

Home builders stress ripple effect of tax break for buyers

By JOHN CUNNEIFF
SPECIAL WRITER

(AP) — With new-housing demand remaining weak, and with some units in the existing-home market remaining unsold for most of a year, you might think the last thing the economy needs is more homes.

But it is not that simple. And because it isn't, legislators look to the home-building industry to spur the economy.

In what the National Association of Home Builders calls "a bold step to reinvigorate the economy," Sen. Lloyd Bentsen, D-Tex., has proposed a \$2,500 tax credit for first-

time buyers of both new and existing homes.

NAHB president Robert "Jay" Buchert likes the idea, of course, because his members would benefit. But is Buchert justified in saying that the proposal is also the "perfect prescription to revive the sluggish economy?"

The home-building industry has long promoted the idea that its fortunes and those of the overall economy are intertwined, and perhaps with justification, since weakness in housing is often the first indication of recession.

If housing is a recession's first and often most extreme victim, then it follows — or so goes the argument

ANALYSIS

— that a recovery in housing may also be the precursor of economic recovery.

The NAHB does its part to encourage that thesis. Housing construction, it says, "stimulates the economy directly by generating jobs, wages and tax revenues." That stimulation, it says, then "ripples" through the economy.

The construction of 1,000 single-family homes, says the NAHB, generates 1,759 worker-years of employment in construction and construction-related industries; \$45.7

million in wages; \$18.8 million in federal, state and local tax revenues; and \$1.6 million in first-year local property taxes.

The ripple of demand for materials feeds strength to lumber producers, wall board manufacturers, asphalt shingle fabricators, paint manufacturers, pipemakers, distributors of refrigerators, sinks, tubs and garbage disposals.

The NAHB contention is convincing, but the questions remain:

Does the country need more housing? If it does, why hasn't there been more demand for housing from potential buyers?

Much weakness, economists say, is a result of general economic uncertainty rather than any disinterest by buyers. Unemployment and job insecurity are extremely high. Wages have barely risen. Political uncertainty prevails.

While conceding that there seems not to be a great demand in the

marketplace, the economists say the potential is there, especially at the lower end of the price range. The trick, they say, is to realize that potential.

It is through statistics such as these that the housing people identify their cause with that of the nation's economy. Help us, they say, and you'll be helping yourself and your family. You help end the recession, find jobs for people, raise revenue, aid the poor.

Guide to mowing based on growth

AP — Mowing and watering your lawn are usually done whenever you have the time, rather than on a fixed schedule. But this routine isn't necessarily best for the grass.

Instead, let the lawn dictate when you mow, using the one-third rule. This rule stipulates that most grasses grow best if you don't cut more than one-third of their height at one time. Cutting more than one-third leaves too little leaf to gather sunlight and drive the photosynthesis process.

Let's say you mow the grass to a height of two inches. When it reaches three inches, mow it again. The one-third rule reduces mowing time by nearly a third, and the clippings are small enough that they don't need to be bagged.

Leaving short clippings on the ground is preferable to bagging them. Clippings don't add significantly to thatch because they are 90 percent water, and the 10 percent of the plant matter adds nutrients to the soil as it breaks down.

Will you need a mulching mower? Not if you follow the one-third rule faithfully. But they will be times when the grass has gotten ahead of you, and a mulching mower would be a big help. A good compromise, however, is a bagging mower that can be used without a bag.

Finally, don't mow your lawn too short. While some warm-weather grasses can be cut as low as 1½ inches, cool-weather grasses should never be cut shorter than two inches in the cooler months and 2½ inches to three inches during the hottest months.

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