

ENERGY STAR Homes Seminar



Seminar Objectives

- Understand the added value of Energy Star Homes
- Understand the real cost of buying a home
- Learn how to use Home Calc to communicate both

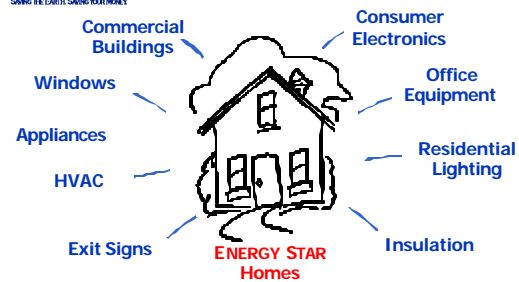
Have you seen this label?



The ENERGY STAR Label is the new symbol for Energy Efficiency



ENERGY STAR Family of Programs



ENERGY STAR Homes Program Status


- 1225 ENERGY STAR Builders in 40 States
- 2 new builders partners/day
- 75,000+ homes built/year by partners
- 10,445+ ENERGY STAR Homes completed in 40 states
- 38% average energy savings
- \$168 million ten-year savings
- 766+ ENERGY STAR Homes Allies



What is an ENERGY STAR Home?

ENERGY STAR is a national brand name for homes that are. . .

- 30% More Efficient than MEC
- Third Party Verified
- Higher Quality
- More Comfortable
- Cost Less

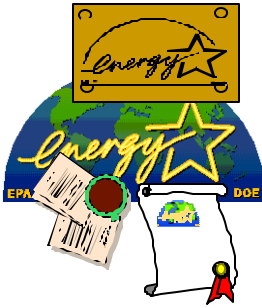



ENERGY STAR Homes Brand

Advantage: Every Builder Builds Efficient Homes

Not any more....


- ENERGY STAR Label
- ENERGY STAR Certificate
- ENERGY STAR Plaque
- Third-Party HERS Rating
- Energy Bill Warranties





The ENERGY STAR Home Marketing Concept


More Value + Lower Cost = Smart Consumer Decision



We know home buyers want . . .

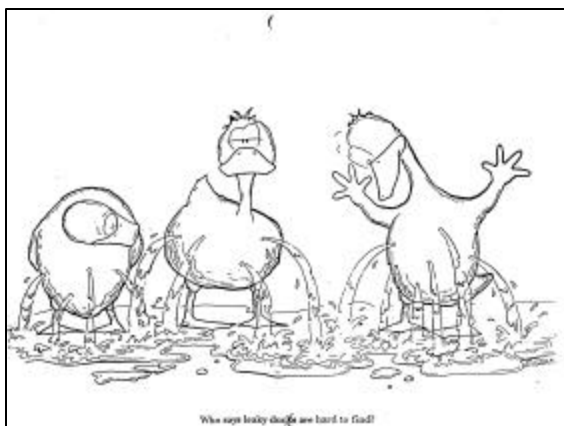
- A great location
- Top-notch schools
- Recreational amenities
- Desirable architectural designs
- Spacious layouts
- Luxurious kitchens
- Lots of storage


and the list goes on . . .



ENERGY STAR Homes Offer More Value

Value	Features
<ul style="list-style-type: none"> Lower Monthly Costs Improved Comfort Quieter Home Improved Indoor Air Quality Increased Durability Quality Assurance Less Obsolescence Higher Resale Value 	<ul style="list-style-type: none"> Tight Construction Improved Insulation High-Performance Windows Tightly Sealed Ducts High-Efficiency Equipment Third Party Verification





Is Sticker Price the real cost of home ownership?



ENERGY STAR Homes Cost Advantage: Rule No. 1: Price \neq Cost

Every Product Has Three Sticker Prices:

1. 1st Cost
2. Operation Cost
3. Maintenance Cost



REAL COST What does a light bulb really cost?

