



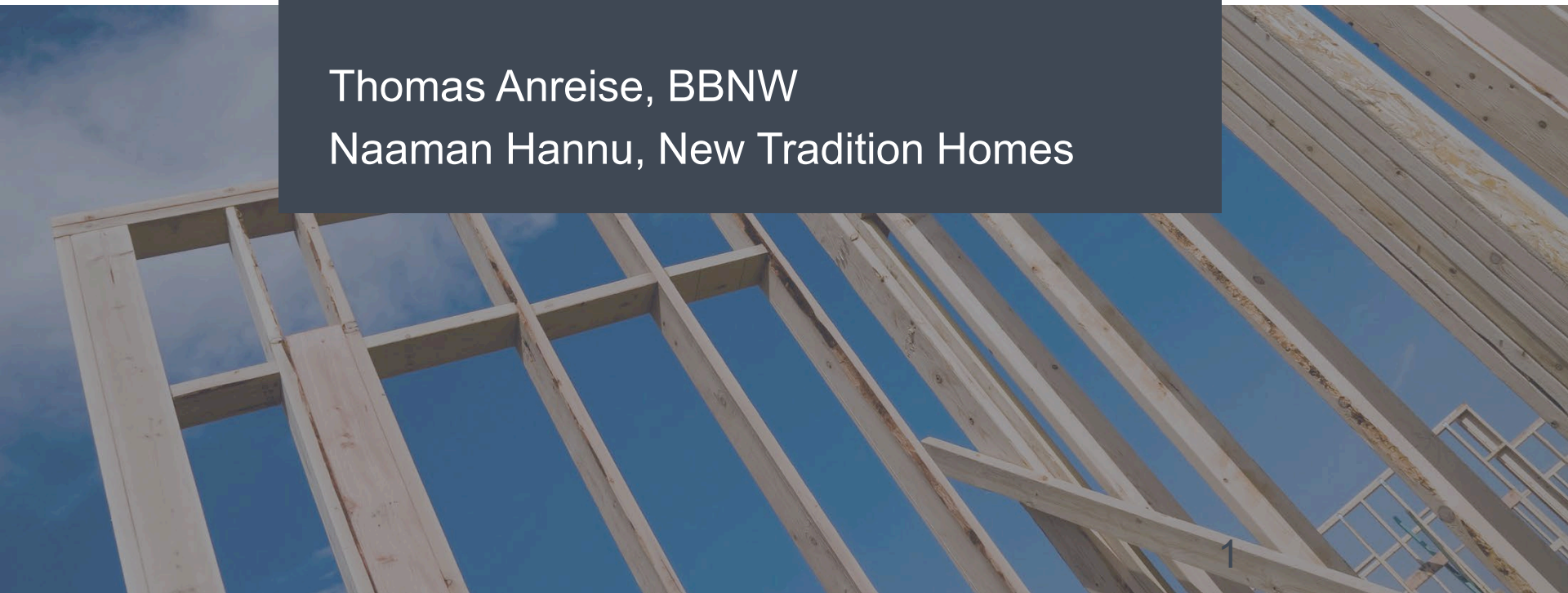
BetterBuilt^{NW}



**NEW TRADITION
HOMES**
BUILDING HOMES FOR LIFE

The Consumer's View: Finding Common Ground

Thomas Anreise, BBNW
Naaman Hannu, New Tradition Homes





The Need for Efficient Homes

Pushing Efficiency

What are your motives for creating efficient homes?

