

★ TEXAS TIMES

Fall 2020 • The Newsletter for Members of HOME of Texas



Fall is finally here. During autumn we would prefer to think about how nice the changing leaves on the trees look, about the big football game this Saturday, or about spending festive holidays with family and friends. But this year many of us share one primary thought—thank goodness it’s fall, and this year is nearly over.

We generally prefer to look on the brighter side of things, but 2020 has put our optimistic inclination to the test. The Covid-19 virus has sickened family and friends and even taken the lives of some of our dear ones. Our children’s educations have been dis-



rupted, weddings and funerals have been postponed, and many people have suffered from the unfamiliar circumstance of living and working in isolation. Meanwhile, the nightly news has brought us images of unrest throughout the country, and politicians running for nearly every office in the nation have hit us with a barrage of negative advertising that makes us wonder whether anyone or any institution can be trusted.

In addition to these challenges, builders have had to deal with ever changing rules and regulations about how they can conduct business and keep their workers and customers safe during a pandemic. On top of that, product shortages and increased building supply prices have made staying profitable even more elusive for America’s builders. It is enough to make you scream! (Go ahead if you want to — get it out of your system.)

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HOME's 2020 Membership Drive is a Smashing Success!

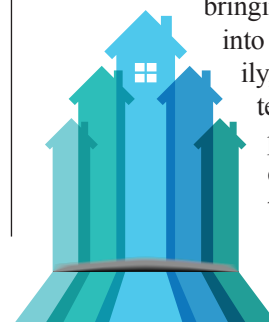
By Suzanne Palkovic, VP of Sales

HOME and its affiliates regularly conduct an annual membership drive in conjunction with a sales contest and this year was no different. What was different about this year? The environment and the results!

Originally scheduled for the spring, our annual membership drive was postponed due to an ever-widening pandemic, upending every aspect of our daily lives. By early summer however, it was clear that the building industry was going to do everything in its power to keep the lights on for workers and home buying families alike. So, we committed to do the same.

With an aggressive “pre-Covid” goal of bringing 250 new members into the HOME/RWC family, our 9-member sales team took a deep breath, properly masked of course, and focused all their energy towards contacting builders. And you responded.

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Contemplating That Big Pile of Lemons

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At times like these, it is good to consider some of those pearls of wisdom that have helped generations of Americans hold it together when the going gets tough. One of these is a simple admonition I first saw decades ago on a poster hanging on a high school English teacher's wall: "If life gives you lemons, make lemonade." I have read or heard it hundreds of times since then. Its point, of course, is that no matter how bad the hand that is dealt to us, we should try to make the most of it. There is no exception in the "Lemon Rule" rule for pandemics or for the chaos caused by pandemics. Indeed, throughout history, people have found ways to learn from pandemics and improve post-pandemic life because of the lessons they learned.

The nineteenth century world was regularly visited by cholera epidemics. London lost 10,000 of its citizens in 1854 alone. Although Dr. John Snow had determined that raw sewage leaking into a public well was the cause of the 1854 outbreak, most people, including most scientists, believed that "bad air" caused cholera and similar maladies. Fortunately, the method for eliminating the bad air, construction of a modern sewer system, also eliminated much of the contamination that had actually caused the outbreaks. Consequently London, as well as Paris and cities across Europe who followed suit, became healthier and more pleasant places in which to live and work.

The United States was not immune from cholera's deadly sting and was ravaged throughout the 1800s by repeated bouts of sickness and death. After Frederick Law Olmsted lost his eldest son to cholera, he vowed to make New York City a safer and healthier place so that other families did not suffer similar fates. He believed that urban areas should have parks that could act as community lungs to blow foul air out of the cities. Olmsted helped design New York City's Central Park, which was so well received, that he was commissioned to help create more than a hundred other parks in cities like Boston, Chicago, and Detroit.



The so-called Spanish Flu pandemic of a century ago is believed to have killed more than 50 million people worldwide. In India tens of millions contracted the disease, including Mahatma Gandhi, who survived, while 18 million of his countrymen perished. The Spanish Flu pandemic made it clear to Indians that their colonial rulers, the British, had allowed the country's healthcare system to deteriorate to a point where it was ineffective in dealing with the outbreak. The grief over their losses and the bitter belief that its British rulers were complicit

in those losses caused many natives to join Gandhi's push for independence that eventually ended Britain's 200-year rule of India in 1947.

