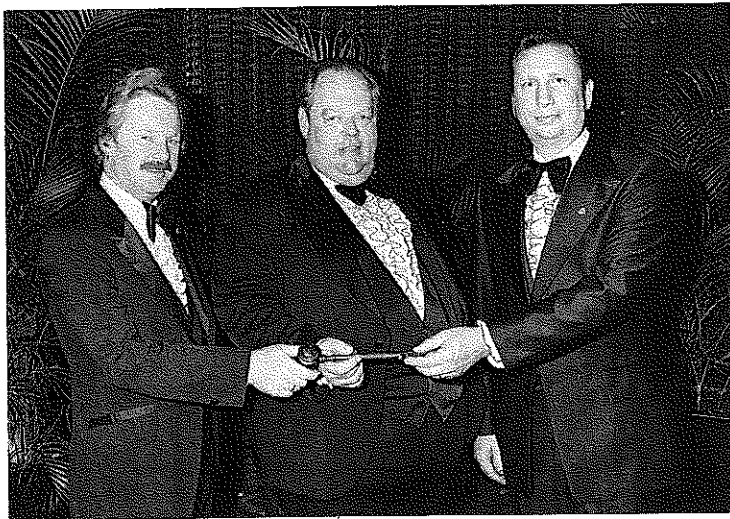


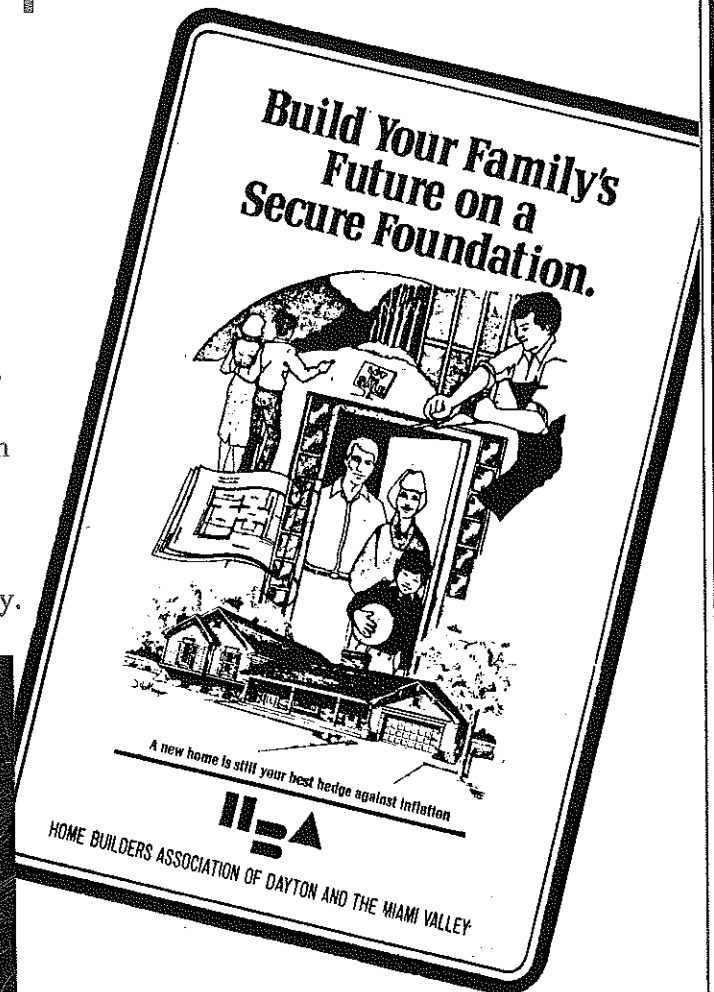


A Look at the 80's

The recession of the early 1980's hit the home-building industry hard. We were very fortunate in 1980 to have Karl Zengel as President. His calm, clear-minded approach in planning and carrying out his program held the Association together. During Karl's reign we hired an advertising agency to promote the new home industry with a newspaper and television campaign. It was successful in two ways - showing builders the Association was concerned about their operation and giving consumers reasons to buy a home now. From the years 1980 to 1983, 40% of the area builders either went out of business because of financial reasons or simply quit the housing industry.



Interest rates peaked at an all-time high of 21% for prime and 15% to 16% for mortgage rates. This was the first time in history that mortgage rates were less than prime. Financing was virtually impossible and everyone suffered.



The builders that survived, however, were stronger than ever. They were more knowledgeable about their business, extremely careful, and did very little speculating, if any. If you built a model and it sold, you'd build two more. If they sold, you would build three, but never before the others sold.



By the end of 1983, those who were still around could see signs that the economy was firming up...interests rates fell, and new construction was once again underway. The Home Show was exciting that year, and the Homearama, though made up of only seven homes, had the largest attendance to date and all the homes sold by the end of July.

