This presentation premiered at WaterSmart Innovations

watersmartinnovations.com
Selling residential water efficiency: The MLS Green Features Addendum

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Wed Oct 4th 3:55-4:25- Sonoma B
Goals

- **Share:** Changes in Real Estate which monetize & communicate:
  - Water efficiency
  - management
  - sustainability

- **Tools:** to implement these changes where you live
• **ROI**: In the practice of water efficiency, part of discussion is *Return on Investment*.

• **Simple Payback**: how long the direct investment takes to pay for itself. Toilet-1 year.

  -> Operating costs go down.

• **Property Marketability**: Can these projects raise the value of & differentiate my home?
Past-Process

Old School Home Buying System:

- Realtor-lead
- Driving around
- Knowledge-control
- Listing Limitations
- Experience
- Luck!
It can feel like this....
Past-Homes

Home Buying Attributes:
- Price
- Location
- Style
- Bedrooms
- Bathrooms
- Cabinets
- Carpet
- Carports
- Condition
New motivations...

Water outlook & drought

As your local water provider, we have a responsibility to protect your water supply and help ensure the health, safety and economic vitality of our community. We carefully monitor several factors, including levels of our reservoirs, snowpack and forecasted stream flow.

As of June 30, 2017

Current situation

- In June, the average temperature was above average and precipitation was well below average.
- We currently have 3.4 years of demand in storage.
- Conditions expected to remain hot across Colorado this summer, with equal chances of above or below average precipitation.
- Above average yield expected, runoff is nearly complete.
- We are monitoring streamflow, demand and storage to maximize water supply.
- Currently, the Water Shortage Ordinance is set at Stage 1 Voluntary Water Conservation. Continue to use water wisely.

Related links

- Water restrictions
- Water saving tips inside the home
- Water saving tips outside the home
- Irrigation rebates

Drought persists

As your local water provider, we have a responsibility to protect and carefully manage your water supply. Currently, we are actively planning for what is shaping up to be a serious drought year for Colorado Springs.

Colorado Springs is located in a semi-arid climate where drought conditions regularly occur. The U.S. Drought Monitor shows Colorado in moderate to exceptional drought conditions, which are forecasted to continue through at least 2017. Because our city is not located on a major waterway, water is delivered to Colorado Springs from nearly 200 miles away.

Recent lower-than-normal snow pack, lack of significant precipitation and increased demand has strained Colorado Springs’ water supply. System-wide storage is at a near historical low of 48 percent; normal storage is 65 percent.

Water Restrictions, Landscape restrictions.
New water values...

- Scarcity
- Quality of life
- Stewards
- Environment
- Changes in landscape perception
- Maintenance, cost, impact
- Technology & Solutions
- Result-modifying homes to address concerns....
- Return on investment for Sustainability
New Solutions

New and existing homes

Utility Efficiency Rebates
- Fixtures
- Landscapes
- Systems

[Images of logos for Energy Star Homes, WaterSense, LEED for Homes, NAHB National Green Building Program, and RESNET WER Index]
Attributes:

- All of the above &
- Efficiency
- Conservation
- Safe & Healthy
- Affordable
- Sustainable
- “Green”
Present-Process Democratized

Home Buying:

- Online Research
- Buy Remote
- Direct buy
- Remodelers
- Flippers
- FSBO
- More details...
- Realtor controlled

Images courtesy of company webpages. Couple buying home courtesy and Copyright
http://directhousebuyer.co.uk/whos-actually-buying-property-moment/
Value for Green Homes

1. Green Builder or Contractor and Homeowner
2. Green MLS Listing Agent Buyer's Agent
3. Lender
4. Appraiser
5. Underwriting
6. Fair Value at Closing

Documentation is key:
- Green building certificate
- Performance test results
- Local green disclosure form
- 12 month utility usage
Some involved entities

High-Performance Homebuilding
- NAR's Green RESource Council
- Home Innovation Research Labs, National Association of Home Builders
- IBACOS
- EPA—ENERGY STAR Certified New Homes, Indoor airPLUS, WaterSense, Indoor Environments Division
- DOE—Building America Program
- RESNET
- Passive House Institute US

Existing Home Remodeling/Upgrades
- Air Conditioning Contractors of America
- DOE—Home Performance with ENERGY STAR
- Elevate Energy
- Buildings Performance Institute
- National Home Performance Council
- Masco Home Services
- Vermont Green Homes Alliance

Other Programs
- Ingersoll Rand Residential Solutions
- HUD/EPA—Partnership for Sustainable Communities

Walk Score®
- DOE EERE—Lawrence Berkeley and Sandia National Solar Labs

Real Estate Agents/MLSs
- Real Estate Standards Organization - Robert Gottesman, CEO; Rob Larson, Chair, Data Dictionary Working Group
- Ben Kaufman (Keller-Williams, Seattle-area)
- John Rosshirt (Stanberry & Associates REALTORS®, Austin, TX)
- Northwest MLS (Seattle area)

Appraisers
- Sandy Adomatis, Adomatis Appraisal Service
- Appraisal Institute

Consultants
- Social, Environmental & Economic Consulting, LLC
- Conservation Services Group (MLS Energy Project)

IRES—NET (northern Colorado)
- Traverse Area Association of REALTORS®
- LPS MLS Solutions
Standards organizations

