# Lost Opportunity Math for Builders

**Builder A sold/delivered 106 homes in 2021.**

      80 homes were cash buyers

      16 homes were Lifestyle Home Loans (LHL = 15% of homes sold)

      10 homes were traditional financing

      = 106 Homes

**Builder A had the capacity to build/sell 140 homes in 2021.**

- The "gap"/lost opportunity to maximize efficiency was 34 homes (140-106 = 34).
- Builder A has 180 prospective buyers walk through their model every month; 2,160 per year.
- 75% of Builder A's homes sold were to 62 or better buyers.

**If 75% of homes sold were to 62+ buyers, that means that 1,620 "LHL eligible" prospects walked through their model in 2021.**

- If the salespeople presented the LHL option to every "age eligible prospect" (1,620) during the year, what is likelihood that the builder could have closed 1, 2, 3, 4 more homes per month to close the "gap" on their capacity shortfall?
  - ➤ *1 more sale per month* would negate 1/3 of their shortfall (**118** homes sold)
  - ➤ *2 more sales per month* would negate 2/3 of their shortfall (**130** homes sold).
  - ➤ *3 more sales per month* would have totally negated the shortfall
  - ➤ *+ 4 homes* = 142 homes sold

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