

# **Southern Living Custom Builder Program**

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Where Do We Go From Here?

February 26, 2011  
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The Homebuilder Coach

# Two Years Ago...

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- Will weed out some of the bad competitors
  - Can potentially increase your market share
  - Allow you time to improve your systems and staff
  - Bank workouts will become available
    - Can be great for cash flow
  - Foreclosures
    - These will come towards the end of the cycle
  - Land acquisition
    - Availability
    - Terms and conditions
    - Pricing
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# Well, Here's What Happened...

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- A number of the bad competitors are gone
- This automatically increased your market share
- Now improve your systems and staff
- Bank workouts are still coming
- Foreclosures are still working through
- Land acquisition. Not yet unless...

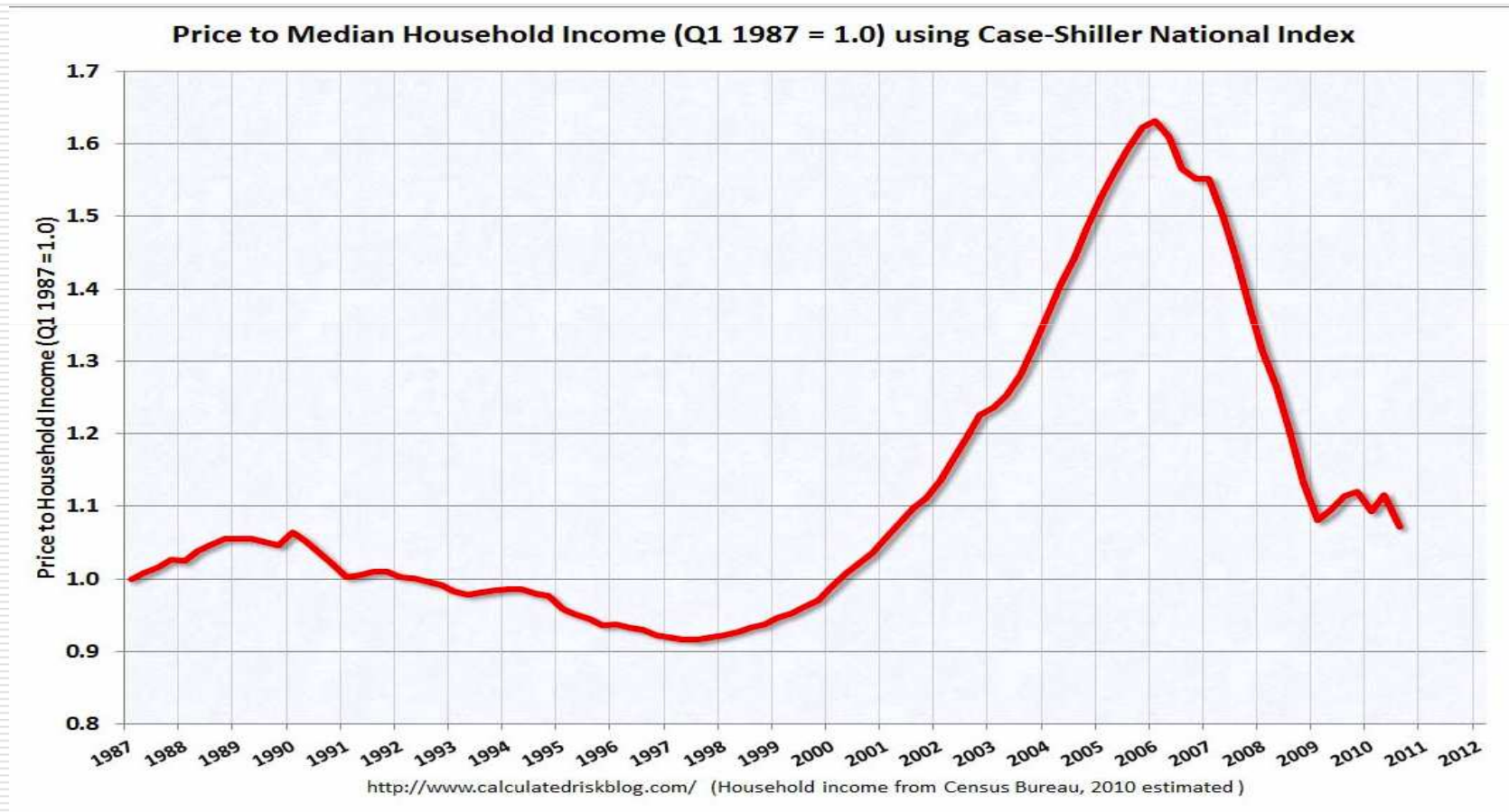
Here's the Data

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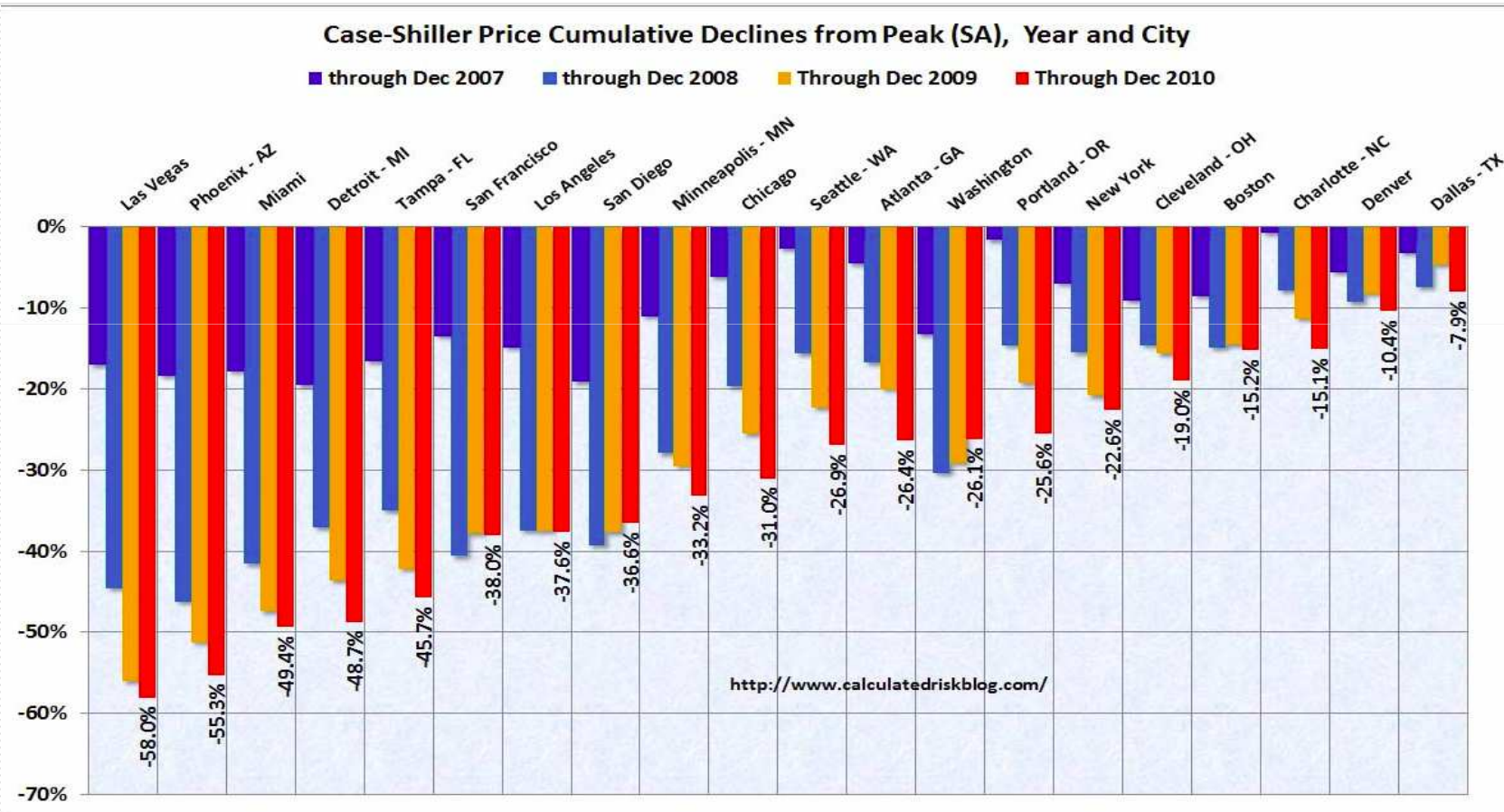
# Inflation Change Year to Year



