2012 Valuing Energy Efficient Homes in Alaska

Alaska Craftsman Home Program

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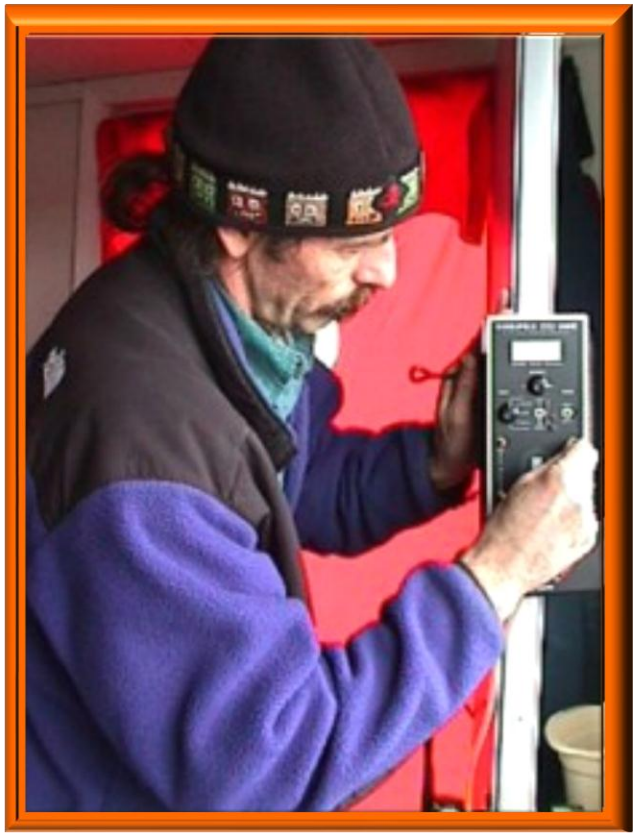
Executive Summary



Of the approximate 307,000 homes in Alaska, more than 30,000 homeowners have participated in Alaska Housing Finance Corporation's Home Energy Rebate Program. The rebate program encourages and assists property owners living in their primary residence to make energy efficient improvements to their home. The program includes owners of single family homes, mobile homes and condominiums. The improvements made to reduce energy costs are often made in lieu of cosmetic improvements which would raise the home's appraised value. Energy prices are continuing to rise with no foreseeable downturn. Stories circulated this past winter regarding homeowners having to take out a second mortgage to pay utility bills in certain communities. Although reduced energy costs are understood by real estate professionals, appraisers, lenders and homeowners, tools do not exist to reflect the increased value of an energy efficient home in the home's listed market value. The data from the initial 30,000 plus ratings in the rebate program compared to post ratings, along with the costs associated with the improvements, are being captured for future use. The average $20,000 invested in energy efficient improvements by the owner does not currently increase the value of that home accordingly. Energy efficient improvements to a home lower the operating costs, which can be easily documented, along with creating a more durable and comfortable structure. Homes with lower energy costs are more valuable and more affordable in today's market and should be reflected in the overall valuation of the property. If the cost to improve the energy efficiency of homes is not reflected in the sales price of that home, owners might stop investing in energy efficiency and instead, focus on upgrades more likely to increase the value of their home.

At first glance, the solution might seem simple; appraisers need to incorporate the value of energy efficient features added to a home when appraising it for sale or refinance. As we discovered in our statewide assessment, it is not that simple. There are many key stakeholders responsible for the valuation of the home: home buyers, builders, real estate professionals, mortgage lenders, energy raters, and, of course, appraisers. Appraisers are pressured to do more for less money. Real estate professionals rarely recommend obtaining an energy rating on the home as part of the property listing or home buying process. Mortgage lenders do not require documentation of proposed operating costs for a home in the mortgage application. And, finally, the prospective home purchasers do not recognize or demand efficiency.

Statewide Assessment

Alaska Craftsman Home Program CEO, Rob Jordan and independent facilitator, Keli Hite McGee traveled to five regions in Alaska and met with groups that represented all six of the key stakeholders involved in some aspect of home valuation. Every group was energized and engaged around barrier identification and possible solutions. Every participant believed we must not only encourage energy efficient improvements and construction, but also reflect the ownership savings of a home with greater energy efficiency.

