

The *Natural Home* Homebuyer's Checklist

In the market for a green home?
Here's what to look for and what to ask.

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Danielle and Gavin Craig of Lansing, Michigan, found an affordable first home but didn't want bank-breaking utility bills. So, they got an energy-efficiency mortgage, which helped them upgrade the furnace, add attic insulation and seal leaky windows. The result? Their utility bills are about one-third less than those of their neighbors.

"No one expects people to make home-buying choices to benefit the environment alone," says Kim Calomino, director of Built Green Colorado, "so we hope homebuyers recognize the direct benefit to themselves: reduced costs to operate and maintain the house, higher quality indoor air and improved comfort."

Sound good? Here's how you too can be a smart home shopper.

1. KNOW YOUR DEVELOPER OR COMMUNITY

✓ **LOOK FOR SIGNS THAT THE LAND HAS BEEN RESPECTED.** A lot happens before ground is ever broken. "When we plan a community, we start with the natural systems," says Kitty Green, president/CEO of the Bonita Bay Group, whose Verandah community earned Florida's first "green community" designation. "We make sure nature is protected or enhanced."

✓ **ASK ABOUT WATER-WISE SYSTEMS,** including separate water systems for potable and non-potable water and the use of native vegetation, yards and greenways.

✓ **CONSIDER COMMUTING ISSUES,** including access to mass transit, safe bike routes and amenities within walking distance. "Many of my clients bike to work," says Dana Griggs, a member of the Green Team at Hasson Company Realtors in Portland, Oregon. "Access to bike paths is a valuable green feature for homebuyers."

2. UNDERSTAND THIRD-PARTY CERTIFICATION PROGRAMS

To earn green designations from a third party, homes must perform at least 15 percent above code in terms of energy efficiency. Hunting for a green home will go more smoothly if you learn how houses are rated. For instance, in the Built Green system, higher numbers are better because points are totaled from each green element in the house. In the new RESNET system, however, lower numbers mean more efficient homes. Certification programs include:

✓ **ENERGY STAR:** Homes meet national energy-efficiency guidelines set by the U.S. Environmental Protection Agency (www.EnergyStar.gov).

✓ **LEED (LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN):** Homes meet national standards set by the U.S. Green Building Council for design, construction and operation. The houses are evaluated in five areas: sustainable site development, water savings, energy efficiency, sustainable materials, and indoor environmental quality (www.USGBC.org/LEED/homes).

✓ **BUILT GREEN:** Homes meet standards set by local homebuilder associations, utility companies and conservation groups. Check with area homebuilder associations or see www.BuiltGreen.org (Colorado) or www.BuiltGreen.net (Seattle).

✓ **RESNET (RESIDENTIAL ENERGY SERVICES NETWORK) HOME ENERGY RATINGS:** National standard for measuring a home's energy efficiency (www.RESNET.us).

✓ **AMERICAN LUNG ASSOCIATION HEALTH HOUSE:** Green, healthy standards address interior finishes, foundation waterproofing and moisture control, air sealing and sealed combustion appliances, high-efficiency air filtration, and whole-house ventilation and humidity control (www.HealthHouse.org).

3. ASK QUESTIONS

Decide which green elements are most effective for your situation and fit within your budget. Green builders list their priorities in this order: construction methods, quality windows, efficient heating/cooling systems and energy-efficient appliances. Ask these questions about your prospective home:

✓ **WHAT'S THE EFFICIENCY** of the heating/cooling system?

✓ **Is it a SEALED COMBUSTION SYSTEM** (both efficient and better air quality)?

✓ **ARE THE DUCTS SEALED WITH MASTIC,** not duct tape?



GREEN MORTGAGES THAT DON'T BANKRUPT THE EARTH

Energy-efficient mortgages (EEMs) are a well-kept secret, even though they've been around for 20 years. These mortgages promote the design and construction of efficient new homes, as well as the green renovation of existing homes.

"EEMs probably wouldn't hit the radar, they're so under-utilized," says Claudia Brovick, public affairs director of the Residential Energy Services Network (www.RESNET.us).

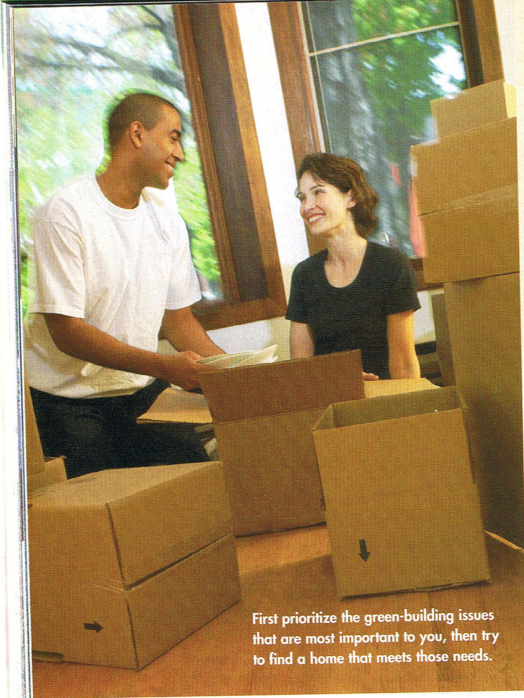
To raise awareness, former Vice President Al Gore promoted carbon-neutral mortgages in a speech last fall. He called for the creation of "Connie Mae" to provide such loans and "remove the purchase price barrier for such improvements," including more efficient heating and cooling, thicker insulation and windows with insulating coatings.