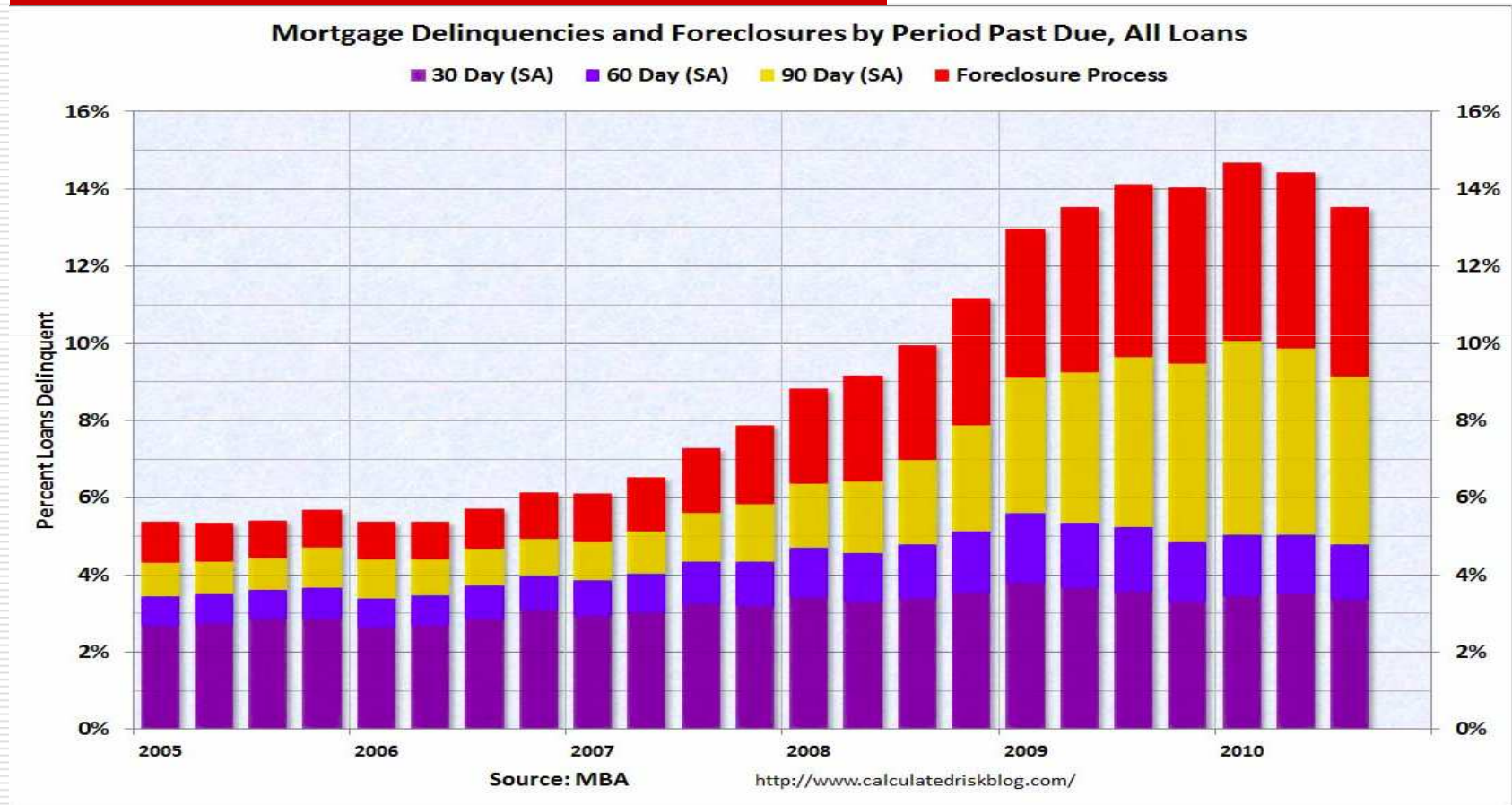
# Price to Median Household Income



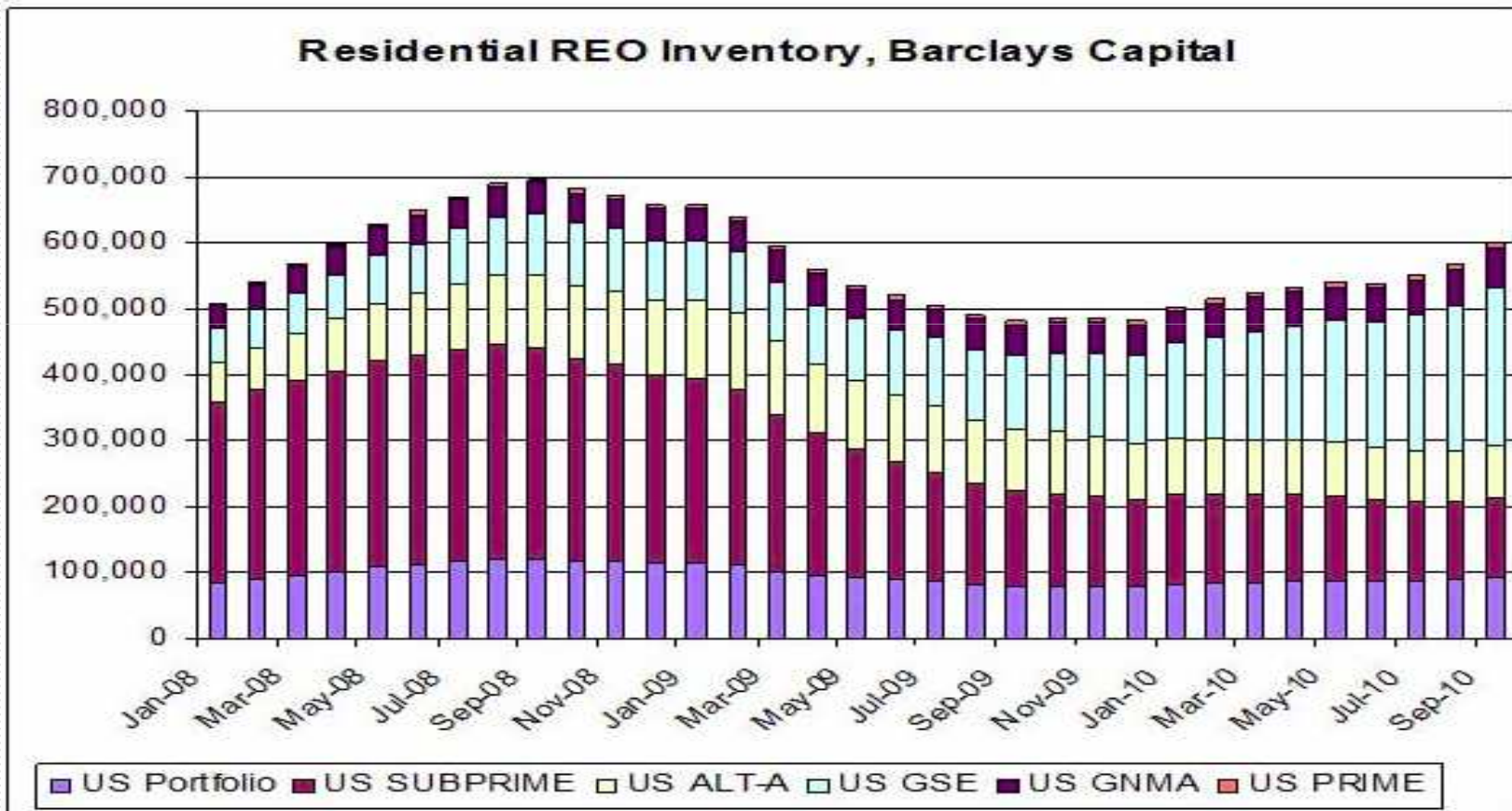
# Local Variance in Price Changes



