

# ATLANTA

## BUILDING NEWS



# Remodeling Renaissance

## Builders Adapt their Companies for Remodeling

\*\*\*\*\*910\*\*SCH 3-DIGIT 303  
Jim LaVallee  
Epic Development LLC  
PO Box 880088  
Atlanta GA 30388-8888 USA

1/6  
000763

Presorted Std.  
U.S. Postage  
PAID  
FARGO, ND  
PERMIT 43

Welcome to the 2011 Georgia Energy Code  
Help Homeless Moms and Babies through HomeAid's  
Essentials for Young Lives Drive  
Is the "New Normal" Going to End Up Being the "Old Normal?"

DETAIL C.



FEATURES

## 6 Remodeling Renaissance

The first in a two-part series focusing on changes some GAHBA member businesses have made to make the most of a trend toward consumers staying put and improving, over moving and starting over.

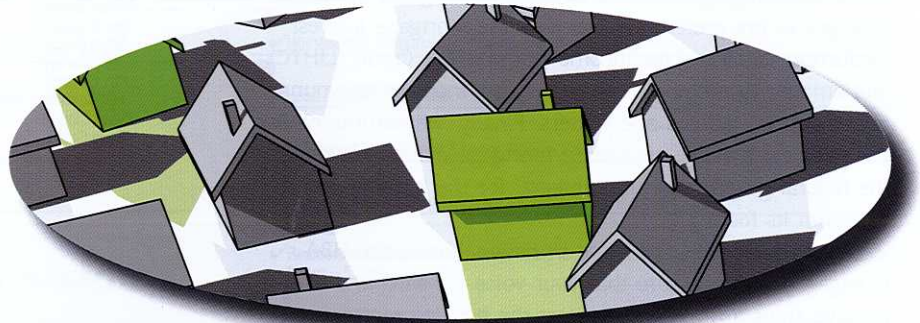
- 11 THE HOUSING INSTITUTE**  
Hundreds Visited the CPHB Booth at the Spring Atlanta Home Show
- 12 LEGAL CORNER**  
Enforceable Liquidated Damages Provisions
- 13 EARTHCRAFT**  
The SHINE Program Moves Forward

- 14 HOMEAID ATLANTA**  
Help Homeless Moms and Babies through HomeAid's Essentials for Young Lives® Drive
- 15 EDUCATION**  
Adapting Your Building Company for Remodeling
- 15 BOOKSTORE**  
The Paper Trail: Systems and Forms for a Well-Run Remodeling Company

- 16 ATLANTA 50+ HOUSING COUNCIL**  
Avoiding the Herd Mentality
- 18 GREEN BUILDING COUNCIL**  
Not Just for Green Building Anymore! Welcome to the 2011 Georgia Energy Code
- 20 SALES AND MARKETING COUNCIL**  
Is the "New Normal" Going to End Up Being the "Old Normal"?

DEPARTMENTS

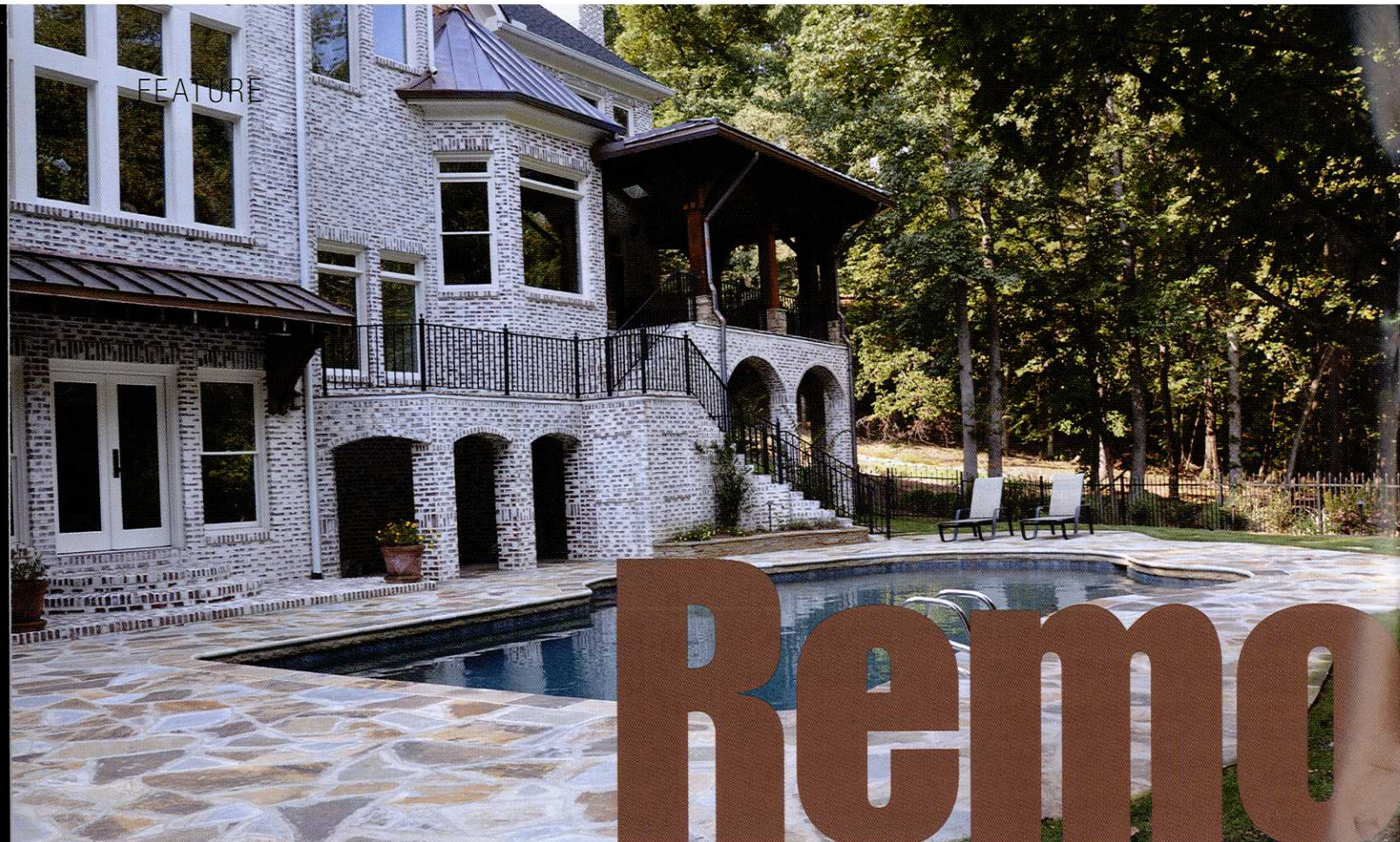
- EVERY ISSUE** **4 Letter from the President**  
*By Mike Smith*
- 5 Education and Events Calendar**
- 22 Index to Advertisers**



Dues payments to the Greater Atlanta Home Builders Association (HBA) are not deductible as a charitable contribution for federal income tax purposes. However, dues may be deductible as an ordinary and necessary business expense, subject to exclusions for lobbying activity. Contributions to a political action committee are not tax deductible. Because a portion of your dues for 2011 is used for lobbying by the National Association of Home Builders (\$24) and the Home Builders Association of Georgia (\$64), these amounts are not deductible for income tax purposes. You are advised to consult a professional tax advisor regarding the deduction of your dues payments to the HBA.

Greater  
**Atlanta Home Builders Association**

P.O. Box 450749  
Atlanta, GA 31145  
(770) 938-9900  
(770) 934-8363 FAX  
[www.atlantahomebuilders.com](http://www.atlantahomebuilders.com)



To create an "outdoor room" off the rear of this home, located in a cluster development inside I-285, the back yard was leveled, and hardscape and a lawn and garden space were added. An unobtrusive, comprehensive drainage system and water recapture system was designed to collect water from every roof surface and hardscape. Stone work and mortar were installed to match the existing stone, exterior lighting was enhanced, and electrical supply installed for accent and holiday lighting. Foundation waterproofing was enhanced and the gas meter and condensing units were relocated away from the entertaining areas for noise control and aesthetics. A patio gas grill was installed and sprinkler systems were added. Photo courtesy of Epic Development.



# Remodeling Renaissance

By Elsbeth W. Russell

Everywhere you look you can see the changes that have resulted from the economic downturn. While it's hard to look past the negatives, once you do, you don't have to look far to find people who have learned to do less with more.

This is true in the homebuilding industry as well, with builders seeing increases in their remodeling business, at the same time the demand for new construction has waned.

"Before the downturn, Colonnade's business was 80 percent new

construction and 20 percent renovation," says Rob Myers, the owner and president of Colonnade Custom Builders. "The economy has required us to be flexible with our business planning, and now the percentages have flipped. Only 20 percent of our business has been new construction and 80 percent renovation."

While builders may have started to see this change after the downturn in the economy, it seems to be a trend that is continuing despite—or possibly even because of—the signs of hope

economists are pointing to in the economy at large.

The latest National Association of Home Builders' (NAHB) Remodeling Market Index (RMI), out in January, showed an increase to 41.5 in the fourth quarter of 2010, compared to 40.8 in the third quarter. Current conditions indices for remodeling improved here in the south to 45.8 (from 42.3).

"Remodeling activity has been rising slowly since the first quarter of 2010. Expected improvements in the job



To create sound attenuation, expansion of the existing patio, and a useable outdoor space that was visually appealing from the interior of the home, the outdoor living area was renovated to include an expanded patio, with fireplace and outdoor kitchen. A waterfall was also added to mute the sound of a busy nearby road. Photo courtesy of Epic Development.

*Editor's Note: This is the first of a two-part series focusing on remodeling and changes some GAHBA member businesses have made to make the most of a trend toward staying put and improving, over moving and starting over. The second part of the story will appear in the Fall issue of Atlanta Building News.*

market and the overall economy are beginning to increase homeowners' confidence and remodelers are seeing indications that business will pick up," said NAHB Chief Economist David Crowe.

Myers says that here in Atlanta that shift has been increased by the trend in residents moving closer inside the city rather than in the surrounding communities and suburbs. They want the centralized location, but the existing real estate may leave something to

be desired, leading them to remodel existing homes.

At the same time, other Atlanta residents like their locations, but may see areas in which they'd like improvements to their homes. Rather than putting their home on the market and starting from scratch, they're choosing to remodel.

#### LOOKING FOR VALUE

This shift in consumer thinking is what led Cooper Remodeling, LLC

to change the focus of their business to focus entirely on remodeling, says Cooper Remodeling Vice President Thomas Cooper.

"Requests for remodeling have been up," Cooper says. "I believe people have been staying put and doing more with what they have."

And what are these consumers looking for in a remodel?

"Value, value, value," says Myers. "Our customers are willing to spend, but we have to show them where the value is. Customers are more conservative now than they had been during the bubble. Customers want sizes that fit their needs, not just bigger for the sake of being big. We have seen a dramatically increased interest in energy efficient design. It's not that they want to not spend money. It's that they want to get the most out of every dollar."

Jim LaVallee with EpiCity and Epic Development agrees, explaining that the past couple of years have made it necessary for his company to almost completely reinvent their business model. Epic Development is full service residential and light commercial contractor that offers design/build services. The company builds new homes and renovates older homes, but in the past two years a significant portion of its business has been total renovations of existing homes.

"The past two years have taught us there are still buyers and remodeling clients in the marketplace, but they are extremely focused on price and quality," LaVallee says. "We have had to examine all of our supplier and sub-contractor relationships to ensure we can sell our product at a competitive price."

#### HEADING OUTSIDE

One of the areas where remodelers are seeing interest from consumers is outside the home. Whether they are updating the façade of an older home, or just making their backyard a place they'd like to spend more time, outdoor spaces are no longer areas that are overlooked by consumers.

While Cooper, at Cooper Remodeling, says that the top trends



Requests to update the red brick facades on older homes by painting the brick is a popular choice among homeowners looking to add value to their homes. Photo courtesy of Colonnade Custom Builders.

he sees in the remodeling business these days are upgrading styles and appliances and making homes more energy efficient, he says "we also have more requests for outdoor living spaces with fireplaces and roofs over decks to make these areas more useful and comfortable."

LaVallee agrees, saying, "We try to design projects that are an extension,

and even part of, the interior living space. This is achieved by the proper and adequate placement of windows and French doors, and the placement of exterior features such as a fireplace, waterfall and landscaping focal points."

He stresses the importance of designing these projects so that they aren't just improving look of the

outside of the home. "It is a waste when we see beautiful hardscape/landscape projects that can't be enjoyed from both the interior and exterior of the home."

In addition to add-ons like fireplaces and improvements like deck coverings and landscaping, Myers, whose work with Colonnade Homes is primarily focused in Buckhead, Vinings, Sandy Springs and Brookhaven, says he receives many requests to update the commonly-seen red brick facades on older homes in the area. Painting that brick to change the look of the home is a popular choice, he says.

For these older homes, LaVallee, who works with Epic Development, a charter member of the Green Building Council and a member of GAHBA's Remodelers Council and EarthCraft Council, also recommends keeping projects green by reusing as much of the existing structure as possible.

"So many times we see homes razed that could be incorporated into an essentially new home that is architecturally appealing and consistent



**CALL 811**  
BEFORE YOU  
**DIG**

#### FREE Damage Prevention Resources

Keep your Employees and Customers Informed

- Employee Training
- Speakers for Events
- Logos & Artwork
- Bumper Stickers & Decals
- Informational Brochures
- Digger Dog Mascot visits for your events
- Camera Ready Ads
- Article Resources
- Color Code Cards
- Bill Stuffers
- TV & Radio PSA's ...and more!

available online at

[www.Georgia811.com](http://www.Georgia811.com)

or by contacting Meghan Chestnutt at [mchestnutt@georgia811.com](mailto:mchestnutt@georgia811.com) or 770-476-6048.



**Safe Digging Is No Accident:  
Always Call 811 Before You Dig**

In Georgia, it is the Law



Know what's below.  
Call before you dig.



