GOOD NEWS FOR HOMEOWNERS Modern Energy Codes Can Save \$\$

The Surprising Return on Investment from Buying an Energy Efficient Home

Utility bills are the second biggest household expense after a mortgage. And these expensive bills are a big factor in housing affordability. What's worse, many homes – both new and old – are poorly insulated and leaky.

Guess who pays for those leaky homes? Homeowners. And renters. Energy is literally leaking from their homes. And money is leaking from their pockets.

The most cost-effective way to help homeowners plug those leaks is through simple energy efficiency measures that help insulate and seal the building envelope.



±\$7,200 INACCURATE INFLATED COST ACTUAL COST

Inflated Versus Actual Cost of Energy Efficiency Upgrades

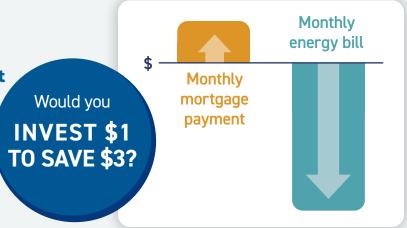
Unfortunately, some people claim that energy efficiency measures based on the 2021 International Energy Conservation Code (IECC) – such as insulation and better performing windows, air conditioners and heating systems – are driving up the average cost of a new home by tens of thousands of dollars. True? **Nope.**

Those estimates are wildly inflated. According to HUD, the actual cost of following the 2021 IECC is **\$7,200** (single-family home national average).

HOMEOWNERS

Much Lower Energy Bill Vs. Slightly Higher Mortgage Payment

Homeowners can spread the initial cost of energy efficiency upgrades across the life of the home loan (for new and resale homes). A small increase in monthly mortgage payments can lead to large savings on monthly energy bills.









HOMEBUILDERS

Multiple Rebates/Incentives Can Offset Costs of Energy Efficiency Upgrades

\$5,000 tax credit

ENERGY STAR homes

Builder Tax Incentives \$\$
\$5,000 tax credit

DOE Zero Energy Ready homes

States
States
States can offer
up to \$14,000 in
rebates for certain
energy upgrades
(including
insulation) in
income-qualifying
housing

State-offered
rebates

Builder Incentives \$\$
Utilities
In some states, utilities offer builders incentives for energy efficiency upgrades

\$9K
\$5K
\$4.5K

MD
NC
OK
PA

In some states, rebates/incentives cover the entire cost of increased

energy efficiency requirements!

Why Are Home Prices Rising?



High interest rates and stringent lending requirements



Low housing stock, competition for scarce houses



Homebuilding land and development costs have increased



Consumer demand for customization

All of these factors **cost** homeowners money.

But energy efficiency upgrades can save money.



Energy Efficiency = Higher Resale Value

And these energy efficiency upgrades can provide another, longer term return on investment.

More energy efficient construction can increase a home's resale value!



AND

SELL YOUR HOME FOR MORE \$\$?



Energy efficiency investments - like high-performance insulation, building sealants, windows, doors, skylights and appliances - pay homeowners dividends in lower energy bills and higher home resale values.

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