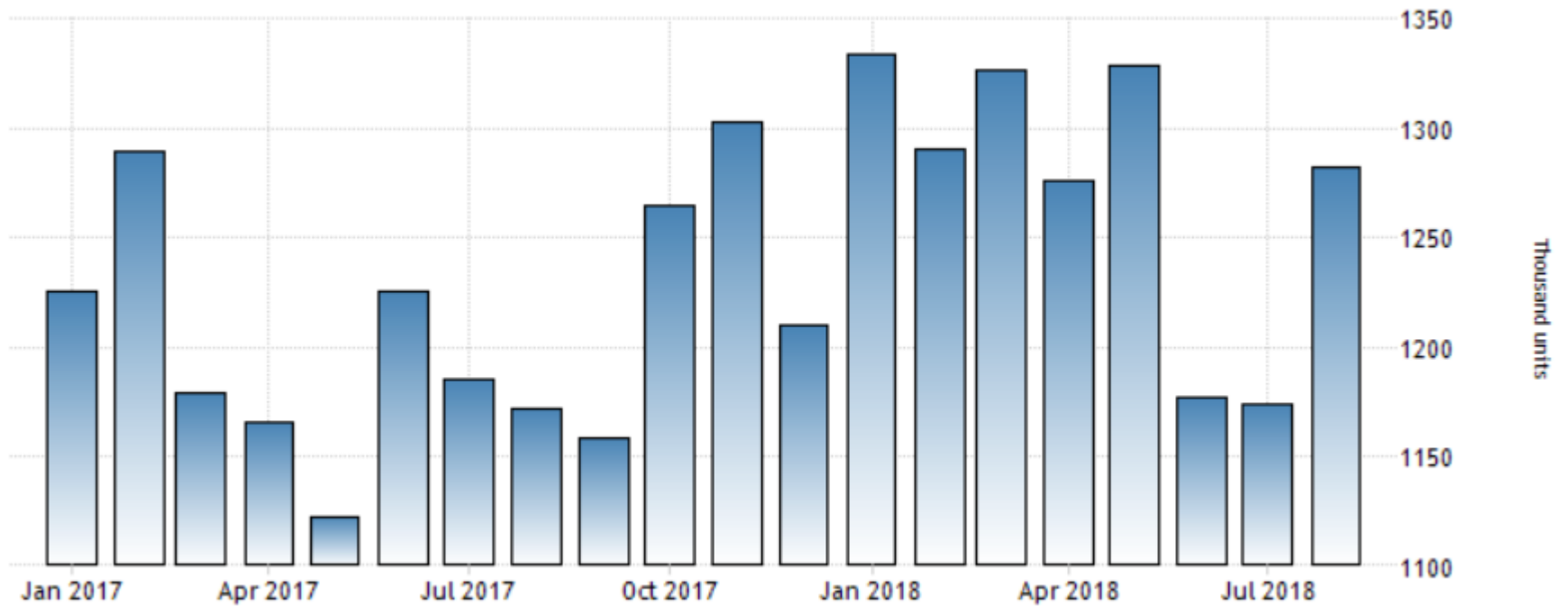


US HOUSING STARTS



SOURCE: TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

US HOUSING STARTS



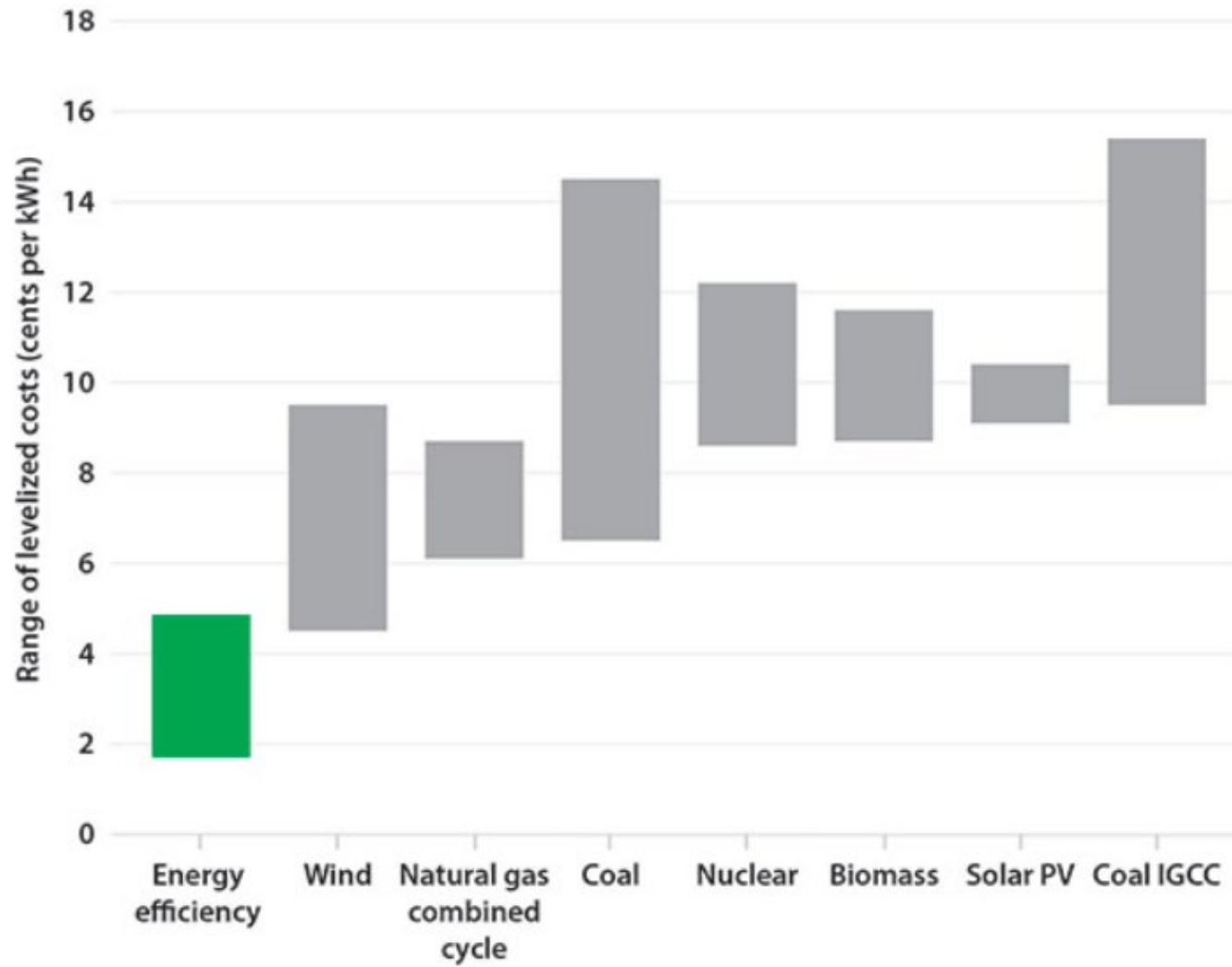
SOURCE: TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

