Agenda

- Call Logistics and Introductions
- Opening Poll
- Residential Network and Peer Exchange Call Overview
- Featured Speakers
  - Pamela Brookstein, Elevate Energy
  - Craig Foley, RE/MAX Leading Edge, Chief of Energy Solutions
- Discussion
  - What challenges have you encountered in working with the real estate sector?
  - What strategies have you used to engage real estate agents in promoting energy-efficiency as a home feature? Have you tried anything that was successful, or anything that has not worked well?
  - What are some of the obstacles to including home energy efficiency as part of trends in real estate?
  - Other questions/issues related to real estate and energy efficiency?
- Closing Poll
Call Participants

- American Council for an Energy-Efficient Economy
- Arlington County, Virginia
- Boulder County
- Build It Green
- Center for Energy & Environment
- City of Kansas City, Missouri
- City of Sunnyvale
- CLEAResult
- Center for Sustainable Energy
- Elevate Energy
- Efficiency Maine Trust
- Greater Cincinnati Energy Alliance
- Midwest Energy Efficiency Alliance
- New York State Energy Research & Development Authority
- RE/MAX Leading Edge
Opening Poll Results

- What is your familiarity with real estate and energy efficiency?
  - Some familiarity with real estate and energy efficiency – 40%
  - New to learning about the real estate sector and energy efficiency – 33%
  - Very experienced with real estate and energy efficiency – 27%
  - Other (please explain) – 0%
Better Buildings Residential Network

- **Better Buildings Residential Network**: Connects energy efficiency programs and partners to share best practices to increase the number of American homes that are energy efficient.
  - **Membership**: Open to organizations committed to accelerating the pace of existing residential upgrades. Commit to providing DOE with annual number of residential upgrades, and information about benefits associated with them.
  - **Benefits**:
    - Peer Exchange Calls
    - Tools, templates, & resources
    - Newsletter updates on trends
    - Recognition: Media, materials
    - Optional benchmarking
    - Residential Solution Center

For more information & to join, email **bbresidentialnetwork@ee.doe.gov**.

- **Better Buildings Residential Network Group on Home Energy Pros**
  Join to access:
  - Peer exchange call summaries and calendar
  - Discussion threads with energy efficiency programs and partners
  - Resources and documents for energy efficiency programs and partners

Peer Exchange Call Series

- Calls are held the 2nd and 4th Thursday of every month at 12:30 and 3:00 ET
- Calls cover a range of topics, including financing & revenue, data & evaluation, business partners, multifamily housing, and marketing & outreach for all stages of program development and implementation
- Upcoming calls:
  - February 12, 12:30 ET – Coordinating with Corporate and Institutional Affiliate Programs
  - February 12, 3:00 ET – Financing Multifamily Energy Efficiency Upgrades
  - February 26, 12:30 ET – Voluntary Initiative on Incentives: Toolkit Training Webinar
  - February 26, 3:00 ET – Normalizing Weather Data to Calculate Energy Savings
- Send call topic ideas or requests to be added to the peer exchange call distribution list to peerexchange@rossstrategic.com
How do you eat an elephant? One bite at a time. A slight shift in perspective goes a long way.

Understanding how EE can solve a financial, public relation, or customer service problem for the utility is the right place to start.
Web portal of residential EE upgrade program resources, & lessons learned to plan better, avoid reinventing the wheel.

- **BB Neighborhood Program, Home Performance with ENERGY STAR Sponsors**

- Provides:
  - Step-by-step guidance
  - Examples
  - Tools
  - Templates
  - Lessons learned
  - Best practices
  - Tips

- Continually add content to support residential EE upgrade programs—member ideas wanted!

