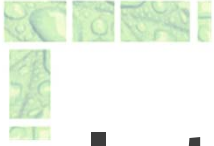




# Unlocking the Energy Efficiency Potential of Real Estate Transactions

**Bruce Mast, Build It Green**



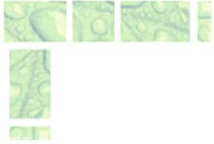


# Introducing Build It Green

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





# Vision for a Transformed Real Estate Market

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- **At time of purchase, home buyers:**
  - 1. Make green improvements after purchase**
  - 2. Seek homes with green benefits**
- **At time of sale:**
  - 1. Sellers use labels to highlight green benefits**
  - 2. Appraisers use green MLS data to develop comps**
  - 3. Green labeled homes sell at a premium**
  - 4. Realtors & clients make green improvements prior to sale to improve value**



# Market Opportunity @ Time of Purchase

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## Empower Buyers' Agents to match clients with green home improvement services

- In 2013, 5 million homes were sold nationally
- Home buyers spend > \$6,000/yr on home improvements





# Market Opportunity @ Time of Sale

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## Empower Listing Agents to sell green features and benefits

- Home values increase \$10-25 for every \$ in reduced annual utility bills<sup>2</sup>
- Homes marketed with a green label showed a 5-10% price premium





# Strategies for Engaging Buyers' Agents

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- Incentives
- Realtor Training
- Home Buyer Outreach







# Incentives

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**PMZ Realtors to earn \$50 for every referral to GreenHart**



**PMZ**  
REAL ESTATE

green hart  
The Green Energy Solution

**LIVEGREEN.  
SAVEGREEN.**

WE are your link to  
home energy savings.



# Realtor Training

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- **2013-2014: Train 400 Realtors in Southern CA**



Member S

Enter Las



The screenshot shows a website interface with a green header. The header contains two main sections: "Green Resource Council Info" and "Earning NAR's Green Designation". Below the header, there is a large image of a smiling woman with her hands clasped. To the left of the image, there are three menu items: "How to Become an NAR Green Designee", "How to Apply", and "Benefits of NAR's Green Designation". To the right of the image, there is a partially visible sidebar with the text "Prep estab" and a green button labeled "find".

“Loved the seminar and materials! ...What an eye opener to what’s out there for our clients!”

Cathy Izumo

Realtor Keller Williams

Palos Verdes Realty

Rolling Hills Estates, CA





# Realtor Training: Continuing Education

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- **Webinars**
- **Field Training**
- **Peer-to-Peer Exchange**
- **Coaching**