Every region expressed similar potential opportunities in converting energy efficient features of a home into monetary home value. Increasing energy costs, financial incentives, nonprofit education, research and energy minded contractors work to increase the number of energy efficient homes. Since 1987, Alaska Craftsman Home Program has been educating Alaskans on how to improve the energy efficiency of their homes. Alaska Housing Finance Corporation promotes financial incentives through a rebate program to subsidize the cost of an energy rating and retrofitting homes. Builders all over Alaska continue to build energy efficient homes and incorporate greener technology and products. Weatherization contractors market the benefits of energy improvements to existing homes. In 2006 Cold Climate Housing Research Center opened and continues to provide research to "promote and advance the development of healthy, durable, and sustainable shelter for Alaskans and other circumpolar people." These proactive efforts have not yet translated into a consistent and higher market value for energy efficient homes.

Every region also expressed similar barriers to building or improving the energy efficiency of homes and reflecting the value of the benefits. Buyers continue to purchase houses based on location, features and square footage; ignoring the home's operating costs. Appraisers and real estate professionals resist additional workload with no additional compensation and the liability of disclosing the benefits of improvements without current documentation. Both industries lack tools needed to reflect the value of the improvements. Energy efficient improvements require an initial cash outlay and homeowners have to wait for reimbursement from incentives or longer-term repayment in the form of lower utility costs. Mortgage brokers do not adequately market energy efficient financing products to assist purchasers.

Call to Action

The projection of higher oil prices and a stale economy might help drive a collective focus on education, marketing, and home valuation. Improving the energy efficiency of the Alaskan housing stock will have a profound and long term effect on the economy. Reduction of a home's operating costs increases the occupant's ability to pay other necessary bills. Alaskans need to know how to obtain the greatest increase in energy efficiency of their home and how those efficiencies will translate into cost savings and market value.

Recommend Next Steps

In partnership with Alaska Craftsman Home Program, develop strategic initiatives to drive creation of tools, incentives, outreach programs and educational opportunities for consumers, appraisers, real estate professionals, mortgage lenders, builders, and energy raters to promote consistent increased value of energy efficient homes. Taking a grass roots approach, this report will highlight what needs to be done, and possible strategies to implement.

Overview of Barriers Stated Consistently

- Real estate professionals expressed the reality that buyers are still selecting homes based primarily on location and popular features. Until the market demands energy-efficient homes, appraisers won't reflect a greater value for energy efficiency.
- Appraisers lack a standardized approach to valuing homes for energy efficiency. They do not consistently utilize energy ratings, costs of retrofits, or utility bills in valuing the home. Although the Appraisal Institute just released a green home addendum, it is time intensive making it unlikely that they will use it consistently.
- Appraisers have very few ways to complete a comparison when nearby houses don't have energy ratings-especially with anything older than 5 years.
- Buyers lack knowledge of mortgage products available to provide bridge financing or long-term benefits for energy efficiency improvements.
- Real estate professional do not have access to energy ratings performed on a home and must rely on the current homeowner to request a copy from AHFC.
- Real estate professionals are hesitant to input an energy rating in the MLS listing if it wasn't completed recently due to liability risks.
- New home buyers considering cost savings of an energy efficient home can't afford an additional $10,000 on their mortgage to upgrade efficiency.
- The cost of improving a home from a four star to a five star plus is large enough that consumers are more likely to continue to pay higher energy costs to operate the house.

Overview of Ideas to Incorporate Energy Valuation of Homes

- Increase public awareness directed at home buyers in order to drive market demand for energy efficient homes. In the 1990's AHFC ran advertisements urging buyers to purchase energy efficient homes and the demand went up even though purchasers didn't know the monetary value.
- Develop a successful index for appraisers to consistently and easily reflect the energy efficiency of a home. Most participants felt the energy rating or the utility savings estimates are practical options for creating such an index.
- Compile the Alaska Housing Finance Corporation's data on the homes in the rebate program (ARIS) and add the sales price of the homes that have since sold, if available. Bring this information to the marketplace where buyers and sellers are looking.