- Identify national standards for each major Green MLS category as a reference for enumeration definitions:
  - Energy Efficiency – References: EPA and DOE reference materials (ENERGY STAR, BERE Fact Sheets, Energy.gov, etc.)
  - Energy Generation – Reference: Sandia Labs PV Value Tool™
  - Indoor Air Quality – References: EPA Indoor AirPLUS specifications, National Center for Healthy Housing’s National Healthy Housing Standard
  - Location – Enterprise Green Communities’ 2011 Enterprise Green Communities Criteria
  - Sustainability – USGBC LEED for Homes (Materials specifications), Home Innovation Research Labs National Green Building Standard™ (Resource Efficiency specifications)
  - Water Conservation – EPA WaterSense specifications, EPA Green Infrastructure webpage, City of Lancaster Green Infrastructure Plan Appendix
Requires collaborative approach

Phases
Realtors
Builders
Appraiser
Underwriters
Trades
Utilities
• Green MLS fields are offered in three tiers:
  1. Third-party verified fields - *Certification*
  2. Marketing/Green search fields (general, non-verified) - *Retrofits*
  3. Technical fields (green features embedded into existing fields) - *Details*

*Up to your regional MLS body to implement.*
• GreenWaterConservation
• Water-Smart Landscaping
• Green Infrastructure
• Water Recycling
• Efficient Hot Water Distribution
• Low-Flow Fixtures (It says WaterSense later)
At-A-Glance: Specific/Technical Fields

• STRUCTURE FIELDS

• Interior Features
  – WaterSense labeled bathroom faucet(s)
  – WaterSense labeled toilet(s)
  – Dual-flush toilet(s)
  – WaterSense labeled urinal(s)!-future?
  – WaterSense labeled showerhead(s)

• Other stuff....
At-A-Glance: Specific/Technical Fields

- **LotFeatures (outdoor)**
  - WaterSense labeled irrigation controller
  - Used WaterSense irrigation partner
  - South/West Shading
  - North Windbreaks
  - Water-Smart Landscaping
  - Native Plants
  - Permeable Paving
  - Vegetated Swale
  - Certified Wildlife Landscape
  - Gray Water System

  - All can be described in detail.
Documentation matters
Professional Designations help.

• Implementation & MLS-different everywhere!
• Realtors populate Marketing Fields
  – NAR Green Designation helps:
    – Green materials
    – Energy-efficient technology
    – Green ratings
    – Green design
    – Green incentives
    – Green living
    – And more

“Sixty-one percent of builders said that customers will pay more for a green home.”
• Valuation of Sustainable Buildings: Residential –
• A professional development program designation
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• A professional development program designation
### Energy / Green Features Addendum

**Instructions:** This checklist is designed to be completed by the Seller or the Builder. Check all items that apply. Anything left blank does not apply or is unknown. Additional documentation such as receipts or information from manufacturers is also helpful, whenever available. Broker may deliver a copy of this Addendum to prospective buyers.

<table>
<thead>
<tr>
<th>Property Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Completed By</th>
<th>Builder</th>
<th>Seller</th>
<th>Name(s)</th>
<th>Date</th>
</tr>
</thead>
</table>

**1. Home Performance Programs**
- [ ] Home Performance with ENERGY STAR

**2. Construction Type:**
- [ ] SIPs  
- [ ] Improved Insulation  
- [ ] Straw Bale  
- [ ] ICF  
- [ ] Earth Tied / Rammed Earth  
- [ ] Material Efficient Framing  
- [ ] Other

**3. Heating, Cooling and Ventilation:**
- [ ] Ground Source Heat Pump  
- [ ] Tankless Water Heater  
- [ ] High Efficiency Water Heater (≥ 90%, or ≥ 82 for gas)  
- [ ] Whole House Fan  
- [ ] Ceiling Fans  
- [ ] High Efficiency Furnace / Boiler (≥ 95% or ≥ 82 for gas)  
- [ ] Insulation Air Sealing Upgrades Completed  
- [ ] *Home Orientation (South Facing Overhangs)*

**4. Water Efficient Features:**
- [ ] Low Flow Toilets  
- [ ] Low Flow Fixtures / Shower Heads  
- [ ] Low Water Sod  
- [ ] Xeriscaping  
- [ ] Hot Water Recirculation Pump / Structured Plumbing  
- [ ] *Graywater System*

**Indoor Air Quality:**
- [ ] Indoor Air Quality Plus by ENERGY STAR  
- [ ] Heat Recovery Ventilator / Fresh Air System  
- [ ] Green Guard Certified Carpet / Flooring (documentation required)  
- [ ] No Formaldehyde Certified Cabinet (documentation required)  
- [ ] No or low VOC Paint  
- [ ] Radon Mitigation System

**Sustainable Materials:**
- [ ] FSC Certified Lumber  
- [ ] Recycled Flooring  
- [ ] FSC Certified Cabinets  
- [ ] Sustainable Flooring  
- [ ] Recycled Content  
- [ ] Regionally Harvested

**Energy Features:**
- [ ] ENERGY STAR / Low E Windows (documentation required)  
- [ ] Orientation / Passive Solar Design  
- [ ] ENERGY STAR Rated Roof (documentation required)  
- [ ] Automated Lighting Controls  
- [ ] High Efficiency Lighting  
- [ ] *Programmable Thermostat*

**8. ENERGY STAR Appliances**
- [ ] Refrigerator  
- [ ] Range / Oven  
- [ ] Dishwasher  
- [ ] Clothes Washer

*Additional Comments:

* Asterisks indicate fields that are the same on both the "Green Features Addendum" and the Appraisal Institute "Residential Green and Energy Efficient Addendum" forms."
Understanding the Residential Green and Energy Efficient Addendum

Start here

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