# Home Buyer Outreach Campaign

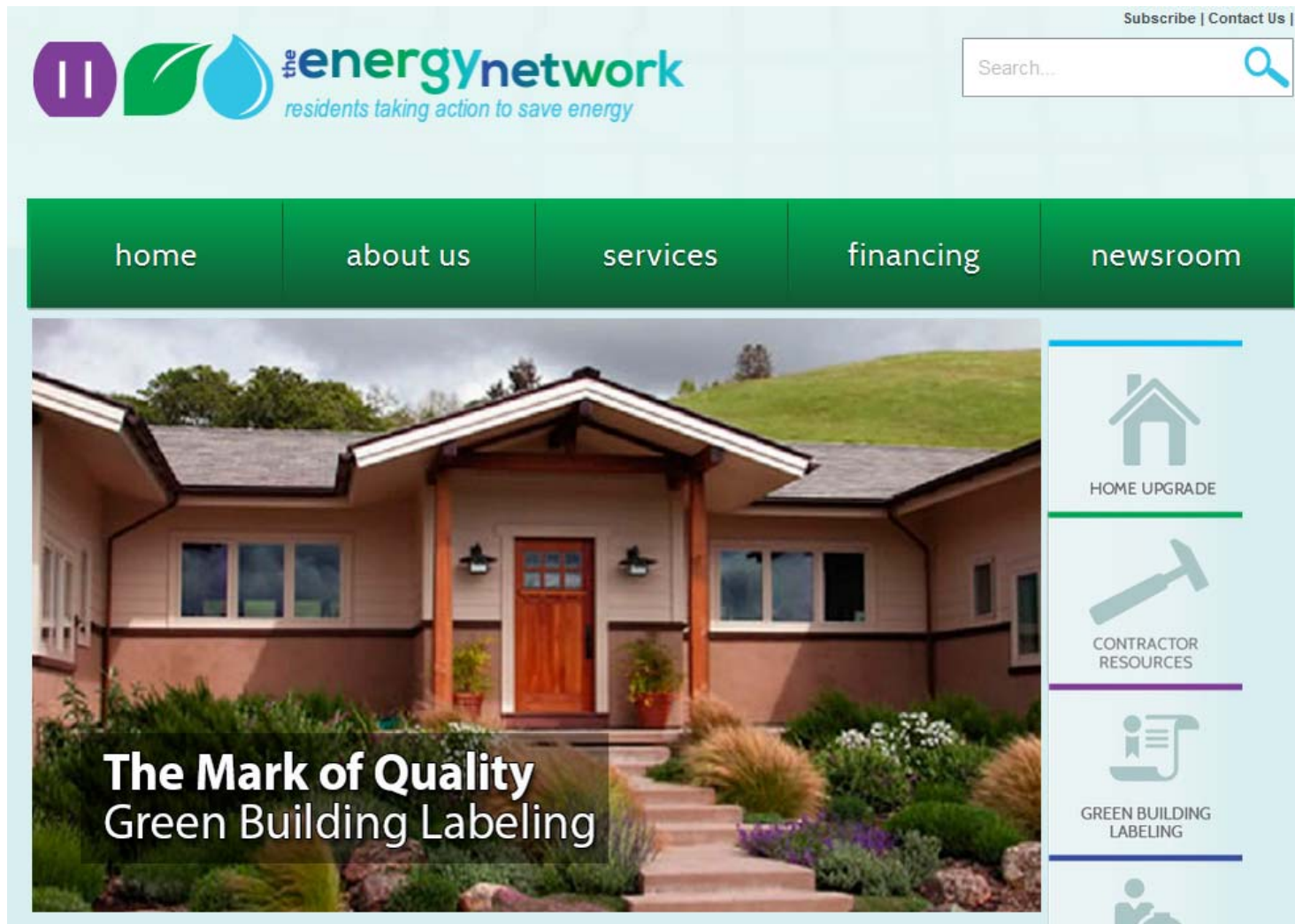
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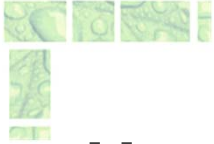
- Website
- Marketing Toolkit
- Online Advertising
- Launch April 2014





# Home Buyer Campaign: Website



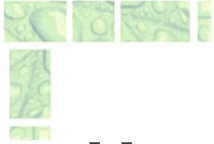


# Home Buyer Campaign: Marketing Toolkit

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- **Green Realtor fact sheet**
- **“What’s a Green Home?” infographic**
- **“Do the math” summary sheet**
- **Case studies**
- **Rebates and financing cheat sheet**





# Home Buyer Campaign: Online Advertising

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*Looking for a* **HEALTHY,  
COMFORTABLE** *and*  
**AFFORDABLE HOME?**

**Call a Certified Green Real Estate Agent.**  
[GreenAgents.com](http://GreenAgents.com).



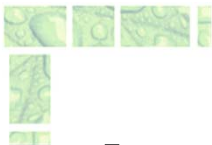
# Strategies to Capture Green Market Value

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- **Appraiser Training**
- **Green Home Certs to Build Inventory**
- **Case Studies**
- **Green Appraisal Addendum**







# Appraiser Training



**Appraisal Institute**

*Professionals Providing Real Estate Solutions*

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## Green Building Resources

### All Things "Green"

Appraisal Institute offers a variety of resources centered around the valuation of sustainable properties.

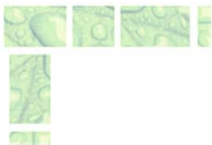


### Downloads

[Residential Green and Energy Efficient Addendum](#)

Assists appraisers in analyzing "Green" features and properties.