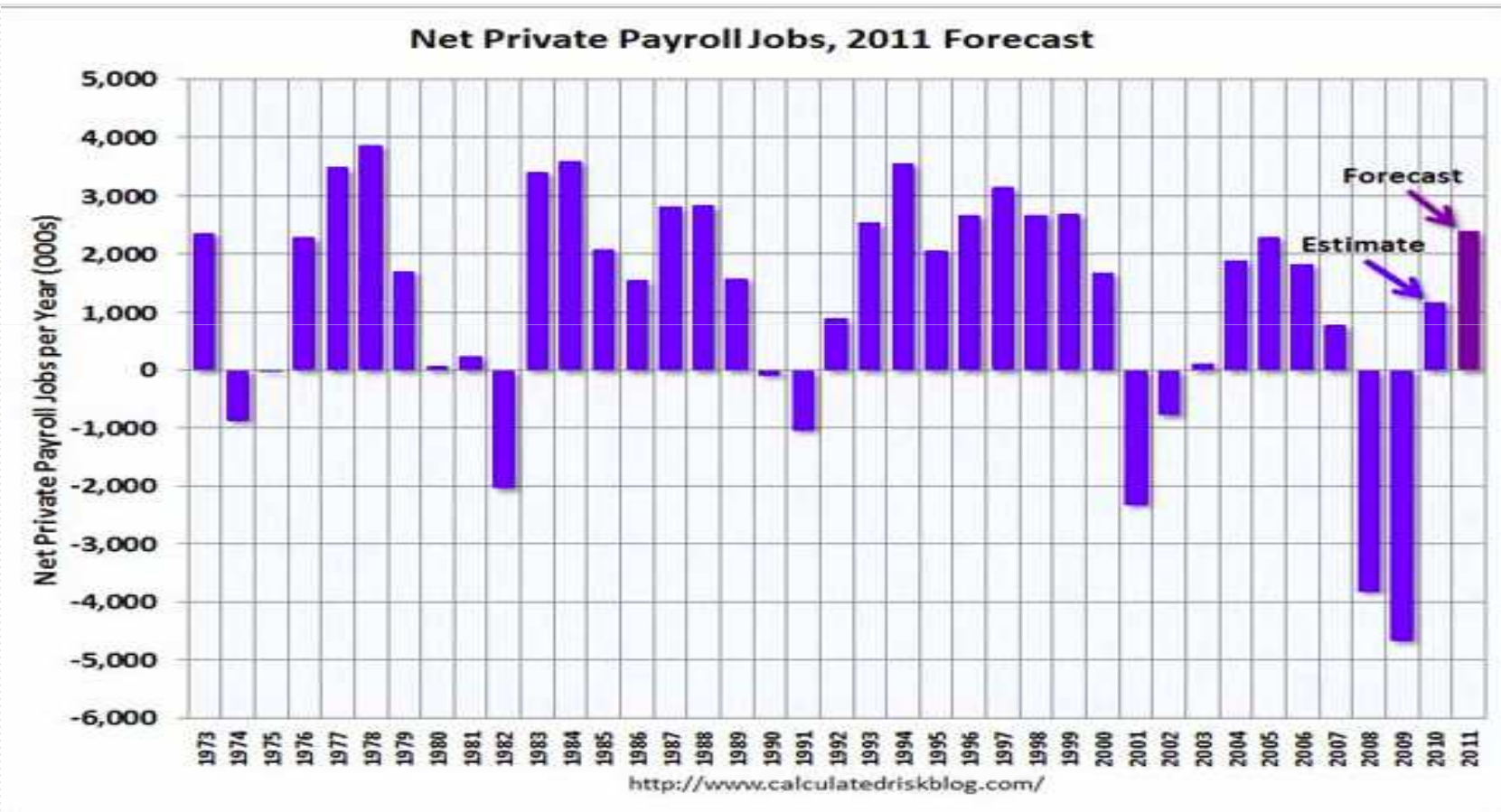
# Mortgage Delinquencies/Foreclosures



# REO Inventory



# Employment Forecast



# Change in Residential Investment and Employment

