



**Zelman & Associates November 2008 Homebuilding Survey**

Questions marked with an asterisk (\*) are mandatory.

- 1** \* Please enter your name and company name.

- 2** For EACH market that you operate in, please indicate how the overall market environment in November compared to October. Please try to ignore seasonality in your response. For example, if November was slightly worse than October from a volume standpoint, but the decline was seasonal, you should indicate that the market was the same. For those contacts in a market not listed, please respond under the "Other" bucket at the bottom, and indicate in question #1 your market of operation.

	1 Better	2 Same	3 Worse
Albuquerque	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Atlanta	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Austin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bakersfield	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Baltimore	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bay Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Boston	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Charleston	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Charlotte	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Chicago	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cincinnati	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Cleveland

1

2

3

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Columbia

1

2

3

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Columbus

1

2

3

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Dallas-Fort Worth

1

2

3

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Denver

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3

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Detroit

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3

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Fort Myers

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3

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Fresno

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Greenville

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Houston

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3

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Indianapolis

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Jacksonville

1

2

3

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Kansas City

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3

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Las Vegas

1

2

3

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Los Angeles

1

2

3

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Melbourne

1

2

3

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Merced-Modesto-Stockton-Stainslaus

1

2

3

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Metro New Jersey

1

2

3

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Miami-West Palm

1

2

3

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Milwaukee

1

2

3

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Minneapolis

	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Naples	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Orlando	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Philadelphia	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Phoenix	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Raleigh-Durham	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Riverside-San Bernardino	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Sacramento	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Salt Lake City	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
San Antonio	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
San Diego	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Sarasota	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Seattle	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
St Louis	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Tampa	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Tucson	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Washington DC	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Other	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>

**3** Please rate the following price points/products based on overall demand trends in your market (1 = weak, 10 = strong)

1    2    3    4    5    6    7    8    9    10

Entry Level

## First-time Move-up

1  2  3  4  5  6  7  8  9  10

## Second-time Move-up

1  2  3  4  5  6  7  8  9  10

## Active Adult/Retirement

1  2  3  4  5  6  7  8  9  10

## Vacation/Second Home

1  2  3  4  5  6  7  8  9  10

- 4** If applicable, please discuss any bulk land or loan packages that are being offered in your market(s)? Specifically, who is marketing the package? How large is the package? Is the package properly priced? If you were to bid on the package, what would you offer relative to the loan amount or purchase price of the land? Any additional color is also extremely helpful.

- 5** Have the public builders become more aggressive with discounts/promotions ahead of year-end?

YES  NO

Please provide specific examples of promotions/incentives being offered in your market(s).

- 6** What quarter do you expect home prices to bottom?

- They already have  
 4Q08  
 1Q09  
 2Q09  
 3Q09  
 4Q09  
 2010 or Later  
 Other, please specify

- 7** What quarter do you expect units/volume to bottom?

- They already have  
 4Q08

- 1Q09
  - 2Q09
  - 3Q09
  - 4Q09
  - 2010 or Later
  - Other, please specify
- 

**8** Please discuss why you believe the market is, or is not, at a bottom in both pricing and volume.

**9** Please indicate the total number of net orders (gross orders minus cancellations for the month, not year-to-date) you booked in:

November 2008:

November 2007:

**10** Please indicate your active selling community count in:

November 2008:

November 2007:

**11** What percentage of new orders in November 2008 were on standing or partially completed inventory?

**12** Please indicate the number of homes you started in:

November 2008:

November 2007:

**13** In the MSA that you compete (please specify in space provided), please indicate the annual number of housing starts (by all builders) at:

Market (please specify):

At the peak:

2008:

2009 (projected):

Est. "Normalized" Rate:

**14** Please indicate your cancellation rate in November 2008 as a percentage of:

Gross orders:

Beginning period backlog:


**15** Was your cancellation rate in November 2008:

- Improved versus October
- The same as October
- Worse than October

**16** Net of incentives, are home prices on new orders in November 2008:

- Up versus October
- Flat with October
- Down versus October

**17** Are you pricing your product to compete directly with foreclosures?

If not, please indicate why.

**18** Are gross margins on incoming orders:

- Up in November versus October
- Flat in November versus October
- Down in November versus October

**19** As compared to three months' ago, please indicate the change in prices of these materials/COGS:

	1 Up	2 Flat	3 Down
Labor	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Lumber	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>
Concrete	<input type="button" value="1"/>	<input type="button" value="2"/>	<input type="button" value="3"/>

Faucets

 1 2 3

Drywall

 1 2 3

Insulation

 1 2 3

Windows

 1 2 3

Cabinets

 1 2 3

Roofing

 1 2 3

Paint

 1 2 3

Flooring

 1 2 3

**20** Please indicate the status of the new home inventory situation in your market(s) relative to last month:

- Better than October
- Same as October
- Worse than October

**21** Based on your current selling prices, what was the last time prices were at that level for your price point? For example, if you are selling a home for \$250,000 in Phoenix, when was the last time a comparable home sold for that price?