	Incandescent	CFL
First Cost:	\$ 0.50	\$15.00
10 Year Operational Cost:	\$60.00	\$15.00
10 Year Maintenance Cost:	\$ 3.50	\$ 0.00
Total:	\$64.00	\$30.00
Savings:	(\$0)	\$34.00



REAL COST What does an ENERGY STAR Home really cost?

	Standard	ENERGY STAR
House Sticker Price:	\$160,000	\$163,000
Monthly Mortgage:	\$ 1,332	\$ 1,357
Monthly Utility:	\$ 150	\$ 105
Monthly Total:	\$ 1,482	\$ 1,462
Monthly Savings:	(\$0)	\$20



Home Calc Demonstration



ENERGY STAR HOME CALC			
Compare the costs of a standard home vs. an ENERGY STAR home. The results show that an ENERGY STAR home can save you thousands of dollars over the life of the home.			
MORE FOR LESS		BUY MORE HOME	
Standard Home	ENERGY STAR Home	Standard Home	ENERGY STAR Home
House Price	\$160,000	House Price	\$163,000
Construction Cost	\$140,000	Construction Cost	\$140,000
Lot Value	\$20,000	Lot Value	\$23,000
Net Investment	\$20,000	Net Investment	\$23,000
INVESTMENT OF A LIFETIME		MORE AFFORDABILITY	
House Cost (Net Investment)	\$20,000	House Cost (Net Investment)	\$23,000
Construction Cost	\$140,000	Construction Cost	\$140,000
Lot Value	\$20,000	Lot Value	\$23,000
House Price	\$160,000	House Price	\$163,000
Net Investment	\$20,000	Net Investment	\$23,000
SEVERAL MONTHS		BETTER FINANCIALS	
House Price	\$160,000	House Price	\$163,000
Construction Cost	\$140,000	Construction Cost	\$140,000
Lot Value	\$20,000	Lot Value	\$23,000
House Price	\$160,000	House Price	\$163,000
Net Investment	\$20,000	Net Investment	\$23,000
SUMMARY			
Standard Home	ENERGY STAR Home	Standard Home	ENERGY STAR Home
House Price	\$160,000	House Price	\$163,000
Construction Cost	\$140,000	Construction Cost	\$140,000
Lot Value	\$20,000	Lot Value	\$23,000
House Price	\$160,000	House Price	\$163,000
Net Investment	\$20,000	Net Investment	\$23,000



How Do ENERGY STAR Homes Offer Product Differentiation? *Marketing Tool Kit*

- ENERGY STAR Logo
- Drop-in Ad Modules
- Advertising Concepts
- Promotional Concepts
- ENERGY STAR Homes Buyer Kit
- House Plaque



ENERGY STAR Homes: Formula for Success

- **Sell Cost**, *Not* Price
- Sell **Added Value**
- **Differentiate** Your Product with the ENERGY STAR "Brand" Name



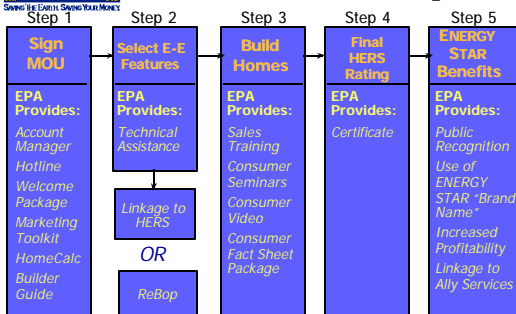
ENERGY STAR Homes: Wrap-up

What Should You Do Now?

- Get ENERGY STAR Homes Package
- Sign MOU
- Work with Account Man./Rater/Allies
- Build Homes
- Increase Profits



ENERGY STAR Homes How Do Builders Participate?



For Further Information:

- Check out the ENERGY STAR Homes Web Site:
www.energystar.gov/homes
- Call EPA at **1-888-STAR YES**
- Selim Karabulut, *Account Manager -- Midwest*
(703) 934-3567