[https://bbnp.pnnl.gov/](https://bbnp.pnnl.gov/)
Program Experience: Elevate Energy
Value for High Performance Homes
Engaging Real Estate

January 22, 2015
Chicagoland High Performance Home Density Map
Blueprint for Collaboration

1. Document Upgrades
2. Disclose Inventories
3. Continuing Education
4. Green MLS Usage
5. Appraiser Designed Valuation Studies
6. IT Solutions: HPXML
7. Work with Lending Institutions
Thank You

Pamela Brookstein

http://www.elevateenergy.org/value-high-performance-homes-campaign/home/

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Elevate Energy’s mission on this research project was to use data to showcase the value of green MLS fields in selling home performance homes. It can be challenging for busy real estate agents to view green fields on MLS listings as valuable, and realtors tend to view additional steps, such as completing the new green fields, as time spent away from selling homes and potential barriers to sales.

Elevate Energy sampled MLS listings in large metros, comparing the density of high performance homes to the presence of green MLS fields.

- Result: a high density of high performance homes in metros tended to also have green fields included on their MLS listings.
- To engage realtors in this research, Elevate Energy shared the High Performance Home Density Map tool with local Chicago agents, who were surprised and excited to know that there were 72 LEED certified homes in Kane County.

For the green MLS fields to increase in impact, accessibility to third-party green certification programs such as LEED, ENERGYSTAR and National Green Building Standard, must be maintained or increased, since realtors do not wish to take on the liability of self-certification.
Lessons Learned:
RE/MAX Leading Edge
Realty’s New Reality

Change in average residential electricity prices by Census division (first half 2014 versus first half 2013)

- New England: 11.8%
- Mid-Atlantic: 6.7%
- Mountain: 4.5%
- South Atlantic: 4.0%
- East North Central: 3.7%
- U.S. Average: 3.2%
- East South Central: 3.1%
- West South Central: 2.4%
- West North Central: 1.8%
- Pacific contiguous: -2.5%
Realty’s New Reality

Time for a Paradigm Shift?
Realty’s New Reality
GREEN FEAR!!!!

“Don’t talk about religion & politics”

“Don’t take me out of my comfort zone”

“Don’t stick something else in the way of getting my commission”
One hundred thirty-four (134) municipalities have adopted the new Board of Building Regulations and Standards (BBRS) Stretch Code, as of October 30, 2013.
YOUR HOME'S POST-INSTALLATION
ENERGY PERFORMANCE SCORE

Home MPG, an initiative within the Mass Save® Home Energy Services Program, provides you with your home’s "miles per gallon" energy performance rating, called an 'energy performance score' or EPS. You received an initial report during your Home Energy Assessment. This post-installation EPS report provides a comparison between your original score and your new score since you’ve taken steps to improve your home’s energy efficiency.

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DOLLARS & SENSE

Prior Estimated Energy Costs: $3168 Per Year

ESTIMATED ENERGY SAVINGS

$1,393 Per Year

Based on installed energy efficiency improvements.
Do you know your car’s MPG rating?

- Consumers can differentiate high and low energy users.
High-Performance, Green Homes in Residential Real Estate

RE86R14

MA RE Board passed in July ‘14 2 Credit CE
THE PRODUCT IS CHANGING

“As electricity costs rise, market for heat pumps takes off”
By Jack Newsham
October 6, 2014 Boston Globe

“The most popular residential heat pump, called a mini-split, consists of wall-mounted indoor venting system connected to an exterior unit that looks like a small central air unit turned on its side.”
MA Legislation Past and Present Supporting the Green Home Market

RPS (2003), RGGI (1997-98), and the Systems Benefit Charge

Green Communities Act (2008) - Stretch Code and Net Metering
Global Warming Solutions Act (2008) – GHG 80% reduction by 2050

Solarize MA (2011)

May 7, 2013 Boston Energy Ordinance passed

Bills in front of Joint Committee of Telecommunications, Utilities, & Energy
S1587: Net-Zero building standard for residential new construction by 2020 in MA.
S1613 Home energy assessment completed at time of closing for residential home sales.
S1586 Oil Heat Energy Efficiency Fund
H2919 which proposes energy efficiency education for building asset managers
This has created an environment in MA in which:

American Council for an Energy-Efficient Economy (ACEEE) revealed its top cities for energy saving programs and policies on September 17, 2013 and Boston topped the list!