SOURCE: TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

In the U.S.

- One birth every 8 seconds
- One death every 12 seconds
- One net migrant every 35 seconds
- Net gain of one person every 14 seconds







The Consumer's Path to Purchase

Consumer Path to Purchase

Research objectives:

- Generate insights regarding the purchase process for new homes:
 - Path to Purchase
 - Key influences to purchase
 - Consumer needs/priorities
- Gain an in-depth understanding of how to position benefits of efficient new homes

Interviewed recent buyers of new homes in Boise, Billings, Spokane, Portland

Consumer Path to Purchase

Consumers journey through three key steps in the Path to Purchase process:

1. Explore
2. Engage
3. Execute

Consumer Path to Purchase

1. Explore

- Consumer is interested in ownership, but passively browsing
 - Checking listings online, casing neighborhoods, asking friends and family about experiences
 - Exciting and highly NOSTALGIC
 - Often triggered by a life event (marriage, pregnancy, etc.) which is associated with heightened attention to COMFORT and SECURITY

Consumer Path to Purchase

2. Engage

- Consumer is getting more serious, taking a closer look at ownership
 - Looking at finances, establishing price range, obtaining preapproval for loans
 - Getting more emotionally invested, may become **OVERWHELMED** or **APPREHENSIVE** at how these realities will affect their dream of ownership
 - In searching for a Realtor, they look for someone they can **TRUST**

Note: this is the stage when consumers start to prioritize features.

Consumer Path to Purchase

3. Execute

- Consumer decides to pull the trigger
 - Many don't realize new homes are within reach when they begin the process
 - The uncertainties that come along with existing homes can make this choice feel less SECURE than new home purchase

Note: Once consumers decide to buy, they become easily lost, confused, and stressed out

Consumer Path to Purchase

Consumers are drawn to new construction due the CONTROL it offers:

- Older/existing homes may need updating or have hidden issues, points to SECURITY
- New homes are FRESH – they haven't been lived in
- Consumer gets to weigh in on design – picking finishes, floor plan alterations, etc.
- Control allows the consumer to create a home that says something about themselves and their values



The Role of Efficiency

Defining Efficiency

What are the features that make a house efficient?



Role of Efficiency

Key finding:

- Overwhelming number of decisions during purchase causes consumers to deprioritize EE
 - What does matter to consumers?

Consumer Priorities

Typically prioritize:

- School district
- Distance to work
- Land/lot size



Consumer Priorities

- ***Builder reputation*** ranks high
- Quality workmanship is expected....actually demanded
- Yes, Energy Efficiency IS desirable



Role of Efficiency

Consumers focus first on the structure:

- Solid foundation – not cracking or crumbling
- Solid structure – floors level, walls straight, proper insulation/air sealing

After this, they are concerned with proper fit and finish:

- Cabinets are level, ductwork and landscaping are good to go

Energy efficiency options are desirable, but not necessary
– Icing on the cake

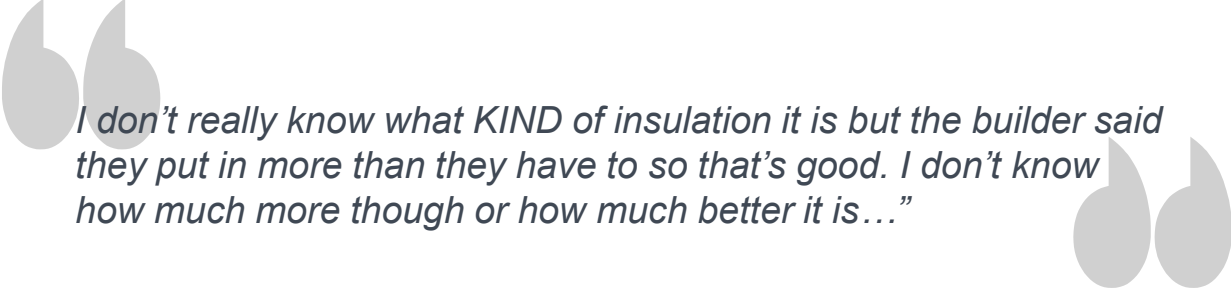
Role of Efficiency

During the sale process:

- Buyers rarely ask about EE features, even those who are passionate about conservation
- Builders rarely bring up EE during sales

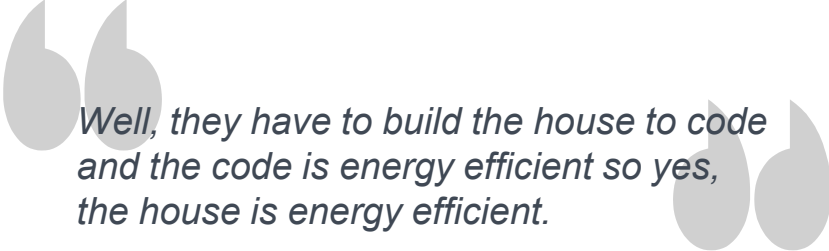
Role of Efficiency

Consumers trust and expect builders to make EE Choices for the home



I don't really know what KIND of insulation it is but the builder said they put in more than they have to so that's good. I don't know how much more though or how much better it is..."

Many believe code dictates an efficient home



Well, they have to build the house to code and the code is energy efficient so yes, the house is energy efficient.

Consumer Sensibilities

So, what features do consumers think makes an efficient home?

- When prompted, consumers often talk about the following as best ways to affect efficiency
- Beyond this, most consider more advanced features out of reach

Insulation



Windows



Water Heater



Doors



Consumer Expectations

From our experience with customers, they either already know that we offer, or simply expect to receive...

- Efficient insulation, windows, heating/cooling systems, LED lighting and tankless water heaters
- Items such as solar, rain water catchment, and recycled products are rarely mentioned



Informed Consumers

We are facing a VERY informed buyer!



Thinking About
Buying
A House?

Informed Consumers

CONSTRUCTION 101

How to Choose the Right Home Builder



IMPORTANT TIPS for FIRST TIME HOME BUYERS



BetterBuilt^{NW}

Information That You NEED To Know Before Buying Your First Home!

- ✓ What you need to know about choosing a realtor
- ✓ Important information regarding the **location** of your new home!
- ✓ How to **eliminate your risks** when buying your first home!
- ✓ How to **carefully evaluate potential properties** so you get the **best deal possible!**
- ✓ Find out how you can use “**market trends**” to your advantage and **save even more money!**
- ✓ And Much, Much More!



↓ Download Free Guide Now!


