

Greening the MLS



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Why Is Greening MLS Important?



- Enable Realtors to Search for Homes With Green Features
- Market Green Features and Third Party Verifications on the MLS
- Enable Appraisers to Identify Homes With Green Features and Any Added Value \$\$

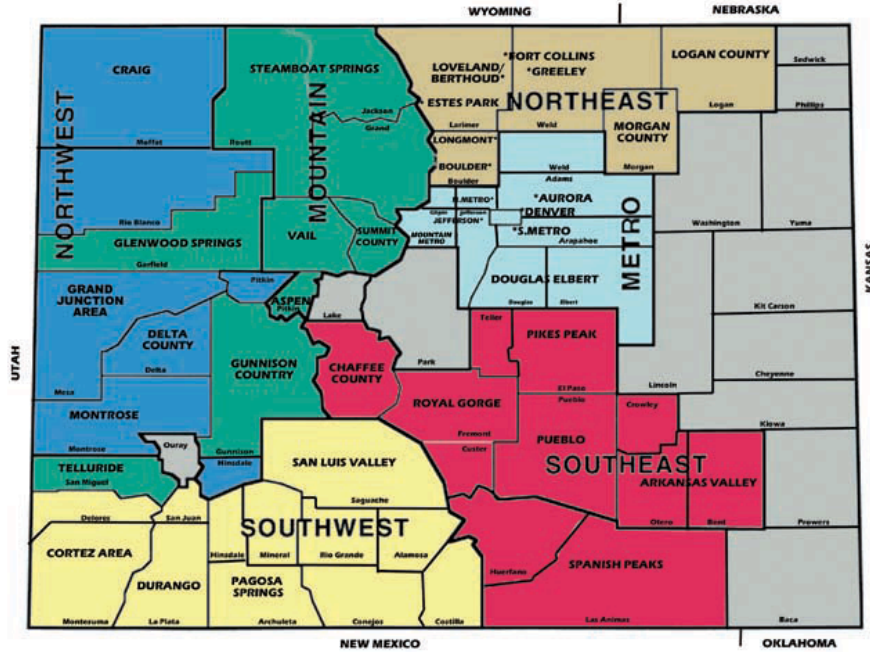
Features Not Currently Valued

- Energy Efficiency & Cost Savings
- Interior Environment – Healthier and More Comfortable
- Water Conservation
- Global Environmental Benefits

IRES Goes Green

- First of Colorado's MLS listing services to Add Energy/Green Features to Property Listings
- Developed in Conjunction With the Governor's Energy Office and Local Real Estate organizations like BARA (Boulder Area Realtor Association), LAR (Longmont Association of Realtors)
- Special Thanks:
 - Lauren Emery, CEO of IRES
 - Christine Torres of Coldwell Banker Residential in Longmont

COLORADO ASSOCIATION OF REALTORS®



What is IRES

- IRES (Information and Real Estate Service, LLC)
- Formed in 1996 as a Regional Multiple Listing Service
- Provides a Database for Real Estate Professionals
- Coverage Area: N.E. Colorado (Boulder, Fort Collins, Greeley, Longmont, Loveland/Berthoud, Estes Park, Morgan County and Logan County)
- Servicing 4,823 Real Estate Agents

Assessing the Market Impacts of Third Party Certification On Residential Properties



MARKET STUDY

ANN GRIFFIN, EARTH ADVANTAGE INSTITUTE

WITH

**BEN KAUFMAN, GREEN WORKS REALTY
STERLING HAMILTON, HAMILTON INVESTMENT, LLC**

MAY 29, 2009

Properties Used For Comparables



- Sold and Closed Within 6-Months
- Located Within Same Neighborhood
- Constructed in a Similar Style
- Constructed to Same Degree of Quality
- Built Within Same Period
- Similar Size (15% smaller to 5% larger)
- Approximately Same Value (20% below to 10% above)
- Built With No Distinguishing Green Features

Third Party Verification Providers

- Built Green
- Earth Advantage®
- Energy Star®
- LEED for Homes®

Notes: As of September 2008 there were 10,000 Third Party Earth Advantage certified homes in Oregon and Washington.