[FAQs: Valuation of Sustainable Buildings Professional Development Program](#)



# Green Home Certification



**BUILD IT GREEN**

CERTIFICATE of EVALUATION

Congratulations,  
your home has been



**GreenPoint RATED**

EXISTING HOME

Whole House

106

ADDRESS: Freeda Court  
 733 Hayes Avenue  
 Livermore CA, 94550  
YEAR BUILT: 1950, upgraded to 2005 codes  
BUILT BY: Habitat for Humanity East Bay  
INSPECTED BY: Marc Richmond on 11/30/2008  
APPLICABLE CODE: Single Family, ver. 1.0

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- 11
■
**Community:** Living Green extends beyond the boundary of the individual home to the entire neighborhood.
- 60
■
**Energy:** Efficient energy systems designed to create the greatest comfort for you while lowering utility bills to save you money.
- 9
■
**IAQ/Health:** Breathe easy with healthier products and practices that will reduce any negative impacts on your family and keep your children safe.
- 13
■
**Resources:** Green building products will last longer, be stronger, work efficiently and use earth-friendly materials to keep all environments beautiful.
- 14
■
**Water:** Effective water management systems and products that help us conserve a vital resource by reducing demand.

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BRIAN PITT, EXECUTIVE DIRECTOR

THIS IS A PROGRAM OF BUILD IT GREEN • [www.GreenPointRated.org](http://www.GreenPointRated.org)



# Green Home Certification Case Studies

## ■ Gerardo:

- Value conclusions: Pre - \$420k / Post - \$460k
- Energy upgrades save \$1,963/yr, add 9% to value



The Gerardo house



The Brown Home

## ■ Brown

- Value conclusions: Pre - \$475k / Post - \$500k
- Energy upgrades save \$1,600/yr, add 5.5% to value

## ■ Kienzle

- Value conclusions: Pre - \$720k / Post - \$765k
- Energy upgrades save \$2,237/yr, add 6% to value




The Kienzle house





# Green Appraisal Addendum

 <p>AI Reports® Form 820.04*</p>	Client File #:	Appraisal File #:	
	<h2>Residential Green and Energy Efficient Addendum</h2>		
	Client:		
	Subject Property:		
City:		State:	Zip:
<p>Additional resources to aid in the valuation of green properties and the completion of this form can be found at <a href="http://www.appraisalinstitute.org/education/green_energy_addendum.aspx">http://www.appraisalinstitute.org/education/green_energy_addendum.aspx</a></p>			
<p>The appraiser hereby certifies that the information provided within this addendum:</p> <ul style="list-style-type: none"> <li>• has been considered in the appraiser's development of the appraisal of the subject property only for the client and intended user(s) identified in the appraisal report and only for the intended use stated in the report.</li> <li>• is not provided by the appraiser for any other purpose and should not be relied upon by parties other than those identified by the appraiser as the client or intended user(s) in the report.</li> <li>• is the result of the appraiser's routine inspection of and inquiries about the subject property's green and energy efficient features. Extraordinary assumption: Data provided herein is assumed to be accurate and if found to be in error could alter the appraiser's opinions or conclusions.</li> <li>• is not made as a representation or as a warranty as to the efficiency, quality, function, operability, reliability or cost savings of the reported items or of the subject property in general, and this addendum should not be relied upon for such assessments.</li> </ul> <p><b>Green Building:</b> The practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building's lifecycle from siting to design, construction, operation, maintenance, renovation, and deconstruction. This practice expands and complements the classic building design concerns of economy, utility, durability, and comfort.<sup>1</sup> High Performance building and green building are often used interchangeably.</p> <p><b>Six Elements of Green Building:</b> A green building has attributes that fall into the six elements of green building known as (1) site, (2) water, (3) energy, (4) materials, (5) indoor air quality, and (6) maintenance and operation. A Green Building will be energy efficient but an energy efficient building is not synonymous with Green Building.</p>			
<b>Green Features</b>			
The following items are considered within the appraised value of the subject property:			
<b>Certification</b>	Year Certified:	Certifying Organization: <input type="checkbox"/> Home Innovation Research Labs (ICC-700) <input type="checkbox"/> USGBC (LEED) <input type="checkbox"/> Other:	<input type="checkbox"/> Verification Reviewed on site <input type="checkbox"/> Certification attached to this report

# Questions?



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

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Bruce Mast  
Deputy Executive Director  
[Bruce@builditgreen.org](mailto:Bruce@builditgreen.org)  
(510) 590-3365  
[www.BuildItGreen.org](http://www.BuildItGreen.org)