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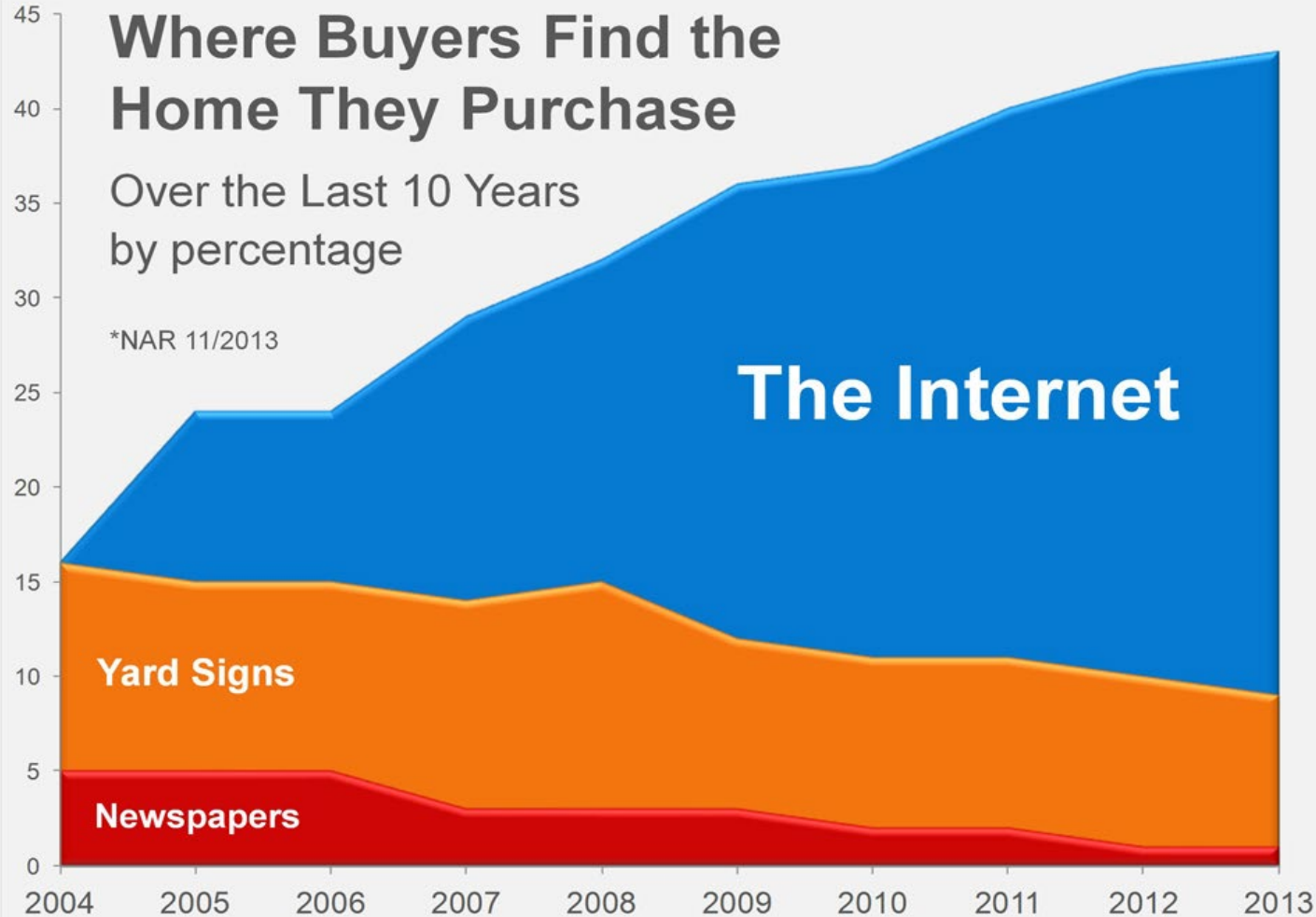
How to Avoid a “Nightmare” Contractor/Builder



Things you need to think about and research before remodeling or building!