In the United States, around 650,000 people died from the Spanish Flu during the pandemic. Following and as a result of the pandemic, America created an improved public health system and developed a more organized system for collecting health care data, both of which were the envy of the world, and became a world leader in the study and understanding of viruses. Americans who survived the pandemic faced their next few years with a great sense of optimism that led to the Roaring Twenties and a great expansion of the American economy.

Our world has faced pandemics before. From their piles of lemons, those people, cities, and nations chose to make grand parks and better sanitation, improved healthcare systems and a free and independent nation. How does this apply to home builders and warranty companies? While our scope and reach are more limited than those of great cities and nations, like them we can observe what is happening around us, learn from these experiences and adapt our behavior accordingly.

So, what can we do with this pile of lemons that 2020 has visited on us? Here are a few ideas.

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Better utilize your staff. A friend of ours, John, who operates a great building company in our area, told us that the pandemic has given leaders among his staff an opportunity to shine while allowing others to demonstrate that they can be trusted team players. Others have shown him an ability to solve problems that he would not have seen

but for some of the unique difficulties presented by the pandemic. At HOME we have learned that some of our employees work great independently and, like John's staff, are very good at problem solving. All of us should take stock of how our people have performed during these difficult times, and when things return to normal, put them in positions that take advantage of the strengths they have exhibited.

Do Business Using State-of-the-Art Technology. We all can find the rut of years of working a certain way comfortable, or at least more comfortable than changing to something new. The pandemic and some governmental impositions arising from it have forced many of us to work remotely, meet virtually and review and sign documents electronically more than we ever have. At first this was inconvenient for some and downright scary for others. As time has passed, however, people have embraced the efficiency provided by these technologies. They can be time savers not just for you but for your customers as well. When the world gets normal again, do not forget the time and cost saving benefits of these technologies, and don't wait till the next pandemic to embrace new ones.

Be Open to New Home Building Methods. Necessity is the mother of invention, and challenges presented by the pandemic, like building a house while practicing social distancing, have generated new ways to go about it. Big data, artificial intelligence, the internet of things and robotics, according to some, will be used in building most houses someday. Proponents of these processes argue that the time is now to change construction practices, as these methods, together with a greater reliance on prefabricated building segments, will give us a safer, quicker and more profitable way to build quality housing on a more predictable schedule.



Watch for and Take Advantage of Changes in the Marketplace. Experts predict that some city dwellers will want to move to the suburbs and that some suburbanites will want to move to the country because of the pandemic. Others foresee a demand for changes to the standard house, like higher quality ventilation systems to help exchange air and thus reduce the ability for a virus or other pathogen to spread. Builders should be prepared to go to where the market is and build what post-pandemic customers want.

Succeed During the Optimistic Period that will Follow the Pandemic. After Americans survived the Spanish Flu pandemic, they rejoiced and ushered in ten years of high rolling, high spending good times. There is no guarantee that will happen again, but we would not bet against it. After effective therapeutic drugs and vaccines are developed to neutralize the COVID-19 virus, be ready for the Roaring 20s 2.0, and position your company to succeed in that environment.

One way to achieve success now or in the future is to place a HOME warranty on each of your homes. HOME has been directed by the same owner since 1992, and along with our national affiliate Residential Warranty Company, LLC, our people have administered home warranties on over three million homes!



We offer a wide variety of warranty options, from the standard ten-year warranty to our specialty warranties for remodeling projects, detached garages, and commercial construction. HOME's warranty mirrors Texas' ten-year statute of repose and transfers the major structural defect obligation from our builders to HOME's insurer in the final eight years of the warranty. HOME's warranty provides clear performance standards that help create realistic expectations in your homeowners and a road map to resolving even the stickiest customer complaints. HOME's warranties are backed by a Texas property and casualty insurance company, and HOME and its affiliates are 100% American owned. HOME members are eligible to purchase General Liability, Builder's Risk and Contractor's Equipment coverages through the RWC Insurance Advantage program.