- Develop a site where appraisers and homeowners can look up the home's energy rating. To maximize this solution, develop greater incentives for homeowners to get their homes rated.
- Convince real estate professionals to request that buyers and sellers of homes obtain any energy rating performed on their house. If no energy rating exists, encourage them to obtain a new rating. List the energy rating of all homes in the MLS. Develop a place for energy rating date completed, so realtors are more inclined to put the energy rating in the MLS.
- Educate and advertise research findings that reflect the benefits of buying energy efficient homes to drive the market demand for rated and retrofitted homes.
- Develop ways to direct the savings to the builders so they are able to keep new homes affordable.

Barriers, Opportunities, and Solutions to Explore

Issues Identified

Common themes emerged throughout every facilitated discussion about what was believed to be necessary before valuation can occur.

1. **Market demand for energy**
2. **Consumer awareness & education**
3. **How to value upgrades**
4. **Energy rating accessibility**
5. **Universal rating used for valuation**
6. **Research supporting energy valuation**
7. **Builder and mortgage lender monetary incentives**
8. **Cost to retrofit**
9. **Continuation of consumer incentives**
10. **Adds to workload and delay for consumers**
11. **Key stakeholder education (i.e. real estate professionals, appraisers, etc.)**
12. **Usability of outdated ratings**
13. **Other (safety, appeal and visibility of improvements)**

Specific Issues per Region

Anchorage

- If individuals knew these improvements yielded an increase in value and gave them a monthly savings–this would become a major industry for all of us.
- You're not going to see the trends of increased value because people aren't educated. We need to drive it by first educating.
- Appraisers aren't willing to reflect it without proof that it is market driven.
- How long is the energy rating valid?

Fairbanks

- Can we push to include a requirement for energy ratings and add a cost into the appraisal for the additional time?
- We don't see the energy efficient home comparable to the less efficient to promote the savings.
- The problem with showing the energy rating of all homes is that it could make a less efficient home less desirable and sellers don't want to do that.
- How do we incorporate energy in every home buying experience? There is a new appraiser's energy rating form. Participants discussed that it would not be utilized universally due to the long length of the document and no additional compensation for the time.
- The extreme climate makes buyers a little more aware of energy efficiency, but we still need to quantify the value in the house.
- We need to promote the Alaska Housing Financing program to subsidize the cost to get an energy rating. Up to $350.

Juneau

- Builders are concerned about covering the costs of energy upgrades.
- The education needs to be invested in the buyers. If the appraiser sees the value driven by the market then they will include it in the cost/value of the home.
- Alaska Housing Finance isn't as competitive as the consumer mortgage company. So an energy-rating requirement for AHFC isn't very effective now.
- Average ownership of a house in Juneau is seven years; so most owners are not going to recover their costs over time and are less likely to invest in retrofitting.
- It is also about educating the public about better livability in the home.
- Until the mortgage companies recognize it and incentivize it, then it won't happen.

Kenai

- How can I make money as a lender by adding value for the buyers?
- The bottom line is looking at the utility bills–how much does it cost to run this house?
- A common question is "what is the energy rating?"
- As a realtor, if we get bogged down with the details then we can't put out the other fires. The database might be occasionally referred to, but it won't be used regularly.
- Not many houses have energy ratings in the MLS. As realtors, we include this in the package because buyers like it, but it's expensive to get this information.
- It needs to be information that is easy to access and not overly detailed. The data is only good if appraisers are looking at it.

- Often buyers don't have a lot to choose from–if it's not a 5 star, they will buy or retrofit it. Location is primary for buyers.

MatSu Valley

- We need to know approximately how much money it takes to go from a four-star to a 5 star plus. We can use that for valuing. Suggest we take the energy rating and put it somewhere like the electrical box in order to know the history with different owners. This is also a tangible way to track or have a point of reference.
- In the 90s when energy rating of homes came out, AHFC advertised by urging buyers to get energy homes. The demand went up for energy homes even if they didn't know what that meant.
- There are very few ways to do a comparison when nearby houses don't have energy Star rating–especially with anything older than 5 years.
- Advertise that anyone who hasn't had a rating can get reimbursed up to $325 for getting the energy rating completed.
- Concerns/hesitation to put an energy rating in the listing from a previous rating ––putting my realtor's license on the line.
- Determining the changes made for the energy rating, especially with retrofitting––what goes into giving the points.