Nearly any lender can offer an EEM, but most don't. "We're trying to generate consumer demand so mortgage companies will respond and EEMs will be more common," Brovick says, emphasizing that these mortgages take no additional time to process.

HERE'S HOW THEY WORK: Using an independent energy rating and recommendations from a certified rater, mortgage brokers and underwriters calculate how much homeowners will save by using green building practices, energy-efficient appliances and the like. Those savings get added to an applicant's income, which improves the debt-to-income ratio. "A more affordable home means you can afford more home," says Joel Wiese, a mortgage broker with Indigo Financial Group in Michigan, which specializes in EEMs (www.EnergyStarLoans.com).

Yes, you may borrow more money, but the energy savings more than offset the higher monthly payment. You can use these loans to finance new construction, remodels and upgrades for resale homes, or to refinance your current home.

Another lender, Greenlight Financial Services offers a Green Loan Discount to consumers who purchase, build or practice principles that conform to health and sustainability standards. Those who qualify after completing a questionnaire at www.GreenlightLoans.com receive a full fee dismissal, a savings of \$295. Many EEM providers also offer additional aid for low-income families.



First prioritize the green-building issues that are most important to you, then try to find a home that meets those needs.

IS YOUR REALTOR ECO-SAVVY?

Real estate brokers have discovered a niche in green homes.

Launched two years ago, EcoBroker International educates and certifies real estate professionals on topics spanning health and environmental concerns such as radon, lead, mold, alternative energy systems, indoor air quality and water efficiency. The group also tutors realtors on the intricacies of financing a green home. To find a broker in your area, check www.EcoBroker.com.

Chris Bartle, an EcoBroker-certified real estate pro in San Francisco, says most of his work focuses on remodeling projects. "Right now, there are very few green homes in San Francisco. We introduce our clients to architects, designers and builders so they can remodel their homes to be more green—either after they buy or before they sell," he says.

Realtors also can take classes through local building programs or industry groups. Dana Griggs, of Portland, Oregon, offers clients access to her large network of green contractors and recommends low-VOC paints, sustainable lumber and wool carpeting.

Multiple listing services (MLS) are also getting into the act. In February 2007, Portland's regional MLS began offering green home elements as searchable criteria in its database of homes for sale. Systems in Austin, San Francisco and other hot spots will likely follow.

- ✓ Were **PASSIVE-SOLAR ORIENTATION** and building techniques employed?
- ✓ ARE THE **WINDOWS "LOW E,"** which means they reduce heat loss in winter and heat gain in summer?
- ✓ ARE THE **APPLIANCES ENERGY STAR LABELED,** which means they meet government standards for energy efficiency?
- ✓ DO **LIGHT FIXTURES USE LOW-ENERGY BULBS?** Are holes around spotlights insulated?
- ✓ Were **LOW-VOC (VOLATILE ORGANIC COMPOUND) PAINTS** and non-formaldehyde products used?
- ✓ **WHAT'S THE WARRANTY** on big-ticket items such as windows, roofing and solar power systems? Are those warranties transferable to new homeowners?
- ✓ Do flooring and other **WOOD PRODUCTS COME FROM SUSTAINABLE FORESTS** or systems?
- ✓ What **WATER-CONSERVING** devices are installed?
- ✓ **HOW HAS THE SOIL BEEN AMENDED** to support water-wise landscaping? Have naturally hardy plants been used in the landscape?
- ✓ How much **MAINTENANCE** does the house require?

4. INSPECT FOR HIDDEN DETAILS

Be on the lookout for energy efficiency, says Frank Lesh, president of the American Society of Home Inspectors and owner of Home Sweet Home Inspection Company in Indian Head Park, Illinois. He offers these tips.

- ✓ **CHECK FOR MISSING INSULATION.** Even in new construction, contractors occasionally forget to insulate attics and crawl spaces.
- ✓ **LOOK FOR INSULATION THAT'S DISCOLORED ON THE EDGES.** This indicates air movement, which can compromise energy efficiency.
- ✓ **ASK ABOUT (OR PLAN ON ADDING) CELLULOSE INSULATION.** Cellulose is more environmentally sound because it's made from recycled newspaper or cardboard and prevents air permeation better than fiberglass does.
- ✓ **KNOW THE TELLTALE SIGNS OF MIDDLE-RANGE AND HIGH-EFFICIENCY FURNACES.** Older models and midrange furnaces use metal exhaust piping to the outside, whereas high-efficiency models generally use plastic PVC pipes, which are often white. Furnaces also should have labels listing performance ratings.
- ✓ **CHECK FOR GOOD VENTILATION** if a conventional water heater and a gas clothes dryer share the same small, enclosed space. Both need sufficient combustion air to operate. Without good ventilation, carbon monoxide levels can get too high, especially in well-sealed homes.
- ✓ **LOOK FOR MOLD.** Check the edges of carpet and under closet doors for discoloration on flooring, which can indicate mold. Newer, tightly sealed homes can trap moisture from showers and cooking, which encourages mold.
- ✓ **IN OLD HOMES, ADD THESE TO YOUR INSPECTION.** Hire a professional to test these items if they're a concern.
 1. Test heating-oil storage tanks for leakage or environmental contamination.
 2. Test for asbestos in flooring, walls, ceiling tiles and pipes.

5. DON'T TRY TO DO IT ALL

"The process of buying a home is a journey," Florida developer Kitty Green says. "There are lots of different ways for a house to be green, so take action however you can. If you can't do everything on the list, then do what makes sense to you." **TH**