

## Time for Transition—From Green Theory to Green Building *Elite Custom Homes Proves Green can be Mainstream in Texas*

Up until this point, “green building” has really been “building theory.” Most of the high performance homes built in the country are “gee-whiz” demonstration homes. But Elite Custom Homes of Hurst, TX, continues to prove they can build high performance homes and offer them for sale to the mainstream public at a price that’s competitive. In spite of the much touted market slow-down, they have sold three LEED® registered homes in the past 40 days.

Elite’s latest home sale is the third of nine spec homes by Elite to be registered with the LEED<sup>®</sup> (Leadership in Energy and Environmental Design) for Homes Project. While they wait with hopeful expectation that the third home may achieve an even higher level of certification, the first two of the nine spec homes attained a Silver certification from LEEDS. This certification plus superior ratings at the 60+ level attained under the Home Energy Rating System (HERS) Index, prove these homes to be 39% more efficient than the current building code and 24% more efficient than the standard set by Energy Star. They are the first homes of their kind in the State of Texas and quite possibly the entire country to attain these ratings without corporate sponsorships or funding.

“What’s most important is that after comparing these homes to other homes in the competitive DFW market that we operate in, the homebuyers and their Realtors recognized a higher value in them. The sales were clinched by educating the buyers and their agents on how to compare the performance expectations of our homes to others for sale that were sitting side by side with us in the neighborhood,” said Elite Custom Homes’ builder Mike Stephens.

“The key is not what we’ve demonstrated by one or two homes, but that we’ve proven to ourselves and to the public that we can include all the expected luxuries, add the technologies to qualify for high performance ratings, and still deliver the home at a price that’s competitive,” Stephens added.

The other six LEED registered homes under construction are each expected to attain at least a Silver certification, and Stephens is hopeful of attaining Gold and Platinum ratings among them. Once these homes are certified, Elite Custom Homes will have built more LEEDs certified homes than anyone in the State of Texas; soon after, his intention is to “LEED the nation.”

Choosing to build every Elite Custom Home to the standards of the U.S. Green Building Council LEED<sup>®</sup> for Homes Project was a huge leap of faith into an uncertain market. It required time and expense for Stephens to attend as many educational seminars as possible, countless hours of research, an understanding of building science and new technology, and finding subcontractors who share the passion of this pursuit. Stephens was also determined to incorporate Elite Custom Homes' commitment into its existing business model in which the majority of their projects are built on spec (offered for sale to the public).

“Most new home shoppers equate granite countertops, hardwood floors, stone fireplaces, etc. with ‘quality,’” explained Janet Jackson, salesperson for Elite Custom Homes. “The truth is, by definition according to Webster, quality is ‘an inherent characteristic.’ ‘Luxury’ on the other hand is defined as ‘something that is not a necessity, but contributes to one’s enjoyment.’ Essentially, homebuyers are misled in believing that ‘luxuries’ define ‘quality.’ Meanwhile, as our environment continues to deteriorate and the cost of energy surges even higher, consumers continue to consume more than ever and builders just keep building ‘beautiful’ homes.”

The many awards that Elite Custom Homes has won in its 16 years of building prove the ability to build beautiful homes. Stephens is well aware that his company must continue to build homes with all the expected luxuries, but is intent to focus on quality, according to the true definition of quality.

“The time has come to make the passage from green building theory to practical application by building high performance homes available to the mainstream home buying market. Furthermore, it is time to educate homebuyers and Realtors to change the way they define quality and value,” Stephens said.

But when Elite began this journey to build Energy Efficient High Performance homes, little did they know just how difficult it would be to change the mindset of the real estate industry.

“First, we had to address suppliers and trade contractors satisfied with doing business as usual. Round table discussions and training with our vendors addressed changes that would be required of them if they chose to continue doing business with us. We shared everything we could gather about products and technology that we wanted to incorporate,” Stephens explained.

To combat the attitude by most Realtors, that price per square foot is the only way to value homes, Elite's staff members made themselves known to the brokers and agents encountered through their day-to-day business and also to others met through networking with the local area Chambers of Commerce. Stephens (a former Realtor and current broker himself) makes himself available for speaking engagements and one-on-one open discussions regarding the inherent characteristics built into the homes.

“We promote the timely opportunity afforded to Realtors with the very marketable concept of “green” homebuilding,” said Stephens.

“Knowing that most consumers still think that ‘pretty’ equals quality, we positioned our salesperson’s office in one of our finished homes and charged her with the responsibility to educate visitors about the differences between our homes and others sitting side by side in the same subdivisions. Brochures and information sheets, including real time data calculating overall energy savings expectations, were developed to aid the consumer’s understanding about why we are committed to high performance building and how it will benefit our homebuyers. Most effective, through the on-site communication and several trade show venues that we participated in, were the one-on-one conversations regarding how and why we build our homes the way we do.”

Stephens spends hours in conversation with the prospective buyers, comparing costs vs. savings afforded by the systems used in the homes. He says that it is this process that seals the buyer’s decision to purchase.

To publicize achieving their goal to build and sell the first non-sponsored LEED® registered homes, Elite launched a PR campaign, including a ribbon-cutting with the mayor of Colleyville and various building officials in attendance. Press releases were sent to local media explaining the meaning of the Silver LEEDs certification and detailing the challenges and the successful outcome. The publicity met with great response.

“We felt it was newsworthy and were right. Establishing Elite Custom Homes as an authority on the subject of green building for the consumer media and reporting our achievements not only generates publicity for our own company, but raises the bar for our entire industry. We hope to enjoy the benefit of being first on the bandwagon,” said Stephens.

Elite Custom Homes also plans to take a leadership role in helping other builders make the commitment to building high performance homes by positioning Stephens to teach classes and exploring opportunities for publishing guides and/or software programs to simplify the process for builders to achieve green building ratings and certifications.

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