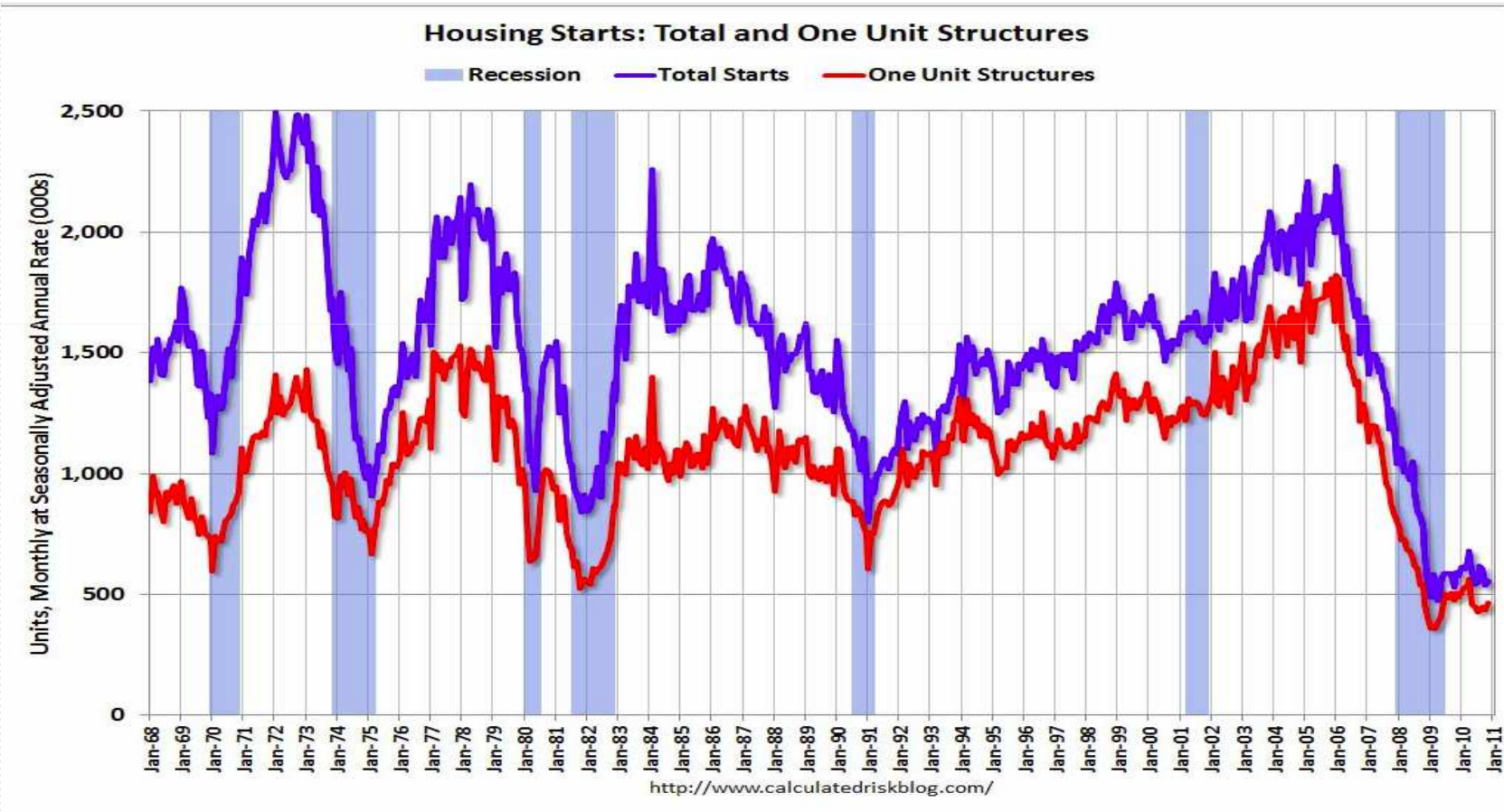


# The Current Employment Situation Explained in a Single Picture



□ The next layoff is Jose!

# Housing Starts 1968-2011



# Housing