Additionally, there were 10,000 homes in Washington that had achieved Build Green Home certification

Study of Green Certified Homes Portland, Oregon

- 92 Certified Homes
- 340 Non-Certified Homes
- Built Between 2002 and 2008
- Majority Sold in 2006 and 2007
- Homes Were Geographically Balanced

Portland Results Green Certified Homes

- Sold 18 Days Faster on Average
- Sold For 4.2% More
- Average Sales Price \$431,900
Non-Certified Sold for an Average of \$390,400
An 11% Premium
- Sales Cost Per Sq/Ft. \$223 - Non-Certified \$196

Study of Green Certified Homes Seattle, Washington

- 68 Certified Homes
- 207 Non-Certified Comparable Homes
- Built Between 2002 and 2008
- Majority Sold in 2006 and 2007
- Homes Were Geographically Balances

Seattle Results Green Certified Homes

- Took 5 Days More to Sell on Average
- Sold For 9.6% More
- Average Sales price \$487,000
Non-Certified Sold for an Average of \$470,000
A 4% Premium
- Cost Per Sq/Ft. \$278 – Non-Certified \$202

Marketing Study of Green Homes Western Washington

- Master Building Association
- Relationship Between Marketing Comments Inserted on MLS and the Sales Price Achieved for Homes Marketed as Certified
- Certified = Built Green, LEED for Green, ENERGY STAR
- Studied 1,470 Certified Homes Sold 2007 to April, 2009

Marketing Study of Green Homes Results

- Average Sales Price \$534,000 vs. \$458,000
- Certified Homes Sold - 14% Premium
- All Counties in the Study showed a Premium for Certified Homes with Thurston County being 25%
- Marketing Green Features & Certification on the MLS Had a Positive Effect on the Sales Price
- Built Green® Certification was the Most Often Referenced

Motivation for Consumers to Purchase Green Feature Homes

- Sustainable Attributes of Home
- Energy Efficiency/Lower Operating Costs
- Improved Indoor Air Quality
- Water Savings

Survey Findings

- 90% Prefer Certified Green Homes and Would Look for a Certified Home the Next Time They Purchase a Home
- 80% Said They Would Pay a 5% Premium for a Green Homes

Marketing Conclusions

- Value is Increased When Descriptions for Sustainable/Green Features Are Added to an MLS Listing
- Referencing Third Party Verification in the MLS is Important
- Consumers are Willing to Pay More for Environmentally Friendly / Cost Saving Homes

IRES Residential Input Form



ENERGY/GREEN FIELDs

Certifications



HERS Rating: Y / N

***Year Certified:** _____ ***Score:** _____ (0-240)

ENERGY STAR® Qualified New Home : Y / N

***Year Certified:** _____

LEED for Homes: Y / N

***Year Certified:** _____

NAHB/NGBS-ICC 700: Y / N

***Year Certified:** _____

Solar



Solar PV: Y / N

***Year Installed:** _____ *** Kilowatts** _____

Solar Thermal: Y / N

***Year Installed:** _____ *** Type** _____
(e.g. "Water")

Green Features Addendum



Uploaded? Y / N

Complete Green Features Addendum

1. Home Performance Programs:

- Home Performance with ENERGY STAR

2. Construction

(check box for each type)

- SIPS
- Improved Insulation
- ICF
- Straw Bale
- Material Efficient Framing
- Earthen Built / Rammed Earth
- Other:

3. Heating, Cooling and Ventilation:

(check box for each type)



- Ground Source Heat Pump
- Tankless / on Demand Water Heater
- Evaporative Cooling
- High SEER A/C (eg. > = 13 SEER?) Seer Rating ___
- High Efficiency Furnace / Boiler (eg. > = 90% AFUE)
- Whole House Fan
- Ceiling Fans
- Insulation Air Sealing Upgrades Completed
- Home Orientation (South Facing Overhangs)

4. Water Efficient Features

(check box for each type)



- Low Flow Toilets
- Low-water Sod (Certificate of Installation)
- Xeriscaping
- Low Flow Fixtures / Shower Heads
- Hot Water Recirculation Pump /Structured Plumbing
- Greywater System

5. Indoor Air Quality:

(check box for each type)

- Indoor Air Quality Plus by ENERGY STAR
- Heat Recovery Ventilator / Fresh Air System
- Green Guard Certified carpet / Flooring
(documentation required)
- No formaldehyde Certified cabinetry
(documentation required)
- No or Low VOC Paint
- Radon Mitigation System

6. Sustainable Materials:

(check box for each type)

- FSC Certified Lumber
- Reclaimed Flooring
- FSC Certified Cabinets
- Sustainable Flooring
- Recycled Content
- Regionally Harvested

7. Energy Features:

(check box for each type)

- ENERGY STAR / Low E Windows (documentation required)
- Orientation / Passive Solar Design
- ENERGY STAR Rated Roof (documentation required)
- Automated Lighting Controls
- High Efficiency Lighting (CFLs, LED)
- Programmable Thermostat

8. ENERGY STAR Appliances:

- Refrigerator
- Range / Oven
- Dishwasher
- Clothes Washer

Additional Comments: