



Greater Houston Builders Association
Annual Report 2015



Building a **GREATER** Houston

www.ghba.org



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FROM THE CEO



CASEY MORGAN, CEO
Greater Houston Builders Association

2015 Brings Growth to GHBA

Thanks to the support, participation and sponsorship of our great members, the GHBA's membership and bottom line increased in 2015. Our councils, committees and divisions saw record attendance at meetings and events.

GHBA's educational classes also saw record attendance and tackled critical issues in the industry such as safety, best practices and cutting-edge technology. GHBA's government affairs advocacy enjoyed a successful legislative year in the state legislature, strengthened solid working relationships with our federal congressional delegation, and paved the way for new working relationships with local elected officials.

With over 27,000 new home starts in 2015, your industry contributed approximately \$3 Billion to the local economy and contributed some 60,000 jobs.

Challenges in 2015 included the decline of the oil and gas market, financing, lot supply and pricing.

However, the Houston area still experienced growth thanks to the diverse industries that continue to thrive in our region. In fact, the *Wall Street Journal* cited Houston as one of five cities that are leading the way in urban innovation!

As we look ahead to 2016, the GHBA remains committed to identifying ways to better serve the membership. Onward!



GHBA is sticking to what it does best—education, public policy, marketing and networking. We remain dedicated to our mission: “To provide advocacy, education, professional development, and valuable services to its members and the homebuilding industry.”



MEMBERSHIP & SERVICES

2015 was another great year for the housing industry. The GHBA not only maintained its ranking as the largest home builders association in Texas, but retained the spot of the third largest association in the country, with more than 1,600 member companies.

GHBA was also recognized with the NAHB Grand Award for membership recruitment efforts. This achievement is a huge win for the GHBA, and just proves that our members are the best of the best! Special thanks to our super-star Membership Department, Membership & Retention Committees, and let's not forget our SPIKES, who work year-round to recruit new members to make our association stronger.

GHBA's main goal of providing top quality member benefits is unwavering and we are looking forward to 2015.

Benefiting at Every Level

The GHBA added over 336 new members in 2015. As we grow our ranks, our industry's influence grows as well. When new members join the GHBA, they automatically become members at the local, state and national levels. This benefit brings members the best of all worlds—local networking and resources, along with access to invaluable state and national information and privileges.

GHBA Association Services

From our 401(k) program, comprehensive business and health insurance, to shipping and automobile discounts – GHBA members have access to some really good deals! To maximize your membership, the association offers money-saving discounts from GM, Lowe's, UPS, Dell, Budget, Hertz and Avis Car Rental, HP, Office Depot, Wyndham Hotel Group, FTD and Omaha Steaks!



Political Advocacy

A strong local housing industry is key to the Houston area's robust economy. GHBA Government Affairs works to strengthen the local housing industry and ensure that our members aren't regulated out of business.

From work with the City of Houston on Chapter 42 to Rally Day 2015, the Government Affairs Department is working hard to keep Houston prosperous by providing a housing market open to all income levels.



Education

The GHBA's nationally recognized Education Department endeavors to deliver the highest quality of education, training and professional development to our members and the residential construction industry.

In 2015, the GHBA offered more than 100 affordable, informative, industry-specific courses and 12 different professional designations, all certified by the National Association of Home Builders.

When the competition is fierce, expertise sets the leaders apart.



Networking & Marketing

GHBA hosted over 200 events in 2015, ranging from committee luncheons and after-hour networkings to golf tournaments, cook-off competitions and black-tie awards programs.

Through these targeted marketing opportunities, members increase their visibility and credibility throughout the industry while gaining both personal and professional recognition.

The GHBA has 16 councils, committees and divisions in which to participate, and offers 200+ sponsorship opportunities and advertising options.



ADVOCACY

Working at the local, state and federal levels, GHBA and our federation worked hard in 2015 to keep onerous regulations and legislation at bay. From elections to major policy changes, your Government Affairs Department keeps a close watch on all the issues that impact your ability to earn a living.

GOVERNMENT AFFAIRS GREATER HOUSTON BUILDERS ASSOCIATION | COMMITTEE

The Texas Legislature met for its biennial legislative session in 2015 and in preparation, the Government Affairs Committee held two meetings during the first quarter of the year.

The February meeting focused on preparing committee members for the Texas Capitol Rally Day (March 4) and the second meeting focused on reporting the outcome and accomplishments of the Rally Day lobby effort.

GHBA won TAB's award for best attendance at Rally Day with 160 members registered!



On June 24, the Houston City Council approved all changes to Chapter 42 of the City's Code of Ordinances. These changes were a result of GHBA meetings with Planning Commission and Super Neighborhood Alliance members over the previous two years, following the passage of the initial Chapter 42 amendments.

On October 7, after more than a year of negotiations with GHBA members and other stakeholders, the City Council approved revisions to the Historic Preservation Ordinance. One of the major changes was the creation of a five-member appeals board which will be appointed by the mayor and approved by city council.

At the November meeting, the City of Houston Planning and Development Department (P&D) introduced a proposal to create a special revenue fund (SRF) to collect development fees, along with a new development fee schedule which included increased fees and previously established fees that were not being assessed. The GHBA worked with the Planning & Development Department and other development stakeholders to address major concerns over the initial proposal and helped postpone the proposed effective date of January 1, 2016 until March 1, 2016.



HOME-PAC is GHBA's political action committee. HOME-PAC directs support to industry-friendly elected officials.

The 2015 election cycle represented an opportunity to elect the first new mayor of the City of Houston in six years, along with every council seat being on the ballot. On June 11, HOME-PAC Trustees convened to screen credible candidates for the City of Houston's Mayoral race. The PAC voted to endorse and financially support Steve Costello, founder of Costello Engineering, longtime GHBA member and Houston City Council Member.

On August 13, HOME-PAC trustees conducted candidate interviews for the seats of term-limited Houston City Council members Oliver Pennington (District G) and Ed Gonzalez (District H). The PAC voted to endorse and financially support Greg Travis, an attorney, in District G and voted not to make an endorsement in the District H race.

On September 17, HOME-PAC trustees interviewed candidates for the seats of term-limited Houston City Council members Steve Costello (At-Large 1) and C.O. Bradford (At-Large 4). The trustees voted to endorse and financially support Tom McCasland for At-Large 1 and Laurie Robinson for At-Large 4.

On November 19, HOME-PAC Trustees discussed endorsements in the City of Houston runoff elections. Trustees voted to contribute additional funds to incumbents Jack Christie (At-Large 5), Mike Laster (District J) and David Robinson (At-Large 2). The PAC also endorsed Amanda Edwards in her race for At-Large 4. Trustees also voted to endorse and financially support Bill King for Mayor.



EDUCATION

C O M M I T T E E

The tools you need to achieve your professional goals

In 2015, the GHBA maintained its commitment to the mission of providing the highest quality of education, training and professional development to our members and the residential construction industry by offering affordable, informative, industry-specific seminars, and 25 professional designations courses certified by the National Association of Home Builders.

2015 was a record breaking year with more than 2,200 members attending classes and seminars!

An NAHB designation is a symbol of your knowledge and ability. It tells your customers that you are proficient with the latest skills and techniques, and that your business practices are sound. But more importantly, it tells them that you are committed to excellence.

Texas continues to lead the country with builders who hold NAHB professional designations, with 16 GHBA members obtaining a designation this year (2 CAPS, 2 CGB, 5 CGP, 2 CGR, 1 GMR and 4 GMB).

GHBA held a total of 18 NAHB designation courses in 2015. Included were the popular Certified Aging-in-Place Specialist (CAPS) and the two-day Green Building for the Building Professional course. GHBA also offered all eight of the Residential Construction Superintendent designation courses.

Safety Training

With safety always a top priority, GHBA offered three different OSHA 10-Hour Certification Training Courses this year, with a total of 122 members completing the training.

Code Updates

In a continuing effort to keep members informed of the many changes in industry regulations and trends, GHBA tapped Dr. Joe Lstiburek, one of the leading Building Science Specialist in the country, to speak about Ventilation and Air Tightness. More than 200 people attended the three sessions that were offered.

GHBA also introduced a series of seminars to examine the 2012 International Residential Code. GHBA also offered the Residential Foundations Soils and Materials Testing Seminar in February, and Guidelines for Design & Construction of In-ground Pools in May and an Energy Code Update in June.



Whether you are veteran ready to advance your career to the next level, or new to the homebuilding industry, GHBA's Education Program stands by its commitment to provide you with the tools you need to pursue those goals. This commitment is why we remain an industry leader in providing the highest quality of education, training and professional development to members.

ABCs... Nuts & Bolts... Sticks & Bricks... Oh My!

The "ABCs of Home Building – A Builders Education Series" continues to be a hugely successful series. These two hour seminars focus on the building blocks of residential construction. The topics covered are: concrete, framing, plumbing, HVAC, electrical, building envelope, masonry and roofing. In 2015, GHBA added an additional seminar to the series—blueprint reading with 92 in attendance!

All 9 of the "ABCs" seminars were held at the GHBA and 3 of the seminars were offered in Friendswood for our Bay Area members. Average attendance was 83 at the GHBA location and 29 in the Bay Area classes.

In 2015, the GHBA Education Committee developed two new series to add to the schedule—the "Sticks and Bricks of Sales & Marketing" and the "Nuts and Bolts of Remodeling." Each series presented 5 different seminars and all were very well attended.

Earn More with GHBA Education

Information from the most recent NAHB Builder Member Census reveals that members who have earned NAHB professional designations make more money than their counterparts in the business who haven't earned designations.

According to the survey, members holding:

1. The Graduate Master Builder (GMB) designation had company revenues that averaged **\$1,610,529** more last year than those without an NAHB builder designation.
2. The Certified Graduate Builder (CGB) designation had company revenues that averaged **\$990,189** more.
3. The Certified Green Professional™ (CGP) designation had company revenues that averaged **\$824,124** more.
4. The Certified Graduate Remodeler (CGR) had company revenues that averaged **\$506,414** more than those without an NAHB remodeler designation.
5. The Certified Aging-in-Place Specialist (CAPS) designation had company revenues that averaged **\$110,838** more.

WHERE WILL YOUR CAREER BE IN 2016?

Learn more at www.ghba.org/education



ASSOCIATE COUNCIL

GHBA 101

Sometimes referred to as “GHBA 101,” the Associate Council is a launching pad for associates to become familiar with the association and its involvement in the community.

Promoting Member Ownership & Participation

In 2015, the Associate Council hosted an average of 75+ associates at each of its monthly luncheons. Guest builders serve as the keynote speakers, creating a forum for associates to meet and build relationships with builder members.

Monthly luncheons throughout the year featured Purchasing Managers, Division Presidents, Projects Managers, Emerging Builders, Inner Loop Builders, “Builder Jeopardy,” and Custom Builders. Other special

guests included Scott Steiner, discussing the Do’s and Don’ts of Effective Marketing.

At each luncheon, attendees are eligible to enter a drawing for a chance to have their picture featured in Houston Builder magazine with the builder guest speaker and also attend a year-end party in December with all the luncheon speakers and drawing winners. This year’s event was hosted at the beautiful Morrison Supply showroom.



SPECIAL EVENTS

The Associate Council hosts several large events each year. In February, the 5th annual Chili Cookoff was held at Tri-Tech Surveying/BEC-Lin Engineering. With 20 cooking teams and more than 400 in attendance, the event was a huge success. Teams competed for top honors in the categories of Red Chili, Green Chili, Red Salsa, Green Salsa and a Chuck Wagon Dessert competition to benefit HomeAid Houston, a GHBA charity.

The Spring Golf Tournament was also a success with 146 players enjoying a beautiful day of networking on the links at Quail Valley Golf Course in March.

In November, nearly 2,500 members (a new record!) came out to enjoy food and fellowship at the 14th Annual BBQ Cookoff at BMC | BISON, where 28 cooking teams competed for top honors.

SCHOLARSHIP FUND



The Associate Council raised \$15,000 for the annual GHBA Scholarship Fund in 2015. The council presented five scholarships in the amount of \$3,000 each to college-age children of GHBA members.

The recipients were Victoria Lyn Dernehl, daughter of Ginger and Rick Dernehl (Swantner & Gordon Insurance Agency); McKenna Powers, daughter of Jeannine and Breck Powers (LBJ Construction); Aricka Anderson, daughter of Jill and Rick Anderson (David Weekley Homes); Madeline Tomlinson, daughter of Leslie and Greg Tomlinson (Builders Post-Tension); and Kelli Lahasky, daughter of Lena and Andrew Lahasky (Design Tech Homes). Congratulations to the 2015 scholarship winners. GHBA wishes you all the best!



The “Frank Aranza Adopt-a-Family” program is a long-standing Associate Council tradition that makes the holidays special for families with limited options.

In the spirit of the season, the program donated gifts and funds to 41 families in need. In addition, the GHBA teamed up with Angel Reach, a HomeAid Houston agency, to provide 40 of their kids with stockings filled with gift cards and candy. What an incredible experience for those able to help!





The Bay Area Builders Association is a division of GHBA dedicated to members doing business in the Bay Area. BABA works closely with local city officials to ensure new laws and regulations are not detrimental to the building industry and keeps its members informed of important updates. If you do business in the coastal region, it's essential you get involved with BABA.

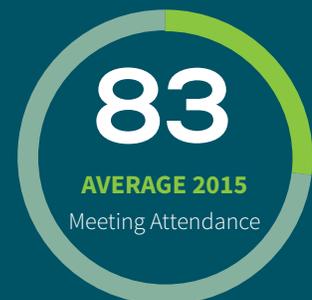
Builders with a View

BABA's year was off to a great start with the installation of the 2015 BABA board of directors in February. A highlight of the luncheon was moving "reveal" of the next Operation Finally Home recipient (pictured above). OFH constructs custom-built, mortgage-free homes for American Heroes who have served our country and returned home severely disabled.

The Mid-Year Forecast for the Bay Area was presented by Metrostudy's Lawrence Dean in May. Members were happy to hear that we can expect continued strong growth in the Bay Area.

Other informative meetings through the year included:

- Social Media Marketing
- Building Trends
- A Builder Roundtable on Finance, Codes, and Purchasing
- Windstorm Construction
- Jobsite Safety
- Residential Construction Liability Act





BABA FISHING TOURNAMENT & CRAWFISH BOIL

What better way to spend the day in the Bay Area than fishing! Novice and pro anglers alike enjoyed a lovely day on the water for the 2nd Annual BABA Fishing Tournament and Crawfish Boil, held in May at Floyd's on the Water at Harbour Walk Marina in Hitchcock, Texas.

The event was a huge success with 52 teams competing for the largest red fish and trout.

Following the tournament, awards were presented to the winners, and guests enjoyed a spicy crawfish feast.

BABA GOLF TOURNAMENT

In October, BABA hosted its annual golf tournament at Timber Creek Golf Club.



LEGISLATIVE UPDATES



One of the most important goals of the division is to keep members apprised of important changes in codes and legislation affecting builders.

In August, BABA members were in for a treat with two special guests from the Texas Association of Builders (TAB).

Scott Norman, executive director for the Texas Association of Builders (left) and Felicia Wright, TAB government affairs director (right), gave a very informative update on the recent 2015 Legislative Session.



CUSTOM BUILDERS COUNCIL

The mission of the Custom Builders Council is to form an alliance among custom builders to achieve the highest level of professionalism and integrity; to offer our customers quality construction and excellent customer service in the industry; to offer continuing education to enhance our abilities; to provide an open forum for communication and exchanging ideas; and to strengthen our political position to help our industry.

Improving building efficiency & technology

Custom Builders Council luncheons cover topics pertinent to both builder and associate members of the council. Builder attendance has grown steadily and now makes up approximately 35% of each meeting. With so many new builders, the CBC outgrew its old location and relocated to a larger venue in 2015—the Norris Center—to accommodate the overflow!

January: The ever-popular Founders Panel featured John St. John, Jonathan Casada and Ronny Carroll, who gave testimonials on how the market has changed over the last few decades and how to navigate the economic pitfalls and the challenges in their particular market.

February: A presentation by Thom Black of BMC | BISON on building supplies and how the market affects the rise and fall of supply and pricing.

March: A Houzz representative shared how to navigate and best utilize this intuitive website.

April: A record-breaking meeting with over 85 builders in attendance for the bi-

annual TAB contract update.

May: A panel of energy experts shared tips for building a healthier and more efficient home.

June: Tim Costello, CEO of Builders Digital Experience (BDX), a leading digital marketing provider for over 1,000 builders nationwide, shared how to identify the differing needs of the luxury home buyer.

August: An uplifting luncheon with several representatives of the banking industry. All agreed that they were still lending money but keeping a watchful eye on current trends.

September: This luncheon beat all previous meeting records with over 200 registrations! Kimberly Byrum with Meyers Research shared a very optimistic economic outlook, despite crude prices below \$50 and a substantial drop in job growth. Kimberly focused on the northern sector of the city and emphasized the low supply of homes based on the expected population growth in that area.



November: CBC closed the year with a bang! Charles Martin, Kenneth French, John St. John and Larry Skelton led a builder panel that discussed their feelings on where business was headed and what they were doing to prepare for a possible downturn.

THE EXPO

The 13th Annual Product Expo was a record breaking event! More than 500 builders and remodelers walked the Expo floor to learn about all the new and exciting products over 100 members had to share. Several builders won vacation packages and chances at the infamous Money Ball.



Giving Back



CBC members joined together for the annual CBC Charity Project at Casa de Esperanza (House of Hope for Children). Casa strives to break the destructive cycle of child abuse by offering safe homes to children of families in crisis. Learn more about the cause at www.casahope.org.





CODES AND STANDARDS COMMITTEE



A FORUM FOR AFFECTING CHANGE

A GHBA subgroup consisting of members from the Codes & Standards Committee, the Government Affairs Committee and In-Town Builders Taskforce and led by John Williams from KHOV, met weekly since December 2014 to review the City of Houston's draft amendments to the 2012 IRC.

On April 28, the Codes and Standards Committee met to review the City of Houston's response to the Committee's changes to the 2012 IRC. Following the meeting, the subgroup compiled research supporting maintaining a 3 ft. fire separation distance in the City, as opposed increasing it to the 5 ft. mandated by the IRC.

After submitting technical justification to the Houston Code Enforcement Office in support of maintaining the 3 ft. code, the City approved the justification and kept this particular code requirement as it is.

This was a great win for the GHBA and City of Houston builders!

On November 10, City Council approved the adoption of the 2012 IRC along with local amendments with an effective date of January 1, 2016. However, GHBA was successful in extending the effective date an additional month, to February 1, 2016.



DRIVING POLICY CHANGE... FROM THE GROUND UP

In January, the Developers Council provided updates to members on the Dry Utilities Trench Taskforce, and the Cypress Creek Overflow Development Guidelines. In February, the Council hosted Rick Staigle, first assistant county engineer for Fort Bend County and in April, they heard from City of Houston Planning Department Director Pat Walsh.

In May, Montgomery County Judge Craig Doyal spoke about transportation in the region and Josh Stuckey from Permitting discussed the rollout of their electronic permitting system.

At the June meeting, Ed Taravella and Aaron Alford discussed the Cypress Creek overflow development guidelines and the City of Conroe's burdensome tree ordinance, respectively. Howard Cohen of Schwartz, Page & Harding reviewed development related bills from the 2015 legislative session.

In August, David Sherrill, with Berg-Oliver Associates, Inc. and Jim Coody, with Wetlands Professional Ser-

vices, delivered their updates on the effects that the Waters of the U.S. Rule will have on development.

In September, Mr. Justin Taack with the Texas Commission on Environmental Quality (TCEQ) provided an update on MUDs, specifically: bond applications, escrow releases and permit approvals.

In October, the Developers Council hosted Kent Dusair with CDS Research, who presented his Quarterly Lot Price Report, and Joshua Stuckey from the Harris County Public Infrastructure Department provided a presentation on new proposed procedures for plat recordation. In November, the Council hosted special guest State Senator Lois Kolkhorst (SD-18).

In December, City of Houston's Planning Director Pat Walsh discussed the creation of a special revenue fund (SRF) to collect development fees as well as a new development fee schedule which included increased fees and previously established fees that were not being assessed.



MONTGOMERY CO. BUILDERS AND DEVELOPERS

MCBDD is a branch of GHBA dedicated to members who do business throughout Montgomery County, one of the top 15 fastest growing counties in the nation. The division is the central point of contact for building and development issues that affect the area.

Catering to Growing Communities

The Montgomery County Builders & Developers Division (MCBDD) charged out of the gate with valuable information from our partners at Wells Fargo Home Mortgage, who gave us the low down on where the money is, what it takes to get it and the new rules and regulations set forth by the federal government and its agencies.

In February, MCBDD tackled head-on our water issues. A panel of speakers from San Jacinto River Authority, The Woodlands Joint Powers Agency and Community Impact Newspaper provided a wealth of information.

Tim Welbes with The Woodlands Development Co. was the featured speaker in March. The largest crowd ever for these lunches descended

on the Americas Grill to hear what the future of The Woodlands would look like and Tim did not disappoint. Great things are happening in The Woodlands!

In April, Montgomery County Judge Craig Doyal and Kathleen Newton with TXDoT shared an update on major roadways in the county. With the influx of families moving into the county, many projects are ongoing in order to keep up with the increase in vehicles.

Kathy Anderson, one of our brightest and best interior designers shared what's trending in home décor. Attendees were treated to a sneak peek of what Kathy experienced on her recent European trip.



March luncheon speaker **Tim Welbes, The Woodlands Development Co.;** **Matthew Reibenstein, 2015 MCBDD President;** and **Kevin Frankel, GHBA President**

The MCBDD hosted its Summer Networking event at Grotto's in The Woodlands. Generously sponsored by BMC | BISON, a great crowd was on hand to connect with old friends and new acquaintances.

Coming off a great summer, the MCBDD hosted its annual Builder & Developer panel. Will Holder with Trendmaker Homes, Matthew Reibenstein with Royal Homes, Harry Masterson with Cernus Development, and David Assid with Toll Brothers gave the sold out crowd a glimpse into what's trending and what buyers are looking for.

The law was on our side at the Law Enforcement panel with Chief James Nowak, Willis Police Dept.; Assistant Chief Bryan Carlisle, Shenandoah Police Dept.; and Captain Terry Truett, Texas Dept. of Highway Safety. The discussion centered around worksite theft, security and metal theft.

The MCBDD luncheons are well-attended, and most are a sell out crowd. Thanks to all our sponsors and underwriters for making these events so successful; we could not do it without you all.

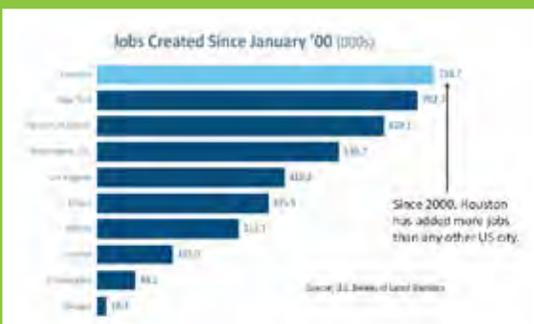
MONTGOMERY COUNTY GOLF TOURNAMENT

After two rain-outs, the Montgomery County Builders & Developers Division was finally able to host its 5th Annual Golf Tournament at Walden Golf Club to a sell out band of enthusiastic golfers. The weather was absolutely beautiful and as the saying goes, "third time's the charm"...and it certainly was.

Thanks to all of our golfers and sponsors who stuck with us while Mother Nature did her thing. We liked December so much that we will host the 6th Annual Tournament on Monday, Dec. 5 with a rain-out date of Dec. 12. Fore!



MORE GOOD NEWS FOR THE COUNTY



Montgomery County Builders & Developers Division hosted its annual Forecast Luncheon with guest speaker Kevin Gillen, PhD with Meyers Research.

Kevin brought us good news for the Houston area and even better news for Montgomery County. A sell out crowd was on hand at the Waterway Marriott. Thanks to our generous sponsors!



REMODELERS COUNCIL

The award-winning GHBA Remodelers Council consists of remodelers, designers, suppliers and manufacturers from all over the Houston area. The Council is dedicated to the promotion of excellence and professionalism within the organization, and public awareness of the Council.

Reaching out and being recognized

The GHBA Remodelers Council (RMC) kicked off the year with presentations on Planning Today for Your Future Tomorrow, Using Photography & Design to Enhance Your Business and an attorney panel that presented a TAB Contract Overview.

Other luncheon topics included Design Trends - Interior Designer & Remodeler Panel, Search Engine Optimization, Legends of Remodeling panel of speakers, The Latest in Lighting, City of Houston Building Officials Panel, and the latest in Home Technology and Sun Tunnels and Skylights. What a great lineup!

The Council also held several events including a Speed Selling in February with over 20 remodelers and 20 associate members participating. BMC | BISON hosted its 5th Annual BASH at The Bell Tower on 34th with great food and beverage, casino games and 40 vendors exhibiting their latest products.

The Council's Annual Diamond Sponsor, Ferguson Bath, Kitchen & Lighting Gallery hosted a remodeler/builder networking at KARBACH Brewing Company with cigars from STOGIES. Everyone thoroughly enjoyed the evening!



Gonzalo Garcia and Kevin Vick show off the newest edition of the *Houston Remodeling Guide* at the annual RMC Garage Sale.

RECOGNIZING EXCELLENCE

Remodelers Council was honored to receive two awards from the National Association of Home Builders at the NAHB Remodelers Gala. The Council Awards for Demonstrating Remodeling Excellence (CADRE) recognize local councils and their leaders whose work exemplifies the best practices of the remodeling industry.

Lisa Pepitone, GHBA director of membership, was honored as the Outstanding Council Coordinator. The Council also won the CADRE in the public relations category its work to combat remodeling scams and educate homeowners following the floods that devastated Houston in 2015.

Tom Pellegrin, with Third Coast Builders, was honored as the 2015 GHBA Remodeler of the Year at the annual Holiday Party hosted by Ferguson Bath, Kitchen & Lighting Gallery.

GIVING BACK

Charity and giving back to the community is such an important part of the Remodelers Council culture. So in between all the fun, the Council rolled up their sleeves and took part in their annual charity project at the Family Time Crisis Shelter in Humble. The shelter is a haven for victims of domestic violence.

Volunteers made improvements to the shelter's cook and resident kitchens. New cabinets, countertops and appliances were installed. Volunteers also renovated the mother's and children's bathroom.

The charity project is funded through the Annual Garage Sale held at the Texas Home & Garden Show in September. The garage sale was another huge success and raised over \$18,000 to be used toward the 2016 Remodelers Council Charity Project.



SUN, SURF AND SAND... LOTS OF SAND!



The Council once again participated in the AIA SandCastle Competition on Galveston Island, hosting a Pre-Party at Boudreaux's and then hit the beach early the next morning to bring their video-game inspired sandcastle to life.