The following six years were great times for both the builders and the Association. We saw a new breed of builder emerging from the ashes of a devastating recession...a more sophisticated builder, who, in order to survive, quit "flying by the seat of his pants" and became a more knowledge-hungry, computer-aged builder with a keen sense of financing, zoning, construction techniques, and marketing.

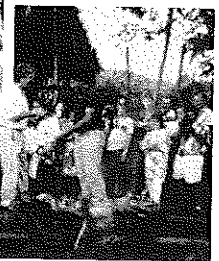
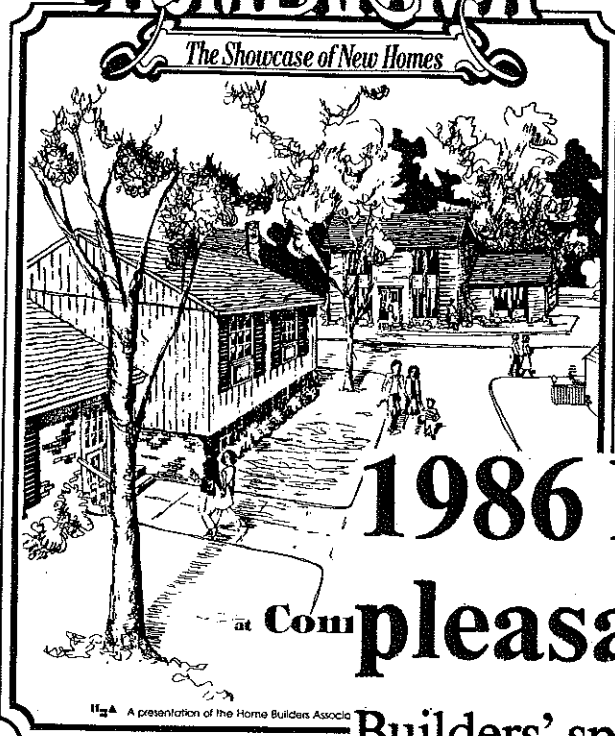
1985 saw the first Condorama, which replaced Homearama that year. Six doubles were erected at Lincoln Park in Kettering to demonstrate the usage of very small parcels of land with large houses. The show was well attended and the public was pleased.



1986 was a memorable year for two reasons: Stanley S. Swango III was made Homearama Chairman Emeritus for his work as Chairman the previous seven years... and the National Board meeting was held in Hawaii -- 99 Dayton Association members attended for a full week of meetings and fun in the sun.

HOMEARAMA

The Showcase of New Homes



1986 home-start rate pleasantly surprising

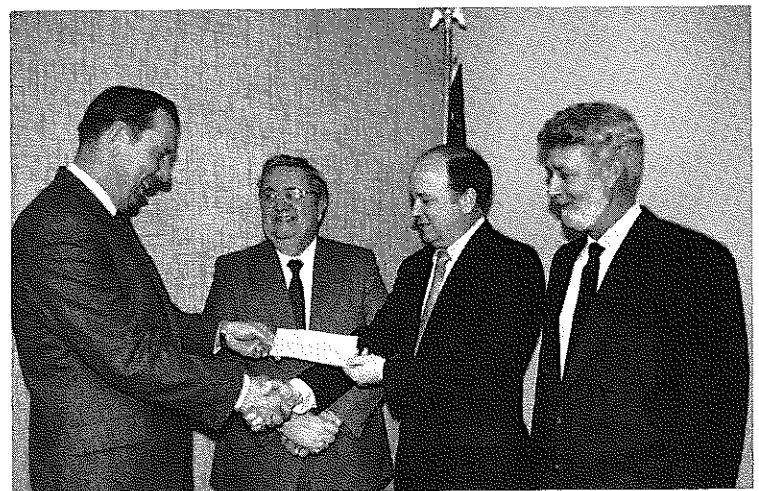
Builders' spokesman says '87 to be even better



In 1987, membership reached another all-time high. And in 1988, under the leadership of Steve DeBord, membership grew to 725, the scholarship fund was created, and the Home Builders' Package Cellular Phone Plan was introduced, saving our members almost one-third on their car phone bills.

1988 was also the year, due to the efforts of Bob McDaniels, the Home Builders Association sponsored a significant activity... "the Community Growth Conference." It was well attended by over 350 elected officials and planning staff; and it highlighted land use plans, zoning, and density issues important to the overall future of our area development.

In 1989, Ron Diorio worked closely with the Building Code Committee and the Subdivisions Regulations Committee to insure uniform and fair regulations in our industry. We saw another successful Home Show, Homearama was held at Washington Township Estates, membership rose to almost 800, and the entire second floor of our office building was remodeled. The Association was in good shape.



1989
HOMEARAMA
The New Home Showcase