Earl F. Anderson Jr.
Contractor/Builder

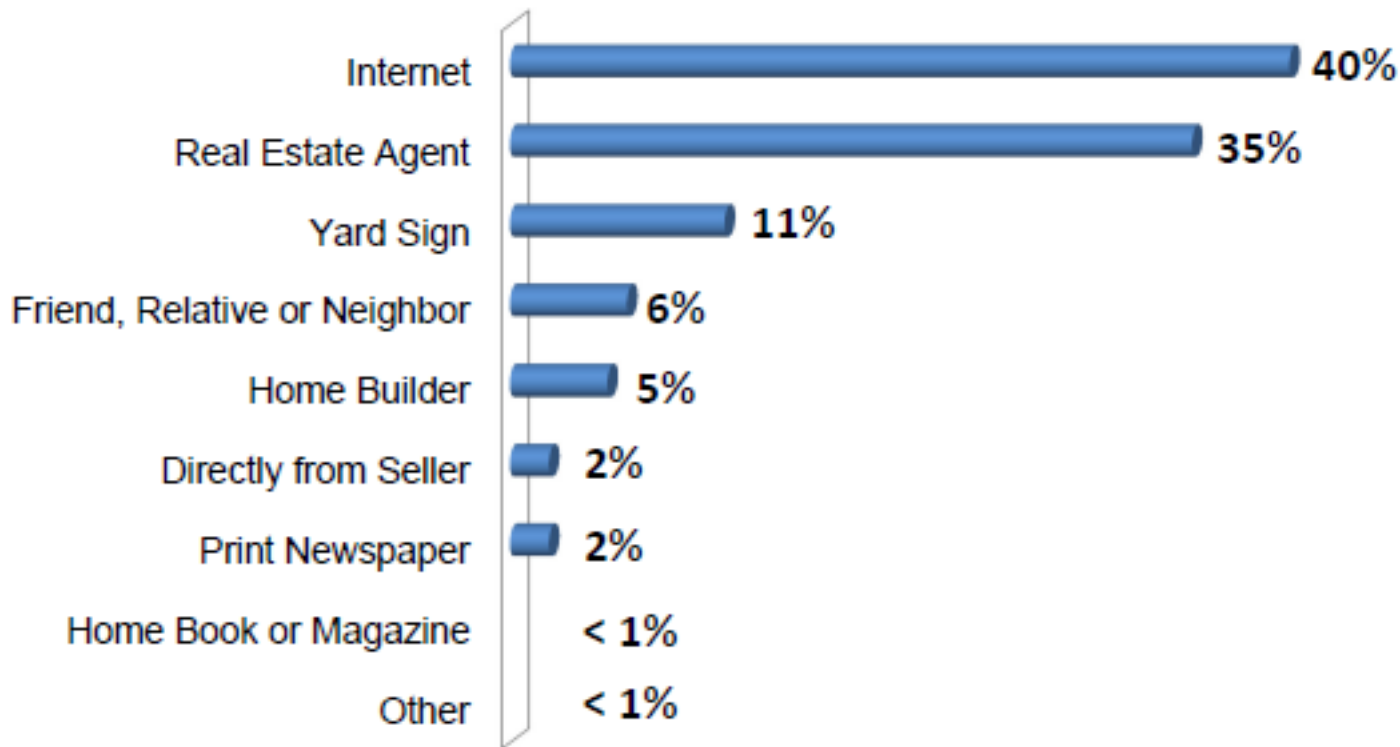
Informed Consumers



Informed Consumers



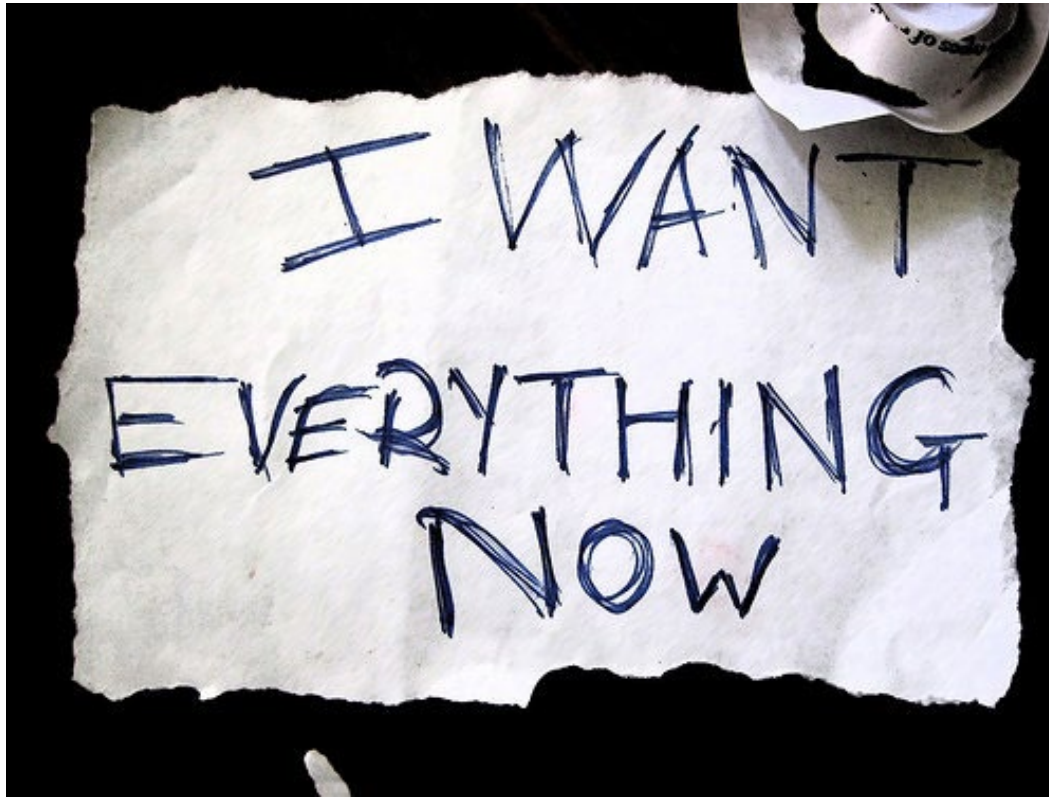
WHERE BUYER FOUND HOME THEY PURCHASED



Source: National Association of REALTORS Profile of Home Buyers & Home Sellers

Consumer Expectations

This is what we are up against!



Finding Common Ground

How can we communicate about efficiency in ways that speak to consumer needs/priorities?

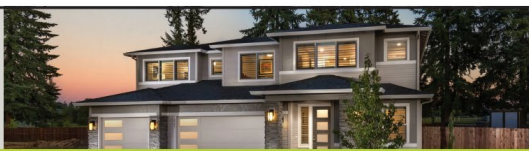


Finding Common Ground

Dare to Compare!

Display that is used in sales models to highlight
Unique features of a New
Tradition Home





...HOW OUR HOMES ARE ENERGY EFFICIENT, HEALTHIER, AND BETTER BUILT!

