



## Building America Case Study Technology Solutions for New Homes

# Zero Net-Energy Homes Production Builder Business Case: LifeStyle Homes

Melbourne, Florida

### PARTNER INFORMATION

Partner Name: LifeStyle Homes

Location: Florida

Building America Partnership for  
Improved Residential Construction  
[www.ba-pirc.org](http://www.ba-pirc.org)

Partner Products: SunSmart, "Solar  
Powered", and Zero Energy Homes

Application: New, Single-family

Partnership Period: 2009-present

Applicable Climate Zone(s):  
Hot-Humid

### PERFORMANCE DATA

SunSmart HERS Index Score: ≤ 60

[Example Home](#)

Size: 2,313 ft<sup>2</sup>

Value of SunSmart Package  
(including labor): \$6,610/house  
(SunSmart is included in all LifeStyle  
Homes – not offered as an option)

Projected Annual Source Energy  
Savings: 30%

Projected Annual Energy Cost  
Savings: \$591

Projected First-Year Positive Cash  
Flow: \$161



Building America partners and research have demonstrated that high performance homes can boost sales, but it doesn't happen automatically. It requires a tailored, easy-to-understand marketing campaign. LifeStyle Homes focuses on the high performance benefits - not the technical details behind them.

Spurred by the housing market downturn, LifeStyle Homes partnered with Building America in late 2009 to certify a U.S. Department of Energy *Builders Challenge* home. Encouraged by positive market feedback and media coverage, management developed the LifeStyle Homes SunSmart<sup>SM</sup> Energy Initiative: every home scores 60 or lower on the Home Energy Rating System (HERS) Index using a standardized package of climate-appropriate, cost-effective strategies designed to work together.

SunSmart marketing includes a modified LifeStyle Homes logo, sales center materials, regularly updated blog, social media, traditional advertising, brochures, and sales staff training. Language across all platforms focuses on the benefits of "quality, durability, indoor air quality, and energy efficiency." Marketing materials consistently stress third-party verification in every house and the scientific approach (i.e. systems engineering, field research) to selecting the SunSmart package without overwhelming buyers with technical jargon. For buyers that want more technical depth, this builder's website showcases the SunSmart way of building with illustrations (Figure 1), articles about specific features, and specifications. Cost-of-ownership comparisons with typical new and existing homes help buyers see the monetary value of SunSmart.

The big picture message: LifeStyle has done the homework for buyers. Their leadership says, "It is the communication of the overall benefits of the package that sells the homes, not a description of the individual components."

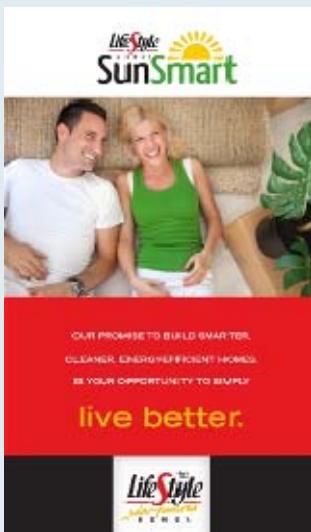
Figure 1. On the website cut-away, each yellow marker links to a SunSmart element. Viewers get brief overviews of the technical concepts and answers to "Why should you care?"



### Multi-faceted Marketing and Branding



Business district sales center promotes multiple LifeStyle Homes communities.



Internal branding with modified logos for *SunSmart* and *Solar Powered* homes

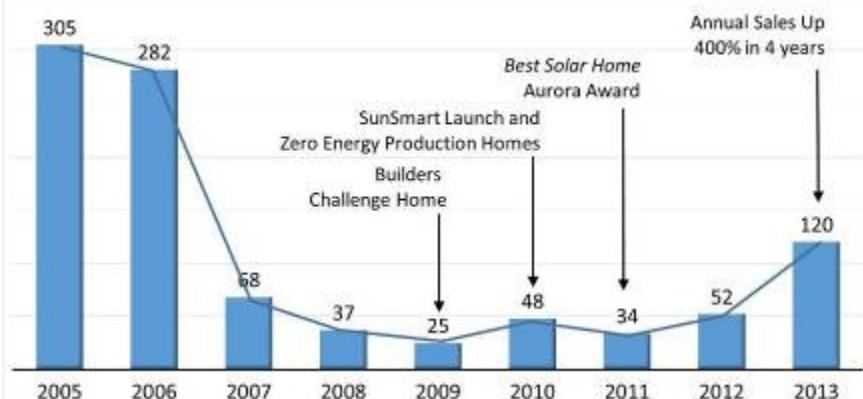


Online gallery helps buyers visualize a zero energy home. Mouse over brings up model name, area, and HERS Index.

For more Information, see *Approaches to 30% Energy Savings at the Community Scale in the Hot-Humid Climate:*

<http://fsec.ucf.edu/en/publications/pdf/FSEC-CR-1947-13.pdf>

### LifeStyle Homes Annual Closings



With the introduction of SunSmart, LifeStyle began an early recovery, nearly doubling sales in 2010 (see above chart), winning a Florida Homebuilders Association Aurora Award, and being invited to produce a solar-powered home for ABC's EXTREME MAKEOVER: Home Edition. SunSmart home sales now exceed 300 homes including over 20 zero energy homes. Sales in 2013 were more than quadruple that of 2009, far outpacing the national and regional recovery rate (U.S. Census 2014). LifeStyle co-founder Larry Hufford says, "We experienced instant consumer acceptance of these revolutionary energy efficient homes. At a time when home builders were going out of business, we were not only surviving, but prospering."

### Marketing Lessons Learned

- Inspire buyer trust and provide a biased platform for comparing competitors. Using third-party oversight, such as home energy ratings and the HERS Index, helps accomplish these goals.
- Provide a simplified way of discussing complex, high performance concepts. SunSmart communicates that LifeStyle has covered all of the details.
- Give satisfied customers a voice. "Energy Savers Spotlight", a monthly Q&A featuring owners of LifeStyle SunSmart and LifeStyle Solar Powered home, appears on the corporate blog and social media.
- Use mock ups and scale models. Show buyers the usually-hidden construction differences that make up the "whole house approach" to construction.
- Anticipate questions and arm sales staff with answers that highlight benefits.

### Looking Ahead

SunSmart evolved in the spirit of "doing the right thing," an approach that permeates LifeStyle's corporate culture. As technology improves and evolves, this builder will continue to collaborate with Building America. "We will soon prove we can deliver truly affordable zero-energy homes with sufficient energy production and/or storage capacity to power not only the home, but re-charge an electric automobile as well," stated co-founder Larry Hufford.