Here at HOME, we appreciate your business and your confidence in us. And so, in your honor, we'll raise a glass of lemonade and say good riddance to that big pile of problems 2020 gave us and hope we can all learn from them to be more successful next year! Have a great fall and winter!

What Builders Need to Know About New Home Comfort in a Post-Covid Market

Coronavirus has many Americans working, learning and living entirely from home. And self-quarantine has accelerated existing plans to move. The pandemic has changed a lot about our society, including what buyers are looking for in new home comfort.

Home sales in the US reached a 13-year high in June and homebuilding is rebounding even stronger. There's a potential demand for 2.1 million new homes across the country.

As a builder, it's important to know what people are looking for in a new home as we adjust to the "new normal". Here are some of the features that are at the top of homebuyers' minds:

SANITARY ENVIRONMENT

COUNTERTOPS

A major concern these days is keeping surfaces sanitary. Homeowners get excited when choosing countertops, but sterilization now takes precedence over looks. When building brand-new custom homes, picking the most hygienic countertop is essential.

A study by Best American Living revealed 60% of Millennials and 78% of Gen-X'ers would pay extra for germ-resistant countertops.

Though granite has become less popular in recent years, it's a sanitary choice. Often overlooked is the importance of re-sealing granite every few years. Regular maintenance is key to

getting the most out of the high cost of granite. Quartz and solid-surface tops are hygienic as well. Unlike granite, they're not 100% natural, so they can be more affordable.

Stainless steel has been a staple in commercial kitchens for a long time, and for good reason. They actually repel germs & bacterial growth. While stainless hasn't been popular for residential use, it would be smart to consider.



“...60% of Millennials & 78% of Gen-X'ers would pay extra for germ-resistant countertops.”

Wood countertops are often considered unsanitary, but that's a misconception. Wood's natural properties kill bacteria. Though they need regular maintenance, wood countertops are very easy to clean. They can also be far less expensive than other options.

DROP ZONES

Builders have been well-aware of the desirability of a “mud-room” off the garage for decades. Now a separate laundry room is more important than ever.

Drop zones used to cater to the needs of a busy family. The new goal of a drop zone is to contain and sterilize, preventing the spread of germs. Covid has made people realize that all entrances to the home need drop zones of some form. The 1918 flu pandemic introduced the “powder room” to society. It seems Covid will affect home design in similar ways.

SMART & TOUCHLESS

Smart home technology has been on the rise over the past 5 years and is now considered a basic necessity. Touchless faucets and voice-operated appliances provide obvious advantages. Bidet sales exploded in the US as a result of the toilet paper shortage. Next on the horizon could be floors and mirrors that check vitals.

IMPROVED AIR QUALITY & NON-TOXIC MATERIALS

People are shelling out money for top-of-the-line air and water filtration systems. 66% of homeowners would spend an extra \$1,000 on a new home with whole-house air filtration (up 56% from last year). Access to fresh air is essential, creating more opportunity for indoor/outdoor spaces. General well-being is paramount, so materials used to build the home are under increased scrutiny.

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FLEXIBILITY & FUNCTIONALITY

MODULARITY

Open concept floor plans are hugely popular. Most think this would continue after the pandemic, but that's not necessarily the case. Though open floor plans allow for social distancing, they can make things harder, too. With no dividing walls, it can be difficult for multiple people to perform different functions or isolate for health reasons. In response, there's an increased demand for modular space.

NECESSARY ROOMS

Gone are the days where a home office was an afterthought. As companies warm to the idea of permanent work-from-home, buyers are more likely to need a place to work. Further, it's becoming more common for homeowners to look for more than one home office. Builders should consider converting loft space, bonus rooms and basements for this purpose. Modifying existing floor plans altogether to incorporate more closed-off rooms may be necessary.

Along with multiple offices, parents may also need rooms dedicated to homeschooling. It's important to have a room apart from a child's bedroom or playroom for learning.

Home gyms are another necessity that was previously considered a luxury.

