WHAT’S IT WORTH: CHALLENGES WITH ACCESSING AND VALUING ENERGY EFFICIENCY IN THE REAL ESTATE TRANSACTION

Craig Foley, moderator
John Breault, State-Wide MLS, Rhode Island
Laurie Fielder, VSECU
Joe Buonannata, Connecticut Green Bank
Rob Lynch, Maine Appraisal Institute Chapter
Gayle Oberg, Little River Realty
Introduction: Baseline Challenges

Work our way from the end of the real estate transaction to the beginning

- Laurie Fielder, VGREEN Program Director, VSECU
- Rob Lynch, SVP, United Valuation Group, Scarborough, ME
- Gayle Oberg, Owner/Broker, Little River Realty, Stowe, VT
- John Breault, VP, MLS & Member Services, RIAR and Statewide MLS
- Joe Buonannata, Associate Manager, Residential Financing Programs, Connecticut Green Bank
What’s It Worth?
Challenges with Accessing and Valuing EE in the RE Transaction

2018 ACEEE State Efficiency Scorecard

Northeast / Mid-Atlantic Rankings

#1 - Massachusetts (8th year as #1)
#3 - Rhode Island (2nd year as #3)
#4 - Vermont (2nd year as #4)
#5 - Connecticut
#6 - New York
#10 - Maryland
#12 - Washington D.C.
#14 - Maine
#18 - Pennsylvania / New Jersey
#21 - New Hampshire
#22 - Delaware

Top 10
Most Improved
What’s It Worth? Challenges with Accessing and Valuing EE in the RE Transaction

2016 New Home Construction Starts with HERS Scores
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Map of version of IECC building code adopted by state
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2015 Map of installed solar PV capacity in New England
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VSECU is committed to improving the lives of Vermonters by empowering the possibilities for greater social, environmental, and financial prosperity.

WHO CAN JOIN?
Anyone who lives or works in Vermont • NESEA members
Flexible, affordable financing options designed to maximize the benefits of the energy savings achieved through upgrades

- **ENERGY IMPROVEMENT LOANS**
  Flexible terms up to 20 years, maximum loan amount of $60,000

- **VGREEN ITC LOAN**
  12-year term and lower payments for first 15 months, maximum loan amount of $60,000

- **DISCOUNTED ENERGY IMPROVEMENT HOME EQUITY LOAN**
  Discounted rates, terms up to 15 years, no closing costs, no pre-payment penalties

- **ENERGY IMPROVEMENT MORTGAGE**
  Fixed rate, terms up to 40 years, energy audit required

- **OFF-GRID MORTGAGE**
  Fixed rate, 30-year term, maximum loan-to-value = 70%, estimate of cost to connect to the grid required
• Appraisal ordered by lender

• **Tell** lender about special ‘green’ certifications, labels, or features, for example:

  ✓ HERS (Home Energy Rating Score)
  ✓ Home Performance with ENERGY STAR® certified
  ✓ Certifications from Efficiency Vermont
  ✓ LEED certified
  ✓ Solar PV

• Lender requests a ‘Residential Green and Energy Efficient Addendum’ for appraisal

http://www.appraisalinstitute.org/education/green_energy_addendum.aspx
What’s It Worth? Challenges with Accessing and Valuing EE in the RE Transaction
46 Intervale Rd, Freeport, ME 04032

HERS Index Score:
- HERS Rating Company: BrightBuilt
- Year of Construction: 2016
- Date submitted to Registry: 2017
- Annual Energy Costs: $460
- Annual Energy Savings: $3193
- Energy Star Certified: Yes

< Back to search results
Green Customer Display
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Energy Star Certified Home

NEREN VT

“certified as 5 Star Energy Rated by Efficiency VT”
“Solar panels take a big bite out of monthly electrical costs.”
Green Customer Display Sold MLS Data Sheet: Power Production: Photovoltaics
What’s It Worth?
Challenges with Accessing and Valuing Energy Efficiency in the Real Estate Transaction

Joe Buonannata

• HELIX Summit
• December 7, 2018
Rooftop Solar PV Potential

32,000 homes with solar, and growing rapidly.

Solar potential in CT...
At least 150,000 homes
Solar installations over time

Source: Sydney Hanson
Yale Center for Business and the Environment
What has CT Green Bank done so far?

- **Presented to industry groups**
  - Greater Hartford Association of Realtors
  - Eastern CT Association of Realtors
  - New Haven Middlesex Association of Realtors
  - New Hampshire Association of Realtors Green Symposium
- **Partnered with Craig Foley to craft message**
- **Advised on creation of online solar course for realtors**
- **Created resources for realtors, lenders, and appraisers**
- **Supported CT and Regional efforts**
Thank You!

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