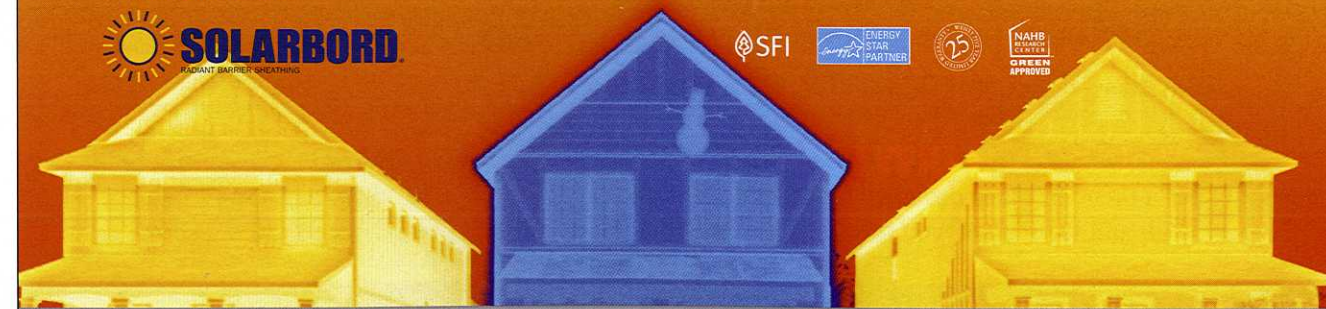
## BUILD THE COOLEST HOUSES WITH SOLARBORD RADIANT BARRIER SHEATHING

#### Send radiant heat back where it came from

As temperatures and cooling costs soar, the new frontier in house construction is increasing energy efficiency. Solarbord uses heat-reflecting foil laminated to OSB to stop 97% of the sun's radiant energy. That can mean attics are up to 30°F cooler, which translates into cooler houses, lower energy costs and happier homeowners.

#### Make it the crowning achievement of every build

Solarbord, SFI CoC certified, installs like any roof sheathing and gives builders an extra edge in these energy-conscious times. And because it's made in the USA and backed by a 25-year warranty, you'll have total confidence in its quality and durability.



Build energy efficiency into every house – watch the video at [SolarbordOSB.com](http://SolarbordOSB.com) to find out how.





*Outdoor fireplaces are a top trend in remodeling and create a cozy focal point for outdoor rooms. Photo courtesy of Cooper Remodeling.*



*Solid cedar beams and a real masonry fireplace lend the feel of a mountain retreat to this suburban pool house. Photo courtesy of Cooper Remodeling.*

in scale to existing homes in the neighborhood," he says. "Incorporating the existing structure into a new plan is not as easy as just demolishing the old structure, but it can be financially and emotionally rewarding. We receive many compliments from neighbors that stop by our job sites to thank us for getting rid of the neighborhood eyesore,

and at the same time not building a 'McMansion.'"

For members interested in remodeling, the Greater Atlanta Home Builders Association has a very active Remodelers Council. The Remodelers Council holds informative classes and programs for remodelers throughout the year. Also, Remodeler

Council members are featured in Remodel Atlanta magazine. For information on the HBA's Remodelers Council go to the HBA's website at [www.AtlantaHomeBuilders.com/councils/Remodelers.cfm](http://www.AtlantaHomeBuilders.com/councils/Remodelers.cfm) or you can contact Janel Grant at [jgrant@atlantahomebuilders.com](mailto:jgrant@atlantahomebuilders.com) or (678) 775-1446. 🏠

*In our next issue Atlanta Building News will take a look at how builders can keep their costs down while working on remodeling projects. We'll also focus on the new trends in kitchen and bath remodeling.*

## You Specialize in Building and Selling...

### Let Us Handle Your Warranty Service Work

By putting your warranty responsibilities in our hands, you:

- **Reduce** or eliminate warranty department expenses, like payroll, workers' comp, vehicle and equipment-related costs, etc.
- **Eliminate** warranty cost uncertainty with one premium paid at closing
- **Transfer** your workmanship, materials and structural risks to BBWG
- **Provide** your buyers with peace-of-mind protection, adding value to your homes

BBWG has a menu of plans designed to fit your business. Give us a call and we'll show you how we can help.

[www.BondedBuilders.com](http://www.BondedBuilders.com)



*Protecting the American Dream for Over 20 Years*

For information on Contractors General Liability and Builders Risk Insurance offered by our affiliated agency, contact:

**David Broyles**  
**877-219-9519, ext.4368**  
[dbroyles@bondedbuilders.com](mailto:dbroyles@bondedbuilders.com)

**Brent R. Morgan ■ 678-794-9244 ■ [bmorgan@bondedbuilders.com](mailto:bmorgan@bondedbuilders.com)**