Opportunity One: Increase Consumer Demand for Energy Efficiency

Participants discussed many possible challenges but always came back to the reality that unless consumers demand energy efficiency over marble countertops and other amenities, then real estate professionals, appraisers, and mortgage lenders will not reflect substantial monetary value of energy efficient homes sold or refinanced. Consumers who pay utility bills have the most incentive to change behavior and make energy efficient improvements to their home, but lack basic information about how and where energy is used in their residence. There is a disparity between the size of a utility bill, the amount of energy used with specific appliances or behaviors, and where and why heat loss occurs. Most renters and property owners lack knowledge about what will provide actual savings.

Solutions Proposed

Education is the number one proposed solution. General information sharing is important, but consumers need specific education on each component of a home and how improvements can reduce heat loss or electricity use. They need to understand how an energy rating or audit will provide customized and specific information to use as a tool for evaluation. They need to be convinced that energy efficient improvements will have enough benefits to justify the cost, time, and changes in behavior necessary to complete the process.

Education is not only necessary for the user, but also for federal, state, and local agencies as well as building industry professionals to ensure continuity of the message and confirmation of the benefits. Some preliminary education is being provided but it needs to refined and expanded for greater impact.

Continuation of existing incentives is very important. Incentives provide stimulus for consumers to recognize the issue and create urgency to act in order to obtain the rewards of the incentive. The AHFC Home Energy Rebate is a good example of a very successful program that provides consumers with a clear path to complete energy efficient improvements and receive reimbursement of qualifying receipts.

Opportunity Two: Develop a universal method of valuing energy savings

Even if Alaskans are willing to pay more for energy efficient homes, appraisers lack a consistent standard for translating efficiency into monetary value. Some appraisers will include energy efficient upgrades when requested, but only if easily documented and rarely for full price. There is no consistent use of energy ratings or utility costs as components in appraisals.

Solutions Proposed

Create an index per community for homes of general types that would take into account the local type and cost of heating fuel, style, square footage and age of the house, and perhaps the average costs of utility bills. The goal of the index would be to create a tool for appraisers to value the cost of improving the energy efficiency of a home or the reduction in operating costs using a formula to document increased value of more energy efficient homes. A standard house would need to be created in each community as a default to use for comparison to an energy efficient house that has an energy rating. The appraisers would need education on how to use the index and the majority of Alaskan appraisers would need to agree with the concept and commit to including it in their standard

appraisals. Request modifications to the standard appraisal forms to accommodate the additional information from the value index.

Appraisers and real estate professionals are licensed with the State of Alaska and are required to obtain continuing education every two years. Courses provided on valuing energy efficiency that were approved for continuing education for both professions would bring appraisers and real estate agents together for instruction and discussion on the issue. Lobby the Alaska Chapter of the Appraisal Institute to recognize valuing energy efficiency in homes as a component in their Professional Development Programs and participate in institute forums, seminars and speaker bureaus as part of an outreach program.

Opportunity Three: Give real estate professionals access to energy ratings

Real estate professionals play a huge role in educating consumers when listing or selling homes, but they lack readily available energy ratings. These professionals are worried about liability due to the possible inaccuracy of information found in an energy rating. It is not a standard practice to encourage sellers to obtain an energy rating when listing a property like ordering a home inspection in purchase transactions. Only the current homeowner has access to energy ratings at AHFC that were performed on their home in the past.

Solutions Proposed

Incentivize sellers to obtain an energy rating when the house is listed for sale. If there has not been one completed in the past, have sellers order a new one. Previous energy ratings on a property can be obtained from AHFC upon request of the current owner. Allow real estate agents, with written permission from the property owners, to obtain copies of energy ratings performed on the property. The date of the previous rating can be disclosed on a listing, which will allow the real estate professionals to provide information to the public with minimal liability. Lobby the state and local multiple listing service organizations to modify the data input forms to include the star rating, points and date of last energy rating. The groups proposed increasing access to energy ratings by doing things like putting energy ratings and the date completed in a standardized location. For example, energy raters could put the rating in a place like the circuit breaker box.