Start Comparison

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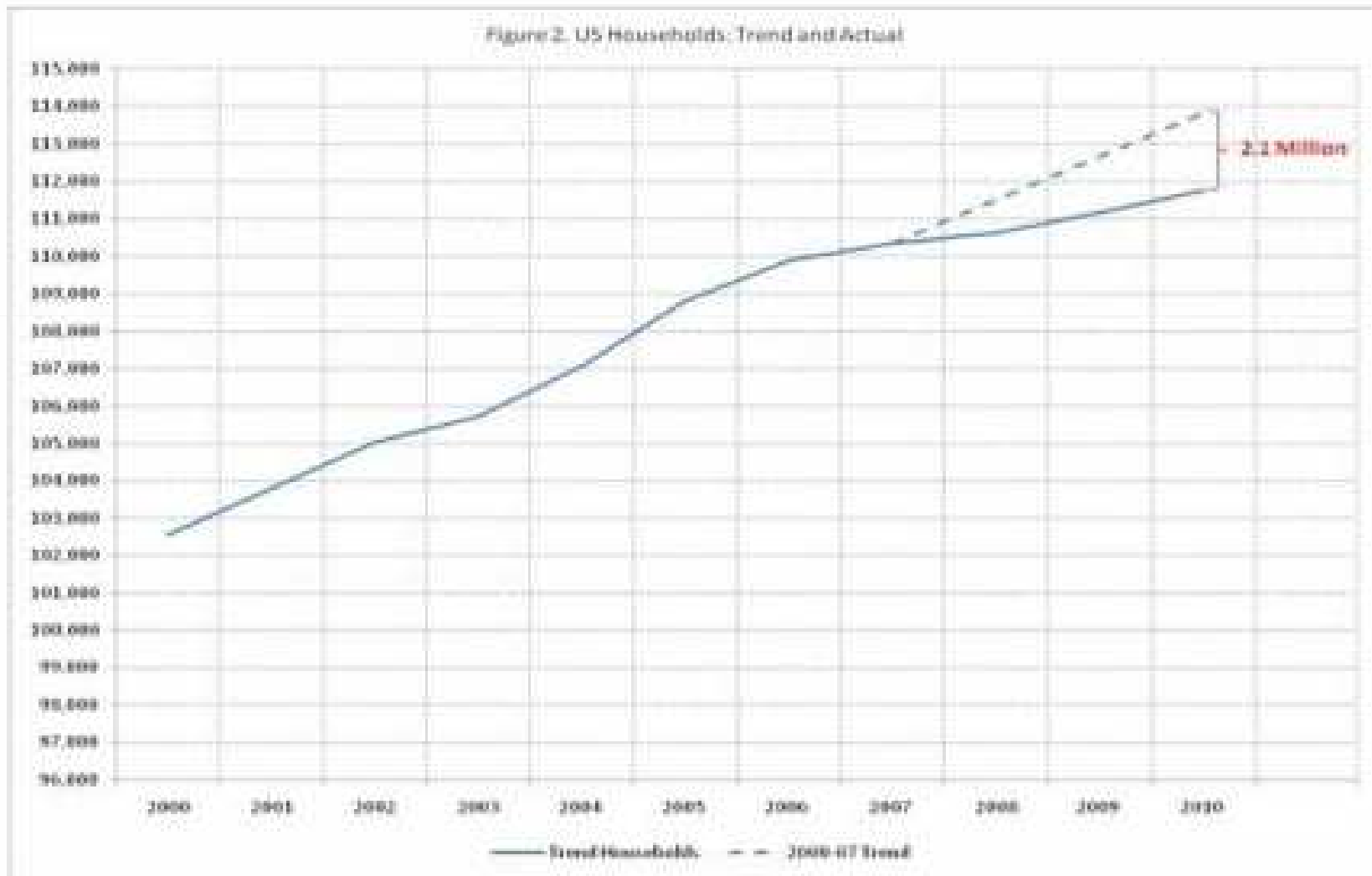
<b>Year</b>	<b>Total</b>	<b>Year</b>	<b>Total</b>
2010	590,000 est	1983	1,703,000
2009	554,400	1982	1,062,200
2008	905,500	1981	1,084,200
2007	1,353,800	1980	1,292,000
2006	1,800,900	1979	1,745,100
2005	2,068,300	1978	2,020,300