ENERGY STAR® certified homes are at least 10% more energy efficient than homes built to code and achieve a 20% improvement on average, while providing homeowners with better quality, performance, and comfort.



TRUE ENERGY EFFICIENCY		
FEATURES		BENEFITS
Natural Gas Tankless Water Heater		Endless hot water and higher energy savings
95+% High Efficiency Gas Furnace		Exceptional comfort for less money
Furnace & Air Ducting Inside Conditioned Area		Reduction in heating/cooling loss to attic/garage/crawlspace
ENERGY STAR® Windows with average .28 U-Value		Heat stays in during winter, out in summer
ENERGY STAR® 100% LED Lighting		Very long life expectancy (4-16x longer than CFL) & more efficient
Advanced Insulation Package		Less heat/cooling loss; R-23 BiBs in walls, R-49 Attic, R-49 Floor
Insulated Hot Water Lines		Keeps water in pipes warm longer, saving energy
The NEST® Smart Thermostat		Allows you to control your heating/cooling system remotely, saves energy

HEALTHIER INDOOR AIR		
FEATURES		BENEFITS
GREENGUARD® Certified Insulation		No off-gassing of petroleum-based products
4" High Efficiency Air Filter		Superior filtration of dust, pollen, and particles
Heat Recovery Ventilation System		Brings fresh filtered air in and exhausts stale air; saves energy
Humidity Sensing Exhaust Fans in Bathrooms		Effective Moisture Control
All Low-VOC Paints		Less odors and off-gassing from paints
Sealed Combustion Fireplace & Furnace		Eliminates chance of carbon monoxide in the home



AIR AND WATER TIGHT CONSTRUCTION		
FEATURES		BENEFITS
All Wall Penetrations Sealed to ENERGY STAR® Standards		Keeps heated/cooled air inside the home
Tyvek® Weatherization System w/ 10 Year Warranty		Acts like a windbreaker for your house, keeping rain and wind out
Upgraded Insulation and Air Sealing Package		Improves thermal envelope of the home - more insulation & less leaks
Trained and Certified House Weatherization Team		Minimizes potential for air or water to enter the home

PERFORMANCE TESTED (BY A THIRD PARTY)		
FEATURES		BENEFITS
Blower Door Test		Test proves heated/cooled air stays in home
Duct Tightness Testing		Confirms that your ductwork is installed and sealed correctly
Complete System Analysis		Proves your home is more efficient and comfortable
Moisture Testing Before Drywall is Hung		Ensures no excess moisture is in your walls



ENVIRONMENTAL RESPONSIBILITY		
FEATURES		BENEFITS
Native NW Landscaping		Disease resistance, less maintenance, and lower water needs
GREENGUARD® Certified Insulation		Made from recycled products and formaldehyde free
GREENGUARD® Certified Laminate Countertops		Less off-gassing and safer for the environment
Water-Conserving 1.5 GPM Bath & Shower Faucets		Water conservation and lower water bills
Advanced Framing Techniques		Saves wood and ensures more insulation in walls
Limited Lifetime Warranty on Roofing Shingles		Environmentally responsible and gives peace of mind
Concrete Contains Fly Ash (by-product of burning coal)		Strengthens concrete and recycles waste

*Individual circumstances and savings will vary. See sales for details.



www.NEWTRADITIONHOMES.com

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DARE to COMPARE!



We encourage you to take this information and compare us to any builder to see how our homes are energy efficient, healthier, and better built. Compare standard features...then get the value you deserve, only at New Tradition Homes.