We can also educate industry professionals on the benefits of energy ratings, what resources are available and the accessibility of the data. Provide courses approved for continuing education to real estate agents outlining how to market the benefits of energy efficiency improvements, how to use an energy rating as a tool and the energy efficient features prospective purchases should look for.

Opportunity Four: Secondary lenders don't require energy appraisals

Energy ratings contain valuable information on the asset the lender is accepting as security for a loan, however they are not required in the standard loan application process. Considering some homebuyers don't even obtain a home inspection, mortgage lenders are reluctant to require an energy rating unless it is specifically relevant to an energy efficient mortgage loan, due to costs to consumer and delaying the financing process on the house.

Solutions Proposed

Alaska Housing Finance Corporation, along with a few national secondary lenders, requires a current energy rating, but only for their energy efficient mortgage products. Encourage secondary lenders to including operating costs in all loan applications and make attractive adjustments in loan qualification ratios for a more energy efficient home. Encourage buyers to take advantage of the AHFC Energy Rebate Program and put their name on the sign up list for the subsidized energy-rating list. Educate mortgage professionals to understand the process of getting an energy rating, incentive programs and the benefits of receiving an energy rating. This consumer information can be used to provide better service to their customers and clients.

Resources for Energy Efficient Home Education, Rebates, and Research

- *Statewide Efforts to Promote Energy Efficient Homes*
- *Alaska Energy Efficiency Programs - Home Energy Rebate Programs*
- *Alaska Housing Finance Retrofitting Program*
- *Alaska Energy Efficiency Research*
- *Alaska Craftsman Home Program*
- *Cold Climate Housing Research Center*

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MatSu Valley

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Soldotna/Kenai

John Chrisiano (Appraiser)
Steve Stenga (Realtor)
Jeff Twait (Builder)

Southeast, AK

Jim Canary (Appraiser)
Paul Krogstad (Appraiser)
Alan Wilson (Builder)
Chas Edwardson (Builder)

Anchorage

Bob Hayes (Appraiser)
Dan Bagley (Energy Rater)
Chuck Homan (Builder)
Michael Droege (Realtor)
Linda Frank (Energy Rater)
JD Mecham (Mortgage Lender)

Fairbanks

Jim Hage (Appraiser)
Kelly Gunnels (Mortgage Lender)
Wes Madden (Realtor)
Darrel Bourne (Builder)
Lynn Kuhl (Energy Rater)

Appendix A: Raw Data

Comment/Discussion	Region
Mike shared an example of five-star home that the appraisers refused to reflect in the value.	Anchorage
The discussion we had with Alaska housing is how do we get that savings to the builder because the $275,000 home buyers need the five-star the most but don't have $10,000 to add or upgrade efficiency.	Anchorage
If we included as a rebate than builders would build the energy efficiency in every new home.	Anchorage
If individuals knew these improvements yielded an increase in value and gave them a monthly savings—this would become a major industry for all of us.	Anchorage
We can get the data and do some education. Quantify what the gas and electric savings can be.	Anchorage
You're not going to see the trends of increased value because people aren't educated. We need to drive it by 1st educating.	Anchorage
We need to spend some time on public awareness and realtors.	Anchorage
In terms of what can happen now without a mandate is an adjustment in the MLS. The cost of mandating something is 4 times as much as the education we can do. It might not be a fancy television commercial, but if we can put on a class on the value of building energy-efficient homes to the realtors then we can make an impact.	Anchorage
ACHP already got approved to do a class for realtors and appraisers.	Anchorage
Good resources for energy efficiency costs are Bill Walker and Dan Fauske.	Anchorage
We need to reflect the data in the MLS database.	Anchorage
We've gotten it so that certain things must be included in the MLS regarding new houses. Why not require energy rating in the MLS.	Anchorage
An idea is that we need to express to the realtor community that they need to reflect the energy efficiency in the MLS.	Anchorage
Eco-home: reported they are establishing a standard. They are developing a database that is searchable on the valuations of energy-efficient homes. The department of energy and appraisal Institute is already doing a database.	Anchorage
How do we keep the paperwork for the energy rating completed? Mike said they do have about 80% recorded.	Anchorage
Alaska housing is going to launch a database we might utilize. We could show cross check the data they do with the MLS data.	Anchorage
If we are putting a sticker in the electrical panel that shows the energy rating it will give the buyer information.	Anchorage
How long is the energy rating valid?	Anchorage
Find out if the rest of the United States has formulas for calculating the value of energy efficiency improvements? If so are they worth implementing here and Alaska?	Anchorage

