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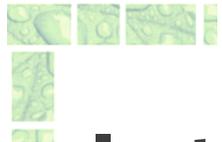
# Greening the Real Estate Market

California Public Utilities Commission

Tuesday, March 20, 2012

Bruce Mast, Tenaya Asan, John Shipman





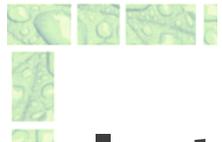
# Introduction

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## Build It Green

A membership based non-profit whose mission is to promote healthy, energy- and resource-efficient homes in California





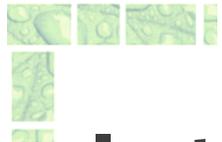
# Introduction

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## Energy Efficiency Management, Inc.

A certified green building company offering green building and energy efficiency training, energy efficiency audits, analysis and solutions, to home and business owners.





# Introduction

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## The Energy Coalition

Non-profit organization of energy architects who design and implement energy blueprints that engage communities in using accountable energy practices for shared benefit.





# Introduction

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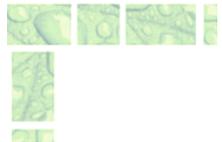
- **Current and prospective industry partners**
  - **California Association of Realtors (CAR)**
  - **National Association of Realtors (NAR)**
  - **Local Association chapters**
  - **Appraisal Institute**
  - **California Real Estate Inspectors Association (CREIA)**



# Proposal

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**Promote home energy improvements and  
green labeling  
at time of sale  
to drive demand for home performance  
services**



# Vision for a Transformed Real Estate Market

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- **Home buyers:**
  - 1) Choose homes with green features**
  - 2) Make green improvements after purchase**
- **Appraisers use green MLS data to develop comps**
- **Green labeled homes sell at a premium**
- **Realtors & clients make green improvements prior to sale to improve value**



# Policy Alignment in Time of Sale

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- **CPUC's Energy Efficiency Strategic Plan, Core Residential Goal 2:**
  - **Deploy energy labeling programs at time of sale**
  - **Include home energy ratings in MLS listings**
- **AB 549: CEC called for “training for brokers, sellers, appraisers, and lenders”<sup>1</sup>**
- **AB 32: CARB Scoping Plan identifies interventions at time of sale**
- **AB 758: CEC exploring ways to influence time-of-sale decisions**



# Building on Industry Momentum

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- In 2011, 410,000 homes were sold in CA
- Contractors experiencing success marketing services through Realtors
- N.A.R. published *Green MLS Toolkit*
- Appraisal Institute - *Green and Energy Efficient Addendum*
- 3 MLS's in CA with green fields serving 20 Counties
- Home values increase \$10-25 for every \$ in reduced annual utility bills<sup>1</sup>
- Homes marketed with a green label showed a 5-10% price premium<sup>2</sup>
- Since August 2011, Build It Green has trained 300+ CG-REPs through 6 training events

# Desired Outcomes by 12/2014:

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- Train 1,700 professionals
- Incorporate green labels into 14 MLS systems
- 5,000 Energy Upgrade projects/yr
- 4,000 labeled homes/yr: HERS II and/or GreenPoint Rated





# Key Activities

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- Real estate training & certification: \$2-3M
- Consumer education campaign: \$7-10M
- Green labeling, Green MLS: \$1M



# Real Estate Training & Certification

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- **Green 100: Certified Green Real Estate Professional (NAR+BIG)**
  - **Value of a Green Home**
  - **Energy Assessments, HERS Whole House Ratings, & EE Financing**
  - **Communication Strategies**
  - **“Green Real Estate Walk Thru”**
- **Green 200: Green Building Science (NAR)**
- **Green 300: Greening Your Business (NAR)**



# Consumer Education Campaign

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- **Target:** Home buyers and sellers in Bay Area, SoCal, and select areas of high home sales
- **Objectives:** Create awareness of green label and benefits, increase demand for home performance improvements
- **Key Message:** Green labeled homes give you proof of a healthy, comfortable, durable and efficient home
- **Tactics:** Print and online ads, PR, e-promotions, social media, web tools, print collateral, community outreach and events



