



Stories from the Field: Using the Home Energy Score to Influence Real Estate

Portland Home Energy Scores are now showing up in Portland real estate listings by the thousands, providing unprecedented transparency into the hidden or often ignored elements of a home (Hello, wall insulation and air ducts!). Portland's local real estate professionals and their clients are becoming increasingly familiar with this relatively new feature in Portland listings and are finding a wide range of ways to use the score to their advantage. Savvy home sellers and their selling agents, as well as homebuyers and their buying agents, are creating tangible benefits from the information conveyed in a Home Energy Score. Whether potentially reducing risk, increasing value for home sellers, or protecting homebuyers from unforeseen expenditures, the score is becoming a powerful tool to make more informed decisions. Read on to hear more from local real estate professionals and homeowners about how the Portland Home Energy Score helps homebuyers and sellers better understand the value of a home.



Selling Agents & HES: Risk Management

As a Principal Broker at Windermere Stellar, Teresa St. Martin is very aware of the various risks and hazards of a typical real estate transaction. St. Martin considers the Home Energy Score a helpful tool to further limit a client's exposure when selling a home. Teresa says, "A home with an HES provides an additional level of disclosure, by an independent source, that reduces a seller's risk." This risk reduction extends to the selling agent, as the disclosure of the score provides additional levels of protection about the condition of key features of the home prior to sale. Given this added benefit, Portland's selling agents can arrange for the score on behalf of their client, much like they would coordinate other advantageous activities before a listing goes live.



Teresa St. Martin,
Windermere Realty Trust

Buying Agents & HES: Helping Clients Make Informed Decisions

When Living Room Realty's Ana de la Rua learned about Portland's Home Energy Score requirement she quickly saw it as an opportunity to discuss issues with her clients that were not always top of mind for them. As a buying agent, Ana references the Home Energy Score report to highlight potential cost savings or opportunities for improvement while attending open houses with her clients. As Ana notes, "It makes it easier to talk to my clients about things like insulation and the state of the home's mechanical equipment. The Home Energy Score is an additional reference point that speaks directly to the homebuyer and can lead to making a smarter decision on a home."



Ana de la Rua,
Living Room Realty



The Client's Perspective: Selling and Buying with HES

Living Room Realty's de la Rua has had several clients that have benefited from the Home Energy Score in selling and buying processes. Michael Heumann worked with Ana to sell his 1911 bungalow in 2018 just after the requirement to display a Home Energy Score in sales listings began in Portland. This worked out well for Michael: because of prior energy investments his home had the best score possible, a 10. Ana had no problem marketing and selling it, and then also assisted Michael in buying his next home.

"A market-wide HES system creates a marketplace where energy performance investments are spotlighted, compared, and valued."

Mike Tucker, Windermere

As a homebuyer, Michael settled on a home he loved with a score of 4 at the time of listing. Even though the home had a lower score than the one he was selling, the Home Energy Score gave Michael a clear picture of what he was getting himself into. It also helped him understand future improvements to enhance the comfort and energy performance. Not long after closing on the house, he began working with an Energy Trust Trade Ally to access incentives to reduce the costs of the retrofits. (energytrust.org) "While I need to unroll retrofits on a schedule that I can afford, I utilized Energy Trust incentives to install the high efficiency heat pump water heater. I additionally installed solar panels on my home because the immediate environmental impact is the most important to me." All of these improvement opportunities were detailed in the Home Energy Score report and available to Michael before he closed on the house, making it much easier for him to plan what he would need to do before he even moved in.

Buying Agents & HES: Homebuyers Evaluate Flipped Houses

Like many other cities, our local real estate market includes homes that are "flipped" by investors. It is not uncommon to see a home purchased, updated, and then re-listed weeks or months later. Buying agents often work with clients who get excited by these sparkling homes, with their glossy paint, new light fixtures, and fresh landscaping. The information in a Home Energy Score report details many of the home conditions that can quickly show how much improvement was actually done. The HES illuminates this often hidden information, and can greatly aid buyers in understanding if the house is actually worth the list price.

Without the score, an average home-buying client can miss indicators of an older home with modern-day energy efficient attributes such as new insulation, air sealing and HVAC equipment. A capable agent who can show a buyer how to read and use the Home Energy Score report as a tool can add a lot of value for their client.