Speaking of utility savings—how cooperative are the utility companies with these types of statistics that would help sell the idea?	Anchorage
We are here today to say that as of today homes are not necessarily worth more when they are energy efficient.	Anchorage
If we can quantify that it's cheaper to run an energy-efficient home like the presentation put together by Alaska housing then that would help.	Anchorage
We can use the example of electric heat versus a boiler. The cost differential to run each home was utilized to include valuation when appraised.	Anchorage
We look at the proof of the market and we just aren't seeing that in our community	Anchorage
Appraisers aren't willing to reflect it without proof that it is market driven.	Anchorage
People are asking for energy-efficient homes.	Anchorage
Whitehorse is already reflecting the increased values in home	Anchorage
Look at the building energy efficiency and the impacts it has on taking one house off the grid.	Anchorage
There are ways to equate this to market value. From and appraisers and mortgage lenders perspective we need to see it in market value.	Anchorage
This is not a hard sell to the legislature or the consumer.	Anchorage
Mortgage lenders get beat out all the time for the high cost of lending but we don't see that money. Now add a $500 energy rating to the bill and it will be a tough sell.	Anchorage
Realtors are requiring certain things because they have loss prevention.	Anchorage
Even HUD and VA don't require carbon monoxide and smoke detectors. Code doesn't drive loans with HUD so code requirements outside of them may be important. At the very least, a requirement on inspecting the heating system should be added.	Anchorage
Some people said they don't think education will make a big impact and instead mandating it will impact the market	Anchorage
The appraisal Institute is doing a green study and the homes that are energy-efficient sell faster.	Anchorage
If any economist could break out the energy upgrades and the granite countertops then a data analysis could be beneficial?	Anchorage
Having the new construction and having the trend line as well is important.	Anchorage
Maybe tracking those homes built previously that were five-star and again when they sold to determine if they gained value.	Anchorage
The number of houses sold last year is 180 new homes and 2000 used homes.	Anchorage
Can we pull the studies from the Washington, Oregon, and California studies and their methods?	Anchorage

As for new construction, a review of the minimum ICBO and 4 star rating should be looked at again and maybe pushed for a higher standard when you consider our states has 7 months of cold weather, thus making us a large energy consumer sleep	Anchorage
I do get a lot of retrofits and about 80% of these have a carbon monoxide leak. We need to look at this from another angle. The industry is driving a home inspection. Most every buyer has a home inspection and that didn't used to be the case.	Anchorage
Ask the appraiser—would it help if we gave the actual cost of the home, the energy rating, and the amount it sold for? The answer was somewhat, but we use the market value the most.	Anchorage
Appraisers are all different. The appraisal community professional organization could be educated so they do get more consistent.	Anchorage
What about using MLS to look at the trends in sales and energy ratings.	Anchorage
How do we incorporate energy in every home buying experience? There is a new appraiser's energy rating form. Participants discussed if it would be utilized universally due to the long length of the document and no additional compensation for the time.	Fairbanks
The extreme climate makes buyers a little more aware of energy efficiency, but we still need to quantify the value in the house.	Fairbanks
We need to educate the public through all phases of the home buying, refinancing and before.	Fairbanks
We need to promote the Alaska Housing Financing program to subsidize the cost to get an energy rating. Up to $350.	Fairbanks
Can we push to add a requirement for energy ratings and add a cost into the appraisal for the added time?	Fairbanks
We don't see the energy efficient home comparable to promote the savings.	Fairbanks
We only post the energy rating on the MLS if there is one but it could be old.	Fairbanks
The problem with showing the energy rating of all homes is it could make it less desirable and sellers don't want to do that.	Fairbanks
We need data from AHFC that shows the value of a home retrofitted before and after.	Fairbanks
How can we add one more thing to the mortgage loan process when buyers are pushing to hurry the refinancing or financing?	Fairbanks
We don't have a standardized system that takes the energy rating or energy audit to access easily.	Fairbanks
We need to explore a shared system for determining the value of the energy rating. What if we published the energy star rating and the date it was completed?	Fairbanks
Builders are concerned about covering the costs of energy upgrades.	Juneau
The education needs to be invested in the buyers. If the appraiser sees the value driven by the market then they will include it in the cost/value of the home.	Juneau
It is also about educating the public about better livability in the home.	Juneau
There is a difference in the amount it is costing to bring the house up to a similar rating so it's inconsistent value.	Juneau

