

2006 RESNET Conference San Antonio, TX

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Real Estate Agents and Raters



What Do Agents Really Want?

Lois Kadosh, MA, GRI – REALTOR®

What is a REALTOR®

- There are state-licensed real estate brokers, and the sales agents who work for them
- ...and then there are REALTORS®



Who are REALTORS® and Why Should You Care?

- REALTORS® sell a lot of America's Homes
- REALTORS® have the broadest, deepest and most effective local broker networks
 - 1.25 Million NAR Members Nationwide
 - 1445 Local Associations

Source: <http://www.realtor.org/libweb.nsf/pages/fg006>

REALTORS® Sell Properties

- Home Purchase Market Shares:
 - Agent/Broker - 77%
 - Builder - 12%
 - Direct from Previous Owner - 9%

Source: 2004 National Association of REALTORS® Profile of Homebuyers and Sellers

REALTORS® Can Sell “Green”

- NAR Washington DC Headquarters*



Official sponsor of the word “home.”



National Association of REALTORS®. One million members strong.

*USGBC
LEED®
Certified

REALTORS® Drive Inspections

- 99% recommend a home inspection
- 97% of buyers believe it's a good value
- 79% of home buyers attend the inspection
- 69% of home buyers chose inspector based on the agent's recommendation

*Source: [National Association of Realtors/ ASHI Surveys 2/2001](#)

REALTORS® Serve Their Clients

- Follow the Code of Ethics & Standards of Practice of NAR
- Aware that energy efficiency is important to home buyers
 - REALTOR® magazine: "Selling Green" articles
- Many are technologically savvy
 - Email
 - On-line virtual home tours
 - Striving for the paperless transaction

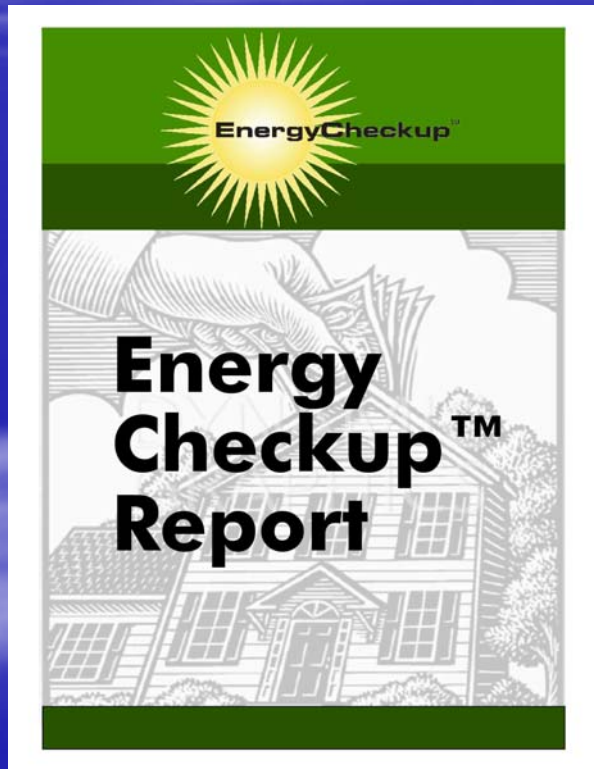
Why Don't Agents Recommend HERS Raters Now?

- Complex HERS Ratings Don't Make Sense
 - Extra third-party adds cost and hassle
 - Too burdensome on agent
 - Too expensive and confusing for client
- Want an “Energy Efficiency Disclosure”
 - Not a complicated engineering report
 - Not a fancy mortgage product pitch

What Do Agents Want in an “Energy Efficiency Disclosure”?

- Quick and easy
- Low cost
 - Minor add-on to a traditional home inspection
- High quality and high accuracy
 - Same home inspectors they know and trust
- To help achieve full disclosure, NOT kill the sale