Gyms have been some of the slowest businesses to re-open. Getting into a workout routine after stress-eating for months is now a common concern. Re-imagining floor plans to include more rooms, or more space in general, is important for home comfort moving forward



Gone are the days where a home office was an afterthought.

LOCATION, LOCATION, LOCATION

MIGRATION TO THE SUBURBS

American cities have become epicenters due to close living quarters and heavy travel. Thousands of people are fleeing major cities in search of more distance in the suburbs. Though they're leaving the city, these buyers cling to the feeling of city living. Residential developments have begun marketing themselves as "urbanized suburbs" to attract former city-dwellers. They're offering amenities like paved streets, restaurants, hotels, office buildings and apartment-style living.

Outdoor malls are exploring this trend as well, creating simulated "down-

towns" within their complexes for a city feel.

AGRICULTURE

One thing city folk desire in a new home is space for a garden, access to fresh produce and agrotourism. During the pandemic people weren't able to get to grocery stores as often and farmers' markets had shut down. This combined with the growing local food movement makes access to fresh food essential.

Upheaval in society inevitably leads to major changes in home building. Though times are uncertain, we'll monitor emerging trends in home comfort to help you stay relevant.

Complete this Checklist for a Successful 2021

HOME of Texas has a lot to offer. Are you taking full advantage of ALL of our services? Make it your New Year's Resolution to complete this checklist! If something piques your interest email info@homeoftexas.com.

- Learn more about our specialized warranty products for remodeling projects and detached garages.
- Stop cutting checks and pay for your warranty online through *Warranty Express*. It is quick, easy and saves money.
- Get more information on General Liability Insurance through *RWC Insurance Advantage*.
- Order more supplies. HOME offers a wide selection of FREE marketing materials, such as signs, brochures, and more.
- Add the HOME logo & link to your website so buyers can learn about the value of the warranty you are providing.

HOME/RWC's 2020 Membership Drive is a Smashing Success!

Continued from front cover

The team brought in 292 total new members over a 3 month period, smashing all records for contests and membership drives since at least prior to the Great Recession. They set a one-month record of 109 applications and exceeded 90+ applications for every month of the drive.

Certainly a large driving force behind the success of any of our drives is you, the Builder and your willingness to provide an additional layer of credible protection to your homes, to not only manage your risk, but also to protect your home buyers during unprecedented times.



For our part, for the second straight year, *Staci Cool*, our Midwest Region Account Executive (pictured here), won the overall contest and rightfully earned some serious bragging rights. In second place overall, is Tifanee McCall, Account Executive for MHWC and Manufacturers nationwide, who makes her first entry into the contest's top echelon of finishers. We congratulate both of them on their hard work.

We always try to interject a little fun into our contests and this year was no different. We divided the Account Executives into two teams to battle each other out in various challenges and quizzes, earning each winning team member bonus points. Staci Cool captained one team, "Carol Baskin's Tigers" and Rich McPhee, our Mid-Atlantic Region Account Executive, captained the other, "Joe Exotic's Tigers". And much like opinion on the real life "characters", results ended in a tie!

In terms of just new members, Jana Watts, Account Executive for NJ, NY, and PA came in first with 65 new members. Diana Gomez, Account Executive for TX, LA, OK, and AR came in second with 44 new members and Staci Cool and Freddy Pesqueira, Account Executive for GA, FL, TN, AL & MS, tied for third with 33 new members each.

We are on track to have one of our strongest years in at least the last decade or more in terms of new members. But more than that, this also is an indicator of the strength of your warranty provider. We continue to grow in numbers and we continue to grow in financial strength. As of year-end 2019 numbers, our insurer boasts a net surplus equity in excess of \$120 million and our Texas affiliate's insurer for that single state surpassed the \$18 million mark in surplus equity. That's surplus equity that stands at the ready to assist our members and their home buyers with warranted claims throughout the term of their warranty.

HOME/RWC is committed....Committed to you, our builders and to your homeowners, to provide strong, stable, and effective warranty coverage for the long haul! Thank you to the building industry for doing your part to keeping our economy moving! May you all stay safe!

A Note of Thanks

from a Homeowner to the Warranty Staff

Ceri,

Just a note to say thank you. I appreciate all you have done. You have gone above and beyond with your professionalism and kindness. It is my prayer that God will bless you and those you hold dearly beyond all your expectations.