In the valley subdivision built the same type of house in the area but with more energy efficiency and it cost $30,000 more and it didn't sell.	Juneau
Alaska Housing Finance isn't as competitive as the consumer mortgage company. So an energy-rating requirement for AHFC isn't very effective now.	Juneau
One energy rater said they do make an adjustment but it is minimal. Approximately $2,500	Juneau
Energy efficiency versus retrofitting. We are recognizing the value of retrofitting (on average $400/year) just no necessarily energy rating.	Juneau
Appraisers mostly interface with the seller, not the buyer.	Juneau
Currently appraisers are not making adjustments for energy rating. We have not seen the price reflected. It's market driven and we're not seeing buyers seek higher rated houses.	Juneau
Historically, Juneau has had a limited amount of inventory and so when a house comes on the market it is sold fast.	Juneau
Average ownership of a house in Juneau is seven years. So most owners are not going to recover their costs over time and are less likely to invest in retrofitting.	Juneau
A house may sell a little faster but the demand in Juneau is such that it doesn't have an impact on value.	Juneau
It comes down to buyer demand.	Juneau
New homes in Juneau are so expensive to build due to the cost of land.	Juneau
About 129 new houses in the last five years have been built.	Juneau
Maybe the way to do it is to market to those that will stay in the house for a longer period of time.	Juneau
Until the mortgage companies recognize it and incentivize it, then it won't happen.	Juneau
It seems mortgage companies don't recognize the value of the energy efficiency. ACHP needs to educate lenders. They need to see the data.	Juneau
Every legitimate builder has taken the initiative to build energy efficient homes. It seems like the lenders need to do their part.	Juneau
It comes down to the realtor because they are the ones setting the price.	Juneau
Appraiser asked is the data ACHP is collecting shows the value increase in retrofitted homes with the rebate program.	Juneau
Education needs—share the baseline of the localized data. As a realtor.	Kenai
Not many houses have energy ratings in the MLS. As realtors we include this in the package because buyers like it's but it's expensive to get this information.	Kenai
A common question is "what is the energy rating?"	Kenai
It needs to be information that is easy to access and not overly detailed. The data is only good if appraisers are looking at it.	Kenai
Not sure what the energy costs are with the older homes.	Kenai
Is there a difference between a natural gas and oil heated home?	Kenai
How can I make money as a lender by adding value for the buyers?	Kenai
The bottom line is looking at the utility bills—How much does it cost to run this house?	Kenai

Consider a question on new construction: Where are the energy efficiencies incorporated into the valuation?	Kenai
How much energy efficiency saves the owner is important information to now	Kenai
Often buyers don't have a lot to choose from—if it's not a 5 star they will buy or retrofit it. Location is primary for buyers.	Kenai
Buyers are coming to expect certain things in higher-priced homes (For example energy efficiency) But when you go to the starter homes that are not expected.	Kenai
From the appraiser's perspective. It's dependent upon market perception.	Kenai
If you do the education then call the board of realtors and make them attend a 2 to 3 hour continuing education class. Realtors and appraisals don't necessarily want it open to the public.	Kenai
Would it be helpful to have an economist do a study on the retrofits and home sale amounts? Realtors—what would we do with that information because it wouldn't drive the market. Appraisers—this would be localized information.	Kenai
In the data analysis look at the number of these 30,000 retrofitted homes sold and compares them to similar homes that weren't retrofitted.	Kenai
As a realtor if we get bogged down with the details then we can't put out the other fires. The database might be referred to but it won't be regularly.	Kenai
There are very few permits for new construction	Ketchikan
In Ketchikan and similar rural areas where heating fuel is higher, there is a market value in a more efficient home.	Ketchikan
In Ketchikan we only really have tourism so our real estate is mostly seasonal and then boarded up for the winter.	Ketchikan
Appraiser's news just released a green home addendum.	Wasilla
Another point is if you have an airtight home then any heating system is going to work and be effective.	Wasilla
Homebuyers are not necessarily educated enough to incorporate energy Star rating effectively.	Wasilla
In the 90s when energy rating of homes came out, AHFC advertised by urging buyers to get energy homes. The demand went up for energy homes even if they didn't know what that meant.	Wasilla
Education needs—share the baseline of the localized data.	Wasilla
How much this saves the owner is important information to know.	Wasilla
We can look at the cost it takes to get a 2 star plus to a four-star plus which is between on average $10,000 and $11,000. ACHP has this data.	Wasilla
Could you we look AHFC subsidizing along with the rating and home sale price.	Wasilla
We need to know approximately how much money it takes to go from a four-star to a 5 star plus. We can use that for valuing. Suggest we take the energy rating and put it somewhere like the electrical box in order to know the history with different owners.	Wasilla

