# Good news about consumers and high performance homes...



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# **Top 10 Overall "Must Have" Home Features**

- 1. Walk-in closets
- 2. Energy-efficient appliances
- 3. High-efficiency windows
- 4. Linen closets
- 5. Overall energy-efficient home
- 6. Kitchen islands
- 7. Open concept kitchens
- 8. Large windows
- 9. 2-Car garage
- 10.HRV-ERV Air Exchange



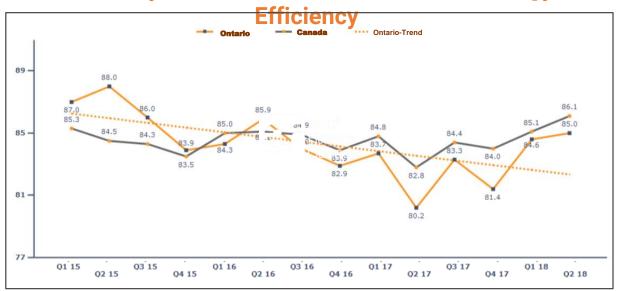
Source Courtesy of CHBA and Avid Ratings

## Energy-Efficiency – Dollars & "Sense"

- 1. Four items in "Top 10 List" relate to energy-efficiency (energy-efficient appliances, high-efficiency windows, overall energy-efficient home, HRV-ERV)
- 2. LED lighting is on a steep trend upwards
- 3. Solar power generation is still low but on an upwards trend
- 4. Certification by a "designated program" (e.g. ENERGY STAR®) is a "must have" to 52% of respondents (79% "must have" or "really want")

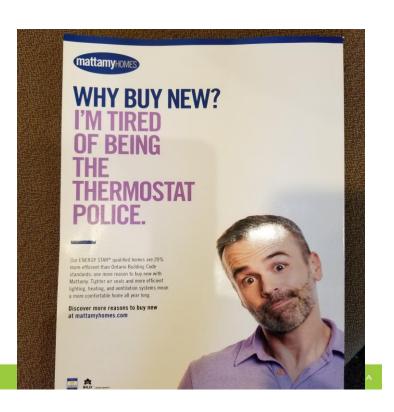
Source Courtesy of CHBA and Avid Ratings

### **Homebuyer Satisfaction Trend - Overall Energy**



Source Courtesy of CHBA and Avid Ratings

Some are changing the conversation.

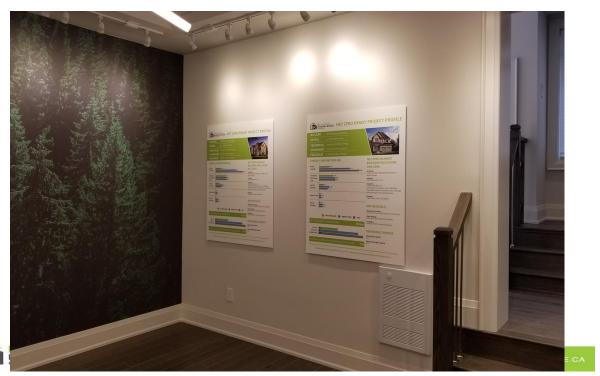








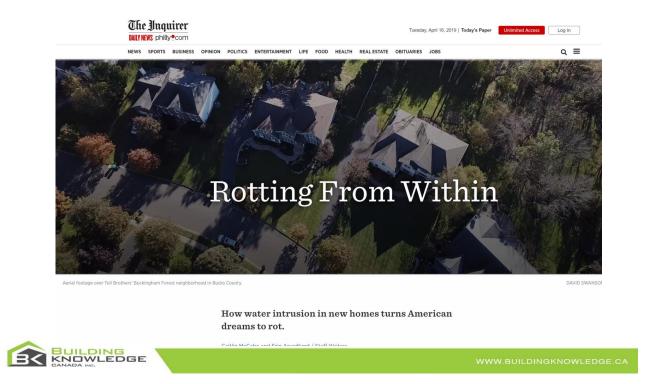
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Learning lessons from others....





# Turning and asset into a liability....

#### 2, 10, 15 YEARS AFTER CONSTRUCTION

22 Builders (Custom to Production)

Class action litigation(Condo's are the norm)

State attorney General now involved.

Full enclosure retrofit in only answer

Materials included: Vinyl, wood, stucco, EIFS, cement board, brick, stone.

"In some cases, the defects of Defendant Cutler's construction are so severe that the consumers experience noticeable effects within weeks of taking possession of their homes."

From lawsuit Office of the Pa. Attorney General vs David Cutler/Cutler Group, 2016



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Research done by the Sate and Insurance companies identified the causes...

- 1. Rushed production
- 2. Undertrained workers
- 3. Lower-quality materials
- 4. Lack of oversight



"Homebuilder A" vice president of construction, "John Doe", testified in 2017 that, within slightly more than two years, he had inspected 300 to 350 homes in the region for water intrusion — with roughly **85 percent** needing repairs,



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#### What now?...

- Builders developing 100 million dollar "reserve funds" to address historical (1 to 15 year old cases) Remember the 10,100,1000 rule?
- Some contractors blaming deficiencies in the state-enforced building code at the time...
- Some contractors blaming manufacturers and materials...



"You can't expect what you don't inspect."



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#### As Canadian Builders- What's our next step?

1. Commit to the <u>right kind</u> of <u>training</u>.

We have to retrain ourselves, our staff, our industry on the **WHY** ...before we get to the what.

- Commit to Inspection Including water management in our scopes of work, drawings, site inspection checklist
- Identify and develop <u>Powerful Partnerships</u>: Manufacturers, 3rd party training and inspection
- **3. Measure**, track: PO variance and identification
- **4.** Culture of discipline to continue process above: "This is the way we do things around here"





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