Only 6% of homes nationally heat with oil, but 80% of the total reside in the Northeast.

Heating oil remains much more expensive than natural gas.

U.S. average residential winter heating fuel prices: dollars per million Btu.

- Natural gas
- Heating oil

Source: EIA Short-Term Energy Outlook, October 2012.
In 2012, homes heated by natural gas sold an average $11 per sq. ft. more than homes heated by oil. MA homebuyers were willing to pay a price premium for lower operating costs.
There is still a lot of resistance in the Real Estate market, called "Green Fear."

- Realtors know how to sell homes traditionally using visible aspects (e.g. granite countertops), but Energy Efficiency is an invisible, intangible selling point. How do you sell something you can't see?
- The new language requires realtors to step out of their comfort zone.
- Realtors are very concerned that adding a new element to the process (e.g. energy audit/certification) will become a barrier to closing the deal and collecting their commission.

Consider reframing energy efficiency concepts when engaging realtors:

- Avoid using the term “green,” and instead use "reduced operating costs.”
- Highlight the concept that, as utility rates and energy usage increase, so does demand for high performance homes; there is increasing opportunity for realtors to market energy efficiency as a premium.
- Use analogies to convert energy usage (Btu, kWh, etc.) to more tangible metrics. For example, in Massachusetts it only takes 550 homes one year to consume the amount of energy that was released by the 1st atomic bomb.
As a pilot program, Massachusetts provided homeowners receiving energy audits with Energy Performance Score cards developed by the Department of Revenue (see slide 27).

- In a survey of the homeowners who received energy scorecards, 99% said that the scorecard information would be useful next time they purchase a house.
- Realtors are concerned that poor energy scores would be deleterious to selling; however, Hummers still sell. Asset scores simply provide more information to people to make the decisions that are important to them.

Realtors have a responsibility to understand how the market and building component technologies are changing; it is not just about being green, but it is also about being knowledgeable about home components.

Massachusetts is seeing a definite movement in the Real Estate community.

- The Massachusetts Board of Registration of Real Estate Brokers and Salesperson incorporated RE86R14, a continuing education (CE) class focusing on high performance, green homes in residential real estate.
- Massachusetts has also passed several laws in recent years supporting home energy efficiency.
Discussion Questions

- What challenges have you encountered in working with the real estate sector?
- What strategies have you used to engage real estate agents in promoting energy-efficiency as a home feature? Have you tried anything that was successful, or anything that has not worked well?
- What are some of the obstacles to including home energy efficiency as part of trends in real estate?
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“Greening” the Real Estate Industry

Discussion Highlights

- Using tools like the Blueprint for Collaboration and High Performance Home Density maps (see slides 12 & 13) are effective ways of engaging realtors with meaningful data and presenting the value of high performance homes.
  - Elevate Energy hopes to develop a how-to kit for finding county-specific high performance home density data.

- The National Association of Realtors Green REsource Council developed the Green MLS Implementation Guide to help standardize the green MLS fields.

- Realtors are not receptive to EE Program Administrators, viewing them as adding complicating barriers to the sales process.
  - To connect effectively with the real estate community, program administrators should find EE champions in the realtor communities, and support them in their selling methods.

- A common issue with the new green MLS fields is that they aren’t consistently completed.
  - Potential solution: offer green real estate classes as continuing education units (CEUs), to incentivize these trainings and provide a forum for green MLS listing questions and high performance homes sales tips.
Closing Poll Results

- After today's call, what will you do?
  - Try an idea or approach discussed on this call in your work – 36%
  - Tell a colleague or partner something you learned – 27%
  - Evaluate potential changes to your interactions with the real estate sector – 18%
  - Make no changes to your current approach to working with the real estate sector – 18%
  - Other (please explain) – 0%
Thank you!