SALES & MARKETING COUNCIL

The Sales & Marketing Council is a forum for new home sales professionals to meet, network and exchange ideas. Houston's SMC is proud to hold the title of the largest SMC in the country.

Staying ahead of the game

Another record breaking crowd was on hand to pay homage to the recipients of the Million Dollar Circle – a nationally recognized program which recognizes sales achievement by those who have closed over \$1 million dollars in new home sales in the previous calendar year. The Mardi Gras theme was complimented by the Zydeco Band and a lively silent auction which shattered past bidding.

The Sales & Marketing Council (SMC) hosted the 5th Annual Battle of the Builders on the fabulous grounds of Cross Creek Ranch. Huge congratulations to the team from Ryland Homes on taking home the Championship Belt.

The Houston Astros gave us lots to

cheer about at the Annual Texas Bash family night out at Minute Maid Park. Over 400 members and guests enjoyed the good food, good company and a huge win. Our title sponsor, Mark Cady threw a perfect strike as he threw out the first pitch.

SMC wrapped up its inaugural Diaper Drive with a bumper crop of over 15,000 donated diapers. Thanks to the generous outpouring of love from our members! Legend Homes/ Princeton Classic Homes was the big winner of the VIP table of 10 at PRISM with 4,388 diapers, and Fitzgerald's Renovation Service was the winner of six individual seats with a total of 512 diapers. Thanks to all those who participated and we hope you will join us again in future campaigns.

RECOGNIZING HOUSTON'S BEST



The 'Big Daddy' of all the SMC events is the annual Houston's Best PRISM Awards Gala and this year's event was bigger and better than ever. More than 900 guests kicked up their heels Moulin Rouge style at the Hilton Americas Hotel.

Nearly 800 entries were received from in the categories of Product, People and Promotion.

SMC hosted 42 judges from all over the country for this year's event. These dedicated industry professionals make their own way to Houston from as far as Illinois, Ohio, Colorado, Arizona and Louisiana. Special thanks to the out-of-town judges and to the GHBA members who volunteered their time to drive our guests around the city to see the very best Houston has to offer.

Thanks to our title sponsor Comcast Cable and all the other sponsors for a great evening. And, congratulations to all the winners and finalists!

TOP PRODUCERS SHINE AT SMC



The No. 1 Sales & Marketing Council in the country (yes, right here at the GHBA) hosted two top producer events in 2015.

The top of the Hilton Americas hotel served as the venue for the first SMC Networking and Top Producers event. More than 70 Top Producers were honored for their sales in the 4th Quarter of 2014 and the 1st Quarter of 2015.

The 2nd and 3rd Quarter Top Producers were recognized at a networking event at The Dogwood in Midtown. A great time was had by all and congratulations to the recipients and many thanks to our sponsors.



VOLUME BUILDERS COMMITTEE

The Volume Builders Committee serves as a focus group for industry issues, provides a voice to our small and large volume builders, and is a way to communicate public policy and other initiatives to this group.

The Volume Builders had a great first quarter with a discussion on labor shortage issues. The rising cost of materials also has wide-ranging effects—number one: the ability to complete projects on time. With the construction boom, labor shortage is affecting nearly 46% of Houston companies. The shortage is so widespread that the demand for projects is starting to outweigh the supply of labor.

The Volume Builders held their first Speed Selling event of the year at Top Golf with more than 40 builders in attendance. Both the associates and builders felt this was a great way to visit with new vendors and keep up with what's happening in the market.

At the third quarter meeting, Volume Builders discussed the current pricing indexes for residential construction and commodities. Lumber and gypsum showed the highest rate of price indexes while concrete has managed to maintain.

The 3rd Annual Volume Builders Speed Selling event at American Shooting Centers was a hit with 19 builder companies attending!





YOUNG PROFESSIONALS COMMITTEE

The mission of the GHBA Young Professionals Committee is to establish an environment for educational, philanthropic, networking and career growth opportunities for YPs affiliated with the development, remodeling and home building industries.

Helping advance & strengthen the careers of tomorrow's leaders

In February, the YPs held a networking event at Corkscrew wine and jazz bar with 55 YPs in attendance.

To better understand the needs of the GHBA's young professionals, a focus group was held in March. The YP Steering Committee and staff liaison are committed to implementing the results of the focus group over the course of the year.

In May, the YPs hosted a President's Reception following the GHBA board meeting. About 80 young professionals and GHBA members enjoyed BBQ under the new pergola provided by Bill Ellison and All Services Group.

In June, the YPs volunteered to sell raffle tickets for the 2015 Project Playhouse, benefitting HomeAid Houston, at Minute Maid Park. Together, they sold 213 tickets, by far the most of any team of volunteers!

The lady YPs sponsored a table at the HomeAid Houston HALO Luncheon in September, and the YPs assisted HomeAid staff at the Corks for a Cause booth at the annual GHBA BBQ Cookoff in November.



Green building isn't a passing trend. It's our future. Anyone who has lived in the Gulf Coast climate can tell you, it's a different world here. Anyone can claim to be green. GBGC homes and products are different. We adhere to the one and only national green standard and require strict compliance and third party verification procedures. There's no way around it. Only the most efficient, eco-friendly homes and products can receive the GBGC certification.



BUILDING GREEN

Green Built Gulf Coast (GBGC) certified more than 1,800 homes in 2015. That brings the total number of certified homes to date to nearly 14,000!

GBGC has 31 builder members, 22 associate members and 7 verifying companies. We welcomed six new builders in 2015: Castletree, Drees, Malaga, Shea Homes, Texas Elite and Zander Homes, as well as two multifamily companies.