This is also a tangible way to track or have a point of reference.	
This will take some education so that appraisers homebuyers and realtors know how much it costs to increase the energy rating.	Wasilla
We want to encourage used houses to get the rating.	Wasilla
If we could explore getting a site where appraisers and homeowners could look up the home's energy rating, that would help.	Wasilla
The reason AHFC exists is to track value/energy/safety etc. so they have to have this information. We need this information in the marketplace where the buyers and the sellers are looking. Realtors have a natural inclination to get an Adage and might want the information.	Wasilla
There are very few ways to do a comparison, when nearby houses don't have energy Star rating—especially with anything older than 5 years.	Wasilla
Making and getting the information out to appraisers is important.	Wasilla
Making the energy rating available to appraisers.	Wasilla
Determining the changes made for the energy rating, especially with retrofitting—what goes into giving the points.	Wasilla
Knowing how much of the rating changes over time can be helpful. Inform appraisers, realtors, etc. This will help us to make an informed decision.	Wasilla
Appraisers want to see people paying for energy upgrades and energy raters want to know what appraisers need to incorporate it into the value.	Wasilla
We think builders would feel better if there was some sort of line item that represents the energy efficiency value, even if it's small.	Wasilla
The challenge for appraisers is that the comparisons do not show an energy rating.	Wasilla
AHFC has all energy ratings on file so anyone can, the energy rating and the amount it sold for? Expensive to get this information. As realtors we include this in their packet because the buyer likes the information.	Wasilla
Builder question on new construction: where is the energy efficiencies incorporated into the valuation of homes?	Wasilla
In the data analysis of the 30,000 homes that sold compared to the similar homes that we didn't retrofit.	Wasilla
We have to have the value from the market in order to incorporate it into the appraisals.	Wasilla
Is it possible that buyers will want energy rating before they buy it?	Wasilla
The lender gives more money if there is higher energy rating and can give lower interest rates.	Wasilla
Advertise that anyone who hasn't had a rating can get reimbursed up to $325 for getting the energy rating completed.	Wasilla

If you do the education, call the board of realtors and make them add 2 to 3 hours continuing education. We do not recommend opening this to the public since realtors and appraisal orders prefer it this way.	Wasilla
Concerns/hesitation to put an energy rating in the listing from a previous rating — putting my realtor's license on the line.	Wasilla
We often use the comments section to explain the energy-rating box. Especially, when it has been more than a few years since the last time it was evaluated.	Wasilla
You need to be able to put a whole package together, not just the energy rating. This is time consuming for realtors.	Wasilla
As a realtor, if we get bogged down with the details we can't put out other fires. The database might be referred to but it won't be regular.	Wasilla
Needs to be information that is easy to access and not overly detailed. The information is only as good if appraisers are looking at it.	Wasilla
There's a request for rating form for appraisers. Although, by the time it is requested and received the appraisal is completed.	Wasilla
Energy rating using the star system is one way but another way familiar to homebuyers is heating and electrical costs. There was some objection to this because it depends on the number of occupants.	Wasilla
There was discussion that the energy rating is a more objective source of information then the quality component of construction.	Wasilla
It needs to be measurable. What goes into the differences?	Wasilla
Currently we don't necessarily see what upgrades have been made.	Wasilla