshore customer, were up 21% from 2016. Producers of southern yellow pine exported 41% more to China in 2017 than they did in 2016.

At the same time that domestic lumber producers claimed they were being harmed by Canadian imports, they were sending record amounts of softwood lumber overseas because they could charge a higher premium to foreign nations.

Decades Later, Buyers Still Want More Storage

Despite eight decades and a multi-generation divide, prospective home buyers in 1938 [expressed preferences](#) for many of the same features and amenities favored by today's home buyers.

Published by Simon and Schuster, Inc., [The 1938 Book of Small Houses](#) includes the results of an extensive consumer poll distributed to 250,000 public utility customers in New York state.

With more than 11,000 responses, the survey provided a clear vision of local attitudes and expectations. The authors, the editorial staff of *The Architectural Forum* magazine, considered the findings of national significance.

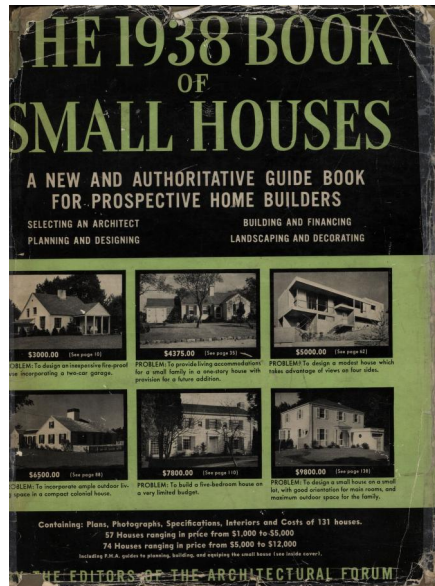
The majority of the customers surveyed were renters (58%) and 67% of them said they would expect to pay between \$5,000 and \$10,000 if purchasing a home.

Based on the survey results, the authors also defined a composite "Five Star House." It included a full basement complete with a recreation room, laundry, fruit and vegetable storage (pantry) and an "automatic heating plant with provision for circulation of air" (aka, a furnace). A dumbwaiter was also high on the list.

Much like today, buyers said essential features on the main floor included plenty of electrical outlets, a separate dining room, a dining nook in the kitchen, a bedroom or den, a lavatory, kitchen cabinets, a kitchen ventilating fan and an entrance vestibule. Optional features included a laundry chute, a porch and an attached garage.

On the second floor, the respondents wanted three bedrooms, two bathrooms and plenty of closet space. Options included a sleeping porch and additional storage space.

And much like [today's home buyers](#), the majority — 61% — preferred a suburban location. Another 34% wanted to be further out, and only 4.5% wanted a close-in location.



Ideas for Builders from 'The Architectural Forum.'

CALENDAR OF EVENTS

[Building Blocks for Success: Avoiding Legal Pitfalls in Construction](#)

Wednesday Mar 21, 2018

[REGIONAL BOARD MEETING](#)

Wednesday Mar 28, 2018

[Marketing and Communicating with the Aging in Place Client \(CAPS I\)](#)

Wednesday Mar 28, 2018

[Design Concepts for Livable Homes and Aging in Place \(CAPS II\)](#)

Thursday Mar 29, 2018

[SMC](#)

Tuesday Apr 11, 2018

[THERMADOR PRESENTS THE PRESERVATION OF A WINE LEGACY](#)

Friday Apr 13, 2018

[MEET THE DEVELOPER](#)

Thursday Apr 19, 2018

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