Hot Off The Presses

If you haven't seen HOME's *new and improved brochure holder* yet, check it out. This simple yet sturdy format allows for effortless set up - no assembly required! The new design and sharp colors will look great in your office or model home. And best of all, they're free to HOME of Texas Members. Show off your commitment to buyers and display your warranty products proudly!

Easily Order:

- ONLINE through the Warranty Express link on our website
- EMAIL info@homeoftexas.com
- CALL 800-445-8173 x2459



To see what else is available visit: homeoftexas.com/marketing-materials/

Cool Weather Can Present a Fire Hazard on Home Building Sites

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In recognition of last month's Fire Prevention Week, it is an important reminder for builders and their crew to stay safe on the job site.

Many people associate hot, dry summer months with fire danger. But for home builders and remodelers working on home interiors, fall and winter can be a dangerous time. Many workers keep warm with space heaters and other heating devices, so extra care must be taken when using this equipment.

Also, builders should be acutely aware of any fire or burning risks associated with chemicals they may be using on a site.

NAHB has published a fire prevention toolkit to help builders keep residential construction sites as fire-resistant as possible using housekeeping and basic fire prevention tips:

- Keep the worksite clear of extraneous items and clean up spills immediately
- Be aware of fuel and ignition sources on the job site and ensure proper placement and storage
- Ensure rooms have proper ventilation before spraying paint and other solvents
- Ensure temporary heaters are being properly used
- Know and communicate your company's fire protection plan
- Keep fire extinguishers in easy reach and make sure workers are trained in their proper use

DIRECTORY

NOT SURE WHO TO CONTACT?

Give us a call- We'll do our best to help! First and foremost, know that your Account Executive is ready, willing and able to help you with all of your warranty and insurance needs. Contact them directly and let them do the legwork for you.



Who is My Account Executive?

Diana Gomez
Texas Builders
512-585-1909
diana.gomez@homeoftexas.com

Tifanee McCall
All Manufacturers & MHWC
Builder/Dealers
800-247-1812 x2132
tifanee.mccall@mhwconline.com



Questions on the RWC Ins. Advantage Program? Call 866-454-2155 or Email:

Quotes and Underwriting:
Roberta, x2272
roberta.woodhall@theparmergroup.com

Claims:
Laura, x 2278
laura.current@iadclaims.com

Certificates:
Go to www.rwcinsuranceadvantage.com
Click on the Products tab, then Request Certificate

Loss Runs & Other Questions:
info@rwcinsuranceadvantage.com

As always, you can also visit
www.homeoftexas.com
for additional information,
forms, quotes & contact info.



For questions about the Warranty Program? Call 800-445-8173 or Email:

Dept of Member Services (Texas) Enrollments/Warranty Express, Remodeling & Garages,
Sandra, x2107
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Membership/Renewal Questions and Membership/New App Status
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Logos for Websites:
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Invoicing:
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Incentive:
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Resources & Education for Builders & Their Buyers

Whether you are just introducing yourself as a builder or putting the final touches on construction, it's always a great idea to remind your clients that a HOME of Texas warranty is included with their home. Knowing there is a safety net in place grants buyers a big sigh of relief, allowing them to focus on things like family and settling in to make that house a 'home'.

HOME provides quite a few resources on our website that will help you educate buyers and navigate any questions that may pop up from a homeowner's point of view, either now or five years down the line. Things like the value of a HOME warranty, understanding warranty terms, or details about their home enrollment. All of this information - and more - can be found under the homeowners tab at www.homeoftexas.com.



QUICK LINKS:

Homeowners may go online to view and download their warranty document after closing:
<https://secure.rwcwarranty.com/apps/we/home/confirmation/confirm/>

If a homeowner has a question about their home enrollment, they can always call a human – not a call center – at **800-445-8173**.

If they have a claim and need to start the resolution process, the instructions to do so are in their warranty book. They can begin online by completing the form and emailing us the documentation needed to get the ball rolling: <https://www.homeoftexas.com/homeowners/submit-a-claim/>