NEW TRADITION HOMES FEATURES	HOW THESE BENEFIT YOU	NTH	Other Builder:	Other Builder:
TRUE ENERGY EFFICIENCY				
Natural Gas Tankless Water Heater	Endless hot water and higher energy savings	✓		
95+% High Efficiency Gas Furnace	Exceptional comfort for less money	✓		
Furnace and Air Ducting Inside Conditioned Area	Reduction in heating/cooling loss to attic/garage/crawlspace	✓		
Advanced Insulation Package	Less heating/cooling loss: R-23 BiBs in walls, R-49 in Attic, R-38 in Floor	✓		
The NEST® Smart Thermostat	Allows you to control your heating/cooling system remotely; saves energy	✓		
ENERGY STAR® Windows with an average .28 U-Value	Heat stays in during winter, out in summer	✓		
ENERGY STAR® 100% LED Lighting Package	Very long life expectancy (4 to 16 times longer than CFL) & more efficient	✓		
ENERGY STAR® Rated Dishwasher	Clean dishes using less energy and water	✓		
All Hot Water Pipes Insulated	Keeps water in pipes warm longer, saving energy	✓		
HEALTHIER INDOOR AIR				
GREENGUARD® Certified Insulation	No off-gassing of petroleum-based products	✓		
4" High Efficiency Air Filter	Superior filtration of dust, pollen, and particles	✓		
Heat Recovery Ventilation (HRV) System	Brings fresh filtered air in and exhausts stale air; saves energy	✓		
Air Transfer Vent in Bedrooms	Rooms will still have fresh air exchange when doors are closed	✓		
Humidity Sensing Exhaust Fans in Bathrooms	Effective Moisture Control	✓		
All Low-VOC Paints	Less odors and off-gassing from paints	✓		
Sealed Combustion Fireplace & Furnace	Eliminates chance of carbon monoxide in the home	✓		
AIR AND WATER TIGHT CONSTRUCTION				
All Wall Penetrations Sealed to ENERGY STAR® Standards	Keeps heated/cooled air inside the home	✓		
Tyvek® Weatherization System w/ 10 Yr. Warranty	Acts like a windbreaker for your house, keeping rain and wind out	✓		
Upgraded Insulation and Air Sealing Package	Improves thermal envelope of the home - more insulation and less leaks	✓		
Trained and Certified House Weatherization Team	Minimizes potential for air or water to enter the home	✓		
PERFORMANCE TESTED (BY A THIRD PARTY)				
Blower Door Test	Test proves heated/cooled air stays in home	✓		
Duct Tightness Testing	Confirms that your ductwork was installed and sealed correctly	✓		
Complete System Analysis	Proves your home is more efficient and comfortable	✓		
Moisture Testing Before Drywall is Hung	Ensures no excess moisture is in your walls	✓		
ENVIRONMENTAL RESPONSIBILITY				
Native NW Landscaping	Disease resistance, less maintenance, and lower water needs	✓		
GREENGUARD® Certified Insulation	Made from recycled products and is formaldehyde free	✓		
GREENGUARD® Certified Laminate Countertops	Less off-gassing and safer for the environment	✓		
Water-Conserving Bath Faucets	Water conservation and lower water bills	✓		
Advanced Framing Techniques	Saves wood and ensures more insulation in walls	✓		
Limited Lifetime Warranty on Roofing Shingles	Environmentally responsible and provides peace of mind	✓		
Concrete Contains Fly Ash (by-product of burning coal)	Strengthens concrete and recycles waste	✓		
PEACE OF MIND				
In-House Building Science Team	Bringing the latest proven technologies into your home	✓		
New Tradition Homes 2-Year Warranty	Covers all workmanship and materials in the home	✓		
2-10 Year Warranty (2 yrs. Mechanical; 10 yrs. Structural)	Powerful third-party home warranty grants peace of mind	✓		



*Individual circumstances and savings will vary. See sales for details.

www.NEWTRADITIONHOMES.com



The HERS rating

Marketing the value of the projected monthly utility costs.

This is done for every available plan



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ENERGY PERFORMANCE RATING

The Brier Plan

HOW THE SCORE IS DETERMINED

Home Energy Rating System, or simply HERS, is a scoring system set by the Residential Energy Services Network (RESNET) to measure a home's energy efficiency and determine if it meets ENERGY STAR guidelines. The lower the HERS Index, the more energy efficient the home.

This home exceeds
Energy Star Guidelines

54

Plan The Brier

Living Area..... 1,569 sq. ft.

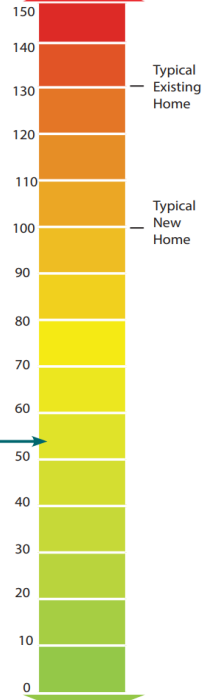
HERS Score
(Home Energy Rating)..... 54

Estimated Reduction
in Every Use 46%

Estimated Annual
Energy Costs..... \$644/yr. *

Estimated Monthly
Energy Costs..... **\$54/mo.***

Poor Energy
Performance



Best Energy
Performance



BUILDING HOMES FOR LIFE healthy | comfortable | durable | safe | energy efficient

*For more information visit www.energystar.gov and www.resnet.us. Actual savings may vary and may depend in part on occupant behavior, timing, and/or fluctuating costs of energy usage and actual climate zone conditions. Savings will be based on house type, orientation, size, utility rates, climate and operation of the homes. Scores are not guaranteed energy bills. All referenced energy savings, water reduction, and ultraviolet ray reduction information is based on data published by the EPA and DOE. Plans, dimensions, features, specifications, materials, and availability of homes or communities are subject to change without notice or obligation.



The Homebuying Roadmap

This Roadmap highlights key steps in the journey of buying and building a new home.



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