- Pre-2000
- 2000
- 2001
- 2002
- 2003
- 2004
- 2005
- 2006
- 2007
- At Peak Values

**22** Please indicate the percentage of total closings that used FHA Financing in:

November 2008:

November 2007:

- 23** Do you believe that builders could option finished lots (in a significant quantity) at soft terms, including no cash takedowns until the home is sold and closed?

Please elaborate and provide specific examples if possible.

- 24** Have you had banks take back any of your properties on non-performing loans that you had previously been in workout on?

- Yes  
 No

- 25** Are you able to obtain commitments for financing on new projects from the banks?

- Yes  
 No  
 I'm not attempting/interested in new projects

- 26** If you answered "no" to the question above, have you been successful in finding alternative funding sources?

Please elaborate

- 27** Have you converted any "for-sale" housing inventory to rental units?

If so, please mention the specific market(s) and any other applicable information.

- 28** Do you personally believe the homebuilder stocks are attractive investments today? If so, which company do you think is the most attractive investment?



YES NO

**29** Please rate your markets of operations according to the below metrics.

1      2      3      4      5      6      7      8      9      10  
 Excellent      Average      Terrible

Albuquerque

1 2 3 4 5 6 7 8 9 10

Atlanta

1 2 3 4 5 6 7 8 9 10

Austin

1 2 3 4 5 6 7 8 9 10

Bakersfield

1 2 3 4 5 6 7 8 9 10

Baltimore

1 2 3 4 5 6 7 8 9 10

Bay Area

1 2 3 4 5 6 7 8 9 10

Boston

1 2 3 4 5 6 7 8 9 10

Charleston

1 2 3 4 5 6 7 8 9 10

Charlotte

1 2 3 4 5 6 7 8 9 10

Chicago

1 2 3 4 5 6 7 8 9 10

Cincinnati

1 2 3 4 5 6 7 8 9 10

Cleveland

1 2 3 4 5 6 7 8 9 10

Columbia

1 2 3 4 5 6 7 8 9 10

Columbus

1 2 3 4 5 6 7 8 9 10

Dallas-Fort Worth

1 2 3 4 5 6 7 8 9 10

Denver

1 2 3 4 5 6 7 8 9 10

Detroit

1 2 3 4 5 6 7 8 9 10

Fort Myers

1  2  3  4  5  6  7  8  9  10

Fresno

1  2  3  4  5  6  7  8  9  10

Greenville

1  2  3  4  5  6  7  8  9  10

Houston

1  2  3  4  5  6  7  8  9  10

Indianapolis

1  2  3  4  5  6  7  8  9  10

Jacksonville

1  2  3  4  5  6  7  8  9  10

Las Vegas

1  2  3  4  5  6  7  8  9  10

Los Angeles

1  2  3  4  5  6  7  8  9  10

Melbourne

1  2  3  4  5  6  7  8  9  10

Merced-Modesto-Stockton-Stainslaus

1  2  3  4  5  6  7  8  9  10

Metro New Jersey

1  2  3  4  5  6  7  8  9  10

Miami-West Palm

1  2  3  4  5  6  7  8  9  10

Milwaukee

1  2  3  4  5  6  7  8  9  10

Minneapolis

1  2  3  4  5  6  7  8  9  10

Naples

1  2  3  4  5  6  7  8  9  10

Orlando

1  2  3  4  5  6  7  8  9  10

Philadelphia

1  2  3  4  5  6  7  8  9  10

Phoenix

1  2  3  4  5  6  7  8  9  10

Raleigh-Durham

1  2  3  4  5  6  7  8  9  10

Riverside-San Bernardino

1  2  3  4  5  6  7  8  9  10

Sacramento

1  2  3  4  5  6  7  8  9  10

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Salt Lake City

1  2  3  4  5  6  7  8  9  10

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San Antonio

1  2  3  4  5  6  7  8  9  10

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San Diego

1  2  3  4  5  6  7  8  9  10

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Sarasota

1  2  3  4  5  6  7  8  9  10

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Seattle

1  2  3  4  5  6  7  8  9  10

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St Louis

1  2  3  4  5  6  7  8  9  10

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Tampa

1  2  3  4  5  6  7  8  9  10

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Tucson

1  2  3  4  5  6  7  8  9  10

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Washington DC

1  2  3  4  5  6  7  8  9  10

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- 30** Please elaborate on your market ratings and discuss any pressing issues of relevance that we may not have addressed in the survey. In particular, please comment on what trends you are seeing in cancellations in your respective market(s).

 SUBMIT