The Green Building Committee voted to adopt the 2012 National Green Building Standard with an effective date of April 1, 2016.

Classes were held in October for all verifier companies and field inspectors to be educated on the differences the new Standard brings to the program.

GREEN BUILT GULF COAST

14,000
HOMES CERTIFIED

Builders - 52%

Verifiers - 12%

Associates - 37%





SPECIAL EVENTS 2015

FORECAST LUNCHEON

GHBA rang in the New Year with the Annual Forecast Luncheon featuring Dr. Mark Dotzour. A record crowd of 800+ members, elected officials and guests heard more good news about our local economy.

Did you know the Greater Houston area had more building starts than the entire state of California last year? We are doing very well, thank you!

INSTALLATION CELEBRATION

GHBA rounded out January with the Installation Celebration (formerly known as Extravaganza) held at Union Station at Minute Maid Park. A sell out crowd of over 400 guests welcomed GHBA President Kevin Frankel and his 2015 board of directors. This event also saw the presentation

of the coveted “Of the Year” Awards and Presidential Citations.

MID YEAR FORECAST LUNCHEON

Over 750 guests attended the Mid Year Forecast Luncheon and left feeling good after listening to the encouraging news Dr. Mark Dotzour delivered. More housing starts are needed as people are still buying, with no end in sight.





36th BENEFIT HOMES
 GREATER HOUSTON BUILDERS ASSOCIATION
 ANNIVERSARY

The Benefit Homes Project is a charitable arm of the GHBA. Its mission is “To ensure a brighter future for the community’s less fortunate, through the heart and hands of the homebuilding industry.”



It was 36 years ago when the GHBA board of directors envisioned a charitable project that would bring the generosity of GHBA builders, developers and vendors together to give back to Houston. After careful and thoughtful planning, the GHBA Benefit Homes Project was born.

The goal was to do what GHBA members do best—build quality homes. These homes would then be sold at market value for a profit. The majority of that profit would be donated to charity.

Even through the toughest years, the builders, developers and vendors have continued to come onboard the Project committed to helping those less fortunate. If you ask them why, they will tell you, “Even when we are experiencing economically challenged times, children still get cancer, adults are still facing Alzheimer’s and homeless families need help more than ever.” This generosity reflects the commitment that Houston area builders and developers have to the community.

Over the life of this program the GHBA has

donated more than \$9.5 million to local charities. In 2015 the Benefit Homes Project gave over \$170,000 to our local charities. Currently the Benefit Homes Project distributes the majority of the proceeds to the Alzheimer’s Association of Houston and Southeast Texas, Texas Children’s Cancer Center and HomeAid Houston.

Over the Project’s 36 years we have celebrated the groundbreaking of two Benefit Homes annually.

In 2015, Perry Homes partnered with The Howard Hughes Corporation on a Benefit Home in Bridgeland. Castle-tree Homes built the second Benefit Home of the year on a lot donated by Land Tejas Development in the master-planned community of Mira Mesa. This was the 14th Benefit Home lot donation by Land Tejas.

We would like to thank these builders, developers and their vendors for their commitment to the Houston community. Through their thoughtful donations more men, women, US Veterans and children have a better quality of life.

CHARITABLE EFFORTS

PHOTO: Boys & Girls Club Groundbreaking



HomeAid Houston is a 501(c)3 charitable arm of the GHBA. HomeAid's mission is "to build new lives for homeless families and individuals through housing and community outreach."



Fort Bend Family Promise Dedication Ceremony

The generous support of GHBA members and the partnerships of outstanding homeless service agencies provided HomeAid Houston with another noteworthy year in 2015.

Ryland Homes led the way by completing a 7,000 sq. ft. cottage for the homeless mothers and children of Texas Baptist Children's Home, a sister organization to Gracewood, in Round Rock, Texas. The home was dedicated in the first quarter of 2015.

Long Lake Ltd. completed the construction of a 4,000 sq. ft. day center in Missouri City for Fort Bend Family Promise and the homeless families it serves. This building provides one of the only resource centers for families in need in Fort Bend County.

HomeAid also broke ground on an 8,100 sq. ft. cottage to house eight homeless children and their "teaching parents" for Boys and Girls Country in Hockley. Partners in Building serves as our Builder Captain.

Three smaller remodeling projects, called "HomeAid Care Projects," were completed in 2015, including:

- **Casa de Esperanza de los Ninos:** Remodel of one home for children, ages birth to six, in partnership with the GHBA Custom Builders Council and Builder Captain Matt Sneller, Sneller

Custom Homes and Remodeling, LLC

- **Krause Childrens Center in Katy:** Remodel of a portion of the cafeteria to better serve homeless and at-risk girls, with Builder Captain Brandon Lynch of Keechi Creek Builders
- **KidzHarbor in Liverpool, Texas:** Provision of tile for the remodel of a 6,000 sq. ft. home to provide more permanent housing for older teens and young adults who are homeless and in crisis. Tile provided by Dal-Tile Company, coordinated by Patrick Mayhan, Westin Homes

In addition, HomeAid was blessed with an on-budget fundraising year.

HomeAid saw good results from its 9th Annual Golf Tournament, "Driving Out Homelessness;" the 9th Annual Project Playhouse, with builder Captain Highland Homes; the fall HALO (HomeAid's Amazing Ladies Organization) luncheon; and Corks for a Cause.

The HomeAid Heroes program continued to grow and HomeAid received major support from GHBA's Benefit Homes builder/developer teams Castletree Homes and Land Tejas Companies, Ltd. and Perry Homes and the Howard Hughes Corporation / Bridgeland.



2015 PARTNERS

PINNACLE

PLATINUM

DIAMOND

GOLD

SILVER

2015 LEADERSHIP

The GHBA would like to thank the many association members who volunteer their time and talent to help make the association great.

2015 EXECUTIVE COMMITTEE



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Frankel Building Group
GHBA BOARD PRESIDENT



Parke Patterson
Parke Patterson Land Development
VICE PRESIDENT



Judy Bonica, CGA, CGP
ASSOCIATE VICE PRESIDENT



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Butler Brothers Construction
SECRETARY



John Madsen, CPA
Bentley, Bratcher & Associates, P.C.
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Leslie King, CGR, GMB, CAPS
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- John Williams**, Brighton Homes / K. Hovnanian Family of Builders
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- Steve Wilson**, Allpoints Builder Surveying
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- Toner Kersting**, Snyder Energy Services
- Rocky Flores**, DataSmart / Duncan Security

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David Walton

NAHB SENIOR LIFE DIRECTOR

Randy Birdwell

2015 FINANCIAL RESULTS

The Association had another financially successful year in 2015. Membership dues revenue increased by 2.4%. Overall, total revenues grew by 14% and total expenses grew by 13%. Net excess increased from the prior year by \$56,000.

Housinguide, Inc., a “for profit” subsidiary of GHBA, improved its 2014 net revenue of \$3,457 to \$45,501.

The financial strength of the association can be attributed

to the support and involvement of our members, especially our annual Partners, and the strong leadership of our Executive Committee and board of directors.

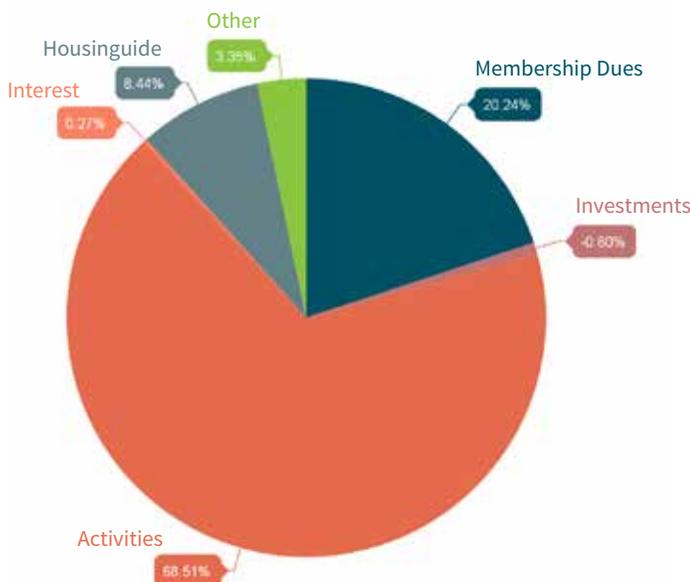
The association prides itself in being the largest homebuilders association in Texas and third largest in the nation. GHBA looks forward to another year of financial growth in 2016 as we continue to serve our members through the many benefits and services we provide.

REVENUE	2014	2015	EXPENSES	2014	2015
Membership Dues	\$644,455	\$659,894	Membership	\$180,392	\$147,400
Activity Revenue	\$1,917,038	\$2,233,660	Government Affairs	\$202,262	\$229,917
Interest Income	\$2,970	\$8,654	Activities	\$1,312,890	\$1,553,433
Housinguide Inc.	\$210,199	\$275,014	Housinguide Inc.	\$206,742	\$229,513
Gain (loss) on Investments		(\$26,094)	G & A	\$775,219	\$868,318
Other Income	\$78,430	\$109,109			
TOTAL	\$2,853,092	\$3,260,237	TOTAL	\$2,677,505	\$3,028,581

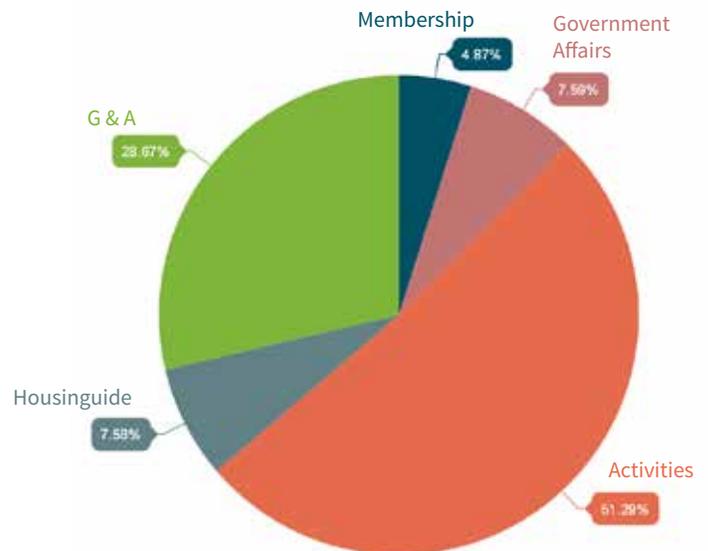
NET EXCESS



% OF REVENUE



% OF EXPENDITURES





GHBA

Building a **GREATER** Houston

**Together, we're building
a better Houston.**

Greater Houston Builders Association

9511 W Sam Houston Pkwy N
Houston, TX 77064

Tel: 281.970.8970

Fax: 281.970.8971

www.ghba.org