Sample Energy Report



YOUR ENERGYCHECKUP™ AT-A-GLANCE																	
CLIENT		Joe Brown				REPORT DATE		30th June 2003									
ADDRESS		123 Oak Street, Vacaville				STATE		Ca		ZIP CODE		95687					
AUDIT BY		Margie Stein, GeoPhenix, Inc.				ENERGY AUDIT ID		49300005									
YEAR BUILT		1973		BEDROOMS		3		STORIES		1		SIZE		1,200 Sq.ft.			
UTILITIES		ELECTRIC		FUEL		WATER											
		Pacific Gas & Electric		Pacific Gas & Electric													
ENERGY AUDIT RESULTS																	
						AS AUDITED			IF ALL RECOMMENDATIONS COMPLETED								
ESTIMATED ANNUAL ENERGY COSTS						\$2833			\$1854								
ESTIMATED COST OF ALL RECOMMENDED IMPROVEMENTS & UPGRADES						-			\$6245								
ESTIMATED ANNUAL ENERGY SAVINGS						-			\$979								
HOME ENERGY RATING						69 out of 100			★★★			79 out of 100			★★★★+		
BEST VALUE		EnergyCheckup™				BENEFITS				ESTIMATED COSTS & SAVINGS							
		SAVE MONEY				LESS POLLUTION				HEALTH/SAFETY							
		MORE COMFORT				ANNUAL SAVINGS				COST							
		COST IF FINANCED				PAYBACK (YEARS)				REBATES							
RECOMMENDED IMPROVEMENTS																	
Codes include full purchase cost and installation																	
1	Replace Incandescent Light Bulbs With Screw-In Compact Fluorescent Lights	✓	✓			\$52	\$35	\$3	0.7	✓							
2	Install Low-Flow Showerheads	✓	✓			\$15	\$15	\$1	1.0								
3	Insulate Water Heater Pipes	✓	✓			\$6	\$6	\$1	1.0								
4	Install a Programmable Thermostat	✓	✓	✓	✓	\$93	\$162	\$14	1.7	✓							
5	Get an Advanced HVAC (Heating, Ventilation and Air Conditioning) Diagnosis & Tune-Up	✓	✓	✓	✓	\$113	\$780	\$67	2.5								
6	Install Kitchen Fluorescent Light Fixtures	✓	✓			\$30	\$92	\$8	3.1	✓							
7	Reduce Air Infiltration and Drafts	✓	✓	✓	✓	\$152	\$600	\$52	3.9	✓							
8	Install Compact Fluorescent Light Fixtures	✓	✓			\$22	\$135	\$12	6.1	✓							
9	Install Insulation Package: Attic (R-30) + Wall (R-13)	✓	✓	✓	✓	\$217	\$2,864	\$246	13.2	✓							
Codes include only upgrade cost of choosing an energy efficient product over a standard product																	
RECOMMENDED UPGRADES																	
Codes include only upgrade cost of choosing an energy efficient product over a standard product																	
1	Upgrade to an Energy Star Dishwasher	✓	✓			\$29	\$1	\$0	0.0	✓							
2	Upgrade to an Energy Star Refrigerator	✓	✓			\$87	\$75	\$6	0.9								
3	Upgrade to a High Efficiency Gas Water Heater	✓	✓			\$62	\$129	\$11	2.1								
4	Upgrade to an Energy Star Gas Furnace	✓	✓			\$343	\$730	\$63	2.1	✓							
5	Upgrade to Energy Star Windows & Daylights	✓	✓	✓	✓	\$184	\$471	\$40	2.6	✓							
6	Upgrade to an Energy Star Clothes Washer	✓	✓			\$38	\$150	\$13	3.9	✓							

Funded by the California newspapers under the auspices of the California Public Utilities Commission

What Are We Doing Now?

- Partnering with utilities to launch a major voluntary training campaign for real estate professionals
- Partnering with “Flex Your Power Now!” campaign
- Providing input into new regulations and standards

What Else Are We Doing Now?

- Assembling a new “Program Advisory Group”
 - REALTORS®: NAR, CAR, etc.
 - Inspectors: CREIA, ASHI, etc.
 - Utilities: SDG&E/SCG, PG&E, SCE
 - Cities/Counties: San Diego, SF, Sonoma, Marin, Oakland, Berkeley
 - Government: CEC, DOE/EPA Energy Action Team
 - Contractors: CA Building Performance Contractors Assoc., etc.

Time-of-Sale Energy Checkup Program (2006 - 2008)

- A new voluntary program for CA
 - Hybrid design: Information & resource acquisition
 - Budget: >\$2.1 million, flexible
- Building on past experience
 - Implementing Best Practice Study recommendations
 - Home inspector and agent incentives
 - Direct install component (immediate energy savings)
- Highly cost effective alternative to traditional audits

Get an Energy Checkup Every Time You Buy, Sell, or Remodel...

Call Your Agent ...

Ask For a List of
Energy Inspectors
in Your Area