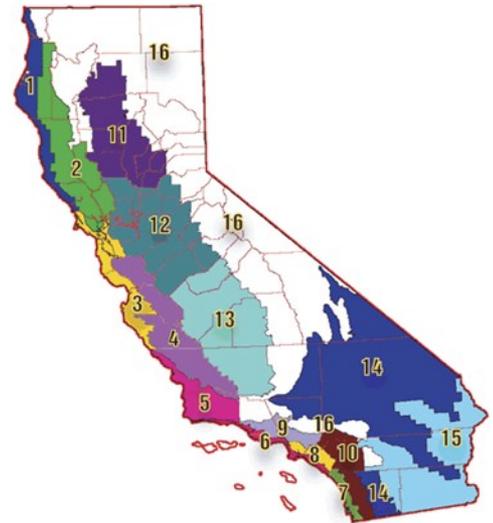
# Green Labeling, Green MLS

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- **Get green fields incorporated in MLS systems statewide**
- **Help Realtors use the fields**
- **Track and report green home sales**

# Introducing GreenPoint Rated

- Consumer label backed by 3<sup>rd</sup> party verification
- Proves that a home was built or upgraded to meet high environmental standards
- Rating system assigns points based on checklist of best practices
- Since 2006, 10k GreenPoint Rated homes saved 9k tons of GHGs and 112M gal. H<sub>2</sub>O



# C.A.R. Recognizes GreenPoint Rated



Understanding Green | Homeowners/Buyers | Green for REALTORS® | C.A.R. Goes Green | Green News

## At home with green™



Home Page > Homeowners/Buyers > Buying a Green Home > GreenPoint Rated

### GreenPoint Rated

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**What is a Green Home?**

**Buying a Green Home**

- ENERGY STAR-Qualified Homes
- Green Globes
- Green Home Certifications
  - > **GreenPoint Rated**
  - LEED®
- REALTORS® in the Green
- Greening Your Home
- Room-by-Room
- Incentives
- Tools

GreenPoint Rated is a system developed by Build It Green to evaluate and certify green homes in California. Build It Green's mission is to promote healthy, energy- and resource-efficient buildings. The GreenPoint Rated system assesses homes on five principles: energy efficiency, resource conservation, indoor-air quality, water conservation, and community.

Currently there are two GreenPoint Rated systems:

**GreenPoint Rated New Home:** this certification is only available for newly constructed single-family and multifamily homes in California. Homes must meet a minimum point requirement, based on the environmental performance of the home; a Certified GreenPoint Rater verifies homes.

**GreenPoint Rated Existing Home:** GreenPoint Rated Existing Home gives current homeowners the chance to make improvements and eco-conscious changes to their homes in order to receive an official "green" certification. Depending on a home's current energy performance and the extent of green home improvements, it will either receive an Elements or Whole House consumer label.

**RELATED CONTENT:**

- [Benefits of a Green Home](#)
- [Energy Efficiency/Conservation](#)
- [What Is a Green Home?](#)
- [Key Green Principles](#)
- [Buying a Green Home](#)

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<http://green.car.org/homeowners/buyinggreenhome/greenpointrated/>

# GreenPoint Rated Categories



Energy Efficiency



Indoor Air Quality



Water Conservation



Resource Conservation



Community Benefits



# Two Labels for Existing Homes

## Elements Label:

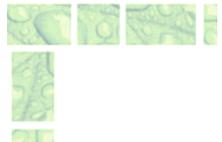
- Small upgrades
- 25 minimum points, capped at 49 points



## Whole House Label:

- Comprehensive remodel
- 50 minimum points





# GreenPoint Rated Existing Home Program

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- Energy evaluation tied to California HERS II
- Basic health, safety, and integrity prerequisites:
  - Combustion safety backdraft
  - Electrical inspection for knob and tube
  - Moisture related issues
- Point Thresholds in 4 Environmental Categories
- Trained and Certified GreenPoint Raters

# Questions?



[www.builditgreen.org](http://www.builditgreen.org)

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**Bruce Mast**  
Director of Business Development  
[Bruce@builditgreen.org](mailto:Bruce@builditgreen.org)  
(510) 590-3360 ext. 111  
[www.BuildItGreen.org](http://www.BuildItGreen.org)

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**Tenaya Asan**  
Senior Manager  
[Tenaya@builditgreen.org](mailto:Tenaya@builditgreen.org)  
(510) 590-3360 ext. 118  
[www.BuildItGreen.org](http://www.BuildItGreen.org)

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**John Shipman**  
Principal, Energy Efficiency  
Management, Inc.