

MG BUILDER

The MG Builder program offers a unique opportunity to leverage the knowledge and experience provided by MarketGraphics and the support of other local builders. This program has been specifically designed for home builders and remodelers that build less than 40 homes per year. Each MG Builder Group will consist of no more than 12 builders. By creating a group of builders we are able to provide this service at a cost savings, while still providing the quality level of service that is expected from MarketGraphics.

The MG Builder Program strives to provide members with new home market research and strategic planning advice with the goal of increasing profitability while reducing risk. Additionally, strategies will be discussed to reduce expensive mistakes and provide an opportunity for higher return on investment.

- ✓ Evaluation of each builder and their position in the market
- ✓ Selection of a Market Niche
- ✓ Product, Specifications and Options
- ✓ Estimating / Purchasing Process
- ✓ Management Systems - Increase profitability 20% - 40% without building more houses or increasing prices
- ✓ How to Avoid Borrowing
- ✓ Buyer Finance Program
- ✓ Marketing
- ✓ Sales
- ✓ Company, Finance Evaluation and Reporting Process
- ✓ Model Home Program
- ✓ Lot Purchasing



Please contact Troy Headden at Troy@mgresearch.net for further details on how you can become a part of the MG Builder Group in your area.

We are looking forward to working with you and providing support to your company that will help you meet your goals and objectives.

Edsel Charles

Chairman
MarketGraphics Research Group, Inc.



Program Details

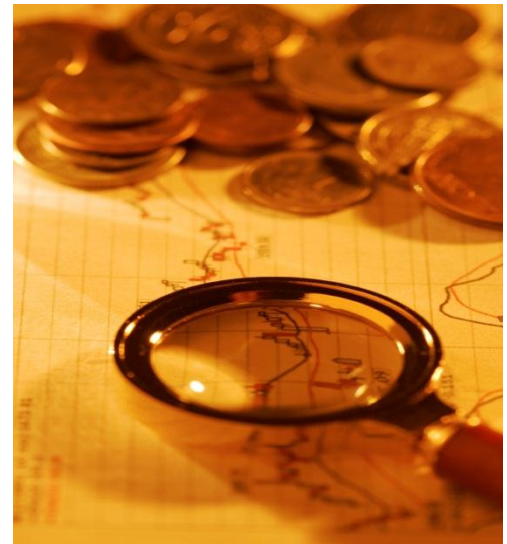
Consulting and Meetings

- **MG Builder Member Meetings** – every four months a private 3 hour meeting will be scheduled in the builder market area. This will be a joint meeting of all members in the group and will include a 40 minute strategic presentation followed by an open discussion.
- **MG Builder Members** will also receive **individual and personal attention**.
- **MG Builder Members** have **access to the MarketGraphics team and/or Edsel Charles** through this program. E-mail questions to mgbuilder@mgresearch.net. Our goal is to respond within 5 days (or sooner) from the receipt of the request.
- **Each member will receive a questionnaire that is designed to help us evaluate your company and be able to provide you with recommendations that are specific to your business.**

Because this is a “group” of several companies/individuals, creating an environment where information can be shared to help the other members will be important. However, the idea of sharing information does not apply to such information as pricing and financial details. This information will be kept confidential between you and MarketGraphics. Should other information be considered confidential to you and your business, please let us know.

Research Data

- The **Executive Summary** report of the MarketGraphics Housing and Subdivision Analysis report. The Executive Summary report provides members with key points necessary to make informed strategic business decisions. For example, the report provides counted inventory of homes as well as historical and projected sales figures by county. This report also includes a section of our Housing Forecast for the market. This information offers a dollar volume forecast of housing starts for the entire market, detailed by price-point. Sales projections are detailed by MarketGraphics area and price-point category. 24/7 electronic access is available via the MG website for each of the three audit cycles per year. During the second audit cycle of the year a print copy will be sent to the Builder Member’s office.
- **The Federal Reserve vs. The Market Report** relates interest rates to both the number of permits issued and employment numbers displaying data by reporting area on a year-to-date bar chart. This report is updated in the middle of the four-month report cycle. 24/7 electronic access is available via the MG website for each of the three audit cycles per year.
- **The Permit Report** reviews building permits and market share by county and looks at monthly differences spanning several years. Clients use this monthly report for both a high-level view of trends and a detailed analysis of the market in a specific area.



Program Details

Research Data (Continued)

- **Risk Analysis Management** - The Risk Analysis Management (R.A.M.) report is a 26 (+/-) page color report specifically designed to identify the risk of building in any one of the MarketGraphics areas at any of the 8 price-points. Imagine being able to see the risk rating (from 1 to 10) of a spec. home in a development in which you want to invest or build!
Report Includes:

- Risk Rating (with definition of caution level) of starting a spec home at a price-point in a specific MarketGraphics area
- Metro-wide permit, start, occupancy and forecast numbers
- Developed lot inventory for each of the sub-markets
- County-wide housing demand by price-point
- Forecast of starts and developed lots needed
- Subdivision audit numbers for each subdivision in one specific MG area



RAM reports are requested via e-mail at mgbuilder@mgresearch.net, and will be mailed via the post office to the MG Builder member. Requests can be made up to one time per month.

- **Wall Map and Subdivision Index** locates all MG new home subdivisions. Each subdivision is color coded by their monthly absorption rate. The Wall Map and Subdivision Index is produced and mailed to your office during the third audit of the year.
- **Additional Market Research Maps, Charts and Graphs: (The below items are updated each four months and are provided via the MG website).**
 - MG Market Area Map
 - County and MG Area Maps locating the new home subdivisions
 - Developed Lot Inventory by Home Price Range & MG Area
 - Developed Lot Inventory and Forecast 12-Month Demand
 - New Home Subdivisions (Started and Projected to Start)
 - Forecast of Housing Starts By County, By Year
 - Historical Net Home Inventory (*Supply*) and Projected 12-Month *Demand* for the Previous 12-month, 8-month and 4-month data.
 - Historical Net Home Inventory (*Supply*) and Projected 12-Month *Demand* for the Current data.
 - Historical Net Home Inventory (*Supply*) and Projected 12-Month *Demand* for the next 4-month, 8-month, 12-month, 16-month, 20-month and 24-month projections based on natural extensions from current audit.

Program Details

The following tools and resources that we plan to provide to the MG Builder members are in the development stage:

- ✓ **The MG Webinar Library** is a business management library of resources covering a variety of subject matters. Some of the topics will be:
 - Selection Process
 - Change Orders
 - Warranty
 - Start Packages
 - Financial Management
 - Lending and Reporting,
 - Bidding, plus Estimating and Pricing
 - Corporation Management and Insurance Management
 - Lot and Land Management-including Home Owners Association Data
 - Accounting
 - Employee Management
 - Sales and Marketing
 - Builder Profit / Margins

- ✓ **Annual Gathering** that will facilitate interaction between similar MG Builder Groups from varying markets. The annual gathering offers the opportunity to build relationships and have exposure to great ideas.