***Source: US Census Bureau***

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# Pent-up Demand for Housing

Source: NAHB Economics Department



# Buyers are out there...Just Hiding

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# OK Now What?

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- Shake the hand of the Builder next to you
  - Congratulations, Survivor!
  - Now, Let's go to work!
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# Find the Buyers

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Strategy

Strategy

Strategy

Strategy

or Walk-in  
Strategy

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# Key Realtor Strategy

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- They have the prospects
  - If you don't have a Realtor Co-Op program...Get One!
  - Put it in Writing
  - Follow it consistently
  - Promote it to the Top 20% in your market
  - Stay in Touch Weekly
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# Digital Strategy

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- A solid Website
    - Don't focus on you – Focus on them!
    - No more than three clicks to anything
    - Lots of photos
    - Cut the Flash stuff the tecchies love...unless...
    - Link to everyone especially Southern Living
  - A Blog – Only if you will keep it up
  - Linked In, Facebook, Twitter, etc.
  - A Digital Newsletter
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# Media Strategy

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- ❑ Create a distinctive message tied to the Southern Living Brand you have
  - ❑ Know where to spend
  - ❑ Budget Carefully, and use it
  - ❑ Repeat, Repeat, Repeat
  - ❑ Radio is a Sleeper medium
  - ❑ So are Public Relations and Events
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# Referral Strategy

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- ❑ Lowest Cost and Highest Conversion
  - ❑ This should be your PRIMARY strategy
  - ❑ Consistent discussions during the build
  - ❑ Regular checking-in after closing
  - ❑ But only with Delighted Clients
  - ❑ If your clients have a problem fix it and make sure they are Delighted before asking
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# Drive-By / Walk -In Strategy

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- Understand the Nosy Neighbor Syndrome
  - Make information available
  - Get Contact Information
  - Host a Completion Party
  - Have a Place to Inspire Confidence
  - Schedule Follow up time Daily
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# Convert Prospects to Customers

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- Keep *all* promises
  - Make it easy to visit and get information
  - Have product available to show
  - Make your homes accessible
  - Get everyone on your sales team
  - Finish your spec homes
  - Merchandise finished homes – at least vignette
  - Know your competition
  - Know yourself
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Thanks for having me here

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