The Client's Perspective: Using the HES After the Purchase

Each family has their own specific needs and priorities. Sometimes the Home Energy Score doesn't influence a purchase decision but plays a role in understanding renovations to improve a home's comfort down the road. Travis and Kaitlin (pictured below) bought a 1905 Victorian style house in 2018. Instead of waiting the following year to make energy improvements to their home, they started almost immediately to make energy improvements to their home. "A picture of the Home Energy Score was posted on the listing, and was also written into the description of the home," said Travis. "We were looking for something that had the most potential for successful renovations."

Travis and Kaitlin also utilized Energy Trust incentives to make it possible to install insulation and a high efficiency heating system. After the improvements, the home is now significantly more comfortable to live in. It also went from a 4 to an 8 on the scoring scale conclusively documenting their investment.



The Client's Perspective: Future Home Sellers

Portland homeowner Steve Colburn decided to get a score to identify opportunities for improvements while he prepared to list the home for sale. Steve's Home Energy Score report and the Assessor who generated it helped him identify areas where insulation could be improved, and he proceeded to air seal and insulate his home before listing. In scenarios like Steve's, home sellers should get an updated Home Energy Score closer to the listing for a prospective homebuyer. "Many of us are looking for scores like this one for our future home," he says.

"A score is so simple to understand and offers a warm opener for a deeper conversation about home energy use and associated costs."

Janna Green, John L Scott Real Estate*

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Two-thirds of surveyed Portland homebuyers discussed Home Energy Scores with their Real Estate Agents.

Portland Bureau of Planning & Sustainability homebuyer Survey

* <https://www.greentechmedia.com/articles/read/home-efficiency-scores-in-online-real-estate-listings-drive-better-purchasing-decisions>

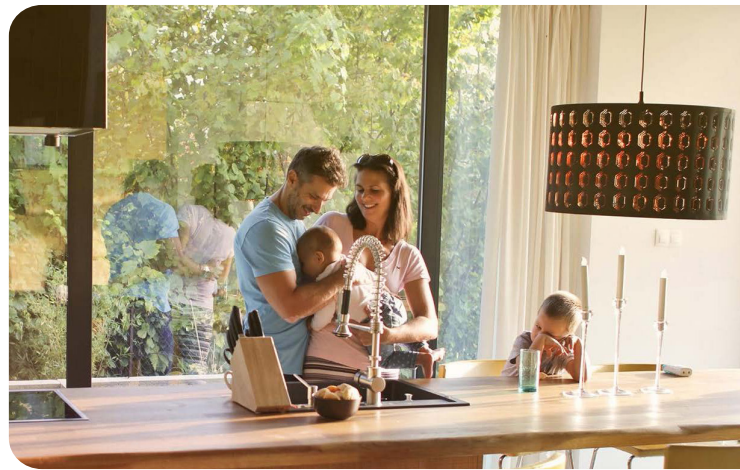


Buying Agents & HES: Helping Buyers with Affordability Concerns

Homeownership is more than just paying the mortgage. Even a median Portland homebuyer can be financially vulnerable to unforeseen costs. Think Real Estate's Hilary Bourassa is clear about how she uses the Home Energy Score with many of her clients. "It helps to change the conversation (with a client)," Hilary says. "The Home Energy Score takes the focus away from granite countertops and stainless steel appliances, and onto housing affordability by making utility cost information consistently available up-front." Access to the Home Energy Score allows homebuyers to clearly understand the total cost of homeownership and adequately prepare for future costs.



Hilary Bourassa, Think Real Estate



"Portland's HES is especially good for first time homebuyers so they can plan a budget."

Hilary Bourassa, Think Real Estate



A Primer on Where to Find Portland Home Energy Scores

- If a home has a Portland Home Energy Score, it can always be found on the Green Building Registry.
- Real estate agents or appraisers can go to us.greenbuildingregistry.com and search an address, zip code, neighborhood, or city to see homes that have a score or certification.
- When it comes to listing a home with a Portland Home Energy Score, RMLS™ provides an easy-to-use button in the Green/Energy listing tab that automatically pulls the Home Energy Score and URL into the listing from the Green Building Registry.
- Go to pdxhes.com/real-estate-professionals for detailed guidance on this process.